

# DIVISION OF WILDLIFE



*South Dakota Legislative Research Council*

## Frequently Asked Questions

The purpose of this FAQ sheet is to provide information to the Joint Committee on Appropriations regarding Informational Budgets in the South Dakota budgetary system. The information was compiled by the Legislative Research Council with assistance from the Department of Legislative Audit and the Government Operations and Audit Committee.

## When and why was this fund created?

The Game, Fish, and Parks Commission was created by the 1927 Legislature for the purpose of administering wildlife and fish regulations. The commission is administered under the direction and supervision of the Department of Game, Fish, and Parks but retains the quasi-judicial, quasi-legislative, advisory, and other nonadministrative and special budgetary functions independent of the department. The Game, Fish, and Parks Fund was also created to fund the Division of Wildlife primarily from the sale of fishing and hunting licenses. The Division of Wildlife is reported as an informational budget and annually reviewed by the Legislature per SDCL 41-2-35.1.

## Where does the revenue come from?

All moneys collected under any of the game and fish laws of this state (including sums paid for licenses or on account of bonds or contracts entered into with any persons, and money due from other sources connected with the game and fish laws of this state, except fines,) shall be paid into the state treasury to be credited to the Department of Game, Fish and Parks Fund. Excepting receipts from sales of timber on school lands, all sums received from rentals, contracts, licenses, sales of personal property, or any source, except such sums as are derived from or which have accrued through the operation of the Division of Forestry and Parks and Custer State Park, shall be paid into the state treasury and credited to the Department of Game, Fish and Parks Fund. (41-2-34)

The 1998 Legislature created the Sportsman's Access and Landowner Depredation Fund. This fund is part of the Game, Fish, and Parks Fund. Revenue for the fund comes from a \$5 surcharge on most hunting licenses and is continuously appropriated. Fifty percent of the funds are available to landowners who provide hunting access on the landowner's land and for wildlife depredation and damage management programs. The other fifty percent is available for purposes of acquiring free public hunting access by lease agreement. (41-2-34.2)

The Homestake Mining Company (HMC) Natural Resources Restoration Fund is accounted for in the Game, Fish, and Parks Fund per the memorandum of agreement per the Department of Game, Fish, and Parks, Department of Environment and Natural Resources, and the U.S. Department of the Interior. Revenue for the fund is the state's share of the settlement agreement with HMC for pollution in the Black Hills area. Per the Final Conceptual Restoration and Compensation Plan, the money is used to restore, replace and/or acquire equivalent trust natural resources and lost services within the Whitewood Creek and the Belle Fourche and Cheyenne River watersheds. Money in this fund has recently been used to purchase property in the Spearfish Canyon area, including Roughlock Falls from HMC for \$2,463,520, and for an interest bearing account of \$600,000 for restoration and up-keep of the property.

The Department also receives federal revenue from two main sources. The Sportfish Restoration fund, otherwise known as the Dingell-Johnson, provides federal money to states from an excise tax on fishing and boating equipment. The Wildlife Restoration Fund, otherwise known as the Pittman-Robertson fund provides federal money to states from an excise tax on bow, arrows, parts, and accessories; pistols and revolvers; and firearms, shells, and cartridges.

## What spending restrictions exist on the fund?

All money in the Department of Game, Fish and Parks Fund is annually appropriated and can be used with any money otherwise appropriated to pay the necessary expenses of the department. (41-2-35)

The Game, Fish, and Parks Commission has obligated funds within the Game, Fish, and Parks Fund for money that will be used for the construction of an Outdoor Campus in Rapid City. Currently there is \$9,000,000 obligated for this project.

Per the Final Conceptual Restoration and Compensation Plan, money in the Homestake Mining Company (HMC) Natural Resources Restoration Fund can be used to restore, replace and/or acquire equivalent trust natural resources and lost services within the Whitewood Creek and the Belle Fourche and Cheyenne River watersheds.

The federal funds provided by the Sportfish Restoration Fund (Dingell-Johnson) and the Wildlife Restoration Fund (Pittman-Robertson) along with other federal funding sources have spending restrictions outlined in the federal regulations.

## Is the fund on the state accounting system? What is the timing of the Fiscal Year?

The Game, Fish, and Parks Fund is on the state accounting system. Revenue estimates for the fund represent calendar year estimates instead of fiscal year estimates. Historically, the Game, Fish, and Parks Commission has to solely rely on revenue generated to the Game, Fish, and Parks Fund to fund the activities it is charged with. In order to have adequate management information to react to license sales and their affect on funding available, the Commission established the calendar year revenue budget. At the end of a calendar year, the

Commission has sufficient information on license sales to determine if adjustments to the budget are necessary to maintain solvency.

## When was the last audit completed on this fund?

The South Dakota Department of Legislative Audit has audited the financial statements of the Game, Fish, and Parks Fund as of June 30, 2006. A separate audit of the Department of Game, Fish, and Parks licenses, permits, and stamps revenue was performed by the Department of Legislative Audit as of December 31, 2005. Its Informational Budget status notwithstanding, the fund is also reviewed annually by the Joint Appropriation's Committee during the budget hearing process for the Department of Game, Fish, and Parks.

## 2007 Government Operations and Audit Committee "Blue Book"

Prepared by the Department of Legislative Audit

## Other Fund Information

**Department of Game, Fish and Parks**  
**State Accounting System - Other Fund Balances**  
**Company 3122 - Department of Game, Fish and Parks Fund**

	FY2004	FY2005	FY2006	FY2007
1 Cash Pooled with State Treasurer	12,016,364.32	13,161,979.44	14,458,366.55	18,033,228.05
2 Accounts Receivable	1,521.00	-	332.00	2,826.25
3 Total Assets	<u>12,017,885.32</u>	<u>13,161,979.44</u>	<u>14,458,698.55</u>	<u>18,036,054.30</u>
4				
5 Accounts Payable	-	-	-	-
6 Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
7				
8 Reserve for Encumbrances	371,614.28	325,411.91	374,463.47	282,923.26
9 Unreserved Fund Equity	11,646,271.04	12,836,567.53	14,084,235.08	17,753,131.04
10 Total Fund Equity	<u>12,017,885.32</u>	<u>13,161,979.44</u>	<u>14,458,698.55</u>	<u>18,036,054.30</u>
11 Total Liabilities and Fund Equity	<u>12,017,885.32</u>	<u>13,161,979.44</u>	<u>14,458,698.55</u>	<u>18,036,054.30</u>
12				
13 Licenses, Permits and Fees	21,941,353.26	23,939,883.52	25,892,148.04	27,177,594.70
14 Use of Money and Property	949,527.56	546,220.92	462,115.87	549,082.24
15 Sales and Services	268,112.64	246,978.56	296,116.47	264,891.63
16 Administering Programs	98,705.36	289,768.82	84,272.77	60,549.27
17 Other Revenue	266,115.43	369,059.40	280,500.48	339,199.65
18 Total Operating Revenue	<u>23,523,814.25</u>	<u>25,391,911.22</u>	<u>27,015,153.63</u>	<u>28,391,317.49</u>
19				
20 Personal Services and Benefits	8,887,890.50	9,432,244.58	9,727,159.49	9,743,088.95
21 Travel	366,104.98	409,436.88	441,853.34	430,916.54
22 Contractual Services	5,048,741.42	6,396,118.45	6,957,910.48	6,160,469.32
23 Supplies and Materials	1,570,843.18	1,601,050.82	1,721,199.51	1,603,497.45
24 Grants and Subsidies	134,102.97	186,015.68	211,468.38	257,594.58
25 Capital Outlay	3,970,151.34	2,291,998.90	1,987,622.72	2,282,987.09
26 Other Expense	3,789.32	3,124.56	41,412.55	3,837.14
27 Interest Expense	16.86	146.30	148.22	29.89
28 Total Operating Expenditures	<u>19,981,640.57</u>	<u>20,320,136.17</u>	<u>21,088,774.69</u>	<u>20,482,420.96</u>
29				
30 Transfers In	356,836.04	4,724,738.46	2,057,295.97	712,283.94
31 Transfers Out	(4,376,814.23)	(8,652,419.39)	(6,686,955.80)	(4,876,666.72)
32 Net Transfers In (Out)	<u>(4,019,978.19)</u>	<u>(3,927,680.93)</u>	<u>(4,629,659.83)</u>	<u>(4,164,382.78)</u>
33				
34 Net Change	(477,804.51)	1,144,094.12	1,296,719.11	3,744,513.75
35				
36 Beginning Fund Balance	12,495,689.83	12,017,885.32	13,161,979.44	14,458,698.55
37 Prior Period Adjustment	-	-	-	(167,158.00)
38 Ending Fund Balance	<u>12,017,885.32</u>	<u>13,161,979.44</u>	<u>14,458,698.55</u>	<u>18,036,054.30</u>

**Company:** 3122**Company Name:** Game and Fish Fund**Fund Name:** Department of Game, Fish and Parks Fund**Fund Type:** Special Revenue Fund

**Purpose:** SDCL 41-2-34 created the Department of Game, Fish and Parks Fund. Source: All moneys collected under any of the game and fish laws of this state including sums paid for licenses or on account of bonds or contracts entered into with any persons, and money due from other sources connected with the game and fish laws of this state except fines. Excepting receipts from sales of timber on school lands, all sums received from rentals, contracts, licenses, sales of personal property or any source, except such sums as are derived from or which have accrued through the operation of the division of forestry and parks and Custer state park, shall be deposited into this fund.

**Budget Information:** Included in the General Appropriations Bill as an informational budget. Some appropriations have been made for maintenance which are included in the General Appropriations Bill.

**Company:** 3122**Company Name:** Game and Fish Fund**Fund Name:** Sportsmen's Access and Landowner Depredation Fund**Fund Type:** Special Revenue Fund

**Purpose:** SDCL 41-2-34.2 created the Sportsmen's Access and Landowner Depredation Fund. Source: \$5 surcharge on hunting licenses. Uses: Money is continuously appropriated. 50% is available to landowners for providing hunting access on the landowners' land and for wildlife depredation and damage management programs. 50% is available for purposes of acquiring free public hunting access by lease agreement. Separate identification of this fund is not maintained on the state's accounting system. Financial reports are prepared annually by G&FP for this fund.

2007 Government Operations and Audit Committee “Blue Book”

Prepared by the Department of Legislative Audit

Other Fund Information

**Department of Game, Fish and Parks**  
**State Accounting System - Other Fund Balances**  
**Company 3122 - HMC Natural Resources Restoration**

	<b>FY2004</b>	<b>FY2005</b>	<b>FY2006</b>	<b>FY2007</b>
1 Cash Pooled with State Treasurer	2,980,485.12	3,069,818.86	3,151,122.31	183,288.33
2 Total Assets	<u>2,980,485.12</u>	<u>3,069,818.86</u>	<u>3,151,122.31</u>	<u>183,288.33</u>
3				
4 Accounts Payable	-	-	-	-
5 Total Liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
6				
7 Reserve for Encumbrances	-	-	-	-
8 Unreserved Fund Equity	2,980,485.12	3,069,818.86	3,151,122.31	183,288.33
9 Total Fund Equity	<u>2,980,485.12</u>	<u>3,069,818.86</u>	<u>3,151,122.31</u>	<u>183,288.33</u>
10 Total Liabilities and Fund Equity	<u>2,980,485.12</u>	<u>3,069,818.86</u>	<u>3,151,122.31</u>	<u>183,288.33</u>
11				
12 Use of Money and Property	110,628.87	89,333.74	81,303.45	95,696.02
13 Total Operating Revenue	<u>110,628.87</u>	<u>89,333.74</u>	<u>81,303.45</u>	<u>95,696.02</u>
14				
15 Personal Services and Benefits	-	-	-	-
16 Travel	-	-	-	-
17 Contractual Services	-	-	-	10.00
18 Supplies and Materials	-	-	-	-
19 Grants and Subsidies	-	-	-	-
20 Capital Outlay	-	-	-	2,463,520.00
21 Total Operating Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,463,530.00</u>
22				
23 Transfers In	-	-	-	-
24 Transfers Out	-	-	-	(600,000.00)
25 Net Transfers In (Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(600,000.00)</u>
26				
27 Net Change	110,628.87	89,333.74	81,303.45	(2,967,833.98)
28				
29 Beginning Fund Balance	2,869,856.25	2,980,485.12	3,069,818.86	3,151,122.31
30 Ending Fund Balance	<u>2,980,485.12</u>	<u>3,069,818.86</u>	<u>3,151,122.31</u>	<u>183,288.33</u>

**Company:** 3122

**Company Name:** Game and Fish Fund

**Fund Name:** HMC Natural Resources Restoration Fund

**Fund Type:** Special Revenue Fund

**Purpose:** The HMC Natural Resources Restoration Fund is accounted for in the Game and Fish Fund per the memorandum of agreement between DENR, G,F&P and the US Department of the Interior. Source: State's share of settlement agreement with Homestake Mining Company for pollution in the Black Hills area. Use: Per the Final Conceptual Restoration and Compensation Plan For Whitewood Creek And The Belle Fourche and Cheyenne River Watersheds, South Dakota, the monies are to be used to restore, replace and/or acquire equivalent trust natural resources and lost services within the Whitewood Creek and the Belle Fourche and Cheyenne River watersheds for perpetual protection and conservation management.

**Budget Information:** Included in the General Appropriations Bill as an informational budget.

Condition Statement Prepared by the Department of Game, Fish, and Parks on 10/05/07 (Other Funds Only)

**Department of Game, Fish, and Parks  
Game and Fish Fund  
Condition Statement (3122)**

	ACTUAL FY2006	ACTUAL FY2007	BUDGETED FY2008
<b>TOTAL RECEIPTS</b>	<b>\$29,153,753</b>	<b>\$29,199,297</b>	<b>\$29,837,090</b>
<b>TOTAL DISBURSEMENTS</b>	<b>\$27,775,730</b>	<b>\$28,422,618</b>	<b>\$28,078,610</b>
NET (Receipts less Disbursements)	\$1,378,023	\$776,680	\$1,758,480
BEGINNING CASH BALANCE	\$16,231,798	\$17,609,489	\$18,216,516
Adjustments	(\$332)	(\$169,652)	\$0
<b>ENDING CASH BALANCE</b>	<b>\$17,609,489</b>	<b>\$18,216,516</b>	<b>\$20,435,628</b>
Rapid City Outdoor Campus	\$3,000,000	\$6,000,000	\$9,000,000
Missouri River Transition	\$0	\$0	
Homestake Mining Settlement	\$3,069,819	\$183,288	\$87,622
<b>Adjusted Balance</b>	<b>\$11,539,670</b>	<b>\$12,033,228</b>	<b>\$11,348,006</b>

*\*Budgeted FY2008 Disbursements include \$132,192 of 2nd year capital development authority*