

## Section 6: Budgetary Data

### Highlights of REA Budgetary Data

The Departments have reported the same type of data for REA program as they have for past reports. This includes data on revenues, cost of collection, obligations, and visitation. Data specific to each agency can be found in Appendix II. These four categories provide a useful analytic breakdown of each agency's implementation of the program.

- Revenue from participating units has increased substantially since the program began, from approximately \$55 million in FY 1997 to \$196 million in FY 2005.
- The average cost of collection as a percentage of total fee revenue has decreased slightly as revenues have increased, and as agencies have instituted improved tracking and accountability processes. Cost of collection was 18.7 percent in FY 2005, down from a high of 20.7 percent in 2003.
- Obligations have increased steadily from FY 1997 to FY 2004. Annual obligations, however, decreased somewhat between FY 2004 and FY 2005, from \$201.1 million in FY 2004 to \$187.9 million in FY 2005. Unobligated balances as a percentage of total funds available (total fee revenues collected plus unobligated balances and recoveries brought forward), have varied between 58 and 80 percent over the FY 1997–FY 2005 period.
- Overall visitation to DOI sites remained about constant from FY 1998 to FY 2003. FY 2005 saw over 600 million visits, making this year's visitation the highest in over a decade. Many factors may contribute to annual fluctuations, including natural disasters (e.g., hurricanes), gasoline prices, terrorism threats, and competing leisure recreational activities.

The following figures and tables illustrate these trends and provide a breakdown of agency-specific data by year. Additional agency-specific information follows.

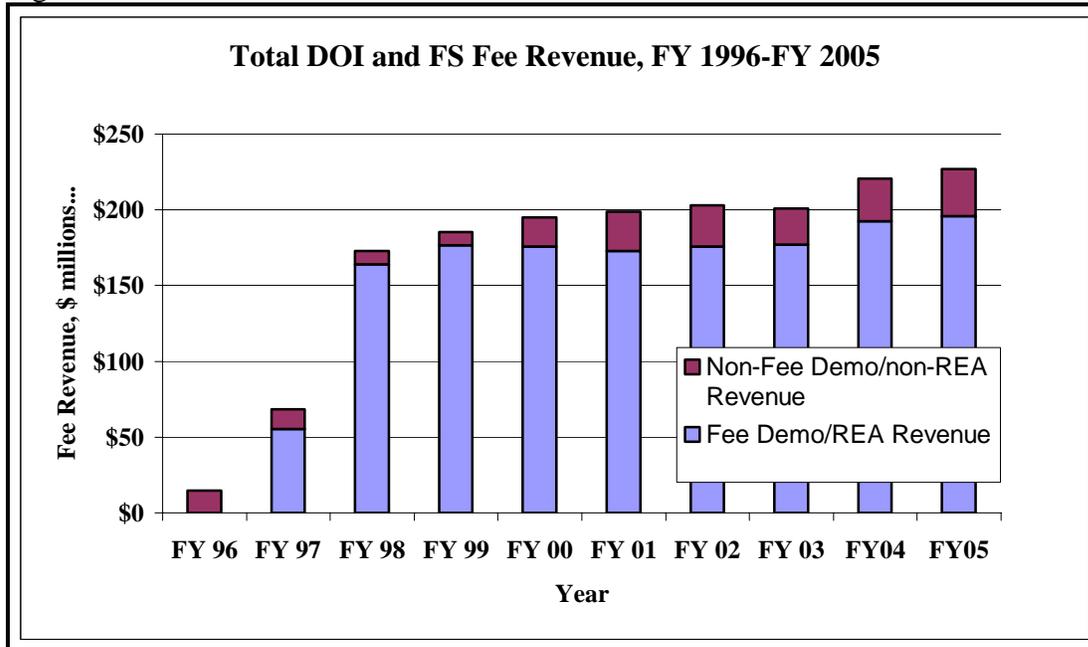
#### *Revenue*

REA program provides an important source of supplemental revenue to meet the needs of recreation sites for the DOI and USDA (see Figures I and J, and Appendix II).

- Total Fee Demo/REA revenue increased from \$192.5 million in FY 2004 to \$196 million in FY 2005;
- Revenue for NPS remained near \$128 million from FY 2004 to FY 2005. Total NPS revenue increased from \$157.9 million in FY 2004 to \$160.1 million in FY 2005 when deed-restricted authorities, National Parks Pass, and transportation revenues are included.
- Total revenue for FWS sites increased from \$3.9 million in FY 2004 to \$4.3 million in FY 2005;

- Total revenue for BLM sites remained flat at \$13.3 million from FY 2004 to FY 2005; and
- Total FS revenue increased from \$46.8 million in FY 2004 to \$50.2 million in FY 2005.

Figure I:



Note: Non-Fee Demo site revenue includes NPS deed-restricted, National Parks Pass, and transportation system revenue.

#### *Cost of Collection*

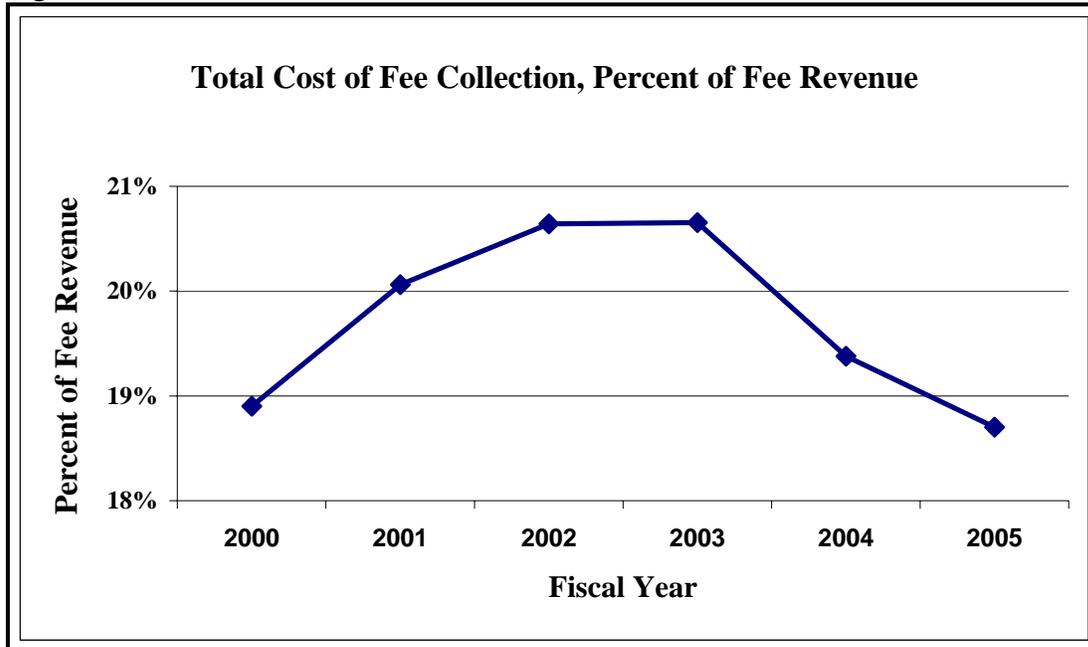
In FY 2005, the average cost of collection across REA program was 18.7 percent of gross fee revenue (including revenue from the National Parks Pass and transportation fees). Figure J illustrates that the cost of collection has been falling since FY 2002, when costs represented 20.8 percent of gross fee revenue (including revenue from NPS deed-restricted, National Parks Pass, and transportation fees).

- The cost of collection at NPS sites decreased from 21.4 percent of fee revenue in FY 2004 to 20.5 percent of fee revenue (including revenue from deed-restricted, National Parks Pass, and transportation authorities). See Appendix II for an explanation of NPS's costs of collection.
- The cost of collection as a percent of total fee revenue at FWS sites decreased slightly from 15.4 percent in FY 2004 to 14 percent in FY 2005.
- The cost of collection at BLM sites decreased from 15.8 percent in FY 2004 to 9.6 percent in FY 2005. This decrease is, in part, a result of the shift from Fee

Demo to REA collection and expenditure categories (previously, Visitor Services was a component within the Cost of Collection category).

- The cost of collection for the FS increased from 14 percent in FY 2004 to 15.6 percent in FY 2005.

Figure J:

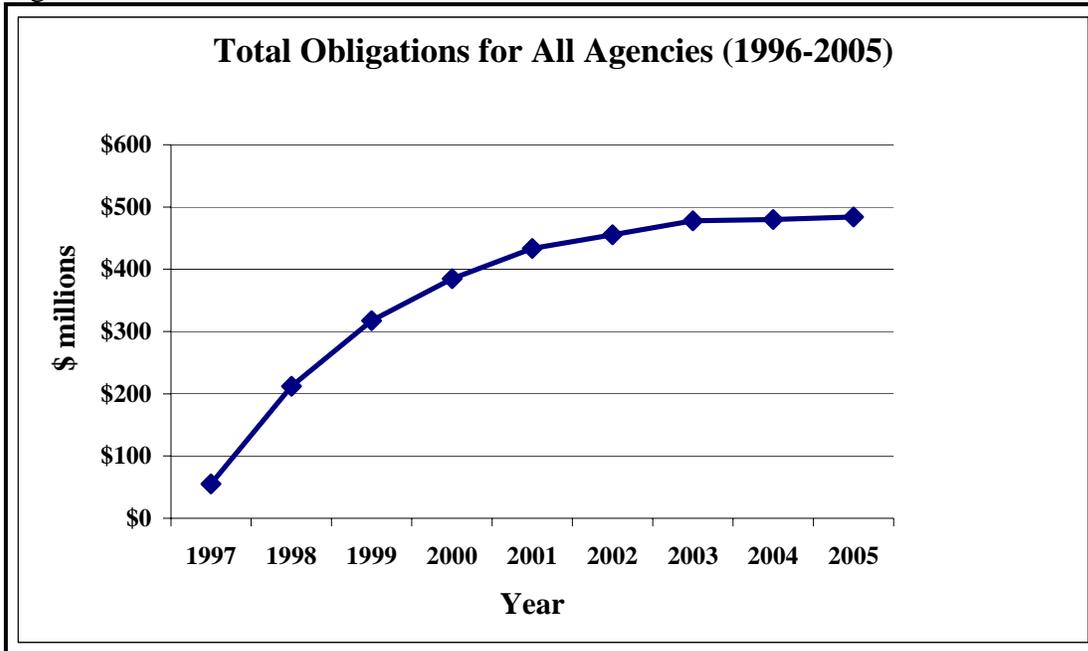


Note: Figure J shows the cost of collection as a percent of total fee revenue. Total costs include all direct collection costs incurred at Fee Demo/REA sites, whether paid with Fee Demo/REA revenue or appropriated funds. Cost of collection represents annual operations costs only, and does not include annual capital investment costs. Capital costs are relatively small compared to operations costs, typically accounting for five percent or less of total costs of collection.

#### *Obligation of Revenue*

Annual obligations as a percentage of total funds available have increased from about 20 percent in FY 1997 to nearly 40 percent in FY 2005. Unobligated balances as a percentage of total funds available (total fee revenues collected plus unobligated balances and recoveries brought forward), have varied between 58 percent and 80 percent over the FY 1997–FY 2005 period. For the same years, both revenues and obligations have substantially increased in absolute terms.

Figure K:



Note: Chart does not include NPS deed-restricted authorities, National Parks Pass, and transportation revenue.

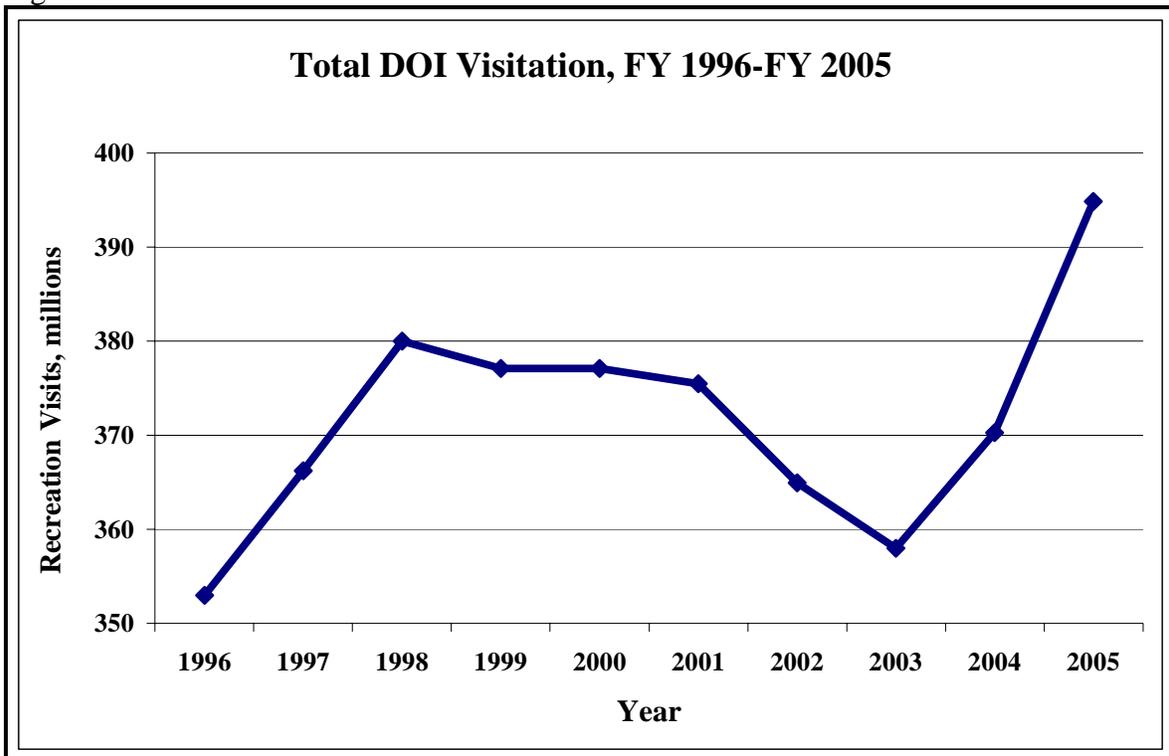
### *Visitation*

- Visitation to all DOI lands (including both recreation fee and non-fee sites) has been trending upwards over the past decade, rising from approximately 353 million visitors in FY 1996 to approximately 395 million visitors in FY 2005 (see table 17 in Appendix II).
- The largest component of visitation is visits to REA sites (these were Fee Demo visits in previous years). Visits to DOI's fee program sites increased from approximately 188 million in FY 1996 to nearly 250 million in FY 2005. This increase in visitation is due in part to an increase in the number of sites participating in the program.
- Visitation to recreation fee sites has constituted 57 to 87 percent of total NPS visitation from FY 1996 to FY 2006. The highest recreation fee site visitation occurred in 2003, and in 2005 70 percent of total NPS visitation occurred on recreation fee sites.
- Visitation to FWS recreation fee sites as a percentage of total visitation has risen steadily from 34 percent in 1996 to 48% in 2005, partly as a result of reorganizing which sites collect fees.

- BLM visitation to recreation fee sites has varied between 29 to 49 percent of total visitation with no clear trend.
- Total visitation to DOI recreation fee sites has constituted between 56 and 76 percent of total visitation between 1996 and 2006, with a marked increase beginning in 2002. In 2005 63 percent of total visits to DOI sites were on recreation fee sites.
- FS visitation is not included in this discussion, as these data are not tracked in the same way as for the other agencies. Still, FS visitation is noteworthy: FS reported 205 million visitors to National Forests for FY 2005.

Figure L shows the changes in DOI Visitation over the past decade. From 1998 to 2001 visitation remained approximately constant, followed by a significant dip partly as a result of partial closures and decreased travel following 9/11 terrorist attacks. Sharply reduced international travel to the U.S also contributed to this drop, since about one-fifth of international tourists visit a national park during their stay. Since FY 2003, the trend has bounced back, with DOI sites logging nearly 395 million visits in FY 2005, an increase of six percent from FY 2004. In 2004, the opening of the National World War II Memorial helped to produce a sharp rise in visitation, with five million visits to the World War II Memorial alone.

Figure L:



Note: The data for Figure L are reported in Table 17 of Appendix II.