California no longer sure how much state parks money was hidden

By Matt Weiser, Sacramento Bee

The amount of money hidden by California state parks officials in one of two special funds has suddenly become unclear, preventing the Legislature from spending the money to repair and reopen parks.

A dedicated pot of money known as the Off Highway Vehicle Trust Fund holds the majority of the "hidden assets" that officials at the state Department of Parks and Recreation kept off the books when they filed annual reports with the Department of Finance.

When the scandal was first reported by The Bee on July 20, officials in the administration of Gov. Jerry Brown reported that the hidden assets totaled \$54 million. The OHV fund held about \$34 million, and the balance of \$20 million was in the State Parks and Recreation Fund.

Unlike general government spending for basics such as payroll and paper clips that are covered by the state's general fund, these special funds collect revenue generated at the parks themselves, through entrance fees, souvenir sales and other site-specific sources. The OHV fund serves the state's eight parks dedicated to off-road vehicle enthusiasts, as well as grants for trail projects elsewhere. The State Parks and Recreation Fund helps cover operating costs at the state's 270 other parks.

For reasons still unclear, parks leaders squirreled away the \$54 million for as long as 12 years, according to a preliminary investigation by the Natural Resources Agency and

the Finance Department. This continued even as parks officials moved last year to close 70 parks to comply with cuts to the state's general fund.

Parks director Ruth Coleman resigned as the scandal broke. Separate investigations are under way by the attorney general, the state auditor and the Legislature.

Late last week, Finance Department chief deputy director Michael Cohen told the Senate Budget Committee that his agency is no longer sure how much money was hidden in the OHV fund, and that clear answers would have to await the outcome of the investigations, expected to last the rest of the year.

Read the whole story