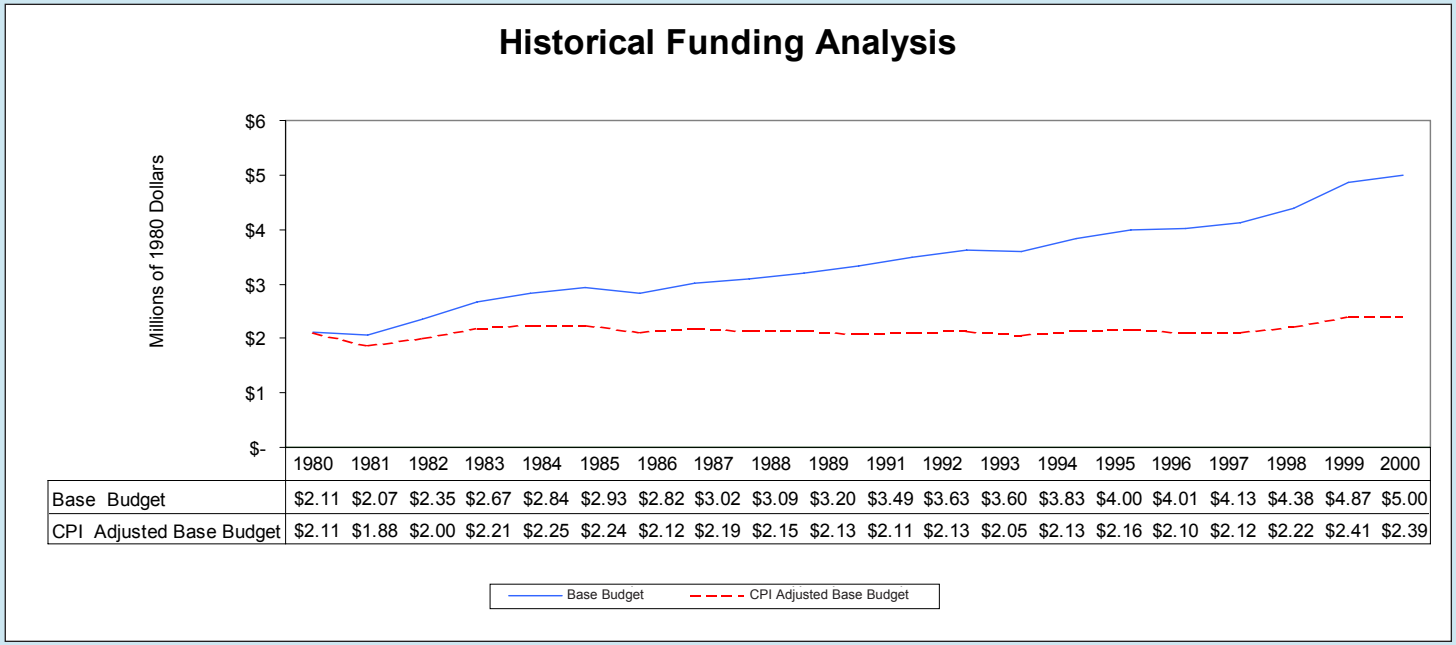
Historical Funding Analysis

The graph below depicts the 20 year historical trend of funding shortfalls between Valley Forge National Historical Park's base budget as appropriated by Congress and the real dollar amount after adjusting for inflation*. Although the total park base** budget for Valley Forge NHP has grown 137% in nominal dollars from 1980 to 2000, in real dollar terms, the park has only seen a 14% increase in the base budget during this 20 year period.



	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000
Base Budget	$2.11	$2.07	$2.35	$2.67	$2.84	$2.93	$2.82	$3.02	$3.09	$3.20	$3.49	$3.63	$3.60	$3.83	$4.00	$4.01	$4.13	$4.38	$4.87	$5.00
CPI Adjusted Base Budget	$2.11	$1.88	$2.00	$2.21	$2.25	$2.24	$2.12	$2.19	$2.15	$2.13	$2.11	$2.13	$2.05	$2.13	$2.16	$2.10	$2.12	$2.22	$2.41	$2.39

*Inflation adjustments were calculated using the Consumer Price Index, a universally accepted means for adjusting nominal dollar values to real dollar values.

**The park receives an annual allocation from Congress called ONPS (Operations National Park Service). The recurring one-year portion of this is referred to as the base budget.

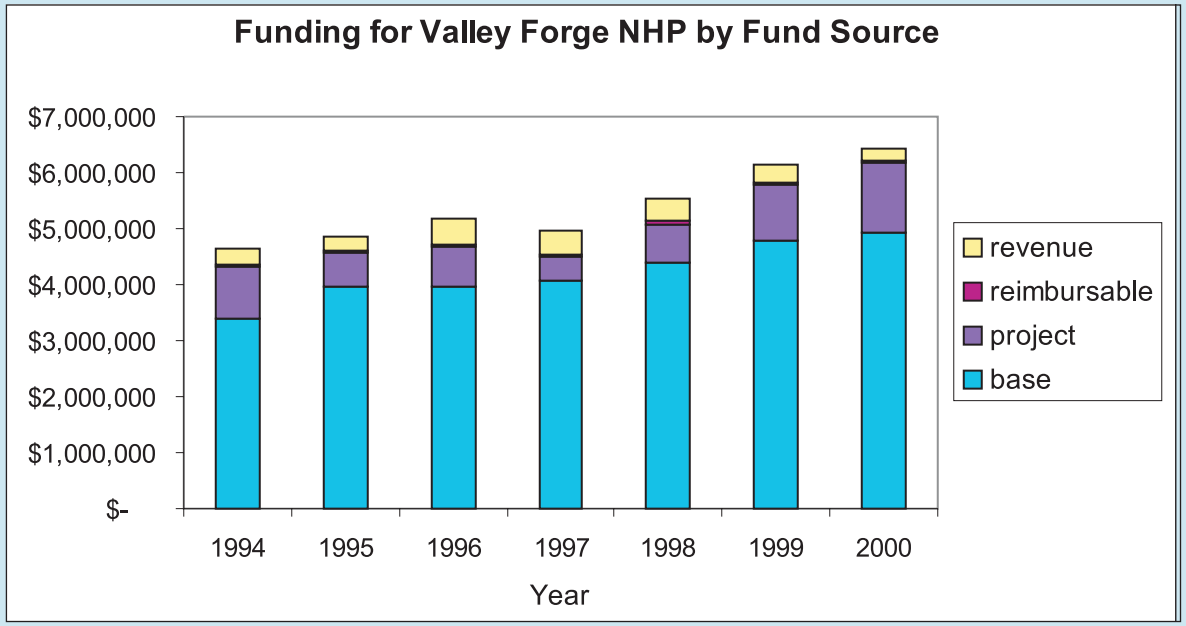
Historical Funding Trends

The many fund sources used in the National Park Service can be grouped into four main categories: annual Congressional appropriations that fund base operating budgets with dependable recurring dollars (base); annual Congressional appropriations that fund non-recurring projects; revenues from visitor fees, donations, etc.; and fund accounts for reimbursable services rendered. At Valley Forge NHP, Congressionally appropriated funds (including base and project) have made up approximately 93% of total park funds from 1994-2000.

In the graph below, Congressional appropriations comprise a similar annual percentage of the total park budget from 1994 to 2000. However, beginning in 1997, project money begins to make up a larger percentage of total park expenditures, increasing up to 19% in FY 2000. An example of increased need for funding of specialized projects is shown by the discovery of buried asbestos in the park in 1997. That year, Valley Forge began receiving project funding to restore this site. This project is only one example of the millions of dollars needed for specialized projects (see Investments p. 28). Therefore, in order for Valley Forge NHP to address all of its needs, it must continue to change its current funding trend from a base budget comprising the largest percentage of funds to a more diversified portfolio of funds.

Donations

Partners of Valley Forge have generously assisted the park in accomplishing its mission. In addition to providing volunteers, who support park staff in all program areas and special events, key park partners have contributed monies, supplies, and materials. Over the past five years, the Friends of Valley Forge and the Valley Forge Park Interpretive Association have contributed approximately $345,000 through a combination of in-kind and dollar donations.



Personnel Cost Analysis 1991-2000

While the park's annual budget increased 13% (see table) in real dollar terms from 1991-2000, it was not enough to cover the total increased personnel costs. The result was a 15% net budget deficit for the base budget. As a consequence, either other funding sources were required to fund this shortage, or necessary work was not performed.

	Nominal Dollars	Real Dollars (1991 inflation-adjusted)
1991 Budget:	$3,487,000	$3,487,000
2000 Budget:	$5,001,000	$3,955,495
Dollar Increase	$1,514,000	$468,495
Percentage Increase	43%	13%

In 1991, Valley Forge National Historical Park employed a total of 80.5 full-time equivalents (FTE). By 2000, the personnel total increased only 3.5 units to 84.0 FTE. However, the total increase in salary and benefit costs grew substantially over this period. While average salary and benefit costs per employee were $30,304 in 1991, by 2000 they had increased to $50,423 or $39,881* after adjusting for inflation. In real dollar terms, this indicates a 32% increase in average cost of salary and benefits. Some of the most significant causes for this increase include factors beyond the park's control:

- Retirement Plan Conversion – All federal government employees hired prior to 1984 are a part of the Civil Service Retirement System which contributes approximately 15 to 20% of a employee's salary toward retirement. Employees hired after 1984 are enrolled in the Federal Employees Retirement System where the contribution became 25 to 50%. There was no base funding increase to cover this conversion.
- Law Enforcement Retirement – The timeframe of required service for law enforcement rangers to receive full retirement benefits changed from 30 to 20 years. Additionally, the government's contribution to the retirement program increased.
- Professionalization – From 1994 to 1999, the NPS established professional career ladders in a number of fields, including park ranger, resource management, and administration. While the parity of pay for equivalent work in different parks increased, so did salaries for many Valley Forge employees.
- OPM Mandate – In 1994, the Office of Personnel Management's mandate changed temporary employment rules regarding seasonal versus career seasonal status, changing many of the park seasonal interpretive positions into term or full-time positions.

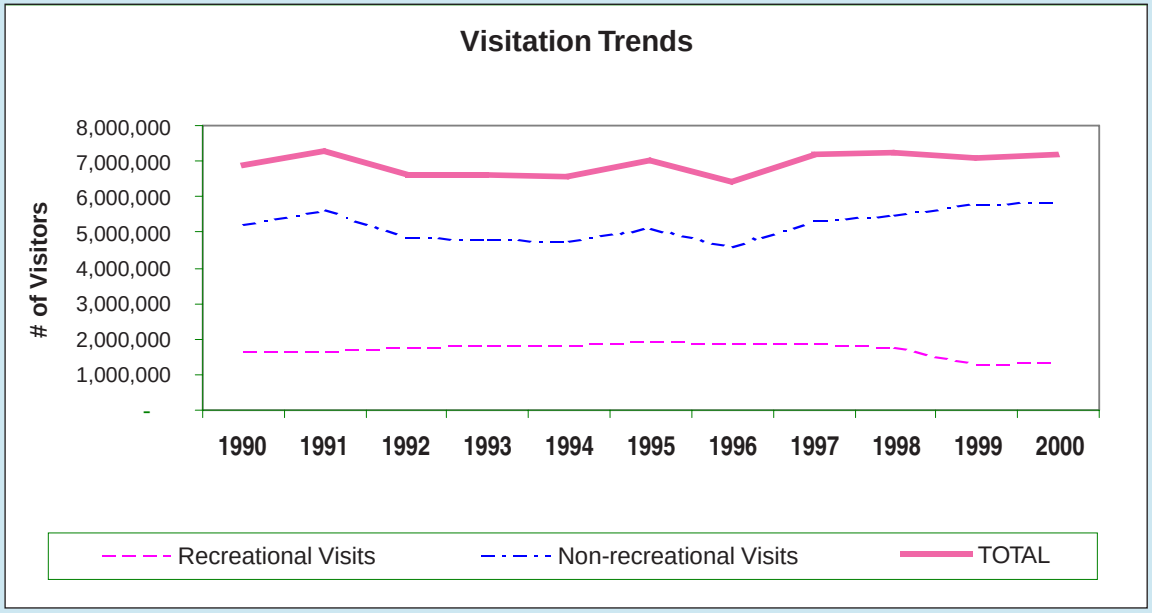
Employment Data (FTEs)	FY 1991	FY 2000
Permanent	69.4	80.5
Non-permanent (other)	11.1	3.5
Total	80.5	84.0
Avg. Cost of Employee (incl benefits)	$ 30,304	$ 50,423

The increase in total personnel costs over this ten-year period was attributed primarily to the 32% increase in the average cost of salaries and benefits, which can be attributed to the above externally-imposed mandates, not the minor increase in staff size. An increase in base budget is needed to maintain an appropriate balance between personnel costs and other park needs.

**A Consumer Price Index value of .791 was used to convert year 2000 dollars into 1991 dollars.*

Visitation Trends

Visitation counts are recorded as either recreational visitors (those who visit the park for history, nature, or other recreational and physical fitness purposes) or non-recreational visitors (commuter and other traffic passing through the park). The increase in non-recreational traffic is because of the heavy usage of the state roads within park boundaries. The high level of park use will continue to present challenges both in terms of cultural and natural resource preservation, and visitor use and safety in the park.



Recreational visits are calculated by multiplying the number of people that enter the Visitor Center times seven. This number was determined through a 1991 visitor survey conducted by the Denver Service Center (NPS). A new survey is planned in 2002. To determine the number of non-recreational visitors, traffic counters have been placed in six locations around the park.

The drop in the number of recreational visitors in 1998 occurred at the same time that the fee collection program for Washington's Headquarters was changed. Visitors were allowed to bypass the Visitor Center (where visitor counts are conducted) and pay the fee directly at Washington's Headquarters.

At the intersection of Rts. 23 & 252, daily congestion is a fact of life during the morning and evening commutes.

An Urban Park

Daily traffic is heavily congested, which increases pollutants in the air, and damages the park's natural and cultural resources. Additionally, recreational visitors traveling at a more leisurely pace experience many safety problems. Park law enforcement rangers must not only enforce speeding laws and monitor traffic, but must also deal with accidents and emergencies. The park investigates approximately 100 motor vehicle accidents per year.