

Responding to the Economic Downturn: Trends in Iowa Park and Recreation Departments



Recreation Research & Service (r²s)

University of Northern Iowa

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Responding to the Economic Downturn: Trends in Iowa Park and Recreation Departments

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Introduction

Park and recreation departments play a vital role in community development. Many Americans, whether they realize it or not, benefit greatly from recreation services. Park and recreation departments allow Americans the opportunity to volunteer for community service activities, therefore making the communities they live in better, safer places. These park and recreation departments offer many youth recreation programs that give children a chance to get involved, stay active, and stay out of trouble. Park and recreation personnel also oversee public lands ensuring that they remain safe environments for people to use. These departments also maintain our parks, trails, and recreation facilities that we all use and enjoy. Parks provide opportunities for people to relieve stress and facilitate a healthy lifestyle. In a world of increasing obesity, these places help keep people healthy and happy.

Park and recreation departments oversee parks in various communities throughout the State of Iowa. Parks contribute many things to communities. Those things are generally categorized into three groups: economic prosperity, the alleviation of social problems, and environmental sustainability (World Leisure Journal, 2008). They contribute to economic prosperity by attracting tourists and businesses to communities and enhancing real estate values. They deal with social problems by reducing stress, preserving cultures, facilitating healthy lifestyles, and raising levels of educational attainment. They also help with environmental sustainability. Trees, other vegetation, and soils planted in park lands help reduce pollutants and enhance air quality. These park lands also preserve biological diversity (World Leisure Journal, 2008).

However, in recent years, these departments and their programs have had setbacks. A trend of budget reductions is occurring in park and recreation departments. Budget cuts coupled with rising costs force park and recreation departments to consider marketing and pricing strategies, rather than focus on important variables such as quality and performance (Cato and Crotts, 1992). With the economic downturn, money is continually being cut from these budgets. In times like these, money has to be cut somewhere but it seems park and recreation department budgets are among the very first areas to be cut when cutting back. In 2004 the Bush Administration cut \$181 million from a Youth Opportunity Program (Parks & Recreation, 2003). That is just one program. Imagine how much is being cut from other programs, especially during this current economic downturn.

The goal of this research is to identify and understand budget reduction trends within park and recreation departments. The Bush Administration cuts were on a federal level but this research focuses on numerous communities within the state of Iowa. Methods used included both primary research, which was collected from a survey distributed through Survey Monkey, and secondary research from sources such as park and recreation reports. Other reports on Iowa's economy and environment were also helpful. For example, the Iowa Policy Project's "Investing in Iowa's Environment" displays the budget reduction trends for the Iowa Department of Natural Resources (DNR), as well as for Iowa's county conservation boards. The DNR and county

conservation boards both are concerned with protecting Iowa's natural resources and public land. However, each year it is more difficult to accomplish this goal. Their expenditures are increasing while they are facing stagnant or reduced budgets. One of Iowa's county conservation boards saw its budget slashed by \$453,000 and on top of that it lost six employees (Galluzzo, 2006). The State of Iowa needs to make it a priority to preserve and protect our natural resources, parks and other public land, and recreational opportunities.

Another study reviewed dealt with how citizens viewed funding and cost-saving strategies for park and recreation agencies throughout one metropolitan region (Mowen, Kyle, Borrie, and Graefe, 2006). Results from that research revealed citizens viewed funding sources such as donations and corporate sponsorships very favorably, while park services privatization and use of park entrance fees were viewed with the least support. One of the main findings of this study was how park and recreation directors need to work on building trust and commitment throughout their constituent groups if they want to expand funding support beyond the existing tax support (Mowen, Kyle, Borrie, and Graefe, 2006). As the authors of this research point out, "Historically, public park and recreation services had been funded directly through general funds and appropriations with only a minimum amount funded through user fees and other non-tax revenue sources" (Mowen, Kyle, Borrie, and Graefe, 2006). In the last twenty to thirty years, however, park and recreation departments have looked for alternative sources for funding to maximize their fiscal bottom line and overcome their challenges with growth and sustainability.

Once a budget is cut and programs are eliminated it is hard to find the funds to get them restarted. This research identifies the type of programs being cut, as well as other impacts of budget reductions. This report can be used as a resource in convincing government leaders of the importance of these programs, as well as the need for funding for these park and recreation departments. Park and recreation departments cannot allow elected officials to forget about all of the essential services they offer to the public and how important they actually are. Investments in park and recreation amenities are not only for when economic times are good. The services these departments offer and perform are critical to the economic value of our society. Protecting our water and air quality, as well as preserving biological diversity are a few things that people don't automatically think about as benefits for park lands. Park and recreation departments also help with homeland security. At a time when park and recreation departments are being asked to do more with less, it is becoming more and more important for park and recreation leaders to contact their legislators about the importance of funding for these departments. Park and recreation departments impact everyone in one way or another and those are the types of things that government leaders should be most interested in saving.

Methodology

A survey was created to determine budget trends within park and recreation departments throughout the State of Iowa. Survey Monkey was used to distribute the survey to municipal park and recreation directors throughout the state. Results were tabulated and analyzed. This report summarizes the results of the survey. The report was sent to the Iowa Park and Recreation Association, as well as other interested groups with the addition to being posted on our website www.uni.edu/step.

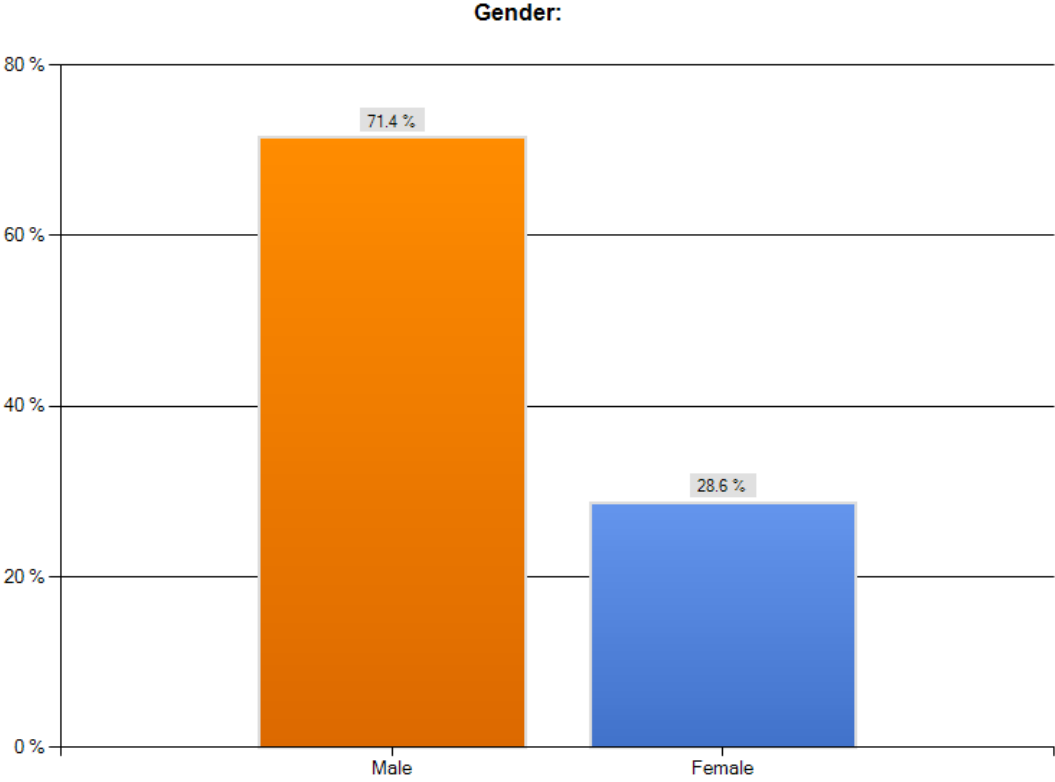
Of the 104 surveys sent to Directors throughout the State of Iowa, there were 48 respondents. Therefore, the rate of response was 46%.

Respondents	Surveys Sent	Rate of Response
48	104	46%

Park and Recreation Directors and their Departments

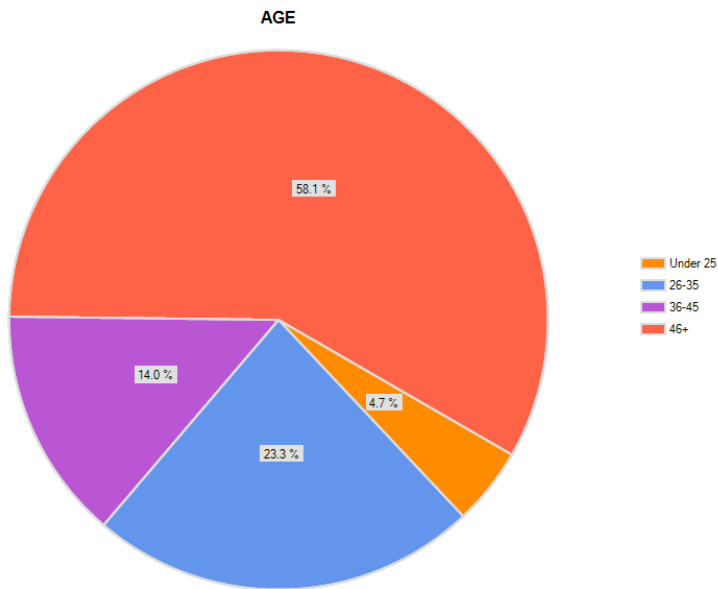
Respondents were asked questions regarding their gender, age, level of education, and experience as director. Of respondents, 71 percent were male and 29 percent female.

Figure 1



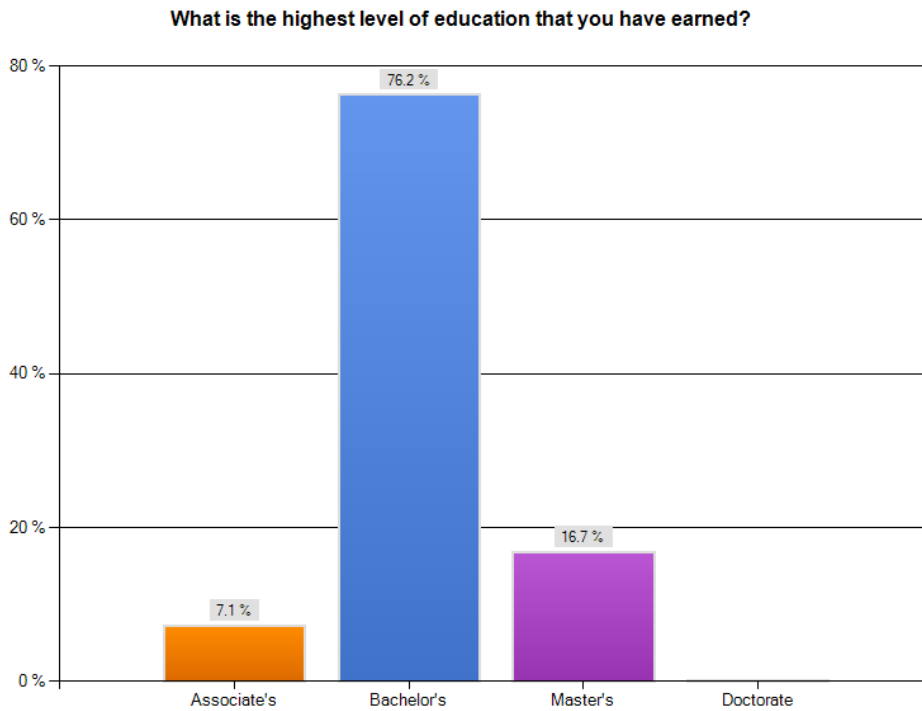
In regards to age, 58 percent responded they were 46 years of age or older.

Figure 2



Ninety-three percent of the directors reported that they either had a Bachelor's or a Master's degree.

Figure 3



Experience as a Park and Recreation director varied throughout respondents from no experience to over 36 years of experience.

Years of Experience	Percentage of respondents
0-5	21.95%
6-10	19.5%
11-15	21.95%
16+	36.59%

Characteristics of Park and Recreation Departments

The questionnaire also asked about the department's budgets and population of the area served. The budgets ranged from \$130,000 to \$19 million.

Budget (\$)	Percentage of Departments
0-500,000	38.6%
500,001-1,000,000	25%
1,000,001-5,000,000	20.5%
5,000,001+	15.9%

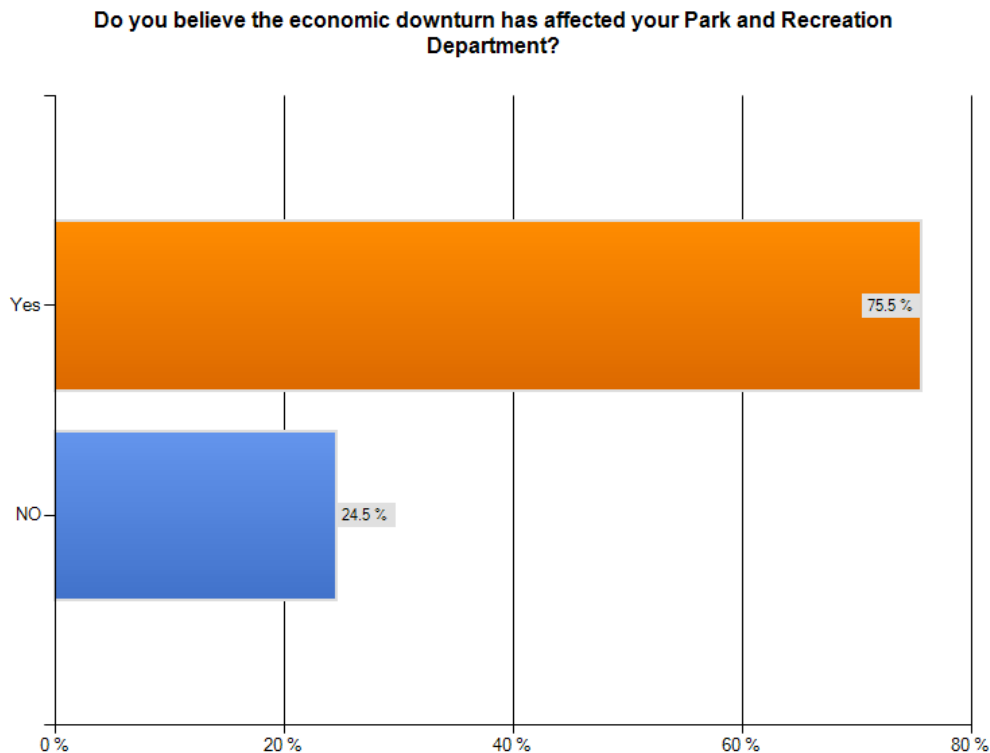
Population served ranges from little towns with less than 2000 people up to cities of 200,000.

Population Served	Percentage of respondents
0-10,000	50%
10,001-30,000	22.7%
30,001-65,000	15.9%
65,001-100,000	4.5%
100,001+	6.8%

Economic Downturn and Park and Recreation Departments

As you will see in Figure 4, 75.5 percent of respondents believe the economic downturn has affected their park and recreation department in at least one way.

Figure 4

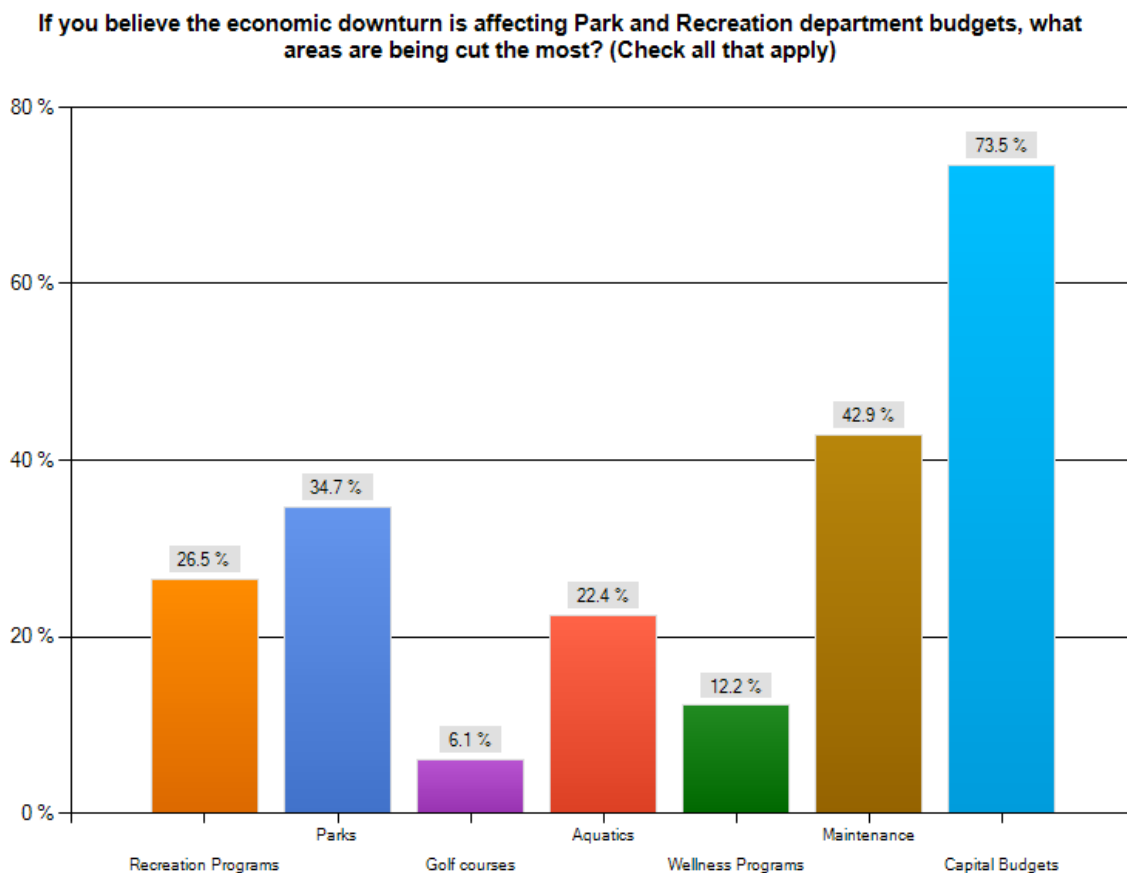


Key Comments from Directors:

- People have less disposable income to spend on memberships and programs.
- Parents used to sign their kids up for various activities, now they select only one.
- The number of participants is down, as well as revenue from programs and concessions.
- Departments are receiving less support from businesses and foundations.
- Corporate donations and sponsorships are all down.
- The need to raise program fees but also the need for them to stay the same for families due to the economy.
- Effects from economic downturn delaying programs and putting a freeze on hiring to fill vacant positions.
- More fiscal scrutiny from city leaders.
- Less money being spent on recreational activities.

Figure 5 shows some of the trends that are occurring due to the economic downturn and the areas of the departments' budgets that are being cut the most. Capital budgets are the area being hit the hardest within these departments. Figure 5 really shows how these directors are trying to make the necessary cuts without cutting programs. As you can see, cuts are being made in maintenance and parks, while trying not to hurt the programs that many people take advantage of. Because of the economic downturn, as one director put it, "Stretching dollars and finding alternative funding sources (grants, sponsorships) has become as or more important than providing services."

Figure 5



Comments:

- Hours of operation are being reduced, as are employee budgets.
- Less employees, more contractors

Trends and Strategies

Figure 6 builds off of the previous figure. This figure discusses what trends are occurring. With no surprise, hiring new employees and increasing budgets received little acknowledgement. The majority of departments are operating with a hiring freeze. They are trying not to lay anybody off but they know they do not have the resources in this current economy to hire new employees. The major trend occurring in these departments is reducing capital and operations budgets.

Figure 6

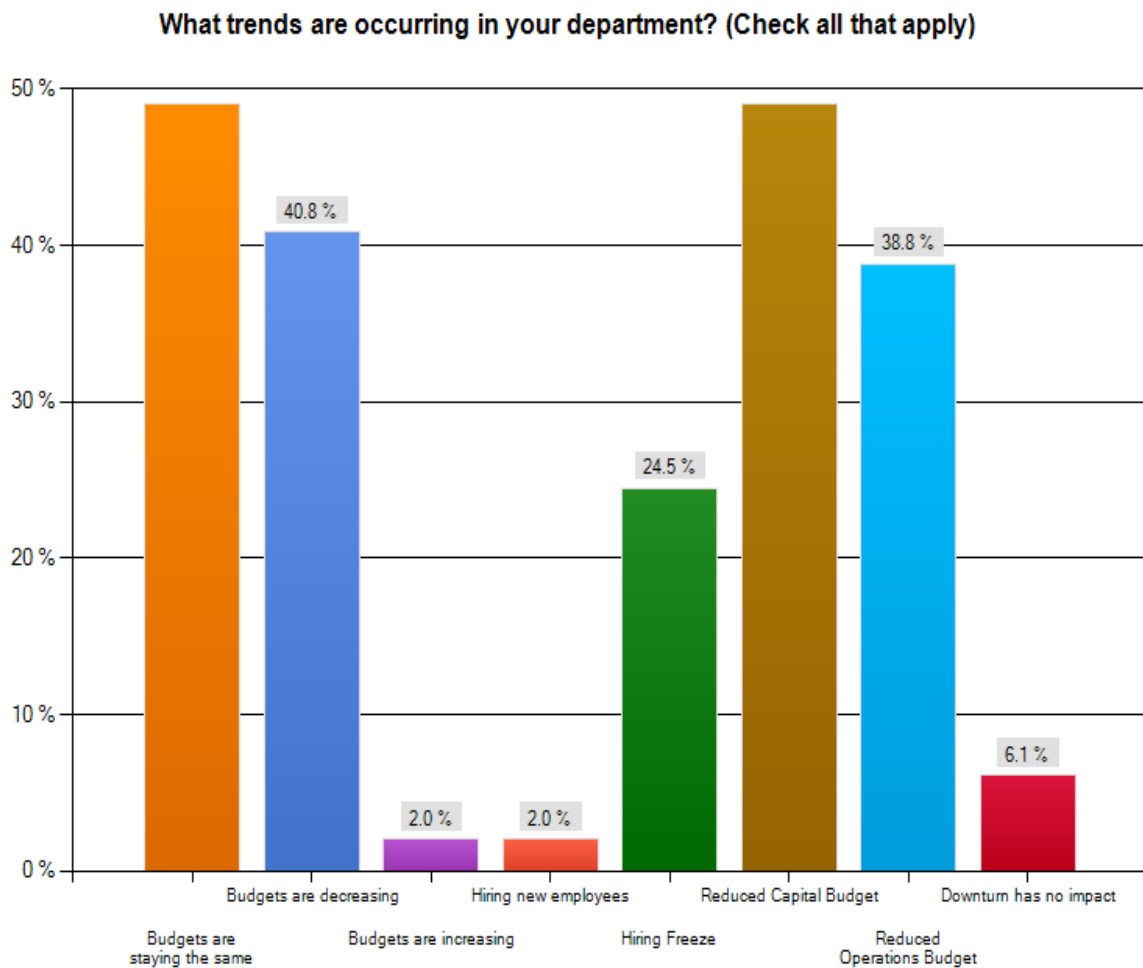
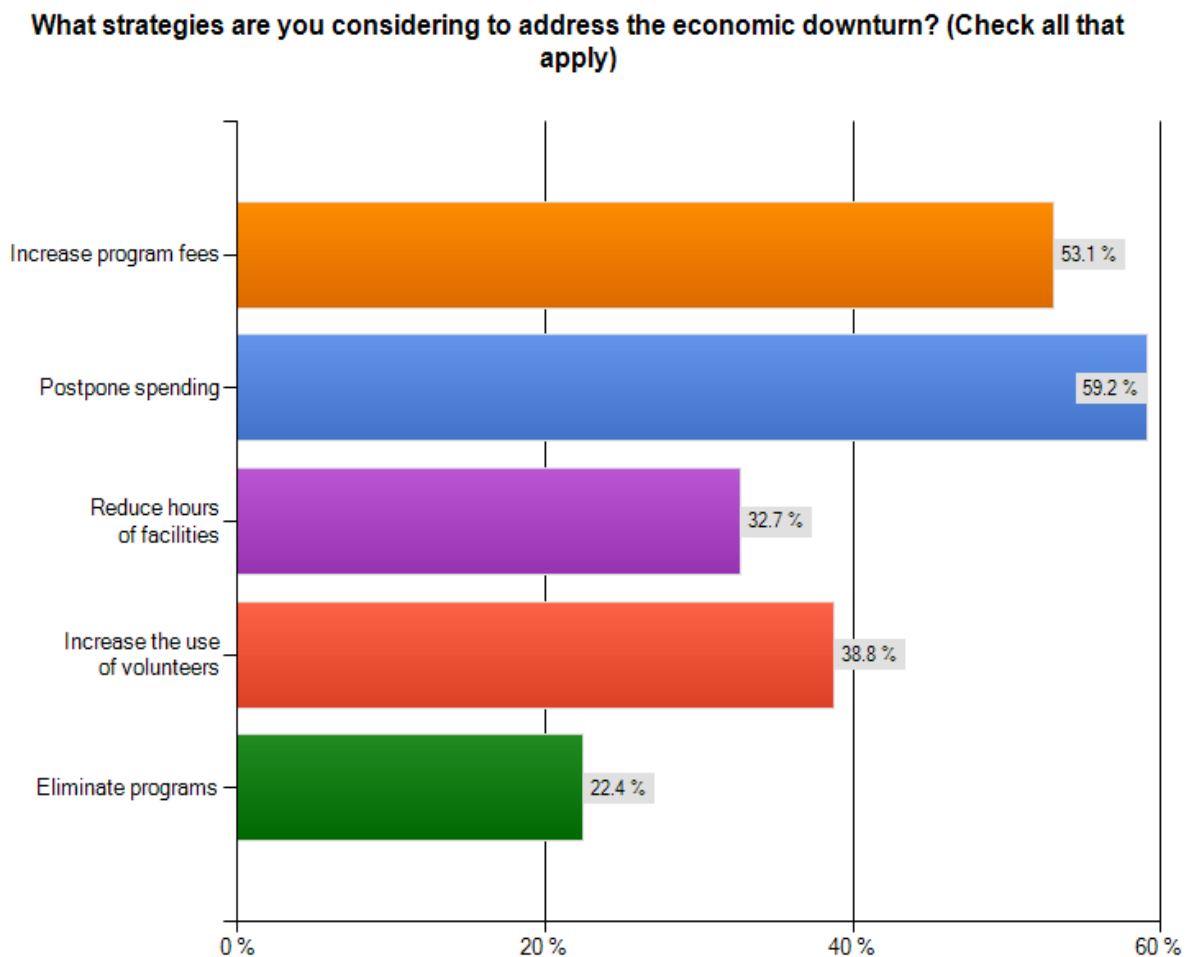


Figure 7 demonstrates what strategies are being considered by directors. Respondents indicated that they are postponing spending and increasing program fees in an effort to deal with the economy, while at the same time not cutting programs. Elimination of any “free” events they offered is one way to eliminate some expenses.

Ideas from Directors:

- Eliminate costly programs/events that do not draw many people.
- Eliminate perks (i.e. free t-shirts, additional lessons, field trips, etc.)
- Be innovative...reach out to partners, leverage resources, grants, etc.
- Become more efficient.
- Alter marketing plan.

Figure 7

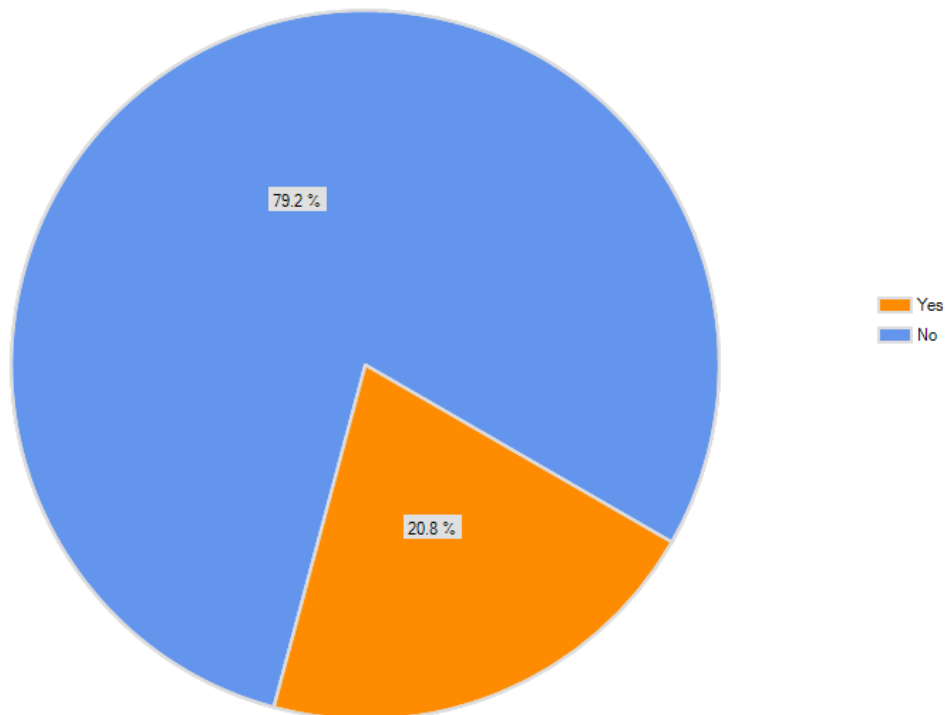


Local and State Impact on Budgets

Figure 8 displays what respondents thought about whether or not recreation department budgets are being reduced by more than that of other departments. A clear majority with 79 percent of respondents do not believe that recreation departments are being affected more than other departments throughout the state. Of those who do believe the recreation departments budgets are being reduced by more than that of other departments, they believe it is by 10%. At first, the overall response may be surprising. People usually think that park and recreation departments see larger cuts. However, that is not the case. Governor Chet Culver recently instituted a flat percentage cut across the board in the state of Iowa. Therefore, it's understandable to see why respondents responded the way they did.

Figure 8

Do you believe the recreation department's budget is being reduced more than that of other department budgets?



Figures 9 and 10 display the efforts of members of these park and recreation departments throughout the State of Iowa lobbying for funds at the local and state levels.

Figure 9

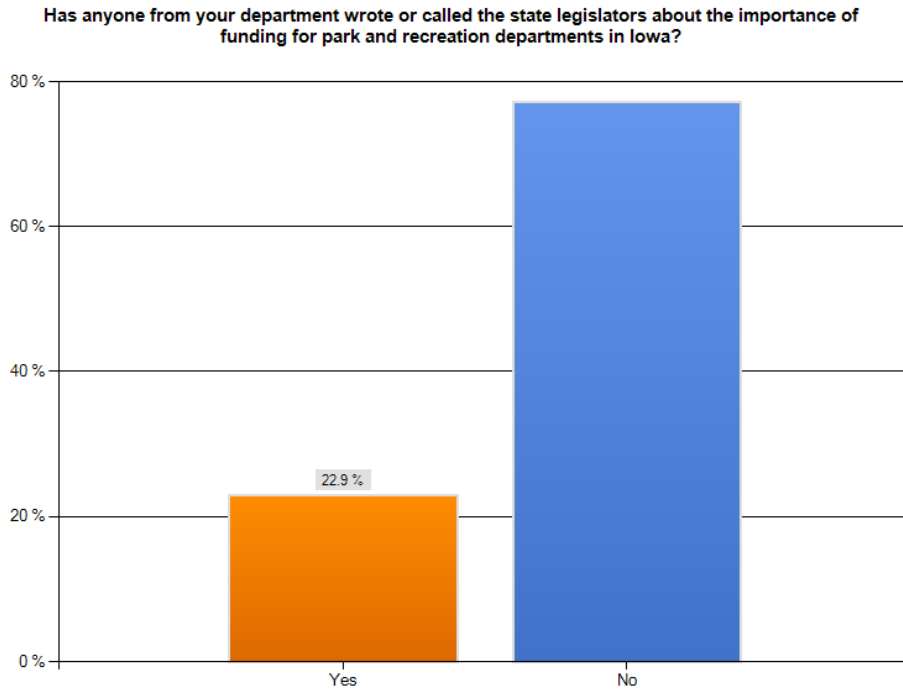
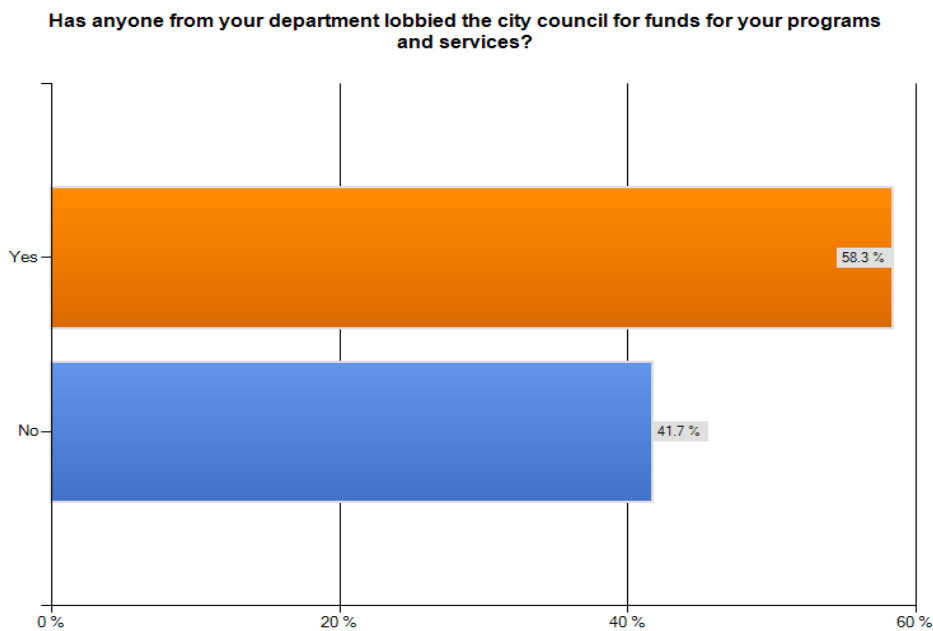


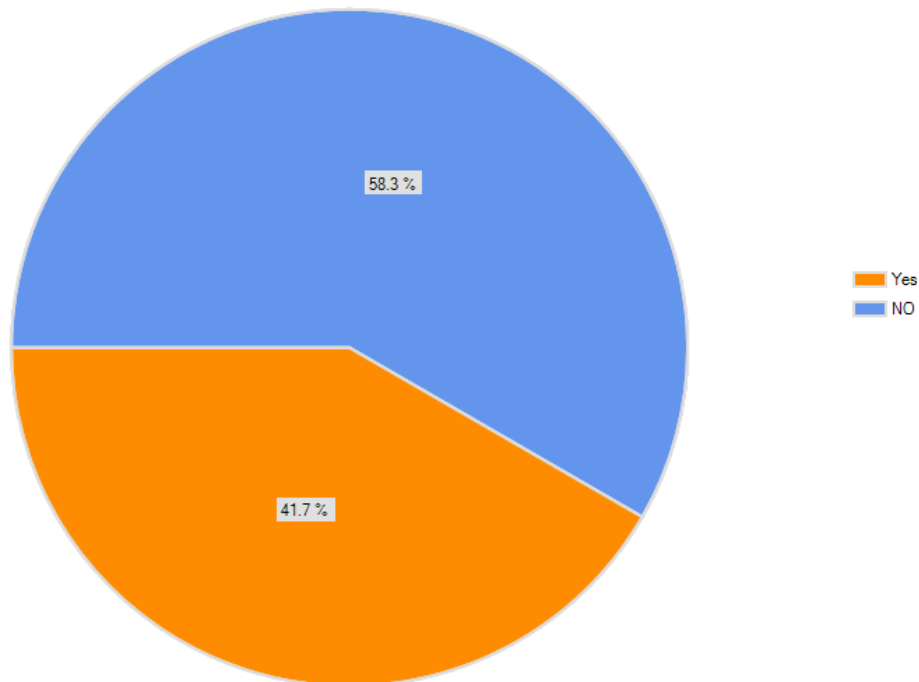
Figure 10



Partnerships are one way that park and recreation departments can continue to offer all of the same services that they have always offered while dealing with budget reductions. Forty-two percent of respondents stated that they were aware of partnerships that assist in finding funds for park and recreation departments. Some of those partnerships include park foundations, booster clubs, and neighborhood groups. Park foundations raise money and contribute hours to the upkeep of buildings and green spaces. Neighborhood groups work on fundraising to improve local parks. Service clubs support specific interests. Co-ops with local YMCA or YWCA's allow funds to be shared for programs that benefit their citizens. Partnering with nearby park and recreation departments also allows the sharing of funds, employees, facilities, and volunteers.

Figure 11

Do you know of any partnerships that have been forged between citizens and advocates in your community to assist in funding/fundraising for parks and recreation?



Funding and Services

Figures 12 and 13 show the impact that the economic downturn has had on both grant writing and fundraising. Efforts have increased or stayed the same for both of these types of funding.

Figure 12

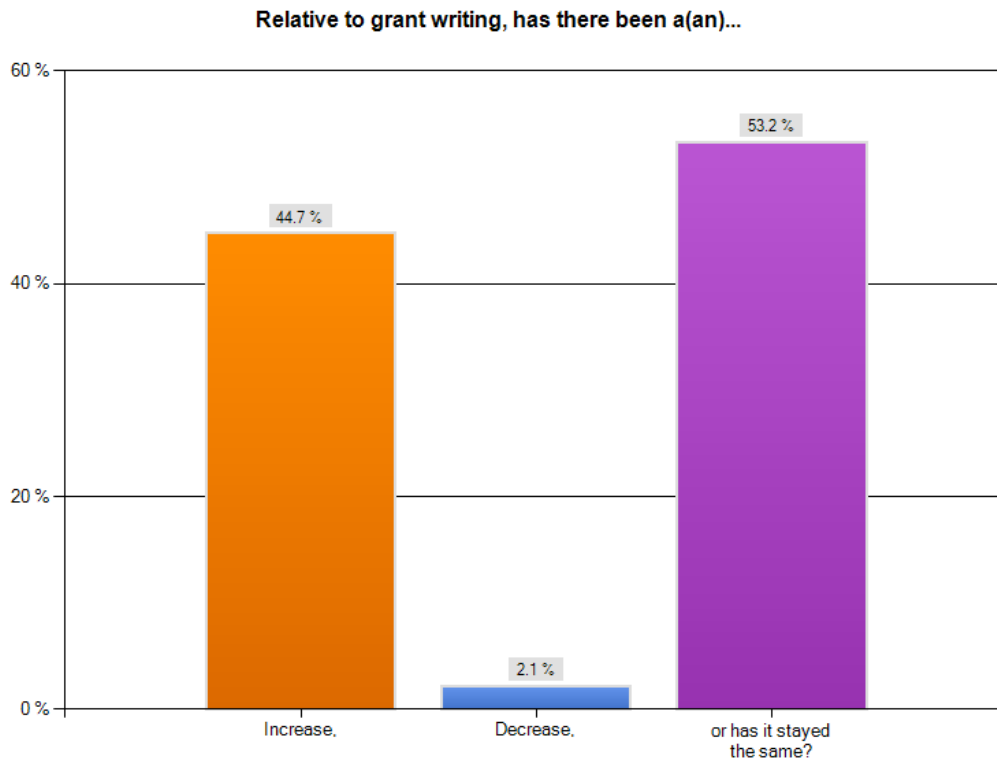
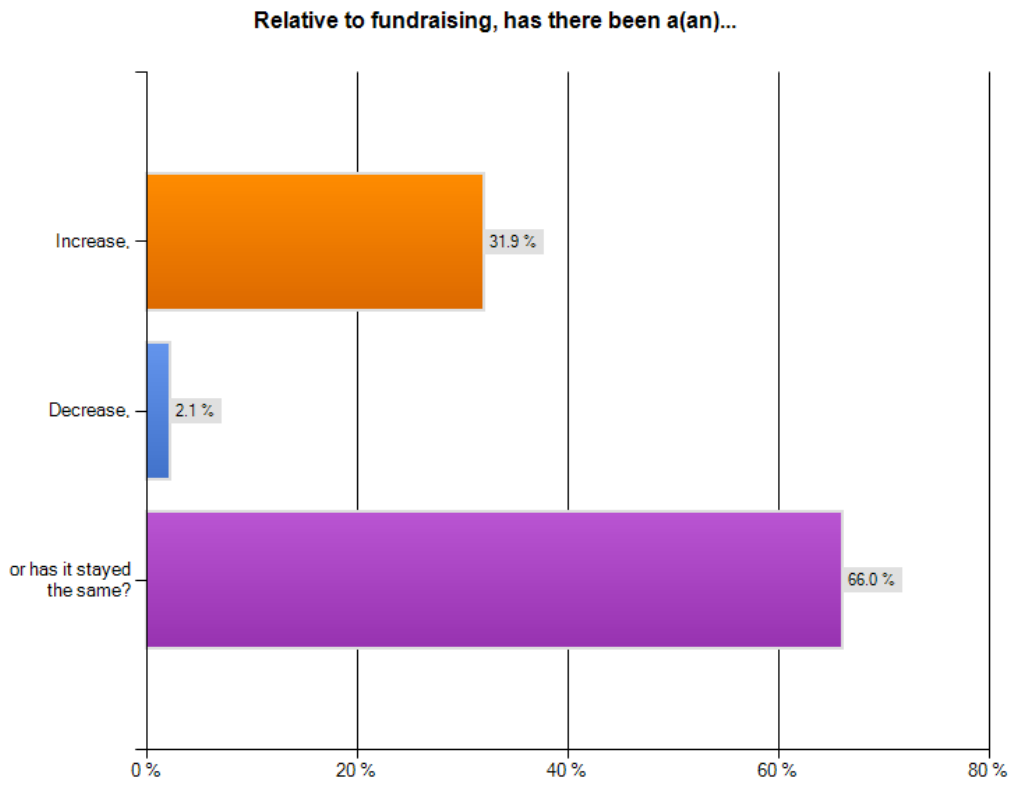


Figure 13



Summary Findings

Survey Results

- Of respondents, 75.5% believe the economic downturn has affected their park and recreation department.
- Capital budgets, maintenance, and parks are areas of the budget receiving the largest cuts.
- Reduced capital and operations budgets and hiring freezes are common trends throughout park and recreation departments. Overall budgets are either stagnant or decreasing.
- Increasing program fees and postponing spending are the most popular ways of dealing with the economic downturn.
- Majority (79%) of respondents do not believe recreation department budgets are being cut by more than that of other departments.
- Majority (77%) of respondents have not contacted state legislators about the importance of funding for park and recreation departments in Iowa.

While several directors did not see any change to their programs and services offered, many did. The economy has affected park and recreation departments in many ways including....

- Directors are trying to trim everything they can from programs and park services.
- The addition of new facilities and programs is being delayed due to the economy.
- Hours of operation are being reduced.
- Maintenance is being reduced.
- Some park land that has less recreational value is being sold off.
- Hiring freezes.
- Elimination of services that are not in high demand.
- More aggressive programming.
- Less participation= Less Revenue
- The need for grants and sponsorships has increased.
- Charging for services that were previously free.
- Elimination of programs that break even or lose money.
- Outsourcing is being used more.

Ideas from park and recreation leaders....

- Develop trail development board that helps areas of the state that are lacking in trails to organize and develop trails.
- Park and recreation groups are a community service, not a business. These departments need to provide the opportunity for the community to come together.
- As the economy suffers, the services provided to the general public become even more important.
- Grants are imperative for the future of parks.
- Increase funding for capital improvement projects, as well as improving Iowa's parks and natural resources. Contemplate passing a ¼ cent sales tax like Missouri does to help fund these projects.
- Seek out grant, partnership, and sponsorship opportunities.
- Do not seek status quo, rather look to innovate and seek alternative sources of revenue.

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Survey/Questionnaire

Responding to the Economic Downturn: Trends in Park and Recreation Departments in Iowa

The Recreation Research and Service Program at the University of Northern Iowa is identifying budget trends for Park and Recreation Departments in Iowa. Your answers will be helpful in understanding the impact of the current economic downturn on Park and Recreation Departments in Iowa. We will post the results of this survey on our website: www.uni.edu/STEP.

- 1) Do you believe the economic downturn has affected your Park and Recreation Department?
 Yes No If yes, how? _____

- 2) If you believe the economic downturn is affecting Park and Recreation department budgets, what areas are being cut the most? (Check all that apply)
 Recreation programs Aquatics Maintenance
 Parks Wellness Programs Capital Budgets
 Golf Courses Other _____

- 3) What trends are occurring in your department? (Check all that apply)
 Budgets are staying the same Hiring new employees
 Budgets are decreasing Reduced Capital Budget
 Budgets are increasing Reduced Operations Budget
 Hiring Freeze Downturn has no impact

- 4) What strategies are you considering to address the economic downturn? (Check all that apply)
 Increase program fees Increase the use of volunteers
 Postpone spending Eliminate programs
 Reduce hours of facilities Other _____

- 5) Do you believe the recreation department's budget is being reduced more than that of other department budgets?
 Yes No If yes, by what percent? _____

- 6) Has anyone from your department written or called state legislators about the importance of funding for park and recreation departments in Iowa? Yes No

7) Has anyone from your department lobbied the city council for funds for your programs and services? Yes No

8) Do you know of any partnerships that have been forged between citizens and advocates in your community to assist in funding/fundraising for parks and recreation?

Yes No

If yes, what does the partnership do? _____

9) Relative to grant writing, has there been a (an)...

Increase, Decrease, or has it Stayed the same?

10) Relative to fundraising, has there been a (an)...

Increase, Decrease, or has it Stayed the same?

11) How has the economic downturn affected services that your department offers? Explain.

Other comments or ideas that we may share with Iowa's park and recreation leaders: _____

About You

Please complete the answer that best describes you as director of a Park and Recreation Department.

12) Gender: Male Female

13) What is your age? _____

14) What is the highest level of education that you have earned?

Associate's Bachelor's Master's Doctorate

15) How many years of full-time experience as director do you have? _____

16) To whom do you directly report? _____

17) How many current staff members does your park and recreation department employ?

Full-time Part-time

18) What is the total budget for your department? _____

19) What is the population of the city where your department serves? _____