# Meeting Today's Budget Challenges

## A Parks and Recreation Webinar

Tuesday, May 5 1:30 pm – 3:30

# Agenda

**Sign in to “Elluminate”.**

**Welcome and instructions about “Elluminate”**

**Guest Presentations:**

- **Chris Wicker, Roanoke Rapids, NC**
- **Dale Larsen, Phoenix, AZ**
- **John Lawrence, Livermore, CA**
- **William Beckner, Bethesda, MD**

**Round Table about Recreation and Budgets**

**Complete on-line survey**

# “Elluminate” Instructions

**Webinar Format**

1. **Brief presentation by each speaker**
2. **Questions and answers from speaker**
3. **Comments about “how other agencies are handling the budget situation.”**
4. **Other questions**

**Setting Up Audio**

**Asking questions**

1. **Raising Hand**
2. **Chat**

**Are there any Audio Problems or questions about the process? Raise hand or ask in chat box.**

Chris Wicker, Director

*Roanoke Rapids Parks, Recreation, & Library Department*

**Almost 31 years of parks and recreation experience…**

Parks, Recreation, & Library Director Roanoke Rapids NC 1983 to present 26 years.

Previously served as  Athletic Director and then, Director for Moore County Parks and Recreation.

**About Roanoke Rapids…**

Population of approximately 17,000 persons.

Though small, the department operates 4 centers, an Aquatic Center, 2 outdoor pools, 12 parks, the Roanoke Canal Museum, the Public Library and over 8 miles of trails.

The Department's current operating budget is approximately $1.6 million.

## 2009 Budget Challenges…

This current year, the department budget had a third quarter reduction of 10%. Almost all part time, contract, and seasonal positions were eliminated between March and June 30.

In addition, all full time staff were required to take 2 to 5 days furlough depending on the pay scale.

The 2009 – 2010 budget is also projected to have a 10% reduction. With the exception of limited lifeguard staff for summer pool operations and indoor pool operations, no part time, seasonal, or contract personnel will be hired.

The budget and staff restrictions have required reductions in operating hours for virtually all facilities.

A number of long term programs have been eliminated.

Restrictions have also effected many maintenance routines and standards.

Dale Larsen, CPRP
Acting Director
City of Phoenix
Parks and Recreation Department

**Dale Larsen** currently serves as Acting Director of the Phoenix Parks and Recreation Department. Dale's career has taken him from Milwaukee County, Wisconsin to Phoenix, Arizona. In October, 2000, as Dale chaired the Phoenix Local Host Committee on behalf of the NRPA Congress. After learning the ropes as chairman in 1990, the 2000 Congress beat all attendance and participation records. Phoenix has been home for Dale since 1984. Prior to Phoenix, Dale enjoyed 12 years working in various management positions with the Milwaukee County Park Commission. He was an officer for the Wisconsin Park and Recreation Association. While in Phoenix,  been active in NRPA and the Academy for Parks and Recreation Administration. Dale has served on the NRPA Certification Board and is currently a member of the CAPRA Agency Accreditation Commission. He helped to co-author the Park Security chapter in the recently published "Management of Park and Recreation Agencies" through NRPA and CAPRA. He is an Associate Editor for the Journal of Leisure Research "Best Practices" publications, representing practitioners and has also served as chief editor for the Arizona Parks and Recreation Association magazine. Dale is a Faculty Associate for both Arizona State University and ASU West, teaching undergraduate and graduate classes on administration and leadership. Dale volunteers for C.O.M.F.O.R.T., a reading and recreation program for homeless children and River Rampage, an outdoor adventure program for disabled teens and teens living in risky environments. Dale is addicted to golf, runs in marathons. loves cribbage and practices never growing up.

Phoenix Arizona

Short budget analysis:

FY08-98  14% budget reduction - $14 million - 90 full time positions eliminated

FY 09-10  23% budget reduction - $23 million - 250 full time positions eliminated and an equal number of part-time positions

**John Lawrence, Assistant General Manager Livermore Area Recreation & Park District (LARPD) in California.**

John has a broad background in the field of Recreation and Parks, including working for a non-profit organization (YMCA), a state university system (University of Colorado), several municipal agencies (City of Boulder in Colorado and City of Sunnyvale in California) and a special district (Livermore Area Recreation & Park District). He is a member of multiple professional organizations, a graduate of various schools (University, NRPA, Disney, etc), on the Editorial Advisory Committee for Athletic Business Magazine and has participated in too many conferences, associations, sections, workshops, symposiums, and training to even try and list them. With over 35 years in this essential community service, he has experienced belt tightening budgets, lay offs, closures, unfunded mandates, shifting away of tax revenues, unrelenting special interest groups and of course, a grumpy politician or two.

## Current Budget Issues in California

LARPD is still reeling from the State of California's diversion of property tax revenue from the intended purpose of providing recreation and park revenue for the residents who voted for the tax …. To the Educational Revenue Augmentation Fund referred to as "ERAF". In actuality, the name "Educational Revenue Augmentation Fund" is really only a nice sounding political cover for balancing the state's general fund budget and has nothing directly to do with education. This diversion began in 1992, and in this year alone, the residents of this special district will not have over 7 million of their self imposed tax dollars for use in improving and maintaining their recreation and park services as they had planned.

And … Due to the more recent economic problems and environmental conditions; LARPD is faced with the perfect storm of declining property tax revenue, declining participant revenue, increasing costs, water shortages, neglected maintenance issues and a retirement system that is assessing additional charges to their member agencies to back fill investment losses … to the tune of 3 million dollars over the next 5 years.

California (Continued)

To help give some perspective, the current Fiscal Year budget for LARPD is $17,265,488 in operating expense and $6,959,468 in capital expense, for a total of $24,224,956. The bulk of the revenue comes from program fees and property taxes. The agency also obtains capital expenditure funding through the City of Livermore’s developer paid, parkland dedication or in-lieu fees for new park development.

**William C. (Bill) Beckner, President CEHP Inc.**

William “Bill” Beckner has over 40 years of experience in the field of parks and recreation. He has performed almost every function possible in the field and worked for federal, state and local agencies before forming a consulting firm in 1993. His last public position was as the Director of the Fairfax County Park Authority in Fairfax, Virginia. Bill has degrees in Parks and Recreation from Iowa State University and Clemson University.

In 1975 Bill was in the position of Chief of Interpretation for the Mississippi Park Commission. He failed to justify his position and his program to the Mississippi Legislature's budget appropriations committee. Since that time he has developed knowledge and expertise about budgeting and performance measure processes; completed two zero-based budgets, several program-based budgets, and implemented activity cost accounting measures. He has also made over $2.0 million in cuts and recouped $1.2 million in cuts previously taken away. As a consultant Beckner has counseled many clients on budget cuts and cost effective operation. Bill is willing to address any questions you might have.

Budget Cutting Thoughts

1. Assume that funding cuts will be significantly worse than you expect and identify where cuts would be made and what resources would be eliminated. This allows you to collect the needed data and develop strategies without having a deadline to meet. It is also an opportunity to get staff thinking about ways and means to meet these challenges. Rumors are your enemy.

2. When you have been given a specific target amount to cut, look at cutting an entire program and its related dollars, as opposed to taking a few dollars from each program. If there is staff associated solely with that program, they may be subject to layoff.

3. Before shutting down parks, facilities and or large programs determine what it would cost to subsidize the program. Give the public the opportunity to pay for the service rather than assuming that the funding cuts leave no option but closing. Of course if there is no potential revenue stream then the service might have to be eliminated.

4. Plan for the next economic downturn. Recession proof your operations programs and services.

The five stages of Budget Reductions

1. Non-essential programs and services are eliminated
2. Operational hours are cut and all programming ceases
3. All indoor facilities such as pools, gyms, fitness centers and ice rinks are shut down and properly moth-balled.
4. Parks are maintained only and secured as necessary for risk management.
5. Parks and related facilities are closed and posted for no admittance.  No maintenance occurs.

**Note:** Parks, facilities, programs and services that truly generate beyond break-even revenues may not be subject to these cuts. Community decision-makers may also decide to provide some level of subsidy to preserve popular programs and services.

# Contact Information

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Thanks for supporting RRS.  Please take time to complete the survey.  We think that “Elluminate” is a very good tool, but we need your help in determining that we are making the best use of it.

Go on-line at:

http://ceres.cals.ncsu.edu/surveybuilder/Form.cfm?testID=8110