Rick Barton

The Management Implications of Revenue Parks

Amid the even character of a plains environment all things seem relatively equal. Slight landscape variations blend into a flat line along the horizon. Shrubby trees fade into one vague wall of dense forest. Distant mountain peaks assume one elevation in the context of our eye's view. Yet, the illusion of a plains environment rests purely within the interpretation of our vision. Objects close to us assume shapes of great clarity. Distance presents the optical confusion.

Such is the case with our collective understanding of the issues related to managing the natural environment. That which lays close to us remains clear. Those objects which remain far away fade into a complex relationship of time, distance, and various human influences. Stated more simply, it seems that human nature precludes meaningful observation, and ultimately focused management, of our vast natural and cultural resources. A case in point is represented by the dynamics of a conflict regarding the proper financial management of America's state park resources and facilities. Unfortunately, most citizens and many park professionals do not recognize the threat which lies amid that conflict.

As a culture we seem to value the existence of state parks, otherwise we would not devote the financial and policy energy necessary to establish such places. Unfortunately, the commitment often ends shortly after the ribbon from the ceremonial cutting hits the ground following the acquisition and development of a new park. Once the glamour vanishes, so does the financial support for projects that no longer cause a twinkle in the eye of a state's elected officials and appointed bureaucrats. The burden of support eventually falls into the sometimes less-than-able hands of the state park agency. Their strategy to develop funding mechanisms creates conflicting objectives.

The context of capability is not a critique of the management talent residing within state agencies. On the contrary, state park agencies presently provide the breeding ground for creative adaptability in the professional field of park management. For example, while national parks struggle to adopt sound policies regarding charges for services, states have mastered fee management for decades. State park systems have also taken a thoughtful lead in numerous functions, including: the use of hunting for effective resource management, timber management, self-operated concessions, and reasonable corporate partnerships. For all of the shortcomings of state park operations, they abound in talent and innovation.

Capability in this context rests much more with the ability of state parks to shoulder the financial burden of managing complex facilities and the people who visit such places. State park agencies simply do not receive sufficient tax-generated dollars to adequately support the management of the facilities and the people who visit. Among the nation's state park agencies, only a handful receive the majority of their funding from general tax sources. In every case, there exists a clear policy, and therefore the public expectation, that the parks shall attain a measure of financial self support. There begins the dilemma.

In the best sense, state parks under financial pressure shall seek efficiency. They logically evolve into lean agencies which gradually emphasize financial security. As survival remains paramount, such agencies minimize costs and maximize revenue. From a tax-paying perspective, park agencies contribute to the cause by attaining revenue, by reducing the burden upon the state budget. From that specific view, nothing could be better than an agency which contributes revenue rather than simply spends money. Imagine a government full of agencies that constantly seek greater efficiency while also dreaming up realistic sources for revenue.

In the worst sense, we created a mercenary structure, far from the objective of the visionary citizens who sought to create a complimentary array of state parks available equally to all who sought such leisure. In this mercenary culture, entrepreneurial skill becomes preeminent and visitor services thrive in the arena of best business practice. Since paying customers return only when treated well, and clients expect sanitary facilities, park agencies focused on such services. As a result, visitor service becomes a focus of state park agencies, creating the illusion that the management policy was appropriate because the state government enjoyed the financial implications of revenue parks. Meanwhile, as profit speaks the loudest in state capitols, park agencies have become increasingly revenue-driven.

Across the country, state parks generate approximately $600 million annually from fees, charges, and various other enterprises. Visitors expect to pay for services in parks, and agencies continue to push that willingness to the limit. Beyond maximizing profits, the revenue-driven priority results in new enterprises which encourage new revenue.

As financial reality rules the kingdom of state parks, such logic leads to the development of more revenue-producing facilities. At first campgrounds and beaches satisfied the financial appetite. In time, as public demand shifted, development intensified as the pressure for more revenue created a new objective for state parks. Economic development generated more cabins, expansive luxury lodges, golf courses, convention centers, and full-service marinas. Private operators entered the scene as professional business enterprise took center stage in state park management.

Camping still represents the backbone of state park financing, providing about one-third of annual revenue nationwide. Day-use service charges or "entrance fees" rank second but continues to diminish in importance as other revenue sources accelerate. Cabins evolved as part of the park culture and remain a good revenue producer. Yet today, golf courses, restaurants, and lodges each contribute as much revenue as cabins in state parks. Taken as a collective group, development-oriented facilities generate more funds for state parks than the traditional day-use revenue. A park with a golf course, lodge, and restaurant provides more financial support than the day-use gate.

The merits of this evolution depends upon the perspective of the observer. The creation of more recreation enterprise presents great value to society in a number of realms. Local communities reap the economic value of tourism, with an increased flow of money into an area, and increased employment opportunities. Beyond the financial value, additional facilities provide more recreation opportunities than more traditional state parks. Who could reasonably argue with the provision of increased outdoor recreation to an increased client base while providing local economic impact and budgetary support to the government entity? The evolution seemed too good to be true.

The consideration of the question above does not consider the implications of business management upon park resources. In comparison, development pales in consideration of the priceless quality of natural and cultural resource values. Development should support the primary purpose of state parks: to bring resource values to the public through education and passive recreation. In that manner, minimal negative intrusion is brought upon the natural, cultural, and historic resources that were set aside in the first place. Resource management then becomes dominant, with facilities designed to enable people to visit and appreciate the qualities of what lies upon those properties. In our present-day mercenary management culture, resource management flounders while relegated to the realm of those necessary evils.

Land should be acquired to preserve some specific values, and the management should reflect those simple qualities. A lodge and golf course present a quality in themselves, regardless of the significance of the property in which they lie. Such a development has nothing to do with a property which was established to preserve something of statewide significance.

State parks in the Northeast have continued along the time-honored tradition of relatively low development with an emphasis upon preservation of open space. There are virtually no resort state parks in New England. Those park systems have struggled to survive during the past decade amid the high competition for scarce tax dollars. Unlike their New England neighbors, the New York state park system features many highly developed facilities which contribute nearly $50 million to their annual revenue operations. Ohio state parks include the operation of more than thirty marinas. In contrast, Kentucky state parks include numerous lodges, restaurants, golf courses, and marinas which generate considerable revenue. Many of the southeastern states feature a number of lodges and other resort-style facilities.

While resort operations do not always provide a balanced budget, the influence of economic impact may generate adequate political support to maintain budget health. The funding policy in Kentucky reflects the philosophy that the park system not only generates revenue but contributes greatly to the state's tourism economy. With a mentality that the budget contribution is an investment in the state's economy, park systems with high development tend to receive consistent budget support from elected leadership. By contrast, in Maryland an explicit formal statement came jointly from both the legislative body and the executive leadership in the 1960s that the state parks would remain relatively undeveloped. Their successors honored that commitment over the years, but Maryland's state park system has suffered from budget erosion comparable to its New England counterparts. With no great revenue impact from resort parks, Maryland's park agency struggles to compete for tax dollar support.

The philosophy central to the revenue argument remains a matter of vision. Such discussion centers on a prediction of what shall yet occur. Creating a more self-funding park system may indeed present a more stable future. A financially healthy park system may not only survive a future financial crisis, but may also be able to support those sites which offer great value to society without the ability to generate revenue. In that vision, the money-generating facilities become the cash cow which finances the rest of the park system.

Beyond the practical value of such vision, a harsh reality comes into focus. Park systems which emphasize the production of revenue lose their creative souls. When money motivates creative enterprise in parks, the top managers place the zeal of their emphasis upon those aspects that generate revenue. The importance of the dollar outweighs everything else, no matter how hard park executives may argue the purity of the intentions. Creative energy, staff interest and objectives, and the focus of thoughtful discussion centers upon those sites and those initiatives which maximize profit. Park managers who honestly reflect for a thoughtful moment eventually recognize the hazardous reality of a profit-driven park agency.

The practical reality of managing complex recreational facilities offers daily evidence of a park executive's focus. The simple fact remains that developed park attractions demand constant attention from managers. Facilities require diligence both in response to a crisis or the daily proactive grind of maintenance and visitor service. Handling of cash, supervision of staff, and troubleshooting problems all increase the burden upon managers.

Resource management, if done properly, likewise requires both diligence and constant attention. While resource management may involve controversy, attention to immediate customer concerns always consumes a manager's attention. The emphasis and creativity eventually shifts toward the profit centers, toward the people services. Resource management becomes something else that has to be done, and may be put off until later. Resource management becomes an afterthought or perhaps even just a necessary evil.

Like so many other aspects of our society, the resolution of conflict between enterprise development and resource-valued park management lies in the realm of compromise. State park recreation resources require the tempering of financial reality. Revenue generation must reside within the soul of thoughtful park preservation. The balance remains a question of vision, matching the clarity of what lies close to us with the uncertainty of the horizon.

References

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Rick Barton, Maryland State Forests and Parks Service, Annapolis, Maryland 21401