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Progress Report



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Recreation and Parks Program Implements Few Cost Saving and Revenue Recommendations

at a glance

The Department of Environmental Protection has not implemented most of the cost saving and revenue-generating recommendations made in our December 2000 review of the Recreation and Parks Program. Consistent with our recommendation, it expanded the availability of overnight accommodations, primarily by constructing more cabins in state parks. However, it has not reduced costs by delaying new park development and creating priorities for projects in state parks as we recommended. Furthermore, it has not adopted our recommendations for producing more self-generated income by increasing the range of park entrance fees and installing honor boxes at all state trails and parks that currently do not have admission fees.

Purpose

In accordance with state law, this progress report informs the Legislature of actions taken by the Department of Environmental Protection (DEP) in response to a 2000 OPPAGA report.^{1,2} This report presents our assessment of the

extent to which the department has addressed the findings and recommendations included in our report.

Background

The Department of Environmental Protection administers the Recreation and Parks Program, which has three components.

State Parks. The goal of state parks is to increase the availability of recreational facilities and visitor services for the public's outdoor recreation needs and enjoyment. To achieve this goal, state park staff performs work in five primary areas of activity: administration, visitor services, resource management, maintenance, and protection. Currently, the program manages 155 state parks covering 571,211 acres. In Fiscal Year 2000-01, over 18 million visitors attended Florida state parks.

Greenways and Trails. The goal of greenways and trails is to facilitate the establishment of a statewide system and coordinate with other contributing government agencies, private individuals, and organizations.³ The greenways and trails system consists of 540,777 acres. However, program staff directly manages only the Marjorie Harris Carr Cross Florida

¹ Section 11.51(6), *Florida Statutes*.

² *Justification Review: Recreation and Parks Program, Department of Environmental Protection, OPPAGA Report No. 00-28, December 2000.*

³ Greenways are corridors of protected open space that are managed for conservation and/or recreation. Trails are linear corridors on land or water with public access for recreation or transportation.

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Greenway. Since January 2002, an estimated 195,904 vehicles accessed the Cross Florida Greenway.

Coastal and Aquatic Managed Areas. The goal of managed areas is to increase outdoor recreation opportunities while maintaining the desirable natural functions and diversity. The program staff manages 160,349 acres of state buffer preserves that serve as native habitat for wildlife. Approximately 73,071 visitors attended these sites in Fiscal Year 2000-01.

Program resources

In Fiscal Year 2001-02, the Legislature appropriated \$196,332,472 and 1,180 positions to the Recreation and Parks Program.

Prior Findings

Our 2000 review concluded that the program needed to identify ways to reduce an increasing gap between its revenues and expenditures. The Department of Environmental Protection reported that the program required more than \$309 million to develop state parks and an additional \$105 million for park repairs. State park lands are more expensive to manage than the program's Greenways and Trails and Coastal and Aquatic Managed Areas because they provide more intensive visitor services, resulting in increased labor, development, and maintenance costs. Further, state park costs will increase as the Florida Forever Program adds new lands to the state park system .

In our 2000 review, we identified several options for reducing state park development and maintenance costs. We recommended that the department delay developing new parks and establish formal guidelines for determining priority projects to help ensure that the state park system's most urgent needs are met first.

We also determined that the program has potential for producing greater self-generated income that would reduce the widening gap between revenues and expenditures. We noted that increasing state park fees, expanding

overnight accommodations, and increasing the use of honor boxes would allow parks to maintain service levels if affected by future funding shortfalls. Appendix A summarizes recommendations from our 2000 report.

Current Status

Since our prior report, the department has implemented our recommendation to increase availability of overnight accommodations but has not implemented most of our recommendations to reduce costs and produce more self-generated income.

Cost reductions

The department has not implemented the cost reductions we recommended.

- **It has not developed formal guidelines for undertaking new development projects.** Program managers agree with our recommendation that more formal guidelines for undertaking new projects would be beneficial. Program staff is working with the department's Office of the Inspector General on a project to review all internal processes, including guidelines for undertaking new projects.
- **It has not delayed park development projects.** According to program managers, they use a process to assess the needs of newly acquired parklands. They said that program staff creates unit plans for each new property, which include an assessment of the need for roads, utilities, day use areas (such as visitor centers), overnight accommodations, and other amenities.⁴ However, these unit plans do not prioritize potential park development projects. Without such priorities, some parks may receive facilities that may not be warranted because of inadequate visitation rates.

⁴ Developments in park unit plans range from cost-efficient starter kits that allow public access to state lands to expensive visitor centers that require routine maintenance.

- **It has not limited development at new parks to starter kits.** Starter kits include a paved road, a large picnic shelter, and a temporary restroom, and are relatively inexpensive (\$50,000) but provide immediate public access. Program managers said they plan to continue to use starter kits as a cost-effective way to provide basic public access facilities at newly acquired state parks. However, they do not believe that all new parks should be limited to starter kits. We continue to believe that development at new parks should be limited to starter kits, which should be sufficient until their visitation levels justify construction of more permanent facilities that would provide self-generated income and avoid unwarranted investment of general revenue.

Self-generated revenue

The department has taken action to address one recommendation for increasing self-generated income made in our prior report.

- **It increased the availability of overnight accommodations at four parks by 116 sites and has entered a contract with the private sector for an additional 143 cabins at eight state parks.** As indicated in our previous report, overnight accommodations represent the largest share of generated park revenues.

However, the department has not implemented our other recommendations to produce more self-generated income to offset costs paid by general revenues.

- **It has not increased the range of park fees so that higher fees are charged at parks with high visitation levels.** If fee revisions had occurred, entrance fees would range between \$4 and \$5 per vehicle compared to the current fees of \$2 to \$4 per vehicle.
- **It has not installed honor boxes at all state parks and trails that do not currently charge entrance fees.** Program managers indicated that honor boxes have been installed at selected state parks and that the department will continue to use them where appropriate. Further, the department will be installing honor boxes at various trailheads on the Marjorie Harris Carr Cross Florida Greenway, which is managed by the Office of Greenways and Trails. However, there are no plans to install honor boxes on remaining state trails. We continue to believe that the department should install honor boxes on all state trails and parks that currently do not have admission fees.

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**Appendix A
 OPPAGA Recommendations for Cost Savings and Revenue Generating Opportunities for State Parks**

Cost Savings

Conclusions	Recommendations
<p>Given the state’s limited fiscal resources, it is important to have reasonable priorities for considering capital outlay budget requests. A formal evaluation and priority-setting process has not been fully developed for statewide use.</p>	<ul style="list-style-type: none"> ▪ Establish formal guidelines for determining priority park development projects.
<p>A primary reason for the increase in program cost is new lands being added to the state park system. At the time of our prior report, program staff estimate that \$309 million was needed to develop existing state parks; this amount will increase as new lands are acquired through the Florida Forever Program and added to the state park system. With current budgetary constraints, it is important that the program limit its costs where possible.</p>	<ul style="list-style-type: none"> ▪ Delay development of newly acquired state parks.
<p>Limiting initial development at new state parks to “starter kits” will allow the parks to remain in their natural state and be accessible to the public. Starter kits include a paved road, a large picnic shelter, and a temporary restroom, and are relatively inexpensive (\$50,000) but provide immediate public access to the properties. We believe this level of development at new parks would be sufficient until their levels of usage warrant construction of more permanent facilities.</p>	<ul style="list-style-type: none"> ▪ Limit development of new parks to starter kits.
<p>We found no relationship between the demand for services and the development of state parks. Construction and outfitting state parks, especially in newly acquired parks that are not highly used, with developments such as visitor centers is not cost-effective. In a park’s early years, due to low attendance, revenues do not offset much of the cost of building structures and maintenance of the park.</p>	<ul style="list-style-type: none"> ▪ Delay development projects that are not based on strong public demand.

Revenue Generation

Conclusions	Recommendations
<p>Florida statutes allow state parks to charge fees, but do not specify the amount of fees that can be charged. The Department of Environmental Protection sets park fees. It should charge higher fees at state parks that are frequently overcrowded with visitors than at underused parks. This will increase the parks’ self-generated revenue, and visitors may be diverted to other less popular parks, which would help prevent overuse and damage to parks with high levels of visitation.</p>	<ul style="list-style-type: none"> ▪ Consider revising park admission and activity fees based on attendance levels.
<p>Generally, parks with overnight accommodations generate a higher proportion of revenues than parks without overnight accommodations. In Fiscal Year 1999-2000, almost a third of total revenues collected at Florida’s state parks were from camping and cabin rental fees.</p>	<ul style="list-style-type: none"> ▪ Increase availability of camping and cabin accommodations.
<p>An opportunity to collect additional revenues would be to increase the use of self-service fee stations (honor boxes) at trails and other sites that do not currently collect entrance fees. While the program collects entrance fees at many sites, it does not collect them on the Cross Florida greenway and some other locations.</p>	<ul style="list-style-type: none"> ▪ Install honor boxes in locations throughout the statewide trail system and at parks that currently do not have admission fees.

Source: *Justification Review: Recreation and Parks Program Department of Environmental Protection, Report No. 00-28, December 2000.*