



OFFICE OF THE LEGISLATIVE AUDITOR
STATE OF MINNESOTA

State Park Management

January 26, 2000

Major Findings:

- Overall, the Parks and Recreation Division of the Department of Natural Resources (DNR) manages Minnesota's state parks reasonably well given the resources available to the division. (p. 26 in the full report)*
- Park visitors have consistently expressed satisfaction with Minnesota's state parks (p. 12) and would accept small increases in park fees. (p. 89)
- DNR uses reasonable standards and a fair process for setting priorities and allocating staff and operating budgets to individual parks based on park activity information. (p. 33)
- DNR has not emphasized resource management and preservation in state parks as much as providing recreational and interpretive services. (p. 53)
- The department's building maintenance database is of limited usefulness for evaluating building conditions and accurately estimating repair costs for state park buildings because data are unreliable, not updated, and inconsistent across DNR regions. (p. 67)
- Although data are limited, most buildings and facilities in Minnesota's state parks appear to be in good to fair condition. Roads and sewer systems in some parks need repair. (p. 69)

- DNR has a well-defined process for identifying capital improvement projects in state parks. The state park 2000-2001 operating budget was increased to fund the operating costs of new buildings funded in the 1998 state bonding bill. (p. 77)

Key Recommendations:

- DNR should continue to analyze the current state park system, develop baseline data using criteria proposed in its Minnesota State Park Land Study, and based on that analysis, examine possible modifications to Minnesota's state park system. (p. 61)
- DNR should ensure that its process of assessing the condition of buildings and estimating repair costs is consistent across regions. Once implemented, the department should report the results to the Legislature. (p. 71)
- The Legislature should require DNR to continue estimating operating and maintenance costs for new building construction projects contained in state bonding bills and including those estimates in the state park operating budget. (p. 80)

DNR does a good job of managing Minnesota's state parks, but there is room for improvement.

*For the full evaluation report, *State Park Management* (#PE00-02), which includes the agency's response, call 651/296-4708 or download from:

**[www.auditor.leg.state.mn.us/
ped/2000/PE0002.htm](http://www.auditor.leg.state.mn.us/ped/2000/PE0002.htm)**

Report Summary:

The Department of Natural Resources (DNR) does a reasonably good job of managing Minnesota's state parks, although there is room for improvement.

The Parks and Recreation Division of DNR manages and operates 66 state parks, 4 recreation areas, 1 trail, and 8 waysides. The division employed 235 full-time staff and 550 seasonal and part-time employees and had an operating budget of approximately \$24 million in 1999. The budget increased 13 percent between 1990 and 1999, after being adjusted for inflation. Revenues from park visitors represented 31 percent of the state park budget in 1999.

Park Visitors Are Satisfied with Minnesota's State Parks

There were an estimated 8.6 million total visits to Minnesota state parks in 1998, of which about 914,000 were overnight visits. Total visits to state parks rose 10 percent and overnight visits increased 7 percent between 1990 and 1998. Most park visits (62 percent) occurred during the summer and most (60 percent) occurred on Friday, Saturday, and Sunday. Overnight visits were even more concentrated during the summer (81 percent).

Since 1987, over 90 percent of park visitors surveyed by DNR responded that they were satisfied with their visits to state parks. The most important park features to visitors were clean facilities and grounds, a natural setting, and well-protected natural resources.

DNR Uses a Reasonable and Fair Process to Set Funding Priorities for Individual State Parks

The department uses many reasonable practices to manage Minnesota's state parks. It uses rational standards and a fair process for allocating resources to individual parks, sets priorities for interpretive services based on an assessment of resources, uses a well-defined process to identify and rank capital improvement projects, solicits public input, and fosters positive working relationships with other agencies.

The process used to set priorities, make budget decisions, and allocate staff and operating budgets to individual parks is based on park activity information and is reasonable and fair. The department has not tracked the extent to which park staff accomplish the tasks outlined in its park operating standards since implementation of the statewide accounting system in 1996.

The most heavily used state parks are assigned a high priority and are least affected by budget shortfalls. DNR's decision to close fall through spring camping in the 20 least used state parks because of a fiscal year 2000 budget shortfall affected relatively few park users (16,000) statewide. For some individual parks, however, the impact was more significant because fall through spring camping represents a large share of total camping activity.

The recent reduction of services at state parks and an anticipated future budget shortfall highlight the need to consider alternatives to the current financing of state parks. There are several options for the Legislature and DNR to consider for addressing state park financing including: maintaining the status quo; reducing the size of the park system by

transferring, converting, or mothballing some state parks; cutting administrative costs of the parks division; and increasing funding for state parks.

The department's recent study of the state park system (*Minnesota State Park Land Study*, 1999 public review draft) includes a decision-making framework and criteria for evaluating new park proposals. DNR could use this approach to examine existing state parks and suggest modifications to the current park system.

In many respects, DNR has tried to manage seasonal parks staff efficiently. In 1998, it saved about \$364,000 in seasonal staff costs by using a work training program and it used over 155,000 volunteer hours in 1998. However, the department's ability to reduce the cost of seasonal staff has been limited by the terms of an agreement it negotiated with an employee labor union. Similarly, department guidelines, state law, and bargaining unit contracts limit the use of volunteers in state parks.

Resource Management in State Parks Has Been a Lower Priority for DNR

The department's goals for managing state parks are to provide outdoor recreation and education services and to manage and preserve cultural and natural resources in the parks. There are over 4,300 campsites in 63 state parks that offer camping. Campground occupancy for all parks averaged 72 percent on weekends and 26 percent on weekdays during the summer of 1998, but occupancy varied widely by park and day of the week. It can be difficult to get reservations for campsites at some popular parks on summer weekends.

Priorities for providing interpretive services in state parks are based on an

assessment of natural and cultural resources and park use. Twenty-six parks provided year-round or seasonal interpretive services in 1998, and these programs served nearly 188,000 park visitors. Interpretive staff in 14 parks were not able to meet school groups' demand for environmental education programs or the public's demand for specific naturalist programs.

To help preserve natural resources, DNR has specialized staff, conducts research and resource assessments, funds special projects, and develops park management plans. But DNR has not emphasized resource management and preservation as much as providing recreation and interpretive services. Much work remains to be done on developing baseline resource data and indicators of environmental condition before DNR can adequately monitor the impact of recreational use on natural resources in state parks. According to DNR, resource management has been assigned a lower priority because of public pressure on the department to provide park recreational and educational activities.

Most State Park Buildings Appear to Be in Fair to Good Condition

Minnesota's state parks contain 1,483 buildings (excluding about 300 pit toilets), of which 1,247 are actively maintained by DNR. These buildings range from vault toilets to visitor centers. DNR estimates that state park facilities have over \$13 million in deferred maintenance or needed repairs. Maintenance spending for these buildings totaled \$3.3 million between 1994 and 1998.

DNR's existing building maintenance database contains unreliable condition ratings and repair cost estimates, and inconsistent and out-of-date information. The lack of reliable data makes it

difficult to assess the condition or maintenance of state park buildings and facilities. However, the department is installing a new building maintenance database. The department should ensure that its new process for assessing the condition of buildings and estimating repair costs is consistent across DNR regions and, once implemented, the department should report the results to the Legislature.

Based on existing data, most park facilities appear to be in fair to good condition. Between 79 and 90 percent of buildings were rated in good condition (no significant immediate repair needed) or fair condition (repair conditions exist, no immediate action required) on each of six building components. Park managers gave satisfactory ratings to three-fourths of

park electrical systems, over half of public-use and administrative buildings, and less than 40 percent of park roads. Some park roads and sewer systems need attention.

DNR uses a well-defined process to identify an extensive list of over 1,300 capital improvement projects in state parks estimated at \$81 million (the Legislature has already invested over \$53 million in park-related facilities and land acquisition in the 1990s). The impact of additional operating costs for newly constructed state park buildings was incorporated into the state park 2000-2001 operating budget. The Legislature should require DNR to continue estimating future operating and maintenance costs for new state park buildings and including these costs in its operating budget.

Summary of Agency Response:

In response to the evaluation, DNR Commissioner Allen Garber wrote on January 6, 2000: "We believe that the evaluation was well done and are pleased with the results. . . . We will continue to work to make improvements in the areas you have noted and to seek the financing necessary to accomplish those improvements."

Commissioner Garber also said, in part, that "DNR believes that the state park system pays its own way. We appreciate your footnote comment [on page 20 of the full report] and understand the 'substitution effect' but the fact remains that citizens made the choice to visit parks and not to attend a movie or ball game and therefore their expenditures should be credited to state parks. We also believe that comparisons with other states should contain the notation that Minnesota labor wages are consistently higher than other states and our park managers have additional responsibilities outside park boundaries that do not exist in other states."