

Trends in the Financing and Staffing of Local Government Park and Recreation Services 1964/65-1990/91

John L. Crompton
Brian P. McGregor

ABSTRACT: Census Bureau data were used to identify aggregate trends in financing and employment in local park and recreation agencies in the United States from 1964-65 to 1990-91. The data suggest the potential for future substantial increases in self-generated revenue has been exhausted. From 1984-1991, increases in real dollars of local park and recreation budgets as a whole were much larger than at any other time in the history of the field. Trends in per capita expenditures on recreation and parks in the U.S. as a whole, and in six major states are discussed. By 1990, full-time employment levels had almost recovered to their 1978 levels. Part-time employment during this period increased substantially. An estimate of the number of jobs contracted out to the private sector is provided.

KEY WORDS: Local government, parks and recreation, financing, employment, revenue generation, contracting-out.

AUTHORS: John L. Crompton is professor of Recreation, Park and Tourism Sciences at Texas A & M University. Brian P. McGregor is a Market Research Analyst with the Tennessee Valley Authority at Land Between the Lakes.

Lack of adequate funding has been identified as the single most important factor adversely impacting local park and recreation service delivery (California Department of Parks and Recreation, 1988). It pervades many of the other issues of concern, such as deteriorating infrastructure, and the need to develop new facilities and services.

However, a perception of inadequate financial support may be an inevitable consequence of the nature of the services offered. Public park and recreation services are widely recognized as being public or merit goods, whose delivery cost should be fully or partially supported by tax subsidies (Howard & Crompton, 1980). The presence of a subsidy invariably leads to there being more demands for services by client groups than agencies are able to meet. These demands may be for higher quality existing services and/or for an expansion in the range of services offered. A consequence of this is that even those agencies that appear to be relatively well funded are unlikely to have enough resources to meet all their

potential clients' needs. For this reason, there may always be a perception by personnel that their agency is underfunded.

From this perspective, the notion of being "underfunded" is a relative phenomenon that recognizes some norm or expectation level with which comparisons are made. Norms that may be used are funding received by other agencies and support received in the past. The purpose of this paper is to provide a context for making such comparisons by reporting historical levels of funding that public park and recreation agencies received between 1964-65 and 1990-91. During this 27-year period, there was a substantial shift in public sentiment towards government spending.

The defining external influence on public park and recreation expenditures during the period of interest was the emergence of a popular movement advocating limitation of government spending. This movement developed as a reaction to over a half-century's growth in government during which public spending increased from a tenth to a third of the Gross National Product (Pascal, 1979). During the late 1960s and early 1970s state and local governments were the fastest growing employers in the economy. For example, even under two fiscally conservative governors, California's state budget grew at the rate of 12 percent annually in the decade preceding the passing of Proposition 13 in 1978 (*Wall Street Journal*, 1978). In addition to this increase in taxation, in the late 1970s citizens were subjected to persistent and unprecedented double-digit inflation that further slowed their growth in real incomes.

A series of opinion polls tracing the public mood over time documented a substantial decline in the public's confidence in government from the early 1960s to the late 1970s. There was a growing perception that governments wasted money, taxes were too high, government employees were highly paid and lazy, welfare services were fraudulently consumed, and that many services were non-essential or inefficiently produced. A sizable proportion of the electorate believed that taxes could be cut without endangering "basic" or "essential" services (Ladd, 1989).

There appears to be no agreement in the literature as to when the "tax revolt" period of the late 1970s officially commenced; Mikesell (1991) suggests 1978. However, a case can be made for it beginning in 1975-76 when the fraction of Gross National Product accounted for by government spending fell for the first time in 50 years. This milestone may be accepted as the starting point of the tax-revolt movement. From this point, voters were increasingly disinclined to approve spending proposals they were offered and to favor the more frugal candidates in elections. While local and state governments were not necessarily regarded as negatively as the federal government, they were the focus of the early legislation because they constituted easier targets for voters intent on remedial action.

The earliest tax limitation law of this era was passed in New Jersey in 1976. It enacted the principle of indexing. Growth of state expenditures was limited to the percentage increase in per capita personal income from one year to the next. It also prohibited counties and municipalities from increasing their fiscal appropriations by more than five percent over the previous year without voter

approval. This was followed by a similar law passed in Rhode Island in 1977. However, neither of these limitations statutes received much attention from the national media.

The tax revolt did not gain a prominent place in the nation's psyche until 1978, when the much more radical Proposition 13 was passed in California [Proposition 13 is sometimes called the Jarvis-Gann Amendment after the names of its two major organizers]. Proposition 13 was a voter initiative that amended the state constitution. It was supported by two-thirds of the voters. The two major components of Proposition 13 were: (1) The maximum property tax rate, for all jurisdictions in the State of California, was fixed at 1 percent of the 1975-76 assessed value of the property; and (2) assessed values could not be increased more than two percent per year based on 1975-76 property value except on property that changes hands. In its first year, the effect of Proposition 13 was to remove \$7 billion of the \$12 billion (57 percent) property taxes that would have been collected by local jurisdictions in California if it had not been enacted (Howard & Crompton, 1980).

Proposition 13 represented a dramatic watershed in government spending. It was noted at the time that, "This is the new environment within which many recreation and park agencies now have to operate" (Howard & Crompton, 1980,37). Immediately after it was passed, the *Wall Street Journal* (1978) in a lead editorial opined:

After the Jarvis-Gann earthquake in California, nothing can be quite the same in American politics. The voters are fed up with soaring taxation, spending and inflation, and are beginning to make their anger felt (p. 20).

Although the tax revolt was most dramatically manifested in California, the movement reverberated across the nation. By the end of 1979, 22 states had reduced property taxes, income taxes were reduced in 18 states, and 15 states cut sales taxes. Overall, 36 different states had instituted some kind of reduction in property, income, and sales taxes, or had some type of spending limitations in place (Leonard, 1986). These statutory provisions were reinforced by the political actions of elected representatives who recognized that survival in office depended on them demonstrating frugality to the electorate. At the federal level, the tax revolt led to reductions in intergovernmental transfers from the federal government to state and local entities, which exacerbated the problems of the latter.

There was a widespread perception that the tax limitation legislation had a substantial adverse impact on the level of financial support for park and recreation services throughout the United States. There were many documented examples of where this occurred. For example, the *Los Angeles Times* undertook a survey of the first year impact of Proposition 13 on the State's 417 cities and 58 counties. It reported that parks, libraries, recreation, street sweeping, and street maintenance were the services most frequently reduced by cities; while libraries, social services, and parks were the most frequent target for service reductions by counties (Soble, 1978).

A subsequent survey of 183 California park and recreation agencies operated by cities, counties and special districts reported that operating expenditures decreased by 11.6 percent, in constant dollar terms, between 1977-78 and 1981-82 (Schwadron and Richter, 1984). It was estimated that real per capita expenditures for park and recreation services over this period declined by 18.2 percent. During the same period, the amount of developed park land (defined as needing regular maintenance) increased by 10 percent; while the number of recreation facilities (pools, centers, etc.) increased 10.6 percent. The author commented:

This growth in the amount of parkland and the number of facilities is noteworthy in view of the squeeze noted earlier in parks operating expenditures and the sharp drop in park maintenance staff. It appears that park managers continued many park development projects that were planned prior to Proposition 13 even after operating budget problems developed. Unfortunately, we were not able to measure the quality of park maintenance before and after June 1978. It has been suggested that park maintenance standards have been dropped to accommodate more acreage with reduced funding and staffing (p. A51).

Massachusetts passed legislation limiting the ceiling on property taxes to 2.5 percent of property value. An assessment of the early impacts showed that parks, maintenance and libraries received the largest funding reductions (Ladd & Wilson 1982). Klar and Rodman (1984) concluded:

The results have led to difficult challenges for recreation and park personnel, since, historically, during difficult economic conditions, many recreation and park budgets have been among the first to be reduced. In fact, in some cases, the very existence of municipal recreation and park services has been threatened due to changes in tax legislation affecting local budgets (p. 31).

Documented examples such as those cited make it clear that the tax limitation movement had a dramatic adverse impact on park and recreation services in some jurisdictions and regions. The documented examples have been supplemented by substantial anecdotal evidence offered by recreation and park practitioners both in informal interactions with peers and in more formal forums, such as conferences. Generalizations have been made from this evidence so that it has become "part of the field's conventional wisdom" (McCarville & Crompton 1988, 47) that park and recreation administrators, since onset of the tax revolt, have operated under conditions of severe financial restraints and cutbacks. However, from their review of official government statistics for the period 1980-1985, McCarville and Crompton concluded: "The tax reduction movement has not resulted in substantial cutbacks in resources for local park and recreation services across the country" (p. 53).

McCarville and Crompton (1988) reached this conclusion after analyzing three types of official government data for the period 1980-1985. The three measures were: self-generated revenue derived from park and recreation activities; local expenditures on parks and recreation and their ratio to total local

government expenditures; and employment in delivery of local government park and recreation services.

This paper extends the McCarville and Crompton (1988) contribution in three ways. First it updates their data and examines it in the context of a 27-year period, rather than the five-year context of their analyses. Data were assembled from 1964-65 to 1990-91. The starting date was selected because it was immediately after publication of the Outdoor Recreation Resources Review Commission reports and passing of the Land and Water Conservation Fund. Although these were federal events, they stimulated public awareness and prompted substantial local investment in parks and recreation. The use of a 27- rather than a five-year time period provided a more comprehensive perspective from which to assess the magnitude of any trends and make more informed judgments about the field's current funding status.

The paper's second contribution is that it goes beyond identifying national trends to examine historical data in six states: Washington, California, New York, Illinois, Texas and Florida. The selected states included the country's most populated states, but also offered geographic diversity. Two each were selected from the east coast, central area and west coast; while three were northern and three were southern states. The purpose of the states' analyses was to see if national trends were consistently reflected at the state level or whether they obscured wide regional variations. Finally, the paper includes an additional indicator to those used by McCarville and Crompton, which measures per capita spending on local park and recreation services for the United States and the six states of interest.

Methods

Data were collected from Bureau of the Census publications relating to local government finances and employment. Indicators were used to identify four trends: (1) Revenue self-generated by local park and recreation services; (2) expenditures on local park and recreation services; (3) per capita spending on local park and recreation services; (4) employment in local park and recreation services.

In their reports on public employment, the Bureau of the Census defines parks and recreation as:

Government activities which include the operation and maintenance of parks, playgrounds, swimming pools, public beaches, auditoriums, public golf courses, marinas, botanical gardens, and zoological parks. (Public Employment 1990:35).

However, in their reports of government finances, the Bureau of the Census definition of parks and recreation is slightly more expansive incorporating cultural and convention facilities:

Provision and support of recreational and cultural-scientific facilities and activities including golf courses, playing fields, playgrounds, public beaches,

swimming pools, tennis courts, parks, auditoriums, stadiums, auto camps, recreation piers, marinas, botanical gardens, galleries, museums, and zoos. Also includes building and operation of convention centers and exhibition halls. (Census of Governmental Finances 1989:A-6).

Their definition of local government includes all cities, villages, boroughs, parishes, towns, counties and special districts (Census of Government Finances 1989). The Census Bureau report that the data pertaining to local public employment, are estimated from a sample of approximately 22,000 local units chosen from the universe of local governments identified in the 1982 Census of Governments and modified by the addition or deletion of local governments which came into existence or went out of existence since 1982. (Public Employment 1990:ix).

Typically, usable replies were received from approximately 80 percent of this sample in the annual survey. Non-responses were estimated by using prior year data. Data included in the Census Bureau's *Governmental Finances* series also used a comprehensive sampling approach:

The sample of local governments is drawn from the 1987 Census of Governments and consists of certain local governments taken with certainty plus a sample below the certainty level. Units in the certainty group are all county governments with a population greater than 50,000; all municipal and township governments with populations greater than 25,000... The remaining sampled units were selected with probability proportional to their financial activity. This criterion was applied first for each county area having 100,000 or more population and then for the balance of local governments in each State. (Census of Governmental Finances 1989:xiv).

Typically, the response rate was over 90% for both the general purpose governments survey and the survey of special districts. Again, non-respondent entities' data were estimated by using prior fiscal year data or data from other secondary sources.

The financial data collected were in actual dollars, but were converted into 1982 dollars using price deflators for local government services reported in the *Economic Report of the President* (1989). This was done to facilitate comparison of annual data on a longitudinal basis by establishing inflation-free trends. All discussion in the paper relates to adjusted dollars unless otherwise indicated.

Trends

Revenue Generated by Local Park and Recreation Services

Bureau of the Census (Census of Governmental Finances 1989:A-7) defines revenue as:

All amounts of money received by a government from external sources—net of refunds and other correcting transactions—other than from issuance of debt, liquidation of investments, and as agency and private trust transactions. Note

that revenue excludes noncash transactions such as receipt of services, commodities, or other "receipts in kind."

Revenue trends are shown in Table 1. Column 5 indicates that the percentage that self-generated revenue represents of the total local expenditures on parks and recreation increased from 14% in 1964-65 to 21.4% in 1990-91. The ratio stayed consistently at 14% or 15% for the first twelve years. With the emergence of the tax limitation movement, it increased consistently over the next eleven years, so by 1986-87 the "norm" had changed from 14% or 15% to 21%. In 1987-88 there was a quantum increase to 24%, but by 1990-91 this had decreased to 21.4%.

Column 4 (Table 1) suggests that the average growth per year in self-generated real dollars can be segregated into three eras. They are: low growth (1964-65 to 1981-82) when the average annual increase was \$32.5 million; high growth (1982-83 to 1987-88) during which the average annual increase was \$125 million; and the most recent three-year period of decline in which self-generated revenues failed to reach the 1987-88 level. Again, the effect of the tax limitation movement is apparent. During the early years of the tax revolt (1975-76 to 1981-82), opportunities and techniques for increasing revenues from fees, concession and lease agreements, rentals, donations, sponsorship, etc., were initiated by the agencies that were first impacted by it. During the high growth 1981-82 to 1987-88 period, the tax limitation movement and the impact of reduced intergovernmental transfers from the federal government spread widely across the country. This required a majority of agencies to expand their efforts to generate revenue, so the thrust to do this became part of the field's conventional wisdom. The high growth era finished with an extraordinary increase of \$328 million in 1987-88. This quantum leap represented an increase of 21% in self-generated revenues in a single year.

In real dollar terms, there has been a 259% increase in self-generated revenues during the 27 year period (Column 3, Table 1). However, this reflects only a 7.4% increase in the proportion of self-generated dollars to total expenditures on park and recreation services (Column 5, Table 1). These data suggest the magnitude of the task of trying to replace tax revenues with self-generated revenues. The 21% increase in revenues in 1987-88, led to an increase of only 3.1% in the percentage of self-generated revenues represented in the total expenditures on park and recreation services. In essence, these data suggest that self-generated revenues have not replaced tax supported revenues, but rather have been able only to supplement them to a relatively small degree. This interpretation should be considered tenuous because only nationwide data were available and no distinction can be made between states that have and do not have tax limitation legislation.

The data for the most recent three years suggests that much of the potential for significant increases in self-generated revenue may have been exhausted, and future aggregate increases from this source are likely to be relatively modest (although the finding was limited to fees, which are only one source of self-generated revenue). This is consistent with a finding of the California Depart-

TABLE 2
Total Expenditures of Local Governments and Their Expenditures on Parks and Recreation, 1964-1990
(Millions of Dollars)

Local Government Expenditures on Parks and Recreation				Total Local Government Expenditures			
1 Year	2 Actual Dollars	3 Adjusted Dollars	4 Annual Difference In Adjusted Dollars	5 Actual Dollars	6 Adjusted Dollars	7 Annual Difference In Adjusted Dollars	8 Ratio of Column 3 to Column 6
1964-65	\$1,104	\$3,833	--	\$ 48,405	\$168,073	--	2.28
1965-66	1,187	3,930	97	53,680	177,748	9,675	2.21
1966-67	1,293	4,040	110	59,522	186,006	8,256	2.17
1967-68	1,412	4,165	125	63,966	188,690	2,684	2.21
1968-69	1,645	4,532	367	73,483	202,433	13,743	2.24
1969-70	1,868	4,816	284	82,582	210,668	8,235	2.29
1970-71	2,109	5,033	217	94,196	224,811	14,143	2.24
1971-72	2,323	5,232	199	104,822	236,086	11,275	2.22
1972-73	2,561	5,358	126	113,822	238,121	2,035	2.25
1973-74	2,951	5,589	231	124,668	236,114	-2,007	2.37
1974-75	3,462	5,959	370	143,148	246,382	10,268	2.42
1975-76	3,864	6,232	273	159,720	257,613	11,231	2.42
1976-77	3,871	5,856	-376	169,467	256,380	-1,233	2.28
1977-78	4,257	5,987	131	182,995	257,377	997	2.33
1978-79	4,742	6,103	116	201,470	259,292	1,915	2.35
1979-80	5,247	6,087	-16	223,621	259,421	125	2.35
1980-81	5,735	6,140	53	245,102	262,422	3,001	2.34
1981-82	6,046	6,046	-94	262,783	262,783	361	2.30
1982-83	6,588	6,292	246	280,924	268,313	5,530	2.35
1983-84	6,956	6,329	37	301,974	274,772	6,455	2.30
1984-85	7,587	6,603	274	390,961	340,262	65,490	1.94
1985-86	8,431	7,133	530	423,961	358,681	18,410	1.99
1986-87	9,102	7,400	267	458,592	394,790	36,105	1.87
1987-88	10,056	7,814	414	491,163	381,634	-13,156	2.05
1988-89	10,576	7,828	14	528,167	390,945	9,311	2.00
1989-90	11,855	8,390	562	575,371	407,198	16,253	2.06
1990-91	13,187	9,045	655	623,436	427,597	20,399	2.12

NOTE: GNP deflator for state and local government goods and services was used to adjust for inflation (1982=100).

Sources: Economic Report of the President; transmitted to Congress, January 1990; Census of Governmental Finances for the given years. U.S. Department of Commerce

billion increase in expenditures in the 1984-85 to 1990-91 period (Table 2), only \$611 million [22%] (Table 1) of the total came from revenue, implying that 78% came from tax sources.

It seems likely that the quantum increases of the most recent period reflect, at least in part, the severe constraints of the previous era. Those constraints made it necessary to defer necessary expenditures, but it meant they had to be incurred at a subsequent time. When the tax revolt and post-tax revolt eras are combined, the average annual expenditure over the 15-year period is \$188 million. This is below the pre-tax-revolt period average of \$218 million. These data suggest that this era of relatively high expenditures influenced by deferred costs may continue for a few more years.

Columns 5, 6, and 7 of Table 2 provide data related to total local government expenditures. These are defined as:

All amounts of money paid out by a government—net of recoveries and other correcting transactions—other than for retirement of debt, investment in securities extension of credit, or as agency transactions. Note that expenditure includes only external transactions of a government and excludes noncash transactions such as the provision of perquisites or other payments in-kind. (Census of Governmental Finances 1989:A3).

This is a comprehensive definition of government expenditures and includes such major items as utility expenditures and employee-retirement or other insurance trust expenditures. The data in Table 2 show that expenditure patterns on park and recreation services tend to reflect those of total local government expenditures. Column 8 (Table 2) indicates that throughout the tax revolt period, the proportion of expenditures on park and recreation services stayed above 2.30% of total expenditures (with the exception of 1976-77), which is a higher ratio than was attained in all previous years except those immediately before the tax revolt period from 1973-74 to 1975-76. There is no evidence here, when the data are viewed in total, to support the notion that park and recreation budgets disproportionately decreased during that period relative to all other services. Annual increases in park and recreation expenditures declined dramatically during the tax revolt period, but so did the increases in total local government expenditures.

The lowest ratios (Column 8, Table 2) have occurred in the post-tax-revolt era, which is the period during which there were the most substantial increases ever experienced in local park and recreation expenditures. However, these increases were lower than the proportionate increases in overall local government expenditures. This suggests that in the broad context of the United States as a whole, park and recreation interests have been relatively successful in fending off disproportionate cuts in their budgets in difficult times, but have been less successful in securing proportionate increases in budgets when economic conditions improve.

Expenditures on Parks and Recreation in Six States

Table 3 shows the expenditure by local governments in six states over the twenty-seven year period. All six states exhibited a volatile pattern of increases and decreases in adjusted dollar terms. The volatility appeared to reflect local rather than national economic and political environments because there are no consistent patterns across the six states, except for a general tendency to reflect the national trend of the largest annual increases occurring in the most recent years.

There was a wide variation in the proportionate increases in expenditures on parks and recreation in each state over the 27-year period. The increases were 161%, 352%, 198%, 34%, 181%, 291%, for California Florida, Illinois, New York, Texas, and Washington, respectively. These increases compare with the increase in the U.S. average during the same time period of 136% (Table 2). These data probably reflect the substantial growth in population, and hence economic base, that has occurred especially in California, Florida and Texas during this time period.

Per capita expenditures on parks and recreation by local governments in the United States as a whole and in the six selected states are shown in Table 4. Per capita variations between the states are wide. While some of this variation may be attributable to differences in the cost of living among the six states, some also reflects different perceptions of the importance and priority of park and recreation services. The U.S. average in actual dollars in 1990-91 was \$47.71. Per capita expenditures for parks and recreation by local governments in 1990-91 were \$36.70, \$57.93, \$58.37, \$67.90, \$80.09, and \$82.35 in Texas, New York, Washington, California, Florida and Illinois, respectively.

In Washington, which enacted its Initiative 62 tax limitation statute in 1979, per capita expenditures in real dollars declined by \$3.76 between 1975-76 and 1990-91. Similarly, in California with its legislatively imposed severe tax limits, per capita expenditures in the period decreased by 85 cents. Two of the selected states, New York and Texas, showed relatively small increases of \$4.55 and \$3.54, respectively. In contrast, relatively large increases of \$21.67 and \$18.24 were reported in Illinois and Florida, respectively. The average increase in the United States in this time period was \$3.69.

Park and Recreation Employment in Local Government

Employees in the Census Bureau's employment data, "include all persons paid for personal services performed, including persons paid from federally funded programs." (Public Employment 1989:34). The definitions of full-time and part-time employees are as follows:

Full-time employees are defined to include those persons whose hours of work represent full-time employment in their employer government; part-time employees are those persons who work less than the standard number of hours for full-time work in their employer government. (Public Employment 1990:34).

TABLE 3
 LOCAL GOVERNMENT EXPENDITURES ON PARKS AND RECREATION IN SIX STATES
 (Millions of Dollars)

Year	CALIFORNIA			FLORIDA			ILLINOIS			NEW YORK			TEXAS			WASHINGTON		
	Actual Dollars	Adjusted Dollars	Annual Difference in Adjusted Dollars	Actual Dollars	Adjusted Dollars	Annual Difference in Adjusted Dollars	Actual Dollars	Adjusted Dollars	Annual Difference in Adjusted Dollars	Actual Dollars	Adjusted Dollars	Annual Difference in Adjusted Dollars	Actual Dollars	Adjusted Dollars	Annual Difference in Adjusted Dollars	Actual Dollars	Adjusted Dollars	Annual Difference in Adjusted Dollars
64-65	185	642	--	49	170	--	72	259	--	160	556	--	49	170	--	19	66	--
65-66	206	682	40	51	169	-1	90	299	49	168	556	0	46	152	-18	20	65	-1
66-67	219	684	2	59	184	15	88	276	-23	172	538	-18	46	144	-8	19	59	-6
67-68	254	749	65	62	183	-1	102	300	24	185	546	8	65	192	48	20	59	0
68-69	270	744	-5	67	185	2	151	417	117	232	639	93	59	163	-29	27	73	14
69-70	311	793	49	72	184	-1	152	389	-28	246	628	-11	68	174	11	44	112	39
70-71	340	811	18	91	217	33	168	400	11	301	718	90	82	186	22	45	107	-5
71-72	374	842	31	100	225	8	176	397	-3	298	671	-47	114	237	61	54	122	15
72-73	424	847	45	106	222	-3	178	372	-25	327	644	15	116	243	-14	66	138	16
73-74	488	924	37	134	254	32	193	366	-6	378	716	32	128	242	-1	79	149	11
74-75	582	1002	78	201	346	92	233	400	34	377	649	-67	142	244	2	83	143	-6
75-76	633	1021	19	192	310	-36	242	391	-9	394	656	-13	167	269	25	98	158	15
76-77	634	939	-62	194	294	-16	283	428	37	368	537	-79	162	245	-24	97	147	-11
77-78	639	899	-60	194	273	-21	300	426	-2	368	518	-39	165	232	-13	98	138	-9
78-79	771	922	93	198	255	-18	266	368	-38	381	490	-28	178	229	-3	101	150	-8
79-80	744	863	-129	272	316	61	332	385	17	420	487	-3	242	281	52	118	137	7
80-81	845	905	42	299	320	4	378	403	20	449	481	-6	279	299	18	128	137	0
81-82	983	983	78	353	353	33	448	448	43	487	487	6	317	317	18	135	135	-2
82-83	1069	1021	38	438	418	-65	448	428	-20	516	493	6	350	334	17	152	145	10
83-84	1110	1010	-11	429	390	-28	460	419	-9	621	565	72	410	373	39	154	141	-4
84-85	1274	1109	99	491	427	37	628	547	128	709	617	52	506	460	67	181	158	17
85-86	1383	1170	61	648	582	155	638	556	9	780	660	43	540	457	17	210	177	19
86-87	1608	1307	137	616	501	-81	693	563	9	816	663	3	639	536	79	200	163	-14
87-88	1891	1477	170	722	561	60	717	557	-8	844	656	-7	597	456	-80	238	185	22
88-89	1690	1244	-233	910	674	113	826	612	55	914	677	21	561	415	-41	263	194	9
89-90	1948	1379	135	1036	733	59	941	666	54	1042	737	60	623	441	26	284	201	7
90-91	2443	1676	297	1119	768	35	1088	746	80	1089	747	10	699	479	38	376	258	37

NOTE: Adjusted dollars are calculated from the base year of 1981-82.
 Source: Economic Report of the President, transmitted to Congress, January 1990; Census of Governmental Finances for the given years, U.S. Department of Commerce.

TABLE 4
THE ACTUAL AND ADJUSTED PER CAPITA EXPENDITURES ON RECREATION AND PARKS
BY LOCAL GOVERNMENTS IN SIX STATES

Year	UNITED STATES		CALIFORNIA		FLORIDA		ILLINOIS		NEW YORK		TEXAS		WASHINGTON	
	Actual Dollars	Adjusted Dollars	Actual Dollars	Adjusted Dollars	Actual Dollars	Adjusted Dollars	Actual Dollars	Adjusted Dollars	Actual Dollars	Adjusted Dollars	Actual Dollars	Adjusted Dollars	Actual Dollars	Adjusted Dollars
1964-65	5.69	19.76	9.93	34.48	8.46	29.38	6.77	23.51	8.82	30.03	4.64	16.11	6.36	22.06
1965-66	6.05	20.05	10.89	36.06	8.49	28.11	8.41	27.85	9.17	30.36	4.31	14.28	6.60	21.85
1966-67	6.53	20.41	11.41	35.66	9.78	30.56	8.09	25.28	9.36	29.25	4.18	13.06	6.08	19.00
1967-68	7.06	20.83	13.22	39.60	10.06	29.68	9.25	27.29	10.19	30.06	5.91	17.63	6.09	17.96
1968-69	8.14	22.42	13.88	38.24	10.51	28.95	13.70	37.74	12.65	34.85	5.28	14.55	7.77	21.40
1969-70	9.29	21.70	15.56	39.69	10.58	26.99	13.70	34.95	13.49	34.41	6.05	15.43	12.83	32.73
1970-71	10.22	24.39	16.78	40.25	12.84	30.64	14.97	35.73	16.35	39.02	7.16	17.09	13.00	31.03
1971-72	11.16	25.14	18.25	41.10	13.72	30.90	15.66	35.27	16.21	36.51	9.79	22.05	15.78	35.54
1972-73	12.20	25.52	20.60	43.10	13.76	28.79	15.81	33.08	17.90	37.45	9.80	20.50	19.19	40.15
1973-74	13.86	26.44	23.36	44.24	16.55	31.34	17.36	33.88	20.87	39.53	10.66	20.19	22.67	43.94
1974-75	16.24	27.95	27.47	47.28	24.09	41.46	20.86	35.90	20.80	35.80	11.62	20.00	23.36	40.21
1975-76	18.00	29.03	29.40	47.42	22.75	36.69	21.58	34.81	21.81	35.18	13.41	21.63	27.15	43.79
1976-77	17.89	27.07	28.94	43.78	22.96	34.74	25.18	34.69	20.52	31.04	12.64	19.12	26.61	40.26
1977-78	17.81	25.95	28.57	40.18	21.91	30.82	26.60	37.40	20.67	29.07	12.54	17.64	26.06	36.65
1978-79	19.26	26.79	33.79	43.49	21.79	28.04	25.08	32.28	21.56	27.75	13.15	16.92	25.87	33.29
1979-80	21.21	24.61	32.01	37.13	28.88	33.50	29.12	33.78	23.89	27.71	17.44	20.23	29.39	34.10
1980-81	23.38	24.93	35.72	38.24	30.69	32.86	33.07	35.41	25.59	27.40	19.58	20.96	30.85	33.03
1981-82	25.11	25.11	40.55	40.55	34.63	34.63	39.03	39.03	27.74	27.74	21.47	21.47	31.73	31.73
1982-83	26.61	25.44	43.14	41.24	41.79	39.25	38.99	37.28	29.38	28.09	22.79	21.79	35.50	33.94
1983-84	28.28	25.73	43.87	39.92	39.91	36.31	40.06	36.45	35.17	32.00	25.92	23.59	35.87	32.64
1984-85	29.57	23.74	46.81	40.74	35.23	32.23	43.69	38.02	35.22	30.65	30.02	26.13	40.90	35.60
1985-86	31.97	27.05	48.42	40.96	43.21	36.56	54.44	46.66	39.89	33.75	30.91	26.15	41.15	34.81
1986-87	34.89	28.45	51.35	41.75	58.89	47.88	62.71	46.27	43.81	35.62	32.39	26.33	46.97	38.19
1987-88	37.57	28.19	58.22	45.24	51.73	40.19	60.86	47.29	45.76	35.56	37.58	29.20	44.71	34.74
1988-89	40.94	30.20	67.16	49.71	55.56	43.35	61.73	45.69	47.12	34.88	34.85	25.80	51.16	37.87
1989-90	42.62	30.16	57.82	40.92	71.82	50.83	70.86	50.15	50.92	36.04	33.00	23.35	55.17	36.92
1990-91	37.71	32.72	67.90	46.37	80.09	54.93	82.35	56.48	57.93	39.73	36.70	25.17	58.37	40.03

NOTE: Base Year is 1964-65.
SOURCE: Economic Report of the President, transmitted to Congress January 1990; Census of Governmental Finance for the given years, U.S. Department of Commerce.

There was a consistent growth in the number of full-time employees until 1978, which presumably reflected consistent increases in the number of facilities operated and services offered. With the impact of the tax revolt movement, the number of full-time employees decreased each year from 1979 to 1983. There have been gradual increases since that time, but the data in Table 5 show that the number of full-time employees in 1990 was lower than the number in 1978. Not surprisingly, this pattern of growth, retrenchment, and partial recovery reflects the expenditures pattern shown in Table 2.

The tax revolt of the late 1970s initiated a permanent impact on employment patterns. While full-time public agency staff were adversely affected, there were substantial increases in part-time employment, and in private sector employment accruing from the increased proclivity of public agencies to contract-out services for which their employees had previously been responsible.

Before 1978, the number of part-time employees increased at about the same rate as full-time staff, but since that time all net increases in employment numbers have been attributed to part-time positions. Part-time employees increased 60% between 1978 and 1990 from 76,000 to 122,000. These changes to part-time staff do lead to cost reductions and enhanced flexibility, but this may be at the price of reduced staff skill and dedication (California Department of Parks and Recreation, 1988).

No estimate of the extent of contracting-out in parks and recreation was found in the literature. The authors made an attempt to do this by using inferences from ratios of total expenditures on park and recreation services to number of employees shown in Table 6. Obviously, a proportion of expenditures goes to operating costs that are not attributable to personnel, so the "costs per job" ratio shown in Table 6 are unrealistically high. Nevertheless, conventional wisdom is that 60%-75% of operating costs are associated with personnel in a park and recreation agency, and this ratio does provide a consistent measure over time.

Table 6 suggests that expenditures have increased disproportionately to the number of people employed, even though a greater proportion of the people employed are part-time, suggesting that more of the work has been contracted-out. For example, since 1984-85, there was a 33% increase in expenditures on parks and recreation (Table 2), but only a 13% increase in full-time positions and a 33% increase in part-time employees. The "cost-per-job" ratio in 1966 (Table 6) was \$28,478 and this decreased slightly to \$27,615 in 1978, but by 1990 it had increased substantially to \$31,541. If it is assumed that the proportion of operating expenditures attributable to non-personnel-related expenses remained constant over this period, then a substantial number of positions in the public sector are "missing"—effectively transferred from the public to the private sector. To attain the \$27,615 cost-per-job ratio of 1978 would require that 304,000 people be employed in full or part-time positions in 1990, rather than the 266,000 who were reported. This suggests that if recreation and park agencies were providing the same level of service and range of services as in 1978, then 38,000 full and permanent part-time positions were in the private sector doing work that was previously done by public sector employees.

TABLE 5
Park and Recreation Employment in Local Government
(In Thousands)

Year	Full-time	Annual Difference in Full-time Employees	Part-time	Annual Difference in Part-time Employees	Total Full-time and Part-time
1966	104	--	34	--	138
1967	107	3	41	7	148
1968	111	4	42	1	153
1969	114	3	42	0	156
1970	117	3	43	1	160
1971	122	5	42	-1	164
1972	126	1	48	6	174
1973	132	6	59	11	191
1974	120	-12	79	20	199
1975	128	8	90	11	218
1976	131	3	77	-13	208
1977	141	10	80	3	221
1978	145	4	76	-4	221
1979	141	-4	85	9	226
1980	135	-6	84	-5	219
1981	131	-4	89	5	220
1982	128	-3	86	-3	214
1983	127	-1	93	7	220
1984	127	0	92	-1	219
1985	132	5	98	6	230
1986	135	3	98	0	233
1987	135	0	102	6	237
1988	144	9	108	6	252
1989	142	-2	112	4	254
1990	144	2	122	10	266

NOTE: Statistics are estimates as of October 1 of each year.

SOURCE: Public Employment for the given years, U.S. Department of Commerce.

TABLE 6
Ratio of Total Expenditures on Park and Recreation Services
to Number of Employees in Selected Years

YEAR	FULL TIME RATIO	AGGREGATE PART-TIME AND FULL-TIME RATIO
1966		
Expenditures	\$3,930,000,000	\$3,930,000,000
# of Employees	104,000	138,000
Ratio: "Cost per Job"	\$37,788	\$28,478
1978		
Expenditures	\$6,103,000,000	\$6,103,000,000
# of Employees	145,000	221,000
Ratio: "Cost per Job"	\$42,089	\$27,615
1990		
Expenditures	\$8,390,000,000	\$8,390,000,000
# of Employees	144,000	266,000
Ratio: "Cost per Job"	\$58,264	\$31,541

Concluding Comments

Manifestations of the tax revolt include the enactment of tax limitation statutes, reduced access of local governments to federal funds, and the desire of elected representatives to demonstrate their frugality to the electorate. The combined impact of these forces on park and recreation expenditures is evident in the data reported in this survey. However, these data also suggest that the immediate impact of the movement ended in approximately 1984. Its lasting effects extending beyond that period have been an increase in the proportion of revenue that is self-generated, and an increased tendency to use part-time employees and to contract out services. Growth in level of expenditures invested in local park and recreation services has been more substantial in the latter half of the 1980s and the early 1990s, than at any other time in the past 27 years for which data were analyzed. Part of this growth is likely to be compensatory—the effect of deferring costs in the preceding tax revolt era. However, part of this growth is also independent of the compensatory effect, for example, the 125% increase in park and recreation expenditures in Florida in the last six years of the study period (Table 3).

McCarville and Crompton (1988) identified two major factors that could not be quantified and incorporated into these types of trend analyses, but which are important in interpreting them. First, in the early part of the 1980s, federal

programs such as Revenue Sharing, Community Development Block Grants, and Comprehensive Employment Training Assistance (CETA) were severely curtailed or terminated. This required local governments to self-finance many park and recreation services that had been funded from these sources. The effects on local park and recreation services of such decreases in financial transfers from other levels of government are not known. However, these programs have been curtailed and thus some proportion of the increase in local government expenditures on park and recreation has had to be allocated to replacing these lost funds. Second, it is likely that the range of services, intensity of use, and number of facilities have all increased over the study period. For example, Goldberg (1991) in the context of California observed, "Voters have always approved major bond issues for park acquisition and development, and continued to do so throughout the 1980s" (p. 29). It is not known whether the increases in expenditures and personnel noted in the trends analyses are proportionate, negatively disproportionate, or positively disproportionate to the increases in operational costs that accompany these developments.

The volatility of annual expenditures in the six selected states demonstrates the danger of generalizing to specific entities. The anecdotal evidence disseminated at conferences and in professional publications makes it clear that despite the generally positive trends in recent expenditures and employment reported here, there are many individual jurisdictions and regions of the country that are enduring substantial budget decreases. However, these data suggest that such cases are not representative of the field as a whole. These data do provide a baseline against which local agencies can measure their expenditures and assess whether or not they are underfunded compared to those of other agencies in their state or the United States as a whole.

References

- Brademas, D. J., & Readnour, J. K. (1989). Status of fees and charges in public leisure service agencies. *Journal of Park and Recreation Administration*, 7(4), 42-55.
- California Department of Parks and Recreation. (1988). *Local park and recreation agencies in California: A 1987 survey*. Department of Parks and Recreation, Sacramento.
- Census of Governmental Finances*. (1964-1991 for given years). Washington, DC: U.S. Department of Commerce, Bureau of the Census.
- Courant, P. N., Gramlich, E. N., & Rubinfield, D. L. (1980). Why voters support tax limitation legislation amendments: The Michigan case. *National Tax Journal* XXXIII (March, 1980), 1-20.
- Economic report of the president*; transmitted to the Congress. (January 1990). Washington, DC: U.S. Government Printing Office.
- Gold, S. D. (1984). State tax increases of 1983: Prelude to another tax revolt? *National Tax Journal* XXXVII (March, 1984) 9-22.
- Goldberg, L. (1991). *Taxation with representation: A citizen's guide to reforming Proposition 13*. California Tax Reform Association. Sacramento.
- Howard, D. R., & Crompton, J. L. (1980). *Financing, managing and marketing recreation and park resources*. Dubuque, Iowa: Wm. C. Brown.

- Klar, L. R., & Rodman, C. (1984). Budgetary and administrative impacts of tax-limitation legislation on municipal recreation and park departments. *Journal of Park and Recreation Administration*, 2(4), 31-44.
- Ladd, H. F. (1989). *America's ailing cities: fiscal health and the design of urban policy*. Baltimore: Johns Hopkins University Press.
- Ladd, H. F., & Wilson, J. B. (1982). Why voters support tax limitations: Evidence from Massachusetts' proposition 2-1/2. *National Tax Journal* XXXV (June, 1982) 121-148.
- Leonard, H. B. (1986). *Checks unbalanced. The quiet side of public spending*. New York: Basic Books, Inc.
- McCarville, R. E., & Crompton, J. L. (1988). Selected local park and recreation financial indicators in the first half of the 1980s: A challenge to conventional wisdom. *Journal of Park and Recreation Administration*, 6(3), 46-54.
- Mikesell, J. L. (1991). *Fiscal administration: Analysis and applications for the public sector. Third edition*. Pacific Grove, California: Brooks/Cole.
- Pascal, A. H. (1979). *Fiscal containment of local and state government*. Santa Monica, California: Rand Corporation.
- Public employment*. (1976-1990). Washington, DC: U.S. Department of Commerce, Bureau of the Census.
- Schwardron, T., & Richter, P. (1984). *California and the American tax revolts: Proposition 13 five years later*. Berkeley & Los Angeles, CA: University of California Press.
- Soble, R. L. (1978). Proposition 13 slows spending growth rate, spawns fees. *Los Angeles Times*, October 1.
- Wall Street Journal*. (1978). Lead editorial: The Jarvis-Gann Proposition, April 25, p. 20.