SINKING TREASURE
A look at the Milwaukee County Parks’ troubled finances and potential solutions
ABOUT THE WISCONSIN POLICY FORUM

The Wisconsin Policy Forum was created on January 1, 2018, by the merger of the Milwaukee-based Public Policy Forum and the Madison-based Wisconsin Taxpayers Alliance. Throughout their long histories, both organizations engaged in nonpartisan, independent research and civic education on fiscal and policy issues affecting state and local governments and school districts in Wisconsin. The Wisconsin Policy Forum is committed to those same activities and to that spirit of nonpartisanship.

PREFACE AND ACKNOWLEDGMENTS

This report was undertaken to provide policymakers and citizens with greater knowledge about the financial condition and challenges of the Milwaukee County Parks and potential policy options to enhance their long-term stability and success. We hope local and state policymakers and parks stakeholders will use the report’s findings to inform discussions about strategies that may be needed to sustain a robust parks system with appropriate public access in Milwaukee County.

Report authors would like to thank officials from Milwaukee County and its parks department for sharing data and information and patiently answering our questions. We would also like to thank officials from the peer park systems we reviewed for similarly supplying us with information and responding to our data requests and questions.

Finally, we thank the Milwaukee County Parks for commissioning and helping to pay for this research and the Herzfeld Foundation for its generous grant that funded a portion of this project and also helped make this report possible.
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INTRODUCTION

The financial challenges facing the Milwaukee County Parks have been well-documented by county officials and auditors and several blue ribbon commissions over the past two decades. The Wisconsin Policy Forum itself has spent considerable time researching the scope of those challenges and their causes.

For example, back in 2002, a Forum report highlighted the downward trajectory of county taxpayer support for the parks, finding that the county’s $30.6 million property tax levy allocation that year was less than half the $65.8 million it had provided in 1975 in inflation-adjusted dollars. The report also found that county park employment had declined from 1,195 full-time equivalent (FTE) positions in 1985 to 802 in 2002 (33%).

In a 2008 analysis, we warned of “an estimated $277 million backlog of infrastructure maintenance and repairs, declining attendance at pools and golf courses, and dependence on a property tax levy funding source that has diminished by two-thirds during the past 30 years.” Another Forum report released in 2013 noted that little had changed, citing a continued decline in staffing (now alarmingly down to 391 FTEs) and the parks department’s growing inability to “stay on top of repairs and upkeep (including basic functions like mowing, painting, and cleaning).”

Most recently, in the concluding segment of our five-part series of reports detailing the infrastructure challenges facing the metro Milwaukee region, we cited county parks as the region’s most pressing area of infrastructure neglect. The report found the county should be spending $39 million annually to repair and replace parks assets based on current needs, but the parks had received an average of only about $9.6 million annually in capital funds during the preceding five years.

These challenges would appear to constitute an urgent call for action. Yet, despite growing public awareness of the problem highlighted by voter approval of a 2008 advisory referendum supporting a dedicated sales tax for the parks, they continue to compete with other county functions for finite property tax revenues and limited borrowing capacity as their unmet operating and capital needs grow.

It now appears that action cannot be delayed any longer. In the spring of 2021, Milwaukee County Executive David Crowley warned that if current trends and projections regarding county salaries and fringe benefit costs continue, then there may be no property tax levy available to support the parks by 2027. Such a development likely would necessitate a dismantling of the Milwaukee County park system at a time when open space and recreational resources have been valued more than ever by county residents during the pandemic.

To address this urgent matter, the Milwaukee County Parks commissioned the Forum to conduct a research and facilitation project that would consider options for creating a sustainable financial path forward. In considering options for the future, the project has and will consider not only steps needed to promote fiscal viability, but also the imperative to update parks assets and offerings to meet the needs and expectations of citizens in the 2020s (and beyond) and to further Milwaukee County’s strategic emphasis on racial equity and inclusion.
This report is the first deliverable associated with that project. It begins by reviewing the history of Milwaukee County’s financial support for its parks and reassessing the parks department’s current financial condition and challenges. It then explores funding and governance models used by peer park systems and concludes by summarizing the potential to consider elements of those models for Milwaukee County.

The findings of this report will be considered by parks stakeholders and the public, with an eye toward identifying a handful of specific new partnerships and governance models that merit further analysis as options to help Milwaukee County create a financially sustainable parks system that will meet the needs and expectations of its residents. A subsequent report will flesh out those models so they may be considered by policymakers as part of a long-term vision and plan for the Milwaukee County Parks.
REASSESSING THE PARKS’ FINANCIAL CHALLENGES

The Milwaukee County park system was created in 1907, when local leaders established a Milwaukee County Park Commission under the supervision of the county’s Board of Supervisors to oversee the creation of parks outside of the City of Milwaukee and “form a ‘green belt’...of scenic drives and parks encircling the county.”¹ In that year, the Wisconsin Legislature also authorized the use of local property tax levy to fill in submerged lakefront land to create Lincoln Memorial Drive, establishing a precedent for the use of local revenue sources to fund county parks.

In 1937, citizens approved a referendum that authorized the transfer of city of Milwaukee parks to the county. At around that time, several parks from Milwaukee County suburbs similarly were transferred to county ownership. During the next 40 years, the system grew considerably and added, among other major amenities, the Mitchell Park Domes (1967), McKinley Marina (1979), a county-wide network of bicycle trails (1976), and several community centers.

Though owned by and technically a part of county government, the parks were overseen for 75 years by a Park Commission consisting of appointees by the County Board chairman. The commission initially was empowered to establish policy and oversee the operation of the parks and to take steps to encourage system expansion.

With the creation of the county executive’s office in 1960, the parks director was directed to report both to that office and the commission, and the commission’s role became more advisory in nature. Ultimately, in 1982, the commission was abolished when Milwaukee County moved to a cabinet form of government. A new Department of Parks, Recreation and Culture was established to administer the parks, with the parks director reporting directly to the county executive.

The removal of specialized status for the parks and their transformation to a regular department of county government placed them in more direct competition with other county departments for finite resources from the county’s budget. In a 2002 report,² we noted that this “marked the beginning of major staff cuts, funding cuts, rate hikes, increased user fees, and fewer services provided by the county parks. With most of the county budget going toward social services and criminal justice, the parks became a luxury and were the first to see the budget ax.”

A 30-year decline in parks funding and staff

To update that assessment, we reviewed parks department revenue, spending, and staffing data from the 1980s to the present. As noted in the box on page 7, this analysis is limited by several factors. However, it still paints an eye-opening picture of the decline in parks department operating budgets and full-time-equivalent employees (FTEs) over the past three decades.

For example, Chart 1 shows that in 1989, the department’s operating budget totaled $37.1 million and grew slowly over the next two decades (17.8%) to reach $43.7 million in 2009. However, over

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¹ Obtained from “History of the Parks,” a narrative that once was available on the Milwaukee County Parks Department website.
the next decade, budgeted departmental expenditures fell back to $36.9 million – $200,000 less than 30 years earlier.

Chart 1: Parks department budgeted FTEs and operating expenditures (nominal dollars), 1989-2019

Chart 2 shows operating budgets for each of the four years with the amounts adjusted for inflation (based on the Consumer Price Index). Here we see that the department’s operating budget declined from $76.5 million in inflation-adjusted dollars in 1989 to $36.9 million in 2019 – a decrease of more than 50%.

Chart 2: Parks department budgeted FTEs and operating expenditures (inflation-adjusted dollars), 1989-2019
Given the need for inflationary increases in salaries and the rising cost of health care and other employee benefits over the years, it is not surprising that the department’s staffing levels also dropped precipitously – from 1,073 FTEs in 1989 to 469 in 2019. As shown in the chart, that 56% decrease corresponds closely with the 51% decline in inflation-adjusted budgeted operating expenditures.

As noted in the text box, changes in county budgeting practices, departmental responsibilities, and fringe benefits spending and allocation methodologies may limit the precision of this 30-year operating budget snapshot. However, the steep decline in budgeted staff would not have been skewed much by those changes and the close parallel between the decreases in FTEs and inflation-adjusted operating budgets validates the general picture of sharply diminishing taxpayer-supported spending on the parks as illustrated by these visuals.

**IT'S DIFFICULT TO CONDUCT HISTORICAL COMPARISON OF PARKS DEPARTMENT BUDGETS AND STAFFING**

Our ability to conduct an “apples to apples” comparison of parks department budgets and staffing from the 1980s to the present was challenged on many fronts, including the following:

- The county has made several changes in the way it allocates active and retiree fringe benefit costs and central service charges to departments over the last three decades. How those costs are allocated can have a multi-million-dollar impact on the parks department’s budgeted expenditures and tax levy in any given year. In addition, countywide pension and retiree health care costs have grown over time so any allocation of those costs to the department would contribute to a rise in departmental spending that has nothing to do with parks services and amenities.

- How the percentage of the county’s overall property tax that is allocated to the parks has changed over time has been impacted by changes in the county’s other forms of discretionary revenue, such as the creation of a county sales tax in the early 1990s, the imposition of a $30 vehicle registration fee in 2017, and changes in shared revenue payments from the state. Isolating only the property tax as a measure of the county’s local revenue commitment to the parks is problematic, as these discretionary revenues are fungible and there is no way to accurately distinguish between them when assessing that commitment.

- Over time, the parks department’s relationship with county cultural institutions like the Milwaukee Public Museum and Milwaukee County Zoo – as well as other county departments like the Department of Transportation – has changed, which may have impacted administrative and other FTE levels and maintenance costs as its responsibilities grew or diminished. Similarly, various county efforts over time to centralize or de-centralize central services like human resources and information technology may have had different impacts on parks department staffing and budgets in different decades.

Nevertheless, despite these and other limitations, several important insights can be gleaned from tracking parks department budgets and staffing levels over the past three decades.
Parks revenue mix transformed as county’s finances worsen

Because Milwaukee County adopts a balanced budget for the parks department each year, the downward trend in real operating expenditures was mirrored by an equivalent trend line for real operating revenues. Digging a little deeper, however, also reveals some important changes in the mix of revenues that have supported parks operations over time.

Chart 3 shows the department’s total budgeted operating revenues for the 1989 to 2019 timeframe broken down between tax levy and other sources. We will discuss the “other revenue” category in greater detail later in this section, but it consists largely of “earned revenues” generated from permits, admissions fees, food and beverage sales, rentals, etc.

**Chart 3: Change in parks department revenue mix, 1989-2019**

As shown in the chart, the share of the department’s total revenues that comes from property taxes decreased dramatically over the period, from 74% in 1989 to 43% in 2019. Meanwhile, the property tax amount (unadjusted for inflation) dropped from $27.5 million to $15.9 million.

That shift has corresponded with a worsening of the county’s overall financial situation, which has been precipitated by the flat or declining nature of key state revenue streams, state limits on local property taxes, and the need to devote increasing shares of property tax levy to pension liabilities and retiree health care. For example, the county is budgeted to spend about $98 million on pension costs in 2021 but spent nothing on those costs in 2000 when its pension fund was fully funded and it had no pension debt.

Another important factor to keep in mind when considering the diminishing property tax levy allocations to the parks is the role of county governments in Wisconsin. Counties often are cited as “arms” of state government given that they were created by the state to provide certain services at the local level on its behalf. Those “mandated” services – which include health and human services, courts, and the office of the sheriff – must necessarily come first when county policymakers prioritize the use of limited property tax dollars.
Chart 4 shows the extent to which the parks department has been losing out in the increasingly fierce battle with both retirement obligations and other departments for the county’s property tax resources, which have also been constrained since 2011 by stringent state levy limits. Whereas the department received 23% of the county’s total $120 million property tax levy in 1989, by 2019 it was budgeted to receive only 5% of the total $294 million levy.

Chart 4: Percentage of overall county property tax levy dedicated to parks department, 1989-2019

The department’s ability to more than double the amount of its non-property tax revenues during the 30-year period (from $9.5 million in 1989 to $20.8 million in 2019) helped ease the pain of reduced property tax support. Some of this new revenue has been generated through public-private partnerships in the parks, including Bartolotta’s Lake Park Bistro, the Starbucks in Red Arrow Park and, more recently, the establishment of a new beer garden in Estabrook Park and travelling beer gardens throughout the county parks system.

This success certainly did not erase that pain, however, as demonstrated by the sizable overall decline in the department’s operating budget in real terms. In addition, as we will discuss below, the department’s increasing reliance on earned revenues has created a set of new and emerging challenges.

Revenue-generating activities become paramount

To bridge our review of historical trends with the parks department’s current financial challenges, we analyzed actual revenues and expenditures over the most recent three years for which those data were available (2017-2019). We could have used unaudited actual figures for 2020, but that year was an anomaly in light of the pandemic.

In light of the department’s remarkable shift in revenue composition over the past 30 years, including its dramatic reduction in property tax levy support, we organized our analysis in a manner that is designed to highlight the distinction between revenue- and non-revenue-generating functions and amenities in the parks.
**Chart 5** begins that analysis by breaking down actual departmental spending by general administration/overhead, general county parks, and recreational facilities and attractions that are housed within certain parks. It shows that in 2019, 19% of departmental expenditures were devoted to overhead and administration and 33% to general upkeep of parks while nearly half (48%) were dedicated to revenue-generating recreational facilities and attractions.

**Chart 5: Breakdown of parks department actual expenditures, 2017-2019**

**Chart 6** lays out the different groups of activities and amenities that comprise the “Recreation and Attractions” category and the amount of actual expenditures on each from 2017-2019. They are summarized as follows:

- **Aquatics** includes deep water pools, water parks, and Bradford Beach but not splash pads or wading pools.
- **Boating** is comprised mostly of expenditures related to McKinley Marina but also includes those related to boat launch facilities.
- **Community Centers** include the Martin Luther King and Kosciuszko centers but not senior centers.
- **Golf** includes all par 3 and regular (i.e. Tournament, Champion, and Executive-level) courses owned by the county.
- **Horticultural Centers** are comprised of expenditures related to Boerner Botanical Gardens, Wehr Nature Center, and the Mitchell Park Domes.
- **Sports Complexes** include the Milwaukee County Sports Complex in Franklin and the Wilson Recreation Center.

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3 In this and subsequent charts that show actual spending for 2017-2019, we removed some expenditures that were allocated to the parks department by the central budget office but were not directly related to parks functions or staffing.
We also broke down the Administration and Overhead function by category of activity. As shown in Chart 7, the breakdown consists of general administrative activities that cut across all parks department functions (e.g. human resources and accounting), general operations activities that similarly do so, and marketing. It is notable that while they grew from $292,000 to about $483,000 over the brief period, marketing expenditures still were a minor expenditure despite the department’s increasing emphasis on generating earned revenue.

The general “Parks” expenditure category shown earlier in Chart 5 refers to the “upkeep” expenditures within county parks (including those related to parkways). These activities allow users to safely enjoy the parks and engage in activities for which admissions fees or paid permits are not required. Examples include expenses related to landscaping, mowing, basic maintenance (including
road and asphalt), major maintenance provided by skilled trades workers, playground and splash pad maintenance, rubbish pick-up, ballfield manicuring, etc.

While we make a distinction here between general parks functions and revenue-generating attractions and recreational facilities, there is some revenue generated within the general parks. For example, rental fees are paid for use of park pavilions and picnic areas, sports leagues pay for ballfield permits, and dog owners pay fees for use of dog parks. Also, a limited number of parks have restaurant facilities (e.g. Lake Park Bistro) or beer gardens, and travelling beer gardens generate revenue for general parks upkeep. Chart 8 shows the breakdown of expenditures and revenues in the general parks category as well as net expenditures, which increased from $5 million in 2017 to $6.9 million in 2019. Costs associated with parkways are not included in this chart.

**Chart 8: Expenditures and revenues for the general parks function (in millions), 2017-2019**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Expense</strong></td>
<td>$11.4</td>
<td>$10.6</td>
<td>$11.3</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>$6.5</td>
<td>$4.4</td>
<td>$4.3</td>
</tr>
<tr>
<td><strong>Net Expense</strong></td>
<td>$5.0</td>
<td>$6.2</td>
<td>$6.9</td>
</tr>
</tbody>
</table>

Despite our effort to analyze revenue-generating recreational facilities and attractions as distinct entities outside of general parks, it is critical to note that not all of those facilities generate a net profit. In fact, as shown in Chart 9 on the following page, when expenditures are matched against revenues for those facilities and attractions in 2019, only Boating and Golf were net revenue generators for the parks department.4 The other categories require property tax levy support in the same way that such support is required for general parks upkeep.

This circumstance raises an important question for parks leaders and stakeholders as they look to the future. Given that earned revenues are now the largest source of revenue for the parks and there is a growing need to maximize “profit” from revenue-generating amenities, should the department’s shrinking property tax levy continue to support those amenities that are not fulfilling their basic task of earning net revenue? Or, similar to the “free” opportunities for recreation and entertainment offered by the general county parks, should certain amenities that charge fees but fail to fully support themselves still be supported for the sake of public access and enjoyment?

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4 It is important to note that within each individual category, certain facilities or amenities may have generated a net revenue “gain” and others a net revenue “loss.” For example, some golf courses make money for the county while others require levy support, and the same is true for some water parks versus some deep water pools.
Other issues raised by the department’s increased reliance on earned revenues include the risk associated with these revenues, which can be impacted from year to year by variables beyond the department’s control (e.g. weather or the state of the local economy); and whether the department’s need to invest resources to maximize the potential of revenue-generating activities is reducing those available to non-revenue generating activities that might have a stronger connection to the Parks’ mission.

Chart 9: Actual property tax levy support for different parks categories (in millions), 2019

Pandemic Creates Both Uncertainty and Opportunity

The county parks fared much better from a budgetary standpoint than originally feared during the pandemic’s early days, when stay-at-home restrictions eliminated key revenue streams. An influx of federal pandemic relief dollars eased the county’s overall revenue problems while the parks department also was able to reduce or eliminate spending on seasonal labor, utilities, and certain commodity and service costs and delayed plans for new hiring.

As the public health emergency eased somewhat during the summer months of 2020 and into the fall, revenues from outdoor activities like golf courses and beer gardens soared, in part because of reduced competition from shuttered dining and entertainment venues. Total earned revenues for the parks department came in roughly $5 million below budget in 2020, which was far better than the $10 million shortfall originally projected.

Heading into the 2021 budget year, with continued uncertainty regarding when or if a return to “normal” might occur, parks staff estimated a $1 million reduction in departmental revenues from the 2020 budgeted amount. This outlook reflected optimism that the added exposure to parks revenue-generating amenities during the pandemic would result in more frequent use after it subsided.

That certainly appeared to be the case in the first several months of 2021. Department officials report impressive revenue totals in areas like golf and food and beverage sales and they expect to significantly exceed budgeted earned revenue totals.
Capital picture perhaps more challenging than operations

The Forum documented the alarming backlog of infrastructure repair and replacement needs facing the department in a 2018 report entitled *Delay of Game*. Our key findings included the following:

- **Almost every form of parks infrastructure has pressing needs.** We found the list of paved parks assets that the county should replace within the next 10 years included 85% of parking lots and service yards, 75% of walkways, 73% of parkways, 54% of rated Oak Leaf Trail segments and basketball courts, 48% of tennis courts, and 47% of large buildings other than the Domes (which has its own immense capital needs that the county has not yet determined how to address).

- **The county lacks the capacity to finance the capital needs of its parks assets if it wishes to stay within its self-imposed borrowing limits and address its other capital needs.** To meet existing capital requests, we found the county would need to increase spending nearly tenfold on parks (from $2.4 million to $23 million) in 2019 alone. Moreover, fulfilling all requests over the next four years would consume from 68% of the county’s overall financing capacity in 2019 to 97% in 2022.

We updated those findings in a 2019 report that wrapped up our five-part series on local government infrastructure in metro Milwaukee (*Picking Up the Pieces*). We assessed the gap between needed parks capital projects and available county financing as “insurmountable” and suggested the county’s overall capital backlog had grown so large that a new capital funding source alone could not solve the problem and liquidation of certain assets also would be required.

Two years later, that overall picture has not changed. The amount of capital funding required to pay for parks capital projects included in the county’s most recent five-year Capital Improvements Plan (CIP) will average $36.6 million per year from 2022 through 2025 – more than four times the average of $8 million budgeted annually over the previous nine years (see Chart 10). It is also critical to note, for the sake of comparison, that we eliminate from the CIP projections a $66 million renovation of the Mitchell Park Domes due to the uncertainty surrounding that project.

*Chart 10: Parks department capital spending 2013-2021 budgeted vs. 2022-2025 requested*

*Does not include $66 million currently projected for renovation of the Mitchell Parks Domes in 2024*
The five-year CIP only provides a tally of capital projects that have already been identified and prioritized by parks department officials and that have gained approval from the county’s capital improvements planning committee for inclusion in the plan. In addition, these projects primarily address repair or replacement needs of existing assets but do not reflect potential plans to create new amenities that might better reflect community needs. There are undoubtedly tens of millions of dollars of needed or desired projects that have not yet been delineated and proposed to the committee or that simply have not made the department’s priority list. In fact, the size of the department’s overall infrastructure repair backlog has been estimated to exceed $300 million.

While the magnitude of that estimate speaks for itself, it needs to be considered within the context of the county’s capital financing capacity. To control its overall debt burden, Milwaukee County operates under a self-imposed debt financing “cap” that will limit its ability to issue bonds for its non-airport capital program to about $48 million in 2022. It also seeks to cash finance 20% of its capital budget each year with property and sales tax revenues so that the total amount available next year will be about $60 million.

In Chart 11, we show how the county’s total available capital financing in each of the next four years (red line) compares only to amounts needed for parks and recreation projects in the CIP (green bars). Those projects would require between 45% and 72% of total county financing in each year (again, the Domes restoration project is excluded). Given that past capital appropriations for parks and recreation were well below requested levels, it is improbable that all of the parks projects in the CIP plan would be implemented in any of these years.

We also show hypothetical scenarios in which the parks receive either a half or quarter of the county’s available funds (blue and orange dashed lines). We see that under both scenarios the amount would fall far short of what is needed to meet the parks department’s capital needs. In addition, even these lower funding scenarios should also be considered improbable given the county’s overall capital needs and past appropriations.

Chart 11: Parks and recreation projects in CIP vs. available county financing*

* Does not include $66 million currently projected for renovation of the Mitchell Parks Domes in 2024
Despite this gloomy outlook on the capital side, the county’s influx of $186 million in federal funding from the American Rescue Plan Act offers a glimmer of hope. As this report went to press, county leaders had not yet determined how to allocate those funds. However, in light of a desire to refrain from using the monies for one-time operating purposes and to instead use it for investment in areas that will reduce future fiscal liabilities, it is possible that a substantial amount will be devoted to parks infrastructure. On the other hand, it is highly unlikely that any such appropriation will do more than make a small dent in the overall parks infrastructure challenge.

**Racial equity becomes formal part of capital planning**

In April 2020, the Milwaukee County Board of Supervisors passed an ordinance that declared racism to be a public health crisis in the county and committed the county to “identifying and eliminating any racism in its institutional policies, procedures, and power structures for black and brown individuals and communities so everyone in Milwaukee County can thrive.”\(^5\)

To support this work, the county adopted a Health and Equity Framework, which is depicted visually in [Figure 1](#). The specific identification of equal access to green spaces and recreation for all of the county’s citizens as a specific component of the framework obviously speaks directly to the mission and vision of the Milwaukee County Parks.

**Figure 1: Milwaukee County Health and Equity Framework**

![Source: Milwaukee County](image-url)

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\(^5\) *Ordinance No. 20-4, adopted April 17, 2020.*
In support of this framework, the department has developed a park equity index that assigns each park a score based on a series of weighted metrics. These include minority population demographics (20% weight), income (20%), at-risk populations (20%),\(^6\) access to health insurance (20%), crime (10%), and tree canopy coverage (10%). Each park is given an equity index score from one to 10. The higher the score, the greater the equity need within a park service area. Parks with high equity scores are prioritized for capital funding requests made during annual budget deliberations.

Milwaukee County maintains 157 parks or parks-related facilities (including 12 parkways). For illustrative purposes, we break those down in **Chart 12** by type of park or facility and by score. We deemed those receiving scores of 7 or higher as having high equity need and found that 28\% (44) received high-need scores in 2021. A map showing park locations and their 2020 racial equity index scores is also available in **Appendix A**.

**Chart 12: 2021 park equity index scores by type of county park**

Since 2020, Milwaukee County Parks capital project requests have been prioritized based on these scores. Even so, because the parks department must compete with all county departments for the same pool of funding, even the park equity index scores may not be enough to ensure a project’s approval in a given year.

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\(^6\) At-risk populations include households with a disability, persons age 65 and older, non-English speakers, and households with no vehicle.
Takeaways

The decline in Milwaukee County Parks department funding and staffing since the 1980s – as well as the build-up of a massive capital repair backlog – have been well-documented by the Forum and others. Consequently, close observers of the parks will not be shocked by the brief synopsis we provide here. What may generate surprise, however, is how the department’s revenue mix has changed over the years and how reliant it has become on earned revenues.

In many ways this is a positive development, as it demonstrates the department’s ingenuity in finding ways to fill funding holes created by its diminishing property tax levy allocations over the years. However, the current paradigm suggests that those contemplating the future of the Milwaukee County Parks should now view them as two distinct elements: a set of revenue-generating amenities that are essential to the department’s fiscal well-being and that citizens therefore must continue to pay to use; and another set of traditional open spaces, trails, ballfields, playgrounds, etc. that provide largely unfettered access to the public and that are essential to the parks’ historical mission.

Among the questions raised by this dichotomy are the following:

- “Parks upkeep” is a major expense that cannot be substantially offset with earned revenues; given the staffing shortages and other factors that have created a host of maintenance and other upkeep needs in the parks, how can this cost center be enlarged and how can parks staffing be restored to a level that can realistically support a parks system of this scale and size?

- If the department’s earned revenue emphasis is to continue, is it properly resourced to maximize that potential? Conversely, if additional resources are allocated to enhance revenue-generating amenities, what would that mean for the department’s ability to appropriately maintain non-revenue generating assets that meet the community’s needs?

- Should the county continue to operate certain amenities and attractions in the “revenue-generating” category that are not able to function without property tax levy support?

- Overall, can principles of earned revenue maximization and robust public access (particularly through a racial equity lens) co-exist? If not, then what are some possible paths forward and what priorities should guide resource allocation decisions?

These questions also might be considered in the context of the county’s recent strategic planning, which has established the twin goals of achieving racial equity and making Milwaukee the healthiest county in Wisconsin. While, as mentioned above, legal requirements encourage county policymakers to prioritize support for state-mandated services, it could be argued that the role played by a healthy and inclusive parks system in providing opportunities for recreation and positive social interactions to all citizens makes the parks an essential service despite the lack of a state mandate.

Finally, it is important to note that the analysis in this section largely centers on how the department has fared with regard simply to maintaining the status quo. Absent has been consideration of what it might take to invest in new services and amenities that reflect the county’s changing demographics and the emerging demands of citizens for new and different types of parks and recreational services.

In the next section, we examine the organizational and financial structures of several peer park systems across the U.S. to gain insight into how others are managing and resolving those questions.
Exploring Peer Park Systems

In this section, we explore several peer park systems throughout the U.S. in an attempt to provide new ideas and insights for those considering the future of the Milwaukee County Parks. We narrowed a lengthy initial list down to a handful that were deemed to have governance, financial, or other elements that may be particularly relevant for consideration by parks stakeholders in Milwaukee County.

This is not the first report to review peer park systems in the quest to identify new governance and funding models for Milwaukee County. For example, our 2010 report, Should it Stay or Should it Go?, explored in detail the pros and cons of establishing a separate park district with dedicated funding. The concept – which has been discussed since at least the 1980s – had received renewed attention at that time in light of the county’s worsening financial challenges and a bill introduced in the Wisconsin Legislature in 2007 that would have allowed the county or its voters to create a separate park district.

Our report provided both broad national perspective and honed in specifically on parks districts in the nearby Midwestern cities of Minneapolis and Chicago. We cited as advantages the higher service levels and more stable funding observed in freestanding districts. Disadvantages included the inability to share fiscal, human resources, and other back office services with a larger government and the lack of competition with other local government services, which eliminated an important check on potential excessive spending.

For this report, we again consider peer park systems that have established freestanding park districts, but we focus on park district models and elements that may alleviate some of the disadvantages cited by us and others in the past. In addition, given that the establishment of an independent park district or a new dedicated funding source in Milwaukee County is dependent on state legislative action – which continues to be an extremely formidable obstacle – we also consider elements from peer districts that possibly could be pursued independently by the county and partners without state approval.

Three of the systems we review – in Minneapolis, Cleveland, and Dane County – contain multiple elements that may be worthy of consideration in Milwaukee County. We also consider in lesser detail three additional peers – in Seattle, Sonoma County (CA), and Madison – that may offer a specific concept for local stakeholders to contemplate.

Table 1 contains summary characteristics on the peer park systems. We then describe each with varying amounts of detail in the remainder of the section.
### Table 1: Peer park systems summaries

<table>
<thead>
<tr>
<th>Park System</th>
<th>Operating Budget per capita (2020)</th>
<th>Regional Parks</th>
<th>Neighborhood Parks</th>
<th>Dedicated Funding for Operations</th>
<th>Dedicated Funding for Capital Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Milwaukee County Parks</td>
<td>$38</td>
<td>X</td>
<td>X</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Minneapolis Parks and Recreation Board</td>
<td>$272</td>
<td>X</td>
<td>X</td>
<td>Property Tax Levy</td>
<td>Property Tax Levy State Sales Tax</td>
</tr>
<tr>
<td>Cleveland Metroparks*</td>
<td>$98</td>
<td>X</td>
<td></td>
<td>Property Tax Levy</td>
<td>Property Tax Levy City Contribution</td>
</tr>
<tr>
<td>Dane County Land &amp; Water Resources Department**</td>
<td>$19</td>
<td>X</td>
<td></td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Seattle Parks &amp; Recreation</td>
<td>$232</td>
<td></td>
<td></td>
<td>Property Tax Levy</td>
<td>Real Estate Transaction Tax</td>
</tr>
<tr>
<td>Sonoma County Regional Parks</td>
<td>$79</td>
<td>X</td>
<td></td>
<td>Sales Tax</td>
<td>Sales Tax</td>
</tr>
<tr>
<td>Madison Parks</td>
<td>$60</td>
<td>X</td>
<td></td>
<td>None</td>
<td>Real Estate Development Impact Fee</td>
</tr>
</tbody>
</table>

*Based on the 2021 Cleveland Metroparks budget.

**The per capita amount for only the Parks Division within the Land & Water Resources Department was $9.

### Minneapolis

The Minneapolis Park and Recreation Board (MPRB) was established in 1883. The park system is divided into six districts that span over 6,800 acres and include 161 neighborhood parks, 19
regional parks and trails, 55 miles of parkways, over 100 miles of biking and walking paths, 49 recreation centers, and 7 golf courses. Minneapolis has a population of 429,600, and the parks system receives about 23 million visitors each year.

**Governance and Support Structure**

MPRB is a semi-autonomous government entity: the district is governed by an elected Board of Commissioners and has its own property tax levy authority per state statutes, while its budget and financial systems are tied to the city of Minneapolis. A superintendent oversees operations and annual budget development. The district’s 2020 budget included 590 FTEs and its major divisions include environmental stewardship, planning services, and recreation services.

**Board of Commissioners** – the nine members on the Board of Commissioners are elected every four years by city of Minneapolis voters. The city is divided into six park districts – each represented by a commissioner – and three commissioners serve at large.\(^7\) The Board is responsible for setting policy direction, enacting ordinances governing the park system, appointing the superintendent, and approving the annual budget developed by the superintendent. Legal counsel is also hired by the Board.

**Board of Estimate and Taxation** – a Board of Estimate and Taxation (BET) serves as an oversight mechanism for most taxing and borrowing authorities within the city of Minneapolis, including MPRB.\(^8\) One of its major roles is setting the maximum combined levy authority for entities under its purview. BET members include two elected members, the Mayor, the City Council President, a City Council representative, and a representative from MPRB. Decisions are made by majority vote. This approach requires MPRB to compete against other city taxing authorities (including city government itself) for property tax levy. The Mayor prepares an Executive Budget for the city, which includes a property tax levy amount for MPRB that takes into account what he or she thinks should be the overall levy for entities under the BET. Consequently, what the Mayor proposes for MPRB may not necessarily match MPRB’s own proposed budget. The competing proposals are reconciled by the BET and once it sets the maximum levy, the MPRB Superintendent can finalize the budget for approval by the Board.

**City of Minneapolis** – the city of Minneapolis serves as the fiscal agent for MPRB; financial functions such as payroll and procurement are performed by city staff and follow city policies. In addition, the city issues General Obligation bonds on behalf of MPRB.

**Properties** – despite being closely linked to the city of Minneapolis, MPRB properties are geographically spread across five municipal jurisdictions. Consequently, those properties are subject to the building and zoning codes of the local municipal authority in which they sit. Any decisions to sell MPRB land must be approved by the District Court.

**Advisory Board Commissions** – a number of temporary and ongoing advisory board commissions provide support to the MPRB on a variety of policy matters. Currently, these include park police, bicycle and pedestrian resources, infrastructure, pesticide-free resource management, racial equity, and urban agriculture/parks relation to the local food system.

\(^7\) Board members receive a modest annual stipend of about $13,000 and share an office space.

\(^8\) There are no current state limitations regarding MPRB’s tax levy authority.
Metropolitan Council – the Metropolitan Council (Met Council) is a regional policymaking and planning authority that also provides certain essential services for the Twin Cities region of Minnesota. One of its duties includes oversight of long-range planning for, and acquisition and development of, regional parks among its 10 partner cities, counties, and special districts. The Met Council develops the Regional Parks Policy Plan, which provides a policy framework under which all of its partners operate.

In addition, the Met Council provides its partner park systems with direct financial support as well as pass-through fiscal agent services for state monies. Capital projects are supported through state-funded grants and bonds as well as bonds issued by the Met Council. The Met Council also allocates state monies for maintenance and operations based on a formula. Finally, the Met Council offers competitive Equity Grants for capital and noncapital projects that will strengthen equitable use of regional parks and trails.

MPRB officials shared that their governance structure has both advantages and disadvantages. One strength is the ability to establish their own state and federal government relations agendas, which allows MPRB to advocate for its own priorities instead of having to fold them into the city’s broader agenda. Another benefit is the ability to maintain substantial in-house administrative and human resources support, which makes the district less dependent on city “back office” support than regular city departments.

On the other hand, achieving optimal budgets can be a challenge given the role of the Mayor and BET, and the MPRB’s reliance on the city for procurement also has created challenges given the city’s many procurement needs.

**Major Revenues**

MPRB’s $105.7 million operating budget in 2020 was comprised of a mix of revenues, though property taxes comprised the majority at 63% ($67 million). Direct revenues were the second highest revenue stream at 13% ($13.8 million), followed closely by fines and fees at 12% ($12.7 million). The remaining $12.3 million was a mix of local government aid, special revenues from grants and donations, and a property tax levy designated for tree preservation and reforestation.

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9 By statute, the state is directed to provide 40% of regional park operation costs, though the actual amount received by MPRB in recent years is closer to 17%.

10 Local government aid reflects 11.8% of state aid provided to the city of Minneapolis.
The $13.8 million in direct revenues includes revenues generated by certain amenities that are housed within an enterprise fund, like golf courses and ice skating facilities. The enterprise fund exists to help ensure that amenities with potential to earn enough revenue to cover operating and capital costs do so and do not require general fund support to sustain them. While each amenity or activity that is housed within the enterprise fund is not expected to make a profit, the intention is to ensure that all such amenities or activities collectively pay for themselves.

Over time, amenities that have been unable to cover their own costs have been moved back to the general fund, rather than drawing down revenues needed for capital projects or other operational goals associated with successful amenities or activities within the fund. The exception is golf courses. While these typically operate at a loss, they remain in the fund because a number of them exist outside of the city and a return to the general fund would require city of Minneapolis taxpayers to subsidize their operations.

**Capital expenditures**

MPRB’s capital budget structure differs from that of the Milwaukee County Parks. For parks that are designated as neighborhood parks, it follows a 20-year Neighborhood Parks Plan (NPP20) that is designed to systematically address capital improvement needs and existing backlogs and hopefully avert future backlogs. The NPP20 was initiated in 2018 and prioritizes the rehabilitation or replacement of park infrastructure using an equity-based scoring system.

Capital projects for regional parks and service facilities are planned for outside of the NPP20 and use separate financing sources. Enterprise fund activities are financed entirely by enterprise fund revenues and do not influence planning or financing for projects housed within the general fund.

MPRB’s 2020 budgeted capital financing mix is shown in **Chart 14**. Revenues from the city of Minneapolis entirely funded NPP20 ($10.5 million). The remaining $15 million budgeted for neighborhood parks and MPRB service facilities are a mix of state Legacy Fund tax revenues,

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11 The city share may be cash or debt financed, as determined by the city during its annual budget deliberations.
dedicated revenues from lottery and park dedication proceeds, MPRB property tax levy, and other smaller sources. Special assessment bonds are used for diseased tree removal.

**Chart 14: MPRB capital project financing mix, 2020**

Capital projects for enterprise fund activities, such as golf courses and ice arenas, are accounted for within the MPRB Enterprise Fund. In 2020, $2.3 million was slated for capital projects. Notably, the budget document observes that the revenues generated for the fund are not sufficient to cover the cost of needed capital improvements, which has resulted in project deferments and a high level of critical capital needs for enterprise fund infrastructure. Debt has been turned to as a financing mechanism, but the MPRB is working to establish reserves for assets within the fund in order to reduce the need for debt financing.

Finally, it should be mentioned that MPRB uses an equity-based scoring system to prioritize projects within the NPP20. As shown in **Table 2**, the scores are assigned using select park and community characteristics that differ between neighborhood and regional parks. Metrics vary in how they impact a park’s overall equity score. For instance, high results for racially concentrated areas of poverty or crime indicate higher equity need, while high results in the areas of ADA consistency, neighborhood safety, and park asset condition may decrease a park’s priority ranking from an equity standpoint.

**Table 2: MPRB select characteristics for equity metrics in capital project planning**

<table>
<thead>
<tr>
<th></th>
<th>Park Characteristics</th>
<th>Community Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regional Parks</strong></td>
<td>Historic investment by acre, visitor use intensity, ADA consistency, natural resources quality, and trail quality</td>
<td>Racially concentrated areas of poverty, park access by walking, transit, and private vehicle, and neighborhood safety</td>
</tr>
<tr>
<td><strong>Neighborhood Parks</strong></td>
<td>Park asset condition, asset age, and proportionality of investment over the past 15 years relative to the total value of park assets</td>
<td>Racially concentrated areas of poverty, population density, youth population, and crime statistics</td>
</tr>
</tbody>
</table>
Insights for Milwaukee County Parks

MPRB’s status as a quasi-independent park district that still functions in many ways as a city parks department – as well as its approach to budgeting and capital project planning – may offer some food for thought for parks stakeholders in Milwaukee County. Important insights from our broad analysis of the Minneapolis Parks and Recreation Board include:

• The MPRB’s governance by its own Board of Commissioners provides for a structure that is administered by individuals whose sole interest is the parks. This singular focus naturally enhances their knowledge of park system issues and challenges and commitment to operational and programmatic success. Conversely, the Milwaukee County Board of Supervisors must necessarily consider all county services in both budgeting and policymaking, many of which are mandated by state law. MPRB’s ability to establish its own legislative priorities and seek grant funding on its own also is advantageous and could be for the Milwaukee County Parks, as well.

• In previous reports, WPF has pointed out that a disadvantage associated with independent park districts is the sole focus on parks, which may lead to taxing levels that fail to take into account other needs in the community and the overall tax burden on citizens. The Minneapolis Board of Estimate and Taxation acts as a backstop with regard to that concern. Consideration of an independent governance and taxing structure for the Milwaukee County Parks might consider borrowing certain elements of the BET model, which also could take into account state levy limits.

• The existence of an overriding Metropolitan Council provides for a broad base of regional funding support for parks that are considered regional in nature in the Twin Cities area. Through this body, MPRB has access to state revenues and the Met Council’s bonding authority to help finance capital projects in its regional parks. Thought could be given to developing a regional financing body in southeast Wisconsin to support certain amenities in the Milwaukee County Parks (e.g. Boerner Botanical Gardens or the Domes) as well as in other counties that attract patrons from throughout the region.

• MPRB uses an enterprise fund model that avoids the use of property tax and other general parks revenues to support the operating and capital costs of certain revenue-generating assets. This creates a clear delineation between those amenities and others, like tennis courts and playgrounds, that are free to the public and require substantial general fund support. Adopting such an approach in Milwaukee County could pose both advantages and disadvantages but might be considered as a means of giving greater attention to public spaces and recreational assets that are critical to the parks department’s legacy and mission but earn no revenue and have a growing capital backlog.

• MPRB’s nuanced equity scoring matrix allows planners to prioritize capital projects based on racial and economic indicators as well as park asset conditions and other park characteristics. The metrics differ between neighborhood and regional parks. Milwaukee County’s equity scoring system is less comprehensive. It incorporates certain demographic characteristics and tree canopy assessments, but does not incorporate infrastructure need, visitor use, or other park characteristics into the scores. In addition, Milwaukee County uses the same metrics regardless of the type of park being rated.
Cleveland Metroparks was established in 1917. The park system covers more than 24,000 acres and includes 18 park reservations, 300 miles of trails, 19 dining options, five nature centers, eight golf courses, and the Cleveland Metroparks Zoo. A Mobile Outreach program brings nature education to urban children in schools who may not otherwise receive those experiences. Geographically, Cleveland Metroparks spans Cuyahoga County and the Hinckley township of Medina, whose combined populations are 1.24 million people. Over 19 million recreation visits are estimated to occur in the parks each year.

**Governance and Support Structure**

Cleveland Metroparks is an independent authority with property tax levy powers governed by a Board of Park Commissioners. A chief executive officer oversees all operations as well as budget development. Eleven divisions house the organization’s 673 FTEs, including Finance, Golf Operations, Human Resources, Marketing, Park Operations, Planning & Design, Development, Park Police, Cleveland Metroparks Zoo, Info Tech Services, and Legal/Ethics.

**Board of Park Commissioners** – the Board is composed of three citizens who serve three-year terms without compensation. Board members are appointed by the presiding Judge of the Probate Court of Cuyahoga County. The Board provides policy and governance oversight, appoints the Chief Executive Officer and the Chief Financial Officer, commissions a park police force, levies property taxes, and approves the annual budget.

**Property Tax Levy Authority** – Cleveland Metroparks’ property tax authority is provided by the state of Ohio as well as voters. State statute authorizes an ongoing levy of 0.05 mills. Voters may approve an additional levy of up to 3.0 mills, although these funds must be carefully monitored, as state legislation prevents property value assessments from increasing the amount of revenue brought in.
beyond the amount passed during a referendum. Metroparks typically makes 10-year levy requests of voters; the current rate of 2.7 mills expires in 2023.

Cuyahoga County – the county levies and certifies property taxes on behalf of Cleveland Metroparks. Any changes in anticipated revenues must also be certified with the county.

Programming – Cleveland Metroparks provides programming in the park system with support from a variety of partners. Over 5,000 free programs are offered annually, including nature hikes, events and children’s programming. A Mobile Outreach program brings nature education to urban children in schools who may not otherwise receive those experiences. Additionally, approximately 12 affiliated nonprofits offer an array of activities including summer camps, archery, natural sciences, arts, and horse riding instruction. These groups are not funded by Metroparks, instead receiving financial support through class fees, special events, and philanthropy.

Foundation Support – in April 2021, Cleveland Metroparks engaged in a three-year partnership with The Lubrizol Foundation to make the park district’s 16,000 acres of forests more resilient to the impacts of climate change. Separately, the Cleveland Foundation has awarded Cleveland Metroparks grants totaling $1.4 million since 2010. Notably, the foundation provided $200,000 in 2020 to support seasonal staff during the COVID-19 pandemic.

Volunteers – unlike many larger park systems, Cleveland Metroparks does not have friends groups supporting its parks. Instead, staff manage a 6,000+ team of volunteers who serve either in the parks or at the zoo. Park officials say they prefer this volunteer arrangement to establishment of friends groups, as some of those groups can have more sway than others in park management.

Major Revenues

The largest revenue source in the district’s $153.5 million revenue budget in 2021 was property tax levy at $77.7 million (51%), as shown in Chart 15. Charges for services were second at $27 million (18%). These included admissions/user fees from golf courses and the zoo, as well as smaller amounts from amenities like the marina, parking, nature centers, and concessions. A $5.7 million federal grant award and supporting grant match dollars from the state, local governments, and donations provided an additional $16 million (11%).

The park district must budget its property tax levy resources carefully given that the mill rate is approved by voters for a 10-year period. It typically seeks to carry forward some of its revenues from year to year so that funds are available to offset growing expenditure needs throughout the period. In 2021, the levy amount that was carried forward was $22.4 million (15%).
Although revenue-generating activities are not isolated from general fund activities in a separate enterprise fund (as is the case in Minneapolis), Metroparks still tracks its effectiveness with regard to cost recovery. Generally speaking, golf courses and other functions that charge fees like nature centers and the marina cover their operating costs with room to spare. The zoo recoups substantially less than its operating costs, however, and requires a sizable levy contribution that can range up to 50% of operating costs.

**Capital Expenditures**

Cleveland Metroparks does not issue debt to support its capital program and currently has no capital backlog. The park district’s pay-as-you go approach to capital financing features a mixture of grants, donations, and taxpayer dollars as is the case with operations. In 2021, property tax levy was budgeted to cover 47% of capital costs, with grants and donations financing the remaining 53%. Capital project planning includes estimates for ongoing operation and maintenance costs in addition to up-front project financing expenses.

Parks officials shared that while the Cleveland Metroparks seeks to use an equity lens in capital project planning and other activities, there historically was limited regional park land in some of the area’s most racially diverse communities. However, in recent years the park district has purposely and significantly improved park land and trail connections in the city of Cleveland.

**Insights for Milwaukee County Parks**

The governance and financing of Cleveland Metroparks differ substantially from those of the Milwaukee County Parks and demonstrate some of the key advantages of an independent park district with its own tax levy authority. Some related insights for Milwaukee County stakeholders include the following:

- While the park district enjoys its own levy authority, the role played by voters and, to a lesser extent, the state might be instructive to Milwaukee County and state policymakers. The annual property tax levy mill rate is established by state statute (0.05 mills) and can only be exceeded via voter referendum. Here, too, the state caps levy growth via referendum at 3.0
mills. This combination of “will of the people” and state limits on levy growth may ameliorate some of the concerns voiced in previous debates about unreasonable levels of property taxation that might result from establishing an independent parks district with unfettered levy authority. It is important to acknowledge, however, that voter support through a 2008 advisory referendum has not been enough to win support of lawmakers for a sales tax increase for parks in Milwaukee County.

- Cleveland Metroparks’ ability to address its capital needs and avoid repair backlogs through pay-as-you-go cash financing has largely been made possible by dedicated property tax levy funding. The potential to avoid debt is an attribute of dedicated funding that has not received much attention in previous deliberations about the future of Milwaukee County’s parks.

- Cleveland Metroparks’ extensive affiliations with community organizations appear to have bolstered robust programming and special events in the parks, including sponsorship funds and efforts to bring nature education and experiences to classrooms and other urban settings where youth may not otherwise have access to those types of experiences. Broader affiliation with community partners may be a viable option for strengthening park programming in Milwaukee County.

**Dane County**

Dane County Parks functions as a division of Dane County’s larger Land and Resources Department. The department operates regional parks and amenities that span over 17,000 acres, including 3,000 acres on property easements. These include 35 parks, 20 wildlife areas, 14 natural resource areas, 100 miles of trails, 4 historical/cultural sites, two forests, five campgrounds, and portions of the Ice Age National Scenic Trail corridor. The county’s population of 547,000 is spread across urban, suburban, and rural geographies.
Governance and Support Structure

The Land and Resources Department houses Park Operations, Administration, Conservation, Water Resource Engineering, and Lake Management divisions as well as the Lussier Family Heritage Center. Resources often are shared among divisions depending on project or program needs. As in Milwaukee County, an elected County Executive and Board of Supervisors provide ultimate policy and budget oversight for the department, though Dane County does have a Park Commission that serves in an advisory capacity. The department houses 76.6 FTEs, of which 32 serve in the Park Operations division.

Park Commission – the Dane County Park Commission is specifically authorized under Wisconsin state statutes and is comprised of seven members appointed by the County Board of Supervisors for seven-year terms. The commission serves in an advisory capacity regarding park system policies and fees and oversees the planning effort for the county’s Parks and Open Space plan.

Foundation for Dane County Parks – the Dane County Parks Foundation provides funding in support of interpretation, education, and volunteerism. In recent years, the foundation has begun awarding grants to friend and partner groups to help finance park projects.

Volunteers – park programming and related support is provided by a volunteer team at the Lussier Family Heritage Center and includes outdoor education experiences, signage, and other interpretive materials. Friends groups and a couple of homeschool groups also offer programs. Notably, the department often seeks to ensure volunteer programming support for new parks before acquiring the land.

Revenues

The 2020 revenue budget for the Land and Water Resources Department was $10.4 million. Park Operations comprised 45% ($4.7 million) of that total. However, we consider the full department budget because department resources are shared across divisions. As shown in Chart 16, general purpose revenues supplied 65% ($6.7 million) of the total budget and charges for services were the second highest revenue stream at 17% ($1.8 million).

Chart 16: Dane County Parks Division major revenues, 2020 (in millions)
Park Division officials shared that being housed within a larger department has been an asset. For instance, changes necessitated by budget decreases can be absorbed across the entire department and not purely within parks. In addition, the ability to share resources across divisions – ranging from staff time to equipment - is beneficial because it creates opportunity for projects that individual divisions may not have the resources to undertake on their own. However, this sharing is tempered somewhat in the area of earned revenues, as service or fee revenues earned by one division typically remain within the division. Even so, increases in property tax revenues due to a growing population and incremental fee changes in the parks have generally allowed for stable budget allocations to the parks over time.

On occasion, the department is able to receive additional revenue by partnering with other county departments. For instance, connecting people to parks for mental health purposes or providing land for local food production in community gardens has generated additional resources. The larger department also has seen the park system as an important asset in its efforts to respond to climate change through strategies like flood mitigation.

**Capital**

The 2020 capital budget for the Land and Water Resources Department included $26.5 million in debt financing for new projects, of which the Parks Division received $11.5 million (43%). The full amount included $11.6 million apiece for general department projects and Land and Water Legacy Fund projects and $4 million for Conservation Fund projects. Funds provided to the Parks Division in 2020 for new capital projects were 17% of the total county capital budget. Dane County has no internal policies limiting annual increases in general obligation bond debt beyond those defined by state statute.

**Equity**

An equity and inclusion plan has been developed for the Land and Water Resources Department in support of the county’s focus on racial equity. In addition, the department seeks to hire diverse applicants and is helping build the applicant pool through internships and educational opportunities for diverse children in the community. On the revenue side, fees can be a barrier to equitable park amenity access. In response, the department has a fee waiver program which provides a phone number on park kiosks and online that people can call. Approval is given in almost all cases. In addition to racial equity, parks officials shared that a lot of work has occurred to make parklands accessible to people of all abilities.

**Insights for Milwaukee County Parks**

While they both largely operate under the same revenue and governance framework prescribed by the Wisconsin statutes, the Milwaukee and Dane County park systems have significant operating and programmatic differences. Dane County does not operate neighborhood parks given the prominent role of the city of Madison parks department (see description later in this section) and has far fewer cultural or recreational facilities, while Milwaukee Parks provides dozens of regional and

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12 The Conservation Fund was designed to implement the Dane County Open Space plan, which may include grants to local groups meeting certain criteria to help implement a project. The Land and Water Resources fund was created for permanent protection of lands that provide public access to surface waters or that are strategic in wetland preservation or stormwater control.
neighborhood parks as well as a breadth of recreational opportunities. Dane County also has substantially less infrastructure given that it is a newer park system and it has deliberately made efforts to develop parks that serve passive uses.

Nevertheless, our examination of the Dane County does yield a few important insights for Milwaukee County policymakers and parks stakeholders:

- The fact that **parks are embedded within a larger department** with broader environmental protection responsibilities in Dane County allows for flexibility in absorbing budgetary changes and the ability to tap into additional expertise and resources across the other divisions. While Milwaukee County’s urbanized nature and the makeup of the department’s land and assets would make a similar approach solely for the county illogical here, exploring a similar relationship for Milwaukee County Parks with the Milwaukee Metropolitan Sewerage District (MMSD) – which has vast flood control, open space, and environmental protection responsibilities – may be worthwhile.

- The Dane County parks benefit from an **advisory park commission** that provides policy guidance as well as an important level of deliberation over any new fees or fee increases. Revisiting whether such a commission should exist in Milwaukee County – which previously had a similar body but disbanded it in the 1980s – may make sense as a means of de-politicizing to some extent the consideration of new or enhanced fees and adding an additional level of citizen oversight and advocacy.

- Dane County Parks’ reliance on **local friends groups and other volunteers** to provide programming and enhance the user-friendliness of the parks may also be a model worth considering. Milwaukee County Parks does benefit from several local friends groups but mainly for capital and maintenance needs. Given the many challenges facing the Milwaukee County parks department, programming in its parks is largely non-existent.

- Dane County’s practice of inviting **fee waiver requests** from citizens to ensure equitable public access might be considered by Milwaukee County stakeholders both for equity purposes and as a means of potentially making broader use of fees more palatable.
The Seattle Parks and Recreation Department offers a wide range of both parks/recreation and cultural services and amenities for its residents. These include over 6,400 acres of parkland and open space, nearly 2,800 acres of urban forest slated for restoration, 485 parks, 151 children’s play areas, 207 athletic fields, 4 golf courses, and indoor and outdoor recreation opportunities. Some of the department’s larger attractions include an aquarium, an arboretum, two Japanese gardens, and a zoo.

Seattle parks have historically been owned, operated, and funded by the Seattle Parks & Recreation Department. Seattle voters modified the governance structure in 2014, however, when they approved creation of the Seattle Park District to levy a dedicated property tax to support the park system in line with the city’s fast-growing population. The park district levies the tax but the city still owns, operates, and maintains all park and recreation land, facilities and equipment. Just over 939 FTEs serve under the direction of a Superintendent, all of whom are city employees.

The Seattle Park District is governed by a Board of Commissioners but that board is filled by the members of the Seattle City Council. The district’s boundaries also are identical to those of the city of Seattle. The district essentially was created to take advantage of a provision in Washington state law that allows a park district to levy a tax of up to $0.75 per $1,000 of assessed value. According to the district’s website, it collected a levy of $0.22 per $1,000 of assessed value in 2019.

In terms of fiscal administration, the city leads the budget development process, first sending a proposed budget to the Park District Board of Commissioners for initial approval, after which it is

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13https://www.seattle.gov/Documents/Departments/ParkDistrict/About/Park%20DistrictInterlocal%20AgreementAdopted.pdf
sent to the Mayor and City Council for final approval within the city’s annual budget. The 2020 budget included $175.2 million for operating activities and $86.2 million for capital projects.

Property tax levy from the Park District provides a dedicated financing mechanism for both operating and capital needs, although the city still provides an additional level of general fund support for operations. The parks also benefit from provisions in state law that allow revenues from two separate 0.25% taxes on real estate transactions to be used for parks capital projects.

In addition to providing an interesting financing and governance model for Milwaukee County parks stakeholders to consider, the Seattle Parks and Recreation department enjoys a wide range of community involvement that may be instructive. Avenues for public engagement include:

- A Park District Oversight Committee comprised of community members which offers guidance on park spending plans and makes recommendations for Major Projects Challenge Fund capital projects. Those projects leverage district funding with matching funds from the community.

- The Your Voice Your Choice program, in which residents vote on how to spend a portion of the city’s budget on small-scale park and street improvements in the district where they live, work, go to school, receive services, or volunteer.

- Programming in partnership with The Associated Recreation Council (ARC), an independent nonprofit that offers a variety of recreational and educational programs, classes, and activities and shares a portion of its user fees with the parks. Citizen volunteers serve as the ARC Board of Directors and its 36 advisory councils, which are considered a direct opportunity to improve parks access and offerings for underserved populations.

**Insights for Milwaukee County Parks**

While any interest in pursuing a Seattle-type funding model in Milwaukee County obviously would require a change in state law, the Seattle approach still may offer food for thought. Some Milwaukee County officials have previously balked at the notion of a separate park district because they feel the parks are best administered and owned by county government under the purview of an elected County Executive and Board of Supervisors. Conversely, some state officials and local stakeholders have frowned upon the idea of empowering Milwaukee County to levy a dedicated tax to support the parks because of concerns that the dollars generated would be mixed with other county revenue streams and not used exclusively for their intended purpose.

The Seattle model could offer a mechanism for alleviating both sets of concerns given that it retains the city’s ownership, fiduciary role, and administration of the parks even with creation of a separate district but segregates the district’s tax levy for use exclusively by the park system. Also, Seattle’s use of a citizen-led oversight committee, the say it gives to citizens with regard to specific use of certain parks resources in their neighborhoods, and its contractual relationship with a nonprofit organization to provide programming in the parks are all elements that could be considered for Milwaukee County.
Sonoma County, CA

Sonoma County Regional Parks are located about 60 miles north of San Francisco in Sonoma County, California. The county’s regional park system spans 12,000 acres across cities, suburbs, valleys, mountains, rivers, and ocean. Activities such as hiking trails, sports fields, playgrounds, beaches, and campgrounds are available in its 58 parks. Other offerings include an ocean marina and an environmental discovery center for children. The county is home to 494,000 people.

The Sonoma County parks differ from Milwaukee County Parks in several ways. The topography is more varied and municipalities operate their own neighborhood parks. In addition, the department is overseen by a Board of Supervisors and an unelected county administrator. A Regional Parks Director manages the department’s 123 FTEs while committees play an advisory role.

A noteworthy aspect to this park system is the Measure M sales tax. Approved by voters in 2018, a 1/8 cent sales tax will generate dedicated revenue for parks operating and capital purposes from 2019-2029. Two-thirds of the proceeds flow to the county parks while the remaining third is shared with the county’s nine city park systems.

In 2020, Measure M funds supplied 19% ($7.5 million) of the Sonoma County Regional Parks’ $39.1 million operating budget while general fund revenues still were relied upon to support 11% ($4.5 million). This general fund support was built into the measure, which requires all recipients of the sales tax dollars to provide a level of local support for their park systems. To that end, a Measure M Citizens Oversight Committee was created to ensure appropriate budgeting of Measure M revenues.

**Insights for Milwaukee County Parks**

We find two elements of Sonoma County’s financial model to be potentially relevant and instructive to parks stakeholders in Milwaukee County:

- No Board of Park Commissioners
- Citizens Oversight Committee
- Dedicated sales tax revenues, which are shared with city parks departments within the county

**SONOMA COUNTY, CA**

2020 BUDGET: $39.1 MILLION
POPULATION: 494,000

**Stand-Out Elements**

- No Board of Park Commissioners
- Citizens Oversight Committee
- Dedicated sales tax revenues, which are shared with city parks departments within the county
• **Use of a sales tax as the department’s dedicated funding mechanism.** The Forum and others have laid out the pros and cons of sales taxes versus property taxes in several previous reports.\(^{14}\) Sales tax advantages generally include the ability of a relatively small and unnoticeable tax on most sales to generate sizable amounts of revenue; and a sales tax’s ability to cast a wide net that applies not only to residents, but also to visitors and commuters who may be users or beneficiaries of parks. On the negative side, the sales tax takes a larger proportion of income from low-income residents, although Wisconsin’s current exemptions on food and prescription drugs partly offset such impacts. Also, depending on its size, a sales tax could have a negative impact on consumer activity within the county.

• **Sharing of the dedicated funding source between the county parks system and municipal parks.** Milwaukee County is not the only local government in the region that is challenged by the state’s strict property tax limits and stagnant state aids. Those restrictions have contributed to similarly daunting budget challenges for the city of Milwaukee and less severe challenges for several of the county’s other 18 municipalities. These cities and villages house neighborhood parks and playgrounds and could benefit from even a small share of a countywide dedicated funding source for parks and recreation. By designating a share to municipalities, proponents of dedicated funding for Milwaukee Parks may be able to attract additional support from municipal leaders, citizens, and perhaps even state policymakers.

**Madison**

The Madison Parks Division falls under the umbrella of the city’s Department of Public Works. It operates more than 270 neighborhood parks, 19 conservation parks, and 50 recreational facilities within its 5,600 acres. Notable amenities are the State Street/Mall concourse, Olbrich Botanical

\(^{14}\) See [Dollars and Sense, On the Money?](#), and [The Jury is Out](#) as examples of WPF reports.
Gardens, four golf courses, and the Forest Hill Cemetery, which is on the National Register of Historic Places. With a population of approximately 259,700, the city boasts 22 park acres per 1,000 people, currently exceeding its goal of 10 park acres per 1,000 people.

The Parks Division is overseen by a Superintendent and two Assistant Superintendents, who report to an appointed Board of Park Commissioners. That board also oversees property acquisition, needs assessments, long-range and strategic planning, establishes parks rules and regulations, and sets some park fees. Budget authority resides with the city’s Common Council and Mayor. Although city officials ostensibly could overrule decisions made by the Board of Park Commissioners, such instances are rare. In 2020, 137 FTEs and approximately 300 seasonal/hourly employees carried out the department’s operations.

Budgeted revenues in 2020 were $15.5 million. While city general purpose revenues are the primary revenue type (at 75% in 2020) and come mostly from property taxes, a number of fiscal elements allow for less reliance on general purpose revenues than might otherwise occur. For instance, golf courses are held within their own enterprise fund and their revenues are consequently expected to cover all golf operating and capital costs. In general, park fee revenues become part of the city’s general coffers, though dog park and disc golf fee revenues are placed in a segregated fund and reserved to support those activities. Park officials share that reliance on park fees has grown significantly over the past decade, which has included increased fee collection to cover maintenance and capital costs at athletic fields and contracts with large community groups for use of recreational fields.

On the capital side, the $14.2 million capital budget in 2020 was a mix of park-specific impact fees paid by developers (58%), general obligation bonds (39%), and other miscellaneous revenues. In recent years, the parks division has begun using a racial equity toolkit in selecting and prioritizing capital projects. The effort is part of the city’s Racial Equity and Social Justice Initiative, which establishes racial equity and social justice as core principles in all of the government’s decisions, policies, and functions.

Madison Parks offers limited programming directly, instead partnering with community organizations to offer recreational and enrichment opportunities. The Madison School & Community Recreation (MSCR) department of the Madison Metropolitan School District is a primary partner, paying Madison Parks a fee for non-exclusive use of various parks and facilities. Fees paid by MSCR to the parks department take into account maintenance and utility costs at the space being used. The contract allows MSCR to retain fee revenues it charges to program participants, however. Madison Parks also has multiple arrangements with other community partners to offer programming at parks that largely follow the same fee model. In some cases, groups may be allowed to help with general maintenance such as mowing and lining the fields they use.

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15 The board is comprised of five citizens appointed by the Mayor and two city alderpersons. All commissioners serve 3-year terms unless reappointed.
16 Parks staff may reduce fees by up to 50% without seeking approval from the Board.
17 Golf courses required a subsidy from the general fund in 2018 and 2019.
18 A copy of the MMSD Facility Use and Program agreement, which includes pricing for various rental amenities, can be found here.
Insights for Milwaukee County Parks

Three elements of Madison Parks’ fiscal and governance model are potentially relevant and instructive to parks stakeholders in Milwaukee County:

• **A Board of Park Commissioners** with significant policy, planning, fee-setting, and oversight authorities. This setup allows for governance and direction by individuals who can acquire knowledge and are solely focused on the park system and provides for citizen participation and oversight of new or substantially expanded use of fees.

• Elements of the Park Division’s fiscal structure allow for dedicated revenues in certain areas. For instance, an enterprise fund houses golf course and dog park and disc golf fee revenues are segregated for use on only those amenities. Milwaukee County may find benefit in mirroring these components for some of its amenities and activities.

• **Programming support through the Madison Metropolitan School District and other community partners.** Programming in Milwaukee County parks receives little attention because of a lack of available staff resources to develop and conduct recreational activities. Greater use of community partners in this area – including local school districts – could potentially increase programming opportunities while also helping to finance the cost of maintaining and improving ballfields, tennis courts, and other recreational amenities. Also, school district recreation departments have access to property tax revenues that fall outside of state-imposed revenue limits, thus potentially giving them the capacity help maintain recreational facilities in county parks if given greater opportunity to use them.
INSIGHTS AND CONCLUSION

In many respects, our re-assessment of the Milwaukee County Parks’ fiscal condition and challenges is strikingly similar to the gloomy assessments we conducted in 2002, 2008, and 2013. Perhaps the only difference is that each assessment has grown progressively worse. We find that:

- The parks department’s total operating budget today is about equal to the amount budgeted 30 years ago despite a salary and benefits structure that has grown with inflation and similarly increased costs for items like commodities, supplies, and contracted repairs and maintenance. As a result, parks staffing levels have shrunk dramatically (from 1,073 FTEs in 1989 to 469 in 2019) and significant maintenance backlogs have materialized and gradually worsened.

- A key factor in the lack of budget growth is the reduction in the amount of county property tax levy dedicated to the parks. Until the past decade, levy was the department’s largest revenue source by a wide margin. However, not only has it failed to increase with inflation, but it has actually shrunk considerably in nominal terms over time. Whereas levy supplied 74% ($27.5 million) of the department’s budgeted revenues in 1989, that amount had fallen to 43.3% ($15.9 million) of revenues by 2019. Also, while the county’s levy commitment to its parks comprised 23% of its total levy in 1989, by 2019 that allocation had fallen to 5%.

- On the capital side, a $200 million repair and replacement backlog estimated by county auditors a decade ago has grown substantially since that time (department officials recently estimated that the combined size of the “known” deferred maintenance and capital backlog is in the $300 to $400 million range). Requested capital projects for the next four years – not including a $60 million or more replacement project for the Mitchell Park Domes – would require an average of $37 million per year in county capital funding. That equates to more than 60% of the amount currently available for the entire county capital budget each year and more than four times the capital funding the parks have averaged over the past decade.

While this troubling history and alarming outlook will not come as a surprise to those who follow Milwaukee County budget and policy matters, the extent to which the parks department now relies on earned revenues from a handful of successful amenities and activities may be more surprising.

In some respects, this is promising news, as it reflects the department’s ability to bolster revenues from successful amenities and develop new revenue-generating ideas like travelling beer gardens. Yet, the resources needed to grow or maximize earned revenues via a relatively small number of amenities may increasingly conflict with the need to appropriately and equitably resource the department’s much larger array of open space and recreational assets that are free to the public.

Action to address the park system’s financial challenges has been stymied by the substantial fiscal pressures facing all of county government, which stem in part from stringent state-imposed limits on the county’s ability to generate new revenues or contemplate new governance structures for the parks. County leaders and parks stakeholders should not necessarily give up on potential solutions that would require a state-approved change to that paradigm. We suggest, however, that they also need to take a fresh look at other options, including the potential for new partnerships with other public sector or nonprofit entities.
To assist them in this endeavor, we examined other local or regional park systems throughout the country for alternative models, structures, and ideas. That analysis yielded several potential avenues to explore, which we summarize in the remainder of this section.

We divide our discussion into three parts: financial and structural solutions that would require a change in state law; financial and structural solutions that may not require such a change; and some less comprehensive strategies that may not fully resolve the parks department’s financial challenges but might help to reduce them while providing other community benefits. A summary of the policy options is shown in Table 3. It is important to note that the options are not necessarily mutually exclusive and some could be pursued in tandem.

### Table 3: Summary of Policy Options

<table>
<thead>
<tr>
<th><strong>Governance/Funding Options that Require State Authorization</strong></th>
<th>Description</th>
</tr>
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<tbody>
<tr>
<td><em>Independent district to collect dedicated tax</em></td>
<td>Create a new park district mainly to collect and disburse funds from a new dedicated sales or property tax; county retains ownership and operation of parks</td>
</tr>
<tr>
<td><em>Independent district w/fiscal control board</em></td>
<td>Accompany creation of new park district with taxation authority with creation of a fiscal control board to set levy ceilings for the district and county</td>
</tr>
<tr>
<td><em>New dedicated tax for parks set by voters</em></td>
<td>State authorizes dedicated property or sales tax for parks but amount of tax is established by referendum</td>
</tr>
<tr>
<td><em>New dedicated tax shared with municipalities</em></td>
<td>State authorizes dedicated property or sales tax for parks and stipulates a percentage to be shared with municipalities</td>
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<table>
<thead>
<tr>
<th><strong>Governance/Funding Options that Milwaukee County Parks Could Pursue on its Own</strong></th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Land and water governance perspective</em></td>
<td>Establish enhanced partnership w/MMSD to maintain portions of parks with passive uses or pursue a broader MMSD role in all parks maintenance and governance</td>
</tr>
<tr>
<td><em>New partnerships with schools</em></td>
<td>Establish programming partnerships with MPS and suburban districts to enhance programming and support maintenance of recreational facilities</td>
</tr>
<tr>
<td><em>Enterprise fund approach</em></td>
<td>Segregate revenue-generating amenities and require them to collectively pay for themselves</td>
</tr>
<tr>
<td><em>Carve out regional attractions</em></td>
<td>Transfer select regional attractions (e.g. Boerner Botanical, the Domes) into distinct organizational units within county budget and finance them separately from parks</td>
</tr>
<tr>
<td><em>Larger role for municipalities</em></td>
<td>Transfer maintenance and improvement responsibilities for certain neighborhood parks to municipal governments</td>
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</tbody>
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<table>
<thead>
<tr>
<th><strong>Other Options that Might Help</strong></th>
<th>Description</th>
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<tbody>
<tr>
<td><em>New citizen advisory commission</em></td>
<td>Establish new citizen-led body to provide high-level policy direction, review new or enhanced fees, participate in capital planning</td>
</tr>
<tr>
<td><em>New relationships with nonprofits</em></td>
<td>Establish new partnerships with nonprofit entities to conduct programming or provide services in parks and help pay for maintenance and improvements</td>
</tr>
<tr>
<td><em>Greater use of volunteers</em></td>
<td>Use volunteers for parks programming and seek new funding streams to support such programming and facility needs</td>
</tr>
<tr>
<td><em>Expand racial equity strategies</em></td>
<td>Consider more extensive racial equity metrics in capital planning, fee waivers/scholarships for low-income citizens and youth, greater say by neighborhood residents in parks improvements</td>
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</table>
Governance & funding options that require state authorization

As we noted in the previous section, past opposition to a separate park district for Milwaukee County has come from those concerned about creating another layer of government with broad taxing and spending powers and redundant bureaucracy; and from some county leaders who believe the parks should remain under county ownership and oversight. Meanwhile, the notion of a dedicated funding source for the parks has drawn opposition from those concerned that the tax burden on county residents already is too high. Our research on peer districts uncovered some models that may alleviate those concerns:

- **Independent district as a revenue collection entity (Seattle model).** This approach would require a change in state law to authorize counties or voters (or both) to approve creation of an independent park district for the purpose of levying and collecting a dedicated property or sales tax for the parks. In Seattle, a park district was approved by voters and set up solely to levy the tax, although its board does review the annual parks budget. The city retained ownership of the parks as well as operational and administrative control. A similar model could be pursued for Milwaukee County to retain its primary role in owning and operating the parks while ensuring that the dedicated levy is used solely for parks purposes and avoiding creation of a large new bureaucracy with its own administrative and back office needs.

- **Controlling the combined levy of the county and the parks (Minneapolis model).** State law authorizing a separate park district with a dedicated property tax levy for Milwaukee County could be accompanied by a provision requiring the creation of a separate board to establish a ceiling for the combined property tax levy of the county and the parks, similar to the MPRB’s Board of Estimate and Taxation. Other approaches to achieving the same objective could be considered, such as having the state authorizing legislation set a ceiling for the amount of the dedicated tax as well as requiring an offsetting reduction in the county’s levy limit as a means of controlling the overall tax burden on citizens.

- **Putting the parks tax question to voters (Cleveland model).** State law in Ohio sets a ceiling of 0.5 mills for parks district levies but allows districts to pursue voter referenda to exceed the limit. Again, a new state law in Wisconsin could set a similar ceiling (accompanied by an equivalent reduction in the county’s levy limit) but also could allow voters to exceed it as is the case for local governments and school districts in Wisconsin. A similar ceiling and referendum provision also could be used if elected officials determined that a sales tax is a more appropriate dedicated funding source for the parks.

- **Using a dedicated sales tax and sharing it with municipalities (Sonoma County model).** In Sonoma County, one third of the proceeds from the dedicated parks sales tax is shared with the county’s municipalities to support their parks and recreational facilities. While this approach might require a higher tax to meet both the county’s and municipal needs (or a greater general fund commitment by the county outside of the tax), it also could attract greater support given that several of the county’s municipal governments are facing budget challenges that hamper their efforts to appropriately support their smaller parks and playground facilities. At the same time, use of a dedicated sales tax may be more attractive to both county and municipal leaders given that it would be paid in part by the sizable numbers of commuters, shoppers, and visitors who use county and municipal services and infrastructure on a daily basis but do not contribute to the cost of supporting them.
Governance & funding options that Milwaukee County Parks could pursue on its own

Given the political challenge involved with securing state legislative approval for new governance or financial structures for the Milwaukee County Parks, we also considered options observed from our analysis of peer counties that may be pursuable without a change in state law:

- **Governing parks within a broader land and water resource perspective (Dane County model).** Dane County’s parks fall under a division of the county’s larger Land and Water Resource Department. This arrangement may be more logical for Dane County than Milwaukee County given Dane County’s more extensive open space and the fact that its municipal parks play a larger role in providing recreational amenities, thus allowing county parks to be designed as passive-use spaces. Nevertheless, this model could be the basis for the Milwaukee County Parks to explore a new and enhanced relationship with the Milwaukee Metropolitan Sewerage District.

The parks department and MMSD already have forged impressive partnerships in a handful of parks where MMSD has been allowed to modify and use parkland for flood control purposes in return for investing in improvements within the park. The two entities could pursue an expanded partnership that could take numerous forms, including:

- Transferring environmental responsibilities within parks or even full operational responsibilities or ownership of entire parks to MMSD. The latter might be most appropriate for parks that have mostly passive uses. This approach also might include converting some parks to more passive use and then transferring them.

- Transferring ownership or operational responsibility for all county parks to MMSD but keeping operational control or ownership of major revenue-generating amenities within parks with Milwaukee County. This approach would be consistent with MMSD’s environmental focus and the parks department’s experience in managing its revenue-generating assets.

- Having Milwaukee County Parks become a joint venture between the county and MMSD, which could entail governance and ownership changes for all parks and amenities within them.

One of the potential advantages associated with each of these approaches would be the opportunity for the parks to tap into MMSD’s financial resources. The district is not bound by state-imposed levy limits and its capital assets are in sound condition. But in addition to financial capacity, MMSD also could offer a wealth of environmental and operational expertise that could benefit the parks in myriad ways.

For its part, MMSD could see benefits in having a wider range of lands that could be used to pursue its environmental and water quality goals. However, it would be daunting to take on the added complexity of a county parks system with considerable challenges, particularly since MMSD has not directly worked in this area previously.
• **New partnerships with school districts (Madison model).** In Madison, the parks division maintains a contractual agreement with the school district’s recreation department to be the primary provider of programming in the parks. The school district pays fees that take into account maintenance expenses for the use of ball diamonds, tennis courts, etc. Milwaukee County Parks could consider a similar relationship with the Milwaukee Public Schools and other school district recreation departments. Contractual fees paid by districts could offset costs associated with maintenance of athletic and other facilities for use by both the district and the general public. Including an amount for needed capital improvements as part of the fee structure also could be considered, particularly given that the property tax levy used by school districts for recreation is not subject to the same revenue limits as regular school operations. Such an arrangement could benefit many MPS students in need of positive outlets and opportunities. MPS, however, has many challenges of its own and its leaders may be reluctant to substantially raise the district’s own levy.

• **An enterprise fund approach (Minneapolis model).** The MPRB’s segregation of parks activities and amenities that are admission- or fee-based in a separate enterprise fund drives home the point that certain parks functions need to collectively pay for themselves to preserve taxpayer support for assets that cannot generate sufficient revenue but are important for environmental, racial equity, or other reasons. Delineating the various Milwaukee County amenities and functions in this manner would require some difficult choices, including the potential that certain golf courses, deep water pools, and attractions would have to be closed to ensure the enterprise fund’s solvency. It also could be argued, however, that such decisions should have been made years ago so the county could focus its diminishing resources on its highest priorities. Taking this approach might also require county policymakers to adopt a more business-like approach to the enterprise fund activities (some of which may not be popular), including developing new fee structures and devoting greater resources to marketing activities. Exceptions could be made for certain unprofitable amenities but allowing too many would negate the benefits of this option.

• **Carve out the regional attractions (Minneapolis model).** Minneapolis’ structure includes not only an independent park district but also an overriding regional body (the Metropolitan Council) that oversees and helps finance parks and parks amenities that are deemed regional in nature. While creating such a body for metro Milwaukee would require state authorization, Milwaukee County leaders could consider transferring attractions that draw substantial regional patronage (e.g. Boerner Botanical Gardens, Wehr Nature Center, the Domes, and perhaps even McKinley Marina) into a single or multiple organizational units within the county budget, as is currently the case for the Milwaukee County Zoo and Milwaukee Public Museum (MPM). This approach might set the county on a path of treating these amenities as distinct regional entities that would pursue regional funding or have fee structures that charge more to non-county residents. The county also could consider new privatized operational structures that may yield financial efficiencies (as is the case for MPM) and may be better positioned to seek new forms of philanthropic and state support.

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19 An important consideration under this approach is whether past and future debt service payments for capital improvements related to amenities within the fund should be included in the enterprise fund’s financial structure. Currently, debt service is budgeted centrally and falls outside of the parks department’s budget.
• **A larger role for municipalities (several peers).** We observed in several of the peers that municipal governments play a larger role in owning and maintaining parks that have strong recreational components while county parks tend to be regional and more passive-use in nature. While the creation of the Milwaukee County Parks several decades ago has produced considerable quality of life and environmental benefits for county residents, the county’s inability to appropriately maintain all of its assets may suggest the need for a greater role by municipal governments in maintaining county parks in their communities, with a particular emphasis on those that are used primarily for recreational purposes by neighborhood (as opposed to regional) residents. The county has already established such a partnership with the city of Greenfield with regard to Kulwicki park and further expansion of that model could be considered.

**Other options that might help**

The two sets of options presented above take direct aim at the Milwaukee County Parks’ financial challenges and most (if not all) would require a “heavy lift” in terms of either obtaining state authorization or establishing comprehensive new partnerships. Our analysis of the peer park systems also yielded a few less comprehensive ideas that may not have as significant a fiscal impact but that could be more easily implementable and still produce programmatic and possibly financial benefits. We summarize those below.

• **A new citizen advisory commission (Dane County, Madison, and Seattle models).** The parks department has effectively articulated its growing challenges over the past several years and parks advocacy groups have similarly weighed in, but the re-establishment of a citizen oversight or advisory committee could serve as an important independent vehicle for monitoring and highlighting the parks’ condition and needs. In Seattle, a citizen oversight committee also plays a role in reviewing departmental spending plans and capital projects and in Dane County and Madison it reviews proposals for new or enhanced fees; these roles also could be considered for a new citizen advisory committee in Milwaukee County and could help to de-politicize potentially contentious decisions on capital planning or new revenue opportunities.

• **New and expanded relationships with area nonprofits (Seattle, Cleveland, Madison models).** The park systems in both Madison and Seattle have extensive partnerships with nonprofit entities to provide programming in parks at no cost to the park system; in the case of Cleveland Metroparks, some partner organizations receive operating support in order to help ensure their presence at those locations, while others are sustained through their programming fees. Milwaukee County Parks could pursue similar opportunities with nonprofits that offer afterschool and adult enrichment programming. The county also could explore whether nonprofit health systems or others might be able to make use of under-utilized buildings for educational programming or services at park locations that provide easy accessibility to citizens and ideal settings for such services. In either case, the cost of maintaining and improving ballfields and buildings might be shared with nonprofit partners.

• **Greater use of volunteers (Cleveland, Dane County, Madison).** We observed that some park systems make greater use of volunteers to conduct programming in the parks. In fact, Cleveland Metroparks manages thousands of volunteers while Dane County refrains from purchasing land for new parks unless it can first secure a healthy volunteer roster to provide
programming. While not necessarily providing direct financial benefits, Milwaukee County could consider similarly building a large cadre of volunteers to bolster parks programming and usage, particularly in parks that are located in underserved communities. Philanthropic or new public funding sources (e.g. Community Development Block Grant dollars) could then be sought not only to pay for costs associated with such programming but also to maintain and improve parks facilities that are used for it. Whether a park is able to secure volunteers for programming also could be a criterion used to determine if it should revert to more passive uses.

- **Racial equity enhancements (several peers).** Milwaukee County Parks has taken several important steps to integrate racial equity and inclusion principles into capital planning and operations, but some of the strategies we identified in peer districts also could be considered. Examples include the more advanced use of equity metrics for capital planning observed in Minneapolis; the opportunities for need-based fee waivers in Dane County and park foundation scholarships to pay aquatic fees for low-income youth in Madison; and the opportunity for citizens to select and vote on small-scale improvements in parks within their own neighborhoods provided in Seattle.

**Next steps**

While the research conducted for this report was extensive, the policy options we describe here are largely conceptual. Pursuit of each of them would require substantial additional research and analysis to flesh out financial details, consider legal requirements or impediments (including treatment of pension and retiree health care costs for options involving a new governance structure), decide which of the various sub-options associated with each option should move forward, and develop specific implementation plans. The most significant and sweeping changes listed above could require years to plan, approve, and implement effectively. Others could be done more quickly.

Our hope is that parks department and elected officials, parks stakeholders, and citizens will now consider these options and determine which (if any) they would like to explore in greater detail. Once those decisions are made, the Forum could be called upon to conduct the additional analysis that will be required to determine the efficacy of those options deemed most desirable and what it would take to implement them. The ultimate aim is to provide for Milwaukee County policymakers and residents a detailed set of options to consider that will help overcome the decades-old financial challenges facing the parks and ensure their long-term success and sustainability.
APPENDIX A

Milwaukee County Parks has developed a park equity index that assigns each park a score based on a series of weighted metrics. These include minority population, income, and crime. Each park is given an equity index score from one to 10. The higher the score, the greater the equity need.

Map A: Milwaukee County Parks Equity Scores