

March 15, 2017

Chairwoman Karen Spilka
Senate Committee on Ways & Means
State House, Room 212
Boston, MA 02133

Chairman Brian Dempsey
House Committee on Ways & Means
State House, Room 243
Boston, MA 02133

Re: Department of Conservation & Recreation (DCR) FY18 Budget:

Thank you for your ongoing leadership in balancing the many needs of the Commonwealth through its annual budget process. I write to respectfully request your support for a FY18 budget for the Department of Conservation and Recreation (DCR) at a level that will enable the agency to manage better its lands, recreational facilities, drinking water supplies, and parkways, and to ensure the safety of dams across the Commonwealth.

The DCR Stewardship Council was established by the Legislature to oversee a number of DCR's activities, including its annual operating budget. Under the enabling statute, M.G.L. Chapter 21, Section 3C, the DCR Commissioner is required, "with the approval of the stewardship council...." to submit an annual budget for the agency. DCR's FY18 budget, contained in the Administration's January 27, 2017 House 1 submission to the legislature, in our judgement is **wholly inadequate** to support DCR's extensive and important responsibilities.

We reject DCR's FY18 budget as submitted in House 1 and offer specific recommendations below instead.

Background

The final FY17 GAA budget for DCR was \$86.9 million. Since the July 1, 2017 fiscal year start, the Administration offered a voluntary retirement program without permitting "backfills." This program resulted in the loss of 17 DCR employees, many in important positions with deep institutional knowledge. These retirements not only increased DCR FY17 expenses beyond the budgeted salaries for those positions (vacation and other buyouts) but they exacerbated DCR's FTE staffing shortages, coming after the 90-plus positions lost in the previous year's early retirement program. In total, DCR has lost 396 positions—31% of its workforce—in the last nine years.

In addition, the Administration imposed over \$6 million, or 7%, in 9C cuts in December 2016. These cuts, coupled with the early retirements, have required DCR to postpone openings of many facilities, such as eliminating popular spring camping. At the current level of funding, the availability of and programming in the state's outdoor resources to the Commonwealth's citizens and visitors has been significantly reduced.

DCR is the steward for 450,000 acres of open space in Massachusetts, or 9% of the state, acres that are in high demand by our residents and visitors. DCR manages state lands for resilient habitat and natural conditions for many of the state's most treasured forests, waters, and coastal areas. DCR manages 40 swimming pools and spray decks, 72 ocean and inland beaches, 8 skating rinks, 16.5 islands in Boston Harbor, 29 campgrounds, more than 60 playgrounds, 55 ballfields, over 2,000 miles

of trails, as well as seawalls, historic parkways, and oversight of over 3,000 dams. DCR directly supports the \$10 billion of recreation spending in Massachusetts each year¹. Its parks and forests are available to everyone in the state. They are an essential component for our quality of life, providing places for a quick walk or ride after work, places for a respite from the summer heat, safe places for youth to play outside, and places for families to spend time together.

FY18

We expect to begin FY18 with the fewest FTEs in more than a decade. Yet Governor Baker submitted an \$82.4 million budget for DCR, which is \$4.2 million less than the final approved FY 17 budget, and \$1.3 million less than the Administration’s FY17 budget submission. The House 1 proposal freezes DCRs budget at the post 9C cut levels considering the agency will need to shoulder \$1.5 million in FY18 expense increases due to anticipated collective bargaining increases. In doing so the Administration is locking in dramatic natural resource management and programming reductions and giving the agency no financial flexibility to backfill for substantial vacancies cascading from the Administration’s early retirement programs or to restore cut-backs in staffing coverage and facility schedules. It is hard to view the FY18 budget as anything other than a deliberate disinvestment in DCR and its ability to adequately maintain the agency’s assets and programs.

The Stewardship Council strongly recommends the Legislature establish at funding levels that will allow DCR to incrementally begin to regain adequate staffing for operations. To that end we recommend the following amounts:

2800-0100	Conservation and Recreation:	\$4,237,773
2800-0101	Watershed Management:	\$932,526
2800-0401	Stormwater Management	\$419,542
2800-0500	Beach Preservation	\$806,644
2800-0501	DCR Seasonal	\$17,000,000
2800-0700	Office of Dam Safety	\$620,361
2810-0100	DCR State Parks & Recreation	\$42,000,000
2810-2042	DCR Retained Revenue	\$20,000,000
2820-0101	State House Park Rangers	\$1,794,106
2820-2000	Parkway Street Lighting	\$3,600,000

The Stewardship Council also recommends the Legislature work with the Administration to more securely moor DCR’s budget to what the agency actually needs to maintain its assets at a publicly acceptable level. The Stewardship Council very much appreciates the \$200,000 approved by the Legislature in FY17 to help DCR and the Stewardship Council study what an optimal “base budget” should be for the agency to operate at a predictable but rigorously-applied level of performance. While the base budget earmark ultimately was cut in the 9C process, we also discovered that the asset management database and system (FAMIS) on which such an analysis would rely had ceased to function within DCR. Commendably the staff, with Administration support, appears to be in the process of rebuilding its systems for assessing and setting maintenance standards, managing assets and work order processing, identifying operating and funding gaps, and integrating these with planning and budgeting—all capabilities on which a “Base Budget” would depend. This will take time, leadership, commitment and support throughout the government, not just the Stewardship Council.

¹ Outdoor Industry Association, “The Outdoor Recreation Economy,” 2012.

Until that vital, data-driven, performance-based budgeting work can begin to truly inform all of us how sufficiently funded DCR is (and in what asset areas) we encourage the Legislature to launch a process with the Administration to establish long-range goals and plans for DCR. Without any such process we are confident DCR's budget will continue to suffer, parks and facilities will remain closed, and public services will be cut back more and more—resulting in rapid deterioration of our parks and a far more costly challenge to reverse the decline down the road. That is a shame for an agency with a mission and responsibility important to so many citizens.

Sincerely,



Whitney Hatch, Chair
DCR Stewardship Council

Copies: Vice Chairman Sal DiDomenico
Vice Chairman Stephen Kulik
Members, Joint Committee on Ways & Means
Governor Charlie Baker
Secretary Matthew Beaton
Commissioner Leo Roy