



Minneapolis
Park & Recreation Board

Budget Process Overview

Juli Wiseman
Finance Director
June 12, 2018



MPRB Budget Process

- The MPRB as a component unit of the City of Minneapolis has an integrated budget process that includes the MPRB, Board of Estimate and Taxation and City of Minneapolis.



MPRB 2019 Budget Retreat

May 9, 23 and June 12, 2018

- Staff provide high level information to the Board
 - 10-year financial history
 - Preliminary budget outlook and 5-year projections
 - Budget Issues and Strategies
- Commissioners provide Superintendent with priorities and direction to be considered during the budget development process



MPRB Budget Presentation to the Mayor

June 14, 2018

- Budget discussion with Mayor includes
 - 10-year financial history
 - Preliminary budget outlook and 5-year projections
 - Current 6-year Capital Improvement Plan
 - Any current topic of discussion that could impact the MPRB Budget
- Mayor utilizes information in the development of the Mayor's Recommended Budget which includes MPRB and various city funding levels for the MPRB.



Mayor's Recommended Budget

- Mayor's Recommended Budget released by August 15 of each year
- Budget includes information related to the MPRB
 - Recommended property tax levy
 - City administrative overhead charge
 - Capital Improvement Program bonding
- Staff analyze the Mayor's Recommended Budget and report significant changes or impacts to the Board
- **Commissioners and Superintendent work to gain support for changes to MPRB items within the Mayor's Recommended Budget .**



Maximum Property Tax Levy

- Board adopts resolution requesting the Board of Estimate and Taxation (BET) to set the maximum certified levy for the MPRB
 - Administration & Finance Committee, August 15, 2018
 - Full Board, September 5, 2018
- Commissioners work to gain support for the MPRB maximum certified levy
- BET holds public hearing for the consideration of the maximum property tax levies, September 12, 2018
 - MPRB budget overview presentation to the BET
- BET sets maximum property tax levies, September 26, 2018



Capital Improvement Program Discussion

August 15, 2018

- Staff updates Board
 - Criteria-based Systems for Project Scheduling
 - Other considerations that will impact the 6-year Capital Improvement Plan
- Commissioners provide comment on the changes to the Criteria-based systems results and 6-year CIP



Superintendent's Recommended Budget

October 17, 2018

- Superintendent presents recommended budget to the Board
 - Supports MPRB Comprehensive Plan and Board Strategic Direction
 - Incorporates thoughtful consideration and input from the Board and Staff
- Budget documents provided to Board
 - Superintendent's Recommended 2019 Budget Book
 - Recommended 2019-2024 MPRB Capital Improvement Program
 - Budget Adjustments
 - Park Funding Facts – Service Areas
 - Diversity, Cultural Awareness, Racial Equity & Economic Equity Documents



Public Input

- Administration & Finance Committee, November 7, 2018
 - Public Comment
- Committee of the Whole, November 14, 2018
 - Open Time
- Regular Meeting open time, November 28, 2018
 - Open Time
- City Council Meeting, December, 2018
 - Truth and Taxation Public Hearing



Commissioner Input

- Administration & Finance Committee, November 7, 2018
 - Commissioners' Questions & Answers (received by 10/24)
 - Commissioners' Discussion
- Committee of the Whole, November 14, 2018
 - Commissioners' Questions & Answers (received by 11/8)
 - Commissioners' Discussion

Administration & Finance Committee, November 28, 2018

- Commissioners' Questions & Answers (received by 11/19)
- Administration & Finance Committee Approved MPRB Budget



Commissioner Amendments

- Commissioner may want to propose an amendment to the Superintendent's Recommended Budget.
- Amendments should be discussed with the Superintendent, who will direct work to appropriate department or staff if necessary.
- Amendments should be budget neutral.
- Amendments should be formally drafted and ready to be considered during the Administration and Finance Committee on November 28, 2018 to be included in the resolution to adopt the MPRB annual Budget if approved.



Superintendent's Recommended Budget

presented to Ways & Means Committee

- Superintendent presents recommended budget to the City of Minneapolis Ways & Means Committee



MPRB Budget Adoption

- Administration & Finance Committee, November 28, 2018
- Full Board, December, 2018
 - Held at City Hall
 - Truth and Taxation Public Hearing held prior to budget adoption
- Goal is to have all Commissioners amendments to the Superintendent's Recommended Budget proposed and considered no later than November 28.



Minneapolis
Park & Recreation Board

Development of Superintendent's Recommend Budget



Department Budget Development

- Internal Service Funds departments, May-June, 2018
- Other departments, July-September, 2018
- Process
 - Budget Kick-Off meetings
 - Department develops budget submission
 - Budget submission reviewed and approved by Division Head
 - Superintendent first meetings with divisions to review, provide direction and request additional information
 - Department second submission
 - Superintendent second meetings with divisions to finalize submissions



Department Budget Development Kick-off

- Budget Development Kick-off meetings with Finance
 - Budget Instructions
 - Wage Projection Spreadsheets
 - Current Service Level (CSL) line item budgets
 - Budget Forms

Minneapolis Park and Recreation Board	
2018 Current Service Level Budget Development Instructions	
CSL Line Item Budget	Please review and verify the 2018 Current Service Level (CSL) Line Item
Payroll Projection Worksheet	Personnel costs have been calculated using the payroll projection worksheet. Please review and verify staffing levels and wage/benefits by position for 2018. 26.1 pay periods or 2088 hours were used to calculate wages.
Transfer of funds Form 2018-A	During the budget process, departments may transfer positions or funds from one department to another. Please use the transfer form and identify the position, department, account code and amount when transferring payroll and other line items.



CSL Review – Wages & Fringe

- Wage Calculation Spreadsheet is based on the department's authorized staffing level.
 - Reviewed to ensure the employees, wages and benefits are accurate
 - Errors are reported to Finance through an Error Correction form and technical adjustments are made to the CSL budget

				Hourly	Hours	Hours	Hourly	2018						HEALTH			
	1/1/2018	Date	Wage	at	at	Longevity	Wage	Cost	PERA	FICA	MEDCR	Sever	LT Dis	Life	Dentl	TOTAL	
NAME OF POSITION	FTE	Hourly	Receives	Next	Current	Next	Rate	Cost	7.50%	6.20%	1.45%	0.70%	0.30%	13,533	90	750	2018
		Wage	Next Step	Step	Step	Step											COST
AUTO MECHANIC	0.33	\$34.49			2,088	0		\$23,765	\$1,782	\$1,473	\$345	\$166	\$71	\$4,466	\$30	\$248	\$32,346
GARDENER	0.50	\$27.78			2,088	0	\$0.80	\$29,838	\$2,238	\$1,850	\$433	\$209	\$90	\$6,767	\$45	\$375	\$41,843
MOBILE EQUIP OPER	1.00	\$29.70			2,088	0		\$62,014	\$4,651	\$3,845	\$899	\$434	\$186	\$13,533	\$90	\$750	\$86,402
PARKKEEPER	1.00	\$21.08	10/13/18	\$23.06	1,630	458		\$44,921	\$3,369	\$2,785	\$651	\$314	\$135	\$13,533	\$90	\$750	\$66,549
PART TIME FTES																	
SEASONAL PARK MAINT	4.50	\$13.78			2,088	0		\$129,477	\$0	\$8,028	\$1,877	\$0	\$0	\$0	\$0	\$0	\$139,382



CSL Review – Wages & Fringe

- The Wage Calculation Spreadsheet provides the basis for the wage and fringe line items in the CSL Budget.
 - Reviewed to ensure amounts have been carried forward
 - A change to the department authorized FTEs are requested through the submission of the Budget Request or Impact Form

Sample Wage & Fringe Line Items	2015 Actual	2016 Actual	2017 Adopted Budget	2018 CSL Budget
400001 - SALARIES/WAGES - REGULAR	8,407,200	9,411,913	12,499,182	12,435,921
781201 - PERA-COORDINATED	656,597	695,163	801,390	813,287
781301 - FICA-ASDI	605,138	634,247	774,948	771,029
782101 - MEDICARE	141,572	148,351	181,237	180,320
782701 - DENTAL INSURANCE	109,610	108,767	146,728	139,299
782901 - HEALTH INSURANCE	1,777,547	1,618,380	2,378,939	2,554,083
784001 - SEVERANCE	60,627	63,886	74,788	75,898
785001 - UNEMPLOYMENT COMPENSATION	119,586	162,307	119,587	162,307
786001 - LIFE INSURANCE	12,189	12,528	16,717	16,716
786301 - L/T DISABILITY INS	23,610	24,755	32,137	31,984
788101 - WORK COMP-PERM PART DISAB	1,115,078	875,416	1,092,060	1,088,408



CSL Review – Other Expenses

- Other expense line items include contractual, operating and capital outlay.
 - These expenses are adjusted annually for inflation
 - Department's can move funds between line items to match budget to actual spending, if budget neutral.
 - Change in expense not budget neutral must be requested through the submission of the Budget Request or Impact form

Sample Other Expense Line Items	2015 Actual	2016 Actual	2017	2018 CSL Budget
			Adopted Budget	
501001 - ADVERTISING & PUBLICATIONS	5,615	5,351	10,783	10,999
502401 - RAD/PAGE/CELPHONE RENTAL	8,411	8,925	4,535	4,626
507000 - PROFESSIONAL SERVICES	9,482	15,947	6,121	6,243
507700 - ITS SERVICES	62,615	70,816	57,696	84,257
508000 - RENT	10,150	9,921	10,355	10,562
509101 - RENT-MOBILE EQUIP-VENDOR OWNED	14,153	15,098	11,559	11,790
616002 - LICENSE FEES & PERMITS	18,281	15,468	16,815	17,151
802000 - EQUIPMENT	6,716	3,224	10,520	9,480



CSL Review – Revenues

- Revenue generating departments are provided a revenue budget.
 - Budget is set based on historical averages
 - Any fee increases or decreases will need to be included on a budget impact form, and include a fee increase/decrease benchmark form.

Sample Revenue Budget Line Items	2015 Actual	2016 Actual	2017 Adopted Budget	2018 CSL Budget
311531 - DOG LICENSES	165,378	187,968	190,000	190,000
339007 - MISCELLANEOUS LESSONS/FEES	71,369	70,566	97,000	97,000
339009 - PICNIC FEES	182,830	208,403	180,083	180,083
339018 - BOAT & CANOE DOCKAGE FEES	248,128	262,974	250,600	250,600
371502 - RENTAL INCOME-LAND/BUILDINGS	6,000	6,000	6,000	6,000



Budget Request

- Department request for additional funding to support new or increased programs or services

Minneapolis Parks and Recreation Board						
2018 Budget Development						
Budget Request Form						
Department:						
Date:						
	Position / Description	Fund	Dept	FTE	Account	Amount
1						
2						
3						
4						
5						
Budget Request Explanation:						
Total Budget Request						\$0



Budget Impact

- Department proposes reductions in funding due to efficiencies, service reductions or Superintendent directive.

Minneapolis Parks and Recreation Board						
2018 Budget Development						
Budget Impact Sheet						
Department:						
Date:						
	Description	Fund	Dept	FTE	Account	Expense Reduction/Revenue Increase
1						
2						
3						
4						
Budget Impact Explanation:						
Total Budget Impact						\$0



Budget Impact - Directed

- Superintendent may direct departments to submit reductions to provide options to fund new or enhanced programs or services.

General Fund 1.5% Reduction by Division/Department		
	2018 CSL Budget	1.5%
Superintendent's Office	8,131,737	121,976
Deputy Superintendent's Office	4,452,785	66,792
Environmental Stewardship	39,941,906	599,129
Planning Services	2,419,785	36,297
Recreation Services	18,552,603	278,289
Total	73,498,816	1,102,482



Budget Impact and Request

- Each Budget Request and Impact includes the use of the equity tool.

Minneapolis Parks and Recreation Board	
2018 Budget Development	
Budget Request Equity Assessment	
Department:	
Date:	
Who in the community or within the organization will benefit or be burdened by this proposal?	
What do you anticipate to be the impacts of this proposal (good or bad)?	
How & when will you address impacts (including unintended consequences) on equity?	
How & when will you identify, engage, and communicate with stakeholders if this impact or request is adopted?	
How & when will you ensure accountability, communicate, and evaluate results?	



Other Budget Forms

- Equipment Request
- ITS Request
- Fee Benchmark
- Overtime
- Transfer
- Error Correction



Department Budget Reviews

- Budget submission reviewed and approved by Division Head
- Superintendent first meetings with divisions to review, provide direction and request additional information
- Department second submission
- Superintendent second meetings with divisions to finalize submissions



Superintendent & Executive Team Process

- Current Service Level Budget is a balanced budget if Mayor and BET support MPRB recommended maximum tax levy.
- Superintendent and Executive Team meet to discuss all department requests and impacts that were submitted.
- Requests and Impacts are accepted or denied by the Team and worked through until the budget is balanced.



Sample Budget Adjustments

Division	Fund	Department	Department Priority	Budget Request	FTE	Part-time Hours	Job Title	Financial Impact	Status	Balance
Environmental Stewardship	General	Environmental Management	I-6	Reduce Professional Services budget				(10,366)	A	(10,366)
Environmental Stewardship	General	Environmental Management	I-8	Reduce Operating Costs budget				(1,500)	A	(1,500)
Recreation	General	Youth Development	R-2	StreetReach Staff		4,600	Street Reach	90,045	A	78,851
Recreation	General	Youth Development	I-2	Decrease in Park Leadership Funds				(30,642)	D	
TOTAL GENERAL FUND OPERATING EXPENDITURES								72,968,208		70,999,228
TOTAL GENERAL FUND SURPLUS/(GAP)								(1,840,042)		0



Budget Finalization

- Superintendent Recommended Budget is shared with Department Directors prior to presentation to the Board.
- Department Directors attend all Board meetings until budget adoption to be available to respond to Commissioner questions.
- Budget is formally adopted with or without amendments by the Board.
- Finance Department provides department directors with Final adopted budget information for the department.

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