



2020 MPRB BUDGET ISSUES

Issues to consider impacting the financial condition of the Minneapolis Park and Recreation Board (MPRB)

- **Annual operating budget considerations**

- **Commons Park**

As The Commons will, by virtue of a ruling in Hennepin County District Court, become the responsibility of the MPRB on May 1, 2019, staff have been coordinating with the City of Minneapolis to establish agreements whereby the MPRB assumes direct responsibility for the park (through a sublease of the lease between the MPRB and the City which expires at the end of 2019) and is assigned responsibility for an existing contract between the City and Green Minneapolis for maintenance and management of the park (which also expires at the end of the 2019). Staff will be assigned to oversee the work by Green Minneapolis during 2019. During the remainder of 2019, staff will be more deeply assessing the costs of operations and opportunities for revenue generation, recognizing the potential need to extend a contract to Green Minneapolis for the same or similar work as it has performed since the opening of The Commons or to undertake operations using MPRB resources directly. The outcome of the City's and MPRB's appeal of the District Court ruling may clarify the MPRB's ongoing responsibilities relative to The Commons. From a budgetary perspective, costs for 2019 are largely covered by funds from the City. The costs of operations and programming for 2020 remain at issue; if the funds from the City for 2019 are a benchmark, costs for next year might approximate the \$840,000 of 2019.

- **Temporary, part-time and seasonal workforce**

Changes to MPRB policies and practices for hiring temporary, part-time and seasonal staff are expected to be fully designed by the end of 2019 and implemented in 2020. The process will be completed in two phases, with Phase I completed in 2018 and an estimated completion of December 2019 for Phase II. These changes will likely result in additional costs and increased workloads for HR department. Depending on job roles and responsibilities, the additional staff will require computer equipment and Microsoft licensing.

- **Recreation Programs and Services**

Reimagining our parks and spaces is critical to ensure our facilities and services meet the needs of our residents and remain relevant into the future. Each of our 47 recreation centers are "touch points" in our communities. Localized and human-centric, our rec centers must ultimately be designed as flexible spaces that can respond to the community needs. To effectively meet the needs of Minneapolis residents, our recreation service offerings must be based on national best practices, local research, responsive to consumer trends and rooted in data findings. The Comprehensive Plan (Parks for All), RecQuest and Superintendents Open Parks Tours are all examples of upcoming opportunities to better understand our communities' needs. Community engagement is crucial. Engaging the community in the design process builds ownership, which in turn helps to solidify the success—and relevance—

of our parks. Additionally, Recreation will utilize best management practices and data to drive decision making and to be accountable to how Recreation does it work.

- **Digital Literacy Spaces** - Ideation/Tech Labs are the future. These digital literacy spaces have been shown to become peer-to-peer communities in graphic design, arts, music, video, entrepreneurship, job preparedness, green screens, STEAM, to name a few programs. Tech Labs reach across all ages with the flexibility to serve community needs and educational and creative opportunities. Capital investment and staffing will be needed to sustain this vision.
- **Youth Intervention Programs** - Recreation needs to continue the investment in Youth Intervention Programs such as StreetReach, POP UP Parks and Nite Owlz. As we continue to identify new programs that foster and reinforce positive youth behavior, we can expand and innovate existing programs through internal staff alignments, research and best practices. These same strategies will be important to stay ahead of the needs in our city and to articulate resources based on data, outcomes and innovative programs. These innovative initiatives and intervention programs will require additional resources.
- **Therapeutic Recreation** - MPRB must position itself to meet for the growing need for therapeutic recreation services to our community. Based on the 1990 Americans with Disabilities Act requiring reasonable accommodations and access, national reporting and our own observations, these requests will increase. Additional funding to meet these needs is required.

The important initiatives listed above potentially expand our programming hours and staffing. Facility improvements and investing in our building capital is critical to meet these needs. North Commons is a great example of how we can evolve existing buildings and improve the experience of our residents and specifically our youth.

- **MPRB/MPS memorandum of understanding implementation**
The Memorandum of Understanding (MOU) between Minneapolis Public Schools and MPRB seeks to jointly fund 1.0 FTE position to provide oversight of the Minneapolis Youth Sports Association (MYSA). The MYSA is designed to identify and implement strategies to improve the athletic experiences for youth in Minneapolis. This position has not been yet been funded by either organization.
- **Full Service Community Schools**
In partnership with Minneapolis Public Schools and in alignment with the MOU's call for greater collaboration between the organizations, developing and implementing the Full-Service Community Schools will require an additional staffing and resources.
- **Development of an enterprise operating model for the Minneapolis Sculpture Garden**
Methods of orchestrating a micro-enterprise to partially support operations of the Minneapolis Sculpture Garden have continued to be explored. It is anticipated that the model used in this location would be similar to a model that could be used across the upcoming downtown spaces that the MPRB will be responsible for programming. So, the overall programming model is being further explored in 2019. Ultimately, staff is seeking a service delivery and programming model that provides revenue sufficient to offset operating costs and long-term asset replacement. However, in the short-term the garden is expected to need additional support from the Enterprise Fund.
- **Management of open spaces and natural areas**
Phase I of the Vegetation Management Plan was completed in 2017 and provided an assessment and analysis of MPRB open space and natural areas. Phase II of the Vegetation Management Plan will assess and classify the natural areas, providing clarity and a framework for management of them and is expected to be completed in 2019, as the extensive field work

has taken longer than expected. Upon completion of Phase I and II, staff will develop recommendations for open spaces and natural areas which will likely require investments in additional staffing and other resources.

- **Community garden coordination**

The MPRB is implementing its 2014 Urban Agriculture Activity Plan. From planning, to policy, to ordinance changes, MPRB has been working with the community to ensure long term stability and equity are foundational in this implementation effort. The community garden policy was adopted in 2018 and a Community Garden Coordinator position was funded. This position was filled temporarily by a detailed Gardener and we will work to post the full-time permanent position by the end of 2019.

- **Carbon footprint analysis**

In 2017 the Forestry Department developed an extensive study of the benefits of trees using the US Forest Service iTree Software to understand the carbon sequestration of trees. Minneapolis public trees annually reduces 91.9 million pounds of carbon dioxide (CO₂) from the atmosphere, valued at \$688,897 or \$3.34 per tree. The study also estimated the amount of CO₂ that is released when public trees die and decompose, and due to Urban Forest Maintenance. The MPRB worked with Sustology to summarize this information in a brief video. The MPRB has also been collecting building energy data in the B3 system for the public buildings in the Minneapolis park system. While we understand CO₂ in relation to the urban forest and the use of energy for public buildings, there is more work to be done to understand the other means of carbon sequestration or the amount of carbon released by the practices of the MPRB. Asset Management has begun exploring options for technical assistance to establish a comprehensive baseline level of emissions from our fleet and facilities. The objective is to generate a detailed carbon footprint of the entire organization in order to set informed goals for reducing and measuring our own environmental impacts. All available data on fuel, utilities, hours of operations, vehicle makes and models, facilities, etc. that is obtainable will be used in the analysis. In some cases, detailed data is not available, and modeled or estimates from comparable parks systems may need to be used instead.

- **Electric vehicle fleet analysis**

The MPRB vehicle fleet is comprised of 188 licensed vehicles ranging from sedans to large log loaders and street sweepers. As electric and hybrid vehicle technologies continue to advance, the MPRB has consistently evaluated the potential of transitioning fleet vehicles from traditional fossil fuels to hybrid and electric. Currently, there are two hybrid and one electric vehicles in the fleet and potentially another four or five current vehicles could be replaced with electric or hybrid. While hybrid and electric technologies for sedans and smaller vehicles has proven effective, the technologies for large heavy-duty trucks is still evolving and the majority of the MPRB vehicle fleet is pick-up trucks and larger. Asset Management staff has engaged Excel Energy, Hennepin County, and the University of Minnesota Institute on the Environment for information exchange and research to help identify strategies.

- **Pesticide free parks analysis**

The Board approved a moratorium on the use of Glyphosate throughout the Park system and directed staff to lead a Pesticide Advisory Committee. The Committee developed initial recommendations for the Board to consider in moving forward with Pesticide free parks. Many of the recommendations will require greater resources.

- **Increased expectation/demand of snow removal, mowing and weed harvesting**

Several Commissioners have asked the Asset Management team to expand the winter snow removal operations to include all paths throughout the system. There has also been greater demand for more extensive weed harvesting and mowing cycles. All of these operations are dependent upon the Mobile Equipment Operator workforce and in order to increase the operation, more full-time permanent staff are needed.

- **Network upgrades**
In late 2018 the board approved updated and renegotiated contracts with our telecommunications and Internet Service Providers. During the past contract term, the MPRB increased its use of bandwidth and technology significantly. The addition of a Voice Over Internet Protocol Phone System, Camera Systems, alarm systems, door access systems, and public wireless access increased demand for higher speed network connections. The MRPB IT Department is working with vendors to optimize network circuits to meet the increasing demand for network bandwidth. We are working hard to provide additional bandwidth where needed to increase performance for staff, meet public safety needs, and provide updated connectivity between the Park Board and the City of Minneapolis, Minneapolis Public Schools, and the Criminal Justice networks.
- **Ordinance review**
The MPRB is responsible for maintaining a code of ordinances for the Minneapolis park and recreation system. Ordinances have been periodically revised and updated. Staff believe some are obsolete or antiquated, and, in some cases, they are no longer enforceable. Staff recommend a comprehensive review and update of the MPRB's ordinances be conducted. It is anticipated that additional legal and professional services will be required to review the ordinances from multiple perspectives, including usefulness, lawfulness and racial equity, will be required to complete this review. In 2019, Phase I of this work was funded. Additional funding will be required in 2020 for Phase II.
- **Encroachments**
Commissioners and the public have noted the need to address the encroachment of private improvements onto parkland. Currently, the focus is directed to those private improvements on parkland that are being upgraded or modified and documenting the encroachments with the property owners through a process involving Board of Commissioners review and approval. While the current focus remains, having a master plan for Cedar Lake and Lake of the Isles offers the opportunity to address undocumented encroachments, a process which will likely be linked to public meetings and meetings directly with encroaching property owners.
- **Capital funding considerations**
 - **Parkway paving and parkway lighting**
Based on staff's discussions with Public Works during 2017 and into 2018, funding under the City of Minneapolis' 20-Year Street Plan is available to address the needs of the city's streets and parkways. Under the new direction, city streets and parkways would be assessed for pavement condition in ways that strive for parity over any five-year period. Funds would be directly accordingly so the pavement conditions for parkways would match conditions for city streets on an aggregate basis. The MPRB is working with City staff to determine how the 20 Year Street Plan, with parkways included, can be equitably addressed through capital repairs. Several stretches of parkway (Theodore Wirth and Stinson Parkway, for example) have been noted as needing repairs on a more immediate schedule, and for those staff has been working to accomplish short-term fixes until such time as a more holistic reconstruction can be performed. East Calhoun Parkway is scheduled for repairs during 2019.
 - **RiverFirst**
Sufficient funding for all of the projects anticipated as a part of RiverFirst remains uncertain. Regional park funding, the most likely source for most of the work, remains a question. The most immediate RiverFirst concerns include:
 - Graco Park and Hall's Island - The settlement with Graco related to the East Bank Trail allows for significant funding to be directed to a new Graco Park, configured largely as indicated in schematic plans prepared as a part of RiverFirst. With that funding,

and funding from a sale of a portion of Parcel D, design efforts and community engagement are proceeding in 2019 with a target for opening of a park in 2022. Together, available funds are sufficient to establish a solid first phase of park improvements. While funds for Parcel D are available as a result of the Graco settlement, additional funding is likely needed and may be pursued through philanthropic means.

- Staff continues efforts to identify and acquire properties within the bounds of the Above the Falls Regional Park. While funds are limited, opportunities for acquisition will rely on unique transactions arrangements (incremental payments, donations as a part of the purchase price) and creating partnerships with other entities to achieve funding (City of Minneapolis, MWMO) and more aggressively pursuing existing sources of funds that have become more competitive (Metropolitan Council). Staff is also strategizing easements as a lower cost option for using portions of parcels. Significant and expensive acquisitions remain, particularly on the west bank where large industrial operations occupy large tracts of riverfront land.
- **Graco Easement**
The legal issues surrounding the condemnation of Graco property necessary to accomplish the East Bank Trail have been resolved through a settlement, the details of which are being finalized. Remaining items, including a closing with Graco for a portion of Parcel D, are likely to be the end of May.
- **Reinvesting in operation facilities**
Staff continues to seek solutions to improve operations facilities following the successful transformation of the former Ramsey Excavation building to become the Michael P. Schmidt Operations Center. Current efforts are being directed to Hiawatha Tool, where incremental changes are a most likely path considering the limited available funding. Importantly, an assessment performed by a consultant has been completed and now serves as a baseline for considering changes to operations and improvements to operations facilities.
- **Infrastructure and Utilities**
Utility infrastructure is aging throughout the system. In regional parks, storm sewers are generally 41 to 51 years old and are at or near the end of their service life. While records exist on age and location of these facilities, extremes in weather (which are not predictable) can result in failure. Funds for below grade infrastructure rehabilitation are available through the 20 Year Neighborhood Park Plan to address issues as they arise, but those funds are insufficient to reconstruct aging infrastructure in a fully planned way. Assessments are being conducted to more fully understand the conditions of below grade infrastructure in neighborhood parks and to set priorities for addressing the necessary repairs.
- **Enterprise Fund Capital Investment Needs**
Historically, the Enterprise Fund has financed capital improvements with profits generated from operations. When profits were not sufficient to cover the costs of all scheduled improvements, projects would be deferred or cancelled. This financing model, combined with a decline in golf, annual subsidies to the General Fund, and debt obligations associated with the Neiman Sports Complex resulted in critical Enterprise Fund capital improvement project deferments. In recent years, however, efforts to stabilize the Enterprise Fund have started to create some ongoing revenue that can be dedicated toward an Enterprise Capital Program. In 2020 staff will propose an Enterprise Capital Program based on these funding levels. These improvements will be critical to ensure the long-term viability of this fund. Continued discipline in spending and revenue generation will allow scheduled improvements that will reduce the need to utilize debt and be less costly to the MPRB.

- **Survivors of Sexual Violence Memorial**
The proposal for a memorial to survivors of sexual violence located on a portion of Boom Island Park, a part of the Central Mississippi Riverfront Regional Park remains an interest for Break the Silence, the project proposer. Break the Silence has developed plans for a memorial and has been raising funds at levels aligned with MPRB staff expectations. Timing of implementation is not certain.
- **Webber Natural Swimming Pool**
While the costs of the pool were significantly more than anticipated, the MPRB relied on funding directed to North Mississippi Regional Park to accommodate the extra costs. That funding stream has ended, leaving the MPRB with a \$900,000 shortfall. Staff have planned for a \$100,000 annual transfer from the General Fund for 2020 to 2028 to finance this debt. Related to operations of the pool, staff is pursuing implementation of an in-line UV filtration system as a means of overcoming some of the issues that resulted in closures that occurred during 2018.
- **Investment in parks that host significant citywide events**
In 2019, the MPRB began to take additional steps toward investing in parks that host large scale events. The MPRB permits over 200 events within the Minneapolis park system each year. These events can cause damage in a park and additional wear and tear. A permit holder is required to fix assets that are damaged by an event. In addition, a portion of the permit fee is intended to cover the general wear and tear on a park. Additional considerations will be introduced for the 2020 budget. This will reduce the amount of revenue received in the Enterprise Fund.
- **Procurement related to capital and rehabilitation projects**
The MPRB relies on the City of Minneapolis Procurement Division for public bidding of construction projects related to capital improvements and rehabilitation. Procurement has been in the process of changing its processes over the last several months, resulting in a significant slowdown in getting projects to bid (more than 30 days for Water Works, more than 100 days for Sheridan Memorial Park). Delays in procurement impact park projects significantly due to the relatively shorter construction season for site-related construction. It forces construction contracts to extend over winter or requires the application of cold weather construction methods, both of which have the potential to add to the cost of construction.
- **Organization-wide Initiatives**
 - **Racial Equity Action Plan Implementation**
The Racial Equity Action Plan guides the organization in operationalizing racial equity. The 2017-2018 plan included organization strategies, as well as department-specific strategies which ensure the MPRB is an effective and inclusive organization that engages community and is responsive to its needs. In 2019, the 2019-2020 plan will be developed to set the next set of action steps. In addition, the MPRB is engaging with racial equity consultants to help support staff and create organizational change. Additional funding may be needed, +/- \$150,000, to continue the implementation of the action plan and assist with organizational development in 2020.
- **Specialized Funding Initiatives**
 - **Land Acquisition Fund**
The MPRB land purchase reserve fund was established in the Special Revenue Fund to account for monies received from land designated as surplus and sold. Dollars from the sale of land can only be used for future land purchases. Beginning in 2016, the MPRB Annual Budget has included a General Fund transfer between \$300,000 - \$400,000 to assist with the future land

purchases. The transfer amount for 2019 is \$315,000. The balance as of March 31, 2019 is \$1,458,377. As more acquisitions are considered to complete Above the Falls Regional Park and to facilitate the connections required for the Missing Link, this fund will be depleted if the funding mechanism to replenish this fund is not continued. Additionally, the sources typically used by the MPRB to offset the costs of parkland acquisition for regional parks - the Metropolitan Council's Park Acquisition Opportunity (PAO) Fund and grants from the Mississippi Watershed Management Organization (MWMO) - are becoming far more competitive and the funds, particularly the PAO Fund, cannot support all requests. Without the sources of funding to complement the MPRB's own resources, opportunities for acquisition necessary to complete key initiatives in the upper river risk being lost to at least a generation of non-park uses.

- **Historic and Iconic Home Fund**

The Minneapolis Park and Recreation Board is fortunate to have several historic and iconic homes in its inventory, including the Ard Godfrey House, John H. Stevens House, Longfellow House, and Theodore Wirth Home and Administration Building. These homes require specialized maintenance and improvements that are not currently funded within existing capital programs. Dedicated funding is needed to ensure these homes are properly maintained and sustained for future generations. Initiating a yearly fund of \$150,000 is recommended.

- **Managing Impacts on Operating Costs**

- **State reduced funding**

The 2017 State Legislative session ended with a law change affecting MPRB funding. Beginning in 2019, \$10,000,000 per year in state funding for the Minneapolis Employees Retirement Fund was eliminated. This change could impact the City funding of the 20 Year Neighborhood Park Plan and will impact the MPRB Internal Services and Enterprise Funds.

- **Federal funding uncertainty**

Changes in laws and regulations at the Federal level can have impacts on MPRB funding streams and/or accountability and mandates. In this current political climate, changes are being monitored and may have impacts in 2020.

- **Health care**

Given the changes at the Federal level, the implications of the below mentioned federal requirements may change dramatically. As any changes are adopted, staff will assess and communicate impacts on the MPRB.

- In 2015 employers that employ at least 50 full-time employees became subject to the shared responsibility requirements of the Patient Protection and Affordable Care Act. The MPRB is continuing to assess policies and practices to capture both the cost implications and potential changes that need to be made in how the MPRB approaches health care and hiring of staff working 30+ hours on average (definition of full-time employee under Affordable Care Act).

- The City of Minneapolis by council action on April 28, 2017 authorized the implementation of single-employer, self-insured medical plan effective January 1, 2018. A self-insured medical plan allows for greater flexibility in plan management through control of benefit plan design and greater access to claims data.

- In 2022, the Patient Protection and Affordable Care Act is the Cadillac Tax to take effect. It is an annual excise tax on employers that provide high-cost benefits through an employer sponsored group health plan. The tax is 40% of the cost of plans that exceed predetermined threshold amounts. This impact is still unknown to the City and Park Board. The cost will be shared (proportionally) between the City and Park Board – not a separate cost.

- **City of Minneapolis \$15 minimum wage**

The City Council approved a municipal minimum wage ordinance on June 30, 2017 that requires large employers to pay Minneapolis workers \$15 an hour in five years. To be consistent with State law, the minimum wage policy will apply to anyone who works in Minneapolis for any amount of time. The minimum wage will be indexed to inflation after the target \$15 an hour wage is reached. Below is the impact of minimum wage for the General and Enterprise Funds.

Minimum Wage Impacts				
Year	Date	Wage	General Fund	Enterprise Fund
2018	1/1/2018	\$10.00	\$6,727	\$24,276
2018	7/1/2018	\$11.25	\$180,089	\$40,844
2019	7/1/2019	\$12.25	\$376,152	\$82,548
2020	7/1/2020	\$13.25	\$415,118	\$85,094
2021	7/1/2021	\$14.25	\$446,582	\$86,954
2022	7/1/2022	\$15.00	\$436,625	\$76,385
2023	full year	\$15/hour	\$202,372	\$32,821
Total			\$2,063,663	\$428,920

- **Environmental Stewardship overtime costs**

Due to increasing demands, current labor agreements, varied weathered and staffing, the Environmental Stewardship Division has incurred significant costs in overtime. In 2015, there was \$754,854 spent on overtime, \$795,152 in 2016, and \$812,730 in 2017. Several measures, including restructuring labor agreements, increasing staff and staff allocations, were implemented in 2018 to help reduce costs. However, overtime costs were still \$750,453 in 2018. In 2019, we have implemented monthly budget tracking to better monitor and manage overtime expenditures. We have also worked to restructure labor agreements further in an effort to reduce costs.



2020 MPRB BUDGET STRATEGIES

Strategies to consider to address the financial needs facing the Minneapolis Park and Recreation Board (MPRB)

- **Determine appropriate property tax levy in consideration of minimum wage changes, increased investment in operations facilities, and increased investment in recreation programming**

Even with the 20 Year Neighborhood Park Plan, there is a need to increase property tax revenue to meet current service level cost increases. Additional increases related to a \$15 minimum wage, critical operations facility needs, and increased investment in recreation programming should be funded with either operational cuts and/or new property tax levy dollars given that they are above and beyond current service levels. A one (1) percent property tax levy increase would generate \$650,800 additional revenue. A home valued at \$266,000 (assessed median value in Minneapolis) would experience a property tax increase of approximately \$2.80 if the MPRB levy is increased by one (1) percent.
- **Continue Organizational Performance and Efficiency Work (measuring performance, business planning, and streamlining work)**

The MPRB has made great strides in improving business practices and achieving efficiencies in operations. The focus in 2018 and 2019 is to institutionalize NPP20, the implementation of the entity-wide asset management system, continue improvements to business practices and work efficiencies, and link the organization's work to performance goals. Work also continues in the development of criteria-based systems for prioritization of work that ensures distribution of funds based on racial and economic equity, improved coordination among divisions and departments, refinement of staffing levels and alignment in the organization to meet service demands and assisting employees in managing their workload.
- **Continue developing alternative revenue sources including partnerships, sponsorships, grants, donations, and tax revenues to stabilize and enhance service delivery.**
 - **Cooperate with other agencies to secure consistent funding for regional trail maintenance**

Staff continues to discuss new funding solutions with Three Rivers Park District for both agencies' regional trails, with a focus on access funds from the county's CTIB replacement tax. Three Rivers Park District and the MPRB have discussed the potential to request that Hennepin County direct ten percent of the replacement tax toward the maintenance of regional trails and bicycle facilities that support commuting. The MPRB has determined that approximately \$1.5 million is needed on an annual basis to reasonably maintain its existing regional trail network. In comparison, Three Rivers requires about three times that amount for its more than 100 miles of regional trails. Other Hennepin County entities that provide regional trails and bicycle commuting facilities would be approached to become part of a coalition of providers, each of which would support a request to the county to direct a portion of the replacement tax to support maintenance of regional trail and bicycle facilities.
 - **Successful Partnerships**

Partnerships offer the MPRB the ability to stabilize and enhance revenue streams. Concession agreements with Sea Salt, Lola's, Bread & Pickle and Sandcastle are examples of this type of partnership. Partnerships also offer the MPRB the ability to enhance service delivery. The Twins Cities Mobile Jazz Project, Minneapolis Institute of Arts – Art in the Park Programs and the Loppet

Foundation are examples of this type of partnership. Recreation Center Park Leadership Funds have allowed for creative partnership programs including Archery, Family Zumba, neighborhood festivals, and cultural-specific programs at parks. We have established a partnership with People for Parks for Swimming Lesson Scholarships at our aquatic facilities. Work will continue expanding partnerships that enhance revenue streams and service delivery.

- **Grants and Donations**

The grants and donations committee provides structure and support for the MPRB grant and donation processes. This committee allows for effective tracking and monitoring of grant applications by internal staff and external partners. This is resulting in ensuring applications meet the goals of the organization. The committee is having focused conversations around donations and is exploring different options to enhance this process and make the MPRB more donor friendly.
- **Sponsorship and naming strategy based on approved policies**

In 2019, the Board of Commissioners is expected to consider new naming and sponsorship policies. These policies will outline the level to which the Board supports sponsorship within the organization. Based on the direction provided in these policies, staff can develop strategies for increasing revenues from naming rights and sponsorships.
- **Build innovation and sustainability into capital infrastructure and site investments.**
 - **Build buildings and site development to LEED and B-3 standards to reduce operating costs**

MPRB builds facilities that the organization will operate for decades. Incorporating LEED and B-3 standards for lower energy consumption, low-impact materials, and sustainable design techniques will increase construction costs but will provide a positive return on investment and reduce organizational operating expenses.
 - **Invest in facility energy efficiency/rehabilitation to improve facility operations**

MPRB buildings constructed over 30 years ago lack energy efficient insulation, heating, cooling, windows, doors, lighting, airlock entry systems and centralized controls. Investments in new technology would have a return on investment time frames ranging from 5 to 15 years. Detailed on-site audits are needed to identify specific projects and improvements. Asset Management has engaged Excel Energy for technical assistance in the conduct of these audits.
 - **Implement stormwater best practices to reduce pollution and utility fees**

MPRB staff is collaborating with City staff as the stormwater ordinance is updated. The ability to gain funding from stormwater fees that focus dollars more directly on stormwater facilities in parks and stormwater components that enhance water quality may be a significant focus.
 - **Analyze resource consumption to understand where to improve**

Energy and water consumption are being continually measured in most Park Board buildings. The data can be used to inform capital and rehabilitation projects to reduce consumption and maximize return on investment. The B3 system is limited to a visualization tool and we need greater ability to monitor, project, and model energy efficiency performance.
- **Continue to strengthen processes for delivering park improvements following park procurement procedures and typical contract requirements**

MPRB staff continue to use the City's Target Market Program with good results for smaller construction contracts, which are primarily rehabilitation-oriented projects, and for consulting services. The use of that method has significantly improved project delivery, particularly recognizing funding as available through NPP20. The major impact has been the reduced time needed to deliver neighborhood park improvements.

- **Develop methods of prudent application of accumulated park dedication fees**
 With significant funds accumulating for some neighborhoods, the MPRB is using those funds as investments are made in parks. In addition, a few stand-alone projects might result from neighborhoods raising interest in their parks that rank lower in the MPRB's equity rankings. In addition,

 - While procedures are generally in place and have been used by staff to direct accumulated park dedication fees to some projects to date, staff has formalized that process so that it is available and well-understood by park constituents seeking to access those funds.
 - The use of park dedication funds will continue to be proposed through the CIP so that the appropriate use of those funds can be confirmed by the Board of Commissioners.
 - More unique applications of park dedication continue to be explored, with legal counsel offering guidance as ideas are posed that might bring greater value to the MPRB.

- **Establish a Sound Enterprise Fund Reserve to Fund Necessary Enterprise Fund Capital Improvements**
 An Enterprise Fund is established to account for government activities that provide goods or services to the public on a consumer charge basis. Most government business-type activities are accounted for and reported in enterprise funds, and this is true for the MPRB. Enterprise activities are meant to be self-supporting including operations, capital improvements and debt service. Over the past 5 years, clean-up of the Enterprise Fund activities has been completed and work is now beginning to establish appropriate fund reserves for a back log of needed capital improvements in enterprise fund facilities.

- **Develop strategies to reduce Health Insurance costs**
 Continue to work in partnership with the City of Minneapolis to develop strategies to reduce health care costs including wellness programs, plan design options, increased employee education, incentives to use low cost health providers for routine tests or procedures, and vendor management/negotiations. In 2018, the City implemented a single-employer, self-insured medical plan for City and MPRB employees. With self-insurance, premiums are paid to the City and Medica administers the plan which includes reviewing and paying claims. The move to self-insurance helps the City and MPRB control future health care costs and although the full budget impact is unknown, costs increased 4% from 2017 to 2018 and 1% from 2018 to 2019, and the potential for future cost savings exist. The MPRB five-year projections reflect a 7% increase for 2020 and 5% premium increases for the next four years instead of a 7.5% increase had the City not approved the move to self-insured. This estimated premium increase will be reviewed and adjusted as actual experience becomes known.

- **Properly align and allocate temporary, part-time, seasonal work force**
 Human Resources continues working with the Recreation Division, where the largest volume of temporary staffing occurs, to ensure that staffing for part-time and seasonal work complies with all applicable laws and policies. In 2019, they will also be working with the Environmental Stewardship Division.