Resolution Transferring Operations and Maintenance Lottery Proceeds in the Amount of $543,632.62 from the General Fund to the Capital Projects Fund to be Used for Regional Park Projects and to Amend the 2021 Capital Improvement Program Due to the Improved Condition of the General Fund and the Funds No Longer Being Needed for 2020 Regional Park Operations.

Whereas, The Minneapolis Park & Recreation Board ("MPRB") is the fiscal steward of the Minneapolis park system;

Whereas, The United States, the State of Minnesota, and the City of Minneapolis declared states of emergency related to urgent conditions created by the presence and spread of COVID-19;

Whereas, The spread of COVID-19 has necessitated unprecedented actions including social distancing requirements and stay-at-home orders and has impacted the MPRB’s ability to deliver services;

Whereas, The Board of Commissioners acknowledges that the COVID-19 Pandemic has created a financial crisis with the MPRB experiencing financial resource reductions in the millions of dollars;

Whereas, The Board adopted Resolution 2020-226 approving the one-time transfer of Operations and Maintenance (O&M) lottery proceeds in the amount of $543,632.62 from the Special Revenue Fund to the General Fund to be available to use for 2020 regional park operations due to the Financial Impacts Associated with the Coronavirus Pandemic on May 20, 2020;

Whereas, The Board recognizes that the General Fund financial condition has improved due to expenditure savings and the receipt of federal and state aids;

Whereas, The Board acknowledges that due to the improved financial condition of the General Fund the O&M lottery proceeds are no longer needed for 2020 regional park operations;

Whereas, The MPRB receives O&M Lottery Proceeds and allocates those proceeds through the MPRB Capital Improvement Plan (CIP) to regional park projects;

Whereas, The Board of Commissioners now directs the O&M lottery proceeds of $543,632.62 be transferred from the General Fund to the Capital Projects Fund and amend the 2021 Capital Improvement Program to be used for the following regional park rehabilitation projects:
Amendment

<table>
<thead>
<tr>
<th>Project</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Trail Rehabilitation</td>
<td>$250,000.00</td>
</tr>
<tr>
<td>Longfellow House Building Envelope Rehabilitation</td>
<td>$200,000.00</td>
</tr>
<tr>
<td>Stevens House Building Envelope Rehabilitation</td>
<td>$93,632.62</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$543,632.62</strong>; and</td>
</tr>
</tbody>
</table>

Whereas, This resolution is supported by the MPRB 2007-2020 Comprehensive Plan, which envisions “Dynamic parks that shape city character and meet diverse community needs;”

RESOLVED, That the Board of Commissioners approve transferring Operations and Maintenance lottery proceeds in the amount of $543,632.62 from the General Fund to the Capital Projects Fund to be used for regional park projects and to amend the 2021 Capital Improvement Program due to the improved condition of the General Fund and the funds no longer being needed for 2020 regional park operations; and

RESOLVED, That the President of the Board and Secretary to the Board are authorized to take all necessary administrative actions to implement this resolution.
TO: Administration & Finance Committee  
FROM: Julia Wiseman, Director Finance  
DATE: January 20, 2021  
SUBJECT: Resolution Transferring Operations and Maintenance Lottery Proceeds in the Amount of $543,632.62 from the General Fund to the Capital Projects Fund to be Used for Regional Park Projects and to Amend the 2021 Capital Improvement Program Due to the Improved Condition of the General Fund and the Funds No Longer Being Needed for 2020 Regional Park Operations.

BACKGROUND

This action considers approval of transferring Operations and Maintenance lottery proceeds in the amount of $543,632.62 from the General Fund to the Capital Projects Fund to be used for regional park projects and to amend the 2021 Capital Improvement Program (CIP) due to the improved condition of the General Fund and the funds no longer being needed for 2020 regional park operations.

Following Governor Walz’ declaration of a peacetime state of emergency on March 13 and the stay at home order for Minnesota on March 25, the MPRB enacted necessary changes in service levels. Buildings were closed, and many programs and events cancelled, resulting in a $1 - 2 million loss in revenue each month. The Board adopted a budget framework on April 22, 2020 to guide the MPRB through the current financial crisis and prepare for the future of the MPRB. Included in the budget framework was a review of O&M lottery proceeds to consider shifting excess funds to current year General Fund Operations and on May 20, 2020 Resolution 2020-226 was adopted by the Board that transferred $543,632.62 from the Special Revenue Fund to the General Fund for 2020 regional park operations.

Since that the time the General Fund financial condition has improved through the realization of expenditure savings and the receipt of federal and state assistance. With the improved financial condition, the Board and Superintendent have begun to restore items that were identified and initiated through the budget framework, Board action, and Superintendent authority, including restoring the non-represented employee group - July 1, 2020 wage increase; forgiving the 2020 furlough days for certain union represented employees; and forgiving any remaining budgetary leave days that employees had not yet taken.
Staff is now asking the Board to consider transferring the O&M lottery proceeds from the General Fund to the Capital Projects Fund to fund the following regional park projects and amend the 2021 CIP to include the following:

<table>
<thead>
<tr>
<th>Project</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regional Trail Rehabilitation</td>
<td>$250,000.00</td>
</tr>
<tr>
<td>Longfellow House Building Envelope Rehabilitation</td>
<td>$200,000.00</td>
</tr>
<tr>
<td>Stevens House Building Envelope Rehabilitation</td>
<td>$93,632.62</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$543,632.62</strong></td>
</tr>
</tbody>
</table>
RECOMMENDATION
Staff recommends the Board of Commissioners approve transferring Operations and Maintenance lottery proceeds in the amount of $543,632.62 from the General Fund to the Capital Projects Fund to be used for regional park projects and to amend the 2021 Capital Improvement Program due to the improved condition of the General Fund and the funds no longer being needed for 2020 regional park operations.

This action is supported by the following vision and goal statements in the MPRB 2007-2020 Comprehensive Plan.

Vision Theme 3: Dynamic parks that shape city character and meet diverse community needs.

Goal: Financially independent and sustainable parks prosper.

Prepared By: Julia Wiseman, Director Finance, Finance
Review:
Julia Wiseman Completed 01/12/2021 1:33 PM
Jennifer Ringold Completed 01/12/2021 1:34 PM
Jennifer Ringold Completed 01/12/2021 1:41 PM
Al Bangoura Completed 01/12/2021 9:37 PM
Administration & Finance Committee Pending 01/20/2021 5:50 PM