



Saint Paul Minnesota
The most livable city in America

2018 Proposed Budget Presentation to the City Council

**September 20, 2017
Parks and Recreation**



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The most livable city in America

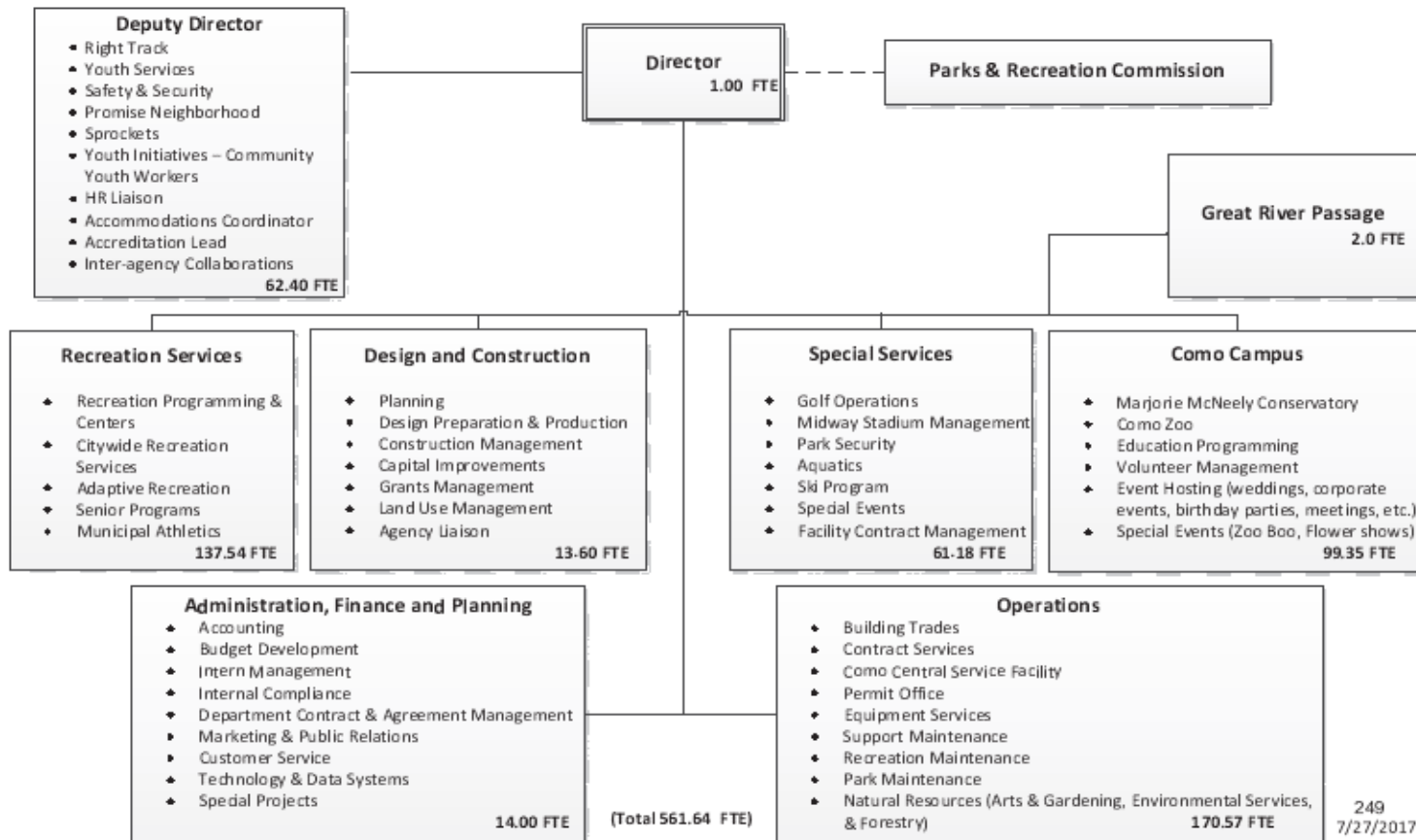
Department Overview

Organization Chart

Parks and Recreation

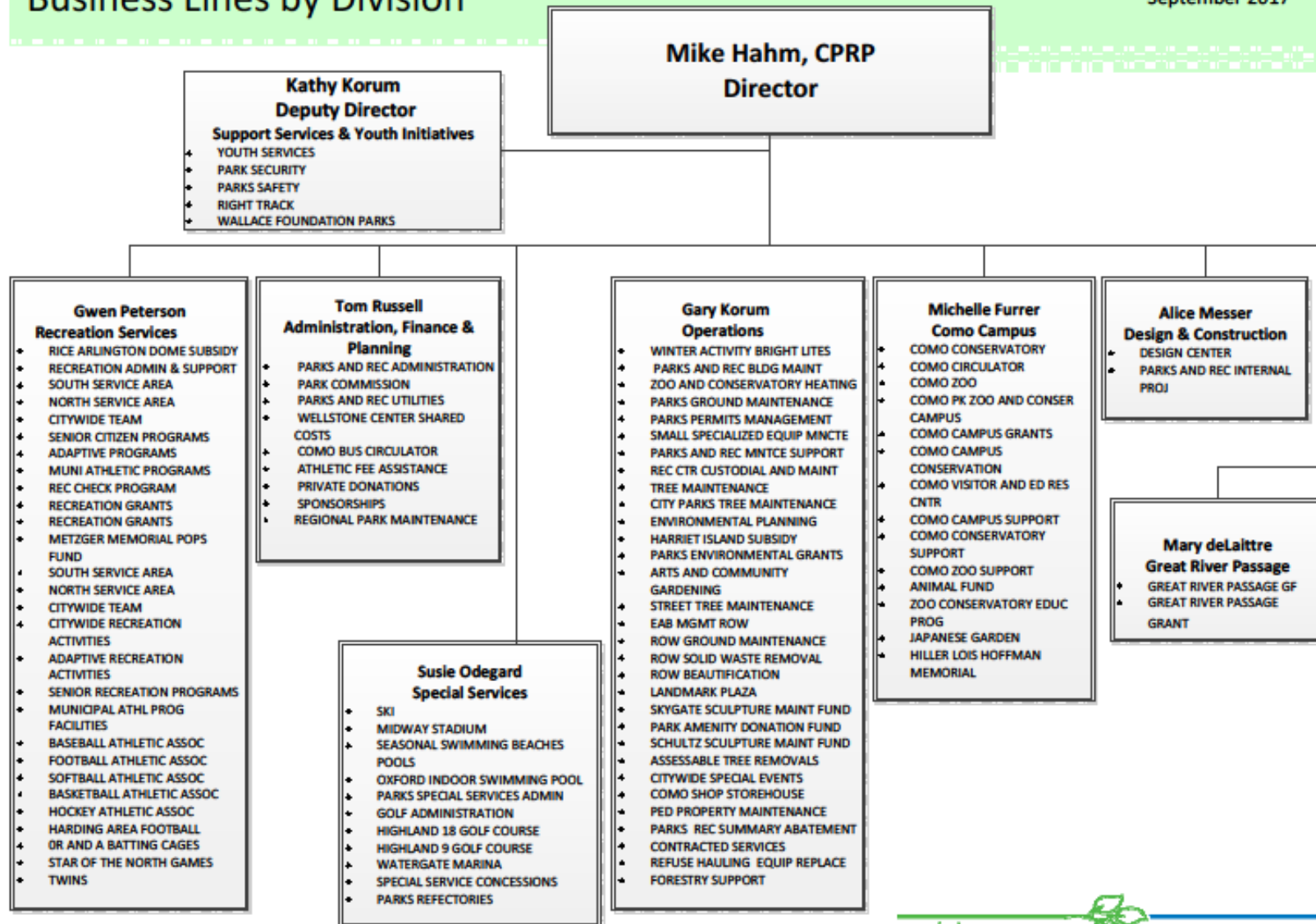
Mission: To help make Saint Paul the most livable city in America, Saint Paul Parks and Recreation will facilitate the creation of active lifestyles, vibrant places and a vital environment.

Vision: Saint Paul Parks and Recreation will make Saint Paul the most livable city in America by: Responding creatively to change, innovating with every decision, and connecting the entire city.



Business Lines by Division

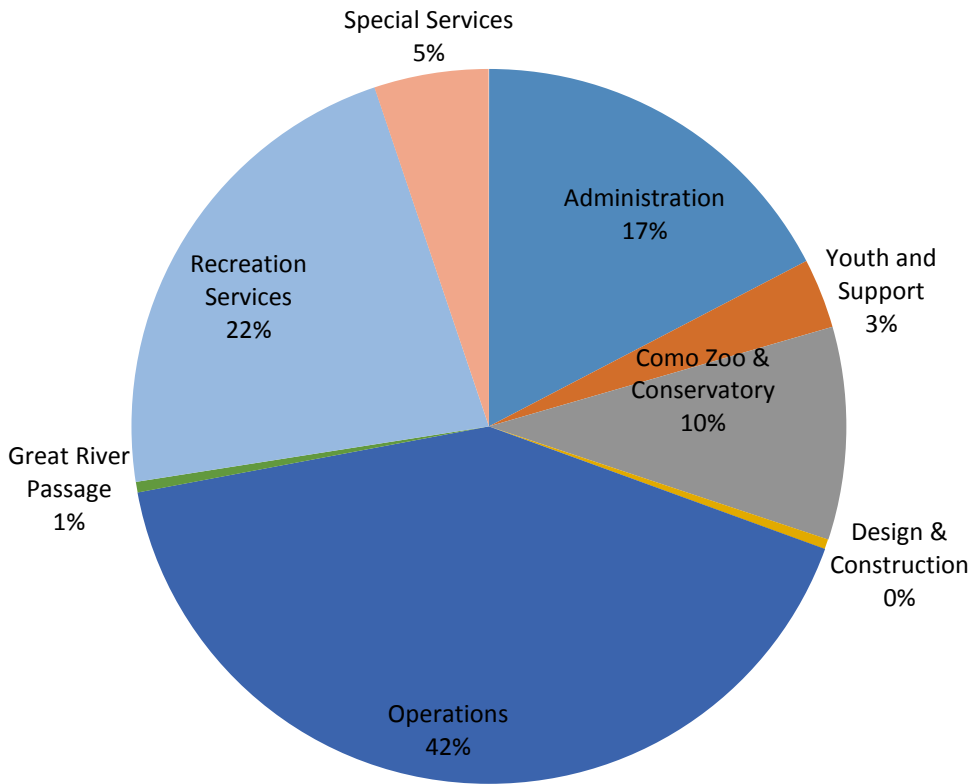
September 2017





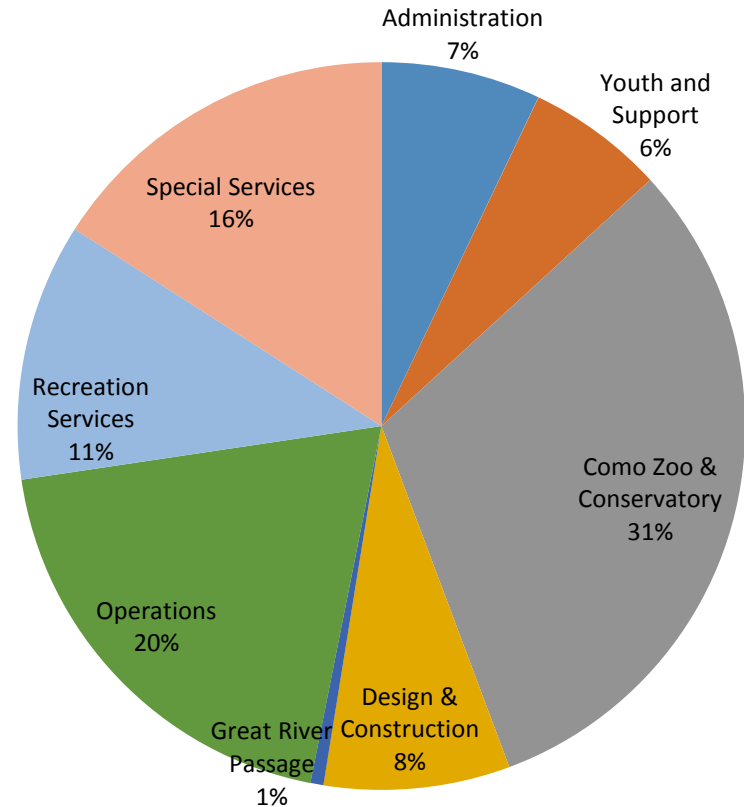
Parks and Recreation Business Line Portfolio for General and Special Funds

General Fund Business Lines as a % of the Portfolio



\$34,806,857

Special Fund Business Lines as a % of the Portfolio



\$25,797,385

Address Structural Issues and Service Gaps

Goals	Performance Measures	Targets for 2017/2018	Current Performance
Asset Management	<ul style="list-style-type: none"> Facility Condition Index 	<ul style="list-style-type: none"> Maintain 10% or less for overall portfolio – Fair Condition 	<ul style="list-style-type: none"> 9.7% - Fair Condition
Implement EAB Management Plan	<ul style="list-style-type: none"> # of ash trees removed, stumped, and replanted 	<ul style="list-style-type: none"> 2017- 1350 Trees (adjusted down from 1602 trees from 2017 adopted before ROW issue) 2018 Targets – 1,613 Boulevard tree removals and 579 Parks tree removals in 2018. 	<ul style="list-style-type: none"> 1350 Tree Removals for 2017.

Improve Racial Equity

Goals	Performance Measures	Targets for 2017/2018	Current Performance
Access to Recreation Classes	<ul style="list-style-type: none"> More accessible and equitable class offerings throughout the City 	<ul style="list-style-type: none"> Offering classes to an additional 672 youth (at maximum class capacity) in Fall 2017 . Offering classes to an additional 3,360 youth (at maximum class capacity) in 2018. 	<ul style="list-style-type: none"> Class offerings are not equitable throughout the City. Parks has embarked on an innovation project to find solutions
Right Track Growth	<ul style="list-style-type: none"> Increase # of YJ2 jobs 	<ul style="list-style-type: none"> 300 YJ2 Jobs that can be achieved with existing resources 	<ul style="list-style-type: none"> 220 YJ2 Jobs

Pursue Additional Resources

Goals	Performance Measures	Targets for 2017/2018	Current Performance
Funding Pursuit	<ul style="list-style-type: none">• All available funding for parks	<ul style="list-style-type: none">• Pursue additional dedicated resources from existing and new sources for capital maintenance	<ul style="list-style-type: none">• Maximizing existing resources

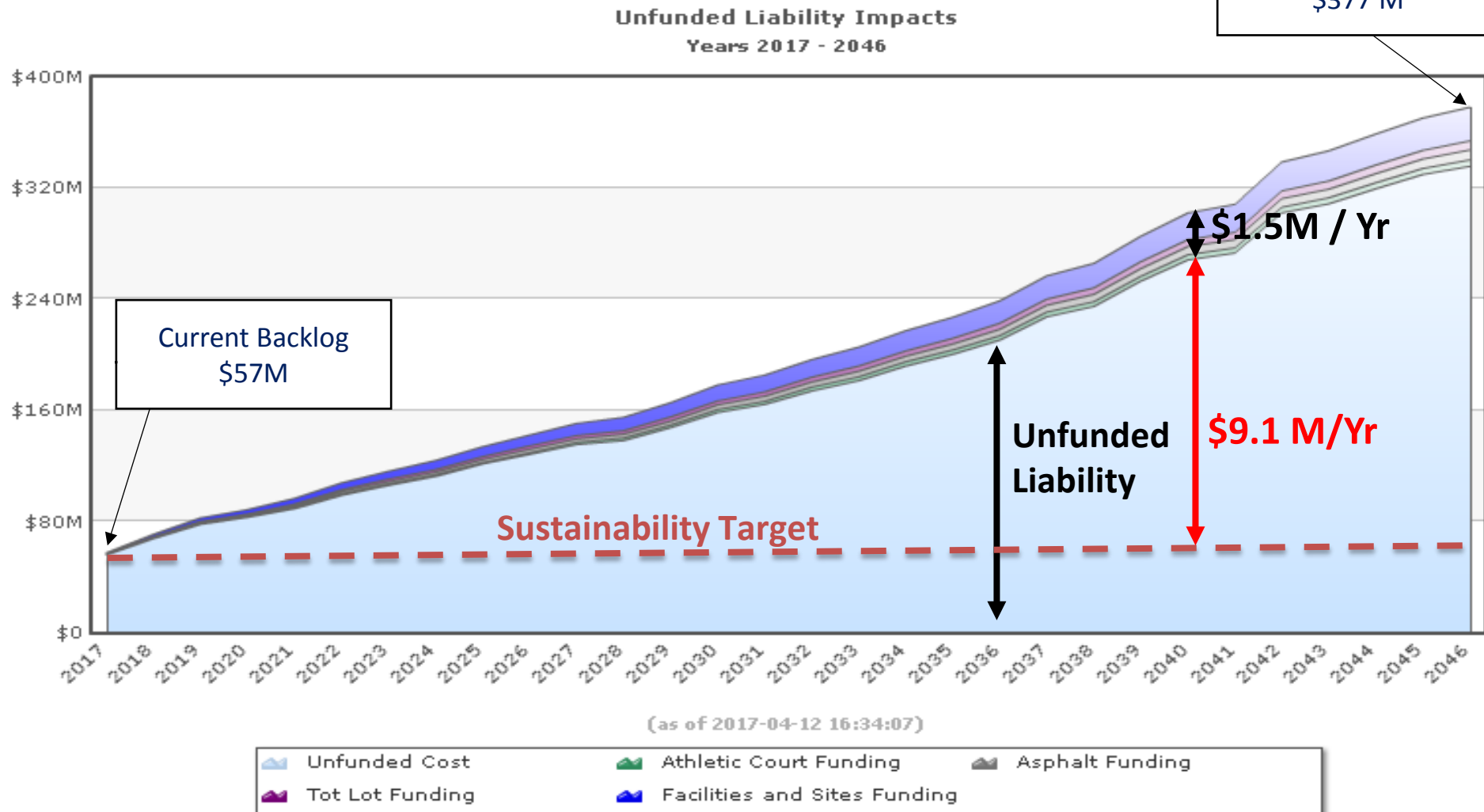


Asset Management

Parks Asset Management Study Outcomes

- Future Parks capital maintenance funding will use the \$57M deferred maintenance backlog priority list contained in the recently completed Parks Asset Management Study by Ameresco, as well as updates or additions to the priority list based on recent unexpected critical equipment and/or infrastructure failures.
 - 2017: \$57M Backlog/\$600M Portfolio = 9.7% (Fair FCI Rating)
 - Mayor is proposing a \$640,000 increase for 2018
 - By end of 2018: Moves to Poor FCI Rating
 - By end of 2033: Moves to Critical FCI Rating
 - Increase needed to annual funding to maintain long-term goal of maintaining Fair FCI Rating: \$9.1M/Year (Total Annual Funding Required \$10.6M)
 - Parks will look to new streams of funding such as a new sales tax to address the deferred maintenance back log and annual funding gap.
- Deferred maintenance items include renewal or repair of assets within facility, tot lot, athletic court, and asphalt categories.

Asset Management



Portfolio Funding Required = \$10.6 Million/Year



Implement EAB Management Plan

- The total current EAB budget for 2018 (including Grant Funding) is:
 - Boulevard – \$2,071,815 (est. removals = 1,613)
 - Parks - \$521,355 (est. removals = 579)
- In 2017 \$892,424 was added to the ROW fund for EAB and subsequently put into contingency and used to solve the ROW budget issue.
- In order to achieve the scheduled plan for EAB removals by 2024, the City would need to remove, stump and replant 2,568 ROW trees and 1,236 Parks trees in 2018.

Boulevard EAB Removal Impact

2018 Mayor's Proposed Budget

Current	2017	2018
	Year 9	Year 10
Budget (based on 2017 Dollars)	\$1,677,860	\$2,071,815
# Ash remaining on Jan 1	18,530	17,180
# ROW Ash removed	1,350	1,613
# Ash remaining on Dec 31	17,180	15,567
Trees - Gap/Catch-up to 2017 8-year Plan (2024)	966	1,669
Budget - Gap/Catch-up to 2017 8-year Plan (2024)	\$1,234,716	\$2,019,490
* 2009-2016: Removed 8,010 of initial 26,540 ROW Ash trees		

Boulevard EAB Needs Moving Forward

Current	2019	2020	2021	2022	2023	2024	Total
	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Removed
Budget (based on 2017 Dollars)	\$4,382,830	\$3,387,000	\$3,387,000	\$3,387,000	\$3,227,280	\$1,763,004	
# Ash remaining on Jan 1	15,567	12,044	9,344	6,644	3,944	1,376	
# ROW Ash removed	3,523	2,700	2,700	2,700	2,568	1,376	26,540
# Ash remaining on Dec 31	12,044	9,344	6,644	3,944	1,376	-	
Trees - Gap/Catch-up to 2017 8-year Plan (2024)	462	78	-306	-690	-942	0	
Budget - Gap/Catch-up to 2017 8-year Plan (2024)	\$559,020	\$94,380	(\$370,260)	(\$834,900)	(\$1,139,820)	\$0	

Parks EAB Removal Impact

2018 Mayor's Proposed Budget

Current	2017	2018
	Year 9	Year 10
<i>Budget (based on 2016 dollars)</i>	\$356,200	\$521,355
# Ash remaining Jan 1 *	9,410	8,926
# ROW Ash removed	484	579
# Ash remaining Dec 31	8,926	8,347
<i>Trees- Gap/Catch-up to 2017 8-year plan (2024)</i>	692	1,289
<i>Budget - Gap/Catch-up to 2017 8-year plan (2024)</i>	\$571,155	\$1,160,100
* 2009-2016: Removed 590 of initial 10,000 Ash trees in managed park areas		

Parks EAB Needs Moving Forward

Current	2019	2020	2021	2022	2023	2024	Total
	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Removed
<i>Budget (based on 2016 dollars)</i>	\$1,703,700	\$1,202,400	\$1,202,400	\$1,202,400	\$1,112,400	\$1,089,000	
# Ash remaining Jan 1	8,347	6,454	5,118	3,782	2,446	1,210	
# ROW Ash removed	1,893	1,336	1,336	1,336	1,236	1,210	10,000
# Ash remaining Dec 31	6,454	5,118	3,782	2,446	1,210	0	
<i>Trees- Gap/Catch-up to 2017 8-year plan (2024)</i>	572	412	252	92	32	0	
<i>Budget - Gap/Catch-up to 2017 8-year plan (2024)</i>	\$514,800	\$370,800	\$226,800	\$82,800	\$28,800	\$0	



Access to Recreation Classes

Fee Equity Project Service Team Findings

- Scholarship and fee waiver programs were not regarded as an ideal solution for reducing barriers to participation. Filling out applications for fee waivers was cited as a barrier for program participation, particularly for residents for whom English is a second language, even where interpretation/ translation and technical assistance for completing fee waiver applications was offered.
- There was great variability in how program fees are set and the degree to which they are standardized.
- Of the 10 centers with highest enrollment, only 1 is in an ACP50 neighborhood.
- Many centers in areas with high concentration of youth have relatively low enrollment in fee-based activities.

Solution

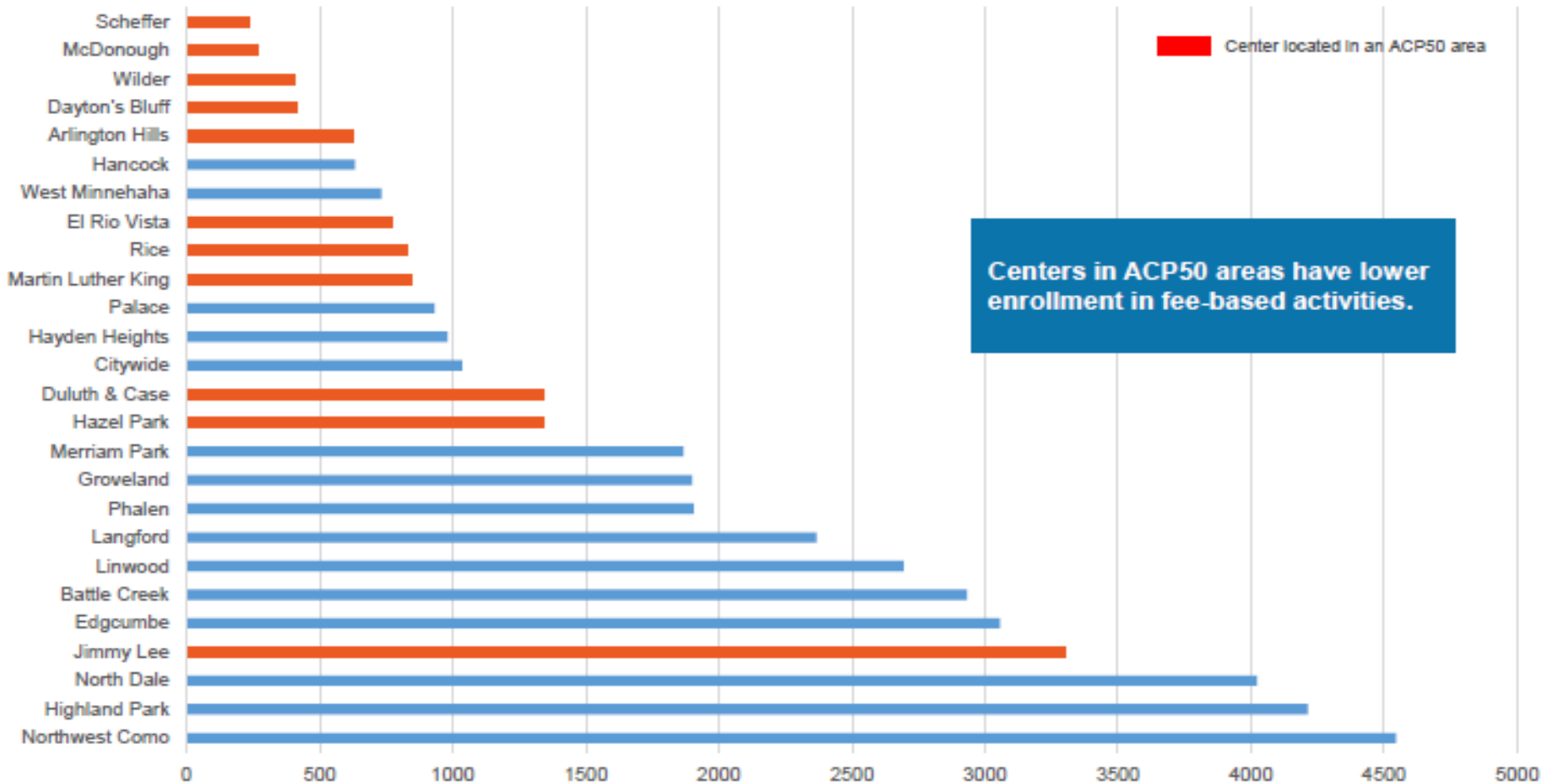
- Choose a number of top programs to offer for free through subsidy at sites that meet criteria (ACP50, identified as “underserved” via analysis). Track attendance and program feedback.



Access to Recreation Classes

ENROLLMENT ANALYSIS OF FEE-BASED PROGRAMS

Total Enrollment in Fee-Based Youth Activities, By Center, 2014-2016





Right Track Growth

Right Track Guiding Principle

All Saint Paul youth are assets and deserve a place in our city today and in the future. Their future productivity and community contributions should not be predictable based on race or socioeconomic status.

- GOAL 1: Ensure that 100% of youth/employer partnerships are successful (as measured by youth and employer surveys).
- GOAL 2: Broaden Right Track's reach by increasing the number of employer-paid intern opportunities from 220 to 300 within existing resources.
- GOAL 3: Leverage program and funding support for Right Track through well-timed and effective marketing and messaging strategies, as well as innovative financing ideas.



Funding Pursuit

- Funding Feasibility Study – Completed by Trust for Public Land
- Resources Needed for Parks and Recreation
 - Large backlog of deferred maintenance across system, despite significant investments to date
 - Deferred backlog of \$57 million
- Comparison of 6 Potential Funding Mechanisms
- Historical Support for Parks and Conservation Measures
 - 79% local measures for land conservation passed (1990-2016)
 - 75% local measures for parks, recreation, and trails passed (2008-2016)
- Key Steps in Potential Ballot Measure Process
 - Research (completed) → Public Option Survey



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Budget Proposals



Financial Summary

	2017 Adopted	2018 Current	% Change	FTEs
General Fund	31,217,286	34,806,857	11.5%	350.19
Special Funds	31,457,785	25,797,385	-18.0 %	211.45
Total:	62,675,071	60,604,242	-3.3%	561.64

Significant Investments from past

2017	Additional Recreation Services Programming	158,167
2017	Right Track	125,000
2017	EAB – Parks and Golf Courses	227,200
2016	Palace Rec Center increased staffing for new building	167,656



Summary of 2018 Budget Changes – General Fund

Program	Total Cost
Current Service Level Adjustments	370,981
Right Track	200,000
Transfer ROW Forestry services into the General Fund	4,729,778
EAB – Reduce 2017 one time increase for Parks & Golf	-227,200
Como Shuttle	-111,000
Lowertown Ballpark Grounds keeping	-75,000
Contingency Budget (Recreation Services, Capital Maintenance, EAB Tree Removal Services)	-1,297,998



Current Service Level Adjustments

Is this proposal tied to a department strategic objective?

No

Description / Data

Current service level changes include staff adjustments related to the restructuring of Parks' customer service operations and other minor adjustments to front line staffing.

Estimated Costs	FTEs	Funding
General Fund	Additional (if applicable)	One-time (yes/no)
370,981		No

Right Track

Is this proposal tied to a department strategic objective?

Yes

Right Track Growth

Description / Data

Additional one time General Fund support to replace reduced funding replace DEED. The State of Minnesota DEED grant, which provides funding support for the Right Track youth job program, was reduced from \$600,000 (for State Fiscal Year 2017) to \$400,000 (for State Fiscal Year 2018).

Right Track Sources

Grants

	2016	2017	2018	2019
State of MN DEED	\$600,000	\$500,000	\$400,000	\$200,000
CDBG	\$371,000	\$371,000	\$371,000	\$371,000
DEED Supplemental	\$0	\$202,970	??	??
Other Grants	\$176,805	\$100,000	??	??

Grant Funding

\$1,147,805 \$1,173,970 \$771,000 \$571,000

General Fund Support

GF Support (original)	\$134,900	\$134,900	\$134,900	\$134,900
GF Support (Increase)	\$0	\$125,000	\$325,000	\$125,000

Annual Total

\$1,282,705 \$1,433,870 \$1,230,900 \$830,900

* Assumes ongoing GF sources stay at \$134,900 and \$125,000

* Uncertain future sources = ??

Estimated Costs	FTEs	Funding
General Fund	Additional (if applicable)	One-time (yes/no)
200,000		Yes



Transfer ROW Forestry services into the General Fund

Is this proposal tied to a department strategic objective?

Yes (2)

1. Asset Management; 2. Implement EAB Management Plan

Description / Data

The City of Saint Paul has changed the funding source for street maintenance services. Starting in 2017, the new Street Maintenance Service Program replaces the Right-of-Way Maintenance Assessment. As part of this change, the General Fund will now support tree trimming and removal services. The shift of forestry services from the Street Maintenance Program Fund(formerly the Right-of-Way Fund) to the General Fund is reflected here.

2018 ROW to General Fund Budgets

	2018 Budget
10041412-ROW STREET TREE MAINTENANCE	\$2,868,502
10041413-EAB MANAGEMENT ROW	\$1,043,671
10041414-ROW GROUND MAINTENANCE	\$409,573
10041415-ROW SOLID WASTE REMOVAL	\$278,676
10041416-ROW BEAUTIFICATION	\$84,265
TOTAL	\$4,684,687

Estimated Costs	FTEs	Funding
General Fund	Additional (if applicable)	One-time (yes/no)
4,684,687	41.2	No



EAB Parks – Reduce 2017 one time increase for Parks & Golf

Is this proposal tied to a department strategic objective?

Yes

Implement EAB Management Plan

Description / Data

The 2018 proposed budget backs out one-time resources dedicated to the removal and treatment of trees affected by Emerald Ash Borer in city parks and golf courses.

Estimated Costs	FTEs	Funding
General Fund	Additional (if applicable)	One-time (yes/no)
-227,200		No



Como Shuttle Reduction

Is this proposal tied to a department strategic objective?

Yes

Asset Management

Description / Data

The Como Shuttle General Fund budget was created to fund operational costs not covered by state grants. To date, operational costs have been primarily funded by a State of MN Legacy Grant. Therefore, eliminating General Fund resources for the Como Shuttle will not result in a service reduction.

Estimated Costs	FTEs	Funding
General Fund	Additional (if applicable)	One-time (yes/no)
-111,000		No



Lowertown Ballpark Groundskeeping

Is this proposal tied to a department strategic objective?

Yes

Asset Management

Description / Data

The City's use agreement with the Lowertown Ballpark tenant included a contribution of \$75,000 annually for groundskeeping for the first three years of the term. 2018 will be the fourth year of the term, so the City is no longer obligated to pay. The tenant will now pay all groundskeeping costs as operator and manager of the facility.

Estimated Costs	FTEs	Funding
General Fund	Additional (if applicable)	One-time (yes/no)
-75,000		No



Contingency Budget (Recreation Services, Capital Maintenance, EAB Tree Removal Services)

Is this proposal tied to a department strategic objective?

Yes (3)

1. Access to Recreation Centers; 2. Asset Management; 3. Implement EAB Management Plan

Description / Data

The 2017 adopted budget included several budget items that were placed in a contingency reserve account and then used for the 2017 ROW solution. The Parks and Recreation items removed from contingency in 2017 are now removed in the 2018 General Fund budget. These 2018 reductions in the Parks budget are reflected below:

Additional funding for recreation services	(91,833)
Additional funding for capital maintenance	(635,000)
Additional funding for EAB tree removal services	(571,155)

Estimated Costs	FTEs	Funding
General Fund	Additional (if applicable)	One-time (yes/no)
-1,297,998		No



Summary of 2018 Budget Changes – Special Funds

Program	Total Cost
Walk/Run Fees (Revenue Increase)	82,572
Recreation Fee Equity (Spending Increase)	82,572
Parks Capital Maintenance Budget (CIB)	640,000
Contingency Budget (EAB Tree Removal Services)	-892,424
MN Legacy Grant – Como (Funding Increase) – State’s 2018-19 Biennium (7/1/17 – 6/30/19)	686,000
MN DEED Grant – Right Track (offset by Mayor’s GF proposal)	-200,000

Walk/Run Fees (Revenue Increase)

Is this proposal tied to a department strategic objective?

Yes

Access to Recreation Classes

Description / Data

In 2018, the participant fee for walk/run events on Saint Paul parkland will increase by \$1.00, making the fee \$1.50 per participant for events with 1-500 participants and \$2.00 per participant for events with over 500 participants. The full growth in revenue will be devoted to providing free recreation programming for youth in Saint Paul.

Event Description	Attendance	Current Revenue	Revenue Increase
Walk Run (500 & Under)	9,061	\$4,531	\$9,061
Walk Run (Over 500)	73,511	\$73,511	\$73,511
Total	82,572	\$78,042	\$82,572

Estimated Costs		FTEs	Funding
General Fund	Special Fund	Additional (if applicable)	One-time (yes/no)
	82,572		No



Recreation Fee Equity (Spending Increase)

Is this proposal tied to a department strategic objective?

Yes

Access to Recreation Classes

Description / Data

The 2018 proposed budget includes new resources devoted to providing more free recreation programming for youth in Saint Paul. Parks will choose a number of top programs to offer for free at sites in concentrated areas of poverty where 50% or more residents are people of color (ACP50). Revenue to support these free programs will be generated by per participant entrance fees charged to walk/run events held on Saint Paul parkland.

Estimated Costs		FTEs	Funding
General Fund	Special Fund	Additional (if applicable)	One-time (yes/no)
	82,572		No



Capital Maintenance Budget

Is this proposal tied to a department strategic objective?

Yes

Asset Management

Description / Data

The 2018 proposed budget includes an additional \$640,000 in capital maintenance funding to begin addressing critical equipment and/or infrastructure failures as well as high priority items identified in the \$57M deferred maintenance backlog list, which includes replacing and/or repairing:

- Hayden Heights Air Handling Unit
- Edgcumbe Air Handling Unit
- Como Lakeside Pavilion Air Handling Unit
- MRB Trail Repave/Sealcoat
- Phalen Picnic Island Parking Lot Repave
- Western Park Trail Repave
- Phalen North Parking Lot Repave

Estimated Costs		FTEs	Funding
General Fund	Special Fund	Additional (if applicable)	One-time (yes/no)
	640,000		No



Contingency Budget (EAB Tree Removal Services)

Is this proposal tied to a department strategic objective?

Yes

Implement EAB Management Plan

Description / Data

The 2017 adopted budget included several budget items that were placed in a contingency reserve account pending future decisions on the 2017 right-of-way program. The Parks and Recreation budget items removed from contingency in the 2018 proposed budget from the Street Maintenance Program Fund are reflected here.

Estimated Costs		FTEs	Funding
General Fund	Special Fund	Additional (if applicable)	One-time (yes/no)
	-892,424		No



MN Legacy Grant – Como (Funding Increase) – State’s 2018-19 Biennium (7/1/17 – 6/30/19)

Is this proposal tied to a department strategic objective?

Yes

Funding Pursuit

Description / Data

Parks and Recreation received an increase of \$686,000 from State of MN Legacy Grant Funding for Como Zoo and Conservatory in the State’s 2018-19 biennium (7/1/17 – 6/30/19). The Como Zoo and Conservatory Legacy Grant funding went from \$1,960,000 for the State’s 2016-17 biennium to \$2,646,000 for the 2018-19 biennium.

Estimated Costs		FTEs	Funding
General Fund	Special Fund	Additional (if applicable)	One-time (yes/no)
	686,000	2.3	No



MN DEED Grant – Right Track (offset by Mayor’s GF proposal)

Is this proposal tied to a department strategic objective?

Yes

Right Track Growth

Description / Data

One time transfer from the General Fund of \$200,000 to supplement the loss of \$200,000 of state funding for Right Track in 2018.

Estimated Costs		FTEs	Funding
General Fund	Special Fund	Additional (if applicable)	One-time (yes/no)
	200,000		Yes



Previous City Council Investments

City Council Investments in Previous Cycles			
2017	Additional Recreation Services Programming	158,167	
2017	Right Track	125,000	

Recreation Services Plan for Increased Programming

Add Community Youth Worker (1.0 FTE) - \$57,895

Add After School Programming (Mobile Rec) - \$50,625

Pilot Fee Equity Based Model - \$22,000

Extend Hours at Dayton's Bluff and Eastview - \$27,647

Total **\$158,167**



Previous City Council Investments – Continued

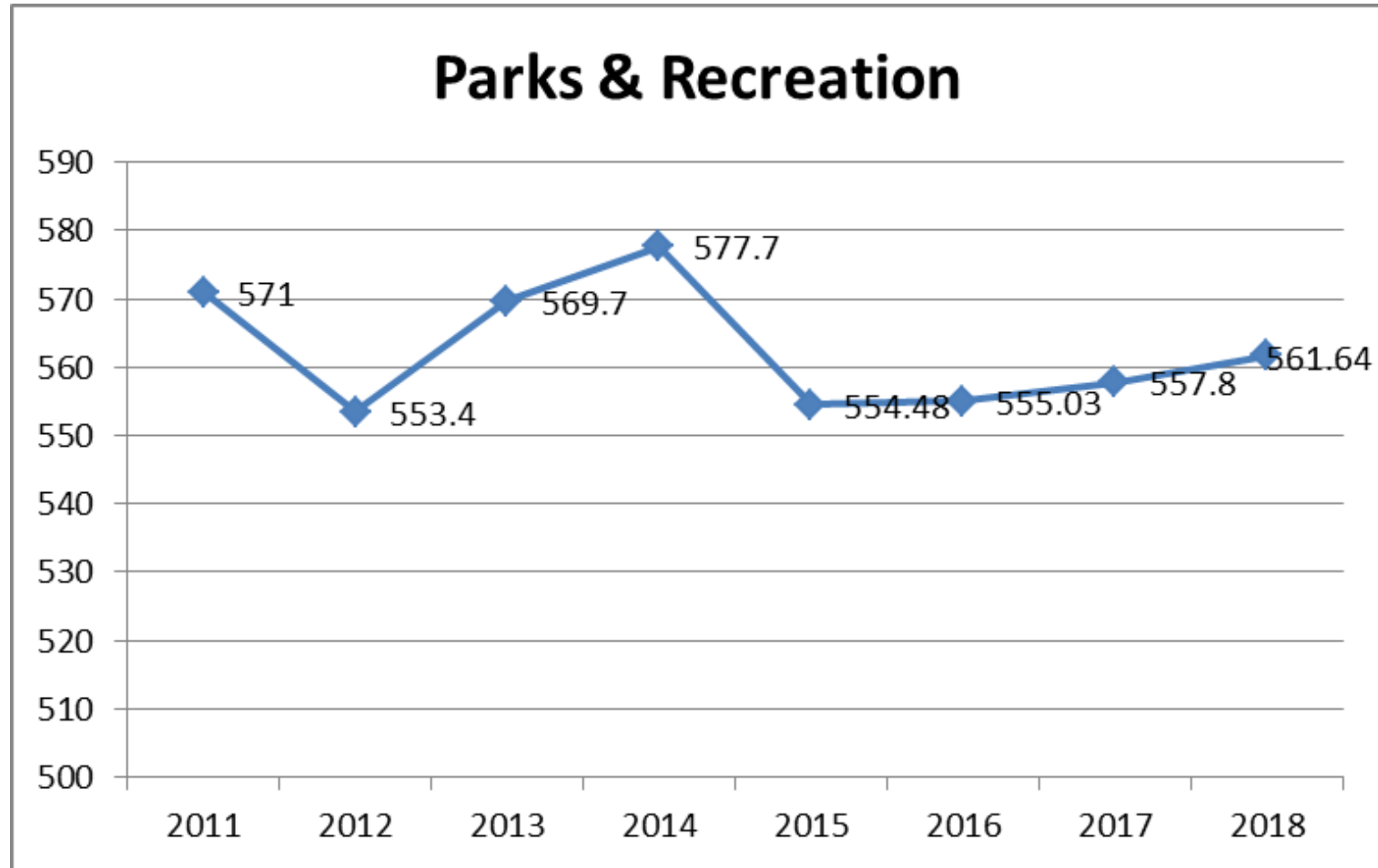
Right Track (one time funding made on-going in Mayor's Proposed budget)

The \$125,000 that was allocated was used to support the following program growth items:

- Add Executive Leadership (Parks Deputy Director)- Restructured DD's duties to concentrate on Right Track and removed primary HR duties which are now funded by a portion of the budget increase.
- New recruitment contract with Saint Paul Chamber – helped to increase # of YJ2 Internships from 147 to 220
- Restructure staffing to add a contracted development coordinator position to help establish strategic plan and develop plans to pursue alternative funding opportunities in the future
- Add new training space at Saint Paul College and new training curriculum including racial equity component and performance feedback training for YJ1 & YJ2 supervisors
- Clerical support to help program project management staff



Parks FTE History



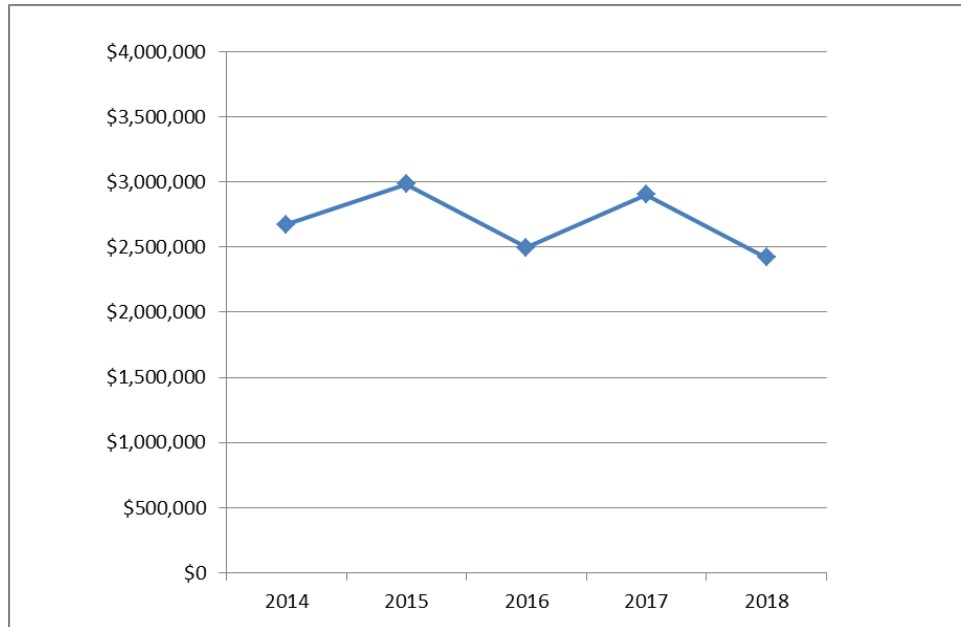


Fee Schedule

Fee Type	2017 Adopted Unit Cost	2018 Proposed Unit Cost	Additional Revenue in 2018	% Change	Rationale for Change
Walk/Run Fees	\$0.50 for events that are under 500, \$1.00 for events over 500 participants	\$1.50 for events that are under 500, \$2.00 for events over 500 participants	\$82,572	200% fee increase for under 500 participants 100% increase for over 500 participants	Increasing the fees to market rates provides revenue to support free classes in the Recreation Fee Equity proposal



Parks Total Grant Funding



New Grant Funding

Name	Timing	Amount \$	Purpose
DEED Supplemental	11/21/16 – 12/31/17	\$202,970	Provides additional funding for Right Track
Como Legacy Increase	SFY18/19 (7/1/2017 – 6/30/2019)	Increase of \$686,000 over two year grant period (SFY18/19)	Grant award increased from \$1,960,000 for SFY16/17 to \$2,646,000 for SFY18/19



Innovation

What innovations has your department accomplished in the last year and what further improvements are planned for 2018 and beyond? If your department has worked on projects with the Innovations Team, please describe them.

Recreation Fee Equity Project

We have chosen a number of top programs to offer for free at sites that meet criteria (ACP50, identified as “underserved” via analysis). These programs will be funded through a subsidy created by increased walk/run fees. Attendance and program feedback will be tracked.

Customer Support Section

Parks is re-allocating resources into a Customer Service section, to more efficiently address the departments service needs going forward. Parks has created a “one stop shop” for both internal and external customers.



Cost Saving Efficiency

What cost-saving efficiency has your department implemented and what is the estimated annual \$ savings? Are there further improvements planned for 2018 and beyond, what is the estimated annual cost savings?

- **Energy Efficiency Loans** - In 2009, Parks and Recreation, in conjunction with Xcel Energy, entered into the energy conservation loan program with the idea of modernizing the HVAC and lighting systems in Park buildings. Since 2009, the conservation loans have helped to modernize seventeen recreation centers, and the Hamline operations center. These loans have allowed Park buildings to become more energy efficient, and less costly to operate.
- **Updating Partnership Agreements-** When building management agreements come due, Parks has been shifting the responsibility of utility payments to the Manager. This releases Parks from the liability for the utility payments which has been an issue in the past.



Racial Equity

How does this proposal impact racial equity in Saint Paul?

Recreation Fee Equity Project

We have chosen a number of top programs to offer for free through a subsidy created by increased walk/run fees at sites that meet criteria (ACP50, identified as “underserved” via analysis). Track attendance and program feedback.

Right Track

Right Track Guiding Principle:

All Saint Paul youth are assets and deserve a place in our city today and in the future. Their future productivity and community contributions should not be predictable based on race or socioeconomic status



Future Outlook

How does your department plan to address changing service demands as a result of current and future demographics? Looking ahead 5-10 years, do you anticipate that your department will face additional significant budget needs or pressures, and how do you plan to address them?

- EAB
- Rec Services needs are expected to increase.
- Recommendations of Ameresco Study.

Parks will have choices to make that could be a mix of budget reductions in other areas and/or requesting additional funding for EAB and Rec. Services. Parks has presented the Ameresco Study funding strategy to Council earlier this year in a policy session.

If you had additional funding, what would you do to improve service delivery to the public or meet an unmet need?

- Utilities
- Rec Services
- Operations (filling cave openings, homeless tent cities)
- EAB

