

BUDGET COMMITTEE MEETING
Wednesday, April 17, 2024; 3:00 p.m.
Fargo Park District Board Room
701 Main Avenue, Fargo, ND

AGENDA

1. 2023 Audit Update
2. 2025 Budget Process Update
 - New Position Requests
 - CPI, March 2023-March 2024
 - 2024 City Assessor's Annual Report
3. Long Range Plan Update
4. Other

Next Park Board Meeting: May 14, 2024; 5:30 p.m.
Next Budget Committee Meeting: June 5, 2024; 8:00 a.m.



MEMORANDUM

DATE: April 10, 2024

TO: Fargo Park Board Commissioners

FROM: Luke Evenson, Controller

RE: Agenda Item No. 1 – 2023 Audit Update

We are providing an update on the status of our financial statements and the ongoing audit process for the fiscal year ending 2023.

Financial Statements:

Our finance team has diligently wrapped up the fiscal year 2023 to prepare for the audit and we have some preliminary figures for the year. With a good portion of the audit complete, but still not all the way done these are subject to change, but wanted to present what we have at this point. See attached Board Income Statement Summary.

Audit Progress:

Our external auditors, Eide Bailly LLP, have been conducting the audit for the year ending 2023. The on-site work was performed the week of March 25. The finance team and audit team are continuing to work to wrap up the audit, and plan to finalize the audit at the June 5, 2024, Budget Committee meeting. A representative from Eide Bailly will be presenting the results from the audit as well as big picture financial analysis.

Please reach out to me with any questions you may have.

Thank you.

Susan Faus, Executive Director
PARK COMMISSIONERS – Vicki Dawson * Joe Deutsch * Aaron Hill * Dawn Morgan * Jerry Rostad
CLERK – Jeff Gunkelman

Fargo Park District

Board Income Statement Summary

as of 12/31/2023

	General Fund	Debt Service Fund	Capital Project Fund	Valley Senior Services	Total	Annual Budget	Variance to Budget
Revenues							
Taxes & Special Assessments	\$17,610,139	\$10,527,154	\$0	\$2,119,500	\$30,256,793	\$31,218,999	(\$962,206)
Charges for Services	\$9,267,739	\$0	\$0	\$895,622	\$10,163,361	\$9,419,197	\$744,164
Intergovernmental	\$3,954,584	\$0	\$44,694	\$2,103,892	\$6,103,170	\$4,595,733	\$1,507,437
Miscellaneous	\$3,399,870	\$2,064	\$8,589,494	\$1,527,995	\$13,519,422	\$1,689,853	\$11,829,569
Total Revenues	\$34,232,332	\$10,529,217	\$8,634,187	\$6,647,009	\$60,042,746	\$46,923,782	\$13,118,964
Expenses							
Full Time Salaries	(\$7,231,471)	\$0	\$0	(\$1,619,707)	(\$8,851,178)	(\$9,138,551)	(\$287,373)
Part Time Salaries	(\$3,804,618)	\$0	\$0	(\$1,014,185)	(\$4,818,803)	(\$4,891,803)	(\$72,999)
Employee Benefits	(\$3,740,918)	\$0	\$0	(\$630,948)	(\$4,371,866)	(\$3,511,524)	\$860,342
Utilities	(\$1,912,931)	\$0	\$0	(\$185,465)	(\$2,098,395)	(\$1,971,074)	\$127,321
Repairs & Maintenance	(\$2,782,392)	\$0	\$0	(\$153,525)	(\$2,935,917)	(\$1,445,370)	\$1,490,547
Program & Operational Costs	(\$4,503,564)	(\$233,605)	(\$9,346,670)	(\$2,492,837)	(\$16,576,676)	(\$6,602,807)	\$9,973,869
Capital Equipment & Improvements *	(\$3,677,785)	\$0	(\$42,875,346)	(\$201,777)	(\$46,754,908)	(\$4,904,325)	\$41,850,583
Principal & Interest on Debt	(\$884,208)	(\$6,354,311)	\$0	\$0	(\$7,238,518)	(\$12,717,096)	(\$5,478,577)
Total Expenses	(\$28,537,887)	(\$6,587,915)	(\$52,222,016)	(\$6,298,444)	(\$93,646,263)	(\$45,182,550)	\$48,463,713
Other Financing Sources (Uses)							
Transfers In	\$0	\$0	\$1,745,904	\$0	\$1,745,904	\$0	\$1,745,904
Transfers Out	(\$1,745,904)	\$0	\$0	\$0	(\$1,745,904)	(\$1,745,904)	\$0
Bond Proceeds, Premiums, Discounts	\$162,000	\$0	\$31,311,714	\$0	\$31,473,714	\$0	\$31,473,714
Sales of Assets	\$96,132	\$0	\$0	\$23,307	\$119,439	\$0	\$119,439
Total Other Financing Sources (Uses)	(\$1,487,772)	\$0	\$33,057,618	\$23,307	\$31,593,153	(\$1,745,904)	\$33,339,057
NET SURPLUS/(DEFICIT)	\$4,206,673	\$3,941,302	(\$10,530,211)	\$371,872	(\$2,010,364)	(\$4,672)	(\$2,005,691)

* Capital Project Funds are not budgeted.



MEMORANDUM

DATE: April 10, 2024

TO: Fargo Park Board Commissioners

FROM: Broc T. Lietz, Finance Director

RE: Agenda Item No. 2 – 2025 Budget Process Update

The 2025 budget process began with a process improvement for personnel. The finance and human resources departments worked together to provide Directors with departmental data about their current full and part-time staff, funding source, and supervisory lines. Directors were asked to confirm this data and update any inconsistencies.

Simultaneously, a process for requesting new positions was implemented. Directors developed position descriptions, completed a new employee request form, which provided justification for their request, and worked with human resources for market data regarding the new request. This exercise resulted in new position requests that spanned throughout the district totaling \$864,350 in new positions. Next steps in this process involve the executive team vetting these requests and prioritizing needs districtwide.

The finance team has distributed annual operating budget worksheets to Directors for each of their departments for the next phase of budget development.

At the time of this memo, the City's Assessor's Annual Report for 2024 has not been published. We are hopeful to have that report, which will identify mill levy valuation for the 2025 revenue generation from property tax. Additionally, CPI for March 2023 – March 2024 has not been released yet. We will discuss these items in detail if we have the data by April 17th.

Please reach out to me with any questions you may have.

Thank you.

Susan Faus, Executive Director
PARK COMMISSIONERS – Vicki Dawson * Joe Deutsch * Aaron Hill * Dawn Morgan * Jerry Rostad
CLERK – Jeff Gunkelman



MEMORANDUM

DATE: April 10, 2024

TO: Fargo Park Board Commissioners

FROM: Broc T. Lietz, Finance Director

RE: Agenda Item No. 3 – Long Range Plan Update

The finance team worked with Deputy Director, Dave Bietz, to redefine a long-range planning process. The goal was to put annual expenses for both equipment and operational maintenance directly into annual operating budgets, while defining a long-range plan item as any project or purchase that exceeds \$500,000 and requiring two or more years to fund.

Additionally, we have recommended establishing funding categories for these long-range items. Historically, the district broadly categorized this as fund 40. The suggested fund categories for this purpose are building/facilities, concrete/asphalt, equipment, golf, park amenities, aquatics.

As part of the annual budgeting process, the district budgets an internal transfer for the purpose of funding the long-range plan. If the annual operating budget has revenue over expenditures, the finance department will make a recommendation to the executive team for distribution of those funds.

Next steps in this process include the leadership team updating and prioritizing the existing items on the former capital plan, identifying additional projects that have arisen since the last update, and estimating potential costs of each.

Please reach out to me with any questions you may have.

Thank you.

Susan Faus, Executive Director
PARK COMMISSIONERS – Vicki Dawson * Joe Deutsch * Aaron Hill * Dawn Morgan * Jerry Rostad
CLERK – Jeff Gunkelman