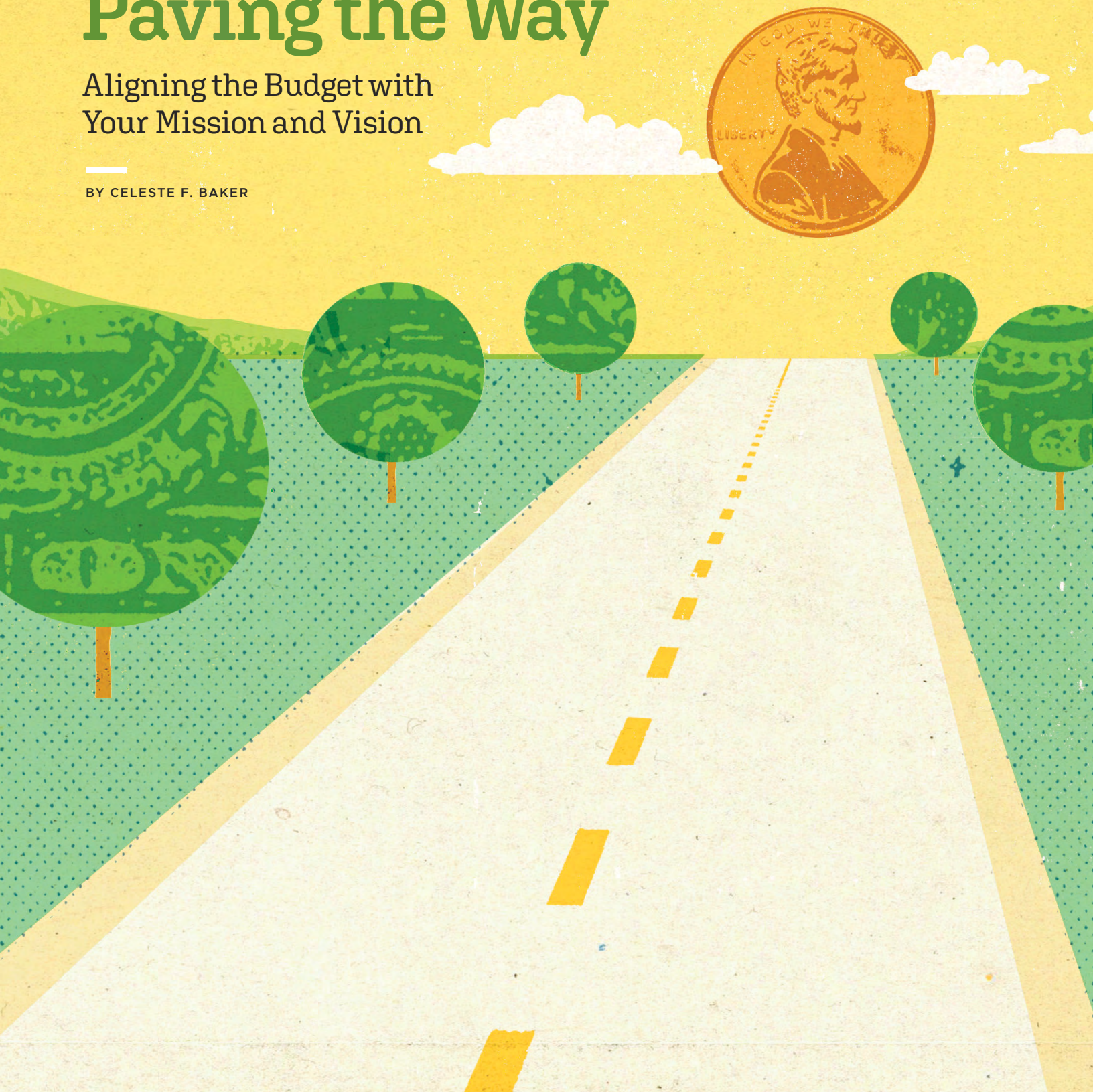


# Paving the Way

Aligning the Budget with  
Your Mission and Vision

BY CELESTE F. BAKER





## A Tale of Two Entities: Cleveland Metroparks and the City of Lakewood, Ohio

A good budget tells a story about an organization that is not captured by the financial statements. It describes what is important to the organization, how it funds its mission and vision, and how it provides value to the community. Laying this out in writing is important to all stakeholders, including employees. Governments need to provide the transparency that citizens expect, especially in times of financial uncertainty. This article shares two entities from my hometown that do this very well.

I spoke with William Chorba, chief financial officer of Cleveland Metroparks, and Peter Rancatore, finance director of the City of Lakewood, Ohio, on the process involved in aligning an organization's budget with its mission and vision. Both municipalities are in Cuyahoga County, Ohio. Both are Ohio State Auditor and GFOA award winners. With calendar year 2021 budgets of \$155.9 million and \$135 million, respectively, the two are similar in size as far as estimated resources, number of employees, and diversity of services. Both are seen as leaders in innovation. And their budgets illustrate ambitious yet attainable vision and strategic plans; the documents are robust, detailed, and comprehensive.

### Cleveland Metroparks

Cleveland Metroparks includes the Cleveland Metroparks Zoo and many other assets, including rivers, golf courses, and trails. The mission and vision of the Metroparks is summed up in three words: conservation, recreation, and education. Each affects the other. The strategic plan

has five primary goals: protection, relevance, connections, “come out and play,” and organizational sustainability. The mission and vision of Metroparks’ Finance Department provides an example (see Exhibit 1).

William Chorba provided detailed insight into the processes and philosophy behind the Metroparks’ long history of award-winning budgets, noting that the entire organization is poised to receive public feedback on its mission and vision, which encourages frequent interaction; and that interaction can be through the zoo, golf courses, restaurants, and parks. The organization conducts monthly

board meetings that the public is encouraged to attend—and to speak at. For a large project such as a bridge that spans the Rocky River, which took two to three years, public working sessions were held to assure that the structure was not only functional and safe, but also aesthetically pleasing. The Metroparks is active on social media as well and is able to get local news coverage. It maintains and updates its website frequently. The organization capitalizes on the expertise of its team members, who are introduced to the finances and budget when they join the staff to promote understanding and accountability.



Spanning more than 24,000 acres, Cleveland Metroparks includes more than 300 miles of trails, eight golf courses, eight lakefront parks and a nationally-acclaimed zoo.

## The organization capitalizes on the expertise of its team members, who are introduced to the finances and budget when they join the staff to promote understanding and accountability.

The budget process starts in July for a calendar year budget, and the budget module is set up by the Finance Department. Each department provides a first pass at sharing what it envisions for the next year; the Finance department does the same, but without sharing. Then they come together to see how close their visions are. The remainder of the process is highly interactive and involves working with the chief executive officer, chief finance officer, and department heads. The goals are alignment, buy-in, opportunity, and risk assessment, and together, everyone involved develops scenarios along a continuum of pessimism and severity. Collaboration with the department heads continues throughout the year. At the board meetings, the budget is discussed in terms of variance review. This way, the organization can update its forecast if any headwinds or opportunities present themselves. Monthly budget adjustments allow for a great deal of agility.

Over the past year the COVID-19 situation, along with mild weather, increased the demand for public spaces such as parks, zoos, and golf courses. Unfortunately, the increased demand was not met with any federal financial relief, as special park districts weren't included in any aid packages. In addition, supply chain disruptions had an impact on construction projects. In response, the Metroparks focused

on projects that provided quick wins and were not affected by shortages, such as concrete aggregate and blacktop. The monthly capital planning meetings allow for the team to keep looking at new opportunities.

The Metroparks is on a 10-year levy cycle, so the budget is developed for the 10 years. "Imagine a highway—you can change lanes, but you have to stay within the guardrails," Chorba said. The entire budget document was partially overhauled earlier in 2021, and the language and graphics that had gotten stale were updated. But the budget document still follows GFOA's best practices and remains true to the Metroparks' strategic goals and objectives.

The current Metroparks strategic plan was developed in 2012 with the intent of providing long-term direction and goals for the Park District. This period includes two major milestones: the 10-year levy renewal, in 2014, and the Centennial 100 Year Anniversary of Cleveland Metroparks, in 2017. Therefore, taking a fresh look at the Park District's goals and priorities leading up to those events, and for the years that followed, was an opportunity and a challenge that Cleveland Metroparks took very seriously. The organization worked with its staff, professional consultants, and the community to create the strategic plan that is still in use today.

Historically, most of Cleveland Metroparks' resources were devoted to preserving and enhancing facilities and programs within park reservation borders and to serving established constituencies. The current strategic plan addresses ways in which the Park District can have an even greater impact by addressing different levels and scales of concern, including reservations, their surrounding communities, the district's core service area (Cuyahoga County and Hinckley Township in Medina County), and the larger Northeast Ohio Region. The broadening of scope and the district's desire to make a significant impact led it to refine the Metroparks' vision and mission.

### EXHIBIT 1 | THE MISSION AND VISION OF METROPARKS' FINANCE DEPARTMENT

#### MISSION

Finance is responsible for careful stewardship of taxpayer assets by timely and accurately capturing and reporting financial activities and ensuring compliance with state regulations and Cleveland Metroparks bylaws related to financial matters.

#### SERVICES PROVIDED

Finance objectives are met by systematic, detailed budgetary control over board-approved appropriations through its people, systems, policies, and processes. The Purchasing Division is a key functional area within Finance, completely controlling the procurement process to ensure fairness, transparency and fiduciary control in accordance with legal and ethical standards. Other Finance functional areas are Internal Audit, Accounts Payable, Revenue Accounting, Expense Accounting and Payroll.

#### FISCAL 2020 PRIORITIES

- Maintain excellence in financial stewardship and accountability (organizational sustainability)
- Improve business continuity preparedness for the Park District (organizational sustainability)
- Drive a culture of continuous improvement in Accounting, Internal Audit, Payroll, and Purchasing (organizational sustainability)
- Improve and increase utilization of Munis (organizational sustainability)





## City of Lakewood

In 2012, the City of Lakewood elected a new Mayor and embarked on an ambitious goal to update a 20-year-old mission and vision statement and a strategic plan. The effort involved numerous listening sessions, guided by a reputable municipal consulting firm. The city spent considerable time in 2013 asking two questions: “Where are we today?” and “Where do we want to go?”

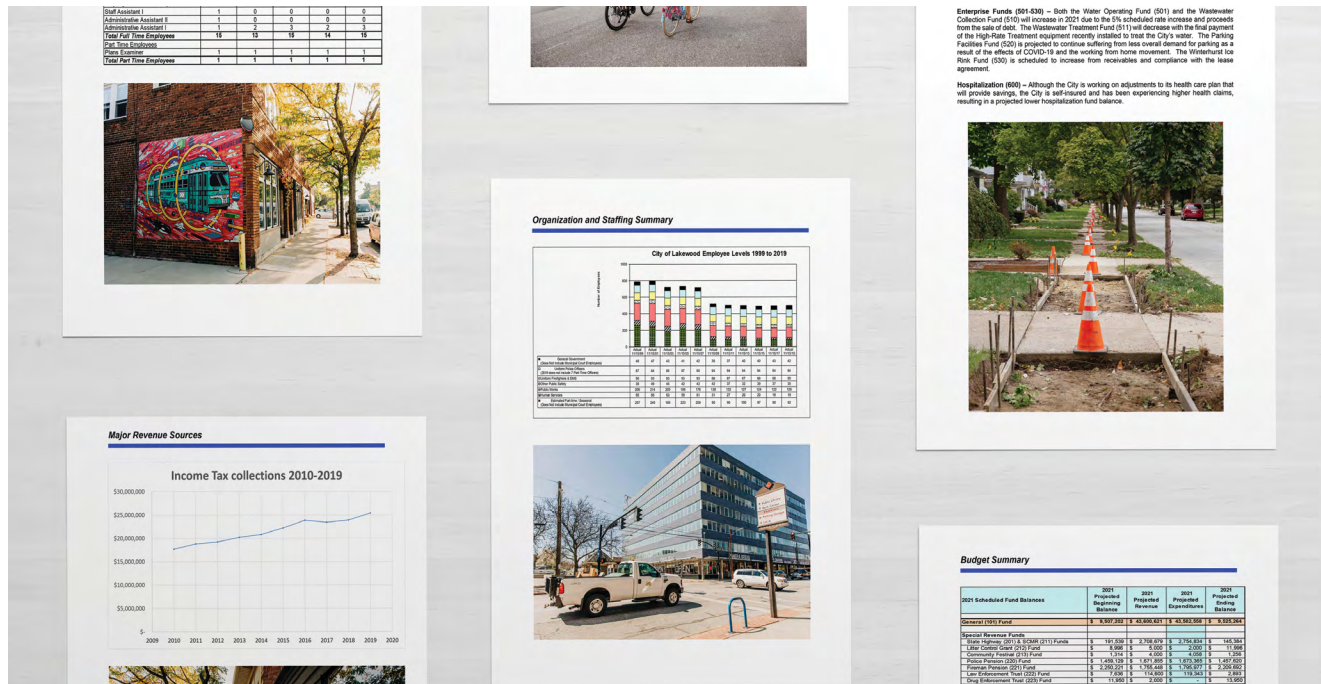
The 1993 Community Vision was based on resident input that began at the first community meeting in May 2012. More than 130 residents and community leaders participated in the update process, along with a cross-sectional group of 30 city employees who participated in a facilitated self-evaluation of the organization as a workplace. The process identified strengths, opportunities and comments in the following areas: strategy and vision, organization and culture, accounting and finance, and responsiveness and execution.

The result was a set of goals: economic development, safe and secure city, vibrant neighborhoods, and sound governance. But, as the saying goes, the devil was in the details. For one thing, the vision document was too large and too structured to allow the city to change with the times and challenges—bedbugs, the opioid crisis, an influx of new residents from a variety of backgrounds and needs, and federal clean-water mandates, to name a few. There was inconsistent buy-in from the rest of the organization, especially the Finance Department. And over time, the existing structure, departments, managers, and employees were left to decide how they fit in with proposed business practices and goals, instead of bringing them along and showing them how they were part of the change and how this was communicated through the budget. New employees weren’t trained regarding their importance in the process, either.

## EXHIBIT 2 | THE CITY OF LAKEWOOD'S 2021 KEY INITIATIVES

- The City of Lakewood’s proposed \$155.9 million budget for all funds in 2021 will focus on the key initiatives of public safety and human services, commerce, public health and welfare, our environment, and transparency in public finance by:
- Continuing to collaborate across divisions on interdepartmental issues to deliver efficient and improved core services.
- Following established procedures in our COVID-19 playbook to keep employees and citizens safe, while responding quickly and appropriately to the pandemic, whether it’s serving senior citizens with meals or providing EMS services for safe transport to a healthcare facility.
- Further developing the city’s financial integrity through financial processes and reporting that examine dollars spent.
- Engaging in a collaborative budget process that includes dialogue with the mayor, staff, council, the court, and the public.
- Being supportive and responsive to the needs of community members and businesses, especially as we listen to our small business task force and help our businesses and citizens survive the pandemic financially.
- Improving and modernizing the infrastructure throughout our community, including our parks, water and sewer systems, and our community gathering places.

## EXHIBIT 3 | PAGES FROM THE CITY OF LAKEWOOD'S 2021 BUDGET DOCUMENT



In 2020, the city had a new elected mayor and made several changes to the administrative staff, including bringing on a new finance director. City staff revisited the previous document and considered the hard lessons that had been learned before creating the FY 2021 City of Lakewood's Strategic Planning Mission. Their goal for the city was to deliver exceptional essential core municipal services, go above and beyond the call of duty, and promote a high quality of life for residents, businesses, and visitors.

As an example, the mission and vision and accomplishments for the Finance Department in 2020 included:

- Financially navigating the COVID-19 pandemic in a way that minimizes both immediate negative financial impacts and the loss of public services, while also maintaining a long-term perspective on the city's operational and capital needs.
- Receiving the Government Finance Officers Association (GFOA) award for the preparation of the city's 2019 annual financial report.

- Completing the 2019 financial audit by the auditor of state with no citations, resulting in the prestigious Auditor of State Award with Distinction, which is earned by fewer than five percent of all governments in the State of Ohio.
- Creating a 2021 and Beyond Strategic Plan.
- Adopting a transparent, collaborative budget by December 31 that includes key personnel while examining both the operational and capital needs and structures of each of the city's divisions and departments.
- Participating in and expanding financial reporting programs that provide transparency and financial integrity.
- Submitting an annual financial report that is compliant with GFOA's rigorous standards.
- Submitting a document for consideration in GFOA's Distinguished Budget Presentation Award Program.

Peter Rancatore, the city's finance director, explained the processes

This collaborative process ensures institutional knowledge and helps prioritize capital planning.

necessary in updating the mission and vision and the resulting budget document. He pointed out that the new budget document features more pictures and charts, and the format was streamlined (see Exhibit 3). Charts help illustrate the information in a way that words cannot. The city's financial policies are also laid out, as well as the internal controls that are in place to assure the public of the financial oversight. An independent auditing firm provides assistance with this review and also directs the Finance Department on current topics. Future documents will include fraud policies that are now under development.



The new budget document also includes a glossary for citizens, breaking down financial language and putting it in layman's terms. The city hopes to provide readers with some idea of the challenges it faces, along with its goals. This is especially important because 50 to 55 percent of the city's income is generated by Lakewood's income tax.

Rancatore was very appreciative that the whole Finance Department took ownership, he said; their involvement made the whole process come together. And in turn, the Finance Department is able to look back and see what is being accomplished through the lens of the city's mission, goals, and values. Rancatore noted that he brought his philosophy and approach from similar work at a previous post, treating the budget as a living document. He encourages and motivates his staff, along with internal stakeholders, to create continuous improvements each year. Being flexible allows for relevancy as the environment dictates.

Department heads are included in budget discussions, along with the mayor, finance director, assistant finance director, and the budget manager. This collaborative process ensures institutional knowledge and helps prioritize capital planning—what gets moved forward in the five-year plan and what can be postponed or eliminated. When two departments' goals or challenges come together or conflict, all the managers involved are brought into the room until the issues are resolved. This promotes greater understanding and awareness, builds teamwork, and really tears down silos. An overview of the discussions includes reflection on the future, long-range planning, and the role of bargaining units. When vacancies occur, hiring is not the immediate goal; instead, there is an examination of the performance and responsibilities of the particular position, with potential opportunities and modifications to the organizational structure analyzed. In essence, the process answers the question, "What opportunities does this create?"

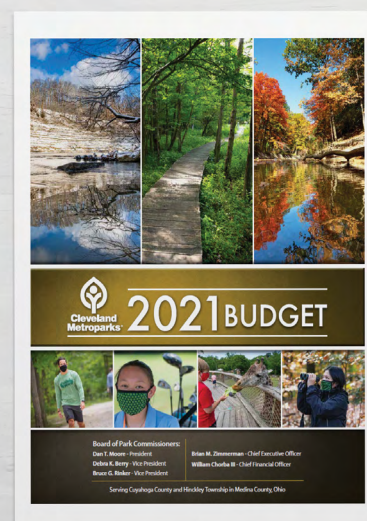
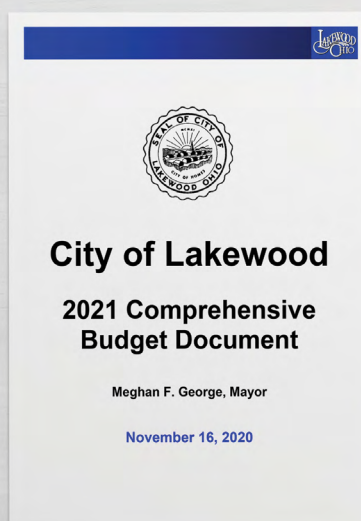
## What about your own budget?

Wherever you might be on the spectrum of budget development, from mathematical exercise to developing your first budget for submission to GFOA, you'll find some ideas below that will help make your mission and vision clear to your community.

- No matter how big the challenge you are facing is, start by picking three changes you would like to make first. You can do more later. This is what Peter Rancatore was referring to when he described the budget as a living document, with this year's success being built upon in coming years. William Chorba also allowed for flexibility by making sure the Metroparks budget responds to environmental changes.

- Your three choices should be the ones most likely to be adopted and to achieve immediate success.
- When those three are accomplished, pick the next three.
- Don't be afraid to reach out to your colleagues for support, advice, and expertise. Most people are happy to help.
- Celebrate your successes.
- Remember that things change—staffing, economy, priorities, opportunities. You might find yourself taking a step backward now and again; just be prepared for it, reassess, and adapt.

**Celeste F. Baker** is the fiscal officer for the Tiffin-Seneca Public Library in Tiffin, Ohio.



View the Cleveland Metroparks budget:  
[gfoa.org/clevelandmetroparksbudget](https://gfoa.org/clevelandmetroparksbudget)

View the City of Lakewood budget:  
[gfoa.org/cityoflakewoodbudget](https://gfoa.org/cityoflakewoodbudget)