

**City of Minneapolis
2021 Recommended Budget**

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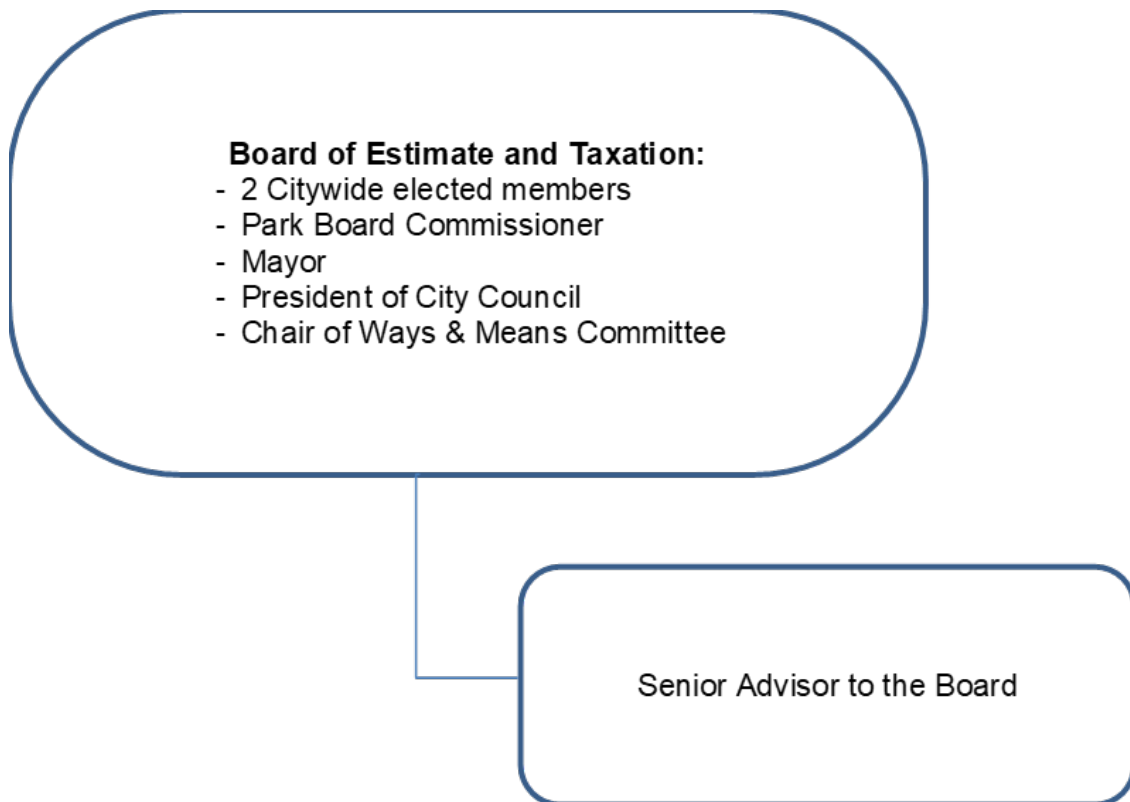
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BOARD OF ESTIMATE AND TAXATION

MISSION

The mission of the Board of Estimate & Taxation (“BET”) is to obtain citizen input on the maximum tax levies of the City per the City Charter and The Truth In Taxation State Statute. The Board, after receiving recommendations from the Mayor, City Council, and Minneapolis Park and Recreation Board (MPRB), and requests from the Public via a hearing, sets the maximum tax levies by individual levy for the following: General Fund, Permanent Improvement Fund, Bond Redemption Fund, Minneapolis Fire Relief Association, Minneapolis Police Relief Association, Minneapolis Employees Retirement Fund, Minneapolis Public Housing Authority, Economic Development Chapter 595 levy, Teacher’s Retirement Association levy, Municipal Building Commission, Board of Estimate & Taxation, Lake Pollution Control, Tree Preservation & Reforestation, Shade Tree Diseased Control, Park Rehabilitation & Parkway Maintenance, Park and Recreation. When requested by the City Council and/or the MPRB, the BET may authorize the issuance and sale of General Obligation Bonds to support the respective Capital Infrastructure Programs. The BET requires a two-thirds (four of six) affirmative vote on such actions. The BET action pledges the full faith and credit of the City for payment of principal and interest. BET does not serve a role in the authorization and issuance of Tax Increment Bonds, the City fills that role.



**BOARD OF ESTIMATE AND TAXATION
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2018 Actual	2019 Actual	2020 Adopted	2021 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	170,265	83,266	70,000	70,000	0.0 %	0
FRINGES	25,161	13,440	12,000	11,000	-8.3 %	(1,000)
CONTRACTUAL SERVICES	18,061	20,303	18,000	22,000	22.2 %	4,000
OPERATING COSTS	5,410	4,756	12,000	12,000	0.0 %	0
TOTAL SPECIAL REVENUE	218,897	121,765	112,000	115,000	2.7 %	3,000
TOTAL EXPENSE	218,897	121,765	112,000	115,000	2.7 %	3,000

REVENUE	2018 Actual	2019 Actual	2020 Adopted	2021 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
PROPERTY TAXES	190,643	210,310	0	110,000		
USE OF FUND BALANCE	0	0	111,000	0	(100.0)%	(111,000)
TOTAL SPECIAL REVENUE	—	—	111,000	—	(100.0)%	(111,000)
TOTAL REVENUE	—	—	111,000	—	(100.0)%	(111,000)

MUNICIPAL BUILDING COMMISSION

MISSION

The Municipal Building Commission (MBC) was created by state statute in 1904 and charged with exclusive care and control of the Minneapolis City Hall and Hennepin County Courthouse building to provide effective and efficient services to operate, maintain, and preserve this historic landmark building and ensure a safe and functional environment for City and County government employees, citizens, and elected officials.

BUSINESS LINES

Care for Minneapolis City Hall and Hennepin County Courthouse Building:

The MBC is responsible for maintaining the building operating systems including mechanical, electrical, fire/ life/safety, and elevators. In addition, the MBC is responsible for providing custodial, utility, security, repair, and maintenance services.

Control of Minneapolis City Hall and Hennepin County Courthouse Building:

The MBC is responsible for administrative functions including serving as staff to the MBC Board, implementing Board directives, space assignment and coordinating City and County tenant needs as well as planning, emergency preparedness, communications, human resources, labor relations, contract services, information technology, finance, accounting, payroll, and operating and capital budgeting activities.

Historic Preservation of the Minneapolis City Hall and Hennepin County Courthouse Building:

The MBC is responsible for all historic preservation activities in the building. Historic preservation refers to any and all activity, both operating and capital, in keeping with the agency's mission to provide effective and efficient services to operate, maintain, and preserve the historic landmark City Hall and Courthouse Building and ensure a safe and functional environment for City and County government employees, citizens and elected officials. The MBC recently celebrated the completion of the historic Clock Restoration Project and completion of repairs to the Bells Support system. The City Hall/ Courthouse Catering and Events program helps facilitate historic preservation activities in the building by providing financial support of the Historic Preservation Fund.

Financial Arrangements and City Funding Relationships

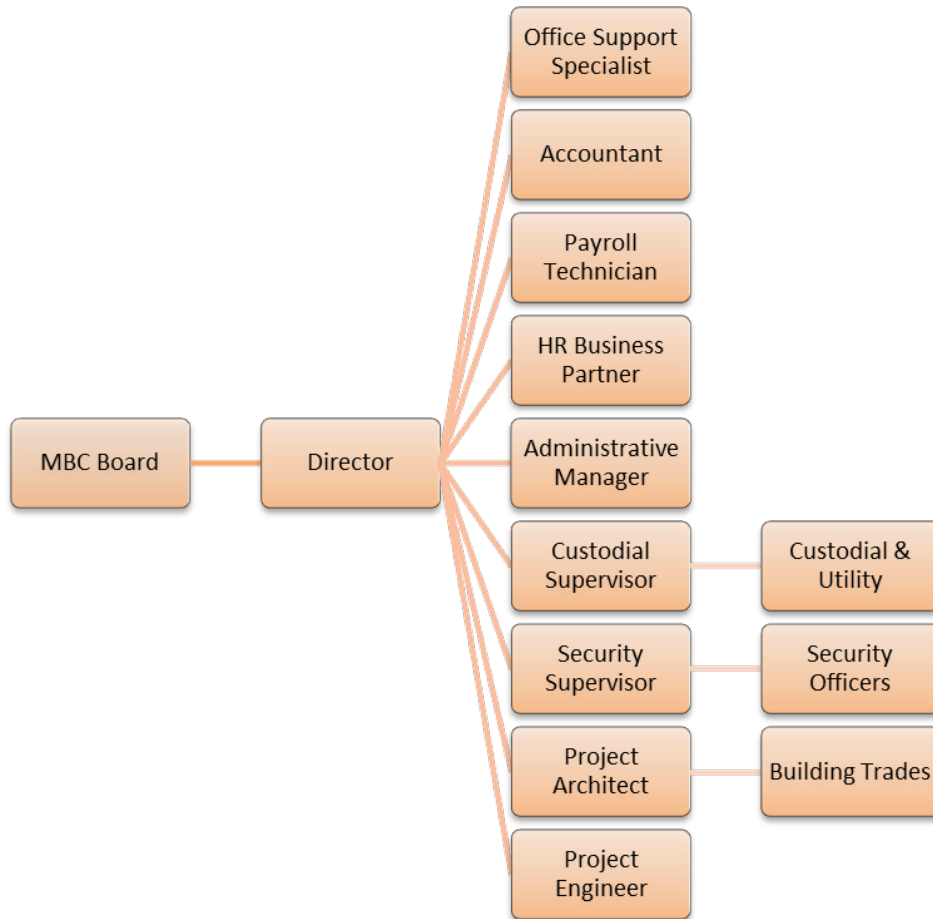
Funding Sources

The revenue budget for MBC in 2020 was \$9.8 million, approximately 40% funded by Hennepin County and approximately 60% funded by City property tax levy and state Local Government Aid (LGA). The 40/60 contribution rate is based on occupancy.

2021 City Funding

The MBC, consisting of an appointed Board of Commissioners made up of two County and two City elected officials, sets its own budget in conformance with County and City guidelines and levy targets. By State Statute, the Mayor serves as the Vice President of the MBC Board and the second City member is an appointee of the Minneapolis City Council. The MBC has historically been the recipient of about 0.3% of the City of Minneapolis's LGA funding from the State of Minnesota, which can fluctuate year to year depending on the total LGA allocation to the City under State law. While the MBC budget is set independently of the City, the City has, at times, directly funded joint ventures in collaboration with the MBC and dedicated specific allocations to functions carried out by the MBC. To compensate for a reduction in the City property tax levy allocation for 2021, the City's portion of the 2021 MBC budget is being supported with funds from the existing operating budget fund balance.

MBC ORGANIZATION CHART



**MUNICIPAL BUILDING COMMISSION
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2018 Actual	2019 Actual	2020 Adopted	2021 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	2,818,064	2,785,660	3,958,000	4,017,000	1.5 %	59,000
FRINGES	1,212,017	1,263,802	2,057,000	1,827,000	-11.2 %	(230,000)
CONTRACTUAL SERVICES	4,298,398	3,449,778	3,131,000	3,157,000	0.8 %	26,000
OPERATING COSTS	506,078	705,553	571,000	606,000	6.1 %	35,000
CAPITAL	—	—	26,000	26,000	0.0 %	—
TOTAL SPECIAL REVENUE	8,834,557	8,204,793	9,743,000	9,633,000	-1.1 %	(110,000)
TOTAL EXPENSE	8,834,557	8,204,793	9,743,000	9,633,000	-1.1 %	(110,000)

REVENUE	2018 Actual	2019 Actual	2020 Adopted	2021 Council Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SERVICES	8,261,005	9,065,984	9,627,000	7,680,000	-20.2 %	(1,947,000)
MISCELLANEOUS	389	35	—	—	0.0 %	—
RENTS	4,085	4,031	—	—	0.0 %	—
STATE GRANTS & AIDS	238,627	238,870	246,000	236,000	(4.1)%	(10,000)
TOTAL SPECIAL REVENUE	8,504,106	9,308,920	9,873,000	7,916,000	(19.8)%	(1,957,000)
TOTAL REVENUE	8,504,106	9,308,920	9,873,000	7,916,000	(19.8)%	(1,957,000)

MINNEAPOLIS PARK AND RECREATION BOARD

MISSION

The Minneapolis Park and Recreation Board shall permanently preserve, protect, maintain, improve and enhance its natural resources, parkland and recreational opportunities for current and future generations.

The Minneapolis Park and Recreation Board exists to provide places and recreation opportunities for all people to gather, celebrate, contemplate and engage in activities that promote health, well-being, community and the environment.

BUSINESS LINES

- Care & Maintenance of the Park System
- Recreation Facility Operations and Programming
- Planning for Development & Redevelopment of the Park System
- Park Safety & Security
- Executive Management
- Administrative Support Services
- Park System Communications & Marketing
- Enterprise Operations
- Acquisition, Construction and Improvement of the Park System

Financial Arrangements and City Funding Relationships

2021 City Funding

The MPRB, consisting of an independently elected Board of Commissioners sets its own budget and levy independently of the City, subject to the maximum levies certified by the Board of Estimate and Taxation. The MPRB has historically been the recipient of about 11.8% of the City of Minneapolis's LGA funding from the State of Minnesota, which can fluctuate year to year depending on the total LGA allocation to the City under State law. While the MPRB budget is set independently of the City, the City has, at times, directly funded joint ventures in collaboration with the MPRB and dedicated specific allocations to functions carried out by the MPRB. In 2016, the Mayor, City Council, the Park Board reached an agreement to fund the infrastructure and operations of our neighborhood parks and streets for the next 20 years, transparently and equitably.

More information regarding the Minneapolis Park and Recreation Board (MPRB) 2021 Annual Budget, and the Board's published budget book can be found at www.minneapolisparcs.org.

MINNEAPOLIS PARK & RECREATION BOARD
EXPENSE AND REVENUE INFORMATION

EXPENSE	2018 Actual	2019 Actual	2020 Adopted	2021 Council Adopted	Percent Change	Change
SPECIAL REVENUE FUND						
SALARIES AND WAGES	39,734,917	41,643,257	45,261,000	44,237,000	-2.3 %	(1,024,000)
FRINGES	15,356,934	15,934,732	17,282,000	17,491,000	1.2 %	209,000
CONTRACTUAL SERVICES	14,879,512	17,530,149	18,698,000	16,543,000	-11.5 %	(2,155,000)
OPERATING COSTS	17,809,666	19,176,863	20,270,000	21,228,000	4.7 %	958,000
CAPITAL	198,675	272,455	3,597,000	3,497,000	-2.8 %	(100,000)
TRANSFERS	5,945,799	8,036,488	1,527,000	1,527,000	0.0 %	—
TOTAL SPECIAL REVENUE	93,925,503	102,593,944	106,635,000	104,523,000	-2.0 %	(2,112,000)
CAPITAL PROJECTS FUND						
SALARIES AND WAGES	26,037	7,366	728,000	746,000	2.5 %	18,000
FRINGES	4,230	2,930	211,000	220,000	4.3 %	9,000
CONTRACTUAL SERVICES	7,270,914	5,341,168	1,294,000	709,000	-45.2 %	(585,000)
OPERATING COSTS	313,714	74,948	—	500,000	0.0 %	500,000
CAPITAL EQUIPMENT	10,620,939	12,426,123	20,125,000	23,907,000	18.8 %	3,782,000
TRANSFERS	130,000	130,000	—	—	0.0 %	—
TOTAL CAPITAL PROJECTS	18,365,834	17,982,535	22,358,000	26,082,000	16.7 %	3,724,000
INTERNAL SERVICE FUND						
SALARIES AND WAGES	2,060,876	2,138,103	2,374,000	2,181,000	-8.1 %	(193,000)
FRINGES	1,853,513	1,718,278	2,637,000	2,324,000	-11.9 %	(313,000)
CONTRACTUAL SERVICES	1,294,223	1,075,983	1,089,000	1,035,000	-5.0 %	(54,000)
OPERATING COSTS	1,583,333	1,744,015	1,708,000	1,702,000	0.0 %	(6,000)
CAPITAL EQUIPMENT	2,287,997	3,390,251	3,284,000	3,191,000	-2.8 %	(93,000)
TOTAL INTERNAL SERVICE	9,079,942	10,066,630	11,092,000	10,433,000	-5.9 %	(659,000)
ENTERPRISE FUND						
SALARIES AND WAGES	3,818,945	4,020,257	4,179,000	4,405,000	5.4 %	226,000
FRINGES	1,326,483	1,473,860	1,449,000	1,505,000	3.9 %	56,000
CONTRACTUAL SERVICES	3,249,052	3,198,615	3,692,000	4,216,000	14.2 %	524,000
OPERATING COSTS	1,298,485	1,174,966	1,470,000	1,512,000	0.0 %	42,000
CAPITAL EQUIPMENT	119,750	564,144	2,320,000	2,007,000	-13.5 %	(313,000)
TRANSFERS	765,050	705,050	0	40,000	0.0 %	40,000
TOTAL ENTERPRISE	10,577,765	11,136,892	13,110,000	13,685,000	4.4 %	575,000
TOTAL EXPENSE	131,949,044	141,780,001	153,195,000	154,723,000	1.0 %	1,528,000

REVENUE	2018 Actual	2019 Actual	2020 Adopted	2021 Council Adopted	Percent Change	Change
SPECIAL REVENUE FUND						
CHARGES FOR SALES	19,382	4,902	5,000	5,000	0.0 %	—
CHARGES FOR SERVICES	6,985,122	8,033,369	8,714,000	5,318,000	-39.0 %	(3,396,000)
CONTRIBUTIONS	3,068,502	328,120	108,000	139,000	28.7 %	31,000
FEDERAL GOVERNMENT GRANTS	25,075	28,463	—	25,000	0.0 %	25,000
FINES AND FORFEITS	319,114	290,932	316,000	316,000	0.0 %	—
INTEREST REVENUE	261,434	795,581	—	—	0.0 %	—
LOCAL GRANTS & AIDS	2,919,598	1,666,394	1,327,000	1,533,000	15.5 %	206,000
MISCELLANEOUS	318,291	84,078	24,000	24,000	0.0 %	—
PERMITS	238,278	176,413	294,000	294,000	0.0 %	—
OTHER TAXES	4,056	5,779	221,000	221,000	0.0 %	—
PROPERTY TAXES	74,622,503	79,203,612	83,499,000	85,446,000	2.3 %	1,947,000
RENTS	1,483,739	1,580,901	1,151,000	1,225,000	6.4 %	74,000
STATE GRANTS & AIDS	9,539,249	9,541,726	9,649,000	9,898,000	2.6 %	249,000
TRANSFERS	25,000	—	—	40,000	0.0 %	40,000
USE OF FUND BALANCE	—	—	49,000	—	-100.0 %	(49,000)
TOTAL SPECIAL REVENUE	99,829,343	101,740,270	105,357,000	104,484,000	-0.8 %	(873,000)
CAPITAL PROJECTS FUND						
BOND SALES	—	—	6,800,000	10,500,000	54.4 %	3,700,000
CONTRIBUTIONS	120,912	414,990	—	—	0.0 %	—
FEDERAL GOVERNMENT GRANTS	—	36,749	—	—	0.0 %	—
INTEREST REVENUE	(5,782)	(46,713)	—	—	0.0 %	—
LOCAL GRANTS & AIDS	10,777,480	4,903,458	4,850,000	2,452,000	-49.4 %	(2,398,000)
LOCAL SALES TAXES	—	—	—	—	0.0 %	—
MISCELLANEOUS	442,986	85,384	1,760,000	2,180,000	23.9 %	420,000
SPECIAL ASSESSMENTS	190,104	100,515	300,000	300,000	0.0 %	—
STATE GRANTS & AIDS	1,557,880	257,622	5,482,000	5,024,000	-8.4 %	(458,000)
TRANSFERS	13,924,501	16,808,854	2,226,000	5,626,000	152.7 %	3,400,000
TOTAL CAPITAL PROJECTS	27,008,081	22,560,859	21,418,000	26,082,000	21.8 %	4,664,000
INTERNAL SERVICE FUND						
CHARGES FOR SALES	198,328	343,861	200,000	200,000	0.0 %	—
CHARGES FOR SERVICES	2,012,764	2,288,893	2,370,000	2,262,000	-4.6 %	(108,000)
MISCELLANEOUS	2,310,436	2,533,514	2,150,000	1,935,000	-10.0 %	(215,000)
RENTS	5,593,856	5,760,387	6,101,000	5,381,000	-11.8 %	(720,000)
TRANSFERS	270,050	270,050	—	—	0.0 %	—
USE OF FUND BALANCE	—	—	546,000	—	-100.0 %	(546,000)
TOTAL INTERNAL SERVICE	10,385,434	11,196,705	11,367,000	9,778,000	-14.0 %	(1,589,000)
ENTERPRISE FUND						
CHARGES FOR SERVICES	8,218,094	6,829,881	10,558,000	8,771,000	-16.9 %	(1,787,000)
MISCELLANEOUS	15,140	9,382	10,000	10,000	0.0 %	—
PERMITS	14,670	14,250	—	—	0.0 %	—
RENTS	2,728,543	2,446,360	2,241,000	1,978,000	-11.7 %	(263,000)
USE OF FUND BALANCE	—	—	(445,000)	—	-100.0 %	445,000
TOTAL ENTERPRISE	10,976,447	9,299,873	12,364,000	10,759,000	-13.0 %	(1,605,000)
TOTAL REVENUE	148,199,305	144,797,707	150,506,000	151,103,000	0.4 %	597,000