

**City of Minneapolis
2019 Budget**

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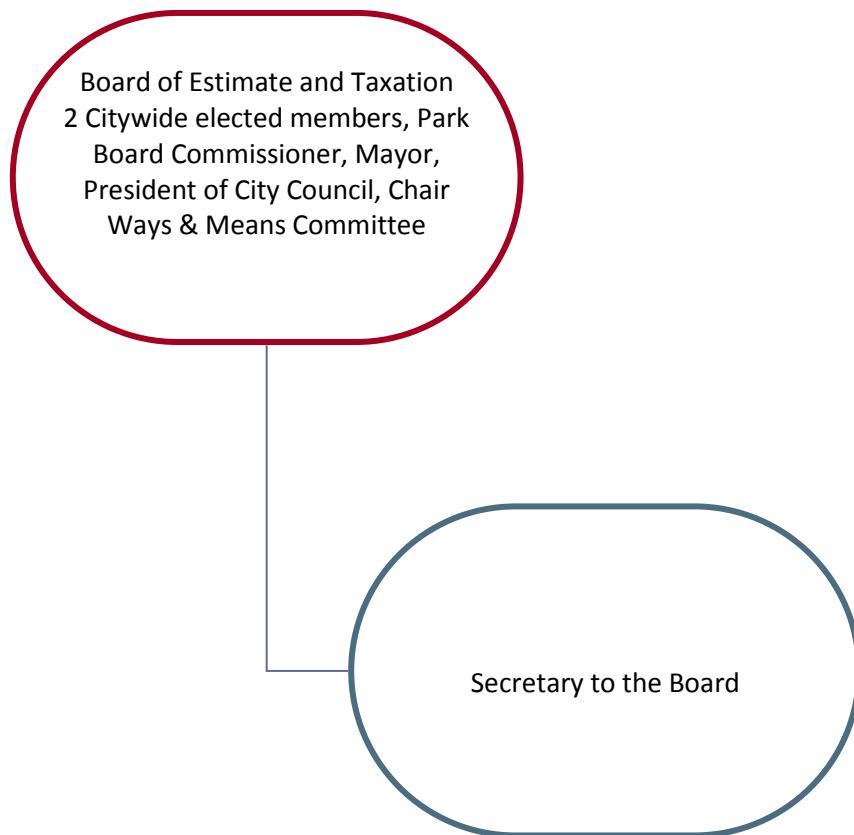
Board of Estimate and Taxation

Mission

The mission of the Board of Estimate & Taxation (“BET”) is to obtain citizen input relating to setting the maximum tax levies of the City for compliance with the City Charter and The Truth In Taxation State Statute. The Board, after receiving recommendations from the [Mayor](#), [City Council](#), Minneapolis Park Board, and the Public, 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. The Board, on an affirmative vote of at least 4 members, authorizes the City to issue General Obligation Bonds of the City of Minneapolis which are used to support the City’s Capital Infrastructure Program - the exception is for Tax Increment Bonds which are issued by the City Council.

Upon request by the City Council and the Park and Recreation Board, BET may vote to authorize the City to incur indebtedness by issuing and selling bonds, and by doing so, pledges full faith and credit of the City for payment of principal and interest. BET establishes the maximum property tax levies for funds of the City under the State’s Truth-in-Taxation requirements and the City Charter.

ORGANIZATION CHART



Financial Analysis

Expenditure

The 2019 expense budget for BET is \$0.3 million, a 27.7% increase from 2018. The increase is due to additional personnel costs attributed to successional planning of the planned retirement BET's sole FTE.

Revenue

The revenue budget is \$0.3 million, an increase of 27.8% from the 2018 adopted budget. The Board receives all of its revenue from property tax. Additional revenues are to cover the personnel costs described above.

Mayor's Recommended Budget

The mayor made no changes to the Board's proposed budget.

Adopted Budget

The Board approved the Mayor's recommendation.

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

EXPENSE	2016 Actual	2017 Actual	2018 Adopted	2019 Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	158,000	161,000	154,000	206,000	33.8%	52,000
FRINGE BENEFITS	23,000	24,000	37,000	48,000	29.7%	11,000
CONTRACTUAL SERVICES	17,000	18,000	18,000	17,000	-5.6%	-1,000
OPERATING COSTS	9,000	8,000	11,000	10,000	-9.1%	-1,000
TOTAL SPECIAL REVENUE	207,000	211,000	220,000	281,000	27.7%	61,000

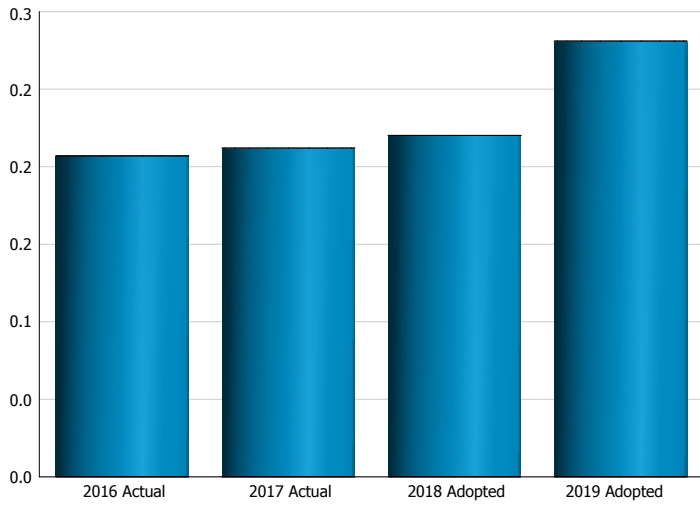
TOTAL EXPENSE	207,000	211,000	220,000	281,000	27.7%	61,000
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REVENUE	2016 Actual	2017 Actual	2018 Adopted	2019 Adopted	Percent Change	Change
SPECIAL REVENUE						
PROPERTY TAXES	170,000	177,000	190,000	210,000	10.5%	20,000
SALES AND OTHER TAXES	0	0	0	0	0.0%	0
STATE GOVERNMENT	0	0	0	0	0.0%	0
USE OF FUND BALANCE	0	0	26,000	66,000	153.8%	40,000
SPECIAL REVENUE	170,000	177,000	216,000	276,000	27.8%	60,000

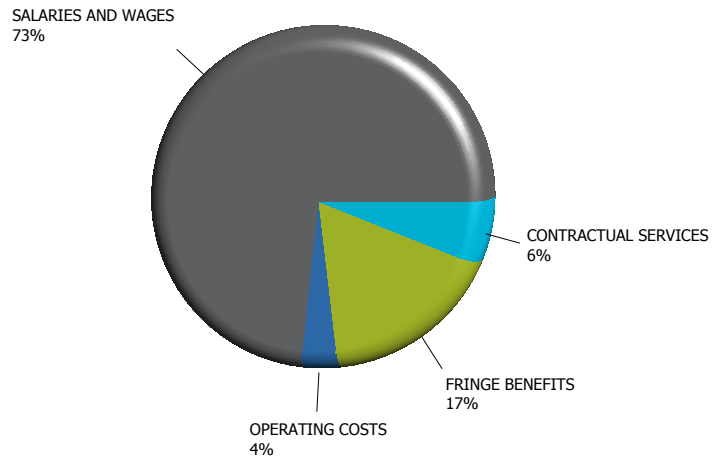
TOTAL REVENUE	170,000	177,000	216,000	276,000	27.8%	60,000
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**BOARD OF ESTIMATE & TAXATION
EXPENSE AND REVENUE INFORMATION**

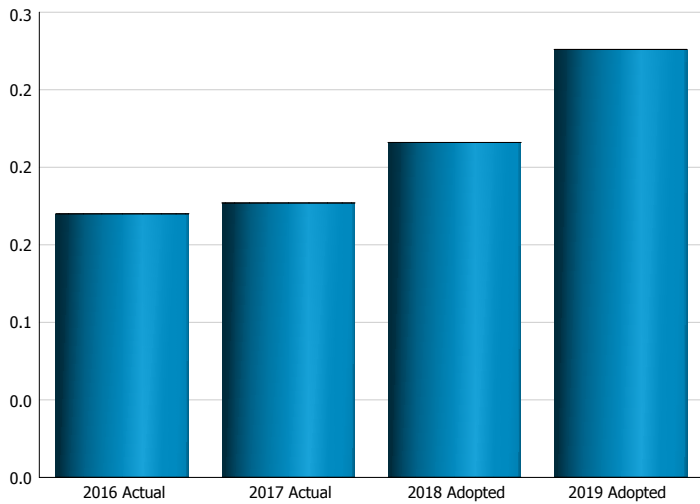
Expense 2016 - 2019
In Millions



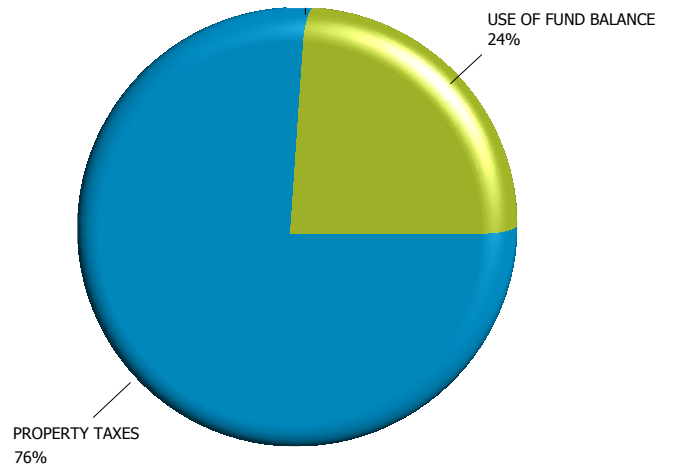
Expense by Category



Revenue 2016 - 2019
In Millions



Revenue by Type

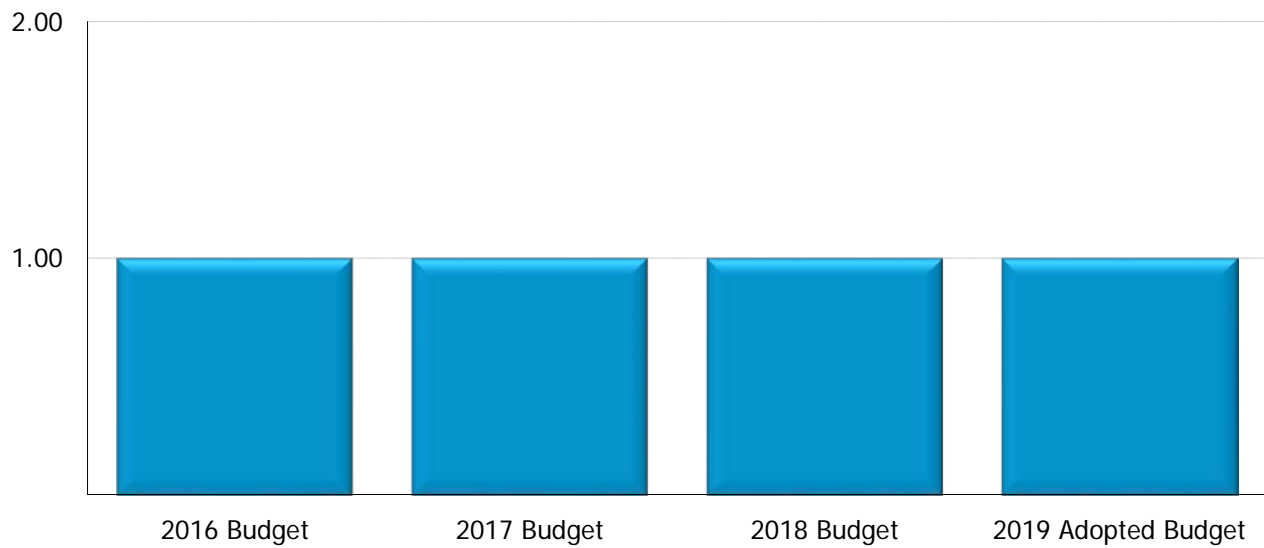


BOARD OF ESTIMATE AND TAXATION

Staffing Information

Division	2016 Budget	2017 Budget	2018 Budget	2019 Adopted Budget	% Change	Change
BOARD STAFF & ADMIN	1.00	1.00	1.00	1.00	0.0%	0
Overall	1.00	1.00	1.00	1.00	0.0%	0

Positions 2016-2019



MUNICIPAL BUILDING COMMISSION

MISSION

The Municipal Building Commission (MBC) was created by State statute in 1904 and given 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 the 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

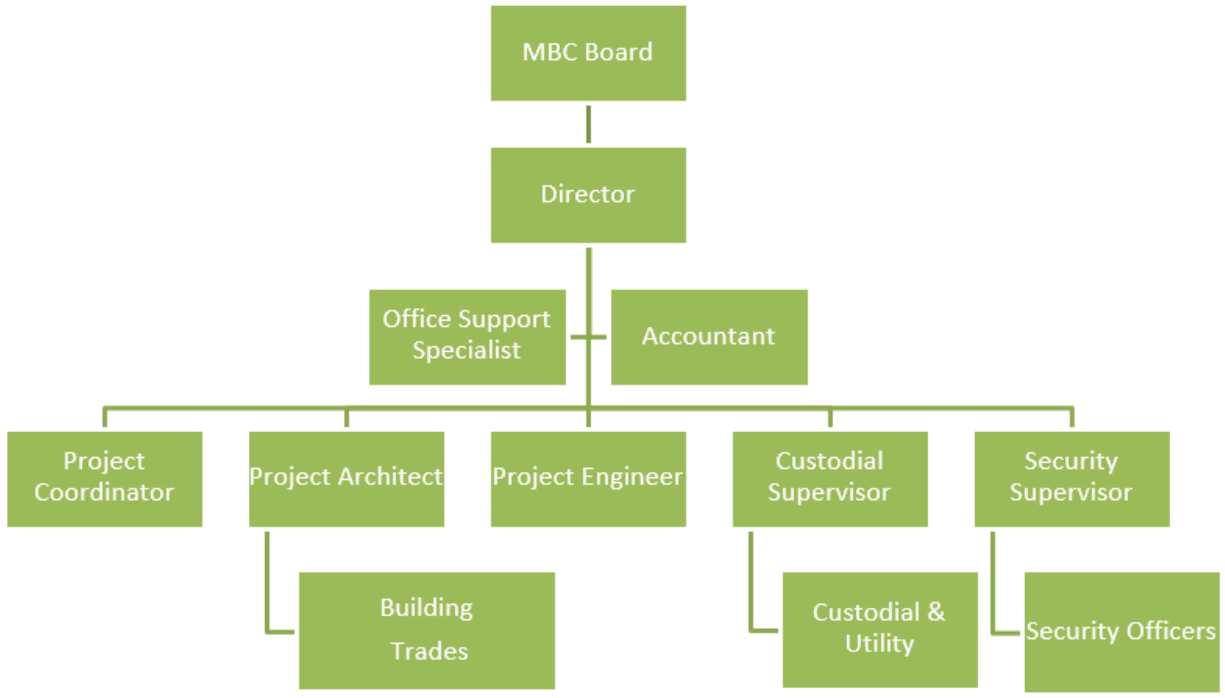
The revenue budget for MBC in 2018 was \$9.8 million, approximately 40% funded by Hennepin County and approximately 60% funded by City property tax levy and state Local Government Aid (LGA).

2019 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.

ORGANIZATION CHART



Financial Analysis

Expense

Municipal Building Commission’s 2019 budget of \$9.7 million is a 1.1% decrease over the 2018 budget of \$9.8 million. Personnel costs, and other operating expenses represent 61% and 39% of the expenditure budget, respectively.

Revenue

The revenue budget for MBC is \$9.7 million, a 1.1% decrease from 2018. The board will receive nearly all of its revenues from charges for services.

Adopted Budget

The 2019 budget includes a transfer of \$200,000 from City’s General Fund resources to MBC Capital for repair of City Hall elevators.

**MUNICIPAL BUILDING COMMISSION
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2016 Actual	2017 Actual	2018 Adopted	2019 Adopted	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	2,515,000	2,740,000	3,795,000	3,895,000	2.6%	100,000
FRINGE BENEFITS	1,047,000	1,107,000	1,545,000	1,988,000	28.7%	443,000
CONTRACTUAL SERVICES	3,297,000	3,964,000	3,873,000	3,139,000	-19.0%	-734,000
OPERATING COSTS	791,000	979,000	588,000	670,000	13.9%	82,000
CAPITAL	5,000	0	26,000	26,000	0.0%	0
TRANSFERS	125,000	225,000	0	0		0
TOTAL SPECIAL REVENUE	7,780,000	9,015,000	9,827,000	9,718,000	-1.1%	-109,000

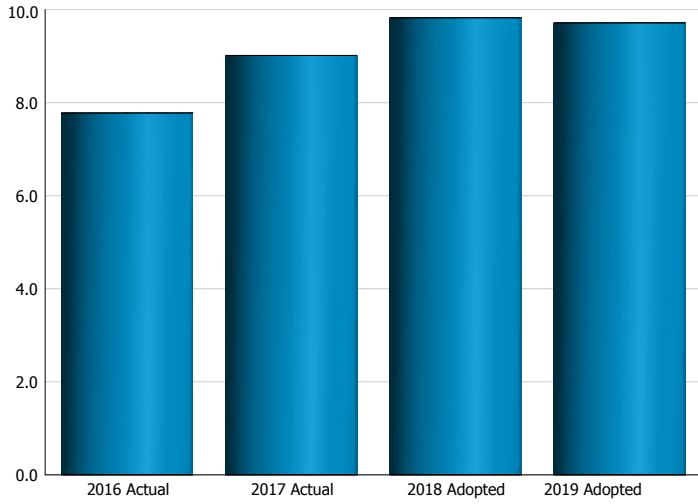
TOTAL EXPENSE	7,780,000	9,015,000	9,827,000	9,718,000	-1.1%	-109,000
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REVENUE	2016 Actual	2017 Actual	2018 Adopted	2019 Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SALES	0	3,000	0	0	0.0%	0
CHARGES FOR SERVICES	7,971,000	8,609,000	9,588,000	9,479,000	-1.2%	-111,000
CONTRIBUTIONS	0	0	0	0	0.0%	0
FEDERAL GOVERNMENT	0	80,000	0	0	0.0%	0
OTHER MISC REVENUES	4,000	0	0	0	0.0%	0
RENTS	77,000	73,000	0	0	0.0%	0
STATE GOVERNMENT	234,000	235,000	239,000	239,000	0.0%	0
SPECIAL REVENUE	8,286,000	9,000,000	9,827,000	9,718,000	-1.1%	-111,000

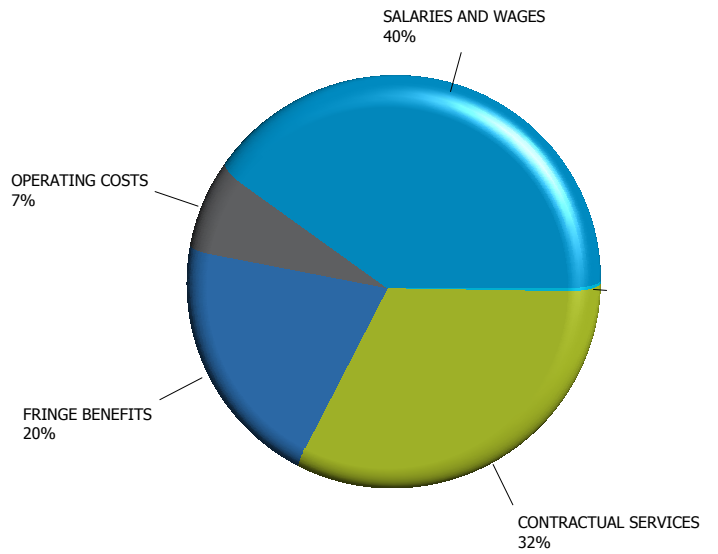
TOTAL REVENUE	8,286,000	9,000,000	9,827,000	9,718,000	-1.1%	-111,000
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MUNICIPAL BUILDING COMMISSION EXPENSE AND REVENUE INFORMATION

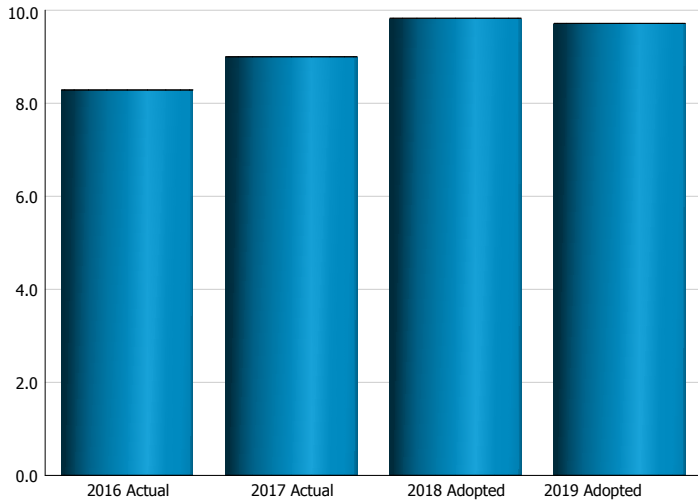
Expense 2016 - 2019
In Millions



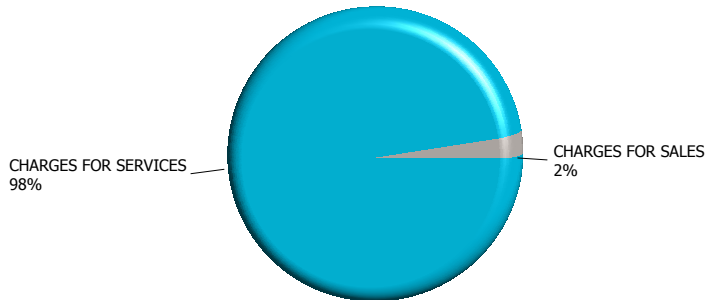
Expense by Category



Revenue 2016 - 2019
In Millions



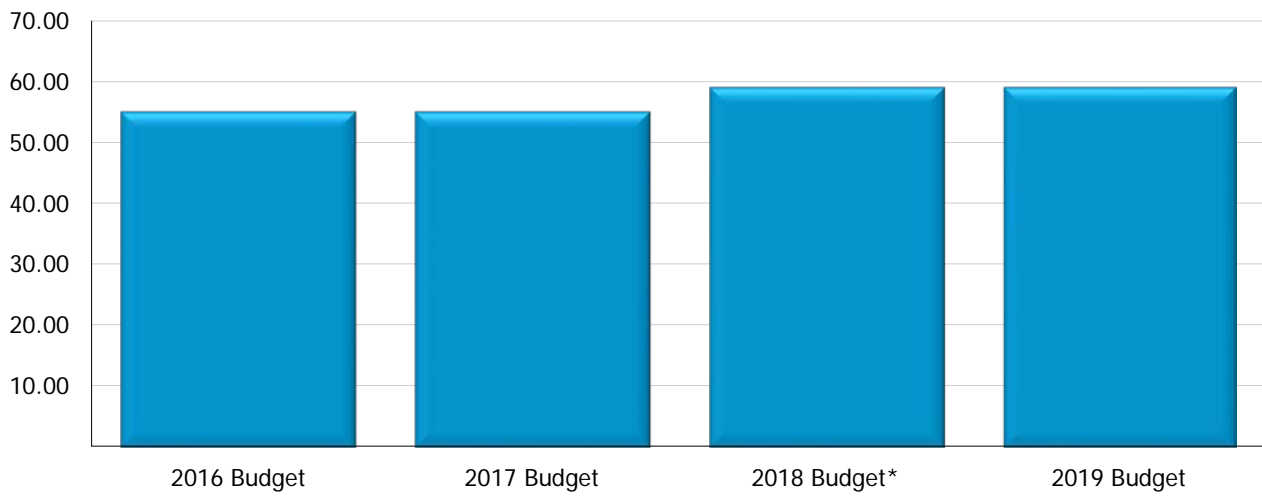
Revenue by Type



MUNICIPAL BUILDING COMMISSION Staffing Information

Division	2016 Budget	2017 Budget	2018 Budget*	2019 Budget	% Change	Change
ADMINISTRATION	6.00	6.00	6.00	6.00	0.0%	0
ADULT DETENTION CENTER	2.00	2.00	2.00	2.00	0.0%	0
CUSTODIAL AND SECURITY	29.00	29.00	33.00	33.00	0.0%	0
MBC - WORK FOR OTHERS	3.00	3.00	3.00	3.00	0.0%	0
REPAIRS AND IMPROVEMENTS	15.00	15.00	15.00	15.00	0.0%	0
Overall	55.00	55.00	59.00	59.00	0.0%	0

Positions 2016-2019



* 2018 FTE counts may differ from 2018 adopted budget due to mid year adjustments, including funding and organizational changes.

MINNEAPOLIS PARK AND RECREATION BOARD (MPRB)

MISSION

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

The MPRB is an independently elected, semi-autonomous body responsible for governing, maintaining and developing the Minneapolis park system. The 6,809-acre system consists of local and regional parks, recreation centers, playgrounds, golf courses, gardens, biking and walking paths, nature sanctuaries, lakes and a 55-mile Grand Rounds National Scenic Byway. The Park System annually serves approximately 23 million visitors. The nine-member Board of Commissioners is responsible for providing policy direction, and setting the budget and levies for the organization.

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

2019 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) 2019 Annual Budget, and the Board's published budget book can be found at www.minneapolisparcs.org.

Financial Analysis

Expense

The Board's 2019 expense budget is \$123.6 million, a 4.9% increase over 2018. Special Revenue funded activities accounts for most of this increase (\$4.4 million) with the remainder found in enterprise and internal service charges.

Revenue

The Board's 2019 revenue budget is \$123.6 million, a 4.9% increase over 2018. Special revenues increase by \$4.4 million and account for approximately 82% of the MPRB revenues with internal service and enterprise fees accounting for 8% and 10% respectively

Board Adopted Budget

Included in the 2019 Board adopted budget is a levy increase for the MPRB that is \$1,050,000 beyond the \$2.5M increase previously planned for in the City's five-year financial direction. Of the \$1,050,000, the intention is to use to use \$800,000 to maintain current service levels, and \$250,000 for the full-service community park/school campus program.

**PARK BOARD
EXPENSE AND REVENUE INFORMATION**

EXPENSE	2016 Actual	2017 Actual	2018 Adopted	2019 Adopted	Percent Change	Change
CAPITAL PROJECT						
SALARIES AND WAGES		145,000				
FRINGE BENEFITS		48,000				
CONTRACTUAL SERVICES		303,000				
OPERATING COSTS		358,000				
CAPITAL		437,000				
TOTAL CAPITAL PROJECT		1,291,000				
INTERNAL SERVICE						
SALARIES AND WAGES	1,675,000	1,953,000	2,151,000	2,265,000	5.3%	114,000
FRINGE BENEFITS	2,622,000	2,713,000	2,711,000	2,756,000	1.7%	45,000
CONTRACTUAL SERVICES	856,000	2,262,000	968,000	990,000	2.3%	22,000
OPERATING COSTS	1,222,000	1,385,000	1,465,000	1,649,000	12.6%	184,000
CAPITAL	1,139,000	1,584,000	2,647,000	2,891,000	9.2%	244,000
TOTAL INTERNAL SERVICE	7,514,000	9,897,000	9,942,000	10,551,000	6.1%	609,000
ENTERPRISE						
SALARIES AND WAGES	3,587,000	3,334,000	3,656,000	4,111,000	12.4%	455,000
FRINGE BENEFITS	1,311,000	1,214,000	1,231,000	1,412,000	14.7%	181,000
CONTRACTUAL SERVICES	3,621,000	3,881,000	3,510,000	3,517,000	0.2%	7,000
OPERATING COSTS	1,317,000	1,285,000	1,577,000	1,541,000	-2.3%	-36,000
CAPITAL	255,000	1,632,000	1,236,000	1,356,000	9.7%	120,000
TRANSFERS	165,000	365,000	25,000		-100.0%	-25,000
TOTAL ENTERPRISE	10,256,000	11,711,000	11,235,000	11,937,000	6.2%	702,000
SPECIAL REVENUE						
SALARIES AND WAGES	34,602,000	38,419,000	40,366,000	42,608,000	5.6%	2,242,000
FRINGE BENEFITS	13,376,000	14,335,000	16,114,000	16,693,000	3.6%	579,000
CONTRACTUAL SERVICES	17,047,000	18,366,000	17,054,000	17,657,000	3.5%	603,000
OPERATING COSTS	16,256,000	17,907,000	17,975,000	19,115,000	6.3%	1,140,000
CAPITAL	923,000	1,198,000	3,611,000	3,350,000	-7.2%	-261,000
DEBT SERVICE				137,000		137,000
TRANSFERS	4,822,000	3,841,000	1,527,000	1,527,000	0.0%	
TOTAL SPECIAL REVENUE	87,026,000	94,066,000	96,647,000	101,087,000	4.6%	4,440,000
TOTAL EXPENSE	104,796,000	116,965,000	117,824,000	123,575,000	4.9%	5,751,000

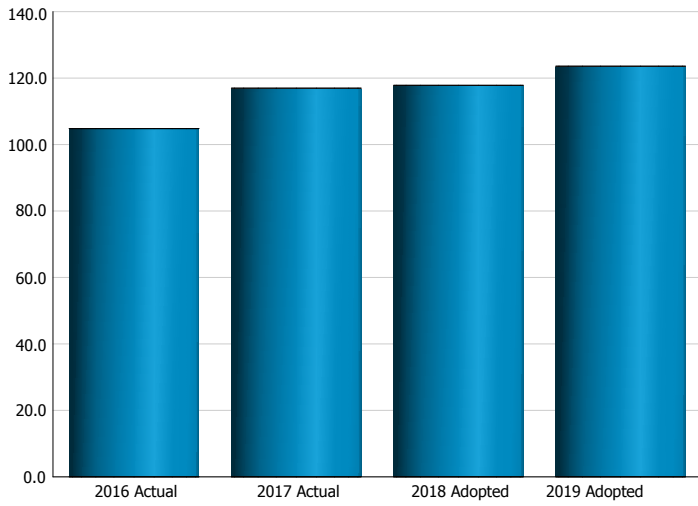
REVENUE	2016 Actual	2017 Actual	2018 Adopted	2019 Adopted	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SALES	15,000	35,000		5,000	0.0%	5,000
CHARGES FOR SERVICES	12,244,000	6,444,000	8,591,000	8,663,000	0.8%	67,000
CONTRIBUTIONS	234,000	289,000	136,000	122,000	-10.3 %	-14,000
FEDERAL GOVERNMENT	258,000	46,000				
FINES AND FORFEITS	303,000	270,000	352,000	352,000		
INTEREST						

**PARK BOARD
EXPENSE AND REVENUE INFORMATION**

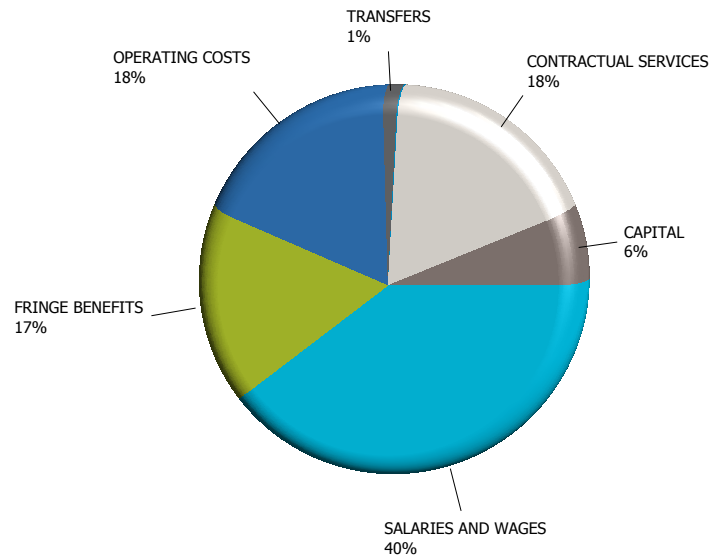
REVENUE	2016 Actual	2017 Actual	2018 Adopted	2019 Adopted	Percent Change	Change
LICENSE AND PERMITS	183,000	192,000	294,000	294,000		
LOCAL GOVERNMENT	2,984,000	2,886,000	1,366,000	1,366,000		
OTHER MISC REVENUES	129,000	4,238,000	16,000	16,000		
PROPERTY TAXES	65,846,000	71,464,000	74,358,000	78,748,000	5.9%	4,391,000
RENTS	1,377,000	1,776,000	1,077,000	1,103,000	2.8%	30,000
SALES AND OTHER TAXES	-5,000	3,000	300,000	300,000		
SPECIAL ASSESSMENTS	-1,000					
STATE GOVERNMENT	10,087,000	9,400,000	10,088,000	10,098,000	0.1%	9,000
TRANSFERS IN	26,000	25,000	25,000		-100.0%	-25,000
USE OF FUND BALANCE			43,000	20,000	-53.5%	-23,000
SPECIAL REVENUE	93,680,000	97,068,000	96,646,000	101,087,000	4.6%	4,440,000
CAPITAL PROJECT						
TRANSFERS IN		1,204,000				
CAPITAL PROJECT		1,204,000				
INTERNAL SERVICE						
CHARGES FOR SALES	124,000	86,000	33,000	33,000		
CHARGES FOR SERVICES	1,718,000	1,790,000	2,013,000	2,289,000	13.8%	277,000
OTHER MISC REVENUES	2,446,000	2,410,000	2,176,000	2,173,000	-0.1%	-3,000
RENTS	4,996,000	5,661,000	5,594,000	5,763,000	3.0%	170,000
TRANSFERS IN	270,000	270,000			0.0%	
USE OF FUND BALANCE			125,000	293,000	134.4%	168,000
INTERNAL SERVICE	9,554,000	10,217,000	9,941,000	10,551,000	6.2%	612,000
ENTERPRISE						
CHARGES FOR SALES						
CHARGES FOR SERVICES	8,186,000	7,982,000	9,770,000	10,378,000	6.2%	607,000
CONTRIBUTIONS	2,000					
FEDERAL GOVERNMENT		567,000				
LICENSE AND PERMITS	13,000	16,000				
LONG TERM LIABILITIES PROCEEDS		1,000				
OTHER MISC REVENUES	16,000	16,000	16,000	16,000		
RENTS	2,455,000	2,378,000	2,211,000	2,226,000	0.7%	15,000
TRANSFERS IN	42,000					
USE OF FUND BALANCE			-761,000	-682,000	-10.4%	79,000
ENTERPRISE	10,714,000	10,960,000	11,236,000	11,938,000	6.2%	701,000
TOTAL REVENUE	113,948,000	119,449,000	117,823,000	123,576,000	4.9%	5,753,000

PARK BOARD EXPENSE AND REVENUE INFORMATION

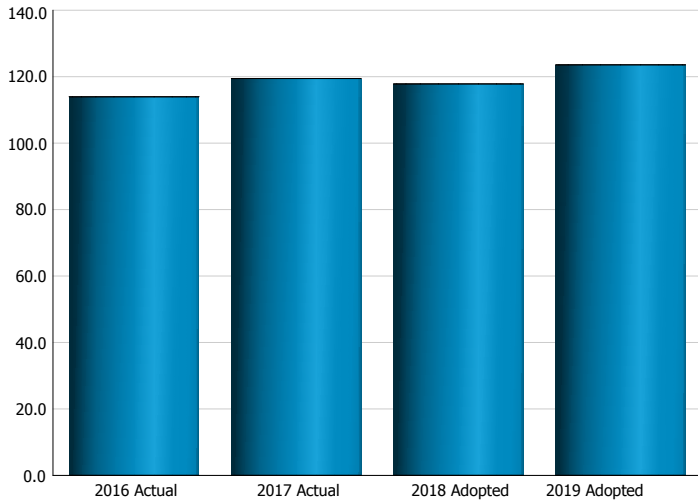
Expense 2016 - 2019
In Millions



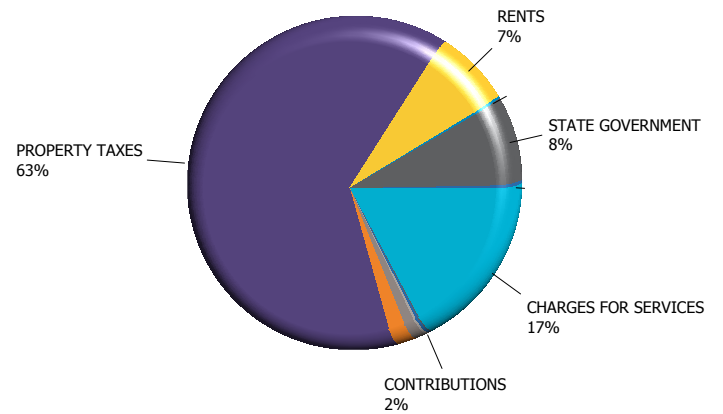
Expense by Category



Revenue 2016 - 2019
In Millions



Revenue by Type



PARK BOARD Staffing Information

Division	2016 Budget	2017 Budget	2018 Budget	2019 Budget	% Change	Change
Park Board	859.26	924.36	956.91	956.91	0.0%	0
Overall	859.26	924.36	956.91	956.91	0.0%	0

Positions 2016-2019

