Resolution 2021-252

Resolution Requesting the Board of Estimate and Taxation Set the Maximum Property Tax Levy for the 2022 Budget at an Estimated Amount of $75,777,000, an Increase of 7.75 Percent

Whereas, The Minneapolis Park and Recreation Board (MPRB) is the steward of the Minneapolis Park System;

Whereas, The Board of Estimate and Taxation sets the maximum amount of the MPRB property tax levy;

Whereas, The MPRB may adopt its annual property tax levy at an amount equal to or less than the maximum amount set by the Board of Estimate and Taxation;

Whereas, The MPRB shall maintain a Park and Recreation Levy for the general fund operations of the MPRB;

Whereas, The MPRB has determined the annual property tax levy amount that maintains services in the Park & Recreation General Fund is estimated at $73,139,000;

Whereas, The MPRB has further identified the need for enhanced investment in youth in the amount of $2,638,000;

Whereas, The MPRB maintained a Tree Preservation and Reforestation Levy to preserve and protect the urban tree canopy which will include the removal and replacement of ash trees and replanting of trees lost during storms from 2014 through 2021;

Whereas, The Tree Preservation and Reforestation levy was planned to end in 2021, and no property tax will be levied in 2022; and

Whereas, This resolution is supported by the MPRB 2007-2020 Comprehensive Plan, which envisions “Dynamic parks shape city character and meet diverse community needs;”

RESOLVED, That the Minneapolis Park and Recreation Board of Commissioners request the Board of Estimate and Taxation to set the maximum property tax levy for the 2022 budget at an estimated amount of $75,777,000, an increase of 7.75 percent to be allocated to the Park and Recreation Levy; and

RESOLVED, That the President of the Board and Secretary to the Board are authorized to take all necessary administrative actions to implement this resolution.
TO: Administration & Finance Committee

FROM: Julia Wiseman, Director Finance

DATE: July 21, 2021

SUBJECT: Resolution Requesting the Board of Estimate and Taxation Set the Maximum Property Tax Levy for the 2022 Budget at an Estimated Amount of $75,777,000, an Increase of 7.75 Percent

BACKGROUND

Through this action, the Minneapolis Park and Recreation Board (MPRB) requests the Board of Estimate and Taxation (BET) to set the 2022 maximum property tax levy for the MPRB at $75,777,000 a 7.75 percent increase from the 2021 certified tax levy. The 7.75 percent increase will fund $4,228,000 to maintain service levels in the General Fund, $2,638,000 to invest in youth in Minneapolis and eliminate the Tree Preservation and Reforestation Levy, a reduction of $1,415,000. The Tree Preservation and Reforestation Levy’s final year was 2021 and will not have a property tax levy in 2022.

As required by State Law, the BET sets the maximum tax levy for the City of Minneapolis, Minneapolis Park and Recreation Board, Municipal Building Commission and the Public Housing Authority on an annual basis. The BET is scheduled to set these maximum property tax levies on September 29, 2021. By this resolution the BET will be provided direction regarding the setting of the maximum property tax levy for the MPRB.

If approved, the Superintendent will present a balanced 2022 recommended budget based on a 7.75 percent property tax levy increase, including additional youth investments of $2,638,000.

The consolidated MPRB maximum property tax levy request is shown below.

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2022</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Park and Recreation Levy</td>
<td>68,911,000</td>
<td>75,777,000</td>
<td>9.96%</td>
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<tr>
<td>Tree Preservation and Reforestation Levy</td>
<td>1,415,000</td>
<td>0</td>
<td>-100.00%</td>
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<tr>
<td>Park Board Certified Levy</td>
<td>70,326,000</td>
<td>75,777,000</td>
<td>7.75%</td>
</tr>
</tbody>
</table>

The Superintendent will present the Superintendent’s Recommended 2022 Budget on October 20, 2021. The Board will consider the Superintendent’s Recommended 2022 Budget and adopt the 2022 tax levy and 2022 Budget on December 8, 2021.
RECOMMENDATION

The Superintendent recommends that the Board of Commissioners approve the request to the Board of Estimate and Taxation to set the maximum property tax levy for the 2022 budget at an estimated amount of $75,777,000, an increase of 7.75 percent.

This action is supported by the following vision and goal statements in the MPRB 2007-2020 Comprehensive Plan.

Vision Theme 3: Dynamic parks that shape city character and meet diverse community needs.

Goal: Financially independent and sustainable parks prosper.

HISTORY:
07/07/21 Administration & Finance Committee ADOPTED

Prepared By: Paul Rosen, Manager, Budget and Analysis, Finance Review:
Julia Wiseman Completed 06/24/2021 1:57 PM
Jennifer Ringold Completed 06/24/2021 4:28 PM
Jennifer Ringold Completed 06/24/2021 4:29 PM
Al Bangoura Completed 06/27/2021 8:11 PM
Administration & Finance Committee Completed 07/07/2021 5:50 PM
Minneapolis Park and Recreation Board Pending 07/21/2021 5:00 PM