



TO: Administration & Finance Committee

FROM: Julia Wiseman, Director Finance

DATE: December 7, 2016

SUBJECT: Resolution to Set the 2017 Tax Levy for the Minneapolis Park and Recreation Board

BACKGROUND

The Minneapolis Park and Recreation Board approves an annual property tax levy amount upon all the taxable property of the City of Minneapolis. The annual property tax levy amount cannot exceed the maximum limit set by the Board of Estimate and Taxation. On September 7, 2016 the Board requested the Board of Estimate and Taxation set the maximum property tax levy for the 2017 budget at \$61,374,450, a 13.0 percent increase from 2016. On September 21, 2016, the Board of Estimate and Taxation set the maximum property tax levy increase for the Minneapolis Park and Recreation Board at \$59,745,000, which includes \$3 million of 20 Year Neighborhood Park Plan (NPP20) funding. The Superintendent's Recommended 2017 Budget includes the property tax levy amount of \$59,745,000, with \$58,013,000 allocated to the Park & Recreation levy, a 10.3 percent increase from last year, and \$1,732,000 allocated to the Tree Preservation & Reforestation levy, the same as 2016, for a total property tax levy increase of 10.0 percent.

	2016	2017	% Inc
Park and Recreation Levy	\$52,583,000	\$55,013,000	4.62%
Park and Recreation Levy NPP20		3,000,000	
Tree Preservation and Reforestation Levy	1,732,000	1,732,000	0.00%
Park Board Certified Tax Levy	\$54,315,000	\$59,745,000	10.0%

NPP20

On April 29, 2016 the Minneapolis City Council approved an Ordinance and 20 year financial plan to provide funding for neighborhood parks. The Minneapolis Park and Recreation Board passed a concurrent ordinance specific for the 20 year financial plan to provide funding for neighborhood parks on May 18, 2016. As a part of these ordinances the City and Park Board agreed that the Park and Recreation Tax Levy would be increased by \$3 million in 2017, and it is expected that the City and MPRB members on the BOE would vote affirmatively for this increase. It is the intent of the City and Park Board that this increase, which equates to approximately 1% of all City tax levies for 2016, will remain in effect for the duration of the plan and shall be used to increase funding for general maintenance operations of the Neighborhood



Park System and not to supplant other maintenance operations funding for the Neighborhood Park System.

RECOMMENDATION

Staff recommends that the Board adopt and certify a Park & Recreation property tax levy amount of \$58,013,000 and a Tree Preservation & Reforestation property tax levy amount of \$1,732,000.

This action is aligned with and supports the Board approved MPRB 2007-2020 Comprehensive Plan and the 2014-2018 Strategic Direction and Implementation Plan.

Prepared By: Paul Rosen, Senior Financial Analyst, Finance

Review:

Julia Wiseman Completed 11/09/2016 2:58 PM

Jennifer Ringold Completed 11/12/2016 10:27 AM

Jayne Miller Completed 11/17/2016 3:12 PM

Administration & Finance Committee Pending 11/30/2016 5:10 PM

Minneapolis Park and Recreation Board Pending 12/07/2016 5:15 PM