

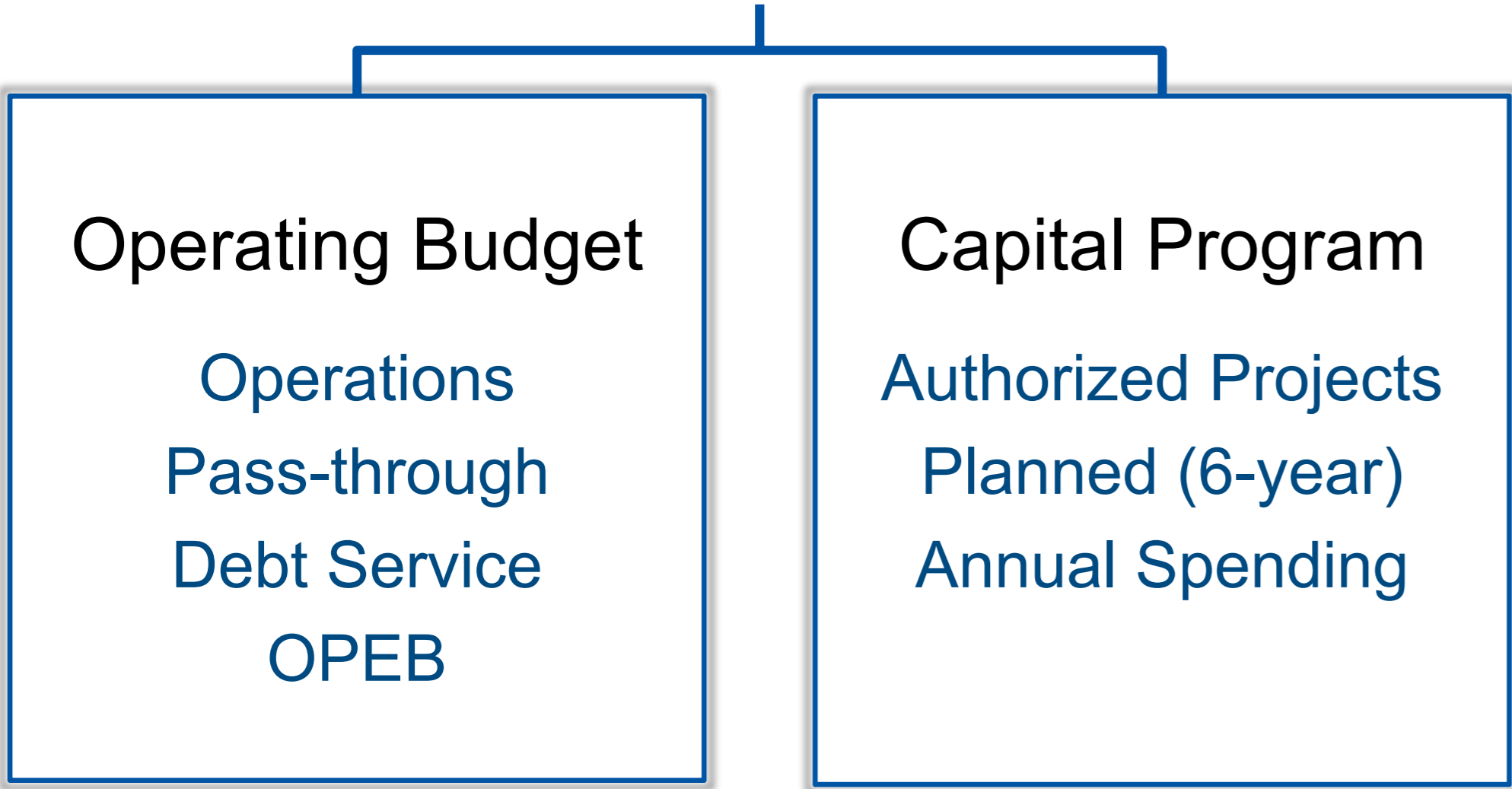
2022 General Purposes Levy Strategy and Preliminary Regional Administration Budget Allocations

Management Committee – June 23, 2021



Council Budget Development

Unified Budget



- May-July Staff - Budget Development Activities
- Aug 25 (before Sept 1) Council - Adopt Preliminary Budget/Levies
- Oct 13 Council - Capital Program Presentation
- Oct 27 Council - Adopt Public Comment Draft Budget
- Dec 8 (before Dec 20) Council - Adopt Final Budget/Levies



Budget Authority

Minnesota Statute 473.125 Regional Administrator

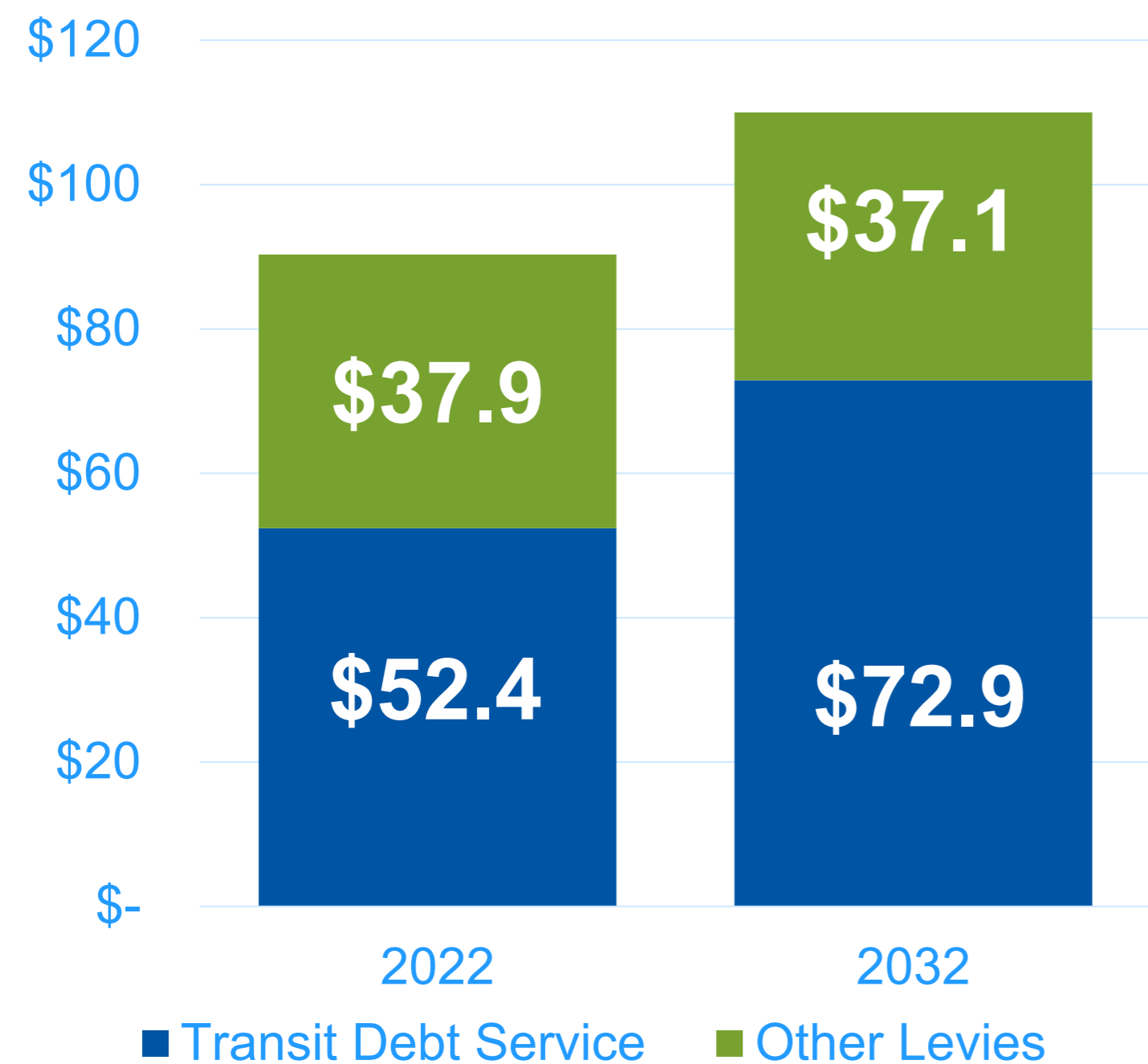
“The regional administrator shall recommend to the council for adoption measures deemed necessary for efficient administration of the council, keep the council fully apprised of the financial condition of the council, and prepare and submit an annual budget to the council for approval.”

Confirm Our Levy Strategy

- Levy Givens:
 - Meet Transit and Parks Debt Service Needs
 - Statutory Fiscal Disparities Levy \$5M to Tax Base Revitalization Account
- Strategy Based Decisions:
 - Maximize General Purpose Levy
 - History of a 2% increase
 - Maximize the Livable Communities Demonstration Account Levy to Create \$5M Transit Oriented Development Component within the Grant Program
 - No Levy for Highway Right of Way Program
(sufficient reserves)

Transit Debt Service Levy

- Bonding Authority MN Statue 473.39



With 2% Total Annual Levy Growth

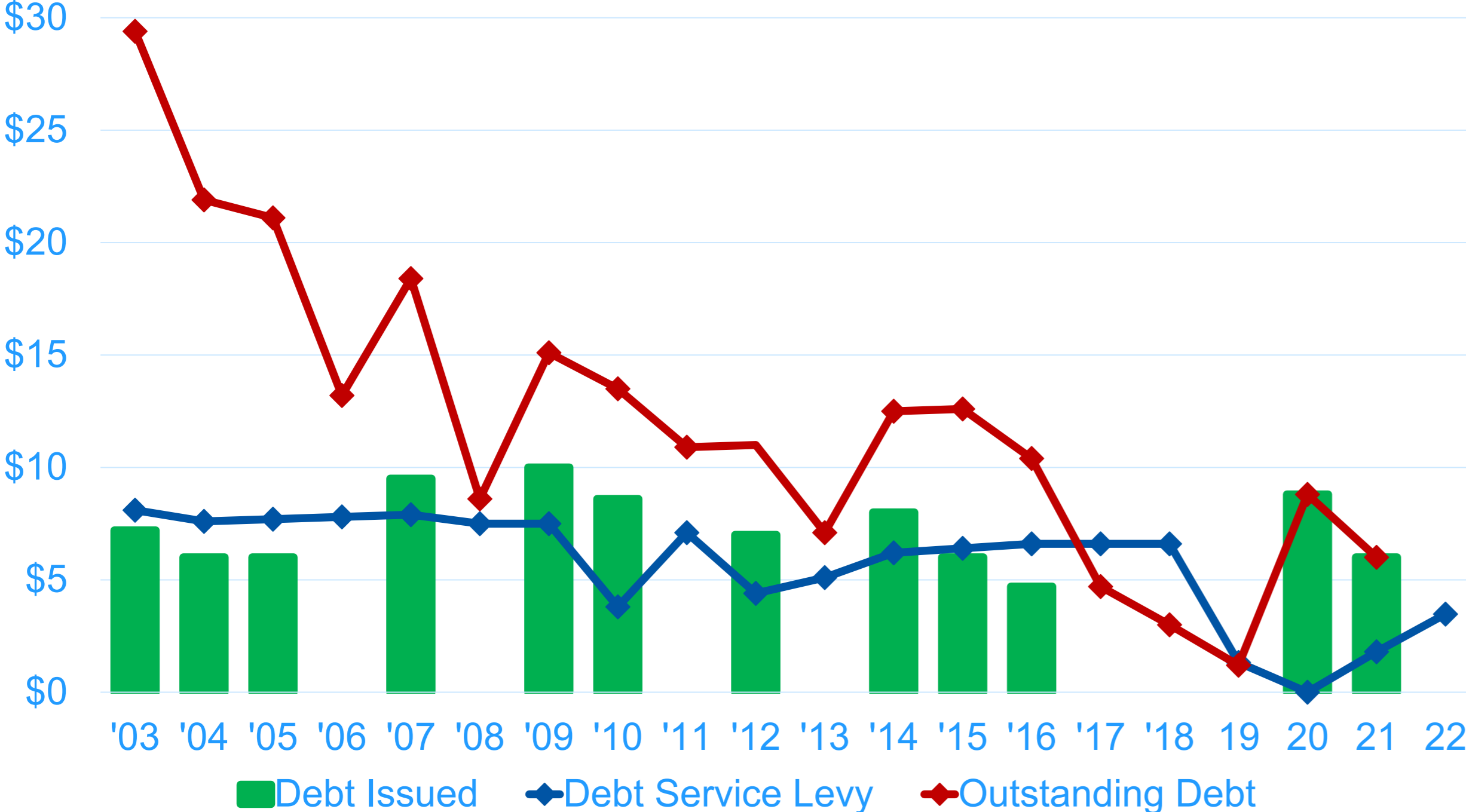
Transit Debt Service as a % of Total Levies

58% in 2022

66% in 2032

Parks Debt Service Levy

- Bonding Authority MN Statue 473.325



	<u>Average</u>
Debt Service Levy	\$5.7
Debt Issued	\$4.6
Outstanding Debt	(\$14.8)



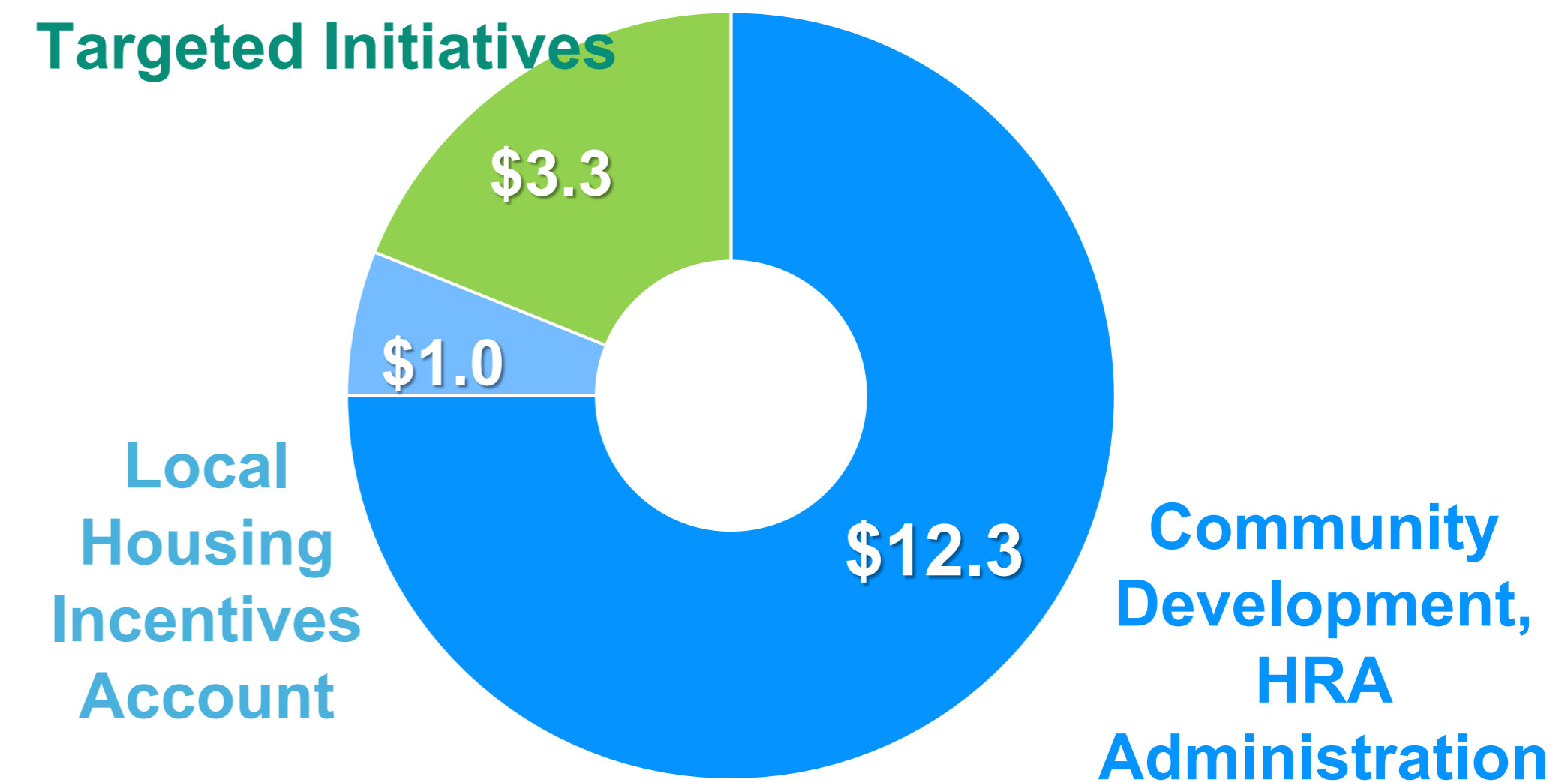
Livable Communities

- Tax Base Revitalization Account Levy \$5
 - Levy on the regional fiscal disparities pool
- Livable Communities Demonstration Account Levy
 - 2022 Proposed Levy is \$13.0 M
 - Maximize until total equals \$13.2 M

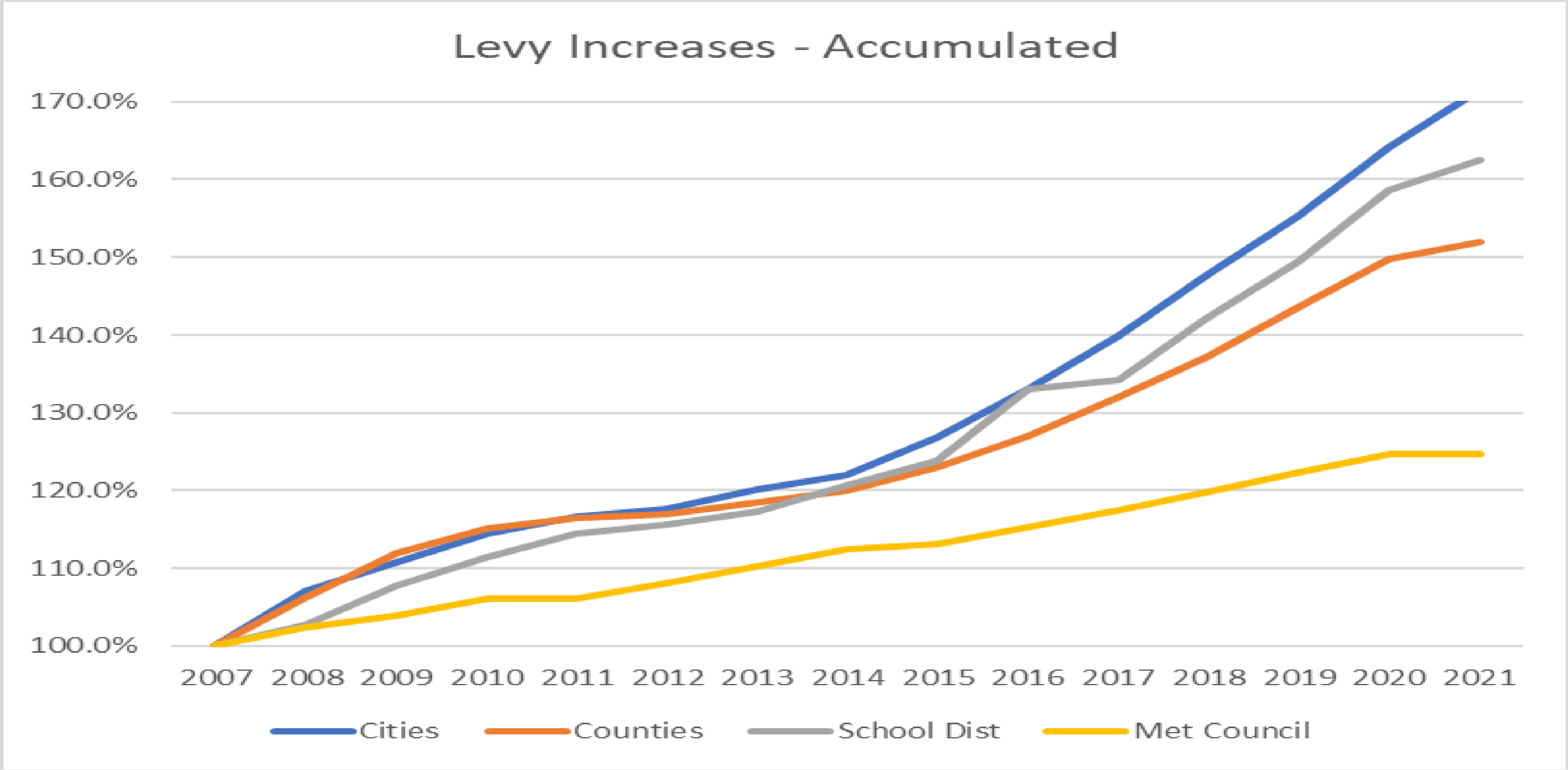


General Purposes Levy - \$16.6M

- Most Flexible Use Levy Funding
 - Carry out Council responsibilities as provided in law
- Primary Uses
 - Community Development Administration
 - Statutory Transfer to Local Housing Incentive Account (\$1M)
- Targeted Initiatives
 - One-Time
 - Pilot or Bridge to other funding sources

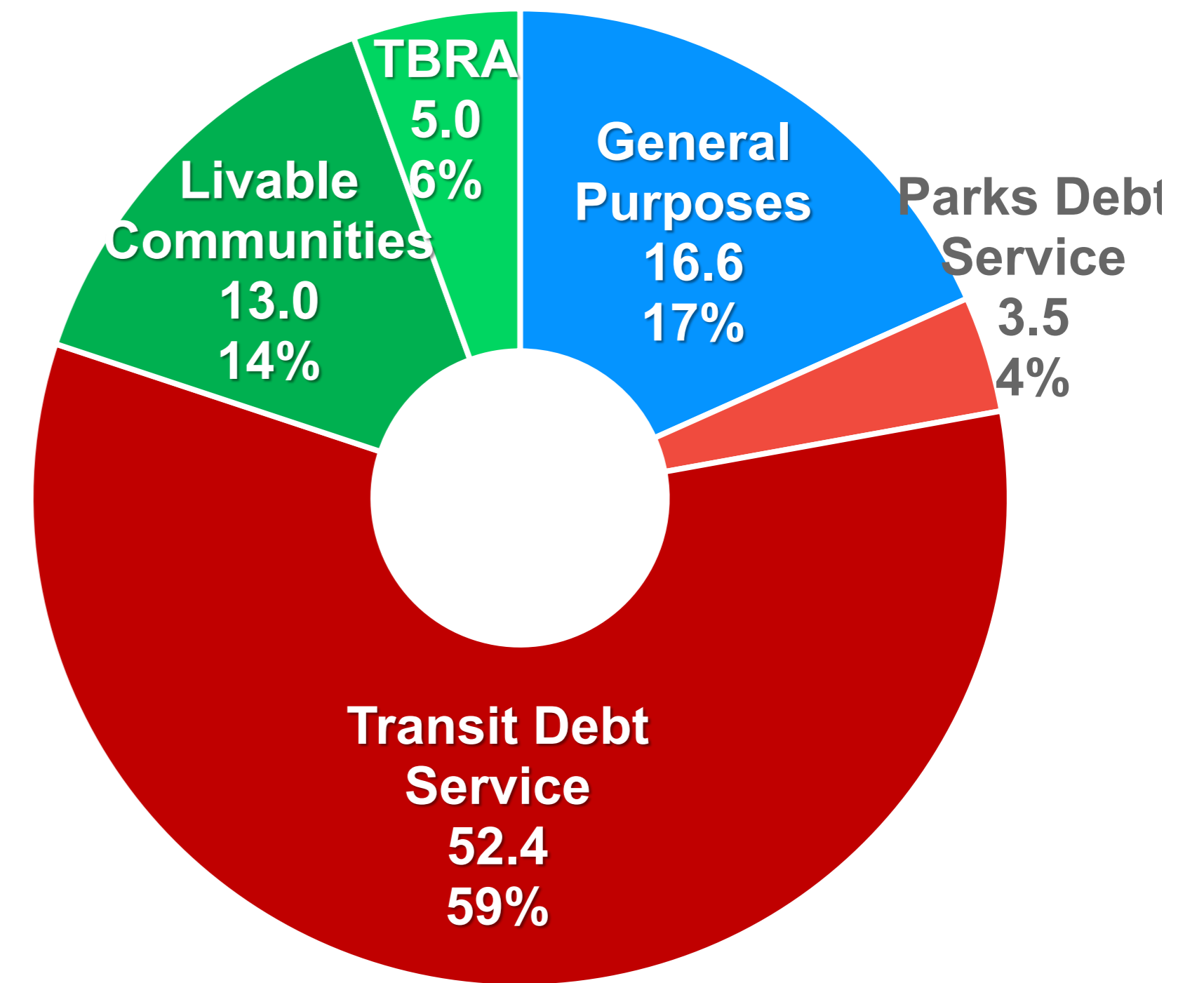


Levy Increases by Government Type



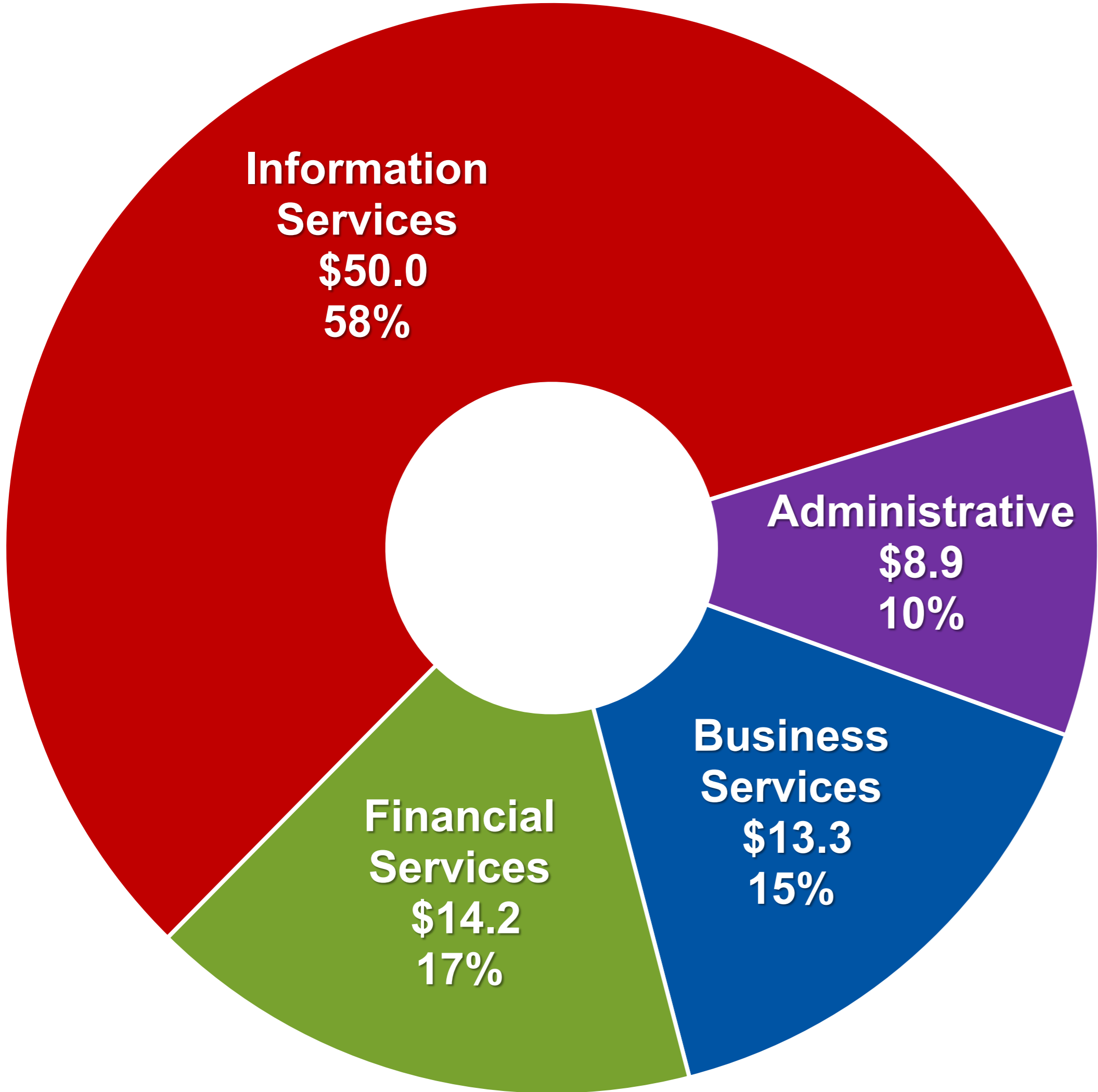
Proposed Levies – Current Strategy

	Certified 2021	Proposed 2022	Pct Chg	Levy Limit
<u>Non-Debt Service Levies</u>				
General Purposes	\$ 16.139	\$ 16.580	2.73%	\$ 16.580
Highway Right of Way	-	-	0.00%	4.457
Livable Communities:				
- Demonstration Acct	12.668	13.014	2.73%	13.014
- Tax Base Revitalization	5.000	5.000	0.00%	5.000
Total Non-Debt Levies	\$ 33.807	\$ 34.594	2.33%	\$ 39.051
Levy as Pct of Limit		88.6%		
<u>Debt Service Levies</u>				
Parks	\$ 1.800	\$ 3.477	93.2%	
Transit	53.132	52.443	-1.3%	
Total Debt Levies	\$ 54.932	\$ 55.920	1.8%	
Total All Levies	\$ 88.739	\$ 90.514	2.0%	

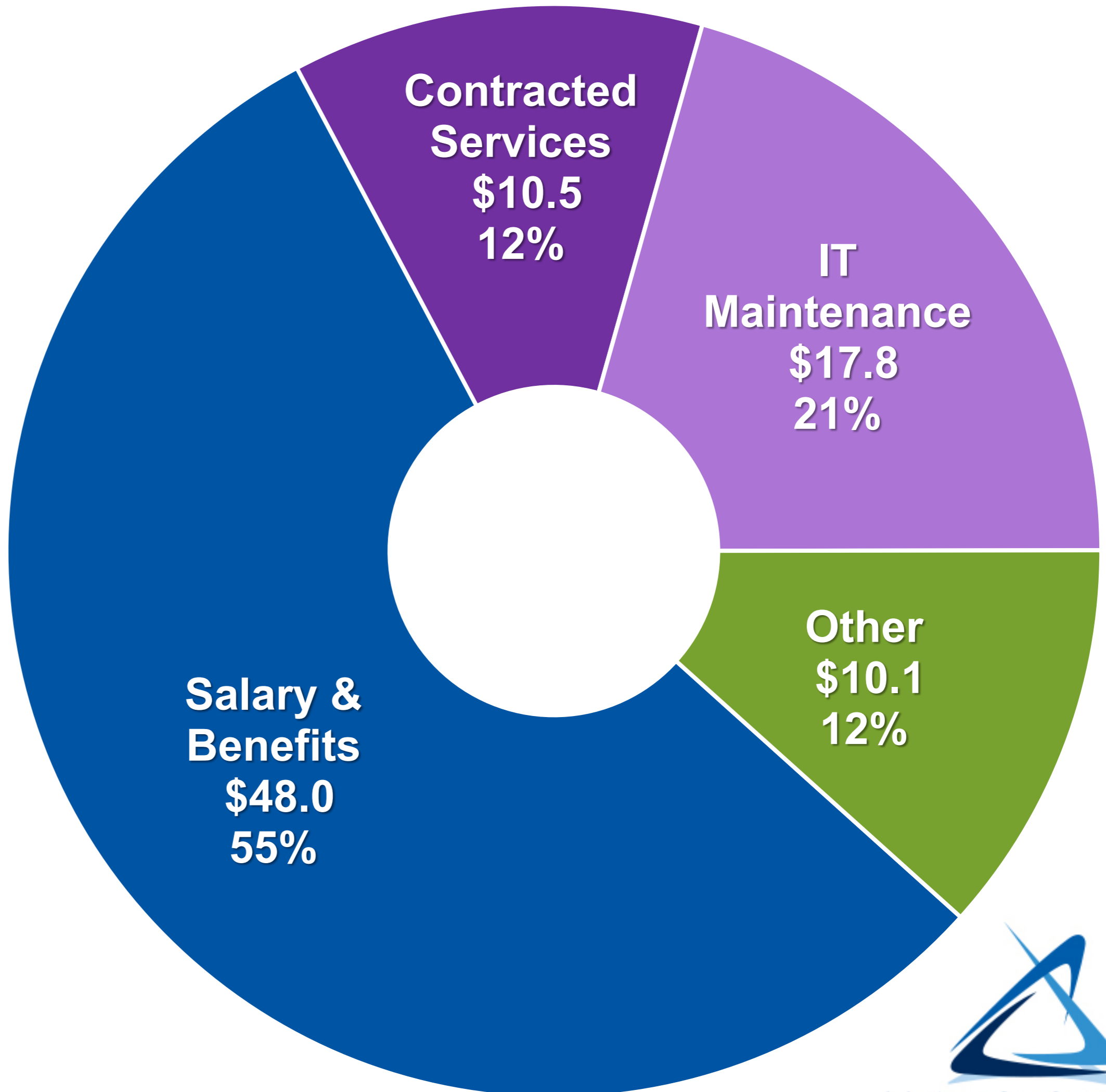


2022 Preliminary Regional Administration Budget Allocations

Proposed RA Budget - \$86.4 Million



Uses By Department



Uses by Category



RA Budget Change

	2021 Adopted Budget	2022 Preliminary Budget	Change	
Salaries & Benefits	\$44.5	\$47.9	\$3.4	7.6%
Contracted Services	\$6.8	\$10.5	\$3.7	54.4%
IT Maintenance	\$15.0	\$17.8	\$2.8	18.7%
Other	\$8.4	\$10.2	\$1.8	21.4%
Total	\$74.7	\$86.4	\$11.7*	15.7%

* 2.6 offset in divisions budgets



Impact of RA Budget Changes

Salaries 2021/ 2022	\$ 3.4M
BPSI Project Year #2	\$ 3.8M
Increases for Hardware and Software	\$ 1.5M
Other RA increase – Contracted services	\$ 0.4M
Subtotal	\$ 9.1M
Transfers in to IS – offset in Divisions Budget	\$ 2.6M
TOTAL	\$ 11.7M

Sources/Interdivisional Allocation

	2021 Adopted Budget	2022 Prelim Budget	Share	Change *	
Community Development/HRA	\$ 3.3	\$ 3.5	4.0%	\$.2	6.1%
Environmental Services	\$17.9	\$21.7	25.1%	\$3.8	21.2%
Metropolitan Transportation Services	\$6.3	\$6.0	6.9%	(\$0.3)	(4.8%)
Metro Transit	\$46.5	\$54.5	63.9%	\$8.0	17.2%
Other	\$.7	\$.7	.1%	\$0.0	0.0%
Total	\$74.7	\$86.4	100%	\$11.7	15.6%



FTEs by Department

Audit	10.0 (+1.0)	Budget	4.0
Central Services	6.0	Chair's Office	2.0
Communications	20.0	Office of Equal Opportunity	18.0
Human Resources	59.0 (+2.0)	Finance	47.8
Intergovernmental Relations	2.0	Information Services	137.5 (+7.0)
Procurement	28.8	General Counsel	10.0
Risk Management	16.0	Regional Administration	4.0
		TOTAL	365.35

Questions?

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