

2023 General Purposes Levy Strategy and Preliminary Regional Administration Budget Allocations

Management Committee



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Council Budget Development



Unified Budget

Operating Budget

- Operations
- Pass-through
- Debt Service
- OPEB

May-July

Aug 24 (before Sept 1)

Oct 12

Oct 26

Dec 14 (before Dec 20)

Staff-

Council -

Council -

Council -

Council -

Capital Program

- Authorized Projects
- Planned (6-year)
- Annual Spending

Budget Development Activities

Adopt Preliminary Budget/Levies

Capital Program Presentation

Adopt Public Comment Draft Budget

Adopt Final Budget/Levies

Budget Authority



Minnesota Statute 473.125

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

Confirm Our Levy Strategy

Strategy

Levy Givens:

- Transit and Parks Debt Service Needs
- Statutory Fiscal Disparities Levy \$5M to Tax Base Revitalization Account

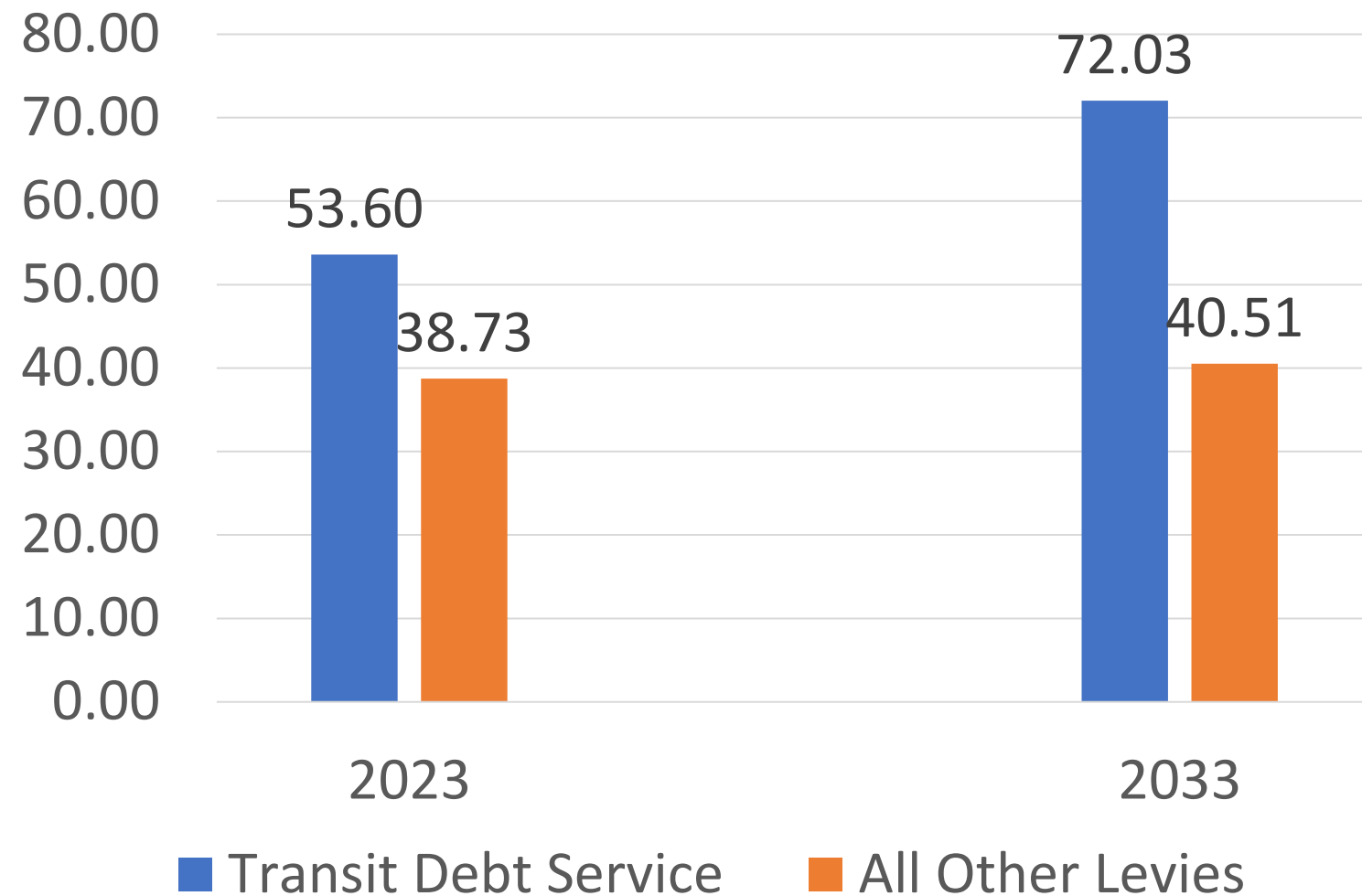
Strategy Decisions:

- Maximize General Purpose Levy
- Maximize the Livable Communities Demonstration Account Levy
- History – 2% increase
- History – no levy for Highway Right of Way Program (sufficient reserves)

Transit Debt Service Levy

Bonding Authority MN Statute 473.39

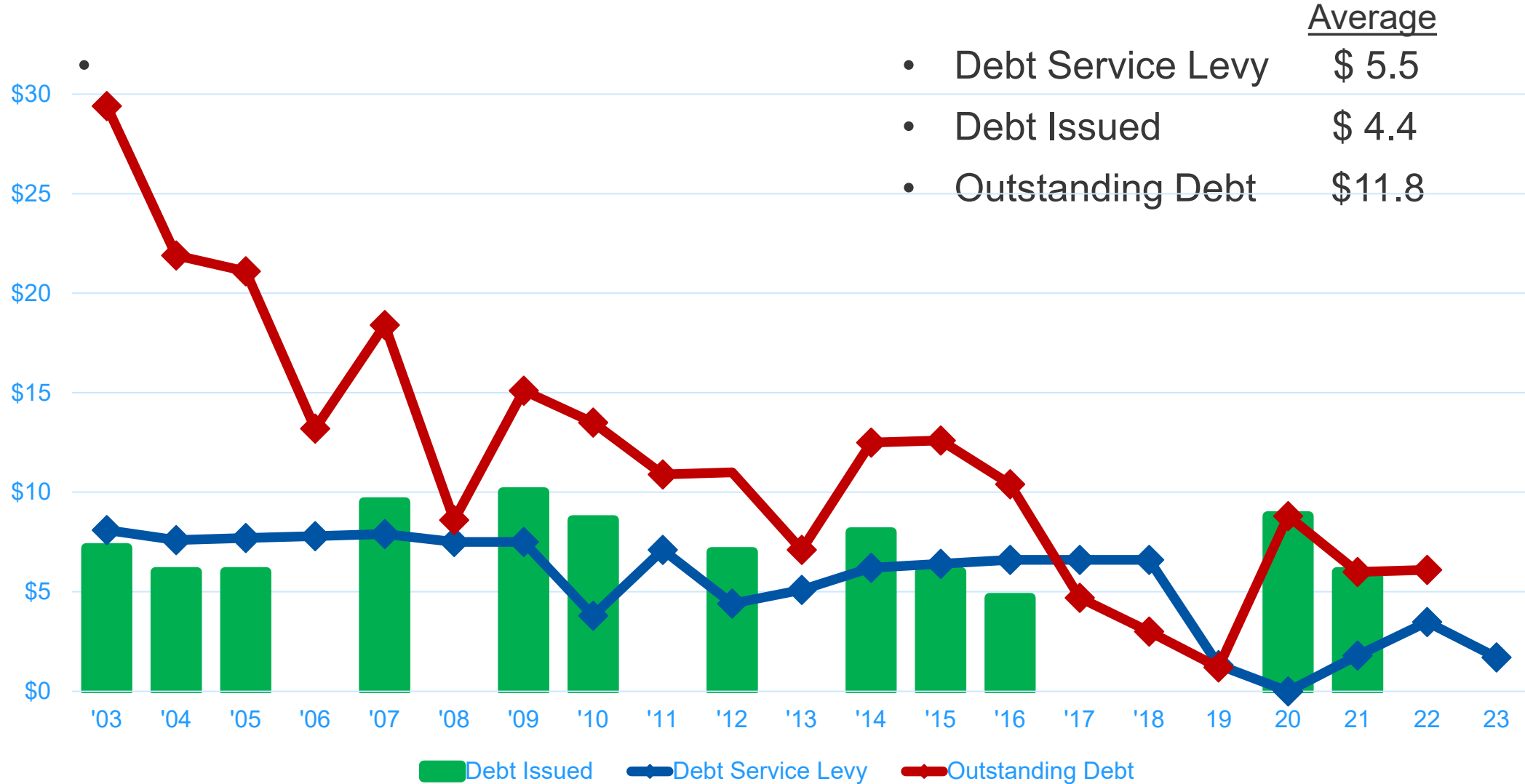
- With 2% Total – Annual Levy Growth
- Transit Debt Service as a % of Total Levies
- 58.06 % in 2023
- 64.00 % in 2033



Parks Debt Service Levy

Bonding Authority MN Statue 473.325

- Debt Service Levy Average \$ 5.5
- Debt Issued \$ 4.4
- Outstanding Debt \$ 11.8



Livable Communities Levies



Grants Programs

Tax Base Revitalization Account Levy

\$5M annually from regional fiscal disparities pool

Clean up polluted land in the metropolitan area

Livable Communities Demonstration Account Levy

\$14.1M proposed levy for 2023

Strategy: Maximize to levy limit

Limitation: Capped by implicit price deflator

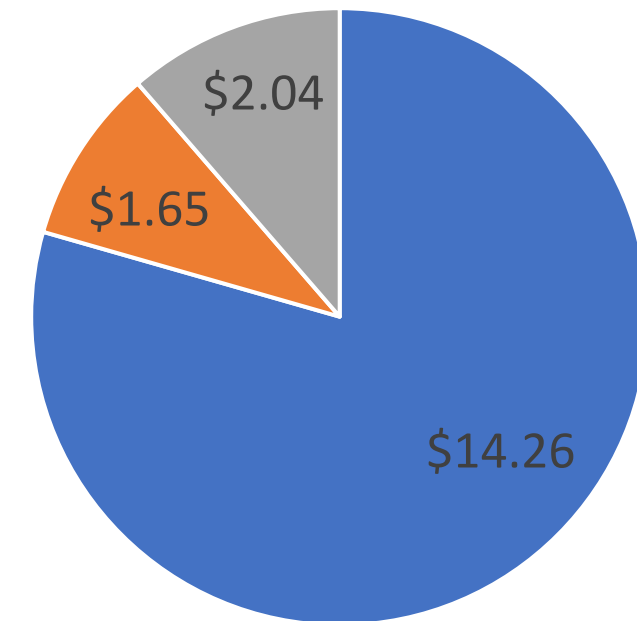
Local Housing Incentive Account

Statutory transfers: from LCDA (\$0.5M) and General Purposes Levy (\$1.0m)

and (\$0.5M) discretionary, General Purposes Levy

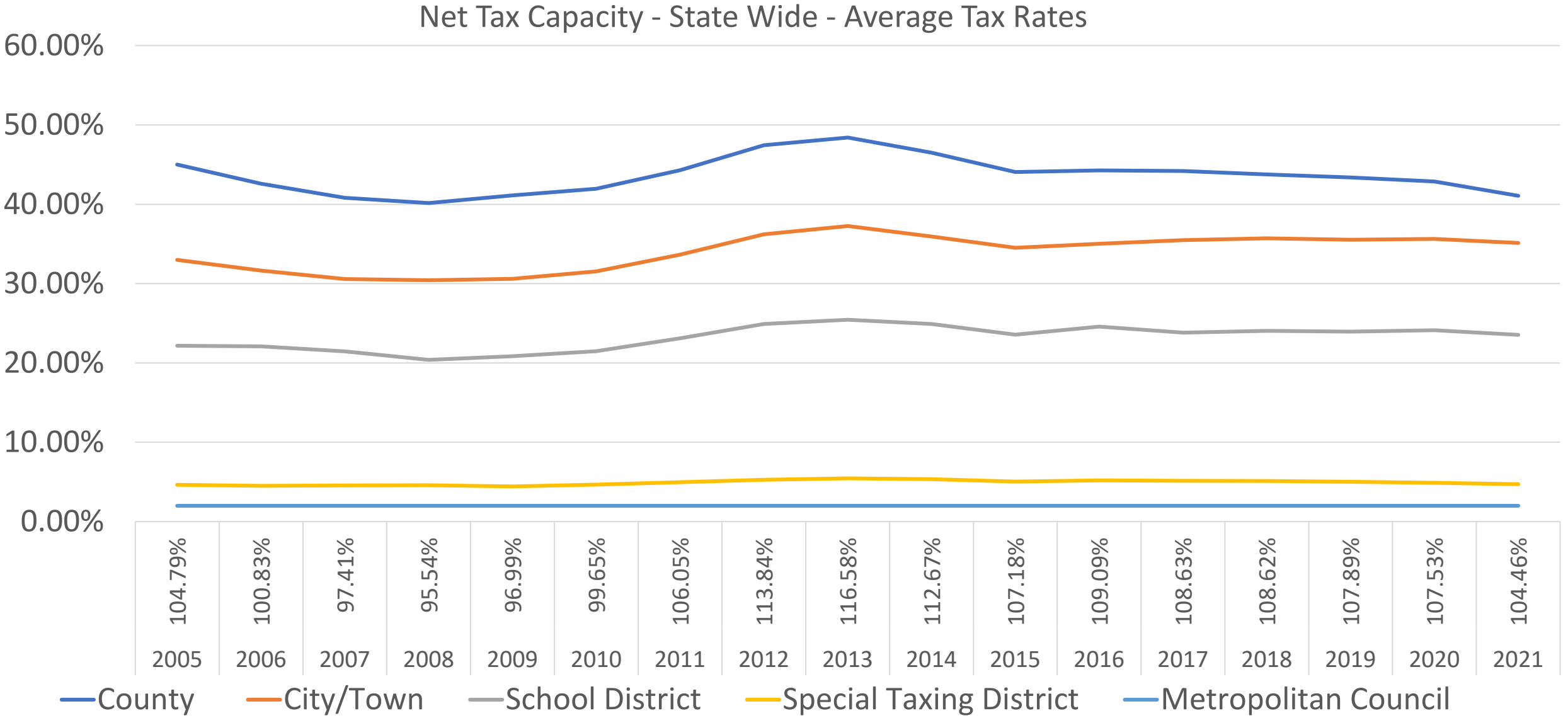
General Purpose Levy \$17.96M

- Most Flexible Use Levy Funding
 - Carry out Council responsibilities as provided in law
- Primary Uses
 - Community Development Administration (\$13.264M)
 - Statutory Transfer to Local Housing Incentive Account (\$1.0M)
 - Discretionary, General-Purpose Levy to LHIA (\$0.5M)
 - HRA Administration (\$1.153M)
- Capital Investment (\$2.04M)



- Community Development, HRA Administration
- Local Housing Incentives Account
- Capital Investment

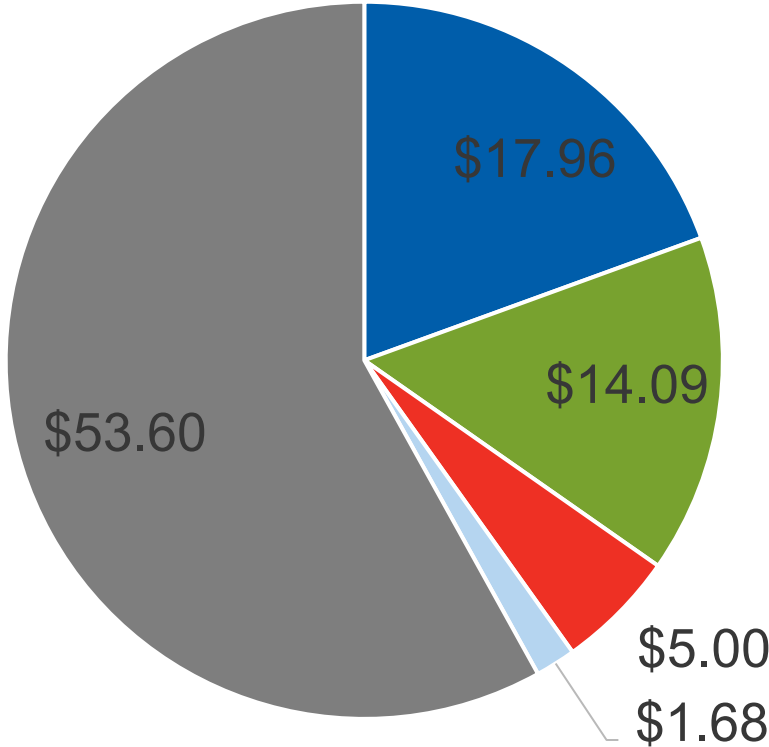
State-Wide Average Tax Rates



Source: MN Department of Revenue: Net Tax Capacities

Proposed Levies – 2% Increase

	Certified	Proposed		2023 Levy
	2022	2023	Pct Chg	Limit
<u>Non-Debt Service Levies</u>				
General Purposes	\$ 16.58	\$ 17.96	8.3%	\$ 17.96
Highway Right of Way	\$ -	\$ -		\$ 4.83
Livable Communities:				
- Demonstration Acct	\$ 13.01	\$ 14.09	8.3%	\$ 14.09
- Tax Base Revitalization	\$ 5.00	\$ 5.00	0.0%	\$ 5.00
Total Non-Debt Levies	\$ 34.59	\$ 37.05	7.1%	\$ 41.88
Levy as Pct of Limit		88.47%		
<u>Debt Service Levies</u>				
Parks	\$ 3.48	\$ 1.68	-51.7%	
Transit	\$ 52.44	\$ 53.60	2.2%	
Total Debt Levies	\$ 55.92	\$ 55.27	-1.2%	
Total All Levies	\$ 90.51	\$ 92.32	2.0%	



- General Purposes
- Livable Communities
- Tax Base Revitalization
- Parks Debt Service
- Transit Debt Service

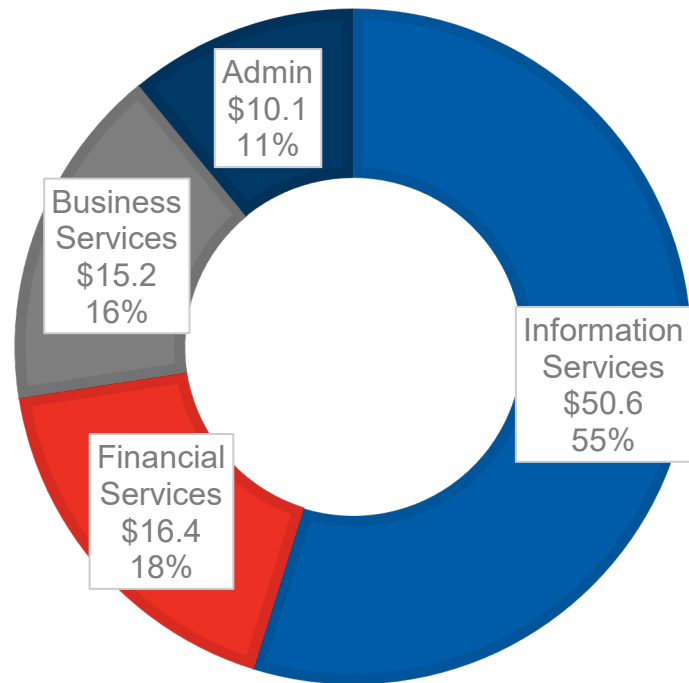
2023 Preliminary Regional Administration Budget Allocation



Regional Administration - \$92.3M

Uses by Department

Information Services Financial Services Business Services Admin

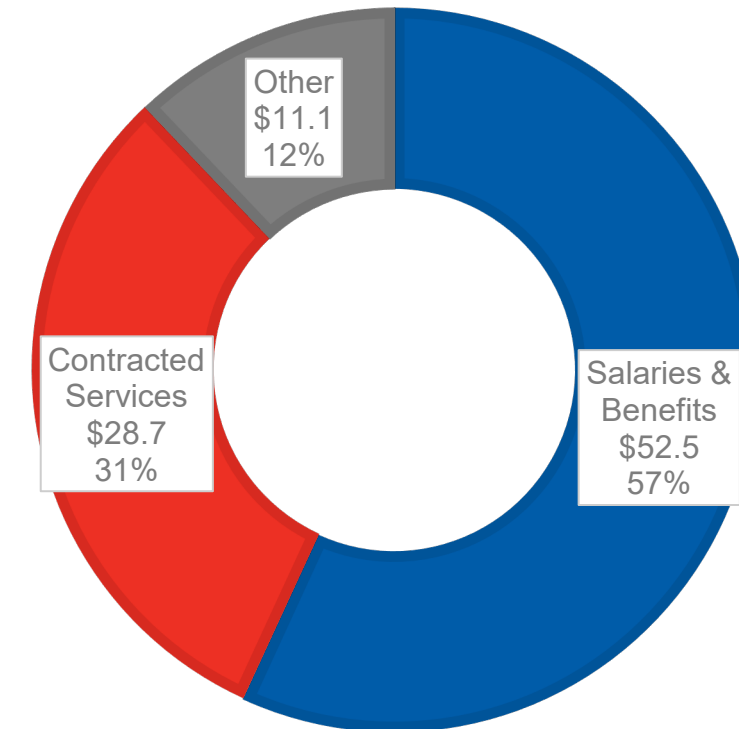


Sources

RA Allocations	\$91,348
Investment Income	\$630
Offset	
Reserves	\$350
	<hr/>
	\$92,328

Uses by Category

Salaries & Benefits Contracted Services Other



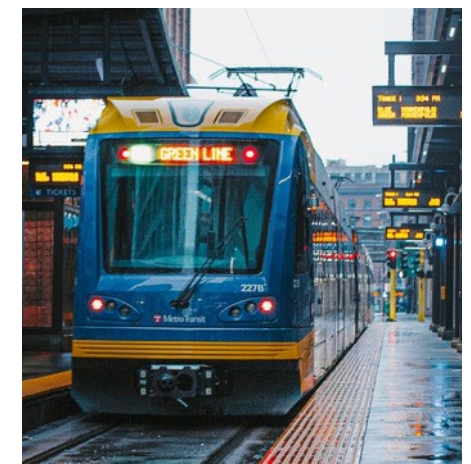
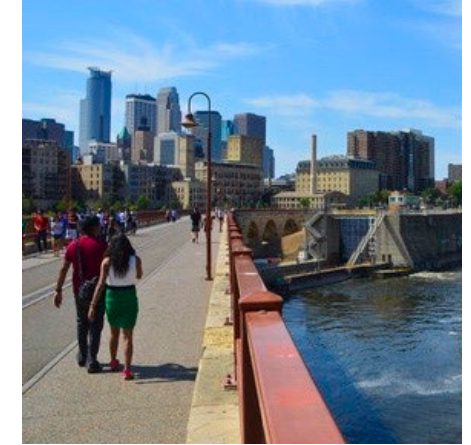
Regional Administration Budget Change



	2022 Adopted Budget	2023 Preliminary Budget	Change	
Salaries & Benefits	\$48.3	\$52.5	\$4.2	8.7%
Contracted Services	\$4.7	\$5.4	\$0.7	14.9%
IT Maintenance	\$23.6	\$23.3	-\$0.3	-1.3%
Other	\$10.2	\$11.1	\$0.9	8.8%
Total	\$86.8	\$92.3	\$5.5	6.3%

Regional Admin Sources/Interdivisional Allocation Change

	2022 Adopted Budget	2023 Preliminary Budget	Share	Change *	
Community Development/HRA	\$ 3.5	\$ 3.8	4.1%	\$.3	8.6%
Environmental Services	\$21.7	\$23.1	25.1%	\$1.4	6.5%
Metropolitan Transportation Services	\$6.0	\$6.0	6.5%	\$0.0	0.0%
Metro Transit	\$54.9	\$58.4	63.3%	\$3.5	6.4%
Other	\$.7	\$1.0	1.1%	\$0.3	42.9%
Total	\$86.8	\$92.3	100%	\$5.5	6.3%



Regional Administration FTEs by Department



Department	FTE Count	Department	FTE Count
Audit	12.0 (+2.0)	Budget	4.0
Central Services	6.0	Chair's Office	2.0
Communications	20.0	Office of Equity and Equal Opportunity	22.0 (+4.0)
Human Resources	63.0 (+4.0)	Finance	41.3
Intergovernmental Relations	2.0	Information Services	132.75 (+3.0)
Procurement	31.8 (+1.0)	General Counsel	11
Risk Management	16.0	Regional Administration	4.0
Real Estate	8.0	Enterprise Content Management	7.0
		TOTAL	382.85

Regional Administration Services

FTE by Department – 382.85

Administrative Services

Chair's Office - 2
Regional Administrator - 4
Office of Equity and Equal Opportunity – 22
General Counsel - 11
Government Relations - 2
Internal Audit - 12

Business Services

Communications - 20
Enterprise Content Mgmt - 7
Human Resources – 63
Central Services – 6
Real Estate - 8

Financial Services

Finance – 45.3
Procurement – 31.8
Risk Management - 16

Information Services

Information Services – 132.75

