

2024 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 23 (before Sept 1)

Oct 11

Oct 25

Dec 13 (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

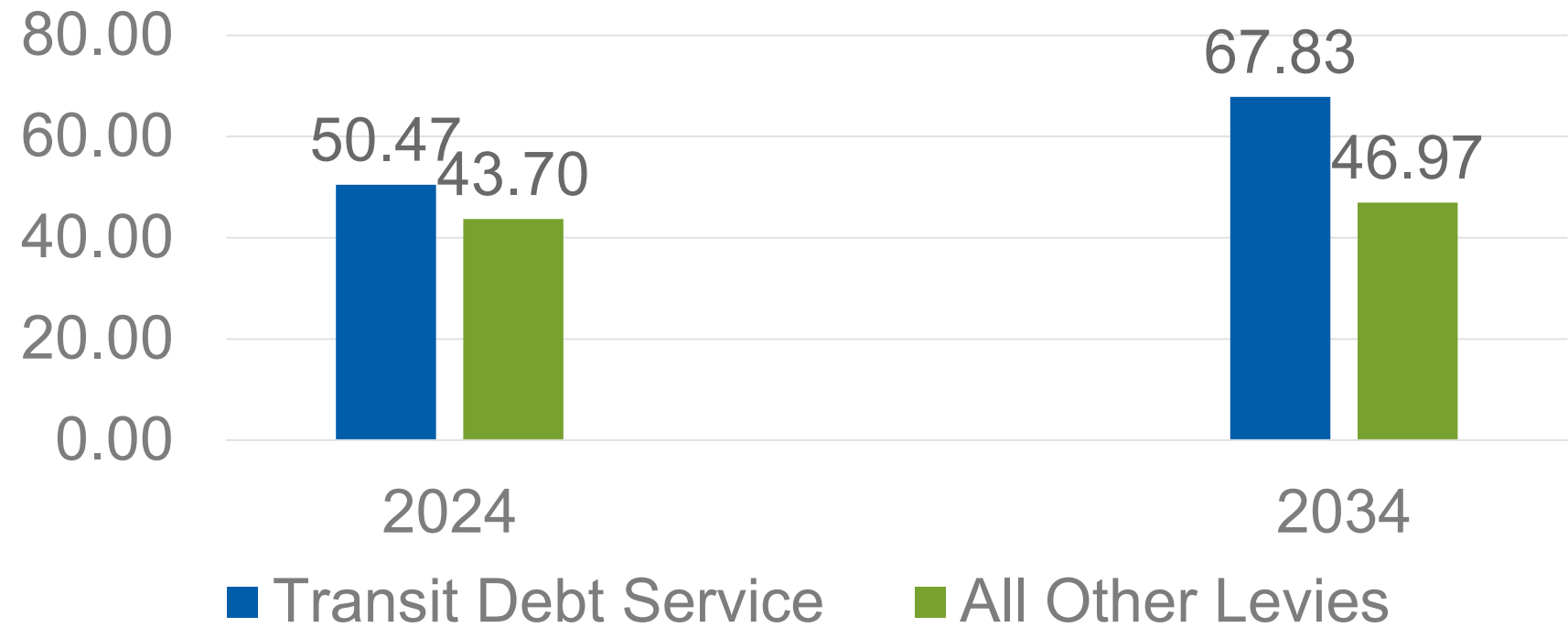
Strategy Decisions:

- 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

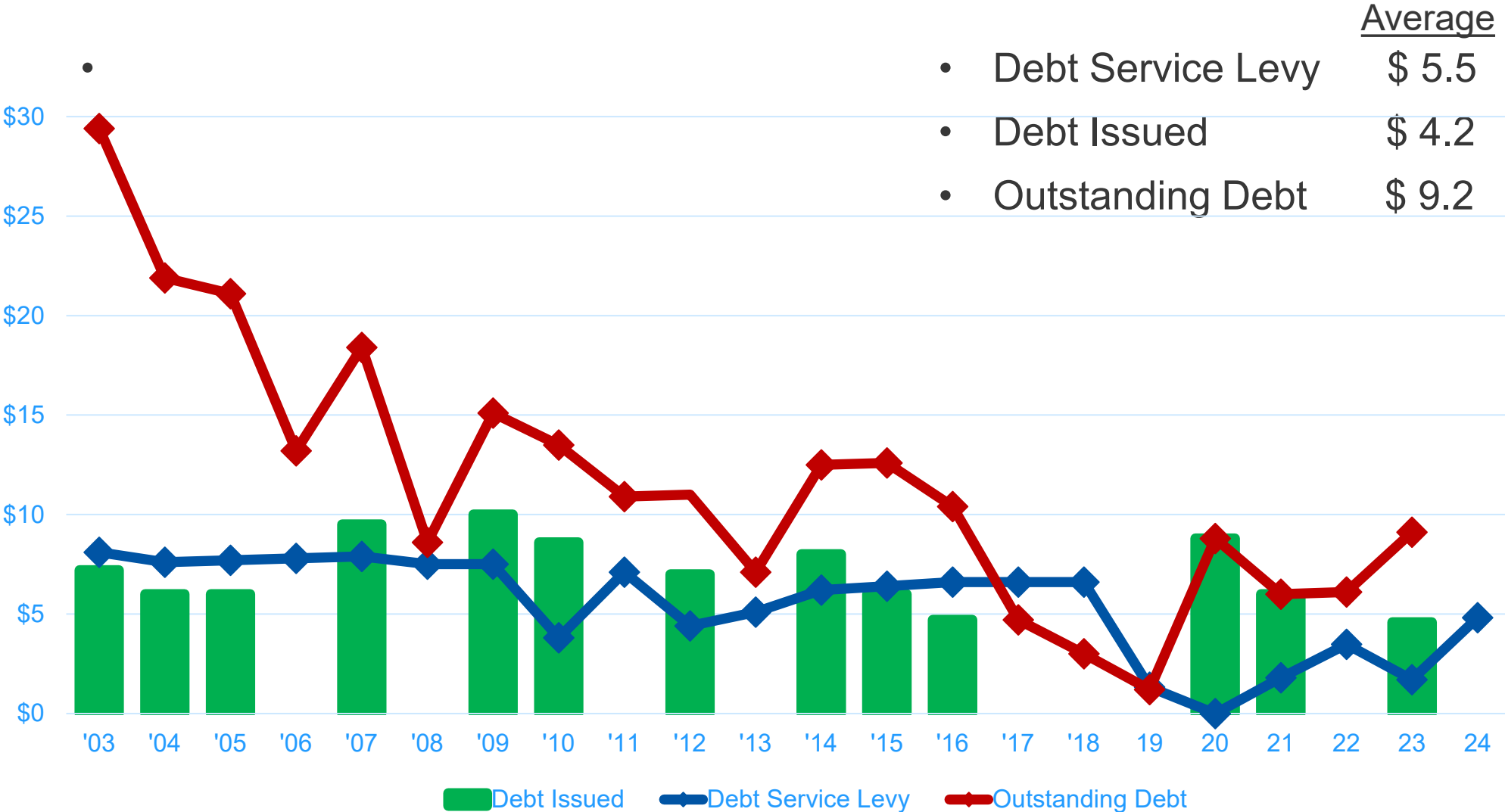
Bonding Authority MN Statute 473.39

- With 2% Total – Annual Levy Growth
- Transit Debt Service as a % of Total Levies
- 53.59 % in 2024
- 59.09 % in 2034



Parks Debt Service Levy

Bonding Authority MN Statue 473.325



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

\$14.9M proposed levy for 2024

Strategy: Maximize to levy limit

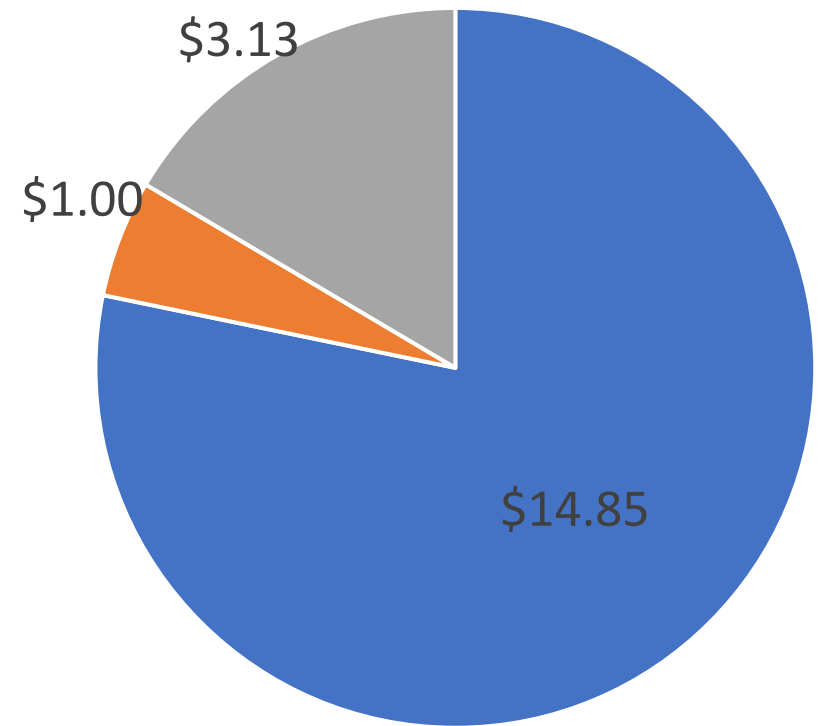
Limitation: Capped by implicit price deflator

Local Housing Incentive Account

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

General Purpose Levy \$18.98M

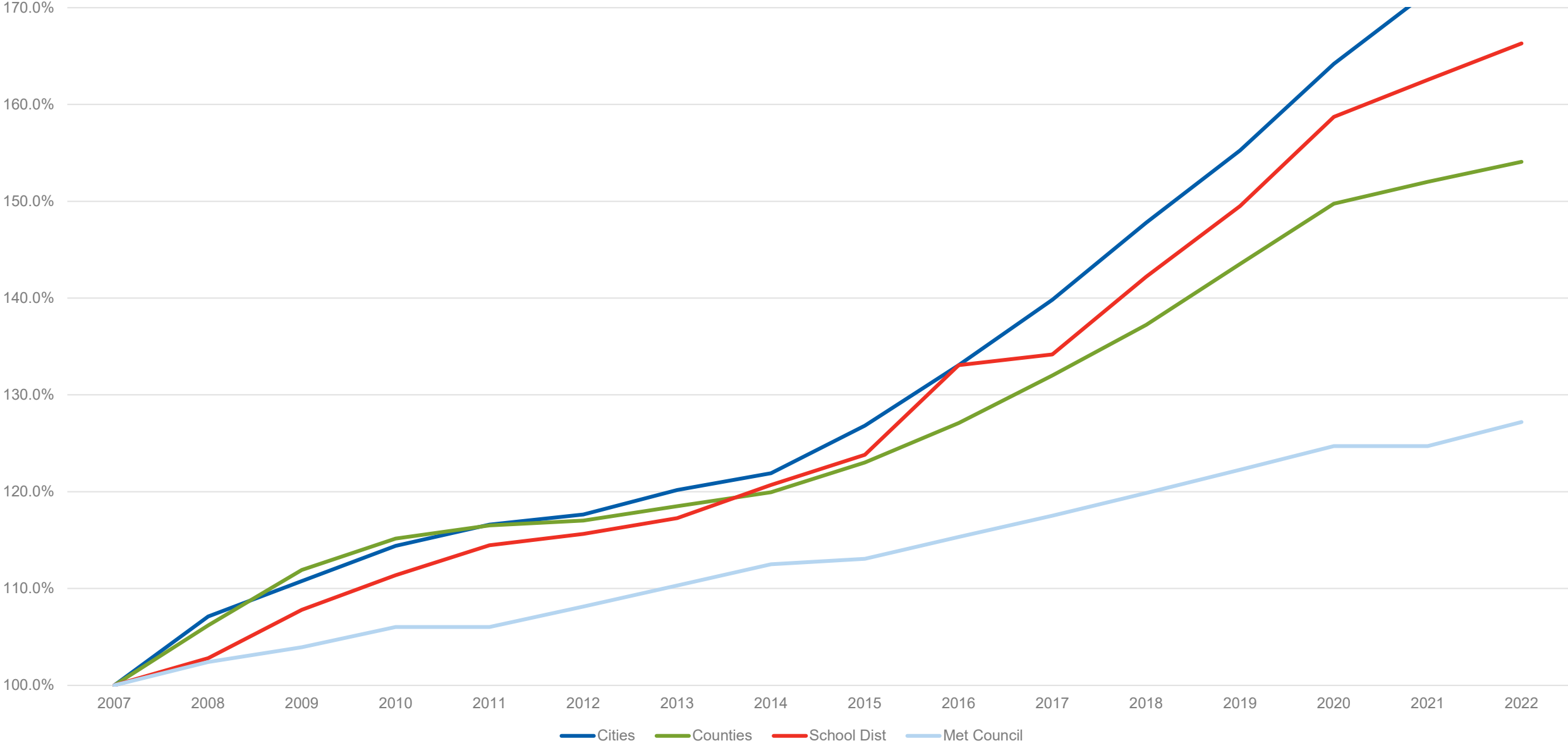
- Most Flexible Use Levy Funding
 - Carry out Council responsibilities as provided in law
- Primary Uses
 - Community Development Administration (\$14.29M)
 - Statutory Transfer to Local Housing Incentive Account (\$1.0M)
 - HRA Administration (\$.56M)
- Capital Investment (\$3.13M)



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

State-Wide Average Tax Rates

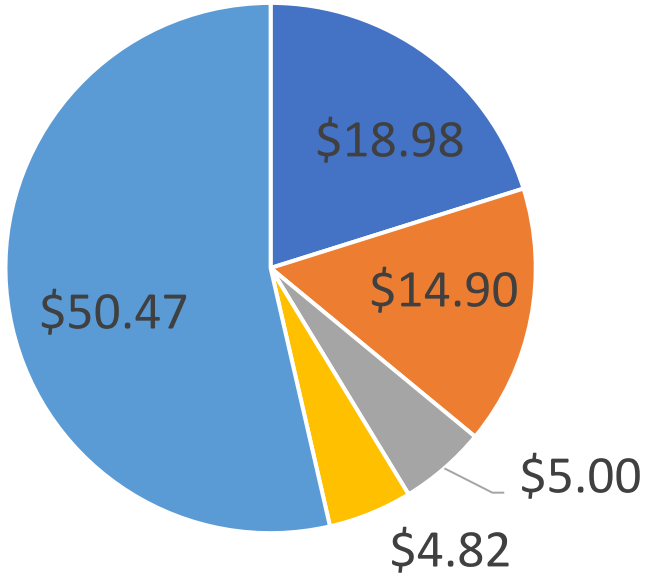
Levy Increases - Accumulated



Source: MN Department of Revenue: Net Tax Capacities

Proposed Levies – 2% Increase

	Certified	Proposed		2024 Levy
	2023	2024	Pct Chg	Limit
<u>Non-Debt Service Levies</u>				
General Purposes	\$ 17.99	\$ 18.98	5.5%	\$ 18.98
Highway Right of Way	\$ -	\$ -	0.0%	\$ 5.10
Livable Communities:				
- Demonstration Acct	\$ 14.12	\$ 14.90	5.5%	\$ 14.90
- Tax Base Revitalization	\$ 5.00	\$ 5.00	0.0%	\$ 5.00
Total Non-Debt Levies	\$ 37.10	\$ 38.88	4.8%	\$ 43.98
Levy as Pct of Limit		88%		
<u>Debt Service Levies</u>				
Parks	\$ 1.68	\$ 4.82	186.9%	
Transit	\$ 53.54	\$ 50.47	-5.73%	
Total Debt Levies	\$ 55.22	\$ 55.29	0.1%	
Total All Levies	\$ 92.32	\$ 94.17	2.0%	



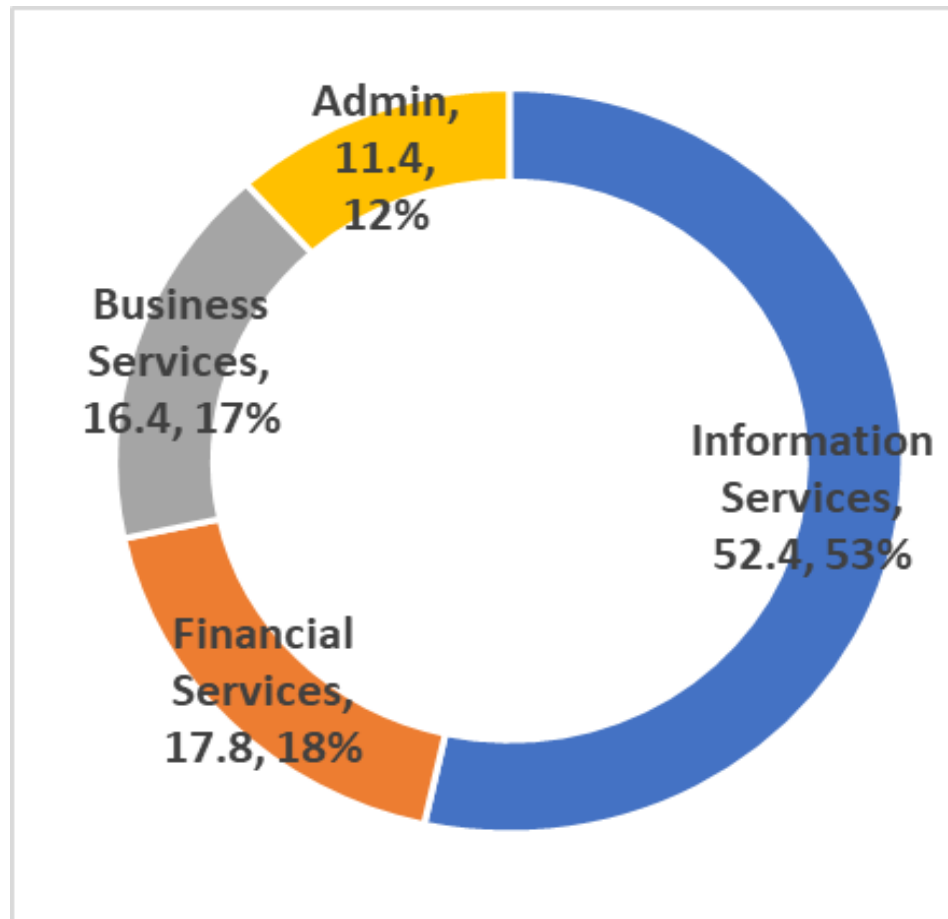
- General Purposes
- Livable Communities
- Tax Base Revitalization
- Parks Debt Service
- Transit Debt Service

2024 Preliminary Regional Administration Budget Allocation



Regional Administration - \$98.0M

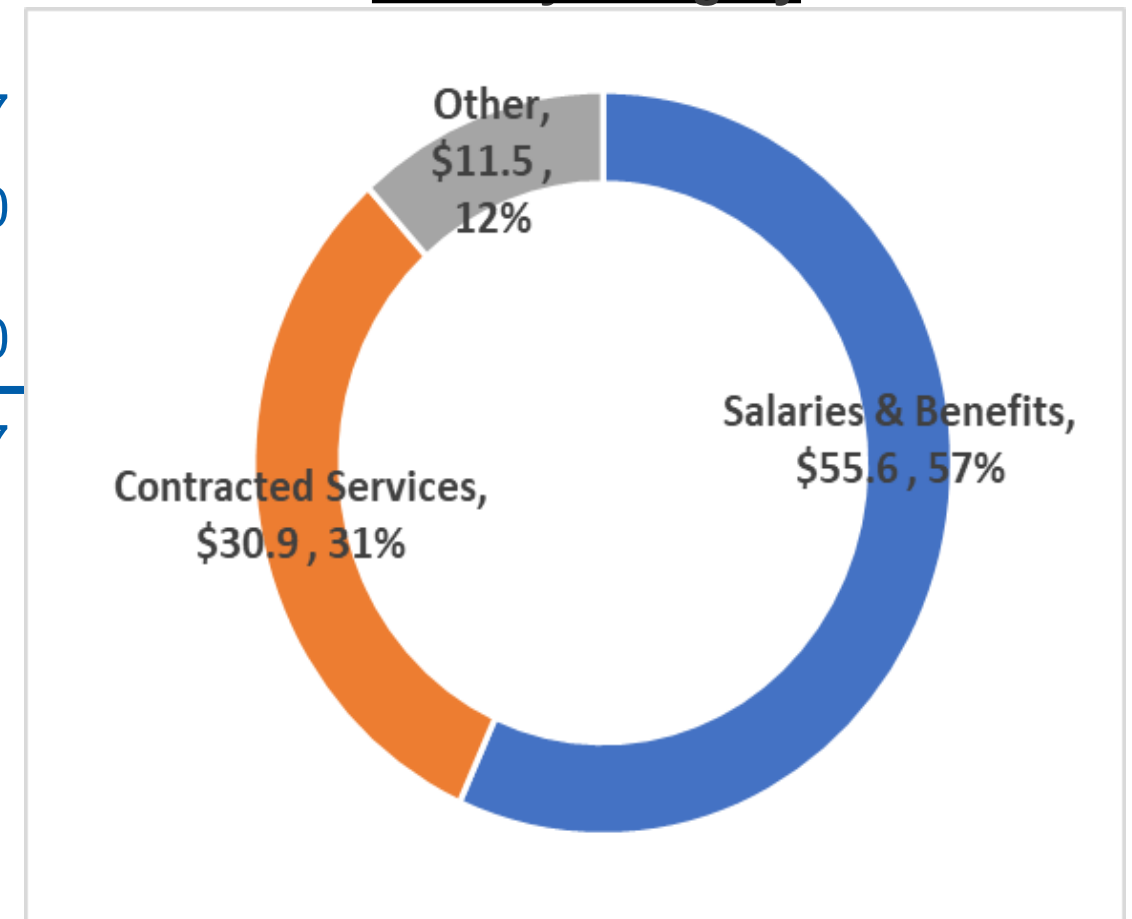
Uses by Department



Sources (\$ in millions)

RA Allocations	\$96.987
Investment Income	\$0.790
Offset	
Reserves	\$0.240
	<hr/>
	\$98.017

Uses by Category



Regional Administration Budget Change (\$ in millions)

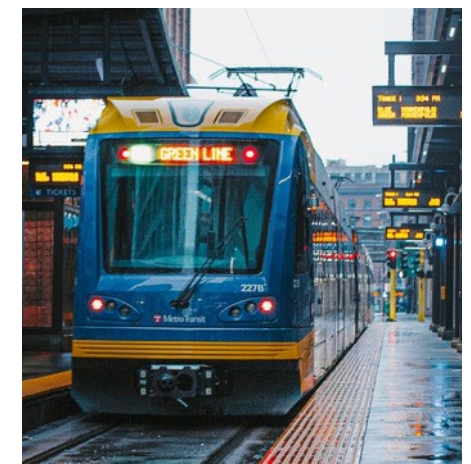
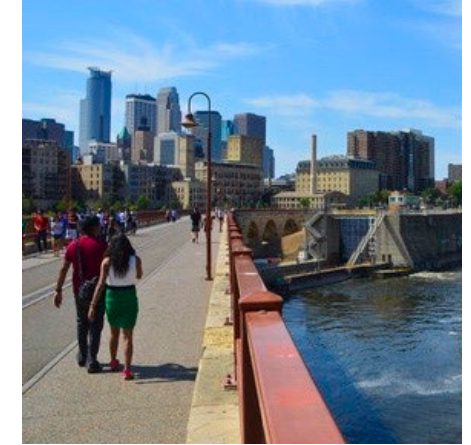


	2023 Adopted Budget	2024 Preliminary Budget	Change	
Salaries & Benefits	\$52.6	\$55.6	\$3.0	5.7%
Contracted Services	\$ 5.4	\$ 6.9	\$1.5	27.8%
IT Maintenance*	\$19.9	\$24.0	\$4.1	20.6%
*BPSI	(\$ 3.4)			
Other	\$11.2	\$11.5	\$0.3	2.7%
Total	\$89.1	\$98.0	\$8.9	10.0%

* IT Maintenance in 2023 contained BPSI \$3.4 – removed on this table to show comparison

Regional Admin Sources/Interdivisional Allocation Change (\$ in millions)

	2023 Adopted Budget	2024 Preliminary Budget	Share	Change *	
Community Development/HRA	\$ 3.6	\$ 3.7	3.8%	\$0.1	1.1%
Environmental Services	\$22.3	\$22.3	22.8%	\$0.0	0.0%
Metropolitan Transportation Services	\$5.8	\$6.4	6.5%	\$0.6	11.0%
Metro Transit	\$56.5	\$64.6	65.9%	\$8.1	14.4%
Other	\$.9	\$1.0	1.0%	\$0.1	1.0%
Total	\$89.1	\$98.0	100%	\$8.9	10.0%



Regional Administration FTEs by Department



Department	FTE Count	Department	FTE Count
Audit	12.0	Budget	4.0
Central Services	6.0	Chair's Office	2.0
Communications	20.0	Office of Equity and Equal Opportunity	22.0
Human Resources	64.0 (+1.0)	Finance	41.5 (+0.2)
Intergovernmental Relations	2.0	Information Services	136.0 (+3.25)
Procurement	33.0	General Counsel	11
Risk Management	16.0	Regional Administration	4.0
Real Estate	9.0 (+1.0)	Enterprise Content Management	8.0 (+1.0)
		TOTAL	390.50

Reginal Administration Services

METROPOLITAN COUNCIL								
STAFF COMPLEMENT IN FTE's								
			Actual 2019	Actual 2020	Actual 2021	Actual 2022	Actual 2023	Adopted 2024
Regional Administration								
	Chair & Council		2	2	2	2	2	2
	Regional Administrator		2	4	3	4	4	4
	OEE0		16	17	16	18	22	22
	Internal Audit		9	11	10	10	12	12
	Intergovernmental Relations		4	3	2	2	2	2
	Communications		18	18	18	20	20	20
	Procurement & Contracts		25	27	29	31	33	33
	Risk Management		14	15	16	16	16	16
	Budget & Evaluation		3	4	4	4	4	4
	Enterprise Content Management		11	12	11	-	7	8
	Fiscal Services		37	38	38	48	42	42
	Real Estate		-	-	-	-	8	9
	Central Services		7	6	6	6	6	6
	Information Systems		111	117	117	138	133	136
	Legal		14	16	16	11	11	11
	Human Resources		53	56	56	59	63	64
	Vacancy Factor		(5)	(5)	(5)	(5)	(5)	(5)
	Total Regional Administration		322	340	338	364	380	386

Questions?

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