

Metropolitan Council

PRELIMINARY

2014 Unified Budget & Levies

August 14, 2013 Council Meeting



Budget Development Timeline

Feb	Council - Budget Principles and Priorities
Mar-May	Committee Level Discussions
Jun 26	Council - “Big-Picture” Operating & Capital Budget
Jul-Aug	Committee - Division Level Budget Presentations
Jul 24	Council - Adopt Wastewater Rates
Aug 14	Council - Division Level Budget Presentation
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Dec 11	Council - Adopt Final Budget & Levies



Council Action on August 28

Preliminary Unified Operating Budget

Proposed Property Tax Levies: Set Maximum

- General Purposes
- Highway Right of Way (Right of Way Acquisition Loans)
- Livable Communities Demonstration Account
- Tax Base Revitalization Account
- Debt Service
 - Parks
 - Transit



Proposed Payable 2014 Levy \$80M

	<u>Pay 2013</u>	<u>Proposed Pay 2014</u>	<u>Change</u>	<u>Maximum Levy</u>
General Purpose	\$ 10.7	\$ 14.3	\$ 3.6	\$ 14.3
F	3.0	-	-3.0	3.8
A	5.0	5.0	-	5.0
A	11.1	11.2	0.1	11.2
Total Non-Debt	\$ 29.8	\$ 30.5	\$ 0.7	\$ 34.3
S	5.1	6.1	1.0	N/A
osit	43.6	43.4	-0.2	N/A
Total Debt	\$ 48.7	\$ 49.5	\$ 0.8	
Total Levy	\$ 78.5	\$ 80.0	\$ 1.5	
ent Increase	2.0%	2.0%		

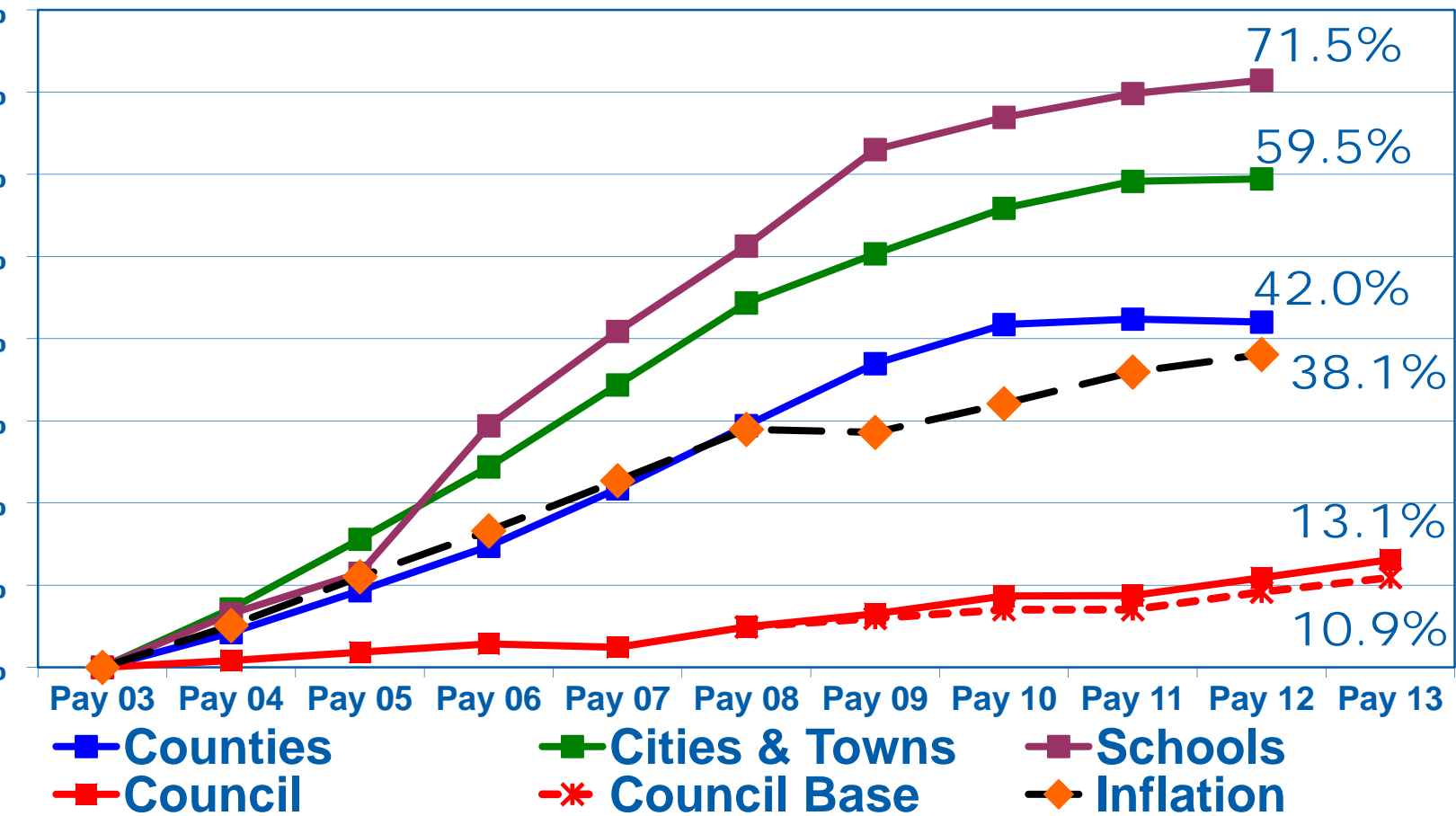


2014 TOD Program Funding Sources

Source	Amount	Uses
CDA Levy	\$3.0M	TOD w/n LCA Program
General Purpose Levy	2.8	Flexible Program Use
Total	\$5.8M	



Changes in Property Tax Levies by Metropolitan Area Unites of Government

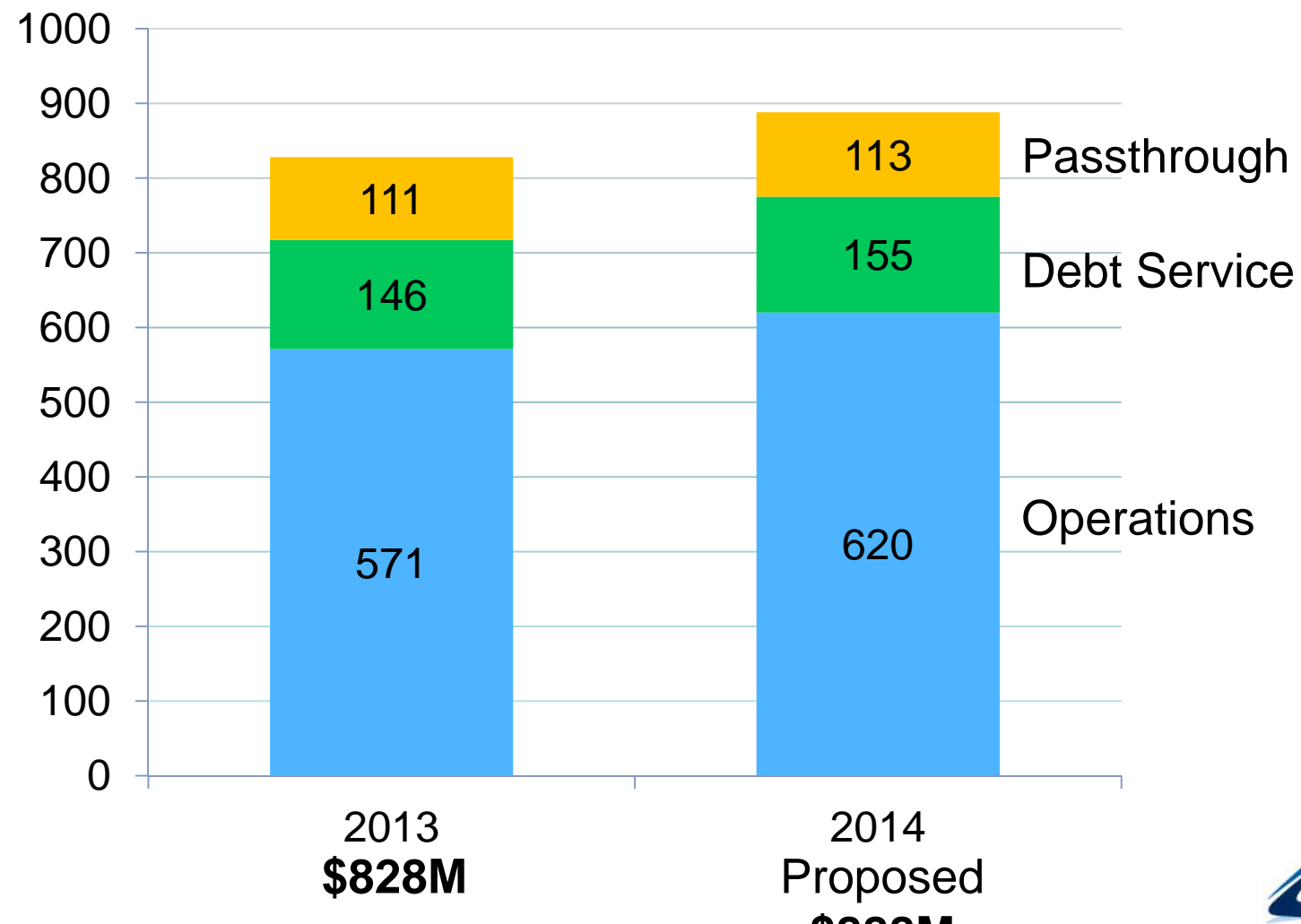


Impact on the Taxpayer

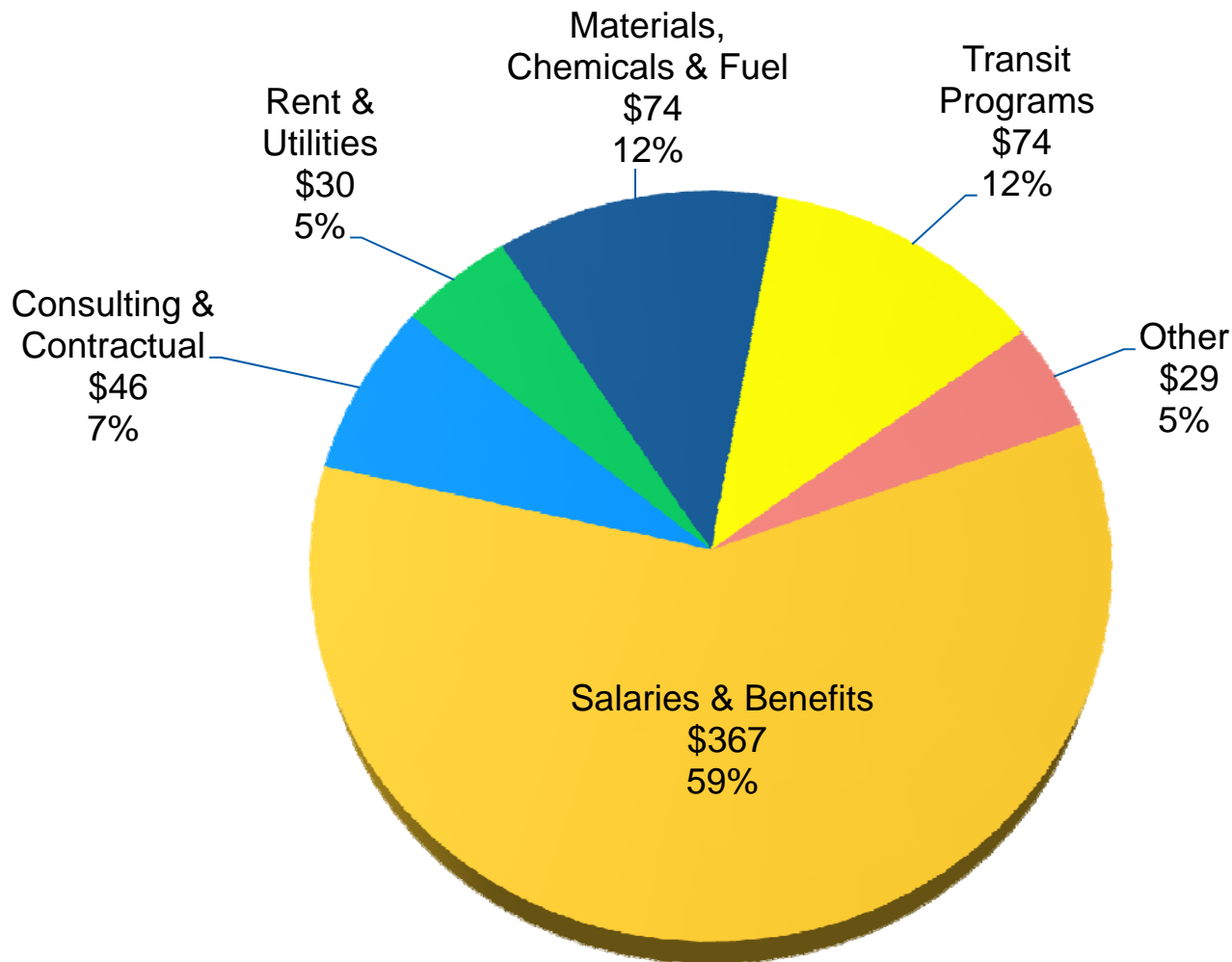
	Outside Transit Taxing Communities			Inside Transit Taxing Communities		
Market Value	\$125k	\$250k	\$500k	\$125k	\$250k	\$500k
Market Value after Exclusion	\$99k	\$235k	\$500k	\$99k	\$235k	\$500k
Estimated Tax Capacity	\$990	\$2,353	\$5,000	\$990	\$2,353	\$5,000
Estimated Taxable 2013	\$11.63	\$27.65	\$58.74	\$28.16	\$66.94	\$142.23
Proposed 2014	\$12.20	\$29.01	\$61.63	\$28.68	\$68.16	\$144.84
Change	\$0.57	\$1.36	\$2.89	\$0.52	\$1.22	\$2.61



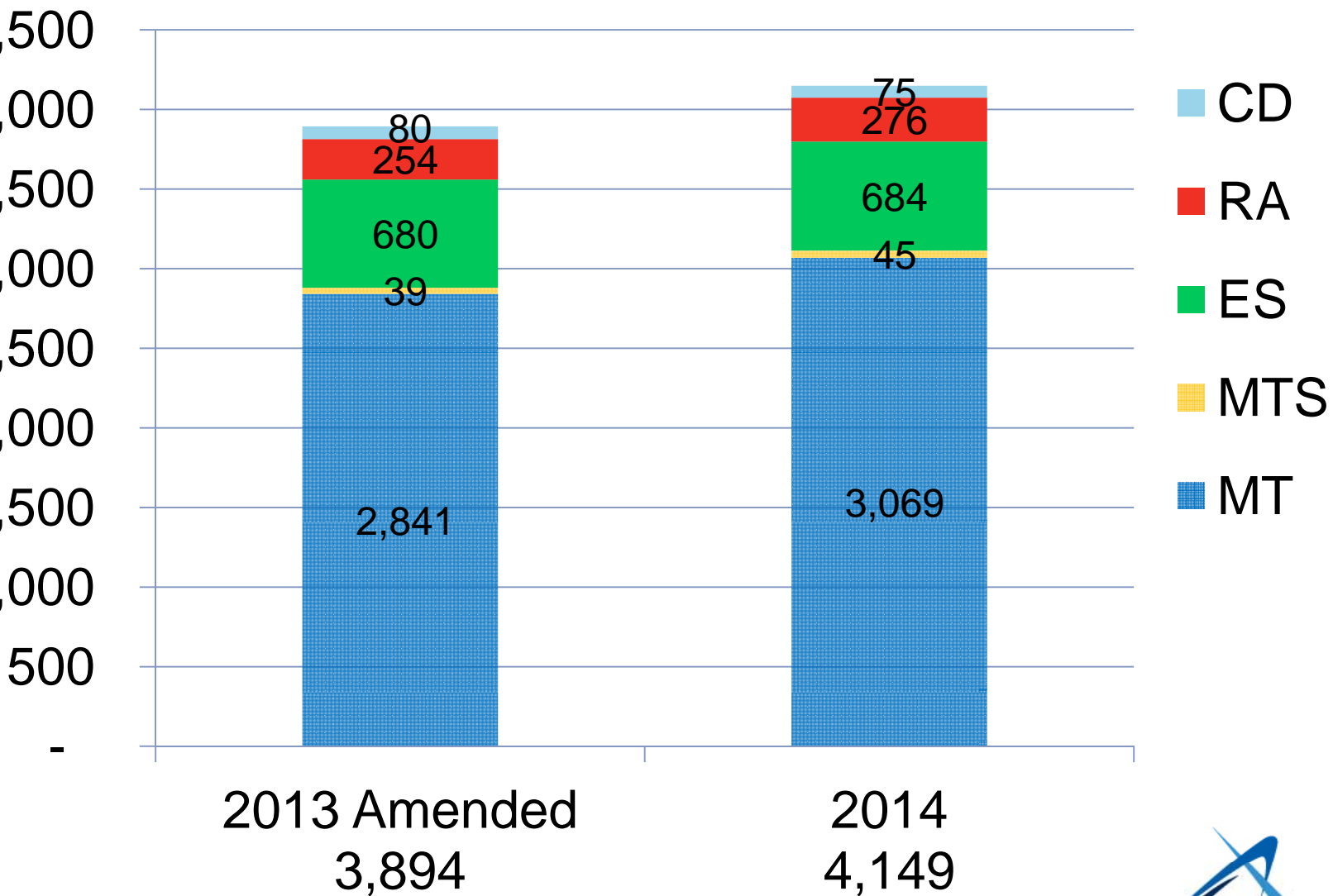
Proposed 2014 Operating Budget



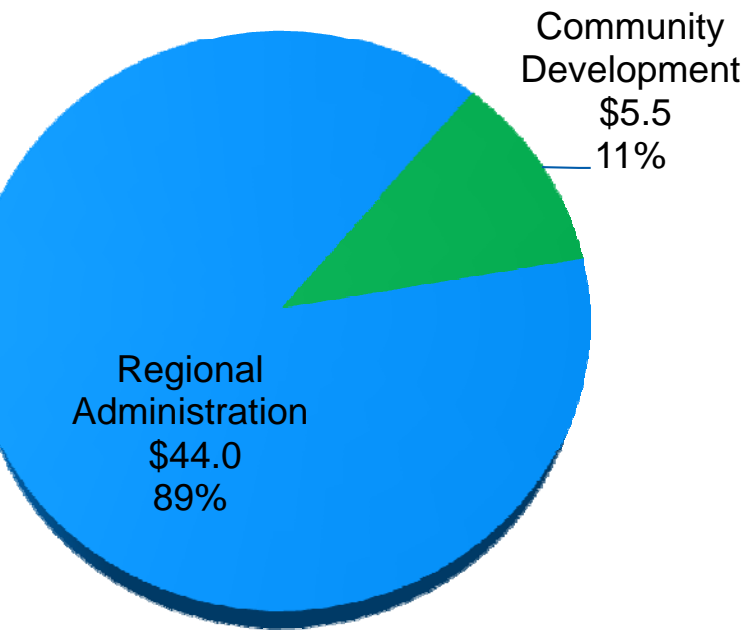
Proposed 2014 Operating Budget \$620M



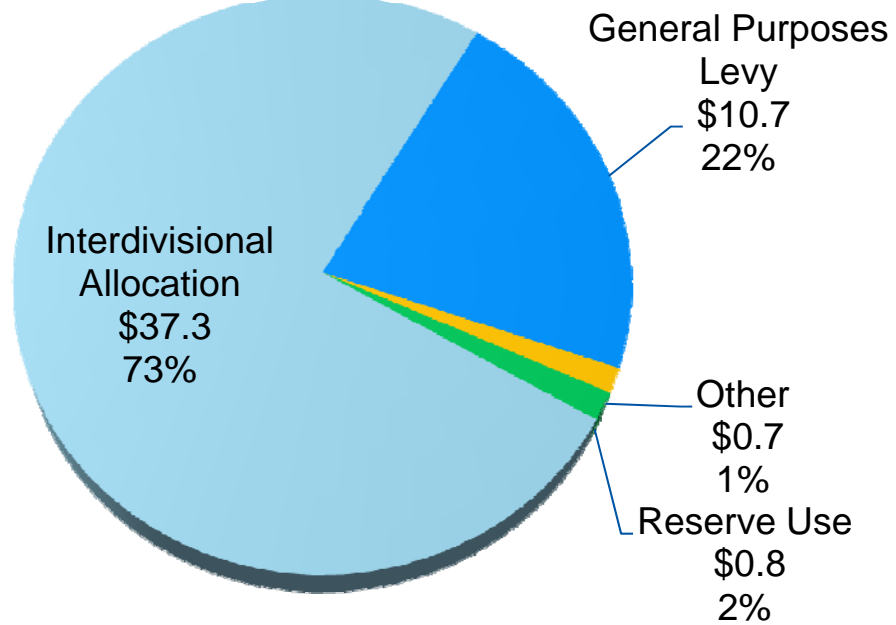
Proposed 2014 FTEs



General Fund Operations - \$49.5M



Uses by Department

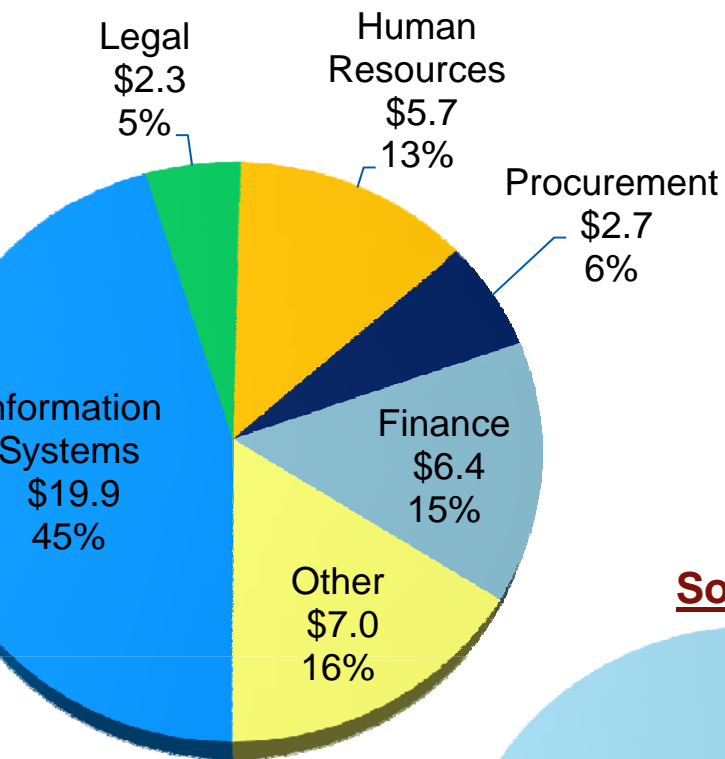


Sources

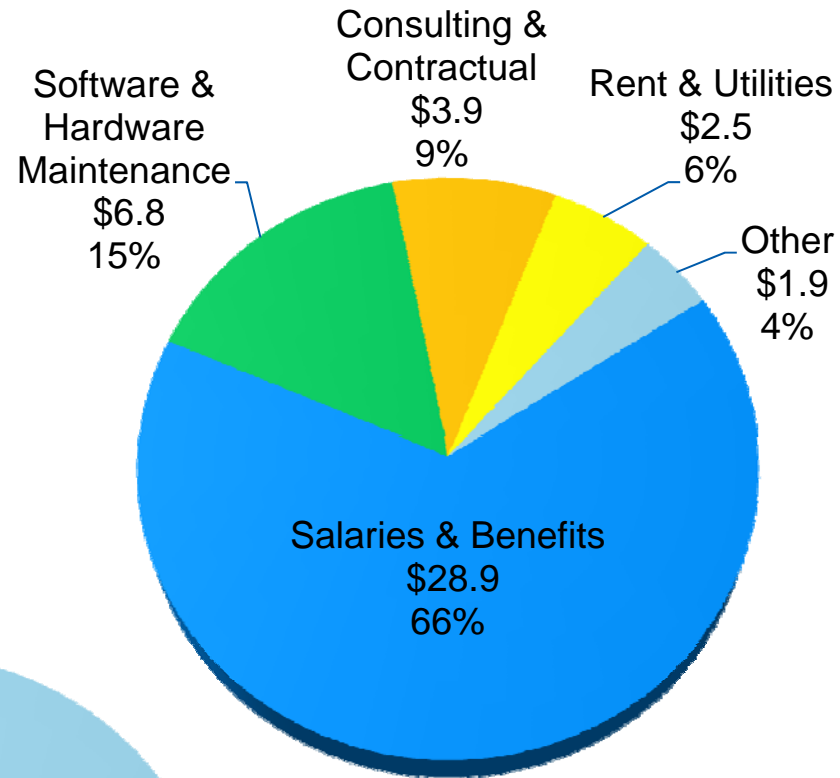


ional Administration: \$44.0M

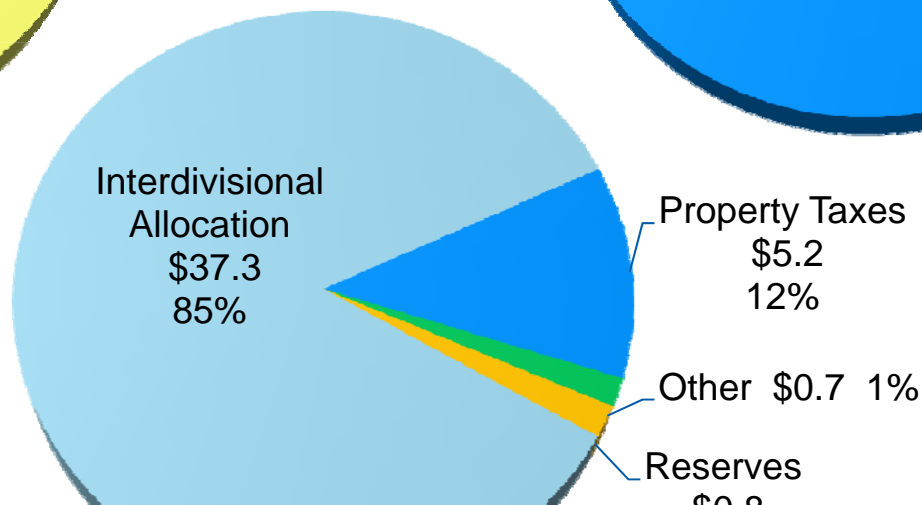
Uses by Department



Uses by Category



Sources



COMMUNITY DEVELOPMENT

Guy Peterson, Director



Operating Budget Highlights

Continue to build TOD Grant Program through LCDA Levy

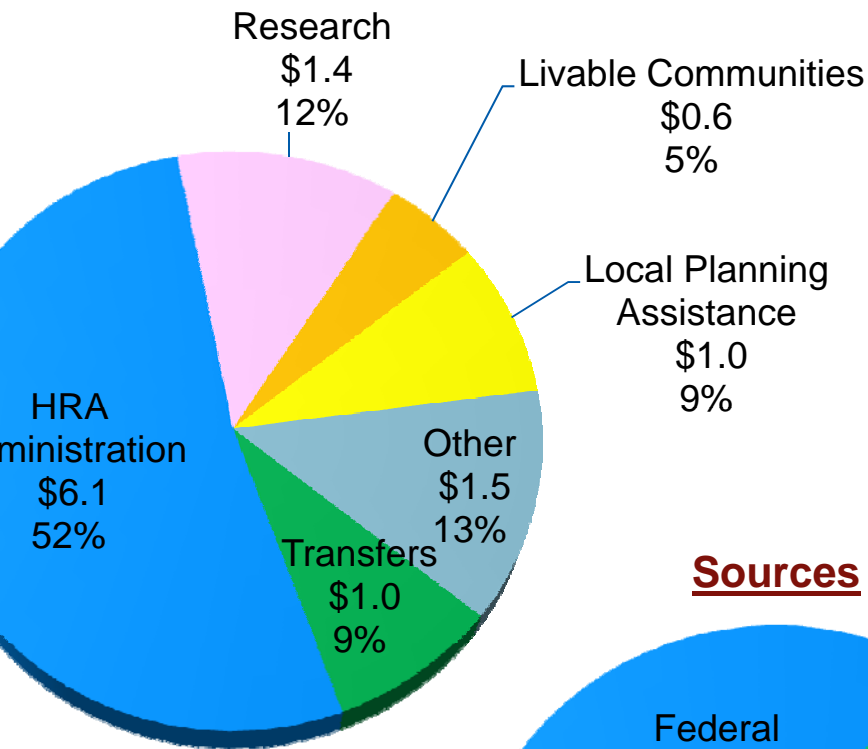
HRA Admin Fee Reserves will be at \$5.7M after 2013 sequestration backfill

The Corridors of Opportunity move to TOD office in Metro Transit

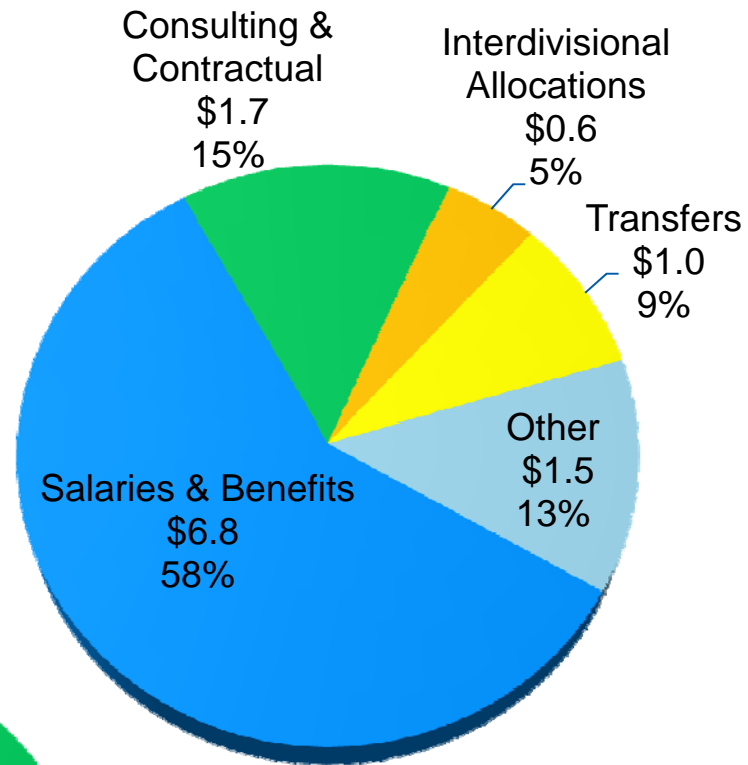


General Fund & HRA Operations \$11.6 M

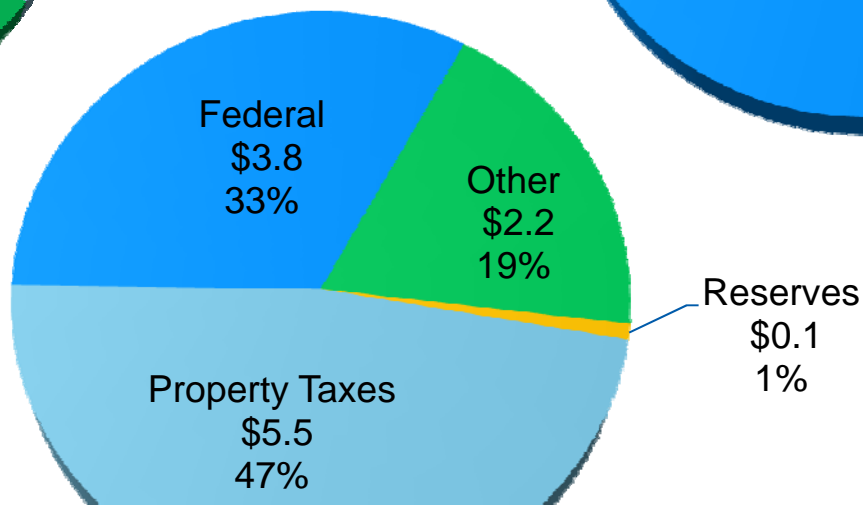
Uses by Department



Uses by Category

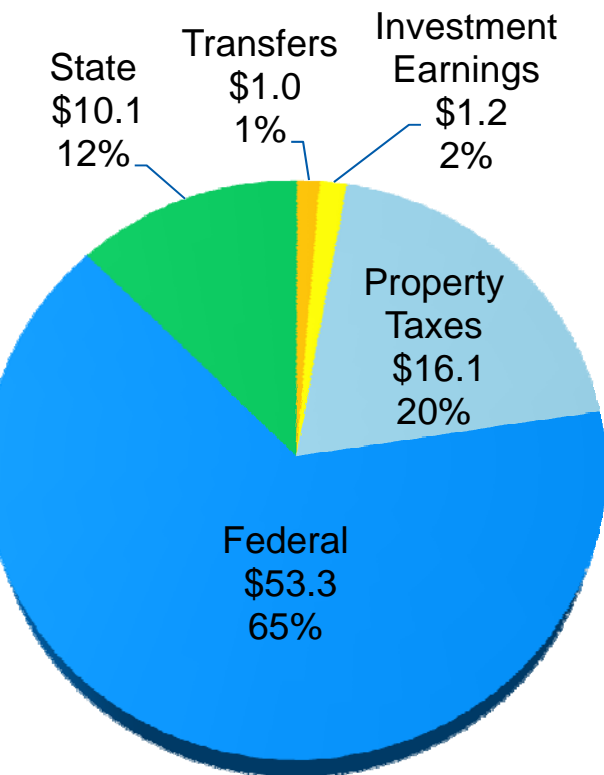


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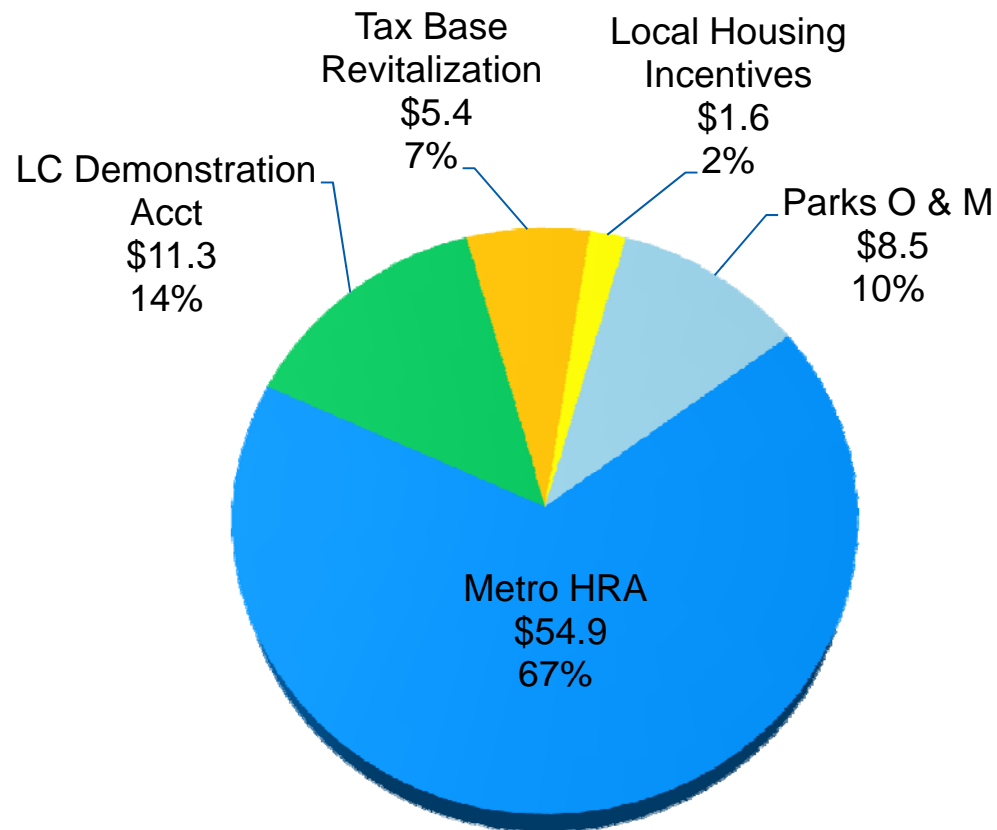


D Passthrough Programs - \$81.7M

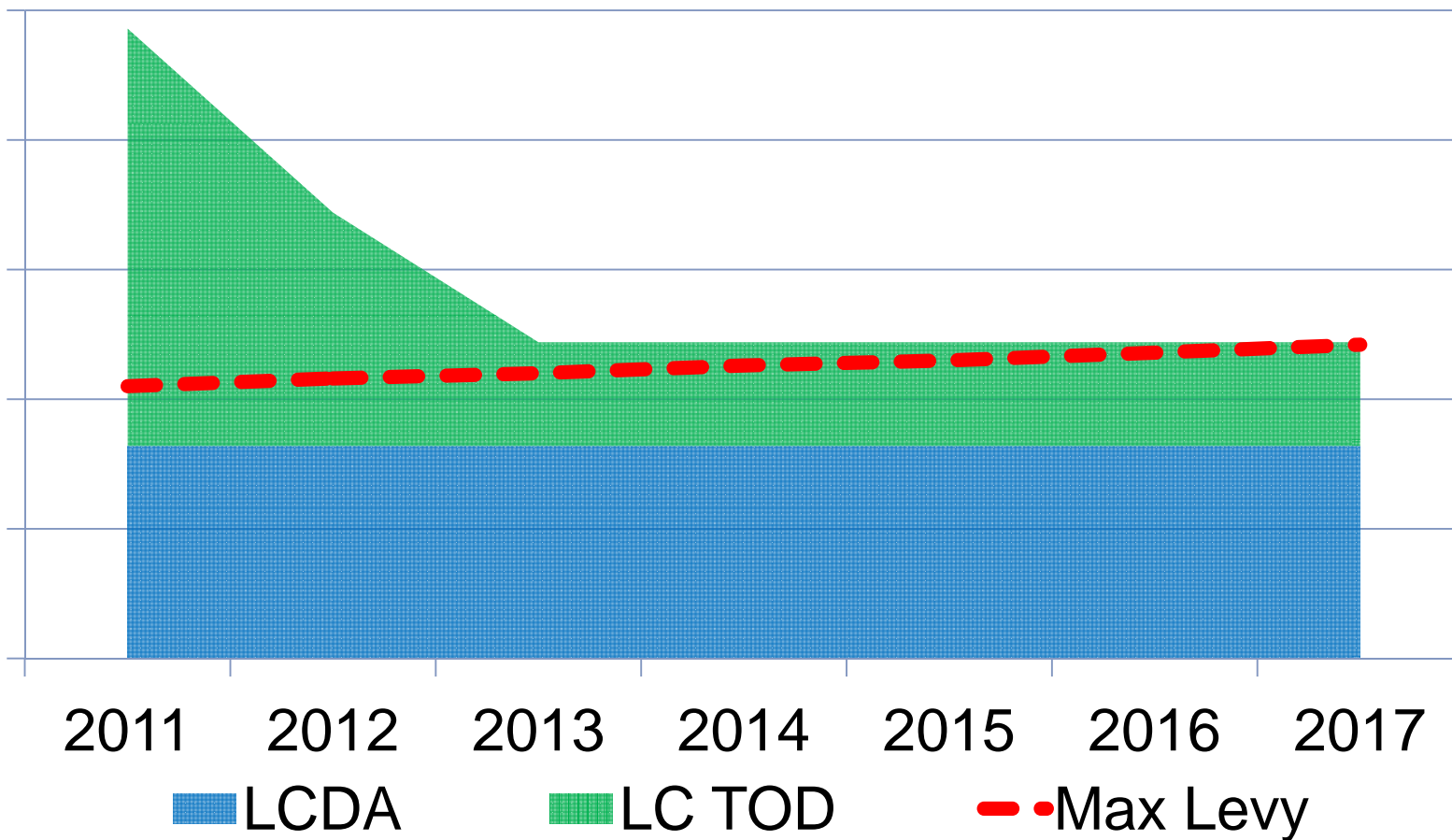
Sources



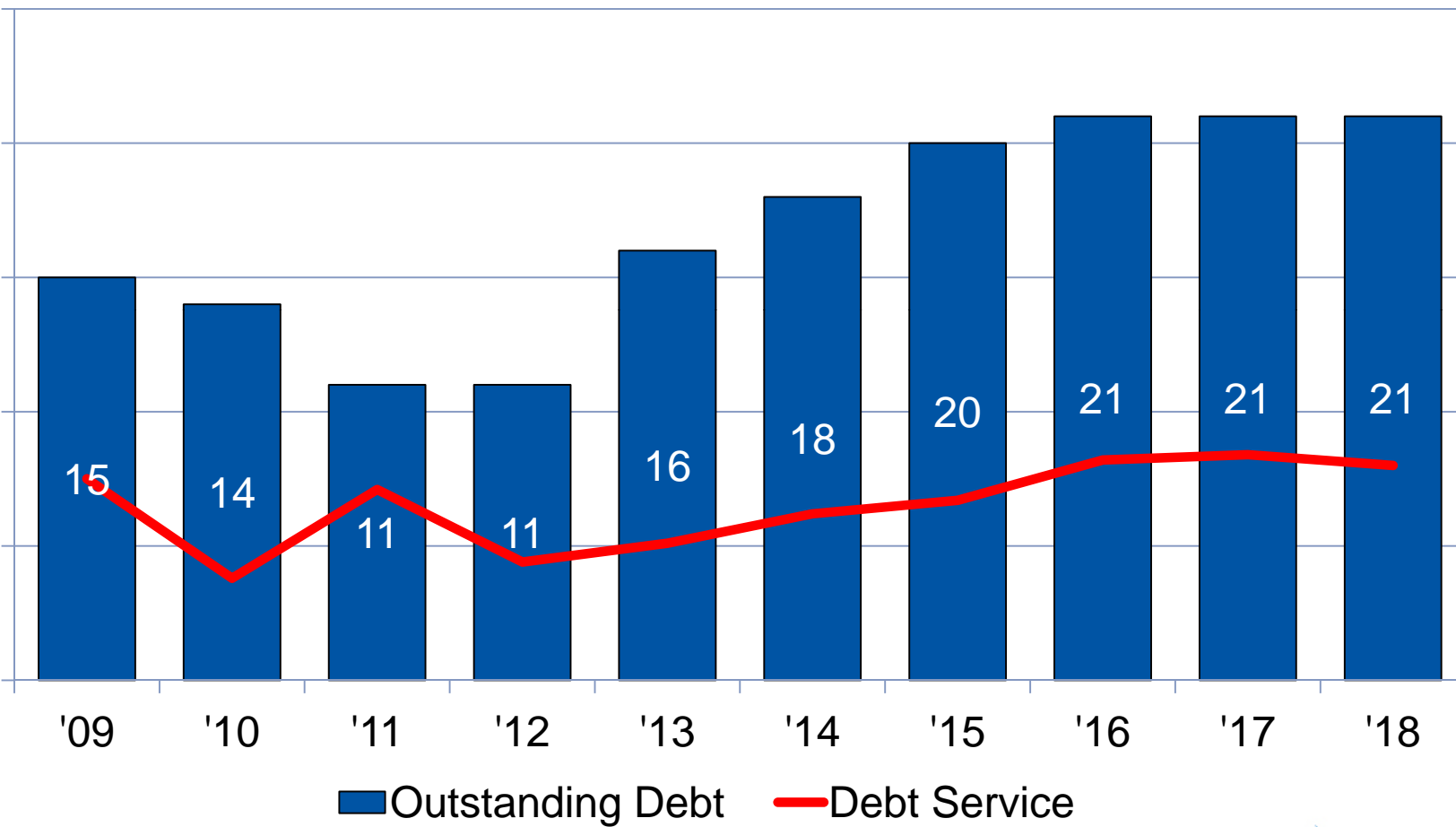
Uses



Funding Transit Oriented Development



arks Debt Service & Bonds Outstanding



Environmental Services

Leisa Thompson, General Manager



Environmental Services Highlights

Key Operating Budget Sources

- 3% increase in MWC
- No SAC shift

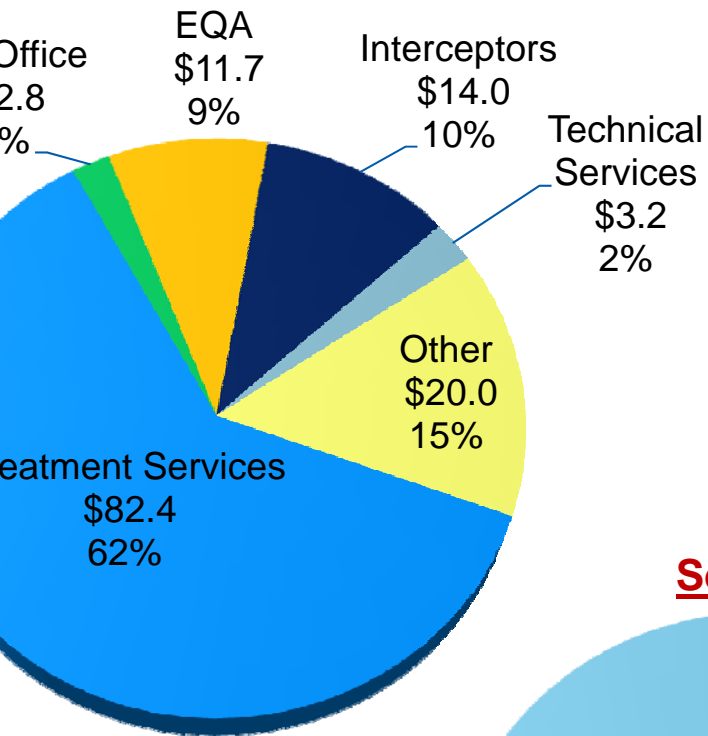
Year after year, 99.9% Compliance or Better

Energy Conservation Measures

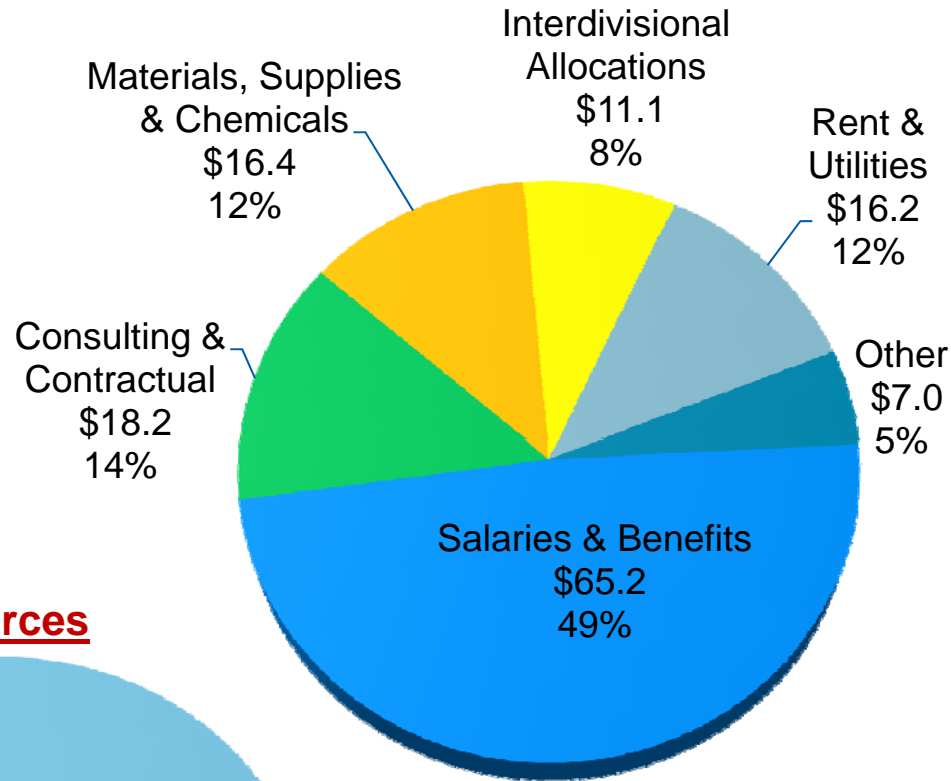


Environmental Services Operations: \$134.1M

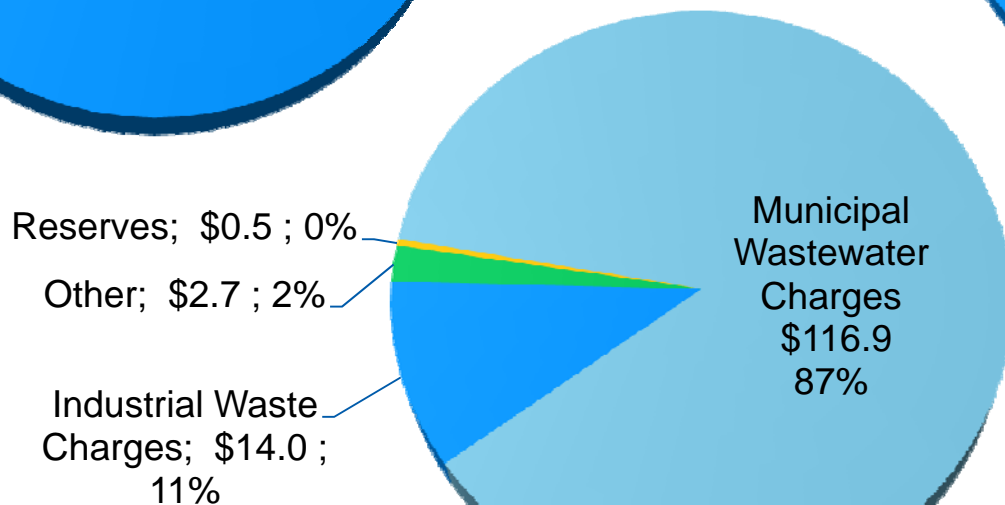
Uses by Department



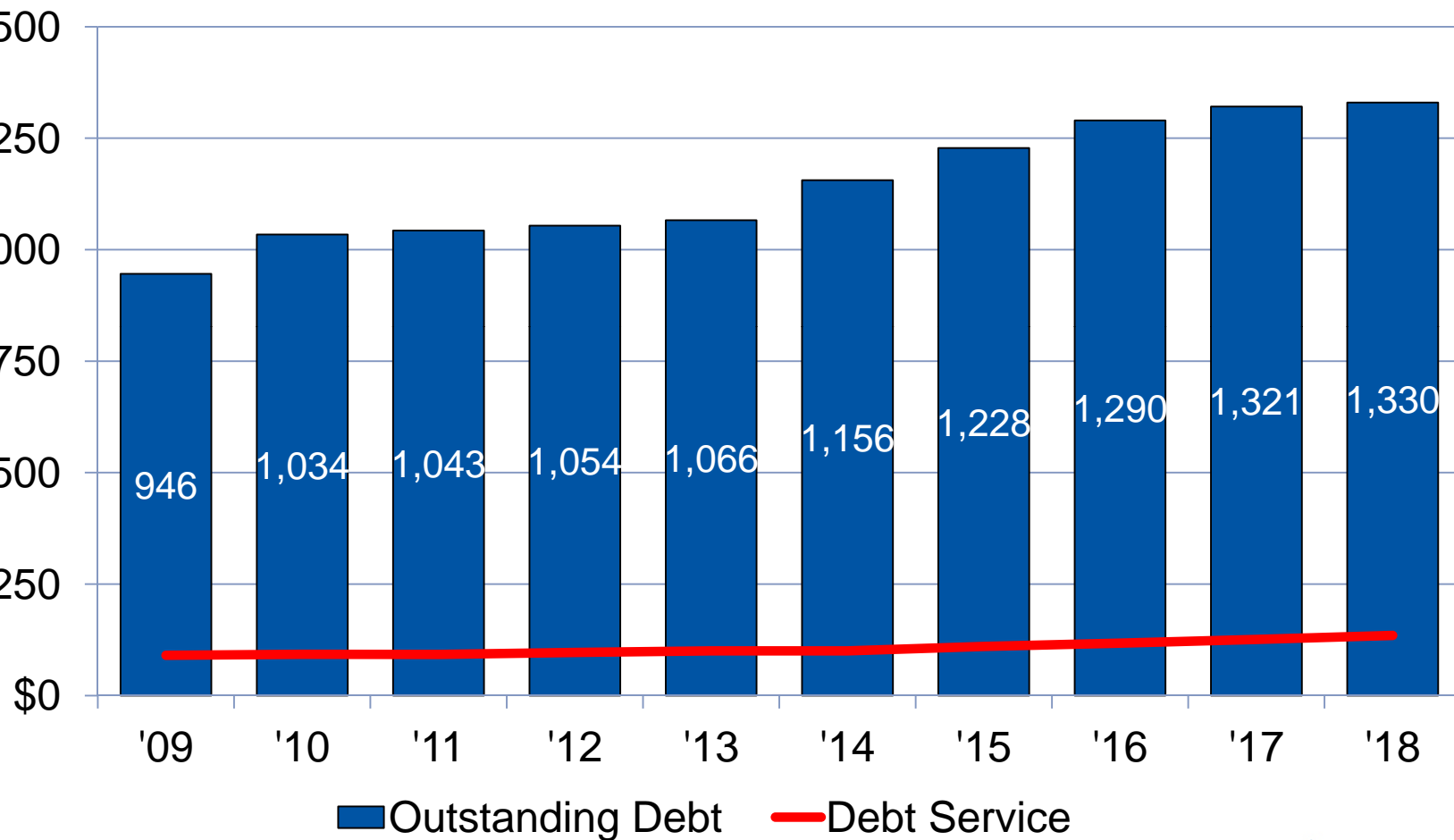
Uses by Category



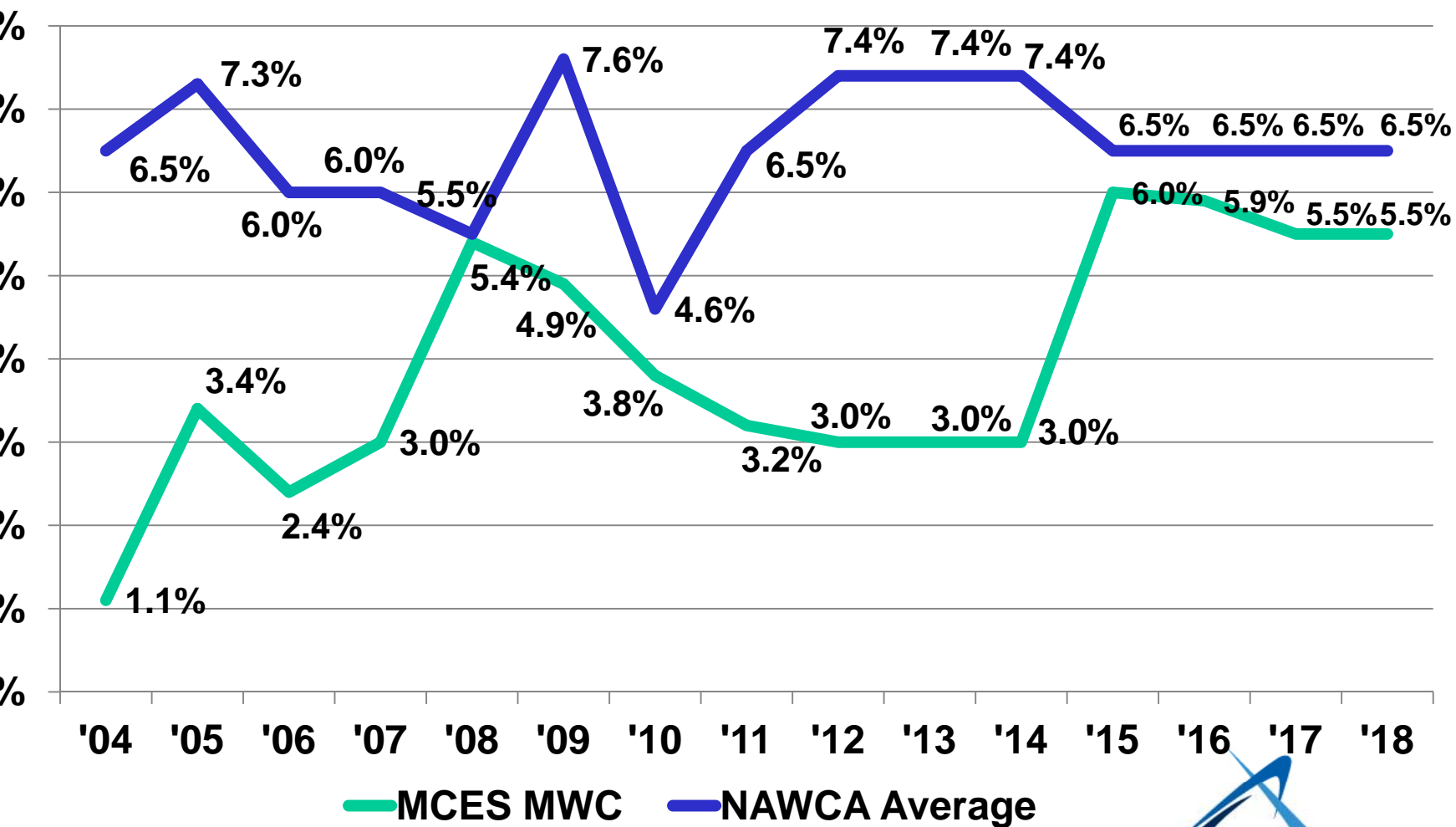
Sources



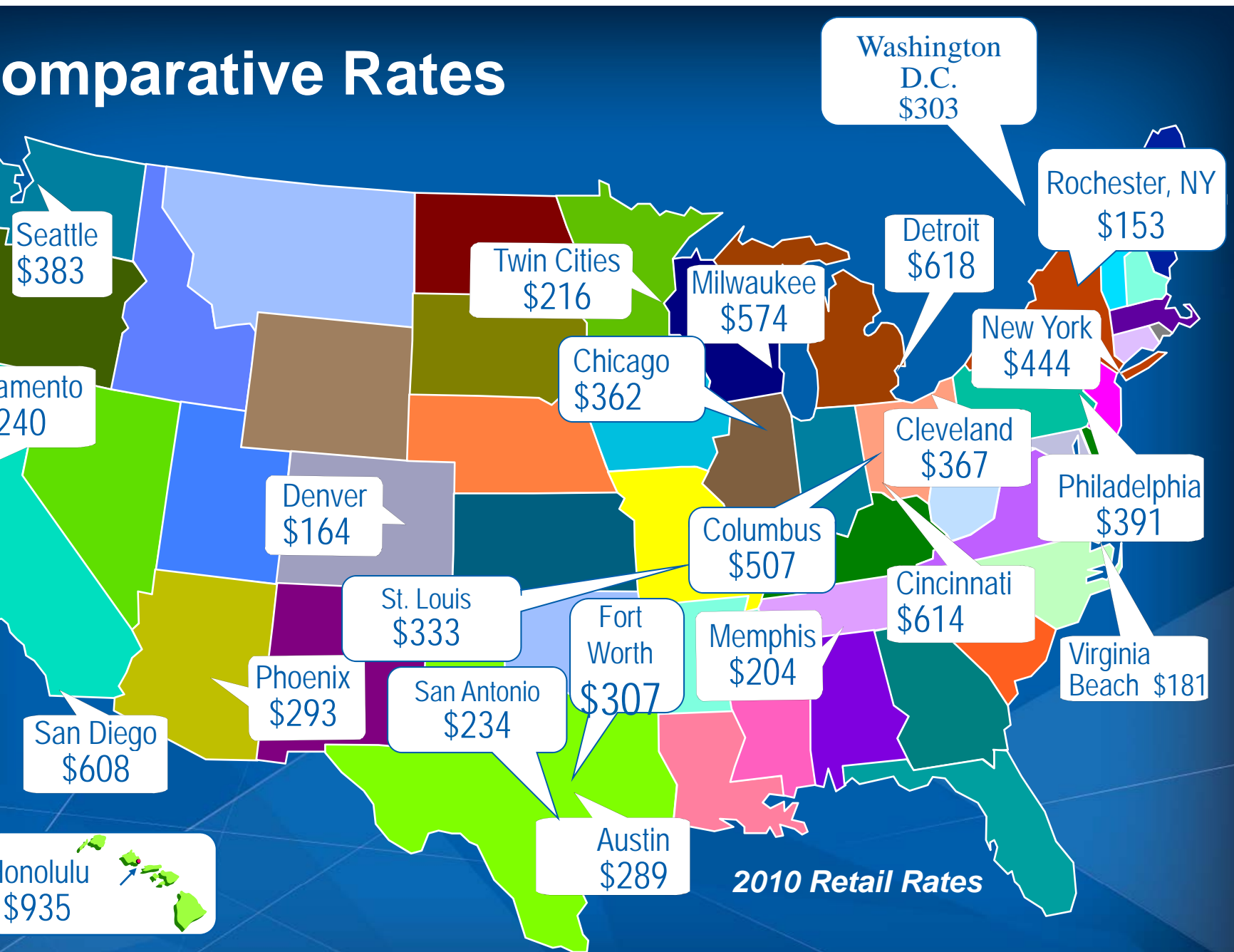
Stewater Debt Service & Bonds Outstanding



MWC Increases Compared to NACWA Average



Comparative Rates



2010 Retail Rates



TRANSPORTATION DIVISION





Financial Objectives

Application to Transit Budget

Support the Council's framework and Regional Transportation Policy Plan (TPP)

TPP: Double 2003 transit ridership by 2030

Construct a balanced transit budget over 4 years

Prioritize structural solutions – mitigate structural gaps over time

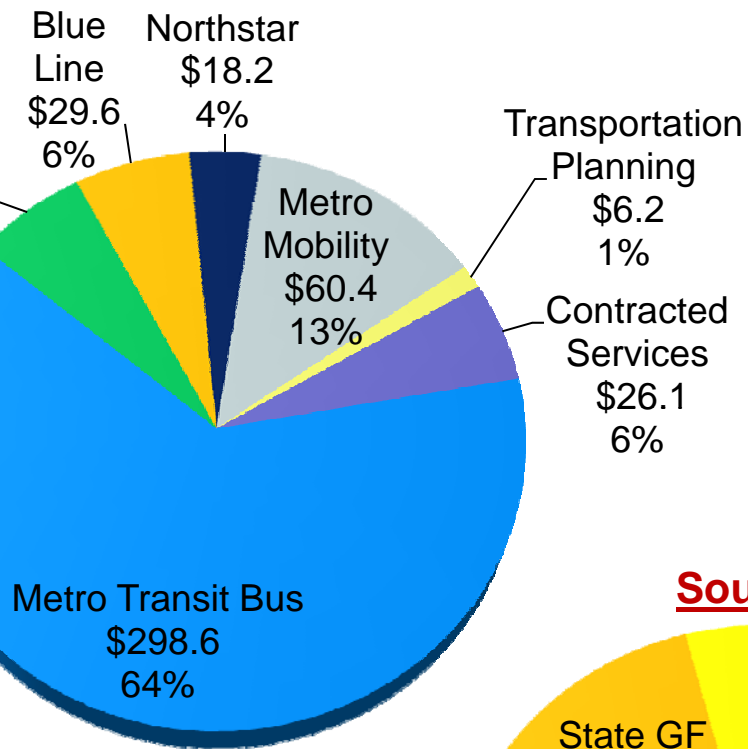
Minimize impact on Council levies

Maintain reserves at policy levels

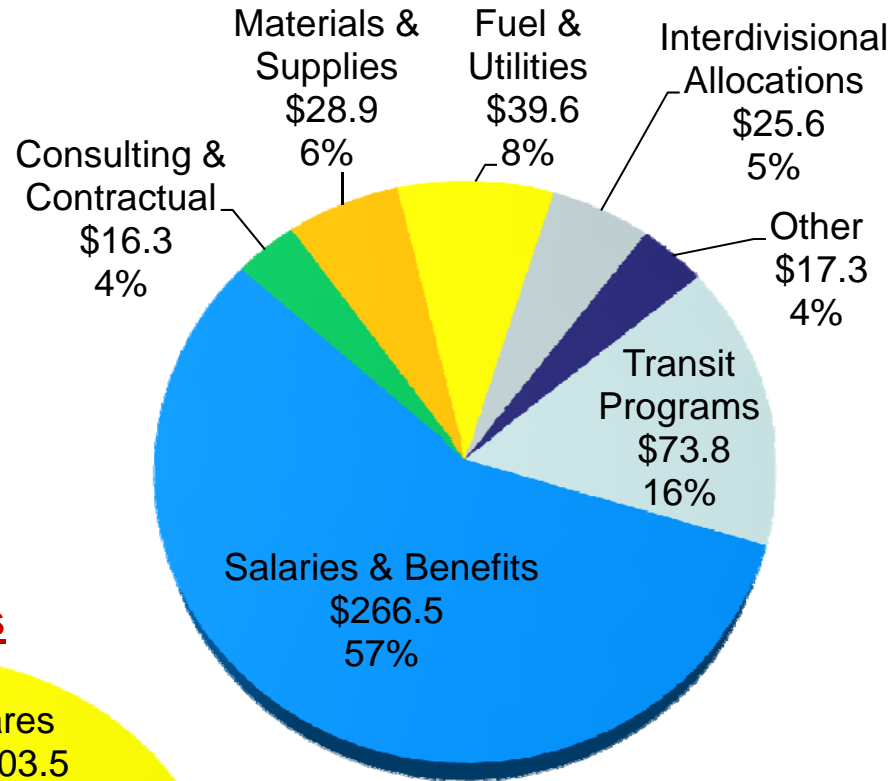
Transportation: \$468.0M



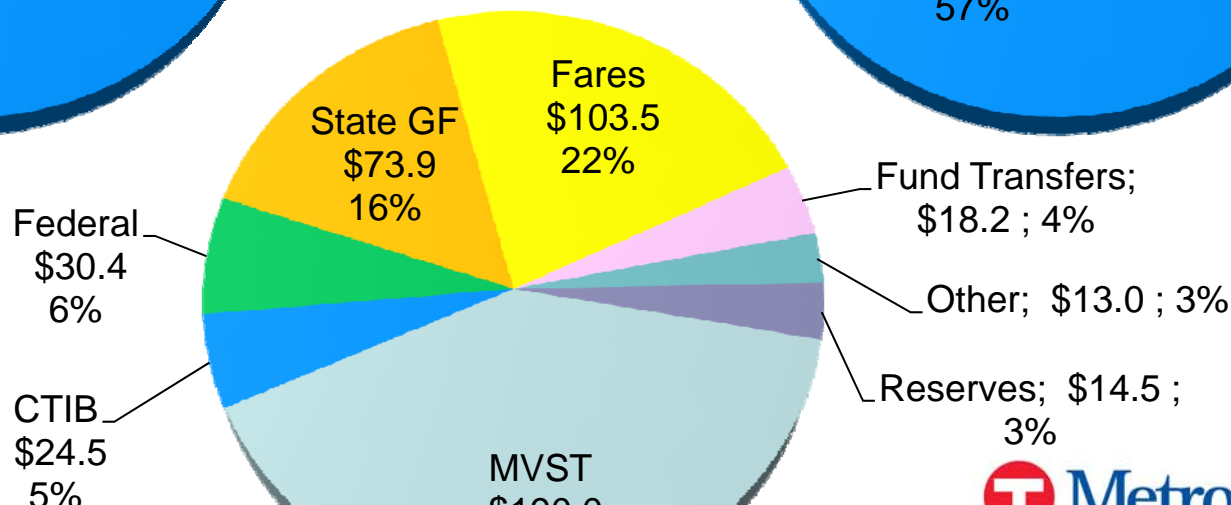
Uses by Department



Uses by Category



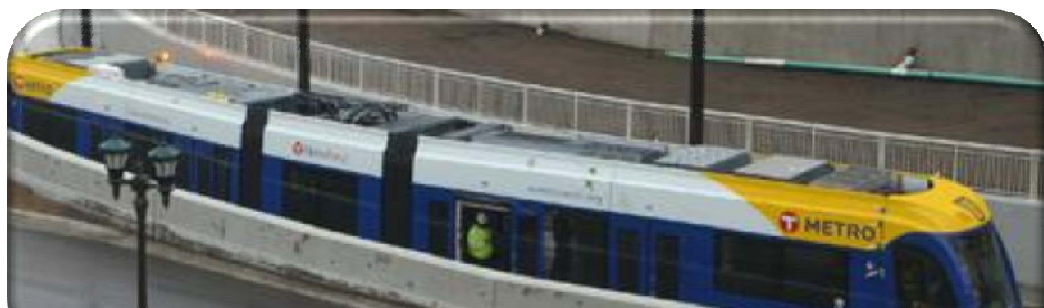
Sources





Metro Transit

Brian Lamb, General Manager





Metro Transit Budget Assumptions

Maintains 2013 service levels

- Green Line construction detours
- Service revision along University

Ridership at 86.0M (includes 4.3M for Green Line)

Diesel fuel at \$3.40/gallon

CTIB operating funding for Blue Line, Northstar and Green Line

Green Line

- Full system construction completion
- Move into revenue operations

Southwest light rail preliminary engineering

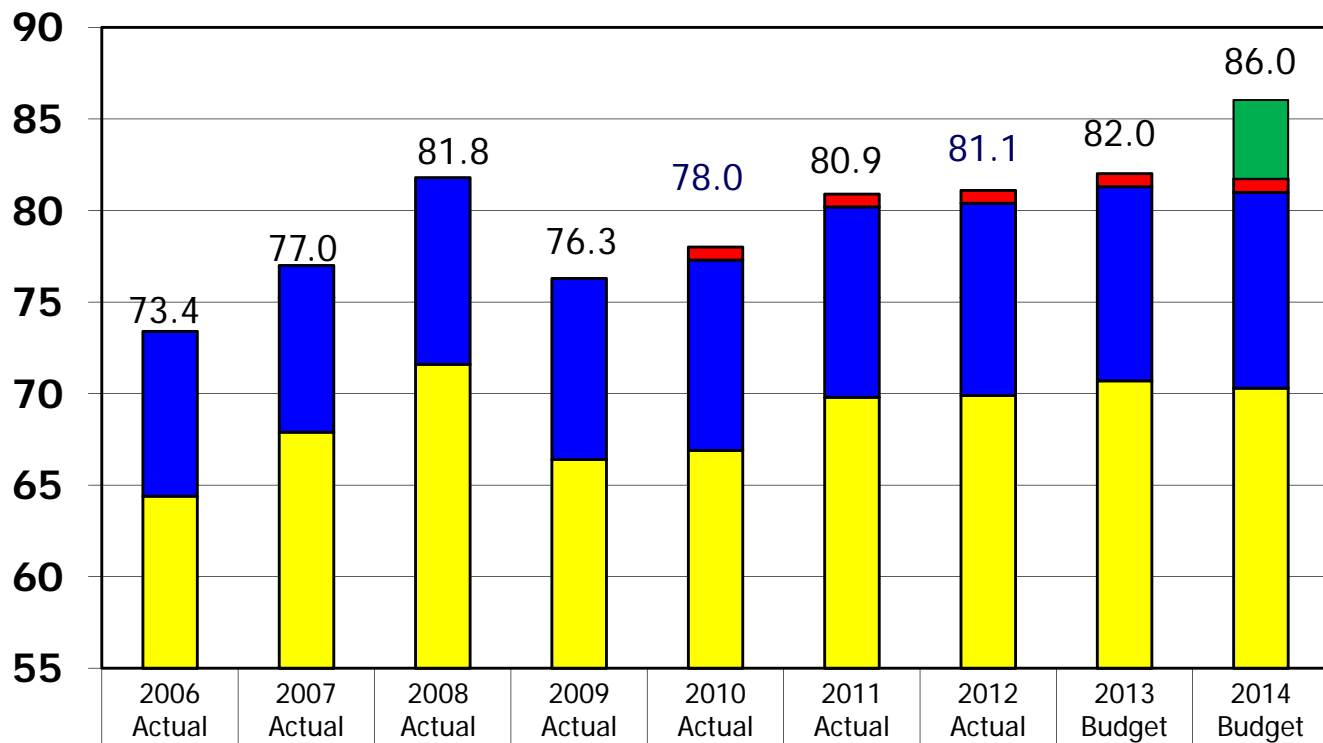
No regional fare increase

Review of Regional Fare Policy



Metro Transit Ridership

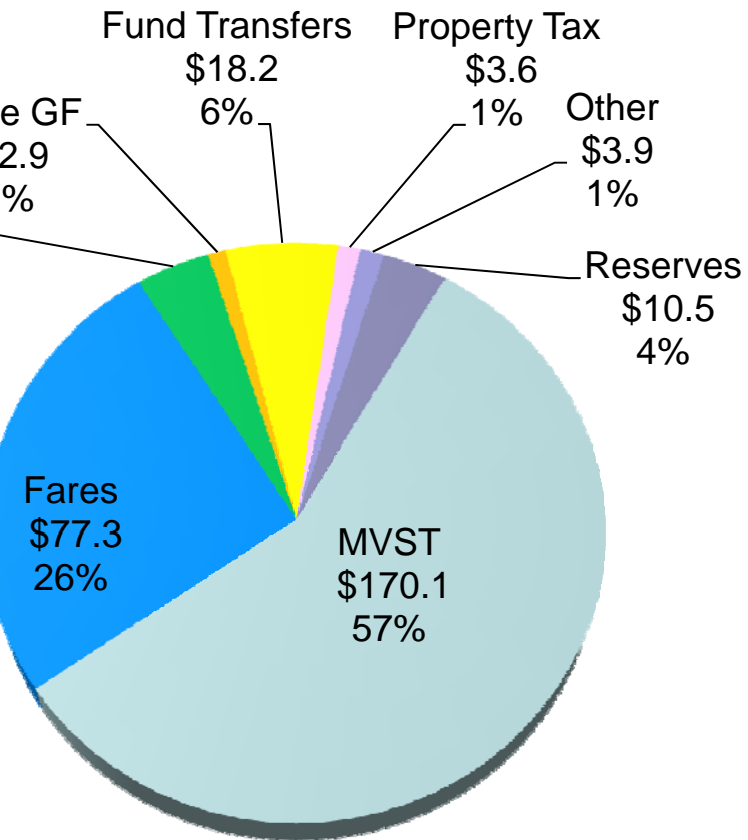
(in millions)



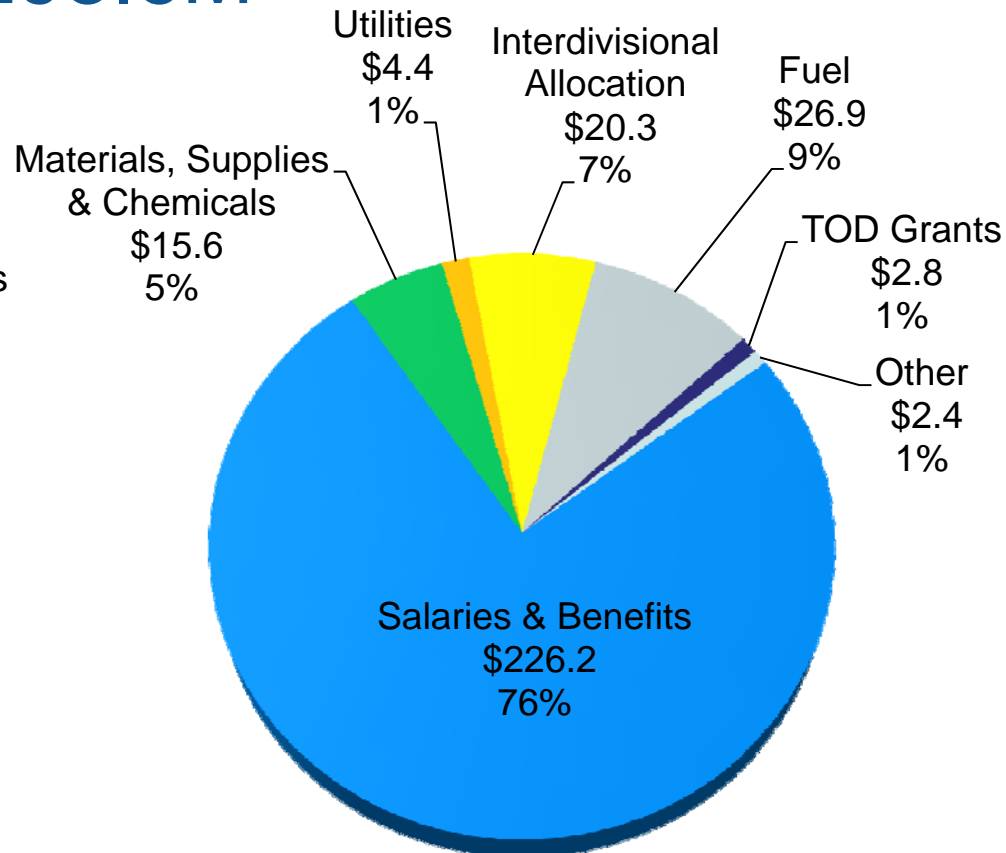
	2006 Actual	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2014 Budget
■ CCLRT									4.3
■ Northstar					0.71	0.7	0.7	0.72	0.74
■ HLRT	9.0	9.1	10.2	9.9	10.4	10.4	10.5	10.6	10.7
■ Bus	64.4	67.9	71.6	66.4	66.9	69.8	69.9	70.7	70.3



Metro Transit Bus: \$298.6M



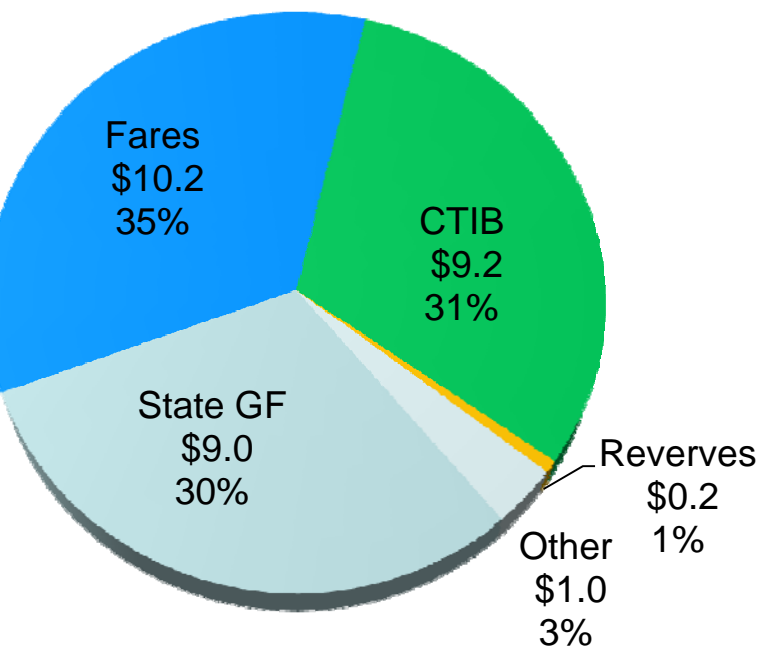
Sources



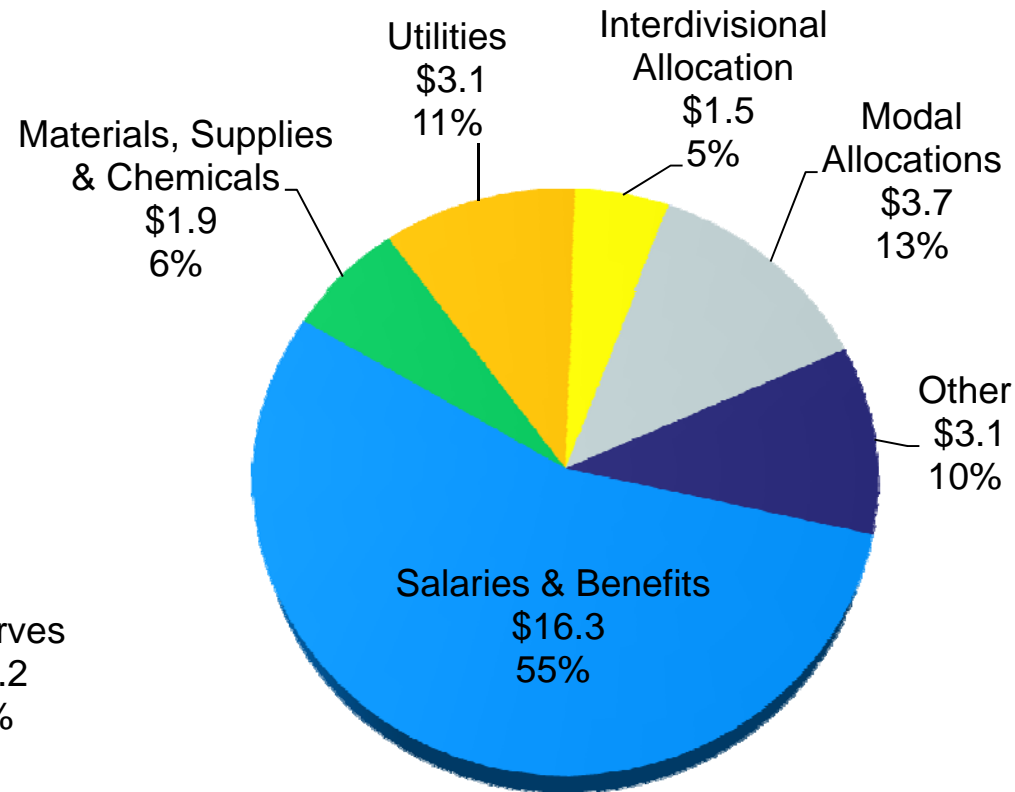
Uses



Metro Transit Blue Line: \$29.6M



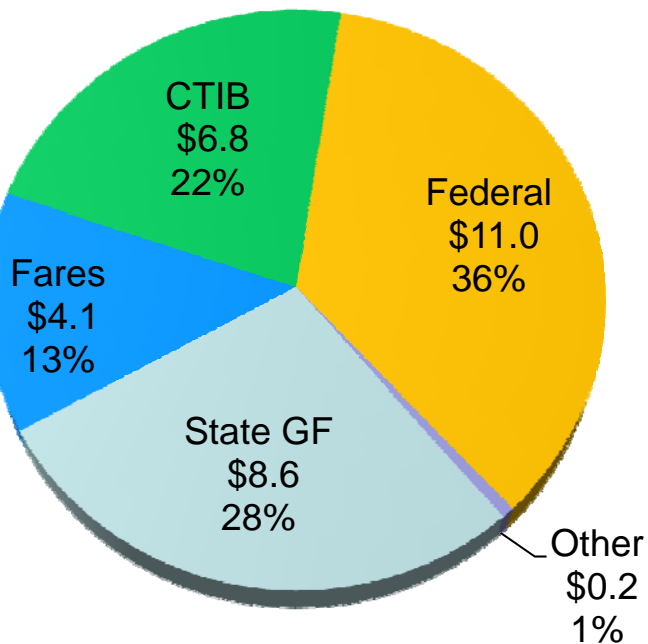
Sources



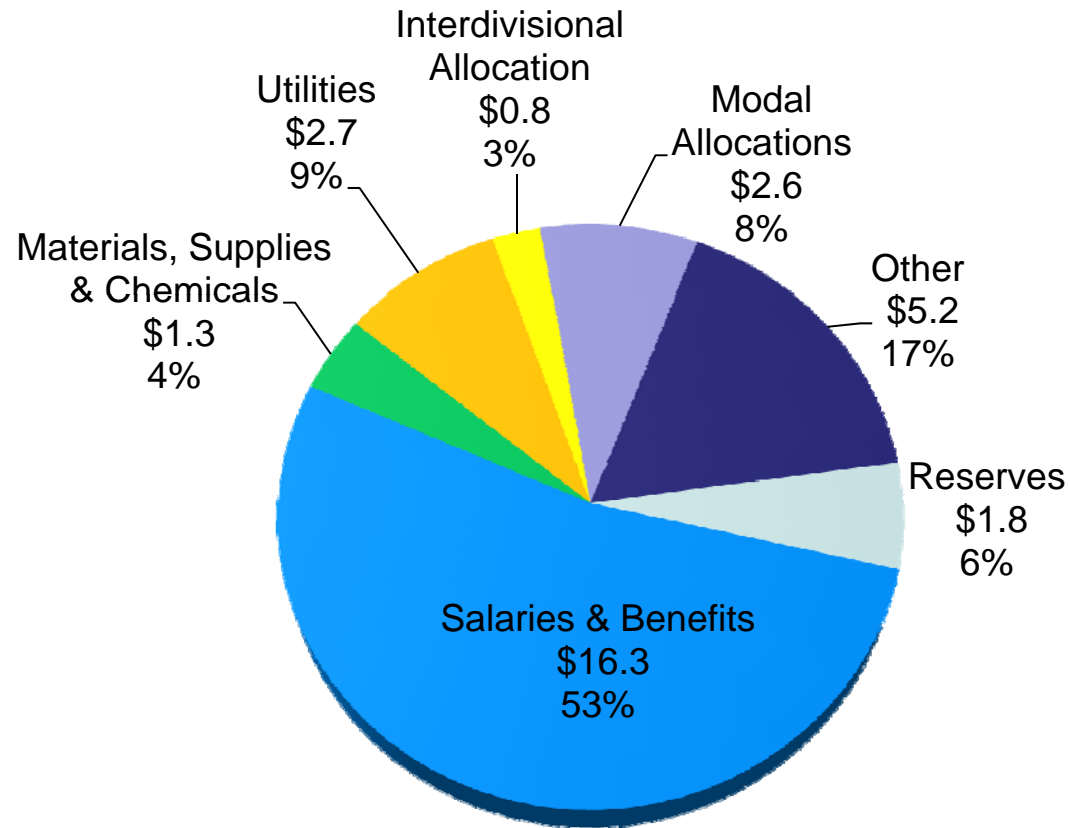
Uses



Metro Transit Green Line: \$30.7M



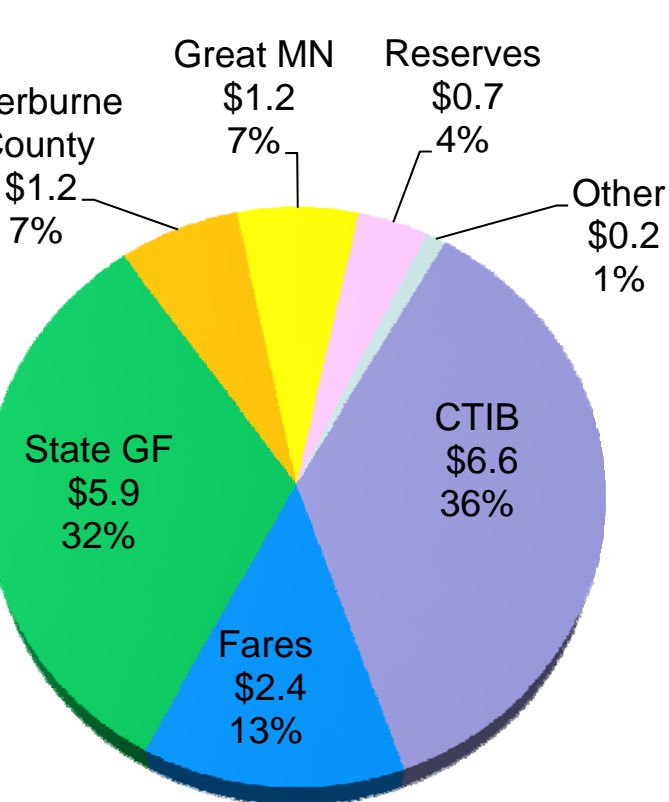
Sources



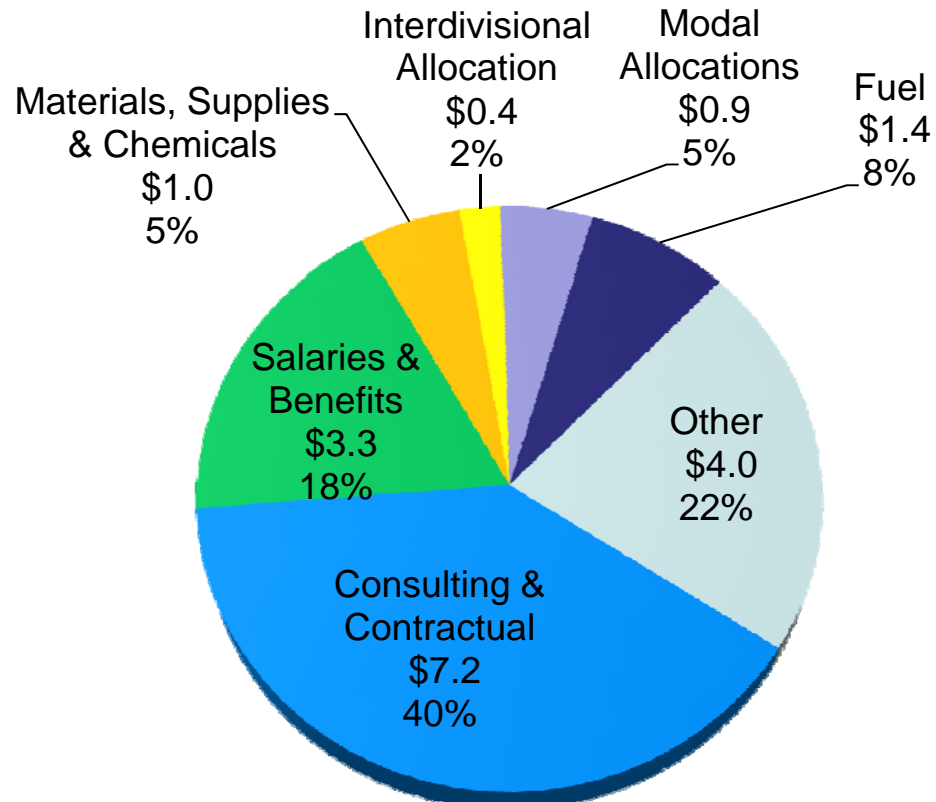
Uses



Metro Transit Northstar: \$18.2M



Sources



Uses



Metropolitan Transportation Services

Arlene McCarthy, Director





MTS Budget Assumptions

Increase fixed route service by 9% - route restructuring related to Metro Green Line

Full year of Metro Red Line service

Preserve Transit Link service at 2013 budgeted levels

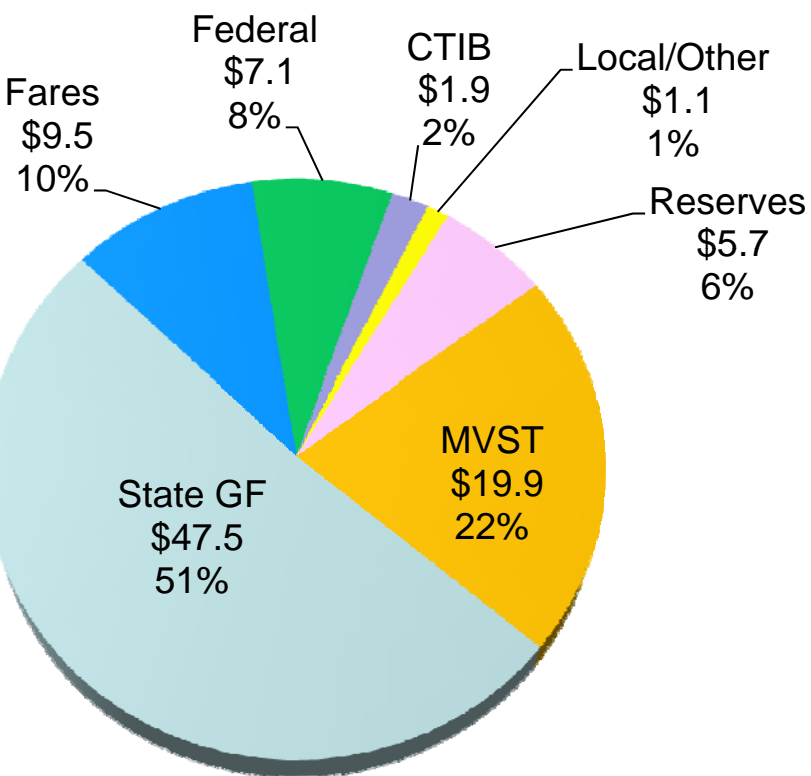
Meet anticipated demand for the Metro Mobility ADA program

STPs continue to draw from operating reserves where appropriate to address deficits

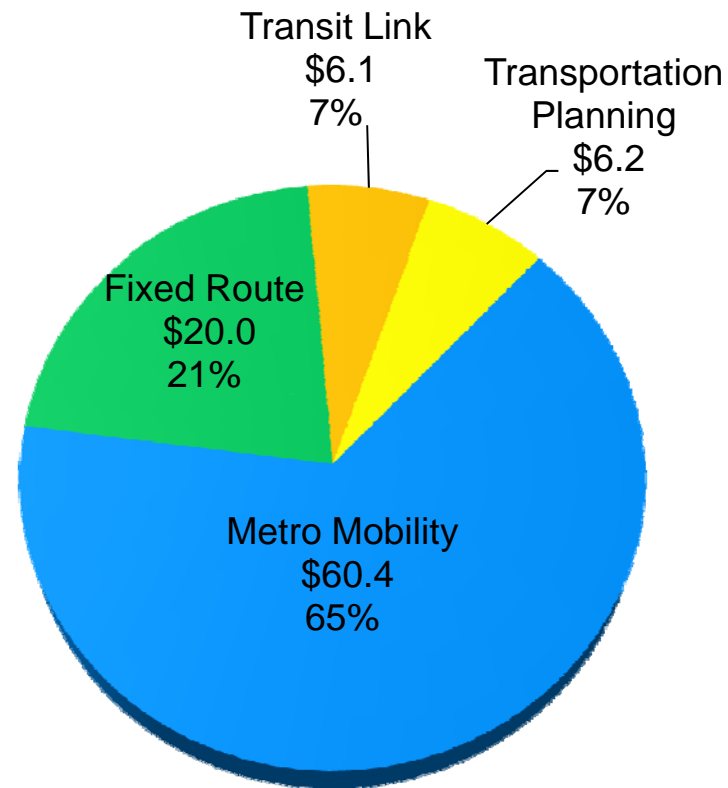
No fare increase



Metropolitan Transportation Services: \$92.7M



Sources



Uses



TS Programs – Metro Mobility – \$60.4M

Budget increase of \$6.9M includes:

Provider contract costs increased

- \$4.8 M due to increased revenue hours
- \$1.0 M due to annual rate increases

Assumed ridership growth of 10%

Fuel expense is driven by

- higher anticipated price (\$3.50/gallon to \$3.75/gallon)
- higher consumption level due to additional revenue hours

Service levels partially dictated by federal and state law





MTS Programs – cont.

Transportation Planning - \$6.3M

\$0.4M increase in Job Access and Reverse Commute and New Freedom Federal Funds Passthrough

Worked Route - \$20M

\$2.1M increase driven by service restructuring and Red Line first full year of operations

Transit Link - \$5.8M

Budget includes \$0.6M Section 5311 (non-urbanized area) Federal Funding

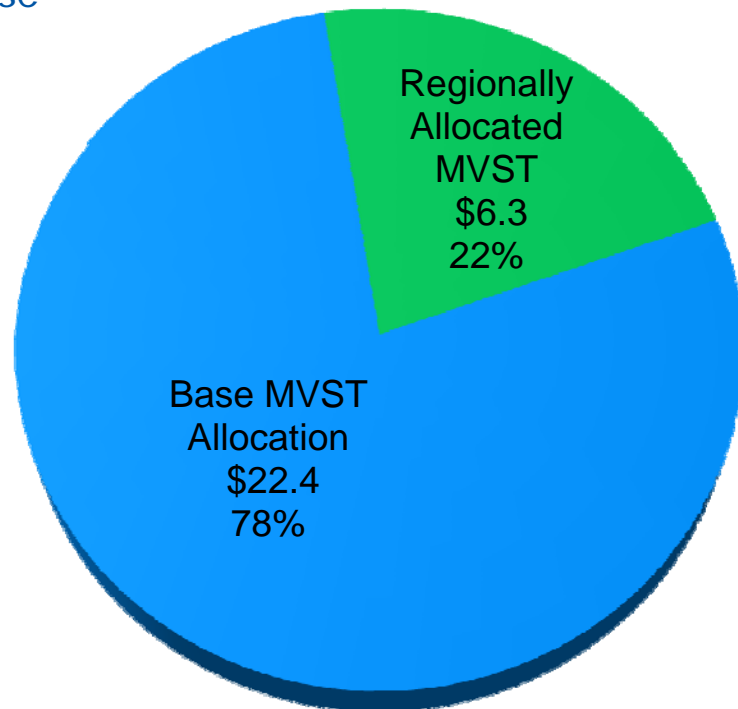
- MnDOT competitive grant process
- Grants awarded in mid-October
- Differing grant award may require budget adjustments



MTS Passthrough Program: \$28.7M

MVST to Suburban Transit Providers

2.5% increase

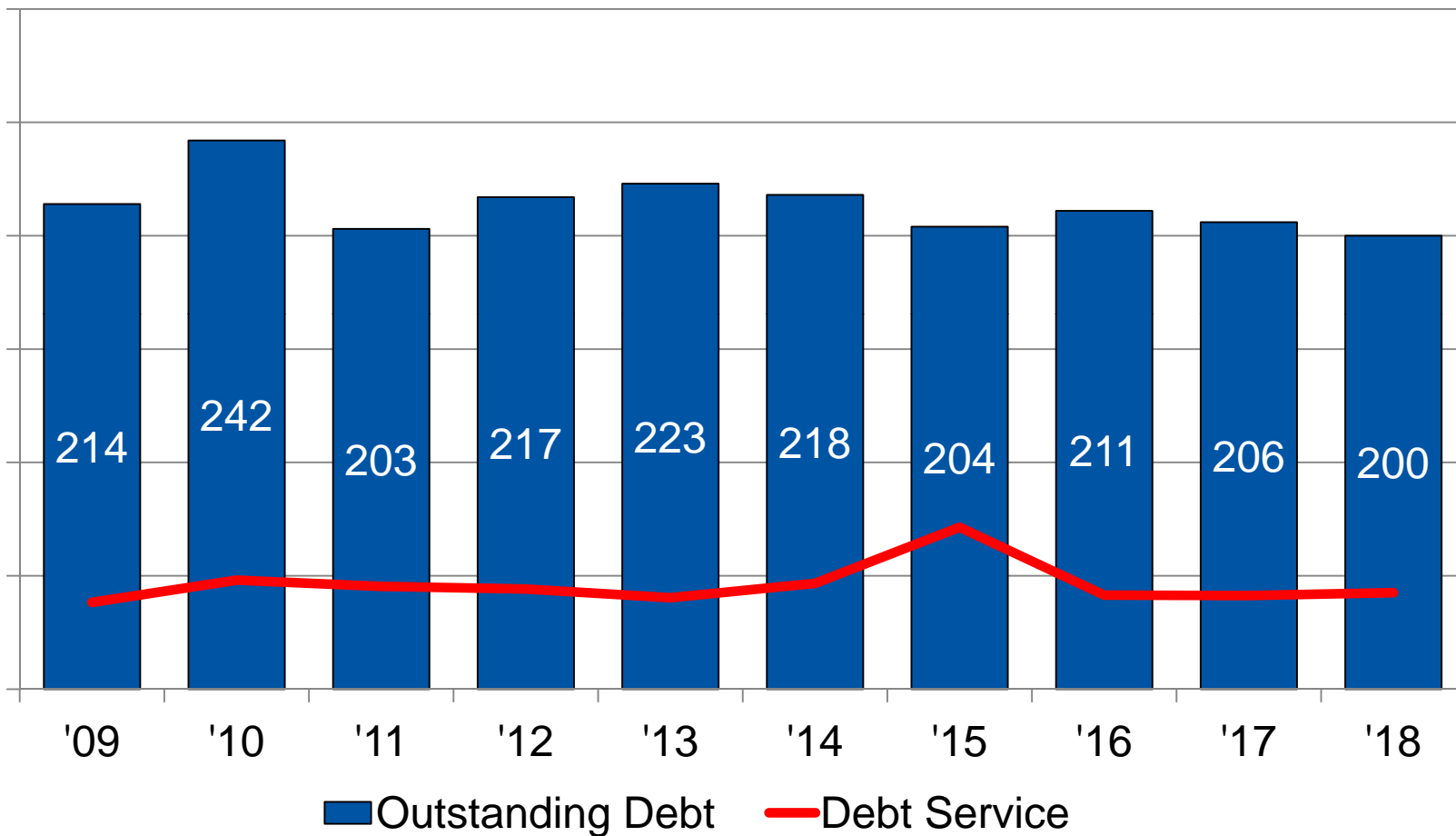


- MVTA and SWT will receive \$4.9M and \$1.4M respectively in Regionally Allocated MVST

- Other Regional Suburban Transit Providers will continue to use reserve balances over regional targets.



Debt Service & Bonds Outstanding

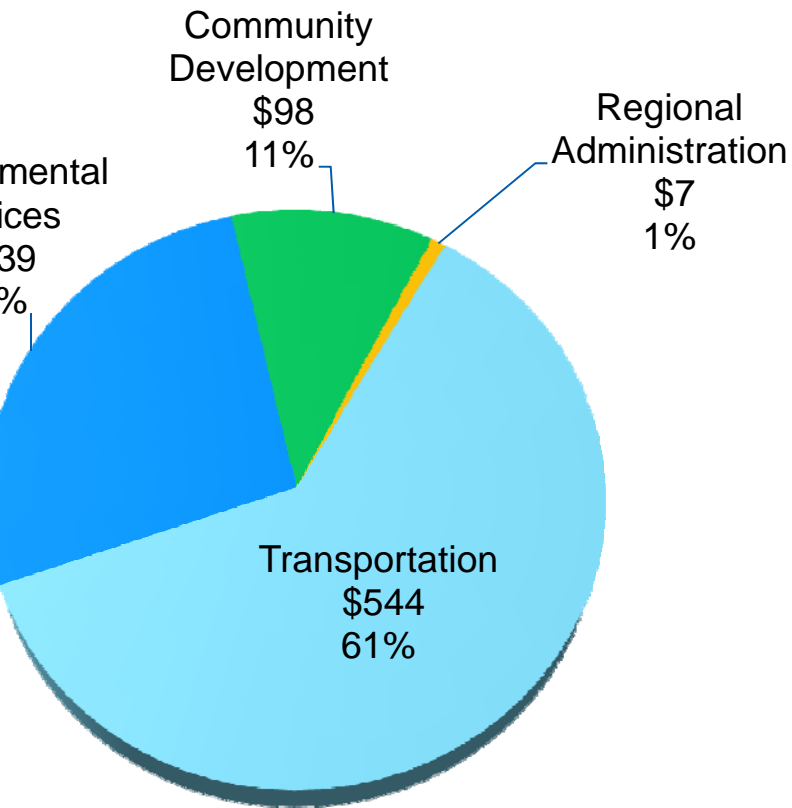


Budget Development Timeline

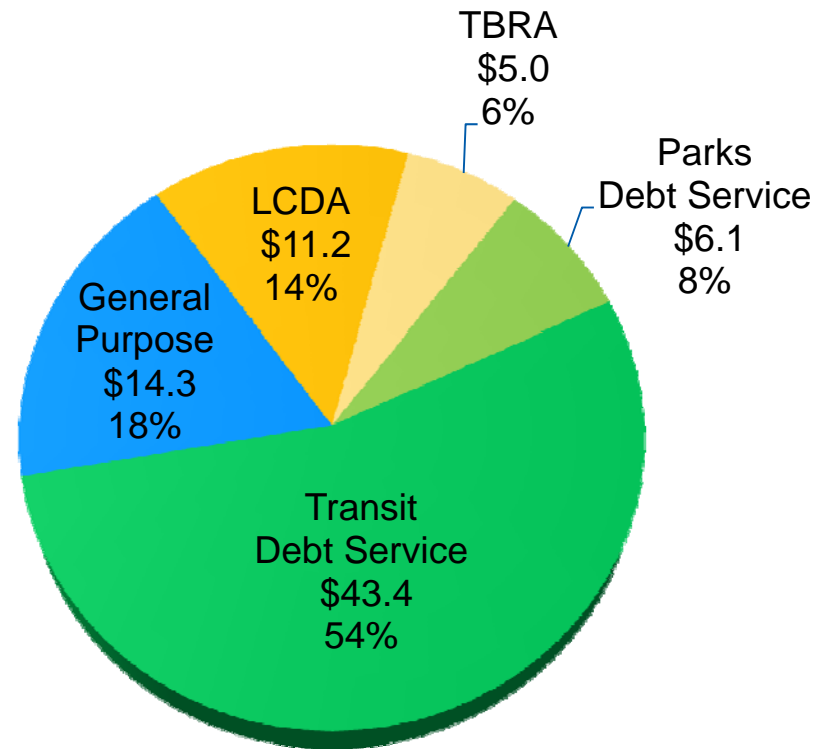
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4 Preliminary Operating Budget & Levies



Operating Budget
\$888M



Council Levy
\$80M

