

Metropolitan Council

# **“Big Picture” 2016 Unified Budget**

Council Meeting June 24, 2014



# Timeline for Budget Development

Jun 24	Council - “Big-Picture” Operating & Capital Budget
Jul-Aug	Committee - Division Level Budget Presentations
Aug 12	Council - Adopt Wastewater Rates
Aug 12	Council - Division Level Budget Presentation
Aug 26	<b>Council - Adopt Preliminary Budget &amp; Levies</b>
Oct	Council - Adopt Public Comment Drafts
Dec 9	<b>Council - Adopt Final Budget &amp; Levies</b>

# Story Line - “Thrive in Motion”

- A-Line Service
- Targeted Stormwater/Reuse
- Industrial Pretreatment Incentive Program
- Solar Collaborative
- Housing Choice Voucher Mobility Counseling

Stewardship

Prosperity

Equity

Livability

Sustainability

Integration

Collaboration

Accountability



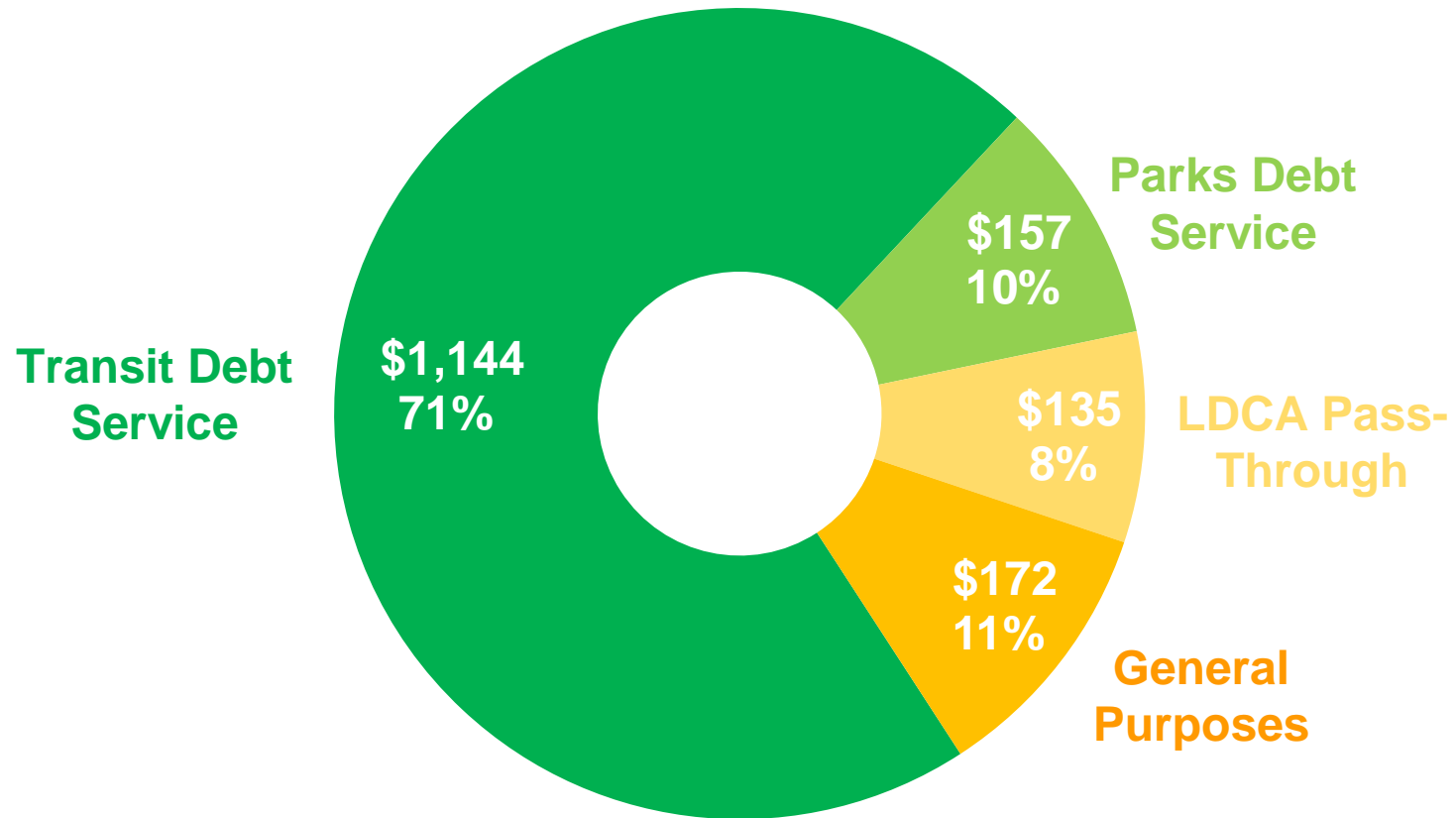
# Recommended Levies + 2.0%

	2015	2016	Limit *
<u>Non-Debt Service Levies</u>			
General Purposes	\$ 14.451	\$ 14.623	14.623
Highway Right of Way	-	-	3.931
Livable Communities:			
- Demonstration Acct	11.342	11.477	11.477
- Tax Base Revitalization	5.000	5.000	5.000
<b>Total Non-Debt Levies</b>	<b>\$ 30.793</b>	<b>\$ 31.100</b>	<b>\$ 35.031</b>
			<b>88.8%</b>
<u>Debt Service Levies</u>			
Parks	\$ 6.401	\$ 6.558	
Transit	43.237	44.381	
<b>Total Debt Levies</b>	<b>\$ 49.638</b>	<b>\$ 50.939</b>	
<b>Total All Levies</b>	<b>\$ 80.431</b>	<b>\$ 82.039</b>	
	0.5%	2.0%	

\* Estimated using US Bureau of Economic Analysis 2014 4th quarter data. The actual maximum levy will not be known until published by the MN Dept of Revenue in late July.

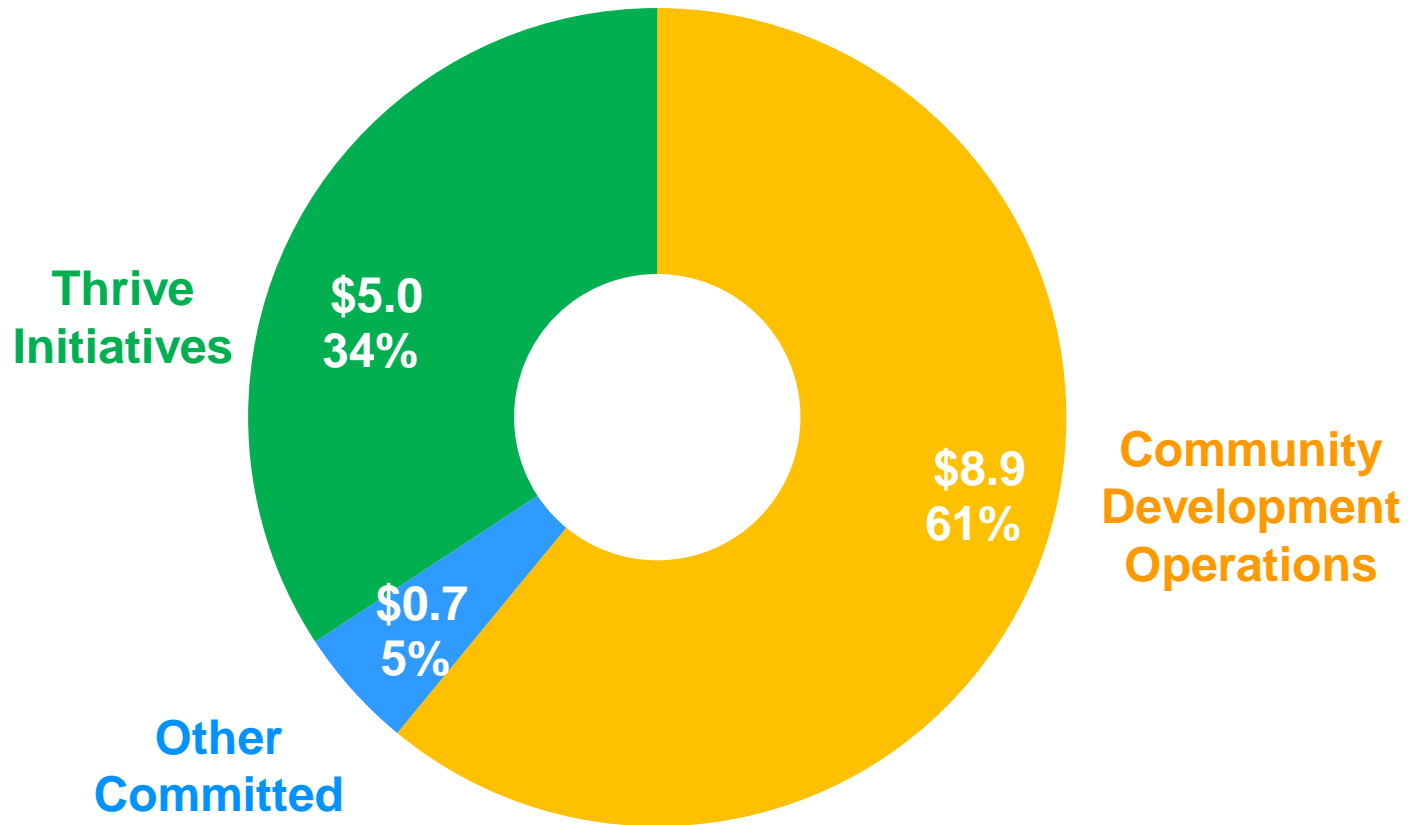


# Levy Strategy – Payable 2016 – \$1.6 M (2.0%) Increase



Dollars in  
thousands

# General Purposes Levy Strategy – Payable 2016 - \$14.6 M



Dollars in millions

# Thrive in Motion

## General Purpose Levy Use - \$5.0 M

- Engagement
- Housing
- Equity
- Climate Change
- Bus Shelters
- Transit Oriented Development

Stewardship

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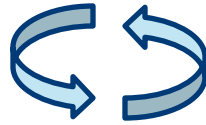
Integration

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Accountability



Stewardship

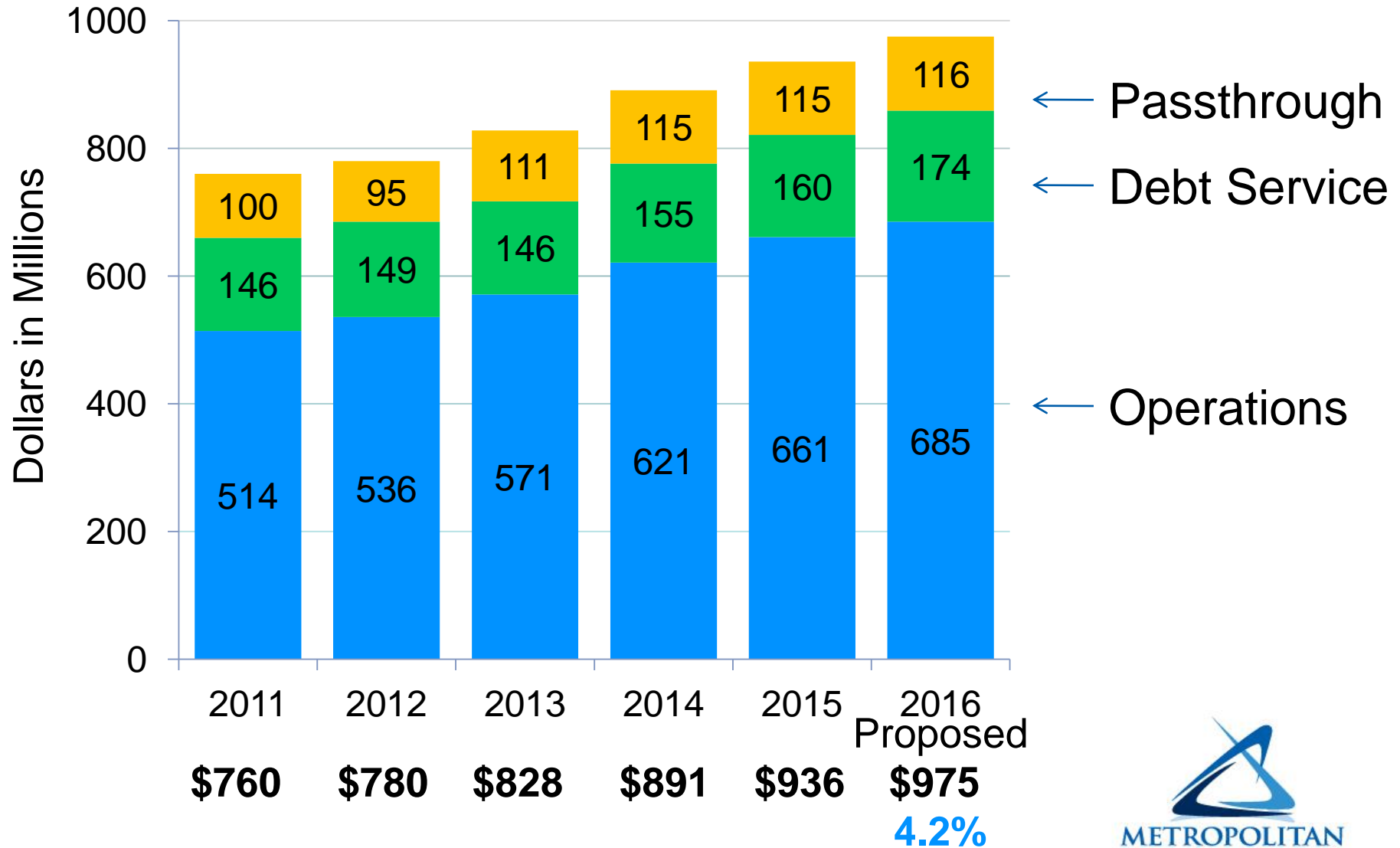


Accountability

- Self Insurance - Medical and Dental
  - Wellness
  - On-Site Clinic
- Other Post Retirement Benefits (OPEB)
- Budget Certainty - Fuel Hedging
- Managing WW Debt Service - PayGo Contributions
- Wastewater Rates
- Service Redesigns



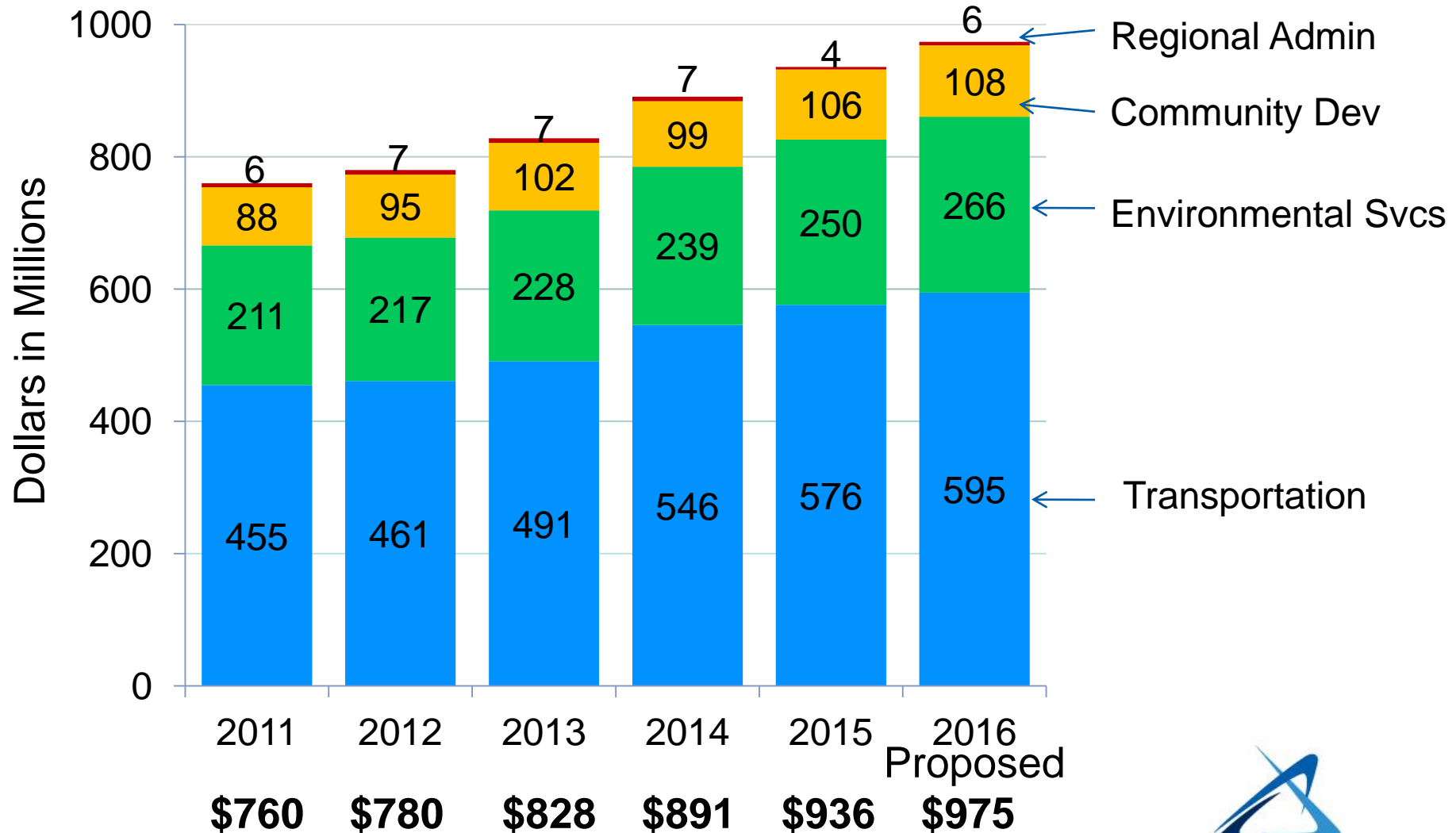
# Operating Budget Trend - Expenses & Uses



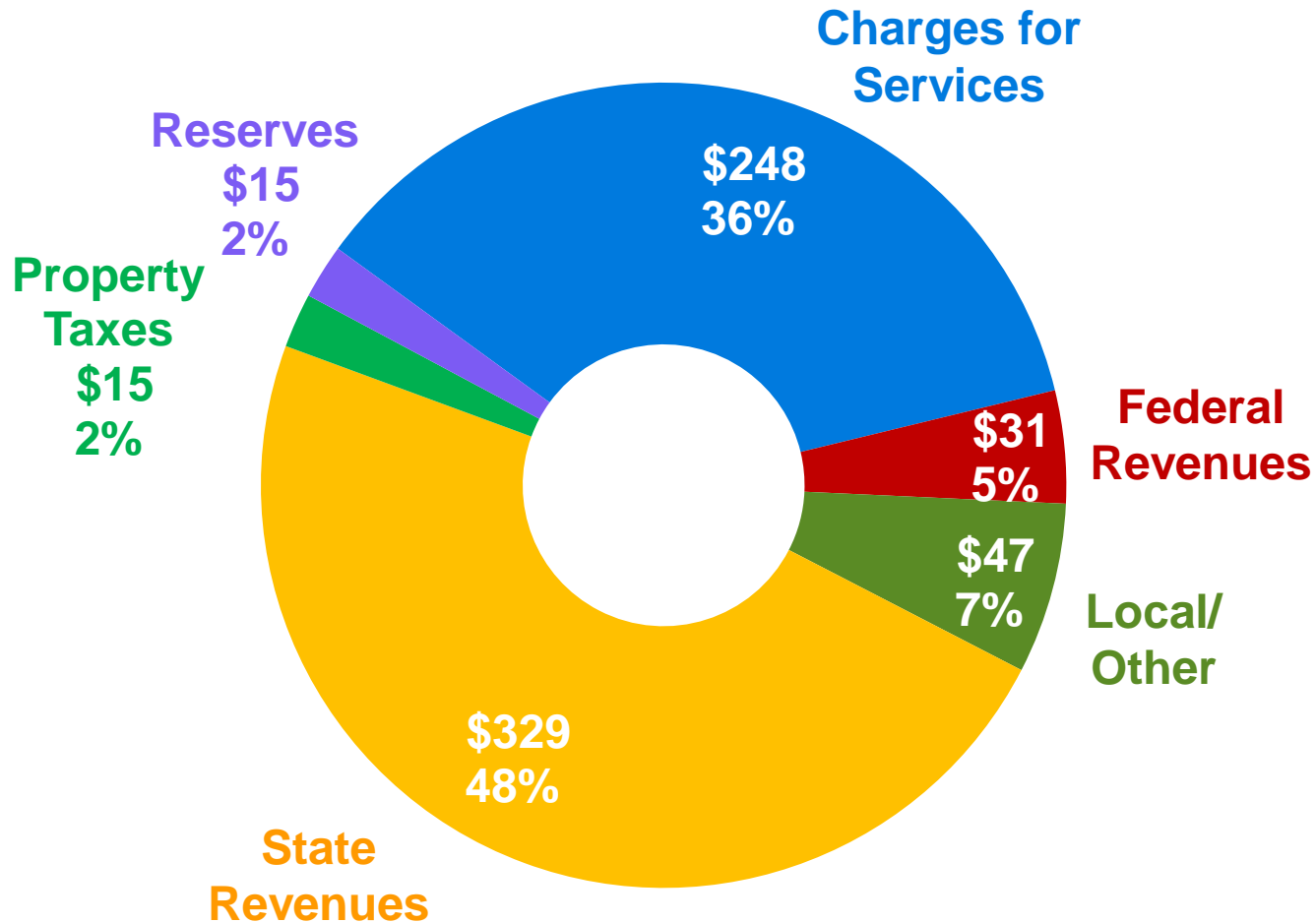
# Total Budget Change - \$39.0 Million

- **\$24.2 M Operations**
  - \$20.6 M Inflation & Labor Contracts
  - \$1.6 M Snelling Arterial Bus Rapid Transit startup
  - \$2.0 M Environmental Services PAYGO Transfer increase
- **\$1.0 M Passthrough Grant & Loan Programs**
  - \$1.6 M Parks Pass-Through Grants
  - (\$2.3) M Suburban Transit Provider MVST
  - \$1.7 M I & I Grants
- **\$13.8 M Debt Service**
  - \$0.9 M Parks
  - \$6.4 M Transit
  - \$6.5 M Wastewater

# Operating Budget Trend - Expenses & Uses

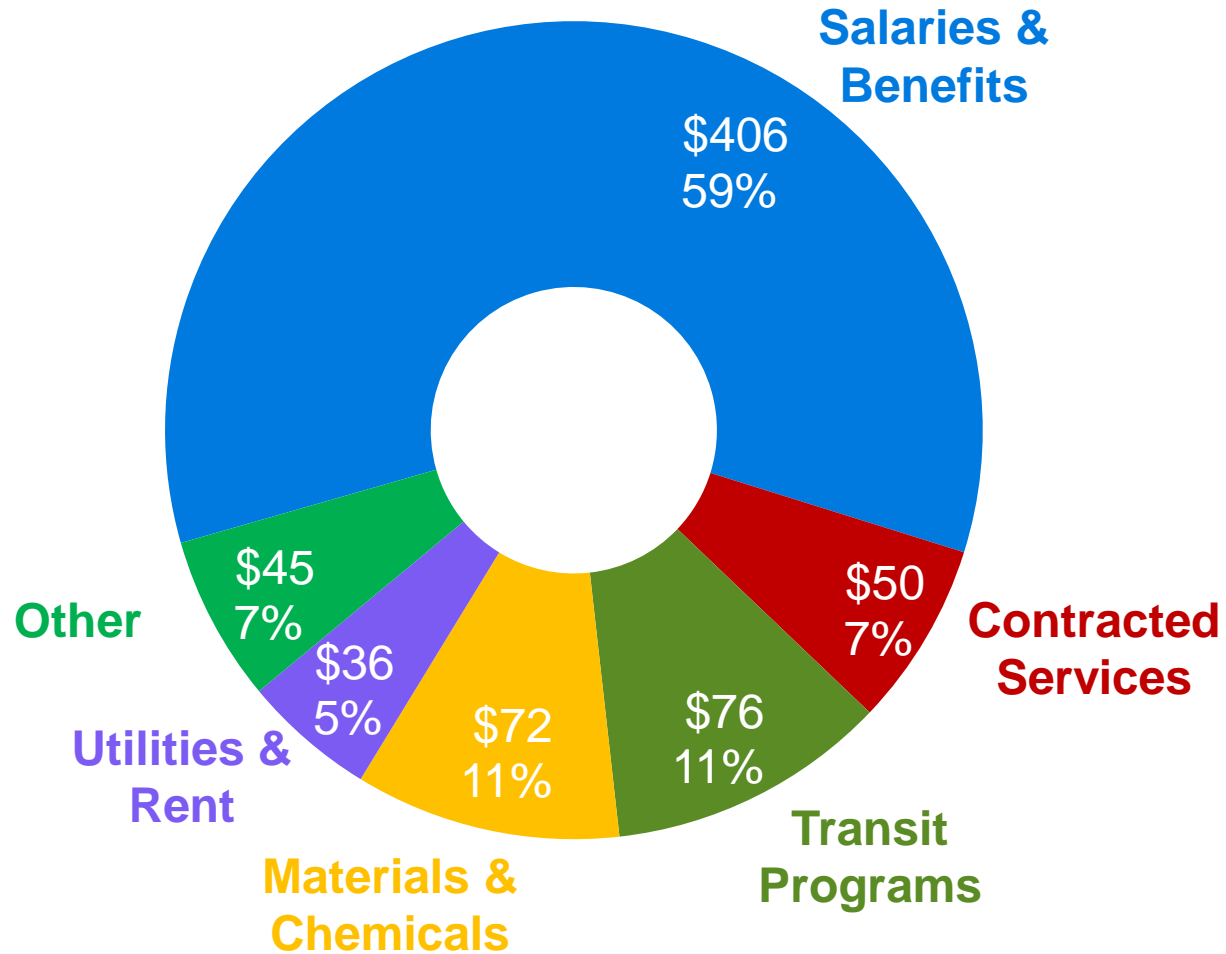


# 2016 Budget for Council Operations Sources - \$685 M



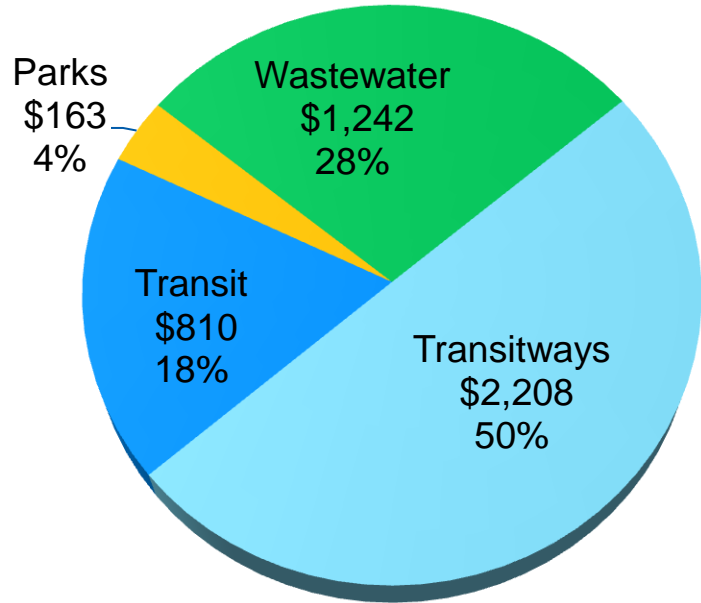
Dollars in millions

# 2016 Budget for Council Operations Uses by Category - \$685 M

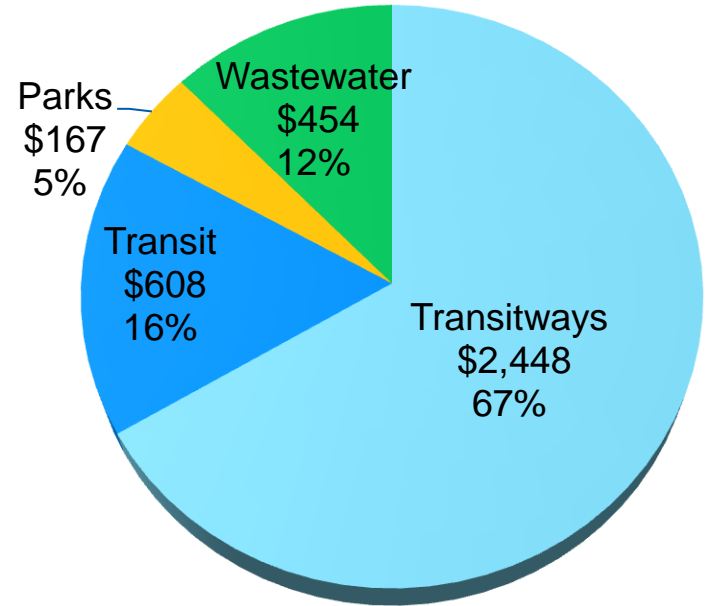


Dollars in  
millions

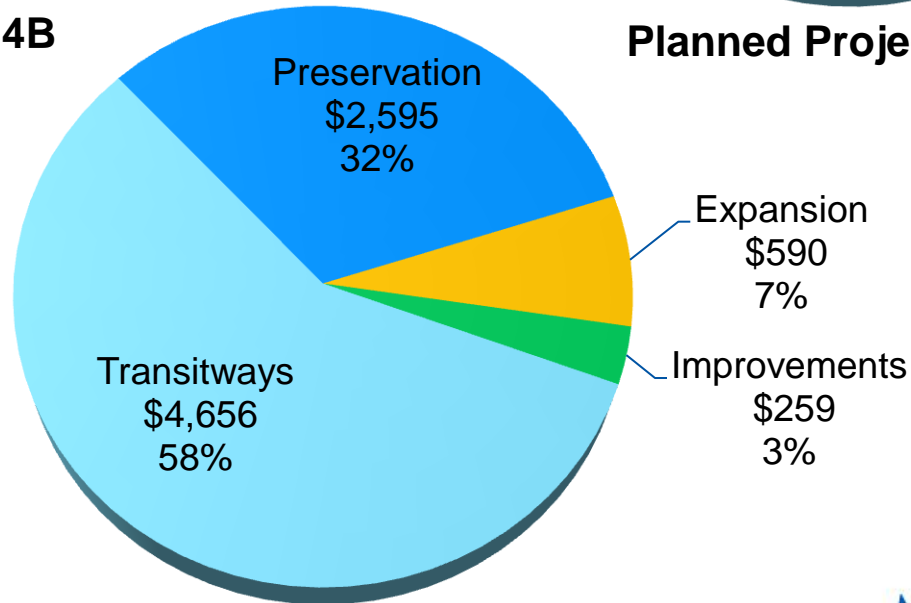
# Unified Capital Improvement Program - \$8.1B



**Authorized Projects - \$4.4B**



**Planned Projects - \$3.7B**

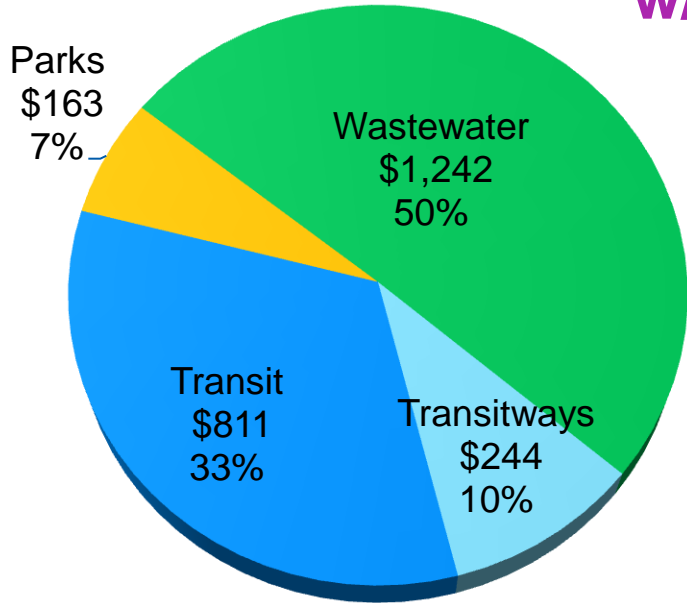


**Projects By Category - \$8.1B**

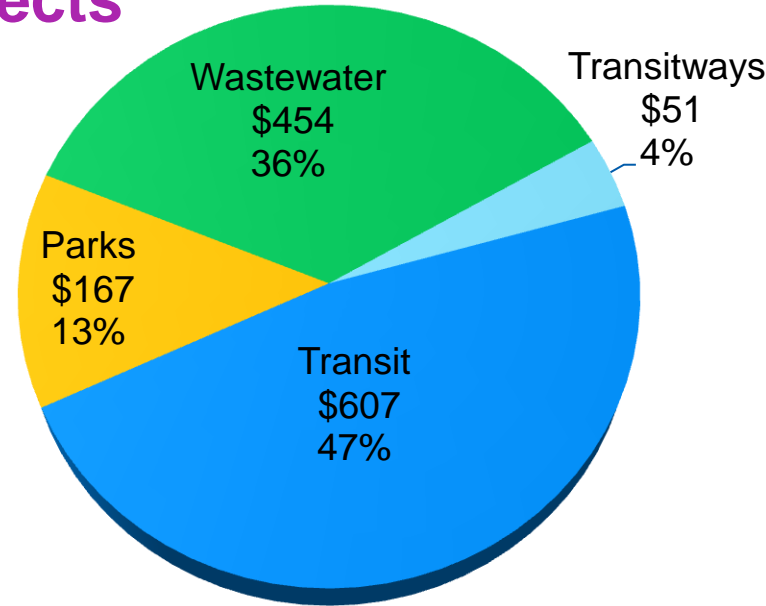


# Unified Capital Improvement Program - \$3.7B

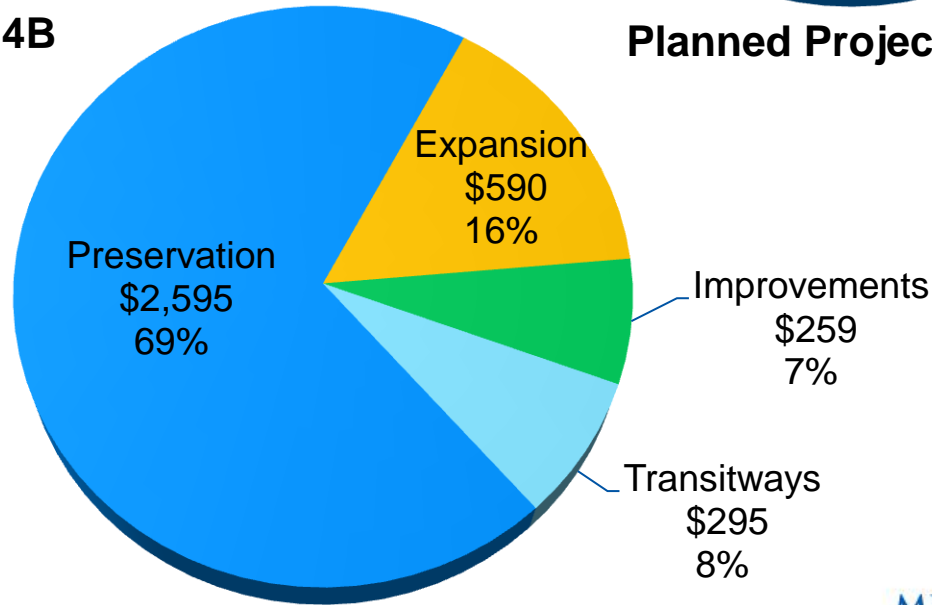
w/o new rail projects



Authorized Projects - \$2.4B



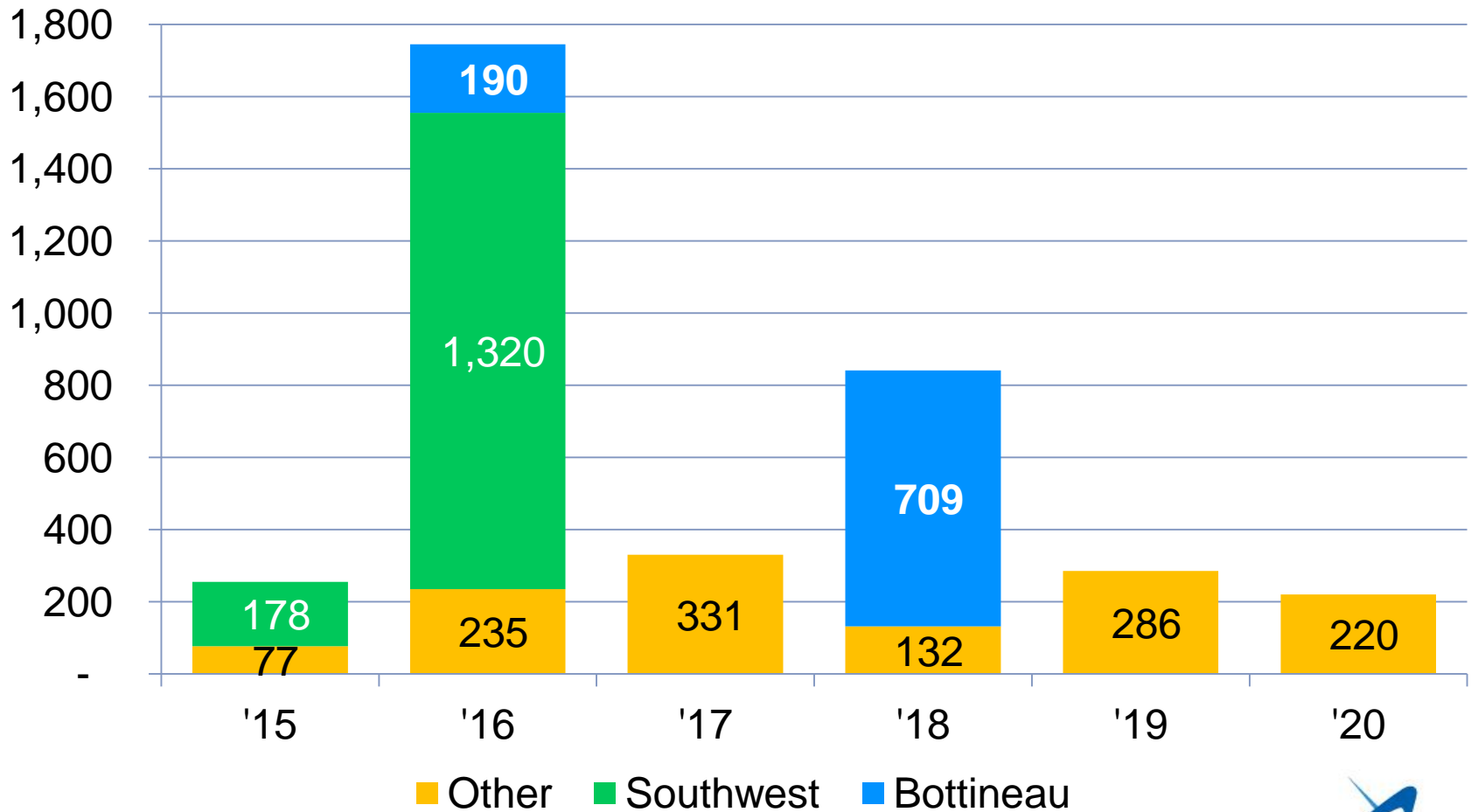
Planned Projects - \$1.3B



Projects By Category - \$3.7B

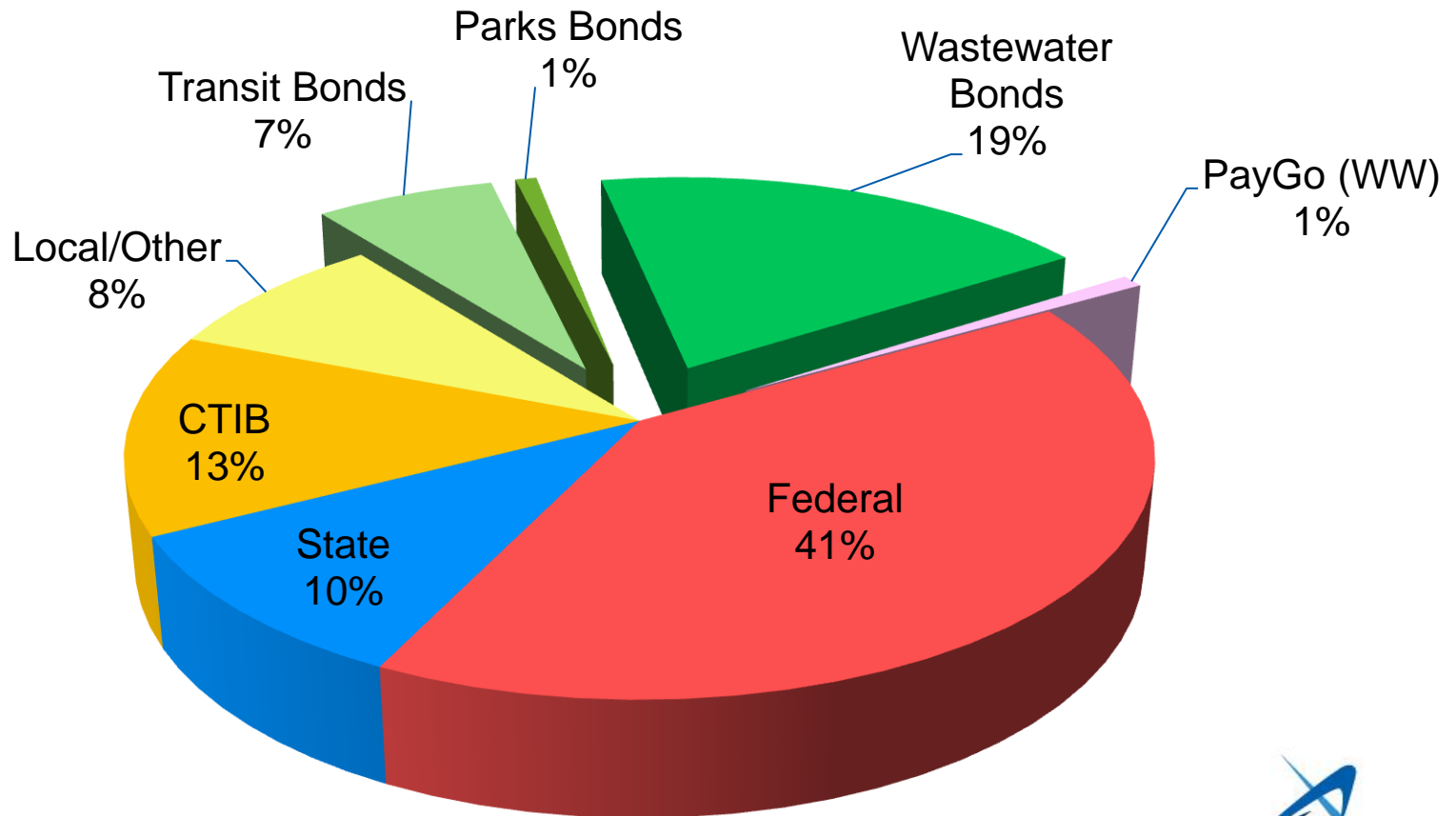


# Unified Capital Improvement Program Planned Projects - \$3.7 Billion

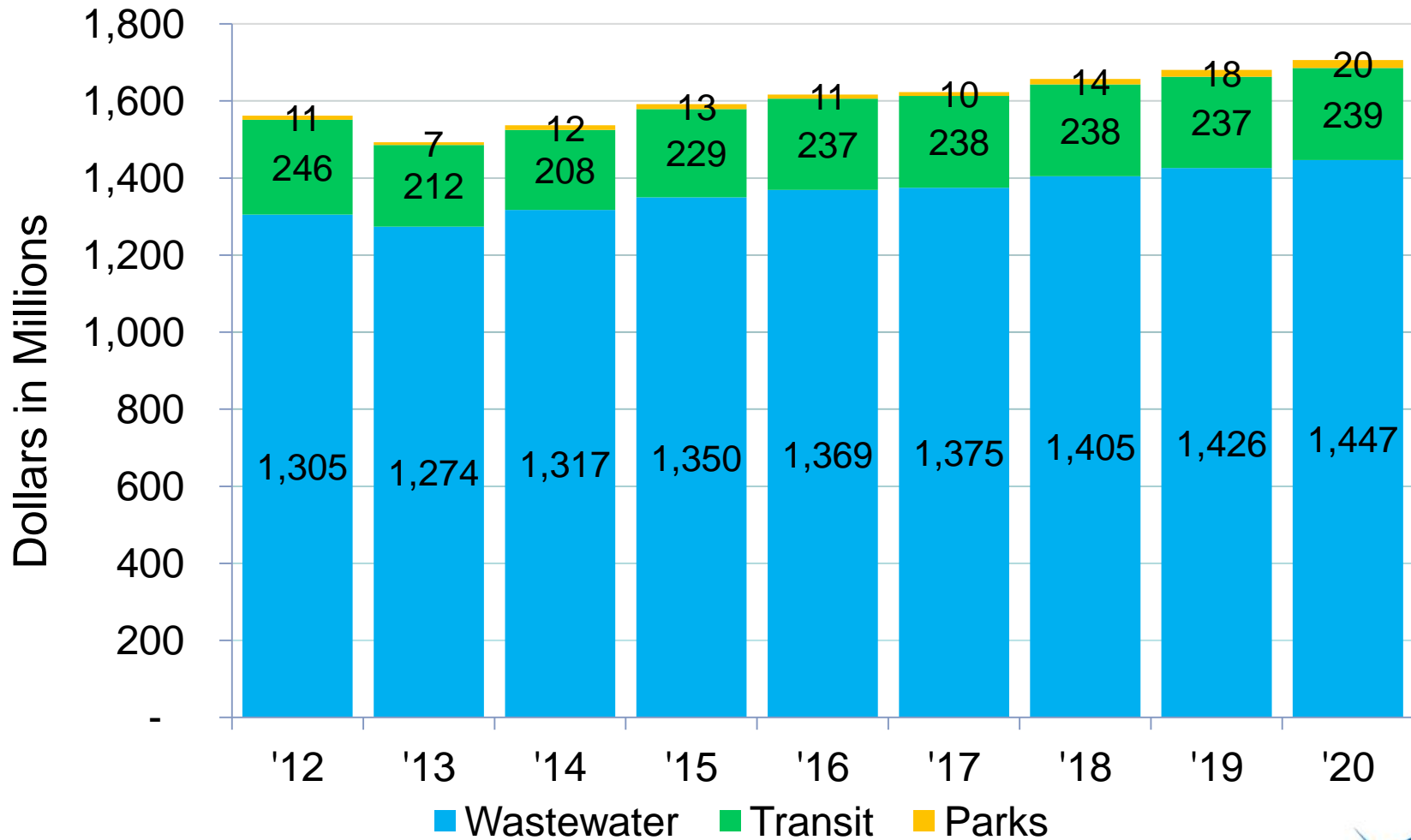




# Financing the CIP: Sources of Funds Authorized and Planned Projects



# Outstanding Debt



# Unmet Transit Capital Needs: \$940M

Capital Project	Amount
Fleet Expansion	\$79 M
Support Facilities – Heywood II, other office and garage improvements, renewable energy, police facilities	\$210 M
Customer Facilities – park & rides, bus stop enhancements, suburban provider stations and ramps, layover facilities	\$170 M
Technology – fare collection system upgrades, real time signage, driver assist systems	\$17 M
Bus Rapid Transit transitways	\$318 M
Blue Line track crossover, bi-directional running, signal upgrades, track rebuild with direct fixation	\$129 M
Other – Fort Snelling P&R, traction power energy storage, OMF facility improvements	\$17 M

# State Bonding Requests

- Jun 19** Preliminary Requests Submitted
- Jun-Sep MMB reviews requests with agencies & site visits
- Jul 15 Sent to Legislature w/o Governor's recommendation
- Sep 11** Agency Profile & Strategic Planning Summary due
- Oct 16** Final Requests Completed
- Dec 4 MMB - State Revenue & Debt Capacity forecasts
- Jan 15 Governor submits Capital Budget to Legislature