

SOUTHWEST

Green Line LRT Extension



Transportation Committee

June 8, 2015

Management Committee

June 10, 2015



Today's Topics

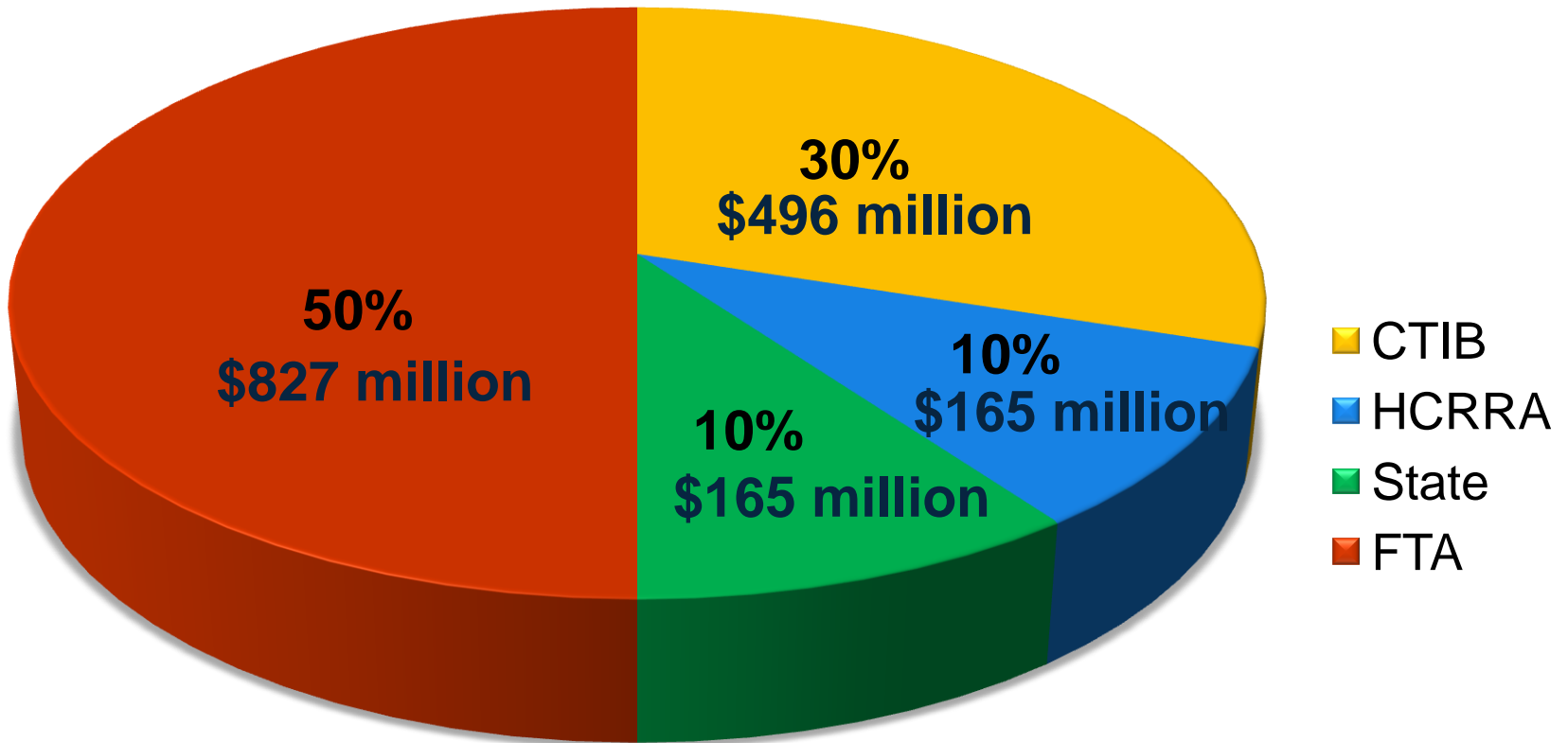
- Background
- Funding State Share



Background

- 2013: State of Minnesota legislature appropriated State General Funds of \$37.0M for SWLRT for Project Development
- 2015: State of Minnesota legislature issued Appropriation Cancellation to cancel \$29.7M of unspent State General Funds from 2013
 - This action created a \$13M shortfall in the SWLRT 2015 cash flow plan

Current Project Budget: Sources of Funding



\$1.65 Billion

\$675 Million Committed Locally

Current Project Schedule

Major Milestone	Anticipated Date
Complete 60% Design	Q4 2015
Publish FEIS and Issue ROD	Q2 2016
Approval to Enter Engineering	Q2 2016
Full Funding Grant Agreement	Q4 2016
Heavy Construction	2017-2019
Final Testing	2020
Revenue Service	2020

Funding State Share

State Funding Commitments

Source	Previously Committed	YTD Spending	Available
2009 GO Bonds	\$ 5.0	\$ 5.0	\$ 0.0
2011 DEED Grant	2.0	0.2	1.8
2013 General Fund Appropriation	37.0	6.9	30.1
2015 General Fund Cancellation	(29.7)	-	(29.7)
State Funding Commitment	\$14.3	\$12.1	\$ 2.2

Funding State Share (Cash Flow Needs)

	Spend	State		
YTD	\$12.1	\$12.1		
2015	11.9	0.4		
2016	42.0			
2017	41.0			
2018	41.0	1.8		
2019	17.0			
	\$165.0	\$14.3		

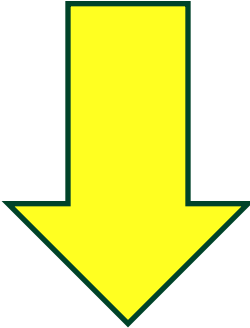
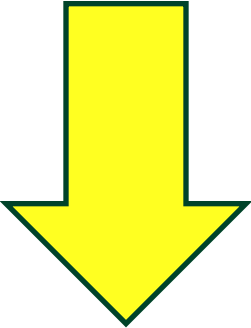
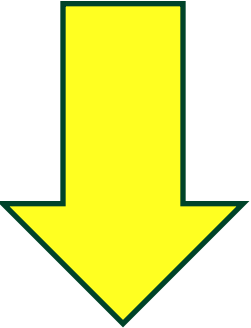
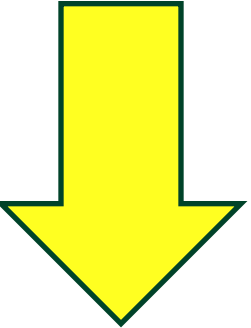
Funding State Share (Cash Flow Needs)

	Spend	State	MVST	
YTD	\$12.1	\$12.1		
2015	11.9	0.4	\$11.5	
2016	42.0		1.5	
2017	41.0			
2018	41.0	1.8		
2019	17.0			
	\$165.0	\$14.3	\$13.0	



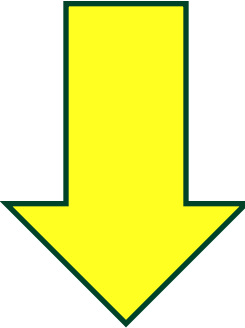
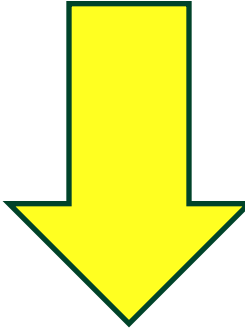
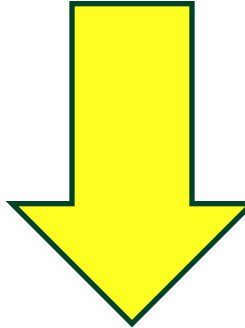
Funding Decision – MVST Reserve

- Motor Vehicle Sales Tax Budget Assumption
 - 95% of current state forecast
 - Actual receipts > 95% from prior year
- MVST Reserves
 - \$15 M = Minimum reserve (revenue volatility)
 - \$28 M = Current reserve balance
 - Minimum balance + actual receipts in excess of 95%
 - Reserves over target budgeted in following year



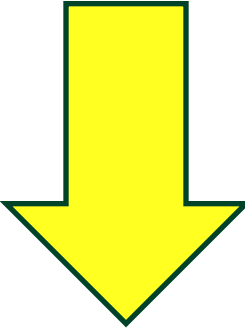
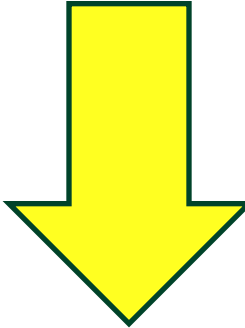
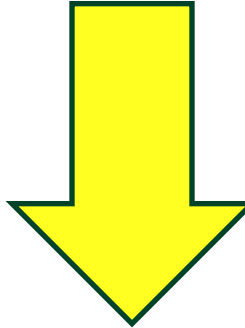





Funding Decision – MVST Reserve

		2016	2017	2018	2019
Projected MVST Reserve Transfer (Cash)					

Funding Decision – MVST Reserve



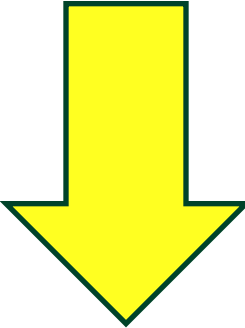
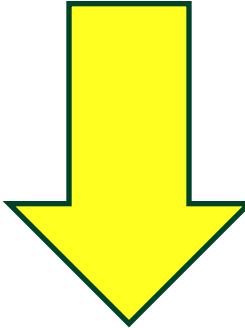
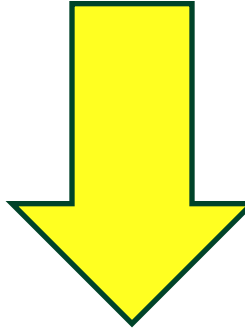
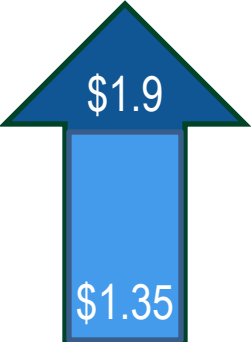

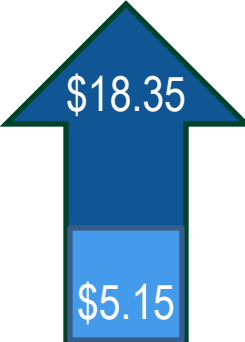



	2015	2016	2017	2018	2019
Projected MVST Reserve Transfer (Cash)	 \$13.0				

Funding Decision – MVST Reserve

	2015	2016	2017	2018	2019
Projected MVST Reserve Transfer (Cash)	 \$13.0				
Increase in State General Fund (Transit Operations)*	 \$1.9	 \$13.65	 \$18.35	 \$13.2	 \$13.2

* Excludes \$2.2M one-time funding for STPs & TMOs

Funding Decision – MVST Reserve

	2015	2016	2017	2018	2019
Projected MVST Reserve Transfer (Cash)					
Increase in State General Fund (Transit Operations)*					
					

* Excludes \$2.2M one-time funding for STPs & TMOs

Funding State Share (Cash Flow Needs)

	Spend	State	MVST	
YTD	\$12.1	\$12.1		
2015	11.9	0.4	\$11.5	
2016	42.0		1.5	
2017	41.0			
2018	41.0	1.8		
2019	17.0			
	\$165.0	\$14.3	\$13.0	



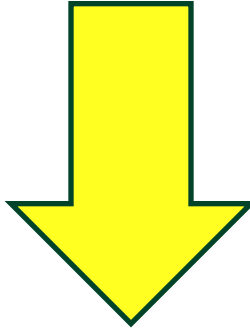
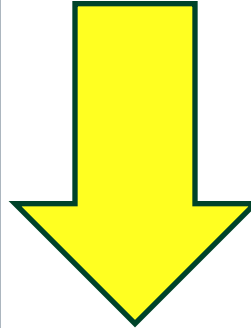
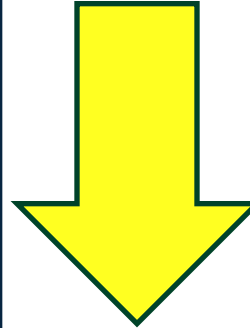
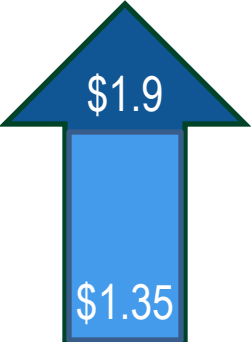
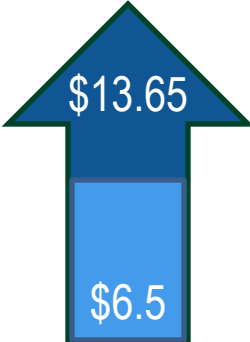

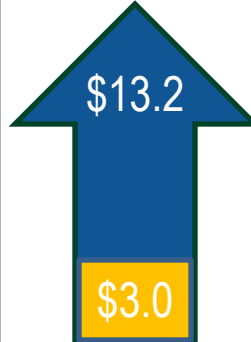

Funding State Share (Cash Flow Needs)

	Spend	State	MVST	COPs
YTD	\$12.1	\$12.1		
2015	11.9	0.4	\$11.5	
2016	42.0		1.5	\$ 39.5
2017	41.0			
2018	41.0	1.8		
2019	17.0			
	\$165.0	\$14.3	\$13.0	

Funding Decision – Certificates of Participation

- Certificates of Participation (COPs)
 - Financial tool to obtain funds in exchange for promise to make scheduled payments from available and appropriated revenues
- COPs are not debt
 - Council maintains the right to non-appropriate revenues
- Propose to secure by a pledge of a portion of Council's motor vehicle sales tax revenues

Funding Decision – MVST Reserve/COPs

	2015	2016	2017	2018	2019
Projected MVST Reserve Transfer (Cash)					
Increase in State General Fund (Transit Operations)*					
	One-time funds = \$13.0M			COP P&I = 20 years	

* Excludes \$2.2M one-time funding for STPs & TMOs

Funding State Share (Cash Flow Needs)

	Spend	State	MVST	COPs
YTD	\$12.1	\$12.1		
2015	11.9	0.4	\$11.5	
2016	42.0		1.5	\$ 39.5
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Funding State Share (Cash Flow Needs)

	Spend	State	MVST	COPs
YTD	\$12.1	\$12.1		
2015	11.9	0.4	\$11.5	
2016	42.0		1.5	\$ 39.5
2017	41.0			41.0
2018	41.0	1.8		39.2
2019	17.0			17.0
	\$165.0	\$14.3	\$13.0	\$136.7

Next Steps – Proposed Budget Amendment

- Remove \$29.7M State GF Appropriation
- Replace with \$13.0M MVST Reserve Transfer, and
- Move \$16.7M from Authorized back to Planned in the Capital Program (future funding decision)

More Information

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