

Metropolitan Council

Proposed Calendar Year 2018 Unified Budget & Levies

December 12, 2017 - LCMG



Statutory Responsibilities

- **Planning**
 - Long-range Comprehensive Planning
 - Regional Transportation Planning
 - Regional Parks
- **Operations**
 - Regional Wastewater System
 - Regional Transit System
 - Metropolitan Housing and Redevelopment Authority
- **Grant Making**
 - Livable Communities Act
 - Regional Parks and Trails

Regional Parks Visits

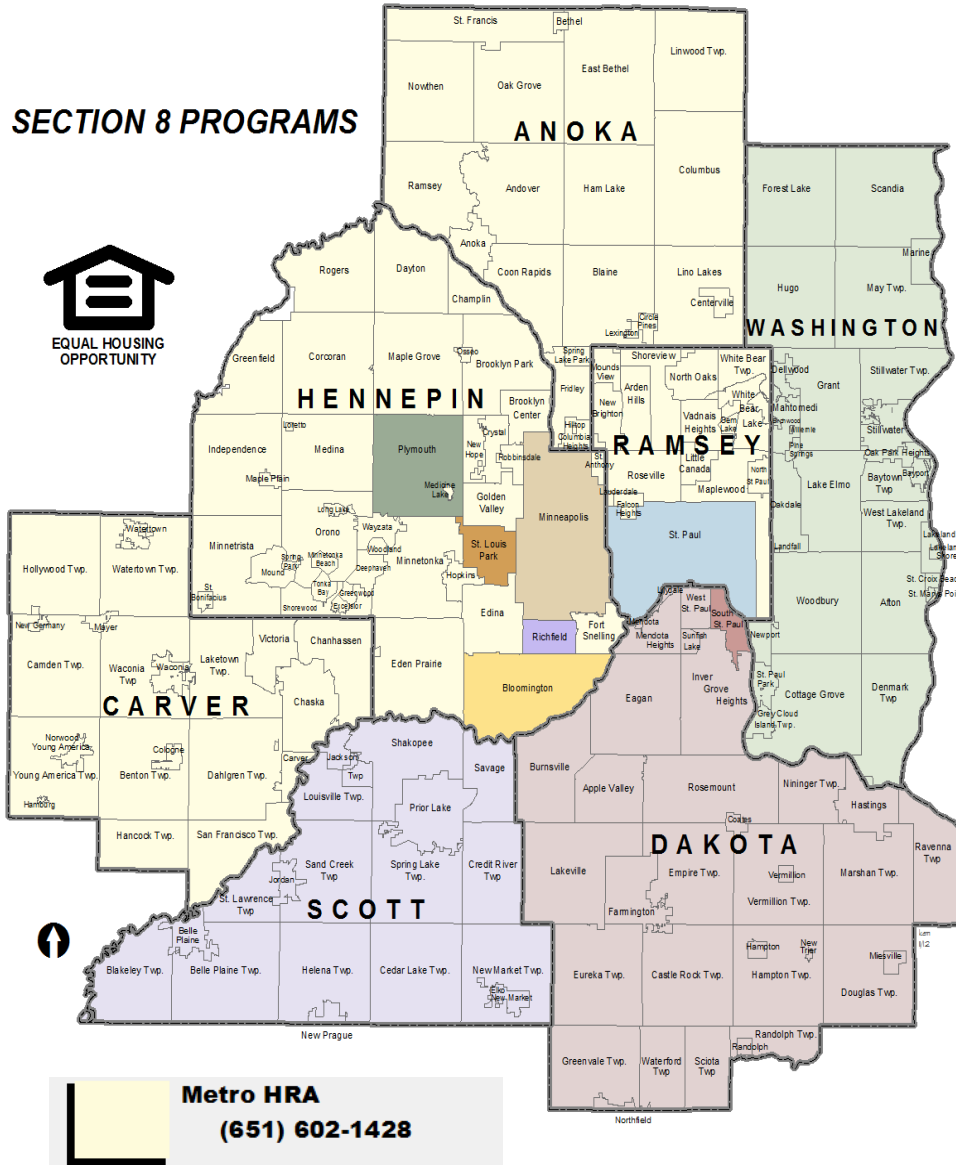
More than
48 Million
Visits
Per Year



METROPOLITAN
COUNCIL

Housing

SECTION 8 PROGRAMS



**Metro HRA
serves over
6,500
Households**

**HUDs Highest Possible Ranking
for
Efficient & Effective Housing Services**



**METROPOLITAN
COUNCIL**

Clean Water

Metropolitan Council Interceptor System

■ Wastewater Treatment Plants (WWTP)

— MCES Sewer Interceptors

Service Areas

Blue Lake

Eagles Point

East Bethel

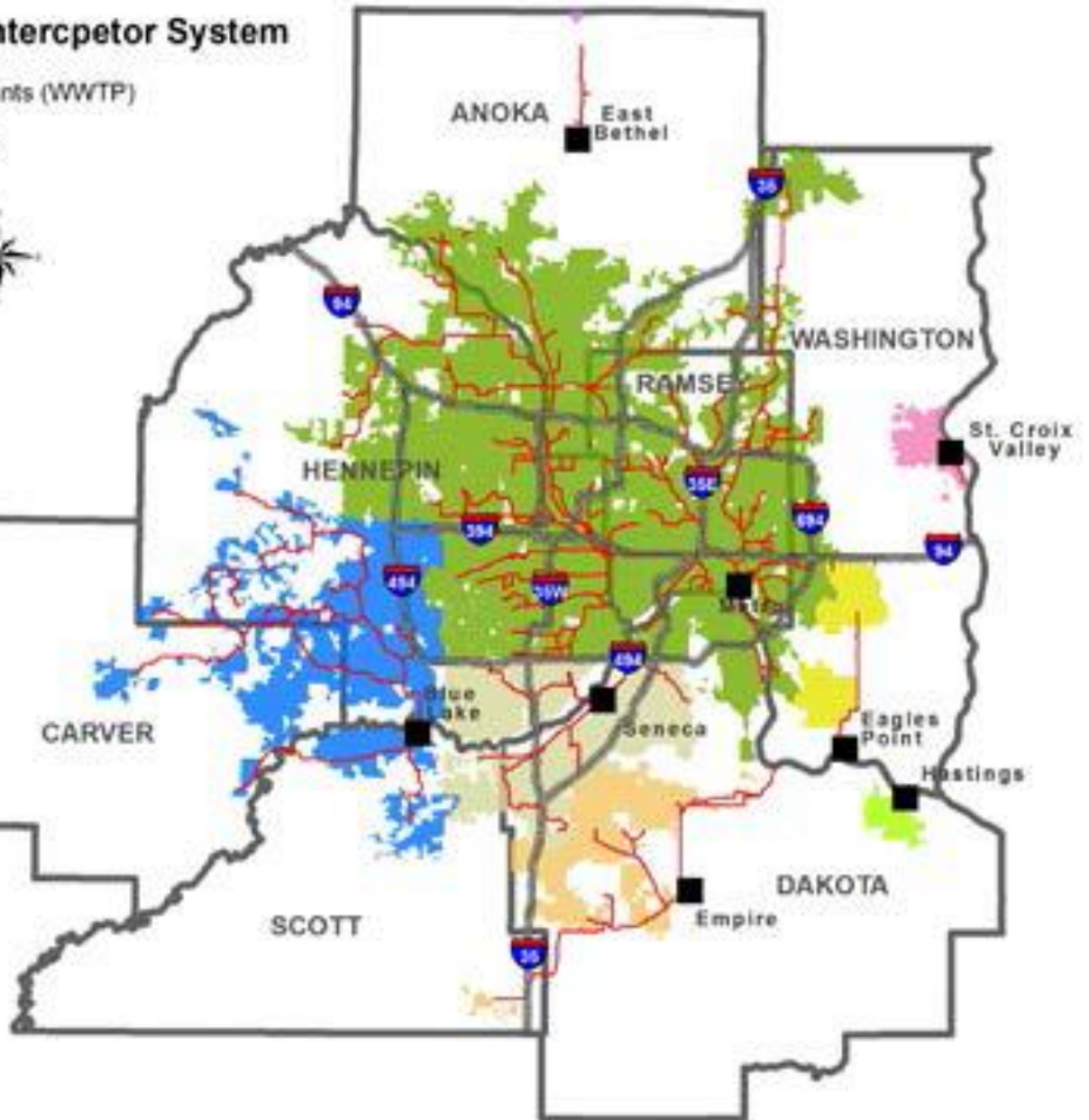
Empire

Hastings

Metro

Seneca

St Croix Valley



**250 Million
Gallons per
Day**



Clean Water



Hastings



St. Croix Valley



11 Blue Lake

11 Eagles Point

9 Empire

5 Metro Plant



2016
PLATINUM AWARDS
YEARS OF CONTINUOUS PERMIT COMPLIANCE

INFLOW & INFILTRATION SOURCES

PRIVATE

INFLOW SOURCES

SUMP PUMP CONNECTION
CONNECTED FOUNDATION DRAIN
ROOF DRAIN CONNECTION
UNCAPPED OR BROKEN SEWER CLEAN-OUT
BREAKS, CRACKS & OPEN JOINTS IN SERVICE PIPE

INFILTRATION SOURCES

ROOT INTRUSION INTO SERVICE PIPE
BREAKS, CRACKS & OPEN JOINTS IN SERVICE PIPE

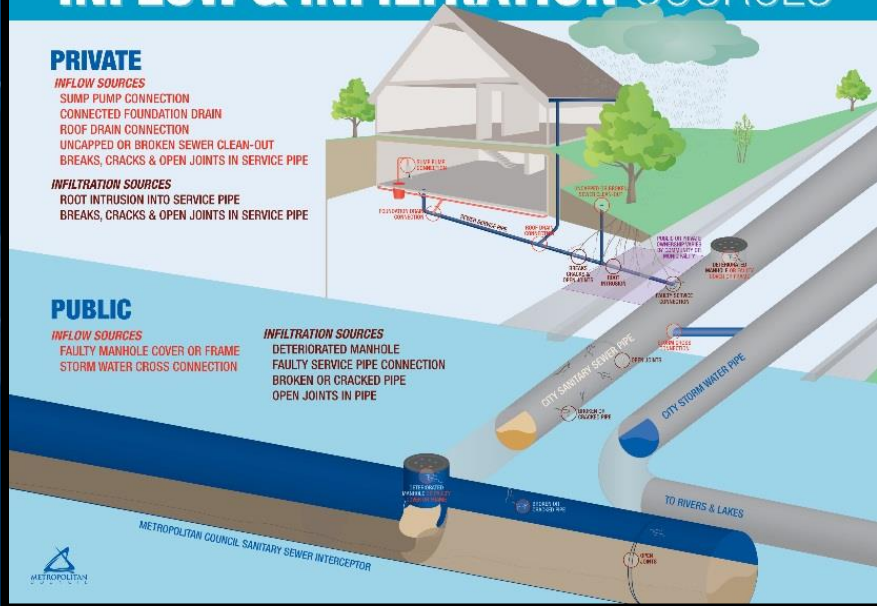
PUBLIC

INFLOW SOURCES

FAULTY MANHOLE COVER OR FRAME
STORM WATER CROSS CONNECTION

INFILTRATION SOURCES

DETERIORATED MANHOLE
FAULTY SERVICE PIPE CONNECTION
BROKEN OR CRACKED PIPE
OPEN JOINTS IN PIPE



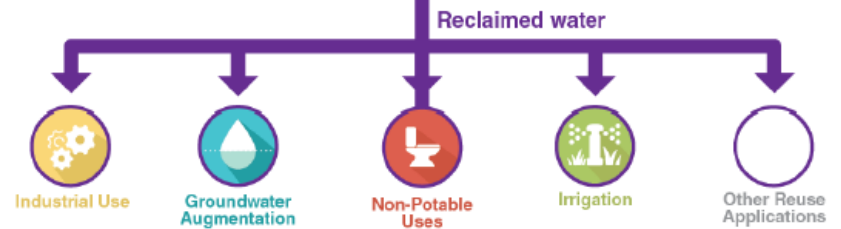
WASTEWATER

Industrial

Residential & Commercial



Influent



Regional Transit Providers

Metropolitan Council

Metro Transit

- Bus Regular Route
- Blue and Green Line Light Rail
- Northstar Commuter Rail
- Regional Support and Rideshare services

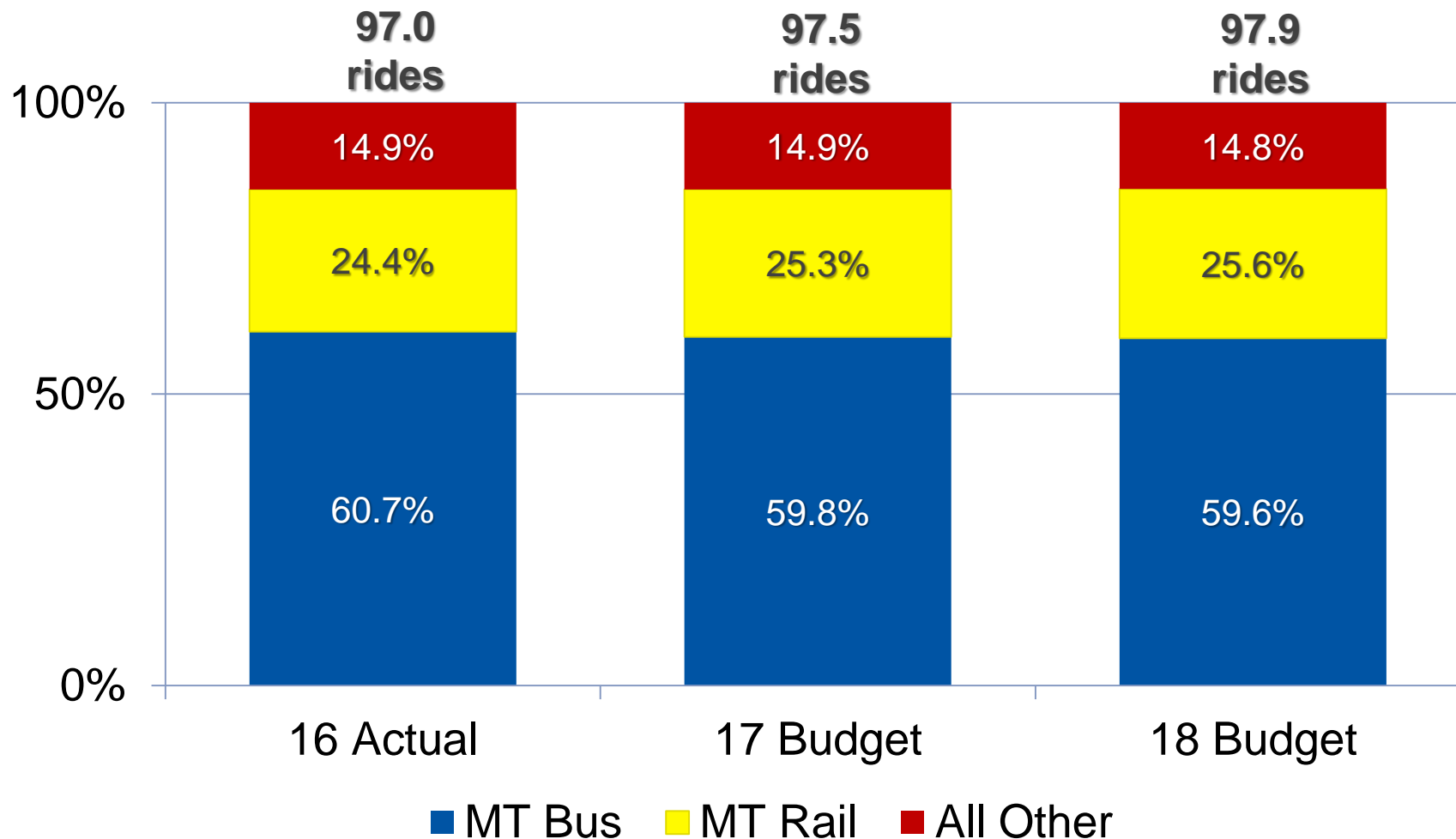
Metropolitan Transportation Services

- Metro Mobility
- Contracted Bus Regular Route
- Transit Link (Dial-a-Ride)
- Metro Vanpool
- Bus Rapid Transit (Red Line)

Suburban Transit Providers

Maple Grove - Minnesota Valley Transit - Plymouth - Southwest Transit

Regional Transit Ridership



■ Other programs include: Suburban Transit Providers, Metro Mobility, Contracted Regular Route Bus, Transit Link, and Metro Vanpool

Council Budget Development

Calendar Year

Operating Budget

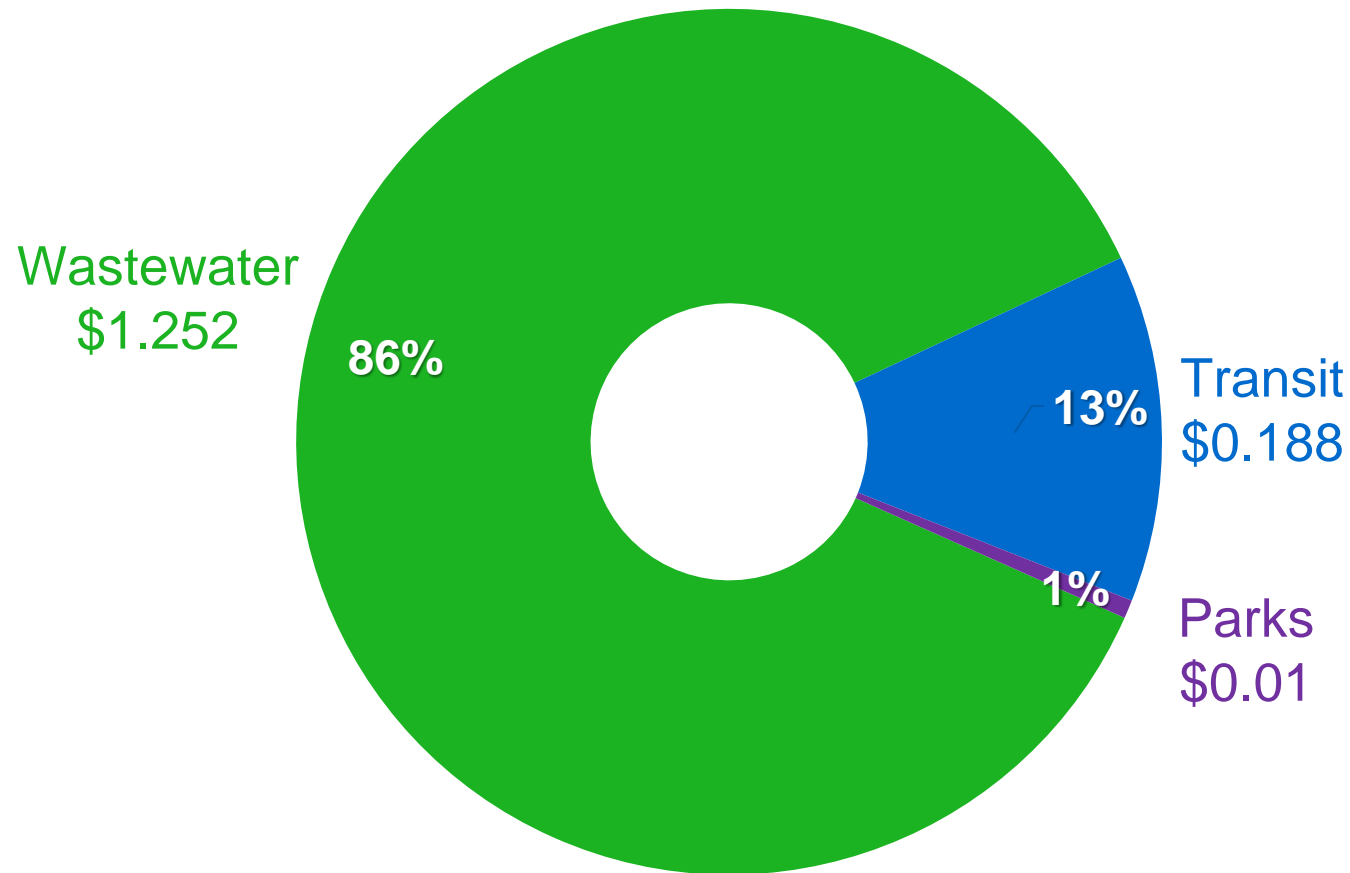
Operations
Pass-through
Debt Service

Capital Program

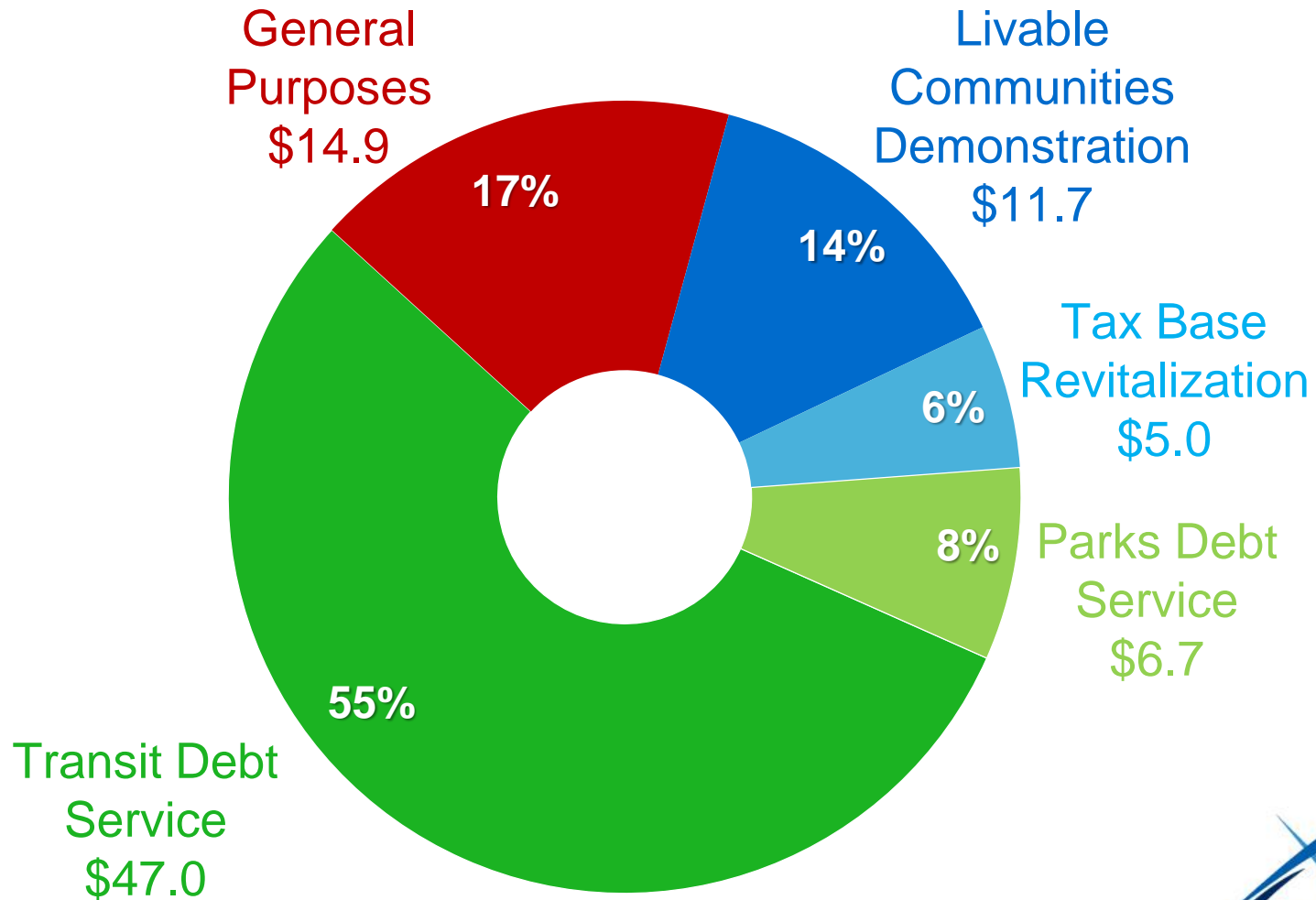
Authorized Projects
Planned (6-year)
Annual Spending

Outstanding General Obligation Debt as of December 31, 2016 - \$1.4 B

AAA/Aaa Bond Rating



Payable 2018 Property Tax Levy - \$85.3M



Metro Area Property Tax Dollar

Counties 37%

Cities & Towns 35%

Schools 23%



Other Special Districts 3%

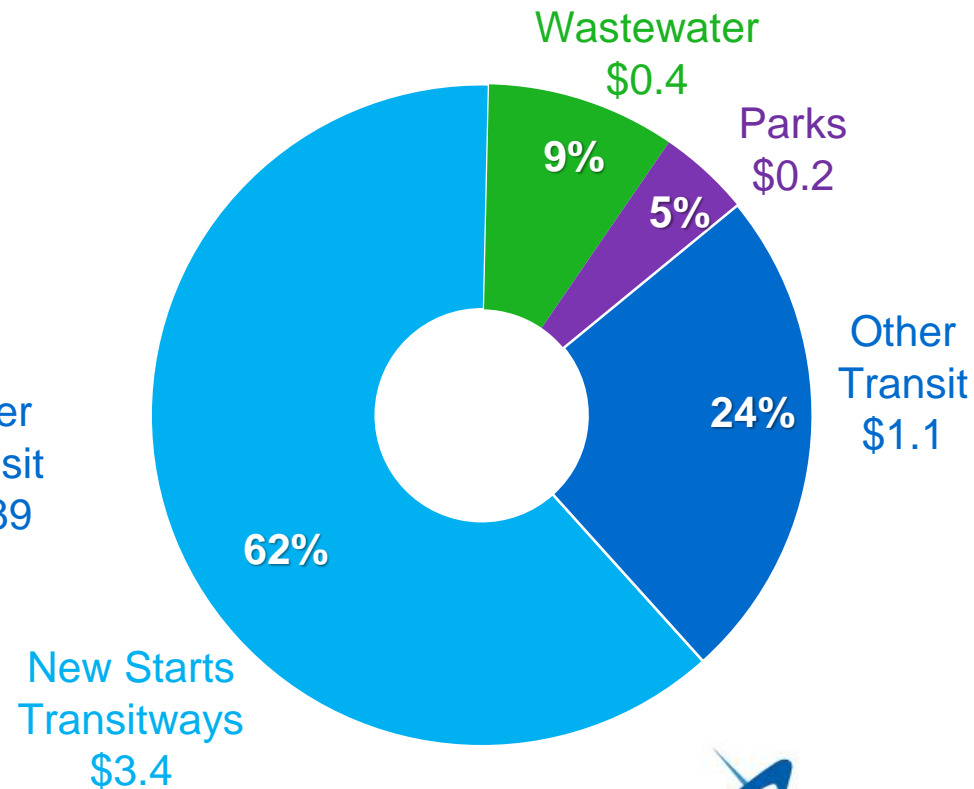
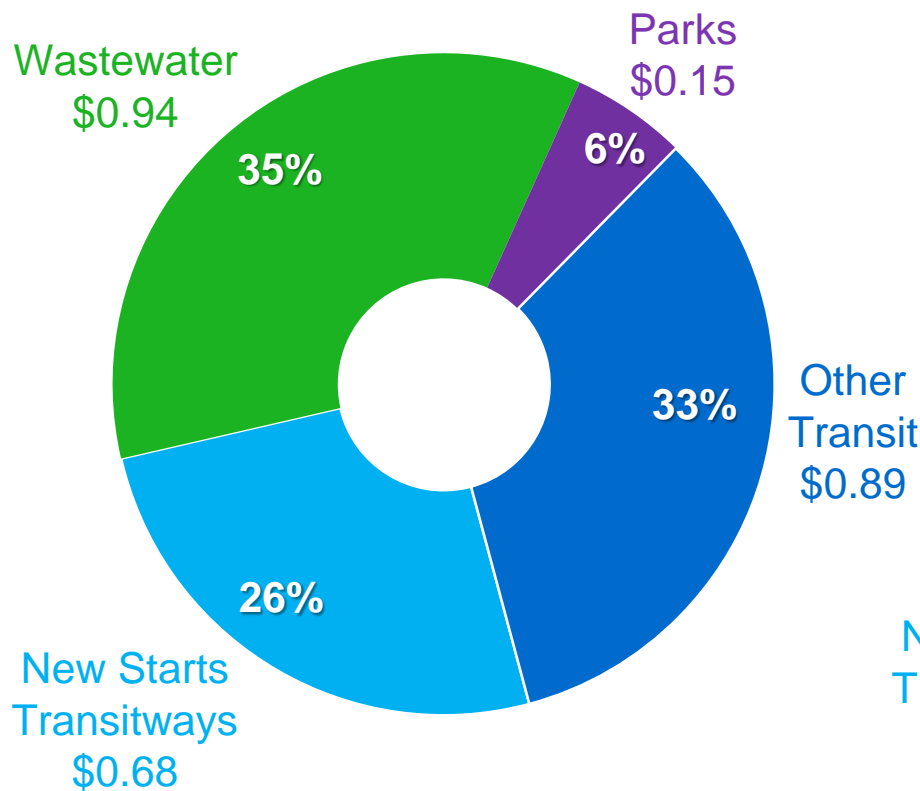
Metropolitan Council 2%

Source: MN Department of Revenue, Certified Property Tax Levies

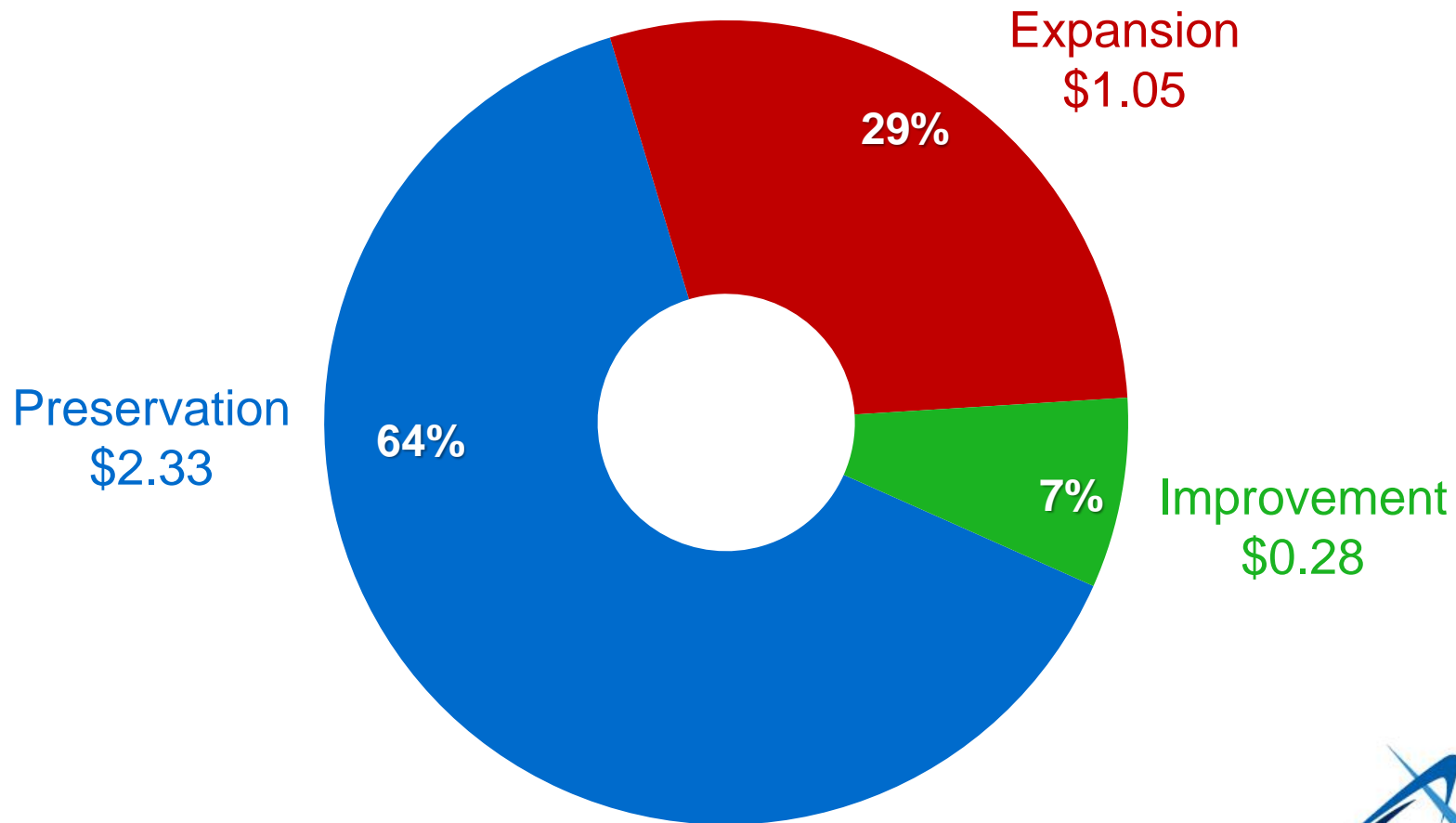
Proposed 2018 Capital Program - \$7.1B

Authorized Capital
Program - \$2.7B

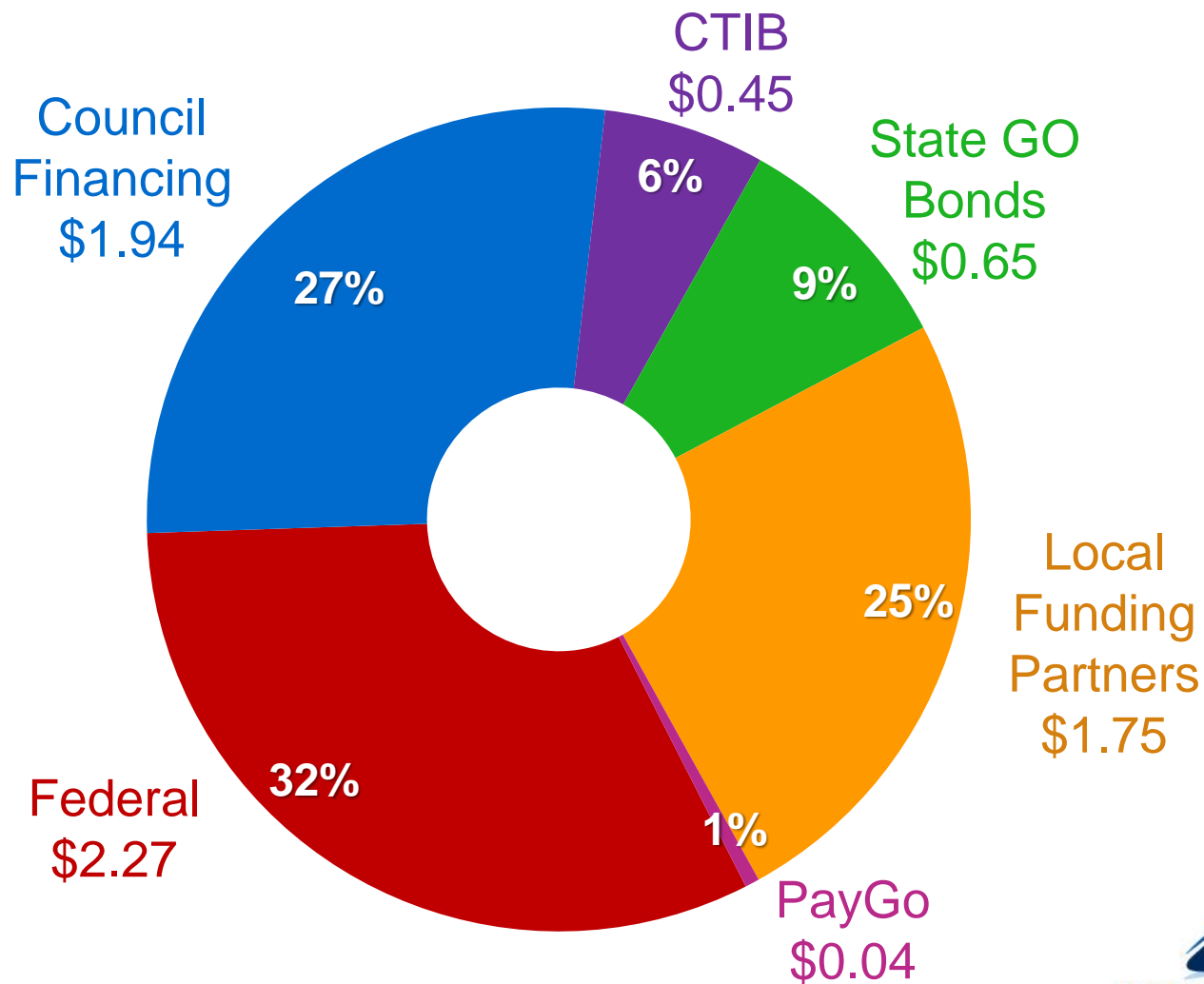
6-Yr Capital Improvement
Plan - \$4.4B



Proposed Capital Program w/o New Starts Transitways by Category - \$3.7B



Proposed Capital Program by Funding Source - \$7.1B



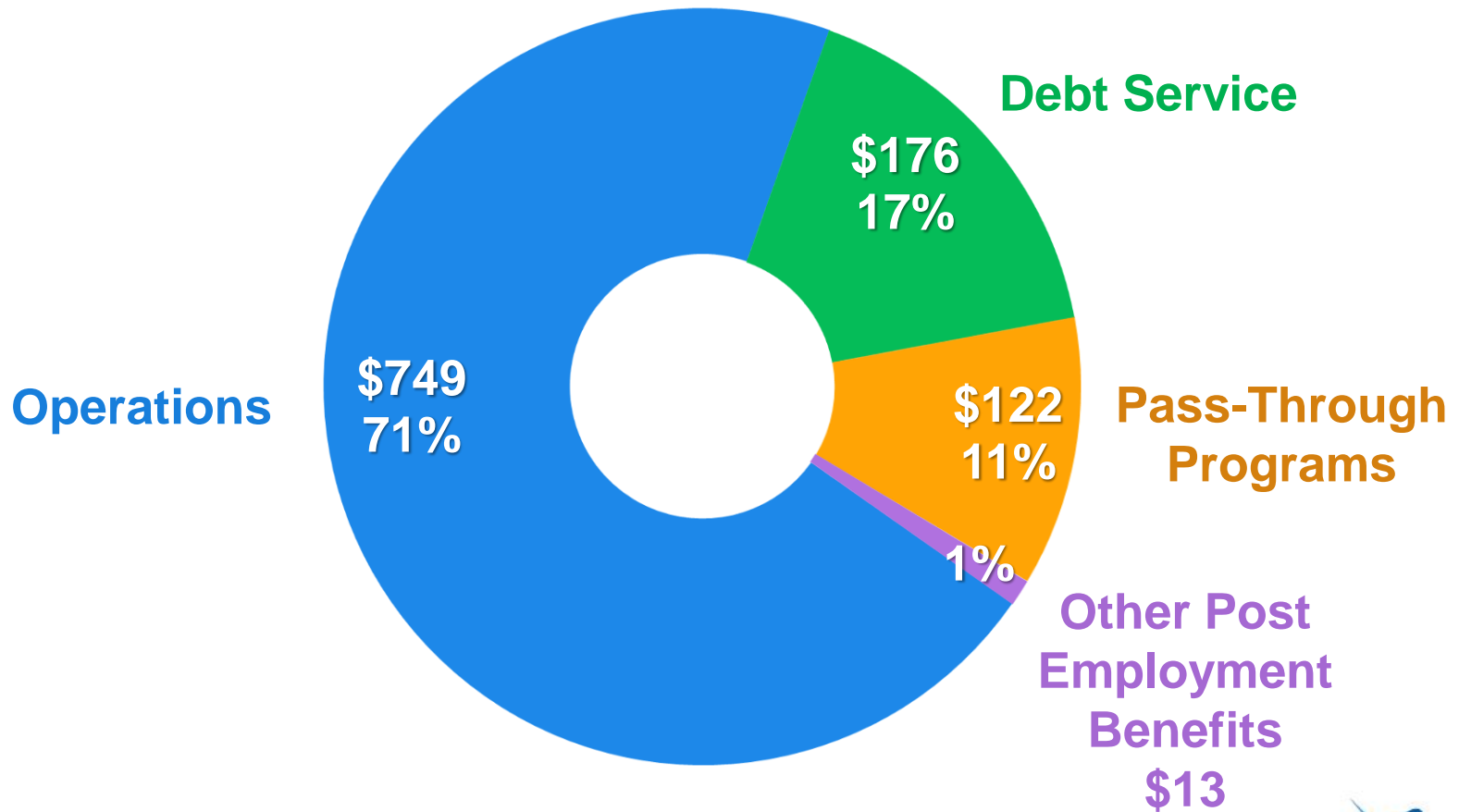
Dollars in billions

Public Comment Draft Budget, Adopted 10/25/2017



Proposed 2018 Operating Budget

Uses by Function: \$1.06 Billion

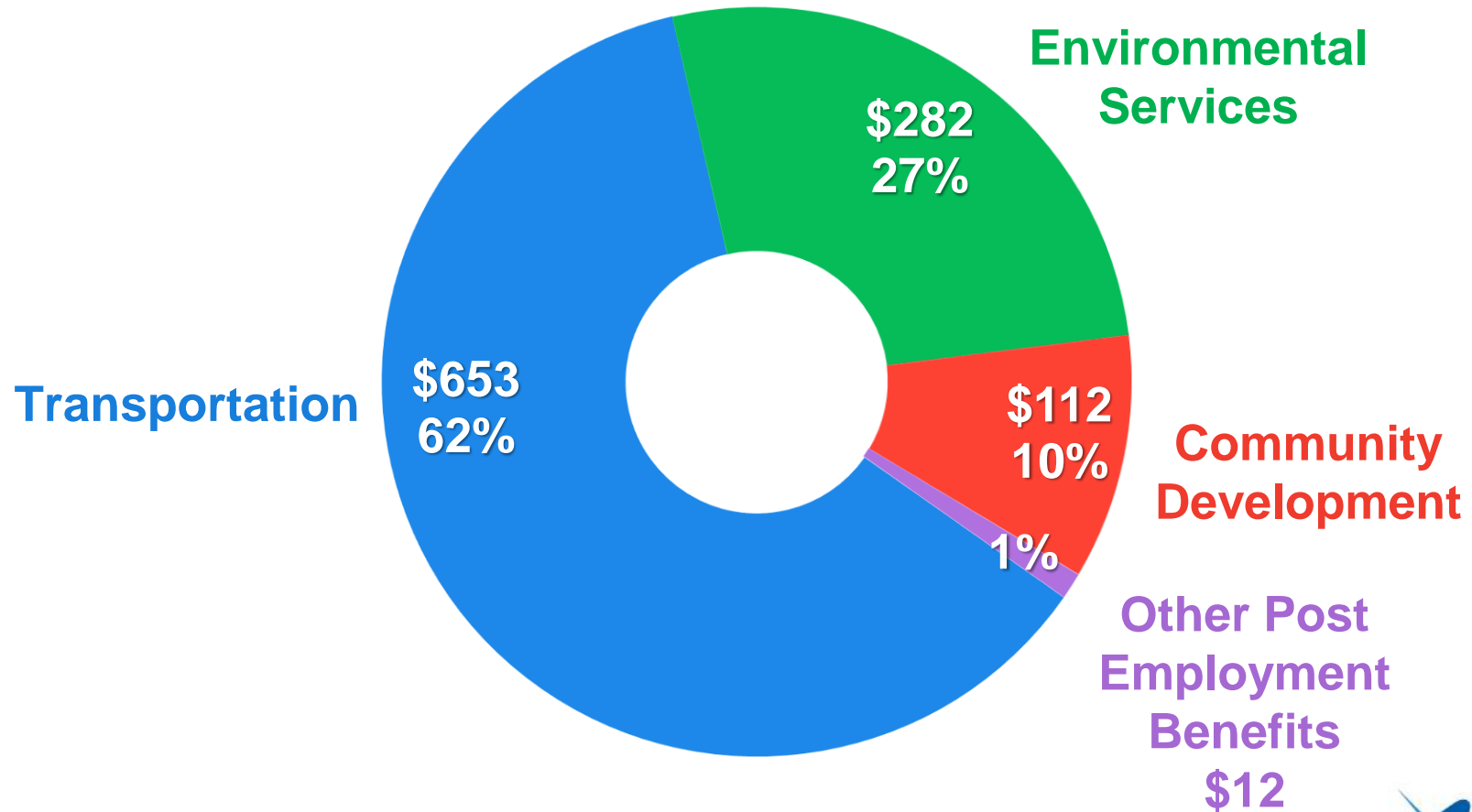


Dollars in millions

Public Comment Draft Budget, Adopted 10/25/2017



Proposed Operating Budget by Division



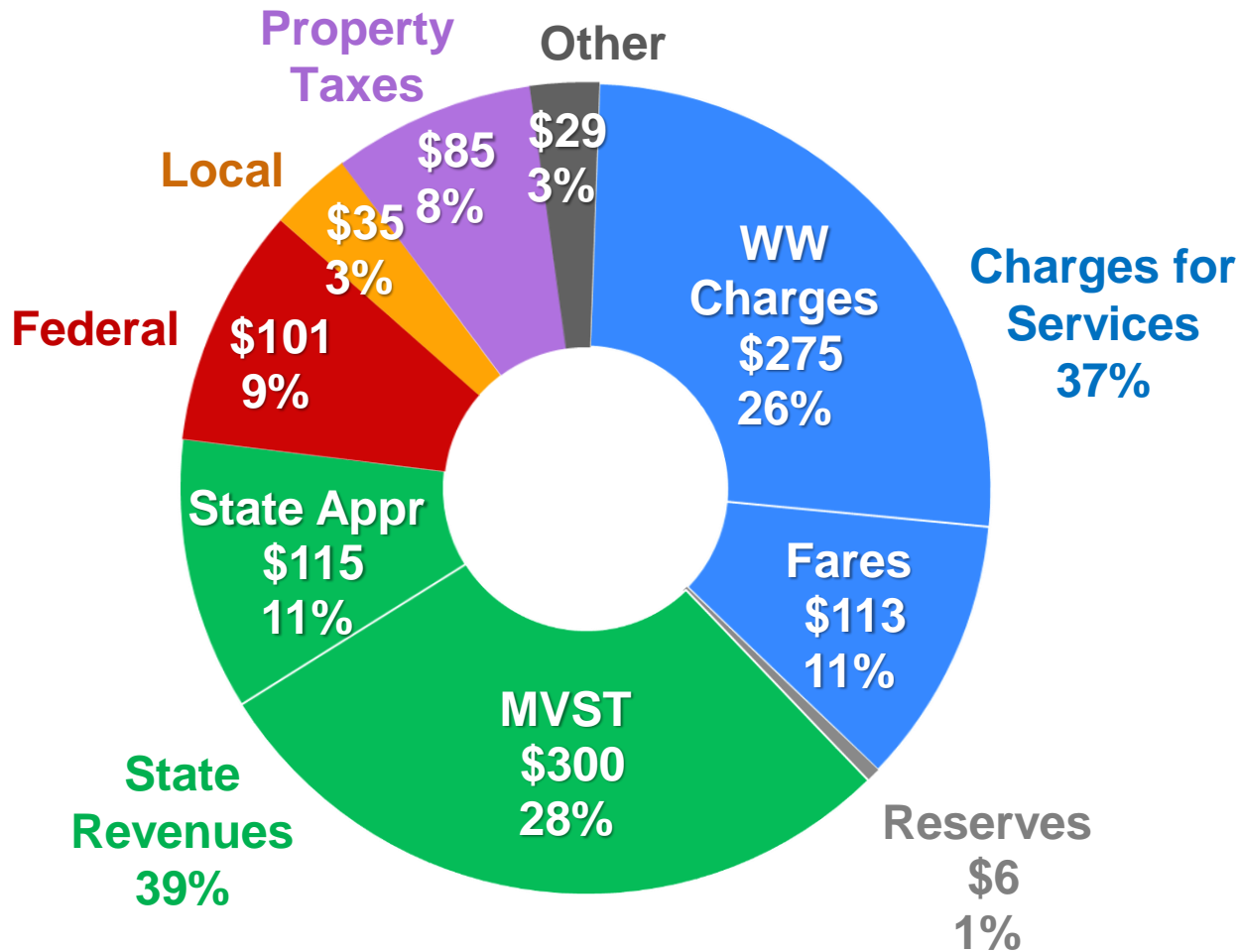
Dollars in millions

Public Comment Draft Budget, Adopted 10/25/2017



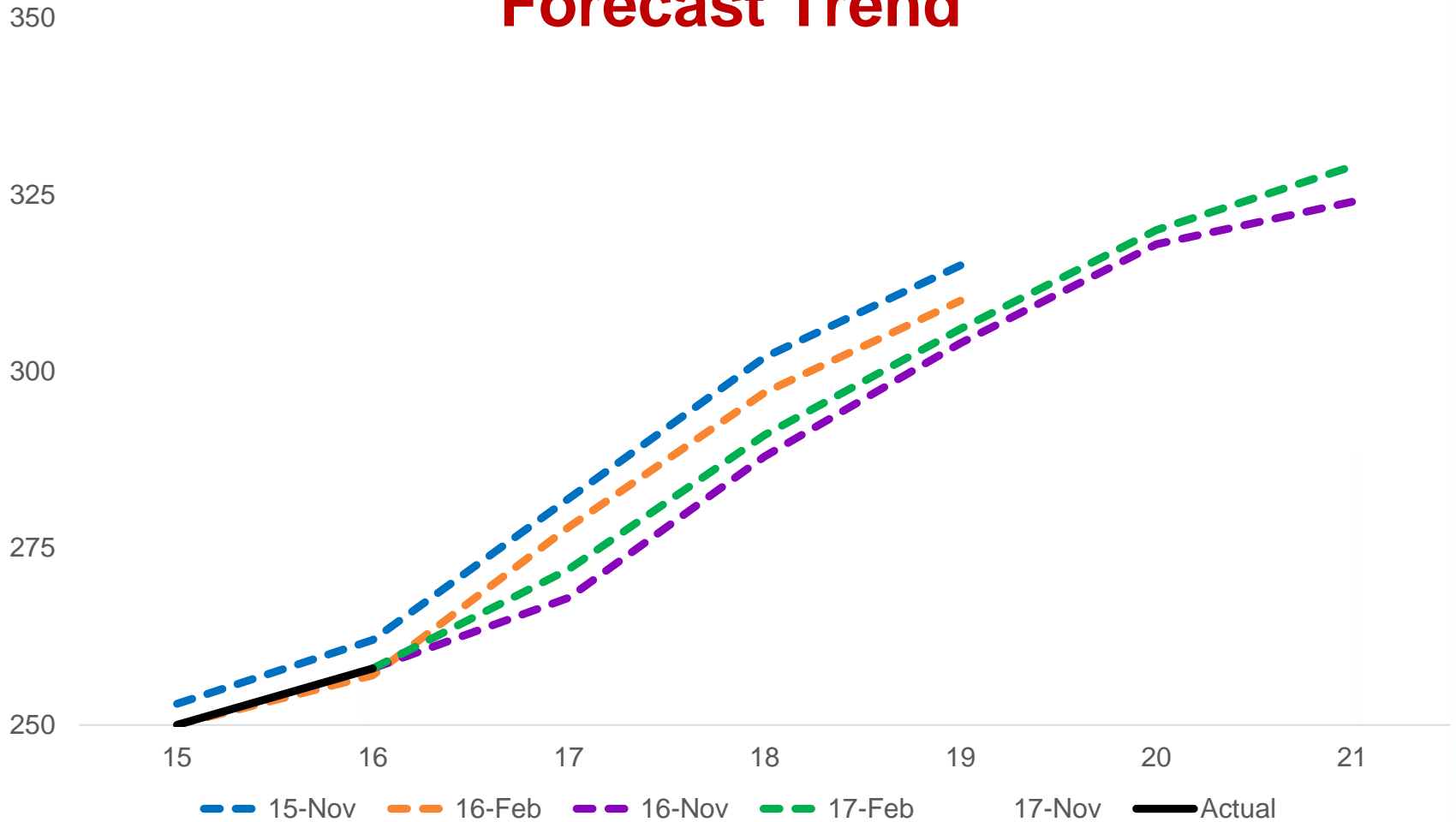
Proposed Operating Budget

Funding Sources - \$1.06 Billion



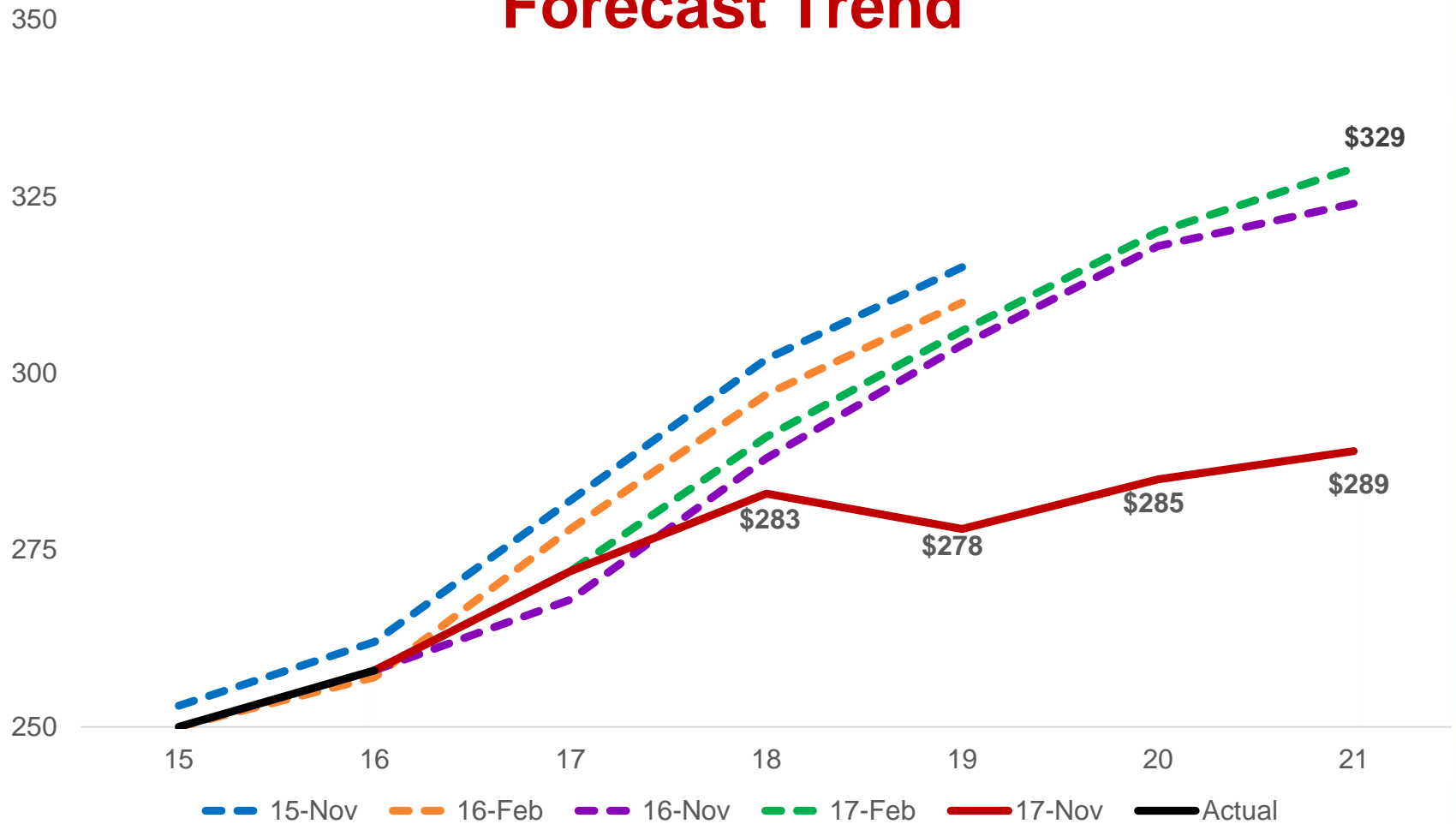
Motor Vehicle Sales Tax

Forecast Trend



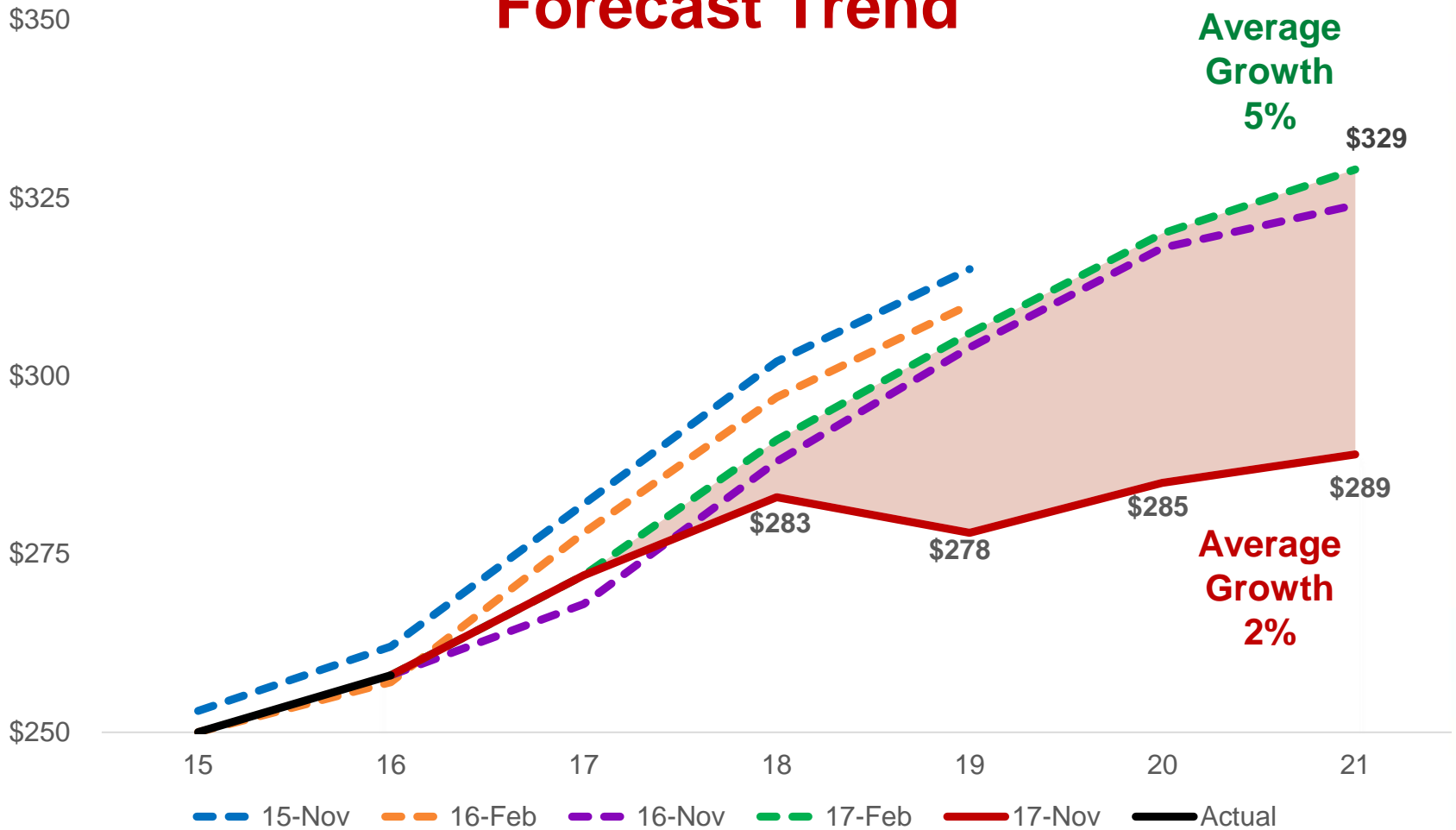
Motor Vehicle Sales Tax

Forecast Trend



Motor Vehicle Sales Tax

Forecast Trend



MVST Forecast Revised Downward

	SFY 2018	SFY 2019	SFY 2020	SFY 2021
Nov 2016	\$288	\$304	\$318	\$324
Feb 2017	\$291	\$306	\$320	\$329
Forecast Gain	\$3	\$2	\$2	\$5
Nov 2017	\$283	\$278	\$285	\$289
Forecast Loss	(\$8)	(\$28)	(\$35)	(\$40)

Regional Transit Budget Impact

	SFY 2018		SFY 2019		SFY 2020		SFY 2021	
	Jul-Dec 2017	Jan-Jun 2018	Jul-Dec 2018	Jan-Jun 2019	Jul-Dec 2019	Jan-Jun 2020	Jul-Dec 2020	Jan-Jun 2021
		CY 2018		CY 2019		CY 2020		
Revenue Loss		(\$18)		(\$31)		(\$38)		

Dollars in millions

CY 2018 Budget Impact

- November 2017 Forecast (Budget 95%)
 - \$17M reduction in MVST operating revenues
- Experience (Nov 2016 Forecast above 95%)
 - Incomplete revenue collection data for 2017
- Draw on Regional Transit Reserves
- Constrained Spending

Our SFY Structural Position

		SFY 2018	SFY 2019	SFY 18-19	SFY 2020	SFY 2021	SFY 20-21
Feb 2017 Forecast							
Starting Position	(\$184)	(\$38)	(\$39)	(\$77)	(\$47)	(\$60)	(\$107)

Our SFY Structural Position

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Feb 2017 Forecast							
Starting Position	(\$184)	(\$38)	(\$39)	(\$77)	(\$47)	(\$60)	(\$107)
Agreed to during session:							
One-time Appropriation		30	40	70	-	-	-
Fare increase		4	8	12	10	11	21
Red Line Subsidy		(1)	(1)	(2)	(1)	(2)	(3)
Sustain Service/Admin cuts		3	3	6	4	4	8
End of session	(\$ 72)	(\$ 2)	\$11	\$ 9	(\$34)	(\$47)	(\$ 81)

Our SFY Structural Position

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Feb 2017 Forecast							
Starting Position	(\$184)	(\$38)	(\$39)	(\$77)	(\$47)	(\$60)	(\$107)
End of session	(\$ 72)	(\$ 2)	\$11	\$ 9	(\$34)	(\$47)	(\$ 81)
2018 Budget Development							
Public Comment Draft							
Ridership (Base/MetMo)		1	4	5	4	6	10
MetMo Contract (Wages)		(3)	(6)	(9)	(7)	(7)	(14)
Other		-	(1)	(1)	(1)	(1)	(2)
Structural Position after							
2018 Draft Budget	(\$ 83)	(\$ 4)	\$ 8	\$ 4	(\$38)	(\$49)	(\$ 87)

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End of session	(\$ 72)	(\$ 2)	\$11	\$ 9	(\$34)	(\$47)	(\$ 81)
Structural Position after							
2018 Draft Budget	(\$ 83)	(\$ 4)	\$ 8	\$ 4	(\$38)	(\$49)	(\$ 87)
Nov 2017 Forecast:							
Motor Vehicle Sales Tax		(8)	(28)	(36)	(35)	(40)	(75)
Structural Position after							
Nov 17 Forecast	(\$194)	(\$12)	(\$20)	(\$32)	(\$73)	(\$89)	(\$162)

Our SFY Structural Position

		SFY 2018	SFY 2019	SFY 18-19	SFY 2020	SFY 2021	SFY 20-21
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End of session	(\$ 72)	(\$ 2)	\$11	\$ 9	(\$34)	(\$47)	(\$ 81)
Structural Position after							
2018 Draft Budget	(\$ 83)	(\$ 4)	\$ 8	\$ 4	(\$38)	(\$49)	(\$ 87)
Structural Position after							
Nov 17 Forecast	(\$194)	(\$12)	(\$20)	(\$32)	(\$73)	(\$89)	(\$162)
Available One-time Funds		12	20	32	39	-	39
New Session Position		-	-	-	(\$34)	(\$89)	(\$123)



METROPOLITAN
C O U N C I L