



Calendar Year 2023 Unified Budget & Levies

December 12, 2022 - 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

Council Budget Development

Unified Budget

Operating Budget

Operations
Pass-through
Debt Service
OPEB

Capital Program

Authorized
Projects
Planned (6-year)
Annual Spending

May-July

Staff – Budget Development Activities

Aug 24
(Before Sept 1)

Council – Adopt Preliminary Budget/Levies

Oct 12

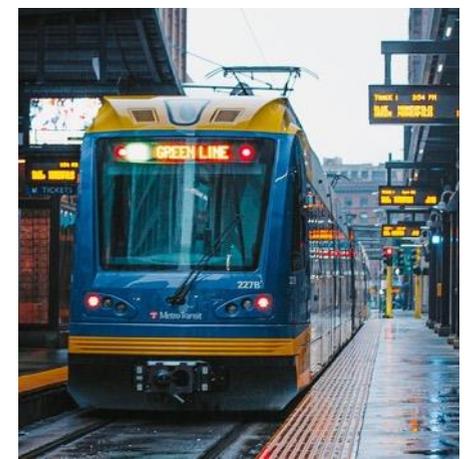
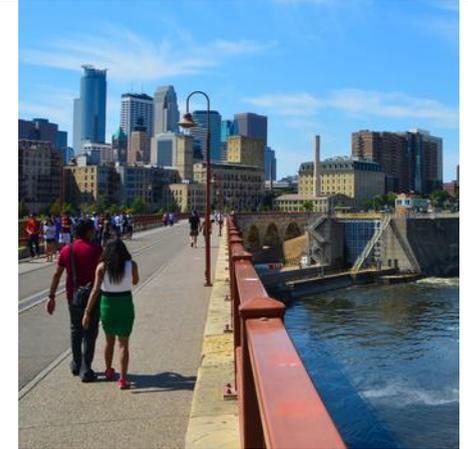
Council – Capital Program Presentation

Oct 26

Council – Adopt Public Comment Draft Budget

Dec 14
(Before Dec 20)

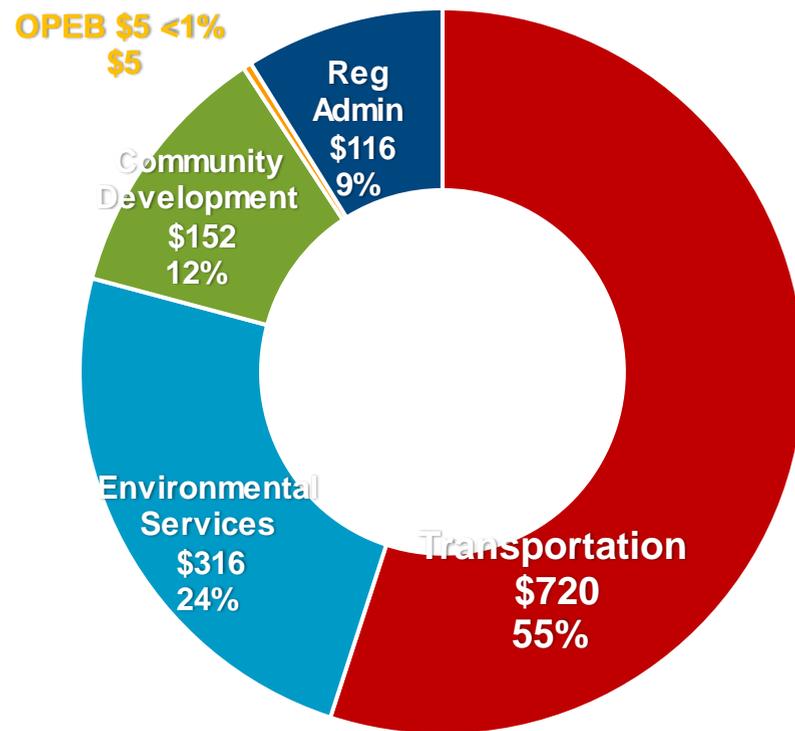
Council – Adopt Final Budget/Levies



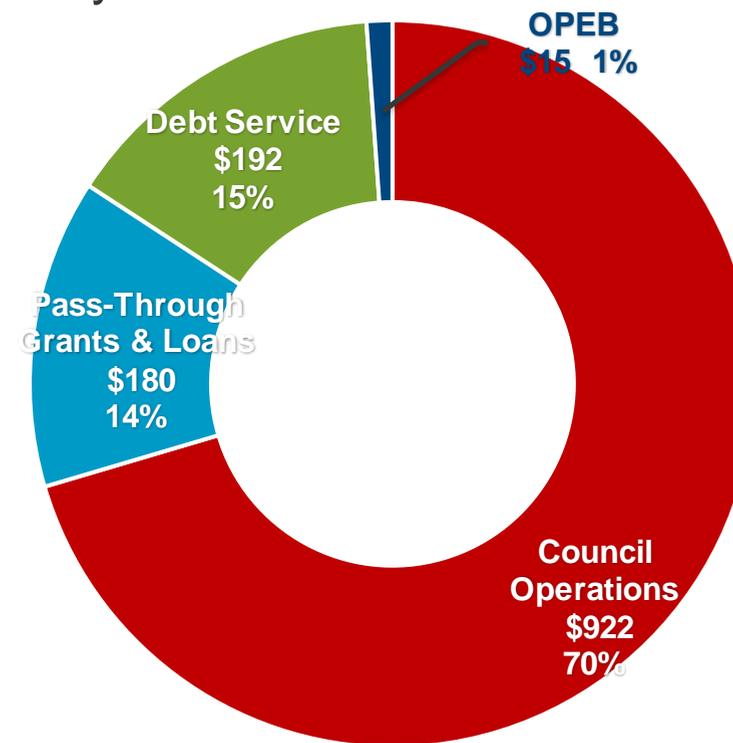
2023 Operating Budget

Uses by Division and Function: \$1.309 Billion

- Uses by Division

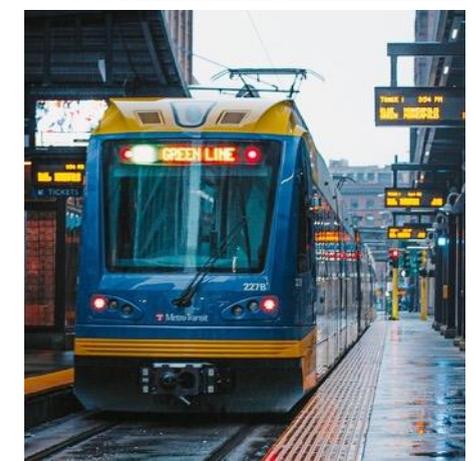


- By Function



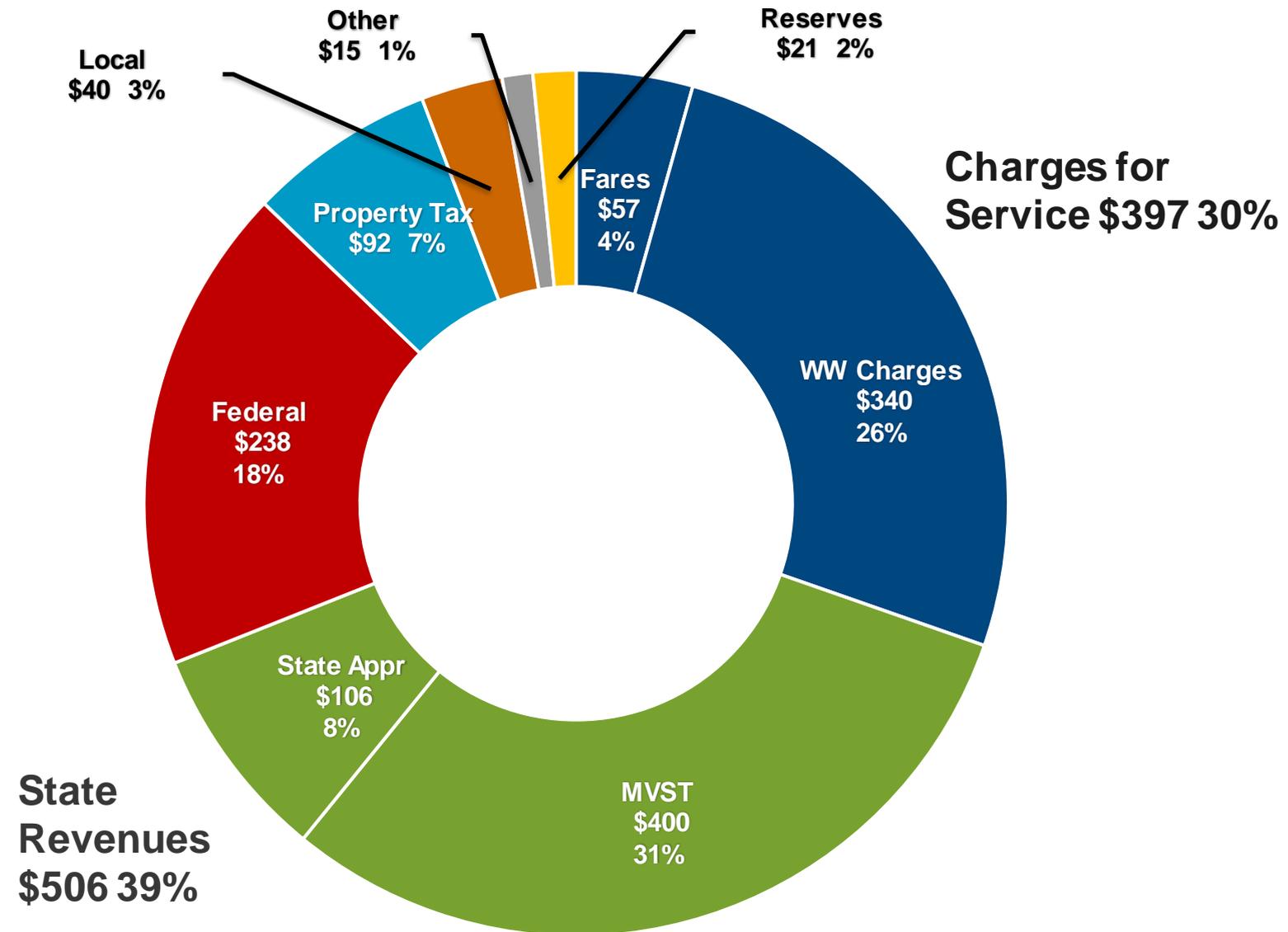
Dollars in millions

Proposed Final



2023 Operating Budget

Funding Sources - \$1.309 Billion

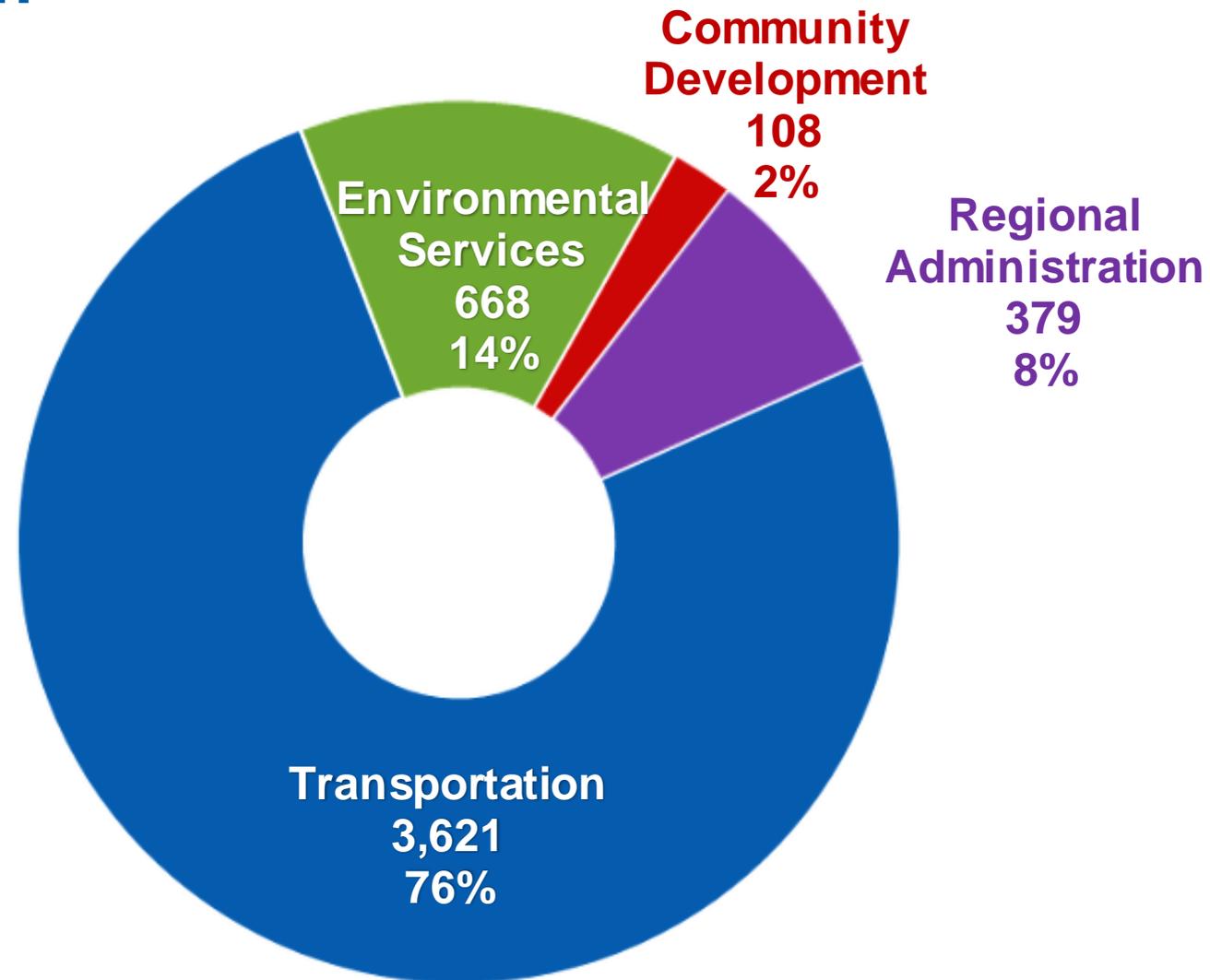


Dollars in millions

Proposed Final

2023 FTEs (Full Time Employees) 4,776

By Division



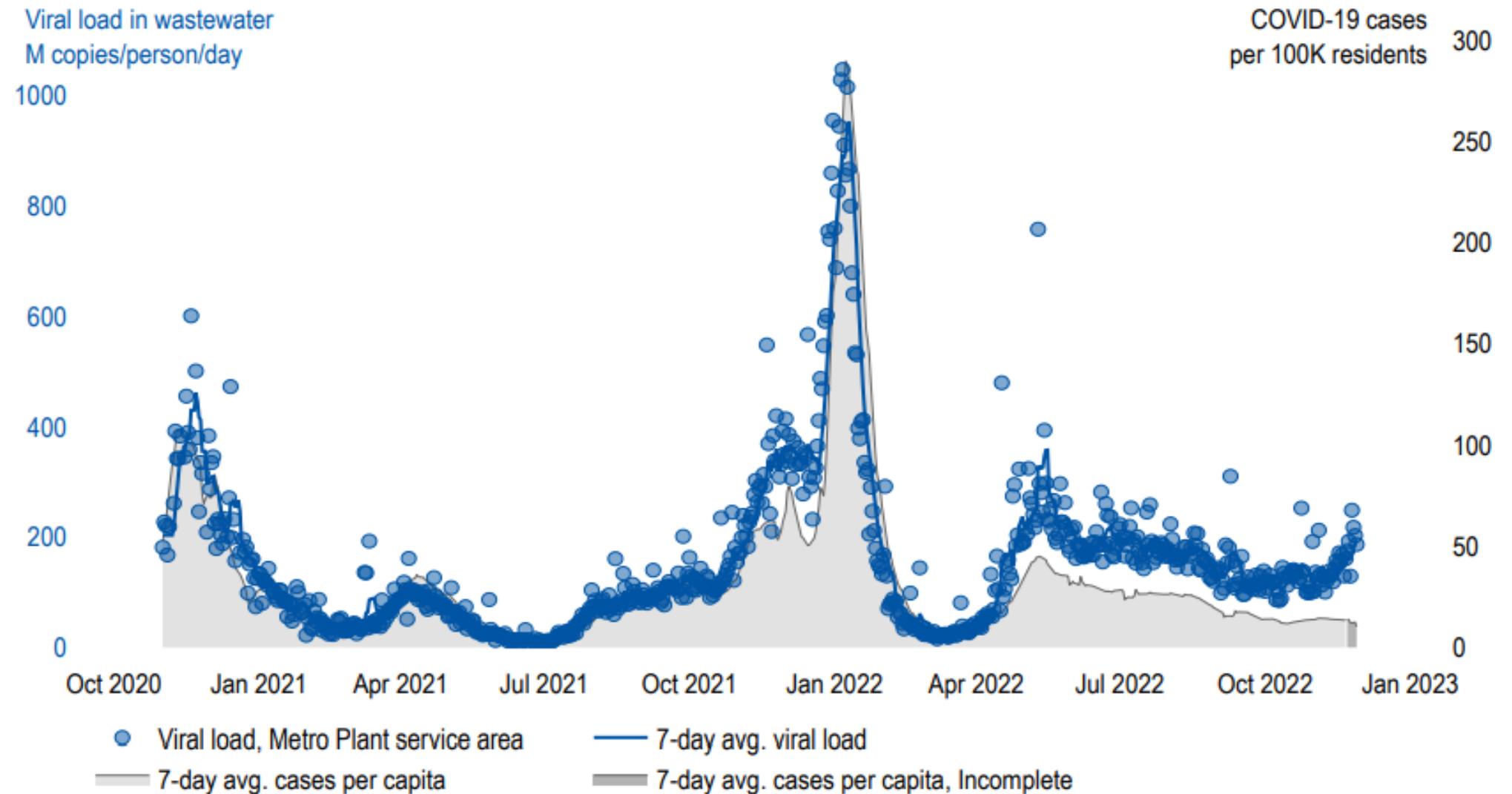
Wastewater Charges



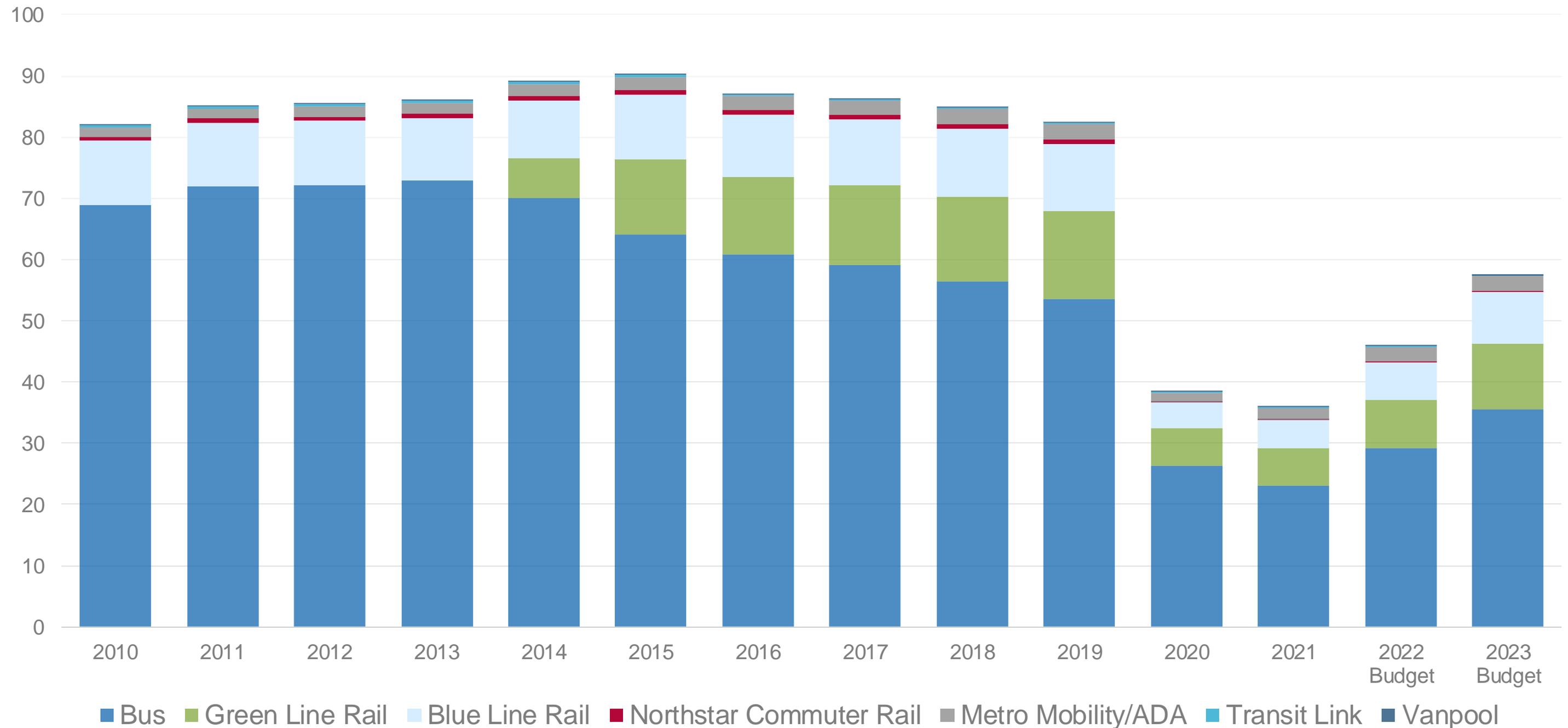
- Municipal Wastewater Charge: +5.5%
- Sewer Availability Charge: No Change
 - \$2,485 per SAC (flat since 2014)
- Industrial Waste Strength Charge: +6.6%
- Industrial Waste Permit Fees: +5.5%

COVID-19 – Monitor levels in Wastewater

Wastewater-based epidemiology



Transit Ridership (in millions)



Metropolitan Council Transportation Budget Summary

	State Fiscal Years			
CY 2023 - Proposed Final Budget				
Nov 22 Forecast	2020-2021	2022-2023	2024-2025	2026-2027
Base Revenues for Operations	\$ 976.3	\$ 1,111.9	\$ 1,189.6	\$ 1,387.1
Metro Mobility Forecasted GF Support	-	-	-	228.4
Operating Expenses	1,149.8	1,228.6	1,503.3	1,685.9
Structural Position	\$ (173.5)	\$ (116.7)	\$ (313.7)	\$ (298.8)
<u>One-Time Funding Solutions:</u>				
Non-Base State Appropriation	36.2	-	-	-
Federal Relief Funds (CARES, CRRSAA, ARP)*	208.1	210.0	207.7	-
(Add)/ Use of Available Program Reserves	(70.8)	1.0	106.0	38.0
Transfer MVST to 6-Year CIP	-	(94.3)	-	-
Financial Position	\$ -	\$ -	\$ -	\$ (260.8)

* Total Federal Funds \$725.8M less CRRSAA Funds \$100M moved to Capital Project

Metropolitan Council Transportation Budget Summary without Federal Funding

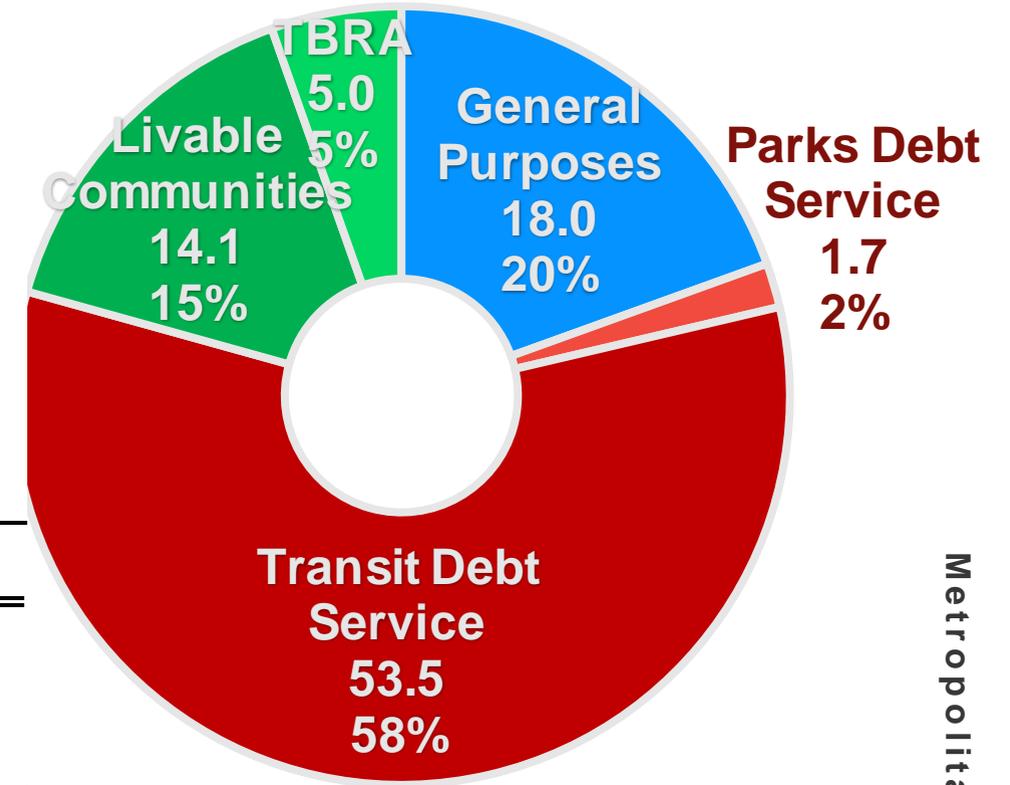
CY 2023 - Proposed Final Budget Nov 22 Forecast	State Fiscal Years			
	2020-2021	2022-2023	2024-2025	2026-2027
Base Revenues for Operations	\$ 976.3	\$ 1,111.9	\$ 1,189.6	\$ 1,387.1
Metro Mobility Forecasted GF Support	-	-	-	228.4
Operating Expenses	1,137.6	1,202.5	1,504.4	1,685.9
Structural Position	\$ (161.3)	\$ (90.6)	\$ (314.8)	\$ (298.8)
<u>One-Time Funding Solutions:</u>				
Non-Base State Appropriation	36.2	-	-	-
Federal Relief Funds (CARES, CRRSAA, ARP)	-	-	-	-
(Add)/ Use of Available Program Reserves	67.5	19.0	(6.0)	(6.0)
Transfer MVST to 6-Year CIP	-	(94.3)	-	-
Financial Position	\$ (57.6)	\$ (165.9)	\$ (320.8)	\$ (304.8)

November 2022 Forecast Impact Motor Vehicle Sales Tax

	State Fiscal Years					
	2023	2024	2025	2026	2027	
November 2022 Forecast	\$ 369.4	\$ 364.4	\$ 369.4	\$ 380.2	\$ 392.5	
February 2022 Forecast	388.3	382.0	389.2	* 408.7	* 429.1	Total
	(18.9)	(17.6)	(19.8)	(28.5)	(36.6)	(121.4)
				* Council Estimate w/ DOR		
<u>Budget Impact</u>						
Met Council Bus Operations & Planning, Reserve (5%)	(16.6)					
Suburban Transit Providers	(2.3)					
Total Budget Impact	(18.9)					

Proposed Final 2023 Property Tax Levies – \$92.3M

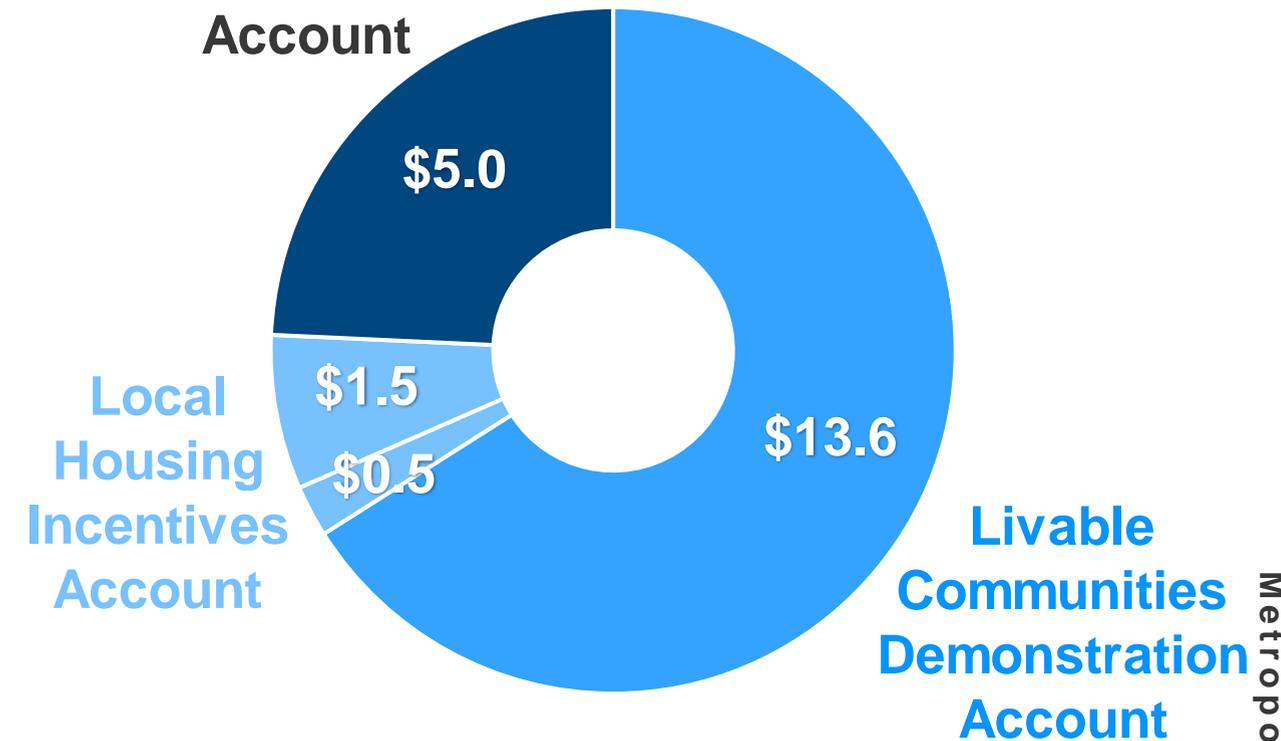
	Certified 2022	Proposed 2023	Pct Chg	Limit
Non-Debt Service Levies				
General Purposes	\$ 16.6	\$ 18.0	8.5%	\$ 18.0
Highway Right of Way	\$ -	\$ -	0.0%	\$ 4.8
Livable Communities:				
- Demonstration Acct	\$ 13.0	\$ 14.1	8.5%	\$ 14.1
- Tax Base Revitalization	\$ 5.0	\$ 5.0	0.0%	\$ 5.0
Total Non-Debt Levies	\$ 34.6	\$ 37.1	7.2%	\$ 41.9
Levy as Pct of limit		88.5%		
Debt Service levies				
Parks	\$ 3.5	\$ 1.7	-51.1%	
Transit	\$ 52.4	\$ 53.5	2.0%	
Total Debt Levies	\$ 55.9	\$ 55.2	-1.3%	
Total All Levies	\$ 90.5	\$ 92.3	2.0%	



Livable Communities Levies (Grant 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
 - \$14.1M proposed levy for 2023, with a transfer of \$0.5M to LHIA, a net of \$13.6M
- Local Housing Incentives Account
 - Statutory transfer from LCDA (\$0.5M)
 - Statutory transfer from General-Purpose Levy (\$1.0M)
 - Discretionary, General-Purpose Levy to LHIA (\$0.5M)

Tax Base Revitalization Account



Impact on the Taxpayer

Counties: 27.4%

Cities & Towns: 31.9%

Schools: 33.4%



Other Special Districts: 6.0%

Met Council: 1.3%

Impact on the Taxpayer

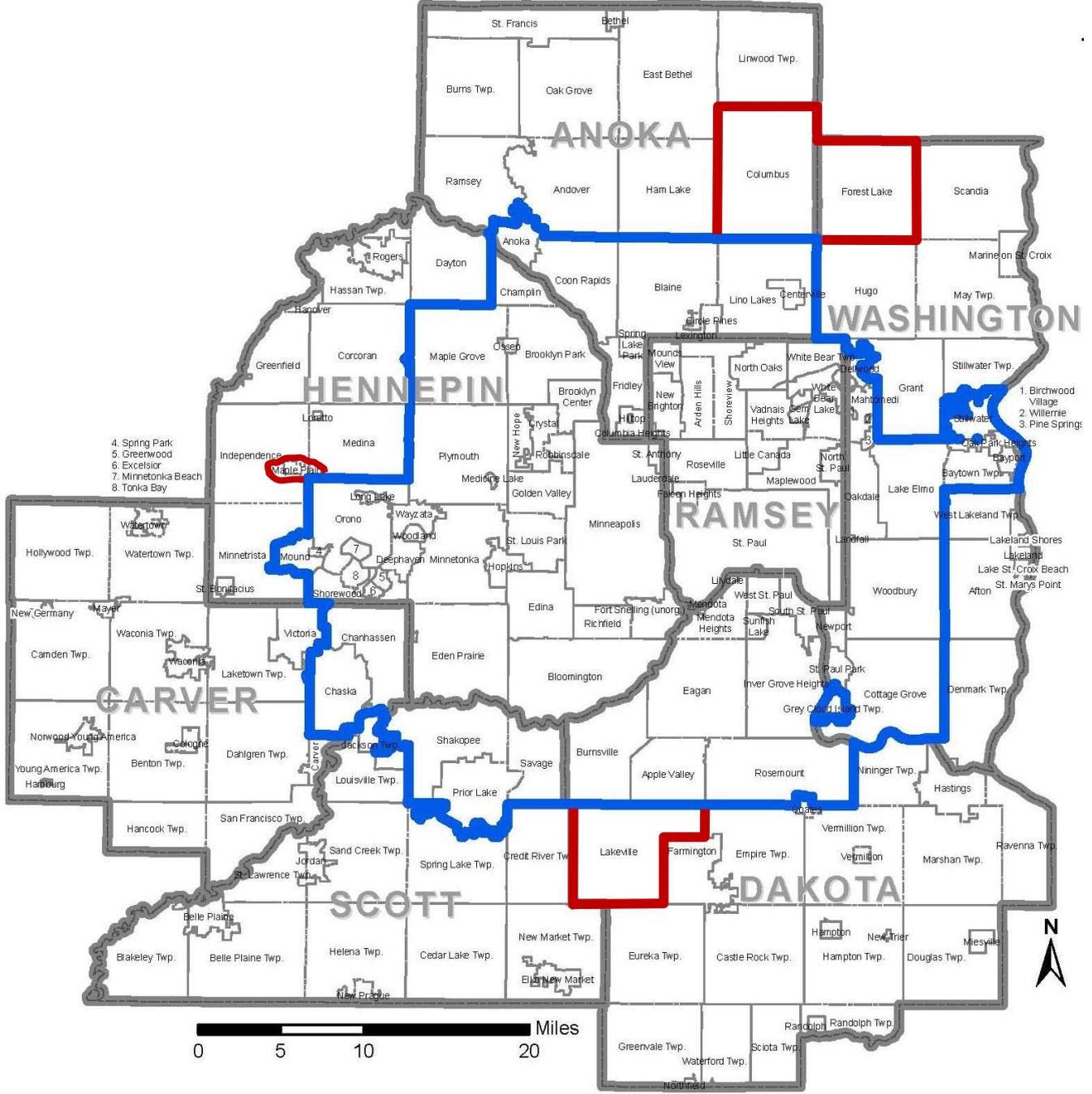


\$300,000
Market Value

Transit Tax for Communities

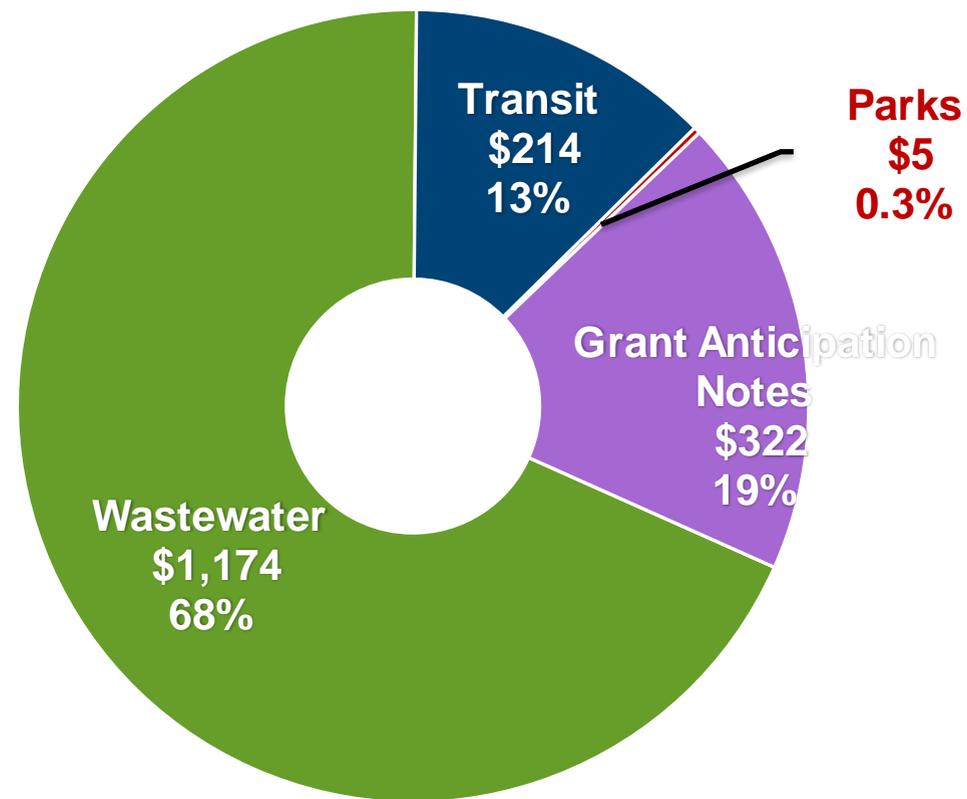
<u>Inside</u>	<u>Outside</u>
\$55.86	\$19.90

Metro Area and Transit Debt Service Levy



Outstanding General Obligation Debt as of December 31, 2022 – 1.7B

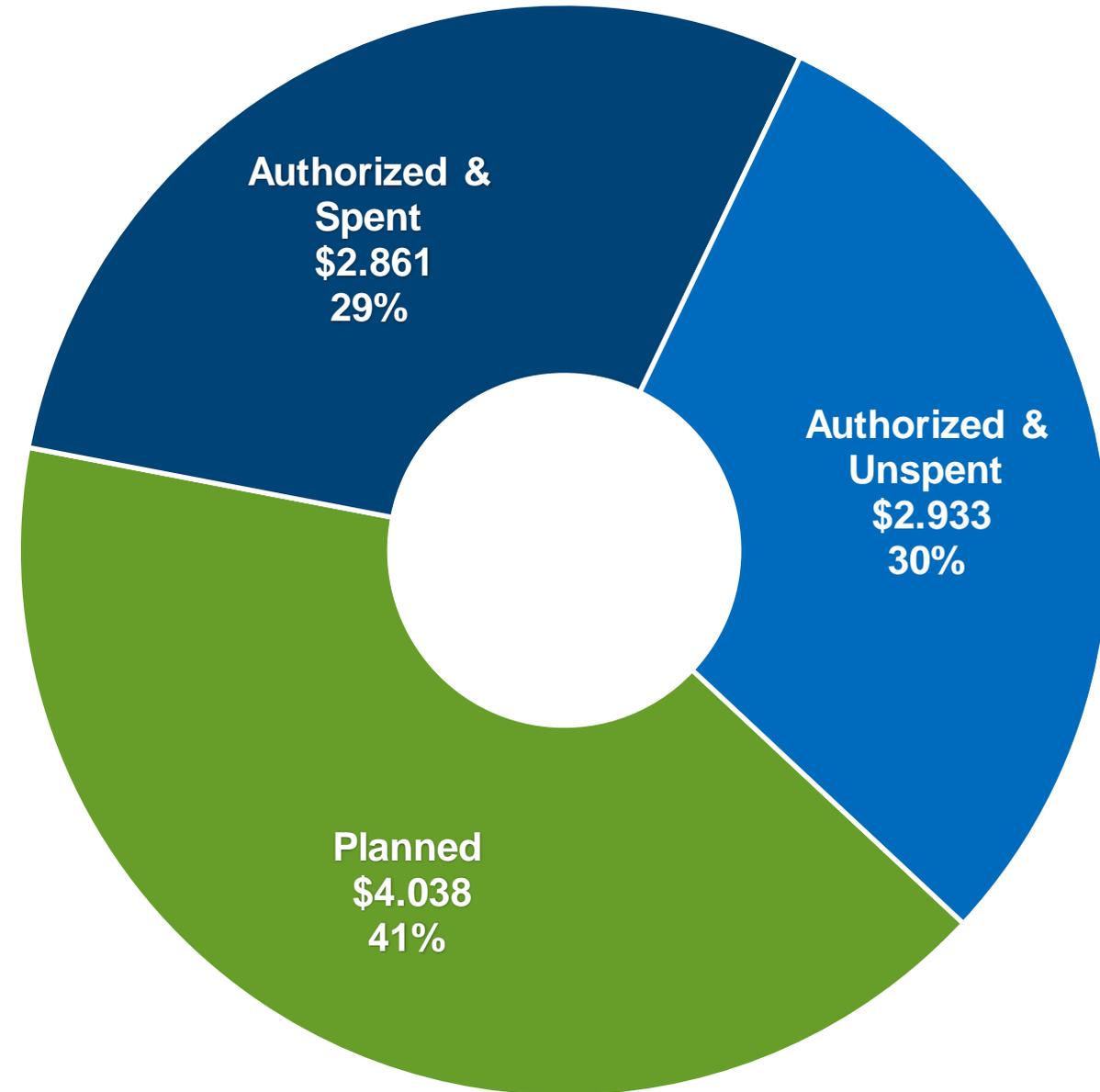
AAA/Aaa Bond Rating



Dollars in millions

Proposed Final

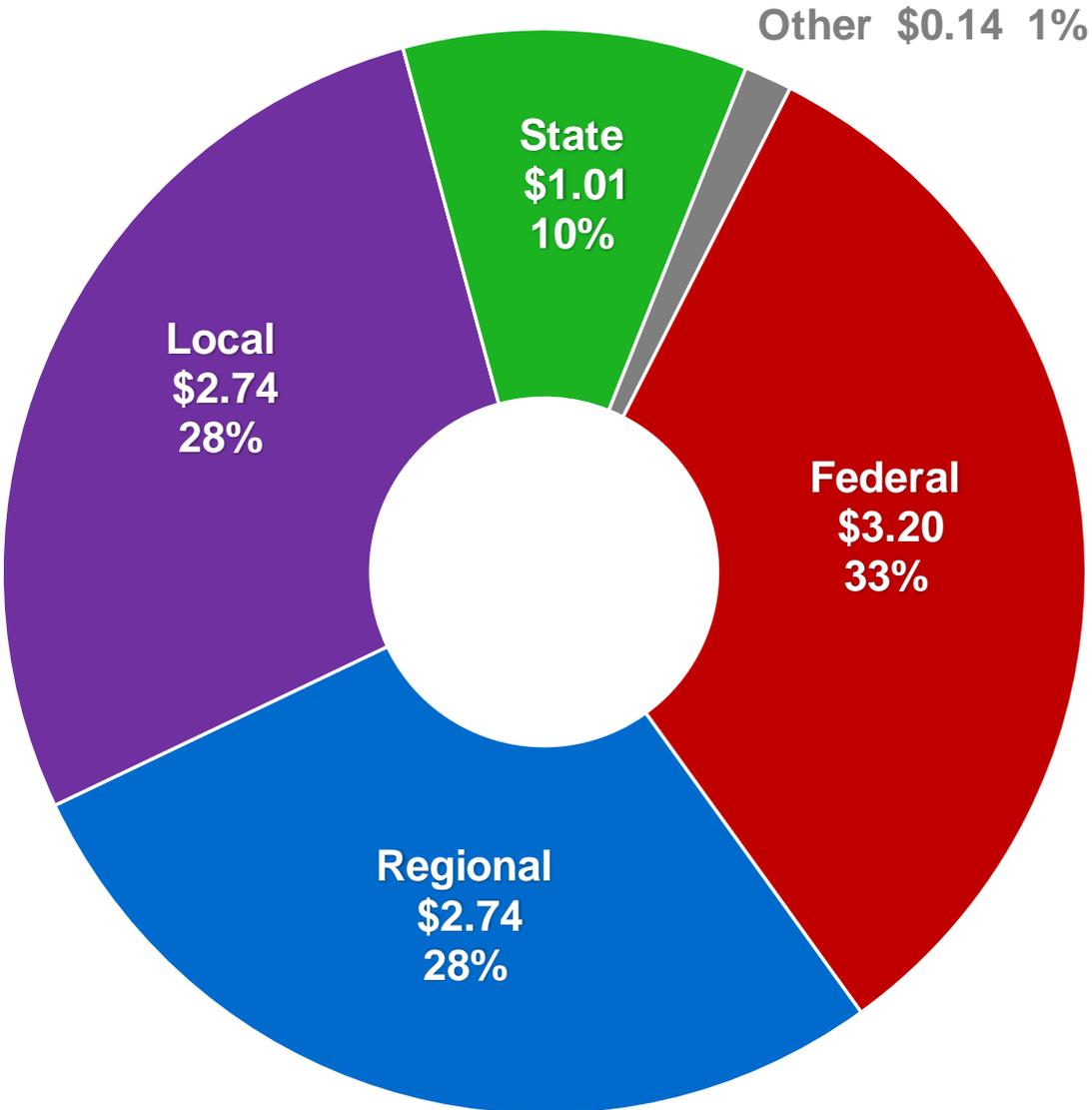
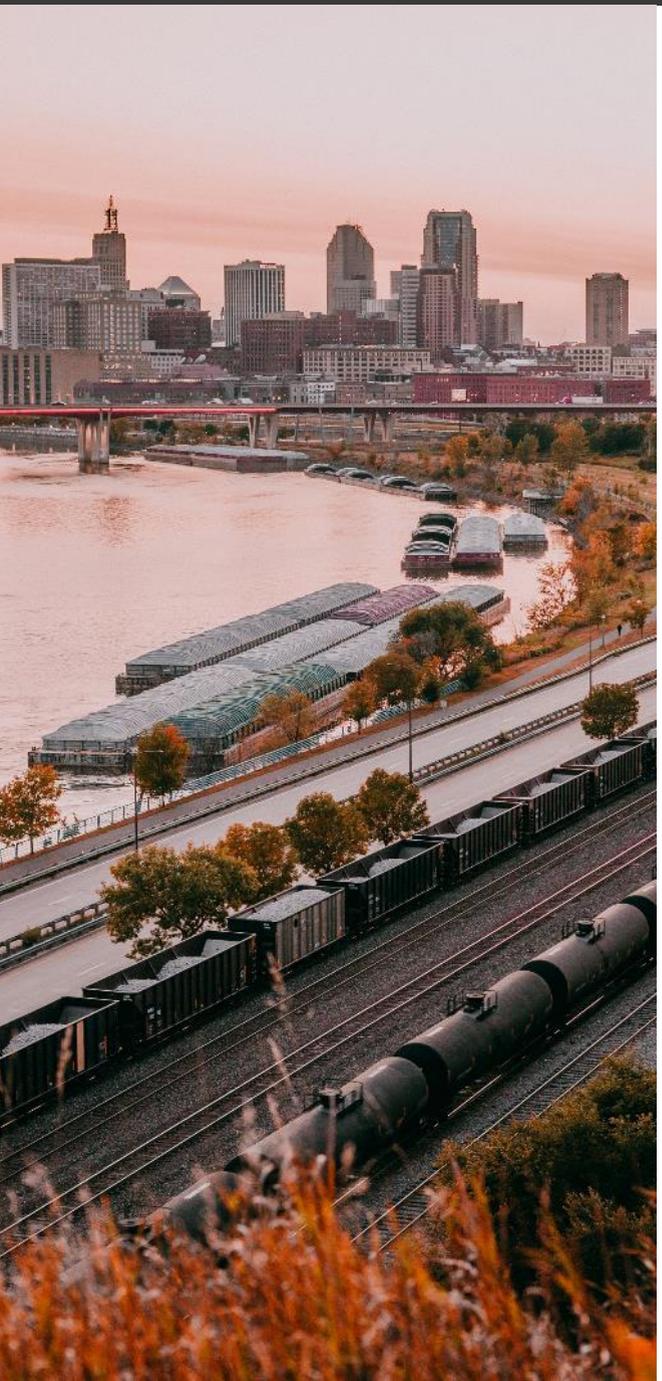
2023 Capital Program - \$9.83B



Dollars in billions

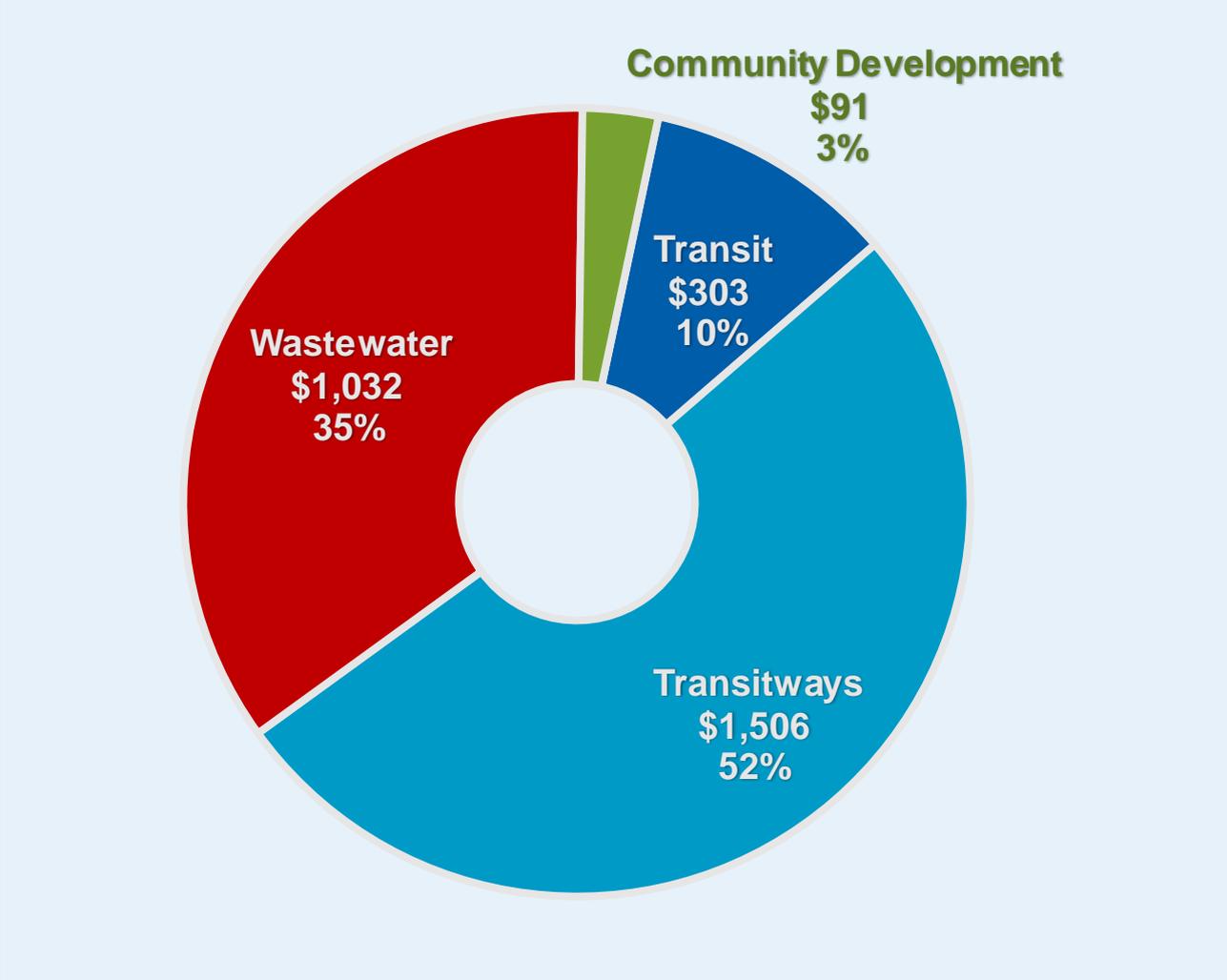
Proposed Final

Capital Program by Funding Source - \$9.83B

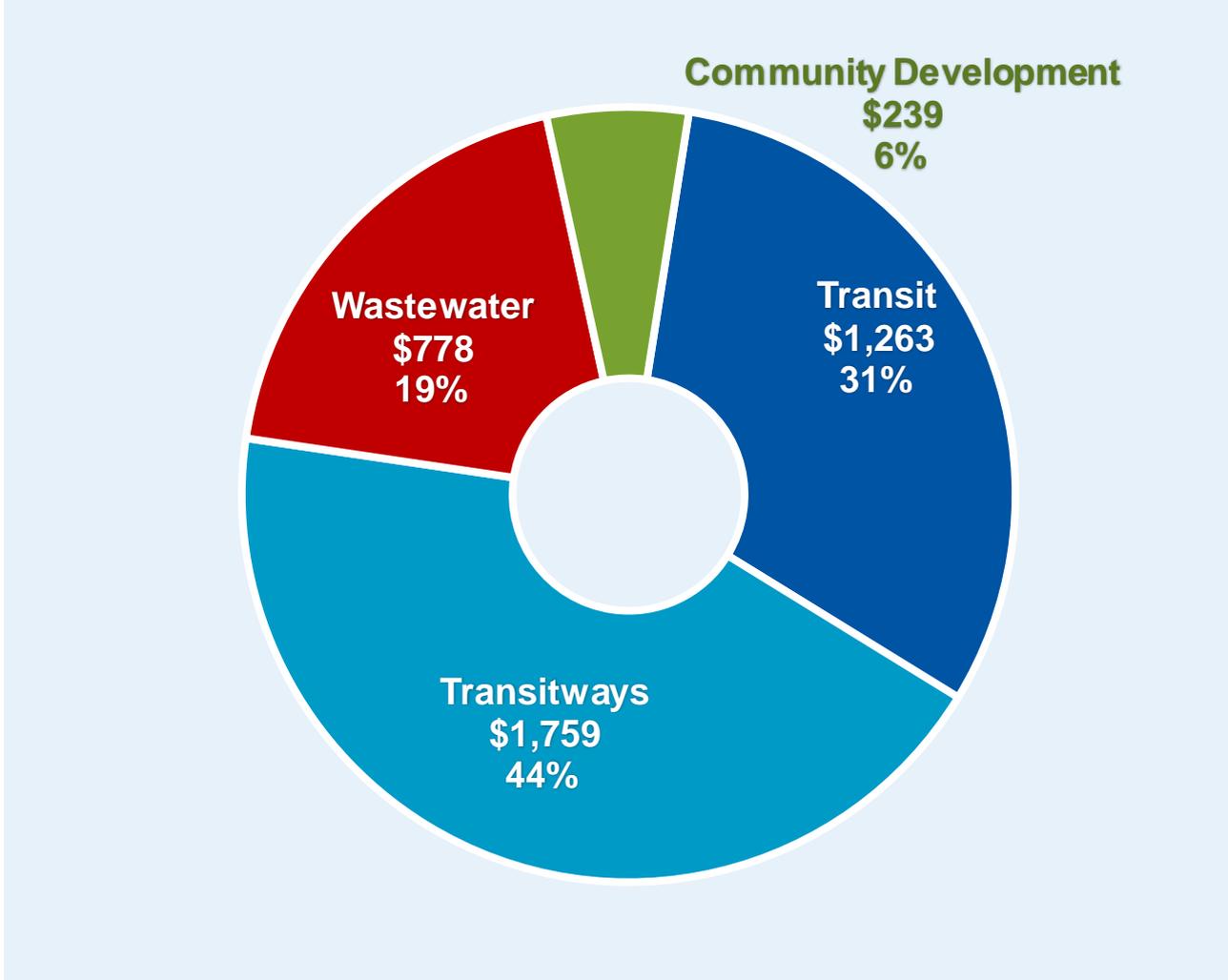


Future Capital Program Spending - \$6.97B

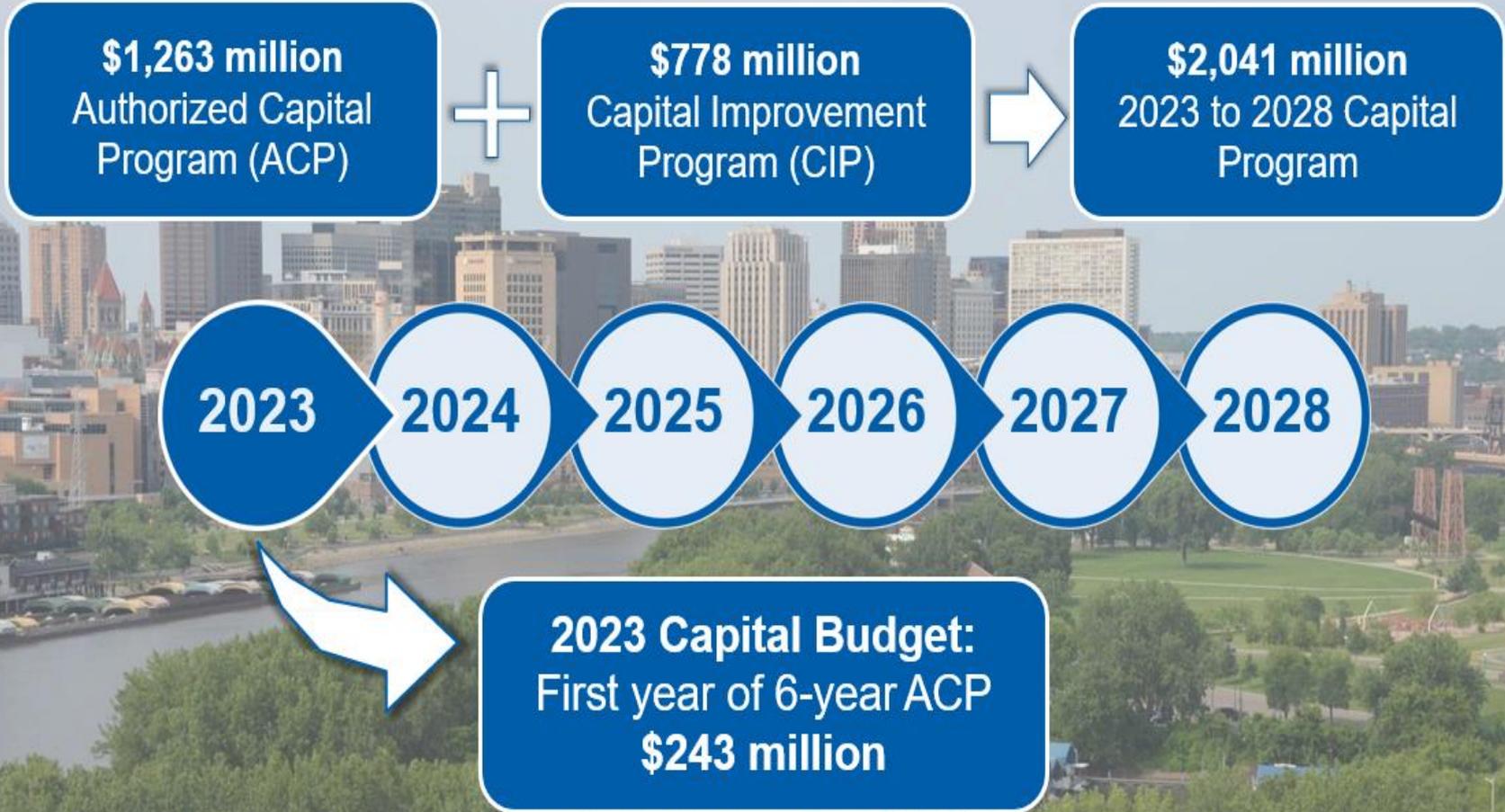
Authorized Capital Program - \$2.93B



6-Yr Capital Improvement Plan - \$4.04B



Proposed 2023 Capital Program



Preserve Assets
Rehabilitate and replace assets to preserve value and performance



Meet Capacity Needs
Expand system capacity through plant expansions and interceptor extensions or improvements



Improve Quality of service by responding to more stringent regulations, reusing wastewater, increasing system reliability, and conserving and generating energy

Environmental Services – Upcoming Projects

Treatment Plant Program

- Metro Plant Services Building & Site Improvements
- Metro Plant Fourth Incinerator
- Hastings Wastewater Treatment Plant
- Crow River Wastewater Treatment Plant
- Blue Lake Wastewater Treatment Plant Improvements Phase 1
- Programmable Logic Controller (PLC) Renewal

Interceptor Program

- Excelsior Area Lift Station L20
- Coon Rapids 4-NS-525 Rehabilitation
- L48 Rehabilitation and 6-DH-645 Forcemain Replacement
- L46 and L49 Lift Station Improvements
- 1-MN-310 Rehabilitation between 23rd and 33rd Ave N.

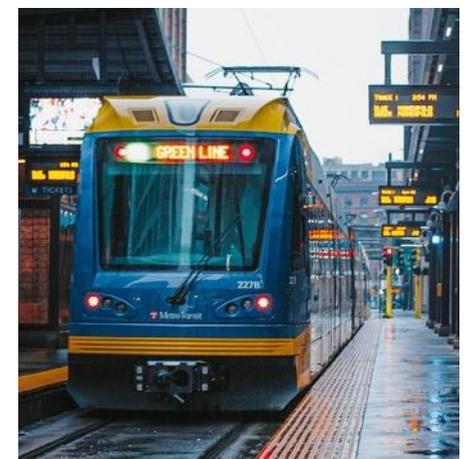
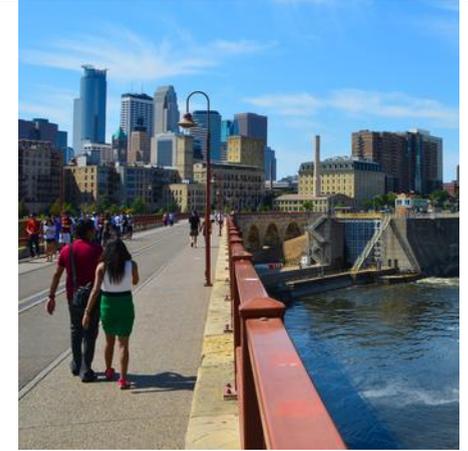
Fleet - \$949M

Authorized Future Spending - \$107M

- Maintain the Current System
- Replacements per Fleet Plan
- Non-Revenue Vehicles

Planned - \$842M

- Replacements per Fleet Plan
- Spare Factor FTA Analysis
- Meet Metro Mobility Demand
- MVTA Orange Line Connector (CMAQ)
- ABRT Bus Procurement (CMAQ)
 - B, D, E
- Zero Emission Fleet
- Overhaul of Rail Vehicles



Fleet – Service Vehicles

Purchases



Standard	55
Artic	185
Coach	17
Electric	83
	340



Small Bus	958
30'/40'/45'	192
Artic	11
Van/SUV	<u>61</u>
	1,222

Overhauls



Blue Line	44
Green Line	47
NorthStar	18



Transitways - \$3.3B

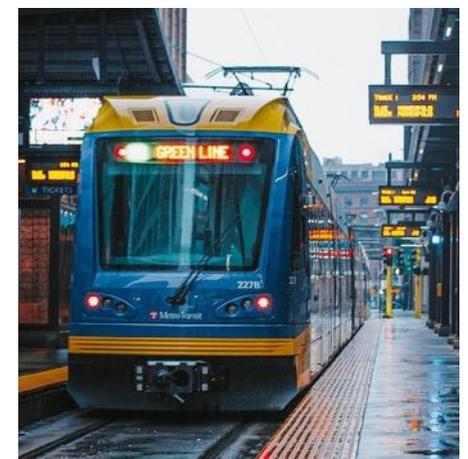
Authorized Future Spending – \$1.5B



Also Partial Funding for BRT/ABRT's

Planned - \$1.8B

- Metro Green and Blue Line Extensions
- Complete and Partial Funding for BRT/ABRT
 - Gold and ABRTs (B, E, F, G, H)
- LRT Interlocking Projects
- LRT/Northstar ADA and Safety Improvements
- LRT Rail Replacement
- Maintaining Assets in a State of Good Repair



Facilities - \$355M (Customer & Support)



Authorized Future Spending- \$141 M

- Energy Enhancements
- Improvements, Repairs and Refurbishments
- Heywood Campus Administrative Renovation
- New North Loop Bus Garage

Planned - \$212M

- Bus Electrification Infrastructure
- Burnsville Bus Garage Modernization
- Hoist Replacements
- Improvements, Repairs and Refurbishments
- Investing in our Workplace: Support Space Renovations
- Capital Program Equity Priorities
- Enhancing Safety and Security with lighting, cameras, emergency call systems

Other - \$261 M



Authorized Future Spending- \$54 M

- IS Capital Upgrades
- Support Equipment

Planned - \$208 M

- Replacement of GFI Fareboxes
- Upgrade Cubic Fare Collection System
- Replace CCTV System on LRT Fleet
- Communications, Message and Real Time Signage Replacements

Parks & Open Space - \$259M

- Authorized Spending - \$91M
- Planned - \$239M
- Region Parks System Serves
 - 7-County Twin Cities Metro Area
 - Over 3 million people
- Regional Park System
 - Over 64 million annual visits
 - 56 regional parks & park reserves totaling more than 54,000 acres
 - 8 special recreation features
 - 49 regional trails, with nearly 400 miles of interconnected trails

