

Metropolitan Council Update

February 2, 2022

House Local Government Division

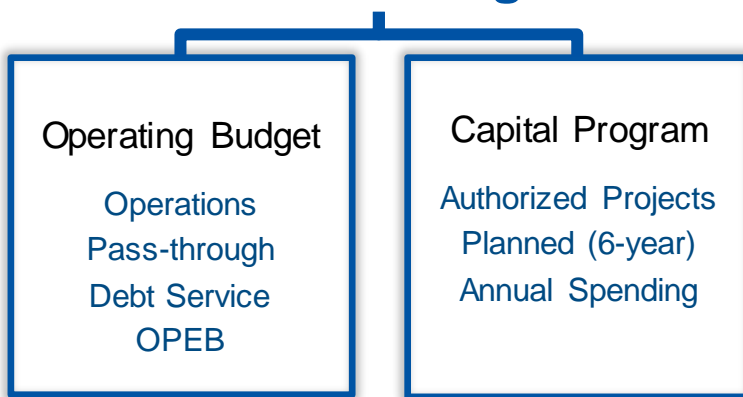


Statutory Responsibilities

- **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

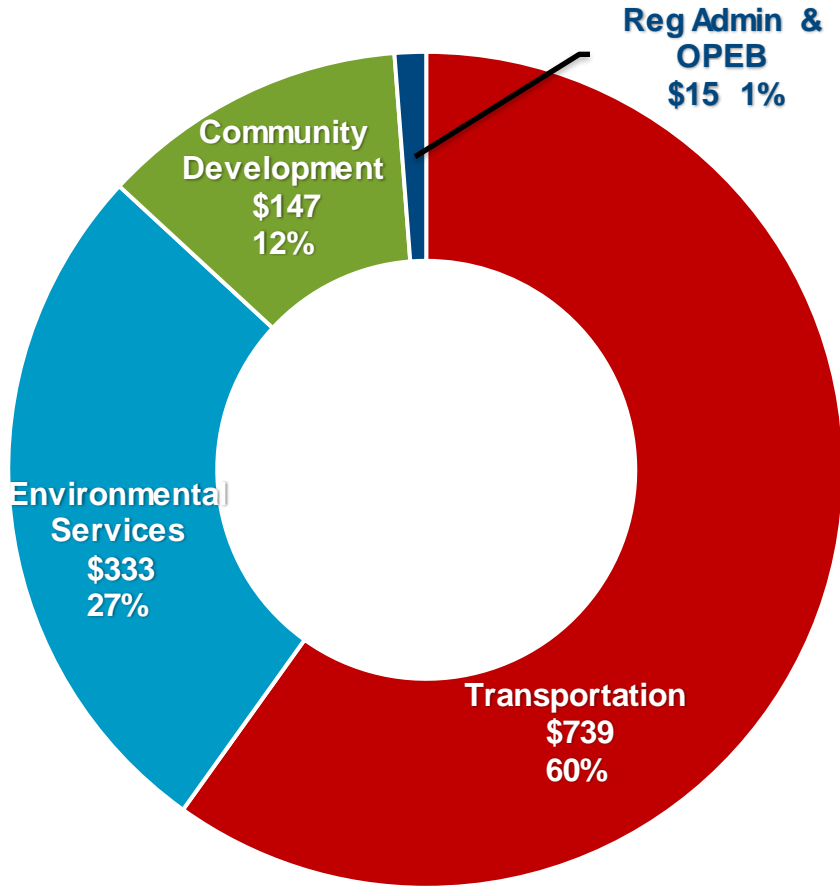


- | | |
|---------------------------|---|
| May-July | Staff - Budget Development Activities |
| Aug 25
(before Sept1) | Council - Adopt Preliminary Budget/Levies |
| Oct 13 | Council - Capital Program Presentation |
| Oct 27 | Council - Adopt Public Comment Draft Budget |
| Dec 08
(before Dec 20) | Council - Adopt Final Budget/Levies |

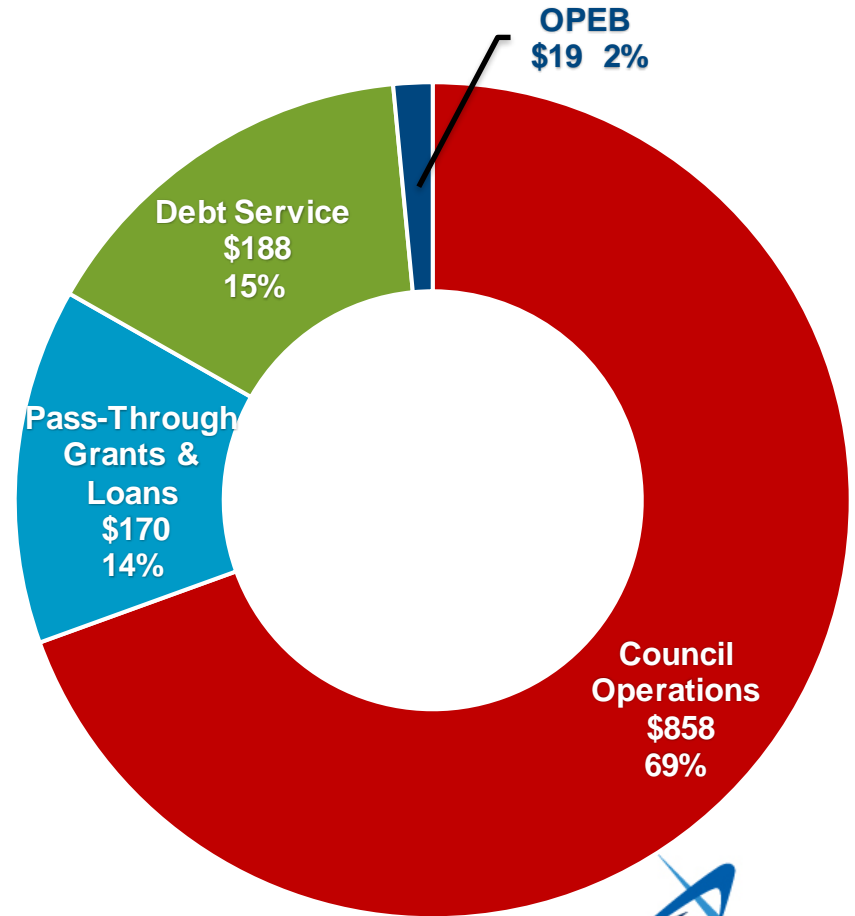
2022 Operating Budget

Uses by Division and Function: \$1.2 Billion

Uses by Division



By Function



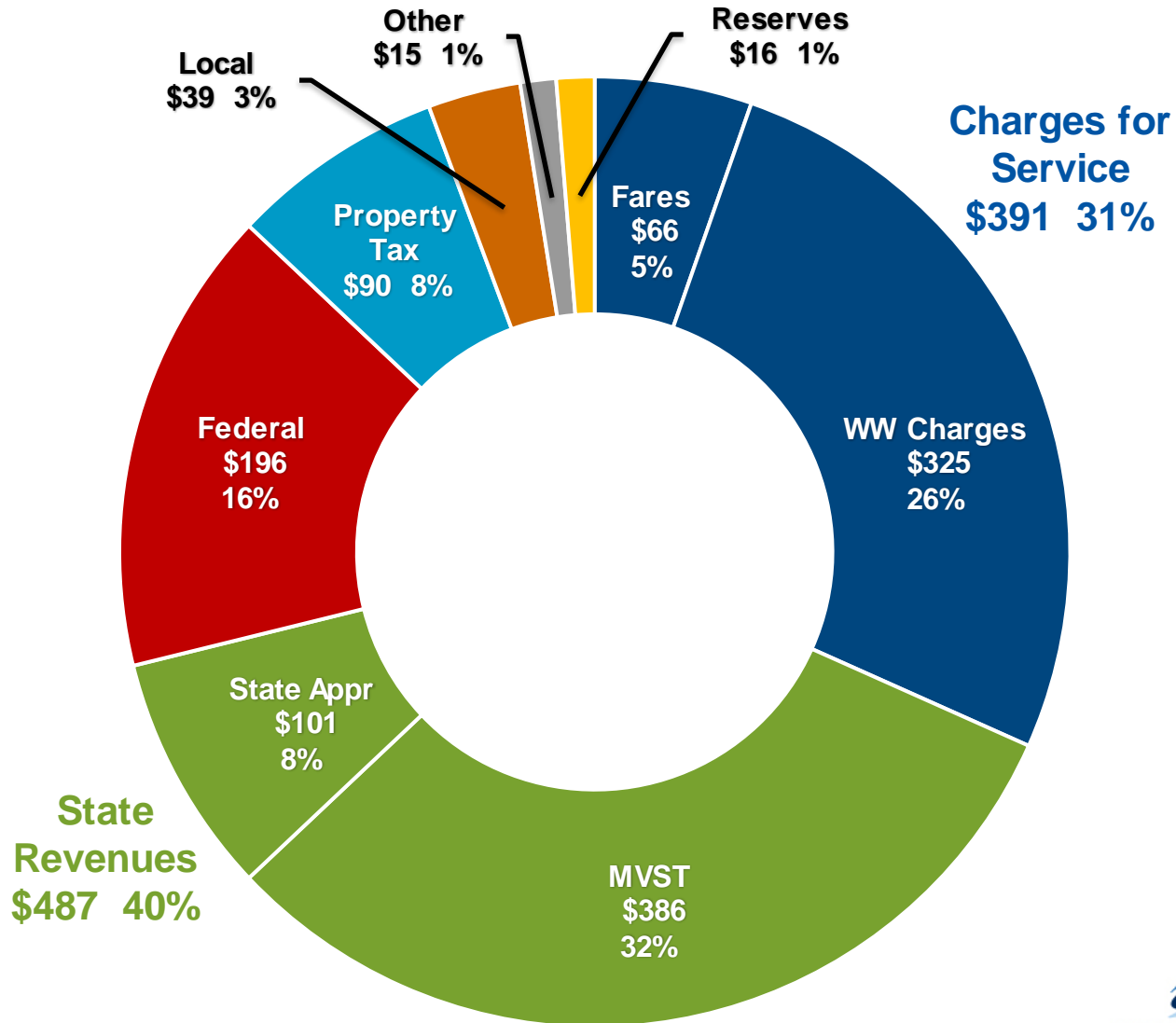
Dollars in millions

Adopted 12/8/2021



Operating Budget

Funding Sources - \$1.2 Billion

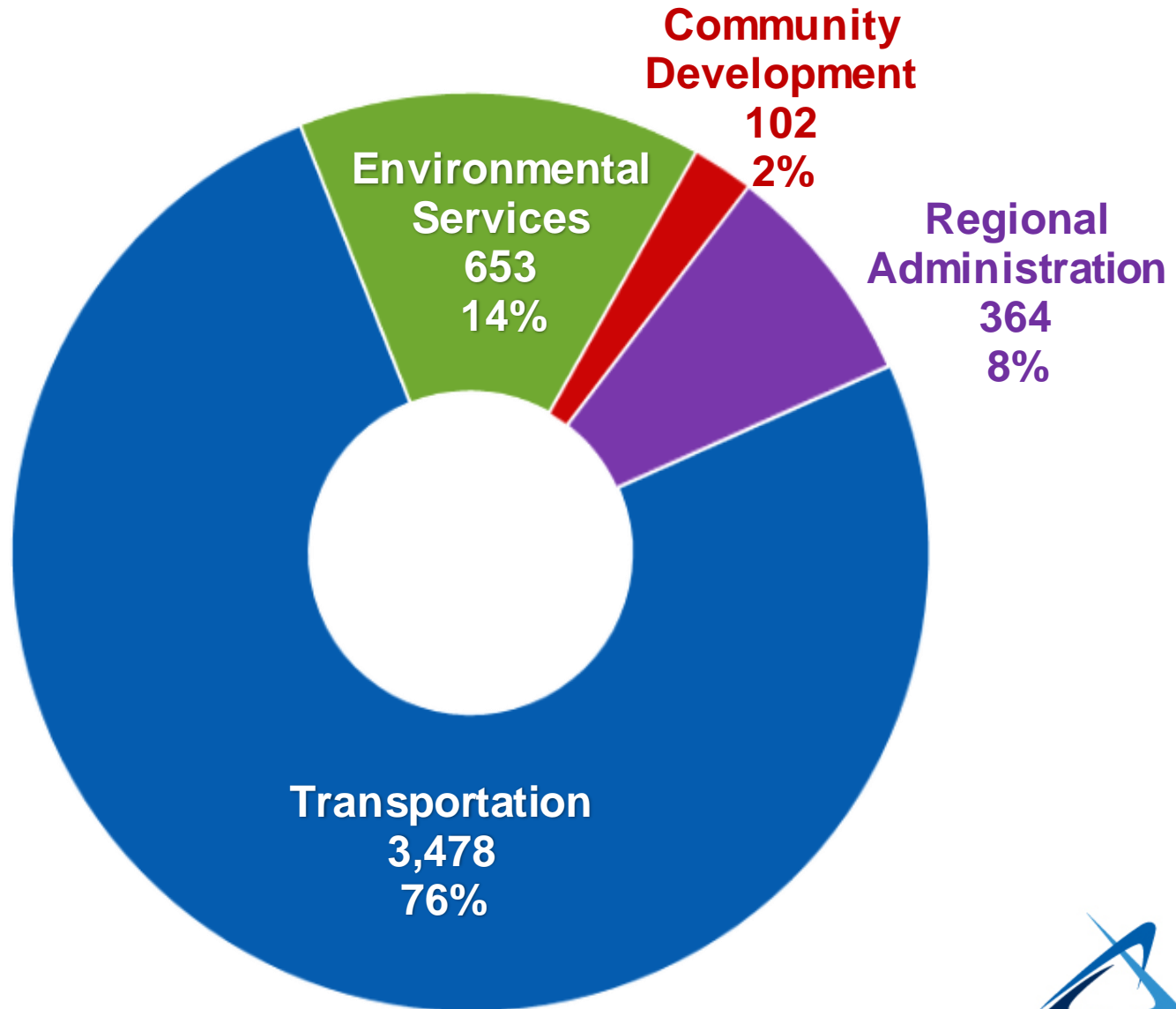


Dollars in millions

Adopted 12/08/2021



2022 FTEs (Full Time Employee's) 4,597



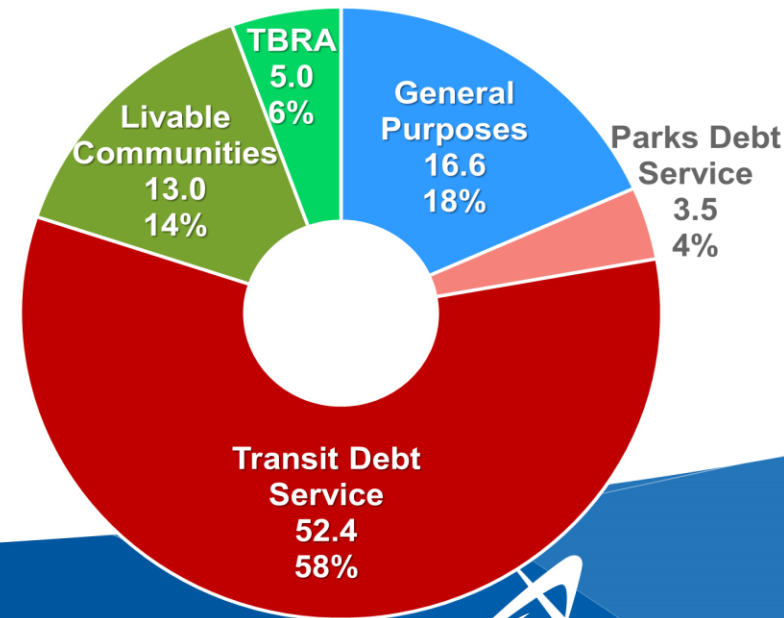
Adopted 12/8/2021

Wastewater Charges - \$325M

- Municipal Wastewater Charge: +4.0%
- Sewer Availability Charge: No Change
 - \$2,485 per SAC (flat since 2014)
- COVID-19 Testing – Monitor levels in wastewater

2022 Property Tax Levies - \$90.5M

	Certified 2021	Proposed 2022	Pct Chg	Levy Limit
<u>Non-Debt Service Levies</u>				
General Purposes	\$ 16.139	\$ 16.580	2.731%	\$ 16.580
Highway Right of Way	-	-	0.0%	4.457
Livable Communities:				
- Demonstration Acct	12.668	13.014	2.731%	13.014
- Tax Base Revitalization	5.000	5.000	0.0%	5.000
Total Non-Debt Levies	\$ 33.807	\$ 34.594	2.327%	\$ 39.051
Levy as Pct of Limit		88.6%		
<u>Debt Service Levies</u>				
Parks	\$ 1.800	\$ 3.477	93.2%	
Transit	53.132	52.443	-1.3%	
Total Debt Levies	\$ 54.932	\$ 55.920	1.8%	
Total All Levies	\$ 88.739	\$ 90.514	2.0%	



Livable Communities Levies (Grant Programs)

- **Tax Base Revitalization Account Levy**

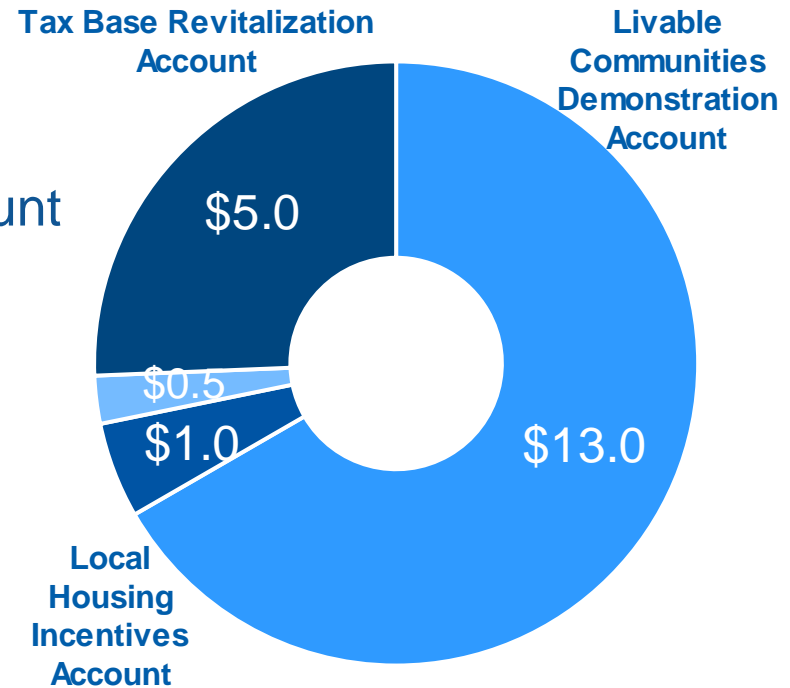
- \$5M annually from regional fiscal disparities pool
- Clean up polluted land in the metropolitan area

- **Livable Communities Demonstration Account Levy**

- \$13.0M proposed levy for 2022
- Strategy: Grow to accommodate TOD Component
- Limitation: Capped by implicit price deflator

- **Local Housing Incentives Account**

- Statutory transfer from LCDA (\$0.5M) and General Purposes Levy (\$1.0M)



Dollars in Millions

Impact on the Taxpayer

Counties 28.3%

Cities & Towns 31.8%

Schools 34.2%



Other Special Districts 4.3%

Metropolitan Council 1.4%

Impact on the Taxpayer



\$250,000
Market Value

Transit Tax Communities

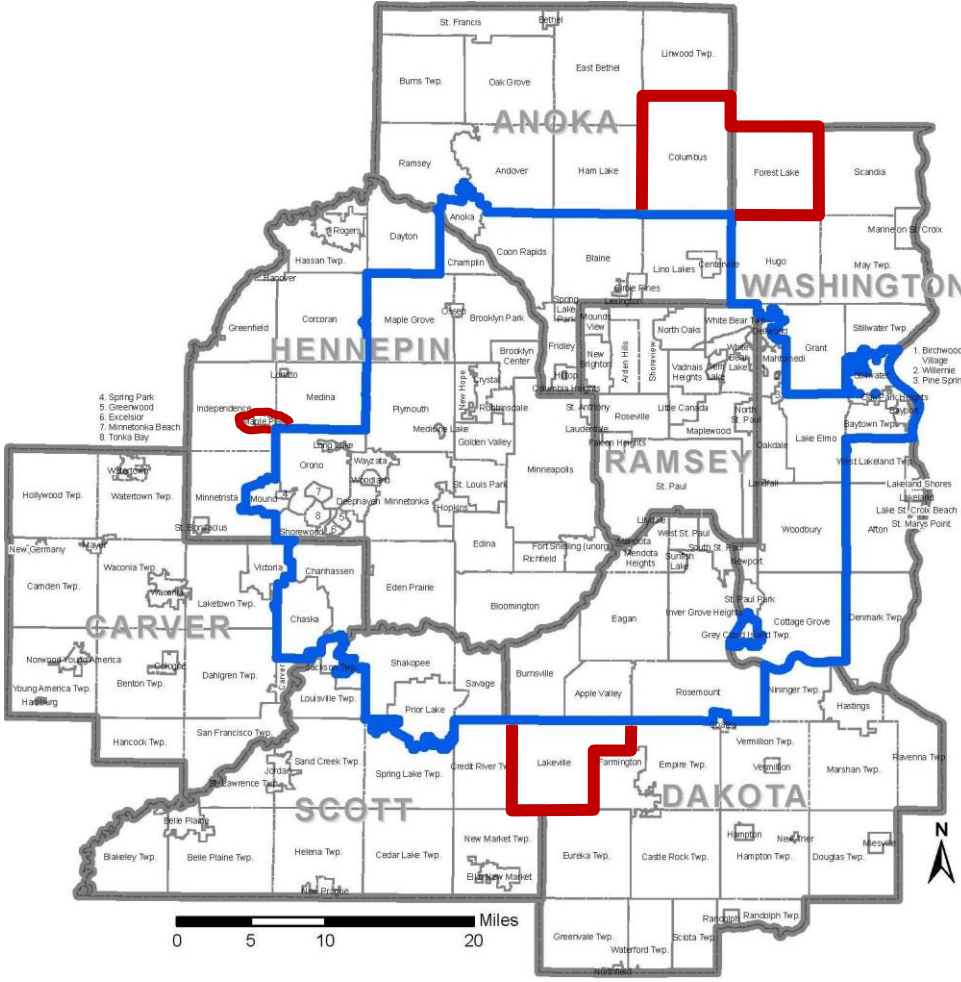
Inside

\$47.89

Outside

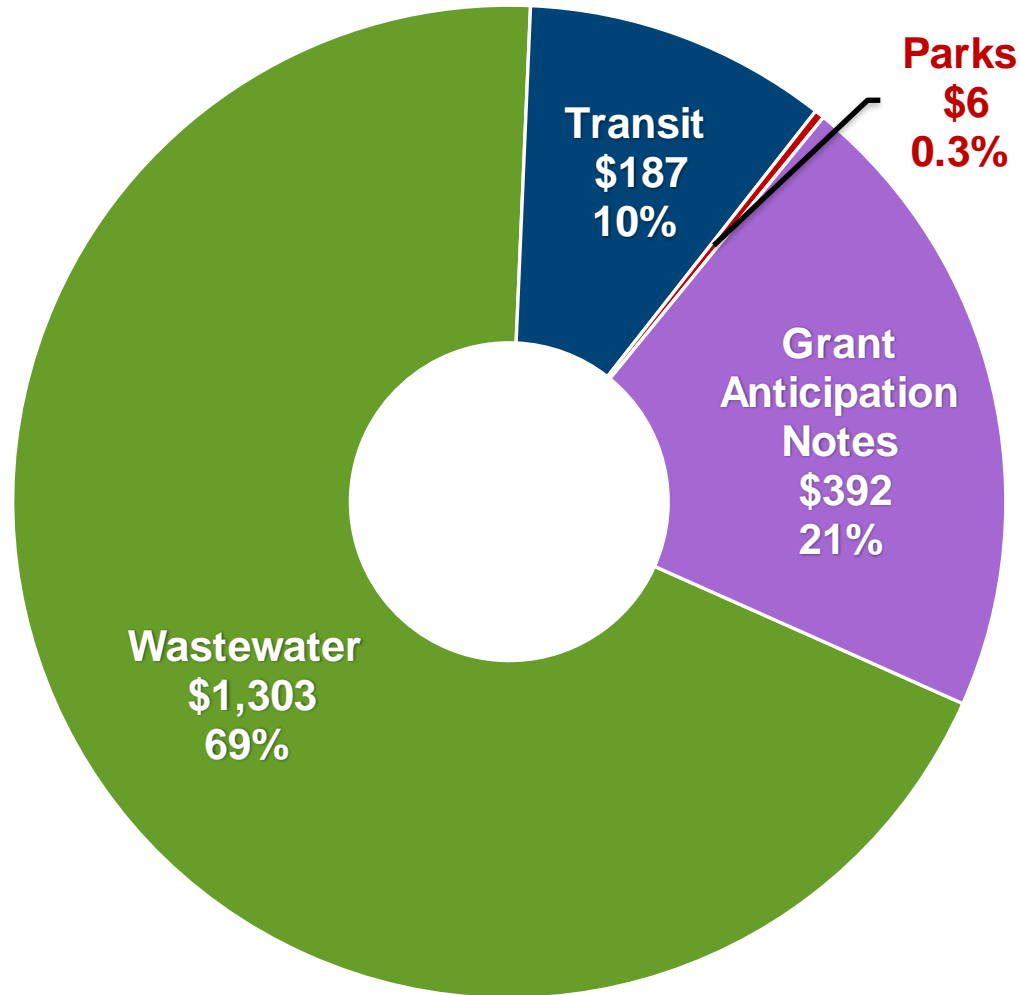
\$17.12

Metro Area Transit Debt Service Levy



Outstanding General Obligation Debt as of December 31, 2021 - \$1.89 B

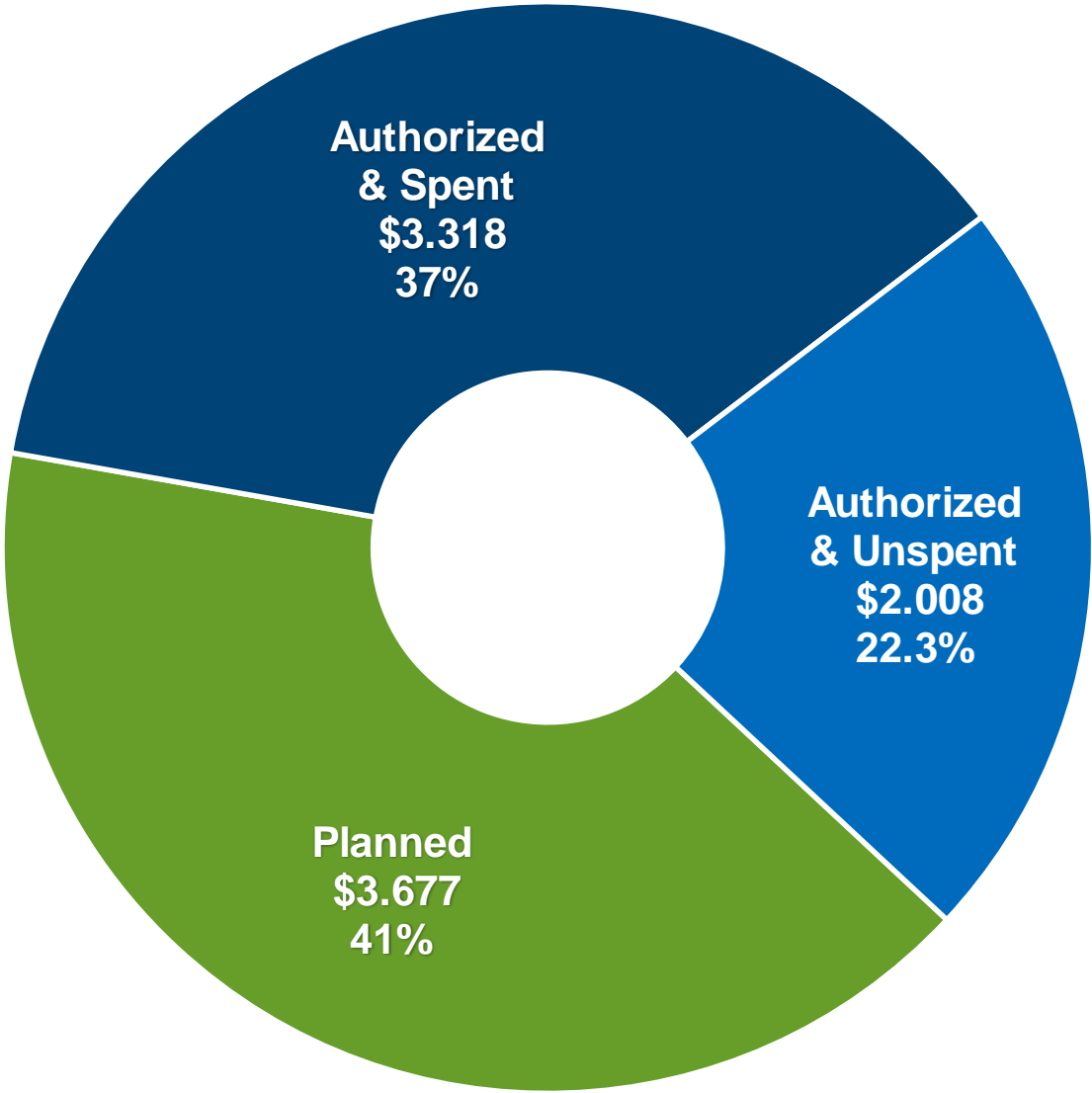
AAA/Aaa Bond Rating



Dollars in millions

Adopted 12/08/2021

2022 Capital Program - \$9.0B

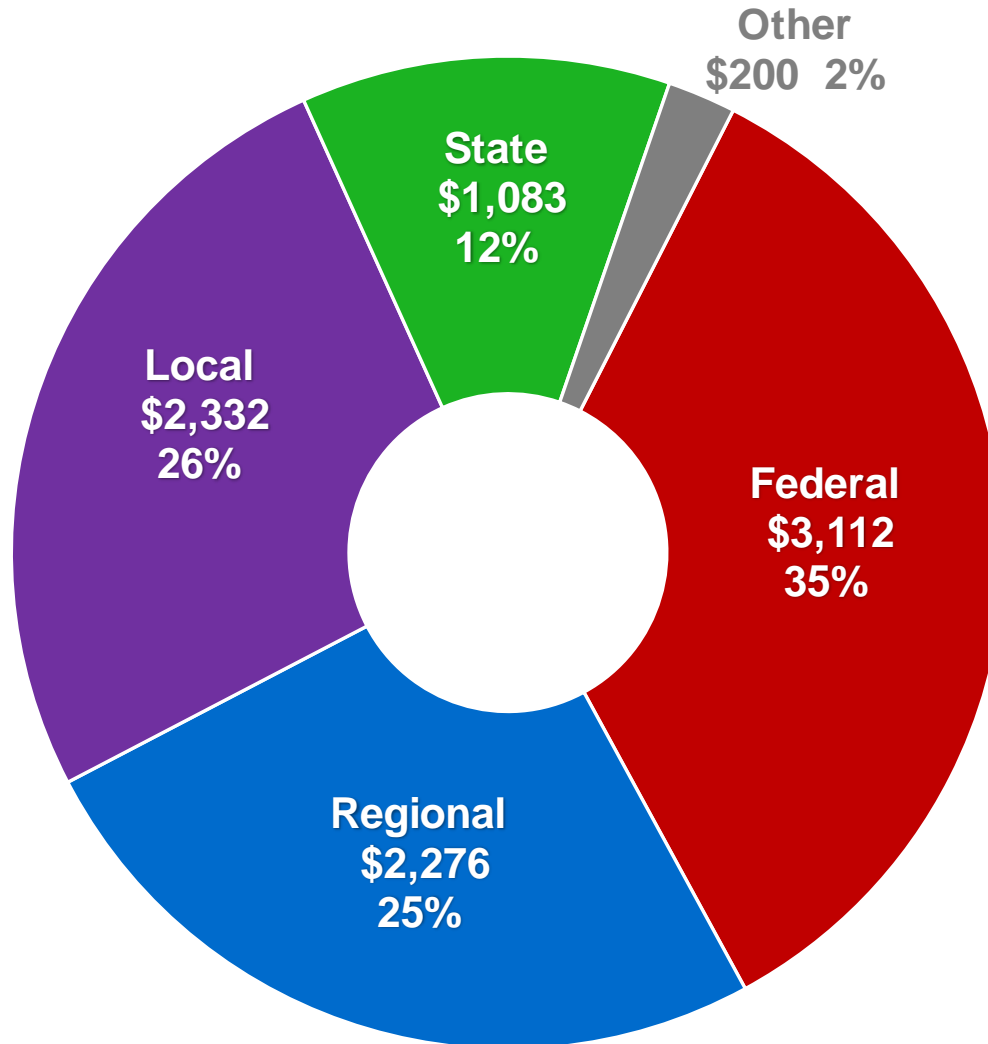


Dollars in billions

Adopted 12/08/2021



Capital Program by Funding Source - \$9.0B

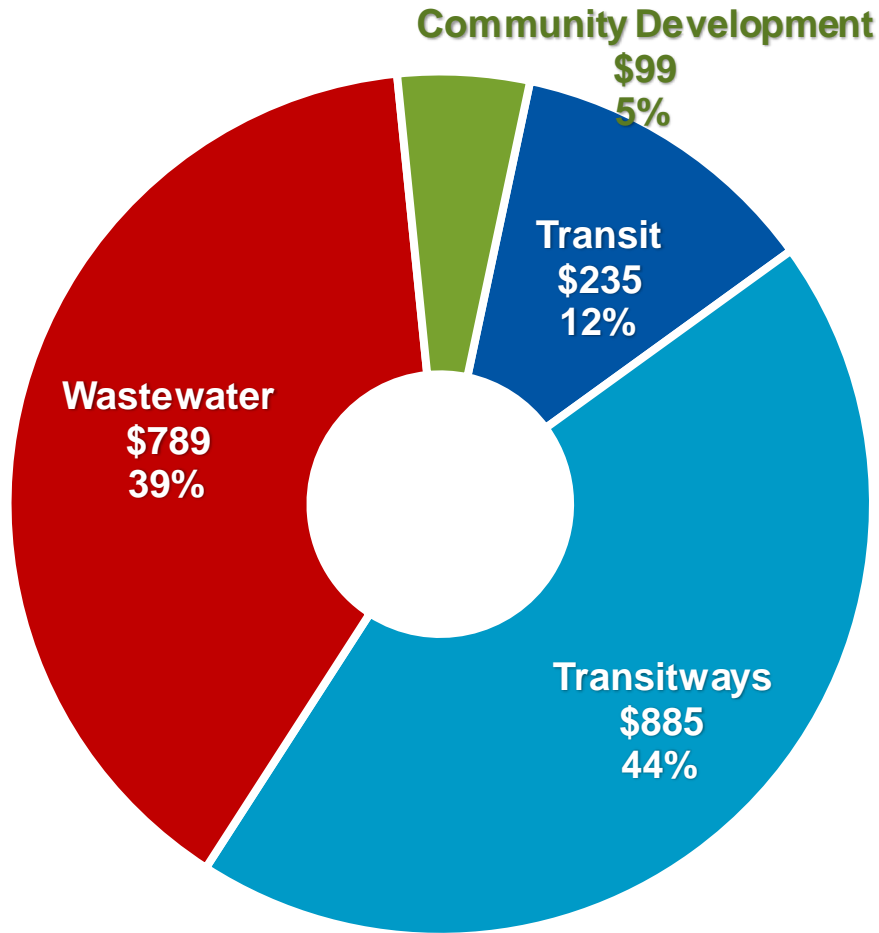


Dollars in millions

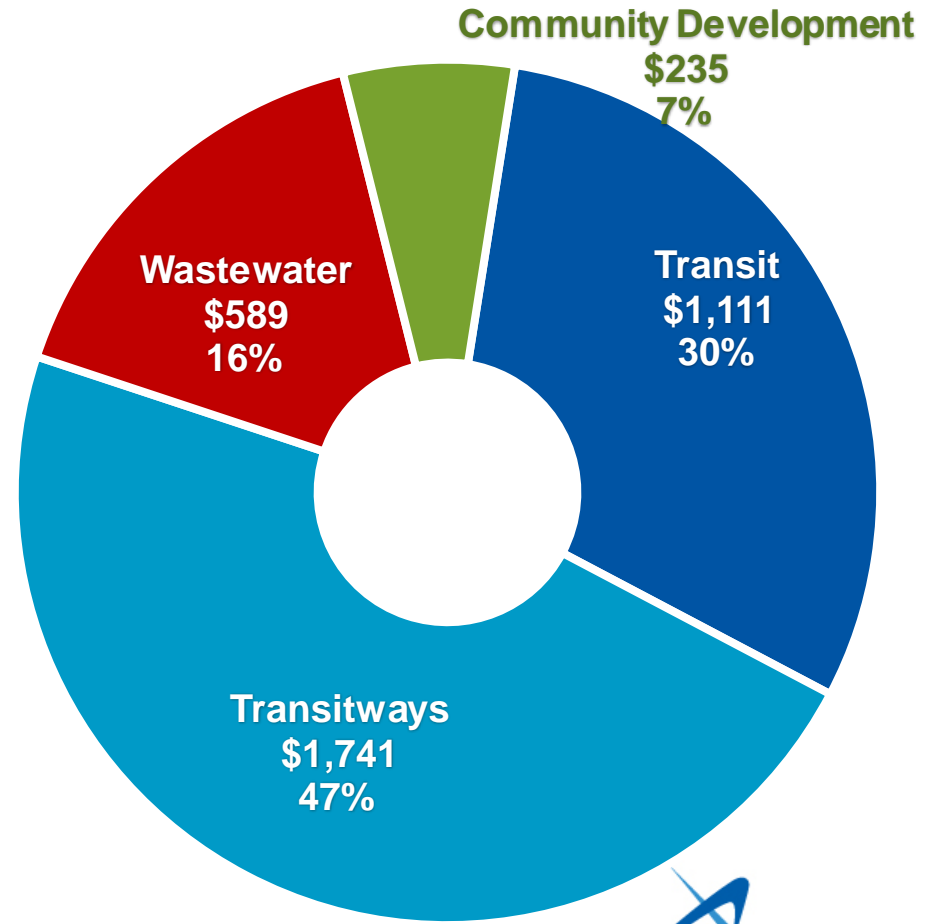
Adopted 12/08/2021

Future Capital Program Spending - \$5.69B

Authorized Capital Program - \$2.01B



6-Yr Capital Improvement Plan - \$3.68B



Dollars in millions

Adopted 12/08/2021

Environmental Services Capital Program Objectives

Preserve Assets



Rehabilitate and replace assets to preserve value and performance

Improve Quality



Respond to more stringent regulations, reuse treated wastewater, increase system reliability and conserve or generate energy

Meet Capacity Requirements



Provide capacity through plant expansions and interceptor extensions or improvements

Authorized Future Spending \$ 789M – Planned \$589M

\$1,231

\$228

\$235

Transit Capital Program

- Fleet - \$944M (\$103M authorized)
 - Zero Emission Bus Plan
- Transitways - \$2.6B (\$884M authorized)
- Customer & Support Facilities - \$206M (\$82M authorized)
- Other - \$198 M (\$51M authorized)
 - Informational Services upgrades
 - Fare collection
 - Communication and CCTV



Parks & Open Space - \$257M

- Authorized spending - \$56M
- Planned - \$201M
- Region Parks System Serves
 - 7-County Twin Cities Metro Area
 - Over 3 million people
- Regional Park System
 - Over 63 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



Equity Advisory Committee (EAC)

- The Equity Advisory Committee was formed in October 2015 to advise the Metropolitan Council in our work to advance equity in the metropolitan region
 - 17 community members and 4 Metropolitan Council Members serve on the Equity Advisory Committee
 - The committee meets monthly with additional subcommittee meetings
 - Subcommittees focus on operations, affordable housing, and transit
- The purpose of the EAC is to advance equity outcomes in the metropolitan region and for the organization.
- EAC Members:
 - advise on the development of policy
 - recommend best practices for assessment and monitoring performance
 - contribute as community voices in public engagement

2022 Initiatives

Administrative Citations (HF1306)

- Authorize the Metropolitan Council establish an administrative citation program for fare enforcement on the regional transit system

Inflow & Infiltration Mitigation Program (HF1359)

- Amend the definition of “city” to include entities that own/operate sewer systems so that the Metropolitan Council may establish a program to assist homeowners with I/I mitigation work

2022 Initiatives

- Authorize the Metropolitan Council to provide compensation for advisory committee members.
 - Would allow up to \$55 per day for committee activity
 - Will allow for a broader range of participants on advisory committees
- Improve opportunities for disadvantaged businesses (DBEs)
 - Expand sheltered market program and modify preferences for targeted group businesses
- Authorize pay-as-you-go financing for regional parks capital projects
 - Adds flexibility to finance some projects on a PAYGO basis rather than issuing bonds
 - Efficient use of funds in avoiding expense of issuing bonds

2022 Initiatives

- Technical/housekeeping proposals
 - Clarify Agricultural Preserves administrative timeline
 - Simplify Livable Communities Local Housing Incentives Account requirements
 - Modify reporting for Metropolitan Significance Rules
 - Amend timeline for regional parks operations & maintenance reimbursements to use audited expenses
 - Clarify classification of certain transit data as private

2022 Initiatives

Capital Investment

- \$60 million for busway capital improvement program
 - Will advance the F, G, and H Line bus rapid transit projects
- \$3 million for regional parks and trails
- \$5 million public infrastructure inflow & infiltration mitigation projects

2022 Initiatives

Supplemental Budget (FY2022-23)

- \$200 million for the Blue Line Light Rail Extension
- \$3.2 million for accelerating public transit zero-emission bus plan
- \$5 million for mapping infrastructure climate risk & resiliency opportunities



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