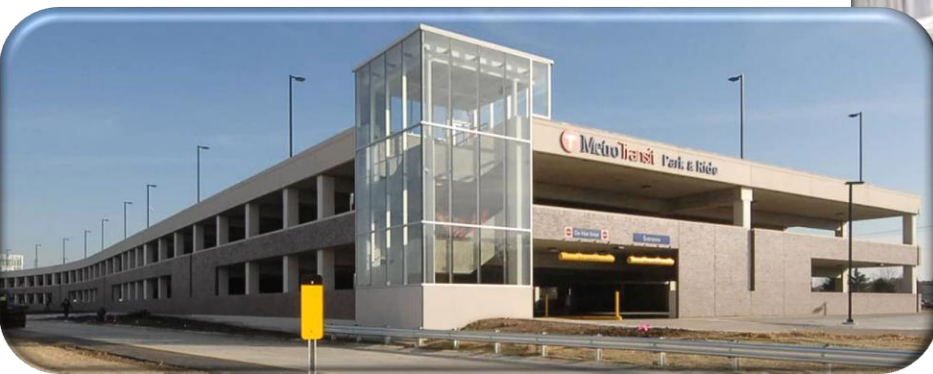


Metropolitan Council Transportation Division 2013 Operating Budget

Transportation Committee
July 9, 2012



Financial Objectives

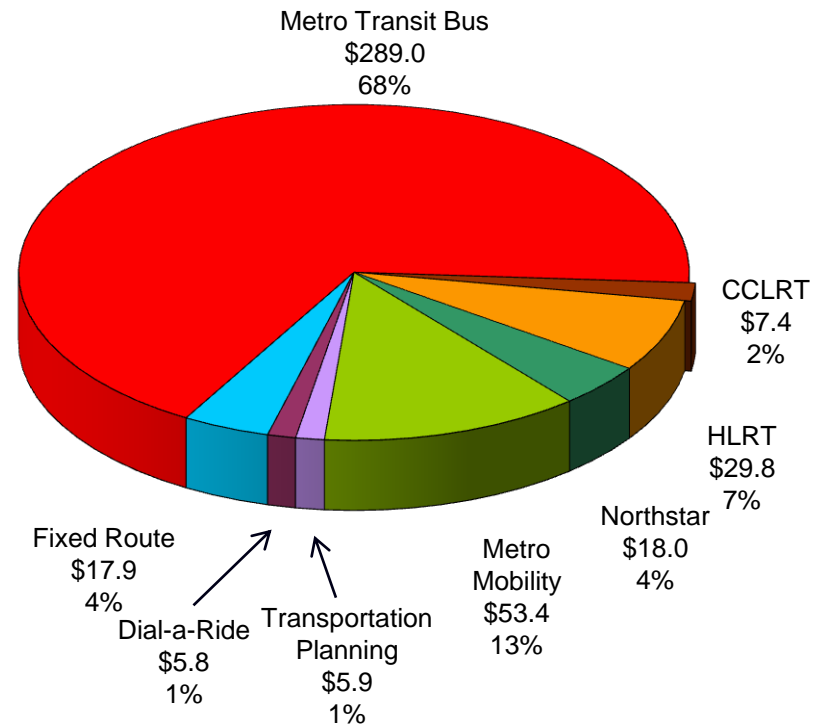
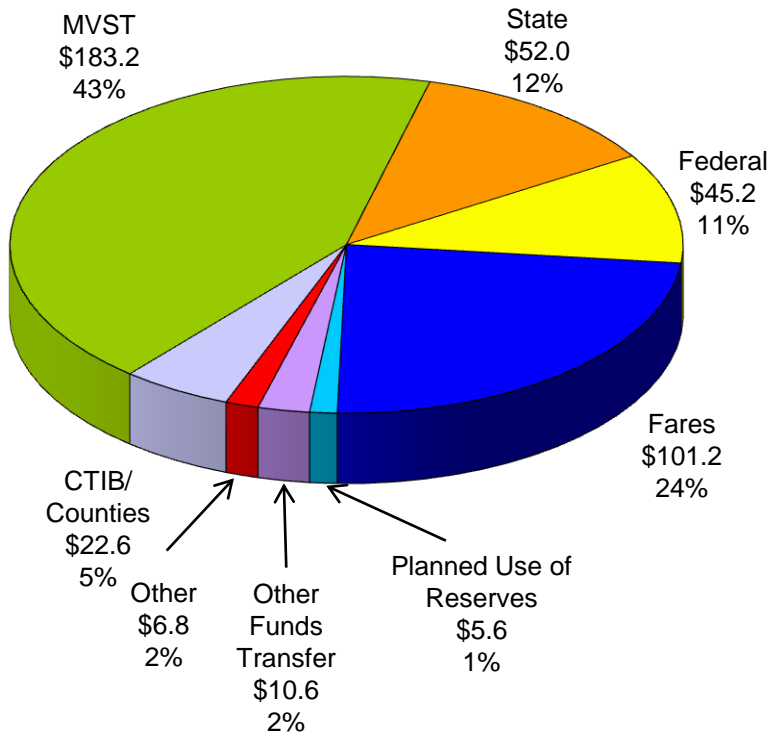
Application to Transit Budget

- Support the Council's framework and Regional Transportation Policy Plan (TPP)
- TPP: Double 2003 transit ridership by 2030
- Construct a balanced transit budget over 4 years
- Prioritize structural solutions – mitigate structural gaps over time
- Minimize impact on Council levies
- Maintain reserves at policy levels

Proposed 2013 Transportation Budget

Revenue
\$427.2M

Expenses
\$427.2M



Fund Balances (\$ in millions)

	2011 Actual	2012 Forecast	2013 Budget	Council Target	
				\$	%
Metro Transit Bus	\$37.9	\$40.7	\$31.7	\$23.0	8.3%
Metro Transit HLRT	\$2.4	\$2.6	\$2.8	\$2.5	8.3%
Metro Transit Northstar	\$2.6	\$2.8	\$1.9	\$1.5	8.3%
Metro Mobility	\$4.4	\$2.2	\$5.3	\$5.1	10.0%
Contracted Services	\$2.6	\$2.1	\$2.8	\$2.4	10.0%
Transportation Planning	\$1.4	\$0.6	\$1.5	\$0.6	10.0%
TOTAL	\$51.3	\$51.0	\$46.0	\$35.1	



Metro Transit

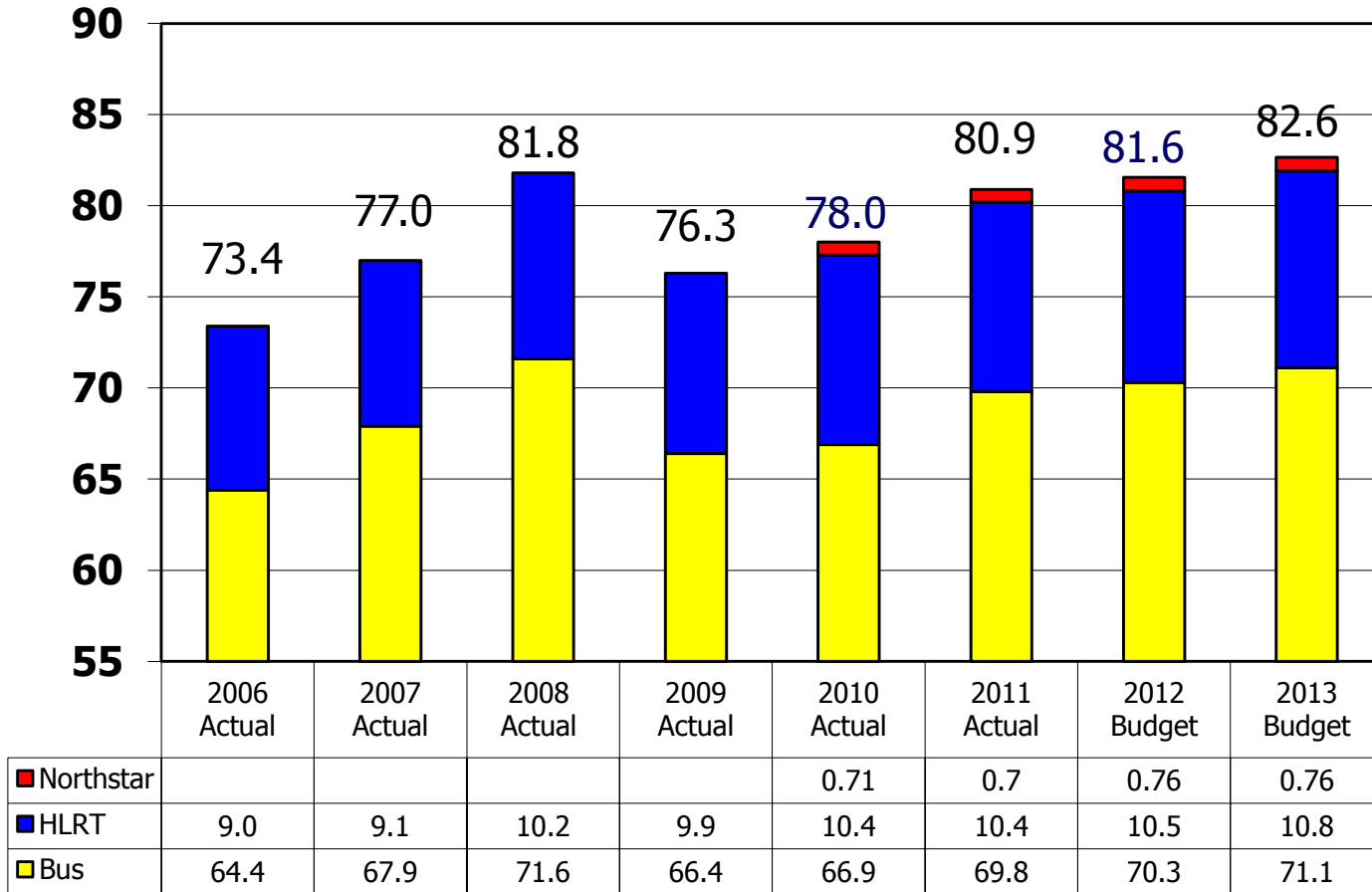


Metro Transit Budget Assumptions

- Maintains 2012 service levels, plus Central Corridor construction detours
- Ridership at 82.6 million (1% growth)
- Diesel fuel at \$3.55/gallon
- CTIB funding for Hiawatha Light Rail and Northstar
- Central Corridor
 - Full system construction
 - Start up costs \$7.4M funded from FFGA
- Southwest Preliminary Engineering
- No regional fare increase
- Review of Regional Fare Policy

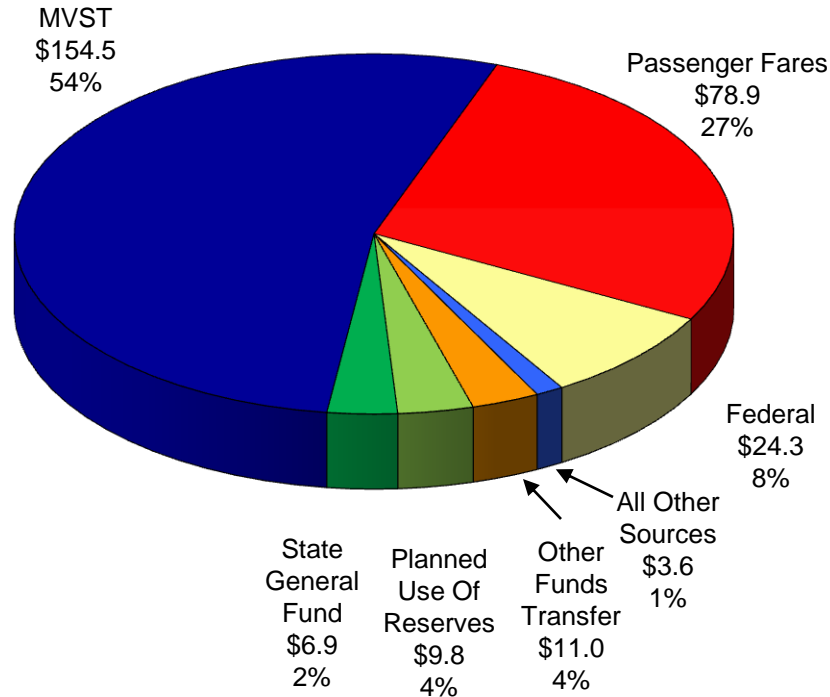
Metro Transit Ridership

(in millions)

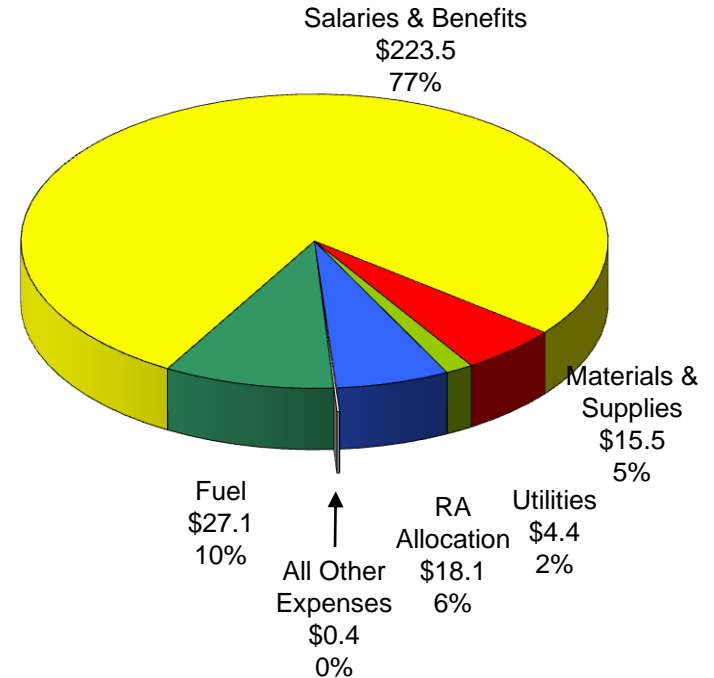


Metro Transit Bus 2013 Revenue & Expenses

Revenue
\$289.0M



Expenses
\$289.0M



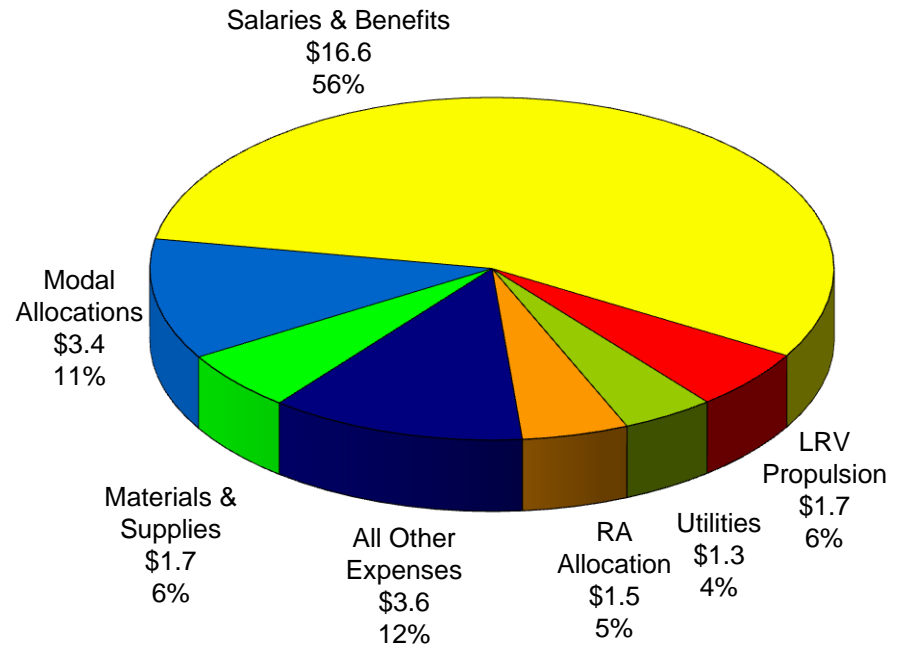
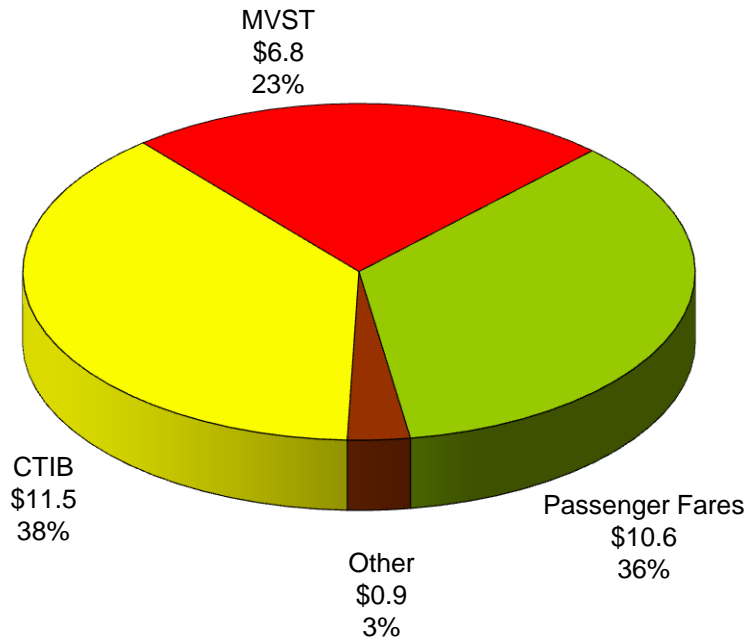
Metro Transit - Bus

	2012 Adopted Budget	2013 Proposed Budget	\$ Change	% Change
Revenue:				
MVST	\$150.6	\$154.5	\$3.9	-
State General Fund	0	6.9	6.9	-
Subtotal	\$150.6	\$161.4	\$10.8	7.2%
Passenger Fares	\$77.6	\$78.9	1.3	1.6
Federal	30.6	24.3	(6.3)	(20.5)
Other Funds Transfer	13.5	11.0	(2.5)	(18.5)
Other	4.2	3.6	(0.6)	(14.3)
Total Revenue	\$276.5	\$279.2	\$2.7	1.0%
Expenses:				
Salaries & Benefits	\$215.7	\$223.5	\$7.8	3.6%
Fuel	23.4	27.1	3.7	15.8
Materials & Supplies	15.6	15.5	(0.1)	(0.6)
Council Allocations	17.2	18.1	0.9	5.2
Other	5.3	4.8	(0.5)	(9.4)
Total Expenses	\$277.2	\$289.0	\$11.8	4.2%
Net Income (Loss)	(\$0.7)	(\$9.8)	(\$9.1)	

Metro Transit HLRT 2013 Revenue & Expenses

Revenue*
\$29.8M

Expenses
\$29.8M



* Revenue does not include \$0.2M of MVST used to adjust HLRT program fund balances.

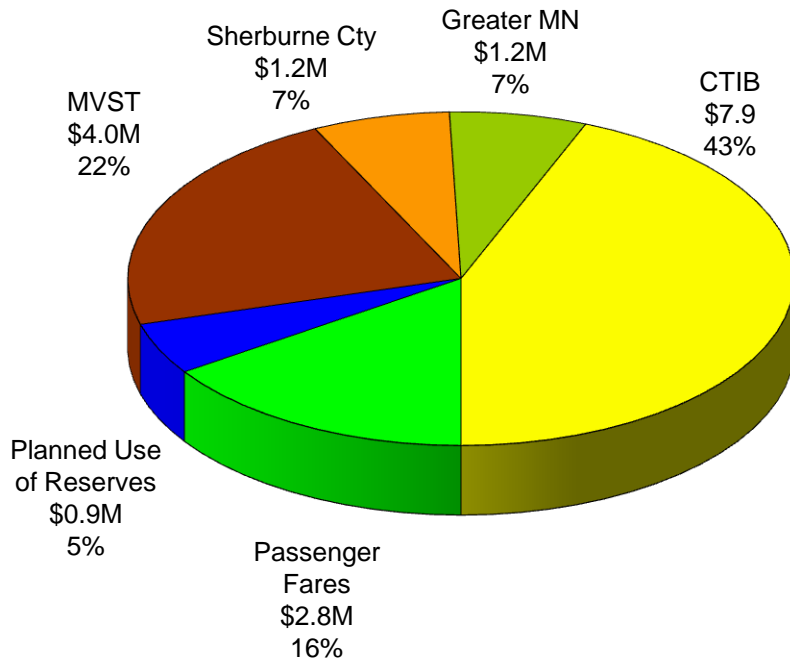
Metro Transit - HLRT

	2012 Adopted Budget	2013 Proposed Budget	\$ Change	% Change
Revenue:				
MVST	\$0.1	\$7.0*	6.9	-
State General Fund	4.2	0	(4.2)	-
CTIB	12.7	11.5	(1.2)	-
Subtotal	\$17.0	\$18.5	\$1.5	8.8%
Passenger Fares	\$10.2	\$10.6	\$0.4	3.9%
Other	0.6	0.9	0.3	50.0
Total Revenue	\$27.8	\$30.0	\$2.2	7.9%
Expenses:				
Salaries & Benefits	\$15.4	\$16.6	\$1.2	7.8%
Propulsion	1.6	1.7	0.1	6.2
Materials & Supplies	1.9	1.7	(0.2)	(10.5)
Council Allocations	1.1	1.5	0.4	36.3
Other	7.8	8.3	0.5	6.4
Total Expenses	\$27.8	\$29.8	\$2.0	7.2 %
Net Income (Loss)	\$0	\$0.2	\$0.2	

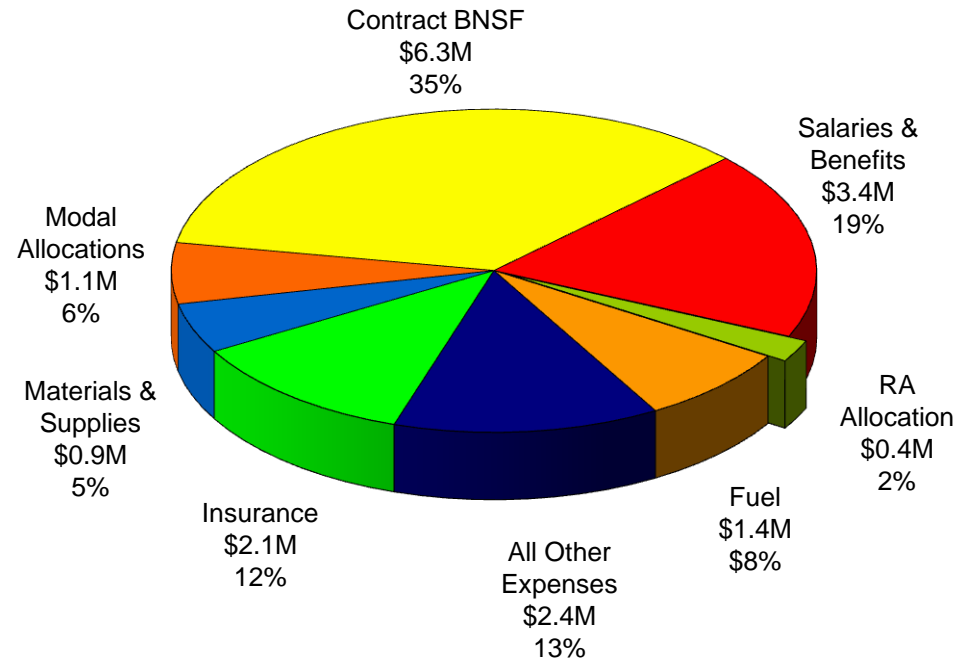
* Revenue does not include \$0.2M of MVST designated to adjust HLRT program fund balances.

Metro Transit Northstar 2013 Revenue & Expenses

Revenue
\$18.0M



Expenses
\$18.0M



Metro Transit - Northstar

	2012 Adopted Budget	2013 Proposed Budget	\$ Change	% Change
Revenue:				
MVST	\$3.0	\$4.0	\$1.0	-
Greater MN	1.1	1.2	0.1	-
CTIB	9.0	7.9	(\$1.1)	-
Subtotal	\$13.1	\$13.1	\$0	0%
Passenger Fares	\$3.0	\$2.8	(\$0.2)	
Sherburne County	1.1	1.2	0.1	
Total Revenue	\$17.2	\$17.1	(\$0.1)	(0.6%)
Expenses:				
Salaries & Benefits	\$3.2	\$3.4	0.2	6.3%
Contract BNSF	6.0	6.3	0.3	5.0
Fuel	1.0	1.4	0.4	40.0
Materials & Supplies	0.9	0.9	0	-
Insurance	2.1	2.1	0	-
Other	4.0	3.9	(0.1)	(2.5)
Total Expenses	\$17.2	\$18.0	\$0.8	4.6%
Net Income (Loss)	\$0	(\$0.9)	(\$0.9)	

Metro Transit - Bus & Rail Consolidated

	2012 Adopted Budget	2013 Proposed Budget	\$ Change	% Change
Revenue:				
MVST	\$153.7	\$165.5	\$11.8	
State General Fund	4.2	6.9	2.7	
CTIB/Counties/Greater MN	23.9	21.8	(2.1)	
Subtotal	\$181.8	\$194.2	12.4	6.8%
Passenger Fares	\$90.8	\$92.3	\$1.5	1.6%
Federal	30.6	24.3	(6.3)	(20.6)
Other Funds Transfer	13.5	11.0	(2.5)	(18.5)
Other	4.8	4.5	(0.3)	(6.3)
Total Revenue	\$321.5	\$326.3	\$4.8	1.5%
Expenses:				
Salaries & Benefits	\$234.3	\$243.5	\$9.2	3.9%
Contract BNSF	6.0	6.3	0.3	5.0
Fuel/Propulsion	26.0	30.2	4.2	16.1
Materials & Supplies	18.4	18.1	(0.3)	(1.6)
Council Allocations	18.3	20.0	1.7	9.3
Other	19.2	18.7	(0.5)	(2.6)
Total Expenses	\$322.2	\$336.8	\$14.6	4.5%
Net Income (Loss)	(\$0.7)	(\$10.5)	(\$9.8)	



Metro Transit

FTEs by Budget Year

	Bus	HLRT	Northstar	Total	% Change	Central	Southwest
2004	2526.4	149.0		2675.4	(1.9%)		
2005	2496.0	149.0		2645.0	(1.1%)		
2006	2423.9	153.0		2576.9	(2.6%)		
2007	2421.3	159.4	3.0	2583.7	0.7%	27.0	
2008	2479.1	168.2	5.8	2653.1	2.7%	40.0	
2009	2457.0	180.7	56.0	2693.7	1.5%	44.5	
2010 Budget	2424.6	181.0	52.5	2658.1	(1.3%)	48.0	
2010 Amended	2424.6	181.0	52.5	2658.1	0	59.0	7.0
2011 Budget	2442.2	183.2	52.5	2677.9	0.7%	59.0	7.0
2012 Budget	2427.3	183.2	52.5	2663.0	(0.6%)	87.3	7.0
2013 Budget	2462.4	185.3	52.5	2700.2	1.4%	143.3	38.0

Metropolitan Transportation Services

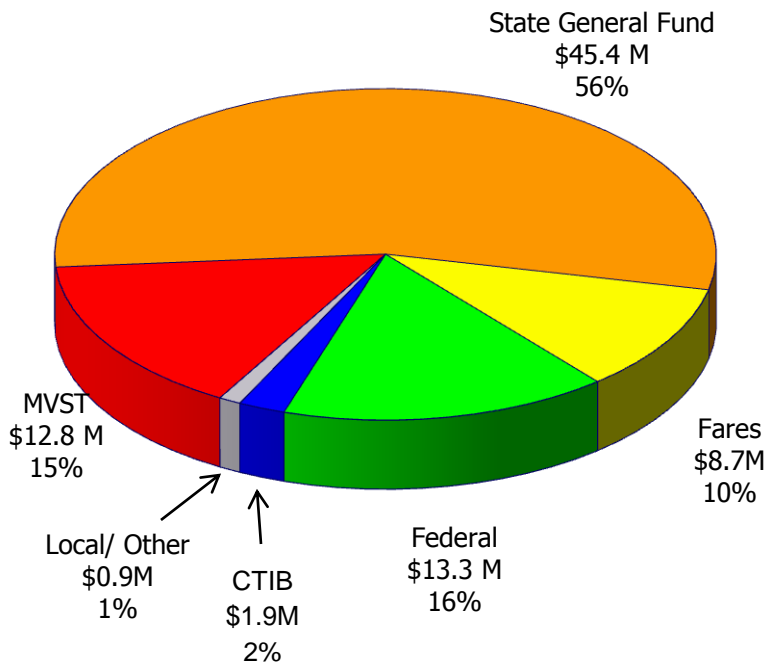


MTS Budget Assumptions

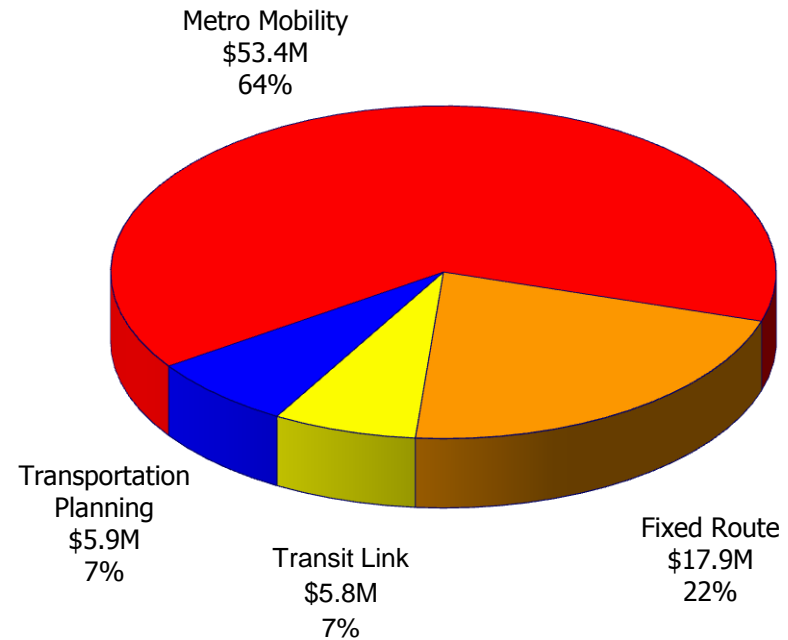
- Preserve fixed route service levels at 2012 budgeted levels
- Implement station-to-station service for Red Line
- Preserve regional dial-a-ride service at 2012 budgeted levels
- Meet anticipated demand for the Metro Mobility ADA program
- STPs continue to draw from operating reserves where appropriate to address deficits
- No regional fare increase

Metropolitan Transportation Services 2013 Revenue & Expenses

Revenue*
\$83.0M



Expenses
\$83.0M



* Revenue does not include \$4.8M of MVST used to adjust MTS program fund balances.

MTS Revenue and Expenditures (\$ in millions)

	2012 Adopted	2013 Proposed	\$ Change	% Change
MVST	\$14.4	\$17.6 *	\$3.2	
General Fund	\$34.9	\$45.4	\$10.5	
Subtotal State	\$49.3	\$63.0	\$13.7	27.8%
Federal	\$13.6	\$13.3	(\$0.3)	(2.2%)
CTIB	\$0.6	\$1.9	\$1.3	216.7%
Local/Other	\$0.7	\$0.9	\$0.2	28.6%
Fares	\$7.9	\$8.7	\$0.8	10.1%
Total Revenue	\$72.1	\$87.8	\$15.7	21.8%
Metro Mobility	\$44.7	\$53.4	\$8.7	19.5%
Planning	\$6.5	\$5.9	(\$0.6)	(9.2%)
Fixed Route	\$16.2	\$17.9	\$1.7	10.5%
Transit Link	\$5.6	\$5.8	\$0.2	3.6%
Total Expenditures	\$73.0	\$83.0	\$10.0	13.7%
Net Income/(Loss)	(\$0.9)	\$4.8	\$5.7	
FTE	39	40		

* MVST includes \$4.8M designated to adjust MTS program fund balances .

MTS Pass-through Program

Suburban Transit Providers - \$24.7M

- MVTA will receive \$3.9M in Regionally Allocated MVST in 2013.
- Other Regional Suburban Transit Providers will continue to use reserve balances over regional targets.

Suburban Transit Provider – MVST Usage				
	2012	2013	\$ Difference	% Difference
Base	\$16.9 M	\$ 20.0 M	\$ 3.1 M	18.3%
Regionally Allocated	\$ 4.1 M	\$ 3.9 M	(\$ 0.2 M)	(4.9%)
Totals	\$ 21.0 M	\$ 23.9 M	\$ 2.9 M	13.8%

Metro Mobility (\$ in millions)

	2012 Adopted Budget	2013 Proposed Budget	\$ Change	% Change
Revenue:				
General Fund	34.9	45.1	10.2	
MVST	0.0	0.0	0.0	
Subtotal State	34.9	45.1	10.2	29.2%
Fares	5.8	6.5	0.7	12.1%
Federal	4.2	4.3	0.1	2.4%
Other	0.2	0.6	0.4	200%
Total Revenue	45.1	56.5	11.4	25.3%
Expenses:				
Provider Contracts	37.8	43.8	6.0	15.9%
Fuel	5.3	7.8	2.5	47.2%
Salaries & Benefits	0.8	0.8	0.0	0.0%
Other Expenses	0.4	0.5	0.1	25.0%
Council Allocations	0.4	0.5	0.1	25.0%
Total Expenses	44.7	53.4	8.7	19.5%
Net Income (Loss)	0.4	3.1		

MTS Programs

Metro Mobility - \$53.4M

Budget increase of \$8.7M includes:

- Provider contract costs increased \$6.0M primarily due to ridership demand
- Assumed ridership growth range of 8 to 10%
- \$2.5M increase in fuel expense driven by an increase in consumption due to ridership and volatility of gas prices
- Service levels partially dictated by federal and state law

MTS Programs (cont.)

Transportation Planning - \$5.9M

Budget decrease of \$0.6M includes:

- \$1.1M reduction in consulting expenses , driven by reduction in TBI expenses and reduction in UPWP funding
- \$0.3M reduction in Job Access and Reverse Commute and New Freedom federal funds pass-through
- \$0.3M increase in salaries
- \$0.5M increase in cost allocations, driven by salary allocation methodology

MTS Programs (cont.)

Fixed Route - \$17.9M

- Budget increase of \$1.7M is driven by the inclusion of the station-to-station service for Red Line.

Transit Link - \$5.8M

Budget increase is driven by contract inflation rate increases.

- Budget includes \$609,000 Section 5311 (non-urbanized area) federal funding:
 - Mn/DOT competitive grant process
 - Grants awarded mid-October
 - Differing grant award may require budget adjustments

Historic FTEs

	2008	2009	2010	2011	2012	2013
Adopted FTEs	40	41	39	39	39	40

Budget/Levy Adoption Schedule

August 22	Adopt Preliminary Operating Budgets and Tax Levies
September	Present Preliminary Capital Program
October 24	Adopt Public Comment Versions of Operating Budget, Levies and Capital Program
December 12	6:00pm Hear Public Comments Adopt Final Operating Budget, Levies and Capital Program

Metropolitan Council Transportation Division 2013 Operating Budget

Transportation Committee
July 9, 2012

