

2008 Proposed Levies & Unified Operating Budget

**Metropolitan Council
August 8, 2007**



Budget Presentation

- ❖ Overview – Tom Weaver
- ❖ Levies & Regional Administration
 - Beth Widstrom-Anderson
- ❖ Transportation Division
 - Brian Lamb & Arlene McCarthy
- ❖ Environmental Services – Bill Moore
- ❖ Community Development – Guy Peterson

Council Mission Statement

To develop, in cooperation with local communities,
a comprehensive regional planning framework

Focusing on transportation, wastewater, parks and
aviation systems

That guides the efficient growth of the metropolitan
area

The Council operates transit and wastewater
services and administers housing and other
grant programs

Budget Principles & Assumptions

- ❖ Maintain AAA Bond Rating
- ❖ Hold property tax impact flat for tax payers
- ❖ Maintain adequate reserves to mitigate risk
- ❖ Improve service levels

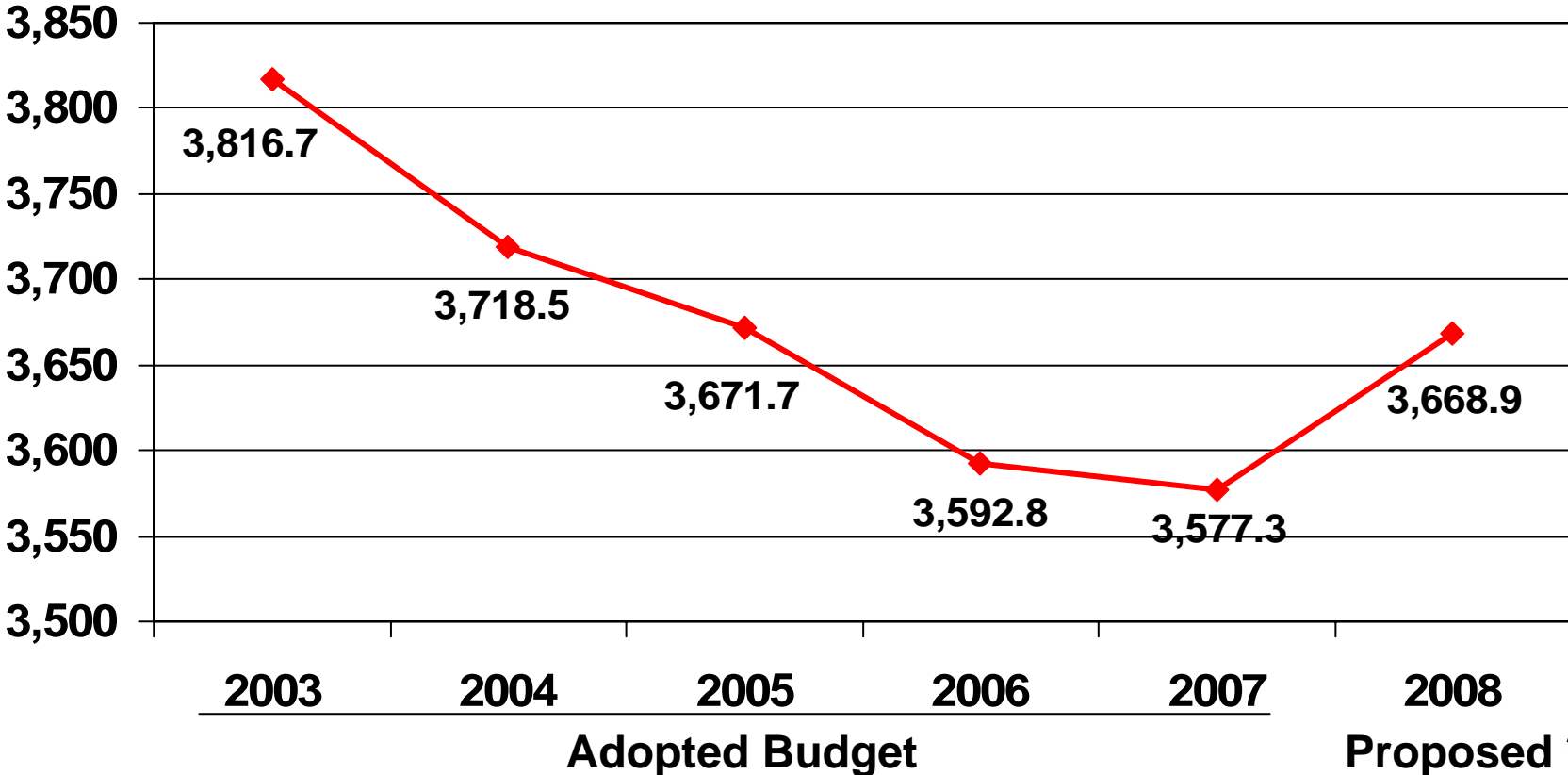
Significant Achievements

Since January 2003:

- ❖ Staffing levels are down
- ❖ Reduced exposure on retiree medical benefits
- ❖ Property tax rates down significantly
- ❖ AAA Bond Rating has been retained

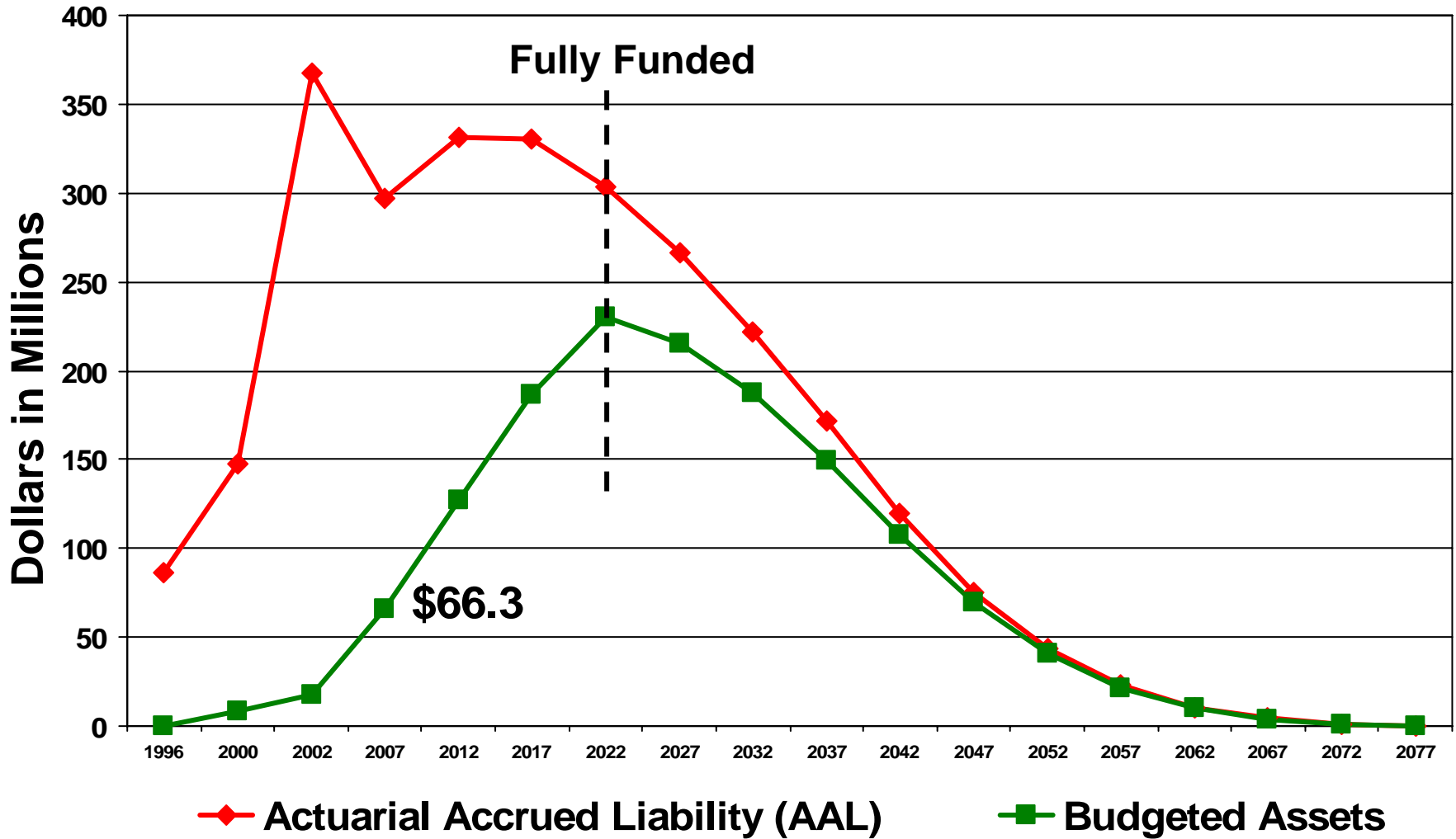
Staffing Levels

Full-Time Equivalents - FTE(s)



* Includes Central Corridor and NorthStar Staff

Retiree Medical Benefits



Metropolitan Council Final Payable Property Tax Rates

<u>County</u>	<u>Inside Transit District</u>			<u>Outside Transit District</u>		
	<u>2003</u>	<u>2007</u>	<u>Change</u>	<u>2003</u>	<u>2007</u>	<u>Change</u>
Anoka	3.16%	2.09%	-33.8%	1.42%	0.84%	-40.8%
Carver	3.12%	2.17%	-30.5%	1.45%	0.88%	-39.3%
Dakota	3.03%	2.10%	-30.7%	1.37%	0.85%	-38.0%
Hennepin	3.26%	2.17%	-33.3%	1.47%	0.88%	-40.1%
Ramsey	3.36%	2.17%	-35.3%	1.51%	0.87%	-42.4%
Scott	3.22%	2.10%	-34.9%	1.51%	0.86%	-43.0%
Washington	3.24%	2.07%	-36.1%	1.45%	0.84%	-42.1%

Proposed Unified Budget Summary

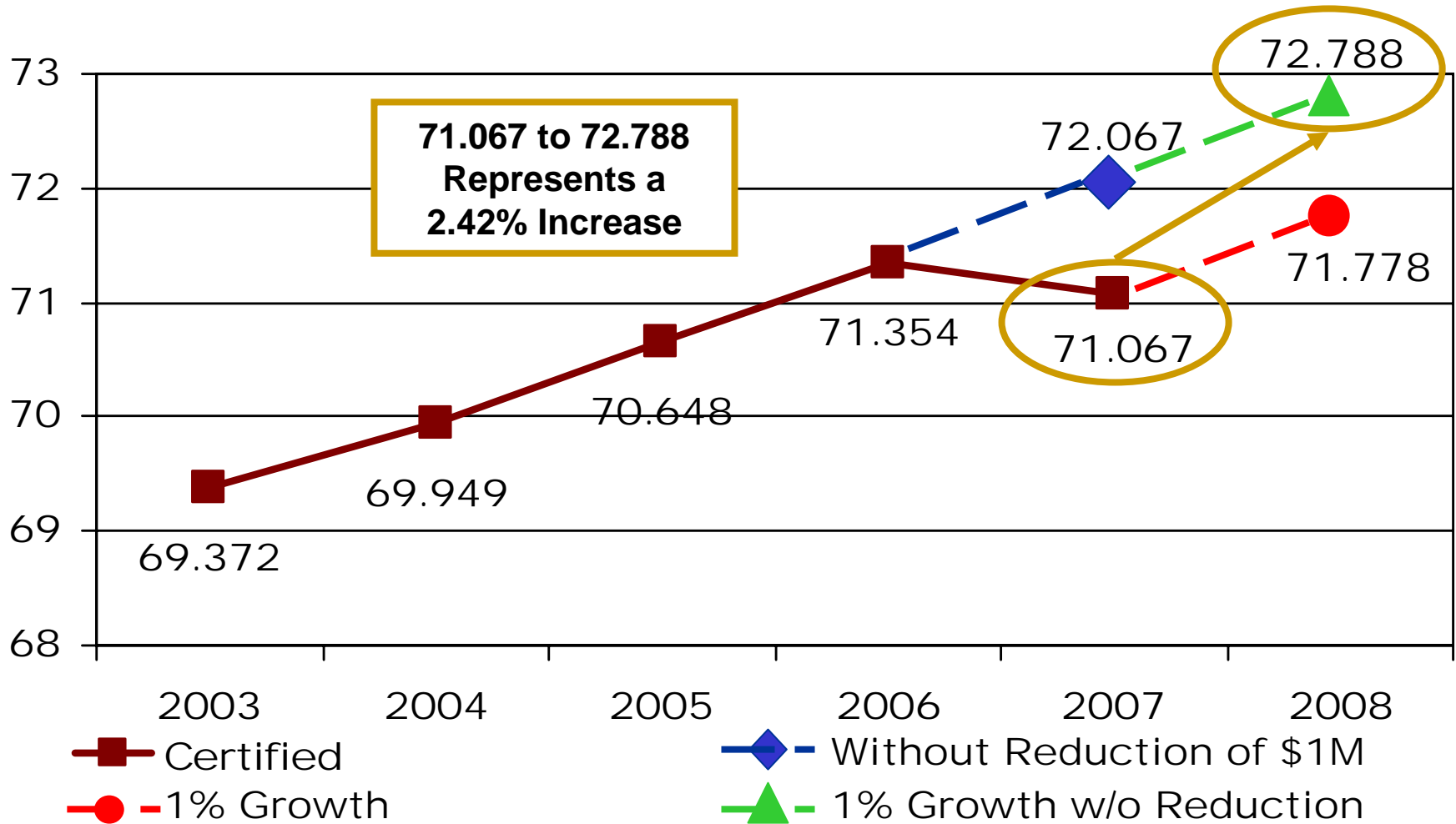
Operating, Passthrough & Debt Service

	2007	2008	
<u>REVENUES</u>	<u>Adopted</u>	<u>Proposed</u>	<u>Change</u>
Operating	\$ 448.2	\$ 476.4	6.29%
Passthrough	80.6	82.0	1.74%
Debt Service	127.0	131.6	3.62%
Total Revenues	\$ 655.8	\$ 690.0	5.22%
<u>EXPENDITURES</u>			
Operating	\$ 451.9	\$ 481.3	6.51%
Passthrough	80.4	80.8	0.50%
Debt Service	133.2	136.9	2.78%
Total Expenditures	\$ 665.5	\$ 699.0	5.03%
Balance / (Deficit)	\$ (9.7)	\$ (9.0)	

Proposed Levy vs. Limit

	2008 Preliminary Levy Limit	2007 Levy	2008 Preliminary Levy	Change 2007 - 2008
<u>Non-Debt Service Levies</u>				
General Operations	\$ 12,270,523	\$ 10,300,000	\$ 10,300,000	\$ -
Highway Right of Way	3,298,290	3,162,756	3,298,290	135,534
Livable Communities				
- Demonstration Account	9,631,244	7,184,070	8,184,070	1,000,000
- Tax Base Revitalization	5,000,000	5,000,000	5,000,000	-
Total Non-Debt Levy	\$ 30,200,057	\$ 25,646,826	\$ 26,782,360	\$ 1,135,534
<u>Debt Service Levies</u>				
Parks		\$ 7,861,637	\$ 7,461,728	\$ (399,909)
Transit		37,144,291	38,543,560	1,399,269
Radio Project		414,225	-	(414,225)
Total Debt Service Levies		\$ 45,420,153	\$ 46,005,288	\$ 585,135
Total All Levies		\$ 71,066,979	\$ 72,787,648	\$ 1,720,669 2.42%

Council Levy Amounts (in Millions)



Property Tax Levy Options

	<u>Levies as Proposed</u>	<u>Optional Levies *</u>
Total Council Levies	\$ 72,787,648	\$ 71,777,648
Increase over 2007 Levies	2.42%	1.00%
 <u>Estimate Impact on a \$250,000 Home</u>		
Inside Transit District	\$ 47.39	\$ 46.84
Change from 2007	\$ 0.51	\$ (0.04)
Percent	1.09%	-0.09%
 Outside Transit District	 \$ 18.58	 \$ 18.03
Change from 2007	\$ (0.12)	\$ (0.67)
Percent	-0.64%	-3.58%

*** Optional Levies**

Recommends Livable Communities Demonstration Account at \$7,184,070

Estimated Tax Impact of Regional Taxing District Levies

	Pay			2007-2008 Change	
	2006	2007	2008	Dollars	Percent
Market Value \$150,000					
Inside Transit District	29.25	28.13	28.43	0.30	1.07%
Outside Transit District	10.69	11.22	11.15	(0.07)	-0.62%
Market Value \$250,000					
Inside Transit District	48.78	46.88	47.39	0.51	1.09%
Outside Transit District	17.82	18.70	18.58	(0.12)	-0.64%
Market Value \$350,000					
Inside Transit District	68.26	65.63	66.34	0.71	1.08%
Outside Transit District	24.94	26.18	26.01	(0.17)	-0.65%
Market Value \$600,000					
Inside Transit District	117.01	113.50	116.77	3.27	2.88%
Outside Transit District	42.76	45.27	45.78	0.51	1.13%

Based on Levies as Proposed

General Fund Summary

Revenues and Expenditures

	2007		2008	
	Adopted	Proposed	Change	
<u>Revenues</u>				
Revenues from Property Taxes	\$ 8.7	\$ 8.8	1.1%	
Other Revenue	25.9	27.9	7.7%	
Total Revenues	\$ 34.6	\$ 36.7	6.1%	
<u>Expenditures</u>				
Regional Administration				
Total Labor	\$ 17.8	\$ 19.0	6.7%	
Consultant/Contractual	7.9	8.3	5.1%	
Other Expenses	3.9	4.0	2.6%	
Sub-Total Regional Administration	\$ 29.6	\$ 31.3	5.7%	
Community Development	5.0	5.4	8.0%	
Total Expenditures	\$ 34.6	\$ 36.7	6.1%	
Transfer for Water Supply Planning	\$ (0.8)	\$ (0.7)		

Regional Administration Staffing

Adopted					Proposed	
2003	2004	2005	2006	2007	2008	Change
221.1	197.9	198.5	198.5	198.5	206.4	7.9

General Fund Balances

	<u>2007</u>	<u>2008</u>
Undesignated	6.3	6.3
Targeted Balance	3.5	3.7

\$ in Millions