

# J **Joint Report of the Community Development and Management Committees**

For the Metropolitan Council meeting of July 23, 2008

## **ADVISORY INFORMATION**

**Date Prepared:** July 15, 2008

**Subject:** 2008 Unified Operating Budget Amendment

### **Summary of Committee Discussion:**

**Community Development Committee – June 16, 2008:** The amendment was presented to the Committee and passed unanimously.

**Management Committee – June 25, 2008:** The amendment was presented to the Committee and passed unanimously.

### **Recommendation:**

That the Metropolitan Council:

- Amend the 2008 Unified Operating Budget in accordance with the attached table and as indicated.



# Management Committee

Community Development Committee: June 16, 2008  
Metropolitan Council: July 9, 2008

**Meeting date: June 25, 2008**

**Business Item**

**Item: 2008-153**

<b>ADVISORY INFORMATION</b>	
<b>Date:</b>	June 17, 2008
<b>Subject:</b>	2008 Unified Operating Budget Amendment
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	MN Statutes section 473.13, sub. 1 -- Council Budget Requirements
<b>Staff Prepared/Presented:</b>	Paul Conery (602-1374), Manager, Budget & Evaluation
<b>Division/Department:</b>	All

## Proposed Action

That the Metropolitan Council:

- Amend the 2008 Unified Operating Budget as indicated and in accordance with the attached table.

## Background

The Metropolitan Council has been exploring the idea of forming a regional parks foundation for the past year. A grant was received from the McKnight Foundation to conduct a feasibility study in partnership with the Trust for Public Land. Legislative authorization was obtained by the Metropolitan Council to form the Regional Parks Foundation of the Twin Cities. The purpose of the Regional Parks Foundation will be to assist governmental units to acquire land for regional parks and trails.

Staff is requesting the following revisions to the 2008 Unified Operating Budget.

### Community Development

**Change in Expenditures: \$250,000; Reserves: (\$250,000)**

- \$250,000 is requested as a founding gift to the Regional Parks Foundation of the Twin Cities.

## Rationale

- There are no policy issues relating to this resolution.

## Funding

The Metropolitan Council received authorization from the state legislature to establish a regional park foundation for the purpose of soliciting private contributions for the acquisition of new regional park lands. Pursuant to that legislation, the Council is authorized to provide \$500,000 in funding and other assistance to help create and establish the foundation, and is required to report back to the Legislature in 2009.

To date, the Council has spent \$93,000 on legal services and staff time. Staff anticipates there will be \$157,000 in expenditures and staff time charges over the first two years of the park foundation operations. \$250,000 in funding authority remains available for contribution to the regional park foundation.

Staff and other expenditures are currently being paid within existing budget authority. A \$250,000 transfer to the regional park foundation requires an increase in expenditure authority for Community Development.

The unaudited General Fund Unrestricted Reserve balance is well above the Council's target. Use of \$250,000 of reserves will not reduce the reserve balance below the target.

The proposed operating budget amendment makes the following changes to the 2008 Unified Operating Budget.

	<b>Adopted Budget</b>	<b>Previous Amendments</b>	<b>Proposed Amendment</b>	<b>Proposed Budget</b>
<b>Revenues</b>				
Operating	\$ 477,143,272	\$ 6,166,640	\$ -	\$ 483,309,912
Pass Through	82,032,500	-	-	82,032,500
Debt Service	132,755,208	-	-	132,755,208
<b>Total Revenues</b>	<b>\$ 691,930,980</b>	<b>\$ 6,166,640</b>	<b>\$ -</b>	<b>\$ 698,097,620</b>
<b>Expenditures</b>				
Operating	\$ 482,064,637	\$ 8,363,752	\$ 250,000	\$ 490,678,389
Pass Through	80,792,375	-	-	80,792,375
Debt Service	138,063,093	-	-	138,063,093
<b>Total Expenditures</b>	<b>\$ 700,920,105</b>	<b>\$ 8,363,752</b>	<b>\$ 250,000</b>	<b>\$ 709,533,857</b>
<b>Surplus / (Deficit)</b>	<b>\$ (8,989,125)</b>	<b>\$ (2,197,112)</b>	<b>\$ (250,000)</b>	<b>\$ (11,436,237)</b>

### Known Support / Opposition

The Parks and Trail Council of Minnesota is a known supporter of the Regional Parks Foundation of the Twin Cities. Many of the parks implementing agencies are very supportive of the idea. There is no identified opposition to this initiative.

Committee Actions:

Community Development: approved June 16, 2008

**Metropolitan Council**  
**2008 Annual Budget - Summary of Revisions**  
**Operating Budget Amendment - Business Item 2008-153**

	2008 Adopted Budget	2008 Amended Budget	Total Reg'l Admin & Community Dev	HRA Programs	Total Transportation	Environmental Services	Capital	Net Change	2008 Revised Budget
<b>Revenues &amp; Other Sources</b>									
Property Tax (Net)	\$ 8,759,250	\$ 8,759,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,759,250
Federal	35,322,757	40,288,845	-	-	-	-	-	-	40,288,845
State	217,535,315	217,535,315	-	-	-	-	-	-	217,535,315
Municipal & Wastewater Charges	105,433,000	105,433,000	-	-	-	-	-	-	105,433,000
Industrial Waste Charges	9,225,000	9,225,000	-	-	-	-	-	-	9,225,000
Passenger Fares	87,851,817	88,976,347	-	-	-	-	-	-	88,976,347
Debt Service	132,755,208	132,755,208	-	-	-	-	-	-	132,755,208
Passthrough	82,032,500	82,032,500	-	-	-	-	-	-	82,032,500
Other Sources	13,016,133	13,092,155	-	-	-	-	-	-	13,092,155
<b>Total Revenues and Other Sources</b>	<b>\$ 691,930,980</b>	<b>\$ 698,097,620</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 698,097,620</b>
<b>Expenses</b>									
Salaries & Benefits	\$ 283,924,618	\$ 286,160,067	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 286,160,067
Consultant / Contractual Services	31,010,886	31,726,811	-	-	-	-	-	-	31,726,811
Materials and Supplies	30,033,272	32,143,937	-	-	-	-	-	-	32,143,937
Rent, Utilities, & Insurance	29,665,162	29,665,162	-	-	-	-	-	-	29,665,162
Other Operating Expenses	28,782,568	28,787,529	250,000	-	-	-	-	250,000	29,037,529
Transit Assistance	71,825,238	75,121,990	-	-	-	-	-	-	75,121,990
Debt Service	138,063,093	138,063,093	-	-	-	-	-	-	138,063,093
Passthrough Grants & Loans	80,792,375	80,792,375	-	-	-	-	-	-	80,792,375
Capital Expenditures	6,822,893	6,822,893	-	-	-	-	-	-	6,822,893
<b>Total Expenses</b>	<b>\$ 700,920,105</b>	<b>\$ 709,283,857</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ 709,533,857</b>
<b>Other Uses</b>									
Interdivisional Expense Allocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
A-87 Charges/Planning Chargebacks	-	-	-	-	-	-	-	-	-
Transfers From (To) Other Funds	-	-	-	-	-	-	-	-	-
<b>Total Other Uses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Expenses and Other Uses</b>	<b>\$ 700,920,105</b>	<b>\$ 709,283,857</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ 709,533,857</b>
<b>Surplus/(Deficit)</b>	<b>\$ (8,989,125)</b>	<b>\$ (11,186,237)</b>	<b>\$ (250,000)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (250,000)</b>	<b>\$ (11,436,237)</b>



# Community Development Committee

**Business Item**

Item: 2008-153

**Meeting date: June 16, 2008**

ADVISORY INFORMATION	
<b>Date:</b>	June 16, 2008
<b>Subject:</b>	2008 Unified Operating Budget Amendment
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	MN Statute 473.13 – Council Budget Requirements
<b>Staff Prepared/Presented:</b>	Ann Beckman, Regional Growth Strategy Manager (651-602-1669) Guy Peterson, Director (651-602-1418)
<b>Division/Department:</b>	Community Development Division

## Proposed Action

That the Metropolitan Council amend the 2008 Unified Operating Budget to authorize the expenditure of up to \$500,000 in general revenue funds to establish a Regional Parks Foundation.

## Background

This request will be presented to the Management Committee on June 25th, and the Council on July 9<sup>th</sup> as part of a consolidated request.

## Background

The Metropolitan Council has been exploring the idea of forming a regional parks foundation for the past year. A grant was received from the McKnight Foundation to conduct a feasibility study in partnership with the Trust for Public Land. Legislative authorization was obtained by the Metropolitan Council to form the Regional Parks Foundation of the Twin Cities. The purpose of the Regional Parks Foundation will be to assist governmental units to acquire land for regional parks and trails.

## Rationale

- There are no policy issues relating to this resolution.

## Funding

The Metropolitan Council received authorization from the state legislature to establish a regional park foundation for the purpose of soliciting private contributions for the acquisition of new regional park lands.

Pursuant to that legislation, the Council is authorized to provide some funding and other assistance to help create and establish the foundation, and is required to report back to the Legislature in 2009.

To date, the Council has spent \$51,000 on legal services to draft the articles of incorporation, by-laws and policies for the Foundation. The Council has also incurred expenses spent about \$42,000 on staff time, and miscellaneous expenses for the foundation.

If this action is approved, the Council proposes to contribute \$250,000 as a founding gift to the Regional Parks Foundation of the Twin Cities. Other anticipated expenses in 2008-09 are:

\$25,000	web-site launch
\$15,000	postage and printing
<u>\$25,000</u>	contingencies
\$65,000	Subtotal

Additional staff time of \$92,000 is anticipated for the first two years of the park foundations operations. Staff time is already included in the Council budget.

Regional Park Foundation summary:

\$51,000	formation expenses
\$250,000	founding contribution
\$65,000	organizational expenses
<u>\$134,000</u>	staff and in-kind expenses
\$500,000	Subtotal

Remaining legislative authorization \$0

### **Known Support / Opposition**

The Parks and Trail Council of Minnesota is a known supporter of the Regional Parks Foundation of the Twin Cities. Many of the parks implementing agencies are very supportive of the idea. There is no identified opposition to this initiative.