

M Management Committee
For the Metropolitan Council meeting of January 27, 2010

ADVISORY INFORMATION

Date Prepared: January 19, 2010

Subject: 2010 Unified Operating Budget Amendment

Proposed Action:

That the Metropolitan Council: Amend the 2010 Unified Operating Budget as indicated and in accordance with attached tables.

Summary of Committee Discussion / Questions:

Transportation Committee - January 11, 2010: Staff presented the business item and answered Committee-members questions. Passed unanimously.

Environment Committee - January 12, 2010: Staff presented the business item and answered Committee-members questions. Passed unanimously.

Management Committee - January 13, 2010: Staff presented the business item and answered Committee-members questions. Passed unanimously.

M Management Committee
Environment Committee: January 12, 2010
Transportation Committee: January 11, 2010
Metropolitan Council: January 27, 2010

Meeting date: January 13, 2010

| ADVISORY INFORMATION | |
|--------------------------------|---|
| Date: | January 6, 2010 |
| Subject: | 2010 Unified Operating Budget Amendment |
| District(s), Member(s): | All |
| Policy/Legal Reference: | MN Statutes section 473.13, sub. 1 -- Council Budget Requirements |
| Staff | Wes Kooistra (602-1567) Chief Financial Officer |
| Prepared/Presented: | Paul Conery (602-1374), Manager, Budget & Evaluation |
| Division/Department: | All |

Proposed Action

That the Metropolitan Council:

- Amend the 2010 Unified Operating Budget as indicated and in accordance with attached tables.

Background

Staff recommends the following revisions to the 2010 budget.

Transportation

Change in Transfers In: (\$94,700); Expenditures: (\$94,700); FTE(s): (1.0)

- Requests the transfer of 1.0 Full Time Equivalents for a period of two years to Regional Administration Information Services. It is for work to be performed for Metropolitan Transportation Services and is funded through a reduction in transfers of General Purposes Levies by \$94,700. This is offset by a reduction in Consulting and Contractual Services Expenditures in Metropolitan Transportation Services and a redistribution of revenues within the Transportation Division. This action does not have an impact on reserves.

Regional Administration

Change in Transfers Out: (\$94,700); Expenditures: \$94,700; FTE(s): +1.0

- Requests an increase in Information Systems Staffing by 1.0 Full Time Equivalents to perform work for Metropolitan Transportation Services. This is funded through a reduction in transfers out of General Purposes Levies of \$94,700. This action does not have an impact on reserves.

Environmental Services

Change in Expenditures: \$150,000; Reserves: (\$150,000)

- Requests an increase in expenditure authority of \$150,000 to cover costs associated with immediate air quality testing required by the United States Environmental Protection Agency. This requires the use of \$150,000 of contingency reserves.

Rationale

Staff is recommending the following revisions to the 2010 budget.

Funding

The proposed operating budget amendment makes the following changes to the 2010 Unified Operating Budget.

| | Adopted Budget | Previous Amendments | Proposed Amendment | Proposed Budget |
|----------------------------|------------------------|------------------------|-----------------------|------------------------|
| Revenues | | | | |
| Operating | \$ 499,850,930 | \$ - | \$ 150,000 | \$ 500,000,930 |
| Pass Through | 78,378,860 | - | - | 78,378,860 |
| Debt Service | 137,278,790 | - | - | 137,278,790 |
| Total Revenues | \$ 715,508,580 | \$ - | \$ 150,000 | \$ 715,658,580 |
| Expenditures | | | | |
| Operating | \$ 519,405,804 | \$ - | \$ 150,000 | \$ 519,555,804 |
| Pass Through | 78,253,455 | - | - | 78,253,455 |
| Debt Service | 140,929,993 | - | - | 140,929,993 |
| Total Expenditures | \$ 738,589,252 | \$ - | \$ 150,000 | \$ 738,739,252 |
| Surplus / (Deficit) | \$ (23,080,672) | \$ - | \$ - | \$ (23,080,672) |

Know Support / Opposition

None

Committee Actions:

Environment Committee: to be presented January 12, 2010

Transportation Committee: to be presented January 11, 2010

**Metropolitan Council
2010 Annual Budget - Summary of Revisions
Operating Budget Amendment - Business Item 2010-15**

| | 2010 Adopted Budget | 2010 Amended Budget | Total Reg'l Admin & Community Dev | HRA Programs | Total Transportation | Environmental Services | Capital | Net Change | 2010 Revised Budget |
|---|------------------------|------------------------|-----------------------------------|--------------|----------------------|------------------------|-------------|---------------------|------------------------|
| Revenues & Other Sources | | | | | | | | | |
| Property Tax (Net) | \$ 11,555,894 | \$ 11,555,894 | \$ - | \$ - | - | \$ - | \$ - | \$ - | \$ 11,555,894 |
| Federal | 38,506,243 | 38,506,243 | - | - | - | - | - | - | 38,506,243 |
| State | 207,353,555 | 207,353,555 | - | - | - | - | - | - | 207,353,555 |
| Municipal & Wastewater Charges | 105,628,000 | 105,628,000 | - | - | - | - | - | - | 105,628,000 |
| Industrial Waste Charges | 9,665,000 | 9,665,000 | - | - | - | - | - | - | 9,665,000 |
| Passenger Fares | 100,724,775 | 100,724,775 | - | - | - | - | - | - | 100,724,775 |
| Debt Service | 137,278,790 | 137,278,790 | - | - | - | - | - | - | 137,278,790 |
| Passthrough | 78,378,860 | 78,378,860 | - | - | - | - | - | - | 78,378,860 |
| Other Sources | 26,417,463 | 26,417,463 | - | - | - | - | - | - | 26,417,463 |
| Total Revenues and Other Sources | \$ 715,508,580 | \$ 715,508,580 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 715,508,580 |
| Expenses | | | | | | | | | |
| Salaries & Benefits | \$ 304,349,627 | \$ 304,349,627 | 94,700 | \$ - | - | \$ - | \$ - | \$ 94,700 | \$ 304,444,327 |
| Consultant / Contractual Services | 37,927,699 | 37,927,699 | - | - | (94,700) | 150,000 | - | 55,300 | 37,982,999 |
| Materials and Supplies | 33,827,578 | 33,827,578 | - | - | - | - | - | - | 33,827,578 |
| Rent, Utilities, & Insurance | 27,820,000 | 27,820,000 | - | - | - | - | - | - | 27,820,000 |
| Other Operating Expenses | 40,401,128 | 40,401,128 | - | - | - | - | - | - | 40,401,128 |
| Transit Assistance | 73,079,597 | 73,079,597 | - | - | - | - | - | - | 73,079,597 |
| Debt Service | 140,929,993 | 140,929,993 | - | - | - | - | - | - | 140,929,993 |
| Passthrough Grants & Loans | 74,785,040 | 74,785,040 | - | - | - | - | - | - | 74,785,040 |
| Capital Expenditures | 5,468,590 | 5,468,590 | - | - | - | - | - | - | 5,468,590 |
| Total Expenses | \$ 738,589,252 | \$ 738,589,252 | \$ 94,700 | \$ - | \$ (94,700) | \$ 150,000 | \$ - | \$ 150,000 | \$ 738,739,252 |
| Other Uses | | | | | | | | | |
| Interdivisional Expense Allocation | \$ - | \$ - | - | \$ - | - | \$ - | \$ - | \$ - | \$ - |
| A-87 Charges/Planning Chargebacks | - | - | - | - | - | - | - | - | - |
| Transfers (From) To Other Funds | - | - | (94,700) | - | 94,700 | (150,000) | - | (150,000) | (150,000) |
| Total Other Uses | \$ - | \$ - | \$ (94,700) | \$ - | \$ 94,700 | \$ (150,000) | \$ - | \$ (150,000) | \$ (150,000) |
| Total Expenses and Other Uses | \$ 738,589,252 | \$ 738,589,252 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 738,589,252 |
| Surplus/(Deficit) | \$ (23,080,672) | \$ (23,080,672) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (23,080,672) |

NOTES:

E Environmental Services Committee

Meeting date: January 12, 2010

ADVISORY INFORMATION

Date: December 31, 2010

Subject: 2010 Unified Operating Budget Amendment

District(s), Member(s): All

Policy/Legal Reference: MN Statutes section 473.13, sub. 1 -- Council Budget Requirements and 473.517, sub. 1 re wastewater reserve or contingency fund; and Council Policies 3-1a re Financial Planning and Budget, 3-8 re Target (reserve) Fund Balances

Staff Prepared/Presented: Kay Dawson, 651/602-1020; Mary Gail Scott, 651/602-1073

Division/Department: MCES c/o William G. Moore 651/602-1162

Proposed Action

That the Metropolitan Council amend the 2010 Unified Operating Budget to increase Environmental Services' authorized annual expenses by \$150,000 to \$212,790,941 and to fund the additional expense by a transfer from the wastewater Contingency/Reserve fund.

Background

The United States Environmental Protective Agency (EPA) is requiring immediate air quality testing for sludge incinerating plants-Metro and Seneca.

The Clean Air Act (CAA) directs the EPA to develop emissions standards for waste incineration, and a 2007 court ruling determined that SSI (Sewage Sludge Incineration) unit standards also must be developed under the CAA. The CAA allows the EPA to require owners to make reports, install monitoring equipment, and make periodic emissions tests. EPA is requiring completion by February 17, 2010. The purpose of testing is to assist EPA in developing standards for SSI units.

Rationale

Procurement of testing services needs to proceed quickly. Estimated cost of \$150,000 is sizable. This testing was not required in the past, and came late in 2009, so it was not budgeted.

Funding

\$150,000 for testing will be funded by the wastewater General Operating – Reserve / Contingency Fund 612, valued at \$21,468,493 November 30, 2009. This fund balance is 18.0% of the 2010 annual budgeted operating expenses for ES.

Known Support / Opposition

None.

T Transportation Committee

Meeting date: January 11, 2010

Management Committee: January 13, 2010

Metropolitan Council: January 27, 2010

| ADVISORY INFORMATION | |
|----------------------------------|---|
| Date: | January 6, 2010 |
| Subject: | 2010 Unified Operating Budget Amendment |
| District(s), Member(s): | All |
| Policy/Legal Reference: | MN Statutes Section 473.13, sub. 1 – Council Budget Requirements |
| Staff Prepared/Presented: | Arlene McCarthy, Director, MTS (651-602-1217) Amy Vennewitz, Deputy Director, MTS (651-602-1058) Sean Pfeiffer, Financial Analyst, MTS (651-602-1887) |
| Division/Department: | Transportation – Metro Transit/Metropolitan Transportation Services |

Proposed Action

That the Council:

- Amend the 2010 Unified Operating Budget in accordance with the attached table.

Background

Metro Mobility is requesting a temporary two-year Information Technology professional with experience in database process design and software programming. This person will work with staff on creating and implementing web enabled software solutions that will eliminate data duplications, better process flow, and increase accountability. Once the new programs are implemented existing staff will be adequate to maintain these new systems. A FTE will be transferred from Metro Transit to Regional Admin. Information Services and funded by MTS.

Metropolitan Transportation Services

Increase/(Decrease) in Revenues: (\$94,700); Expenditures: (\$94,700)

- This amendment transfers \$94,700 of consulting expense and operating revenues from Metropolitan Transportation Services (MTS) to Metro Transit and a transfer of funds from RA to Metro Transit is reduced by the same amount to keep MT's budget whole.

Metro Transit

Increase/(Decrease) in Revenues: \$0; Expenditures: \$0; FTE(s): (1.0)

- This amendment recognizes the transfer in of \$94,700 from MTS and the reduction of Metro Transit General Purposes Levy by \$94,700. It also recognizes a transfer of one FTE from Metro Transit to Regional Administration Information Systems.

Rationale

To allow the transfer of one (1.0) Full Time Equivalent (FTE) from Metro Transit to Regional Administration Information Systems to provide support for Metro Mobility operating and planning projects.

Funding

This position will be funded out of currently budgeted state appropriations and MVST in the Metro Mobility and Planning and Transit Services programs.

Known Support/Opposition

No known opposition.