

METROPOLITAN COUNCIL
390 North Robert Street, St. Paul, Minnesota 55101

REGULAR MEETING OF THE MANAGEMENT COMMITTEE
Wednesday, September 24, 2008

Committee Members Present Roger Scherer, Chair; Lynette Wittsack, Vice Chair; Sherry Broecker; Mary Hill Smith; Craig Peterson; Tony Pistilli; Kris Sanda.

CALL TO ORDER

A quorum being present, Committee Chair R. Scherer called the regular meeting of the Council's Management Committee to order at 2:31 p.m. on Wednesday, September 24, 2008.

APPROVAL OF AGENDA AND MINUTES

It was moved by L. Wittsack, seconded by K. Sanda to approve the agenda. *The motion carried.*

It was moved by T. Pistilli, seconded by L. Wittsack to approve the minutes of the August 27, 2008 regular meeting of the Management Committee. *The motion carried.*

BUSINESS

Metropolitan Sports Facilities Commission 2009 Budget, Resolution No. 2008-27

Mary Bogie introduced Bill Lester, Executive Director of the Metropolitan Sports Facility and Mary Fox-Stroman, Director of Finance. Together they reviewed the Metropolitan Sports Facilities Commission 2009 Budget. They proposed that the Metropolitan Council approve Resolution 2008-27 granting approval of the proposed year 2009 Metropolitan Sports Facilities Commission Budget and Report on User Fee Charges.

Highlights of the 2009 budget:

	<u>Operating Accounts</u>	<u>Repair/Capital/ Concession Accounts</u>
Total Revenue	\$ 13,527,420	
Total Expenses	(15,081,400)	\$(1,285,000)
Transfers between funds	<u>(1,340,000)</u>	<u>1,340,000</u>
Net Increase (Decrease)	\$ <u>(2,893,980)</u>	\$ <u>55,000</u>
Ending Account Balance	\$ 4,000,682	\$ 7,544,359

K. Sanda motioned to approve this item and T. Pistilli seconded. *Motion passed.*

This business item went to the Metropolitan Council as a same week item.

INFORMATION

Disadvantaged Business Enterprises Report

Wanda Kirkpatrick, Director of Equal Opportunity reviewed the change in reporting for Disadvantaged Business Enterprises. In the past, not only were **completed** contracts counted towards achievement, but so were **ongoing** contracts and their DBE participation to that point. That would lead to a larger goal achievement during the reporting period. Now we are required to report only contracts that have been **completed** during the reporting time period.

For the reporting period October 1, 2007 – March 31, 2008, the Council completed 8 contracts. Of those 8 contracts, 4 could be assigned a DBE goal and one was a race neutral achievement.

The overall DBE goal for the Council under the new method shows that 13.9 percent reflects the overall spending during the reporting period of completed contracts that had DBE goals set and race neutral participation. The FTA is provided the back up documentation with the form to explain any good faith effort information.

Calculations have been completed for the Council's 2009 DBE goal, and this information will be brought to the Management Committee at an up-coming meeting. At that time you will see a difference in the overall goal calculation reflecting the new reporting methods.

Report from Treasury Department (Allen Hoppe):

Except for our continued concerns about the Wells Fargo securities lending department's selection and purchase of Victoria Finance commercial paper, the rest of our portfolio appears to be safe. The current conditions in the marketplace are likely to be of some detriment to this \$3.3 million (par) holding. This investment is now expected to return less than full value but has a good chance of returning at least half its value. Given the state of the current market, it may be another 6 months before we have final results on this item. At the moment, this potential loss can be absorbed into the Council's investment returns without significant relevant damage because the Council's historical investment returns have been above the indices.

During the marketplace financial failures occurring the week ending September 19th, the Council liquidated some of its prime money market fund investments and put the money in a fully collateralized bank account. On the 19th the US Treasury backstopped (guaranteed) our money market funds investments. We won't put any more money into these funds until the marketplace has stabilized. New money market investments are going to money market funds backed by US agency securities.

The marketplace is waiting for congress to pass the \$700 billion bailout bill. None of our investments are expected to be impacted by this bill.

ADJOURNMENT

Business completed, the meeting adjourned at 3:25 p.m.

Respectfully submitted,

Lana K. Lindstrom
Recording Secretary