

**T** Transportation Committee  
Meeting date: June 14, 2010  
Management Committee: June 23, 2010  
Metropolitan Council: July 14, 2010

**ADVISORY INFORMATION**

Date: May 28, 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: Brian Lamb, General Manager Metro Transit, (612-349-7510)  
Edwin Petrie, Director of Finance, (612-349-7624)  
Arlene McCarthy, MTS Director (651-602-1754)  
Amy Vennewitz, Deputy Director (651-602-1058)  
Sean Pfeiffer, Financial Analyst, MTS (651-602-1887)  
Division/Department: Transportation/Metropolitan Transportation Services

**Proposed Action**

That the Council amend the 2010 Unified Operating Budget in accordance with the attached table.

**Background**

This amendment requests additional FTE's, expense authority offset by operating reserves and new revenues (CTIB and CMAQ) and one administrative revision.

The specific changes for the Transportation Division are as follows:

**Metro Transit**

**Increase/(Decrease) in Revenues: \$0; Expenditures: \$300,000; Reserves: \$(300,000)**

- Requesting budget authorization for 11 FTE's as required per the Central Corridor Project Schedule for movement in Final Design and Construction. FTE approval is necessary for the hiring timelines and training to be in line with the Central Corridor Project Schedule. These FTE's are consistent with the Central Corridor Project Schedule and with the Metropolitan Council 2010 Unified Capital Program.
- Amend the 2010 Operating Budget for proposed changes to the Transitmaster Software and Hardware Maintenance Agreement. This budget change will continue temporary spending authority for the next few months while staff continues to negotiate the renewal of this contract.
- Requesting budget authorization for 7 FTE's as required per the Southwest LRT Project Schedule for movement into Preliminary Engineering. FTE approval is necessary for the hiring timelines to assemble senior Southwest LRT Project Office staff as project enters Preliminary Engineering.

**Metropolitan Transportation Services**

**Increase/(Decrease) in Revenues: \$930,835; Expenditures: \$930,835; Reserves: \$0**

- Transfer \$235,000 of expense and revenue for the Lakeville and Cedar Grove Cedar Avenue BRT express services from the Suburban Transit Provider (STP) fund to the MTS Planning and Transit Services fund. This fund is currently used for all other regionally contracted services. These services are funded by the Council and the Counties Transit Improvement Board (CTIB) and contracted by MTS with the service parameters determined by MTS. MVTA is the current service provider under contract to the Council.
- Recognize \$106,017 in CTIB revenue and expense for the I-35W BRT express service. The 2010 adopted budget currently only includes the Council's 50% portion of the expense and revenue for this service.

- Recognize receipt of \$824,818 of federal CMAQ funds that will be passed through to the City of Ramsey for the operation of the Ramsey Star Express Service.

**Rationale**

This amendment recognizes the need for additional FTE's given previous capital project commitments, requests additional expense authority, recognizes additional federal and local revenues and a one time use of operating reserves and an administrative revision.

**Funding**

Funding is provided from existing MVST, CTIB, CMAQ (federal) funds and Metro Transit reserves.

**Known Support / Opposition**

No known opposition.

## Metropolitan Council - Transportation Division 2010 Annual Budget - Summary of Revisions Operating Budget Amendment - Business Item 2010-193

|  | 2010 Adopted Budget    | 2010 Amended Budget   | Metro Transit Bus   | Metro Transit Rail | Metro Transit Northstar | Total Metro Transit | Metro Mobility | Suburban Transit Providers | Planning and Transit Services | Total Metropolitan Transport Services | 2010 Revised Budget   |
|--|------------------------|-----------------------|---------------------|--------------------|-------------------------|---------------------|----------------|----------------------------|-------------------------------|---------------------------------------|-----------------------|
| <b>Revenues</b>                            |                        |                       |                     |                    |                         |                     |                |                            |                               |                                       |                       |
| <b>State Revenues</b>                      |                        |                       |                     |                    |                         |                     |                |                            |                               |                                       |                       |
| Motor Vehicle Sales Taxes                  | \$ 134,456,065         | \$ 153,460,286        | \$ -                | \$ -               | \$ -                    | \$ -                | \$ -           | \$ (235,000)               | \$ 235,000                    | \$ -                                  | \$ 153,460,286        |
| State Revenues                             | 71,708,898             | 65,251,398            | \$ -                | \$ -               | \$ -                    | \$ -                | \$ -           | \$ -                       | \$ -                          | \$ -                                  | 65,251,398            |
| <b>Total State Revenues</b>                | <b>\$ 206,164,963</b>  | <b>\$ 218,711,684</b> | <b>\$ -</b>         | <b>\$ -</b>        | <b>\$ -</b>             | <b>\$ -</b>         | <b>\$ -</b>    | <b>\$ (235,000)</b>        | <b>\$ 235,000</b>             | <b>\$ -</b>                           | <b>\$ 218,711,684</b> |
| <b>Other Revenues</b>                      |                        |                       |                     |                    |                         |                     |                |                            |                               |                                       |                       |
| Federal Revenues                           | 34,013,610             | 40,845,894            | \$ -                | \$ -               | \$ -                    | \$ -                | \$ -           | \$ -                       | \$ 824,818                    | 824,818                               | 41,670,712            |
| Local Revenues                             | 14,797,824             | 14,797,824            | -                   | -                  | -                       | -                   | -              | -                          | 106,017                       | 106,017                               | 14,903,841            |
| Investment Earnings                        | 755,290                | 755,290               | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | 755,290               |
| Other Revenues                             | 4,540,139              | 4,634,139             | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | 4,634,139             |
| Fares - Base                               | 95,251,539             | 95,251,539            | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | 95,251,539            |
| Contract & Special Event Revenue           | 5,473,236              | 5,473,236             | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | 5,473,236             |
| <b>Total Revenues</b>                      | <b>\$ 360,996,601</b>  | <b>\$ 380,469,606</b> | <b>\$ -</b>         | <b>\$ -</b>        | <b>\$ -</b>             | <b>\$ -</b>         | <b>\$ -</b>    | <b>\$ (235,000)</b>        | <b>\$ 1,165,835</b>           | <b>\$ 930,835</b>                     | <b>\$ 381,400,441</b> |
| <b>Expenses</b>                            |                        |                       |                     |                    |                         |                     |                |                            |                               |                                       |                       |
| Salaries & Benefits                        | \$ 217,397,553         | \$ 217,429,553        | \$ -                | \$ -               | \$ -                    | \$ -                | \$ -           | \$ -                       | \$ -                          | \$ -                                  | \$ 217,429,553        |
| Consulting & Contractual Services          | 14,798,154             | 19,482,528            | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | 19,482,528            |
| Materials & Supplies                       | 18,577,998             | 18,693,092            | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | 18,693,092            |
| Rent & Utilities                           | 7,828,033              | 7,828,033             | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | 7,828,033             |
| Printing                                   | 108,500                | 108,500               | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | 108,500               |
| Travel                                     | 38,500                 | 38,500                | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | 38,500                |
| Insurance                                  | 5,134,448              | 5,134,448             | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | 5,134,448             |
| Transit Programs                           | 73,079,597             | 75,360,900            | -                   | -                  | -                       | -                   | -              | (235,000)                  | 341,017                       | 106,017                               | 75,466,917            |
| Operating Capital                          | 888,590                | 888,590               | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | 888,590               |
| Grants - Governmental                      | -                      | 2,041,424             | -                   | -                  | -                       | -                   | -              | -                          | 824,818                       | 824,818                               | 2,866,242             |
| Other Operating Expenses                   | 30,851,635             | 30,851,635            | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | 30,851,635            |
| Capital Outlay                             | -                      | 470,000               | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | 470,000               |
| <b>Total Expenses</b>                      | <b>\$ 368,703,008</b>  | <b>\$ 378,327,203</b> | <b>\$ -</b>         | <b>\$ -</b>        | <b>\$ -</b>             | <b>\$ -</b>         | <b>\$ -</b>    | <b>\$ (235,000)</b>        | <b>\$ 1,165,835</b>           | <b>\$ 930,835</b>                     | <b>\$ 379,258,038</b> |
| <b>Other Uses</b>                          |                        |                       |                     |                    |                         |                     |                |                            |                               |                                       |                       |
| Interdivisional Expense Alloc-MT & LRT     | \$ 15,024,379          | \$ 15,024,379         | \$ 300,000          | \$ -               | \$ -                    | \$ 300,000          | \$ -           | \$ -                       | \$ -                          | \$ -                                  | \$ 15,324,379         |
| A-87- Metropolitan Transportation Services | 1,492,680              | 1,492,680             | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | 1,492,680             |
| Planning Chargeback Expense                | -                      | -                     | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | -                     |
| <b>Total Other Uses</b>                    | <b>\$ 16,517,059</b>   | <b>\$ 16,517,059</b>  | <b>\$ 300,000</b>   | <b>\$ -</b>        | <b>\$ -</b>             | <b>\$ 300,000</b>   | <b>\$ -</b>    | <b>\$ -</b>                | <b>\$ -</b>                   | <b>\$ -</b>                           | <b>\$ 16,817,059</b>  |
| MVST Transfers In                          | -                      | -                     | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | -                     |
| Transfers (To) / From Other Funds          | 6,564,018              | 6,469,318             | -                   | -                  | -                       | -                   | -              | -                          | -                             | -                                     | 6,469,318             |
| <b>Total Expenses and Uses</b>             | <b>\$ 378,656,049</b>  | <b>\$ 388,374,944</b> | <b>\$ 300,000</b>   | <b>\$ -</b>        | <b>\$ -</b>             | <b>\$ 300,000</b>   | <b>\$ -</b>    | <b>\$ (235,000)</b>        | <b>\$ 1,165,835</b>           | <b>\$ 930,835</b>                     | <b>\$ 389,605,779</b> |
| <b>Surplus/(Deficit)</b>                   | <b>\$ (17,659,448)</b> | <b>\$ (7,905,338)</b> | <b>\$ (300,000)</b> | <b>\$ -</b>        | <b>\$ -</b>             | <b>\$ (300,000)</b> | <b>\$ -</b>    | <b>\$ -</b>                | <b>\$ -</b>                   | <b>\$ -</b>                           | <b>\$ (8,205,338)</b> |