

METROPOLITAN COUNCIL  
SUMMARY BUDGET  
REGIONAL ADMINISTRATION BY DEPARTMENT  
2007

	Government Affairs	Public Affairs	Human Resources	Information Services	Purchasing/ Contracting	Legal	Internal Audit	Office of the Regional Administrator	Diversity and Equal Opportunity	Council & Office of the Chair	Budget & Evaluation	Fiscal & Central Services	Data Resources	Risk Management	Non Department Specific	Memo Total
<b>Revenues</b>																
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,225,337	\$ 7,225,337
State Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	342,032	342,032
Investment Earnings	-	-	-	-	-	-	-	-	-	-	-	238,774	-	-	345,000	583,774
Other Revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-	76,000	76,000
<b>Total Revenues</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 238,774	\$ -	\$ -	\$ 7,988,369	\$ 8,227,143
<b>Expenses</b>																
Salaries & Benefits	\$ 371,044	\$ 1,252,640	\$ 3,080,941	\$ 5,977,157	\$ 1,001,855	\$ 924,404	\$ 467,762	\$ 339,816	\$ 494,526	\$ 491,763	\$ 306,728	\$ 2,127,058	\$ 1,808,421	\$ 987,191	\$ -	\$ 19,631,306
Consulting & Contractual Services	65,000	318,000	955,450	3,678,496	-	1,514,265	-	300	52,000	-	23,000	595,000	294,800	16,500	-	7,512,811
Rent	23,788	146,761	150,595	291,176	42,908	106,905	17,406	37,031	19,676	29,690	7,896	490,440	71,542	50,829	-	1,486,643
Printing	1,050	90,000	27,000	5,000	-	7,100	850	15,000	3,000	4,500	5,000	102,500	8,500	3,750	-	273,250
Travel	2,900	5,000	105,960	146,000	8,500	6,000	7,100	4,700	3,000	45,000	100	13,000	6,850	3,800	-	357,910
Insurance	-	-	-	-	-	-	-	-	-	-	-	-	-	41,000	-	41,000
Other Operating Expenses	9,710	162,158	327,612	1,436,212	33,334	69,483	9,773	19,844	18,829	31,064	3,470	316,314	53,217	38,228	-	2,529,248
<b>Total Expenses</b>	\$ 473,492	\$ 1,974,559	\$ 4,647,558	\$ 11,534,041	\$ 1,086,597	\$ 2,628,157	\$ 502,891	\$ 416,691	\$ 591,031	\$ 602,017	\$ 346,194	\$ 3,644,312	\$ 2,243,330	\$ 1,141,298	\$ -	\$ 31,832,168
<b>Other Uses</b>																
Interdivisional Expense Alloc-MCES	\$ (175,192)	\$ (286,456)	\$ (1,050,470)	\$ (3,992,454)	\$ (853,788)	\$ (530,494)	\$ (90,529)	\$ (154,176)	\$ (158,369)	\$ (222,746)	\$ (51,604)	\$ (1,884,555)	\$ (92,706)	\$ (137,685)	\$ -	\$ (9,681,224)
Interdivisional Expense Alloc-MT	(198,866)	(222,567)	(2,754,758)	(5,759,806)	-	(1,189,459)	(199,999)	(175,011)	(303,781)	(252,847)	(62,298)	(273,712)	(103,391)	(918,155)	-	(12,414,650)
Interdivisional Expense Alloc-LRT	(9,470)	(11,984)	(270,819)	(363,253)	-	(117,003)	(122,118)	(8,334)	(55,298)	(12,040)	(2,809)	(34,673)	(3,248)	(27,702)	-	(1,038,751)
A-87 -HRA	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(608,000)	(608,000)
A-87- Metropolitan Transp Svcs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(790,000)	(790,000)
<b>Subtotal Allocations</b>	\$ (383,528)	\$ (521,007)	\$ (4,076,047)	\$ (10,115,513)	\$ (853,788)	\$ (1,836,956)	\$ (412,646)	\$ (337,521)	\$ (517,448)	\$ (487,633)	\$ (116,711)	\$ (2,192,940)	\$ (199,345)	\$ (1,083,542)	\$ (1,398,000)	\$ (24,532,625)
Property Tax Transfer to MCES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100,000	100,000
Water Supply Transfer to MCES	-	-	-	-	-	-	-	-	-	-	-	-	-	-	768,000	768,000
Planning Chargebacks-MTS	-	-	-	-	-	-	-	-	-	-	-	-	(172,400)	-	-	(172,400)
Prop Tax Transfer to Livable Comm	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,000,000	1,000,000
<b>Total Other Uses</b>	\$ (383,528)	\$ (521,007)	\$ (4,076,047)	\$ (10,115,513)	\$ (853,788)	\$ (1,836,956)	\$ (412,646)	\$ (337,521)	\$ (517,448)	\$ (487,633)	\$ (116,711)	\$ (2,192,940)	\$ (371,745)	\$ (1,083,542)	\$ 470,000	\$ (22,837,025)
<b>Total Expenses and Other Uses</b>	\$ 89,964	\$ 1,453,552	\$ 571,511	\$ 1,418,528	\$ 232,809	\$ 791,201	\$ 90,245	\$ 79,170	\$ 73,583	\$ 114,384	\$ 229,483	\$ 1,451,372	\$ 2,043,985	\$ 57,756	\$ 297,600	\$ 8,995,143
<b>Surplus/(Deficit)</b>																\$ (768,000)

# ***Metropolitan Council 2007 Adopted Unified Budget***

## ***Regional Administration***

---

Regional Administration coordinates and provides centralized service functions such as human resources, finance, legal, purchasing and risk management for the benefit of the operating and line divisions of the Council. The majority of the Regional Administration budget is allocated to the operating divisions of the Council.

**MISSION:** To provide essential, integrated management, support, and oversight services to the Council and its operating units.

Regional Administration's continuing priority for 2007 will be maintaining, and where necessary, improving its support of the Council's operating units by providing highest quality, cost effective shared services.

### **EXPECTED RESULTS**

- Provide leadership in anticipating changes and potential issues for the agency
- Facilitate continuous improvement of day-to-day service delivery and support
- Build effective partnerships and relationships through strong customer service
- Facilitate stakeholder input to regional decision making.

### **ORGANIZATION OF REGIONAL ADMINISTRATION**

Regional Administration includes the Office of the Chair and the Office of the Regional Administrator. The organization chart in the Authority and Organization section (p. 2-6) of the budget shows reporting relationships within Regional Administration.

The administrative support units within Regional Administration include:

- Legal - General Counsel
- Program Evaluation & Audit
- Government Affairs
- Public Affairs
- Office of Diversity
- Human Resources
- Fiscal/Central Services
- Information Services
- Risk Management
- Contracts and Procurement
- Budget and Evaluation
- Data Resources

Administrative services are provided to the business units on a cost reimbursement basis. These costs are shared under procedures documented in the Council's "Cost-Sharing System Guidebook." A portion of the administrative costs for Council-wide administrative duties not attributable to specific units are allocated to business units under agreed upon cost allocation procedures.

Resource needs and budget requests from administrative units are developed through joint work planning involving administrative unit managers and business unit management. On quarterly basis administrative managers prepare reports for business units that assess services provided and costs allocated. Considerable effort is put into administrative cost control including monitoring of shared administrative resources and system development costs.

# ***Metropolitan Council 2007 Adopted Unified Budget Regional Administration***

---

## **DEPARTMENTAL TACTICAL GOALS**

### **LEGAL**

- Provide prompt advice to the Council to assist in compliance with all appropriate federal and state legal requirements.
- As needed, realign internal legal staff assignments and external legal service providers so that high quality, cost-competitive legal services are delivered.
- Improve transactional documentation process through increased client contact and timely document production.
- Increase productivity through the use of appropriate cutting-edge research and document production tools.
- Design and implement effective communication links with clients.
- Facilitation and encouragement of preventive legal services practices throughout the organization.

### **PROGRAM EVALUATION & AUDIT**

- Develop and execute a comprehensive risk assessment and risk-based audit plan to ensure that audit resources are targeted to the areas of highest risk for the Council.
- Carry out special audits or investigations at the request of the Regional Administrator, Council leadership, or the Audit Committee.
- Conduct thorough audits of program structure, management, and performance and make recommendations to enhance the efficiency and effectiveness of Council activities.
- Design and implement audit programs to assist management in verifying the compliance of their programs with the applicable laws and regulations.
- Consult with other managers and leaders throughout the Council to assist with the development and use of internal controls and performance measurement for program accountability.
- Coordinate with external auditors, including the Office of the State Auditor and federal program auditors.

### **PUBLIC AFFAIRS**

- Communicate the Council's commitment to work collaboratively with local governments and other partners to accommodate the region's growth and ensure the efficient use of our regional transportation, aviation, wastewater and park systems.
- Support Council efforts to assist local governments as they work to update their comprehensive plans.
- Support the Council's long-term efforts to improve the region's transportation system and slow the growth in traffic congestion.
- Improve and expand the information and services provided on-line to better serve the public and key stakeholder groups.

### **DIVERSITY**

- Provide leadership in creating and sustaining an emotionally healthy and inclusive organization by providing diversity related training and consultation.

## ***Metropolitan Council 2007 Adopted Unified Budget Regional Administration***

---

- Promote the development and contribution of all employees by providing them with fundamental workplace behavior training regarding harassment and discrimination.
- Increase the use of technology in the collection, reporting, and communication of diversity and equal opportunity information.
- Create procedures and practices that support the Council's commitment to utilizing a diverse range of suppliers and contractors through efficient and comprehensive contract compliance programs.
- Establish and sustain relationships with communities and organizations to help achieve the mission of the Office.
- Create and/or support diversity awareness opportunities and events that support the Council's mission.

### **HUMAN RESOURCES**

- Develop a comprehensive compensation program that provides fair, equitable and competitive wages with flexibility to meet business needs.
- Design, document and implement timely, cost effective selection processes that reflect best practices, are legally defensible and identify highly qualified applicants.
- Leverage the functionality of e-HR to streamline processes, lower administrative costs and support business units needs and decision making.
- Implement an integrated, comprehensive Council-wide disability management and leave program.
- Partner with business units to plan and implement HR audit recommendations and best practices on employee file management and access.
- Implement short and long term strategies designed to control health care costs and lower administrative expenses.
- Partner with business units in developing proactive labor relations strategies and principles and building labor management skills.
- Increase the capacity of human resources to better support business unit initiatives.
- Partner with business units to develop and implement work force plans that support short and long term business goals and needs.

### **FISCAL/CENTRAL SERVICES**

- Identify and implement additional efficiencies in systems and processes to provide the most effective service to customers.
- Evaluate process and system improvement possibilities in Accounts Receivable, Accounts Payable, and Payroll; including increased use of Electronic Funds Transfer (EFT).

### **INFORMATION SYSTEMS**

- Enable the goals of the operating units by proactively providing value-added information services that are customer focused and aligned with the business.
- Partner with the operating units in planning, developing, and implementing business systems that support the goals of the business units.
- Provide a service delivery infrastructure with the characteristics of being reliable, secure, flexible, and cost conscious. Position the Council to enable e-government

## ***Metropolitan Council 2007 Adopted Unified Budget Regional Administration***

---

through secure Internet access and partnership in creation of an e-government strategy.

- Enhance quality and efficiencies by improving the ability to successfully and consistently manage and implement projects, manage assets, and implement changes successfully.

### **RISK MANAGEMENT**

- Advise Council management on appropriate risk management strategies to manage risk and minimize loss.
- Develop strategic plan for risk management.
- Assist each division in analyzing loss exposures and identifying risk management tools/resources to manage those costs.

### **CONTRACTS AND PROCUREMENT**

- Assist MCES and RA customers in solicitations for goods and services, the creation of purchase orders, and the execution of contracts.
- Follow processes and maintain records that demonstrate compliance with procurement policy and procedures.
- Continuously improve the process of procuring goods and services most advantageous to the Council.
- Facilitate accurate reporting of Council expenditures and encumbrances.

### **BUDGET AND EVALUATION**

- Coordinate development of annual unified operating budgets, and five-year capital program and annual capital budget.
- Oversee and coordinate issuance of Council sponsored debt.
- Administer and monitor Council cost sharing/allocation programs.

### **DATA RESOURCES**

- Leverage technology to organize and analyze data and related information of interest throughout the Metropolitan Council enterprise.
- Exercise leadership in the use of the Internet as a tool to communicate with Council customers via interactive maps, tables and charts.
- Improve the Council's ability to estimate past growth trends and forecast future growth trends in the region.
- Create systems to better understand customer data resource needs, and create innovative products to meet those needs.

### **OVERVIEW OF REGIONAL ADMINISTRATION BUDGET**

Total 2007 budgeted expenditures for Regional Administration are \$31,832,168 with sixty-one percent of the budget representing staffing costs, and twenty-four percent representing consulting or contractual services related expenses. The balance is comprised of rent, utilities, training, supplies, and other miscellaneous expenses.

## ***Metropolitan Council 2007 Adopted Unified Budget Regional Administration***

---

Approximately \$24 million, or 77 percent, of Regional Administration expenses are shared or allocated to business units under The Council's cost allocation and federal Office of Management and Budget (OMB) A-87 guidelines.

### **COMPARISON OF 2007 BUDGET TO 2006**

Regional Administration expenditures increase 5.9 percent in 2007 to \$31,832,168, largely driven by the addition of Data Resources Department. In the 2006 budget Data Resources was part of the Community Development Division.

	<u>Adopted Budget</u>		<u>Percentage</u>	
	<u>2006</u>	<u>2007</u>	<u>Change</u>	<u>of total</u>
Salaries & Benefits	18,005,444	19,631,306	9.0%	61%
Consulting/Contractual Svcs.	7,594,067	7,553,811	-0.5%	24%
Other Operating Expenses	4,446,738	4,647,051	4.5%	15%
Total	<u>30,046,249</u>	<u>31,832,168</u>	5.9%	<u>100%</u>
 Operating Capital Outlay	 453,941	 631,200		

Operating Capital Outlay includes expenditures for computer equipment, technology infrastructure, and building expenses offset by rent.

2007 Regional Administration departmental expenditure budgets compared to the 2006 adopted budget are displayed in the following table.

Department	<u>Adopted Budget</u>		<u>Percentage</u>	Major Changes
	<u>2006</u>	<u>2007</u>	<u>Change</u>	
Government Affairs	449,249	473,492	5.4%	
Public Affairs	2,027,967	1,974,559	-2.6%	
Human Resources	4,707,777	4,647,558	-1.3%	
Information Services	11,535,809	11,534,041	0.0%	
Purchasing/Contracting	1,124,042	1,086,597	-3.3%	
Legal	2,741,821	2,628,157	-4.1%	
Internal Audit	512,381	502,891	-1.9%	
Regional Administrator	423,952	416,691	-1.7%	
Diversity	642,377	591,031	-8.0%	
Chairs Office	596,189	602,017	1.0%	
Budget & Evaluation	349,326	346,194	-0.9%	
Fiscal / Central Services	3,807,936	3,644,312	-4.3%	
Data Resources		2,243,330	100.0%	New Dept
Risk Management	1,127,423	1,141,298	1.2%	
	<u>30,046,249</u>	<u>31,832,168</u>	5.9%	