



METROPOLITAN COUNCIL

2000 UNIFIED OPERATING BUDGET

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Metropolitan Council 2000 Budget

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Metropolitan Council 2000 Unified Budget Budget Message

DATE: November 7, 1999

TO: Ted Mondale, Chair and Metropolitan Council Members

FROM: Jim Solem, Regional Administrator

SUBJECT: Proposed 2000 Metropolitan Council Unified Operating Budget

The Proposed 2000 Unified Operating Budget includes all operating and planning units of the Metropolitan Council. The budget presents detail for operating costs, debt service, grants, loans, and pass-throughs for Community Development, Environmental Services, Transportation and Regional Administration.

This budget supports the Council's new Purpose Statement:

Improving regional competitiveness in the global economy, so this region is one of the best places to live, raise a family, work and do business.

IMPLEMENTING STRATEGIES

In order to address this purpose, the 2000 budget is focused on implementing the Council's four strategies:

1. Infrastructure: Provide high quality, effective services
2. Quality of life: Provide smart growth tools and support so that cities can build communities where people want to live, work, raise a family and do business.
3. Communication and constituency building: Build support among the public and decision-makers for regional approaches.
4. Alignment: Focus all the work of Metropolitan Council members and staff on achieving this purpose.

2000 OPERATING BUDGET OVERVIEW

Operating expenditures are proposed at \$327,055,786 for 2000, up from \$321,085,433 in the revised 1999 budget. This is a net 1.9 percent increase. Metro Transit is increasing 5.2 percent and Environmental Services is decreasing 3.1 percent.

Metropolitan Council 2000 Unified Budget Budget Message

Transportation Division

There is improved transit support for 2000 with increases in the following revenue sources: the State appropriation supporting transit, federal revenues available to transit capital and in property taxes for transit operations. As a result of these revenue increases, 2000 funding for transit operations is adequate to support service improvements by Metro Transit, assuming full funding completed by the 2000 legislature, and to maintain transit service levels for other providers. The 2000 Transportation Division operating budget includes staff support for the Hiawatha light rail project.

The Transportation Division budget has been developed with consideration of available resources, service levels, cost structure, federal and state mandates, and appropriate fund balances needed to insure prudent fiscal management.

The proposed 2000 budget for Metro Transit is \$169,000,000, which is \$7,511,066 (4.7%) greater than the 1999 revised Metro Transit budget of \$161,488,934. Increased property taxes (\$4,988,000) and State appropriation (\$1,867,000) primarily fund the increase.

The proposed 2000 budget for the Department of Transportation and Transit Development is \$50,056,260.

Environmental Services Division

In mid-1998 MCES revised its Strategic Business Plan to accelerate change efforts to improve its competitive position. An adopted objective was to reduce the budget by \$20 million by 2001. Toward this objective, sewer service charges and industrial strength charges supporting wastewater operation decreased in 1999 by 10.2 percent to \$90,683,000 from \$100,988,000 in 1998. The charges are being further reduced in 2000 to \$85,059,000.

The total 2000 expenditure budget for the division is \$157,439,000 of which \$94,139,000 is for operations and \$63,300,000 is for debt service.

Community Development Division

In 2000 it is expected that the Council will complete reviews of all local comprehensive plans and assess how well cities collectively are planning to implement the Regional Blueprint. The Regional Growth Strategy Map will be revised to reflect changes in the MUSA Urban Reserve and Illustrative 2020 MUSA as well as household, population and employment forecasts. Based on the findings the division will develop a plan and work program for revising the Regional Blueprint and Growth Strategy.

The 2000 operating budget for the planning, housing and local assistance budget is \$5,835,935, down from \$6,791,453 in 1999. The HRA budget is up from \$3,362,448 in 1999 to \$3,959,967 in 2000. In addition, the division has the responsibility for managing

Metropolitan Council 2000 Unified Budget

Budget Message

an additional \$48.5 million in grants and loans for Section 8 Housing Assistance, Livable Communities, parks operations and maintenance, and local planning assistance.

Regional Administration

The 2000 budget for Regional Administration is \$24,651,306 of which \$21,111,682 is allocated to line divisions in recognition of the Council-wide benefit for services provided. The 2000 Regional Administration budget increases \$1,181,697 from 1999, and the increase is primarily to support the Information Services needs of the operating divisions.

Regional Administration major priorities for 2000 will be assisting the new Council, improving communications and constituency support and developing measures of success.

PROPERTY TAX LEVIES

The total combined 2000 property tax levies for all Metropolitan Council purposes is \$129,067,332, up from \$122,843,802 in 1999, for an increase of \$6,223,530 or 5.1 percent. Ninety-five percent of the increase is for transit purposes. Approximately 78 percent of the Council's total levy supports transit operations and debt service, 9.4 percent provides funding for the purposes specified in the Livable Communities Act and 6.3 percent supports general operations.

Property tax levies are authorized for the following purposes:

- General Operations
- Transit Operating District
- Transit Operating Area
- Highway Right of Way Acquisition Loan Fund
- Solid Waste Debt Service
- Parks and Open Space Debt Service
- Transit Debt Service
- Metropolitan Radio Communications project debt service
- Livable Communities Act

Transit Operations District and Transit Operations (exurban) Area levies by the Council will increase in 2000 by \$5,699,909 from \$74,052,144 in 1999 to \$79,752,053 in 2000. The increase is to the maximum of the transit levy limit.

The General Operations levy is not being increased, and the Livable Communities levy is being increased by \$1,016,856 to the maximum to provide additional monies for incentives for communities. The Highway Right of Way Acquisition Loan program levy for 2000 is \$1,142,446 a reduction of \$1,016,856 from the 1999 levy.

Metropolitan Council 2000 Unified Budget Budget Message

CONCLUSION

The 2000 Unified Budget provides a coordinated financial plan that maintains the financial strength of the Metropolitan Council, as well as the individual operating divisions. It has been developed in the context of financial policies and a multi-year perspective. It is structured to meet the new Council purpose and implement the Regional Blueprint, the Metropolitan Reorganization Act, and other State legislation including the Livable Communities Act.

Metropolitan Council 2000 Unified Budget Purpose, Strategies, Organization and Structure

PURPOSE

The purpose of the Metropolitan Council is to: *Improve regional competitiveness in the global economy, so this Region is one of the best places to live, raise a family, work and do business.*

CORE STRATEGY

The Metropolitan Council will contribute to the competitiveness of the region and the prosperity of its citizens by improving mobility, protecting our environmental resources and agricultural land, and improving our quality of life.

The purpose of the Council is to improve the region, so that the Twin Cities competes with the world's best places to live and work. When we succeed, and when we tie productivity gains to income gains, we will create opportunities and choices for every person and every community in the region.

The Metropolitan Region will succeed when our schools offer the education and training that people need to work in the new economy. We will succeed when our roads, buses, trains and information highways efficiently connect people, products and information with the world, and don't waste time with congestion. We will succeed when our communities are safe, clean, healthy, convenient and interesting places to live.

Many people and organizations, and especially local governments, will contribute to improving this regions' competitiveness. Many factors that shape the future of this region are outside the control of the Metropolitan Council. However, the Council has powerful tools, and we are committed to applying these to improve regional competitiveness, and the prosperity and quality of life of people in the region.

Working Strategies

As the Metropolitan Council pursues its purpose of enhancing the region's competitive edge, and improving the prosperity and quality of life of the people who live here, we will focus on doing four things well.

1. Infrastructure: provide high quality, cost effective services.

We will improve the mobility of our citizens and businesses, because improved mobility is an economic asset and a competitive advantage. To make this happen, we will run a multi-modal transit system that gets people where they want to go, when they want to get there. We will connect transit with land uses that improve the livability of communities. We will operate a wastewater treatment system that is efficient and reduces water pollution. We will contribute to the affordability of the region by expanding and supporting efforts to build affordable housing throughout the region.

2. Quality of life: provide smart growth tools and support so that cities can build communities where people want to live, work raise a family and do business.

We will focus our resources to make it easier for cities, townships and counties to make choices that will make them competitive. To do that, we use resources such as the Livable Communities Act, transit funding available through the Transportation Advisory Board, and wastewater and sewer access fees to support communities that choose more livable, mixed use development patterns. We will support cities that create transit-oriented, mixed-use development, town centers, affordable housing, and other land use and redevelopment patterns that preserve agricultural land, improve their residents' quality of life and enhances the competitiveness of the region. By emphasizing incentives rather than penalties, these successful projects will demonstrate results and be the best incentives for communities throughout the region to follow. Council members will play a crucial role in advancing these projects in their districts, and throughout the region.

3. Communications and constituency building: build support among the public and decision-makers for regional approaches.

We will develop the research and communications necessary to win support for regional competitiveness. We will bring together business, government and citizens to discuss regional issues and forge solutions. We will build broad support among the general public and decision-makers for these regional approaches. We will be effective advocates for regional competitiveness with other levels of government, so that they align their resources and authority to achieve the same aims. The Chair and Council members will play a key role in delivering our message and building a regional constituency.

4. Alignment: focus all the work of Metropolitan Council members and staff on achieving this purpose.

We will create more flexible ways of interacting with cities, townships and counties. We will get focused and stay focused on the Council's purpose and aims, We will stop doing the things that do not advance our central purpose, and when necessary we will reallocate resources to focus on our priorities. We will create a performance-based culture where our work is directly tied to the results we seek. We must make sure that state policies that affect the region are aligned with our purpose and aim. The Chair and council members will be crucial in achieving this alignment.

Organization and Structure

The Metropolitan Council (the "Council") was created in 1967 by the State Legislature (Laws of Minnesota 1967, Chapter 896, and Minnesota Statutes, Chapter 473) as a governmental unit responsible for the coordination of planning and development of the seven-county metropolitan area (the "Area"). The Metropolitan Reorganization Act of 1994 made substantial changes in the metropolitan regional government structure. Most fundamentally, the Council was established as a public corporation and political subdivision of the State, and the functions of three regional agencies (the Metropolitan Waste Control Commission, the Metropolitan Transit Commission and the Regional Transit Board) were transferred to the Council.

Metropolitan Council 2000 Unified Budget Purpose, Strategies, Organization and Structure

The Area over which the Council has responsibility includes the counties of Anoka, Carver, Dakota (excluding the city of Northfield), Hennepin (excluding the city of Hanover), Ramsey, Scott (excluding the city of New Prague), and Washington. The Area includes 189 cities and townships and 2.5 million people.

The Council has 17 members, 16 representing districts and one chairperson. Members are appointed by the Governor after consultation with the Legislative representatives from the appointee's District with the advice and consent of the State Senate. Members serve at the pleasure of the Governor. The Chair presides at meetings of the Council, serves as the principal liaison of the Council with the Legislature and local elected officials and is the principal spokesperson of the Council. Current Metropolitan Council members are listed on page 2-5. The Council's policy-making structure is shown on page 2-6.

The Council is responsible for planning and coordinating metropolitan development cooperatively with citizens and communities. The Council forecasts the region's growth, devises a plan to shape it, and makes decisions about how to develop transportation, wastewater service, aviation and parks to support it. These forecasts and plans make up the Council's Regional Blueprint. By the year 2020, the Council anticipates an increase of 330,000 households and 650,000 people, bringing the total population to 3.1 million. Instead of leaving the region's growth to chance, the Council's growth strategy, Metro 2040, calls for:

- Reducing sprawl by developing the seven-county area more compactly.
- Preserving key agricultural areas.
- Identifying an "urban reserve" for development after the year 2020.
- Revitalizing the region's urban core, and
- Targeting certain areas for job development.

Regional planning saves millions of dollars that would otherwise be spent on inefficient public services or unplanned growth. The Council works with local governments and the private sector throughout the region to carry out the plan.

In addition to planning and overseeing growth and development, the Council is responsible for vital regional services including:

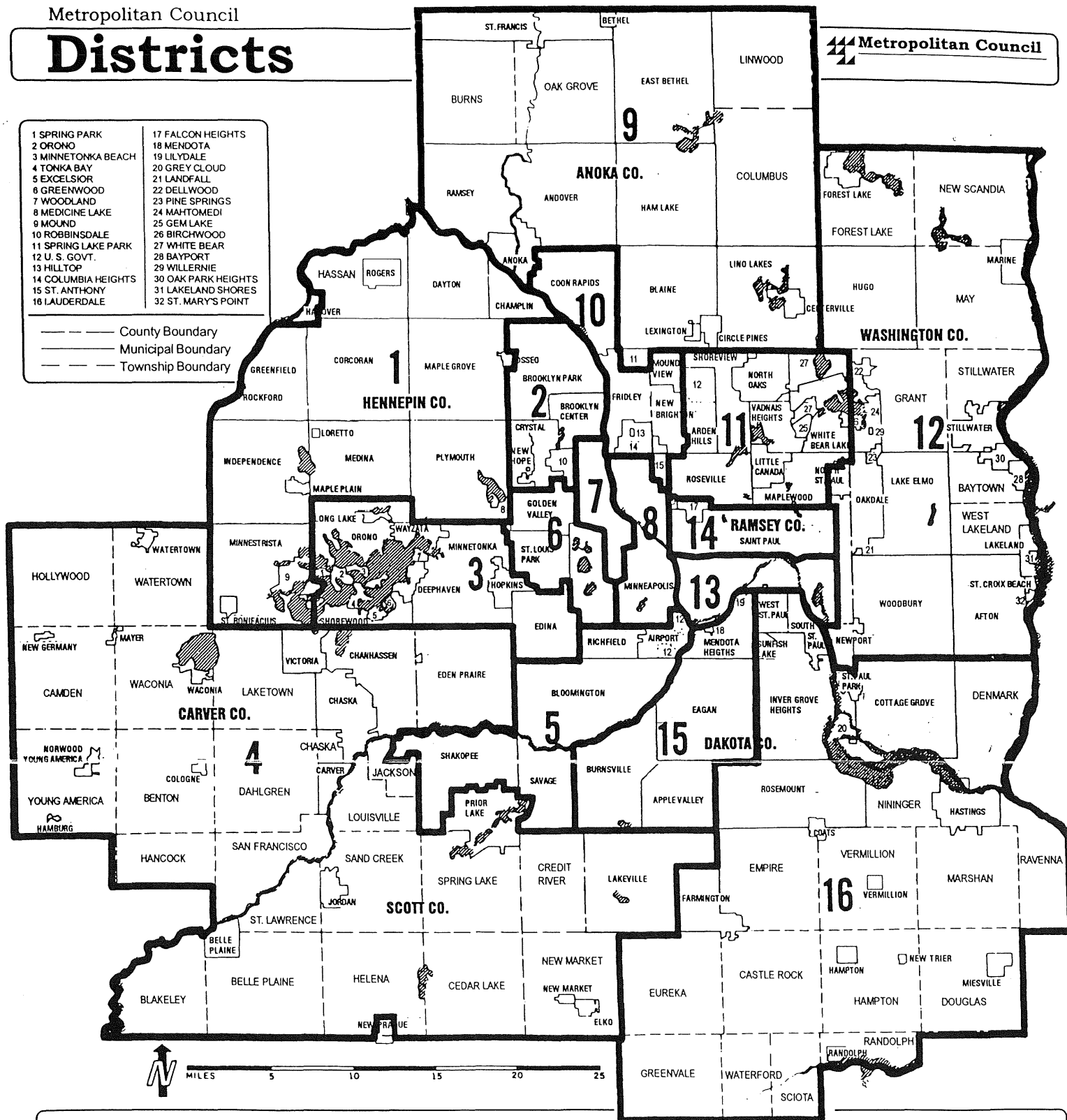
- Treating 300 million gallons of wastewater daily and helping to maintain the quality of the region's waterways,
- Operating a regional transit system that provides nearly 225,000 bus rides daily and about 4,300 rides daily for people with disabilities through Metro Mobility,
- Serving 117 communities and nearly 5,000 households through Section 8 and other affordable housing programs,
- Working with local governments to develop and maintain regional parks and open space for the public to enjoy.

Metropolitan Council 2000 Unified Budget
Purpose, Strategies, Organization and Structure

The Council is organized into three divisions: Community Development, Environmental Services, and Transportation. The divisions report to the Regional Administrator who, in turn, reports to the 17-member Council. The Regional Administrator is responsible to ensure that policy decisions of the Council are carried out, to organize and direct work of Council staff, to prepare and submit an annual budget and to keep the Council fully apprised of the financial condition of the Council.

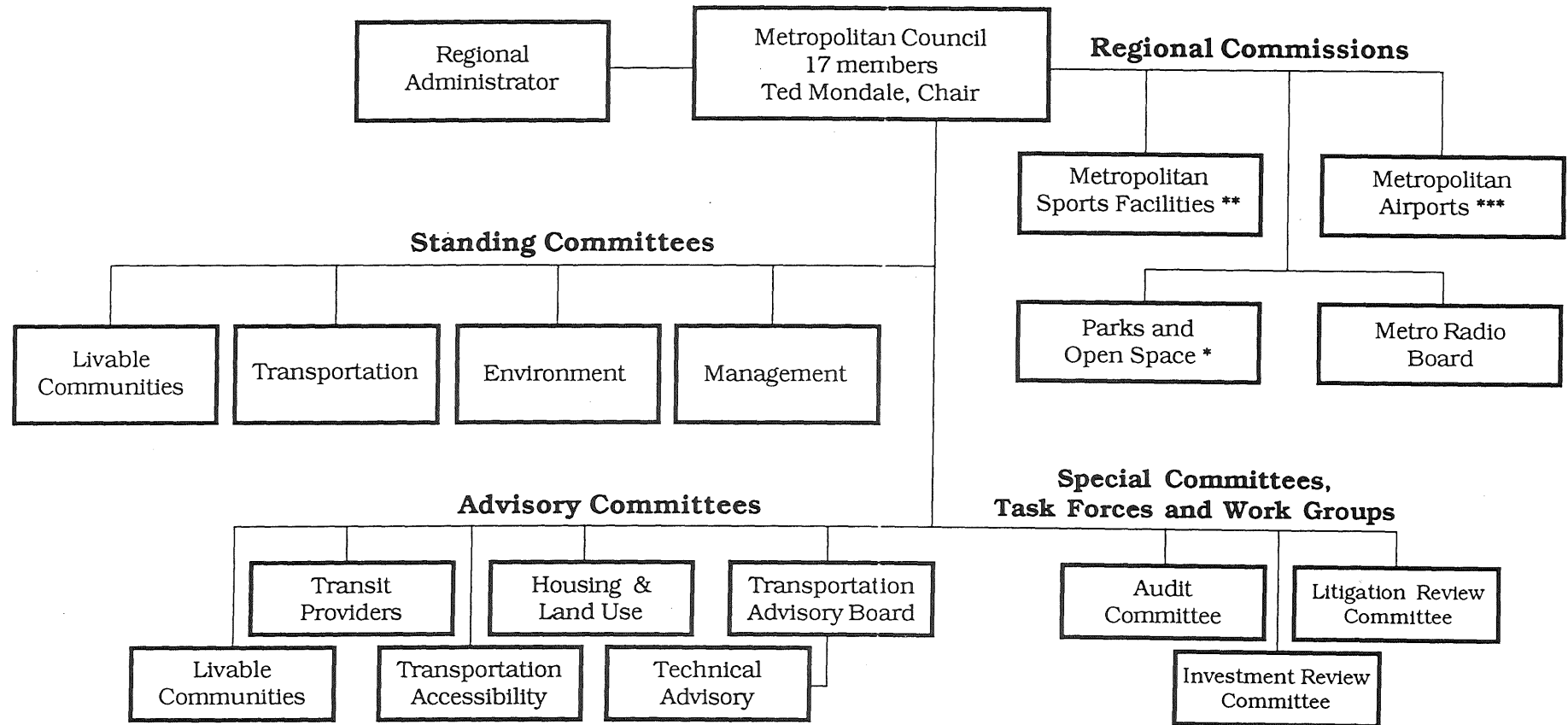
In addition to the three divisions, the Council has central administrative units that report to the Regional Administration. The units establish administrative policies for the entire organization and assist the three divisions by providing legal, internal audit, finance, budget and evaluation, human resources, information services, communications, diversity, intergovernmental relations, risk management and central services. The Council's organizational structure is shown on page 2-7.

— — — — County Boundary
 ————— Municipal Boundary
 — — — — Township Boundary



1 — Sandra Spigner, Plymouth	5 — Phil Riveness, Bloomington	9 — Natalie Haas Steffen, Ramsey	13 — Fred Perez, St. Paul
2 — Todd Paulson, Brooklyn Center	6 — Caren Dewar, Minneapolis	10 — James W. Nelson, Columbia Heights	14 — Lee Pao Xiong, St. Paul
3 — Mary H. Smith, Orono	7 — Matthew L. Ramadan, Minneapolis	11 — Roger Williams, Arden Hills	15 — Carolyn Rodriguez, Apple Valley
4 — Julius C. Smith, Chaska	8 — Carol A. Kummer, Minneapolis	12 — Marc Hugunin, Stillwater	16 — John Conzemius, Douglas Twp.

Metropolitan Council Policymaking Structure



* Staff support provided to Commission by Metropolitan Council.

** The Metropolitan Council has budget approval and issues bonds for the commission.

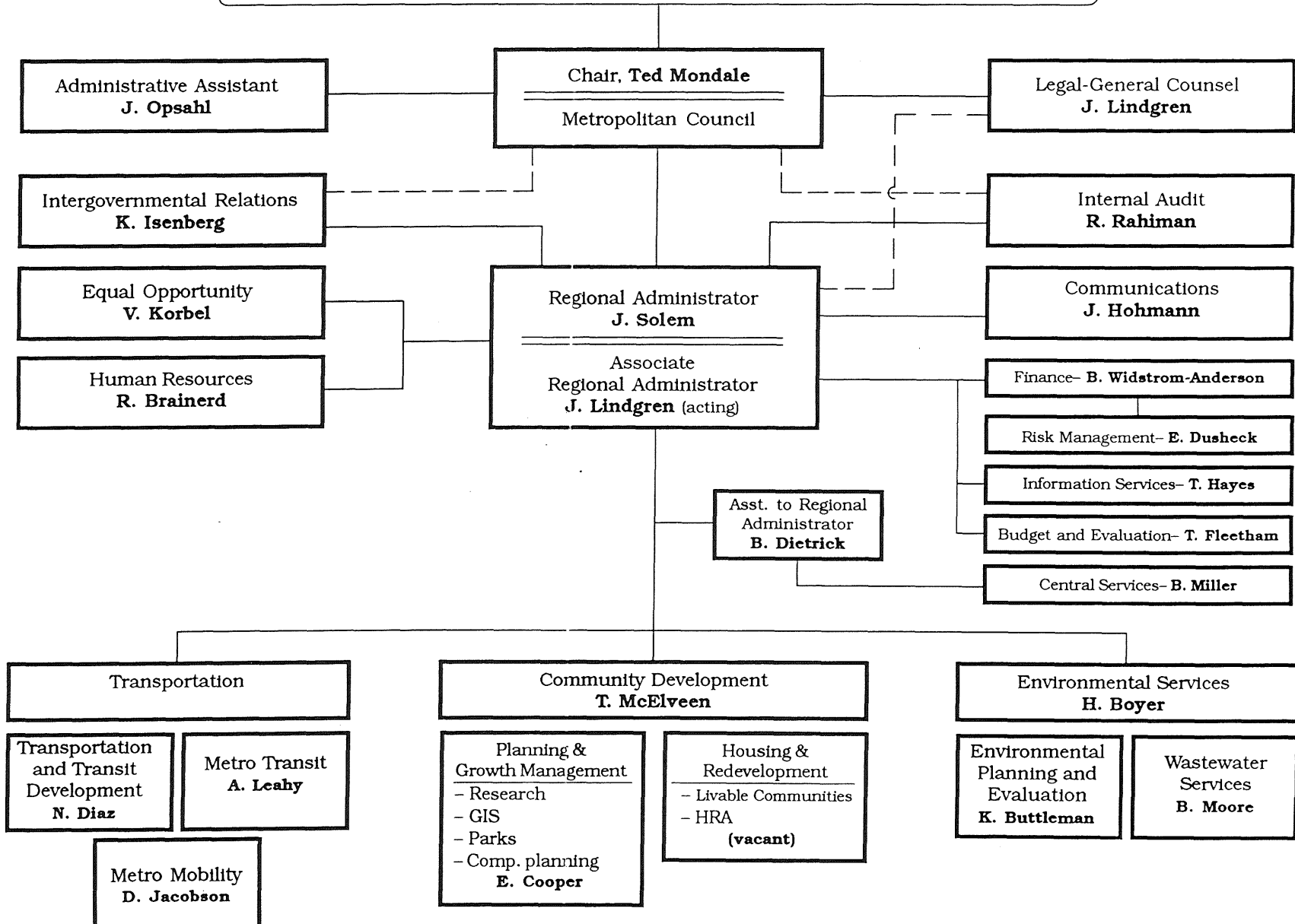
*** The Metropolitan Council reviews the capital budget and approves certain projects.



Metropolitan Council

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METROPOLITAN COUNCIL



Metropolitan Council 2000 Unified Budget Financial Resources and Operating Budget Summary

BUDGET SUMMARY

Table 1 summarizes operating, passthrough and debt service revenues and expenditures for all Council units. It shows 1998 actual, and budgets for 1999 and 2000. Operating expenditures increase in 2000 by 1.9 percent from 1999, and debt service expenditures increase in 2000 by 2.1 percent.

The 2000 operating budget for all units is \$327,055,786, up from \$321,085,433 in the revised 1999 budget, an increase of \$5,970,353.

Operating expenditures by division are shown in the following table. 1999 and 2000 budgets are shown before cost allocation for comparative purposes, and to reflect the full 2000 expenditure authorization by division being recommended for Council approval. 2000 after cost allocation is shown to indicate the level of expenditure by division after allocation of administrative costs:

Operating Expenditures, 1999 and 2000

<u>Division</u>	<u>1999 (Revised, Before Allocation)</u>	<u>2000 Before Allocation</u>	<u>2000 After Allocation</u>
Regional Administration	\$25,484,476	\$24,651,306	\$3,539,624
Community Development	\$9,552,367	\$7,792,898	\$9,795,902
Environmental Services	\$87,088,000	\$83,686,000	\$94,139,000
Transportation	\$197,195,590	\$209,516,182	\$219,056,260
Capital Expense	<u>\$1,765,000</u>	<u>\$1,409,400</u>	<u>\$525,000</u>
Total	\$321,085,433	\$327,055,786	\$327,055,786

Highlights of the Unified Budget from Table 1 are as follows:

- Total 2000 revenues and other financing sources for operations, passthrough and debt service are \$474,191,037, which is an increase of 2.6 percent from \$462,168,742 in 1999.
- Total expenditures for operations, passthrough and debt service are \$474,191,037, increasing 2.6 percent from \$462,168,742 in 1999.
- 2000 budgeted operating, passthrough and debt service expenditures balance with revenues and other sources.

Metropolitan Council 2000 Unified Budget

Financial Resources and Operating Budget Summary

Operating Revenue

Total 2000 operating revenues increase 2.2 percent from 1999 (\$320,700,806 in 2000, and \$313,717,200 in 1999). The largest increases are in transit property tax revenue and federal support for transit. Wastewater service charges decrease in 2000.

The major revenue sources for operations for the Transportation Division (including transit operations) are: property tax levy (36.1 percent), State appropriation for transit (26.7 percent), fares for transit services (25.6 percent), federal grants (5.7 percent), and other (5.9 percent). As a proportion of total revenues, the property tax levy and State appropriation have grown in importance in the last few years and fares are decreasing as a proportion of total revenues.

The major revenue sources for operations of the Environmental Services Division are: wastewater service charges to communities (89.2 percent), industrial strength charges (7 percent), and other revenues (3.8 percent). Total revenues from operations are \$88,401,000. Revenues from operations decrease \$4,900,000 from 1999.

The major revenue sources supporting Regional administration and Community Development operations are: property tax levy (70.9 percent), federal revenue (22.0 percent), interest income (2.3 percent), state revenue (2.5 percent), and other (2.3 percent). General Fund 2000 revenues from property taxes supporting Regional Administration and Community Development are \$10,174,600, and \$1,000,000 of this will be used for support of Livable Communities, and \$299,000 will support water management planning in MCES. This levy was unchanged in 2000 from 1999.

Wastewater Service Charges

Wastewater service charges are decreasing for the third consecutive year. Wastewater service charges and industrial strength charges supporting wastewater operations decrease 6.3 percent to \$85,059,000 in 2000, from \$90,750,520 in 1999.

- Charges decreased 10.2 percent in 1999, to \$90,750,520 from \$100,988,000 in 1998.
- Charges decreased 3.9 percent in 1998, to \$100,988,000 from \$105,047,000 in 1997.

State Appropriations

State appropriations (excluding HACA), which primarily support transit operations, are estimated at \$58,449,962 for 2000, an increase of 4.9 percent from 1999. Ninety-seven percent of state funds support transit operations.

Transit Fares

Revenues from passenger fares are estimated to increase 1.1 percent to \$55,766,400 in 2000.

Transit fares are not expected to increase during the current biennium, through mid 2001. Transit fares for Metro Mobility were last increased in 1996, and for regular route transit in 1997.

Federal Revenues

Federal revenues are \$15,306,310 in 2000, an increase of \$2,972,262 (24.1 percent) from 1999. Federal revenues for operations support the HRA in the Community Development Division, transit operations and transportation planning in the Transportation Division. Federal revenues

Metropolitan Council 2000 Unified Budget Financial Resources and Operating Budget Summary

supporting the HRA show an increase of \$48,292 in 2000 to \$3,016,998. Federal support for transit operations is expected to increase to \$8,982,400 in 2000, it was \$5,203,000 in 1999. Federal support for transportation planning is \$3,203,494 for 2000, down \$54,606 from 1999.

Property Taxes

Property taxes support: transit operations, transportation planning, community development planning, and administration; and provides funds for debt service for parks, transit and Metro Radio Communications bonds. Property taxes also support a number of grant and loan programs. The Council taxing area for all purposes except transit consists of the seven- county Twin Cities Metropolitan Area. State HACA funding is included in the property tax figures that follow.

For purposes of transit services, the area is divided into two taxing districts, the Metropolitan Transit Taxing District and the Exurban Area. The boundaries of the Transit Taxing District include those communities receiving regular route transit service. The Exurban Area includes those portions of the Metropolitan Area not within the Transit Taxing District. The proceeds of the transit tax in the Exurban Area are used to fund transit programs serving residents of the Exurban Area including rideshare programs and rural community-based programs.

Changes in the property tax levy for 2000 are as follows:

- There is no change in the general purpose levy, which continues at \$10,174,600. State statute requires the Council to annually provide \$1 million from the general purpose levy for support of Livable Communities. The general purpose levy for 2000 is \$298,114 less than the levy limit.
- Transit Operating District and Operating Area levies for operations excluding debt service are \$79,752,053 in 2000, up from \$74,052,144 in 1999. Nine suburban communities elected to assume responsibility to levy for 2000 for transit services under State Opt-Out legislation. As a result, they levied \$11,549,029 in 2000 that would otherwise have been levied by the Metropolitan Council.
- Levies for debt service are \$26,865,297 in 2000. In 1999 the Council issued additional property tax supported debt for transit.

Property taxes support a number of grant and loan programs. Total 2000 property taxes levied for these purposes are \$12,275,382, which is unchanged from the 1999 levy. Levies are authorized for the Livable Communities Accounts and the Right of Way Acquisition Loan Program, which are grant and loan programs administered by the Council. The proceeds from these levies are passed through to local communities in the form of grants and loans.

Table 9 and Appendix H provide detailed information on Council levies. These tables show the total levy certified. Tables 1 through 8 list property taxes net of an amount estimated to be uncollectable and unavailable for use in 2000, and therefore, these tables differ from Table 9 and Appendix H in property taxes.

Metropolitan Council 2000 Unified Budget

Financial Resources and Operating Budget Summary

Other Financing Sources

Other financing sources/uses in 2000 are \$11,605,524. Major sources and uses include: 1) a transfer within MCES from the capital fund of \$3,939,000 for salary & benefit expense for staff working on capital projects, 2) transfer of \$1,500,000 from MCES in support of the Metro Environmental Partnership, 3) use of \$1,500,000 Transportation and Transit Development fund balances to supplement Livable Communities grants, 4) the use of General Fund current year revenues of \$1,000,000 for transfer to the Livable Communities accounts, and 4) transfer of \$299,000 General Fund current year revenues to MCES in support of water quality planning.

Operating Expenditures

Major changes in operating expenditures are as follows:

- Wages and benefits costs increase to \$208,523,765 from \$206,221,681 in the 1999 revised budget, an increase of 1.1 percent.
- Transit assistance increases 7.1 percent to \$42,059,205 in 2000, from \$39,279,940 in 1999. Transit assistance to Opt-Out is \$4,996,900 in 2000, up from \$4,790,700 in 1999.
- Capital outlay decreases to \$1,949,400 in 2000 from \$3,481,500 in 1999. In 2000 \$1,409,400 supports Regional Administration, \$515,000 supports MCES, and \$25,000 Community Development. Capital expenditure reductions follow major expenditures in 1996 through 1999 for maintenance and materials management systems and the finance system.
- Other expenditures for 2000, are \$74,523,416, a 3.4 percent increase from the 1999 budget of \$72,102,312. Other expenditures include: consultant and contractual services, materials and supplies, chemicals, insurance, rent and utilities, and other direct expenses.

DEBT SERVICE

The Council is authorized under State statutes to issue debt to support regional programs in transit, wastewater, parks and open space, and radio communications. In the past, the Council had authority to issue bonds for solid waste landfill siting. While that authority no longer exists, there are still outstanding solid waste bonds being repaid.

The unified Capital Improvement Program schedules debt issuance over a multi-year period in consideration of available resources, prioritized capital needs, and the region's ability to pay as measured by property tax growth and personal income projections.

1999 and 2000 debt service data is summarized below. In 2000 total Council revenues and other sources for debt service on Council assumed or direct debt are estimated at \$91,193,570, up from \$90,288,652 in 1999 (Table 10). Debt service expenditures and additions to fund balance are shown below, (data from Table 10).

Metropolitan Council 2000 Unified Budget Financial Resources and Operating Budget Summary

1999 and 2000 Debt Service Expenditures and Additions to Fund Balance for Future Debt Service

<u>Division</u>	<u>1999</u>	<u>2000</u>
Transit Debt Service	\$19,133,353	\$21,061,270
Environmental Div.	63,300,000	63,300,000
Community Devel. Div.		
-Parks & Open Space	6,031,060	5,951,097
-Solid Waste	375,766	405,815
-800 Megahertz Radio	<u>300,548</u>	<u>393,358</u>
Subtotal Debt. Svc. Expend.	89,140,727	91,111,540
Addition to Fund Balance for Future Debt Service	<u>1,147,925</u>	<u>82,030</u>
Total	\$90,288,652	\$91,193,570

Debt service expenditures increase \$1,970,813 in 2000 from the 1999 budget. Major areas of change are: transit (increases \$1,927,917), radio systems debt (increase \$92,810), and parks (decreases \$79,963).

Debt service is financed from the following sources:

- Property taxes (24.6 %), which support transit, parks, solid waste and radio debt.
- State Homestead and Agricultural Credit Aid -- HACA (4.5 %).
- Wastewater service fees and sewer availability charges (69.4 %), which support wastewater debt.
- Interest income on debt service fund balances and use of fund balances (1.4 %), supporting transit, parks, wastewater and solid waste debt.

PASSTHROUGH GRANTS

The Council operates a number of grant programs that provide:

- Housing assistance payments through the Metro HRA.
- Parks operations grants through the Metropolitan Parks and Open Space Commission.
- Grants to local units of government for pollution clean-up, affordable housing development and demonstration projects from the Livable Communities accounts.
- Transportation grants to counties to support transportation initiatives for Welfare-to-Work program.

Metropolitan Council 2000 Unified Budget

Financial Resources and Operating Budget Summary

- Transit for Livable Communities Grants that provide support for Livable Communities efforts from resources provided by the Transportation and Transit Development Department.
- Land use planning grants and loans to local communities in support of comprehensive planning.
- Loans to local communities to purchase highway right of way under the Highway Right of Way Acquisition Loan Program.
- Grants from MCES for water quality improvement efforts from Twin Cities Water Quality Initiative grant program, and the Environmental Partnership grant program.

These programs receive revenue from federal and state governments and local property taxes for grant expenditures and loans to public and private Metropolitan Area organizations and individuals as well as for planning and administration.

Total 2000 expenditures for passthrough grants and loans, including the Highway Right-of-Way loan program, is estimated at \$56,023,711, up from \$51,942,582 in 1999. Passthrough grants and new loan activity for 1999 and 2000 are summarized below. Additional detail is in Appendix A.

1999 and 2000 Passthrough Grant and Loan Program Expenditures

Passthrough Grant and Loan Programs	<u>1999</u>	<u>2000</u>
-Twin Cities Water Quality Initiative	\$2,429,770	\$2,547,753
-Metro Environmental Partnership	0	700,000
-Housing Assistance Payments-HRA	26,491,100	28,004,200
-Parks Operat. & Maintenance Grants	4,500,000	4,500,000
-Livable Communities Grants and Loans	16,023,060	15,975,038
-Planning Assistance Grants	73,988	0
-MNRRA Planning Grants	75,000	0
-Transportation Welfare-to-Work grants	500,000	0
-Transit for Livable Communities grants	0	1,500,000
-Highway Right-of-Way, net loans	<u>1,849,664</u>	<u>2,796,720</u>
Total Loans	\$ 1,818,713	\$ 2,796,720
Total Grants	\$50,092,918	\$53,226,991
 Total Grants and Loans	 \$51,942,582	 \$56,023,711

Under 1995 state statutes, the Council created the Metropolitan Livable Communities Fund, comprised of three separate accounts from which loans and grants are made to support local efforts in clean-up of polluted sites, provision of affordable housing and improvements in impoverished neighborhoods.

ORGANIZATIONAL UNITS WITHIN THE BUDGET

The major units of the Council which are detailed in the budget are as follows:

Metropolitan Council 2000 Unified Budget Financial Resources and Operating Budget Summary

Metropolitan Council -- all divisions and units (summarized in tables 1 and 2).

Environmental Services Division

- Environmental Services Division operations
- Debt Service

Transportation Division

- Transportation and Transit Development
- Metro Commuter Services
- Metro Mobility
- Opt-Out
- Community Based Transit
- Non-Metro Transit Regular Route
- Metro Transit (narrative in section 5)
- Transit debt service
- Passthrough grants and loans

Community Development Division

- Division management
- Planning and Growth Management department which includes: comprehensive planning, GIS, research, and parks.
- Housing and Redevelopment department which includes: Metro HRA, livable communities and metropolitan radio system.
- Passthrough grants for Livable Communities accounts, housing assistance payments, and Parks and Open Space.
- Debt Service for Parks and Radio Communications bonds

Regional Administration Department

- Legal Office
- Internal Audit
- Diversity
- Human Resources
- Communications and Library
- Fiscal Services
- Information Services, Year 2000 and IS-Special Projects
- Central Services
- Risk Management
- Budget and Evaluation
- Intergovernmental Relations
- Office of the Regional Administrator
- Council & Office of the Chair

METROPOLITAN COUNCIL
UNIFIED BUDGET
OPERATING PASSTHROUGH AND DEBT SERVICE
1998, 1999 and 2000

TABLE 1

DESCRIPTION	1998	1999 AMENDED BUDGET	2000 ADOPTED BUDGET	CHANGE
OPERATING REVENUES				
Property Taxes	78,032,799	82,194,200	88,648,200	7.85%
State Paid HACA	(13,224,730)	(13,748,200)	(13,925,000)	1.29%
Net Property Tax	<u>64,808,069</u>	<u>68,446,000</u>	<u>74,723,200</u>	<u>9.17%</u>
Federal	7,876,747	12,334,048	15,306,310	24.10%
State Revenues	56,019,404	55,719,922	58,449,962	4.90%
State Paid HACA	13,224,730	13,748,200	13,925,000	1.29%
Total State Revenue	<u>69,244,134</u>	<u>69,468,122</u>	<u>72,374,962</u>	<u>4.18%</u>
Local	332,330	3,130,000	553,087	-82.33%
Sewer Service Charges	94,860,437	82,426,520	78,826,000	-4.37%
Industrial Strength Charges	7,798,654	8,324,000	6,233,000	-25.12%
Passenger Fares	54,549,028	55,167,100	55,766,400	1.09%
Contract & Special Event Revenue	6,833,646	7,720,000	9,342,800	21.02%
Interest	5,333,345	3,430,000	3,922,000	14.34%
Other Revenues	4,853,812	3,271,410	3,653,047	11.67%
Total Operating Revenues	<u>316,490,202</u>	<u>313,717,200</u>	<u>320,700,806</u>	<u>2.23%</u>
PASSTHROUGH REVENUES	46,385,120	46,635,732	47,660,400	2.20%
DEBT SERVICE REVENUES				
Property Taxes	21,819,860	21,607,034	22,152,200	2.52%
State HACA	4,483,860	4,207,766	4,310,100	2.43%
Sewer Service Charges/SAC Transfers	64,258,724	63,300,000	63,300,000	0.00%
Interest	1,783,935	773,852	238,000	-69.24%
Total Debt Service Revenues	<u>92,346,379</u>	<u>89,888,652</u>	<u>90,000,300</u>	<u>0.12%</u>
TOTAL	<u>455,221,701</u>	<u>450,241,584</u>	<u>458,361,506</u>	<u>1.80%</u>
EXPENDITURES				
Salary & Benefits	197,157,574	206,221,681	208,523,765	1.12%
Contracted Services	19,611,866	19,856,450	19,379,441	-2.40%
Materials & Supplies	21,894,919	19,064,000	21,780,285	14.25%
Chemicals	3,707,801	3,523,000	2,928,000	-16.89%
Rent & Utilities	15,648,486	15,433,725	15,509,940	0.49%
Insurance	3,297,410	5,213,022	4,785,369	-8.20%
Transit Assistance	30,739,388	39,279,940	42,059,205	7.08%
Capital Outlay	3,986,046	3,481,500	1,949,400	-44.01%
MOU Expenses	0	0	1,500,000	0.00%
Other Operating Expenses	11,100,369	9,012,115	8,640,381	-4.12%
Total Operating Expenditures	<u>307,143,859</u>	<u>321,085,433</u>	<u>327,055,786</u>	<u>1.86%</u>
Passthru Expenditures	37,229,415	51,942,582	56,023,711	7.86%
Debt Service Obligations	92,346,379	89,140,727	91,111,540	2.21%
Operating, Passthrough & Debt Serv. Expend.	<u>436,719,653</u>	<u>462,168,742</u>	<u>474,191,037</u>	<u>2.60%</u>
Other Sources & (Uses) of Funds	(8,473,766)	11,927,158	15,829,531	32.72%
BALANCE(DEFICIT)	<u><u>10,028,282</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	

**METROPOLITAN COUNCIL
SUMMARY BUDGET
OPERATIONS, PASSTHROUGH AND DEBT SERVICE
2000**

TABLE 2

	Council Operations	Passthrough Grants	Debt Service Funds	Total
REVENUES				
Property Tax Levy	89,926,653	12,275,382	26,865,297	129,067,332
Uncollectable portion of levy	(1,278,453)	(184,182)	(402,997)	(1,865,632)
Gross Property Tax	88,648,200	12,091,200	26,462,300	127,201,700
State Paid HACA	(13,925,000)	(1,319,300)	(4,310,100)	(19,554,400)
Net Property Tax	74,723,200	10,771,900	22,152,200	107,647,300
Federal	15,306,310	25,876,900		41,183,210
State Revenues	58,449,962	8,052,400	-	66,502,362
State Paid HACA	13,925,000	1,319,300	4,310,100	19,554,400
Total State Revenue	72,374,962	9,371,700	4,310,100	86,056,762
Local/Other	553,087	-		553,087
Sewer Service Charges	78,826,000		45,974,000	124,800,000
Industrial Strength Charges	6,233,000			6,233,000
SAC Transfers			17,326,000	17,326,000
Passenger Fares	55,766,400			55,766,400
Contract & Special Event Revenue	9,342,800			9,342,800
Interest	3,922,000	1,065,000	238,000	5,225,000
Other	3,653,047	574,900		4,227,947
Total Revenue	320,700,806	47,660,400	- 90,000,300	458,361,506
EXPENDITURES				
Salaries & Benefits	208,523,765			208,523,765
Contracted Services	19,379,441			19,379,441
Materials & Supplies	21,780,285			21,780,285
Chemicals	2,928,000			2,928,000
Utilities	13,360,202			13,360,202
Rent	2,149,738			2,149,738
Insurance	4,785,369			4,785,369
Other Operating Expenses	8,640,381			8,640,381
Transit Assistance	42,059,205			42,059,205
Passthrough Grants & Loans	-	56,023,711		56,023,711
Debt Service			91,111,540	91,111,540
Capital Expenditures	1,949,400			1,949,400
MOU Expenses	1,500,000			1,500,000
Total Expenditures	327,055,786	56,023,711	91,111,540	474,191,037
Excess (Deficiency) of Revenue Over (Under) Expenditures	(6,354,980)	(8,363,311)	(1,111,240)	(15,829,531)
OTHER SOURCES/(USES) OF FUNDS				
Property Tax Transfer from General Fund to Livable Communities Fund	(1,000,000)	1,000,000		-
Use of HRA Fund Balance	400,000			400,000
Transfer from Parks Capital to Comm Dev Div	-			-
Transfers From (To) Other Funds	(2,138,500)			(2,138,500)
Transfers for Debt Service			400,000	400,000
Transfers from Other Funds		5,030,580	-	5,030,580
Metro Environment Partnership (MOU)	1,500,000			1,500,000
Transfers from Capital Revolving Fund-ES	3,939,000			3,939,000
Use of Fund Balance	3,654,480	2,332,731	711,240	6,698,451
Total Other Financing Sources (Uses)	6,354,980	8,363,311	1,111,240	15,829,531
BALANCE/DEFICIT	-	-	-	-

**METROPOLITAN COUNCIL
2000 SUMMARY BUDGET
COUNCIL OPERATIONS**

TABLE 3

	Regional Administration	Community Development Division- General Fund	Regional Admin & Community Development Total	HRA	Environmental Services Division	Trans- portation Division	CAPITAL OUTLAY	TOTAL
EXTERNAL REVENUE								
Property Tax	4,382,170	5,690,730	10,072,900	-	-	78,575,300		88,648,200
State Paid HACA	(1,990,300)	-	(1,990,300)	-	-	(11,934,700)		(13,925,000)
Net Property Tax	2,391,870	5,690,730	8,082,600	-	-	66,640,600		74,723,200
Federal Revenues	-	103,418	103,418	3,016,998	-	12,185,894		15,306,310
State Revenues	-	18,620	18,620	339,842	-	58,091,500		58,449,962
State Paid HACA	1,990,300	-	1,990,300	-	-	11,934,700		13,925,000
Total State Revenue	1,990,300	18,620	2,008,920	339,842	-	70,026,200		72,374,962
Local	139,500	23,167	162,667	68,320		322,100		553,087
Sewer Service Charges	-	-	-	-	78,826,000			78,826,000
Industrial Strength Charges	-	-	-		6,233,000			6,233,000
Passenger Fares						55,766,400		55,766,400
Contract & Special Event Revenue						9,342,800		9,342,800
Interest	175,000	-	175,000	150,000	2,742,000	855,000		3,922,000
Other			-	97,147	600,000	2,430,900	525,000	3,653,047
Total Revenue	4,696,670	5,835,935	10,532,605	3,672,307	88,401,000	217,569,894	525,000	320,700,806
EXPENDITURES								
Salaries & Benefits	14,214,788	3,369,854	17,584,642	1,592,203	55,610,000	133,736,920		208,523,765
Contracted Services	5,892,621	587,000	6,479,621	435,618	4,990,000	7,474,202		19,379,441
Materials & Supplies	-	-	-		4,810,000	16,970,285		21,780,285
Chemicals	-	-	-		2,928,000			2,928,000
Utilities			-		10,549,000	2,811,202		13,360,202
Rent	1,615,269	218,710	1,833,979	114,659	-	201,100		2,149,738
Insurance	32,915	700	33,615	1,236,754	1,311,000	2,204,000		4,785,369
Other Operating Expenses	2,895,713	212,400	3,108,113		1,473,000	4,059,268		8,640,381
Transit Assistance	-	-	-			42,059,205		42,059,205
MOU Expenses	-	-	-		1,500,000			1,500,000
Capital Outlay	-	25,000	25,000		515,000	-	1,409,400	1,949,400
Total Expenditures	24,651,306	4,413,664	29,064,970	3,379,234	83,686,000	209,516,182	1,409,400	327,055,786
Excess/(Deficit) of Revenue vs Expense	(19,954,636)	1,422,271	(18,532,365)	293,073	4,715,000	8,053,712	(884,400)	(6,354,980)
INTERDIVISION EXPENSE ALLOCATION								
Assigned & Residual Charges-CSD'S	17,311,300		17,311,300		(9,543,300)	(7,768,000)		-
Assigned & A-87 Estimate	3,800,382	(1,701,771)	2,098,611	(564,233)		(1,534,378)		-
Planning Chargeback Exp Allocation	-	279,500	279,500		(74,800)	(204,700)		-
Capital Outlay Allocation		-	-	(16,500)	(834,900)	(33,000)	884,400	-
	21,111,682	(1,422,271)	19,689,411	(580,733)	(10,453,000)	(9,540,078)	884,400	-
NET EXPENDITURES AFTER	3,539,624	5,835,935	9,375,559	3,959,967	94,139,000	219,056,260	525,000	327,055,786
Other Sources & (Uses) of Funds:								
Opt Out Property Tax Carryforward			-	-		400,000		400,000
Transfers From (To) Other Funds						(2,138,500)		(2,138,500)
Capital Outlay	(3,000)		(3,000)					(3,000)
Property Tax Transfer from General Fund to MCES	(299,000)		(299,000)		299,000			-
Property Tax Transfer from General Fund to Livable Communities Fund	(1,000,000)	-	(1,000,000)					(1,000,000)
Transfer from Parks Capital to Comm Dev Div		-	-					-
Metro Environment Partnership (MOU)	-		-		1,500,000			1,500,000
Transfer from Capital Revolving Fund			-		3,939,000			3,939,000
Use of Fund Balance	141,954		141,954	287,660		3,224,866		3,654,480
Total Other Financing Sources/(Uses)	(1,160,046)	-	(1,160,046)	287,660	5,738,000	1,486,366		6,351,980
Balance/Deficit	(3,000)	-	(3,000)	-	0	(0)		(3,000)

METROPOLITAN COUNCIL
SUMMARY BUDGET
ENVIRONMENTAL SERVICES DIVISION
2000

TABLE 4

	Environmental Division Operations	Debt Service	Division Total
REVENUES			
State Revenue	-		-
Sewer Service Charges	78,826,000	45,974,000	124,800,000
Industrial Strength Charges	6,233,000		6,233,000
SAC Transfers		17,326,000	17,326,000
Interest	2,742,000		2,742,000
Other	600,000		600,000
Total Revenue	88,401,000	63,300,000	151,701,000
EXPENDITURES			
Salaries & Benefits	55,610,000		55,610,000
Contract Services	4,990,000		4,990,000
Materials & Supplies	4,810,000		4,810,000
Chemicals	2,928,000		2,928,000
Utilities	10,549,000		10,549,000
Insurance	1,311,000		1,311,000
Other Operating Expenses	1,473,000		1,473,000
Debt Service	-	63,300,000	63,300,000
Capital Expenditures	515,000		515,000
MOU Expenses	1,500,000		1,500,000
Total Expenditures	83,686,000	63,300,000	146,986,000
Interdivisional Expense Allocation			
Central Support Assigned & Residual Charges	(9,543,300)		(9,543,300)
Planning Chargeback Expenditure	(74,800)		(74,800)
Capital Outlay	(834,900)		(834,900)
Total Interdivisional Expense Allocation	(10,453,000)	-	(10,453,000)
TOTAL EXPENSES INCLUDING INTERDIVISIONAL ALLOCATION	94,139,000	63,300,000	157,439,000
Other Sources of Funds:			
Property Tax Transfer from General Fund	299,000		299,000
Metro Environment Partnership (MOU)	1,500,000		1,500,000
Transfer from Capital Revolving Fund	3,939,000		3,939,000
Subtotal Other Sources of Funds	5,738,000	-	5,738,000
BALANCE/DEFICIT	0	-	0

**METROPOLITAN COUNCIL
SUMMARY BUDGET-BY FUND TYPE
TRANSPORTATION DIVISION
2000**

TABLE 5

	Governmental Fund Types					
	Special Revenue Funds					
	Transportation & Transit Development	Metro Commuter Services	Transportation & Transit Development	Metro Mobility Operations	Opt-Out	Community Based Transit
Revenue						
Net Property Tax					5,158,800	1,474,200
State Paid HACA					(729,100)	(225,000)
Net Property Tax					4,429,700	1,249,200
Federal Revenues	3,203,494	640,400	3,843,894			
State Revenues	3,535,000		3,535,000	19,050,000		724,000
State Paid HACA					729,100	225,000
Total State Revenues	3,535,000		3,535,000	19,050,000	729,100	949,000
Local	162,000	160,100	322,100			
Investment Earnings	105,000		105,000			
Other				190,900		
Fares				1,831,600	1,258,000	566,500
Contract & Special Event Revenue				750,000		1,808,800
Total Revenue	7,005,494	800,500	7,805,994	21,822,500	6,416,800	4,573,500
Expenditures						
Salaries & Benefits	1,603,064	436,557	2,039,621	646,756		
Contracted Services	2,225,000	208,100	2,433,100	331,100		
Materials & Supplies						
Utilities						
Rent	88,700	34,300	123,000	78,100		
Insurance	4,000		4,000			
Transit Programs	1,012,000		1,012,000	20,242,700	4,996,900	4,610,300
Debt Service						
Passthrough Grants & Loans						
Other Operating Expenses	157,800	157,400	315,200	316,100		
Total Expenditures	5,090,564	836,357	5,926,921	21,614,756	4,996,900	4,610,300
Excess (Deficiency) of Revenue Over (Under) Expenditures	1,914,930	(35,857)	1,879,073	207,744	1,419,900	(36,800)
Interagency Cost Allocation						
Assigned & Residual Charges for Metro Transit						
A-87 Charges to T&TD Units	(1,130,778)	(178,600)	(1,309,378)	(225,000)		
Planning Chargeback Exp	(142,700)		(142,700)			
Subtotal Before Capital	(1,273,478)	(178,600)	(1,452,078)	(225,000)		
Capital Outlay		(13,000)	(13,000)	(20,000)		
Total Interagency Cost Allocation	(1,273,478)	(191,600)	(1,465,078)	(245,000)		
Excess/(Deficit) of Revenues over Expenditures Other	641,452	(227,457)	413,995	(37,256)	1,419,900	(36,800)
Opt Out Property Tax Carryforward						
Transfers From (To) Other Funds	(1,750,000)		(1,750,000)		(616,650)	214,461
Use of Fund Balance	1,108,548	227,457	1,336,005	37,256		36,800
Balance					803,250	214,461
ANALYSIS OF CHANGES IN FUND BALANCE						
Fund Balance January 1, 2000	8,715,849		8,715,849	3,080,048	4,714,584	1,745,799
Transfers From (To) Other Funds	(1,750,000)		(1,750,000)		(616,650)	214,461
Excess(Deficit) of Revenues over Expenditures	641,452	(227,457)	413,995	(37,256)	1,419,900	(36,800)
Non-operating Fund Transfers-Opt Out Carryover					(225,500)	70,000
Fund Balance Dec 31, 2000	7,607,301	(227,457)	7,379,844	3,042,792	5,292,334	1,993,460

METROPOLITAN COUNCIL
SUMMARY BUDGET-BY FUND TYPE
TRANSPORTATION DIVISION
2000

TABLE 5

		Proprietary Fund Types				
		Enterprise Fund				
Regular Route	Subtotal Special Rev	Metro Transit	Division Operating Total	Debt Service Fund	Passthrough	Memo Total
4,422,600	11,055,600	67,519,700	78,575,300	20,088,000	1,125,300	99,788,600
(675,000)	(1,629,100)	(10,305,600)	(11,934,700)	(3,044,300)	(223,500)	(15,202,500)
3,747,600	9,426,500	57,214,100	66,640,600	17,043,700	901,800	84,586,100
	3,843,894	8,342,000	12,185,894			12,185,894
3,395,500	26,704,500	31,387,000	58,091,500			58,091,500
675,000	1,629,100	10,305,600	11,934,700	3,044,300	223,500	15,202,500
4,070,500	28,333,600	41,692,600	70,026,200	3,044,300	223,500	73,294,000
	322,100		322,100			322,100
	105,000	750,000	855,000	180,000	366,000	1,401,000
	190,900	2,240,000	2,430,900			2,430,900
532,300	4,188,400	51,578,000	55,766,400			55,766,400
	2,558,800	6,784,000	9,342,800			9,342,800
8,350,400	48,969,194	168,600,700	217,569,894	20,268,000	1,491,300	239,329,194
	2,686,377	131,050,543	133,736,920			133,736,920
	2,764,200	4,710,002	7,474,202			7,474,202
		16,970,285	16,970,285			16,970,285
		2,811,202	2,811,202			2,811,202
	201,100		201,100			201,100
	4,000	2,200,000	2,204,000			2,204,000
11,197,305	42,059,205		42,059,205			42,059,205
				21,061,270		21,061,270
					4,296,720	4,296,720
	631,300	3,427,968	4,059,268			4,059,268
11,197,305	48,346,182	161,170,000	209,516,182	21,061,270	4,296,720	234,874,172
(2,846,905)	623,012	7,430,700	8,053,712	(793,270)	(2,805,420)	4,455,022
		(7,768,000)	(7,768,000)			(7,768,000)
	(1,534,378)		(1,534,378)			(1,534,378)
	(142,700)	(62,000)	(204,700)			(204,700)
	(1,677,078)	(7,830,000)	(9,507,078)			(9,507,078)
	(33,000)		(33,000)			(33,000)
	(1,710,078)	(7,830,000)	(9,540,078)			(9,540,078)
(2,846,905)	(1,087,066)	(399,300)	(1,486,366)	(793,270)	(2,805,420)	(5,085,056)
		400,000	400,000			400,000
13,689	(2,138,500)		(2,138,500)		1,592,580	(545,920)
1,814,805	3,224,866		3,224,866	793,270	1,212,840	5,230,976
(1,018,411)	(700)	700	(0)			(0)
4,714,718	22,970,998	11,619,596	34,590,594	22,666,067	23,796,384	81,053,045
13,689	(2,138,500)		(2,138,500)		1,592,580	(545,920)
(2,846,905)	(1,087,066)	(399,300)	(1,486,366)	(793,270)	(2,805,420)	(5,085,056)
13,500	(142,000)	400,000	258,000			258,000
1,895,002	19,603,432	11,620,296	31,223,728	21,872,797	20,990,964	75,680,069

**METROPOLITAN COUNCIL
COMMUNITY DEVELOPMENT DIVISION
2000 UNIFIED BUDGET**

TABLE 6

	OPERATING FUNDS					
	GENERAL FUND					
	Comprehensive Planning	GIS	Research	Parks & Open Space	Radio	Livable Communities
REVENUES:						
Property Tax						
State Paid HACA						
Net Property Tax						
Federal Revenues						
State Revenues						
State Paid HACA						
Total State Revenues						
Local Revenues						
Investment Earnings						
Other Revenue						
Total Revenue						
EXPENDITURES:						
Salaries & Benefits	922,437	717,046	610,284	143,086	82,724	721,766
Consulting & Contractual Services	55,000	380,000	62,000			90,000
Rent	46,483	68,983	37,280	8,183	5,456	18,985
Other Operating Expenses	59,820	67,600	36,500	7,500	5,300	24,430
Insurance					700	
Capital Outlay		25,000				
Pass-Through Grants & Loans						
Debt Service						
Total Expenditures	1,083,740	1,258,629	746,064	158,769	94,180	855,181
Surplus/(Deficit)	(1,083,740)	(1,258,629)	(746,064)	(158,769)	(94,180)	(855,181)
Other Financing Sources (Uses)						
Expense Allocations: (expense)/revenue						
Direct & Residual Admin Charge-A 87						
Planning Chargeback						
Subtotal Allocations						
Net Expenditure Budget Authority						
Other Sources & Uses of Funds						
Transfers from other funds						
Transfers to Other Funds						
Use of Fund Balance						
Total						
Total Other Financing Sources (Uses)						
Balance/(Deficit)	(1,083,740)	(1,258,629)	(746,064)	(158,769)	(94,180)	(855,181)

**METROPOLITAN COUNCIL
COMMUNITY DEVELOPMENT DIVISION
2000 UNIFIED BUDGET**

TABLE 6

				DEBT SERVICE	PASSTHROUGH			
GENERAL FUND					Special Revenue Funds			
Division Management	Subtotal CDD- General Fund	Special Revenue Fund- HRA-	Total Operating		General Fund	HRA	All Other Funds	Memo Total
5,690,730	5,690,730		5,690,730	6,374,300		10,965,900	23,030,930	
				(1,265,800)		(1,095,800)	(2,361,600)	
5,690,730	5,690,730		5,690,730	5,108,500		9,870,100	20,669,330	
	103,418	3,016,998	3,120,416			25,876,900	28,997,316	
18,620	18,620	339,842	358,462		4,500,000	1,552,400	8,410,862	
				1,265,800		1,095,800	2,361,600	
18,620	18,620	339,842	358,462	1,265,800	4,500,000	1,552,400	3,095,800	
23,167	23,167	68,320	91,487				91,487	
		150,000	150,000	58,000			859,000	
		97,147	97,147			574,900	672,047	
5,732,517	5,835,935	3,672,307	9,508,242	6,432,300	4,500,000	28,004,200	13,616,900	
							62,061,642	
172,511	3,369,854	1,592,203	4,962,057				4,962,057	
	587,000	435,618	1,022,618				1,022,618	
33,340	218,710	114,659	333,369				333,369	
11,250	212,400	1,236,754	1,449,154				1,449,154	
	700		700				700	
	25,000	16,500	41,500				41,500	
					4,500,000	28,004,200	15,975,038	
				6,750,270			48,479,238	
							6,750,270	
217,101	4,413,664	3,395,734	7,809,398	6,750,270	4,500,000	28,004,200	15,975,038	
5,515,416	1,422,271	276,573	1,698,844	(317,970)			63,038,906	
							(2,358,138)	
							(977,264)	
(1,701,771)	(1,701,771)	(564,233)	(2,266,004)				(2,266,004)	
279,500	279,500		279,500				279,500	
(1,422,271)	(1,422,271)	(564,233)	(1,986,504)				(1,986,504)	
1,639,372	5,835,935	3,959,967	9,795,902	6,750,270	4,500,000	28,004,200	15,975,038	
							65,025,410	
				400,000			1,000,000	
							1,400,000	
		287,660	287,660	(82,030)			1,358,138	
							1,563,768	
		287,660	287,660	317,970			2,358,138	
							2,963,768	
		287,660	287,660	317,970			2,358,138	
							2,963,768	
4,093,145								

**METROPOLITAN COUNCIL
SUMMARY BUDGET
REGIONAL ADMINISTRATION
2000**

TABLE 7

GENERAL FUND									
	Legal	Internal Audit	Diversity	Human Resources	Commun- ications	Fiscal Services	Information Services	Y2K	Special Projects
REVENUES:									
Property Tax									
State Paid HACA									
Net Property Tax									
Federal Revenues									
State Revenue									
State Paid HACA									
Total State Revenues									
Local Revenues									
Investment Earnings									
Other Revenues									
Total Revenue									
EXPENDITURES:									
Salaries & Benefits	726,682	489,452	482,283	1,729,580	816,272	1,381,116	4,245,373	89,147	1,548,450
Consulting Contractual Services	1,029,840		35,300	496,550	458,000	711,400	2,608,531		
Rent	95,286	20,297	6,744	101,613	90,083	102,384	174,900	70,000	
Other Operating Expenses	13,500	19,327	10,881	366,830	178,800	107,100	1,686,300		
Insurance									
Non-governmental Grants									
Total Gross Expenditures	1,865,308	529,076	535,208	2,694,573	1,543,155	2,302,000	8,715,104	159,147	1,548,450
Other Financing Sources (Uses)									
Interdivisional Expense Allocations									
Assigned Charges-ES & MT									
Residual Charges-ES & MT									
Assigned & A-87-Community Development									
Assigned & A-87 -HRA									
Assigned & A-87 -Transportation & Transit Development									
Subtotal Allocations									
NET EXPENDITURE BUDGET AUTHORITY									
Other Financing Sources (Uses) & Fund Transfers									
Property Tax Transfer to MCES									
Property Tax Transfer to Livable Communities Program									
General Fund Support for Capital Expenditures									
Transfer from Environmental Services									
Fund Balance-RA									
Total Other Financing Sources (Uses)									
Balance/(Deficit)									

*Expenditures for Y2K are included in expenditure line items above

METROPOLITAN COUNCIL
SUMMARY BUDGET
REGIONAL ADMINISTRATION
2,000

TABLE 7 (continued)

GENERAL FUND										SPECIAL REVENUE FUND
Central Services	Library	Risk Management	Budget & Evaluation	Inter- Governmental Relations	Office of the Regional Administrator	Council & Office of the Chair	Regional Administration Before Cost Allocation	Other & Cost Allocation	Net Regional Administration Budget	Twin City Water Quality Initiative Passthrough(99)
								4,382,170	4,382,170	
								(1,990,300)	(1,990,300)	
								2,391,870	2,391,870	
								1,990,300	1,990,300	
								1,990,300	1,990,300	
								175,000	175,000	8,000
								139,500	139,500	
								4,696,670	4,696,670	8,000
345,495	103,761	830,579	231,265	162,352	394,809	510,594	14,087,210	127,578	14,214,788	
465,000	10,000	10,000	26,000	42,000			5,892,621		5,892,621	
815,015	36,371		13,296	15,833	45,796	27,651	1,615,269		1,615,269	
325,100	22,000	24,450	15,592	8,992	31,826	85,015	2,895,713		2,895,713	
		32,915					32,915		32,915	
										2,547,753
1,950,610	172,132	897,944	286,153	229,177	472,431	623,260	24,523,728	127,578	24,651,306	2,547,753
								(11,940,320)	(11,940,320)	
								(5,370,980)	(5,370,980)	
								(1,701,771)	(1,701,771)	
								(564,233)	(564,233)	
								(1,534,378)	(1,534,378)	
								(21,111,682)	(21,111,682)	
							24,523,728	(20,984,104)	3,539,624	2,547,753
								(299,000)	(299,000)	
								(1,000,000)	(1,000,000)	
								(3,000)	(3,000)	
										3,438,000
								141,954	141,954	(898,247)
								(1,160,046)	(1,160,046)	2,539,753
							(24,523,728)	24,520,728	(3,000)	

TABLE 8
CURRENT REVENUES AND OTHER SOURCES OF FUNDS FOR OPERATIONS
1997-2000 BUDGET

	1997 Revised	1998 Revised	1999 Budget	2000 Proposed
Community Development and Regional Administration				
General Operations Property Tax Levy:				
Gross Levy	9,354,600	9,694,600	10,174,600	10,174,600
Less: Estimated Uncollectible	(187,100)	(193,900)	(203,500)	(101,700)
Net Levy Available for Operations	9,167,500	9,500,700	9,971,100	10,072,900
Less: State HACA Payments	(1,969,839)	(1,735,389)	(1,841,174)	(1,865,400)
Net Levy from Property Taxpayers	7,197,661	7,765,311	8,129,926	8,207,500
Federal Revenues:				
Department of Housing and Urban Development:				
Housing Assistance Administrative Fees	2,853,700	2,682,900	2,880,958	2,950,578
Portability Program Administrative Fees	237,300	142,500	114,410	97,147
Counseling Services	-	321,000	61,990	66,420
Department of the Interior-National Park Service	79,500	70,000	110,000	-
Federal Subtotal	3,170,500	3,216,400	3,167,358	3,114,145
State Revenues:				
State HACA	1,969,839	1,735,389	1,841,174	1,865,400
MHFA Administrative Fees	205,700	224,300	226,222	339,842
MnDOT	-	-	-	18,620
State Subtotal	2,175,539	1,959,689	2,067,396	2,223,862
Regional Agencies:				
Metropolitan Airports Commission	41,000	41,000	41,000	25,567
Metropolitan Sports Facilities Commission	5,000	5,000	2,000	2,100
Regional Agency Subtotal	46,000	46,000	43,000	27,667
Interest Income:				
General Fund	180,000	200,000	200,000	175,000
HRA Operating Reserve	50,000	187,621	100,000	150,000
Interest Income Subtotal	230,000	387,621	300,000	325,000
Other Revenue:				
Regional Event Income	-	-	-	-
Data Center Sales	10,500	11,000	10,000	10,000
HRA Local Revenue	68,200	68,200	67,520	68,320
Investment Service Fees	-	-	-	125,000
Miscellaneous	-	-	-	-
Other Revenue Subtotal	78,700	79,200	77,520	203,320
Total Current Revenues	13,478,700	14,307,921	14,312,200	14,626,494

TABLE 8
CURRENT REVENUES AND OTHER SOURCES OF FUNDS FOR OPERATIONS
1997-2000 BUDGET

	1997 Revised	1998 Revised	1999 Budget	2000 Proposed
Other Sources:				
Parks Capital Fund Balance for Park Research	485,000	45,000	158,000	-
General Fund Balance for GIS	450,000	-	-	-
Other Sources Subtotal	935,000	45,000	158,000	-
Total Current Revenues and Other Sources	14,413,700	14,352,921	14,470,200	14,626,494
Less: Transfer to Transportation	(289,000)	(289,000)	-	-
Less: Transfer to Environmental Services	(299,432)	(299,432)	(199,000)	(299,000)
Less: Transfer for Livable Communities	(330,000)	(670,000)	(1,000,000)	(1,000,000)
Net Revenues and Other Sources	13,495,268	13,094,489	13,271,200	13,327,494
Regional Administration and Community Development				

TABLE 8
CURRENT REVENUES AND OTHER SOURCES OF FUNDS FOR OPERATIONS
1997-2000 BUDGET

	1997 Revised	1998 Revised	1999 Budget	2000 Proposed
Environmental Services Division				
User Fees:				
Sewer Service Charges (Operations Only)	94,997,000	92,518,000	82,359,000	78,826,000
Industrial Strength Charges	10,050,000	9,178,000	7,257,000	5,252,000
Unspecified User Fees	-	-	1,067,000	-
Load Charges	200,000	-	-	211,000
Industrial Discharge Permit Fees	190,000	-	-	520,000
Add-On Service Charge	310,000	-	-	250,000
User Fee Subtotal	105,747,000	101,696,000	90,683,000	85,059,000
Federal Revenues:				
Environmental Protection Agency-Lake MaCarrons	-	-	-	-
Federal Subtotal	-	-	-	-
State Revenues:				
Pollution Control Agency	-	-	114,000	300,000
State Subtotal	-	-	-	-
Interest Income/Other Revenue:				
Interest Income	610,000	618,000	2,280,000	2,742,000
Lake Survey Fees-Cities and WMOs	60,000	60,000	64,000	64,000
Other Miscellaneous Revenue	157,000	160,000	160,000	236,000
Other Revenue Subtotal	827,000	838,000	2,504,000	3,042,000
Total Current Revenues-Environmental Services	106,574,000	102,534,000	93,301,000	88,401,000
Other Sources:				
Transfer of General Fund Property Tax Receipts	299,000	306,000	199,000	299,000
Other Sources Subtotal	299,000	306,000	1,199,000	1,799,000
Total Current Revenues and Other Sources- Environmental Services	106,873,000	102,840,000	94,500,000	90,200,000

TABLE 8
CURRENT REVENUES AND OTHER SOURCES OF FUNDS FOR OPERATIONS
1997-2000 BUDGET

	1997 Revised	1998 Revised	1999 Budget	2000 Proposed
Transportation Division				
Transit Operations Property Taxes (Net Proceeds):				
Total Property Tax Receipts	73,152,884	77,385,774	83,111,100	89,951,000
Less: Local Option Opt Out	(9,208,089)	(8,985,131)	(10,540,000)	(11,376,000)
Net Tax Receipts Available for Operations	63,944,795	68,400,643	72,571,100	78,575,000
Less: State HACA Payments	(11,212,900)	(11,324,100)	(11,677,000)	(11,935,000)
Net Tax Receipts from Property Taxpayers	52,731,895	57,076,543	60,894,100	66,640,000
Federal Revenues:				
ISTEA	800,000	1,600,000	1,600,000	1,450,000
Federal Highway Administration	900,000	1,433,000	1,698,100	1,784,000
Federal Transit Administration:	-	-	-	-
Section 8 Planning	400,000	506,800	610,000	610,000
Section 3 Team Transit	-	-	-	-
Section 9 Operating	5,610,000	5,373,000	5,373,000	8,073,000
Federal Subtotal	7,710,000	8,912,800	9,281,100	11,917,000
State Revenues:				
State HACA	11,212,900	11,324,100	11,677,000	11,935,000
General Transit Assistance	44,569,760	52,110,000	55,493,700	58,092,000
High Speed Bus	-	-	-	-
Welfare-to-Work	-	-	-	-
State Subtotal	55,782,660	63,434,100	67,170,700	70,027,000
Passenger Fares:				
Transit Operations	48,780,200	49,821,500	51,283,000	51,715,000
Metro Mobility	2,365,340	1,600,000	1,300,000	1,832,000
Other Transit Providers	-	1,888,332	1,073,100	2,357,000
Passenger Fare Subtotal	51,145,540	53,309,832	53,656,100	55,904,000
Interest Income/Other Revenue:				
Interest Income	430,100	1,149,000	1,110,000	855,000
Performance Standards Set-Asides	2,365,340	1,600,000	1,300,000	1,832,000
Property Taxes-Local Option Opt Outs	213,546	208,730	-	-
State Appropriation-Transit Operations	180,000	-	-	-
Transit Operations Contract Revenue	4,135,000	4,092,000	6,865,000	7,741,000
Metro Mobility Contract Revenue	63,000	753,000	750,000	750,000
Transit Operations Other Revenue	2,364,000	1,875,000	2,291,000	2,240,000
Metro Mobility Other Revenue	162,520	126,200	126,200	191,000
Other Revenue	240,000	-	-	2,131,000
Other Revenue Subtotal	7,788,166	8,203,930	11,142,200	13,908,000
Total Current Revenues-Transportation	175,158,261	190,937,205	202,144,200	218,396,000
Other Sources:				
Transfer of General Fund Property Tax Receipts	289,000	289,000	-	-
Other Sources Subtotal	289,000	289,000	-	-
Total Current Revenues and Other Sources- Transportation	175,447,261	191,226,205	202,144,200	218,396,000

**TABLE 9
METROPOLITAN COUNCIL
PROPERTY TAX LEVY HISTORY**

Purpose of Tax Levy	Actual Payable 1997	Actual Payable 1998	Actual Payable 1999	Adopted Payable 2000
Certified or Proposed Gross Levies:				
General Levy				
General Purposes	9,024,600	9,024,600	9,174,600	9,174,600
Transfer to Livable Communities	330,000	670,000	1,000,000	1,000,000
Subtotal-General	9,354,600	9,694,600	10,174,600	10,174,600
Transit Operating District				
Total Levy	73,957,923	78,179,845	83,682,924	90,055,080
Less: Local Option Levies	9,396,009	9,168,501	10,755,117	11,549,029
Net Regional Levy	64,561,914	69,011,344	72,927,807	78,506,051
Transit Operating Area	905,554	1,008,581	1,124,337	1,246,002
Highway Right-of-Way	-	2,142,932	2,159,302	1,142,446
Livable Communities				
Tax Base Revitalization-Highway ROW	2,010,014	-	-	-
Tax Base Revitalization-Fiscal Disparities	5,000,000	5,000,000	5,000,000	5,000,000
Demonstration Account	4,954,799	5,282,450	5,116,080	6,132,936
Sewer Deficiency	-	-	-	-
Subtotal - Non Debt	86,786,881	92,139,907	96,502,126	102,202,035
Solid Waste Debt Service	-	-	-	-
Parks Debt Service	4,505,737	5,888,349	5,725,500	6,047,814
Transit Debt Service	18,814,877	20,109,549	20,190,351	20,393,958
Radio Debt Service	-	438,898	425,825	423,525
Subtotal - Debt Service	23,320,614	26,436,796	26,341,676	26,865,297
Total	110,107,495	118,576,703	122,843,802	129,067,332
Transit Portion	84,282,345	90,129,474	94,242,495	100,146,011
General Portion	25,825,150	28,447,229	28,601,307	28,921,321
Statutory Levy Limits:				
General Operations	9,917,325	10,135,506	10,317,945	10,472,714
Highway ROW	2,010,014	2,142,932	2,159,302	2,333,630
Livable Comm. Tax Base Revitalization	-	2,142,932	2,159,302	-
Livable Comm. Fiscal Disparity	5,000,000	5,000,000	5,000,000	5,000,000
Livable Comm. Demonstration Acct	4,954,799	5,282,450	5,674,788	6,132,936
Transit Operations District				
Total Levy Limit	73,957,923	78,523,494	84,018,254	90,585,709
Less: Certified Local Option Levies	9,396,009	9,168,501	10,755,117	12,079,674
Regional Levy Limit	64,561,914	69,354,993	73,263,137	78,506,035
Transit Operations Area	905,776	1,008,581	1,124,337	1,246,002

TABLE 10
METROPOLITAN COUNCIL
1997-2000 DEBT SERVICE

	1997 Actual	1998 Revised	1999 Budget	2000 Projected
Parks and Open Space:				
Certified Levies	4,505,736	5,888,349	5,725,500	6,047,814
Less: Estimated Uncollectible	(10,812)	(117,749)	(114,500)	(90,714)
Net Current Tax Receipts	4,494,924	5,770,600	5,611,000	5,957,100
Revenues:				
Property Taxes	3,542,195	4,686,260	4,574,926	4,774,100
State HACA	952,729	1,084,340	1,036,074	1,183,000
Interest Income	678,832	579,853	579,852	40,000
Other Revenues	-	-	-	-
Total Revenues	5,173,756	6,350,453	6,190,852	5,997,100
Proceeds from Bonds	-	-	-	-
Use of Fund Balance	-	-	-	-
Total Revenues and Other Sources	5,173,756	6,350,453	6,190,852	5,997,100
Expenditures:				
Principal Repayment	2,030,000	2,935,000	3,985,000	4,675,000
Interest Expense/Fiscal Charges	1,896,586	2,140,658	2,046,060	1,276,097
Total Expenditures	3,926,586	5,075,658	6,031,060	5,951,097
Fund Balance for Future Debt Service	1,247,170	1,274,795	159,792	46,003
Total Expenditures and Other Uses	5,173,756	6,350,453	6,190,852	5,997,100
Fund Balance, Year End	16,315,948	17,590,743	17,750,535	17,796,538

TABLE 10
METROPOLITAN COUNCIL
1997-2000 DEBT SERVICE

	1997 Actual	1998 Revised	1999 Budget	2000 Projected
Solid Waste:				
Certified Levies	-	-	-	-
Less: Estimated Uncollectible	1,127	-	-	-
Net Current Tax Receipts	1,127	-	-	-
Revenues:				
Property Taxes	1,127	-	-	-
State HACA	-	-	-	-
Interest Income	10,552	2,100	9,100	10,100
Other Revenues	-	-	-	-
Total Revenues	11,679	2,100	9,100	10,100
Transfer from Other Funds	-	400,000	400,000	400,000
Use of Fund Balance	419,479	32,050	-	-
Total Revenues and Other Sources	431,158	434,150	409,100	410,100
Expenditures:				
Principal Repayment	245,000	265,000	260,000	325,000
Interest Expense/Fiscal Charges	186,158	169,150	115,766	80,815
Total Expenditures	431,158	434,150	375,766	405,815
Fund Balance for Future Debt Service	-	-	33,334	4,285
Total Expenditures and Other Uses	431,158	434,150	409,100	410,100
Residual Equity Transfer	-	-	-	-
Fund Balance, Year End	84,273	52,223	85,557	89,842

TABLE 10
METROPOLITAN COUNCIL
1997-2000 DEBT SERVICE

	1997 Actual	1998 Revised	1999 Budget	2000 Projected
Transit:				
Certified Levies	18,814,877	20,109,549	20,190,351	20,393,958
Less: Estimated Uncollectible	(105,388)	(402,149)	(403,851)	(305,958)
Net Current Tax Receipts	18,709,489	19,707,400	19,786,500	20,088,000
Revenues:				
Property Taxes	15,474,494	16,446,954	16,691,865	17,043,700
State HACA	3,234,995	3,260,446	3,094,635	3,044,300
Interest Income	568,404	180,000	180,000	180,000
Other Revenues	-	-	-	-
Total Revenues	19,277,893	19,887,400	19,966,500	20,268,000
Proceeds from Bonds	9,332,252	-	-	-
Refunding Bonds Held in Escrow	-	-	-	-
Use of Fund Balance	-	-	-	793,270
Total Revenues and Other Sources	28,610,145	19,887,400	19,966,500	21,061,270
Expenditures:				
Principal Repayment	12,495,000	14,230,000	15,250,000	15,355,000
Principal Refunding	9,300,000	-	-	1,325,000
Interest Expense/Fiscal Charges	3,684,373	3,891,763	3,883,353	4,381,270
Total Expenditures	25,479,373	18,121,763	19,133,353	21,061,270
Fund Balance for Future Debt Service	3,130,772	1,765,637	833,147	-
Total Expenditures and Other Uses	28,610,145	19,887,400	19,966,500	21,061,270
Fund Balance, Year End	20,067,283	21,832,920	22,666,067	21,872,797
Recap:				
Current Year Principal and Interest	16,179,373	18,121,763	19,133,353	19,736,270
Bond Refundings	9,300,000	-	-	1,325,000

TABLE 10
METROPOLITAN COUNCIL
1997-2000 DEBT SERVICE

	1997 Actual	1998 Revised	1999 Budget	2000 Projected
800 Megahertz Radio:				
Certified Levies	-	438,898	425,825	423,525
Less: Estimated Uncollectible	-	(8,798)	(8,525)	(6,325)
Net Current Tax Receipts	-	430,100	417,300	417,200
Revenues:				
Property Taxes	-	349,277	340,244	334,400
State HACA	-	80,823	77,056	82,800
Interest Income	216	-	4,900	7,900
Other Revenues	-	-	-	-
Total Revenues	216	430,100	422,200	425,100
Proceeds from Bonds	-	-	-	-
Use of Fund Balance	-	-	-	-
Total Revenues and Other Sources	216	430,100	422,200	425,100
Expenditures:				
Principal Repayment	-	-	160,000	265,000
Interest Expense/Fiscal Charges	-	257,998	140,548	128,358
Total Expenditures	-	257,998	300,548	393,358
Fund Balance for Future Debt Service	216	172,102	121,652	31,742
Total Expenditures and Other Uses	216	430,100	422,200	425,100
Fund Balance, Year End	216	172,318	293,970	325,712

TABLE 10
METROPOLITAN COUNCIL
1997-2000 DEBT SERVICE

	1997 Actual	1998 Revised	1999 Budget	2000 Projected
Environmental Services:				
MCES Debt Service (Budget Basis)				
Revenues and Other Sources:				
Sewer Service Charges	46,038,668	45,856,978	47,736,000	45,974,000
Transfer from SAC Fund	16,429,000	18,503,000	15,564,000	17,326,000
Total Revenues and Other Sources	62,467,668	64,359,978	63,300,000	63,300,000
Expenditures:				
Local Government Debt	183,688	57,140	30,000	-
Current Value Credits	4,120,232	4,107,299	3,351,000	3,092,000
Transfer to Sewer Bond Fund	58,163,748	60,195,539	59,919,000	60,208,000
Total Expenditures	62,467,668	64,359,978	63,300,000	63,300,000
Sewer Bond Fund				
Revenues and Other Sources:				
Interest Income	1,420,842	1,167,000	1,089,000	825,000
Other Revenues	-	-	-	-
Transfers from Environmental Services	58,163,748	60,195,539	59,919,000	60,208,000
Total Revenues and Other Sources	59,584,590	61,362,539	61,008,000	61,033,000
Expenditures:				
Principal Repayments	33,815,000	35,680,000	37,985,000	41,365,000
Interest Expense/Fiscal Charges	27,796,693	27,925,000	23,619,000	25,910,560
Total Expenditures	61,611,693	63,605,000	61,604,000	67,275,560
Fund Balance, Year End	22,347,493	20,105,032	19,509,032	13,266,472

TABLE 10
METROPOLITAN COUNCIL
1997-2000 DEBT SERVICE

	1997 Actual	1998 Revised	1999 Budget	2000 Projected
Environmental Services debt service excludes crossover refundings funded from refunding bonds held in escrow (Refundings of \$80,000,000 in 1996, \$29,200,000 in 1997 and \$28,400,000 in 1998).				
Combined-All Debt Service:				
Revenues:				
Property Taxes	19,017,816	21,482,490	21,607,034	22,152,200
State HACA	4,187,724	4,425,610	4,207,766	4,310,100
Sewer Service Charges/SAC Transfers	62,467,668	64,359,978	63,300,000	63,300,000
Interest Income	1,258,004	761,953	773,852	238,000
Other Income	-	-	-	-
Total Revenues	86,931,212	91,030,031	89,888,652	90,000,300
Other Sources:	-	-	-	-
Proceeds from Bonds	9,332,252	-	-	-
Refunding Bonds Held in Escrow	-	-	-	-
Transfers from Other Funds	-	400,000	400,000	400,000
Use of Fund Balance	419,479	32,050	-	793,270
Total Other Sources	9,751,731	432,050	400,000	1,193,270
Total Revenues and Other Sources	96,682,943	91,462,081	90,288,652	91,193,570
Expenditures by Function:				
Parks Debt Service	3,926,586	5,075,658	6,031,060	5,951,097
Solid Waste Debt Service	431,158	434,150	375,766	405,815
Transit Debt Service	25,479,373	18,121,763	19,133,353	21,061,270
800 Radio System Debt Service	-	257,998	300,548	393,358
Environmental Services Debt Service	62,467,668	64,359,978	63,300,000	63,300,000
Certificates of Indebtedness	-	-	-	-
Total Expenditures	92,304,785	88,249,547	89,140,727	91,111,540
Fund Balance for Future Debt Service	4,378,158	3,212,534	1,147,925	82,030
Total Expenditures and Other Uses	96,682,943	91,462,081	90,288,652	91,193,570
Recap:				
Current Year Principal and Interest	83,004,785	88,249,547	89,140,727	89,786,540
Bond Refunding	9,300,000	-	-	1,325,000

TABLE 11
METROPOLITAN COUNCIL
STAFF COMPLEMENT IN FTE's FOR 1999-2000

	Amended 1999	2000
CHAIR AND REGIONAL ADMINISTRATOR'S OFFICES		
Council and Chair's Office	2	2
Regional Administrator's Office	4	4
Human Resources	26.5	26.5
Diversity	8	8
Internal Audit	6	6
Intergovernmental Relations	1.8	2
Public Safety	1	
Risk Management	17	16
Communications and Data Center	14	14
Library	2	2
Legal	10	10
Fiscal Services	27.8	24.8
Information Services	79.15	86.15
Central Services	9.5	8.5
Budget and Evaluation	4	3
Regional Administration	212.75	212.95
COMMUNITY DEVELOPMENT		
Division Director Office	2	2
GIS	11	12
Livable Communities	7	10
Research	11	10
HRA	29	31
Comprehensive Planning	20	14
Parks and Open Space	2	2
Radio	2	1
Community Development	84	82
Total Regional Administration & Planning	296.75	294.95
ENVIRONMENTAL SERVICES DIVISION		
Division Director Offices	32	24.5
Wastewater Services	769.8	656.8
Environmental Planning/Evaluation	144.1	133
Subtotal	945.9	814.3
Additional Budgeted Reductions	(35.00)	(13.20)
*Total Environmental Services Division	910.9	801.1
SUBTOTAL	1207.65	1096.05
TRANSPORTATION DIVISION		
Transportation & Transit Development	25	25
Metro Mobility	12	12
Rideshare	9	9
Total Other Transit	46	46
Metro Transit		
Drivers	1544.4	1522.4
Mechanics	477.8	484.4
Administration-General	265.2	293.6
Administration-Clerical	200.7	201.1
Administration-Police	30	30
Total Metro Transit	2518.1	2531.5
TOTAL FTE' S	3771.75	3673.55

Metropolitan Council 2000 Unified Budget

Environmental Services Division

MISSION Metropolitan Council Environmental Services (MCES) exists to support Council-guided regional development and to protect the public health and environment by ensuring the integration of water resources plans and providing the most effective means for wastewater collection and treatment.

STRATEGIC GOALS

Four Strategic Goals have been identified to focus the organization's efforts on achievement of its mission. The Strategic Goals were developed within the broad regional context, recognizing that the Division must balance the diverse interests included in the Council's *Regional Blueprint*, provide services within an equitable rate system, support regional economic vitality and demonstrate that government adds value to society. The Strategic Goals, and their associated deliverables, are:

	Strategic Goal	Deliverable
1. Customer Service	Demonstrate customer service and accountability.	Customer satisfaction
2. Strategic Development	Meet regional needs through strategic plans and their implementation.	Sustainable regional environment
3. Water Resources Management	Integrate water resources management and comply with regulatory requirements.	Fishable/swimmable waters; quality collection and treatment of wastewater
4. Cost Competitive Business Processes	Employ effective and efficient business processes.	Cost-competitive rates and processes

TACTICAL GOALS*

The following tactical goals provide near-term (one to plus or minus five years) business direction for MCES and serve as key milestones to guide the long-term delivery of Strategic Goals. The tactical goals, and the actions that supplement them, reflect the acceleration of change for the Division. The tactical goals, aligned with the Strategic Goals and associated with MCES's key business processes, are:

Strategic Goal	Tactical Goal
Customer Service	1. Design & implement coordinated customer relations management process, consistent with agency commitments.
Strategic Development	2. Develop integrated, sustainable approaches for water policy planning and implementation. 3. Develop strategic business plan and facilitate its effective implementation.
Water Resources Management	4. Deliver cost-beneficial point/nonpoint source programs & comply with regulatory requirements.
Cost-Competitive Business Processes	5. Deliver competitive & equitable services & rates for current and future customers. 6. Design and implement human resources staffing and development plan.

2000 KEY WORK PROGRAM ACTIVITIES

MCES's work programs are linked to its Key Business Processes. These business processes and corresponding primary objectives are listed below.

	Key Business Processes	Purpose
1	Customer Relations Management	To proactively manage, communicate and measure the effectiveness of MCES customer service delivery.
2	Strategic Development	To proactively participate in supporting and defining regional development requirements. To implement those work items fundamental to sustaining MCES' ability to meet current and future customer requirements, and achieve the organizational vision, mission, principles and key deliverables. The Strategic Planning process ensures the organization is focused on doing the right things, right.
3	Process Improvement	To implement program management, process improvement and organizational change tools to ensure that MCES is managed with high-performance organizational processes.
4	Water Resources Planning	To ensure environmental quality is sustained for future generations and to coordinate with capital planning.
5	Capital Planning	To ensure facilities are designed, constructed and maintained to meet regional and customer objectives and ensure regional environmental sustainability, fishable/swimmable waters, quality collection and treatment of wastewater, and cost-competitive service rates.
6	Wastewater Collection and Treatment	To provide fishable/swimmable waters and cost-competitive service rates through quality collection and treatment of wastewater.
7	Maintenance and Materials Management	To plan, purchase, distribute materials and services, manage contract obligations, manage inventories and measure performance results so MCES can achieve its key deliverables. To maintain and repair equipment used for wastewater collection and treatment. To ensure that adequate maintenance procedures are employed to meet water quality and service cost objectives.
8	Financial Management	To ensure financial integrity and equitable and cost-competitive service rates by efficiently and effectively managing MCES financial obligations.
9	Information Management	To ensure timely, accurate, and cost effective information requirements are delivered to end users so they can productively support MCES business needs.
10	Human Resources Management	To enable MCES employees to provide value-added and cost-efficient services to internal and external customers.

Performance of the division is monitored and reported on a quarterly basis to the Environment Committee using a balanced scorecard approach that captures the deliverables associated with MCES's strategic goals. The deliverables are:

- Customer Satisfaction
- Integrated Plans
- System Equity
- Infrastructure Capacity
- Public Health Protection
- Cleaner Water and Air
- Cost Reduction

DESCRIPTION OF ORGANIZATION

Metropolitan Council Environmental Services (MCES) exists to support Council-guided regional development and to protect the natural environment and the public health of approximately 2.5 million citizens in the seven-county area. One of four divisions of the Metropolitan Council, MCES has specific responsibility for:

- Coordinated planning related to regional water supply and quality and to capital investments in the metropolitan sewer service network.
- Water resources management, including achieving the best mix of point source (treatment plant) and nonpoint source (urban/rural runoff) solutions.
- Cost competitive and quality collection and treatment of wastewater from 104 communities and approximately 840 industrial clients.

POLICY

Policy Overview

MCES's Integrated Budget information is presented in three volumes. They are the Capital Budget and six-year Capital Improvement Program (CIP), the Annual Budget and the six-year Plan for Allocating Resources (PAR), and the Capital Finance Plan (CFP).

MCES's 2000 Annual Budget and six-year Plan for Allocating Resources (PAR) are directly linked to accomplishing MCES's mission, strategic and tactical goals. The current PAR is the fourth multi-year plan and covers the period 2000 –2005. Both the Annual Budget and PAR are designed to implement and carry forward the Council's Rate Policy for wastewater service charges and MCES's Strategic and Business Plans.

The MCES Annual Budget and PAR are documents through which the Division converts its plans into action. To develop the budget, the Division identifies the region's water resources and wastewater collection and treatment needs using guidance provided by the Council's *Regional Blueprint* and *Water Resources Management Policy Plan*. The Division's Strategic Business Plan identifies how it will get the job done. More specifically, the Strategic Business Plan identifies six near-term Tactical Goals that are "leveraged actions" to improve the efficiency and effectiveness of our services.

The 2000 Budget and 2000–2005 PAR continue to represent a thoughtful implementation of the MCES Strategic Business Plan, which has the following underlying three-part business strategy:

1. Apply a comprehensive watershed management approach and balance point source and nonpoint source pollution prevention and abatement solutions,
2. Leverage results through effective partnerships, and
3. Be cost and quality competitive by:
 - a. redesigning key business processes,
 - b. rightsizing the workforce,
 - c. ensuring program benefits are commensurate with or greater than program costs,
 - d. working well with local units of government and others to ensure customer loyalty and support, and
 - e. adding value to basic services provided by bridging to and enhancing other regional systems and services.

MCES's business strategy is being translated into tangible results. In 1999, continuing partnerships with local governments, state and federal agencies, industry, nonprofit groups and others helped to achieve a high level of water quality in the region, compliance with wastewater treatment permits, and cost-competitive service rates. Further, a series of cross-division teams, complementing efforts of the more narrowly defined line functions, worked to provide more integrated delivery and improvement of MCES's key business processes. Collectively, these results are contributing to a more effective development of the region and to the sustainability of the region's environmental assets.

MCES strongly believes that the projected resource allocation for 2000–2005 will allow the division to be cost-competitive while maintaining its ability to deliver, along with others, the high quality of environmental services the region expects.

A cross-functional Integrated Budget Team was responsible for developing the Annual Budget and PAR. The process used to develop the budget and PAR included interaction with the MCES executive team and regional administration staff. Through the team's effort, the 2000 Annual Budget and 2000–2005 PAR maintains continuity of thought from past PARs and also links currently funded activities to specific goals of the MCES Strategic Business Plan. The result is a 2000–2005 financial plan that incorporates funding for new and existing programs essential to the short-, mid- and long-term goals of the MCES Strategic Business Plan.

Planning Philosophy and Approach

Ensuring that the Water Resources Management Policy Plan and the MCES Strategic Business Plan are reflected in the 2000 Annual Budget and 2000–2005 PAR secures implementation of these plans.

The Division's 2000 Annual Budget continues the response to three changes the Division is experiencing. They are:

- Evolution of watershed issues
- Rising customer expectations
- Increasing competition from the private sector

In updating the Division's Strategic Business Plan, improvements were made in incorporating customer input and data from a more complete environmental scan. As a result, managing the impact of competition on the Division's services and structure became one of the driving themes of the Plan. The 2000 Annual Budget and six-year PAR reflect a decision by the MCES Executive Team, with the concurrence of Council leadership, to improve the Division's competitive position. The change efforts which reduced the 1999 budget from \$167 million to \$157 million are continued in the 2000 Annual Budget with an additional \$5 million expenditure reduction; another \$5 million reduction is planned for 2001.

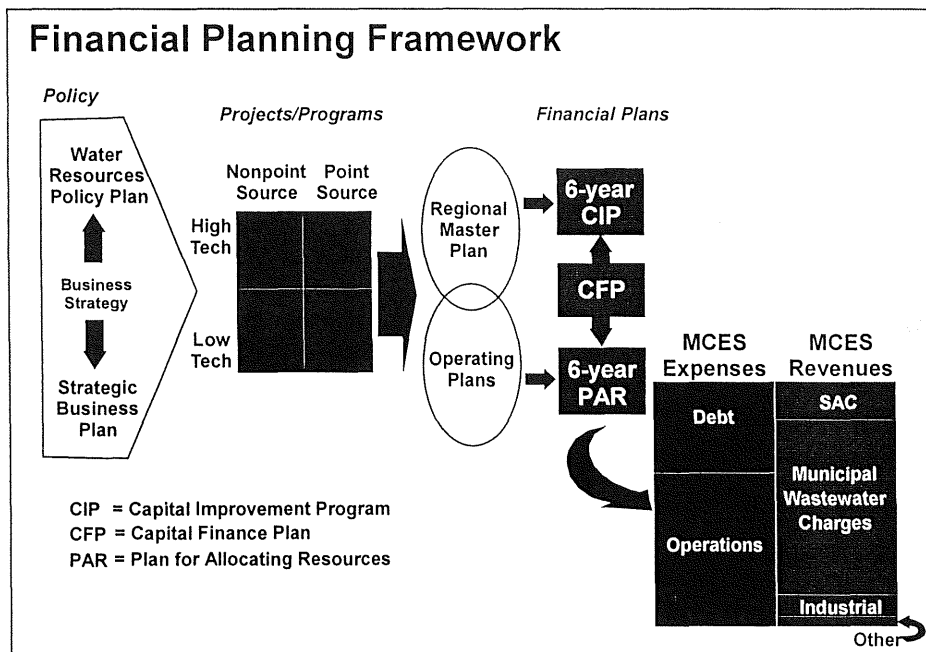
Agreement on the details to meet the \$5 million savings goal established by the Strategic Business Plan for the 2000 Annual Budget required planning around a number of issues. The ability to meet the 2000 Budget targets will require ongoing efforts to deal with the challenges inherent in each of the issues listed below.

- Wastewater service revenue from communities is dependent on flow. Flow estimates are conservative, but weather and some local issues, specifically concerning flow determination accuracy, make those revenue projections subject to variability.

- Industrial revenues are declining as wet industries close or reduce service needs through their conservation efforts.
- Uncertainties in estimating the impact of early retirement and other efforts to reduce staff through incentives, and the potential for filling essential vacancies with existing staff.
- Success of efforts to reduce energy use and achieve energy procurement efficiencies.
- The impacts of scheduled process reengineering efforts on reductions in costs.
- Application of alternative capital project procurement tools, e.g. design/build and design to goal to conserve capital spending.
- Timing of the application of SAC resources to debt service obligations. Changes to the SAC system require a change in legislation.

Meeting current and future regulatory requirements continues to be a top priority for MCES. Our near-perfect record of compliance is a very strong competitive advantage, but it carries an inherent challenge: regulatory changes that cause additional capital and operating expenditures. To meet these future challenges, MCES is committed to achieving the highest level of quality possible with the resources available, and will preserve its outstanding record of compliance with regulatory requirements.

To sustain change into the future, one tactic of the Division is to improve and reduce the costs of the organization's capital program. The Division's financial planning framework (shown below) incorporates both point and nonpoint approaches to improving and maintaining environmental quality and, in both approaches, chooses the best of high-tech and low-tech solutions. By reengineering this and other key business processes, the Division will continue to improve its competitive standing.



Rate Policy

Rate Policy for Municipal Wastewater Charges

The Metropolitan Council will maintain a rate structure for Environmental Services that enables the function to meet environmental requirements, adequately anticipate and implement infrastructure rehabilitation needs, keep its system in good repair, manage and operate competitively, provide services that benefit the entire region environmentally and economically, and provide capacity for growth consistent with Council policy. These goals will be implemented within the constraints of the rate objectives of predictability and modest rate increases to the customer.

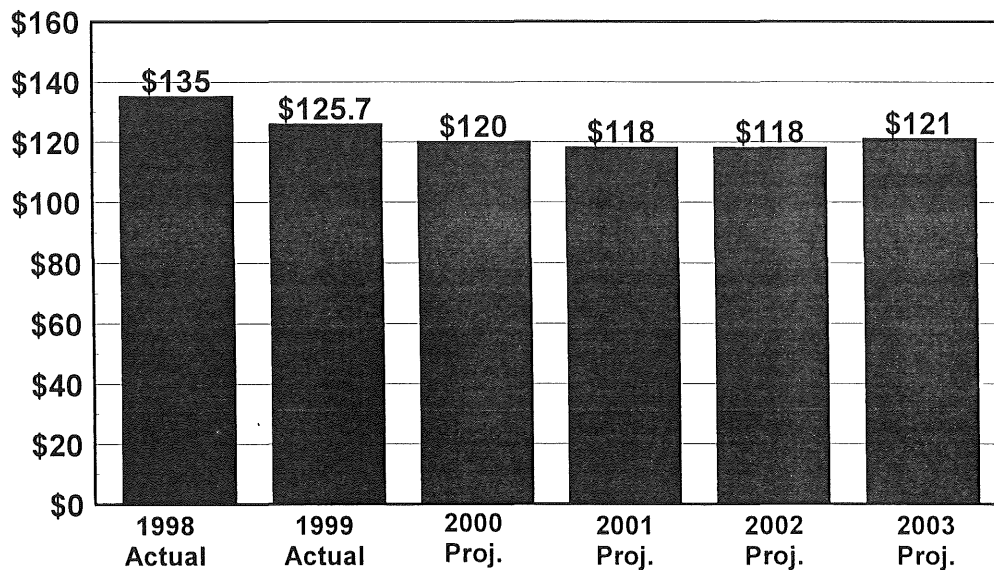
Rates—MCES maintains wholesale rates that are below the national average and is committed to improvement in that standing, as illustrated by the graph below. MCES rates are calculated using the following steps:

1. **Environmental Services (ES) Revenues** = Operating Expenses + SAC requirement + Other Revenue
2. **Municipal Wastewater Charge Rates** = Total Municipal Wastewater Charges to Cities ÷ Budgeted Flow

The 2000 wastewater service charge revenue is budgeted at \$124.8 million, down \$13.6 million from the 1998 base budget, \$5.3 million from 1999 projections. The \$20 million reduction to the budget by 2001 will boost the competitive ranking of MCES rates.

Municipal Wastewater Charge

Rate per 100,000 gallons



Municipal Wastewater Rate Application—A new billing process based on actual rather than estimated flows was implemented on January 1, 1998. Bills are calculated by applying the Council adopted rate to the actual flows from two quarters prior. With the new system, communities have consistent sewer rates throughout the year and pay on a more real-time basis.

Industrial Waste Charges—Changes to ensure that costs for wastewater services borne by industrial users are equitable have been recommended and approved by the Metropolitan Council and are being implemented:

- The current strength charge now levied upon MCES industrial users has been modified to eliminate the antidilution credit over a 10-year period.
- The chemical oxygen demand (COD) will remain as the parameter and primary method for determining organic strength of industrial wastewater. However, all industries will be given the option of basing their wastewater strength upon direct measurement of biochemical oxygen demand (BOD) rather than COD.
- Phosphorus will be included as a strength parameter in the strength charge formula if MCES incurs substantial costs due to phosphorus removal requirements.
- MCES will reevaluate strength parameters, threshold values and strength charge ratios within the next five years.
- Discharge permit fees for industrial users will be adjusted to recover 50 percent of the MCES Industrial Waste Program costs that are directly related to industrial users. This increase will be phased in over three years, after which the Council should reexamine this issue and consider the merits of further permit fee increases to achieve full program cost recovery.
- Other existing fees (load charge and service fee, stipulation agreement payment, late-report fee, cost recovery fees and add-on service charges) will continue to be used.

Examination of SAC Rates—Service Availability Charge (SAC). A SAC Task Force, comprised of both Council staff and Council members, completed a study in 1998, and recommended changes to the basic SAC system and five modifications to the system. The Council approved the following changes in December, 1998, subject to legislative approval.

- The basic recommended change is that SAC should pay for the cost of growth in MCES capital projects rather than the reserve capacity.
- The SAC system should pay its own administrative costs.
- The SAC system should include a plan that would exempt certain cities that are not growing from SAC charges and SAC credits.
- Density adjustments should be made in the interceptor portion of the SAC fee for housing type and lot size.
- The 274-gallon-per-day (gpd) assumption used to figure the industrial SAC charges should be changed to 218 gpd.

FINANCIAL ANALYSIS

Rates, Revenues and Expenditures—The following tables show budgeted MCES rates, revenues and expenditures for the years 1998-2003. (2004 and 2005 detail not included for space considerations.)

MCES Revenue: 1998–2003						
(Revenue in 000)						
	1998 Base	1999	2000	2001	2002	2003
Flow	102.5	103.5	104	105	106	107
X Rate	\$135.00	\$125.70	\$120.00	118.00\$	\$118.00	\$121.00
Municipal Wastewater Charges	\$138,375	\$130,095	\$124,800	\$123,900	\$125,080	\$129,470
Municipal Wastewater Revenue	\$138,375	\$130,095	\$124,800	\$123,900	\$125,080	\$129,470
SAC Revenue	18,503	15,564	17,326	17,737	18,746	19,227
Industrial Charges	9,178	8,324	6,233	6,225	6,395	6,556
Misc Revenue	1,144	2,817	3,641	2,899	2,899	2,899
Designated Reserves		1,000	1,500	2,000	2,000	1,000
Total Revenue	\$167,200	\$157,800	\$153,500	\$152,761	\$155,120	\$159,152

MCES Expenditures: 1998–2003						
(Expenditures in 000)						
	1998	1999	2000	2001	2002	2003
Program	\$102,490	\$93,500	\$88,700	\$82,634	\$82,634	\$84,985
Debt	64,360	63,300	63,300	67,827	69,188	73,167
Other Commitments	350	1,000	1,500	2,000	2,000	1,000
Total Expenditures	\$167,200	\$157,800	\$153,500	\$152,761	\$155,120	\$159,152

Staffing—The 2000–2005 PAR acknowledges the Division’s plan to reduce staff through 2001. The Plan for Allocation of Resources Committee looked at the \$20 million goal and concluded that \$8 million could be saved in nonlabor costs. Therefore, \$12 million in labor costs needs to be saved. This results in a reduction of 225 FTEs by 2001.

The plan outlines labor reductions totaling approximately \$12.85 million by 2001. The strategy for accomplishing the labor reduction goal includes the following:

- Reduction/Elimination of Discretionary Overtime
- Separation Incentives
- Attrition
- Early Retirements
- Outplacement
- Agency Transfers
- Tightened Performance Standards
- Layoffs

A flexible, skilled and productive workforce includes having a right-sized workforce. The use of internal and external transfers, development of an internal construction capability with existing trades employees, and achievement of attrition through incentives are a few of the methods currently being explored. Employees will be trained and re-trained as necessary to increase flexibility and teamwork and ensure a healthy workplace.

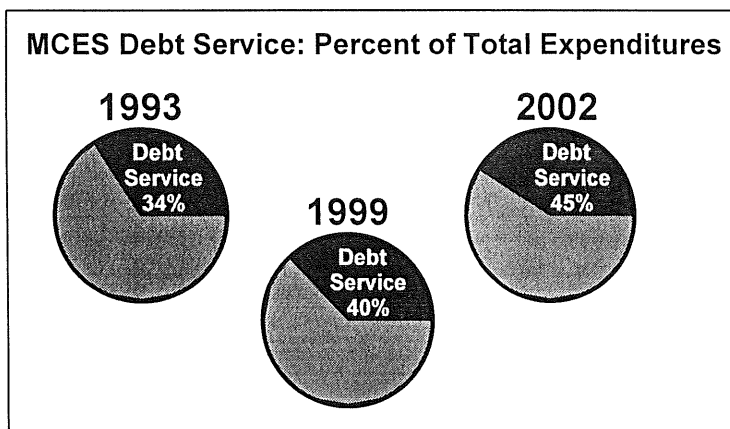
Non-Staff Operational Expenses—The 2000 Annual Budget and 2000–2005 PAR includes three different types of operating expenditures. The first is the continuing operating costs for the Division. This category includes items such as utilities, chemicals and inter-divisional charges for common services. In total, these expenditures decrease by approximately \$8 million from the 1998 base to the 2000 budget.

The second category relates to tactical goals and changing business direction. The cost of the Strategic Business Plan's six tactical goals has been added to department expenditures. Items included in this category are a new maintenance and materials information system, and a data management system for environmental planning and evaluation.

The third category is the cost of intervening factors affecting the Division's expenditures in 2000 and beyond. These include costs in all years of the PAR to fund the retiree health liability.

Debt Service Expenses—Debt service is forecast each year as an element of the Capital Finance Plan (CFP), which is based on the capital program outlined in the Capital Improvement Program (CIP). The CIP details the Division's capital projects and the associated cash flow requirements. The CFP combines this information with interest rate assumptions, current debt obligations and debt leveling requirements to form a debt service forecast for the PAR period.

Based on the current Capital Finance Plan, MCES debt service increases from 40 percent of the total budget in 1999 to 48 percent of the budget in 2005. To help moderate the debt and capital resource requirements over the next decade, the Capital Planning staff is reviewing scheduled projects to identify efficiencies that can be created and assess the level of risk associated with those changes.



BUDGET COMPARISON

Operating Funds—As a result of staff reductions and other efficiencies, the budget for basic operations represents an eight percent decrease from the 1998 Base (unamended) Budget to 2000. The 2000 Annual Budget reflects MCES's accelerated efforts to meet the competitive challenge while fulfilling the needs of the public and region.

Operating Funds:	1998 Actual Results	1998 Base Budget	2000 Proposed Budget	% Change 2000 Budget To 1998 Base
Revenues:				
Municipal Wastewater Charges	\$140,616	\$138,375	\$124,800	(10%)
Transfer from SAC fund ¹	18,503	18,503	17,323	(6%)
Industrial Waste Charges ²	7,799	9,178	6,233	(32%)
Investment Earnings ³	2,825	618	2,745	444%
Other Miscellaneous Revenue	332	220	300	36%
Operating Transfer	299	306	299	(2%)
State Grants	279	0	300	-
Designated Revenues	1,000		1,500	-
TOTAL REVENUES	\$171,653	\$167,200	\$153,500	(8%)
Expenses:				
Wages and Fringe Benefits	\$54,940	\$59,895	\$53,310	(11%)
Contracted Services	5,168	6,702	4,990	(26%)
Materials and Supplies	4,190	4,896	4,810	(2%)
Insurance	917	1,394	1,311	(6%)
Utilities	10,916	12,345	10,549	(15%)
Chemicals	3,708	4,280	2,928	(32%)
Debt Service	64,259	64,360	63,300	(2%)
Capital ⁴	3,465	195	515	264%
Liability Funding ⁵	2,300	2,300	2,300	-
Other	2,139	2,660	1,473	(45%)
Allocations	11,725	11,787	10,453	(11%)
MOU/ Metro Environmental Partnership		350	1,500	-
Voluntary Separation Program	3,400	0	0	-
Transfer to Capital Revolving	(2,866)	(3,964)	(3,939)	(1%)
TOTAL EXPENSES	\$164,261	\$167,200	\$153,500	(8%)

Explanations for Budget Table

¹Transfer from SAC fund—The 2000 SAC transfer was calculated using the budgeted flow estimate of 104 billion gallons as the basis for unused capacity.

²Industrial Charges—This group of charges includes permit fees and strength charges paid by local industries as well as special fees for hauled waste and contaminated groundwater discharges. An IRS task force developed billing system recommendations, adopted by the Council. The 2000 projected industrial revenue applies those recommendations, creating significant variances by charge types from 1999 forward.

³Investment Earnings—MCES has been very conservative in budgeting investment earnings in recent years. The 2000 Annual Budget reflects an aggressive estimate and is based on recent rates and cash balances.

⁴Capital Outlay—The 1998 Base Budget reflected an unusually low level of capital spending.

⁵Liability Funding—These are funds set aside to reduce MCES's liability in the areas of unfunded leave and retiree health benefits.

SUMMARY

MCES believes that the 2000 Annual Budget and 2000–2005 PAR represent a significant movement toward integration of MCES plans with the plans and policies of the Metropolitan Council, and integration of plans within the Division. MCES believes that linkage of its Strategic Business Plan and Plan for Allocation of Resources will position the Division competitively and will allow us to meet the emerging environmental challenges of the region.

Metropolitan Council 2000 Unified Budget
Transportation Division-Transportation & Transit Development Unit

TRANSPORTATION AND TRANSIT DEVELOPMENT

MISSION

To plan for effective regional transportation facilities and services and to provide our customers high quality, cost-effective regional transportation services to support regional growth and redevelopment objectives and improved regional competitiveness in the global economy.

EXPECTED RESULTS:

- Leadership in defining an integrated and balanced transportation system (highway, transit, airports, and non-motorized modes) to support the efficient movement of people and goods.
- Leadership in allocating transportation resources in a cost-effective manner to meet identified regional transportation system needs.
- Leadership in the development and ongoing management of a more effective and efficient regional transit system.
- Leadership in the efficient delivery of transportation facilities and services through public-private partnerships and increased competition.
- Leadership in the development of a comprehensive transportation planning process that fosters cooperation and collaboration among federal, state, regional agencies, local units of government and the private sector.

TACTICAL GOALS

- Develop a regional consensus on transportation policies and strategies through the implementation of Transportation Policy Plan and revisions to the plan.
- Coordinate regional transportation priorities and invest transportation resources in a cost-effective manner through integrated programming of Capital funds (federal, state and regional), integrated sources and uses operating budget, review of the MAC Capital Improvement Program and administration of the RALF program.
- Ensure that planning and operational activities of the transportation division are coordinated with the activities of other Council divisions to support land uses that improve the livability of communities.
- Implement transit service restructuring and promote competition in the delivery of transit services according to Sector Study 1, 2 and 7 recommendations.
- Achieve a ridership goal of 3.2 million in 2000 and 6.4 million for the two year period ending June 30, 2001 (6.4 million is Transportation and Transit Development's share of the 140.4 million ridership legislative goal).
- Evaluate the ongoing performance of the regional transportation system.
- Build support among the public and decision-makers for a strong balanced transportation system that gets people where they want to go, when they want to get there.

Metropolitan Council 2000 Unified Budget

Transportation Division-Transportation & Transit Development Unit

ORGANIZATION

The Transportation Division is organized into two units - 1) Transportation and Transit Development, and 2) Metro Transit.

Transportation and Transit Development is responsible for regional transportation planning which includes planning for aviation, highway, and transit systems.

In addition, four types of direct services are administered and funded through this unit:

- Metro Mobility/ADA
- Community-based (Rural/Small Urban)
- Opt-out
- Non-Metro Transit regular route,

2000 MAJOR POLICY INITIATIVES/KEY WORK PROGRAMS

Transportation and Transit Development

- Transit Service Delivery Administration (Non-Metro Transit)
- Hiawatha Corridor Light Rail Implementation
- Livable Communities Transit Grant Program
- Transit Funding Redesign
- Transit Master Plan
- Center for Transportation Studies Land Use and Transit Study
- Travel Behavior Inventory Study

Metro Commuter Services

- New transportation matching software for alternative transportation options
- Employer outreach program in the I-494 corridor

Metro Mobility

- 1.17 million rides projected in 2000, with no increase over 1999
- Recertification of riders with picture ID's
- Development of demand service RFP's
- Development of specifications for 150 new vehicles
- Contracts with Anoka, Dakota and Washington Counties to provide paratransit services

Opt Outs

- 2.31 million rides projected in 2000, an increase of 5% (all opt out communities)
- Performance-based incentive for reverse commute ridership continues

Metropolitan Council 2000 Unified Budget

Transportation Division-Transportation & Transit Development Unit

Rural Small Urban

- 556,00 rides projected in 2000, an increase of 2% over 1999
- Increased labor costs
- Continued Performance-based funding

Non – Metro Transit Regular Routes

- 1.85 million rides projected for 2000, an increase of 5% over 1999
- Bus replacement
- Competitive contracting of private-operator services
- Service realignment studies are being conducted in the following areas:
 - Sector 1 (between I-94 north and I-35W northeast)
 - Sector 2 (between I-35W northeast to I-94 east)
 - Sector 7 (between I-394 and Excelsior Boulevard)

FINANCIAL ANALYSIS

Key Revenue assumptions:

- The 2000 budget assumes that property tax proceeds generated by the Council's transit levy will increase by 6.1% over 1999.
- State assistance for 2000 is assumed to increase by 5% over 1999 budgeted amount.
- Federal operating assistance is estimated to decrease by 1.5%.
- Metropolitan Airports Commission (MAC) chargebacks will increase to cover additional work on the guide chapter/system plan.
- No fare increases are budgeted.
- \$1.5 million from the Minnesota Department of Transportation is planned for the Travel Behavior Inventory Study.

Key Expenditure Assumptions:

- Personnel costs are projected to increase 3.75% over 1999.
- \$1.5 million for a Transit component to the Livable Communities Program
- \$1.5 million for the Travel Behavior Inventory Study
- Rural/Small Urban labor costs increasing
- Assumes the following base increases over 1999:
 - T&TD -1.6% (Excluding TBI consulting contract)
 - Metro Mobility -.8%
 - Opt Outs +4.3%
 - Rural Small Urban +7.8%
 - Regular Route +2.8%

Metropolitan Council 2000 Unified Budget

Transportation Division-Metro Transit

METRO TRANSIT

Introduction

As the largest operator of bus service in the Twin Cities region, Metro Transit is a key part of the Metropolitan Council's commitment to Smart Growth. Increasing the numbers of trips on transit helps sustain economic viability, improve air quality, reduce congestion and bolster the quality of life in the metropolitan area.

In 2000, 69 million customers will ride on Metro Transit buses. The agency's 1,600 operators and 400 mechanics support a 900-bus fleet serving 114 local, express and contract routes. In service to its customers, Metro Transit drives more than 100,000 miles a day. As the 4th largest all-bus transit system in North America, Metro Transit provides service that results in 70,000 fewer cars on Twin Cities' roadways and an 8% reduction in congestion.

In 2000, Metro Transit will continue successful programs put in place in 1998/99 to increase transit ridership, improve transit quality, and expand transit service. Thanks to the trust and the economic strength of the community, it has the increased financial resources to operate and improve the transit system. Metro Transit is internally building the team and teamwork so that all employees become active participants in achieving its goals. Metro Transit will create and nurture community and business partnerships to support transit ridership and transit advocacy.

Budget Process

The budget was built from decisions by working groups within Metro Transit, Transportation and Transit Development (T&TD), and Regional Administration (RA). Programmatic and funding issues are resolved by Metro Transit's Budget Committee, in consultation with Metro Transit's senior management. Portions of all budgets are evaluated against portions of all other budgets and prioritized for funding or elimination. The General Manager then proposes Metro Transit's budget to the Regional Administrator. Once approved by the Regional Administrator, it is presented to the Council's Transportation Committee for review. If approved by the Transportation Committee, the budget moves to both the full Council and a public hearing for review, changes and approval. Prospective fare changes and major service changes require separate public hearings. Budget amendments follow the same process.

Policy Choices and Constraints

The Council has wide latitude over how to pay for any of its programs, subject to majority voting rules, grant restrictions and bonding covenants. Within the Transportation Division, the Council also has the discretion to allocate property taxes and state funds among Metro Transit, Metro Mobility, rural/small urban programs, non-Metro Transit operations, and Transportation and Transit Development. In consultation with the Transportation Advisory Board, the Council also allocates federal transportation funds among transit, highway, and other transportation projects.

The 2000 budget brings together numerous policy choices governing services provided by Metro Transit. There are many competing choices over how to allocate limited resources. Metro Transit has established guidelines to help decide where, when, and how much fixed route bus

Metropolitan Council 2000 Unified Budget

Transportation Division-Metro Transit

service is delivered, how frequently it runs, as well as service quality parameters. Metro Transit also decides what levels of marketing, advertising, customer service information, and customer relations to provide, consistent with the mobility needs of the region.

Within this budget, Metro Transit proposes the portion of costs to be paid by taxpayers versus customers. Metro Transit uses available federal grant funds to minimize state and local taxes needed. Metro Transit recommends maintaining the level and structure of the fare system.

Passenger fares provide 30% of Metro Transit's operating revenue with operating property taxes and state general funds providing most of the remainder. Up to the maximum levy permitted, the Council annually determines the amount of property taxes to be realized. The state legislature determines the amount of state funds available in two-year, biennial appropriations. Metro Transit implements and operationalizes the Council's Regional Blueprint, the former RTB's 5-Year Transit Plan, the Council's Transit Redesign Plan, and various state legislative goals. The plans provide guidance for: ridership levels, transit quality, service levels, service locations, bus route financial and operational performance, fare policies, and system-wide fare recovery.

Metro Transit policy decisions also are affected by a competitive environment. About 20% of all fixed route buses in the metro area are governed by Opt-Out Cities/Commissions; the rest of the Council's Transportation Division, or the University of Minnesota. About 10% of the buses operated by Metro Transit are operated as a provider, not as a principal decision-maker. Finally, federal laws and regulations direct some Metro Transit policy decisions, such as reduced fares for seniors, accessibility for customers with disabilities, and pollution control.

FINANCIAL ANALYSIS

Financial and Resource Outlook

Metro Transit is proposing an operating budget with revenues and expenses balanced at \$169 million for 2000, a 4.7% spending increase over 1999. Available operating reserves are estimated to start and be maintained through 2000 between \$11-\$12 million, an adequate level. The 2000 budget, and future budgets, have several areas of uncertainty and potential risk.

Areas of concern and of opportunity:

- Metro Transit can sustain service and spending only if the 2000 legislature fully funds the Council's \$113.6 million operating subsidy request. Legislative direction was to proceed as if this money will be forthcoming. The 2nd half of 1999 and the entire 2000 budget are built accordingly. Failure to obtain these funds creates a funding deficit of \$1.9 million in 2000.
- Ridership growth is bumping up against system capacity limits. Metro Transit will need the capital funding to add more garages and buses to serve growing numbers of customer trips.
- For 2000, the health provider contract caps premium increases. Market conditions suggest Metro Transit's and all Council budgets may experience a substantial escalation in cost beyond "normal" inflationary trends. Metro Transit forecasts the annual run-up beyond inflation could exceed \$1.5 million in subsequent budgets.

Metropolitan Council 2000 Unified Budget

Transportation Division-Metro Transit

Metro Transit has an approximate \$50 million unfunded long-term exposure for post-retirement health benefits. Current accounting rules do not require Metro Transit or the Metropolitan Council to record or fund such exposure as a liability. During 2000, Metro Transit will set aside its 3rd annual installment of \$750,000 to continue funding such post-retirement health benefits. The Council is addressing this exposure with a balanced approach that seeks (1) to reduce long-term exposure by changes to benefits (through labor negotiations), and (2) to fund the exposure.

Metro Transit's Budget Committee monitors short-term performance to ensure that budgets are achieved. The Budget Committee also explores long-range operating scenarios to ensure that Metro Transit remains on a sustainable financial path. Metro Transit must be sure that existing and increased transit services can realistically be supported into the future. The following table shows Metro Transit's Sources and Uses of Funds for the period 1997-2000.

Metro Transit Sources and Uses of Operating Funds, 1997-2000

	1997	1998	1999	2000
(All values in millions of dollars)				
	ACTUAL	ACTUAL	AMENDED BUDGET	PROPOSED BUDGET
UNDESIGNATED RETAINED EARNINGS – JAN. 1	\$9.26	\$16.32	\$14.50	\$11.62
SOURCES OF FUNDS:				
OPERATING REVENUES:				
Passenger Fares	\$48.78	\$49.82	\$51.28	\$51.58
Contract Revenue [Special Fares]	\$4.26	\$4.77	\$6.97	\$6.78
Other Operating Sources	\$1.80	\$2.07	\$1.45	\$1.74
TOTAL OPERATING REVENUES	\$54.84	\$56.66	\$59.70	\$60.10
NON-OPER SUBSIDIES AND REVENUES:				
Property Taxes	\$56.56	\$60.35	\$62.53	\$67.52
State General Fund Appropriation	\$20.16	\$28.95	\$29.52	\$31.39
Federal Grants + Capital	\$6.42	\$3.57	\$5.37	\$8.34
Other Non-Operating Sources	\$4.18	\$1.45	\$1.49	\$1.65
TOTAL NON-OPERATING SUBSIDIES/REVENUES	\$87.32	\$94.32	\$98.91	\$108.90
GRAND TOTAL OPER REV+NON-OPER REV & SUBS	\$142.16	\$150.98	\$158.61	\$169.00
USES OF FUNDS:				
OPERATING EXPENSES:				
Salaries and Benefits	\$107.70	\$117.97	\$127.53	\$131.05
Central Support Unit Exp. Allocation/Transfer to RA	\$7.11	\$7.12	\$7.87	\$7.83
IS—Y2K Fees/Transfer to RA	\$0.20	\$2.36	\$0.50	\$0.00
Materials and Supplies	\$13.00	\$15.52	\$14.75	\$16.97
All Other Expenses	\$7.09	\$9.83	\$10.84	\$13.15
GRAND TOTAL-USES OF FUNDS [EXPENSES]	\$135.10	\$152.80	\$161.49	\$169.00
SURPLUS (DEFICIT)	\$7.06	(\$ 1.82)	(\$2.88)	\$0.00
UNDESIGNATED RETAINED EARNINGS – DEC. 31	\$16.32	\$14.50	\$11.62	\$11.62

Metropolitan Council 2000 Unified Budget

Transportation Division-Metro Transit

Revenues

Metro Transit's revenue budget in 2000 is \$169 million, up \$10.39 million or 6.6% from the 1999 Amended Budget of \$158.61 million. The three largest sources of funds include property taxes, customer fares, and state general funds. Although the rate is constant, 2000 transit operating property tax revenue will grow as a result of a strong regional economy and increased valuations. Property tax receipts will be up 8.0% or \$4.99 million. State General Funds also have grown strongly reflecting increasing state support for transit and its successes over the past several years. State General Fund subsidies will increase by up 6.3% or \$1.87 million. No fare increase is budgeted for 2000. The last fare increase was in 1996. Customer fare revenue will increase 0.6% or \$0.3 million.

Expenses

Metro Transit's expense budget in 2000 is \$169 million, up \$7.51 million or 4.7% from the 1999 Amended Budget of \$161.49 million. The largest expense increase is \$1.2 million for inflation in the cost of labor and fringe benefits, partially offset by fully achieving part-time operator workforce goals. Capital-funded activities plus entrepreneurial initiatives add \$2.5 million, offset by matching revenues. Higher diesel fuel prices have added \$0.7 million. A more aggressive maintenance program has increased the bus parts and the balance of materials and supplies budget by \$1.3 million. Services increase by \$0.9 million to cover added costs associated with maintenance on Orion-funded AVL equipment, maintenance and plowing of I-394 public facilities, MetroPass production costs, accepting credit cards, and service-related sector studies. Expanded service, new positions without offsetting revenues, and increases in all other expense categories account for the remaining \$1.0 million increase.

Personnel

Full-time equivalent positions included in the preliminary 2000 budget are:

Bus Operators	1,522.4
Mechanics: vehicle & facilities	484.4
Supervisory & Professional	293.6
Clerical	201.1
Part-time Police Patrol	30.0
Total FTEs	2,531.5

Bus operators, mechanics and clerical employees are represented by Amalgamated Transit Union Local 1005. Police officers are represented by Law Enforcement Labor Services. Supervisors and managers are represented by Transit Managers and Supervisors Association.

KEY WORK PROGRAM ACTIVITIES FOR 1999

Ridership

During the previous biennium, the state legislature increased transit funding while challenging the Council to achieve 131 million rides. As the region's largest transit provider, Metro Transit's share of the goal was 125 million rides. Metro Transit actually achieved 132.4 million rides, the

Metropolitan Council 2000 Unified Budget

Transportation Division-Metro Transit

largest ridership increase in 20 years. For the current biennium, Metro Transit has committed to achieving 138 million rides, a 10.4% increase over the last goal.

Metro Transit's success in increasing ridership has come from a focus on the transit customer. The agency acted to attract more new customers and to retain and better satisfy existing customers. Key actions included expanding service, improving service reliability, keeping fares stable, expanding and simplifying transfers, and adding employer-subsidized fare programs. In addition, the region's economy is strong. Increased employment helps boost ridership because 80 percent of trips are work-related.

In October 1998, Metro Transit introduced the MetroPass program that allows employers to subsidize annual transit passes for all of their employees. The program is revenue neutral to Metro Transit. American Express Financial Advisors became the region's first company to provide this fringe benefit to its employees. Since October, the number of bus-riding employees at participating companies has increased by a remarkable 40 percent. Already, 20 companies with 34,000 total employees participate in the MetroPass program.

The largest impact on ridership can be traced to the time-only transfer program implemented in July 1998. One fare now gives customers unlimited use of the transit system for 2.5 hours. In one year, transfer rides increased by about 5 million rides, about 22%. Simultaneously, fare paying customers *also* increased. Therefore, in spite of much higher transfer usage, Metro Transit is realizing ridership increases from fare paying customers as well. In fact, customers report that because the value is better, they ride the bus more often.

Finally, with money from a federal TEA-21 grant, from November 1998 through March 1999, Metro Transit had a "sale" through TransitWorks, the region's employer-based program providing extra discounts to employees. Special discounts, up to 50 percent, were available to new and existing TransitWorks companies; the extra discount was subsidized by the grant. During the course of the sale, 245 new companies signed up for the Transit Works program.

Beyond innovative fare policies, a series of service changes gave customers more opportunities to use Metro Transit. Both Regular Route and Special Service activities were increased.

Integrating Regular Route changes with growing communities and redeveloping core areas:

- Metro Transit added several new routes, including expanded service to Woodbury, the single most successful new service. Ten new bus trips now serve Woodbury on routes 355 and 353. New park and rides lots filled to capacity immediately; expansion is planned. Along University Avenue, between Minneapolis and St. Paul, Route 50 Limited Stop service was successfully added and provides customers a faster ride with fewer stops for the same fare.
- "Owl service", between 1:00 a.m. and 5:00 a.m., was added in October 1998 on eight routes that serve the densest portions of the urban area. Since its inception, owl service ridership has grown 50 percent on weekdays and 30 percent on weekends.

Metropolitan Council 2000 Unified Budget

Transportation Division-Metro Transit

Special Service Changes:

- In 1998, Metro Transit also rapidly responded to the State Fair's request to provide shuttle service north of the fairgrounds. In 1999, Metro Transit is now providing more than 800,000 State Fair rides, bringing 1/4th of all patrons to the State Fair.
- Also in starting in 1998, Metro Transit responded to community needs for Minneapolis Public Schools and at the International Airport. Each of the needs became an opportunity for Metro Transit to increase ridership. These contractually provided routes and riders continue into 2000.

As a result of these and other initiatives, Metro Transit expects to achieve 69.0 million rides in 2000, 50% of the biennial goal of 138 million rides. Over the biennium, service will be expanded 1.6% (70,000 bus hours).

Hiawatha Corridor Light Rail Transit Project—On Track

In 1999, the state approved funding \$100 million towards the local match for the Hiawatha Corridor Light Rail Transit Project. Hennepin County and the Metro Airports Commission are expected to contribute the remaining local match to complete the 50% local contribution. By the 2000 budget, the region expects to secure a full funding agreement with the federal government to finance the other 50% of the cost of the \$548 million project. Metro Transit will continue to position itself to be a professional operator of rail transit. This will involve close cooperation with the Minnesota Department of Transportation, which is designing and constructing the line, and with other governmental agencies and communities. Start-up executive and senior management and project support positions were added to the 1999 budget and continue into 2000, paid for from the rail project. One entrepreneurial position was added, funded by Ramsey County, to help coordinate rail planning in the Riverview corridor.

Service Review

As part of its ongoing review of best service alternatives, Metro Transit will complete added sector studies to ensure that communities are receiving the types and quantity of transit service that best meet their mobility needs. These sector studies are a logical continuation of the Council's Transit Redesign program, which set service standards for the region. The sector approach removes the natural inclination to examine service on a route-by-route basis. The sector approach will ensure broad community input while building Metro Transit's and the Council's constituency. To help, four new positions are added to monitor and analyze service to ensure that resources are deployed efficiently.

Fleet

Ninety standard 40-foot coaches will arrive in 2000 as Metro Transit retires its older buses. In 2000, an additional mix of coach buses and smaller buses will be added to better serve specific community and service needs. Low-floor buses, introduced in 1999, will be one year-old and will be evaluated for effectiveness. These vehicles -- 10 40-foot coaches and 10 60-foot buses -- provide stair-less boarding for all customers, especially those with mobility challenges. The 20 new low-floor buses are giving Metro Transit operating experience with this new design, especially in harsh and challenging winter conditions. Metro Transit also will introduce hybrid

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Transportation Division-Metro Transit

electric technology to the region as the next step in its alternative fuels program. Five hybrid electric buses will employ a low-polluting, constant-speed diesel engine to produce energy stored in batteries for use by the bus. Energy also will be captured from braking and stored in the battery system.

Metro Transit is on track for all buses to be fully accessible by the end of 2004. For the 2000 budget, Metro Transit will add five new mechanics to maintain the increasing number of lifts.

Metro Transit will continue its mid-life repainting program. At the cost of \$7,000 per bus, Metro Transit mechanics sand, repair, prime and apply two coats of graffiti-resistant high-gloss paint. The result is a six-year-old vehicle whose external appearance is nearly indistinguishable from a new \$250,000 coach. The improved appearance of the fleet contributes to the public's overall confidence in Metro Transit's ability to produce quality service.

Capital Projects, including East Metro Garage Replacement

Metro Transit acted to re-establish a professional engineering unit in 1999. Its largest project for 2000 will be constructing a replacement for the 92-year-old Snelling Garage to serve the transit needs of St. Paul and its suburbs. East Metro Garage operations will begin in spring 2001. The new site is at Mississippi and Cayuga near downtown St. Paul. The Engineering unit anticipates using 12 equivalent staff positions from Environmental Services units to help expedite already approved and funded Metro Transit public and support facility projects. The 2000 budget reflects the capital funds to cover these positions and paying Environmental Services for their use.

Focus on Customer Service

Customer retention hinges on the quality of service each bus rider receives. To improve customer service and customer communication, Metro Transit will continue Transit Ambassador training program for bus operators and support staff. The multi-day program for drivers focuses on strong positive interactions with customers, effective dialog and win-win problem solving. Feedback from bus operators has been very positive. So has reaction from passengers. Overall, customer satisfaction with Metro Transit -- a large portion of which is related to bus operator skills -- improved five percentage points in 1999 vs. 1998 and rudeness complaints dropped 12% per 100,000 customer trips in the first half of 1999 vs. 1998. All employees will have received Transit Ambassador training by the end of 2001.

Metropolitan Council 2000 Unified Budget

Community Development Division

COMMUNITY DEVELOPMENT DIVISION

MISSION To provide high quality, coordinated planning of regional growth and redevelopment; identify and analyze strategic regional issues.

EXPECTED RESULTS

- Reliable research and policy analysis as the basis for high quality regional planning and implementation.
- Local comprehensive plans aligned with regional development guidance.
- Internal and external partnerships ensure regional planning and operations that are well coordinated.
- Assisted housing programs delivered in a comprehensive, cost effective manner consistent with established benchmarks.

TACTICAL GOALS

- Review comprehensive plans and amendments.
- Continue to strengthen relationships with local governments.
- Implement regional growth strategy.
- Implement fifth year of Livable Communities Act.
- Make GIS technology and products available to an increasing number of Council users.
- Define MetroGIS' long-term financial and organizational structure.
- Gear up for shifting research away from *Blueprint* implementation support to regional issues analysis based on 2000 census.
- Implement suburban family housing program.

Metropolitan Council & Community Development Division Strategies

1. Infrastructure: provide high quality, cost effective services.

Parks

- Refine policies and plans for regional parks system
- Invest in regional park acquisition, development and redevelopment, and maintenance and operations

Radio

- Support the Metropolitan Radio Board's development of the regional trunked radio system

Transit Corridors

- Participate in Hiawatha LRT corridor land use committee to ensure transit/land use compatibility and maximize TOD opportunities
- Participate in land use/transit planning in selected corridors to maximize TOD opportunities

2. Quality of life: provide smart growth tools and support to assist in building communities where people want to live, work, raise a family and do business.

Regional Growth Strategy

- Finalize the Growth Strategy boundaries and create new implementation map.
- Develop and initiate monitoring/compliance system for Growth Strategy implementation.
- Develop and initiate "regional solutions approach" to proactively assist local implementation efforts (e.g., development pattern changes, unique zoning approaches, coordination of efforts such as I-35 coalition). Include collar counties in subregional efforts.
- Develop and implement ag land strategies and reinvestment strategies.

Affordable and Life-Cycle Housing

- Formalize and work with partners on coordinating the Council's basic strategies for promoting affordable and life-cycle housing throughout the region.
- Coordinate education strategy for Council housing policy, regional housing needs and tools available to provide local solutions to housing issues.
- Invest in affordable housing production and preservation through Council programs and collaborations.
- Provide rental subsidies and other housing opportunities that promote self-sufficiency for low-income individuals and families. Provide metro-wide HRA data by including all programs.
- Maximize use of Hollman public housing funds to provide a range of affordable housing opportunities in suburban communities.

Metropolitan Council 2000 Unified Budget

Community Development Division

3. Communications and constituency building: build support among the public and decision-makers for regional approaches.

Communications

- Strengthen sector rep program and planning assistance.
- Complete comprehensive plan reviews, monitor and assist with implementation.
- Finalize the long-term structure and financing plan for MetroGIS.
- Review formalizing planning relationships with the adjacent counties.
- Work with outside groups (public and private) to identify regional issues related to economic development and economic competitiveness. Explore with these groups strategies (public and private) to enhance the region's competitiveness.

Information

- Coordinate multi-jurisdictional Census preparation activities.
- Evaluate research information for its usefulness to businesses and local government and develop ways to make it easily accessible through the Internet.

4. Alignment: focus all the work of the Metropolitan Council members and staff on achieving this purpose.

- Coordination of plans reviews across divisions within the agency.
- Align incentives to maximize *Blueprint* growth strategy.
- Provide research, analysis and GIS support for planning and operational activities at the Council.

Metropolitan Council 2000 Unified Budget

Community Development Division

FINANCIAL ANALYSIS

The Community Development Division's operating expenditures and pass-through grants total \$58.2 million. Operating expenditures are made up of \$3.9 million for Metro HRA and \$5.8 million for the division's other functions of planning and growth management, and livable communities. An important financial function of the division is to administer pass-through funding for a variety of purposes, including:

Livable Communities Act grants, assisted housing subsidies for low-income individuals and families, and parks operation and maintenance grants -- these pass-through funds make up \$48.5 million of the division's budget.

Metro HRA revenues come entirely from local, state and federal funding sources for subsidized housing programs, whereas the division's planning and growth management, and livable communities functions are funded mostly through property taxes.

The 2000 budget assumes 80 staff full-time equivalents and two temporary positions.

The Community Development Division administers grant programs authorized under the 1995 Livable Communities Act (Minnesota Statutes 473.25 through 473.254). Under the statute the Council established the Livable Communities Fund, which has three accounts:

- The Tax Base Revitalization Account provides grants to help local units of government pay for cleanup of polluted land to make it available for commercial and industrial development. Grants can be made to cities, counties, housing and redevelopment authorities, port authorities, and economic development agencies;
- The Livable Communities Demonstration Account provides grants to projects that demonstrate how development can be designed to use land and services more efficiently and promote community; and
- The Local Housing Incentives Account provides grants to local units of government to expand affordable and life-cycle housing. Grants can be made to cities, counties and housing and redevelopment authorities.

Sources of funds for the Livable Communities Fund come from property tax levies approved by the Metropolitan Council, state appropriations, and interest earnings on balances in the accounts.

Proposed property taxes levied for collection in 2000 total \$11,132,936, and estimated interest earnings are \$600,000, plus \$2 million appropriated by the legislature for the new inclusionary housing account. Grant expenditures for 2000 are expected to total \$13,832,578, which includes \$5,659,183 under the Tax Base Revitalization Account, \$6,540,795 under the Livable Communities Demonstration Account, \$1,632,600 under the Local Housing Initiatives Program, and \$2 million under the inclusionary housing program.

Metropolitan Council 2000 Unified Budget

Community Development Division

KEY 2000 WORK PROGRAM OBJECTIVES

Within the Community Development Division's core areas of responsibility, we are:

- Experts in the area of regional growth management and in the coordination of local comprehensive plans with regional systems.
- An authoritative source for data about the region, and for the analysis of regional trends.
- The primary source for information about emerging regional issues--including current national experience on comparable issues.
- Actively analyzing and promoting cooperative governance and service delivery approaches throughout the region.
- Responsible for ensuring that regional systems planning and implementation are coordinated.
- A major provider of federal and state housing subsidies for low-income families and individuals throughout the region.

Specific work program objectives for 2000 are:

1. Identify and analyze strategic regional issues:

A. Policy research and analysis:

- Follow-up policy work related to findings from regional fiscal impact study.
- Urban economic summits on topics of current interest, including how to leverage transit system investments to create more compact development pattern and housing-job concentration.
- Map and analyze implications of new policy areas established in local comprehensive planning process.

B. On-going demographic and economic data collection, research and analysis:

- Regional development research including LCA housing report, GIS land use data and reports on historical trends.
- Demographic research.
- Economic research.
- Define and monitor land development trends through parcel level data and aerial photo interpretation and local comprehensive plans.
- Collect and analyze information on residential building permits, property taxes, assessor data, fiscal disparities, employment data, shopping centers, retail sales and office buildings.

Metropolitan Council 2000 Unified Budget

Community Development Division

- Complete annual MCD population and household estimates to standards acceptable for municipal state aid road formula and deliver to both Department of Revenue and Department of Transportation.
- Continue to monitor regional trends through the ongoing data collection, analysis and monitoring of core regional indicators.
- Coordinate with 2000 census including participation in the Census Awareness Group.

C. Geographic Information Systems (GIS) -- Metro Council

- Provide the Council with the ability to determine land availability, land use and to display such information geographically. Specific applications include monitoring development densities, determination of non-point source pollution loads, and other environmental indicators, identifying land use by parcel and integrated transportation planning and administration of TEA-21 funds.
- Develop GIS as an integral part of analytic research, which contributes significantly to investment decision making and policy making.
- Support development of GIS applications that assist operational divisions of the Council to conduct business efficiently and effectively:
 - ☐ Complete 1997 Land Use Interpretation.
 - ☐ Prepare for 2000 census and aerial photo flight.
 - ☐ Make GIS more accessible through the use of Arc View and the internet.

2. Implement *Metro 2040 Regional Growth Strategy*

- Continue expanding and improving “The Tour” (Macromedia presentation) as a method to explain and visualize Metro 2040.
- Ensure that regional service and facility spending supports the strategy.
- Structure criteria and priorities of funding mechanisms to create incentives for compliance, e.g. SAC, TEA21, LCA.
- Refine connections and working relationships with high growth areas adjacent to the metropolitan area, especially through participation in AMC’s ring county alliance and MRDO.
- Maintain ongoing liaison with MN Planning on CBPA implementation activities including pilot projects in areas adjacent to TCMA.
- Possible legislation on Metro Ag Preserves, Urban Reserve Protection Act.
- Participate in Hiawatha LRT Corridor Land Use Committee.
- Participate in Minnesota Smart Growth network.

Metropolitan Council 2000 Unified Budget

Community Development Division

- Partner with MN Dept. of Ag. to examine programs to preserve agriculture, including participation in "Sharing the Heartland" conference.

3. Local Planning Assistance

- Develop additional information and models to ensure good local planning practices consistent with the Regional Growth Strategy.
- Strengthen relationships with local units of government through expanded sector representative approach.
- Assist in coordination of school district and comprehensive planning.
- Planning-zoning best practices examples and Handbook fact sheets.
- Improve customer service and Council's visibility through publications, including the Council's website.

4. Coordinate Referrals and Reviews

- Provide for coordinated reviews of local comprehensive plans.
- Conduct customer survey to establish benchmarks for measuring future progress and gauge current effectiveness.

5. Implement Livable Communities Act

- Work in partnership with local units of government, funding agencies and others to implement the Metropolitan Livable Communities Act.
- Help communities develop and rehabilitate affordable and life cycle housing.

6. Metro HRA Operations

- Assist low-income households with rental subsidies for decent, affordable housing throughout the metropolitan area, especially outside areas of concentrated poverty.
- Help stabilize the housing situation of "at risk" families so that they may work toward economic self-sufficiency.
- Upgrade and revitalize the region's housing stock through the administration of a variety of state-funded housing rehabilitation loan programs.
- Provide opportunities for special needs populations to receive rental subsidies in conjunction with locally sponsored support services so they may continue to live independently.
- Develop public housing through the Metropolitan Housing Opportunity Program.

Metropolitan Council 2000 Unified Budget

Community Development Division

- Pursue opportunities for additional housing subsidy programs for low-income families and individuals that foster collaborations with agencies providing related support services.
- Assist in the implementation of housing counseling services through the Metro Housing Options program in order to encourage families to relocate to areas of low poverty and with greater employment and educational choice.

7. Parks

- Establish policies to guide acquisition, development and redevelopment of a regional recreation open space system; create and implement a system plan and implement policies and system plan through master plans and a capital improvement program.
- Provide support to Metropolitan Parks Open Space Commission, conduct referral reviews and manage grants.
- Coordinate with federal and state governmental units about public open space.
- Use results from the 1998-99 Park User Study for policy and funding revisions.
- Work in partnership with federal, state and local units of government for planning of lands in the vicinity of the Minneapolis-St. Paul International Airport.
- Increase public awareness of regional park system through publications, including the Council's website.

8. Provide regional leadership in facilitating community collaboration:

A. Radio project

- Implement the regional trunked radio communications system in partnership with local governments and the State.

B. MetroGIS

- Develop Metro GIS which promotes interagency cooperation, regional thinking and data sharing for use in GIS. Activities will focus on data sharing and access policies and implementation, and long-term financing and legal structure.
 - Complete MetroGIS Fair Share Cost Modeling Project.

C. Lake Minnetonka project

- Develop cooperative service sharing arrangements in the metropolitan area.

Metropolitan Council 2000 Unified Budget
Community Development Division

BUDGET COMPARISON OF 1998 ACTUAL, 1999 BUDGET AND 2000 PROPOSED

These activities will be carried out with fewer staff resources. In 1998, the staff full-time equivalent total for the division was 82.8. In 1999, the FTE total is 82.8 plus two temporary federally funded positions including a MNRRRA planner and the Metro HRA Regional Opportunity Counseling Coordinator. In 2000 the FTE totals 80 and two temporary MNRRRA planners.

The budget for division operating expenditures in 1997 was \$10.5 million. The division budget increased to \$12 million in 1998 and decreased to \$9.9 million in 1999. The 2000 budget is estimated at \$9.8 million.

MISSION: To provide essential, integrated services to the operating units.

**EXPECTED
RESULTS**

- Leadership in anticipating changes and issues for the agency
- Facilitate continuous improvement of support services
- Customer service that builds partnerships and relationships
- Effective communication of the customer service and problem solving vision so it impacts day-to-day service delivery.

**TACTICAL
GOALS**

- Assistance to the Council
- Implementation of Council priorities
- Implementation of performance measurement
- Improvement of organizational effectiveness and efficiency.

Organization of Regional Administration

Regional Administration includes the Office of the Chair and the Office of the Regional Administrator. The organization chart in the Mission and Organization section of the budget shows reporting relationships within Regional Administration.

The administrative support units within Regional Administration include:

- Legal - General Counsel
- Internal Audit
- Diversity
- Human Resources
- Communications, Data Center and Library
- Fiscal Services
- Information Services and Y2K
- Central Services (office facilities, printing & copying, mail and telephones)
- Risk Management
- Budget and Evaluation
- Intergovernmental Relations

Administrative units within Regional Administration determine administrative policy and procedures Council-wide. A number of administrative functions are administered and staffed centrally in Regional Administration, including: Legal Office, Internal Audit, Diversity, Information Services, and Intergovernmental Relations. The other administrative functions are administered centrally for policy and procedures, but not all staff are centrally managed. As an example, MCES maintains communications staff. As needs require, administrative staff resources are used Council-wide.

Administrative services are provided to business units on a cost reimbursement basis. Allocation of administrative costs is administered under procedures documented in the Council's Cost-Sharing System Guidebook. A portion of administrative costs for Council-wide administrative duties not attributable to specific units are allocated to business units under 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 a 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 sharing administrative resources and system development costs Council-wide. Examples include: 1) development of a new automated financial accounting system implemented Council-wide, 2) development of Council-wide standards for desk top computer programs and 3) establishment of a work unit to assess year 2000 computer needs Council-wide and to implement a strategy to achieve compliance.

Tactical Goals

- Fiscal Services

- Identify and implement additional efficiencies both in systems and processes to ensure provision of the most effective service possible for customers.
- Expand the use of the PeopleSoft financial system to meet managers needs.
- Implement PeopleSoft version 7.5. Determine functionality to be implemented and ensure that key users are identified in the implementation decision.
- Implement new AR/Billing functionality to improve service to customers.
- Evaluate process and system improvement possibilities in AR, AP and Payroll.
- Identify areas where increased use of Automated ClearingHouse and EDI capabilities will assist in the future.
- Coordinate fixed asset inventory for Environmental Services assets.
- Work with Synergen staff to determine the possibility for a time and attendance system and evaluate its impact on the payroll function.
- Develop reporting on measurements/benchmarks for evaluating performance of the investment portfolio.

- Human Resources

- Strengthen partnership with Senior Management in all divisions to identify and address most critical issues of organizational effectiveness.
- Design alternative dispute resolution systems for the agency.
- Design and deliver a comprehensive management development program for the agency.
- Begin planning and development of an integrated human resources information system.
- Increased involvement of Labor-Management Committees.
- Negotiate labor agreements, which support the business objectives of the agency.

- Information Systems

- Complete Year 2000 compliance for Council information technology (IT) systems.
- Develop a strategic technology plan in partnership with each business unit and for the Council overall.
- Implement IT projects as prioritized by the Information Technology Steering Committee.

- Improve internal customer service through increased partnership efforts and feedback.
- Support the daily operations of internal customers.
- Communications
 - Build public support for implementation of *Metro 2040*.
 - Measure accountability and performance for effective internal and external communications by communications teams.
 - Improve community relations support of sector representatives, watershed coordinators and government relations staff with local communities.
 - Implement joint regional marketing with internal and external transit providers.
 - Inform key audiences about the value of regional approach.
- 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 services providers so that high quality, cost-competitive legal services are delivered.
 - Assist in ascertaining the need for organization-wide real estate services work plan.
 - 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.
- Risk Management
 - Secure insurance quotes where appropriate and work with insurance carriers and brokers to coordinate Council insurance coverage.
 - Process and administer workers compensation claims in a manner that follows all applicable workers compensation laws and regulations and encourages the expedient return to work of injured employees.
 - Process and manage liability claims arising out of bus accidents or incidents efficiently, expeditiously, and in the best manner possible to protect the agency from the adverse impact of loss.
 - Review proposed contracts and recommend standard insurance and indemnification language and recommend appropriate levels of insurance coverage.
 - Arrange for necessary certificates of insurance from Council insurance carriers.
 - Advise Council management on appropriate risk management strategies to protect the agency from loss.
 - Implement a risk management information system.
 - Develop and implement standardized measurements and benchmarks to assess performance.

- Diversity

- Develop or enhance where appropriate the Council's Disadvantaged Business Enterprise (DBE) program to increase DBE opportunities.
- Conduct semi-annual reviews of the Council's equal opportunity programs.
- Provide disability management and reasonable accommodation training for managers.
- Utilize employee-based Diversity Committee to achieve Council's equal opportunity goals.
- Conduct employee attitude survey.
- Provide efficient, standardized complaint investigations and responses to executive management and general counsel.
- Continue to enhance relationships with community organizations to expand affirmative action recruitment efforts and to insure outreach to all parts of the regional community.

- Internal Audit

- Develop and execute a comprehensive Annual Audit Plan. 2000 audit plan will be focused on auditing 25 to 30 projects, including financial and operational audits.
- Conduct special audits and/or investigations at the request of the Regional Administrator, Associate Regional Administrator, Council Chair or the Audit Committee.
- Coordinate audit activities with the Minnesota State Auditor's staff, the Federal Transit Administration auditors and other federal auditors.
- Assess control adequacy of current systems and new systems through on-going audits and reviews.

Financial Analysis

Total proposed 2000 expenditures for Regional Administration are \$24,651,306 of which \$21,111,682 is allocated to business units under cost allocation procedures. Cost allocation includes \$13,206,881 for services directly provided to and paid by the operating divisions; and \$7,904,801 is allocated as residual charges (indirect charges) to line units under cost allocation and federal A-87 guidelines.

2000 department and subunit expenditure budgets within Regional Administration are:

Legal Office	\$1,865,308
Internal Audit	529,076
Diversity	535,208
Human Resources	2,694,573

***Metropolitan Council 2000 Unified Budget
Regional Administration***

Communications	1,543,155
Library	172,132
Fiscal Services	2,302,000
Information Services & Y2K	10,422,701
Central Services	1,950,610
Risk Management	897,944
Budget & Evaluation	286,153
Intergovernmental Relations	229,177
Council & Office of the Chair	623,260
Office of the Regional Administrator	472,431
Other and Cost Allocation	127,578
Total	<u>\$24,651,306</u>

Budget Comparison of 1999 Budget and 2000 Proposed

Salary and benefit expenses increase in 2000 primarily due to additional Information Systems staff working on high priority applications development for MCES and Metro Transit.

<u>Expenditures</u>	<u>1999 Budget Adopted</u>	<u>2000 Budget Adopted</u>
Salaries & Benefits	\$ 13,393,021	\$14,214,788
Consultants	499,000	712,100
Other Contractual Services	5,055,372	5,180,521
Rent & Utilities	1,423,303	1,615,269
Other Direct Expenses	2,288,665	2,895,713
Insurance	809,348	32,915
Total	<u>\$ 23,469,609</u>	<u>\$ 24,651,306</u>
Capital Expenditures	\$ 1,440,200	\$ 1,409,400

Metropolitan Council 2000 Unified Budget Budget Process

The Metropolitan Council proposed budget for 2000 is a unified operations budget that reflects all units and revenue sources. It is composed of four organizational units: Environmental Services Division, Transportation Division, Community Development Division, and Regional Administration. A capital improvement program and budget for 2000-2005 will be prepared later in 1999, which includes major facilities primarily financed by means of long term debt.

The fiscal policies guiding development of the 2000 budget provide that the agency will be managed by retaining the individual operating units organizationally and financially, while providing centralized leadership and policy guidance. Fiscal management is centered in the Regional Administrator's Office and the Council's Management Committee.

The Metropolitan Development Guide, composed of the Regional Blueprint and Policy Plans and Statements, provide the overall vision and mission of the agency, and guides the development of the 2000 work program. Each of the individual operating divisions develops its own mission based upon needs of the customer, client or stakeholder served.

The budget document includes separate sections for each division of the Council. Each of these sections begins with a statement of the division's mission, expected results and tactical goals.

Each of the Council's divisions has unique revenue sources that are based upon specific client relationships. For example, in the Environmental Services Division customers in the form of cities pay for the level of service based on the actual wastewater flow, and the cost of the service per unit of flow. Cities, in turn, collect fees for wastewater processing from residential, commercial and industrial customers. In the Metro Housing and Redevelopment Authority (HRA), cities and the federal Department of Housing and Urban Development depend upon specific results from the HRA, while clients are the recipients of the services being provided. The Council's operating divisions develop their budget proposals in consideration of their clients service needs, respective funding sources and Council policy.

Budget Schedule

Early in 1999, the Council operating divisions made presentations and held meetings with their constituent groups and stakeholders to receive comments on their portion of the Council's budget. State legislation enacted in 1999 was critical to determining the level of funding for transit operations.

Proposed 2000 division budgets were reviewed with the Regional Administrator's Office in the second quarter 1999. Division budgets were then presented to the Council committees. In June and July, the Environmental Services Division proposed budget was presented to the Council's Environment Committee, while the Transportation and Community Development budgets were presented to the Transportation and Livable Communities committees of the Council respectively. The Council's Management Committee reviewed the Regional Administration section of the budget. In August, the Council was presented the proposed unified budget for consideration and discussion.

Metropolitan Council 2000 Unified Budget Budget Process

On July 28, 1999 the Council held a public hearing on the Environmental Services Division proposed budget. The Environmental Division budget determines sewer service charges for cities in the region for the upcoming year. Budget breakfasts (at a number of locations), and the public hearing on the proposed Environmental Division budget are held prior to adoption the proposed budget so that communities and other clients have the opportunity to comment on the budget and proposed wastewater service charges.

On August 25, the Council will be asked to approved the 2000 preliminary unified budget and proposed property tax levies including the Environmental Services Division budget and wastewater service fees.

In September the Council transmits to the State Department of Revenue and the county auditors the preliminary budget and proposed property tax levies to comply with State Truth in Taxation and other statutory requirements. The State Department of Revenue determines whether or not the levies are within statutory levy limits. The county auditors include the proposed levies in the Truth in Taxation certificates sent to households in November.

In November the Public Hearing draft of the proposed 2000 budget will be published.

Under the State Truth in Taxation legislation the Council will hold a public hearing on the budget and property tax levies on December 1. The public hearing will be held in conjunction with the Metropolitan Mosquito Control Commission. Adoption of the 2000 final budget and levies will occur on December 15, 1999.

Budget Revisions

Revisions to the operating budget for Environmental Services Division, Transportation Division and Community Development Division are initially reviewed by the Council's standing committees (Environment Committee, Transportation Committee and Livable Communities Committee, respectively). Budget revision proposals are also presented for action to the Council's Management Committee which is responsible for preparing the recommendation to the full Council. Budget revisions involving administrative matters are presented to the Management Committee for action prior to being acted on by the full Council.

Major budget revision proposals may be presented to the Council's committee of the Whole rather than having separate reviews by the Management and other Council committees.

All budget revisions are reviewed by the Regional Administrator's Office prior to presentation to the Management Committee.

Budget revisions are most commonly proposed to account for: 1) major changes in revenue sources, especially federal and state appropriations that are made subsequent to budget adoption; 2) major changes in work program and related costs such as new State legislative requirements;

Metropolitan Council 2000 Unified Budget Budget Process

3) significant expenditure increases over budget and 4) major shifts of resources between programs.

Basis of Accounting

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become susceptible to accrual, i.e., both measurable and available. Available means collectible within the current period or soon enough thereafter to pay current liabilities.

Property tax revenues are recognized when they become measurable and available. Available means due, or past due and receivable within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. Property tax revenue includes amounts received from property taxpayers.

In applying the susceptible to accrual concept to intergovernmental revenues (grants, subsidies and shared revenues), the legal and contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the Council; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are nearly irrevocable; i.e., revocable only for failure to comply with prescribed compliance requirements such as equal employment opportunity. These resources are reflected as revenues at the time of receipt or earlier if they meet the criterion of availability. Intergovernmental revenues received but not earned are recorded as deferred revenue.

Interest earnings are susceptible to accrual and are recognized as revenue when earned.

Expenditures are recognized when the fund liability is incurred, except for principal and interest on long-term debt which are recognized as expenditures when due.

The proprietary funds, enterprise funds, are accounted for on the flow of economic resources measurement focus and use the full accrual method of accounting. Revenues are recognized in the period they are earned and measurable. Expenses are recognized when incurred and measurable.

Basis of Budgeting

Environmental Services division accounts for its operations in conformance with generally accepted accounting principles (GAAP) as an enterprise fund on a full accrual basis. In contrast to the financial statements, the budget is not on an accrual basis. The budget was prepared and adopted in conformity with the "cost allocation" system described in Minnesota Statute 473.517. Under the cost allocation method, current costs are defined as the estimated cost of operations, betterment, acquisition and debt service. Also, under the cost allocation system, annual revenues

Metropolitan Council 2000 Unified Budget Budget Process

are budgeted to equal annual expenditures, and any excess of revenues over expenses is rebated to customer communities as a credit on their sewer service charges.

Metro Transit accounts for its operations in conformance with GAAP as a single enterprise fund on a full accrual basis. Metro Transit's revenue and expense classifications conform to the federally mandated "FARE" uniform chart of accounts for transit agencies. Metro Transit budgeted in two major financial categories: Operating Programs (or unrestricted resources), and Capital Programs. Annual budget appropriation lapses at year-end. Multi-year authorizations sufficient to finish any projects begun have been adopted for the Capital Programs category. The budget includes all of Metro Transit's financial resources and programmatic activities.

The General and Special Revenue Fund budgets are prepared on the modified accrual basis with the following exception: budgetary expenditures include purchase orders and contracts issued for goods and services not received at year-end (encumbrances).

Actual results of operations presented in accordance with GAAP and the Council's accounting policies do not recognize the encumbrances as expenditures until the period in which the actual goods or services are received and a liability is incurred. Encumbrances are presented as reservations for encumbrances on the balance sheets of the Governmental Funds. It is necessary to include budgetary encumbrances to reflect actual revenue and expenditures on a basis consistent with the Council's legally adopted budget. Encumbrances are reported for budgetary control purposes and only represent commitments of the Council.

Encumbrances accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the Governmental Funds. Encumbrances outstanding at year-end are reported as reservations of fund balances and provide authority for the carry-over of appropriations to the subsequent year in order to complete these transactions.

The budget sets limits on total spending for the fiscal year. At the end of the fiscal year all budget authority lapses. At the Council's discretion, budgetary authority may be carried into subsequent years and reappropriated.

Capital Budgeting

Under State statute, the Council is required to adopt a Capital Improvement Program (CIP) and Annual Capital Budget for major equipment, facilities, and land; and grants programs administered by the Council for similar purposes. In response to State Statute, the Council's annual CIP and Capital Budget is adopted and published separately from the Council's operating budget. The CIP generally covers a five-year period; however, a six-year CIP was prepared for the period 2000-2005. The CIP and Annual Capital Budget includes major asset purchases and grants for the Metropolitan Council Environmental Services Division, transit operations including the Metro Transit and other transit providers, the Metropolitan Parks and Open Space Commission, and the Metropolitan Radio Board.

Metropolitan Council 2000 Unified Budget Budget Process

The CIP and annual Capital Budget document presents 1) a unified 2000-2005 capital improvement program which details capital investments and financing; 2) a fiscal impact assessment which considers 2000-2005 capital investments and financing within the context of the region's ability to pay; and 3) a unified 2000 capital program and budget with new multi-year capital program authorizations and 2000 capital expenditures.

Capital program requests originate in the agencies that provide regional services. The Transportation Division develops a six-year capital improvement program for transit and coordinates a process for evaluating and prioritizing capital requests. Environmental Services Division has developed a capital improvement prioritization, assessment and selection process the produces its CIP and capital budget request.

Designated local park implementing agencies originate capital program requests for regional parks and open space. The Metropolitan Parks and Open Space Commission, an advisory commission to the Council, develops a CIP proposal in cooperation with park implementing agencies and uses prioritization and assessment procedures adopted as part of the Council's Recreation Open Space Policy Plan.

Draft capital improvement programs and annual capital programs are reviewed by the Regional Administrator's Office in July and August. Council committees review proposed capital programs and provide policy direction throughout the fall. The proposed unified 2000-2005 CIP and 2000 capital program and budget will be developed by the Regional Administrator's Office and presented to the Council in September. The public hearing on the proposed CIP and budget will be held on December 2, 1999, and final adoption is scheduled for December 15, 1999.

Metropolitan Council 2000 Unified Budget Multi-year Financial Projections

PURPOSE OF MULTI-YEAR PROJECTIONS

Financial projections for 2000 through 2002 were completed for all units of the Council, and are presented in the tables and charts in this section. The financial projection for Environmental Services extends to 2005 to coincide with the forecast period of that division's Plan for Allocating Resources. Projections were completed in order to determine whether projected revenues from current sources are sufficient to continue the current level of services through the year 2002. Projections also identify which revenue and expense items are most critical to maintaining a balanced budget.

The tables that follow show: revenues, expenditures, other sources and uses of funds, and the amount of projected surplus or deficit. Separate tables are presented for:

- 1) Regional Administration and Community Development excluding the Metro HRA,
- 2) Metropolitan Housing and Redevelopment Authority (Metro HRA),
- 3) Environmental Services Division, and
- 4) Transportation Division and Metro Transit.

Projections for Metro Transit are included within the projections for the Transportation Division in Table 15, and are shown separately in Table 15A.

RESULTS OF MULTI-YEAR PROJECTIONS

Regional Administration and Community Development

Table 12 shows operating budget projections for Regional Administration and Community Development (excluding the HRA) for 2001 and 2002. The projections show small deficits in 2001 and 2002. The forecasts assume that some 1999 staff and consultant expenditures related to financial system implementation, the position evaluation project and Year 2000 compliance are non-recurring and will be eliminated in 2000 and subsequent years. Revenues are projected to remain stable. No increase is planned for the Council's general property tax levy, which provides the majority of the funding for Community Development and non-allocated Regional Administration budgets. The projections will be reviewed in 2000 as part of the 2001 budget development process to ensure that budget actions required to keep future budgets in balance are implemented. The forecasts for regional administration also include central support functions that are allocated to operating divisions. From 2000 to 2002, approximately \$21 to 22 million per year will be allocated to the Transportation and Environmental Services divisions and Metro HRA. Surpluses and deficits for Regional Administration and Community Development are highly sensitive to the central services costs and how they are allocated to benefiting divisions.

Table 12 assumes no general purpose levy increases beyond the amount levied in 2000. Based on projected growth in the general purpose levy limit, the projected levy will be approximately 3 percent below the statutory levy limit in 2000, 4 percent below in 2001, and 5.5 percent below in 2002. The general purposes levy was increased over a three year period, 1997 through 1999, to provide \$1 million per year beginning in 1998 for Livable Communities, as required under State statute.

Metropolitan Council 2000 Unified Budget Multi-year Financial Projections

Metropolitan Housing and Redevelopment Authority

The HRA projections in Table 13 show deficits in 1999 and 2000 continuing into 2001 and 2002. The HRA has sufficient fund balances to fund these deficits through 2002. These deficits have been funded from available fund balances in the HRA. In 2000 as part of the 2001 budget development process, these projections will be reviewed to determine if expenditure trends and revenue availability continue as projected and if budget adjustments need to be made.

Environmental Services Division

The Environmental Services Division projections in Table 14 show revenues and expenditures in balance for all years based on the division's Plan for Allocating Resources (PAR). Under the projection, wastewater flows are assumed to increase at less than 1% per year. Total expenditures and revenues are projected to decline under the PAR through 2001, as the division implements its current cost reduction plan. As a result, wastewater service rates per 100,000 gallons are projected to decrease from \$135 in 1998 to \$118 in 2001.

Transportation Division

The Transportation Division projections in Table 15 assume increases in the operating budget sufficient to maintain existing transit service in the region. Revenue projections result in a small budgeted deficit in 2000 and a small deficit in 2001 and a small surplus in 2002. The forecasts assume that \$1.5 million in available fund balances is transferred to a Transit for Livable Communities program in both 2001 and 2002. The core transportation program is projected to have surpluses in 2001 and 2002 that would allow modest service expansion within the region.

This forecast does not evaluate the impact of proposed bus service expansion on projections for 2001 and 2002. The Transportation Division is preparing a financial projection that analyses operating revenues and expenditures for the 2002-2003 and 2004-2005 bienniums. This analysis will determine the impact of light rail implementation and bus service expansion on operating costs and propose a financial plan to fund these costs.

Transit Operations comprises approximately 98 percent of the Transportation Division budget. The major revenue sources for transit operations in 2000 include regional property taxes (40 percent), state transit assistance (19 percent) and fare revenues (31 percent). Federal revenues provide a small but still significant level of financial support. Each of these revenue sources is subject to external forces or funding decisions, and as a result the forecasts for the Transportation Division have a higher level of uncertainty than for most other areas of operation for the Council. A one percent reduction in market value increases in the region would reduce property tax revenues by approximately \$800,000 in 2001 and \$1.6 million in 2002. Both federal and state transit assistance are subject to decisions of other legislative bodies.

Metropolitan Council 2000 Unified Budget Multi-year Financial Projections

GENERAL ASSUMPTIONS

Service Levels and Expenditures

Expense projections reflect continuation of current level of operations as specified in the 2000 budget.

- Sewer flow is projected to increase approximately 1 percent per year from 2000 to 2002.
- Transit service levels are projected to remain constant between 2000 to 2002.
- Transit service restructuring will be implemented with the goal of matching service to the market.

Inflation expectations for most expense items were assumed to be 1.75 to 3.25 percent per year.

In Environmental Services, expenditure forecasts cover the period from 1999-2005 and reflect the division's Strategic Business Plan and Plan for Allocating Resources (PAR). These plans call for a significant reduction in expenditures between 1998 and 2000 to allow the Council to reduce wastewater rates. The Plan for Allocating Resources (PAR) reduces total expenditures by \$18.7 million, or 11 percent between 1998 and 2002.

Revenues

Levy limit growth, which is tied to a number of statutory limitations, was assumed to increase by 5.5 to 6 percent per year for transit operations based on market value changes. The general purposes levy limit is expected to increase 1.4 percent per year based on a specific statutory limit.

Wastewater service revenues decline between 1998 and 2002, reflecting the decline in wastewater expenditures. Wastewater service rates per 100,000 gallons are projected to decline 18 percent between 1998 and 2002.

No increase in transit fares is projected between 2000 and 2002. State funding for transit operations increased 11 percent in the 2000-2001 biennium compared to the 1998-1999. The forecasts assume an additional \$3.1 million state appropriation in the 2000 session and a 7 percent increase in the next biennium. Federal support for transit and transportation planning and Metro HRA are assumed to continue at approximately the 2000 level through 2002.

Beginning in 1998, the Council is required to transfer \$1 million annually from its general purposes levy to the Livable Communities Accounts. The general purposes levy was increased over a three year period (1997 through 1999) to accommodate the additional cost. In 2000, 2001 and 2002 no levy increase is projected.

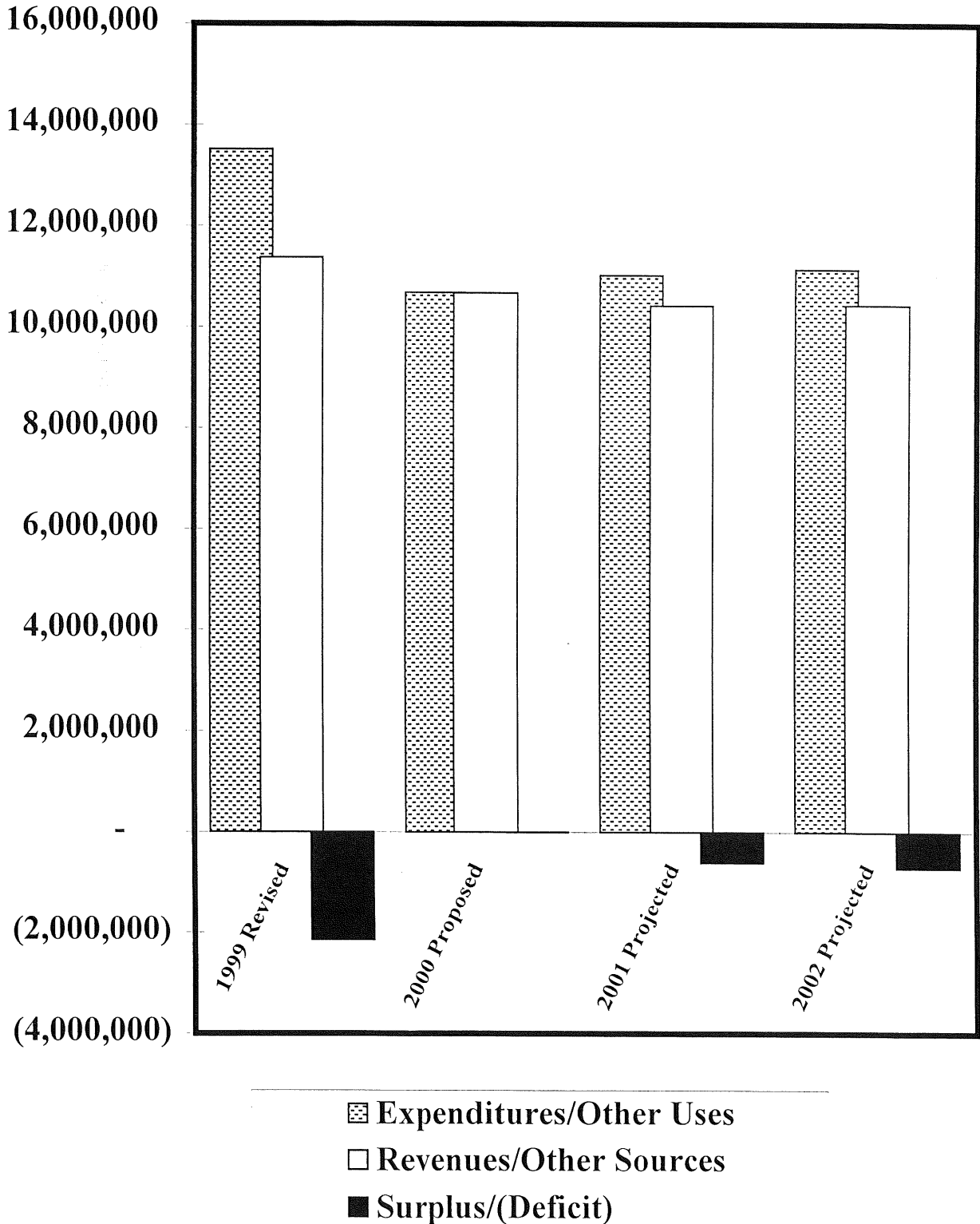
Other Assumptions

The 2000-2002 forecasts for the Transportation Division as a whole and for Metro Transit reflect a base service plan that allows the Council to maintain current levels of transit service in the region. It shows that, in the near future, the Council has the financial resources to maintain current service levels. The Council is also considering a growth service plan that would allow the Council to expand transit service levels in the region. The Council will need additional financial resources to implement this growth plan.

Table 12
1998-2002 FINANCIAL PROJECTION
Community Development (without Metro HRA) and Regional Administration
Operating Budget (Excluding Debt Service and Passthrough)

	1999 Revised Budget	2000 Proposed	2001 Projected	2002 Projected	2000-2002 Ann. Pct.Chg.
Revenues					
Property Taxes, including HACA	9,971,000	10,073,000	10,073,000	10,073,000	0.00%
Intergovernmental Revenue					
Federal	310,000	103,000	-	-	
State	-	19,000	19,000	19,000	0.00%
Local/Other	43,000	28,000	24,000	43,000	23.92%
Miscellaneous Revenue					
Interest Income	200,000	175,000	175,000	175,000	0.00%
Other Revenue	10,000	135,000	135,000	135,000	0.00%
Total Revenues	10,534,000	10,533,000	10,426,000	10,445,000	-0.42%
Expenditures					
Salaries and Benefits	17,960,000	17,585,000	18,156,000	18,746,000	3.25%
Contracted Services	14,497,000	6,480,000	6,480,000	6,480,000	0.00%
Capital Outlay	94,000	25,000	-	-	
Other Expenditures	4,377,000	4,975,000	5,063,000	5,151,000	1.75%
Total Expenditures	36,928,000	29,065,000	29,699,000	30,377,000	2.23%
Revenues Over/(Under) Expenditures	(26,394,000)	(18,532,000)	(19,273,000)	(19,932,000)	
Other Sources/(Uses)					
Operating Transfers from Other Funds	24,882,000	19,689,000	20,129,000	20,577,000	2.23%
Operating Transfers to Other Funds					
Property Tax Receipts	(1,199,000)	(1,299,000)	(1,299,000)	(1,299,000)	0.00%
Other Transfers	838,000	-	-	-	
Use of Fund Balance	-	142,000	-	-	
Total Other Sources/(Uses)	24,521,000	18,532,000	18,830,000	19,278,000	1.99%
Surplus or (Deficit) before Capital	(1,873,000)	-	(443,000)	(654,000)	
General Fund Balance for Capital Outlays	(271,000)	(3,000)	(162,000)	(50,000)	
Surplus or Deficit after Capital Outlay Tran	(2,144,000)	(3,000)	(605,000)	(704,000)	
As Percent of General Operations Expendit	-5.81%	-0.01%	-2.04%	-2.32%	
Property Tax Levy Limit					
Property Tax Levy Limit	10,317,945	10,472,714	10,619,332	10,768,003	1.40%
Gross Property Tax Levy	10,174,600	10,174,600	10,174,600	10,174,600	0.00%
Less: Estimated Uncollectible	(203,500)	(101,700)	(101,700)	(101,700)	
Net Property Tax Receipts	9,971,100	10,072,900	10,072,900	10,072,900	0.00%
Distribution of Net Tax Receipts					
Livable Communities	1,000,000	1,000,000	1,000,000	1,000,000	0.00%
Transportation Division	-	-	-	-	
Environmental Services Division	199,000	299,000	299,000	299,000	0.00%
Comm. Dev. and Reg. Admin. Divisions	8,772,100	8,773,900	8,773,900	8,773,900	0.00%
Unused Levy Limit	143,345	298,114	444,732	593,403	
Percent of Levy Limit	1.4%	2.8%	4.2%	5.5%	

**Metropolitan Council
1999-2002 Financial Forecast
Comm. Development and Reg. Mgmt.
(Net of Central Support Allocations)**



Metropolitan Council 1999-2002 Financial Forecast Community Development and Regional Management Budgets by Category

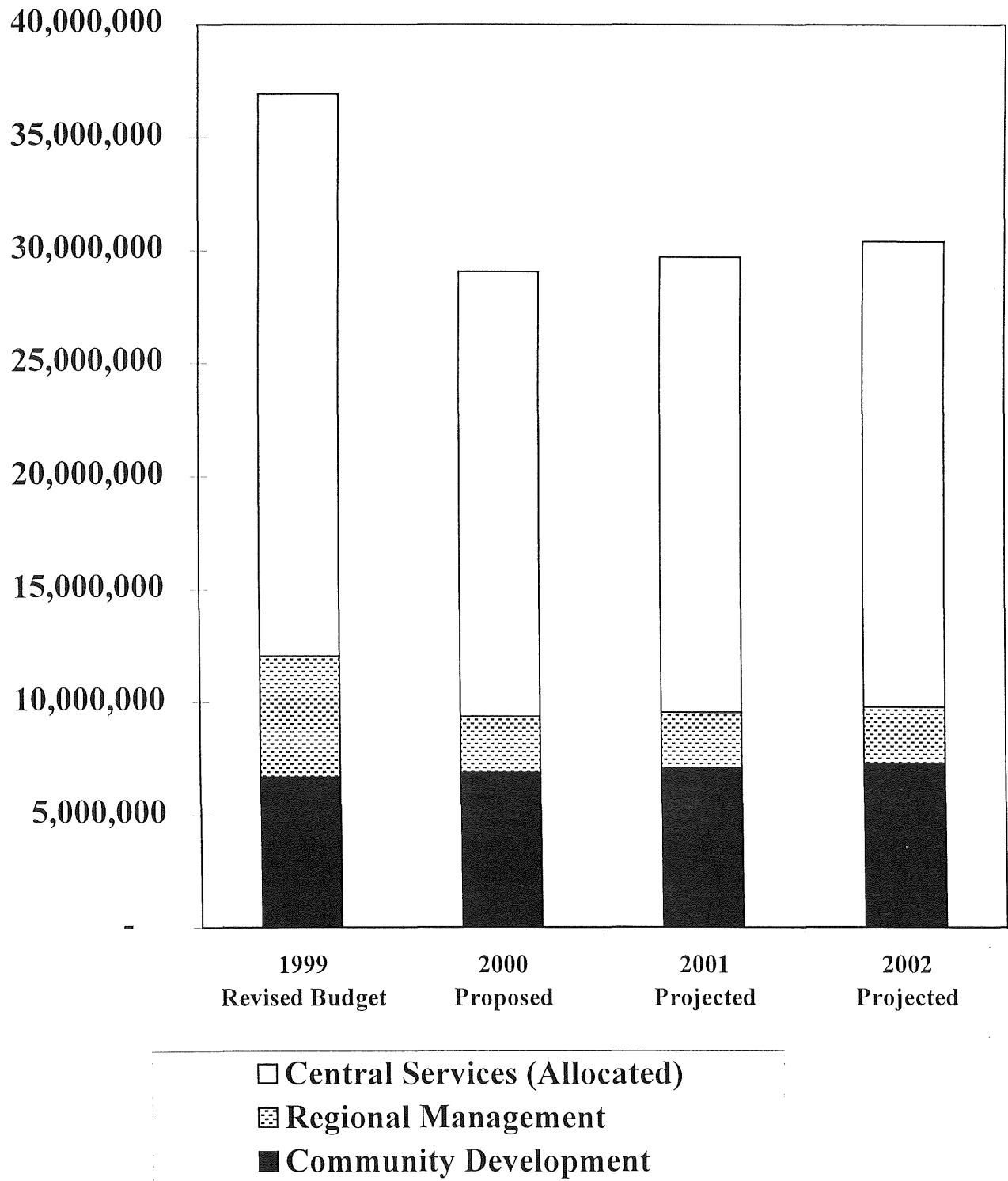
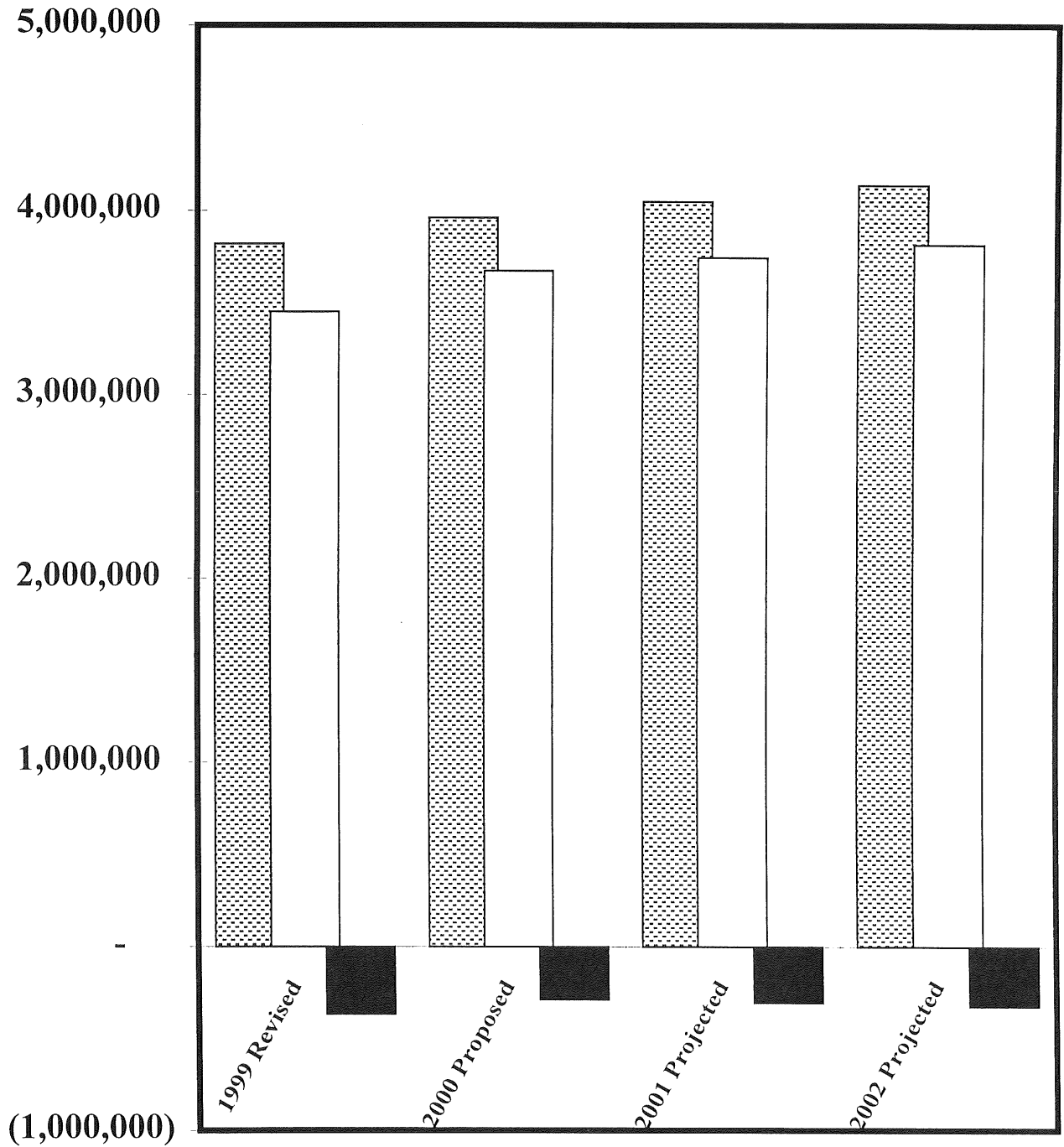


Table 13
1998-2002 FINANCIAL PROJECTION
Metropolitan Housing and Redevelopment Authority (Metro HRA)
Operating Budget (Excluding Debt Service and Passthrough)

	1999 Revised Budget	2000 Proposed	2001 Projected	2002 Projected	2000-2002 Ann.Pct.Chg.
Revenues					
Property Taxes	-	-	-	-	
Intergovernmental Revenue					
Federal	2,943,000	3,017,000	3,078,000	3,139,000	2.00%
State	226,000	340,000	347,000	354,000	2.04%
Local/Other	68,000	68,000	70,000	71,000	
Miscellaneous Revenue					
Interest Income	100,000	150,000	150,000	150,000	0.00%
Other Revenue	114,000	97,000	99,000	101,000	2.04%
Total Revenues	3,451,000	3,672,000	3,744,000	3,815,000	1.93%
Expenditures					
Salaries and Benefits	1,602,000	1,592,000	1,644,000	1,697,000	3.25%
Contracted Services	344,000	436,000	436,000	436,000	0.00%
Other Expenditures	1,359,000	1,368,000	1,392,000	1,416,000	1.74%
Total Expenditures	3,305,000	3,396,000	3,472,000	3,549,000	2.23%
Revenues Over/(Under) Expenditures	146,000	276,000	272,000	266,000	
Other Sources/(Uses)					
Operating Transfers from Other Funds	-	-	-	-	
Operating Transfers to Other Funds	(514,000)	(564,000)	(577,000)	(590,000)	2.28%
Use of Fund Balance	-	-	-	-	
Total Other Sources/(Uses)	(514,000)	(564,000)	(577,000)	(590,000)	
Surplus or (Deficit)	(368,000)	(288,000)	(305,000)	(324,000)	
As Percent of Expenditures	-11.13%	-8.48%	-8.78%	-9.13%	

Metropolitan Council 1999-2002 Financial Forecast Metro HRA



■ Expenditures/Other Uses
 □ Revenues/Other Sources
 ■ Surplus/(Deficit)

Table 14
1999-2005 FINANCIAL PROJECTION
Environmental Services Division
Operating Budget (Operations and Debt Service)

	1999 Budget	2000 Proposed	2001 Projected	2002 Projected	2003 Projected	2004 Projected	2005 Projected	1999-2005 Ave. Ann. Pct.
Revenues								
Operations								
Sewer Service Charges	82,359,000	78,826,000	73,810,000	75,668,000	76,591,000	78,068,000	79,544,000	-0.58%
Industrial Strength Charges	7,257,000	5,252,000	5,048,000	5,172,000	5,300,000	5,400,000	5,550,000	-4.37%
Other User Fees	1,067,000	981,000	1,177,000	1,223,000	1,256,000	1,284,000	1,304,000	
Miscellaneous Revenue								
Interest Income	2,280,000	2,742,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	-2.16%
Other Revenue	537,000	2,399,000	2,899,000	2,899,000	1,899,000	899,000	899,000	8.97%
Operations Revenues	93,500,000	90,200,000	84,934,000	86,962,000	87,046,000	87,651,000	89,297,000	-0.76%
Debt Service								
Sewer Service Charges	47,736,000	45,974,000	50,090,000	49,412,000	53,949,000	58,012,000	61,066,000	4.19%
Transfer from SAC Fund	15,564,000	17,326,000	17,737,000	18,746,000	19,227,000	19,464,000	20,218,000	4.46%
Debt Service Revenues	63,300,000	63,300,000	67,827,000	68,158,000	73,176,000	77,476,000	81,284,000	4.26%
Total Revenues	156,800,000	153,500,000	152,761,000	155,120,000	160,222,000	165,127,000	170,581,000	1.41%
Expenditures								
Program Expenses	93,280,200	88,700,000	82,934,000	84,962,000	86,046,000	87,651,000	89,297,000	-0.72%
Metropolitan Environmental Partnership	1,000,000	1,500,000	2,000,000	2,000,000	1,000,000	-	-	
Other Expenses	-	-	-	-	-	-	-	
Operations Subtotal	94,280,200	90,200,000	84,934,000	86,962,000	87,046,000	87,651,000	89,297,000	-0.90%
Debt Service	63,300,000	63,300,000	67,827,000	68,158,000	73,176,000	77,476,000	81,284,000	4.26%
Total Expenditures	157,580,200	153,500,000	152,761,000	155,120,000	160,222,000	165,127,000	170,581,000	1.33%
Revenues Over/(Under) Expenditures	(780,200)	-	-	-	-	-	-	
Sewer Rates:								
Sewer Service Charges	130,095,000	124,800,000	123,900,000	125,080,000	130,540,000	136,080,000	140,610,000	-1.30%
Flow (Billions of Gallons per Day)	103.50	104.00	105.00	106.00	107.00	108.00	109.00	0.80%
Sewer Service Rate (per 100,000 gallons)	125.70	120.00	118.00	118.00	122.00	126.00	129.00	-2.08%
Percent Change	-6.89%	-4.53%	-1.67%	0.00%	3.39%	3.28%	2.38%	

Metropolitan Council 1998-2002 Financial Forecast Environmental Services Division Operations and Debt Service

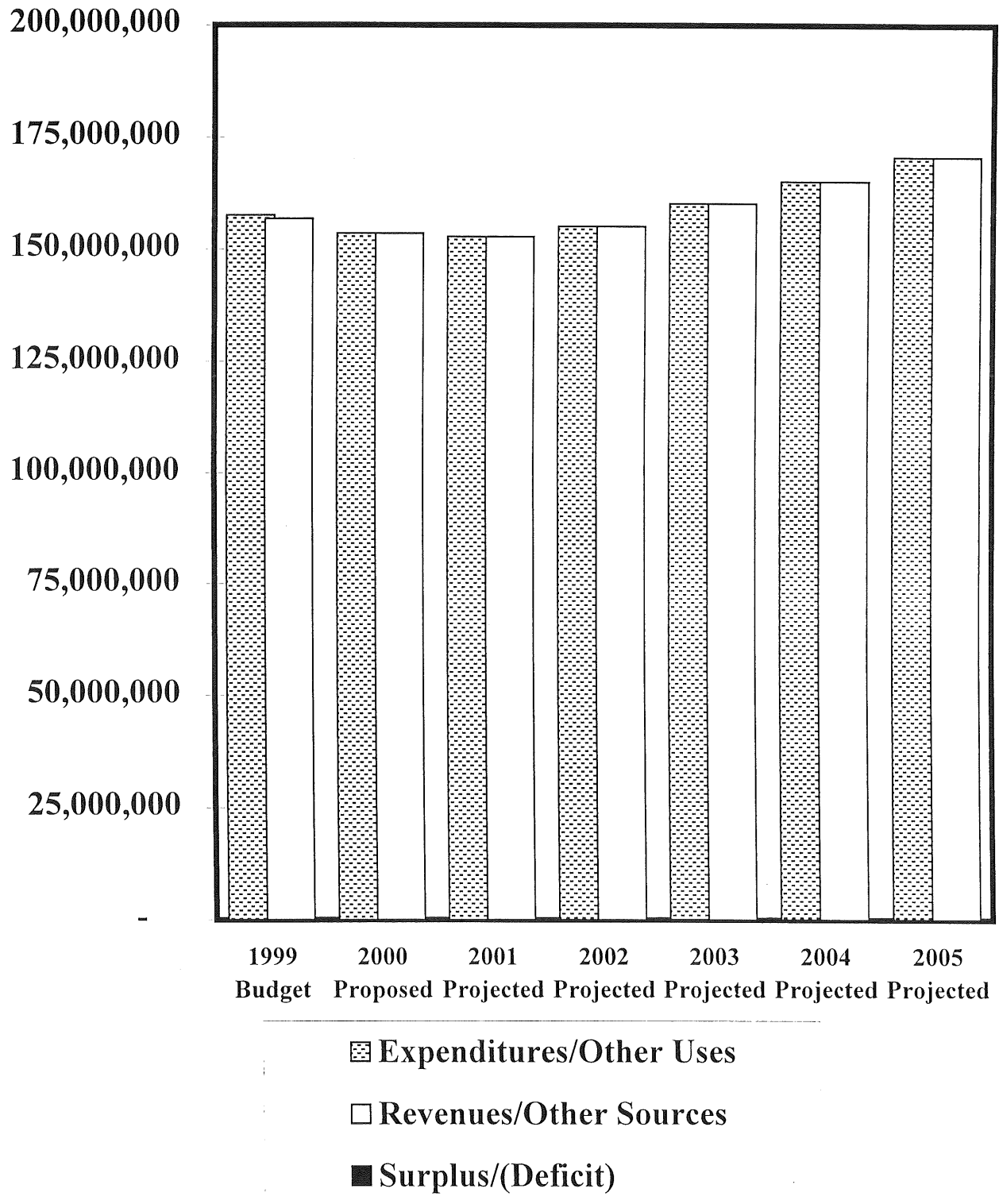
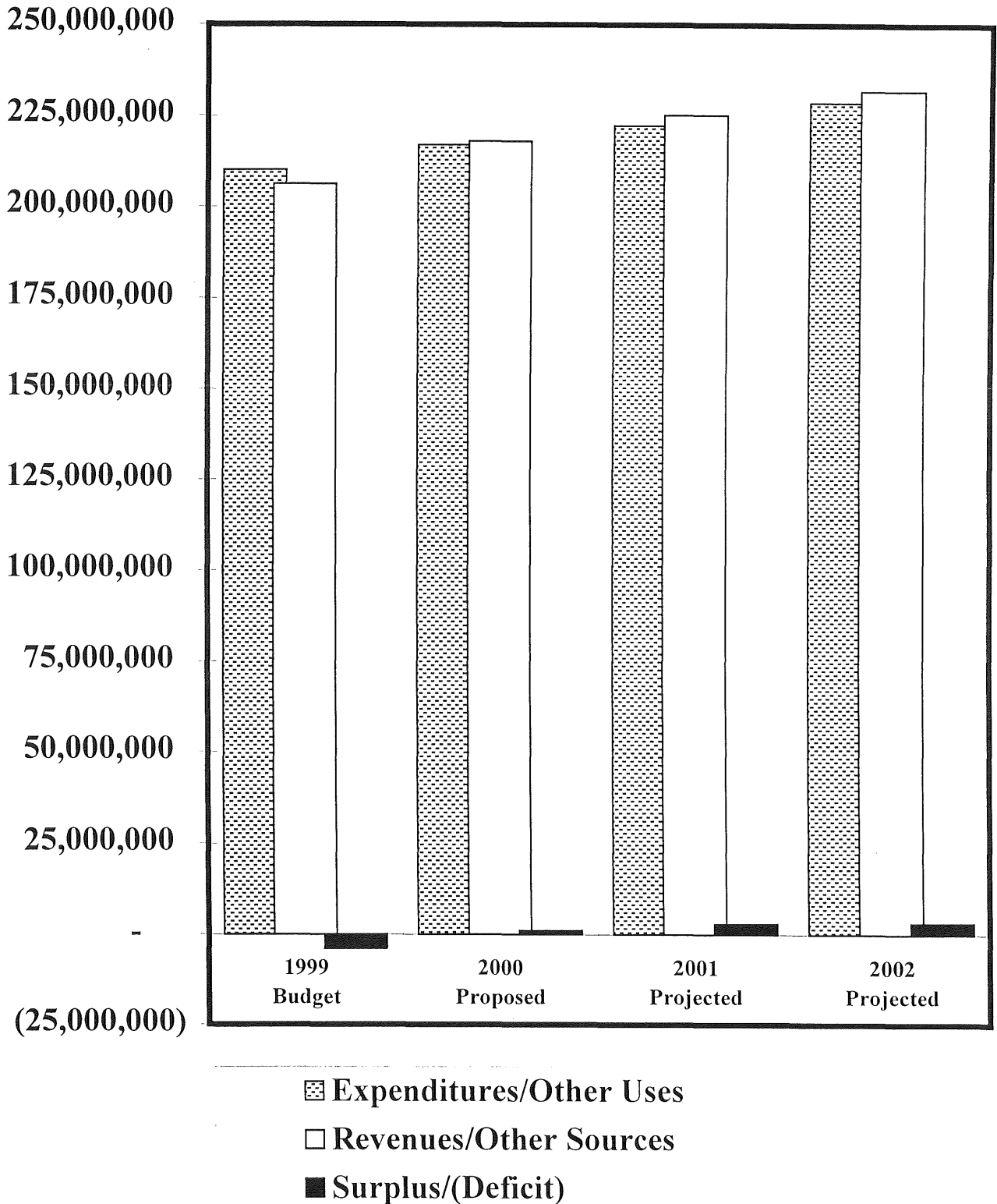


Table 15
1998-2002 FINANCIAL PROJECTION
Transportation Division
Base Operating Budget (Excluding Opt Out
Programs and Debt Service)

	1999 Budget	2000 Proposed	2001 Projected	2002 Projected	1999-2002 Ann.Pct.Chg.
Revenues					
Property Taxes (including State HACA)	72,571,100	78,575,000	83,206,000	87,724,000	6.53%
Intergovernmental Revenue					
Federal	9,406,100	12,186,000	12,222,000	12,258,000	9.23%
State	55,493,700	58,091,000	59,141,000	60,455,000	2.90%
Local	-	-	-	-	
Other Intergovernmental	-	-	-	-	
Passenger Fares	55,167,100	55,767,000	56,603,000	57,452,000	1.36%
Miscellaneous Revenue					
Interest Income	850,000	855,000	855,000	855,000	0.20%
Other Revenue	12,741,000	12,096,000	13,241,000	13,241,000	1.29%
Total Revenues	206,229,000	217,570,000	225,268,000	231,985,000	4.00%
Expenditures					
Salaries and Benefits	130,115,600	133,737,000	138,083,000	142,573,000	3.09%
Contracted Services	5,277,300	7,474,000	6,104,000	6,237,000	5.73%
Transit Assistance	39,279,900	42,059,000	43,110,000	44,185,000	4.00%
Other Expenditures	35,426,200	35,786,000	36,500,000	37,231,000	1.67%
Total Expenditures	210,099,000	219,056,000	223,797,000	230,226,000	3.10%
Revenues Over/(Under) Expenditures	(3,870,000)	(1,486,000)	1,471,000	1,759,000	
Other Sources/(Uses)					
Operating Transfers from Other Funds	-	400,000	-	-	
Operating Transfers to Other Funds	-	(2,139,000)	(1,500,000)	(1,500,000)	
Use of Fund Balance	-	-	-	-	
Total Other Sources/(Uses)	-	(1,739,000)	(1,500,000)	(1,500,000)	
Surplus or (Deficit)	(3,870,000)	(3,225,000)	(29,000)	259,000	
As Percent of Expenditures	-1.8%	-1.5%	0.0%	0.1%	
Estimated Distribution of Surplus/(Deficit)					
Metro Transit	(5,641,800)	-	2,011,050	1,785,000	
As Percent of Metro Transit Expend.	-3.4%	0.0%	1.2%	1.0%	
Balance of Transportation Division	1,771,800	(3,225,000)	(2,040,050)	(1,526,000)	
As Percent of Expend. for Balance	4.4%	-7.3%	-4.7%	-3.4%	
Opt Out Community Property Tax Revenues					
Communities Levied Locally	9	9	9	9	
Communities Levied Regionally	3	3	3	3	
Locally Raised Property Taxes	10,540,000	11,376,000	12,244,000	13,100,000	7.78%
Regionally Raised Property Taxes	4,231,000	4,776,000	5,141,000	5,500,000	10.23%
Combined Opt Out Communities	14,771,000	16,152,000	17,385,000	18,600,000	8.49%

Metropolitan Council 1998-2001 Financial Forecast Transportation Division Base Operations (Excluding Debt Service)



APPENDIX A
METROPOLITAN COUNCIL
PASSTHROUGH LOAN AND GRANT PROGRAMS

	1997 Actual	1998 Revised	1999 Budget	1999 Revised	2000 Estimate
Passthrough Grant Programs:					
Passthrough Grant Revenues:					
Property Taxes:					
Livable Communities Program	10,410,522	8,982,442	8,819,442	8,819,442	9,870,100
Highway Right-of Way Loan Program	-	1,742,193	1,725,257	1,725,257	901,800
Subtotal-Property Taxes	10,410,522	10,724,635	10,544,699	10,544,699	10,771,900
Federal:	-	-	-	-	-
HUD Housing Assistance	24,112,878	26,098,900	24,355,900	24,355,900	25,876,900
National Park Service-MNRRRA	220,627	50,045	75,000	75,000	-
Subtotal-Federal	24,333,505	26,148,945	24,430,900	24,430,900	25,876,900
State:					
HACA Payments (Livable Communities)	1,523,091	1,094,558	1,094,558	1,094,558	1,095,800
HACA Payments (Highway Right-of-Way)	-	394,621	390,743	390,743	223,500
Inclusionary Housing Appropriation	-	-	-	2,000,000	2,000,000
MHFA Housing Assistance	1,282,621	1,658,300	1,615,700	1,615,700	1,552,400
Transit Appropriation-Welfare to Work	-	1,500,000	500,000	500,000	-
Parks O&M Appropriation	3,000,000	3,000,000	3,000,000	4,500,000	4,500,000
MPCA Stream Monitoring	117,315	-	-	-	-
Subtotal-State	5,923,027	7,647,479	6,601,001	10,101,001	9,371,700
Local/Other Intergovernmental - HRA	562,828	467,200	519,500	519,500	574,900
Interest Income - TCWQI	38,074	7,726	37,500	8,132	8,000
Interest Income - Metro Envir Partnership	-	-	-	2,500	40,000
Interest Income - Livable Communities	672,414	600,000	600,000	600,000	600,000
Interest Income - Highway Right-of-Way Loan Program	379,577	351,381	148,000	378,000	366,000
Interest Income - Planning Assistance Loan Program	39,654	50,687	51,000	51,000	51,000
Interest Income - Planning Assistance Grant Program	42,104	-	4,000	-	-
Total Revenues	42,401,705	45,998,053	42,936,600	46,635,732	47,660,400
Other Sources:					
Transfer to TCWQI from Envir Serv	-	2,200,000	2,300,000	2,400,000	1,638,000
Transfer to Metro Environ Partnership from Envir Serv	-	-	-	200,000	1,800,000
Transfer to Livable Comm from General Fund	-	1,000,000	1,000,000	1,000,000	1,000,000
Transfer to Planning Assist from Solid Waste Cap	1,000,000	-	-	-	-
Transfer to Highway ROW from Radio Board	185,160	92,580	92,580	92,580	92,580
Transfer to Transit for Livable Comm from T&TD Adm	-	-	-	-	1,500,000
Use of Fund Balance - Livable Communities	-	-	1,572,000	2,509,060	1,409,138
Use of Fund Balance - Planning Assistance	-	305,742	156,000	73,988	-
Use of Fund Balance - Highway ROW Loans	2,271,993	-	43,420	-	1,212,840
Use of Fund Balance - TCWQI	861,094	-	92,270	21,638	901,753
Use of Fund Balance - Metro Envir Partnership	-	-	-	-	-
Other Sources	4,318,247	3,598,322	5,256,270	6,297,266	9,554,311
Total Revenues and Other Sources	46,719,952	49,596,375	48,192,870	52,932,998	57,214,711

APPENDIX A
METROPOLITAN COUNCIL
PASSTHROUGH LOAN AND GRANT PROGRAMS

	1997 Actual	1998 Revised	1999 Budget	1999 Revised	2000 Estimate
Passthrough Grant Expenditures:					
Community Development:					
Housing Grants	25,958,327	28,224,400	26,491,100	26,491,100	28,004,200
Parks O&M Grants	3,000,000	3,000,000	3,000,000	4,500,000	4,500,000
Livable Communities Grants	6,500,359	7,308,202	13,086,000	16,023,060	15,975,038
Planning Assistance Grants and Loans (Net of Repay.)	544,338	305,742	160,000	73,988	-
MNRRRA Planning Grants	220,627	50,045	75,000	75,000	-
Subtotal-Community Development	36,223,651	38,888,389	42,812,100	47,163,148	48,479,238
Transportation:					
Highway Right-of-Way Loans (Net of Repayments)	2,836,730	532,215	2,400,000	1,849,664	2,796,720
Welfare to Work Grants	-	1,500,000	500,000	500,000	-
Transit for Livable Communities Grants	-	-	-	-	1,500,000
Subtotal-Transportation	2,836,730	2,032,215	2,900,000	2,349,664	4,296,720
Environmental Services:					
Twin Cities Water Quality Initiative Grants	899,168	1,368,547	2,429,770	2,429,770	2,547,753
Metro Environmental Partnership Grants	-	-	-	-	700,000
Stream Monitoring Grants	117,315	-	-	-	-
Subtotal-Environmental Services	1,016,483	1,368,547	2,429,770	2,429,770	3,247,753
Total Grant Expenditures	40,076,864	42,289,151	48,141,870	51,942,582	56,023,711
Fund Balance for Future Livable Comm Grants	6,105,668	4,368,798	-	-	-
Fund Balance for Future Planning Assist Grants	497,766	-	-	-	-
Fund Balance for Future Highway ROW Loans	-	2,048,559	-	736,916	-
Fund Balance for Future TCWQI Grants	-	839,179	-	-	-
Fund Balance for Future Envir Partnership Grants	-	-	-	202,500	1,140,000
Total Grant Expenditures and Other Uses	46,719,952	49,596,375	48,192,870	52,932,998	57,214,711

**APPENDIX A
METROPOLITAN COUNCIL
PASSTHROUGH LOAN AND GRANT PROGRAMS**

	1997 Actual	1998 Revised	1999 Budget	1999 Revised	2000 Estimate
Highway Right-of-Way Loan Program:					
Certified Levy	-	2,142,932	2,159,302	2,159,302	1,142,446
Less: Uncollectible	-	6,118	43,302	43,302	17,146
Net Current Tax Receipts	-	2,136,814	2,116,000	2,116,000	1,125,300
Revenues:					
Property Taxes	-	1,742,193	1,725,257	1,725,257	901,800
State HACA Payments	-	394,621	390,743	390,743	223,500
Interest Income	379,577	351,381	148,000	378,000	366,000
Other Revenues	1,150	1,150	-	-	-
Total Revenues	380,727	2,489,345	2,264,000	2,494,000	1,491,300
Expenditures and Other Uses					
Grant Expenditures/Loan Forgiveness	-	-	-	-	-
Other Expenditures	-	-	-	-	-
Expenditures/Other Uses:	-	-	-	-	-
Revenues Over/(Under) Expenditures	380,727	2,489,345	2,264,000	2,494,000	1,491,300
Other Sources(Uses)					
Transfers From/(To) Other Funds	185,160	92,580	92,580	92,580	92,580
Fund Balance, Year End	18,651,879	21,233,804	23,398,039	23,820,384	25,404,264
Loan Activity:					
Loan Repayments	(1,562,573)	-	-	(435,419)	-
New Loans	4,399,303	532,215	2,400,000	2,285,083	2,796,720
Loans Outstanding, Year End	13,692,414	14,224,629	20,535,985	16,074,293	18,871,013
Funds Available for Loans, Year End	4,959,465	7,009,174	2,862,054	7,746,090	6,533,250

APPENDIX A
METROPOLITAN COUNCIL
PASSTHROUGH LOAN AND GRANT PROGRAMS

	1997 Actual	1998 Revised	1999 Budget	1999 Revised	2000 Estimate
Planning Assistance Grant/Loan Program:					
Revenues:					
Interest Income - Grant Program	42,104	-	4,000	-	-
Interest Income - Loan Program	39,654	50,687	51,000	51,000	51,000
Other Revenues	-	-	-	-	-
Total Revenues	81,758	50,687	55,000	51,000	51,000
Transfer from Solid Waste Capital Fund	1,000,000	-	-	-	-
Transfer from General Fund	400,635	-	-	-	-
Total Other Sources	1,400,635	-	-	-	-
Total Revenues and Other Sources	1,482,393	50,687	55,000	51,000	51,000
Expenditures:					
Grant Expenditures	544,338	305,742	160,000	73,988	-
Other Expenditures	-	-	-	-	-
Total Expenditures	544,338	305,742	160,000	73,988	-
Revenues/Other Sources Over/(Under) Expenditures/Other Uses	938,055	(255,055)	(105,000)	(22,988)	51,000
Fund Balance:					
Designated for Future Grants	497,766	73,988	-	-	-
Undesignated (Available for Grants)	-	118,036	-	118,036	118,036
Undesignated (Available for Loans)	985,791	1,036,478	1,123,502	1,087,478	1,138,478
Loan Activity:					
Loan Repayments	(78,876)	(69,876)	(110,951)	(110,951)	(103,170)
New Loans	-	189,120	80,000	80,000	80,000
Loans Outstanding, Year End	131,297	250,541	219,590	219,590	196,420
Funds Available for Loans, Year End	854,494	785,937	903,912	867,888	942,058

**APPENDIX A
METROPOLITAN COUNCIL
PASSTHROUGH LOAN AND GRANT PROGRAMS**

	1997 Actual	1998 Revised	1999 Budget	1999 Revised	2000 Estimate
Livable Communities Grant/Loan Program:					
Certified Levy	11,964,813	10,282,450	10,116,080	10,116,080	11,132,936
Less: Uncollectible	31,200	205,450	202,080	202,080	167,036
Net Current Tax Receipts	11,933,613	10,077,000	9,914,000	9,914,000	10,965,900
Revenues:					
Property Taxes	10,410,522	8,982,442	8,819,442	8,819,442	9,870,100
State HACA Payments	1,523,091	1,094,558	1,094,558	1,094,558	1,095,800
State Appropriation	-	-	-	2,000,000	2,000,000
Interest Income	672,414	600,000	600,000	600,000	600,000
Other Revenues	-	-	-	-	-
Total Revenues	12,606,027	10,677,000	10,514,000	12,514,000	13,565,900
Other Sources:					
Transfer from General Fund	-	1,000,000	1,000,000	1,000,000	1,000,000
Total Other Sources	-	1,000,000	1,000,000	1,000,000	1,000,000
Total Revenues and Other Sources	12,606,027	11,677,000	11,514,000	13,514,000	14,565,900
Expenditures:					
Grant Expenditures	6,500,359	7,308,202	13,086,000	16,023,060	15,975,038
Other Expenditures	-	-	-	-	-
Total Expenditures	6,500,359	7,308,202	13,086,000	16,023,060	15,975,038
Revenues/Other Sources Over/(Under)	6,105,668	4,368,798	(1,572,000)	(2,509,060)	(1,409,138)
Expenditures/Other Uses					
Grant Expenditures by Category:					
Tax Base Revitalization Account	4,142,298	5,503,398	6,119,000	7,043,610	5,664,183
Livable Communities Demonstration Acct	1,608,061	979,804	5,667,000	5,474,890	6,678,255
Local Housing Initiatives Program	750,000	825,000	1,300,000	1,504,560	1,632,600
Inclusionary Housing Account	-	-	-	2,000,000	2,000,000
Total Grant Expenditures	6,500,359	7,308,202	13,086,000	16,023,060	15,975,038
Grant Awards by Category:					
Tax Base Revitalization Account	8,005,091	5,461,765	4,900,000	5,167,600	5,192,600
Livable Communities Demonstration Acct	3,980,350	4,950,000	5,000,000	4,514,000	5,740,600
Local Housing Initiatives Program	625,000	800,000	1,500,000	1,632,600	1,632,600
Inclusionary Housing Account	-	-	-	2,000,000	2,000,000
Total Grant Awards	12,610,441	11,211,765	11,400,000	13,314,200	14,565,800

APPENDIX B
METROPOLITAN COUNCIL CAPITAL OUTLAY-EXPENDITURES AND SOURCES OF FUNDS

	2000 Projected	2001 Projected	2002 Projected	2003 Projected	2004 Projected
SOURCES OF FUNDS					
Environmental Sewer Service Fees	834,900	380,150	430,150	423,250	423,250
Transportation Current Operating Revenues	30,000	7,000	10,000	2,000	10,000
Regional Administration User Charges	525,000	450,000	375,000	300,000	225,000
HRA Fund	16,500				
General Fund Revenue	3,000	161,850	50,350	239,250	168,750
Total Sources of Capital Funds	1,409,400	999,000	865,500	964,500	827,000
CAPITAL OUTLAYS-BY CATEGORY					
CENTRAL SERVICES					
MEARS PARK FURNITURE & EQUIPMENT	142,000	100,500	100,500	77,500	77,500
Less: HRA portion	(9,000)				
Less: Mces portion	(39,900)	(30,150)	(30,150)	(23,250)	(23,250)
-Other	93,100	70,350	70,350	54,250	54,250
INFORMATION SERVICES					
COMMUNITY DEVELOPMENT					
GIS Plotter			20,000		
GIS Fleet Management of Computers		25,000			
GIS Disk Storage 2000 Imagery		30,000			
GIS Data Server Replacement		50,000			
HRA laptop computer	3,500				
HRA Laser Printer	4,000				
REGIONAL ADMINISTRATION					
HRIS System Replacement Allocation from Corp.					
PeopleSoft 7.5 upgrade(TUXEDO & memory @\$125K)	25,000				
Risk Management Replacement Allocation					
Staff Telecommuting	100,000	100,000	50,000	100,000	50,000
Network Improvements(convert Token Ring to Ethernet)		50,000		50,000	
NT Server Upgrade		50,000		50,000	
Intranet Implementation for the Council	60,000				
Capital Equipment (includes helpdesk software)	200,000	200,000	250,000	250,000	250,000
-Other	46,900	36,500	35,000	35,000	39,500
TRANSPORTATION					
Ridematching Software & Programming	13,000	2,000	10,000	2,000	10,000
-Other	20,000	5,000			
ENVIRONMENTAL					
Maintenance Management (Oracle software licenses)					
HRIS System Replacement Allocation from Corp.					
PeopleSoft 7.5 upgrade(TUXEDO & memory @\$125K)	50,000				
Risk Management Replacement Allocation					
LIMS hardware upgrade to Alpha or RS/6000	170,000				
Network Server Replacements at all plants(9@\$25K)	225,000				
Online Parts Catalogue					
Capital Equipment	350,000	350,000	400,000	400,000	400,000
OTHER CAPITAL NEEDS					
ENVIRONMENTAL					
MEARS PARK FURNITURE & EQUIPMENT	39,900	30,150	30,150	23,250	23,250
HRA					
MEARS PARK FURNITURE & EQUIPMENT	9,000				
TOTAL CAPITAL OUTLAY	1,409,400	999,000	865,500	964,500	827,000

APPENDIX C-1
Metropolitan Council 2000 Unified Operating Budget
Consultant and Contractual Services, Regional Administration
 Ordered by Organization, by Account

Unit	Organ.	Account Code	Description	Total	Corporate	Regional Admin.	Commun. Devel.	HRA	MCES	Metro Transit	T&TD	Metro Mobility	Mears Prk.
REGIONAL ADMINISTRATION													
B&E	10700	5201	Accounting: fed. Cost alloc. Plan	26,000	0	0	0	7,000	0	12,000	7,000	0	0
DIV	10100	5214	Contract Investigations	30,000	10,000	5,000	0	0	0	5,000	10,000	0	0
DIV		5218	External Printing	5,300	0	800	0	0	1,500	3,000	0		
DIV		Total		35,300	10,000	5,800	0	0	1,500	8,000	10,000	0	0
RiskMg	10500	5204	Risk consulting	10,000	10,000		0	0					
Lgl	10800	5202	Computer services	30,000	0	10,000	0	0	10,000	10,000	0		
Lgl	10800	5212	External legal services	915,840	0	10,000	75,000	15,000	353,000	337,840	125,000		
Lgl	10800	5214	Real Estate Services	75,000	0	0	0	0	65,000	10,000	0		
Lgl	10800	5214	Court Reporter Services	8,000	0	0	0	0	8,000		0		
		5214 Total		83,000	0	0	0	0	73,000	10,000	0	0	0
Lgl	10800	5218	External Printing	1,000		1,000	0	0	0	0	0		
Lgl		Total		1,029,840	0	21,000	75,000	15,000	436,000	357,840	125,000	0	0
IntgR	13100	5204	Consultant assistance	42,000	42,000	0	0	0	0	0	0	0	0
FS	11000	5201	Annual audit by State Auditors	127,400	0	67,000	3,400	15,000	42,000	0	0	0	0
FS	11000	5202	Computer services-investment support	21,000	0	21,000	0	0	0	0	0	0	0
FS	11000	5204	Peoplesoft support post impl.	36,000	0	9,550	0	0	14,250	12,200	0	0	0
FS	11000	5204	Peoplesoft implementation support	40,000	24,200	0	0	0	15,800		0	0	0
		5204 Total		76,000	24,200	9,550	0	0	30,050	12,200	0	0	0
FS	11000	5214	Fixed asset inventory	300,000	0	0	0	0	300,000				
FS	11000	5214	Fixed asset inventory support	15,000	0	0	0	0	15,000				
FS	11000	5214	Banking fees	150,000	0	15,000	0	0	15,000	120,000			
		5214 Total		465,000	0	15,000	0	0	330,000	120,000	0	0	0
FS	11000	5218	External printing	2,000	0	0	0	0	0	0	0	0	2,000
FS	11000	5219	Temporary help	10,000	10,000	0	0	0	0	0	0	0	0
FS	11000	5222	Software maintenance	10,000	5,000	0	0	0	5,000	0	0	0	0
FS		Total		711,400	39,200	112,550	3,400	15,000	407,050	132,200	0	0	2,000
CntS	12055	5204	Office space consultant	75,000	0	0	0	0		0	0	0	75,000
CntS	12055	5213	Office greenery maintenance	4,000	0	0	0	0		0	0	0	4,000
CntS	12055	5214	Mitel Telephone Maintenance	206,000	0	0	0	0		166,000	0	0	40,000
CntS	12055	5214	Voice Mail Maintenance	30,000	0	0	0	0		20,000	0	0	10,000
CntS	12055	5214	Office Reconfiguration	100,000	0	0	0	0			0	0	100,000
CntS	12055	5214	IKON--convenience copiers	50,000	0	0	0	0			0	0	50,000
CntS		5214 Total		386,000	0	0	0	0	0	186,000	0	0	200,000

Metropolitan Council 2000 Unified Operating Budget
Consultant and Contractual Services, Regional Administration
 Ordered by Organization, by Account

Unit	Organ.	Account Code	Description	Total	Corporate	Regional Admin.	Commun. Devel.	HRA	MCES	Metro Transit	T&TD	Metro Mobility	Mears Prk.
CntS		Total		465,000	0	0	0	0	0	186,000	0	0	279,000
HRAdm	14005	5204	Strategic planning--HR	3,500	0	3,500	0	0	0	0	0	0	0
HRAdm	14005	5204	Job evaluation administration	10,000	10,000	0	0	0	0	0	0	0	0
HRAdm	14005	5204	Executive team & RA mgt. team devel.	5,000	5,000	0	0	0	0	0	0	0	0
HRAdm	14005	5204	Health Education	9,600	0	960	0	0	1,440	7,200	0	0	0
HRAdm	14005	5204	Total	28,100	15,000	4,460	0	0	1,440	7,200	0	0	0
HRAdm	14005	5214	Graphic design--Fit for Life	1,200	1,200	0	0	0	0	0	0	0	0
HRAdm	14005	5214	Speakers for health education	3,200	3,200	0	0	0	0	0	0	0	0
HRAdm	14005	5214	Health Screening	72,400	0	6,500	0	0	20,300	45,600	0	0	0
HRAdm	14005	5214	Total	76,800	4,400	6,500	0	0	20,300	45,600	0	0	0
HRAdm	14005	5218	External printing--Fit for Life	1,650	1,650	0	0	0	0	0	0	0	0
HRAdm		Total		106,550	21,050	10,960	0	0	21,740	52,800	0	0	0
HRLR	14100	5204	Labor negotiations	45,000	0	0	0	0	25,000	20,000	0	0	0
HRLR	14100	5212	Arbitration, hearing officer	15,000	0	5,000	0	0	5,000	5,000	0	0	0
HRLR	14100	5212	External legal counsel	20,000	0	0	0	0	10,000	10,000	0	0	0
		5212	Total	35,000	0	5,000	0	0	15,000	15,000	0	0	0
HRLR		Total		80,000	0	5,000	0	0	40,000	35,000	0	0	0
HRLOD	14200	5204	Executive Success Profile	10,000	0	4,000	0	0	0	6,000	0	0	0
HRLOD	14200	5204	Computer training for employees	65,000	65,000	0	0	0	0	0	0	0	0
HRLOD	14200	5204	Management development training	15,000	15,000	0	0	0	0	0	0	0	0
HRLOD	14200	5204	Organizational development consult.	10,000	10,000	0	0	0	0	0	0	0	0
HRLOD	14200	5204	Total	100,000	90,000	4,000	0	0	0	6,000	0	0	0
HRLOD	14200	5214	PDI--Profilor processing	25,000	25,000	0	0	0	0	0	0	0	0
HRLOD		Total		125,000	115,000	4,000	0	0	0	6,000	0	0	0
HRPSB	14300	5204	Negotiate benefit premiums	25,000	25,000	0	0	0	0	0	0	0	0
HRPSB	14300	5204	Hay Assoc. ongoing support	25,000	25,000	0	0	0	0	0	0	0	0
HRPSB	14300	5204	Total	50,000	50,000	0	0	0	0	0	0	0	0
HRPSB	14300	5214	Employee assistance program	75,000	75,000	0	0	0	0	0	0	0	0
HRPSB	14300	5214	Flexible spending account admin.	25,000	25,000	0	0	0	0	0	0	0	0
HRPSB	14300	5214	Compensation & benefits surveys	10,000	10,000	0	0	0	0	0	0	0	0
HRPSB	14300	5214	Total	110,000	110,000	0	0	0	0	0	0	0	0
HRPSB	14300	5218	External printing, employment applic.	15,000	15,000	0	0	0	0	0	0	0	0
HRPSB	14300	5219	Temporary help	10,000	10,000	0	0	0	0	0	0	0	0
HRPSB		Total		185,000	185,000	0	0	0	0	0	0	0	0
Comm	15005	5204	Freelance writing, editing Meetings, Forums, Special Event	75,000	35,000	10,000	10,000	0	5,000	5,000	10,000	0	0
Comm	15005	5214	Expenses	30,000	10,000	5,000	5,000	0	5,000	0	5,000	0	0

Metropolitan Council 2000 Unified Operating Budget
Consultant and Contractual Services, Regional Administration
 Ordered by Organization, by Account

Unit	Organ.	Account Code	Description	Total	Corporate	Regional Admin.	Commun. Devel.	HRA	MCES	Metro Transit	T&TD	Metro Mobility	Mears Prk.
Comm	15005	5214	Video Editing & Production Electronic Web Page	35,000	25,000	5,000	0	0		2,000	3,000	0	0
Comm	15005	5214	Development/Maintenance	95,000	60,000	10,000	7,000	0	4,000	7,000	7,000	0	0
Comm	15005	5214	State Fair Booth	16,000	8,000	0	5,000	0			3,000	0	0
Comm	15005	5214	Graphics--Design, Production	64,000	19,000	10,000	10,000	0	10,000	5,000	10,000	0	0
Comm	15005	5214	Regional transit marketing & research	25,000	0	0	0	0		0	25,000	0	0
Comm	15005	5214	Communications Research, mgmt consult	35,000	15,000	0	15,000	0	3,000		2,000	0	0
Comm	15005	5214	News Clips/Broadcast Dubs	15,000	0	0	2,000	0	5,000	5,000	3,000	0	0
Comm	15005	5214	Purchase of data	3,000	3,000	0	0	0				0	0
Comm	15005		5214 Total	318,000	140,000	30,000	44,000	0	27,000	19,000	58,000	0	0
Comm	15005	5218	External Printing	65,000	35,000	10,000	5,000	0	5,000	0	10,000	0	0
Comm			Total	458,000	210,000	50,000	59,000	0	37,000	24,000	78,000	0	0
IS	16000	5202	Computer services	5,000	5,000	0	0	0					
IS	16000	5204	Consultant	211,000	46,000	0	0	0	80,000	85,000	0	0	0
IS	16000	5213	Maintenance	534,400	224,000	25,000	0	0	93,200	187,200	0	0	5,000
IS	16000	5214	Contracted services/other	269,600	260,000	0	0	0	0	7,200	0	0	2,400
IS	16000	5222	Software maintenance	1,588,531	168,746	252,309	0	0	481,692	651,684	0	0	34,100
IS			Total	2,608,531	703,746	277,309	0	0	654,892	931,084	0	0	41,500
Grand Total Regional Administration				5,882,621	1,335,996	486,619	137,400	37,000	1,598,182	1,744,924	220,000	0	322,500

APPENDIX C-2
Metropolitan Council 2000 Unified Operating Budget
Consultant and Contractual Services, Community Development Division
 Ordered by Organization, by Account

Unit	Organ.	Account Code	Description	Total	Commun. Devel.	HRA
GIS	21300	5202	GIS Census Preparation	10,000	10,000	0
GIS	21300	5204	GIS Consultant	115,000	115,000	0
GIS	21300	5218	External Printing, maps	10,000	10,000	0
GIS	21300	5222	GIS Data Maintenance	75,000	75,000	0
GIS	21300	5308	GIS Imagery	170,000	170,000	0
GIS		Total		380,000	380,000	0
Res	21000	5214	Metro Area survey	10,000	10,000	0
Res	21000	5214	Annual housing survey	500	500	0
Res	21000	5214	Regional Indicators	10,000	10,000	0
Res	21000	5214	TCMA Economic Devel. Group	5,000	5,000	0
		5414	Total	25,500	25,500	0
Res	21000	5218	External printing, econ. Resource group	3,000	3,000	0
Res	21000	5308	Data purchase: NSP, Dodge, aprt. Searc	33,500	33,500	0
Res		Total		62,000	62,000	0
LivCom		5204	Tech assist. & educ.LCA Demo Acct.	30,000	30,000	0
LivCom		5214	Multimedia Presentation	60,000	60,000	0
LivCom		Total		90,000	90,000	0
CmpPI	22100	5204	Urban reserve guidebook	50,000	50,000	0
CmpPI	22100	5218	External Printing: Metro 2040	5,000	5,000	0
CmpPI		Total		55,000	55,000	0
Libr	21400	5202	Computer services	10,000	10,000	0
HRA	23000	5214	ROC Program	404,418	0	404,418
HRA	23000	5214	Interpreter services	3,200	0	3,200
		5214	Total	407,618	0	407,618
HRA	23000	5219	Temporary Help	28,000	0	28,000
HRA		Total		435,618	0	435,618
Grand Total Com. Devel. Div.				1,032,618	597,000	435,618

Appendix C-3
Consultant and Contractual Services
Environmental Services Division

Contracted Services	CS - Accounting/A		CS - Computer		Construction		CS -		CS -		CS -		CS -		CS -Solid		CS -		Total C.S.
	CS - Ash	uditing	CS - Computer	Construction	CS -	CS -	Interceptor	CS - Janitorial	CS -	CS - Laundry	CS - Legal	CS -	CS - Other	CS - Sludge	Waste	Interceptor	CS -Easements		
	Removal	External	Services	Contract	Duplicating	Engineering	Maintenance	Service	Laboratory			Maintenance		Removal	Removal	Rental	- Cost of Land		
	5200	5201	5202	5203	5205	5207	5208	5209	5210	5211	5212	5213	5214	5215	5216	5227	5228		
73310 Inteceptor Admin	0	0	8,000	0	1,000	0	0	24,000	0	17,000	0	30,000	17,500	0	50,000	0	0	147,500	
73320 Inteceptor Lift Stations	0	0	0	0	0	0	0	0	0	0	0	80,000	0	0	72,000	0	0	152,000	
73330 InteceptorMeter Stations	0	0	10,000	0	0	0	0	0	0	0	0	15,000	0	0	0	0	0	25,000	
73340 Inteceptor Sewers	0	0	0	0	0	0	75,000	0	0	0	0	128,000	8,000	0	0	0	0	211,000	
73350 Inteceptor Engineering	0	0	0	0	0	125,000	0	0	0	0	0	5,000	0	0	0	0	0	130,000	
sub total - Interceptor	0	0	18,000	0	1,000	125,000	75,000	24,000	0	17,000	0	258,000	25,500	0	122,000	0	0	665,500	
73360 Inteceptor Municipal Services	0	0	0	0	400	0	0	0	0	0	0	0	0	0	0	0	0	400	
73370 Inteceptor GIS	0	0	0	0	1,000	0	0	0	0	0	0	0	13,500	0	0	0	0	14,500	
73800 Empire Plant	0	0	2,000	0	0	0	0	0	0	6,000	0	35,000	9,500	12,000	27,337	0	0	91,837	
73900 Metro Operations	650,000	0	0	0	5,800	0	0	0	0	68,946	0	0	395,400	0	301,825	0	0	1,421,971	
74000 Metro Maintenance	0	0	0	0	0	0	0	0	0	0	0	558,200	1,500	0	0	0	0	559,700	
74100 Seneca Plant	150,000	0	0	0	0	0	0	12,000	0	12,310	0	168,700	20,500	236,250	58,500	0	0	658,260	
74200 Blue Lake Plant	0	0	0	0	200	0	0	0	0	6,805	0	8,000	3,940	0	40,534	0	0	59,479	
74300 Chaska Plant	0	0	0	0	0	0	0	0	0	650	0	750	0	0	3,750	0	0	5,150	
74600 Cottage Grove Plant	0	0	0	2,500	0	0	0	0	0	2,750	0	15,975	7,800	1,000	22,365	0	0	52,390	
74700 Hastings Plant	0	0	0	0	0	0	0	0	0	3,000	0	74,550	4,000	2,500	5,858	0	0	89,908	
74800 Stillwater Plant	0	0	0	0	0	0	0	0	0	4,000	0	20,000	4,500	4,500	7,455	0	0	40,455	
75000 Rosemount Plant	0	0	0	0	0	0	0	0	0	250	0	2,500	1,000	0	2,130	0	0	5,880	
75100 WWS Administration	0	0	0	0	0	0	0	0	0	0	0	0	110,000	0	0	0	0	110,000	
75300 Technical Services	0	0	0	0	19,000	20,000	0	8,000	0	0	0	15,000	36,000	0	0	0	0	98,000	
75700 WWS Materials Management	0	0	0	0	0	0	0	20,000	0	0	0	0	100,000	0	0	0	0	120,000	
75800 WWS Fleet Management	0	0	0	0	0	0	0	0	0	0	0	0	14,710	0	0	0	0	14,710	
sub total - WWS	800,000	0	20,000	2,500	27,400	145,000	75,000	64,000	0	121,711	0	1,156,675	747,850	256,250	591,754	0	0	4,008,140	
80400 EPE Cust Relations & Environ Educ	0	0	0	0	0	0	0	0	0	0	0	0	113,500	0	0	0	0	113,500	
80900 EPE Environ Resources Mgmt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
81100 EPE Administration	0	0	0	0	0	0	0	0	0	0	0	15,000	30,000	0	0	0	0	45,000	
81200 EPE Industrial Waste	0	0	0	0	0	0	0	0	0	4,250	0	5,500	50,000	0	3,085	0	0	62,835	
81300 EPE Research & Dev	0	0	0	0	0	0	0	0	0	0	0	0	109,500	0	0	0	0	109,500	
81400 EPE Water Quality	0	0	0	0	0	0	0	0	0	0	0	0	1,500	0	0	0	0	1,500	
81500 EPE Analytical (Lab) Svcs	0	0	0	0	0	0	0	0	62,936	1,821	0	92,250	11,400	0	0	0	0	168,407	
81600 EPE Air Quality	0	0	0	0	0	0	0	0	0	0	0	0	70,560	0	0	0	0	70,560	
81700 EPE Regulatory Compliance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
86000 EPE Non-Point Source	0	0	0	0	0	0	0	0	0	0	0	0	110,600	0	0	0	0	110,600	
86100 WOMP2	0	0	0	0	0	0	0	0	0	0	0	1,000	70,400	0	0	0	0	71,400	
86200 EPE Mercury/PCB to MN River	0	0	0	0	0	0	0	0	15,000	0	0	1,500	1,000	0	0	0	0	17,500	
sub total - EPE	0	0	0	0	0	0	0	0	77,936	6,071	0	115,250	568,460	0	3,085	0	0	770,802	
90100 MCES Administrative	0	0	4,000	0	0	0	0	0	3,000	0	0	0	62,500	0	0	0	0	69,500	
90200 MCES Interdivisional Cost Alloc	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
90210 MCES Insurance	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
90220 MCES Fixed Assets Chgbks	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
91800 MCES Business Planning	0	0	0	0	0	0	0	0	0	0	0	0	100,000	0	0	0	0	100,000	
92400 MCES Financial Planning	0	0	0	0	0	0	0	0	0	0	0	0	42,000	0	0	0	0	42,000	
95500 MCES Liability & Reserve Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
96200 MCES Debt Service	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
sub total - admin	0	0	4,000	0	0	0	0	0	3,000	0	0	0	204,500	0	0	0	0	211,500	
95400 MCES Capital Budget Staff	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Total	\$800,000	\$0	\$24,000	\$2,500	\$27,400	\$145,000	\$75,000	\$64,000	\$80,936	\$127,782	\$0	\$1,271,925	\$1,520,810	\$256,250	\$594,839	\$0	\$0	\$4,990,442	

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Appendix C-4

**Metropolitan Council 2000 Unified Operating Budget
Consultant and Contractual Services
Transportation and Transit Development**

Account Code	Description	T&TD Total	Transit Admin. Fund	Metro Comuter Services	Metro Mobility
5202	Computer Services	30,000			30,000
5205	Duplicating	2,000			2,000
5204	Corridor Studies	50,000			
5204	Travel Forecast	50,000			
5204	Transportation Planning	50,000			
5204	Airport Planning	50,000			
5204	Planning for Disabled	50,000			
5204	Travel Behavior Inventory	1,500,000			
5204	Customer Survey	30,000			
5204	Graphics consultant	26,000			
5204	Speakers	1,000			
5204	Computer consultant	35,000			
5204	Center for Transportation Studies	200,000			
5204	Subtotal	2,042,000	1,950,000	32,000	60,000
5206	Equipment Repair	5,000			5,000
5213	Maintenance	4,000		4,000	
5214	Contracted Services--other	26,000	5,000	1,500	19,500
5218	External Printing	225,200	20,000	167,600	37,600
5219	Temporary Help	93,000	50,000	3,000	40,000
5222	Software Maintenance	137,000			137,000
T&TD Total		2,564,200	2,025,000	208,100	331,100

Appendix C-4
METRO TRANSIT CONTRACTUAL SERVICES

Division	Major Expense Description	2000 Budget
Part A:	Metro Transit Consulting and Other Services - Operating Expenses	
Customer Services and Marketing	Pocket schedule production, video production, website, mailing services, research, loyalty program development, memberships, photography, interior card installation.	\$203,500
	Advertising Fees	\$135,000
	Telephone Information Center - BusLine voicing, BusLine enhancements, Phone system enhancements, AT&T Language Line, Web Site development., Signage app.	\$80,600
	Warehousing & Distribution Services for Pocket Schedules, Maps, etc.	\$35,000
	Temporary Help - Clerical Support for vacations, special projects and at picks to distribute schedules.	\$29,100
	Professional and Technical Services/PC	\$5,046
	<u>Headset repair</u>	\$1,500
	Customer Services and Marketing Total	\$489,746
Human Resources	Recruiting & Retention Services-Occupational Health, Drug Testing, Employment Testing, Background Checks.	\$370,478
	<u>Temporary help for vacation coverage and misc. meetings.</u>	\$2,500
	Human Resources Total	\$372,978
Engr. And Facilities	Petro fund form fees; testing fees for Air, Wells and Ground Water. UST testing; Misc. tech. services.	\$241,000
	Interior design consultant and Voice mail maintenance.	\$86,000
	Tech. services-engineers; Testing Services including sump material.	\$22,000
	<u>Temporary help - clerks.</u>	\$20,000
	Engr. And Facilities Total	\$369,000
Service Development	Sector studies - sector 5 study in South Mpls area; Three Joint Powers shared cost consultant studies.	\$225,000
	Data entry for sector studies; temporary data collectors for specialized needs in early 2000 sector studies.	\$51,000
	<u>Training service fees - schedule planning, automatic passenger counters and trapeze.</u>	\$49,250
	Service Development Total	\$325,250
Bus Transportation	Dialect and English as a Second Language Training and other Professional and Technical services.	\$120,500
	Driver Instructor Training Classes-Certification from Tech. Colleges and Smith Safe Driving System ; Outside Presenter Fees.	\$83,000
	<u>Temporary help to cover clerical staff vacations at garages.</u>	\$12,500
	Bus Transportation Total	\$216,000
Executive	Rail Consulting Fees.	\$125,000
	<u>Temporary help for vacation coverage and misc. meetings.</u>	\$4,000
	Executive Total	\$129,000

Appendix C-4
METRO TRANSIT CONTRACTUAL SERVICES

Division	Major Expense Description	2000 Budget
Part A:	Metro Transit Consulting and Other Services - Operating Expenses	
Finance	Audit Fees - Office of the State Auditor	\$60,000
	Purchasing Dept.: testing of bulk fuel, oil, coolant and equipment	\$18,080
	Microfilm processing fees	\$9,075
	Farebox technician and other training fees; repair of surface mounted TRiM boards	\$9,000
	Print Shop Service Fees for business forms (W-2s, etc.)	\$6,500
	Temporary Help in Purchasing/Stores; Covers Vacations / Long-term Sick	\$5,150
	<u>Misc. grant licenses & tech. fees. not budgeted in projects..</u>	\$1,200
	Finance Total	\$109,005
Bus Maintenance	Professional and Technical Services.	\$40,985
	Boiler Licenses and transmission oil tests.	\$28,750
	Qualification development work service fees..	\$25,300
	Paper and oil filter recycling.	\$1,700
	<u>Chemical testing, EPA testing, OSHA testing.</u>	\$1,000
	Bus Maintenance Total	\$97,735
Risk Management	<u>Hazardous information services: System safety support - bus and rail; Ergonomics training for MT employees.</u>	\$93,500
	Risk Management Total	\$93,500
Police Security - Public Safety	<u>Other Services (Police Administration, Investigation and Patrol)</u>	\$45,000
	Police Security - Public Safety Total	\$45,000
Part A:	SubTotal Consulting Fees - Operating	\$2,247,214
Part B:	Metro Transit Contract Services - Operating Expenses	
Engr. And Facilities	Snow Plowing of Park and Ride Lots, including I-394 Corridor, Foley Park and Ride Lot expansion, 7th & Garfield (NEW), Brooklyn Blvd, Church Lots; general cleaning, relocation/repairs of damaged/deteriorated shelters & transit stations.	\$422,000
	Boiler repair and other services.	\$357,000
	Emergency Repair - Electrical Contractor Fees and Elevator service (5 elevators).	\$127,000
	Contract maintenance - Sump Cleaning	\$120,000
	HVAC repair, carpet cleaning and other services	\$71,000
	Electrical Contractor Fees and Pest Control.	\$24,000
	Transit hub cleaning, snow removal and security.	\$17,200
	Pager maintenance, & air time	\$15,000
	<u>Security system service fees</u>	\$8,000
	Engr. And Facilities Total	\$1,161,200

Appendix C-4
METRO TRANSIT CONTRACTUAL SERVICES

Division	Major Expense Description	2000 Budget
Part B:	Metro Transit Contract Services - Operating Expenses	
Finance	Transit Store Credit Card "discount rate" fees; Bank Service Charge	\$150,000
	Metropass Photo-ID - printing for 33,750 passes	\$130,000
	Armored Car Service Fees	\$98,250
	Service Fees for Transit Stores: bill changer(s); Telecheck guarantee services and non-routine cleaning.	\$38,700
	Money system technical repairs - Bankers Equipment (Wrappers and Verifiers).	\$15,500
	<u>Service Repair Fees - Farebox, Material Handling and Office Equipment</u>	<u>\$7,825</u>
	Finance Total	\$440,275
Bus Maintenance	Camera and Tape Maintenance for Bus Security VCR Cameras	\$174,000
	Outside Vendor Services to Repair Buses, Air Compressors & Other Equipment; Conduct Oil Tests & Towing; Hoist Safety Insp.	\$88,313
	<u>Equipment Maintenance - Software</u>	<u>\$4,500</u>
	Bus Maintenance Total	\$266,813
Bus Transportation	Maintenance Contracts for Orion (electronic vehicle locator system).	\$200,000
	Prof. Tech. Fees / Repair Contracts-Transit Control Ctr..	\$25,000
	Facilities Maintenance / Repair Fees; includes painting (striping), general maintenance and snowplowing.	\$8,500
	<u>Toilet contracts - regional comfort stations.</u>	<u>\$7,000</u>
	Bus Transportation Total	\$240,500
Police Security - Public Safety	CCTV Maintenance Contract	\$71,000
	Building Security Alarms/Equipment Systems and Monitoring.	\$64,000
	Card Access Service Fees-software maint. and general repairs .	\$20,000
	Other Services (Locksmiths, camera and video equipment repair, etc.).	\$15,000
	Mandated Use of Force Firearms Training-includes Ammo and Supplies, City of Burnsville Shooting Range Rental, Instructors.	\$35,000
	Police Building Maintenance - Snow Plowing, Lawn Care, Elevator Repair, Pest Control and Other Services.	\$20,000
	<u>Car Wash Contract (Police Vehicles)</u>	<u>\$2,000</u>
	Police Security - Public Safety Total	\$227,000
Central Office Services - Metro Transit	Office Equipment Service Repair Contracts	\$84,000
	Mail Delivery	\$20,000
	Security Services - Facilities	\$10,000
	Pagers - Maintenance and Air-time	\$8,000
	<u>Staff Car Wash/Towing/Repair</u>	<u>\$5,000</u>
	Central Office Services - Metro Transit Total	\$127,000
Part B:	SubTotal Contract Maintenance Fees - Operating	\$2,462,788
	TOTAL OPERATING SERVICE EXPENSES	\$4,710,002

Appendix C-4
METRO TRANSIT CONTRACTUAL SERVICES

Division	Major Expense Description	2000 Budget
Part C:	Metro Transit 6XX.XX Capital Acquisitions - Consultants, Contracts and Other Services	
Support Facilities		
	Architectural design and engineering work for new bus garage in St. Paul.	\$600,000
	Architectural design and engineering work for new Transit Control Center.	\$750,000
	<u>1999 Major renovations/repairs, including floors, exhaust and air conditioning systems, roof repairs, inspections.</u>	<u>\$150,000</u>
	Support Buildings and Facilities Total	\$1,500,000
Public Facilities		
	<u>Engineering and design work for bus shelter upgrades/compliance to ADA requirements.</u>	<u>\$50,000</u>
	Subtotal park & ride lots and hubs	\$50,000
	Lake and Chicago park & ride lot.	\$80,000
	I-35W & 98th street park & ride.	\$10,000
	I-35W 42nd street station design and engineering.	\$500,000
	<u>All other Public Facilities projects</u>	<u>\$100,000</u>
	Subtotal park & ride lots and hubs	\$690,000
	Public Facilities Total	\$740,000
Part C:	SubTotal Service Expenses - Capital	\$2,240,000
	GRAND TOTAL SERVICE EXPENSES (Operating and Capital)	\$6,950,002

APPENDIX D
ANALYSIS OF 1998 FUND BALANCES AND RESERVES TO DETERMINE UNDESIGNATED ASSETS

	GENERAL FUND	REGIONAL TRANSIT FUNDS	HRA	LIVABLE COMMUNITIES	RALF	PLANNING ASSISTANCE	DEBT SERVICE FUNDS	CAPITAL PROJECTS FUNDS	ENVIRONMENTAL SERVICES FUND	TRANSIT OPERATIONS FUND	TOTAL
CURRENT ASSETS AVAILABLE	\$5,678,363	\$21,030,416	\$2,883,534	\$21,704,511	\$21,233,694	\$3,528,803	\$44,168,608	\$19,971,058	\$136,546,042	\$16,757,419	\$293,502,448
RESERVES & LIABILITIES											
- CASH FLOWS	\$318,266										\$318,266
-COMPENSATED ABSENCES	\$2,033,641								\$3,537,107	\$1,087,709	\$6,658,457
-SELF INSURANCE	\$648,093										\$648,093
-ENCUMBRANCES	\$1,347,997										\$1,347,997
-HOUSING											
LOANS/ADVANCES TO OTHER FUNDS		\$740,794	\$60,000			\$250,541					\$1,051,335
-ACCRUED CLAIMS										\$5,626,274	\$5,626,274
-OPT-OUT RESERVE											
-FUTURE GRANT PAYMENTS		\$3,175,890		\$21,704,511	\$14,409,790	\$3,908,211					\$43,198,402
-CAPITAL LEASE OBLIGATIONS										\$258,857	\$258,857
-LONG TERM OTHER									\$34,220	\$10,000	\$44,220
- LOAN MONIES					\$6,823,904	\$795,732					\$7,619,636
-DEBT SERVICE RESERVE							\$44,168,608		\$10,228,258		\$54,396,866
-DUE TO OTHER GOVERNMENTAL UNITS									\$1,734,800		\$1,734,800
1999 BUDGETED USAGE	\$500,000		\$437,000								\$937,000
-CAPITAL PROJECTS MONIES								\$19,971,058	\$26,667,117	\$2,026,659	\$48,664,834
RETIREE HEALTH BENEFITS (901 & 902)									\$2,023,052	\$750,710	\$2,773,762
WORKING CAPITAL FUND & RETAINED EARNINGS RESERVES									\$7,684,487		\$7,684,487
-SAC RESERVE									\$83,151,625		\$83,151,625
TOTAL	\$4,847,997	\$3,916,684	\$497,000	\$21,704,511	\$21,233,694	\$4,954,484	\$44,168,608	\$19,971,058	\$135,060,666	\$9,760,209	\$266,114,911
UNDESIGNATED CURRENT ASSETS	\$830,366	\$17,113,732	\$2,386,534			(\$1,425,681)			\$1,485,376	\$6,997,210	\$27,387,537
* PLANNING ASSISTANCE NEGATIVE BALANCE WILL BE COVERED BY TRANSFER FROM ENVIRONMENTAL SERVICE FUND											

10-17

APPENDIX E
METROPOLITAN COUNCIL
2000 INTERDIVISIONAL COST ALLOCATION SUMMARY

1/7/00

	MCES	Metro Transit	Transportation And Transit Development	Regional Administration	Community Development	HRA	Total
Assigned Charges from Admin. Support Units	6,676,290	5,264,030	686,599	3,628,972	459,635	120,327	16,835,853
Central Support Units Corp. and Mears Prk.Alloc.	2,867,010	2,503,970		2,272,342			7,643,322
A-87 Allocation, Based on Federal Guidelines	0	0	847,779	(2,533,821)	1,242,136	443,906	0
Subtotal	9,543,300	7,768,000	1,534,378	3,367,493	1,701,771	564,233	24,479,175
Capital Items	834,900	0	33,000	525,000	0	16,500	1,409,400
Planning Chargebacks	74,800	62,000	142,700				279,500
Total	10,453,000	7,830,000	1,710,078	3,892,493	1,701,771	580,733	26,168,075

Description of Allocations:

Administrative support assigned charges. Charges to business units for support services provided by central office units. When staff within support units provide services that directly benefit a specific business unit such as Environmental Services, the costs of providing that service are charged to that business unit.

Administrative support corporate costs. Support services costs that are for a joint purpose benefiting more than one cost objective and not readily assignable to a particular business unit without effort disproportionate to the results, are allocated to divisions based on procedures and steps detailed in the Cost-Sharing System Guidebook.

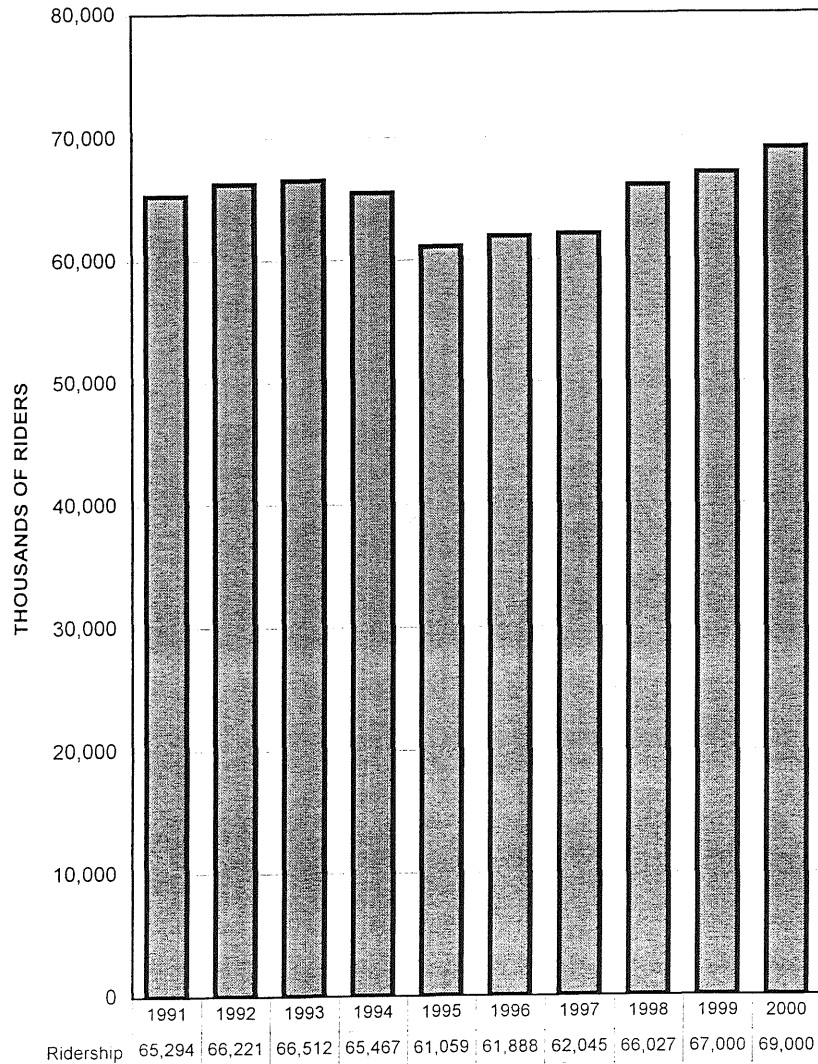
Federal A-87 Cost Allocation Guidelines for Federal Grant Recipients. Principles for determining the allowable costs incurred by federally funded programs. The principles outline allowable and unallowable costs and means of allocation. The principles provide that federal awards bear their fair share of costs recognized under these principles. Federally funded Council programs affected include the HRA and Transportation and Transit Development.

Chargeback of planning support to business units. A portion of the cost of planning functions that benefit specific business functions are allocated to business units. Planning activities that are charged include preparation of population, household and employment forecasts and estimates by research staff, referral reviews by local assistance staff, and GIS work benefiting specific business units.

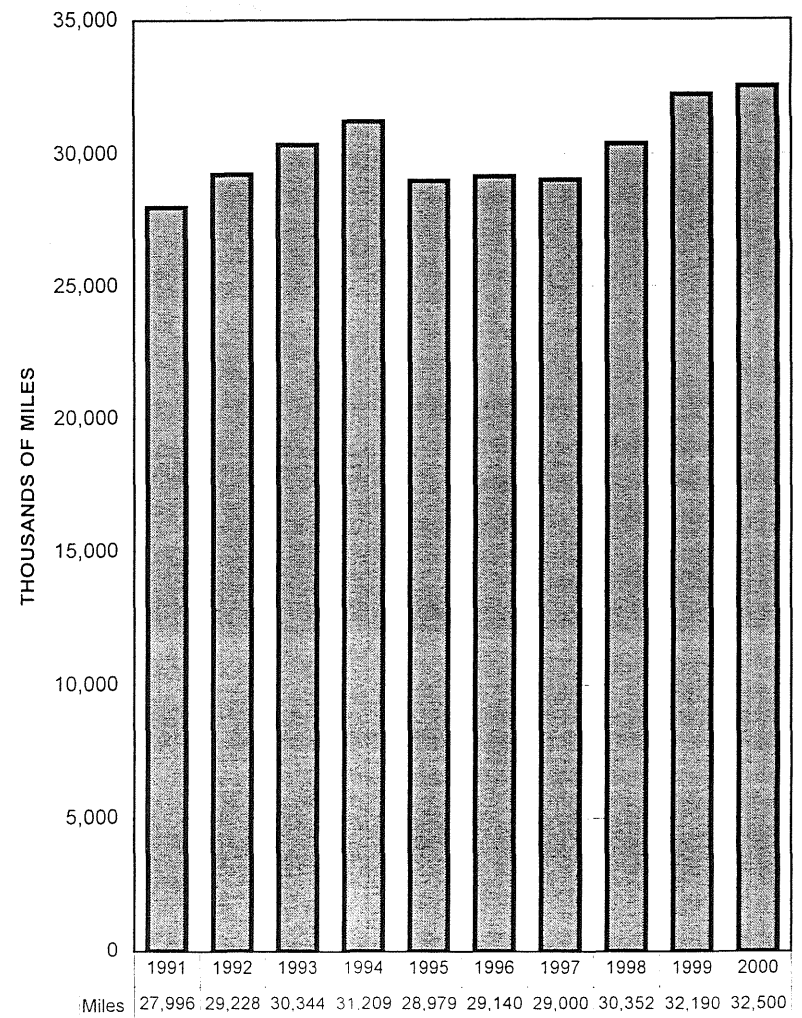
TRANSPORTATION DIVISION

10-19

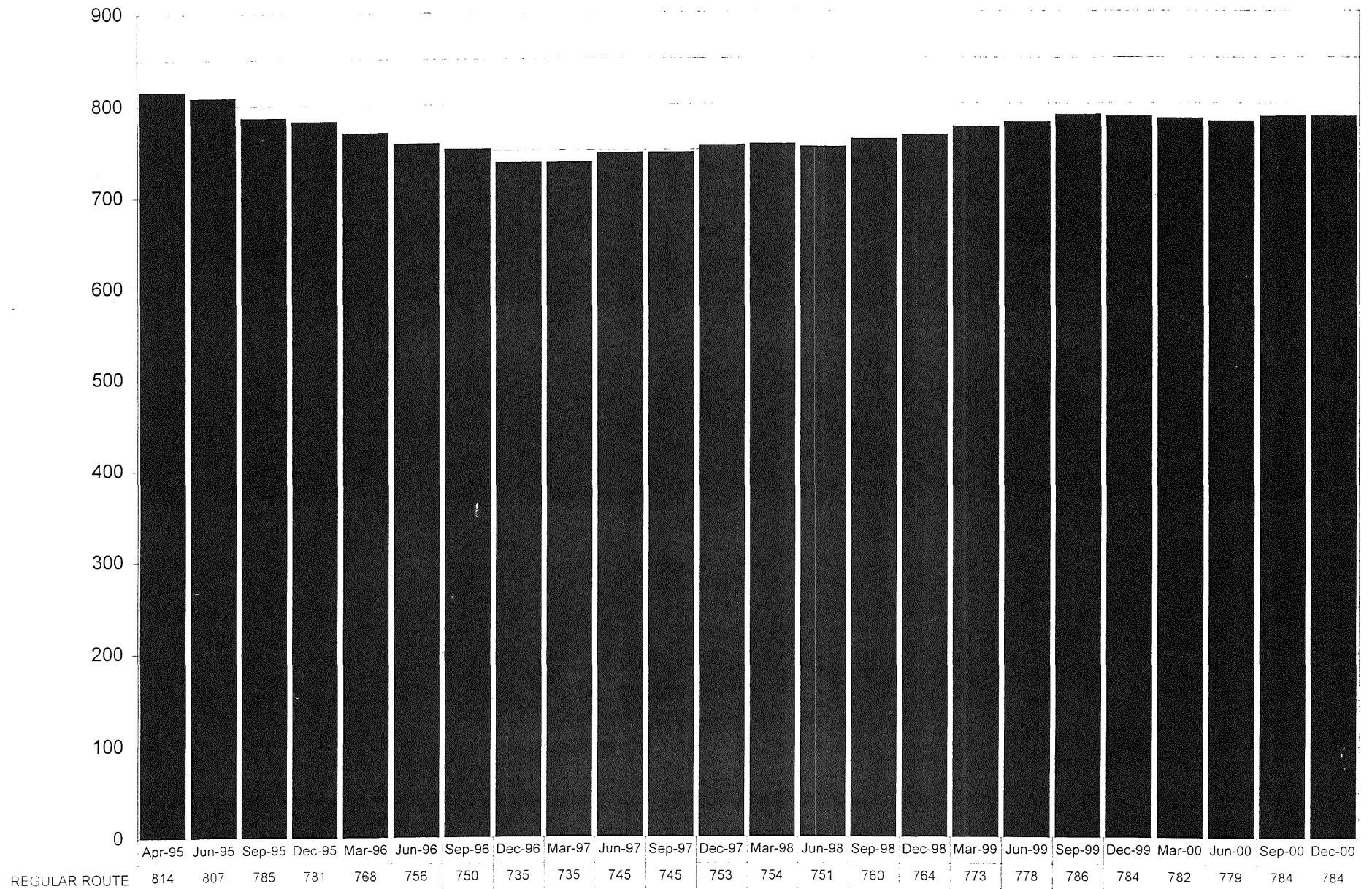
**METRO TRANSIT TOTAL RIDERSHIP
1991-2000**



**METRO TRANSIT TOTAL MILES
1991-2000**

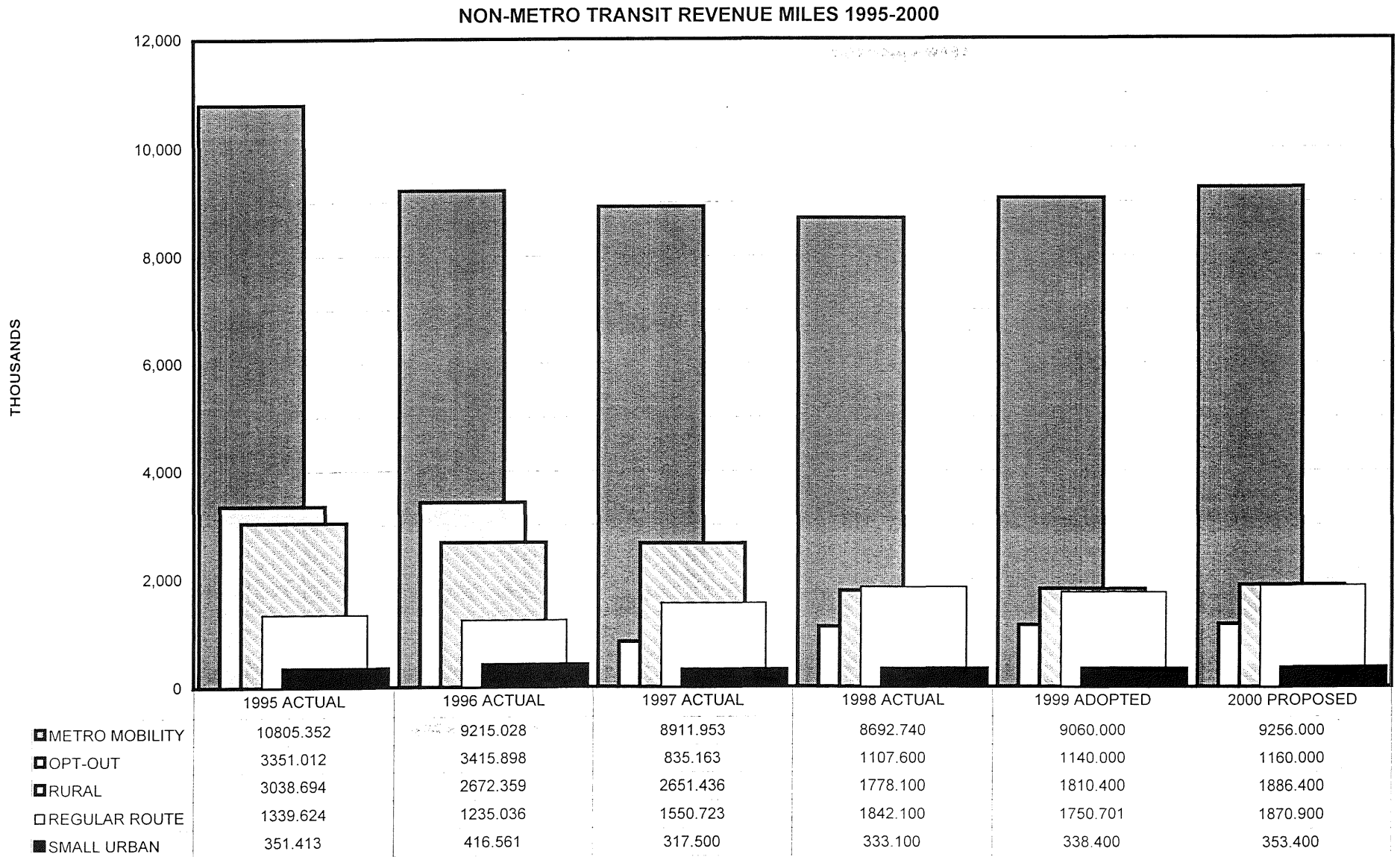


METRO TRANSIT TOTAL MAXIMUM PEAK BUSES



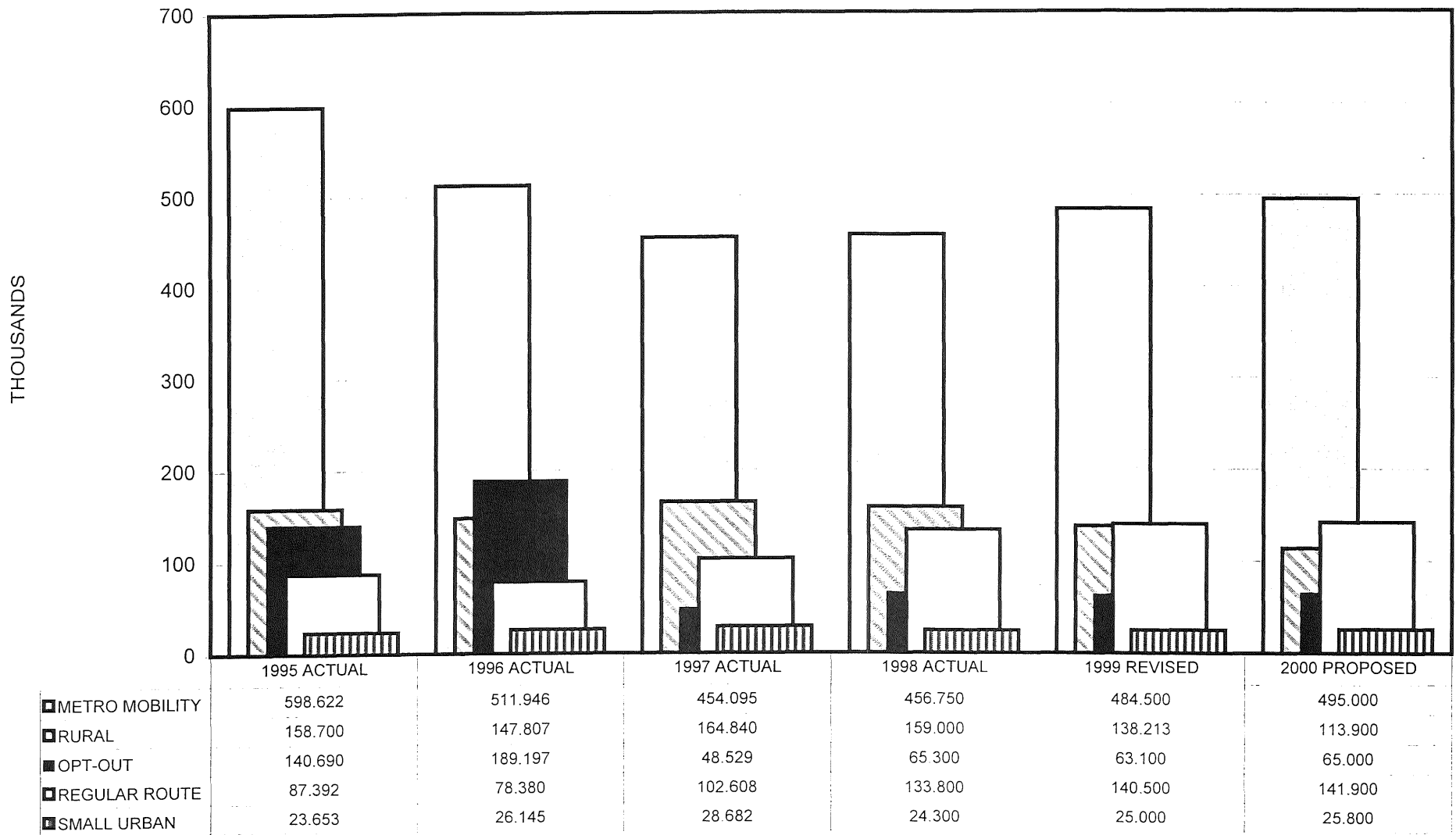
TRANSPORTATION DIVISION

10-21



TRANSPORTATION DIVISION

NON-METRO TRANSIT REVENUE HOURS 1995-2000

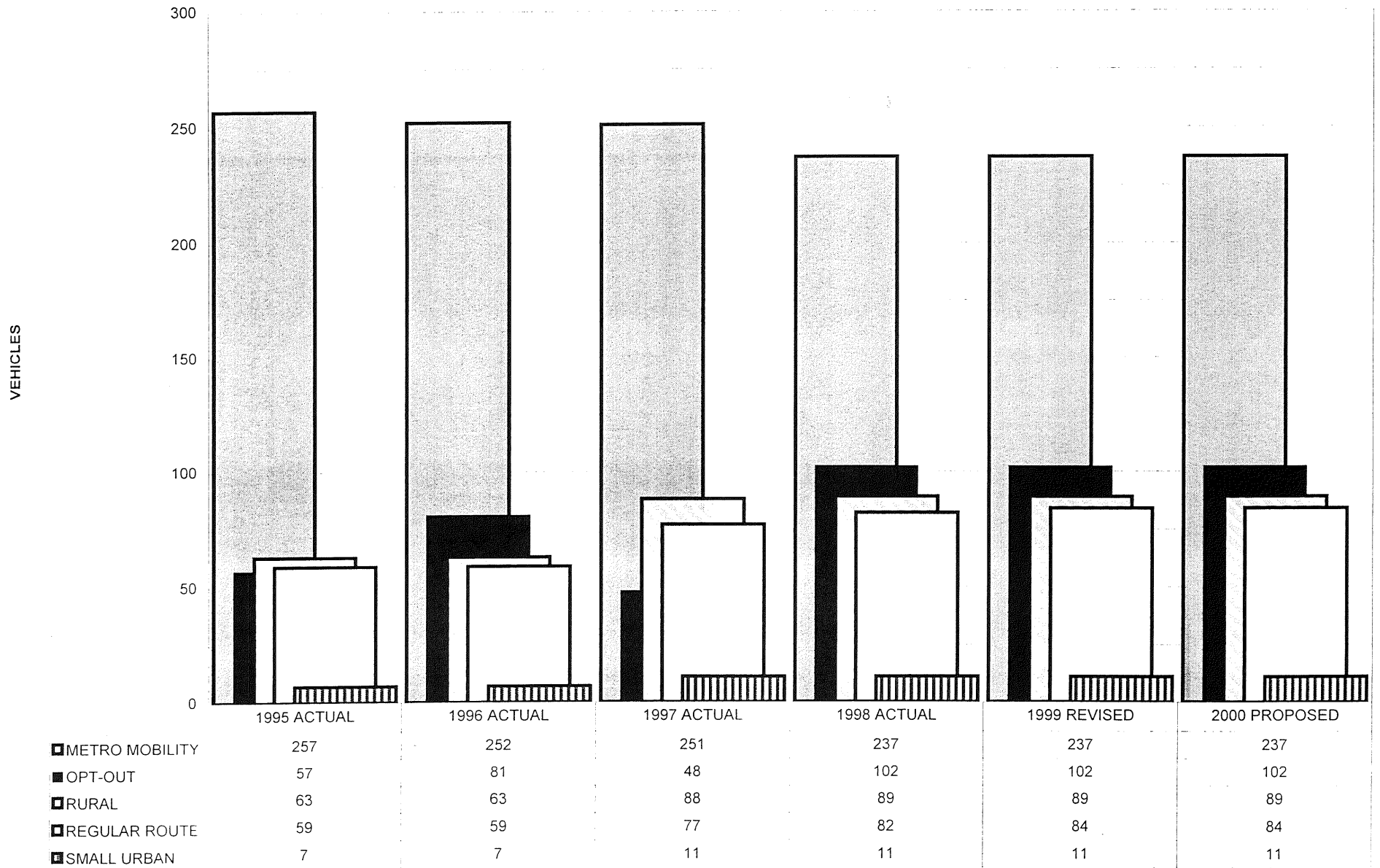


Metro Mobility hours for 1995-6 are service hours (total time consumed from the garage to back to the garage) versus revenue hours (total time consumed from first pick-up to last drop-off)

The drop in Rural and increase in Metro Mobility hours are due to transfer of ADA service to Metro Mobility

TRANSPORTATION DIVISION

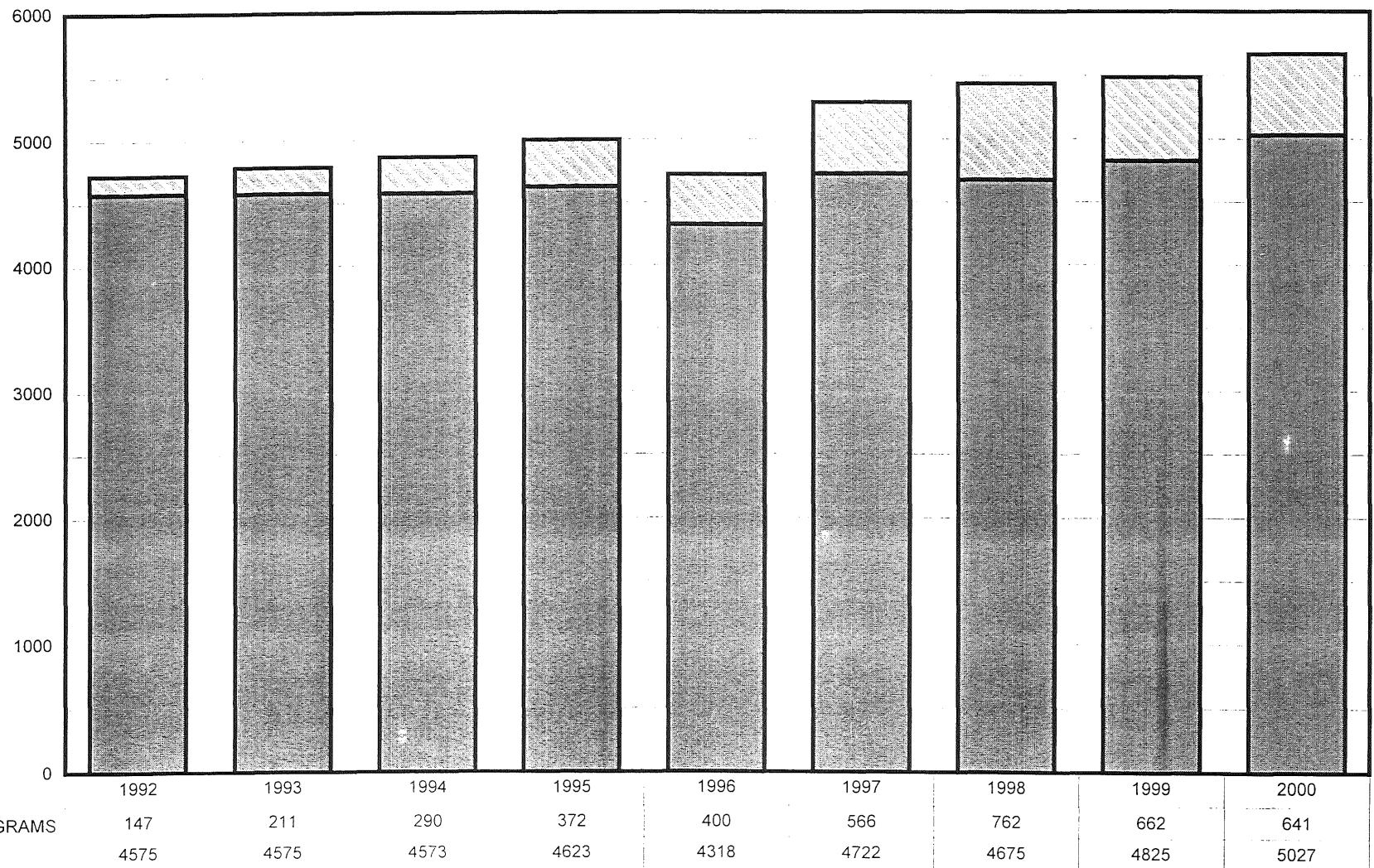
*NON-METRO TRANSIT TOTAL VEHICLE REQUIREMENTS 1995-2000



*Excludes Metro Transit vehicles used for by non-Metro Transit programs, vehicles of volunteer services and shared ride taxi services

COMMUNITY DEVELOPMENT DIVISION

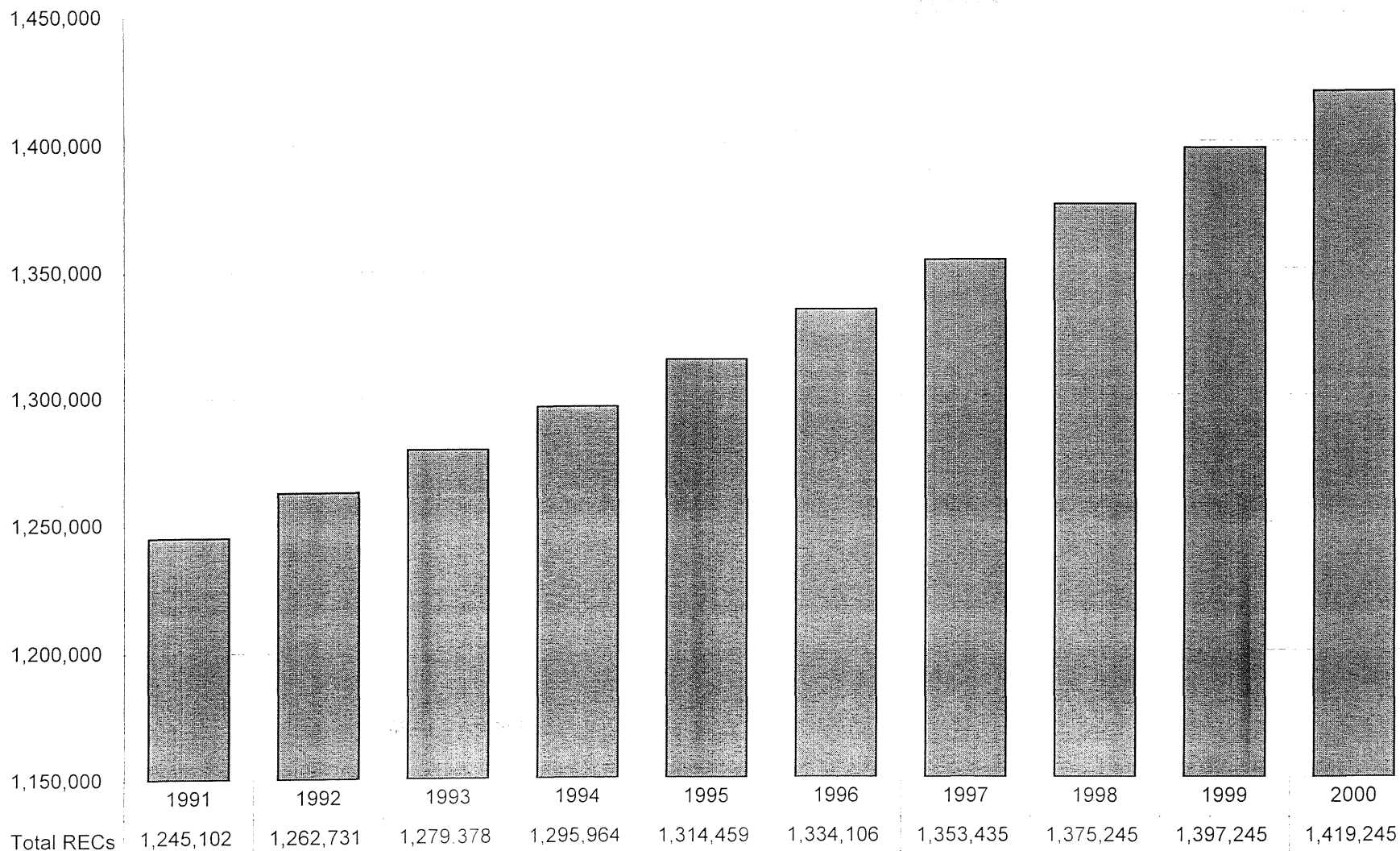
HRA ASSISTED HOUSEHOLDS



10-24

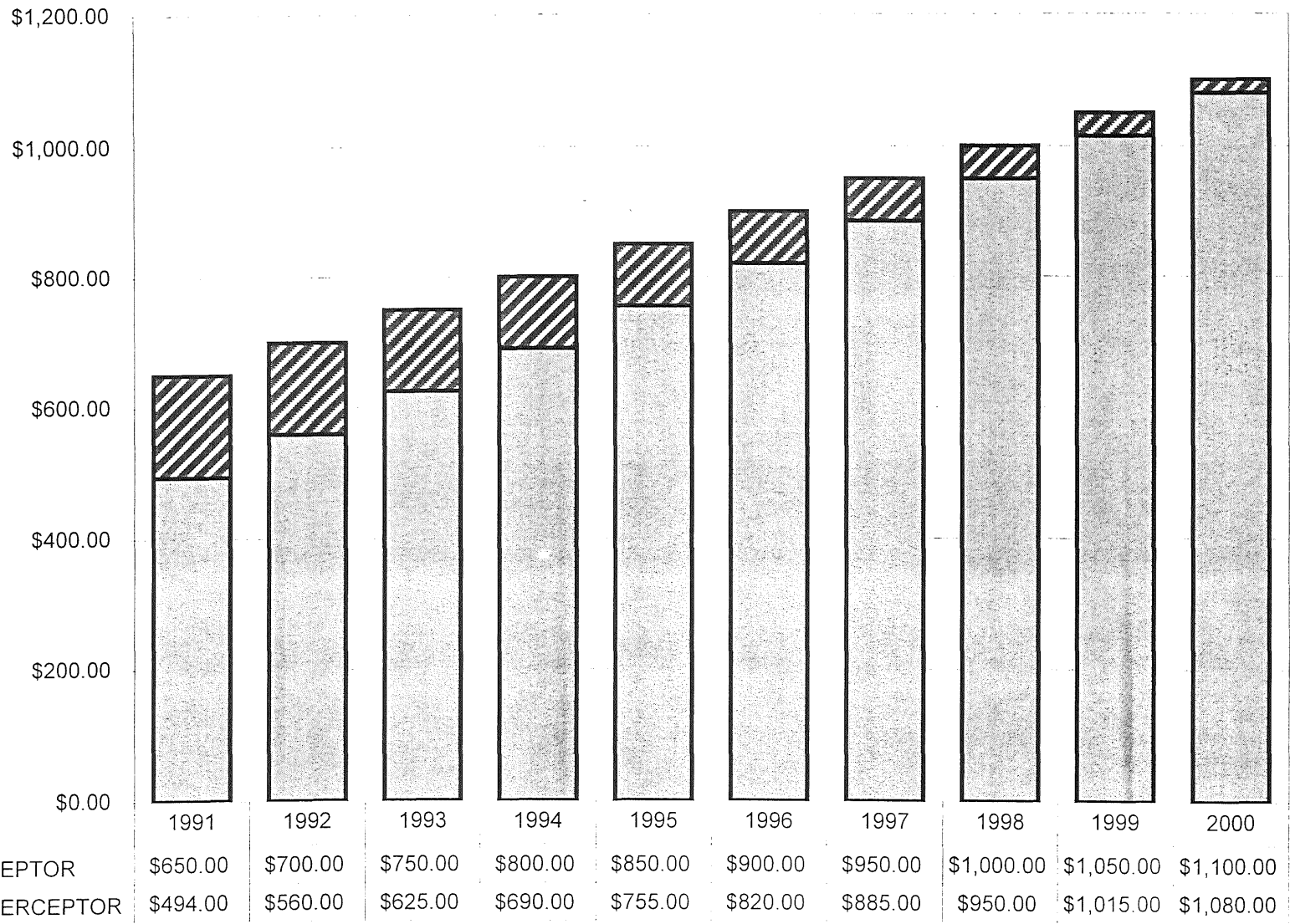
Environmental Services Division

RESIDENTIAL EQUIVALENT CONNECTIONS BY YEAR



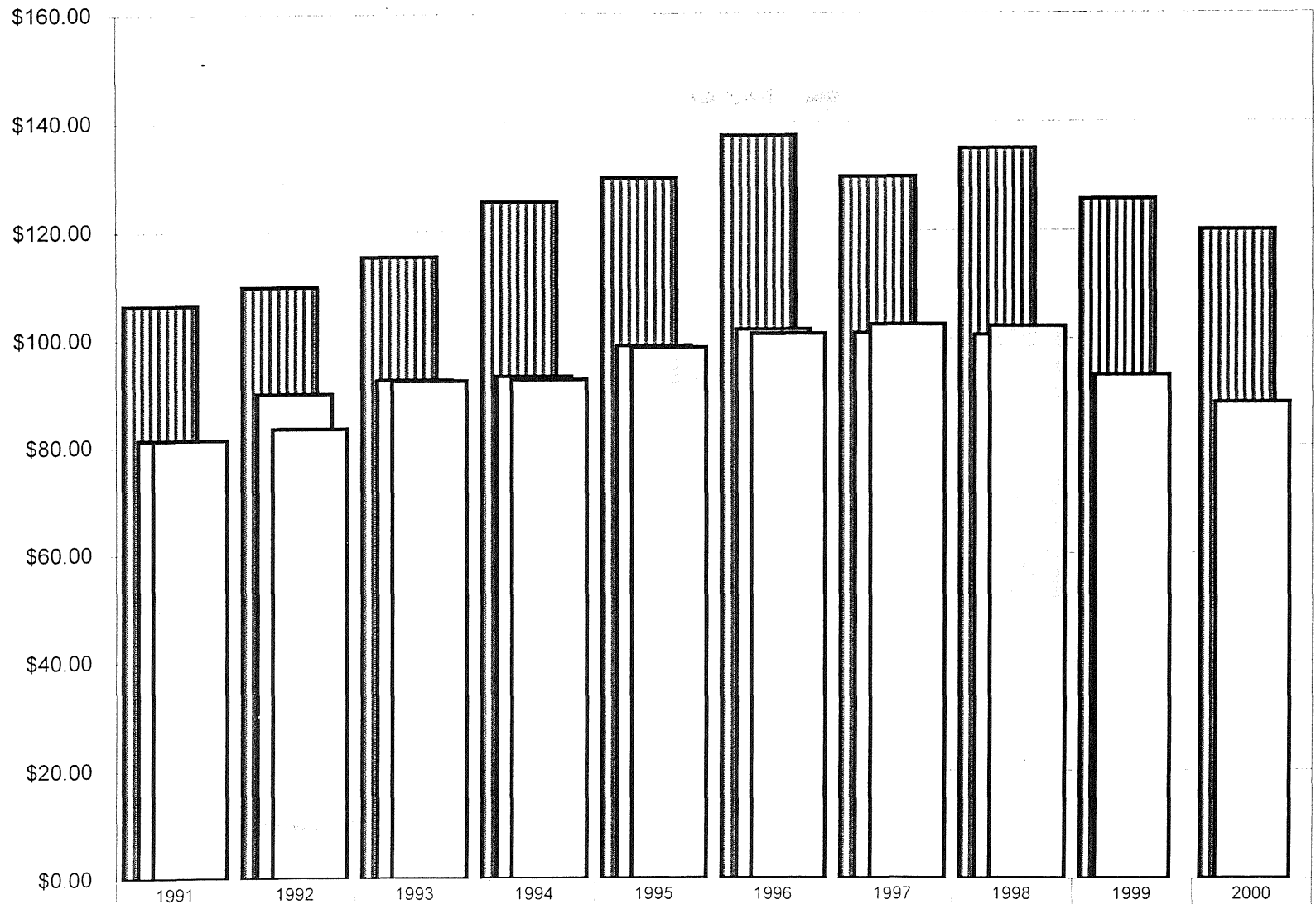
SERVICE AVAILABILITY CHARGE PER UNIT

**Wastewater Services Service Availability Charge per Unit
1991-2000**



ENVIRONMENTAL SERVICES DIVISION

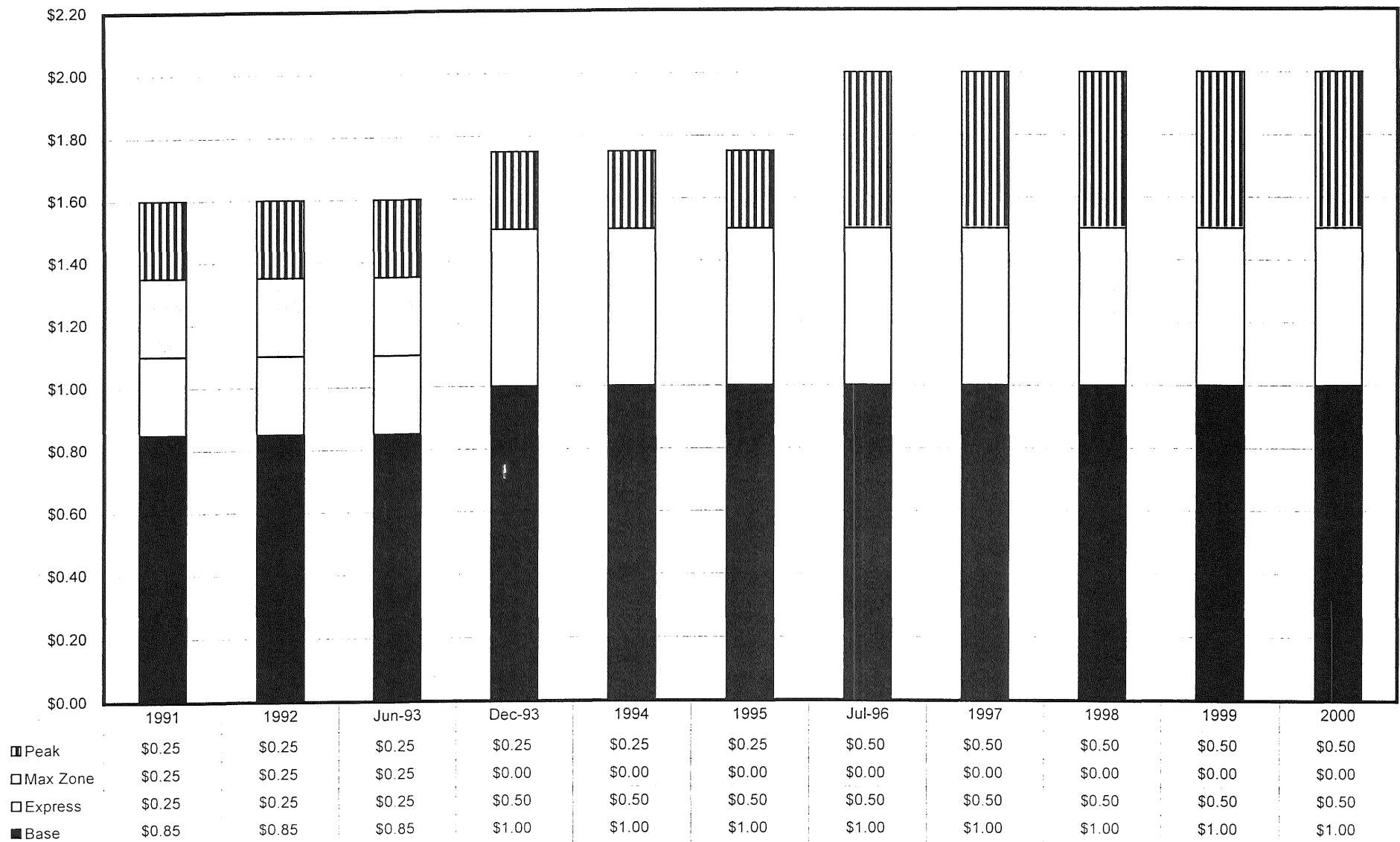
Services Rate per 100,000 Gallons and Average Wholesale Rate per Household



■ Rate per 100,000 Gallons(Final)	\$106.36	\$109.75	\$115.23	\$125.28	\$129.64	\$137.47	\$129.82	\$135.00	\$125.70	\$120.00
■ Average Wholesale Rate per Household(Est.)	\$81.27	\$89.93	\$92.38	\$92.96	\$98.72	\$101.68	\$100.99	\$100.62	\$93.11	\$87.93
■ Average Wholesale Rate per Household(Final)	\$81.30	\$83.34	\$92.25	\$92.37	\$98.34	\$100.87	\$102.58	\$102.25	0	0

TRANSPORTATION DIVISION

METRO TRANSIT FARE HISTORY 1991-2000



Appendix H
METROPOLITAN COUNCIL
PAYABLE 2000 PRELIMINARY PROPERTY TAX LEVIES

Purpose of Tax Levy	Actual	Estimated	1999-2000 Change		Comments
	Payable 1999 Levy	Payable 2000 Levy	Amount	Percent	
General					
General Operations	9,174,600	9,174,600	-	0.0%	General levy limit is \$10,462,396, based on implicit price deflator increase of 1.4 percent.
Livable Communities	1,000,000	1,000,000	-		
Subtotal-General	10,174,600	10,174,600	-	0.0%	
Transit Operating District					
Total Levy	83,682,924	90,055,080	6,372,156	7.6%	Transit district levy limit is \$90,585,725
Less: Local Option by Opt Outs	10,755,117	11,549,029	793,912	7.4%	Nine local option opt outs in 2000, same as 1999
Net Regional Levy	72,927,807	78,506,051	5,578,244	7.6%	
Transit Operating Area	1,124,337	1,246,002	121,665	10.8%	Assumes levy to maximum allowed.
Highway Right-of-Way	2,159,302	1,142,446	(1,016,856)		Levy limit is \$2,333,558, market value increase of 8.07 percent
Livable Communities					
Tax Base Revitalization	-	-	-		
Tax Base Revitalization-Fiscal Disp	5,000,000	5,000,000	-	0.0%	
Demonstration Account	5,116,080	6,132,936	1,016,856	19.9%	
Subtotal-Livable Communities	10,116,080	11,132,936	1,016,856	10.1%	
Sewer Deficiency	-	-	-		
Subtotal - Non Debt	96,502,126	102,202,035	5,699,909	5.9%	

Appendix H
METROPOLITAN COUNCIL
PAYABLE 2000 PRELIMINARY PROPERTY TAX LEVIES

Purpose of Tax Levy	Actual	Estimated	1999-2000 Change		Comments
	Payable 1999 Levy	Payable 2000 Levy	Amount	Percent	
Existing Debt Service:					
Solid Waste	-	-	-		Payable 1999 and payable 2000 levies cancelled.
Parks and Open Space	5,725,500	6,047,814	322,314	5.6%	
Transit	20,190,351	15,982,077	(4,208,274)	-20.8%	
Radio	425,825	423,525	(2,300)	-0.5%	
New Debt Service from 1999 Issues:	-	-	-		
Parks and Open Space	-	-	-		
Transit	-	4,411,881	4,411,881		
Subtotal-New from 1999 Issues	-	4,411,881	4,411,881		
Existing and New Debt Service:					
Solid Waste					
Parks and Open Space	5,725,500	6,047,814	322,314	5.6%	
Transit	20,190,351	20,393,958	203,607	1.0%	
800 Megahertz Radio	425,825	423,525	(2,300)	-0.5%	
Subtotal - Debt Service	26,341,676	26,865,297	523,621	2.0%	
Total - All Council Levies	122,843,802	129,067,332	6,223,530	5.1%	
Mosquito Control District	7,300,000	7,600,000	300,000	4.1%	
Combined Total - All Metro Levies	130,143,802	136,667,332	6,523,530	5.0%	
Combined Total - All Metro Levies and Local Option Transit Levies	140,898,919	148,216,361	7,317,442	5.2%	Includes local option opt-out transit tax levies

Metropolitan Council 2000 Unified Budget

Glossary

Ad Valorem Tax	A tax based on the value of an item, such as property.
Appropriation	A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes.
Budget	Final budget adopted by the Council in December. The annual calendar-year plan of revenues and expenditures.
Block Grant	A grant from another governmental unit to be used or expended for a specified purpose.
Budget Amendment	A Council action authorizing revision of the adopted budget.
Capital Budget	Plan for capital expenditures (involving the construction or renovation of permanent facilities or acquisition of major equipment with a useful life greater than 3 years) for the coming year.
Capital Improvement Program	A five-year plan for proposed capital improvements, the first year of which is formally adopted as the Capital Budget.
Capital Investments	See Capital Outlay
Capital Outlay	Expenditures for acquiring or adding to Council assets of a long-term character with an expected useful life of three or more years.
Capital Project Grant	A grant made specifically for acquiring or constructing major capital facilities.
Cash Flow Forecasting	Estimates of the timing of revenues and expenditures to determine the amount of cash available to meet payments or to be invested.
Cash Management	The balancing of cash on hand necessary to pay for services and temporarily idle cash invested to earn interest revenue.
Central Services	A section within the Council responsible for providing duplicating and mailing services and office facilities.
Certified Levy	Total tax levy of a jurisdiction which is certified to the County Auditor.
Comprehensive Annual Financial Report	Audited financial statements of the Council.

Metropolitan Council 2000 Unified Budget

Glossary

Comprehensive Plan	A city or county land use plan that addresses sewer, housing, transportation, parks, water systems and other issues.
Competitive Practices	Efforts by a government to increase productivity in government provided services, including alternative methods to produce services.
Cost Allocation	Method for allocating costs for administrative and support services among the Council divisions.
Debt Service	The amount of funds required to pay both the long-term principal and interest on bonds, notes, certificates and loans.
Division	Basic organizational unit of the Council responsible for carrying out a specific function, defined by State statute.
Environmental Assessment Worksheet (EAW)	The document (EAW) required under state environmental quality rules that provides a preliminary assessment of the environmental impact of proposed land use decisions.
Estimated Market Value	Represents the selling price of a property if it were on the market. Estimated market value is converted to tax capacity before property taxes are levied.
Fiscal Disparities	The program created by the Metropolitan Fiscal Disparities Act which shares growth in the commercial-industrial tax base in the 7-county metropolitan area. Forty percent of the value of new commercial-industrial development since 1971 is pooled and redistributed among the 300 taxing districts to address uneven business development throughout the region.
FTE/Full-time Equivalent	Equivalent of one employee working full-time, or 2,080 hours per year. An FTE can be filled by any number of employees whose combined hours total 2,080 per year.
Fund	Under Generally Accepted Accounting Practices, an independent fiscal and accounting entity which is segregated for the purpose of performing specific activities or achieving certain objectives. There are several types of funds commonly used by the Council, including:
Agency Fund	To account for assets held by the government as an agent for individuals, private organizations, other governmental units and/or other funds.
Capital Improvement	To account for financial resources to be used for the acquisition,

Metropolitan Council 2000 Unified Budget

Glossary

	construction, expansion and renovation of capital facilities, other than those financed by proprietary or trust funds.
Debt Service Fund	To account for the accumulation of resources and payment of general obligation debt principal and interest.
Enterprise Fund	To account for operations that are financed and operated in a manner similar to private business enterprise, the cost of providing goods or services on a continuing basis are financed or recovered primarily through user charges
General Fund	To account for revenues and expenditures necessary to carry out basic governmental activities such as administration, legal and fiscal services.
Internal Service Funds	To account for the financing of goods or services provided by one department or agency to another department or agency or to another governmental unit, on a cost-reimbursement basis. An example of internal service funds is the Central Service Fund which provides duplicating services on a cost-reimbursement basis.
Special Revenue Funds	To account for the proceeds of specific revenue sources whose expenditures are legally restricted to particular purposes, such as Highway Right of Way Acquisition Loan Fund (RALF).
Fund Balance	The difference between assets and liabilities.
Reserved Funds	Legally segregated for a specific use. They are not available for discretionary appropriation due to the nature of the asset.
Unreserved Funds	<u>Designated Funds</u> - To establish tentative plans for or restrictions on the future use of financial resources. <u>Undesignated Fund Balance</u> - the funds remaining after reduction for reserved and designated balances
	In addition, the debt service, capital project and many of the special revenue funds are restricted as to use, depending on the legal restrictions governing the funds they contain.
General Fund	Fund to account for all financial resources except those required by law or accounting principles to be accounted for in one of the Council's other funds

Metropolitan Council 2000 Unified Budget

Glossary

Geographic Information System (GIS)	The hardware, software, data and administrative procedures that go into analyzing, using and displaying geographically based information.
Grantee	A recipient of grant monies from the Council.
HACA	The state Homestead and Agricultural Credit Act. This legislation provides a state payment in lieu of a portion of the property tax levy.
HRA Operating Reserve	The balance accumulated from the excess of revenues over expenditures in the Council's Housing and Redevelopment Authority program
Implicit Price Deflator	An index prepared by the federal government to measure changes in the price of goods and services.
Internal Service Fund	Fund used for the furnishing of goods or services by one department or other departments, on a cost-reimbursement basis.
Land Use Planning	The orderly use of land and placement of facilities based on local and state government public discussion, policy and regulation.
LCMR	Legislative Commission on Minnesota Resources, which is responsible for distributing grant monies to local units of government and other governmental agencies relating to Natural Resources.
Lease	A contract for temporary use of equipment or facilities at a negotiated price.
Long-term Debt	Financial obligation with maturity of more than one year after the date of issuance.
Mapping Consortium (Metro GIS)	An ad hoc committee consisting of staff members from the Council and other organizations that shares information about computer mapping.
Metropolitan Airports Commission	The commission that owns and operates the region's airport system, including the Minneapolis/St. Paul International Airport and seven satellite airports.

Metropolitan Council 2000 Unified Budget

Glossary

Metropolitan Area	The area consisting of the seven metropolitan counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington. It is the area in which the Metropolitan Council has jurisdiction.
Metropolitan Land Planning Act	The state law that mandates cities, townships and counties to prepare comprehensive plans, and that such plans be consistent with the Council's regional plans for sewer, transportation, parks and open space, and airports.
Metropolitan Parks and Open Space Commission	The commission that advises the Council on matters affecting the regional park and open space system.
Metropolitan Region	See Metropolitan Area
Metropolitan Sports Facilities Commission	The commission that owns and operates the Hubert H. Humphrey Metrodome.
Nonpoint-source Pollution Control	Diffuse pollution that is not traceable to a single source, but rather runs off the land in a widespread manner, includes urban and agricultural runoff.
Operating Budget	Plans of current expenditures and the proposed means of financing them.
Operating Revenue	Revenue that is directly related to primary service activities.
Ordinance	A formal legislative enactment by the governing body of a city, township or county.
Outcomes	Data to indicate program performance and effectiveness
Passthrough Grant or Loan	Funds that are received by the Council but then granted, loaned or passed on to another agency for a specified use.
Program	An organized set of related work activities directed toward a common purpose.
Proposed Budget	Budget as submitted by the Regional Administrator to the Council.
Regional Blueprint	The Council's strategic planning guide for regional development. The Regional Blueprint and related policy plans, guide the Council's decision making on such matters as highways, airports, parks and wastewater conveyance and treatment.

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Section 8	A federal housing rental assistance program for low- and moderate-income people.
Software	Programs that are written to give a computer instructions to perform certain tasks.
Staff Complement	Number of full-time permanent positions (Note: two half-time positions equal one staff complement.)
Statutory Authority	Authority based on state or federal legislation.
Strategic Planning	Management based on a vision of success for the organization, using strategies to achieve desired goals.
Tax Capacity Rate	Tax rate applied to tax capacity to generate property tax revenue. The rate is obtained by dividing the property tax levy by the available tax capacity.
Tax Classification Rate	Rates at which estimated market values are converted into the property tax base. The classification rates are assigned to properties depending on their type (residential, commercial, farm, etc.) and, in some cases there are two tiers of classification rates, with the rate increasing as the estimated market value increases.
Truth-in-Taxation	Procedures adopted by the Minnesota Legislature intended to improve accountability in the adoption of the budget and property tax levy of local governments.
Truth-in-Taxation Public Hearing	Statutory requirement for local governments to hold public hearings on their proposed budgets and property tax levies. For Metro governments the hearing must be held in 1998 on Wednesday December 2.
Tax Levy	The total amount to be raised by general property taxes for the purpose stated on the resolution certified to the county auditor.
Undesignated Reserve	The balance accumulated from the excess of revenues over expenditures available for future expenditures in an enterprise fund.
User Charge	Charges for service based on the consumption or availability of that service.

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Watershed	The land area from which water accumulations drain into a stream.
Work Priorities	The focus of Council work program efforts in any given year.
Work Program	A plan of work proposed to be done during a particular period.