



# **METROPOLITAN COUNCIL**

## **2001 UNIFIED OPERATING BUDGET**

**Adopted December 20, 2000**

**Publication Number 21-00-050**

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2001



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*The mission of the Metropolitan Council is to improve regional competitiveness in the global economy so that this is one of the best places to live, work, raise and family and grow a business.*

The Metropolitan Council coordinates regional planning and guides development in the seven-county area through joint action with the public and private sectors. The Council also operates regional services, including wastewater collection and treatment, transit and the Metro HRA – an affordable-housing service that provides assistance to low-income families in the region. Created by the Legislature in 1967, the Council establishes policies for airports, regional parks, highways and transit, sewers, air and water quality, land use and affordable housing, and provides planning and technical assistance to communities in the Twin Cities region.

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Publication No. 21-00-050

### **Metropolitan Council**

Mears Park Centre

230 East Fifth Street

St. Paul, Minnesota 55101-1626

General: (651) 602-1000

TTY: (651) 291-0904

Metro Info Line: (651) 602-1888

E-mail: [data.center@metc.state.mn.us](mailto:data.center@metc.state.mn.us)

Website: [www.metrocouncil.org](http://www.metrocouncil.org)

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# Metropolitan Council 2001 Budget

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**Date:** December 20, 2000

**To:** Ted Mondale, Chair and Metropolitan Council Members

**From:** Jay Lindgren, Regional Administrator

**Subject:** 2001 Metropolitan Council Unified Operating Budget

The Proposed 2001 Unified Operating Budget being presented to you includes all operating and planning units of the Metropolitan Council. This budget presents the detail for all operating costs, debt service, grants, loans and pass-through for Community Development, Environmental Services, Regional Administration and Transportation.

The Metropolitan Council's budget addresses the charge given to the agency by the Ventura Administration's Big Plan – which is to create Healthy, Vital Communities by focussing the work of the Council on the Governor's Smart Growth Initiative.

The budget also addresses and supports the Council's Mission Statement which is:

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

### **IMPLEMENTING STRATEGIES**

To address this mission, the 2001 Budget is focussed 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 to issues.
4. Alignment: Focus all of the work of Metropolitan Council members and staff on achieving this purpose.



## **2001 OPERATING BUDGET OVERVIEW**

Operating expenditures are proposed at \$345.7 million, up 5.7 percent from \$327.1 million in 2000. Grant and loan expenditures are proposed at \$59.1 million, up from \$56 million; and the budget for debt service is proposed at \$91.1 million which is no changed from 2000.

The total budget for operations, grant and loans, and debt service is \$495.9 million, an increase of 4.6 percent from the \$474.2 million in 2000.

The total combined 2001 property tax levy for all Council purposes is \$137.6 million, which is a 6.6 percent increase from the 2000 levy of \$129.1 million. Approximately 78 percent of the levy supports transit and we are recommending levying to the levy limit for transit.

Property tax recommendations are below the levy limit for the Highway Right-of-Way program and the general operating levy in order to reduce the levy increase. In addition, a number of debt service levies are reduced to further moderate the proposed property tax increase.

## **TRANSPORTATION DIVISION**

The transportation budget is structured to support a growing transit system. Transit ridership and service are increasing, with Metro Transit being among the nation's fastest-growing bus systems. This is an integral part of the Council's 2020 Master Plan to double ridership and greatly expand transit service.

In addition, the budget continues staff support for the Hiawatha light rail project, which is an integral step in developing a true, multimodal transportation system that will efficiently serve the residents of the Twin Cities region and serve as a tool to channel regional growth and redevelopment.

The Metro Transit proposed budget provides 3.1 percent service growth thereby implementing the Transit 2020 Master Plan. Identified revenues do not support the service increase, and therefore the Metro Transit proposal shows a net deficit of \$14.5 million. The proposal assumes no fare increase for 2001 and modest growth in state funding in-line with recent trends. There are a number of alternatives for the Council to consider to reduce or eliminate the deficit. Budget discussions will continue through the fall, and the Council's decisions on the alternatives will be incorporated into the final 2001 budget to be approved in December.

## **ENVIRONMENTAL SERVICES DIVISION**

Metropolitan Council Environmental Services (MCES) exists to protect the public health and environment through efficient and effective regional water resources planning and water quality operations in support of the Council's regional growth strategy.

In response to significant influences on the organization – regional growth pressures, emerging environmental issues, rising customer expectations and private sector competition – MCES continues its intense change efforts to improve its competitive position in the industry

while maintaining superior performance and ensuring that the region has sufficient programmed sewer capacity and coordinated water resources management plans. MCES has extended its \$20 million cost reduction plan (which will be achieved through the 2001 budget) with a goal of being one of the best five nationally by 2005.

The 2001 budget achieves the final phase of reducing MCES's budget by \$20 million from the baseline 1998 budget. Wholesale rates charged to communities for 100,000 gallons of wastewater flow continue to be reduced, with the 2001 budget calling for rates at \$118 per 100,000 gallons. This continues the trend of cost and rate reductions. Projections through the year 2006 show projected rates to remain below those charged in 1998.

Environmental Services continues to provide high quality wastewater collection and treatment services to the Twin Cities region and excellent compliance with water quality based permits.

#### **COMMUNITY DEVELOPMENT DIVISION**

In 2001, the Community Development Division will focus its resources, tools and incentives on pursuing Smart Growth objectives and implementing the goals of the Ventura Administration's Smart Growth Initiative. This will be accomplished through the work of Smart Growth –Twin Cities.

In addition, the Division will undertake a significant "first" for the Council by implementing the Family Affordable Housing Program, which will result in the Council owning and managing affordable housing units, a key step in addressing the region's critical affordable housing shortage.

In 2001 the Council will provide grant and loans of \$59.1 million. Livable Communities grants will be \$18.4 million with funds provided through property taxes, state appropriation, and the Transit for Livable Communities program.

#### **REGIONAL ADMINISTRATION**

The majority of the Regional Administration budget is allocated to the operating and line divisions of the Council in recognition of the Council-wide benefit for the services provided by Regional Administration.

Regional Administration major priorities for 2001 will be to continue supporting the Council's operating units by providing high quality, cost effective services. In addition, Regional Administration will focus on communications and regional constituency building to build public support for Council strategies including Smart Growth, light rail and affordable housing.

#### **CONCLUSION**

The 2001 Unified Budget focuses the work of the Council on key issues shaping the region and supports the Council's mission of making this region one of the best places in the country to live, raise a family, and do business. If done well, the initiatives outlined in this budget will lead to an increased quality of life for all of the citizens of the Twin Cities region.

This budget provides the necessary resources for the Council to effectively meet its goals and the goals outlined in the Ventura Administration's Big Plan, which is to focus the work of the Council on the smart growth initiative. With smart growth as its guiding principle, the Council is focusing in 2001 on its four primary Implementing Strategies to achieve its purpose.



# ***Metropolitan Council 2001 Unified Budget Purpose, Strategies, Organization and Structure***

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## **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, work, raise a family 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 government contribute to improving this region's 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**

The Metropolitan Council's budget addresses the charge given to the agency by the Ventura Administration's Big Plan—which is to create healthy, vital communities by focussing the work of the Council on the Governor's Smart Growth Initiative. With smart growth as its guiding principle, the Council is focusing on four primary regional strategies to achieve its purpose.

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 improves regional water quality. 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 water quality improvement grants 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 the Council's mission.

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

## ***Metropolitan Council 2001 Unified Budget Purpose, Strategies, Organization and Structure***

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(the Metropolitan Waste Control Commission, the Metropolitan Transit Commission and the Regional Transit Board) were transferred to the Council.

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 sets its priorities within the framework of Governor Ventura's Big Plan, unveiled in 1999. In his strategic plan, Governor Ventura gives clear direction to the Council, state agencies, and other government partners for working together to fulfill his vision: healthy, vital communities; the state as a world competitor; self-sufficient people; and a government of service, not systems.

The Council will lead in several areas, the foremost of which is growing smart to achieve healthy, vital communities. The Council's smart growth initiative promotes a vital, more competitive region by making more efficient use of land and public infrastructure.

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. Between 2000 and 2020, the Council anticipates an increase of 285,000 jobs, 270,000 households and 500,000 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:



## ***Metropolitan Council 2001 Unified Budget***

### ***Purpose, Strategies, Organization and Structure***

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- Treating 300 million gallons of wastewater daily and helping to maintain the quality of the region's waters,
- 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 over 100 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.

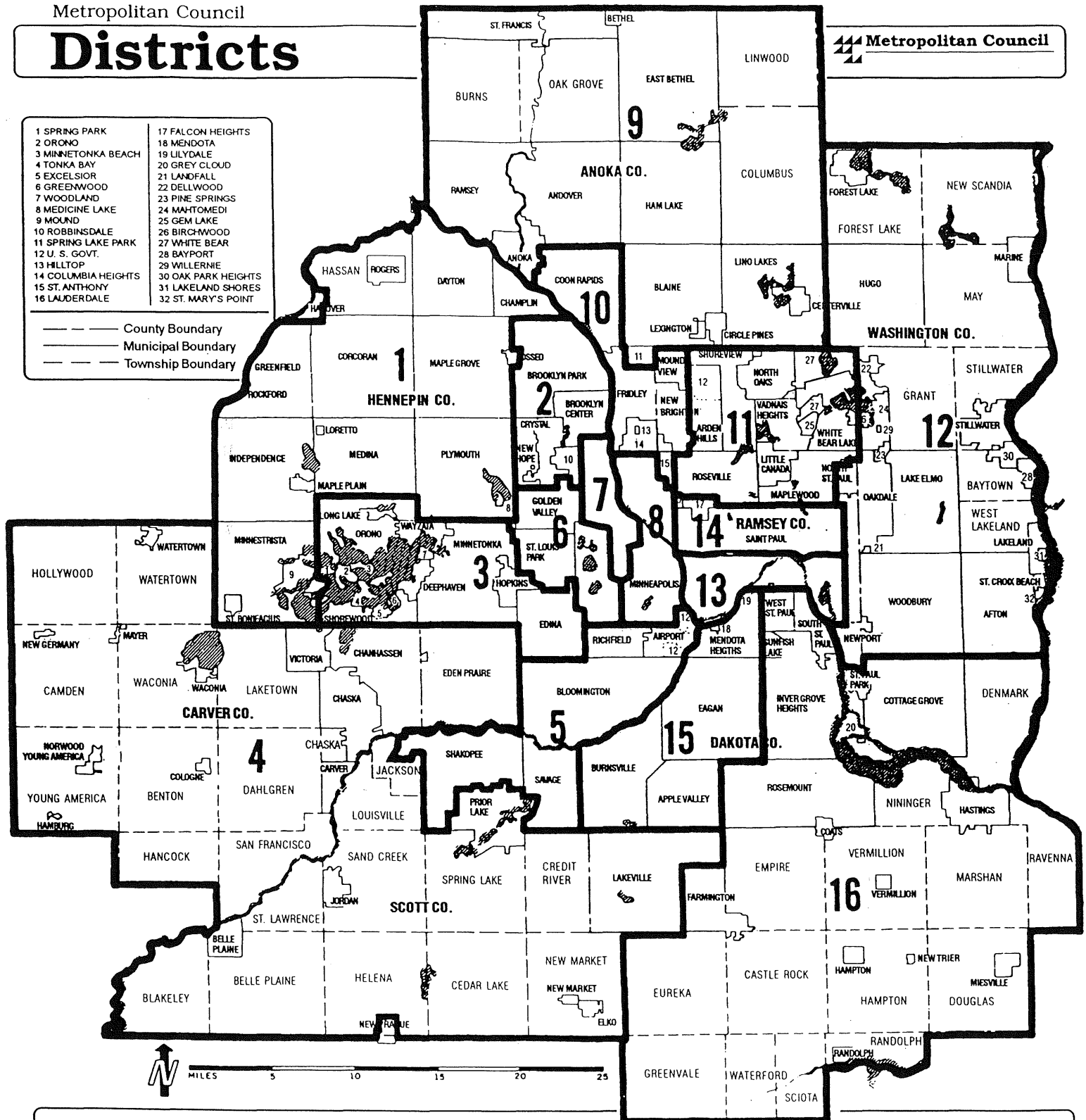
The Council is organized into three line divisions: Community Development, Environmental Services, and Transportation. The divisions report to the Regional Administrator who, in turn, reports to the 17-member Council. The Regional Administrator is responsible to ensure that policy decisions of the Council 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 Administrator. 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.

# Districts

- |                     |                     |
|---------------------|---------------------|
| 1 SPRING PARK       | 17 FALCON HEIGHTS   |
| 2 ORONO             | 18 MENDOTA          |
| 3 MINNETONKA BEACH  | 19 LILYDALE         |
| 4 TONKA BAY         | 20 GREY CLOUD       |
| 5 EXCELSIOR         | 21 LANDFALL         |
| 6 GREENWOOD         | 22 DELLWOOD         |
| 7 WOODLAND          | 23 PINE SPRINGS     |
| 8 MEDICINE LAKE     | 24 MAHOMETI         |
| 9 MOUND             | 25 GEM LAKE         |
| 10 ROBBINSDALE      | 26 BIRCHWOOD        |
| 11 SPRING LAKE PARK | 27 WHITE BEAR       |
| 12 U. S. GOVT.      | 28 BAYPORT          |
| 13 HILLTOP          | 29 WILLERNIE        |
| 14 COLUMBIA HEIGHTS | 30 OAK PARK HEIGHTS |
| 15 ST. ANTHONY      | 31 LAKELAND SHORES  |
| 16 LAUDERDALE       | 32 ST. MARY'S POINT |

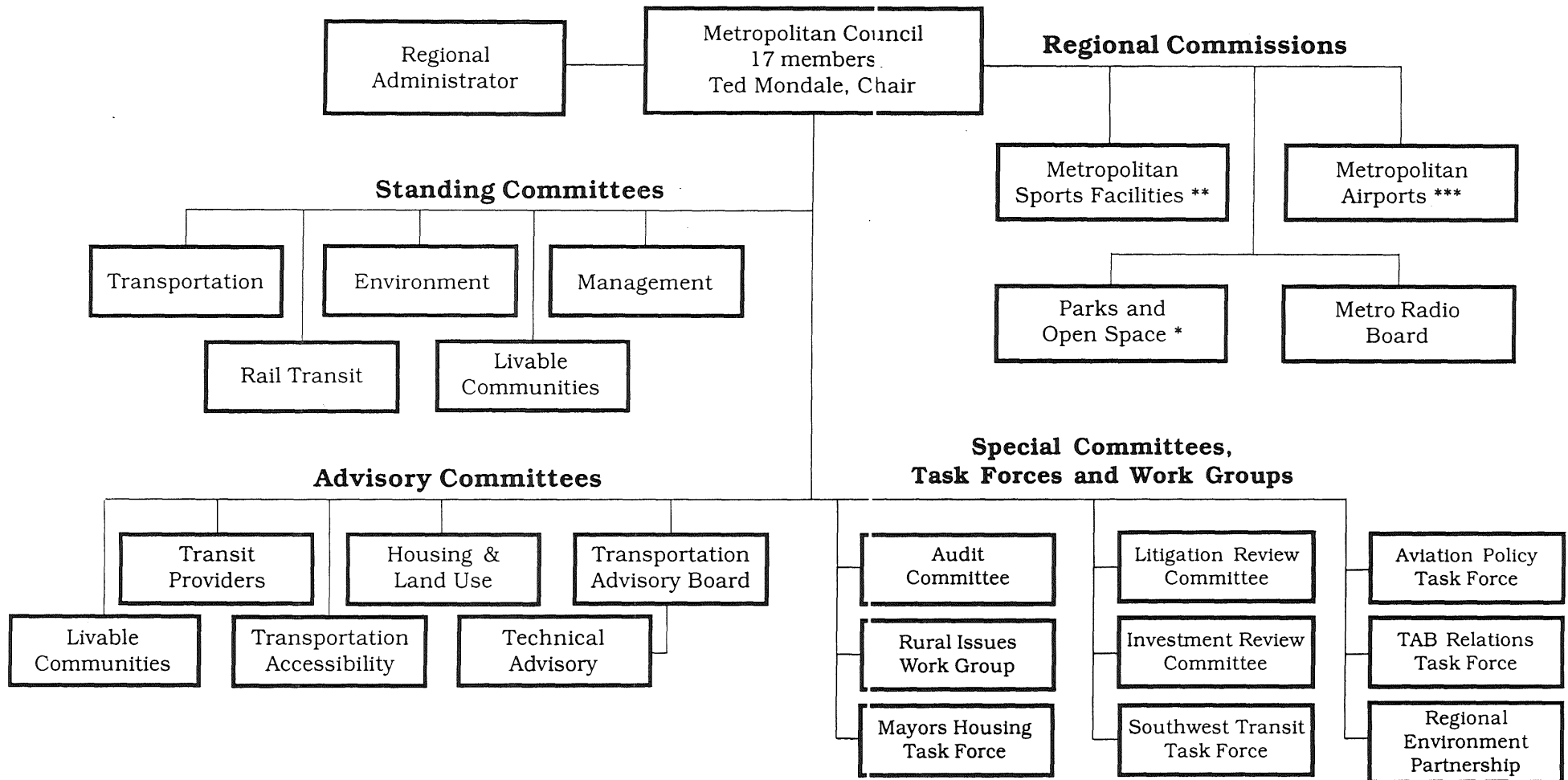
- County Boundary  
 --- Municipal Boundary  
 --- Township Boundary



The Council members and their districts are as follows: Chair — Ted Mondale

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

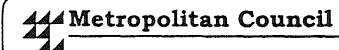
# Metropolitan Council Policymaking Structure



\* Staff support provided to Commission by Metropolitan Council.

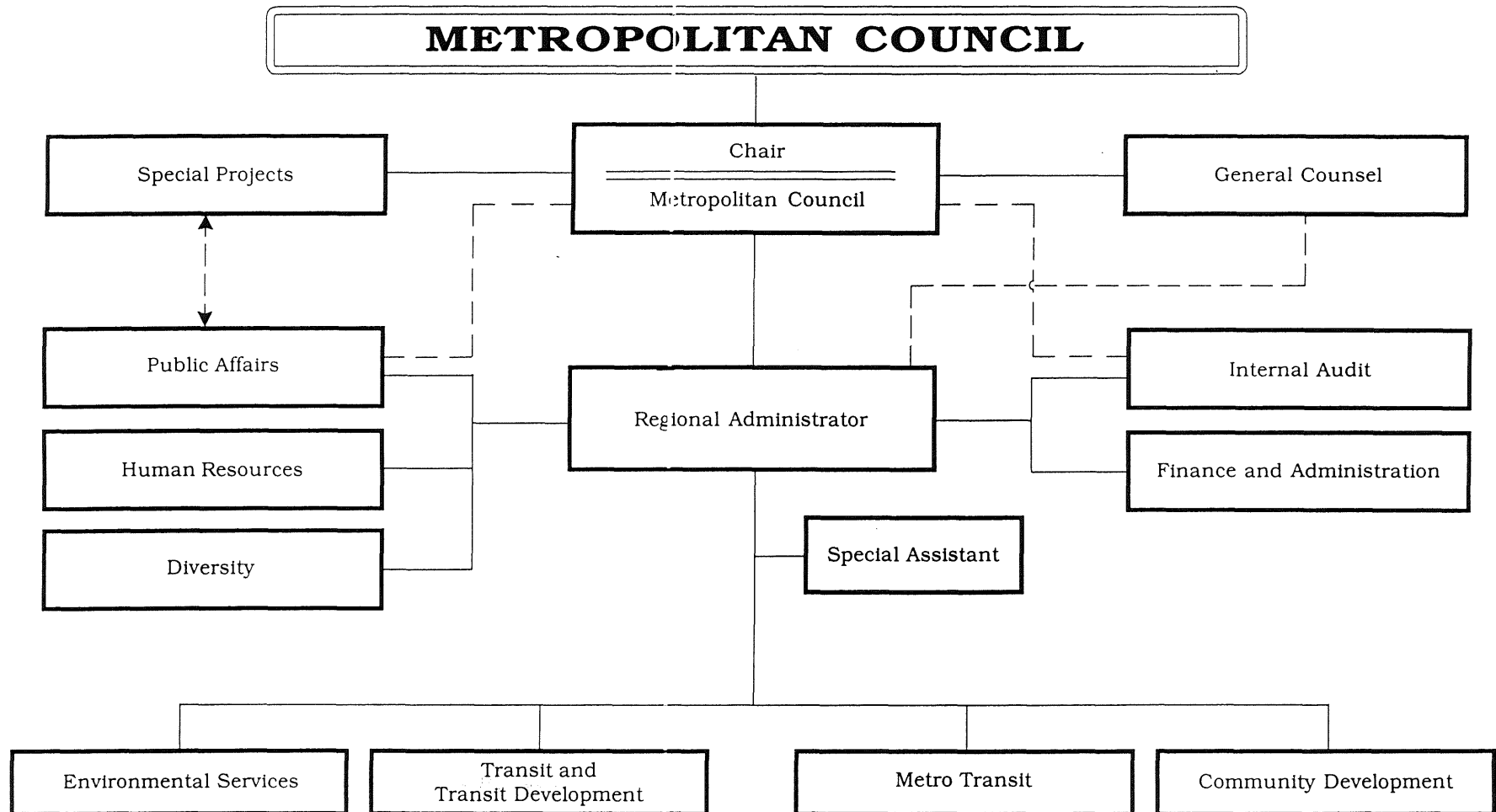
\*\* The Metropolitan Council has budget approval and issues bonds for the commission.

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



Mears Park Centre  
230 East Fifth Street  
St. Paul, Minnesota 55101-1626  
(651) 602-1000 • Fax 602-1550  
TTY 291-0904 • Metro Info Line 602-1888





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# ***Metropolitan Council 2001 Unified Budget***

## ***Financial Resources and Operating Budget Summary***

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### **BUDGET SUMMARY**

Table 1 summarizes operating, passthrough and debt service revenues and expenditures for all Council units. It shows 1999 actual, and budgets for 2000 and 2001. Operating expenditures increase in 2001 by 5.7 percent from 2000, and debt service expenditures decrease in 2001 by less than one percent.

The 2001 operating budget for all units is \$345,713,160 up from \$327,055,786 in the adopted 2000 budget, an increase of \$18,657,374.

Operating expenditures by division are shown in the following table. 2000 and 2001 budgets are shown before cost allocation for comparative purposes, and to reflect the full 2001 expenditure authorization by division being recommended for Council approval. 2001 after cost allocation is shown to indicate the level of expenditure by division after allocation of administrative costs.

#### **Operating Expenditures, 2000 and 2001**

<b><u>Division</u></b>	<b><u>2000 Before Allocation</u></b>	<b><u>2001 Before Allocation</u></b>	<b><u>2001 After Allocation</u></b>
Regional Administration	\$24,651,306	\$26,057,143	\$5,291,777
Community Development	\$7,792,898	\$9,071,438	\$8,567,063
Environmental Services	\$83,686,000	\$77,540,254	\$89,159,700
Transportation	\$209,516,182	\$231,341,325	\$242,051,490
Capital Expense	<u>\$1,409,400</u>	<u>\$1,703,000</u>	<u>\$643,130</u>
Total	\$327,055,786	\$345,713,160	\$345,713,160

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

- Total 2001 revenues and other financing sources for operations, passthrough and debt service are \$476,980,168, which is an increase of 2.0 percent from \$467,492,586 in 2000.
- Total expenditures for operations, passthrough and debt service are \$495,932,850, increasing 4.6 percent from \$474,191,037 in 2000.
- 2001 budgeted operating expenditures exceed revenues and other sources by \$268,443 for the General Fund with the deficit to be covered by available balances. The General Fund



# ***Metropolitan Council 2001 Unified Budget***

## ***Financial Resources and Operating Budget Summary***

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supports Regional Administration and Community Development excluding the Metro HRA.

- The Metro HRA shows a net deficit of \$220,609, with the deficit to be covered by HRA reserves. In 2000 the Council approved the use of up to \$600,000 in HRA reserves to support start-up costs for the Family Affordable Housing Program (FAHP).
- Environmental Services shows a net deficit of \$100,000 between operating revenues and other sources and expenditures.
- Metro Transit has a net deficit of \$14,505,193 based on proposed service level increases. Alternatives to reduce the deficit are under consideration by the Council at the time of budget adoption in December 2000 and will be incorporated as a budget amendment in the first quarter 2001.
- Transportation and Transit Development shows a net deficit of \$3,411,347 which is based on its plan for the use of balances.

### Division Financial Summaries

#### Transportation Division

The 2001 budget for transportation shows an increase in state appropriations of 11% for the biennium, or 5.5% for the year 2001. Federal revenues are projected to increase 10.2 percent. Local property tax revenues for operations increase 8.8%. This proposed budget assumes no fare increase in 2001, though that may change depending on the outcome of budget deliberations and the 2001 legislative session.

#### Metro Transit

The Metro Transit proposed budget supports a growing transit system in-line with the Transit 2020 Master Plan. It provides a 3.1 percent service increase. Identified revenues do not support the proposed service increase, and therefore the Metro Transit budget proposal shows a net deficit of \$14.5 million. There are a number of alternatives for the Council to consider reducing or eliminating the 2001 budget deficit. The Council's decisions will be incorporated into a 2001 budget revision to be approved in the first quarter 2001. Alternatives involve some combination of the following:

- Increase legislative funding request,
- Increase fares,
- Decrease costs,
- Decrease service level.

#### Environmental Services Division

In response to significant influences on the organization – regional growth pressures, emerging environmental issues, rising customer expectations and private sector competition – MCES continues its intense change efforts to improve its competitive position in the industry while maintaining superior performance and ensuring that the region has sufficient programmed sewer capacity and coordinated water resources

# ***Metropolitan Council 2001 Unified Budget***

## ***Financial Resources and Operating Budget Summary***

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management plans. MCES has extended its \$20 million cost reduction plan (which will be achieved through the 2001 budget) with a goal of being one of the best five nationally by 2005.

The 2001 budget achieves the final phase of reducing MCES's budget by \$20 million from the baseline 1998 budget. Wholesale rates charged to communities for 100,000 gallons of wastewater flow continue to be reduced, with the 2001 budget calling for rates at \$118 per 100,000 gallons. This continues the trend of cost and rate reductions. Projections through the year 2006 show projected rates to remain below those charged in 1998.

The 2001 budget can only be achieved with the continued commitment of MCES executives, managers and staff to meet its targets. Factors outside the control of MCES will provide significant challenges; among these is the impact of dry weather conditions on flow levels and excessive inflation in the costs of utilities, fuels, chemicals and labor.

The total expenditures in 2001 for the Division are \$154,604,100 of which \$89,159,700 is for operations and \$65,444,400 is for debt service.

### **Community Development Division**

The 2001 operating budget for the division is \$8,567,063, which is a \$472,932 increase from the 2000 budget. In addition, the division has the responsibility for managing \$57.6 million in grants and loans for Section 8 Housing Assistance, Livable Communities, regional parks operations and maintenance, and local planning assistance.

### **Regional Administration**

The 2001 budget for Regional Administration is \$26,057,143, which is a 5.7 percent increase from the 2000 budget. The majority of this budget is allocated to the operating and line divisions of the Council in recognition of the Council-wide benefit for the services provided by Regional Administration.

### **Operating Revenue**

Total 2001 operating revenues increase 2.2 percent from 2000 (\$327,644,625 in 2001, and \$320,700,806 in 2000). The largest increases are in transit property tax revenue and in the state appropriation for transit support. Municipal wastewater charges decrease in 2001 by 2.4 percent.

The major revenue sources for operations for the Transportation Division (including transit operations) are: property tax levy (37.8 percent), State appropriation for transit (26.4 percent), fares for transit services (24.8 percent), federal grants (5.9 percent), and other (5.1 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 municipal wastewater charges (89.3 percent), industrial strength charges (7.4 percent), and other revenues

# ***Metropolitan Council 2001 Unified Budget***

## ***Financial Resources and Operating Budget Summary***

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(3.3 percent). Total 2001 revenues for water quality management are \$86,212,600. Revenues for water quality management decrease \$2,188,400 from 2000 to 2001 following a \$4,900,000 decrease from 1999 to 2000. The decrease in revenues results from a cost reduction plan and includes reductions in municipal wastewater charges.

The major revenue sources for operations supporting Regional Administration and Community Development are: property tax levy (56 percent), federal revenue (19.1 percent), state revenue including HACA (16.3 percent), interest income (3.6 percent) and other (5 percent). General Fund 2001 property taxes revenues supporting Regional Administration and Community Development are \$10,171,900, however \$1,000,000 of this is used for support of Livable Communities, and \$299,000 supports water management planning in MCES. This levy increased \$100,000, or one percent, from 2000 to 2001.

### **Municipal Wastewater Charges**

Municipal wastewater charges are decreasing for the fourth consecutive year. Municipal wastewater charges and industrial strength charges supporting water resources management decrease 2.0 percent to \$83,347,100 in 2001, from \$85,059,000 in 2000.

- Charges decreased 6.3 percent in 2000, to \$85,059,000 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 \$60,369,045 for 2001, an increase of 3.3 percent from 2000. Ninety-six percent of state funds support transit operations.

### **Transit Fares**

Revenues from passenger fares are estimated to increase 0.6 percent to \$56,114,000 in 2000 from \$55,766,400 in 2000. Transit fares for Metro Mobility were last increased in 1996, and for regular route transit in 1997.

### **Federal Revenues**

Federal revenues are \$16,223,485 in 2001, an increase of \$917,175 (6 percent) from 2000. Federal revenues for operations support the HRA in the Community Development Division, transit operations and transportation planning in the Transportation Division. Federal support for transit operations is expected to increase to \$10,796,097 in 2001, it was \$8,982,400 in 2000. Federal support for transportation planning is \$2,628,850 for 2001, down \$574,644 from 2000. Federal revenues supporting HRA administration decrease \$218,460 in 2001 to \$2,798,538.

### **Property Taxes**

Property taxes support operations and debt service, and provide funds for grant and loan programs. Property taxes are levied under a number of state authorizing statutes, and include support for:

- Transit operations and transportation planning,
- General Fund (which supports community development planning, and administration),
- Debt service for parks, transit and Metro Radio Communications bonds,

## ***Metropolitan Council 2001 Unified Budget***

### ***Financial Resources and Operating Budget Summary***

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- Grant and loan programs including Livable Communities Act programs and the Highway Right-of-Way Acquisition Loan Fund.

Approximately 78.1 percent of the Council's total property tax levy supports transit operations and debt service. Roughly 9.2 percent of the levy is for purposes specified in the Livable Communities Act, 1.0 percent supports the Highway Right-of-Way Acquisition Loan program, 5 percent supports parks and radio program debt service, and the remaining 6.7 percent supports the general operations of the Council.

Total 2001 property taxes for all purposes are \$137,648,157, and increase of 6.6 percent from 2000, which was \$129,067,332. Approximately 87 percent of the increase are for transit purposes. Changes in property tax levies for 2001 are as follows:

- The general purpose levy increased \$100,000 to \$10,274,600. 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 2001 is \$512,295 less than the levy limit.
- Transit Operating District and Operating Area levies for operations excluding debt service are \$86,546,431 in 2001, up from \$79,752,053 in 2000. Nine suburban communities elected to assume responsibility to levy for 2001 for transit services under State Opt-Out legislation. As a result, they are levying \$12,778,569 for 2001 that would otherwise have been levied by the Metropolitan Council.
- Levies for debt service in 2001 are \$28,008,900, up from \$26,865,297 in 2000.

Property taxes support a number of grant and loan programs. Total 2001 property taxes levied for these purposes are \$12,818,227, which is \$542,845 greater than 2000. 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. Grant and loan programs are referred to as "passthrough" funds in the budget tables.

Table 9 and Appendix E 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 2001, and therefore, these tables differ from Table 9 and Appendix E in property taxes.

The Council's taxing area for all purposes except transit consists of the seven-county Twin Cities Metropolitan Area. 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.

# ***Metropolitan Council 2001 Unified Budget***

## ***Financial Resources and Operating Budget Summary***

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### **Other Financing Sources**

Other financing sources/uses in 2001 are \$2,462,943. Major sources and uses include: 1) a transfer within MCES from reserves of \$2,000,000 for Metro Environmental Partnership, 2) transfer of \$548,100 from MCES reserves in support of the Environmental Information Management System, 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 resources planning.

### **Operating Expenditures**

Major changes in operating expenditures are as follows:

- Salaries and benefits costs increase to \$219,454,048 in 2001 from \$208,523,765 in the 2000 budget, an increase of 5.2 percent.
- Transit assistance decreases 0.8 percent to \$41,706,873 in 2001, from \$42,059,205 in 2000. Transit assistance to Opt-Out is \$6,178,012 in 2001, up from \$4,996,900 in 2000, and transit assistance to Metro Mobility is 23,044,609 in 2001 up from \$20,242,700 in 2000.
- Capital outlay increases to \$2,328,000 in 2001 from \$1,949,400 in 2000. In 2001 \$1,684,870 supports MCES, \$530,130 supports Regional Administration, and \$113,000 supports Metro HRA and Transportation and Transit Development.
- Other expenditures for 2001, are \$82,224,239, a 10.3 percent increase from the 2000 budget of \$74,523,416. 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 capital 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.

2000 and 2001 debt service data is summarized below. In 2001 total Council revenues for debt service on Council debt are estimated at \$94,141,700, up from \$90,000,300 in 2000 (Table 1). Debt service expenditures and additions to fund balance are shown below, and additional detail is in Table 10.

# ***Metropolitan Council 2001 Unified Budget***

## ***Financial Resources and Operating Budget Summary***

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### **2000 and 2001 Debt Service Expenditures**

<b><u>Division</u></b>	<b><u>2000</u></b>	<b><u>2001</u></b>
Transportation – Transit	\$21,061,270	\$19,444,037
Environmental Services	63,300,000	65,444,400
Community Development		
-Parks & Open Space	5,951,097	5,419,286
-Solid Waste	405,815	402,777
-800 Megahertz Radio	<u>393,358</u>	<u>390,433</u>
Total Debt. Service	\$91,111,540	\$91,100,933

Debt service expenditures decrease \$10,607 in 2001 from the 2000 budget. Major areas of change are: wastewater debt service (increases \$2,144,400), transit (decreases \$1,617,233), and parks (decreases \$531,811).

Debt service is financed from the following sources:

- Property taxes (25.0 %), which support transit, parks, solid waste and radio debt.
- State Homestead and Agricultural Credit Aid -- HACA (4.5 %).
- Municipal wastewater charges and service availability charges (70.2 %), which support Environmental Services.
- Interest income on debt service fund balances and use of fund balances (0.3 %), supporting transit, parks, and solid waste debt.

### **PASSTHROUGH GRANTS**

The Council operates a number of grant programs that provide:

- Housing assistance payments through the Metro HRA.
- Parks operation and maintenance 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.
- Transit for Livable Communities Grants that provide support for Livable Communities efforts from resources provided by the Transportation and Transit Development Department.



# ***Metropolitan Council 2001 Unified Budget***

## ***Financial Resources and Operating Budget Summary***

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- 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 Metro Environment Partnership grant program.

These programs receive revenue from federal and state governments and local property taxes for grant expenditures and loans. Grants and loans are made to public and private Metropolitan Area organizations. Housing assistance payments are made to individuals.

Total 2001 expenditures for passthrough grants and loans, including the Highway Right-of-Way loan program, is estimated at \$59,118,757, up from \$56,023,711 in 2000 (adopted 2000 budget). Passthrough grants and new loan activity for 2000 and 2001 are summarized below. Additional detail is in Appendix A.

### **2000 and 2001 Passthrough Grant and Loan Program Expenditures**

<b>Passthrough Grant and Loan Programs</b>	<b><u>2000 Revised</u></b>	<b><u>2001</u></b>
-Housing Assistance Payments-HRA	28,004,200	30,674,900
-Parks Operat. & Maintenance Grants	4,500,000	10,037,000
-Livable Communities Grants and Loans	15,975,038	16,886,287
-Planning Assistance Grants	0	20,570
-MNRRRA Planning Grants	0	0
-Transit for Livable Communities grants	1,500,000	1,500,000
-Highway Right-of-Way, net loans	<u>2,796,720</u>	<u>0</u>
Total Loans	\$ 2,796,720	\$ 0
Total Grants	\$49,979,238	\$59,118,757
 Total Grants and Loans	 \$52,775,958	 \$59,118,757

In addition to the grant and loan programs listed above, the Environmental Services Division will make \$2,000,000 in grants to local communities and agencies under 2 programs, the Twin Cities Water Quality Initiative, and the Metro Environment Partnership. The grants are supported by penalty fees and operating revenues, and are included as operating expenses in the budget tables.

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.

# ***Metropolitan Council 2001 Unified Budget***

## ***Financial Resources and Operating Budget Summary***

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### **ORGANIZATIONAL UNITS WITHIN THE BUDGET**

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

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

**Environmental Services Division**

- Environmental Services Division Water Quality Management
- Debt Service

**Transportation Division**

- Transportation Planning and Transit Administration
- Metro Commuter Services
- Metro Mobility
- Opt-Out
- Community Based Transit
- Non-Metro Transit Regular Route
- Metro Transit
- Transit debt service
- Transit 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, Radio Communications and Solid Waste bonds

**Regional Administration Department**

- Legal Office
- Internal Audit
- Diversity
- Human Resources
- Communications and Library
- Fiscal Services
- Information Services
- Community Outreach
- Central Services
- Risk Management
- Budget and Evaluation
- Intergovernmental Relations
- Office of the Regional Administrator
- Council & Office of the Chair

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**METROPOLITAN COUNCIL  
UNIFIED BUDGET  
OPERATING PASSTHROUGH AND DEBT SERVICE  
1999, 2000 and 2001**

**TABLE 1**

<u>DESCRIPTION</u>	<u>1999 ACTUAL</u>	<u>2000 ADOPTED BUDGET</u>	<u>2001 ADOPTED BUDGET</u>	<u>CHANGE</u>
<b>OPERATING REVENUES</b>				
Property Taxes	81,973,438	88,648,200	95,652,100	7.90%
State Paid HACA	(13,247,027)	(13,925,000)	(14,010,300)	0.61%
<b>Net Property Tax</b>	<u>68,726,411</u>	<u>74,723,200</u>	<u>81,641,800</u>	<u>9.26%</u>
<b>Federal Revenue</b>	10,856,672	15,306,310	16,223,485	5.99%
State Revenues	56,809,974	58,449,962	60,369,045	3.28%
State Paid HACA	13,247,027	13,925,000	14,010,300	0.61%
<b>Total State Revenue</b>	<u>70,057,001</u>	<u>72,374,962</u>	<u>74,379,345</u>	<u>2.77%</u>
Local	599,129	553,087	862,317	55.91%
Wastewater Service Charges	83,246,708	78,826,000	76,960,600	-2.37%
Industrial Strength Charges	5,955,154	6,233,000	6,386,500	2.46%
Passenger Fares	55,557,135	55,766,400	56,114,000	0.62%
Contract & Special Event Revenue	5,962,849	9,342,800	7,584,520	-18.82%
Interest	2,547,447	3,922,000	3,427,760	-12.60%
Other Revenues	3,568,694	3,653,047	4,064,298	11.26%
<b>TOTAL OPERATING REVENUES</b>	<u>307,077,200</u>	<u>320,700,806</u>	<u>327,644,625</u>	<u>2.17%</u>
<b>PASSTHROUGH REVENUES</b>	43,629,317	47,660,400	53,604,500	12.47%
<b>DEBT SERVICE REVENUES</b>				
Property Taxes	22,017,261	22,152,200	23,358,500	5.45%
State HACA	4,222,785	4,310,100	4,230,200	-1.85%
Wastewater Service Charges/SAC Transfers	63,379,048	63,300,000	65,444,400	3.39%
Interest	268,896	238,000	235,000	-1.26%
<b>TOTAL DEBT SERVICE REVENUES</b>	<u>89,887,990</u>	<u>90,000,300</u>	<u>93,268,100</u>	<u>3.63%</u>
<b>TOTAL CURRENT REVENUES</b>	<u>440,594,507</u>	<u>458,361,506</u>	<u>474,517,225</u>	<u>3.52%</u>
<b>OPERATING EXPENDITURES</b>				
Salary & Benefits	198,642,394	208,523,765	219,454,048	5.24%
Contracted Services	24,765,438	19,379,441	19,104,642	-1.42%
Materials & Supplies	23,336,542	21,780,285	16,220,000	-25.53%
Chemicals	3,606,203	2,928,000	2,900,000	-0.96%
Rent & Utilities	16,952,471	15,509,940	17,666,034	13.90%
Insurance	3,403,312	4,785,369	3,836,615	-19.83%
Transit Assistance	30,945,505	42,059,205	41,706,873	-0.84%
Capital Outlay	927,709	1,949,400	2,328,000	19.42%
MOU Expenses	0	1,500,000	2,000,000	33.33%
Other Operating Expenses	7,008,054	8,640,381	20,496,948	137.22%
<b>TOTAL OPERATING EXPENDITURES</b>	<u>309,587,628</u>	<u>327,055,786</u>	<u>345,713,160</u>	<u>5.70%</u>
<b>PASSTHROUGH EXPENDITURES</b>	40,019,944	56,023,711	59,118,757	5.52%
<b>DEBT SERVICE OBLIGATIONS</b>	102,865,010	91,111,540	91,100,933	-0.01%
<b>TOTAL EXPENDITURES</b>	<u>452,472,582</u>	<u>474,191,037</u>	<u>495,932,850</u>	<u>4.59%</u>
Other Sources & (Uses) of Funds	2,414,743	9,131,080	2,462,943	
<b>BALANCE(DEFICIT)</b>	<u>(9,463,332)</u>	<u>(6,698,451)</u>	<u>(18,952,682)</u>	

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**METROPOLITAN COUNCIL  
SUMMARY BUDGET  
OPERATIONS, PASSTHROUGH AND DEBT SERVICE  
2001**

**TABLE 2**

	<b>Council Operations</b>	<b>Passthrough Grants</b>	<b>Debt Service Funds</b>	<b>Total</b>
<b>REVENUES</b>				
Property Tax Levy	96,821,031	12,818,227	28,008,900	137,648,157
Uncollectable portion of levy	(1,168,931)	(259,627)	(420,200)	(1,848,757)
Gross Property Tax	95,652,100	12,558,600	27,588,700	135,799,400
State Paid HACA	(14,010,300)	(1,312,100)	(4,230,200)	(19,552,600)
Net Property Tax	81,641,800	11,246,500	23,358,500	116,246,800
Federal	16,223,485	27,695,500		43,918,985
State Revenues	60,369,045	12,231,400	-	72,600,445
State Paid HACA	14,010,300	1,312,100	4,230,200	19,552,600
Total State Revenue	74,379,345	13,543,500	4,230,200	92,153,045
Local/Other	862,317	-		862,317
Wastewater Service Charges	76,960,600		42,809,400	119,770,000
Industrial Strength Charges	6,386,500			6,386,500
SAC Transfers			22,635,000	22,635,000
Passenger Fares	56,114,000			56,114,000
Contract & Special Event Revenue	7,584,520			7,584,520
Interest	3,427,760	334,000	235,000	3,996,760
Other	4,064,298	785,000		4,849,298
<b>TOTAL REVENUES</b>	<b>327,644,625</b>	<b>53,604,500</b>	<b>93,268,100</b>	<b>474,517,225</b>
<b>EXPENDITURES</b>				
Salaries & Benefits	219,454,048			219,454,048
Contracted Services	19,104,642			19,104,642
Materials & Supplies	16,220,000			16,220,000
Chemicals	2,900,000			2,900,000
Utilities	15,269,597			15,269,597
Rent	2,396,437			2,396,437
Insurance	3,836,615			3,836,615
Other Operating Expenses	20,496,948			20,496,948
Transit Assistance	41,706,873			41,706,873
Passthrough Grants & Loans	-	59,118,757		59,118,757
Debt Service			91,100,933	91,100,933
Capital Expenditures	2,328,000			2,328,000
MOU Expenses	2,000,000			2,000,000
Total Expenditures	345,713,160	59,118,757	91,100,933	495,932,850
Excess (Deficiency) of Revenue				
Over/(Under) Expenditures	(18,068,535)	(5,514,257)	2,167,167	(21,415,625)
<b>OTHER SOURCES/(USES) OF FUNDS</b>				
Property Tax Transfer from General Fund to				
Livable Communities Fund	(1,000,000)	1,000,000		-
Opt Out Property Tax Carryforward	-			-
Transfer from Parks Capital to Comm Dev Div	-			-
Transfers From (To) Other Funds	(1,985,157)			(1,985,157)
Transfers for Debt Service			400,000	400,000
Transfers from Other Funds		1,500,000	-	1,500,000
Transfer from Favorable Variance Fund	548,100			548,100
Designated Reserves	2,000,000			2,000,000
<b>TOTAL OTHER SOURCES/(USES)</b>	<b>(437,057)</b>	<b>2,500,000</b>	<b>400,000</b>	<b>2,462,943</b>
<b>BALANCE/DEFICIT</b>	<b>(18,505,592)</b>	<b>(3,014,257)</b>	<b>2,567,167</b>	<b>(18,952,682)</b>

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**METROPOLITAN COUNCIL  
2001 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
<b>REVENUES</b>								
Property Tax	5,946,834	4,225,066	10,171,900	-	-	85,480,200		95,652,100
State Paid HACA	(1,947,400)	-	(1,947,400)	-	-	(12,062,900)		(14,010,300)
Net Property Tax	3,999,434	4,225,066	8,224,500	-	-	73,417,300		81,641,800
Federal Revenues	-	-	-	2,798,538	-	13,424,947		16,223,485
State Revenues	-	18,600	18,600	424,495	300,000	59,625,950		60,369,045
State Paid HACA	1,947,400	-	1,947,400	-	-	12,062,900		14,010,300
Total State Revenue	1,947,400	18,600	1,966,000	424,495	300,000	71,688,850		74,379,345
Local	264,500	148,167	412,667	123,400		326,250		862,317
Municipal Wastewater Charges	-	-	-	-	76,960,600			76,960,600
Industrial Strength Charges	-	-	-		6,386,500			6,386,500
Passenger Fares						56,114,000		56,114,000
Contract & Special Event Revenue						7,584,520		7,584,520
Interest	375,000	-	375,000	150,000	1,871,500	1,031,260		3,427,760
Other				194,188	694,000	2,532,980	643,130	4,064,298
<b>TOTAL REVENUES</b>	<b>6,586,334</b>	<b>4,391,833</b>	<b>10,978,167</b>	<b>3,690,621</b>	<b>86,212,600</b>	<b>226,120,107</b>	<b>643,130</b>	<b>327,644,625</b>
<b>EXPENDITURES</b>								
Salaries & Benefits	15,026,948	3,888,579	18,915,527	1,822,978	47,941,280	150,774,263		219,454,048
Contracted Services	5,918,594	1,342,800	7,261,394	68,000	5,300,000	6,475,248		19,104,642
Materials & Supplies	-	-	-		4,600,000	11,620,000		16,220,000
Chemicals	-	-	-		2,900,000			2,900,000
Utilities					12,000,000	3,269,597		15,269,597
Rent	1,831,954	193,581	2,025,535	152,000		218,902		2,396,437
Insurance	32,915	700	33,615	-	1,203,000	2,600,000		3,836,615
Regional Environmental Partnership					200,000			200,000
Other Operating Expenses	3,246,732	329,548	3,576,280	1,273,252	770,974	14,676,442		20,296,948
Transit Assistance	-	-	-			41,706,873		41,706,873
Metro Environment Partnership	-	-	-		2,000,000			2,000,000
Capital Outlay	-	-	-		625,000	-	1,703,000	2,328,000
<b>TOTAL EXPENDITURES</b>	<b>26,057,143</b>	<b>5,755,208</b>	<b>31,812,351</b>	<b>3,316,230</b>	<b>77,540,254</b>	<b>231,341,325</b>	<b>1,703,000</b>	<b>345,713,160</b>
<b>Excess/(Deficit) of Revenue vs Expense</b>	<b>(19,470,809)</b>	<b>(1,363,375)</b>	<b>(20,834,184)</b>	<b>374,391</b>	<b>8,672,346</b>	<b>(5,221,218)</b>	<b>(1,059,870)</b>	<b>(18,068,535)</b>
<b>INTERDIVISION EXPENSE ALLOCATION</b>								
Assigned & Residual Charges-CSD'S	18,580,367		18,580,367		(10,086,076)	(8,494,290)		-
Assigned & A-87 Estimate	2,185,000	-	2,185,000	(595,000)		(1,590,000)		-
Planning Chargeback Exp Allocation	-	1,099,375	1,099,375	-	(473,500)	(625,875)		-
Capital Outlay Allocation		-	-	-	(1,059,870)	-	1,059,870	-
<b>TOTAL INTERDIV. EXPENSE ALLOC</b>	<b>20,765,367</b>	<b>1,099,375</b>	<b>21,864,742</b>	<b>(595,000)</b>	<b>(11,619,446)</b>	<b>(10,710,165)</b>	<b>1,059,870</b>	<b>-</b>
<b>NET EXPENDITURES AFTER ALLOC.</b>	<b>5,291,777</b>	<b>4,655,833</b>	<b>9,947,610</b>	<b>3,911,230</b>	<b>89,159,700</b>	<b>242,051,490</b>	<b>643,130</b>	<b>345,713,160</b>
<b>Other Sources &amp; (Uses) of Funds:</b>								
Opt Out Property Tax Carryforward			-	-		-		-
Transfers From (To) Other Funds						(1,985,157)		(1,985,157)
Capital Outlay			-			-		-
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		-	-					-
Transfer from Favorable Variance Fund	-		-		548,100			548,100
Designated Reserves			-		2,000,000			2,000,000
<b>Total Other Financing Sources/(Uses)</b>	<b>(1,299,000)</b>	<b>-</b>	<b>(1,299,000)</b>	<b>-</b>	<b>2,847,100</b>	<b>(1,985,157)</b>		<b>(437,057)</b>
<b>BALANCE/(DEFICIT)</b>	<b>(4,443)</b>	<b>(264,000)</b>	<b>(268,443)</b>	<b>(220,609)</b>	<b>(100,000)</b>	<b>(17,916,540)</b>		<b>(18,505,592)</b>



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**METROPOLITAN COUNCIL  
SUMMARY BUDGET  
ENVIRONMENTAL SERVICES DIVISION  
2001**

**TABLE 4**

	Environmental Division Operations	Debt Service	Division Total
<b>REVENUES</b>			
State Revenue	300,000		300,000
Municipal Wastewater Charges	76,960,600	42,809,400	119,770,000
Industrial Strength Charges	6,386,500		6,386,500
SAC Transfers		22,635,000	22,635,000
Interest	1,871,500		1,871,500
Other	694,000		694,000
<b>TOTAL REVENUES</b>	<b>86,212,600</b>	<b>65,444,400</b>	<b>151,657,000</b>
<b>EXPENDITURES</b>			
Salaries & Benefits	47,941,280		47,941,280
Contract Services	5,300,000		5,300,000
Materials & Supplies	4,600,000		4,600,000
Chemicals	2,900,000		2,900,000
Utilities	12,000,000		12,000,000
Insurance	1,203,000		1,203,000
Regional Environment Partnership	200,000		200,000
Other Operating Expenses	770,974		770,974
Debt Service	-	65,444,400	65,444,400
Capital Expenditures	625,000		625,000
Metro Environmental Partnership	2,000,000		2,000,000
<b>TOTAL EXPENDITURES</b>	<b>77,540,254</b>	<b>65,444,400</b>	<b>142,984,654</b>
<b>Interdivisional Expense Allocation</b>			
Central Support Assigned & Residual Charges	(10,086,076)		(10,086,076)
Planning Chargeback Expenditure	(473,500)		(473,500)
Capital Outlay	(1,059,870)		(1,059,870)
<b>Total Interdivisional Expense Allocation</b>	<b>(11,619,446)</b>	<b>-</b>	<b>(11,619,446)</b>
<b>TOTAL EXPENSES INCLUDING INTERDIVISIONAL ALLOCATION</b>	<b>89,159,700</b>	<b>65,444,400</b>	<b>154,604,100</b>
<b>Other Sources of Funds:</b>			
Property Tax Transfer from General Fund	299,000		299,000
Transfer from Favorable Variance Fund	548,100		548,100
Designated Reserves	2,000,000		2,000,000
<b>Subtotal Other Sources of Funds</b>	<b>2,847,100</b>	<b>-</b>	<b>2,847,100</b>
<b>BALANCE/DEFICIT</b>	<b>(100,000)</b>	<b>-</b>	<b>(100,000)</b>

METROPOLITAN COUNCIL  
SUMMARY BUDGET-BY FUND TYPE  
TRANSPORTATION DIVISION  
2000

TABLE 5

	Governmental Fund Types					
	Special Revenue Funds					
	Transportation Planning & Transit Admin.	Metro Commuter Services	Transportation & Transit Development	Metro Mobility Operations	Opt-Out	Community Based Transit
<b>Revenue</b>						
Net Property Tax					6,316,300	1,591,000
State Paid HACA					(791,100)	(226,300)
<b>Net Property Tax</b>					5,525,200	1,364,700
Federal Revenues	2,628,850	1,176,000	3,804,850			
State Revenues	1,826,804	307,696	2,134,500	19,981,500		444,700
State Paid HACA					791,100	226,300
<b>Total State Revenues</b>	1,826,804	307,696	2,134,500	19,981,500	791,100	671,000
Local	161,250	165,000	326,250			
Investment Earnings	90,885		90,885	75,000	41,300	14,732
Other				90,000		
Fares				1,837,900	1,613,200	
Contract & Special Event Revenue				700,000		
<b>Total Revenue</b>	<b>4,707,789</b>	<b>1,648,696</b>	<b>6,356,485</b>	<b>22,684,400</b>	<b>7,970,800</b>	<b>2,050,432</b>
<b>Expenditures</b>						
Salaries & Benefits	1,744,362	488,789	2,233,151	741,112		
Contracted Services	782,248	290,000	1,072,248	353,000		
Materials & Supplies						
Utilities						
Rent	100,992	35,977	136,969	81,933		
Insurance						
Transit Programs	424,000	100,000	524,000	23,044,609	6,178,012	2,227,699
Debt Service						
Passthrough Grants & Loans						
Other Operating Expenses	215,953	543,930	759,883	394,156		
<b>Total Expenditures</b>	<b>3,267,555</b>	<b>1,458,696</b>	<b>4,726,251</b>	<b>24,614,810</b>	<b>6,178,012</b>	<b>2,227,699</b>
<b>Excess (Deficiency) of Revenue Over (Under) Expenditures</b>	<b>1,440,234</b>	<b>190,000</b>	<b>1,630,234</b>	<b>(1,930,410)</b>	<b>1,792,788</b>	<b>(177,267)</b>
<b>Interagency Cost Allocation</b>						
Assigned & Residual Charges for Metro Transit						
A-87 Charges to T&TD Units	(1,175,000)	(190,000)	(1,365,000)	(225,000)		
Planning Chargeback Exp	(538,375)		(538,375)			
Subtotal Before Capital	(1,713,375)	(190,000)	(1,903,375)	(225,000)		
Capital Outlay						
<b>Total Interagency Cost Allocation</b>	<b>(1,713,375)</b>	<b>(190,000)</b>	<b>(1,903,375)</b>	<b>(225,000)</b>		
<b>Excess/(Deficit) of Revenues over Expenditures Other</b>	<b>(273,141)</b>		<b>(273,141)</b>	<b>(2,155,410)</b>	<b>1,792,788</b>	<b>(177,267)</b>
Opt Out Property Tax Carryforward						
Transfers From (To) Other Funds	(1,500,000)		(1,500,000)		(746,395)	52,248
Balance/(Deficit)	<b>(1,773,141)</b>		<b>(1,773,141)</b>	<b>(2,155,410)</b>	<b>1,046,393</b>	<b>(125,019)</b>
<b>ANALYSIS OF CHANGES IN FUND BALANCE</b>						
Fund Balance January 1, 2000	6,664,123		6,664,123	3,890,141	5,022,388	1,806,290
Transfers From (To) Other Funds	(1,500,000)		(1,500,000)		(746,395)	52,248
Excess(Deficit) of Revenues over Expenditures	(273,141)		(273,141)	(2,155,410)	1,792,788	(177,267)
Non-operating Fund Transfers-Opt Out Carryover						
<b>Fund Balance Dec 31, 2000</b>	<b>4,890,982</b>		<b>4,890,982</b>	<b>1,734,731</b>	<b>6,068,781</b>	<b>1,681,271</b>

METROPOLITAN COUNCIL  
SUMMARY BUDGET-BY FUND TYPE  
TRANSPORTATION DIVISION  
2001

TABLE 5

Proprietary Fund Types						
Enterprise Fund						
Regular Route	Subtotal Special Rev	Metro Transit	Division Operating Total	Debt Service Fund	Passthrough	Memo Total
4,772,900	12,680,200	72,800,000	85,480,200	20,753,800	1,125,000	107,359,000
(679,000)	(1,696,400)	(10,366,500)	(12,062,900)	(2,915,000)	(216,500)	(15,194,400)
4,093,900	10,983,800	62,433,500	73,417,300	17,838,800	908,500	92,164,600
	3,804,850	9,620,097	13,424,947			13,424,947
3,876,250	26,436,950	33,189,000	59,625,950			59,625,950
679,000	1,696,400	10,366,500	12,062,900	2,915,000	216,500	15,194,400
4,555,250	28,133,350	43,555,500	71,688,850	2,915,000	216,500	74,820,350
	326,250		326,250			326,250
59,343	281,260	750,000	1,031,260	180,000	283,000	1,494,260
	90,000	2,442,980	2,532,980			2,532,980
562,900	4,014,000	52,100,000	56,114,000			56,114,000
	700,000	6,884,520	7,584,520			7,584,520
9,271,393	48,333,510	177,786,597	226,120,107	20,933,800	1,408,000	248,461,907
	2,974,263	147,800,000	150,774,263			150,774,263
	1,425,248	5,050,000	6,475,248			6,475,248
		11,620,000	11,620,000			11,620,000
		3,269,597	3,269,597			3,269,597
	218,902		218,902			218,902
		2,600,000	2,600,000			2,600,000
9,732,553	41,706,873		41,706,873			41,706,873
				19,444,037		19,444,037
					1,500,000	1,500,000
152,000	1,306,039	13,370,403	14,676,442			14,676,442
9,884,553	47,631,325	183,710,000	231,341,325	19,444,037	1,500,000	252,285,362
(613,160)	702,185	(5,923,403)	(5,221,218)	1,489,763	(92,000)	(3,823,455)
		(8,494,290)	(8,494,290)			(8,494,290)
	(1,590,000)		(1,590,000)			(1,590,000)
	(538,375)	(87,500)	(625,875)			(625,875)
	(2,128,375)	(8,581,790)	(10,710,165)			(10,710,165)
	(2,128,375)	(8,581,790)	(10,710,165)			(10,710,165)
(613,160)	(1,426,190)	(14,505,193)	(15,931,383)	1,489,763	(92,000)	(14,533,620)
208,990	(1,985,157)		(1,985,157)		1,500,000	(485,157)
(404,170)	(3,411,347)	(14,505,193)	(17,916,540)	1,489,763	1,408,000	(15,018,777)
2,229,626	19,612,568	11,619,596	31,232,164	22,666,067	23,796,384	77,694,615
208,990	(1,985,157)		(1,985,157)		1,500,000	(485,157)
(613,160)	(1,426,190)	(14,505,193)	(15,931,383)	1,489,763	(92,000)	(14,533,620)
1,825,456	16,201,221	(2,885,597)	13,315,624	24,155,830	23,704,384	62,675,838

**METROPOLITAN COUNCIL  
COMMUNITY DEVELOPMENT DIVISION  
2001 UNIFIED BUDGET**

**TABLE 6**

<b>OPERATING FUNDS</b>						
<b>GENERAL FUND</b>						
<b>Comprehensive Planning</b>	<b>GIS</b>	<b>Research</b>	<b>Parks &amp; Open Space</b>	<b>Radio</b>	<b>Livable Communities</b>	
<b>REVENUES:</b>						
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						
<b>EXPENDITURES:</b>						
Salaries & Benefits	1,112,222	934,024	727,820	151,619	93,086	695,163
Consulting & Contractual Services	1,082,000	96,800	64,000			100,000
Rent	48,975	54,283	36,231	8,581	9,598	22,247
Other Operating Expenses	72,215	132,336	56,141	8,867	6,330	39,108
Insurance					700	
Capital Outlay						
Pass-Through Grants & Loans						
Debt Service						
<b>Total Expenditures</b>	<b>2,315,412</b>	<b>1,217,443</b>	<b>884,192</b>	<b>169,067</b>	<b>109,714</b>	<b>856,518</b>
<b>Surplus/(Deficit)</b>	<b>(2,315,412)</b>	<b>(1,217,443)</b>	<b>(884,192)</b>	<b>(169,067)</b>	<b>(109,714)</b>	<b>(856,518)</b>
<b>Other Financing Sources (Uses)</b>						
<b>Expense Allocations: (expense)/revenue</b>						
Direct & Residual Admin Charge-A 87						
Planning Chargeback						
<b>Subtotal Allocations</b>						
<b>Net Expenditure Budget Authority</b>	<b>2,315,412</b>	<b>1,217,443</b>	<b>884,192</b>	<b>169,067</b>	<b>109,714</b>	<b>856,518</b>
<b>Other Sources &amp; Uses of Funds</b>						
Transfers from other funds						
Transfers to Other Funds						
<b>Total</b>						
<b>Total Other Financing Sources (Uses)</b>						
<b>Balance/(Deficit)</b>	<b>(2,315,412)</b>	<b>(1,217,443)</b>	<b>(884,192)</b>	<b>(169,067)</b>	<b>(109,714)</b>	<b>(856,518)</b>

**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
4,225,066	4,225,066		4,225,066	6,834,900			11,433,600	22,493,566
				(1,315,200)			(1,095,600)	(2,410,800)
4,225,066	4,225,066		4,225,066	5,519,700			10,338,000	20,082,766
		2,798,538	2,798,538			27,695,500		30,494,038
18,600	18,600	424,495	443,095		10,037,000	2,194,400		12,674,495
				1,315,200			1,095,600	2,410,800
18,600	18,600	424,495	443,095	1,315,200	10,037,000	2,194,400	1,095,600	15,085,295
148,167	148,167	123,400	271,567					271,567
		150,000	150,000	55,000			51,000	256,000
		194,188	194,188			785,000		979,188
4,391,833	4,391,833	3,690,621	8,082,454	6,889,900	10,037,000	30,674,900	11,484,600	67,168,854
174,645	3,888,579	1,822,978	5,711,557					5,711,557
	1,342,800	68,000	1,410,800					1,410,800
13,666	193,581	152,000	345,581					345,581
14,551	329,548	1,273,252	1,602,800					1,602,800
	700		700					700
					10,037,000	30,674,900	16,906,857	57,618,757
				6,212,496				6,212,496
202,862	5,755,208	3,316,230	9,071,438	6,212,496	10,037,000	30,674,900	16,906,857	72,902,691
4,188,971	(1,363,375)	374,391	(988,984)	677,404			(5,422,257)	(5,733,837)
		(595,000)	(595,000)					(595,000)
1,099,375	1,099,375		1,099,375					1,099,375
1,099,375	1,099,375	(595,000)	504,375					504,375
(896,513)	4,655,833	3,911,230	8,567,063	6,212,496	10,037,000	30,674,900	16,906,857	72,398,316
				400,000			1,000,000	1,400,000
				400,000			1,000,000	1,400,000
				400,000			1,000,000	1,400,000
5,288,346	(264,000)	(220,609)	(484,609)	1,077,404			(4,422,257)	(3,829,462)

**METROPOLITAN COUNCIL  
SUMMARY BUDGET  
REGIONAL ADMINISTRATION  
2001**

**TABLE 7**

GENERAL FUND									
	Legal	Internal Audit	Diversity	Human Resources	Commun- ications	Fiscal Services	Information Services	Commuity Relations	Central Services
<b>REVENUES:</b>									
Property Tax									
State Paid HACA									
Net Property Tax									
<b>Federal Revenues</b>									
State Revenue									
State Paid HACA									
Total State Revenues									
<b>Local Revenues</b>									
Investment Earnings									
Other Revenues									
<b>Total Revenue</b>									
<b>EXPENDITURES:</b>									
Salaries & Benefits	780,435	509,865	575,137	1,767,791	847,326	1,544,840	6,042,667	435,512	308,535
Consulting Contractual Services	1,074,000		50,300	387,800	582,700	383,000	2,921,794	5,000	329,000
Rent	99,602	20,746	22,559	131,695	89,296	116,958	227,337	36,000	866,065
Other Operating Expenses	120,085	36,976	30,516	390,852	245,494	126,810	1,721,565	51,000	241,982
Insurance									
Non-governmental Grants									
<b>Total Gross Expenditures</b>	<b>2,074,122</b>	<b>567,587</b>	<b>678,512</b>	<b>2,678,138</b>	<b>1,764,816</b>	<b>2,171,608</b>	<b>10,913,363</b>	<b>527,512</b>	<b>1,745,582</b>
<b>Other Financing Sources (Uses)</b>									
<b>Interdivisional Expense Allocations</b>									
Assigned Charges-ES & MT									
Residual Charges-ES & MT									
Assigned & A-87 -HRA									
Assigned & A-87 -Transportation & Transit Development									
<b>Subtotal Allocations</b>									
<b>NET EXPENDITURE BUDGET AUTHORITY</b>									
<b>Other Financing Sources (Uses) &amp; Fund Transfers</b>									
Property Tax Transfer to MCES									
Property Tax Transfer to Livable Communities Program									
General Fund Support for Capital Expenditures									
Transfer from Environmental Services									
<b>Total Other Financing Sources (Uses)</b>									
<b>Balance/(Deficit)</b>									

\*Expenditures for Y2K are included in expenditure line items above

**METROPOLITAN COUNCIL  
SUMMARY BUDGET  
REGIONAL ADMINISTRATION  
2001**

**TABLE 7 (continued)**

GENERAL FUND								
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
							5,946,834	5,946,834
							(1,947,400)	(1,947,400)
							3,999,434	3,999,434
							1,947,400	1,947,400
							1,947,400	1,947,400
							375,000	375,000
							264,500	264,500
							6,586,334	6,586,334
110,104	909,350	236,198	161,354	279,120	518,714	15,026,948		15,026,948
15,000	95,000	30,000	45,000			5,918,594		5,918,594
40,284	77,211	10,910	12,924	47,871	32,496	1,831,954		1,831,954
20,600	55,022	17,243	18,409	36,812	133,366	3,246,732		3,246,732
	32,915					32,915		32,915
185,988	1,169,498	294,351	237,687	363,803	684,576	26,057,143		26,057,143
							(12,197,468)	(12,197,468)
							(6,382,899)	(6,382,899)
							(595,000)	(595,000)
							(1,590,000)	(1,590,000)
							(20,765,367)	(20,765,367)
						26,057,143	(20,765,367)	5,291,777
							(299,000)	(299,000)
							(1,000,000)	(1,000,000)
							(1,299,000)	(1,299,000)
						(26,057,143)	26,052,701	(4,443)



**TABLE 8**  
**CURRENT REVENUES AND OTHER SOURCES OF FUNDS FOR OPERATIONS**  
**(Excludes Passthrough and Debt Service Funds)**

	1997 Actual	1998 Actual	1999 Actual	2000 Revised	2001 Proposed
<b>Community Development and Regional Administration</b>					
General Operations Property Tax Levy:					
Gross Levy	9,354,600	9,694,600	10,174,600	10,174,600	10,274,600
Less: Estimated Uncollectible	(187,100)	(193,900)	(203,500)	(101,700)	(102,700)
Net Levy Available for Operations	9,167,500	9,500,700	9,971,100	10,072,900	10,171,900
Less: State HACA Payments	(1,969,839)	(1,735,389)	(1,841,174)	(1,990,300)	(1,947,400)
Net Levy from Property Taxpayers	7,197,661	7,765,311	8,129,926	8,082,600	8,224,500
Federal Revenues:					
Department of Housing and Urban Development:					
Housing Assistance Administrative Fees	2,853,700	2,682,900	2,880,958	2,950,578	2,732,118
Portability Program Administrative Fees	237,300	142,500	114,410	97,147	194,188
Counseling Services	-	321,000	61,990	66,420	66,420
Department of the Interior-National Park Service	79,500	70,000	310,000	103,418	-
Federal Subtotal	3,170,500	3,216,400	3,367,358	3,217,563	2,992,726
State Revenues:					
State HACA	1,969,839	1,735,389	1,841,174	1,990,300	1,947,400
MHFA Administrative Fees	205,700	224,300	226,222	339,842	424,495
MnDOT	-	-	-	18,620	18,600
State Subtotal	2,175,539	1,959,689	2,067,396	2,348,762	2,390,495
Regional Agencies:					
Metropolitan Airports Commission	41,000	41,000	41,000	25,567	25,567
Metropolitan Sports Facilities Commission	5,000	5,000	2,000	2,100	2,100
Regional Agency Subtotal	46,000	46,000	43,000	27,667	27,667
Interest Income:					
General Fund	180,000	200,000	200,000	175,000	375,000
HRA Operating Reserve	50,000	187,621	100,000	150,000	150,000
Interest Income Subtotal	230,000	387,621	300,000	325,000	525,000
Other Revenue:					
McKnight Foundation	-	-	-	-	250,000
Data Center Sales	10,500	11,000	10,000	10,000	10,000
HRA Local Revenue	68,200	68,200	67,520	68,320	123,400
Investment Service Fees	-	-	-	125,000	125,000
Miscellaneous	-	-	-	-	-
Other Revenue Subtotal	78,700	79,200	77,520	203,320	508,400
Total Current Revenues	12,898,400	13,454,221	13,985,200	14,204,912	14,668,788

**TABLE 8**  
**CURRENT REVENUES AND OTHER SOURCES OF FUNDS FOR OPERATIONS**  
**(Excludes Passthrough and Debt Service Funds)**

	<b>1997</b>	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Revised</b>	<b>Proposed</b>
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	-	-
<b>Total Current Revenues and Other Sources</b>	<b>13,833,400</b>	<b>13,499,221</b>	<b>14,143,200</b>	<b>14,204,912</b>	<b>14,668,788</b>
Less: Transfer to Transportation	(289,000)	(289,000)	-	-	-
Less: Transfer to Environmental Services	(299,432)	(299,432)	(199,000)	(299,000)	(299,000)
Less: Transfer for Livable Communities	(330,000)	(670,000)	(1,000,000)	(1,000,000)	(1,000,000)
<b>Net Revenues and Other Sources</b>	<b>12,914,968</b>	<b>12,240,789</b>	<b>12,944,200</b>	<b>12,905,912</b>	<b>13,369,788</b>
Regional Administration and Community Development					

**TABLE 8**  
**CURRENT REVENUES AND OTHER SOURCES OF FUNDS FOR OPERATIONS**  
**(Excludes Passthrough and Debt Service Funds)**

	<b>1997 Actual</b>	<b>1998 Actual</b>	<b>1999 Actual</b>	<b>2000 Revised</b>	<b>2001 Adopted</b>
<b>Environmental Services Division</b>					
User Fees:					
Sewer Service Charges (Operations Only)	94,997,000	94,860,437	83,246,708	78,990,000	76,960,600
Industrial Strength Charges	10,050,000	7,798,654	5,955,154	6,233,000	6,386,500
Unspecified User Fees	-	-	-	-	394,000
Load Charges	200,000	-	-	-	-
Industrial Discharge Permit Fees	190,000	-	-	-	-
Add-On Service Charge	310,000	-	-	-	-
User Fee Subtotal	105,747,000	102,659,091	89,201,862	85,223,000	83,741,100
Federal Revenues:					
Environmental Protection Agency-Lake MaCarrons	-	-	-	-	-
Federal Subtotal	-	-	-	-	-
State Revenues:					
Pollution Control Agency	-	278,951	249,274	300,000	300,000
State Subtotal	-	-	-	-	-
Interest Income/Other Revenue:					
Interest Income	610,000	2,824,925	1,936,922	2,578,000	1,871,500
Lake Survey Fees-Cities and WMOs	60,000	60,000	64,000	64,000	64,000
Other Miscellaneous Revenue	157,000	272,607	182,666	236,000	236,000
Other Revenue Subtotal	827,000	3,157,532	2,183,588	2,878,000	2,171,500
Total Current Revenues-Environmental Services	106,574,000	106,095,574	91,634,724	88,401,000	86,212,600
Other Sources:					
Transfer of General Fund Property Tax Receipts	299,000	299,432	199,000	299,000	299,000
Transfer from Favorable Variance Fund	-	-	-	-	548,100
Designated Reserves	-	2,600,000	1,000,000	1,500,000	2,000,000
Other Sources Subtotal	299,000	2,899,432	1,199,000	1,799,000	2,847,100
Total Current Revenues and Other Sources-	106,873,000	108,995,006	92,833,724	90,200,000	89,059,700

**TABLE 8**  
**CURRENT REVENUES AND OTHER SOURCES OF FUNDS FOR OPERATIONS**  
**(Excludes Passthrough and Debt Service Funds)**

	<b>1997 Actual</b>	<b>1998 Actual</b>	<b>1999 Actual</b>	<b>2000 Revised</b>	<b>2001 Adopted</b>
<b>Transportation Division</b>					
Transit Operations Property Taxes (Net Proceeds):					
Total Property Tax Receipts	73,152,884	77,385,774	83,111,100	89,932,000	97,835,100
Less: Local Option Opt Out	(9,208,089)	(8,985,131)	(10,540,000)	(11,376,000)	(12,354,900)
Net Tax Receipts Available for Operations	63,944,795	68,400,643	72,571,100	78,556,000	85,480,200
Less: State HACA Payments	(11,212,900)	(11,324,100)	(10,707,400)	(11,935,000)	(12,062,900)
Net Tax Receipts from Property Taxpayers	52,731,895	57,076,543	61,863,700	66,621,000	73,417,300
Federal Revenues:					
ISTEA	800,000	1,600,000	1,600,000	1,450,000	1,600,000
Federal Highway Administration	900,000	1,433,000	1,698,100	1,784,000	1,698,050
Federal Transit Administration:	-	-	-	-	-
Section 8 Planning	400,000	506,800	610,000	610,000	506,800
Section 3 Team Transit	-	-	125,000	-	-
Section 9 Operating	5,610,000	5,373,000	5,373,000	8,342,000	9,620,097
Federal Subtotal	7,710,000	8,912,800	9,406,100	12,186,000	13,424,947
State Revenues:					
State HACA	11,212,900	11,324,100	10,707,400	11,935,000	12,062,900
General Transit Assistance	44,569,760	52,110,000	55,493,700	58,091,000	59,625,950
High Speed Bus	-	-	-	-	-
Welfare-to-Work	-	-	-	-	-
State Subtotal	55,782,660	63,434,100	66,201,100	70,026,000	71,688,850
Passenger Fares:					
Transit Operations	48,780,200	49,821,500	51,283,000	51,578,000	52,100,000
Metro Mobility	2,365,340	1,600,000	1,564,300	1,832,000	1,838,000
Other Transit Providers	-	1,888,332	2,319,800	2,357,000	2,176,000
Passenger Fare Subtotal	51,145,540	53,309,832	55,167,100	55,767,000	56,114,000
Interest Income/Other Revenue:					
Interest Income	430,100	1,149,000	850,000	855,000	-
Performance Standards Set-Asides	-	-	-	-	-
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	6,970,000	6,784,000	6,884,520
Metro Mobility Contract Revenue	63,000	753,000	750,000	750,000	700,000
Transit Operations Other Revenue	2,364,000	1,875,000	1,944,000	2,240,000	2,442,980
Metro Mobility Other Revenue	162,520	126,200	190,900	191,000	90,000
Other Revenue	240,000	-	2,886,100	2,131,000	326,250
Other Revenue Subtotal	7,788,166	8,203,930	13,591,000	12,951,000	11,475,010
Total Current Revenues-Transportation	175,158,261	190,937,205	206,229,000	217,551,000	226,120,107
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	206,229,000	217,551,000	226,120,107

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

<b>Purpose of Tax Levy</b>	<b>Actual Payable 1997</b>	<b>Actual Payable 1998</b>	<b>Actual Payable 1999</b>	<b>Actual Payable 2000</b>	<b>Proposed Payable 2001</b>
<b>Certified or Proposed Gross Levies:</b>					
General Levy					
General Purposes	9,024,600	9,024,600	9,174,600	9,174,600	9,274,600
Transfer to Livable Communities	330,000	670,000	1,000,000	1,000,000	1,000,000
Subtotal-General	9,354,600	9,694,600	10,174,600	10,174,600	10,274,600
Transit Operating District					
Total Levy	73,957,923	78,179,845	83,682,924	90,055,080	97,949,930
Less: Local Option Levies	9,396,009	9,168,501	10,755,117	11,549,029	12,778,569
Net Regional Levy	64,561,914	69,011,344	72,927,807	78,506,051	85,171,361
Transit Operating Area	905,554	1,008,581	1,124,339	1,246,002	1,375,070
Highway Right-of-Way	-	2,142,932	2,159,302	1,142,446	1,142,446
Livable Communities					
Tax Base Revitalization-Highway ROW	2,010,014	-	-	Levy Authority Repealed in 1999	
Tax Base Revitalization-Fiscal Disparities	5,000,000	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	6,675,781
Subtotal-Livable Communities	11,964,813	10,282,450	10,116,080	11,132,936	11,675,781
Sewer Deficiency	-	-	-	-	-
Subtotal - Non Debt	86,786,881	92,139,907	96,502,128	102,202,035	109,639,257
Solid Waste Debt Service	-	-	-	-	-
Parks Debt Service	4,505,737	5,888,349	5,725,501	6,047,814	6,598,577
Transit Debt Service	18,814,877	20,109,549	20,190,351	20,393,958	21,069,869
Radio Debt Service	-	438,898	425,825	423,525	340,454
Subtotal - Debt Service	23,320,614	26,436,796	26,341,676	26,865,297	28,008,900
Total	110,107,495	118,576,703	122,843,805	129,067,332	137,648,157
Transit Portion	84,282,345	90,129,474	94,242,497	100,146,011	107,616,300
General Portion	25,825,150	28,447,229	28,601,307	28,921,321	30,031,858
<b>Statutory Levy Limits:</b>					
General Operations	9,917,325	10,135,506	10,317,945	10,472,714	10,786,895
Highway ROW	2,010,014	2,142,932	2,159,302	2,333,630	2,540,187
Livable Comm. Tax Base Revitalization	-	2,142,932	2,159,302	Levy Authority Repealed in 1999	
Livable Comm. Fiscal Disparity	5,000,000	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	6,675,781
Transit Operations District	-	-	-	-	-
Total Levy Limit	73,957,923	78,523,494	84,018,254	90,585,709	98,375,084
Less: Certified Local Option Levies	9,396,009	9,168,501	10,755,117	11,549,045	12,778,569
Regional Levy Limit	64,561,914	69,354,993	73,263,137	79,036,664	85,596,515
Transit Operations Area	905,776	1,008,581	1,124,339	1,246,002	1,375,070

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**TABLE 10  
METROPOLITAN COUNCIL  
1997-2001 DEBT SERVICE**

	<b>1997 Actual</b>	<b>1998 Actual</b>	<b>1999 Actual</b>	<b>2000 Projected</b>	<b>2001 Projected</b>
<b>Parks and Open Space:</b>					
Certified Levies	4,505,736	5,888,349	5,725,501	6,047,814	6,598,577
Less: Estimated Uncollectible	(10,812)	13,989	(16,317)	(90,714)	(98,977)
Net Current Tax Receipts	4,494,924	5,902,338	5,709,184	5,957,100	6,499,600
Revenues:					
Property Taxes	3,542,195	4,773,638	4,669,272	4,774,100	5,248,900
State HACA	952,729	1,128,700	1,039,912	1,183,000	1,250,700
Interest Income	678,832	783,859	83,869	40,000	40,000
Other Revenues	-	-	-	-	-
Total Revenues	5,173,756	6,686,197	5,793,053	5,997,100	6,539,600
Proceeds from Bonds	-	-	-	-	-
Total Revenues and Other Sources	5,173,756	6,686,197	5,793,053	5,997,100	6,539,600
Expenditures:					
Principal Repayment	2,030,000	2,935,000	5,835,000	3,625,000	4,260,000
Principal Refunding	-	-	11,575,000	-	-
Interest Expense/Fiscal Charges	1,896,586	2,168,470	1,985,910	1,107,264	1,159,286
Total Expenditures	3,926,586	5,103,470	19,395,910	4,732,264	5,419,286
Revenues & Other Sources Over/ (Under) Expenditures & Other Uses	1,247,170	1,582,727	(13,602,857)	1,264,836	1,120,314
Residual Equity Transfer In/(Out)	-	-	(638,790)	-	-
Fund Balance, Year End	16,315,948	17,898,675	3,657,028	4,921,864	6,042,178
Recap:					
Current Year Principal and Interest	2,030,000	2,935,000	5,835,000	3,625,000	4,260,000
Bond Refundings	-	-	11,575,000	-	-



**TABLE 10**  
**METROPOLITAN COUNCIL**  
**1997-2001 DEBT SERVICE**

	<b>1997 Actual</b>	<b>1998 Actual</b>	<b>1999 Actual</b>	<b>2000 Projected</b>	<b>2001 Projected</b>
<b>Solid Waste:</b>					
Certified Levies					
Less: Estimated Uncollectible	1,127	609	769	-	-
Net Current Tax Receipts	1,127	609	769	-	-
Revenues:					
Property Taxes	1,127	609	769	-	-
State HACA	-	-	-	-	-
Interest Income	10,552	50,132	(4,041)	10,100	5,000
Other Revenues	-	-	-	-	-
Total Revenues	11,679	50,741	(3,272)	10,100	5,000
Transfer from Other Funds	-	460,447	400,000	400,000	400,000
Total Revenues and Other Sources	11,679	511,188	396,728	410,100	405,000
Expenditures:					
Principal Repayment	245,000	265,000	260,000	325,000	335,000
Interest Expense/Fiscal Charges	186,158	186,662	130,283	80,815	67,777
Total Expenditures	431,158	451,662	390,283	405,815	402,777
Revenues & Other Sources Over/ (Under) Expenditures & Other Uses	(419,479)	59,526	6,445	4,285	2,223
Residual Equity Transfer					
Fund Balance, Year End	84,273	143,799	150,244	154,529	156,752

**TABLE 10**  
**METROPOLITAN COUNCIL**  
**1997-2001 DEBT SERVICE**

	<b>1997 Actual</b>	<b>1998 Actual</b>	<b>1999 Actual</b>	<b>2000 Projected</b>	<b>2001 Projected</b>
<b>Transit:</b>					
Certified Levies	18,814,877	20,109,549	20,190,351	20,393,958	21,069,869
Less: Estimated Uncollectible	(105,388)	(129,835)	(84,632)	(305,958)	(316,069)
Net Current Tax Receipts	18,709,489	19,979,714	20,105,719	20,088,000	20,753,800
Revenues:					
Property Taxes	15,474,494	16,705,348	17,000,278	17,043,700	17,838,800
State HACA	3,234,995	3,274,366	3,105,441	3,044,300	2,915,000
Interest Income	568,404	944,176	338,792	180,000	180,000
Other Revenues	-	-	-	-	-
Total Revenues	19,277,893	20,923,890	20,444,511	20,268,000	20,933,800
Proceeds from Bonds	9,332,252	1,361,461	-	-	-
Refunding Bonds Held in Escrow	-	-	-	-	-
Total Revenues and Other Sources	28,610,145	22,285,351	20,444,511	20,268,000	20,933,800
Expenditures:					
Principal Repayment	12,495,000	14,230,000	16,270,000	15,405,000	14,490,000
Principal Refunding	9,300,000	-	-	-	-
Interest Expense/Fiscal Charges	3,684,373	4,242,394	4,133,157	4,353,456	4,954,037
Total Expenditures	25,479,373	18,472,394	20,403,157	19,758,456	19,444,037
Revenues & Other Sources Over/ (Under) Expenditures & Other Uses	3,130,772	3,812,957	41,354	509,544	1,489,763
Residual Equity Transfer In/(Out)	-	-	(115,895)	-	-
Fund Balance, Year End	20,067,283	23,880,240	23,805,699	24,315,243	25,805,006
Recap:					
Current Year Principal and Interest	16,179,373	18,472,394	20,403,157	19,758,456	19,444,037
Bond Refundings	9,300,000	-	-	-	-

**TABLE 10**  
**METROPOLITAN COUNCIL**  
**1997-2001 DEBT SERVICE**

	1997 Actual	1998 Actual	1999 Actual	2000 Projected	2001 Projected
<b>800 Megahertz Radio:</b>					
Certified Levies	-	438,898	425,825	423,525	340,454
Less: Estimated Uncollectible	-	(17,839)	(1,063)	(6,325)	(5,154)
Net Current Tax Receipts	-	421,059	424,762	417,200	335,300
Revenues:					
Property Taxes	-	340,265	347,328	334,400	270,800
State HACA	-	80,794	77,434	82,800	64,500
Interest Income	216	5,768	2,344	9,200	10,000
Other Revenues	-	-	-	-	-
Total Revenues	216	426,827	427,106	426,400	345,300
Proceeds from Bonds	-	-	-	-	-
Total Revenues and Other Sources	216	426,827	427,106	426,400	345,300
Expenditures:					
Principal Repayment	-	-	160,000	265,000	275,000
Interest Expense/Fiscal Charges	-	181,149	145,064	128,358	115,433
Total Expenditures	-	181,149	305,064	393,358	390,433
Revenues & Other Sources Over/ (Under) Expenditures & Other Uses	216	245,678	122,042	33,042	(45,133)
Fund Balance, Year End	216	245,894	367,936	400,978	355,845

**TABLE 10**  
**METROPOLITAN COUNCIL**  
**1997-2001 DEBT SERVICE**

	<b>1997 Actual</b>	<b>1998 Actual</b>	<b>1999 Actual</b>	<b>2000 Projected</b>	<b>2001 Projected</b>
<b>Environmental Services:</b>					
MCES Debt Service (Budget Basis)					
Sewer Service Charges	46,038,668	45,755,724	45,588,000	43,410,000	42,809,400
Transfer from SAC Fund	16,429,000	18,503,000	17,712,000	19,890,000	22,635,000
Total Revenues and Other Sources	62,467,668	64,258,724	63,300,000	63,300,000	65,444,400
Expenditures:					
Local Government Debt	183,688	57,140	30,000	-	-
Current Value Credits	4,120,232	4,107,299	3,351,000	3,095,000	526,000
Transfer to Sewer Bond Fund	58,163,748	60,094,285	59,919,000	60,205,000	64,918,400
Total Expenditures	62,467,668	64,258,724	63,300,000	63,300,000	65,444,400
Sewer Bond Fund					
Revenues and Other Sources:					
Interest Income	1,420,842	920,469	327,670	778,000	532,000
Other Sources:					
Transfers from Environmental Services	58,163,748	60,094,285	59,919,000	60,205,000	64,918,400
Total Revenues and Other Sources	59,584,590	61,014,754	60,246,670	60,983,000	65,450,400
Expenditures:					
Principal Repayments	33,815,000	35,680,000	37,985,000	35,680,000	35,710,000
Interest Expense/Fiscal Charges	27,796,693	28,706,417	29,835,758	31,714,000	33,834,000
Total Expenditures	61,611,693	64,386,417	67,820,758	67,394,000	69,544,000
Fund Balance, Year End	28,302,751	24,931,088	17,357,000	10,946,000	6,852,400

Environmental Services debt service excludes crossover refundings funded from refunding bonds held in escrow (Refundings of \$29,200,000 in 1997 and \$28,400,000 in 1998).

**TABLE 10**  
**METROPOLITAN COUNCIL**  
**1997-2001 DEBT SERVICE**

	<b>1997 Actual</b>	<b>1998 Actual</b>	<b>1999 Actual</b>	<b>2000 Projected</b>	<b>2001 Projected</b>
<b>Combined-All Debt Service:</b>					
Revenues:					
Property Taxes	19,017,816	21,819,860	22,017,647	22,152,200	23,358,500
State HACA	4,187,724	4,483,860	4,222,787	4,310,100	4,230,200
Sewer Service Charges/SAC Transfers	62,467,668	64,258,724	63,300,000	63,300,000	65,444,400
Interest Income	1,258,004	1,783,935	420,964	239,300	235,000
Other Income	-	-	-	-	-
Total Revenues	86,931,212	92,346,379	89,961,398	90,001,600	93,268,100
Other Sources:	-	-	-	-	-
Proceeds from Bonds	9,332,252	1,361,461	-	-	-
Refunding Bonds Held in Escrow	-	-	-	-	-
Transfers from Other Funds	-	460,447	400,000	400,000	400,000
Total Other Sources	9,332,252	1,821,908	400,000	400,000	400,000
Total Revenues and Other Sources	96,263,464	94,168,287	90,361,398	90,401,600	93,668,100
Expenditures by Function:					
Parks Debt Service	3,926,586	5,103,470	19,395,910	4,732,264	5,419,286
Solid Waste Debt Service	431,158	451,662	390,283	405,815	402,777
Transit Debt Service	25,479,373	18,472,394	20,403,157	19,758,456	19,444,037
800 Radio System Debt Service	-	181,149	305,064	393,358	390,433
Environmental Services Debt Service	62,467,668	64,258,724	63,300,000	63,300,000	65,444,400
Certificates of Indebtedness	-	-	-	-	-
Total Expenditures	92,304,785	88,467,399	103,794,414	88,589,893	91,100,933
Revenues & Other Sources Over/ (Under) Expenditures & Other Uses	3,958,679	5,700,888	(13,433,016)	1,811,707	2,567,167
Recap:					
Current Year Principal and Interest	83,004,785	88,467,399	92,219,414	88,589,893	91,649,657
Bond Refunding	9,300,000	-	11,575,000	-	-

TABLE 11  
METROPOLITAN COUNCIL  
STAFF COMPLEMENT IN FTE's FOR 1999-2001

	Amended 1999	Adopted 2000	Proposed 2001
<b>CHAIR AND REGIONAL ADMINISTRATOR'S OFFICES</b>			
Council and Chair's Office	2	2	2
Regional Administrator's Office	4	4	3
Human Resources	26.5	26.5	26.25
Diversity	8	8	8.5
Internal Audit	6	6	5.5
Intergovernmental Relations	1.8	2	2
Regional Constituency			7
Public Safety	1		
Risk Management	17	16	16
Communications and Data Center	14	14	12
Library	2	2	2
Legal	10	10	10
Fiscal Services	27.8	24.8	25.8
Information Services	79.15	86.15	83.40
Central Services	9.5	8.5	7.5
Budget and Evaluation	4	3	3
Regional Administration	212.75	212.95	213.95
<b>COMMUNITY DEVELOPMENT</b>			
Division Director Office	2	2	2
GIS	11	12	15
Livable Communities	7	10	9
Research	11	10	11
HRA	29	31	33
Comprehensive Planning	20	14	16
Parks and Open Space	2	2	2
Radio	2	1	1
Community Development	84	82	89
Total Regional Administration & Planning	296.75	294.95	302.95
<b>ENVIRONMENTAL SERVICES DIVISION</b>			
Division Director Offices	32	24.5	21.4
Wastewater Services	769.8	656.8	619.6
Environmental Planning/Evaluation	144.1	133	133
Subtotal	945.9	814.3	774
Additional Budgeted Reductions	(35.00)	(13.20)	
*Total Environmental Services Division	910.9	801.1	774
SUBTOTAL	1207.65	1096.05	1076.95
<b>TRANSPORTATION DIVISION</b>			
Transportation & Transit Development	25	25	25
Metro Mobility	12	12	13
Rideshare	9	9	9
Total Other Transit	46	46	47
Metro Transit			
Drivers	1544.4	1522.4	1591.9
Mechanics	477.8	484.4	529.6
Administration-General	265.2	293.6	316.7
Administration-Clerical	200.7	201.1	234.7
Administration-Police	30	30	30
Total Metro Transit	2518.1	2531.5	2702.9
<b>TOTAL FTE' S</b>	<b>3771.75</b>	<b>3673.55</b>	<b>3826.85</b>

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# ***Metropolitan Council 2001 Unified Budget***

## ***Environmental Services Division***

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**MISSION** Metropolitan Council Environmental Services (MCES) exists to serve its customers, to protect the public health and environment through efficient and effective water resources management, and to support the Council's regional growth strategy.

### **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 context of smart growth and are aligned with the Council's policy strategies. Implementation of these goals and strategies are expected to achieve near-term outcomes (tactical goals) as identified below.

<b>MC Strategy</b>	<b>MCES Strategic Goals</b>
Smart Growth Alignment and Regional Development	Strategic Development
Regional Constituency	Customer Focus
Quality of Life	Water Resources Management
Competitive Regional Services and Infrastructure	Competitive Business Processes

### **TACTICAL**

**GOALS** The following tactical goals identify expected outcomes for 2000-2002 for MCES and serve as key milestones to guide the long-term delivery of strategic goals. These outcomes are designed to complement the Council's four key strategies and MCES's more specific business strategies that are aligned with those of the Council's.

#### **Tactical Goals**

1. Regional environmental agenda with stakeholder input linked to Blueprint and smart growth strategies
2. Mississippi River corridor utilized to demonstrate smart growth principles
3. Watershed and wastewater capacity needs within and beyond MUSA addressed
4. Customer satisfaction rating of 88% maintained by continued implementation of survey recommendations
5. MCES information network coordinated within Council framework
6. Wastewater treated to >99.8% compliance with permit conditions
7. Air and odor complaints substantially resolved
8. Key capital projects kept on schedule
9. Phosphorus and mercury strategies kept on track
10. Surface runoff pollution in metro rivers and lakes abated and local action catalyzed through grant monies and other leveraged programs
11. Targeted labor and non-labor operating expenses reduced to achieve 3-year, \$20 million budget reduction goal
12. Long-term debt contained by reducing targeted capital project costs by >10%
13. Rate system equity enhanced through phased-in industrial rate changes and gaining legislative approval for change to service availability charges



## 2001 KEY WORK PROGRAM ACTIVITIES

MCES's work programs are linked to its Key Business Processes. These processes guide the daily activities within MCES's business units and are aligned with the Division's tactical and strategic goals.

	<b>Key Business Processes</b>
1	<b>Strategic Development and Process Improvement</b> —Develop MCES' business strategy and goals consistent with Council strategies and aligned with smart growth principles. To ensure effective and timely implementation of those strategies, identify processes for improvement and ensure coordination and oversight of the improvement efforts.
2	<b>Water Resources Management</b> —Develop water policy plan, procedures, action items and key measurements for implementing the water policy plan. Measure and monitor results of key water policy and activities.
3	<b>Capital Planning</b> —Develop a long-term regional wastewater collection and treatment system master plan that supports the goals of the Regional Blueprint and Water Resources Management Policy Plan (including debt, capital project management and cost-competitive service rates).
4	<b>Wastewater Collection and Treatment</b> —Provide fishable/swimmable waters and cost-competitive service rates through quality collection and treatment of wastewater.
5	<b>Financial Management</b> —Ensure the rate and budget systems are equitable, open and support the Division's goals, including the competitive service plan and debt management (in coordination with regional wastewater master planning).
6	<b>Human Resources Management</b> —Develop a strategic human resources plan that addresses the short and long-term needs of MCES and is driven by the MCES vision, mission and strategic goals. The plan addresses all employee areas to enable employees to provide value-added and cost-efficient services to internal partners and external customers.
7	<b>Information Management</b> —Assure that information network and systems support MCES business needs. Provide timely, accurate, and cost effective information to end users so they can productively support internal and external requirements.
8	<b>Administrative Process</b> —Improve the administrative process and support the Executive Team by providing administrative service support, including service agreements with Regional Administration.

Performance of the division is monitored and reported on a regular basis to the Environment Committee using a balanced scorecard approach that captures the expected outcomes associated with MCES's strategic goals.

## DESCRIPTION OF ORGANIZATION

Metropolitan Council Environmental Services (MCES) is responsible for providing water resources management services for the region, which include:

- **Regional water resources planning** to ensure that sufficient sewer capacity exists to serve planned development, sufficient capital investments are made to preserve water quality in the region, and local plans provide for adequate water supply in the region.
- **Water quality operations** to ensure that regional water quality is sustained by the optimal mix of pollution prevention and point and nonpoint source solutions, wastewater collection and treatment services are provided in a cost and quality competitive manner, and local action is catalyzed through water quality grants.

## POLICY

### *Policy Overview*

MCES's Integrated Budget information is presented in four volumes. They are the Financial Planning Overview, 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). The Financial Planning Overview is an executive summary of the CIP, PAR and CFP.

MCES's 2001 Annual Budget and six-year Plan for Allocating Resources (PAR) are directly linked to accomplishing MCES's mission and strategic and tactical goals. The current PAR covers the period 2001–2006. Both the Annual Budget and PAR are designed to implement and carry forward the Council's rate policy for municipal wastewater charges and MCES's strategic business plan.

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 smart growth initiatives, *Regional Blueprint* and *Water Resources Management Policy Plan*. The Division's strategic business plan identifies how the job will get done. More specifically, the strategic business plan identifies thirteen Tactical Goals that are "leveraged actions" to improve the efficiency and effectiveness of MCES services.

The 2001 Budget and 2001–2006 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 2000, 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 the sustainability of the region's environmental assets.

MCES strongly believes that the projected resource allocation for 2001–2006 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 2001 Annual Budget and 2001–2006 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 2001–2006 financial plan that incorporates funding for new and existing programs essential to the short-, mid- and long-term goals of the Council and MCES.

### ***Planning Philosophy and Approach***

Ensuring that the Water Resources Management Policy Plan and the MCES strategic business plan are reflected in the 2001 Annual Budget and 2001–2006 PAR secures implementation of these plans.

The Division's 2001 Annual Budget continues the response to three changes the Division is experiencing. They are:

- Evolution of watershed issues within the context of smart growth initiatives
- Rising customer expectations
- Increasing competition from the private sector

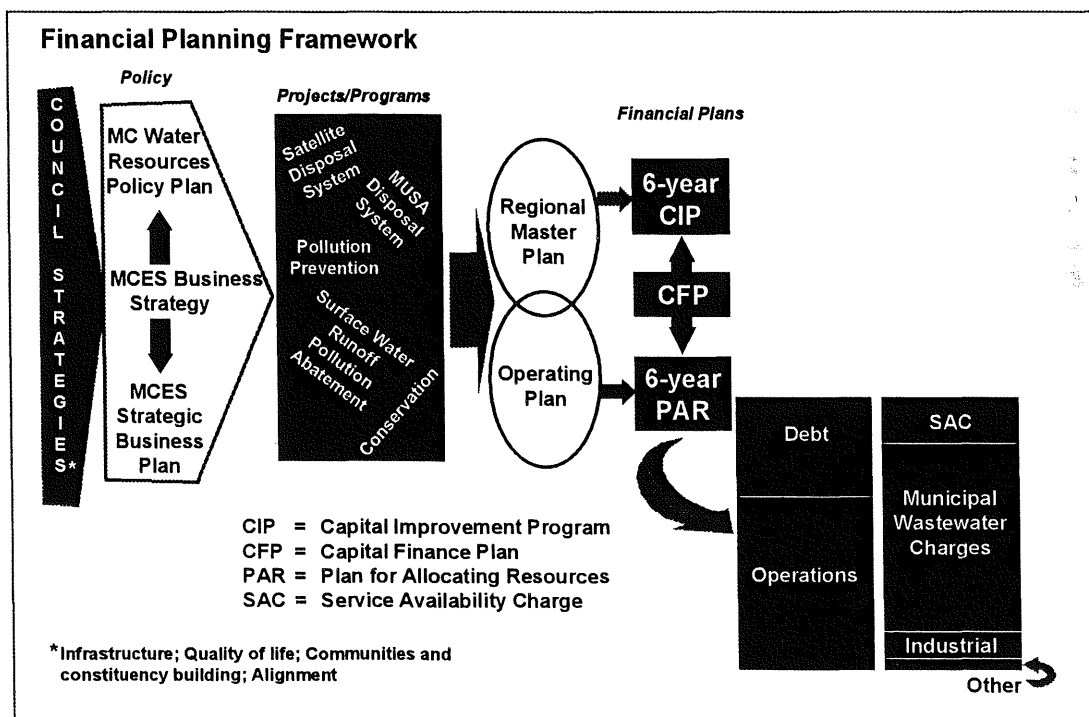
In updating the Division's strategic business plan, improvements were made in incorporating customer input and data from a more complete environmental scan. As a result, managing the impact of competition on the Division's services and structure became one of the driving themes of the plan. The 2001 Annual Budget and PAR reflect a decision by the MCES Executive Team, with the concurrence of Council leadership, to improve the Division's competitive position. MCES has enhanced its \$20 million cost reduction plan with a goal of being one of the best five nationally by 2005.

The 2001 budget achieves the final phase of reducing MCES's budget by \$20 million from the baseline of the 1998 budget. The municipal wastewater rate charged to communities is again reduced, with the 2001 budget based on a rate of \$118 per 100,000 gallons. This continues the trend of cost and rate reductions. Projections through 2006 show projected rates to remain below those charged in 1998. The ability to meet the 2001 budget targets will require ongoing efforts to deal with the challenges inherent in each of the following issues.

- Wastewater service revenue from communities is dependent on flow. While flow estimates are conservative, weather and some local issues, specifically those concerning flow determination accuracy, make revenue projections subject to variability.
- Escalation in the costs of utilities, fuels, chemicals and labor in excess of general inflation.
- Labor contract changes.
- 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 expenses. 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 policy and projects that result in a regional master plan and operating plans, which are used in determining the financial plans. By reengineering business processes, the Division will continue to improve its competitive standing.



## Rate Policy

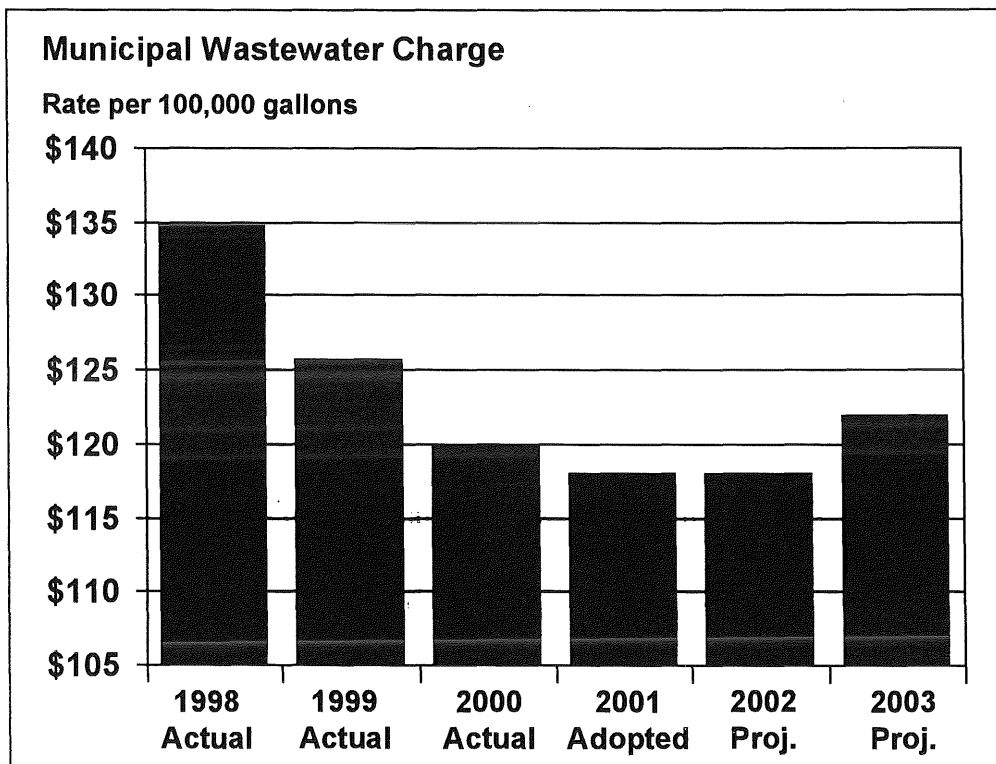
### Rate Policy for Municipal Wastewater Charges

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** = Municipal Wastewater Charges + SAC transfer + Other Revenue
2. **Municipal Wastewater Charge Rates** = Total Municipal Wastewater Charges to Cities ÷ Budgeted Flow

The 2001 wastewater service charge revenue is budgeted at \$119.8 million, down \$18.6 million from the 1998 base budget, \$2.6 million from the amended 2000 budget. The \$20 million reduction to the budget in 2001 will boost the competitive ranking of MCES rates.



**Municipal Wastewater Charges (MWC)**—Communities pay MCES for the flow entering the regional wastewater system. MWC pay for the conveyance and treatment of wastewater, a service that protects the water quality of the region. Each community pays the same rate for wastewater services. In 2001, this rate will be \$118 per hundred thousand gallons. The revenue generated by the municipal wastewater charges represents 80-85 percent of MCES's total operating budget.

**Service Availability Charges (SAC)**—Communities pay MCES for additional capacity demanded by new development or increased industrial or commercial use. Communities collect these one-time SAC fees from property owners at the time of development. The SAC revenue is intended to pay the average cost of growth and is used to finance the reserved capacity in the wastewater system. Each community pays the same rate for SAC. In 2001, the basic SAC rate will be \$1,150 per residence or equivalent unit. The transfer from SAC fees typically represents 10-15 percent of MCES's total operating budget.

**Industrial Rate System (IRS)**—Industries pay MCES directly for a variety of charges that are targeted for specific customer applications. The following charges/fees are included in the IRS.

- 1) Industrial strength charge,
- 2) Liquid waste hauler load charge,
- 3) Industrial discharge permit fee,
- 4) Add-on service charge,
- 5) Self-monitoring report late fee,
- 6) Stipulation agreement payment,
- 7) Cost recovery fee, and
- 8) Special strength charge.

The industrial strength charge is the overwhelming majority of these fees and is charged to capture treatment costs caused by industrial wastewater, which has more pollutants than typical domestic wastewater. The revenue from the entire IRS is typically about 5 percent of MCES's revenues.

## FINANCIAL ANALYSIS

**Rates, Revenues and Expenses**—The following tables show budgeted MCES rates, revenues and expenses for the years 1998-2003. (2004 to 2006 detail not included for space considerations.)

<b>MCES Revenue: 1998–2003</b>						
(Revenue in 000)						
	<b>1998 Base</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Flow	102.5	103.5	100.1	101.5	102.5	103.5
X Rate	\$135.00	\$125.70	\$120.00	\$118.00	\$118.00	\$122.00
Municipal Wastewater Charges	\$138,375	\$130,095	\$120,120	\$119,770	\$120,950	\$126,270
Municipal Wastewater Revenue	\$138,375	\$130,095	\$120,120	\$119,770	\$120,950	\$126,270
SAC Transfer	18,503	15,564	20,902	22,635	22,260	22,380
Industrial Charges	9,178	8,324	6,233	6,387	6,395	6,556
Misc Revenue	1,144	2,817	3,641	3,712	2,899	2,899
Designated Reserves		1,000	1,500	2,000	2,000	1,000
<b>Total Revenue</b>	<b>\$167,200</b>	<b>\$157,800</b>	<b>\$152,396</b>	<b>\$154,504</b>	<b>\$154,504</b>	<b>\$159,105</b>

<b>MCES Expenses: 1998–2003</b>						
(Expenditures in 000)						
	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001</b>	<b>2002</b>	<b>2003</b>
Program	\$102,490	\$93,500	\$87,596	\$86,660	\$83,316	\$84,938
Debt	64,360	63,300	63,300	65,444	69,188	73,167
Other Commitments	350	1,000	1,500	2,500	2,000	1,000
<b>Total Expenditures</b>	<b>\$167,200</b>	<b>\$157,800</b>	<b>\$152,396</b>	<b>\$154,604</b>	<b>\$154,504</b>	<b>\$159,105</b>

The 2001 Budget and the projections for rates and expenses in 2002 and 2003 can only be achieved with the continued commitment of Council and MCES executives, managers and staff to meet its targets. Even with this commitment, factors outside the control of MCES will provide significant challenges; among these is the impact of dry weather conditions on flow levels and excessive inflation in the costs of utilities, fuels, chemicals and labor.

**Staffing**—The 2001–2006 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 needed to be saved. This resulted in a reduction of 225 FTEs by 2001.

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 being utilized. Employees will be trained and re-trained as necessary to increase flexibility and teamwork and ensure a healthy workplace.

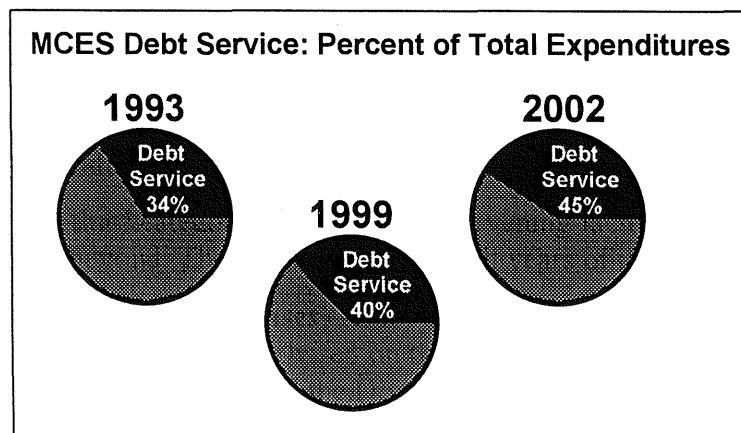
**Non-Staff Operational Expenses**—The 2001 Annual Budget and 2001–2006 PAR includes three different types of operating expenses. The first is the continuing operating costs for the Division. This category includes items such as utilities, chemicals and inter-divisional charges for common services. In total, these expenses decrease by approximately \$8 million from the 1998 base to the 2001 budget.

The second category relates to tactical goals and changing business direction. The cost of the strategic business plan's thirteen tactical goals has been added to department expenses. Items in this category include a data management system for environmental planning and evaluation.

The third category is the cost of intervening factors affecting the Division's expenses in 2001 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 pay-as-you-go and 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, 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 a nine percent decrease from the 1998 Base (unamended) Budget to 2001. The 2001 Annual Budget reflects MCES's accelerated efforts to meet the competitive challenge while fulfilling the needs of the public and region.

<b>Operating Funds:</b>	<b>1998 Actual Results</b>	<b>1998 Base Budget</b>	<b>2001 Adopted Budget</b>	<b>% Change 2001 Budget to 1998 Base</b>
<b>Revenues:</b>				
Municipal Wastewater Charges	\$140,616	\$138,375	\$119,770	(15%)
Transfer from SAC fund <sup>1</sup>	18,503	18,503	22,635	22%
Industrial Waste Charges <sup>2</sup>	7,799	9,178	6,387	(18%)
Investment Earnings <sup>3</sup>	2,825	618	1,871	(34%)
Other Miscellaneous Revenue	332	220	694	109%
Operating Transfer	299	306	299	0%
State Grants	279	0	300	8%
Designated Revenues	1,000	0	2,548	155%
<b>TOTAL REVENUES</b>	<b>\$171,653</b>	<b>\$167,200</b>	<b>\$154,504</b>	<b>(10%)</b>
<b>Expenses:</b>				
Wages and Fringe Benefits	\$54,940	\$59,895	\$52,971	(4%)
Contracted Services	5,168	6,702	5,300	3%
Materials and Supplies	4,190	4,896	4,600	10%
Insurance	917	1,394	1,203	31%
Utilities	10,916	12,345	12,000	10%
Chemicals	3,708	4,280	2,900	(22%)
Debt Service	64,259	64,360	65,444	2%
Capital	3,465	195	625	(82%)
Liability Funding <sup>4</sup>	2,300	2,300	700	(70%)
Other	2,139	2,660	771	(64%)
Allocations	11,725	11,787	11,619	(1%)
MOU/ Metro Environment Partnership/ Regional Partnership		350	2,200	628%
Voluntary Separation Program	3,400	0	0	-
Transfer to Capital Revolving	(2,866)	(3,964)	(5,729)	100%
<b>TOTAL EXPENSES</b>	<b>\$164,261</b>	<b>\$167,200</b>	<b>\$154,604</b>	<b>(6%)</b>

## Explanations for Budget Table

<sup>1</sup>Transfer from SAC fund—The 2001 SAC transfer was calculated using the budgeted flow estimate of 101.5 billion gallons as the basis for unused capacity.

<sup>2</sup>Industrial 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. Industrial users also pay municipal wastewater charges and SAC.

<sup>3</sup>Investment Earnings—MCES has been very conservative in budgeting investment earnings in recent years. The 2001 Annual Budget reflects an aggressive estimate and is based on recent rates and cash balances.

<sup>4</sup>Liability 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 2001 Annual Budget and 2001–2006 PAR represent a significant movement toward integration of MCES's 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.

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# ***Metropolitan Council 2001 Unified Budget***

## ***Transportation Division-Transportation & Transit Development Unit***

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### **ORGANIZATION**

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

Metro Transit is responsible for transit services directly provided by the Metropolitan Council.

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 transit services are administered through this unit:

- Metro Mobility/ADA
- Community-based (Rural/Small Urban programs)
- Opt-out
- Contracted Regular Route Services

### **TRANSPORTATION AND TRANSIT DEVELOPMENT**

#### **MISSION**

To plan for effective regional transportation and to provide high quality, cost-effective transportation services to support regional growth objectives, improved regional competitiveness in the global economy, and to meet the transportation needs of the region.

#### **EXPECTED RESULTS:**

- ⊞ Development of the region according to Smart Growth principles.
- ⊞ An integrated and balanced transportation system (highway, transit, airports, and non-motorized modes) that supports the efficient movement of people and goods.
- ⊞ A comprehensive transportation planning process that fosters cooperation and collaboration among federal, state, regional agencies, local government and the private sector.
- ⊞ Transportation resources allocated in a cost-effective manner to meet regional transportation system needs.
- ⊞ 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.
- ⊞ Provision of an effective and efficient regional transit system through partnerships with private contractors and other public entities.

# ***Metropolitan Council 2001 Unified Budget***

## ***Transportation Division-Transportation & Transit Development Unit***

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### **TACTICAL GOALS**

- Ensure that the activities of the transportation division are coordinated with the activities of other Council divisions to support land uses that improve the livability of communities.
- 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.
- Implement effective and efficient transit services
- Achieve the ridership goal of 6.4 million for the two-year period ending June 30, 2001 (Transportation and Transit Development's share of the 140.4 million legislative goal).

### **2001 MAJOR POLICY INITIATIVES/KEY WORK PROGRAMS**

#### Transportation and Transit Development

- ☐ Funding of and participation in the Smart Growth Twin Cities Program
- ☐ Funding for the Livable Communities Grants Program
- ☐ Staffing of the Hiawatha LRT Implementation
- ☐ Selection of next dedicated busway
- ☐ Staff support for corridor studies
- ☐ 2005-2006 CMAQ/STP solicitation
- ☐ Completion of the Travel Behavior Inventory
- ☐ Transportation System Performance Audit
- ☐ Staff support for 2001 Legislative requests

#### Metro Commuter Services

- ☐ Promotes alternative transportation to commuters.
- ☐ Encourages business to develop alternative transportation for employees
- ☐ Manages CMAQ grants supporting TMO's and TDM programs
- ☐ Shifting of budget authority from Transportation Planning and Administration to Metro Commuter Services so budget authority matches where programs are being managed.

#### Metro Mobility

- ☐ Development and implementation of new demand provider contract July 1, 2001
- ☐ Continued expanded service:
  - ☐ \$100,000 Ride assurance program
  - ☐ \$450,000 Supplemental service
- ☐ One additional FTE in Customer Service
- ☐ \$150,000 Automated Vehicle Location test

# ***Metropolitan Council 2001 Unified Budget***

## ***Transportation Division-Transportation & Transit Development Unit***

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☐ 5% increase in ridership projected for 2001, to 1,050,000 rides

### Opt Outs

- Assumes Rosemount, Plymouth, & Maple Grove will ask the Council to levy for them.
- These communities had a 17% growth in property tax revenues from 1999 to 2000 but most chose to not levy to the maximum.
- Overall, opt outs had a 12.5% ridership increase from 1998 to 1999 and is projected to continue at this pace
- Performance-based appropriation for reverse commute continues

### Rural Small Urban

- 2001 ridership projected at 525,000 rides, no increase over 2001 as there is no projected increase in the dial-a-ride fleet.
- 6% increase in provider cost
- Includes: STEP, Hopkins, Hastings, NEST, Lake Area Bus, Carver, Anoka Traveler, DARTS, HSI, Scott, Westonka, Anoka Linwood, Anoka Volunteer, Delano, Senior Transportation, and West Hennepin

### Contracted Regular Routes

- As of July 2000, ridership was 19% above Legislative goal for the biennium
- 2001 ridership growth projected at +5% (1.95 million rides)
- 6% increase in provider cost
- Recommended additional service:

#### Overloads (annualized cost)

Woodbury Express Overload	\$207,000
BE-Line Overload	\$400,000
Route 70 Overload	\$250,000

#### Service Redesign (annualized cost)

Stillwater - Minneapolis Express	\$153,000
Route 219 (Sector 2)	\$200,000

## **FINANCIAL ANALYSIS**

### **Key Revenue assumptions:**

- State appropriation
  - increase of 11% for the 2002 – 2003 biennium
  - from \$113.6 to \$126.1 million
  - these figures do not include any enhancements
- Property tax increase 7.8% from 2000 to 2001
  - assuming Council levies maximum

***Metropolitan Council 2001 Unified Budget***  
***Transportation Division-Transportation & Transit Development Unit***

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- Federal revenues remain steady
- No fare increase assumed in 2001 at this time
- A service enhancement package may be requested at the Legislature but this is not included in these budget figures

**Key Expenditure Assumptions:**

- Staff salaries & fringe at union contract rates
- Materials and supplies at inflation
- Interdivisional costs as required
- Provider contracts
  - Metro Mobility 10% increase in cost (new 4 year demand contract)
  - Regular Route 6%
  - Rural/Small Urban 6%
- Livable Communities Program - \$1.5 million
- Smart Growth Twin Cities 2001 funded

# ***Metropolitan Council 2001 Unified Budget***

## ***Transportation Division-Metro Transit***

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### **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 2001, 73 million customers will ride on Metro Transit buses. The agency's 1,600 operators and over 400 mechanics support a 1042-bus fleet serving 138 local, express and contract routes. In service to its customers, Metro Transit drives more than 100,000 miles each weekday. As the 4th largest all-bus transit system in North America, Metro Transit provides service that results in 75,000 fewer cars on Twin Cities' roadways and an 9% reduction in congestion.

In 2001, Metro Transit will continue successful programs put in place in 1998-2000 to increase transit ridership, improve transit quality, and expand transit service. Thanks to increased investment from the state legislature and the economic strength of the community, Metro Transit 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.

The Metro Transit proposed budget provides a 3.1 percent service growth, which continues a service growth trend to implement the Transit 2020 Master Plan. The service increase is not currently funded with available revenues in 2001. In addition, upward pressure on core service delivery costs such as driver labor, fuel and health care costs result in a projected operating deficit of \$14.5 million for Metro Transit. The budget proposal assumes no fare increase for 2001 and modest growth in state funding consistent with recent trends. There are a number of alternatives for the Council to consider reducing or eliminating the deficit including a request for additional state funds, a fare increase or service reductions or a combination. Budget discussions will continue through the fall. The Council's decisions on the overall strategy to balance the 2001 operating budget will be incorporated into the adopted 2001 budget.

#### ***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 Internal 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.



# ***Metropolitan Council 2001 Unified Budget***

## ***Transportation Division-Metro Transit***

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### ***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 2001 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 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 about 27% 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, Transportation Policy Plan, the 2020 Transit Master Plan, and various state legislative goals. The plans provide guidance for: transit quality, service levels, service locations, bus route financial and operational performance, fare policies, and system-wide fare recovery and transit infrastructure investment.

Metro Transit policy decisions also are affected by a competitive environment. About 15% 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 unbalanced by \$14.5 million for 2001, with spending at \$192.3 million, a 13.8% spending increase over 2000. High-level policy decisions will have to be made to allow Metro Transit to bridge this gap.

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Available operating reserves in 2001 are estimated to start at about \$9 million. The 2001 budget, and future budgets, have several areas of uncertainty and potential risk.

Areas of concern and of opportunity:

- Metro Council received its full transit operating subsidy request of \$113.6 million from the state legislature for state FY 2000-2001. However, the final \$7.4 million of this total will not be considered part of the base in calculating funding for the next biennium per legislative action.
- 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. Operating funds will also be needed to operate the increased service.
- In 2001 health provider costs may increase substantially, up to 12% and may increase again in 2002 by an additional 20%.

Metro Transit has an approximate \$107 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 2001, Metro Transit will set aside its 4th 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 1998-2001.

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**Metro Transit Sources and Uses of Operating Funds, 1998-2001**

	1998	1999	2000	2001
(All values in millions of dollars)				
	ACTUAL	ACTUAL	BUDGET	PROPOSED BUDGET
UNDESIGNATED RETAINED EARNINGS – JAN. 1	\$16.32	\$14.38	\$9.10	\$9.10
<b>SOURCES OF FUNDS:</b>				
<b>OPERATING REVENUES:</b>				
Passenger Fares	\$49.82	\$50.65	\$51.58	\$52.10
Contract Revenue [Special Fares]	\$4.77	\$5.93	\$6.68	\$6.89
Other Operating Sources	\$2.07	\$2.19	\$1.84	\$1.94
<b>TOTAL OPERATING REVENUES</b>	<b>\$56.66</b>	<b>\$58.77</b>	<b>\$60.10</b>	<b>\$60.93</b>
<b>NON-OPER SUBSIDIES AND REVENUES:</b>				
Property Taxes	\$60.35	\$63.65	\$67.52	\$72.80
State General Fund Appropriation	\$28.95	\$29.52	\$31.39	\$33.19
Federal Grants + Capital Reimbursement	\$3.57	\$6.19	\$4.06	\$5.78
Other Non-Operating Sources	\$1.33	\$67	\$5.93	\$5.09
<b>TOTAL NON-OPERATING SUBSIDIES/REVENUES</b>	<b>\$94.20</b>	<b>\$100.03</b>	<b>\$108.90</b>	<b>\$116.86</b>
<b>GRAND TOTAL OPER REV+NON-OPER REV &amp; SUBS</b>	<b>\$150.86</b>	<b>\$158.80</b>	<b>\$169.00</b>	<b>\$177.79</b>
<b>USES OF FUNDS:</b>				
<b>OPERATING EXPENSES:</b>				
Salaries and Benefits	\$117.97	\$126.88	\$131.05	\$147.80
Central Support Unit Exp. Allocation/Transfer to RA	\$7.12	\$8.65	\$7.83	\$8.52
Contractual Services	\$2.36	\$3.92	\$4.71	\$5.05
Materials and Supplies	\$15.52	\$16.10	\$16.97	\$11.62
All Other Expenses	\$9.83	\$8.53	\$8.44	\$19.24
<b>GRAND TOTAL-USES OF FUNDS [EXPENSES]</b>	<b>\$152.80</b>	<b>\$164.08</b>	<b>\$169.00</b>	<b>\$192.30</b>
<b>SURPLUS (DEFICIT)</b>	<b>(1.94)</b>	<b>(5.28)</b>	<b>-</b>	<b>(14.51)</b>
UNDESIGNATED RETAINED EARNINGS – DEC. 31	\$14.38	\$9.10	\$9.10	(\$5.41)

***Revenues***

Metro Transit's revenue budget in 2001 is \$177.8 million, up nearly \$9.0 million or 5.2% from the 2000 Budget of \$169.0 million. The three largest sources of funds include property taxes, customer fares, and state general funds. Although the rate is constant, 2001 transit operating property tax revenue will grow as a result of a strong regional economy and increased valuations. Property tax receipts will be up 7.8% or \$5.28 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 5.7% or \$1.80 million. Customer fare revenue will increase 1.0% or \$0.5 million. The last fare increase was in 1996.

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### ***Expenses***

Metro Transit's expense budget in 2001 is \$192.3 million, up \$23.3 million or 13.8% from the 2000 Budget of \$169.0 million. The largest expense increase is in Bus Operator Labor. The tight job market in the Twin Cities has made it more difficult to attract and retain qualified candidates. This has resulted in a part-time bus operator shortage and a greater need for overtime. Higher diesel fuel prices will cost Metro Transit \$2.0 million more than was budgeted in 2000. Capital-funded activities plus entrepreneurial initiatives add \$3.8 million, offset by matching revenues. Expanded service, new positions without offsetting revenues, and increases in all other expense categories account for the remaining \$0.7 million increase.

### ***Personnel***

Full-time equivalent positions included in the preliminary 2001 budget are:

Bus Operators	1,591.94
Mechanics: vehicle & facilities	529.56
Supervisory & Professional	316.64
Clerical	234.74
<u>Part-time Police Patrol</u>	<u>30.0</u>
Total FTEs	2,702.89

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 2001**

### ***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 achieved 132.4 million rides, the largest ridership increase in 20 years. For the current biennium, July 1, 1999 through June 30, 2001, Metro Transit has committed to achieving 138 million rides, a 10.4% increase over the last goal. Metro Transit's proposed 2001 budget provides a 3.1 % service growth, which continues a service growth trend to implement the Transit 2020 Master Plan. Metro Transit's success in increasing ridership has come from a focus on the transit customer. The agency has acted to attract more new customers and to retain and better satisfy existing customers. Key actions include 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. Initially, the program is revenue neutral to Metro Transit. However, the long-term goal of this program is to encourage additional new

## ***Metropolitan Council 2001 Unified Budget***

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riders and to grow passenger revenues. As of September 2000, 34 companies are enrolled; employees of these companies account for 13,000 rides per weekday and over 275,000 per month.

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 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.

In September 2000, a two year U-Pass Transit Program began with the University of Minnesota. The U-Pass program is a deeply discounted bus pass that offers students unlimited rides on all metro area bus service for \$50 per semester. The goal is to increase transit use at the university by 40% over the 2-year project. The University has contracted with Metro Transit to compensate Metro Transit for any decrease in passenger revenues and for additional service.

Metro Transit is one of many partners providing service between June 2000 and June 2001 as part of the federal TEA-21 Jobs Access and Reverse Commute grant. This transit service is designed to serve Welfare to Work clients, low-income residents and MFIP clients to jobs. Metro Transit’s Job Access service includes extending hours of regular route service to provide earlier morning, later night, and all night trips on weekdays and weekends; reverse commute service for workers going to 2<sup>nd</sup> and 3<sup>rd</sup> shifts in employment concentrations in Anoka, Bloomington, Minnetonka and Roseville; and new cross-town service connecting workers to jobs along I-494 in Bloomington, Richfield and Edina.

#### **CMAQ Grants For 2001:**

- **Sector 1 and 2 Transit Service Expansion:** This is a three year service expansion starting in March 2001, to run concurrent with Phase II NE Metro Service Restructuring. The transit plan proposes a significant restructured route network with key service strategies including a major improvement in the local grid regular route network, expanded peak-only commuter express service tied to expanded Park and Ride facilities in three congested highway corridors, improved reverse commute transit service and introduction of “flex” routes. This grant provides for operating costs and marketing of expanded service and benefits 31 cities within the NE Metro (Sectors 1 & 2).

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- **Sector 7 West Metro Suburban Transit Service Expansion:** This is a three year service expansion starting in March 2001, to run concurrent with the Hopkins-Minnetonka-St. Louis Park Service Restructuring. The transit restructuring plan focuses on improving suburb-to-suburb travel opportunities, improving reverse commute service to employment centers within the sub-region, adding commuter express trips, adding midday express service and improving transit facilities. This grant provides for operating costs and marketing of expanded service.
- **Woodbury Park and Ride Transit Service Expansion:** This is a three year service expansion starting in March 2001. This expanded service will more than double the current level of weekday express bus service between the Woodbury park and ride to downtown Minneapolis. Communities which will benefit from this service will include Woodbury, Oakdale, Lake Elmo, Stillwater, Cottage Grove and Eastern Wisconsin. This grant provides for operating costs and marketing of expanded service.

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.

Special Service:

- Metro Transit provides express service to the State Fair mainly from shopping malls and park-ride lots and provides shuttle service from various locations. The service provides more than 830,000 State Fair rides, bringing 1/4<sup>th</sup> of all patrons to the State Fair.
- Metro Transit also contracts to provide rides for the Minneapolis Public Schools and at the International Airport.

As a result of these and other initiatives, Metro Transit expects to achieve over 73 million rides in 2001 with a 3.1% increase in service growth.

#### ***Hiawatha Corridor Light Rail Transit Project—On Track***

Metro Council will be securing a Full Funding Grant Agreement from the Federal Transit Administration to provide \$334 million for construction of the Hiawatha Light Rail Project at the end of 2000. Local match funding in the amount of \$291 million has been committed from local funding partners State of Minnesota, Metropolitan Airports Commission and the Hennepin County Regional Rail Authority (HCRRA).

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 have been recently added and will

## ***Metropolitan Council 2001 Unified Budget***

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be paid for from the rail project. One entrepreneurial position was added, funded by Ramsey County, to help coordinate transitway 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.

#### ***Fleet***

Eighty standard 40-foot coaches will arrive in 2001 as Metro Transit retires its older buses. Metro Transit has diversified its fleet mix recently with the addition of over-the-road coaches and small buses. Metro Transit also will introduce hybrid 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 2003.

Metro Transit will continue its mid-life repainting program. At the cost of \$8,500 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 was constructing a replacement for the 93-year-old Snelling Garage to serve the transit needs of St. Paul and its suburbs. East Metro Garage operations will begin in fall 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 2001 budget reflects the capital funds to cover these positions and paying Environmental Services for their use.

#### ***Summary***

Metro Transit proposes an aggressive FY 2001 operating budget to continue on a path of gradual service growth to ultimately achieve the Transit 2020 Master Plan goal of doubling the capacity of the system by 2020. The budget plan as proposed projects an operating deficit of \$14.5 million. Fully funding this plan is heavily dependent upon state legislative funding in a minimum amount of \$153.6 million for Metro Council Transit Services. Absent this level of funding, a fare increase and/or service reductions will result in Fourth Quarter 2001.

## **COMMUNITY DEVELOPMENT DIVISION**

- Mission** To provide high quality, coordinated planning of regional growth and redevelopment; identify and analyze strategic regional issues; provide leadership in facilitating community collaboration; and deliver assisted housing.
- 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**
- Lead the Smart Growth Twin Cities project
  - Review comprehensive plans and amendments; create and implement a plan monitoring system for 12 cities.
  - Continue to strengthen relationships with local governments.
  - Implement *Regional Blueprint* and growth strategy.
  - Implement sixth year of Livable Communities Act.
  - Make GIS technology and products available in support of the Smart Growth Twin Cities project and Council users.
  - Act on recommendations set forth in the MetroGIS Business Plan.
  - Begin distribution and analysis of 2000 census results.
  - Implement Family Affordable Housing Program.
  - Assist the Council with its review/revision of regional policy plans.



# ***Metropolitan Council 2001 Unified Budget***

## ***Community Development Division***

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### **ORGANIZATION**

The Community Development Division is one of four divisions of the Metropolitan Council. It has primary responsibility for development and implementation of the Council's *Regional Blueprint* and Growth Strategy as well as housing and redevelopment activities. The division is organized into two departments—the Planning and Growth Management Department, which includes comprehensive planning, research, geographic information systems and parks—and the Housing and Livable Communities Department, which includes the housing and redevelopment authority, livable communities and metropolitan radio system.

In 2001 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*, as part of the Smart Growth Twin Cities project. Based on an analysis of the outcomes of the completed comprehensive plan review process and resulting revised *Regional Growth Strategy Map*, the division will implement a plan and work program for revising the *Regional Blueprint* and Growth Strategy. The division will also assist other divisions with review and revision of their respective system plans.

Another key focus of the division will be to continue working with local units of government on *Blueprint* implementation strategies particularly promoting compact and efficient development in the growing suburbs, redevelopment in the mature parts of the region, and the preservation of agricultural/open space lands and significant resources in rural areas. This local assistance will include efforts to plan and implement, compact and efficient mixed use development near and around transit stops.

Division staff will play the lead role in carrying out the Smart Growth Twin Cities project begun in mid-2000. This two-and-a-half year major interdivisional project is aimed at demonstrating what Smart Growth looks like on the ground in Twin Cities' communities. Also, it is aimed at implementing a regional growth management strategy that links land use, transportation, and natural resources planning. The project is designed to provide Smart Growth tools and support so that cities can build communities where people want to live, work, raise a family, and do business. It is also designed to build support among the public and decision-makers for regional problem-solving approaches to growth management challenges. Smart Growth Twin Cities will promote compact growth and development patterns, efficient use of transportation and sewer facilities and services, and preservation of open space and natural resources. Residents will be asked to help shape their cities' future through subregional and local workshops, visual preference surveys, and interactive websites. The two-and-a-half-year project will be completed in three tracks: Track one—review and compile local comprehensive plans as a basis for evaluating land use options. Track two—conduct workshops focusing on six to eight subregions to develop scenarios that better integrate land use, transportation, and natural resources. Track three—work with four local governments to prepare detailed urban design plans for Smart Growth opportunity sites.

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To successfully implement the above strategies and to enhance its technical assistance, education and outreach activities, the Council will rely on our sector representatives.

Housing activities will take on increased importance in 2001 in a variety of ways. Metro HRA will continue to provide state and federal rental assistance on behalf of cities to low income seniors, disabled individuals and families and move forward vigorously to implement the Family Affordable Housing Program, which provides for the development of up to 300 replacement and incentive units in the suburbs. Promotion of construction and preservation of affordable and life-cycle housing will also be accomplished through Council policy, review of local comprehensive plans, and the linkage and alignment of the LCA with other incentive programs.

Additional work will include identifying implementation measures, including needed legislation, to protect farmland in the region. Consistent with the Council's previous direction to take more initiative in establishing working relationships with adjacent counties and regions based on voluntary coordination and cooperation on projects of common interest, the division will also develop a plan and program for building formal planning relationships with adjacent counties experiencing high growth.

In 2001, the Council will begin a multi-year process of distributing and analyzing data from the 2000 Census. Early releases from the Census Bureau will be used for redistricting, analysis of the Council's forecasts, and provide basic counts to communities in the region. Late in the year, analysis of how the region has changed since 1990 should be possible. In 2002 and 2003, more in-depth analysis of migration trends, poverty and income trends will be undertaken.

GIS products and new data sets will be needed to support modeling and workshop activities of the Smart Growth Twin Cities project. GIS will work with a consultant to model land use scenarios and provide map products for use in workshops and public presentations. Data to be completed in 2001 include integrated bus stop and route data and transportation modeling and GIS data connections.

GIS will provide early maps of the 2000 census data as it becomes available. GIS will also organize the spatial components of the census data for detailed analysis and use by the Council and regional users. The 2000 land use interpretation will also be conducted during 2001.

MetroGIS will implement a business plan and will continue to share GIS data development and services among its stakeholders. Furthermore, MetroGIS will seek to modify data practices laws that are obstacles to widespread data sharing, continue to improve access to commonly needed GIS data, continue to develop regional GIS datasets, and document the benefits of sharing GIS data.

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In 2001 the parks program will adopt an amendment to the parks policy plan based on analysis and recommendations of the 1998-99 parks research project and policy analysis conducted in the year 2000. The parks program will also adopt a 2002-2007 regional park capital improvement program, grant state appropriations plus Council bonds for capital improvements to park agencies from the 2000-01 portion of the capital improvement plan, and review and approve master plans and amendments.

Finally in 2001, it is anticipated that construction of the metropolitan radio system's backbone will be completed and tested with the system fully operational in early 2002.

#### **FINANCIAL ANALYSIS**

The Community Development Division's operating expenditures and pass-through grants total \$67.3 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. The Council received a \$250,000 McKnight grant to support the public outreach and involvement aspects of the Smart Growth Twin Cities project with the prospect of additional grants if the early phases are successfully completed. 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 \$57.6 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 2001 budget assumes 87 staff full-time equivalents.

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

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- 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 2001 total \$11,675,781. Grant expenditures for 2001 are expected to total \$16,886,287, which includes \$6,360,174 under the Tax Base Revitalization Account, \$6,546,553 under the Livable Communities Demonstration Account, \$1,979,560 under the Local Housing Initiatives Program, and \$2,000,000 under the Inclusionary Housing Account.

### **KEY 2001 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, and, increasingly, with adjacent high growth counties.
- 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.
- Developing and operating affordable housing within our jurisdiction through the Family Affordable Housing Program.
- Lead Smart Growth Twin Cities

Specific work program objectives for 2001 are:

#### **1. Identify and analyze strategic regional issues:**

##### **A. Policy research and analysis:**

- Census 2000 analysis--summary products for distribution; comparisons to 1990; evaluation of Council forecasts; community profiles.
- Provide research support for Calthorpe Study and *Blueprint Update*.
- Continue to support the Council's review and analysis of policies for the rural areas of the region.

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## ***Community Development Division***

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### **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.
- 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.

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

- Support Smart Growth Twin Cities project
  - Complete bus routes and stops data integration
  - Connect transportation model and GIS
  - Support Smart Growth Twin Cities process with GIS data and products
- 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:
  - Begin 2000 Land Use Interpretation.
  - Provide GIS support for 2000 census data releases and research activities.
  - Make GIS more accessible through the use of Arc View and the internet.

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### **2. Implement *Metro 2040 Regional Growth Strategy***

- Continue leading the Smart Growth Twin Cities project as a key demonstration of what Smart Growth looks like on the ground in actual Twin Cities communities and as a way to support local Smart Growth actions.
- Consider the implications for the *Regional Growth Strategy* of collective results of the completion of the local comprehensive planning process.
- 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 land use and transportation planning-projects in areas adjacent to TCMA.
- Possible legislation to strengthen the protection and preservation of the region's agricultural lands.
- Participate in Hiawatha LRT Corridor Land Use Committee.
- Participate in Minnesota Smart Growth network.
- Continue to partner with MN Dept. of Agriculture to examine programs to preserve agriculture.

### **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.

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- 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.
- Assist local units of government with the development of local ordinances and official controls to incorporate Smart Growth Principles in the implementation of local comprehensive plans.

### **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 Family Affordable Housing Program.
- 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.

## ***Metropolitan Council 2001 Unified Budget Community Development Division***

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- 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.
      - Implement parcel data distribution procedures.
  - C. Lake Minnetonka project
    - Develop cooperative service sharing arrangements in the metropolitan area.

### **BUDGET COMPARISON OF 1999 ACTUAL, 2000 BUDGET AND 2001 PROPOSED**

In 1999, the staff full-time equivalent total for the division was 84. In 2000, the amended FTE total was 86 and in 2001 the FTE total is 87. The budget for direct division operating expenditures in 1998 was \$9.8 million. The division budget decreased to \$7.9 million in 1999 and increased to \$9.7 million in 2000. The 2001 budget for direct division operating expenditures is \$9.7 million. The year-to-year changes in the division's budgets for direct operating expenditures is primarily due to changes in the level of consultant and contractual services expenditures in the budget.



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***Metropolitan Council 2001 Unified Budget***  
***Regional Administration***

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**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.
- Integrated stakeholder and public involvement in regional decision making.

**TACTICAL  
GOALS**

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

## ***Metropolitan Council 2001 Unified Budget***

### ***Regional Administration***

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#### 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
- Community Relations
- Diversity
- Human Resources
- Intergovernmental Relations
- Communications, Data Center and Library
- Fiscal Services
- Information Services
- Central Services (office facilities, printing & copying, mail)
- Risk Management
- Budget and Evaluation

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, Metro Transit houses and manages Human Resources 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,

## ***Metropolitan Council 2001 Unified Budget***

### ***Regional Administration***

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2) development of Council-wide standards for desk top computer programs, and 3) centralized implementation of intranet capabilities.

#### 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.
- Implement PeopleSoft version 8.0 to keep system current. Determine functionality to be implemented to increase productivity and improve service to customers.
- Assist in preparation of needs assessment for payroll (HRIS) system.
- Evaluate process and system improvement possibilities in AR, AP and Payroll.
- Implement new AR/Billing functionality to improve service to customers and make processes more effective.
- Identify areas where increased use of ACH and other EDI capabilities will assist in the future.
- Work with operating units to provide meaningful training to managers in the use of the PeopleSoft system.

- Human Resources

- Strengthen partnership with Senior Management in all divisions to identify and address most critical issues of organizational effectiveness.
- Implement alternative dispute resolution systems for the agency.
- Design and deliver a comprehensive management development program for the agency.
- Assist with preparation of needs assessment of an integrated human resources information system (HRIS).
- Develop salary policy for consideration by Executive Management and Council.
- Provide leadership in planning and developing strategies for recruitment and retention.
- Manage renewal and/or changes in benefit plan designs and benefits providers.
- Increased involvement of Labor-Management Committees.
- Negotiate labor agreements, which support the business objectives of the agency.

- Information Systems

- Leadership in providing customer driven technology solutions to support the mission of our customers.
- Provide common data communications systems maintained throughout the organization.
- Provide leadership in the efforts of all divisions to fully utilize the capabilities of all information systems.
- Implement PeopleSoft version 8.0 to keep system current.
- Assist with preparation of needs assessment of an integrated human resources information system.

## ***Metropolitan Council 2001 Unified Budget Regional Administration***

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- Support Smart Growth efforts by providing appropriate technology tools.
- Support Affordable Housing efforts by providing appropriate technology tools and systems.
- Implement the 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

- Smart Growth: Build public support for more compact development and transit oriented design.
- Smart Growth Twin Cities: Increase public awareness and expand public involvement in urban design and development initiative.
- Affordable Housing: Build community understanding of role of affordable housing in supporting jobs and local businesses, and meeting the changing housing needs of local residents.
- Light Rail Transit: Ensure public awareness of the interconnection of a bus and light rail public transit system and its importance in maintaining the region's competitiveness and quality of life.

- 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.
- Improve transactional documentation process through increased client contact and timely document production.
- Increase productivity through the use of appropriate cutting-edge research and document production tools.
- Design and implement effective communication links with clients.
- Facilitation and encouragement of preventive legal services practices throughout the organization.

- 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.

## ***Metropolitan Council 2001 Unified Budget***

### ***Regional Administration***

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- 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.
- Establish operations disaster recovery program.
- Develop and implement standardized measurements and benchmarks to assess performance.

- Diversity

- To achieve all of the Office of Diversity and Equal Opportunity performance objectives.
- To enhance the Council's reputation regarding diversity and equal opportunity.
- To revitalize and utilize the Diversity Committee to achieve established tactical goals.
- To deliver sexual harassment training to all Council managers in 2001.

- Internal Audit

- Develop and execute a comprehensive Annual Audit Plan identifying activities to be audited through the use of a risk assessment ranking system.
- Conduct special audits and/or investigations at the request of the 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.
- Utilize technology and audit software in auditing new computer systems in order to maximize auditing effectiveness.
- Assess control adequacy of current systems and new systems through on-going audits and reviews.
- Design and implement audit programs to verify and to assist operating management to comply with laws and regulations for new projects such as the Light Rail Transit project.

### Financial Analysis

Total proposed 2001 expenditures for Regional Administration are \$26,057,143 of which \$20,765,367 is allocated to business units under cost allocation procedures. Cost allocation includes \$13,299,898 for services directly provided to and paid by the operating divisions; and \$7,465,468 is allocated as residual charges (indirect charges) to line units under cost allocation and federal A-87 guidelines.

***Metropolitan Council 2001 Unified Budget***  
***Regional Administration***

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2001 department and subunit expenditure budgets within Regional Administration are:

Legal Office	\$2,074,122
Internal Audit	567,587
Community Relations	527,512
Diversity	678,512
Human Resources	2,678,138
Communications	1,764,816
Library	185,988
Fiscal Services	2,171,608
Information Services	10,913,363
Central Services	1,745,582
Risk Management	1,169,498
Budget & Evaluation	294,351
Intergovernmental Relations	237,687
Council & Office of the Chair	684,576
Office of the Regional Administrator	363,803
Total	\$26,057,143

Budget Comparison of 2000 Budget and 2001

The Regional Administration budget increases 5.7 percent in 2001. Salary and benefit expenses increase in 2001 primarily due to annual salary reviews and additional staff for the Community Relations effort. Consultant and contractual services costs increase \$25,973. Rent and utilities costs increase \$216,685. Other Direct Expenses increase \$351,019.

<u>Expenditures</u>	<u>2000 Budget</u>	<u>2001 Budget</u>
	Adopted	Adopted
Salaries & Benefits	\$ 14,214,788	\$ 15,026,948
Consultants	712,100	1,044,380
Contractual Services	5,180,521	4,874,214
Rent & Utilities	1,615,269	1,831,954
Other Direct Expenses	2,895,713	3,246,732
Insurance	32,915	32,915
Total	\$ 24,651,306	\$ 26,057,143
Capital Expenditures	\$ 1,409,400	\$ 1,703,000

## ***Metropolitan Council 2001 Unified Budget Budget Process***

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The Metropolitan Council proposed budget for 2001 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 2001-2006 was also prepared in 2000, and it includes major facilities primarily financed by means of long term debt.

The fiscal policies guiding development of the 2001 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 Council's budget addresses the charge given to the agency by the Ventura Administration's Big Plan – which is to create healthy, vital communities by focusing the work of the Council on the Governor's Smart Growth Initiative. The Governor's Smart Growth Initiative in conjunction with the Council's Implementing Strategies and the Metropolitan Development Guide, composed of the Regional Blueprint and Policy Plans and Statements, provide the overall vision and mission of the agency, and guide the development of the 2001 work program. Each of the individual operating divisions develops its own mission based upon the Council's Implementing Strategies and the needs of the customer, client or stakeholder served.

Each of the Council's divisions has unique revenue sources that are based upon specific client relationships. For example, in the Environmental Services Division municipal customers pay for the level of service based on the actual wastewater flow. The unit cost of the service is the same for all users. Cities, in turn, collect fees for the volume of wastewater collected and treated from residential, commercial and industrial customers. In the Metropolitan 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 2000, the Council's operating divisions made presentations and held meetings with their constituent groups and stakeholders to receive comments on their portion of the Council's budget. During March and April operating divisions reviewed and discussed goals and strategies with their respective Council committee. State legislation enacted in 2000 was critical to determining the level of funding for transit operations.

Proposed 2001 division budgets were reviewed with the Regional Administrator's Office in the second quarter 2000. 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



## ***Metropolitan Council 2001 Unified Budget Budget Process***

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budget. In August, the Council was presented the proposed unified budget for consideration and discussion.

The Environmental Services Division budget determines municipal wastewater charges for cities in the region for the upcoming year. Public meetings on the proposed Environmental Division budget are held prior to adoption of the proposed budget so that communities and other clients have the opportunity to comment on the budget and proposed municipal wastewater charges.

In August, the Council approved the 2001 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 2001 budget is published.

Under the State Truth in Taxation legislation the Council held a public hearing on the budget and property tax levies on Wednesday December 6. The public hearing was held in conjunction with the Metropolitan Mosquito Control Commission. Adoption of the 2001 final budget and levies occurred on December 20, 2000.

### **Budget Revisions**

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

# ***Metropolitan Council 2001 Unified Budget***

## ***Budget Process***

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### **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**

The 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 are budgeted to equal annual expenditures.

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 federally mandated uniform chart of accounts for transit agencies. Metro Transit budgets in two major

## ***Metropolitan Council 2001 Unified Budget Budget Process***

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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, and for 2001-2006. The CIP and Annual Capital Budget includes major asset purchases 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.

The CIP and annual Capital Budget document presents 1) a unified 2001-2006 capital improvement program which details capital investments and financing; 2) a fiscal impact assessment which considers 2001-2006 capital investments and financing within the context of the region's ability to pay; and 3) a unified 2001 capital program and budget with new multi-year capital program authorizations and 2001 capital expenditures.

## ***Metropolitan Council 2001 Unified Budget Budget Process***

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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 September. Council committees review proposed capital programs and provide policy direction throughout the fall. The proposed unified 2001-2006 CIP and 2001 capital program and budget was developed by the Regional Administrator's Office and presented to the Council in October. The public hearing on the proposed CIP and budget was held on December 13, 2000, and final adoption was scheduled for December 20, 2000.

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

	1997 Actual	1998 Actual	1999 Actual	2000 Revised	2001 Proposed
<b>Passthrough Grant Programs:</b>					
<b>Passthrough Grant Revenues:</b>					
Property Taxes:					
Livable Communities Program	10,410,522	9,162,724	9,013,651	9,870,100	10,337,800
Highway Right-of Way Loan Program	-	1,742,083	1,759,897	901,800	899,500
Subtotal-Property Taxes	10,410,522	10,904,807	10,773,548	10,771,900	11,237,300
Federal:					
HUD Housing Assistance	24,112,878	26,098,900	25,383,789	25,876,900	27,695,500
National Park Service-MNRRRA	220,627	50,045	-	-	-
Subtotal-Federal	24,333,505	26,148,945	25,383,789	25,876,900	27,695,500
State:					
HACA Payments (Livable Communities)	1,523,091	981,767	1,098,445	1,095,800	1,095,800
HACA Payments (Highway Right-of-Way)	-	394,621	392,137	223,500	225,500
Inclusionary Housing Appropriation	-	-	4,000,000	-	-
MHFA Housing Assistance	1,282,621	1,658,300	1,466,540	1,552,400	2,194,400
Transit Appropriation-Welfare to Work	-	1,500,000	500,000	-	-
Parks O&M Appropriation	3,000,000	3,000,000	4,500,000	7,268,500	10,037,000
MPCA Stream Monitoring	117,315	-	-	-	-
Subtotal-State	5,923,027	7,534,688	11,957,122	10,140,200	13,552,700
Local/Other Intergovernmental - HRA	562,828	467,200	592,780	574,900	785,000
Interest Income - Livable Communities	672,414	1,161,326	487,869	600,000	-
Interest Income - Highway Right-of-Way Loan Program	379,577	443,783	143,923	222,000	283,000
Interest Income - Planning Assistance Loan Program	39,654	50,687	13,162	51,000	51,000
Interest Income - Planning Assistance Grant Program	42,104	-	-	-	-
Other Revenue - TCWQI	-	-	-	-	-
Total Current Revenues	42,363,631	46,711,436	49,352,193	48,236,900	53,604,500
Other Sources:					
Transfer to Metro HRA from Gen Fund	-	-	-	-	-
Transfer to Livable Comm from Solid Waste Cap	-	-	-	-	-
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	93,720	92,580	-
Transfer to Transit for Livable Comm from T&TD Adm	-	-	-	1,500,000	1,500,000
Total Other Sources	1,185,160	1,092,580	1,093,720	2,592,580	2,500,000
Total Revenues and Other Sources	43,548,791	47,804,016	50,445,913	50,829,480	56,104,500
<b>Passthrough Grant Expenditures:</b>					
Housing Grants	25,958,327	28,224,400	27,443,109	28,004,200	30,674,900
Parks O&M Grants	3,000,000	3,000,000	4,500,000	7,268,500	10,037,000
Livable Communities Grants	6,500,358	7,944,825	9,559,715	15,859,968	16,886,287
Planning Assistance Grants	544,338	305,742	64,151	84,203	20,570
MNRRRA Planning Grants	220,627	50,045	-	-	-
Subtotal-Community Development	36,223,650	39,525,012	41,566,975	51,216,871	57,618,757

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

	<b>1997 Actual</b>	<b>1998 Actual</b>	<b>1999 Actual</b>	<b>2000 Revised</b>	<b>2001 Proposed</b>
Transportation:					
Highway Right-of-Way Loans	-	-	-	-	-
Welfare to Work Grants	-	1,500,000	500,000	-	-
Transit for Livable Communities Grants	-	-	-	1,500,000	1,500,000
Subtotal-Transportation	-	1,500,000	500,000	1,500,000	1,500,000
Environmental Services:					
Stream Monitoring Grants	117,315	-	-	-	-
Subtotal-Environmental Services	117,315	-	-	-	-
Total Grant Expenditures	36,340,965	41,025,012	42,066,975	52,716,871	59,118,757
Revenues/Other Sources Over/(Under)	7,207,826	6,779,004	8,378,938	(1,887,391)	(3,014,257)
Expenditures/Other Uses					
Changes in Fund Balance by Program:					
Metro HRA	-	-	-	-	-
Parks O&M	-	-	-	-	-
Planning Assistance	537,420	(255,055)	(50,989)	(33,203)	30,430
Livable Communities	6,105,669	4,360,992	6,040,250	(3,294,068)	(4,452,687)
Highway Right-of-Way	564,737	2,673,067	2,389,677	1,439,880	1,408,000
Welfare-to-Work	-	-	-	-	-
Stream Monitoring	-	-	-	-	-
Total	7,207,826	6,779,004	8,378,938	(1,887,391)	(3,014,257)

Revenues and expenditures reflected in passthrough section of consolidated reports

**Environmental Services Grant Programs:**

Revenues and Other Sources					
Interest Income - TC Water Quality Initiatives	38,074	7,726	12,950	8,000	-
Interest Income - Metro Envir Partnership	-	-	-	40,000	-
Transfer to TCWQI from Envir Serv	-	2,200,000	(128,917)	992,000	1,000,000
Transfer to Metro Environ Partnership from Envir Serv	-	-	-	460,000	1,000,000
Total Revenues and Other Sources	38,074	2,207,726	(115,967)	1,500,000	2,000,000
Expenditures					
Twin Cities Water Quality Initiative Grants	899,168	1,368,547	938,250	1,000,000	1,000,000
Metro Environmental Partnership Grants	-	-	-	500,000	1,000,000
Total Expenditures	899,168	1,368,547	938,250	1,500,000	2,000,000
Revenues/Other Sources Over?(Under)	(861,094)	839,179	(1,054,217)	-	-
Expenditures/Other Uses					

Revenues and expenditures reflected in Environmental Services operations budget section of consolidated reports.

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

	1997 Actual	1998 Actual	1999 Actual	2000 Revised	2001 Proposed
<b>Highway Right-of-Way Loan Program:</b>					
Certified Levy	-	2,142,932	2,159,302	1,142,446	1,142,446
Less: Uncollectible	-	6,228	8,662	17,146	17,446
Net Current Tax Receipts	-	2,136,704	2,150,640	1,125,300	1,125,000
Revenues:					
Property Taxes	-	1,742,083	1,759,897	901,800	899,500
State HACA Payments	-	394,621	390,743	223,500	225,500
Interest Income	379,577	443,783	143,923	222,000	283,000
Other Revenues	1,150	1,150	1,140	-	-
Total Revenues	380,727	2,581,637	2,295,703	1,347,300	1,408,000
Grant Expenditures/Loan Forgiveness	-	92,402	61,083	-	-
Expenditures/Other Uses:	-	92,402	61,083	-	-
Revenues Over/(Under) Expenditures	380,727	2,489,235	2,234,620	1,347,300	1,408,000
Other Sources(Uses)					
Transfers From/(To) Other Funds	185,160	92,580	92,580	92,580	-
Revenues/Other Sources Over/(Under) Expenditures/Other Uses	565,887	2,581,815	2,327,200	1,439,880	1,408,000
Fund Balance, Year End	18,651,879	21,233,694	23,560,894	25,000,774	26,408,774
Loan Activity:					
Loan Repayments	(1,562,573)	-	(435,448)	-	(9,494,274)
New Loans	4,399,303	532,215	2,304,607	7,700,000	2,000,000
Loans Outstanding, Year End	13,692,414	14,224,629	16,093,788	23,793,788	16,299,514
Funds Available for Loans, Year End	4,959,465	7,009,065	7,467,106	1,206,986	10,109,260



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

	<b>1997 Actual</b>	<b>1998 Actual</b>	<b>1999 Actual</b>	<b>2000 Revised</b>	<b>2001 Proposed</b>
<b>Planning Assistance Grant/Loan Program:</b>					
Revenues:					
Interest Income - Grant Program	42,104	-	-	-	-
Interest Income - Loan Program	39,654	50,687	13,162	51,000	51,000
Other Revenues	-	-	-	-	-
Total Revenues	81,758	50,687	13,162	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	13,162	51,000	51,000
Expenditures:					
Grant Expenditures	544,338	305,742	64,151	84,203	20,570
Other Expenditures	-	-	-	-	-
Total Expenditures	544,338	305,742	64,151	84,203	20,570
Revenues/Other Sources Over/(Under)	938,055	(255,055)	(50,989)	(33,203)	30,430
Expenditures/Other Uses					
Fund Balance:					
Designated for Future Grants	354,363	120,361	104,773	20,570	-
Undesignated (Available for Grants)	118,747	47,007	15,607	15,607	15,607
Undesignated (Available for Loans)	1,010,447	1,061,134	1,057,133	1,108,133	1,243,336
Loan Activity:					
Loan Repayments	(78,876)	(69,876)	(141,531)	(47,843)	(87,867)
New Loans	37,140	151,980	-	80,000	80,000
Loans Outstanding, Year End	168,437	250,541	109,010	141,167	133,300
Funds Available for Loans, Year End	842,010	810,593	948,123	915,966	1,110,036

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

	<b>1997 Actual</b>	<b>1998 Actual</b>	<b>1999 Actual</b>	<b>2000 Revised</b>	<b>2001 Proposed</b>
<b>Livable Communities Grant/Loan Program:</b>					
Certified Levy	11,964,813	10,282,450	10,116,080	11,132,936	11,531,577
Less: Uncollectible	31,200	137,959	3,984	167,036	97,977
Net Current Tax Receipts	11,933,613	10,144,491	10,112,096	10,965,900	11,433,600
Revenues:					
Property Taxes	10,410,522	9,162,724	9,013,651	9,870,100	10,337,800
State HACA Payments	1,523,091	981,767	1,098,445	1,095,800	1,095,800
State Appropriation	-	-	4,000,000	-	-
Interest Income	672,414	1,161,326	270,822	600,000	-
Other Revenues	-	4,954	7,286	-	-
Total Revenues	12,606,027	11,310,771	14,390,204	11,565,900	11,433,600
Other Sources:					
Transfer from Solid Waste Capital Project Fund	-	-	-	-	-
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	12,310,771	15,390,204	12,565,900	12,433,600
Expenditures:					
Grant Expenditures	6,500,358	7,944,825	9,559,715	15,859,968	16,886,287
Other Expenditures	-	-	-	-	-
Total Expenditures	6,500,358	7,944,825	9,559,715	15,859,968	16,886,287
Revenues/Other Sources Over/(Under)	6,105,669	4,365,946	5,830,489	(3,294,068)	(4,452,687)
Expenditures/Other Uses					
Grant Expenditures by Category:					
Tax Base Revitalization Account	4,142,298	6,140,021	5,380,126	6,519,585	6,360,174
Livable Communities Demonstration Acct	1,608,061	979,804	2,894,189	6,512,343	6,546,553
Local Housing Initiatives Program	750,000	825,000	1,285,000	1,828,040	1,979,560
Inclusionary Housing Account	-	-	-	1,000,000	2,000,000
Total Grant Expenditures	6,500,359	7,944,825	9,559,315	15,859,968	16,886,287
Grant Awards by Category:					
Tax Base Revitalization Account	8,005,091	5,461,765	6,184,048	5,192,600	5,000,000
Livable Communities Demonstration Acct	3,980,350	4,950,000	5,817,317	5,740,600	5,933,600
Local Housing Initiatives Program	625,000	1,200,000	635,000	1,632,600	1,500,000
Inclusionary Housing Account	-	-	348,054	3,651,946	-
Total Grant Awards	12,610,441	11,611,765	12,984,419	16,217,746	12,433,600

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

	2001 Projected	2002 Projected	2003 Projected	2004 Projected	2005 Projected
<b>SOURCES OF FUNDS</b>					
Environmental Sewer Service Fees	\$1,059,870	\$589,150	\$438,400	\$487,800	\$536,300
Transportation Current Operating Revenues	\$122,604	\$30,000	\$6,000	\$30,000	\$6,000
* Regional Administration User Charges	\$489,274	\$484,350	\$709,600	\$513,200	\$614,700
HRA Fund	\$31,252				
General Fund Revenue					
<b>Total Sources of Capital Funds</b>	<b>\$1,703,000</b>	<b>\$1,103,500</b>	<b>\$1,154,000</b>	<b>\$1,031,000</b>	<b>\$1,157,000</b>
<b>CAPITAL OUTLAYS-BY CATEGORY</b>					
<b>CENTRAL SERVICES</b>					
MEARS PARK FURNITURE & EQUIPMENT	\$115,900	\$130,500	\$128,000	\$126,000	\$121,000
Less: Mces portion	(\$34,770)	(\$39,150)	(\$38,400)	(\$37,800)	(\$36,300)
-Other	\$81,130	\$91,350	\$89,600	\$88,200	\$84,700
<b>INFORMATION SERVICES</b>					
<b>COMMUNITY DEVELOPMENT</b>					
GIS Plotter		\$20,000			
GIS Fleet Management of Computers	\$24,000	\$25,000	\$25,000	\$25,000	\$25,000
GIS Disk Storage 2000 Imagery					
GIS Data Server Replacement	\$50,000				
InMagic & Regional Constituency software	\$5,000				
<b>REGIONAL ADMINISTRATION</b>					
HRIS System Replacement Allocation from Corp.					
PeopleSoft upgrade	\$43,000				
Telephone system upgrades	\$75,000	\$50,000		\$50,000	
Staff Telecommuting		\$50,000	\$100,000	\$50,000	\$100,000
Network Improvements	\$50,000		\$100,000		\$100,000
NT Server Upgrade	\$50,000		\$50,000		
Intranet Implementation for the Council	\$40,000				
Capital Equipment (includes helpdesk software)	\$93,500	\$200,000	\$300,000	\$250,000	\$250,000
-Other	\$97,500	\$48,000	\$45,000	\$50,000	\$55,000
<b>TRANSPORTATION</b>					
Ridematching Software & Programming	\$2,000	\$10,000	\$2,000	\$10,000	\$2,000
PeopleSoft upgrade	\$24,000				
-Other	\$8,000	\$20,000	\$4,000	\$20,000	\$4,000
<b>ENVIRONMENTAL</b>					
Telephone system upgrades	\$75,000	\$50,000		\$50,000	
HRIS System Replacement Allocation from Corp.					
PeopleSoft upgrade	\$99,000				
Telephone system upgrades Regional Plants	\$125,000				
<b>EIMS Hardware and software</b>	<b>\$178,100</b>				
LIMS hardware upgrade to Alpha or RS/6000	\$170,000				
Network Server Replacements at all plants(4@\$25K)		\$100,000			
Capital Equipment	\$350,000	\$400,000	\$400,000	\$400,000	\$500,000
Mears UPS Upgrade	\$20,000				
-Other	\$8,000				
<b>OTHER CAPITAL NEEDS</b>					
<b>ENVIRONMENTAL</b>					
MEARS PARK FURNITURE & EQUIPMENT	\$34,770	\$39,150	\$38,400	\$37,800	\$36,300
<b>HRA</b>					
MEARS PARK FURNITURE & EQUIPMENT					
<b>TOTAL CAPITAL OUTLAY</b>	<b>\$1,703,000</b>	<b>\$1,103,500</b>	<b>\$1,154,000</b>	<b>\$1,031,000</b>	<b>\$1,157,000</b>

# Appendix C-1

## Consultant and Contractual Services

### Environmental Services

#### Contracted Services 2001

Org. No.	Org. Name	Date_Done	Total
73310	Inteceptor Admin	09/11/2000	129,000
73320	Inteceptor Lift Stations	Oct 12, 2000	167,000
73330	InteceptorMeter Stations	Oct 12, 2000	25,000
73340	Inteceptor Sewers	Oct 12, 2000	96,000
73350	Inteceptor Engineering	09/12/2000	35,000
73360	Inteceptor Municipal Services	Oct 12, 2000	16,500
	sub total - Interceptor		468,500
73800	Empire Plant	Oct 13, 2000	65,628
73910	Metro Operations	Oct 12, 2000	235,433
73940	Metro Plant Liquids BU	Oct 12, 2000	240,175
73950	Metro Plant Solids BU	Oct 12, 2000	1,000
73960	Metro Plant Incineration BU	Oct 12, 2000	412,600
73970	Plant Services (Business Unit Coordina	Oct 13, 2000	59,400
73980	Support Services BU	Oct 16, 2000	13,100
74000	Metro Maintenance	Oct 13, 2000	274,000
74100	Seneca Plant	10/16/2000	349,247
74200	Blue Lake Plant	10/16/2000	1,799,330
74300	Chaska Plant (history only)	Oct 12, 2000	History Only 0
74600	Cottage Grove Plant	Oct 12, 2000	25,000
74700	Hastings Plant	Oct 12, 2000	11,500
74800	Stillwater Plant	Oct 12, 2000	19,000
75000	Rosemount Plant	Oct 12, 2000	515
75100	WWS Administration	Oct 12, 2000	25,000
75300	Technical Services	Oct 12, 2000	27,200
75700	WWS Materials Management	09/13/2000	18,600
75800	WWS Fleet Management	Oct 12, 2000	15,120
	sub total - WWS		4,060,348
80400	EPE Cust Relations & Environ Educ	Oct 12, 2000	History Only 0
80900	EPE Environ Resources Mgmt	Oct 18, 2000	850
81100	EPE Administration	Oct 13, 2000	30,000
81200	EPE Industrial Waste	Oct 13, 2000	563,300
81300	EPE Research & Dev	Oct 13, 2000	11,000
81400	EPE Water Quality	Oct 12, 2000	18,960
81500	EPE Analytical (Lab) Srvs	Oct 13, 2000	125,320
81600	EPE Air Quality	Oct 13, 2000	79,450
81700	EPE Regulatory Compliance	Oct 12, 2000	0
86000	EPE Non-Point Source	Oct 12, 2000	37,000
86300	WOMP2	Oct 12, 2000	78,500
86400	EPE Mercury/PCB to MN River	Oct 12, 2000	144,500
	sub total - EPE		1,088,880
90100	MCES Administrative	Oct 16, 2000	52,000
90200	MCES Interdivisional Cost Alloc	Oct 16, 2000	0
90210	MCES Insurance	Oct 16, 2000	385,000
90220	MCES Fixed Assets Chgbks	Oct 16, 2000	0
91800	MCES Business Planning	Oct 16, 2000	75,000
92400	MCES Financial Planning	Oct 13, 2000	32,000
95500	MCES Liability & Reserve Fund	Oct 16, 2000	0
96200	MCES Debt Service	Oct 16, 2000	0
	sub total - admin		544,000
	Net of Support Services		5,693,228
95400	MCES Capital Budget Staff	Oct 13, 2000	0
	Total		5,693,228

**Appendix C-2**

**Metropolitan Council 2001 Unified Operating Budget  
Consultant and Contractual Services  
Transportation and Transit Development**

<b>Account Code</b>	<b>Description</b>	<b>T&amp;TD Total</b>	<b>Transit Admin. Fund</b>	<b>Metro Comuter Services</b>	<b>Metro Mobility</b>
5204	Corridor studies	50,000	50,000		
5204	Travel forecast	100,000	100,000		
5204	Transportation planning	50,000	50,000		
5204	Airport planning	50,000	50,000		
5204	Paratransit studies	60,000			60,000
5204	Eligibility studies	60,000			60,000
5204	Customer surveys	13,000	13,000		
5204	Graphics consultant	48,000	13,000	35,000	
5204	Speakers	1,000	1,000		
5204	Smart Growth Twin Cities	275,248	275,248		
5204	Transportation system audit	150,000	150,000		
5204	Subtotal	857,248	702,248	35,000	120,000
5214	Contracted services--other	95,000	40,000	15,000	40,000
5218	External printing	268,000	20,000	200,000	48,000
5219	Temporary help	80,000	20,000	40,000	20,000
5222	Software maintenance	125,000	0	0	125,000
<b>T&amp;TD Total</b>		<b>1,425,248</b>	<b>782,248</b>	<b>290,000</b>	<b>353,000</b>

**APPENDIX C-2**  
**Consultant and Contractual Services**  
**Metro Transit**

Metro Transit Division	Major / Minor	Expense Description	2001 Budget	Account Code	Proj#
<b>Part A: Metro Transit Consulting and Other Services - Operating Expenses</b>					
<b>Customer Services and Marketing</b>	5204	Pocket schedule production, video production, website, mailing serv	\$228,500	42310	44401
		loyalty program development, memberships, photography, interior card installation.			
	5223	Advertising Fees	\$235,000	42310	44401
	5204	Telephone Information Center - BusLine voicing, BusLine enhancem	\$13,500	42330	44401
		AT&T Language Line, Web Site dev., Signage app.			
	5214	Warehousing & Distribution Services for Pocket Schedules, Maps, e	\$35,000	42330	44401
	5219	Temporary Help - Clerical Support for vacations, special projects an	\$2,000	42310 & 4233	44401
	5204	Professional and Technical Services/PC	\$7,000	41240	44401
	5213	Headset repair	\$1,500	42330	44401
		<b>Customer Services and Marketing Total</b>	<b>\$294,000</b>		
<b>Human Resources</b>	5204	Recruiting & Retention Services-Occupational Health, Drug Testing	\$370,478	42530	59971
	5219	Temporary help for vacation coverage and misc. meetings.	\$3,500	42530 & 4251	59971
		<b>Human Resources Total</b>	<b>\$373,978</b>		
<b>Engr. And Facilities</b>	5204	Petro fund form fees; testing fees for Air, Wells and Ground Water,	\$244,000	43440	44401
	5204	Interior design consultant and Voice mail maintenance.	\$84,000	42660	44401
	5204	Tech. services-engineers; Testing Services including sump material.	\$35,000	43410	44401
	5204	Appraisals and legal rulings/advice	\$15,000	43410	44401
	5214	Sewer Cleaning, misc	\$154,500	43431 & 4343	44401
	5219	Temporary help - clerks.	\$30,000	43410	44401
		<b>Engr. And Facilities Total</b>	<b>\$562,500</b>		
<b>Service Development</b>	5204	Sector studies - sector 5 study in South Mpls area; Three Joint Powe	\$80,000	42130	44401
	5219	Data entry for sector studies; temporary data collectors for specialize	\$28,750	42130	44401
	5204	Trapeze Trainer	\$25,000	42140	44401
	5204	Training service fees - schedule planning, automatic passenger count	\$113,000	42135	44401
		<b>Service Development Total</b>	<b>\$246,750</b>		

<b>Bus Transportation</b>	5204	Dialect and English as a Second Language Training and other Profes	\$100,000	43110	44401
	5204	Driver Instructor Training Classes-Certification from Tech. Colleges	\$0	42520	59971
	5204	Copy Editing AVL Project...	\$5,000	42520	581 & 4440
	5219	Temporary help to cover clerical staff vacations at garages.	\$10,000	43110 & 4252	44401
	<b>Bus Transportation Total</b>		<b>\$115,000</b>		
<b>Executive</b>	5204	Rail Consulting Fees.	\$0	41210	44401
	5204	misc	\$25,000	41210	44401
	5219	Temporary help for vacation coverage and misc. meetings.	\$4,000	41210	44401
	<b>Executive Total</b>		<b>\$29,000</b>		
<b>Part A:</b>	<b>Metro Transit Consulting and Other Services - Operating Expenses</b>				
<b>Finance</b>	5204	Audit Fees - Office of the State Auditor	\$60,000	42410	59973
	5204	Purchasing Dept.: testing of bulk fuel, oil, coolant and equipment	\$25,000	42450	59973
	5214	Bank Service Charge	\$25,000	42431	59973
	5214	Photo application	\$279,200	42433	59973
	5214	Misc	\$5,500	42435 & 4243	59973
	5214	Other services	\$2,900	43320	44401
	5214	Microfilm processing fees	\$10,340	42411	59973
	5204	Farebox technician and other training fees; repair of surface mounted	\$0	42437	59973
	5204	Diesel Fuel price risk management advisor	\$24,000	42450	59973
	5204	Print Shop Service Fees for business forms (W-2s, etc.)	\$7,000	42440	59973
	5219	Temporary Help in Purchasing/Stores; Covers Vacations / Long-term	\$5,000	42450	59973
	5204	Misc. grant licenses & tech. fees, not budgeted in projs.	\$1,200	42411	59973
	<b>Finance Total</b>		<b>\$445,140</b>		
<b>Bus Maintenance</b>	5214	Professional and Technical Services	\$0	43351	44401
	5204	Boiler Licenses + transmission oil tests @ \$5	\$5,125	43361 & 4336	44401
	5204	Qualification development work service fees.	\$25,300	43310	44401
	5214	Paper and oil filter recycling	\$1,700	43310	44401
	5214	Single Channel UHF radios	\$90,000	43380	44401
	5214	Misc	\$11,169	43355 & 4335	44401
	5204	Chemical testing, EPA, OSHA testing	\$1,000	43361	44401
	<b>Bus Maintenance Total</b>		<b>\$134,294</b>		
<b>Risk Management</b>	5204	Hazardous information services; System safety support - bus and rai	\$61,700	43520	59976

		<b>Risk Management Total</b>		\$61,700	
<b>Police Security - Public Safety</b>	5204	System Safety consultant services	\$160,500	43520	65895
	5214	Other Services (Police Administration, Investigation and Patrol)	\$0	41231	44401
		<b>Police Security - Public Safety Total</b>	\$0		
<b>Part A:</b>	<b>SubTotal Consulting Fees - Operating</b>		<b>\$2,342,612</b>		
<b>Part B:</b>	<b>Metro Transit Contract Services - Operating Expenses</b>				
<b>Engr. And Facilities</b>	5213	Snow Plowing of Park and Ride Lots, including I-394 Corridor, Fole	\$430,000	43438	44401
		Brooklyn Blvd, Church Lots; general cleaning, relocation/repairs of damaged/deteriorated shelters & transit stations.			
	5213	External Maintenance, and repair	\$15,500	43460	44401
	5213	Boiler repair and other services.	\$75,000	43441	44401
	5204	Emergency Repair - Electrical Contractor Fees and Elevator service	\$21,000	43436	44401
	5213	Contract maintenance - Sump Cleaning	\$0	43410	44401
	5213	Boiler repair and other services.	\$250,000	43431 & 4343	44401
	5213	HVAC repair, carpet cleaning and other services	\$39,000	43442	44401
	5204	Electrical Contractor Fees and Pest Control.	\$13,000	43435	44401
	5204	Elevator service, Repair, Pest control, Viking Sprinklers, Cummins,	\$100,200	43431 & 4343	44401
	5209	Transit hub cleaning, snow removal and security.	\$0	43438	44401
	5220	Alarm Monitoring System	\$1,200	43441 & 4344	44401
	5214	Pager maintenance, & air time	\$30,000	42660	44401
	5220	Security system service fees	\$0	42660	44401
	<b>Engr. And Facilities Total</b>	\$974,900			
<b>Part B:</b>	<b>Metro Transit Contract Services - Operating Expenses</b>				
<b>Finance</b>	5204	Transit Store Credit Card "discount rate" fees; Bank Service Charge	\$0	42431	59973
	5204	Metropass Photo-ID - printing for 33,750 passes	\$0	42434	59973
	5220	Armored Car Service Fees	\$101,900	42433 & 4243	59973
	5220	Alarm monitoring services	\$12,400	43431 & 4343	44401
	5214	Service Fees for Transit Stores: bill changer(s); Telecheck guarantee	\$43,000	42433	59973
	5213	microfilm machine maintenance, Monroe calculators	\$3,575	42411 & 42440	59973
	5213	Money system technical repairs - Bankers Equipment (Wrappers and	\$15,000	42436	59973
	5213	Service Repair Fees - Farebox, Material Handling and Office Equipm	\$2,000	43320	44401
		<b>Finance Total</b>	\$177,875		



<b>Bus Maintenance</b>	5213	Camera and Tape Maintenance for Bus Security VCR Cameras	\$174,000	43380	44401
	5213	Outside Vendor Services to Repair Buses, Air Compressors & Other	\$11,954	43351	44401
	5213	Misc	\$77,180	43351 & 4335	44401
	5213	Equipment Maintenance - Software	\$4,500	43310	44401
		<b>Bus Maintenance Total</b>	<b>\$267,634</b>		
<b>Bus Transportation</b>	5213	Teleride CAD/Radio System support	\$ 85,692	43171	?
	5213	AVL 3M system hardware support	\$ 444,570.00	43171	?
	5213	Maintenance Contracts for Orion (electronic vehicle locator system).	\$0	43171	44401
	5204	Prof. Tech. Fees / Repair Contracts-Transit Control Ctr..	\$0	43171	44401
	5213	Facilities Maintenance / Repair Fees; includes painting (striping), ge	\$13,500	42520	59971
	5213	Toilet contracts - regional comfort stations.	\$7,000	43110	44401
		<b>Bus Transportation Total</b>	<b>\$ 550,762</b>		
<b>Police Security - Public Safety</b>	5220	CCTV Maintenance Contract	\$0	41233	44401
	5220	Building Security Alarms/Equipment Systems and Monitoring.	\$181,600	41233	44401
	5220	Card Access Service Fees-software maint. and general repairs .	\$0	41233	44401
	5220	Other Services (Locksmiths, camera and video equipment repair, etc	\$20,000	43436	44401
	5204	Psychological exams, and contract w/police	\$8,100	41231	44401
	5204	Mandated Use of Force Firearms Training-includes Ammo and Supp	\$36,500	41232	44401
	5213	Police Building Maintenance - Snow Plowing, Lawn Care, Elevator	\$20,750	41231	44401
	5214	Car Wash Contract (Police Vehicles)	\$0	41230	44401
		<b>Police Security - Public Safety Total</b>	<b>\$266,950</b>		
<b>Central Office Services - Metro Transit</b>	5213	Office Equipment Service Repair Contracts	\$100,000		
	5213	Mail Delivery	\$5,000	49999	49000
	5220	Security Services - Facilities	\$0		
	5213	Pagers - Maintenance and Air-time	\$ 62,484		
	5225	Staff Car Wash/Towing/Repair	\$ 9,820		
		<b>Central Office Services - Metro Transit Total</b>	<b>\$177,304</b>		
<b>Part B: SubTotal Contract Maintenance Fees - Operating</b>			<b>\$2,415,425</b>		
<b>TOTAL OPERATING SERVICE EXPENSES</b>			<b>\$4,758,037</b>		

7/6/2000 KA,updated 8.30

**APPENDIX C-3**  
**Metropolitan Council 2001 Unified Operating Budget**  
**Consultant and Contractual Services, Community Development Division**  
 Ordered by Organization, by Account

1/2/00

Unit	Organ.	Account Code	Description	Total	Commun. Devel.	HRA
GIS	21300	5204	GIS Consultant	9,800	9,800	0
GIS	21300	5214	Smart Growth Twin Cities	87,000	87,000	0
GIS	21300		Total	96,800	96,800	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	Data purchase: NSP, Dodge, aprt. Searc	20,500	20,500	0
Res	21000	5214	Data purchase: employment data	5,000	5,000	0
Res	21000	5214	Data purchase: 2000 census	10,000	10,000	0
Res	21000	5214	TCMA Economic Devel. Group	5,000	5,000	0
		5214	Total	61,000	61,000	0
Res	21000	5218	External printing	3,000	3,000	0
Res			Total	64,000	64,000	0
CompPI	21100	5204	Smart Growth GIS Related	100,000	100,000	0
CompPI	21100	5204	Smart Growth Twin Cities	632,000	632,000	0
CompPI	21100	5204	SGTC, amend. For opportunity sites	350,000	350,000	0
CompPI	21100	5204	Total	1,082,000	1,082,000	0
LivCom		5204	Smart Growth Multimedia present.	40,000	40,000	0
LivCom		5204	Smart Growth models	25,000	25,000	0
LivCom		5204	Total	65,000	65,000	0
LivCom		5212	Web site production/maintenance	10,000	10,000	0
LivCom		5218	Smart Growth printing/CD rom	25,000	25,000	0
LivCom			Total	100,000	100,000	0
HRA	23000	5201	Audit/External	14,000	0	14,000
HRA	23000	5214	Pblc hous. realtor/locational serv.	6,000	0	6,000
HRA	23000	5218	External printing	8,000	0	8,000
HRA	23000	5219	Temporary Help	40,000	0	40,000
			Total	68,000	0	68,000
Community Development Div. Grand Total				1,410,800	1,342,800	68,000

**APPENDIX C-4**  
**Metropolitan Council 2001 Unified Operating Budget**  
**Consultant and Contractual Services, Regional Administration**  
**Ordered by Organization, by Account**

1/2

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	30,000				7,500		15,000	7,500		
DIV	10100	5204	D/M/WBE Certifications	15,000					4,000	10,000	1,000		
DIV	10100	5204	Contract Investigations	30,000		10,000			10,000	10,000			
DIV	10100	5204	Total	45,000		10,000			14,000	20,000	1,000		
DIV	10100	5218	External Printing	5,300		800			1,500	3,000			
DIV	10100		Total	50,300		10,800			15,500	23,000	1,000		
RiskMg	10500	5204	Risk Program Development	15,000	15,000								
RiskMg	10500	5204	LRT Consultant	50,000						50,000			
RiskMg	10500	5204	Affordable Housing Consult.	25,000				25,000					
RiskMg	10500	5204	Total	90,000	15,000			25,000		50,000			
RiskMg	10500	5219	Temporary Help	5,000	5,000								
RiskMg	10500		Total	95,000	20,000			25,000		50,000			
Lgl	10800	5212	External legal services	990,000		10,000	60,000	15,000	310,000	480,000	115,000		
Lgl	10800	5214	Real Estate Services	75,000					65,000	10,000			
Lgl	10800	5214	Court Reporter Services	8,000					8,000				
Lgl	10800	5214	Total	83,000					73,000	10,000			
Lgl	10800	5218	External Printing	1,000		1,000							
Lgl	10800		Total	1,074,000		11,000	60,000	15,000	383,000	490,000	115,000		
IntergRel	13100	5204	Consultant Assistance	45,000	45,000								
FS	11000	5201	Annual audit by State Auditors	117,000	15,000	60,000			32,000				10,000
FS	11000	5202	Comprr services-investment support	35,000	7,200	1,000	2,300	1,000	17,500	3,500	2,500		
FS	11000	5204	Peoplesoft implementation support	40,000		10,600			15,800	13,600			
FS	11000	5214	Fixed asset inventory support	20,000					20,000				
FS	11000	5214	Banking fees	170,000		20,000			20,000	130,000			
FS	11000	5214	Total	190,000		20,000			40,000	130,000			
FS	11000	5218	External printing	1,000	1,000								
FS	11000		Total	383,000	23,200	91,600	2,300	1,000	105,300	147,100	2,500		10,000
CntS	12055	5204	Office space consultant	75,000					25,000	25,000			25,000
CntS	12055	5206	Equipment repair	10,000					10,000				
CntS	12055	5214	Office greenery maintenance	5,000					1,500		1,500		2,000
CntS	12055	5214	Courier services	40,000		5,000			25,000				10,000
CntS	12055	5214	Office reconfiguration	15,000					5,000				10,000
CntS	12055	5214	Convenience copiers maint.	40,000					40,000				
CntS	12055	5214	Audio-visual consultant	20,000									20,000
CntS	12055	5214	Document storage	21,000			1,000		5,000		1,000		14,000

Metropolitan Council 2001 Unified Operating Budget  
Consultant and Contractual Services, Regional Administration  
Ordered by Organization, by Account

1/2

Unit	Organ.	Account Code	Description	Total	Corporate	Regional Admin.	Commun. Devel.	HRA	MCES	Metro Transit	T&TD	Metro Mobility	Mears Prk.
CntS	12055	5214	Off site storage	20,000			1,000		10,000				9,000
CntS	12055	5214	Pager services	20,000					5,000				15,000
CntS	12055	5214	Electrical work	25,000					5,000				20,000
CntS	12055	5214	Rented space maintenance	10,000					5,000				5,000
CntS	12055	5214	Other maint. Agreements	18,000					8,000				10,000
CntS	12055	5214	Other services	10,000					5,000				5,000
CntS	12055	5214 Total		244,000		5,000	2,000		114,500		2,500		120,000
CntS	12055	Total		329,000		5,000	2,000		149,500	25,000	2,500		145,000
HRLR	14100	5204	Labor negotiations	20,000					10,000	10,000			
HRLR	14100	5204	Benefits consultant	25,000	25,000								
HRLR	14100	5204 Total		45,000	25,000				10,000	10,000			
HRLR	14100	5212	Arbitration, hearing officer	22,000					15,000	7,000			
HRLR	14100	5212	Other contractual services	5,000	5,000								
HRLR	14100	5212 Total		27,000	5,000				15,000	7,000			
HRLR	14100	5214	Flex spending admin.	30,000	30,000								
HRLR	14100	Total		102,000	60,000				25,000	17,000			
HRLOD	14200	5204	Executive Success Profile	4,000		1,000	1,000		1,000	1,000			
HRLOD	14200	5204	Computer training for employees	113,000	70,000		20,500		14,500	2,400	5,600		
HRLOD	14200	5204	Management development training	15,000	15,000								
HRLOD	14200	5204	Health Education	9,600		960			1,440	7,200			
HRLOD	14200	5204 Total		141,600	85,000	1,960	21,500		16,940	10,600	5,600		
HRLOD	14200	5214	Profilor processing	10,000	10,000								
HRLOD	14200	5214	Employee Assistance Program	75,000	75,000								
HRLOD	14200	5214	Graphic design-Fit for Life	1,800	1,800								
HRLOD	14200	5214	Health Screening	3,000	3,000								
HRLOD	14200	5214	Speakers for Health Education	3,200	3,200								
HRLOD	14200	5214 Total		93,000	93,000								
HRLOD	14200	5218	External printing-Fit for Life	1,200	1,200								
HRLOD	14200	Total		235,800	179,200	1,960	21,500		16,940	10,600	5,600		
HRPSB	14300	5204	Job Evaluation Admin.	10,000	10,000								
HRPSB	14300	5204	Ongoing HR support	5,000	5,000								
HRPSB	14300	5204	Needs Assessment for HRIS	unknown									
HRPSB	14300	5204 Total		15,000	15,000								
HRPSB	14300	5214	Compenstation & benefits surveys	10,000	10,000								
HRPSB	14300	5218	External printing, employment applic.	15,000	15,000								
HRPSB	14300	5219	Temporary help	10,000	10,000								
HRPSB	14300	Total		50,000	50,000								
Comm	15005	5202	Computer services	15,000	15,000								
Comm	15005	5204	Meetings, forums, special events	30,000	12,000		8,000		1,000	3,000	6,000		
Comm	15005	5214	Smart Growth Twin Cities	133,700		133,700							

Metropolitan Council 2001 Unified Operating Budget  
Consultant and Contractual Services, Regional Administration  
Ordered by Organization, by Account

1/2

Unit	Organ.	Account Code	Description	Total	Corporate	Regional Admin.	Commun. Devel.	HRA	MCES	Metro Transit	T&TD	Metro Mobility	Mears Prk.
Comm	15005	5214	Freelance writing, editing	60,000	25,000	3,000	10,000	2,000	5,000	5,000	10,000		
Comm	15005	5214	Video Editing & Production	59,000	46,000	3,000	3,000		2,000	2,000	3,000		
Comm	15005	5214	Web development/maintenance	95,000	65,000		12,000		6,000	5,000	7,000		
Comm	15005	5214	Graphics--design, production	53,000	20,000	5,000	7,000	3,000	5,000	5,000	8,000		
Comm	15005	5214	Communications research	20,000	13,000		2,000		2,000	1,000	2,000		
Comm	15005	5214	News clips/broadcast dubs	7,000	2,000		1,000		1,000	1,000	2,000		
Comm	15005	5214	Regional transit marketing	25,000						3,000	22,000		
Comm	15005	5214	Total	452,700	171,000	144,700	35,000	5,000	21,000	22,000	54,000		
Comm	15005	5218	External printing	84,000	37,000	5,000	15,000	2,000	5,000	5,000	15,000		
Comm	15005	5219	Temporary help	1,000	1,000								
Comm	15005		Total	582,700	236,000	149,700	58,000	7,000	27,000	30,000	75,000		
Libr	15410	5202	Computer services	15,000		15,000							
IS	16000	5202	Computer services	15,000	15,000								
IS	16000	5204	IS consultant	482,780	67,780				205,000	210,000			
IS	16000	5204	Telecomm. Consultant	30,000	30,000								
IS	16000	5204	Total	512,780	97,780				205,000	210,000			
IS	16000	5213	Maintenance	446,400	140,000	30,000			108,200	88,200	15,000		65,000
IS	16000	5214	Mitel telephone maintenance	290,000	290,000								
IS	16000	5214	Voice mail maintenance-SPC	35,000	35,000								
IS	16000	5214	Contractual services/other -- IS	130,400	120,000					8,000			2,400
IS	16000	5214	Total	455,400	445,000					8,000			2,400
IS	16000	5222	Software maintenance	1,492,214	247,029	118,045	30,400		445,352	643,391			7,997
IS	16000		Total	2,921,794	944,809	148,045	30,400		758,552	949,591	15,000		75,397
ComRelat		5204	Program development	5,000					2,500		2,500		
RA Grand Total				5,918,594	1,558,209	433,105	174,200	55,500	1,483,292	1,757,291	226,600		230,397

**APPENDIX D**  
**METROPOLITAN COUNCIL**  
**2001 INTERDIVISIONAL COST ALLOCATION SUMMARY**

1/11/01

	<b>MCES</b>	<b>Metro Transit</b>	<b>Transportation And Transit Development</b>	<b>Regional Administration</b>	<b>HRA</b>	<b>Total</b>
Assigned Charges from Admin. Support Units	6,707,524	5,489,944	715,610	3,764,869	386,820	17,064,767
Central Support Units Corp. and Mears Prk.Alloc.	3,378,552	3,004,346	0	2,609,478	0	8,992,376
A-87 Allocation, Based on Federal Guidelines	0	0	874,390	(1,082,570)	208,180	0
Subtotal	10,086,076	8,494,290	1,590,000	5,291,777	595,000	26,057,143
Capital Items	1,059,870	0	122,604	489,274	31,252	1,703,000
Planning Chargebacks	473,500	87,500	538,375	0	0	1,099,375
<b>Total</b>	<b>11,619,446</b>	<b>8,581,790</b>	<b>2,250,979</b>	<b>5,781,051</b>	<b>626,252</b>	<b>28,859,518</b>

**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 the Smart Growth Twin Cities project; preparation of population, household and employment forecasts and estimates; referral reviews; and geographic information systems work.

**APPENDIX E**  
**METROPOLITAN COUNCIL**  
**PAYABLE 2001 PRELIMINARY PROPERTY TAX LEVIES**

Purpose of Tax Levy	Actual Payable 2000	Estimated Payable 2001	2000-2001 Change		Comments
	Levy	Levy	Amount	Percent	
General					
General Operations	9,174,600	9,274,600	100,000	1.1%	General levy limit is \$10,786,895, increase of 3.0 percent
Livable Communities	1,000,000	1,000,000	-	0.0%	
Subtotal-General	10,174,600	10,274,600	100,000	1.0%	
Transit Operating District					
Total Levy	90,055,080	97,949,930	7,894,850	8.8%	Transit district levy limit is \$98,375,135, increase of 8.6 percent Assumes 9 local option opt outs in 2001, same as in 2000
Less: Local Option by Opt Outs	11,549,029	12,778,569	1,229,540	10.6%	
Net Regional Levy	78,506,051	85,171,361	6,665,310	8.5%	
Transit Operating Area	1,246,002	1,375,070	129,068	10.4%	Assumes levy to maximum allowed.
Highway Right-of-Way	1,142,446	1,142,446	-	0.0%	Levy limit is \$2,540,187, market value increase of 8.9 percent
Livable Communities					
Tax Base Revitalization-Fiscal Disp	5,000,000	5,000,000	-	0.0%	Levy limit is \$6,675,781, market value increase of 8.9 percent
Demonstration Account	6,132,936	6,675,781	542,845	8.9%	
Subtotal-Livable Communities	11,132,936	11,675,781	542,845	4.9%	
Sewer Deficiency					
Subtotal - Non Debt	102,202,035	109,639,257	7,437,222	7.3%	

**APPENDIX E**  
**METROPOLITAN COUNCIL**  
**PAYABLE 2001 PRELIMINARY PROPERTY TAX LEVIES**

Purpose of Tax Levy	Actual	Estimated	2000-2001 Change		Comments
	Payable 2000 Levy	Payable 2001 Levy	Amount	Percent	
Existing Debt Service:					
Solid Waste	-	-	-	0.0%	Payable 2000 and payable 2001 levies cancelled.
Parks and Open Space	6,047,814	6,073,279	25,465	0.4%	
Transit	20,393,958	18,932,292	(1,461,666)	-7.2%	
Radio	423,525	340,454	(83,071)	-19.6%	
Subtotal-Existing	26,865,297	25,346,025	(1,519,272)	-5.7%	
Bond Anticipation Levies					
Parks and Open Space	-	525,298	525,298	0.0%	
Transit	-	2,137,577	2,137,577	0.0%	
Subtotal-New for 2001 Issues	-	2,662,875	2,662,875	0.0%	
Existing and New Debt Service:					
Solid Waste	-	-	-	0.0%	
Parks and Open Space	6,047,814	6,598,577	550,763	9.1%	
Transit	20,393,958	21,069,869	675,911	3.3%	
800 Megahertz Radio	423,525	340,454	(83,071)	-19.6%	
Subtotal - Debt Service	26,865,297	28,008,900	1,143,603	4.3%	
Total - All Council Levies	129,067,332	137,648,157	8,580,825	6.6%	
Mosquito Control District	7,600,000	7,900,000	300,000	3.9%	Preliminary Estimate
Combined Total - All Metro Levies	136,667,332	145,548,157	8,880,825	6.5%	
Combined Total - All Metro Levies and Local Option Transit Levies	148,216,361	158,326,726	10,110,365	6.8%	Includes all regional and local transit levies

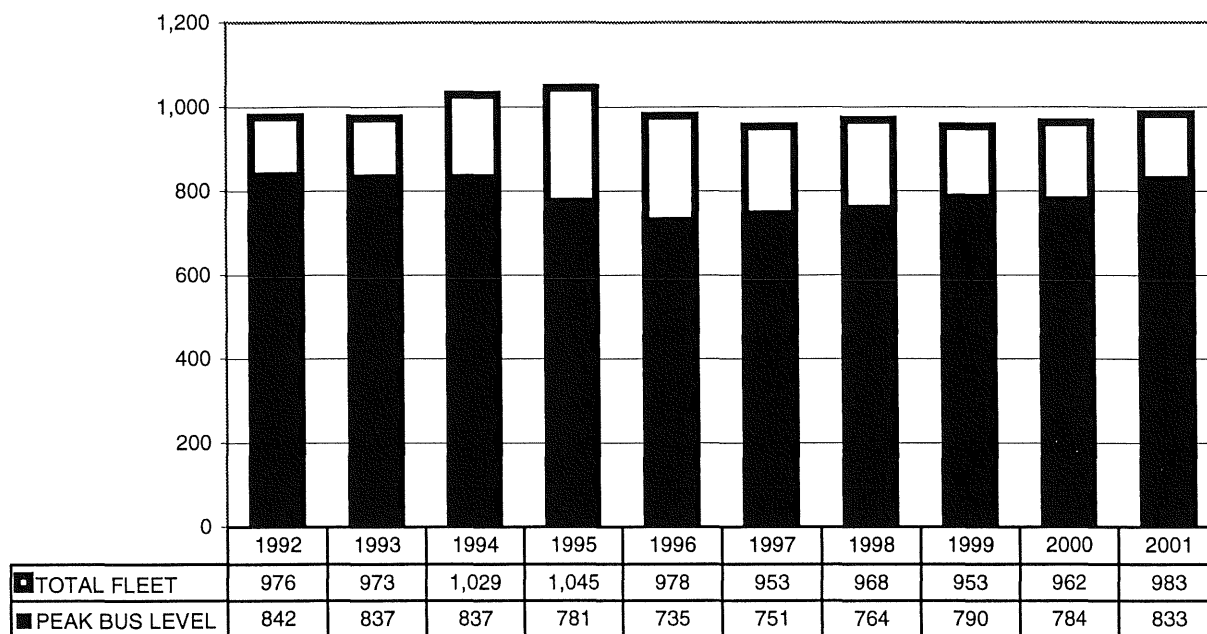


**METROPOLITAN COUNCIL  
2001 SUMMARY BUDGET BY FUND  
ALL BUDGETED FUNDS**

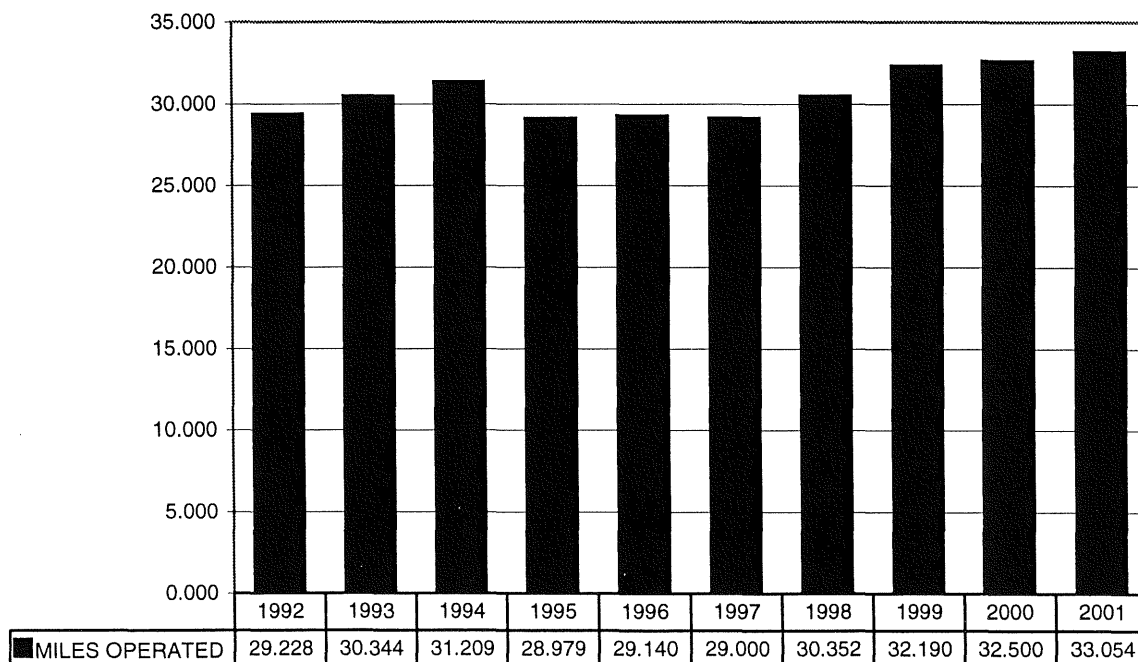
**TABLE 17**

	GENERAL FUND	SPECIAL REVENUE FUNDS	DEBT SERVICE FUNDS	ENTERPRISE FUNDS	TOTAL
<b>EXTERNAL REVENUE</b>					
Property Tax	10,171,900	25,238,800	27,588,700	72,800,000	135,799,400
State Revenue	10,055,600	29,055,845	-	33,489,000	72,600,445
Federal-Operating	-	34,298,888	-	9,620,097	43,918,985
Local	148,167	449,650	-	-	597,817
Sewer Service Charges	-	-	42,809,400	76,960,600	119,770,000
SAC Fund Transfers	-	-	22,635,000	-	22,635,000
Industrial Strength Charges	-	-	-	6,386,500	6,386,500
Passenger Fares	-	4,014,000	-	52,100,000	56,114,000
Contract & Special Event Revenue	-	700,000	-	6,884,520	7,584,520
Interest	375,000	765,260	235,000	2,621,500	3,996,760
Other	264,500	1,712,318	-	3,136,980	5,113,798
<b>Total Revenue</b>	<b>21,015,167</b>	<b>96,234,761</b>	<b>93,268,100</b>	<b>263,999,197</b>	<b>474,517,225</b>
<b>EXPENDITURES</b>					
Salaries & Benefits	18,915,527	4,797,241	-	195,741,280	219,454,048
Contracted Services	7,261,394	1,493,248	-	10,350,000	19,104,642
Materials & Supplies	-	-	-	16,220,000	16,220,000
Chemicals	-	-	-	2,900,000	2,900,000
Utilities	-	-	-	15,269,597	15,269,597
Rent	2,025,535	370,902	-	-	2,396,437
Insurance	33,615	-	-	3,803,000	3,836,615
Other Direct Expenses	3,576,280	2,579,291	-	14,341,377	20,496,948
Transit Programs	-	41,706,873	-	-	41,706,873
Passthrough Grant & Loan Programs	10,037,000	49,081,757	-	2,000,000	61,118,757
Capital Expenditures	-	1,703,000	-	625,000	2,328,000
Debt Service Expenditures	-	-	91,100,933	-	91,100,933
<b>Total Expenditures</b>	<b>41,849,351</b>	<b>101,732,312</b>	<b>91,100,933</b>	<b>261,250,254</b>	<b>495,932,850</b>
<b>Excess/(Deficit) of Revenue vs Expense</b>	<b>(20,834,184)</b>	<b>(5,497,551)</b>	<b>2,167,167</b>	<b>2,748,943</b>	<b>(21,415,625)</b>
<b>INTERDIVISION EXPENSE ALLOCATION</b>					
Assigned Residual Charges-Central Support Units	18,580,367	(2,185,000)	-	(18,580,367)	(2,185,000)
Capital Expense Allocation	2,185,000	1,059,870	-	(1,059,870)	2,185,000
Planning Chargeback Exp Allocation	-	(538,375)	-	(561,000)	(1,099,375)
Planning Chargeback Revenue in CDD	1,099,375	-	-	-	1,099,375
<b>TOTAL ALLOCATIONS</b>	<b>21,864,742</b>	<b>(1,663,505)</b>	<b>-</b>	<b>(20,201,237)</b>	<b>(0)</b>
<b>NET EXPENDITURES AFTER ALLOCATION</b>	<b>19,984,610</b>	<b>103,395,817</b>	<b>91,100,933</b>	<b>281,451,491</b>	<b>495,932,850</b>
<b>Other Sources &amp; (Uses) of Funds:</b>					
Property Tax Transfer from General Fund to MCES	(299,000)	-	-	299,000	-
Property Tax Transfer from General Fund to Livable Communities	(1,000,000)	-	-	-	(1,000,000)
Transfer from Parks Capital to Comm Dev Div	-	-	-	-	-
Transfer from Solid Waste Capital Fund	-	1,000,000	400,000	-	1,400,000
General Fund Balance for Capital	-	-	-	-	-
Opt Out Carryover Fund Balance Transfer	-	(485,157)	-	548,100	62,943
Transfer from Capital Revolving Fund	-	-	-	2,000,000	2,000,000
<b>Total Other Financing Sources/(Uses)</b>	<b>(1,299,000)</b>	<b>514,843</b>	<b>400,000</b>	<b>2,847,100</b>	<b>2,462,943</b>
<b>Balance/Deficit</b>	<b>(268,443)</b>	<b>(6,646,213)</b>	<b>2,567,167</b>	<b>(14,605,194)</b>	<b>(18,952,682)</b>

METRO TRANSIT FLEET SIZE AND PEAK BUS LEVEL 1992-2001

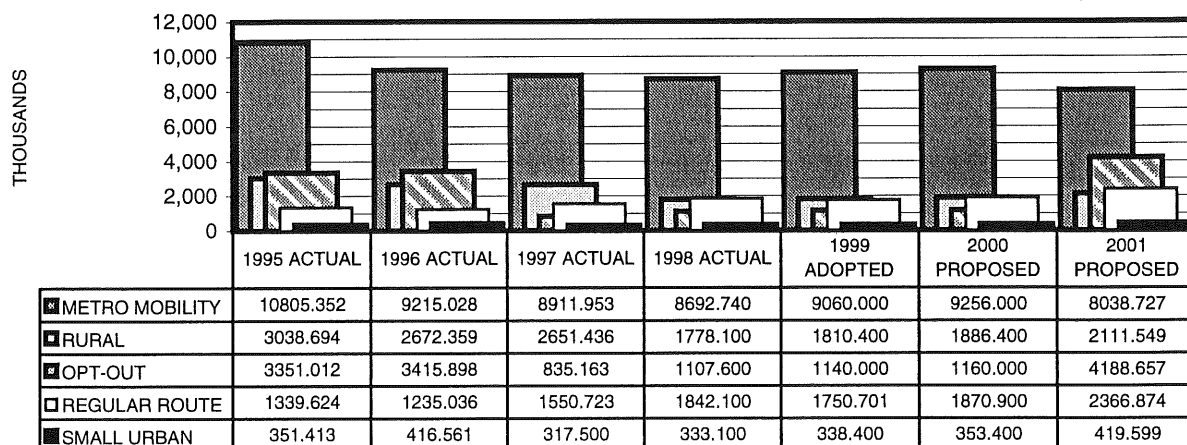


METRO TRANSIT TOTAL MILES OPERATED 1992-2001

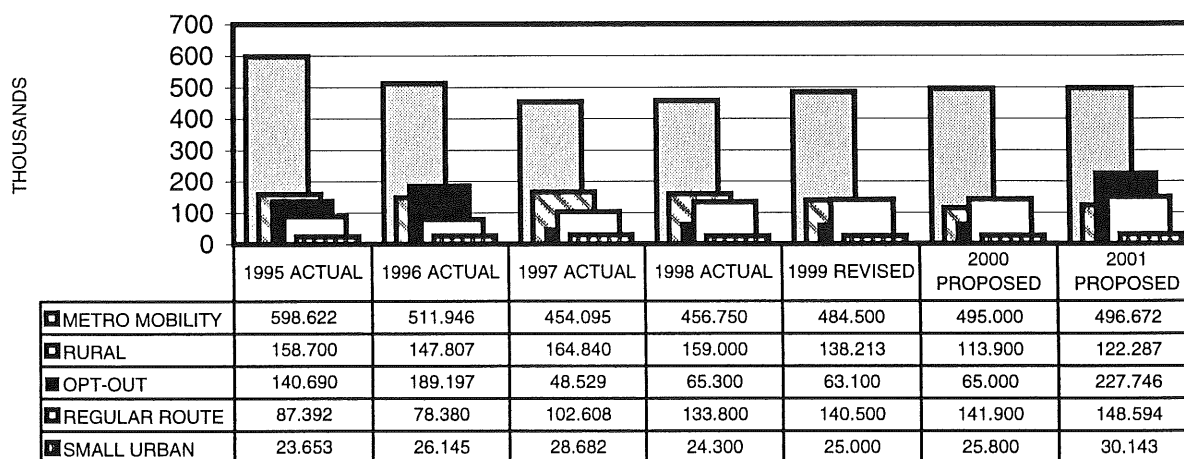


## TRANSPORTATION DIVISION

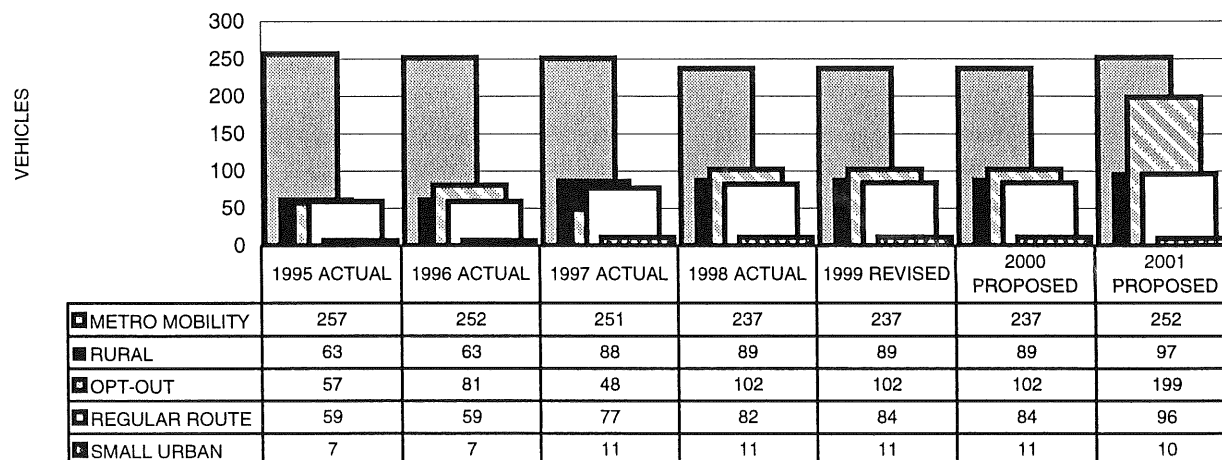
NON-METRO TRANSIT REVENUE MILES 1995-2001



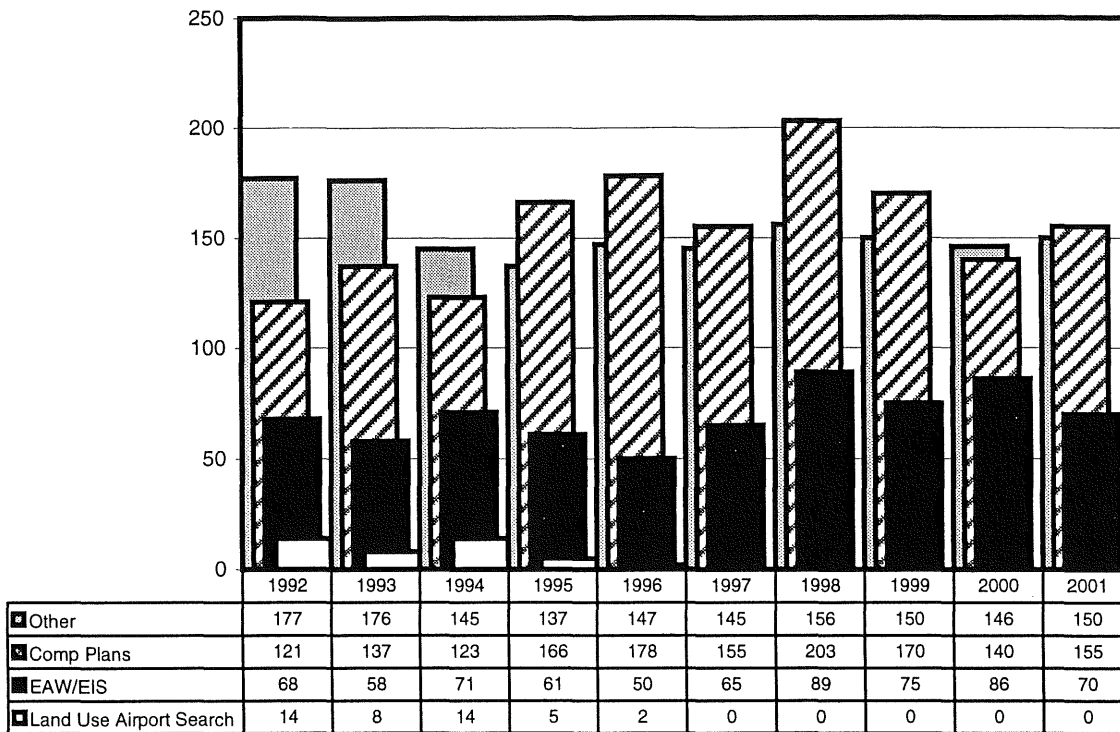
NON-METRO TRANSIT REVENUE HOURS 1995-2001



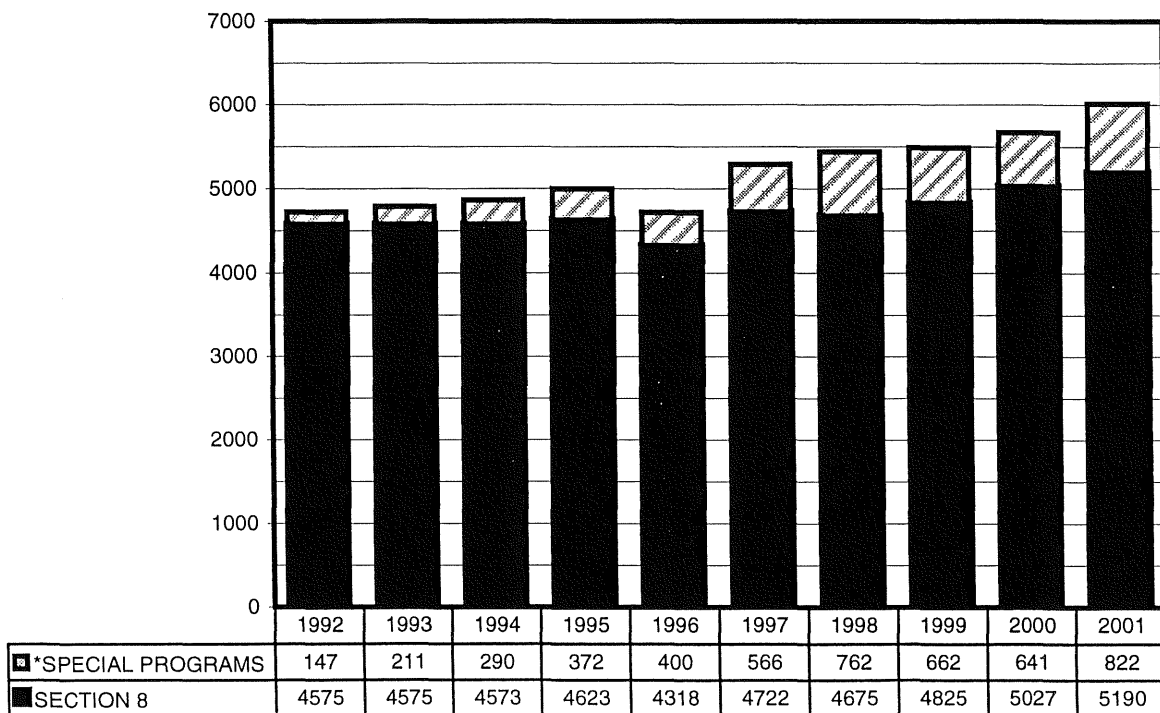
\*NON-METRO TRANSIT TOTAL VEHICLE REQUIREMENTS 1995-2001



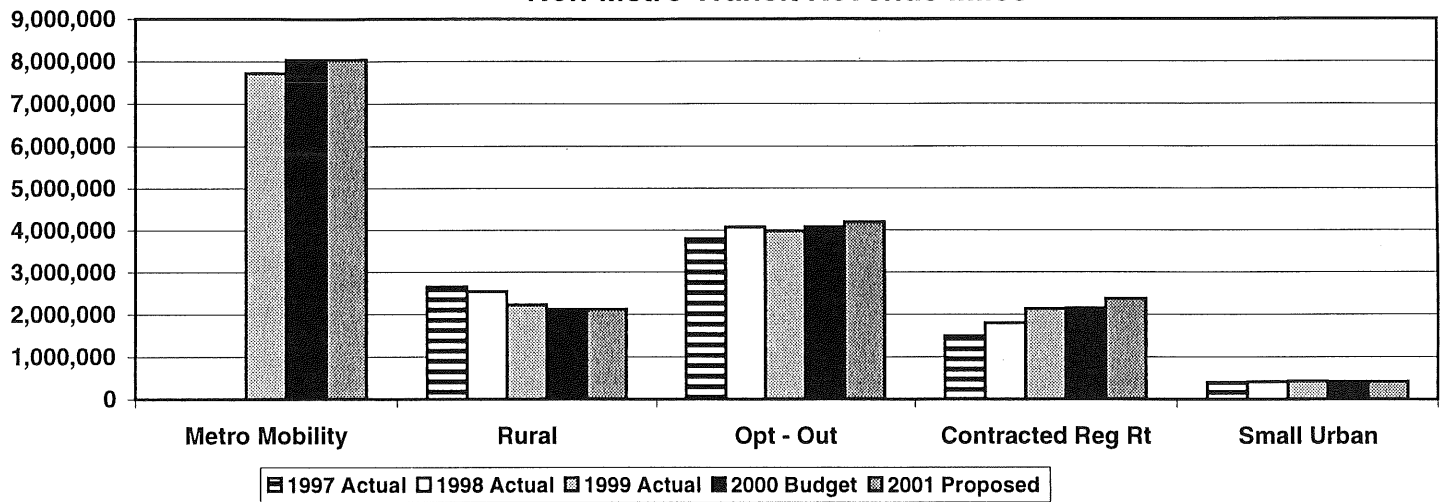
## OFFICE OF LOCAL ASSISTANCE REVIEWS AND REFERRALS



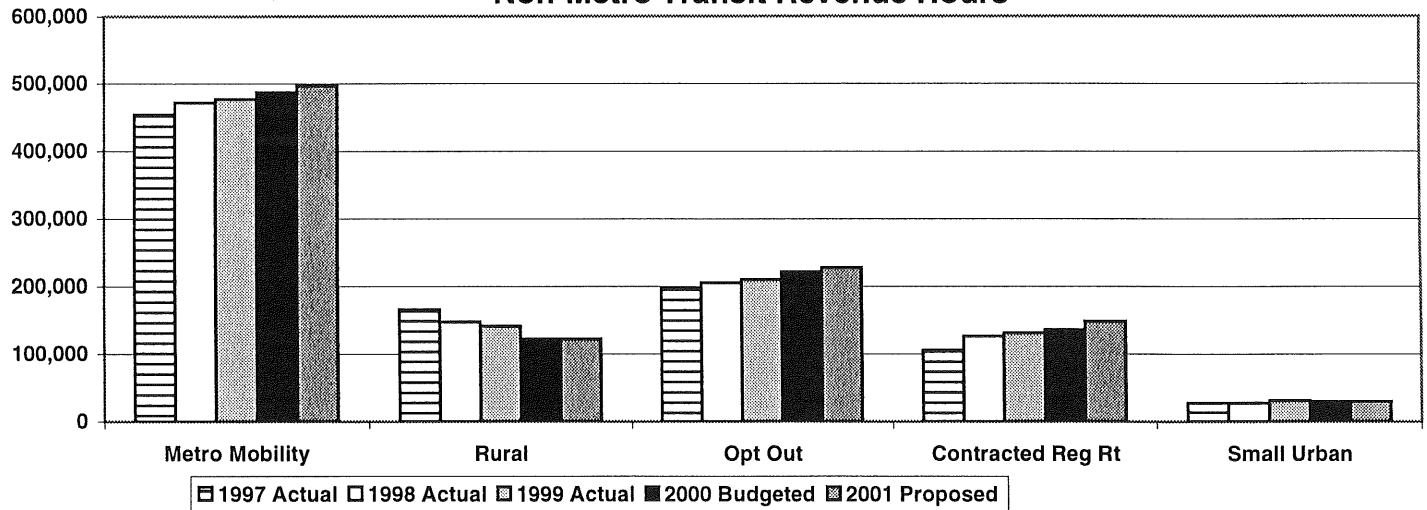
## HRA ASSISTED HOUSEHOLDS



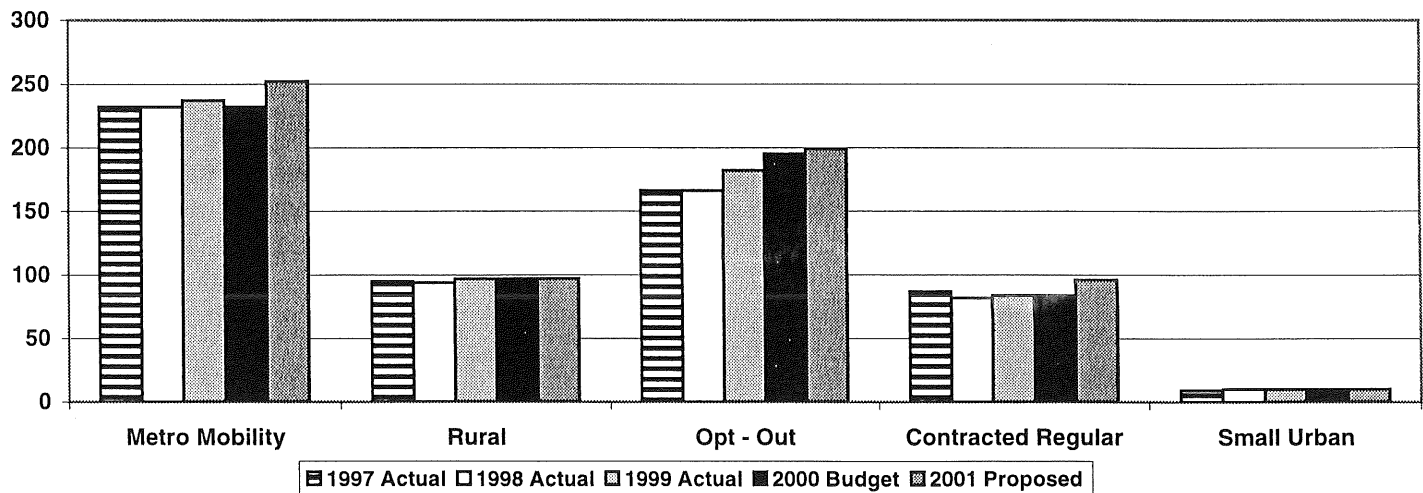
Non-Metro Transit Revenue Miles



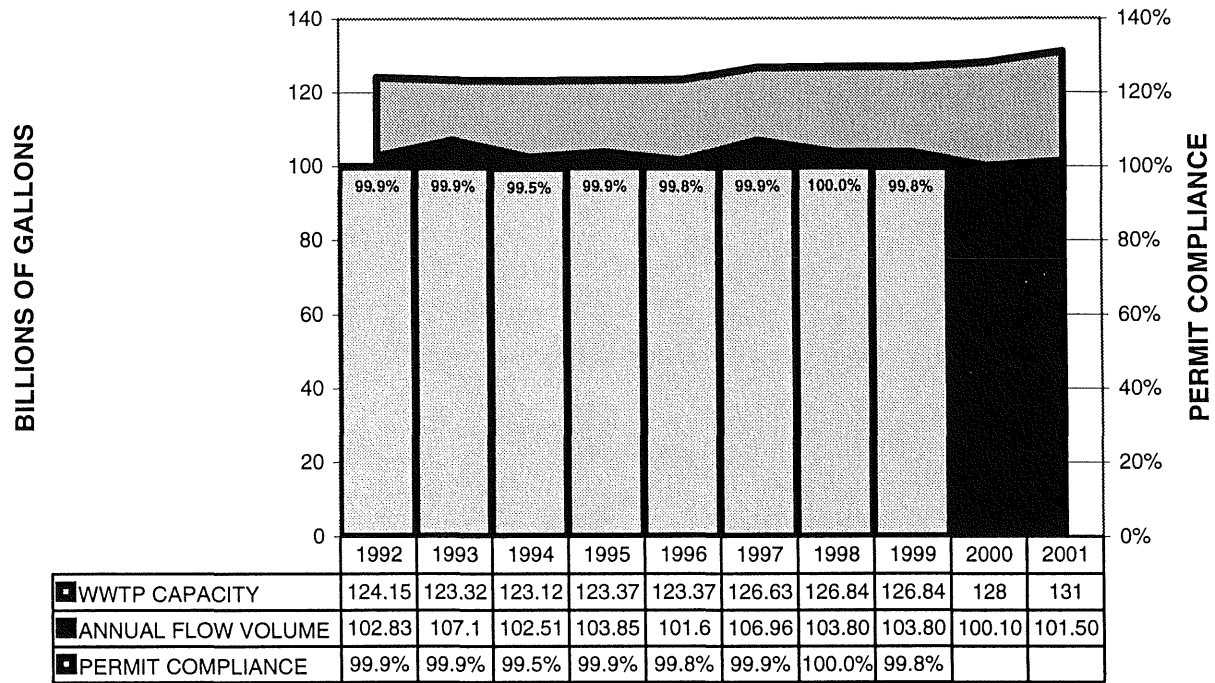
Non-Metro Transit Revenue Hours



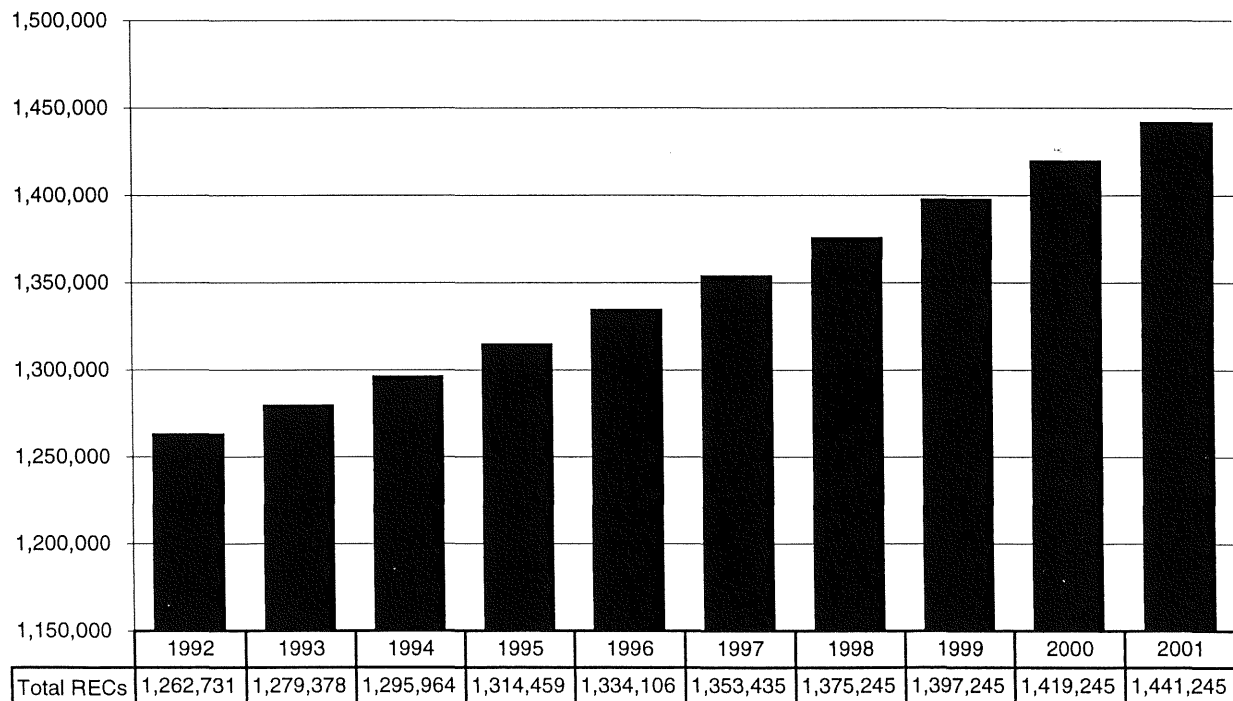
Non-Metro Transit Maximum Vehicles



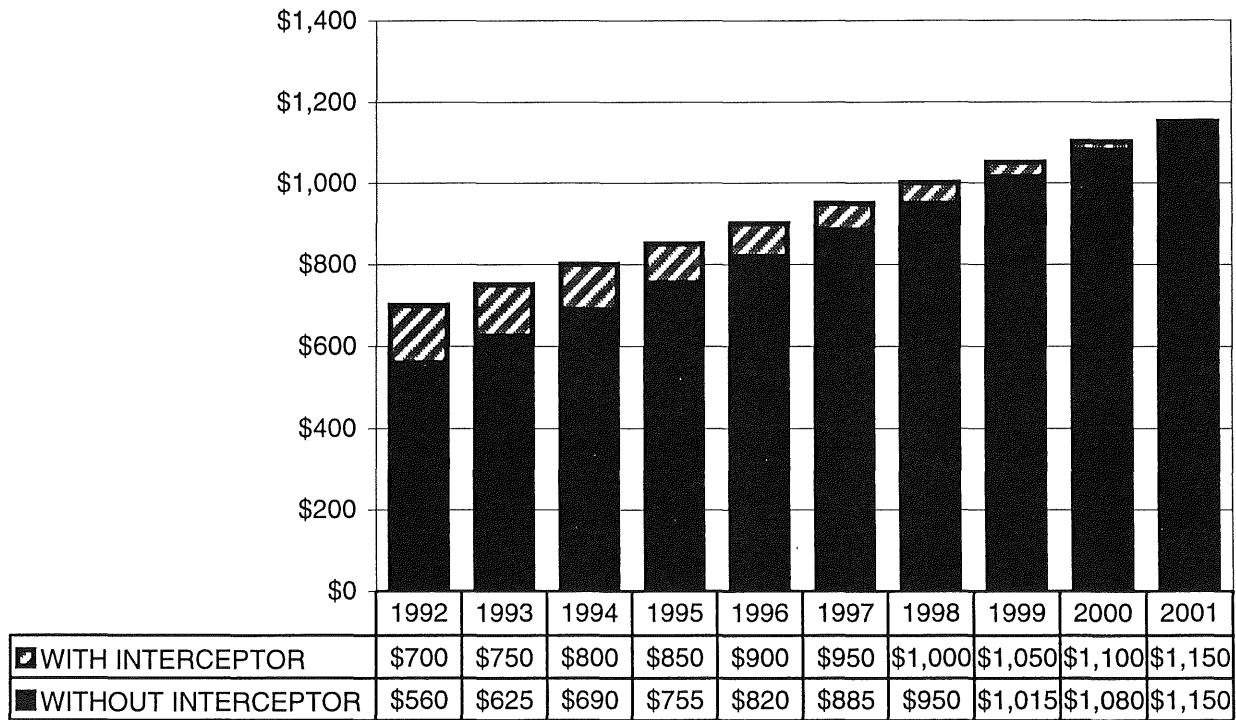
## QUALITY COLLECTION AND TREATMENT OF WASTEWATER



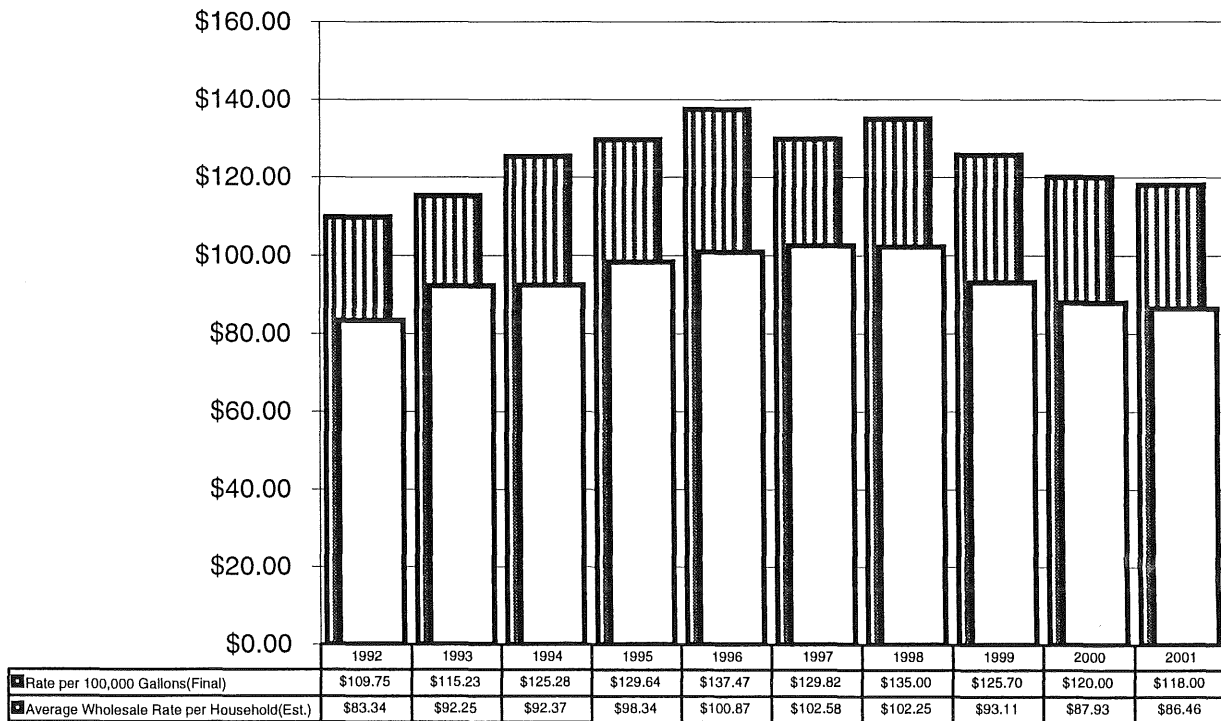
## RESIDENTIAL EQUIVALENT CONNECTIONS BY YEAR



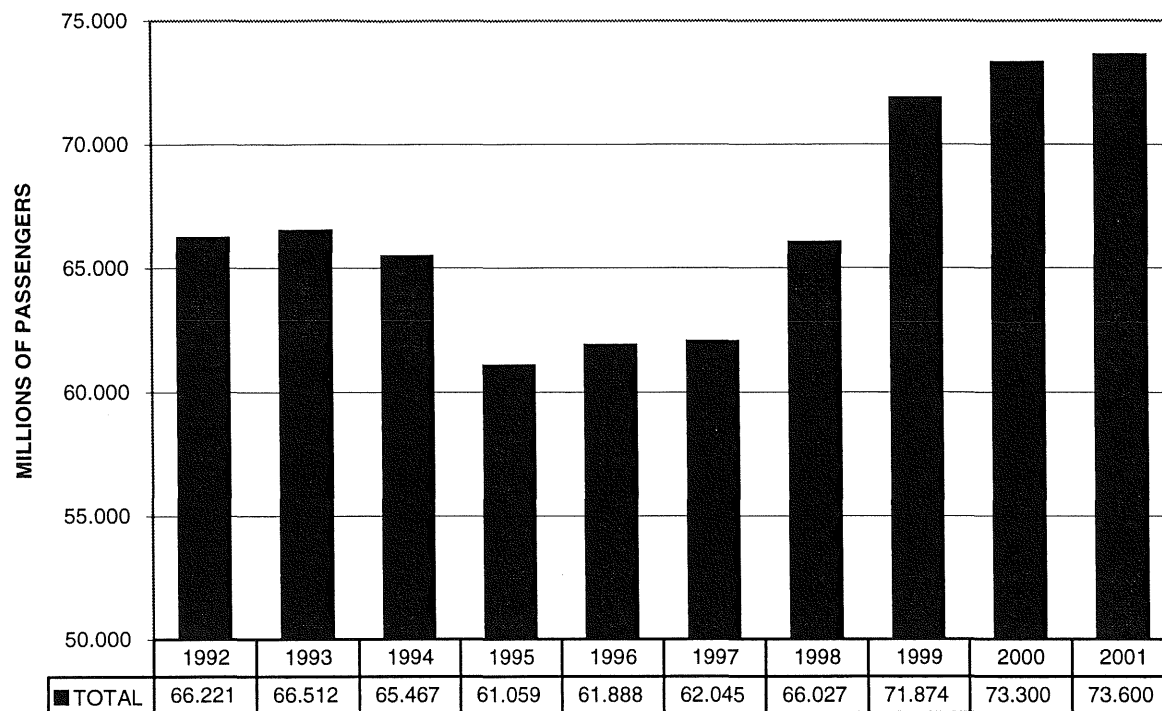
Wastewater Services Service Availability Charge per Unit



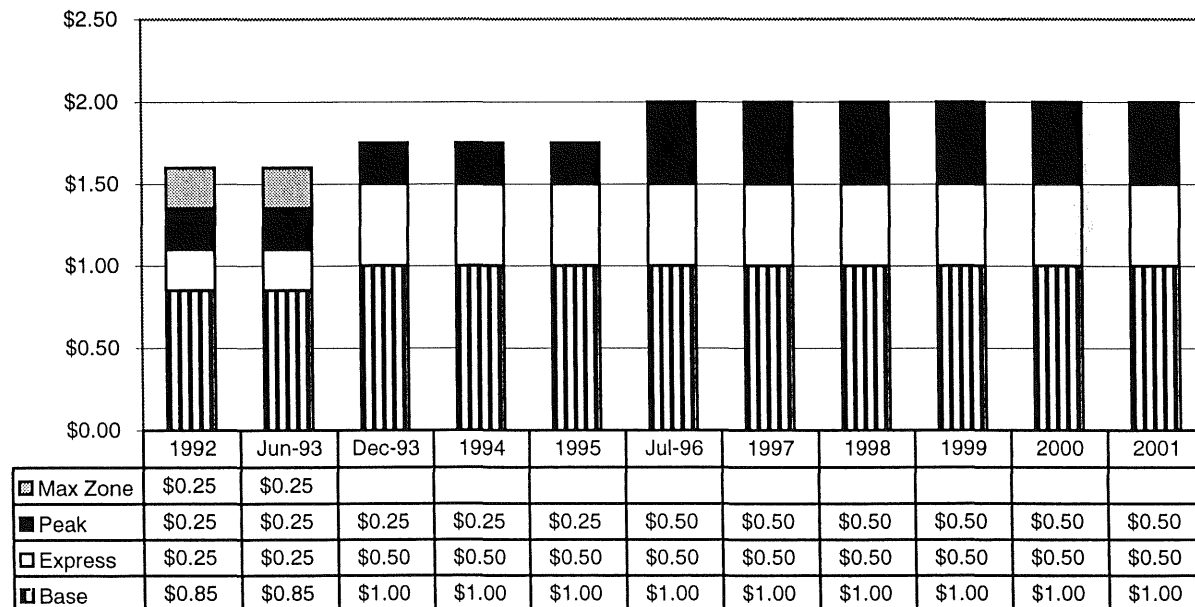
Services Rate per 100,000 Gallons and Average Wholesale Rate per Household



METRO TRANSIT RIDERSHIP 1992-2001



METRO TRANSIT FARE HISTORY 1992-2001





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# ***Metropolitan Council 2001 Unified Budget***

## ***Glossary***

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

# ***Metropolitan Council 2001 Unified Budget***

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<b>Comprehensive Plan</b>	A city or county land use plan that addresses sewer, housing, transportation, parks, water systems and other issues.
<b>Cost Allocation</b>	Method for allocating costs for administrative and support services among the Council divisions.
<b>Debt Service</b>	The amount of funds required to pay both the long-term principal and interest on bonds, notes, certificates and loans.
<b>Division</b>	Basic organizational unit of the Council responsible for carrying out a specific function, defined by State statute.
<b>Environmental Assessment Worksheet (EAW)</b>	The document (EAW) required under state environmental quality rules that provides a preliminary assessment of the environmental impact of proposed land use decisions.
<b>Estimated Market Value</b>	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.
<b>Fiscal Disparities</b>	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.
<b>FTE/Full-time Equivalent</b>	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.
<b>Fund</b>	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:
<b>Agency Fund</b>	To account for assets held by the government as an agent for individuals, private organizations, other governmental units and/or other funds.
<b>Capital Improvement</b>	To account for financial resources to be used for the acquisition, construction, expansion and renovation of capital facilities, other than those financed by proprietary or trust funds.

# ***Metropolitan Council 2001 Unified Budget***

## ***Glossary***

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<b>Debt Service Fund</b>	To account for the accumulation of resources and payment of general obligation debt principal and interest.
<b>Enterprise Fund</b>	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
<b>General Fund</b>	To account for revenues and expenditures necessary to carry out basic governmental activities such as administration, legal and fiscal services.
<b>Internal Service Funds</b>	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.
<b>Special Revenue Funds</b>	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).
<b>Fund Balance</b>	The difference between assets and liabilities.
<b>Reserved Funds</b>	Legally segregated for a specific use. They are not available for discretionary appropriation due to the nature of the asset.
<b>Unreserved Funds</b>	<p><u>Designated Funds</u> - To establish tentative plans for or restrictions on the future use of financial resources.</p> <p><u>Undesignated Fund Balance</u> - the funds remaining after reduction for reserved and designated balances</p> <p>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.</p>
<b>General Fund</b>	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 2001 Unified Budget***

## ***Glossary***

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<b>Geographic Information System (GIS)</b>	The hardware, software, data and administrative procedures that go into analyzing, using and displaying geographically based information.
<b>Grantee</b>	A recipient of grant monies from the Council.
<b>HACA</b>	State Homestead and Agricultural Credit Aid. HACA legislation provides a state payment in lieu of a portion of the property tax levy.
<b>HRA Operating Reserve</b>	The balance accumulated from the excess of revenues over expenditures in the Council's Housing and Redevelopment Authority program
<b>Implicit Price Deflator</b>	An index prepared by the federal government to measure changes in the price of goods and services.
<b>Internal Service Fund</b>	Fund used for the furnishing of goods or services by one department or other departments, on a cost-reimbursement basis.
<b>Land Use Planning</b>	The orderly use of land and placement of facilities based on local and state government public discussion, policy and regulation.
<b>LCMR</b>	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.
<b>Lease</b>	A contract for temporary use of equipment or facilities at a negotiated price.
<b>Long-term Debt</b>	Financial obligation with maturity of more than one year after the date of issuance.
<b>Mapping Consortium (Metro GIS)</b>	An ad hoc committee consisting of staff members from the Council and other organizations that shares information about computer mapping.
<b>Metropolitan Airports Commission</b>	The commission that owns and operates the region's airport system, including the Minneapolis/St. Paul International Airport and seven satellite airports.
<b>Metropolitan Area</b>	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 Council 2001 Unified Budget***

## ***Glossary***

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<b>Metropolitan Land Planning Act</b>	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.
<b>Metropolitan Parks and Open Space Commission</b>	The commission that advises the Council on matters affecting the regional park and open space system.
<b>Metropolitan Region</b>	See <b>Metropolitan Area</b>
<b>Metropolitan Sports Facilities Commission</b>	The commission that owns and operates the Hubert H. Humphrey Metrodome.
<b>Nonpoint-source Pollution Control</b>	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.
<b>Operating Budget</b>	Plans of expenditures and the proposed means of financing them for the primary service activities. The Council budget distinguishes operating budget activities from debt service activities and passthrough grant and loan activities.
<b>Operating Revenue</b>	Revenue that is directly related to primary service activities.
<b>Ordinance</b>	A formal legislative enactment by the governing body of a city, township or county.
<b>Outcomes</b>	Data to indicate program performance and effectiveness
<b>Passthrough Grant or Loan</b>	Funds that are received by the Council but then granted, loaned or passed on to another agency, organization or individual for a specified use.
<b>Program</b>	An organized set of related work activities directed toward a common purpose.
<b>Proposed Budget</b>	Budget as submitted by the Regional Administrator to the Council.
<b>Regional Blueprint</b>	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.

# ***Metropolitan Council 2001 Unified Budget***

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<b>Section 8</b>	A federal housing rental assistance program for low- and moderate-income people.
<b>Smart Growth</b>	Community design that integrates, rather than segregates and encourages people to be involved and neighborly, and that is walkable and transit friendly. Land uses and housing that meet the needs of people of all ages and incomes.
<b>Software</b>	Programs that are written to give a computer instructions to perform certain tasks.
<b>Staff Complement</b>	Number of full-time permanent positions (Note: two half-time positions equal one staff complement.)
<b>Statutory Authority</b>	Authority based on state or federal legislation.
<b>Strategic Planning</b>	Management based on a vision of success for the organization, using strategies to achieve desired goals.
<b>Tax Capacity Rate</b>	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.
<b>Tax Classification Rate</b>	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.
<b>Truth-in-Taxation</b>	Procedures adopted by the Minnesota Legislature intended to improve accountability in the adoption of the budget and property tax levy of local governments.
<b>Truth-in-Taxation Public Hearing</b>	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 on specific dates in December.
<b>Tax Levy</b>	The total amount to be raised by property taxes for the purpose stated on the resolution certified to the county auditor. Tax levy authority is based on state statutes

# ***Metropolitan Council 2001 Unified Budget***

## ***Glossary***

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<b>Undesignated Reserve</b>	The balance accumulated from the excess of revenues over expenditures available for future expenditures in an enterprise fund.
<b>User Charge</b>	Charges for service based on the consumption or availability of that service.
<b>Watershed</b>	The land area from which water accumulations drain into a stream.
<b>Work Priorities</b>	The focus of Council work program efforts in any given year.
<b>Work Program</b>	A plan of work proposed to be done during a particular period.