

Committee Report

Metropolitan Parks and Open Space Commission



Community Development Committee Meeting: June 20, 2023

For the Metropolitan Council: July 12, 2023

Business Item: 2023-116

Annual Metropolitan Regional Parks Operation & Maintenance Allocation

Proposed Action

That the Metropolitan Council accept the Regional Parks System state fiscal year 2024 operation and maintenance report, as shown in Table 1.

Table 1. State Fiscal Year 2024 O&M Distribution

Agency	Reported Actual 2022 O&M Expenses	Estimated Distribution Amount
Anoka County	\$7,227,984.90	\$1,455,022.08
Bloomington Parks	\$763,949.07	\$137,497.65
Carver County	\$1,613,285.16	\$296,920.60
Dakota County	\$8,843,849.90	\$1,096,170.57
Minneapolis Park & Recreation Board (MPRB)	\$29,910,980.58	\$4,522,751.98
Ramsey County	\$7,323,225.15	\$1,625,382.10
Saint Paul Parks	\$19,129,824.82	\$2,149,241.90
Scott County	\$1,915,093.99	\$285,814.74
Three Rivers Park District (TRPD) - Hennepin & Scott	\$47,375,172.75	\$5,172,272.19
Washington County	\$5,313,754.84	\$748,926.19
TOTAL	\$129,417,121.16	\$17,490,000.00

Summary of Metropolitan Parks and Open Space Commission Discussion/Questions

Aimee Junget, Budget Analyst, presented the staff report to the Metropolitan Parks and Open Space Commission on June 1, 2023.

Chair Tony Yarusso asked for clarification on whether the O&M allocations were final. Ms. Junget confirmed that all 2023 O&M inputs are complete and shares are final. Chair Yarusso also clarified whether the delay related to the 2021 Visitor Study that occurred due to the COVID-19 pandemic was now caught up, to which Emmett Mullin, Regional Parks Manager, confirmed it is. Emmett Mullin also reiterated that the \$6 million one-time increase to the general fund appropriation from the legislature as well as the annual on-going increase to the Lottery-in-Lieu portion are worth noting.

Commissioner Monica Dillenburg asked for confirmation whether the funding increases are a positive outcome and noted the discrepancy between the \$129M of expenses reported versus the \$17.49M appropriated. Chair Tony Yarusso noted that while the appropriation is not at the statutorily defined 40% of reported expenses, the current year's appropriations are an improvement on what has historically been appropriated. Emmett Mullin provided that this year's appropriation is

13.5% of total expenses and Chair Tony Yarusso noted that the last several years have been between 7% and 9%.

Chair Tony Yarusso clarified whether the state fiscal year (SFY) 2024 \$1M one-time general fund appropriation for hazard tree removal was included in O&M funding and Emmett Mullin confirmed it is separate.

Motion by Commissioner Monica Dillenburg, seconded by Commissioner Anthony Taylor. Motion carried unanimously.



Business Item

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District(s), Member(s):	All
Policy/Legal Reference:	Minn. Stats. §§ 473.351 and 297A.94(e)(3); 2040 Regional Parks Policy Plan, Chapter 5
Staff Prepared/Presented:	Nicole Clapp, Acting Grants Manager (651-602-1723); Aimee Junget, Budget Analyst (651-602-1823)
Division/Department:	Community Development / Finance and Administration

Proposed Action

That the Metropolitan Parks and Open Space Commission reports to the Metropolitan Council the Regional Parks System state fiscal year (SFY) 2024 Operations and Maintenance Funding requests.

Background

By law, the Council serves as the fiscal agent to distribute state funds to the ten Regional Park Implementing Agencies for operation and maintenance costs.

[Minn. Stat. § 473.351](#) requires that by July 15 of each year, the Metropolitan Parks and Open Space Commission (MPOSC) reports to Council “the funding requests from the implementing agencies based on the actual expenditures made” in the previous year.

Staff conduct a review of the Agencies’ operation and maintenance (O&M) submittals to determine eligibility of claimed costs and the appropriate dollar distribution. The statute directs that the funding distribution be based on three factors:

- 40% is based on the *use* that each Agency’s regional parks and trails has in proportion to the total use of the Regional Park System. Each agency’s total count of visitors comes from the 2022 Regional Parks System Annual Use Estimate produced by the Council.
- 40% is based on the O&M *expenditures* made by each Agency in proportion to the total O&M expenditures for the entire Regional Park System. These numbers were determined following the eligibility review of 2022 calendar year Agency submittals.
- 20% is based on the *acreage* for each Agency’s regional parks and trails in proportion to the acreage of the entire Regional Parks System. The numbers are based on 2022 acreage as reported to the Council by each Agency.

The analysis this year will program \$17,490,000 appropriated by the legislature for state fiscal year 2024. The appropriation includes \$8,540,000 from the state General Fund and an estimated \$8,950,000 in lottery-in-lieu of sales tax revenue (LIL).

Table 1 below shows the Agencies' estimated distribution amounts for O&M funding for SFY 2024, as based on their reported actual eligible expenditures. The calculations underlying this year's distribution are attached as Table 2.

Table 1. State Fiscal Year 2024 O&M Distribution

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Anoka County	\$7,227,984.90	\$1,455,022.08
Bloomington Parks	\$763,949.07	\$137,497.65
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TOTAL	\$129,417,121.16	\$17,490,000.00

Rationale

The State Legislature funds a portion of the expenses necessary to run the Regional Parks System because the System draws a significant percentage of its visits from outside the Twin Cities metropolitan area. The O&M appropriation comes from the State in its entirety; the Council neither matches the funds, nor withholds any for administrative costs. The statute requires the Council to review the claims presented by each Agency for eligibility and MPOSC to report the claimed costs to the Council, so the amounts are paid appropriately.

Thrive Lens Analysis

The Thrive outcome of stewardship is supported by the helping the ten Regional Park Implementing Agencies care for existing infrastructure within the Twin Cities' world-class Regional Parks System.

The Thrive outcome of livability is supported by investing in the Regional Park System and providing access to outdoor recreation, enhanced quality of life, and opportunities for increased health and wellness.

Funding

Operations and Maintenance funding has been appropriated by the State of Minnesota for SFY 2024. Final passthrough amounts will be based upon actual revenues received.

Table 2. O&M Calculations by Agency, SFY 2024

Agency	Weighted Regional Park Acreage	Acres %	Regional Park Visits	Visits %	Regional Park Expenditures	Expenditure %	Funding %	FY24 General Fund Lump Sum	FY24 Lottery-in-Lieu Estimate	Projected total FY2024 distribution
Anoka	6,040.60	16.14%	4,919,491	7.14%	\$7,227,984.90	5.59%	8.32%	\$710,456.75	\$744,565.33	\$1,455,022.08
Bloomington	165.55	0.44%	794,650	1.15%	\$763,949.07	0.59%	0.79%	\$67,137.22	\$70,360.43	\$137,497.65
Carver	993.74	2.65%	1,150,115	1.67%	\$1,613,285.16	1.25%	1.70%	\$144,980.10	\$151,940.50	\$296,920.60
Dakota	3,820.83	10.21%	2,569,323	3.73%	8,843,849.90	6.83%	6.27%	\$535,237.09	\$560,933.48	\$1,096,170.57
MPRB	2,805.70	7.50%	26,022,370	37.79%	\$29,910,980.58	23.11%	25.86%	\$2,208,364.89	\$2,314,387.09	\$4,522,751.98
Ramsey	4,410.68	11.78%	8,045,121	11.68%	\$7,323,225.15	5.66%	9.29%	\$793,639.97	\$831,742.12	\$1,625,382.10
Saint Paul	2,482.42	6.63%	8,693,070	12.62%	\$19,129,824.82	14.78%	12.29%	\$1,049,429.72	\$1,099,812.18	\$2,149,241.90
Scott	1,503.23	4.02%	411,515	0.60%	\$1,915,093.99	1.48%	1.63%	\$139,557.34	\$146,257.40	\$285,814.74
TRPD/Scott County	1,998.93	5.34%	498,579	0.73%	\$4,482,773.76	3.46%	2.74%	\$234,270.46	\$245,517.64	\$479,788.09
TRPD/Hennepin Co	10,283.16	27.47%	13,906,926	20.20%	\$42,892,398.99	33.14%	26.83%	\$2,291,241.52	\$2,401,242.58	\$4,692,484.10
Washington	2,925.25	7.82%	1,853,516	2.69%	\$5,313,754.84	4.11%	4.28%	\$365,684.94	\$383,241.25	\$748,926.19
Totals	37,430.09	100.00%	68,864,676	100.00%	\$129,417,121.16	100.00%	100.00%	\$8,540,000.00	\$8,950,000.00	\$17,490,000.00