

Management Committee

Meeting date: January 27, 2016

For the Metropolitan Council meeting of February 10, 2016

Subject: Authorization to Amend the 2016 Unified Budget – Carry Forward Amendment

District(s), Member(s): All

Policy/Legal Reference: MN Statutes Section 473.13, Subd. 1

Staff Prepared/Presented: Alan Morris, Budget Coordinator (651-602-1446)

Division/Department: All

Proposed Action

That the Metropolitan Council authorize the amendment of the 2016 Unified Budget as indicated and in accordance with the attached tables.

Background

During the first quarter of each year, Council staff request changes to the Unified Budget adopted by the Council the previous December. These carry forward items were authorized in the 2015 budget but either not initiated in 2015 or not completely expended in 2015, with unexpended budget authority credited to reserves at the end of the year. The regular carry forward amendment is scheduled to come before the Council on March 9, but Community Development and Regional Administration have operating budget carry forward requests that are time sensitive and being brought to the Management Committee and Council a month earlier than the regularly scheduled amendment.

The Community Development carry forward request brings \$1,000,000 in budget authority for land acquisition for affordable housing into the 2016 operating budget. The Community Development Committee on December 21 and the Council on January 13 authorized the Regional Administrator and Chair to negotiate and execute a Joint Exercise of Powers Agreement with the Minnesota Housing Finance Agency to provide \$1,000,000 in program support in the form of a grant to the Twin Cities Community Land Bank to acquire sites for future affordable housing. Because this business item was considered to be an administrative step to provide 2016 budget authority for that program, it was not sent to the Community Development Committee for review and approval.

Operating Component of Unified Budget

Carry Forward Requests:

The following carry forward requests totaling \$2,308,000 ~~\$2,581,000~~ are being made by Council Divisions:

Community Development

Change in Expenditures: \$1,000,000; Reserves: (\$1,000,000)

- Request to carry-forward of \$1,000,000 in budget authority from 2015 to 2016 for land acquisition for affordable housing. The project was

originally budgeted in 2015, but disbursements will be made in 2016. Funding comes from the general fund.

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Regional Administration

Change in Expenditures: ~~\$1,308,000 \$2,431,000~~; Reserves: (~~\$1,308,000 \$2,431,000~~)

- Request to carry-forward ~~\$188,000 \$461,000~~ in budget authority from 2015 to 2016 to complete the Robert Street window replacement project. The project was originally budgeted for \$1,000,000 in 2015, with ~~\$812,000 \$539,000~~ expended by the end of the year. The remaining ~~\$188,000 \$461,000~~ will be disbursed in 2016 with the project completed in February. Funding comes from the Robert Street Building fund.
- Request to carry-forward \$850,000 in budget authority from 2015 to 2016 for the build out of office space for Information Services at 375 Jackson Street. The project was budgeted for \$850,000 in 2015, but all disbursements on the project will occur in 2016. Funding comes from the general fund.
- Request to carry-forward \$270,000 in budget authority from 2015 to 2016 for the build out of the health clinic. The project was budgeted for \$270,000 in 2015, but all disbursements on the project will occur in 2016. Funding comes from the Health Self Insurance fund.

Year-end 2015 reserves were higher than they otherwise would have been due to these projects that were budgeted in 2015 but not expended. This amendment uses those available reserves to fund 2016 expenditures and will not cause reserves to fall below Council target reserve levels.

Rationale

The proposed amendments allow projects that were approved by the Council in 2015 to be completed in 2016.

Funding

The operating budget amendment is funded with available reserves.

Fiscal Impact

Cash Flow

Expenses are occurring in 2016 rather than 2015.

Impact on Regional Taxpayers

None

Known Support / Opposition

None

Attachments:

Table 2: Summary Budget: Operations, Pass-Through and Debt Service amended 2-10-2016

Table 3: Summary Budget: Operations by Fund amended 2-10-2016



**METROPOLITAN COUNCIL
SUMMARY BUDGET
OPERATIONS, PASSTHROUGH AND DEBT SERVICE
Amended February 10, 2016 (2016-15)**

TABLE 2

(\$ in 000s)

	Council Operations	Passthrough Grants & Loans	Debt Service Funds	Total
Revenues				
Property Tax	14,451	16,343	51,245	82,039
Federal Revenues	33,054	53,280	-	86,334
State Revenues	317,363	47,701	-	365,064
Local Revenues	33,262	-	-	33,262
Municipal Wastewater Charges	125,528	-	75,485	201,013
Industrial Wastewater Charges	13,890	-	815	14,705
Passenger Fares, Contract & Special Events	109,388	-	-	109,388
Investment Earnings	2,253	1,260	276	3,789
Other Revenues	7,211	-	-	7,211
Total Revenues	656,400	118,584	127,821	902,805
Other Sources				
OPEB Transfers In	3,580	-	-	3,580
SAC Transfers In	-	-	39,200	39,200
Other Transfers In	3,946	3,500	-	7,446
Total Other Sources	7,526	3,500	39,200	50,226
Total Revenues and Other Sources	663,926	122,084	167,021	953,031
Expenses				
Salaries & Benefits	407,130	-	-	407,130
Consulting & Contractual Services	52,978	-	-	52,978
Materials & Supplies	64,185	-	-	64,185
Chemicals	7,888	-	-	7,888
Rent & Utilities	35,818	-	-	35,818
Printing	786	-	-	786
Travel	1,841	-	-	1,841
Insurance	7,626	-	-	7,626
Transit Programs	76,130	-	-	76,130
Operating Capital	4,178	-	-	4,178
Governmental Grants	7,015	-	-	7,015
Other Expenses	14,304	-	-	14,304
Passthrough Grants & Loans	-	122,379	-	122,379
Debt Service Obligations	-	-	173,853	173,853
Total Expenses	679,879	122,379	173,853	976,111
Other Uses				
Transfers Out/Other Uses	13,877	500	-	14,377
Total Other Uses	13,877	500	-	14,377
Total Expenses and Other Uses	693,756	122,879	173,853	990,488
Change in Fund Balance	(29,830)	(795)	(6,832)	(37,457)
Summary of Changes				
<u>General Fund</u>				
Revenues	-	-	-	-
Expenses	1,850	-	-	1,850
Change in Fund Balance	(1,850)	-	-	(1,850)
<u>Robert Street Building Fund</u>				
Revenues	-	-	-	-
Expenses	188	464	-	652
Change in Fund Balance	(188)	(464)	-	(652)
<u>Health Self Insurance Fund</u>				
Revenues	-	-	-	-
Expenses	270	-	-	270
Change in Fund Balance	(270)	-	-	(270)



METROPOLITAN COUNCIL
SUMMARY BUDGET
OPERATIONS BY FUND
Amended February 10, 2016 (2016-15)

Table 3

(\$ in 000's)

	General Fund			Transportation											Memo Total			
	Regional Administration	Community Development	General Fund Total	Metropolitan Transportation Services						Metro Transit				Transportation Total				
				HRA & FAHP	Environmental Services	Operating Capital	Metro Mobility	Contracted Services	Transportation Planning	MTS Total	Bus	Light Rail	Commuter Rail			Metro Transit Total		
Revenues:																		
Property Tax	4,594	9,857	14,451	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,451
Federal Revenues	-	-	-	4,458	-	-	-	2,168	5,375	7,543	18,333	2,720	-	21,053	28,596	33,054	317,363	33,262
State Revenues	-	-	-	145	2,187	-	52,403	15,958	3,649	72,010	212,801	23,447	6,773	243,021	315,031	33,262	317,363	33,262
Local Revenues	-	-	-	-	-	-	-	1,916	100	2,016	-	23,194	8,052	31,246	33,262	33,262	33,262	33,262
Municipal Wastewater Charges	-	-	-	-	125,528	-	-	-	-	-	-	-	-	-	-	-	-	125,528
Industrial Wastewater Charges	-	-	-	-	13,890	-	-	-	-	-	-	-	-	-	-	-	-	13,890
Passenger Fares	-	-	-	-	-	-	7,962	2,541	-	10,503	73,440	21,212	2,333	96,985	107,488	107,488	107,488	
Contract & Special Event Revenues	-	-	-	-	-	-	-	-	-	-	1,400	500	-	1,900	1,900	1,900	1,900	
Investment Earnings	529	-	529	100	850	-	-	100	-	100	500	25	149	674	774	2,253	2,253	
Other Revenues	-	-	-	2,115	465	2,415	-	-	-	-	900	20	1,296	2,216	2,216	2,216	7,211	
Total Revenues	5,123	9,857	14,980	6,818	142,920	2,415	60,365	22,683	9,124	92,172	307,374	71,118	18,603	397,095	489,267	656,400	656,400	
Expenses:																		
Salaries & Benefits	34,642	4,810	39,452	3,697	66,862	-	1,283	833	2,762	4,878	250,866	36,861	4,514	292,241	297,119	407,130	407,130	
Consulting & Contractual Services	12,986	719	13,705	1,433	18,346	594	1,022	148	2,670	3,840	6,875	1,902	6,283	15,060	18,900	52,978	52,978	
Material & Supplies	556	8	564	50	8,495	173	6,313	(284)	19	6,048	27,419	17,339	4,097	48,855	54,903	64,185	64,185	
Chemicals	-	-	-	-	7,888	-	-	-	-	-	-	-	-	-	-	-	7,888	
Rent & Utilities	2,811	200	3,011	220	18,565	380	110	20	163	293	5,154	7,432	763	13,349	13,642	35,818		
Printing	190	55	245	45	11	-	43	28	31	102	383	-	-	383	485	786		
Travel	539	62	601	60	406	-	5	13	41	59	562	130	23	715	774	1,841		
Insurance	30	-	30	100	1,100	-	-	-	-	-	2,771	1,308	2,317	6,396	6,396	7,626		
Transit Programs	-	-	-	-	-	-	51,805	24,325	-	76,130	-	-	-	-	76,130	76,130		
Operating Capital	389	31	420	40	2,977	601	67	-	73	140	-	-	-	-	140	4,178		
Governmental Grants	-	1,000	1,000	-	1,070	-	-	1,060	675	1,735	3,210	-	-	3,210	4,945	7,015		
Other Expenses	1,708	162	1,870	653	1,289	1,196	59	50	64	173	6,773	2,138	212	9,123	9,296	14,304		
Total Expenses	53,851	7,047	60,898	6,298	127,009	2,944	60,707	26,193	6,498	93,398	304,013	67,110	18,209	389,332	482,730	679,879		
Other Sources and (Uses):																		
Interdivisional Cost Allocation	51,274	(2,010)	49,264	(1,139)	(13,813)	-	(1,898)	(836)	(1,487)	(4,221)	(25,689)	(4,008)	(394)	(30,091)	(34,312)	-	-	
MVST Transfers In	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
OPEB Transfers In	123	-	123	-	3,457	-	-	-	-	-	-	-	-	-	-	3,580	3,580	
Transfers From Other Funds	-	-	-	400	1,445	-	-	-	-	-	1,500	-	-	1,500	1,500	3,345	3,345	
Operating Capital Chargeback	-	-	-	-	-	601	-	-	-	-	-	-	-	-	-	601	601	
Transfers To Other Funds	(3,945)	(2,400)	(6,345)	-	(7,000)	-	-	(532)	-	(532)	-	-	-	-	(532)	(13,877)		
Net Other Sources and (Uses)	47,452	(4,410)	43,042	(739)	(15,911)	601	(1,898)	(1,368)	(1,487)	(4,753)	(24,189)	(4,008)	(394)	(28,591)	(33,344)	(6,351)		
Change in Fund Balance	(1,276)	(1,600)	(2,876)	(219)	-	72	(2,240)	(4,878)	1,139	(5,979)	(20,828)	-	-	(20,828)	(26,807)	(29,830)		

General Fund

Revenues	-	-
Expenses	850	1,000
Change in Fund Balance	(850)	(1,000)

Robert Street Building Fund

Revenues	-	-
Expenses	188	461
Change in Fund Balance	(188)	(461)

Health Self Insurance Fund

Revenues	-
Expenses	270
Change in Fund Balance	(270)