

Community Development Committee

For the Metropolitan Council meeting of July 14, 2021

Subject: Annual Metropolitan Regional Parks Operation and Maintenance Allocation

Proposed Action

That the Metropolitan Council:

1. Accept the Regional Parks System state fiscal year (SFY) 2022 Operation and Maintenance annual report and funding distributions.
2. Accept the corrections to the SFY 2021 Operation and Maintenance funding distribution.

Summary of Committee Discussion/Questions

Abdiwahab Ali, Financial Analyst, presented the staff report to the Community Development Committee at its meeting on July 6, 2021. Several Council Members expressed that Operation and Maintenance funding has been underfunded and advocating for increased Operation and Maintenance funding is important for our Regional Parks system. There were no questions, and the Community Development Committee passed this item unanimously.

Metropolitan Parks and Open Space Commission Report

For the Community Development Committee meeting of July 6, 2020

For the Metropolitan Council meeting of July 14, 2021

Subject: Annual Metropolitan Regional Parks Operation and Maintenance Allocation

Proposed Action

That the Metropolitan Council:

3. Accept the Regional Parks System state fiscal year (SFY) 2022 Operation and Maintenance annual report and funding distributions.
4. Accept the corrections to the SFY 2021 Operation and Maintenance funding distribution.

Summary of Commission Discussion/Questions

Abdiwahab Ali, Financial Analyst, presented the annual Operation and Maintenance (O&M) report to the Metropolitan Parks and Open Space Commission (MPOSC) at its meeting on July 1, 2021. As of the writing of the MPOSC business item, the State budget was pending conclusion of the legislative session and appropriations were not known. Prior to the Commission meeting, but after the original business item posted, the O&M biennial appropriation was signed into law for SFY2022-2023. Council staff presented a revised O&M distribution table representing the final appropriation (Revised Table 1).

The Metropolitan Parks and Open Space Commission voted unanimously to recommend the proposed action.

REVISED Table 1 – State Fiscal Year 2022 O&M Distribution

Agency	Reported actual 2022 O&M	Funding Distribution
Anoka County	\$5,364,281.43	\$848,118.37
Bloomington Parks	\$562,377.83	\$93,927.68
Carver County	\$1,346,388.62	\$145,780.79
Dakota County	\$6,998,244.60	\$586,856.34
Minneapolis Park & Recreation Board	\$26,189,673.95	\$2,575,807.88
Ramsey County	\$7,140,344.14	\$848,038.64
Saint Paul Parks	\$17,500,509.85	\$1,365,391.89
Scott County	\$1,656,459.87	\$158,578.50
Three Rivers Park District - Hennepin & Scott	\$41,318,284.66	\$2,952,886.12
Washington County	\$3,991,331.67	\$414,613.78
Total	\$112,067,896.62	\$9,990,000.00

Table 2. O&M Calculations by Agency, SFY 2022

Agency	Weighted Regional Park Acreage	Acres %	Regional Park Visits	Visits %	Reported actual 2020 O&M	Expenditure %	Funding %*
Anoka	6,374.60	16.98%	5,027,725	7.95%	\$5,364,281.43	4.79%	8.49%
Bloomington	165.55	0.44%	1,029,999	1.63%	\$562,377.83	0.50%	0.94%
Carver	897.90	2.39%	791,330	1.25%	\$1,346,388.62	1.20%	1.46%
Dakota	3,818.95	10.17%	2,122,578	3.36%	\$6,998,244.60	6.24%	5.87%
MPRB	2,805.70	7.47%	23,629,200	37.35%	\$26,189,673.95	23.37%	25.78%
Ramsey	4,362.45	11.62%	5,719,104	9.04%	\$7,140,344.14	6.37%	8.49%
Saint Paul	2,482.42	6.61%	9,644,926	15.25%	\$17,500,509.85	15.62%	13.67%
Scott	1,497.68	3.99%	313,606	0.50%	\$1,656,459.87	1.48%	1.59%
TRPD/Scott County	2,001.05	5.33%	533,392	0.84%	\$2,982,998.51	2.66%	2.47%
TRPD/Hennepin Co.	10,249.77	27.30%	12,568,390	19.87%	\$38,335,286.15	34.21%	27.09%
Washington	2,887.50	7.69%	1,877,919	2.97%	\$3,991,331.67	3.56%	4.15%
Totals	37,543.57	100.00%	63,258,169	100.00%	\$112,067,896.62	100.00%	100.00%

*The formula used to determine the distribution per agency is: 20% of each agency's share of acreage in the System in 2020, **plus** 40% of each agency's share of the visits in 2019 **plus** 40% of each agency's share of the eligible 2020 expenditures for operation and maintenance.

Table 3. Corrected O&M Distribution, SFY 2021

Agency	Original FY 2021 O&M Distribution	Corrected FY 2021 O&M Distribution	FY 2021 Balances Overpaid (Reduction)	FY 2021 Balances Underpaid
Anoka County	\$ 802,695.61	\$ 804,870.77	\$ -	\$ 2,175.16
Bloomington Parks	\$ 98,231.68	\$ 97,474.32	\$ (757.36)	\$ -
Carver County	\$ 129,244.07	\$ 134,523.44	\$ -	\$ 5,279.36
Dakota County	\$ 561,248.94	\$ 543,473.53	\$ (17,775.41)	\$ -
Minneapolis Park & Recreation Board (MPRB)	\$ 2,302,831.68	\$ 2,319,337.00	\$ -	\$ 16,505.31
Ramsey County	\$ 742,307.96	\$ 769,201.87	\$ -	\$ 26,893.91
Saint Paul Parks	\$ 1,293,420.64	\$ 1,290,047.87	\$ (3,372.77)	\$ -
Scott County	\$ 150,108.38	\$ 142,456.15	\$ (7,652.23)	\$ -
Three Rivers Park District (TRPD) - Hennepin & Scott	\$ 2,674,025.55	\$ 2,660,251.04	\$ (13,774.51)	\$ -
Washington County	\$ 385,885.48	\$ 378,364.02	\$ (7,521.45)	\$ -
Totals	\$ 9,140,000	\$ 9,140,000	\$ (50,854)	\$ 50,854

Metropolitan Parks and Open Space Commission

For the meeting of July 1, 2021

For the Community Development Committee meeting of July 6, 2021

For the Metropolitan Council meeting of July 14, 2021

Subject: Annual Metropolitan Regional Parks Operation and Maintenance Allocation

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: Abdiwahab Ali, Financial Analyst 651-602-1823

Division/Department: Community Development / Finance and Administration

Proposed Action

That the Metropolitan Parks and Open Space Commission:

1. Reports to the Metropolitan Council the Regional Parks System state fiscal year (SFY) 2022 Operation and Maintenance funding requests.
2. Reports to the Metropolitan Council corrections to the SFY 2021 Operation and Maintenance funding distribution.

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 15th 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 conducts 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 Parks System. Each agency’s total count of visitors comes from the 2019 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 Parks System. These numbers were determined following the eligibility review of 2020 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 2020 acreage as reported to the Council by each Agency.

As of the writing of this business item, the State budget is pending conclusion of the legislative special session. This business item needs to move forward now to satisfy the July 15 statutory deadline.

Table 1 below shows the Agencies’ requests for O&M funding for SFY2022 as based on their reported actual eligible expenditures. It also shows the percentage of total appropriated funds that will be distributed to each Agency. The calculations underlying this year’s distribution are attached as Table 2.

During the development of the SFY22 O&M business item, staff discovered an error in the SFY21 O&M allocation. Specifically, trail acreage was left out of the funding calculation. Table 3 outlines the fund distribution adjustments needed to correct for the omission of trail acreage. SFY21 corrections, and SFY22 O&M appropriations will be adjusted at the conclusion of special session, in accordance with Tables 1 and 3.

Table 1. State Fiscal Year 2022 O&M Distribution

Agency	Reported actual 2020 O&M	Funding Distribution
Anoka County	\$5,364,281.43	8.49%
Bloomington Parks	\$562,377.83	0.94%
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Ramsey County	\$7,140,344.14	8.49%
Saint Paul Parks	\$17,500,509.85	13.67%
Scott County	\$1,656,459.87	1.59%
Three Rivers Park District (TRPD) - Hennepin & Scott	\$41,318,284.66	29.56%
Washington County	\$3,991,331.67	4.15%
Total	\$112,067,896.62	100.00%

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 helping the ten Regional Park Implementing Agencies take care of existing infrastructure for the Twin Cities' world-class Regional Parks System.

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

Funding

Operations and Maintenance funding will be distributed to agencies in amounts appropriated by the State of Minnesota. Specific amounts are pending conclusion of the 2021 Special Legislative Session. Actual passthrough amounts will be based upon actual revenues received.

Known Support / Opposition

There is no known support or opposition.

Table 2. O&M Calculations by Agency, SFY 2022

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Saint Paul	\$1,293,420.64	\$1,290,047.87	(3,372.77)
Scott	\$150,108.38	\$142,456.15	(7,652.23)
TRPD/Scott County	\$238,599.88	\$227,088.33	(11,511.54)
TRPD/Hennepin Co	\$2,435,425.68	\$2,433,162.70	(2,262.97)
Washington	\$385,885.48	\$378,364.02	(7,521.45)
Totals	\$9,140,000.00	\$9,140,000.00	\$0.00