

# Committee Report

Management Committee



**Committee Meeting Date:** July 12, 2023

**For the Metropolitan Council:** July 26, 2023

## Business Item: 2023-142

State Transit Funding Allocation Policy FM 12-3

### Proposed Action

That the Metropolitan Council authorizes the 2023 Unified Budget as indicated and in accordance with the tables.

### Summary of July 12, 2023, Management Committee Discussion/Questions:

No questions or comments

Motion by Lilligren, seconded by Osman. Motion Carried



# Business Item

Management Committee



Committee Meeting Date: July 12, 2023

For the Metropolitan Council: July 26, 2023

## Business Item: 2023-142

State Transit Funding Allocation Policy FM 12-3

<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	Minnesota Statutes Sections 297B.02, 297B.09, 473.388
<b>Staff Prepared/Presented:</b>	Stewart McMullan, Director of Budget and Operations (651-602-1374)
<b>Division/Department:</b>	Transportation

### Proposed Action

That the Metropolitan Council adopt FM 12-3 Version 3 State Transit Funding Allocation Policy.

### Background

This policy requires the Council to allocate Motor Vehicle Sales Tax (MVST) funds it receives from the State of Minnesota for metropolitan area transit operations to Council activities and replacement service municipalities in accordance with Minnesota Statutes section 473.388.

The Council-wide Policy and Procedure Review Team reviews all policies and procedures for consistency, clarity, and compliance. Representatives from each division and Regional Administration serve on this team. This team reviewed Policy FM 12-3 and endorsed it to move forward to Management Committee for approval.

### Rationale

The 2023 Legislature amended Minnesota Statutes 297B.02 and 297B.09 governing the collection and allocation of MVST funds, effective July 1, 2023.

In Minnesota Statutes 297B.02, the Legislature increased the rate on the purchase of motor vehicles from 6.5% to 6.875%. In Minnesota Statutes 297B.09, the Legislature reduced the share of MVST funds allocated to the Council and replacement service providers from 36.0% to 34.3%. The sum of these two changes is forecast by the Minnesota Department of Revenue to bring in approximately \$1 million more in MVST revenues per year into the Council and the replacement service municipalities each year.

The allocation of MVST funds to the individual replacement service providers has been quantified as the sum of two calculations, the "statutory allocation" and the "supplemental allocation" and documented in this policy. Minnesota Statutes 473.388 Subd. 4 dictates that the first 21.5% of MVST revenues are allocated as prescribed in statute, quantifying the statutory allocation. With the reduction in the share of MVST allocated to the Council to 34.3%, and holding the statutory allocation to 21.5%, the supplemental allocation must correspondingly be reduced from 14.5% to 12.8%.

## **Thrive Lens Analysis**

This action supports the Council's Thrive Stewardship Outcome by providing for the efficient and effective use of public financial resources.

## **Funding**

The funding is MVST received from the State of Minnesota for metropolitan area transit operations to Council activities and replacement service municipalities established under Minnesota Statutes Section 473.388.

## **Attachments:**

State Transit Funding Allocation Policy FM 12-3 Marked Up

State Transit Funding Allocation Procedure FM12-3a Marked Up

State Transit Funding Allocation Policy FM 12-3 Final

State Transit Funding Allocation Procedure FM12-3a Final



## POLICY

### State Transit Funding Allocation Policy

FM 12-3

**Category:** Financial Management

**Business Unit Responsible:** RA: Finance

**Policy Owner:** Deputy Chief Financial Officer

**Policy Contact:** Stewart McMullan, Director of Budget Operations

**Synopsis:** Establishes the responsibilities and expectations for the allocation of funding received from the State of Minnesota for metropolitan area transit operations.

## POLICY

The Metropolitan Council shall allocate funds it receives from the State of Minnesota for metropolitan area transit operations to Council activities and replacement service municipalities established under [Minnesota Statutes section 473.388](#).

### State General Fund ~~Appropriations~~ ~~appropriations~~ are allocated:

- As directed in law, then
- State obligations to Metro Mobility, METRO Blue Line, METRO Green Line and Northstar Commuter Rail operations, then
- Regional bus and planning services.

### Motor Vehicle Sales Tax ~~Revenues~~ ~~revenues~~ are allocated:

- As directed in law, then
- State obligations not funded by the State General Fund appropriations, then
- Regional bus and planning services.
- ~~State obligations not funded by State General Fund Appropriations, then Regional bus and planning services.~~

### Replacement ~~Service~~ ~~service~~ ~~Municipalities~~ ~~municipalities~~ defined under Minnesota Statutes section 473.388 are collectively allocated:

Financial assistance under ~~Minnesota Statutes Section~~ ~~section~~ 473.388 ~~Subdivision~~ ~~subdivision~~ 4, and ~~Supplemental~~ ~~supplemental~~ financial assistance in an amount equal to 4.3% percent of:

1. ~~44.512.8~~% of total statewide Motor Vehicle Sales Tax revenues, plus
2. State General Fund ~~Appropriations~~ ~~appropriations~~ not directed in law, minus
3. State funding needed to meet federal and state obligations.

Payment of supplemental financial assistance not directed in Statute shall be ~~held back~~ ~~withheld~~ from any transit service provider not in compliance with established reporting requirements.

## PURPOSE OF POLICY

This policy establishes the responsibilities and expectations for the allocation of funding received from the State of Minnesota for metropolitan area transit operations.

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## BACKGROUND & REASONS FOR POLICY

The State of Minnesota provides funding for metropolitan area transit operations through [State General Fund Appropriations-appropriations](#) and [3634.3%](#) of the money collected and received under [Minnesota Statutes chapter 297B Sales Tax on Motor Vehicles](#). The transit system in the metropolitan area includes the services provided by the [Metropolitan Council](#) and replacement service municipalities. The [Metropolitan Council](#) is responsible for allocating funding among all service providers.

~~For the period between January 1, 2018 and June 30, 2019, the minimum supplemental financial assistance to be allocated to replacement service municipalities is defined in MS Section 473.388 Subdivision 4a as 0.35 percent of the total state revenues generated from taxes imposed under Minnesota Statutes chapter 297B.~~

Allocation of supplemental financial assistance between individual replacement service municipalities shall be in the manner determined by agreement of the replacement service municipalities. The allocation methodology may specify eligibility based on a municipality's transit service operating reserve. Absent an agreement between the replacement service municipalities, the Regional Administrator shall determine the amount to be allocated to a replacement service municipality.

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## IMPLEMENTATION & ACCOUNTABILITY

The Regional Administrator shall establish the framework and accountability for the effective implementation of the policy.

~~[Allocation of the supplemental financial assistance between individual replacement service municipalities under the Motor Vehicles Sales Tax shall be in the manner determined by the agreement with the replacement service municipalities. The allocation methodology may specify eligibility based on a municipality's transit service operating reserve. Absent an agreement between the replacement service municipalities, the Regional Administrator shall determine the amount to be allocated to a replacement service municipality.](#)~~

The [Metropolitan Council](#) shall publish the State Transit Funding Allocation policy, implementing procedures, financial information and reporting requirements on ~~the Council's~~ website.

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## PROCEDURES

- [FM 12-3a State Transit Funding Allocation Procedure](#)

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## RESOURCES

### Minnesota Statutes

- ~~[Minnesota Statutes \(MS\) Section 473.388](#)~~
- [Minnesota Statutes Chapter 297B Sales Tax on Motor Vehicles](#)

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## HISTORY

### Version 2 – Template Update

10/12/2020 - Updated content into new template.

### Version 1 – Approval Date

01/08/2018

### Last Reviewed Date

01/01/2018

### Next Content Review Date

07/15/2021

**Former Reference #**

3-2-7

**Version**

23



## PROCEDURE

### State Transit Funding Allocation Procedure

FM 12-3a

**Category:** Financial Management

**Business Unit Responsible:** RA: Finance

**Procedure Owner:** Deputy Chief Financial Officer

**Procedure Contact:** Stewart McMullan, Director of Budget Operations

**Synopsis:** Procedure ~~gives State statutes guidance and reporting requirements for Transit Funding Allocation to implement the Council's policy and statutory guidance and reporting requirements for the allocation of Motor Vehicle Sales Tax funding.~~

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## GOVERNING POLICY

- [FM 12-3 State Transit Funding Allocation Policy](#)

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## PROCEDURE

### State General Fund ~~Appropriations~~ **Appropriations**

The State of Minnesota provides the [Metropolitan Council](#) with appropriations from the general fund for ~~the~~ transit system operations in the metropolitan area. ~~They~~ These funds are allocated as follows:

1. As directed in law, then
2. [METRO](#) Blue Line, [METRO](#) Green Line, Northstar [Commuter Rail](#) and Metro Mobility operations required to meet federal and state mandates, then
3. Service providers in the same manner as under the paragraph in the Motor Vehicle Sales Tax section 2.

### Motor Vehicle Sales Tax

[Minnesota Statutes](#) Section 297B.09 allocates ~~3634.3~~ 3634.3% of the Motor Vehicle Sales Tax collected under Minnesota Statutes section 16A.88 to the metropolitan area transit account. The money in the account is appropriated to the Metropolitan Council for ~~the~~ funding of the transit system within the metropolitan area.

1. 21.5% of the Motor Vehicle Sales Tax collected under [Minnesota Statutes section 16A.88](#) is allocated to service providers as follows:

The Metropolitan Council receives 82.844444%, The remaining 17.155556% is allocated to the replacement service municipalities, as defined under

~~Replacement service municipalities as defined~~ under [Minnesota Statutes section 473.388](#) and calculated under subdivision 4 (c), according to the following table:

Apple Valley	1.337329%
Burnsville	2.256314%
Chanhassen	0.727583%
Chaska	0.428965%
Eagan	2.554785%
Eden Prairie	3.036682%
Maple Grove	1.776217%
Plymouth	2.631990%
Prior Lake	0.491638%
Rosemount	0.680534%
Savage	0.545304%
Shakopee	0.688215%
<b>Total</b>	<b>17.155556%</b>

2. 14.512.8% of Motor Vehicle Sales Tax collected under [Minnesota Statutes section 16A.88](#) is allocated to service providers as follows:
  - a. Preservation of service required to meet federal and state mandates, then
  - b. Service providers who meet reporting requirements under Section III. Payments to providers not in compliance will be ~~held back~~withheld.

The Metropolitan Council receives 95.7%. The remaining 4.3% is allocated to

~~Replacement~~replacement service municipalities as defined under [Minnesota Statutes section 473.388](#), according to the following table:

Apple Valley	0.447185%
Burnsville	0.754481%
Chanhassen	0.201413%
Chaska	0.118748%
Eagan	0.854286%
Eden Prairie	0.840630%
Maple Grove	0.113900%
Plymouth	0.164926%
Prior Lake	0.164397%
Rosemount	0.227562%
Savage	0.182342%
Shakopee	0.230130%
<b>Total</b>	<b><u>17.1555564.30000</u></b> <b><u>0%</u></b>

~~For the period between January 1, 2018 and June 30, 2019, the minimum discretionary financial assistance to be allocated to replacement service municipalities is defined in [Minnesota Statutes section 473.388](#) Subdivision 4a as 0.35 percent of the total state revenues generated from taxes imposed under [Minnesota Statutes chapter 297B](#).~~

## REPORTING REQUIREMENTS

### Metropolitan Council will:

- Communicate all known reporting requirements and anticipated deadlines ~~b~~By January ~~15th~~ 15 of each calendar year to the replacement service municipalities.
- Send a specific ~~detailed data~~ request for each report and provide at least a 30-day notice for any material changes to the reporting requirements and anticipated deadlines unless unable to do so due to lack of notice by the ~~State~~ state or ~~Federal~~ federal government.

### Transit providers will:

- Provide all financial and operational, including route level and annual operating expense and fund reserve balance data as requested by the Metropolitan Council for completion of required regional, state, and federal reports and audits.
- Provide data in a format as requested by the Metropolitan Council (e.g., in excel document rather than PDF).
- Provide any additional follow-up information reasonably requested by the Metropolitan Council to meet the Council's Regional regional, State state, or Federal federal reporting requirements.

### Exclusions

- ~~Reporting requirements identified in contractual agreements between the Metropolitan Council and Transit Providers are bound by the requirements in the contract and are not part of this policy. Examples of these agreements include Master Lease Agreements and Subrecipient Grant Agreements. This procedure does not address agreements, such as master lease agreements or subrecipient grant agreements, between the Council and transit providers. The reporting requirements in those agreements are separately enforced.~~

### Draft Report/Data List

~~"The reports that the Council may require data or information from the replacement service municipalities include Reports may include, but are not limited to [list current reports]: the Transit Investment Report, Regional Route Performance Analysis, TAM Plan transit asset management reporting, PTASP public transit agency safety plan reporting, Transit Operating Reserves, State Audit, Federal Transit Administration audits, and drug and alcohol reporting. A communication outlining all known reporting requirements will be shared annually prior to January 15".The Metropolitan Council will communicate all known reporting requirements to the replacement service municipalities annually prior to January 15.~~

Report	Requirement Source	Date Information is Required by Providers	Primary Point of Contact
<b>Metropolitan Area Transit Investment Report</b>	<u><i>Minn. Stat. § 473.4185</i></u> <del>'Local units of government must provide assistance and information in a timely manner as requested by the commissioner or council for completion of the report.'</del>	<del>Anticipated May 2018 for 3 years of data (2015-2017).</del>	Cole Hiniker

<b>Regional Route Performance Analysis</b>	<u>Minn. Stat. § 473.4485 and Transportation Policy Plan.</u> Requirement for Metropolitan Area Transit Investment Report.	Anticipated May 2018.	John Harper
<b>Federal Asset Management (TAM-Plan Reporting)</b>	<u>49. U.S.C 5326(c)(3)(B)</u>	2019 Annual Performance Target (March 2018) Transit Asset Management Plan (April 2018) Others as determined by FTA	Hahn Tran

<b><u>Transit Operating Reserves</u></b>	<u>Minn. Stat 473.452 Each replacement service provider under section 473.388 must report to the council its projected total operating expenses for the current calendar year and its projected operating reserve fund balance as of the previous December 31.</u>	<u>February 1 each year</u>	<u>Heather Giesel</u>
<b>Federal Safety Reporting</b>	FTA	Unknown	Unknown <u>TBD</u>
<b>Guideway Status Report</b>	State	Determined by MnDOT	Mary Robison <u>TBD</u>
<b>AASHTO Annual Report</b>	State	Determined by MnDOT Anticipated Q2/Q3	Mary Robison <u>TBD</u>
<b>MnDOT Transit Report</b>	State	Determined by MnDOT Anticipated Q2/Q3	Mary Robison <u>TBD</u>
<b>State Audits</b>	State	Determined by State Auditor	Heather Giesel/Aagesen-Huebner
<b>FTA Audits</b>	FTA	Determined by FTA Anticipated May	Heather Giesel/Aagesen-Huebner
<b>Drug and Alcohol</b>	FTA (specific elements noted below)  MIS Reports  Random Testing Charts and lab reports  Updated Drug and Alcohol Policies and Annual Certificate of Compliance  Service agent certifications (Medical Review Officers, Substance Abuse Professionals, collection site agreements and collection site staff certifications.	  Due Annually to Council staff in February for review. Final submission due to FTA in March  Due Bi-Annually (January 31 and July 31)  Due annually on January 31  Due when certifications and agreements are renewed	Sheila Williams

**Specific Data Needs (examples of the reports currently known to be required by the state or federal government)**

- ~~CAACFR Annual comprehensive financial reports / Financial financial Statements statements / Annual annual Audits audits~~
- Route ~~Level level~~ data including but, not limited to, costs, ridership, farebox revenue, miles and hours of service
- Final National Transit Database (~~NTD~~) report
- Title VI ~~Plans plans~~
- Budget ~~Documents documents~~: Annual annual Operating operating b Budget, Annual annual Capital-capital Budget budget, CIP capital improvement program
- Asset ~~Management management Plans plans~~
- Asset ~~Tracking tracking and Reconciliation reconciliation Reports reports~~
- ~~Public T transportation Agency S safety P plans~~
- ~~Operating expenses and operating reserve fund balances~~
- ~~—~~

- Facility ~~Maintenance-maintenance Plansplans~~
- Drug and alcohol: random and preemployment tests (samples), ~~MIS-management information systems Reportsreports~~, ~~Random-random Testing-testing Charts-charts~~ and lab reports. Updated ~~Drug-drug~~ and ~~Alcohol-alcohol Policiespolicies~~, ~~Annual-annual Certificate-certificate of Compliancecompliance~~, ~~Service-service~~ agent certifications (~~Medical-medical Review-review Officersofficers~~, ~~Substance-substance Abuse-abuse Professionalsprofessionals~~, collection site agreements and collection site staff certifications.
- Policies and ~~Procedures-procedures~~ (as needed for grant monitoring)

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## ROLES & RESPONSIBILITIES

~~The~~ Metropolitan Council is responsible for ~~development-the implementation~~ of an allocation model that implements the procedure ~~in accordance with the allocation specified in this procedure~~. The ~~Metropolitan~~ Council shall publish the [FM 12-3 State Transit Funding Allocation Policy](#), implementing procedures, financial information and reporting requirements on ~~the Council's~~ website.

Allocation of supplemental financial assistance between individual replacement service municipalities under the Motor Vehicles Sales Tax section 2 shall be in the manner determined by agreement of the replacement service municipalities. The allocation methodology may specify eligibility based on a municipality's transit service operating reserve. ~~Absent an agreement between the replacement service municipalities, the Regional Administrator shall determine the amount to be allocated to a replacement service municipality.~~

Transit providers are responsible for providing the information in accordance with the ~~Reporting-reporting~~ ~~Requirement-requirement~~ section in a timely and accurate manner.

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## RESOURCES

### Statutory Resources

- [Minnesota Statutes section 16A.88](#)
- [Minnesota Statutes section 473.388](#)
- [Minnesota Statutes section 473.4485](#)
- [49. U.S.C 5326\(c\)\(3\)\(B\)](#)
- [Minnesota Statutes chapter 297B](#)
- [Minnesota Statutes section 473.452](#)

### Other Resources

- [Transportation Policy Plan](#)

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## HISTORY

### [Version 3](#)

### [Updated based on updated Sstatutes](#)

#### Version 2 – Template Update

10/12/2020 - Updated content into new template.

#### Version 1 – Approval Date

01/01/2018

#### Last Reviewed Date

01/01/2018

#### Next Content Review Date

07/15/2021

#### Former Reference #

3-2-7a

**Version**

~~23~~



## POLICY

### State Transit Funding Allocation Policy

FM 12-3

**Category:** Financial Management

**Business Unit Responsible:** RA: Finance

**Policy Owner:** Deputy Chief Financial Officer

**Policy Contact:** Stewart McMullan, Director of Budget Operations

**Synopsis:** Establishes the responsibilities and expectations for the allocation of funding received from the State of Minnesota for metropolitan area transit operations.

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## POLICY

The Metropolitan Council shall allocate funds it receives from the State of Minnesota for metropolitan area transit operations to Council activities and replacement service municipalities established under [Minnesota Statutes section 473.388](#).

#### State General Fund appropriations are allocated:

- As directed in law, then State obligations to Metro Mobility, METRO Blue Line, METRO Green Line and NorthStar Commuter Rail operations, then
- Regional bus and planning services.

#### Motor Vehicle Sales Tax revenues are allocated:

- As directed in law, then State obligations not funded by the State General Fund appropriations, then,
- Regional bus and planning services.

#### Replacement service municipalities defined under Minnesota Statutes section 473.388 are collectively allocated:

Financial assistance under Minnesota Statutes section 473.388 subdivision 4, and supplemental financial assistance in an amount equal to 4.3% percent of:

1. 12.8% of total statewide Motor Vehicle Sales Tax revenues, plus
2. State General Fund appropriations not directed in law, minus,
3. State funding needed to meet federal and state obligations.

Payment of supplemental financial assistance not directed in Statute shall be withheld from any transit service provider not in compliance with established reporting requirements.

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## PURPOSE OF POLICY

This policy establishes the responsibilities and expectations for the allocation of funding received from the State of Minnesota for metropolitan area transit operations.

## BACKGROUND & REASONS FOR POLICY

The State of Minnesota provides funding for metropolitan area transit operations through State General Fund appropriations and 34.3% of the money collected and received under [Minnesota Statutes chapter 297B Sales Tax on Motor Vehicles](#). The transit system in the metropolitan area includes the services provided by the Metropolitan Council and replacement service municipalities. The Metropolitan Council is responsible for allocating funding among all service providers.

Allocation of supplemental financial assistance between individual replacement service municipalities shall be in the manner determined by agreement of the replacement service municipalities. The allocation methodology may specify eligibility based on a municipality's transit service operating reserve. Absent an agreement between the replacement service municipalities, the Regional Administrator shall determine the amount to be allocated to a replacement service municipality.

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## IMPLEMENTATION & ACCOUNTABILITY

The Regional Administrator shall establish the framework and accountability for the effective implementation of the policy.

Allocation of the supplemental financial assistance between individual replacement service municipalities under the Motor Vehicles Sales Tax shall be in the manner determined by the agreement with the replacement service municipalities. The allocation methodology may specify eligibility based on a municipality's transit service operating reserve. Absent an agreement between the replacement service municipalities, the Regional Administrator shall determine the amount to be allocated to a replacement service municipality.

The Metropolitan Council shall publish the State Transit Funding Allocation policy, implementing procedures, financial information, and reporting requirements on its website.

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## PROCEDURES

- [FM 12-3a State Transit Funding Allocation Procedure](#)

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## RESOURCES

### Minnesota Statutes

- [Minnesota Statutes Section 473.388](#)
- [Minnesota Statutes Chapter 297B Sales Tax on Motor Vehicles](#)

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## HISTORY

### Version 3

7/12/2023 – updated based on updated Statutes.

### Version 2 – Template Update

10/12/2020 - Updated content into new template.

### Version 1 – Approval Date

01/08/2018

### Last Reviewed Date

01/01/2018

### Next Content Review Date

07/15/2021

**Former Reference #**  
3-2-7

**Version**

3

## PROCEDURE

### State Transit Funding Allocation Procedure

FM 12-3a

**Category:** Financial Management

**Business Unit Responsible:** RA: Finance

**Procedure Owner:** Deputy Chief Financial Officer

**Procedure Contact:** Stewart McMullan, Director of Budget Operations

**Synopsis:** Procedure to implement the Council's policy and statutory guidance and reporting requirements for the allocation of Motor Vehicle Sales Tax funding.

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## GOVERNING POLICY

- [FM 12-3 State Transit Funding Allocation Policy](#)

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## PROCEDURE

### State General Fund appropriations

The State of Minnesota provides the Metropolitan Council with appropriations from the general fund for transit system operations in the metropolitan area. These funds are allocated as follows:

1. As directed in law, then,
2. METRO Blue Line, METRO Green Line, NorthStar Commuter Rail and Metro Mobility operations required to meet federal and state mandates, then,
3. Service providers in the same manner as under the paragraph in the Motor Vehicle Sales Tax section 2.

### Motor Vehicle Sales Tax

Minnesota Statutes Section 297B.09 allocates 34.3% of the Motor Vehicle Sales Tax collected under Minnesota Statutes section 16A.88 to the metropolitan area transit account. The money in the account is appropriated to the Metropolitan Council for funding of the transit system within the metropolitan area.

1. 21.5% of the Motor Vehicle Sales Tax collected under [Minnesota Statutes section 16A.88](#) is allocated to service providers as follows:

The Metropolitan Council receives 82.844444%, The remaining 17.155556% is allocated to the replacement service municipalities, as defined under [Minnesota Statutes section 473.388](#) and calculated under subdivision 4(c), according to the following table:

Apple Valley	1.337329%
Burnsville	2.256314%
Chanhassen	0.727583%
Chaska	0.428965%
Eagan	2.554785%
Eden Prairie	3.036682%
Maple Grove	1.776217%
Plymouth	2.631990%
Prior Lake	0.491638%
Rosemount	0.680534%
Savage	0.545304%
Shakopee	0.688215%
<b>Total</b>	<b>17.155556%</b>

2. 12.8% of Motor Vehicle Sales Tax collected under [Minnesota Statutes section 16A.88](#) is allocated to service providers as follows:
  - a. Preservation of service required to meet federal and state mandates, then,
  - b. Service providers who meet reporting requirements under Report/data list.

Payments to providers not in compliance will be withheld.

The Metropolitan Council receives 95.7%. The remaining 4.3% is allocated to replacement service municipalities as defined under [Minnesota Statutes section 473.388](#), according to the following table:

Apple Valley	0.447185%
Burnsville	0.754481%
Chanhassen	0.201413%
Chaska	0.118748%
Eagan	0.854286%
Eden Prairie	0.840630%
Maple Grove	0.113900%
Plymouth	0.164926%
Prior Lake	0.164397%
Rosemount	0.227562%
Savage	0.182342%
Shakopee	0.230130%
<b>Total</b>	<b>4.300000%</b>

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## REPORTING REQUIREMENTS

### Metropolitan Council will:

- Communicate to the replacement service municipalities all known reporting requirements and anticipated deadlines by January 15 of each calendar year.
- Send a specific request for each report and provide at least a 30-day notice for any material changes to the reporting requirements and anticipated deadlines unless unable to do so due to lack of notice by the state or federal government.

### Transit providers will:

- Provide all financial and operational, including route level and annual operating expense and fund reserve balance data as requested by the Metropolitan Council for completion of required regional, state, and federal reports and audits.
- Provide data in a format as requested by the Metropolitan Council (e.g., in excel document rather than PDF).
- Provide any additional follow-up information reasonably requested by the Metropolitan Council to meet the Council's regional, state, or federal reporting requirements.

### Exclusions

- This procedure does not address agreements, such as master lease agreements or subrecipient grant agreements, between the Council and transit providers. The reporting requirements in those agreements are separately enforced.

### Report/Data List

The Council may require data or information from the replacement service providers for reports that include but are not limited to: the Transit Investment Report, regional route performance analysis, transit asset management reporting, public transit agency safety plan reporting, transit operating reserves, state audit, Federal Transit Administration audits, and drug and alcohol reporting. The Metropolitan Council will communicate all known reporting requirements to the replacement service providers annually prior to January 15.

### Specific Data Needs (examples of the reports currently known to be required by the state or federal government)

- Annual comprehensive financial reports / financial statements / annual audits
- Route level data including but not limited to, costs, ridership, farebox revenue, miles and hours of service.
- Final National Transit Database report
- Title VI plans
- Budget documents: annual operating budget, annual capital budget, capital improvement program
- Asset management plans
- Asset tracking and reconciliation reports
- Public Transportation agency safety plans
- Operating expenses and operating reserve fund balance
- Facility maintenance plans
- Drug and alcohol: random and preemployment tests (samples), management information systems reports, random testing charts and lab reports. Updated drug and alcohol policies, annual certificate of compliance, service agent certifications (medical review officers, substance abuse professionals, collection site agreements and collection site staff certifications).
- Policies and procedures (as needed for grant monitoring)

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## ROLES & RESPONSIBILITIES

The Metropolitan Council will develop an allocation model that implements the procedure in accordance with the allocation specified in this procedure. The Metropolitan Council shall publish the [FM 12-3 State Transit Funding Allocation Policy](#), implementing procedures, financial information and reporting requirements on its website.

Allocation of supplemental financial assistance between individual replacement service municipalities under the Motor Vehicles Sales Tax section 2 shall be in the manner determined by agreement of the replacement service providers. The allocation methodology may specify eligibility based on a municipality's transit service operating reserve.

Transit providers are responsible for providing the information in accordance with the reporting requirement section in a timely and accurate manner.

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## RESOURCES

### Statutory Resources

- [Minnesota Statutes section 16A.88](#)
- [Minnesota Statutes section 473.388](#)
- [Minnesota Statutes section 473.4485](#)
- [49. U.S.C 5326\(c\)\(3\)\(B\)](#)
- [Minnesota Statutes chapter 297B](#)
- [Minnesota Statutes section 473.452](#)

### Other Resources

- [Transportation Policy Plan](#)

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## HISTORY

### Version 3

Updated based on updated statutes.

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