



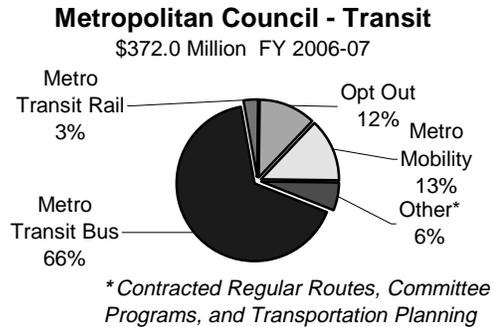
Metropolitan Council

January 25, 2005

To the 2005 Legislature:

On behalf of Governor Pawlenty, I am pleased to submit the Metropolitan Council's recommendation for metropolitan transit operations for the FY 2006-07 budget.

This budget consists of \$106.906 million from the state's General Fund for bus transit; \$255.721 million from the state Motor Vehicle Sales Tax (MVST) for bus transit; and \$9.350 million from the state's General Fund for light rail transit. This includes a 40% increase (\$2.65 million) for the recently opened Hiawatha Light Rail line. The Governor is not recommending any changes to these current law funding levels. State funds represent approximately 62% of the total operating funds used for metropolitan transit programs, with fares comprising 24%, and other sources making up the balance.



As the graphic indicates, there are six transit programs in the Twin Cities, which provided over 73.1 million rides in 2003. These programs:

- Provide access to jobs, primarily during peak traffic periods, as 80% of riders are going to or from work.
- Mitigate congestion in heavily traveled corridors during peak traffic, carrying the equivalent of up to one and a half lanes of traffic on key congested highways at peak periods.
- Provide mobility for citizens regardless of economic status or physical ability.
- Support disabled and elderly persons living outside of institutional settings.

We look forward to working with the legislature in the coming months.

Sincerely,

Peter Bell
Chair, Metropolitan Council

Dollars in Thousands

	Current		Governor Recomm.		Biennium 2006-07
	FY2004	FY2005	FY2006	FY2007	
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	56,810	57,910	57,910	57,910	115,820
Recommended	56,810	57,910	57,503	58,753	116,256
Change		0	(407)	843	436
% Biennial Change from 2004-05					1.3%
 <u>Expenditures by Fund</u>					
Direct Appropriations					
General	55,893	56,173	57,503	58,753	116,256
Statutory Appropriations					
Metro Area Transit	127,672	123,281	124,614	131,107	255,721
Total	183,565	179,454	182,117	189,860	371,977
 <u>Expenditures by Category</u>					
Local Assistance	183,565	179,454	182,117	189,860	371,977
Total	183,565	179,454	182,117	189,860	371,977
 <u>Expenditures by Program</u>					
Met Council Transit	183,565	179,454	182,117	189,860	371,977
Total	183,565	179,454	182,117	189,860	371,977

<i>Dollars in Thousands</i>				
	FY2005	Governor's Recomm.		Biennium
		FY2006	FY2007	2006-07
<i>Fund: GENERAL</i>				
FY 2005 Appropriations	57,910	57,910	57,910	115,820
Technical Adjustments				
Current Law Base Change		(407)	843	436
Subtotal - Forecast Base	57,910	57,503	58,753	116,256
Total Governor's Recommendations	57,910	57,503	58,753	116,256
<i>Fund: METRO AREA TRANSIT</i>				
Planned Statutory Spending	123,281	124,614	131,107	255,721
Total Governor's Recommendations	123,281	124,614	131,107	255,721

Agency Purpose

The Metropolitan Council is a political subdivision of the state governed by a chairperson and 16 council members representing districts and appointed by the governor. The mission of the Metropolitan Council is to develop, in cooperation with local communities, a comprehensive regional planning framework, focusing on transportation, wastewater, parks, and aviation systems that guides the efficient growth of the metropolitan area. The council operates transit and wastewater services, and administers housing and other grant programs.

The seven-county metropolitan area is an economically stable region that is expected to grow by 966,000 people, 471,000 households, and 563,000 jobs by 2030. In recent years, traffic congestion levels have been growing in the region and are projected to continue to increase. Congestion is an important issue of concern to citizens and will influence the region’s future economic competitiveness. The council is supporting transportation improvements and transit-oriented development to help alleviate congestion.

Core Functions

The council’s main functions are:

- ◆ providing long-range comprehensive planning for transportation, airports, and wastewater;
- ◆ operating the regional transit system;
- ◆ operating the regional wastewater treatment system;
- ◆ coordinates system-wide planning and capital improvement funding for regional parks system; and
- ◆ operating a regional housing and redevelopment authority that provides assistance to low-income families in the region.

Operations

The council works to manage its services and infrastructure development to ensure a competitive and livable region in the future.

The **Transportation Division** is responsible for regional transportation planning including aviation, highway, and transit systems as well as transit operations. The state of Minnesota provides about 60% of the funding for the council’s transportation function. The function is funded by state General Fund dollars, Motor Vehicle Sales Tax, federal revenue and fares. The division:

- ⇒ Develops transportation policy for the metropolitan region, and implements transportation policy through its own programs and through coordination with the federal, state, and local governments.
- ⇒ Develops and updates the five-year transit plan, and the federal Transportation Improvement Program (TIP) for the metropolitan area. Acts as the federally designated Metropolitan Planning Organization and manages the allocation of federal transportation funds.
- ⇒ Operates Metro Transit, the largest provider of regular-route service in the region with more that 67 million rides in 2004 on 130 local, express, and contract bus routes. Metro Transit opened the state’s first light-rail line in 2004. It also manages corporate transit programs for more than 100 employers. Provides Metro Mobility, the region’s Americans with Disabilities paratransit service. Manages contracted regular route and dial-a-ride transit services.
- ⇒ Promotes transit and other alternative modes of transportation through Metro Commuter Services programs and with travel demand management organizations

At A Glance

All Council Functions:

- ◆ 3,718 Employees
- ◆ \$424 million Annual Operating Budget
- ◆ 300 million gallons of wastewater treated
- ◆ 6,000 families in the Section 8 program
- ◆ 193 local government comprehensive plans reviewed

Transportation Functions:

- ◆ 2,718 Employees
- ◆ \$304 million Annual Operating Budget
- ◆ \$112.1 million Biennial State General Fund appropriation
- ◆ \$110 million annual projected Motor Vehicle Sales Tax (MVST) (\$133 with opt-outs)

Regional Park System:

- ◆ 52,000 acres
- ◆ 30.5 million visits a year
- ◆ administered by ten local agencies: Anoka, Carver, Dakota, Ramsey, Washington, Bloomington, Minneapolis, St. Paul, Three Rivers, and Scott

The **Environmental Services Division** owns and maintains approximately 600 miles of regional sewers, and treats an average of almost 300 million gallons of wastewater daily at eight regional treatment plants for a total of 96 billion gallons treated in 2003. The division maintains near-perfect compliance with clean water discharge permits. In 2003, all eight treatment plants received significant awards. The division is fully fee funded, and its rates are below national average. In addition the division works with about 800 industrial clients in the metro area to reduce pollution, and provides water resources monitoring, and analysis for the entire region.

The **Community Development Division** includes functions such as Planning and Technical Assistance, Research, Geographic Information Systems, the Metropolitan Housing and Redevelopment Authority, and Livable Communities. It also coordinates the Regional Parks Program.

- ◆ administers regional park planning by designating lands to be acquired by cities, counties, and special parks districts as regional recreation open space under MS 473.147; distributes state appropriations to these agencies to acquire land and develop recreation facilities under MS 473.315; and distributes state appropriations to supplement local property taxes and user fees to operate and maintain the regional park system under MS 473.351.

The regional park system consists of 52,000 acres, of which 21,000 have been acquired with state and Metropolitan Council funds since 1974. Approximately \$225 million of state and Metropolitan Council funds have been invested to develop new parks and trails and rehabilitate existing parks and trails since 1974. Since 1985, the State has appropriated \$78 million of General Fund and Lottery-in-Lieu-of-Sales-Tax revenues to help finance the operations and maintenance of the regional park system. In 2003, there were over 30.5 million visits to the regional parks system.

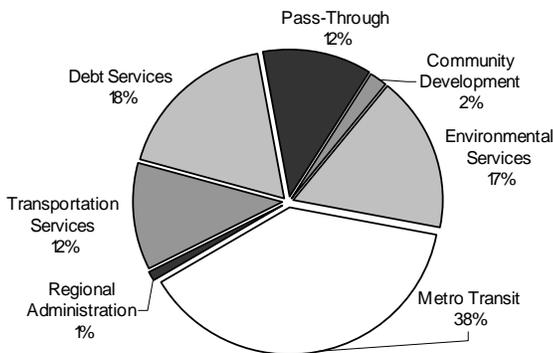
- ◆ administers the Livable Communities Act, which has awarded \$112.3 million in grants to metropolitan area communities to help them clean up polluted land for redevelopment and new jobs, create efficient, cost-effective development and redevelopment and provide affordable housing opportunities.

Budget

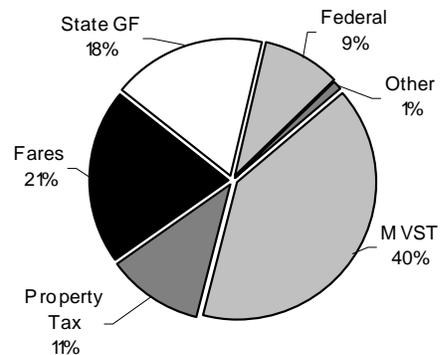
The council adopts an annual budget for its operations. The 2004 annual adopted operating budget is \$424 million. Organization staff includes 3,718 full-time equivalents.

Of the total council budget, \$304 million is for transportation, \$104 million for environmental services, and \$17 million for planning and administration.

2004 Total Operating Budget by Functions



2004 Transportation Operating Budget By Funding



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For information on how this agency measures whether it is meeting its statewide goals, please refer to <http://www.departmentresults.state.mn.us/>.