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State of Minnesota

HOUSE OF REPRESENTATIVES

A bill for an act

NINETY-FIRST SESSION

н. ғ. №. 1510

Authored by Runbeck, Torkelson, Petersburg and Koznick The bill was read for the first time and referred to the Transportation Finance and Policy Division 02/21/2019

1.2 1.3	relating to transportation; modifying Metropolitan Council financial reporting requirements; requiring reporting; amending Minnesota Statutes 2018, sections
1.4	3.972, subdivision 4; 473.13, by adding subdivisions.
1.5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:
1.6	Section 1. Minnesota Statutes 2018, section 3.972, subdivision 4, is amended to read:
1.7	Subd. 4. Certain transit financial activity reporting. (a) The legislative auditor must
1.8	perform a transit financial activity review of financial information for the Metropolitan
1.9	Council's Transportation Division and the joint powers board under section 297A.992.
1.10	Within 14 days of the end of each fiscal quarter, two times each year. The first report, due
1.11	April 1, must include the quarters ending on September 30 and December 31 of the previous
1.12	calendar year. The second report, due October 1, must include the quarters ending on March
1.13	31 and June 30 of the current year. The legislative auditor must submit the review to the
1.14	Legislative Audit Commission and the chairs and ranking minority members of the legislative
1.15	committees with jurisdiction over transportation policy and finance, finance, and ways and
1.16	means.
1.17	(b) At a minimum, each transit financial activity review must include:
1.18	(1) a summary of monthly financial statements, including balance sheets and operating
1.19	statements, that shows income, expenditures, and fund balance;
1.20	(2) a list of any obligations and agreements entered into related to transit purposes,
1.21	whether for capital or operating, including but not limited to bonds, notes, grants, and future
1.22	funding commitments;

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2.1	(3) the amount of funds in clause (2) that has been committed;
2.2	(4) independent analysis by the fiscal oversight officer of the fiscal viability of revenues
2.3	and fund balance compared to expenditures, taking into account:
2.4	(i) all expenditure commitments;
2.5	(ii) cash flow;
2.6	(iii) sufficiency of estimated funds; and
2.7	(iv) financial solvency of anticipated transit projects; and
2.8	(5) a notification concerning whether the requirements under paragraph (c) have been
2.9	met.
2.10	(c) The Metropolitan Council and the joint powers board under section 297A.992 must
2.11	produce monthly financial statements as necessary for the review under paragraph (b),
2.12	clause (1), and provide timely information as requested by the legislative auditor.
2.13	(d) This subdivision expires on April 15, 2024.
2.14	EFFECTIVE DATE. This section is effective June 1, 2019.
2.15	Sec. 2. Minnesota Statutes 2018, section 473.13, is amended by adding a subdivision to
2.16	read:
2.17	Subd. 1d. Budget changes or variances; reports. At least quarterly by January 1, April
2.18	1, July 1, and October 1, the council must submit a summary to the chairs and ranking
2.19	minority members of the legislative committees with jurisdiction over transportation policy
2.20	and finance and to the Legislative Commission on Metropolitan Government on any changes
2.21	to or variances from the budget adopted under subdivision 1.
2.22	EFFECTIVE DATE ; APPLICATION . This section is effective June 1, 2019, and
2.23	applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.
2.24	Sec. 3. Minnesota Statutes 2018, section 473.13, is amended by adding a subdivision to
2.25	read:
2.26	Subd. 6. Overview of revenues and expenditures; forecast. (a) In cooperation with
2.27	the Department of Management and Budget and in conjunction with the release of each
2.28	forecast required by section 16A.103, the council must prepare a financial overview and
2.29	forecast of revenues and expenditures for the transportation components of the council's

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budget.

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3.1	(b) At a minimum, the financial overview and forecast must identify:
3.2	(1) actual revenues, expenditures, transfers, reserves, and balances for each of the previous
3.3	four budget years;
3.4	(2) budgeted and forecasted revenues, expenditures, transfers, reserves, and balances
3.5	for each year within the state forecast period; and
3.6	(3) a comparison of the information under clause (2) to the prior forecast, including any
3.7	changes made.
3.8	(c) The information under paragraph (b), clauses (1) and (2), must include:
3.9	(1) a breakdown for each transportation operating budget category established by the
3.10	council, including but not limited to bus, light rail transit, commuter rail, planning, special
3.11	transportation service under section 473.386, and assistance to replacement service providers
3.12	under section 473.388;
3.13	(2) data for both transportation operating and capital expenditures; and
3.14	(3) fund balances for each replacement service provider under section 473.388.
3.15	(d) The financial overview and forecast must summarize reserve policies, identify the
3.16	methodology for cost allocation, and review revenue assumptions and variables affecting
3.17	the assumptions.
3.18	(e) The council must review the financial overview and forecast information with the
3.19	chairs, ranking minority members, and staff of the legislative committees with jurisdiction
3.20	over finance, ways and means, and transportation finance no later than two weeks following
3.21	the release of the forecast.
3.22	EFFECTIVE DATE; APPLICATION. This section is effective June 1, 2019, and
3.23	applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

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