



**State of Minnesota
Department of Finance**

400 Centennial Building
658 Cedar Street
St. Paul, Minnesota 55155
Voice: (651) 296-5900
Fax: (651) 296-8685
TTY: 1-800-627-3529

January 3, 2005

Senator Richard Cohen, Chair
Senate Finance Committee
121 Capitol
75 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Senator Keith Langseth, Chair
Senate Capital Investment Committee
122 Capitol
75 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Representative Jim Knoblach, Chair
House Ways and Means Committee
453 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Representative Philip Krinkie, Chair
House Capital Investment Committee
365 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Dear Members of the 2005 Legislature:

Minnesota Statute 16A.642, subdivision 1, requires the Commissioner of Finance to report to the chairs of the Senate Finance Committee, the House Ways and Means Committee and the House Capital Investment Committee by January 1 of each odd numbered year on the cancellation of general fund and bond financed projects authorized more than four years before January 1. This statute directs that unencumbered or unspent project balances included in the report are canceled effective July 1 unless specifically reauthorized by an act of the legislature.

In accordance with M.S. 16A.642, attached are the reports titled ***Bond Proceeds Cancellation Report*** and ***General Fund Projects Cancellation Report***. Projects on these two reports will cancel on July 1 unless reauthorized by the legislature.

In addition, Minnesota Statute 16A.501 requires the Commissioner of Finance to report by January 1 of each year on the degree to which entities receiving any appropriation of bond proceeds have encumbered or expended that money. This report includes balances for *all* bonding projects, including projects that are less than four years old.

In accordance with M.S. 16A.501, attached is an accounting report titled ***Legal Obligation Appropriation Sort – General Obligation Bonding Capital Improvements***. As a courtesy, also attached is an accounting report entitled ***Legal Obligation Appropriation Sort—General Fund Capital Improvements***. These last two reports are intended for informational purposes only -- cancellations are governed exclusively under the provisions of M.S. 16A.642.

Questions regarding these reports may be directed to Peter Sausen in the Department of Finance at (651) 296-8372.

Sincerely,

Peggy S. Ingison
Commissioner



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Department of Finance

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January 10, 2005

Senator Richard Cohen, Chair
Senate Finance Committee
121 Capitol
75 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Senator Keith Langseth, Chair
Senate Capital Investment Committee
122 Capitol
75 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Representative Jim Knoblach, Chair
House Ways and Means Committee
453 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Representative Dan Dorman, Chair
House Capital Investment Committee
579 State Office Building
100 Rev. Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

Dear Members of the 2005 Legislature:

The Commissioner of Finance delivered to the Legislature as required under Minnesota Statute 16A.642, subdivision 1, the 2005 Cancellation Report. The Cancellation Report lists capital projects more than four years old that have unencumbered or unspent balances.

The capital project list submitted included one MnSCU project from the 2000 bonding bill that should not have been on the list. The Bemidji State University Center for Advance Engineering (listed as Cap-Northwest TC Tech Lab Bldg) had an uncommitted and unspent balance of \$289,759 on January 1, 2005.

M.S. 16A.642 provides an exception to the reporting requirement. It says, "the costs of contracts to be let in accordance with existing plans and specifications shall be considered expended for this report".

The \$289,759 unencumbered and unspent balance has been designated for the purchase of equipment, furniture, art and other construction related items as part of the overall building plan. The Department of Finance met with MnSCU and agreed that the unspent balance on this project met the requirements for the exception and would not be reported. Unfortunately, the project remained on the reporting list and was reported.

Attached is a revised Cancellation Report listing that does not include the Bemidji State project.

Sincerely,

Peggy S. Ingison
Commissioner

General Fund Projects Cancellation Report - January 1, 2005
By Legal Citation
As Required by M.S. 16A.642

<u>Legal Citation</u>	<u>Agency Name</u>	<u>Agency</u>	<u>Fund</u>	<u>Appropriation Unit</u>	<u>Appropriation Org</u>	<u>Project Description</u>	<u>Amount Uncommitted</u>
97 246 00 004 002 110	Pollution Control	R32	110	3100	WE6	ISTS GRANT PROGRAM	10,941.94
AUTHORIZATION SUBTOTAL							10,941.94
98 404 00 007 025 110	Administration	G02	110	2300	826	LAKE SUPERIOR ZOO	8,739.57
98 404 00 007 031 110	Administration	G16	110	31WC	001	INTERNATIONAL WOL CENTER	589.37
98 404 00 014 002 110	Administration	G02	110	4309	813	CAAPB-CAPITOL BLDG STRUCTURAL	13,000.00
98 404 00 010 002 110	BWSR	R9P	110	0000	R98	REINVEST IN MINNESOTA 98	35,068.44
98 404 00 023 005 110	DEED	B22	110	0000	117	TACONITE MINING GRANTS	3,000.00
98 404 01 005 002 110	Education	E35	110	0000	B02	EARLY CHILDHOOD LRNG FAC	2,772.34
98 404 00 007 009 110	Natural Resources	R29	110	0000	201	FLOOD HAZARD MITIGATION GRANTS	12,427.29
98 404 00 007 014 110	Natural Resources	R29	110	0000	600	RIM CRITICAL HABITAT	2,063.87
98 404 00 007 016 110	Natural Resources	R29	110	0000	602	RIM WILDLIFE HABITAT IMPROVE	1,262.15
98 404 00 007 020 110	Natural Resources	R29	110	0000	605	ACCEL WILDLIFE HABITAT MGMT	37.04
98 404 00 017 003 110	Transportation	T79	110	0000	547	HASTINGS COMMUTER RAIL	3,739.16
98 404 00 017 004 110	Transportation	T79	110	0000	559	ROLLING STOCK GRANTS	5,856.23
AUTHORIZATION SUBTOTAL							88,555.46
00 492 01 012 007 110	CAAPB	G9X	110	0000	111	WWII MEMORIAL COMPETITION	945.56
00 492 01 005 008 110	Education	E37	110	0000	B27	LIBR FOR BLIND SHELVING	8,813.69
00 479 01 003 002 110	Metro Council	T9B	110	0000	BUG	BUS GARAGES	1,076,276.00
00 492 01 020 003 110	Public Safety	P07	110	2000	293	NATIONAL WEATHER SERV TRANS	57,245.39
00 479 01 002 007 110	Transportation	T79	110	0000	499	RAIL SVC IMPROVEMENT	297.00
AUTHORIZATION SUBTOTAL							1,143,577.64
TOTAL GENERAL FUND CANCELLATION							<u>1,243,075.04</u>

Bond Proceeds Cancellation Report - January 1, 2005
By Legal Citation
As Required by M.S. 16A.642

<u>Legal Citation</u>	<u>Agency Name</u>	<u>Agency</u>	<u>Fund</u>	<u>Appropriation Unit</u>	<u>Appropriation Org</u>	<u>Project Description</u>	<u>Amount Uncommitted</u>
96 463 00 000	Historical Society	E40	500	0000	HSR	HIST SITE PRES REPAIR 96	32,850.54
96 463 00 000	BWSR	R9P	500	0000	R97	REINVEST IN MINNESOTA 97	109,252.08
AUTHORIZATION SUBTOTAL							142,102.62
97S 002 00 000	Public Safety	P07	500	2000	235	DR 1175-FLOODING 1997	619,431.60
97S 002 00 000	Natural Resources	R29	500	0000	249	FLOOD HAZARD MIT GRANTS	30.21
97S 002 00 000	Natural Resources	R29	500	0000	251	FLOOD PROTECTION	144,052.29
AUTHORIZATION SUBTOTAL							763,514.10
98 404 00 000	Administration	G02	500	4309	833	DHS-METO CONST CAMBR	3,500.00
98 404 00 000	Administration	G02	500	4309	835	DHS CRISIS & RESPITE	169,341.17
98 404 00 000	Administration	G02	500	4309	842	MCF-OAK PK HLTH CARE IMPR	346.40
AUTHORIZATION SUBTOTAL							173,187.57
99 240 00 000	Historical Society	E40	500	0000	NWF	NW CO FUR POST INTERPRETIVE	5,322.70
99 240 00 000	Administration	G02	500	4309	824	RSDNTL-TATE HALL RNVTN	1.02
99 240 00 000	Administration	G02	500	4309	902	CORRECTIONS-FARIBAULT	6,902.70
99 240 00 000	Finance	G9R	500	5000	567	BOND SALE EXP 99-240	263,710.80
99 240 00 000	Natural Resources	R29	500	0000	853	OFFICE FACILITY CONSOLID L98	1,689.00
99 240 00 000	Transportation	T79	500	0000	453	REGIONAL RAIL GRANTS	15,260.57
AUTHORIZATION SUBTOTAL							292,886.79
00 492 00 000	Education	E37	500	0000	521	LIBR ACCESS GRANTS	4,865.64
00 492 00 000	Administration	G02	500	4309	013	ADMIN-HEALTH BLDG DELAWARE ST	61,471.76
00 492 00 000	Administration	G02	500	4309	025	MCF-OPH INMATE BED EXPANSION	6,053.40
00 492 00 000	Administration	G02	500	4309	040	LANESBORO ART CTR	1,000,000.00
00 492 00 000	Finance	G9R	500	5000	569	BOND SALE EXP 00-492	184,800.70
00 492 00 000	Human Services	H55	500	0000	B02	EARLY CHILD LRNG FACILITIE	310,752.91
00 492 00 000	Military Affairs	P01	500	0000	100	KITCHEN RENOVATION	136,435.28
00 492 00 000	Military Affairs	P01	500	0000	300	C. RIPLEY MN MIL MUSEUM	34,632.14
00 492 00 000	Public Safety	P07	500	1000	180	CAP-REGIONAL PUB SAF TRNG CTRS	760,322.00
00 492 00 000	Environmental Asst	R18	500	0000	CA0	CAPITAL ASSIST FY00	47,093.63
00 492 00 000	Natural Resources	R29	500	0000	256	CAP-L&C RURAL WATER SYSTEM L00	610,000.00
00 492 00 000	Natural Resources	R29	500	0000	338	FOREST ROAD & BRDG/REC FAC L00	0.37

Bond Proceeds Cancellation Report - January 1, 2005
By Legal Citation
As Required by M.S. 16A.642

<u>Legal Citation</u>	<u>Agency Name</u>	<u>Agency</u>	<u>Fund</u>	<u>Appropriation</u> <u>Unit</u>	<u>Appropriation</u> <u>Org</u>	<u>Project Description</u>	<u>Amount</u> <u>Uncommitted</u>
00 492 00 000	Natural Resources	R29	500	0000	445	PARK & REC AREA BET/REHAB L00	19.11
00 492 00 000	Natural Resources	R29	500	0000	448	RED RIVER ST REC AREA L00	38.90
00 492 00 000	Natural Resources	R29	500	0000	547	STATE TRAIL ACQ & DEV L00	262.80
00 492 00 000	Natural Resources	R29	500	0000	548	REGIONAL TRAIL GRANTS L00	5,586.64
00 492 00 000	Natural Resources	R29	500	0000	651	RIM WILDLIFE DEV & HAB IMP L00	32,646.42
00 492 00 000	Natural Resources	R29	500	0000	652	NATIVE PRAIRIE BANK EASEMT L00	7,003.93
00 492 00 000	BWSR	R9P	500	0000	CRP	CONSERVATION RESERVE PROG	35,978.12
00 492 00 000	BWSR	R9P	500	0000	R00	REINVEST IN MINNESOTA 00	95,731.33
AUTHORIZATION SUBTOTAL							<u>3,333,695.08</u>
TOTAL BONDING CANCELLATION							<u>4,705,386.16</u>