

People

Transportation

Housing

Bikes

Planning

Financial Condition

Future

Bus

Parks

Cars

Sustainability

Efficient

MANAGEMENT COMMITTEE

Prosperity

Train

Growth

Light Rail

2nd QUARTER FINANCIAL REPORT

August 12, 2015

Livability

Light Rail

Diversity

Treatment

Equity

Airplane

Communities

Wastewater & Water

Lakes

Treatment

Regional

Economic

Roads



**METROPOLITAN
C O U N C I L**

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OPERATING FUNDS-STATEMENT OF REVENUES & EXPENSES

OPERATING FUNDS
STATEMENT OF REVENUES AND EXPENSES
2015 - Mid-Year Results
(in thousands)
Unaudited

	General Fund					Environmental Services					Housing and Redevelopment Authority				
	2015 YTD Results	% Budget	Projected Year End	2015 Budget	Variance*	2015 YTD Results	% Budget	Projected Year End	2015 Budget	Variance*	2015 YTD Results	% Budget	Projected Year End	2015 Budget	Variance*
Revenues	568	5%	12,099	12,097	2	99,929	48%	208,396	209,603	(1,207)	31,194	51%	61,689	61,689	0
Expenses	22,328	39%	56,191	57,059	868	50,880	41%	121,716	123,720	2,004	29,900	49%	60,841	61,089	248
Transfers	17,787	41%	43,106	43,406	(300)	(44,180)	51%	(86,818)	(86,844)	26	(435)	64%	(660)	(680)	20
Change in Reserve Balance	(3,973)		(986)	(1,556)	570	4,869		(138)	(961)	823	859		188	(80)	268
Beginning Reserve Balance			15,410					17,477					8,103		
Assigned/Committed			(4,261)												
Ending Reserve Balance			<u>10,163</u>					<u>17,339</u>					<u>8,291</u>		
Target Balance			5,706					12,372					5,070		

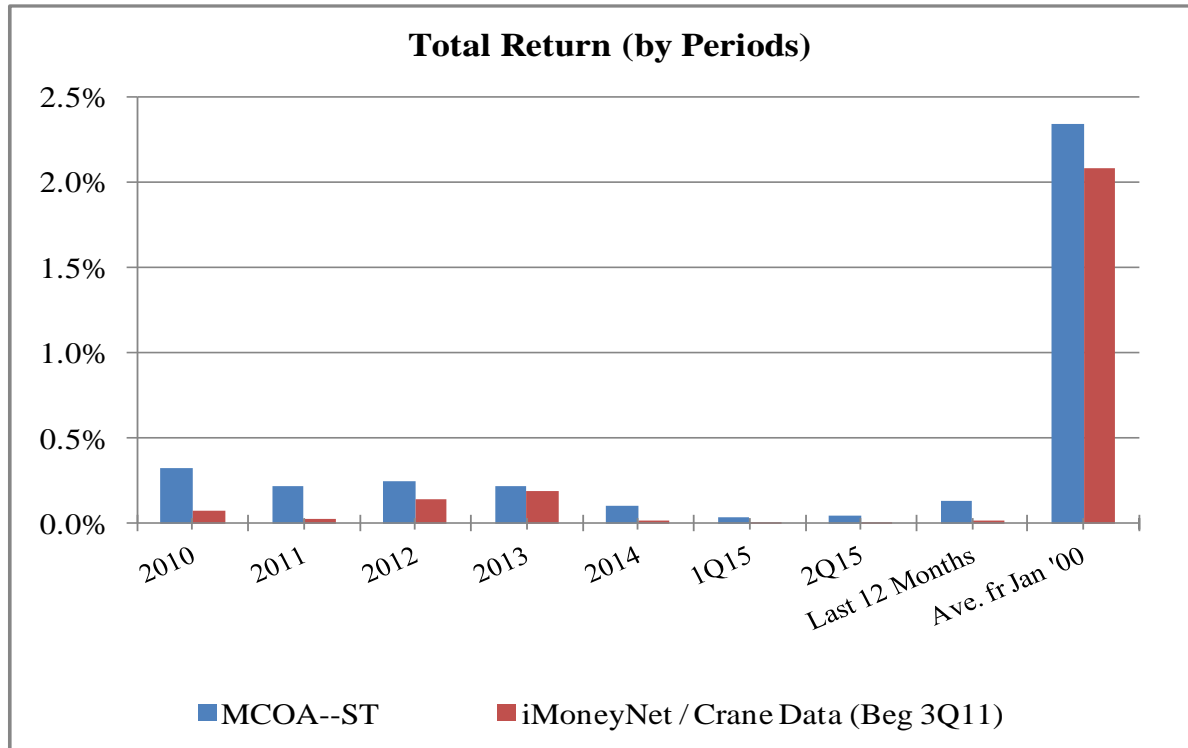
	Metro Transit - Bus					Metro Transit - Light Rail					Metro Transit - Commuter Rail				
	2015 YTD Results	% Budget	Projected Year End	2015 Budget	Variance*	2015 YTD Results	% Budget	Projected Year End	2015 Budget	Variance*	2015 YTD Results	% Budget	Projected Year End	2015 Budget	Variance*
Revenues	138,234	49%	279,925	281,207	(1,282)	35,582	52%	70,936	69,039	1,897	7,218	49%	14,513	14,587	(74)
Expenses	135,327	46%	283,678	292,178	8,500	24,129	47%	51,399	51,500	101	6,531	40%	15,471	16,249	778
Transfers	3,097	98%	3,126	3,166	(40)	(6,235)	39%	(16,301)	(15,914)	(387)	(751)	55%	(1,403)	(1,361)	(42)
Change in Reserve Balance	6,004		(627)	(7,805)	7,178	5,218		3,236	1,625	1,611	(64)		(2,361)	(3,023)	662
Beginning Reserve Balance			46,362					7,303					6,195		
Assigned/Committed															
Ending Reserve Balance			<u>45,735</u>					<u>10,539</u>					<u>3,834</u>		
Target Balance			25,379					5,595					1,462		

	MTS - Transportation Planning					MTS - Metro Mobility					MTS - Contracted Service				
	2015 YTD Results	% Budget	Projected Year End	2015 Budget	Variance*	2015 YTD Results	% Budget	Projected Year End	2015 Budget	Variance*	2015 YTD Results	% Budget	Projected Year End	2015 Budget	Variance*
Revenues	2,210	48%	4,955	4,630	325	27,361	42%	64,666	64,544	122	13,258	50%	26,273	26,273	0
Expenses	2,096	41%	4,612	5,111	499	27,546	45%	58,238	61,126	2,888	11,606	44%	25,422	26,116	694
Transfers	(647)	55%	(1,184)	(1,184)	0	(644)	58%	(1,108)	(1,108)	0	(507)	51%	(1,000)	(1,000)	0
Change in Reserve Balance	(533)		(841)	(1,665)	824	(829)		5,320	2,310	3,010	1,145		(149)	(843)	694
Beginning Reserve Balance			2,826					14,802					6,474		
Ending Reserve Balance			<u>1,985</u>					<u>20,122</u>					<u>6,325</u>		
Target Balance			1,983					6,223					2,712		

*Variance = Favorable / (Unfavorable)

Financial Management Report

METROPOLITAN COUNCIL INVESTMENT PERFORMANCE— SHORT-TERM PORTFOLIO



2Q15 Short-Term Portfolio Investment Results

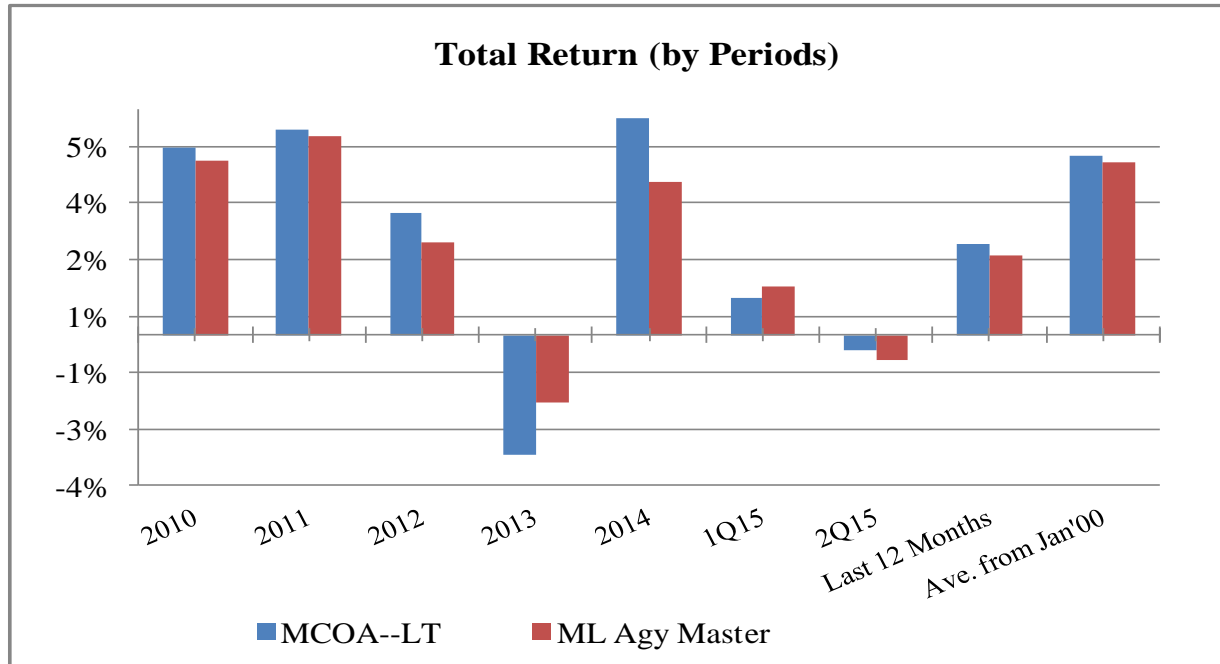
Assets under Management (AUM): \$10.2 Million

The portfolio outperformed its benchmark during the second quarter. Total return of 0.04% was above the index (0.01%) by 3 basis points. This portfolio has averaged 23 bps per year more than its benchmark over the past 16 years. For the quarter, 100% of Council's liquid cash was invested in government money market funds (yielding 0.04%).

As of July 22nd, the Short-Term Portfolio had a balance of \$40 million as we received our property tax distribution from the Counties on July 6th. In early August we will be receiving \$168 million from our bond sale which will replenish our short-term cash position.

Financial Management Report

METROPOLITAN COUNCIL INVESTMENT PERFORMANCE— LONG-TERM PORTFOLIO



2Q15 Long-Term Portfolio Investment Results

Assets under Management (AUM) \$398.8 Million

The portfolio outperformed its benchmark during the second quarter. Total return of -.43% was above the index (-.66%) by 23 basis points. The portfolio was comprised of 30% municipal bonds (yielding 3.70%), 39% of U.S. agency securities (yielding 2.46%), 30% was invested in government money market funds (yielding 0.01%) and less than 1% was invested in securitized mortgage backed securities (yielding 1.85%).

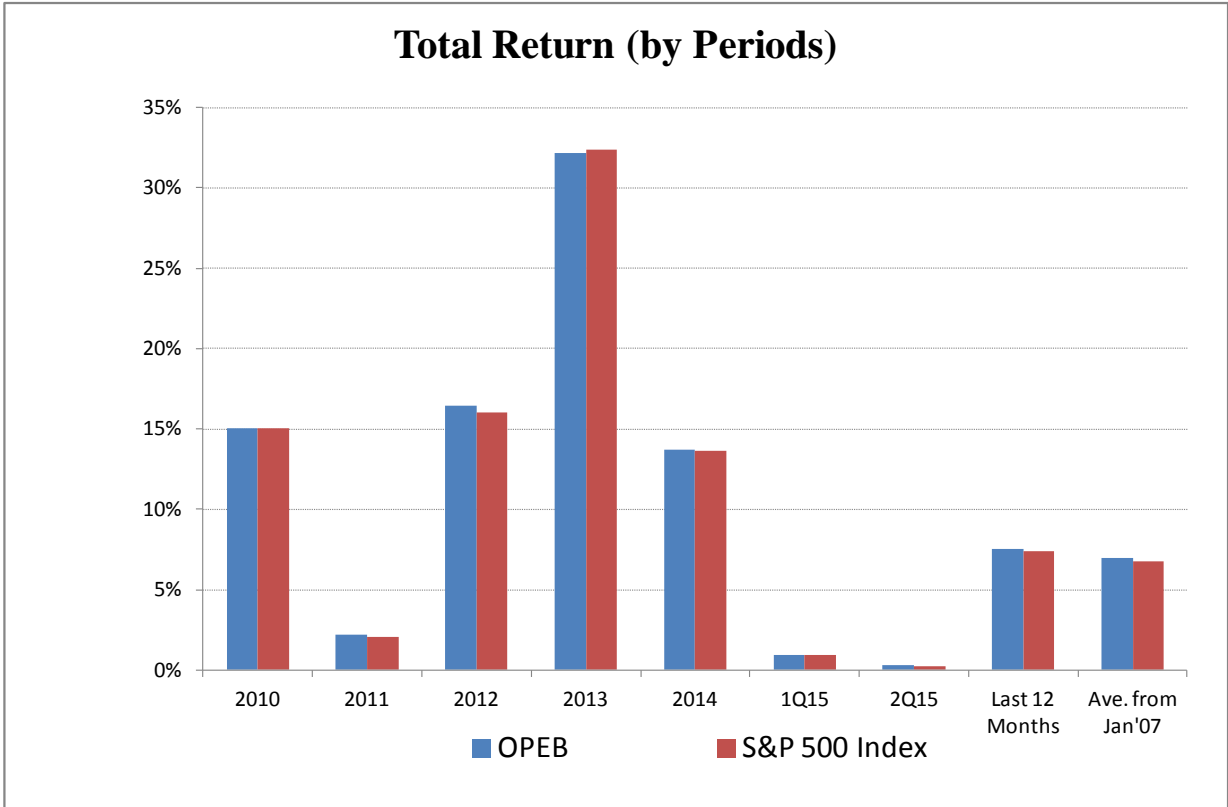
Once again municipal bonds held steady and generated positive returns relative to other fixed income products. The positive performance was driven by investor demand and constrained supply. Demand for municipal bonds has remained strong supported by crossover buyers and hedge fund investors who continue to reach out for yield and take advantage of the attractive relative value offered by the muni asset class.

Financial Management Report

2Q15 OPEB PORTFOLIO INVESTMENT RESULTS

Assets under Management (AUM) \$206.6 Million

Currently, the Council’s OPEB portfolio is fully invested in equities. At end of the second quarter, both the OPEB portfolio and the S&P 500 index posted positive returns of .28%. For the quarter, the portfolio had an unrealized loss of \$484,000 but dividends from the portfolio paid \$1.1m providing a net gain for the quarter.

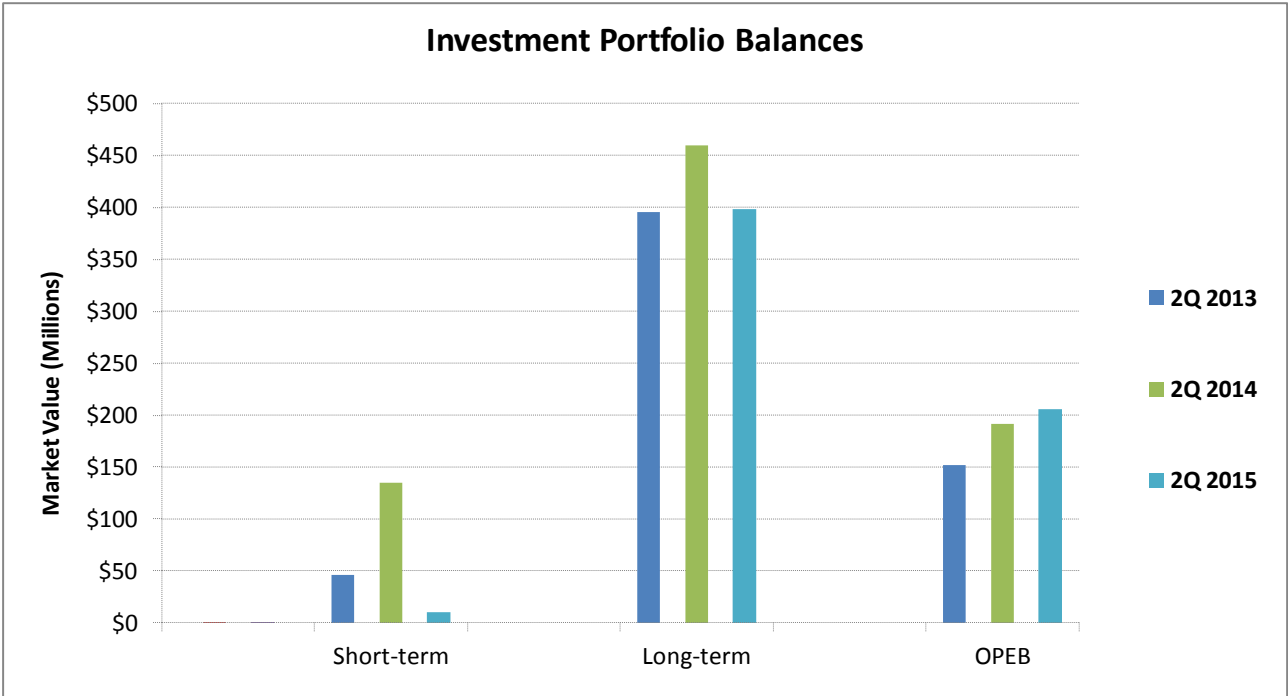


Financial Management Report

INVESTMENT PORTFOLIO BALANCES

Investment Portfolio Balances Market Value (Millions)

	2Q 2013	2Q 2014	2Q 2015
Short-term	\$ 45.9	\$ 135.1	\$ 10.2
Long-term	395.6	459.4	398.8
OPEB	151.5	191.9	206.6
Total	<u>593.0</u>	<u>786.4</u>	<u>615.6</u>



GENERAL FUND

Unaudited - dollars in thousands

	General Fund				
	2015 YTD		Projected		
	Results	% Budget	Year End	2015 Budget	Variance
Revenues	568	5%	12,099	12,097	2
Expenses	22,328	39%	56,191	57,059	868
Transfers	17,787	41%	43,106	43,406	(300)
Change in Reserve Balance	(3,973)		(986)	(1,556)	570
Beginning Fund Balance			15,410		
Assigned/Committed			(4,261)		
Ending Unassigned Reserve Balance			10,163		
Target Balance (10%)			5,706		

General Fund

At mid-year the General Fund has spent 39% of annual budgeted operating expenses. The performance is consistent with prior year mid-terms.

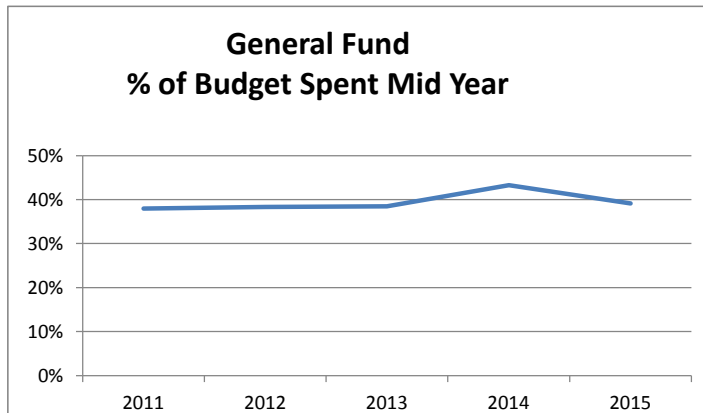
Operating expense categories are expected to track at or near budget through out year end. Spending for contractual services (primarily software maintenance contracts) typically occur in the latter half of the year.

Comprehensive planning grants budgeted in Community Development for \$500K are not expected to be expended in 2015 but maybe needed in 2016. Contracted services includes unexpected costs for the Southwest project office review.

Salaries and benefits this year are projected to be near budget at year end, due to fewer vacancies for the general fund division .

The amended 2015 General Fund budget approved by the council reflects a \$1.6 million use of General Fund reserves.

The projected year end available reserve balance is \$10.1 million.



Environmental Services

Unaudited - dollars in thousands

2015 Mid-Year Financial Report Environmental Services Unaudited - dollars in thousands

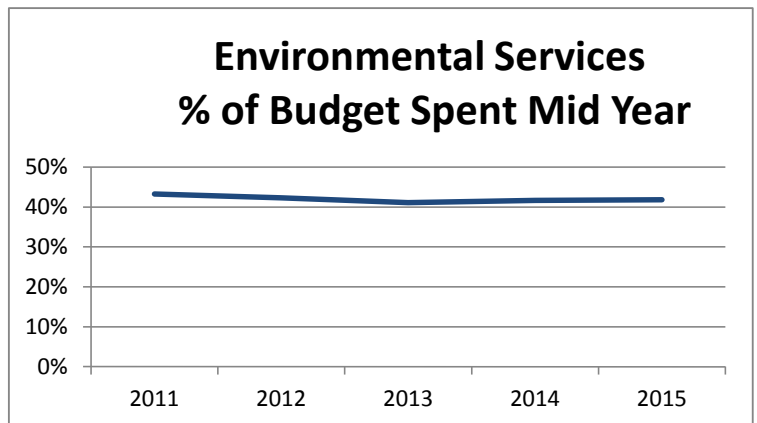
	Environmental Services				
	2015 YTD Results	% Budget	Projected Year End	2015 Budget	Variance
Revenues	99,929	48%	208,396	209,603	(1,207)
Expenses	50,880	41%	121,716	123,720	2,004
Transfers	(44,180)	51%	(86,818)	(86,844)	26
Change in Reserve Balance	4,869		(138)	(961)	823
Beginning Reserve Balance			17,477		
Ending Unassigned Reserve Balance			<u>17,339</u>		
Target Balance			12,372		

Environmental Services

Environmental Services operating expenses are currently estimated to be under budget by \$2.0M. Salary and benefits are projected to be under budget by approximately \$1.6M, primarily due to the number of staffing vacancies. In addition, there is under spending in utilities, capital outlay, and other direct expenses of \$3.0M. This is offset by contracted services, chemicals, and materials, exceeding budget by approximately \$2.6M.

Operating revenues are anticipated to be under budget by approximately \$1.2M primarily due to the I & I Grants, which are based on a reimbursement basis. Expenses have incurred slower than anticipated. SAC receipts continue to recover and are expected to exceed the 2014 receipts and are anticipated to meet the 2015 budget expectation of 17,000 units. Note that additional SAC receipts accrue in the reserve but are not considered additional annual revenues.

Environmental Services operations has an amended 2015 budgeted use of reserves of \$.9M for wastewater rate mitigation. If the above forecasted variances occur, reserves will decrease by approximately \$0.1M. This estimated \$.8 million positive operating variance would bring the operating reserve to \$17.4M, well above the target of \$12.4M.



Financial Management Report

HOUSING AND REDEVELOPMENT FUND

Unaudited - dollars in thousands

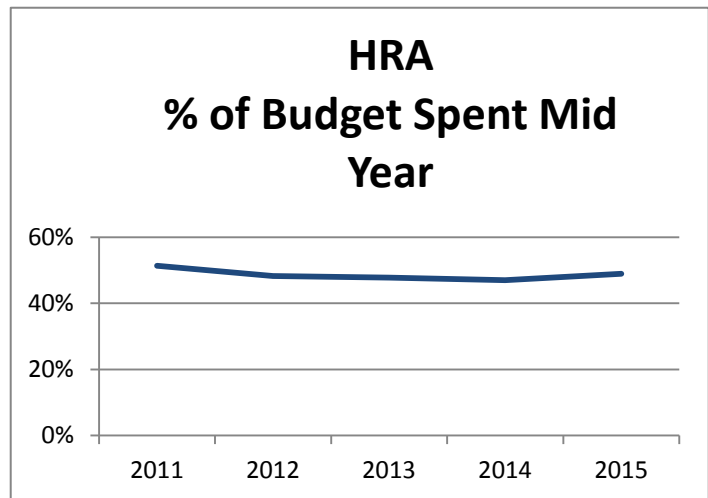
Revenues
 Expenses
 Transfers
 Change in Reserve Balance
 Beginning Reserve Balance
 Ending Reserve Balance
 Target Balance

Housing and Redevelopment Authority					
	2015 YTD		Projected		Variance
	Results	% Budget	Year End	2015 Budget	
Revenues	31,194	51%	61,689	61,689	0
Expenses	29,900	49%	60,841	61,089	248
Transfers	(435)	64%	(660)	(680)	20
Change in Reserve Balance	859		188	(80)	268
Beginning Reserve Balance			8,103		
Ending Reserve Balance			<u>8,291</u>		
Target Balance			5,070		

Housing and Redevelopment Authority

The Housing and Redevelopment Authority (HRA) finished second quarter showing a positive fund balance. This is the result of under-spending in salaries and contracted services for the first half of the year. The HRA projects a positive fund balance at year end of nearly \$200,000 compared to (\$80,000) budgeted. This will exceed budget and the Council’s 8.3% target fund balance.

The federal subsidy revenue is awarded through congressional appropriations. The HRA projects expenditure of 99% of the federal subsidy funds at year end.



Financial Management Report

METRO TRANSIT-BUS

Unaudited - dollars in thousands

Revenues
Expenses
Transfers
Change in Reserve Balance
Beginning Reserve Balance

Ending Reserve Balance

Target Balance

Metro Transit - Bus					
2015 YTD	Projected		2015 Budget	Variance	
	Results	% Budget			
138,234	49%	279,925	281,207	(1,282)	
135,327	46%	283,678	292,178	8,500	
3,097	98%	3,126	3,166	(40)	
6,004		(627)	(7,805)	7,178	
		46,362			
		<u>45,735</u>			
		25,379			

Metro Transit Bus

The adopted CY 2015 budgeted use of reserves of \$7.8M.

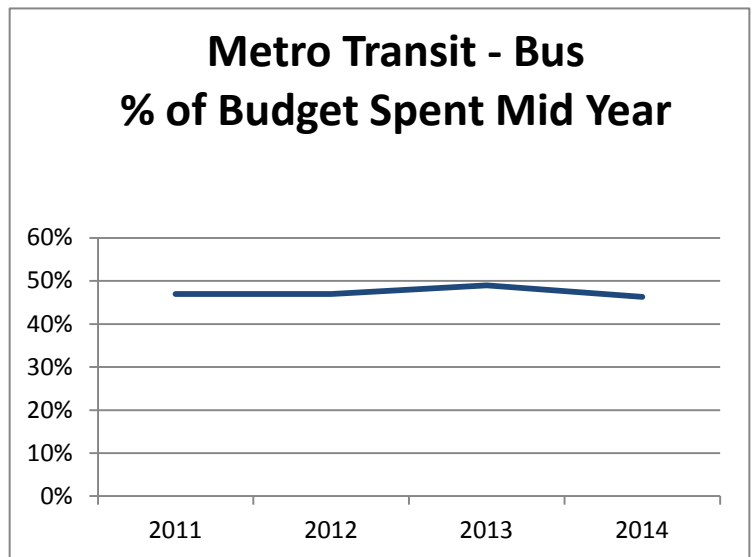
Operating expenses are forecast to be under budget by \$8.5M. Salaries and benefits are expected to be \$3.9M under budget due to open positions and lower insurance expenses. Fuel is expected to be under budget by \$3.2M.

CY 2015 diesel was forecast at \$3.35 per gallon. June actual cost was \$1.61 per gallon.

Materials and supplies are expected to be under budget by \$0.6M. Utilities are expected to be under budget by \$200K due to energy savings from capital improvements in our transit facilities.

Passenger revenues are expected to be \$2.4 M under budget due to decreased ridership. Year to date through June ridership is down \$1.6M below the budgeted levels. Advertising Revenue is \$500k positive due to increased advertising over contract guaranty.

The projected year end fund balance is \$45.7M or 14.9%, which is \$20.4M over the Council target balance.



Financial Management Report

METRO TRANSIT-LIGHT RAIL

Unaudited - dollars in thousands

	Metro Transit - Light Rail				
	2015 YTD Results	% Budget	Projected Year End	2015 Budget	Variance
Revenues	35,582	52%	70,936	69,039	1,897
Expenses	24,129	47%	51,399	51,500	101
Transfers	(6,235)	39%	(16,301)	(15,914)	(387)
Change in Reserve Balance	5,218		3,236	1,625	1,611
Beginning Reserve Balance			7,303		
Ending Reserve Balance			<u>10,539</u>		
Target Balance			5,595		

Metro Transit Light Rail

The adopted CY 2015 budget has a fund balance contribution of \$1.7M.

Light Rail includes an estimated funding partner refund to CTIB.

Passenger fares are forecast to be \$2.0M over budget. Year to date ridership is 1.3M over budget.

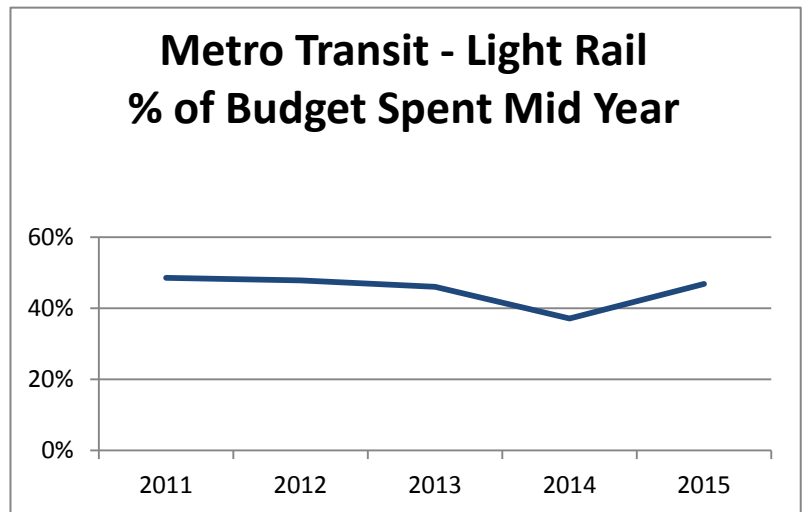
Operating expenses are expected to be \$1.7M under budget. Includes an estimated \$1.6M funding partner refund to CTIB.

Salaries and benefits are expected to be \$800K under budget due to savings in unemployment insurance.

Vehicle repair parts are expected to be \$300K under budget due to savings on warranty repairs.

Utilities are expected to be under budget by \$300K and Consulting/Contractual Services under budget by \$200k.

The projected year end fund balance is \$10.5M or 15.6%, which is \$4.9M over the Council target balance.



Financial Management Report

METRO TRANSIT-COMMUTER RAIL

Unaudited - dollars in thousands

	Metro Transit - Commuter Rail				
	2015 YTD Results	% Budget	Projected Year End	2015 Budget	Variance
Revenues	7,218	49%	14,513	14,587	(74)
Expenses	6,531	40%	15,471	16,249	778
Transfers	(751)	55%	(1,403)	(1,361)	(42)
Change in Reserve Balance	(64)		(2,361)	(3,023)	662
Beginning Reserve Balance			6,195		
Ending Reserve Balance			<u>3,834</u>		
Target Balance			1,462		

Metro Transit - Commuter Rail

The adopted CY 2015 budgeted use of reserves of \$3.0M.

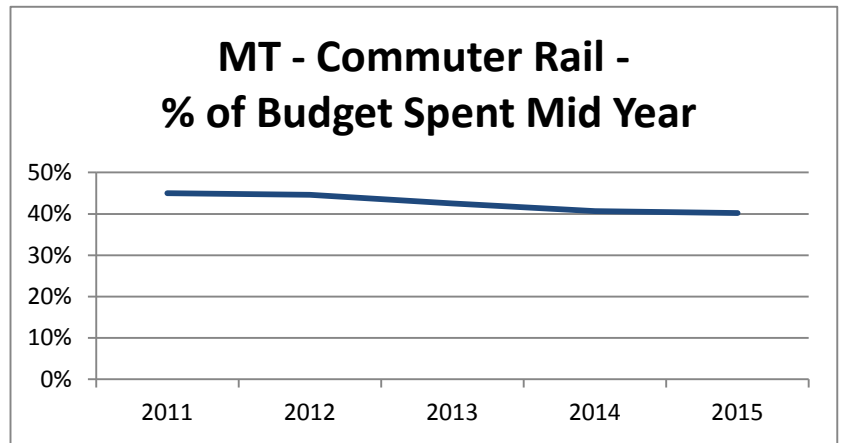
Passenger revenues are expected to be close to the budgeted level. Ridership through June is 14K below the budgeted levels but 0.12% above 2014 levels.

Salaries and benefits are expected to be \$200K under budget due to open positions and insurance savings.

Professional and tech services are expected to be \$900K under budget due to work being done in-house.

Fuel is expected to be \$250K under budget due to lower diesel prices.

The projected year end fund balance is \$3.8M or 21.7%, which is \$2.3M over the Council target balance. Forecast also includes a \$900k refund to the funding partners.



Financial Management Report

METROPOLITAN TRANSPORTATION SERVICES

Unaudited - dollars in thousands

	MTS - Transportation Planning				
	2015 YTD Results	% Budget	Projected Year End	2015 Budget	Variance
Revenues	2,210	48%	4,955	4,630	325
Expenses	2,096	41%	4,612	5,111	499
Transfers	(647)	55%	(1,184)	(1,184)	0
Change in Reserve Balance	(533)		(841)	(1,665)	824
Beginning Reserve Balance			2,826		
Ending Reserve Balance			<u>1,985</u>		
Target Balance			1,983		

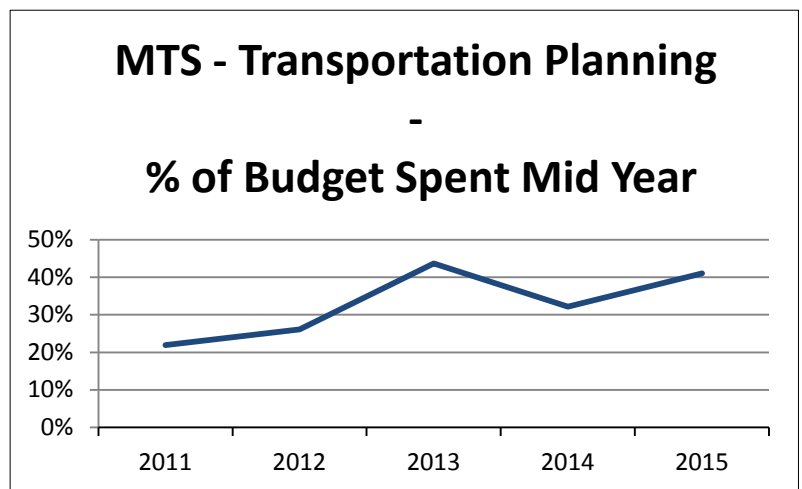
MTS - Transportation Planning

Transportation Planning is currently trending under budget in consulting and contracting. Staff has several contracts moving through the procurement process at this time, with spending to begin later this year. Consulting expenses are projected to be under budget for the year by \$843k, with the entire amount under contract to be paid out in the following year.

Grant payments to subrecipients are projected to be \$402k over budget at year end, with a corresponding increase expected in federal revenue. Subrecipients are working to complete their projects before a September grant end date.

Salaries and benefits are projected to be under budget for the year by \$58k due to an open position.

Increases in project reserves above target level are budgeted in 2015 through application of the revenue model.



Financial Management Report

MTS-METRO MOBILITY

Unaudited - dollars in thousands

	MTS - Metro Mobility				
	2014 YTD Results	% Budget	Projected Year End	2015 Budget	Variance
Revenues	27,361	42%	64,666	64,544	122
Expenses	27,546	45%	58,238	61,126	2,888
Transfers	(644)	58%	(1,108)	(1,108)	0
Change in Reserve Balance	(829)		5,320	2,310	3,010
Beginning Reserve Balance			14,802		
Ending Reserve Balance			<u>20,122</u>		
Target Balance			6,223		

MTS - Metro Mobility

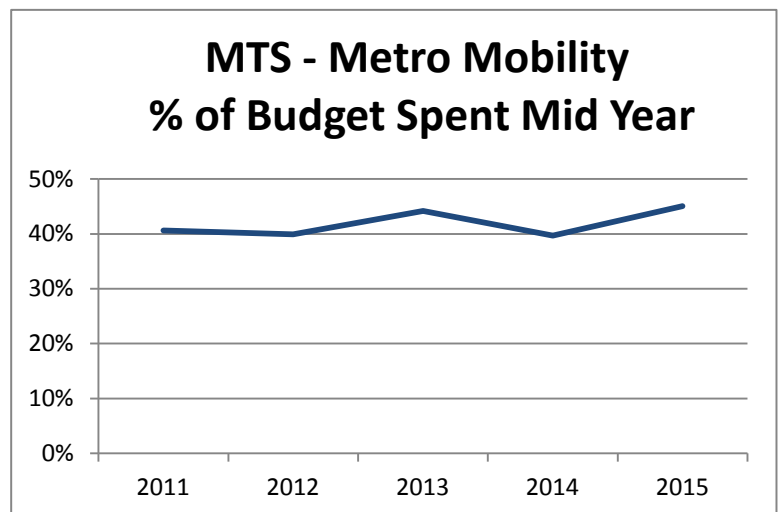
Metro Mobility fare revenue and ridership is on budget for the first half of the year and is expected to continue to meet budget plans.

Metro Mobility is seeing a significant savings in fuel costs due to lower than anticipated prices. Fuel is expected to be under budget for the year by approximately \$3M. The average price per gallon for the first six months of 2014 was \$3.03 compared to an average price of \$1.98 for the first six months of 2015.

Utilities are running over budget due to the addition of Automatic Vehicle Locator technology to fleet buses. Utilities are expected to be \$182k over budget for the year. This cost overrun will be offset by savings in other areas.

Salaries and benefits are projected to be under budget for year by \$42k due to an open position.

Increases in projected reserves above target level are budgeted in 2015 through application of the revenue allocation model.



Financial Management Report

MTS-CONTRACTED SERVICES

Unaudited - dollars in thousands

	MTS - Contracted Service				
	2014 YTD Results	% Budget	Projected Year End	2015 Budget	Variance
Revenues	13,258	50%	26,273	26,273	0
Expenses	11,606	44%	25,422	26,116	694
Transfers	(507)	51%	(1,000)	(1,000)	0
Change in Reserve Balance	1,145		(149)	(843)	694
Beginning Reserve Balance			6,474		
Ending Reserve Balance			6,325		
Target Balance			2,712		

MTS - Contracted Service

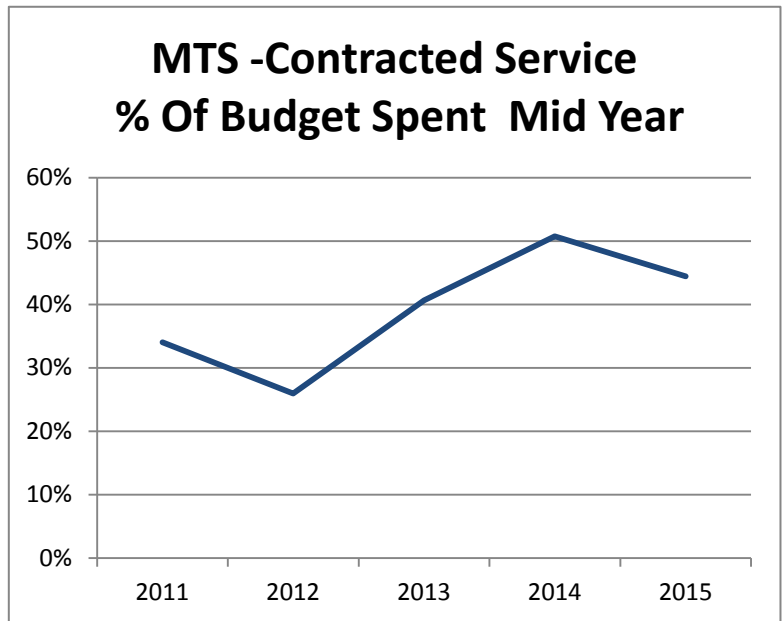
Contracted Service revenues are on budget and expenses savings are being realized due to lower than budgeted fuel costs.

Fuel is expected to be under budget for the year by approximately \$757k, due to lower than anticipated fuel prices.

Increased use of communications technology has pushed utilities expenses higher. Utilities is expected to be \$63k over budget for the year. This cost overrun will be covered by savings in other areas.

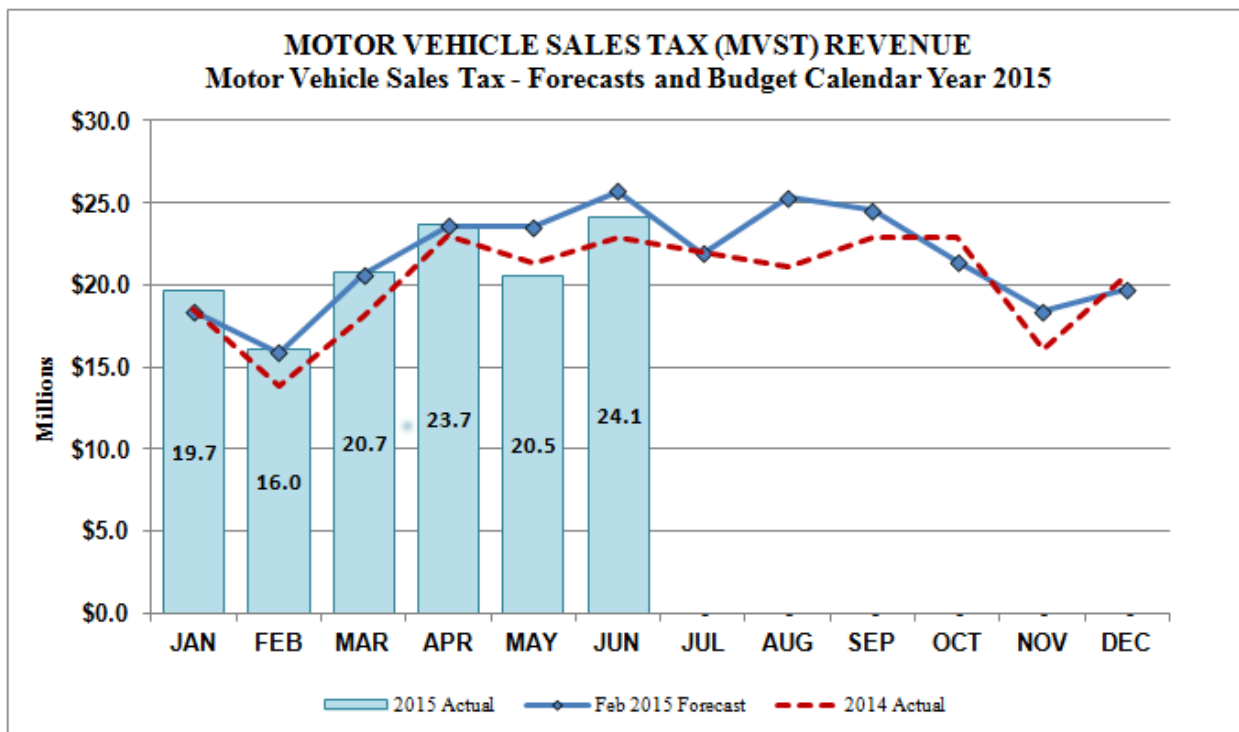
Consulting services and all other expense categories are performing close to budget.

Increases in projected reserves above target level are budgeted in 2015 through application of the revenue allocation model.

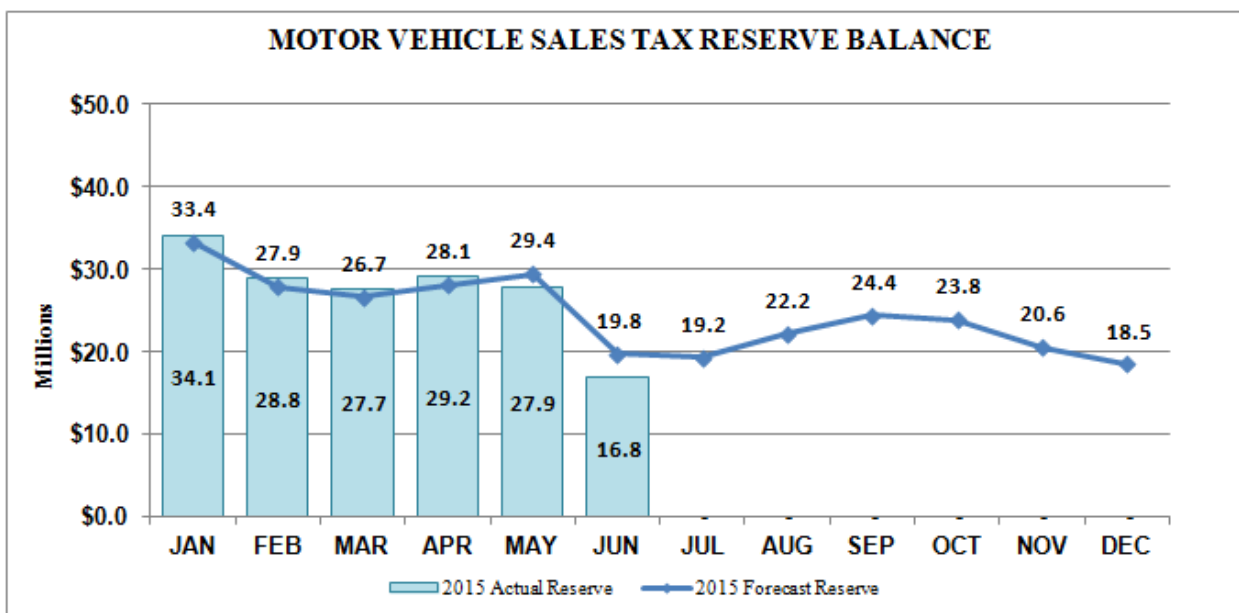


Financial Management Report

MOTOR VEHICLE SALES TAX (MVST) REVENUES



Motor vehicle sales tax receipts through the first six months of 2015 totaled just under \$125 million, 98% of forecast. MVST reserves on June 30 are \$17 million and reflect the transfer of \$13 million to the Southwest Corridor project office. The \$13 million will be paid back to the MVST reserve in CY 2016.



Financial Management Report

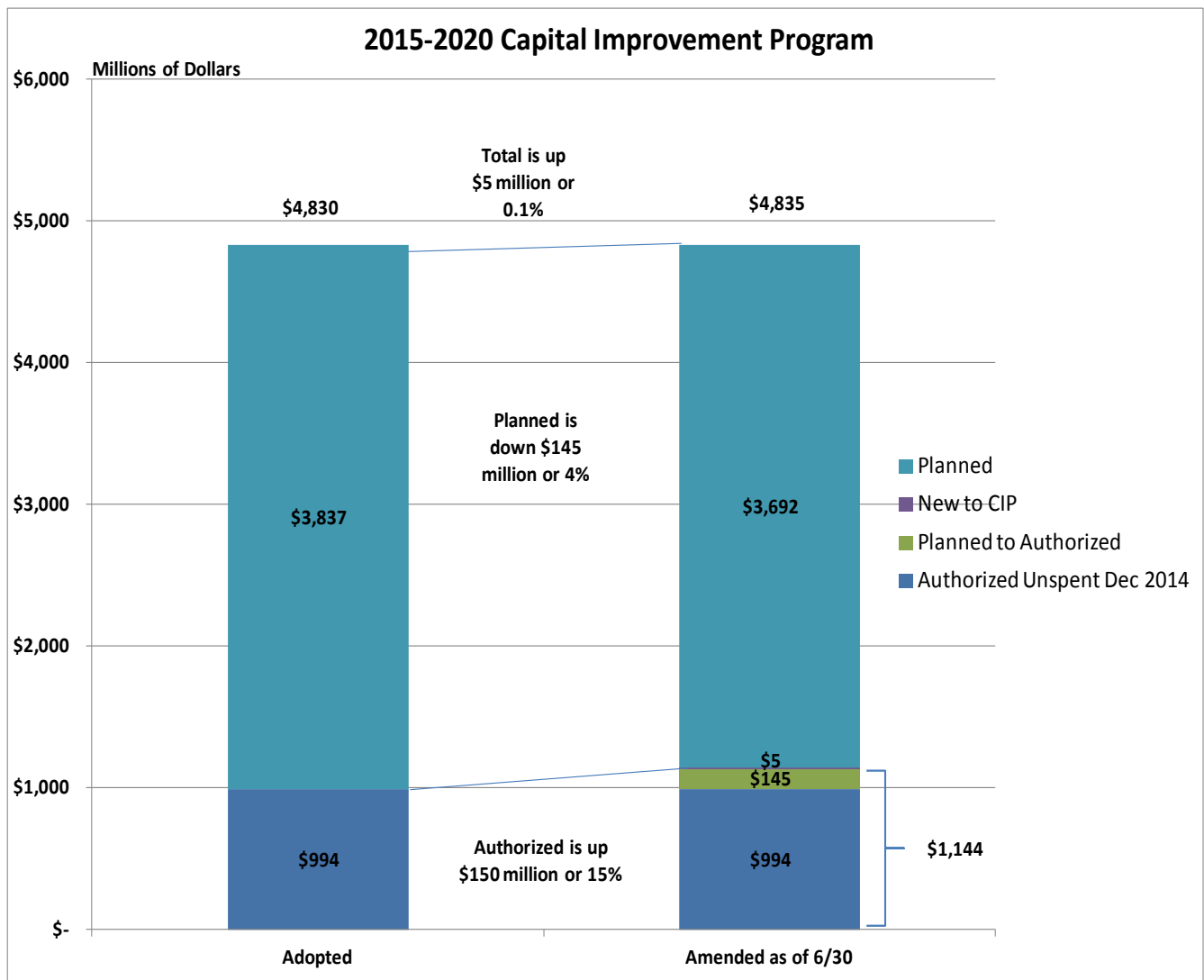
MOTOR VEHICLE SALES TAX (MVST) REVENUES FORECASTS & BUDGET

Dollars in millions

Motor Vehicle Sales Tax – Forecasts and Budget Calendar Year 2015

	Total	Jan-Jun	Jul-Dec
November 2013 Forecast	258.4	125.5	132.9
2014 Council Budget:			
Current MVST Revenues	245.5	122.7	122.8
Use of MVST Reserve	16.8	8.4	8.4
February 2014 Forecast	259.0	127.7	131.3
YTD Actuals	124.7	124.7	0.0
% of February Forecast	48%	98%	0%

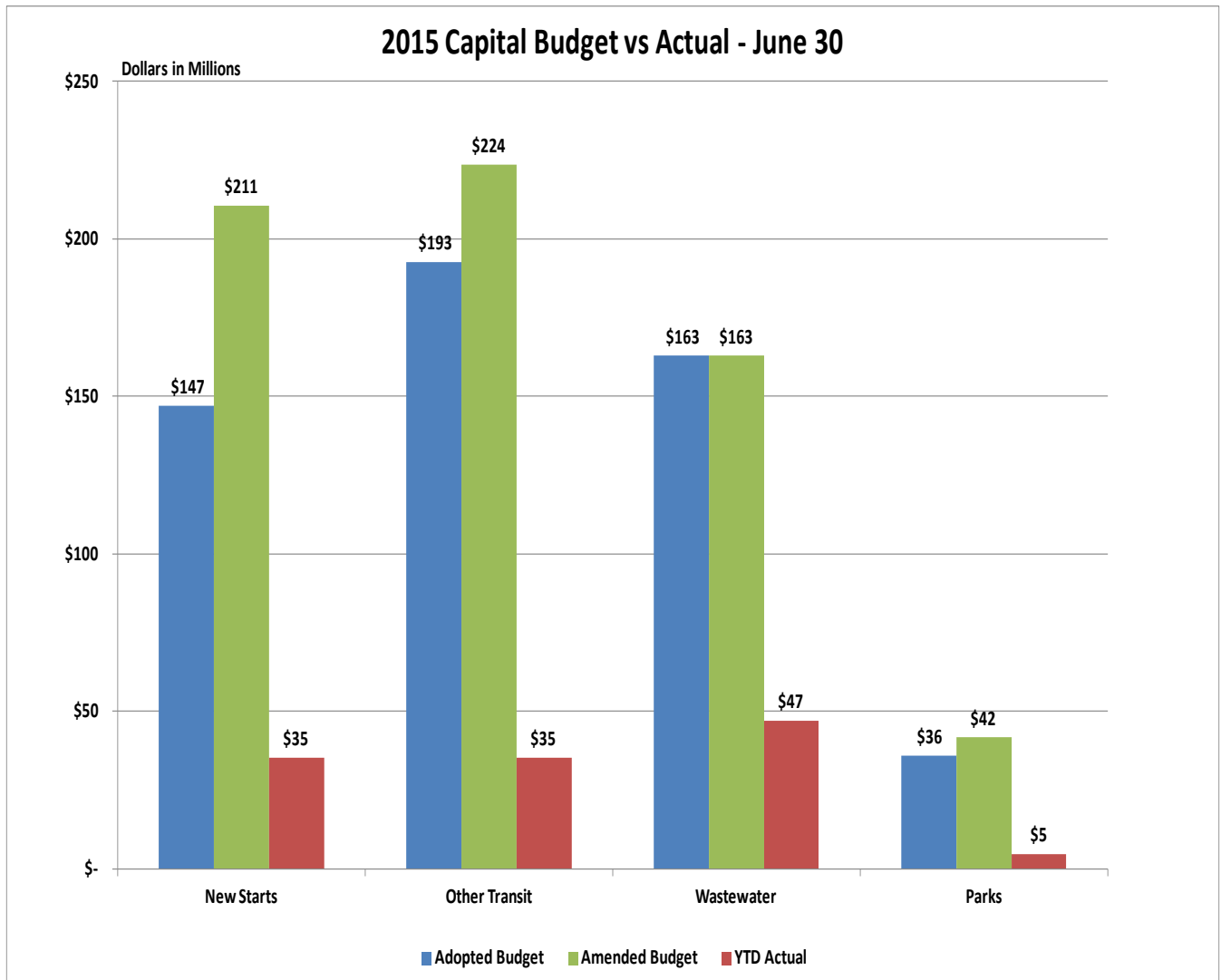
2015-2020 CAPITAL IMPROVEMENT PROGRAM



Capital Program (Excluding Pre-2015 Expenditures)

The capital program (excluding pre-2015 expenditures) increased by \$150 million through amendments through June. The capital program increased from \$4.83 billion to \$4.835 billion, an increase of 0.1%. The authorized portion of the CIP is up \$150 million or 15 percent, including \$145 million in projects moved from the planned portion of the CIP and \$5 million in new projects not previously in the CIP. The authorized portion of the capital improvement program typically increases during the year as federal, state and regional funding becomes available to transit and parks and projects are moved from planned to authorized.

CAPITAL SPENDING



Capital Budget

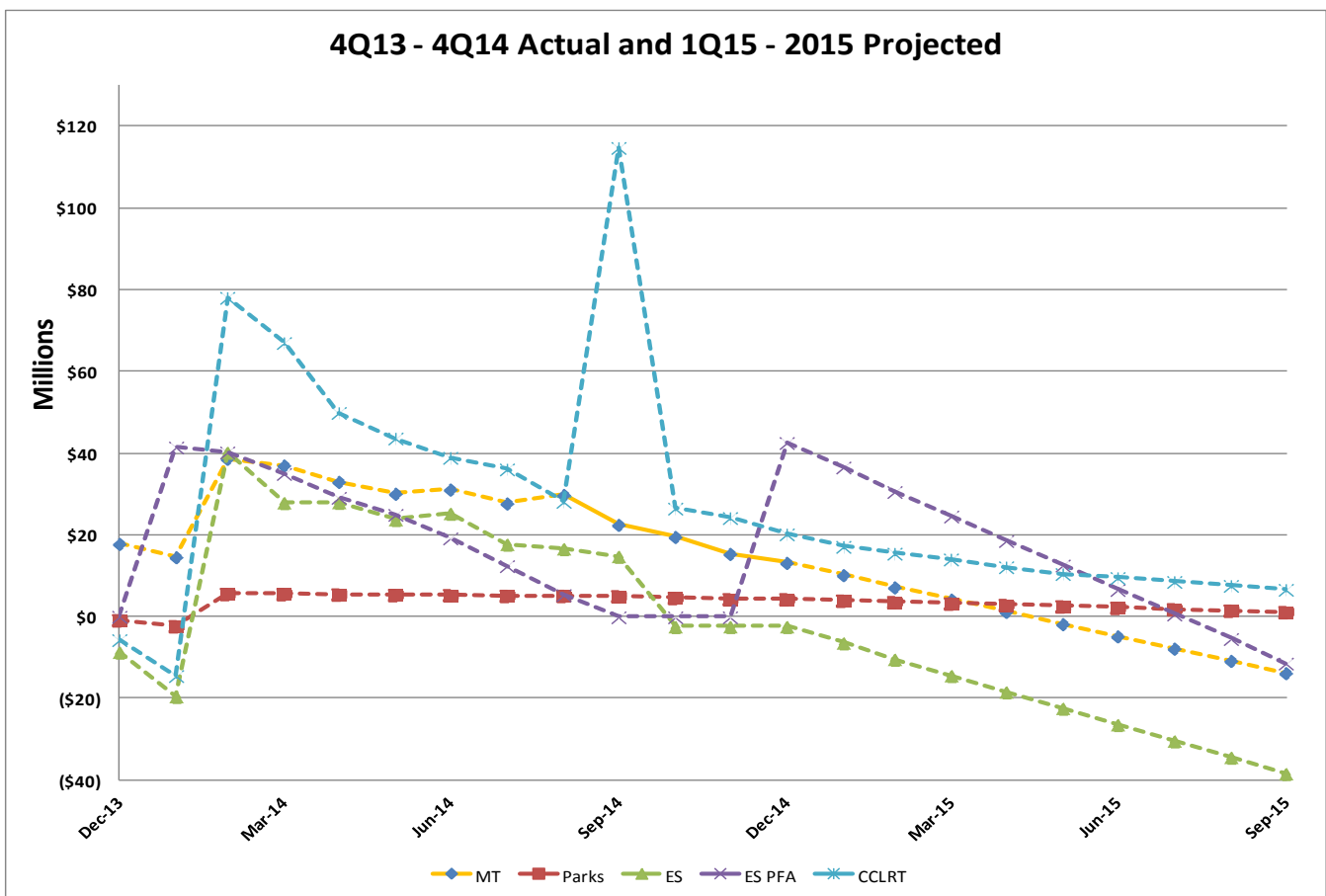
The adopted 2015 Capital Budget was \$539 million. Amendments through June increased the amended 2015 Capital Budget to \$639 million. Actual 2015 capital expenditures through June total 23 percent of the adopted budget and 19 percent of the amendment budget. Actual expenditures as a percent of the amended budget were 16 percent for transit projects, 29 percent for Environmental Service’s wastewater projects and 11 percent for parks projects.

CAPITAL FUND CASH BALANCES

The General Obligation (G.O.) capital bond funds for Parks and Metro Transit have experienced slower than normal spending in the past year, but are projected to be spent down by mid 2015. Conversely, Wastewater capital bond funds have been spent down faster than projected and expenditures eligible for reimbursement from the Minnesota Public Facilities Authority (PFA) loan have been sizable, between \$5-6 million per month.

During 4Q14, we closed on a new ES PFA loan in the amount of \$60 million. Our last G.O. debt sale for MT, ES, Parks, and Central Corridor Light Rail (CCLRT) was during 1Q14. The below chart includes these proceeds.

The new money proceeds, together with remaining balances from prior bonds, are expected to be mostly spent within the next 6 months. Grant Anticipation Notes (GANs) were issued up to the amount that can be covered 110% by future FTA disbursements to the Council. The CCLRT as shown below does not include funds from the local partners. We continue to monitor the council portfolio for potential refunding opportunities. We project issuing new money bonds sometime late 2Q15, subject to change.



STATEMENT OF REVENUES AND EXPENSES
General Fund
June 30, 2015
Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2015 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Property Taxes	304,020	11,578,516	11,578,516	-
Federal Revenues	-	-	-	-
State Revenues	-	-	-	-
Investment Earnings	193,877	387,754	518,380	(130,626)
Chargeback from MAC	59,297	118,594	-	118,594
Other Revenue	11,302	13,704	-	13,704
Total Revenues	568,496	12,098,568	12,096,896	1,672
<u>EXPENSES</u>				
Salary and Benefits	15,705,299	36,801,593	36,801,593	-
Consulting & Contractual Services	4,549,549	13,892,333	13,892,333	-
Rent & Utilities	1,310,652	2,800,641	2,800,641	-
Printing	27,712	83,136	238,350	155,214
Travel & Professional Development	202,829	520,898	520,898	-
Insurance	1,149	30,000	30,000	-
Other Operating Expense	531,127	2,062,256	2,774,990	712,734
Total Expenses	22,328,317	56,190,857	57,058,805	867,948
<u>TRANSFERS</u>				
Transfer In - Expense Allocation From MT	11,560,878	28,250,338	28,450,338	(200,000)
Transfer In - Expense Allocation From MCES	5,229,420	13,090,147	13,190,147	(100,000)
Transfers In - MTS	1,798,035	3,741,056	3,741,056	-
Transfers In- Other	-	134,000	134,000	-
Transfer Out	(801,179)	(2,109,140)	(2,109,140)	-
Total Transfers	17,787,154	43,106,401	43,406,401	(300,000)
Change in Reserve Balance	(3,972,667)	(985,888)	(1,555,508)	569,620
Beginning Fund Balance	-	15,410,460	-	-
Assigned/Committed	-	(4,261,253)	-	-
Ending Unassigned Reserve Balance	-	10,163,319	-	-
2015 Target Balance (10%)	-	5,705,881	-	-

STATEMENT OF REVENUES AND EXPENSES
Environmental Services
June 30, 2015

Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2015 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Municipal Wastewater Charges	95,354,999	190,710,000	190,710,000	-
Industrial Charges	3,860,621	14,266,000	14,266,000	-
State Grant Revenue	119,070	1,815,000	2,851,571	(1,036,571)
Investment Earnings	393,990	900,000	500,000	400,000
Other Revenue	200,086	705,000	1,275,452	(570,452)
Total Revenues	99,928,766	208,396,000	209,603,023	(1,207,023)
<u>EXPENSES</u>				
Salary and Benefits	27,706,731	63,195,576	64,760,912	1,565,336
Consulting & Contractual Services	5,793,127	18,462,095	17,436,188	(1,025,907)
Rent & Utilities	7,451,803	16,614,817	17,703,630	1,088,813
Travel	152,831	310,197	381,430	71,233
Materials & Supplies	4,296,709	9,667,475	9,016,480	(650,995)
Chemicals	3,466,920	8,253,798	7,269,680	(984,118)
Capital Outlay	1,308,662	3,172,000	4,034,930	862,930
I&I Grant Expense	89,139	165,000	1,000,000	835,000
Other Operating Expense	614,094	1,874,835	2,116,939	242,104
Total Expenses	50,880,016	121,715,793	123,720,189	2,004,396
<u>TRANSFERS</u>				
SAC Transfer	18,033,998	36,068,000	36,068,000	-
Transfers In	15,537	368,000	342,520	25,480
Transfers In - OPEB	0	3,487,000	3,487,000	-
Debt Service	(54,500,000)	(109,000,000)	(109,000,000)	-
Interdivisional Charges	(5,229,420)	(12,741,477)	(12,741,477)	-
Transfers Out	(2,499,998)	(5,000,000)	(5,000,000)	-
Total Transfers	(44,179,883)	(86,818,477)	(86,843,957)	25,480
Change in Reserve Balance	4,868,867	(138,270)	(961,123)	822,853
Beginning Reserve Balance		17,477,221		
Ending Unassigned Reserve Balance		<u>17,338,951</u>		
2015 Target Balance (10%)		12,372,019		

STATEMENT OF REVENUES AND EXPENSES
Housing and Redevelopment Authority (HRA)
June 30, 2015

Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2015 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	YTD ACTUAL PASS THROUGH
<u>REVENUES</u>					
Federal Revenue	29,645,387	57,629,900	57,629,900	-	27,338,949
State Revenue	523,010	1,999,160	1,999,160	-	470,410
Investment Earnings	(12,438)	45,000	45,000	-	-
Other Revenue	1,038,209	2,015,000	2,015,000	-	10,994
Total Revenues	31,194,168	61,689,060	61,689,060	-	27,820,353
<u>EXPENSES</u>					
Salary and Benefits	1,596,303	3,350,000	3,467,833	117,833	-
Consulting & Contractual Services	404,178	815,000	915,000	100,000	-
Rent & Utilities	97,204	201,529	201,529	-	-
Housing Expenses	27,574,903	56,105,000	56,105,000	-	26,946,518
Travel	14,142	30,000	60,000	30,000	-
Insurance	87,260	100,000	100,000	-	-
Other Operating Expense	125,600	239,840	239,840	-	-
Total Expenses	29,899,590	60,841,369	61,089,202	247,833	26,946,518
<u>TRANSFERS</u>					
Transfers-out - Allocations	(434,998)	(659,856)	(679,856)	20,000	-
Total Transfers	(434,998)	(659,856)	(679,856)	20,000	-
Change in Reserve Balance	859,581	187,835	(79,998)	267,833	873,835
Beginning Reserve Balance:					
Operating		8,103,194			
Federal Passthrough (HAP Assistance)		204			
Total Beginning Balance		8,103,398			
Change in Reserve Balance:					
Total Change in Reserve Balance		187,835			
Ending Reserve Balance		8,291,233			
2015 Target Balance (8.3%)		5,070,404			

Appendix

Metro Transit Bus Operations

STATEMENT OF REVENUES AND EXPENSES

Metro Transit - Bus Operations

June 30, 2015

Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2015 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Passenger Revenues	34,820,616	70,830,906	73,290,293	(2,459,387)
Auxiliary Transit Revenue	1,327,074	3,003,485	3,018,000	(14,515)
State Appropriations	3,450,498	6,808,000	6,715,000	93,000
State Revenue - MVST	95,262,000	190,524,000	190,524,000	-
Federal Grants	2,149,523	4,259,700	4,259,700	-
Investment Earnings	403,540	1,107,038	500,000	607,038
Property Taxes	0	2,000,000	2,000,000	-
Other Revenue	821,029	1,392,279	900,000	492,279
Total Revenues	138,234,280	279,925,408	281,206,993	(1,281,585)
<u>EXPENSES</u>				
Salary and Benefits	108,021,591	221,199,461	225,077,319	3,877,858
Consulting & Contractual Services	3,932,337	9,864,255	9,566,819	(297,436)
Fuel	11,131,681	24,076,447	27,264,302	3,187,855
Materials & Supplies	8,167,536	17,534,837	18,140,264	605,427
Utilities	1,863,920	4,376,822	4,582,792	205,970
Other Operating Expense	2,210,192	6,626,521	7,546,761	920,240
Total Expenses	135,327,257	283,678,343	292,178,257	8,499,914
<u>TRANSFERS</u>				
Transfer In - MVST	8,376,514	16,759,000	16,759,000	-
Transfer In - Transit Allocations	4,746,719	9,495,291	9,535,279	(39,988)
Transfer Out - RA Expense Allocation	(10,026,405)	(23,128,092)	(23,128,092)	-
Total Transfers	3,096,828	3,126,199	3,166,187	(39,988)
Change in Reserve Balance	6,003,851	(626,736)	(7,805,077)	7,178,341
Beginning Reserve Balance		46,362,096		
Ending Reserve Balance		45,735,360		*
2015 Target Balance (8.3 - 12.5%)		25,378,999		

* Includes TOD fund balance of \$3.2M

Appendix
Metro Transit Light Rail Operations

STATEMENT OF REVENUES AND EXPENSES
Metro Transit - Light Rail Operations
June 30, 2015

Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2015 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Passenger Revenues	10,173,123	20,390,189	18,448,621	1,941,568
Auxiliary Transit Revenue	865,604	1,481,196	1,564,000	(82,804)
State Revenue - GF Appropriation	11,677,500	23,355,000	23,355,000	-
Federal Revenue	1,563,102	3,126,200	3,126,200	-
Local Revenue	11,258,646	22,517,287	22,517,287	-
Investment Earnings	35,565	48,067	25,000	23,067
Other Revenue	8,920	17,836	3,000	14,836
Total Revenues	35,582,460	70,935,775	69,039,108	1,896,667
<u>EXPENSES</u>				
Salary and Benefits	18,890,530	34,180,027	34,937,059	757,032
Consulting & Contractual Services	278,768	1,407,549	1,601,506	193,957
Fuel	7,995	15,991	51,576	35,585
Materials & Supplies	1,294,774	3,989,539	4,188,461	198,922
Utilities	2,919,362	6,838,833	7,096,203	257,370
Other Operating Expense *	737,136	4,967,323	3,625,018	(1,342,305)
Total Expenses	24,128,565	51,399,262	51,499,823	100,561
<u>TRANSFERS</u>				
Transfer Out - Transit Allocations	(4,197,717)	(12,226,400)	(11,839,280)	(387,120)
Transfer Out - RA Expense Allocation	(2,037,306)	(4,074,615)	(4,074,615)	-
Total Transfers	(6,235,023)	(16,301,015)	(15,913,895)	(387,120)
Change in Reserve Balance	5,218,872	3,235,498	1,625,390	1,610,108
Beginning Reserve Balance		<u>7,303,195</u>		
Ending Reserve Balance		10,538,693		
2015 Target Balance (8.3 - 12.5%)		5,595,339		

* other operating expense includes refunds to funding partners of \$1.6M in year end projections

Appendix
Metro Transit Commuter Rail Operations

STATEMENT OF REVENUES AND EXPENSES
Metro Transit - Commuter Rail Operations
June 30, 2015

Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2015 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Passenger Revenues	1,149,976	2,376,829	2,449,081	(72,252)
State Revenue - GF Appropriation	604,212	1,208,419	1,208,419	-
State Revenue - MVST	1,637,502	3,275,000	3,275,000	-
Local Revenue - CTIB	3,148,644	6,297,289	6,297,289	-
Other Local Revenue	604,212	1,208,419	1,208,419	-
Investment Earnings	73,750	147,504	148,981	(1,477)
Total Revenues	7,218,296	14,513,460	14,587,189	(73,729)
<u>EXPENSES</u>				
Salary and Benefits	2,024,691	4,045,414	4,252,515	207,101
Consulting & Contractual Services	2,156,185	5,212,520	6,091,337	878,817
Fuel	575,859	1,271,686	1,619,997	348,311
Materials & Supplies	262,502	975,028	1,168,076	193,048
Utilities	339,302	678,590	729,813	51,223
Other Operating Expense *	1,172,323	3,287,853	2,386,869	(900,984)
Total Expenses	6,530,862	15,471,091	16,248,607	777,516
<u>TRANSFERS</u>				
Transfer Out - Transit Allocations	(549,002)	(998,030)	(955,910)	(42,120)
Transfer Out - RA Expense Allocation	(202,480)	(404,962)	(404,962)	-
Total Transfers	(751,482)	(1,402,992)	(1,360,872)	(42,120)
Change in Reserve Balance	(64,048)	(2,360,623)	(3,022,290)	661,667
Beginning Reserve Balance		6,195,462		
Ending Reserve Balance		3,834,839		
2015 Target Balance (8.3 - 12.5%)		1,461,587		

* other operating expense includes refunds to funding partners of \$943,220 in year end projections

STATEMENT OF REVENUES AND EXPENSES
MTS -Transportation Planning
June 30, 2015
Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2015 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Federal Revenue	2,173,579	4,782,000	4,380,000	402,000
State Revenue - Trunk Highway	0	100,000	250,000	(150,000)
Investment Earnings	5,648	11,296	-	11,296
Chargebacks from MAC	30,469	60,938	-	60,938
Other Revenue	676	673	-	673
Total Revenues	2,210,372	4,954,907	4,630,000	324,907
<u>EXPENSES</u>				
Salary and Benefits	1,126,894	2,725,146	2,783,146	58,000
Consulting & Contractual Services	361,466	677,000	1,520,000	843,000
Rent & Utilities	74,115	149,034	149,034	-
Travel	19,939	41,000	41,000	-
Grants	431,859	882,000	480,000	(402,000)
Other Operating Expense	81,875	137,690	137,690	-
Total Expenses	2,096,148	4,611,870	5,110,870	499,000
<u>TRANSFERS</u>				
Transfers-out - Allocations	(647,292)	(1,184,400)	(1,184,400)	-
Total Transfers	(647,292)	(1,184,400)	(1,184,400)	-
Change in Reserve Balance	(533,068)	(841,363)	(1,665,270)	823,907
Beginning Reserve Balance		2,825,865		
Ending Reserve Balance		1,984,502		
2015 Target Balance (Combined 15%, 31.5% TP Fund)		1,983,000		

STATEMENT OF REVENUES AND EXPENSES
MTS - Metro Mobility
June 30, 2015
Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2015 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Passenger Revenue	3,776,245	7,201,269	7,201,269	-
State Appropriations	23,524,000	57,343,000	57,343,000	-
Investment Earnings	61,075	122,150	-	122,150
Total Revenues	27,361,320	64,666,419	64,544,269	122,150
<u>EXPENSES</u>				
Salary and Benefits	437,607	1,117,400	1,159,400	42,000
Consulting & Contractual Services	24,949,673	51,477,120	51,477,120	-
Fuel	1,907,515	5,200,000	8,227,325	3,027,325
Rent & Utilities	152,165	304,330	122,643	(181,687)
Other Operating Expense	98,756	139,290	139,290	-
Total Expenses	27,545,716	58,238,140	61,125,778	2,887,638
<u>TRANSFERS</u>				
Transfers-out - Allocations	(643,696)	(1,108,004)	(1,108,004)	-
Total Transfers	(643,696)	(1,108,004)	(1,108,004)	-
Change in Reserve Balance	(828,092)	5,320,275	2,310,487	3,009,788
Beginning Reserve Balance		14,801,753		
Ending Reserve Balance		20,122,028		
2015 Target Balance (10%)		6,223,000		

STATEMENT OF REVENUES AND EXPENSES
MTS - Contracted Service
June 30, 2015
Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2015 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Passenger Revenues	928,454	2,423,068	2,423,068	-
Federal Revenue	1,320,153	2,838,435	2,838,435	-
State Revenue - MVST	9,924,000	19,048,000	19,048,000	-
Local Revenue	1,041,157	1,863,000	1,863,000	-
Investment Earnings	44,458	100,000	100,000	-
Total Revenues	13,258,222	26,272,503	26,272,503	-
<u>EXPENSES</u>				
Salary and Benefits	425,571	910,404	910,404	-
Consulting & Contractual Services	11,046,592	24,112,429	24,112,429	-
Rent & Utilities	41,309	82,618	20,000	(62,618)
Fuel	(155,553)	(311,106)	445,873	756,979
Travel	0	12,500	12,500	-
Grants	226,890	545,000	545,000	-
Other Operating Expense	20,861	70,000	70,000	-
Total Expenses	11,605,670	25,421,845	26,116,206	694,361
<u>TRANSFERS</u>				
Transfer Out - Allocations	(507,046)	(999,500)	(999,500)	-
Total Transfers	(507,046)	(999,500)	(999,500)	-
Change in Reserve Balance	1,145,506	(148,842)	(843,203)	694,361
Beginning Reserve Balance		<u>6,473,747</u>		
Ending Reserve Balance		6,324,905		
2015 Target Balance (Combined 15%, 10% Cont Svc Funds)		2,712,000		