

People

Transportation

Housing

Bikes

Planning

Financial Condition

Future

Bus

Parks

Cars

Sustainability

Efficient

2nd QUARTER FINANCIAL REPORT

Prosperity

Train

Growth

Light Rail

August 24, 2016

Livability

Light Rail

Trails

Diversity

Treatment

Equity

Airplane

Communities

Wastewater & Water

Lakes

Treatment

Regional

Economic

Roads



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OPERATING FUNDS-STATEMENT OF REVENUES & EXPENSES

OPERATING FUNDS
STATEMENT OF REVENUES AND EXPENSES
2016 - Mid-Year Results
(in thousands)
Unaudited

	General Fund					Environmental Services					Housing and Redevelopment Authority					
	2016 YTD		% Budget	Projected		2016		Variance*	2016 YTD		% Budget	Projected		2016		Variance*
	Results	Budget		Year End	Budget	Results	Budget		Year End	Budget		Results	Budget	Year End	Budget	
Revenues	643	4%	14,992	14,980	12	105,423	47%	224,435	223,735	700	32,428	53%	62,073	61,673	400	
Expenses	28,111	45%	62,637	62,416	(221)	50,977	39%	130,600	132,324	1,724	30,989	51%	60,663	61,153	490	
Transfers	21,583	50%	43,202	43,202	0	(46,199)	50%	(92,248)	(92,210)	(38)	(442)	60%	(739)	(739)	0	
Change in Reserve Balance	(5,885)		(4,443)	(4,234)	(209)	8,247		1,587	(799)	2,386	997		671	(219)	890	
Beginning Reserve Balance			19,153					20,130					9,176			
Assigned/Committed			(4,611)													
Ending Reserve Balance			<u>10,099</u>					<u>21,717</u>					<u>9,847</u>			
Target Balance			6,242					13,232					5,076			

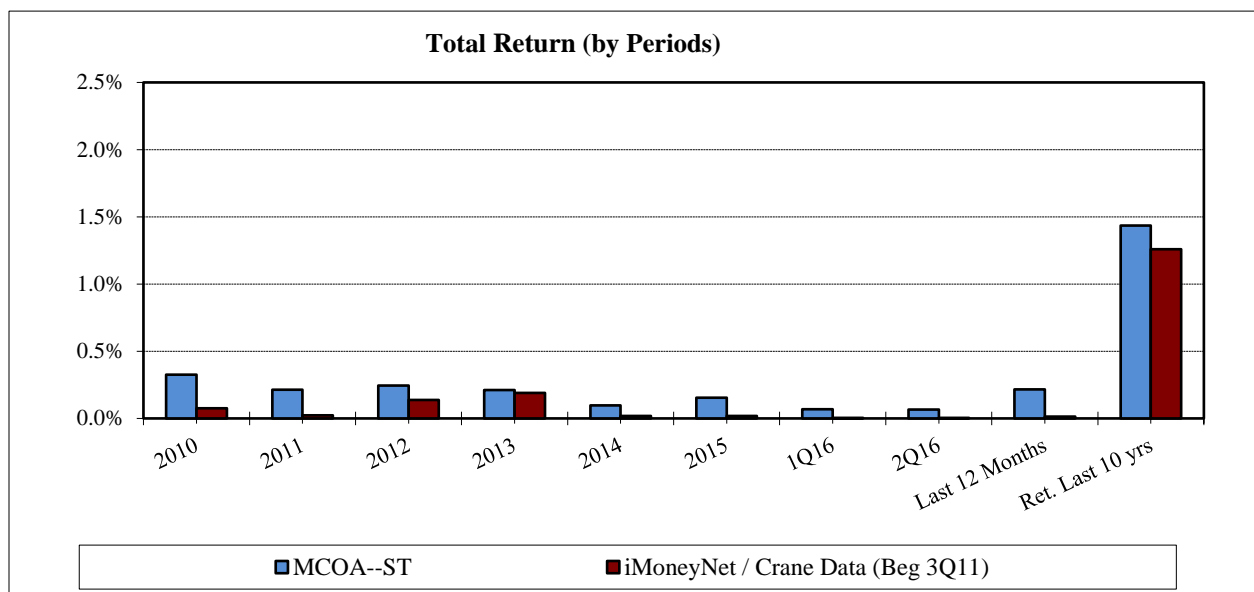
	Metro Transit - Bus					Metro Transit - Light Rail					Metro Transit - Commuter Rail					
	2016 YTD		% Budget	Projected		2016		Variance*	2016 YTD		% Budget	Projected		2016		Variance*
	Results	Budget		Year End	Budget	Results	Budget		Year End	Budget		Results	Budget	Year End	Budget	
Revenues	145,109	49%	292,754	293,174	(420)	34,582	49%	71,784	70,699	1,085	9,249	50%	18,551	18,604	(53)	
Expenses	146,805	48%	298,432	306,500	8,068	30,137	51%	57,769	58,793	1,024	7,904	46%	16,724	17,358	634	
Transfers	(3,723)	50%	(7,488)	(7,501)	13	(5,309)	45%	(12,005)	(11,905)	(100)	(606)	49%	(1,320)	(1,246)	(74)	
Change in Reserve Balance	(5,419)		(13,166)	(20,827)	7,661	(864)		2,010	1	2,009	739		507	0	507	
Beginning Reserve Balance			48,399					13,484					4,326			
Assigned/Committed																
Ending Reserve Balance			<u>35,233</u>					<u>15,494</u>					<u>4,833</u>			
Target Balance			26,187					5,868					1,544			

	MTS - Transportation Planning					MTS - Metro Mobility					MTS - Contracted Service					
	2016 YTD		% Budget	Projected		2016		Variance*	2016 YTD		% Budget	Projected		2016		Variance*
	Results	Budget		Year End	Budget	Results	Budget		Year End	Budget		Results	Budget	Year End	Budget	
Revenues	4,135	45%	9,357	9,124	233	26,799	44%	60,524	60,365	159	11,413	50%	22,683	22,683	0	
Expenses	1,943	30%	5,486	6,499	1,013	27,051	45%	58,676	60,707	2,031	12,201	46%	26,279	26,724	445	
Transfers	(692)	47%	(1,487)	(1,487)	0	(934)	49%	(1,898)	(1,898)	0	(411)	49%	(836)	(836)	0	
Change in Reserve Balance	1,500		2,384	1,138	1,246	(1,186)		(50)	(2,240)	2,190	(1,199)		(4,432)	(4,877)	445	
Beginning Reserve Balance			1,831					11,447					5,612			
Assigned/Committed																
Ending Reserve Balance			<u>4,215</u>					<u>11,397</u>					<u>1,180</u>			
Target Balance			2,515					6,261					2,756			

*Variance = Favorable / (Unfavorable)

Financial Management Report

METROPOLITAN COUNCIL INVESTMENT PERFORMANCE—SHORT-TERM PORTFOLIO



2Q16 Short-Term Portfolio Investment Results

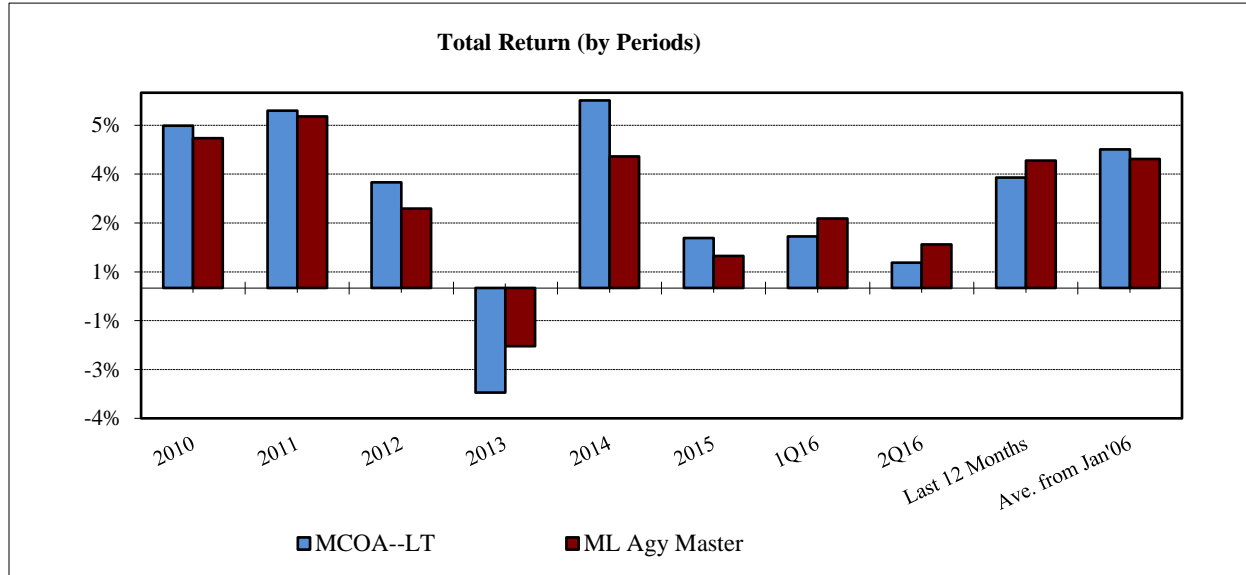
Assets under Management (AUM): \$234.1 Million

The portfolio outperformed its benchmark during the second quarter. Total return of 0.07% was above the index (0.03%) by 4 basis points. This portfolio has averaged 18 bps per year more than its benchmark over the past 10 years. For the quarter, the Council's liquid cash was invested in government money market funds, Federal Discount Notes and Commercial Paper.

On June 23rd we received \$134.7 million in bond proceeds. This is the same day in which Brexit voted to leave the EU which pushed the markets into chaos. Based on this event, we stayed away from purchasing Commercial Paper and started buying Federal Discount Notes the last week of June.

Financial Management Report

METROPOLITAN COUNCIL INVESTMENT PERFORMANCE—LONG-TERM PORTFOLIO



2Q16 Long-Term Portfolio Investment Results

Assets under Management (AUM) \$411.7 Million

The portfolio underperformed its benchmark during the second quarter. Total return of .78% was below the index 1.35 by 56 basis points. The portfolio was comprised of 25% municipal bonds (yielding 4.09%), 53% of U.S. agency securities (yielding 1.60%), 22% was invested in government money market funds (yielding 0.28%) and less than 1% was invested in securitized mortgage backed securities (yielding 2.43%).

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.

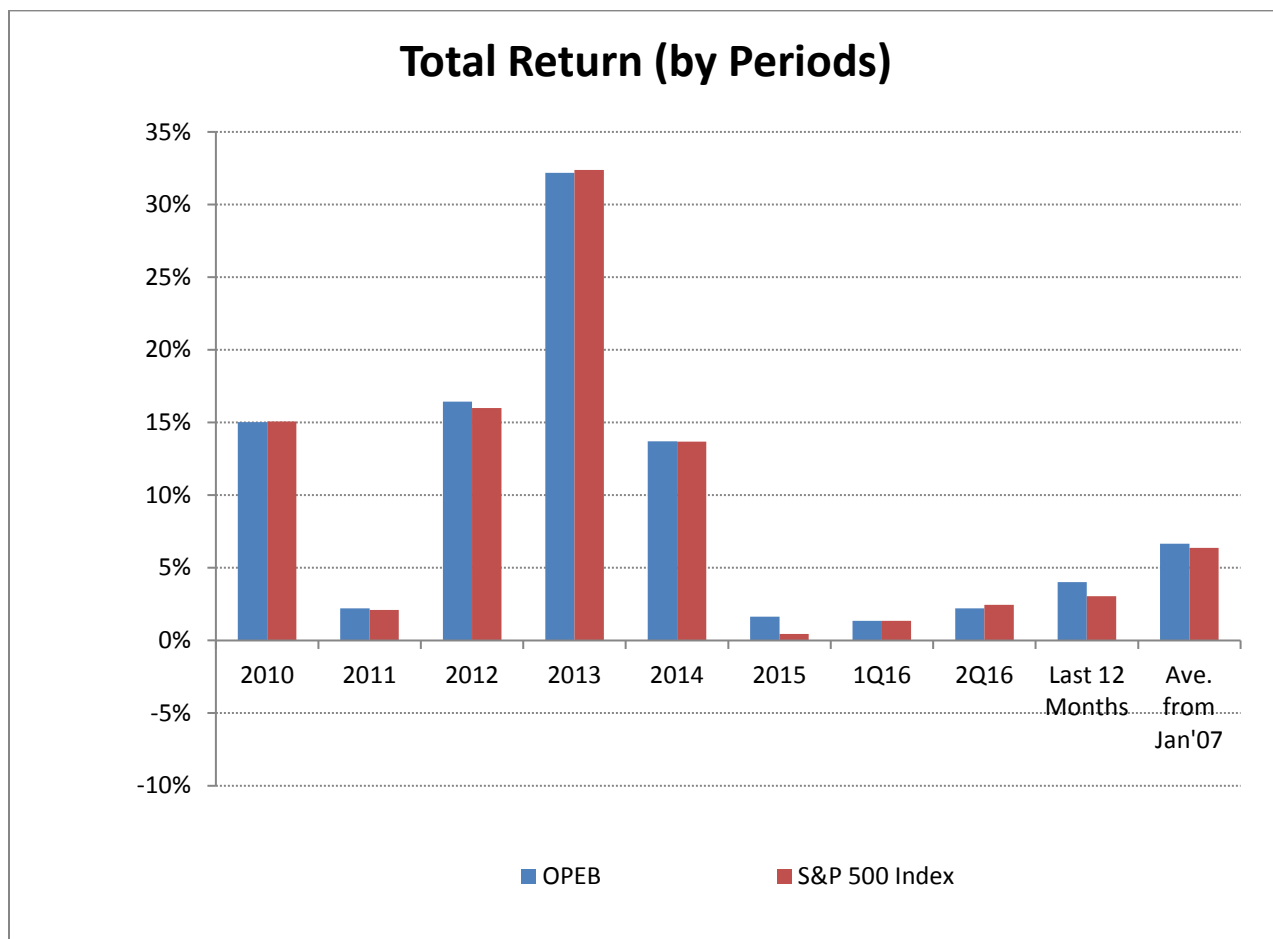
Financial Management Report

2Q16 OPEB PORTFOLIO INVESTMENT RESULTS

Assets under Management (AUM) \$214.9 Million

Currently, the Council's OPEB portfolio is fully invested in 84% equities and 16% US Treasuries. At end of the fourth quarter, the OPEB portfolio posted gains of 2.22% and the S&P 500 index was 2.46%. For the quarter, the portfolio had unrealized and realized gains of \$4.7 million. The Council also has an internal cash account for OPEB. At the end of quarter, the amount in this fund was \$9.9 million.

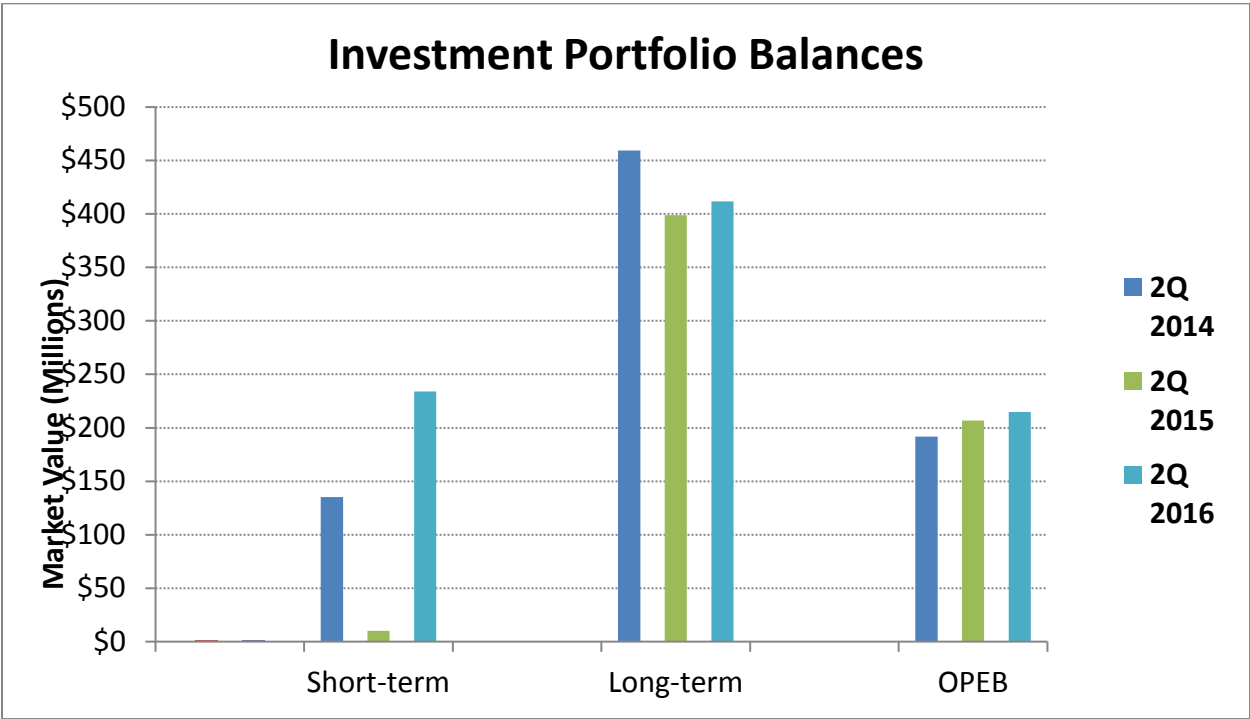
The OPEB portfolio is a long-term investment vehicle, similar to a pension fund, which will provide both positive and negative market movements over time. We feel over the long term, staying the course is a good strategy.



INVESTMENT PORTFOLIO BALANCES

Investment Portfolio Balances Market Value (Millions)

	2Q 2014	2Q 2015	2Q 2016
Short-term	\$ 135.1	\$ 10.2	\$ 234.1
Long-term	459.4	398.8	411.7
OPEB	191.9	206.6	214.9
Total	786.4	615.6	860.7



GENERAL FUND

Unaudited - dollars in thousands

2016 2nd Quarter Financial Report General Fund Unaudited - dollars in thousands

	General Fund				
	2016 YTD		Projected		Variance
	Results	% Budget	Year End	2016 Budget	
Revenues	643	4%	14,992	14,980	12
Expenses	28,111	45%	62,637	62,416	(221)
Transfers	21,583	50%	43,202	43,202	0
Change in Reserve Balance	(5,885)		(4,443)	(4,234)	(209)
Beginning Fund Balance			19,153		
Assigned/Committed			(4,611)		
Ending Unassigned Reserve Balance			<u>10,099</u>		
Target Balance (10%)			6,242		

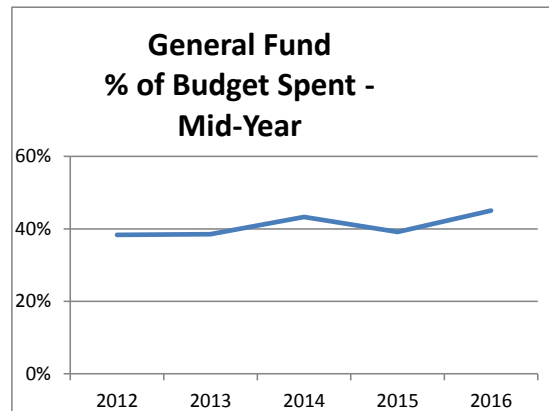
General Fund

At mid-year the General fund has spend 45% of annual budgeted operating expenses. The performance is slightly above prior year mid-terms.

Most operating expenses categories are expected to track at or near budget through out year end. However, salaries are trending higher due to overtime on the A-line. Software licenses experienced an higher then anticipated rate increases along with the procurement of software that was put in after the 2016 budget was completed. Theses items will continue to be monitored and any required action will be made before year end.

The 2016 General Fund budget approved by the Council reflects a \$4.2 million use of General Fund reserves.

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



Environmental Services

Unaudited - dollars in thousands

2016 2nd Quarter Financial Report Environmental Services Unaudited - dollars in thousands

	Environmental Services				
	2016 YTD Results	% Budget	Projected Year End	2016 Budget	Variance
Revenues	105,423	47%	224,435	223,735	700
Expenses	50,977	39%	130,600	132,324	1,724
Transfers	(46,199)	50%	(92,248)	(92,210)	(38)
Change in Reserve Balance	8,247		1,587	(799)	2,386
Beginning Reserve Balance			20,130		
Ending Unassigned Reserve Balance			21,717		
Target Balance			13,232		

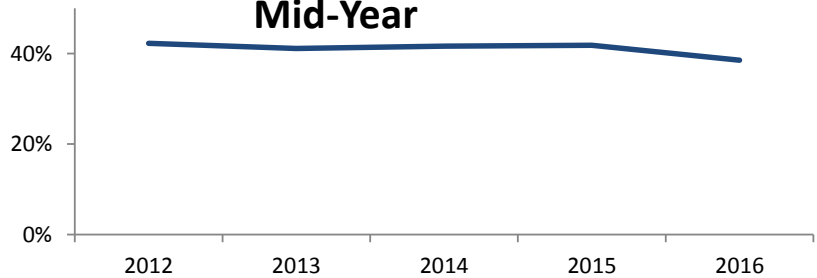
Environmental Services

Environmental Services operating expenses/transfers are currently estimated to be under budget by \$1.7M. Salary and benefits are projected to be under budget by approximately \$2.4M, primarily due to the number of staffing vacancies. In addition, there is under spending in contracted services, chemicals, utilities, capital outlay, and other direct expenses of \$1.8M. This is offset by materials, RA expense allocation and grants exceeding budget by approximately \$2.7M.

Operating revenues are anticipated to be over budget by approximately \$.7M due primarily to grants and miscellaneous revenues. SAC receipts continue to recover and are expected to exceed the 2015 receipts and are anticipated to meet the 2016 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 2016 budgeted use of reserves of \$.8M for its 2015 carryforward of Stormwater Grants. If the above forecasted variances occur, reserves will increase by approximately \$1.6M. This estimated \$1.5 million positive operating variance would bring the operating reserve to \$21.7M, well above the target of \$13.2M.

Environmental Services % of Budget Spent - Mid-Year



Financial Management Report

HOUSING AND REDEVELOPMENT FUND

Unaudited - dollars in thousands

2016 2nd Quarter Financial Report Housing and Redevelopment Fund Unaudited - dollars in thousands

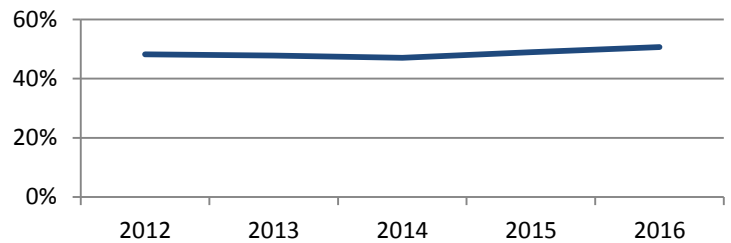
	Housing and Redevelopment Authority				
	2016 YTD Results	% Budget	Projected Year End	2016 Budget	Variance
Revenues	32,428	53%	62,073	61,673	400
Expenses	30,989	51%	60,663	61,153	490
Transfers	(442)	60%	(739)	(739)	0
Change in Reserve Balance	997		671	(219)	890
Beginning Reserve Balance			9,176		
Ending Reserve Balance			<u>9,847</u>		
Target Balance			5,076		

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 and increased revenue for the first half of the year. The HRA projects a positive fund balance at year end of approximately \$700,000, exceeding budget and the Council's 8.3% target fund balance.

The federal subsidy revenue is awarded through congressional appropriations. The HRA projects near 100% expenditure of federal subsidy funds at year end.

HRA % of Budget Spent - Mid-Year



Financial Management Report

METRO TRANSIT-BUS

Unaudited - dollars in thousands

2016 2nd Quarter Financial Report Metro Transit - Bus Unaudited - dollars in thousands

	Metro Transit - Bus				
	2016 YTD		Projected Year		
	Results	% Budget	End	2016 Budget	Variance
Revenues	145,109	49%	292,754	293,174	(420)
Expenses	146,805	48%	298,432	306,500	8,068
Transfers	(3,723)	50%	(7,488)	(7,501)	13
Change in Reserve Balance	(5,419)		(13,166)	(20,827)	7,661
Beginning Reserve Balance			48,399		
Ending Reserve Balance			<u>35,233</u>		
Target Balance			26,187		

Metro Transit Bus

The adopted CY 2016 budgeted use of reserves of \$20.8M.

Revenues in passenger fares are down \$1.1M June YTD due to a reduction of 1.2M riders and partially offset by \$0.01 increase in passenger fares. Passenger fares are forecasted to be under budget by \$2.2M by the end of the year.

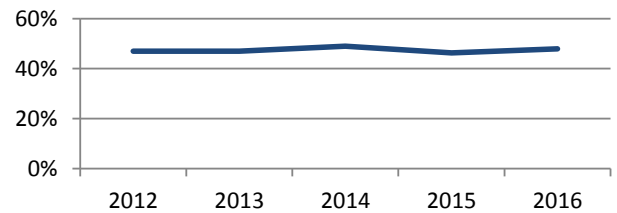
Advertising revenues are positive by \$240K due to strong advertising sales, interest income is favorable by \$169K due to strong reserve balances.

Operating expense are \$4.3M under budget June YTD and forecasted to be under budget by \$8.1M at year end. Salaries and benefits are forecasted to be under budget by \$900K at the end of the year, due to open positions and savings in insurance. Contracted Consulting Services are forecasted to be under budget by \$1.0M. Fuel is also forecasted favorable by \$2.2M due to low futures prices.

Parts and materials and supplies are under budget by \$893K and forecasted to be favorable by \$1.3M by year end. Utilities are under budget by \$503K due to savings from capital improvements in our facilities and forecasted to be under budget by \$656K.

Projected year end variance is \$7.6M. Year end fund balance is projected to be \$35.2M which is \$9M over the Council target balance or 11.1%.

Metro Transit - Bus % of Budget Spent - Mid-Year



Financial Management Report

METRO TRANSIT-LIGHT RAIL

Unaudited - dollars in thousands

2016 2nd Quarter Financial Report Metro Transit - Light Rail Unaudited - dollars in thousands

	Metro Transit - Light Rail				
	2016 YTD Results	% Budget	Projected Year End	2016 Budget	Variance
Revenues	34,582	49%	71,784	70,699	1,085
Expenses	30,137	51%	57,769	58,793	1,024
Transfers	(5,309)	45%	(12,005)	(11,905)	(100)
Change in Reserve Balance	(864)		2,010	1	2,009
Beginning Reserve Balance			13,484		
Ending Reserve Balance			<u>15,494</u>		
Target Balance			5,868		

Metro Transit Light Rail

The CY 2016 adopted a balanced budget with no use of reserves.

Passenger fares are forecasted to be \$809K over budget. Ridership June YTD is 662K below the budgeted level but average fares are \$0.11 over budget.

The advertising revenue is \$178K over budget due to strong demand, and interest income is positive due to high fund balances.

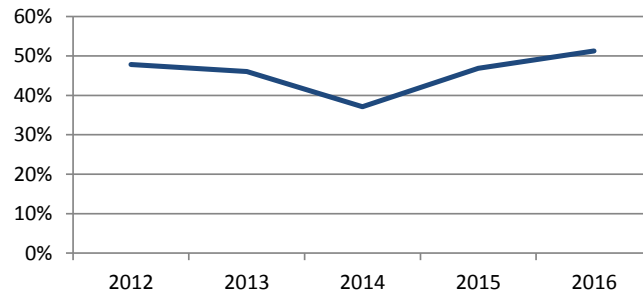
Operating expenses are forecasted to be \$1.0M below the budgeted level at year end. Professional and technical services are \$393K below budget June YTD and forecasted under budget \$630K as some maintenance work has been done by internal staff.

Vehicle repair parts are over budget by \$529K June YTD budget forecasted to be under budget by \$642K due to timing of work and repairs.

Utilities are under budget by \$679K June YTD and forecasted to be under budget by \$600k due to savings from capital improvements in our facilities.

The projected year end fund balance of \$15.4M is \$9.6M over the Council target balance or 21.9%.

Metro Transit - Light Rail % of Budget Spent - Mid-Year



Financial Management Report

METRO TRANSIT-COMMUTER RAIL

Unaudited - dollars in thousands

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

Metro Transit - Commuter Rail					
2016 YTD		Projected			
Results	% Budget	Year End	2016 Budget	Variance	
9,249	50%	18,551	18,604	(53)	
7,904	46%	16,724	17,358	634	
(606)	49%	(1,320)	(1,246)	(74)	
739		507	0	507	
		4,326			
		<u>4,833</u>			
		1,544			

Metro Transit - Commuter Rail

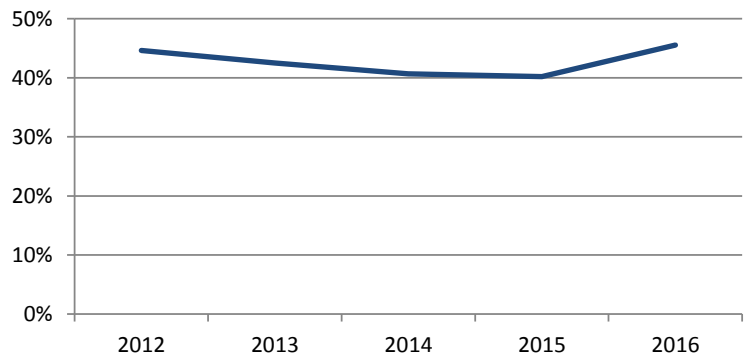
The adopted CY 2016 adopted a balanced budget.

Passenger fares are at the budgeted levels as of June YTD and forecasted to be at budget for year end.

Operating expenses are \$500K below the budgeted levels at June YTD and forecasted to be under budget by \$634K at year end. Fuel is forecasted \$482K below the budgeted levels due to low fuel prices. Utilities and Consulting and Contract Services are forecasted below budget levels at year end.

The projected year end fund balance of \$4.8M is \$3.3M over the Council target balance or 25.9%.

MT - Commuter Rail - % of Budget Spent - Mid-Year



Financial Management Report

METROPOLITAN TRANSPORTATION SERVICES

Unaudited - dollars in thousands

2016 2nd Quarter Financial Report Metropolitan Transportation Services - Transportation Planning Unaudited - dollars in thousands

	MTS - Transportation Planning				
	2016 YTD		Projected		
	Results	% Budget	Year End	2016 Budget	Variance
Revenues	4,135	45%	9,357	9,124	233
Expenses	1,943	30%	5,486	6,499	1,013
Transfers	(692)	47%	(1,487)	(1,487)	0
Change in Reserve Balance	1,500		2,384	1,138	1,246
Beginning Reserve Balance			1,831		
Ending Reserve Balance			4,215		
Target Balance			2,515		

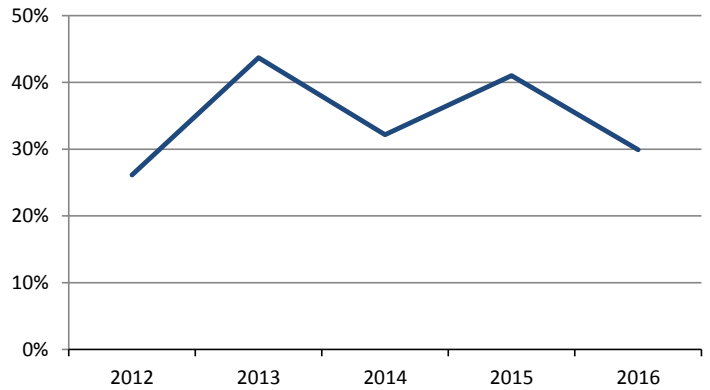
MTS - Transportation Planning

Transportation Planning revenues are expected to end the year slightly over budget due to revenue from local governments for regional studies. Federal revenues are expected to be lower than planned by \$275k due to less than anticipated subrecipient activity.

Consulting expenses are anticipated to be \$737k under budget because of contract initiation timing. Expected payments to subrecipients is also expected to be down \$275k corresponding with the revenue decrease above.

The 2016 budget was developed with a planned \$1.1M increase in fund balance. Updated projections now place the increase in fund balance at \$2.4M. Although the projected balance exceeds the target policy level set for this individual fund, the excess reserve is needed to meet the combined balance target set for the Transportation Planning and the Contracted Services funds together.

MTS - Transportation Planning - % of Budget Spent - Mid-Year



Financial Management Report

MTS-METRO MOBILITY

Unaudited - dollars in thousands

2016 2nd Quarter Financial Report Metropolitan Transportation Services - Metro Mobility Unaudited - dollars in thousands

	MTS - Metro Mobility				
	2016 YTD		Projected		
	Results	% Budget	Year End	2016 Budget	Variance
Revenues	26,799	44%	60,524	60,365	159
Expenses	27,051	45%	58,676	60,707	2,031
Transfers	(934)	49%	(1,898)	(1,898)	0
Change in Reserve Balance	(1,186)		(50)	(2,240)	2,190
Beginning Reserve Balance			11,447		
Ending Reserve Balance			<u>11,397</u>		
Target Balance			6,261		

MTS - Metro Mobility

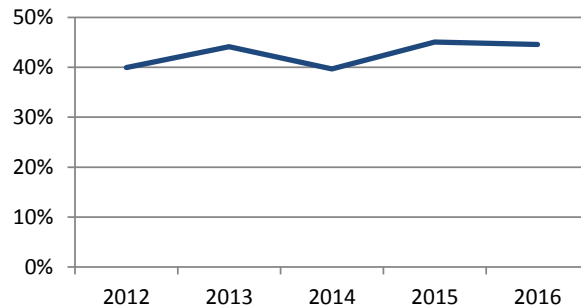
Metro Mobility revenues are expected to come in slightly over budget by year end because of investment earnings.

Ridership is growing at a steady pace and is currently 5.8% above last year. Fare revenue however is running slightly below budget due to the switch to Cubic Go-To cards in April.

Fuel is expected to come in approximately \$2.5M below budget due to current gasoline prices. Modest offsets to this substantial savings in fuel costs are increases in charges related to AVL technology and in salaries owing to the new positions that were added after the 2016 budget was developed and adopted.

The 2016 budget was developed with a planned \$2.2M use of fund balance. Updated projections now place the use of fund balance at \$50,000. Excess reserves above the target policy level will be reallocated through application of the 2017 regional revenue allocation model.

MTS - Metro Mobility % of Budget Spent - Mid-Year



Financial Management Report

MTS-CONTRACTED SERVICES

Unaudited - dollars in thousands

2016 2nd Quarter Financial Report Metropolitan Transportation Services - Contracted Service Unaudited - dollars in thousands

	MTS - Contracted Service			
	Projected Year End	% Budget	2016 Budget	Variance
Revenues	22,683	100%	22,683	0
Expenses	26,279	98%	26,724	445
Transfers	(836)	100%	(836)	0
Change in Reserve Balance	(4,432)		(4,877)	445
Beginning Reserve Balance	5,612			
Ending Reserve Balance	1,180			
Target Balance	2,756			

MTS - Contracted Service

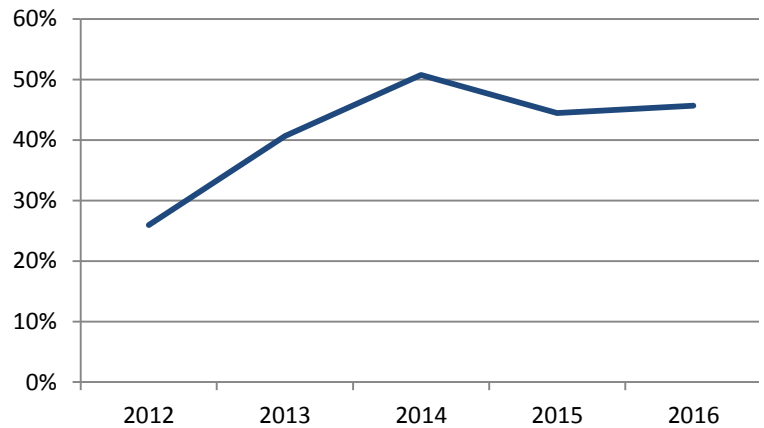
Contracted Services revenues are on budget.

Fuel expenses are under budget due to current pump prices. This difference in price per gallon is expected to save \$495k in fuel costs.

These fuel savings are offset slightly by \$50k in additional utility costs related to new AVL technology.

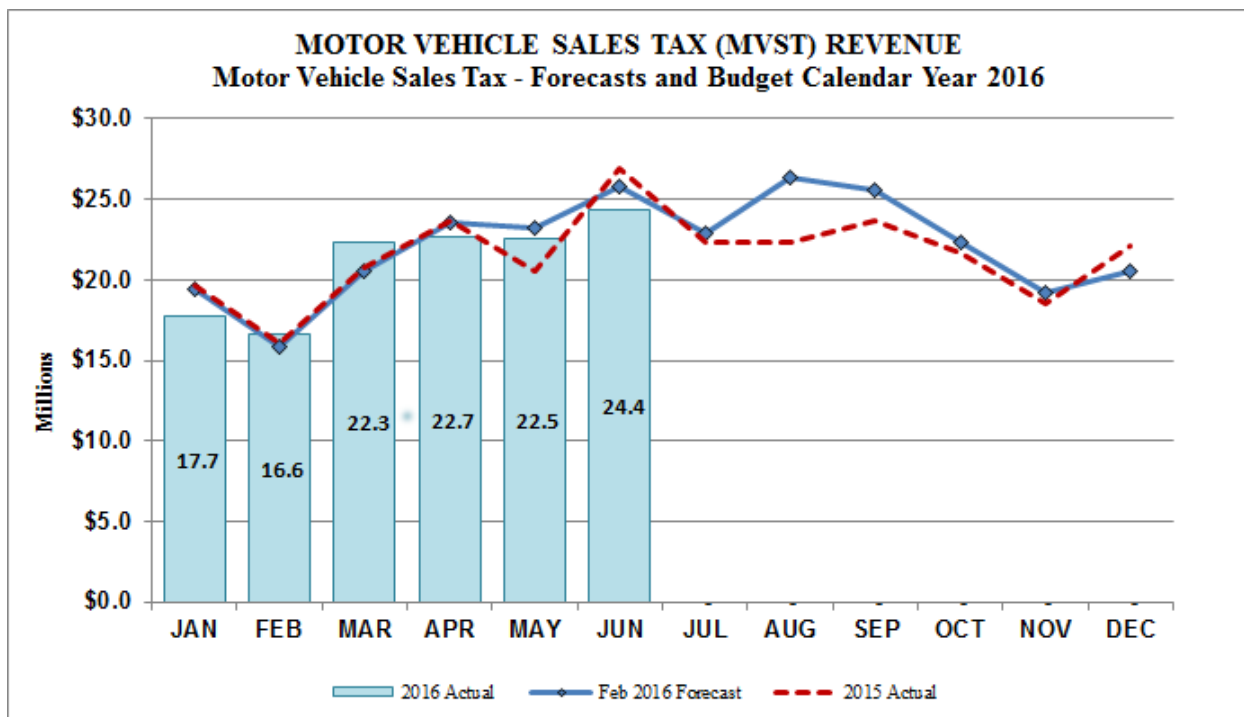
The 2016 budget was developed with a \$4.8M planned use of fund balance. Updated projections now place the use of fund balance at \$4.4M. Contracted Services fund balance at year end is expected to fall short of the target policy level set for this fund, and that shortfall will be corrected via application of the 2017 regional revenue allocation model. The combined target policy continues to be met however, when the reserve in the Contracted Services fund and Transportation Planning fund are added together.

MTS -Contracted Service % Of Budget Spent - Mid-Year

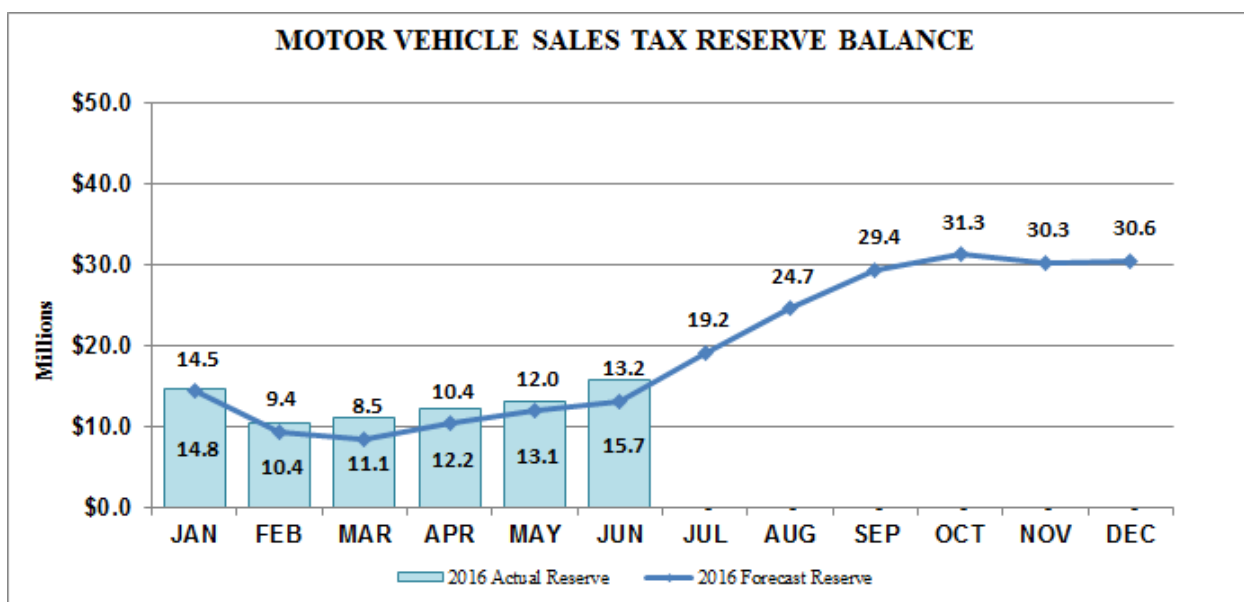


Financial Management Report

MOTOR VEHICLE SALES TAX (MVST) REVENUES



Motor vehicle sales tax receipts for the first six months of 2016 total just over \$ 126 million, 98.3% of forecast. MVST reserves on June 30th are \$15.7 million and projected to grow to \$30.6 million by the end of the year.



Financial Management Report

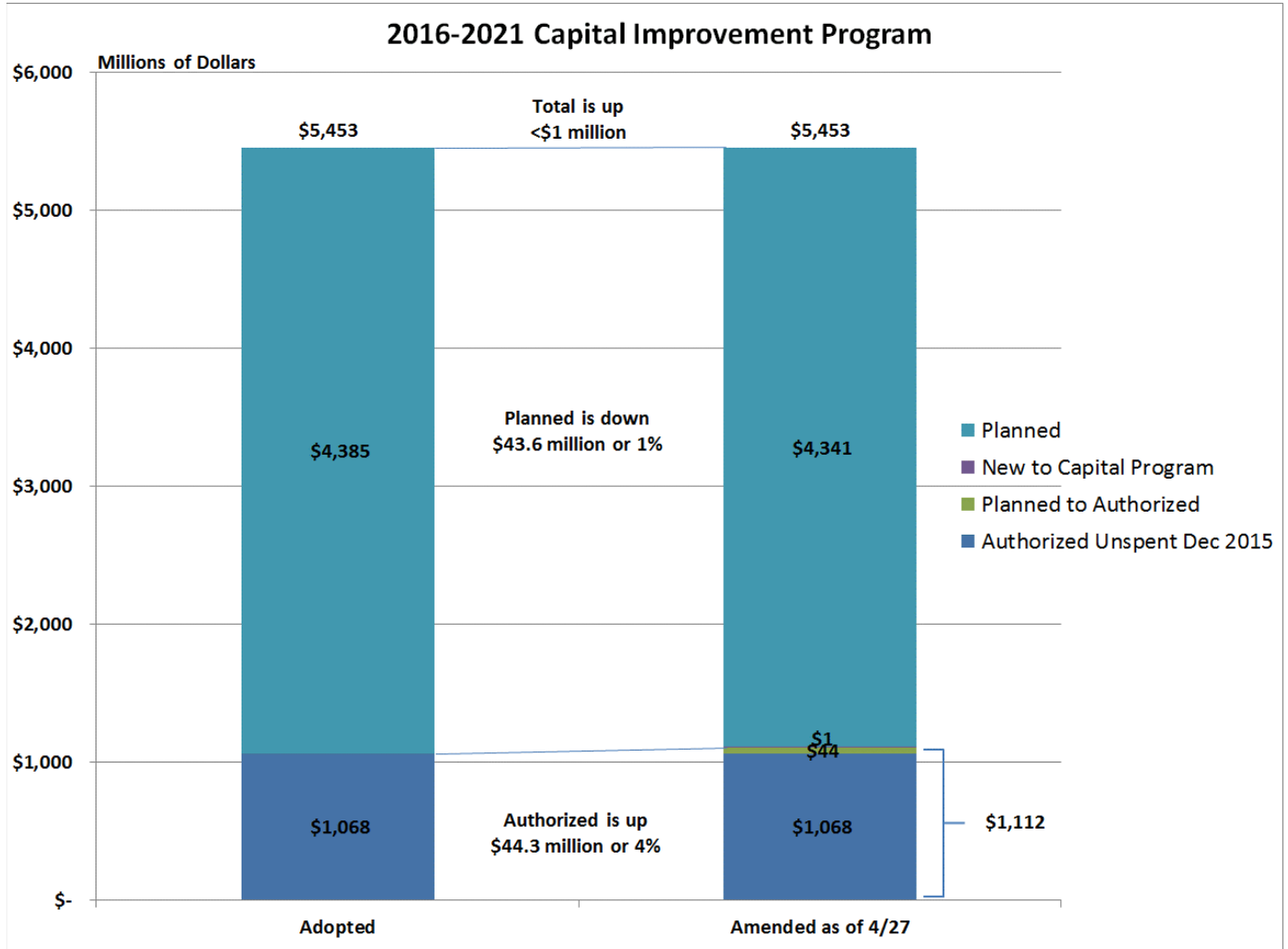
MOTOR VEHICLE SALES TAX (MVST) REVENUES FORECASTS & BUDGET

Dollars in millions

MOTOR VEHICLE SALES TAX – FORECASTS AND BUDGET CALENDAR YEAR 2016

	Total	Jan-Jun	Jul-Dec
November 2015 Forecast	271.6	132.8	138.8
2016 Council Budget:			
Current MVST Revenues	258.1	122.7	122.8
Use of MVST Reserve	0.0	0.0	0.0
February 2016 Forecast	265.4	128.4	137.0
YTD Actuals	126.3	126.3	-
% of February Forecast	47.5%	98.3%	-

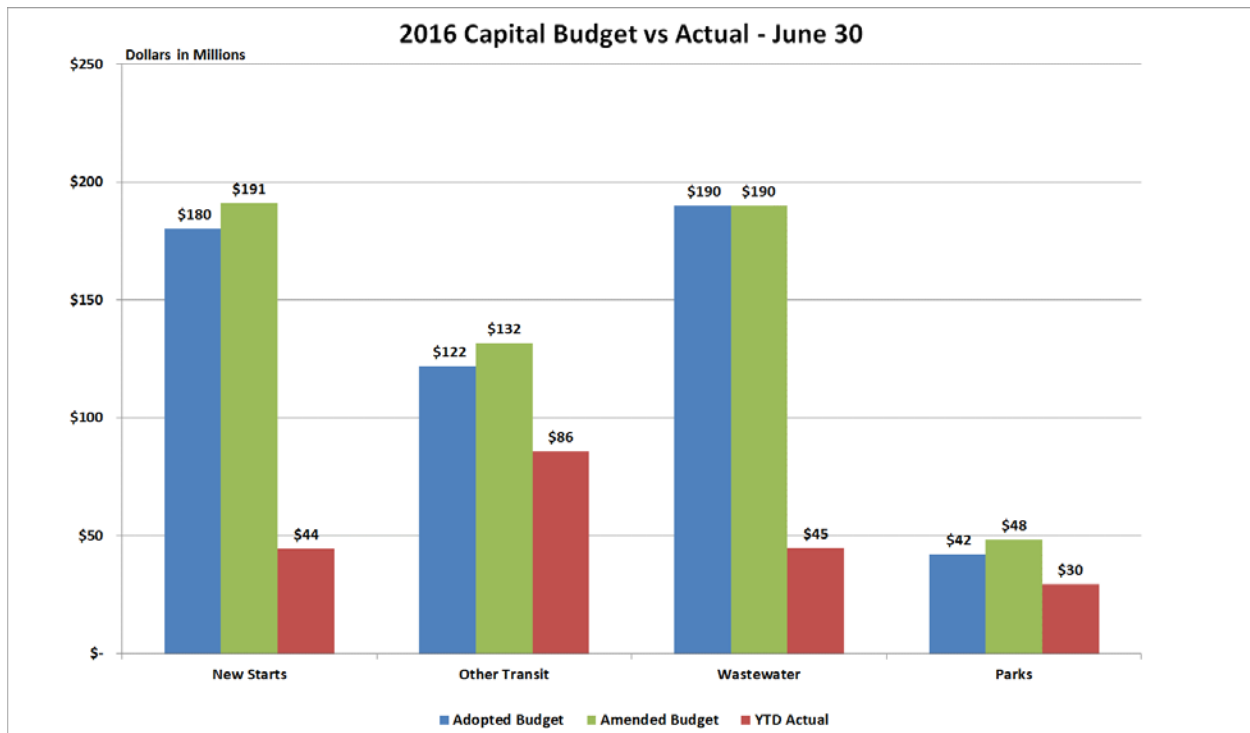
2016-2021 CAPITAL IMPROVEMENT PROGRAM



Capital Program (Excluding Pre-2016 Expenditures)

The capital program (excluding pre-2016 expenditures) increased by \$705,000 through amendments through June. The authorized portion of the capital program (the ACP) is up \$44.3 million or 4 percent. 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 the capital improvement plan or CIP (planned) to the authorized capital program or ACP (authorized). The movement of projects from the capital improvement plan to the authorized capital program is less than in prior years because the Legislature did not approve regional bonding authority for transit or state bonding for parks.

CAPITAL SPENDING



Capital Budget

The adopted 2016 Capital Budget was \$534 million. Amendments through June increased the amended 2016 Capital Budget to \$561 million. Actual 2016 capital expenditures total 38 percent of the adopted budget and 36 percent of the amended budget. Actual expenditures as a percent of the amended budget were 40 percent for transit projects, 24 percent for wastewater projects and 61 percent for parks projects.

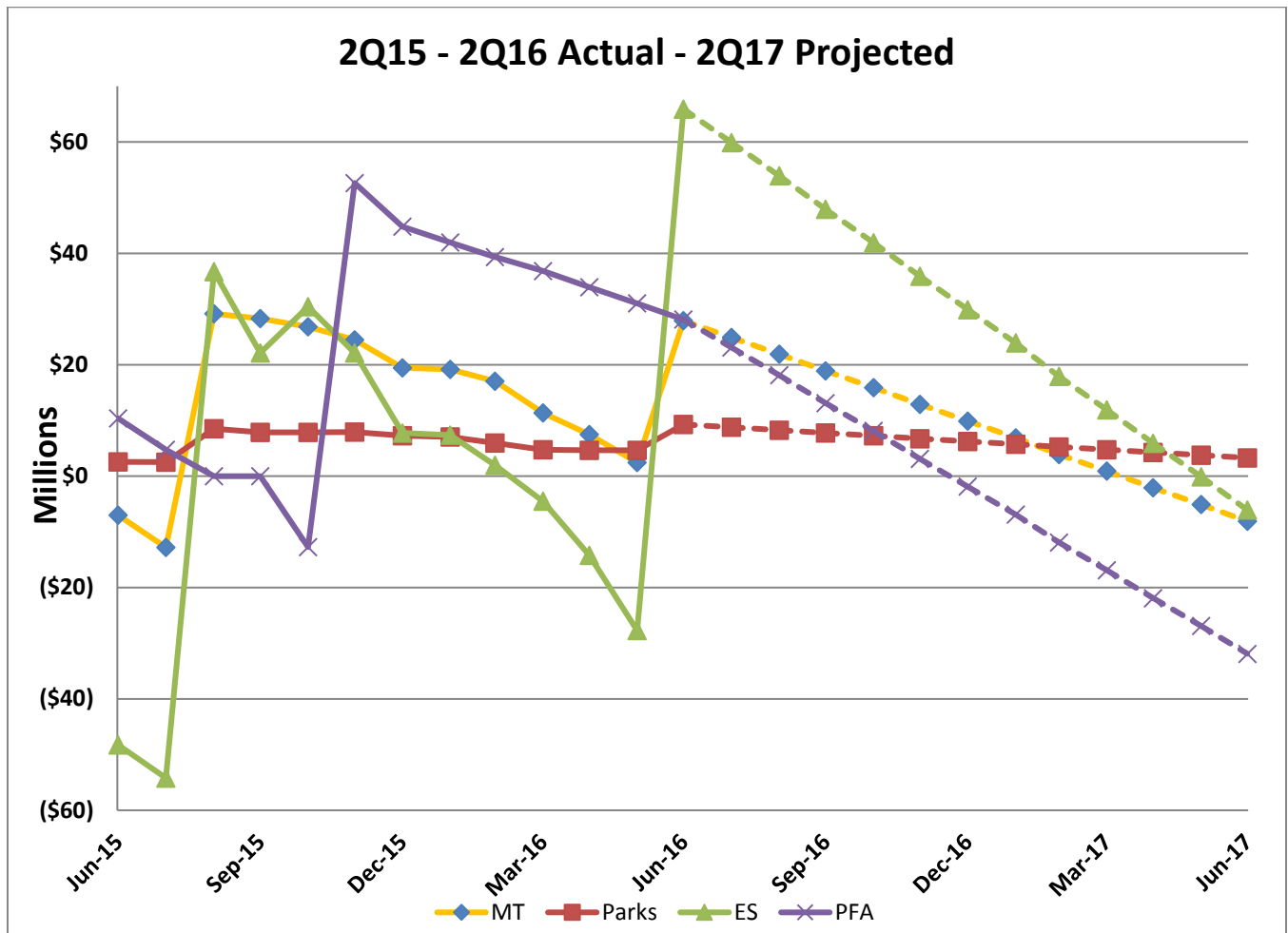
Financial Management Report

CAPITAL FUND CASH BALANCES

The GO capital bond fund for Transit experienced a normal spend down during the quarter. The GO capital bond fund for Parks experienced a slower than normal spend down during the same period. Conversely, Environmental Services (ES) GO 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 approximately \$2.8M/month during the same period.

New money debt for Transit, Parks, and ES were successfully sold and proceeds were received at the end of 2Q16 (June). In addition to the new money debt proceeds the Council also issued debt to refund the 2005C Transit bonds and 2010B Wastewater bonds with a Net Present Value savings of approximately 9.1% and 9.0% respectively. The below chart includes these proceeds.

The 2016 new money bonds were issued in an amount which, together with remaining balances from prior bonds, are expected to be spent within 12-18 months. We anticipate starting the process for the next PFA Loan towards the end of August 2016. We continue to monitor the debt portfolio for refunding opportunities.



STATEMENT OF REVENUES AND EXPENSES
General Fund
June 30, 2016
Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Property Taxes	358,373	14,450,618	14,450,618	-
Investment Earnings	239,986	479,972	529,022	(49,050)
Chargebacks - MAC	13,316	26,632	-	26,632
Other Revenue	31,178	34,856	-	34,856
Total Revenues	642,853	14,992,078	14,979,640	12,438
<u>EXPENSES</u>				
Salary and Benefits	17,436,110	40,807,097	40,507,097	(300,000)
Consulting & Contractual Services	6,434,616	14,310,808	14,310,808	-
Rent & Utilities	1,226,172	3,010,577	3,010,577	-
Printing	59,078	118,156	244,600	126,444
Travel & Professional Development	207,834	601,750	601,750	-
Insurance	52,085	76,727	30,000	(46,727)
Other Operating Expense	2,694,993	3,711,500	3,711,500	-
Total Expenses	28,110,888	62,636,615	62,416,332	(220,283)
<u>TRANSFERS</u>				
Transfer In - RA Expense Allocation	22,586,537	49,678,921	49,678,921	-
Transfer - OPEB	-	123,000	123,000	-
Transfer Out	(1,003,803)	(6,600,375)	(6,600,375)	-
Total Transfers	21,582,734	43,201,546	43,201,546	-
Change in Reserve Balance	(5,885,301)	(4,442,991)	(4,235,146)	(207,845)
Beginning Fund Balance		19,152,964		
Assigned/Committed		(4,611,241)		
Ending Unassigned Reserve Balance		10,098,732		
2016 Target Balance (10%)		6,241,633		

STATEMENT OF REVENUES AND EXPENSES
Environmental Services
June 30, 2016

Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Municipal Wastewater Charges	100,505,017	201,013,459	201,013,459	-
Industrial Charges	4,294,606	14,506,506	14,705,000	(198,494)
State Appropriations Revenue	48,019	5,635,801	4,836,921	798,880
Investment Earnings	312,490	800,000	850,000	(50,000)
Other Revenue	262,803	2,479,500	2,329,380	150,120
Total Revenues	105,422,935	224,435,266	223,734,760	700,506
<u>EXPENSES</u>				
Salary and Benefits	28,195,684	64,674,232	67,069,385	2,395,153
Consulting & Contractual Services	6,800,320	20,408,863	21,224,526	815,663
Rent & Utilities	7,246,789	18,048,266	18,564,673	516,407
Travel	152,249	384,958	375,527	(9,431)
Materials & Supplies	4,350,769	9,186,748	8,491,562	(695,186)
Chemicals	3,556,800	7,493,799	7,887,873	394,074
Capital Outlay	277,366	2,851,301	2,903,014	51,713
I&I, Stormwater, CWF, WOMP Grant Expense	88,373	6,276,801	4,520,000	(1,756,801)
Other Operating Expense	308,801	1,275,501	1,287,805	12,304
Total Expenses	50,977,151	130,600,469	132,324,365	1,723,896
<u>TRANSFERS</u>				
SAC Transfer	19,600,000	39,200,000	39,200,000	-
Transfers In	3,803	1,100,000	1,445,375	(345,375)
Transfer - OPEB	1,728,500	3,951,743	3,457,000	494,743
Debt Service	(57,750,000)	(115,500,000)	(115,500,000)	-
Transfer Out - RA Expense Allocation	(6,281,587)	(14,000,000)	(13,812,690)	(187,310)
Transfers Out	(3,500,000)	(7,000,000)	(7,000,000)	-
Total Transfers	(46,199,284)	(92,248,257)	(92,210,315)	(37,942)
Change in Reserve Balance	8,246,500	1,586,540	(799,920)	2,386,460
Beginning Reserve Balance		20,129,972		
Ending Unassigned Reserve Balance		<u>21,716,512</u>		
2016 Target Balance (10%)		13,232,437		

STATEMENT OF REVENUES AND EXPENSES
Housing and Redevelopment Authority (HRA)
June 30, 2016

Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	YTD ACTUAL PASS THROUGH
<u>REVENUES</u>					
Federal Revenue	30,719,142	57,938,106	57,738,106	200,000	28,014,222
State Revenue	545,348	1,719,642	1,719,642	-	494,079
Investment Earnings	11,808	100,000	100,000	-	
Other Revenue	1,152,109	2,315,000	2,115,000	200,000	8,794
Total Revenues	32,428,407	62,072,748	61,672,748	400,000	28,517,095
<u>EXPENSES</u>					
Salary and Benefits	1,539,423	3,300,000	3,697,095	397,095	-
Consulting & Contractual Services	423,893	855,000	855,000	-	-
Rent & Utilities	106,392	219,721	219,721	-	-
Housing Expenses	28,698,813	55,908,000	55,908,000	-	28,236,600
Travel	21,131	45,000	60,000	15,000	-
Insurance	84,682	100,000	100,000	-	-
Other Operating Expense	115,165	235,000	313,280	78,280	-
Total Expenses	30,989,499	60,662,721	61,153,096	490,375	28,236,600
<u>TRANSFERS</u>					
Transfer Out - RA Expense Allocation	(442,271)	(1,139,000)	(1,139,000)	-	-
Transfer In - Allocation	-	400,000	400,000	-	-
Total Transfers	(442,271)	(739,000)	(739,000)	-	-
Change in Reserve Balance	996,637	671,027	(219,348)	890,375	280,495
Beginning Reserve Balance:					
Operating		8,942,052			
Federal Passthrough (HAP Assistance)		234,292			
Total Beginning Balance		9,176,344			
Change in Reserve Balance:					
Total Change in Reserve Balance		671,027			
Ending Reserve Balance		9,847,371			
2016 Target Balance (8.3%)		5,075,707			

STATEMENT OF REVENUES AND EXPENSES
Metro Transit - Bus Operations

June 30, 2016

Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Passenger Revenues	33,863,806	69,617,371	71,822,301	(2,204,930)
Auxiliary Transit Revenue	1,749,406	3,498,337	3,018,000	480,337
State Appropriations	6,426,004	14,426,783	14,426,783	-
State Revenue - MVST	99,168,782	198,374,641	198,374,641	-
Federal Grants	2,066,016	4,132,026	4,132,026	-
Investment Earnings	419,786	839,533	500,000	339,533
Other Revenue	1,415,403	1,865,403	900,000	965,403
Total Revenues	145,109,203	292,754,094	293,173,751	(419,657)
<u>EXPENSES</u>				
Salary and Benefits	119,343,347	235,628,894	236,642,223	1,013,329
Consulting & Contractual Services	3,511,924	9,423,996	10,468,175	1,044,179
Fuel	10,247,115	20,711,576	22,891,828	2,180,252
Materials & Supplies	9,615,621	19,825,638	21,112,624	1,286,986
Utilities	1,860,504	4,070,639	4,727,151	656,512
Other Operating Expense	2,226,156	8,770,998	10,658,479	1,887,481
Total Expenses	146,804,667	298,431,741	306,500,480	8,068,739
<u>TRANSFERS</u>				
Transfer In - MVST	0	1,500,000	1,500,000	-
Transfer In - Transit Allocations	8,639,948	16,700,498	16,687,718	12,780
Transfer Out - RA Expense Allocation	(12,362,542)	(25,688,986)	(25,688,986)	-
Total Transfers	(3,722,594)	(7,488,488)	(7,501,268)	12,780
Change in Reserve Balance	(5,418,058)	(13,166,135)	(20,827,997)	7,661,862
Beginning Reserve Balance		48,399,252		
Ending Reserve Balance		35,233,117		*
2016 Target Balance (8.3 - 12.5%)		26,186,645		

* Includes TOD fund balance of \$5.2M

STATEMENT OF REVENUES AND EXPENSES
Metro Transit - Light Rail Operations
June 30, 2016
Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Passenger Revenues	10,704,051	21,664,199	20,855,000	809,199
Auxiliary Transit Revenue	517,559	1,035,110	857,200	177,910
State Revenue - GF Appropriation	10,443,996	23,446,992	23,446,992	-
Federal Revenue	1,150,000	2,300,000	2,300,000	-
Local Revenue	11,597,214	23,194,427	23,194,427	-
Investment Earnings	88,051	100,553	25,000	75,553
Other Revenue	81,154	42,276	20,000	22,276
Total Revenues	34,582,025	71,783,557	70,698,619	1,084,938
<u>EXPENSES</u>				
Salary and Benefits	18,269,743	36,033,367	36,509,031	475,664
Consulting & Contractual Services	586,298	1,272,265	1,901,953	629,688
Fuel	8,315	16,630	53,200	36,570
Materials & Supplies	2,313,977	3,678,002	4,320,398	642,396
Utilities	3,184,146	6,818,292	7,401,349	583,057
Other Operating Expense *	5,774,881	9,950,497	8,607,516	(1,342,981)
Total Expenses	30,137,360	57,769,053	58,793,447	1,024,394
<u>TRANSFERS</u>				
Transfer Out - Transit Allocations	(4,049,018)	(7,997,830)	(7,897,616)	(100,214)
Transfer Out - RA Expense Allocation	(1,259,965)	(4,007,556)	(4,007,556)	-
Total Transfers	(5,308,983)	(12,005,386)	(11,905,172)	(100,214)
Change in Reserve Balance	(864,318)	2,009,118	-	2,009,118
Beginning Reserve Balance		13,483,620		
Ending Reserve Balance		15,492,738		
2016 Target Balance (8.3 - 12.5%)		5,867,985		

* other operating expense includes refunds to funding partners of \$2.0M in year end projections

STATEMENT OF REVENUES AND EXPENSES
Metro Transit - Commuter Rail Operations
June 30, 2016

Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Passenger Revenues	1,139,127	2,331,733	2,333,100	(1,367)
State Revenue - MVST	3,386,880	6,773,759	6,773,759	-
Local Revenue - CTIB	3,377,700	6,755,400	6,755,400	-
Other Local Revenue	1,296,324	2,592,656	2,592,656	-
Investment Earnings	48,835	97,672	148,984	(51,312)
Total Revenues	9,248,866	18,551,220	18,603,899	(52,679)
<u>EXPENSES</u>				
Salary and Benefits	1,989,157	4,413,885	4,514,482	100,597
Consulting & Contractual Services	3,592,102	6,223,901	6,283,215	59,314
Fuel	353,094	956,183	1,671,027	714,844
Materials & Supplies	267,896	722,227	1,204,872	482,645
Utilities	340,241	817,799	752,802	(64,997)
Other Operating Expense *	1,361,554	3,590,411	2,931,520	(658,891)
Total Expenses	7,904,044	16,724,406	17,357,918	633,512
<u>TRANSFERS</u>				
Transfer Out - Transit Allocations	(443,083)	(925,844)	(851,595)	(74,249)
Transfer Out - RA Expense Allocation	(162,904)	(394,386)	(394,386)	-
Total Transfers	(605,987)	(1,320,230)	(1,245,981)	(74,249)
Change in Reserve Balance	738,835	506,584	-	506,584
Beginning Reserve Balance		4,325,559		
Ending Reserve Balance		4,832,143		
2016 Target Balance (8.3 - 12.5%)		1,544,124		

* other operating expense includes refunds to funding partners of \$701K in year end projections

STATEMENT OF REVENUES AND EXPENSES
MTS -Transportation Planning
June 30, 2016

Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Federal Revenue	1,843,497	5,100,050	5,375,050	(275,000)
State Revenue - MVST	1,824,500	3,649,000	3,649,000	-
Investment Earnings	4,938	8,888	-	8,888
Chargebacks from MAC	51,769	100,000	100,000	-
Other Revenue	410,038	499,038	-	499,038
Total Revenues	4,134,742	9,356,976	9,124,050	232,926
<u>EXPENSES</u>				
Salary and Benefits	1,119,962	2,762,310	2,762,310	-
Consulting & Contractual Services	476,305	1,963,500	2,701,000	737,500
Rent & Utilities	80,938	162,790	162,790	-
Travel	11,200	41,000	41,000	-
Grants	176,098	400,050	675,050	275,000
Other Operating Expense	78,397	156,740	156,740	-
Total Expenses	1,942,900	5,486,390	6,498,890	1,012,500
<u>TRANSFERS</u>				
Transfer Out - RA Expense Allocation	(692,381)	(1,486,777)	(1,486,777)	-
Total Transfers	(692,381)	(1,486,777)	(1,486,777)	-
Change in Reserve Balance	1,499,461	2,383,809	1,138,383	1,245,426
Beginning Reserve Balance		<u>1,830,938</u>		
Ending Reserve Balance		4,214,747		
2016 Target Balance (Combined 15%, 31.5% TP Fund)		2,515,000		

STATEMENT OF REVENUES AND EXPENSES
MTS - Metro Mobility
June 30, 2016
Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2015 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Passenger Revenue	3,368,023	7,961,948	7,961,948	-
State Appropriations	23,343,000	52,403,000	52,403,000	-
Investment Earnings	88,422	159,160	-	159,160
Total Revenues	26,799,445	60,524,108	60,364,948	159,160
<u>EXPENSES</u>				
Salary and Benefits	642,459	1,504,894	1,282,894	(222,000)
Consulting & Contractual Services	24,567,288	52,870,690	52,870,690	-
Fuel	1,562,541	3,750,000	6,275,764	2,525,764
Rent & Utilities	174,188	350,000	109,961	(240,039)
Other Operating Expense	104,313	200,000	167,910	(32,090)
Total Expenses	27,050,789	58,675,584	60,707,219	2,031,635
<u>TRANSFERS</u>				
Transfer Out - RA Expense Allocation	(933,826)	(1,898,015)	(1,898,015)	-
Total Transfers	(933,826)	(1,898,015)	(1,898,015)	-
Change in Reserve Balance	(1,185,170)	(49,491)	(2,240,286)	2,190,795
Beginning Reserve Balance		11,447,450		
Ending Reserve Balance		11,397,959		
2016 Target Balance (10%)		6,261,000		

STATEMENT OF REVENUES AND EXPENSES
MTS - Contracted Service
June 30, 2016
Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2015 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Passenger Revenues	1,123,547	2,540,659	2,540,659	-
Federal Revenue	2,955,657	3,796,353	3,796,353	-
State Revenue - MVST	6,350,800	14,329,800	14,329,800	-
Local Revenue	941,337	1,916,354	1,916,354	-
Investment Earnings	41,302	100,000	100,000	-
Total Revenues	11,412,643	22,683,166	22,683,166	-
<u>EXPENSES</u>				
Salary and Benefits	333,530	832,364	832,364	-
Consulting & Contractual Services	11,788,755	25,033,257	25,033,257	-
Rent & Utilities	34,884	70,000	20,000	(50,000)
Fuel	(445,934)	(800,000)	(304,256)	495,744
Travel	1,325	12,500	12,500	-
Grants	446,241	1,060,401	1,060,401	-
Other Operating Expense	42,157	70,000	70,000	-
Total Expenses	12,200,958	26,278,522	26,724,266	445,744
<u>TRANSFERS</u>				
Transfer Out - RA Expense Allocation	(410,884)	(836,257)	(836,257)	-
Total Transfers	(410,884)	(836,257)	(836,257)	-
Change in Reserve Balance	(1,199,199)	(4,431,613)	(4,877,357)	445,744
Beginning Reserve Balance		<u>5,611,802</u>		
Ending Reserve Balance		1,180,189		
2016 Target Balance (Combined 15%, 10% Cont Svc Funds)		2,756,000		