

People

Transportation

Housing

Bikes

Planning

Financial Condition

Future

Bus

Parks

Cars

Sustainability

Efficient

3rd QUARTER FINANCIAL REPORT

Prosperity

Train

Growth

Light Rail

November 9, 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 - 3rd Quarter Results
(in thousands)
Unaudited

	General Fund					Environmental Services					Housing and Redevelopment Authority				
	2016 YTD		Projected	2016		2016 YTD		Projected	2016		2016 YTD		Projected	2016	
	Results	% Budget		Year End	Budget	Variance*	Results		% Budget	Year End	Budget	Variance*		Results	% Budget
Revenues	8,002	53%	15,202	14,980	222	160,860	71%	224,626	225,485	(859)	48,318	78%	62,073	61,718	355
Expenses	42,539	68%	61,528	62,416	888	80,086	60%	127,614	134,074	6,460	46,761	76%	60,663	61,153	490
Transfers	31,053	72%	43,947	43,202	745	(68,640)	74%	(92,652)	(92,210)	(442)	(673)	91%	(900)	(739)	(161)
Change in Reserve Balance	(3,484)		(2,379)	(4,234)	1,855	12,134		4,360	(799)	5,159	884		510	(174)	684
Beginning Reserve Balance			19,153					20,130					9,176		
Assigned/Committed			(4,611)												
Ending Reserve Balance			<u>12,163</u>					<u>24,490</u>					<u>9,686</u>		
Target Balance			6,242					13,407					5,076		

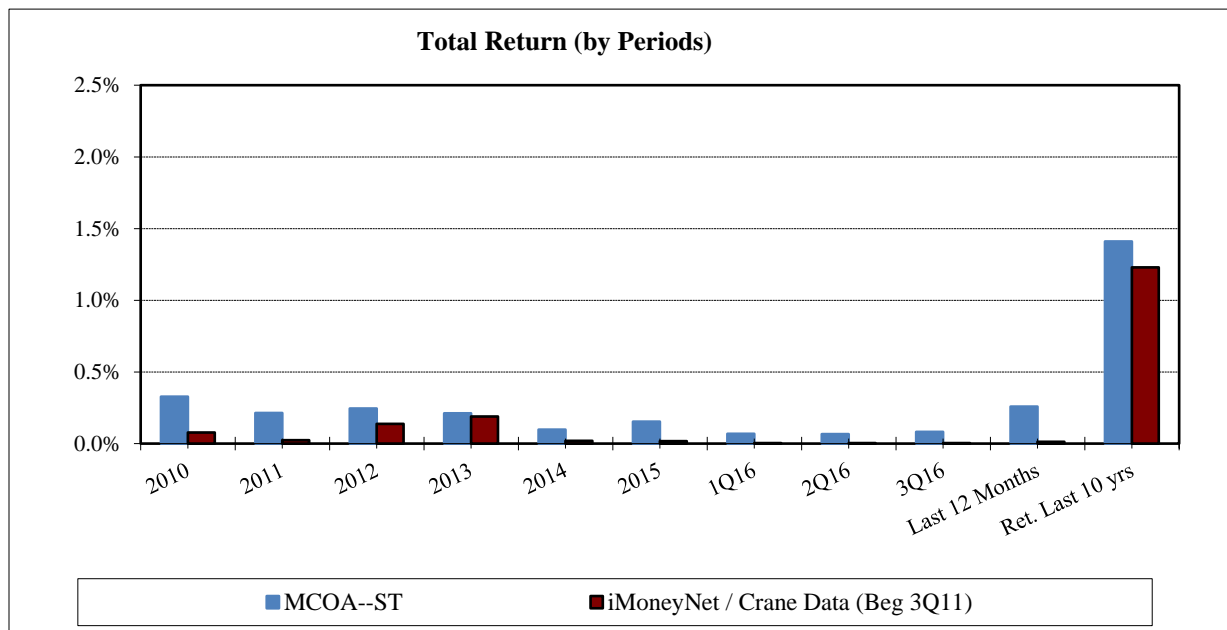
	Metro Transit - Bus					Metro Transit - Light Rail					Metro Transit - Commuter Rail				
	2016 YTD		Projected	2016		2016 YTD		Projected	2016		2016 YTD		Projected	2016	
	Results	% Budget		Year End	Budget	Variance*	Results		% Budget	Year End	Budget	Variance*		Results	% Budget
Revenues	218,543	75%	291,992	293,174	(1,182)	54,168	77%	72,664	70,699	1,965	14,135	76%	18,765	18,604	161
Expenses	219,775	72%	296,326	306,500	10,174	42,213	72%	57,345	58,793	1,448	11,200	65%	16,903	17,358	455
Transfers	(6,255)	83%	(8,696)	(7,501)	(1,195)	(8,388)	70%	(12,633)	(11,905)	(728)	(827)	66%	(1,203)	(1,246)	43
Change in Reserve Balance	(7,487)		(13,030)	(20,827)	7,797	3,567		2,686	1	2,685	2,108		659	0	659
Beginning Reserve Balance			48,399					13,484					4,326		
Assigned/Committed															
Ending Reserve Balance			<u>35,369</u>					<u>16,170</u>					<u>4,985</u>		
Target Balance			26,187					5,868					1,544		

	MTS - Transportation Planning					MTS - Metro Mobility					MTS - Contracted Service				
	2016 YTD		Projected	2016		2016 YTD		Projected	2016		2016 YTD		Projected	2016	
	Results	% Budget		Year End	Budget	Variance*	Results		% Budget	Year End	Budget	Variance*		Results	% Budget
Revenues	6,151	67%	8,860	9,124	(264)	42,582	71%	58,774	60,365	(1,591)	16,195	71%	22,903	22,683	220
Expenses	3,193	49%	4,586	6,499	1,913	41,743	69%	58,676	60,707	2,031	17,957	67%	25,979	26,724	745
Transfers	(936)	63%	(1,487)	(1,487)	0	(1,320)	70%	(1,898)	(1,898)	0	(581)	69%	(836)	(836)	0
Change in Reserve Balance	2,022		2,787	1,138	1,649	(481)		(1,800)	(2,240)	440	(2,343)		(3,912)	(4,877)	965
Beginning Reserve Balance			1,831					11,447					5,612		
Ending Reserve Balance			<u>4,618</u>					<u>9,647</u>					<u>1,700</u>		
Target Balance			2,515					6,261					2,756		

*Variance = Favorable / (Unfavorable)

Financial Management Report

METROPOLITAN COUNCIL INVESTMENT PERFORMANCE—SHORT-TERM PORTFOLIO



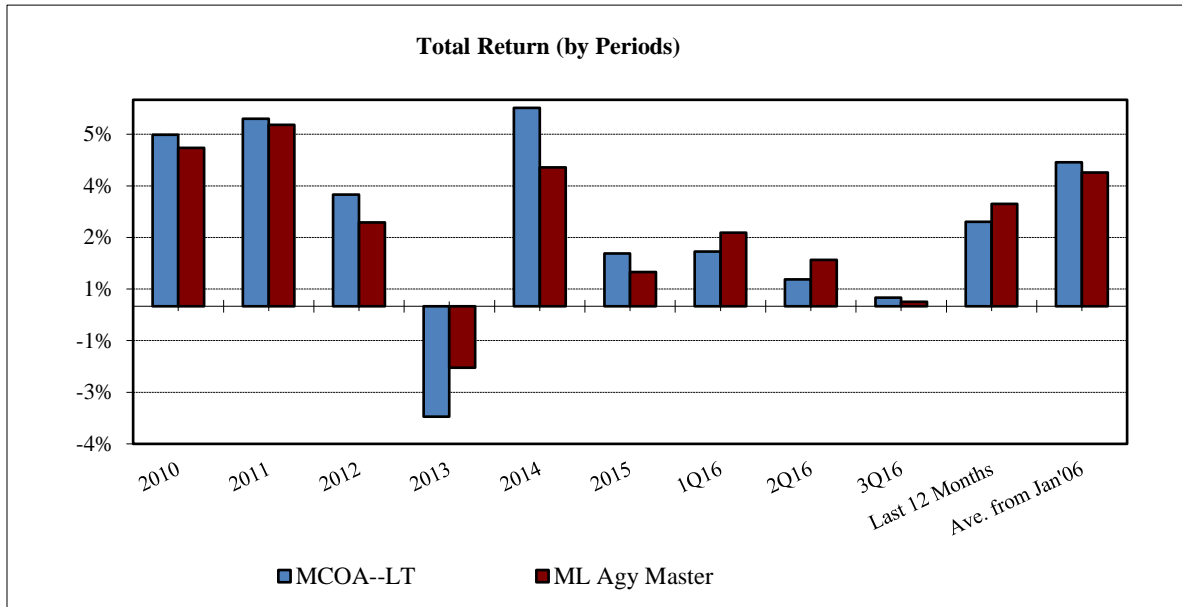
3Q16 Short-Term Portfolio Investment Results

Assets under Management (AUM): \$128.8 Million

The portfolio outperformed its benchmark during the third quarter. Total return of 0.08% was above the index (0.03%) by 5 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.

Financial Management Report

METROPOLITAN COUNCIL INVESTMENT PERFORMANCE—LONG-TERM PORTFOLIO



3Q16 Long-Term Portfolio Investment Results

Assets under Management (AUM) \$413.2 Million

The portfolio outperformed its benchmark during the third quarter. Total return of .25% was above the index .13 by 12 basis points. The portfolio was comprised of 25% municipal bonds (yielding 4.03%), 53% of U.S. agency securities (yielding 1.54%), 22% was invested in government money market funds (yielding 0.28%) and less than 1% was invested in securitized mortgage backed securities (yielding 2.44%).

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.

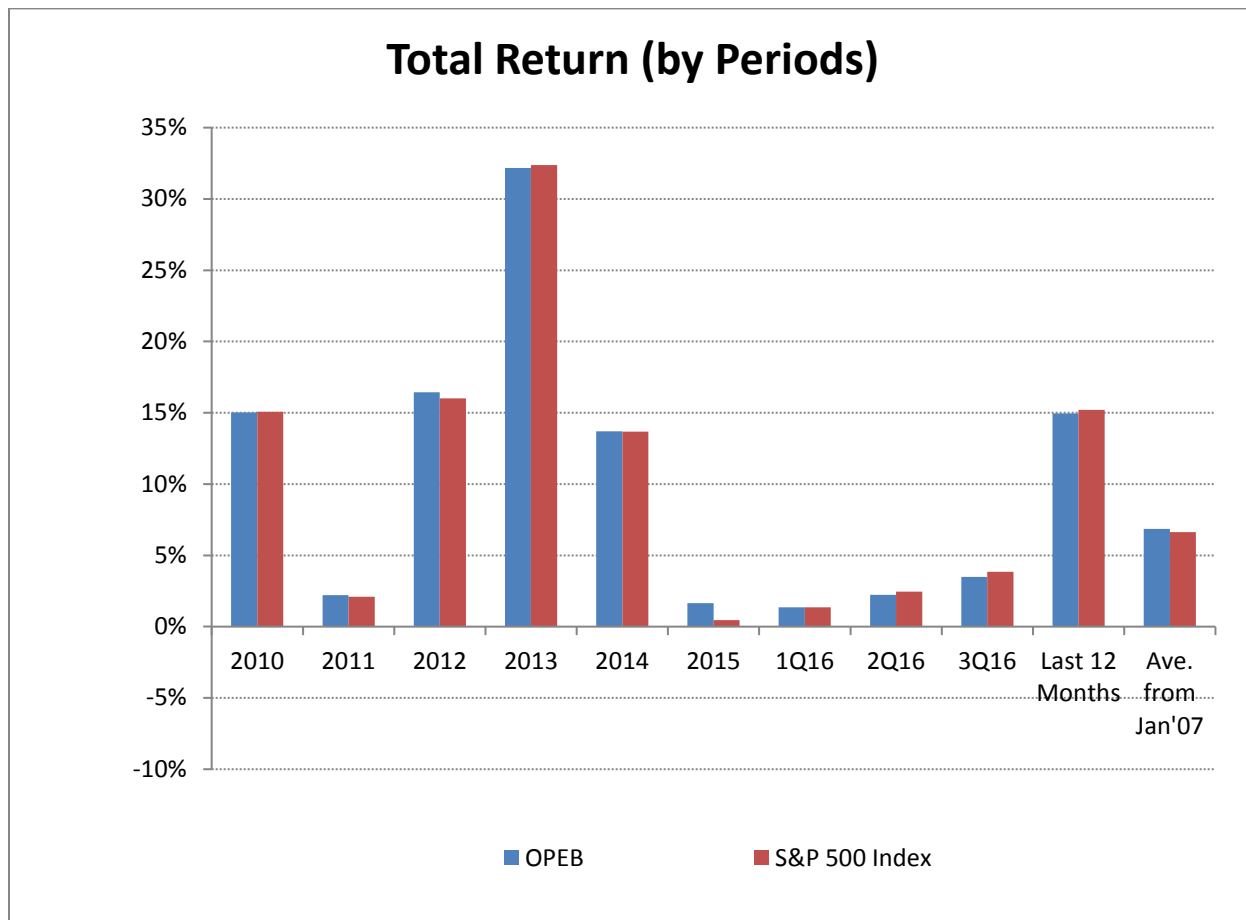
Financial Management Report

3Q16 OPEB PORTFOLIO INVESTMENT RESULTS

Assets under Management (AUM) \$222.4 Million

Currently, the Council's OPEB portfolio is fully invested in 89% equities and 11% US Treasuries. At end of the third quarter, the OPEB portfolio posted gains of 3.48% and the S&P 500 index was 3.86%. For the quarter, the portfolio had unrealized and realized gains of \$7.5 million. The Council also has an internal cash account for OPEB. At the end of quarter, the amount in this fund was \$12 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.

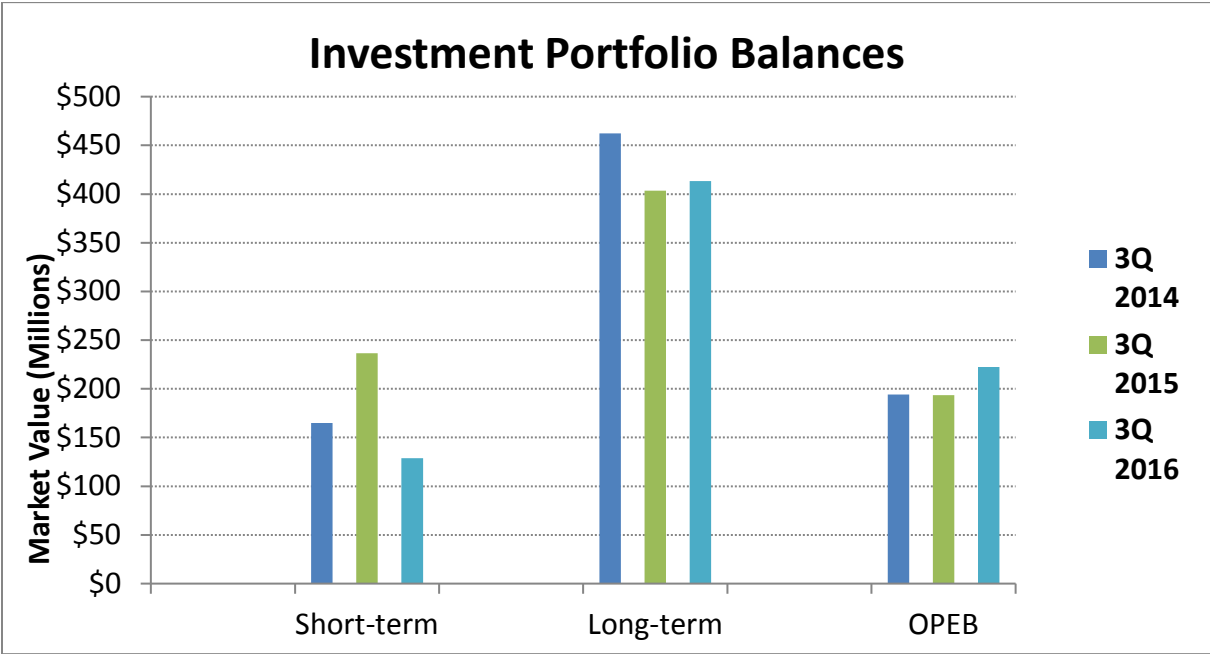


Financial Management Report

INVESTMENT PORTFOLIO BALANCES

Investment Portfolio Balances Market Value (Millions)

	3Q 2013	3Q 2014	3Q 2015
Short-term	\$ 114.0	\$ 164.8	\$ 236.7
Long-term	394.0	462.3	403.4
OPEB	160.7	194.1	193.4
Total	668.7	821.2	833.5



GENERAL FUND

Unaudited - dollars in thousands

2016 3rd Quarter Financial Report General Fund Unaudited - dollars in thousands

	2016 YTD		General Fund		
	Results	% Budget	Projected Year End	2016 Budget	Variance
Revenues	8,002	53%	15,202	14,980	222
Expenses	42,539	68%	61,528	62,416	888
Transfers	31,053	72%	43,947	43,202	745
Change in Reserve Balance	(3,484)		(2,379)	(4,234)	1,855
Beginning Fund Balance			19,153		
Assigned/Committed			(4,611)		
Ending Unassigned Reserve Balance			12,163		
Target Balance (10%)			6,242		

General Fund

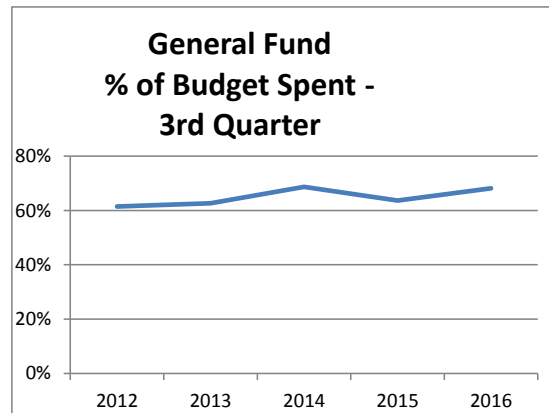
Year to date 3rd quarter, the General Fund has spent 68 percent of annual budgeted operating expenses.

Expenses are generally expected to be on track to budget by year end. Contracted Services is about 65 percent of budget, but higher projected spending in 4th quarter, they are expected to be near budget by year end. This is mainly due to hardware and software licensing and maintenance costs that had unforeseen operating tails or have had inflated pricing since budgeted.

Other operating expense categories are expected to be at budget at year end.

The amended 2016 budget approved by Council reflects a \$4.2 million use of the general funds reserve balances. Most of the savings is from CD and for unexpended reimbursements transfers for HRA and ES.

The General Fund operating unassigned reserve balance projection for the year end 2016 is \$11.4 million. This amount will exceed the council target of \$6.2 million.



Environmental Services

Unaudited - dollars in thousands

2016 3rd Quarter Financial Report Environmental Services Unaudited - dollars in thousands

Revenues
Expenses
Transfers
Change in Reserve Balance
Beginning Reserve Balance

Ending Unassigned Reserve Balance

Target Balance

	Environmental Services				
	2016 YTD Results	% Budget	Projected Year End	2016 Budget	Variance
Revenues	160,860	71%	224,626	225,485	(859)
Expenses	80,086	60%	127,614	134,074	6,460
Transfers	(68,640)	74%	(92,652)	(92,210)	(442)
Change in Reserve Balance	12,134		4,360	(799)	5,159
Beginning Reserve Balance			20,130		
Ending Unassigned Reserve Balance			24,490		
Target Balance			13,407		

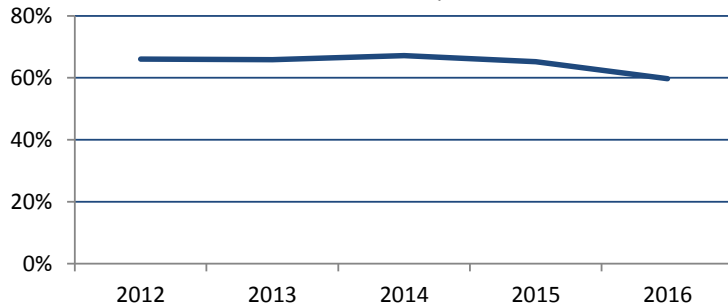
Environmental Services

Environmental Services operating expenses/transfers are currently estimated to be under budget by \$5.2M. Salary and benefits are projected to be under budget by approximately \$2.8M, primarily due to the number of staffing vacancies. In addition, there is under spending in contracted services, utilities, capital outlay, and storm water grants expenses of \$5.6M. This is offset by materials, supplies, and chemicals exceeding budget by approximately \$1.9M.

Operating revenues are anticipated to be under budget by approximately \$0.9M due primarily in the area of Water Supply Planning and Industrial Waste revenues. SAC receipts continue to recover and are anticipated to meet the 2016 budget expectation of 17,000 units.

Environmental Services operations has an amended 2016 budgeted use of reserves of \$0.8M for its 2015 carryforward of storm water grants. If the above forecasted variances occur, reserves will increase by approximately \$4.4M. This estimated \$5.2 million positive operating variance would bring the operating reserve to \$24.5M, of which \$3M is reserved for water supply planning. The remaining reserve balance of \$21.5 is well above the target of \$13.4M.

Environmental Services % of Budget Spent - 3rd Quarter



Financial Management Report

HOUSING AND REDEVELOPMENT FUND

Unaudited - dollars in thousands

2016 3rd Quarter Financial Report Housing and Redevelopment Fund Unaudited - dollars in thousands

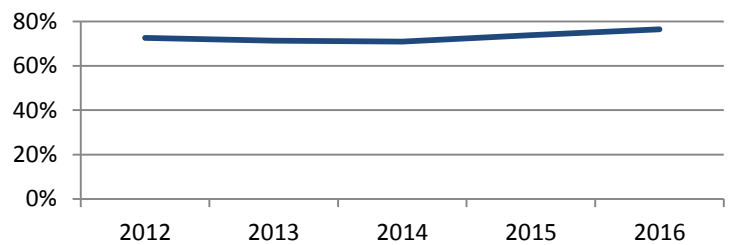
	Housing and Redevelopment Authority				
	2016 YTD Results	% Budget	Projected Year End	2016 Budget	Variance
Revenues	48,318	78%	62,073	61,718	355
Expenses	46,761	76%	60,663	61,153	490
Transfers	(673)	91%	(900)	(739)	(161)
Change in Reserve Balance	884		510	(174)	684
Beginning Reserve Balance			9,176		
Ending Reserve Balance			<u>9,686</u>		
Target Balance			5,076		

Housing and Redevelopment Authority

The Housing and Redevelopment Authority (HRA) finished 3rd quarter showing a positive fund balance. This is the result of under-spending in salaries and contracted services and increased revenue year-to-date due to increased HUD receipts for both subsidy and admin funding. The HRA projects a positive fund balance at year end of approximately \$500K, 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 - 3rd Quarter



Financial Management Report

METRO TRANSIT-BUS

Unaudited - dollars in thousands

2016 3rd Quarter Financial Report Metro Transit - Bus Unaudited - dollars in thousands

	Metro Transit - Bus				
	2016 YTD		Projected Year		
	Results	% Budget	End	2016 Budget	Variance
Revenues	218,543	75%	291,992	293,174	(1,182)
Expenses	219,775	72%	296,326	306,500	10,174
Transfers	(6,255)	83%	(8,696)	(7,501)	(1,195)
Change in Reserve Balance	(7,487)		(13,030)	(20,827)	7,797
Beginning Reserve Balance			48,399		
Ending Reserve Balance			<u>35,369</u>		
Target Balance			26,187		

Metro Transit Bus

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

Revenues in passenger fares are projected down \$2.7M due to a reduction of 2.7M riders and partially offset by \$0.02 increase in passenger fares.

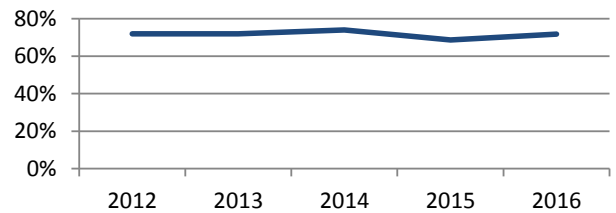
Advertising revenues are \$682K over budget due to strong advertising sales, interest income is favorable by \$350K due to strong reserve balances.

Operating expenses are \$8.6M under budget for the first three quarters of CY 2016 and forecasted to be \$10.1M under budget by year end. Salaries and benefits are forecasted to be under budget by \$963K due to open positions and savings in insurance. Professional and technical services are forecasted to be under budget by \$1.0M due to less technical services and more work done with internal staff. Fuel is also forecasted favorable by \$3.8M due to low futures prices.

Parts and materials and supplies are under budget by \$1.2M due to less repairs than anticipated. Utilities are under budget by \$977K due to savings from capital improvements in our facilities.

Projected year end variance is \$7.8M. Year end fund balance is projected to be \$35.4M, which is \$9.2M over the Council target balance or 11.2%.

Metro Transit - Bus % of Budget Spent - 3rd Quarter



Financial Management Report

METRO TRANSIT-LIGHT RAIL

Unaudited - dollars in thousands

2016 3rd Quarter Financial Report Metro Transit - Light Rail Unaudited - dollars in thousands

	Metro Transit - Light Rail				
	2016 YTD		Projected		Variance
	Results	% Budget	Year End	2016 Budget	
Revenues	54,168	77%	72,664	70,699	1,965
Expenses	42,213	72%	57,345	58,793	1,448
Transfers	(8,388)	70%	(12,633)	(11,905)	(728)
Change in Reserve Balance	3,567		2,686	1	2,685
Beginning Reserve Balance			13,484		
Ending Reserve Balance			<u>16,170</u>		
Target Balance			5,868		

Metro Transit Light Rail

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

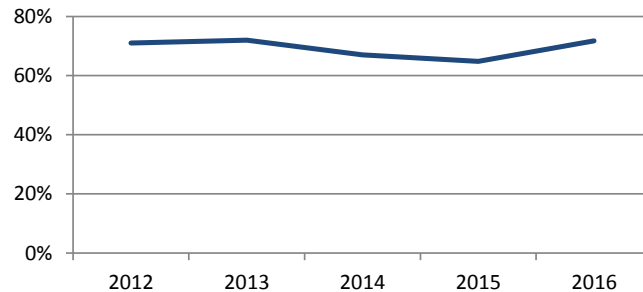
Passenger fares are forecasted to be \$1.4M over budget. Ridership is 646K below the budgeted level but average fares are \$0.13 over budget.

Advertising revenue is forecasted \$375K over budget due to strong demand, and interest income is positive due to high fund balances.

Operating expenses are \$431K and forecasted to be \$1.4M below the budgeted level. Professional and technical services are forecasted to be \$362K below budget as some maintenance work has been done in house. Vehicle repair parts are forecasted to be under budget by \$1.2M, due to time of work and less repairs than anticipated. Utilities are forecasted to be under budget by \$1.1M due to savings from capital improvements in our facilities and lower than budgeted propulsion expenses.

The projected year end variance is positive by \$2.7M. The projected year end fund balance of \$16.1M is \$10.3M over the Council target balance or 22.8%.

Metro Transit - Light Rail % of Budget Spent - 3rd Quarter



Financial Management Report

METRO TRANSIT-COMMUTER RAIL

Unaudited - dollars in thousands

2016 3rd Quarter Financial Report Metro Transit - Commuter Rail Unaudited - dollars in thousands

	Metro Transit - Commuter Rail				
	2016 YTD Results	% Budget	Projected Year End	2016 Budget	Variance
Revenues	14,135	76%	18,765	18,604	161
Expenses	11,200	65%	16,903	17,358	455
Transfers	(827)	66%	(1,203)	(1,246)	43
Change in Reserve Balance	2,108		659	0	659
Beginning Reserve Balance			4,326		
Ending Reserve Balance			<u>4,985</u>		
Target Balance			1,544		

Metro Transit - Commuter Rail

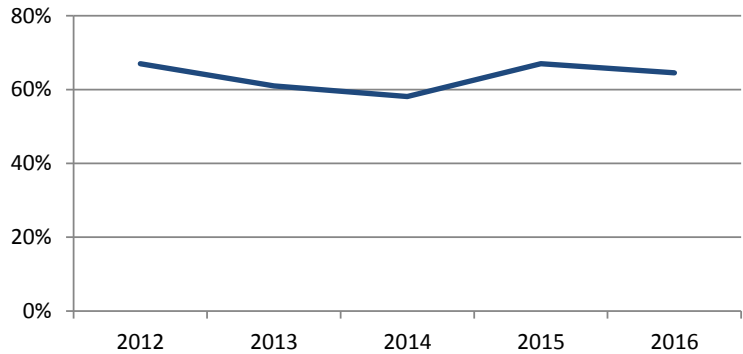
The CY 2016 adopted a balanced budget with no use of reserves.

Passenger fares are forecasted to be \$220k above the budgeted levels.

Operating expenses are forecasted to be \$455K below the budgeted levels. Fuel is forecasted to be \$727K below the budgeted levels due to low fuel prices. Materials and Supplies are forecasted to be \$531k below budget due to less repairs than anticipated.

The projected year end variance is positive by \$660K. The projected year end fund balance of \$5.0M is \$3.4M over the Council target balance or 26.7%.

MT - Commuter Rail - % of Budget Spent - 3rd Quarter



Financial Management Report

METROPOLITAN TRANSPORTATION SERVICES

Unaudited - dollars in thousands

2016 3rd 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	6,151	67%	8,860	9,124	(264)
Expenses	3,193	49%	4,586	6,499	1,913
Transfers	(936)	63%	(1,487)	(1,487)	0
Change in Reserve Balance	2,022		2,787	1,138	1,649
Beginning Reserve Balance			1,831		
Ending Reserve Balance			4,618		
Target Balance			2,515		

MTS - Transportation Planning

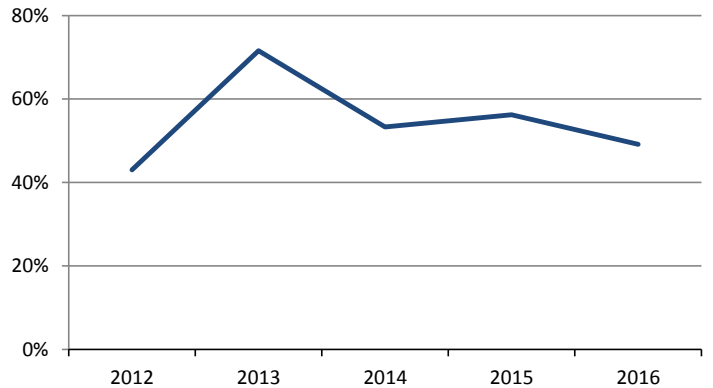
Transportation Planning expenses are forecasted to be \$1.9M under budget at year end.

Consulting expenses are expected to come in \$1.4M under budget, with \$737,500 under contract to be paid in 2017. \$650K of the \$750K budget for asset management consulting will not be spent due to the late release date of final federal asset management rules. This project is in the 2017 preliminary budget.

Changes in planning expenses have a corresponding impact on federal revenues, and an unfavorable variance of \$775K is expected in federal revenue at year end. The impact is mitigated by a favorable variance in local revenue for regional studies.

The 2016 budget was developed with a planned \$1.1M increase in fund balance. Updated projections now place the increase in fund balance at \$2.8M. The projected balance exceeds the target level set for this individual fund. The excess reserve is needed to meet contract obligations and the combined MTS reserve target.

MTS - Transportation Planning - % of Budget Spent - 3rd Quarter



Financial Management Report

MTS-METRO MOBILITY

Unaudited - dollars in thousands

2016 3rd 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	42,582	71%	58,774	60,365	(1,591)
Expenses	41,743	69%	58,676	60,707	2,031
Transfers	(1,320)	70%	(1,898)	(1,898)	0
Change in Reserve Balance	(481)		(1,800)	(2,240)	440
Beginning Reserve Balance			11,447		
Ending Reserve Balance			<u>9,647</u>		
Target Balance			6,261		

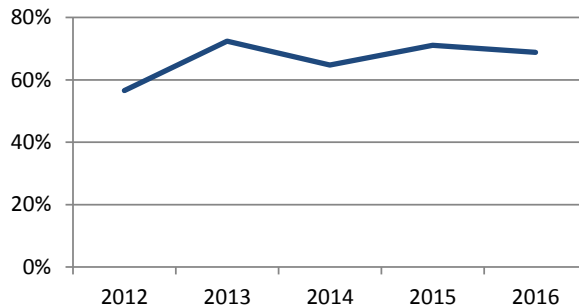
MTS - Metro Mobility

Metro Mobility fuel expenses are expected to come in \$2.5M under budget due to continued low gasoline prices. A negative variance in passenger revenue and modest increases in utilities and salaries are offsetting this substantial savings.

Metro Mobility ridership is running 5% ahead of 2015 levels, but slightly behind budget estimates for 2016. Passenger revenue has been negatively impacted by the switch to Cubic Go-To cards in April and is projected to end the year \$1.7M under budget.

The 2016 budget was developed with a planned \$2.2M use of fund balance. Updated projections now place the use of fund balance at \$1.8M. 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 - 3rd Quarter



Financial Management Report

MTS-CONTRACTED SERVICES

Unaudited - dollars in thousands

2016 3rd Quarter Financial Report Metropolitan Transportation Services - Contracted Service Unaudited - dollars in thousands

	MTS - Contracted Service				
	2016 YTD		Projected		
	Results	% Budget	Year End	2016 Budget	Variance
Revenues	16,195	71%	22,903	22,683	220
Expenses	17,957	67%	25,979	26,724	745
Transfers	(581)	69%	(836)	(836)	0
Change in Reserve Balance	(2,343)		(3,912)	(4,877)	965
Beginning Reserve Balance			5,612		
Ending Reserve Balance			<u>1,700</u>		
Target Balance			2,756		

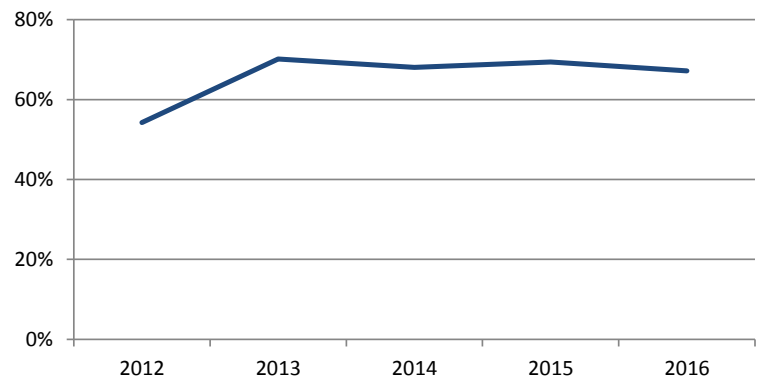
MTS - Contracted Service

Contracted Services revenues are expected to exceed budgeted amounts by year end due to a \$495K increase in Transit Link federal revenues. This increase is partially offset by passenger revenue for the Transit Link program trending lower due the recent change from paper tickets to Cubic Go-To cards.

Service provider expenses are projected to be \$796K under budget primarily due to continued low pump prices. These savings are offset by \$50K in additional utility costs related to AVL technology.

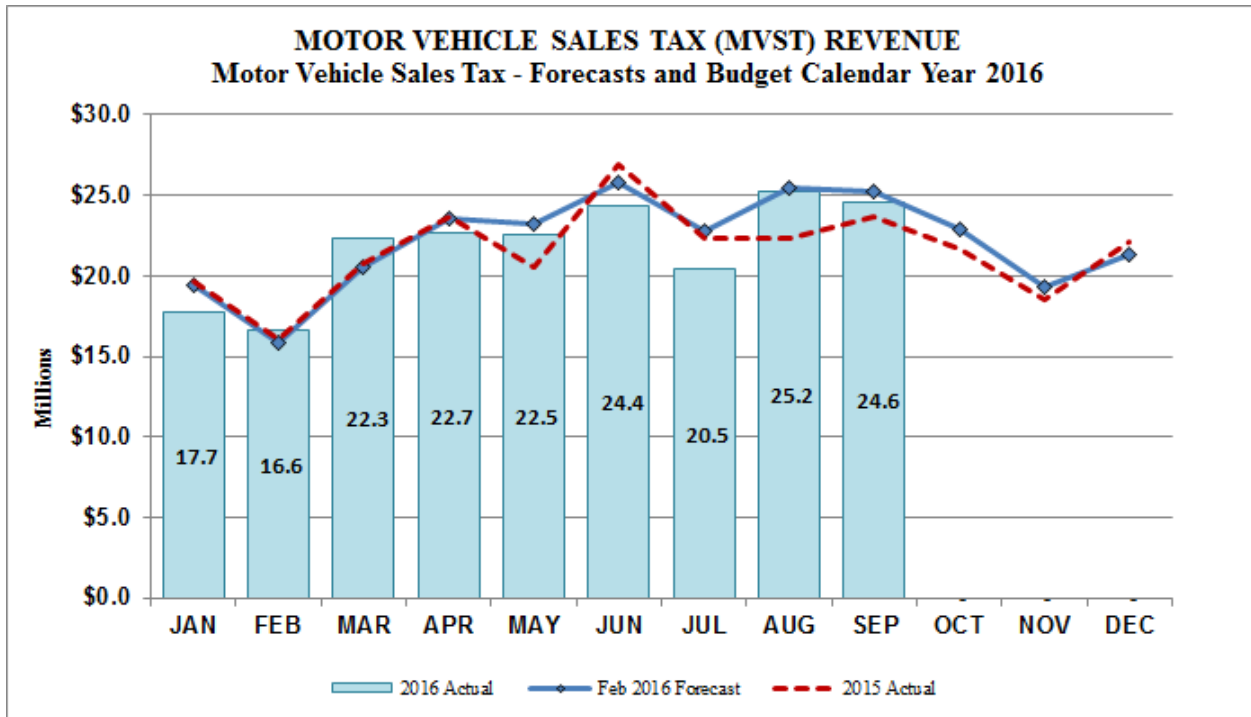
The 2016 budget was developed with a \$4.9M planned use of fund balance. Updated projections now place the use of fund balance at \$3.9M. Fund balance at year end is expected to fall short of the target level set for this individual fund. That shortfall will be corrected through application of the 2017 regional revenue allocation model. The combined MTS reserve target is met when all funds are added together.

MTS -Contracted Service % of Budget Spent - 3rd Quarter

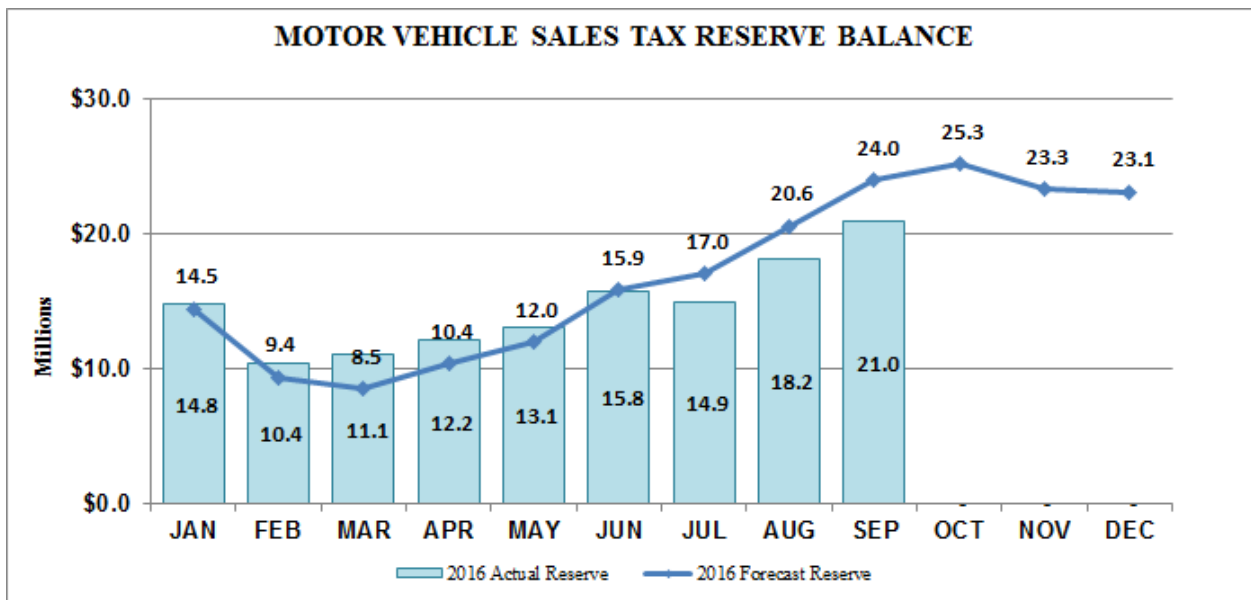


Financial Management Report

MOTOR VEHICLE SALES TAX (MVST) REVENUES



Motor vehicle sales tax receipts for the first nine months of 2016 total just over \$ 196 million, 97.3% of forecast. MVST reserves on September 30th are \$21.0 million and projected to grow to \$23 million by the end of the year.



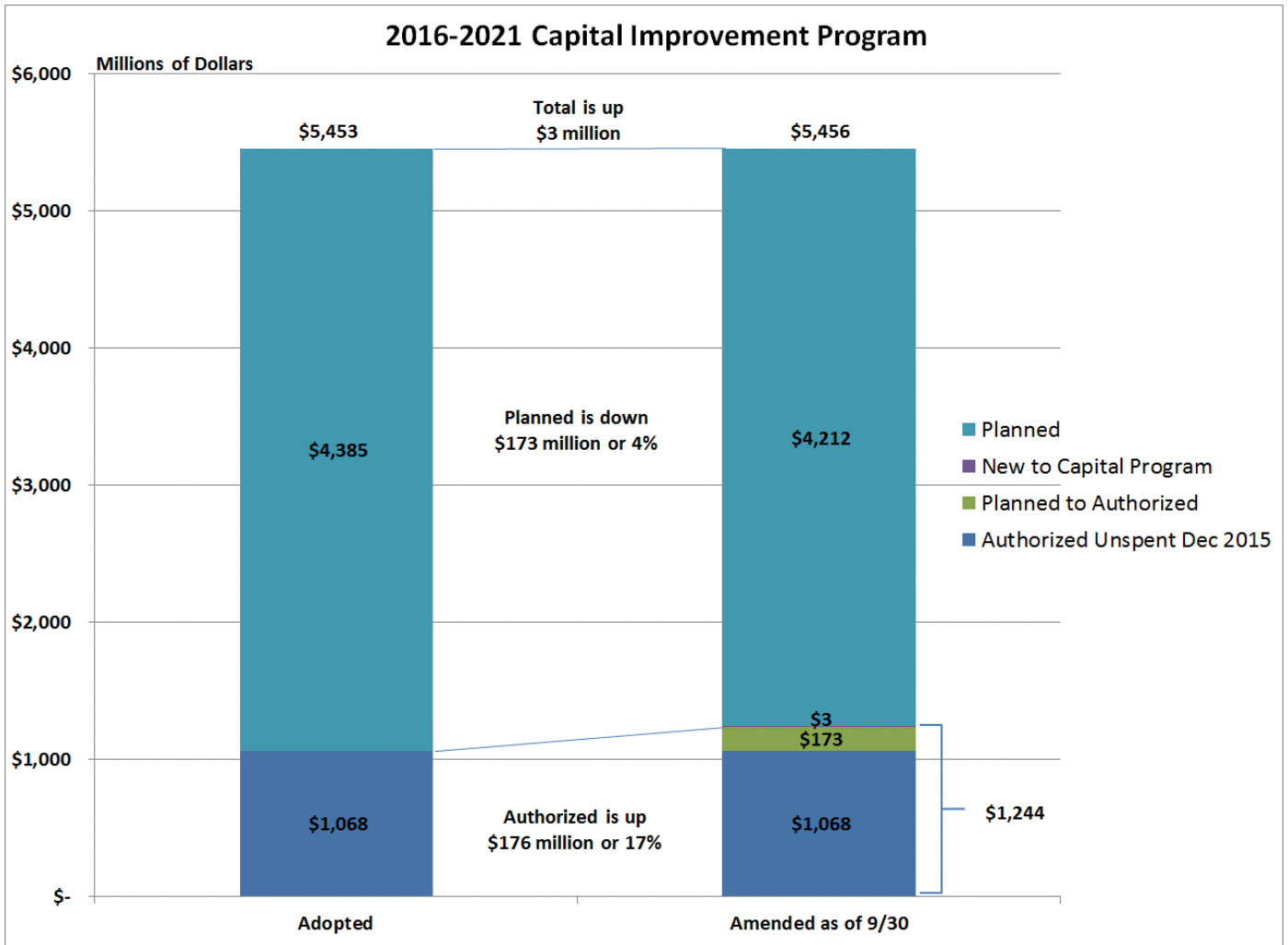
Financial Management Report

MOTOR VEHICLE SALES TAX (MVST) REVENUES FORECASTS & BUDGET

Dollars in millions

MOTOR VEHICLE SALES TAX – FORECASTS AND BUDGET CALENDAR YEAR 2016

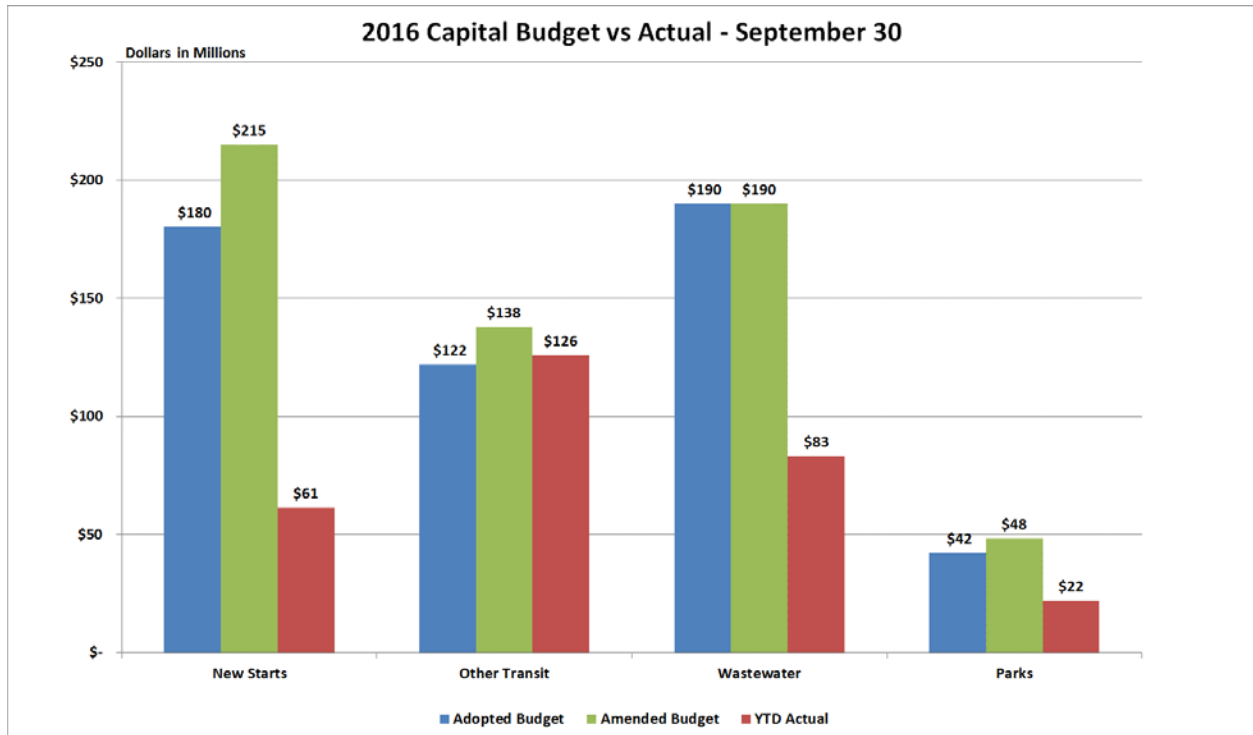
	Total	Jan-Jun	Jul-Dec
November 2015 Forecast	271.6	132.8	138.8
2016 Council Budget:			
Current MVST Revenues	258.1	122.7	122.8
Use of MVST Reserve	0.0	0.0	0.0
February 2016 Forecast	265.4	128.4	137.0
YTD Actuals	196.5	126.3	70.2
% of February Forecast	74.0%	98.3%	51.2



Capital Program (Excluding Pre-2016 Expenditures)

The capital program (excluding pre-2016 expenditures) increased by \$3.3 million through amendments through September. The authorized portion of the capital program (the ACP) is up \$175.9 million or 16.5 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

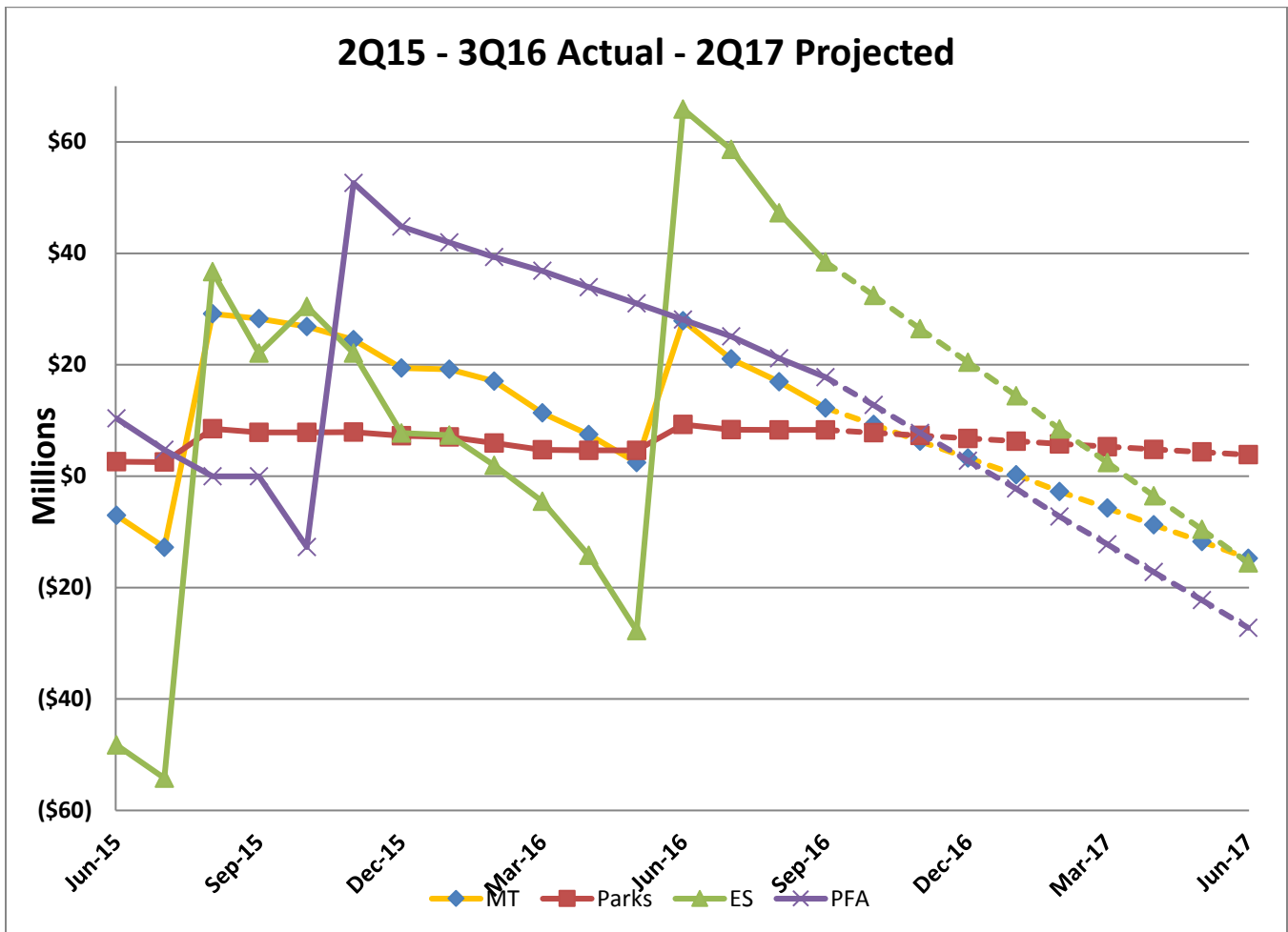
The adopted 2016 Capital Budget was \$534 million. Amendments through September increased the amended 2016 Capital Budget to \$592 million. Actual 2016 capital expenditures total 55 percent of the adopted budget and 49 percent of the amended budget. Actual expenditures as a percent of the amended budget were 53 percent for transit projects, 44 percent for wastewater projects and 45 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 averaged approximately \$3.4M/month during the same period.

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 receiving our next PFA Loan in December of 2016. We continue to monitor the debt portfolio for refunding opportunities.



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

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Property Taxes	7,468,584	14,450,618	14,450,618	-
Investment Earnings	441,553	588,737	529,022	59,715
Chargebacks - MAC	58,964	117,928	-	117,928
Other Revenue	33,334	44,445	-	44,445
Total Revenues	8,002,435	15,201,728	14,979,640	222,088
<u>EXPENSES</u>				
Salary and Benefits	27,896,008	40,224,957	40,507,097	282,140
Consulting & Contractual Services	9,329,058	13,879,727	14,340,808	461,081
Rent & Utilities	1,873,723	3,010,577	3,010,577	-
Printing	84,703	112,937	244,600	131,663
Travel & Professional Development	345,803	601,750	601,750	-
Insurance	57,550	57,550	30,000	(27,550)
Grants	1,000,000	1,000,000	1,000,000	-
Other Operating Expense	1,952,627	2,640,749	2,681,500	40,751
Total Expenses	42,539,472	61,528,247	62,416,332	888,085
<u>TRANSFERS</u>				
Transfer In - RA Expense Allocation	35,056,558	49,678,921	49,678,921	-
Transfer - OPEB		123,000	123,000	-
Transfer Out	(4,003,803)	(5,855,000)	(6,600,375)	745,375
Total Transfers	31,052,755	43,946,921	43,201,546	745,375
Change in Reserve Balance	(3,484,282)	(2,379,598)	(4,235,146)	1,855,548
Beginning Fund Balance		19,152,964		
Assigned/Committed		(4,611,241)		
Ending Unassigned Reserve Balance		12,162,125		
2016 Target Balance (10%)		6,241,633		

STATEMENT OF REVENUES AND EXPENSES
Environmental Services
September 30, 2016

Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Municipal Wastewater Charges	150,757,526	201,013,459	201,013,459	-
Industrial Charges	7,844,835	14,465,000	14,705,000	(240,000)
State Appropriations Revenue	399,845	5,837,000	6,586,921	(749,921)
Investment Earnings	560,664	775,000	850,000	(75,000)
Other Revenue	1,297,106	2,535,128	2,329,380	205,748
Total Revenues	160,859,976	224,625,587	225,484,760	(859,173)
<u>EXPENSES</u>				
Salary and Benefits	44,816,836	64,309,732	67,069,385	2,759,653
Consulting & Contractual Services	9,860,713	19,335,330	21,224,526	1,889,196
Rent & Utilities	11,429,887	17,313,479	18,564,673	1,251,194
Travel	228,657	348,871	375,527	26,656
Materials & Supplies	6,271,112	9,642,892	8,491,562	(1,151,330)
Chemicals	5,636,993	8,663,346	7,887,873	(775,473)
Capital Outlay	870,353	2,265,024	2,903,014	637,990
I&I, Stormwater, CWF, WOMP Grant Expense	142,146	4,470,000	6,270,000	1,800,000
Other Operating Expense	829,076	1,265,324	1,287,805	22,481
Total Expenses	80,085,773	127,613,998	134,074,365	6,460,367
<u>TRANSFERS</u>				
SAC Transfer	29,400,003	39,200,000	39,200,000	-
Transfers In	1,003,803	1,003,803	1,445,375	(441,572)
Transfer - OPEB	2,592,750	3,457,000	3,457,000	-
Debt Service	(86,625,000)	(115,500,000)	(115,500,000)	-
Transfer Out - RA Expense Allocation	(9,775,746)	(13,812,690)	(13,812,690)	-
Transfers Out	(5,235,451)	(7,000,000)	(7,000,000)	-
Total Transfers	(68,639,641)	(92,651,887)	(92,210,315)	(441,572)
Change in Reserve Balance	12,134,562	4,359,702	(799,920)	5,159,622
Beginning Reserve Balance		20,129,972		
Ending Unassigned Reserve Balance		24,489,674	*	
2016 Target Balance (10%)		13,407,437		

* \$3M of reserve balance is for water supply planning

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

Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	YTD ACTUAL PASS THROUGH
<u>REVENUES</u>					
Federal Revenue	45,601,174	57,938,106	57,783,106	155,000	41,563,051
State Revenue	927,051	1,719,642	1,719,642	-	833,148
Investment Earnings	31,698	100,000	100,000	-	-
Other Revenue	1,758,541	2,315,000	2,115,000	200,000	11,859
Total Revenues	48,318,464	62,072,748	61,717,748	355,000	42,408,058
<u>EXPENSES</u>					
Salary and Benefits	2,446,437	3,300,000	3,697,095	397,095	-
Consulting & Contractual Services	675,656	855,000	855,000	-	-
Rent & Utilities	159,465	219,721	219,721	-	-
Housing Expenses	43,200,526	55,908,000	55,908,000	-	42,545,521
Travel	27,352	45,000	60,000	15,000	-
Insurance	84,682	100,000	100,000	-	-
Other Operating Expense	166,994	235,000	313,280	78,280	-
Total Expenses	46,761,112	60,662,721	61,153,096	490,375	42,545,521
<u>TRANSFERS</u>					
Transfer Out - RA Expense Allocation	(673,107)	(900,000)	(1,139,000)	239,000	-
Transfer In - Allocation	-	-	400,000	(400,000)	-
Total Transfers	(673,107)	(900,000)	(739,000)	(161,000)	-
Change in Reserve Balance	884,245	510,027	(174,348)	684,375	(137,463)
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		510,027			
Ending Reserve Balance		9,686,371			
2016 Target Balance (8.3%)		5,075,707			

STATEMENT OF REVENUES AND EXPENSES
Metro Transit - Bus Operations
September 30, 2016
Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Passenger Revenues	51,875,613	69,143,895	71,822,301	(2,678,406)
Auxiliary Transit Revenue	2,625,525	3,700,745	3,018,000	682,745
State Appropriations	10,095,505	14,426,783	14,426,783	-
State Revenue - MVST	148,767,032	190,454,641	190,454,641	-
Federal Grants	3,099,024	12,052,026	12,052,026	-
Investment Earnings	638,187	850,932	500,000	350,932
Other Revenue	1,442,349	1,363,074	900,000	463,074
Total Revenues	218,543,235	291,992,096	293,173,751	(1,181,655)
<u>EXPENSES</u>				
Salary and Benefits	178,593,424	235,678,642	236,642,223	963,581
Consulting & Contractual Services	5,580,044	9,440,762	10,468,175	1,027,413
Fuel	14,305,432	19,068,220	22,891,828	3,823,608
Materials & Supplies	14,598,257	19,959,875	21,112,624	1,152,749
Utilities	2,586,819	3,749,526	4,727,151	977,625
Other Operating Expense	4,110,734	8,428,715	10,658,479	2,229,764
Total Expenses	219,774,710	296,325,740	306,500,480	10,174,740
<u>TRANSFERS</u>				
Transfer In - MVST	0	1,500,000	1,500,000	-
Transfer In - Transit Allocations	13,245,637	17,191,104	16,687,718	503,386
Transfer Out - RA Expense Allocation	(19,500,399)	(27,387,224)	(25,688,986)	(1,698,238)
Total Transfers	(6,254,762)	(8,696,120)	(7,501,268)	(1,194,852)
Change in Reserve Balance	(7,486,237)	(13,029,764)	(20,827,997)	7,798,233
Beginning Reserve Balance		48,399,252		
Ending Reserve Balance		35,369,488		*
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
September 30, 2016

Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Passenger Revenues	16,818,066	22,266,087	20,855,000	1,411,087
Auxiliary Transit Revenue	924,822	1,233,100	857,200	375,900
State Revenue - GF Appropriation	17,599,203	23,446,992	23,446,992	-
Federal Revenue	1,725,003	2,300,000	2,300,000	-
Local Revenue	16,877,025	23,194,427	23,194,427	-
Investment Earnings	137,882	144,135	25,000	119,135
Other Revenue	86,114	79,748	20,000	59,748
Total Revenues	54,168,115	72,664,489	70,698,619	1,965,870
<u>EXPENSES</u>				
Salary and Benefits	27,607,235	36,319,784	36,509,031	189,247
Consulting & Contractual Services	1,148,958	1,539,927	1,901,953	362,026
Fuel	15,673	20,898	53,200	32,302
Materials & Supplies	2,211,923	3,099,235	4,320,398	1,221,163
Utilities	4,351,475	6,251,955	7,401,349	1,149,394
Other Operating Expense *	6,878,221	10,112,769	8,607,516	(1,505,253)
Total Expenses	42,213,485	57,344,568	58,793,447	1,448,879
<u>TRANSFERS</u>				
Transfer Out - Transit Allocations	(6,468,951)	(8,625,297)	(7,897,616)	(727,681)
Transfer Out - RA Expense Allocation	(1,918,852)	(4,007,556)	(4,007,556)	-
Total Transfers	(8,387,803)	(12,632,853)	(11,905,172)	(727,681)
Change in Reserve Balance	3,566,827	2,687,068	-	2,687,068
Beginning Reserve Balance		13,483,620		
Ending Reserve Balance		16,170,688		
2016 Target Balance (8.3 - 12.5%)		5,867,985		

* other operating expense includes refunds to funding partners of \$2.687M in year end projections

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

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Passenger Revenues	1,975,698	2,552,933	2,333,100	219,833
State Revenue - MVST	5,080,320	6,773,759	6,773,759	-
Local Revenue - CTIB	5,066,550	6,755,400	6,755,400	-
Other Local Revenue	1,944,486	2,592,656	2,592,656	-
Investment Earnings	67,744	90,327	148,984	(58,657)
Total Revenues	14,134,798	18,765,075	18,603,899	161,176
<u>EXPENSES</u>				
Salary and Benefits	2,984,660	4,453,327	4,514,482	61,155
Consulting & Contractual Services	4,780,412	6,255,983	6,283,215	27,232
Fuel	535,496	943,766	1,671,027	727,261
Materials & Supplies	395,982	673,606	1,204,872	531,266
Utilities	446,552	786,374	752,802	(33,572)
Other Operating Expense *	2,057,309	3,789,494	2,931,520	(857,974)
Total Expenses	11,200,411	16,902,550	17,357,918	455,368
<u>TRANSFERS</u>				
Transfer Out - Transit Allocations	(576,701)	(808,596)	(851,595)	42,999
Transfer Out - RA Expense Allocation	(249,950)	(394,386)	(394,386)	-
Total Transfers	(826,651)	(1,202,982)	(1,245,981)	42,999
Change in Reserve Balance	2,107,736	659,543	-	659,543
Beginning Reserve Balance		4,325,559		
Ending Reserve Balance		4,985,102		
2016 Target Balance (8.3 - 12.5%)		1,544,124		

* other operating expense includes refunds to funding partners of \$913K in year end projections

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

Unaudited

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Federal Revenue	2,918,620	4,600,050	5,375,050	(775,000)
State Revenue - MVST	2,736,749	3,649,000	3,649,000	-
Investment Earnings	9,191	12,200	-	12,200
Chargebacks from MAC	76,769	100,000	100,000	-
Other Revenue	410,128	499,038	-	499,038
Total Revenues	6,151,457	8,860,288	9,124,050	(263,762)
<u>EXPENSES</u>				
Salary and Benefits	1,712,983	2,512,310	2,762,310	250,000
Consulting & Contractual Services	994,230	1,313,500	2,701,000	1,387,500
Rent & Utilities	121,465	162,790	162,790	-
Travel	15,542	41,000	41,000	-
Grants	237,767	400,050	675,050	275,000
Other Operating Expense	110,770	156,740	156,740	-
Total Expenses	3,192,757	4,586,390	6,498,890	1,912,500
<u>TRANSFERS</u>				
Transfer Out - RA Expense Allocation	(936,349)	(1,486,777)	(1,486,777)	-
Total Transfers	(936,349)	(1,486,777)	(1,486,777)	-
Change in Reserve Balance	2,022,351	2,787,121	1,138,383	1,648,738
Beginning Reserve Balance		1,830,938		
Ending Reserve Balance		4,618,059		
2016 Target Balance (Combined 15%, 31.5% TP Fund)		2,515,000		

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

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Passenger Revenue	4,592,205	6,211,948	7,961,948	(1,750,000)
State Appropriations	37,872,999	52,403,000	52,403,000	-
Investment Earnings	116,977	159,160	-	159,160
Total Revenues	42,582,181	58,774,108	60,364,948	(1,590,840)
<u>EXPENSES</u>				
Salary and Benefits	1,062,301	1,504,894	1,282,894	(222,000)
Consulting & Contractual Services	37,500,061	52,870,690	52,870,690	-
Fuel	2,780,089	3,750,000	6,275,764	2,525,764
Rent & Utilities	244,686	350,000	109,961	(240,039)
Other Operating Expense	156,089	200,000	167,910	(32,090)
Total Expenses	41,743,226	58,675,584	60,707,219	2,031,635
<u>TRANSFERS</u>				
Transfer Out - RA Expense Allocation	(1,319,911)	(1,898,015)	(1,898,015)	-
Total Transfers	(1,319,911)	(1,898,015)	(1,898,015)	-
Change in Reserve Balance	(480,956)	(1,799,491)	(2,240,286)	440,795
Beginning Reserve Balance		11,447,450		
Ending Reserve Balance		9,647,959		
2016 Target Balance (10%)		6,261,000		

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

	YTD ACTUALS	YEAR-END PROJECTIONS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>				
Passenger Revenues	1,663,142	2,440,659	2,540,659	(100,000)
Federal Revenue	3,807,368	5,266,353	4,771,353	495,000
State Revenue - MVST	9,365,302	13,354,800	13,354,800	-
Local Revenue	1,301,598	1,740,734	1,916,354	(175,620)
Investment Earnings	57,183	100,000	100,000	-
Total Revenues	16,194,593	22,902,546	22,683,166	219,380
<u>EXPENSES</u>				
Salary and Benefits	523,874	832,364	832,364	-
Consulting & Contractual Services	16,615,739	23,933,257	24,729,001	795,744
Rent & Utilities	57,150	70,000	20,000	(50,000)
Travel	3,034	12,500	12,500	-
Grants	702,904	1,060,401	1,060,401	-
Other Operating Expense	54,032	70,000	70,000	-
Total Expenses	17,956,733	25,978,522	26,724,266	745,744
<u>TRANSFERS</u>				
Transfer Out - RA Expense Allocation	(580,761)	(836,257)	(836,257)	-
Total Transfers	(580,761)	(836,257)	(836,257)	-
Change in Reserve Balance	(2,342,901)	(3,912,233)	(4,877,357)	965,124
Beginning Reserve Balance		5,611,802		
Ending Reserve Balance		1,699,569		
2016 Target Balance (Combined 15%, 10% Cont Svc Funds)		2,756,000		