

People

Transportation

Housing

Bikes

Planning

Financial Condition

Future

Bus

Parks

Cars

Sustainability

Efficient

4th QUARTER FINANCIAL REPORT

Prosperity

Train

Growth

Light Rail

April 12, 2017

Livability

Light Rail

Trails

Diversity

Treatment

Equity

Airplane

Communities

Wastewater & Water

Lakes

Treatment

Regional

Economic

Roads



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Financial Management Report

OPERATING FUNDS-STATEMENT OF REVENUES & EXPENSES

OPERATING FUNDS STATEMENT OF REVENUES AND EXPENSES 2016 - Year-End Results

(in thousands)
Unaudited

General Fund					Environmental Services					Housing and Redevelopment Authority				
	2016 YTD		2016			2016 YTD		2016			2016 YTD		2016	
	Results	% Budget	Budget	Variance*		Results	% Budget	Budget	Variance*		Results	% Budget	Budget	Variance*
Revenues	15,273	102%	14,980	293		222,285	99%	225,485	(3,200)		65,247	106%	61,718	3,529
Expenses	60,083	96%	62,416	2,333		125,984	94%	134,522	8,538		63,060	103%	61,153	(1,907)
Transfers	44,568	103%	43,225	1,343		(91,814)	100%	(91,797)	(17)		(987)	134%	(739)	(248)
Change in Reserve Balance	(242)		(4,211)	3,969		4,487		(834)	5,321		1,200		(174)	1,374
Beginning Reserve Balance	19,153					20,130					9,176			
Assigned/Committed	(4,726)													
Carry Forward - Amendment	(1,009)													
Ending Reserve Balance	13,176					24,617					10,376			
Target Balance	6,242					13,452					5,076			

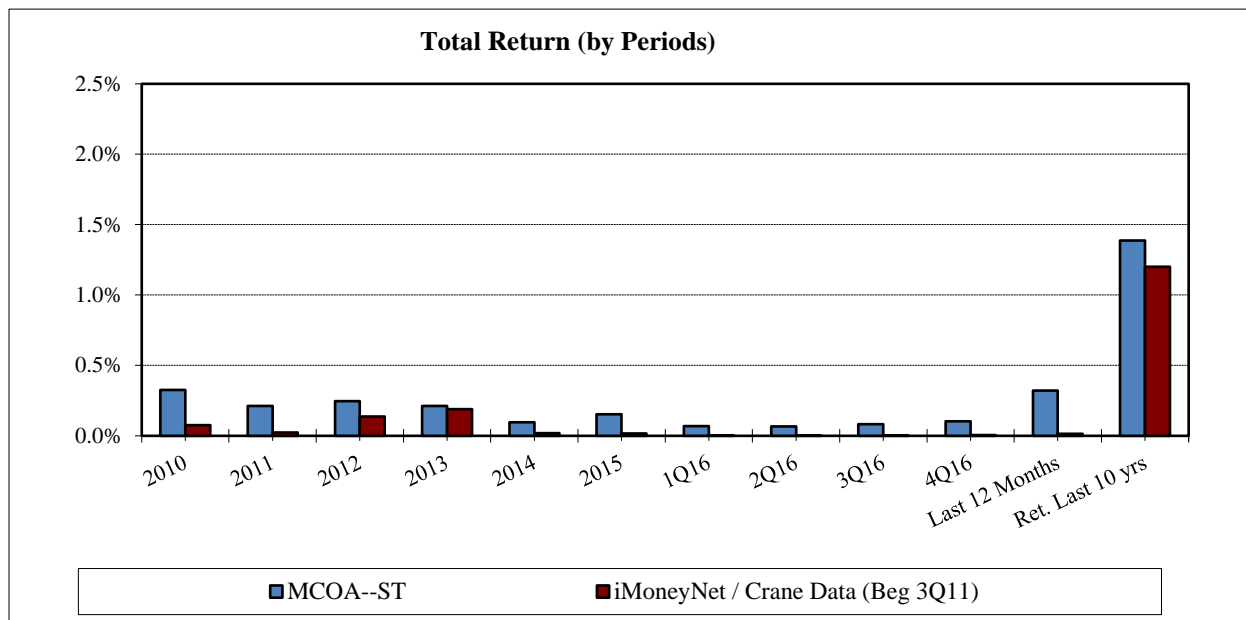
Metro Transit - Bus					Metro Transit - Light Rail					Metro Transit - Commuter Rail				
	2016 YTD		2016			2016 YTD		2016			2016 YTD		2016	
	Results	% Budget	Budget	Variance*		Results	% Budget	Budget	Variance*		Results	% Budget	Budget	Variance*
Revenues	295,239	101%	293,174	2,065		71,991	102%	70,699	1,292		18,173	98%	18,604	(431)
Expenses	288,259	94%	306,500	18,241		54,871	93%	58,793	3,922		15,395	89%	17,358	1,963
Transfers	(9,634)	128%	(7,501)	(2,133)		(11,791)	99%	(11,905)	114		(1,316)	106%	(1,246)	(70)
Change in Reserve Balance	(2,654)		(20,827)	18,173		5,329		1	5,328		1,462		0	1,462
Beginning Reserve Balance	48,416					13,484					4,424			
Assigned/Committed														
Ending Reserve Balance	45,762					18,813					5,886			
Target Balance	26,187					5,868					1,544			

MTS - Transportation Planning					MTS - Metro Mobility					MTS - Contracted Service				
	2016 YTD		2016			2016 YTD		2016			2016 YTD		2016	
	Results	% Budget	Budget	Variance*		Results	% Budget	Budget	Variance*		Results	% Budget	Budget	Variance*
Revenues	9,078	99%	9,124	(46)		58,286	97%	60,365	(2,079)		22,869	101%	22,683	186
Expenses	4,945	76%	6,499	1,554		56,343	93%	60,707	4,364		24,369	91%	26,724	2,355
Transfers	(1,348)	91%	(1,489)	141		(1,751)	92%	(1,898)	147		(758)	91%	(836)	78
Change in Reserve Balance	2,785		1,136	1,649		192		(2,240)	2,432		(2,258)		(4,877)	2,619
Beginning Reserve Balance	1,831					11,447					5,612			
Ending Reserve Balance	4,616					11,639					3,354			
Target Balance	2,516					6,261					2,756			

*Variance = Favorable / (Unfavorable)

Financial Management Report

METROPOLITAN COUNCIL INVESTMENT PERFORMANCE—SHORT-TERM PORTFOLIO



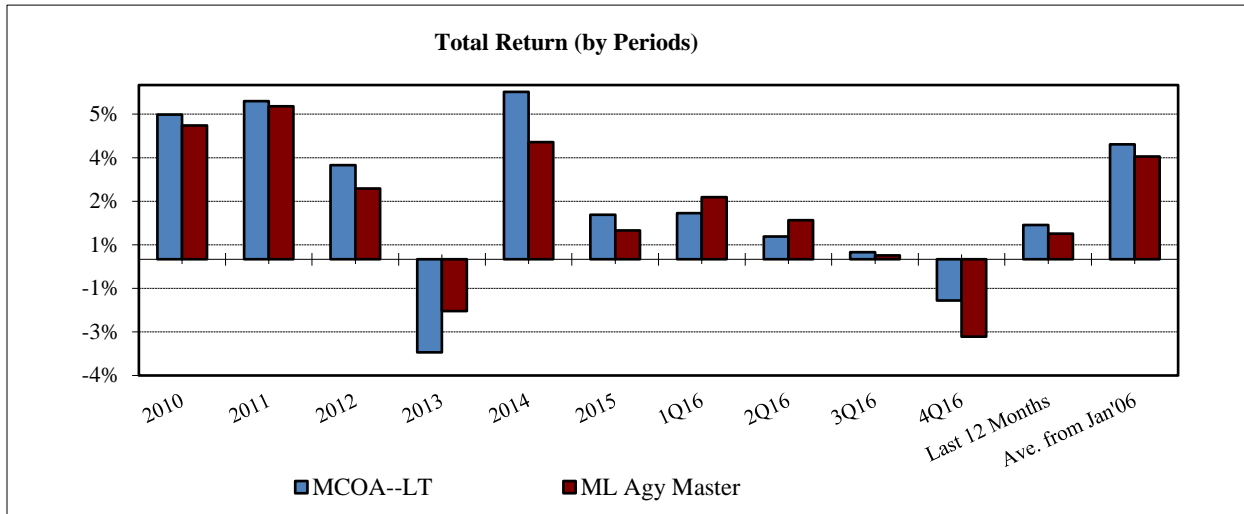
4Q16 Short-Term Portfolio Investment Results

Assets under Management (AUM): \$176 Million

The portfolio outperformed its benchmark during the fourth quarter. Total return of 0.10% was above the index (0.05%) by 5 basis points. This portfolio has averaged 19 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



4Q16 Long-Term Portfolio Investment Results

Assets under Management (AUM) \$407.3 Million

The portfolio outperformed its benchmark during the fourth quarter. Total return of -1.42% was above the index -2.67% by 125 basis points. The portfolio was comprised of 23% municipal bonds (yielding 4.11%), 59% of U.S. agency securities (yielding 1.59%), 17% was invested in government money market funds (yielding 0.28%) and less than 1% was invested in securitized mortgage backed securities (yielding 2.50%).

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.

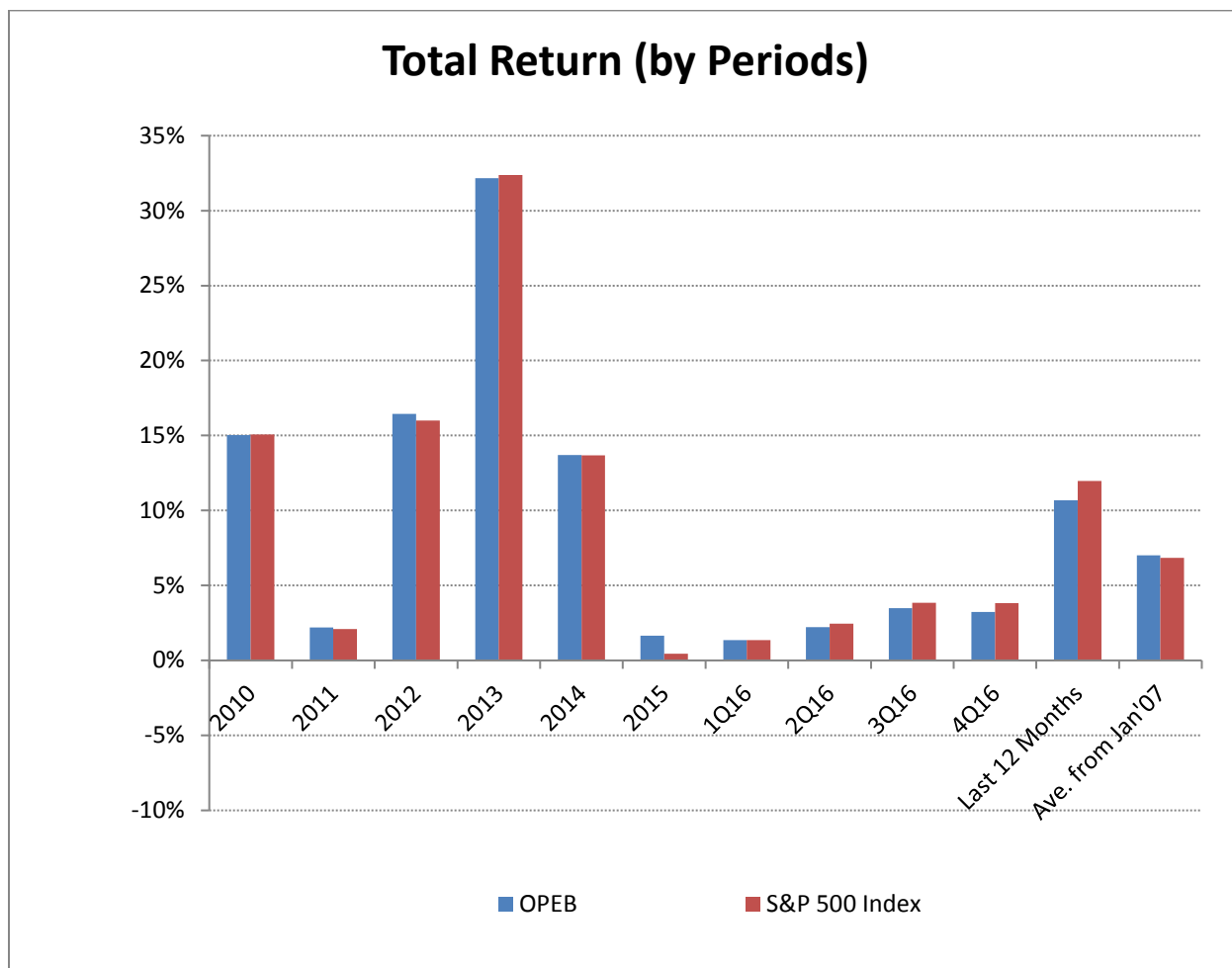
Financial Management Report

4Q16 OPEB PORTFOLIO INVESTMENT RESULTS

Assets under Management (AUM) \$229.6 Million

Currently, the Council's OPEB portfolio is fully invested in 89% equities and 11% US Treasuries. At end of the fourth quarter, the OPEB portfolio posted gains of 3.23% and the S&P 500 index was 3.83%. For the quarter, the portfolio had unrealized and realized gains of \$7.2 million. The Council also has an internal cash account for OPEB. At the end of quarter, the amount in this fund was \$12.4 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.

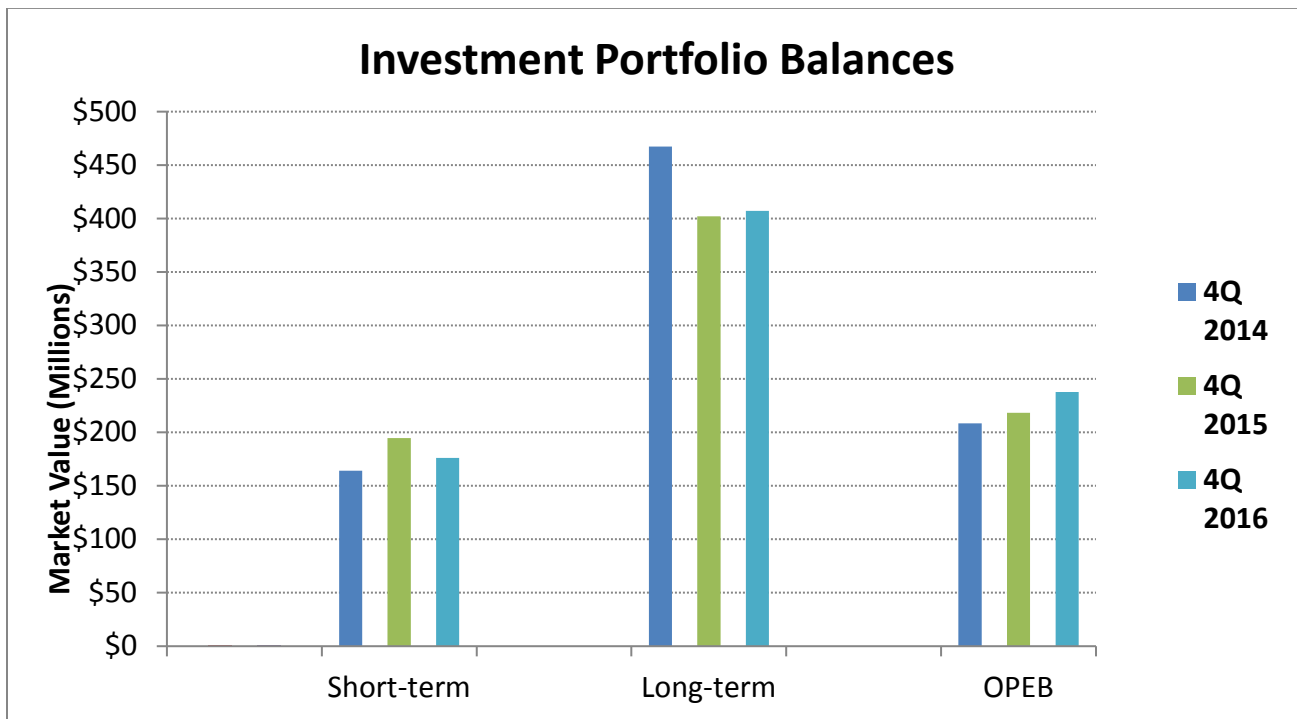


Financial Management Report

INVESTMENT PORTFOLIO BALANCES

Investment Portfolio Balances Market Value (Millions)

	4Q 2014	4Q 2015	4Q 2016
Short-term	\$ 164.0	\$ 194.6	\$ 176.0
Long-term	467.3	402.2	407.3
OPEB	208.3	218.4	237.9
Total	839.6	815.2	821.2



Financial Management Report

GENERAL FUND

Unaudited - dollars in thousands

2016 4th Quarter Financial Report General Fund Unaudited - dollars in thousands

General Fund				
2016 YTD				
	Results	% Budget	2016 Budget	Variance
Revenues	15,273	102%	14,980	293
Expenses	60,083	96%	62,416	2,333
Transfers	44,568	103%	43,225	1,343
Change in Reserve Balance	(242)		(4,211)	3,969
Beginning Fund Balance	19,153			
Assigned/Committed	(4,726)			
Carry Forward - Amendment	(1,009)			
Ending Unassigned Reserve Balance	<u>13,176</u>			
Target Balance (10%)	6,242			

General Fund

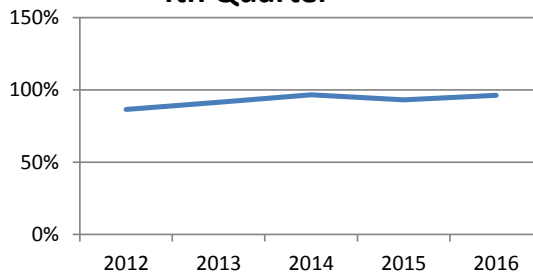
The General Fund spent 96% of budgeted operating expenses through year end and carried forward \$1M expenses to the 2017 operating budget.

Overall operating expenses were under budget by \$2.3M. This savings was mainly due to lower consulting costs \$1.0M mainly due to Community Development, open positions \$0.5M, lower telephone expenses \$0.4M, and lower printing and travel costs \$0.2M.

Regional Administration allocations to operating divisions are based upon actual expenses incurred rather than budgeted allocations. Allocations in excess of budget are primarily technology related.

The 2016 budget was developed with a planned \$4.2M use of fund balance. Actual activity resulted in a slight decrease in fund balance. The year end fund balance is \$13.2M above the target balance of \$6.3M

General Fund % of Budget Spent - 4th Quarter



Environmental Services

Unaudited - dollars in thousands

2016 4th 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	2016 Budget	Variance	
222,285	99%	225,485	(3,200)	
125,984	94%	134,522	8,538	
(91,814)	100%	(91,797)	(17)	
4,487		(834)	5,321	
20,130				
<u>24,617</u>				
13,452				

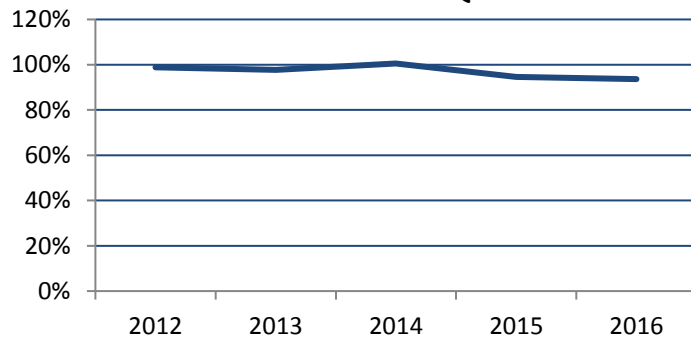
Environmental Services

Environmental Services operating expenses/transfers are estimated to be under budget by \$8.5M at year-end. Salary and benefits are projected to be under budget by approximately \$3.2M, primarily due to the number of staffing vacancies. In addition, there is under spending of \$6.4M in consulting, utilities, and grant expense. Materials and supplies were over budget by \$1.1M.

Operating revenues are under budget by approximately \$3.2M in the areas of Industrial Waste fees (\$1.1M), State Grant and Water Supply funds (\$1.6M), Investment Earnings (\$.1M) and Miscellaneous revenues (\$.4M). SAC receipts continue to recover and surpassed the 2016 budget expectation of 17,000 units with 18,427 units paid.

Environmental Services operations has an amended 2016 budgeted use of reserves of \$.8M for its 2015 carryforward of Stormwater Grants. With the above forecasted variances, reserves will increase by approximately \$4.5M. This estimated \$5.3 million positive operating variance would bring the operating reserve to \$24.6M, well above the target of \$13.5M.

Environmental Services % of Budget Spent - 4th Quarter



HOUSING AND REDEVELOPMENT FUND

Unaudited - dollars in thousands

2016 4th Quarter Financial Report Housing and Redevelopment Fund Unaudited - dollars in thousands

	Housing and Redevelopment Authority			
	2016 YTD Results	% Budget	2016 Budget	Variance
Revenues	65,247	106%	61,718	3,529
Expenses	63,060	103%	61,153	(1,907)
Transfers	(987)	134%	(739)	(248)
Change in Reserve Balance	1,200		(174)	1,374
Beginning Reserve Balance	9,176			
Ending Reserve Balance	10,376			
Target Balance	5,076			

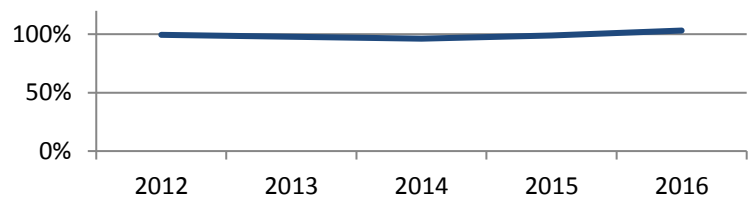
Housing and Redevelopment Authority

The Housing and Redevelopment Authority (HRA) finished 4th quarter showing a positive fund balance. This is the result of under-spending in salaries and other operating expenses .

The increased revenue year-to-date was due to increased proration of HUD administrative funding.

Year end 2016 resulted in an increase positive fund balance of \$1.2 million, exceeding budget and the Council's 8.3% target fund balance.

HRA % of Budget Spent - 4th Quarter



Financial Management Report

METRO TRANSIT-BUS

Unaudited - dollars in thousands

2016 4th Quarter Financial Report Metro Transit - Bus Unaudited - dollars in thousands

	Metro Transit - Bus			
	2016 YTD Results	% Budget	2016 Budget	Variance
Revenues	295,239	101%	293,174	2,065
Expenses	288,259	94%	306,500	18,241
Transfers	(9,634)	128%	(7,501)	(2,133)
Change in Reserve Balance	(2,654)		(20,827)	18,173
Beginning Reserve Balance	48,416			
Ending Reserve Balance	45,762			
Target Balance	26,187			

Metro Transit Bus

The adopted CY 2016 budgeted use of reserves of \$20.827M.

Revenues in passenger fares are down \$1.8M, due to a reduction of 4.1M riders which is partially offset by a \$0.05 increase in passenger fares.

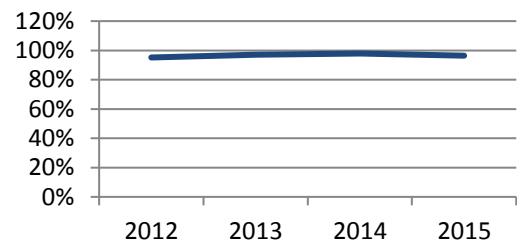
Advertising revenues are \$307K over budget due to strong advertising sales, interest income is also favorable by \$432K due to strong reserve balances.

Operating expenses are \$15.3M under budget. Salaries and benefits are under budget by \$2.6M due to open positions, savings in insurance and adjustment to the workers compensation reserves. Professional and technical services are under budget by \$738K due to less technical services and more work done with internal staff. Fuel is favorable by \$5.1M due to low futures prices.

Parts and materials and supplies are under budget by \$2.8M, less repairs and warranty returns. Utilities are under budget by \$969K due to savings from capital improvements in our facilities. Other Expense under budget due to savings in Casualty & Liability Claims and reduction to reserves.

The year end fund variance is \$18.2M. The year end fund balance of \$40.2M (excludes TOD), which is \$14.0M over the Council target balance or 12.7%.

Metro Transit - Bus % of Budget Spent - 4th Quarter



METRO TRANSIT-LIGHT RAIL

Unaudited - dollars in thousands

2016 4th Quarter Financial Report Metro Transit - Light Rail Unaudited - dollars in thousands

	Metro Transit - Light Rail			
	2016 YTD Results	% Budget	2016 Budget	Variance
Revenues	71,991	102%	70,699	1,292
Expenses	54,871	93%	58,793	3,922
Transfers	(11,791)	99%	(11,905)	114
Change in Reserve Balance	5,329		1	5,328
Beginning Reserve Balance	13,484			
Ending Reserve Balance	<u>18,813</u>			
Target Balance			5,868	

Metro Transit Light Rail

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

Passenger fares are \$2.2M over budget.

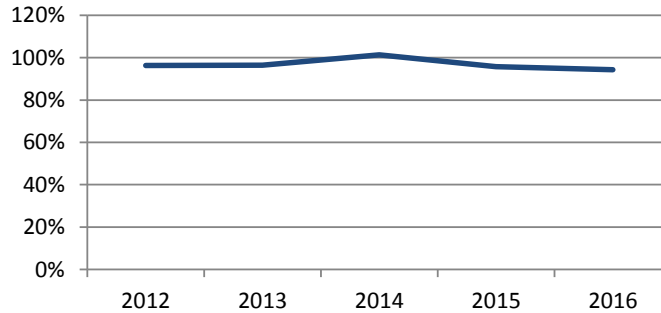
Ridership is 458K below the budgeted level but average fares are \$0.11 over budget.

Advertising revenue is \$296K over budget due to strong demand, interest income is also positive due to high fund balances.

Operating expenses are \$3.8M below budget. Salaries and Benefits are under budget by \$1.1M due to open positions, savings in insurance and adjustment to the workers compensation reserves. Vehicle repair parts are under budget by \$986K due to less repairs than anticipated and less weather extremes than prior year. Utilities are under budget by \$1.3M due to savings from capital improvements in our facilities and lower than budgeted propulsion expenses.

The year end fund variance is \$5.3M. The year end fund balance is \$18.8M which is \$12.9M over the Council target balance or 26.6%.

Metro Transit - Light Rail % of Budget Spent - 4th Quarter



METRO TRANSIT-COMMUTER RAIL

Unaudited - dollars in thousands

2016 4th Quarter Financial Report Metro Transit - Commuter Rail Unaudited - dollars in thousands

	Metro Transit - Commuter Rail			
	2016 YTD Results	% Budget	2016 Budget	Variance
Revenues	18,173	98%	18,604	(431)
Expenses	15,395	89%	17,358	1,963
Transfers	(1,316)	106%	(1,246)	(70)
Change in Reserve Balance	1,462		0	1,462
Beginning Reserve Balance	4,424			
Ending Reserve Balance	<u>5,886</u>			
Target Balance			1,544	

Metro Transit - Commuter Rail

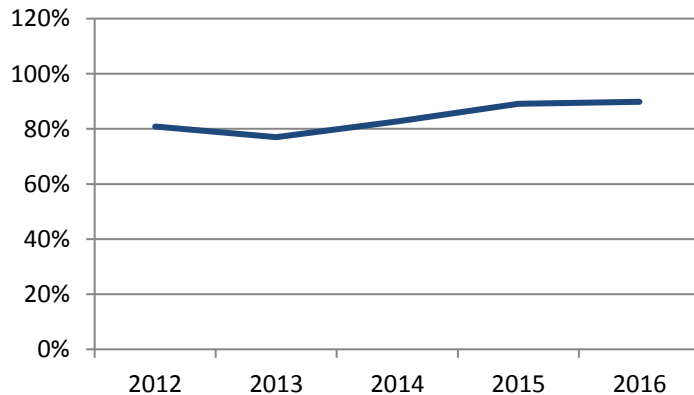
The CY 2016 adopted a balanced budget with no use of reserves.

Passenger fares were \$74k under the budgeted levels due to ridership (17,035) below budget.

Operating expenses were \$1.9M below the budgeted levels. Salaries & Benefits were under budget by \$359K due to open positions and savings in insurance. Fuel was \$964K below the budgeted levels due to low fuel prices. Materials and Supplies are \$582k below budget due to less repairs than anticipated.

The year end positive variance was \$1.462M. The year end fund balance of \$5.9M is \$4.4M over the Council target balance or 31.6%.

MT - Commuter Rail - % of Budget Spent - 4th Quarter



METROPOLITAN TRANSPORTATION SERVICES

Unaudited - dollars in thousands

2016 4th Quarter Financial Report Metropolitan Transportation Services - Transportation Planning Unaudited - dollars in thousands

	MTS - Transportation Planning			
	2016 YTD Results	% Budget	2016 Budget	Variance
Revenues	9,078	99%	9,124	(46)
Expenses	4,945	76%	6,499	1,554
Transfers	(1,348)	91%	(1,489)	141
Change in Reserve Balance	2,785		1,136	1,649
Beginning Reserve Balance	1,831			
Ending Reserve Balance	<u>4,616</u>			
Target Balance			2,516	

MTS - Transportation Planning

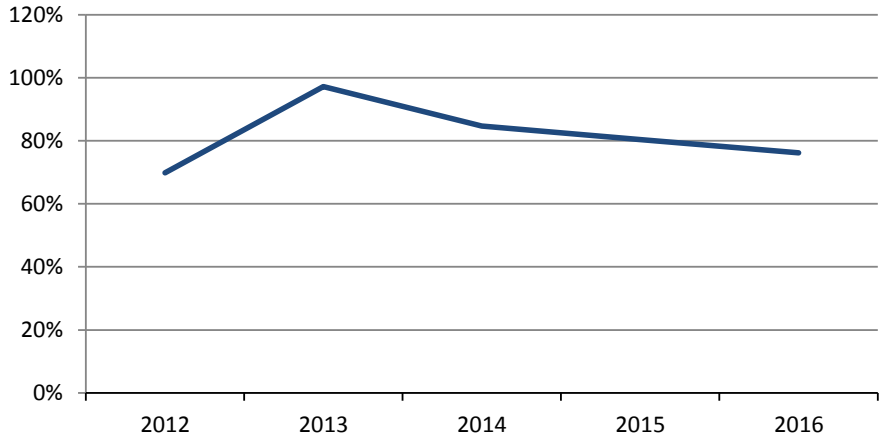
Transportation Planning finished the year with a positive budget variance of \$1.6M.

Revenues as a whole finished within 1% of budget. Federal revenues were under budget due to lower than anticipated subrecipient spending. This category is offset on the expense side in grants. Other revenues were higher than budget due to Hennepin County providing financial support to the West Broadway Transit Study.

Expenses came in under budget by \$1.6M. Consulting is under budget because planned asset management work has been delayed to 2017. This delay is due to a later than anticipated posting of new federal asset management rules. Salaries and benefits are under budget due to open positions. Grants expenses are under budget due to lower than anticipated subrecipient spending.

The 2016 budget was developed with a planned \$1.1M increase in fund balance. The actual increase in fund balance was \$2.8M. Excess reserves above the target policy level will be reallocated through the application of the 2018 regional revenue allocation model.

MTS - Transportation Planning - % of Budget Spent - 4th Quarter



MTS-METRO MOBILITY

Unaudited - dollars in thousands

2016 4th Quarter Financial Report Metropolitan Transportation Services - Metro Mobility Unaudited - dollars in thousands

	MTS - Metro Mobility			
	2016 YTD Results	% Budget	2016 Budget	Variance
Revenues	58,286	97%	60,365	(2,079)
Expenses	56,343	93%	60,707	4,364
Transfers	(1,751)	92%	(1,898)	147
Change in Reserve Balance	192		(2,240)	2,432
Beginning Reserve Balance	11,447			
Ending Reserve Balance	<u>11,639</u>			
Target Balance			6,261	

MTS - Metro Mobility

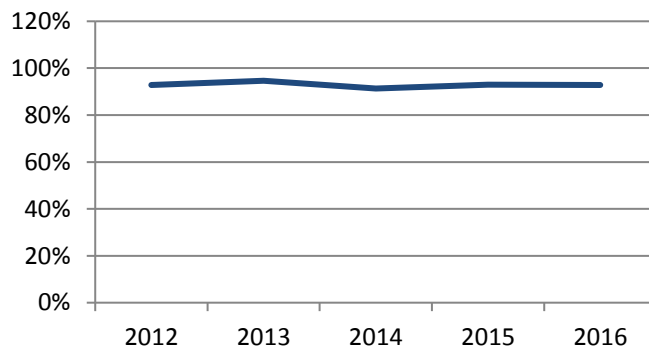
Metro Mobility finished the year with a \$2.4M positive budget variance.

Revenues came in \$2M under budget. Passenger revenues are under budget for two reasons. First, the transition from paper tickets to Cubic Go-To cards had a greater than budgeted negative impact and second, ridership growth fell short of predictions (8% budgeted vs. 5.9% actual).

Expenses came in \$4.4M under budget primarily due to lower than budgeted fuel prices and lower than budgeted ridership growth.

The 2016 budget was developed with a planned \$2.2M use of fund balance. Actual activity resulted in a slight increase in fund balance. Excess reserves above the target level will be reallocated through application of the 2018 regional revenue allocation model.

MTS - Metro Mobility % of Budget Spent - 4th Quarter



Financial Management Report

MTS-CONTRACTED SERVICES

Unaudited - dollars in thousands

2016 4th Quarter Financial Report Metropolitan Transportation Services - Contracted Service Unaudited - dollars in thousands

	MTS - Contracted Service			
	2016 YTD Results	Budget t	2016 Budget	Variance
Revenues	22,869	101%	22,683	186
Expenses	24,369	91%	26,724	2,355
Transfers	(758)	91%	(836)	78
Change in Reserve Balance	(2,258)		(4,877)	2,619
Beginning Reserve Balance	5,612			
Ending Reserve Balance	<u>3,354</u>			
Target Balance			2,756	

MTS - Contracted Service

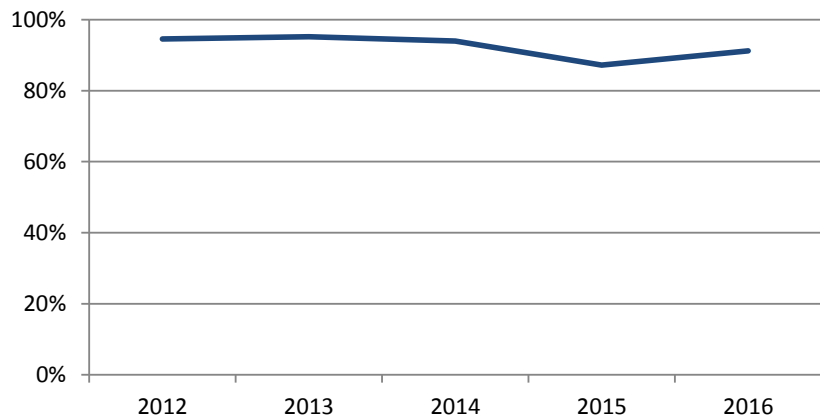
Contracted Services finished the year with a \$2.6M positive variance.

Revenues as a whole finished within 1% of budget. TransitLink received additional federal funds and those revenues helped offset lower than budgeted passenger revenues. Passenger revenues were lower than budgeted because the transition from paper ticket to Cubic Go-To cards had a greater than budgeted negative impact.

Expenses came in \$2.3M under budget for two primary reasons. \$1M in pass thru grants was budgeted on the contracted services line in error and \$700,000 in Metro Red Line accruals were budgeted but not required when final invoices were received from the contractor.

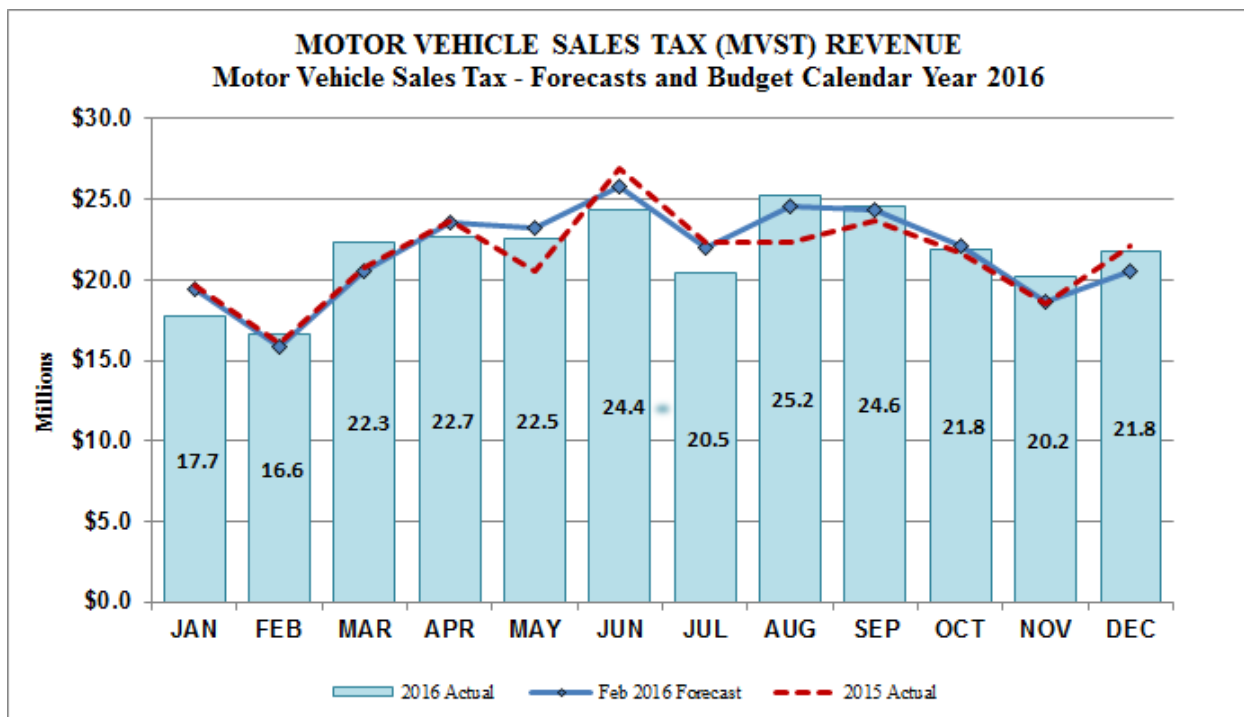
The 2016 budget was developed with a \$4.9M planned use of fund balance. Actual activity resulted in a \$2.2M use of fund balance. Excess reserves above the target policy level will be reallocated through application of the 2018 regional revenue allocation model.

MTS -Contracted Service % of Budget Spent - 4th Quarter

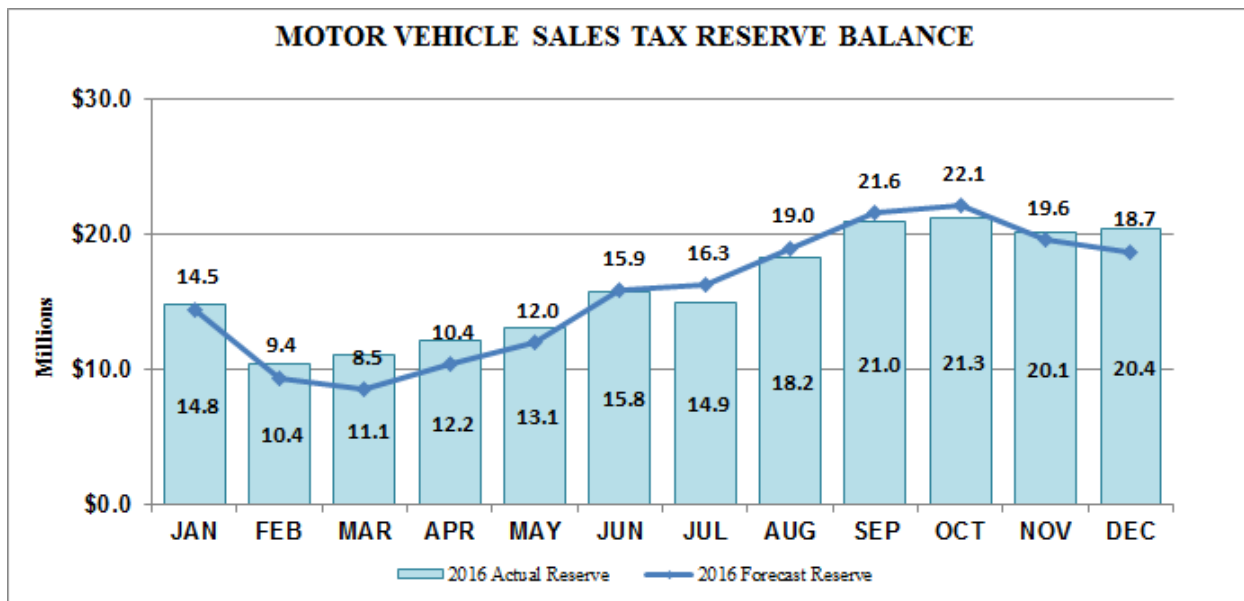


Financial Management Report

MOTOR VEHICLE SALES TAX (MVST) REVENUES



Motor vehicle sales tax receipts for 2016 total just over \$ 260 million, 99.9% of forecast. MVST reserves were \$20 million at the end of the year.



Financial Management Report

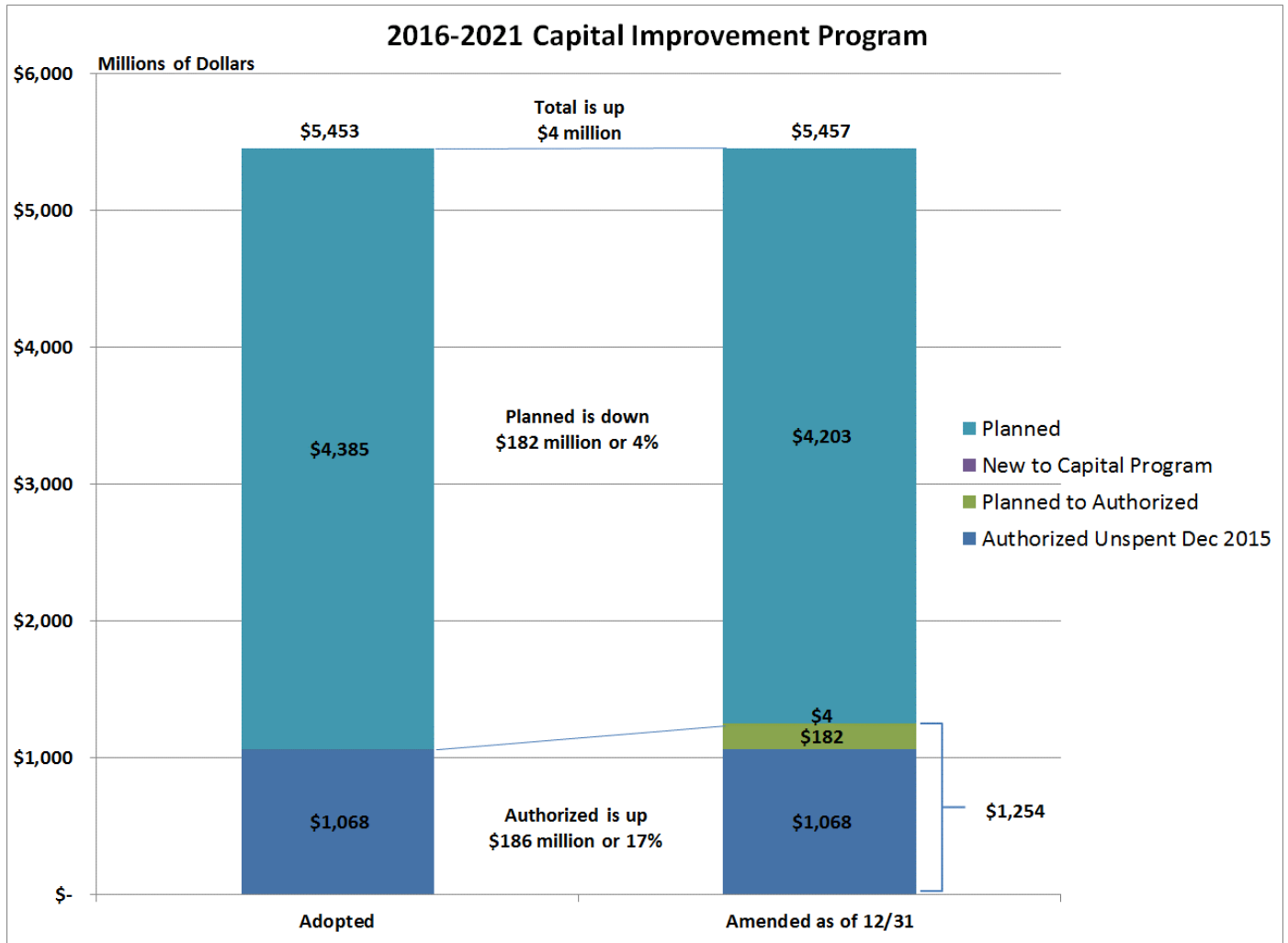
MOTOR VEHICLE SALES TAX (MVST) REVENUES FORECASTS & BUDGET

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
November 2016 Forecast	260.6	128.4	132.2
YTD Actuals	260.3	126.3	134.1
% of November, 2016 Forecast	99.9%	98.4%	101.4
% if November, 2015 Forecast	95.8%	95.1%	96.6%

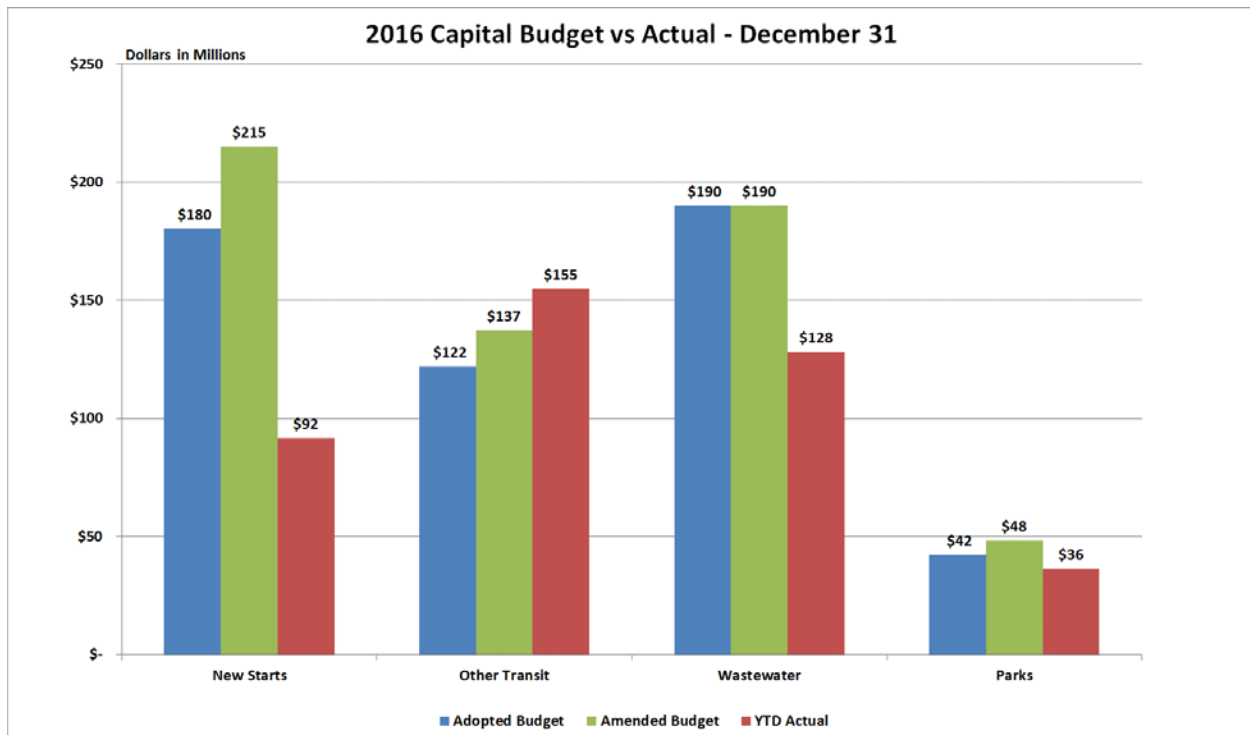
2016-2021 CAPITAL IMPROVEMENT PROGRAM



Capital Program (Excluding Pre-2016 Expenditures)

The capital program (excluding pre-2016 expenditures) increased by \$4.0 million through amendments through December. The authorized portion of the capital program (the ACP) is up \$185.6 million or 17 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 December increased the amended 2016 Capital Budget to \$591 million. Actual 2016 capital expenditures total 77 percent of the adopted budget and 70 percent of the amended budget. Actual expenditures as a percent of the amended budget were 70 percent for transit projects, 68 percent for wastewater projects and 75 percent for parks projects.

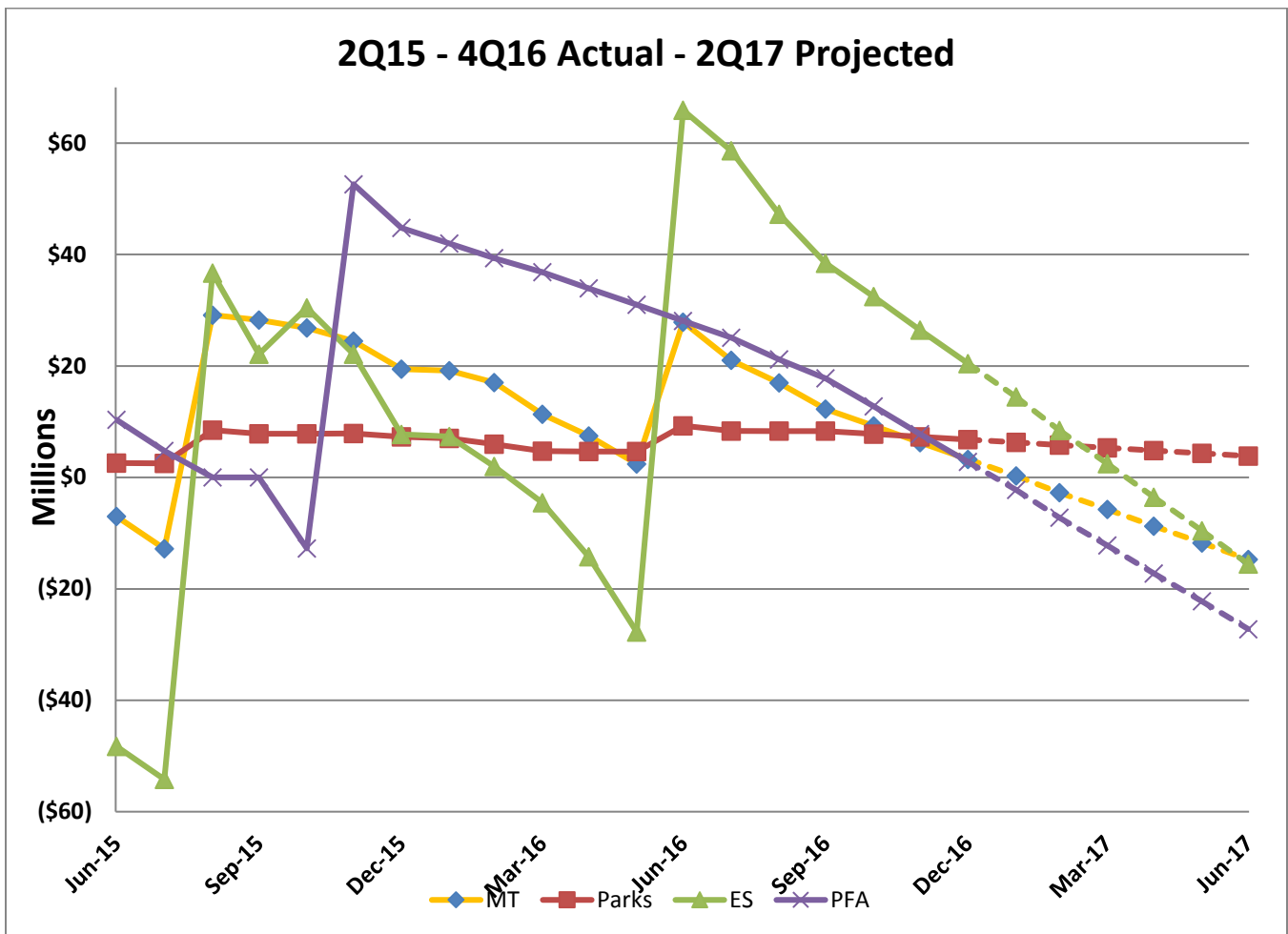
Financial Management Report

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.

New money debt for Transit and ES will be sold in the middle of April with the proceeds to be received in mid-May of 2017. The size of these issues is \$40 million for Transit and \$105 million for ES.

The 2017 new money bonds being issued in an amount which, together with remaining balances from prior bonds, are expected to be spent within 12-18 months. We expect the 2015 PFA Loan to be completely drawn down in the middle of March 2017. We will then start drawing from the recently finalized 2017 PFA loan. We continue to monitor the debt portfolio for refunding opportunities and have no candidates at this time.



STATEMENT OF REVENUES AND EXPENSES
General Fund
December 31, 2016

Unaudited

	YEAR-END ACTUALS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Property Taxes	14,402,847	14,450,618	(47,771)
Investment Earnings	696,055	529,022	167,033
Other Revenue	174,537	-	174,537
Total Revenues	15,273,439	14,979,640	293,799
<u>EXPENSES</u>			
Salary and Benefits	39,989,662	40,507,097	517,435
Consulting & Contractual Services	13,289,017	14,340,808	1,051,791
Rent & Utilities	2,610,822	3,010,577	399,755
Printing	98,722	244,600	145,878
Travel & Professional Development	512,869	601,750	88,881
Insurance	57,550	30,000	(27,550)
Grants	1,000,000	1,000,000	-
Other Operating Expense	2,523,873	2,681,500	157,627
Total Expenses	60,082,515	62,416,332	2,333,817
<u>TRANSFERS</u>			
Transfer In - RA Expense Allocation	50,092,330	49,678,921	413,409
Transfer In	145,874	146,000	(126)
Transfer Out	(5,670,495)	(6,600,375)	929,880
Total Transfers	44,567,709	43,224,546	1,343,163
Change in Reserve Balance	(241,367)	(4,212,146)	3,970,779
Beginning Fund Balance	19,152,964		
Assigned/Committed	(4,726,394)		
Carry Over	(1,008,975)		
Ending Unassigned Reserve Balance	13,176,228		
2016 Target Balance (10%)	6,241,633		

STATEMENT OF REVENUES AND EXPENSES
Environmental Services
December 31, 2016

Unaudited

	YEAR-END ACTUALS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Municipal Wastewater Charges	200,969,958	201,013,459	(43,501)
Industrial Charges	13,620,442	14,705,000	(1,084,558)
State Appropriations Revenue	4,960,904	6,586,921	(1,626,017)
Investment Earnings	757,952	850,000	(92,048)
Other Revenue	1,975,868	2,329,380	(353,512)
Total Revenues	222,285,124	225,484,760	(3,199,636)
<u>EXPENSES</u>			
Salary and Benefits	64,303,807	67,517,385	3,213,578
Consulting & Contractual Services	19,073,423	20,810,526	1,737,103
Rent & Utilities	17,256,084	18,564,673	1,308,589
Travel	338,605	375,527	36,922
Materials & Supplies	9,885,715	8,819,562	(1,066,153)
Chemicals	7,753,994	7,887,873	133,879
Capital Outlay	2,330,359	2,989,014	658,655
I&I, Stormwater, CWF, WOMP Grant Expense	3,828,577	6,270,000	2,441,423
Other Operating Expense	1,213,754	1,287,805	74,051
Total Expenses	125,984,318	134,522,365	8,538,047
<u>TRANSFERS</u>			
SAC Transfer	39,200,004	39,200,000	4
Transfers In	1,107,910	1,445,375	(337,465)
Transfer - OPEB	3,904,831	3,905,000	(169)
Debt Service	(115,500,000)	(115,500,000)	-
Transfer Out - RA Expense Allocation	(13,526,787)	(13,847,690)	320,903
Transfers Out	(7,000,000)	(7,000,000)	-
Total Transfers	(91,814,042)	(91,797,315)	(16,727)
Change in Reserve Balance	4,486,764	(834,920)	5,321,684
Beginning Reserve Balance	20,129,972		
Ending Unassigned Reserve Balance	24,616,736		*
2016 Target Balance (10%)	13,452,237		

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

Appendix
Housing and Redevelopment Authority

STATEMENT OF REVENUES AND EXPENSES
Housing and Redevelopment Authority (HRA)
December 31, 2016

Unaudited

	YTD ACTUALS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	YTD ACTUAL PASS THROUGH
<u>REVENUES</u>				
Federal Revenue	61,128,701	57,783,106	3,345,595	55,686,099
State Revenue	1,625,418	1,719,642	(94,224)	1,491,394
Investment Earnings	44,858	100,000	(55,142)	-
Other Revenue	2,448,198	2,115,000	333,198	12,690
Total Revenues	65,247,175	61,717,748	3,529,427	57,190,183
<u>EXPENSES</u>				
Salary and Benefits	3,578,090	3,697,095	119,005	-
Consulting & Contractual Services	908,349	855,000	(53,349)	-
Rent & Utilities	212,501	219,721	7,220	-
Housing Expenses	58,028,159	55,908,000	(2,120,159)	57,104,522
Travel	40,751	60,000	19,249	-
Insurance	84,682	100,000	15,318	-
Other Operating Expense	207,319	313,280	105,961	-
Total Expenses	63,059,851	61,153,096	(1,906,755)	57,104,522
<u>TRANSFERS</u>				
Transfer Out - RA Expense Allocation	(986,802)	(1,139,000)	152,198	-
Transfer In - Allocation	-	400,000	(400,000)	-
Total Transfers	(986,802)	(739,000)	(247,802)	-
Change in Reserve Balance	1,200,522	(174,348)	1,374,870	85,661
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	1,200,522			
Ending Reserve Balance	10,376,866			
2016 Target Balance (8.3%)	5,075,707			

Appendix

Metro Transit Bus Operations

STATEMENT OF REVENUES AND EXPENSES Metro Transit - Bus Operations December 31, 2016

Unaudited

	YEAR-END ACTUALS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Passenger Revenues	70,012,281	71,822,301	(1,810,020)
Auxiliary Transit Revenue	3,324,825	3,018,000	306,825
State Appropriations	14,426,009	14,426,783	(774)
State Revenue - MVST	190,455,000	190,454,641	359
Federal Grants	12,937,207	12,052,026	885,181
Investment Earnings	931,676	500,000	431,676
Other Revenue	3,152,156	900,000	2,252,156
Total Revenues	295,239,154	293,173,751	2,065,403
<u>EXPENSES</u>			
Salary and Benefits	234,044,626	236,642,223	2,597,597
Consulting & Contractual Services	9,729,762	10,468,175	738,413
Fuel	17,833,399	22,891,828	5,058,429
Materials & Supplies	18,297,957	21,112,624	2,814,667
Utilities	3,757,907	4,727,151	969,244
Other Operating Expense	4,594,969	10,658,479	6,063,510
Total Expenses	288,258,620	306,500,480	18,241,860
<u>TRANSFERS</u>			
Transfer In - MVST	1,500,000	1,500,000	-
Transfer In - Transit Allocations	17,508,037	16,687,718	820,319
Transfer Out - RA Expense Allocation	(28,642,522)	(25,688,986)	(2,953,536)
Total Transfers	(9,634,485)	(7,501,268)	(2,133,217)
Change in Reserve Balance	(2,653,951)	(20,827,997)	18,174,046
Beginning Reserve Balance	48,415,782		
Ending Reserve Balance	45,761,831		*
2016 Target Balance (8.3 - 12.5%)	26,186,645		

* Includes TOD fund balance of \$5.5M

Appendix

Metro Transit Light Rail Operations

STATEMENT OF REVENUES AND EXPENSES Metro Transit - Light Rail Operations December 31, 2016

Unaudited

	YEAR-END ACTUALS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Passenger Revenues	23,077,300	20,855,000	2,222,300
Auxiliary Transit Revenue	1,153,522	857,200	296,322
State Revenue - GF Appropriation	23,446,992	23,446,992	-
Federal Revenue	2,300,000	2,300,000	-
Local Revenue	21,694,427	23,194,427	(1,500,000)
Investment Earnings	217,157	25,000	192,157
Other Revenue	101,291	20,000	81,291
Total Revenues	71,990,689	70,698,619	1,292,070
<u>EXPENSES</u>			
Salary and Benefits	35,405,806	36,509,031	1,103,225
Consulting & Contractual Services	1,942,989	1,901,953	(41,036)
Fuel	28,212	53,200	24,988
Materials & Supplies	3,333,462	4,320,398	986,936
Utilities	6,139,271	7,401,349	1,262,078
Other Operating Expense *	8,021,221	8,607,516	586,295
Total Expenses	54,870,961	58,793,447	3,922,486
<u>TRANSFERS</u>			
Transfer Out - Transit Allocations	(9,064,292)	(7,897,616)	(1,166,676)
Transfer Out - RA Expense Allocation	(2,726,981)	(4,007,556)	1,280,575
Total Transfers	(11,791,273)	(11,905,172)	113,899
Change in Reserve Balance	5,328,455	-	5,328,455
Beginning Reserve Balance	13,483,620		
Ending Reserve Balance	18,812,075		
2016 Target Balance (8.3 - 12.5%)	5,867,985		

* other operating expense includes refunds to funding partners of \$3.821M in year end actuals

Appendix

Metro Transit Commuter Rail Operations

STATEMENT OF REVENUES AND EXPENSES Metro Transit - Commuter Rail Operations December 31, 2016

Unaudited

	YEAR-END ACTUALS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Passenger Revenues	2,258,760	2,333,100	(74,340)
State Revenue - MVST	6,773,000	6,773,759	(759)
Local Revenue - CTIB	6,505,400	6,755,400	(250,000)
Other Local Revenue	2,519,928	2,592,656	(72,728)
Investment Earnings	115,705	148,984	(33,279)
Total Revenues	18,172,793	18,603,899	(431,106)
<u>EXPENSES</u>			
Salary and Benefits	4,155,617	4,514,482	358,865
Consulting & Contractual Services	6,023,517	6,283,215	259,698
Fuel	706,558	1,671,027	964,469
Materials & Supplies	622,851	1,204,872	582,021
Utilities	662,755	752,802	90,047
Other Operating Expense *	3,224,003	2,931,520	(292,483)
Total Expenses	15,395,301	17,357,918	1,962,617
<u>TRANSFERS</u>			
Transfer Out - Transit Allocations	(962,586)	(851,595)	(110,991)
Transfer Out - RA Expense Allocation	(353,021)	(394,386)	41,365
Total Transfers	(1,315,607)	(1,245,981)	(69,626)
Change in Reserve Balance	1,461,885	-	1,461,885
Beginning Reserve Balance	4,424,382		
Ending Reserve Balance	5,886,267		
2016 Target Balance (8.3 - 12.5%)	1,544,124		

* other operating expense includes refunds to funding partners of \$1.7M in year end actuals

STATEMENT OF REVENUES AND EXPENSES
MTS -Transportation Planning
December 31, 2016

Unaudited

	YEAR-END ACTUALS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Federal Revenue	4,811,335	5,375,050	(563,715)
State Revenue - MVST	3,731,355	3,649,000	82,355
Investment Earnings	19,130	-	19,130
Chargebacks from MAC	106,069	100,000	6,069
Other Revenue	410,128	-	410,128
Total Revenues	9,078,017	9,124,050	(46,033)
<u>EXPENSES</u>			
Salary and Benefits	2,298,185	2,762,310	464,125
Consulting & Contractual Services	1,973,088	2,701,000	727,912
Rent & Utilities	161,993	162,790	797
Travel	29,378	41,000	11,622
Grants	344,915	675,050	330,135
Other Operating Expense	137,551	156,740	19,189
Total Expenses	4,945,110	6,498,890	1,553,780
<u>TRANSFERS</u>			
Transfer Out - RA Expense Allocation	(1,348,117)	(1,488,865)	140,748
Total Transfers	(1,348,117)	(1,488,865)	140,748
Change in Reserve Balance	2,784,790	1,136,295	1,648,495
Beginning Reserve Balance	1,830,938		
Ending Reserve Balance	4,615,728		
2016 Target Balance (Combined 15%, 31.5% TP Fund)	2,516,000		

STATEMENT OF REVENUES AND EXPENSES
MTS - Metro Mobility
December 31, 2016

Unaudited

	YEAR-END ACTUALS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Passenger Revenue	5,687,450	7,961,948	(2,274,498)
State Appropriations	52,402,998	52,403,000	(2)
Investment Earnings	195,332	-	195,332
Total Revenues	58,285,780	60,364,948	(2,079,168)
<u>EXPENSES</u>			
Salary and Benefits	1,550,192	1,282,894	(267,298)
Consulting & Contractual Services	50,273,474	52,870,690	2,597,216
Fuel	3,926,346	6,275,764	2,349,418
Rent & Utilities	381,895	109,961	(271,934)
Other Operating Expense	211,471	167,910	(43,561)
Total Expenses	56,343,378	60,707,219	4,363,841
<u>TRANSFERS</u>			
Transfer Out - RA Expense Allocation	(1,751,408)	(1,898,015)	146,607
Total Transfers	(1,751,408)	(1,898,015)	146,607
Change in Reserve Balance	190,994	(2,240,286)	2,431,280
Beginning Reserve Balance	11,447,450		
Ending Reserve Balance	11,638,444		
2016 Target Balance (10%)	6,261,000		

STATEMENT OF REVENUES AND EXPENSES
MTS - Contracted Service
December 31, 2016

Unaudited

	YEAR-END ACTUALS	2016 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Passenger Revenues	2,208,067	2,540,659	(332,592)
Federal Revenue	5,552,700	4,771,353	781,347
State Revenue - MVST	13,348,728	13,354,800	(6,072)
Local Revenue	1,679,826	1,916,354	(236,528)
Investment Earnings	80,062	100,000	(19,938)
Total Revenues	22,869,383	22,683,166	186,217
<u>EXPENSES</u>			
Salary and Benefits	751,172	832,364	81,192
Consulting & Contractual Services	22,545,566	24,729,001	2,183,435
Rent & Utilities	68,995	20,000	(48,995)
Travel	5,070	12,500	7,430
Grants	940,632	1,060,401	119,769
Other Operating Expense	57,787	70,000	12,213
Total Expenses	24,369,222	26,724,266	2,355,044
<u>TRANSFERS</u>			
Transfer Out - RA Expense Allocation	(758,316)	(836,257)	77,941
Total Transfers	(758,316)	(836,257)	77,941
Change in Reserve Balance	(2,258,155)	(4,877,357)	2,619,202
Beginning Reserve Balance	5,611,802		
Ending Reserve Balance	3,353,647		
2016 Target Balance (Combined 15%, 10% Cont Svc Funds)	2,756,000		

STATEMENT OF REVENUES AND EXPENSES
Self-Insurance

December 31, 2016

Unaudited

	MEDICAL	DENTAL	TOTAL
<u>REVENUES</u>			
Medical premiums:			
Active employees	62,716,747	4,141,347	66,858,094
Retirees	8,084,531	957,140	9,041,671
Investment Earnings	442,962	19,144	462,106
Other Revenue	1,646,885	-	1,646,885
Total Revenues	72,891,125	5,117,631	78,008,756
<u>EXPENSES</u>			
Claims and Fees	69,602,973	4,710,715	74,313,688
Services	852,712	-	852,712
Other Operating Expense	20,356	-	20,356
Total Expenses	70,476,041	4,710,715	75,186,756
Change in Reserve Balance	2,415,084	406,916	2,822,000
Beginning Reserve Balance	26,084,983	1,262,739	27,347,722
Ending Reserve Balance	28,500,067	1,669,655	30,169,722

STATEMENT OF REVENUES AND EXPENSES
Other Post Employment Benefits
December 31, 2016

Unaudited

	ES RETIREE HEALTH	MT REITREE HEALTH	RA RETIREE HEALTH	TOTAL
<u>REVENUES</u>				
Investment Earnings	1,605,270	2,926,610	108,889	4,640,768
Unrealized Gain/Loss	4,677,082	12,506,951	426,062	17,610,095
Total Revenues	6,282,352	15,433,560	534,951	22,250,863
<u>EXPENSES</u>				
Post Retirement Health Care	540,341	3,410,741	(4,945)	3,946,137
Contractual Services	5,757	10,277	396	16,430
Total Expenses	546,098	3,421,018	(4,549)	3,962,567
<u>TRANSFERS</u>				
Transfer from other funds	-	(293,330)	-	(293,330)
Transfer to other funds	3,904,831	-	145,874	4,050,705
Total Transfers	3,904,831	(293,330)	145,874	3,757,375
Change in OPEB fund	1,831,423	12,305,873	393,625	14,530,921
Beginning Asset Value	76,679,393	136,625,294	5,053,512	218,358,199
Change in Net OPEB Obligation (NOO)	540,341	4,479,780	(4,945)	5,015,176
Ending Asset Value	79,051,157	153,410,947	5,442,192	237,904,296