

People

Transportation

Housing

Bikes

Planning

Financial Condition

Future

Bus

Parks

Cars

Sustainability

Efficient

4th QUARTER 2024 FINANCIAL REPORT

Prosperity

Train

Growth

Light Rail

April 23, 2025

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 2024 - 4th Quarter Results (in thousands) Unaudited

	General Fund				Environmental Services				Housing and Redevelopment Authority			
	% 2024				% 2024				% 2024			
	Year-End	Budget	Budget	Variance*	Year-End	Budget	Budget	Variance*	Year-End	Budget	Budget	Variance*
Revenues	20,785	105%	19,759	1,026	310,102	102%	302,570	7,532	107,982	102%	105,563	2,419
Expenses	110,905	93%	119,842	8,937	166,287	97%	170,884	4,597	105,558	101%	104,697	(861)
Transfers	93,058	97%	96,213	(3,155)	(132,372)	100%	(132,914)	542	(3,326)	93%	(3,565)	239
Change in Reserve Balance	2,938		(3,870)	6,808	11,443		(1,228)	12,671	(902)		(2,699)	1,797
Beginning Reserve Balance	35,116				45,629				17,505			
Assigned/Committed	(7,972)				-				-			
Carry Forward - Amendment	(1,581)				-				-			
Ending Reserve Balance	28,501				57,072				16,602			
Target Balance	11,984				17,088				8,986			

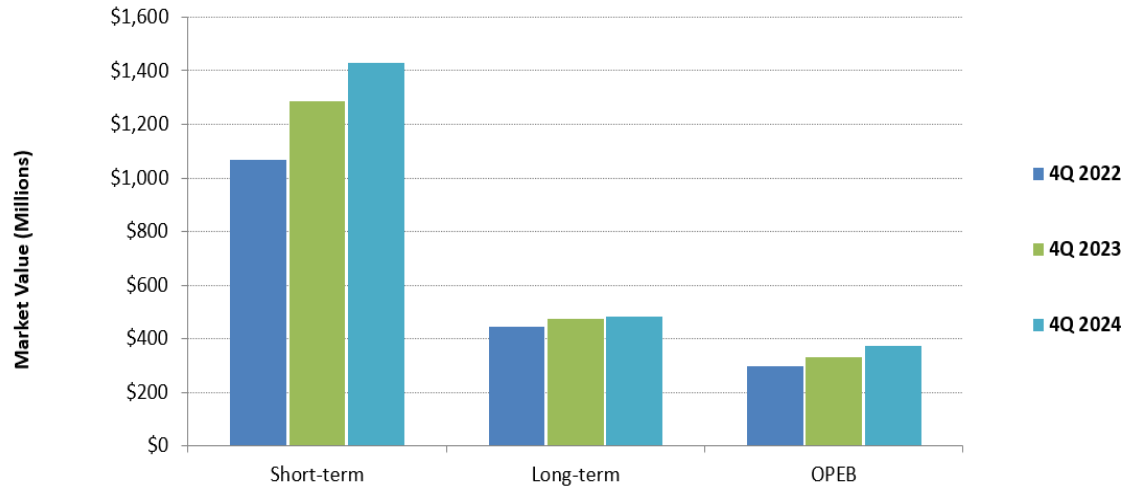
	Metro Transit - Bus				Metro Transit - Light Rail				Metro Transit - Commuter Rail			
	% 2024				% 2024				% 2024			
	Year-End	Budget	Budget	Variance*	Year-End	Budget	Budget	Variance*	Year-End	Budget	Budget	Variance*
Revenues	370,921	99%	374,064	(3,143)	103,203	100%	103,551	(348)	15,442	99%	15,655	(213)
Expenses	359,711	83%	434,306	74,595	76,360	84%	90,384	14,024	14,342	89%	16,106	1,764
Transfers	(42,985)	106%	(40,440)	(2,545)	(24,026)	96%	(25,069)	1,043	(1,148)	43%	(2,651)	1,503
Change in Reserve Balance	(31,775)		(100,682)	68,907	2,817		(11,902)	14,719	(48)		(3,102)	3,054
Beginning Reserve Balance	261,405				22,227				11,077			
Ending Reserve Balance	229,631				25,044				11,028			
Target Balance	39,404				9,583				1,557			

	MTS - Transportation Planning				MTS - Metro Mobility				MTS - Contracted Service			
	% 2024				% 2024				% 2024			
	Year-End	Budget	Budget	Variance*	Year-End	Budget	Budget	Variance*	Year-End	Budget	Budget	Variance*
Revenues	10,817	94%	11,501	(684)	98,277	98%	100,678	(2,401)	34,113	104%	32,781	1,332
Expenses	7,083	77%	9,223	2,140	112,119	95%	118,114	5,995	38,672	102%	38,039	(633)
Transfers	(2,692)	104%	(2,594)	(98)	(3,216)	106%	(3,042)	(174)	(2,477)	102%	(2,435)	(42)
Change in Reserve Balance	1,042		(316)	1,358	(17,058)		(20,478)	3,420	(7,036)		(7,693)	657
Beginning Reserve Balance	10,934				30,560				15,125			
Ending Reserve Balance	11,977				13,501				8,088			
Target Balance	3,545				6,058				4,047			

*Variance = Favorable / (Unfavorable)

Financial Management Report

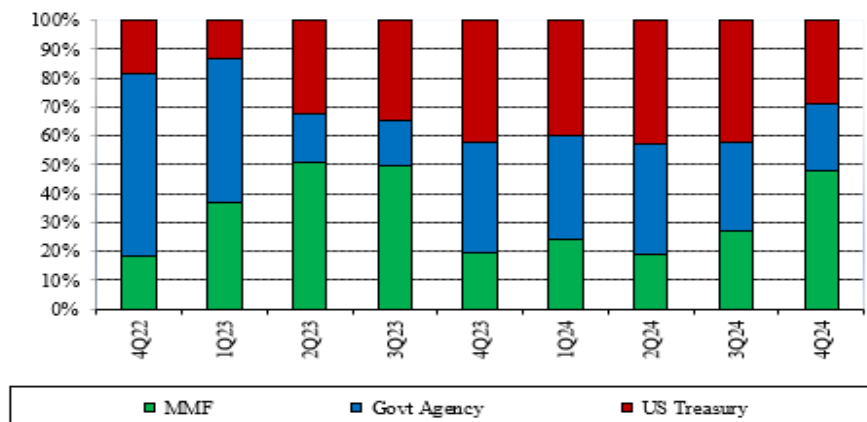
INVESTMENT PORTFOLIO BALANCES



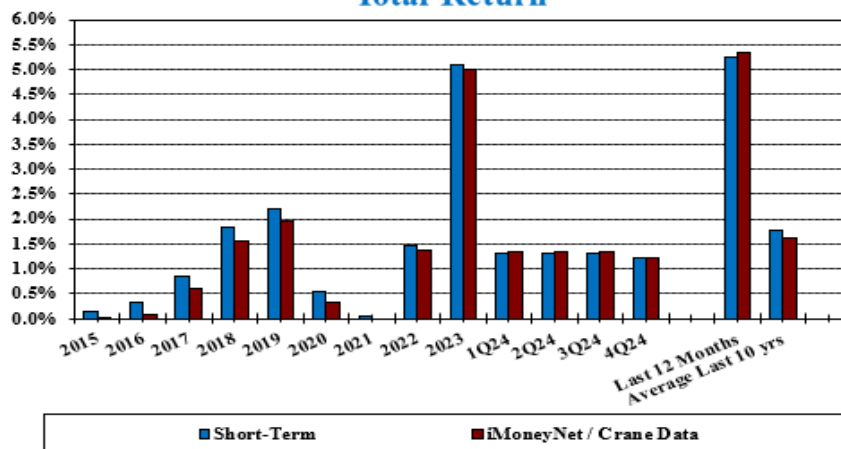
	Balances - Market Value (millions)		
	4Q 2022	4Q 2023	4Q 2024
Short-term	1,066.8	1,285.6	1,431.0
Long-term	443.6	473.0	483.4
OPEB	296.8	330.9	373.4
Total	<u>\$ 1,807.20</u>	<u>\$ 2,089.50</u>	<u>\$ 2,287.80</u>

INVESTMENT HOLDINGS AND PERFORMANCE - SHORT-TERM PORTFOLIO

Sector Allocation



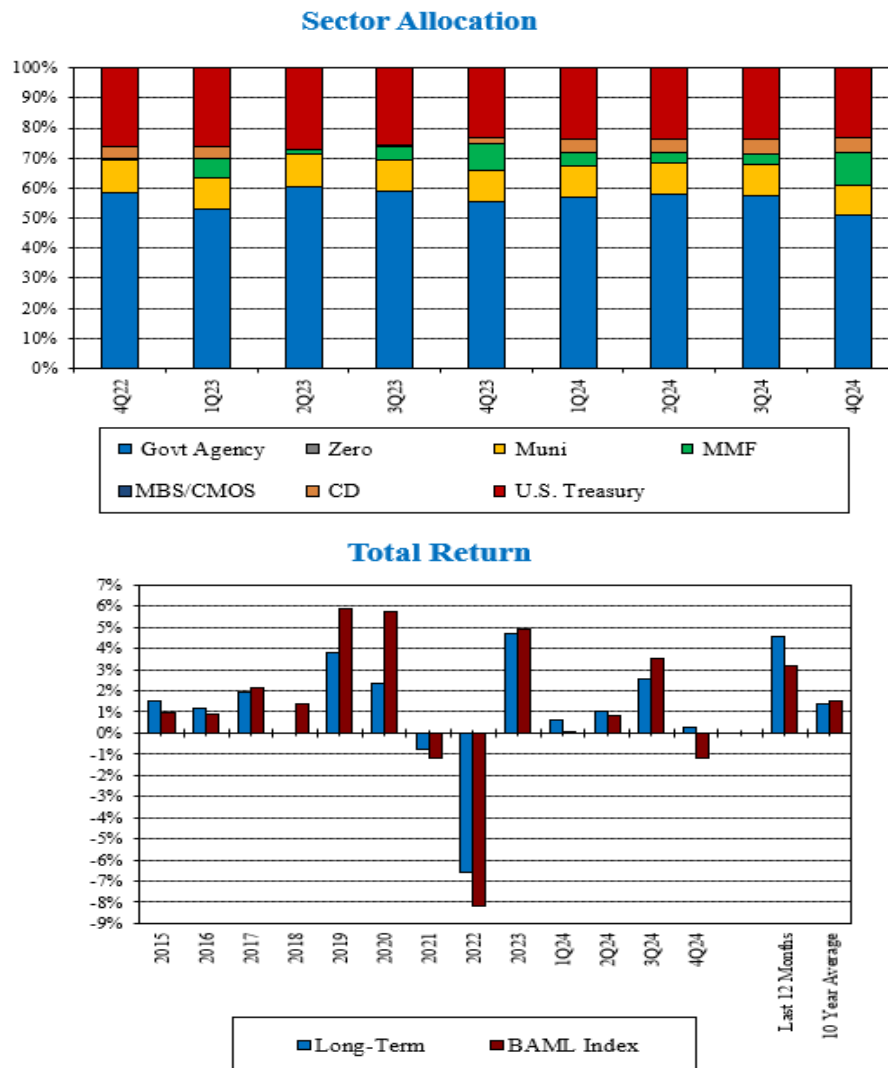
Total Return



Short-term Portfolio Performance 4Q24. The Short-term portfolio invests available short-term cash around the Council's cash-flow. The portfolio invests in securities permissible under MN. Statutes Chapter 118A and in compliance with the Council's Investment Policy. The portfolio's total return for 4Q was 1.21%, compared to 1.23% for the portfolio's benchmark. The average annual yield of portfolio holdings decreased to 4.60% in 4Q, compared to 5.04% in 3Q. This reduction was due to the Federal Reserve cutting short-term interest rates by 1.00% between late September and the end of the year. Portfolio earnings for 4Q decreased to \$17.1 million, compared to \$18.7 million in 3Q. Portfolio earnings for the year 2024 were \$69.3 million, up from \$55.5 million for 2023. To end 4Q, the \$1.43 billion portfolio was invested in U.S. Treasury Bills (\$417 million, 29%), U.S. Government Agency Discount Notes (\$328 million, 23%), and government money market funds (\$685 million, 48%). Portfolio investments range in maturity length from 0 to 5 months.

Strategy. The portfolio was very liquid in 4Q, with a large balance in daily liquid money funds, which had the highest yields among short-term securities used by the Council. There was no yield incentive to reduce liquidity and invest longer. Very short-term yields have decreased 1.00% which will decrease portfolio earnings. If Fed rate cuts continue, other securities may then offer higher yields than money funds providing an incentive to invest slightly longer term.

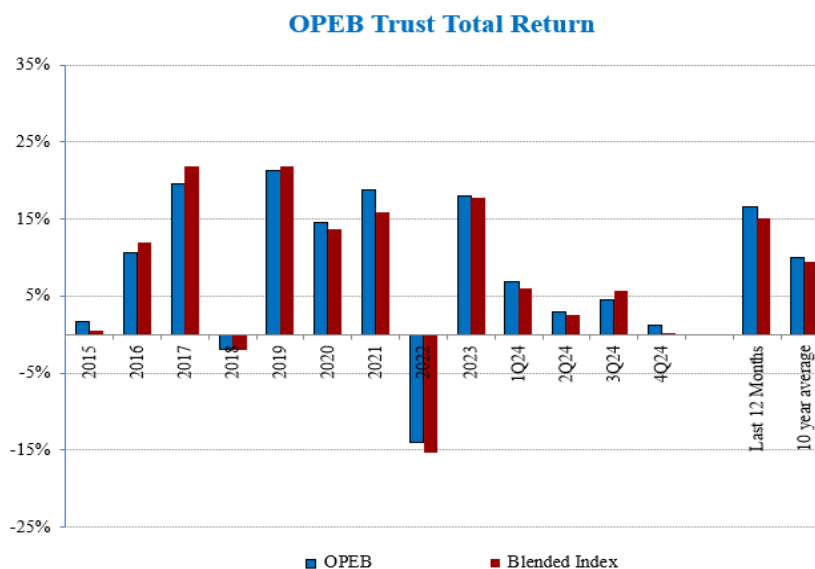
INVESTMENT HOLDINGS AND PERFORMANCE - LONG-TERM PORTFOLIO



Long-term Portfolio Performance 4Q24. This portfolio invests the Council's longer-term reserves. Average yield and interest income continue to increase as lower yielding investments mature and funds are re-invested at higher yields. Average yield increased from 1.79% to 2.48% during 2024. 4Q interest income was \$2.9 million, compared to \$2.7 million in 3Q. The portfolio outperformed its benchmark for the quarter, with a total return of .30% vs -1.21% for its benchmark. The \$483 million portfolio was invested similar to the previous quarter holding U.S. Government Agency securities (\$246 million, 51%), U.S. Treasury Notes (\$113 million, 23%), taxable municipal bonds (\$49 million, 10%), government money funds (\$51 million, 11%), Certificates of Deposit (\$24 million, 5%) and a small amount of mortgage-backed securities. Duration decreased slightly, remaining short of the benchmark, 1.31 years vs 3.43 years.

Strategy. Activity increased in this portfolio during 4Q. \$57 million of investments matured or were called, and \$26 million new investments were made. Four 5-year US Government Agency bonds with limited optionality were purchased. There will be additional purchases made in 1Q25 to invest available cash and to increase duration and yield further.

INVESTMENT HOLDINGS AND PERFORMANCE – OPEB TRUST



OPEB Trust Performance 4Q24. The OPEB Trust contains assets set aside to fund future OPEB liabilities, which stretch 30+ years into the future. Trust assets are held at a third-party custodian, managed by the Minnesota State Board of Investment, and allocated at the Council’s direction. The trust had a total return of 1.29% for 4Q, which outperformed its benchmark return of .22%. Overperformance occurred in the fixed income portion of the portfolio. The Trust’s fixed income holdings consist of US Treasury and Agency bonds which are much shorter in duration than the fixed income benchmark, therefore realizing smaller market value losses versus the benchmark as intermediate and longer-term interest rates increased. The trust’s fixed-income allocation lost -.80%, while the benchmark fixed income portion lost -3.06%. The equity portion of the trust gained 2.41%, essentially matching the return of the S&P Index. The market value of the Trust decreased \$7.5 million during 4Q, going from \$380.9 million to \$373.4 million. The decrease was a combination of \$7.5 million of market gains offset by the Council’s annual OPEB expense reimbursement withdrawal of \$12.5 million. Trust investments were allocated approximately 64% to the S&P 500 pool, 33% to US Treasury and Government Agency securities, and 3% to the cash pool.

Strategy. The trust uses the S&P 500 index pool to realize the historically higher average returns of the equity markets over the long term. OPEB liability funding levels and trust investment allocations are monitored monthly, and periodic adjustments are made to maintain the portfolio near the allocation target of 60/40 equity-to-fixed income/cash. The Trust returned 16.64% for the year 2024 and has averaged returns of 9.97% over the past 5 years and 9.92% over the past 10 years. Projected future OPEB liabilities are currently fully funded. The Council withdraws funds from the trust annually to fund OPEB benefits.

Financial Management Report

GENERAL FUND

Unaudited - dollars in thousands

2024 4th Quarter Financial Report
General Fund
Unaudited - dollars in thousands

General Fund				
	Year-End	% Budget	2024 Budget	Variance
Revenues	20,785	105%	19,759	1,026
Expenses	110,905	93%	119,842	8,937
Transfers	93,058	97%	96,213	(3,155)
Change in Reserve Balance	2,938		(3,870)	6,808
Beginning Fund Balance	35,116			
Assigned/Committed	(7,972)			
Carry Forward - Amendment	(1,581)			
Ending Unassigned Reserve Balance	28,501			
Target Balance	11,984			

General Fund

General Fund revenue exceeded the budget expectations. This is primarily due to investment earnings and property tax.

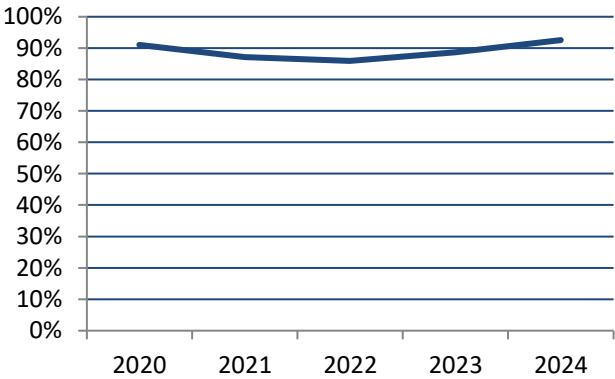
Overall expenses were under budget with 93% spent. This is due to additional FTE and cost savings from other RA departments.

The 2024 General Fund budget approved by the Council reflects a \$3.9M use of General Fund reserves. Actual activity resulted in an increase of \$3.0M of reserve fund balance. Total operation savings is \$6.8M.

The budget carried forward from calendar year 2024 to 2025 is \$1.6M.

The year-end fund balance is \$28.5M with a target balance of \$12.0 M.

General Fund
% of Budget Spent -
4th Qtr.



Environmental Services

Unaudited - dollars in thousands

2024 4th Quarter Financial Report Environmental Services Unaudited - dollars in thousands

	Environmental Services			
	Year-End	% Budget	2024 Budget	Variance
Revenues	310,102	102%	302,570	7,532
Expenses	166,287	97%	170,884	4,597
Transfers	(132,372)	100%	(132,914)	542
Change in Reserve Balance	11,443		(1,228)	12,671
Beginning Reserve Balance	45,629			
Ending Unassigned Reserve Balance	57,072			
Target Balance	17,088			

Environmental Services

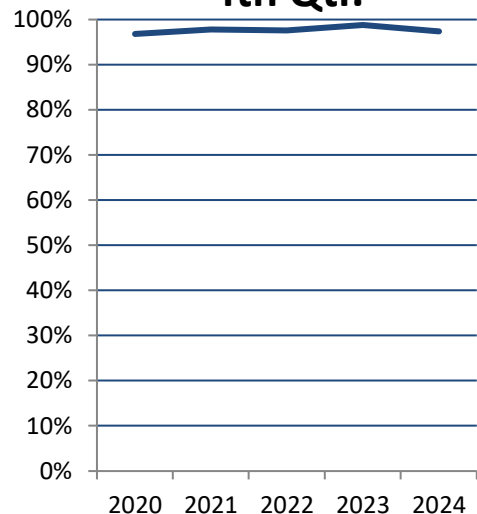
Total revenues are \$7.5M over budget. Industrial Charges are \$3.4M over budget due to conservative budgeting, and a customer billing issue that will be resolved/refunded in 2025. Investment Earnings are also \$3.1M over budget due to higher than planned interest rates. In addition, State Appropriations and Other Revenue are over budget by a combined \$1M.

Total expenses are \$4.6M under budget. Utilities are \$7.6M under budget due fuel charge decreases, and electrical improvements at Metro Plant. Chemicals are also under budget by \$2.8M driven by lower polymer prices and improved chemical usage. In addition, Contract Services and Materials and Supplies are a combined \$4.1M over budget driven by inflation. Salaries are also \$1.3M over budget (new union contracts), and Grant Expenses are \$0.4M over budget. Other variances are mostly offsetting (net to zero).

Transfers are \$0.5M under budget, primarily due to Interdivisional Charges and an underrun in Information Services.

Based on the information above, year-end operating reserves will increase by \$11.4M compared to a budgeted \$1.2M decrease. This increases the operating fund balance to \$57.1M, which exceeds the year-end target balance of \$17.1M.

Environmental Services % of Budget Spent - 4th Qtr.



Financial Management Report

HOUSING AND REDEVELOPMENT FUND

Unaudited - dollars in thousands

2024 4th Quarter Financial Report Housing and Redevelopment Fund Unaudited - dollars in thousands

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

Housing and Redevelopment Authority				
Year-End	% Budget	2024 Budget	Variance	
107,982	102%	105,563	2,419	
105,558	101%	104,697	(861)	
(3,326)	93%	(3,565)	239	
(902)		(2,699)	1,797	
17,505				
16,602				
8,986				

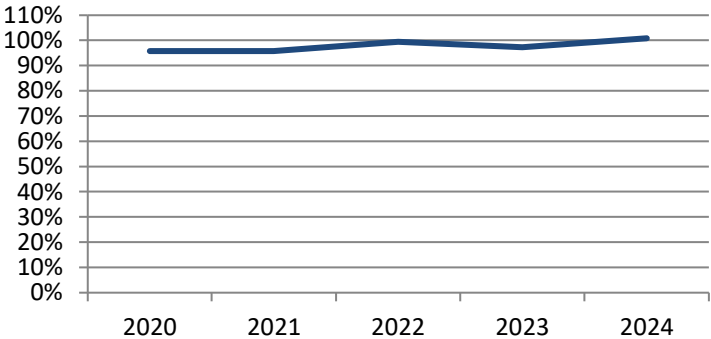
Housing and Redevelopment Authority

HRA revenues came in \$2.4M favorable to budget. The main reason for the favorable variance is higher federal pass-through and administrative fee revenue than budgeted for the federal housing voucher programs.

Expenses came in \$0.9M unfavorable to budget. This unfavorable variance is primarily the result of Housing Choice Voucher (HCV) subsidy payments being higher than budgeted (+\$1.6M) due to increased HCV monthly rent and utility costs than planned. Lower spending than budgeted on contracted services and other general administrative expenses (-\$0.8M) partially offsets the unfavorable variance.

The year-end reserve balance is \$16.6M for 2024, which is above the Council's minimum reserve target balance of \$9.0M.

HRA % of Budget Spent - 4th Qtr.



Financial Management Report

METRO TRANSIT-BUS

Unaudited - dollars in thousands

2024 4th Quarter Financial Report

Metro Transit - Bus

Unaudited - dollars in thousands

	Metro Transit - Bus			
	Year-End	% Budget	2024 Budget	Variance
Revenues	370,921	99%	374,064	(3,143)
Expenses	359,711	83%	434,306	74,595
Transfers	(42,985)	106%	(40,440)	(2,545)
Change in Reserve Balance	(31,775)		(100,682)	68,907
Beginning Reserve Balance	261,405			
Ending Reserve Balance	229,631			
Target Balance	39,404			

Metro Transit Bus

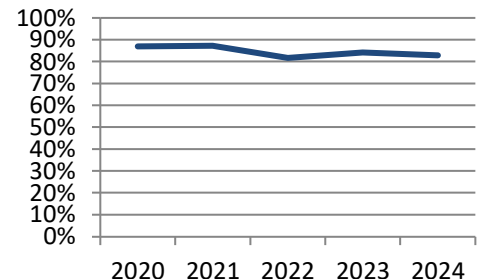
Total revenues was \$3.1M under budget. Investment earning are \$12.7M over budget due to higher fund balances from Federal revenues drawn in prior year. Passenger fares are expected to be \$8.9M below the revised budget due to lower than expected ridership. Federal revenues are down \$5.0M due to decrease in federal pandemic grant draws to provide funding for 2025 transit operations.

Total expenses are below budget by \$72.1M. These savings are due to vacant positions with labor and benefits under budget \$49.6M. Professional and technical services should be \$1.6M below budget. Fuel savings should be \$4.4M under budget due to lower service levels and price per gallon of diesel fuel. The decreases in parts and materials will cause a budget savings of \$3.8M. Other expenses budgeted for enhancing the bus system that are continuously under review are under budget by \$14.3M.

Transfers are expected to be below budget due to the saving in labor and benefit of modal allocations. Council allocation at the budget level.

The 2024 amended budget includes a planned use of reserves in the amount of \$100.7M. The year ended with a positive balance of \$68.9M bringing the ending reserve balance of \$229.6M.

Metro Transit - Bus % of Budget Spent - 4th Qtr.



Financial Management Report

METRO TRANSIT-LIGHT RAIL

Unaudited - dollars in thousands

2024 4th Quarter Financial Report Metro Transit - Light Rail Unaudited - dollars in thousands

Metro Transit - Light Rail				
	Year-End	% Budget	2024 Budget	Variance
Revenues	103,203	100%	103,551	(348)
Expenses	76,360	84%	90,384	14,024
Transfers	(24,026)	96%	(25,069)	1,043
Change in Reserve Balance	2,817		(11,902)	14,719
Beginning Reserve Balance	22,227			
Ending Reserve Balance	25,044			
Target Balance	9,583			

Metro Transit Light Rail

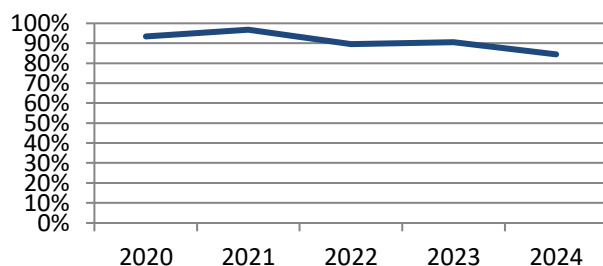
Total revenues were \$0.3M under the budget mainly due to the decrease in passenger fares by \$1.7M and increase in investment earning by \$0.9M. Federal pandemic relief funds of \$13.7M were drawn in September 2024 consistent with the budget.

Total expenses were \$14.0M below the amended budget. These savings are due to vacant positions with labor and benefits under budget \$10M. Materials and supplies were \$4.8M under budget.

Transfers are expected to be \$1.0M under budget due to labor reductions resulting in decreases in allocations. Council allocation at the budget level.

The 2024 amended budget includes a planned use of reserves in the amount of \$11.9M. The year ended with a positive budget balance of \$14.7M bringing the ending reserve balance of \$9.6M.

Metro Transit - Light Rail % of Budget Spent - 4th Qtr.



Financial Management Report

METRO TRANSIT-COMMUTER RAIL

Unaudited - dollars in thousands

2024 4th Quarter Financial Report Metro Transit - Commuter Rail Unaudited - dollars in thousands

Metro Transit - Commuter Rail				
2024				
	Year-End	% Budget	Budget	Variance
Revenues	15,442	99%	15,655	(213)
Expenses	14,342	89%	16,106	1,764
Transfers	(1,148)	43%	(2,651)	1,503
Change in Reserve Balance	(48)		(3,102)	3,054
Beginning Reserve Balance	11,077			
Ending Reserve Balance	11,028			
Target Balance	1,557			

Metro Transit - Commuter Rail

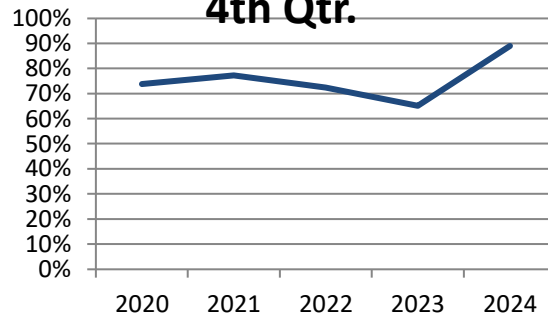
Total revenues were \$0.2M under the amended budget due to decrease in passenger fares by \$0.1M under budget and increase in investment earning by \$0.5M. Local revenue was \$0.8M under the amended budget due to non contributions from county partners.

Total expenses are forecasted at \$1.8M below the amended budget. These savings are due to vacant positions with labor and benefits under budget \$1.6M and \$0.5M fuel cost under budget.

Transfer will be \$1.5M under budget due to labor reductions in the allocation departments resulting in decreases in the allocations. Council allocation at the budget level.

The 2024 amended budget includes a planned use of reserves in the amount of \$3.1M. The year ended with a positive balance of \$3.0M bringing ending reserve balance of \$11.0M.

MT - Commuter Rail % of Budget Spent - 4th Qtr.



Financial Management Report

MTS-Transportation Planning

Unaudited - dollars in thousands

2024 4th Quarter Financial Report Metropolitan Transportation Services - Transportation Planning Unaudited - dollars in thousands

Revenues
Expenses
Transfers
Change in Reserve Balance
Beginning Reserve Balance

Ending Reserve Balance

Target Balance

MTS - Transportation Planning				
Year-End	% Budget	2024 Budget	Variance	
10,817	94%	11,501	(684)	
7,083	77%	9,223	2,140	
(2,692)	104%	(2,594)	(98)	
1,042		(316)	1,358	
10,934				
11,977				
3,545				

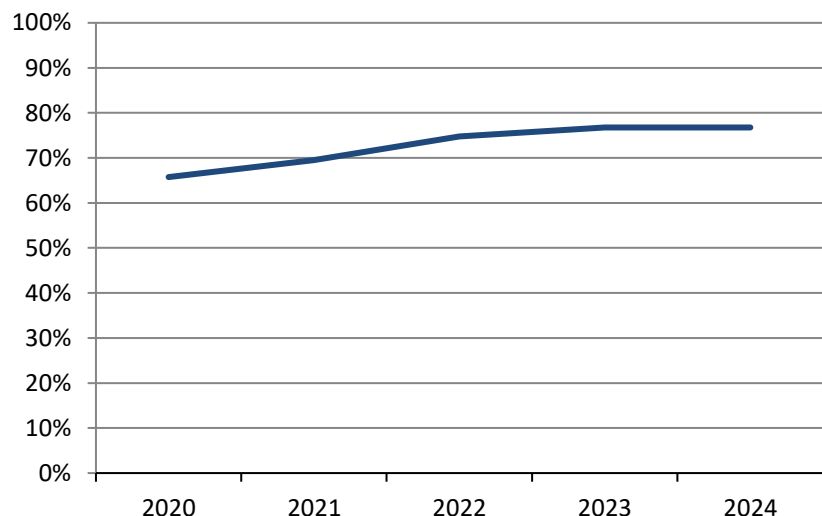
MTS - Transportation Planning

Transportation Planning revenue came in \$0.7M unfavorable to budget for the year. Lower spending on consultant contracts using federal grants resulted in less federal revenue being drawn down than anticipated for the year.

Expenses were favorable to budget by \$2.1M primarily due to lower consulting activity and general administrative expenses.

The year-end reserve balance is \$12.0M for 2024, which is above the Council's minimum reserve target balance of \$3.5M.

MTS - Planning % of Budget Spent - 4th Qtr.



Financial Management Report

MTS-METRO MOBILITY

Unaudited - dollars in thousands

2024 4th Quarter Financial Report Metropolitan Transportation Services - Metro Mobility Unaudited - dollars in thousands

Revenues
Expenses
Transfers
Change in Reserve Balance
Beginning Reserve Balance

Ending Reserve Balance

Target Balance

MTS - Metro Mobility				
Year-End	% Budget	2024	Budget	Variance
98,277	98%	100,678		(2,401)
112,119	95%	118,114		5,995
(3,216)	106%	(3,042)		(174)
(17,058)		(20,478)		3,420
30,560				
13,501				
6,058				

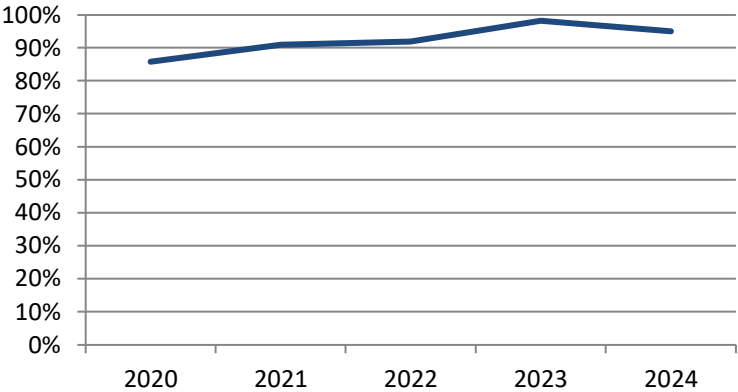
MTS - Metro Mobility

Metro Mobility's revenue was unfavorable by \$2.4M as a result of lower passenger fare and Metro Move revenue than budgeted. Ridership for the year was below budgeted.

Total expenses for Metro Mobility came in favorable to budget by \$6.0M. Lower contracted service expenses is a result of lower than anticipated Metro Move activity (-\$2.0M) and lower fuel costs (-\$4.0M). Fuel costs are down as a result of lower gas prices than anticipated and fewer vehicle hours on the road than budgeted.

The year-end reserve balance is \$13.5M for 2024, which is above the Council's minimum reserve target balance of \$6.1M.

MTS - Metro Mobility % of Budget Spent - 4th Qtr.



Financial Management Report

MTS-CONTRACTED SERVICES

Unaudited - dollars in thousands

2024 4th Quarter Financial Report Metropolitan Transportation Services - Contracted Service Unaudited - dollars in thousands

MTS - Contracted Service				
	Year-End	% Budget	2024 Budget	Variance
Revenues	34,113	104%	32,781	1,332
Expenses	38,672	102%	38,039	(633)
Transfers	(2,477)	102%	(2,435)	(42)
Change in Reserve Balance	(7,036)		(7,693)	657
Beginning Reserve Balance	15,125			
Ending Reserve Balance	8,088			
Target Balance	4,047			

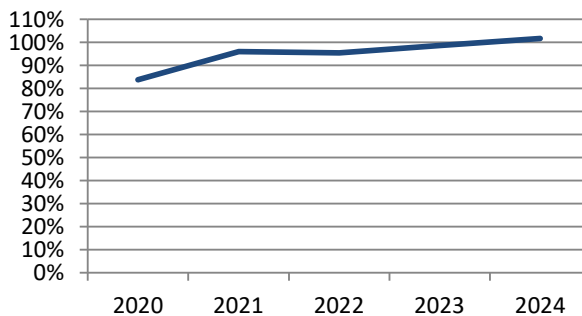
MTS - Contracted Service

Contracted Services revenue are projected to be favorable to budget by \$1.3M as a result of higher interest earnings and passenger fare revenue.

2024 Expenses are forecasted to end the year \$0.6M unfavorable to budget. Increased expenses in Fixed Route (+\$0.5M) and Transit Link (+\$0.3M) are mostly being offset by lower administrative costs (-\$0.2M). Fixed Route is unfavorable to budget as a result of higher than anticipated service activity. The unfavorable variance in Transit Link expenses is a result of higher than budgeted hourly rates.

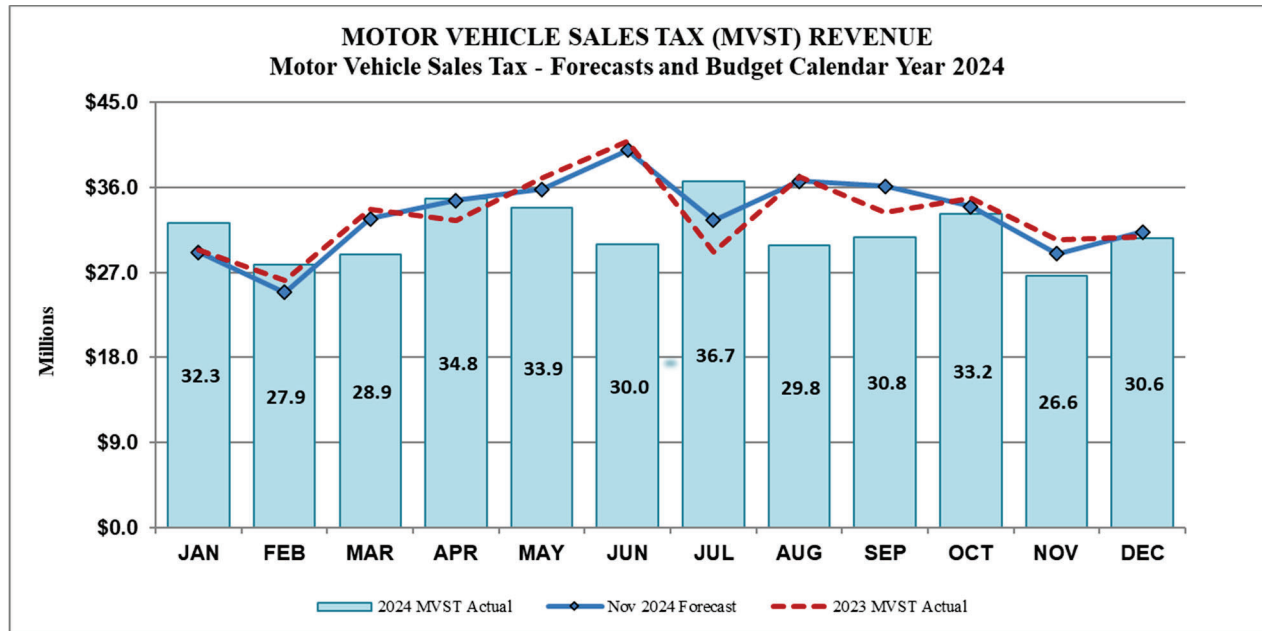
The year-end reserve balance is \$8.1M for 2024, which is above the Council's reserve target balance of \$4.0M.

MTS - Contracted Service % of Budget Spent - 4th Qtr.

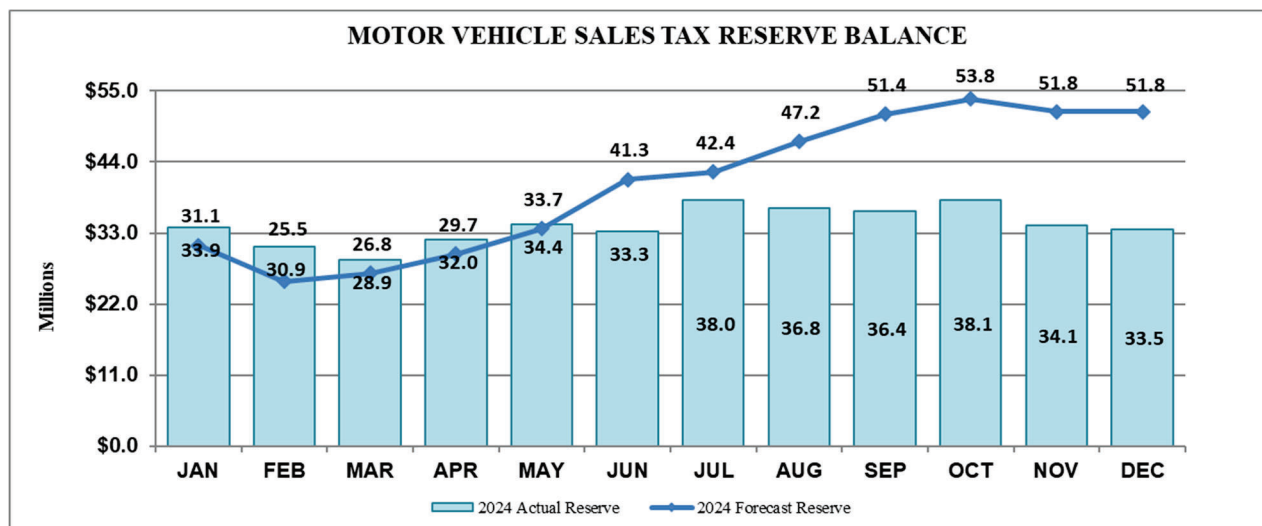


Financial Management Report

MOTOR VEHICLE SALES TAX (MVST) REVENUES



Motor vehicle sales tax receipts for 2024 through December totaled around \$375.5 million, 94.6% of November 2024 forecast through December. MVST reserves were \$33.5 million at the end of December.



Financial Management Report

MOTOR VEHICLE SALES TAX (MVST) REVENUES FORECASTS & BUDGET

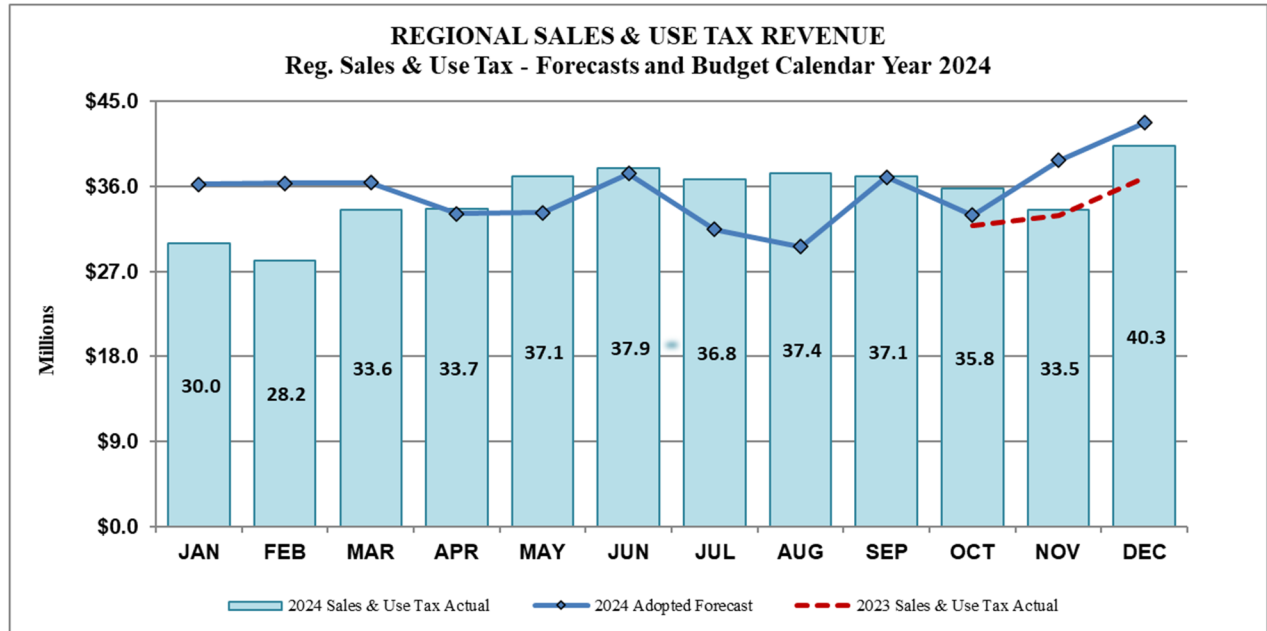
Dollars in millions

MOTOR VEHICLE SALES TAX – FORECASTS AND BUDGET CALENDAR YEAR 2024

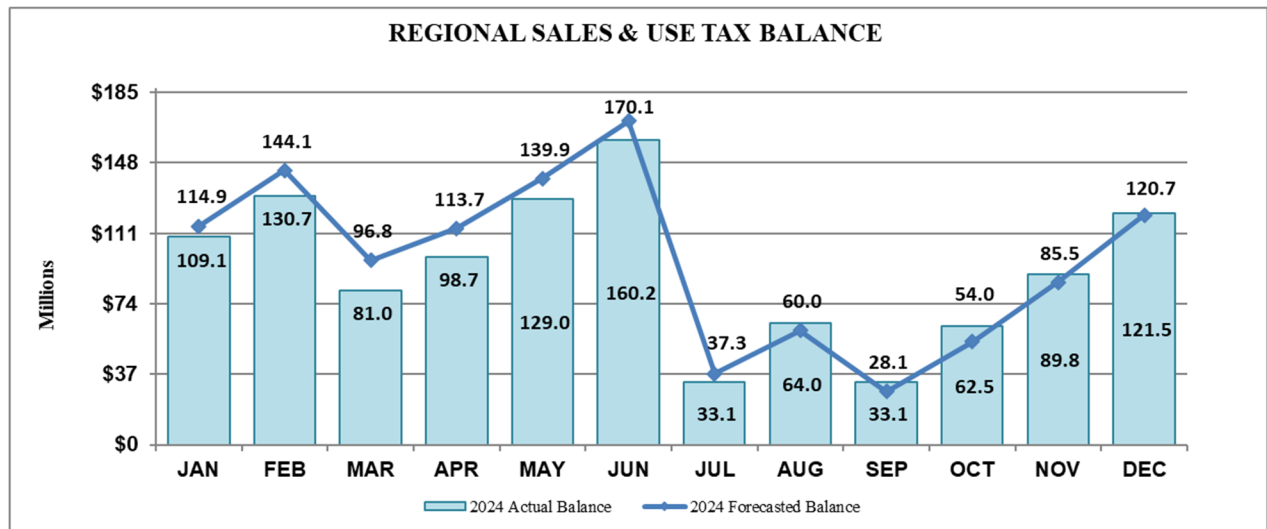
Motor Vehicle Sales Tax – Forecasts and Budget Calendar Year 2024			
(Millions)			
	Total	Jan-Jun	Jul-Dec
Nov 2023 Forecast (2024 Adopted Budget)	376.9	188.5	188.5
2024 Council Budget:			
Current MVST Revenues	360.4	180.2	180.2
Use of MVST Reserve	16.5	8.3	8.3
February 2024 Forecast	396.2	196.9	199.3
YTD Actuals	375.5	187.8	187.7
November 2024 Forecast	396.9	197.2	199.7
YTD Actuals	375.5	187.8	187.7
% of February 2024 Forecast	94.8%	95.4%	94.2%
% of November 2024 Forecast	94.6%	95.2%	94.0%

Financial Management Report

REGIONAL SALES & USE TAX REVENUES



Regional sales & use tax receipts for 2024 through December totaled around \$421.5 million, 99.1% of the Adopted forecast through December. Regional sales & use tax balance was \$121.5 million at the end of December.



Financial Management Report

REGIONAL SALES & USE TAX REVENUES FORECASTS & BUDGET

Dollars in millions

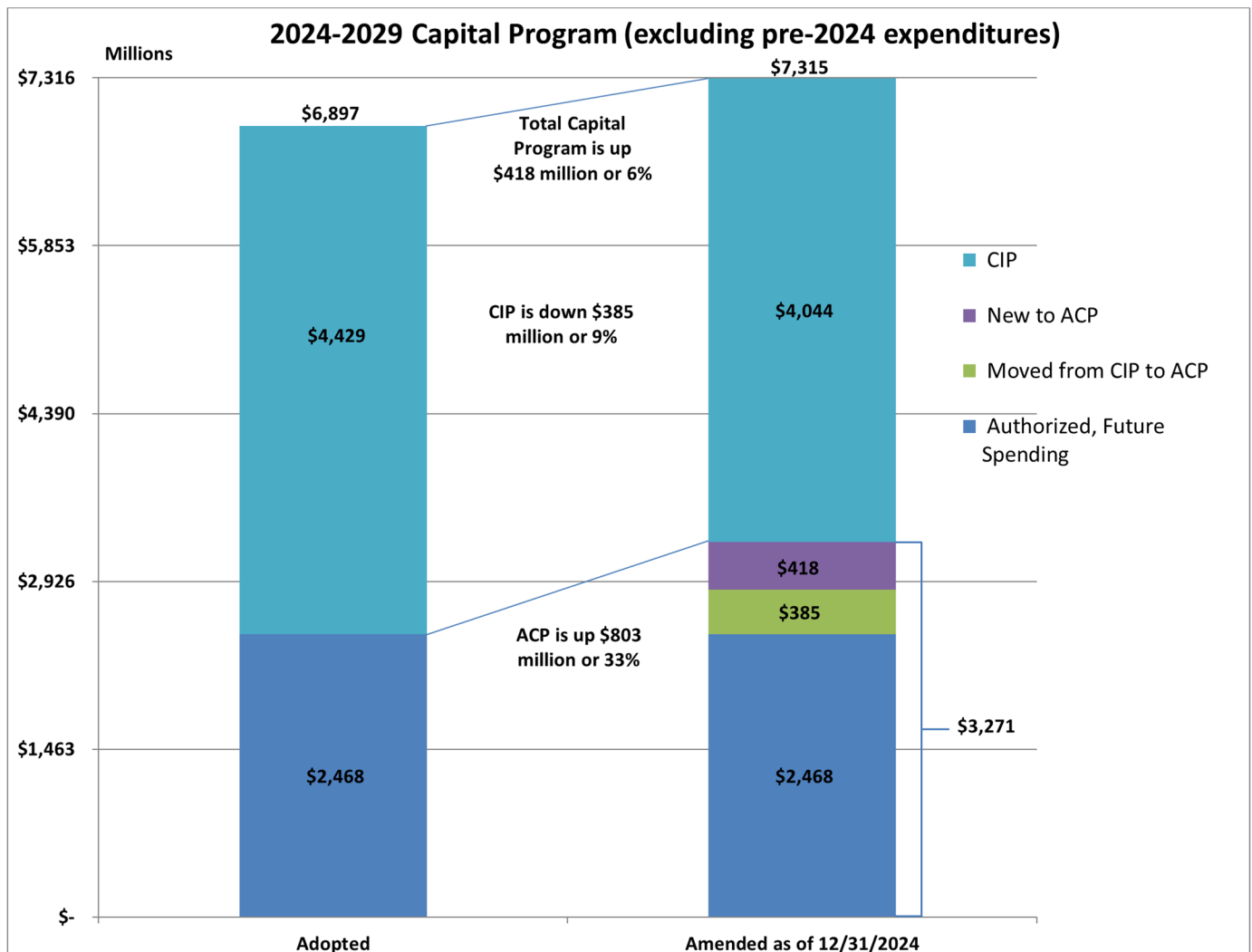
REGIONAL SALES & USE TAX – FORECASTS AND BUDGET CALENDAR YEAR 2024

Regional Sales & Use Tax – Forecasts and Budget Calendar Year 2024			
(Millions)			
	Total	Jan-Jun	Jul-Dec
Nov 2023 Forecast (2024 Adopted Budget)	425.4	212.8	212.6
2024 Council Budget:			
Current Sale Tax Revenues	84.9	28.3	56.6
Use of Sales Tax Balance	340.5	113.5	227.0
November 2023 Forecast	425.4	212.8	212.6
YTD Actuals	421.5	200.5	220.9
February 2024 Forecast	415.7	207.9	207.8
YTD Actuals	421.5	200.5	220.9
% of November 2023 Forecast	99.1%	94.2%	103.9%
% of February 2024 Forecast	101.4%	96.4%	106.3%

2024-2029 CAPITAL PROGRAM

Capital Program (Excluding Pre-2024 Expenditures)

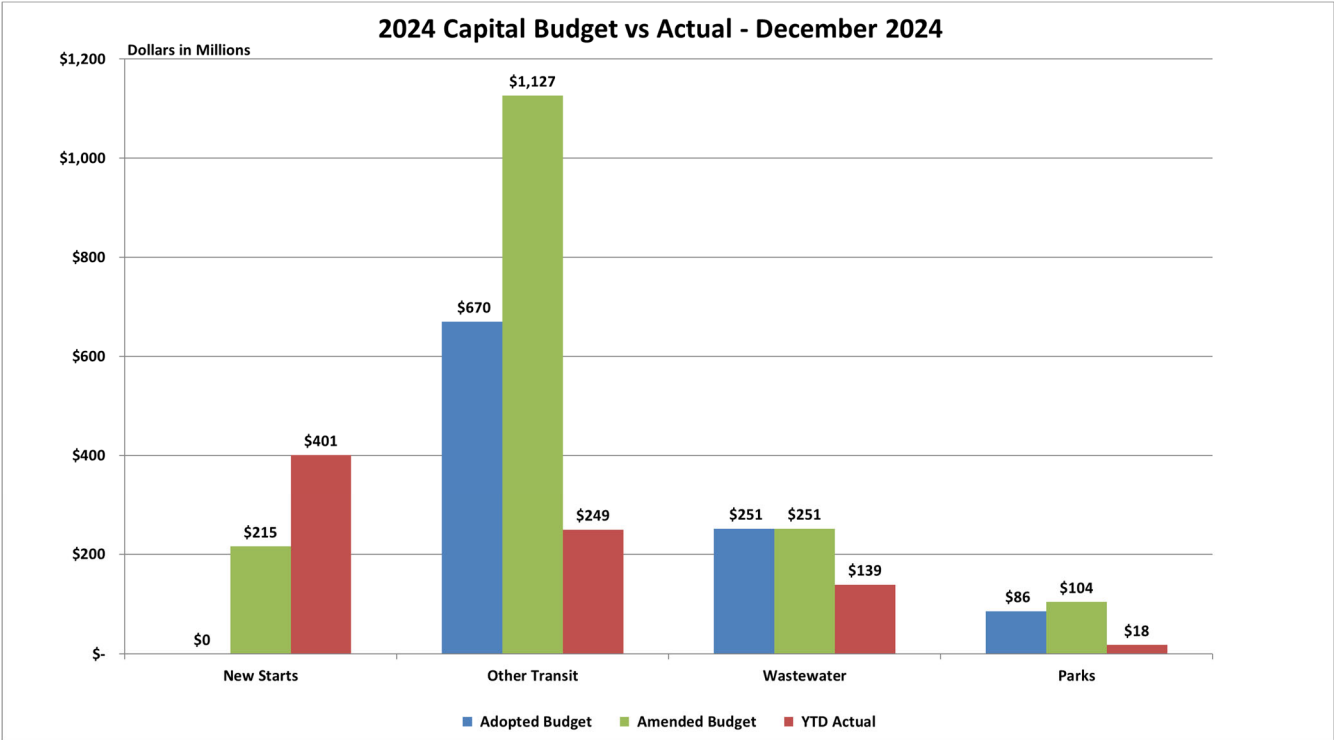
The Capital Program (excluding pre-2024 expenditures) increased by \$418 million, or a 6% increase, for amendments through December 2024. The authorized portion of the capital program (ACP) is up \$803 million, or a 33% increase, through December 2024. The ACP typically increases during the year as federal, state, and regional funding becomes available to transit and parks. Additionally, projects are moved from the planned portion of the capital program, called the capital improvement plan (CIP), to the authorized capital program (ACP) throughout the year.



CAPITAL SPENDING

Capital Budget

The adopted 2024 Capital Budget was \$1.007 billion. Amendments through December 2024 increased the amended 2024 Capital Budget to \$1.697 billion. Actual 2024 capital expenditures total 80% of the adopted budget and 48% percent of the amended budget. Actual expenditures as a percent of their amended budget were 48% for transit projects, 55% for wastewater projects and 17% for parks projects.



Financial Management Report

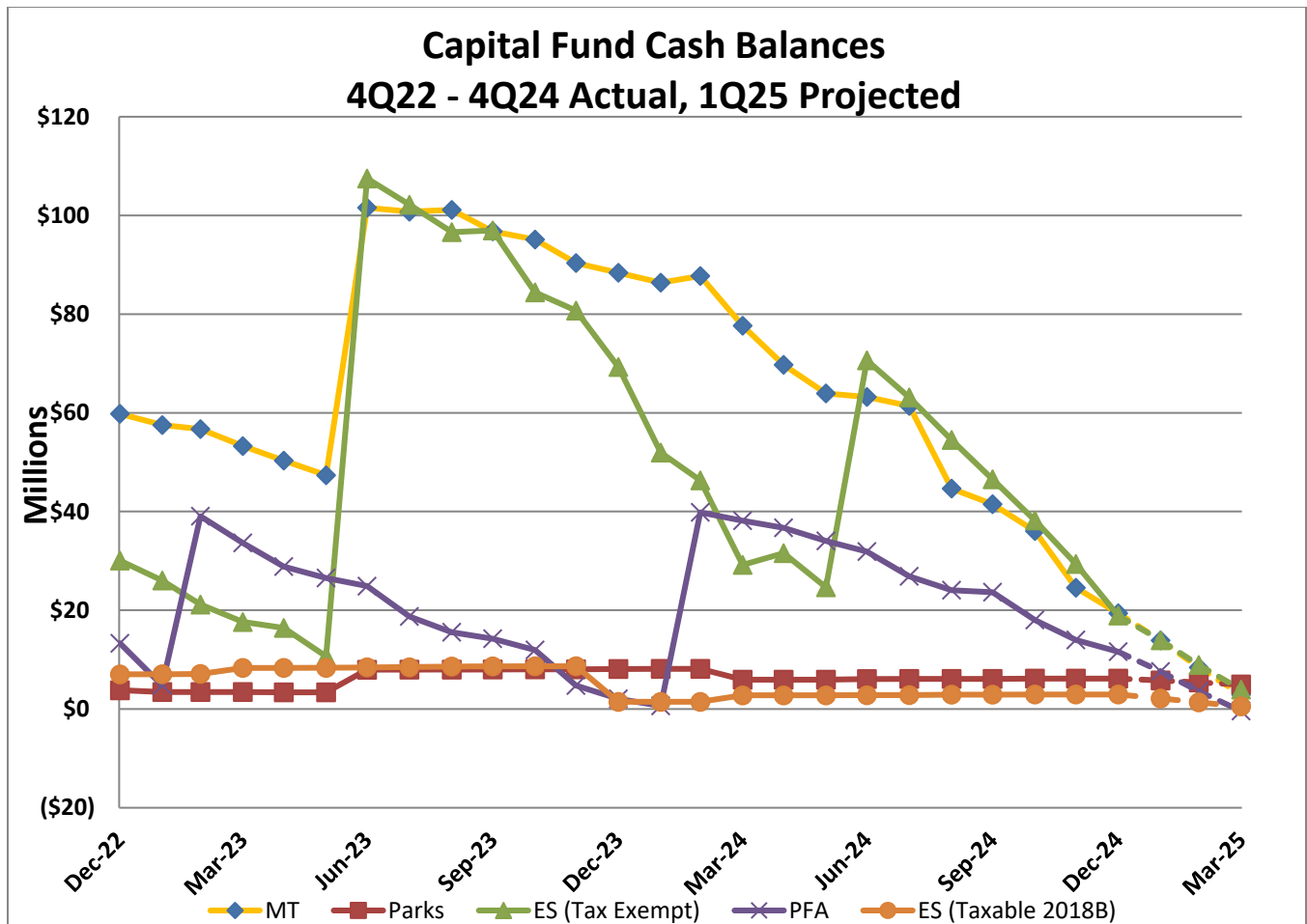
CAPITAL FUND CASH BALANCES

At the end of the 4th quarter, Transit had approximately \$19.3 million of cash remaining to be spent from its 2023 bond issuance. The pace of Transit capital spending stayed the same as previous during the quarter, as the average monthly capital spend went from \$7.2 million per month in the third quarter to \$7.3 million per month in the final quarter.

At the end of the quarter, Environmental Services had approximately \$18.9 million of cash remaining to be spent from latest 2024 issuance. The pace of Environmental Services capital spending increased during the fourth quarter, as the average monthly spend was \$9.2 million per month, up from the third quarter at \$8.03 million per month. In addition to bond debt, Environmental Services had a 2024 PFA loan balance available to draw on of \$11.5 million at year end. The average monthly draw on this loan has been \$2.7 million YTD.

At the end of the quarter, Parks had approximately \$6 million of cash remaining to be spent from its 2023 bond issuance. Parks capital spending came to a halt from third to fourth quarter.

The Council's outstanding debt is continually monitored for refunding opportunities, at present there are no scenarios to consider.



STATEMENT OF REVENUES AND EXPENSES
General Fund
December 31, 2024
Unaudited

	YTD ACTUALS	2024 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Property Taxes	18,261,954	18,427,232	(165,278)
State Revenues	270,722	-	270,722
Investment Earnings	1,950,853	691,835	1,259,018
Chargebacks - MAC	54,131	-	54,131
Other Revenue	246,958	640,000	(393,042)
Total Revenues	20,784,618	19,759,067	1,025,551
<u>EXPENSES</u>			
Salary and Benefits	64,883,129	67,891,361	3,008,232
Consulting & Contractual Services	34,674,914	38,208,920	3,534,006
Rent & Utilities	5,907,465	6,010,478	103,013
Printing	38,744	52,600	13,856
Travel & Professional Development	948,333	1,204,944	256,611
Insurance	241,511	123,000	(118,511)
Other Operating Expense	4,211,027	6,350,331	2,139,304
Total Expenses	110,905,123	119,841,634	8,936,511
<u>TRANSFERS</u>			
Transfer In	99,974,988	103,065,215	(3,090,227)
Transfer Out	(6,917,330)	(6,852,025)	(65,305)
Total Transfers	93,057,658	96,213,190	(3,155,532)
Change in Reserve Balance	2,937,153	(3,869,377)	6,806,530
Beginning Fund Balance	35,115,853		
Assigned/Committed	(7,971,822)		
Carry Over	(1,580,802)		
Ending Unassigned Reserve Balance	28,500,381		
2024 Target Balance (10%)	11,984,163		

STATEMENT OF REVENUES AND EXPENSES
Environmental Services
December 31, 2024

Unaudited

	YTD ACTUALS	2024 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Municipal Wastewater Charges	281,587,000	281,587,000	-
Industrial Charges	21,921,832	18,500,000	3,421,832
State Appropriations Revenue	1,972,733	1,125,000	847,733
Investment Earnings	3,882,043	800,000	3,082,043
Other Revenue	738,600	558,352	180,248
Total Revenues	310,102,208	302,570,352	7,531,856
<u>EXPENSES</u>			
Salary and Benefits	87,441,009	86,191,292	(1,249,717)
Consulting & Contractual Services	25,074,850	22,232,895	(2,841,955)
Rent & Utilities	17,890,200	25,446,884	7,556,684
Travel	468,731	763,499	294,768
Materials & Supplies	15,413,669	14,188,351	(1,225,318)
Chemicals	14,878,894	17,661,618	2,782,724
Capital Outlay	3,551,828	2,461,510	(1,090,318)
I&I, Storm water, CWF, WOMP Grant Expense	455,809	47,950	(407,859)
Other Operating Expense	1,112,167	1,889,682	777,515
Total Expenses	166,287,156	170,883,681	4,596,525
<u>TRANSFERS</u>			
SAC Transfer	57,768,000	57,768,000	-
Transfers In	427,152	350,000	77,152
Debt Service	(156,500,004)	(156,500,000)	(4)
Transfer Out - RA Expense Allocation	(22,644,249)	(23,531,547)	887,298
Transfers Out	(11,423,122)	(11,000,000)	(423,122)
Total Transfers	(132,372,223)	(132,913,547)	541,324
Change in Reserve Balance	11,442,830	(1,226,876)	12,669,706
Beginning Reserve Balance	45,628,765		
Ending Unassigned Reserve Balance	57,071,595		
2024 Target Balance (10%)	17,088,368		

STATEMENT OF REVENUES AND EXPENSES
Housing and Redevelopment Authority (HRA)
December 31, 2024
Unaudited

	YTD ACTUALS	2024 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	YTD ACTUAL PASS THROUGH
<u>REVENUES</u>				
Federal Revenue	103,164,585	101,273,330	1,891,255	93,467,512
State Revenue	13,140	318,000	(304,860)	-
Investment Earnings	584,941	-	584,941	-
Other Revenue	4,219,056	3,971,991	247,065	-
Total Revenues	107,981,722	105,563,321	2,418,401	93,467,512
<u>EXPENSES</u>				
Salary and Benefits	6,937,692	7,292,840	355,148	-
Consulting & Contractual Services	1,203,770	1,341,344	137,574	-
Rent & Utilities	142,836	147,311	4,475	-
Housing Expenses	96,925,746	95,279,096	(1,646,650)	94,257,178
Travel	38,136	71,590	33,454	-
Insurance	81,253	100,000	18,747	-
Other Operating Expense	228,962	464,821	235,859	-
Total Expenses	105,558,395	104,697,002	(861,393)	94,257,178
<u>TRANSFERS</u>				
Transfer In - Allocation	50,000	50,000	-	-
Transfer Out - RA Expense Allocation	(1,376,450)	(1,590,648)	214,198	-
Transfer Out	(2,000,000)	(2,024,722)	24,722	-
Total Transfers	(3,326,450)	(3,565,370)	238,920	-
Change in Reserve Balance	(903,124)	(2,699,051)	1,795,927	(789,666)
Beginning Reserve Balance:				
Operating	17,260,379			
Federal Passthrough (HAP Assistance)	244,388			
Total Beginning Balance	17,504,767			
Change in Reserve Balance:				
Operating	(113,458)			
Federal Passthrough	(789,666)			
Total Change in Reserve Balance	(903,124)			
Ending Reserve Balance	16,601,643			
2024 Target Balance (8.3%)	8,985,777			

STATEMENT OF REVENUES AND EXPENSES
Metro Transit - Bus Operations

December 31, 2024

Unaudited

	YTD ACTUALS	2024 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Passenger Revenues	28,938,047	37,800,755	(8,862,708)
Auxiliary Transit Revenue	809,565	2,000,000	(1,190,435)
State Revenue - MVST	296,008,000	296,008,000	-
Regional Sales Tax	10,000,000	10,000,000	-
Federal Grants	19,564,169	24,465,450	(4,901,281)
Investment Earnings	13,177,881	500,000	12,677,881
Other Revenue	2,423,615	3,289,623	(866,008)
Total Revenues	370,921,276	374,063,828	(3,142,552)
<u>EXPENSES</u>			
Salary and Benefits	294,369,906	344,000,712	49,630,806
Consulting & Contractual Services	18,865,554	20,468,798	1,603,245
Fuel	14,108,164	18,527,347	4,419,183
Materials & Supplies	23,248,881	27,017,013	3,768,131
Utilities	5,067,990	5,980,913	912,923
Other Operating Expense	4,050,810	18,311,591	14,260,781
Total Expenses	359,711,305	434,306,373	74,595,068
<u>TRANSFERS</u>			
Transfer In - Transit Allocations	18,622,041	21,166,887	(2,544,846)
Transfer Out - RA Expense Allocation	(61,606,934)	(61,606,934)	-
Transfer Out - Capital Program	-	-	-
Total Transfers	(42,984,892)	(40,440,046)	(2,544,846)
Change in Reserve Balance	(31,774,921)	(100,682,592)	68,907,670
Beginning Reserve Balance	261,405,447		
Ending Reserve Balance	229,630,526		
2024 Target Balance (8.3 - 12.5%)	39,403,953		

STATEMENT OF REVENUES AND EXPENSES
Metro Transit - Light Rail Operations
December 31, 2024

Unaudited

	YTD ACTUALS	2024 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Passenger Revenues	12,524,093	14,179,970	(1,655,877)
Auxiliary Transit Revenue	203,098	1,237,276	(1,034,178)
Regional Sales Tax	46,936,368	45,158,008	1,778,360
State Revenue - GF Appropriation	28,922,421	29,224,121	(301,700)
Investment Earnings	878,732	25,250	853,482
Other Revenue	25,559	13,023	12,536
Total Revenues	103,203,139	103,550,516	(347,377)
<u>EXPENSES</u>			
Salary and Benefits	59,226,402	69,237,031	10,010,629
Consulting & Contractual Services	5,792,017	5,034,316	(757,701)
Fuel	20,090	57,677	37,587
Materials & Supplies	4,015,593	8,863,268	4,847,675
Utilities	5,844,911	6,385,783	540,872
Other Operating Expense	1,461,478	806,144	(655,334)
Total Expenses	76,360,491	90,384,219	14,023,728
<u>TRANSFERS</u>			
Transfer Out - Transit Allocations	(18,256,697)	(19,299,248)	1,042,551
Transfer Out - RA Expense Allocation	(5,769,489)	(5,769,489)	-
Total Transfers	(24,026,186)	(25,068,737)	1,042,551
Change in Reserve Balance	2,816,462	(11,902,440)	14,718,902
Beginning Reserve Balance	22,227,039		
Ending Reserve Balance	25,043,501		
2024 Target Balance (8.3 - 12.5%)	9,582,595		

Appendix

Metro Transit Commuter Rail Operations

STATEMENT OF REVENUES AND EXPENSES Metro Transit - Commuter Rail Operations December 31, 2024

Unaudited

	YTD ACTUALS	2024 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Passenger Revenues	392,790	506,007	(113,217)
State Revenue - MVST	3,429,876	3,429,879	(3)
Regional Sales Tax	6,574,896	6,390,523	184,373
Local Revenue - Counties / MNDOT	1,678,432	2,452,620	(774,188)
Federal Revenues	2,875,682	2,875,682	-
Investment Earnings	489,974	-	489,974
Total Revenues	15,441,650	15,654,711	(213,061)
<u>EXPENSES</u>			
Salary and Benefits	5,086,603	6,687,917	1,601,314
Consulting & Contractual Services	4,138,869	3,906,980	(231,889)
Fuel	740,413	1,209,020	468,607
Materials & Supplies	1,145,327	719,801	(425,526)
Utilities	480,708	415,628	(65,080)
Other Operating Expense	2,750,390	3,166,939	416,548
Total Expenses	14,342,310	16,106,285	1,763,974
<u>TRANSFERS</u>			
Transfer Out - Transit Allocations	(365,346)	(1,867,644)	1,502,298
Transfer Out - RA Expense Allocation	(782,856)	(782,856)	-
Total Transfers	(1,148,202)	(2,650,500)	1,502,298
Change in Reserve Balance	(48,862)	(3,102,074)	3,053,211
Beginning Reserve Balance	11,077,108		
Ending Reserve Balance	11,028,246		
2024 Target Balance (8.3 - 12.5%)	1,556,813		

STATEMENT OF REVENUES AND EXPENSES
MTS -Transportation Planning
December 31, 2024

Unaudited

	YTD ACTUALS	2024 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Federal Revenue	5,098,081	6,165,441	(1,067,360)
State Revenue - MVST	4,550,000	4,550,000	-
Regional Sales Tax	649,998	650,000	(2)
Investment Earnings	379,793	-	379,793
Chargebacks from MAC	139,474	136,000	3,474
Total Revenues	10,817,346	11,501,441	(684,095)
<u>EXPENSES</u>			
Salary and Benefits	4,584,790	4,869,414	284,624
Consulting & Contractual Services	2,054,167	3,960,711	1,906,544
Rent & Utilities	149,853	150,535	682
Travel	61,245	65,000	3,755
Grants	59,359	-	(59,359)
Other Operating Expense	173,338	177,105	3,767
Total Expenses	7,082,752	9,222,765	2,140,013
<u>TRANSFERS</u>			
Chargebacks from MAC			
Transfer Out - RA Expense Allocation	(2,691,924)	(2,594,377)	(97,547)
Total Transfers	(2,691,924)	(2,594,377)	(97,547)
Change in Reserve Balance	1,042,670	(315,701)	1,358,371
Beginning Reserve Balance	10,934,187		
Ending Reserve Balance	11,976,857		
2024 Target Balance (30%)	3,545,000		

STATEMENT OF REVENUES AND EXPENSES
MTS - Metro Mobility
December 31, 2024

Unaudited

	YTD ACTUALS	2024 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Passenger Revenue	5,757,100	7,019,730	(1,262,630)
Federal Revenue	33,394,629	34,841,204	(1,446,575)
State Appropriations	57,370,629	58,817,204	(1,446,575)
Investment Earnings	1,754,631	-	1,754,631
Total Revenues	98,276,989	100,678,138	(2,401,149)
<u>EXPENSES</u>			
Salary and Benefits	3,043,919	3,640,767	596,848
Consulting & Contractual Services	100,091,153	102,154,100	2,062,947
Fuel	7,387,429	11,441,244	4,053,815
Rent & Utilities	87,979	111,047	23,068
Travel	14,163	32,000	17,837
Other Operating Expense	1,494,647	735,078	(759,569)
Total Expenses	112,119,290	118,114,236	5,994,946
<u>TRANSFERS</u>			
Transfer Out - RA Expense Allocation	(3,215,803)	(3,041,974)	(173,829)
Total Transfers	(3,215,803)	(3,041,974)	(173,829)
Change in Reserve Balance	(17,058,105)	(20,478,072)	3,419,967
Beginning Reserve Balance	30,559,533		
Ending Reserve Balance	13,501,429		
2024 Target Balance (5%)	6,058,000		

STATEMENT OF REVENUES AND EXPENSES
MTS - Contracted Service
December 31, 2024

Unaudited

	YTD ACTUALS	2024 BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<u>REVENUES</u>			
Passenger Revenues	1,626,506	1,363,614	262,892
Federal Revenue	2,651,638	2,417,552	234,086
State Revenue - MVST	29,000,000	29,000,000	-
Investment Earnings	834,537	-	834,537
Total Revenues	34,112,681	32,781,166	1,331,515
<u>EXPENSES</u>			
Salary and Benefits	923,852	1,064,636	140,784
Consulting & Contractual Services	37,185,228	36,321,761	(863,467)
Rent & Utilities	54,731	109,669	54,938
Travel	2,329	12,500	10,171
Other Operating Expense	506,192	530,526	24,334
Total Expenses	38,672,332	38,039,092	(633,240)
<u>TRANSFERS</u>			
Transfer Out - RA Expense Allocation	(1,099,754)	(1,057,225)	(42,529)
Transfers Out - MVST Capital Fund	(1,377,552)	(1,377,552)	-
Total Transfers	(2,477,306)	(2,434,777)	(42,529)
Change in Reserve Balance	(7,036,957)	(7,692,703)	655,746
Beginning Reserve Balance	15,124,658		
Ending Reserve Balance	8,087,701		
 2024 Target Balance (10%)	 4,047,000		

STATEMENT OF REVENUES AND EXPENSES
Self-Insurance
December 31, 2024
Unaudited

	MEDICAL	DENTAL	TOTAL
<u>REVENUES</u>			
Medical premiums:			
Active employees	81,750,099	4,079,427.71	85,829,527
Retirees	7,161,785	1,177,545.90	8,339,331
Investment Earnings	1,792,061	268,979	2,061,040
Other Revenue	2,460,967	-	2,460,967
Total Revenues	93,164,912	5,525,953	98,690,865
<u>EXPENSES</u>			
Claims and Fees	92,561,385	5,210,559	97,771,944
Services	1,548,453	-	1,548,453
Other Operating Expense	43,920	-	43,920
Total Expenses	94,153,758	5,210,559	99,364,316
Change in Reserve Balance	(988,845)	315,394	(673,451)
Beginning Reserve Balance	33,249,154	6,242,336	39,491,490
Ending Reserve Balance	32,260,308	6,557,731	38,818,039

STATEMENT OF REVENUES AND EXPENSES
Other Post Employment Benefits
December 31, 2024

Unaudited

	ES RETIREE HEALTH	MT RETIREE HEALTH	RA RETIREE HEALTH	TOTAL
<u>REVENUES</u>				
Investment Earnings	(52,578)	(68,281)	(12,474)	(133,333)
Unrealized Gain/Loss	20,177,103	33,513,009	1,311,353	55,001,466
Total Revenues	20,124,526	33,444,728	1,298,880	54,868,133
<u>EXPENSES</u>				
Post Retirement Health Care	(3,412,074)	5,833,231	628,646	3,049,803
Contractual Services	9,854	27,301	1,045	38,200
Total Expenses	(3,402,220)	5,860,532	629,691	3,088,003
Change in OPEB fund	23,526,745	27,584,196	669,188	51,780,129
Beginning Asset Value	98,253,056	254,352,745	10,301,916	362,907,718
Change in Net OPEB Obligation (NOO)	14,424,695	13,495,511	256,556	28,176,763
Ending Asset Value	112,677,751	267,848,257	10,558,473	391,084,480