



# Management Committee

Meeting date: November 14, 2012

## ADVISORY INFORMATION

**Date:** Nov 14, 2012  
**Subject:** Mid-term (3<sup>rd</sup> Quarter) Financial Report – September 30, 2012  
**District(s), Member(s):** All  
**Policy/Legal Reference:** Council Policy 3 – Finance and Asset Management  
**Staff Presented:** Mary Bogie 651-602-1359, Edwin Petrie 612-349-7624, Jason Willett 651-602-1196  
  
**Division/Department:** Regional Administration/Finance

Financial Statements are attached for Council operating funds for the Third quarter ending September 30, 2012. The narrative below provides information on significant events for each operating fund.

### 3rd Quarter Financial Report – September 30, 2012

#### **General Fund**

General Fund operating expenses are projected to be \$5.3 million under budget by 2012 year-end. Both Regional Administration and Community Development Divisions contribute to the positive variance. Expense categories for *Salaries and Benefits*, *Consulting and Contractual Services*, and *Grants – Small Business Support Loan and Grant Program* were primary factors for the positive variance.

*Salaries and Benefits* savings resulting from the lead time necessary to fill currently funded vacancies and lower than budgeted health insurance rates result in a positive variance of \$2.9 million by the end of the year.

The *Small Business Support Loan and Grant Program* is intended to support to businesses through the Central Corridor Light Rail Project construction. The Council's share of this multi-year program is \$2.5 million. During 2011, \$0.6 was awarded to Central Corridor businesses. Through the 3<sup>rd</sup> quarter 2012 an additional \$0.6 million was awarded and an additional \$0.9 million is expected to be awarded by year-end. A projected budget carryover request of \$0.4 million is anticipated to support business during the 2013 construction season.

A projected \$1.7 million positive year-end variance in *Consulting and Contractual Services* results from lower than expected calendar year expenses for outside legal and administrative systems projects for budget and grants management where final project implementations are expected in 2013. A projected budget carryover request of \$0.6 is anticipated for these multi-year projects.

The 2012 General Fund adopted budget projected a \$1.5 million addition in operating reserves. The Council has approved amendments totaling \$4.1 million through September 2012, resulting in an amended budgeted use of reserves of \$2.6 million.

The General Fund is projecting a year-end balance of \$12 million. Taking into consideration anticipated 2013 carryover requests to complete multiyear projects, an available balance of \$11 million is projected and compares to the Council's target of \$4.2 million (10% of budgeted operating expenses).

Savings in General Fund operations are shared with operating division through lower than budgeted allocations. Metro Transit and Environmental Services is projected to save \$1.5 million and \$1.2 million, respectfully.

### **Environmental Services**

Environmental Services (ES) operating expenses are projected to be under budget by roughly \$4.9 million from the 2012 amended budget; however there is a fair amount of uncertainty in this forecast. Currently, salary and benefits are expected to be under the 2012 budget by approximately \$2.9 million, but that is dependent on the timing of filling vacancies. Non-salary related expenses are currently forecasted at \$2 million under budget, primarily in the area of utilities (\$1.3 million under budget) and capital expenses not part of capital projects (\$1 million under budget).

ES is currently projecting operating revenues to be under budget by \$1.0 million. This is due primarily to resolving flow measurement errors for two communities (- \$2.3 million). However; that is somewhat mitigated by receipt of \$0.5 million from FEMA as reimbursement for flood related costs incurred in 2011 and the current expectation that industrial fees will exceed budget by \$0.65 million, along with higher than expected miscellaneous revenue (\$0.15 million).

Environmental Services (ES) operations has an amended 2012 budgeted use of reserves of \$9.3 million, including \$4.3 million for the current year SAC transfer ("the SAC shift"), \$2.6 million for the 2011 Carry-forward Budget Amendment, and a third quarter budget amendment of \$2.4 million for PFOS litigation costs. With the above forecasted variances, ES is currently forecasting a use of reserves of only approximately \$4.2 million. This positive operating variance would bring the ES operating reserve to \$26.3 million or 24% of proposed FY 2013 operating expenses by the end of FY 2012 - as compared to the target of \$12.4 million. An additional \$11 million of this amount was also designated by the Council for possible future SAC shifts, which at this point does not appear to be needed (and is not included in the proposed 2013 budget).

SAC units collected continue to substantially exceed the pace of 2011 receipts and the 2012 budget expectation, with 8,942 units paid to date with partial reporting through September.

### **Housing and Redevelopment Authority**

The Housing and Redevelopment Authority (HRA) finished third quarter showing a year to date positive change in fund balance of \$0.8 million. This is the result of timing differences due to receipt of reimbursements and housing expenses and under-spending in *Salaries and Benefits* and *Consulting and Contracted Services*. This will even out over the 4<sup>th</sup> quarter with projected year-end savings in operating expenses of \$0.2 million.

The HRA is projecting a \$0.6 million addition to operating reserves of a year end 2012 balance of \$6.6 million, exceeding the Council's target fund balance of \$4.1 million or 8.3% of annual budgeted operating expenses.

### **Metro Transit**

#### *Bus Operations*

Metro Transit bus operations had an adopted 2012 budgeted use of reserves of \$0.713 million.

Metro Transit is currently forecasting a net income of approximately \$6.0 million. This positive operating result will bring the Metro Transit Bus operating reserve to \$43.4 million or 15.9% of budgeted CY 2013 expenses, by the end of CY 2012.

Metro Transit bus ridership was 458,356 below the budgeted level for the first nine months of CY 2012. This decrease has mostly been in routes temporarily impacted by construction. The average fare per passenger has been over budget by \$0.03. The result has been an increase in total fares of \$795 thousand for the first nine months and a projection of \$1 million increase for year end. In addition a positive revenue variance has been achieved in advertising revenues, federal revenues, investment earnings, scrap sales and warranty recovery giving revenue an overall year to date positive variance. Calendar year end 2012 revenues are projected to be at the budgeted level. Overall, projected cost containment in expenses will make it unnecessary to draw approximately \$2.5 million in Federal revenues anticipated in the budget to cover operating expenses for preventative maintenance. These Federal funds will be available for use in the future years for operating and capital needs.

Metro Transit bus operating expenses are under budget by \$9.0 million from the 2012 YTD budget and are expected to be \$6.0 million under budget for CY 2012. *Salaries and Benefits* were under budget by \$3.5 million and will be \$3.1 million

under budget for the year end. This savings has come through temporarily not filling of vacant positions; *Consulting and Contractual Services* were under budget \$0.758 million for the first nine months and will be \$0.2 million under budget for the year due to savings on various maintenance contracts; *Diesel Fuel* was under budget \$1.06 million due to diesel prices dropping significantly during 2012 and will finish the year \$1.3 million under budget; Utilities are projected to be \$0.611 million under budget due to energy enhancement programs.

#### *Light Rail Operations*

Metro Transit Hiawatha Light Rail has a 2012 balanced budget. Light Rail operations are currently forecasting to finish the year with a positive variance of approximately \$0.335 million. This positive variance will bring the Light Rail operating reserves to \$2.7 million, or 10.8% of budgeted CY 2013 expenses by the end of CY 2012.

Light Rail ridership was 36,189 passengers below budget for the first nine months of 2012. This has been offset by passenger fares being \$.02 per passenger over budget resulting in projected Passenger fares being \$127 thousand over the budgeted level. Advertising revenue has increased \$394 thousand over budget due to increased advertising sales. In addition, there have been cost savings of \$0.992 million during the first nine months of CY2012. *Salaries and Benefits* were under budget by \$0.526 million through temporarily not filling of vacant positions. This is projected to be under by \$0.321 million by year end. Utility savings is projected to be under by \$0.2 million by the end of 2012.

#### *Commuter Rail Operations*

Metro Transit Commuter rail operations have a CY 2012 balanced budget. Metro Transit is currently forecasting a net income of \$0.191 million. This positive operating result will bring the Commuter rail reserve to \$2.8 million or 16.6% of budgeted CY 2013 expenses by the end of CY 2012.

Metro Transit Northstar Commuter Rail ridership for the first nine months of 2012 was \$67,742 below budget. This resulted in passenger fares being \$0.265 million below the budgeted level.

Northstar operating expenses are projected to be \$0.44 million under budget at the end of the year. Most of these reductions have been in *Consulting and Contractual services* due to savings in various external train maintenance contracts, repair parts due to many vehicle repairs being completed under warranty and salaries and benefits due to temporarily not filling vacant positions.

## **Metropolitan Transportation Services**

### *Transportation Planning*

Transportation Planning expects revenues to be under budget by \$1.7 million due to UPWP projects that will extend beyond the end of the current year.

Transportation Planning's reserved balance is expected to be \$0.7 million at the end of the year compared to the Council's target of \$0.65 million.

The target fund balance policy for Transportation Planning is 10% of budgeted operating expenses.

### *Metro Mobility*

Metro Mobility fare revenues (round trip ticket and metro passes) are expected to exceed budgeted amounts due to higher than expected ridership demand. Operating expenses are also expected to be over budget by \$1.5 million due to continued ridership growth. Additional expense authority was approved by the Transportation and Management Committees in October and will be heard by the Council on November 14.

Metro Mobility expects to use \$3.2 million of its reserves by the end of 2012.

The target fund balance policy for Metro Mobility is 10% of budgeted operating expenses.

### *Contracted Service*

Contracted Services revenues and expenses are expected to be on budget.

Contracted Services continues to anticipate using \$0.47 million of its reserves to reach its target fund balance by the end of 2012.

The target fund balance policy for Contracted Services is 10% of budgeted operating expenses.

**OPERATING FUNDS**  
**STATEMENT OF REVENUES AND EXPENSES**  
**As of September 30, 2012**  
(in thousands)  
**Unaudited**

	General Fund				
	YTD Actuals	YTD Budget	Variance*	2012 Budget	Variance*
Revenues	9,458	11,503	(2,045)	16,577	(7,119)
Expenses	30,074	35,470	5,396	48,937	18,863
Transfers	19,606	22,293	(2,687)	29,724	(10,118)
Change in Reserve Balance	(1,010)	(1,674)	664	(2,636)	1,626

	Environmental Services				
	YTD Actuals	YTD Budget	Variance*	2012 Budget	Variance*
Revenues	139,204	139,016	188	189,158	(49,954)
Expenses	80,282	84,438	4,156	113,660	33,378
Transfers	(59,730)	(60,471)	741	(84,837)	25,107
Change in Reserve Balance	(808)	(5,893)	5,085	(9,339)	8,531

	Housing and Redevelopment Authority				
	YTD Actuals	YTD Budget	Variance*	2012 Budget	Variance*
Revenues	44,328	45,223	(895)	60,298	(15,970)
Expenses	43,104	44,404	1,300	59,384	16,280
Transfers	(402)	(484)	82	(645)	243
Change in Reserve Balance	822	335	487	269	553

	Metro Transit - Bus				
	YTD Actuals	YTD Budget	Variance	2012 Budget	Variance*
Revenues	184,212	182,439	1,773	250,083	(65,871)
Expenses	184,405	192,172	7,767	258,090	73,685
Transfers	6,754	5,456	1,298	7,294	(540)
Change in Reserve Balance	6,561	(4,277)	10,838	(713)	7,274

	Metro Transit - Light Rail				
	YTD Actuals	YTD Budget	Variance*	2012 Budget	Variance*
Revenues	21,126	20,736	390	27,730	(6,604)
Expenses	14,916	15,823	907	21,011	6,095
Transfers	(4,953)	(5,039)	86	(6,719)	1,766
Change in Reserve Balance	1,257	(126)	1,383	0	1,257

	Metro Transit - Commuter Rail				
	YTD Actuals	YTD Budget	Variance*	2012 Budget	Variance*
Revenues	12,720	13,036	(316)	17,283	(4,563)
Expenses	10,170	11,215	1,045	14,976	4,806
Transfers	(1,467)	(1,724)	257	(2,307)	840
Change in Reserve Balance	1,083	97	986	0	1,083

	MTS - Transportation Planning				
	YTD Actuals	YTD Budget	Variance*	2012 Budget	Variance*
Revenues	2,975	4,223	(1,248)	5,631	(2,656)
Expenses	2,393	4,076	1,683	5,561	3,168
Transfers	(595)	(657)	62	(875)	280
Change in Reserve Balance	(13)	(510)	497	(805)	792

	MTS - Metro Mobility				
	YTD Actuals	YTD Budget	Variance*	2012 Budget	Variance*
Revenues	30,715	30,874	(159)	45,316	(14,601)
Expenses	26,678	35,348	8,670	47,178	20,500
Transfers	(259)	(259)	0	(345)	86
Change in Reserve Balance	3,778	(4,733)	8,511	(2,207)	5,985

	MTS - Contracted Services				
	YTD Actuals	YTD Budget	Variance*	2012 Budget	Variance*
Revenues	13,465	13,489	(24)	21,480	(8,015)
Expenses	11,748	16,032	4,284	21,421	9,673
Transfers	(311)	(433)	122	(577)	266
Change in Reserve Balance	1,406	(2,976)	4,382	(518)	1,924

**STATEMENT OF REVENUES AND EXPENSES**

**General Fund  
September 30, 2012**

Unaudited

	<b>YTD ACTUALS</b>	<b>YEAR-END PROJECTION</b>	<b>ANNUAL BUDGET</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
<b><u>REVENUES</u></b>				
Property Taxes	6,591,278	12,800,000	12,791,064	8,936
Investment Earnings	421,436	650,000	700,516	(50,516)
US Dept of HUD	2,302,290	3,000,000	3,000,000	0
Other Revenue	142,960	143,000	85,000	58,000
<b>Total Revenue</b>	<b>9,457,964</b>	<b>16,593,000</b>	<b>16,576,580</b>	<b>16,420</b>
<b><u>EXPENSES</u></b>				
Salary and Benefits	18,204,052	24,500,000	27,384,092	2,884,092
Consulting & Contractual Services	6,336,243	10,623,000	12,276,000	1,653,000
Rent & Utilities	1,947,922	2,597,000	2,597,815	815
Printing	89,576	119,500	242,150	122,650
Travel	194,012	300,000	405,750	105,750
Insurance	19,849	25,000	25,000	0
Grants - Pass Through	2,658,712	4,500,000	4,900,000	400,000
Other Operating Expenses	623,824	1,000,000	1,105,365	105,365
<b>Total Expenses</b>	<b>30,074,190</b>	<b>43,664,500</b>	<b>48,936,172</b>	<b>5,271,672</b>
<b><u>TRANSFERS</u></b>				
Transfer In From MT	12,439,853	17,000,000	18,482,751	(1,482,751)
Transfer In From MCES	6,588,149	8,800,000	10,026,512	(1,226,512)
A87 Allocations	1,559,622	2,338,810	2,338,810	0
Chargeback from MAC	18,495	76,000	76,000	0
Transfer Out	(1,000,000)	(1,200,000)	(1,200,000)	0
<b>Total Transfers</b>	<b>19,606,119</b>	<b>27,014,810</b>	<b>29,724,073</b>	<b>(2,709,263)</b>
<b>Change in Reserve Balance</b>	<b>(1,010,107)</b>	<b>(56,690)</b>	<b>(2,635,519)</b>	<b>2,578,829</b>
2011 Available Reserve Balance		9,500,000		
2011 Carryover (included in 2012 Budget)		2,500,000		
2011 Beginning Reserve Balance		12,000,000		
Ending Reserve Balance		11,943,310		
Target Balance (10%)		4,200,000		

**Statement of Revenues and Expenses**

**Environmental Services**

**September 30, 2012**

Unaudited

	<b>YTD ACTUALS</b>	<b>YEAR END PROJECTION</b>	<b>ANNUAL BUDGET AS AMENDED</b>	<b>VARIANCE FAVORABLE (UNFAVORABLE)</b>
<b><u>REVENUES</u></b>				
Municipal Wastewater Charges	130,236,750	171,310,000	173,649,000	(2,339,000)
Industrial Charges	6,706,550	13,400,000	12,745,000	655,000
Investment Earnings/Finance Charges	443,446	665,000	650,000	15,000
State Grant	1,155,394	2,288,000	1,772,957	515,043
Miscellaneous Revenue	661,659	493,000	341,240	151,760
<b>Total Revenue</b>	<b>139,203,799</b>	<b>188,156,000</b>	<b>189,158,197</b>	<b>(1,002,197)</b>
<b><u>EXPENSES</u></b>				
Salary and Benefits	46,411,167	58,986,000	61,918,337	2,932,337
Consulting & Contractual Services	9,162,874	15,267,000	15,538,354	271,354
Materials & Supplies	5,155,274	7,686,000	7,216,223	(469,777)
Chemicals	4,825,291	7,077,000	6,649,848	(427,152)
Travel	138,141	214,000	328,455	114,455
Utilities & Rent	11,291,320	15,024,000	16,351,298	1,327,298
Capital Outlay	1,826,856	2,597,000	3,670,600	1,073,600
Other Direct Expenses	1,470,943	1,937,000	1,987,320	50,320
<b>Total Expenses</b>	<b>80,281,866</b>	<b>108,788,000</b>	<b>113,660,435</b>	<b>4,872,435</b>
<b><u>TRANSFERS</u></b>				
SAC Transfer	20,549,997	23,100,000	23,100,000	0
Transfers In	0	253,850	253,850	0
Debt Service	(72,666,630)	(96,888,840)	(96,888,840)	0
Interdivisional Charges	(6,588,149)	(8,800,000)	(10,026,512)	1,226,512
Transfers Out (PAYGO)	(1,024,997)	(1,275,000)	(1,275,000)	0
<b>Total Transfers</b>	<b>(59,729,779)</b>	<b>(83,609,990)</b>	<b>(84,836,502)</b>	<b>1,226,512</b>
<b>Change in Reserve Balance</b>	<b>(807,846)</b>	<b>(4,241,990)</b>	<b>(9,338,740)</b>	<b>5,096,750</b>
<b>Beginning Reserve Balance</b>		<b>30,500,000</b>		
<b>Ending Reserve Balance</b>		<b>26,258,010</b>		
<b>Designated for Future SAC shifts</b>		<b>11,000,000</b>		
<b>Ending Reserve Balance (less designation)</b>		<b>15,258,010</b>		
<b>Target Balance (10%)</b>		<b>12,400,000</b>		



**STATEMENT OF REVENUES AND EXPENSES**  
**Housing and Redevelopment Authority (HRA)**  
**September 30, 2012**

Unaudited

	YTD ACTUALS	YEAR-END PROJECTION	ANNUAL BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	YTD ACTUAL PASS- THROUGH
<b><u>REVENUES</u></b>					
Federal Revenue	41,991,916	56,723,131	56,723,131	0	38,616,290
State Revenue	889,474	1,655,059	1,569,381	85,678	811,475
Investment Earnings	(66,568)	70,000	70,000	0	0
Other Revenue	1,513,460	1,994,246	1,935,000	59,246	31,616
<b>Total Revenue</b>	<b>44,328,282</b>	<b>60,442,436</b>	<b>60,297,512</b>	<b>144,924</b>	<b>39,459,381</b>
<b><u>EXPENSES</u></b>					
Salary and Benefits	1,849,646	2,900,000	2,967,860	67,860	0
Consulting & Contractual Services	493,869	880,000	970,000	90,000	0
Rent & Utilities	149,621	203,280	203,280	0	0
Housing Expenses	40,295,082	54,890,000	54,890,000	0	39,546,652
Travel	31,570	50,000	55,500	5,500	0
Insurance	90,337	95,000	120,000	25,000	0
Other Operating Expenses	194,219	210,000	177,330	(32,670)	0
<b>Total Expenses</b>	<b>43,104,344</b>	<b>59,228,280</b>	<b>59,383,970</b>	<b>155,690</b>	<b>39,546,652</b>
<b><u>TRANSFERS</u></b>					
Allocations	(401,928)	644,920	(644,920)	0	0
<b>Total Transfers</b>	<b>(401,928)</b>	<b>644,920</b>	<b>(644,920)</b>	<b>0</b>	<b>0</b>
<b>Change in Reserve Balance</b>	<b>822,010</b>	<b>569,236</b>	<b>268,622</b>	<b>300,614</b>	<b>(87,271)</b>
<b>Beginning Reserve Balance</b>		<b>6,020,005</b>			
<b>Ending Reserve Balance</b>		<b>6,589,241</b>			
<b>Target Balance (8.3%)</b>		<b>4,135,165</b>			

**STATEMENT OF REVENUES AND EXPENSES**

**Metro Transit - Bus Operations**

**September 30, 2012**

Unaudited

	YTD ACTUALS	YEAR-END PROJECTION	ANNUAL BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<b><u>REVENUES</u></b>				
Passenger Fares	58,925,314	78,938,600	77,877,042	1,061,558
Auxiliary Transit Revenue	2,277,749	3,135,697	2,496,958	638,739
MVST	112,980,744	150,640,996	150,640,996	0
Federal Grants	8,611,434	15,363,416	17,860,907	(2,497,491)
Investment Earnings	666,322	888,389	507,000	381,389
Miscellaneous Revenue	750,883	1,001,137	700,000	301,137
<b>Total Revenue</b>	<b>184,212,446</b>	<b>249,968,235</b>	<b>250,082,903</b>	<b>(114,668)</b>
<b><u>EXPENSES</u></b>				
Salary and Benefits	148,186,046	199,718,745	202,862,634	3,143,889
Consulting & Contractual Services	4,164,724	6,363,240	6,564,902	201,662
Fuel	16,026,139	22,446,555	23,721,551	1,274,996
Materials & Supplies	8,978,786	12,420,529	14,741,012	2,320,483
Utilities	2,389,812	3,690,193	4,302,139	611,946
Other	4,659,329	7,495,781	5,897,934	(1,597,847)
<b>Total Expenses</b>	<b>184,404,836</b>	<b>252,135,043</b>	<b>258,090,172</b>	<b>5,955,129</b>
<b><u>TRANSFERS</u></b>				
Transfer In	10,339,929	13,786,235	13,703,004	83,231
Allocated Charges - metro transit	8,050,465	10,498,390	10,996,860	(498,470)
Allocations - regional admin	(11,636,724)	(16,095,311)	(17,406,117)	1,310,806
<b>Total Transfers</b>	<b>6,753,670</b>	<b>8,189,314</b>	<b>7,293,747</b>	<b>895,567</b>
<b>Change in Reserve Balance</b>	<b>6,561,280</b>	<b>6,022,506</b>	<b>(713,522)</b>	<b>6,736,028</b>
<b>Beginning Reserve Balance</b>		<b>37,923,693</b>		
<b>Ending Reserve Balance</b>		<b>43,946,199</b>		
<b>Target Balance</b>		<b>22,955,703</b>		

**STATEMENT OF REVENUES AND EXPENSES**

**Metro Transit - Hiawatha LRT Operations**

**September 30, 2012**

Unaudited

	YTD ACTUALS	YEAR-END PROJECTION	ANNUAL BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<b><u>REVENUES</u></b>				
Passenger Fares	7,666,137	10,320,037	10,193,078	126,959
Auxiliary Transit Revenue	702,951	857,862	403,042	454,820
CTIB	9,550,566	12,734,091	12,734,091	0
MVST	56,025	74,705	74,696	9
State Appropriations	3,127,500	4,170,000	4,170,000	0
Investment Earnings	(4,497)	(5,996)	50,000	(55,996)
Other	27,804	214,672	104,958	109,714
<b>Total Revenue</b>	<b>21,126,486</b>	<b>28,365,371</b>	<b>27,729,865</b>	<b>635,506</b>
<b><u>EXPENSES</u></b>				
Salaries & Benefits	11,051,658	15,274,569	15,321,394	46,825
Consulting & Contractual Services	451,679	652,265	655,654	3,389
Fuel	5,255	7,008	17,500	10,492
Materials & Supplies	1,195,197	1,743,574	1,617,159	(126,415)
Other	466,017	1,306,582	690,676	(615,906)
Utilities	1,746,616	2,500,589	2,708,567	207,978
<b>Total Expenses</b>	<b>14,916,422</b>	<b>21,484,587</b>	<b>21,010,950</b>	<b>(473,637)</b>
<b><u>TRANSFERS</u></b>				
Allocated Charges - metro transit	(4,333,317)	(5,644,350)	(4,250,385)	(1,393,965)
Allocations - regional admin	(620,065)	(901,431)	(2,468,530)	1,567,099
<b>Total Transfers</b>	<b>(4,953,382)</b>	<b>(6,545,781)</b>	<b>(6,718,915)</b>	<b>173,134</b>
<b>Change in Reserve Balance</b>	<b>1,256,682</b>	<b>335,003</b>	<b>0</b>	<b>335,003</b>
<b>Beginning Reserve Balance</b>		<b>2,439,680</b>		
<b>Ending Reserve Balance</b>		<b>2,774,683</b>		
<b>Target Balance</b>		<b>2,489,720</b>		

**STATEMENT OF REVENUES AND EXPENSES**  
**Metro Transit - Northstar CRT Operating Fund**  
**September 30, 2012**

Unaudited

	YTD ACTUALS	YEAR-END PROJECTION	ANNUAL BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<b><u>REVENUES</u></b>				
Passenger Fares	2,018,016	2,485,961	2,946,000	(460,039)
CTIB	6,723,694	8,964,925	8,964,925	0
State Appropriations	860,157	1,146,884	1,146,884	0
Local Revenue	860,157	1,146,884	1,146,884	0
MVET	2,241,234	2,988,308	2,988,308	0
Investment Earnings	16,635	28,173	90,000	(61,827)
<b>Total Revenue</b>	<b>12,719,893</b>	<b>16,761,135</b>	<b>17,283,001</b>	<b>(521,866)</b>
<b><u>EXPENSES</u></b>				
Salary and Benefits	2,190,963	2,935,873	3,174,185	238,312
Consulting & Contractual Services	4,864,865	6,538,088	6,899,128	361,040
Fuel	829,658	1,106,210	991,404	(114,806)
Materials & Supplies	355,318	683,736	967,569	283,833
Utilities	374,346	506,453	410,721	(95,732)
Other	1,554,497	2,762,658	2,533,044	(229,614)
<b>Total Expenses</b>	<b>10,169,647</b>	<b>14,533,018</b>	<b>14,976,051</b>	<b>443,033</b>
<b><u>TRANSFERS</u></b>				
Allocated Charges - metro transit	(1,283,547)	(1,781,600)	(1,515,972)	(265,628)
Allocations - regional admin	(183,063)	(255,717)	(790,978)	535,261
<b>Total Transfers</b>	<b>(1,466,610)</b>	<b>(2,037,317)</b>	<b>(2,306,950)</b>	<b>269,633</b>
<b>Change in Reserve Balance</b>	<b>1,083,636</b>	<b>190,800</b>	<b>0</b>	<b>190,800</b>
<b>Beginning Reserve Balance</b>		<b>2,631,005</b>		
<b>Ending Reserve Balance</b>		<b>2,821,805</b>		
<b>Target Balance</b>		<b>1,500,805</b>		

# STATEMENT OF REVENUES AND EXPENSES

## Transportation Planning

September 30, 2012

Unaudited

	YTD ACTUALS	YEAR-END PROJECTION	ANNUAL BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<b><u>REVENUES</u></b>				
Federal Revenue	2,773,105	3,695,230	5,435,230	(1,740,000)
State Revenue	146,997	196,000	196,000	0
Local Revenue	56,861	0	0	0
Investment Earnings	(2,501)	0	0	0
Other Revenue	100	0	0	0
<b>Total Revenue</b>	<b>2,974,562</b>	<b>3,891,230</b>	<b>5,631,230</b>	<b>(1,740,000)</b>
<b><u>EXPENSES</u></b>				
Salary and Benefits	1,391,812	2,104,000	2,103,660	(340)
Consulting & Contractual Service	617,188	1,031,700	2,241,595	1,209,895
Rent & Utilities	98,067	131,000	131,450	450
Travel	17,158	37,000	37,000	0
Grants	206,254	400,000	940,230	540,230
Other Operating Expenses	62,305	107,000	106,810	(190)
<b>Total Expenses</b>	<b>2,392,784</b>	<b>3,810,700</b>	<b>5,560,745</b>	<b>1,750,045</b>
<b><u>TRANSFERS</u></b>				
Chargeback from MAC	56,615	76,000	102,759	(26,759)
A87 Allocations	(650,811)	(868,000)	(978,121)	110,121
Transfer Out	(638)	0	0	0
<b>Total Transfers</b>	<b>(594,834)</b>	<b>(792,000)</b>	<b>(875,362)</b>	<b>83,362</b>
<b>Change in reserve Balance</b>	<b>(13,056)</b>	<b>(711,470)</b>	<b>(804,877)</b>	<b>93,407</b>
<b>Beginning Reserve Balance</b>		<b>1,427,301</b>		
<b>Ending Reserve Balance</b>		<b>715,831</b>		
<b>Target Fund Balance (10%)</b>		<b>653,887</b>		

**STATEMENT OF REVENUES AND EXPENSES**

**Metro Mobility (MM)**

**September 30, 2012**

Undaudited

	YTD ACTUALS	YEAR-END PROJECTION	ANNUAL BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<b><u>REVENUES</u></b>				
Federal Revenue	0	4,250,000	4,250,000	0
State Revenue	26,151,000	34,686,000	34,686,000	0
Investment Earnings	62,493	83,000	0	83,000
Farebox / Pass Revenue	841,815	1,400,000	1,957,339	(557,339)
Metro Pass	339,299	550,000	0	550,000
Round Trip Tickets	3,176,764	4,600,000	4,142,491	457,509
Fuel Tax Refunds	143,877	200,000	280,000	(80,000)
<b>Total Revenue</b>	<b>30,715,248</b>	<b>45,769,000</b>	<b>45,315,830</b>	<b>453,170</b>
<b><u>EXPENSES</u></b>				
Salary and Benefits	554,270	784,000	783,990	(10)
Consulting & Contractual Services	22,478,502	41,700,000	40,196,240	(1,503,760)
Rent & Utilities	68,346	86,500	86,460	(40)
Other Operating Expenses	3,576,170	6,100,000	6,110,913	10,913
<b>Total Expenses</b>	<b>26,677,805</b>	<b>48,670,500</b>	<b>47,177,603</b>	<b>(1,492,897)</b>
<b><u>TRANSFERS</u></b>				
Transfer In	0	22,200	21,150	1,050
A87 Allocations	(259,177)	(366,100)	(366,091)	(9)
<b>Total Transfers</b>	<b>(259,177)</b>	<b>(343,900)</b>	<b>(344,941)</b>	<b>1,041</b>
<b>Change in Reserve Balance</b>	<b>3,778,266</b>	<b>(3,245,400)</b>	<b>(2,206,714)</b>	<b>(1,038,686)</b>
<b>Beginning Reserve Balance</b>		<b>4,371,069</b>		
<b>Ending Reserve Balance</b>		<b>1,125,669</b>		
<b>Target Fund Balance (10%)</b>		<b>4,754,369</b>		

**STATEMENT OF REVENUES AND EXPENSES**  
**Contracted Transit Services (CTS)**  
**September 30, 2012**

Unaudited

	YTD ACTUALS	YEAR-END PROJECTION	ANNUAL BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)
<b><u>REVENUES</u></b>				
Federal Revenue	548,988	4,128,000	4,127,629	371
State Revenue	10,674,000	14,232,000	14,232,000	0
Local Revenue	532,235	858,000	857,555	445
Investment Earnings	42,688	57,000	125,000	(68,000)
Other Revenue	1,667,424	2,223,000	2,137,887	85,113
<b>Total Revenue</b>	<b>13,465,335</b>	<b>21,498,000</b>	<b>21,480,071</b>	<b>17,929</b>
<b><u>EXPENSES</u></b>				
Salary and Benefits	529,739	749,000	748,840	(160)
Consulting & Contractual Services	10,665,921	19,670,000	19,673,338	3,338
Rent & Utilities	78,473	0	0	0
Travel	772	0	0	0
Grants	0	151,000	151,260	260
Other Operating Expenses	472,870	848,000	847,405	(595)
<b>Total Expenses</b>	<b>11,747,775</b>	<b>21,418,000</b>	<b>21,420,843</b>	<b>2,843</b>
<b><u>TRANSFERS</u></b>				
A87 Allocations	(247,706)	(350,000)	(349,678)	(322)
Transfer Out	(62,957)	(200,000)	(227,000)	27,000
<b>Total Transfers</b>	<b>(310,663)</b>	<b>(550,000)</b>	<b>(576,678)</b>	<b>26,678</b>
<b>Change in Reserve Balance</b>	<b>1,406,897</b>	<b>(470,000)</b>	<b>(517,450)</b>	<b>47,450</b>
<b>Beginning Reserve Balance</b>		<b>2,571,120</b>		
<b>Ending Reserve Balance</b>		<b>2,101,120</b>		
<b>Target Fund Balance (10%)</b>		<b>2,177,052</b>		