

# M Management Committee

Meeting date: November 18, 2009

## ADVISORY INFORMATION

<b>Date:</b>	November 10, 2009
<b>Subject:</b>	3 <sup>rd</sup> Quarter Financial Report – September 30, 2009
<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	Council Policy 3 – Finance and Asset Management
<b>Staff Prepared:</b>	Mary Bogie 651-602-1359, Edwin Petrie 612-349-7624; Jason Willett 651-602-1196
<b>Division/Department:</b>	Finance

Financial statements are attached for Council operating funds for the quarter ending September 30, 2009. The narrative below provides information on significant events for each operating fund.

### Third Quarter Financial Report – September 30, 2009

- General Fund

General Fund operating expenses, overall, are under budget. The largest variance remains in Consulting & Contractual Services. Based upon prior years, Consulting & Contract Services expenditures trend toward the last months of the year. We expect year-end operating expenses to be at or under budget. As the majority of these expenses are transferred to operating divisions, the net variance from budget should be minimal.

- Environmental Services

Environmental Services anticipated use of \$1 million of the \$21.5 million wastewater operational and contingency reserve in 2009. However, based on year-to-date (YTD) through September results, it is likely that the division will instead have a surplus of \$1.5-\$2.5 million, with no need to use the reserve.

Favorability to YTD Budget in Consulting and Contractual Services (\$3.6 million), Interdivisional Charges (\$1.4 million) and Salaries and Benefits (\$1 million) are each forecasted to be \$1.2-\$1.5 million below budget for the total year. Favorability in Materials, Chemicals and Capital Expense are expected to be spent down to budget by year end.

Utilities, are currently \$.9 million over budget due to under-budgeting electric for the interceptor area. It is anticipated that utilities will be \$1-1.2 million over budget for the year. Investment Earnings, which continue to be impacted by low interest rates, will be under budget by \$1-1.2 million by year-end.

- Metro Transit

The negative cash in Light Rail and Commuter Rail is due to reimbursements that we anticipated from Other Governmental Units (CTIB). We should receive these funds by the end of the year.

**Bus Operations:**

The Metro Transit Bus Operations includes a balanced budget for 2009. As of September 30, 2009, Bus operations have an operating surplus of \$3.9 million and a forecast year end surplus of \$4.5 million. A combination of savings in salaries and benefits and savings in Fuel costs have offset the reduction in ridership and have resulted in this surplus.

Metro Transit Bus Ridership is under budget 3.6 million rides or 6.8% as of September 30. This reduction in rides has been partially offset by an increase in the average fare per passenger. Budgeted rides for 2010 have been adjusted to reflect this recent decrease in ridership.

Metro Transit Operating Expenses have an overall reduction from the 2009 budget. Salaries and Benefits are under budget due to temporarily non-filling of vacant positions; Consulting and Contractual Services due to savings in various Maintenance Contracts, Fuel due to lower than budgeted diesel fuel pump prices, and Allocated Charges due to savings in Council Allocated Charges. Materials and Supplies are over budget due to the timing of the bus capitalized maintenance activities and are anticipated to be on budget by year end.

**Light Rail Operations:**

The Metro Transit Rail budget includes a use of \$1 million from reserves during the fourth quarter. As of September 30, 2009 Rail Operations has an Operating Surplus of \$1.7 million and a forecast year end surplus of \$.5 million. A combination of savings in salaries and benefits due to temporarily non-filling of vacant positions and an increase in average fare per passenger have resulted in this surplus.

**Commuter Rail Operations:**

Metro Transit Northstar Commuter Rail is in pre-revenue operations and will begin revenue operations on November 16, 2009. Commuter Rail Operations has a forecasted year end operating surplus of \$1.4 million. This is due to the delaying in hiring and training staff, testing of equipment, and savings with Burlington Northern track time testing.

- Metropolitan Transportation Services

Operating expenses are slightly over budget through September 30 due primarily to MVST allocations to the suburban transit providers. This amount is offset by higher MVST revenues for the same period. Outside transit providers expenses and their related fuel costs are below budget, and will stay below budget for the year. We anticipate that we will need less than \$.3 million of the budgeted \$2.9 million use of reserves.

- Housing and Redevelopment Authority

There is a deficit in the Federal Revenue due to the U.S. Department of Housing and Urban Department (HUD) funding shortfall in the Section 8 Housing Choice Program. The Community Development Committee is apprised of the status and we are continuing discussions with HUD to resolve the shortfall. The HUD HAP Equity Account of \$6.1 million is currently funding the deficit.

- Other Post Employment Benefits (OPEB) – Health Care Liability

Investments for Other Post Employment Benefits are at \$65.6 million. This is an increase of \$15.8 million for the year. This is made up of transfers from operating funds of \$5.5 million, decrease in unrealized losses of \$9.4 million, and realized interest of \$.9 million.

Funds are invested with the Minnesota State Board of Investment and include a cumulative unrealized loss of \$14.1 million (down from \$23.5 million at year-end). Unrealized gains and losses are market driven and represent the difference between the purchase price and the current market value of investments. Gains and losses are not realized until the investment is sold. We have seen, and will continue to see, investment gains and losses over the life of these investments.

The Council's actuarial accrued liability at January 1, 2008 was \$301.3 million. The next valuation will be as of January 1, 2010.

The Council's funding policy requires contributions to the Health Care Liability Reserve of the portion of the benefit earned each year by active employees.

**BALANCE SHEET**  
**General Fund**  
**September 30, 2009**  
**(Un-Audited)**

<u>Account</u>	<u>YTD</u>
Cash & Cash Equivalents	14,096,511
Accounts Receivable	4,132
Taxes Receivable	298,888
Due from Other Governmental Units	89,237
Other - Prepaid Postage	23,052
<b>Total Assets</b>	<b><u>14,511,820</u></b>
Accounts Payable	151,793
Salaries/Fringes Payable	2,786
Other - Offset to Taxes Receivable	298,888
<b>Total Liabilities</b>	<b><u>453,467</u></b>
Fund Equity Accounts	14,258,113
Income Statement	(199,760)
Ending Equity	<u>14,058,353</u>
<b>Total Liabilities and Equity</b>	<b><u>14,511,820</u></b>

**STATEMENT OF REVENUES AND EXPENSES**  
**General Fund**  
**September 30, 2009**  
**(Un-audited)**

	YTD ACTUALS	YTD BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	YEARLY BUDGET	% OF YRLY BUDGET
<b><u>REVENUES</u></b>					
Property Taxes	5,015,857	4,879,625	136,232	9,759,250	51.40%
State Revenue	1,513	-	1,513	386,250	0.39%
Investment Earnings	418,814	613,103	(194,289)	817,471	51.23%
Other Revenue	3,873	2,250	1,623	3,000	129.10%
<b>Total Revenue</b>	<b>5,440,057</b>	<b>5,494,978</b>	<b>(54,921)</b>	<b>10,965,971</b>	<b>49.61%</b>
<b><u>EXPENSES</u></b>					
Salaries and Benefits	15,619,391	16,266,411	647,020	23,991,757	65.10%
Consulting & Contractual Services	5,235,879	7,227,985	1,992,106	9,637,313	54.33%
Rent & Utilities	1,774,644	1,755,559	(19,085)	2,340,745	75.82%
Printing	86,480	233,738	147,258	311,650	27.75%
Travel	143,892	364,425	220,533	485,900	29.61%
Insurance	19,957	19,125	(832)	25,500	78.26%
Other Operating Expenses	606,606	871,795	265,189	1,162,393	52.19%
<b>Total Expenses</b>	<b>23,486,849</b>	<b>26,739,038</b>	<b>3,252,189</b>	<b>37,955,258</b>	<b>61.88%</b>
<b><u>TRANSFERS</u></b>					
Transfer In From MT	9,988,911	11,626,679	(1,637,768)	15,502,239	64.44%
Transfer In From MCES	6,556,778	7,976,591	(1,419,813)	10,635,454	61.65%
A87 Allocations	1,557,625	1,652,819	(95,194)	2,203,758	70.68%
Chargeback from MAC	68,209	54,750	13,459	73,000	93.44%
Transfer Out	(324,491)	(338,250)	13,759	(1,551,000)	20.92%
<b>Total Transfers</b>	<b>17,847,032</b>	<b>20,972,589</b>	<b>(3,125,557)</b>	<b>26,863,451</b>	<b>66.44%</b>
<b><u>SURPLUS (DEFICIT)</u></b>	<b>(199,760)</b>	<b>(271,471)</b>	<b>71,711</b>	<b>(125,836)</b>	

**BALANCE SHEET**  
**Environmental Services - Operating Fund**  
**September 30, 2009**  
**(Un-audited)**

<u>Account</u>	<u>YTD</u>
Cash & Cash Equivalents	17,362,480
Accounts Receivable	3,762,973
Due from Other Governmental Units	178,538
Materials & Supplies	7,761,644
<b>Total Assets</b>	<u><u>29,065,635</u></u>
Accounts Payable	2,840,604
Salaries/Fringes Payable	8,889,157
Workers Comp	618,177
Deferred Revenue (Advance payments of of sewer charges)	9,378,628
<b>Total Liabilities</b>	<u><u>21,726,566</u></u>
Fund Equity Accounts (Year-end balances are transferred to Contingency Reserve)	-
Income Statement	7,339,069
Ending Equity	7,339,069
<b>Total Liabilities and Equity</b>	<u><u>29,065,635</u></u>
<b><u>Contingency Operating Reserves:</u></b>	
Beginning Equity	21,468,493
Transfers	-
<b>Ending Equity</b>	<u><u>21,468,493</u></u>

**STATEMENT OF REVENUES AND EXPENSES**  
**Environmental Services - Operating Fund**  
**September 30, 2009**  
(Un-audited)

	YTD ACTUALS	YTD BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	YEARLY BUDGET	% OF YRLY BUDGET
<b><u>REVENUES</u></b>					
Municipal Wastewater Charges	120,991,500	120,991,500	-	161,322,000	74.96%
Industrial Charges	5,656,495	5,656,495	-	9,996,550	70.59%
Investment Earnings/Finance Charges	793,640	1,649,700	(856,060)	2,200,000	67.28%
State Grant	355,481	175,000	180,481	175,000	77.90%
Miscellaneous Revenue	189,494	412,443	(222,949)	550,000	43.70%
<b>Total Revenue</b>	<b>127,986,610</b>	<b>128,885,138</b>	<b>(898,528)</b>	<b>174,243,550</b>	<b>74.45%</b>
<b><u>EXPENSES</u></b>					
Salaries and Benefits	35,565,420	36,608,999	1,043,579	54,075,331	65.95%
Retiree Hlth, Wkrs Comp, Leave Benefits	3,943,915	3,900,000	(43,915)	5,200,000	77.51%
Consulting & Contractual Services	6,940,490	10,547,033	3,606,543	14,083,541	41.89%
Materials & Supplies	4,635,738	5,223,879	588,141	6,965,158	73.95%
Chemicals	4,542,631	5,138,403	595,772	6,797,206	77.07%
Travel	136,700	215,349	78,649	287,125	32.15%
Utilities & Rent	13,750,935	12,838,812	(912,123)	17,146,190	81.18%
Capital Outlay	880,445	1,497,627	617,182	1,996,830	55.49%
Other Direct Expenses	751,192	883,662	132,470	1,042,565	78.93%
<b>Total Expenses</b>	<b>71,147,466</b>	<b>76,853,764</b>	<b>5,706,298</b>	<b>107,593,946</b>	<b>66.52%</b>
<b><u>TRANSFERS</u></b>					
SAC Transfer	28,395,000	28,395,000	-	37,860,000	74.98%
Transfers In	324,491	338,247	(13,756)	604,850	30.76%
Debt Service	(67,912,785)	(67,913,000)	215	(90,479,000)	75.07%
Interdivisional Charges	(6,556,778)	(7,976,589)	1,419,811	(10,635,454)	58.42%
Transfers Out	(3,750,003)	(3,750,003)	-	(5,000,000)	75.00%
<b>Total Transfers</b>	<b>(49,500,075)</b>	<b>(50,906,345)</b>	<b>1,406,270</b>	<b>(67,649,604)</b>	<b>72.82%</b>
<b>SURPLUS (DEFICIT)</b>	<b>7,339,069</b>	<b>1,125,029</b>	<b>6,214,040</b>	<b>(1,000,000)</b>	

**BALANCE SHEET**  
**Metro Transit - Operating Fund**  
**September 30, 2009**  
(Un-audited)

<b>Account</b>	<b>Bus</b>	<b>Light Rail</b>	<b>Commuter Rail</b>	<b>YTD</b>
<b>Cash &amp; Cash Equivalents</b>	34,832,884	(4,606,943)	(3,698,662)	26,527,279
<b>Accounts Receivable</b>	6,063,761	2,188,868	52	8,252,681
<b>Due from Other Governmental Units</b>	8,613,523	5,609,102	5,313,728	19,536,353
<b>Materials &amp; Supplies</b>	11,386,497	3,082,667	146,101	14,615,265
<b>Other</b>	1,356,063	62,499	1,666,816	3,085,378
<b>Total Assets</b>	<u>62,252,728</u>	<u>6,336,193</u>	<u>3,428,035</u>	<u>72,016,956</u>
<b>Accounts Payable</b>	3,384,243	266,865	763,471	4,414,579
<b>Salaries/Fringes Payable</b>	26,933,299	1,194,940	9,376	28,137,615
<b>Workers Comp/Casualty &amp; Liability Insurance</b>	16,170,922	1,023,679	1,000,000	18,194,601
<b>Deferred Revenue (Monthly Ridership Passes)</b>	1,339,140	-	-	1,339,140
<b>Miscellaneous</b>	1,770,399	28,171	-	1,798,570
<b>Total Liabilities</b>	<u>49,598,003</u>	<u>2,513,655</u>	<u>1,772,847</u>	<u>53,884,505</u>
<b>Fund Equity Accounts</b>				
<b>Beginning Fund Equity</b>	3,933,480	3,316,003	155,762	7,405,245
<b>Income Statement</b>	8,721,245	506,535	1,499,426	10,727,206
<b>Ending Equity</b>	<u>12,654,725</u>	<u>3,822,538</u>	<u>1,655,188</u>	<u>18,132,451</u>
<b>Total Liabilities and Equity</b>	<u>62,252,728</u>	<u>6,336,193</u>	<u>3,428,035</u>	<u>72,016,956</u>



**STATEMENT OF REVENUES AND EXPENSES**  
**Metro Transit - Bus Operating Fund**  
**September 30, 2009**  
(Un-audited)

	YTD ACTUALS	YTD BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	YEARLY BUDGET	% OF YRLY BUDGET
<b><u>REVENUES</u></b>					
Passenger Fares	57,983,811	61,431,505	(3,447,694)	83,031,643	69.83%
Advertising	1,916,573	1,952,492	(35,919)	2,715,000	70.59%
MVST	55,768,796	55,768,794	2	78,006,883	71.49%
State Appropriations	32,487,430	32,487,432	(2)	43,942,471	73.93%
CTIB	30,833,851	30,869,908	(36,057)	31,130,632	99.05%
Federal Grants	8,582,640	8,578,962	3,678	11,438,620	75.03%
Miscellaneous Revenue	1,160,765	820,971	339,794	1,094,630	106.04%
<b>Total Revenue</b>	<b>188,733,866</b>	<b>191,910,064</b>	<b>(3,176,198)</b>	<b>251,359,879</b>	<b>75.09%</b>
<b><u>EXPENSES</u></b>					
Salaries and Benefits	136,076,174	138,652,907	2,576,733	186,696,280	72.89%
Consulting & Contractual Services	4,159,497	4,907,682	748,185	6,873,017	60.52%
Fuel	18,048,693	21,617,076	3,568,383	28,595,608	63.12%
Materials & Supplies	9,777,389	9,311,105	(466,284)	12,414,613	78.76%
Utilities	3,573,557	3,469,727	(103,830)	4,968,886	71.92%
Allocated Charges	8,377,311	9,124,808	747,497	11,811,475	70.93%
<b>Total Expenses</b>	<b>180,012,621</b>	<b>187,083,305</b>	<b>7,070,684</b>	<b>251,359,879</b>	<b>71.62%</b>
<b><u>SURPLUS (DEFICIT)</u></b>	<b>8,721,245</b>	<b>4,826,759</b>	<b>3,894,486</b>	<b>-</b>	

**STATEMENT OF REVENUES AND EXPENSES**  
**Metro Transit - LRT - Operating Fund**  
**September 30, 2009**  
(Un-audited)

	YTD ACTUALS	YTD BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	YEARLY BUDGET	% OF YRLY BUDGET
<b><u>REVENUES</u></b>					
Passenger Fares	7,560,075	6,962,426	597,649	9,444,911	80.04%
Advertising	762,799	630,063	132,736	840,089	90.80%
State Appropriations	3,947,154	3,947,157	(3)	6,956,075	56.74%
Hennepin County Regional Rail	5,613,457	5,608,197	5,260	7,477,598	75.07%
MVST	521,524	521,524	-	521,524	100.00%
Federal Revenue	540	-	540	-	0.00%
Miscellaneous Revenue	27,104	90,000	(62,896)	120,000	22.59%
<b>Total Revenue</b>	<b>18,432,653</b>	<b>17,759,367</b>	<b>673,286</b>	<b>25,360,197</b>	<b>72.68%</b>
<b><u>EXPENSES</u></b>					
Salaries and Benefits	9,718,523	10,079,569	361,046	13,517,848	71.89%
Consulting & Contractual Services	348,199	454,824	106,625	606,391	57.42%
Materials & Supplies	857,025	1,147,671	290,646	1,530,186	56.01%
Utilities	1,716,132	1,842,300	126,168	2,456,384	69.86%
Allocated Charges	5,286,239	5,424,957	138,718	7,249,388	72.92%
<b>Total Expenses</b>	<b>17,926,118</b>	<b>18,949,321</b>	<b>1,023,203</b>	<b>25,360,197</b>	<b>70.69%</b>
<b><u>SURPLUS (DEFICIT)</u></b>	<b>506,535</b>	<b>(1,189,954)</b>	<b>1,696,489</b>	<b>-</b>	

**STATEMENT OF REVENUES AND EXPENSES**  
**Metro Transit - Commuter Rail (Northstar) - Operating Fund**  
**September 30, 2009**  
(Un-audited)

	YTD ACTUALS	YTD BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	YEARLY BUDGET	% OF YRLY BUDGET
<b><u>REVENUES</u></b>					
Passenger Fares	-	-	-	151,386	0.00%
State Appropriations	2,656,865	2,656,865	-	-	0.00%
CTIB/Counties	2,229,109	2,229,109	-	4,521,289	49.30%
MVST	-	-	-	4,521,290	0.00%
Miscellaneous Revenue	426,489	427,754	(1,265)	-	0.00%
<b>Total Revenue</b>	<b>5,312,463</b>	<b>5,313,728</b>	<b>(1,265)</b>	<b>9,193,965</b>	<b>57.78%</b>
<b><u>EXPENSES</u></b>					
Salaries and Benefits	894,897	1,286,574	391,677	1,980,166	45.19%
Consulting & Contractual Services	843,586	1,181,440	337,854	1,872,481	45.05%
Materials & Supplies	339,973	389,251	49,278	258,393	131.57%
Utilities	60,145	211,122	150,977	281,496	21.37%
Allocated Charges	1,674,436	2,930,482	1,256,046	4,801,429	34.87%
<b>Total Expenses</b>	<b>3,813,037</b>	<b>5,998,869</b>	<b>2,185,832</b>	<b>9,193,965</b>	<b>41.47%</b>
<b><u>SURPLUS (DEFICIT)</u></b>	<b>1,499,426</b>	<b>(685,141)</b>	<b>2,184,567</b>	<b>-</b>	

**BALANCE SHEET**  
**Metropolitan Transit Services (MTS)**  
**September 30, 2009**  
**(Un-audited)**

<b>Account</b>	<b>Metro Mobility</b>	<b>Suburban Providers</b>	<b>Contracted Transit</b>	<b>YTD</b>
Cash & Cash Equivalents	11,622,849	286,809	9,459,618	21,369,276
Accounts Receivable	98,338	-	967,388	1,065,726
Due from Other Governmental Units		1,630,057	1,444,762	3,074,819
Other	-	-	-	-
<b>Total Assets</b>	<b>11,721,187</b>	<b>1,916,866</b>	<b>11,871,768</b>	<b>25,509,821</b>
Accounts Payable	3,948,104	1,916,866	3,295,725	9,160,695
<b>Total Liabilities</b>	<b>3,948,104</b>	<b>1,916,866</b>	<b>3,295,725</b>	<b>9,160,695</b>
<b>Fund Equity Accounts</b>				
Beginning Fund Equity	3,782,045	-	6,728,895	10,510,940
Income Statement	3,991,038	-	1,847,148	5,838,186
Ending Equity	7,773,083	-	8,576,043	16,349,126
<b>Total Liabilities and Equity</b>	<b>11,721,187</b>	<b>1,916,866</b>	<b>11,871,768</b>	<b>25,509,821</b>

**STATEMENT OF REVENUES AND EXPENSES**  
**Metro Transportation Services (MTS)**  
**September 30, 2009**  
**(Un-audited)**

	YTD ACTUALS	YTD BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	YEARLY BUDGET	% OF YRLY BUDGET
<b><u>REVENUES</u></b>					
Federal Revenue	9,942,230	11,730,224	(1,787,994)	18,733,239	53.07%
State Revenue	50,788,563	47,798,807	2,989,756	59,038,600	86.03%
Local Revenue	684,612	1,017,554	(332,942)	1,211,072	56.53%
Investment Earnings	265,544	161,250	104,294	215,000	123.51%
Other Revenue	5,109,781	4,452,659	657,122	5,927,545	86.20%
<b>Total Revenue</b>	<b>66,790,730</b>	<b>65,160,494</b>	<b>1,630,236</b>	<b>85,125,456</b>	<b>78.46%</b>
<b><u>EXPENSES</u></b>					
Salaries and Benefits	2,333,548	2,463,846	130,298	3,633,991	64.21%
Consulting & Contractual Services	54,301,427	52,244,066	(2,057,361)	75,531,703	71.89%
Rent & Utilities	213,102	241,439	28,337	321,918	66.20%
Travel	10,570	28,875	18,305	38,500	27.45%
Grants	496,768	-	(496,768)	3,261,073	15.23%
Other Operating Expenses	2,856,648	5,041,468	2,184,820	6,721,956	42.50%
<b>Total Expenses</b>	<b>60,212,063</b>	<b>60,019,694</b>	<b>(192,369)</b>	<b>89,509,141</b>	<b>67.27%</b>
<b><u>TRANSFERS</u></b>					
Transfer In	-	-	-	2,475,104	0.00%
Chargeback from MAC	83,691	78,374	5,317	104,499	80.09%
Allocations	(824,172)	(811,439)	(12,733)	(1,081,918)	76.18%
<b>Total Transfers</b>	<b>(740,481)</b>	<b>(733,065)</b>	<b>(7,416)</b>	<b>1,497,685</b>	<b>-49.44%</b>
<b><u>SURPLUS (DEFICIT)</u></b>	<b>5,838,186</b>	<b>4,407,735</b>	<b>1,430,451</b>	<b>(2,886,000)</b>	

**BALANCE SHEET**  
**Housing and Redevelopment Authority (HRA)**  
**September 30, 2009**  
**(Un-audited)**

<b>Account</b>	<b>YTD</b>
Cash & Cash Equivalents	6,137,532
Accounts Receivable	38,361
Due from Other Governmental Units	170,045
Fixed Assets - Houses/Other	<u>21,442,987</u>
<b>Total Assets</b>	<u><u>27,788,925</u></u>
Accounts Payable	43,752
Salaries/Fringes Payable	104,016
Family Affordable Housing Program (FAHP) Loan	<u>1,405,000</u>
<b>Total Liabilities</b>	<u><u>1,552,768</u></u>
<b>Fund Equity Accounts</b>	
Unrestricted Net Assets	922,478
HUD Housing Assistance Payments Equity	6,066,947
HUD Administrative Fee Equity	3,714,288
Capital Assets	21,461,621
Income Statement	<u>(5,929,177)</u>
<b>Ending Equity</b>	<u><u>26,236,157</u></u>
<b>Total Liabilities and Equity</b>	<u><u>27,788,925</u></u>

**STATEMENT OF REVENUES AND EXPENSES**  
**Housing and Redevelopment Authority (HRA)**  
**September 30, 2009**  
**(Un-audited)**

	YTD ACTUALS	YTD BUDGET	VARIANCE FAVORABLE (UNFAVORABLE)	YEARLY BUDGET	% OF YRLY BUDGET
<b><u>REVENUES</u></b>					
Federal Revenue	32,908,661	37,003,680	(4,095,019)	49,338,240	66.70%
State Revenue	1,544,109	1,292,250	251,859	1,723,000	89.62%
Local Revenue	-	37,500	(37,500)	50,000	0.00%
Investment Earnings	156,838	150,000	6,838	200,000	78.42%
Other Revenue	571,382	690,000	(118,618)	920,000	62.11%
<b>Total Revenue</b>	<b>35,180,990</b>	<b>39,173,430</b>	<b>(3,992,440)</b>	<b>52,231,240</b>	<b>67.36%</b>
<b><u>EXPENSES</u></b>					
Salaries and Benefits	1,579,421	1,760,018	180,597	2,595,897	60.84%
Consulting & Contractual Services	212,815	618,750	405,935	825,000	25.80%
Rent & Utilities	151,210	223,710	72,500	298,280	50.69%
Housing Expenses	38,153,210	37,154,666	(998,544)	49,539,554	77.02%
Travel	23,976	32,250	8,274	43,000	55.76%
Insurance	96,240	86,250	(9,990)	115,000	83.69%
Other Operating Expenses	159,842	240,102	80,260	320,136	49.93%
<b>Total Expenses</b>	<b>40,376,714</b>	<b>40,115,746</b>	<b>(260,968)</b>	<b>53,736,867</b>	<b>75.14%</b>
<b><u>TRANSFERS</u></b>					
Allocations	(733,453)	(851,918)	118,465	(1,135,890)	64.57%
<b>Total Transfers</b>	<b>(733,453)</b>	<b>(851,918)</b>	<b>118,465</b>	<b>(1,135,890)</b>	<b>64.57%</b>
<b><u>SURPLUS (DEFICIT)</u></b>	<b>(5,929,177)</b>	<b>(1,794,234)</b>	<b>(4,134,943)</b>	<b>(2,641,517)</b>	

**BALANCE SHEET**  
**Retiree Health Care Liability (OPEB)**  
**September 30, 2009**  
**(Un-Audited)**

	Environmental Services	Metropolitan Transit	Regional Administration	Total Retiree Health
Investments OPEB Pool	30,929,480	45,870,802	2,265,231	79,065,513
Investment Shares	166,779	440,667	-	607,446
Cumulative Unrealized Gain/Loss OPEB	(5,526,555)	(8,196,505)	(404,768)	(14,127,828)
Accrued Earnings Receivable OPEB Pool	36,215	53,711	2,652	92,578
<b>Assets</b>	<b>25,605,919</b>	<b>38,168,675</b>	<b>1,863,115</b>	<b>65,637,709</b>
<b>OPEB Liability</b>	<b>6,010,259</b>	<b>22,417,598</b>	<b>1,150,968</b>	<b>29,578,825</b>
<b>Liabilities</b>	<b>6,010,259</b>	<b>22,417,598</b>	<b>1,150,968</b>	<b>29,578,825</b>
<b>Fund Equity Accounts:</b>				
Beginning Fund Equity	13,821,186	6,081,278	367,350	20,269,814
Income Statement	5,774,475	9,669,799	344,796	15,789,070
Ending Equity	19,595,661	15,751,077	712,146	36,058,884
<b>Total Liabilities and Equity</b>	<b>25,605,920</b>	<b>38,168,675</b>	<b>1,863,114</b>	<b>65,637,709</b>