

METRO

Fiscal Year 2011 Monthly Board Report

Revenue • Expense • Ridership • Performance

January 2011



MONTHLY BOARD REPORT

January 2011

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Summary

- Sales Tax revenue through January 2011 year-to-date is \$7.6 million or 5.0% over budget. In the month of January 2011 Sales Tax revenue is \$6.3 million or 18.2% over budget. Note: January receipts include an additional \$1.1 million in audit collections.
- Fare revenue year-to-date is \$0.5 million or 2.5% under budget. In the month of January 2011 Fares are \$0.1 million or 1.4% over budget.
- Operating expenses year-to-date are \$3.9 million or 3.4% under budget. In the month of January 2011 expenses are \$0.8 million or 2.7% under budget.
- METRORail Expansion expenses year-to-date are \$46.9 million or 62.7% under budget. In the month of January 2011 expenses are \$9.0 million or 51.7% under budget.
- Capital Improvement Program expenses year-to-date are \$9.7 million or 55.6% under budget. In the month of January 2011 CIP expenses are \$1.1 million or 19.3% under budget.
- General Mobility Program expenses year-to-date are \$21.5 million or 33.7% under budget. The month of January 2011 is \$7.7 million or 83.4% under budget.
- Debt Service expenses year-to-date are \$0.6 million or 3.0% under budget. In the month of January 2011 Debt Service is \$0.4 million or 12.7% under budget.
- METROBus ridership (fixed route) year-to-date is 88,000 or 0.4% under last year. In the month of January 2011 it is 85,000 or 1.6% over last year.
- METRORail ridership year-to-date is 157,000 or 4.6% under last year. In the month of January 2011 it is 36,000 or 4.5% under last year.
- Performance Indicator Summary:
 - Safety & Security The Bus Accidents, Rail Accidents, and Major Security Incidents (both total and on METRO properties) met the goal for both the month and for the year-to-date.
 - Service Reliability On-time performance for Local Bus, Park and Ride Bus and METRORail and the Mean Distance Between Mechanical Failures (Bus MDBF) met the goals for both the month and for the year-to-date.
 - Customer Service The number of Complaint Contacts and the Average Call Center Answer Delay did not meet the goal for the month nor for the year-to-date.
 - Cost Effectiveness The Operating Ratio met the goal for both the month and the year-to-date.

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Sales Tax Revenue

Budget to Actual FY2011

(\$ millions)

	Budget	Actual	Variance	%
October	\$ 36.0	\$ 37.3	\$ 1.3	3.6%
November	42.8	45.6	2.8	6.6%
December	40.9	38.2	(2.7)	(6.7%)
January	34.5	40.8	6.3	18.2%
February	56.7	55.7	(1.0)	(1.7%)
March	-	-	-	0.0%
April	-	-	-	0.0%
May	-	-	-	0.0%
June	-	-	-	0.0%
July	-	-	-	0.0%
August	-	-	-	0.0%
September	-	-	-	0.0%
January 2011 YTD	\$ 154.3	\$ 161.9	\$ 7.6	5.0%

Prior Year vs. Current Year

(\$ millions)

	Prior Year	Current Year	Variance	%
October	\$ 35.1	\$ 37.3	\$ 2.2	6.2%
November	42.2	45.6	3.4	8.1%
December	37.3	38.2	0.9	2.3%
January	34.7	40.8	6.1	17.6%
February	54.2	55.7	1.5	2.8%
March	-	-	-	0.0%
April	-	-	-	0.0%
May	-	-	-	0.0%
June	-	-	-	0.0%
July	-	-	-	0.0%
August	-	-	-	0.0%
September	-	-	-	0.0%
January 2011 YTD	\$ 149.3	\$ 161.9	\$ 12.6	8.4%

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Fare Revenue

Budget to Actual FY2011

(\$ millions)

	Budget	Actual	Variance	%
October	\$ 5.7	\$ 5.4	\$ (0.2)	(4.0%)
November	5.1	4.8	(0.3)	(5.4%)
December	4.8	4.8	(0.1)	(1.9%)
January	4.9	5.0	0.1	1.4%
February	-	-	-	0.0%
March	-	-	-	0.0%
April	-	-	-	0.0%
May	-	-	-	0.0%
June	-	-	-	0.0%
July	-	-	-	0.0%
August	-	-	-	0.0%
September	-	-	-	0.0%
January 2011 YTD	\$ 20.5	\$ 20.0	\$ (0.5)	(2.5%)

Prior Year vs. Current Year

(\$ millions)

	Prior Year	Current Year	Variance	%
October	\$ 5.7	\$ 5.4	\$ (0.3)	(5.5%)
November	5.1	4.8	(0.3)	(5.4%)
December	4.6	4.8	0.1	2.9%
January	4.9	5.0	0.1	1.5%
February	-	-	-	0.0%
March	-	-	-	0.0%
April	-	-	-	0.0%
May	-	-	-	0.0%
June	-	-	-	0.0%
July	-	-	-	0.0%
August	-	-	-	0.0%
September	-	-	-	0.0%
January 2011 YTD	\$ 20.4	\$ 20.0	\$ (0.4)	(1.9%)

MONTHLY BOARD REPORT

January 2011

Operating Expenses

Comparison of Budget to Actual for the Month (January 2011)

	FY11 Annual Budget	January Budget	January Actual	\$ Variance (favorable)/unfavorable	% Variance
Labor & Fringe Benefits	\$ 268,331,317	\$ 22,060,354	\$ 20,592,367	\$ (1,467,987)	(6.7%)
Non-Labor	168,821,578	13,624,889	13,313,673	(311,216)	(2.3%)
Subtotal Labor & Non-Labor	437,152,895	35,685,243	33,906,040	(1,779,203)	(5.0%)
Contingency	5,122,917	-	-	-	0.0%
Allocations/Reimbursements	(87,372,812)	(7,095,731)	(6,096,295)	999,436	14.1%
Total Operating Budget	\$ 354,903,000	\$ 28,589,512	\$ 27,809,745	\$ (779,767)	(2.7%)

Comparison of Budget to Actual - Year-to-Date January 2011 (4 Months)

<u>Expense Category</u>	FY11 Annual Budget	Year-to-Date Budget	Year-to-Date Actual	\$ Variance (favorable)/unfavorable	% Variance
Wages	\$ 103,040,726	\$ 34,353,948	\$ 33,645,202	\$ (708,746)	(2.1%)
Union Fringe Benefits	53,104,900	17,046,515	16,745,484	(301,031)	(1.8%)
Subtotal Union Labor	156,145,626	51,400,463	50,390,686	(1,009,777)	(2.0%)
Salaries and Non-Union Wages	75,331,007	25,147,778	23,329,295	(1,818,483)	(7.2%)
Non-Union Fringe Benefits	36,854,684	11,506,787	11,356,256	(150,531)	(1.3%)
Subtotal Non-Union Labor	112,185,691	36,654,565	34,685,551	(1,969,014)	(5.4%)
Subtotal Labor and Fringe Benefits	268,331,317	88,055,028	85,076,237	(2,978,791)	(3.4%)
Services	25,584,452	7,496,295	5,961,991	(1,534,304)	(20.5%)
Materials and Supplies	19,500,690	6,144,007	5,364,289	(779,718)	(12.7%)
Fuel & Utilities	38,186,023	11,548,125	10,827,094	(721,031)	(6.2%)
Casualty and Liability	2,591,778	803,560	786,578	(16,982)	(2.1%)
Purchased Transportation	75,718,359	24,955,302	24,678,332	(276,970)	(1.1%)
Leases, Rentals and Misc.	7,240,276	2,575,393	2,032,599	(542,794)	(21.1%)
Subtotal Non-Labor	168,821,578	53,522,682	49,650,883	(3,871,799)	(7.2%)
Subtotal Labor and Non-Labor	437,152,895	141,577,710	134,727,120	(6,850,590)	(4.8%)
Contingency	5,122,917	-	-	-	0.0%
Cost Reimbursement (Cost Recovery)	(9,348,459)	(2,723,095)	(2,407,088)	316,007	11.6%
Allocation to Capital and GMP	(24,212,420)	(7,976,380)	(5,326,079)	2,650,301	33.2%
Capitalized Operating Expenses	(53,811,933)	(17,937,312)	(17,937,311)	1	(0.0%)
Subtotal Allocations/Reimbursements	(87,372,812)	(28,636,787)	(25,670,478)	2,966,309	10.4%
Total Operating Budget	\$ 354,903,000	\$ 112,940,923	\$ 109,056,642	\$ (3,884,281)	(3.4%)

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Major Operating Budget Variance Items over \$250,000

<u>Expense Type</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>January 2011 Year-to-Date \$ Variance (favorable) / unfavorable</u>
Union Labor	\$ 51,400,463	\$ 50,390,686	\$ (1,009,777)
Wages - primarily mechanic and cleaner vacancies			(709,000)
Union Fringe Benefits - related to vacancies			(450,000)
Payroll Taxes - Governmental extension of benefits for salary and wage employees			149,000
Non-Union Labor	36,654,565	34,685,551	(1,969,014)
Salaries - related to vacant positions			(1,800,000)
Non-Union Labor Fringe Benefits - vacancy related			(151,000)
Services	7,496,295	5,961,991	(1,534,304)
Invoice processing delays for Origin and Destination survey, long range plan development and other planning services			(734,000)
Service Contracts or Purchase Orders are not in place yet for servicing of new bus shelters and items such as miscellaneous repairs to buildings, Park & Rides, Transit Centers and Rail platforms			(409,000)
Major advertising campaigns and promotion have not yet started			(311,000)
Various equipment, vehicle and general repair contracts are running under budget			(149,000)
Some maintenance contracts for items such as Park & Ride video security systems are only used on an as-needed basis			(112,000)
Legal Fees reflect large CAF rail car related expenses			640,000
Materials & Supplies	6,144,007	5,364,289	(779,718)
Bus Parts			(392,000)
Facility Maintenance Parts			(189,000)
Fuel & Utilities	11,548,125	10,827,094	(721,031)
Diesel Fuel - lower price and usage			(319,000)
Telephone Expenses - primarily due to deferral of the SAFEbus project			(186,000)
Natural Gas - reduced usage			(154,000)
Purchased Transportation	24,955,302	24,678,332	(276,970)
Vanpool program reduced ridership			(433,000)
Northwest BOF contract - lower performance bonus payment			(160,000)
METROLift - increased ridership			315,000
Leases, Rentals and Miscellaneous	2,575,393	2,032,599	(542,794)
HOV and Main Street Rail line signal maintenance contracts used on an as-needed basis			(261,000)
Delay in the start of the update of the regional model by H-GAC (METRO partners in this project)			(168,000)
Underruns in discretionary items (Travel, Memberships, Subscriptions, etc.)			(113,000)
Cost Reimbursement	(2,723,095)	(2,407,088)	316,007
Vanpool cost recovery			317,000
Allocation to Capital & GMP	\$ (7,976,380)	\$ (5,326,079)	\$ 2,650,301
Slower than anticipated execution of a smaller capital budget			2,650,000

MONTHLY BOARD REPORT
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Capital, General Mobility and Debt Service Expenses
Budget vs. Actual - Month and Fiscal Year-to-Date
(\$ millions)

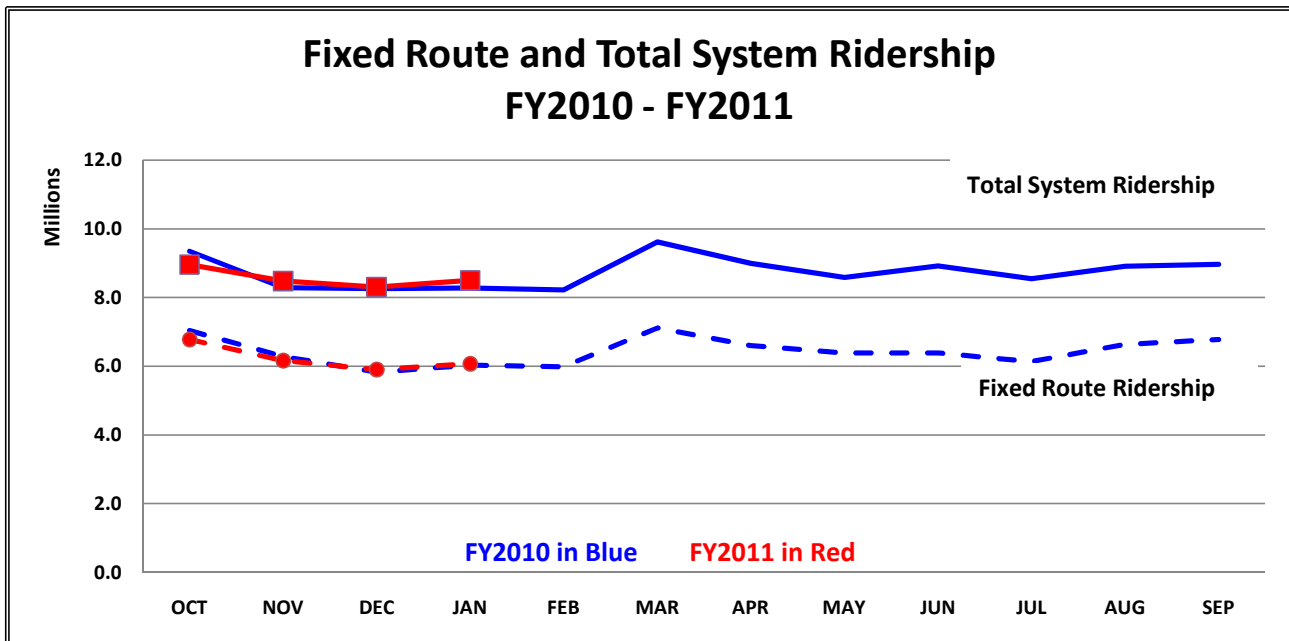
	<u>Month of January 2011</u>				<u>Fiscal YTD January 2011</u>			
	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>		<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	
			<u>\$</u>	<u>%</u>			<u>\$</u>	<u>%</u>
METRORail Expansion	\$ 17.4	\$ 8.4	\$ (9.0)	(51.7%)	\$ 74.8	\$ 27.9	\$ (46.9)	(62.7%)
Capital Improvement Program	5.9	4.7	(1.1)	(19.3%)	17.5	7.8	(9.7)	(55.6%)
Total Capital Budget	23.2	13.1	(10.1)	(43.5%)	92.3	35.6	(56.6)	(61.4%)
General Mobility	9.2	1.5	(7.7)	(83.4%)	63.8	42.3	(21.5)	(33.7%)
Debt Service	\$ 3.5	\$ 3.0	\$ (0.4)	-12.7%	\$ 20.4	\$ 19.8	\$ (0.6)	(3.0%)

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Ridership by Service Category

RIDERSHIP DATA

Service Category	Jan-10 Boardings	Jan-11 Boardings	% Change Jan-11 vs. Jan-10	Jan-10	Jan-11	YTD % Change Jan-11 vs. Jan-10
				YTD Boardings	YTD Boardings	
Fixed Route Bus						
Local	4,596,018	4,720,409	2.7%	19,228,668	19,367,170	0.7%
Park & Ride	626,300	587,304	(6.2%)	2,525,696	2,298,861	(9.0%)
Subtotal Fixed Route Bus	5,222,318	5,307,713	1.6%	21,754,364	21,666,031	(0.4%)
METRO Rail	802,453	766,051	(4.5%)	3,408,207	3,250,834	(4.6%)
Total Fixed Route	6,024,771	6,073,764	0.8%	25,162,571	24,916,865	(1.0%)
Special Bus						
METROLift	119,662	132,368	10.6%	497,689	541,685	8.8%
METRO STAR Vanpool	205,837	200,865	(2.4%)	806,388	765,340	(5.1%)
Internal Service	111	258	132.4%	2,161	3,935	82.1%
Subtotal Special Bus	325,610	333,491	2.4%	1,306,238	1,310,960	0.4%
Subtotal Bus and Rail	6,350,381	6,407,255	0.9%	26,468,809	26,227,825	(0.9%)
HOV Carpools, Vanpools, and Non-METRO Buses	1,927,760	2,094,897	8.7%	7,710,990	8,024,429	4.1%
Total System	8,278,141	8,502,152	2.7%	34,179,799	34,252,254	0.2%

Fixed route ridership shown here is reported on the same basis as in the National Transit Database



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Performance Statistics

Meets goal █ Does not meet goal █

Fiscal Year 2011														Monthly Target	FY2011 YTD GOAL	FY2011 YTD	YTD % Change
SAFETY & SECURITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Monthly Target	FY2011 YTD GOAL	FY2011 YTD	YTD % Change	
Bus Accidents	45	39	46	36									44	176	166	5.7%	
Bus Accidents per 100,000 vehicle miles	0.78	0.71	0.81	0.63									0.81	0.81	0.73	9.4%	
Rail Accidents	4	1	3	2									4	14	10	28.6%	
Rail Accidents per 100,000 vehicle miles	4.93	1.36	4.11	2.79									5.65	5.65	3.34	40.8%	
Major Security Incidents - total	50	28	20	22									45	180	120	33.3%	
Major Security Incidents per 100,000 boardings	0.702	0.432	0.322	0.343									0.684	0.684	0.458	33.1%	
Major Security Incidents - METRO properties	32	13	10	14									28	112	69	38.4%	
Major Security Incidents per 100,000 boardings	0.449	0.200	0.161	0.219									0.426	0.426	0.263	38.2%	
SERVICE & RELIABILITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Monthly Target	FY2011 YTD GOAL	FY2011 YTD	YTD % Change	
Bus On-Time Performance																	
Local Bus OTP	69%	72%	67%	69%									67%	67%	69.3%	3.4%	
Park & Ride Bus OTP	79%	80%	78%	79%									75%	75%	79.0%	5.3%	
Weighted Average Bus OTP	71%	74%	70%	71%									69%	69%	71.5%	3.6%	
Rail On-Time Performance	97.8%	97.3%	96.3%	96.8%									96%	96%	97.1%	1.2%	
MDBF (Mean Distance Between Mechanical Failures) - All Buses	10,169	10,089	10,053	10,380									6,600	6,600	10,172	54.1%	
MDBF - Buses Age 0 - 3 Years (≈ 26% of fleet)	15,713	13,281	10,221	11,744									6,600	6,600	12,371	87.4%	
MDBF - Buses Age 4 - 8 Years (≈ 13% of fleet)	13,465	12,640	18,994	17,591									6,600	6,600	15,239	130.9%	
MDBF - Buses Age 9 - 12 Years (≈ 55% of fleet)	8,483	8,728	9,022	9,222									6,600	6,600	8,851	34.1%	
MDBF - Buses Age 13+ Years (≈ 6% of fleet)	9,537	10,261	12,834	8,918									6,600	6,600	10,224	54.9%	
CUSTOMER SERVICE	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Monthly Target	FY2011 YTD GOAL	FY2011 YTD	YTD % Change	
Complaint Contacts	1,552	1,440	1,337	1,578									1,417	5,667	5,907	4.2%	
Complaint Contacts as a % of boardings	0.0218	0.0222	0.0215	0.0246									0.0215	0.0215	0.0225	4.8%	
Average Call Center Answer Delay (Sec.)	69	63	61	85									60	60	70	15.8%	
COST EFFECTIVENESS	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Monthly Target	FY2011 YTD GOAL	FY2011 YTD	YTD % Change	
Operating Ratio	19.9%	17.5%	16.4%	17.8%									17%	17%	17.8%	4.7%	

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Performance Statistic Definitions

Bus and Rail Accidents - An accident is a transit incident with passenger injuries that require immediate medical treatment away from the scene or a collision between a revenue vehicle and an object such that the amount of damage exceeds \$1,000. Bus accidents (which include METROLift) and rail accidents are reported separately and in terms of the absolute number of accidents and the relative number of accidents per 100,000 vehicle miles. Rail accidents reflect collisions between METRORail and other vehicles, pedestrians, or bicyclists. This definition has been revised beginning in FY2011 to include pedestrian accidents.

Major Security Incidents - The total Major Security Incidents is based on two industry standards: the FBI Uniform Crime Report and the National Transit Database (NTD) Report issued by the Federal Transit Administration (FTA). The eight (8) categories included are: homicide, forcible rape, robbery, aggravated assault, burglary, larceny and theft, motor vehicle theft and arson. This metric is reported both in terms of the absolute number of incidents and the number of incidents per 100,000 boardings.

Major Security Incidents - METRO Properties - The total Major Security Incidents - METRO Properties is the number of Incidents that occur at Park and Ride lots, Transit Centers, on-board buses and trains and on Light Rail Vehicle (LRV) platforms. This metric is reported both in terms of the absolute number of incidents and the number of incidents per 100,000 boardings.

On-Time Performance (OTP) - A local bus is considered on-time if it does not leave early and is within a five (5) minute window after the scheduled departure time. A Park and Ride bus is considered on-time if it does not depart early (except in the morning when a bus can leave from a Park and Ride lot when full) and is within a five (5) minute window after the scheduled departure time, with measurements during peak hours. OTP is measured by the IVOMS system which calculates data to the second, and the five (5) minute window is defined as anything less than six (6) minutes. For METRORail, a train departing from the beginning of the line or arriving at the end of the line less than five (5) minutes after the scheduled time is considered on-time.

Mean Distance Between Bus Mechanical Failure (MDBF) - MDBF reflects any mechanical issue encountered during operation of the vehicle in revenue service that requires a maintenance action resulting from a mechanical failure. Mechanical failures include warranty and fleet defects but exclude accidents. This indicator is for the bus system but excludes METROLift.

Complaint Contacts - Patrons may contact METRO's Customer Information Center to express dissatisfaction with METRO. Contacts made via telephone and over the internet which result in a complaint record being generated in the Public Comment System are reported both in terms of the absolute number of contacts received and the number of contacts as a percentage of total boardings.

Average Call Center Answer Delay - METRO is committed to providing customers with accurate, customer-friendly bus and service information in a timely manner. Customers may obtain bus information over METRO's website and by telephone using an interactive voice response system without speaking to a representative and with no customer wait time. For those customers who prefer to speak with a representative, METRO's goal is to answer their calls in 60 seconds or less.

Operating Ratio - Operating Ratio is calculated as follows:

$$\frac{\text{Total Fares plus Cost Recovery}}{\text{Total Transit Cost}}$$

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Balance Sheet

		January 2011 (\$)
Assets		
Cash	\$	2,224,217
Receivables		117,417,368
Inventory		22,660,033
Investments		156,227,557
Other Assets		31,426,173
Debts Issuance Costs		5,616,013
Property Net of Depreciation		1,751,977,148
Land & Improvements		478,363,177
Total Assets and Other		2,565,911,686
Liabilities		
Trade Payables		42,593,597
Accrued Payroll		23,955,893
Short-Term Debt		190,000,000
Long-Term Liabilities		486,290,427
Other Liabilities		32,976,763
Total Liabilities		775,816,680
Net Assets - Retained		1,790,095,006
Total Liabilities and Net Assets		\$ 2,565,911,686