

METRO

Fiscal Year 2013 Monthly Board Report

Revenue • Expense • Ridership • Performance

November 2012



MONTHLY BOARD REPORT November 2012

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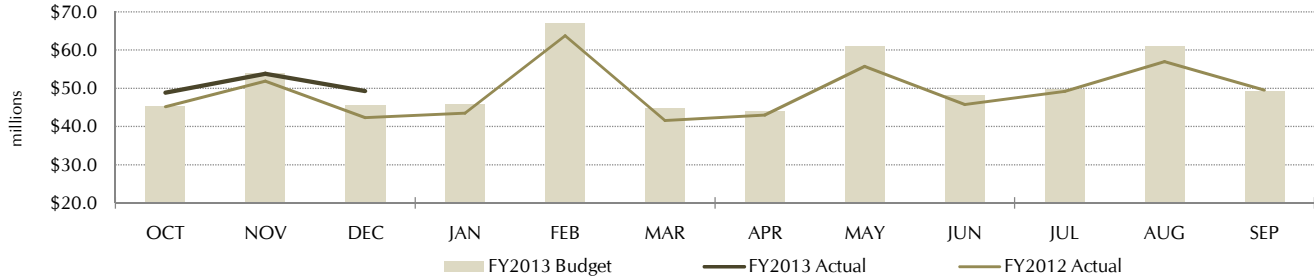
MONTHLY BOARD REPORT

November 2012

Summary

- Sales Tax revenue year-to-date of \$151.9 million through December 2012 is \$7.3 million or 5.1% over budget. December 2012 revenue of \$49.2 million is \$3.7 million or 8.2% over budget.
- Fare revenue of \$12.2 million through November 2012 year-to-date is \$1.2 million or 11.4% over budget. November 2012 revenue of \$5.6 million is \$0.3 million or 5.9% over budget.
- Operating Grant revenue year-to-date of \$5.4 million through November 2012 is \$0.3 million or 5.6% under budget. November 2012 revenue of \$5.0 million is \$0.3 million or 6.1% under budget.
- Capital Grant revenue year-to-date of \$1.1 million through November 2012 is \$17.6 million under budget.
- Interest & Miscellaneous revenue year-to-date of \$0.7 million through November 2012 is essentially on budget. November 2012 revenue of \$0.4 million is \$0.1 million or 48.4% over budget.
- Operating expenses year-to-date of \$70.1 million through November 2012 are \$3.9 million or 5.2% under budget. November 2012 expenses of \$34.7 million are \$2.9 million or 7.7% under budget.
- METRORail Expansion expenses year-to-date of \$34.0 million through November 2012 are \$13.1 million or 27.8% under budget. November 2012 expenses of \$32.9 million are \$12.8 million or 28.0% under budget.
- Other Capital Improvement Program expenses year-to-date of \$1.9 million through November 2012 are \$1.6 million or 44.9% under budget. November 2012 expenses of \$1.3 million are \$1.0 million or 41.9% under budget.
- General Mobility Program expenses year-to-date of \$17.7 million through November 2012 are \$13.0 million or 42.2% under budget. November 2012 expenses of \$3.1 million are \$9.6 million or 75.5% under budget.
- Debt Service expenses year-to-date of \$22.1 million through November 2012 are on budget.
- METROBus ridership (fixed route) year-to-date of 12.2 million through November 2012 is 717,000 or 6.2% over last year. November 2012 ridership of 5.7 million is 103,000 or 1.8% over last year.
- METRORail ridership year-to-date of 2.0 million through November 2012 is 148,000 or 8.1% over last year. November 2012 ridership of 0.9 million is 36,000 or 4.1% over last year.
- Performance Indicator Summary:
 - Safety & Security Bus and rail accidents are below the benchmark for the month and year-to-date. Both Total Major Security Incidents and Major Security Incidents on METRO properties are below the benchmark for the month and year-to-date.
 - Service Reliability On-time performance for Local Bus, Park & Ride Bus, and Rail were above the minimum performance standard for both the month and the year-to-date. The Mean Distance Between Mechanical Failures (Bus MDBF) for all buses were above both the monthly and year-to-date minimum standard.
 - Customer Service Complaint Contacts met the goal for the month and year-to-date. The number of Commendations did not meet the goal for the month but did for the year-to-date. The Average Call Center Answer Delay met the goal for the month and year-to-date.

MONTHLY BOARD REPORT
November 2012
Sales Tax Revenue thru November 2012



Total FY2013 Sales Tax budget is \$614.8 million

Budget to Actual FY2013

(\$ millions)

	Budget	Actual	Variance	%
October	\$ 45.2	\$ 48.9	3.6	8.0%
November	53.8	53.8	(0.0)	(0.0%)
December	45.5	49.2	3.7	8.2%
January	-	-	-	0.0%
February	-	-	-	0.0%
March	-	-	-	0.0%
April	-	-	-	0.0%
May	-	-	-	0.0%
June	-	-	-	0.0%
July	-	-	-	0.0%
August	-	-	-	0.0%
September	-	-	-	0.0%
FY 2013	\$ 144.5	\$ 151.9	\$ 7.3	5.1%

Prior Year vs. Current Year

(\$ millions)

	Prior Year	Current Year	Variance	%
October	\$ 45.2	\$ 48.9	3.7	8.1%
November	51.8	53.8	2.0	3.8%
December	42.3	49.2	6.9	16.4%
January	-	-	-	0.0%
February	-	-	-	0.0%
March	-	-	-	0.0%
April	-	-	-	0.0%
May	-	-	-	0.0%
June	-	-	-	0.0%
July	-	-	-	0.0%
August	-	-	-	0.0%
September	-	-	-	0.0%
FY 2013	\$ 139.3	\$ 151.9	\$ 12.6	9.0%

MONTHLY BOARD REPORT
November 2012
Fare Revenue

Total FY2013 Fare Revenue budget is \$65 million

Budget to Actual FY2013

(\$ millions)

	Budget	Actual	Variance	%
October	\$ 5.7	\$ 6.6	\$ 0.9	16.5%
November	5.3	5.6	0.3	5.9%
December	-	-	-	0.0%
January	-	-	-	0.0%
February	-	-	-	0.0%
March	-	-	-	0.0%
April	-	-	-	0.0%
May	-	-	-	0.0%
June	-	-	-	0.0%
July	-	-	-	0.0%
August	-	-	-	0.0%
September	-	-	-	0.0%
November 2012	\$ 11.0	\$ 12.2	\$ 1.2	11.4%
YTD				

Prior Year vs. Current Year

(\$ millions)

	Prior Year	Current Year	Variance	%
October	\$ 5.8	\$ 6.6	\$ 0.8	13.9%
November	5.7	5.6	(0.1)	(1.7%)
December	-	-	-	0.0%
January	-	-	-	0.0%
February	-	-	-	0.0%
March	-	-	-	0.0%
April	-	-	-	0.0%
May	-	-	-	0.0%
June	-	-	-	0.0%
July	-	-	-	0.0%
August	-	-	-	0.0%
September	-	-	-	0.0%
November 2012	\$ 11.5	\$ 12.2	\$ 0.7	6.2%
YTD				

MONTHLY BOARD REPORT

November 2012

Operating Grant Revenue

Total FY2013 Operating Grant Revenue budget is \$71.1 million

Budget to Actual FY2013

	(\$ millions)						
	Budget		Actual		Variance	%	
October	\$	0.3	\$	0.3	\$	0.0	2.3%
November		5.4		5.0		(0.3)	(6.1%)
December		-		-		-	0.0%
January		-		-		-	0.0%
February		-		-		-	0.0%
March		-		-		-	0.0%
April		-		-		-	0.0%
May		-		-		-	0.0%
June		-		-		-	0.0%
July		-		-		-	0.0%
August		-		-		-	0.0%
September		-		-		-	0.0%
November 2012	\$	5.7	\$	5.4	\$	(0.3)	(5.6%)
YTD							

Capital Grant Revenue

Year-to-date Capital Grant revenue is \$1.1 million versus \$18.7 million budgeted.

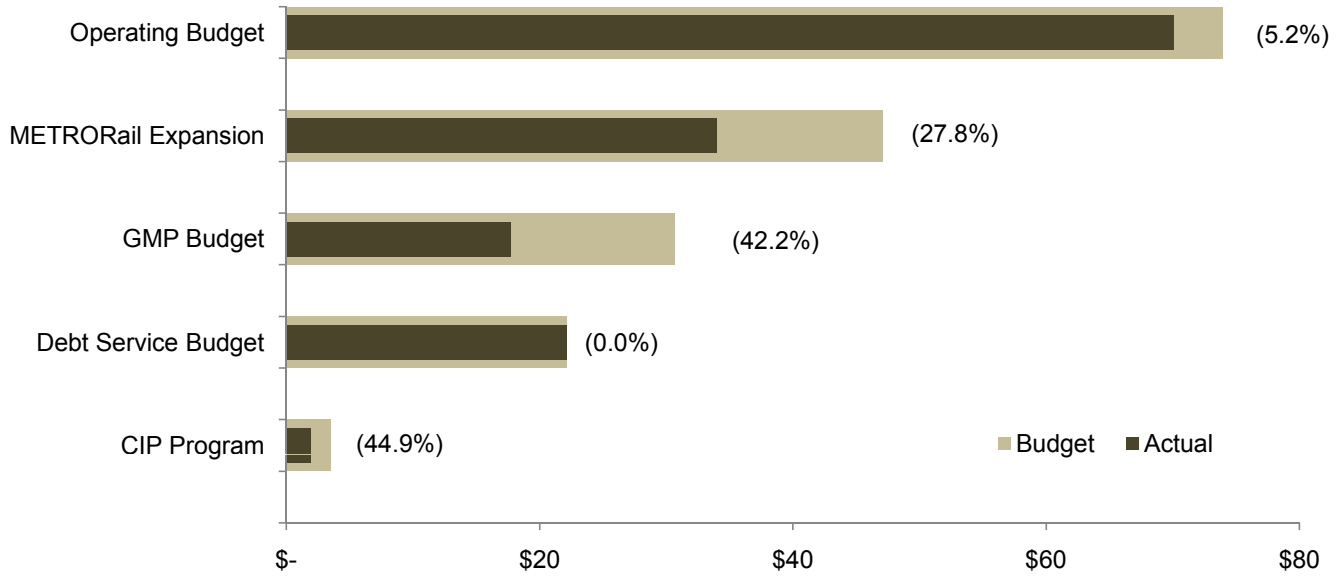
Interest & Miscellaneous Revenue

Total FY2013 Interest & Miscellaneous Revenue budget is \$5.3 million

Budget to Actual FY2013

	(\$ millions)						
	Budget		Actual		Variance	%	
October	\$	0.4	\$	0.3	\$	(0.1)	(25.0%)
November		0.3		0.4		0.1	48.4%
December		-		-		-	0.0%
January		-		-		-	0.0%
February		-		-		-	0.0%
March		-		-		-	0.0%
April		-		-		-	0.0%
May		-		-		-	0.0%
June		-		-		-	0.0%
July		-		-		-	0.0%
August		-		-		-	0.0%
September		-		-		-	0.0%
November 2012	\$	0.7	\$	0.7	\$	0.0	2.2%
YTD							

MONTHLY BOARD REPORT
November 2012
Budget and Expense Summary
(\$ millions)



MONTHLY BOARD REPORT
November 2012
Operating Expenses

Comparison of Budget to Actual for the Month (November 2012)

	FY13 Annual Budget	November Budget	November Actual	\$ Variance (favorable)/unfavorable	% Variance
Labor & Fringe Benefits	\$ 264,052,637	\$ 22,605,787	\$ 22,117,651	\$ (488,136)	(2.2%)
Non-Labor	194,183,094	16,649,033	14,305,163	(2,343,870)	(14.1%)
Subtotal Labor & Non-Labor	458,235,731	39,254,820	36,422,814	(2,832,006)	(7.2%)
Contingency	8,434,919	-	-	-	0.0%
Allocation to Capital and GMP	(21,670,650)	(1,638,141)	(1,708,388)	(70,247)	(4.3%)
Total Operating Budget	\$ 445,000,000	\$ 37,616,679	\$ 34,714,426	\$ (2,902,253)	(7.7%)

Comparison of Budget to Actual Year-to-Date November 2012 (2 Months)

Expense Category	FY13 Annual Budget	Year-to-Date Budget	Year-to-Date Actual	\$ Variance (favorable)/unfavorable	% Variance
Wages	\$ 103,153,260	\$ 18,236,747	\$ 16,954,814	\$ (1,281,933)	(7.0%)
Union Fringe Benefits	\$ 56,573,028	9,054,999	8,638,316	(416,683)	(4.6%)
Subtotal Union Labor	159,726,288	27,291,746	25,593,130	(1,698,616)	(6.2%)
Salaries and Non-Union Wages	72,264,552	12,151,074	11,621,839	(529,235)	(4.4%)
Non-Union Fringe Benefits	32,061,797	5,312,717	5,668,007	355,290	6.7%
Subtotal Non-Union Labor	104,326,349	17,463,791	17,289,846	(173,945)	(1.0%)
Subtotal Labor and Fringe Benefits	264,052,637	44,755,537	42,882,976	(1,872,561)	(4.2%)
Services	33,974,576	5,821,204	3,679,033	(2,142,171)	(36.8%)
Materials and Supplies	19,525,966	3,087,481	3,153,754	66,273	2.1%
Fuel & Utilities	50,102,879	8,285,152	8,071,151	(214,001)	(2.6%)
Casualty and Liability	3,256,864	597,572	494,237	(103,335)	(17.3%)
Purchased Transportation	79,695,333	13,170,687	13,414,095	243,408	1.8%
Leases, Rentals and Misc.	7,627,476	1,571,930	1,154,412	(417,518)	(26.6%)
Subtotal Non-Labor	194,183,094	32,534,026	29,966,681	(2,567,346)	(7.9%)
Subtotal Labor and Non-Labor	458,235,731	77,289,563	72,849,657	(4,439,906)	(5.7%)
Contingency	8,434,919	-	-	-	0.0%
Allocation to Capital and GMP	(21,670,650)	(3,337,291)	(2,776,523)	560,768	16.8%
Subtotal Contingency / Allocations	(13,235,731)	(3,337,291)	(2,776,523)	560,768	16.8%
Total Operating Budget	\$ 445,000,000	\$ 73,952,272	\$ 70,073,135	\$ (3,879,137)	(5.2%)

MONTHLY BOARD REPORT
November 2012
Major Operating Budget Variance - Categories with major variances

<u>Expense Type</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>November 2012 Year-to-Date \$ Variance (favorable) / unfavorable</u>
Union Labor	\$ 27,291,746	\$ 25,593,130	\$ (1,698,616)
Wages & Fringe Benefits - primarily mechanic, cleaner, and operator vacancies			(1,443,000)
Benefits Trust Contribution - less than anticipated participation in the union health plan			(256,000)
Non-Union Labor	17,463,791	17,289,846	(173,945)
Salaries - related to vacancies			(529,000)
Non-Union Fringe Benefits - timing: a charge for next month posted early			355,000
Services	5,821,204	3,679,033	(2,142,171)
Timing of HOT Lanes invoice			(1,202,000)
Timing of expenses in Service Delivery, e.g., support services, education and training, etc.			(237,000)
Delayed start of major advertising campaigns			(170,000)
Timing of legislative coordination			(135,000)
Timing in audit and other financial services expenses			(119,000)
Timing of human resources expenses, specifically wellness and benefits administration			(103,000)
Other variances due to timing, slow starts, and conservative spending			(176,000)
Materials & Supplies	3,087,481	3,153,754	66,273
Timing variances for miscellaneous supplies, tools, and equipment in Facilities Maintenance			103,000
Fuel & Utilities	8,285,152	8,071,151	(214,001)
Timing variances in Telephone			(159,000)
Timing variances in Power			(52,000)
Casualty and Liability	597,572	494,237	(103,335)
More than expected recovery of subrogation			(104,000)
Purchased Transportation	13,170,687	13,414,095	243,408
METROLift - due to increased ridership, service mix, and contractor rate variance			244,000
Timing of vanpool expenses: vehicle decals and advertising expenses			82,000
Correction of FY12 contractor performance bonus overaccrual			(83,000)
Leases, Rentals and Miscellaneous	1,571,930	1,154,412	(417,518)
Slow invoicing of referendum expenses			(226,000)
Savings in discretionary items (membership dues, travel, etc.)			(133,000)
Allocation to Capital and GMP	(3,337,291)	(2,776,523)	560,768
Vacancies in Capital Programs plus timing in the anticipated execution of projects			561,000

MONTHLY BOARD REPORT
November 2012
Capital, General Mobility and Debt Service Expenses
Budget vs. Actual - Month and Fiscal Year-to-Date
(\$ millions)

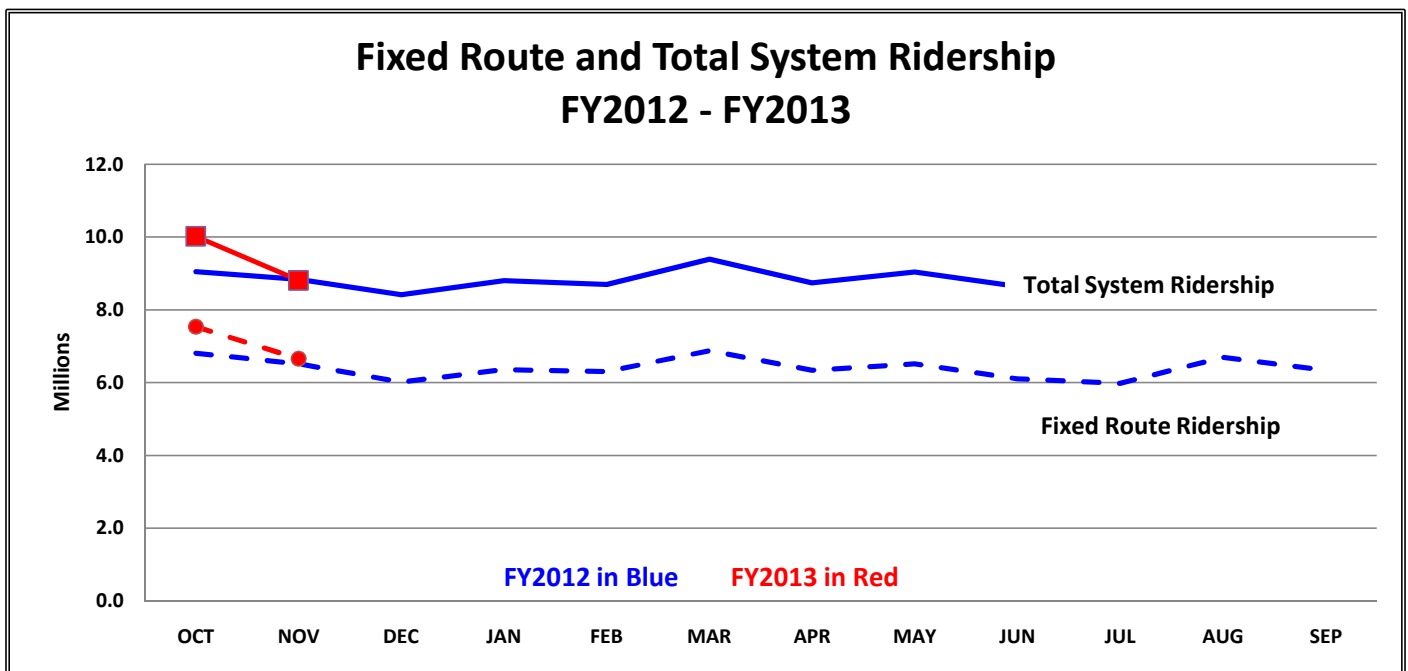
	FY2013 Annual Budget	Month of November 2012				Fiscal YTD November 2012			
		Budget	Actual	Variance		Budget	Actual	Variance	
				\$	%			\$	%
METRORail Expansion	\$ 559.4	\$ 45.8	\$ 32.9	\$ (12.8)	(28.0%)	\$ 47.1	\$ 34.0	\$ (13.1)	(27.8%)
Capital Improvement Program	159.8	2.3	1.3	(1.0)	(41.9%)	3.5	1.9	(1.6)	(44.9%)
Total Capital Budget	\$ 719.2	48.1	34.3	(13.8)	(28.7%)	50.6	35.9	(14.7)	(29.0%)
General Mobility	\$ 164.8	12.7	3.1	(9.6)	(75.5%)	30.7	17.7	(13.0)	(42.2%)
Debt Service	\$ 78.3	\$ 7.1	\$ 7.1	\$ (0.0)	(0.0%)	\$ 22.2	\$ 22.1	\$ (0.0)	(0.0%)

MONTHLY BOARD REPORT
November 2012
Ridership by Service Category

Service Category	Nov-11 Boardings	Nov-12 Boardings	% Change Nov-12 vs. Nov-11	Nov-11 YTD Boardings	Nov-12 YTD Boardings	YTD % Change
						Nov-12 vs. Nov-11
Fixed Route Bus						
Local	5,049,483	5,124,927	1.5%	10,268,319	10,837,071	5.5%
Park & Ride	590,513	618,444	4.7%	1,231,658	1,379,991	12.0%
Subtotal Fixed Route Bus	5,639,996	5,743,371	1.8%	11,499,977	12,217,062	6.2%
METRO Rail	874,178	910,409	4.1%	1,819,992	1,967,917	8.1%
Subtotal Fixed Route	6,514,174	6,653,780	2.1%	13,319,969	14,184,979	6.5%
Special Events *	251	113	(55.0%)	1,284	969	(24.5%)
Total Fixed Route	6,514,425	6,653,893	2.1%	13,321,253	14,185,948	6.5%
Customized Bus Services						
METROLift	134,583	139,684	3.8%	275,407	294,165	6.8%
METRO STAR Vanpool	194,618	192,284	(1.2%)	399,999	424,944	6.2%
Internal Service	228	67	(70.6%)	1,405	101	(92.8%)
Subtotal Customized Bus	329,429	332,035	0.8%	676,811	719,210	6.3%
Subtotal Bus and Rail	6,843,854	6,985,928	2.1%	13,998,064	14,905,158	6.5%
HOV/HOT Carpools, Vanpools, and Non-METRO Buses	1,996,760	1,825,160	(8.6%)	3,896,924	3,924,094	0.7%
Total System	8,840,614	8,811,088	(0.3%)	17,894,988	18,829,252	5.2%

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

** The Special Events category of ridership reflects customer service oriented short-term additional motor bus service provided for events at Reliant Park such as football games and RODEO Houston.*



MONTHLY BOARD REPORT
November 2012
Performance Statistics

Benchmark Met Benchmark Missed

Fiscal Year 2013														Monthly Target	FY2013 YTD GOAL	FY2013 YTD	YTD % Change
SAFETY & SECURITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP					
Bus Accidents	40	27												≤ 44	88	67	23.9%
Bus Accidents per 100,000 vehicle miles	0.69	0.51												≤ 0.79	≤ 0.79	0.60	23.9%
Rail Accidents	2	2												≤ 3	6	4	33.3%
Rail Accidents per 100,000 vehicle miles	2.46	2.60												≤ 5.56	≤ 5.56	2.53	54.5%
Major Security Incidents - total	47	34												≤ 45	90	81	10.0%
Major Security Incidents per 100,000 boardings	0.612	0.501												≤ 0.670	≤ 0.670	0.560	16.5%
Major Security Incidents - METRO properties	16	18												≤ 28	56	34	39.3%
Major Security Incidents per 100,000 boardings	0.307	0.356												≤ 0.417	≤ 0.417	0.235	43.7%
SERVICE & RELIABILITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP					
Bus On-Time Performance																	
Local Bus OTP	71%	71%												≥ 67%	≥ 67%	71%	6.0%
Park & Ride Bus OTP	79%	78%												≥ 75%	≥ 75%	79%	4.7%
Weighted Average Bus OTP	73%	73%												≥ 69%	≥ 69%	73%	5.8%
Rail On-Time Performance	98%	97%												≥ 95%	≥ 95%	97%	2.4%
MDBF (Mean Distance Between Mechanical Failures) - All Buses	9,664	10,539												≥ 7,000	≥ 7,000	10,063	43.8%
CUSTOMER SERVICE	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP					
*Complaint Contacts per 100,000 boardings	25.09	23.93												≤ 27.00	≤ 27.00	24.54	9.1%
Commendations	240	203												≤ 208	≤ 417	443	6.2%
Average Call Center Answer Delay (Sec.)	93	93												≤ 120	≤ 120	93	22.5%

* Note: Starting in FY13 the reporting of Complaint Contacts per 100,000 boardings is modified to be consistent with Service Delivery's internal FY13 Scorecard reporting.

MONTHLY BOARD REPORT
November 2012
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 Care 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 as the number of contacts per 100,000 boardings. This reporting of Complaint Contacts was modified starting in FY2013 to be consistent with Service Delivery's internal FY13 Scorecard.

Commendations - Patrons may contact METRO's Customer Care Center to recognize, compliment or praise a METRO employee or the METRO organization for exemplary work or performance. Contacts made via telephone, internet, email or mail which result in a commendation record being generated in the Public Comment System are reported only on the basis of the absolute number of contacts received.

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 120 seconds or less.

MONTHLY BOARD REPORT
November 2012
Balance Sheet

	Nov 30, 2011 (\$)	Nov 30, 2012 (\$)	Change (\$)
Cash	\$ 2,231,139	\$ 3,200,450	\$ 969,311
Receivables	100,943,763	120,250,704	19,306,941
Inventory	17,709,878	18,316,656	606,778
Investments	496,783,668	433,510,440	(63,273,228)
Other Assets	224,833,635	99,277,697	(125,555,938)
Debt Issuance Costs	8,532,572	8,100,333	(432,239)
Property Net of Depreciation	1,832,737,634	2,182,520,523	349,782,889
Land & Improvements	480,799,777	414,931,544	(65,868,233)
Total Assets and Other	3,164,572,065	3,280,108,347	115,536,282
Liabilities			
Trade Payables	77,094,561	67,150,538	(9,944,023)
Accrued Payroll	23,191,344	24,485,396	1,294,052
Commercial Paper	190,000,000	189,000,000	(1,000,000)
Long-Term Liabilities	552,681,455	1,066,653,911	513,972,456
Other Liabilities	739,159,580	84,649,204	(654,510,376)
Total Liabilities	1,582,126,939	1,431,939,049	(150,187,890)
Net Assets - Retained	1,582,445,126	1,848,169,298	265,724,172
Total Liabilities and Net Assets	\$ 3,164,572,065	\$ 3,280,108,347	\$ 115,536,282