

METRO

Fiscal Year 2013 Monthly Board Report

Revenue • Expense • Ridership • Performance

December 2012

(First Quarter Fiscal Year-to-Date)



MONTHLY BOARD REPORT

December 2012

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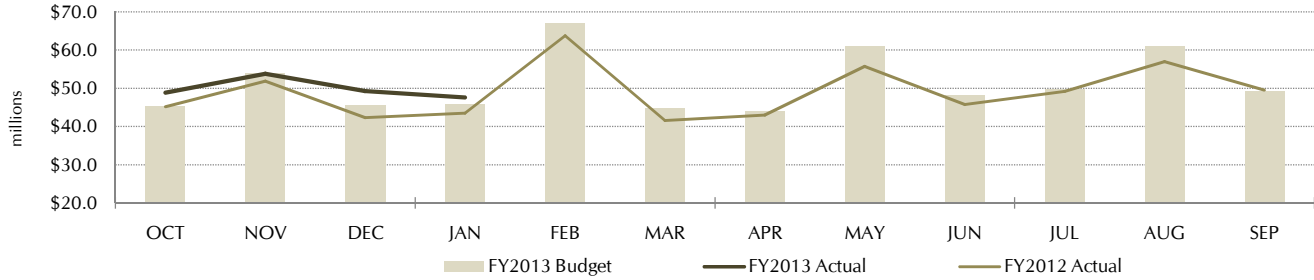
MONTHLY BOARD REPORT

December 2012

Summary

- Sales Tax revenue year-to-date of \$199.4 million through January 2012 is \$9.1 million or 4.8% over budget. January 2012 revenue of \$47.6 million is \$1.7 million or 3.8% over budget.
- Fare revenue of \$17.3 million through December 2012 year-to-date is \$1.4 million or 9.0% over budget. December 2012 revenue of \$5.1 million is \$0.2 million or 3.9% over budget.
- Operating Grant revenue year-to-date of \$6.2 million through December 2012 is \$0.1 million or 2.3% over budget. December 2012 revenue of \$0.8 million is \$0.5 million or 126.8% over budget.
- Capital Grant revenue year-to-date of \$4.9 million through December 2012 is \$13.8 million or 73.9% under budget.
- Interest & Miscellaneous revenue year-to-date of \$1.1 million through December 2012 is essentially on budget. December 2012 revenue of \$0.4 million is \$0.1 million or 52.6% over budget.
- Operating expenses year-to-date of \$104.9 million through December 2012 are \$5.0 million or 4.6% under budget. December 2012 expenses of \$34.8 million are \$1.2 million or 3.2% under budget.
- METRORail Expansion expenses year-to-date of \$61.4 million through December 2012 are \$32.7 million or 34.7% under budget. December 2012 expenses of \$27.4 million are \$19.6 million or 41.7% under budget.
- Other Capital Improvement Program expenses year-to-date of \$7.9 million through December 2012 are \$3.3 million or 29.3% under budget. December 2012 expenses of \$6.0 million are \$1.7 million or 22.3% under budget.
- General Mobility Program expenses year-to-date of \$45.7 million through December 2012 are \$2.4 million or 5.5% over budget. December 2012 expenses of \$28.0 million are \$15.4 million or 121.2% over budget.
- Debt Service expenses year-to-date of \$27.3 million through December 2012 are on budget.
- METROBus ridership (fixed route) year-to-date of 17.4 million through December 2012 is 724,000 or 4.3% over last year. December 2012 ridership of 5.2 million is 4,000 or 0.1% over last year.
- METRORail ridership year-to-date of 2.7 million through December 2012 is 121,000 or 4.6% over last year. December 2012 ridership of 0.8 million is 24,000 or 2.9% under last year.
- Performance Indicator Summary:
 - Safety & Security Bus and rail accidents are above the benchmark for the month but below the benchmark for the 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 meet the goal for the month and the year-to-date. The Average Call Center Answer Delay met the goal for the month and year-to-date.

MONTHLY BOARD REPORT
December 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	45.8	47.6	1.7	3.8%
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	\$ 190.4	\$ 199.4	\$ 9.1	4.8%

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	43.5	47.6	4.0	9.3%
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	\$ 182.8	\$ 199.4	\$ 16.6	9.1%

MONTHLY BOARD REPORT

December 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	4.9	5.1	0.2	3.9%
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%
December 2012	\$ 15.9	\$ 17.3	\$ 1.4	9.0%
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	5.0	5.1	0.1	2.5%
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%
December 2012	\$ 16.5	\$ 17.3	\$ 0.8	5.1%
YTD				

MONTHLY BOARD REPORT

December 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		0.4		0.8	0.5		126.8%
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%
December 2012	\$	6.0	\$	6.2	\$	0.1	2.3%
YTD							

Capital Grant Revenue

Year-to-date Capital Grant revenue is \$4.9 million versus \$18.7 million budgeted.

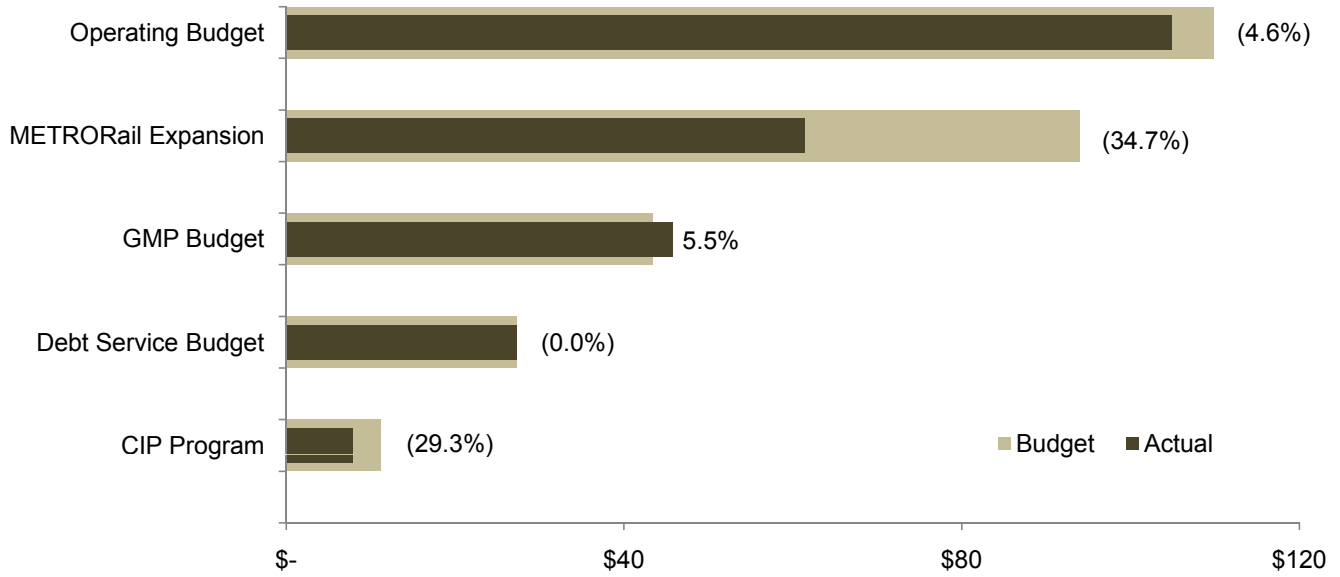
Interest & Miscellaneous Revenue

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		0.3		0.2	(0.1)		(21.1%)
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%
December 2012	\$	1.0	\$	0.9	\$	(0.0)	(4.3%)
YTD							

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



MONTHLY BOARD REPORT
December 2012
Operating Expenses

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

	FY13 Annual Budget	December Budget	December Actual	\$ Variance (favorable)/unfavorable	% Variance
Labor & Fringe Benefits	\$ 264,189,807	\$ 21,593,455	\$ 20,667,175	\$ (926,280)	(4.3%)
Non-Labor	194,045,924	15,893,575	15,393,920	(499,655)	(3.1%)
Subtotal Labor & Non-Labor	458,235,731	37,487,030	36,061,095	(1,425,935)	(3.8%)
Contingency	8,434,919	-	-	-	0.0%
Allocation to Capital and GMP	(21,670,650)	(1,490,404)	(1,234,020)	256,384	17.2%
Total Operating Budget	\$ 445,000,000	\$ 35,996,626	\$ 34,827,075	\$ (1,169,551)	(3.2%)

Comparison of Budget to Actual Year-to-Date December 2012 (3 Months)

Expense Category	FY13 Annual Budget	Year-to-Date Budget	Year-to-Date Actual	\$ Variance (favorable)/unfavorable	% Variance
Wages	\$ 103,153,260	\$ 26,973,664	\$ 25,393,460	\$ (1,580,204)	(5.9%)
Union Fringe Benefits	\$ 56,573,028	13,628,960	12,964,154	(664,806)	(4.9%)
Subtotal Union Labor	159,726,288	40,602,624	38,357,614	(2,245,010)	(5.5%)
Salaries and Non-Union Wages	72,391,228	17,888,421	17,083,622	(804,799)	(4.5%)
Non-Union Fringe Benefits	32,072,291	7,857,947	8,108,915	250,968	3.2%
Subtotal Non-Union Labor	104,463,519	25,746,368	25,192,537	(553,831)	(2.2%)
Subtotal Labor and Fringe Benefits	264,189,807	66,348,992	63,550,151	(2,798,841)	(4.2%)
Services	33,869,296	8,569,496	6,248,027	(2,321,469)	(27.1%)
Materials and Supplies	19,525,966	4,653,331	4,309,094	(344,237)	(7.4%)
Fuel & Utilities	50,102,879	12,325,808	11,843,989	(481,819)	(3.9%)
Casualty and Liability	3,256,864	758,991	734,901	(24,090)	(3.2%)
Purchased Transportation	79,695,333	19,818,424	19,970,015	151,591	0.8%
Leases, Rentals and Misc.	7,595,586	2,301,551	2,254,576	(46,975)	(2.0%)
Subtotal Non-Labor	194,045,924	48,427,601	45,360,601	(3,067,001)	(6.3%)
Subtotal Labor and Non-Labor	458,235,731	114,776,593	108,910,752	(5,865,841)	(5.1%)
Contingency	8,434,919	-	-	-	0.0%
Allocation to Capital and GMP	(21,670,650)	(4,827,695)	(4,010,543)	817,152	16.9%
Subtotal Contingency / Allocations	(13,235,731)	(4,827,695)	(4,010,543)	817,152	16.9%
Total Operating Budget	\$ 445,000,000	\$ 109,948,898	\$ 104,900,210	\$ (5,048,688)	(4.6%)

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

<u>Expense Type</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>December 2012 Year-to-Date</u> <u>\$ Variance</u> <u>(favorable) / unfavorable</u>
Union Labor	\$ 40,602,624	\$ 38,357,614	\$ (2,245,010)
Wages & Fringe Benefits - primarily mechanic, cleaner, and operator vacancies			(1,893,000)
Benefits Trust Contribution - less than anticipated participation in the union health plan			(352,000)
Non-Union Labor	25,746,368	25,192,537	(553,831)
Salaries - related to vacancies			(805,000)
Non-Union Fringe Benefits - timing: a healthcare charge posted early			251,000
Services	8,569,496	6,248,027	(2,321,469)
Timing of HOT Lanes invoice			(879,000)
Timing of expenses in Service Delivery, e.g., support services, education and training, etc.			(275,000)
Delayed start of contract services for buildings and grounds			(219,000)
Delayed spending on advertising, promotion, and planned marketing campaigns			(183,000)
Timing of legislative coordination			(182,000)
Timing in audit and other financial services expenses			(160,000)
Delayed start of planning contracts			(155,000)
Timing of human resources expenses, specifically wellness and benefits administration			(121,000)
Timing of IT contractual support services			(109,000)
Materials & Supplies	4,653,331	4,309,094	(344,237)
Timing in bus maintenance: purchasing of bus parts, supplies, tools, and equipment			(359,000)
Fuel & Utilities	12,325,808	11,843,989	(481,819)
Timing variances in Telephone			(262,000)
Timing variances in Gas			(136,000)
Timing variances in Power			(88,000)
Purchased Transportation	19,818,424	19,970,015	151,591
METROLift - due to demand, service mix, and contractor rate variance			113,000
Allocation to Capital and GMP	(4,827,695)	(4,010,543)	817,152
Vacancies in Capital Programs plus timing in the anticipated execution of projects			817,000

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

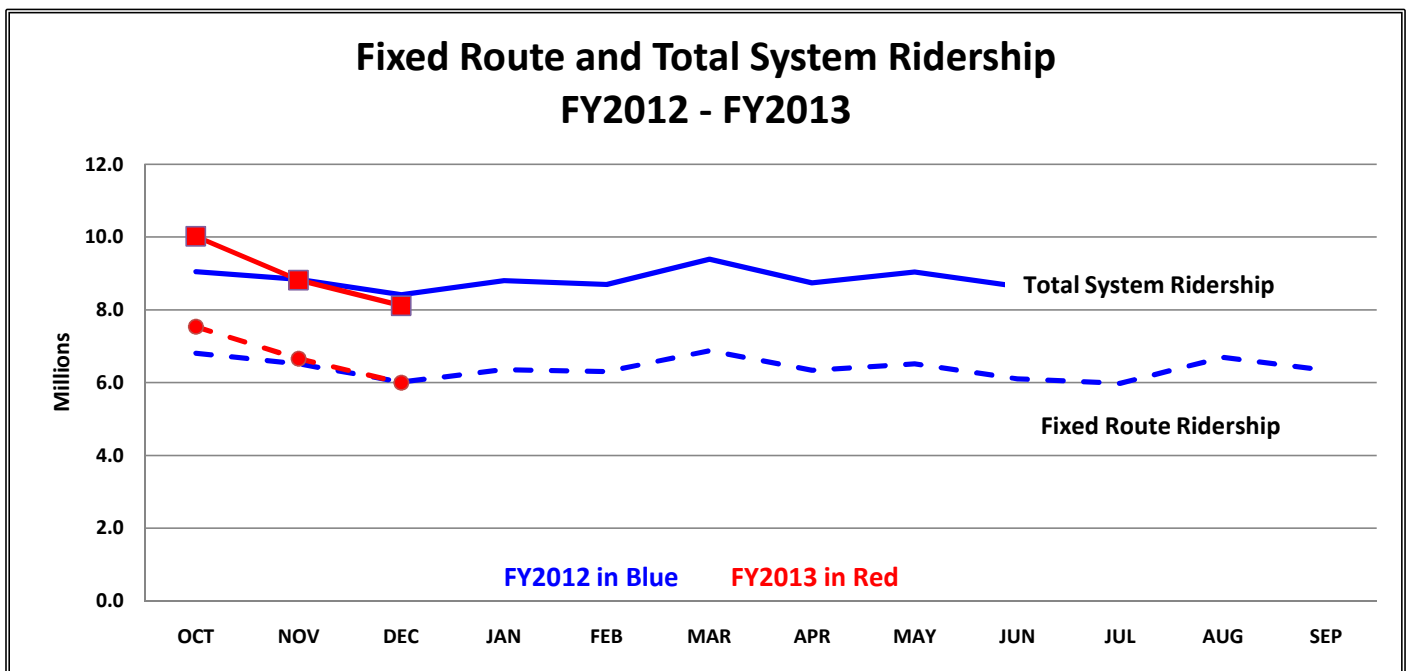
	FY2013 Annual Budget	Month of December 2012				Fiscal YTD December 2012			
		Budget	Actual	Variance		Budget	Actual	Variance	
			\$	%			\$	%	
METRORail Expansion	\$ 559.4	\$ 46.9	\$ 27.4	\$ (19.6)	(41.7%)	\$ 94.1	\$ 61.4	\$ (32.7)	(34.7%)
Capital Improvement Program	159.8	7.7	6.0	(1.7)	(22.3%)	11.2	7.9	(3.3)	(29.3%)
Total Capital Budget	\$ 719.2	54.7	33.4	(21.3)	(38.9%)	105.3	69.3	(36.0)	(34.2%)
General Mobility	\$ 164.8	12.7	28.0	15.4	121.2%	43.4	45.7	2.4	5.5%
Debt Service	\$ 78.3	\$ 5.2	\$ 5.2	\$ (0.0)	(0.0%)	\$ 27.3	\$ 27.3	\$ (0.0)	(0.0%)

MONTHLY BOARD REPORT
December 2012
Ridership by Service Category

Service Category	Dec-11 Boardings	Dec-12 Boardings	% Change Dec-12 vs. Dec-11	Dec-11 YTD Boardings	Dec-12 YTD Boardings	YTD % Change Dec-12 vs. Dec-11
Fixed Route Bus						
Local	4,707,412	4,700,989	(0.1%)	14,975,731	15,540,046	3.8%
Park & Ride	506,019	516,754	2.1%	1,737,677	1,897,694	9.2%
Subtotal Fixed Route Bus	5,213,431	5,217,743	0.1%	16,713,408	17,437,740	4.3%
METRO Rail	801,076	777,516	(2.9%)	2,621,068	2,742,225	4.6%
Subtotal Fixed Route	6,014,507	5,995,259	(0.3%)	19,334,476	20,179,965	4.4%
Special Events *	908	321	(64.6%)	2,192	1,290	(41.1%)
Total Fixed Route	6,015,415	5,995,580	(0.3%)	19,336,668	20,181,255	4.4%
Customized Bus Services						
METROLift	132,774	130,856	(1.4%)	408,181	425,021	4.1%
METRO STAR Vanpool	174,006	164,452	(5.5%)	574,005	592,927	3.3%
Internal Service	0	7	-	1,405	108	(92.3%)
Subtotal Customized Bus	306,780	295,315	(3.7%)	983,591	1,018,056	3.5%
Subtotal Bus and Rail	6,322,195	6,290,895	(0.5%)	20,320,259	21,199,311	4.3%
HOV/HOT Carpools, Vanpools, and Non-METRO Buses	2,096,598	1,825,160	(12.9%)	5,993,522	5,749,254	(4.1%)
Total System	8,418,793	8,116,055	(3.6%)	26,313,781	26,948,565	2.4%

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
December 2012
Performance Statistics

Benchmark Met Benchmark Missed

Fiscal Year 2013																	
SAFETY & SECURITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Monthly	FY2013	FY2013	YTD	
													Target	YTD	YTD	%	
														GOAL	GOAL	Change	
Bus Accidents	40	27	47											≤ 44	132	114	13.6%
Bus Accidents per 100,000 vehicle miles	0.69	0.51	0.89											≤ 0.79	≤ 0.79	0.69	12.3%
Rail Accidents	2	2	4											≤ 3	≤ 9	8	11.1%
Rail Accidents per 100,000 vehicle miles	2.46	2.60	5.24											≤ 5.56	≤ 5.56	3.41	38.7%
Major Security Incidents - total	47	35	35											≤ 45	≤ 135	117	13.3%
Major Security Incidents per 100,000 boardings	0.612	0.515	0.572											≤ 0.670	≤ 0.670	0.568	15.2%
Major Security Incidents - METRO properties	16	18	9											≤ 28	≤ 84	43	48.8%
Major Security Incidents per 100,000 boardings	0.307	0.356	0.191											≤ 0.417	≤ 0.417	0.209	49.9%
SERVICE & RELIABILITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Monthly	FY2013	FY2013	YTD	
													Target	YTD	YTD	%	
														GOAL	GOAL	Change	
Bus On-Time Performance																	
Local Bus OTP	71%	71%	72%											≥ 67%	≥ 67%	71%	6.5%
Park & Ride Bus OTP	79%	78%	77%											≥ 75%	≥ 75%	78%	4.0%
Weighted Average Bus OTP	73%	73%	73%											≥ 69%	≥ 69%	73%	5.8%
Rail On-Time Performance	98%	97%	98%											≥ 95%	≥ 95%	98%	2.8%
MDBF (Mean Distance Between Mechanical Failures) - All Buses	9,664	10,539	11,233											≥ 7,000	≥ 7,000	10,417	48.8%
CUSTOMER SERVICE	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Monthly	FY2013	FY2013	YTD	
													Target	YTD	YTD	%	
														GOAL	GOAL	Change	
*Complaint Contacts per 100,000 boardings	24.98	23.61	26.88											≤ 27.00	≤ 27.00	25.09	7.1%
Commendations	240	210	258											≥ 208	≥ 625	708	13.3%
Average Call Center Answer Delay (Sec.)	93	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
December 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

December 2012

Balance Sheet

	Dec 31, 2011 (\$)	Dec 31, 2012 (\$)	Change (\$)
Cash	\$ 1,554,663	\$ 17,137,982	\$ 15,583,319
Receivables	120,921,136	130,796,867	9,875,731
Inventory	17,168,950	18,159,618	990,668
Investments	564,378,489	393,238,794	(171,139,695)
Other Assets	224,656,477	99,846,310	(124,810,167)
Debt Issuance Costs	8,806,342	8,100,333	(706,009)
Property Net of Depreciation	1,862,623,926	2,206,178,440	343,554,514
Land & Improvements	481,278,109	414,141,633	(67,136,476)
Total Assets and Other	3,281,388,091	3,287,599,977	6,211,886
Liabilities			
Trade Payables	44,268,454	65,217,406	20,948,952
Accrued Payroll	23,731,364	25,422,828	1,691,464
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	738,869,291	85,062,139	(653,807,152)
Total Liabilities	1,549,550,563	1,431,356,284	(118,194,279)
Net Assets - Retained	1,731,837,528	1,856,243,693	124,406,165
Total Liabilities and Net Assets	\$ 3,281,388,091	\$ 3,287,599,977	\$ 6,211,886