

# METRO

## Fiscal Year 2013 Monthly Board Report

Revenue • Expense • Ridership • Performance

March 2013

(Second Quarter Fiscal Year-to-Date)



# **MONTHLY BOARD REPORT**

## **March 2013**

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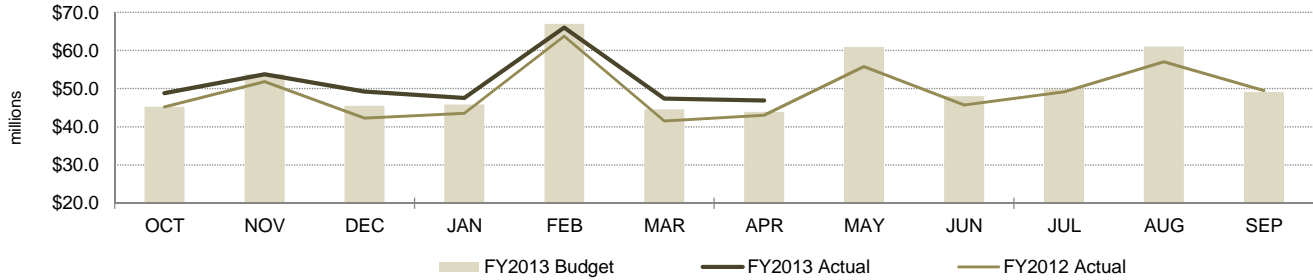
## MONTHLY BOARD REPORT

March 2013

### Summary

- Sales Tax revenue year-to-date of \$359.7 million through April 2013 is \$13.9 million or 4.0% over budget. April 2013 revenue of \$46.9 million is \$2.9 million or 6.7% over budget.
- Fare revenue of \$34.7 million through March 2013 year-to-date is \$2.8 million or 8.7% over budget. March 2013 revenue of \$6.0 million is essentially on budget.
- Operating Grant revenue year-to-date of \$27.7 million through March 2013 is \$20.6 million or 289.4% over budget. March 2013 revenue of \$0.2 million is \$0.2 million or 53.9% under budget.
- Capital Grant revenue year-to-date of \$48.2 million through March 2013 is \$13.9 million or 22.3% under budget.
- Interest & Miscellaneous revenue year-to-date of \$4.3 million through March 2013 is \$2.1 million or 95.0% over budget. March 2013 revenue of \$2.0 million is \$1.3 million or 191.3% over budget.
- Operating expenses year-to-date of \$210.0 million through March 2013 are \$9.0 million or 4.1% under budget. March 2013 expenses of \$36.8 million are \$1.3 million or 3.5% under budget.
- METRORail Expansion expenses year-to-date of \$165.3 million through March 2013 are \$71.5 million or 30.2% under budget. March 2013 expenses of \$38.7 million are \$13.9 million or 26.4% under budget.
- Other Capital Improvement Program expenses year-to-date of \$20.1 million through March 2013 are - \$19.0 million or 48.6% under budget. March 2013 expenses of \$7.2 million are \$2.8 million or 27.9% under budget.
- General Mobility Program expenses year-to-date of \$80.6 million through March 2013 are \$3.2 million or 3.8% under budget. March 2013 expenses of \$4.7 million are \$8.8 million or 65.5% under budget.
- Debt Service expenses year-to-date of \$42.7 million through March 2013 are on budget.
- METROBus ridership (fixed route) year-to-date of 34.2 million through March 2013 is 1,179,000 or 3.6% over last year. March 2013 ridership of 5.6 million is 85,000 or 1.5% over last year.
- METRORail ridership year-to-date of 5.9 million through March 2013 is 207,000 or 3.6% over last year. March 2013 ridership of 1.3 million is 44,000 or 3.5% over last year.
- Performance Indicator Summary:
  - Safety & Security Both Bus and Rail accidents are below the benchmark for the month and for the year-to-date. Total Major Security Incidents is below the benchmark for the month and year-to-date. Major Security Incidents on METRO properties did not meet the benchmark for the month but below the benchmark for the year-to-date.
  - Service Reliability On-Time Performance for Local Bus, Park & Ride Bus, and Rail are above the minimum performance standard for both the month and the year-to-date. The Mean Distance Between Mechanical Failures (MDBF) for all buses are 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 met the goal for the month and the year-to-date. The Average Call Center Answer Delay data was unavailable for the current month.

**MONTHLY BOARD REPORT**  
**March 2013**  
**Sales Tax Revenue thru April 2013**



**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       | 67.0            | 66.0            | (1.0)          | (1.4%)      |
| March          | 44.6            | 47.4            | 2.8            | 6.3%        |
| <b>April</b>   | <b>43.9</b>     | <b>46.9</b>     | <b>2.9</b>     | <b>6.7%</b> |
| May            | -               | -               | -              | 0.0%        |
| June           | -               | -               | -              | 0.0%        |
| July           | -               | -               | -              | 0.0%        |
| August         | -               | -               | -              | 0.0%        |
| September      | -               | -               | -              | 0.0%        |
| <b>FY 2013</b> | <b>\$ 345.8</b> | <b>\$ 359.7</b> | <b>\$ 13.9</b> | <b>4.0%</b> |

**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       | 63.7            | 66.0            | 2.3            | 3.6%         |
| <b>March</b>   | <b>41.6</b>     | <b>47.4</b>     | <b>5.9</b>     | <b>14.1%</b> |
| <b>April</b>   | <b>43.0</b>     | <b>46.9</b>     | <b>3.8</b>     | <b>8.9%</b>  |
| May            | -               | -               | -              | 0.0%         |
| June           | -               | -               | -              | 0.0%         |
| July           | -               | -               | -              | 0.0%         |
| August         | -               | -               | -              | 0.0%         |
| September      | -               | -               | -              | 0.0%         |
| <b>FY 2013</b> | <b>\$ 331.1</b> | <b>\$ 359.7</b> | <b>\$ 28.6</b> | <b>8.6%</b>  |

# MONTHLY BOARD REPORT

March 2013

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               | 5.1            | 5.8            | 0.7           | 12.8%       |
| February              | 5.0            | 5.6            | 0.6           | 13.0%       |
| March                 | 6.0            | 6.0            | 0.0           | 0.6%        |
| April                 | -              | -              | -             | 0.0%        |
| May                   | -              | -              | -             | 0.0%        |
| June                  | -              | -              | -             | 0.0%        |
| July                  | -              | -              | -             | 0.0%        |
| August                | -              | -              | -             | 0.0%        |
| September             | -              | -              | -             | 0.0%        |
| <b>March 2013 YTD</b> | <b>\$ 31.9</b> | <b>\$ 34.7</b> | <b>\$ 2.8</b> | <b>8.7%</b> |

## 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               | 5.1            | 5.8            | 0.7           | 12.9%       |
| February              | 5.2            | 5.6            | 0.4           | 8.3%        |
| March                 | 5.8            | 6.0            | 0.2           | 4.1%        |
| April                 | -              | -              | -             | 0.0%        |
| May                   | -              | -              | -             | 0.0%        |
| June                  | -              | -              | -             | 0.0%        |
| July                  | -              | -              | -             | 0.0%        |
| August                | -              | -              | -             | 0.0%        |
| September             | -              | -              | -             | 0.0%        |
| <b>March 2013 YTD</b> | <b>\$ 32.6</b> | <b>\$ 34.7</b> | <b>\$ 2.2</b> | <b>6.7%</b> |

## MONTHLY BOARD REPORT

March 2013

### 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               | 0.4           | 0.9            | 0.5            | 145.3%        |  |
| February              | 0.4           | 20.5           | 20.1           | 5568.4%       |  |
| March                 | 0.4           | 0.2            | (0.2)          | (53.9%)       |  |
| April                 | -             | -              | -              | 0.0%          |  |
| May                   | -             | -              | -              | 0.0%          |  |
| June                  | -             | -              | -              | 0.0%          |  |
| July                  | -             | -              | -              | 0.0%          |  |
| August                | -             | -              | -              | 0.0%          |  |
| September             | -             | -              | -              | 0.0%          |  |
| <b>March 2013 YTD</b> | <b>\$ 7.1</b> | <b>\$ 27.7</b> | <b>\$ 20.6</b> | <b>289.4%</b> |  |

#### Capital Grant Revenue

Year-to-date Capital Grant revenue is \$48.2 million versus \$62.1 million budgeted.

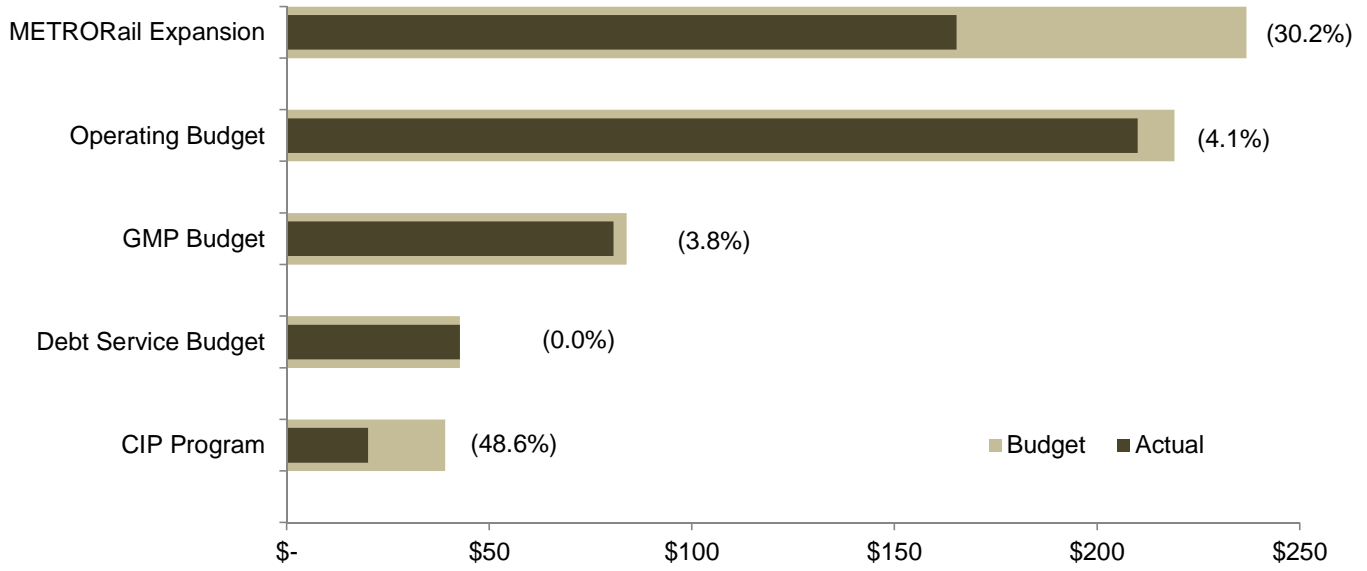
#### Interest & Miscellaneous Revenue

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

#### Budget to Actual FY2013

|                       | (\$ millions) |               |               |              |  |
|-----------------------|---------------|---------------|---------------|--------------|--|
|                       | Budget        | Actual        | Variance      | %            |  |
| October               | \$ 0.4        | \$ 0.5        | \$ 0.1        | 14.4%        |  |
| November              | 0.3           | 0.4           | 0.1           | 48.4%        |  |
| December              | 0.3           | 0.4           | 0.1           | 52.6%        |  |
| January               | 0.3           | 0.5           | 0.2           | 76.6%        |  |
| February              | 0.3           | 0.6           | 0.3           | 92.3%        |  |
| March                 | 0.7           | 2.0           | 1.3           | 191.3%       |  |
| April                 | -             | -             | -             | 0.0%         |  |
| May                   | -             | -             | -             | 0.0%         |  |
| June                  | -             | -             | -             | 0.0%         |  |
| July                  | -             | -             | -             | 0.0%         |  |
| August                | -             | -             | -             | 0.0%         |  |
| September             | -             | -             | -             | 0.0%         |  |
| <b>March 2013 YTD</b> | <b>\$ 2.2</b> | <b>\$ 4.3</b> | <b>\$ 2.1</b> | <b>95.0%</b> |  |

**MONTHLY BOARD REPORT**  
**March 2013**  
**Budget and Expense Summary**  
(\$ millions)



**MONTHLY BOARD REPORT**

March 2013

**Operating Expenses**

**Comparison of Budget to Actual for the Month (March 2013)**

|                                       | <b>FY13 Annual<br/>Budget</b> | <b>March<br/>Budget</b> | <b>March<br/>Actual</b> | <b>\$ Variance<br/>(favorable)/unfavorable</b> | <b>% Variance</b> |
|---------------------------------------|-------------------------------|-------------------------|-------------------------|------------------------------------------------|-------------------|
| Labor & Fringe Benefits               | \$ 265,570,060                | \$ 21,586,696           | \$ 21,521,597           | \$ (65,099)                                    | (0.3%)            |
| Non-Labor                             | 193,995,167                   | 18,204,611              | 16,473,955              | (1,730,656)                                    | (9.5%)            |
| <b>Subtotal Labor &amp; Non-Labor</b> | <b>459,565,227</b>            | <b>39,791,307</b>       | <b>37,995,552</b>       | <b>(1,795,755)</b>                             | <b>(4.5%)</b>     |
| Contingency                           | 7,158,993                     | -                       | -                       | -                                              | 0.0%              |
| Allocation to Capital and GMP         | (21,724,220)                  | (1,699,730)             | (1,238,318)             | 461,412                                        | 27.1%             |
| <b>Total Operating Budget</b>         | <b>\$ 445,000,000</b>         | <b>\$ 38,091,577</b>    | <b>\$ 36,757,234</b>    | <b>\$ (1,334,343)</b>                          | <b>(3.5%)</b>     |

**Comparison of Budget to Actual Year-to-Date March 2013 (6 Months)**

| <b>Expense Category</b>                   | <b>FY13 Annual<br/>Budget</b> | <b>Year-to-Date<br/>Budget</b> | <b>Year-to-Date<br/>Actual</b> | <b>\$ Variance<br/>(favorable)/unfavorable</b> | <b>% Variance</b> |
|-------------------------------------------|-------------------------------|--------------------------------|--------------------------------|------------------------------------------------|-------------------|
| Wages                                     | \$ 103,146,960                | \$ 52,192,292                  | \$ 51,036,366                  | \$ (1,155,926)                                 | (2.2%)            |
| Union Fringe Benefits                     | \$ 56,574,323                 | 27,136,520                     | 25,851,076                     | (1,285,444)                                    | (4.7%)            |
| <b>Subtotal Union Labor</b>               | <b>159,721,283</b>            | <b>79,328,812</b>              | <b>76,887,442</b>              | <b>(2,441,370)</b>                             | <b>(3.1%)</b>     |
| Salaries and Non-Union Wages              | 73,673,438                    | 35,927,695                     | 35,502,661                     | (425,034)                                      | (1.2%)            |
| Non-Union Fringe Benefits                 | 32,175,339                    | 15,665,216                     | 15,298,747                     | (366,469)                                      | (2.3%)            |
| <b>Subtotal Non-Union Labor</b>           | <b>105,848,777</b>            | <b>51,592,911</b>              | <b>50,801,408</b>              | <b>(791,503)</b>                               | <b>(1.5%)</b>     |
| <b>Subtotal Labor and Fringe Benefits</b> | <b>265,570,060</b>            | <b>130,921,723</b>             | <b>127,688,850</b>             | <b>(3,232,873)</b>                             | <b>(2.5%)</b>     |
| Services                                  | 33,672,720                    | 17,534,067                     | 12,431,555                     | (5,102,512)                                    | (29.1%)           |
| Materials and Supplies                    | 19,508,690                    | 10,147,519                     | 8,952,199                      | (1,195,320)                                    | (11.8%)           |
| Fuel & Utilities                          | 50,104,164                    | 24,600,129                     | 23,831,273                     | (768,856)                                      | (3.1%)            |
| Casualty and Liability                    | 3,256,864                     | 1,714,518                      | 1,406,011                      | (308,507)                                      | (18.0%)           |
| Purchased Transportation                  | 79,695,333                    | 39,684,053                     | 40,271,213                     | 587,160                                        | 1.5%              |
| Leases, Rentals and Misc.                 | 7,757,396                     | 4,194,478                      | 3,594,499                      | (599,979)                                      | (14.3%)           |
| <b>Subtotal Non-Labor</b>                 | <b>193,995,167</b>            | <b>97,874,764</b>              | <b>90,486,749</b>              | <b>(7,388,016)</b>                             | <b>(7.5%)</b>     |
| <b>Subtotal Labor and Non-Labor</b>       | <b>459,565,227</b>            | <b>228,796,487</b>             | <b>218,175,599</b>             | <b>(10,620,888)</b>                            | <b>(4.6%)</b>     |
| Contingency                               | 7,158,993                     | -                              | -                              | -                                              | 0.0%              |
| Allocation to Capital and GMP             | (21,724,220)                  | (9,772,566)                    | (8,165,035)                    | 1,607,531                                      | 16.4%             |
| <b>Subtotal Contingency / Allocations</b> | <b>(14,565,227)</b>           | <b>(9,772,566)</b>             | <b>(8,165,035)</b>             | <b>1,607,531</b>                               | <b>16.4%</b>      |
| <b>Total Operating Budget</b>             | <b>\$ 445,000,000</b>         | <b>\$ 219,023,921</b>          | <b>\$ 210,010,565</b>          | <b>\$ (9,013,356)</b>                          | <b>(4.1%)</b>     |



**MONTHLY BOARD REPORT**  
**March 2013**  
**Major Operating Budget Variance Items - Categories with major variances**

| <u>Expense Type</u>                                                                                           | <u>YTD Budget</u>    | <u>YTD Actual</u>    | <u>March 2013 Year-to-Date<br/>\$ Variance<br/>(favorable) / unfavorable</u> |
|---------------------------------------------------------------------------------------------------------------|----------------------|----------------------|------------------------------------------------------------------------------|
| <b>Union Labor</b>                                                                                            | <b>\$ 79,328,812</b> | <b>\$ 76,887,442</b> | <b>\$ (2,441,370)</b>                                                        |
| Wages & Fringe Benefits - primarily mechanic, technician, cleaner, and operator vacancies                     |                      |                      | (3,700,000)                                                                  |
| Overtime Wages                                                                                                |                      |                      | 2,100,000                                                                    |
| Benefits Trust Contribution - less than anticipated participation in the union health plan                    |                      |                      | (764,000)                                                                    |
| <b>Non-Union Labor</b>                                                                                        | <b>51,592,911</b>    | <b>50,801,408</b>    | <b>(791,503)</b>                                                             |
| Salaries and fringes primarily related to vacancies                                                           |                      |                      | (1,600,000)                                                                  |
| Timing in the use of vacation and sick time                                                                   |                      |                      | 698,000                                                                      |
| Overtime related to the Rodeo                                                                                 |                      |                      | 169,000                                                                      |
| <b>Services</b>                                                                                               | <b>17,534,067</b>    | <b>12,431,555</b>    | <b>(5,102,512)</b>                                                           |
| Delay in the 290 HOT Lane start-up and timing of invoices from the HOT Lane contractor                        |                      |                      | (1,900,000)                                                                  |
| Delayed spending on advertising, promotion, and planned marketing campaigns                                   |                      |                      | (712,000)                                                                    |
| Timing of contract services for buildings and grounds                                                         |                      |                      | (617,000)                                                                    |
| Timing of financial services expenses                                                                         |                      |                      | (492,000)                                                                    |
| Timing of planning contracts                                                                                  |                      |                      | (311,000)                                                                    |
| Timing of expenses in Service Delivery, e.g., support services, education and training, etc.                  |                      |                      | (247,000)                                                                    |
| Timing of Human Resources expenses, specifically wellness and benefits administration                         |                      |                      | (216,000)                                                                    |
| Timing delays in other areas throughout the Authority - mostly in education and training and support services |                      |                      | (214,000)                                                                    |
| Timing of invoices for IT contractual support services and equipment repairs and maintenance                  |                      |                      | (117,000)                                                                    |
| Timing of legal services invoices                                                                             |                      |                      | (86,000)                                                                     |
| <b>Materials &amp; Supplies</b>                                                                               | <b>10,147,519</b>    | <b>8,952,199</b>     | <b>(1,195,320)</b>                                                           |
| Timing in the purchasing of special supplies pertaining to ticket and fare collection                         |                      |                      | (632,000)                                                                    |
| Timing in bus maintenance: use of bus parts, supplies, tools, and equipment                                   |                      |                      | (224,000)                                                                    |
| Timing in other material expenditures spread throughout the Authority                                         |                      |                      | (330,000)                                                                    |
| <b>Fuel &amp; Utilities</b>                                                                                   | <b>24,600,129</b>    | <b>23,831,273</b>    | <b>(768,856)</b>                                                             |
| Timing variances in Telephone                                                                                 |                      |                      | (473,000)                                                                    |
| Timing variances in Gas                                                                                       |                      |                      | (146,000)                                                                    |
| Timing variances in Power                                                                                     |                      |                      | (133,300)                                                                    |
| Timing variances in Automation transmission Fluid (ATF)                                                       |                      |                      | (106,000)                                                                    |
| Unbudgeted fuel transportation costs                                                                          |                      |                      | 182,000                                                                      |
| <b>Casualty and Liability</b>                                                                                 | <b>1,714,518</b>     | <b>1,406,011</b>     | <b>(308,507)</b>                                                             |
| Timing variance in physical damage premiums                                                                   |                      |                      | (199,000)                                                                    |
| More than expected recovery of subrogation                                                                    |                      |                      | (161,000)                                                                    |
| <b>Purchased Transportation</b>                                                                               | <b>39,684,053</b>    | <b>40,271,213</b>    | <b>587,160</b>                                                               |
| METROLift - due to demand, service mix, and contractor rate variance                                          |                      |                      | 449,000                                                                      |
| Prior year vanpool costs expensed in current year: van wrapping and advertising                               |                      |                      | 100,000                                                                      |
| <b>Leases, Rentals and Miscellaneous</b>                                                                      | <b>4,194,478</b>     | <b>3,594,499</b>     | <b>(599,979)</b>                                                             |
| Delayed spending and savings in discretionary items (Travel, Memberships, Subscriptions, etc.)                |                      |                      | (297,000)                                                                    |
| Timing of software rentals                                                                                    |                      |                      | (492,000)                                                                    |
| Overrun in fees associated with the Referendum                                                                |                      |                      | 206,000                                                                      |
| <b>Allocation to Capital and GMP</b>                                                                          | <b>(9,772,566)</b>   | <b>(8,165,035)</b>   | <b>1,607,531</b>                                                             |
| Vacancies in Capital Programs plus slower than anticipated execution of projects                              |                      |                      | 1,473,000                                                                    |

**MONTHLY BOARD REPORT**  
**March 2013**  
**Total Net Operating Budget / Expenses by Department**

| <u>Department</u>                    | -----Year-to-Date----- |                    |                    |                    | --Current Month--  |
|--------------------------------------|------------------------|--------------------|--------------------|--------------------|--------------------|
|                                      | <u>Annual Budget</u>   | <u>Budget</u>      | <u>Expense</u>     | <u>Variance</u>    | <u>Variance</u>    |
| Service Delivery                     | \$ 313,745,265         | \$ 155,915,647     | \$ 155,026,461     | \$ (889,186)       | \$ 1,173,977       |
| Executive Vice President             | 47,614,755             | 24,231,132         | 20,970,185         | (3,260,947)        | (1,880,299)        |
| Business Services                    | 44,427,041             | 22,712,708         | 19,849,858         | (2,862,850)        | (1,832,288)        |
| Human Resources                      | 15,150,590             | 7,494,292          | 7,057,254          | (437,039)          | (288,360)          |
| Information Technology               | 14,190,968             | 6,980,726          | 5,854,982          | (1,125,744)        | (1,227,797)        |
| Procurement & Materials              | 7,314,931              | 3,593,477          | 3,575,211          | (18,266)           | (20,697)           |
| Marketing & Corporate Communications | 5,182,390              | 3,304,781          | 2,492,528          | (812,253)          | (212,017)          |
| Small Business                       | 978,764                | 538,417            | 400,202            | (138,215)          | (9,939)            |
| Real Estate & Property Management    | 728,856                | 360,636            | 168,489            | (192,147)          | (32,391)           |
| Diversity & Compliance               | 629,320                | 318,661            | 251,483            | (67,178)           | (26,382)           |
| VP of Business Services              | 251,222                | 121,718            | 49,710             | (72,008)           | (14,704)           |
| Performance Improvement              | 1,248,002              | 619,310            | 529,892            | (89,418)           | 9,066              |
| Compl, EEO, ER, OD, Drug & Alcohol   | 1,193,434              | 593,976            | 443,476            | (150,500)          | (31,299)           |
| Office of Executive VP               | 746,278                | 305,138            | 146,958            | (158,180)          | (25,779)           |
| Capital Programs                     | 30,185,331             | 15,008,963         | 12,083,571         | (2,925,392)        | (456,039)          |
| Facilities Maintenance               | 23,022,437             | 11,402,947         | 10,263,856         | (1,139,091)        | (99,645)           |
| Capital Projects                     | 7,162,894              | 3,606,016          | 1,819,716          | (1,786,300)        | (356,394)          |
| METRO Police                         | 17,345,646             | 8,532,526          | 8,303,926          | (228,600)          | (48,370)           |
| Finance                              | 10,257,255             | 5,411,876          | 4,364,800          | (1,047,076)        | (261,119)          |
| Contingency                          | 7,158,993              | -                  | -                  | -                  | -                  |
| Service Design & Development         | 5,782,408              | 2,873,310          | 2,342,350          | (530,960)          | (195,355)          |
| Safety                               | 5,725,726              | 2,942,571          | 2,617,661          | (324,910)          | (280,080)          |
| Law                                  | 3,986,858              | 2,593,372          | 2,752,935          | 159,563            | 618,146            |
| Executive                            | 1,818,566              | 907,174            | 1,022,409          | 115,235            | 4,233              |
| Audit                                | 1,229,197              | 607,350            | 526,265            | (81,085)           | (9,437)            |
| Small Capital Expenses               | 150,000                | -                  | -                  | -                  | -                  |
| <b>TOTAL NET OPERATING</b>           | <b>445,000,000</b>     | <b>219,023,921</b> | <b>210,010,563</b> | <b>(9,013,358)</b> | <b>(1,334,343)</b> |

**MONTHLY BOARD REPORT**  
**March 2013**  
**Total Net Operating Budget / Expenses by Department**  
**as of the end of March FY2013 vs. March FY2012**

| <u>Department</u>                    | <u>March FY2013</u>    |                       |                       | <u>March FY2012</u>    |                       |                       |
|--------------------------------------|------------------------|-----------------------|-----------------------|------------------------|-----------------------|-----------------------|
|                                      | -----Year-to-Date----- |                       |                       | -----Year-to-Date----- |                       |                       |
|                                      | <u>Budget</u>          | <u>Expense</u>        | <u>Variance</u>       | <u>Budget</u>          | <u>Expense</u>        | <u>Variance</u>       |
| Service Delivery                     | \$ 155,915,647         | \$ 155,026,461        | \$ (889,186)          | \$ 153,597,722         | \$ 152,224,706        | \$ (1,373,016)        |
| Executive VP/CAO                     | 24,231,132             | 20,970,185            | (3,260,947)           | 45,024,298             | 39,411,753            | (5,612,545)           |
| Business Services                    | 22,712,708             | 19,849,858            | (2,862,850)           | 31,772,879             | 27,334,716            | (4,438,163)           |
| Human Resources                      | 7,494,292              | 7,057,254             | (437,039)             | 7,676,190              | 6,341,368             | (1,334,822)           |
| Facilities Maintenance*              | N/A                    | N/A                   | N/A                   | 10,605,349             | 9,300,952             | (1,304,397)           |
| Information Technology               | 6,980,726              | 5,854,982             | (1,125,744)           | 6,349,128              | 5,430,520             | (918,608)             |
| Procurement & Materials              | 3,593,477              | 3,575,211             | (18,266)              | 3,673,200              | 3,573,382             | (99,818)              |
| Marketing & Corporate Communications | 3,304,781              | 2,492,528             | (812,253)             | 2,168,293              | 1,676,499             | (491,794)             |
| Small Business                       | 538,417                | 400,202               | (138,215)             | 513,335                | 485,910               | (27,425)              |
| Real Estate & Property Management    | 360,636                | 168,489               | (192,147)             | 407,182                | 232,248               | (174,934)             |
| Diversity & Compliance               | 318,661                | 251,483               | (67,178)              | 246,980                | 165,201               | (81,779)              |
| VP of Business Services              | 121,718                | 49,710                | (72,008)              | 133,222                | 128,637               | (4,585)               |
| Performance Improvement              | 619,310                | 529,892               | (89,418)              | 615,095                | 571,291               | (43,804)              |
| Compl, EEO, ER, OD, Drug & Alcohol   | 593,976                | 443,476               | (150,500)             | 458,833                | 389,423               | (69,410)              |
| METRO Police**                       | N/A                    | N/A                   | N/A                   | 9,111,728              | 8,271,103             | (840,625)             |
| Safety***                            | N/A                    | N/A                   | N/A                   | 2,797,049              | 2,573,144             | (223,905)             |
| Office of Executive VP               | N/A                    | N/A                   | N/A                   | 268,714                | 272,076               | 3,362                 |
| Capital                              | 15,008,963             | 12,083,571            | (2,925,392)           | 1,140,718              | 333,770               | (806,948)             |
| Facilities Maintenance*              | 11,402,947             | 10,263,856            | (1,139,091)           | N/A                    | N/A                   | N/A                   |
| Capital Projects                     | 3,606,016              | 1,819,716             | (1,786,300)           | 1,140,718              | 333,770               | (806,948)             |
| METRO Police**                       | 8,532,526              | 8,303,926             | (228,600)             | N/A                    | N/A                   | N/A                   |
| Finance                              | 5,411,876              | 4,364,800             | (1,047,076)           | 5,246,387              | 4,844,562             | (401,825)             |
| Contingency                          | -                      | -                     | -                     | -                      | -                     | -                     |
| Service Design & Development         | 2,873,310              | 2,342,350             | (530,960)             | 2,863,098              | 2,259,343             | (603,755)             |
| Safety***                            | 2,942,571              | 2,617,661             | (324,910)             | N/A                    | N/A                   | N/A                   |
| Law                                  | 2,593,372              | 2,752,935             | 159,563               | 1,165,050              | 1,111,798             | (53,252)              |
| Executive (w/ Board)                 | 907,174                | 1,022,409             | 115,235               | 972,759                | 892,352               | (80,407)              |
| Audit                                | 607,350                | 526,265               | (81,085)              | 615,616                | 474,637               | (140,979)             |
| Small Capital Expenses               | -                      | -                     | -                     | 75,000                 | 3,282                 | (71,718)              |
| <b>TOTAL NET OPERATING</b>           | <b>\$ 219,023,921</b>  | <b>\$ 210,010,563</b> | <b>\$ (9,013,358)</b> | <b>\$ 210,700,648</b>  | <b>\$ 201,556,203</b> | <b>\$ (9,144,445)</b> |

\* Facilities Maintenance moved from Business Services to Capital Programs between FY2012 and FY2013.

\*\* METRO Police moved outside of Executive VP between FY2012 and FY2013.

\*\*\* Safety moved outside of Executive VP between FY2012 and FY2013.

**MONTHLY BOARD REPORT**  
**March 2013**  
**Capital, General Mobility and Debt Service Expenses**  
**Budget vs. Actual - Month and Fiscal Year-to-Date**  
(\$ millions)

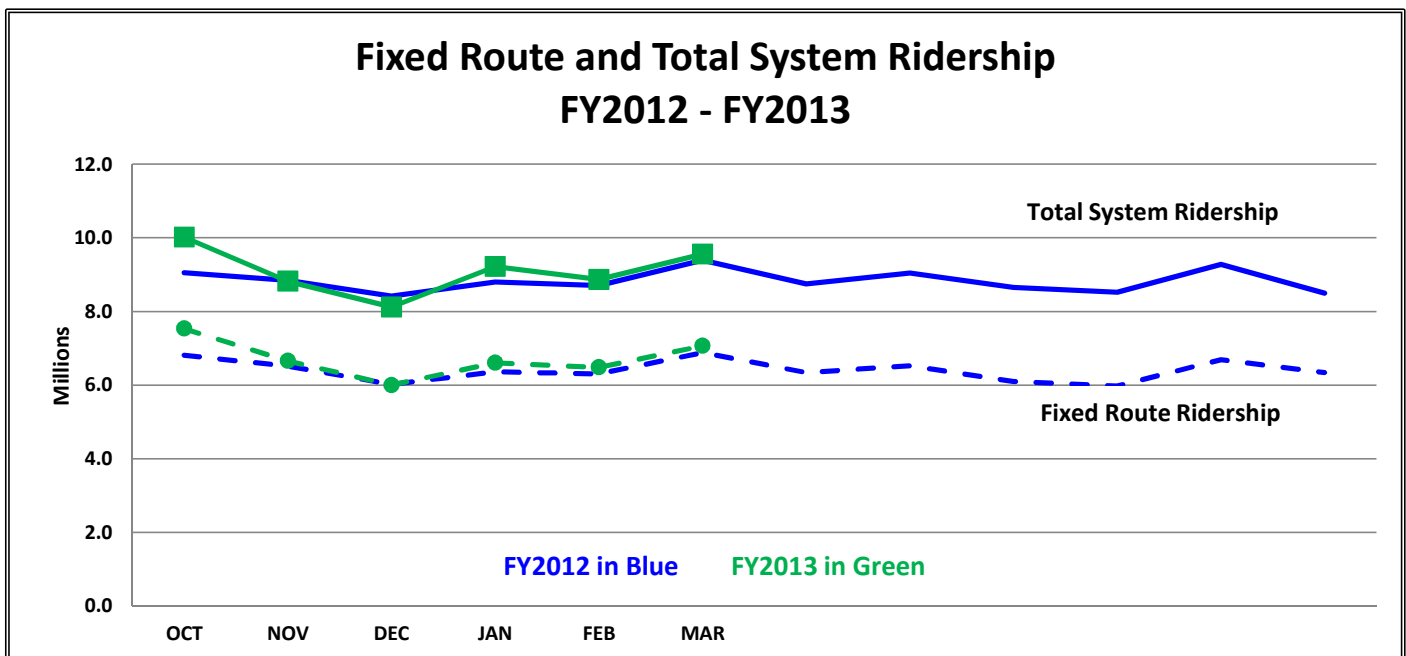
|                             | FY2013<br>Annual<br>Budget | Month of March 2013 |               |               |                | Fiscal YTD March 2013 |                |                 |                |
|-----------------------------|----------------------------|---------------------|---------------|---------------|----------------|-----------------------|----------------|-----------------|----------------|
|                             |                            | Budget              | Actual        | Variance      |                | Budget                | Actual         | Variance        |                |
|                             |                            |                     | \$            | %             |                |                       | \$             | %               |                |
| METRORail Expansion         | \$ 559.4                   | \$ 52.6             | \$ 38.7       | \$ (13.9)     | (26.4%)        | \$ 236.8              | \$ 165.3       | \$ (71.5)       | (30.2%)        |
| Capital Improvement Program | 159.8                      | 10.0                | 7.2           | (2.8)         | (27.9%)        | 39.1                  | 20.1           | (19.0)          | (48.6%)        |
| <b>Total Capital Budget</b> | <b>\$ 719.2</b>            | <b>62.6</b>         | <b>45.9</b>   | <b>(16.7)</b> | <b>(26.7%)</b> | <b>275.9</b>          | <b>185.4</b>   | <b>(90.5)</b>   | <b>(32.8%)</b> |
| <b>General Mobility</b>     | <b>\$ 164.8</b>            | <b>13.5</b>         | <b>4.7</b>    | <b>(8.8)</b>  | <b>(65.5%)</b> | <b>83.9</b>           | <b>80.6</b>    | <b>(3.2)</b>    | <b>(3.8%)</b>  |
| <b>Debt Service</b>         | <b>\$ 78.3</b>             | <b>\$ 5.1</b>       | <b>\$ 5.1</b> | <b>\$ -</b>   | <b>0.0%</b>    | <b>\$ 42.7</b>        | <b>\$ 42.7</b> | <b>\$ (0.0)</b> | <b>(0.0%)</b>  |

**MONTHLY BOARD REPORT**  
**March 2013**  
**Ridership by Service Category**

| Service Category                                | Mar-12 Boardings | Mar-13 Boardings | Mar-13 vs. Mar-12 | Mar-12 YTD Boardings | Mar-13 YTD Boardings | YTD %                    |
|-------------------------------------------------|------------------|------------------|-------------------|----------------------|----------------------|--------------------------|
|                                                 |                  |                  |                   |                      |                      | Change Mar-13 vs. Mar-12 |
| <b>Fixed Route Bus</b>                          |                  |                  |                   |                      |                      |                          |
| Local                                           | 4,903,070        | 5,002,852        | 2.0%              | 29,437,367           | 30,391,265           | 3.2%                     |
| Park & Ride                                     | 641,211          | 626,608          | (2.3%)            | 3,627,507            | 3,852,256            | 6.2%                     |
| Subtotal Fixed Route Bus                        | 5,544,281        | 5,629,460        | 1.5%              | 33,064,874           | 34,243,521           | 3.6%                     |
| METRO Rail                                      | 1,252,441        | 1,296,456        | 3.5%              | 5,710,878            | 5,917,432            | 3.6%                     |
| Subtotal Fixed Route                            | 6,796,722        | 6,925,916        | 1.9%              | 38,775,752           | 40,160,953           | 3.6%                     |
| Special Events *                                | 83,577           | 137,219          | 64.2%             | 100,645              | 172,642              | 71.5%                    |
| <b>Total Fixed Route</b>                        | <b>6,880,299</b> | <b>7,063,135</b> | <b>2.7%</b>       | <b>38,876,397</b>    | <b>40,333,595</b>    | <b>3.7%</b>              |
| <b>Customized Bus Services</b>                  |                  |                  |                   |                      |                      |                          |
| METROLift                                       | 142,956          | 146,142          | 2.2%              | 819,092              | 850,058              | 3.8%                     |
| METRO STAR Vanpool                              | 215,824          | 200,687          | (7.0%)            | 1,215,019            | 1,222,185            | 0.6%                     |
| Internal Service                                | 0                | 16               | -                 | 1,405                | 213                  | (84.8%)                  |
| Subtotal Customized Bus                         | 358,780          | 346,845          | (3.3%)            | 2,035,516            | 2,072,456            | 1.8%                     |
| Subtotal Bus and Rail                           | 7,239,079        | 7,409,980        | 2.4%              | 40,911,913           | 42,406,051           | 3.7%                     |
| HOV/HOT Carpools, Vanpools, and Non-METRO Buses | 2,155,538        | 2,148,468        | (0.3%)            | 12,303,217           | 12,194,658           | (0.9%)                   |
| <b>Total System</b>                             | <b>9,394,617</b> | <b>9,558,448</b> | <b>1.7%</b>       | <b>53,215,130</b>    | <b>54,600,709</b>    | <b>2.6%</b>              |

*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  
 March 2013  
 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 |  |                |                 |            |              |
| <b>Bus Accidents</b>                                                | 40    | 27     | 47     | 30     | 34     | 40     |     |     |     |     |     |     |  | ≤ 44           | ≤ 264           | 218        | 17.4%        |
| Bus Accidents per 100,000 vehicle miles                             | 0.69  | 0.51   | 0.89   | 0.54   | 0.65   | 0.71   |     |     |     |     |     |     |  | ≤ 0.79         | ≤ 0.79          | 0.66       | 16.1%        |
| <b>Rail Accidents</b>                                               | 2     | 2      | 4      | 4      | 2      | 2      |     |     |     |     |     |     |  | ≤ 4            | ≤ 19            | 16         | 15.8%        |
| Rail Accidents per 100,000 vehicle miles                            | 2.46  | 2.60   | 5.24   | 5.22   | 2.63   | 2.07   |     |     |     |     |     |     |  | ≤ 5.56         | ≤ 5.56          | 3.31       | 40.5%        |
| <b>Major Security Incidents - total</b>                             | 47    | 35     | 35     | 24     | 18     | 30     |     |     |     |     |     |     |  | ≤ 45           | ≤ 270           | 189        | 30.0%        |
| Major Security Incidents per 100,000 boardings                      | 0.612 | 0.515  | 0.571  | 0.356  | 0.274  | 0.424  |     |     |     |     |     |     |  | ≤ 0.670        | ≤ 0.670         | 0.461      | 31.2%        |
| <b>Major Security Incidents - METRO properties</b>                  | 16    | 18     | 10     | 17     | 16     | 32     |     |     |     |     |     |     |  | ≤ 28           | ≤ 168           | 109        | 35.1%        |
| Major Security Incidents per 100,000 boardings                      | 0.307 | 0.356  | 0.212  | 0.352  | 0.339  | 0.653  |     |     |     |     |     |     |  | ≤ 0.417        | ≤ 0.417         | 0.266      | 36.2%        |
| SERVICE & RELIABILITY                                               | OCT   | NOV    | DEC    | JAN    | FEB    | MAR    | APR | MAY | JUN | JUL | AUG | SEP |  |                |                 |            |              |
| <b>Bus On-Time Performance</b>                                      |       |        |        |        |        |        |     |     |     |     |     |     |  |                |                 |            |              |
| Local Bus OTP                                                       | 71%   | 71%    | 72%    | 73%    | 71%    | 71%    |     |     |     |     |     |     |  | ≥ 67%          | ≥ 67%           | 71%        | 6.6%         |
| Park & Ride Bus OTP                                                 | 79%   | 78%    | 77%    | 80%    | 78%    | 78%    |     |     |     |     |     |     |  | ≥ 75%          | ≥ 75%           | 78%        | 4.2%         |
| Weighted Average Bus OTP                                            | 73%   | 73%    | 73%    | 74%    | 73%    | 73%    |     |     |     |     |     |     |  | ≥ 69%          | ≥ 69%           | 73%        | 6.0%         |
| <b>Rail On-Time Performance</b>                                     | 98%   | 97%    | 98%    | 99%    | 97%    | 98%    |     |     |     |     |     |     |  | ≥ 95%          | ≥ 95%           | 98%        | 3.0%         |
| <b>MDBF (Mean Distance Between Mechanical Failures) - All Buses</b> | 9,664 | 10,539 | 11,233 | 10,463 | 11,540 | 10,660 |     |     |     |     |     |     |  | ≥ 7,000        | ≥ 7,000         | 10,630     | 51.9%        |
| CUSTOMER SERVICE                                                    | OCT   | NOV    | DEC    | JAN    | FEB    | MAR    | APR | MAY | JUN | JUL | AUG | SEP |  |                |                 |            |              |
| <b>*Complaint Contacts per 100,000 boardings</b>                    | 24.97 | 23.61  | 26.97  | 22.96  | 27.74  | 22.68  |     |     |     |     |     |     |  | ≤ 27.00        | ≤ 27.00         | 24.76      | 8.3%         |
| <b>Commendations</b>                                                | 240   | 208    | 258    | 290    | 210    | 292    |     |     |     |     |     |     |  | ≥ 208          | ≥ 1249          | 1,498      | 19.9%        |
| <b>Average Call Center Answer Delay (Sec.)</b>                      | 93    | 93     | 93     | 115    | 113    | NA     |     |     |     |     |     |     |  | ≤ 120          | ≤ 120           | NA         | NA           |

\* 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**  
**March 2013**  
**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**

**March 2013**

**Balance Sheet**

|                                         | <b>Mar 31, 2012 (\$)</b> |           | <b>Mar 31, 2013 (\$)</b> |           | <b>Change (\$)</b>   |
|-----------------------------------------|--------------------------|-----------|--------------------------|-----------|----------------------|
| Cash                                    | \$ 12,638,540            | \$        | 5,681,720                | \$        | (6,956,820)          |
| Receivables                             | 107,613,395              |           | 117,872,523              |           | 10,259,128           |
| Inventory                               | 16,788,245               |           | 20,197,654               |           | 3,409,409            |
| Investments                             | 570,600,983              |           | 396,830,180              |           | (173,770,803)        |
| Other Assets                            | 225,750,265              |           | 100,436,298              |           | (125,313,967)        |
| Debt Issuance Costs                     | 8,524,091                |           | 8,100,333                |           | (423,758)            |
| Property Net of Depreciation            | 1,916,631,592            |           | 2,284,324,767            |           | 367,693,175          |
| Land & Improvements                     | 485,309,168              |           | 412,954,610              |           | (72,354,558)         |
| <b>Total Assets and Other</b>           | <b>3,343,856,278</b>     |           | <b>3,346,398,085</b>     |           | <b>2,541,807</b>     |
| <b>Liabilities</b>                      |                          |           |                          |           |                      |
| Trade Payables                          | 47,424,125               |           | 59,038,109               |           | 11,613,984           |
| Accrued Payroll                         | 21,527,142               |           | 25,774,482               |           | 4,247,340            |
| Commercial Paper                        | 189,000,000              |           | 189,000,000              |           | -                    |
| Long-Term Liabilities                   | 1,063,096,455            |           | 1,023,303,876            |           | (39,792,579)         |
| Other Liabilities                       | 222,438,815              |           | 129,678,350              |           | (92,760,465)         |
| <b>Total Liabilities</b>                | <b>1,543,486,536</b>     |           | <b>1,426,794,817</b>     |           | <b>(116,691,719)</b> |
| Net Assets - Retained                   | 1,800,369,742            |           | 1,919,603,268            |           | 119,233,526          |
| <b>Total Liabilities and Net Assets</b> | <b>\$ 3,343,856,278</b>  | <b>\$</b> | <b>3,346,398,085</b>     | <b>\$</b> | <b>2,541,807</b>     |