

METRO

Fiscal Year 2014 Monthly Board Report

Revenue • Expense • Ridership • Performance

August 2014



MONTHLY BOARD REPORT

August 2014

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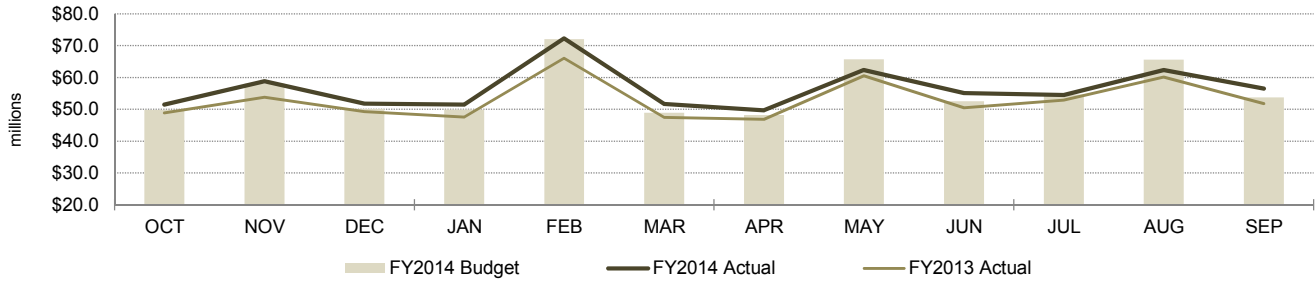
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August 2014 Summary

- Sales Tax revenue year-to-date of \$677.9 million through September 2014 is \$8.6 million or 1.3% over budget. September 2014 revenue of \$56.5 million is \$2.8 million or 5.1% over budget.
- Fare revenue of \$63.0 million through August 2014 year-to-date is \$1.1 million or 1.7% under budget. August 2014 revenue of \$5.8 million is \$0.1 million or 1.9% under budget.
- Service Related Grant Revenue year-to-date of \$31.6 million through August 2014 is \$29.6 million or 48.4% under budget. August 2014 revenue of \$2.3 million is \$55.3 million or 95.9% under budget.
- Capital Grant revenue year-to-date of \$76.2 million through August 2014 is \$40.9 million under budget.
- Interest & Miscellaneous revenue year-to-date of \$9.7 million through August 2014 is \$2.9 million or 42.3% over budget. August 2014 revenue of \$0.7 million is \$0.2 million or 50.1% over budget.
- Operating expenses year-to-date of \$408.5 million through August 2014 are \$27.1 million or 6.2% under budget. August 2014 expenses of \$38.9 million are \$1.1 million or 2.7% under budget.
- METRORail Expansion expenses year-to-date of \$201.5 million through August 2014 are \$67.9 million or 25.2% under budget. August 2014 expenses of \$10.0 million are \$4.0 million or 28.3% under budget.
- Other Capital Improvement Program expenses year-to-date of \$91.3 million through August 2014 are \$27.9 million or 23.4% under budget. August 2014 expenses of \$22.4 million are \$2.8 million or 11.2% under budget.
- General Mobility Program expenses year-to-date of \$138.2 million through August 2014 are \$6.1 million or 4.2% under budget. August 2014 expenses of \$7.6 million are \$5.4 million or 41.6% under budget.
- Debt Service expenses of \$72.7 million through August 2014 year-to-date is slightly under budget.
- METROBus ridership (fixed route) year-to-date of 62.2 million through August 2014 is 514,000 or 0.8% under last year. August 2014 ridership of 5.8 million is 23,000 or 0.4% under compared to last year.
- METRORail ridership year-to-date of 11.6 million through August 2014 is 1,096,000 or 10.4% over last year. August 2014 ridership of 1.1 million is 159,000 or 16.3% over compared to last year.
- Performance Indicator Summary:
 - Safety & Security Bus Accidents met the benchmark for the month but missed the benchmark for the year-to-date. Rail Accidents met the benchmark for both the month and the year-to-date. Total Major Security Incidents missed the benchmark for the month but met the benchmark for the year-to-date. Major Security Incidents on METRO properties met the benchmark for both the month and year-to-date.
 - Service Reliability On-Time Performance for Local Bus is above the minimum performance standard for the month but below the minimum standard for the year-to-date. On-Time Performance for Park & Ride Bus met the minimum performance standard for both the month and year-to-date. On-Time Performance for METROLift met the minimum performance standard for both the month and the year-to-date. On-Time Performance for Rail is not yet available. The Mean Distance Between Mechanical Failures (MDBF) for all buses met the minimum standard for the month and year-to-date. The Mean Distance Between Mechanical Failures (MDBF) for METROLift is above the minimum standard for both the month and year-to-date.
 - Customer Service Complaint Contacts missed both the goal for the month and for the year-to-date. The number of Commendations met the goal for the month and year-to-date. The Average Call Center Answer Delay missed the goal for the month but met the goal for the year-to-date.

MONTHLY BOARD REPORT
August 2014
Sales Tax Revenue thru September 2014



Total FY2014 Sales Tax budget is \$669.3 million

Budget to Actual FY2014

(\$ millions)

	Budget	Actual	Variance	%
October	\$ 49.8	\$ 51.4	1.6	3.3%
November	58.1	58.9	0.8	1.3%
December	50.1	51.8	1.7	3.3%
January	49.9	51.4	1.5	3.0%
February	72.1	72.3	0.2	0.3%
March	48.9	51.7	2.8	5.7%
April	48.2	49.7	1.5	3.1%
May	65.7	62.3	(3.4)	(5.1%)
June	52.5	55.1	2.6	5.0%
July	54.6	54.5	(0.1)	(0.2%)
August	65.6	62.3	(3.4)	(5.1%)
September	53.8	56.5	2.8	5.1%
FY 2014 YTD	\$ 669.3	\$ 677.9	\$ 8.6	1.3%

Prior Year vs. Current Year

(\$ millions)

	Prior Year	Current Year	Variance	%
October	\$ 48.9	\$ 51.4	2.6	5.3%
November	53.8	58.9	5.1	9.4%
December	49.2	51.8	2.5	5.2%
January	47.6	51.4	3.9	8.1%
February	66.0	72.3	6.3	9.5%
March	47.4	51.7	4.3	9.0%
April	46.9	49.7	2.8	6.1%
May	60.5	62.3	1.8	2.9%
June	50.5	55.1	4.7	9.3%
July	52.9	54.5	1.6	3.1%
August	60.1	62.3	2.1	3.6%
September	51.8	56.5	4.7	9.1%
FY 2014 YTD	\$ 635.5	\$ 677.9	\$ 42.4	6.7%

MONTHLY BOARD REPORT

August 2014

Fare Revenue

Total FY2014 Fare Revenue budget is \$69.7 million

Budget to Actual FY2014

(\$ millions)

	Budget	Actual	Variance	%
October	6.7	6.5	(0.2)	(2.7%)
November	5.6	5.3	(0.4)	(6.6%)
December	5.0	5.0	0.0	0.3%
January	5.8	5.5	(0.3)	(5.4%)
February	5.7	5.5	(0.1)	(2.0%)
March	6.1	6.2	0.1	1.7%
April	6.2	6.0	(0.1)	(2.3%)
May	5.9	5.6	(0.3)	(4.3%)
June	5.4	5.8	0.4	8.0%
July	5.9	5.7	(0.1)	(2.5%)
August	5.9	5.8	(0.1)	(1.9%)
September	-	-	-	0.0%
FY 2014 YTD	\$ 64.1	\$ 63.0	\$ (1.1)	(1.7%)

Prior Year vs. Current Year

(\$ millions)

	Prior Year	Current Year	Variance	%
October	6.6	6.5	(0.1)	(2.2%)
November	5.6	5.3	(0.3)	(6.0%)
December	5.1	5.0	(0.1)	(2.1%)
January	5.8	5.5	(0.3)	(4.9%)
February	5.6	5.5	(0.1)	(1.2%)
March	6.0	6.2	0.2	2.8%
April	6.1	6.0	(0.1)	(1.6%)
May	5.8	5.6	(0.2)	(3.6%)
June	5.3	5.8	0.5	8.8%
July	5.9	5.7	(0.1)	(1.8%)
August	5.9	5.8	(0.1)	(1.2%)
September	-	-	-	0.0%
FY 2014 YTD	\$ 63.8	\$ 63.0	\$ (0.8)	(1.2%)

MONTHLY BOARD REPORT

August 2014

Service Related Grant Revenue

Total FY2014 Service Related Grant budget is \$61.8 million

Budget to Actual FY2014

(\$ millions)

	Budget	Actual	Variance	%
October	\$ 0.3	\$ 1.4	\$ 1.0	311.2%
November	\$ 0.4	\$ 0.4	\$ 0.1	23.2%
December	\$ 0.4	\$ (0.1)	\$ (0.5)	(131.9%)
January	\$ 0.4	\$ 0.6	\$ 0.3	78.7%
February	\$ 0.4	\$ 19.6	\$ 19.2	5411.6%
March	\$ 0.4	\$ 5.3	\$ 4.9	1386.9%
April	\$ 0.4	\$ 0.7	\$ 0.3	91.5%
May	\$ 0.4	\$ 0.4	\$ 0.1	14.4%
June	\$ 0.4	\$ 0.4	\$ 0.0	12.5%
July	\$ 0.4	\$ 0.5	\$ 0.2	48.6%
August	\$ 57.6	\$ 2.3	\$ (55.3)	(95.9%)
September	-	-	-	0.0%
FY 2014 YTD	\$ 61.2	\$ 31.6	\$ (29.6)	(48.4%)

Capital Grant Revenue

Year-to-date Capital Grant revenue is \$76.2 million versus \$117.1 million budgeted

Interest & Miscellaneous Revenue

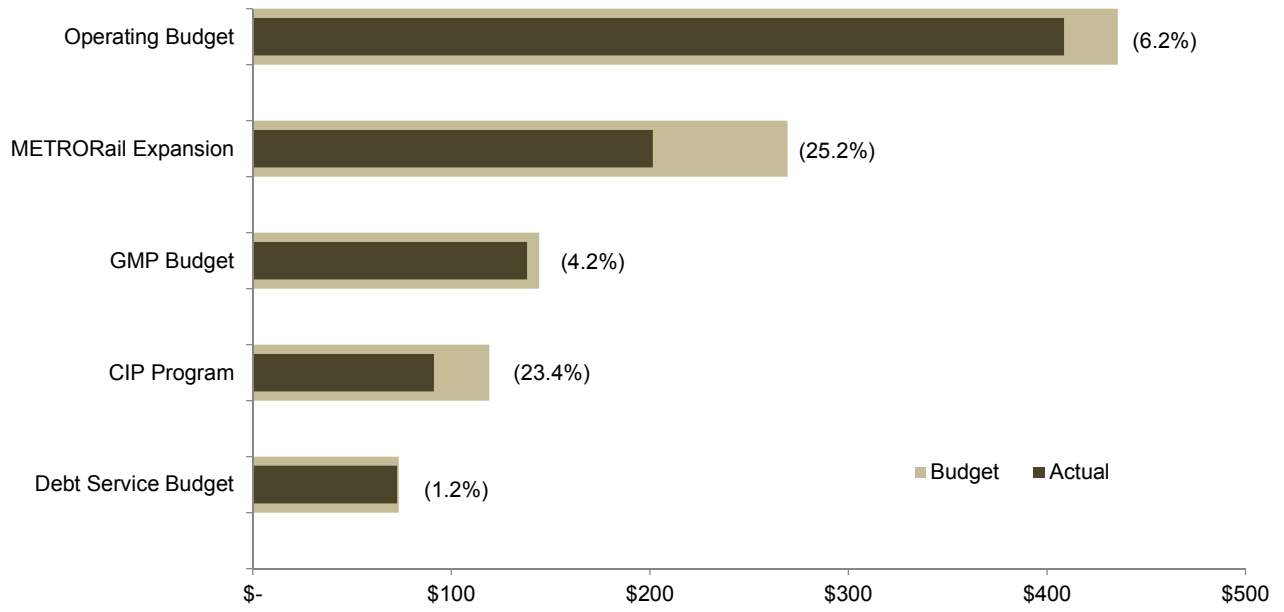
Total FY2014 Interest & Miscellaneous Revenue budget is \$8.2 million

Budget to Actual FY2014

(\$ millions)

	Budget	Actual	Variance	%
October	\$ 0.6	\$ 0.9	\$ 0.3	61.4%
November	\$ 0.5	\$ 0.6	\$ 0.2	32.7%
December	\$ 0.5	\$ 0.6	\$ 0.1	24.9%
January	\$ 0.5	\$ 0.6	\$ 0.1	27.3%
February	\$ 0.6	\$ 0.7	\$ 0.1	22.2%
March	\$ 1.9	\$ 1.1	\$ (0.8)	(43.2%)
April	\$ 0.5	\$ 1.9	\$ 1.4	267.1%
May	\$ 0.5	\$ 0.9	\$ 0.4	89.6%
June	\$ 0.4	\$ 0.9	\$ 0.5	116.1%
July	\$ 0.4	\$ 0.7	\$ 0.3	73.6%
August	\$ 0.5	\$ 0.7	\$ 0.2	50.1%
September	-	-	-	0.0%
FY 2014 YTD	\$ 6.8	\$ 9.7	\$ 2.9	42.3%

MONTHLY BOARD REPORT
August 2014
Budget and Expense Summary
(in millions)



MONTHLY BOARD REPORT

August 2014

Operating Expenses

Comparison of Budget to Actual for the Month (August 2014)

	FY14 Annual Budget	August Budget	August Actual	\$ Variance (favorable)/unfavorable	% Variance
Labor & Fringe Benefits	\$ 285,546,846	\$ 24,125,910	\$ 23,762,890	\$ (363,020)	(1.5%)
Non-Labor	213,006,667	17,617,242	16,854,057	(763,185)	(4.3%)
Subtotal Labor & Non-Labor	498,553,513	41,743,152	40,616,947	(1,126,205)	(2.7%)
Contingency	9,000,000	-	-	-	0.0%
Emergency Fund	1,000,000	-	-	-	0.0%
Allocation to Capital and GMP	(21,160,326)	(1,734,276)	(1,684,259)	50,017	2.9%
Total Operating Budget	\$ 487,393,187	\$ 40,008,876	\$ 38,932,688	\$ (1,076,188)	(2.7%)

Comparison of Budget to Actual Year-to-Date August 2014 (11 months)

Expense Category	FY14 Annual Budget	Year-to-Date Budget	Year-to-Date Actual	\$ Variance (favorable)/unfavorable	% Variance
Wages	\$ 109,563,117	\$ 100,809,761	\$ 97,897,933	\$ (2,911,828)	(2.9%)
Union Fringe Benefits	\$ 59,177,658	53,244,441	49,463,168	(3,781,273)	(7.1%)
Subtotal Union Labor	168,740,775	154,054,202	147,361,102	(6,693,100)	(4.3%)
Salaries and Non-Union Wages	80,494,053	73,605,822	71,518,013	(2,087,809)	(2.8%)
Non-Union Fringe Benefits	36,312,018	33,234,177	30,729,947	(2,504,230)	(7.5%)
Subtotal Non-Union Labor	116,806,071	106,839,999	102,247,960	(4,592,039)	(4.3%)
Subtotal Labor and Fringe Benefits	285,546,846	260,894,201	249,609,062	(11,285,139)	(4.3%)
Services	39,711,128	35,447,195	24,011,393	(11,435,802)	(32.3%)
Materials and Supplies	21,105,005	19,312,769	19,372,664	59,895	0.3%
Fuel & Utilities	51,522,046	47,102,000	46,262,499	(839,501)	(1.8%)
Casualty and Liability	4,677,569	4,387,768	4,097,462	(290,306)	(6.6%)
Purchased Transportation	88,591,060	81,321,547	79,918,947	(1,402,600)	(1.7%)
Leases, Rentals and Misc.	7,399,859	6,485,108	5,679,749	(805,359)	(12.4%)
Subtotal Non-Labor	213,006,667	194,056,387	179,342,714	(14,713,672)	(7.6%)
Subtotal Labor and Non-Labor	498,553,513	454,950,588	428,951,776	(25,998,812)	(5.7%)
Contingency	9,000,000	-	-	-	0.0%
Emergency Fund	1,000,000	-	-	-	0.0%
Allocation to Capital and GMP	(21,160,326)	(19,356,516)	(20,423,434)	(1,066,918)	(5.5%)
Subtotal Contingency / Allocations	(11,160,326)	(19,356,516)	(20,423,434)	(1,066,918)	(5.5%)
Total Operating Budget	\$ 487,393,187	\$ 435,594,071	\$ 408,528,343	\$ (27,065,728)	(6.2%)

MONTHLY BOARD REPORT
August 2014
Major Operating Budget Variance Items - Categories with major variances

<u>Expense Type</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>August 2014 Year-to-Date \$ Variance (favorable) / unfavorable</u>
Union Labor	154,054,202	\$ 147,361,102	\$ (6,693,100)
Wages & Fringe Benefits - primarily mechanic, technician, cleaner, and operator vacancies			\$ (8,907,000)
Benefits Trust Contribution - less than anticipated participation in the union health plan			(2,920,000)
Pension - Defined Contribution			215,000
Overtime Wages associated with bus transportation and bus maintenance operations necessary to meet existing service schedules			4,919,000
Non-Union Labor	106,839,999	102,247,960	(4,592,039)
Salaries and fringes primarily related to vacancies			(3,704,000)
Lower than expected healthcare expenses resulting from vacancies and the effect of different employee healthcare election options than planned			(2,189,000)
Retiree Advantage Plan Benefits			(183,000)
Timing in the use of vacation and sick time			935,000
Overtime mostly associated with the North Line rail launch			548,000
Services	35,447,195	24,011,393	(11,435,802)
Less than anticipated spending in advertising fees, timing of invoice payments, delayed ridership campaign and other pending marketing projects and authority wide promotional campaigns			(2,700,000)
Timing of facilities maintenance contract services for buildings and grounds, general outside maintenance costs and related support services			(2,100,000)
Delayed execution of Planning contracts like System Re-Imagining, the Long Range Plan, and Corridor Development, etc.			(1,100,000)
Lower than expected 'as needed' ACS contract expenses plus delayed billing for financial services related to fare media operations			(1,000,000)
Timing in IT equipment repairs and maintenance and support licenses and lower than anticipated utilization of IT contracts and savings from the conversion of desktop technicians to full time employees			(475,000)
Delayed execution of certain project administration contracts within the Engineering department			(449,000)
Savings realized from the delayed implementation of the Risk Management and Information System			(401,000)
Timing delays in Operations in Building & Ground Maintenance, Equipment and Vehicle Repairs			(329,000)
Delayed invoicing of "See Something Say Something" printouts and cancellation of the regional exercise			(238,000)
Delayed Safety expenses: brokerage services contract plus procurements deferred to the 4th quarter			(197,000)
Unpaid Brokerage fees resulting from a delay in the leasing of 3rd Floor Office space at the METRO 1900 Main Building			(167,000)
<u>Timing delays in other areas throughout the Authority - mostly in:</u>			
- Support services			(486,000)
- Education and training			(442,000)
- General legal fees and fees related to defeased lease arrangements			(441,000)
- Promotion expenses			(251,000)
- Contract employment services and Contracted HR services			(234,000)
- Audit Fees			(151,000)
- Temp Help Services			(99,000)
- Equipment Repairs and Maintenance (excludes Facility Maintenance repair costs)			(62,000)
- Other miscellaneous services spread across the Authority			(466,000)
<u>Offset by</u>			
Overruns in HOT Lne Operations due to unrealized savings and unbudgeted Repairs			369,000
Materials & Supplies	19,312,769	19,372,664	59,895
Overruns in Auxiliary Power Supply Parts			274,000
Overruns in parts related to Air system, Electrical, Electronic, Rail Trucks and Signals and other parts			315,000
Overruns in Exterior body and Windows			242,000
Overruns in Minor tools and Equipment			196,000
Overruns in certain parts including Wheelchair lifts, off road vehicle parts, sign equipment and farebox parts			121,000
Minor overruns in Bus Brakes, Engine and Exhaust parts, cleaning materials and maintenance supplies			194,000
<u>Offset by</u>			
Timing variances from delayed spending for fare media			(536,000)
General underutilization of office supplies throughout the Authority			(160,000)
General underutilization of materials and supplies including tech equipment, bus batteries, and other miscellaneous supplies			(382,000)
Warranty Credits most rail related			(118,000)
Underruns in IT Electronic Data Processing (EDP) supplies			(77,000)
Fuel & Utilities	47,102,000	46,262,499	(839,501)
Savings resulting from less than budgeted diesel fuel usage and related taxes			(489,000)
Timing variances plus delayed invoices in routine phone services			(218,000)
Timing delay in drainage fee invoicing			(201,000)
Lower than planned consumption of power			(136,000)
Savings in propulsion power due to a delay in the procurement of rail cars			(98,000)
Lower than planned consumption of power and natural gas			(82,000)
Overrun in Gasoline expenses due to extra mileage of Arboc vehicle use			295,000
Overrun ins in ATF and other Fuel and lubricants			73,000
Casualty and Liability	4,387,768	4,097,462	(290,306)
Primarily lower premiums and higher than expected subrogation			(290,000)
Purchased Transportation	81,321,547	79,918,947	(1,402,600)
Less than anticipated hours of service provided by METRO's contract operator of fixed route service			(1,666,000)
Savings from Vanpool operations			(645,000)
Alternate Fixed Route services operated less hours than budgeted			(127,000)
Increasing ridership in METROLift			1,036,000
Leases, Rentals and Miscellaneous	6,485,108	5,679,749	(805,359)
Timing in the IT software rental payments			(228,000)
Conservative spending and savings in discretionary items (Travel, Memberships, Subscriptions, etc.)			(277,000)
Timing delays in Other miscellaneous expense spread throughout the Authority			(270,000)
Allocation to Capital and GMP	(19,356,516)	(20,423,434)	(1,066,918)
Primarily due to increased efforts to prepare for the opening of the Red Line extension and lower than projected General Mobility Program (GMP) project activity			(1,067,000)

MONTHLY BOARD REPORT
August 2014
Total Net Operating Budget / Expenses by Department

<u>Authorized</u> <u>EOY</u> <u>Headcount</u>	<u>Department</u>	-----Year-to-Date-----				--Current Month--
		<u>Annual Budget</u>	<u>Budget</u>	<u>Expense</u>	<u>Variance</u>	<u>Variance</u>
2,723	Operations	\$ 344,074,337	\$ 314,927,178	\$ 305,627,889	\$ (9,299,289)	\$ (468,729)
416	Administration	69,756,286	63,091,098	56,566,751	(6,524,347)	641,201
	Facility Maintenance	25,308,839	23,161,594	19,534,335	(3,627,259)	(11,483)
	Human Resources	17,083,066	15,451,176	13,722,101	(1,729,075)	(221,253)
	Information Technology	16,445,735	14,496,257	13,755,170	(741,087)	895,720
	Procurement & Materials	8,051,283	7,358,144	7,344,060	(14,084)	12,766
	Small Business	940,613	857,139	712,938	(144,201)	(22,413)
	Diversity & Compliance	850,200	780,074	685,217	(94,857)	5,447
	Best Practices Research	627,649	581,411	549,083	(32,328)	446
	Chief Administrative Officer	448,901	405,303	263,848	(141,455)	(18,030)
256	METRO Police	18,781,049	17,197,978	15,916,079	(1,281,899)	(71,913)
77	Finance	10,680,588	9,279,567	7,204,970	(2,074,597)	(255,401)
40	Gov't & Public Affairs	8,099,726	7,278,375	3,817,779	(3,460,596)	(751,622)
	Mktg & Corporate Communications	6,797,507	6,103,230	2,960,233	(3,142,997)	(731,653)
	Public Engagement	750,053	671,724	479,756	(191,968)	(1,879)
	Government Affairs	550,131	503,054	360,812	(142,242)	(13,841)
	Stakeholder Affairs	2,035	367	16,979	16,612	(4,249)
45	Safety	7,894,971	7,228,781	6,610,223	(618,558)	(87,415)
31	Planning	5,799,393	5,458,157	3,779,159	(1,678,998)	128,058
77	Customer & Ridership Services	4,426,841	4,062,881	3,838,764	(224,117)	(1,825)
21	Legal	3,859,811	3,551,517	2,488,252	(1,063,265)	11,130
	Legal	2,883,547	2,643,346	2,079,195	(564,151)	45,637
	Real Estate & Property Management	976,264	908,171	409,057	(499,114)	(34,506)
10	Executive & Board	2,012,043	1,804,407	1,454,923	(349,484)	(33,061)
11	Audit	1,312,114	1,201,464	1,118,592	(82,872)	(8,386)
40	Engineering & Capital Projects	546,028	512,668	103,389	(409,279)	(178,901)
	Small Capital Expenses	150,000	-	1,572	1,572	676
	Contingency	9,000,000	-	-	-	-
	Emergency Fund	1,000,000	-	-	-	-
3,747	TOTAL NET OPERATING	\$ 487,393,187	\$ 435,594,071	\$ 408,528,343	\$ (27,065,728)	\$ (1,076,188)

MONTHLY BOARD REPORT
August 2014
Total Net Operating Budget / Expenses by Department
as of the end of August FY2014 vs. August FY2013

<u>Department</u>	<u>August FY2014</u>			<u>August FY2013</u>		
	<u>Budget</u>	<u>Expense</u>	<u>Variance</u>	<u>Budget</u>	<u>Expense</u>	<u>Variance</u>
Operations	\$ 314,927,178	\$ 305,627,889	\$ (9,299,289)	\$ 287,403,736	\$ 286,570,684	\$ (833,052)
Administration	63,091,098	56,566,751	(6,524,347)	57,086,108	52,385,216	(4,700,892)
Facility Maintenance	23,161,594	19,534,335	(3,627,259)	20,933,126	18,391,794	(2,541,332)
Human Resources	15,451,176	13,722,101	(1,729,075)	13,739,104	13,168,810	(570,294)
Information Technology	14,496,257	13,755,170	(741,087)	12,602,469	11,533,789	(1,068,680)
Procurement & Materials	7,358,144	7,344,060	(14,084)	6,661,695	6,598,796	(62,899)
Small Business	857,139	712,938	(144,201)	904,079	743,194	(160,885)
Diversity & Compliance	780,074	685,217	(94,857)	577,643	496,937	(80,706)
Best Practices Research	581,411	549,083	(32,328)	1,143,478	1,000,641	(142,837)
Chief Administrative Officer	405,303	263,848	(141,455)	524,514	451,255	(73,259)
Compl, EEO, ER, OD, Drug & Alcohol	N/A	N/A	N/A	1,087,344	939,811	(147,533)
VP of Business Services	N/A	N/A	N/A	224,671	75,165	(149,506)
METRO Police	17,197,978	15,916,079	(1,281,899)	13,188,829	9,255,431	(3,933,398)
Finance	9,279,567	7,204,970	(2,074,597)	9,454,057	8,049,939	(1,404,118)
Gov't & Public Affairs	7,278,375	3,817,779	(3,460,596)	6,770,350	4,841,673	(1,928,677)
Mktg & Corporate Communications	6,103,230	2,960,233	(3,142,997)	4,928,142	3,720,070	(1,208,072)
Public Engagement	671,724	479,756	(191,968)	1,227,598	768,379	(459,219)
Government Affairs	503,054	360,812	(142,242)	488,267	353,224	(135,043)
Stakeholder Affairs	367	16,979	16,612	126,343	-	(126,343)
Safety	7,228,781	6,610,223	(618,558)	5,248,865	4,942,448	(306,417)
Planning	5,458,157	3,779,159	(1,678,998)	3,829,363	3,618,931	(210,432)
Customer & Ridership Services	4,062,881	3,838,764	(224,117)	N/A	N/A	N/A
Legal	3,551,517	2,488,252	(1,063,265)	4,422,648	4,748,539	325,891
Legal	2,643,346	2,079,195	(564,151)	3,755,356	4,396,572	641,216
Real Estate & Property Management	908,171	409,057	(499,114)	667,292	351,967	(315,325)
Executive & Board	1,804,407	1,454,923	(349,484)	1,215,429	1,462,810	247,381
Audit	1,201,464	1,118,592	(82,872)	1,125,066	990,919	(134,147)
Engineering & Capital Projects	512,668	103,389	(409,279)	6,396,616	5,022,044	(1,374,572)
Small Capital Expenses	-	1,572	1,572	-	-	-
Contingency	-	-	-	2,731,899	6,099,123	3,367,224
Emergency Fund	-	-	-	N/A	N/A	N/A
TOTAL NET OPERATING	\$ 435,594,071	408,528,343	(27,065,728)	400,184,981	389,002,734	(11,182,248)

MONTHLY BOARD REPORT
August 2014
Capital, General Mobility and Debt Service Expenses
Budget vs. Actual - Month and Fiscal Year-to-Date
(\$ millions)

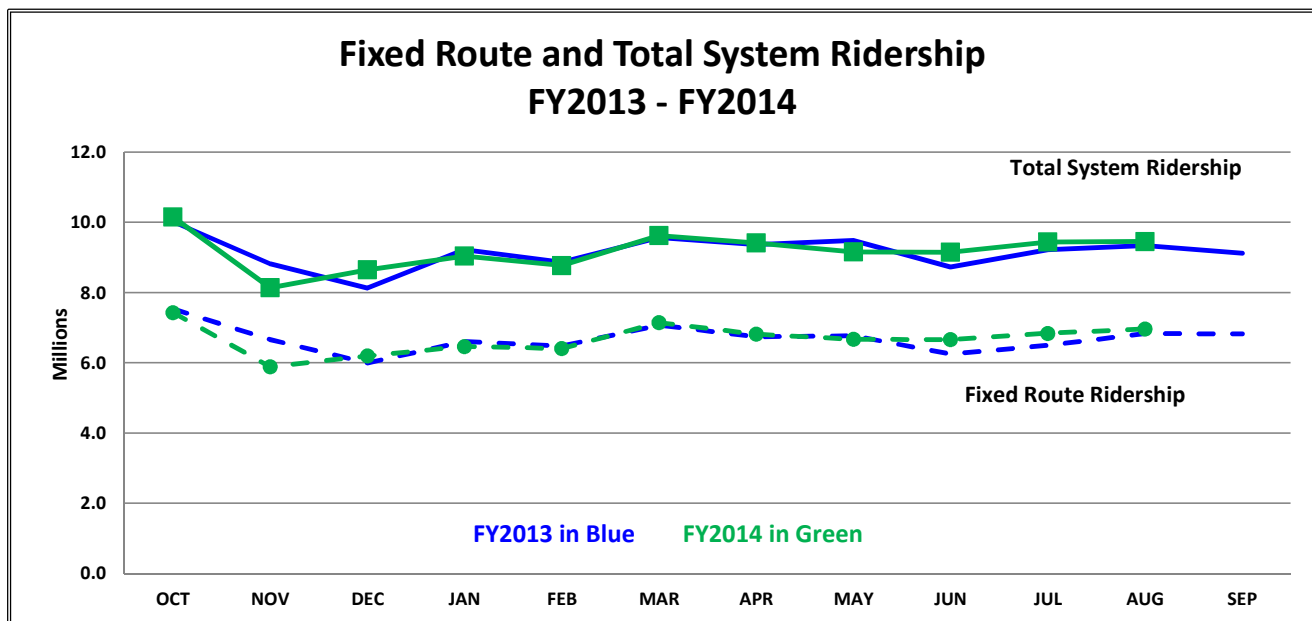
	FY2014 Annual Budget	Month of August 2014				Fiscal YTD August 2014			
		Budget	Actual	Variance		Budget	Actual	Variance	
				\$	%			\$	%
METRORail Expansion	\$ 314.6	\$ 14.0	\$ 10.0	\$ (4.0)	(28.3%)	\$ 269.4	\$ 201.5	\$ (67.9)	(25.2%)
Capital Improvement Program	198.4	25.2	22.4	(2.8)	(11.2%)	119.2	91.3	(27.9)	(23.4%)
Total Capital Budget	\$ 513.0	39.2	32.4	(6.8)	(17.3%)	388.6	292.8	(95.9)	(24.7%)
General Mobility	\$ 160.1	13.1	7.6	(5.4)	(41.6%)	144.3	138.2	(6.1)	(4.2%)
Debt Service	\$ 80.2	\$ 5.7	\$ 5.5	\$ (0.2)	(4.0%)	\$ 73.6	\$ 72.7	\$ (0.9)	(1.2%)

MONTHLY BOARD REPORT
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Ridership by Service Category

Service Category	Aug-13 Boardings	Aug-14 Boardings	Aug-14 vs. Aug-13	Aug-13 YTD Boardings	Aug-14 YTD Boardings	YTD % Change Aug-14 vs. Aug-13
Fixed Route Bus						
Local	5,158,333	5,113,032	(0.9%)	55,417,621	54,612,760	(1.5%)
Park & Ride	689,282	711,440	3.2%	7,287,931	7,579,113	4.0%
Subtotal Fixed Route Bus	5,847,615	5,824,472	(0.4%)	62,705,551	62,191,873	(0.8%)
METRO Rail	976,409	1,135,630	16.3%	10,517,013	11,612,594	10.4%
Subtotal Fixed Route	6,824,024	6,960,102	2.0%	73,222,564	73,804,467	0.8%
Special Events *	0	0	N/A	0	96,364	N.A.
Total Fixed Route	6,824,024	6,960,102	2.0%	73,222,564	73,900,831	0.9%
Customized Bus Services						
METROLift	159,067	166,633	4.8%	1,601,821	1,700,827	6.2%
METRO STAR Vanpool	217,079	202,357	(6.8%)	2,290,659	2,247,230	(1.9%)
Internal Service	0	0	100.0%	324	246	(24.1%)
Subtotal Customized Bus	376,146	368,990	(1.9%)	3,892,804	3,948,303	1.4%
Subtotal Bus and Rail	7,200,170	7,329,092	1.8%	77,115,368	77,849,134	1.0%
HOV/HOT Carpools, Vanpools, and Non-METRO Buses	2,134,836	2,121,987	(0.6%)	23,430,830	23,554,724	0.5%
Total System	9,335,006	9,451,079	1.2%	100,546,198	101,403,858	0.9%

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
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Performance Statistics

Benchmark Met Benchmark Missed

Fiscal Year 2014

SAFETY & SECURITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Monthly Target	FY2014 YTD GOAL	FY2014 YTD	YTD % Change
	Bus Accidents (Includes METROLift) Bus Accidents per 100,000 vehicle miles	54 0.91	44 0.83	40 0.73	36 0.65	52 0.99	51 0.88	50 0.88	47 0.84	41 0.73	40 0.68	24 0.42		≤ 42 ≤ 0.72	≤ 459 ≤ 0.72	479 0.77
Rail Accidents Rail Accidents per 100,000 vehicle miles	1 0.87	6 5.41	5 3.86	6 4.02	2 1.44	3 1.53	6 4.16	6 4.09	4 2.85	5 3.16	5 3.10		≤ 13 ≤ 6.58	≤ 66 ≤ 6.58	49 3.08	25.8% 53.2%
Major Security Incidents - total Major Security Incidents per 100,000 boardings	56 0.716	43 0.645	33 0.506	56 0.822	25 0.371	41 0.547	40 0.556	43 0.612	54 0.769	49 0.679	42 0.573		≤ 45 ≤ 0.640	≤ 495 ≤ 0.640	482 0.619	2.6% 3.3%
Major Security Incidents - METRO properties Major Security Incidents per 100,000 boardings	27 0.517	11 0.218	14 0.297	24 0.496	7 0.148	15 0.306	14 0.292	11 0.222	23 0.502	25 0.559	14 0.279		≤ 28 ≤ 0.397	≤ 308 ≤ 0.397	185 0.238	39.9% 40.1%
SERVICE & RELIABILITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Monthly Target	FY2014 YTD GOAL	FY2014 YTD	YTD % Change
Local Bus OTP	68.4%	67.9%	68.6%	68.7%	68.7%	68.9%	69.6%	69.5%	72.5%	72.9%	71.5%		≥ 70.0%	≥ 70%	69.7%	0.4%
Park & Ride Bus OTP	76.5%	75.2%	75.3%	76.8%	76.6%	76.9%	77.3%	77.1%	77.6%	78.3%	78.5%		≥ 75.0%	≥ 75%	76.9%	2.6%
Weighted Average Bus OTP	70.5%	69.8%	70.3%	70.9%	70.7%	71.0%	71.6%	71.5%	73.8%	74.3%	73.4%		≥ 71.5%	≥ 71.5%	71.6%	0.2%
METROLift OTP	85.4%	84.9%	87.1%	87.7%	86.2%	85.9%	86.2%	86.1%	87.5%	89.4%	88.6%		≥ 87.0%	≥ 85.5%	86.8%	1.5%
Rail On-Time Performance	96.6%	93.5%	NA*	NA*	NA*	NA*	NA*	NA*	NA*	NA*	NA*		≥ 95%	≥ 95%	NA*	
MDBF (Mean Distance Between Mechanical Failures) - All Buses	9,369	10,248	11,959	10,956	11,865	11,122	12,974	11,862	10,309	8,954	9,146		≥ 7,500	≥ 8,550	10,635	24.4%
MDBF (Mean Distance Between Mechanical Failures) - METROLift	13,140	13,261	16,419	16,740	16,467	18,865	16,222	13,209	13,587	12,726	15,004		≥ 11,750	≥ 11,750	14,782	25.8%
CUSTOMER SERVICE	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Monthly Target	FY2014 YTD GOAL	FY2014 YTD	YTD % Change
*Complaint Contacts per 100,000 boardings	27.25	23.69	24.25	24.55	27.88	23.83	27.07	28.33	27.65	25.49	26.21		≤ 26.00	≤ 26.00	26.04	0.1%
Compendations	314	228	253	257	327	301	323	349	271	291	345		≤ 208	≤ 2292	3,259	42.2%
Average Call Center Answer Delay (Sec.)	92	88	92	110	90	91	103	125	121	106	133		≤ 120	≤ 120	105	12.8%

* Note: Rail OTP is not yet available

MONTHLY BOARD REPORT
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Performance Statistic Definitions

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

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

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

On-Time Performance (OTP) - A local bus is considered on-time if it does not leave early and is within a five (5) minute window after the scheduled departure time. A Park and Ride bus is considered on-time if it does not depart early (except in the morning when a bus can leave from a Park and Ride lot when full) and is within a five (5) minute window after the scheduled departure time, with measurements during peak hours. OTP is measured by the IVOMS system which calculates data to the second, and the five (5) minute window is defined as anything less than six (6) minutes. For METRORail, a train departing from the beginning of the line or arriving at the end of the line less than five (5) minutes after the scheduled time is considered on-time. For METROLift, a trip is considered on-time if the vehicle arrives within 30 minutes of the scheduled pick-up time and no later than the appointment time.

Mean Distance Between 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.

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.

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
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Balance Sheet

	August 31, 2013 (\$)	August 31, 2014 (\$)	Change (\$)
Cash	\$ 3,963,891	\$ 4,576,189	\$ 612,298
Receivables	116,941,229	120,627,004	3,685,775
Inventory	20,666,658	24,461,455	3,794,797
Investments	352,390,406	414,607,342	62,216,936
Other Assets	98,725,274	83,757,293	(14,967,981)
Debt Issuance Costs	8,100,333	7,676,575	(423,758)
Property Net of Depreciation	2,461,723,764	2,753,543,054	291,819,290
Land & Improvements	391,631,109	394,895,875	3,264,766
Total Assets and Other	3,454,142,663	3,804,144,787	350,002,124
Liabilities			
Trade Payables	28,839,952	61,267,930	32,427,978
Accrued Payroll	26,349,335	27,163,873	814,538
Commercial Paper	187,000,000	183,400,000	(3,600,000)
Long-Term Liabilities	1,066,653,911	1,220,756,401	154,102,490
Other Liabilities	88,078,789	74,640,915	(13,437,874)
Total Liabilities	1,396,921,986	1,567,229,119	170,307,133
Net Assets - Retained	2,057,220,677	2,236,915,668	179,694,991
Total Liabilities and Net Assets	\$ 3,454,142,663	\$ 3,804,144,787	\$ 350,002,124