

# METRO

## Fiscal Year 2015 Monthly Board Report

Revenue • Expense • Ridership • Performance

June 2015

(Third Quarter Fiscal Year-to-Date)



# **MONTHLY BOARD REPORT**

## **June 2015**

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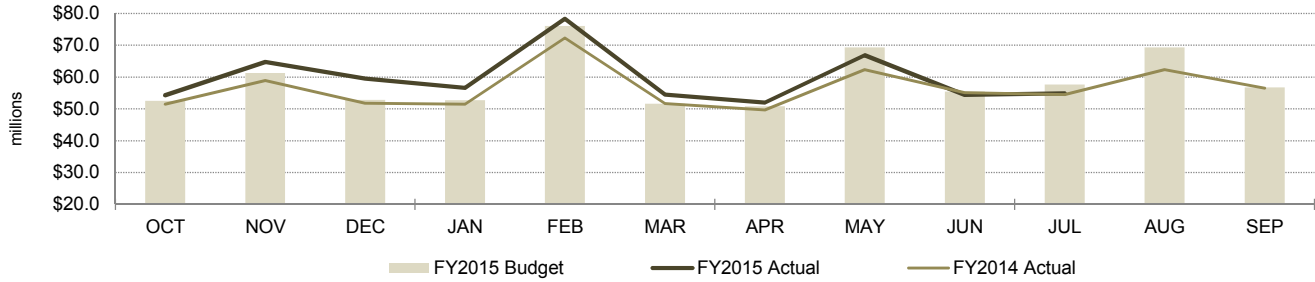
## MONTHLY BOARD REPORT

June 2015

Summary

- FY2015 Sales Tax revenue through July 2015 is \$591.1 million and \$15.9 million or 2.7% over estimates. Sales Tax revenue for July 2015 is \$54.8 million, \$2.8 million or 4.8% under estimates.
- Fare revenue of \$50.2 million through June 2015 year-to-date is \$3.1 million or 5.8% under budget. June 2015 revenue of \$5.2 million is \$0.8 million or 13.0% under budget.
- Service Related Grant Revenue year-to-date of \$39.1 million through June 2015 is \$6.6 million or 20.3% over budget. June 2015 revenue of \$4.3 million is \$3.0 million or 241.5% over budget.
- Capital Grant revenue year-to-date of \$30.3 million through June 2015 is \$44.2 million under budget.
- Interest & Miscellaneous revenue year-to-date of \$9.3 million through June 2015 is \$1.6 million or 21.0% over budget. June 2015 revenue of \$0.7 million is \$0.0 million or 0.8% under budget.
- Operating expenses year-to-date of \$348.5 million through June 2015 are \$26.8 million or 7.1% under budget. June 2015 expenses of \$40.2 million are \$2.4 million or 5.5% under budget.
- METRORail Expansion expenses year-to-date of \$80.5 million through June 2015 are \$42.7 million or 34.7% under budget. June 2015 expenses of \$10.1 million are \$3.4 million or 49.9% over budget.
- Other Capital Improvement Program expenses year-to-date of \$91.6 million through June 2015 are \$39.3 million or 30.0% under budget. June 2015 expenses of \$10.1 million are \$11.3 million or 52.6% under budget.
- General Mobility Program expenses year-to-date of \$109.0 million through June 2015 are \$18.4 million or 14.4% under budget. June 2015 expenses of \$16.5 million are \$3.0 million or 22.2% over budget.
- Debt Service expenses of \$68.0 million through June 2015 year-to-date are on budget.
- METROBus ridership (fixed route) year-to-date of 49.1 million through June 2015 is 1,484,000 or 2.9% under last year. June 2015 ridership of 5.4 million is 232,000 or 4.1% under compared to last year.
- METRORail ridership year-to-date of 10.7 million through June 2015 is 1,344,000 or 14.3% over last year. June 2015 ridership of 1.3 million is 289,000 or 27.6% over compared to last year.
- Performance Indicator Summary:
  - Safety & Security Bus Accidents missed the benchmark for the month, but met the goal for year-to-date. Rail Accidents missed the benchmark for the month, but met the goal for year-to-date. Total Major Security Incidents missed both the benchmark for the month and for the year-to-date. Major Security Incidents on METRO properties met the benchmark for the month and the goal for the year-to-date.
  - Service Reliability On-Time Performance for Local Bus did not meet the minimum performance standard for the month but met the goal for the year-to-date. On-Time Performance for Park & Ride Bus met the minimum performance standard for the month and the goal for the year-to-date. On-Time Performance for METROLift did not meet the minimum performance standard for both the month and for the year-to-date. On-Time Performance for Rail (red line) missed the benchmark for both the month and year to date. The Mean Distance Between Mechanical Failures (MDBF) for all buses met the minimum standard for the month and for the year-to-date. MDBF for METROLift met the minimum standard for the month and for the year-to-date.
  - Customer Service Complaint Contacts met the goal for the month and the goal for the year-to-date. The number of Commendations met the goal for the month and for the year-to-date. The Average Call Center Answer Delay did not meet both the goal for the month and for the year-to-date.

**MONTHLY BOARD REPORT**  
**June 2015**  
**Sales Tax Revenue thru July 2015**



**Total FY2015 Sales Tax budget is \$706.2 million**

**Budget to Actual FY2015**

(\$ millions)

	Budget	Actual	Variance	%
October	\$ 52.5	\$ 54.3	1.8	3.4%
November	61.3	64.8	3.5	5.7%
December	52.9	59.5	6.6	12.5%
January	52.7	56.6	3.9	7.3%
February	76.0	78.3	2.3	3.0%
March	51.6	54.4	2.8	5.5%
April	50.8	52.0	1.1	2.3%
May	69.3	66.9	(2.4)	(3.5%)
June	55.4	54.4	(1.0)	(1.8%)
<b>July</b>	<b>57.6</b>	<b>54.8</b>	<b>(2.8)</b>	<b>(4.8%)</b>
August	-	-	-	-
September	-	-	-	-
<b>FY 2015 YTD</b>	<b>\$ 580.3</b>	<b>\$ 596.1</b>	<b>\$ 15.9</b>	<b>2.7%</b>

**Prior Year vs. Current Year**

(\$ millions)

	Prior Year	Current Year	Variance	%
October	\$ 51.4	\$ 54.3	2.9	5.6%
November	58.9	64.8	5.9	10.1%
December	51.8	59.5	7.7	14.9%
January	51.4	56.6	5.1	10.0%
February	72.3	78.3	6.1	8.4%
March	51.7	54.4	2.8	5.4%
April	49.7	52.0	2.3	4.6%
May	62.3	66.9	4.6	7.4%
June	55.1	54.4	(0.7)	(1.3%)
<b>July</b>	<b>54.5</b>	<b>54.8</b>	<b>0.3</b>	<b>0.6%</b>
August	-	-	-	-
September	-	-	-	-
<b>FY 2015 YTD</b>	<b>\$ 559.1</b>	<b>\$ 596.1</b>	<b>\$ 37.0</b>	<b>6.6%</b>

# MONTHLY BOARD REPORT

June 2015

## Fare Revenue

**Total FY2015 Fare Revenue budget is \$72.2 million**

### Budget to Actual FY2015

(\$ millions)

	Budget	Actual	Variance	%
October	\$ 6.6	\$ 6.4	\$ (0.2)	(2.9%)
November	5.5	5.1	(0.4)	(7.3%)
December	5.3	5.3	0.0	0.7%
January	5.6	5.6	(0.1)	(1.6%)
February	5.7	5.3	(0.4)	(6.8%)
March	6.4	6.4	(0.1)	(1.2%)
April	6.2	5.8	(0.4)	(6.9%)
May	5.8	5.1	(0.8)	(13.1%)
<b>June</b>	<b>6.0</b>	<b>5.2</b>	<b>(0.8)</b>	<b>(13.0%)</b>
July	-	-	-	-
August	-	-	-	-
September	-	-	-	-
<b>FY 2015 YTD</b>	<b>\$ 53.3</b>	<b>\$ 50.2</b>	<b>\$ (3.1)</b>	<b>(5.8%)</b>

### Prior Year vs. Current Year

(\$ millions)

	Prior Year	Current Year	Variance	%
October	\$ 6.5	\$ 6.4	\$ (0.1)	(1.1%)
November	5.3	5.1	(0.1)	(2.4%)
December	5.0	5.3	0.3	5.9%
January	5.5	5.6	0.1	1.1%
February	5.5	5.3	(0.2)	(4.3%)
March	6.2	6.4	0.2	3.1%
April	6.0	5.8	(0.2)	(4.0%)
May	5.6	5.1	(0.6)	(9.8%)
<b>June</b>	<b>5.8</b>	<b>5.2</b>	<b>(0.6)</b>	<b>(9.8%)</b>
July	-	-	-	-
August	-	-	-	-
September	-	-	-	-
<b>FY 2015 YTD</b>	<b>\$ 51.4</b>	<b>\$ 50.2</b>	<b>\$ (1.3)</b>	<b>(2.5%)</b>

**MONTHLY BOARD REPORT**

**June 2015**

**Service Related Grant Revenue**

**Total FY2015 Service Related Grant budget is \$75.8 million**

**Budget to Actual FY2015**

(\$ millions)

	Budget	Actual	Variance	%
October	\$ 0.7	\$ 0.4	\$ (0.3)	(38.4%)
November	0.6	0.5	(0.1)	(21.6%)
December	0.5	0.6	0.0	5.8%
January	1.1	0.3	(0.9)	(77.7%)
February	24.5	13.6	(10.9)	(44.6%)
March	1.1	12.4	11.3	995.7%
April	1.3	0.4	(1.0)	(73.4%)
May	1.4	6.8	5.4	392.7%
<b>June</b>	<b>1.3</b>	<b>4.3</b>	<b>3.0</b>	<b>241.5%</b>
July	-	-	-	-
August	-	-	-	-
September	-	-	-	-
<b>FY 2015 YTD</b>	<b>\$ 32.5</b>	<b>\$ 39.1</b>	<b>\$ 6.6</b>	<b>20.3%</b>

**Capital Grant Revenue**

**Year-to-date Capital Grant revenue is \$30.4 million versus \$74.6 million budgeted**

**Interest & Miscellaneous Revenue**

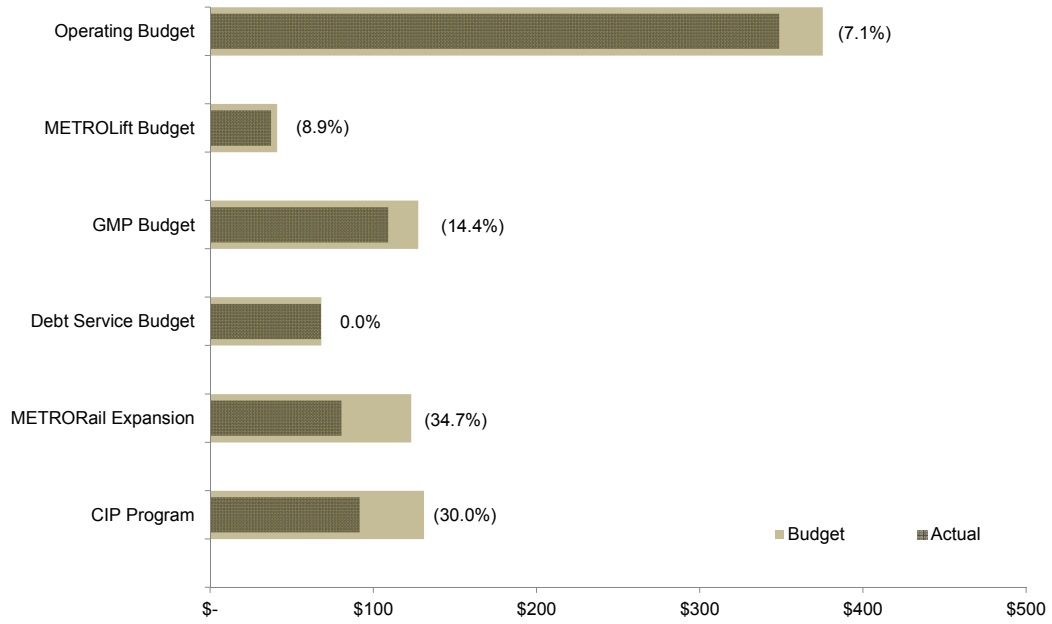
**Total FY2015 Interest & Miscellaneous Revenue budget is \$10.8 million**

**Budget to Actual FY2015**

(\$ millions)

	Budget	Actual	Variance	%
October	\$ 0.8	\$ 1.0	\$ 0.2	28.0%
November	0.7	0.8	0.1	9.6%
December	0.6	0.8	0.2	24.0%
January	0.6	1.0	0.4	66.6%
February	0.7	1.0	0.3	44.5%
March	1.0	1.3	0.3	34.8%
April	1.8	0.8	(1.0)	(54.8%)
May	0.8	1.9	1.1	139.5%
<b>June</b>	<b>0.7</b>	<b>0.7</b>	<b>(0.0)</b>	<b>(0.8%)</b>
July	-	-	-	-
August	-	-	-	-
September	-	-	-	-
<b>FY 2015 YTD</b>	<b>\$ 7.6</b>	<b>\$ 9.3</b>	<b>\$ 1.6</b>	<b>21.0%</b>

**MONTHLY BOARD REPORT**  
**June 2015**  
**Budget and Expense Summary**  
(in \$ millions)



**MONTHLY BOARD REPORT**

June 2015

**Operating Expenses**

**Comparison of Budget to Actual for the Month (June 2015)**

	FY15 Annual Budget	June Budget	June Actual	\$ Variance (favorable)/unfavorable	% Variance
Labor and Fringe Benefits	\$ 301,590,090	\$ 24,987,630	\$ 24,598,598	\$ (389,032)	(1.6%)
Non-Labor	221,035,377	18,893,740	17,425,252	(1,468,488)	(7.8%)
<b>Subtotal Labor &amp; Non-Labor</b>	<b>522,625,467</b>	<b>43,881,370</b>	<b>42,023,850</b>	<b>(1,857,520)</b>	<b>(4.2%)</b>
Contingency	10,000,000	-	-	-	0.0%
Cost Reimbursement (Cost Recovery)	-	-	(38,796)	(38,796)	N/A
Allocation to Capital and GMP	(17,633,767)	(1,315,464)	(1,776,191)	(460,727)	(35.0%)
<b>Total Operating Budget</b>	<b>\$ 514,991,700</b>	<b>\$ 42,565,906</b>	<b>\$ 40,208,863</b>	<b>\$ (2,357,043)</b>	<b>(5.5%)</b>

**Comparison of Budget to Actual Year-to-Date June 2015 (9 months)**

<u>Expense Category</u>	FY15 Annual Budget	Year-to-Date Budget	Year-to-Date Actual	\$ Variance (favorable)/unfavorable	% Variance
Wages	\$ 116,070,301	\$ 86,976,434	\$ 85,768,738	\$ (1,207,696)	(1.4%)
Union Fringe Benefits	\$ 60,485,951	44,127,893	41,736,764	(2,391,129)	(5.4%)
<b>Subtotal Union Labor</b>	<b>176,556,252</b>	<b>131,104,327</b>	<b>127,505,502</b>	<b>(3,598,825)</b>	<b>(2.7%)</b>
Salaries and Non-Union Wages	86,438,576	64,236,695	62,414,105	(1,822,590)	(2.8%)
Non-Union Fringe Benefits	38,595,262	28,821,562	26,821,788	(1,999,774)	(6.9%)
<b>Subtotal Non-Union Labor</b>	<b>125,033,838</b>	<b>93,058,257</b>	<b>89,235,893</b>	<b>(3,822,364)</b>	<b>(4.1%)</b>
<b>Subtotal Labor and Fringe Benefits</b>	<b>301,590,090</b>	<b>224,162,584</b>	<b>216,741,395</b>	<b>(7,421,189)</b>	<b>(3.3%)</b>
Services	41,306,291	31,341,423	22,447,408	(8,894,015)	(28.4%)
Materials and Supplies	21,657,314	16,436,151	15,846,797	(589,354)	(3.6%)
Fuel and Utilities	51,998,864	38,476,965	36,889,885	(1,587,080)	(4.1%)
Casualty and Liability	4,516,671	3,310,002	2,363,435	(946,567)	(28.6%)
Purchased Transportation	93,342,065	68,890,129	65,897,166	(2,992,963)	(4.3%)
Leases, Rentals and Misc.	8,214,172	6,405,686	5,128,818	(1,276,868)	(19.9%)
<b>Subtotal Non-Labor</b>	<b>221,035,377</b>	<b>164,860,356</b>	<b>148,573,509</b>	<b>(16,286,847)</b>	<b>(9.9%)</b>
<b>Subtotal Labor and Non-Labor</b>	<b>522,625,467</b>	<b>389,022,940</b>	<b>365,314,904</b>	<b>(23,708,036)</b>	<b>(6.1%)</b>
Contingency	10,000,000	-	-	-	0.0%
Cost Reimbursement (Cost Recovery)	-	-	(38,796)	(38,796)	N/A
Allocation to Capital and GMP	(17,633,767)	(13,725,296)	(16,752,330)	(3,027,034)	(22.1%)
<b>Subtotal Contingency / Allocations</b>	<b>(7,633,767)</b>	<b>(13,725,296)</b>	<b>(16,791,126)</b>	<b>(3,065,830)</b>	<b>(22.3%)</b>
<b>Total Operating Budget</b>	<b>\$ 514,991,700</b>	<b>\$ 375,297,644</b>	<b>\$ 348,523,778</b>	<b>\$ (26,773,866)</b>	<b>(7.1%)</b>



**MONTHLY BOARD REPORT**  
**June 2015**  
**Major Operating Budget Variance Items - Categories with major variances**

<u>Expense Type</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>June 2015 Year-to-Date \$ Variance (favorable) / unfavorable</u>
<b>Union Labor</b>	<b>131,104,327</b>	<b>\$ 127,505,502</b>	<b>\$ (3,598,825)</b>
Wages & Fringe Benefits - primarily mechanic, technician, cleaner, and operator vacancies			\$ (8,668,000)
Benefit Trust Contribution - due to lower enrollment and vacancies			(1,640,000)
Overtime wages mostly due to vacancies in bus operator positions and additional hours related to 'burn-in' and pre revenue testing of rail cars			6,627,000
<b>Non-Union Labor</b>	<b>93,058,257</b>	<b>89,235,893</b>	<b>(3,822,364)</b>
Salaries and fringes primarily related to vacancies			(3,828,000)
Lower than expected healthcare expenses resulting from vacancies and the effect			(1,638,000)
<u>Offset by</u>			
Timing of employee use of time related to sick, vacation, and other paid absences			785,000
Unbudgeted vacation buyback activity			488,000
Rail related overtime			338,000
Overtime in METROLift operations			150,000
<b>Services</b>	<b>31,341,423</b>	<b>22,447,408</b>	<b>(8,894,015)</b>
<u>Timing delays in</u>			
Advertising fees resulting from a delay in the East End and Southeast rail launch events			(2,281,000)
Planning's METRO's New Bus Network Project scheduling assistance and service planning activities			(1,468,000)
Transit Oriented Development, Long Range Planning, Corridor Development, and Origin/Destination Survey			(914,000)
IT contract management services, software license payments, Harris County Project delay and savings realized in certain line items			(789,000)
Facility Maintenance building operating facility costs, custodial services and building grounds and maintenance			(640,000)
Education and Training within Operations mostly within Quality Assurance			(347,000)
Purchasing of ticket and fare collection equipment and the repair and maintenance of existing equipment			(270,000)
Contractual support services within Finance-mostly Advisory services			(270,000)
Support services within Operations			(236,000)
Contractual services within METROLift - mostly eligibility contract			(225,000)
IT equipment repairs and maintenance			(198,000)
Operations building and grounds maintenance specifically radio, track and electronic maintenance			(179,000)
Operations equipment repairs and maintenance			(146,000)
Support services within the Customer Call Center			(137,000)
Contractual support services within HR spread across the various divisions			(116,000)
Contractual services within HOT Lane Operations			(110,000)
Education and Training within Finance			(84,000)
Support services within Stakeholder Affairs resulting by the delay in the East End and Southeast rail launch events			(71,000)
<u>Underutilization in other areas throughout the Authority - mostly in:</u>			
- Support services			(156,000)
- Education and training			(194,000)
- Incentive Programs - tied to Rodeo event delayed to October 2015			(81,000)
- Other miscellaneous services spread across the Authority			(296,000)
<u>Offset by</u>			
Timing in the billing of legal fees			277,000

Continued on next page

**MONTHLY BOARD REPORT**  
**June 2015**  
**Major Operating Budget Variance Items - Categories with major variances**

<u>Expense Type</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>June 2015 Year-to-Date \$ Variance (favorable) / unfavorable</u>
<b>Materials &amp; Supplies</b>	<b>16,436,151</b>	<b>15,846,797</b>	<b>(589,354)</b>
Timing delay in Fare media supply orders			(701,000)
Warranty credits for rail signal communication maintenance			(190,000)
Timing delays in Tech Equipment supplies for the METRO Police due to delay in Bus Rodeo event to Oct 2015			(149,000)
Timing delays in bus engines			(129,000)
Timing delays in bus batteries			(110,000)
General underutilization in materials and supplies throughout the Authority			(84,000)
<u>Offset by overruns in</u>			
Rail Inspections and Signal/Comm. Maintenance parts offset by delays in several bus parts line items			463,000
Bus parts for exterior body and windows			215,000
Print Shop supplies			96,000
<b>Fuel &amp; Utilities</b>	<b>38,476,965</b>	<b>36,889,885</b>	<b>(1,587,080)</b>
Lower than expected gasoline cost			(806,000)
Savings in Diesel fuel due to lower than expected consumption and favorable price variances			(714,000)
Lower than planned consumption of natural gas			(168,000)
Lower than planned consumption of propulsion power			(166,000)
Timing delay in the recording of the telephone expense for METROLift operations			(142,000)
Savings in Diesel and gasoline taxes resulting mainly from lower than planned consumption			(121,000)
Savings in Compressed Natural Gas			(105,000)
<u>Offset by</u>			
Timing variance resulting from transition of services from AT&T to Verizon and higher than expected routine telephone related expenditures			637,000
<b>Casualty and Liability</b>	<b>3,310,002</b>	<b>2,363,435</b>	<b>(946,567)</b>
Primarily lower than expected premiums			
Subrogation recovery is higher than anticipated largely due to mediation settlement of FY10 rail car accident (-\$810,000) for the rail car accident)			(813,000)
Realized savings in premiums			(451,000)
<u>Offset by</u>			
Higher than expected vehicle liability costs			317,000
<b>Purchased Transportation</b>	<b>68,890,129</b>	<b>65,897,166</b>	<b>(2,992,963)</b>
METROLift - An over accrual in performance bonuses for van and sedan (-\$393,000), savings yield from discount, service mix and productivity rate variance (-\$196,000) and a MV Discount/refund check of (-\$957,000)			(1,500,000)
Northwest First Transit - over accrual of the performance bonus (-\$494,000) for First Transit, operated with less hours than expected (-\$277,000), liquidated damage savings (-\$10,000), under budget Rodeo (-\$145,000), discount savings (-\$50,000) and lower than expected utility costs (-\$71,000)			(1,048,000)
Largely due to the processing of fare credits and timing of subcontractor transactions within Vanpool Operations			(480,000)
<b>Leases, Rentals and Miscellaneous</b>	<b>6,405,686</b>	<b>5,128,818</b>	<b>(1,276,868)</b>
Timing delays in the processing of SAP and other license Invoices			(896,000)
Timing delays in discretionary items (Travel, Memberships, Subscriptions, etc.)			(338,000)
<b>Allocation to Capital and GMP</b>	<b>(13,725,296)</b>	<b>(16,791,126)</b>	<b>(3,027,034)</b>
Due to heavy activity in rail operations mostly related to pre revenue testing and rail vehicle 'burn in'			(2,948,000)
Due to higher than expected capital related activity within Bus Maintenance			(549,000)
Due to a delay in the execution of IT related capital projects			846,000

**MONTHLY BOARD REPORT**  
**June 2015**  
**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>
<b>3,096</b>	<b>Operations, Public Safety and Customer Service</b>	<b>\$ 398,965,401</b>	<b>\$ 295,676,116</b>	<b>\$ 280,480,457</b>	<b>\$ (15,195,659)</b>	<b>\$ (654,007)</b>
74	Customer Service	4,782,931	3,561,879	3,195,607	(366,272)	(22,008)
2,714	Operations	363,255,318	268,959,524	256,739,489	(12,220,035)	(267,118)
298	Public Safety	29,655,329	22,201,318	19,657,984	(2,543,334)	(358,212)
10	EVP Operations, Public Safety & Customer Service	1,271,823	953,395	887,377	(66,018)	(6,668)
<b>297</b>	<b>Finance &amp; Administration</b>	<b>55,681,007</b>	<b>42,137,880</b>	<b>37,775,040</b>	<b>(4,362,840)</b>	<b>(738,552)</b>
75	Finance	9,666,886	7,416,223	5,583,018	(1,833,205)	(121,323)
39	Human Resources	18,765,135	13,974,706	12,269,779	(1,704,927)	(123,079)
67	Information Technology	17,408,855	13,430,975	13,018,388	(412,587)	(446,523)
114	Procurement & Materials	9,466,377	7,036,718	6,703,014	(333,704)	(45,923)
2	EVP Finance & Administration	373,754	279,258	200,842	(78,416)	(1,705)
<b>261</b>	<b>Planning, Engineering and Construction</b>	<b>34,587,599</b>	<b>25,902,064</b>	<b>21,041,141</b>	<b>(4,860,923)</b>	<b>(289,595)</b>
36	Engineering and Construction	174,321	75,139	(31,966)	(107,105)	(42,169)
184	Facility Maintenance	25,983,489	19,124,206	17,214,146	(1,910,060)	(80,589)
39	Planning	8,414,918	6,691,675	3,858,962	(2,832,713)	(165,696)
2	EVP Planning, Engineering and Construction	14,871	11,044	(0)	(11,044)	(1,141)
<b>40</b>	<b>Gov't &amp; Public Affairs</b>	<b>8,322,105</b>	<b>6,230,170</b>	<b>3,606,277</b>	<b>(2,623,893)</b>	<b>(736,936)</b>
3	Government Affairs	572,113	432,307	396,431	(35,876)	(8,569)
24	Mktg & Corporate Communications	6,904,216	5,135,056	2,683,877	(2,451,179)	(743,902)
7	Public Engagement	712,733	538,851	440,438	(98,413)	(10,006)
6	Stakeholder Affairs	133,043	123,956	85,532	(38,424)	25,541
<b>17</b>	<b>Legal</b>	<b>3,705,237</b>	<b>2,789,805</b>	<b>3,091,992</b>	<b>302,187</b>	<b>108,274</b>
14	Legal	3,372,096	2,531,307	2,842,370	311,063	102,606
3	Records Management	333,141	258,498	249,621	(8,877)	5,668
<b>12</b>	<b>Executive &amp; Board</b>	<b>2,139,825</b>	<b>1,585,293</b>	<b>1,524,585</b>	<b>(60,708)</b>	<b>(42,409)</b>
12	Executive Office	2,139,825	1,585,293	1,524,585	(60,708)	(42,409)
<b>11</b>	<b>Audit</b>	<b>1,309,692</b>	<b>976,316</b>	<b>1,004,287</b>	<b>27,971</b>	<b>(3,818)</b>
	<b>Contingency</b>	<b>10,000,000</b>	-	-	-	-
	<b>Non Departmental</b>	<b>280,834</b>	-	-	-	-
<b>3,734</b>	<b>TOTAL NET OPERATING</b>	<b>\$ 514,991,700</b>	<b>\$ 375,297,644</b>	<b>\$ 348,523,778</b>	<b>\$ (26,773,866)</b>	<b>\$ (2,357,043)</b>

**MONTHLY BOARD REPORT  
June 2015**

**Total Net Operating Budget / Expenses by Department  
as of the end of June FY2015 vs. June FY2014**

<u>Department</u>	<u>June FY2015</u>			<u>June FY2014</u>		
	<u>Budget</u>	<u>Expense</u>	<u>Variance</u>	<u>Budget</u>	<u>Expense</u>	<u>Variance</u>
<b>Operations, Public Safety and Customer Service</b>	<b>\$ 295,676,116</b>	<b>\$ 280,480,457</b>	<b>\$ (15,195,659)</b>	<b>\$ 279,137,361</b>	<b>\$ 269,313,088</b>	<b>\$ (9,824,273)</b>
EVP Operations, Public Safety and Customer Service	953,395	887,377	(66,018)	N/A	N/A	N/A
Customer Service	3,561,879	3,195,607	(366,272)	3,331,182	3,121,738	(209,444)
Operations	268,959,524	256,739,489	(12,220,035)	256,009,723	247,801,454	(8,208,269)
Public Safety	22,201,318	19,657,984	(2,543,334)	19,796,456	18,389,896	(1,406,560)
<b>Finance &amp; Administration</b>	<b>42,137,880</b>	<b>37,775,040</b>	<b>(4,362,840)</b>	<b>40,316,998</b>	<b>35,332,002</b>	<b>(4,984,996)</b>
EVP Finance & Administration	279,258	200,842	(78,416)	N/A	N/A	N/A
Finance	7,416,223	5,583,018	(1,833,205)	7,950,296	6,211,137	(1,739,159)
Human Resources	13,974,706	12,269,779	(1,704,927)	12,901,990	11,562,698	(1,339,292)
Information Technology	13,430,975	13,018,388	(412,587)	12,789,254	10,977,575	(1,811,679)
Procurement & Materials	7,036,718	6,703,014	(333,704)	6,675,458	6,580,592	(94,866)
<b>Planning, Engineering and Construction</b>	<b>25,902,064</b>	<b>21,041,141</b>	<b>(4,860,923)</b>	<b>24,786,352</b>	<b>19,151,400</b>	<b>(5,634,952)</b>
EVP Planning, Engineering & Construction	11,044	(0)	(11,044)	N/A	N/A	N/A
Engineering and Construction	75,139	(31,966)	(107,105)	277,951	65,356	(212,595)
Facility Maintenance	19,124,206	17,214,146	(1,910,060)	18,805,736	15,483,601	(3,322,135)
Planning	6,691,675	3,858,962	(2,832,713)	5,702,665	3,602,443	(2,100,222)
<b>Gov't &amp; Public Affairs</b>	<b>6,230,170</b>	<b>3,606,277</b>	<b>(2,623,893)</b>	<b>5,620,484</b>	<b>3,175,193</b>	<b>(2,445,291)</b>
Government Affairs	432,307	396,431	(35,876)	411,488	302,105	(109,383)
Mktg & Corporate Communications	5,135,056	2,683,877	(2,451,179)	4,645,158	2,475,081	(2,170,077)
Public Engagement	538,851	440,438	(98,413)	563,995	375,857	(188,138)
Stakeholder Affairs	123,956	85,532	(38,424)	(157)	22,150	22,307
<b>Legal</b>	<b>2,789,805</b>	<b>3,091,992</b>	<b>302,187</b>	<b>2,487,353</b>	<b>1,859,230</b>	<b>(628,123)</b>
Legal	2,531,307	2,842,370	311,063	2,163,106	1,615,035	(548,071)
Records Management	258,498	249,621	(8,877)	324,247	244,195	(80,052)
<b>Executive &amp; Board</b>	<b>1,585,293</b>	<b>1,524,585</b>	<b>(60,708)</b>	<b>1,490,085</b>	<b>1,141,009</b>	<b>(349,076)</b>
<b>Audit</b>	<b>976,316</b>	<b>1,004,287</b>	<b>27,971</b>	<b>980,377</b>	<b>909,607</b>	<b>(70,770)</b>
<b>Non-Departmental</b>	-	-	-	-	896	896
<b>Contingency</b>	-	-	-	-	-	-
<b>TOTAL NET OPERATING</b>	<b>\$ 375,297,644</b>	<b>\$ 348,523,778</b>	<b>\$ (26,773,866)</b>	<b>\$ 354,819,010</b>	<b>\$ 330,882,423</b>	<b>\$ (23,936,587)</b>

**MONTHLY BOARD REPORT**  
**June 2015**  
**Capital, General Mobility and Debt Service Expenses**  
**Budget vs. Actual - Month and Fiscal Year-to-Date**  
(\$ millions)

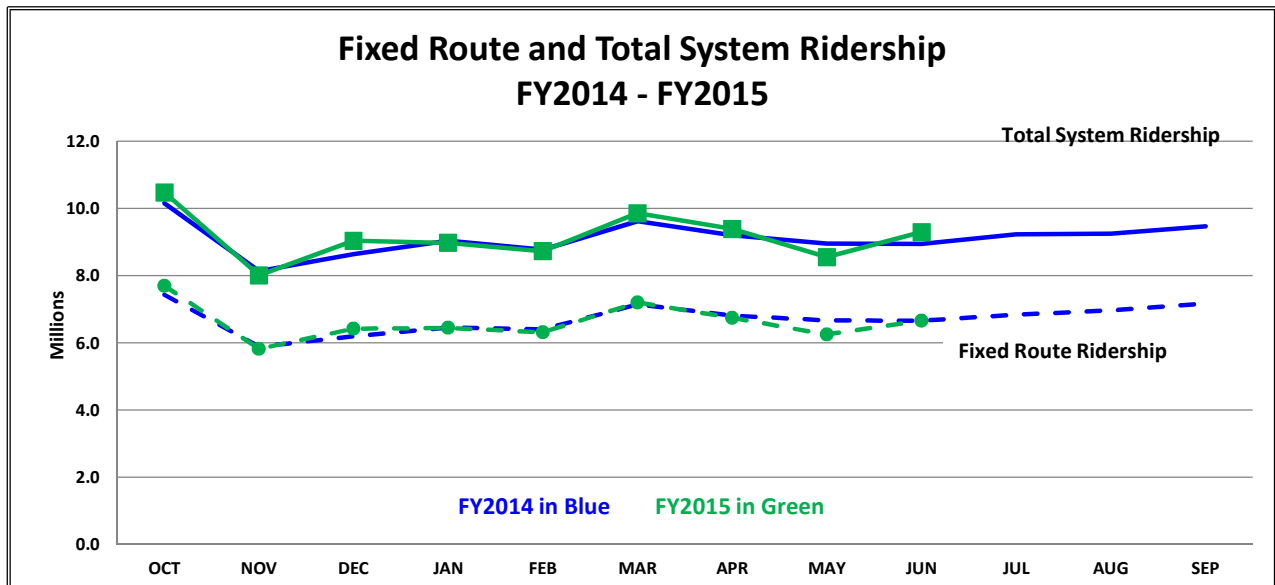
	FY2015 Annual Budget	Month of June 2015				Fiscal YTD June 2015			
		Budget	Actual	Variance \$	Variance %	Budget	Actual	Variance \$	Variance %
METRORail Expansion	\$ 172.7	\$ 6.7	\$ 10.1	\$ 3.4	49.9%	\$ 123.1	\$ 80.5	\$ (42.7)	(34.7%)
Capital Improvement Program	186.8	21.4	10.1	(11.3)	(52.6%)	130.9	91.6	(39.3)	(30.0%)
<b>Total Capital</b>	<b>\$ 359.5</b>	<b>28.1</b>	<b>20.2</b>	<b>(7.8)</b>	<b>(27.9%)</b>	<b>254.0</b>	<b>172.1</b>	<b>(82.0)</b>	<b>(32.3%)</b>
<b>General Mobility</b>	<b>\$ 173.0</b>	<b>13.5</b>	<b>16.5</b>	<b>3.0</b>	<b>22.2%</b>	<b>127.4</b>	<b>109.0</b>	<b>(18.4)</b>	<b>(14.4%)</b>
<b>Debt Service</b>	<b>\$ 91.5</b>	<b>\$ 6.1</b>	<b>\$ 6.1</b>	<b>\$ (0.0)</b>	<b>0.4%</b>	<b>\$ 68.0</b>	<b>\$ 68.0</b>	<b>\$ 0.0</b>	<b>(0.0%)</b>

**MONTHLY BOARD REPORT**  
**June 2015**  
**Ridership by Service Category**

Service Category	Jun-14 Boardings	Jun-15 Boardings	Jun-15 vs. Jun-14	Jun-14 YTD Boardings	Jun-15 YTD Boardings	YTD % Change
						Jun-15 vs. Jun-14
<b>Fixed Route Bus</b>						
Local	4,888,676	4,643,407	(5.0%)	44,504,236	42,935,279	(3.5%)
Park & Ride	733,567	746,808	1.8%	6,116,950	6,202,109	1.4%
<b>Subtotal Fixed Route Bus</b>	<b>5,622,243</b>	<b>5,390,215</b>	<b>(4.1%)</b>	<b>50,621,186</b>	<b>49,137,388</b>	<b>(2.9%)</b>
Red Line	1,033,122	1,195,704	15.7%	9,333,848	10,524,251	12.8%
Green/Purple Trunk	0	69,702	n/a	0	97,936	n/a
Green Line (East)	0	25,968	n/a	0	34,383	n/a
Purple Line (Southeast)	0	45,286	n/a	0	62,181	n/a
METRORail <i>(all lines)</i>	1,033,122	1,336,660	29.4%	9,333,848	10,718,751	14.8%
METRORail-Bus Bridge	14,539	275	(98.1%)	63,517	22,309	N/A
<b>METRORail</b>	<b>1,047,661</b>	<b>1,336,935</b>	<b>27.6%</b>	<b>9,397,365</b>	<b>10,741,060</b>	<b>14.3%</b>
<b>Subtotal Fixed Route</b>	<b>6,669,904</b>	<b>6,727,150</b>	<b>0.9%</b>	<b>60,018,551</b>	<b>59,878,448</b>	<b>(0.2%)</b>
Special Events *	2,395	673	(71.9%)	95,542	207,133	116.8%
<b>Total Fixed Route</b>	<b>6,672,299</b>	<b>6,727,823</b>	<b>0.8%</b>	<b>60,114,093</b>	<b>60,085,581</b>	<b>(0.0%)</b>
<b>Customized Bus Services</b>						
METROLift	159,883	155,949	(2.5%)	1,369,940	1,407,111	2.7%
METRO STAR Vanpool	203,924	210,229	3.1%	1,829,958	1,854,550	1.3%
Internal Service	62	99	100.0%	228	105	(53.9%)
<b>Subtotal Customized Bus</b>	<b>363,869</b>	<b>366,277</b>	<b>0.7%</b>	<b>3,200,126</b>	<b>3,261,766</b>	<b>1.9%</b>
<b>Subtotal Bus and Rail</b>	<b>7,036,168</b>	<b>7,094,100</b>	<b>0.8%</b>	<b>63,314,219</b>	<b>63,347,347</b>	<b>0.1%</b>
HOV/HOT Carpools, Vanpools, and Non-METRO Buses	1,920,555	2,271,280	18.3%	18,595,815	19,512,360	4.9%
<b>Total System</b>	<b>8,956,723</b>	<b>9,365,380</b>	<b>4.6%</b>	<b>81,910,034</b>	<b>82,859,707</b>	<b>1.2%</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  
June 2015  
Performance Statistics

Benchmark Met

Benchmark Missed

Fiscal Year 2015

SAFETY & SECURITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Monthly Target	FY2015 YTD GOAL	FY2015 YTD	YTD % Change
	<b>Bus Accidents</b> (Includes METROLift)	32	40	38	33	48	53	43	41	51				≤ 48	≤ 416	379
Bus Accidents per 100,000 vehicle miles	0.53	0.77	0.66	0.59	0.90	0.89	0.73	0.76	0.88				≤ 0.72	≤ 0.72	0.74	3.2%
<b>Rail Accidents</b>	7	3	4	4	8	6	4	6	17				≤ 8	≤ 74	59	20.3%
Rail Accidents per 100,000 vehicle miles	4.24	1.93	2.52	2.51	4.97	2.98	2.10	2.43	6.32				≤ 6.58	≤ 6.58	3.46	47.5%
<b>Major Security Incidents - total</b>	45	46	43	50	42	50	61	50	65				≤ 45	≤ 405	452	11.6%
Major Security Incidents per 100,000 boardings	0.430	0.544	0.476	0.557	0.481	0.507	0.650	0.583	0.694				≤ 0.640	≤ 0.640	0.546	14.8%
<b>Major Security Incidents - METRO properties</b>	12	10	18	17	15	21	29	19	25				≤ 28	≤ 252	166	34.1%
Major Security Incidents per 100,000 boardings	0.115	0.118	0.199	0.189	0.172	0.213	0.309	0.221	0.267				≤ 0.397	≤ 0.397	0.200	49.5%
SERVICE & RELIABILITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Monthly Target	FY2015 YTD GOAL	FY2015 YTD	YTD % Change
Local Bus OTP	68.5%	68.6%	68.8%	70.4%	70.1%	69.3%	68.9%	68.1%	68.5%				≥ 70%	≥ 69%	69.0%	0.4%
Park & Ride Bus OTP	77.0%	76.5%	75.9%	75.0%	73.7%	75.7%	73.9%	81.2%	77.2%				≥ 75%	≥ 75%	76.2%	1.6%
Weighted Average Bus OTP	70.7%	70.5%	70.7%	71.6%	71.0%	70.9%	70.2%	71.4%	70.7%				≥ 71.5%	≥ 71%	70.9%	0.4%
METROLift OTP	85.8%	87.6%	88.1%	89.4%	87.3%	87.3%	88.2%	87.4%	90.4%				≥ 89%	≥ 88%	87.9%	0.2%
<b>Rail On-Time Performance-Red Line</b>	85.7%	92.3%	91.5%	75.2%	75.2%	79.2%	81.6%	84.3%	84.5%				≥ 95%	≥ 95%	83.1%	
<b>MDBF (Mean Distance Between Mechanical Failures) - All Buses</b>	11,027	11,033	10,905	9,601	11,187	9,350	10,050	8,852	8,386				≥ 7,750	≥ 9,250	9,933	7.4%
<b>MDBF (Mean Distance Between Mechanical Failures) - METROLift</b>	20,891	23,500	22,205	28,564	31,378	22,103	23,260	17,120	17,790				≥ 13,000	≥ 13,000	22,138	70.3%
CUSTOMER SERVICE	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Monthly Target	FY2015 YTD GOAL	FY2015 YTD	YTD % Change
*Complaint Contacts per 100,000 boardings	21.20	20.24	19.73	20.64	23.88	21.31	21.50	19.80	18.63				≤ 26.00	≤ 23.31	20.78	10.9%
Commendations	320	240	328	326	328	365	393	316	448				≥ 250	≥ 2250	3,064	36.2%
Average Call Center Answer Delay (Sec.)	128	90	104	112	115	109	120	190	197				≤ 120	≤ 120	129	7.9%

**MONTHLY BOARD REPORT**  
**June 2015**  
**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 & 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 & Ride bus is considered on-time if it does not depart early (except in the morning when a bus can leave from a Park & 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 Failures (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**  
**June 2015**  
**Balance Sheet**

	June 30, 2014 (\$)	June 30, 2015 (\$)	Change (\$)
Cash	\$ 3,620,224	\$ 4,898,104	\$ 1,277,880
Receivables	134,446,514	135,032,154	585,640
Inventory	28,434,532	30,588,554	2,154,022
Investments	435,090,907	397,071,700	(38,019,207)
Other Assets	87,243,815	41,468,112	(45,775,703)
Property Net of Depreciation	2,696,019,719	2,764,882,461	68,862,742
Land & Improvements	396,859,869	364,964,002	(31,895,867)
Deferred Outflow of Resources	0	1,899,588	1,899,588
<b>Total Assets and Other</b>	<b>3,781,715,580</b>	<b>3,740,804,675</b>	<b>(40,910,905)</b>
<b>Liabilities</b>			
Trade Payables	58,357,614	53,406,001	(4,951,613)
Accrued Payroll	27,237,211	29,758,136	2,520,925
Commercial Paper	183,400,000	181,300,000	(2,100,000)
Long-Term Liabilities	1,220,756,401	1,226,674,475	5,918,074
Other Liabilities	74,153,242	31,318,459	(42,834,783)
<b>Total Liabilities</b>	<b>1,563,904,468</b>	<b>1,522,457,071</b>	<b>(41,447,397)</b>
Deferred Inflow of Resources	1,348,147	-	(1,348,147)
Net Assets - Retained	2,216,462,965	2,218,347,604	1,884,639
<b>Total Liabilities and Net Assets</b>	<b>\$ 3,781,715,580</b>	<b>\$ 3,740,804,675</b>	<b>\$ (40,910,905)</b>