

METRO

Fiscal Year 2015 Monthly Board Report

Revenue • Expense • Ridership • Performance

July 2015



# **MONTHLY BOARD REPORT**

## **July 2015**

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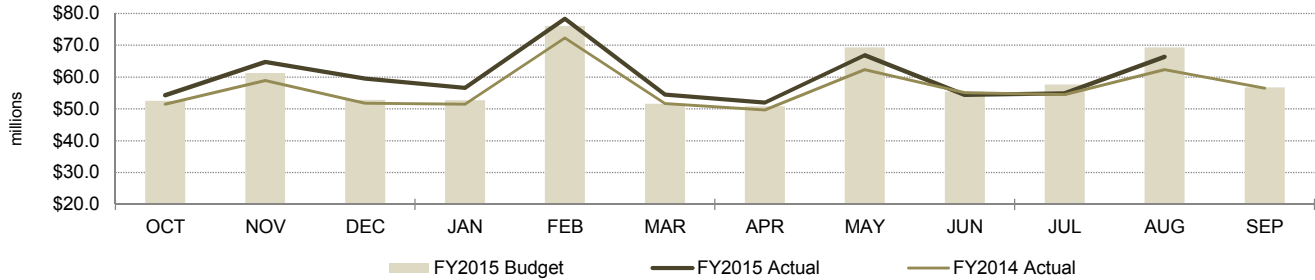
## MONTHLY BOARD REPORT

July 2015

Summary

- FY2015 Sales Tax revenue through Aug 2015 is \$662.5 million and \$13.0 million or 2.0% over estimates. Sales Tax revenue for August 2015 is \$66.4 million, \$2.9 million or 4.2% under estimates.
- Fare revenue of \$55.9 million through July 2015 year-to-date is \$3.3 million or 5.5% under budget. July 2015 revenue of \$5.8 million is \$0.2 million or 3.1% under budget.
- Service Related Grant Revenue year-to-date of \$41.1 million through July 2015 is \$7.3 million or 21.6% over budget. July 2015 revenue of \$2.0 million is \$0.7 million or 54.3% over budget.
- Capital Grant revenue year-to-date of \$35.8 million through July 2015 is \$51.6 million under budget.
- Interest & Miscellaneous revenue year-to-date of \$10.3 million through July 2015 is \$2.0 million or 23.7% over budget. July 2015 revenue of \$1.0 million is \$0.4 million or 54.4% over budget.
- Operating expenses year-to-date of \$393.2 million through July 2015 are \$25.6 million or 6.1% under budget. July 2015 expenses of \$44.7 million are \$1.2 million or 2.7% over budget.
- METRORail Expansion expenses year-to-date of \$86.4 million through July 2015 are \$45.6 million or 34.6% under budget. July 2015 expenses of \$6.0 million are \$4.4 million or 42.3% under budget.
- Other Capital Improvement Program expenses year-to-date of \$97.7 million through July 2015 are \$39.5 million or 28.8% under budget. July 2015 expenses of \$6.1 million are \$0.4 million or 6.8% under budget.
- General Mobility Program expenses year-to-date of \$123.3 million through July 2015 are \$20.2 million or 14.1% under budget. July 2015 expenses of \$14.2 million are \$1.8 million or 11.3% under budget.
- Debt Service expenses of \$74.4 million through July 2015 year-to-date are on budget.
- METROBus ridership (fixed route) year-to-date of 54.6 million through July 2015 is 1,725,000 or 3.1% under last year. July 2015 ridership of 5.5 million is 241,000 or 4.2% under compared to last year.
- METRORail ridership year-to-date of 12.2 million through July 2015 is 1,682,000 or 16.0% over last year. July 2015 ridership of 1.4 million is 339,000 or 31.2% over compared to last year.
- Performance Indicator Summary:
  - Safety & Security Bus Accidents met the benchmark for both the month and 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 missed the minimum performance standard for the month but met the goal for the year-to-date. On-Time Performance for METROLift met the minimum performance standard for the month and 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**  
**July 2015**  
**Sales Tax Revenue thru August 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%)
July	57.6	54.8	(2.8)	(4.8%)
<b>August</b>	<b>69.3</b>	<b>66.4</b>	<b>(2.9)</b>	<b>(4.2%)</b>
September	-	-	-	-
<b>FY 2015 YTD</b>	<b>\$ 649.5</b>	<b>\$ 662.5</b>	<b>\$ 13.0</b>	<b>2.0%</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%)
July	54.5	54.8	0.3	0.6%
<b>August</b>	<b>62.3</b>	<b>66.4</b>	<b>4.1</b>	<b>6.6%</b>
September	-	-	-	-
<b>FY 2015 YTD</b>	<b>\$ 621.4</b>	<b>\$ 662.5</b>	<b>\$ 41.1</b>	<b>6.6%</b>

# MONTHLY BOARD REPORT

July 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%)
June	6.0	5.2	(0.8)	(13.0%)
<b>July</b>	<b>6.0</b>	<b>5.8</b>	<b>(0.2)</b>	<b>(3.1%)</b>
August	-	-	-	-
September	-	-	-	-
<b>FY 2015 YTD</b>	<b>\$ 59.2</b>	<b>\$ 55.9</b>	<b>\$ (3.3)</b>	<b>(5.5%)</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%)
June	5.8	5.2	(0.6)	(9.8%)
<b>July</b>	<b>5.7</b>	<b>5.8</b>	<b>0.0</b>	<b>0.5%</b>
August	-	-	-	-
September	-	-	-	-
<b>FY 2015 YTD</b>	<b>\$ 57.2</b>	<b>\$ 55.9</b>	<b>\$ (1.2)</b>	<b>(2.2%)</b>

**MONTHLY BOARD REPORT**

**July 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%
June	1.3	4.3	3.0	241.5%
<b>July</b>	<b>1.3</b>	<b>2.0</b>	<b>0.7</b>	<b>54.3%</b>
August	-	-	-	-
September	-	-	-	-
<b>FY 2015 YTD</b>	<b>\$ 33.8</b>	<b>\$ 41.1</b>	<b>\$ 7.3</b>	<b>21.6%</b>

**Capital Grant Revenue**

**Year-to-date Capital Grant revenue is \$35.8 million versus \$87.4 million budgeted**

**Interest & Miscellaneous Revenue**

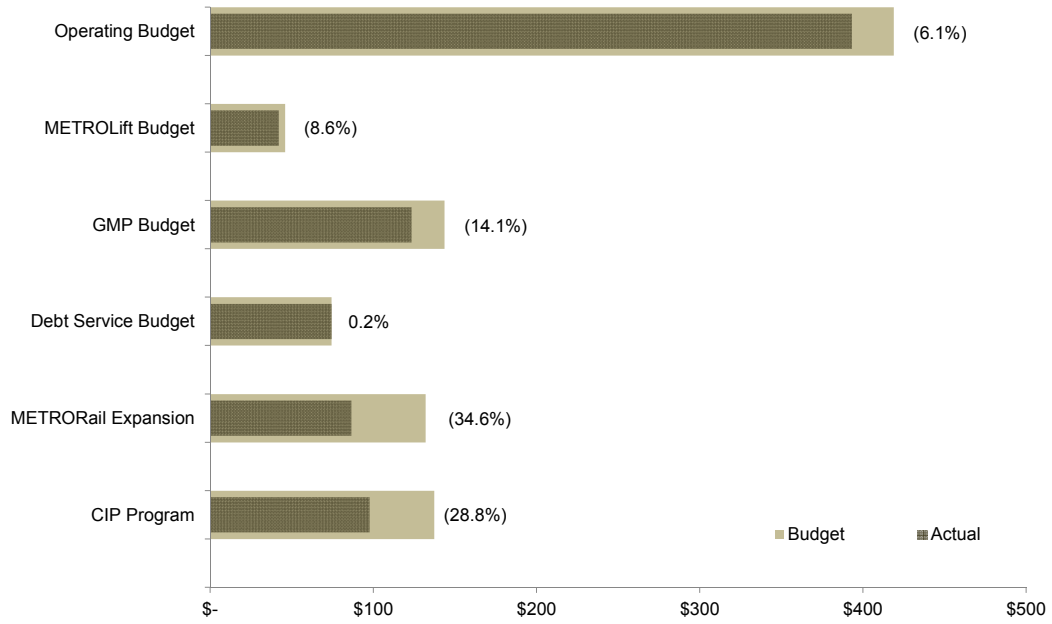
**Total FY2015 Interest & Miscellaneous Revenue budget is \$10.8 million**

**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%
June	0.7	0.7	(0.0)	(0.8%)
<b>July</b>	<b>0.7</b>	<b>1.0</b>	<b>0.4</b>	<b>54.4%</b>
August	-	-	-	-
September	-	-	-	-
<b>FY 2015 YTD</b>	<b>\$ 8.3</b>	<b>\$ 10.3</b>	<b>\$ 2.0</b>	<b>23.7%</b>

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



**MONTHLY BOARD REPORT**

July 2015

**Operating Expenses**

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

	FY15 Annual Budget	July Budget	July Actual	\$ Variance (favorable)/unfavorable	% Variance
Labor and Fringe Benefits	\$ 301,590,090	\$ 25,930,475	\$ 27,157,502	\$ 1,227,027	4.7%
Non-Labor	221,035,377	18,905,743	19,227,169	321,426	1.7%
<b>Subtotal Labor &amp; Non-Labor</b>	<b>522,625,467</b>	<b>44,836,218</b>	<b>46,384,671</b>	<b>1,548,453</b>	<b>3.5%</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)	(1,355,305)	(1,677,678)	(322,373)	(23.8%)
<b>Total Operating Budget</b>	<b>\$ 514,991,700</b>	<b>\$ 43,480,913</b>	<b>\$ 44,668,197</b>	<b>\$ 1,187,284</b>	<b>2.7%</b>

**Comparison of Budget to Actual Year-to-Date July 2015 (10 months)**

<u>Expense Category</u>	FY15 Annual Budget	Year-to-Date Budget	Year-to-Date Actual	\$ Variance (favorable)/unfavorable	% Variance
Wages	\$ 116,070,301	\$ 96,912,892	\$ 96,891,027	\$ (21,865)	(0.0%)
Union Fringe Benefits	\$ 60,485,951	49,198,602	47,828,658	(1,369,944)	(2.8%)
<b>Subtotal Union Labor</b>	<b>176,556,252</b>	<b>146,111,494</b>	<b>144,719,685</b>	<b>(1,391,809)</b>	<b>(1.0%)</b>
Salaries and Non-Union Wages	86,438,576	71,862,952	69,675,650	(2,187,302)	(3.0%)
Non-Union Fringe Benefits	38,595,262	32,118,613	29,503,562	(2,615,051)	(8.1%)
<b>Subtotal Non-Union Labor</b>	<b>125,033,838</b>	<b>103,981,565</b>	<b>99,179,212</b>	<b>(4,802,353)</b>	<b>(4.6%)</b>
<b>Subtotal Labor and Fringe Benefits</b>	<b>301,590,090</b>	<b>250,093,059</b>	<b>243,898,897</b>	<b>(6,194,162)</b>	<b>(2.5%)</b>
Services	41,306,291	34,772,246	25,845,764	(8,926,482)	(25.7%)
Materials and Supplies	21,657,314	18,182,652	17,813,607	(369,045)	(2.0%)
Fuel and Utilities	51,998,864	43,016,929	41,458,132	(1,558,797)	(3.6%)
Casualty and Liability	4,516,671	3,774,475	2,401,103	(1,373,372)	(36.4%)
Purchased Transportation	93,342,065	77,303,930	74,406,301	(2,897,629)	(3.7%)
Leases, Rentals and Misc.	8,214,172	6,715,867	5,836,976	(878,891)	(13.1%)
<b>Subtotal Non-Labor</b>	<b>221,035,377</b>	<b>183,766,099</b>	<b>167,761,883</b>	<b>(16,004,216)</b>	<b>(8.7%)</b>
<b>Subtotal Labor and Non-Labor</b>	<b>522,625,467</b>	<b>433,859,158</b>	<b>411,660,780</b>	<b>(22,198,378)</b>	<b>(5.1%)</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)	(15,080,601)	(18,430,007)	(3,349,406)	(22.2%)
<b>Subtotal Contingency / Allocations</b>	<b>(7,633,767)</b>	<b>(15,080,601)</b>	<b>(18,468,803)</b>	<b>(3,388,202)</b>	<b>(22.5%)</b>
<b>Total Operating Budget</b>	<b>\$ 514,991,700</b>	<b>\$ 418,778,557</b>	<b>\$ 393,191,977</b>	<b>\$ (25,586,580)</b>	<b>(6.1%)</b>



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

<u>Expense Type</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>July 2015 Year-to-Date</u> <u>\$ Variance</u> <u>(favorable) / unfavorable</u>
<b>Union Labor</b>	<b>146,111,494</b>	<b>\$ 144,719,685</b>	<b>\$ (1,391,809)</b>
Wages & Fringe Benefits - primarily mechanic, technician, cleaner, and operator vacancies			\$ (8,067,000)
Benefit Trust Contribution - due to lower enrollment and vacancies			(1,523,000)
Overtime wages mostly due to vacancies in bus operator positions and additional hours related to 'burn-in' and pre revenue testing of rail cars			8,088,000
<b>Non-Union Labor</b>	<b>103,981,565</b>	<b>99,179,212</b>	<b>(4,802,353)</b>
Salaries and fringes primarily related to vacancies			(4,490,000)
Lower than expected healthcare expenses resulting from vacancies and the effect of different employee healthcare election options than planned			(2,200,000)
Savings in overtime in Field Operations and Rail Operations Patrol			(541,000)
Timing delays in the Retiree Advantage Plan			(96,000)
<u>Offset by</u>			
Timing of employee use of time related to sick, vacation, and other paid absences			769,000
Unbudgeted vacation buyback activity			542,000
Rail related overtime mostly in the control center and signal communications maintenance			381,000
Overtime in METROLift operations			174,000
Overtime in Bus Dispatch and Street Supervision			186,000
Overtime in other areas of the Authority			509,000
<b>Services</b>	<b>34,772,246</b>	<b>25,845,764</b>	<b>(8,926,482)</b>
<u>Timing delays in</u>			
Advertising fees resulting from a delay in the East End and Southeast rail launch events			(2,405,000)
Planning's METRO's New Bus Network Project scheduling assistance and service planning activities			(1,466,000)
Transit Oriented Development, Long Range Planning, Corridor Development, and Origin/Destination			(851,000)
IT contract management services, software license payments, Harris County Project delay and savings realized in certain line items			(716,000)
Facility Maintenance building operating facility costs and custodial services			(636,000)
Education and Training within Operations mostly within Quality Assurance			(351,000)
Purchasing of ticket and fare collection equipment and the repair and maintenance of existing equipment			(295,000)
Contractual services within METROLift - mostly eligibility contract			(237,000)
Contractual support services within Finance-mostly Advisory services			(207,000)
Operations building and grounds maintenance specifically radio, track and electronic maintenance			(191,000)
Support services within Operations			(142,000)
Operations equipment repairs and maintenance in support vehicles			(139,000)
Facility maintenance - rail equipment repairs and maintenance			(135,000)
Contractual services within HOT Lane Operations			(111,000)
Other services within Operations			(107,000)
<u>Underutilization in other areas throughout the Authority - mostly in:</u>			
- Support services			(268,000)
- Education and training			(223,000)
- Incentive Programs - tied to Rodeo event delayed to October 2015			(72,000)
- Other miscellaneous services spread across the Authority			(628,000)
<u>Categorization</u>			
Customer Call Center budget for PSA services booked under Services while the actual expenses offset of (\$218,000) is booked to Non Union Labor			(163,000)
<u>Offset by</u>			
Timing in the billing of fees related to unanticipated internal legal matters			417,000

Continued on next page

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

<u>Expense Type</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>July 2015 Year-to-Date \$ Variance (favorable) / unfavorable</u>
<b>Materials &amp; Supplies</b>	<b>18,182,652</b>	<b>17,813,607</b>	<b>(369,045)</b>
Timing delay in Fare media supply orders			(656,000)
Warranty credits for rail signal communication maintenance			(186,000)
Timing delays in bus engines			(166,000)
Timing delays in Tech Equipment supplies for the METRO Police due to delay in Bus Rodeo event to Oct 201			(149,000)
Timing delays in bus batteries			(139,000)
<u>Offset by overruns in</u>			
Rail parts mainly in Inspections and Signal/Comm. maintenance			723,000
Bus parts for exterior body and windows due to increased vandalism rate			244,000
<b>Fuel &amp; Utilities</b>	<b>43,016,929</b>	<b>41,458,132</b>	<b>(1,558,797)</b>
Lower than expected gasoline cost			(893,000)
Savings in Diesel fuel due to lower than expected consumption and favorable price variances			(649,000)
Lower than planned consumption of natural gas			(164,000)
Lower than planned consumption of propulsion power			(131,000)
Timing delay in the recording of the telephone expense for METROLift operations			(152,000)
Savings in Diesel and gasoline taxes resulting mainly from lower than planned consumption			(123,000)
Savings in Compressed Natural Gas			(199,000)
Timing delays in facility maintenance Water and Sewerage billing			(106,000)
General delays in power, drainage fees and bulk fluids			(224,000)
<u>Offset by</u>			
Timing variance resulting from transition of services from AT&T to Verizon and higher than expected routine telephone related expenditures			1,067,000
<b>Casualty and Liability</b>	<b>3,774,475</b>	<b>2,401,103</b>	<b>(1,373,372)</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)			(1,083,000)
Realized savings in premiums			(644,000)
<u>Offset by</u>			
Higher than expected vehicle liability costs			353,000
<b>Purchased Transportation</b>	<b>77,303,930</b>	<b>74,406,301</b>	<b>(2,897,629)</b>
METROLift - An over accrual in performance bonuses for van and sedan (-\$393,000), savings yield from discount, service mix and productivity rate variance (-\$96,000) and a MV Discount/refund check (-\$957,000)			(1,445,000)
Northwest First Transit - over accrual of the performance bonus (-\$494,000) for First Transit, operated with less hours than expected (-\$307,000), liquidated damage savings (-\$19,000), under budget Rodeo (-\$145,000), discount savings (-\$50,000) and lower than expected utility costs (-\$71,000)			(1,087,000)
Largely due to the processing of fare credits and timing of subcontractor transactions within Vanpool Operations			(462,000)
<b>Leases, Rentals and Miscellaneous</b>	<b>6,715,867</b>	<b>5,836,976</b>	<b>(878,891)</b>
Timing delays in the processing of SAP and other license Invoices			(581,000)
Timing delays in discretionary items (Travel, Memberships, Subscriptions, etc.)			(283,000)
<b>Allocation to Capital and GMP</b>	<b>(15,080,601)</b>	<b>(18,468,803)</b>	<b>(3,349,406)</b>
Heavy activity in rail operations mostly related to pre revenue testing and rail vehicle 'burn in'			(3,202,747)
Higher than expected capital related activity within Bus Maintenance			(636,000)
Advanced capital activity within Engineering and Construction			(263,000)
Delay in the execution of IT related capital projects			880,000
Delay in the execution of Facility Maintenance related capital projects			192,000

**MONTHLY BOARD REPORT**  
**July 2015**  
**Total Net Operating Budget / Expenses by Department**

<u>Authorized</u> <u>EOY</u> <u>Headcount</u>	<u>Department</u>	<u>Annual Budget</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>\$ 330,673,812</b>	<b>\$ 316,694,861</b>	<b>\$ (13,978,951)</b>	<b>\$ 1,216,708</b>
74	Customer Service	4,782,931	3,991,942	3,579,766	(412,176)	(45,903)
2,714	Operations	363,255,318	300,771,852	290,237,117	(10,534,735)	1,685,299
298	Public Safety	29,655,329	24,846,935	21,901,819	(2,945,116)	(401,782)
10	EVP Operations, Public Safety & Customer Service	1,271,823	1,063,083	976,159	(86,924)	(20,906)
<b>297</b>	<b>Finance &amp; Administration</b>	<b>55,736,038</b>	<b>46,134,927</b>	<b>41,938,804</b>	<b>(4,196,123)</b>	<b>166,718</b>
75	Finance	9,803,728	8,194,994	6,359,805	(1,835,189)	(1,983)
38	Human Resources	18,683,324	15,560,507	13,406,629	(2,153,878)	(448,951)
68	Information Technology	17,408,855	14,200,357	14,456,510	256,153	668,740
114	Procurement & Materials	9,466,377	7,866,195	7,485,084	(381,111)	(47,407)
2	EVP Finance & Administration	373,754	312,874	230,777	(82,097)	(3,681)
<b>260</b>	<b>Planning, Engineering and Construction</b>	<b>34,587,599</b>	<b>28,842,592</b>	<b>23,709,133</b>	<b>(5,133,459)</b>	<b>(272,537)</b>
35	Engineering and Construction	174,321	82,747	(31,084)	(113,831)	(6,726)
184	Facility Maintenance	25,983,489	21,425,139	19,422,401	(2,002,738)	(92,678)
39	Planning	8,414,918	7,322,117	4,317,816	(3,004,301)	(171,588)
2	EVP Planning, Engineering and Construction	14,871	12,589	0	(12,589)	(1,545)
<b>40</b>	<b>Gov't &amp; Public Affairs</b>	<b>8,322,105</b>	<b>7,176,166</b>	<b>4,468,192</b>	<b>(2,707,974)</b>	<b>(84,082)</b>
3	Government Affairs	572,113	480,813	431,023	(49,790)	(13,914)
24	Mktg & Corporate Communications	6,904,216	5,969,565	3,446,090	(2,523,475)	(72,295)
7	Public Engagement	712,733	598,579	491,013	(107,566)	(9,154)
6	Stakeholder Affairs	133,043	127,209	100,066	(27,143)	11,282
<b>17</b>	<b>Legal</b>	<b>3,705,237</b>	<b>3,098,153</b>	<b>3,485,372</b>	<b>387,219</b>	<b>85,032</b>
14	Legal	3,372,096	2,817,613	3,216,932	399,319	88,256
3	Records Management	333,141	280,540	268,440	(12,100)	(3,223)
<b>13</b>	<b>Executive &amp; Board</b>	<b>2,221,636</b>	<b>1,762,643</b>	<b>1,816,805</b>	<b>54,162</b>	<b>114,870</b>
<b>11</b>	<b>Audit</b>	<b>1,172,850</b>	<b>1,090,264</b>	<b>1,078,811</b>	<b>(11,453)</b>	<b>(39,424)</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>\$ 418,778,557</b>	<b>\$ 393,191,977</b>	<b>\$ (25,586,580)</b>	<b>\$ 1,187,286</b>

**MONTHLY BOARD REPORT**  
**July 2015**  
**Total Net Operating Budget / Expenses by Department**  
**as of the end of July FY2015 vs. July FY2014**

<u>Department</u>	July FY2015 -----Year-to-Date-----			July FY2014 -----Year-to-Date-----		
	<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>\$ 330,673,812</b>	<b>\$ 316,694,861</b>	<b>\$ (13,978,951)</b>	<b>\$ 311,626,437</b>	<b>\$ 300,832,457</b>	<b>\$ (10,793,980)</b>
EVP Operations, Public Safety and Customer Service	1,063,083	976,159	(86,924)	N/A	N/A	N/A
Customer Service	3,991,942	3,579,766	(412,176)	3,707,561	3,485,270	(222,291)
Operations	300,771,852	290,237,117	(10,534,735)	285,647,491	276,816,931	(8,830,560)
Public Safety	24,846,935	21,901,819	(2,945,116)	22,271,385	20,530,256	(1,741,129)
<b>Finance &amp; Administration</b>	<b>46,134,927</b>	<b>41,938,804</b>	<b>(4,196,123)</b>	<b>44,408,874</b>	<b>39,158,111</b>	<b>(5,250,763)</b>
EVP Finance & Administration	312,874	230,777	(82,097)	N/A	N/A	N/A
Finance	8,194,994	6,359,805	(1,835,189)	8,916,134	6,973,513	(1,942,621)
Human Resources	15,560,507	13,406,629	(2,153,878)	14,395,211	12,872,515	(1,522,696)
Information Technology	14,200,357	14,456,510	256,153	13,643,656	12,006,849	(1,636,807)
Procurement & Materials	7,866,195	7,485,084	(381,111)	7,453,873	7,305,234	(148,639)
<b>Planning, Engineering and Construction</b>	<b>28,842,592</b>	<b>23,709,133</b>	<b>(5,133,459)</b>	<b>27,830,462</b>	<b>21,679,869</b>	<b>(6,150,593)</b>
EVP Planning, Engineering & Construction	12,589	0	(12,589)	N/A	N/A	N/A
Engineering and Construction	82,747	(31,084)	(113,831)	301,263	70,884	(230,379)
Facility Maintenance	21,425,139	19,422,401	(2,002,738)	21,041,962	17,426,186	(3,615,776)
Planning	7,322,117	4,317,816	(3,004,301)	6,487,237	4,182,799	(2,304,438)
<b>Gov't &amp; Public Affairs</b>	<b>7,176,166</b>	<b>4,468,192</b>	<b>(2,707,974)</b>	<b>6,201,257</b>	<b>3,492,284</b>	<b>(2,708,973)</b>
Government Affairs	480,813	431,023	(49,790)	458,710	330,309	(128,401)
Mktg & Corporate Communications	5,969,565	3,446,090	(2,523,475)	5,122,065	2,710,721	(2,411,344)
Public Engagement	598,579	491,013	(107,566)	620,535	430,446	(190,089)
Stakeholder Affairs	127,209	100,066	(27,143)	(53)	20,808	20,861
<b>Legal</b>	<b>3,098,153</b>	<b>3,485,372</b>	<b>387,219</b>	<b>2,770,780</b>	<b>2,075,562</b>	<b>(695,218)</b>
Legal	2,817,613	3,216,932	399,319	2,408,387	1,798,599	(609,788)
Records Management	280,540	268,440	(12,100)	362,393	276,963	(85,430)
<b>Executive &amp; Board</b>	<b>1,762,643</b>	<b>1,816,805</b>	<b>54,162</b>	<b>1,652,676</b>	<b>1,336,253</b>	<b>(316,423)</b>
<b>Audit</b>	<b>1,090,264</b>	<b>1,078,811</b>	<b>(11,453)</b>	<b>1,094,710</b>	<b>1,020,224</b>	<b>(74,486)</b>
<b>Non-Departmental</b>	-	-	-	-	896	896
<b>Contingency</b>	-	-	-	-	-	-
<b>TOTAL NET OPERATING</b>	<b>\$ 418,778,557</b>	<b>\$ 393,191,977</b>	<b>\$ (25,586,580)</b>	<b>\$ 395,585,196</b>	<b>\$ 369,595,654</b>	<b>\$ (25,989,542)</b>

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

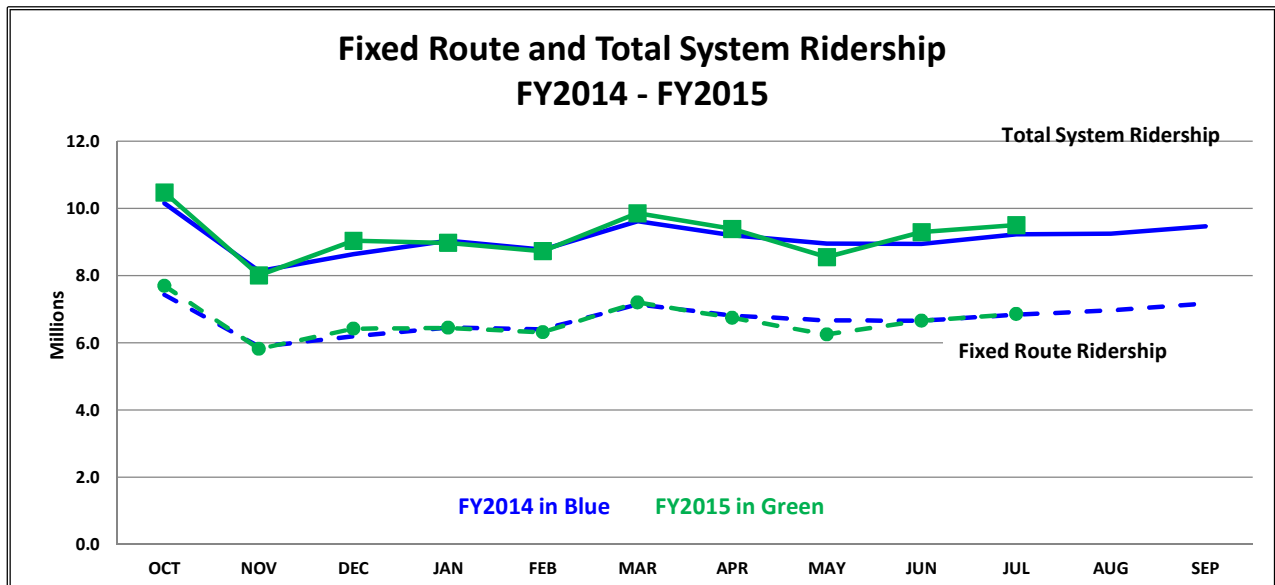
	FY2015 Annual Budget	Month of July 2015				Fiscal YTD July 2015			
		Budget	Actual	Variance \$	Variance %	Budget	Actual	Variance \$	Variance %
METRORail Expansion	\$ 172.7	\$ 10.3	\$ 6.0	\$ (4.4)	(42.3%)	\$ 132.1	\$ 86.4	\$ (45.6)	(34.6%)
Capital Improvement Program	186.8	6.6	6.1	(0.4)	(6.8%)	137.2	97.7	(39.5)	(28.8%)
<b>Total Capital</b>	<b>\$ 359.5</b>	<b>16.9</b>	<b>12.1</b>	<b>(4.8)</b>	<b>(28.5%)</b>	<b>269.3</b>	<b>184.1</b>	<b>(85.1)</b>	<b>(31.6%)</b>
<b>General Mobility</b>	<b>\$ 173.0</b>	<b>16.0</b>	<b>14.2</b>	<b>(1.8)</b>	<b>(11.3%)</b>	<b>143.5</b>	<b>123.3</b>	<b>(20.2)</b>	<b>(14.1%)</b>
<b>Debt Service</b>	<b>\$ 91.5</b>	<b>\$ 6.4</b>	<b>\$ 6.4</b>	<b>\$ 0.0</b>	<b>0.0%</b>	<b>\$ 74.4</b>	<b>\$ 74.4</b>	<b>\$ 0.0</b>	<b>0.0%</b>

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

Service Category	Jul-14 Boardings	Jul-15 Boardings	Jul-15 vs. Jul-14	Jul-14 YTD Boardings	Jul-15 YTD Boardings	YTD % Change
						Jul-15 vs. Jul-14
<b>Fixed Route Bus</b>						
Local	4,994,804	4,766,850	(4.6%)	49,499,040	47,702,129	(3.6%)
Park & Ride	751,412	737,898	(1.8%)	6,868,362	6,940,007	1.0%
<b>Subtotal Fixed Route Bus</b>	<b>5,746,216</b>	<b>5,504,748</b>	<b>(4.2%)</b>	<b>56,367,402</b>	<b>54,642,136</b>	<b>(3.1%)</b>
Red Line	1,068,619	1,263,920	18.3%	10,402,467	11,788,171	13.3%
Green/Purple Trunk	0	77,300	n/a	0	175,236	n/a
Green Line (East)	0	26,412	n/a	0	60,795	n/a
Purple Line (Southeast)	0	52,728	n/a	0	114,909	n/a
METRORail <i>(all lines)</i>	1,068,619	1,420,360	32.9%	10,402,467	12,139,111	16.7%
METRORail-Bus Bridge	18,067	5,015	(72.2%)	81,584	27,324	N/A
<b>METRORail</b>	<b>1,086,686</b>	<b>1,425,375</b>	<b>31.2%</b>	<b>10,484,051</b>	<b>12,166,435</b>	<b>16.0%</b>
<b>Subtotal Fixed Route</b>	<b>6,832,902</b>	<b>6,930,123</b>	<b>1.4%</b>	<b>66,851,453</b>	<b>66,808,571</b>	<b>(0.1%)</b>
Special Events *	822	2,195	167.0%	96,364	209,328	117.2%
<b>Total Fixed Route</b>	<b>6,833,724</b>	<b>6,932,318</b>	<b>1.4%</b>	<b>66,947,817</b>	<b>67,017,899</b>	<b>0.1%</b>
<b>Customized Bus Services</b>						
METROLift	164,323	165,890	1.0%	1,534,263	1,573,315	2.5%
METRO STAR Vanpool	214,915	210,295	(2.1%)	2,044,873	2,063,200	0.9%
Internal Service	18	98	100.0%	246	203	(17.5%)
<b>Subtotal Customized Bus</b>	<b>379,256</b>	<b>376,283</b>	<b>(0.8%)</b>	<b>3,579,382</b>	<b>3,636,718</b>	<b>1.6%</b>
<b>Subtotal Bus and Rail</b>	<b>7,212,980</b>	<b>7,308,601</b>	<b>1.3%</b>	<b>70,527,199</b>	<b>70,654,617</b>	<b>0.2%</b>
HOV/HOT Carpools, Vanpools, and Non-METRO Buses	2,012,010	2,271,280	12.9%	20,607,825	21,783,640	5.7%
<b>Total System</b>	<b>9,224,990</b>	<b>9,579,881</b>	<b>3.8%</b>	<b>91,135,024</b>	<b>92,438,257</b>	<b>1.4%</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  
July 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	FY2015 YTD	YTD % Change
	<b>Bus Accidents</b> (Includes METROLift)	32	40	38	33	48	53	43	41	51	44			≤ 48	≤ 464	423
Bus Accidents per 100,000 vehicle miles	0.53	0.77	0.66	0.59	0.90	0.89	0.74	0.76	0.88	0.74			≤ 0.72	≤ 0.72	0.74	3.2%
<b>Rail Accidents</b>	7	3	4	4	8	6	4	6	17	9			≤ 8	≤ 82	68	17.1%
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	3.16			≤ 6.58	≤ 6.58	3.41	48.1%
<b>Major Security Incidents - total</b>	45	46	43	50	42	50	61	50	65	69			≤ 45	≤ 450	521	15.8%
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	0.720			≤ 0.640	≤ 0.640	0.564	11.9%
<b>Major Security Incidents - METRO properties</b>	12	10	18	17	15	21	29	19	25	19			≤ 28	≤ 280	185	33.9%
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	0.198			≤ 0.397	≤ 0.397	0.200	49.6%
SERVICE & RELIABILITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Monthly Target	FY2015 YTD	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%	68.8%			≥ 70%	≥ 69%	69.0%	0.6%
Park & Ride Bus OTP	77.0%	76.5%	75.9%	75.0%	73.7%	75.7%	73.9%	81.2%	77.2%	74.9%			≥ 75%	≥ 75%	76.1%	1.5%
Weighted Average Bus OTP	70.7%	70.5%	70.7%	71.6%	71.0%	70.9%	70.2%	71.4%	70.7%	70.4%			≥ 71.5%	≥ 71%	70.8%	0.5%
METROLift OTP	85.8%	87.6%	88.1%	89.4%	87.3%	87.3%	88.2%	87.4%	90.4%	91.8%			≥ 90%	≥ 88%	88.3%	0.1%
<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%	86.3%			≥ 95%	≥ 95%	83.7%	
<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	8,612			≥ 7,750	≥ 9,100	9,779	7.5%
<b>MDBF (Mean Distance Between Mechanical Failures) - METROLift</b>	20,891	23,500	22,205	28,564	31,378	22,030	23,189	17,120	17,790	16,627			≥ 13,000	≥ 13,000	21,372	64.4%
CUSTOMER SERVICE	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Monthly Target	FY2015 YTD	FY2015 YTD	YTD % Change
*Complaint Contacts per 100,000 boardings	21.20	20.24	19.73	20.64	23.87	21.30	21.50	19.79	18.68	20.47			≤ 23.00	≤ 23.55	20.75	11.9%
Commendations	320	240	328	326	328	365	393	316	448	491			≥ 250	≥ 2500	3,555	42.2%
Average Call Center Answer Delay (Sec.)	128	90	104	112	115	109	120	190	197	127			≤ 120	≤ 120	129	7.7%

**MONTHLY BOARD REPORT**  
**July 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**  
**July 2015**  
**Balance Sheet**

	July 31, 2014 (\$)	July 31, 2015 (\$)	Change (\$)
Cash	\$ 4,792,313	\$ 3,766,559	\$ (1,025,754)
Receivables	132,984,702	138,939,910	5,955,208
Inventory	23,948,049	30,678,005	6,729,956
Investments	433,109,571	396,686,313	(36,423,258)
Other Assets	86,839,495	41,119,274	(45,720,221)
Property Net of Depreciation	2,732,398,506	2,767,472,382	35,073,876
Land & Improvements	396,413,014	357,801,397	(38,611,617)
Deferred Outflow of Resources	0	1,899,588	1,899,588
<b>Total Assets and Other</b>	<b>3,810,485,650</b>	<b>3,738,363,429</b>	<b>(72,122,221)</b>
<b>Liabilities</b>			
Trade Payables	79,870,521	56,137,860	(23,732,661)
Accrued Payroll	28,530,382	29,824,678	1,294,296
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	73,952,388	32,959,017	(40,993,371)
<b>Total Liabilities</b>	<b>1,586,509,692</b>	<b>1,526,896,030</b>	<b>(59,613,662)</b>
Deferred Inflow of Resources	1,348,147	-	(1,348,147)
Net Assets - Retained	2,222,627,811	2,211,467,399	(11,160,412)
<b>Total Liabilities and Net Assets</b>	<b>\$ 3,810,485,650</b>	<b>\$ 3,738,363,429</b>	<b>\$ (72,122,221)</b>