

METRO

Fiscal Year 2015 Monthly Board Report

Revenue • Expense • Ridership • Performance

August 2015



# **MONTHLY BOARD REPORT**

## **August 2015**

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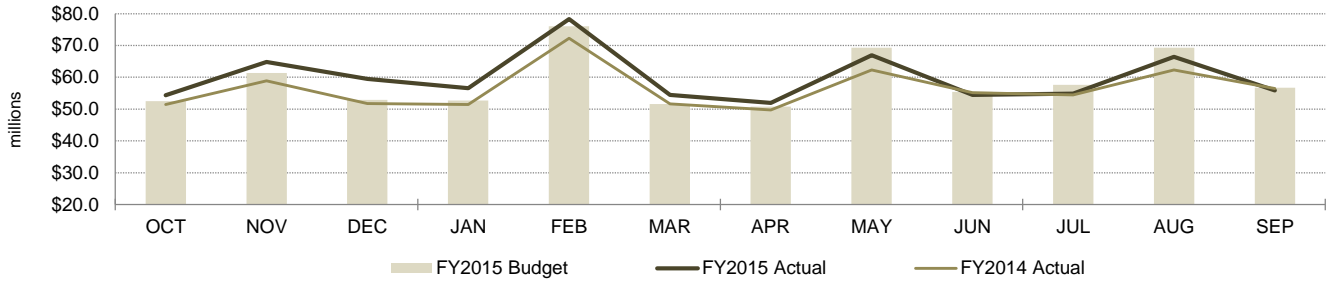
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## MONTHLY BOARD REPORT

### August 2015 Summary

- FY2015 Sales Tax revenue through September 2015 is \$718.4 million and \$12.1 million or 1.7% over estimates. Sales Tax revenue for September 2015 is \$55.9 million, \$0.9 million or 1.5% under estimates.
- Fare revenue of \$60.7 million through August 2015 year-to-date is \$4.5 million or 7.0% under budget. August 2015 revenue of \$4.8 million is \$1.3 million or 21.0% under budget.
- Service Related Grant Revenue year-to-date of \$41.3 million through August 2015 is \$3.6 million or 9.5% over budget. August 2015 revenue of \$0.2 million is \$3.7 million or 96.1% under budget.
- Capital Grant revenue year-to-date of \$38.3 million through August 2015 is \$58.4 million under budget.
- Interest & Miscellaneous revenue year-to-date of \$17.1 million through August 2015 is \$8.0 million or 88.5% over budget. August 2015 revenue of \$6.8 million is \$6.0 million or 810.8% over budget.
- Operating expenses year-to-date of \$438.9 million through August 2015 are \$21.9 million or 4.8% under budget. August 2015 expenses of \$45.7 million are \$3.7 million or 8.7% over budget.
- METRORail Expansion expenses year-to-date of \$92.1 million through August 2015 are \$47.9 million or 34.2% under budget. August 2015 expenses of \$5.7 million are \$2.2 million or 28.0% under budget.
- Other Capital Improvement Program expenses year-to-date of \$103.1 million through August 2015 are \$42.4 million or 29.2% under budget. August 2015 expenses of \$5.4 million are \$3.0 million or 35.5% under budget.
- General Mobility Program expenses year-to-date of \$123.5 million through August 2015 are \$33.5 million or 21.3% under budget. August 2015 expenses of \$0.3 million are \$13.3 million or 98.1% under budget.
- Debt Service expenses of \$81.0 million through August 2015 year-to-date are on budget.
- METROBus ridership (fixed route) year-to-date of 60.5 million through August 2015 is 1,684,000 or 2.7% under last year. August 2015 ridership of 5.9 million is 41,000 or 0.7% over last year.
- METRORail ridership year-to-date of 13.7 million through August 2015 is 2,073,000 or 17.8% over last year. August 2015 ridership of 1.5 million is 390,000 or 34.3% over 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 routes met the minimum performance standards for the month and for the year-to-date. On-Time Performance for Park & Ride routes met the minimum performance standards for the month and for the year-to-date. On-Time Performance for METROLift met the minimum performance standards 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 standards for the month and for the year-to-date. MDBF for METROLift met the minimum standards 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 the goals for the month and for the year-to-date.

**MONTHLY BOARD REPORT**  
**August 2015**  
**Sales Tax Revenue thru September 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%)
August	69.3	66.4	(2.9)	(4.2%)
<b>September</b>	<b>56.7</b>	<b>55.9</b>	<b>(0.9)</b>	<b>(1.5%)</b>
<b>FY 2015 YTD</b>	<b>\$ 706.2</b>	<b>\$ 718.4</b>	<b>\$ 12.1</b>	<b>1.7%</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%)
July	54.5	54.8	0.3	0.6%
August	62.3	66.4	4.1	6.6%
<b>September</b>	<b>56.5</b>	<b>55.9</b>	<b>(0.6)</b>	<b>(1.1%)</b>
<b>FY 2015 YTD</b>	<b>\$ 677.9</b>	<b>\$ 718.4</b>	<b>\$ 40.5</b>	<b>6.0%</b>

## MONTHLY BOARD REPORT

August 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%)
July	6.0	5.8	(0.2)	(3.1%)
<b>August</b>	<b>6.0</b>	<b>4.8</b>	<b>(1.3)</b>	<b>(21.0%)</b>
September	-	-	-	-
<b>FY 2015 YTD</b>	<b>\$ 65.3</b>	<b>\$ 60.7</b>	<b>\$ (4.5)</b>	<b>(7.0%)</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%)
July	5.7	5.8	0.0	0.5%
<b>August</b>	<b>5.8</b>	<b>4.8</b>	<b>(1.0)</b>	<b>(18.0%)</b>
September	-	-	-	-
<b>FY 2015 YTD</b>	<b>\$ 63.0</b>	<b>\$ 60.7</b>	<b>\$ (2.3)</b>	<b>(3.6%)</b>

**MONTHLY BOARD REPORT**  
**August 2015**  
**Service Related Grant Revenue**

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

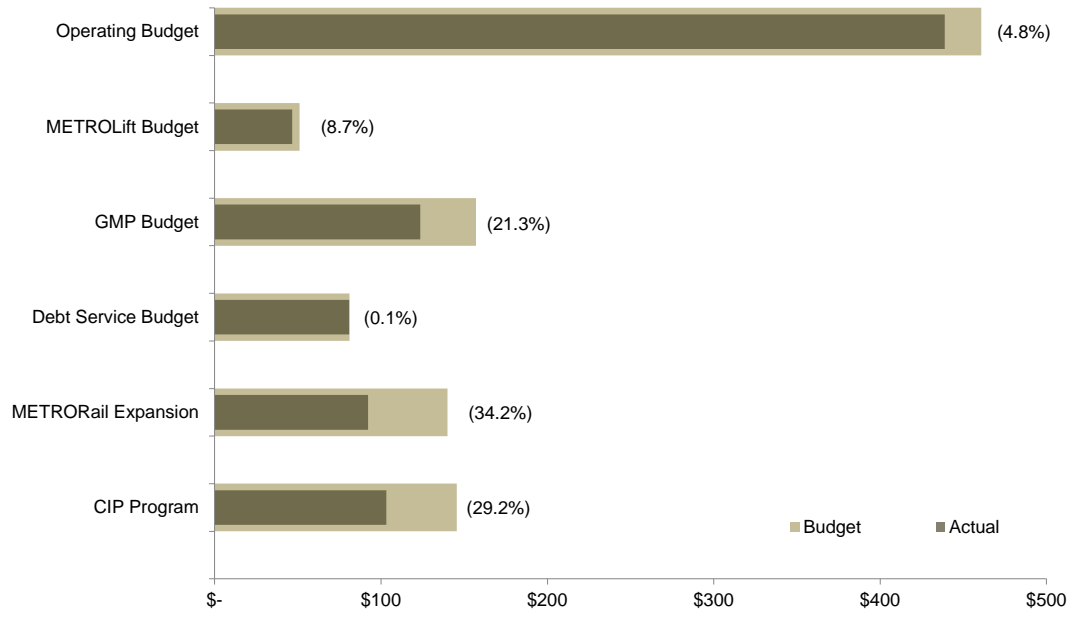
<b>Budget to Actual FY2015</b>					
(\$ millions)					
	Budget		Actual	Variance	%
October	\$ 0.7	\$	0.4	\$ (0.3)	(38.4%)
November	0.6		0.5	(0.1)	(21.6%)
December	0.5		0.6	0.0	5.8%
January	1.1		0.3	(0.9)	(77.7%)
February	24.5		13.6	(10.9)	(44.6%)
March	1.1		12.4	11.3	995.7%
April	1.3		0.4	(1.0)	(73.4%)
May	1.4		6.8	5.4	392.7%
June	1.3		4.3	3.0	241.5%
July	1.3		2.0	0.7	54.3%
<b>August</b>	<b>3.9</b>		<b>0.2</b>	<b>(3.7)</b>	<b>(96.1%)</b>
September	-		-	-	-
<b>FY 2015 YTD</b>	<b>\$ 37.7</b>	<b>\$</b>	<b>41.3</b>	<b>\$ 3.6</b>	<b>9.5%</b>

**Capital Grant Revenue**  
**Year-to-date Capital Grant revenue is \$38.3 million versus \$96.7 million budgeted**

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

<b>Budget to Actual FY2015</b>					
(\$ 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%)
July	0.7		1.0	0.4	54.4%
<b>August</b>	<b>0.7</b>		<b>6.8</b>	<b>6.0</b>	<b>810.8%</b>
September	-		-	-	-
<b>FY 2015 YTD</b>	<b>\$ 9.0</b>	<b>\$</b>	<b>17.1</b>	<b>\$ 8.0</b>	<b>88.5%</b>

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



**MONTHLY BOARD REPORT**  
**August 2015**  
**Operating Expenses**

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

	FY15 Annual Budget	August Budget	August Actual	\$ Variance (favorable)/unfavorable	% Variance
Labor and Fringe Benefits	\$ 301,590,090	\$ 25,408,096	\$ 28,346,629	\$ 2,938,533	11.6%
Non-Labor	221,035,377	17,871,675	18,948,679	1,077,004	6.0%
<b>Subtotal Labor &amp; Non-Labor</b>	<b>522,625,467</b>	<b>43,279,771</b>	<b>47,295,308</b>	<b>4,015,537</b>	<b>9.3%</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)	(1,252,664)	(1,566,126)	(313,462)	(25.0%)
<b>Total Operating Budget</b>	<b>\$ 514,991,700</b>	<b>\$ 42,027,107</b>	<b>\$ 45,690,386</b>	<b>\$ 3,663,279</b>	<b>8.7%</b>

**Comparison of Budget to Actual Year-to-Date August 2015 (11 months)**

<u>Expense Category</u>	FY15 Annual Budget	Year-to-Date Budget	Year-to-Date Actual	\$ Variance (favorable)/unfavorable	% Variance
Wages	\$ 116,070,301	\$ 106,460,256	\$ 107,623,708	\$ 1,163,452	1.1%
Union Fringe Benefits	\$ 60,485,951	54,836,607	54,669,574	(167,033)	(0.3%)
<b>Subtotal Union Labor</b>	<b>176,556,252</b>	<b>161,296,863</b>	<b>162,293,282</b>	<b>996,419</b>	<b>0.6%</b>
Salaries and Non-Union Wages	86,438,576	78,892,058	77,136,988	(1,755,070)	(2.2%)
Non-Union Fringe Benefits	38,595,262	35,312,234	32,815,256	(2,496,978)	(7.1%)
<b>Subtotal Non-Union Labor</b>	<b>125,033,838</b>	<b>114,204,292</b>	<b>109,952,244</b>	<b>(4,252,048)</b>	<b>(3.7%)</b>
<b>Subtotal Labor and Fringe Benefits</b>	<b>301,590,090</b>	<b>275,501,155</b>	<b>272,245,526</b>	<b>(3,255,629)</b>	<b>(1.2%)</b>
Services	41,306,291	37,591,861	29,000,294	(8,591,567)	(22.9%)
Materials and Supplies	21,657,314	19,931,546	20,730,746	799,200	4.0%
Fuel and Utilities	51,998,864	47,504,518	46,016,016	(1,488,502)	(3.1%)
Casualty and Liability	4,516,671	4,238,948	2,600,968	(1,637,980)	(38.6%)
Purchased Transportation	93,342,065	85,487,239	82,191,345	(3,295,894)	(3.9%)
Leases, Rentals and Misc.	8,214,172	6,883,662	6,132,397	(751,265)	(10.9%)
<b>Subtotal Non-Labor</b>	<b>221,035,377</b>	<b>201,637,774</b>	<b>186,671,767</b>	<b>(14,966,007)</b>	<b>(7.4%)</b>
<b>Subtotal Labor and Non-Labor</b>	<b>522,625,467</b>	<b>477,138,929</b>	<b>458,917,293</b>	<b>(18,221,636)</b>	<b>(3.8%)</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)	(16,333,265)	(19,996,133)	(3,662,868)	(22.4%)
<b>Subtotal Contingency / Allocations</b>	<b>(7,633,767)</b>	<b>(16,333,265)</b>	<b>(20,034,929)</b>	<b>(3,701,664)</b>	<b>(22.7%)</b>
<b>Total Operating Budget</b>	<b>\$ 514,991,700</b>	<b>\$ 460,805,664</b>	<b>\$ 438,882,364</b>	<b>\$ (21,923,300)</b>	<b>(4.8%)</b>



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

<u>Expense Type</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>August 2015 Year-to-Date \$ Variance (favorable) / unfavorable</u>
<b>Union Labor</b>	<b>161,296,863</b>	<b>\$ 162,293,282</b>	<b>\$ 996,419</b>
Wages & Fringe Benefits - primarily mechanic, technician, cleaner, and operator vacancies			\$ (10,212,000)
Pension - Defined Contribution			
Additional payment made to Benefit Trust to cover some of the Health and Welfare Trust (HWT) shortfall			1,600,000
Overtime wages mostly due to vacancies in bus operator positions, additional hours related to 'burn-in' and pre revenue testing of rail cars, and the implementation of the New Bus Network			9,608,000
<b>Non-Union Labor</b>	<b>114,204,292</b>	<b>109,952,244</b>	<b>(4,252,048)</b>
Salaries and fringes primarily related to vacancies			(4,422,000)
Lower than expected healthcare expenses resulting from vacancies and the effect of different employee healthcare election options than planned			(2,088,000)
Savings in overtime in MPD			(284,000)
Timing delays in the Retiree Advantage Plan			(122,000)
<u>Offset by</u>			
Timing of employee use of time related to sick, vacation, and other paid absences			616,000
Unbudgeted vacation buyback activity			556,000
Rail related overtime mostly in the control center, signal communications maintenance, inspections and track maintenance			392,000
Overtime in Bus Maintenance			332,000
Overtime in Bus Dispatch and Street Supervision			320,000
Overtime in METROLift operations			207,000
Customer services PSA costs budgeted in Other services			147,000
Overtime in other areas of the Authority including Facility Maintenance and Marketing			125,000
<b>Services</b>	<b>37,591,861</b>	<b>29,000,294</b>	<b>(8,591,567)</b>
<u>Underspending in</u>			
Advertising fees resulting from a delay in the East End and Southeast rail launch events			(2,303,000)
Planning's METRO's New Bus Network Project scheduling assistance and service planning activities due to a delayed start			(1,431,000)
Transit Oriented Development, Long Range Planning, Corridor Development, and Origin/Destination Survey			(910,000)
IT contract management services, software license payments, Harris County Project delay and savings realized in certain line items			(663,000)
Facility Maintenance building operating facility costs and custodial services			(629,000)
Other miscellaneous services spread across the Authority			(600,000)
Education and Training within Operations mostly within Quality Assurance and Bus Transportation			(340,000)
Purchasing of ticket and fare collection equipment and the repair and maintenance of existing equipment			(314,000)
Contractual support services within Finance-mostly Advisory services			(275,000)
Support services within Operations, Stakeholder affairs and Marketing			(240,000)
Contractual services within METROLift - mostly eligibility contract which had a delayed start - June 2015			(235,000)
Operations building and grounds maintenance specifically radio, track and electronic maintenance			(211,000)
Operations equipment repairs and maintenance in support vehicles			(156,000)
Facility maintenance - rail equipment repairs and maintenance			(130,000)
Other services within Operations including METROLift in-house maintenance			(128,000)
Contract costs across various divisions within Human Resources			(118,000)
<u>Underutilization in other areas throughout the Authority - mostly in:</u>			
- Education and training			(207,000)
- Support services			(142,000)
- Incentive Programs - tied to Rodeo event delayed to October 2015			(72,000)
- Audit fees			(72,000)
<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. Actual ytd PSA costs is \$147,000			(196,000)
<u>Offset by</u>			
Timing in the billing of fees related to unanticipated internal legal matters			425,000
Increase in contractual services within HOT Lane Operations due to the extended hours and weekend 90 day test and costs incurred to clean up lanes from storm			213,000
Facility Maintenance overruns in Building & Grounds maintenance			142,000

*Continued on next page*

**MONTHLY BOARD REPORT**

**August 2015**

**Major Operating Budget Variance Items - Categories with major variances**

<u>Expense Type</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>August 2015 Year-to-Date \$ Variance (favorable) / unfavorable</u>
<b>Materials &amp; Supplies</b>	<b>19,931,546</b>	<b>20,730,746</b>	<b>799,200</b>
Accounting reporting change of bus engine tune-up costs			670,000
Rail parts mainly in Inspections and S & I rail inspections			577,000
Rail parts Signal/Comm. maintenance			302,000
Bus parts for exterior body and windows due to increased vandalism rate			290,000
Cleaning materials			111,000
Exhaust system parts			152,000
<u>Offset by underruns in</u>			
Timing delay in Fare media supply orders			(656,000)
Warranty credits for rail signal communication maintenance			(207,000)
Timing delays in Tech Equipment supplies			(143,000)
Timing delays in bus batteries			(153,000)
Timing delays in the order of Handheld Information Terminal (HIT) machines for the Rail fare inspectors - due in Sept 2015 and bus operations training tech equipment supplies			(115,000)
<b>Fuel &amp; Utilities</b>	<b>47,504,518</b>	<b>46,016,016</b>	<b>(1,488,502)</b>
Lower than expected gasoline cost			(1,004,000)
Savings in Diesel fuel due to lower than expected consumption and favorable price variances			(625,000)
Lower than planned consumption of natural gas			(163,000)
Lower than planned consumption of power			(69,000)
Lower than planned consumption of propulsion power			(92,000)
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			(119,000)
Savings in Compressed Natural Gas due to a delay of CNG buses in service			(288,000)
Timing delays in facility maintenance Water and Sewerage billing			(103,000)
General delays in drainage fees, Lubricants and bulk fluids			(166,000)
<u>Offset by</u>			
Timing variance resulting from transition of services from AT&T to Verizon and higher than expected routine telephone related expenditures			1,305,000
<b>Casualty and Liability</b>	<b>4,238,948</b>	<b>2,600,968</b>	<b>(1,637,980)</b>
Subrogation recovery is higher than anticipated largely due to mediation settlement of FY10 rail car accident (-\$810,000)			(1,180,000)
Realized savings in premiums			(831,000)
<u>Offset by</u>			
Higher than expected vehicle liability costs			373,000
<b>Purchased Transportation</b>	<b>85,487,239</b>	<b>82,191,345</b>	<b>(3,295,894)</b>
METROLift - An over accrual in performance bonuses for van and sedan (-\$393,000), savings yield from discount, service mix and productivity rate variance (-\$93,000), lower ridership than budgeted (-\$257,000) and a MV Discount/refund check (-\$957,000)			(1,699,000)
Northwest First Transit - over accrual of the performance bonus (-\$494,000) for First Transit, operated with less hours than expected (-\$333,000), under budget Rodeo (-\$145,000), discount savings in March invoice (-\$50,000) and lower than expected utility costs (-\$71,000), liquidated damage savings (-\$6,500) offset by unbudgeted NBN driver training cost (\$14,000).			(1,086,000)
Largely due to the processing of fare credits and timing of subcontractor transactions within Vanpool Operations			(554,000)
Community Connector route started in March 2015 billed at a higher rate than anticipated			43,000
<b>Leases, Rentals and Miscellaneous</b>	<b>6,883,662</b>	<b>6,132,397</b>	<b>(751,265)</b>
Timing delays in the processing of SAP and other license Invoices			(505,000)
Underspending in discretionary items (Travel, Memberships, Subscriptions, etc.)			(268,000)
<b>Allocation to Capital and GMP</b>	<b>(16,333,265)</b>	<b>(20,034,929)</b>	<b>(3,662,868)</b>
Heavy activity in rail operations mostly related to pre revenue testing and rail vehicle 'burn in'			(3,443,000)
Higher than expected capital related activity within Bus Maintenance			(668,000)
Advanced capital activity within Engineering and Construction			(259,000)
Delay in the execution of IT related capital projects			892,000
Delay in the execution of Facility Maintenance related capital projects			233,000

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

<u>Authorized</u>			-----Year-to-Date-----				--Current Month--
<u>EOY</u>							
<u>Headcount</u>	<u>Department</u>	<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>\$ 364,986,551</b>	<b>\$ 353,813,909</b>	<b>\$ (11,172,642)</b>	<b>\$ 2,806,309</b>	
74	Customer Service	4,782,931	4,380,884	4,022,590	(358,294)	53,882	
2,714	Operations	363,255,318	332,204,190	324,729,494	(7,474,696)	3,060,039	
298	Public Safety	29,655,329	27,234,661	23,989,766	(3,244,895)	(299,779)	
10	EVP Operations, Public Safety & Customer Service	1,271,823	1,166,816	1,072,059	(94,757)	(7,833)	
<b>297</b>	<b>Finance &amp; Administration</b>	<b>55,713,901</b>	<b>49,793,155</b>	<b>46,278,687</b>	<b>(3,514,468)</b>	<b>681,655</b>	
75	Finance	9,666,886	8,864,435	6,919,476	(1,944,959)	(109,771)	
38	Human Resources	18,683,324	17,010,005	15,232,092	(1,777,913)	375,965	
68	Information Technology	17,523,560	14,922,326	15,594,040	671,714	415,561	
114	Procurement & Materials	9,466,377	8,654,012	8,277,452	(376,560)	4,551	
2	EVP Finance & Administration	373,754	342,377	255,627	(86,750)	(4,652)	
<b>260</b>	<b>Planning, Engineering and Construction</b>	<b>34,587,599</b>	<b>31,741,507</b>	<b>26,662,086</b>	<b>(5,079,421)</b>	<b>54,038</b>	
35	Engineering and Construction	174,321	170,468	(25,043)	(195,511)	(81,680)	
184	Facility Maintenance	25,983,489	23,693,664	21,891,243	(1,802,421)	200,317	
39	Planning	8,414,918	7,863,650	4,795,885	(3,067,765)	(63,464)	
2	EVP Planning, Engineering and Construction	14,871	13,725	0	(13,725)	(1,136)	
<b>40</b>	<b>Gov't &amp; Public Affairs</b>	<b>8,322,105</b>	<b>7,754,826</b>	<b>5,153,618</b>	<b>(2,601,208)</b>	<b>106,767</b>	
3	Government Affairs	572,113	525,603	463,092	(62,511)	(12,721)	
24	Mktg & Corporate Communications	6,904,216	6,444,262	4,059,379	(2,384,883)	138,591	
7	Public Engagement	712,733	654,874	531,280	(123,594)	(16,028)	
6	Stakeholder Affairs	133,043	130,087	99,868	(30,219)	(3,076)	
<b>17</b>	<b>Legal</b>	<b>3,705,237</b>	<b>3,402,826</b>	<b>3,788,925</b>	<b>386,099</b>	<b>(1,120)</b>	
14	Legal	3,372,096	3,092,847	3,499,113	406,266	6,947	
3	Records Management	333,141	309,979	289,812	(20,167)	(8,067)	
<b>13</b>	<b>Executive &amp; Board</b>	<b>2,266,636</b>	<b>1,929,074</b>	<b>1,992,222</b>	<b>63,148</b>	<b>8,987</b>	
<b>11</b>	<b>Audit</b>	<b>1,309,692</b>	<b>1,197,725</b>	<b>1,192,916</b>	<b>(4,809)</b>	<b>6,644</b>	
	<b>Contingency</b>	<b>10,000,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
	<b>Non Departmental</b>	<b>121,129.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>3,734</b>	<b>TOTAL NET OPERATING</b>	<b>\$ 514,991,700</b>	<b>\$ 460,805,664</b>	<b>\$ 438,882,364</b>	<b>\$ (21,923,300)</b>	<b>\$ 3,663,279</b>	

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

<u>Department</u>	August FY2015 -----Year-to-Date-----			August 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>\$ 364,986,551</b>	<b>\$ 353,813,909</b>	<b>\$ (11,172,642)</b>	<b>\$ 343,416,818</b>	<b>\$ 331,992,955</b>	<b>\$ (11,423,863)</b>
EVP Operations, Public Safety and Customer Service	1,166,816	1,072,059	(94,757)	N/A	N/A	N/A
Customer Service	4,380,884	4,022,590	(358,294)	4,062,881	3,838,764	(224,117)
Operations	332,204,190	324,729,494	(7,474,696)	314,927,178	305,627,889	(9,299,289)
Public Safety	27,234,661	23,989,766	(3,244,895)	24,426,759	22,526,302	(1,900,457)
<b>Finance &amp; Administration</b>	<b>49,793,155</b>	<b>46,278,687</b>	<b>(3,514,468)</b>	<b>48,234,165</b>	<b>43,379,661</b>	<b>(4,854,504)</b>
EVP Finance & Administration	342,377	255,627	(86,750)	N/A	N/A	N/A
Finance	8,864,435	6,919,476	(1,944,959)	9,684,870	7,468,818	(2,216,052)
Human Resources	17,010,005	15,232,092	(1,777,913)	15,837,755	14,098,675	(1,739,080)
Information Technology	14,922,326	15,594,040	671,714	14,496,257	13,755,170	(741,087)
Procurement & Materials	8,654,012	8,277,452	(376,560)	8,215,283	8,056,998	(158,285)
<b>Planning, Engineering and Construction</b>	<b>31,741,507</b>	<b>26,662,086</b>	<b>(5,079,421)</b>	<b>30,622,001</b>	<b>24,375,023</b>	<b>(6,246,978)</b>
EVP Planning, Engineering & Construction	13,725	0	(13,725)	N/A	N/A	N/A
Engineering and Construction	170,468	(25,043)	(195,511)	512,668	103,389	(409,279)
Facility Maintenance	23,693,664	21,891,243	(1,802,421)	23,161,594	19,534,335	(3,627,259)
Planning	7,863,650	4,795,885	(3,067,765)	6,947,739	4,737,299	(2,210,440)
<b>Gov't &amp; Public Affairs</b>	<b>7,754,826</b>	<b>5,153,618</b>	<b>(2,601,208)</b>	<b>7,278,375</b>	<b>3,817,780</b>	<b>(3,460,595)</b>
Government Affairs	525,603	463,092	(62,511)	503,054	360,812	(142,242)
Mktg & Corporate Communications	6,444,262	4,059,379	(2,384,883)	6,103,230	2,960,233	(3,142,997)
Public Engagement	654,874	531,280	(123,594)	671,724	479,756	(191,968)
Stakeholder Affairs	130,087	99,868	(30,219)	367	16,979	16,612
<b>Legal</b>	<b>3,402,826</b>	<b>3,788,925</b>	<b>386,099</b>	<b>3,036,841</b>	<b>2,387,838</b>	<b>(649,003)</b>
Legal	3,092,847	3,499,113	406,266	2,643,346	2,079,195	(564,151)
Records Management	309,979	289,812	(20,167)	393,495	308,643	(84,852)
<b>Executive &amp; Board</b>	<b>1,929,074</b>	<b>1,992,222</b>	<b>63,148</b>	<b>1,804,407</b>	<b>1,454,923</b>	<b>(349,484)</b>
<b>Audit</b>	<b>1,197,725</b>	<b>1,192,916</b>	<b>(4,809)</b>	<b>1,201,464</b>	<b>1,118,592</b>	<b>(82,872)</b>
<b>Non-Departmental</b>	-	-	-	-	1,572	1,572
<b>Contingency</b>	-	-	-	-	-	-
<b>TOTAL NET OPERATING</b>	<b>\$ 460,805,664</b>	<b>\$ 438,882,364</b>	<b>\$ (21,923,300)</b>	<b>\$ 435,594,071</b>	<b>\$ 408,528,343</b>	<b>\$ (27,065,728)</b>

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

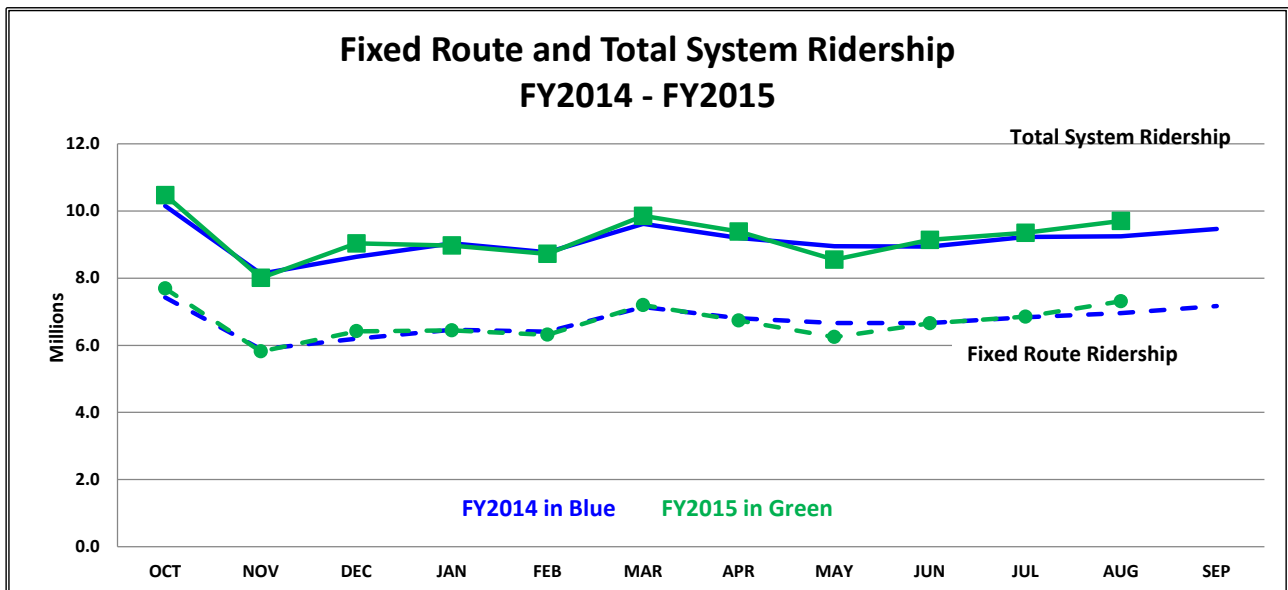
	FY2015 Annual Budget	Month of August 2015				Fiscal YTD August 2015			
		Budget	Actual	Variance		Budget	Actual	Variance	
				\$	%			\$	%
METRORail Expansion	\$ 172.7	\$ 7.9	\$ 5.7	\$ (2.2)	(28.0%)	\$ 140.0	\$ 92.1	\$ (47.9)	(34.2%)
Capital Improvement Program	186.8	8.4	5.4	(3.0)	(35.5%)	145.6	103.1	(42.4)	(29.2%)
<b>Total Capital</b>	<b>\$ 359.5</b>	<b>16.3</b>	<b>11.1</b>	<b>(5.2)</b>	<b>(31.8%)</b>	<b>285.6</b>	<b>195.3</b>	<b>(90.3)</b>	<b>(31.6%)</b>
<b>General Mobility</b>	<b>\$ 173.0</b>	<b>13.5</b>	<b>0.3</b>	<b>(13.3)</b>	<b>(98.1%)</b>	<b>157.0</b>	<b>123.5</b>	<b>(33.5)</b>	<b>(21.3%)</b>
<b>Debt Service</b>	<b>\$ 91.5</b>	<b>\$ 6.5</b>	<b>\$ 6.5</b>	<b>\$ 0.0</b>	<b>(0.0%)</b>	<b>\$ 81.0</b>	<b>\$ 81.0</b>	<b>\$ 0.0</b>	<b>0.0%</b>

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

Service Category	Aug-14 Boardings	Aug-15 Boardings	Aug-15 vs. Aug-14	Aug-14 YTD Boardings	Aug-15 YTD Boardings	YTD % Change Aug-15 vs. Aug-14
<b>Fixed Route Bus</b>						
Local	5,113,032	5,150,269	0.7%	54,612,072	52,852,398	(3.2%)
Park & Ride	711,440	715,332	0.5%	7,579,802	7,655,339	1.0%
<b>Subtotal Fixed Route Bus</b>	<b>5,824,472</b>	<b>5,865,601</b>	<b>0.7%</b>	<b>62,191,874</b>	<b>60,507,737</b>	<b>(2.7%)</b>
Red Line	1,139,239	1,372,149	20.4%	11,541,419	13,160,320	14.0%
Green/Purple Trunk	0	82,204	n/a	0	257,440	n/a
Green Line (East)	0	25,938	n/a	0	86,733	n/a
Purple Line (Southeast)	0	48,303	n/a	0	163,212	n/a
METRORail (all lines)	1,139,239	1,528,594	34.2%	11,541,419	13,667,705	18.4%
METRORail-Bus Bridge	0	945	n/a	81,584	28,269	N/A
<b>METRORail</b>	<b>1,139,239</b>	<b>1,529,539</b>	<b>34.3%</b>	<b>11,623,003</b>	<b>13,695,974</b>	<b>17.8%</b>
<b>Subtotal Fixed Route</b>	<b>6,963,711</b>	<b>7,395,140</b>	<b>6.2%</b>	<b>73,814,877</b>	<b>74,203,711</b>	<b>0.5%</b>
Special Events *	0	385	n/a	96,364	209,713	117.6%
<b>Total Fixed Route</b>	<b>6,963,711</b>	<b>7,395,525</b>	<b>6.2%</b>	<b>73,911,241</b>	<b>74,413,424</b>	<b>0.7%</b>
<b>Customized Bus Services</b>						
METROLift	166,953	164,058	(1.7%)	1,701,216	1,736,784	2.1%
METRO STAR Vanpool	203,984	203,885	(0.0%)	2,248,857	2,270,059	0.9%
Internal Service	0	626	100.0%	246	829	237.0%
<b>Subtotal Customized Bus</b>	<b>370,937</b>	<b>368,569</b>	<b>(0.6%)</b>	<b>3,950,319</b>	<b>4,007,672</b>	<b>1.5%</b>
<b>Subtotal Bus and Rail</b>	<b>7,334,648</b>	<b>7,764,094</b>	<b>5.9%</b>	<b>77,861,560</b>	<b>78,421,096</b>	<b>0.7%</b>
HOV/HOT Carpools, Vanpools, and Non-METRO Buses	1,920,555	2,024,547	5.4%	22,528,380	23,507,535	4.3%
<b>Total System</b>	<b>9,255,203</b>	<b>9,788,641</b>	<b>5.8%</b>	<b>100,389,940</b>	<b>101,928,631</b>	<b>1.5%</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**  
**August 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	44	48	≤ 48	≤ 512	471	8.0%
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	0.82	≤ 0.72	≤ 0.72	0.75	4.2%	
<b>Rail Accidents</b>	7	3	4	4	8	6	4	6	17	9	11	≤ 7	≤ 89	79	11.2%	
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	3.80	≤ 6.58	≤ 6.58	3.46	47.4%	
<b>Major Security Incidents - total</b>	45	46	43	50	42	50	61	50	65	69	47	≤ 45	≤ 495	568	14.7%	
Major Security Incidents per 100,000 boardings	0.430	0.544	0.476	0.557	0.481	0.507	0.650	0.583	0.705	0.732	0.480	≤ 0.620	≤ 0.620	0.557	10.1%	
<b>Major Security Incidents - METRO properties</b>	12	10	18	17	15	21	29	19	25	19	11	≤ 30	≤ 308	196	36.4%	
Major Security Incidents per 100,000 boardings	0.115	0.118	0.199	0.189	0.172	0.213	0.309	0.221	0.271	0.201	0.112	≤ 0.410	≤ 0.410	0.192	53.1%	
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%	68.8%	73.1%	≥ 70%	≥ 69%	69.4%	0.1%	
Park & Ride Bus OTP	77.0%	76.5%	75.9%	75.0%	73.7%	75.7%	73.9%	81.2%	77.2%	74.9%	76.3%	≥ 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%	73.9%	≥ 71.5%	≥ 71%	71.1%	0.2%	
METROLift OTP	85.8%	87.6%	88.1%	89.4%	87.3%	87.3%	88.2%	87.4%	90.4%	91.8%	90.5%	≥ 90%	≥ 88%	88.5%	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%	86.3%	91.6%	≥ 95%	≥ 95%	84.4%	11.2%	
<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	8,026	≥ 7,750	≥ 8,977	9,584	6.8%	
<b>MDBF (Mean Distance Between Mechanical Failures) METROLift</b>	20,891	23,500	22,205	28,564	31,378	22,028	23,047	17,116	17,786	16,624	17,326	≥ 13,000	≥ 13,000	20,891	60.7%	
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	23.87	21.30	21.50	19.79	18.98	20.79	19.42	≤ 20.50	≤ 23.27	20.68	11.1%	
Commendations	320	240	328	326	328	365	393	316	448	491	463	≤ 250	≤ 2750	4,018	46.1%	
Average Call Center Answer Delay (Sec.)	128	90	104	112	115	109	120	190	197	127	223	≤ 120	≤ 120	138	14.8%	

**MONTHLY BOARD REPORT**  
**August 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**  
**August 2015**  
**Balance Sheet**

	August 31, 2014 (\$)	August 31, 2015 (\$)	Change (\$)
Cash	\$ 4,576,189	\$ 4,581,743	\$ 5,554
Receivables	120,627,004	126,344,555	5,717,551
Inventory	24,461,455	30,810,210	6,348,755
Investments	414,607,342	503,151,966	88,544,624
Other Assets	83,757,293	40,854,892	(42,902,401)
Property Net of Depreciation	2,752,812,532	2,750,590,771	(2,221,761)
Land & Improvements	394,865,875	357,123,863	(37,742,012)
Deferred Outflow of Resources	0	1,899,588	1,899,588
<b>Total Assets and Other</b>	<b>3,795,707,690</b>	<b>3,815,357,588</b>	<b>19,649,898</b>
<b>Liabilities</b>			
Trade Payables	61,267,930	58,457,114	(2,810,816)
Accrued Payroll	27,163,873	28,299,613	1,135,740
Commercial Paper	183,400,000	121,300,000	(62,100,000)
Long-Term Liabilities	1,220,756,401	1,341,734,475	120,978,074
Other Liabilities	73,292,768	57,213,248	(16,079,520)
<b>Total Liabilities</b>	<b>1,565,880,972</b>	<b>1,607,004,450</b>	<b>41,123,478</b>
Deferred Inflow of Resources	1,348,147	-	(1,348,147)
Net Assets - Retained	2,228,478,571	2,208,353,138	(20,125,433)
<b>Total Liabilities and Net Assets</b>	<b>\$ 3,795,707,690</b>	<b>\$ 3,815,357,588</b>	<b>\$ 19,649,898</b>