

METRO

Fiscal Year 2017 Monthly Performance Report

Revenue • Expense • Ridership • Performance

July 2017



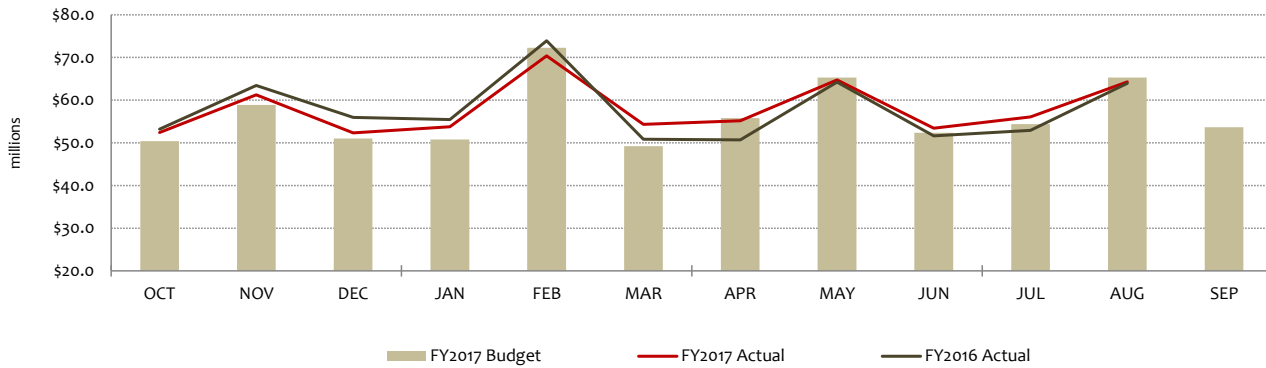
MONTHLY PERFORMANCE REPORT

July 2017

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MONTHLY PERFORMANCE REPORT
Sales Tax Revenue thru August 2017



Total FY2017 Sales Tax budget is \$679.4 million

Budget to Actual FY2017

	(\$ millions)			
	Budget	Actual	Variance	%
October	50.4	52.4	2.0	4.0%
November	58.9	61.2	2.3	3.9%
December	51.0	52.3	1.3	2.5%
January	50.8	53.8	3.0	5.9%
February	72.2	70.4	(1.9)	(2.5%)
March	49.2	54.3	5.1	10.4%
April	55.8	55.2	(0.6)	(1.1%)
May	65.3	64.7	(0.6)	(0.9%)
June	52.3	53.4	1.1	2.1%
July	54.4	56.1	1.7	3.1%
August	65.3	64.3	(1.0)	(1.6%)
September	-	-	-	0.0%
FY 2017 YTD	\$ 625.7	\$ 638.2	\$ 12.5	2.0%

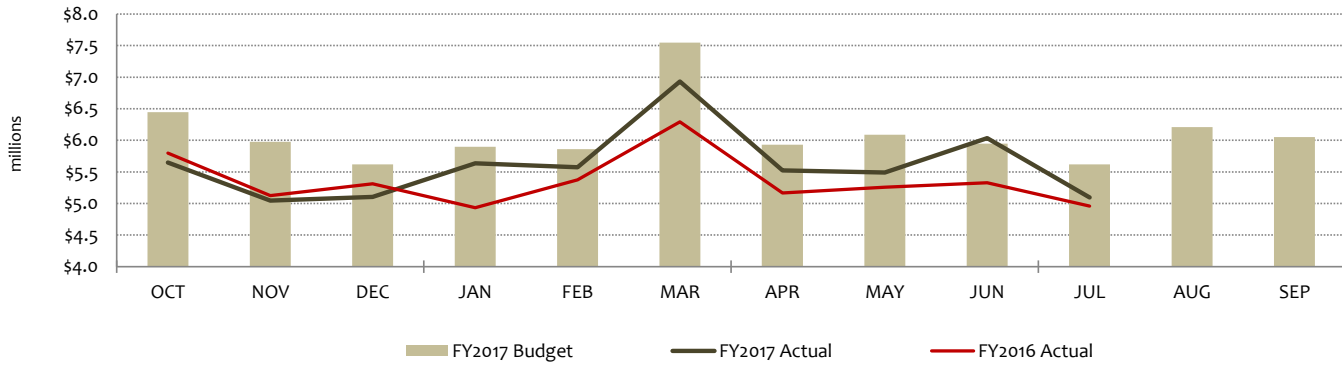
Prior Year vs. Current Year

	(\$ millions)			
	Prior Year	Current Year	Variance	%
October	53.2	52.4	(0.8)	(1.5%)
November	63.5	61.2	(2.3)	(3.6%)
December	56.0	52.3	(3.7)	(6.6%)
January	55.4	53.8	(1.6)	(2.9%)
February	73.9	70.4	(3.5)	(4.7%)
March	50.9	54.3	3.4	6.7%
April	50.7	55.2	4.5	8.9%
May	64.2	64.7	0.5	0.8%
June	51.6	53.4	1.8	3.5%
July	52.9	56.1	3.2	6.0%
August	63.9	64.3	0.3	0.5%
September	-	-	-	0.0%
FY 2017 YTD	\$ 636.2	\$ 638.2	\$ 1.9	0.3%

Sales Tax revenue for the month of August 2017 is \$1.0 million or 1.6% under estimates.

Year-to-date Sales Tax revenue of \$638.2 million through August 2017 is \$12.5 million or 2.0% over estimates.

MONTHLY PERFORMANCE REPORT
July 2017
Fare Revenue



Total FY2017 Fare Revenue budget is \$73.2 million

Budget to Actual FY2017

(\$ millions)

	Budget	Actual	Variance	%
October	6.4	5.7	(0.8)	(12.4%)
November	6.0	5.0	(0.9)	(15.6%)
December	5.6	5.1	(0.5)	(9.2%)
January	5.9	5.6	(0.3)	(4.5%)
February	5.9	5.6	(0.3)	(4.8%)
March	7.5	6.9	(0.6)	(8.1%)
April	5.9	5.5	(0.4)	(6.9%)
May	6.1	5.5	(0.6)	(9.8%)
June	5.9	6.0	0.1	1.7%
July	5.6	5.1	(0.5)	(8.9%)
August	-	-	-	0.0%
September	-	-	-	0.0%
FY 2017 YTD	\$ 60.9	\$ 56.1	\$ (4.8)	(7.9%)

Prior Year vs. Current Year

(\$ millions)

	Prior Year	Current Year	Variance	%
October	5.8	5.7	(0.1)	(1.7%)
November	5.1	5.0	(0.1)	(2.0%)
December	5.3	5.1	(0.2)	(3.8%)
January	4.9	5.6	0.7	14.3%
February	5.4	5.6	0.2	3.7%
March	6.3	6.9	0.6	9.5%
April	5.2	5.5	0.3	5.8%
May	5.3	5.5	0.2	3.8%
June	5.3	6.0	0.7	13.2%
July	5.0	5.1	0.1	2.0%
August	-	-	-	0.0%
September	-	-	-	0.0%
FY 2017 YTD	\$ 53.5	\$ 56.1	\$ 2.6	4.9%

Fare Revenue for the month of July 2017 of \$5.1 million is \$0.5 million or 8.9% under budget.

Fare Revenue of \$56.1 million through July 2017 year-to-date is \$4.8 million or 7.9% under budget.

MONTHLY PERFORMANCE REPORT
July 2017

Service Related Grant Revenue
Total FY2017 Service Related Grant budget is \$69.5 million

	(\$ millions)			
	Budget	Actual	Variance	%
October	5.8	0.9	(4.9)	(84.5%)
November	5.8	5.2	(0.6)	(10.3%)
December	5.8	0.4	(5.4)	(93.1%)
January	5.8	18.5	12.7	219.0%
February	5.8	12.8	7.0	120.7%
March	5.8	4.4	(1.4)	(24.1%)
April	5.8	3.5	(2.3)	(39.7%)
May	5.8	3.7	(2.1)	(36.2%)
June	5.8	15.4	9.6	165.5%
July	5.8	4.6	(1.2)	(20.7%)
August	-	-	-	0.0%
September	-	-	-	0.0%
FY 2017 YTD	\$ 57.9	\$ 69.3	\$ 11.4	19.7%

Service Related Grant Revenue for the month of July 2017 of \$4.6 million is \$1.2 million or 20.7% under budget.

Service Related Grant Revenue for the year-to-date of \$69.3 million through July 2017 is \$11.4 million or 19.7% over budget.

Capital Grant Revenue
Total FY2017 Capital Grant budget is \$55.8 million

	(\$ millions)			
	Budget	Actual	Variance	%
October	3.1	0.4	(2.7)	(87.1%)
November	3.4	0.7	(2.6)	(79.4%)
December	3.4	6.3	2.9	85.3%
January	3.4	1.3	(2.1)	(61.8%)
February	3.4	(0.2)	(3.5)	(105.9%)
March	3.4	5.6	2.2	64.7%
April	3.4	1.5	(1.9)	(55.9%)
May	3.4	2.5	(0.9)	(26.5%)
June	3.4	2.3	(1.1)	(32.4%)
July	3.4	1.0	(2.4)	(70.6%)
August	-	-	-	0.0%
September	-	-	-	0.0%
FY 2017 YTD	\$ 33.7	\$ 21.7	\$ (12.0)	(35.6%)

Capital Grant Revenue for the year-to-date of \$21.7 million through July 2017 is \$12.0 million under budget.

MONTHLY PERFORMANCE REPORT

July 2017

Interest & Miscellaneous Revenue

Total FY2017 Interest & Miscellaneous Revenue budget is \$15.9 million

(\$ millions)

	Budget	Actual	Variance	%
October	1.2	0.9	(0.3)	(25.0%)
November	1.1	1.2	0.1	9.1%
December	1.0	1.0	0.0	0.0%
January	1.1	1.1	0.0	0.0%
February	1.2	1.2	(0.0)	0.0%
March	1.6	1.8	0.2	12.5%
April	2.0	1.0	(1.0)	(50.0%)
May	1.2	2.3	1.1	91.7%
June	1.0	1.2	0.2	20.0%
July	1.2	1.1	(0.1)	(8.3%)
August	-	-	-	0.0%
September	-	-	-	0.0%
FY 2017 YTD	\$ 12.7	\$ 12.8	\$ 0.1	0.8%

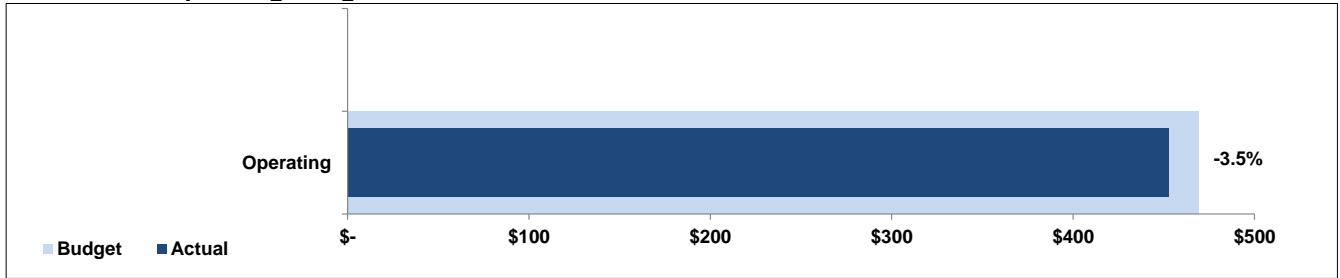
Composition of Interest & Miscellaneous Revenue

	<u>Year-to-Date Actual</u>		<u>Current Month Actual</u>	
	<u>\$ millions</u>	<u>% of Total</u>	<u>\$ millions</u>	<u>% of Total</u>
Interest Income	2.6	20.2%	0.2	16.0%
HOT Lanes Revenue	6.2	48.6%	0.6	54.6%
Inter Government Revenue	0.9	7.2%	0.0	0.0%
Other	3.1	24.0%	0.3	29.4%
Total	\$ 12.8	100.0%	\$ 1.1	100.0%

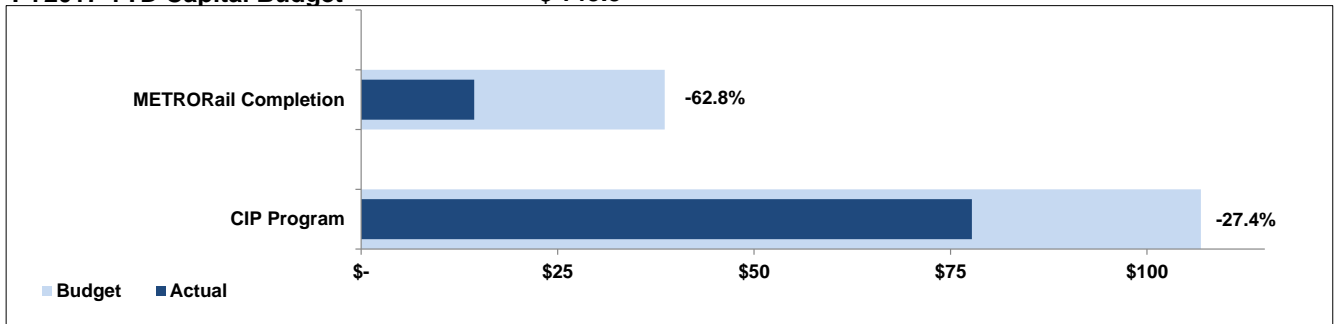
Interest & Misc. Revenue year-to-date of \$12.8 million through July 2017 is \$0.1 million or 0.8% over budget.

MONTHLY PERFORMANCE REPORT
July 2017
Budget Summary
(in millions)

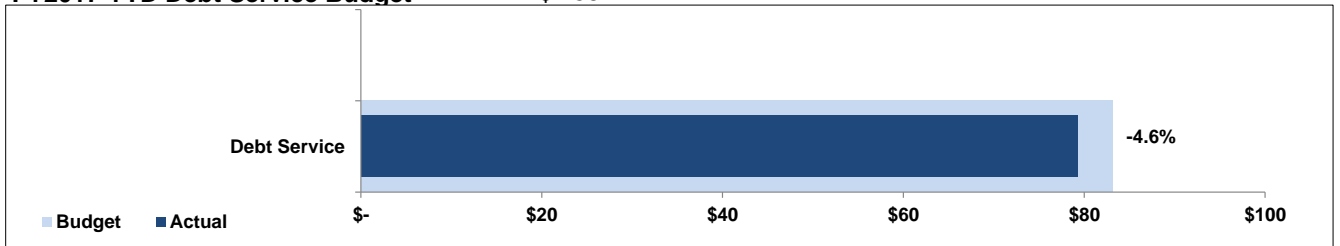
FY2017 Annual Operating Budget **\$ 568.1**
FY2017 YTD Operating Budget **\$ 469.2**



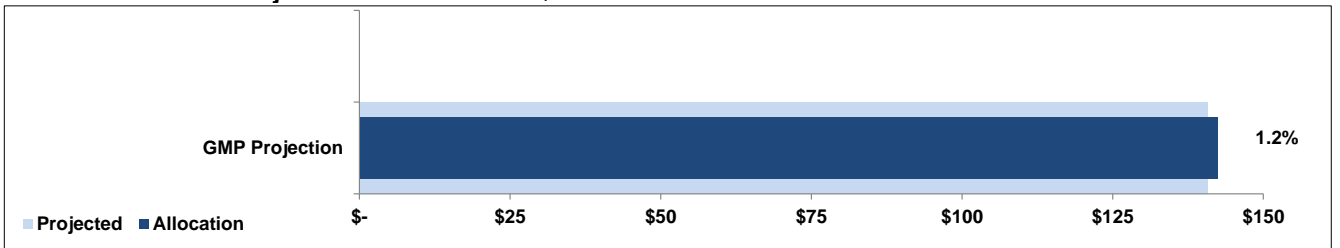
FY2017 Annual Capital Budget **\$ 178.2**
FY2017 YTD Capital Budget **\$ 145.5**



FY2017 Annual Debt Service Budget **\$ 99.3**
FY2017 YTD Debt Service Budget **\$ 83.1**



FY2017 Annual GMP Projected Allocation **\$ 169.8**
FY2017 YTD GMP Projected Allocation **\$ 140.8**



MONTHLY PERFORMANCE REPORT

July 2017

Operating Expenses

Comparison of Budget to Actual for the Month (July 2017)					
	FY17 Annual Budget	July Budget	July Actual	\$ Variance (favorable)/unfavorable	% Variance
Labor & Fringe Benefits	\$ 336,234,705	\$ 27,651,817	\$ 28,251,818	\$ 600,002	2.2%
Non-Labor	229,336,295	\$ 18,846,182	\$ 18,676,746	(169,436)	(0.9%)
Subtotal Labor & Non-Labor	565,571,000	46,497,999	46,928,564	430,566	0.9%
Contingency	2,500,000	\$ -	\$ -	-	0.0%
Total Operating Budget	\$ 568,071,000	\$ 46,497,999	\$ 46,928,564	\$ 430,566	0.9%

Comparison of Budget to Actual Year-to-Date July 2017 (10 months)					
	FY17 Annual Budget	Year-to-Date Budget	Year-to-Date Actual	\$ Variance (favorable)/unfavorable	% Variance
Payroll & Benefits					
Wages	\$ 135,271,695	\$ 112,799,187	\$ 111,167,407	\$ (1,631,780)	(1.5%)
Union Fringe Benefits	75,399,025	61,243,980	61,091,345	(152,634)	(0.3%)
Subtotal Union Labor	210,670,719	174,043,167	172,258,752	(1,784,415)	(1.0%)
Salaries and Non-Union Wages	95,434,787	78,507,836	78,042,625	(465,211)	(0.6%)
Non-Union Fringe Benefits	41,271,476	34,208,006	34,257,367	49,361	0.1%
Subtotal Non-Union Labor	136,706,263	112,715,842	112,299,992	(415,850)	(0.4%)
Allocation to Capital & GMP	(11,142,278)	(9,232,553)	(7,832,913)	1,399,639	15.2%
Subtotal Labor and Fringe Benefits	336,234,705	277,526,457	276,725,831	(800,626)	(0.3%)
Materials & Supplies					
Services	45,165,692	37,544,882	30,382,155	(7,162,726)	(19.1%)
Materials and Supplies	26,837,523	22,543,333	23,041,023	497,691	2.2%
Fuel and Utilities	41,729,947	35,238,200	31,480,647	(3,757,553)	(10.7%)
	113,733,163	95,326,414	84,903,826	(10,422,589)	(10.9%)
Administration					
Casualty and Liability	4,260,078	3,629,322	3,607,895	(21,427)	(0.6%)
Purchased Transportation	101,176,604	84,042,394	80,085,359	(3,957,035)	(4.7%)
Leases, Rentals and Misc.	10,233,235	8,715,877	7,433,767	(1,282,110)	(14.7%)
Allocation to Capital & GMP - Non-Labor	(66,785)	(59,185)	-	59,185	100.0%
	115,603,131	96,328,408	91,127,022	(5,201,387)	(5.4%)
Subtotal Non-Labor	229,336,295	191,654,822	176,030,849	(15,623,973)	(8.2%)
Subtotal Labor and Non-Labor	565,571,000	469,181,280	452,756,678	(16,424,601)	(3.5%)
Contingency	2,500,000	-	-	-	0.0%
Subtotal Contingency	2,500,000	-	-	-	0.0%
Total Operating Budget	\$ 568,071,000	\$ 469,181,280	\$ 452,756,678	\$ (16,424,601)	(3.5%)
Non-Budgeted Expense					
Gain/ Loss Disposal	-	-	173,648	173,648	0.0%
Grand Total	\$ 568,071,000	\$ 469,181,280	\$ 452,930,327	\$ (16,250,953)	(3.5%)

Operating Expenses for the month of July 2017 of \$46.9 million is \$0.4 million or 0.9% over budget.

Operating Expenses year-to-date of \$452.8 million through July 2017 is \$16.4 million or 3.5% under budget.

MONTHLY PERFORMANCE REPORT

July 2017

Major Operating Budget Variance Items - Categories with major variances

<u>Expense Type</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>July 2017 Year-to-Date \$ Variance (under budget) / over budget</u>
<u>Payroll & Benefits</u>			
Union Labor	174,043,167	172,258,752	\$ (1,784,415)
Wages & Fringe Benefits - savings from bus operator vacancies offset by operators overtime			(2,413,000)
Wages & Fringe Benefits - savings from primarily mechanic, technician, cleaners			(2,169,000)
Lower than expected sick leave cash out payment			(103,000)
<u>Offset by</u>			
Overtime in facility maintenance			78,000
Higher than expected worker's comp allocation			144,000
Overrun in Pension Union (Defined Contribution) due to employee contributions being higher than anticipated			426,000
Overtime mainly related to rail operator vacancies, axle counter implementation activity and rodeo			790,000
Overtime wages in bus maintenance mainly to support vacancies			1,538,000
Non-Union Labor	112,715,842	112,299,992	(415,850)
Savings in base salaries including FICA			(1,965,000)
Savings in healthcare mostly due to vacancies			(409,000)
<u>Offset by</u>			
Overrun in Non-Union Life Insurance and LTD			127,000
Salaried overtime mainly driven by vacancies, axle counter implementation, and additional HOV/HOT Lane enforcement and unbudgeted termination payments			1,826,000
<u>Materials & Supplies</u>	95,326,414	84,903,826	(10,422,587)
<u>Services</u>			
<u>Government & Public Affairs</u> mainly due to timing in the recording of marketing advertising fees and related printing, support and contract services			(1,421,000)
<u>Facility Maintenance</u> due to underspending and timing in BOF maintenance costs (-\$560,000), building grounds maintenance expense (-\$465,000), custodial services (-\$202,000), and equipment repairs and maintenance (-\$72,000)			(1,299,000)
<u>Operations</u> due to timing of HOT Lane invoice charges (-\$267,000), underspending in several areas including building and grounds maintenance (-\$385,000), less than anticipated warranty expense (-\$203,000), signal communication maintenance (-\$114,000), bus operator training (-\$212,000) and other operations staff related training (-\$102,000)			(1,283,000)
<u>Information Technology</u> due to timing of contractual support services (-\$532,000) and other support services (-\$190,000)			(722,000)
<u>Human Resources</u> largely due to timing delays in contracts related to employment services including physicals (-\$311,000) and contract services mostly in Benefits and Pension and Wellness Programs divisions (-\$247,000)			(558,000)
<u>Finance</u> due to less than expected contract services and support services (-\$233,000) and equipment repair & maintenance (-\$180,000)			(413,000)
<u>Planning</u> largely due to timing delays in both system development and system planning activity			(187,000)
<u>Engineering and Capital Projects</u> due to delays in projects and related contract services (-\$133,000)			(133,000)
<u>Safety</u> due to delays in implementing incentive programs and timing of contract related and employment services			(122,000)
<u>Legal</u> due to higher than expected legal fees (\$589,000) offset by less than expected legislation coordination activity year to date (-\$178,000) and timing delays in support services (-\$93,000)			318,000
<u>General underspending in other areas Authority wide not mentioned above</u>			
Support services in various other areas			(535,000)
Timing delay in education and training throughout the Authority (<i>excludes bus operator and other Operations staff related training</i>)			(244,653)
Authoritywide promotion			(79,000)
Incentive programs			(62,000)
Other miscellaneous services type expenses mostly contractual and required on an as needed basis			(422,000)

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MONTHLY PERFORMANCE REPORT

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Major Operating Budget Variance Items - Categories with major variances

<u>Expense Type</u>	<u>YTD Budget</u>	<u>YTD Actual</u>	<u>July 2017 Year-to-Date \$ Variance (under budget) / over budget</u>
Materials and Supplies			
<u>Timing delays in</u>			
Special office and other office supplies (Includes \$190K print shop supplies related to advertising delays)			(366,000)
Exhaust system parts			(150,000)
Higher than anticipated level of warranty credits			(113,000)
Minor tools			(108,000)
Maintenance supplies			(108,000)
<u>Offset by miscellaneous overruns in -</u>			
Interior Body & Floor			100,000
Engine cooling systems			123,000
Electrical Parts			177,000
Other parts (including farebox and sign equipment)			217,000
Transmissions			226,000
Rail and truck parts and auxiliary power supplies			252,000
Bus brakes			287,000
A/C and Heat			324,000
Air system parts			326,000
Chassis			335,000
Several miscellaneous net overruns throughout the Agency			409,000
Bus engines - Unit overhaul			1,420,000
Bus batteries - mostly in Unit overhaul			1,797,000
Material prices variances on Production/refurbished orders and inventory revaluations mostly for unit overhauls			(4,650,000)
Fuel and Utilities			
Underrun in Diesel Fuel (including taxes) mainly due to lower prices per gallon on fuel			(1,888,000)
Invoice processing delays of the Authority routing telephone charges			(1,005,000)
Underrun in Gasoline due to lower than expected consumption			(519,000)
Underrun in Power due to lower than expected usage			(151,000)
Lower than expected usage and lower prices for natural gas			(116,000)
Lower usage of fuel related lubricants			(94,000)
Administration	96,328,408	91,127,022	\$ (5,201,386)
Casualty & Liability			
This category is on budget			-
Purchased Transportation			
METROLIFT - Actual year to date ridership is lower than budget			(1,874,000)
Delay in the assumption of vanpool leases			(1,309,000)
Lower number of vanpool leases than projected in the service plan			(818,000)
Leases, Rentals, & Miscellaneous			
Timing of IT Rent Software Payments			(659,000)
Underspending in discretionary items (Travel, Memberships, Subscriptions, etc.)			(373,000)
Mainly due to over budget in taxes for the Grand Parkway Park & Ride lease			(115,000)
Underspending of other miscellaneous expenses			(81,000)

MONTHLY PERFORMANCE REPORT
July 2017
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-----			<u>--Current Month--</u>
			<u>Budget</u>	<u>Expense</u>	<u>Variance</u>	<u>Variance</u>
3,414	Oper, Public Safety, & Cust Service	443,873,903	368,808,888	361,951,051	(6,857,837)	99,091
3,022	Operations	407,121,222	338,248,844	331,983,253	(6,265,591)	510,568
270	METRO Police	22,870,534	19,019,432	19,187,207	167,775	(398,393)
43	Safety	8,338,200	6,924,065	6,445,443	(478,622)	(10,577)
70	Customer & Ridership Services	4,379,601	3,648,025	3,361,690	(286,335)	(10,138)
9	EVP Oper Pub Safety & Cust Serv	1,164,345	968,522	973,459	4,937	7,631
233	Administration	54,730,715	45,463,918	40,923,701	(4,540,217)	302,449
70	IT	21,885,014	18,218,854	16,044,069	(2,174,785)	397,944
41	Human Resources	21,531,535	17,933,294	16,094,879	(1,838,416)	(77,093)
119	Procurement & Materials	10,681,839	8,784,481	8,387,269	(397,212)	(3,694)
3	EVP, Administration	632,328	527,289	397,484	(129,804)	(14,709)
242	Planning, Engineer, & Construct	36,135,267	30,037,421	27,959,199	(2,078,222)	65,581
178	Facilities Maint	28,854,218	24,057,017	22,394,209	(1,662,808)	191,276
34	Planning	6,743,079	5,563,033	4,955,754	(607,278)	(66,559)
27	Engineering & Cap Project	488,018	374,889	546,342	171,454	(54,261)
3	EVP PE&C	49,951	42,483	62,893	20,411	(4,874)
80	Finance	10,447,229	8,718,805	7,718,867	(999,938)	(70,795)
76	Finance	9,721,051	8,133,591	7,364,134	(769,457)	(31,221)
4	CFO	726,177	585,214	354,733	(230,481)	(39,573)
41	Govt & Public Affairs	10,372,418	8,396,115	6,505,063	(1,891,051)	(173,406)
24	Marketing	7,961,802	6,399,039	4,651,186	(1,747,853)	(184,034)
10	Public Engagement	1,342,815	1,123,796	1,029,629	(94,167)	16,611
4	Ridership & Client Services	602,926	474,076	494,511	20,434	2,247
3	Gov't Affairs	464,876	399,203	329,738	(69,465)	(8,229)
17	Legal	4,224,297	3,516,724	3,853,062	336,339	161,958
16	Executive and Board	3,040,273	2,400,040	2,183,223	(216,816)	76,454
11	Audit	1,556,351	1,286,245	1,127,914	(158,331)	(13,971)
3	Office of Innovation	642,149	553,125	533,136	(19,989)	97,513
25	Non Departmental	548,398	-	-	-	-
	President & CEO Contingency	2,500,000	-	-	-	-
	Other (MTA Revenue/Expense)	-	-	1,462	1,462	(114,309)
4,082	Grand Total	568,071,000	469,181,280	452,756,678	(16,424,601)	430,566

MONTHLY PERFORMANCE REPORT
July 2017
Total Net Operating Budget / Expenses by Department
as of the end of July 2017 vs. July 2016

<u>Department</u>	<u>July 2017</u>			<u>July 2016</u>		
	<u>Budget</u>	<u>Expense</u>	<u>Variance</u>	<u>Budget</u>	<u>Expense</u>	<u>Variance</u>
Operations, Public Safety and Customer Service	368,808,888	361,951,051	(6,857,837)	360,444,928	347,228,073	(13,216,855)
Operations	338,248,844	331,983,253	(6,265,591)	331,640,906	320,154,042	(11,486,864)
EVP Oper Pub Safety & Cust Serv	968,522	973,459	4,937	961,702	845,462	(116,240)
METRO Police	19,019,432	19,187,207	167,775	16,738,593	16,164,522	(574,071)
Safety	6,924,065	6,445,443	(478,622)	6,980,457	6,370,673	(609,784)
Customer Service & Ridership Services	3,648,025	3,361,690	(286,335)	4,123,270	3,693,374	(429,896)
Administration	45,463,918	40,923,701	(4,540,217)	39,351,610	38,941,413	(410,197)
EVP, Administration	527,289	397,484	(129,804)	664,785	341,990	(322,795)
IT	18,218,854	16,044,069	(2,174,785)	14,093,956	14,437,550	343,594
Human Resources	17,933,294	16,094,879	(1,838,416)	16,166,789	16,261,465	94,676
Procurement & Materials	8,784,481	8,387,269	(397,212)	8,426,080	7,900,408	(525,672)
Planning, Engineering and Construction	30,037,421	27,959,199	(2,078,222)	29,732,759	25,422,008	(4,310,751)
EVP PE&C	42,483	62,893	20,411	(12,551)	(6,860)	5,691
Engineering & Cap Project	374,889	546,342	171,454	(286,406)	152,001	438,407
Planning	5,563,033	4,955,754	(607,278)	5,577,424	3,644,296	(1,933,128)
Facilities Maintenance	24,057,017	22,394,209	(1,662,808)	24,454,292	21,632,571	(2,821,721)
Finance	8,718,805	7,718,867	(999,938)	7,615,702	6,780,649	(835,053)
Finance	8,133,591	7,364,134	(769,457)	7,615,702	6,780,649	(835,053)
CFO	585,214	354,733	(230,481)	N/A	N/A	N/A
Gov't & Public Affairs	8,396,115	6,505,063	(1,891,051)	7,495,921	5,004,932	(2,490,989)
Marketing	6,399,039	4,651,186	(1,747,853)	5,993,286	3,869,170	(2,124,116)
Public Engagement	1,123,796	1,029,629	(94,167)	939,488	779,499	(159,989)
Ridership & Client Services	474,076	494,511	20,434	N/A	N/A	N/A
Gov't Affairs	399,203	329,738	(69,465)	563,147	356,263	(206,884)
Legal	3,516,724	3,853,062	336,339	3,168,501	2,530,680	(637,821)
Legal	3,516,724	3,853,062	336,339	2,913,484	2,337,670	(575,814)
Records Management	N/A	N/A	N/A	255,017	193,010	(62,007)
Executive & Board	2,400,040	2,183,223	(216,816)	2,102,415	2,113,798	11,383
Audit	1,286,245	1,127,914	(158,331)	1,247,091	991,981	(255,110)
Office of Innovation	553,125	533,136	(19,989)	-	77,155	77,155
Contingency	-	-	-	-	-	-
Non-Departmental	-	-	-	-	-	-
Other MTA Revenue / Expense	-	1,462	1,462	N/A	N/A	N/A
TOTAL NET OPERATING	\$ 469,181,280	\$ 452,756,678	\$ (16,424,601)	\$ 451,158,927	\$ 429,090,690	\$ (22,068,237)

MONTHLY PERFORMANCE REPORT
July 2017
Capital, and Debt Service Expenses
Budget vs. Actual - Month and Fiscal Year-to-Date
(\$ millions)

Capital Budget

	FY2017 Annual Budget	Month of July 2017					Fiscal Year to Date				
		Budget	Actual	Variance		Budget	Actual	Variance			
			\$	%		\$	%	\$	%		
METRORail Completion	\$ 47.2	\$ 2.9	\$ 0.4	\$ (2.5)	(86.6%)	\$ 38.6	\$ 14.4	\$ (24.2)	(62.8%)		
Capital Improvement Program	\$ 131.0	\$ 9.1	\$ 2.2	\$ (7.0)	(76.2%)	\$ 106.9	\$ 77.7	\$ (29.2)	(27.4%)		
Total Capital	\$ 178.2	\$ 12.0	\$ 2.5	\$ (9.4)	(78.8%)	\$ 145.5	\$ 92.2	\$ (53.3)	(36.6%)		

METRORail Completion expenses year-to-date of \$14.4 million through July 2017 are \$24.2 million or 62.8% under budget.

Other Capital Improvement Program expenses year-to-date of \$77.7 million through July 2017 are \$29.2 million or 27.4% under budget.

Debt Service Budget

	FY2017 Annual Budget	Month of July 2017					Fiscal Year to Date				
		Budget	Actual	Variance		Budget	Actual	Variance			
			\$	%		\$	%	\$	%		
Debt Service	\$ 99.3	\$ 8.3	\$ 10.1	\$ 1.8	21.6%	\$ 83.1	\$ 79.2	\$ (3.8)	(4.6%)		

Debt Service expenses of \$79.2 million through July 2017 year-to-date is \$3.8 million under budget.

General Mobility Transfers

General Mobility Program Projections
Projected Funding vs. Actual Allocation - Month and Fiscal Year-to-Date
(\$ millions)

	FY2017 Annual Projection	Month of July 2017					Fiscal Year to Date				
		Projection	Allocation	Variance		Projection	Allocation	Variance			
			\$	%		\$	%	\$	%		
General Mobility	\$ 169.8	\$ 15.8	\$ 13.8	\$ (2.0)	(12.5%)	\$ 140.8	\$ 142.4	\$ 1.6	1.2%		

Funds allocated to the General Mobility Fund totaled \$142.4 million for the year-to-date through July 2017 are \$1.6 million or 1.2% more than the amount projected.

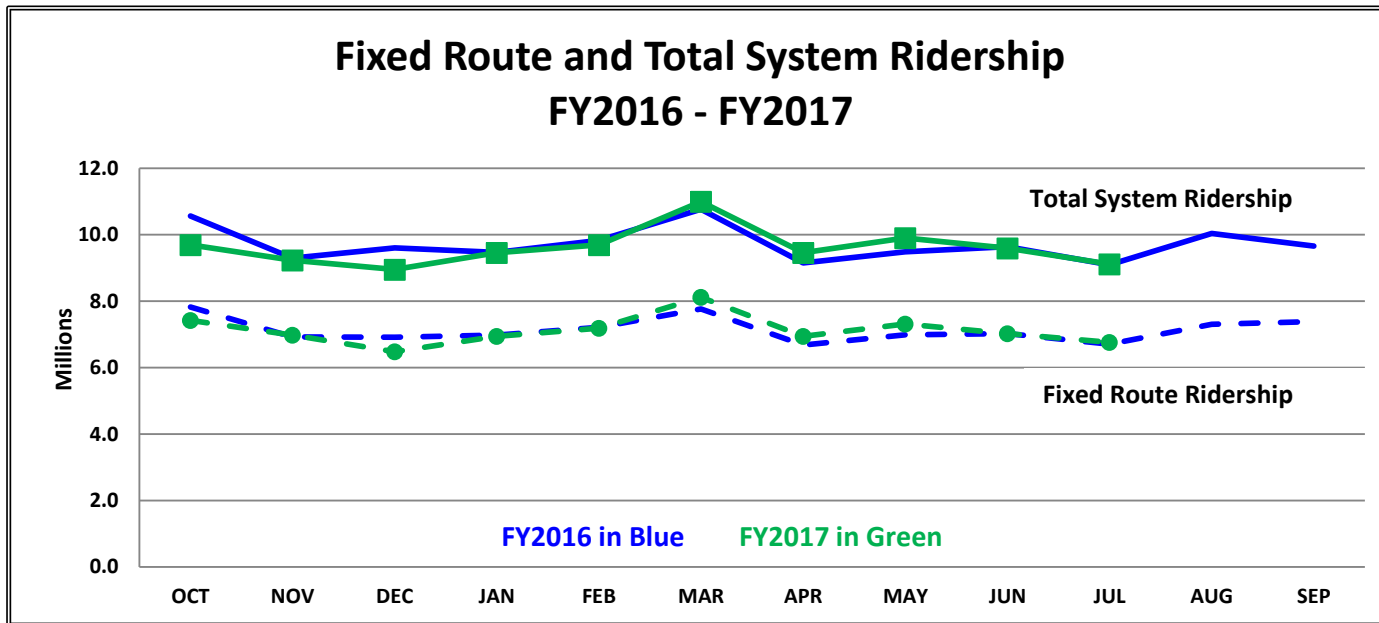
MONTHLY PERFORMANCE REPORT

July 2017

Ridership by Service Category

Service Category	Jul-16 Boardings	Jul-17 Boardings	Jul-17 vs. Jul-16	Jul-16 YTD Boardings	Jul-17 YTD Boardings	YTD % Change
						Jul-17 vs. Jul-16
Fixed Route Services						
<u>Local Network</u>						
Local Bus	4,655,321	4,660,848	0.1%	48,648,286	48,812,543	0.3%
<u>METRORail</u>						
Red (North) Line	1,260,322	1,257,918	(0.2%)	13,683,707	13,209,021	(3.5%)
Green (East) Line	78,354	124,300	58.6%	745,751	1,059,658	42.1%
Purple (Southeast) Line	97,631	120,970	23.9%	1,040,717	1,260,138	21.1%
METRORail (all lines)	1,436,307	1,503,188	4.7%	15,470,175	15,528,817	0.4%
METRORail-Bus Bridge	0	1,397	0.0%	10,146	90,163	788.7%
METRORail total	1,436,307	1,504,585	4.8%	15,480,321	15,618,980	0.9%
Subtotal Local Network	6,091,628	6,165,433	1.2%	64,128,607	64,431,523	0.5%
<u>Commuter</u>						
Park & Ride	615,848	593,630	(3.6%)	6,824,338	6,511,191	(4.6%)
Subtotal Fixed Route Service	6,707,476	6,759,063	0.8%	70,952,945	70,942,714	(0.0%)
Special Events	1,754	1,885	7.5%	200,725	227,263	13.2%
Total Fixed Route	6,709,230	6,760,948	0.8%	71,153,670	71,169,977	0.0%
Customized Bus Services						
METROLift	156,668	168,541	7.6%	1,590,814	1,608,243	1.1%
METRO STAR Vanpool	168,205	155,184	(7.7%)	1,873,663	1,693,241	(9.6%)
Internal Service	40	0	0.0%	108	201	0.0%
Subtotal Customized Bus	324,913	323,725	(0.4%)	3,464,585	3,301,685	(4.7%)
HOV/HOT Carpools, Vanpools, and Non-METRO Buses	2,058,520	2,030,720	(1.4%)	22,220,781	21,613,138	(2.7%)
Total System	9,092,663	9,115,393	0.2%	96,839,036	96,084,800	(0.8%)

MONTHLY PERFORMANCE REPORT
July 2017
Ridership by Service Category



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.

Total fixed route ridership, excluding special events, for the month of July 2017 of 6.8 million is 52,000 or 0.8% greater than last year.

Total fixed route ridership, excluding special events, for the year-to-date is 70.9 million through July 2017 which is 0.010 million or 0.014% less than last year.

METRORail ridership for the month of July 2017 of 1.5 million is 4.8% greater than last year.

METRORail ridership year-to-date of 15.6 million through July 2017 is 0.9% greater than last year.

MONTHLY PERFORMANCE REPORT

July 2017

Performance Statistics

Benchmark Met

Benchmark Missed

Fiscal Year 2017															
SAFETY & SECURITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Current Month Target	FY2017 YTD Actual	FY2017 YTD GOAL
	Bus Accidents (Includes METROLift)	53	60	45	53	55	55	51	35	47	42			≤ 53	496
Bus Accidents per 100,000 vehicle miles	0.88	1.04	0.76	0.89	0.98	0.85	0.87	0.57	0.78	0.71			≤ 0.72	0.73	≤ 0.89
Rail Accidents	11	8	7	17	6	7	6	6	10	3			≤ 9	81	≤ 93
Rail Accidents per 100,000 vehicle miles	3.64	2.88	2.41	5.86	1.90	2.19	1.99	1.96	3.31	0.98			≤ 6.58	2.69	≤ 6.58
Major Security Incidents - total	37	27	50	37	39	40	32	51	52	41			≤ 70	406	≤ 700
Major Security Incidents per 100,000 boardings	0.382	0.293	0.558	0.391	0.402	0.364	0.338	0.515	0.542	0.450			≤ 0.920	0.423	≤ 0.920
Major Security Incidents - METRO properties	25	15	29	16	21	19	14	34	33	22			≤ 30	228	≤ 300
Major Security Incidents per 100,000 boardings	0.258	0.163	0.324	0.169	0.217	0.173	0.148	0.344	0.344	0.241			≤ 0.400	0.237	≤ 0.400
CUSTOMER SERVICE	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Current Month Target	FY2016 YTD Actual	FY2016 YTD GOAL
Complaint Contacts per 100,000 Boardings	16.41	15.43	14.57	12.79	15.62	15.12	15.05	16.79	17.20	16.21			≤ 22.00	15.53	≤ 22.15
Commendations	347	360	371	317	319	367	313	374	369	397			≥ 300	3,534	≥ 3000
Average Call Center Answer Delay (Sec.)	74	69	51	99	118	113	86	103	102	64			≤ 135	90	≤ 135

Safety & Security

- The number of bus accidents met the safety goal for the month and the year-to-date.
- The number of rail accidents met the safety goal for the month and the year-to-date.
- Total major security incidents met the benchmark for both the month and the year-to-date.
- Major security incidents on METRO properties met the benchmark for both the month and the year-to-date.

Customer Service

- Complaint contacts per 100,000 boardings met the goal for the month and the year-to-date.
- The number of commendations exceeded the goal for the month and the year-to-date.
- The average call center answer delay met the goals for the month and the year-to-date.

MONTHLY PERFORMANCE REPORT
July 2017
Performance Statistics

Benchmark Met Benchmark Missed

Fiscal Year 2017															
SERVICE & RELIABILITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	Current Month Target	FY2017 YTD Actual	FY2017 YTD GOAL
On-Time Performance															
Local Bus	74.6%	74.6%	74.7%	74.1%	74.1%	74.8%	74.9%	75.3%	76.4%	76.7%			≥ 75%	75.0%	≥ 75%
Park & Ride	77.7%	84.0%	76.8%	77.4%	83.6%	77.3%	82.4%	83.5%	77.8%	78.5%			≥ 75%	79.9%	≥ 75%
Weighted Average Bus	75.8%	78.3%	75.5%	75.4%	77.9%	75.8%	77.9%	78.6%	77.0%	77.4%			≥ 75%	77.0%	≥ 75%
METROLift	91.3%	92.0%	93.0%	92.6%	92.1%	91.5%	91.6%	91.7%	92.3%	92.6%			≥ 90%	92.1%	≥ 90%
Rail - Red Line OTP	80.2%	85.3%	87.8%	92.6%	93.4%	84.8%	94.2%	94.6%	85.7%	83.3%			≥ 90%	88.2%	≥ 90.0%
Rail - South East Purple Line OTP	90.0%	86.9%	95.9%	96.0%	98.1%	98.1%	98.4%	97.3%	98.3%	99.1%			≥ 90%	95.9%	≥ 90.0%
Rail - East End Green Line OTP	91.7%	94.9%	97.2%	95.1%	95.3%	97.5%	98.4%	96.7%	97.9%	99.1%			≥ 90%	96.5%	≥ 90.0%
MDBF (Mean Distance Between Mechanical Failures) - All Buses	9,765	11,479	10,643	10,161	11,542	11,422	10,314	10,831	11,538	10,679			≥ 7,750	10,720	≥ 8,800
MDBF (Mean Distance Between Mechanical Failures) - METROLift	20,137	18,933	23,283	22,354	32,642	22,546	19,365	22,856	21,188	17,760			≥ 19,000	21,540	≥ 19,000
MDBSI (Mean Distance Between Service Interruptions) - METRORail	30,228	39,664	29,070	17,068	17,509	21,287	20,106	21,874	18,863	25,446			≥ 12,000	22,464	≥ 12,000
Average Peak HOT Lanes Speed (mile per hour)															
I-45 North HOV	53	52	55	53	54	55	54	56	58	59			≥ 45	55	≥ 45
I-45 South HOV	50	50	53	53	52	53	52	51	56	58			≥ 45	53	≥ 45
US-290 HOV	56	55	56	56	56	56	55	55	56	57			≥ 45	56	≥ 45
US-59 North HOV	61	61	62	61	62	62	61	61	63	64			≥ 45	62	≥ 45
US-59 South HOV	48	49	53	51	50	51	50	53	55	55			≥ 45	52	≥ 45

On-Time Performance

- On-time performance for Local Bus routes met the minimum performance standards for the month and the year-to-date.
- On-time performance for Park & Ride routes met the minimum performance standards for the month and the year-to-date.
- METROLift met the on-time performance goals for the month and the year-to-date.

METRORail On-Time Performance

- Rail (red line) did not meet the on-time performance goal for the month or the year-to-date.
- Rail (purple line) met the benchmark for both the month and the year-to-date.
- Rail (green line) met the benchmark for both the month and the year-to-date.

Service Reliability

- The Mean Distance Between Mechanical Failures (MDBF) for all buses met the performance goals for the month and for the year-to-date.
- MDBF for METROLift did not meet the minimum performance standard for the month but did meet the minimum performance standard for the year-to-date.
- Mean Distance Between Service Interruptions for METRORail met minimum standards for both the month and the year-to-date.

HOT Lane Average Speed

- The average peak speed for all HOT Lanes met the monthly and year-to-date goals.

MONTHLY PERFORMANCE REPORT

July 2017

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.

Complaint Contacts - Patrons may contact METRO's Customer Care Center to express dissatisfaction with METRO Operations. 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.

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.

Mean Distance Between Service Interruptions (MDBSI) - Measures total revenue service miles traveled by Light Rail Vehicles (LRVs) between service interruptions that delay LRVs for one minute or more due to mechanical failures.

Average Peak HOT Lane Speed - HOT Lane speed is based on an average of measurements conducted during the AM and PM high-volume commuter periods. METRO's 45 mph benchmark is based on Federal statute 23 USC 166: HOV facilities, which sets 45 mph as a minimal acceptable rate of speed.

MONTHLY PERFORMANCE REPORT
July 2017
Balance Sheet

	July 31, 2016 (\$)	July 31, 2017 (\$)	Change (\$)
Assets			
Cash	10,746,221	2,613,652	(8,132,569)
Receivables	131,813,929	139,378,076	7,564,147
Inventory	33,742,462	33,619,804	(122,658)
Investments	404,040,291	403,830,912	(209,379)
Other Assets	11,724,388	9,003,596	(2,720,792)
Land & Improvements	376,304,964	447,508,296	71,203,332
Capital Assets, Net of Depreciation	2,674,556,527	2,516,510,229	(158,046,298)
Total Assets	3,642,928,782	3,552,464,565	(90,464,217)
Deferred Outflow of Resources	66,912,104	110,710,438	43,798,334
	3,709,840,886	3,663,175,002	(46,665,884)
Liabilities			
Trade Payables	68,335,337	41,533,731	(26,801,606)
Accrued Payroll	29,479,557	30,626,122	1,146,565
Commercial Paper	117,400,000	116,400,000	(1,000,000)
Debt Payable	1,132,405,396	1,132,925,925	520,529
Debt Interest Payable	-	-	-
Pension and OPEB Liabilities	408,196,766	512,821,185	104,624,419
Other Liabilities	47,765,537	31,801,400	(15,964,137)
Total Liabilities	1,803,582,593	1,866,108,364	62,525,771
Deferred Inflow of Resources	-	-	-
Net Assets - Retained Earnings	1,906,258,293	1,797,066,638	(109,191,655)
Total Liabilities and Net Assets	3,709,840,886	3,663,175,002	(46,665,884)

Note:

* A deferred outflow of resources is defined by the Governmental Accountability Standards Board as "a consumption of net assets by the government that is applicable to a future reporting period," and a deferred inflow of resources is defined as "an acquisition of net assets by the government that is applicable to a future reporting period."

The deferred outflow for FY2017 includes [1] Mark-to-Market (MTM) values of outstanding diesel fuel SWAP agreements at the fiscal year end (\$1,394,262), [2] defined benefit pension plan contributions (\$37,803,664), [3] the net difference between the defeased liabilities, related investment issuance costs and new liabilities (\$16,991,634), and [4] Union Pension Plan (\$54,520,877). These items will be recognized as expenses in future periods to which they relate.