

Recommended
Operating and
Capital Budgets
Fiscal Year 1990



Metropolitan Transit Authority 500 Jefferson Street P.O. Box 61429

Houston, Texas 77208-1429

713 739-4000

September 5, 1989

Members of the Board of Directors Metropolitan Transit Authority Houston, Texas

RE: Recommended Fiscal Year 1990 Operating & Capital Budgets

Enclosed for your review is the budget document for Fiscal Year 1990 containing the recommended operating and capital budgets. The document is presented in a manner generally consistent with previous years and includes revisions that reflect the Authority's current practices for reporting ridership and cost effectiveness information.

As is our custom, adoption of an operating and capital budget is scheduled as a September Board action. The formal public hearing is scheduled for 9:30 a.m. on Tuesday the 19th and the individual departmental budgets will be scheduled as agenda items at the September Board committee meetings on the 20th. Members of Senior Staff and I will be available prior to the committee meetings to address any particular questions you might have.

Sincerely yours,

Alan F. Kiepper General Manager





September 5, 1989

500 Jefferson Street P.O. Box 61429 Houston, Texas 77208-1429

713 739-4000

**Board of Directors** Metropolitan Transit Authority of Harris County, Texas

RE: Recommended Fiscal Year 1990 Operating and Capital Budgets

Enclosed are the recommended Fiscal Year 1990 operating and capital budgets for METRO for the period from October 1, 1989 through September 30, 1990. Under METRO's enabling legislation, the Board of Directors must adopt a new budget by formal vote no later than September 30, 1989.

METRO is firmly embarked on a mission to become a full transportation New and expanded programs are underway to improve the region's general mobility and relieve congestion. Major new programs have been initiated to improve streets and intersections for automobiles, to make transitways more accessible for carpools and vanpools, and to encourage greater use of high occupancy vehicles. The recommended budgets respond to this mission.

The City of Houston is on its way back from the economic downturn of several years ago, as evidenced by the region's increase in population and employment. As a result, both transit ridership and sales tax income have increased steadily for each of the past two years. Responding to this increase in demand, the recommended Fiscal 1990 budget provides for growth in transit services for the first time since 1986 as several new routes will be introduced, two local transit centers will open, and park & ride service on transitways will expand.

The recommended budget also provides for other important initiatives. Fully-accessible buses for disabled passengers will be introduced on several routes. An experiment with new, smaller-sized mini-buses will be initiated to improve bus service around neighborhood transit centers. The mini-buses offer the advantages of increasing the frequency of service and improving connectivity to major activity centers, while reducing costs. Also, a number of new subsidy-management programs aimed at improving the cost effectiveness of transit operations will be carried out.

While the recommended budget provides for the transition to a transportation agency, expanded service and several new initiatives, the high quality of bus service which the general public and our passengers have come to rely upon will not change. METRO has a continuing commitment to provide safe, clean, comfortable, reliable, attractive and economical public transportation.

Page #2 September 5, 1989

The recommended Operating Budget for Fiscal 1990 totals \$147,200,000. The recommended Capital Budget is \$156,951,000, which will continue development of some 295 engineering and construction projects plus the delivery of 120 standard buses, 86 mini-buses, 86 METROLift vans and other support equipment. Depreciation and the gain or loss on disposal of fixed assets will amount to \$35,100,000. Total operating expenses, comprised of departmental and support expenses funded by the Operating Budget and depreciation expenses, are projected to rise to \$182,300,000.

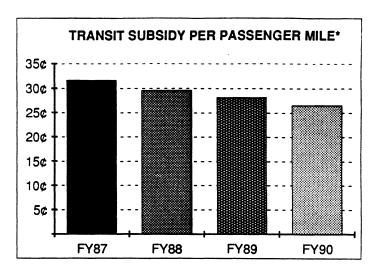
Our goals for Fiscal 1990 are realistic and attainable. How we intend to meet these challenging goals, and with what resources, is outlined in the following pages. As you will see, METRO is doing everything it can to make the phrase "You can get there from here" a reality.

Sincerely

Alan F. Kiepper General Manager

### **Productivity & Cost Effectiveness**

METRO conducted major subsidy management studies during Fiscal 1989 that touched many areas of the Authority: cost containment, fare policy, route productivity, utilization of non-standard sized transit buses/vehicles maximizing for effectiveness, and improved customer marketing. Fiscal 1990 will see the first major implementation of many of these recommendations and testing of the proposed concepts. Increased effectiveness cost from changes, combined with increased ridership and higher fare revenue will continue to drive down the subsidy passenger mile for transit services in Fiscal 1990.



### Productivity & Cost Effectiveness Indicators\*

Indicator	1987	1988	1989	1990	% Change
	<u>Actual</u>	<u>Actual</u>	<u>Est.</u>	<u>Budget</u>	1987-1990
Cost per passenger mile-transit Cost per passenger mile-car/vanpools on t'ways Vehicle capacity utilization Fare recovery ratio-transit Subsidy per passenger mile-transit Subsidy as a % of sales tax income	39.7¢	37.5¢	36.6¢	35.0¢	- 11.8%
	10.0¢	7.8¢	10.1¢	8.4¢	- 16.0%
	23.3%	24.2%	24.4%	25.1%	+ 7.7%
	20.5%	21.0%	22.9%	24.2%	+ 18.0%
	31.6¢	29.6¢	28.2¢	26.5¢	- 16.1%
	84.3%	78.7%	74.5%	71.8%	- 14.8%

<sup>\*</sup> All data includes depreciation expense and is stated in constant 1988 dollars

#### **Activity**

- o Transit cost per passenger mile to fall by 4.4%, compared with 1989.
- o Vehicle capacity utilization to increase 2.9% from 1989.
- o Fare recovery ratio is projected to improve by 5.9% in relative terms from 1989 to 1990.
- o Subsidy per passenger mile-transit falls 6.0%.
- o Subsidy as a percent of sales tax income declines by 3.6% compared with 1989.

#### **Explanation**

More productive route system, a reduction in METRO personnel and other cost reduction strategies.

Implementation of the micro and mini-bus program and route productivity analysis. Net expansion of transit service, as measured by vehicle revenue miles, is 3.0% for Fiscal 1990.

Improved cost effectiveness, March 1990, fare increase and increased ridership.

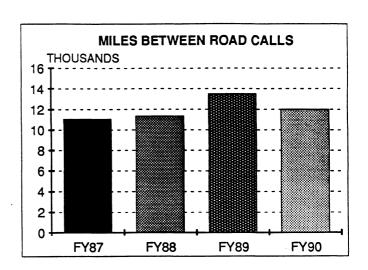
Increased fares (fare increase anticipated March 1, 1990), improved cost effectiveness, and higher sales tax income (up 7.0%).

Higher sales tax income, improved cost effectiveness and higher fares.

### **System Quality**

More than any other factor, the dramatic improvement of the quality of the bus system is responsible for the 56% increase in passenger trips since 1981. Our service is safe, clean, comfortable, reliable, attractive and economical.

In Fiscal 1990, METRO is establishing very high standards for all system quality goals. As a result, the Authority will continue to perform at the top of the transit industry.



### **System Quality Indicators**

Indicator	1987 <u>Actual</u>	1988 <u>Actual</u>	1989 <u>Estimat</u>	1990 <u>Goal</u>	% Change 1987-1990
Vehicle accidents/100,000 mi.	2.2	2.1	2.1	1.9	-13.6%
Miles between road calls	11,062	11,325	13,500	12,000	+8.5%
On-time performance	98.2%	97.8%	97.8%	98.0%	-0.2%
Complaints/100,000 boardings	17.9	19.2	18.0	15.0	-16.2%
Police incidents/100,000 boardings	4.3	5.1	5.5	5.0	+ 16.3%

### Activity

- o On-time performance goals remain high.
- o Maintenance reliability goals continue to be very high.
- o One-hundred and twenty new 40-foot buses will be delivered in Fiscal 1990.
- Fleet safety and security will continue to improve. In fact, METRO has been named the safest large U.S. system for three of the last four years.
- Customer complaints will be reduced as riders become more satisfied with our services.

#### **Explanation**

Passengers must know that they can rely on the timeliness of the system.

Proper vehicle maintenance affects both costs and on-time performance. The increase in miles between road calls in 1989 can be traced to the improvement in mechanic and supervisory skills. METRO is committed to quality maintenance and employee development.

Maintain high level of fleet reliability and passenger comfort.

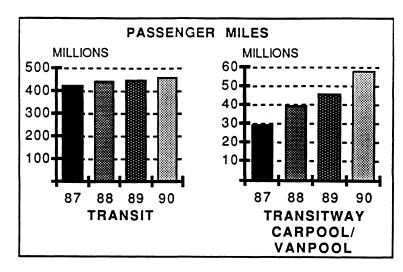
A safe system attracts riders. A low accident rate also helps to preserve on-time performance.

A high level of customer satisfaction is critical to increasing ridership and improving route productivity.

### **Service Expansion**

The level of service in FY1990 is projected to increase by 4%. Offsetting this expansion, service adjustments of 1% to improve operating productivity will be made. The net result is a 3% service expansion. This is a much greater expansion than FY1989, which saw stable service levels.

Completion of significant portions of the transitway system and enhancements in transit service will attract 4.5% more carpool, vanpool and bus riders.



## System Ridership (in millions)

	1987	1988	1989	1990	% Change
	<u>Actual</u>	<u>Actual</u>	<u>Est.</u>	<u>Budget</u>	1987-1990
Transit Passenger trips	54.8	56.5	57.4	59.3	+ 8.2%
Passenger miles  Carpools/Vanpools on Transitways	420.0	437.7	443.6	460.4	+ 9.6%
Passenger trips Passenger miles	3.7	4.4	5.3	6.2	+ 67.6%
	29.3	39.4	45.6	57.8	+ 97.3%

#### **Activity**

- Introduce contracted mini-bus and microbus service.
- o implement local route and schedule changes.
- o Complete the Northwest Transitway. Extend the Katy Transitway to near Washington Avenue. Make the North Transitway fully operational from N.Shepherd to Beltway 8.
- o Open the Northwest and Acres Homes Transit Centers.
- o The number of transit pasenger miles, which represents the total distance bus passengers are carried, will increase 3.8% from Fiscal 1990.
- o Transitway utilization will increase for buses, vanpools and carpools. The level of carpool and vanpool passenger miles is expected to increase by 26.7% in 1990 over 1989.
- o Introduce wheelchair lifts on the local system.

### Explanation

Enhance local service and save operating expenses.

Reduce travel times and improve route connectivity and productivity.

Reduce overall commuter travel times. On the Katy Transitway, reduce travel times for current transitway users who must presently use local streets for transitway access.

At Northwest, connect the Katy and Northwest Transitways and improve service to Post Oak/Galleria area. At Acres Homes, improve services in the local area.

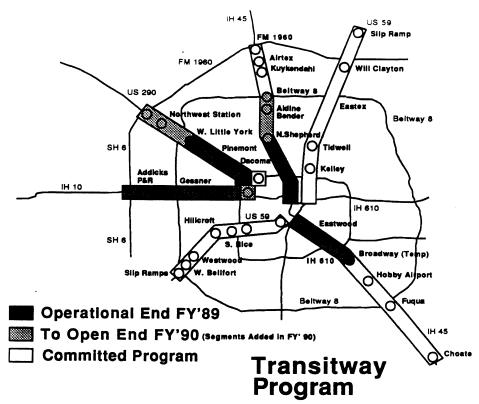
Introduction of new mini-bus service and the transitway improvements are projected to increase ridership in the park & ride and local systems.

Eastern extension of Katy Transitway and completion of Northwest Transitway will attract more users. The North transitway will open to carpools.

Begin the process of making the METRO system fully accessible to disabled persons.

## Capital Improvement Program

**METRO** is committed improving the transportation infrastructure throughout the region. Fiscal 1990 will see completion of the three transitway important segments, the largest street and highway improvement program in the history of the Authority, the completion of several transit facilities, and the arrival of new standard buses and mini-buses.



Capital FY87 FY88 FY89 FY90 Expenditures \$109.2 mil. \$105.8 mil. \$91.7 mil. \$157.0 mil.

#### **Transitways**

10.5 miles become fully operational in Fiscal 1990 including key segments on Katy (1.5 mi.) Northwest (4.0 mi.), and North (5.0 mi.); a total of 47.1 miles fully operational.

North Transitway will be open to carpools for first time.

Program to open on weekends, to open to one person cars during off-peak periods, and for other special uses will be tested.

Total passenger miles for carpools and vanpools on the transitway system are forecast to increase by 26.7%.

Projected total transitway cost at completion equals \$699 million.

#### **General Mobility**

Projected total general mobility program cost of designated projects is in excess of \$1 billion, with METRO committed for approximately 60%.

159 street and related projects will be in engineering and/or construction during the year.

17 projects are scheduled for completion.

#### **Other**

Northwest and Acres Homes transit centers will be completed.

West Loop Park & Ride lot will be expanded.

### **Buses & Support Facilities**

120 new standard buses with lifts will be in service in Fiscal 1990.

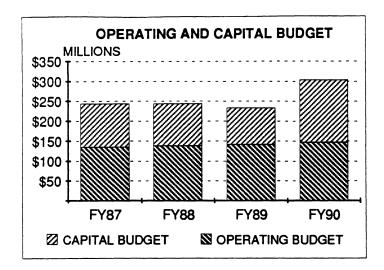
86 new mini-buses with lifts will be in service in Fiscal 1990.

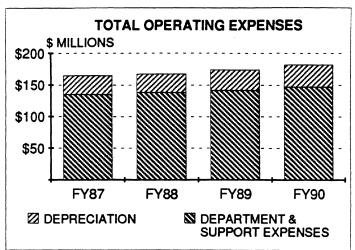
86 replacement METROLift vans will be in service in Fiscal 1990.

MIS long-range plan will be implemented.

Administrative headquarters will move to new leased facility.

### **Operating and Capital Budgets**





<u>Budgets</u>	1986	1987	1988	1989	1990
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	Est.	<u>Recommended</u>
Operating Budget	149.1	134.9	138.0	141.5	147.2
Capital Budget	<u>127.1</u>	109.2	105.8	<u>91.7</u>	<u>157.0</u>
Total Budgets	276.2	244.1	243.8	233.2	304.2
Operating Expenses					
Operating Budget Depreciation Total Operating Expenses	149.1	134.9	138.0	141.5	147.2
	24.6	30.3	29.5	32.5	<u>35.1</u>
	173.7	165.2	167.5	174.0	182.3

All data in year-of-expenditure dollars, in millions of dollars.

### **Activity**

o Recommended operating budget is \$147.2 million.

- o Recommended capital budget is \$157.0 million.
- o Projected depreciation costs are \$35.1 million.
- o Total expenses are projected at \$182.3 million.

### Explanation

The level of transit service will increase by 3.0%, the first significant increase since 1986. The number of passenger miles for carpools/vanpools on transitways will increase by 26.7%, and transit passenger miles will increase by 3.8%. Additional transitway segments will be opened for carpools, vanpools and bus passengers. Smaller-sized mini-buses will be introduced. METRO employment will fall by 3.7%.

The capital budget includes funds for Boardauthorized general mobility projects, completion of the transitways and related facilities, and purchase of buses and support facilities.

The provision for depreciation is used to approximate the annual cash flow expenses to maintain the transportation infrastructure employed by METRO. Depreciation expenses increase as additional projects are completed and put into operation.

Total expenses will increase by 4.8% in year-of-expenditure dollars but remain even with Fiscal 1989 in constant dollars.

## **Operating and Capital Budgets**

Fiscal Year 1990

Metropolitan Transit Authority of Harris County Houston, Texas

### **TABLE OF CONTENTS**

	<u>PAGE</u>
OPERATING STATEMENT	1
<u>REVENUES</u>	4
OPERATING PROGRAM AND BUDGET	6
RECOMMENDED DEPARTMENTAL BUDGETS	
Executive Office	11
Department of Transit Operations	13
Department of Maintenance	16
Department of Engineering, Construction & Real Estate	19
Department of Transit System Development	21
Department of Administration	23
Department of Finance	25
Department of Government & Public Affairs	27
FISCAL YEAR 1990 RECOMMENDED CAPITAL BUDGET	29
METRO PROGRAM STATISTICS	33

### LIST OF TABLES

Budget Summary: METRO Operating Statement	3
Revenue Summary	5
Total System Expenses - Detail by Expense Category	9
Departmental and Support Expenses/Authorized Positions - Detail by Department	10
Operating Budget: Executive Office	12
Operating Budget: Transit Operations	15
Operating Budget: Maintenance	18
Operating Budget: Engineering, Construction & Real Estate	20
Operating Budget: Transit System Development	22
Operating Budget: Administration	24
Operating Budget: Finance	26
Operating Budget: Government & Public Affairs	28
Capital Budget Summary: Revenues and Expenditures	31
Capital Budget Summary: Fiscal Year 1990 Funding Sources	32
METRO Program Statistics	33

### **OPERATING STATEMENT**

The overall financial position of METRO is projected to improve steadily in Fiscal 1990. The table on page 3 presents METRO's actual and projected financial position for fiscal years 1988, 1989 and 1990 in an operating statement format. This statement expresses all revenues and costs in a manner to highlight the interaction of sales tax income, bus fares and revenues, total operating expenses and programmed expenditures for general mobility. The purpose of the statement is to report METRO's financial position on a basis in which all operating expenses (departmental & support expenses, depreciation and gain/loss on the disposal of fixed assets) are measured against the Authority's dual commitment to public transit and the region's general mobility.

As reflected in the table, bus fares and revenues are projected to increase by 10.5% in Fiscal 1990 to \$42,700,000, reflecting both an anticipated fare increase plus projected additional transit ridership. Total operating expenses for Fiscal 1990 will be \$182,300,000, an increase of 4.8% over Fiscal 1989 in year-of-expenditure dollars. Departmental and support expenses, which includes all operating costs other than depreciation, will increase by 4% to \$147,200,000 to support additional transit service, an expansion in the transitway and carshare/vanshare programs, and to cover a general rise in expenses due to inflationary pressures. Depreciation will increase by 8% to \$35,100,000, reflecting new buses, additional transitway segments, and other facilities that will become operational during the year.

The net effect of the above changes in bus revenues and operating expenses is to increase the operating subsidy in year-of-expenditure dollars by 3.1%, to \$139,600,000. As noted at the bottom of the table, however, the operating subsidy contains certain non-transit expenditures for carpools and vanpools on transitways and the carshare/vanshare program. When these costs are excluded, the purely transit operating subsidy increases by only 2.5%. Furthermore, in constant 1988 dollars and assuming a 5% increase in the CPI for 1990, the purely transit operating subsidy is projected to fall by 2.5% from Fiscal 1989.

Expenditures for general mobility projects are projected to rise by 36.3% in Fiscal 1990, to \$54,712,000, as many more projects that were authorized in previous years move into construction and joint development agreements with other public agencies are executed. By adding the general mobility expenditures to the operating subsidy, the total funding requirement which must be met by other revenue sources is \$194,312,000, a 10.7% increase from Fiscal 1989.

Measured against the requirement for \$194,312,000, the Authority in Fiscal 1990 expects to receive other revenues that will total \$281,091,000. Sales tax income comprises the single largest category of these revenues and is projected to rise by 7% to \$194,477,000. Federal formula and discretionary grants are projected to increase by 114.9% and 27.4%, respectively; these funds are applied to specific transit projects in the Capital Improvement Program, and the projected increase reflects the increase in transit capital expenditures. Interest income is projected to remain fairly constant at \$39,010,000.

The net effect of all revenues and expenditures is that the Authority's net asset position is projected to rise by \$86,779,000 in Fiscal 1990. This statistic represents the net increase of additions to long-term assets, investments, accounts receivables and inventories, less accounts payable.

The Phase 2 Mobility Plan that was adopted in Fiscal 1988 earmarked 25% of sales tax income for general mobility for the period 1988 through the year 2000. To provide adequate funding for general mobility expenditures, the total operating subsidy as a percentage of sales tax income on a cumulative basis should generally be less than or equal to 75%. This statistic is projected to fall from 78.7% in Fiscal 1988 and 74.5% in Fiscal 1989, to 71.8% in Fiscal 1990.

# Budget Summary: METRO Operating Statement (In Year-of-Expenditure dollars, in \$000)

	FY1988 Actual	FY1989 Estimate	FY1990 Recomm. Budget	% Change FY89 to FY90
Operating Income:	Autuai	Lounate	Douget	1103 to 1130
Bus Fares & Revenues	\$ 34,516	\$ 38,655	\$ 42,700	+ 10.5%
Less Operating Expenses:			,	
Departmental & Support Expenses	( 137,997)	( 141,500)	( 147,200)	+ 4.0%
Depr. & Gain/Loss on Disposal of Fixed Assets	<u>( 29,515</u> )	( 32,500)	<u>( 35,100</u> )	+ 8.0%
Subtotal - Operating Expenses	( 167,512)	( 174,000)	( 182,300)	+ 4.8%
Equals Operating Subsidy [1]	( 132,996)	( 135,345)	( 139,600)	+ 3.1%
Less General Mobility Expenditures	( 29,566)	( 40,155)	( 54,712)	+ 36.3%
Equals: Total Requirements	( 162,562)	( 175,500)	( 194,312)	+ 10.7%
Plus Sources:				
Sales Tax Income Federal Grants (Formula) Federal Grants (Discretionary) Interest Income Misc. Inc. & Other Grants Subtotal Sources	169,040 30,252 13,767 30,176 214 243,449	181,754 14,046 13,648 40,077 	194,477 32,191 17,388 39,010 25 281,091	+ 7.0% +114.9% + 27.4% ( 2.7%) ( 75.0%) + 12.6%
Equals: Increase to Net Asset Position [2]	80,887	74,125	86,779	+ 17.1%
Operating Subsidy As A % of Sales Tax Income	78.7%	74.5%	71.8%	( 3.6%)

Fiscal 1988 - \$3,289,000 Fiscal 1989 - \$5,041,000 Fiscal 1990 - \$6,078,000

[2] Consists of additions to long-term assets, investments, accounts receivables and inventories, less accounts payable.

All data in year-of-expenditure dollars

<sup>[1]</sup> Operating subsidy contains expenditures for carpools and vanpools on transitways, plus the carshare/vanshare program, as follows:

### REVENUES

METRO forecasts total revenue for Fiscal Year 1990 of \$323,791,000, an increase of 12.3% over the Fiscal Year 1989 estimate of \$288,280,000. Following is a discussion of the major categories of revenue.

Bus Fares and Revenues: Bus fares and revenues are forecast to be \$42,700,000, a 10.5% increase over the Fiscal 1989 estimate of \$38,655,000. The increase is based on two factors: 1) A 7% increase as a result of the fare increase anticipated for March 1, 1990 and; 2) A projected increase of 3.3% in total system ridership resulting from the expanding Houston economy and a 3% increase in transit service.

Operating Grants: Operating grants include various federal and state grants where METRO recovers some portion (typically 80% to 100%) of project costs included in its operating budget by reimbursement from the grantor. These include such programs as the Unified Planning Work Program (UPWP) for transit planning studies, the Technical Assistance Program (TAP) for minority contracting, and various training programs. This revenue category is forecast to be \$1,546,000 in Fiscal 1990, a 71% increase over the Fiscal 1989 estimate of \$904,000.

Fiscal 1990 revenues include the following: 1) A full year's capital assistance grant on the GLK park & ride services contract under the UMTA capital lease program; 2) Several projects under the UPWP; and 3) A training/development program to support minority contractor activities related to the APTA Convention in 1990.

Federal Operating Assistance: No federal operating assistance funds from UMTA's Section 9 program will be used to support operations in Fiscal 1990; except for those funds for the UMTA capital lease program listed above under operating grants.

Sales Tax Income: The forecast for sales tax income for Fiscal 1990 is \$194,477,000; this is a 7% increase over the Fiscal 1989 estimate of \$181,754,000. The increase is based on a combination of continued improvement in the Houston area economy, some population growth and expected inflation. METRO's forecast is net of the effect of the broadened sales tax base.

Interest Income: The interest income forecast for Fiscal 1990 is \$39,010,000, a 2.7% decrease from the Fiscal 1989 estimate of \$40,077,000. The projected decrease in this revenue component results primarily from an expected lower rate of return on METRO's investment portfolio due to slightly lower market interest rates on short term funds.

Federal Capital Grants: Federal capital grants for Fiscal 1990 are forecast to be \$46,033,000, a 72% increase over the Fiscal 1989 estimate of \$26,790,000. The increase is due to more grant-funded capital expenditures scheduled for Fiscal 1990 of which the purchase of 120 new buses forms a major component.

### **Revenue Summary**

(\$000 omitted)

ITEM	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 FORECAST
Bus Fares and Revenues			
Farebox Revenue *	32,897	37,049	41,040
Route Guarantees	1,081	1,080	1,080
METROLift Revenue	451	443	490
Charter Revenue	87	83	90
Subtotal	34,516	38,655	42,700
Miscellaneous Operating Income	77	100	25
Operating Grants	224	904	1,546
Federal Operating Assistance	9,387	0	0
Sales Tax Income **	169,040	181,754	194,477
Interest Income	30,176	40,077	39,010
Federal Capital Grants	34,408	26,790	46,033
State Capital Grants	137	0	0
Total Authority Revenues	277,965	288,280	323,791

<sup>\*</sup> The Fiscal 1990 farebox revenue forecast anticipates a 10¢ base fare increase on the local system effective March 1, 1990, with commensurate increases for express and park & ride service.

All data in year-of-expenditure dollars

<sup>\*\*</sup> METRO's estimate for sales tax income does not include any factor for the effect of the broadened sales tax base.

### **OPERATING PROGRAM AND BUDGET**

The recommended Fiscal 1990 Operating Budget totals \$147,200,000, including total outlays of \$163,596,000 less capital charges of \$16,396,000. Combined with depreciation expenses of \$35,100,000, the total operating expenses of the Authority are projected to reach \$182,300,000. Transit costs comprise 96.7% of this total, amounting to \$176,222,000, while expenditures for carpools and vanpools on transitways and the carshare/vanshare program will total \$5,135,000 and \$763,000, respectively.

The recommended Operating Budget is \$5,700,000 more than the amount projected for Fiscal 1989, an increase of 4% in year-of-expenditure dollars. On a constant dollar basis and assuming a 5% regional inflation rate, however, the recommended budget is actually less than the projected expenditures of Fiscal 1989. The tables on pages 9 and 10 summarize the proposed expenditure levels by category of expense and department and provide authorized position and equivalent manpower information by department.

The major factor driving the Operating Budget upward is an increase in revenue service, the first significant increase since 1986. Vehicle revenue miles fell by over 4% from 1986 to 1987 as the economy contracted and route productivity adjustments were initiated, and then increased by 1% in both 1988 and 1989 as employment began to grow. New, expanded and augmented service improvements will account for a 4% increase in vehicle revenue miles in Fiscal 1990 while productivity adjustments will produce a 1% reduction, resulting in a net increase of 3%.

Service will be introduced to two new transit centers, Northwest and Acres Homes. The local system will be enriched with service expansions on Bissonnet and Brays Bayou and new service will be added in the Hiram Clarke area. In the second quarter, mini-buses will be introduced at the Southeast and Northwest transit centers, replacing standard-sized buses and improving service through a reduction in headways and increased connectivity to the major activity centers. The completion of the three transitway segments totalling 10.5 miles on the Katy, Northwest and North freeways will result in improved travel times for several park & ride routes. Ridership is expected to increase as a result.

The continued development of the transitway system will help to relieve peak hour congestion and is expected to encourage the formation of carpools and vanpools. The extension of the Katy Transitway through the Loop 610 intersection in the first quarter will reduce the travel time to downtown noticeably. The completion of the Northwest Transitway from FM1960 to West Little York, also in the first quarter, will relieve a major blockage on that corridor. The opening of the North Transitway to carpools at the same time it is completed from North Shepherd to Beltway 8 during the second quarter will result in substantial time savings to a new category of riders in that corridor. Proposals are also under evaluation to extend the opening and closing hours for the transitways, to make them available on weekends, and to make them available for single-occupant vehicles when they are lightly used.

Total system expenses by expense category are shown in the table on page 9. The costs in the Operating Budget are projected to remain in line with current trends and reflect the underlying changes in operations noted above.

- o Salaries will increase by 6% due to inflationary pressures plus the filling of a number of positions that were vacant for a portion of Fiscal 1989.
- o Wages will decrease by 5% because of the transition to contractor operation of local service and the resulting decrease in the number of METRO personnel.
- o Casualty and liability expenses are projected to increase as a result of higher health care costs plus greater litigation activity.
- Purchased transportation expenses will rise by over 50% due to the increase in contracted mini-buses and a full year of METROLift operation by an outside contractor.
- o Leases and rentals will decrease by nearly 50% because of the savings incorporated into the first year of the new administration building lease.

In addition to the route productivity improvements mentioned earlier, savings will be realized from other major cost reduction efforts. The number of operating facilities will be reduced from five to four in September, 1990, when the West Operating Facility becomes operational and the smaller Sharpstown Operating Facility is closed. At that time Kashmere will be fully converted to a central repair facility and will no longer function as an operating garage. The annualized savings from this action are estimated to be \$950,000, although since the consolidation will not occur until the last month of the fiscal year, only a small amount of savings will be realized in Fiscal 1990.

Substantial savings will also be realized from the introduction of contractor-operated mini-buses at the Southeast and Northwest transit centers. These savings are expected to amount to \$1,600,000 on an annualized basis after they are introduced. Smaller savings will be realized through improved manpower productivity in the materials handling and distribution function and a reduction in mechanic staffing. Some of these savings will be offset, however, by necessary staff increases for implementation of the Management Information Systems Long-Range Plan.

In total, the number of full-time and part-time authorized positions will decrease by 113 by the end of Fiscal 1990. Currently METRO has a total of 3,062 authorized positions; this number will decline to 2,949 in September, 1990. Almost all of the reductions will take place in the Transit Operations and Maintenance departments due to increased contracting-out, improved mechanic productivity and realignment of the operating facilities. The number of authorized positions in the engineering, administrative and executive areas will remain essentially the same as reductions in specific areas will be offset by increases in others.

Due in large part to the cost reduction and position control actions outlined above, the cost effectiveness of transit services will continue its steady improvement in Fiscal 1990. As outlined in the table on pages 34, the transit cost effectiveness statistics for fare recovery ratio, cost per passenger mile and subsidy per passenger mile all are projected to improve. In constant dollar terms, the transit subsidy will decline

from Fiscal Year 1989 to 1990 as it has consistently since Fiscal 1986 in line with a goal to reduce each year the net subsidy paid by the public at large for public transportation.

Depreciation and the gain or loss on disposal of fixed assets will amount to \$35,100,000 next year, an increase of 8% over Fiscal 1989. According to the table on page 9, depreciation on buses will increase slightly to \$11,791,000 and reflects the delivery of 120 new 40-foot buses and 86 new mini-buses. Depreciation on transitways will increase to \$8,415,000 as the three transitway segments on the Katy, Northwest and North freeways are completed. Depreciation on other transit facilities and equipment will increase to \$13,144,000.

A summary of projected departmental and support expenses and authorized positions by department is presented on page 10.

The recommended budgets for each department are presented on pages 11 through 28. In each section there is a discussion of the major organization elements and significant highlights in the budget and a table showing the expenditures by major category of expense and division. Manpower levels are summarized by division, both in terms of authorized positions and full-time equivalent staff.

### Total System Expenses Detail By Expense Category

(\$000 omitted)

DEPARTMENTAL & SUPPORT EXPENSES	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED FORECAST
Salaries	29,338	29,450	31,329
Wages	56,594	58,729	55,764
Fringe Benefits	18,403	19,711	20,128
Services	9,124	9,945	10,198
Materials & Supplies	10,249	11,028	11,334
Fuel & Lubricants	5,448	5,525	5,265
Utilities	2,609	2,745	2,823
Casualty & Liability	3,273	4,278	5,140
Taxes	1,514	1,567	1,531
Purchased Transportation Services	9,468	8,447	13,011
Leases & Rental	3,734	3,902	2,085
Miscellaneous	1,627	1,022	988
General Operating Contingency	0	0	4,000
Total Expenses	151,381	156,349	163,596
Capital in above	(13,384)	(14,849)	(16,396)
Net Dept. & Support Expenses	137, <del>99</del> 7	141,500	147,200
DEPRECIATION & GAIN/LOSS ON DISPOSAL OF FIXED ASSETS			
Bus Depreciation	12,038	11,375	11,791
Facilities & Equipment Depreciation	11,284	11,855	13,144
Transitway Depreciation	4,864	7,770	8,415
Gain/Loss on Disp. Fixed Assets	1,329	1,500	1,750
Total Depreciation Expenses	29,515	32,500	35,100
TOTAL SYSTEM EXPENSES	167,512	174,000	182,300

All data in year-of-expenditure dollars

# Departmental and Support Expenses/Authorized Positions Detail by Department

(\$000 omitted)

DEPARTMENTAL & SUPPORT EXPENSES BY DEPARTMENT	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
Executive Office	3,083	3,499	3,069
Transit Operations	68,771	71,993	74,740
Maintenance	44,037	45,631	45,271
Engineering, Constr. & Real Estate	5,074	5,269	6,290
Transit System Development	3,368	3,420	3,598
Administration	11,449	11,506	13,353
Finance	3,032	3,389	3,432
Government & Public Affairs	5,091	4,560	4,658
Building Rents/Miscellaneous	7,476	7,082	5,185
General Operating Contingency	0	0	4,000
Total Dept. & Support Expenses	151,381	156,349	163,596
Capital in above	(13,384)	(14,849)	(16,396)
Net Dept. & Support Expenses	137,997	141,500	147,200

AUTHORIZED POSITIONS BY DEPARTMENT	FY1988	FY1989	FY1990
Executive Office	46 ( 44.5)	51 ( 47.2)	51 ( 50.4)
Transit Operations	1,491 (1,468.9)	1,516 (1,484.1)	1,457 (1,461.0)
Maintenance	636 ( 639.9)	660 ( 649.3)	634 ( 667.3)
Engineering, Constr. & Real Estate	130 ( 120.2)	144 ( 122.9)	154 ( 145.1)*
Transit System Development	93 ( 78.6)	102 ( 84.3)	91 ( 85.5)*
Administration	194 ( 188.0)	198 ( 187.8)	199 ( 194.9)
Finance	89 ( 84.0)	89 ( 84.8)	88 ( 86.6)
Government & Public Affairs	68 ( 65.6)	68 ( 64.0)	68 ( 65.7)
Total Full-Time Authorized Positions	2,747 (2,689.7)	2,828 (2,724.4)	2,742 (2,756.5)
Apprentices	90 ( 97.1)	84 ( 74.7)	62 ( 66.5)
Part-Time	134 ( 52.3)	150 ( 70.0)	145 ( 77.6)
Total Authorized Positions	2,971 (2,839.1)	3,062 (2,869.1)	2,949 (2,900.6)

<sup>( ) =</sup> Man-year equivalent employees (1 man-year = 1 employee working full-time for 26 pay periods)

All data in year-of-expenditure dollars.

<sup>\*</sup> Eleven positions are transferred from TSD to EC&RE in Fiscal 1990.

### **EXECUTIVE OFFICE**

The Executive Office includes the General Manager's Office, Board of Directors, four offices which support the General Manager in the daily operation of METRO and in carrying out policy decisions of the Board of Directors, plus the new Northwest Mobility Program.

The Office of Audit is responsible for evaluating internal controls, reviewing programs and operations for compliance with established policies and directives, and conducting independent appraisals of contracts. During Fiscal 1990 the Office of Audit will monitor implementation of the MIS long-range plan, undergo an external quality assurance review of audit operations and results, and continue its internal and contracts audit coverage.

The Office of Affirmative Action is responsible for facilitating and monitoring disadvantage business participation on METRO contracts and procurements. This Office is also responsible for ensuring METRO's compliance with equal employment opportunity regulations and Davis-Bacon wage payments by contractors. The Fiscal 1990 budget includes managing an UMTA Section 20 grant to coordinate DBE involvement in the APTA international trade show, and providing assistance to small disadvantaged businesses.

The Office of Staff Counsel provides legal services for METRO. These services include activities in the areas of procurement, contracting, grants, labor relations, real estate acquisition, tort claims and commercial litigation.

The Office of Management and Budget (OMB) is responsible for improving the management and organization of METRO and to perform analyses of system performance. Additionally, OMB directs the preparation of the Authority's annual budgets and monitors their progress throughout the year.

The Northwest Mobility Program is a focused program responsible for managing mobility in the northwest sector of the Houston metropolitan area. During Fiscal 1990 the Northwest Mobility Program will establish baseline information for measuring improvements in mobility, increase transitway usage, certify 75 new vanpools for operation and develop further subsidy management strategies.

The Fiscal 1990 budget after capitalization for the Executive Office is \$2,669,000, a decrease of \$526,000 (16.5%) from the Fiscal 1989 projected expenditures of \$3,195,000. The salary increase of \$166,000 is due to a full year of staffing for the Northwest Mobility Program. The decrease in services of \$600,000 is comprised of lower legal fees and completion of the McKinsey implementation study.

# Operating Budget Executive Office

(\$000 omitted)

TOTAL OPERATING EXPENSES BY CATEGORY	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
Salaries	1,775	1,976	2,142
Wages	0	85	57
Services	1,105	1,190	590
Materials & Supplies	15	22	30
Miscellaneous	188	226	250
Total Expenses	3,083	3,499	3,069
Capital in above	( 217)	( 304)	( 400)
Net Operating Expenses	2.866	3,195	2,669

NET OPERATING EXPENSES BY DIVISION	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
General Manager & Staff	816	503	500
Board of Directors	54	54	58
Audit	508	486	540
Affirmative Action	536	360	512
Staff Counsel	660	905	607
Management & Budget	292	281	282
Northwest Mobility Program	0	91	170
McKinsey Implementation Study	0	515	0
Net Operating Expenses	2,866	3,195	2,669
(Less Fed. Oper. Grants)	2,663	3,158	2,528

AUTHORIZED POSITIONS	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
General Manager & Staff	8 ( 8.0)	8 (7.4)	8 ( 8.0)
Audit	16 (16.0)	16 (15.7)	16 (15.7)
Affirmative Action	10 (10.0)	10 (10.0)	10 ( 9.8)
Staff Counsel	5 ( 4.0)	5 ( 5.0)	5 ( 5.0)
Management & Budget	7 ( 6.5)	7 ( 7.0)	7 ( 6.9)
Northwest Mobility	0	5 ( 2.1)	5 ( 5.0)
Total Authorized Positions	46 (44.5)	51 (47.2)	51 (50.4)

<sup>() =</sup> Man-year equivalent employees (1 man-year = 1 employee working full-time for 26 pay periods)

### DEPARTMENT OF TRANSIT OPERATIONS

The Department of Transit Operations is responsible for "on-the-road" activities of the Authority. This includes METRO-operated bus services, contracted local, park & ride and METROLift services, scheduling, system security and operation of transitways for use by carpools, vanpools and buses.

The Bus Operating Facilities Division includes bus operators, supervisors, starters and dispatchers. During Fiscal 1990, this division will strive to achieve METRO's on-time performance goal of 98.0% and maintain the Authority's outstanding safety record. As a reflection of that commitment, METRO has established a goal of no more than 1.9 accidents per 100,000 miles, which is very low by industry standards.

Transportation Programs is responsible for administering contracts for local, park & ride and METROLift services and for coordinating activities on the transitway system. It is also responsible for the Carshare/Vanshare Program, METROLift phone information, scheduling and reservations and charter activities. A significant increase in contracts for purchased transportation services is planned for Fiscal 1990 as privately-operated mini-buses are introduced as a means to enhance service while saving operating dollars.

Transit Police will continue METRO's commitment to provide effective security for METRO passengers and facilities. This program has been successful in reducing the number of crimes per 100,000 riders from 12.3 in 1983 to 5.5 in 1989. During Fiscal 1990, Transit Police will initiate an internal training program focusing on transit-related crime prevention procedures.

The Scheduling Division is responsible for producing all route and operator schedules and has played a major role in improving the productivity of the route system and the efficiency of bus operations. In Fiscal 1990, Scheduling will continue efforts to improve route efficiency and take other steps to constrain bus operator costs.

The Safety and Training Division is responsible for training bus operators on all METRO buses, in addition to contract METROLift operators. Training needs remain high in Fiscal 1990 as additional transitway segments and transit centers have become operational and improved safety performance is emphasized. During Fiscal 1990, Safety and Training will also focus on efforts to strengthen passenger relation skills among operators.

The Operations and Maintenance Support Division provides analytical and administrative support to the departments of Transit Operations and Maintenance. This division has been a major contributor to cost reduction activities and will introduce the use of new computer software to further improve operator efficiency. Analytical support to the Maintenance Department will continue to focus on bus parts expense and the development of preventive maintenance schedules for facilities and equipment.

The Fiscal 1990 Transit Operations budget is \$74,698,000 net of capitalization. This represents an increase of \$2,749,000 (3.8%) over the estimated expenditures for Fiscal

1989. This increase is primarily comprised of additional purchased transportation services (\$4,566,000) due to the introduction of contracted mini-bus service, a full year of contracting METROLift service and an increase in METROLift contract rates. Higher casualty and liability costs for injuries and damages payments represents the other major cost increase in the Transit Operations budget.

During Fiscal 1990, the Department will reduce its authorized workforce by 65 positions. This decrease consists primarily of fewer bus operators, as a significant amount of service is transferred to private contract operations. As a result, the salary, wage and fringe benefit expense categories, which comprise 74% of the department's budget before capitalization, will decrease by \$2,409,000 (4.2%) in Fiscal 1990.

## Operating Budget Transit Operations

(\$000 omitted)

TOTAL OPERATING EXPENSES BY CATEGORY	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
Salaries	6,615	6,562	6.601
Wages	38,805	40,918	38,642
Fringe Benefits	8,681	10,038	9.866
Services	1,646	1,562	1,317
Materials & Supplies	205	253	232
Casualty & Liability	3,073	4,093	4,954
Purchased Transportation Service	9,468	8,445	13,011
Leases & Rental	209	84	74
Miscellaneous	69	75	86
Interdepartmental Charters	0	( 37)	( 43)
Total Expenses	68,771	71,993	74,740 ( 42)
Capital in above Net Operating Expenses	( <u>2)</u> 68,769	( 44) 71,949	74,698
Net Operating Expenses	00,709	/ 1,3-19	74,090
NET OPERATING EXPENSES BY DIVISION	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
AGM & Staff	681	748	822
Transportation Programs	11,274	11,014	14,662
Bus Operating Facilities	39,866	41.361	39.825
Dispatchers	432	403	429
Transit Police	2,356	2,528	2,461
Scheduling	1,106	1,100	1,112
Safety & Training	417	431 ·	455
Operations/Maintenance Support	373	249	245
General Transportation	0	( 30)	( 130)
General Operating Expense	12,264	14,145	14,817
Net Operating Expenses	68,769	71,949	74,698
AUTHORIZED POSITIONS	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
AGM & Staff	6 ( 5.3)	6 ( 5.3)	6 ( 5.9)
Transportation Programs	44 ( 47.0)	46 ( 40.3)	47 ( 46.1)
Bus Operating Facilities	1,290 (1,276.0)	1,309 (1,290.7)	1,250 (1,258.0)
Dispatchers	13 ( 11.0)	13 ( 12.0)	13 ( 12.7)
Transit Police	89 ( 83.9)	93 ( 89.5)	93 ( 91.2)
Scheduling	30 ( 28.3)	30 ( 28.6)	29 ( 28.4)
Safety & Training	12 ( 11.0)	12 ( 11.0)	12 ( 11.8)
Operations/Maintenance Support	7 ( 6.4)	7 ( 6.7)	7 ( 6.9)
Total Full-Time Authorized Positions	1,491 (1,468.9)	1,516 (1,484.1)	1,457 (1,461.0)
Part-Time	121 ( 45.9)	137 ( 62.2)	131 ( 69.4)
Total Authorized Positions	1,612 (1,514.8)	1,653 (1,546.3)	1,588 (1,530.4)

<sup>() =</sup> Man-year equivalent employees (1 man-year = 1 employee working full-time for 26 pay periods) All data is in year-of-expenditure dollars

### DEPARTMENT OF MAINTENANCE

The Department of Maintenance is responsible for maintaining METRO's bus fleet, facilities and buildings, communication equipment, support vehicles and passenger amenity items. In Fiscal 1990 the Maintenance Department will maintain a METRO bus fleet operating 34,144,000 miles with a goal of 12,000 miles between road calls. For Fiscal Year 1990 several major events will impact the entire Maintenance Department. These events are:

- o The opening of the West Operating Facility and the closing of the Sharpstown Facility.
- o The consolidation of daily bus operations and maintenance to four facilities from five currently, with Kashmere becoming solely a central repair facility.
- o The delivery of 120 new 40-foot buses during the year.
- o The delivery of 35 micro-buses and 51 mini-buses.
- o The testing of alternatives fuels through the operation of 10 micro-buses and several support vehicles using compressed natural gas (CNG).
- o The introduction of wheelchair lifts on the new buses.
- o The testing of articulated buses for park & ride service.

The department includes seven major areas, all of which are implementing significant programs to improve performance and reduce bus maintenance costs.

The Central Shops Division is responsible for heavy repairs, body and frame maintenance, and major component and bus part rebuilding for METRO's bus fleet. During Fiscal 1990, Central Shops will expand the bus repainting program and will conduct floor and window replacement campaigns on 40-foot buses and an air conditioning modification campaign on the 30-foot buses.

The Preventive Maintenance Division includes five operating garages and the Downtown Multi-use Facility and is responsible for inspection, running repair maintenance and cleaning for all buses. Although it is contemplated that 75 mechanics will be lost through attrition, 41 graduating apprentices from classes II and III will join the Division as mechanics during Fiscal 1990.

The Electronic Communication group, which installs and maintains communication equipment such as electronic destination signs and radios, is responsible for maintaining the Surveillance, Communication and Control system and will also evaluate an electronic vehicle location system on 10 buses during Fiscal 1990.

The Systems Assurance/Engineering Division ensures maintenance functions are performed in a quality manner by developing maintenance procedures and managing upgrade campaigns. Major new programs of Systems Assurance in Fiscal 1990 will be compressed natural gas alternative fuel studies, bus route condition evaluation, warranty issues on new buses, brake retarder evaluation and contract operator quality control.

The Maintenance Education & Development Division provides mechanical training to METRO apprentices and mechanics and supports the Barbara Jordan Transit Vehicle

High School Program. M.E.A.D. will offer an accelerated apprentice program for 18 apprentices starting in September, 1989 (FY89), and for 24 apprentices starting in January, 1990. Individuals with higher skill levels will be sought to fill these classes. Current METRO mechanics are expected to participate in various upgrade programs to be offered during Fiscal 1990.

The Buildings & Grounds Division will maintain and repair METRO-owned facilities, equipment, and grounds, plus 1,018 passenger shelters, 9,500 bus stops, eight transit centers and 21 park & ride lots. During Fiscal 1990, the Facility Maintenance Section will develop and implement a preventive maintenance program for the METRO facilities. The Public Facility Section will implement a preventive maintenance/painting program for the park & ride lots and transit centers. Landscape maintenance for 18 park & ride lots and the operating facilities will be done by a private contractor.

The Bus & Support Vehicle Services Division maintains METRO support vehicles and wheeled equipment and augments bus maintenance with trouble truck and wrecker service. During 1990 this division will be responsible the conversion and maintenance of 10 service vehicles to utilize compressed natural gas.

Total expenses in Maintenance are \$360,000 lower in Fiscal 1990 than Fiscal 1989. While most cost categories remained fairly constant, the primary reason for the decrease is due to the projected reduction in mechanics from higher turnover. Net expenses are \$43,761,000, a decrease of \$298,000 (-0.7%) from Fiscal 1989.

## Operating Budget Maintenance

(\$000 omitted)

TOTAL OPERATING EXPENSES BY CATEGORY	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
<u></u>			
Salaries	4,890	4.908	4,937
Wages	16,147	15,594	15,104
Fringe Benefits	3,660	3,853	3,868
Services	1,226	2,254	2,356
Materials & Supplies	9,121	9,786	9,908
Fuel & Lubricants	5,448	5,525	5,265
Utilities	1,881	2,021	2,189
Taxes	1,514	1,567	1,531
Leases & Rental	11	20	20
Miscellaneous	139	103	93
Total Expenses	44,037	45,631	45,271
Capital in above	( 382)	( 1,572)	( 1,510)
Net Operating Expenses	43,655	44,059	43,761

NET OPERATING EXPENSES BY DIVISION	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
AGM & Staff	633	361	408
Central Shops	3,642	3,502	3,587
Preventive Maintenance	16,150	16,023	15,392
Electronic Maintenance	455	343	404
Systems Assurance/Engineering	512	653	734
Maintenance Education & Development	3,303	2,701	2,267
Buildings & Grounds	5,879	6,860	7,594
Bus & Support Vehicle Services	888	956	1,062
Maintenance-General	8,596	8,875	8,574
METROLift Maintenance	0	71	0
City Aviation Maintenance	3	0	0
General Operating Expense	3,594	3,714	3,739
Net Operating Expenses	43,655	44,059	43,761

AUTHORIZED POSITIONS	FY19		FY1 ESTI	989 MATE	FY1990 RECOMMENDED BUDGET
AGM & Staff	8	( 9.3)	3′	( 2.8)	3 ( 3.0)
Central Shops	103	(103.7)	<b>&lt;4</b> ≥105	(99.5)	105 (104.0)
Preventive Maintenance	374	(382.3)	+à 403	(403.3)	363 (398.7)
Electronic Maintenance	13	(12.4)	7.1	7.0)	8 ( 8.0)
Systems Assurance/Engineering	20	(16.1)	22'	(22.0)	23 ( 23.0)
Maintenance Education & Development	7	(6.2)	7 (	7.0)	7 ( 7.0)
Buildings & Grounds	87	(87.4)	89	(83.5)	100 ( 98.6)
Bus & Support Vehicle Services	24	( 22.5)	24	(24.2)	25 ( 25.0)
Total Full-Time Authorized Positions	636	(639.9)	, 660	(649.3)	634 (667.3)
Apprentices	90	(97.1)	<b>∠-18&gt; 84</b>	(74.7)	62 ( 66.5)
Part-Time	5	( 2.6)	+1 5	2.6)	6 ( 3.0)
Total Authorized Positions	731	(739.6)	749	(726.6)	702 (736.8)

<sup>(\*) =</sup> Man-year equivalent employees (1 man-year = 1 employee working full-time for 26 pay periods)

All data is in year-of-expenditure dollars

### DEPARTMENT OF ENGINEERING, CONSTRUCTION & REAL ESTATE

The Engineering, Construction and Real Estate Department is responsible for implementing all facets of the Capital Improvement Program with regard to general mobility projects, transit and transitway engineering and construction projects, land acquisition, and facility and communication upgrade projects. The bulk of all production work is performed under contract by consultants, architects, engineers and construction contractors. METRO performs project planning (scope of work, cost and schedule), project management (coordination, control and administration), and quality assurance to ensure that the project designs reflect what the Authority needs and that construction is performed in accord with plans and specifications.

The Department of Engineering, Construction and Real Estate has seven divisions which report to the Assistant General Manager:

- o The Program and Project Control Division provides scheduling, estimating and cost engineering services to support the Capital Improvement Program and project management.
- o The Real Estate Division is responsible for executing the Authority's land acquisition plans to secure property required for all programs and projects.
- o The Transit Projects Division provides project management for all transitways, ramps, park & ride lots, and transit centers.
- o The Rail Programs Division, created in late Fiscal 1989, performs the project management role on the System Connector which will include supervising the general design consultants and preparing the project management plan.
- o The General Mobility and Special Projects Division provides project management for general mobility projects including the earlier joint governmental projects, new operating facilities, and facility upgrade projects.
- o The Engineering Support Services Division provides management of specialized technical support for the entire Authority in the area of surveys, utilities, geotechnical, agreements and right-of-way.
- o The Construction Division provides construction management supervision and limited field inspection services.

During Fiscal 1990, Engineering, Construction and Real Estate will be working on 295 general mobility, transit and transitway engineering and construction projects, of which 70 will involve real estate activity, 201 will involve design, and 162 will involve construction. These projects represent a 33% increase in total projects over Fiscal 1989.

Engineering, Construction and Real Estate's recommended budget for Fiscal 1990 is \$6,290,000, all of which will be capitalized: the increase of 19% over Fiscal 1989 is due primarily to a year of full staffing. Total manpower discounting the transfers from TSD will decrease by one position.

# Operating Budget Engineering, Construction & Real Estate

(\$000 omitted)

TOTAL OPERATING EXPENSES BY CATEGORY	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
Salaries	4,889	5,043	6,059
Services	30	47	48
Materials & Supplies	53	84	85
Miscellaneous	103	83	98
Total Expenses	5,074	5,269	6,290
Capital in above	( 5,074)	( 5,269)	( 6,290)
Net Operating Expenses	0	0	0
NET OPERATING EXPENSES BY DIVISION	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
AGM & Staff	226	244	268
Program & Project Control	594	590	703
Real Estate	474	537	654
Transit Projects	1,293	1,538	1,348
Rail Programs	0	0	641
General Mobility Projects	987	1,220	1,401
Engineering Support Services	855	458	540
Construction	646	681	737
Total Expenses	5,074	5,269	6,290
Capital in Above	( 5,074)	( 5,269)	( 6,290)
Net Operating Expenses	0	0	0
AUTHORIZED POSITIONS	FY1988	FY1989	FY1990
AGM & Staff	4 ( 4)	4 ( 3.6)	4 ( 4)
Program & Project Control	14 ( 13.8)	16 ( 13.7)	16 ( 15.5)
Real Estate	14 ( 12.3)	18 ( 14.7)	18 ( 17.5)
Transit Projects	41 ( 35)	39 ( 33.4)	34 ( 32.0)
Rail Programs	0	0	15 ( 11.9)
General Mobility Projects	31 ( 28.9)	36 ( 30.1)	36 ( 34.0)
Engineering Support Services	10 ( 10)	13 ( 10.9)	13 ( 12.7)
Construction	16 ( 16.2)	18 ( 16.5)	18 ( 17.5)
Total Authorized Positions	130 (120.2)	144 (122.9)	154 (145.1)

<sup>() =</sup> Man-year equivalent employees (1 man-year = 1 employee working full-time for 26 pay periods)

All data in year-of-expenditure dollars

### DEPARTMENT OF TRANSIT SYSTEM DEVELOPMENT

The Transit System Development Department is responsible for studies, analysis, planning and development in regard to the METRO Transit Service Plan, the Regional Transit Plan, the Phase 2 Mobility Plan and the Capital Improvement Program. In addition, the Department operates a word processing center and a technical resource center to support both TSD and E,C&RE. Transit System Development has three divisions.

The Planning, Analysis and Research Division develops data and information on the Authority's service area and operations for the purposes of evaluating service, forecasting ridership, operating costs and operating revenues, and performing environmental studies to support the Capital Improvement Program. In Fiscal 1990, the Division will continue to operate the Rider Count Program and support the Alternative Analysis/Draft Environmental Impact Statement/Final Environmental Impact Statement (AA/DEIS/FEIS) for the System Connector.

The Design Development Division supplies architectural and traffic engineering expertise for the entire Authority, develops conceptual designs necessary to produce plans, schematics and details in order to prepare capital cost estimates and performs such preliminary engineering as is required to complete required federal environmental impact statements. In Fiscal 1990, the Division will devote increased traffic engineering support to general mobility projects, continue its work on the AA/DEIS/FEIS for the System Connector, and initiate preliminary engineering on the System Connector as directed by the Board.

The Service Development Division prepares METRO's five-year service plan, designs bus routes, analyzes on-going operations and facilities, formulates additions and modifications to the Capital Improvement Program, performs site selection activities for planned facilities, and provides cartography services for the entire Authority. In Fiscal 1990, the Division will continue detailed analyses aimed at improving the effectiveness of the route system and continue support of the AA/DEIS/FEIS effort. In addition, it will accelerate implementation of the special passenger shelter program, and prepare a central business district bus operating plan.

Transit System Development's recommended budget for Fiscal 1990 is \$3,597,000 before capitalization, an increase of 5.2% over Fiscal 1989. After deducting capital expenses, the operating budget is \$655,000, an increase of 29% from Fiscal 1989. Total labor expenses increase by \$126,000, reflecting a year of full staffing. No new positions will be added in Fiscal 1990. Total non-labor expenses increase by \$53,000 to increase the level of Unified Planning Work Program (UPWP) research.

### Operating Budget Transit System Development

(\$000 omitted)

TOTAL OPERATING EXPENSES BY CATEGORY	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
Salaries	3,078	2,895	3,014
Wages	0	180	186
Services	171	173	238
Materials & Supplies	64	66	75
Miscellaneous	55	107	86
Total Expenses	3,368	3,420	3,598
Capital in above	( 2,794)	( 2,910)	( 2,944)
Net Operating Expenses	574	509	655

NET OPERATING EXPENSES BY DIVISION	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
AGM & Staff	302	340	380
Planning, Analysis & Research	899	837	857
Design Development	1,511	1,653	1,623
Service Development	656	589	738
Total Expenses	3,368	3,420	3,598
Capital in Above	( 2,794)	( 2,910)	( 2,944)
Net Operating Expenses	574	509	655
(Less Fed. Oper. Grants)	475	415	543

AUTHORIZED POSITIONS	FY1988	FY1989	FY1990
AGM & Staff	6 ( 4.6)	7 ( 5.4)	7 ( 6.5)
Planning, Analysis & Research	22 (20)	23 ( 19.7)	23 (21)
Design Development	46 (37.1)	53 ( 43.3)	42 (41)
Service Development	19 (16.9)	19 ( 15.9)	19 (17)
Total Authorized Positions	93 (78.6)	102 ( 84.3)	91 (85.5)

<sup>() =</sup> Man-year equivalent employees (1 man-year = 1 employee working full-time for 26 pay periods)

All data in year-of-expenditure dollars

### DEPARTMENT OF ADMINISTRATION

The Department of Administration provides administrative support for the entire Authority.

The Division of Procurement & Materials Management administers all purchasing and contract activities as well as disposal of excess materials and assets. The Materials and Distribution section has the parts order planning, inventorying and distribution responsibility. Long-range productivity analysis has targeted a net manpower reduction of 9 to 12 positions in the next three years for this section, while simultaneously improving the planning process, lowering inventory levels, and improving parts quality assurance. Four positions will be eliminated through attrition in Fiscal 1990. The Contracts section will go through a comparable productivity analysis study during Fiscal 1990.

The Administrative Services Division oversees inter-company mail, the company-owned telephone system, archived records storage, and administrative property management. This division is responsible for the headquarters relocation to 1201 Louisiana in October/November of 1989. One-time costs of \$320,000 will be incurred by the relocation and are reflected in this budget.

The Human Resources Division locates, screens, tests and hires new employees to meet the Authority's employment needs. The Division administers a comprehensive program of benefits, personnel and compensation policies, and training. A new management team here is responsible for implementation of METRO's new random drug testing program. The drug testing program and health care cost escalation together represent about \$680,000 in increased expenses for Fiscal 1990.

The Management Information Systems Division provides all computer support for the Authority, including both hardware and software. Phases 1 and 2 of a long-range MIS plan developed by a Price Waterhouse study will begin in Fiscal 1990.

Labor Relations will be working with new Union leadership to negotiate a new contract which expires July 31, 1990.

The Fiscal 1990 recommended budget for Administration is \$12,043,000, a 15.3% increase from the Fiscal 1989. The primary components of this increase are the new drug testing program, relocation expenses, health care increases, MIS major systems upgrade and inflationary increases.

## Operating Budget Administration

(\$000 omitted)

TOTAL OPERATING EXPENSES BY CATEGORY	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
Salaries	4,095	4,057	4,466
Wages	1,348	1,492	1,383
Fringe Benefits	2,784	2,473	2,932
Services	1,394	1,524	2,453
Materials & Supplies	619	640	810
Casualty & Liability	0	18	18
Utilities	728	701	634
Leases & Rental	372	411	466
Miscellaneous	109	190	191
Total Expenses	11,449	11,506	13,353
Capital in above	( 970)	( 1,063)	( 1,312)
Net Operating Expenses	10,479	10,443	12,041
NET OPERATING EXPENSES BY DIVISION	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
AGM & Staff	177	173	192
Procurement & Materials Management	2,931	2,960	2,977
General Services	2,220	2,165	2,652
Human Resources	1,627	1,823	2,453
Management Information Systems	1,025	1,027	1,155
Labor Relations	178	177	188
Salaried Health Care	2,321	2,118	2,424
Net Operating Expenses	10,479	10,443	12,041
(Less Fed. Oper. Grants)	10,479	10,380	12,015
AUTHORIZED POSITIONS	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
AGM & Staff	3 ( 3)	3 ( 3.0)	3 ( 2.9)
Procurement & Materials Management	123 (120)	125 (120.4)	121 (120.5)
General Services	19 ( 19)	18 ( 18.0)	18 ( 17.6)
Human Resources	20 ( 19)	21 ( 17.7)	21 ( 20.6)
Management Information Systems	24 ( 22)	26 ( 23.7)	31 ( 28.4)
Labor Relations	5 ( 5)	5 ( 5.0)	5 ( 4.9)
Total Authorized Positions	194 (188)	198 (187.8)	199 (194.9)

<sup>() =</sup> Man-year equivalent employees (1 man-year = 1 employee working full-time for 26 pay periods)

All data in year-of-expenditure dollars

### **DEPARTMENT OF FINANCE**

The Department of Finance is responsible for all financial transactions of the Authority. This includes fare collection, accounts receivable, vendor payments, payroll, grants billing, fixed assets, portfolio management and financial reporting. It also evaluates the risks associated with daily activities, assures adequate insurance coverage is maintained, manages the claims process for worker's compensation and automobile liability, and coordinates the Authority's environmental/safety programs. The department is organized into three divisions.

During Fiscal 1990, the Accounting Division, in addition to its normal responsibilities, will increase the productivity of accounting resources by using microprocessors tied to the computer mainframe to replace manual records maintenance and will implement a microfilm or image processing procedure which will make information retrieval and storage more efficient.

The Treasury Division will continue to supervise the collection and counting of bus fares received by the Authority and will manage the Authority's financial portfolio to provide maximum return on the Authority's invested assets. In Fiscal 1990, staff will also continue to provide financial analyses regarding the METRO Phase 2 Mobility Plan and other program decisions under consideration by the Board of Directors.

The Risk Management Division will continue to process worker's compensation and automobile liability claims, assure the Authority's major risks are covered by adequate insurance, advise on safety practices within the operating and support facilities, promote the employee safety program which focuses on prevention of back injuries, and train METRO employees regarding hazardous chemicals in the workplace. Additionally, the Division will continue implementation of a five-year environmental compliance plan for the Authority and ensure that METRO's operations are consistent with all codes and good workplace practices.

The Fiscal 1990 recommended budget for the Department of Finance is \$3,327,000, representing a 0.6% decrease from the Fiscal 1989 estimate of \$3,348,000. The decrease is primarily due to one less position in the Treasury Division and capitalizing the computer development work.

## Operating Budget Finance

(\$000 omitted)

TOTAL OPERATING EXPENSES BY CATEGORY	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
Salaries	2,053	2,052	2,159
Wages	293	345	295
Services	322	632	578
Materials & Supplies	105	125	153
Casualty & Liability	200	164	169
Miscellaneous	59	72	79
Total Expenses	3,032	3,389	3,432
Capital in above	( 37)	( 41)	( 105)
Net Operating Expenses	2,995	3,348	3,327

NET OPERATING EXPENSES BY DIVISION	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET	
AGM & Staff	156	213	162	
Accounting	976	1,203	1,152	
Treasury	1,037	1,134	1,125	
Risk Management	827	798	889	
Net Operating Expenses	2,995	3,348	3,327	

AUTHORIZED POSITIONS	FY1988	FY1989	FY1990
AGM & Staff	2 ( 2)	2 ( 2)	2 ( 2)
Accounting	35 (33)	34 (32)	34 (33.5)
Treasury	30 (30)	31 (30.5)	30 (29.5)
Risk Management	22 (19)	22 (20.3)	22 (21.6)
Total Authorized Positions	89 (84)	89 (84.8)	88 (86.6)

<sup>() =</sup> Man-year equivalent employees (1 man-year = 1 employee working full-time for 26 pay periods)

All data in year-of-expenditure dollars

### **DEPARTMENT OF GOVERNMENT & PUBLIC AFFAIRS**

The Department of Government & Public Affairs is responsible for promoting METRO services and to communicate effectively with government officials, riders, taxpayers and community groups. The Department is composed of four divisions.

The Community Relations Division is responsible for METRO's personal outreach into Houston's communities by coordinating meetings to receive input from the public regarding METRO service and capital projects. Community Relations provides speakers to represent METRO on transit and general mobility issues, and works to involved local groups with project openings and ground breaking functions.

The Marketing Division is responsible for planning and implementing all of METRO's advertising, public information and promotion programs, for the telephone information and customer service operators, for the distribution of schedules and maps, and for the operation of three RideStores. In Fiscal 1990, the division will continue implementation of a strategic marketing plan that stresses a customer-driven approach to METRO's activities. The division intends to expand the network of 300+ retail ticket outlets and corporate RideSponsors. Emphasis will be placed on targeted marketing programs, on formal market research to effectively direct resources, and on evaluating promotional efforts to increase ridership. Market research will be enhanced by the addition of two research-related analysts. Marketing will also review all of METRO's public information resources in 1990 to ensure graphic/written clarity and effectiveness.

The Media Division is METRO's official information dissemination point for the news media and publishes "METRO News" (bi-weekly bus rider newsletter), "Between the Wheels" (monthly employee newsletter), and "Transit Quarterly" (public newsletter). The Division is also responsible for the METRO Annual Report.

The Government Affairs Division is the METRO contact point and liaison for local, county, city, state and federal officials and legislators. It also administers federal and state grants.

Government and Public Affairs net projected expenses of \$4,583,435 for Fiscal 1990 represents a 2.2% increase over Fiscal 1989.

## Operating Budget Government & Public Affairs

(\$000 omitted)

TOTAL OPERATING EXPENSES BY CATEGORY	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
Salaries	1,722	1,693	1,741
Wages	0	84	101
Fringe Benefits	3	0	2
Services	3,225	2,564	2,618
Materials & Supplies	66	51	42
Miscellaneous	75	168	154
Total Expenses	5,091	4,560	4,658
Capital in above	( 96)	( 75)	( 75)
Net Operating Expenses	4,995	4,485	4,583

NET OPERATING EXPENSES BY DIVISION	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
AGM & Staff	531	462	522
Community Relations	239	180	220
Marketing	3,615	3,300	3,420
Media	398	270	244
Special Projects	82	90	0
Government Affairs	129	183	177
Net Operating Expenses	4,995	4,485	4,583
(Less Fed. Oper. Grants)	4,995	4,428	4,583

AUTHORIZED POSITIONS	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
AGM & Staff	2 ( 2.0)	2 ( 1.7)	4 ( 3.0)
Community Relations	7 ( 7.0)	7 ( 6.1)	6 ( 5.9)
Marketing	47 (46.5)	47 (45.2)	49 (48.0)
Media	5 ( 4.8)	5 ( 4.8)	5 ( 4.9)
Special Projects	3 ( 3.0)	3 ( 2.5)	0
Government Affairs	4 ( 2.3)	4 ( 3.7)	4 ( 3.9)
Total Full-Time Authorized Positions	68 (65.6)	68 (64.0)	68 (65.7)
Part-Time	8 ( 3.8)	8 ( 5.2)	8 ( 5.2)
Total Authorized Positions	76 (69.4)	76 (69.2)	76 (70.9)

<sup>( ) =</sup> Man-year equivalent employees (1 man-year = 1 employee working full-time for 26 pay periods) All data in year-of-expenditure dollars

### FISCAL YEAR 1990 RECOMMENDED CAPITAL BUDGET

On October 22, 1987 the METRO Board of Directors adopted the "METRO Phase 2 Mobility Plan" to guide the Authority's transportation and mobility development through the year 2000. The plan combined METRO's Regional Transit Plan Phase 1 projects and the Regional Transit Plan Phase 2 System Connector with a general mobility program aimed at a substantially improved major street and road system. The recommended Fiscal Year 1990 Capital Budget represents the level of Board authorized capital expenditure authority required to implement the third year of the Phase 2 Mobility Plan.

The Fiscal Year 1990 recommended Capital Budget is \$156,951,000. The Capital Budget Summary on page 31 summarizes the expenditures by program category. Funding for the proposed Fiscal 1990 Capital Budget will be \$46,033,000 (29.3%) from Federal grants, \$39,010,000 (24.9%) from interest income, \$56,448,000 (36.0%) from sales tax income and \$15,460,000 (9.8%) from the capital reserve. The table on page 32 identifies the Fiscal 1990 funding sources for each capital expenditure program category.

The major expenditures included in the Fiscal 1990 recommended Capital Budget are summarized below.

### **General Mobility (\$54,712,000)**

- o Approximately 159 general mobility street and related projects will be in process during the year including 53 joint governmental projects designated prior to February 1, 1988, and 106 general mobility projects designated since February 1, 1988.
- o Seventeen projects are expected to be completed by the end of the year.

### Transitway and related facilities (\$25,916,000)

- Completion of the Northwest Transitway from FM1960 to West Little York (4.0 miles).
- o Completion of the Northwest Transit Center.
- o Completion of the North Phase 3 Transitway from North Shepherd to Beltway 8 (5.0 miles), the North Shepherd interchange and the Downtown Terminus improvements.
- o Completion of the West Loop Park & Ride lot expansion.
- o Completion of the Acres Homes Transit Center.
- o Construction of the Southwest Transitway and the Westwood Park & Ride lot modifications.
- o Construction of the Gulf Transitway from Broadway to Choate.
- o Construction of the Tidwell Transit Center.

### Fixed guideway systems (\$5,000,000)

o Conclusion of the Rail Research Project and implementation of Board directed activities.

### **Buses and Support Facilities (\$65,323,000)**

- o Place 120 new 40-foot transit buses in service.
- o Place 86 new micro and mini-buses in service as part of an experimental program to increase the frequency of service and better match vehicle capacity with demand.
- o Completion of the West Operating Facility and closing of the Sharpstown Operating Facility.
- o Continuation of the passenger shelter, curb cut and bus pad programs.
- o Support facilities and equipment required to upgrade buses, facilities and communications and to acquire needed equipment, including the scheduled replacement of the 86 van METROLift fleet, implementation of the MIS Long-Range Plan, and buildout costs for the 1201 Louisiana building.

### Other (\$6,000,000)

- A development fund of \$1,000,000 for identification, definition, planning and conceptual design and engineering on capital projects that are expected to be included in future Capital Improvement Program budgets.
- o A general contingency of \$5,000,000 for capital expenditures that may be incurred in the fiscal year but which cannot be identified at this time.

### **NOTE:**

During Fiscal 1990, the possibility exists that certain very large cash expenditures for right-of-way and general mobility projects may occur. These expenditures are problematic at this time and cannot be scheduled. In order not to greatly overstate the Fiscal 1990 Capital Budget in the face of these scheduling uncertainties, none of these extraordinary items have been included in the Recommended Capital Budget. If one of these events takes place during the fiscal year and the Board approved Capital Budget cannot accommodate it, the Board will be asked to approve the Capital Budget funding at the same time the expenditure is approved by the Board.

# Capital Budget Summary Revenues and Expenditures

(\$000 omitted)

REVENUES	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED FORECAST
Sales Tax Income*	45,732	47,413	56,448
Interest Income	30,176	40,077	39,010
Federal Grants	34,408	26,790	46,033
State Grants	137		
Capital Reserve	( 4,619)	(22,626)	15,460
Total Revenues	105,834	91,654	156,951

EXPENDITURE CATEGORIES	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDED BUDGET
General Mobility Projects	33,865	40,155	54,712
Transitways & Related Facilities	50,390	22,294	25,916
Fixed Guideway Systems	3,708	4,500	5,000
Buses and Support Facilities	17,661	23,250	65,323
Development Fund	210	1,455	1,000
General Contingency	0	0	5,000
Total Expenditures	105,834	91,654	156,951

<sup>\*</sup> Accrual basis excluding expanded base

All data in year of expenditure dollars

### Capital Budget Summary Fiscal Year 1990 Funding Sources

(\$000 omitted)

EXPENDITURE CATEGORIES	GRANTS	METRO*	TOTAL
General Mobility Projects	0	54,712	54,712
Transitway & Related Facilities	20,033	5,883	25,916
Fixed Guideway Systems	324	4,676	5,000
Buses and Support Facilities	25,676	39,647	65,323
Development Fund	0	1,000	1,000
General Contingency	0	5,000	5,000
Total Expenditures	46,033	110,918	156,951

\* METRO funding includes sales tax income, interest income and capital reserve:

1.	Sales Tax	56,448
2.	Interest	39,010
3.	Capital Reserve	<u>15,460</u>
	Total	110,918

All data in year-of-expenditure dollars

## **METRO Program Statistics**

OPERATING LEVELS (000'S OMITTED)           Annual Ridership         Transit Passenger Boardings           Local         68,194         70,450         71,662           Park & Ride         5,441         5,802         5,897           METROLift         484         549         579           Charter         274         81         62           Total Transit         74,393         76,882         78,200           Carpools/vanpools on transitways         3,745         4,449         5,315           Total Annual Ridership         78,138         81,331         83,515           Transit Passenger Trips         54,830         56,537         57,400           Transitway Passenger Trips         2,453         3,378         4,480	FY1990 RECOMMENDE BUDGET
Transit Passenger Boardings       68,194       70,450       71,662         Park & Ride       5,441       5,802       5,897         METROLift       484       549       579         Charter       274       81       62         Total Transit       74,393       76,882       78,200         Carpools/vanpools on transitways       3,745       4,449       5,315         Total Annual Ridership       78,138       81,331       83,515         Transit Passenger Trips       54,830       56,537       57,400         Transitway Passenger Trips       2,453       3,378       4,480	
Local       68,194       70,450       71,662         Park & Ride       5,441       5,802       5,897         METROLift       484       549       579         Charter       274       81       62         Total Transit       74,393       76,882       78,200         Carpools/vanpools on transitways       3,745       4,449       5,315         Total Annual Ridership       78,138       81,331       83,515         Transit Passenger Trips       54,830       56,537       57,400         Transitway Passenger Trips       2,453       3,378       4,480	
Park & Ride       5,441       5,802       5,897         METROLift       484       549       579         Charter       274       81       62         Total Transit       74,393       76,882       78,200         Carpools/vanpools on transitways       3,745       4,449       5,315         Total Annual Ridership       78,138       81,331       83,515         Transit Passenger Trips       54,830       56,537       57,400         Transitway Passenger Trips       2,453       3,378       4,480	74.026
METROLift Charter Charter Total Transit       484 274 81 62 78,200         Total Transit       74,393 76,882 78,200         Carpools/vanpools on transitways       3,745 4,449 5,315         Total Annual Ridership       78,138 81,331 83,515         Transit Passenger Trips       54,830 56,537 57,400         Transitway Passenger Trips Carpools       2,453 3,378 4,480	74,036 6,112
Total Transit       74,393       76,882       78,200         Carpools/vanpools on transitways       3,745       4,449       5,315         Total Annual Ridership       78,138       81,331       83,515         Transit Passenger Trips       54,830       56,537       57,400         Transitway Passenger Trips       2,453       3,378       4,480	594
Carpools/vanpools on transitways       3,745       4,449       5,315         Total Annual Ridership       78,138       81,331       83,515         Transit Passenger Trips       54,830       56,537       57,400         Transitway Passenger Trips       2,453       3,378       4,480	<u>58</u>
Total Annual Ridership       78,138       81,331       83,515         Transit Passenger Trips       54,830       56,537       57,400         Transitway Passenger Trips       2,453       3,378       4,480	80,800
Transit Passenger Trips 54,830 56,537 57,400  Transitway Passenger Trips 2,453 3,378 4,480	6,205
Transitway Passenger Trips Carpools 2,453 3,378 4,480	87,005
Carpools 2,453 3,378 4,480	59,300
V · 1	5,227
Vanpools 1,292 1,071 835 Buses 3,526 4,426 5,329	978 5,695
Buses <u>3,526</u> <u>4,426</u> <u>5,329</u> Total 7,271 8,875 10,644	<u> </u>
7,271 0,070 10,077	11,500
Average Weekday Ridership	
Transit 254 265 270	279
Carpools/vanpools on transitways151721	<u>25</u> 304
Annual Passenger Miles	,
Transit 420,042 437,663 443,600	460,400
Carpools/vanpools on transitways 29,324 39,438 45,600	<u>57,800</u>
Total Annual Passenger Miles 449,366 477,101 489,200	518,200
Annual Total Miles Operated 40,944 41,609 42,163	43,094
Annual Revenue Miles Operated 34,328 34,585 35,063	36,111
AVERAGE DAILY TRANSITWAY UTILIZATION	
People Carried on Transitways Peak Hour 7.283 8.617 10.407	11 252
Peak Hour 7,283 8,617 10,407 Total Day 28,697 34,845 41,953	11,353 45,768
Equivalent Freeway lanes 2.2 2.1 1.6	1.7
Vehicles Utilizing Transitways	
Peak Hour 1,302 1,625 2,165	2,362
Total Day 5,634 7,165 9,220	10,058
Percent of Transitway Capacity 46.5% 47.8% 38.7%	42.2%
AUTHORIZED POSITION SUMMARY	
Number of Positions:	0.740
Full-Time 2,773 2,747 2,828 Apprentices 107 90 84	2,742 62
Part-Time 58 134 150	145
Total 2,938 2,971 3,062	2,949
Operator Absenteeism 5.9% 5.9% 6.0%	

## **METRO Program Statistics**

	FY1987 ACTUAL	FY1988 ACTUAL	FY1989 ESTIMATE	FY1990 RECOMMENDE BUDGET
PRODUCTIVITY & COST EFFECTIVENESS (In constant 1988 dollars, including depreciation) Cost/Passenger Mile-Transit	39.7¢	37.5¢	36.6¢	25.04
	·	·	•	35.0¢
Cost/Passenger Mile-Carpools/Vanpools on T'way	10.0¢	7.8¢	10.1¢	8.4¢
Subsidy/Passenger Mile-Transit	31.6¢	29.6¢	28.2¢	26.5¢
Cost/Revenue Mile-Bus Transit	\$4.85	\$4.75	\$4.62	\$4.46
Fare Recovery Ratio-Transit	20.5%	21.0%	22.9%	24.2%
Vehicle Capacity Utilization	23.3%	24.2%	24.4%	25.1%
Operating Subsidy as a % of Sales Tax Income	84.3%	78.7%	74.5%	71.8%
SERVICE QUALITY On-time Performance	98.2%	97.8%	97.8%	98.0%
Miles Between Road Calls	11,062	11,325	13,500	12,000
Vehicle Accidents/100,000 Total Miles	2.2	2.1	2.1	1.9
Complaints/100,000 Passenger Boardings	17.9	19.2	18.0	15.0
Police Incidents/100,000 Passenger Boardings	4.3	5.1	5.5	5.0
EQUIPMENT & FACILITIES  Peak-Hour Vehicles:     METRO-Operated     Contractor-Operated: Local     Contractor-Operated: Park & Ride     METROLift Contract-Operated: Park & Ride     Total	701 6 74 <u>59</u> 840	736 8 79 <u>59</u> 882	725 0 94 <u>64</u> 883	705 58 95 <u>64</u> 922
Number of Park & Ride Facilities	19	19	21	21
Number of Transit Centers	2	6	6	8
Number of Passenger Shelters	586	768	918	1,018
Completed Transitway Miles	20.6	36.6	36.6	47.1
Cumulative Expenditures - General Mobility Grants to Local Government (\$000)	\$30,281	\$66,479	\$106,634	\$161,346