

METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS

FY2019 BUSINESS PLAN & BUDGET BOOK



MOVING FORWARD TOGETHER

Mission Statement

"Provide safe, clean, reliable, accessible and friendly public transportation services to our region."

Board of Directors

Carrin F. Patman
Chair

Jim Robinson
First Vice-Chair

Cindy Siegel
Second Vice-Chair

Troi Taylor
Secretary

Lisa Castañeda

Don Elder, Jr.

Lex Frieden

Terry Morales

Sanjay Ramabhadran
(Ram)

President & Chief Executive Officer

Thomas C. Lambert

September 5, 2018

Carrin F. Patman
Chair of the Board
Metropolitan Transit Authority

Dear Ms. Patman:

Please find the attached proposed FY2019 Business Plan & Budget for METRO, which includes the Operating, Capital, and Debt Service Budgets, as well as the transfer to the General Mobility Program.

Section 451.102 of the Texas Transportation Code requires the Board of Directors of the Metropolitan Transit Authority of Harris County to adopt an annual budget which specifies major expenditures by type and amount prior to commencement of a fiscal year. In accordance with the code, we have prepared the proposed FY2019 Business Plan & Budget for the Board's consideration at its September meeting.

The annual budgets represent the maximum annual expenditure authorized by the Board to fund METRO's FY2019 Business Plan. In accordance with Board-approved procedures, it is recommended that the Board adopt the following budgets for the Metropolitan Transit Authority of Harris County for Fiscal Year 2019 (October 1, 2018 – September 30, 2019).

Operating Budget	\$ 626,210,000
Capital Budget	\$ 285,967,000
Debt Service Budget	\$ 104,171,000
Transfer to the General Mobility Program	\$ 180,008,000

A Public Hearing on the proposed FY2019 Business Plan & Budget is scheduled to be held at noon on Tuesday, September 19, 2018, in the Second Floor Board Room of the METRO Administration Building. The proposed FY2019 Business Plan & Budget is scheduled for approval by the Board at the regular September meeting scheduled Thursday, September 27, 2018.

Sincerely,



President & Chief Executive Officer



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Metropolitan Transit Authority of Harris County
Texas**

For the Fiscal Year Beginning

October 1, 2017

Christopher P. Morrell

Executive Director

Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Metropolitan Transit Authority of Harris County, Texas for its Annual Budget for the fiscal year beginning October 1, 2017. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

A RESOLUTION

APPROVING THE FISCAL YEAR 2019 BUSINESS PLAN & BUDGET, AND MAKING FINDINGS AND PROVISIONS RELATED TO THE FOREGOING SUBJECT

WHEREAS, Section 451.102(a) of the Texas Transportation Code requires that the Metropolitan Transit Authority of Harris County, Texas ("METRO") Board of Directors adopt an annual budget of all major expenditures by type and amount prior to the expenditure of any funds in the fiscal year to which the budget applies; and

WHEREAS, Section 451.102(b) of the Texas Transportation Code also requires that METRO hold a public hearing prior to adoption of a budget and make such budget available for public review at least fourteen (14) days before the hearing date; and

WHEREAS, in compliance with the statutory requirements cited above, METRO has made its proposed Fiscal Year 2019 Business Plan and Budget available to the public within the requisite timeframe and has held a public hearing regarding such budget; and

WHEREAS, the METRO Board of Directors ("Board of Directors") has reviewed such proposed budget for Fiscal Year 2019 and has considered the public comments thereon.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. The Board of Directors hereby finds and declares that METRO's Fiscal Year 2019 Business Plan & Budget includes the appropriate strategic priorities, operating principles and organizational structure necessary to implement the Board of Directors' policies for METRO and that the prerequisites required by law for the consideration and adoption of the Fiscal Year 2019 Business Plan & Budget have been satisfied.

Section 2. The Board of Directors hereby approves and adopts the Fiscal Year 2019 Business Plan & Budget submitted by the President & CEO.

Section 3. The Board of Directors hereby approves and adopts an Operating Budget for Fiscal Year 2019 totaling \$626,210,000.

Section 4. The Board of Directors hereby approves and adopts a Capital Budget for Fiscal Year 2019 totaling \$285,967,000.

Section 5. The Board of Directors hereby approves and adopts a General Mobility Transfer Budget for Fiscal Year 2019 totaling \$180,008,000.

Section 6. The Board of Directors hereby approves and adopts a Debt Service Budget for Fiscal Year 2019 totaling \$104,171,000

Section 7. The Board of Directors will receive reports at least quarterly on budgetary expenditures and fund availability as may occur subsequent to the beginning of Fiscal Year 2019.

Section 8. This Resolution is effective immediately upon passage.


I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.


Cydonii Fairfax
Executive Vice President & General Counsel

PASSED this 27th day of September, 2018
APPROVED this 27th day of September, 2018

ATTEST:


Recca Perry
Assistant Secretary


Carrin F. Patman
Chair

Summary of Contents

EXECUTIVE SUMMARY

An outline of the Authority's fiscal priorities and financial highlights

PREFACE

A summary of METRO's Board of Directors, Executive Leadership Team, the Authority's history and a description of the region with economic highlights

OVERVIEW

METRO's service and ridership, workforce by department, budget summary, and year-to-year budget comparisons

FINANCIALS

Explains the Authority's basis of budgeting, its Operating and Capital budgets, plus its plans for the General Mobility Program and Debt Service

ORGANIZATION CHART

Shows METRO's departmental structure

DEPARTMENT SUMMARIES

Descriptions of departments, including their organizational charts, budgets, goals, strategies, and key performance indicators

APPENDIX

Includes relevant organizational policies and procedures, comparative statistics, supplemental demographic and economic data, a list of approved positions, a glossary of terms, and a list of acronyms

Table of Contents

<u>Executive Summary</u>	10
<u>Preface</u>	20
Board of Directors	22
Executive Leadership Team.....	31
Overview of the Region and Service Area.....	32
Recent Economic Highlights	33
<u>Overview</u>	34
Service Summary	34
Projected Ridership	39
Workforce by Department.....	41
Authority Budget Summary	42
FY2018, FY2019 Budget-to-Budget Comparisons.....	44
<u>Financials</u>	45
Development Guidelines.....	45
Basis of Budgeting	46
Net Summary	49
Five Year Sources and Uses Summary.....	55
Revenues	58
FY2019 Budget Planning	64
Operating Budget	67
Capital Budget	70
METRORail Completion Program	72
Capital Improvement Program.....	75

Universal Accessibility Projects.....	77
Safety Projects	82
State of Good Repair Projects.....	88
Enhancements to Existing Assets Projects.....	100
Service Expansion/New Projects.....	105
Debt Service Budget	113
General Mobility Program.....	119
 <u>Organization Chart</u>	 122
 <u>Department Summaries</u>	 123
Executive Office	126
Operations, Public Safety, and Customer Service.....	129
Administration	149
Planning, Engineering, and Construction	159
Communications	165
Finance.....	173
Government and Public Affairs	185
Legal	194
Audit.....	199
Office of Innovation	202
Non-Departmental and Contingency	206
 <u>Appendix</u>	 207
Budget Change Policy.....	208
Debt Policy	210
Investment Policy	213
Fuel Policy	229

Capitalization Guidelines..... 232

Capital Project Ranking Criteria 236

Comparative Statistics 237

Demographic Statistics 239

FY2019 Budgeted Positions..... 240

Historical and Projected Sales Tax Rates and Revenues 254

Glossary 255

List of METRO Acronyms and Abbreviations 258

Executive Summary

Fiscal Year 2018 began with METRO completing the restoration of service after Hurricane Harvey, repairing damage to vehicles and facilities, and helping many of our region's residents adjust to changes in living quarters and transportation. Those efforts did not go unnoticed; in May, the American Public Transportation Association (APTA) named METRO the 2018 winner of the Bus Security Gold Award for transit agencies with more than 20 million annual passenger trips. APTA chose METRO due to its response to Hurricane Harvey, including:

- Transporting more than 15,000 displaced residents to emergency shelters.
- Strategic planning and nimble response, which allowed METRO to deploy buses back onto routes five days after the storm hit.
- Around-the-clock communications efforts that resulted in a total of 17 news releases, 842 Twitter posts, 257 Facebook posts and 104 service alerts.
- Providing free rides to students after Harvey.

But it wasn't just a year of rebuilding; METRO prepared for the future as well. Through the METRONext long range planning effort, METRO staff listened to residents throughout the region about what services they would like for their communities and then worked to propose plans that meet regional needs, yet still fit within fiscal constraints. Now that the draft METRONext Vision and Moving Forward Plans have been released, incorporating the public's contributions from FY2018, METRO will commence the second phase of public engagement to obtain feedback on the proposed plans in FY2019.

METRO continues to lead in the conversation around innovation in the transit industry. As Chair of Team Houston, a partnership of the region's mobility stakeholders, METRO is partnering with the City of Houston and Texas Southern University's (TSU) Center for Transportation Training & Research to create our region's first autonomous vehicle (AV) program. In addition to METRO, Team Houston consists of the Texas Department of Transportation-Houston District, the City of Houston, Port of Houston, Harris County, Houston-Galveston Area Council, University of Houston and the Texas Medical Center. Team Houston will continue to evaluate potential opportunities for emerging technology and new services. METRO will also capitalize on best practices in mobility as it recently joined two Smart City coalitions, the City of Houston Mobility Working Group and Houston's new innovation effort, Houston Exponential.

Later in FY2019, students, faculty, and visitors will be able to hop on a shuttle traversing the mile-long Tiger Walk pedestrian area on TSU's campus. The AV pilot program will be evaluated and, if successful, will eventually connect with METRORail's Purple Line, the University of Houston main campus, and the METRO Eastwood Transit Center.

***"Through innovation and collaboration, our team works each day
to improve and expand multi-modal services to the public."***

– Thomas C. Lambert, President & CEO

*“The most important role of a leader is to set a clear direction,
be transparent about how to get there, and to stay the course.”*

– Irene Rosenfeld, former CEO of Mondelēz International

FY2019 Priorities

In FY2019, METRO will continue the course set by our Board of Directors in FY2018 by adhering to the same priorities:

- Attaining Universal Accessibility
- Improving the Customer Experience
- Investing in Enhanced Safety
- Improving Security
- Maintaining a State of Good Repair
- Planning for the Future
- Marketing Our Service

With these priorities in mind, each department of the Authority has examined its individual projected expenditures for FY2019 from the ground up. This budgeting approach focuses our resources to help ensure that we are best prepared to move METRO forward during this upcoming year. The following pages list investments that METRO will make relating to each of the seven priorities, while the Department Summaries section includes each department’s goals and strategies that fall under one or more of the budget priorities. Budgeted and estimated year-end investments for FY2018 are included in that section to present context for the FY2019 totals.

Detailed financial information from previous years can be found in METRO’s Comprehensive Annual Financial Reports (CAFR), which are in the Financial and Audit information section on METRO’s website, RideMETRO.org. Current financial information is posted in the same section in the form of monthly and quarterly financial reports as well as METRO’s check register. This commitment to financial transparency has enabled METRO for the past seven years to receive the Transparency Star from the Texas Comptroller of Public Accounts.



“Universal design needs to be an active part of the design process.

Accessibility cannot be an afterthought.”

– Roberto Treviño, EVP - Planning, Engineering, & Construction

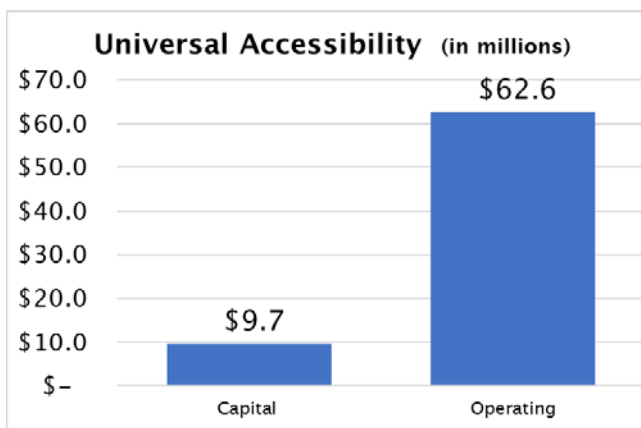
Universal Accessibility



At METRO, we know it’s not enough to provide a fleet of accessible buses and trains if our riders can’t get to the bus stop or rail station to board them. That’s why we’re continuing our investments in Universal Accessibility, including adding bus shelters and improving bus stops, sidewalks, and public facilities. METRO’s bus stops have already been evaluated for compliance with the Americans with Disabilities Act (ADA).

In FY2019, METRO will continue to upgrade the highest-priority bus stops to meet the current ADA standards. METRO plans to install new, weatherproof signage to help customers find their way when using the METRO system.

Our METROLift paratransit service continues to provide transportation for customers who are unable to use our fixed-route service for all or a portion of their trips. As the regional population ages, we expect that more residents will need our services. The graph and table below list the investments METRO will make in FY2019 to help achieve Universal Accessibility throughout the transit system.



Capital Budget:

	\$ in millions
Tier 1 Bus Stop ADA Compliance	4.6
New Bus Shelters	2.9
Accessibility Enhancement at Public Facilities	0.2
Bus Stop Signage Upgrade	1.3
First & Last Mile Universal Accessibility Program	0.7
	<u>9.7</u>

Operating Budget:

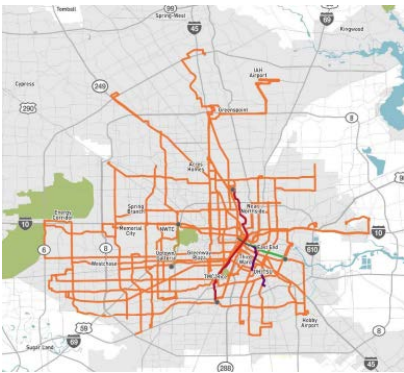
	\$ in millions
METROLift	62.5
Concrete, Sidewalk, Bus Shelters & Rail Platform Repairs	0.1
	<u>62.6</u>

Total \$ 72.3



"Customer service is everyone's job at METRO." – Russ Frank, VP - Customer Service

Customer Experience

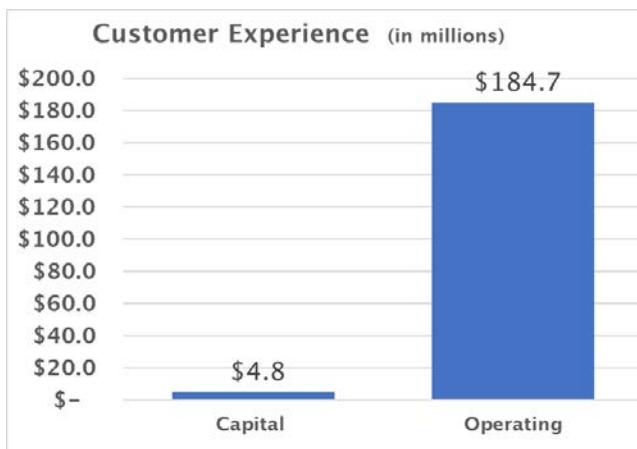


At METRO, every employee is engaged in customer service, and whether our jobs involve turning a steering wheel, a wrench, or a page, we are "one METRO." That's the message that all employees will receive in FY2019 – a reminder that everyone has customers counting on them to provide good service. Good service from our employees leads to good experiences for our riders and for everyone who interacts with METRO.

However, providing a quality experience for our customers requires more than just a friendly face or a helping hand. Surveys consistently show that fast, reliable transit service is the top priority for customers. FY2019's BOOST (Bus Operations Optimized System Treatments) Network will help get them there. This toolbox of initiatives, which includes bus-only lanes, relocating bus stops, and giving buses and trains priority at traffic signals, will improve speed and reliability on high frequency, high ridership bus routes (shown in orange on the draft map to the left).

Other initiatives will also make using transit safer and less complicated. Bluetooth technology will use pedestrians' mobile phones to alert them that a train is approaching and will help visually-impaired customers locate bus stops. The next phase of mobile ticketing will provide even more riders with a RideStore in their pockets.

The graph and table below list the major investments METRO will make in FY2019 to help improve our customers' experience.



Capital Budget:

	\$ in millions
BOOST Corridors	2.7
Bluetooth Proximity Alert System (BPAS)*	1.0
Mobile Ticketing	0.5
Westheimer Enhanced Bus Service	0.4
Bluetooth Beacons *	0.2
	<u>4.8</u>

* Includes technology to improve accessibility for disabled community.

Operating Budget:

	\$ in millions
Bus & Rail Transportation	161.5
Vanpool	11.3
Customer Service	4.8
Government & Public Affairs	4.5
Service Planning & Scheduling	2.6
	<u>184.7</u>

Total \$ 189.5

"Safety is a priority for all of us at METRO.

It's something we're focused on every day." – Sean Cagan, Chief Safety Officer

Safety



METRO has budgeted both capital and operating funds to reduce accidents and incidents impacting passengers and employees. METRO's capital investments focus primarily on METRORail safety, while our operating investments benefit users of all transit modes. Safety education remains a focus in FY2019. For example, METRO will continue its partnerships with Operation Lifesaver and the Kailee Mills Foundation and will begin working with the Boy Scouts of America to promote rail and traffic safety. The graph and table below list the major investments METRO will make in FY2019 to improve safety on our transit system.



Capital Budget:

\$ in millions

Traffic Signal Arms on Main St.	2.7
Sunset Reconstruction	2.0
Quad Gates at Wheeler & U of H *	1.8
Rail Simulator	1.7
Audible Pedestrian Signals on Red Line	1.4
Rail Alignment Fencing*	0.8
Bluetooth Proximity Alert System	1.0
Pavement Markings	1.0
Shared Lanes at TMC, Capital & Rusk	0.8
Red Line Signal Timing Optimization Project	0.7
LRV Cab Cameras	0.6
Pre-Signals or Signal Timings	0.4
Rail Signage Upgrades	0.4
LED Backplates on Traffic Signals	0.3
Automatic Wayside Horns	0.2
Automatic Pedestrian Gate	0.2
<i>*included in METRORail Completion budget</i>	16.0

Operating Budget:

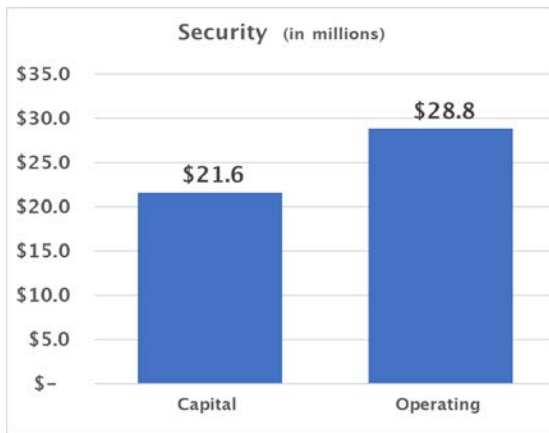
\$ in millions

Safety Department	9.3
Bus & Rail Training	2.6
Rail Safety Program	1.3
<i>*\$0.6M shown as part of the Rail Safety Program</i>	13.2
<i>**includes \$0.6M from the Safety Department budget</i>	

Total \$ 29.2

"We remain dedicated to providing high-quality police services to reduce crime on the transit system and improve mobility throughout the METRO service area." – Vera Bumpers, Chief of Police

Security



"Security" commonly refers to the absence or perception of the absence of crime. Certainly, METRO's investment in its own police department, including the plan to hire additional officers, will contribute greatly to security improvements. Additionally, updates to the Northwest and Magnolia Transit Centers will improve lighting, visibility, and reduce the likelihood of crime according to the principles of Crime Prevention Through Environmental Design. The graph and table below list the major investments that METRO will make in FY2019 to enhance security on the transit system.

Capital Budget:

\$ in millions

Northwest Transit Center	
Reconfiguration & Parking Upgrade	17.9
Magnolia Transit Center Expansion	3.7
	<hr/>
	21.6

Operating Budget:

\$ in millions

METRO Police Department	26.5
Security Services	2.3
	<hr/>
	28.8

Total \$ 50.4

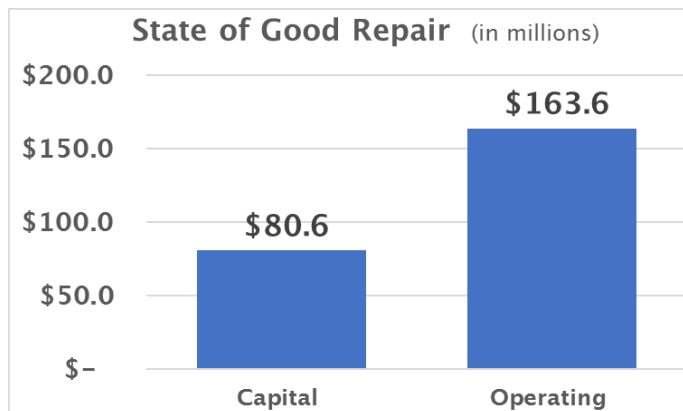


"Helping transit agencies maintain bus and rail systems in a State of Good Repair is one of FTA's highest priorities." – Federal Transit Administration website, transit.dot.gov

State of Good Repair



Sustaining a State of Good Repair (SOGR) includes keeping all types of vehicles up-to-date with maintenance and replacement parts, while buying new vehicles as needed. Keeping our physical plant in good repair, such as the bus wash at the Northwest Bus Operating Facility (BOF), is another critical element of SOGR. METRO has been increasing its staff dedicated to SOGR in order to carefully monitor which facilities and vehicles will need to be prioritized for maintenance or replacement. The graph and table below list the major investments that METRO will make in FY2019 to maintain a State of Good Repair.



Capital Budget:*

	\$ in millions
Bus Replacements	39.2
Arboc Vans - Alternative Service	8.0
METROLift Vans	4.3
Light Rail System & Vehicle Upgrades	5.5
Engine & Transmission Assemblies	5.0
Red Line Rail Tie Upgrade	3.9
Data Center Management	3.7
Kashmere BOF Electrical System	3.3
Hybrid Bus Batteries	2.0
Northwest BOF Bus Wash	1.5
Network Upgrades and Management	1.3
Bus Axles	0.8
Hiram Clarke BOF Waste Water Rehab	0.7
Polk BOF Oil Water Separator System	0.6
Mission Bend Park & Ride Pavement Rehab.	0.5
Non-Revenue Vehicles - Heavy Duty Wreckers	0.3
<i>*excludes Committed/Non-Obligated Capital Project Fund</i>	80.6

Operating Budget:

	\$ in millions
Bus Maintenance	106.9
Facilities Maintenance Department	33.2
Rail Maintenance	22.8
State of Good Repair Division	0.7
	163.6

Total \$ 244.2

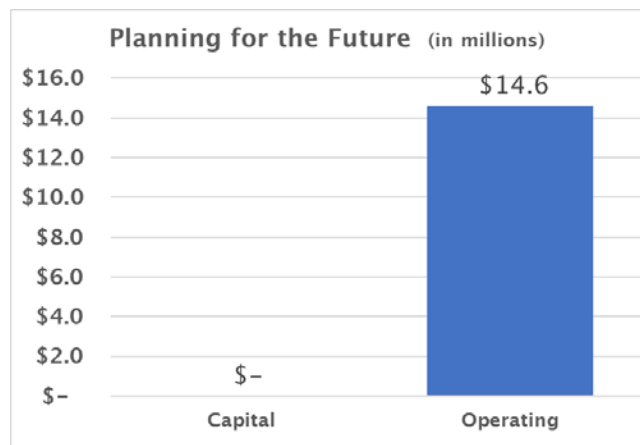
“Traffic congestion remains the dominating preoccupation throughout the region.”

– 2018 Kinder Houston Area Survey report, kinder.rice.edu

Planning for the Future



With the extension of the METRORail Red Line and the implementation of two new light-rail lines and a New Bus Network to provide faster, more reliable service, one might expect METRO to rest on its laurels. Instead, during our “METRONext” process we asked the community how it envisioned the future of METRO, then crafted a draft plan on how to get there. The next step in METRONext is to go back to the public to share our vision and see how it compares to the community’s own vision for the future of regional transit. To make it happen, METRO will partner with the Houston-Galveston Area Council, our member cities, and other regional transit providers to keep our region moving. The graph and table below list the major investments METRO will make in FY2019 to address planning for the future.



Operating Budget:

	\$ in millions
Long Range Plan (LRP) Development	3.3
Draft LRP Public Outreach	1.4
Final LRP Public Engagement & Education	4.6
Bond Referendum Education	3.4
Legal Expenses	1.9
Total	14.6



**IMPROVED BUS
SERVICE AND
BUS STOPS**



**RESILIENCY
PLANNING**



**PARTNERSHIP
PROJECTS**



**UNIVERSAL
ACCESSIBILITY**

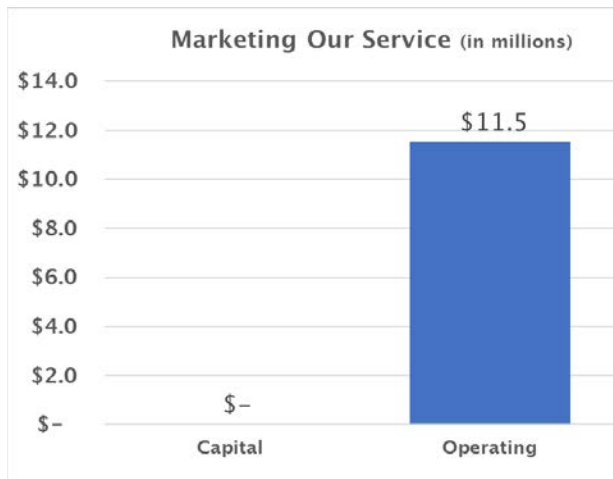
"Marketing's job is never done. It's about perpetual motion.

We must continue to innovate every day." – Beth Comstock, former vice-chair, General Electric

Marketing Our Service



At METRO, we think using transit is vital to the region, and we want everyone to know what we offer and how to use it. Our Communications Department uses new as well as traditional media to get the word out about our services. Our new podcast, "The Next Stop" lets current and future riders know what's going on at METRO and how to make their commute even better. The "Drive Less Do More" campaign promotes the benefits of transit use to "choice riders" who already have access to a vehicle. Partnerships with sports teams like the Houston Dynamo are another way to share our message, while our planned redesign of our website, RideMETRO.org, will make it easier for people to learn all about the services we offer. The graph and table below list the major investments METRO will make in FY2019 to address marketing our services.



Operating Budget:

Communications Department
(includes Marketing & Corporate
Communications, Press Office and
Social Media)

\$ in millions

11.5

Total \$ 11.5



Budget Highlights

The major highlights of METRO's FY2019 Business Plan and Budget are as follows:

- **The total FY2019 proposed Revenues available to METRO are \$926,880,000**, which represent a 10.6% increase compared to the FY2018 budget. This forecast is fiscally conservative and is mainly driven by an increase in projected sales tax revenues resulting from economic growth, an increase in grant revenue due to additional capital spending, and additional bond proceeds. There will be no increase in fixed-route fares.
- **The total FY2019 proposed Operating Budget is \$626,210,000**, which represents a 1.0% increase over the prior year's budget. Labor costs are the main factors contributing to this growth, which include increased health care costs, higher union wages resulting from the new labor agreement, and 46 new positions.
- **The total FY2019 proposed Capital Budget is \$285,967,000**, which represents an overall increase of 31.3% over the FY2018 budget. This increase is mainly due to an 81.2% increase in METRORail Completion spending, which includes the purchase of light rail vehicles. There is also a 15.9% increase in capital spending, including Universal Accessibility, safety, security, and State of Good Repair projects.
- **The total FY2019 proposed Debt Service Budget is \$104,171,000**, which represents a 7.4% increase from the prior year's budget due to additional debt issuances.
- **The total FY2019 proposed transfer to the General Mobility Program is \$180,008,000**, which represents an increase of 1.8% from the FY2018 budget. This reflects the Authority's implementation of the voter-mandated referendum on General Mobility, which was held on November 6, 2012. The referendum continues General Mobility funding to member jurisdictions based on sales tax revenues set at the end of September 2014, with any growth in sales tax above that amount split 50/50 with member jurisdictions through December 31, 2025.
- **The total FY2019 proposed workforce is 4,275**, a net increase of 46 positions. Most of these new positions will directly support METRO's service or increase system security.

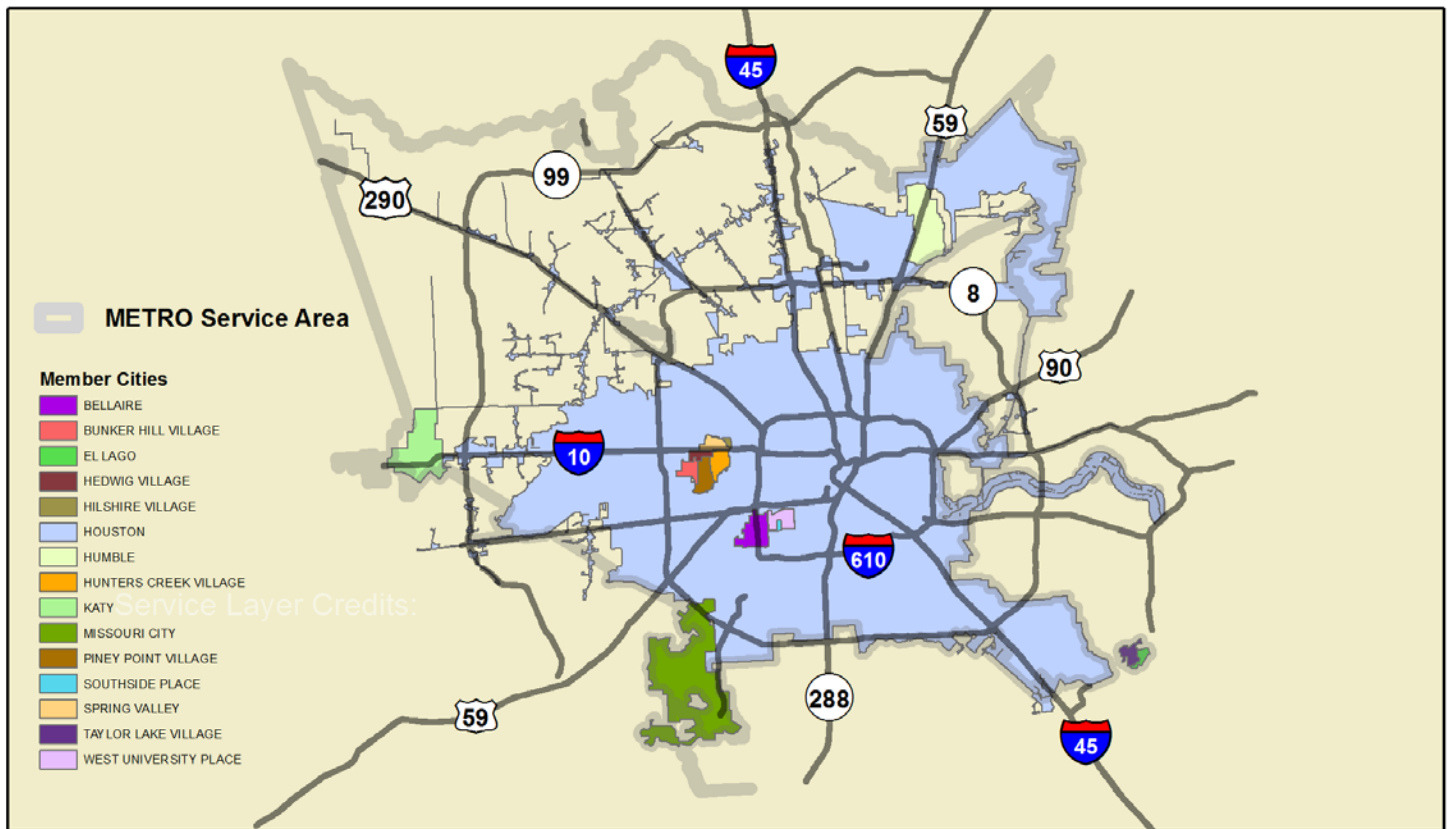
We look forward to working with the Board and our regional partners to move forward into FY2019 together.

"If everyone is moving forward together, then success takes care of itself." – Henry Ford



Preface

The Metropolitan Transit Authority of Harris County, Texas (the “Authority” or “METRO”) is a metropolitan rapid transit authority created pursuant to legislation now codified as Chapter 451, Texas Transportation Code, as amended, and was confirmed at a confirmation and tax election held on August 12, 1978. METRO serves approximately 3.6 million people in an area spanning 1,303 square miles. This area includes the cities of Houston, Bellaire, Bunker Hill Village, El Lago, Hedwig Village, Hilshire Village, Humble, Hunters Creek Village, Katy, Missouri City, Piney Point Village, Southside Place, Spring Valley Village, Taylor Lake Village, and West University Place, in addition to significant portions of unincorporated Harris County. METRO is funded primarily from a one-percent sales tax collected on taxable transactions within the service area. Retaining just over 75% of the tax, METRO transfers the remainder to the General Mobility Program (GMP), which funds eligible construction projects in METRO’s constituent entities. More information on METRO’s revenues and the GMP can be found in their respective sections in this document.



METRO's Governing Principles

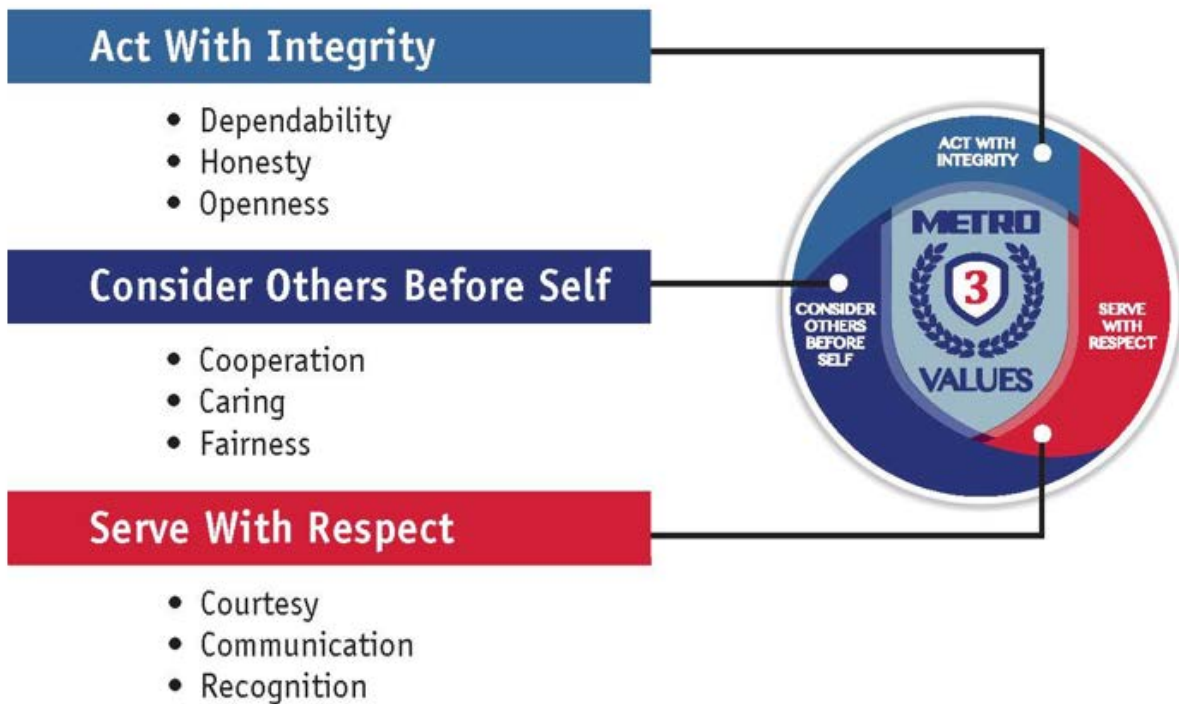
Mission

To provide safe, clean, reliable, accessible and friendly public transportation services to our region.

Vision

Through collaborative relations and innovative approaches, METRO will be an industry leader in delivering timely and efficient service that is transformative by providing multi-modal interactions for communities to connect to everyday work and life opportunities.

Values



Board of Directors

The Board of Directors has nine members. Five are nominated by the Mayor of Houston and confirmed by Houston City Council (C). Two are appointed by the mayors of METRO's 14 other member cities (M). Two are appointed by the Harris County Commissioners Court (H).



Carrin F. Patman, Chair (C)

Carrin Patman is chair of the Metropolitan Transit Authority of Harris County. She is METRO's first woman chair, appointed in 2016 by Mayor Sylvester Turner. She previously served on the Board from 2010 to 2013.

Carrin was a partner of Bracewell where for three decades she worked as a trial lawyer representing diverse clients in major litigation involving commercial disputes, securities matters, antitrust and competition issues, and regulatory compliance. She was the first woman elected to the firm's seven-member Management Committee. Carrin retired from Bracewell in 2016.

Carrin graduated from Duke University (with honors) and from the University of Texas School of Law (Texas Law Review).

In 2014, Carrin completed a year-long Advanced Leadership Fellowship at Harvard University. One area of focus concerned transportation (including urban transit) and infrastructure. She is also an American Leadership Forum Senior Fellow (Class XXIX).

Carrin's civic involvement reflects her passion for community service. Currently, she is on the University of Texas Health Science Center at Houston Development Board. She is a founding board member of the Center for Women in Law at the University of Texas School of Law and a senior trustee of the UT Law School Foundation.

Some prior activities include serving as a board or executive committee member of the Houston Center for Contemporary Craft, Legacy Community Health Services Endowment, Texas Appleseed, Girls Inc. of Greater Houston and Sheltering Arms Senior Services. Carrin was vice chair of the Houston Bar Foundation, and former president of the University of Texas Law Alumni Association and UT Law Review Association.

Carrin has chaired or co-chaired fundraising events for worthy causes, including for Interfaith Ministries of Greater Houston, American Leadership Forum, the Texas Defender Service, the Houston Area Women's Center, Girls Inc. of Greater Houston, the Houston Center for Contemporary Craft, and the Houston School for Deaf Children (now the Center for Hearing and Speech).

Carrin's awards for professional achievements and community service include becoming the first woman to receive the Karen H. Susman Jurisprudence Award, given by the Anti-Defamation League Southwest Region. In 2000, she was selected as a Woman on the Move by the Houston Chronicle, Channel 11 and Texas Executive Women. In 2012, she was inducted into the Greater Houston Women's Chamber of Commerce Hall of Fame.

**Jim Robinson, CFE, First Vice-Chair (H)**

Jim Robinson, who represents Harris County on the METRO Board of Directors, is senior director of special projects in Harris County's Budget Management Department. He previously served 23 years as chief appraiser of the Harris County Appraisal District, has been executive director of the Texas State Property Tax Board, and a member of the director's staff in the Texas Department of Public Safety.

While with the Texas DPS, he also served as an adjunct faculty member in criminal justice at Southwest Texas State University (now Texas State University).

Robinson began his career as a broadcaster in Houston and Austin, and while still a college student was one of the original owners of what is now Majic 102 FM. He also worked as a correspondent for the Houston Chronicle.

He holds BS and MA degrees from Sam Houston State University and has done work toward a doctorate in traffic safety education at Texas A&M University. He also graduated from the National Security Management Program of the Industrial College of the Armed Forces (National Defense University).

Robinson served 27 years as a citizen-soldier and retired as commanding general of the Texas State Guard. He holds numerous military awards and decorations including the Lone Star Distinguished Service Medal and the Texas Medal of Merit.

While living in the Austin area, he was elected to the Round Rock Independent School District Board of Trustees and served as board president. His civic and professional activities include assisting the Houston SPCA with equine rescues, membership in the National Guard Association of Texas, service as a reserve captain for Harris County Constable Pct. 1, and prior service as chief of reserve deputies for Harris County Constable Pct. 3. He has been president of the Texas Association of Appraisal Districts, metropolitan jurisdiction chair for the International Association of Assessing Officers, and vice chair of the police public information section of the International Association of Chiefs of Police. He represents METRO on the board of directors of the Gulf Coast Rail District, is vice president of the board of directors of Harris County Municipal Utility District 457, and represents Harris County as a member of the board of directors of the Harris County Appraisal District.

For his pioneering support of the nation's emergency managers' weather information network, the National Weather Association presented him its Walter J. Bennett Public Service Award.

In 2010, while serving as chief appraiser of the Harris County Appraisal District, the Houston Press recognized him as Houston's Best Bureaucrat, citing him for his "remarkable job making the agency as transparent and user-friendly as can be," and for "always making himself available to the media to explain what's happened when something goes wrong, and looking further if need be."

He is a Registered Professional Appraiser in the state of Texas, a Master Peace Officer, and a Certified Fraud Examiner.

**Cindy Siegel, Second Vice-Chair (M)**

Cindy Siegel joined the METRO Board of Directors in March 2012 after being appointed by the mayors of the 14 Multi-Cities in the METRO service area.

Ms. Siegel is a Certified Public Accountant with almost 30 years of experience. She owns a public accounting firm, Cynthia Siegel, CPA, that provides accounting and tax services for small businesses and individuals. Prior to starting her accounting firm in 1991, Ms. Siegel worked at JPMorgan Chase Bank (formerly Texas Commerce Bank) in the trust department as Vice President of Tax Reporting for the Corporate Taxable Bond Division.

She started her accounting career at Arthur Andersen & Co. in 1983 followed by tenure at a local Houston firm and Ernst and Young LLP. Ms. Siegel is a member of the American Institute of CPAs, the Texas Society of CPAs, and the Houston Chapter of CPAs.

Ms. Siegel served as Mayor of Bellaire for eight years from 2004 until January 2012. Prior to serving as Mayor, she served on Bellaire City Council as a councilman from 1998 until her election as mayor. She also has served on the Bellaire Planning and Zoning Commission and was Chairman of the Bellaire Parks and Recreation Advisory Board and Bellaire's representative to the Houston-Galveston Area Council General Assembly.

Ms. Siegel has been an active volunteer for various organizations serving children and the elderly in the community. Currently, Ms. Siegel serves as a board member of the Julia C. Hester House, the Senior Resource Directory Board, the Evelyn's Park Conservancy, Patrons for Bellaire Parks and the Nature Discovery Center's Advisory Board. She is a past member of the Aged and Disability Advisory Board to the Texas Department of Human Services and a prior board member and officer for the Houston Alzheimer's Association and the Texas Coalition of Alzheimer's Associations and a past board member of the Nature Discovery Center. Ms. Siegel has also served on the Board of Trustees for Duchesne Academy of the Sacred Heart. She is also a graduate of the American Leadership Forum Class XXVIII. In 2009, Ms. Siegel was selected as one of the Houston 50 Most Influential Women by the Houston Woman Magazine.

Ms. Siegel has a Bachelor of Science degree in Business from Kansas State University and a Masters in Business Administration specializing in accounting and finance from the University of Houston.



Troi Taylor, Secretary (C)

At age 34, Troi Taylor – President, along with his wife, Kelley Taylor – CEO, started Taylor Construction Management (TCM) – a facilities project management consulting firm. In five years, the company grew from one to twelve associates. TCM is currently responsible for managing more than \$1B in active construction projects in Texas alone. The company maintains a strong presence in Mainland China and has an expanding office in Dallas, Texas. Troi is passionate about project management because he connects the mega capital improvement assignments down to the simplest components: people must understand the big picture and be motivated to exceed their own expectations. His dedication and success has garnered acclaim on national and international platforms.

Troi received a Bachelor of Science degree in Chemical Engineering from Prairie View A&M University. He received an MBA degree from the University of Houston-Victoria. Troi is a native Houstonian – graduating from Milby Sr. High School in the Houston ISD.

Under the leadership of Kelley and Troi, TCM is currently managing projects across various industries: education, transportation, life science, and healthcare. Some of their noteworthy clients include Houston Independent School District, Texas A&M University System, Houston Airport System, Fort Bend County Toll Road Authority, and several others.

In addition to his METRO Board appointment by Mayor Sylvester Turner, Troi also serves on the Houston Mayor's Office of Business Opportunity (OBO) Advisory Board as well as on the Board of Directors for the Houston Minority Supplier Development Council (HMSDC).

Through philanthropy, diligence, and maintaining a spiritual compass, Troi has been recognized by several organizations in recent years:

- Emerging 10 Award (HMSDC) 2012
- Upstart Award (Greater Houston Black Chamber) 2013
- International Rising Star (International Trade Development Council) 2014
- Med-Week 2014 MBE Company of the Year
- Top 40 Under 40 Award (Houston Business Journal) 2015
- Minority Contractor of the Year (Houston Area Urban League) 2015.

Troi and Kelley live in Spring, Texas. They have two children: Joshua and Laila Taylor. He is an active presence in his neighborhood. He serves on the steering committee for the Scholar Athletes Amateur Athletes Union. Additionally, he is an active volunteer at Holy Trinity Episcopal School as well as the Star of Hope Homeless Shelter. Finally, Troi can often be found facilitating leadership discussions for at-risk inner-city youth at various Greater Houston school districts.

**Don Elder Jr. (M)**

Don Elder Jr. was raised on a rice farm and ranch in Katy, Texas, where his dad and two uncles farmed for over 33 years. Don graduated from Katy High School and attended Sam Houston State University where he received his Bachelor of Science and Master of Education degrees. Upon graduation, he was a professor at both Sam Houston and Hill College. At Hill College, he had his own local sports radio program and served as the athletic public relations director. Following teaching, Don worked in sales/marketing in the Ready-Mix business for over 30 years. He now owns Elder Consulting where he works with school and governmental entities.

Don served on the Katy Independent School District Board of Trustees for two terms. After that, he was elected to the Harris County Department of Education (HCDE) County Board. He served on this Board for ten years, two terms as president. He was on the Katy City Council for five years. He resigned from Katy City Council to run for Mayor and was elected May 12, 2007. He ran unopposed in the May 2009 election and was re-elected for a second term. The Mayor again ran unopposed in May 2011 and his term expired in 2013. The mayor's position in Katy is term-limited.

Don serves on the Talent Committee of the Economic Development Board as well as the Governing Board of the EDC. He has served on the Business Development Board of Sterling Bank and presently serves on the Development Board for Houston Community College (HCC). Some of Don's other community involvement, to name a few, are Past member of the Katy Athletic Booster Club; Past president of Katy High School Alumni Association; Honorary member of Katy FFA (Future Farmers of America), as well as other schools in the district; Member of the Katy FFA Sales Committee; Past member of Board of Directors for Katy Area A&M Club; Past president of Katy Area A&M Club; past member of Board of Directors for Katy FFA Rodeo Committee; Member of the 12th Man Foundation, Texas A&M University.

Don is married to Katy native Ida Faye Moore Elder. They have one son, Shane, who is married to Maddie. They live in Boerne, Texas. Don and Ida Faye are active members of the Katy First United Methodist Church. He enjoys hunting, visiting the Hill Country and attending Texas A&M and UTSA football games.

**Lex Frieden (C)**

Lex Frieden is Professor of Biomedical Informatics and Rehabilitation at The University of Texas Health Science Center at Houston (UTHealth) and he is adjunct Professor of Physical Medicine and Rehabilitation at Baylor College of Medicine. Mr. Frieden also directs the ILRU – Independent Living Research Utilization Program at TIRR Memorial Hermann in Houston. ILRU is a research, training and technical assistance program on independent living for people with disabilities and older adults.

Mr. Frieden has served as chairperson of the National Council on Disability, president of Rehabilitation International, and chairperson of the American Association of People with Disabilities. He is recognized as one of the founders of the independent living movement by people with disabilities in the early 1970s, and he was instrumental in conceiving and drafting the Americans with Disabilities Act (ADA) of 1990.

Mr. Frieden holds degrees in psychology from the University of Tulsa and the University of Houston and he has been awarded an honorary doctorate in law (LL.D.) by the National University of Ireland. He has received two Presidential Citations for his work in the field of disability.

Mr. Frieden is the author of more than 100 published contributions to the literature. He has given more than 1,000 lectures and presentations at events throughout the US and internationally.

Mr. Frieden is currently leading a national research study to evaluate the impact of the ADA and to identify population group disparities related to employment, transportation, housing and community living.

**Lisa Gonzales Castañeda, P.E. (H)**

Lisa Castañeda, P.E., is the deputy director for the Harris County Toll Road Authority (HCTRA). In her role in senior management, Ms. Castañeda is a key member of a leadership team which defines the vision for HCTRA's growth to ensure that regional, multi-modal mobility needs are addressed in a way that supports regional economic development, prioritizes resident and business safety and mobility, and strategically plans for system growth.

Ms. Castañeda is a graduate in Civil Engineering from Texas A & M University. She is experienced in toll systems technology, inter-operational and jurisdictional tolling capabilities.

Ms. Castañeda also has working design experience in highway, bridge, traffic, drainage, utility relocation, multi-modal transportation system development, right-of-way acquisition, and toll systems engineering. This background gives her a unique understanding of the needs and issues faced by the region's transportation and infrastructure agencies. In addition, Ms. Castañeda represents Harris County at the International Bridge, Tunnel and Turnpike Association, where she collaborates with tolling agencies to find solutions to emerging tolling issues.

Ms. Castañeda was selected as The Women's Transportation Seminar (WTS) Houston Woman of the Year in 2011. She is a member of the Tomball Memorial High School Athletic Booster Club, Canyon Pointe Elementary PTO, and Prince of Peace Catholic Community.

**Terry Morales (C)**

Terry Morales is a Senior Vice President and Corporate Banking Lender for Amegy Bank. She has built a new niche for the bank in the Quick Service Restaurant Industry, which today includes some of the top businesses and concepts in the U.S. Morales also focuses on large public and private companies whose revenues exceed \$200 Million. Morales is involved in various internal group activities such as the Amegy PAC, the Diversity & Inclusion Steering Committee, and the Amegy Women's Initiative Diverse Markets Committee.

Morales has been in the banking industry for 30+ years. She was previously with JPMorgan Chase-Retail Division in various management roles, which included managing multi-site branches and was a Small Business Team Lead for the North Houston territory.

Morales has a BBA in Finance from the University of Houston and is a graduate of the JP Morgan Chase (Small Business Sponsored) Credit Training Program in New York City. In addition, she is a graduate of Leadership Houston, the Center for Houston's Future, and is a Senior Fellow of the American Leadership Forum Class XXXIV. Morales is a native Houstonian and grew up in Houston's East End.

Other affiliations and recognitions include:

- Board Member – Houston Cinema Arts Society
- Board Member – American Leadership Forum
- Past Board Member and President – University of Houston Friends of Women Studies
- Past Board Member – Harris County Child Protective Services
- Past Board Member and Treasurer – Land Assemblage Redevelopment Authority
- Past Board Member – Harris County Finance Corporation
- Past Board Member – Inprint
- Past Board Member – Houston BARC Foundation
- Past Board Member – Houston Hispanic Chamber of Commerce
- Past Board Member – Greater Houston Women's Chamber of Commerce
- Past Board Member – City of Houston Hispanic Advisory Board
- Texas Executive Women's "Women on the Move" - 2018
- "Houston's 50 Most Influential Women of 2014" by Houston Woman Magazine.
- National Hispanic Corporate Achievers Award in 2002.

**Sanjay Ramabhadran (Ram), P.E. (C)**

Sanjay Ramabhadran is a Partner at VERSA Infrastructure providing engineering and program/construction management services on aviation, transportation, and water / wastewater / flood protection projects. He has served in senior executive / board roles at global and regional engineering firms and has 24 years of experience in public infrastructure consulting. He was appointed to the METRO Board of Directors in May of 2015 and currently serves on the Capital & Strategic Planning Committee and the Finance & Audit Committee.

His civic involvement has included serving as Chairman of the Board of Directors of LEADERSHIP HOUSTON; President-Elect at the Texas Lyceum – state-wide leadership group focused on public policy issues impacting Texas; Steering Committee Member – Houston General Plan; Senior Fellow – American Leadership Forum; President of the HESS Club; President of the Indo-American Chamber of Commerce of Greater Houston; Chairperson of the Houston Mayor's International Trade & Development

Council (South Asia); City of Houston – Building & Standards Commission; Greater Houston Partnership's Public Safety Task Force; Connecting Communities Initiative at Rice University's Kinder Institute; Advisory Council – Houston Arts Alliance; and Board of Directors of the Indo-American Charity Foundation.

Mr. Ramabhadran was honored as one of the 2012 Ten Outstanding Young Americans (TOYA) by the United States Junior Chamber. He was previously selected as one of Five Outstanding Young Texans in 2011 by the Texas Jaycees and one of Five Outstanding Young Houstonians for the year 2010 by the Houston Jaycees. Selected as an ASIA 21 Young Leader, he represented the United States at the 2010 Global Asia 21 Leadership Summit in Jakarta, Indonesia.

A graduate of BITS-Pilani and Texas A&M University, he is a registered Professional Engineer.

Sanjay and his wife live in Houston and their sons attend public schools. His interests include cycling, traveling and public policy.

Executive Leadership Team

Thomas C. Lambert

President & Chief Executive Officer
713-615-6409

Tom Jasien

Deputy Chief Executive Officer
713-739-4008

Rosa Diaz

Director, Board Support
713-739-4834

Cydonii V. Fairfax

Executive Vice President & General Counsel
713-652-8053

Juan Garcia

Vice President & Chief Auditor (Interim)
713-739-4851

Jerome Gray

Executive Vice President & Chief Communications Officer
713-739-4011

Tim Kelly

Executive Vice President, Operations, Public Safety & Customer Service
713-615-6401

Debbie Sechler

Executive Vice President, Administration
713-739-4930

Arthur C. Smiley III

Chief Financial Officer
713-739-6057

Alva I. Treviño

Executive Vice President, Special Projects
713-739-3866

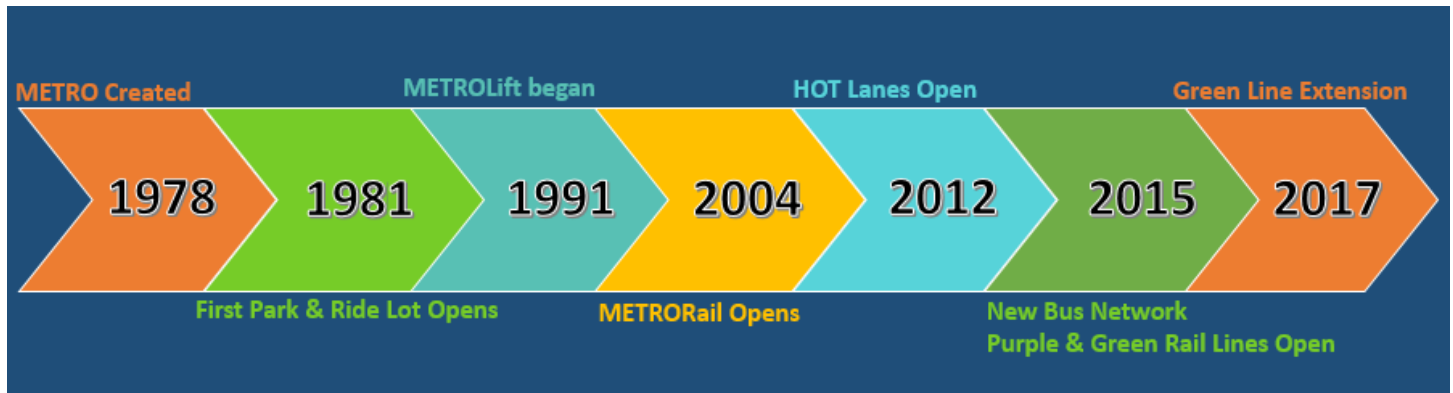
Roberto Treviño

Executive Vice President, Planning, Engineering & Construction
713-739-6062

Kimberly J. Williams

Chief Innovation Officer
713-739-4992

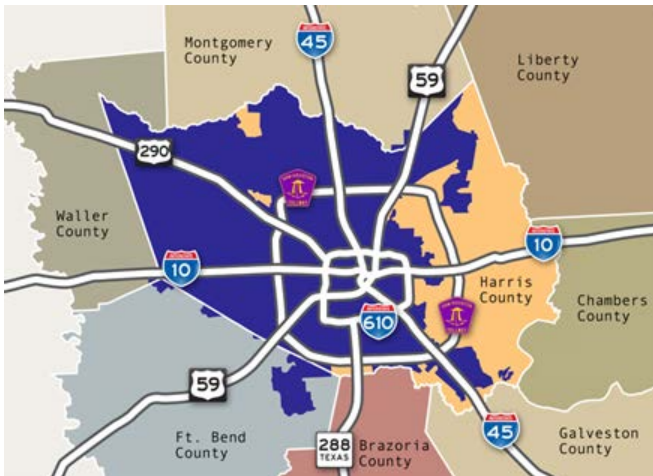
Broad METRO History



The Texas State Legislature authorized the creation of local transit authorities in 1973. In 1978, Houston-area voters created METRO and approved a one-cent sales tax to support its operations. METRO opened for business in January 1979. The Authority has transformed a broken bus fleet into a regional multimodal transportation system.

Today, METRO has a well-established transit system, including a fleet of 1,404 buses (including METROLift and ARBOC vehicles) on 84 local bus routes and 31 Park & Ride routes. The system also includes 76 light rail vehicles on three lines and a regional system of 182.3 miles of HOV/HOT lanes. By the end of FY2018, METRO will have carried over 123 million trips across its various services, ranking it among the largest US transit agencies by passenger boardings.

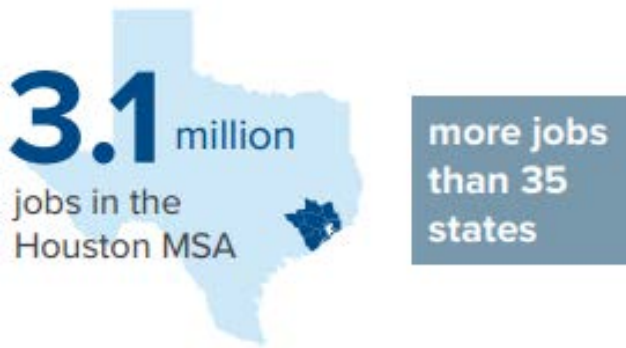
Overview of the Region and Service Area



METRO's service area population is 3.6 million. The surrounding metropolitan statistical area (MSA) of Houston – The Woodlands – Sugar Land encompasses nine counties in Texas and has a population of 6.9 million, making it the fifth largest MSA in the nation. METRO serves 15 cities in the area as well as major portions of unincorporated Harris County. The service area maintains a double-digit percent growth in population and is one of the fastest growing metropolitan areas in the country with an almost 20.6% increase in population from 2001 to 2010.

Within the service area's region:

- The Houston-The Woodlands- Sugar Land MSA added 235,481 new residents from July 2015 to July 2017;
- The City of Houston's population grew to 2.3 million, up 13.0 percent over the past decade;
- Harris County's population grew by 18.2 percent over the past decade, to 4.7 million.



If Houston were an independent nation, the region would have the 24th largest economy in the world, behind Sweden and ahead of Poland.

Recent Economic Highlights

The nine-county Houston metro area has a workforce of 3.1 million people. The region has begun to grow again after a period of downturn in 2015 and 2016, adding nearly 63,000 jobs in 2017.

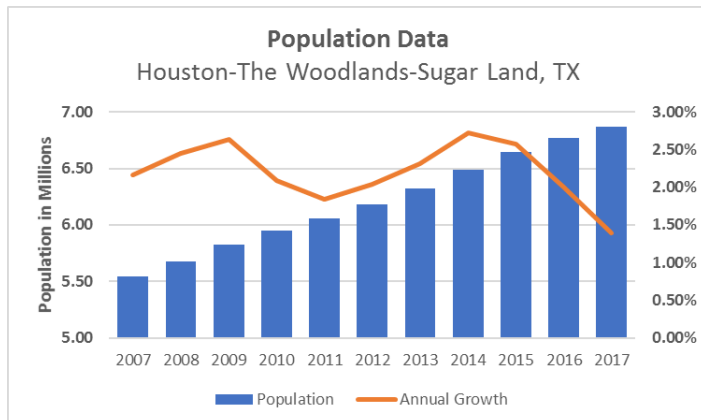
The region remains reliant on the energy sector, but has diversified since the 1980's into medical services/research and transportation/distribution. With this diversification of the economy, job gains in leisure and hospitality, education and health services, and government segments are offsetting the losses in manufacturing, mining, and financial services due to the struggle from low oil prices.

Home prices and sales volume in Houston have reached new heights, keeping 2018 on track to be a record year for Houston real estate. On a year-to-date basis, home sales remain ahead of 2017's volume by 3.4%.

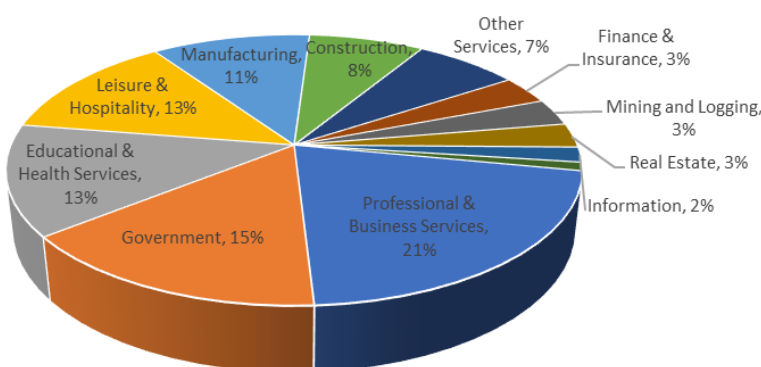
Diverse urban centers and favorable employment mix throughout the METRO service area provide strong assurances of sales tax revenues and system use. Dr. Bill Gilmer, director of the Institute for Regional Forecasting expects sales tax growth of 5.3% or more for FY2020 – FY2023, due to economic and population growth as well as METRO reaching into faster growing suburban areas.

Sources:

- Greater Houston Partnership, *Payroll Employment, 2017 Houston Economic Highlights*, December 2017
- Greater Houston Partnership, *Houston Economic Overview for HGAC*
- Houston Association of Realtors, *July 11, 2018 MLS Report*
- *The Mid-Year Outlook for METRO Sales Tax Revenues: 2018-2022*, C.T. Bauer College of Business/Institute for Regional Forecasting, Dr. Bill Gilmer
- Texas A&M University Real Estate Center, *Current Talking Points and MSA Population Data for Houston-The Woodlands-Sugar Land, TX*



Nonfare Wage and Salary Employment by Industry



Overview

Service Summary



Transit System

The Authority's purpose is to develop, operate, and maintain a mass transit system to serve the residents within and visitors to its service area. The goal of the FY2019 Transit Service Plan is to deploy METRO's resources effectively to meet its customers' needs by implementing the following goals:

- Attain Universal Accessibility
- Invest in Enhanced Safety
- Improve Security
- Maintain a State of Good Repair
- Plan for the Future
- Improve the Customer Experience
- Market Our Service

The Authority's transit system has these components:

Bus System - The Authority provides public bus service utilizing a fleet of approximately 1,246 buses, including 696 Diesel, 77 CNG, 435 40/45-foot hybrid buses, and 38 ARBOC alternative service vehicles, as well as 158 METROLift paratransit service vans. Its passenger facilities include 9,043 active bus stops and 37,693 parking spaces. METRO buses will have run 44.6 million revenue miles and will have had an estimated 66.9 million boardings by the end of FY2018.

METRO's Community Connector provides demand-response, curb-to-destination service within a specified zone. Passengers may contact METRO to schedule a ride originating within the service zone to other destinations within the zone or to connect with local and Park and Ride routes that are within the service zone. Currently, METRO operates two Community Connector routes; one in the Acres Home area and one in Missouri City which began on August 27, 2018. In FY2018, the Acres Home Community Connector operated three vehicles carrying approximately 29,724 passengers.

HOV/HOT Lane System - The High Occupancy Vehicle/Toll (HOV/HOT) Lane program is a cooperative effort between the Texas Department of Transportation (TxDOT) and METRO, which is funded through a combination of federal, state and local resources. There are 182.3 miles of HOV lanes in Houston freeways, of which 95.1 miles are HOV/HOT lanes operated by METRO. For FY2018, the projected HOV/HOT lane ridership is approximately 31.1 million.

Light Rail System - The Red Line, the Authority's first light rail line, began operation on January 1, 2004. Now extended to 12.8 miles, the line begins at the Northline Transit Center, serving HCC Northeast and Northline Commons mall, and then continues south through Houston's Central Business District, Midtown, the Museum District, Rice University, the Texas Medical Center and the NRG Park Complex to the Fannin South Transit Center.

The Authority opened two additional light rail lines in FY2015, the Purple (Southeast) and Green (East End) Lines. Destinations served by these new lines include Texas Southern University, the University of Houston, BBVA Compass Stadium, and the Theater District. These new lines added another 9.9 miles of light rail. In total, METRO operates 22.7 miles of light rail service. METRO will reach approximately 19.0 million light rail boardings in FY18.

Paratransit Service - The Authority's METROLift paratransit service will have provided 1.9 million trips to 16,551 eligible riders in FY2018, using both METRO-owned lift-equipped vans and contractor-owned and operated accessible minivans. The Feeder Service, implemented in January 2017, enables METROLift customers to request same day service from their home to the nearest transit center, Park & Ride lot, or rail station free of charge.

Commuter Vanpool Service – During FY2018, the Authority's METRO STAR commuter vanpool service averaged 571 vans. Projected FY2018 ridership amounts to 1.9 million trips with approximately 5,801 riders. In FY2019, the Authority is estimating 2.0 million trips annually with approximately 5,903 riders, making METRO STAR one of the largest vanpool programs in the nation.



FY2019 Service Levels Budget

Service Plan

Resources	Fixed Route						Customized Service		
	Contracted		Special	Total Bus	Rail	Total Bus and Rail	Internal Service	METROLift	METRO STAR
	METRO Bus	Bus	Events						
Revenue Miles	36,914,828	8,393,472	186,054	45,494,353	2,191,285	47,685,638	599	19,191,409	
Revenue Hours	2,727,837	586,816	14,671	3,329,324	202,500	3,531,824	96	1,141,460	
Total Miles	43,221,973	10,159,094	186,054	53,567,121	2,205,250	55,772,371	599	23,154,053	
Total Hours	2,976,252	651,539	14,671	3,642,462	204,844	3,847,306	96	1,348,313	
Number of Vans									600

FY2018 Service Levels Estimate

Resources	Fixed Route						Customized Service		
	Contracted		Special	Total Bus	Rail	Total Bus and Rail	Internal Service	METROLift	METRO STAR
	METRO Bus	Bus	Events						
Revenue Miles	36,323,866	8,080,300	186,227	44,590,393	2,214,069	46,804,462	283	19,025,317	
Revenue Hours	2,679,956	562,668	16,563	3,259,187	203,317	3,462,504	102	1,144,428	
Total Miles	42,599,518	9,780,039	186,227	52,565,784	2,228,067	54,793,851	283	23,029,733	
Total Hours	2,928,306	625,188	16,563	3,570,057	205,667	3,775,724	102	1,339,171	
Number of Vans									571

FY2018 Service Levels Budget

Resources	Fixed Route						Customized Service		
	Contracted		Special	Total Bus	Rail	Total Bus and Rail	Internal Service	METROLift	METRO STAR
	METRO Bus	Bus	Events						
Revenue Miles	35,895,815	7,993,963	186,054	44,075,832	2,214,190	46,290,022	599	19,055,904	
Revenue Hours	2,660,091	561,690	14,671	3,236,452	200,362	3,436,814	96	1,147,720	
Total Miles	42,334,782	9,655,629	186,054	52,176,465	2,226,871	54,403,336	599	22,146,288 **	
Total Hours	2,911,279	623,316	14,671	3,549,266	202,661	3,751,927	96	1,289,904	
Number of Vans									618

**FY2018 Budgeted Total Miles have been revised. (Budgeted dollars were based on Revenue Hours which remain unchanged).

Change to Service Levels: FY2018 Estimate to FY2019 Proposed Budget

<u>Resources</u>	<u>Fixed Route</u>				<u>Customized Service</u>		
	<u>Contracted</u>		<u>Rail</u>	<u>Total Bus and Rail</u>	<u>Internal Service</u>	<u>METROLift</u>	<u>METRO STAR</u>
	<u>METRO Bus</u>	<u>Bus</u>					
Revenue Miles	590,962	313,172	-22,784	881,177	316	166,092	
Revenue Hours	47,881	24,148	-817	69,320	-6	-2,968	
Total Miles	622,455	379,055	-22,817	978,521	316	124,320	
Total Hours	47,946	26,351	-823	71,582	-6	9,142	
Number of Vans							29

<u>Resources</u>	<u>Fixed Route</u>				<u>Customized Service</u>		
	<u>Contracted</u>		<u>Rail</u>	<u>Total Bus and Rail</u>	<u>Internal Service</u>	<u>METROLift</u>	<u>METRO STAR</u>
	<u>METRO Bus</u>	<u>Bus</u>					
Revenue Miles	1.63%	3.88%	-1.03%	1.88%	111.66%	0.87%	
Revenue Hours	1.79%	4.29%	-0.40%	2.00%	-5.88%	-0.26%	
Total Miles	1.46%	3.88%	-1.02%	1.79%	111.66%	0.54%	
Total Hours	1.64%	4.21%	-0.40%	1.90%	-5.88%	0.68%	
Number of Vans							5.08%



Change to Service Levels: FY2018 Budget to FY2019 Proposed Budget

<u>Resources</u>	<u>Fixed Route</u>						<u>Customized Service</u>		
	<u>Contracted</u>		<u>Special</u>	<u>Total Bus</u>	<u>Rail</u>	<u>Total Bus and Rail</u>	<u>Internal</u>	<u>METROLift</u>	<u>METRO</u>
	<u>METRO Bus</u>	<u>Bus</u>	<u>Events</u>				<u>Service</u>		<u>STAR</u>
Revenue Miles	1,019,013	399,509	0	1,418,521	-22,905	1,395,616	0	135,505	
Revenue Hours	67,746	25,126	0	92,872	2,138	95,010	0	-6,260	
Total Miles	887,191	503,465	0	1,390,656	-21,621	1,369,035	0	1,007,765	
Total Hours	64,973	28,223	0	93,196	2,183	95,379	0	58,409	
Number of Vans									-18

<u>Resources</u>	<u>Fixed Route</u>						<u>Customized Service</u>		
	<u>Contracted</u>		<u>Special</u>	<u>Total Bus</u>	<u>Rail</u>	<u>Total Bus and Rail</u>	<u>Internal</u>	<u>METROLift</u>	<u>METRO</u>
	<u>METRO Bus</u>	<u>Bus</u>	<u>Events</u>				<u>Service</u>		<u>STAR</u>
Revenue Miles	2.84%	5.00%	0.00%	3.22%	-1.03%	3.01%	0.00%	0.71%	
Revenue Hours	2.55%	4.47%	0.00%	2.87%	1.07%	2.76%	0.00%	-0.55%	
Total Miles	2.10%	5.21%	0.00%	2.67%	-0.97%	2.52%	0.00%	4.55%	
Total Hours	2.23%	4.53%	0.00%	2.63%	1.08%	2.54%	0.00%	4.53%	
Number of Vans									-2.91%

Projected Ridership

Category	FY2018 Estimate	FY2019 Budget	Change	% Change
Fixed-Route Service*	86,160,035	87,523,472	1,363,437	+1.6%
Customized Services**	3,852,032	3,963,318	111,286	+2.9%
Total Fixed-Route and Customized Services	90,012,067	91,486,790	1,474,723	+1.6%

Note: The chart above measures the change in system ridership between the **FY2018 estimate and FY2019 budgeted levels.**

* Includes Special Events

**Includes METROLift, METRO STAR Vanpool, and Internal Service.

Boardings by Service Category

	FY2017 Actual	FY2018 Budget	FY2018 Estimate	FY2019 Budget	Budget-to-Budget Variance	
					#	%
Fixed-Route Service						
Local	57,919,908	59,216,098	59,273,576	59,272,757	56,659	0.1%
Park & Ride	7,698,512	7,561,399	7,640,941	7,645,241	83,842	1.1%
Subtotal Fixed-Route Bus	65,618,420	66,777,497	66,914,517	66,917,998	140,501	0.2%
METRO Rail	18,424,225	18,724,882	19,013,774	20,377,951	1,653,069	8.8%
Subtotal Fixed-Route Service	84,042,645	85,502,379	85,928,291	87,295,949	1,793,570	2.1%
Special Events*	228,886	227,523	231,744	227,523	-	0.0%
Total Fixed-Route	84,271,531	85,729,902	86,160,035	87,523,472	1,793,570	2.1%
Customized Services						
METROLift	1,911,293	1,995,199	1,946,054	1,963,093	(32,106)	-1.6%
METRO STAR Vanpool	2,001,349	2,023,686	1,905,890	2,000,000	(23,686)	-1.2%
Internal Service	10,221	225	88	225	-	0.0%
Subtotal Customized Services	3,922,863	4,019,110	3,852,032	3,963,318	(55,792)	-1.4%
Total Fixed-Route and Customized Services	88,194,394	89,749,013	90,012,067	91,486,790	1,737,777	1.9%
HOV/HOT Carpools, Vanpools, and Non-METRO Buses	25,384,802	28,427,300	31,142,900	31,454,100	3,026,800	10.6%

*Special Events is a category that reflects customer service-oriented short-term additional motor bus and rail service provided for events at NRG Park, such as football games and the Houston Livestock Show and Rodeo.

Workforce by Department

Authority	FY2017		FY2018		FY2019
	End of Year Authorized Headcount	Actual	End of Year Authorized Headcount	Projected	End of Year Authorized Headcount
Operations, Public Safety & Customer Service	3,414	3,313	3,568	3,383	3,599
EVP Operations, Public Safety & Customer Service	9	9	9	9	9
Operations	3,022	2,942	3,120	3,006	3,139
Union FT	2,424	2,368	2,466	2,387	2,477
Union PT	85	76	87	81	89
Non-Union FT	512	497	558	528	564
Non-Union PT	1	1	9	10	9
Public Safety	313	298	370	303	381
Non-Union FT	303	289	336	287	347
Non-Union PT	10	9	34	16	34
Customer Service	70	64	69	65	70
Planning, Engineering & Construction	242	222	242	225	245
EVP Planning, Engineering & Construction	3	2	2	2	2
Engineering & Construction	26	20	27	22	27
Planning	35	33	37	34	37
Facility Maintenance	178	167	176	167	179
Union FT	126	120	128	122	131
Non-Union FT	52	47	48	45	48
Administration	233	225	240	235	246
EVP Administration	3	3	5	5	2
IT	70	66	74	70	74
Human Resources	41	38	42	41	45
Procurement & Materials	119	118	119	119	120
Union FT	61	61	61	61	61
Non-Union FT	58	57	58	58	59
State of Good Repair	-	-	-	-	5
Government & Public Affairs	17	16	18	18	22
Deputy CEO	-	-	-	-	2
Public Engagement	10	9	10	10	10
Government Affairs	3	3	3	3	3
Ridership & Client Services	4	4	5	5	6
Urban Design	-	-	-	-	1
Audit	11	11	11	10	11
Legal	17	17	18	16	19
Legal	15	15	16	14	17
Records Management	2	2	2	2	2
Finance	80	75	80	73	80
Chief Financial Officer	4	3	4	3	4
Finance	76	72	76	70	76
Communications	32	32	35	33	40
EVP, Communications	-	-	2	1	3
Press Office	8	8	7	7	7
Marketing & Corporate Communications	24	24	25	25	29
Partnership Promotions	-	-	1	-	1
Office of Innovation	3	-	4	3	4
Non-Departmental	25	-	-	-	-
Executive & Board	8	10	13	11	9
Total Union	2,696	2,625	2,742	2,651	2,758
Total Non-Union	1,386	1,296	1,487	1,356	1,517
Total Workforce	4,082	3,921	4,229	4,007	4,275

* Authority Reorganization dictated the following headcount transfers in FY2019:

- 3 headcounts - Director State of Good Repair, Sr Asset Management Analyst & Asset Specialist - from EVP, Administration to State of Good Repair
- 2 headcounts - Deputy CEO & Executive Assistant - from Executive & Board to Deputy CEO
- 1 headcount - Urban Designer - from Executive & Board to Urban Design
- 1 headcount - Project Manager - from Executive & Board to EVP, Communications

Headcount = Number of authorized full-time and part-time positions at the end of the year.

Total Part-Time Workforce (Union and Non-Union)	96	86	130	107	132
Total Full-Time Workforce (Union and Non-Union)	3,986	3,835	4,099	3,900	4,143

FY2019 Operating Budget Workforce Additions/Deletions

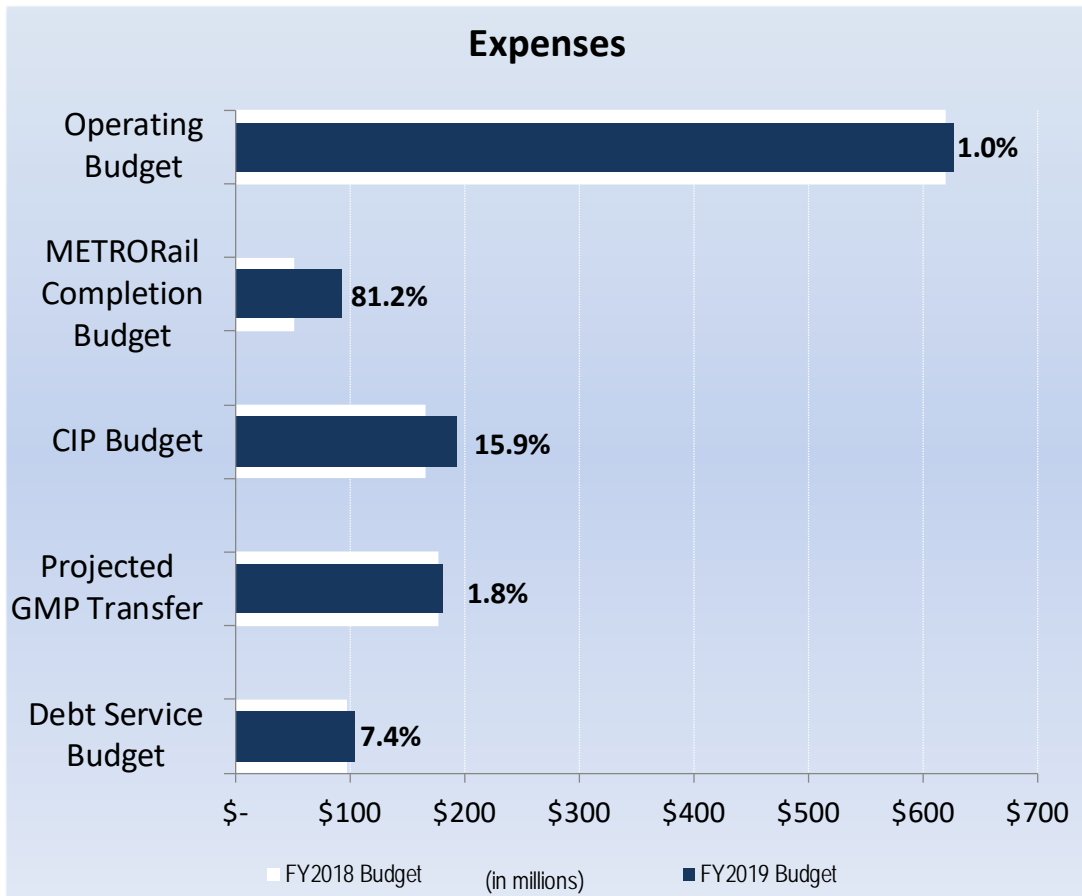
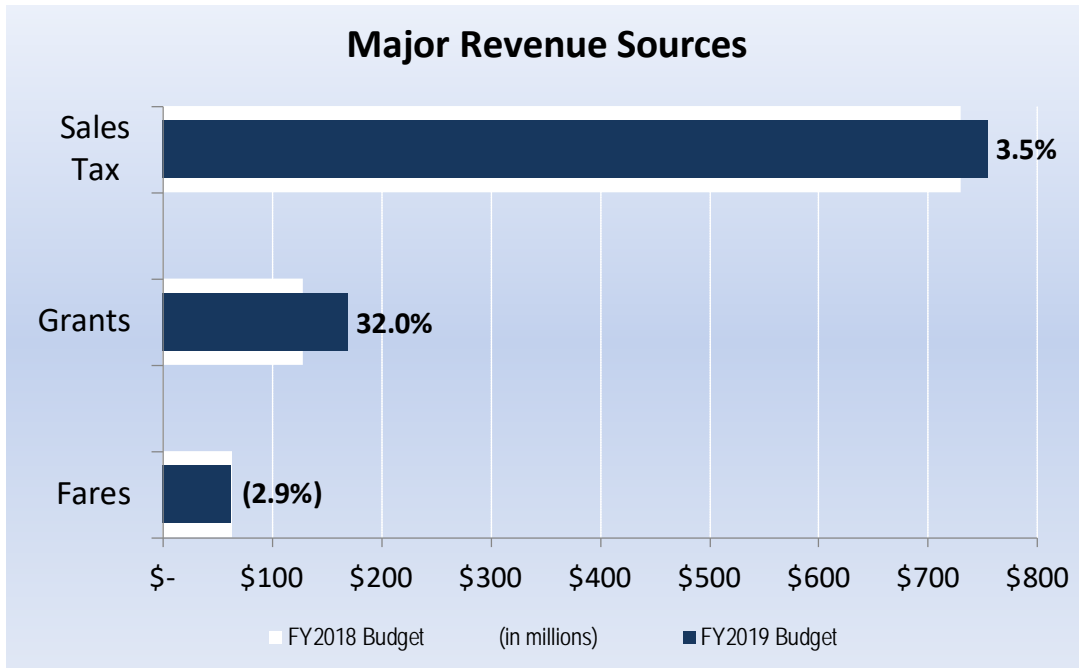
Department	Position	Additions	Deletions
Operations: Bus Transportation	Service Driver	9	
Operations: Bus Transportation	Bus Operator	2	
Operations: Bus Maintenance	Transit Technician Retirees (PT)	2	
Planning, Engineering & Construction: Facilities Maintenance	Utility Worker	3	
Total Union		16	0
Operations: Bus Transportation	Service Supervisor	1	
Operations: Bus Transportation	Customer Service Liaison	1	
Operations: METRORail	Systems Engineer	1	
Operations: METRORail	Sr Vehicle Engineer	1	
Operations: METRORail	Sr Traffic Engineer	1	
Operations: METRORail	Sr Instructor/Rules Examiner	1	
Operations: METRORail	Training Instructor Rail	1	
Operations: Operations Management Support	Automated Reversible Gate Operation (ARGO) Operator (PT)		(1)
Public Safety: METRO Police	Officer	7	
Public Safety: Safety	Manager, Rail Safety Education and Outreach	1	
Public Safety: Safety	Safety Outreach Coordinator	1	
Public Safety: Safety	Safety Program Coordinator	1	
Public Safety: Safety	Claims Assistant	1	
Customer Service	Customer Service Program Coordinator	1	
Administration: Human Resources	Staffing Supervisor	1	
Administration: Human Resources	Staffing Coordinator	1	
Administration: Human Resources	Benefits Representative Liaison	1	
Administration: Procurement	Inventory Surplus Agent	1	
Administration: State of Good Repair	Asset Specialist - Rail	2	
Government & Public Affairs: Ridership & Client Services	Ridership & Client Services Coordinator	1	
Legal	Staff Attorney	1	
Communications: Marketing & Corporate Communications	Web Designer/Developer I	1	
Communications: Marketing & Corporate Communications	Web Content Writer	1	
Communications: Marketing & Corporate Communications	Digital Publishing Operator	1	
Communications: Marketing & Corporate Communications	Mailroom Assistant	1	
Total Non-Union		31	(1)
Total		47	(1)
Total Year-Over-Year Change in Authorized Positions		46	



Authority Budget Summary

	FY2017 <u>Actual</u>	FY2018 <u>Budget</u>	FY2018 <u>Estimate</u>	FY2019 <u>Budget</u>	Budget-to-Budget Variance	
					\$	%
Sales Tax	\$ 690,929,011	\$ 729,192,000	\$ 743,267,872	\$ 754,727,884	\$ 25,535,884	3.5%
Transfer to GMP	171,902,882	(176,816,000)	(178,575,071)	(180,007,573)	(3,191,573)	1.8%
Sales Tax (net GMP Transfer)	\$ 519,026,129	\$ 552,376,000	\$ 564,692,801	\$ 574,720,312	\$ 22,344,312	4.0%
Fares	62,122,130	63,753,000	63,753,000	61,906,163	(1,846,837)	(2.9%)
Vanpool	3,491,000	4,919,000	4,919,000	5,547,761	628,761	12.8%
HOT Lane Revenue	7,204,222	7,502,000	7,502,000	7,249,000	(253,000)	(3.4%)
Grants	110,068,824	128,359,000	88,003,704	169,493,679	41,134,679	32.0%
Interest	3,551,729	2,000,000	6,074,346	2,200,000	200,000	10.0%
Miscellaneous	5,199,189	9,648,000	5,573,654	8,080,000	(1,568,000)	(16.3%)
Bond Proceeds	51,353,000	69,198,000	69,198,000	97,682,700	28,484,700	41.2%
Total Revenues	\$ 762,016,223	\$ 837,755,000	\$ 809,716,505	\$ 926,879,615	\$ 89,124,615	10.6%
<u>Payroll & Benefits</u>						
Wages	\$ 134,383,043	\$ 139,736,148	\$ 139,599,157	\$ 144,926,849	\$ 5,190,701	3.7%
Union Fringe Benefits	75,339,795	79,394,061	77,122,336	80,854,885	1,460,824	1.8%
Subtotal Union Labor	209,722,838	219,130,209	216,721,493	225,781,734	6,651,525	3.0%
Salaries and Non-Union Wages	92,856,551	103,956,369	98,664,473	107,695,839	3,739,470	3.6%
Non-Union Fringe Benefits	42,141,383	44,747,040	42,889,555	45,521,320	774,280	1.7%
Subtotal Non-Union Labor	134,997,933	148,703,409	141,554,028	153,217,159	4,513,750	3.0%
Allocation to Capital & GMP	(9,486,024)	(10,628,670)	(10,188,652)	(10,268,408)	360,262	(3.4%)
Subtotal Labor and Fringe Benefits	335,234,747	357,204,948	348,086,869	368,730,485	11,525,537	3.2%
<u>Materials & Supplies</u>						
Services	42,329,917	62,153,696	51,071,314	49,447,093	(12,706,603)	(20.4%)
Materials and Supplies	28,088,359	30,898,462	31,346,599	31,696,392	797,930	2.6%
Fuel and Utilities	37,195,678	37,347,275	37,062,456	38,618,907	1,271,632	3.4%
<u>Administration</u>						
Casualty and Liability	4,576,302	4,352,588	4,532,766	5,359,774	1,007,186	23.1%
Purchased Transportation	95,464,332	101,982,281	100,892,905	102,805,759	823,478	0.8%
Leases, Rentals and Misc.	8,884,395	14,253,834	10,836,175	13,316,910	(936,924)	(6.6%)
Allocation to Capital & GMP - Non-Labor	-	(630,084)	(630,084)	(867,119)	(237,035)	37.6%
Subtotal Non-Labor	216,538,983	250,358,052	235,112,131	240,377,715	(9,980,337)	(4.0%)
Subtotal Labor and Non-Labor	551,773,730	607,563,000	583,199,000	609,108,200	1,545,200	0.3%
Contingency	-	12,500,000	-	17,101,800	4,601,800	36.8%
Total Operating Budget	\$ 551,773,730	\$ 620,063,000	\$ 583,199,000	\$ 626,210,000	\$ 6,147,000	1.0%
<u>Capital Expenses</u>						
METRO Rail Expansion/ Completion	19,218,367	51,532,000	12,416,000	93,368,000	41,836,000	81.2%
Capital Improvement Program	93,952,997	166,186,000	138,186,000	192,599,275	26,413,275	15.9%
Total Capital Budget	\$ 113,171,364	\$ 217,718,000	\$ 150,602,000	\$ 285,967,275	\$ 68,249,275	31.3%
Debt Service	\$ 96,896,962	\$ 96,973,000	\$ 96,141,523	\$ 104,171,344	\$ 7,198,344	7.4%

FY2018, FY2019 Budget-to-Budget Comparisons



Financials

Development Guidelines

METRO is committed to being a responsible steward of public funds and to financial sustainability. Accordingly, METRO's FY2019 Business Plan was developed using these Board-approved guidelines:

- Estimates of sales tax growth will be consistent with the growth estimates provided by Dr. Robert W. (Bill) Gilmer, Director of the Institute for Regional Forecasting at the University of Houston. Dr. Gilmer's estimated growth rate for FY2019 has been reduced by 1.00% in the budget calculations.
- No fixed-route fare increases will be proposed for FY2019.
- METRO will present the Five Year Cash Flow model on a yearly basis, clearly specifying all sources and uses of revenue. (The model will be updated periodically as required.)
- METRO will position itself for optimum receipt of federal grants.
- METRO will allocate sufficient resources to operate METRO core services.
- METRO will support financial sustainability by managing the growth of "baseline" operating expenses to no more than 2.0% annually, 3.0% for METROLift (paratransit) operating expenses, and 0% for METRO Star vanpool and HOT Lanes operating expenses.
- METRO will ensure that capital expenditures are supported upon project completion by a sustainable revenue source (e.g. sales tax) and that future operating costs have been included.
- Requests to improve service or service quality will require a cost/benefit analysis, which will include changes to future operating cost. If included, additional service will be added above the baseline level of expenses.
- METRO will retain fund balances in accordance with Debt Policy requirements (15% of operating expenses), Emergency Reserve requirements (10% of operating expenses), and an additional \$10,000,000* as directed by the Board. The total of these reserves in FY2019 is projected to be \$162.6 million.
- When reallocating or modifying budgets within the Board-adopted levels, staff will adhere to the approval levels detailed in the Budget Change Guidelines (found in the Appendix).

Debt service expenses, transfer of General Mobility funds, and operating expenditures received priority in allocating available funds, followed by capital expenses.

METRO's excess reserve levels, projected future tax revenues, operating revenues, must and FTA grants

support existing transit services and non-transit programs, expansion of other transit services, and ongoing capital rehabilitation and replacement (State of Good Repair) while maintaining a prudent level of working capital.

*The METRO Board authorized the use of the \$10 million reserve to cover expenses related to Hurricane Harvey, which struck in August 2017. The Five Year Cash Flow includes allocations of funds to replenish the \$10 million reserve by the year 2020. Reimbursements received from the Federal Emergency Management Association (FEMA) or the Federal Transit Administration's allocation of funds to transit agencies suffering losses from the 2018 hurricane can also replenish the fund.

Basis of Budgeting

METRO maintains its budget using the current financial resources measurement focus and the modified accrual basis of accounting as defined by Generally Accepted Accounting Principles (GAAP) and interpreted by the Governmental Accounting Standards Board (GASB), with certain exceptions. Under the current financial resources measurement focus, revenues are recorded when they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recognized when the liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and vested compensated absences.

Exceptions between the budget and modified accrual bases of accounting are as follows:

- Unrealized changes in the fair market value of investments are not recognized on a budget basis.
- Investment earnings are not accrued on a budget basis.
- Prepaid expenditures for equipment and software maintenance are reported on a budget basis.

For budget purposes, the financial activities of the Authority are reported in four separate funds: Operating, Debt Service, General Mobility Transfer, and Capital Projects including METRORail Completion, bus acquisition and other capital projects. This division by fund is required by provisions of state law, voter referendum on General Mobility, and bond indentures. Such funds are combined for financial reporting purposes in order to present the financial position and results of operations of the Authority as a whole.

The Authority's financial statements are prepared according to GAAP for proprietary funds on the full accrual basis of accounting using the economic resources measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Therefore, additional adjustments are required to convert proprietary fund types from the budget basis/modified accrual basis of accounting to the full accrual basis of accounting. For example, disbursements for the acquisition of capital assets would be considered expenditures in METRO's local budget and the modified accrual basis of accounting, but are capitalized as capital assets under full accrual reporting. Conversely, receipts of proceeds from debt financing are a budgetary resource under METRO's local budget and the modified accrual basis of accounting, but are reported as liabilities under full accrual reporting. In the Comprehensive Annual Financial Report (CAFR), a budget-to-actual reconciliation is not required for an enterprise reporting system. The CAFR for the Metropolitan Transit Authority of Harris County is available at www.RideMETRO.org.

Fiscal Policies and Principles

The Metropolitan Transit Authority is accountable to its citizens for the use of public dollars. The following policies and principles adopted by management establish the framework for METRO's overall fiscal planning and management to ensure that it fulfills this fiduciary responsibility. They set forth guidelines against which current budgetary performance can be measured and proposals for future programs can be evaluated. METRO's adopted financial and budget policies show the credit rating industry and prospective investors (bond buyers) the Authority's commitment to sound financial management and fiscal integrity. The financial and budget policies also improve the Authority's fiscal stability by helping METRO's management plan fiscal strategy with a consistent approach. Complete fiscal policies can be found in the Appendix.

Operating Management Principles

- Recurring operating expenses/expenditures will be funded using recurring operating revenues rather than one-time revenues such as bonds and other debt.
- The budget process is intended to weigh all competing requests for the Authority's resources, within expected fiscal constraints.
- Requests for new, ongoing programs should be made in conjunction with the annual budget process or a budget adjustment process.
- An annual budget approach will be used to provide stability to the day to day operations while allowing budget corrections as unforeseen circumstances arise.
- A five-year forecast of the Authority's revenue and expense forecasts will be prepared at the beginning of each budget process to determine whether the current mix and level of resources are likely to continue to be sufficient to cover current service levels and to provide for long-term strategic planning.
- All departments will participate in the responsibility of meeting policy goals and ensuring long-term financial health.
- Provide sufficient resources to the Contingency Reserve so that they can be used to reasonably respond to critical unforeseen needs of the Authority without requiring the Authority to divert resources from other important services.
- Expenditures from the Contingency Reserve require the approval of the CEO.

Explanation of Consolidated Annual Financial Report (CAFR) Discrepancies

The Metropolitan Transit Authority of Harris County budget document is a blueprint for a "specific grouping" of the Authority's spending over the course of an annual financial period. General purpose budgets contain both the spending categories of specified units, such as Public Safety, Operations and Customer Service; Planning, Engineering, and Construction; Administration, and Finance, along with estimates of revenues expected to occur during the year, such as investment return, fare revenue, and sales tax. Budgets are usually more limited to the expected costs of running the aforementioned transit operations through available resources, as opposed to describing the status of any fixed assets and short term liabilities.

A CAFR is a report of the complete overall financial results of both those "specific groupings" of the Authority's departments that appear in the current fiscal year general purpose budget and all other departments. The CAFR can be used along with a budget document to compare the organizations total financial standing to the annual general purpose budget. The CAFR is the complete showing of the financial investment and income records from all sources that reflects what has developed over decades, whereas a budget report is primarily focused on what revenue is expected to be brought in and spent for just the year.

The primary difference between a budget and a CAFR is that while the budget is a plan for the fiscal period primarily showing where income is to be allocated, the CAFR contains the results of the period with previous years' accumulations. A CAFR shows the total of all financial accounting that general-purpose budget reports do not. Additionally, the CAFR gives a detailed showing of assets, liabilities, and investment accounts by category reflecting balances over previous years.

Summary of Significant Accounting Principles and Policies

METRO prepares its financial statements in accordance with generally accepted accounting principles established or approved by the Governmental Accounting Standards Board (GASB), the more significant of which are described below.

Reporting Entity

The Authority is a stand-alone governmental entity as defined by Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, amended by GASB Statement No. 39, *Determining Whether Certain Organizations Are Component Units*.

Investment Policy

The Authority's investment policy is to minimize interest rate and credit risk by investing a majority of the portfolio in short-term investments such as commercial paper, money market mutual funds and obligations of the United States of America with maturities generally less than two years. Investments not insured or guaranteed by a governmental entity must be rated by a nationally recognized organization with rating not less than AAAM, A-1, P-1, F-1 or equivalent ratings.

METRO has historically maintained a working capital reserve to cover operating and capital expenses. The absolute minimum cash balance is defined by METRO's Board-approved debt policy. The ending balance required by the debt policy is 15% of annualized operating expenditures for the following fiscal year. The complete Investment Policy can be found in the Appendix.

Financing Approach

The current method of financing that will be used by METRO is traditional financing. This method of financing pays costs as they are incurred by using traditional bonds, as well as revenue sources comprised of fare revenues, sales tax revenues, federal grants and other sources. The complete Debt Policy can be found in the Appendix.

Underlying Assumptions

The financial analysis in this document was structured around assumptions described in terms of the following major considerations:

- Federal funding and local funding including sales taxes
- Inflation and interest rates
- Bond financing

Net Summary

Section 451.102 of the Texas Transportation Code requires the Board of Directors of the Metropolitan Transit Authority to adopt an annual budget which specifies major expenditures by type and amount prior to the commencement of a fiscal year.

The table below shows the four major expenditures by type – Operating, Capital, General Mobility and Debt Service.

Net Summary **Proposed FY2019 Annual Budget** (in millions)

Description	Approved FY2018 Budget	Proposed FY2019 Budget	Change	
Operating Budget	\$ 620.1	\$ 626.2	\$ 6.1	1.0%
Capital Budget	217.7	286.0	68.2	31.3%
Projected Transfer to GMP	176.8	180.0	3.2	1.8%
Debt Service Budget	97.0	104.2	7.2	7.4%
Total	\$ 1,111.6	\$ 1,196.4	\$ 84.8	7.6%

Operating Budget

The proposed Operating budget is \$626,210,000, an increase of \$6.1 million or 1.0% from the FY2018 approved budget level. The increase reflects a 3% increase in METROLift paratransit services, 0% increase in METRO STAR vanpool and HOV/HOT lane expenses, and 2% in all other expenses, plus additional investments in safety, security, and long-range planning activities.

Capital Budget

The current Capital budget of \$285,967,000 reflects an increase of \$68.2 million or 31.3% from the FY2018 approved budget level. This increase is largely due to a \$28 million or 17.0% increase in planned Capital Improvement Program (CIP) expenditures and a \$41.8 million or 81.2% increase in METRORail Completion (MRC) expenditures.

General Mobility Program Transfer

The FY2019 projected General Mobility Program (GMP) transfer is \$180,008,000, an increase of \$3.2 million or 1.8% from the prior year. Funds for this budget are deposited monthly into a METRO escrow account as sales tax revenue is collected; GMP partners are then paid from this account as invoices are received.

Capital Program
Proposed FY2019 Annual Budget
(in millions)

Description	Approved FY2018 Budget	Proposed FY2019 Budget	Change	
<u>METRORail Completion Program (MRC)</u>				
LRT Lines	\$ 51.532	\$ 93.368	\$ 41.836	81%
Total MRC	51.532	93.368	41.836	81.2%
<u>Capital Improvement Program (CIP)</u>				
<u>State of Good Repair</u>				
Bus and Van Acquisitions	72.926	63.389	(9.537)	(13%)
State of Good Repair Projects	34.180	29.208	(4.972)	(15%)
Safety	10.000	13.903	3.903	39%
Enhancement of Existing Assets	9.040	26.241	17.201	190%
Universal Accessibility Projects	10.958	9.667	(1.291)	(12%)
Service Expansion	23.082	45.756	22.674	98%
Non-Obligated Capital Project Fund	6.000	4.436	(1.564)	-26%
Total CIP	166.186	192.600	26.414	16%
TOTAL Capital Program	\$ 217.718	\$ 285.967	\$ 68.249	31%

The proposed Capital budget of \$285.967 million is allocated in two program categories – the METRORail Completion (MRC) program and the Capital Improvement Program (CIP). The FY2019 budget allots \$93.4 million for the MRC program and \$188.2 million for the CIP program: specifically, \$92.6 million for State of Good Repair projects (including bus acquisitions, METROLift van replacements, bus and facilities improvements and support vehicles), \$49.8 million for projects that enhance existing assets, support Universal Accessibility and improve safety, \$45.8 million for projects relating to service expansion, and \$4.4 million of unallocated funding for projects that are currently not under contract or otherwise obligated.

Debt Service Budget

The proposed budget for debt service is \$104.2 million, an increase of \$7.2 million or 7.4% from the FY2018 approved budget level. The debt service budget includes principal and interest payments as well as all administrative costs associated with METRO's debt program, including line of credit fees and dealer fees associated with its Commercial Paper program.

METRO's current five-year plan calls for financing future annual bus purchases as well as the financing of light rail vehicles and some small equipment, including fare box replacements, through additional senior-lien contractual obligations (KO's). The plan also identifies potential senior-lien sales and use tax bonds to fund its METRONext program.

Any prospects to decrease METRO's interest expenses through refunding or refinancing are considered on a case-by-case basis as market opportunities present themselves.

Outstanding debt as of the end of FY2018 is estimated at just under \$1.1 billion. Tables summarizing METRO's debt position are provided in the Debt Service section of this book.

Sources & Uses of Funds

The FY2019 budget requires \$1.196 billion to fund Operating Expenditures, Debt Service, General Mobility Program (GMP), Capital Improvement Projects (CIP) and the METRORail Completion (MRC) program. The table below summarizes the Sources and Uses of Funds for the FY2019 budget. It categorizes the Authority's operations into two parts - the Operating & Capital Improvement Program and METRORail Completion (MRC). Fund balances carrying over from the previous year are considered sources of funds.

Sources & Uses of Funds (in millions)

	Operating & CIP	METRORail Completion	TOTAL
SOURCES OF FUNDS			
Beginning Fund Balance	\$ 239.574	\$ 17.361	\$ 256.935
<u>Revenues:</u>			
Sales Tax	754.728	-	754.728
Transportation Fares*	61.906	-	61.906
Hot Lanes	7.249	-	7.249
Vanpool	5.548	-	5.548
Grants	115.538	53.955	169.494
Other Income	10.280	-	10.280
Total Revenues	955.249	53.955	1,009.204
<u>Debt Funding</u>			
Proceeds from Borrowing	75.631	22.052	97.683
Total Sources of Funds	\$ 1,270.454	\$ 93.368	\$ 1,363.822
USES OF FUNDS			
<u>Expenses:</u>			
Operating Budget	\$ 626.210	-	\$ 626.210
General Mobility Program Transfer	180.008	-	180.008
Capital Improvement Projects**	192.599	-	192.599
MRC Expenditures	-	93.368	93.368
Debt Service	104.171	-	104.171
Total FY2018 Expenses	1,102.988	93.368	1,196.356
Ending Fund Balance	167.466	-	167.466
Total Uses of Funds	\$ 1,270.454	\$ 93.368	\$ 1,363.822
* Includes Fixed Route and METROLift Revenues			
** Includes only Non-METRORail projects such as Universal Accessibility Projects			

Funding of Operating and Capital Improvement Projects

The Operating Budget of \$626.2 million, GMP transfer of \$180.0 million, Capital Projects including Universal Accessibility and Safety Projects of \$286.0 million and Debt Service expenses of \$104.2 million will be largely funded from several revenue sources (including sales tax receipts, transportation fares, vanpool revenues, operating and capital grants and other income) totaling \$1,009.2 million and proceeds received from borrowing of \$97.7 million. The METRO Board-approved Debt Policy, which can be found in the appendix, adopted in August 2016 sets the minimum target fiscal year ending fund balance (cash and investment portfolio) at 15% of the forward 12-month operating expenditures. Thus, the projected FY2019 year-end general fund of \$256.9 million includes a total of \$93.9 million, a reserve available to assist in the funding of the operating and non-MRC capital expenditures. In addition, the METRO Board requested an additional 10% of the forward 12-month operating expenditures to be reserved and another \$6 million reserve as directed by the board. Thus, the FY2019 year-end general fund balance also includes an additional \$68.6 million similarly available to assist with the funding of such expenditures. In total, METRO has earmarked \$162.6 million to be available in the event of an emergency.

Funding of the METRORail Completion Program

The FY2019 budget for METRORail Completion is \$93.4 million. The funding sources are grant revenues of \$54.0 million, borrowing of \$22.1 million and the balance of \$17.4 million to be drawn from the fund balance.

Sources of METRO Funds (in millions)	Fiscal Year 2019							TOTAL
	Operations	General Mobility	Debt Service	METRORail Completion	Bus/Van Replacements	Capital Improvement	Reserves	
Sales Tax	473	180	102					755
Farebox	62							62
HOT Lanes	7							7
Vanpool	6							6
Grants	75			54	6	34		169
Borrowing				22	57	19		98
Other			2				8	10
Fund Balance	4			17		77	159	257
TOTAL	626	180	104	93	63	129	167	1,364

Statement of Net Assets

The table below shows the Authority's Statement of Net Assets as of fiscal year's ending September 30, 2017, 2018, and 2019.

Statement of Net Assets

(in millions)

	FY2017 Actual 9/30/2017	FY2018 Budget 9/30/2018	FY2018 Estimate 9/30/2018	FY2019 Estimate 9/30/2019
Assets				
Cash	\$ 5.742	\$ 5.000	\$ 3.018	\$ 5.000
Receivables	135.310	140.000	148.878	150.000
Inventory	34.803	34.000	35.448	36.000
Derivative instrument – diesel fuel swaps	3.806	-	-	-
Investments	409.563	305.832	410.244	318.793
Other Assets	5.695	10.000	6.596	10.000
Debt Issuance Costs	-	-	-	-
Property Net of Depreciation	2,565.602	2,513.860	2,465.942	2,276.265
Land & Improvements	366.673	342.556	355.690	334.071
Total Assets	\$ 3,527.193	\$ 3,351.248	\$ 3,425.816	\$ 3,130.129
Deferred Outflow of Resources*	89.834	110.710	94.282	94.282
Liabilities				
Trade Payables	\$ 71.830	\$ 80.000	\$ 70.899	\$ 70.899
Accrued Payroll	34.965	30.000	30.786	30.786
Short-Term Debt	190.854	115.000	116.100	114.900
Long-Term Liabilities	1,610.932	1,543.243	1,655.397	1,407.207
Other Liabilities	17.827	50.000	48.554	50.000
Total Liabilities	\$ 1,926.408	\$ 1,818.243	\$ 1,921.737	\$ 1,673.792
Deferred Inflow of Resources	17.488	-	-	-
Net Assets - Retained	\$ 1,673.131	\$ 1,643.716	\$ 1,598.361	\$ 1,550.618
Total Liabilities and Net Assets	\$ 3,599.540	\$ 3,461.959	\$ 3,520.098	\$ 3,224.411

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.

The provisions of Statement No. 63: Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position of the Governmental Accounting Standards Board (GASB) are effective for financial statements for periods beginning after December 15, 2011.



Five Year Sources and Uses Summary

The table below shows an overall financial projection for the next five years to FY2023.

Five Year Sources and Uses Summary

(\$ in Thousands)

	2018 Est.	2019	2020	2021	2022	2023
SOURCES OF FUNDS						
Revenues						
Gross Sales Tax (includes GMP Referendum Increment)	\$ 743,268	\$ 754,728	\$ 807,072	\$ 871,448	\$ 936,296	\$ 985,604
GMP Transfer	(178,575)	(180,008)	(186,551)	(194,598)	(202,704)	(208,867)
Net Sales Tax Available to METRO	\$ 564,693	\$ 574,720	\$ 620,522	\$ 676,851	\$ 733,592	\$ 776,737
Farebox	\$ 63,753	\$ 61,906	\$ 61,906	\$ 61,906	\$ 61,906	\$ 63,144
Vanpool	4,919	5,548	5,548	5,548	5,548	5,548
HOT Lanes	7,502	7,249	7,321	7,395	7,469	7,577
Misc. & Other	11,648	10,280	10,284	10,286	10,290	10,481
Grants						
Service-Related Grants (Formula - Capital Maintenance)	\$ 75,227	\$ 75,112	\$ 75,112	\$ 75,112	\$ 75,112	\$ 75,112
Capital Grants (Formula & Discretionary)	7,794	40,426	18,414	25,260	17,038	10,356
FTA Public Transportation Emergency Relief Program	-	6,000	7,545	-	-	-
FFGA Funds	4,983	47,955	16,125	26,786	12,531	0
True-Up	-	-	-	(5,426)	(8,773)	(16,423)
Federal Assistance for METRONext Capital Expenditures	-	-	-	-	52,440	71,438
Financing						
Bus Financing	\$ 69,198	\$ 45,277	\$ 42,317	\$ 33,119	\$ 56,882	\$ 54,250
LRV Financing	-	22,052	-	14,064	-	-
Farebox Replacement Financing	-	18,702	10,779	-	-	-
CIP Financing	-	11,652	-	-	-	-
Sales Tax Bonds & Notes	-	-	67,685	32,402	-	3,399
METRONext Financing	-	-	54,315	96,598	91,000	111,601
Local Financing (Sales Tax Bonds & Notes)	-	-	54,315	96,598	91,000	111,601
TOTAL ANNUAL SOURCES OF FUNDS	\$ 809,717	\$ 926,880	\$ 997,873	\$ 1,059,900	\$ 1,115,035	\$ 1,173,220
USES OF FUNDS						
Sales & Use Tax Bonds, KO's, and CP Program Debt Service	\$ 96,142	\$ 100,550	\$ 125,907	\$ 129,024	\$ 142,057	\$ 152,310
Debt Reduction - GMP Referendum Increment	-	3,621	4,337	7,609	11,632	15,685
Total Debt Service Expense	\$ 96,142	\$ 104,171	\$ 130,244	\$ 136,633	\$ 153,690	\$ 167,995
General Bus Current Service	\$ 425,969	\$ 442,683	\$ 456,426	\$ 476,444	\$ 485,344	\$ 498,661
Bus Service - GMP Referendum Increment	-	1,810	2,169	3,804	5,816	7,843
MetroLift	68,334	70,555	72,672	74,852	78,594	82,524
Star Van Pool	13,321	13,321	13,321	13,321	13,321	13,588
Rail	65,764	69,890	71,288	72,714	74,168	75,651
HOT Lanes	9,215	8,215	8,215	8,215	8,215	8,379
New Bus Network	5,085	2,334	-	-	-	-
Safety Costs	5,511	1,300	-	-	-	-
Uptown Dedicated Bus Lanes	-	500	5,500	-	-	-
METRONext System Improvements	-	-	5,306	5,412	5,520	3,378
Long Range Plan (LRP) Development	-	3,310	-	-	-	-
Draft LRP Public Outreach	-	1,350	-	-	-	-
Final LRP Public Engagement & Education	-	4,602	-	-	-	-
Bond Referendum Education	-	3,440	3,901	-	-	-
Bond Referendum Legal Expenses	-	1,900	900	-	-	-
Allowance for Real Estate Fund Investments	-	1,000	-	-	-	-
Budget Savings	(20,000)	-	-	-	-	-
Potential Expenses from Hurricane Harvey	10,000	-	-	-	-	-
Operating Expenses	\$ 583,199	\$ 626,210	\$ 639,697	\$ 654,762	\$ 670,979	\$ 690,024
METRONext O&M Expenses	-	-	-	-	-	-
Operating Expenses (includes METRONext Operating Expenses)	583,199	626,210	639,697	654,762	670,979	690,024
NET PRIOR TO CAPITAL EXPENSES	\$ 128,247	\$ 196,498	\$ 227,931	\$ 268,505	\$ 290,367	\$ 315,200
Capital Program Expenses						
METRO Rail Completion	\$ 12,416	\$ 49,266	\$ 30,411	\$ 37,751	\$ 9,239	-
Enhancement to Existing Assets	6,343	14,514	2,243	626	913	-
Service Expansion	8,871	36,449	35,962	21,978	15,755	-
Uptown Dedicated Bus Lanes Vehicles	-	11,930	-	-	-	-
Universal Accessibility - Shelters, Signage, Last Mile, Other	8,483	9,667	7,620	7,968	10,825	11,460
State of Good Repair Projects (incl. LRV & other lifecycle costs)	20,747	27,398	17,512	19,070	2,441	32,046
State of Good Repair - GMP Referendum	-	1,810	2,169	3,804	5,816	7,843
Non-Obligated SOGR	2,989	4,436	6,000	6,000	6,000	6,000
Bus Purchases	85,729	51,459	46,866	37,688	61,693	59,194
LRV Purchases	-	44,102	1,400	11,428	15,539	1,160
Farebox Replacement	418	1,923	13,779	13,779	-	-
Safety Projects	4,606	13,903	6,517	8,280	10,000	10,000
METRONext Capital Expenditures	-	19,110	54,315	96,598	148,190	183,039
Total Capital Program Expenses	\$ 150,602	\$ 285,967	\$ 224,793	\$ 264,970	\$ 286,411	\$ 310,741
TOTAL ANNUAL USES OF FUNDS	\$ 832,071	\$ 1,016,349	\$ 994,734	\$ 1,056,365	\$ 1,111,079	\$ 1,168,761
NET FLOW OF FUNDS	\$ (22,355)	\$ (89,469)	\$ 3,138	\$ 3,535	\$ 3,956	\$ 4,459

Five Year Sources and Uses Summary continued

RECONCILIATION OF CASH POSITION

BEGINNING CASH BALANCE (Net Prior Year Accruals)	\$ 279,290	\$ 256,935	\$ 167,466	\$ 170,605	\$ 174,140	\$ 178,095
NET FLOW OF FUNDS	(22,355)	(89,469)	3,138	3,535	3,956	4,459
ENDING CASH BALANCE (includes Operating Reserves)	\$ 256,935	\$ 167,466	\$ 170,605	\$ 174,140	\$ 178,095	\$ 182,554
15% Operating Reserve (Debt Policy)	93,010	93,931	95,955	98,214	100,647	103,504
10% Operating Reserve (Board Policy)	62,006	62,621	63,970	65,476	67,098	69,002
Additional Operating Reserve (Board Policy)	-	6,000	10,000	10,000	10,000	10,000
Total Operating Reserves	155,016	162,552	169,924	173,691	177,745	182,506
Ending Cash Net of Reserves	\$ 101,919	\$ 4,914	\$ 680	\$ 449	\$ 351	\$ 48
Debt Coverage Multiple	4.96	5.01	5.06	4.87	4.74	4.74

DEBT RECAP

COMMERCIAL PAPER OUTSTANDING	116,100	114,900	113,800	105,100	92,500	76,000
Take Out Outstanding	40,899	21,913	-	-	-	-
Bus Debt Outstanding	193,419	218,121	233,851	241,257	268,671	296,686
Refunding Debt Outstanding	339,385	327,858	303,662	274,048	250,738	213,043
Rail Debt Outstanding (incl. KO's & Maintenance)	408,618	426,380	417,365	420,861	409,376	407,777
Infrastructure	-	-	122,000	249,497	337,186	447,421
Equipment	-	25,720	36,499	36,499	34,372	31,537
TOTAL DEBT OUTSTANDING	\$1,098,420	\$ 1,134,892	\$ 1,227,177	\$ 1,327,262	\$ 1,392,843	\$ 1,472,464

Statement of Revenues, Expenses, and Changes in Net Assets

The table below – Statement of Revenues, Expenses and Changes in Net Assets – uses the Comprehensive Annual Financial Report (CAFR) format and is prepared using the economic resources focus and the accrual basis of accounting – revenues are recognized when earned and expenses are recognized when incurred. All the current year’s revenues and expenses are included regardless of when the cash is received or paid.

Statement of Revenues, Expenses and Changes in Net Assets (in millions)

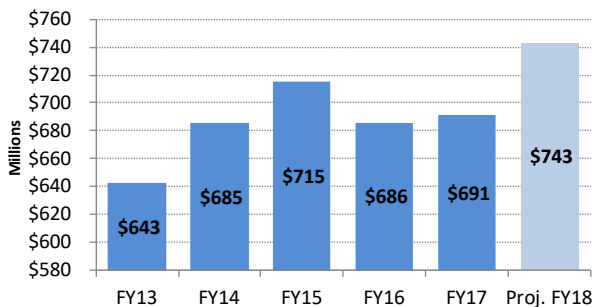
	FY2017 Actual	FY2018 Budget	FY2018 Estimate	FY2019 Estimate
REVENUES				
Operating Revenues:				
<u>Revenues:</u>				
Transportation Fares	63.687	63.753	63.753	61.906
HOT Lane & Special Events Revenues	9.131	7.502	7.502	7.249
Vanpool Revenues	-	4.919	4.919	5.548
Total Operating Revenues	72.817	76.174	76.174	74.703
Operating Expenses:				
Transit Operating	600.264	620.063	583.199	626.210
Depreciation and Amortization	206.754	208.829	202.438	212.560
Total Operating Expenses	807.018	828.892	785.637	838.770
Operating Loss	\$ (734.200)	\$ (752.718)	\$ (709.463)	\$ (764.067)
Non-Operating Revenues (Expenses):				
Sales Tax	\$ 690.929	\$ 729.192	\$ 743.268	\$ 754.728
Investment Income	3.552	2.200	6.074	2.200
Inter-Government Revenue	1.849	7.722	1.855	1.855
Non-capitalized Interest Expense	(46.540)	(1.500)	(31.600)	(31.600)
Other Income	3.350	1.726	6.281	6.270
Grant Proceeds - Operating	82.010	76.137	75.227	75.112
Local Infrastructure Assistance/GMP	(149.839)	(176.816)	(178.575)	(180.008)
Funds passed to subrecipients	(2.605)	-	-	-
Loss for Asset Impairments (Harvey)	(13.635)	-	-	-
Gain (Loss) on Sale for Disposal of Assets	(0.034)	116.689	(0.614)	(0.614)
Total Non-Operating Revenues	\$ 569.037	\$ 755.351	\$ 621.916	\$ 627.943
Gain/(Loss) before Capital Grants	\$ (165.163)	\$ 2.632	\$ (87.547)	\$ (136.124)
Capital Grant Proceeds	30.664	52.222	12.777	88.382
Changes in net assets	(134.499)	54.854	(74.770)	(47.742)
Net Assets - beginning of the year	1,807.630	1,588.863	1,673.131	1,598.361
Net Assets - end of the year	1,673.131	1,643.716	1,598.361	1,550.618

Revenues

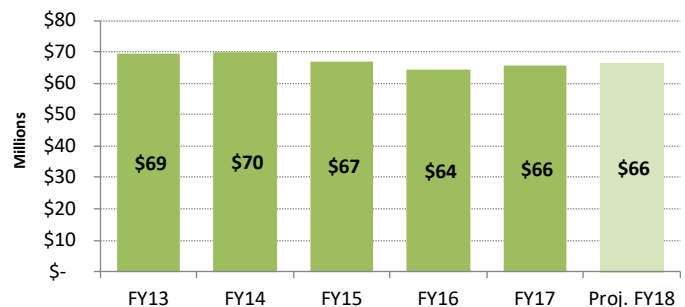
The Texas Transportation Code authorizes METRO to impose fares, tolls, charges, rents, and other compensation in amounts sufficient to produce revenue, together with sales tax revenue received by the Authority, in an amount adequate to: (1) pay all expenses necessary to operate and maintain its transit system; (2) pay debt service, sinking fund and reserve fund payments (agreed to be made with respect to all Authority obligations payable in whole or part from such revenue) when due; and (3) fulfill the terms of any other agreement with the holders of any such obligations. The total of compensation and sales taxes imposed may not exceed the amounts necessary to produce revenue sufficient to meet the obligations of the Authority under Chapter 451, Texas Transportation Code.

Available funding sources include: sales tax, fares paid (“farebox revenue”), federal grants, investment income, and other miscellaneous sources. The graphs below show the actual and estimated revenues by the largest funding sources for the past six years.

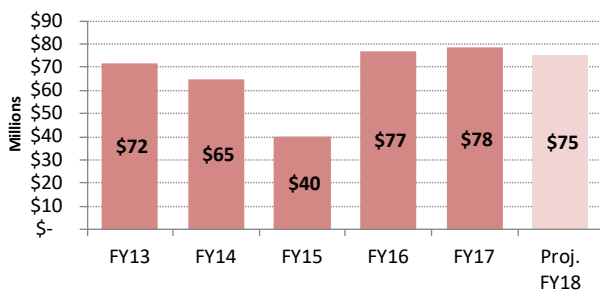
Sales Tax



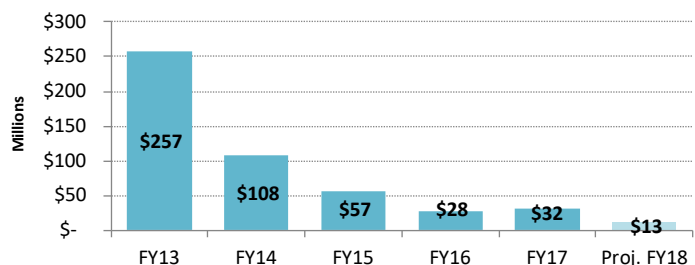
Farebox Revenue



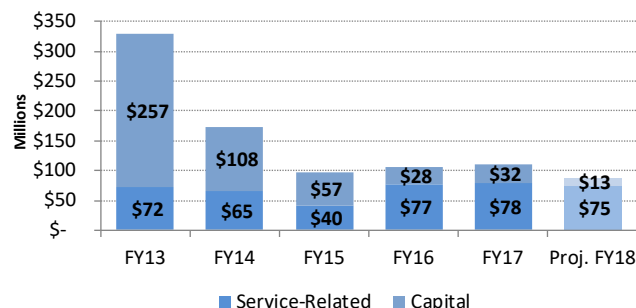
Service-Related Grants



Capital Grants

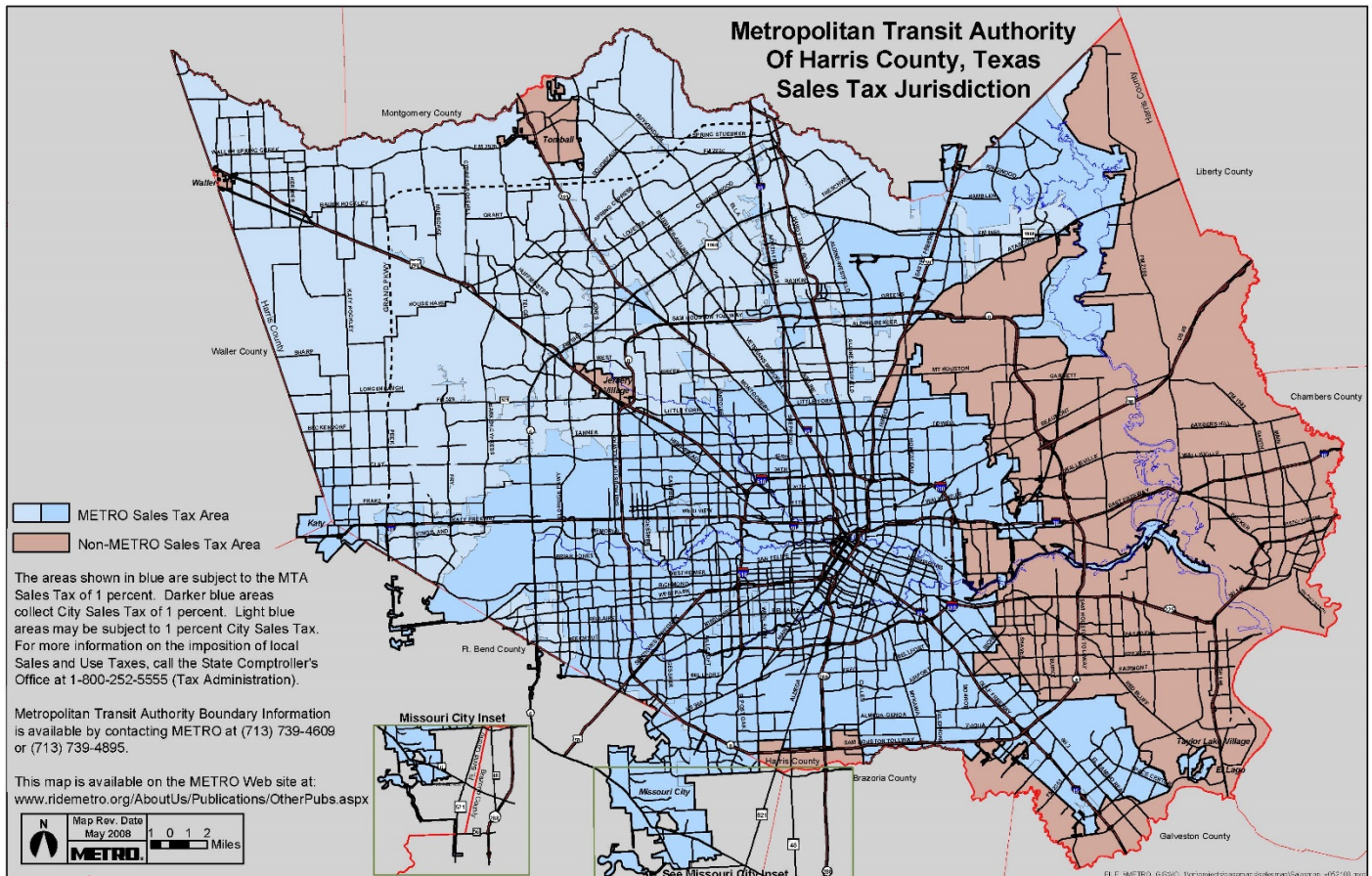


Total Grants



Sales Tax

METRO's primary source of revenue is a dedicated one-percent tax on all taxable sales within the METRO service area, which includes the cities of Houston, Bellaire, Bunker Hill Village, El Lago, Hedwig Village, Hilshire Village, Humble, Hunters Creek Village, Katy, Missouri City, Piney Point Village, Southside Place, Spring Valley Village, Taylor Lake Village, and West University Place, plus major portions of unincorporated Harris County.



When METRO was created, service area voters approved the tax via referendum. METRO has collected the tax since 1978. This tax currently provides METRO well over \$600 million per year. Sales tax projections are developed by Dr. William (Bill) Gilmer of the Institute for Regional Forecasting at the Bauer College of Business at the University of Houston.

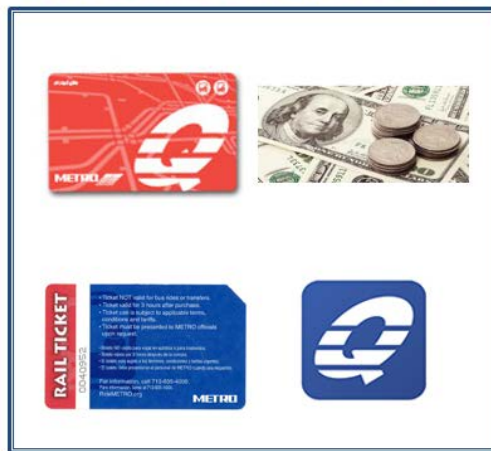
A portion of METRO's sales and use tax revenues are dedicated to the member entities through a contract with the voters for street improvements, mobility projects, and other facilities. These dedicated funds and their associated projects are locally known as the General Mobility Program (GMP). The Comptroller for the State of Texas collects and distributes these amounts to the appropriate governmental organizations with funding normally occurring within approximately 60 days from date of the sale. The amount of sales tax transferred to the GMP is just under 25%. The largest risk to METRO's ability to receive projected sales tax would be reduced economic activity, especially relating to oil and gas activity. More information on the GMP can be found in the GMP section; actual and projected total sales tax revenues through 2023 can be found in the Appendix.

Farebox Revenue

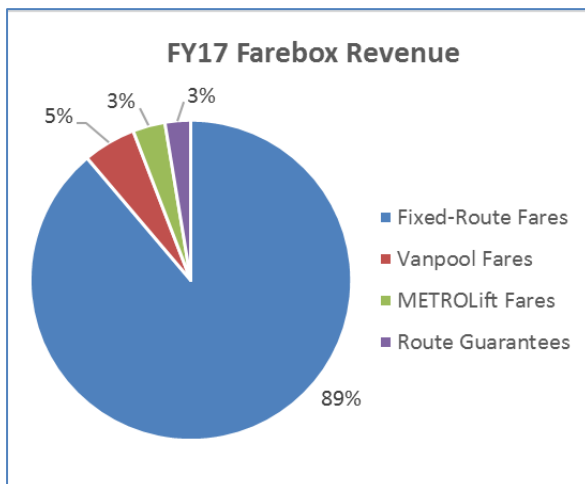
METRO's second source of revenues is farebox revenues, which include these categories:

- Bus and train fares, called “fixed-route fares”, which are paid by METRO Q® fare card, cash, mobile tickets, or paper tickets
- METROLift paratransit fares, which are paid using METROLift paper tickets, monthly passes, or annual passes
- METRO Star vanpool fares, which are paid by participants; costs vary depending on the number of riders in the van
- Route guarantees, which are payments made by organizations or governmental entities to offset the costs of providing a particular service.

Fixed-Route Fares (Bus & Train)



Non-Fixed-Route Fares



Most of METRO's farebox revenue, as seen in the chart at the left, comes from fixed-route fares.

METRO recognizes farebox revenue in two ways, depending on the mode: at point of purchase or at point of usage. Revenue from METROLift, METRO Star vanpool, and route guarantees is recognized at the point of purchase, regardless of the time the fare media is used. In contrast, revenue from fixed-route fares is recognized at the point of usage. For example, when a rider loads \$5.00 to their METRO Q® fare card and then pays a fare of \$1.25, METRO would recognize \$1.25 as fare revenue and place the remaining \$3.75 in a category called “deferred revenue” until used.

In 1985, METRO's fare was \$0.55. Over the years, the fare has been increased by \$0.10, \$0.20, and in 1994 by \$0.15, which resulted in a fare of \$1.00. In conjunction with the implementation of new fare collection technology in 2008, METRO made changes to simplify its fare structure and levels. On November 2, 2008, METRO's local base fare (bus and rail) increased \$0.25 to \$1.25 and Park & Ride fares increased between \$0.50 and \$1.00 per trip as well.

The METROLift base fare also increased on February 1, 2016, from \$1.15 to \$1.25 for trips within the service area mandated by the Americans with Disabilities Act (ADA). The ADA service area is within ¾ mile of METRO's Local bus and light rail service. The cost for trips outside the ADA service area, but still within the METRO service area, increased from \$1.15 to \$2.50 each way, offset by making all fixed-route service free for METROLift riders.

METRO has one of the lowest fares in the country, as shown on the Comparative Base Fares map in the Appendix. METRO has no plans to increase either fixed-route or paratransit fare in FY2019.

Current Fares: Fiscal Year 2018

	Full Fare	Discounted Fare
Local/METROrail	\$1.25	\$0.60
Park & Ride Zone 1	\$2.00	\$1.00
Park & Ride Zone 2	\$3.25	\$1.60
Park & Ride Zone 3	\$3.75	\$1.85
Park & Ride Zone 4	\$4.50	\$2.25
METROLift (paratransit)		
Inside ADA Service Area	\$1.25	
Outside ADA Service Area	\$2.50	

Riders Eligible for Discounted or Free Fixed-Route Fares

Discounted Fare	Free Fare
Senior citizens (aged 65-69)*	Senior citizens aged 70+*
Students aged six - college*	Children aged five and under
Disabled riders who do not qualify for paratransit*	METROLift riders*
Medicare cardholders*	Qualified military veterans*
	Jurors with their summons or jury pass (if selected)
*With applicable METRO Q® Fare Card	

Federal Grants

METRO receives federal grant funds from several categories, including Section 5307 – Urbanized Area Formula Grants; Section 5309 – New Starts; Section 5309 – Fixed Guideway Modernization; Section 5310 – Enhanced Mobility of Seniors and Individuals with Disabilities; Section 5337 – State of Good Repair, Section 5339 – Bus and Bus Facilities; Congestion Mitigation/Air Quality Improvement Program (CMAQ); and Surface Transportation Program (STP). Federal Highway Administration (FHWA) CMAQ and STP funds are highway funds that can be transferred from highways to transit to fund projects that will improve air quality, reduce congestion, or improve regional mobility.

When programmed by the Transportation Policy Council (TPC) of the Houston-Galveston Area Council (H-GAC), the CMAQ grant program may be applied to capital projects and to support operations of some transit services, including programmed receipts for the Clean Vehicle Program, bike racks, and Signature Bus Service; the STP funds may be applied to transit capital projects.

Federal Transit Administration Grants

The FTA plays an essential role in funding capital projects and certain operating expenses through two types of grant programs: formula grants and discretionary grants. Formula grants are awarded based on demographics, service levels, and ridership. Discretionary grants are awarded based on meeting application requirements and selected using criteria specific to each program. The following FTA grant programs are included in the development of the financial plan:

Section 5307 – Urbanized Area Formula Grants

These formula grants are mainly limited to capital expenses; however, federal regulations allow preventative maintenance expenses in the operating budget to be considered as “capital.” Factors in the formula that allocates grants to urbanized areas were estimated based on annual growth in total Section 5307 funds, adjusted to account for METRO’s larger transit service and demographic base.

Section 5309 - Fixed Guideway Modernization

These formula grants provide capital funds for modes of transportation using fixed guideways, such as light rail, HOV/HOT lanes, and commuter rail.

Section 5309 - New Starts

These discretionary grants provide capital funds for modes of transportation using fixed guideways, such as light rail, HOV/HOT Lanes, and commuter rail. METRO’s Full Funding Grant Agreement that provided 60% of the funding of the North Line (extension of the Red Line) and 55% of the funding of the Southeast (Purple) Line falls into this category.

Section 5310 – Enhanced Mobility of Seniors and Individuals with Disabilities

This grant program provides formula funding to improve mobility for seniors and individuals with disabilities by removing barriers to transportation service and expanding transportation mobility options. METRO is both a direct recipient of Section 5310 funds as well as the manager of funds provided to area nonprofit agencies to meet the transportation needs of seniors and/or people with disabilities. The latter funds are considered “pass-through funds” and are not included in METRO’s grant revenue estimates.

Section 5337 – State of Good Repair

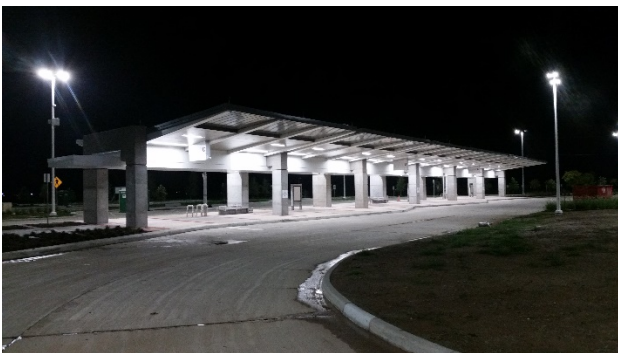
This grant program provides formula funding for maintenance, replacement, and rehabilitation projects for light rail, bus rapid transit, and bus systems to help transit agencies maintain their assets in a state of good repair.

Section 5339 – Bus and Bus Facilities

This grant program provides formula funding to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities.

Congestion Mitigation/Air Quality Improvement Program (CMAQ)

This grant program is applied to capital projects and support in the operation of some transit services.

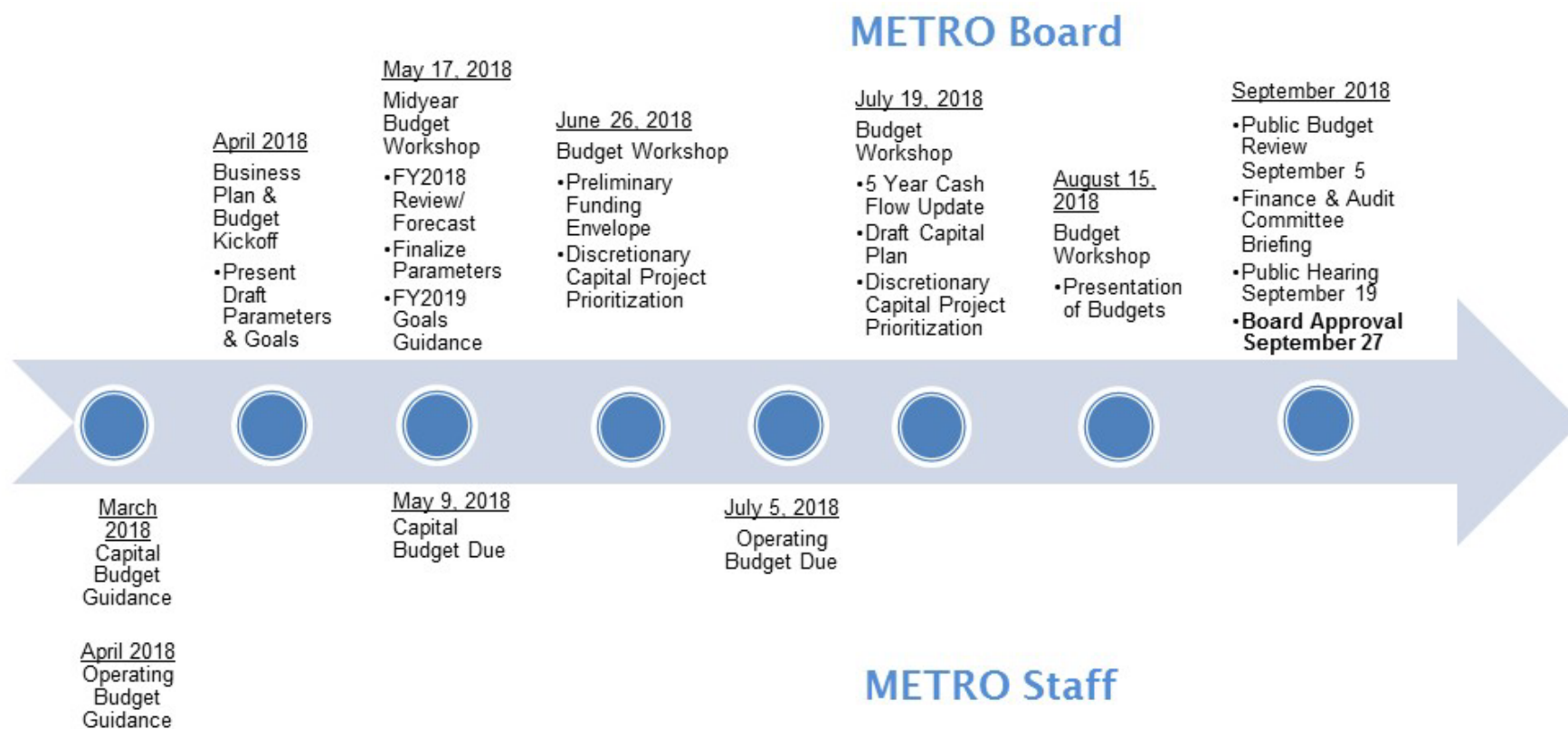


Miscellaneous Revenue and Investment Income

METRO's other sources of revenues outside of grants are Miscellaneous Revenue and Investment Income. Miscellaneous Revenue includes income from such sources as High Occupancy/Toll (HOT) Lanes, parking, right-of-way easement leases, and concessions at Park & Ride lots, whereas METRO receives Investment Income from its portfolio. A complete Investment Policy can be found in the Appendix.

FY2019 Budget Planning

Timeline



PUBLIC HEARING NOTICE
Metropolitan Transit Authority of Harris County, TX (METRO)

Public Hearing for FY2019 Operating & Capital Budgets

The Public Hearing for METRO's FY2019 Operating & Capital Budgets will be held at noon on Wednesday, September 19, 2018 in the METRO Board Room on the 2nd Floor at 1900 Main Street in Houston, Texas.

METRO's FY2019 Operating & Capital Budgets will be available for public review beginning September 5, 2018. You can view the document online at RideMETRO.org, or at METRO headquarters at 1900 Main Street on the 14th Floor by contacting the Board Office at 713-739-4834. Comments can be made by email to Budget.Book@ridemetro.org or by calling the Customer Care Center at 713-635-4000.

Chapter 451 of the Texas Transportation Code requires the Board of Directors to adopt an annual operating budget of all major expenditures by type and amount for each fiscal year before conducting any business in the fiscal year. The Authority must hold a public hearing on each proposed annual operating budget, or any amendment to the budget, before adopting the budget or amendment. In addition, it has been the Board's standard practice to hold several budget workshops prior to the public hearing, as shown in the timeline. These

workshops, along with every Board meeting, are open to the public. The proposed budgets are always made available to the public to review 14 days prior to the public hearing, via electronic copy on www.RideMETRO.org or hard copy at METRO's headquarters.

The Authority constantly manages performance against its budget. The Office of Management and Budget produces detailed financial reports every month for the Board of Directors to review. Each department also produces quarterly reports and meets with the Chief Executive Officer to review the departmental budget performance.

METRO budgets its Total Operating Expense for each fiscal year, which runs October 1 through September 30. "Total Operating Expense" is the sum of all employee labor, the cost of supporting that labor (e.g., insurance, space, utilities), and the direct costs to operate and maintain the bus and rail system. These direct costs not only include parts, fuel, tires, batteries, etc., but also purchased transportation (contracting with outside vendors to provide bus or METROLift service) and support vehicles (such as police cars and street supervisor vehicles.) Last, Total Operating Expense includes labor expenses of METRO employees performing work on capital improvement projects.

Operating and Maintenance (O&M) Costs

METRO uses a cost allocation methodology, the Cost Allocation Model (CAM), to estimate its systemwide operating and maintenance costs that are used as inputs to the cost-effectiveness and operating efficiencies criteria. Transit authorities need a well-documented and defensible cost allocation methodology that accurately accounts for the true costs of providing transit services. This methodology uses actual METRO operating data as the foundation for the estimates and is described in more detail below.

Selection of Key Driving Supply Variables

Metro's CAM was developed by a statistician and is designed to allocate METRO's operating expenses across all operating modes, also known as service categories. The model takes audited net operating expenses from METRO's financials and calculates the cost to run each service category per revenue hour. The service categories are listed below:

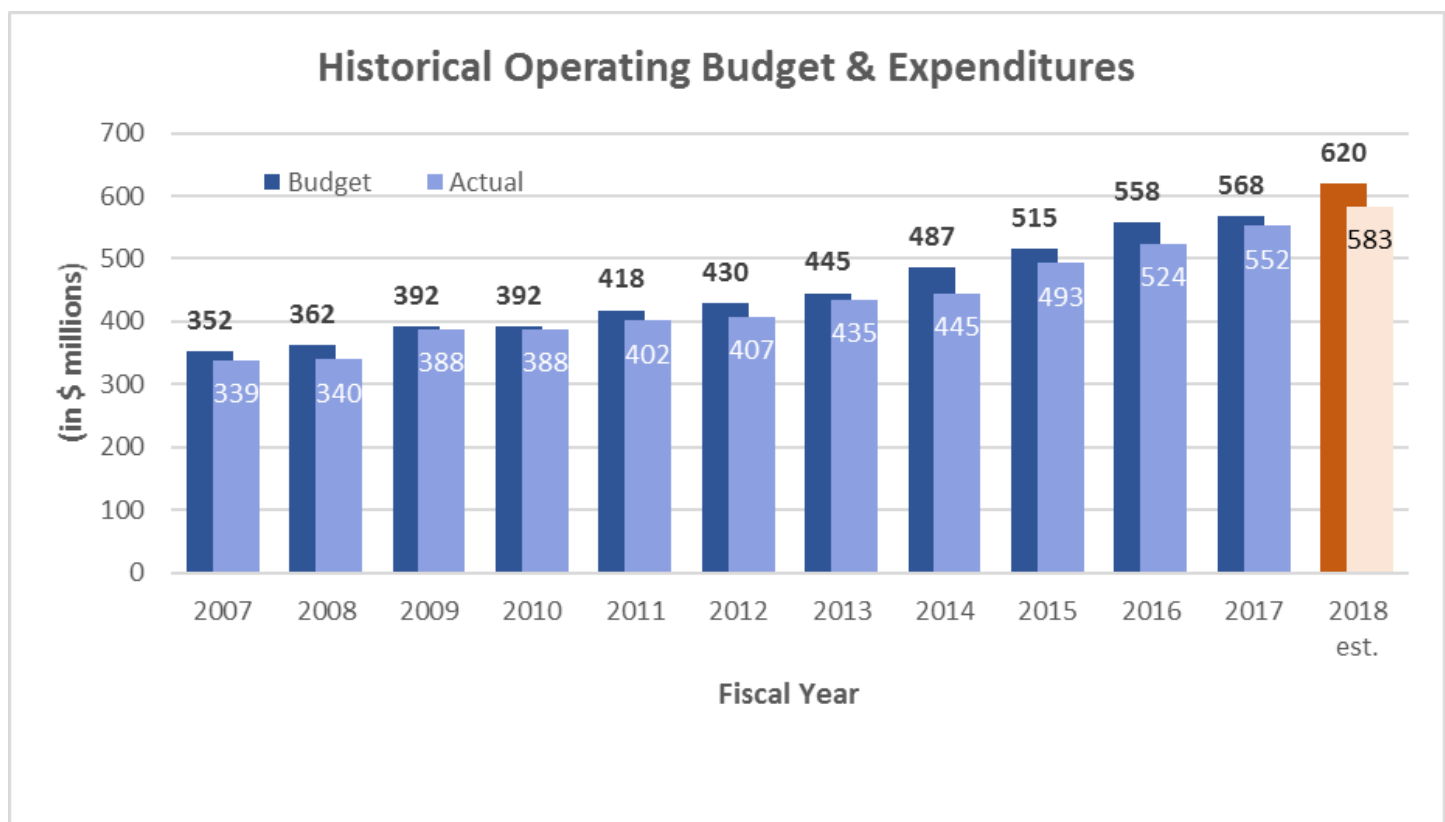
- METRO-operated Local Bus
- Contractor-operated (First Transit) Local Bus
- METRO-operated Park & Ride
- Contractor operated (First Transit) Park & Ride
- METRO operated Alternative Service (Community Connector)
- Greenlink
- METROLift (standard service)
- METROLift Subsidy Program (taxi service)
- METRORail
- METRO Star vanpool
- HOV/HOT Lanes
- Special Events
- Internal Charter

METRO’s Cost Allocation Model allocates current costs on many driving variables, called allocation bases. These allocations are based on revenue and vehicle miles, scheduled and vehicle hours, passenger boardings, number of peak buses, employees by service category, or are directly allocated to specific services as applicable (Rail, Greenlink, METROLift, etc.).

By using these allocation bases, the CAM properly allocates all of METRO’s net operating expenses to the proper type of service category, expense (fixed or variable), and expense type (direct or allocated).

Substantial risks that could cause a variance between actual and budgeted expenses include possible increases in pension and other employee benefit funding requirements; possible increases in non-hedged energy costs or failures of hedges; increased costs from possible future storm damage; and other risks that cannot be predicted or avoided.

METRO has a history of conservative budgeting leading to solid financial performance, ending each fiscal year since 2007 with an operating budget surplus. The chart below shows how METRO has a demonstrated history of budgetary compliance.



Operating Budget

Summary

FY2018 Board Approved Operating Budget	\$ 620,063,000
Net Increases from FY2018	20,831,820
Net Decreases from FY2018	(14,684,819)
FY2019 OPERATING BUDGET	\$ 626,210,000

Net Increase in Operating Budget 6,147,001

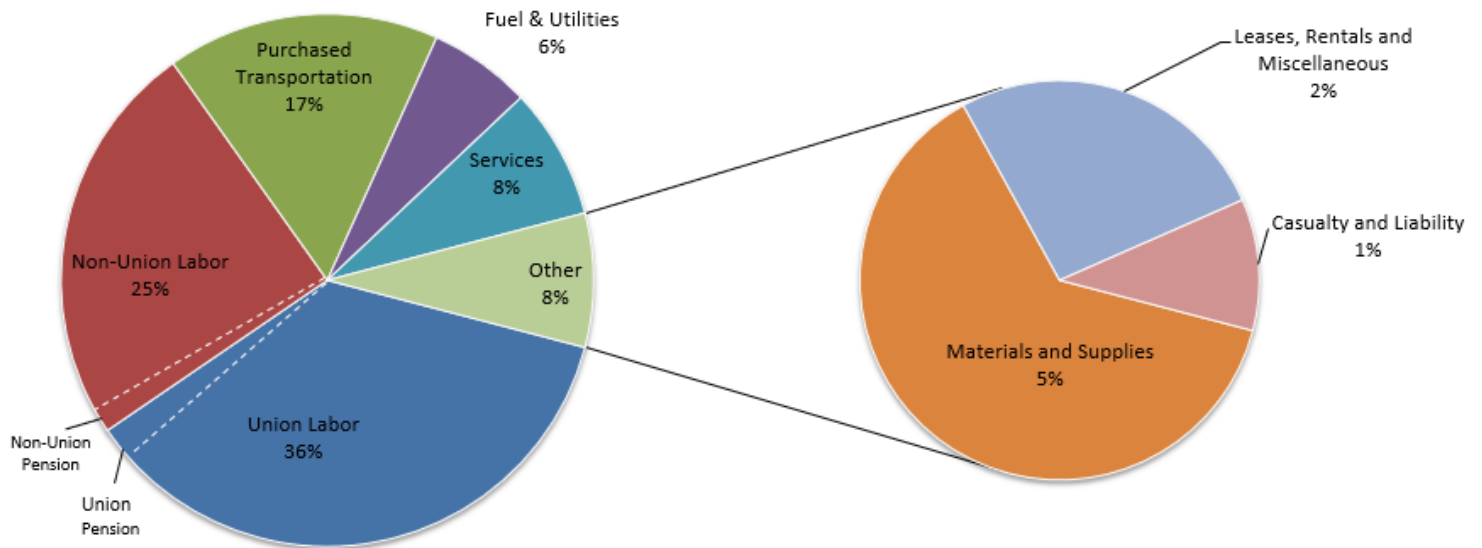
MAJOR INCREASES & DECREASES	
<u>Increases</u>	
Union 2% Wage Increase	\$ 3,626,092
New Positions	2,780,944
Contracted Fixed Route Bus Service	2,106,779
Allowance for New Service	2,000,000
Non-union 2.0% Salary Increase	1,942,149
Bus Maintenance - Materials & Supplies	1,021,299
Rail Safety Initiative - Non-Labor Resources	846,000
Rail Car #319 Repair	780,970
Long-range Plan (LRP)	701,800
Uniform and Tool Allowance	596,417
Diesel Fuel	593,297
Allowance for Salary Actions	538,250
Uptown Bus Rapid Transit Advertising	500,000
Gasoline	498,180
Pension Defined Contribution Plan	406,953
Rail Repair & Emergency On-Call Services	400,000
Increase cost of METRO TranStar Agreement	333,154
Other increases in Authority	307,760
System Safety Consultants - One Time	250,000
Pilot Non-Revenue Vehicle Leasing Program	236,775
Partnership Promotions	215,000
Website Redesign	150,000
Total Increases	\$ 20,831,820
<u>Decreases</u>	
Hurricane Harvey Allowance	
HOT Lanes Agreement with HCTRA	\$ (10,000,000)
Allowance for Real Estate Fund expenses	(2,194,387)
Vanpool - Purchased Transportation	(2,000,000)
Total Decreases	(490,432)
	\$ (14,684,819)

Operating Budget by Cost Category

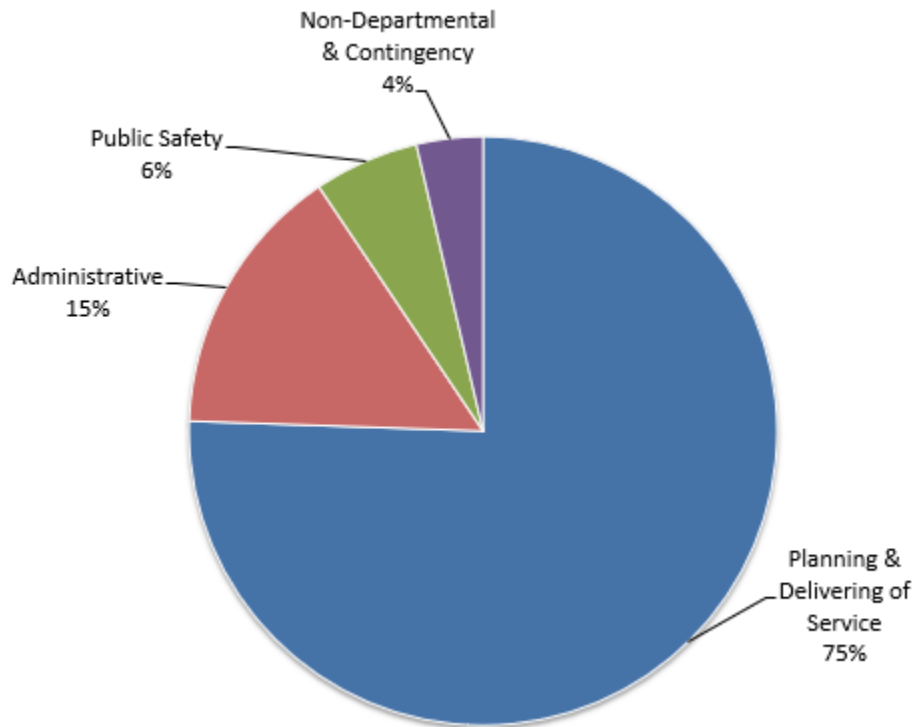
	FY2017 Actual	FY2018 Budget	FY2018 Estimate	FY2019 Budget	Budget-to-Budget Variance	
					\$	%
Wages	\$ 134,383,043	\$ 139,736,148	\$ 139,599,157	\$ 144,926,849	\$ 5,190,701	3.7%
Union Fringe Benefits	75,339,795	79,394,061	77,122,336	80,854,885	1,460,824	1.8%
Subtotal Union Labor	\$ 209,722,838	\$ 219,130,209	\$ 216,721,493	\$ 225,781,734	\$ 6,651,525	3.0%
Salaries and Non-Union Wages	92,856,551	103,956,369	98,664,473	107,695,839	3,739,470	3.6%
Non-Union Fringe Benefits	42,141,383	44,747,040	42,889,555	45,521,320	774,280	1.7%
Subtotal Non-Union Labor	\$ 134,997,933	\$ 148,703,409	\$ 141,554,028	\$ 153,217,159	\$ 4,513,750	3.0%
Allocation to Capital and GMP	\$ (9,486,024)	(10,628,670)	(10,188,652)	(10,268,408)	360,262	(3.4%)
Subtotal Labor and Fringe Benefits	\$ 335,234,747	\$ 357,204,948	\$ 348,086,869	\$ 368,730,485	\$ 11,525,537	3.2%
Services	42,329,917	62,153,696	51,071,314	49,447,093	(12,706,603)	(20.4%)
Materials and Supplies	28,088,359	30,898,462	31,346,599	31,696,392	797,930	2.6%
Fuel and Utilities	37,195,678	37,347,275	37,062,456	38,618,907	1,271,632	3.4%
Casualty and Liability	4,576,302	4,352,588	4,532,766	5,359,774	1,007,186	23.1%
Purchased Transportation	95,464,332	101,982,281	100,892,905	102,805,759	823,478	0.8%
Leases, Rentals and Miscellaneous	8,884,395	14,253,834	10,836,175	13,316,910	(936,924)	(6.6%)
Subtotal Non-Labor	\$ 216,538,983	\$ 250,988,136	\$ 235,742,215	\$ 241,244,834	\$ (9,743,302)	(3.9%)
Subtotal Labor and Non-Labor	\$ 551,773,730	\$ 608,193,084	\$ 583,829,084	\$ 609,975,319	\$ 1,782,235	0.3%
Contingency	-	12,500,000	-	17,101,800	4,601,800	36.8%
Allocation to Capital and GMP	-	(630,084)	(630,084)	(867,119)	(237,035)	37.6%
Total Operating Expenses	\$ 551,773,730	\$ 620,063,000	\$ 583,199,000	\$ 626,210,000	\$ 6,147,000	1.0%

FY 2019 Operating Budget Breakdown

By Cost Category

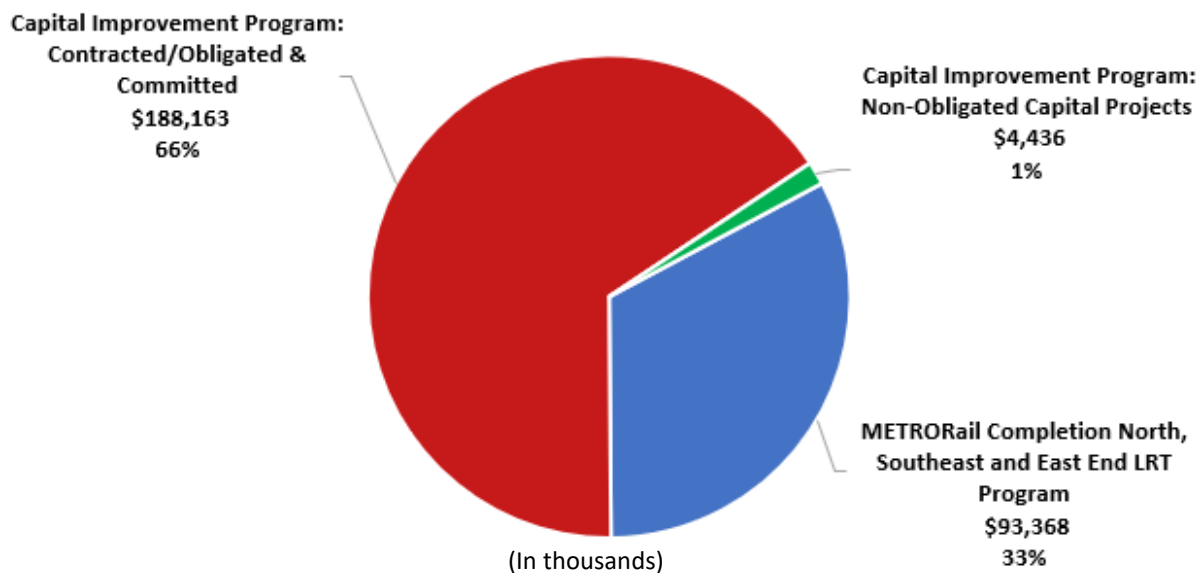


By Function



Capital Budget

METRO's FY2019 Capital Programs: \$285,967,000



Capitalization Policy

The Authority's overall capitalization policy requires expenditures to be capitalized when they exceed \$5,000 and (a) the useful life of the asset acquired exceeds one year and/or (b) the useful life of an existing asset is increased beyond its original useful life. Please see the appendix for complete Capitalization Guidelines.

FY2019 Capital Budget and Five Year Capital Program Plan

METRO's Capital Programs consist of the METRORail Completion (MRC) Program and the Capital Improvement Program (CIP). It is the first year of the five-year plan that comprises the FY2019 budgets.

The Capital Improvement Program includes \$188.2 million for funding of Contracted/Obligated or Committed projects in FY2019, and an additional \$4.4 million for the Non-Obligated Capital Project Fund.

A CIP project is considered Contracted/Obligated or Committed, if the project meets any of the following criteria:

- Involves a predominantly procured item and is under active contract.
- Has progressed beyond the Planning and Engineering/Design phase and is under contract for construction.
- Has a commitment or agreement with another external entity to advance the project, but not under contract.

A Capital Improvement Project is considered a Non-Obligated Capital Project, if the project is:

- Predominantly a procured item and is not yet under contract.
- Currently in the early Planning and Engineering/Design phase and requires additional scoping before being assigned as a capital project.
- Included in the out-years of the current Five Year CIP, and not currently under contract. In some cases, a multi-year project may be obligated in the first year only.

If a project is Non-Obligated, it may be funded from the \$4.4 million Non-Obligated Capital Project funds included in the FY2019 Budget. After internal review and recommendation, a project may be presented to the METRO Board for approval to move forward from the development phase into active status.

In order to do so, METRO executives convene a Capital Budget Review Committee meeting, or a series of meetings, to thoroughly review the project request using a company-wide Capital Project Ranking Model that assesses and vets the project from a standpoint of:

- Universal Accessibility
- Investment in Safety
- Investment in Security
- Maintains a State of Good Repair
- Increased METRO Ridership
- Reduced Operating Costs
- Greater Community Benefit.

If the project meets the intent of METRO's goals and results in a high score using the ranking model, the Capital Budget Review Committee can then recommend that the project be presented to the METRO Board for approval to move forward. A sample of the Capital Project Ranking Criteria is in the appendix.

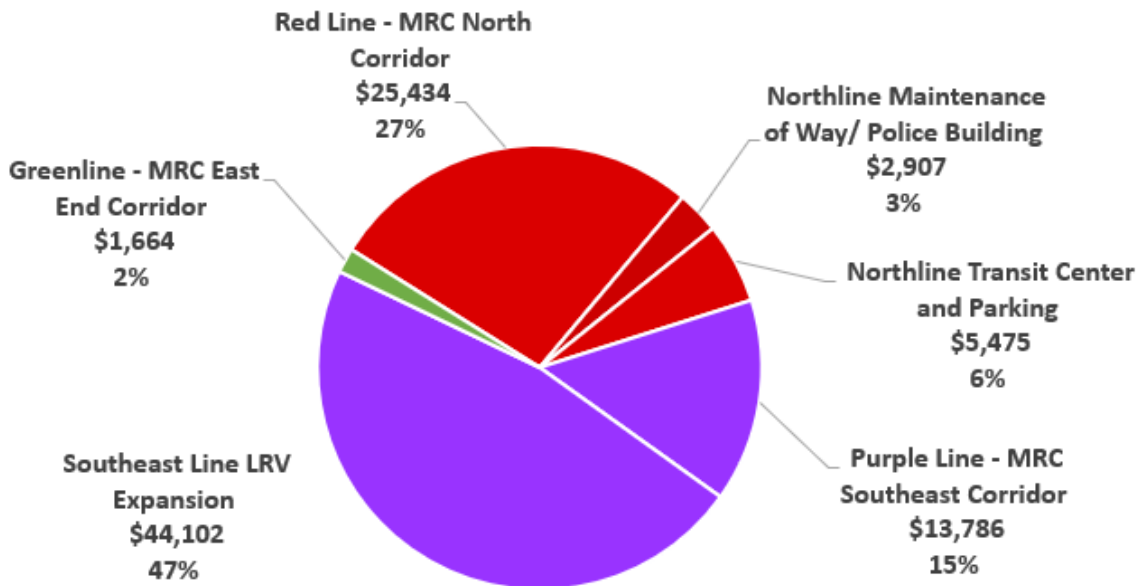
Five Year Capital Program Plan

The following reflects METRO's Five Year Capital Program plan:

PROJECTS (in thousands)	FY2019	FY2020	FY2021	FY2022	FY2023
	Budget				
METRO Rail Completion					
North, Southeast and East End LRT Program	40,884	5,811	6,010	739	-
Light Rail Vehicles (H4)	44,102	1,400	11,428	15,539	1,160
Phase 2: Northline & MOW facilities	8,382	24,600	31,741	8,500	-
METRO Rail Completion - Total	\$ 93,368	\$ 31,811	\$ 49,179	\$ 24,778	\$ 1,160
Capital Improvement Program					
Contracted/Obligated & Committed	188,163	186,982	209,791	255,633	303,581
Capital Improvement Program					
Non-Obligated Capital Project Fund	4,436	6,000	6,000	6,000	6,000
Total Projects	\$ 285,967	\$ 224,793	\$ 264,970	\$ 286,411	\$ 310,741

METRORail Completion Program

FY2019 METRORail Completion Budget: \$93,368,000



(In thousands)

The METRORail Completion program (MRC) began with Phase 1 of METRO's existing LRT system that added three lines (North, Southeast, and East End). This program included the design and construction of approximately 15 miles of LRT, 24 LRT stations, a storage facility at the Southeast line, a service and inspection facility at the East End line, and the procurement of 39 Light Rail Vehicles (LRV) for the opening-day fleets.

Phase 1 of the MRC program completes in FY2019, with the closeout of the construction of the original three corridors and Phase 2 of the MRC Program begins.

Phase 2 involves the procurement of the final order of 14 Light Rail Vehicles, the construction of a Rail Operations Center storage track needed to accommodate the new LRVs, a number of Safety Initiatives on each of the three lines. Phase 2 would also involve the development of a new Northline Maintenance of Way facility that would include a METRO Police facility and the development of the Northline Transit Center and Parking facility, currently pending FTA approvals.

FY2019 METRO Rail Completion (MRC) (in thousands)	Grant	Local	Total
Red Line - MRC North Corridor	\$ 15,139	\$ 10,295	\$ 25,434
Northline Maintenance of Way/ Police Building	1,730	1,177	\$ 2,907
Northline Transit Center and Parking	3,259	2,216	\$ 5,475
Purple Line - MRC Southeast Corridor	5,426	8,360	\$ 13,786
Southeast Line LRV Expansion	22,401	21,701	\$ 44,102
Greenline - MRC East End Corridor	-	1,664	\$ 1,664
Total METRORail Completion	\$ 47,955	\$ 45,413	\$ 93,368

Red Line - MRC North Corridor & Other Expenditures

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

The North Line Project is a 5.31 mile fixed guideway system that includes 8 platforms, an opening day fleet of 14 LRT vehicles, and extended the existing Main St. light rail line from the University of Houston Downtown to newly expanded Northline Transit Center. The project's goal is to provide a high-capacity transportation system in the corridor that encourages economic development and revitalization, provides more frequent trips and expanded hours from the Northline area, and improves customer experience as a one-seat ride to employment and recreation centers from Northline to Fannin South, linking the historic Northside area with employment centers downtown and in the Texas Medical Center. The North Line project includes a full buildout of the Rail Operations Center yard track to increase LRV storage capacity from 40 to 60 vehicles. The project is included in North Corridor FFGA Phase 2, and includes design, site work and drainage, track and overhead catenary system (OCS). Additionally, there will be a Burnett Maintenance of Way (MOW) / Police Building built, operational by FY2022.

Operating Impact

The cost of maintenance and eventual replacement have been developed as part of the long range operating budget.

Purple Line - MRC Southeast Corridor

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

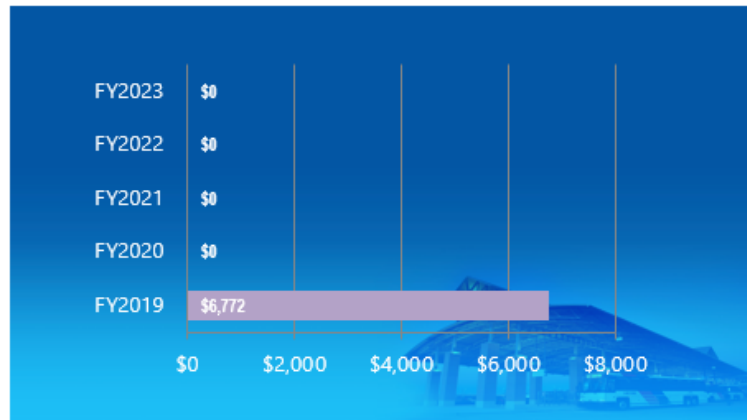
The Southeast Line Project is a 6.56 mile double track LRT line, with 10 stations, a storage facility and an opening day fleet of 15 LRT vehicles. The Project will operate in semi-exclusive right-of-way from Downtown Houston east to the University of Houston main campus and Texas Southern University to a terminus along Griggs Road at Beekman Road. Additional LRT vehicles will be added with Phase 2 procurement, totaling 14 LRT vehicles. The Project intersects with the Red Line in Downtown Houston and is intended to provide improved mobility for transit-dependent populations and to connect Southeast Line commuters to the major activity centers of Downtown and the Texas Medical Center.

Operating Impact

The cost of maintenance and eventual replacement have been developed as part of the long range operating budget.

Green Line - MRC East End Corridor

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

The East End Line project is a 3.34 mile double track LRT line with 6 stations, a Service & Inspection Facility, and an opening day fleet of 10 LRT vehicles. The project extends from the Southeast Line in the East Downtown area. At Dowling Street, the East End Line leaves the Southeast Line and then crosses the Union Pacific Railroad (UPRR) tracks using the existing underpass. The line continues east in the median of Harrisburg Blvd. and crosses over the UPRR via an overpass and then continues in the median of Harrisburg to the terminus of the line at 70th Street and Magnolia Transit Center. The East End Line Project includes the Harrisburg Overpass Project involving a 2,400 linear feet overpass along Harrisburg, starting at Linwood Street and extending east, crossing over the railroad tracks at Hughes St. and ending approximately 250 linear feet east of 66th street. The project includes landscaping along the project limits, rope lighting on either side of the bridge, underpass lighting, blue accent lighting under the bridge, and a crossing gate at 66th Street.

Operating Impact

The cost of maintenance and eventual replacement have been developed as part of the long range operating budget.

Capital Improvement Program

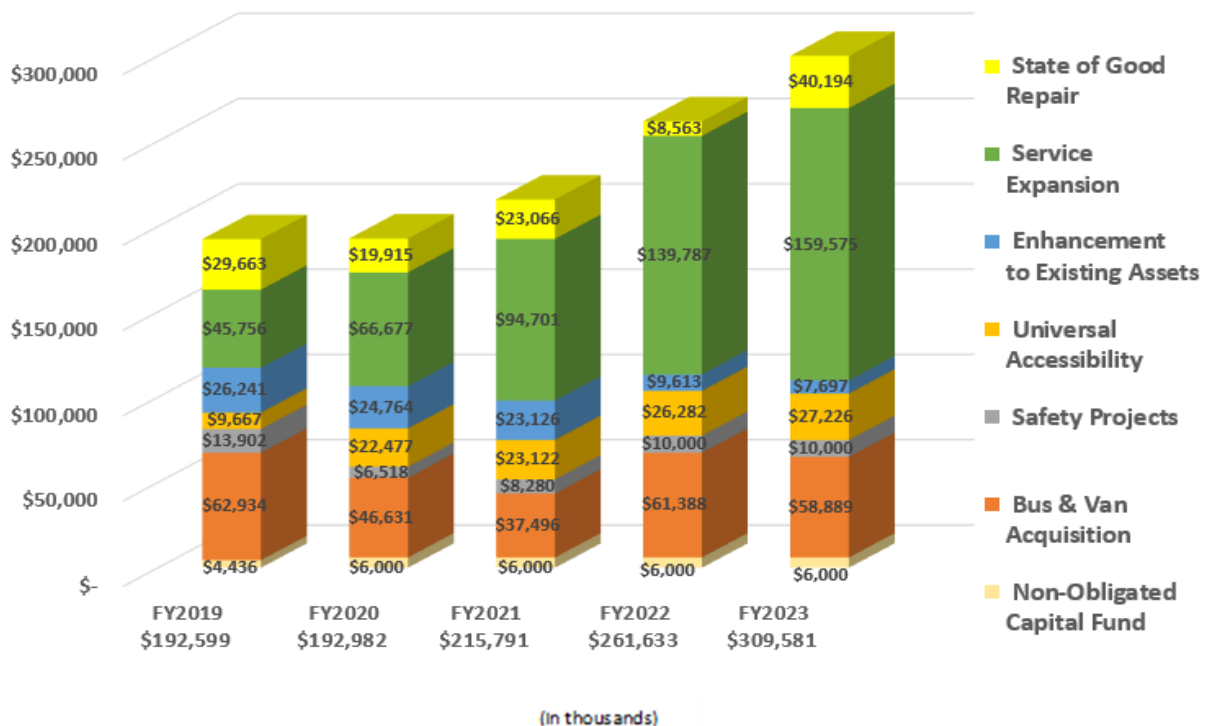
The Capital Improvement Program (CIP) provides for the capital needs that are outside the scope of the METRORail Expansion (e.g. bus replacement, facility renovations, procurement of equipment).

The Authority's funding of its capital improvement plan is subject to available funding sources and access to the financial markets. METRO launched capital improvement projects that will help preserve its capability for high-quality service delivery and keep the system in a state of good repair.

Capital Improvement Program – Contracted/Obligated, Committed, and Non-Obligated Projects

FY2019 Capital Improvement Program (in thousands)	Grant	Finance	Local	Total
Bus & Van Acquisition (Subset of SOGR)	\$ 6,779	\$ 44,802	\$ 11,353	\$ 62,934
Safety Projects	-	4,041	9,861	13,902
Universal Accessibility	-	4,616	5,051	9,667
Enhancements to Existing Assets	4,139	14,827	7,275	26,241
Service Expansion	19,153	9,307	17,296	45,756
State of Good Repair	-	2,838	31,261	34,099
Total Capital Improvement Program	\$ 30,071	\$ 80,431	\$ 82,097	\$ 192,599

The infrastructure supported by the FY2019 CIP budget includes facilities (maintenance and administrative support), revenue rolling stock (rail cars, buses and paratransit vans), and bus system infrastructure including transit center improvements and bus shelters. Maintenance of these assets is critical to ensure a high level of service, reliability and optimized operating costs. There are six main project types: State of Good Repair Projects (SOGR), Universal Accessibility Projects, Enhancements to Existing Assets, Safety Projects, Service Expansion / New Projects, and Bus & Van Acquisition.



Capital Improvement Program – Non-Obligated Capital Projects

Capital Improvement Projects, which may be funded from the \$4.4 million Non-Obligated Capital Project Fund, will be selected by the METRO Capital Budget Review (CBR) committee, prioritized and recommended to move forward for METRO Board approval to advance the projects from their conceptual/ developmental design phase into active capital project status.

Detailed lists of the Discretionary Projects summarized below can be found in each of the sections of this Business Plan & Budget Book, specifically in the Universal Accessibility, Enhancements to Existing Assets, and State of Good Repair sections.

Projects potentially funded from the Non-Obligated Capital Project Fund:

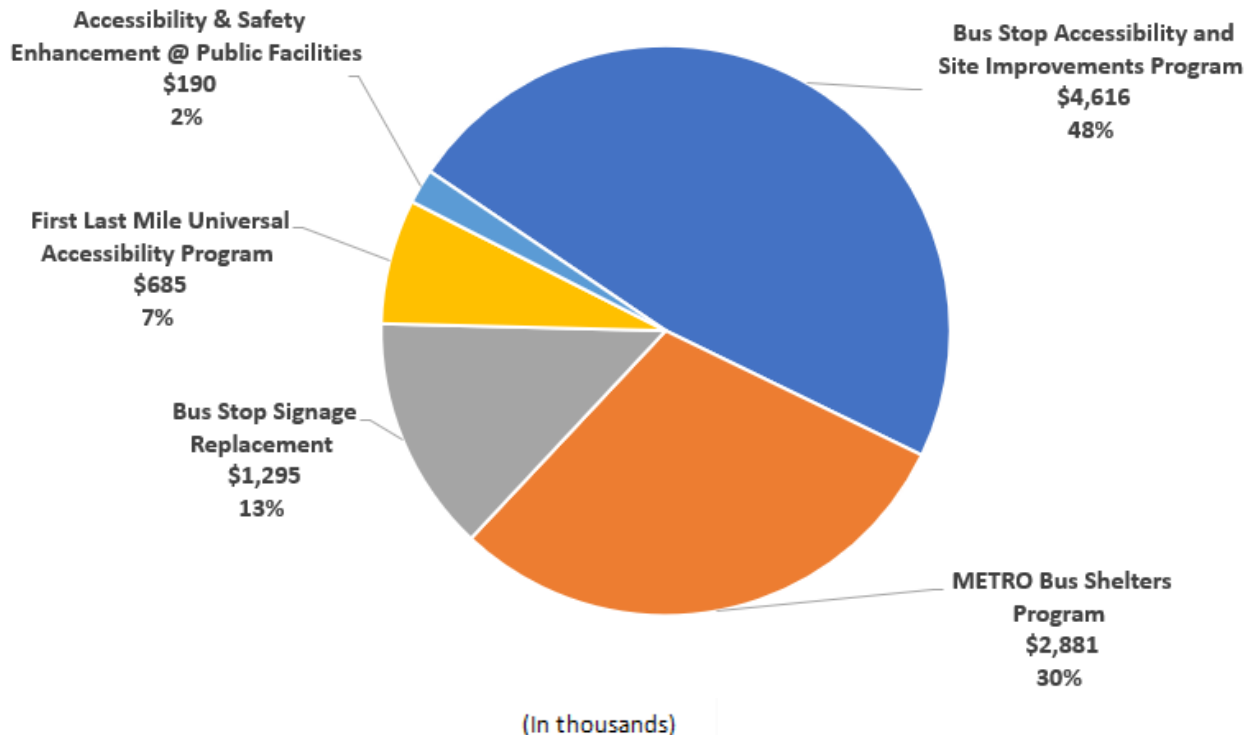
FY2019 Discretionary Projects (in thousands)	Grant FY2019	Local FY2019	Total FY2019
Universal Accessibility Discretionary	\$ -	\$ 3,925	\$ 3,925
Enhancements to Existing Assets Discretionary	-	29,973	29,973
State of Good Repair Discretionary	-	57,772	57,772
Total FY2019 Discretionary	\$ -	\$ 91,670	\$ 91,670

Universal Accessibility Projects

The Capital Improvement Program (CIP) provides for a capital upgrade program titled “Universal Accessibility”, which ensures that METRO’s facilities and services are usable for all riders.

Although METRO’s entire fleet of buses and trains is already accessible, improvements to bus stops, bus shelters, and public facilities will make it easier for riders to use the system. These improvements include installing new bus shelters, and repair of sidewalks, ADA ramps, bus stop pads, and crosswalks considered as Tier 1 Bus Stop ADA Compliance upgrades. The Universal Accessibility program will also provide enhancements at a number of METRO public facilities (such as Park & Ride lots and transit centers), “First & Last Mile” Universal Accessibility and bus stop signage upgrades at over 9,000 locations over a five-year timeframe.

FY2019 Universal Accessibility Project Budget: \$9,667,000



Universal Accessibility – Contracted/Obligated or Committed

FY2019 Universal Accessibility Projects (in thousands)	Total	Finance	Local	Total
Bus Stop Accessibility and Site Improvements Program	4,616	\$ 4,616	\$ -	\$ 4,616
METRO Bus Shelters Program	2,881	-	2,881	\$ 2,881
Bus Stop Signage Replacement	1,295	-	1,295	\$ 1,295
First Last Mile Universal Accessibility Program	685	-	685	\$ 685
Accessibility & Safety Enhancement @ Public Facilities	190	-	190	\$ 190
Total Universal Accessibility	\$ 9,667	\$ 4,616	\$ 5,051	\$ 9,667

METRO Bus Shelters (5 Year Program)

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

The METRO New Bus Network program restructured the existing bus network to be more aligned with the needs of METRO's growing service area. There will be 100 new bus shelters installed in FY2019. This program reinforces METRO's commitment to reinvest in the Authority's bus system backbone and continues to be a proven way to enhance ridership. METRO history has proven that a shelter placed in a location that meets placement criteria will increase ridership by 20 boardings per day on average.

Operating Impact

Additional bus shelters result in increased operating and maintenance costs. Maintenance cost (cleaning, breakage, etc.) for the additional shelters will be included in the annual operating budget. The estimated annual maintenance cost per shelter is an average of \$1,200.

Bus Stop Accessibility and Site Improvements Program

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

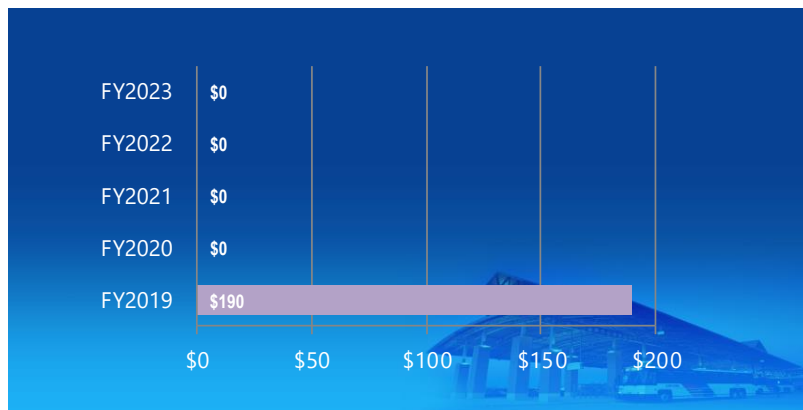
METRO's bus stops have been ranked in their need for accessibility improvements. In FY2019, METRO will begin addressing the highest priority (Tier 1) stops. Some of the accessibility improvements will be sidewalk repair, ADA ramps, bus stop pads, crosswalks, pad leveling etc. Other improvements could be the removal of elements at discontinued stops and adding required site amenities such as trash receptacles at stops that are in need of them. With improved accessibility and improved safety and security, customers will be more likely to use METRO buses on a more frequent basis.

Operating Impact

This project will result in reduced operating costs. Currently, Facilities Maintenance spends a lot of maintenance funding for keeping up with these areas with accessibility issues. With improved accessibility features, approximately \$1 million can be saved over a five-year period.

Accessibility Enhancements at Public Facilities

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

This project includes: Installation of safety and accessibility features such as bus platform/elevator/restroom identification signs in Braille and tactile lettering for visually impaired people; adding or modifying curb ramps with new raised dome plates in front of vehicular pathways, restriping if needed, and adding stop bar/crosswalk to enhance pedestrian safety etc. The project will provide further universal accessibility at METRO public facilities (e.g. Park & Rides & Transit Centers) with improved ADA features.

Operating Impact

This project will be implemented in multiple phases during construction thereby reducing operational impacts.

First and Last Mile Universal Accessibility Program

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

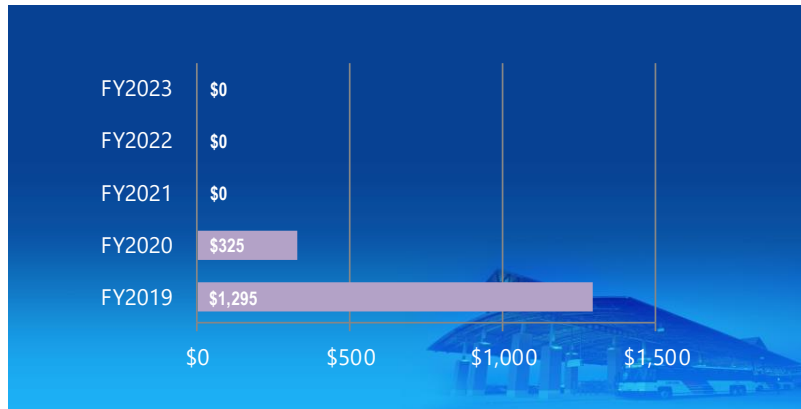
To improve access to most patrons by incorporating and enhancing universal access elements to improve pedestrian networks and connectivity. ADA accessibility, bike and stroller access, etc will be made available at selected locations near bus stops and rail stations throughout the system. The program will also develop Universal Accessibility guidelines for the agency. METRO intends to secure FTA/TxDOT funding to fund this program.

Operating Impact

This project will increase ridership by enhancing access to all customers, especially those who may be transit-dependent and have challenges with the first or last mile of their trip. This program will leverage funds with other agencies which will allow improvements to have a greater impact to the access and connectivity of the transit system.

Bus Stop Signage Upgrade

Projected Expenditures FY19-FY23 (In Thousands)

**Project Scope**

The New Bus Network (NBN) caused a number of changes to the bus stop signage. The bus stop signs that were in place were temporarily changed to reflect the NBN utilizing 3M adhesive tape and were not designed to be permanent. This project will replace the existing signage for approximately 9,000 bus stops with new aluminum plates with permanent printed ink over a two-year timeframe. The project will also replace the temporary plastic information posts with more permanent aluminum signs with printed information.

Operating Impact

Because the temporary signage is starting to age, this project will alleviate any increase in maintenance costs of the existing signage as well as reducing customer complaints regarding signage.

Universal Accessibility – Non-Obligated Capital Projects

Capital Improvement Projects, which may be funded from the \$4.4 million Non-Obligated Capital Project Fund, will be selected by the METRO Capital Budget Review (CBR) committee, prioritized and recommended to move forward for METRO Board approval to advance the projects from their conceptual/ developmental design phase into active capital project status.

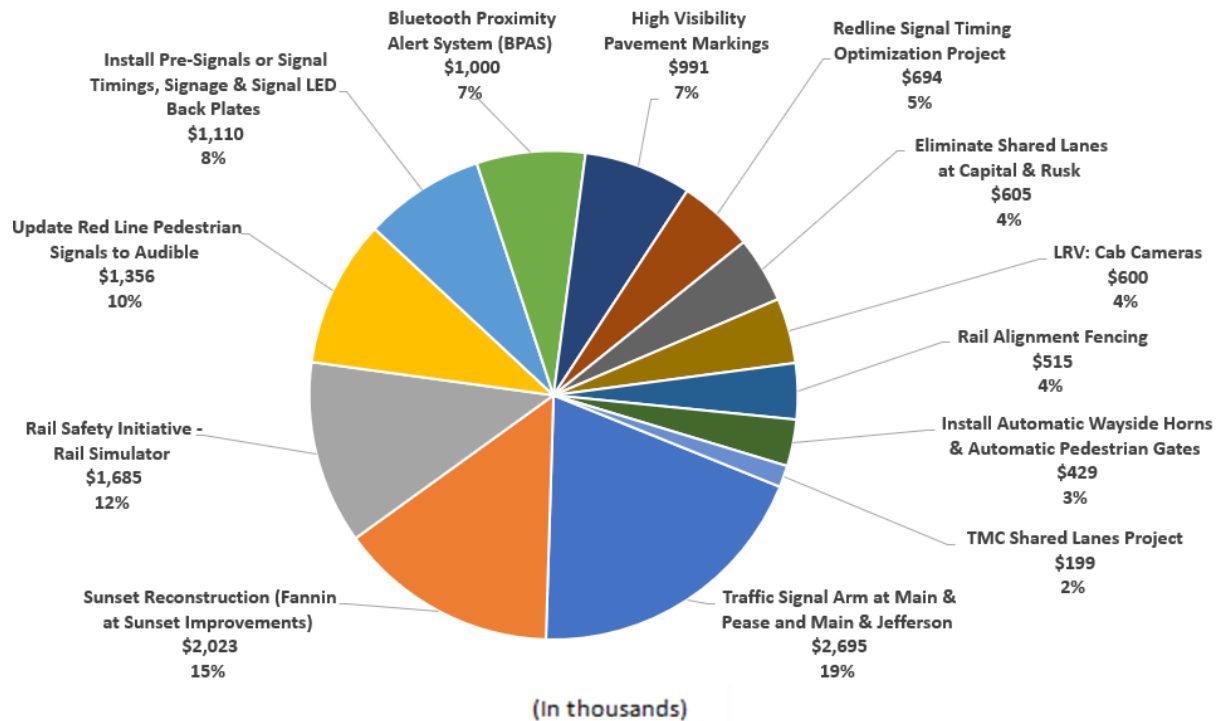
Projects potentially funded from the Non-Obligated Capital Project Fund:

FY2019 Universal Accessibility Discretionary Projects (in thousands)	Grant FY2019	Local FY2019	Total FY2019
Accessibility Enhancement at METRO Public Facilities	\$ -	\$ 1,937	\$ 1,937
Accessibility Enhancement at Hiram Clarke Bus Operating Facility	-	557	557
Accessibility Enhancement at Polk Bus Operating Facility	-	557	557
Accessibility Enhancement at Fallbrook Bus Operating Facility	-	442	442
Accessibility Enhancement at Kashmere Bus Operating Facility	-	94	94
Accessibility Enhancement at NW Bus Operating Facility	-	94	94
Accessibility Enhancement at West Bus Operating Facility	-	70	70
Accessibility Enhancement at Field Service Center (FSC)	-	57	57
Accessibility Enhancement at Rail Operating Center (ROC)	-	36	36
Accessibility Enhancement at S&I Facility	-	36	36
Accessibility Enhancement at Central Store Facility (CS)	-	36	36
Accessibility Enhancement at Griggs Facility	-	9	9
Total Universal Accessibility Discretionary	\$ -	\$ 3,925	\$ 3,925

Safety Projects

The Capital Improvement Program (CIP) provides for a capital upgrade program titled “Safety”, which involves projects designed to reduce accidents and incidents on the METRO system.

FY2019 Safety - Enhancements to Existing Assets: \$13,902,000



Safety Projects – Contracted/Obligated or Committed

FY2019 SAFETY Projects (in thousands)	Finance	Local	Total
Traffic Signal Arm at Main & Pease and Main & Jefferson	\$ -	\$ 2,695	\$ 2,695
Sunset Reconstruction (Fannin at Sunset Improvements)	-	2,023	2,023
Rail Safety Initiative - Rail Simulator	1,685	-	1,685
Update Red Line Pedestrian Signals to Audible	1,356	-	1,356
Install Pre-Signals or Signal Timings, Signage & Signal LED Back Plates	-	1,110	1,110
Bluetooth Proximity Alert System (BPAS)	1,000	-	1,000
High Visibility Pavement Markings	-	991	991
Redline Signal Timing Optimization Project	-	694	694
Eliminate Shared Lanes at Capital & Rusk	-	605	605
LRV: Cab Cameras	-	600	600
Rail Alignment Fencing	-	515	515
Install Automatic Wayside Horns & Automatic Pedestrian Gates	-	429	429
TMC Shared Lanes Project	-	199	199
Total SAFETY	\$ 4,041	\$ 9,861	\$ 13,902

Rail Alignment Fencing

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

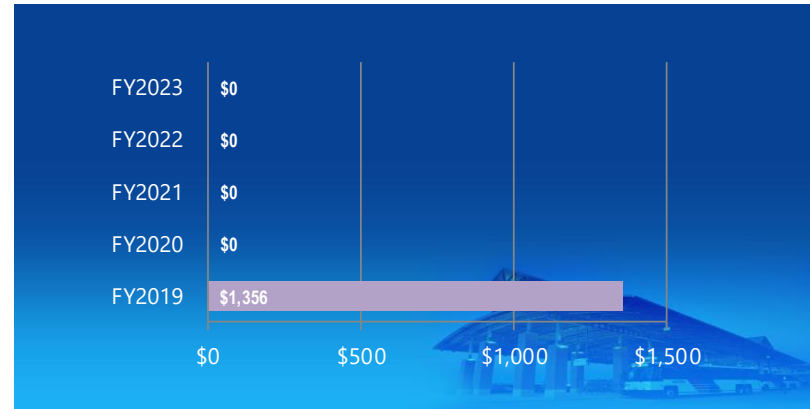
This project may install rail alignment fencing at platforms with high pedestrian activity at specific locations identified throughout the Midtown area, NRG Park area, rail platforms, and other station locations. Expenditures for FY2019 includes several rail locations.

Operating Impact

The cost of maintenance and eventual replacement have been developed as part of the long range operating budget.

Update Red Line Pedestrian Signals to Audible

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

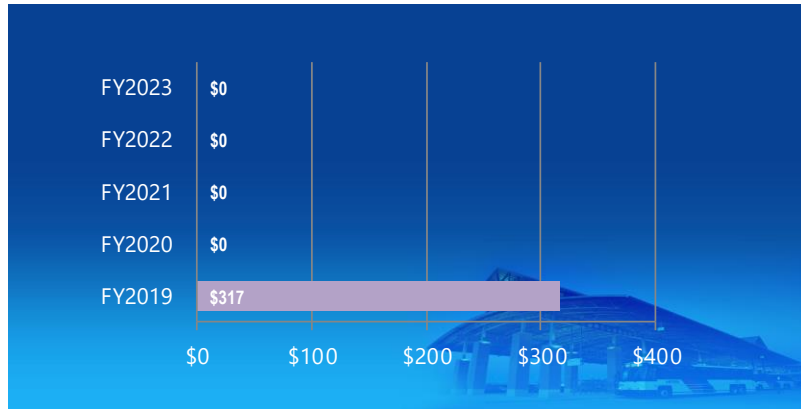
This project involves the installation of Red Line Pedestrian Signals to include an audible alert in an effort to better define the desired crossing locations and safe foot traffic patterns for the vision impaired.

Operating Impact

The cost of maintenance and eventual replacement have been developed as part of the long range operating budget.

LED Back Plate on Traffic Signals

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

This project involves the installation of higher visibility traffic light fixtures by adding an illuminated LED back plate to the existing traffic lights in an effort to better alert drivers to the standard traffic lighting at a wide range of intersections.

Operating Impact

The cost of maintenance and eventual replacement have been developed as part of the long range operating budget.

High Visibility Pavement Markings

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

This project may paint specific crosswalks and railroad crossing pavement signage with high visibility pavement markings in an effort to better define the correct crossing locations and railroad crossing pavement markings.

Operating Impact

The cost of maintenance and eventual replacement have been developed as part of the long range operating budget.

Bluetooth Proximity Alert System (BPAS)

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

The Project is a pilot system whereby a device, mounted at a crosswalk, produces an audible announcement when a train is approaching. The device utilizes a Bluetooth receiver which senses Bluetooth emitters mounted in each LRV. The pilot was initially installed at Hermann Park/Rice University Rail Station and is being expanded to other locations on the alignment. This system in no way replaces any existing safety equipment but is an overlaying enhancement to provide another opportunity to tell pedestrians and others that a train is on approach.

Operating Impact

The cost of maintenance and eventual replacement have been developed as part of the long range operating budget.

LRV Cab Cameras

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

This project involves the installation of Light Rail Vehicle cab cameras and may provide system upgrades for all of the Siemens H1 Light Rail Vehicles to accommodate the cab camera systems.

Operating Impact

The cost of maintenance and eventual replacement have been developed as part of the long range operating budget.

Sunset Reconstruction

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

METRO reviewed the safety of pedestrians and cyclists on the entire Rail system. The findings from a traffic study commissioned by METRO revealed opportunities for enhancements and improvements at these intersections that METRO will partner with the City of Houston to implement. The project will reconstruct the intersection and provide safety enhancements for pedestrians and cyclists. The project will also remove the right turn from Main to Sunset thereby providing a safer area for pedestrians to cross both intersections.

Operating Impact

The cost of maintenance and eventual replacement have been developed as part of the long range operating budget.

Eliminate Shared Lanes at Capital & Rusk

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

This project, located in the vicinity of Capital and Rusk Streets, may install a series of delineated rail line separators from local traffic lanes in an effort to reduce the amount of incidents and accidents associated with Light Rail Vehicles sharing the same lane with automobile traffic entering the lane to turn left.

Operating Impact

The cost of maintenance and eventual replacement have been developed as part of the long range operating budget.

Traffic Signal Arm at Main & Pease and Main & Jefferson

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

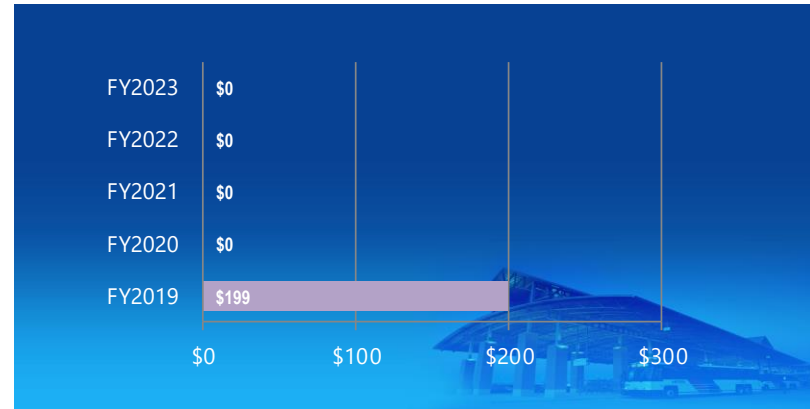
This project may install a longer traffic light arm and may add three traffic light fixtures above each traffic lane in an effort to better alert drivers to the standard traffic lighting at this intersection. The individual traffic light fixtures would be further illuminated with an LED back plate providing added visibility to the traffic lights.

Operating Impact

The cost of maintenance and eventual replacement have been developed as part of the long range operating budget.

Safety - TMC Shared Lanes Project

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

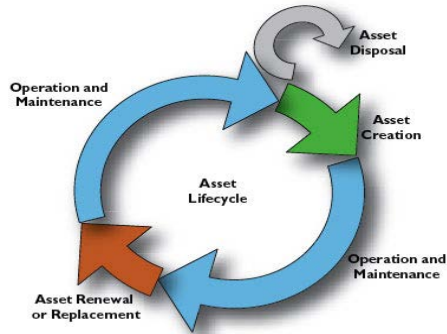
This project may eliminate the shared turn lanes in the Texas Medical Center. Guideway to be fully dedicated for LRVs and emergency vehicles. This project includes: lane separators, traffic signal upgrades, pedestrian fencing, pavement markings, & signage.

Operating Impact

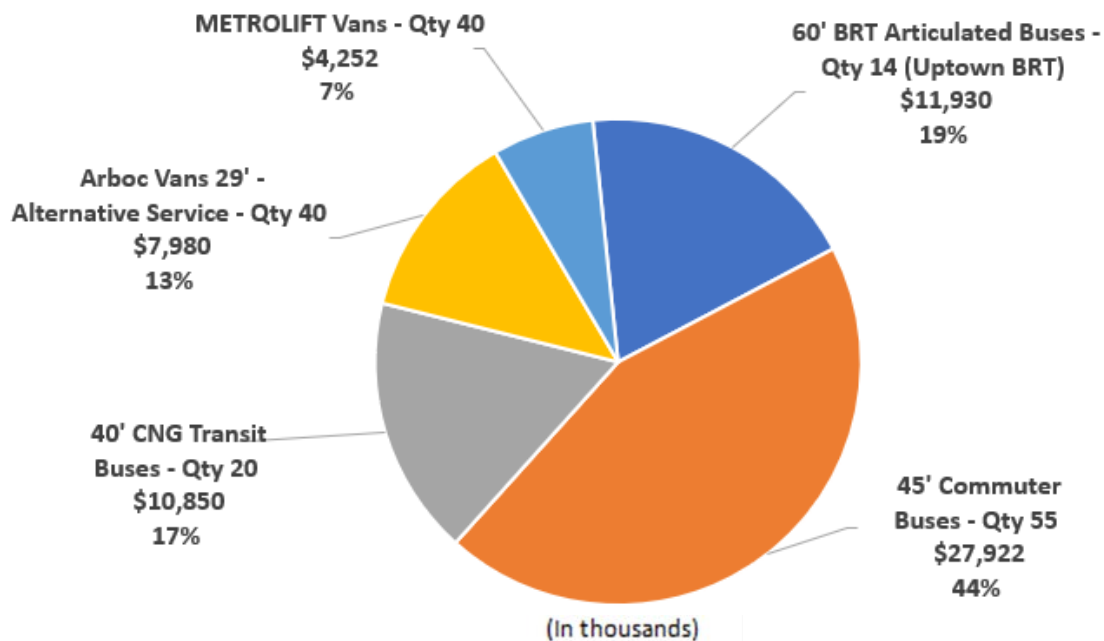
The cost of maintenance and eventual replacement have been developed as part of the long range operating budget.

State of Good Repair (SOGR) Projects

A state of good repair standard is where all capital assets are functioning at their ideal capacity within their design life. -- Federal Transit Administration (FTA)



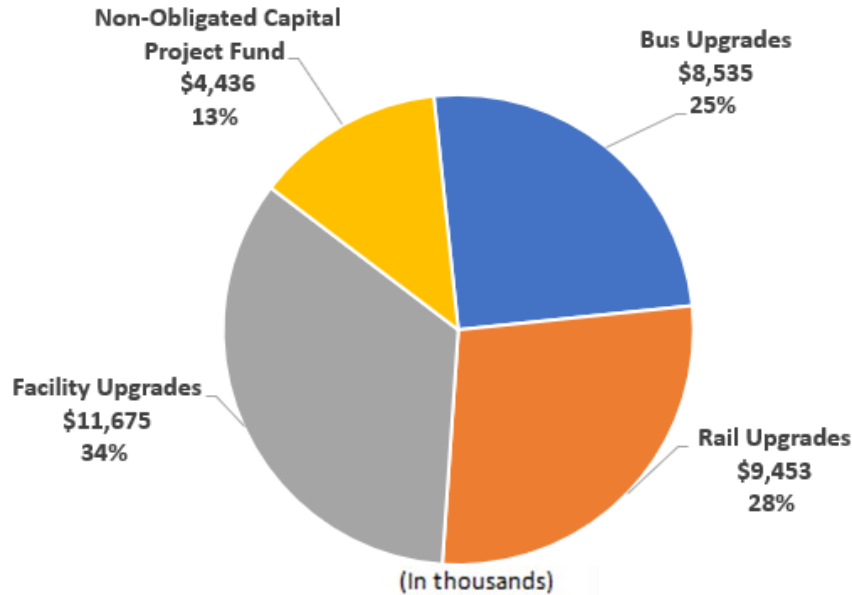
FY2019 Bus & Van Acquisition and State of Good Repair Projects \$85,103,000



State of Good Repair Bus & Van Acquisition – Contracted/Obligated or Committed

Bus & Van Acquisition (Subset of SOGR)	Grant	Finance	Local	Total
45' Commuter Buses - Qty 55	\$ -	\$ 27,922	\$ -	\$ 27,922
40' CNG Transit Buses - Qty 20	5,900	4,950	-	10,850
Arboc Vans 29' - Alternative Service - Qty 40	-	-	7,980	7,980
METROLIFT Vans - Qty 40	879	-	3,373	4,252
Total Bus & Van Acquisition SOGR	\$ 6,779	\$ 32,872	\$ 11,353	\$ 51,004
Bus Acquisition (Subset of Service Expansion)				
60' BRT Articulated Buses - Qty 14 (Uptown BRT)	-	11,930	-	11,930
Total Bus Acquisition - Service Expansion	\$ -	\$ 11,930	\$ -	\$ 11,930
Total Bus & Van Acquisition	\$ 6,779	\$ 44,802	\$ 11,353	\$ 62,934

State of Good Repair Projects- Contracted/Obligated or Committed



FY2019 State of Good Repair Projects (in thousands)	Grant	Finance	Local	Total
Bus Upgrades				
Engine Assemblies	\$ -	\$ -	\$ 4,010	\$ 4,010
Hybrid bus batteries	-	-	2,040	2,040
Transmission Assemblies	-	-	950	950
Bus Axles	-	-	760	760
New Bus make ready -Diesel	-	-	430	430
Non Revenue Vehicles - 2 Heavy Duty Wreckers	-	-	320	320
New Bus make ready METROLift	-	-	25	25
Rail Upgrades				
Red Line Rail Tie Upgrade	-	-	3,924	3,924
Traction Power Pull Box Upgrade	-	2,838	-	2,838
Light Rail Vehicle Upgrades	-	-	1,902	1,902
Light Rail Transitway Upgrades	-	-	789	789
Facility Upgrades				
Data Center Management	-	-	3,733	3,733
Kashmere BOF Electrical System	-	-	3,339	3,339
Northwest BOF Bus Wash	-	-	1,464	1,464
Network Upgrades and Management	-	-	1,314	1,314
Hiram Clarke BOF Waste Water Treatment Plant Rehabilitation	-	-	709	709
Oil Water Separator System Rehabilitation @ Polk	-	-	574	574
Mission Bend Park and Ride Pavement Rehabilitation	-	-	542	542
Non-Obligated Capital Project Fund				
Committed / Non-Obligated Capital Project Fund	-	-	4,436	4,436
Total State of Good Repair Projects	\$ -	\$ 2,838	\$ 31,261	\$ 34,099
Total Bus & Van Acquisition SOGR	\$ 6,779	\$ 32,872	\$ 11,353	\$ 51,004
Total State of Good Repair	\$ 6,779	\$ 35,710	\$ 42,614	\$ 85,103

40' Transit Buses - Clean Diesel

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

FY2020 thru FY2023 includes 230 transit buses in the five year plan with no transit buses in FY2019. New operating data with the clean diesel buses has shown that the transit buses are more cost-effective for the daily transit routes. New transit buses include new camera systems that will enhance security and safety for both customers and operators.

Operating Impact

Procurement of these buses is part of the life-cycle replacement and will maintain operational reliability and cost-effectiveness. Regularly replacing transit buses that have met their useful life with new buses, not only improves customer experience, but provides stability and predictability by leveling the fleet asset management costs over time.

45' Commuter Buses

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

This procurement of 55 commuter buses in FY2019 is part of METRO's bus replacement program. New operating data with the clean diesel buses has shown that the transit buses are more cost-effective for the daily commuter routes to and from Park & Ride lots. New commuter buses include new camera systems that will enhance security and safety for both customers and operators.

Operating Impact

Procurement of these buses is part of the life-cycle replacement and will maintain operational reliability and cost-effectiveness. Regularly replacing commuter buses that have met their useful life not only improves customer experience, but provides stability and predictability by leveling the fleet asset management costs over time.

METROLift Vans

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

Purchase of 40 paratransit vans per year is a part of METRO's annual METROLift paratransit van replacement program. Replacing paratransit vans that have met their useful life with new paratransit vans improves the customer's experience. New paratransit vans with camera systems and improved lift devices also enhance security and safety for both customers and operators.

Operating Impact

This purchase will keep operating costs in check and will increase METROLift's reliability. Procurement of these paratransit vans is part of the life-cycle replacement and will maintain operational reliability and cost-effectiveness. Regularly replacing vans that have met their useful life not only improves customer experience, but provides stability and predictability by leveling the fleet asset management costs over time.

Rail Operating Center & Red Line Rail Tie Upgrade

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

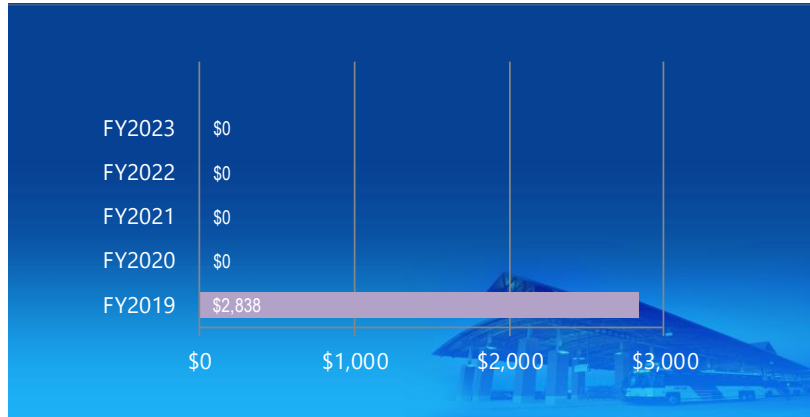
This project will replace all the timber crossties installed at the Rail Operating Center with new composite ties. The timber ties are in poor condition, and replacing them will reduce the risk of yard derailments due to poor track conditions.

Operating Impact

Decreased maintenance and reduced down time due to longer life cycle.

Traction Power Pull Box Upgrade

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

The project will install new above-ground cabinets so the traction power cables are not sitting in water-soaked underground pull boxes, where the electrical wiring could cause a shortage leading to fires in the underground boxes.

Operating Impact

Decreased maintenance and reduced down time due to longer life cycle.

Network Upgrades and Management

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

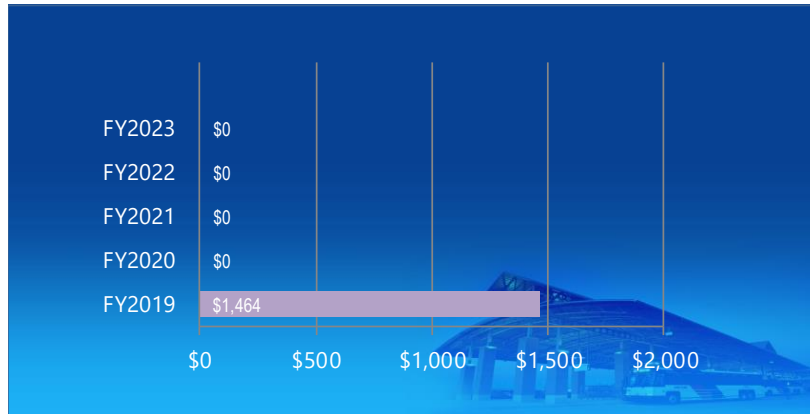
The Network Upgrades and Management project for FY2019 will replace all Local Area Network switches in the 1900 Main Administrative Office building that have reached end-of-life and end-of-support. These support all METRO computer functions, including Bus and Rail Operations, Finance, Human Resources and other business functions.

Operating Impact

This project will add approximately \$310,000 per year through FY2022 for equipment warranty.

Northwest BOF Bus Wash

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

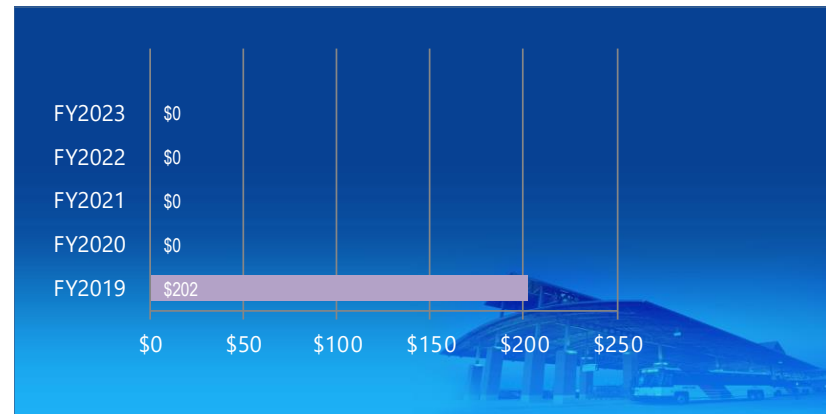
This project would upgrade the Bus Wash System at the Northwest Bus Operating Facility with the replacement of the old hydraulic system with a more automated electric system. The current bus wash system is nearing the end of its useful service life and is in need of an overall rehabilitation. New bus wash equipment will have improved water reclamation technology, thus reducing potential negative environmental impacts and lessening overall water requirements.

Operating Impact

Installation of code compliant bus wash features will keep the buses clean and will reduce current maintenance costs.

LRT: Interline OCS Motor Operated Disconnects Upgrade

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

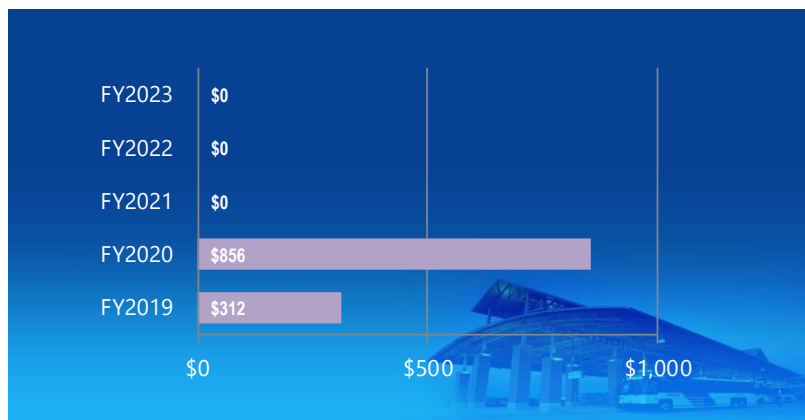
This project would install motor operated disconnect (MOD) switches for the Overhead Catenary System at Capitol and Main and at Rusk and Main. The proposal is to procure four motor-operated disconnects to replace the two switches between Walker and Rusk and the two switches located between Capitol and Texas. The four switches are critical to sectioning for the interline area in the event of an emergency.

Operating Impact

Decreased maintenance and reduced down time due to longer life cycle.

LRV: Truck Overhaul

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

The OEM-recommended truck overhaul for FY2019 includes completing light rail vehicle (LRV) Couplers. This recurring overhaul needs to be accomplished roughly every eight years.

Operating Impact

This overhaul will reduce the operating cost and increase the reliability and service life of the rail vehicles.

Bus Engine Assemblies

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

This project would involve engine replacements for 40' transit buses; 45' commuter buses & 60' articulated buses to ensure fleet dependability and provide safe and reliable transportation to METRO customers.

Operating Impact

Renovating engine assemblies in a routine State of Good Repair Program lowers the costs to maintain and repair them, compared to repairs on an as-needed basis. This is considered a major component life cycle replacement to support all bus types operated by METRO.

Hybrid Bus Batteries

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

This project would involve replacing hybrid batteries for the 40' Orion Transit and 45' MCI Park & Ride buses to ensure fleet dependability and provide safe, reliable transportation to METRO customers.

Operating Impact

Renovating hybrid batteries in a routine State of Good Repair Program lowers the costs to maintain and repair them, compared to repairs on an as-needed basis. This is considered a major component life cycle replacement to support all bus types operated by METRO.

Bus Axles

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

This project involves replacing bus fleet axles for the 40' transit buses, 45' commuter buses, and 60' articulated buses to ensure fleet dependability and provide safe and reliable transportation to METRO customers.

Operating Impact

Renovating axles in a State of Good Repair Program lowers the costs to maintain and repair them, compared to repairs on an as-needed basis. This is considered a major component life cycle replacement to support all bus types operated by METRO.

Bus Transmission Assemblies

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

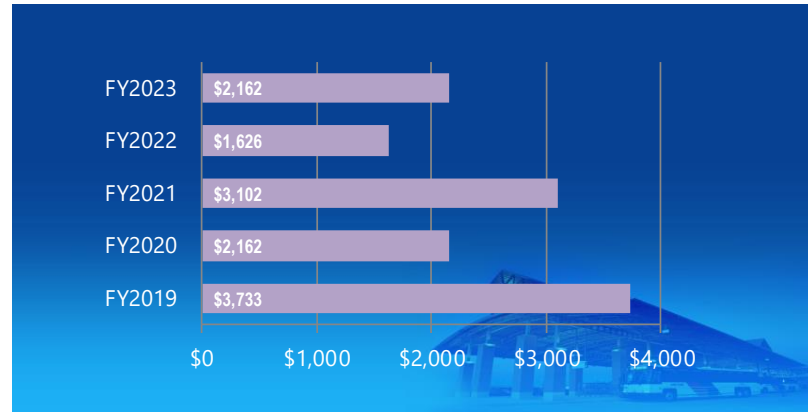
This project involves a bus fleet transmission replacement effort for the 40' transit buses and 45' commuter buses to ensure fleet dependability and provide safe and reliable transportation to METRO customers.

Operating Impact

Renovating the METRO bus fleet with a routine state of good repair transmission replacement program lowers the costs to maintain and repair them, compared to repairs on an as-needed basis. This is considered a major component life cycle replacement to support all bus types operated by METRO.

Data Center Management

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

The Data Center Management Project for FY2019 will replace servers supporting mission-critical functions that have reached the end of their useful life and need to be upgraded or consolidated. This will also replace active storage that supports all functions (rail, bus operations, payroll, finance, etc.) which has exceeded its service life and needs to be replaced to ensure that the data is maintained in good operational state.

Operating Impact

This project will add approximately \$375,000 per year through FY2022 for equipment warranty.

ARBOC Vans

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

Replacement of 40 alternative vehicles that have met their useful life with new vehicles would improve the customer experience which would lead to more use of METRO's transit system.

Operating Impact

This purchase will keep operating costs in check and will increase reliability. Procurement of these vans is part of the life-cycle replacement and will maintain operational reliability and cost-effectiveness. Regularly replacing vans that have met their useful life not only improves customer experience, but provides stability and predictability by leveling the fleet asset management costs over time.

State of Good Repair (SOGR) – Non-Obligated Capital Projects

Capital Improvement Projects, which may be funded from the \$4.4 million Non-Obligated Capital Project Fund, will be selected by the METRO Capital Budget Review (CBR) committee, prioritized and recommended to move forward for METRO Board approval to advance the projects from their conceptual/ developmental design phase into active capital project status.

Projects potentially funded from the Non-Obligated Capital Project Fund:

FY2019 State of Good Repair Discretionary Projects (in thousands)	Grant FY2019	Local FY2019	Total FY2019
Hiram Clarke BOF Compressed CNG Upgrade	\$ -	\$ 10,115	\$ 10,115
Landscaping and irrigation systems at 10 METRO Public Facilities	-	4,923	4,923
Red Line Drainage and Subgrade Stabilization (Holly Hall to 610)	-	3,833	3,833
FSC METROLift Concrete Paving	-	3,474	3,474
Multi-Facility improvements - FMS Systems	-	3,437	3,437
ROC Tie Upgrades/Crossing Replacement (Phase 1)	-	2,539	2,539
Brakes Overhaul (H1, H2 & FY19- H3)	-	1,977	1,977
Retrofit Driver Protection System (40' Transit 724 buses)	-	1,915	1,915
Red Line Platform Rehabilitate Tactile Pavers	-	1,811	1,811
Non Revenue Vehicles - Specialty Vehicles	-	1,607	1,607
1900 Main Facility Improvements	-	1,606	1,606
Non Revenue Vehicles - SUVs	-	1,305	1,305
Fallbrook - Facility Improvements	-	1,276	1,276
West BOF - Facility Improvements	-	1,098	1,098
LRV Seat Replacement (H1/H2/H3)	-	1,031	1,031
Field Service Center Facility Improvements	-	940	940
Field Service Center Roof Replacement	-	912	912
Northwest Bus Wash Lane Two	-	891	891
Capital BOF tools and equipment	-	860	860
Rail Operations Center (ROC) - Facility Improvements	-	745	745
Service Inspection (SI) Facility Improvements	-	703	703
Fannin South Lot Rehabilitation	-	667	667
Hiram Clarke Bus Wash Lane Rehabilitation	-	646	646
FSC Tools/Equipment	-	631	631
Hillcroft Transit Center Canopy	-	616	616
Hybrid Bus Parts	-	570	570
Field Service Center Roof Rehabilitation	-	558	558
LRV Propulsion Fan Repl. (FY19: H3 repl. fan); (FY23: overhaul)	-	555	555
Central Stores - Facility Improvements	-	471	471
Kashmere BOF - Facility Improvements	-	457	457
Tank and Pipe Rehabilitation for all Facilities	-	451	451
1900 Main Chiller Replacement	-	378	378
Bus Operator Time Card	-	372	372
Non Revenue Vehicles - Autos	-	360	360
Non Revenue Vehicles - Pickup Trucks	-	350	350
Bay Area Park and Ride Rehabilitation	-	350	350
Non Revenue Vehicles - Police Motorcycles	-	335	335
METROLift Office Trailer at FSC	-	290	290
Power Overhaul Track Switches (Red Line at U of H & Gray)	-	270	270

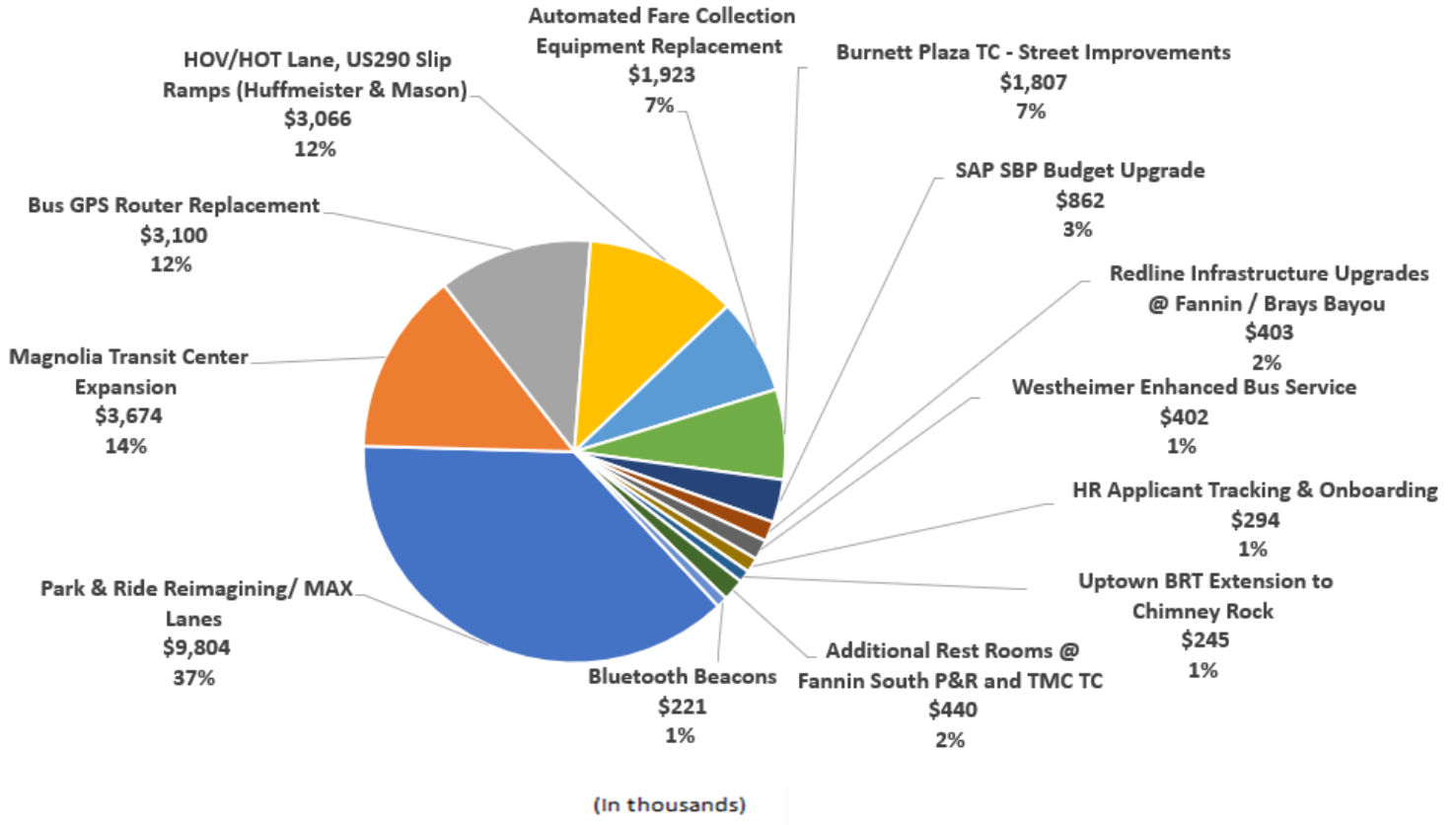
State of Good Repair (SOGR) – Non-Obligated Capital Projects

Projects potentially funded from the Non-Obligated Capital Project Fund (continued):

FY2019 State of Good Repair Discretionary Projects (in thousands)	Grant FY2019	Local FY2019	Total FY2019
Communication Case HVAC Repl. (North/Green/Purple Lines)	-	270	270
Fire Alarm & Life Safety Rehabilitation at Kashmere BOF	-	264	264
Radio Replacement for Rail, Transportation & MPD	-	260	260
Expansion Joint at Braeswood	-	260	260
Kingsland Park & Ride Rehabilitation	-	237	237
Non Revenue Vehicles - Vans	-	198	198
Fire Suppression Rehabilitation at METRO Central Stores Facility	-	181	181
METRO Police Robot (100% grant funded)	-	180	180
Fire Alarm & Life Safety Rehabilitation at Northwest BOF	-	176	176
Fire Alarm & Life Safety Rehabilitation at Hiram Clarke BOF	-	176	176
Buffalo Bayou Facility Improvements	-	119	119
TranStar Dispatch Radio Backup Upgrade	-	63	63
Surge Arrestor OCS Replacement	-	38	38
Lubricator Battery Replacement	-	25	25
FY2019 State of Good Repair Discretionary \$	-	\$ 57,772	\$ 57,772

Enhancements to Existing Assets Projects

FY2019 Enhancements to Existing Assets: \$26,241,000

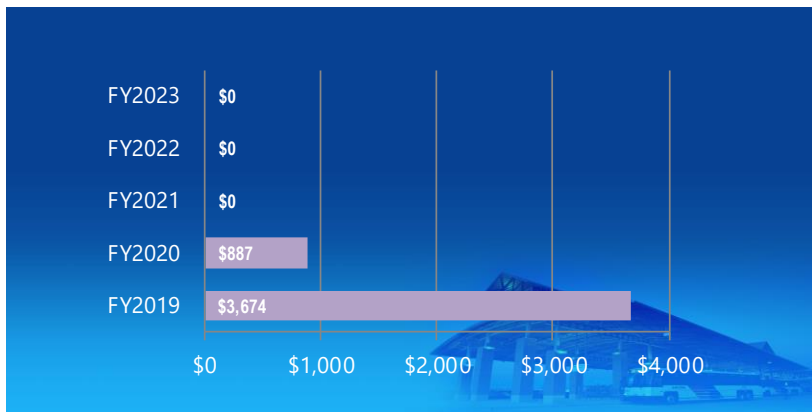


Enhancement to Existing Assets – Contracted/Obligated or Committed

FY2019 Enhancement to Existing Assets Projects (in thousands)	Grant	Finance	Local	Total
Park & Ride Reimagining/ MAX Lanes	\$ -	\$ -	\$ 9,804	\$ 9,804
Magnolia Transit Center Expansion	2,693	-	981	3,674
Bus GPS Router Replacement	-	3,100	-	3,100
HOV/HOT Lane, US290 Slip Ramps (Huffmeister & Mason)	-	-	3,066	3,066
Automated Fare Collection Equipment Replacement	-	1,923	-	1,923
Burnett Plaza TC - Street Improvements	1,446	-	361	1,807
SAP SBP Budget Upgrade	-	-	862	862
Redline Infrastructure Upgrades at Fannin / Brays Bayou	-	-	403	403
Westheimer Enhanced Bus Service	-	-	402	402
HR Applicant Tracking & Onboarding	-	-	294	294
Uptown BRT Extension to Chimney Rock	-	-	245	245
Additional Rest Rooms at Fannin South P&R and TMC TC	-	-	440	440
Bluetooth Beacons	-	-	221	221
Total Enhancements to Existing Assets	\$ 4,139	\$ 5,023	\$ 17,079	\$ 26,241

Magnolia Transit Center Expansion

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

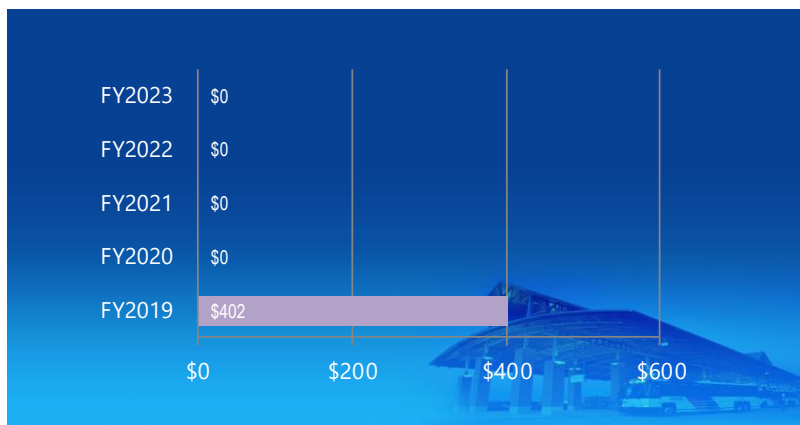
The Magnolia Transit Center, located in the vicinity of Harrisburg Boulevard and 70th Street, is planned to undergo modification to include, but not limited to, adding approximately 30 feet of extensions to both ends of the existing canopy; extending the platform on both ends to increase the capacity from four to six bus bays; upgrades of the existing signage (English & Spanish); and the addition of platform amenities such as trash receptacles.

Operating Impact

This expansion is necessary to meet the demand as a result of the METRORail Green Line expansion in the area as well as the New Bus Network. Increased service into the Magnolia Transit Center will provide for increase in ridership.

Westheimer Enhanced Bus Service

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

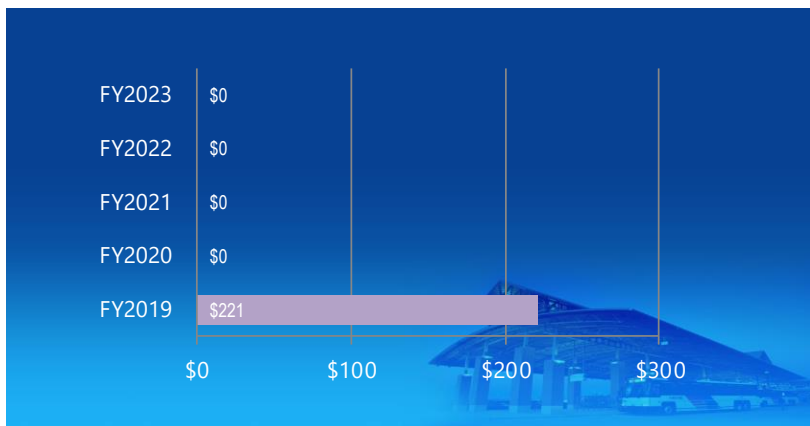
This project will provide transit amenities for the Uptown Corridor as authorized as part of the 2003 referendum. METRO's Enhanced Bus Service is a service identifiable by distinctive branding on the vehicles and stops.

Operating Impact

The operating impacts are associated with the cost of on going maintenance of the vehicles and stations.

Bluetooth Beacon Project Phase II

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

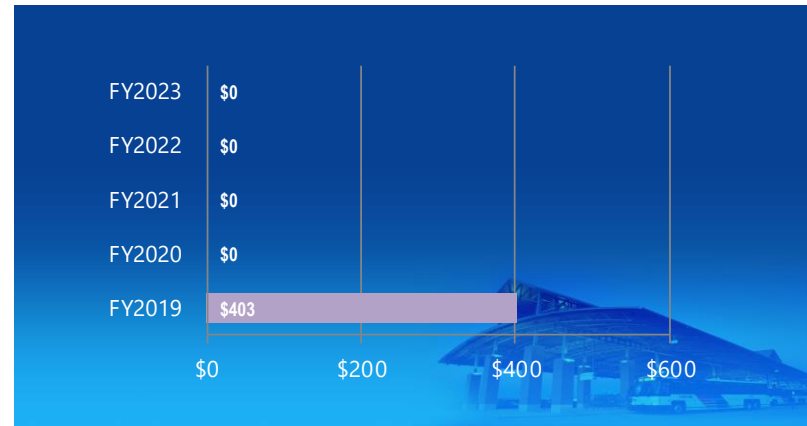
METRO was awarded a Google grant for projects that will use bluetooth beacons. Phase I involved devising an application that uses technology to assist disabled patrons in finding METRO stops and navigating METRO's facilities. Phase II involves expanding this technology to all METRO stops, transit centers, Park & Rides, and buses. This project makes all METRO stops, Transit Centers & Park & Rides more accessible for vision-impaired patrons.

Operating Impact

The operating impacts associated with beacons are very small at \$0.25 per beacon per month for vendor cloud hosting data management.

Red Line Infrastructure Upgrades @ Fannin / Brays Bayou

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

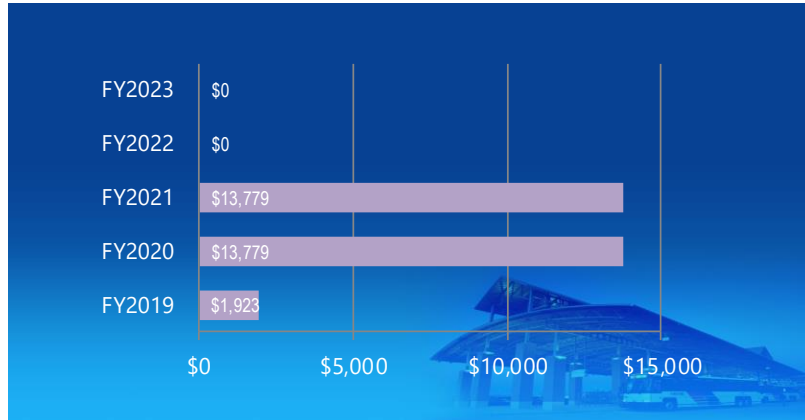
The Brays Bayou Infrastructure Project involves the protection of METRO infrastructure to include traction power and signals and communication pull boxes. These pull boxes were placed on the property line that divides METRO and Harris County Flood Control District (HCFCD) property when the Red Line was constructed in 2001. The HCFCD plans to widen Brays Bayou. After the widening project the new top of bank will be parallel to the pull boxes. The Brays Bayou Infrastructure Project will relocate the METRO traction power and signaling pull boxes to protect METRO infrastructure after the bayou is widened.

Operating Impact

The operating budget impact will be consistent with current expenses.

Automated Fare Collection Equipment Replacement

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

The Fare Collection Equipment Replacement Project will replace aging and obsolete equipment and software. The new system will utilize an open architecture platform to help reduce capital equipment costs in the future by allowing a more plug-and-play environment for METRO's fare collection system. The project will also leverage new and evolving technologies to enhance the customers' experience by providing flexible multi-media fare payment methods.

Operating Impact

The annual cost of operating the new Automated Fare Collection Equipment is comparable with the existing equipment and will be included in Information Technology's operating budget.

Park & Ride Reimagining / MAX Lanes

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

This project will coordinate with TxDOT to bring METRO's HOV Lanes into existing Park & Rides with two-way network.

Operating Impact

The annual cost of operating will be developed in conjunction with preliminary design.

Enhancement to Existing Assets – Non-Obligated Capital Projects

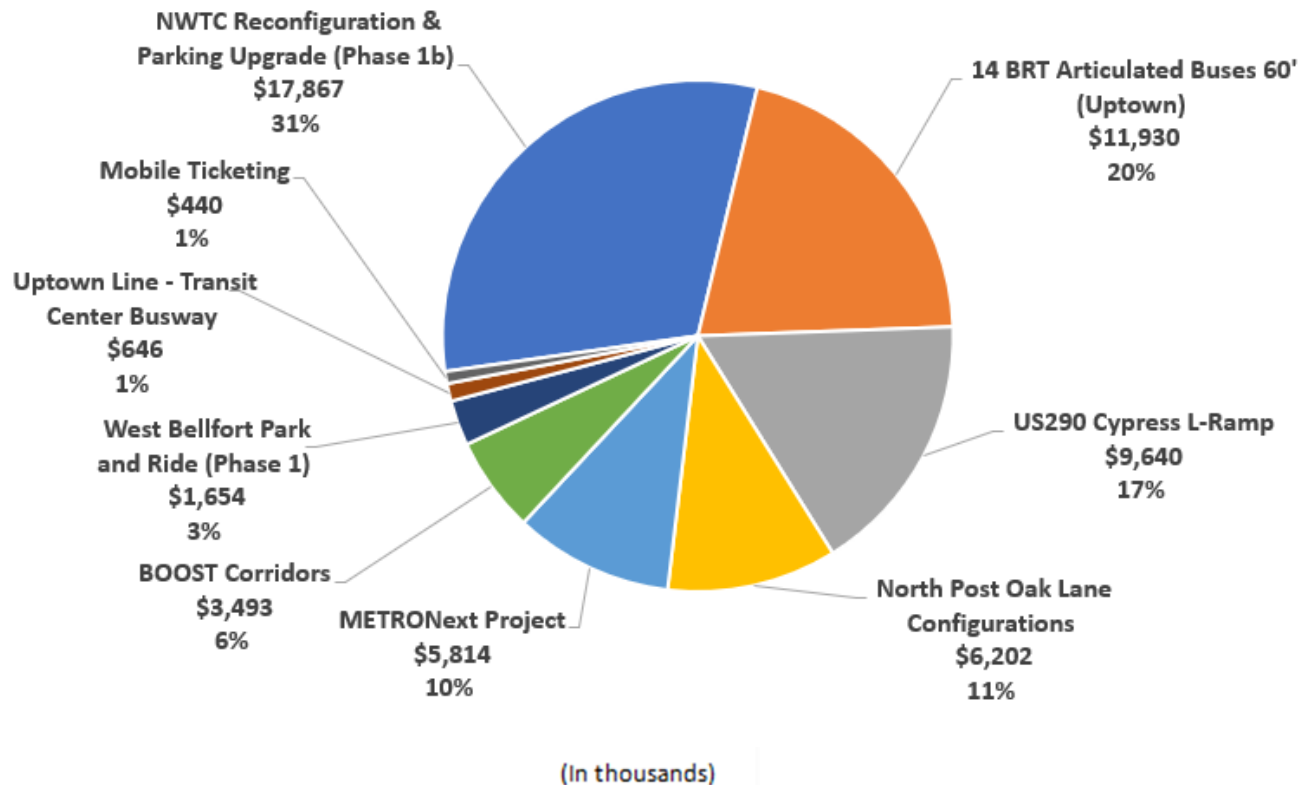
Capital Improvement Projects, which may be funded from the \$4.4 million Non-Obligated Capital Project Fund, will be selected by the METRO Capital Budget Review (CBR) committee, prioritized and recommended to move forward for METRO Board approval to advance the projects from their conceptual/ developmental design phase into active capital project status.

Projects potentially funded from the Non-Obligated Capital Project Fund:

FY2019 Enhancements to Existing Assets Discretionary Projects (in thousands)	Grant FY2019	Local FY2019	Total FY2019
HOV/HOT Lane, US290 West Little York widening	\$ -	\$ 5,565	\$ 5,565
HOV/HOT Lane, US290 Non-Peak Direction HOV Lane	-	3,900	3,900
Installation of Additional Restroom at 6 Public Facilities	-	2,362	2,362
Public Facilities Improvements	-	1,959	1,959
North Shepherd Park & Ride Rehabilitation	-	1,647	1,647
Eastwood Transit Center Rehabilitation	-	1,366	1,366
SAP HANA	-	1,366	1,366
North Shepherd Park & Ride Major Rehabilitation	-	1,311	1,311
Digital Bus Stop technology	-	1,286	1,286
Harrisburg & Clifton Comfort Station Improvements	-	1,229	1,229
Fannin South Comfort Station	-	1,036	1,036
Downtown Bus Lanes Pilot Project	-	949	949
HOV/HOT Lane, US290 Slip Ramps & Jones Rd Booth Relocation	-	880	880
METRONet Fiber Upgrade	-	860	860
HOV/HOT Lane, US290 Lane Equipment Upgrade	-	602	602
Electronic Communications Screens	-	395	395
HOV/HOT Lane, US290 Katy Road Entrance	-	382	382
Automated Operator Check-In	-	374	374
Installation of Additional Restroom at Northline Transit Center	-	370	370
I-45 Corridor Preservation	-	347	347
HOV/HOT Lanes - Express Lanes Small Sign Replacement	-	320	320
Headway Management	-	311	311
Computer Aided Dispatch RMS	-	300	300
SAP Mobile Enterprise Mapping	-	294	294
GIS Upgrade	-	290	290
Decision Support Tool	-	153	153
Replace Audit Tracking Software	-	119	119
FY2019 Enhancements to Existing Assets Discretionary	\$ -	\$ 29,973	\$ 29,973

Service Expansion/New Projects

FY2019 Service Expansion/New Projects: \$57,686,000



Service Expansion – Contracted/Obligated or Committed

FY2019 Service Expansion Projects (in thousands)	Grant	Finance	Local	Total
NWTC Reconfiguration & Parking Upgrade (Phase 1b)	\$ 5,743	\$ -	\$ 12,124	\$ 17,867
14 BRT Articulated Buses 60' (Uptown)	-	11,930	-	11,930
US290 Cypress L-Ramp	7,125	-	2,515	9,640
North Post Oak Lane Configurations	4,962	-	1,240	6,202
METRONext Project	-	5,814	-	5,814
BOOST Corridors	-	3,493	-	3,493
West Bellfort Park and Ride (Phase 1)	1,323	-	331	1,654
Uptown Line - Transit Center Busway	-	-	646	646
Mobile Ticketing	-	-	440	440
Total Service Expansion	\$ 19,153	\$ 21,237	\$ 17,296	\$ 57,686

US290 Cypress L-Ramp

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

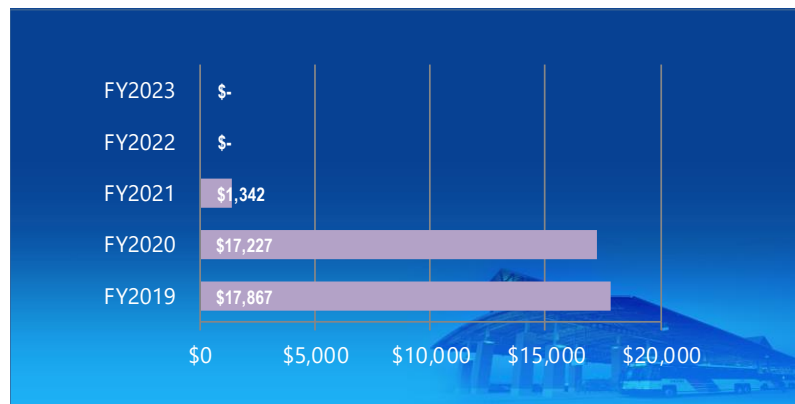
A TxDOT project will extend the single lane barrier-separated HOV/HOT lane beyond the location of the existing Cypress Park & Ride facility. As part of the project, a new L-Ramp is proposed from the Cypress Park & Ride lot to the managed lanes. METRO buses will be able to directly access the HOV/HOT lanes, rather than exiting the facility into mixed traffic. Currently, buses are required to cross four lanes of traffic in order to enter the managed lanes at the next slip entrance ramp.

Operating Impact

This project will provide a direct access from the existing Cypress Park & Ride lot to the US-290 Managed Lanes, and will improve bus and HOV/HOT lane operations from this facility including reduced travel times.

Northwest Transit Center Reconfiguration & Parking Upgrade

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

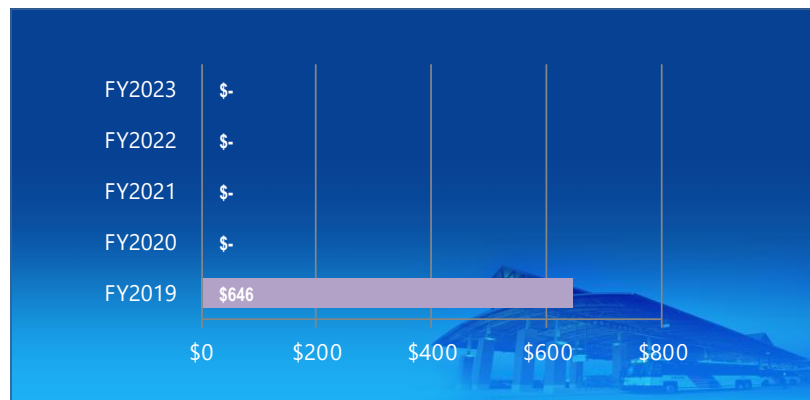
The Northwest Transit Center Reconfiguration (NWTC) and Parking Upgrade will increase the number of bays to accommodate METRO's Local Network and Uptown BRT service, and enhance bike and pedestrian amenities. In addition, parking capacity will be increased by 200 spaces to replace the capacity lost from the closure of the Pinemont Park & Ride, due to TxDOT and HCTRA's joint US 290 Managed Lane Project. The parking would be provided on right-of-way that has been purchased by TxDOT adjacent to the eastbound US-290 Frontage Road at the Old Katy Road intersection.

Operating Impact

Operating cost includes operating and maintenance costs for the NWTC facility only and will be developed as the project progresses.

Uptown Line - Transit Center Busway

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

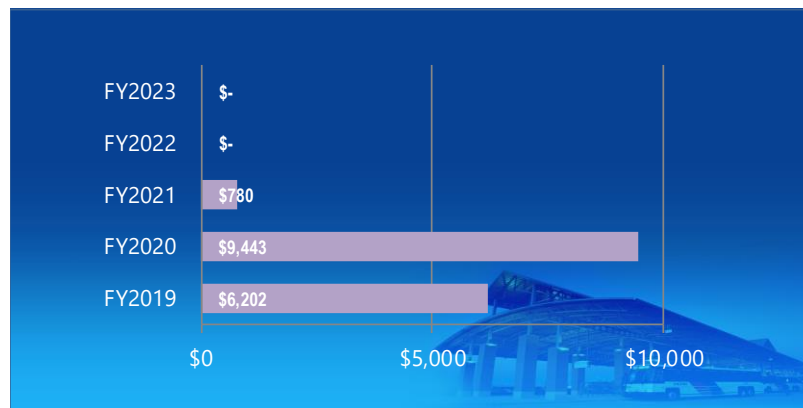
The Uptown Line was approved by voters and METRO Board of Directors in November 2003. The Uptown project currently consists of the Post Oak Boulevard Busway and Transit Center. Uptown Houston is taking the lead on the advanced planning, environmental analysis, and preliminary engineering for the project. METRO is partnering with Uptown Houston in this effort by providing technical assistance/review, data gathering, and modeling, along with engineering support and review. This project will provide high capacity transit and other improvements to enhance mobility in the corridors and will provide for continued ridership growth in the Uptown Corridor.

Operating Impact

Operating cost include the costs of BRT service and other associated increase in Park & Ride service, etc. with route restructuring costs netted from the operating cost.

North Post Oak Lane Configuration

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

Development of this project involves environmental and EIS Support for the North Post Oak Lane Configuration project connecting Uptown Bus Rapid Transit (BRT) with the Northwest Transit Center (NWTC). This project is being developed jointly by TxDOT and the Uptown District. METRO will be operating service on the North Post Oak Lane Configuration and it would increase ridership compared to mixed flow operations along IH-610. The project includes improvements to North Post Oak Road such as restriping and a bike/pedestrian path connecting the Northwest Transit Center to Memorial Drive.

Operating Impact

The project will potentially reduce operating costs compared to service in mixed flow on IH-610 frontage roads, with new connectivity that would enhance both Uptown and NWTC customers' experience. Local communities would benefit from faster BRT service and increased connections to METRO's bus network.

West Bellfort Park & Ride (Phase 1)

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

METRO is developing expansion opportunities at the West Bellfort Park & Ride, specifically environmental clearance, design and construction. Expansion of the Park & Ride would provide for continued growth in ridership and customers will enjoy more parking spaces at the already crowded Park & Ride facility. The southwest region would benefit from additional parking spaces.

Operating Impact

Operating costs will be developed as the project progresses.

BRT Articulated Buses - Uptown

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

This procurement of 14 articulated BRT (Bus Rapid Transit) buses in the FY2019 timeframe is part of METRO's bus expansion program. New articulated BRT buses will prove to be more cost-effective in the long term for high-ridership routes, especially in support of the Houston Uptown BRT Project that will incorporate dedicated bus lanes.

Operating Impact

Procurement of these articulated BRT buses will become part of the life-cycle replacement program and will maintain operational reliability and cost-effectiveness. The new BRT buses will operate in dedicated bus lanes that will enhance the customer experience in the busy Uptown area of Houston, and will enhance rider and pedestrian safety.

METRONext Project

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

This project will provide a rapid transit connection in the Houston region's busiest travel corridor, IH 10 West (Katy Freeway) between downtown Houston and IH 610. It consists of an exclusive bi-directional guideway to be used by a new Bus Rapid Transit (BRT) line and for existing regional express buses that operate along IH 10 West. This project will extend the Uptown BRT Line from its current terminus at the Northwest Transit Center (NWTC) to Downtown, providing direct service from the Gulfton area to Downtown. The BRT Line will also provide a connection to the planned High-Speed Rail (HSR) terminus at Northwest Mall. In addition to stations at NWTC and Northwest Mall, stations would be located at Shepherd Drive and Studemont Street. The Shepherd/Durham and Studemont stations would feature two lanes in each direction: a lane for BRT buses stopping at the station and a passing lane for regional express buses, allowing them to maintain consistent speeds without stopping. In downtown, the BRT alignment would share the current on-street lanes used by the Purple Line/Green Line light rail.

Operating Impact

The fully allocated annual operating cost for these facilities will be addressed during the preliminary design.

Boost Corridors

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

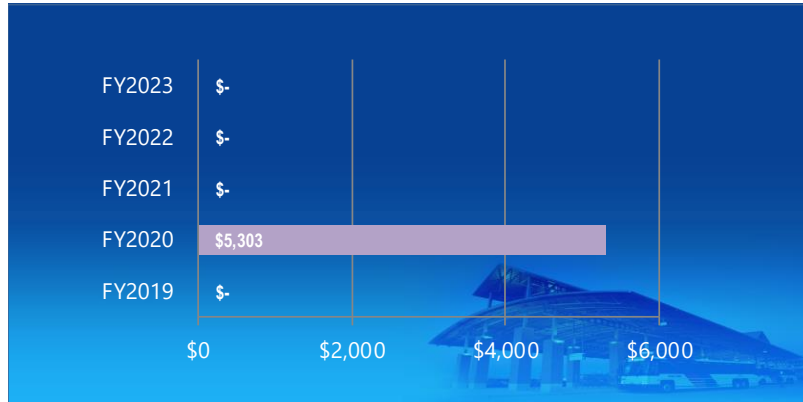
The Boost Corridor includes the following corridors that will align with METRONext: Tidwell, Long Point, Westheimer, Broadway, Bellfort, MLK-Lockwood, Beechnut, Scott, Airline-Montrose. This project includes 10 bus routes that have been identified to improve the customer experience by increasing reliability and average speed of service, and improving accessibility of the service. The improvements may consist of sidewalk improvements, bus stop amenities, bus shelters, signage, wayfinding, intersection treatments and enhancements that result in the optimization of the service.

Operating Impact

The fully allocated annual operating cost for these facilities will be addressed during the preliminary design.

Grand Parkway / 249 Vanpool Lot

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

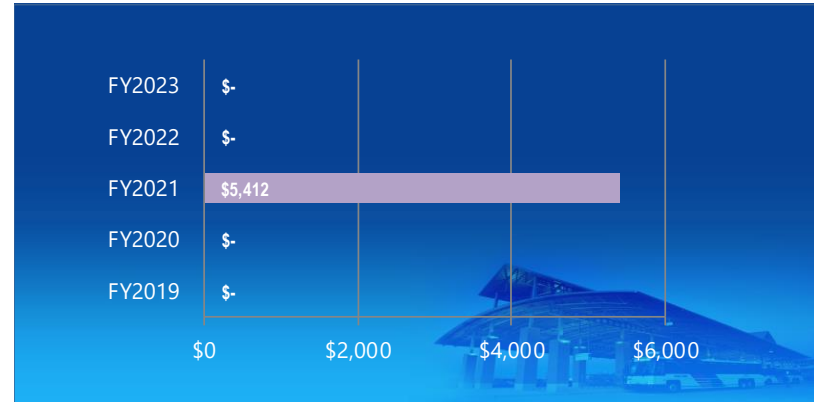
The METRONext plan A includes three vanpool lots to serve commuter travel markets. These are in the Springwoods (IH 45), Katy Mills (IH 10) and Louetta (SH 249) vicinity. Conceptual plans will be developed.

Operating Impact

The fully allocated annual operating cost for these facilities will be addressed during the preliminary design.

Vanpool Lot / Community Connector Service - Phase 1

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

The METRONext plan A includes three vanpool lots to serve commuter travel markets. These are in the Springwoods (IH 45), Katy Mills (IH 10) and Louetta (SH 249) vicinity. Conceptual plans will be developed.

Operating Impact

The fully allocated annual operating cost for these facilities will be addressed during the preliminary design.

Uptown Gulfton Bus Rapid Transit (BRT) - Uptown Transit Center

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

This new Gulfton Transit Center will be located in the vicinity of Bellaire Boulevard and Chimney Rock Road. The new transit center will serve as the southern terminus of the Uptown Bus Rapid Transit (BRT) Line and facilitate transfers to the 2 Bellaire, 49 Chimney Rock/S Post Oak, 65 Bissonnet, and 402 Bellaire Quickline bus routes. It will replace the current Bellaire Transit Center

Operating Impact

The fully allocated annual operating cost for this new park and ride facility is estimated to begin in 2028 at \$2.6 MM annually.

University Corridor BRT Line - Westchase P&R to Kashmere TC

Projected Expenditures FY19-FY23 (In Thousands)



Project Scope

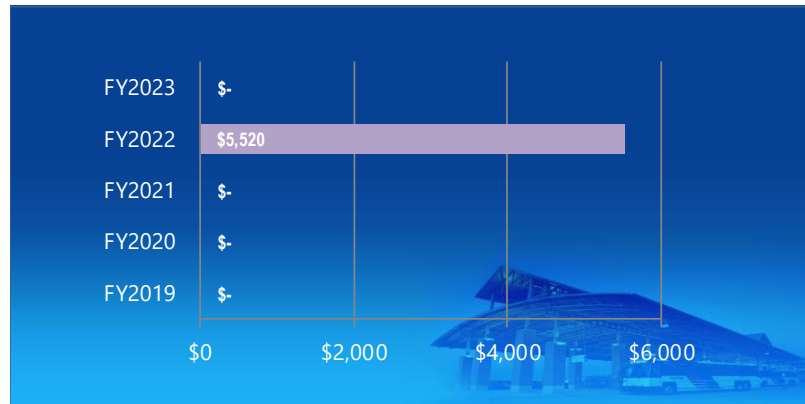
This project is a Bus Rapid Transit (BRT) line in the east-west Westpark and Richmond corridors (from the Westchase Park & Ride to the Wheeler Transit Center) and in the north-south Lockwood corridor (from the Wheeler Transit Center to the Kashmere Transit Center). The BRT interfaces with the METRORail Red Line and several METRO bus routes. It generally follows the same alignment of the previously proposed University Line light rail project. The eastern segment of this project, which extends east and northeast of the Wheeler Transit Center, terminates at the Kashmere Transit Center. It will serve the Greater Third Ward, Eastwood, Second Ward, and Fifth Ward neighborhoods via Lockwood Drive

Operating Impact

The fully allocated annual operating cost for these facilities is estimated to begin in 2032 at \$29.2 M annually.

Vanpool Lot / Community Connector Service - Phase 2

Projected Expenditures FY19-FY23 (In Thousands)

**Project Scope**

The METRONext plan A includes three vanpool lots to serve commuter travel markets. These are in the Springwoods (IH 45), Katy Mills (IH 10) and Louetta (SH 249) vicinity. Conceptual plans will be developed.

Operating Impact

The fully allocated annual operating cost for these facilities will be addressed during the preliminary design.

Debt Service Budget

Debt Service

(in millions)

Debt Service Category	Projected FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
<u>Bonds & KOs</u>						
Principal	\$ 34.279	\$ 26.447	\$ 52.507	\$ 67.397	\$ 69.701	\$ 73.129
Interest	47.706	52.227	52.381	59.550	68.241	75.569
	\$ 81.985	\$ 78.674	\$ 104.888	\$ 126.947	\$ 137.943	\$ 148.698
<u>Commercial Paper</u>						
Credit Facility Fees	\$ 0.576	\$ 0.576	\$ 0.576	\$ 0.741	\$ 0.741	\$ 0.741
CP Dealer Fees	0.407	0.406	0.402	0.517	0.368	0.324
Budgeted CP Interest	1.068	1.134	1.203	1.186	1.113	0.973
Add'l Budgeted CP Interest @ 1%	1.161	1.149	1.138	1.051	0.925	0.760
	\$ 3.213	\$ 3.266	\$ 3.319	\$ 3.496	\$ 3.147	\$ 2.798
<u>Commercial Paper Pay Down</u>						
Payments from GMP Increment	\$ 3.621	\$ 4.337	\$ 7.609	\$ 7.600	\$ 11.600	\$ 15.700
Payments from Interest Underrun	0.300	1.200	1.100	1.100	1.000	0.800
	\$ 3.921	\$ 5.537	\$ 8.709	\$ 8.700	\$ 12.600	\$ 16.500
<u>2015 Series A Bonds</u>						
Principal	\$ 6.596	\$ 14.649	\$ 14.304	\$ -	\$ -	\$ -
Interest	2.556	2.045	1.096	-	-	-
	\$ 9.152	\$ 16.694	\$ 15.399	\$ -	\$ -	\$ -
Release of Debt Service Reserve	\$ -	\$ -	\$ (2.071)	\$ (2.509)	\$ -	\$ -
Total Debt Service	\$ 98.270	\$ 104.171	\$ 130.244	\$ 136.633	\$ 153.690	\$ 167.995

Outstanding Debt Balances

(in millions)

	Projected FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Bus Replacement	\$ 193.419	\$ 207.993	\$ 223.723	\$ 231.129	\$ 259.457	\$ 288.432
2019 Uptown P&R Buses (14)	-	10.128	10.128	10.128	9.214	8.253
Total Bus Debt Outstanding	193.419	218.121	233.851	241.257	268.671	296.686
Equipment Debt Outstanding	-	25.720	36.499	36.499	34.372	31.537
Rail Debt Outstanding	748.002	754.238	721.027	694.909	660.114	620.821
Bonds & KO's	941.421	998.079	991.377	972.665	963.157	949.044
Commercial Paper	116.100	114.900	113.800	105.100	92.500	76.000
2015 Series A Bonds	40.899	21.913	-	-	-	-
Infrastructure	-	-	122.000	249.497	337.186	447.421
TOTAL Debt Outstanding	\$ 1,098.420	\$ 1,134.892	\$ 1,227.177	\$ 1,327.262	\$ 1,392.843	\$ 1,472.464



Each year, METRO budgets debt service payments for senior lien obligations, including voter authorized sales tax bonds, contractual obligations, and its commercial paper program. The debt service budget includes cash transfers required in the current year for interest, principal, and any required debt service reserve contributions.

The following table outlines the proposed FY2019 Schedule of Debt Payments.

FY2019 PROPOSED DEBT SERVICE PAYMENTS

Series	Source	Principal	Interest	Fees	TOTAL
<u>Contractual Obligations (KOs)</u>					
2010A	Sales Tax / Grants	-	344,250		344,250
2011B	Sales Tax	-	431,950		431,950
2014A	Sales Tax	5,457,083	4,099,271		9,556,354
2015B	Sales Tax	4,506,667	2,526,438		7,033,104
2016B	Sales Tax Refunding	-	1,247,925		1,247,925
2016C	Sales Tax Refinancing	11,057,500	529,852		11,587,352
2016D	Sales Tax	4,074,583	2,222,250		6,296,833
2017B	Sales Tax/ Sales Tax Refunding	-	5,047,500		5,047,500
2017C	Sales Tax Refunding	468,750	572,485		1,041,235
2019A - Bus Purchases (NEW)	Sales Tax	-	1,775,583		1,775,583
2019B - LRV Purchases (NEW)	Sales Tax	-	854,563		854,563
2020A - Bus Purchases (NEW)	Sales Tax	-	1,605,313		1,605,313
2019 Small Equipment Purchases (NEW)	Sales Tax	-	456,958		
2020 Small Equipment Purchases (NEW)	Sales Tax	-	721,875		721,875
<u>Five Year Bond</u>					
2015A	Sales Tax	18,701,812	2,044,958		20,746,771
<u>Voted Sales Tax</u>					
2009A	Sales Tax / Grants	349,583	17,479		367,063
2011A	Sales Tax / Grants	532,917	16,285,646		16,818,563
2009C	Sales Tax / Subsidy	-	5,675,656		5,675,656
2016A	Sales Tax Refunding	-	6,312,250		6,312,250
2017A	Sales Tax Refunding	-	1,499,750		1,499,750
<u>Commercial Paper</u>					
Principal					
-Payments from GMP Increment		284,854			284,854
-Payments from Interest Underrun		1,200,000			1,200,000
Interest					
			2,283,293		2,283,293
<u>Fees</u>					
LOC Fees				576,000	576,000
Dealer Fees				406,350	406,350
Total Debt Service		\$ 46,633,750	\$ 56,555,244	\$ 982,350	\$ 104,171,344

On its senior lien debt, METRO has pledged 75% of its sales tax receipts, not including the 25% of sales tax designated for General Mobility Program. Each month, the sales tax receipts are sent directly from the State Comptroller to the bond trustee, who first deposits 1/6 of the next interest payment and 1/12 of the next principal payment to the Interest and Sinking Fund, followed by any required contributions to METRO's debt service reserve escrows before sending the remaining receipts on to METRO.

DEBT POLICY

In August 2016, the METRO Board of Directors approved an updated Debt Policy for the Authority (the “*Debt Policy*”). The Debt Policy sets forth guidance on the type of debt that may be incurred by the Authority, the source of payment for its debt obligations and other factors to be considered when incurring debt. The Debt Policy allows the Authority to incur debt for only the following purposes: financing capital assets, improving infrastructure, refunding or defeasing existing obligations, funding capitalized interest, paying costs of issuance or making deposits to debt service funds and other funds required by debt covenants.

Voter Authorized

In the 2003 Election, voters authorized the issuance of \$640,000,000 of bonds payable from a pledge of 75% of the sales and use tax revenue collected by the Authority (the “Voted Sales Tax Bonds”) to fund projects for its transit system. The Authority has issued all the bonds authorized at the 2003 Election. The Authority may hold one or more future elections to authorize additional sales tax bonds; however, none are planned at this time.

- Pledge of 75% of sales tax
- Long-term, fixed rate bonds up to 40 years
- Purpose: Any capital improvements
- Authorization: \$640 million approved by voters in 2003

Senior Lien

Under current State law, in addition to the Voted Sales Tax Bonds and other sales tax bonds approved by future elections, the Authority may issue certain other Senior Lien Obligations without an election, specifically (i) contractual obligations and (ii) commercial paper notes and Sales and Use Tax Bonds or notes with a five-year or shorter term.

Contractual Obligations

Contractual obligations may be issued as Senior Lien Obligations on a parity with the Voted Sales Tax Bonds and may be issued to finance vehicles and other personal property.

- Pledge of 75% of sales tax
- Long-term, fixed rate bonds up to useful life of asset being financed with a maximum of 25 years
- Purpose: Equipment such as rail cars and buses

Commercial Paper Notes

The Authority has established a \$400 million commercial paper program (“CP Program”) for the issuance of Sales and Use Tax Revenue Commercial Paper Notes (the “CP Notes”) in multiple separate series. The current maximum issuance capacity of the CP Program is \$165 million, which is the amount of authorized CP Notes secured by credit facilities. The CP Notes are Senior Lien Obligations payable on a parity with the Obligations. The Commercial Paper Notes are not subject to Reserve Fund requirements.

- Pledge of 75% of sales tax
- Short-term, variable rate notes
- Program limited to 5 years with extensions of additional 5 year periods with Texas Attorney General approvals
- Purpose: Interim financing of any capital improvement project

RATINGS

METRO's Sales Tax and Use Tax Bonds and Contractual Obligations have received high investment grade ratings from both the Moody's Investor Services and Standard & Poor's rating agencies as follows:

Issue	Moody's/S&P
Sales and Use Tax Revenue Bonds	Aa2/AA+
Sales and Use Tax Contractual Obligations	Aa2/AA+

BUS REPLACEMENT

The Authority's fleet replacement plan is designed to ensure service reliability. In accordance with FTA standards, the Authority assumes a life expectancy of 12-16 years for each bus. Therefore, the Authority plans to replace one-twelfth of its vehicle bus fleet, or approximately 100 buses, each year.

FUTURE DEBT ISSUANCE

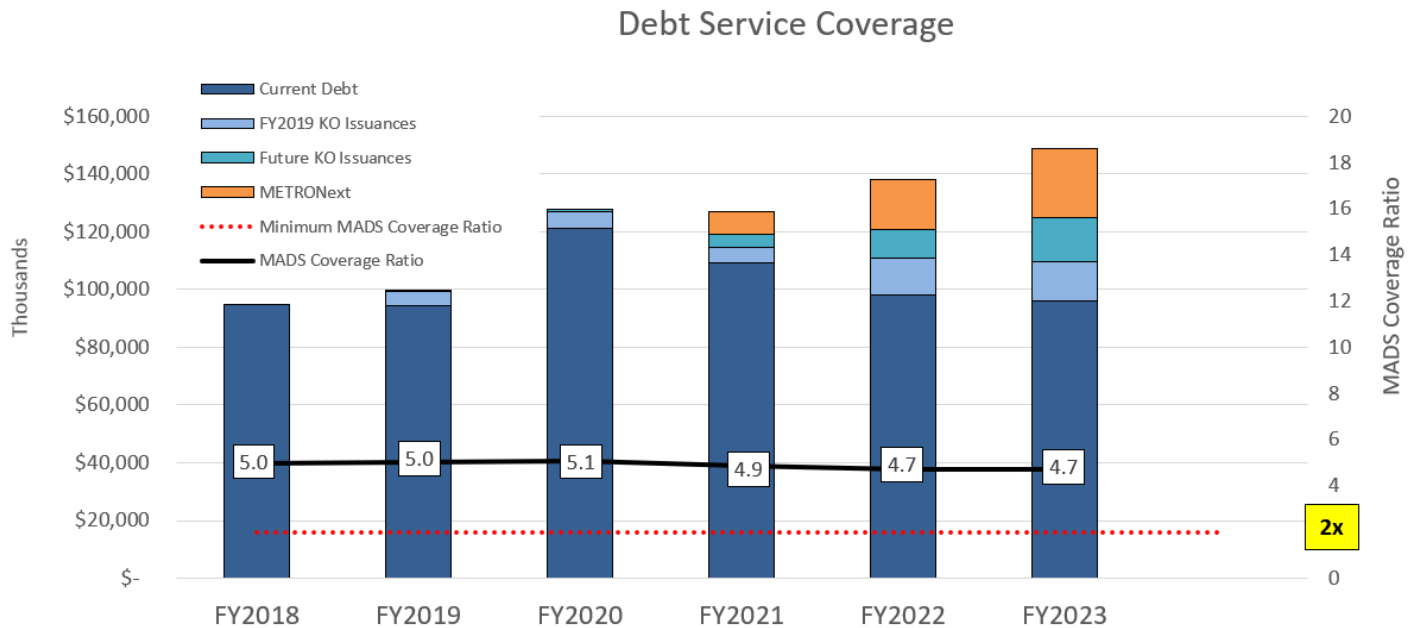
METRO plans to continue issuing contractual obligations over the next five years. The table below highlights how the debt will be used.

Fiscal Year	Bus Purchases	Light Rail Vehicle Purchases	Fare Box Replacements	Small Equipment	METRONext
2019	\$45.277 MM	\$22.052MM	\$18.702MM		
2020	\$42.317 MM		\$10.779MM	\$11.652MM	\$122.000MM
2021	\$33.119 MM	\$14.064MM			\$129.000MM
2022	\$56.882 MM				\$91.000MM
2023	\$54.250 MM				\$115.000MM

CURRENT DEBT LEVELS vs. LEGAL DEBT LIMITS

The chart below shows the relationship between current debt levels and legal debt limits. In the chart, the dotted line shows the Authority’s legal minimum coverage. This minimum Sales Tax Coverage Ratio is set at 2x. The chart below demonstrates that METRO’s Sales Tax Coverage far exceeds the Minimum Requirement.

SALES TAX COVERAGE FAR EXCEEDS MINIMUM REQUIREMENT



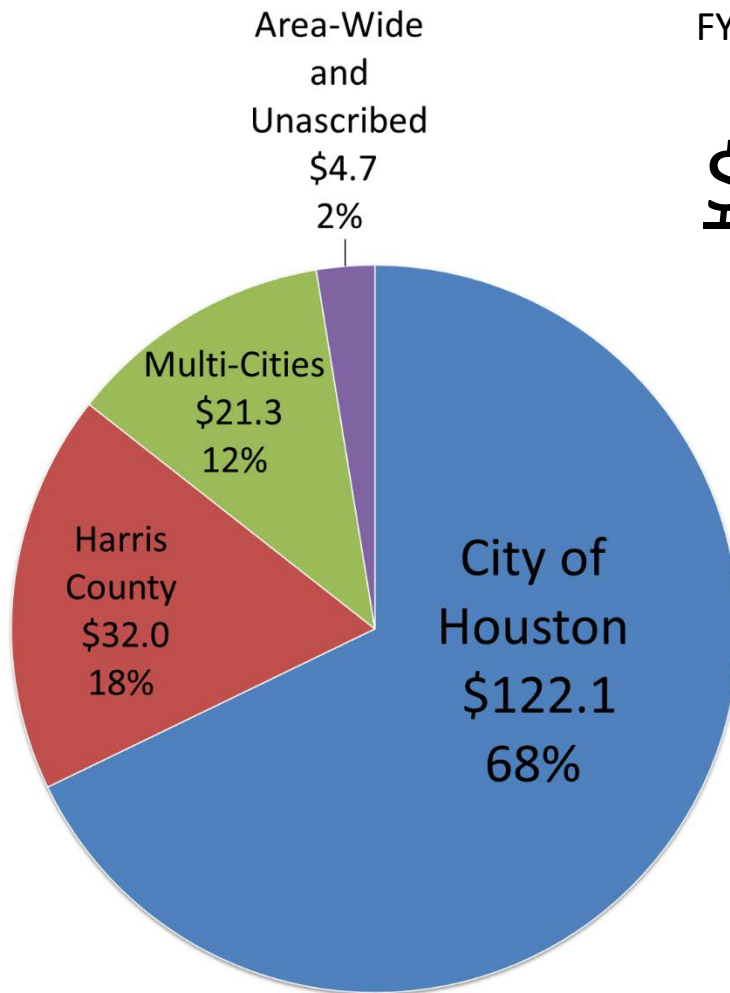
METRO has a legal responsibility to limit Maximum Annual Debt Service to 2x pledged sales tax revenues. METRO relies on sales tax revenue to fund transit services and has no intent to issue additional debt that would compromise its operations.



Metropolitan Transit Authority of Harris County Texas
Debt Report
As of July 31, 2018

Type of Debt	Purpose	Issued Par Value	Average Rate	Issuance Date	Maturity / Term	Cost of Issuance	Interest Earned on Proceeds	Disbursements from Proceeds	Outstanding Balance
Commercial Paper	General Mobility	\$ 169,402,000	Wtd. Avg. 1.698%	Program Inception 10-Jan-06	Wtd. Avg. 23.53 days	\$ 7,014,204	\$ 241,452	\$ 169,402,000	\$ 95,502,000
Certificates of Participation (COPS) Series 2008A	46 Orion HEV Buses 52 MCI HEV Buses	\$ 62,255,000	4.413%	July 15, 2008	Defeased August 31, 2016	\$ 215,568	\$ 420,316	\$ 61,959,754	\$ -
Certificates of Participation (COPS) Series 2008B	10 Signature Orions 50 MCI HEV	\$ 45,785,000	4.965%	December 9, 2008	Defeased August 31, 2016	\$ 151,402	\$ 97,461	\$ 41,937,000	\$ -
Sales & Use Tax Contractual Obligations Series 2009D	40 Orion HEV Buses 20 MCI HEV Buses	\$ 35,050,000	4.204%	December 30, 2009	Defeased November 1, 2017	\$ 175,686	\$ 8,913	\$ 35,612,306	\$ -
Sales & Use Tax Contractual Obligations Series 2010A	80 Orion HEV Buses	\$ 40,290,000	3.101%	June 23, 2010	Pre Refund: November 1, 2022 Post Refund: November 1, 2021	\$ 186,496	\$ 27,485	\$ 41,902,115	\$ 6,885,000
Sales & Use Tax Contractual Obligations Series 2011B	100 Orion HEV Buses	\$ 49,405,000	2.320%	September 28, 2011	Pre Refund: November 1, 2023 Post Refund: November 1, 2022	\$ 93,614	\$ 7,784	\$ 53,007,784	\$ 9,575,000
Sales & Use Tax Contractual Obligations Series 2014	70 Nova Articulated Buses 70 MCI Commuter Buses 40 NABI Transit Buses	\$ 97,953,750	2.893%	April 22, 2014	November 1, 2029	\$ 881,445	\$ 11,381.00	\$ 106,690,895	\$ 60,448,750
Sales & Use Tax Contractual Obligations Series 2015B	75 NABI Buses 50 NABI CNG Buses 25 MCI Commuter Buses	\$ 62,485,000	2.392%	August 28, 2015	November 1, 2028	\$ 500,949	\$ 8	\$ 72,789,714	\$ 54,475,000
Sales & Use Tax Series 2015A	CP Take Out	\$ 52,575,000	1.486%	August 28, 2015	August 15, 2020	\$ 385,930	\$ -	\$ 60,000,000	\$ 52,575,000
Sales & Use Tax Contractual Obligations Series 2016D	80 Nova 40' Transit Buses 20 60' Articulated Buses	\$ 44,445,000	2.530%	December 1, 2016	November 1, 2028	\$ 575,919	\$ 49,230	\$ 49,580,273	\$ 44,445,000
Sales & Use Tax Refunding Contractual Obligations Series 2017B	100 New Flyer 40' Transit Buses 45 45' MCI Commuter Buses Refunded: \$4,665,000 of Series 2009B, \$13,520,000 of Series 2009D, \$12,425,000 of Series 2010A, \$18,110,000 of Series 2011B, & \$2,000,000 of Series 2014	\$ 100,950,000	1.950%	October 18, 2017	November 1, 2029	\$ 826,213	\$ 153,082	\$ 68,985,733	\$ 100,950,000
Sales & Use Tax Refunding Contractual Obligations Series 2017C	Refunded \$21,315,000 of Series 2014	\$ 25,200,000	2.310%	December 15, 2017	November 1, 2027	\$ 197,926	\$ 413	\$ 25,124,201	\$ 25,200,000
Total Non-METRORail Expansion		\$ 785,795,750	2.125%			\$ 11,205,351	\$ 1,017,525	\$ 786,991,775	\$ 450,055,750
Commercial Paper	METRORail Expansion Real Estate	\$ 20,598,000	Wtd. Avg. 1.698%	Program Inception 10-Jan-06	Wtd. Avg. 23.53 days	\$ 852,967	\$ 29,362	\$ 20,598,000	\$ 20,598,000
Sales & Use Tax Bonds Series 2009A	North and Southeast Corridor Expansion	\$ 94,465,000	4.963%	June 11, 2009	Pre Refund: November 1, 2029 Post Refund: November 1, 2018	\$ 560,859	\$ 145,597	\$ 96,577,321	\$ 4,195,000
Sales & Use Tax Contractual Obligations Series 2009B	Rail Vehicles & Set-Up	\$ 42,780,000	4.476%	June 11, 2009	Defeased November 1, 2017	\$ 253,994	\$ 83,868	\$ 42,161,735	\$ -
Sales & Use Tax Bonds Series 2009C Build America Bonds	North and Southeast Corridor Expansion	\$ 82,555,000	4.559%	June 11, 2009	November 1, 2038	\$ 440,193	\$ 222,578	\$ 77,116,267	\$ 82,555,000
Sales & Use Tax Bonds Series 2011A	North and Southeast Corridor Expansion	\$ 461,010,000	4.264%	September 28, 2011	November 1, 2041	\$ 869,366	\$ 285,759	\$ 461,301,403	\$ 331,575,000
Sales & Use Tax Contractual Obligations Series 2014	10 East Corridor CAF Light Rail Vehicles	\$ 32,651,250	2.893%	April 22, 2014	November 1, 2029	\$ 293,815	\$ 207,565	\$ 35,657,462	\$ 27,921,250
Sales & Use Tax Refunding Bonds Series 2016A	Refunded \$81,980,000 of Series 2011A & \$54,000,000 of Series 2009A	\$ 126,245,000	2.207%	April 27, 2016	November 1, 2029	\$ 937,716	\$ 122	\$ 159,952,249	\$ 126,245,000
Sales & Use Tax Refunding Contractual Obligations Series 2016B	Refunded \$28,365,000 of Series 2009B	\$ 25,635,000	2.583%	April 27, 2016	November 1, 2033	\$ 295,017	\$ 49	\$ 31,680,692	\$ 25,635,000
Sales & Use Tax Bonds Series 2016C	Refinanced \$29,910,000 of 2008A COPS & \$26,525,000 of 2008B COPS	\$ 55,330,000	1.601%	August 31, 2016	August 1, 2021	\$ 179,849	\$ 27	\$ 59,844,643	\$ 44,505,000
Sales & Use Tax Refunding Bonds Series 2017A	Refunded \$23,280,000 of Series 2011A & \$9,045,000 of Series 2009A	\$ 29,995,000	1.692%	October 18, 2017	November 1, 2025	\$ 332,004	\$ -	\$ 35,039,618	\$ 29,995,000
Total METRORail Expansion		\$ 971,264,250	3.453%			\$ 5,015,780	\$ 974,927	\$ 1,019,929,390	\$ 693,224,250
Total Debt		\$ 1,757,060,000	2.930%			\$ 16,221,132	\$ 1,992,453	\$ 1,806,921,166	\$ 1,143,280,000

General Mobility Program



FY2019 Projected Transfer to the
General Mobility Program

\$180.0 million

METRO's enabling legislation authorizes the Authority to construct or maintain streets, roads, traffic signals, sidewalks, and hike and bike trails, or perform these functions through agreements with other government agencies. As early as 1982, METRO began to participate in and contribute funds for various "joint construction projects" with the City of Houston, Harris County and the 14 Multi-Cities within its service area. In 1988, this use of METRO's sales tax revenues was formalized into the General Mobility Program (GMP), dedicating 25% of its sales tax revenues to its constituent entities for General Mobility projects. These dedicated funds and their associated projects are locally known as the General Mobility Program.

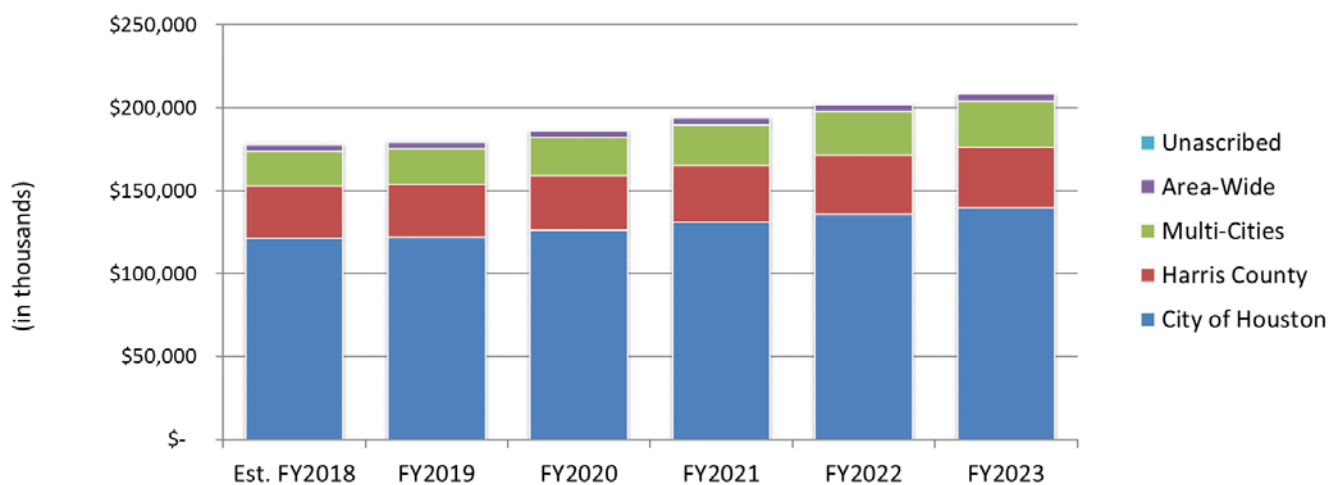
In FY2013, METRO entered into new interlocal agreements with its partner entities coinciding with the Authority's implementation of the voter mandated referendum on General Mobility held on November 6, 2012. This referendum continues General Mobility funding to member jurisdictions based on sales tax revenues set at the end of September 2014, with any growth in sales tax above that mark split 50/50 with member jurisdictions through December 31, 2025.

Projected Funding

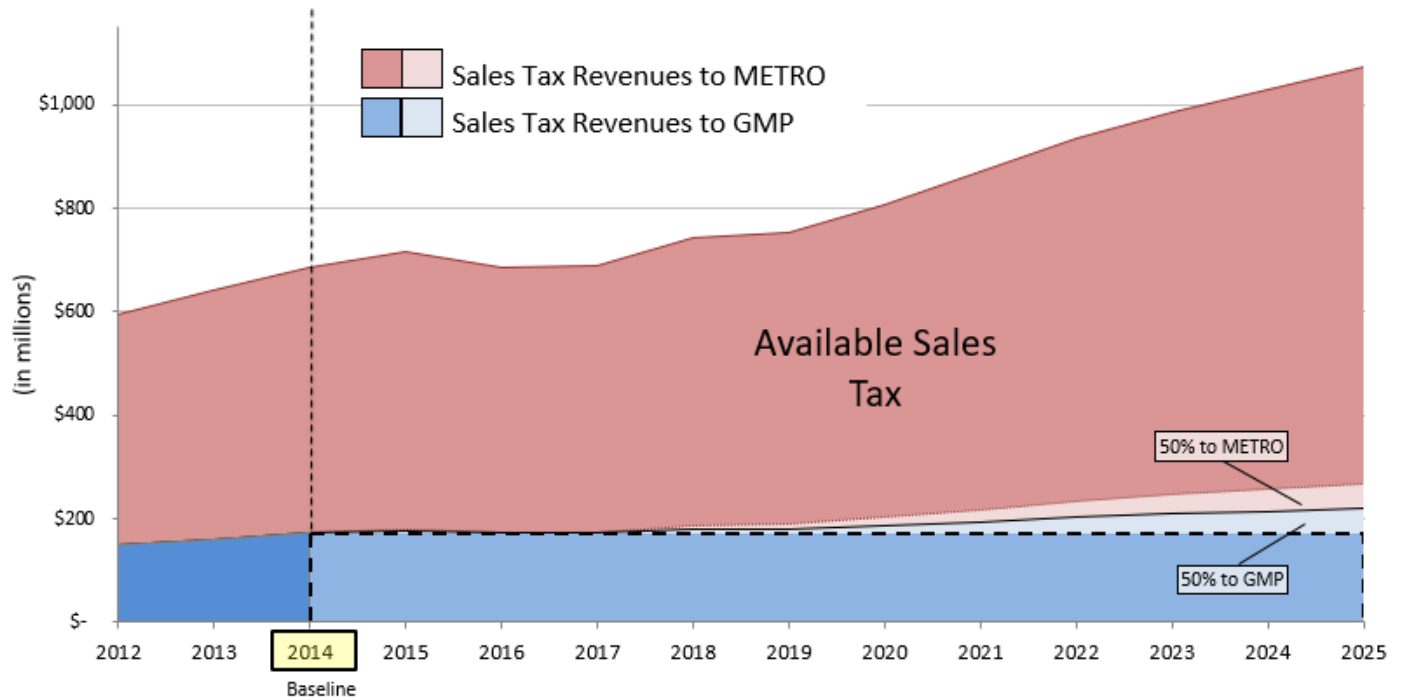
(in thousands)

	Est. FY2018	FY2019	FY2020	FY2021	FY2022	FY2023
Street Repair & Congestion Mitigation						
City of Houston	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Multi-Cities	20,978	21,292	22,724	24,486	26,261	27,610
Area-Wide	4,000	4,000	4,000	4,000	4,000	4,000
Subtotal	\$ 34,978	\$ 35,292	\$ 36,724	\$ 38,486	\$ 40,261	\$ 41,610
Future Designated Projects						
City of Houston	\$ 111,245	\$ 112,112	\$ 116,071	\$ 120,940	\$ 125,844	\$ 129,574
Harris County	31,706	31,953	33,082	34,469	35,867	36,930
Unascribed	646	651	674	703	731	753
Subtotal	\$ 143,597	\$ 144,716	\$ 149,826	\$ 156,112	\$ 162,443	\$ 167,257
Total Commitment						
City of Houston	\$ 121,245	\$ 122,112	\$ 126,071	\$ 130,940	\$ 135,844	\$ 139,574
Harris County	31,706	31,953	33,082	34,469	35,867	36,930
Multi-Cities	20,978	21,292	22,724	24,486	26,261	27,610
Area-Wide	4,000	4,000	4,000	4,000	4,000	4,000
Unascribed	646	651	674	703	731	753
Total General Mobility Funding	\$ 178,575	\$ 180,008	\$ 186,551	\$ 194,598	\$ 202,704	\$ 208,867

5-Year General Mobility Projected Funding

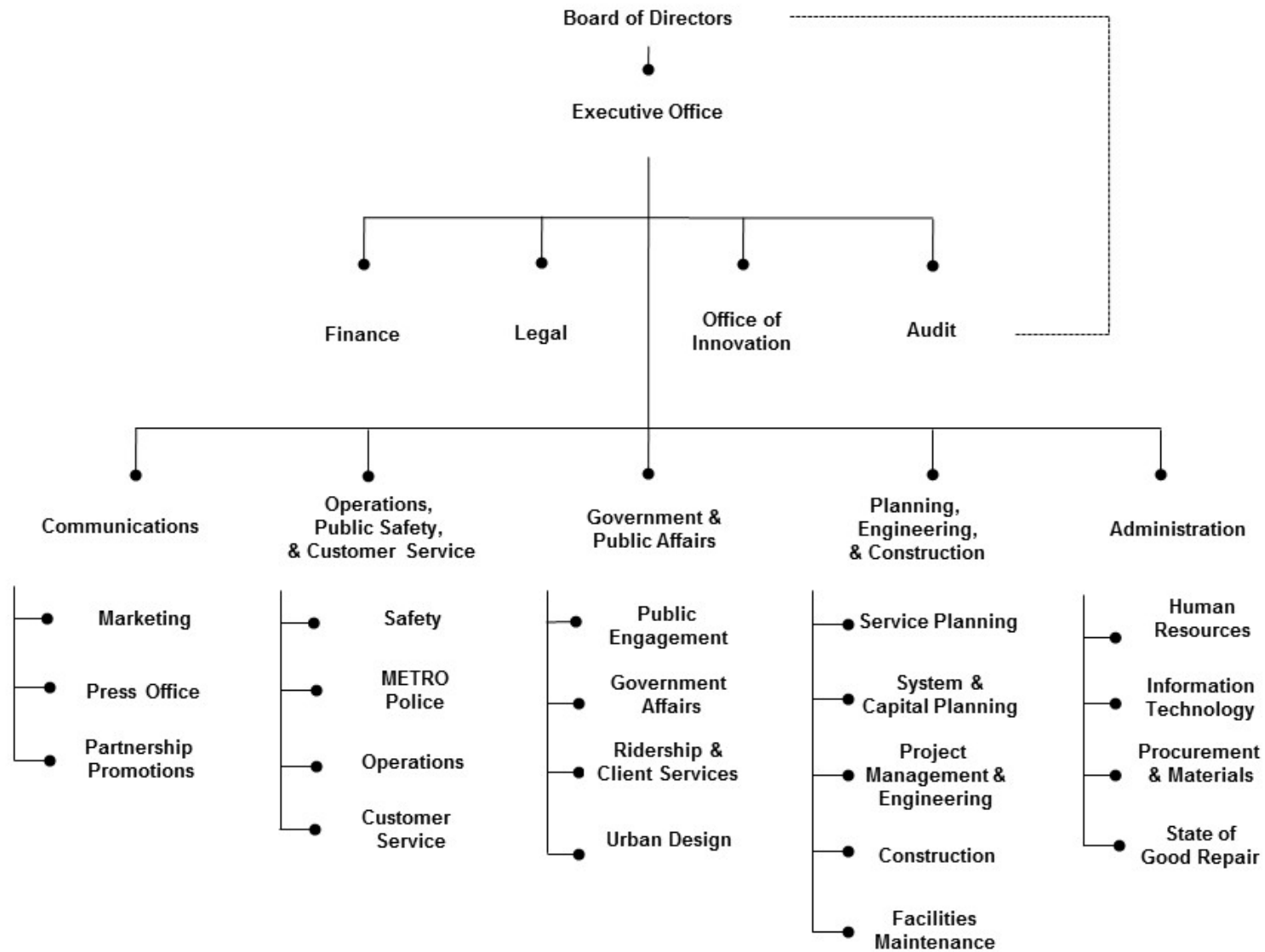


GMP Projections Based on the 2012 Referendum



The above graphic illustrates the projections for the voter mandated referendum on General Mobility held on November 6, 2012. This referendum continues General Mobility funding to member jurisdictions based on sales tax revenues set at the end of September 2014 with any growth in sales tax above that mark split 50/50 with member jurisdictions through December 31, 2025.

Authority Organization Chart



Department Summaries

This section provides a brief description of each METRO department, along with an organization chart, financial data showing the FY2019 budget and comparing it to the current year’s budget and year-end estimate, goals, and key performance indicators when applicable.

Each department’s goals are linked to one or more of the Authority’s budget priorities:

Attaining Universal Accessibility

Improving the Customer Experience

Investing in Enhanced Safety

Improving Security

Maintaining a State of Good Repair

Planning for the Future

Marketing Our Service

Accomplishing these goals will further METRO’s mission and vision:

Mission

To provide safe, clean, reliable, accessible and friendly public transportation services to our region.

Vision

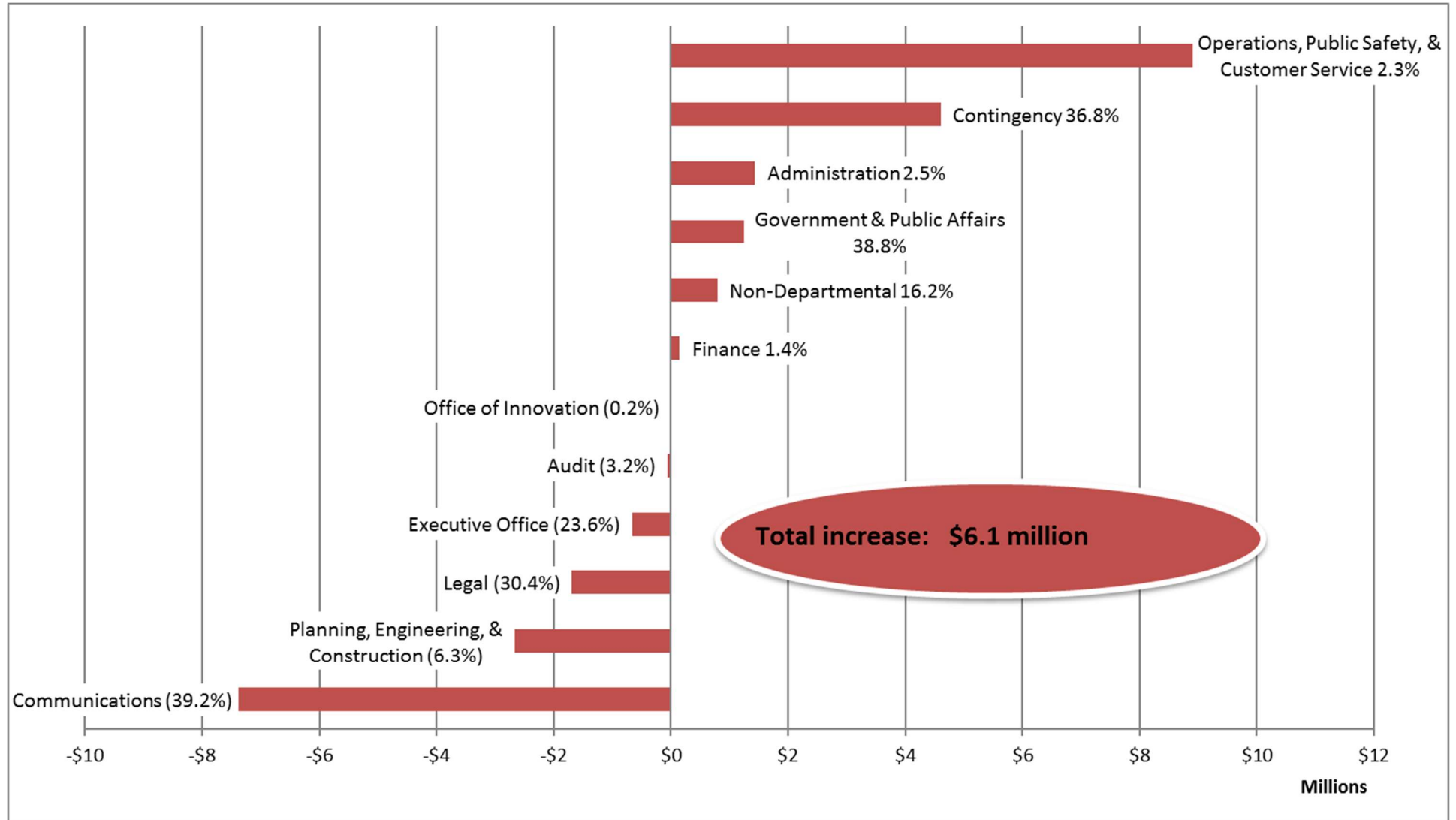
Through collaborative relations and innovative approaches, METRO will be an industry leader in delivering timely and efficient service that is transformative by providing multi-modal interactions for communities to connect to everyday work and life opportunities.

Department Summaries

Budget by Department

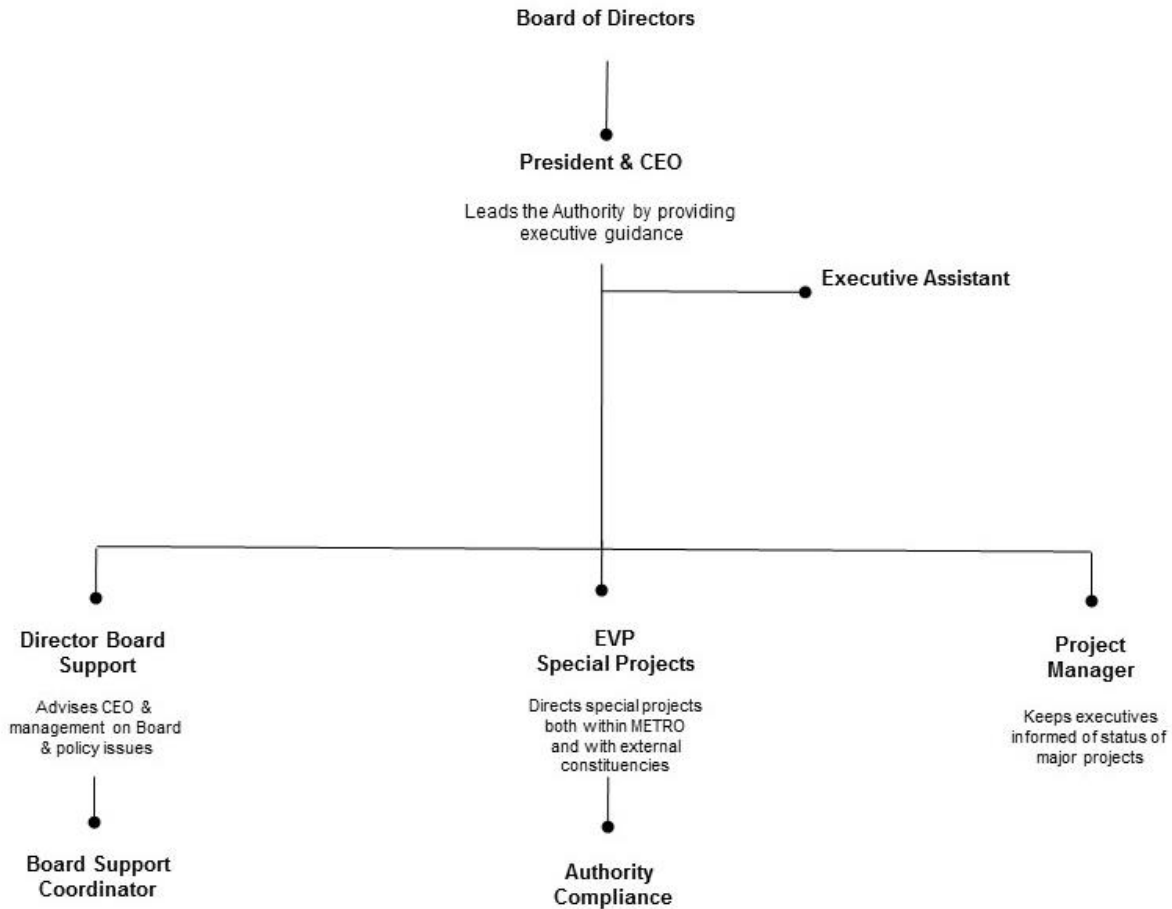
Departments	FY2018 Budget	FY2018 Estimate	FY2019 Budget	Budget-to-Budget Variance	
				\$	%
Operations, Public Safety, & Customer Service	\$ 459,229,139	\$ 453,053,941	\$ 469,629,193	\$ 10,400,054	2.3%
Administration	57,124,871	55,781,372	58,562,673	1,437,802	2.5%
Planning, Engineering, & Construction	42,421,655	41,180,070	39,762,518	(2,659,137)	(6.3%)
Communications	18,963,518	10,208,520	11,531,912	(7,431,606)	(39.2%)
Finance	10,853,515	10,535,905	11,002,000	148,485	1.4%
Government & Public Affairs	3,212,781	3,103,781	4,460,517	1,247,736	38.8%
Legal	5,557,434	4,606,197	3,868,730	(1,688,704)	(30.4%)
Executive Office	2,793,507	2,669,584	2,135,118	(658,389)	(23.6%)
Audit	1,573,529	1,445,523	1,523,076	(50,453)	(3.2%)
Office of Innovation	903,302	614,107	901,651	(1,651)	(0.2%)
Contingency	12,500,000	-	17,101,800	4,601,800	36.8%
Non-Departmental	4,929,749	-	5,730,812	801,063	16.2%
TOTAL NET OPERATING	\$ 620,063,000	\$ 583,199,000	\$ 626,210,000	\$ 6,147,000	1.0%

Budget by Department - Budget-to-Budget Variance



Executive Office

The President and CEO oversees the management and operations of transit services. The Authority Compliance Division ensures METRO's compliance with legislation and regulations, and the Board staff provide support for METRO's Board of Directors.



Executive Office

	FY2018 Budget	FY2018 Estimate	FY2019 Budget	Budget-to-Budget Variance	
	\$	\$	\$	\$	%
Wages	\$ -	\$ -	\$ -	\$ -	N/A
Union Fringe Benefits	2,149	951	1,669	(480)	(22.3%)
Subtotal Union Labor	\$ 2,149	\$ 951	\$ 1,669	\$ (480)	(22.3%)
Salaries and Non-Union Wages	1,692,487	1,617,203	1,224,508	(467,979)	(27.7%)
Non-Union Fringe Benefits	615,988	568,547	426,236	(189,752)	(30.8%)
Subtotal Non-Union Labor	\$ 2,308,475	\$ 2,185,750	\$ 1,650,743	\$ (657,732)	(28.5%)
Allocation to Capital and GMP	-	-	-	-	N/A
Subtotal Labor and Fringe Benefits	\$ 2,310,624	\$ 2,186,701	\$ 1,652,412	\$ (658,212)	(28.5%)
Services	101,454	101,454	108,587	7,133	7.0%
Materials and Supplies	6,504	6,504	6,504	-	0.0%
Fuel and Utilities	18,876	18,876	14,656	(4,220)	(22.4%)
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	356,049	356,049	352,959	(3,090)	(0.9%)
Subtotal Non-Labor	\$ 482,883	\$ 482,883	\$ 482,706	\$ (177)	(0.0%)
Subtotal Labor and Non-Labor	\$ 2,793,507	\$ 2,669,584	\$ 2,135,118	\$ (658,389)	(23.6%)
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 2,793,507	\$ 2,669,584	\$ 2,135,118	\$ (658,389)	(23.6%)

Executive Office

Description of Departmental Functions and Activities:

The Executive Office is responsible for the administration of the management and daily operations of the authority's transit services as well as providing support for METRO's Board of Directors. These duties include supporting all departments of the authority in their various tasks associated with accomplishing the mission and goals of the authority. The office is also responsible for the implementation of policies and directives set by the Board of Directors as well as ensuring the authority's policies, guidelines, procedures and manuals are updated in accordance with Board of Director's direction, state and federal regulations, and industry best practices.

Number of Employees: 9

Goal 1: Support the Board of Directors by providing information, data and facts to assist them in making public policy decisions to improve mobility in the region.

Goal 2: Ensure that policies and directives set by the Board of Directors are executed and implemented in a timely manner and as directed.

Goal 3: Lead and support executive leadership in their goals and objectives to accomplish Board priorities toward attaining universal accessibility, improving the customer experience, investing in enhanced safety, improving security, maintaining a state of good repair, planning for the future and marketing our services.

Goal 4: Lead and support the employees of the authority as they work to accomplish the mission of the agency to provide safe, clean, reliable, accessible and friendly public transportation services to our region.

Goal 5: Continue to implement policies and procedures to employ sound financial principles and transparency practices.

Goal 6: Support the departments in the review of and update of the authority's policies, guidelines, procedures and manuals to meet industry best practices.

These goals are linked to these Authority goals:

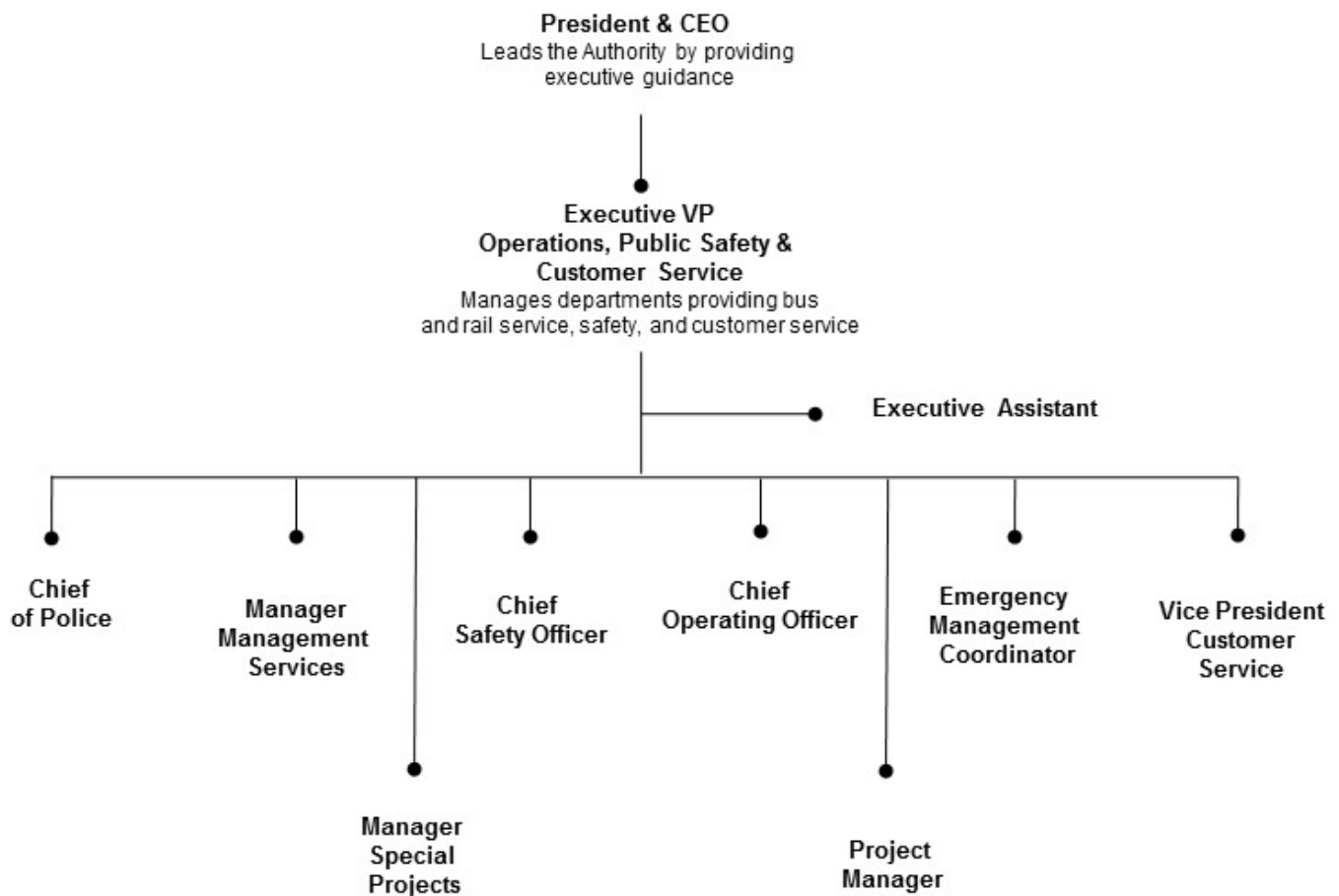
- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Operations, Public Safety, and Customer Service

Operations, Public Safety, and Customer Service functions as the core of METRO’s transit services, including local bus, Park & Ride bus, light rail train, paratransit, vanpools, and HOV/HOT lane network, as well as the related functions of METRO Police, Safety, Customer Service, and emergency management.

OPERATIONS, PUBLIC SAFETY, & CUSTOMER SERVICE



Operations, Public Safety, and Customer Service

	FY2018 Budget	FY2018 Estimate	FY2019 Budget	Budget-to-Budget Variance	
				\$	%
Wages	\$ 130,472,903	\$ 130,504,638	\$ 133,646,661	\$ 3,173,758	2.4%
Union Fringe Benefits	60,927,892	60,436,713	63,028,466	2,100,574	3.4%
Subtotal Union Labor	\$ 191,400,795	\$ 190,941,351	\$ 196,675,127	\$ 5,274,332	2.8%
Salaries and Non-Union Wages	63,041,601	59,814,153	64,222,495	1,180,894	1.9%
Non-Union Fringe Benefits	26,373,310	25,272,453	26,596,618	223,308	0.8%
Subtotal Non-Union Labor	\$ 89,414,911	\$ 85,086,606	\$ 90,819,113	\$ 1,404,202	1.6%
Allocation to Capital and GMP	(4,581,670)	(4,274,115)	(4,950,798)	(369,128)	8.1%
Subtotal Labor and Fringe Benefits	\$ 276,234,036	\$ 271,753,842	\$ 282,543,443	\$ 6,309,407	2.3%
Services	17,368,185	15,945,083	17,168,567	(199,618)	(1.1%)
Materials and Supplies	26,162,553	27,010,854	27,237,878	1,075,325	4.1%
Fuel and Utilities	31,340,334	31,174,536	32,418,246	1,077,912	3.4%
Casualty and Liability	4,352,588	4,532,766	5,359,774	1,007,186	23.1%
Purchased Transportation	101,732,281	100,892,905	102,805,759	1,073,478	1.1%
Leases, Rentals and Miscellaneous	2,669,246	2,374,039	2,962,646	293,400	11.0%
Subtotal Non-Labor	\$ 183,625,187	\$ 181,930,183	\$ 187,952,870	\$ 4,327,683	2.4%
Subtotal Labor and Non-Labor	\$ 459,859,223	\$ 453,684,025	\$ 470,496,312	\$ 10,637,089	2.3%
Allocation to Capital and GMP	(630,084)	(630,084)	(867,119)	(237,035)	37.6%
Total Operating Expenses	\$ 459,229,139	\$ 453,053,941	\$ 469,629,193	\$ 10,400,054	2.3%

	FY2018 Budget	FY2019 Budget	Budget-to-Budget Variance	
			\$	%
Total Operating Expenses	418,255,998	\$ 427,252,886	\$ 8,996,888	2.2%
Operations	418,255,998	427,252,886	8,996,888	2.2%
METRO Police Department	26,362,578	26,510,838	148,260	0.6%
Safety	8,690,302	9,859,436	1,169,134	13.5%
Customer Service	4,679,934	4,782,739	102,805	2.2%
Executive Vice President	1,240,327	1,223,294	(17,033)	(1.4%)

Operations, Public Safety, and Customer Service

Department: Chief Operating Officer

Description of Departmental Functions and Activities:

METRO’s goal is to provide clean, safe, and reliable service to the public. METRO operates an extensive transit network combining different types of service tailored to varying needs.

Number of Employees: 3

Goal #1: Complaints per 100,000 Boardings: <19 complaints per boarding versus a FY 2018 goal of <20, which reflects the improvement in performance in FY 2018.

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Operations, Public Safety, and Customer Service

Department: Contract, Paratransit, and Vanpool

Description of Departmental Functions and Activities:

One of METRO’s most important missions is providing our disabled community access to employment, healthcare, and all of our region’s assets and opportunities. 100% of METRO vehicles are accessible under the standards of the Americans with Disabilities Act (ADA). By the end of FY2018, METRO expects to have provided 1.9 million rides on METROLift vehicles.

METRO Star Vanpool is a cost-effective public transit option that serves not only Harris County, but Brazoria, Chambers, Fort Bend, Galveston, Liberty, Montgomery and Waller Counties. Riders share the cost of the van, fuel, maintenance, parking and tolls. Employers help defray these costs. METRO Star Vanpool reduces vehicle miles traveled in the Houston region by 60 million miles per year.

Number of Employees: 164

Goal #1: METROLift On-Time Performance: 90%. The goal is unchanged from FY 2018 and reflects the current high level of service being delivered.

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #2: METROLift Mean Distance Between Failure (MDBF): 20,000 miles. This goal is unchanged from FY 2018 and reflects the current high level of service being delivered.

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Operations, Public Safety, and Customer Service

Department: METRORail

Description of Departmental Functions and Activities:

METRORail quickly connects people to the most frequented destinations in the city, including: Downtown, the Texas Medical Center, University of Houston and Texas Southern University campuses, NRG Park, the George R. Brown Convention Center, and the historic East End. METRORail consists of 22 miles of rail in three lines.

Number of Employees: 385

Goal #1: Rail On-Time Performance: Red Line: 93% (FY 2018 goal is 90%), Green Line: 95% (unchanged from FY 2018), Purple Line: 95% (unchanged from FY 2018).

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #2: Rail Mean Distance Between Service Interruptions: 15,000 miles (October 2018 - May 2019; unchanged from FY 2018). 18,000 (June 2019 - September 2019; increased from the FY 2018 goal of 15,000, reflecting the improvement in service in FY 2018).

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #3: Rail Accidents: 99 (unchanged from the FY 2018 goal). Preventable rail accidents: 10 (new goal).

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Operations, Public Safety, and Customer Service

Department: Operations Management Support

Description of Departmental Functions and Activities:

The Operations Management Support group is responsible for all budget functions for the Operations Department. This represents an operating budget in excess of \$400 million and a capital budget of over \$100 million. The group is also responsible for tracking the headcount of over 3,000 employees. This includes posting of position, union job picks, initiating employee change forms, and other administrative duties.

METRO HOV/HOT Lanes is also included in this division, comprising lane operations, management of contractors, and the ARGO division at TranStar.

Number of Employees: 32

Goal #1: HOT Lanes Speed: Proposing a FY 2019 minimum speed of 45 miles per hour during peak periods on all lanes. This is unchanged from the FY 2018 goal.

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Operations, Public Safety, and Customer Service

Department: Operations Training Division

Description of Departmental Functions and Activities:

The Operations Training Department's goals are to provide employees with the skills to provide clean, safe, and reliable service to our patrons. The primary focus of this department is the training of union employees. This includes training new bus operators, rail and bus maintenance training, and refresher training on safety and other current issues.

Number of Employees: 19

Goal #1: Conduct 600 American with Disabilities Act (ADA) compliance checks each year.

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #2: Ensure enough bus operators are trained with Commercial Driver Licenses to operate METRO's bus service.

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Operations, Public Safety, and Customer Service

Department: Bus Transportation

Description of Departmental Functions and Activities:

METRO's bus service is the heart of our system, with 114 fixed routes, 8,964 stops, 2,143 shelters, 21 Transit Centers and an estimated 58.2 million boardings in FY 2017. METRO's Park and Ride service provides commutes to and from the suburbs. Riders park a car at one of METRO's 27 Park and Ride lots, board a 45-foot commuter bus, and travel on an HOV lane to downtown, the Texas Medical Center and other major employment centers.

Number of Employees: 1,817

Goal #1: Bus On-Time Performance: Proposing a FY 2019 Local on-time performance goal of 75%. The goal is unchanged from the FY 2018 goal. The proposed Park and Ride goal is 76% versus a FY 2018 goal of 75% which reflects the improvement in service in FY 2018.

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #2: Bus Accidents: 594 versus the FY 2018 goal of 625. This reduction of 31 accidents (-5%), reflects the improvement in the rate of bus accidents in FY 2018. Preventable bus accidents: 196 (new goal).

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Operations, Public Safety, and Customer Service

Department: Bus Maintenance

Description of Departmental Functions and Activities:

METRO’s Bus Maintenance department actively maintains, cleans, repairs, and replaces the fleet that is comprised of 1,246 buses, including 696 diesel buses, 77 Compressed Natural Gas buses, 435 40/45 foot-hybrid buses, and 38 ARBOC alternative service vehicles. There are also 158 METROLift paratransit service vans. METRO buses will have run 44.6 million revenue miles and will have had an estimated 66.9 million boardings by the end of FY2018.

Number of Employees: 719

Goal #1: Bus Mean Distance Between Failure (MDBF): (October 2018; May – September 2019): 7,750 (unchanged from FY 2018). (November 2018 – April 2019) :10,000 versus a FY 2018 goal of 9,700, which reflects the improvement in service in FY 2018.

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Operations, Public Safety, & Customer Service

Department: METRO Police (MPD)

Description of Departmental Functions and Activities:

METRO Police Department is responsible for the safety and security of METRO employees, patrons and property. METRO Police Department is proactive in providing safety information, patrol service area and engaging communities surrounding the service area.

Number of Employees: 335

Goal #1: Provide a safe and secure system for employees and patrons.

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: Ongoing

Goal #2: Increase Police Recruitment efforts

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: End of second quarter

Related Objectives, including timeframe:

- The department proposes to convert a to-be-determined number of vacant full-time police officer positions to cadet positions to appeal to more applicants by the end of the first quarter.

Goal #3: Improve efficiency of Police Recruit Background investigations

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Operations, Public Safety, & Customer Service

Department: METRO Police (MPD)

Timeframe for accomplishment: End of first quarter

Related Objectives, including timeframe:

- Employ up-to-date technologies that increase the speed and accuracy of police recruit background investigations. Enabling candidates to upload documents will save hundreds of staff hours collecting paper documentation. The more quickly we collect documentation, and the more accurately it is reviewed, applicants will move through the process faster, and qualified applicants will be hired faster.

Goal #4: Train all certified police personnel in mandated Texas Commission on Law Enforcement courses

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: End of fourth quarter

Related Objectives, including timeframe:

- METRO Police Department Training division will have all required mandated training to MPD certified personnel using internal and on-line training paradigms.

Goal #5: Increase Civilian Fare Inspector fare verifications to average 450 per workday

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: End of fourth quarter

Related Objectives, including timeframe:

- Civilian fare inspector management will have updated reporting practices to include electronic calculation of number of fares checked with hand-held devices by end of first quarter.

Operations, Public Safety, & Customer Service

Department: Safety

Description of Departmental Functions and Activities:

The Safety Department's employees are responsible for the review/establishment of guidelines and assurance of compliance with METRO safety rules and governmental regulations. Safety works with both executive and operations personnel to resolve known safety issues and identify potential ones.

Number of Employees: 44

Goal #1: The priority of the Safety Department for FY2019 is to improve the customer safety for METRO patrons through interactions with frontline personnel, including safety assessments, safety messages and meetings.

This goal is linked to these Authority goals:

- | | | |
|---|--|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Conduct hazard identification activities to prevent and/or minimize injuries and illnesses

Goal #2: Adopt Federal Transit Administration's (FTA) Safety Management System (SMS) principles into agency's safety program

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: FY2019

Operations, Public Safety, & Customer Service

Department: Safety

Related Objectives, including timeframe:

- Educate Executive Leadership Team and employees on SMS
- Conduct SMS gap analysis

Goal #3: Increase the number of drug and alcohol presentations at BOF (Bus Operating Facility) safety meetings

This goal is linked to these Authority goals:

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Attend at least three (3) safety meetings per quarter to discuss zero tolerance policy and drug and alcohol awareness.

Related Objectives, including timeframe:

- | | |
|--------------------------------|------------------|
| • October 2018 – December 2018 | - 3 BOF Meetings |
| • January 2019 – March 2019 | - 3 BOF Meetings |
| • April 2019 – June 2019 | - 3 BOF Meetings |
| • July 2019 – September 2019 | - 3 BOF Meetings |

Goal #4: Establish a framework for enterprise risk management and future safety management system

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Operations, Public Safety, & Customer Service

Department: Safety

Related Objectives, including timeframe:

- Link safety and claims data in the risk information system to fully quantify the impact of accidents on the organization
- Convert historical safety records into an electronic format

Goal #5: Create an initial draft of a claims department manual

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: FY2019

Related Objectives, including timeframe:

- Document all department processes
- Create process flows for more complex processes
- Begin the process of securing a vendor to draft a formal claims manual

Goal #6: Implement an ongoing effort to improve rail safety education

This goal is linked to these Authority goals:

- | | | |
|---|---|--|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: End of fourth quarter

Related Objectives, including timeframe:

Operations, Public Safety, & Customer Service

Department: Safety

- Take at least one den/troop per quarter on a rail tour or training as part of our partnership with the Boy Scouts of America to promote rail safety
- Get METRORail safety information into at least four new locations each month along the rail lines
- Make at least four Operation Lifesaver presentations each month to schools, community groups, shelters and businesses along the rail lines

Goal #7: Enhance Safety of METRORail System by Implementing Rail Safety Initiative Projects

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: Ongoing

Related Objectives, including timeframe:

- Meet with Planning, Engineering, and Construction department bi-weekly for status updates on engineering projects.
- Coordinate with Rail Operations monthly for information on future proposed safety enhancements.

Operations, Public Safety & Customer Service

Department: Customer Service

Description of Departmental Functions and Activities:

The Customer Service Department is responsible for front-line customer interaction and service through the agency's call center and related functions, RideStores, retail partners, and the Fannin South parking lot. The Customer Service Department also works on agency-wide customer-related issues to help all departments keep a customer-centered focus.

Number of Employees: 70

Goal #1: Improve the customer experience with the information and complaint process

This goal is linked to these Authority goals:

- | | | |
|---|---|--|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing or end of (first, second, third or fourth) quarter

Related Objectives, including timeframe:

- Improve the quality of information customers receive from the Customer Care Center
- Coordinate the agency's efforts to better respond to complaints
- Initiate improvements in the quality of the agency's customer complaint resolution and follow-up process

Goal #2: Improve the customer experience in the RideStores

This goal is linked to these Authority goals:

- | | | |
|---|---|--|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Operations, Public Safety, & Customer Service

Department: Customer Service

Related Objectives, including timeframe:

- Evaluate the RideStores functions and branding to make them more customer friendly (1900 Main, Travis, Fannin South, on-line store, and retail outlets locations)

Goal #3: Improve the customer experience by working on agency-wide customer related issues to help all departments keep a customer focus

This goal is linked to these Authority goals:

- | | | |
|---|---|--|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Implement the agency-wide Customer Service Program, One METRO
- Assist other departments and work with them to keep a customer focus in all their projects

Department Key Performance Indicators

The primary element in the success METRO has had in building its transit system has been its dedication to service quality. By focusing on specific, measurable goals, METRO can track its progress toward meeting the budget priorities of improving the customer experience, safety, and security. To that end, the department of Operations, Public Safety, and Customer Service tracks key performance indicators and compares performance to annual goals. These statistics measure service reliability, safety, security, and customer service. Below are descriptions of the eight most important performance indicators, which are reported to the Board of Directors every month and the most recent Monthly Status Report. All Key Performance Indicators for FY2016 and FY2017 (through August) and the goals for FY2018 can be found immediately afterward.

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.

Mean Distance Between Mechanical Failures (MDBF): MDBF mechanical roadcalls are defined as 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. This indicator is for the bus system but excludes METROLift.

Bus and Rail Accidents: An accident is a transit incident with passenger injuries that requires 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. A rail accident is defined as any physical contact between a rail vehicle and another vehicle (including another rail vehicle, car, truck, or motorcycle), a pedestrian, or bicyclist along the main rail line.

Complaint Contacts: Patrons contact METRO's Customer Information Center to express dissatisfaction with METRO. Contacts made via telephone and over the Internet which result in a complaint record being generated in the Public Comment System are reported both in terms of the absolute number of contacts received and the number of contacts as a percentage of total boardings.

Major Security Incidents: The total "Major Security Incidents" is based on two industry standards: the Federal Bureau of Investigation (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, onboard 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.

Average Call Center Answer Delay:

METRO is committed to providing customers with accurate, customer-friendly 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 call in 120 seconds or less. In addition to bus information, METRO's Customer Service/Information Center provides general information, supports METRO Q® Fare Card requests, documents and researches public comments, aids with Lost and Found inquiries, and provides general vanpool and HOV information.

MONTHLY PERFORMANCE REPORT

July 2018

Performance Statistics

Benchmark Met

Benchmark Missed

Fiscal Year 2018													Current Month Target	FY2018 YTD Actual	FY2018 YTD GOAL
SERVICE & RELIABILITY	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP			
On-Time Performance															
Local Bus	73.7%	73.7%	74.1%	75.1%	75.4%	74.9%	75.1%	75.1%	76.7%	76.7%			≥ 75%	75.1% ≥	75%
Park & Ride	76.9%	76.4%	75.4%	76.4%	77.1%	76.1%	76.4%	75.7%	77.6%	78.0%			≥ 75%	76.6% ≥	75%
Weighted Average Bus	75.0%	74.8%	74.6%	75.6%	76.1%	75.4%	75.6%	75.3%	77.1%	77.2%			≥ 75%	75.7% ≥	75%
METROLift	88.8%	90.9%	91.7%	92.6%	90.9%	89.9%	89.4%	90.9%	91.6%	92.0%			≥ 90%	90.9% ≥	90%
Rail - Red Line OTP	78.8%	79.0%	74.6%	87.1%	90.8%	80.3%	92.5%	93.1%	94.4%	93.1%			≥ 90%	86.9% ≥	90.0%
Rail - South East Purple Line OTP	96.6%	98.0%	98.8%	96.9%	98.3%	98.8%	98.1%	97.8%	98.5%	98.1%			≥ 95%	97.9% ≥	95.0%
Rail - East End Green Line OTP	96.3%	97.8%	98.2%	98.4%	98.9%	99.0%	98.3%	97.8%	98.3%	98.8%			≥ 95%	98.1% ≥	95.0%
MDBF (Mean Distance Between Mechanical Failures) - All Buses	10,065	12,490	13,045	12,968	12,651	13,157	13,336	10,187	9,767	8,992			≥ 7,750	11,414 ≥	8,920
MDBF (Mean Distance Between Mechanical Failures) - METROLift	22,705	28,567	34,535	15,784	24,212	27,678	22,542	20,858	19,977	21,724			≥ 20,000	22,937 ≥	20,000
MDBSI (Mean Distance Between Service Interruptions) - METRORail	38,547	22,053	18,075	15,575	16,573	19,257	18,946	19,355	18,897	12,453			≥ 15,000	18,555 ≥	15,000
Average Peak HOT Lanes Speed (miles per hour)															
I-45 North HOV	53	54	54	54	53	54	54	54	58	59			≥ 45	55 ≥	45
I-45 South HOV	63	52	53	53	52	54	52	51	56	58			≥ 45	54 ≥	45
US-290 HOV	56	56	55	55	56	58	57	57	57	60			≥ 45	57 ≥	45
US-59 North HOV	60	62	61	62	61	62	61	60	62	64			≥ 45	62 ≥	45
US-59 South HOV	49	50	53	51	49	52	51	51	54	56			≥ 45	52 ≥	45

Department Annual Performance and Goals

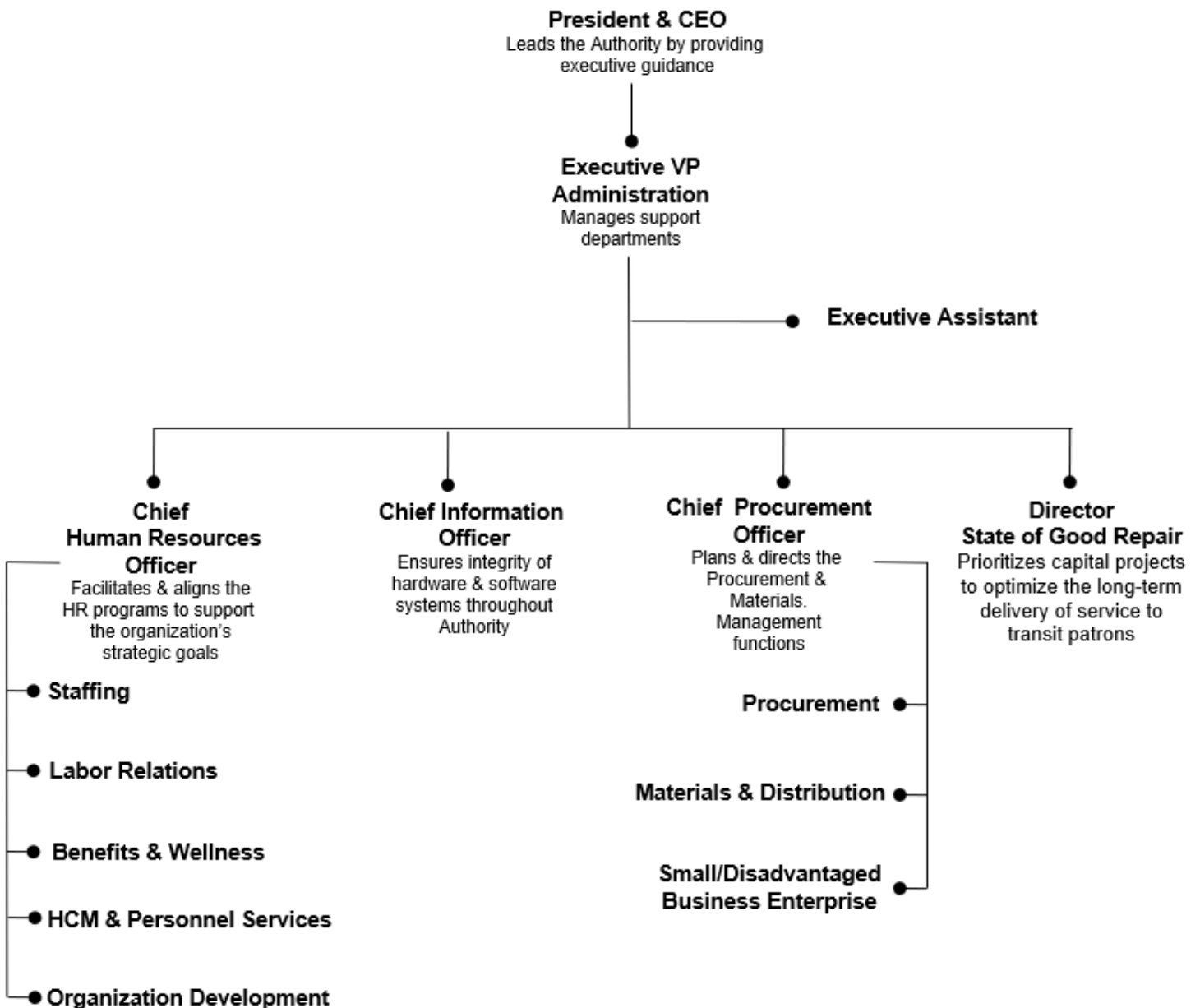
Performance Indicator	FY 2017 Actual	FY 2018 Goal	FY 2018 Actual*	FY2019 Goal
Service and Reliability				
Bus-Local On-Time Performance (OTP)	75.1%	75%	75%	75%
Bus-Park & Ride OTP	79.3%	75%	76%	76%
Bus Weighted Average OTP	76.8%	75%	76%	75%
Rail-Red Line OTP	86.9%	90%	87%	93%
Rail-South Line OTP	96.2%	95%	98%	95%
Rail-East Line OTP	96.6%	95%	98%	95%
METROLift OTP	91.6%	90%	91%	90%
Mean Distance Between Mechanical Failures (all buses)	10,790	8,920	11,414	8,875
Mean Distance Between Mechanical Failures (METROLift)	21,002	20,000	22,937	20,000
Mean Distance Between Service Interruptions (Rail)	22,070	15,000	18,555	16,000
Safety				
Bus Accidents Absolute Number	581	625	482	594
Bus Accidents Per 100,000 Vehicles Miles	0.82	1.20	0.79	1.11
Rail Accidents Absolute Number	95	99	99	99
Rail Accidents Per 100,000 Vehicles Miles	2.67	2.80	3.27	2.75
Security - Major Security Incidents				
Total	473	840	418	840
Per 100,000 Boardings	0.42	0.98	0.43	0.98
Security - Major Security Incidents - METRO Properties				
Total	276	360	277	420
Per 100,000 Boardings	0.24	0.40	0.29	0.40
Customer Service				
Customer Contacts Per 100,000 Boardings	15.72	<20.00	16.72	<19.00
Commendations	4,222	3,082	2,849	3,000
Average Call Center Answer Delay in seconds	100	105	88	<105

* YTD through July 2018

Administration

Includes Human Resources, Information Technology, Procurement and State of Good Repair and is responsible for administering guidelines for internal procedures while also dealing with many outside customers and vendors.

ADMINISTRATION



Administration

	FY2018 Budget	FY2018 Estimate	FY2019 Budget	Budget-to-Budget Variance	
				\$	%
Wages	\$ 3,088,580	\$ 3,013,877	\$ 3,103,028	\$ 14,448	0.5%
Union Fringe Benefits	13,677,189	13,641,321	14,302,441	625,252	4.6%
Subtotal Union Labor	\$ 16,765,769	\$ 16,655,198	\$ 17,405,468	\$ 639,699	3.8%
Salaries and Non-Union Wages	15,679,934	15,213,729	16,082,330	402,396	2.6%
Non-Union Fringe Benefits	9,364,127	9,131,710	9,729,702	365,575	3.9%
Subtotal Non-Union Labor	\$ 25,044,061	\$ 24,345,439	\$ 25,812,031	\$ 767,970	3.1%
Allocation to Capital and GMP	(1,455,081)	(1,438,985)	(1,382,904)	72,177	(5.0%)
Subtotal Labor and Fringe Benefits	\$ 40,354,749	\$ 39,561,652	\$ 41,834,595	\$ 1,479,846	3.7%
Services	7,344,884	6,912,292	6,498,832	(846,052)	(11.5%)
Materials and Supplies	577,103	575,384	559,950	(17,153)	(3.0%)
Fuel and Utilities	1,334,161	1,217,070	1,494,306	160,145	12.0%
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	7,513,974	7,514,974	8,174,990	661,016	8.8%
Subtotal Non-Labor	\$ 16,770,122	\$ 16,219,720	\$ 16,728,078	\$ (42,044)	(0.3%)
Subtotal Labor and Non-Labor	\$ 57,124,871	\$ 55,781,372	\$ 58,562,673	\$ 1,437,802	2.5%
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 57,124,871	\$ 55,781,372	\$ 58,562,673	\$ 1,437,802	2.5%

	FY2018 Budget	FY2019 Budget	Budget-to-Budget Variance	
			\$	%
Total Operating Expenses				
Information Technology	\$ 23,452,943	\$ 23,731,284	\$ 278,341	1.2%
Human Resources	21,611,236	22,365,575	754,339	3.5%
Procurement and Materials	11,118,276	11,272,781	154,505	1.4%
State of Good Repair	492,808	734,433	241,625	49.0%
Executive Vice President	449,608	458,600	8,992	2.0%

Administration

Department: Human Resources

Description of Departmental Functions and Activities:

Provide support and services to METRO in the following areas: Employee Relations/EEO, Staffing, Organization Development, Labor Relations, Benefits, Pension & Wellness, Compensation and Human Resources Information Systems.

Number of Employees: 45

Goal #1: Recruit and hire all METRO personnel

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #2: Ensure adherence to the Labor Agreement, work rules, procedures and guidelines

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #3: Ensure cost-effective, comprehensive programs for the following: benefits, disability and leave, retirement, paid time off, and wellness

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #4: Design and implement training and development programs for METRO, and provide other services such as succession planning, coaching, customized programs, etc.

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #5: Investigate and resolve internal Employee Relations and Equal Employment Opportunity (EEO) complaints. Ensure compliance with all employment laws, including development and monitoring of FTA Title VI and EEO programs

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #6: Ensure jobs and salaries are compliant, competitive, equitable, and non-discriminatory

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Administration

Department: Information Technology

Description of Departmental Functions and Activities:

Provide strategic direction, technical guidance and direct technology services for METRO. Focus on building and directing a security program to manage and mitigate risks to the confidentiality and integrity of METRO's systems, data and information. Direct, develop, administer and monitor the Authority's technology solutions for technology infrastructure which supports all operating facilities, administrative offices, rail systems, transit centers and Park & Rides.

Number of Employees: 74

Goals and Objectives:

Goal #1: Provide Stable and Reliable Revenue Systems

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Provide stable and reliable revenue systems for our customers, business partners and internal administration staff with a monthly uptime of 97%.

Goal #2: Provide a secure, stable and highly available computing infrastructure

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Provide a secure, stable and highly available computing infrastructure for all METRO systems with a monthly uptime of 98%.

Goal #3: Maintain high availability for Customer Call Center (CCC) and METROLift Call Center

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Maintain high availability for CCC and METROLift Call Center applications, with an average monthly uptime of 98%.

Administration

Department: Procurement & Materials

Description of Departmental Functions and Activities:

Provide the Authority with timely acquisition of goods and services, distribution of inventory and provide the Small Business community with solicitation opportunities through outreach certification and compliance.

Number of Employees: 120

Goals and Objectives:

Goal #1: Achieve zero sustainable protests of contract awards

This goal is linked to these Authority goals:

- | | | |
|---|---|--|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- The integrity of the process is a paramount for all procurements. Ensuring the process was conducted in an accurate, transparent and professional manner will reduce the risk of a sustainable protest. This is an ongoing short and long-term objective.

Goal #2: Timely acquisition and delivery of parts

This goal is linked to these Authority goals:

- | | | |
|---|---|--|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Continuous monitoring of the Materials Availability Report will assist with vehicles being out of service due to parts.

Goal #3: Increase small business opportunities

This goal is linked to these Authority goals:

- | | | |
|---|---|--|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Small Business and Procurement staff will continue to educate small business firms through outreach, certification/compliance assistance and targeted forums with the objective of increasing the opportunities to those firms through purchase order/contract awards.

Administration

Department: State of Good Repair

Description of Departmental Functions and Activities:

Develop a strategic system to ensure safety, sustainability, accessibility and reliability of METRO's bus and rail systems. This includes establishing a recapitalization program, innovative finance strategies, and maintenance issue guidelines. Establishes asset management practices, provides project measurement of the condition of transit capital assets. Prioritizes local transit re-investment decisions and preventive maintenance practices.

Number of Employees: 3

Goal #1: Inventory of Capital Assets

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of fourth quarter

Goal #2: Assessment of Asset Conditions

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of fourth quarter

Goal #3: Capital Investment Decision Support & Prioritization

This goal is linked to these Authority goals:

- | | | |
|--|--|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of fourth quarter

Goal #4: Complete and implement Transit Asset Management Plan

This goal is linked to these Authority goals:

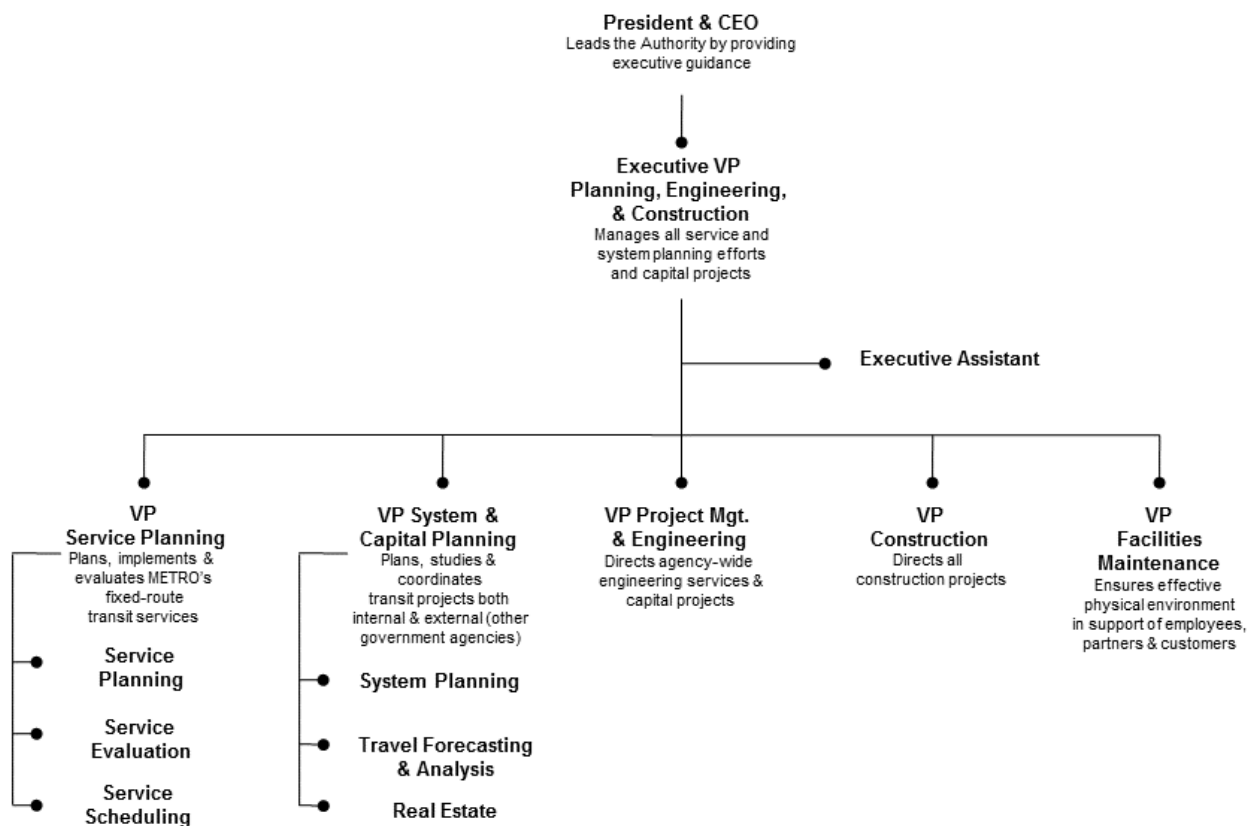
- | | | |
|--|--|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of fourth quarter

Planning, Engineering, and Construction

Every METRO rider boarding a bus or train has benefited from the work of the Planning, Engineering, and Construction Department – from the design of the routes and schedules to the planning, construction, cleanliness and upkeep of bus shelters, transit centers and Park & Ride lots. This department includes the divisions of Service Planning, System and Capital Planning, Project Management and Engineering, Construction, and Facilities Maintenance.

PLANNING, ENGINEERING, AND CONSTRUCTION



Planning, Engineering, and Construction

	FY2018 <u>Budget</u>	FY2018 <u>Estimate</u>	FY2019 <u>Budget</u>	Budget-to-Budget Variance	
				\$	%
Wages	\$ 6,174,665	\$ 6,080,642	\$ 6,319,288	\$ 144,623	2.3%
Union Fringe Benefits	3,166,405	3,008,980	3,356,491	190,086	6.0%
Subtotal Union Labor	\$ 9,341,070	\$ 9,089,622	\$ 9,675,779	\$ 334,709	3.6%
Salaries and Non-Union Wages	9,825,546	9,062,647	9,565,918	(259,628)	(2.6%)
Non-Union Fringe Benefits	3,509,870	3,294,033	3,441,345	(68,525)	(2.0%)
Subtotal Non-Union Labor	\$ 13,335,416	\$ 12,356,680	\$ 13,007,262	\$ (328,154)	(2.5%)
Allocation to Capital and GMP	(4,420,567)	(4,420,567)	(3,922,909)	497,658	(11.3%)
Subtotal Labor and Fringe Benefits	\$ 18,255,919	\$ 17,025,735	\$ 18,760,133	\$ 504,214	2.8%
Services	16,791,853	16,797,952	13,728,070	(3,063,783)	(18.2%)
Materials and Supplies	2,590,727	2,588,227	2,483,394	(107,333)	(4.1%)
Fuel and Utilities	4,590,167	4,590,167	4,616,971	26,804	0.6%
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	192,989	177,989	173,951	(19,038)	(9.9%)
Subtotal Non-Labor	\$ 24,165,736	\$ 24,154,335	\$ 21,002,386	\$ (3,163,350)	(13.1%)
Subtotal Labor and Non-Labor	\$ 42,421,655	\$ 41,180,070	\$ 39,762,518	\$ (2,659,137)	(6.3%)
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 42,421,655	\$ 41,180,070	\$ 39,762,518	\$ (2,659,137)	(6.3%)

	FY2018 <u>Budget</u>	FY2019 <u>Budget</u>	Budget-to-Budget Variance	
			\$	%
Total Operating Expenses				
Facilities Maintenance	\$ 32,765,829	\$ 33,213,446	\$ 447,617	1.4%
Planning	8,320,337	5,674,406	(2,645,931)	(31.8%)
Engineering and Construction	1,193,759	795,498	(398,261)	(33.4%)
Executive Vice President	141,730	79,169	(62,561)	(44.1%)

Planning, Engineering, & Construction

Department: Planning, Engineering and Construction

Description of Departmental Functions and Activities:

The Planning, Engineering and Construction department consists of five divisions, Service Planning, Capital and System Planning, Project Management and Engineering, Construction and Facilities Maintenance. Service Planning designs and implements new bus service and monitors and maintains the existing bus service. Capital and System Planning maintains the agency's long-range plan, manages real estate assets and is responsible for third party coordination of regional projects. Project Management and Engineering manages and designs the agency's service expansion and facilities maintenance capital projects. The Construction division is responsible for ensuring the agency's projects are constructed in compliance with applicable requirements. Facilities Maintenance maintains the agency's assets in a state of good repair.

Number of Employees: 237

Goal #1: Service Planning: Ensure the bus and rail service schedules are designed to ensure a good customer experience.

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Implementing two service changes in calendar year 2019
- Providing monthly ridership evaluation reports

Goal #2: Service Planning: Reimagine the Park & Ride System.

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Develop framework for reimagining the service to METRO's Park and Rides, first quarter FY2019
- Initiate process for securing consultant services necessary to reimage the service, second quarter FY2019

Goal #3: System and Capital Planning: Update METRO's Long Range Plan.

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of third quarter

Related Objectives, including timeframe:

- Adoption of Long Range Plan, third quarter FY2019

Goal #4: System and Capital Planning: Ensure transit is considered in third party projects.

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Attend interagency coordination meetings, ongoing
- Participate at HGAC, ongoing

Goal #5: Project Management and Engineering: Progress design of FY2019 service expansion, safety and state of good repair projects.

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Complete design of Northwest Transit Center, second quarter FY2019
- Design Safety Initiative projects, ongoing

Goal #6: Project Management and Engineering: Implement METRO's bus stop accessibility program.

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Design bus stop accessibility improvements, ongoing

Goal #7: Construction: Construct service expansion, state of good repair and ADA projects.

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Construction monitoring of Magnolia Transit Center, ongoing
- Mobilization for construction of Northwest Transit Center, third quarter FY2019
- Construction oversight of bus stop accessibility projects, ongoing

Goal #7: Facilities Maintenance: Maintain agency public and private facilities in a state of good repair.

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

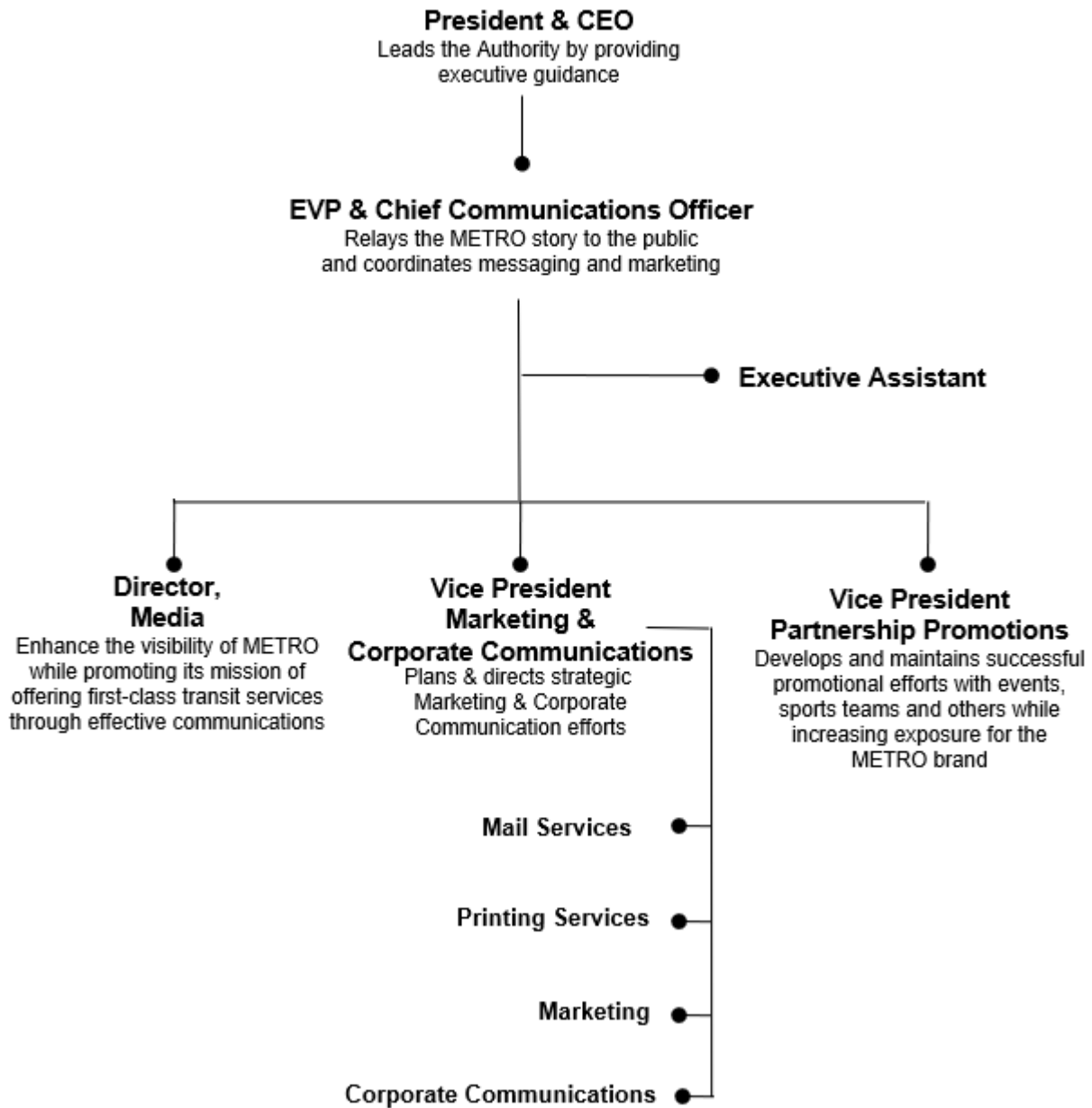
Related Objectives, including timeframe:

- Development of a Facilities Maintenance Program for critical equipment, second quarter FY2019
- Perform preventative maintenance on facilities and equipment, ongoing

Communications

Focuses on providing key information about METRO and all its services. The team is responsible for managing and directing internal and external messaging. The Press Office, Marketing & Corporate Communications and Partnership Promotions divisions accomplish the mission through collaboration, customer service and creativity.

Communications



Communications

	FY2018 Budget	FY2018 Estimate	FY2019 Budget	Budget-to-Budget Variance	
	\$	\$	\$	\$	%
Wages	\$ -	\$ -	\$ -	\$ -	N/A
Union Fringe Benefits	3,256	3,257	4,001	745	22.9%
Subtotal Union Labor	\$ 3,256	\$ 3,257	\$ 4,001	\$ 745	22.9%
Salaries and Non-Union Wages	2,648,471	2,638,471	2,922,716	274,245	10.4%
Non-Union Fringe Benefits	927,850	927,851	1,043,516	115,666	12.5%
Subtotal Non-Union Labor	\$ 3,576,321	\$ 3,566,322	\$ 3,966,232	\$ 389,911	10.9%
Allocation to Capital and GMP	-	-	-	-	N/A
Subtotal Labor and Fringe Benefits	\$ 3,579,577	\$ 3,569,579	\$ 3,970,232	\$ 390,655	10.9%
Services	14,187,105	5,837,105	6,504,360	(7,682,745)	(54.2%)
Materials and Supplies	1,160,908	765,908	1,002,200	(158,708)	(13.7%)
Fuel and Utilities	10,974	10,974	13,378	2,404	21.9%
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	24,954	24,954	41,742	16,788	67.3%
Subtotal Non-Labor	\$ 15,383,941	\$ 6,638,941	\$ 7,561,680	\$(7,822,261)	(50.8%)
Subtotal Labor and Non-Labor	\$ 18,963,518	\$ 10,208,520	\$ 11,531,912	\$(7,431,606)	(39.2%)
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 18,963,518	\$ 10,208,520	\$ 11,531,912	\$(7,431,606)	(39.2%)

	FY2018 Budget	FY2019 Budget	Budget-to-Budget Variance	
	\$	\$	\$	%
Total Operating Expenses	\$ 17,914,463	\$ 9,956,613	\$ (7,957,850)	(44.4%)
Marketing	698,882	712,949	14,067	2.0%
Press Office	350,173	435,136	84,963	24.3%
EVP, Communications	-	427,214	427,214	N/A
Partnership Promotions				

Communications

Department: Press Office

Description of Departmental Functions and Activities:

The Press Office supports METRO in a variety of ways from proactively pitching interviews on a variety of agency news and developments to responding to press queries, conducting media interviews, coordinating interviews with agency experts, organizing press conferences/media briefings, monitoring media coverage and creating original content for the Authority's social media platforms. Real-time operational status of METRO services is also managed by this department through the agency's electronic notification systems.

Number of Employees: 7

Goal #1: The METRO Press Office aims to enhance the visibility of METRO on print, broadcast and digital platforms while promoting the agency's first-class transit services through effective communications. This goal will support key METRO initiatives including, but not limited to the agency's long-range regional transit plan known as METRONext, the Drive Less/Do More marketing campaign, Uptown BRT project awareness/education, and safety campaigns.

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- In order to support this goal, the Press Office is creating Agency Fact Sheets, launching a new Podcast and developing a strategic Spanish Communications Plan. The Agency Fact Sheets are in development and are considered an ongoing and open-ended project which will continually be expanded as the agency's mission evolves. METRO's new Podcast will officially launch in September of 2018, and the strategic Spanish Communications Plan will be completed by the summer of 2019.

Communications

Department: Mail & Printing Services

Description of Departmental Functions and Activities:

Authority-wide printing needs/requests such as board books, training manuals, service change information, daily reports, public guides, forms, fliers and various wide-format informational pieces (banners, kiosks, infoposts, table runners, posters, back-of-bus windows). Maintain copier fleet and electronic forms, distribution of public guides, general printing and distribution. Mail Services handles internal and external USPS mail, overnight, courier and shipping needs/requests.

Number of Employees: 11

Goal #1: Provide exceptional printing and mail services for the entire Authority within stated deadlines to meet each client's needs.

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Communications

Department: Marketing

Description of Departmental Functions and Activities:

Marketing supports agency initiatives with information services collateral (maps and other information) as well as traditional marketing and advertising components. The group also handles signage.

Number of Employees: 13

Goal #1: Increase the positive image of METRO in the region by 5%

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of fourth quarter

Related Objectives, including timeframe:

- Promote METRO's services by highlighting key facts and statistics
- Promote ridership with targeted service promotions to key demographics
- Leverage rider stories and unique routes and services to highlight METRO as the region's transportation provider

Goal #2: Promote a culture of safety on the METRO system

This goal is linked to these Authority goals:

- | | | |
|---|---|--|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of fourth quarter

Related Objectives, including timeframe:

- Create an educational campaign promoting rail safety
- Partner with area entities including universities to develop a grassroots deployment of safety messaging

Goal #3: Promote METRO as a forward-thinking entity that benefits riders and non-riders.

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of fourth quarter

Related Objectives, including timeframe:

- Promote Drive Less/Do More campaign highlighting unique role METRO plays in the community
- Highlight METRO as an active community partner that offers more than transit service

Communications

Department: Corporate Communications

Description of Departmental Functions and Activities:

To communicate externally and internally the latest news about METRO, including new programs, events and services.

Number of Employees: 5

Goal #1: Update RideMETRO.org website content, specifically, our customer-facing pages

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of fourth quarter

Related Objectives, including timeframe:

- Work on rewriting two sections a month

Goal #2: Implement Electronic Communications Systems at 1900 Main, all Bus Operating Facilities (BOF), the Service & Inspection Facility and Field Service Center to disseminate employee information

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of fourth quarter

Related Objectives, including timeframe:

- First quarter: measure spaces in all BOFs and install lines and plugs
- Second quarter: begin installing screens in all facilities; train the users who will input information/videos
- Third quarter: operate and maintain system at all locations

Communications

Department: Partnership Promotions

Description of Departmental Functions and Activities:

This newly-formed department will work to develop and maintain partnership promotions with events, event centers, sports teams, and corporations that meet the qualifications listed in the department's guidelines that will be developed in FY2019.

Number of Employees: 1

Goal #1: Develop department guidelines

This goal is linked to these Authority goals:

- | | | |
|---|---|--|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of second quarter

Goal #2: Develop partnerships with at least three (3) entities that meet the criteria to promote using METRO among their current customers while increasing visibility and image for both parties. This will assist in the marketing of the service and help increase ridership

This goal is linked to these Authority goals:

- | | | |
|---|---|--|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

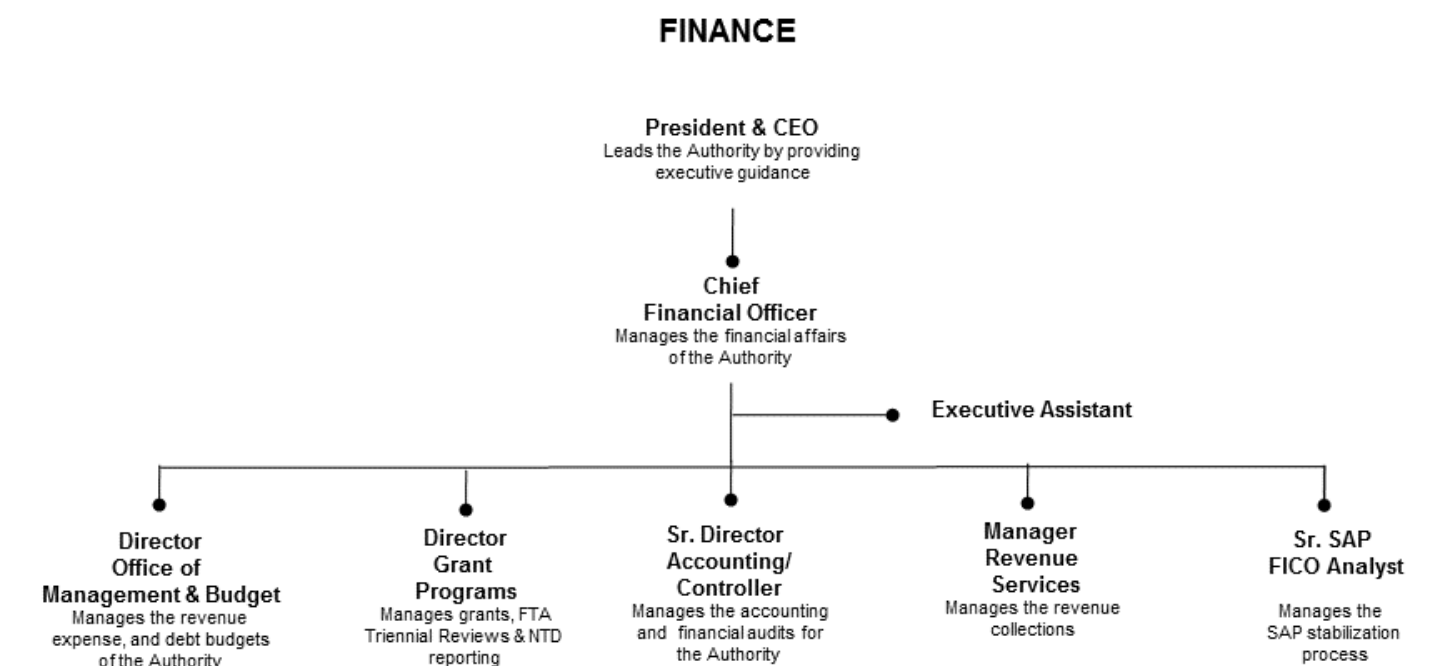
Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Use in-kind marketing opportunities to promote METRO and the partner while promoting the use of METRO's service to the event or location
- Use budget dollars to promote the use of METRO as an alternative to driving to the event, business, etc.

Finance

Provides management oversight and control of all financial functions including accounting and cash management, revenue management, grant management, and business and budget planning.



Finance

	FY2018 Budget	FY2018 Estimate	FY2019 Budget	Budget-to-Budget Variance	
				\$	%
Wages	\$ -	\$ -	\$ -	\$ -	N/A
Union Fringe Benefits	11,293	26,629	12,503	1,210	10.7%
Subtotal Union Labor	\$ 11,293	\$ 26,629	\$ 12,503	\$ 1,210	10.7%
Salaries and Non-Union Wages	6,002,503	5,711,876	5,912,786	(89,717)	(1.5%)
Non-Union Fringe Benefits	2,443,851	2,285,165	2,440,604	(3,247)	(0.1%)
Subtotal Non-Union Labor	\$ 8,446,354	\$ 7,997,041	\$ 8,353,390	\$ (92,964)	(1.1%)
Allocation to Capital and GMP	(171,352)	(54,985)	(11,797)	159,555	(93.1%)
Subtotal Labor and Fringe Benefits	\$ 8,286,295	\$ 7,968,685	\$ 8,354,096	\$ 67,801	0.8%
Services	2,103,100	2,103,100	2,172,933	69,833	3.3%
Materials and Supplies	371,167	371,167	373,466	2,299	0.6%
Fuel and Utilities	9,662	9,662	9,662	-	0.0%
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	83,291	83,291	91,843	8,552	10.3%
Subtotal Non-Labor	\$ 2,567,220	\$ 2,567,220	\$ 2,647,904	\$ 80,684	3.1%
Subtotal Labor and Non-Labor	\$ 10,853,515	\$ 10,535,905	\$ 11,002,000	\$ 148,485	1.4%
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 10,853,515	\$ 10,535,905	\$ 11,002,000	\$ 148,485	1.4%

	FY2018 Budget	FY2019 Budget	Budget-to-Budget Variance	
			\$	%
Total Operating Expenses				
Office of the Controller	\$ 4,081,141	\$ 4,257,448	\$ 176,307	4.3%
Revenue Service	3,151,773	2,979,135	(172,638)	(5.5%)
Office of Management and Budget	2,041,091	2,149,303	108,212	5.3%
Chief Financial Officer	960,205	975,860	15,655	1.6%
Grants	619,305	640,254	20,949	3.4%

Finance

Department: Chief Financial Officer (CFO)

Description of Departmental Functions and Activities:

Primarily responsible for managing the Authority finance, including financial planning, reporting, data analysis and management of financial risk, in compliance with local, state and federal laws. Coordinates Union Health & Welfare Trust interacting with METRO financial management, HOV/HOT lanes financial reporting to TxDOT, SAP/FICO stabilization, SAP/FICO systems integration and coordinates the collection of the Federal Emergency Management Agency (FEMA) data.

Number of Employees: 4

Goal #1: Directs the financial affairs of the Authority

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: third quarter

Related Objectives, including timeframe:

- Prepare Monthly CFO Performance Report, which documents and explains the Authority financial position.

Goal #2: Continue the SAP/FICO stabilization

This goal is linked to these Authority goals:

- | | | |
|--|--|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: first quarter

Goal #3: Continue to coordinate with the Union Health & Welfare Trust Fund.

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: fourth quarter

Related Objectives, including timeframe:

- Working with investment advisor, actuary, investment managers and other consultants

Finance

Department: Office of Management and Budget (OMB)

Description of Departmental Functions and Activities:

To support the Authority in implementing Business Plan priorities and fiscal policies set by the METRO Board, through independent and objective analysis to ensure financial sustainability.

Number of Employees: 14

Goal #1: Ensure the Authority has sufficient funds to implement Business Plan priorities in FY19 and beyond.

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: fourth quarter

Related Objectives, including timeframe:

- Produce the Authority's annual Operating and Capital Budgets. Complete "budget change requests" as needed when specific needs to implement Business Plan priorities change.

Goal #2: Conduct periodic financial analyses to ensure financial sustainability.

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Prepare Monthly Performance Report, which documents and explains major sources of variance to budget. Develop the Authority's five-year and long term financial forecast and update it as additional information is received (example: semiannual sales tax forecasts). Conduct "quarterly management reviews" with all departments at the CEO's discretion. Administer GMP program.

Goal #3: Monitor Authority revenues and analyze variances to ensure financial sustainability

This goal is linked to these Authority goals:

- | | | |
|--|--|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: fourth quarter

Related Objectives, including timeframe:

- Conduct monthly analyses of revenues received from sales tax, fares, grants, and other sources and explain major sources of variance.

Goal #4: Prepare bond and other debt issuances to fund the Authority's present and future needs as required.

This goal is linked to these Authority goals:

- | | | |
|--|--|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: fourth quarter

Related Objectives, including timeframe:

- Maintain a balanced portfolio of reserve funds adhering to METRO's Investment Policy and the Public Funds Investment Act (PFIA). Administrating the issuance of new debt and managing the debt service on existing debt.

Finance

Department: Office of the Controller

Description of Departmental Functions and Activities:

Maintain METRO's financial reporting system, including related internal controls, that supports compliance with related state and federal laws and required accounting standards.

Number of Employees: 32

Goal #1: Maintain a financial reporting system that allows for the timely and accurate preparation of financial information that will be used by decision makers, citizens, creditors, and oversight organizations when evaluating METRO's performance and developing long-term plans.

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Prepare and publish METRO's independently audited comprehensive annual financial report and audited financial statements. Assist in preparing the independently audited Single Audit and NTD annual reports.

Goal #2: Ensure weekly payments made to employees (payroll) and vendors are timely and accurate.

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Ensure the accurate and timely payment of vendor invoices, weekly payroll processing, disbursement of cash receipts and other financial activity.

Goal #3: Manage daily cash activity and monthly retirement plans including working with investment advisor, actuary, investment managers and other related activities.

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Manage multiple retirement plans including actuarial reports and investment activities. Prepare and publish annual retirement plans.

Finance

Department: Grants Programs Division

Description of Departmental Functions and Activities:

Grant management of FTA funded programs and oversight of subrecipient pass-through funds.

Number of Employees: 5

Goal #1: Submit Annual National Transit Data (NTD) Report without validation issues.

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: second quarter

Related Objectives, including timeframe:

- Increase efficiency of reporting to meet NTD Annual Report due date of 01/31/2019 .

Goal #2: Complete Annual Single Audit Report without audit findings.

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: fourth quarter

Related Objectives, including timeframe:

- Increased efficiency of audit along with increased effectiveness of subrecipient oversight before audit work commencement during Fall 2018.

Goal #3: Apply for a minimum of three discretionary grants.

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: fourth quarter

Related Objectives, including timeframe:

- Grants Programs will continue to research grant opportunities and submit applications as appropriate throughout Fiscal Year 2019.

Finance

Department: Revenue Service Division

Description of Departmental Functions and Activities:

Provides cash collection, counting and deposit service; fare media creation & inventory; fare related customer service; HOT lanes revenue accounting; mobile ticketing system support & customer service; retailer, RideSponsor & agency invoicing & support; revenue servicing of rail ticket vending machines (TVMs) & parking equipment; credit card system setup & support.

Number of Employees: 25

Goal #1: In-house repair of certain ticket vending machine (TVM) fare collection components.

This goal is linked to these Authority goals:

- | | | |
|--|---|--|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: third quarter

Related Objectives, including timeframe:

- The reduction of outside repair and maintenance costs and the necessity to purchase new equipment during the second half of FY2019

Goal #2: All daily cash collections (bus & rail) are prepared for deposit the following morning.

This goal is linked to these Authority goals:

- | | | |
|--|--|--|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Consistent daily cash flow throughout FY2019; Revenue services will continue to strive for continued process improvements throughout the fiscal year.

Goal #3: Revenue Services will provide superior customer service assistance during the transition from the old to the new mobile ticketing provider.

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: fourth quarter

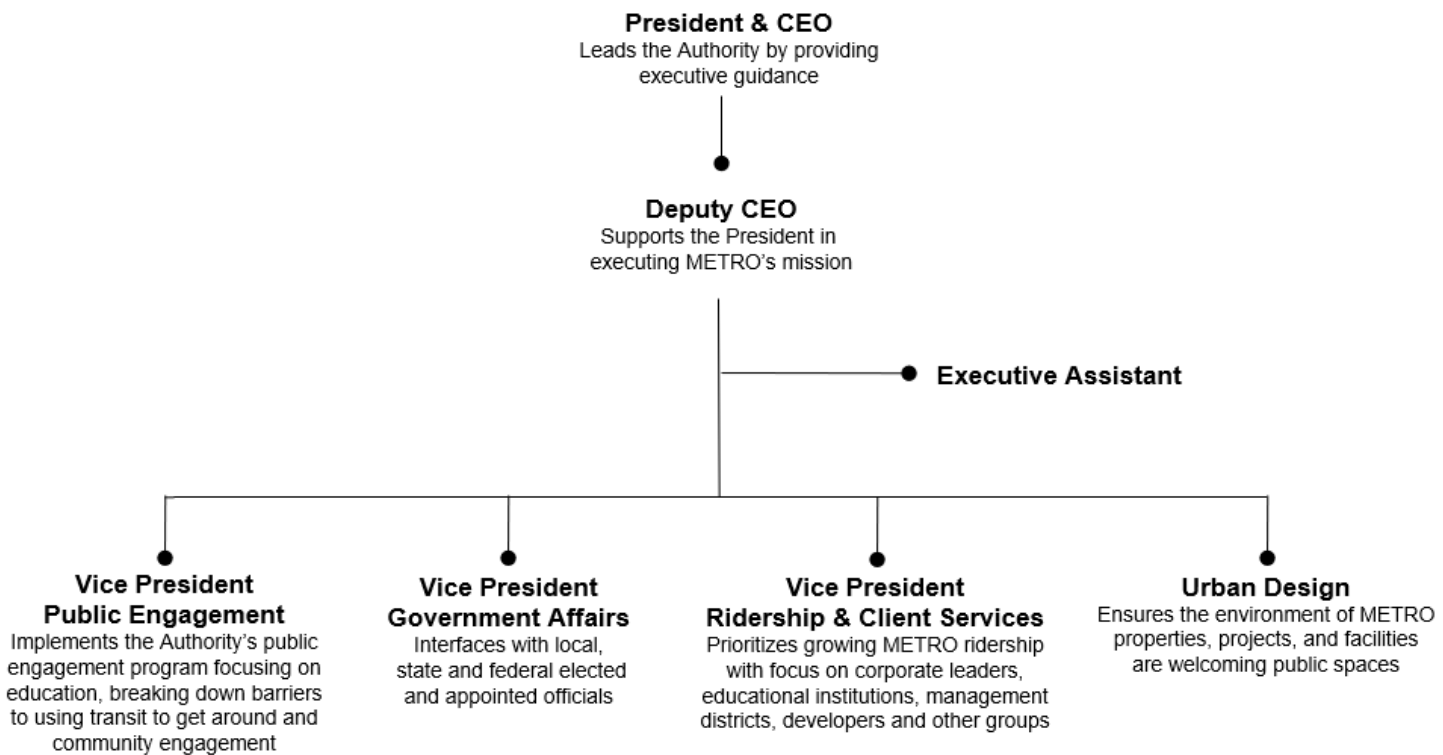
Related Objectives, including timeframe:

- Revenue Services will continue to provide outstanding customer service to enhance the user's mobile ticketing experience before and after the transition to the new provider during FY2019.

Government & Public Affairs

Responsible for interfacing and maintaining relationships with government officials and represent METRO’s interests in legislative forums. Responsible for implementing the Authority’s public engagement program focusing on education, breaking down barriers to using transit and community engagement. Responsible for robust engagement, outreach and sales efforts to position the Authority’s favorably in the community and maximize METRO’s awareness in order to succeed at local, state and federal levels.

GOVERNMENT & PUBLIC AFFAIRS



Government and Public Affairs

	FY2018 Budget	FY2018 Estimate	FY2019 Budget	Budget-to-Budget Variance	
	\$	\$	\$	\$	%
Wages	\$ -	\$ -	\$ -	\$ -	N/A
Union Fringe Benefits	1,987	1,987	2,856	869	43.7%
Subtotal Union Labor	\$ 1,987	\$ 1,987	\$ 2,856	\$ 869	43.7%
Salaries and Non-Union Wages	1,887,576	1,887,576	2,347,046	459,470	24.3%
Non-Union Fringe Benefits	573,459	573,459	738,662	165,203	28.8%
Subtotal Non-Union Labor	\$ 2,461,035	\$ 2,461,035	\$ 3,085,708	\$ 624,673	25.4%
Allocation to Capital and GMP	-	-	-	-	N/A
Subtotal Labor and Fringe Benefits	\$ 2,463,022	\$ 2,463,022	\$ 3,088,564	\$ 625,542	25.4%
Services	471,385	407,385	1,006,570	535,185	113.5%
Materials and Supplies	19,100	19,100	22,500	3,400	17.8%
Fuel and Utilities	32,523	32,523	37,564	5,041	15.5%
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	226,751	181,751	305,319	78,568	34.6%
Subtotal Non-Labor	\$ 749,759	\$ 640,759	\$ 1,371,953	\$ 622,194	83.0%
Subtotal Labor and Non-Labor	\$ 3,212,781	\$ 3,103,781	\$ 4,460,517	\$ 1,247,736	38.8%
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 3,212,781	\$ 3,103,781	\$ 4,460,517	\$ 1,247,736	38.8%

	FY2018 Budget	FY2019 Budget	Budget-to-Budget Variance	
	\$	\$	\$	%
Total Operating Expenses	\$ 1,732,243	\$ 1,431,677	\$ (300,566)	(17.4%)
Public Engagement	469,654	1,334,892	865,238	184.2%
Government Affairs	1,010,884	1,001,451	(9,433)	(0.9%)
Ridership & Client Services	-	500,886	500,886	N/A
Deputy CEO	-	191,609	191,609	N/A
Urban Design	-			

Government & Public Affairs

Department: Public Engagement

Description of Departmental Functions and Activities:

Develop, manage and implement the Authority’s comprehensive public engagement program that focuses on transit education and awareness, community engagement and partnerships, and problem solving and issues resolution. Key program activities will focus on raising awareness about and gaining broad public participation in regional transit plan development, rail safety and outreach, stakeholder engagement and increasing overall knowledge and awareness about METRO.

Number of Employees: 10

Goal #1: Manage all public engagement and outreach efforts for the Authority’s

This goal is linked to these Authority goals.

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Launch the department intranet site – first quarter completion
- Develop a process for recording and evaluating requests for participation in community partnerships and initiatives establishing the department as the first point of contact for public engagement and outreach efforts – second quarter completion
- Assume oversight and implementation of the Authority’s rail safety and outreach program – second quarter completion

Goal #2: Develop a comprehensive and diverse program of activities that raises awareness and educates the public about METRO services, projects and programs

This goal is linked to these Authority goals.

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Recruit candidates for and implement METRO Transit Academy Class V – second quarter completion
- Launch a ‘Community Corner’ page on the METRO web site – second quarter completion
- Identify and participate in community activities throughout the service area with a focus on opportunities that positively influence the Authority’s community goodwill and public perception – ongoing throughout the fiscal year
- Identify new tools of engagement that include social media and technology – ongoing throughout the fiscal year

Goal #3: Partner with key community groups and stakeholders to maximize public participation in the METRONext long range plan development

This goal is linked to these Authority goals.

- | | | |
|---|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of third quarter

Related Objectives, including timeframe:

- Implement public involvement plan for phase 2 and 3 of long range plan development - third quarter completion
- Identify and engage community influencers – third quarter completion
- Enhance engagement efforts with young professionals – third quarter completion

Goal #4: Develop a strategy and program of activities focused on social fabric, capacity building, and delivering positive community impacts

This goal is linked to these Authority goals.

- | | | |
|---|--|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of third quarter

Related Objectives, including timeframe:

- Establish the position of Manager, Community Partnerships and Special Programs to begin the development of a traditional community relations program that will strengthen METRO’s ties to the community – third quarter

Goal #5: Develop and implement a comprehensive referendum education program

This goal is linked to these Authority goals.

- | | | |
|---|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of third quarter

Related Objectives, including timeframe:

-
- Implement a comprehensive Speakers Bureau that focuses on raising awareness and educating the public about the transit referendum – end of fourth quarter
- Develop and participate in a calendar of community meetings/events to educate the public about the transit referendum – end of fourth quarter
- Identify and secure high visibility opportunities to raise awareness about the transit referendum – end of fourth quarter

Government & Public Affairs

Department: Government Affairs

Description of Departmental Functions and Activities:

Strengthen METRO’s relationship with elected officials and ensure METRO’s interests are properly represented at the local, state, and federal levels.

Number of Employees: 3

Goal #1: Ensure that METRO’s interests are properly represented at the federal level by traveling to Washington, D.C. to communicate METRO’s needs for additional funding sources, emergency relief funds, and the ability to utilize toll credits and grants.

This goal is linked to these Authority goals.

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of fourth quarter

Goal #2: Upcoming session of the Texas Legislature, METRO will work with state lawmakers to best position the organization for the upcoming biennium. Efforts will include protecting METRO’s current funding and operational structure as well as finding opportunities to advance METRO’s short and long-term goals.

This goal is linked to these Authority goals.

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of fourth quarter

Goal #3: Continue to strengthen METRO’s relationships with elected officials through regular meetings to discuss METRO’s long-range planning and short-range projects. Maintaining relationships is crucial to creating effective lines of communication.

This goal is linked to these Authority goals.

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input checked="" type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input checked="" type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Government & Public Affairs

Department: Ridership & Client Services

Description of Departmental Functions and Activities:

The Ridership and Client Services Division serves as a liaison for corporate & community partners working together to increase METRO ridership and sales by educating and enhancing client / customer knowledge about various Q Card products and services through multiple touchpoints. We collaborate effectively to make fare items accessible through effective marketing to corporations (RideSponsors), hotel & apartment concierge services, conventions, universities and other non-traditional partners in new markets.

Number of Employees: 6

Goal #1: Increase our new client partnerships and an overall effort to increase METRO's ridership. Concentration in client retention and new client penetration will consist of goals that will support the increase in our strategic target markets of small & large corporate business partners and collaborative partnerships with Houston First for leisure convention ridership

- Increase RideSponsor program by 25 new Corporate accounts
- Increase RideSponsor program by 10 win-back accounts
- Increase Rider Reward program by 25 new clients
- Increase Park & Ride ridership by 1%
- Increase Rail ridership by 20%

This goal is linked to these Authority goals.

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of fourth quarter

Related Objectives, including timeframe:

- Ridership & Client Services will launch an aggressive awareness campaign that will enable ease of use of METRO's system, improve services such as trip planning information through more dedicated touchpoints with existing and new clients. Engage employers and employees via orientations, networking events and transportation fairs.

Goal #2: Create Ridership Development Strategy utilizing incentives to influence behavioral changes that will be key to helping get non-riders on the bus and turn occasional riders into regular riders

This goal is linked to these Authority goals.

- | | | |
|---|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: November 2018

Related Objectives, including timeframe:

- Introduce up to 3 new incentive programs for FY19. Leverage public and private partnerships for incentives that will be tailored to various markets such as apartments, hotels, schools and conventions, and traditional RideSponsors.

Goal #3: Enhance Go-to Market Plan – Maximize ways to make our channels work for METRO

This goal is linked to these Authority goals.

- | | | |
|---|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Communicate via social media outlets
- Focus on relationship building
- Work closely with internal and external partners
- Create tools to reach new segments that are not limited to face-to-face and email
- Training for hotels, apartments and traditional retailers to better “promote” our products and services
- Ensure internal partners, i.e. RideStore personnel and front-line staff are aware of any new product offerings to expand sales pitch.

Government & Public Affairs

Department: Urban Design

Description of Departmental Functions and Activities:

Implement urban design within the capital improvement project process and provide guidance to METRO design consultants when considering best practices for urban transit design. This will not only enhance the transit experience but will contribute to enriching the community experience and the creation of welcoming transit stations for all. The urban design process aims to value the social, economic and needs of the project sites city, neighborhood, and community. It is a design process that maximizes the use of a development project to not only impact the project itself; but to enhance the projects surrounding environment for people to use, appreciate and preserve.

Number of Employees: 1

Goal #1: Provide urban transit design guides for METRO design consultants

This goal is linked to these Authority goals.

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of fourth quarter

Goal #2: Facilitate a transparent design review process for station area enhancement capital improvement projects.

This goal is linked to these Authority goals.

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: end of fourth quarter

Goal #3: Create transit projects that improve the waiting environment and provide welcoming public spaces.

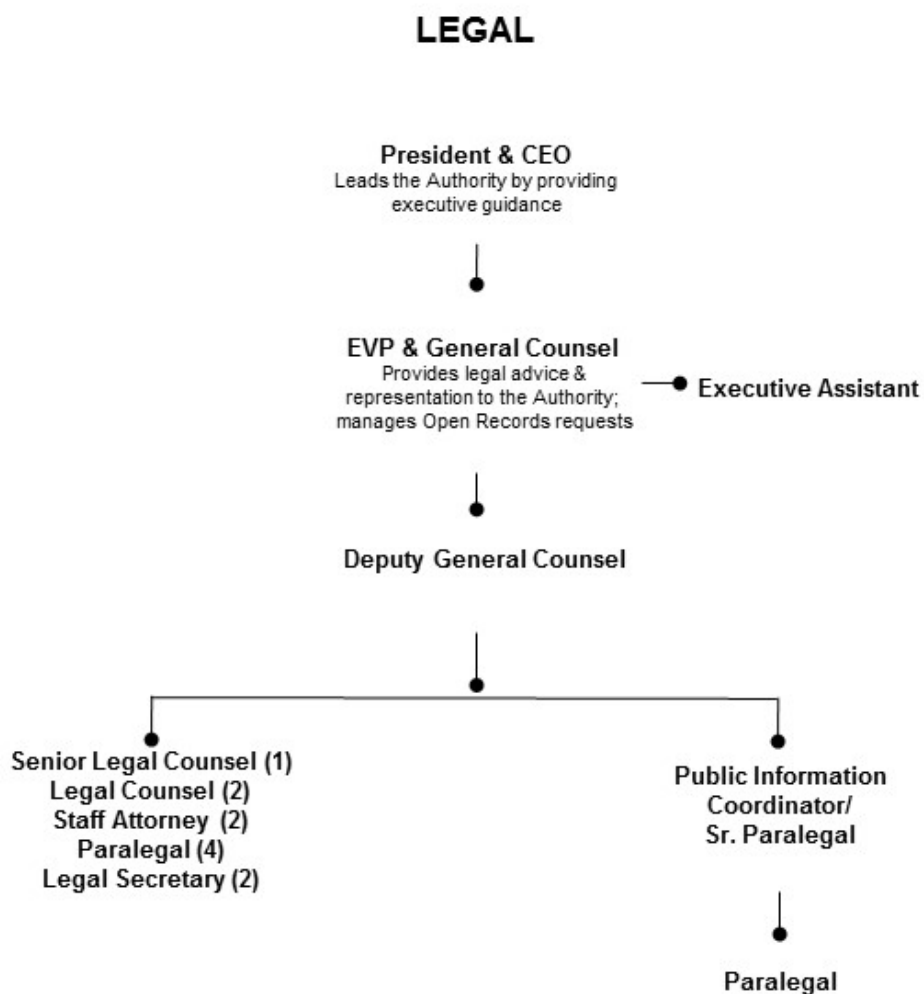
This goal is linked to these Authority goals.

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Safety | <input type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Legal

The Legal Department helps advance METRO's mission by providing legal advice and services to the Board of Directors, management and staff to foster sound decision-making in all areas of the Authority's operations, services and administration.



Legal

	FY2018 Budget	FY2018 Estimate	FY2019 Budget	Budget-to-Budget Variance	
	\$	\$	\$	\$	%
Wages	\$ -	\$ -	\$ -	\$ -	N/A
Union Fringe Benefits	2,119	1,378	2,435	316	14.9%
Subtotal Union Labor	\$ 2,119	\$ 1,378	\$ 2,435	\$ 316	14.9%
Salaries and Non-Union Wages	1,675,904	1,516,822	1,757,940	82,036	4.9%
Non-Union Fringe Benefits	497,565	428,179	485,596	(11,969)	(2.4%)
Subtotal Non-Union Labor	\$ 2,173,469	\$ 1,945,001	\$ 2,243,536	\$ 70,067	3.2%
Allocation to Capital and GMP	-	-	-	-	N/A
Subtotal Labor and Fringe Benefits	\$ 2,175,588	\$ 1,946,379	\$ 2,245,971	\$ 70,383	3.2%
Services	3,290,403	2,589,373	1,526,975	(1,763,428)	(53.6%)
Materials and Supplies	7,000	6,638	6,500	(500)	(7.1%)
Fuel and Utilities	6,278	7,031	6,465	187	3.0%
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	78,165	56,776	82,818	4,653	6.0%
Subtotal Non-Labor	\$ 3,381,846	\$ 2,659,818	\$ 1,622,758	\$ (1,759,088)	(52.0%)
Subtotal Labor and Non-Labor	\$ 5,557,434	\$ 4,606,197	\$ 3,868,730	\$ (1,688,704)	(30.4%)
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 5,557,434	\$ 4,606,197	\$ 3,868,730	\$ (1,688,704)	(30.4%)

Legal

Department: Legal

Description of Departmental Functions and Activities:

The Legal Department helps advance METRO’s mission by providing legal advice and services to the Board of Directors, management and staff to foster sound decision-making in all areas of the Agency’s operations, services and administration.

Number of Employees: 19

Goal #1: Combine subject matter expertise and institutional knowledge to provide valuable business-driven legal advice and services.

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Includes contract drafting and review, governance and compliance oversight, legal risk management and legal counsel and representation in litigation, labor & employment, procurement, transit law and transactional matters.

Goal #2: Minimize the agency’s liability exposure by providing advice on the legal implications of policy and other decisions under applicable law, regulations and policies.

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Related Objectives, including timeframe:

- Recommend and facilitate the implementation of appropriate policies, practices and procedures.
-

Goal #3: Administer the Agency’s legal affairs in the most cost-efficient manner reasonable to make sure that operations are carried out expeditiously and in compliance with existing laws, regulations and ethical standards.

This goal is linked to these Authority goals:

- | | | |
|--|--|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #4: Maintain and update a comprehensive records management program in accordance with the Local Government Records Act and overseeing the Agency’s compliance with the Texas Public Information Act.

This goal is linked to these Authority goals:

- | | | |
|--|--|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #5: Oversee the provision of all outside legal services to METRO to ensure efficiency, containment of costs and reliability of service.

This goal is linked to these Authority goals:

- | | | |
|--|--|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #6: Provide in-house training to staff about various legal requirements and risks to prevent or reduce liabilities and legal disputes.

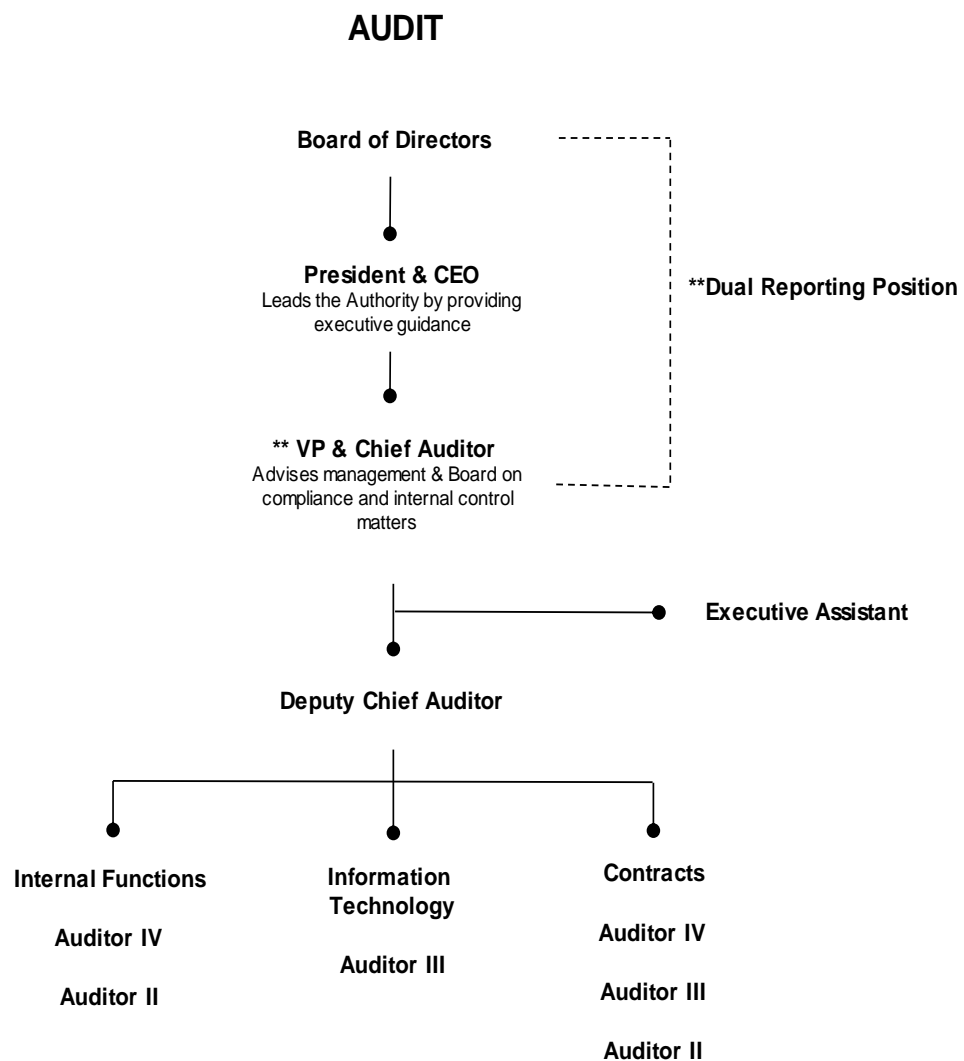
This goal is linked to these Authority goals:

- | | | |
|--|--|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: Ongoing

Audit

Provides objective assurance and consulting activity designed to add value and improve METRO's operations. Audit performs independent assessments of systems controls and efficiency, which are guided by professional standards using innovative approaches such as supporting our customers' efforts to achieve their objectives and maintaining a dynamic, team-oriented environment.



Audit

	FY2018 Budget	FY2018 Estimate	FY2019 Budget	Budget-to-Budget Variance \$	%
Wages	\$ -	\$ -	\$ -	\$ -	N/A
Union Fringe Benefits	1,225	797	1,333	108	8.8%
Subtotal Union Labor	\$ 1,225	\$ 797	\$ 1,333	\$ 108	8.8%
Salaries and Non-Union Wages	969,049	919,365	952,414	(16,635)	(1.7%)
Non-Union Fringe Benefits	382,725	348,537	342,748	(39,977)	(10.4%)
Subtotal Non-Union Labor	\$ 1,351,774	\$ 1,267,902	\$ 1,295,162	\$ (56,612)	(4.2%)
Allocation to Capital and GMP	-	-	-	-	N/A
Subtotal Labor and Fringe Benefits	\$ 1,352,999	\$ 1,268,699	\$ 1,296,496	\$ (56,503)	(4.2%)
Services	208,530	170,800	211,200	2,670	1.3%
Materials and Supplies	900	517	1,500	600	66.7%
Fuel and Utilities	900	180	900	-	0.0%
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	10,200	5,327	12,980	2,780	27.3%
Subtotal Non-Labor	\$ 220,530	\$ 176,824	\$ 226,580	\$ 6,050	2.7%
Subtotal Labor and Non-Labor	\$ 1,573,529	\$ 1,445,523	\$ 1,523,076	\$ (50,453)	(3.2%)
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 1,573,529	\$ 1,445,523	\$ 1,523,076	\$ (50,453)	(3.2%)

Audit

Department: Audit

Description of Departmental Functions and Activities:

Provides objective assurance and consulting activity designed to add value and improve METRO's operations. Audit performs independent assessments of systems controls and efficiency, which are guided by professional standards using innovative approaches such as supporting our customers' efforts to achieve their objectives and by maintaining a dynamic, team-oriented environment.

Number of Employees: 11

Goal #1: Develop and meet FY19 audits.

This goal is linked to these Authority goals:

- | | | |
|--|--|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #2: Create a career path within Audit, allowing employees to develop leadership skills, setting up the opportunity for upward mobility within the department.

This goal is linked to these Authority goals:

- | | | |
|--|--|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #3: Cross train across functions (internal functions and contracts).

This goal is linked to these Authority goals:

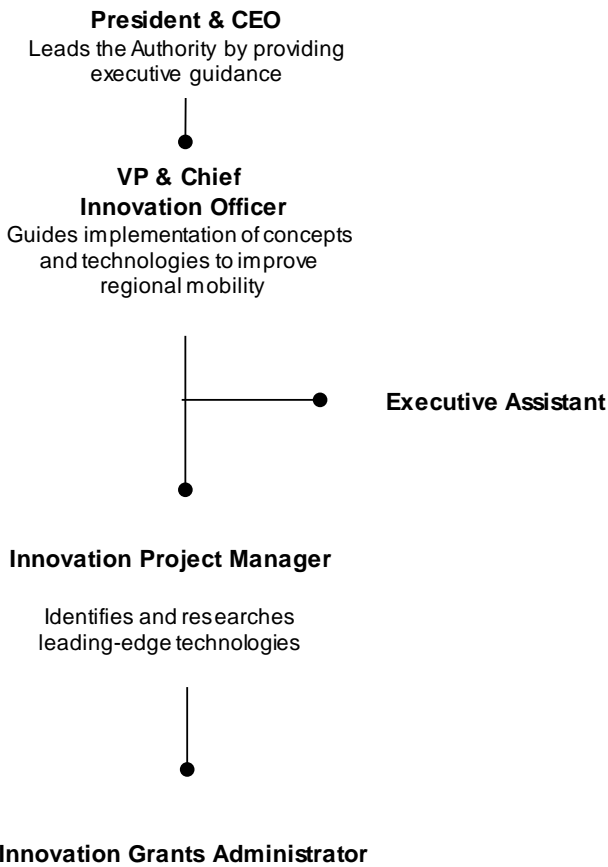
- | | | |
|--|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Office of Innovation

Keeps up with technological innovations and challenges redefining public transit to enhance safety, efficiency, and the customer experience.

OFFICE OF INNOVATION



Office of Innovation

	FY2018 Budget	FY2018 Estimate	FY2019 Budget	Budget-to-Budget Variance \$	Variance %
Wages	\$ -	\$ -	\$ -	\$ -	N/A
Union Fringe Benefits	546	323	562	16	2.9%
Subtotal Union Labor	\$ 546	\$ 323	\$ 562	\$ 16	2.9%
Salaries and Non-Union Wages	420,703	282,631	401,388	(19,315)	(4.6%)
Non-Union Fringe Benefits	91,141	59,621	101,781	10,640	11.7%
Subtotal Non-Union Labor	\$ 511,844	\$ 342,252	\$ 503,169	\$ (8,675)	(1.7%)
Allocation to Capital and GMP	-	-	-	-	N/A
Subtotal Labor and Fringe Benefits	\$ 512,390	\$ 342,575	\$ 503,731	\$ (8,659)	(1.7%)
Services	286,797	206,770	271,000	(15,797)	(5.5%)
Materials and Supplies	2,500	2,300	2,500	-	0.0%
Fuel and Utilities	3,400	1,437	6,759	3,359	98.8%
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	98,215	61,025	117,661	19,446	19.8%
Subtotal Non-Labor	\$ 390,912	\$ 271,532	\$ 397,920	\$ 7,008	1.8%
Subtotal Labor and Non-Labor	\$ 903,302	\$ 614,107	\$ 901,651	\$ (1,651)	(0.2%)
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 903,302	\$ 614,107	\$ 901,651	\$ (1,651)	(0.2%)

Office of Innovation

Department: Office of Innovation

Description of Departmental Functions and Activities:

Keeps up with technological innovations and challenges redefining public transit to enhance safety, efficiency, and the customer experience.

Number of Employees: 4

Goal #1: Pursue public- private partnerships to expand regional transit opportunities.

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #2: Partner with other transportation entities (Intelligent Transportation Systems, Federal Highway Administrator, National Center for Transportation, etc.) to provide regional solutions to the increasing demand for transportation alternatives.

This goal is linked to these Authority goals:

- | | | |
|---|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input checked="" type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #3: Develop an in-house think tank to leverage employees' expertise.

This goal is linked to these Authority goals:

- | | | |
|--|---|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input checked="" type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input checked="" type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #4: Incorporate autonomous and connected transit solutions into METRO’s modes of service.

This goal is linked to these Authority goals:

- | | | |
|--|--|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Goal #5: Manage METRO’s unsolicited proposals program to encourage and incubate innovative ideas.

This goal is linked to these Authority goals:

- | | | |
|--|--|---|
| <input type="checkbox"/> Safety | <input type="checkbox"/> Security | <input type="checkbox"/> Universal Accessibility |
| <input type="checkbox"/> State of Good Repair | <input type="checkbox"/> Customer Experience | <input checked="" type="checkbox"/> Planning for the Future |
| <input type="checkbox"/> Marketing Our Service | | |

Timeframe for accomplishment: ongoing

Non-Departmental and Contingency

Non-Departmental and Contingencies are used to budget for potential expenses that require President & CEO approval. Upon approval, budgets are transferred out to the departments.

	FY2018 Budget	FY2018 Estimate	FY2019 Budget	Budget-to-Budget \$	Variance %
Wages	\$ -	\$ -	\$ 1,857,872	\$ 1,857,872	N/A
Union Fringe Benefits	1,600,000	-	142,128	(1,457,872)	(91.1%)
Subtotal Union Labor	\$ 1,600,000	\$ -	\$ 2,000,000	\$ 400,000	25.0%
Salaries and Non-Union Wages	112,595	-	2,306,299	2,193,704	1948.3%
Non-Union Fringe Benefits	(32,846)	-	174,513	207,359	(631.3%)
Subtotal Non-Union Labor	\$ 79,749	\$ -	\$ 2,480,812	\$ 2,401,063	3010.8%
Allocation to Capital and GMP	-	-	-	-	N/A
Subtotal Labor and Fringe Benefits	\$ 1,679,749	\$ -	\$ 4,480,812	\$ 2,801,063	166.8%
Services	-	-	250,000	250,000	N/A
Materials and Supplies	-	-	-	-	N/A
Fuel and Utilities	-	-	-	-	N/A
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	250,000	-	-	(250,000)	(100.0%)
Leases, Rentals and Miscellaneous	3,000,000	-	1,000,000	(2,000,000)	(66.7%)
Subtotal Non-Labor	\$ 3,250,000	\$ -	\$ 1,250,000	\$ (2,000,000)	(61.5%)
Subtotal Labor and Non-Labor	\$ 4,929,749	\$ -	\$ 5,730,812	\$ 801,063	16.2%
Contingency	12,500,000	-	17,101,800	4,601,800	36.8%
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 17,429,749	\$ -	\$ 22,832,612	\$ 5,402,863	31.0%

Budget Item	FY2019 Budget
METRONext	\$ 14,601,800
Operating Budget Contingency	\$ 2,500,000
Allowance for New Service	\$ 2,000,000
2% COLA for Non-Union Employees	\$ 1,942,149
Potential Real Estate Fund Expenditures	\$ 1,000,000
President and CEO Allowance for Salary Actions	\$ 538,663
Autonomous Vehicle Demo/Pilot	\$ 250,000

Appendix

Budget Change Policy

RESOLUTION 2016 – 9

A RESOLUTION

ADOPTING A POLICY FOR THE APPROVAL OF BUDGET CHANGES; AND MAKING FINDINGS AND PROVISIONS RELATED TO THE SUBJECT

WHEREAS, financial parameters were approved by the METRO Board of Directors to be used as a framework for the development of the FY2016 Business Plan and Budgets; and

WHEREAS, in the course of normal METRO business, there is a periodic need to reallocate funds between line items within approved budgets; and

WHEREAS, the Board of Directors would like to establish a policy for the approval of budget change requests and potential budget amendments; and

WHEREAS, administrative or technical changes within the original scope of the budgets that do not represent a change in METRO's work plan or priorities may be processed with the approval of the Chief Financial Officer or the Director of the Office of Management & Budget; and

WHEREAS, any modifications increasing budgets ("Budget Amendments") will require Board approval and will adhere to Section 451.102-103 of the Texas Transportation Code; and

WHEREAS, the Board of Directors Policy allows budget changes within METRO's adopted budgets up to \$250,000 to be approved by METRO's Chief Financial Officer or the Director of the Office of Management & Budget; budget changes between \$250,000 and \$1,000,000 require approval by the President & CEO; and changes in excess of \$1,000,000 will require approval by METRO's Board of Directors.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE METROPOLITAN TRANSIT AUTHORITY THAT:

Section 1. The Board of Directors hereby establishes a Policy to allow for changes up to \$250,000 to be approved by METRO's Chief Financial Officer or the Director of the Office of Management & Budget; changes between \$250,000 and \$1,000,000 to require approval by the President and CEO and Chief Financial Officer; and changes in excess of \$1,000,000 will require approval by METRO's Board of Directors.

Section 2. This Resolution is effective immediately upon passage.

PASSED this 27th day of January, 2016

APPROVED this 27th day of January, 2016





Gilbert Andrew Garcia, CFA
Chairman

Debt Policy

METROPOLITAN TRANSIT AUTHORITY

DEBT POLICY

As Adopted August 24, 2016

1.0 Purpose

The purpose of the Metropolitan Transit Authority ("METRO") Board of Directors' ("Board") Debt Policy is to establish guidelines for the utilization of debt instruments. Debt Instruments may include senior lien sales tax revenue bonds, subordinate lien sales tax revenue bonds, commercial paper, bank lines, standby purchase agreements or letters of credit, variable rate demand notes, variable rate auction rate notes, capital leases, grant anticipation revenue vehicles, farebox revenue bonds, contractual obligations and revenue and appropriation bonds ("Debt Instruments"). Debt Instruments will only be used to finance capital assets, infrastructure improvements, and additions, to refund or defease existing obligations, to fund capitalized interest, costs of issuance or to make deposits to reserve funds and other funds required or provided for in such Debt Instruments. Defeased leases are not considered Debt Instruments for purposes of this policy.

METRO will ensure that all uses of Debt Instruments are in compliance with state and Federal laws, the guidelines contained herein, adopted and active bond ordinances, insurance covenants and existing financial agreements. Further, METRO will ensure that the utilization of any Debt Instrument provides the most prudent and cost-effective funding possible taking all material matters into account.

2.0 Debt Limits:

2.1 Lines/Letters of Credit/Standby Purchase Agreements not enhancing a Debt Instrument – Up to \$100 million and one year term (non-voted).

2.2 Lines/Letters of Credit/Standby Purchase Agreements enhancing a Debt Instrument – No limit.

2.3 Commercial Paper – Up to \$400 million (non-voted).

2.4 Notes – Up to \$400 million (non-voted).

2.5 Sales Tax Bonds – Up to voter authorized amounts and 40 years (voted).

2.6 Capital Leases – No limit.

2.7 Contractual Obligations – No limit

2.8 Fare Box Revenue Bonds – No authorization currently.

2.9 Grant Anticipation Revenue Vehicles – No authorization currently.

2.10 Revenue & Appropriation Bonds – No limit.

METRO Debt Policy

3.0 Structure of Debt Instruments

- 3.1 Term – The term of the Debt Instruments should equal the lesser of the useful life of the facility being financed or 40 years after the project is placed in service. There shall be no balloon amortization schedules when long-term Debt Instruments are planned for permanent financing.
- 3.2 Subordinate Lien Obligations – Subordinate lien obligations may be recommended by the Finance/Audit Committee for Board approval, and shall be based on the overall financing structure of METRO.
- 3.3 Capital Leases – Capital leases or other equipment financing will generally only be used if the present value of lease payments is less than the present value of debt service payments on notes or bonds issued for the same time frame. Capital leases may be used, however, to increase long-term borrowing capacity regardless of this present value calculation.

4.0 Financial Policies

- 4.1 Sales tax projections used in long term planning shall be performed by external economist(s) with management adjustments for the current year.
- 4.2 The General Fund should be managed to maintain a working capital reserve minimum of 15% of annualized budgeted operating expenditures.
- 4.3 Proceeds from the sale of capital assets should also be placed in a capital reserve and only used for the purposes of the reserve.
- 4.4 Bond Reserve Funds – It is the goal of METRO to only use bond reserve funds when economically feasible. It is METRO's goal to satisfy the liquidity requirements sought by bond investors and credit agencies by maintaining healthy General Fund working capital.

5.0 Variable Rate Exposure

- 5.1 METRO anticipates issuing commercial paper in the inaugural years of the issuance of Debt Instruments and then converting to fixed rates over time. As a result, variable rate debt will initially constitute 100% of METRO's Debt Instruments. Over time METRO will reduce this exposure to more traditional ratios.
- 5.2 Conservative budgeting practices should be utilized for budgeting interest costs on variable rate debt such as 1% above the two year historical average rate for the Bond Market Association index plus ongoing costs such as credit facilities. Savings from budget versus actual should be used to pay off variable rate debt annually.
- 5.3 Commercial paper may be used to provide interim financing. Outstanding commercial paper shall be counted as variable rate debt. METRO shall select commercial paper dealers through a competitive process. A minimum of two commercial paper dealers should be utilized for programs greater than \$100 million to ensure competitive pricing. The maximum maturity shall not exceed

METRO Debt Policy

270 days. Principal outstanding under a commercial paper program may be refinanced to a longer term with fixed or variable rate debt.

6.0 Method of Sale – METRO may use both competitive and negotiated sales.

6.1 Negotiated Sales – In general negotiated sales may be used in any of the following circumstances:

6.1.1 Complex transactions that require extensive financial modeling, credit analysis, or pre-marketing efforts, or that are interest rate sensitive;

6.1.2 Volatile financial markets; or

6.1.3 To better accomplish the objectives of METRO's Small Business Program.

6.1.4 Short-term re-marketings.

6.2 Competitive Sales – Competitive sales may be used when each of the following circumstances are satisfied:

6.2.1 Long-term, fixed rate senior lien sales tax revenue bonds being issued for new projects or to currently refund commercial paper;

6.2.2 Simple structure and financial analysis;

6.2.3 Stable financial markets; and

6.2.4 Moderate par amounts.

7.0 Refunding of Fixed Rate Debt Parameters

7.1 Overall transaction, net of costs of issuance, should produce positive net present value ("PV") savings of at least approximately 3.5% of the refunded par.

7.2 The METRO Board, however, retains the right to consider and approve refunding transactions not meeting the above criteria.

8.0 Continuing Disclosure

METRO shall comply with all continuing disclosure agreements to which it enters in order to comply with SEC Rule 15c2-12. These filings may include the filing of annually updated financial information as well as notice of specified material events as appropriate.

9.0 Interest Rate Swaps and Derivative Debt Instruments

Derivative products shall not be used by METRO.

Investment Policy



METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS

INVESTMENT POLICY

As Approved on August 23, 2018

1.0 Policy

It is the policy of the Metropolitan Transit Authority of Harris County, Texas (“Metro”) to invest public funds in a manner that will provide the highest investment return with maximum security while meeting the daily cash flow demands of Metro, conforming to all state and local statutes governing the investment of public funds and giving due consideration to the safety and risk of investments. This policy sets forth the investment program of Metro and the guidelines to be followed in achieving its objectives.

Effective cash management is recognized as essential to good fiscal management. Investment interest is a source of revenue to Metro. Metro’s portfolio shall be designed and managed to maximize investment earnings as a revenue source, to be responsive to the public trust and to be in compliance with applicable legal requirements and limitations.

Investments shall be made with the primary objectives of:

- Preservation and safety of principal and diversification of the investment portfolio;
- Maintenance of sufficient liquidity to meet operating needs and marketability of the investment if the need arises to liquidate before maturity;
- Understanding the suitability of the investment to the financial requirements of Metro and maintaining public trust from prudent investment activities;
- Yield and optimization of interest earnings on the portfolio.

2.0 Purpose

The purpose of this investment policy is to comply with Section 451.104, Texas Transportation Code, and Chapter 2256, Texas Government Code (the “Public Funds Investment Act”). The Public Funds Investment Act requires Metro to adopt a written investment policy regarding the investment of its funds and funds under its control. This investment policy addresses the methods, procedures and practices that must be exercised to ensure effective and judicious fiscal management of Metro’s funds.

3.0 Scope

This investment policy shall govern the investment of all financial assets of Metro, except those listed on Schedule 1, which are set up and administered separately and whose investment activities are conducted by third parties in accordance with instructions provided in ordinances, contracts, or escrow agreements, as applicable. The following funds shall be subject to this investment policy and are accounted for in Metro’s Comprehensive Annual Financial Report (“CAFR”):

- General and Operating Funds;
 - Capital Project Funds;
 - Special Revenue Funds;
 - Debt Service Funds, including reserves and sinking funds, to the extent not required by law, orders, resolutions or existing contracts to be kept segregated and managed separately;
 - Trust and Agency Funds, to the extent not required by law, orders, resolutions or existing contracts to be kept segregated and managed separately.
-

Any new fund created by Metro shall be subject to this investment policy, unless specifically exempted from this investment policy by the Board or by applicable law.

Metro will consolidate cash balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

4.0 Investment Objectives

General

Metro shall manage and invest its cash with four primary objectives, listed in order of priority:

- Safety
- Liquidity
- Suitability
- Yield (expressed as optimization of interest earnings)

The safety of the principal invested always remains the primary objective. All investments shall be designed and managed in a manner responsive to the public trust and consistent with applicable law.

Metro shall maintain a comprehensive cash management program that includes collection of account receivables, vendor payments in accordance with invoice terms and prudent investment of available cash. Cash management is defined as the process of managing monies in order to insure maximum cash availability and maximum earnings on short-term investment of idle cash.

Safety

Safety is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate credit and interest rate risk.

Metro will minimize credit risk, the risk of loss due to the failure of the issuer or backer of the investment, by (i) limiting investments to the safest types of investments; (ii) pre-qualifying financial institutions and broker/dealers that Metro does business with; and (iii) diversifying the investment portfolio so that potential losses on individual issuers will be minimized.

Metro will minimize the risk that interest earnings and the market value of investments in the portfolio will fall due to changes in general interest rates by (i) structuring the investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to liquidate investments prior to maturity; (ii) investing operating funds primarily in certificates of deposit, shorter-term securities, money market mutual funds or local government investment pools functioning as money market mutual funds; and (iii) diversifying maturities and staggering purchase dates to minimize the impact of market movements over time.

Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that investments mature concurrent with cash needs to meet anticipated demands. Because all possible cash demands cannot be anticipated, a portion of the portfolio will be invested in shares of money market mutual funds or local government investment pools that offer same-day liquidity. In addition, a portion of the portfolio will consist of securities with active secondary or resale markets.

Suitability

All investments shall be suitable for the type of fund invested, and the investment portfolio shall be designed with the objective of meeting all legal requirements including yield restrictions. All participants in Metro's investment process shall seek to act responsibly as custodians of the public trust. Investment officers shall avoid any transaction that might impair public confidence in Metro's ability to govern effectively.

Yield (Optimization of Earnings)

The investment portfolio shall be designed with the objective of attaining a market rate of return through budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety and liquidity objectives described above.

In order to minimize risk of loss due to interest rate fluctuations, investment maturities will not exceed the anticipated cash flow requirements of the funds. Investment guidelines by fund-type are as follows:

5.0 Investment Strategies for Funds

General and Operating Funds

Investment guidelines for Metro's general and operating funds are as follows:

Safety of Principal — All investments shall be in high quality securities with minimal default risk. Safety of principal shall be further ensured through diversification by issuer, maturity range and security type.

Liquidity — The general and operating funds will have high liquidity needs. Overnight repurchase agreements, local government investment pools and money market mutual funds can provide daily liquidity and may be utilized as competitive yield alternatives to fixed maturity investments.

Suitability — Any investment authorized by this investment policy having a final maturity not to exceed two years is suitable for general and operating funds.

Yield — Attaining a competitive market yield for comparable security types and portfolio restrictions is the desired objective. The minimum yield objective shall be the trailing three month average of the 3-month T-bill yield.

Capital Project Funds

Funds on deposit in capital project funds will pay for capital expenditures of Metro projects. Investment guidelines for such funds are as follows:

Safety — All investments shall be in high quality securities with minimal default risk. Maturities shall be placed to correspond with the anticipated capital spending or construction draw schedules. . Safety of principal shall be further ensured through diversification by issuer, maturity range and security type.

Liquidity — Capital project funds require high short-term liquidity as the construction draw schedules are frequently uncertain. Overnight repurchase agreements, local government investment pools and money market mutual funds shall provide daily liquidity and may be utilized as competitive yield alternatives to fixed maturity investments.

Suitability — any investments authorized by this investment policy not exceeding the expected construction draw schedule are suitable for the capital project funds.

Yield — the most desirable yield objective when investing Capital Project Funds is to achieve a positive spread to the arbitrage yield that corresponds to the specific bond issue. In market conditions in which this objective is not possible within safety constraints, attaining a competitive market yield for comparable security types and portfolio restrictions is the desired objective. In this case, the minimum yield objective shall be the trailing average of the yield on the Treasury security corresponding to the weighted average maturity of the capital project fund portfolio.

Debt Service Funds

Investment guidelines for Metro debt service funds are as follows:

Safety of Principal — all investments shall be in high quality securities with no perceived default risk. Market price fluctuations will however occur, by managing the debt service fund's portfolio to not exceed the debt service payment schedule the market risk of the overall portfolio will be minimized. Market conditions influence the attractiveness of fully extending maturity to the next "unfunded" payment date. Generally, if investment rates are trending down, Metro is best served by locking in fixed rate securities. If interest rates are flat or trending up, concurrent market conditions will determine the attractiveness of extending maturity or investing in shorter alternatives. At no time shall the debt service schedule be exceeded in an attempt to bolster yield.

Liquidity — Debt service funds have predictable payment schedules. Therefore, investment maturities shall not exceed the anticipated cash flow requirements. Overnight repurchase agreements, local government investment pools and money market mutual funds shall provide competitive yield alternatives for short term fixed maturity investments.

Suitability — any investment authorized by this investment policy is suitable for the debt service fund.

Yield — attaining a competitive market yield for comparable security-types and portfolio restrictions is the desired objective. . The minimum yield objective shall be the trailing three month average of the 3-month T-bill yield.

Special Revenue Funds

Metro's revenue funds are short term in nature and the investment guidelines are as follows:

Safety of Principal — all investments shall be in high quality short-term investments with no perceived default risk. Diversification is less of a concern since revenue funds will be highly liquid.

Liquidity — Revenue funds require high short-term liquidity. Overnight repurchase agreements, local government investment pools and money market mutual funds shall provide daily liquidity and may be utilized as competitive yield alternatives to fixed maturity investments.

Suitability — Eligible investments will be limited to overnight repurchase agreements, \$1 NAV money market funds, \$1 NAV local government investment pools, Treasury, agency and commercial paper issues with final maturities of less than 90 days.

Yield — attaining a competitive market yield for comparable security types and portfolio restrictions is the desired objective. The minimum yield objective shall be the trailing one-month average of the four-week T-bill yield.

6.0 Responsibility and Control

Delegation of Authority

In accordance with the Public Funds Investment Act, the Board designates the officers or employees listed on Schedule 2 as Metro's Investment Officers. An Investment Officer is authorized to execute investment transactions on behalf of Metro. No person may engage in an investment transaction or the management of Metro funds except as provided under the terms of this investment policy as approved by the Board. Such investment authority granted to the Investment Officers is effective until rescinded by the Board.

Quality and Capability of Investment Management

Metro shall provide periodic training in investments for the designated Investment Officers and other investment personnel through courses and seminars offered by professional organizations, associations, and other independent sources in order to insure the quality and capability of investment management in compliance with the Public Funds Investment Act.

Training Requirement

In accordance with the Public Funds Investment Act, the designated Investment Officers shall attend an investment training session no less often than once within every two of the Authority's fiscal years and shall receive not less than 10 hours of instruction relating to

investment responsibilities. A newly appointed Investment Officer must attend a training session of at least 10 hours of instruction within 12 months of the date the officer took office or assumed the officer's duties. The investment training session shall be provided by an independent source approved by the Board. For purposes of this investment policy, an "independent source" from which investment training shall be obtained shall include a professional organization, an institution of higher education or any other sponsor other than a business organization with whom Metro may engage in an investment transaction.

Internal Controls

Metro's Chief Financial Officer is responsible for establishing and maintaining an internal control structure designed to ensure that Metro assets are protected from loss, theft or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that (i) the cost of a control should not exceed the benefits likely to be derived; and (ii) the valuation of costs and benefits requires estimates and judgments by management.

Accordingly, the Chief Financial Officer shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- Control of collusion
- Separation of transaction authority from accounting and record keeping
- Custodial safekeeping
- Avoidance of physical delivery of securities
- Clear delegation of authority to subordinate staff members
- Written confirmation for telephone (voice) transactions for investments and wire transfers
- Development of a safekeeping agreement with a depository bank or third party custodian

Prudence

The standard of prudence to be applied by an Investment Officer shall be the "prudent investor" rule, which states that "investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital, as well as the probable income to be derived." In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the following:

- The investment of all funds over which the officer had responsibility rather than a consideration as to the prudence of a single investment;
- Whether the investment decision was consistent with this investment policy.

Indemnification

The Investment Officers, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific investment's credit risk or market price changes, provided that these deviations are reported immediately and the appropriate action is taken to control adverse developments.

Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that would conflict with the proper execution and management of the investment program, or that would impair their ability to make impartial decisions. Employees and Investment Officers shall disclose any material interests in financial institutions with which they conduct business.

They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of Metro.

An Investment Officer who has a personal business relationship with an organization seeking to sell an investment to Metro shall file a statement disclosing that personal business interest. An Investment Officer who is related within the second degree by affinity or consanguinity to an individual seeking to sell an investment to Metro shall file a statement disclosing that relationship. A statement required under this subsection must be filed with the Texas Ethics Commission and the Board.

7.0 Suitable and Authorized Investments

Portfolio Management

Metro currently has a “buy and hold” portfolio strategy. Maturity dates are matched with cash flow requirements and investments are purchased with the intent to be held until maturity. However, investments may be liquidated prior to maturity for the following reasons:

- An investment with declining credit may be liquidated early to minimize loss of principal;
- Cash flow needs of Metro may require that the investment be liquidated;
- To improve the overall quality or maturity structure of the portfolio;
- To enhance the interest earnings of the portfolio.

Authorized Investments

Metro funds governed by this policy may be invested in the instruments described below, all of which are authorized by the Public Funds Investment Act. Investment of Metro funds in any instrument or security not authorized for investment under such act is prohibited. Metro will not be required to liquidate an investment that becomes unauthorized subsequent to its purchase.

- (a) Obligations of the United States of America or its agencies and instrumentalities.
- (b) Fully collateralized certificates of deposit issued by a state or national bank domiciled in the State of Texas, a savings and loan association domiciled in the State that are fully insured for the principal and accrued interest by the United States or an instrumentality of the United States
- (c) Direct obligations of the State of Texas or its agencies and instrumentalities;
- (d) Other obligations the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of the State of Texas or the United States of America or their respective agencies and instrumentalities, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance or by the explicit full faith and credit of the United States of America.
- (e) Obligations of states, agencies, counties, cities and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than AA or its equivalent;
- (f) Fully collateralized repurchase agreements if Metro has obtained a signed Master Repurchase Agreement with the company with which the agreement is entered, as authorized by the Public Funds Investment Act or other applicable law;
- (g) Commercial Paper with a stated maturity of 270 days or fewer from the date of issuance, and is rated not less than A-1 or P-1 or an equivalent rating by at least two nationally recognized credit rating agencies, as authorized by the Public Funds Investment Act or other applicable law;

- (h) No-load money market mutual funds registered and regulated by the Securities Exchange Commission, with a dollar-weighted average stated maturity of 90 days or fewer, which provides investing entities with a prospectus and other information required by the Securities Exchange Act of 1934 (15 U.S.C. Section 78a et seq.) or the Investment Company Act of 1940 (15 U.S.C. Section 80a-1 et seq.) and which include in their investment objectives the maintenance of a stable net asset value of \$1 for each share, as authorized by the Public Funds Investment Act.
- (i) Guaranteed investment contracts and flexible repurchase agreements, as authorized by the Public Funds Investment Act or other applicable law.
- (j) Local government investment pools that (i) meet the requirements of the Public Funds Investment Act; (ii) are rated no lower than AAA, or AAAM or an equivalent rating by at least one nationally recognized rating service; and (iii) seek to maintain a stable net asset value of \$1 for each share, as authorized by the Public Funds Investment Act.
- (k) Any other investment authorized by the Public Funds Investment Act.

Credit Downgrade Provision

An investment that requires a minimum rating under this policy does not qualify as an authorized investment during any period in which the investment does not have the minimum rating. All prudent measures consistent with this policy will be taken to liquidate an investment that is downgraded to less than the required minimum rating.

Securities Lending

Metro may enter into a securities lending program with an authorized broker/dealer or financial institution in order to enhance investment return. Metro may administer a securities lending program directly or, if conditions warrant, use an outside agent. Should an agent be used, one will be selected by the Board using appropriate criteria. Securities lending will only be transacted with a written agreement, approved by legal counsel, which details: (i) acceptable types of collateral; (ii) standards for collateral custody and control; (iii) collateral valuation and initial margin, accrued interest, marking to market, and margin calls; (iv) method for transmitting security income; and (v) acceptable methods for delivery of securities and collateral.

Approved List of Money Market Mutual Funds and Investment Pools and Federal Agencies

An approved list of money market mutual funds and investment pools is attached to this investment policy as Schedule 3. An approved list of federal agencies is attached to this investment policy as Schedule 4.

Not Authorized

The following types of investments are strictly prohibited.

- (a) Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security collateral and pay no principal. (Commonly referred to as “IOs”)
- (b) Obligations whose payment represents the principal stream of cash flow from the underlying mortgage-backed security collateral and bears no interest. (Commonly referred to as “POs”)
- (c) Collateralized mortgage obligations that have a stated final maturity date of greater than 10 years.
- (d) Collateralized mortgage obligations, the interest rate of which is determined by an index that adjusts opposite to the changes in a market index (Commonly referred to as “Inverse Floaters”).

Maximum Maturities

The longer the maturity of investments, the greater their price volatility. It is Metro's policy to concentrate its investment portfolio in shorter-term securities in order to limit principal risk caused by changes in interest rates.

Metro will attempt to match its investments with anticipated cash flow requirements. With the exception of investments made for Capital Projects Funds, Metro will not directly invest in securities maturing more than two (2) years from the date of purchase; however, the above described obligations, certificates or agreements may be collateralized using longer dated investments.

Because no secondary market exists for repurchase agreements, the maximum maturity shall be 120 days, except in the case of a guaranteed investment contract or flexible repurchase agreement for bond proceeds. The maximum maturity for such an investment shall be determined in accordance with project cash flow projections and the requirements of the governing bond order or resolution.

Diversification

It is the policy of Metro to diversify its investment portfolio. Metro recognizes that investment risks can result from issuer defaults, market price changes or various technical complications leading to temporary illiquidity. All funds shall be diversified to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer or a specific class of securities. In establishing specific diversification strategies, the following general policies and constraints shall apply:

- (a) Limiting investments to avoid over-concentration in investments from a specific issuer or security type, excluding U.S. Treasury securities and other investments backed by the full faith and credit of the United States. .
- (b) Limiting investments that have higher credit risks (example: commercial paper).
- (c) Investing in investments with varying maturities. Portfolio maturities shall be staggered in a way that avoids undue concentration of assets in a specific sector. Maturities shall be selected that provide for stability of income and reasonable liquidity.
- (d) Continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs), money-market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

The following maximum limits, by instrument, are established for Metro's total portfolio:

1.	U.S. Treasury Securities	100%
2.	Agencies and Instrumentalities	85%
	<u>Per issuer maximum limits:</u>	
	• FNMA, FHLMC, FHLB, FFBC	40%
	• Other Federal Agency/GSE	10%
3.	Certificates of Deposit	25%
4.	Corporate Commercial Paper	40%
5.	Municipal Commercial Paper	25%
6.	Municipal Bonds or Notes	25%
7.	Repurchase Agreements*	10%
8.	Money Market Mutual Funds	50%
9.	Authorized Investment Pools	75%

*Excluding flexible repurchase agreements for bond proceeds investments.

8.0 Selection of Banks and Broker/Dealers

Banks

Metro will maintain a list of qualified public depositories approved by the Board that are authorized to hold Metro funds. Deposits will only be placed with those institutions that have:

- (a) Provided audited financial statements;
- (b) Submitted a written request or completed an application to be an authorized depository;
- (c) Been designated by the Board as an authorized depository;
- (d) Signed an appropriate form of security or collateral agreement; and
- (e) Provided collateral as required by applicable law.

An annual review of the financial condition of each depository holding Metro funds will be conducted by Metro. A current audited financial statement is required to be on file for each broker/dealer and financial institution that transacts any investment activities with Metro.

Broker/Dealers

Metro will maintain a list of approved broker/dealers and financial institutions that have been approved by the Board and are authorized to provide investment services in the State of Texas. Investments shall only be made with those firms who qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule) and who have:

- (a) Provided audited financial statements;
- (b) Completed a response to all requested information in any Metro questionnaire relating to creditworthiness, experience and reputation;
- (c) Acknowledged, in writing, that the policy has been thoroughly reviewed by qualified representatives dealing directly with Metro's account and that the organization has implemented reasonable procedures and controls in an effort to preclude investment transactions conducted between Metro and the organization that are not authorized by Metro's investment policy, except to the extent that this authorization depends on an analysis of the makeup of Metro's entire portfolio or requires an interpretation of subjective investment standards; and
- (d) Met any qualifications and standards recommended and approved by the Board.

An annual review of the financial condition and registrations of authorized broker/dealers and financial institutions providing investment services will be conducted by Metro. In addition, the quantity of transactions conducted with each approved broker/dealer will be reviewed at least annually. The results of this review and the related recommendations shall be submitted to the Board. The Board shall, at least annually, review, revise, and adopt a list of qualified brokers that are authorized to engage in investment transactions with Metro.

Securities shall be purchased using the delivery vs. payment method with the exception of investment pools and mutual funds. Funds will be released after notification that the purchased security has been received.

Approved List

An approved list of banks and broker/dealers is attached to this investment policy as Schedule 5.

Competitive Quotes

Each investment transaction shall be based upon competitive quotations received from at least three (3) broker/dealers approved by Metro. Competitive quotes shall be documented and retained as part of the transaction record.

Investment Advisors

Metro may contract with an investment advisor, who shall adhere to the spirit, philosophy and specific term of this Policy and shall invest within the same "Standard of Care." The investment advisor must be registered with the Securities and Exchange Commission (SEC) under the Investment Advisor's Act of 1940 as well as with the Texas State Securities Board. Advisors may assist Metro with the management of its funds and other responsibilities including but not limited to, broker compliance, competitive bidding, reporting and security documentation.

An appointed Investment Advisor shall act solely in an advisory and administrative capacity, within the guidelines of this Investment Policy. At no time shall the advisor take possession of securities or funds or otherwise be granted discretionary authority to transact business on behalf of Metro except as delineated by Metro in the pools listed on Schedule 3 – Approved List of Investment Pool, Money Market Mutual Funds and Overnight Sweep Fund.

9.0 Safekeeping of Securities and Collateral

To protect against potential fraud and embezzlement, the financial assets of Metro shall be secured through safekeeping procedures. The Investment Officers shall be bonded to protect the public against possible embezzlement and malfeasance.

Securing Deposits of Authority Funds

Metro shall contract with a bank or banks for the safekeeping of securities either owned by Metro as part of its investment portfolio or held as collateral to secure demand or time deposits. Securities owned by Metro shall be held in Metro's name as evidenced by safekeeping receipts of the institution holding the securities.

Collateral for deposits will be held by a third party custodian designated by the entity and pledged to Metro as evidenced by safekeeping receipts of the institution with which the collateral is deposited. Original safekeeping receipts shall be obtained. Collateral may be held by the depository bank's trust department, a Federal Reserve Bank or branch of a Federal Reserve Bank, a Federal Home Loan Bank, or a third-party bank approved by Metro.

Collateral Policy

Consistent with the requirements of the Public Funds Collateral Act, it is the policy of Metro to require full collateralization of all Metro funds on deposit with a depository bank. In order to anticipate market changes and provide a level of security for all funds, the collateralization level will be 102% of market value of principal and accrued interest on the deposits less the amount insured by the FDIC. At its discretion, Metro may require a higher level of collateralization for certain security types. Securities pledged as collateral shall be held by an independent third party with whom Metro has a current custodial agreement. Metro's Chief Financial Officer is responsible for entering into collateralization agreements with third-party custodians in compliance with this investment policy. The agreements are to specify the acceptable security types for collateral, including provisions relating to possession of the collateral, the substitution or release of collateral, ownership of collateral, and the method of collateral valuation. A clearly marked evidence of ownership (safekeeping receipt) must be supplied to Metro and retained in file. Collateral shall be reviewed at least monthly to assure that the market value of the pledged securities is adequate.

Collateral Defined

Metro shall accept only the following types of collateral:

Obligations of the United States or its agencies and instrumentalities.

Direct obligations of the State of Texas or its agencies and instrumentalities.

Collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by an agency or instrumentality of the United States, provided that these CMO's do not fall under the Not Authorized section listed above.

Obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized rating firm not less than AA or its equivalent with a remaining maturity of ten (10) years or less.

A surety bond issued by an insurance company rated as to investment quality by a nationally recognized rating firm not less than A.

A letter of credit issued to the entity by the Federal Home Loan Bank.

Subject to Audit

All collateral shall be subject to inspection and audit by a Metro representative or Metro's independent auditors.

10.0 Performance

Performance Standards

Metro's investment portfolio will be managed in accordance with the parameters specified within this investment policy. The portfolio shall be designed with the objective of obtaining a reasonable market yield through budgetary and economic cycles, commensurate with the investment risk constraints and the cash flow requirements of Metro.

Performance Benchmark

It is the policy of Metro to purchase investments with maturity dates coinciding with cash flow needs. Through this strategy, Metro shall seek to optimize interest earnings utilizing allowable investments available on the market at that time. Market value will be calculated on a quarterly basis on all securities owned and compared to current book value. Metro's portfolio shall be designed with the objective of attempting to meet or exceed the average yield on U.S. Treasury securities at a maturity level comparable to Metro's weighted average maturity in days.

11.0 Reporting

Methods

The Investment Officer shall prepare an investment report on a quarterly basis that summarizes investment strategies employed in the most recent quarter and describes the portfolio in terms of investment securities, maturities, and yield to maturity.

The quarterly investment report shall include a summary statement of investment activity prepared in compliance with generally accepted accounting principles. This summary will be prepared in a manner that will allow Metro to ascertain whether investment activities during the reporting period have conformed to this investment policy. The report will be provided to the Board. The report must:

Describe in detail the investment position;

Be prepared jointly by all Metro investment officers;

Be signed by each investment officer;

Contain a summary statement prepared in compliance with generally accepted accounting principles of each pooled fund group that states the: beginning market value for the reporting period; additions and changes to the market value during the period; ending market value for the period; fully accrued interest for the reporting period;

State the book value and market value of each separately invested asset at the beginning and end of the reporting period by the type of asset and fund type invested;

State the maturity date of each separately invested asset that has a maturity date;

State the fund for which each individual investment was acquired;

Include a statement of compliance of Metro's investment portfolio with state law and the investment strategy and policy approved by the Board.

An independent auditor will perform a formal annual review of the quarterly reports with the results reported to the governing body

Monitoring Market Values and Ratings

Market value of all securities in the portfolio will be obtained from a reputable and independent source such as Bloomberg and disclosed to the Board not less than quarterly in a written report. The Ratings of all investments requiring a minimum rating to be considered an acceptable investment will be verified from a reputable, independent source such as Bloomberg, Standard and Poors or Moody's Investor Services and any downgrades disclosed to the Board not less than quarterly in a written report. The Authority shall take all prudent measures that are consistent with its investment policy to liquidate any investment that does not maintain the minimum rating prescribed by the Texas Public Funds Investment Act.

12.0 Investment Policy Adoption

Metro's investment policy shall be adopted by resolution of the Board. It is Metro's intent to comply with all applicable state laws and regulations. Metro's investment policy shall be subject to revisions consistent with changing laws, regulations, and needs of Metro. Metro shall adopt a resolution stating that it has reviewed the policy and investment strategies annually, approving any changes or modifications.

SCHEDULES

Schedule 1 — Metro Funds Specifically Exempted From Investment Policy

Schedule 2 — List of Investment Officers

Schedule 3 — Approved List of Money Market Mutual Funds and Investment Pools

Schedule 4 — Approved List of Federal Agencies

Schedule 5 — Approved List of Banks and Broker/Dealers

Schedule 6 — Approved Sources for Public Funds Investment Training

Schedule 1 — Metro Funds Specifically Exempted From Investment Policy

Construction Funds and balances in both the General Mobility Escrow and Real Estate Fund are specifically exempted from the maximum allocation guidelines set forth in Section 7.0 of the Investment Policy.

Schedule 2 — List of Investment Officers

Arthur C. Smiley III	Chief Financial Officer
George Fotinos	Manager, Debt Service & Investments
Philip Brenner	Director of Office of Management & Budget
Katy Wei	Management Analyst, Debt Service & Investments

Schedule 3 — Approved List of Investment Pools, Money Market Mutual Funds and Overnight Sweep Fund

Investment Pools:

TexStar
LOGIC
TexPool
TexasTerm
PFM Funds Prime Series

Money Market Mutual Funds:

SEI Investments Government Fund
Invesco Government and Agency Portfolio
Wells Fargo 100% Treasury Money Market Fund
Goldman Sachs Financial Square Government Fund/Select

Overnight Sweep Fund

Wells Fargo Public Institutional Bank Deposit Account

Schedule 4 — Approved List of Federal Agencies and Instrumentalities

All indirect obligations of the U.S. “such as” :

- Federal Farm Credit Bank
- Federal Home Loan Bank
- Federal Home Loan Mortgage Corporation
- Federal National Mortgage Corporation
- Federal Agricultural Mortgage Corporation
- Federal National Mortgage Association

“and other federal agency obligations, the principal and interest of which are unconditionally guaranteed or insured by or backed by the full faith and credit of the United States, its agencies or instrumentalities.”

Direct Obligations of the State of Texas or any county, city, school district or other political subdivision of the State of Texas are also approved investments

Schedule 5 - Depository Banks and Broker/Dealers

Approved Depository Banks:

- JPMorgan Chase
- BBVA Compass (Formerly Guaranty Federal Savings)
- East West Bank (For Certificates of Deposit Only)
- Wells Fargo

Approved Broker / Dealers

- Blaylock Robert Van, LLC
- BOK Financial Securities, Inc
- Cabrera Capital Markets, LLC
- Cantella & Co. Inc.
- Cantor Fitzgerald
- Crews & Associates
- Cullen Asher (USA) LLC
- FTN Financial Securities, Inc.
- Great Pacific Securities
- Hilltop Securities
- Jefferies LLC

- Ladenburg Thalmann & Co.
- Loop Capital Markets
- Multi-Bank Securities, Inc.
- Piper Jaffray
- Ramirez and Co.
- Raymond James
- Rice Financial Products
- Robert W. Baird & Co.
- Stern Brothers & Co.
- SunTrust Robinson Humphrey
- Vining Sparks
- Wells Fargo Securities, LLC

Schedule 6 – Approved Sources for Public Funds Investment Training

American Women's Society of Certified Public Accountants
Chartered Financial Analyst Society
Government Finance Officers Association of Texas
Government Treasurers' Organization of Texas
Public Financial Management
Texas Public Employees Retirement System
Texas Society of Certified Public Accountants
Texas State University
The Texas Association of Counties
The University of North Texas Center for Public Management

Fuel Policy

METROPOLITAN TRANSIT AUTHORITY

Fuel Price Risk Management Policy

Amended: July 24, 2008

Preface

The Metropolitan Transit Authority (METRO) recognizes that the purchase of fuels and energy necessary to provide mass transit to the public exposes its operating budget to the volatility inherent in the energy markets. METRO wishes to reduce, as much as practical, budgetary exposure to fuel price volatility by hedging with physical and/or financial contracts.

Goal

METRO will minimize operating budget variance attributable to fuel price variability through physical forward contracts and/or financial contracts. METRO will develop and implement a plan which will provide fuel and energy commodity price certainty for up to 24 months of expected consumption such that the operating budget expense is assured with some potential to realize savings if prices decline.

Philosophy

METRO's Fuel Price Risk Management Policy (the "Policy") is an executable hedge plan which both allows and directs specific actions given certain market conditions. The tactics discussed in the Policy allow METRO alternatives to achieving the goal. The policy applies to all contracts for the purchase of fuel subsequent to the date hereof.

METRO will define the total amount of fuel and energy, which is eligible to be hedged for each budgetary cycle. These quantities will be set as the result of collaboration between the appropriate departments including operations, finance, procurement and the executive office. The volume of any physical or financial contract(s) will never exceed the eligible volume for any period. With a goal of July 15 of each year, the following fiscal year's budget cycle is targeted to be hedged to be within the guidelines of the Policy. Not having the next fiscal year's budget cycle hedged by such date is not a violation of the Policy.

All hedges will be constructed so as to be qualified for hedge accounting treatment under FASB guidelines. (This means that any financial hedge instrument must settle against or be directly linked to the index used as the pricing reference in the applicable procurement contract. For example, if METRO has a contract for delivery of fuel based on Platt's Gulf Coast Low-Sulfur Diesel Index, then the financial hedge must also be based on Platt's Gulf Coast Low-Sulfur Diesel Index.) Therefore, all physical procurement contracts must be priced by an index for which there exists a liquid forward market. In other words, each hedging instrument must match the commodity that is ultimately being used by METRO.

METRO intends to enter into both physical and financial purchase contracts. METRO will use a broad-based competitive process to ensure the lowest possible price. METRO recognizes that

both physical and financial alternatives must be examined to achieve the best results in varying markets. No tactics involving financial leverage or even modest basis risk will be utilized. All tactics will be reviewed in the context of how a prudent man would react to learning of an adverse move in that instrument.

Appropriate procedures will regulate the amount of counterparty credit/performance risk taken by METRO. These procedures will address minimum counterparty credit ratings and collateralization requirements.

Proper reporting practices will insure that both METRO's management and Board will be kept appropriately informed of the relevant metrics of the program. Separation of execution and reporting responsibilities will insure that timely and accurate information is being reported. The Procurement Department will be responsible for competitively bidding and awarding the contracts and executing transaction confirmations. The Treasury Department will be responsible for verifying all orders based on duplicate confirmations from the suppliers and the transaction clerk's daily log. All reports, internal and to the Board, will be produced by the Office of Management and Budget. Monthly reports will be made to the Finance/Audit Committee of the Board.

Procedures and Guidelines

1. Management shall set specific commodity price targets with corresponding authorized quantities to be hedged. The resulting table of price and quantity for each commodity will serve as the "executable hedge plan" which will dictate the course of action for the authorized transaction clerk.
2. Select (and train if necessary) two persons from the Procurement Department who shall be authorized to execute transactions when and as directed with authorized counterparties. The designated fuel transaction clerks shall **complete a transaction record** the day a transaction is executed to ensure a timely record of each and every transaction. Copies will be distributed to Operations, Finance-Treasury & OMB and Procurement management daily.
3. Select and set up master swap agreements (International Swaps and Derivatives Association, Inc.; ISDA agreements; "Guaranteed Price Contract") with as many pre-qualified financial counterparties as possible in order to assure through competition that METRO transacts "at the market" and diversifies counterparty performance/credit risk. All agreements shall require that Counterpartys shall either have a minimum long-term rating of "A3" or "A-" by at least two of the three nationally recognized rating agencies or have collateral posting requirements for entities with ratings below this level.
4. Structure an information system to capture and report physical and financial positions so that each can be reviewed separately and in total so that net price risk and collateralization requirements can be accurately assessed and managed in real time. This system will also serve as a central check and balance tool; therefore, it should allow for reconciliation of physical and financial confirmations with transactional input. The confirmations are generated by the designated fuel transaction clerk. The information system will be maintained by the Finance Department which reports separately to the President & CEO.

All reports, internal and to the Board, will be produced by the Office of Management and Budget.

5. Financial transactions will match the physical risk they are intended to hedge in duration, quantity, and price (basis) risk. At no time shall the quantity of executed financial contracts exceed the quantity of fuel METRO has budgeted for delivery in a given period.
6. By July 15th of each year, the coming fiscal year's fuel/energy budget shall be hedged in such a way that the budget calculations can determine a maximum expense for each budget category.

Tactics

1. Fixed Price Future Delivery Contracts (Fiscal Year 2006 Cost Price Averaging Technique):
 - a. Discuss purchasing opportunities with multiple major suppliers;
 - b. Negotiations with a selected contractor on the component parts of the total price of Number 2 Diesel (base, Txled, transportation);
 - c. Guaranteed delivery within a specified future period;
 - d. METRO pays after delivery. No deposits or collateralization required.

Note: This is the tactic that METRO used to procure diesel fuel for December 2005 through May 2006.

2. Guaranteed Price Contracts (Swaps):
 - a. Pre-qualify fuel vendors and financial companies to enter into guaranteed price contracts with METRO;
 - b. Enter into master agreements with qualified companies; (ISDA Master swap agreements)
 - c. Procure a fuel supplier using a competitive process;
 - d. Procure a fuel deliverer using a competitive process;
 - e. Procure a guaranteed price contract as per guidelines and procedures as described in the policy.

Example:

METRO separates fuel purchasing into two procurements, 1) physical and 2) financial. The physical contract combines the fuel supplier (refinery) and fuel deliverer (trucking company) into one contract. In the physical contract METRO bids out the right to deliver set quantities of diesel to METRO's tanks in December 2006. This is the same procurement method that METRO used prior to January 2005. The low bid specifies that METRO will pay in December 2006 the Platt's Gulf Coast Low Sulfur Diesel Index plus \$0.02 per gallon (transportation). METRO conducts a separate bid process for a contract whereby METRO will sell the same quantity of fuel at the December 2006 index price for Platt's Gulf Coast Low Sulfur Diesel and METRO will simultaneously purchase such amount of fuel at a fixed price. The low bid for the guaranteed price contract is \$1.90 per gallon. Hence, METRO's net cost will be $\$1.90 + 0.02 = \1.92 .

Financial		Physical	
BUY	SELL	BUY	SELL
\$1.90	Platt's	Platt's + .02	

Then in December 2006, the fuel is delivered and the Platt's Index is \$2.50 per gallon. METRO pays the physical contract supplier \$2.52 per gallon (Platt's Index and transportation). METRO receives \$0.60 per gallon from the guaranteed price contract creating a net cost of \$1.92 per gallon.

Financial		Physical	
BUY	SELL	BUY	SELL
\$1.90	Platt's	Platt's + .02	

Supplier \$2.52	
Swap (.60)	Platt's = \$2.50
METRO \$1.92	

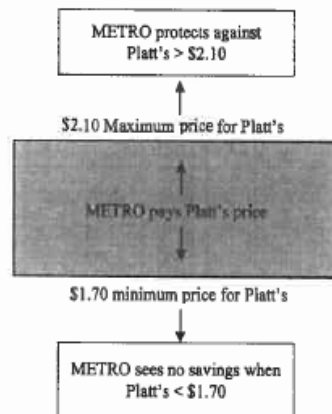
3. Maximum/Minimum Price Contracts (Collars):

- a. Pre-qualify fuel vendors and financial companies to enter into maximum/minimum price contracts with METRO;
- b. Enter into master agreements with qualified companies;
- c. Procure a fuel supplier using a competitive process;
- d. Procure a fuel deliverer using a competitive process;
- e. Procure a maximum/minimum price contract as per guidelines and procedures as described above. This tactic sets a maximum fuel price above which METRO will incur no cost, as well as a minimum price below which METRO will not participate in cost savings. In between the maximum and minimum prices, METRO will pay market price (such as a Platt's Index).

Example:

METRO enters into a competitive procurement for physical delivery of diesel in December 2006. The low bidder agrees to provide to METRO's tanks the diesel fuel for Platt's Index plus \$0.02 per gallon (transportation). A second procurement requests bids for the minimum price in a contract that specifies that METRO will purchase an amount of fuel at Platt's Index with a maximum price of \$2.10 per gallon and that METRO will not make any upfront payment for this contract. The variable in the bid process is the minimum price that METRO will pay. In addition to this purchase the contract specifies that METRO will sell a like amount of diesel at the Platt's Index. The low bidder agrees to enter into a contract with a minimum price of \$1.70 per gallon. Hence METRO pays a net price of Platt's Index within a collar of \$2.10 and \$1.70 plus the \$0.02 transportation from the physical contract.

Assuming that Platt's Index is at \$2.50 in December 2006, METRO will pay the physical supplier \$2.52 per gallon. The collar contract will have METRO buying at \$2.10 and selling at \$2.50 for a net benefit of \$0.40 per gallon. Hence METRO's net cost of fuel is \$2.12 per gallon.



Supplier	\$2.52
Collars	<.40>
METRO	\$2.12

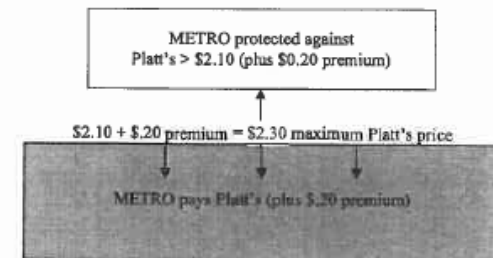
4. Maximum Price Contracts (Cap):

- Pre-qualify fuel vendors and financial companies to enter into maximum price contracts with METRO;
- Enter into master agreements with qualified companies;
- Procure a fuel supplier using a competitive process;
- Procure a fuel deliverer using a competitive process;
- Procure a maximum price contract as per guidelines and procedures as described above. This tactic sets a maximum fuel price above which METRO will incur no cost. Beneath the maximum, METRO will pay the market price (such as a Platt's Index) plus the contract premium price.

Example:

METRO enters into a competitive procurement for physical delivery of diesel in December 2006. The low bidder agrees to provide to METRO's tanks the diesel fuel for Platt's Index plus \$0.02 per gallon transportation. A second procurement requests bids for a contract in which METRO will purchase fuel at Platt's Index with a specified maximum price of \$2.10 per gallon. The variable in the bid process is the price premium that METRO will pay on the contracted volume. In addition to this purchase the contract specifies that METRO will sell a like amount of diesel at the Platt's Index. The low bidder agrees to enter into a contract with a premium of \$0.20 per gallon. Hence METRO pays a net price of Platt's Index with a maximum price of \$2.10, plus \$0.20 premium and plus the \$0.02 from the physical contract.

Assuming that Platt's Index is at \$2.50 in December 2006, METRO will pay the physical supplier \$2.52 per gallon. The cap contract will have METRO buying at \$2.10 and selling at \$2.50 plus paying a premium of \$0.20 for a net benefit of \$0.20 per gallon. Hence METRO's net cost of fuel is \$2.32 per gallon.



Note: Maximum price tactic is analogous to purchasing \$2.10 fuel price insurance for \$.20/gallon.

Capitalization Guidelines

These guidelines establish management and control procedures for METRO's internal and external cost (labor and non-labor) for the purchase of capital assets belonging to or in the custody of METRO.

Capital assets are defined as:

Personal property and equipment owned, leased under a capital lease, controlled or possessed by METRO that meet the following conditions:

- a dollar cost of at least \$5,000 for any building improvements –this threshold includes all building component assets that operate as an integral part of the building (i.e. HVAC).
- a dollar cost of at least \$5,000 for any movable and other fixed equipment (per base unit)
- a useful life of more than ONE year, and
- not consumed in the normal course of business

Assets not meeting this definition of a capital asset should be expensed in the period in which the costs are incurred.

Assets may be acquired by purchase, lease/purchase, loan, gift, transfer, or by trade-in. In addition, assets may be retired by sale, surplus or impairment.

Direct Labor is defined as:

- employees or workers who are directly involved in the production of an asset or services. Direct labor costs are assignable to a specific project or service.

Support Labor is defined as:

- employees or workers whose activities are established for the central administration of operations, services, and functions of the Agency as well as those activities related to general legal tasks. Support functions include (but not limited to): Audit, Board, Executive Management, Finance, Human Resources, Marketing, Procurement, and Legal.

Overhead is defined as:

- those items of METRO's cost which are not assigned directly to a specific project or transit operations because they are either common to all projects/operations (rent) or they would be far too difficult or expensive to track and allocate back to each project or transit operations (paper clips).

- the sum of indirect costs form what is sometimes referred to as the overhead pool.
- overhead is the ratio of the overhead pool to direct labor where the overhead pool is the numerator and direct labor is the denominator. The resulting overhead "rate" is commonly expressed as either a percentage of direct labor, or as a multiple of direct labor.

Any labor or purchase coded as a capital asset is subject to criteria testing by the METRO Controller, and is subject to reclassification to operating expense if any of the criteria are not met. All capital requests require Advance Procurement Plan (APP).

CONSTRUCTION, BUILDINGS AND OTHER IMPROVEMENTS

Construction, buildings and improvements include direct costs related to a project with a capitalizable dollar value greater than \$5,000 and a useful life of more than one year. Furniture, fixtures, software, equipment, or other expenses which are not an integral part of a project are not considered in this category.

Activated projects that have subsequently been put on hold will have a maximum of two budget cycles to carry forward costs as construction in process. These costs will be considered useful if the project is submitted in the next budget cycle and the manager has a reasonable expectation that the budget will be approved. If the project is not reactivated within this time frame, all incurred costs on the project will be expensed.

Construction Costs - examples of construction costs include but are not limited to architect and engineering fees, site preparation, demolition costs, building permit fees, contractor and sub-contractor fees, building materials, construction equipment rental and job-site utilities, construction equipment operating and maintenance costs, owner controlled construction insurance policies and wages and benefits, as compensation for construction work performed.

Costs to move furniture, equipment, and tenants due to construction will be capitalized. This also includes temporary storage of office contents, which is necessary during capital construction.

Signage and other printed material (including internal labor) used for the purpose of informing the public of construction work being performed will be capitalized

Building Components - consists of items permanently affixed/installed to the building shell, necessary for the building to be used as intended, which are integral to the building and cannot be removed without damaging the building. Examples include, but are not limited to, elevators, HVAC, plumbing, electrical wiring, fixed theater or classroom seating, telecommunication/data wiring, fire alarm and sprinkler systems, and

other fixtures and equipment installed with the intent of permanent use in the building. Telecommunication/data wiring is considered a building improvement if any part of it is installed inside of a wall and would remain with the building if the department moved. In contrast, cables/wiring that would be removed from the building if the department moved is considered a separate piece of equipment and will have to meet the capital threshold in order to be capitalized.

Labor - the cost of employees working directly on a capital project must be capitalized. This includes employee payroll and related payroll expense (OH) when known and available.

The labor costs capitalized include only that portion of the employees' payroll (not support labor) and OH directly related to time spent working on the capital project. The portion of the employees' payroll and OH related to time spent working on activities not directly related to a project should be expensed.

Land Improvements – long-lived capital assets that are normally stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Items in this category can include: roads, bridges, curbs, sidewalks, tunnels, drainage systems, water and sewer systems, lighting systems, fencing, and parking lots.

Building Improvements – building improvements are additions, alterations, renovations or structural changes that extend the useful life or enhance the value of an existing building. Building improvements or additions to an existing building which are not integral parts of the original asset will be treated as a separate asset and depreciated over the appropriate useful life.

Leasehold Improvements – leasehold improvements to leased facilities will be capitalized and amortized over the lesser of the useful life of the asset or the remaining life of the existing lease not including any options to renew.

Rehabilitation - for a replacement to be capitalized, it must be a part of a major rehabilitation project that meet the capital threshold for assets, it increases the value, and/or useful life of the facility/equipment (offices, garages and power generators), such as installation of new roof. A replacement may also be capitalized if the new item/part is of significantly improved quality and higher value compared to the old item/part - a replacement of old windows with new hurricane proof windows with a longer life expectancy for example. Ordinary repairs and the replacement of minor parts are considered operating expense as: they do not extend the asset's life, they are not separately identifiable assets, and they only restore the assets to their original operating condition. If a facility/equipment being repaired was not identified as a capital purchase to begin with, the repair would not be considered capital. (See MFRI guideline for more information)

Completion Date - costs for construction projects described above will be capitalized until the asset is deemed placed in service: the walkthrough and final checklist have been completed, and the work is accepted as complete by the project manager. Costs incurred after the work is accepted as complete will be expensed, including costs incurred under the project's warranty.

Feasibility Study – feasibility costs incurred prior to management's commitment of funds to the project will be expensed. This preliminary stage of a project includes design, consulting, internal labor, and other feasibility costs related to evaluating the length and cost of a construction project. Prior to construction, if the design stage of the project is the only stage that is currently approved for capital budget, the project definition and full scope (including deferred costs) must be submitted to Finance to determine the correct accounting treatment.

Capitalized Interest Costs – interest costs incurred during construction should be capitalized in accordance with the provision of Financial Accounting Standards Board (FASB) Statement No. 34, Capitalization of Interest Cost.

Support Labor

All general and administrative (Central Services) and overhead costs incurred, including all costs of support functions, should be expensed. Support functions include (but not limited to):

- Audit
- Board
- Executive Management
- Finance
- Human Resources
- Marketing
- Procurement
- Legal
- Community Outreach

Central Services employee labor is not directly chargeable to capital projects. In major projects where one or more Central Services groups are established within the project staff the labor cost including overhead is directly capitalizable to the project (i.e. – METRO Rail Expansion).

Note: Eventually a portion of the support labor will be charged to capital projects.

Bus, Rail and Support Equipment

Vehicle Replacements and Additions-replacement or additional revenue and non-revenue vehicles (includes buses, rail cars, METRO-Lift vans and support vehicles), all

expenses incurred prior to putting a vehicle in service, including plant inspections and make ready, can be capitalized.

Rail and Bus Improvements-upgrades or major component replacements that meet the capital threshold for assets can be capitalized. Upgrades should increase the value or extend the life of the vehicles. Major components should be at the end of their useful life due to normal wear and tear.

Capital Tools and Equipment-tools and off-road equipment meeting the capital threshold and with a useful life of more than one year can be capitalized.

SOFTWARE AND INFORMATION TECHNOLOGY (IT) PROJECTS

Conditions to Determine if an IT Project Should be Capitalized – in general, computer software, either purchased or developed internally, is considered a capital project if there is significant new functionality gained or if it implements a new technology. Significant new functionality includes, but is not limited to: a new vendor product, a software implementation that involves integration into other existing systems, or a system implementation that results in changes in the workflow processes by other areas not directly affected by the new software. Not included in this definition are software upgrades and system “fixes”.

Stages of Computer Software Development - there are three stages of computer software development: the preliminary project stage, the application development stage, and the post implementation/operation stage. Only the application development stage may be capitalized. The preliminary project and post-implementation/operation stage costs are expensed as incurred.

Preliminary Project Stage (costs are expensed)

- Conceptual formulation of alternatives
- Evaluation of alternatives
- Determination of existence of needed technology
- Final selection of alternatives

Application Development Stage (costs can be capitalized)

- Design of chosen path, including software configuration and software interfaces
- Coding
- Installation to hardware

- Testing, including parallel processing phase

Post-Implementation/Operation Stage (costs are expensed)

- Training
- Application maintenance

Major software projects should be separated into components or modules so that as each module becomes ready to use, it can be capitalized while the other modules remain in process. If a software project is expected to have multiple phases, documentation should be provided to Accounting defining the functionality of each phase and what type of costs there will be in each phase. The document should also include the expected timeframe for the project, and consulting fees need to include a description of the work performed.

Externally Purchased Software - computer software packages and new website design purchased from third parties shall be treated as any other equipment. The individual license agreement must have a useful life of greater than one year, and the cost must meet the capital threshold.

All user licenses will be capitalized with an initial software purchase, up to 90 days after the purchase. Additional software user licenses purchased after 90 days will be capitalized only if each license meets capital threshold and will be used for more than one year. However, additional licenses purchased for existing software which require an IT capital project to add functionality or enhancement to the software, will be capitalized along with other project costs. Licenses associated with added functionality or enhancement to the software will have to meet the \$5,000 capital threshold.

All software licenses that individually meet capital threshold will be capitalized. Software that is on a production server is considered existing in the environment will not be capitalized.

Memberships and subscriptions to website resources and software licenses will not be considered capital.

IT Maintenance contracts and other prepaid services that meet the \$5,000 threshold are expensed to operating and amortized over a 12 month period for which they apply.

Installation of major software renewals and upgrades that are not included in a maintenance contract may be capitalized if they provide additional functionality to the existing software and meet the \$5,000 threshold.

Internally Developed Software – the standard test to determine if software is internally developed is met if the following characteristics are met:

- the software is internally developed, or acquired and modified solely to meet the entity's internal needs
- during the software's development or modification, no substantive plan exists or is being developed to market the software externally

Only the portion of labor costs related to time spent working on the IT project is capitalized. Labor costs to be capitalized include METRO employee payroll and related payroll overhead (OH), temporary labor, personal service agreements, consulting firms, and third party software developers. This does not include employee labor used to cover the work normally performed by the individual directly assigned to the project (backfill labor).

The portion of the employees' payroll and OH related to time spent working on other activities should be expensed. All general and administrative and overhead costs incurred, including all costs of support functions should be expensed. Support functions include administrative assistants and office managers who perform general office duties.

When to Capitalize an IT Project – capitalization of costs should begin when both

- The preliminary project stage is complete, and
- Management commits to funding a computer software project and it is probable that the project will be completed and the software will be used to perform the function intended.
- Capitalization should cease when all substantial testing is completed and/or the system goes live.

Costs not to Capitalize as part of an IT Project:

- General and administrative costs and supplies should not be capitalized as costs of internal-use software. Internal and external costs incurred during the preliminary project stage should be expensed.
- Training costs should be expensed as incurred.
- Website subscriptions should be expensed as incurred.
- Software web hosting where application is not owned by METRO should be expensed as incurred

OTHER ASSETS MANAGEMENT ISSUES

Designation of Property as a Controlled Item

Sensitive or walk-away property items with a value of less than \$5,000 may be subject to control as if they were fixed assets. Examples include police guns, tasers, and vests, certain shop and garage equipment, radios, computers, etc. These items will be tracked within the fixed asset system by serial number and if available METRO's fixed asset tag. Accounting, Property Management and Asset Custodians are jointly responsible for tracking, reconciling, reporting, disposing and protecting METRO's assets.

Major Capital Project

Only a small group of all the METRO's transportation projects are considered "major capital projects (MCP)." They are large projects with a significant effect on the capacity of the region's transportation system, including extensions or additional lanes on the interstate system, entirely new expressways, or similar changes to the passenger rail system. Arterial expansions and intersection improvements are not defined as major capital projects; neither are bus facilities, unless they involve a dedicated lane on a transit corridor. MCP cost for dedicated administrative staff such as, "procurement, finance, and community outreach", may be charged directly to the project and capitalized.

To be included in the Major Capital Project category, a project must meet ONE of the following requirements (criteria):

- It is a new construction, expansion, renovation, or replacement project for an existing facility or facilities. The project must have a total cost of at least \$250 million over the life of the project. Project costs can include Internal overhead staffing, community outreach, land, engineering, architectural planning, and contract services needed to complete the project.
- OR -
- It is a purchase of major equipment (assets) costing \$250 million or more with a useful life of at least 10 years.
- OR -
- It is a major upgrade project for existing facilities with a cost of \$250 million or more and an economic life of at least 10 years.

Capital Project Ranking Criteria

FY2019 Discretionary Capital Project Ranking Criteria													
UNIVERSAL ACCESSIBILITY				INVESTMENT IN SAFETY			INVESTMENT IN SECURITY				STATE OF GOOD REPAIR		
(Select one)				(Select one)			(Select one)				(Select one)		
18	18	18	18	14	14	14	14	14	14	14	14	14	14
ADA Compliant Bus Stops	ADA Compliant METRO Facilities	Bus Shelter Enhancements	First and Last Mile Accessibility	Reduction of Pedestrian & Bike Accidents or Incidents	Reduction in Vehicle Collisions Incidents	Reduction in Employee Accidents or Incidents	Enhance Security on METROLift System	Enhance Security on Rail System	Enhance Security on Bus System	Address Issues Related to the Homeless Population	Enhance Useful Life of Buses, LRV's and Support Vehicles	Enhance Useful Life of METRO Facilities	Replace Assets at the End of their Useful Life
18				14			14				14		

INCREASED METRO RIDERSHIP		REDUCED OPERATING COSTS			GREATER COMMUNITY BENEFIT			EXECUTIVE DIRECTION
(Select one)		(Multiple selections permitted)			(Multiple selections permitted)			
18	10	3	2	3	5	5	4	100
Project anticipated to increase ridership more than 1%.	Project anticipated to increase ridership less than 1%.	Reduce Operating Costs through Labor Hour Reduction	Reducing Operating Costs through Materials Reduction	Eliminating Future Operating Costs Growth	Project anticipated to provide a positive effect for the community	Project anticipated to make a METRO facility more centrally located to community generators	Project anticipated to provide community benefit through environmental attributes	Unsafe Conditions, President & CEO/Board Priority
18		8			14			100

- Executives submit budget requests to Capital Budget Review (CBR) Committee.
- CBR prioritizes and recommends projects to CEO.
- Requests presented to METRO Board for funding approval.

Comparative Statistics

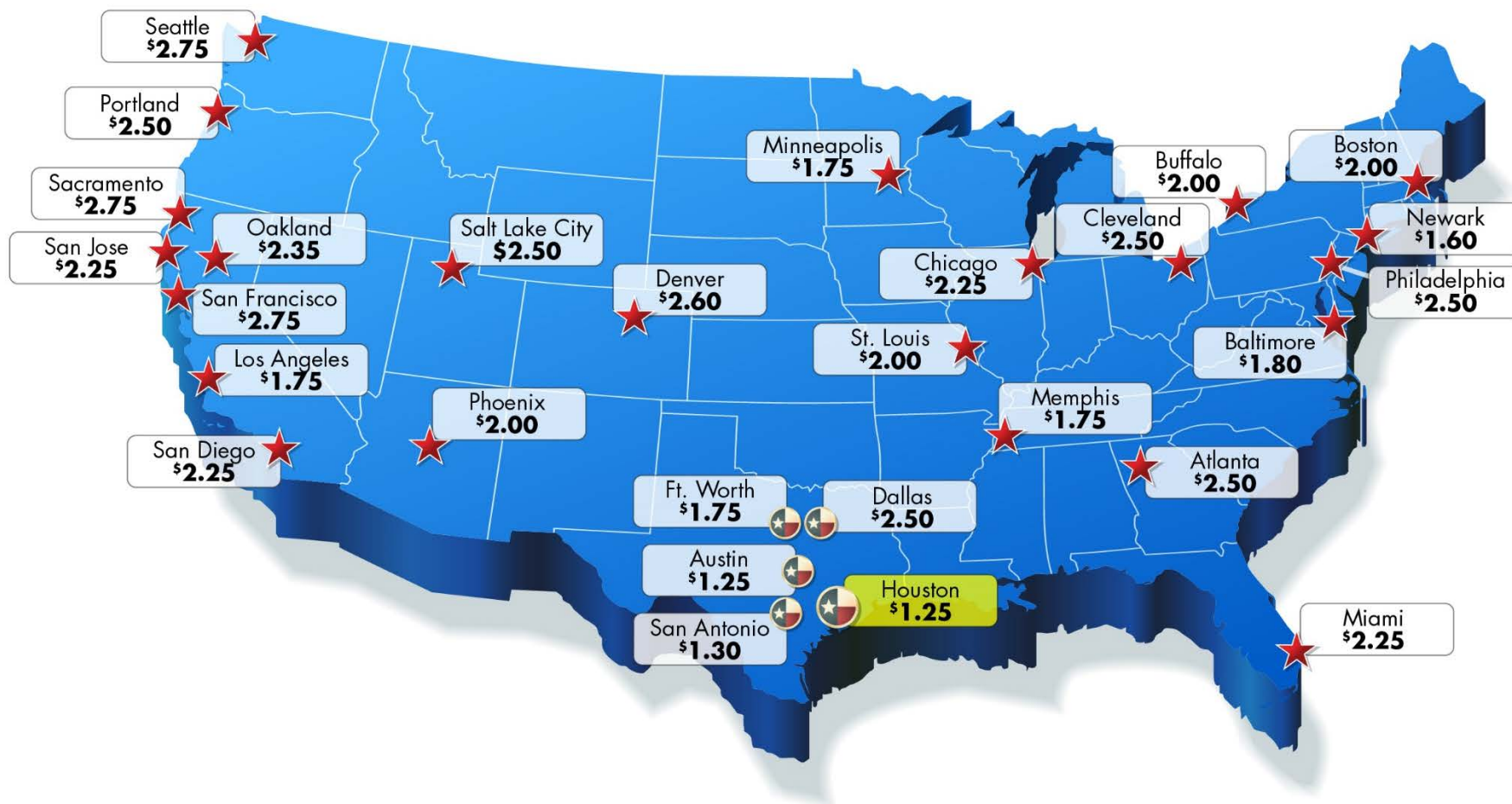
Top 20 North American Bus Fleets

TOP 100 Bus Fleets

2017	2016	Agency	35 ft. and under	Over 35 ft.	Artic.	2017 Total
1	1	MTA New York City Transit/MTA Bus Co. New York City	0	4,908	865	5,773
2	3	Los Angeles County Metropolitan Transportation Authority Los Angeles	0	1,940	388	2,328
3	2	New Jersey Transit Corp. Newark, N.J.	39	2,088	85	2,212
4	4	Pace Suburban Bus Chicago	1,680	484	0	2,164
5	7	Toronto Transit Commission Toronto	0	1,773	153	1,926
6	6	Coast Mountain Bus Co. Vancouver, B.C.	503	1,132	258	1,893
7	7	Chicago Transit Authority Chicago	0	1,562	304	1,866
8	9	Societe de Transport de Montreal Montreal	0	1,514	257	1,771
9	10	Washington Metropolitan Area Transit Authority Washington, D.C.	89	1,432	65	1,586
10	4	King County Metro Transit Seattle	92	523	925	1,540
11	11	Southeastern Pennsylvania Transportation Authority Philadelphia	35	1,237	185	1,457
12	13	Regional Transportation District Denver	495	835	116	1,446
13	12	Metropolitan Transit Authority of Harris County Houston	0	1,166	70	1,236
14	15	Massachusetts Bay Transportation Authority Boston	0	1,082	101	1,183
15	14	San Francisco Municipal Railway San Francisco	30	850	256	1,136
16	21	BC Transit Victoria, B.C.	492	584	0	1,076
17	18	Calgary Transit Calgary, Alberta	249	726	93	1,068
18	16	Valley Metro Phoenix	271	667	109	1,047
19	17	Edmonton Transit Service Edmonton, Alberta	147	847	33	1,027
20	19	OC Transpo Ottawa, Ontario	88	577	359	1,024

Source: METRO Magazine, "Top 100 Bus Fleets", September/October 2017

Base Fare Map



Demographic Statistics

Metropolitan Transit Authority of Harris County, Texas
Demographic Statistics
Last Ten Fiscal Years
(Unaudited)

Year	Population PMSA* (000)	Per Capita Personal Income *	Houston-The Woodlands- Sugar Land MSA Unemployment Rate (%)*
2017	6,601.2	56,949	4.1
2016	6,502.2	54,759	5.2
2015	6,403.7	54,346	4.6
2014	6,305.7	53,660	4.9
2013	6,207.4	50,910	6.0
2012	6,110.6	51,633	6.6
2011	6,014.8	47,498	7.8
2010	5,920.4	44,498	8.3
2009	5,826.1	43,502	7.6
2008	5,676.4	47,752	4.7

*Annual except 2017, which is through October

Source:

Population and Per Capita Personal Income - University of Houston Bauer College of Business
Institute for Regional Forecasting

Unemployment Rate - Texas Workforce Commission



FY2019 Budgeted Positions

Metropolitan Transit Authority of Harris County FY2019 Budgeted Positions

Department	Fund Center	Position	Grade	Headcount
2010 - Oper, Public Safety, & Cust Service	1000000011 - Sr. VP and Staff	Chief Operating Officer	22	1
2010 - Oper, Public Safety, & Cust Service	1000000011 - Sr. VP and Staff	Dir Budget Operations	16	1
2010 - Oper, Public Safety, & Cust Service	1000000011 - Sr. VP and Staff	Exec Asst (Chief)	9	2
2010 - Oper, Public Safety, & Cust Service	1000000031 Sr. Dir. Trans.	Sr Dir Transportation	17	1
2010 - Oper, Public Safety, & Cust Service	1000000031 Sr. Dir. Trans.	Exec Asst (Sr Dir)	8	4
2010 - Oper, Public Safety, & Cust Service	1000000041 - Dir. Trans. Prog.	Sr Dir Customer Care & Custom Service	17	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Dir Paratransit (METROLift) Services	15	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Mgr Transportation Programs	14	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Mgr ADA Compliance & Paratransit	13	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Mgr METROLift Passenger Relations	13	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Mgr Metrolift Services	13	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Mgr Paratransit Evaluation & Development	13	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Contract Svc Compliance Administrator	12	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Project Manager	12	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	METROLift Scheduling Coordinator	11	2
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Applications Support Specialist	10	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Call Center System Coordinator	10	2
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Paratransit Policy Administrator	10	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	METROLift Quality Monitor	9	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	METROLift Service Leader	9	3
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	METROLift Service Monitor	9	9
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Street Supv METROLift	9	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	METROLift Training Specialist	8	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Assistant Policy Administrator	7	2
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	CSR Lead	7	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Mobility Coordinator	7	2
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Paratransit Appeals Coordinator	7	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Team Leader Contract Service Compliance	7	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Team Leader METROLift Cust Svc Call Ctr	7	1
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Team Leader METROLift Dispatch Call Ctr	7	4
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Contract Svc Compliance Asst	6	3
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	METROLift Dispatcher	6	49
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	METROLift Customer Service Rep	5	2
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	METROLift Customer Care Rep I	4	6
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	METROLift Customer Care Rep II	4	6
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	METROLift Customer Care Rep III	4	7
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	METROLift Customer Care Rep IV	4	13
2010 - Oper, Public Safety, & Cust Service	1000000045 - METROLift Svc.	Pt Customer Svc Receptionist	4	1
2010 - Oper, Public Safety, & Cust Service	1000000051 Dir. Svc. Delivery	Dir Transp Service Operations	15	1
2010 - Oper, Public Safety, & Cust Service	1000000061 Sr. Dir. Rail	Sr Dir Rail Operations	17	1
2010 - Oper, Public Safety, & Cust Service	1000000061 Sr. Dir. Rail	Systems Integration Test Director	15	1
2010 - Oper, Public Safety, & Cust Service	1000000061 Sr. Dir. Rail	Systems Engineer	14	1
2010 - Oper, Public Safety, & Cust Service	1000000111 FB Trans. Admin.	Supt Transportation FB	14	1
2010 - Oper, Public Safety, & Cust Service	1000000111 FB Trans. Admin.	Asst Transportation Supt	12	8
2010 - Oper, Public Safety, & Cust Service	1000000111 FB Trans. Admin.	Office Administrator	6	14
2010 - Oper, Public Safety, & Cust Service	1000000112 FB Starters	Starter	Union	5
2010 - Oper, Public Safety, & Cust Service	1000000112 FB Starters	Chief Starter	10	5
2010 - Oper, Public Safety, & Cust Service	1000000113 FB Operators	Bus Operator	Union	295
2010 - Oper, Public Safety, & Cust Service	1000000113 FB Operators	Bus Operator Trainee	Union	35
2010 - Oper, Public Safety, & Cust Service	1000000113 FB Operators	Pt Bus Operator	Union	10
2010 - Oper, Public Safety, & Cust Service	1000000113 FB Operators	PT Bus Operator Retiree	Union	6
2010 - Oper, Public Safety, & Cust Service	1000000121 Kash Trans. Admin	Supt Transportation K	14	1
2010 - Oper, Public Safety, & Cust Service	1000000121 Kash Trans. Admin	Customer Service Liason	7	1
2010 - Oper, Public Safety, & Cust Service	1000000122 Kash Starters	Starter	Union	4
2010 - Oper, Public Safety, & Cust Service	1000000123 Kash Operators	Bus Operator	Union	206
2010 - Oper, Public Safety, & Cust Service	1000000123 Kash Operators	Pt Bus Operator	Union	8
2010 - Oper, Public Safety, & Cust Service	1000000123 Kash Operators	PT Bus Operator Retiree	Union	4
2010 - Oper, Public Safety, & Cust Service	1000000124 Kash Trans. Operators	Bus Operator	Union	7
2010 - Oper, Public Safety, & Cust Service	1000000124 Kash Trans. Operators	Pt Bus Operator	Union	6
2010 - Oper, Public Safety, & Cust Service	1000000131 Polk Trans. Admin.	Supt Transportation P	14	1



**Metropolitan Transit Authority of Harris County
FY2019 Budgeted Positions**

Department	Fund Center	Position	Grade	Headcount
2010 - Oper, Public Safety, & Cust Service	1000000132 Polk Starters	Starter	Union	4
2010 - Oper, Public Safety, & Cust Service	1000000132 Polk Starters	Relief Starter	Union	1
2010 - Oper, Public Safety, & Cust Service	1000000133 Polk Operators	Bus Operator	Union	362
2010 - Oper, Public Safety, & Cust Service	1000000133 Polk Operators	Pt Bus Operator	Union	8
2010 - Oper, Public Safety, & Cust Service	1000000133 Polk Operators	PT Bus Operator Retiree	Union	3
2010 - Oper, Public Safety, & Cust Service	1000000141 West Trans. Admin.	Supt Transportation W	14	1
2010 - Oper, Public Safety, & Cust Service	1000000142 West Starters	Starter	Union	4
2010 - Oper, Public Safety, & Cust Service	1000000142 West Starters	Relief Starter	Union	1
2010 - Oper, Public Safety, & Cust Service	1000000143 West Operators	Bus Operator	Union	429
2010 - Oper, Public Safety, & Cust Service	1000000143 West Operators	Pt Bus Operator	Union	16
2010 - Oper, Public Safety, & Cust Service	1000000143 West Operators	PT Bus Operator Retiree	Union	2
2010 - Oper, Public Safety, & Cust Service	1000000151 HC Trans. Admin.	Supt Transportation	14	1
2010 - Oper, Public Safety, & Cust Service	1000000152 HC Starters	Starter	Union	4
2010 - Oper, Public Safety, & Cust Service	1000000153 HC Operators	Bus Operator	Union	244
2010 - Oper, Public Safety, & Cust Service	1000000153 HC Operators	Pt Bus Operator	Union	8
2010 - Oper, Public Safety, & Cust Service	1000000153 HC Operators	PT Bus Operator Retiree	Union	5
2010 - Oper, Public Safety, & Cust Service	1000000154 HC Alternative Service	Service Driver	Union	53
2010 - Oper, Public Safety, & Cust Service	1000000301 Bus Dispatch	Asst Supt Bus Control	12	2
2010 - Oper, Public Safety, & Cust Service	1000000301 Bus Dispatch	Bus Controller	10	18
2010 - Oper, Public Safety, & Cust Service	1000000331 Operational Training	Dir Operational Training	15	1
2010 - Oper, Public Safety, & Cust Service	1000000331 Operational Training	Mgr Maintenance Training	13	1
2010 - Oper, Public Safety, & Cust Service	1000000331 Operational Training	Maintenance Training Instructor	10	4
2010 - Oper, Public Safety, & Cust Service	1000000331 Operational Training	Training Instructor	10	13
2010 - Oper, Public Safety, & Cust Service	1000000332 Street Supv.	Asst Supt Service Supervision	12	2
2010 - Oper, Public Safety, & Cust Service	1000000332 Street Supv.	Asst Supt Special Events & Construction	12	1
2010 - Oper, Public Safety, & Cust Service	1000000332 Street Supv.	Service Supervisor	10	37
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Mgr Operations Mgmt Analysis	15	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Lead Operations Management Analyst	14	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Sr Proj Mgr Ops Systems and Reporting	13	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Manpower Administrator	12	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Operations Management Analyst	12	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Rail OMS Analyst II	11	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Operations Management Analyst I Bus Trsp	10	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Operations Management Analyst I Maint	10	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	OMS Liaison	9	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Manpower Coordinator	7	1
2010 - Oper, Public Safety, & Cust Service	1000000371 - Contract Services Admin	Dir Contract Operated Services	15	1
2010 - Oper, Public Safety, & Cust Service	1000000371 - Contract Services Admin	Street Supv Contracted & Paratransit	9	2
2010 - Oper, Public Safety, & Cust Service	1000000621 Rail Trans. Admin	Dir Rail Transportation	15	1
2010 - Oper, Public Safety, & Cust Service	1000000621 Rail Trans. Admin	Supt Transportation Rail	14	2
2010 - Oper, Public Safety, & Cust Service	1000000621 Rail Trans. Admin	Asst Transportation Supt (Rail)	12	2
2010 - Oper, Public Safety, & Cust Service	1000000621 Rail Trans. Admin	Sr Training Instructor	11	1
2010 - Oper, Public Safety, & Cust Service	1000000621 Rail Trans. Admin	Training Instructor Rail	10	3
2010 - Oper, Public Safety, & Cust Service	1000000622 Rail Fld/Sta Supv.	Field Supervisor	10	23
2010 - Oper, Public Safety, & Cust Service	1000000623 Rail Operations	LRT Operator	Union	84
2010 - Oper, Public Safety, & Cust Service	1000000623 Rail Operations	LRT Operator Trainee	Union	10
2010 - Oper, Public Safety, & Cust Service	1000000626 Rail Trans.	LRT Operator	Union	66
2010 - Oper, Public Safety, & Cust Service	1000000627 Rail Transportation Utility Worker	Utility Worker (Rail)	Union	5
2010 - Oper, Public Safety, & Cust Service	1000000651 Rail Control Ctr.	Supt Rail Control	14	1
2010 - Oper, Public Safety, & Cust Service	1000000651 Rail Control Ctr.	Chief Rail Controller	12	3
2010 - Oper, Public Safety, & Cust Service	1000000651 Rail Control Ctr.	Rail Operations Controller	11	12
2010 - Oper, Public Safety, & Cust Service	1000000651 Rail Control Ctr.	Sr Instructor/Rules Examiner	11	1
2010 - Oper, Public Safety, & Cust Service	1000000661 Rail Maint. Admin.	Dir Rail Maintenance	15	1
2010 - Oper, Public Safety, & Cust Service	1000000661 Rail Maint. Admin.	Sr Vehicle Engineer	14	1
2010 - Oper, Public Safety, & Cust Service	1000000661 Rail Maint. Admin.	Rail Maint Trng Spec	12	1
2010 - Oper, Public Safety, & Cust Service	1000000661 Rail Maint. Admin.	Rail Maintenance Trainer	11	2
2010 - Oper, Public Safety, & Cust Service	1000000661 Rail Maint. Admin.	Warranty Specialist (Rail)	10	1
2010 - Oper, Public Safety, & Cust Service	1000000662 Rail Maint. Svc. Veh.	Light Rail Servicer	Union	16
2010 - Oper, Public Safety, & Cust Service	1000000662 Rail Maint. Svc. Veh.	LRV Cleaning Supervisor	8	2
2010 - Oper, Public Safety, & Cust Service	1000000663 Rail Inspections	LRV Technician T3	Union	27
2010 - Oper, Public Safety, & Cust Service	1000000663 Rail Inspections	LRV Body Mechanic	Union	4
2010 - Oper, Public Safety, & Cust Service	1000000663 Rail Inspections	LRV Technician T1	Union	3
2010 - Oper, Public Safety, & Cust Service	1000000663 Rail Inspections	LRV Machinist Tool & Die Maker	Union	1



**Metropolitan Transit Authority of Harris County
FY2019 Budgeted Positions**

Department	Fund Center	Position	Grade	Headcount
2010 - Oper, Public Safety, & Cust Service	1000000663 Rail Inspections	Supt Maintenance Rail Vehicles	14	2
2010 - Oper, Public Safety, & Cust Service	1000000663 Rail Inspections	Sr Project Manager LRV	13	1
2010 - Oper, Public Safety, & Cust Service	1000000663 Rail Inspections	LRV Maintenance Supv	12	9
2010 - Oper, Public Safety, & Cust Service	1000000663 Rail Inspections	LRV Electronic Specialist	9	8
2010 - Oper, Public Safety, & Cust Service	1000000664 S&I Rail Maint. Svc. Veh.	Light Rail Servicer	Union	7
2010 - Oper, Public Safety, & Cust Service	1000000665 S&I Rail Inspections	LRV Technician T3	Union	10
2010 - Oper, Public Safety, & Cust Service	1000000665 S&I Rail Inspections	LRV Technician T1	Union	4
2010 - Oper, Public Safety, & Cust Service	1000000666 Rail Heavy Repair	LRV Technician T3 - Heavy Repair	Union	5
2010 - Oper, Public Safety, & Cust Service	1000000691 Track Maintenance	Chief Track Maintenance	14	1
2010 - Oper, Public Safety, & Cust Service	1000000691 Track Maintenance	Track Supervisor	10	3
2010 - Oper, Public Safety, & Cust Service	1000000691 Track Maintenance	Track Maintainer	9	13
2010 - Oper, Public Safety, & Cust Service	1000000692 Signal/Comm. Maint.	Dir Signals & Communications	15	1
2010 - Oper, Public Safety, & Cust Service	1000000692 Signal/Comm. Maint.	Sr Traffic Engineer	14	1
2010 - Oper, Public Safety, & Cust Service	1000000692 Signal/Comm. Maint.	Rail Maint Comm Specialist	12	3
2010 - Oper, Public Safety, & Cust Service	1000000692 Signal/Comm. Maint.	Signals & Communications Supervisor	10	3
2010 - Oper, Public Safety, & Cust Service	1000000692 Signal/Comm. Maint.	Signals Communications Technician	9	12
2010 - Oper, Public Safety, & Cust Service	1000000692 Signal/Comm. Maint.	Axle Counter Maintainer	7	3
2010 - Oper, Public Safety, & Cust Service	1000000692 Signal/Comm. Maint.	Axle Counter/Maintainer	7	3
2010 - Oper, Public Safety, & Cust Service	1000000693 Traction/Elec Maint.	Chief Traction Power	14	1
2010 - Oper, Public Safety, & Cust Service	1000000693 Traction/Elec Maint.	Sr Proj Mgr Maint of Way	13	1
2010 - Oper, Public Safety, & Cust Service	1000000693 Traction/Elec Maint.	Traction Power Supervisor	10	3
2010 - Oper, Public Safety, & Cust Service	1000000693 Traction/Elec Maint.	Tracion Power Technician	9	2
2010 - Oper, Public Safety, & Cust Service	1000000693 Traction/Elec Maint.	Traction Power Technician	9	10
2010 - Oper, Public Safety, & Cust Service	1000000911 Chief of Police	Chief of Police	20	1
2010 - Oper, Public Safety, & Cust Service	1000000911 Chief of Police	Police Sergeant 2	11	8
2010 - Oper, Public Safety, & Cust Service	1000000911 Chief of Police	Police Support Coordinator	7	1
2010 - Oper, Public Safety, & Cust Service	1000000912 Management Services	Mgr Management Services	14	1
2010 - Oper, Public Safety, & Cust Service	1000000912 Management Services	Budget & Grants Analyst	10	1
2010 - Oper, Public Safety, & Cust Service	1000000912 Management Services	Information Management Coordinator	8	2
2010 - Oper, Public Safety, & Cust Service	1000000931 Investigations	Police Lieutenant 2	12	6
2010 - Oper, Public Safety, & Cust Service	1000000931 Investigations	Sr Police Officer	10	35
2010 - Oper, Public Safety, & Cust Service	1000000931 Investigations	Police Officer 3	9	16
2010 - Oper, Public Safety, & Cust Service	1000000931 Investigations	Police Officer 4	9	18
2010 - Oper, Public Safety, & Cust Service	1000000931 Investigations	Project Specialist (Crime Stats)	8	1
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Captain 2	15	3
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Lieutenant 3	12	3
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Sergeant 3	11	15
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Officer 1	9	5
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Officer 2	9	4
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Officer 5	9	16
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Officer 6	9	29
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Exec Asst (Capt)	7	2
2010 - Oper, Public Safety, & Cust Service	1000000935 Support Operations-Spec Service	Police Officer 7	8	42
2010 - Oper, Public Safety, & Cust Service	1000000935 Support Operations-Spec Service	Police Cadet	5	11
2010 - Oper, Public Safety, & Cust Service	1000000942 Transtar Cntr'l Control Fac.	Sr Police Sergeant	11	2
2010 - Oper, Public Safety, & Cust Service	1000000942 Transtar Cntr'l Control Fac.	Communications Liaison Operator	7	7
2010 - Oper, Public Safety, & Cust Service	1000000942 Transtar Cntr'l Control Fac.	Police Dispatcher Associate	6	3
2010 - Oper, Public Safety, & Cust Service	1000000943 Dispatch	Lead Police Dispatcher	7	1
2010 - Oper, Public Safety, & Cust Service	1000000943 Dispatch	Police Dispatcher	6	7
2010 - Oper, Public Safety, & Cust Service	1000000952 Records Management (0952)	Supv Police Info Services	10	1
2010 - Oper, Public Safety, & Cust Service	1000000952 Records Management (0952)	Police Records Clerk	5	6
2010 - Oper, Public Safety, & Cust Service	1000000964 HOV/HOT Lane Operations	MAP Operator	6	8
2010 - Oper, Public Safety, & Cust Service	1000000965 HOV/HOT Lane Enforcements	Police Sergeant 1	11	2
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	PT Police Officer	9	34
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Supv Fare Inspector	8	3
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Lead Fare Inspector	7	1
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Fare Inspector	6	43
2010 - Oper, Public Safety, & Cust Service	1000001014 Tech. Svcs.	Supv Advanced Technology	11	1
2010 - Oper, Public Safety, & Cust Service	1000001014 Tech. Svcs.	Technical Writer	11	1
2010 - Oper, Public Safety, & Cust Service	1000001014 Tech. Svcs.	Technical Engineering Specialist	11	1
2010 - Oper, Public Safety, & Cust Service	1000001021 Cent. Shop Admin.	Supt Maintenance CS	14	1
2010 - Oper, Public Safety, & Cust Service	1000001021 Cent. Shop Admin.	Production Controller	12	1
2010 - Oper, Public Safety, & Cust Service	1000001021 Cent. Shop Admin.	Team Leader Central Shops	7	1



**Metropolitan Transit Authority of Harris County
FY2019 Budgeted Positions**

Department	Fund Center	Position	Grade	Headcount
2010 - Oper, Public Safety, & Cust Service	1000001022 Heavy Repair	Transit Bus Repair A a6/1/99	Union	15
2010 - Oper, Public Safety, & Cust Service	1000001022 Heavy Repair	Cleaner Bus Maintenance	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001022 Heavy Repair	Transit Technician	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001022 Heavy Repair	Electronic Systems Specialist	10	6
2010 - Oper, Public Safety, & Cust Service	1000001022 Heavy Repair	Mechanical Fmn Heavy Repair	10	1
2010 - Oper, Public Safety, & Cust Service	1000001023 Body Shop	Collision Repair A a6/1/99	Union	17
2010 - Oper, Public Safety, & Cust Service	1000001023 Body Shop	Cert Struct Welder Fabricator	Union	4
2010 - Oper, Public Safety, & Cust Service	1000001023 Body Shop	Cleaner Bus Maintenance a8/1/82	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001023 Body Shop	Collision Technician	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001023 Body Shop	Upholstery Fabricator B	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001023 Body Shop	Collision Repair C a6/1/99	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001023 Body Shop	Mechanical Fmn Body Shop	10	2
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Unit Rebuild A	Union	10
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Transit Technician	Union	5
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Utility Worker	Union	4
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Transit Bus Repair A a6/1/99	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Machinist Tool & Die Maker	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Unit Rebuild Master	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Sr Machinist	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Unit Rebuild Technician	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Utility Worker before 8/1/82	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Unit Rebuild C	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	General Foreman Unit Overhaul	12	1
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Mechanical Fmn Unit Overhaul	10	2
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Maintenance Clerk CS	5	1
2010 - Oper, Public Safety, & Cust Service	1000001111 Kash Main. Admin.	Supt Maintenance K	14	1
2010 - Oper, Public Safety, & Cust Service	1000001111 Kash Main. Admin.	Gen Foreman Maintenance K	12	1
2010 - Oper, Public Safety, & Cust Service	1000001112 Kash Svc Rev Veh	Cleaner Bus Maintenance	Union	11
2010 - Oper, Public Safety, & Cust Service	1000001112 Kash Svc Rev Veh	Utility Worker	Union	8
2010 - Oper, Public Safety, & Cust Service	1000001112 Kash Svc Rev Veh	Tool Room Attendant	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001112 Kash Svc Rev Veh	Utility Worker before 8/1/82	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Transit Bus Repair A a6/1/99	Union	17
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Transit Technician	Union	9
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	AC & Heat A	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Transit Master	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Collision Repair A a6/1/99	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Collision Technician	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Transit Bus Repair B a6/1/99	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Transit Bus Repair C a6/1/99	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Transit Technician a6/1/99	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Mechanical Fmn K	10	7
2010 - Oper, Public Safety, & Cust Service	1000001116 Kash Greenlink Rev. Veh. Op.	Cleaner Bus Maintenance	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001116 Kash Greenlink Rev. Veh. Op.	Utility Worker	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001117 Kash Greenlink Inspection	Transit Technician	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001121 Polk Maint. Admin.	Supt Maintenance P	14	1
2010 - Oper, Public Safety, & Cust Service	1000001121 Polk Maint. Admin.	Gen Foreman Maintenance	12	1
2010 - Oper, Public Safety, & Cust Service	1000001121 Polk Maint. Admin.	Gen Foreman Maintenance P	12	1
2010 - Oper, Public Safety, & Cust Service	1000001122 Polk Srv. Rev. Veh.	Cleaner Bus Maintenance	Union	17
2010 - Oper, Public Safety, & Cust Service	1000001122 Polk Srv. Rev. Veh.	Utility Worker	Union	9
2010 - Oper, Public Safety, & Cust Service	1000001122 Polk Srv. Rev. Veh.	Tool Room Attendant	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Transit Bus Repair A a6/1/99	Union	24
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Transit Technician	Union	17
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Transit Bus Repair B a6/1/99	Union	9
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Collision Repair A a6/1/99	Union	5
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	AC & Heat A	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Transit Master	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Collision Repair B a6/1/99	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Transit Bus Repair C a6/1/99	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Mechanical Fmn P	10	8
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Mechanical Foreman	10	3
2010 - Oper, Public Safety, & Cust Service	1000001131 West Maint. Admin.	Supt Maintenance W	14	1
2010 - Oper, Public Safety, & Cust Service	1000001131 West Maint. Admin.	Gen Foreman Maintenance W	12	2
2010 - Oper, Public Safety, & Cust Service	1000001132 West Srv. Rev. Veh.	Cleaner Bus Maintenance	Union	25



Metropolitan Transit Authority of Harris County
FY2019 Budgeted Positions

Department	Fund Center	Position	Grade	Headcount
2010 - Oper, Public Safety, & Cust Service	1000001132 West Srv. Rev. Veh.	Utility Worker	Union	11
2010 - Oper, Public Safety, & Cust Service	1000001132 West Srv. Rev. Veh.	Cleaner Bus Maintenance a8/1/82	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001132 West Srv. Rev. Veh.	Tool Room Attendant	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Transit Bus Repair A a6/1/99	Union	38
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Transit Technician	Union	15
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Transit Bus Repair B a6/1/99	Union	9
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	AC & Heat A	Union	5
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Collision Repair A a6/1/99	Union	4
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Transit Master	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Collision Technician	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Transit Bus Repair C a6/1/99	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Mechanical Fmn W	10	10
2010 - Oper, Public Safety, & Cust Service	1000001141 HC Maint. Admin.	Supt. Maintenance HC	14	1
2010 - Oper, Public Safety, & Cust Service	1000001141 HC Maint. Admin.	Gen Foreman Maintenance HC	12	1
2010 - Oper, Public Safety, & Cust Service	1000001142 HC Srv. Rev. Veh.	Cleaner Bus Maintenance	Union	14
2010 - Oper, Public Safety, & Cust Service	1000001142 HC Srv. Rev. Veh.	Utility Worker	Union	12
2010 - Oper, Public Safety, & Cust Service	1000001142 HC Srv. Rev. Veh.	Cleaner Bus Maintenance a8/1/82	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001142 HC Srv. Rev. Veh.	Tool Room Attendant	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Transit Bus Repair A a6/1/99	Union	26
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Transit Technician	Union	11
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Transit Bus Repair B a6/1/99	Union	5
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	AC & Heat A	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Collision Repair A a6/1/99	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Transit Master	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Collision Technician	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Transit Bus Repair C a6/1/99	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Mechanical Fmn	10	1
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Mechanical Fmn HC	10	7
2010 - Oper, Public Safety, & Cust Service	1000001145 HC Alternative & CC Services	Transit Bus Repair A a6/1/99	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001161 FB Maint. Admin.	Supt Maintenance F	14	1
2010 - Oper, Public Safety, & Cust Service	1000001161 FB Maint. Admin.	Gen Foreman Maintenance F	12	1
2010 - Oper, Public Safety, & Cust Service	1000001161 FB Maint. Admin.	General Foreman Maintenance	12	1
2010 - Oper, Public Safety, & Cust Service	1000001161 FB Maint. Admin.	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000001162 FB Srv. Rev. Veh.	Utility Worker	Union	18
2010 - Oper, Public Safety, & Cust Service	1000001162 FB Srv. Rev. Veh.	Cleaner Bus Maintenance	Union	14
2010 - Oper, Public Safety, & Cust Service	1000001162 FB Srv. Rev. Veh.	Cleaner Bus Maintenance a8/1/82	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001162 FB Srv. Rev. Veh.	Tool Room Attendant	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Transit Bus Repair A a6/1/99	Union	24
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Transit Technician	Union	14
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Transit Bus Repair B a6/1/99	Union	5
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Collision Repair A a6/1/99	Union	4
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	AC & Heat A	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Transit Master	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Collision Repair A @6/1/99	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Collision Technician	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Transit Bus Repair C a6/1/99	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Transit Technician a6/1/99	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Collision Repair C a6/1/99	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Mechanical Fmn F	10	8
2010 - Oper, Public Safety, & Cust Service	1000001172 BB Svc. Rev. Veh.	Utility Worker	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001173 BB Inspections	Transit Technician	Union	4
2010 - Oper, Public Safety, & Cust Service	1000001173 BB Inspections	Mechanical Fmn (Support Vehicles)	10	4
2010 - Oper, Public Safety, & Cust Service	1000001173 BB Inspections	Mechanical Fmn BB	10	1
2010 - Oper, Public Safety, & Cust Service	1000001174 BB T-Truck	T Truck Wrecker Operator	Union	11
2010 - Oper, Public Safety, & Cust Service	1000001174 BB T-Truck	Transit Master	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001174 BB T-Truck	Transit Technician	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001191 Prev. Maint. Admin.	Sr Dir Bus Maintenance	17	1
2010 - Oper, Public Safety, & Cust Service	1000001301 Elect. Maint.	Supt Intelligent Transp Systems	14	1
2010 - Oper, Public Safety, & Cust Service	1000001301 Elect. Maint.	Gen Foreman Intelligent Transp Systems	12	1
2010 - Oper, Public Safety, & Cust Service	1000001301 Elect. Maint.	Intelligent Transportation Systems Fmn	10	1
2010 - Oper, Public Safety, & Cust Service	1000001301 Elect. Maint.	Intelligent Transportation System Technician	9	1
2010 - Oper, Public Safety, & Cust Service	1000001301 Elect. Maint.	Intelligent Transportation Systems Tech	9	11
2010 - Oper, Public Safety, & Cust Service	1000001302 Elect. Maint. Rail	Revenue Systems Foreman	10	1



**Metropolitan Transit Authority of Harris County
FY2019 Budgeted Positions**

Department	Fund Center	Position	Grade	Headcount
2010 - Oper, Public Safety, & Cust Service	1000001302 Elect. Maint. Rail	Electronic Revenue Systems Specialist	9	9
2010 - Oper, Public Safety, & Cust Service	1000001303 Radio Maint.	Pt Transit Technician Retiree	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001303 Radio Maint.	Communications Systems Specialist	9	2
2010 - Oper, Public Safety, & Cust Service	1000001311 Quality Assurance	Mgr Quality Assurance	13	1
2010 - Oper, Public Safety, & Cust Service	1000001311 Quality Assurance	Quality Assurance Insp	10	8
2010 - Oper, Public Safety, & Cust Service	1000001312 Warranty	Mgr Warranty	13	1
2010 - Oper, Public Safety, & Cust Service	1000001312 Warranty	Warranty Parts Analyst	10	1
2010 - Oper, Public Safety, & Cust Service	1000001312 Warranty	Warranty Specialist	10	2
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Support Vehicle Master	Union	4
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Support Vehicle Technician	Union	4
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Support Vehicle Master Mech a6/1/99	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Utility Worker	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Off Road Technician	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Small Engine Technician	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Supt Support Vehicles	14	1
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Gen Foreman Support Vehicles	12	1
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Elec Communications Spec-SV	9	1
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Support Vehicle Coordinator	8	1
2010 - Oper, Public Safety, & Cust Service	1000001353 - METROLift In-House Maintenance	Support Vehicle Master Mech a6/1/99	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001353 - METROLift In-House Maintenance	Utility Worker	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001381 Dir. Maint. Supp.	Pt Transit Technician Retiree	Union	7
2010 - Oper, Public Safety, & Cust Service	1000001381 Dir. Maint. Supp.	PT Transit Bus Repair A Retiree	Union	5
2010 - Oper, Public Safety, & Cust Service	1000001381 Dir. Maint. Supp.	Dir Maint Support	15	1
2010 - Oper, Public Safety, & Cust Service	1000001381 Dir. Maint. Supp.	Maintenance Support Coordinator	7	1
2010 - Oper, Public Safety, & Cust Service	1000001821 EVP Op Public Safety & Customer Service	EVP Operations, Public Safety & Cust Srvc	22	1
2010 - Oper, Public Safety, & Cust Service	1000001821 EVP Op Public Safety & Customer Service	Emergency Mgmt Coordinator	12	1
2010 - Oper, Public Safety, & Cust Service	1000001821 EVP Op Public Safety & Customer Service	Special Projects Manager	12	1
2010 - Oper, Public Safety, & Cust Service	1000001821 EVP Op Public Safety & Customer Service	Project Manager Ops Pub Safety & CS	11	1
2010 - Oper, Public Safety, & Cust Service	1000001821 EVP Op Public Safety & Customer Service	Exec Asst (EVP)	10	1
2010 - Oper, Public Safety, & Cust Service	1000002185 HOT Lanes Operations	Director of Hot Lanes	15	1
2010 - Oper, Public Safety, & Cust Service	1000002185 HOT Lanes Operations	Hot Lane Projects Manager	15	1
2010 - Oper, Public Safety, & Cust Service	1000002185 HOT Lanes Operations	Supv ARGO	8	2
2010 - Oper, Public Safety, & Cust Service	1000002185 HOT Lanes Operations	Lead Argo Operator	6	2
2010 - Oper, Public Safety, & Cust Service	1000002185 HOT Lanes Operations	PT ARGO Operator	6	5
2010 - Oper, Public Safety, & Cust Service	1000002233 Fare Coll. Maint.	Electronic Farebox Technician	Union	15
2010 - Oper, Public Safety, & Cust Service	1000002233 Fare Coll. Maint.	Transit Revenue Foreman	10	2
2010 - Oper, Public Safety, & Cust Service	1000002234 Revenue Agents	Revenue Agent	Union	8
2010 - Oper, Public Safety, & Cust Service	1000002234 Revenue Agents	Revenue Agent K	Union	1
2010 - Oper, Public Safety, & Cust Service	1000002234 Revenue Agents	Revenue Agent NW	Union	1
2010 - Oper, Public Safety, & Cust Service	1000002234 Revenue Agents	Revenue Collection Foreman	9	1
2010 - Oper, Public Safety, & Cust Service	1000002241 Dir. Risk Mgmt.	Dir Risk Management	16	1
2010 - Oper, Public Safety, & Cust Service	1000002242 Claims	Mgr Claims	14	1
2010 - Oper, Public Safety, & Cust Service	1000002242 Claims	Claims Supervisor Liability	13	1
2010 - Oper, Public Safety, & Cust Service	1000002242 Claims	Claims Supervisor Workers Comp	13	1
2010 - Oper, Public Safety, & Cust Service	1000002242 Claims	Sr Claims Adjuster	11	3
2010 - Oper, Public Safety, & Cust Service	1000002242 Claims	Claims Adjuster	8	5
2010 - Oper, Public Safety, & Cust Service	1000002242 Claims	Risk Management Coordinator	8	1
2010 - Oper, Public Safety, & Cust Service	1000002242 Claims	Claims Assistant	6	2
2010 - Oper, Public Safety, & Cust Service	1000002243 Bus Safety	Mgr Bus Safety	14	1
2010 - Oper, Public Safety, & Cust Service	1000002243 Bus Safety	Sr Safety Officer (Bus)	12	1
2010 - Oper, Public Safety, & Cust Service	1000002243 Bus Safety	Safety Officer (Bus)	11	1
2010 - Oper, Public Safety, & Cust Service	1000002243 Bus Safety	Bus Safety Officer	10	5
2010 - Oper, Public Safety, & Cust Service	1000002244 General Insurance	Sr Risk Management Analyst	11	1
2010 - Oper, Public Safety, & Cust Service	1000002245 Rail Safety	Mgr Rail Safety	14	1
2010 - Oper, Public Safety, & Cust Service	1000002245 Rail Safety	Sr Safety Officer (Rail)	12	1
2010 - Oper, Public Safety, & Cust Service	1000002245 Rail Safety	Rail Safety Officer	10	2
2010 - Oper, Public Safety, & Cust Service	1000002246 Workplace & Env. Safety	Mgr Environmental Health & Safety	14	1
2010 - Oper, Public Safety, & Cust Service	1000002246 Workplace & Env. Safety	Environmental Compliance Officer	12	1
2010 - Oper, Public Safety, & Cust Service	1000002246 Workplace & Env. Safety	Safety Officer (EHS)	11	3
2010 - Oper, Public Safety, & Cust Service	1000002247 Chief of Safety Officer	Chief Safety Officer	18	1
2010 - Oper, Public Safety, & Cust Service	1000002247 Chief of Safety Officer	Manager, Safety Mgmt System	14	1
2010 - Oper, Public Safety, & Cust Service	1000002247 Chief of Safety Officer	Safety Compliance & Analysis Administrat	13	1
2010 - Oper, Public Safety, & Cust Service	1000002247 Chief of Safety Officer	Safety Compliance & Analysis Officer	11	1



Metropolitan Transit Authority of Harris County
FY2019 Budgeted Positions

Department	Fund Center	Position	Grade	Headcount
2010 - Oper, Public Safety, & Cust Service	1000002247 Chief of Safety Officer	Safety Project Coordinator	10	1
2010 - Oper, Public Safety, & Cust Service	1000002247 Chief of Safety Officer	Executive Assistant (Chief)	9	1
2010 - Oper, Public Safety, & Cust Service	1000002448 Drug & Alcohol Program	Dir Drug and Alcohol Program	16	1
2010 - Oper, Public Safety, & Cust Service	1000002448 Drug & Alcohol Program	Drug & Alcohol Program Coordinator	10	1
2010 - Oper, Public Safety, & Cust Service	1000002448 Drug & Alcohol Program	Drug and Alcohol Program Specialist	9	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	VP Customer Service	21	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Dir Customer Care Call Ctr & Complaint R	15	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Mgr Call Center Services	13	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Mgr Call Center Support	13	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Mgr Customer Complaint & Resolution	13	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Customer Care Team Coordinator	10	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Customer Service Program Coordinator	10	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Customer Service Analyst	9	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Supv Cust Care Center	9	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Call Center Training Specialist	8	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Team Lead Customer Care Ct	7	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Team Leader Cust Care Center	7	2
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Customer Care Specialist	6	7
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Customer Care Rep V (CCC)	5	2
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Customer Care Rep V (Lost & Found)	5	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Administrative Receptionist	4	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Customer Care Rep II (CCC)	4	6
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Customer Care Rep III (CCC)	4	11
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Customer Care Rep III CCC	4	10
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Customer Care Rep IV CCC	4	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Customer Care Representative II	4	5
2010 - Oper, Public Safety, & Cust Service	1000002538 RideStores	Mgr Customer Service	13	1
2010 - Oper, Public Safety, & Cust Service	1000002538 RideStores	Sales Account Executive	9	1
2010 - Oper, Public Safety, & Cust Service	1000002538 RideStores	Supv Customer Service	9	1
2010 - Oper, Public Safety, & Cust Service	1000002538 RideStores	Fannin Parking Lot Coordinator	8	1
2010 - Oper, Public Safety, & Cust Service	1000002538 RideStores	RideStore Associate	5	5
2010 - Oper, Public Safety, & Cust Service	1000002538 RideStores	Ridestore Associate - Fannin South	5	2
2010 - Oper, Public Safety, & Cust Service	1000002538 RideStores	Ridestore Associates	5	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Dir Commuter Services	15	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Mgr Commuter Service Program	13	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Mgr Vanpool Billing & Reporting	13	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Mgr, Cust Svc & Fleet (V)	13	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Market Analyst	10	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Operations Analyst	10	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Spvsr, Cust Svc & Fleet	10	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Sr Vanpool Account Executive	10	2
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Sr. Vanpool Account Exec (V)	10	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Communications Specialist	9	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Vanpool Account Exec	9	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Vanpool Account Executive	9	2
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	PT Event Coordinator (V)	8	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Vanpool Fleet Coordinator	8	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Spvsr, Vanpool Cust Billing	6	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Sr Vanpool Billing Clerk	6	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Sr. Billing Clerk (V)	6	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	PT Vanpool CSR	5	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	PT Vanpool Customer Service Rep	5	1
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Vanpool Billing Clerk	5	2
2010 - Oper, Public Safety, & Cust Service	1000002539 - Regional Vanpool	Vanpool Customer Service Rep	5	5
2010 - Oper, Public Safety, & Cust Service	1000002812 Director of Safety	Dir Safety	16	1
2010 - Oper, Public Safety, & Cust Service	1000002812 Director of Safety	Safety Program Coordinator	10	1
2020 - Planning, Engineer, & Construct	1000000321 Scheduling	Mgr Scheduling	15	1
2020 - Planning, Engineer, & Construct	1000000321 Scheduling	Sr. GIS Specialist	13	1
2020 - Planning, Engineer, & Construct	1000000321 Scheduling	Lead Scheduler	12	1
2020 - Planning, Engineer, & Construct	1000000321 Scheduling	Sr Scheduler	11	3
2020 - Planning, Engineer, & Construct	1000000321 Scheduling	Transit Scheduler	10	1
2020 - Planning, Engineer, & Construct	1000000321 Scheduling	GIS Data Support Analyst	9	1
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	General Maintenance Mechanic A (NSS)	Union	3



Metropolitan Transit Authority of Harris County
FY2019 Budgeted Positions

Department	Fund Center	Position	Grade	Headcount
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	Licensed Maintenance Mechanic (Elec) NSS	Union	2
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	Cleaner Facility Maintenance	Union	1
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	General Maintenance Journey a6/1/99 NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	Licensed Maintenance Mechanic (Plm) NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	Mgr Operating Facilities	13	2
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	Facilities Asset Management Coordinator	11	2
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	Facilities Supervisor	10	10
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	Field Inspector/Coordinator	10	5
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	Facilities Maint Data Spec	7	3
2020 - Planning, Engineer, & Construct	1000001332 Fac. Maint. Polk BOF	Cleaner Facility Maintenance	Union	1
2020 - Planning, Engineer, & Construct	1000001332 Fac. Maint. Polk BOF	General Maintenance Mechanic A (SS)	Union	1
2020 - Planning, Engineer, & Construct	1000001332 Fac. Maint. Polk BOF	Licensed Journey Mechanical NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001332 Fac. Maint. Polk BOF	Licensed Journey Electrician NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001333 Fac. Maint. West BOF	Cleaner Facility Maintenance b8/1/82	Union	1
2020 - Planning, Engineer, & Construct	1000001333 Fac. Maint. West BOF	General Maintenance Mechanic A (NSS)	Union	1
2020 - Planning, Engineer, & Construct	1000001333 Fac. Maint. West BOF	Licensed Journey Electrician NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001333 Fac. Maint. West BOF	Licensed Maintenance Mechanic NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001334 Fac. Maint. HC BOF	Cleaner Facility Maintenance a8/1/82	Union	1
2020 - Planning, Engineer, & Construct	1000001334 Fac. Maint. HC BOF	Licensed Maintenance Mechanic	Union	1
2020 - Planning, Engineer, & Construct	1000001334 Fac. Maint. HC BOF	Licensed Maintenance Mechanic (Elec) NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001334 Fac. Maint. HC BOF	Licensed Maintenance Mechanic (R&H) NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001336 Fac. Maint. FB BOF	Cleaner Facility Maintenance a8/1/82	Union	1
2020 - Planning, Engineer, & Construct	1000001336 Fac. Maint. FB BOF	Licensed Journey Mechanical NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001336 Fac. Maint. FB BOF	General Maintenance Journey a6/1/99 NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001336 Fac. Maint. FB BOF	Licensed Journey Electrician NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001337 Fac. Maint. Buffalo Bayou	Cleaner Facility Maintenance b8/1/82	Union	1
2020 - Planning, Engineer, & Construct	1000001341 Fac. Maint. Admin	VP Facilities Maintenance	19	1
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	Utility Worker	Union	3
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	General Maintenance Mechanic A (NSS)	Union	2
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	Cleaner Facility Maintenance a8/1/82	Union	1
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	General Maintenance Mechanic A	Union	1
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	Licensed Journey Mechanical NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	Licensed Journey Plumber (NSS)	Union	1
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	Licensed Maintenance Mechanic Refrig A/C	Union	1
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	Licensed Journey Plumber NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	Licensed Journey Electrician NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	Licensed Maintenance Mechanic (Elec) NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	Facility Supervisor	10	1
2020 - Planning, Engineer, & Construct	1000001343 Bus Facilities	Cleaner Facility Maintenance	Union	29
2020 - Planning, Engineer, & Construct	1000001343 Bus Facilities	General Maintenance Mechanic A (SS)	Union	13
2020 - Planning, Engineer, & Construct	1000001343 Bus Facilities	General Maintenance Mechanic B (SS)	Union	3
2020 - Planning, Engineer, & Construct	1000001343 Bus Facilities	General Maintenance Journey (SS)	Union	3
2020 - Planning, Engineer, & Construct	1000001343 Bus Facilities	General Maintenance Mech A Crane Opr(SS)	Union	2
2020 - Planning, Engineer, & Construct	1000001343 Bus Facilities	Cleaner Facility Maintenance a8/1/82	Union	1
2020 - Planning, Engineer, & Construct	1000001343 Bus Facilities	Licensed Journey Plumber (SS)	Union	1
2020 - Planning, Engineer, & Construct	1000001343 Bus Facilities	Licensed Maintenance Mechanic (SS)	Union	1
2020 - Planning, Engineer, & Construct	1000001343 Bus Facilities	Director, Public Facilities	15	1
2020 - Planning, Engineer, & Construct	1000001343 Bus Facilities	Manager, Interim Dir Public Facilities	13	1
2020 - Planning, Engineer, & Construct	1000001343 Bus Facilities	Gen Foreman Public Facilities	12	1
2020 - Planning, Engineer, & Construct	1000001343 Bus Facilities	Facilities Supervisor (Public) SS	10	8
2020 - Planning, Engineer, & Construct	1000001343 Bus Facilities	Facility Maintenance Assistant	5	1
2020 - Planning, Engineer, & Construct	1000001344 Fac. Maint. Admin 1900 Main	Supv Administrative Services	10	1
2020 - Planning, Engineer, & Construct	1000001344 Fac. Maint. Admin 1900 Main	Facilities Space Management Coordinator	7	1
2020 - Planning, Engineer, & Construct	1000001345 Project Management	Environmental Services Manager	13	1
2020 - Planning, Engineer, & Construct	1000001346 Fac. Maint. Contracts Services	Mgr Facilities Maintenance	14	1
2020 - Planning, Engineer, & Construct	1000001346 Fac. Maint. Contracts Services	Program Manager I	13	5
2020 - Planning, Engineer, & Construct	1000001346 Fac. Maint. Contracts Services	Sr. Asset Management Coordinator	12	1
2020 - Planning, Engineer, & Construct	1000001346 Fac. Maint. Contracts Services	Supv Facilities Contract	12	1
2020 - Planning, Engineer, & Construct	1000001346 Fac. Maint. Contracts Services	Facilities Security Access Control Coord	8	1
2020 - Planning, Engineer, & Construct	1000001346 Fac. Maint. Contracts Services	Facilities Access Specialist	7	1
2020 - Planning, Engineer, & Construct	1000001347 Fac. Maint. Rail	Cleaner Facility Maintenance	Union	1
2020 - Planning, Engineer, & Construct	1000001347 Fac. Maint. Rail	General Maintenance Mechanic A (NSS)	Union	1
2020 - Planning, Engineer, & Construct	1000001347 Fac. Maint. Rail	Licensed Journey Mechanical NSS	Union	1



Metropolitan Transit Authority of Harris County
FY2019 Budgeted Positions

Department	Fund Center	Position	Grade	Headcount
2020 - Planning, Engineer, & Construct	1000001347 Fac. Maint. Rail	Licensed Journey Electrician NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001348 Rail Facilities	Cleaner Facility Maintenance	Union	13
2020 - Planning, Engineer, & Construct	1000001348 Rail Facilities	General Maintenance Mechanic A (SS)	Union	5
2020 - Planning, Engineer, & Construct	1000001348 Rail Facilities	General Maintenance Mechanic B (SS)	Union	3
2020 - Planning, Engineer, & Construct	1000001348 Rail Facilities	General Maintenance Mechanic B (NSS)	Union	2
2020 - Planning, Engineer, & Construct	1000001348 Rail Facilities	Licensed Journey Plumber (SS)	Union	2
2020 - Planning, Engineer, & Construct	1000001348 Rail Facilities	Cleaner Facility Maintenance a8/1/82	Union	1
2020 - Planning, Engineer, & Construct	1000001348 Rail Facilities	Licensed Journey Electrician (SS)	Union	1
2020 - Planning, Engineer, & Construct	1000001348 Rail Facilities	Licensed Maintenance Mechanic (Elec) NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001348 Rail Facilities	Mgr Public Facilities	13	1
2020 - Planning, Engineer, & Construct	1000001348 Rail Facilities	General Foreman Rail Facilities	12	1
2020 - Planning, Engineer, & Construct	1000001348 Rail Facilities	Public Facilities Maint Analyst	10	1
2020 - Planning, Engineer, & Construct	1000001349 Fac. Maint. Headquarters	General Maintenance Mechanic A (SS)	Union	1
2020 - Planning, Engineer, & Construct	1000001349 Fac. Maint. Headquarters	Licensed Journey Mechanical NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001349 Fac. Maint. Headquarters	Licensed Journey Plumber NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001349 Fac. Maint. Headquarters	Licensed Journey Electrician NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001349 Fac. Maint. Headquarters	Energy Manager	13	1
2020 - Planning, Engineer, & Construct	1000001350 Fac. Maint.Storage & Inspection Facility	Cleaner Facility Maintenance	Union	1
2020 - Planning, Engineer, & Construct	1000001350 Fac. Maint.Storage & Inspection Facility	General Maintenance Mechanic A	Union	1
2020 - Planning, Engineer, & Construct	1000001350 Fac. Maint.Storage & Inspection Facility	Licensed Journey Electrician NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001350 Fac. Maint.Storage & Inspection Facility	Licensed Maintenance Mechanic (Elec) NSS	Union	1
2020 - Planning, Engineer, & Construct	1000002031 System Planning & Dev.	VP Systems & Capital Planning	19	1
2020 - Planning, Engineer, & Construct	1000002031 System Planning & Dev.	Dir Environmental,Cap & Long Range Plgn	15	1
2020 - Planning, Engineer, & Construct	1000002031 System Planning & Dev.	Special Projects Director	15	1
2020 - Planning, Engineer, & Construct	1000002031 System Planning & Dev.	Mgr Capital Planning & Proj Coordination	14	1
2020 - Planning, Engineer, & Construct	1000002031 System Planning & Dev.	Mgr Regional & Long Range Planning	14	1
2020 - Planning, Engineer, & Construct	1000002031 System Planning & Dev.	Lead Transp Systems Planner	12	1
2020 - Planning, Engineer, & Construct	1000002031 System Planning & Dev.	Sr Transit Planner	12	2
2020 - Planning, Engineer, & Construct	1000002031 System Planning & Dev.	Sr Transit Planner (Liaison)	12	1
2020 - Planning, Engineer, & Construct	1000002031 System Planning & Dev.	Sr Transp System Planner	12	1
2020 - Planning, Engineer, & Construct	1000002031 System Planning & Dev.	Transportation System Planner	11	1
2020 - Planning, Engineer, & Construct	1000002031 System Planning & Dev.	Transit Planner II Cap & Env Planning	10	1
2020 - Planning, Engineer, & Construct	1000002031 System Planning & Dev.	Transit Planner I	9	1
2020 - Planning, Engineer, & Construct	1000002052 Svc. Planning & Dev.	Dir Service Planning & Evaluation	17	1
2020 - Planning, Engineer, & Construct	1000002052 Svc. Planning & Dev.	Interim Mgr Ridership Analysis/Svc Eval	14	1
2020 - Planning, Engineer, & Construct	1000002052 Svc. Planning & Dev.	Mgr. Ridership Analysis Service Evaluation	14	1
2020 - Planning, Engineer, & Construct	1000002052 Svc. Planning & Dev.	Mgr Service Planning	13	1
2020 - Planning, Engineer, & Construct	1000002052 Svc. Planning & Dev.	Sr Transit Planner Svc Plng	12	1
2020 - Planning, Engineer, & Construct	1000002052 Svc. Planning & Dev.	Transit Planner II Svc Plng	10	1
2020 - Planning, Engineer, & Construct	1000002052 Svc. Planning & Dev.	Service Evaluation Analyst II	9	3
2020 - Planning, Engineer, & Construct	1000002052 Svc. Planning & Dev.	Service Evaluation Analyst I	8	1
2020 - Planning, Engineer, & Construct	1000002052 Svc. Planning & Dev.	Transit Analyst	8	1
2020 - Planning, Engineer, & Construct	1000002131 Real Estate	Mgr Real Estate	14	1
2020 - Planning, Engineer, & Construct	1000002131 Real Estate	Real Estate Asset Management Specialist	13	2
2020 - Planning, Engineer, & Construct	1000002161 Eng. Support Services	Chief Engineer	17	1
2020 - Planning, Engineer, & Construct	1000002161 Eng. Support Services	Dir Program Mgmt Support Services	16	1
2020 - Planning, Engineer, & Construct	1000002161 Eng. Support Services	Mgr Quality Assurance/Quality Control	14	1
2020 - Planning, Engineer, & Construct	1000002161 Eng. Support Services	Architect Eng.	13	1
2020 - Planning, Engineer, & Construct	1000002161 Eng. Support Services	GIS Specialist	12	1
2020 - Planning, Engineer, & Construct	1000002161 Eng. Support Services	Project Engineer	11	3
2020 - Planning, Engineer, & Construct	1000002161 Eng. Support Services	Sr Cad Technician	9	1
2020 - Planning, Engineer, & Construct	1000002171 4 Light Rail Lines Expansion	VP Construction	19	1
2020 - Planning, Engineer, & Construct	1000002171 4 Light Rail Lines Expansion	Mgr Scheduling & Estimating	15	1
2020 - Planning, Engineer, & Construct	1000002171 4 Light Rail Lines Expansion	Resident Engineer	13	2
2020 - Planning, Engineer, & Construct	1000002171 4 Light Rail Lines Expansion	Exec Asst (VP)	9	2
2020 - Planning, Engineer, & Construct	1000002181 EVP -Planning Engineering & Construction	EVP Planning Engineering & Construction	22	1
2020 - Planning, Engineer, & Construct	1000002181 EVP -Planning Engineering & Construction	Exec Asst (EVP)	10	1
2020 - Planning, Engineer, & Construct	1000002184 Project Management	VP Project Management & Engineering	19	1
2020 - Planning, Engineer, & Construct	1000002184 Project Management	Mgr. Facilities Program	14	1
2020 - Planning, Engineer, & Construct	1000002184 Project Management	Program Manager II	14	1
2020 - Planning, Engineer, & Construct	1000002184 Project Management	Program Mgr. II	14	1
2020 - Planning, Engineer, & Construct	1000002184 Project Management	Sr Proj Mgr Security Systems	13	1
2020 - Planning, Engineer, & Construct	1000002184 Project Management	Project Manager I (HVAC)	11	1



Metropolitan Transit Authority of Harris County
FY2019 Budgeted Positions

Department	Fund Center	Position	Grade	Headcount
2020 - Planning, Engineer, & Construct	1000002184 Project Management	Capital Programs Budget Analyst	10	1
2020 - Planning, Engineer, & Construct	1000002184 Project Management	Project Mgmt & Eng Coordinator	9	1
2020 - Planning, Engineer, & Construct	1000002191 SVP Planning	VP Planning	21	1
2030 - Administration	1000001611 EVP Administration	EVP Administration	22	1
2030 - Administration	1000001611 EVP Administration	Exec Asst (EVP)	10	1
2030 - Administration	1000002341 SBE/DBE	Director, Small Business	15	1
2030 - Administration	1000002341 SBE/DBE	External Relations Officer-Procurement	12	1
2030 - Administration	1000002341 SBE/DBE	Business Developmt & Assistance Officer	10	1
2030 - Administration	1000002341 SBE/DBE	Small Business Certification Specialist	10	1
2030 - Administration	1000002341 SBE/DBE	Small Business Compliance Specialist	10	2
2030 - Administration	1000002341 SBE/DBE	Procurement Small Business Coordinator	8	1
2030 - Administration	1000002411 Human Resources	Chief Human Resources Officer	20	1
2030 - Administration	1000002411 Human Resources	HR Analyst	12	1
2030 - Administration	1000002411 Human Resources	Exec Asst (VP)	9	1
2030 - Administration	1000002422 Procurement	Chief Procurement Officer	20	1
2030 - Administration	1000002422 Procurement	Deputy Chief Procurement Officer	19	1
2030 - Administration	1000002422 Procurement	Dir Contracts	15	1
2030 - Administration	1000002422 Procurement	Dir Procurement	15	1
2030 - Administration	1000002422 Procurement	Mgr Procurement	14	1
2030 - Administration	1000002422 Procurement	Mgr Procurement (Materials)	14	1
2030 - Administration	1000002422 Procurement	Mgr Property Services	13	1
2030 - Administration	1000002422 Procurement	Supervisor Contracts Specialist	13	3
2030 - Administration	1000002422 Procurement	Procuremt & Matl Appl Analyst	12	1
2030 - Administration	1000002422 Procurement	Sr Contracts Admin	12	2
2030 - Administration	1000002422 Procurement	Sr Contracts Admin A & E	12	1
2030 - Administration	1000002422 Procurement	Sr Contracts Admin Mat	12	1
2030 - Administration	1000002422 Procurement	Sr Contracts Admin S&T-1	12	1
2030 - Administration	1000002422 Procurement	Contract Admin II A & E	11	1
2030 - Administration	1000002422 Procurement	Contract Admin II A & E 1	11	1
2030 - Administration	1000002422 Procurement	Contract Admin II Proc 1	11	1
2030 - Administration	1000002422 Procurement	Contract Admin II Svcs Tech	11	1
2030 - Administration	1000002422 Procurement	Contract Admin I	10	4
2030 - Administration	1000002422 Procurement	Contracts Admin I - Materials	10	1
2030 - Administration	1000002422 Procurement	Program Specialist	10	1
2030 - Administration	1000002422 Procurement	Asst Contracts Admin S & T	9	1
2030 - Administration	1000002422 Procurement	Buyer - Materials	9	3
2030 - Administration	1000002422 Procurement	Contract Services Coordinator	9	4
2030 - Administration	1000002422 Procurement	Exec Asst (Chief)	9	2
2030 - Administration	1000002422 Procurement	Inventory Surplus Agent	7	1
2030 - Administration	1000002423 Mtrls & Distribution	Storeroom Attendant	Union	61
2030 - Administration	1000002423 Mtrls & Distribution	Dir Materials Management	15	1
2030 - Administration	1000002423 Mtrls & Distribution	Mgr Planning and Distribution	13	1
2030 - Administration	1000002423 Mtrls & Distribution	Mgr Stores	13	1
2030 - Administration	1000002423 Mtrls & Distribution	MRP Controller	10	1
2030 - Administration	1000002423 Mtrls & Distribution	Storeroom Foreman	10	6
2030 - Administration	1000002423 Mtrls & Distribution	Storeroom Foreman CW	10	1
2030 - Administration	1000002423 Mtrls & Distribution	Storeroom Foreman Hiram Clarke	10	1
2030 - Administration	1000002423 Mtrls & Distribution	Storeroom Foreman NRV	10	1
2030 - Administration	1000002423 Mtrls & Distribution	Storeroom Foreman Electronics	10	1
2030 - Administration	1000002423 Mtrls & Distribution	Materials Analyst	9	1
2030 - Administration	1000002423 Mtrls & Distribution	Materials Control Specialist	9	1
2030 - Administration	1000002441 HCM & Personnel Svcs.	Sr Mgr HRIS & Personnel Services	15	1
2030 - Administration	1000002441 HCM & Personnel Svcs.	Supv HR Empl Data & Records Services	10	1
2030 - Administration	1000002441 HCM & Personnel Svcs.	HRIS Assistant	7	2
2030 - Administration	1000002441 HCM & Personnel Svcs.	HRIS Filing Assistant	5	1
2030 - Administration	1000002442 Staffing	Dir Staffing	16	1
2030 - Administration	1000002442 Staffing	Staffing Supervisor	12	1
2030 - Administration	1000002442 Staffing	Sr Staffing Representative	11	1
2030 - Administration	1000002442 Staffing	Staffing Representative I	9	1
2030 - Administration	1000002442 Staffing	Staffing Representative II	9	3
2030 - Administration	1000002442 Staffing	Associate Staffing Representative	8	1
2030 - Administration	1000002442 Staffing	Staffing Coordinator	7	4
2030 - Administration	1000002443 Benefits & Pension	Dir Benefits Pension Wellness	16	1



Metropolitan Transit Authority of Harris County
FY2019 Budgeted Positions

Department	Fund Center	Position	Grade	Headcount
2030 - Administration	1000002443 Benefits & Pension	Benefits Administrator	12	1
2030 - Administration	1000002443 Benefits & Pension	Retirement Plan Analyst	11	2
2030 - Administration	1000002443 Benefits & Pension	Benefits Representative	9	2
2030 - Administration	1000002443 Benefits & Pension	Benefits Representative Liaison	7	1
2030 - Administration	1000002444 Compensation	Sr Mgr Compensation	15	1
2030 - Administration	1000002444 Compensation	Compensation Administrator	13	1
2030 - Administration	1000002444 Compensation	Sr Compensation Generalist	11	1
2030 - Administration	1000002444 Compensation	Compensation Generalist	9	1
2030 - Administration	1000002445 OD	Dir Training & Organization Development	16	1
2030 - Administration	1000002445 OD	Sr Organization Development Spec	13	3
2030 - Administration	1000002446 Wellness Programs	Wellness & Leave Admin	11	1
2030 - Administration	1000002446 Wellness Programs	Leave & Wellness Coordinator	10	1
2030 - Administration	1000002449 EEO / ER	Dir EEO and Employee Relations	16	1
2030 - Administration	1000002449 EEO / ER	EEO Title VI Compliance Officer	12	1
2030 - Administration	1000002449 EEO / ER	Sr Employee Relations Specialist	12	1
2030 - Administration	1000002449 EEO / ER	Employee Relations Specialist	11	1
2030 - Administration	1000002451 Information Technology	Technical Applications Specialist IV	IT13	1
2030 - Administration	1000002451 Information Technology	Chief Information Officer	20	1
2030 - Administration	1000002451 Information Technology	Chief Technology Officer	18	1
2030 - Administration	1000002451 Information Technology	Chief Information Security Officer/Dir	17	1
2030 - Administration	1000002451 Information Technology	Dir IT Application Support Revenue	17	1
2030 - Administration	1000002451 Information Technology	Dir IT Applications Support	17	1
2030 - Administration	1000002451 Information Technology	Dir IT Digital Technology	17	1
2030 - Administration	1000002451 Information Technology	Dir IT Infrastructure Support	17	1
2030 - Administration	1000002451 Information Technology	Dir IT Project Management	17	1
2030 - Administration	1000002451 Information Technology	SAP/ERP Project Manager	16	1
2030 - Administration	1000002451 Information Technology	Sr IT Project Manager	16	1
2030 - Administration	1000002451 Information Technology	Mgr IT - Webmaster Developer	15	1
2030 - Administration	1000002451 Information Technology	Mgr IT Database Administration	15	1
2030 - Administration	1000002451 Information Technology	IT Manager	14	1
2030 - Administration	1000002451 Information Technology	IT Project Manager	14	1
2030 - Administration	1000002451 Information Technology	Mgr Intelligent Transportation Systems	14	1
2030 - Administration	1000002451 Information Technology	Mgr IT	14	2
2030 - Administration	1000002451 Information Technology	Mgr Network & Unified Comm Technologies	14	1
2030 - Administration	1000002451 Information Technology	Mgr Server & Storage Technologies	14	1
2030 - Administration	1000002451 Information Technology	SAP FICO Business Systems Analyst	14	1
2030 - Administration	1000002451 Information Technology	SAP Security Administrator	14	1
2030 - Administration	1000002451 Information Technology	Tech Business Analyst V	14	1
2030 - Administration	1000002451 Information Technology	Tech Business Analyst V - SAP BI	14	1
2030 - Administration	1000002451 Information Technology	Appl systems Analyst IV	13	5
2030 - Administration	1000002451 Information Technology	Database Administrator II	13	3
2030 - Administration	1000002451 Information Technology	Information Security Specialist IV	13	2
2030 - Administration	1000002451 Information Technology	Intelligent Transp System Spec IV	13	1
2030 - Administration	1000002451 Information Technology	Network Support Spec IV	13	2
2030 - Administration	1000002451 Information Technology	SAP Developer IV	13	1
2030 - Administration	1000002451 Information Technology	SAP HR Payroll Tech Business Analyst IV	13	1
2030 - Administration	1000002451 Information Technology	Server Suppt Spec IV Technical	13	5
2030 - Administration	1000002451 Information Technology	Tech Business Analyst IV	13	1
2030 - Administration	1000002451 Information Technology	Appl Systems Analyst III	12	4
2030 - Administration	1000002451 Information Technology	Intelligent Transp System Spec III	12	2
2030 - Administration	1000002451 Information Technology	Network Support Spec III	12	2
2030 - Administration	1000002451 Information Technology	SAP Developer	12	1
2030 - Administration	1000002451 Information Technology	Tech Business Analyst III	12	1
2030 - Administration	1000002451 Information Technology	Appl Systems Analyst II	11	2
2030 - Administration	1000002451 Information Technology	Information Security Specialist	11	1
2030 - Administration	1000002451 Information Technology	IT Audit & Compliance Analyst	11	1
2030 - Administration	1000002451 Information Technology	Network Support Spec II	11	1
2030 - Administration	1000002451 Information Technology	Server Support Spec II	11	1
2030 - Administration	1000002451 Information Technology	Supv IT Support Services	11	1
2030 - Administration	1000002451 Information Technology	Desktop Technician	10	3
2030 - Administration	1000002451 Information Technology	IT Asset Mgmt Analyst	10	1
2030 - Administration	1000002451 Information Technology	IT Budget Analyst	10	1
2030 - Administration	1000002451 Information Technology	Network Support Spec I	10	1



Metropolitan Transit Authority of Harris County
FY2019 Budgeted Positions

Department	Fund Center	Position	Grade	Headcount
2030 - Administration	1000002451 Information Technology	Server Support Spec I	10	1
2030 - Administration	1000002451 Information Technology	Support Center Specialist II	9	4
2030 - Administration	1000002461 Labor Relations	Dir Labor Relations	16	1
2030 - Administration	1000002461 Labor Relations	Sr Labor Relations Representative	11	1
2030 - Administration	1000002461 Labor Relations	Labor Relations Hearing Officer	10	1
2030 - Administration	1000002461 Labor Relations	Exec Asst (Dir)	7	1
2030 - Administration	1000002571 State of Good Repair	Dir State of Good Repair	17	1
2030 - Administration	1000002571 State of Good Repair	Sr Asset Management Analyst (SOGR)	14	1
2030 - Administration	1000002571 State of Good Repair	SOGR Asset Specialist	12	1
2030 - Administration	1000002571 State of Good Repair	SOGR Asset Specialist - Rail	12	2
2040 - Gov't & Public Affairs	1000002352 Government Affairs	VP Government Affairs	18	1
2040 - Gov't & Public Affairs	1000002352 Government Affairs	Government Affairs Manager	12	1
2040 - Gov't & Public Affairs	1000002352 Government Affairs	Government & Public Affairs Coordinator	9	1
2040 - Gov't & Public Affairs	1000002521 Public Engagement	VP Public Engagement	19	1
2040 - Gov't & Public Affairs	1000002521 Public Engagement	Dir Public Affairs	15	1
2040 - Gov't & Public Affairs	1000002521 Public Engagement	Manager, Rail Safety Education and Outreach	12	1
2040 - Gov't & Public Affairs	1000002521 Public Engagement	Sr Public Affairs Representative	11	6
2040 - Gov't & Public Affairs	1000002521 Public Engagement	Public Affairs Representative	10	2
2040 - Gov't & Public Affairs	1000002521 Public Engagement	Safety Outreach Coordinator	10	1
2040 - Gov't & Public Affairs	1000002522 Deputy CEO	Deputy Chief Executive Officer	23	1
2040 - Gov't & Public Affairs	1000002522 Deputy CEO	Exec Asst to Deputy CEO	11	1
2040 - Gov't & Public Affairs	1000002525 Urban Design	Urban Designer	13	1
2040 - Gov't & Public Affairs	1000002543 Ridership & Client Services	VP Ridership Services	21	1
2040 - Gov't & Public Affairs	1000002543 Ridership & Client Services	Dir Client Services	16	1
2040 - Gov't & Public Affairs	1000002543 Ridership & Client Services	Ridership Development Officer	10	1
2040 - Gov't & Public Affairs	1000002543 Ridership & Client Services	Sales Account Executive	10	1
2040 - Gov't & Public Affairs	1000002543 Ridership & Client Services	Sales Representative III	10	1
2040 - Gov't & Public Affairs	1000002543 Ridership & Client Services	Ridership & Client Services Coordinator	9	1
2050 - Audit	1000002013 Records Management	Records Management Coord	7	2
2050 - Audit	1000002331 Audit	Interim Vice President & Chief Auditor	21	1
2050 - Audit	1000002331 Audit	Deputy Chief Auditor	15	1
2050 - Audit	1000002331 Audit	Auditor IV	14	2
2050 - Audit	1000002331 Audit	Auditor III	12	1
2050 - Audit	1000002331 Audit	Auditor III Internal Functions	12	1
2050 - Audit	1000002331 Audit	Auditor II	11	3
2050 - Audit	1000002331 Audit	Auditor II Internal Functions	11	1
2050 - Audit	1000002331 Audit	Exec Asst (EVP)	10	1
2060 - Legal	1000002351 Legal	EVP/General Counsel	22	1
2060 - Legal	1000002351 Legal	Deputy General Counsel	20	1
2060 - Legal	1000002351 Legal	Sr Legal Counsel	18	1
2060 - Legal	1000002351 Legal	Legal Counsel	17	2
2060 - Legal	1000002351 Legal	Sr Paralegal Public Information Officer	13	1
2060 - Legal	1000002351 Legal	Staff Attorney	13	3
2060 - Legal	1000002351 Legal	Exec Asst (Gen Counsel)	10	1
2060 - Legal	1000002351 Legal	Paralegal	10	3
2060 - Legal	1000002351 Legal	Paralegal - TPIA	10	1
2060 - Legal	1000002351 Legal	Paralegal (Miyoshi Carter)	10	1
2060 - Legal	1000002351 Legal	Legal Secretary	9	2
2080 - Executive	1000002311 President & CEO	President & Chief Exec Officer	25	1
2080 - Executive	1000002311 President & CEO	Dir Board Relations	15	1
2080 - Executive	1000002311 President & CEO	Exec Asst to the Pres & CEO	12	1
2080 - Executive	1000002311 President & CEO	Project Manager to President & CEO	12	1
2080 - Executive	1000002311 President & CEO	Project Manager-Communication	12	1
2080 - Executive	1000002311 President & CEO	Board Support Coordinator	10	1
2080 - Executive	1000002313 Authority Compliance	EVP Special Projects	22	1
2080 - Executive	1000002313 Authority Compliance	Dir Best Practices	15	1
2080 - Executive	1000002313 Authority Compliance	Process Transformation Analyst IV	14	1
2080 - Executive	1000002313 Authority Compliance	Executive Assistant	10	1
2110 - Finance	1000002211 Senior VP/CFO	Chief Financial Officer	22	1
2110 - Finance	1000002211 Senior VP/CFO	Financial Analyst SAP FICO	14	1
2110 - Finance	1000002211 Senior VP/CFO	Sr Management Analyst	13	4
2110 - Finance	1000002211 Senior VP/CFO	Exec Asst (CFO)	10	1
2110 - Finance	1000002221 Office of the Controller	Sr Dir Accounting Controller	17	1



Metropolitan Transit Authority of Harris County
FY2019 Budgeted Positions

Department	Fund Center	Position	Grade	Headcount
2110 - Finance	1000002221 Office of the Controller	Mgr Treasury Services	15	1
2110 - Finance	1000002221 Office of the Controller	Sr Mgr Financial Accounting & Reporting	15	1
2110 - Finance	1000002221 Office of the Controller	Lead Financial Acctg & Reporting	14	1
2110 - Finance	1000002221 Office of the Controller	Lead Financial Analyst Pension & Invest	14	1
2110 - Finance	1000002221 Office of the Controller	Mgr Accounts Payable	14	1
2110 - Finance	1000002221 Office of the Controller	Mgr Payroll	14	1
2110 - Finance	1000002221 Office of the Controller	Sr Financial Accountant	12	5
2110 - Finance	1000002221 Office of the Controller	Sr Financial Accountant-Fin Acctg & Rptg	12	2
2110 - Finance	1000002221 Office of the Controller	Team Lead Cap Assets & Acnts Receivable	12	1
2110 - Finance	1000002221 Office of the Controller	Sr Accountant Accts Payable	11	2
2110 - Finance	1000002221 Office of the Controller	Sr Accountant Payroll	11	2
2110 - Finance	1000002221 Office of the Controller	Accountant - Account Payable	9	1
2110 - Finance	1000002221 Office of the Controller	Accountant Accts Payable	9	2
2110 - Finance	1000002221 Office of the Controller	Accountant Gen Accting/Fin Reptg	9	1
2110 - Finance	1000002221 Office of the Controller	Accountant II - Payroll	9	1
2110 - Finance	1000002221 Office of the Controller	Accounts Payable Clerk	7	4
2110 - Finance	1000002221 Office of the Controller	Sr Payroll Clerk	7	2
2110 - Finance	1000002221 Office of the Controller	Treasury Coordinator	7	2
2110 - Finance	1000002232 Ticket & Fare Collection	Mgr Revenue Services	15	1
2110 - Finance	1000002232 Ticket & Fare Collection	Supv Revenue Services Admin	13	1
2110 - Finance	1000002232 Ticket & Fare Collection	Supv Vaulting Services	11	1
2110 - Finance	1000002232 Ticket & Fare Collection	Supv Fare Media	8	1
2110 - Finance	1000002232 Ticket & Fare Collection	Supv Fare Media Agent (Field)	8	1
2110 - Finance	1000002232 Ticket & Fare Collection	Lead Vault Attendant-SS	7	1
2110 - Finance	1000002232 Ticket & Fare Collection	Sr Fare Media Agent	7	2
2110 - Finance	1000002232 Ticket & Fare Collection	Vaulting Services Support Coord - SS	7	1
2110 - Finance	1000002232 Ticket & Fare Collection	Fare Media Agent Field	6	5
2110 - Finance	1000002232 Ticket & Fare Collection	Sr Fare Media Associate	6	1
2110 - Finance	1000002232 Ticket & Fare Collection	Vault Attendant	6	4
2110 - Finance	1000002232 Ticket & Fare Collection	Fare Media Associate	5	2
2110 - Finance	1000002232 Ticket & Fare Collection	Vault Assistant	4	4
2110 - Finance	1000002353 Grants	Dir Grant Programs	16	1
2110 - Finance	1000002353 Grants	Interim Manager Grants	14	1
2110 - Finance	1000002353 Grants	Lead Management Analyst - Moved from 2361	14	1
2110 - Finance	1000002353 Grants	Grant Programs Administrator	11	1
2110 - Finance	1000002353 Grants	Grant Programs Analyst	11	1
2110 - Finance	1000002361 Office of Management and Budget	Dir Office of Management & Budget	17	1
2110 - Finance	1000002361 Office of Management and Budget	Mgr Capital Budgets Analysis & Reporting	15	1
2110 - Finance	1000002361 Office of Management and Budget	Mgr Operating Budget	15	1
2110 - Finance	1000002361 Office of Management and Budget	Lead Management Analyst	14	3
2110 - Finance	1000002361 Office of Management and Budget	Lead Management Analyst-Rev/Fare Policy	14	1
2110 - Finance	1000002361 Office of Management and Budget	Mgr Debt Service & Investments	14	1
2110 - Finance	1000002361 Office of Management and Budget	Management Analyst/Data Analytics	13	1
2110 - Finance	1000002361 Office of Management and Budget	Mgr Cost Control - Moved from 2353	13	1
2110 - Finance	1000002361 Office of Management and Budget	Management Analyst	12	1
2140 - Office of Innovation	1000002511 Office of Innovation(2511)	Chief Innovation Officer	21	1
2140 - Office of Innovation	1000002511 Office of Innovation(2511)	Innovation Project Manager	12	1
2140 - Office of Innovation	1000002511 Office of Innovation(2511)	Executive Assistant	10	1
2140 - Office of Innovation	1000002511 Office of Innovation(2511)	Innovation Grants Administrator	10	1
2150 - Communications	1000002371 Press Office	Director Media	15	1
2150 - Communications	1000002371 Press Office	Media Specialist	11	3
2150 - Communications	1000002371 Press Office	Social Media Specialist	10	3
2150 - Communications	1000002372 EVP, Communications	EVP & Chief Communications Officer	22	1
2150 - Communications	1000002372 EVP, Communications	Executive Assistant	10	1
2150 - Communications	1000002431 Admin Services	Mail Services Supervisor	8	1
2150 - Communications	1000002431 Admin Services	Mailroom Assistant	4	2
2150 - Communications	1000002432 Print Shop	Director Communication Services	15	1
2150 - Communications	1000002432 Print Shop	Lead Offset Press Operator	8	1
2150 - Communications	1000002432 Print Shop	Printing Services Coordinator	8	1
2150 - Communications	1000002432 Print Shop	Offset Press Technician	7	1
2150 - Communications	1000002432 Print Shop	Marketing Dist Coordinator	6	1
2150 - Communications	1000002432 Print Shop	Digital Publishing Operator	5	2
2150 - Communications	1000002432 Print Shop	Print Shop Assistant	4	1



Metropolitan Transit Authority of Harris County
FY2019 Budgeted Positions

Department	Fund Center	Position	Grade	Headcount
2150 - Communications	1000002523 Partnership Promotions	VP Mkg & Corp Communications	18	1
2150 - Communications	1000002531 Marketing	Vice President, Marketing & Corporate Communications	18	1
2150 - Communications	1000002531 Marketing	Mgr Creative Services	13	1
2150 - Communications	1000002531 Marketing	Mgr Strategic Analysis	13	1
2150 - Communications	1000002531 Marketing	Graphics Designer II	11	2
2150 - Communications	1000002531 Marketing	Sr Copywriter/Producer	11	1
2150 - Communications	1000002531 Marketing	Advertising Account Exec III	10	1
2150 - Communications	1000002531 Marketing	Advertising Account Exec/Multimedia Spec	10	1
2150 - Communications	1000002531 Marketing	Advertising Account Executive Info Sys	10	1
2150 - Communications	1000002531 Marketing	Marketing & Corp Budget Analyst	10	1
2150 - Communications	1000002531 Marketing	Graphic Designer I	9	2
2150 - Communications	1000002531 Marketing	Photographer/Associate Account Executive	8	1
2150 - Communications	1000002581 Media & Corp. Comm.	Mgr Corporate Communications	14	1
2150 - Communications	1000002581 Media & Corp. Comm.	Web Designer	13	1
2150 - Communications	1000002581 Media & Corp. Comm.	Multimedia Specialist/Videographer	11	1
2150 - Communications	1000002581 Media & Corp. Comm.	Web Content Writer	9	1
2150 - Communications	1000002581 Media & Corp. Comm.	Web Designer/Developer I	9	1

Historical and Projected Sales Tax Rates and Revenues

Sales Tax Revenues (Year of Expenditure \$1,000s)

Fiscal Year	Historical/ Estimated Data	% Change
2015	715,160	4.4%
2016	686,102	-4.1%
2017	690,929	0.7%
2018	743,268	7.6%
2019	754,728	1.5%
2020	807,072	6.9%
2021	871,448	8.0%
2022	936,296	7.4%
2023	985,604	5.3%

Estimates are based on Dr. Bill Gilmer's June 2018 forecast, reduced by 1% for FY2019 by Board decision.

Glossary of Terms

Accrual Accounting – A method of accounting that records revenues and expenses when they are incurred, regardless of when cash is exchanged. The term “accrual” refers to any individual entry recording revenue or expense in the absence of a cash transaction.

Activity Center – An area with a high concentration of activities that generates many trips, such as shopping centers, business or industrial parks, recreational facilities, etc. The major activity centers in the METRO service area include Downtown, Galleria/Uptown, Texas Medical Center, Greenway Plaza, Greenspoint, the Westchase District, and the Energy Corridor.

Alternative Service Delivery – Providing transit service other than via a fixed-route, fixed-schedule 40-foot or larger bus. Examples include using smaller vehicles for lower-ridership routes and/or providing demand-response service.

Articulated Bus – A 60-foot three-axle bus with an "accordion" section in the middle that allows the bus to bend and flex (articulate). Articulated buses typically have 60 seats.

Block – A series of trips made by one bus (it may be either in the morning or evening time periods).

Bond Indenture – A legal and binding contract between bond issuers and bondholders, specifying the important features of a bond, including its maturity date, timing of interest payments, method of interest calculation, etc.

Bus Rapid Transit – A high-quality bus-based transit system that delivers fast and efficient service that may include dedicated lanes, busways, traffic signal priority, off-board fare collection, elevated platforms and enhanced stations.

Capital Assets – Purchases recorded as assets, such as property, plant, or equipment, which have a useful life of longer than one year.

Contractual Obligation – Obligations of an entity to others that will become liabilities in the future when the terms of those contracts or agreements are met.

Commuter Service – Bus service that travels directly to a central activity center with single or limited passenger pickup locations. Commuter service is offered by METRO’s Park & Ride routes

Current Financial Resources Measurement Focus – METRO’s budget uses this model, in which increases and decreases in spendable resources are measured, and long-term assets and liabilities are not included.

Demand-Response Service – Non-fixed-route service utilizing vans or buses with passengers boarding and alighting at pre-arranged times at any location within the system's service area. METROLift offers demand-response service to qualified riders who cannot use fixed-route service.

Deadhead – The miles or hours when a bus or train is moving without passengers aboard, often to or from an operating facility.

Economic Resources Measurement Focus – Used when a set of financial statements reports all inflows, outflows, and balances affecting or reflecting an entity's net position, including long-term assets and liabilities. METRO uses this focus for its financial statements.

45-Foot Bus – A bus used in Park & Ride service, typically with 55 seats.

Frequency – How many buses pass by a point in a given time period.

Full Accrual Basis – Method of accounting in which revenues are recognized when they are earned, and expenditures are recognized in the period that the associated liability is incurred. METRO's budget uses the modified accrual basis of accounting for its financial statements.

GAAP (Generally Accepted Accounting Principles) – A collection of commonly-followed accounting rules and standards for financial reporting. GAAP specifications include definitions of concepts and principles, as well as industry-specific rules.

GASB (Governmental Accounting Standards Board) – The independent, private-sector organization that establishes accounting and financial reporting standards for U.S. state and local governments that follow Generally Accepted Accounting Principles (GAAP).

Headways – The time between buses in the schedule: 5 minutes would be a very short headway; 60 minutes would be a long headway.

HOT Lane – A barrier-separated road that provides faster trips than freeway main lanes and that has limited access points, which single-occupant vehicles can access for a toll, while buses and vehicles with more than one occupant use it at no charge.

HOV Lane – A barrier-separated road for buses and for cars with more than one occupant that provides faster trips than freeway main lanes and that has limited access points (not always barrier-separated in other cities).

Layover – Time built into a schedule to allow a break for the operator and to allow "catch-up" if traffic conditions cause service delays.

Local Route – Bus service that picks up and discharges passengers all along the route.

METRO Q® Fare Card – Rechargeable electronic fare card that provides free transfers (for three hours in the same direction) and five free trips for every 50 paid trips.

METRORail – Accessible light rail service that has three lines (Red, Purple, and Green) totaling 22.7 miles. Destinations served include the Central Business District, Midtown, the Museum District, the University of Houston, Texas Southern University, Rice University, the NRG Park Complex, BBVA Compass Stadium, and the Theatre District.

Modified Accrual Basis – Method of accounting in which revenues are recognized in the period they become available and measurable, and expenditures are recognized in the period that the associated liability is incurred, with some exceptions. METRO's budget uses the modified accrual basis of accounting.

Park & Ride Route – Commuter service that operates from a single or minimal number of pickup points and travels directly to the activity center with no interim stops.

Park & Ride Lot – A facility comprising a parking area and a passenger boarding area with a covered shelter and other amenities where commuters can park their cars and ride transit to work.

Passenger Boardings – The number of times all passengers get on any bus or train in the system.

Passenger Trips – The number of "journeys" made by all passengers in a given time period. A passenger transferring to a second bus to complete his trip would count as two boardings but only one trip. Also known as "linked trips".

Peak Vehicles – The number of vehicles required to operate the highest frequency service on a route, during peak periods (morning and evening rush hours).

Revenue Hours – The total number of hours that a vehicle is operated in revenue service.

Revenue Miles – The total number of miles that a vehicle is operated in revenue service.

Revenue Service – The miles or hours operated by a bus when it is scheduled to be picking up or discharging passengers.

Senior Lien Obligation – The highest priority of debt obligation, paid before other obligations.

Signature Bus Service – A local bus service that serves select stops that have high connectivity and ridership on existing local service routes. Service is characterized by reduced headways, higher speeds, and distinctive buses and stops, when compared to regular local service. Also known as Quickline bus service.

Transit Center – A facility usually comprised of a passenger boarding area with little or no long-term parking, where passengers can transfer from one bus to another in a sheltered environment without having to go to downtown.

TranStar – The Greater Houston Transportation and Emergency Management Center.

Travel Demand Model – Model used to forecast future demand for public transit incorporating demographic and other variables

Tripper – A work assignment that includes only one revenue trip before it returns to the garage. METRO provides service at a level to meet demand. Since demand on most routes is highest in the a.m. and p.m. peak periods, it is necessary to operate additional equipment in these periods to handle the increased ridership. Most buses go out of service during the midday period when ridership falls to much lower numbers.

Vehicle Hours - The total number of hours that a vehicle is operated, which is the sum of revenue hours and deadhead.

Vehicle Miles - The total number of miles that a vehicle is operated, which is the sum of revenue miles and deadhead.

List of METRO Acronyms and Abbreviations

ADA	Americans with Disabilities Act
ARBOC	Manufacturer of ARBOC Vans
ARGO	Automated Reversible Gate Operation
BBF	Buffalo Bayou Facility
BOF	Bus Operating Facility
BPAS	Bluetooth® Proximity Alert System
BRT	Bus Rapid Transit
CAF	Construcciones y Auxiliar de Ferrocarriles - LRV Mfr
CAFR	Comprehensive Annual Financial Report
CAM	Cost Allocation Model
CBR	Capital Budget Review Committee
CFO	Chief Financial Officer
CIP	Capital Improvement Program
CNG	Compressed Natural Gas
COPs	Certifications of Participation
CP	Commercial Paper
CPOS	Cashless Point of Sale Device
DPS	Department Of Public Safety
EAM	Enterprise Asset Management (system)
EIS	Environmental Impact Statement
EMV	Europay Mastercard Visa
ERP	Enterprise Resource Planning
FFGA	Full Funding Grant Agreement
FTA	Federal Transit Administration
GAAP	Generally Accepted Accounting Principles
GASB	Government Accounting Standards Board
GMP	General Mobility Program
H1	First LRV order from Siemens; 100 series
HCFC	Harris County Flood Control District
HCTRA	Harris County Toll Road Authority
H-GAC	Houston-Galveston Area Council
HOT	High-Occupancy Toll (Lanes)
HOV	High-Occupancy Vehicle (Facility)
HSR	High Speed Rail
HVAC	Heating, Ventilation & Air Conditioning

IT	Information Technology
IVOMS	Integrated Vehicle Operations Mgt System
IVR	Interactive Voice Response
KOs	Contractual Obligations
LOC	Line of Credit
LRT	Light Rail Transit
LRV	Light Rail Vehicle
MACS	METROLift Automated Calling System
METRO	Metropolitan Transit Authority of Harris County, Texas
MDBF	Mean Distance between (Mechanical) Failures
MFRI	Major Facility Rehabilitation Initiative
MPD	METRO Police Department
MRC	METRORail Completion
MRE	METRORail Expansion
NBN	New Bus Network
NTD	National Transit Database
NWTC	Northwest Transit Center
OCS	Overhead Contact or Catenary System
OEM	Original Equipment Manufacturer
OTP	On-Time Performance
OTS	Operator Timekeeping System
P&R	Park & Ride
RCTSS	Regional Computer Traffic Signal System
ROC	Rail Operations Center
S&I	Service & Inspection Facility
SAP AG	Systems, Applications and Products (ERP)
SAP-EAM	SAP Enterprise Asset Management System
SOGR	State of Good Repair
Trapeze	Manufacturer of Transportation Software
TC	Transit Center
TVM	Ticket Vending Machine
TxDOT	Texas Department of Transportation