



FY 2021

Business Plan and Budget

*Essential Service
in the New
Normal*



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

Don Elder, Jr.
Second Vice-Chair

Troi Taylor
Secretary

Lisa Castañeda

Lex Frieden

Bob Fry

Terry Morales

Sanjay
Ramabhadran
(Ram)

President & Chief Executive Officer

Thomas C.
Lambert



September 7, 2020

Carrin F. Patman
Chair of the Board
Metropolitan Transit Authority

Dear Ms. Patman:

Please find the attached proposed FY 2021 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 FY 2021 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 FY 2021 Business Plan. In accordance with Board-approved procedures, it is recommended that the Board adopt the following three budgets and the estimated transfer of Sales Tax receipts to the General Mobility Program (the GMP Escrow) for the Metropolitan Transit Authority of Harris County for Fiscal Year 2021 (October 1, 2020 – September 30, 2021).

Operating Budget	\$ 676,320,000
Capital Budget	\$ 172,083,151
Debt Service Budget	\$ 118,951,425
Transfer to the General Mobility Program	\$ 179,784,655

A public hearing on the proposed FY 2021 Business Plan & Budget is scheduled to be held at noon on Tuesday, September 22, 2020. As the METRO boardroom is closed to the public in order to follow COVID-19 social distancing guidelines by the Centers for Disease Control, the public hearing will be held remotely by video conference call and streamed live. The proposed FY 2021 Business Plan & Budget is scheduled for approval by the Board at the regular September meeting Thursday, September 24, 2020.

Sincerely,

Thomas C. Lambert
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, 2019

A handwritten signature in black ink that reads "Christopher P. Morill". The signature is written in a cursive style with a clear, legible font.

Executive Director

A RESOLUTION

APPROVING THE FISCAL YEAR 2021 BUSINESS PLAN & BUDGETS, 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 2021 Business Plan and Budgets available to the public within the requisite timeframe and has held a public hearing regarding such budgets; and

WHEREAS, the METRO Board of Directors ("Board of Directors") has reviewed such proposed budgets for Fiscal Year 2021 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 2021 Business Plan & Budgets 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 2021 Business Plan & Budgets have been satisfied.

Section 2. The Board of Directors hereby approves and adopts the Fiscal Year 2021 Business Plan & Budgets submitted by the President & CEO.

Section 3. The Board of Directors hereby approves and adopts an Operating Budget for Fiscal Year 2021 totaling \$676,320,000.

Section 4. The Board of Directors hereby approves and adopts a Capital Budget for Fiscal Year 2021 totaling \$172,083,151.

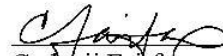
Section 5. The Board of Directors hereby approves and adopts a General Mobility Transfer Budget for Fiscal Year 2021 totaling \$179,784,655.

Section 6. The Board of Directors hereby approves and adopts a Debt Service Budget for Fiscal Year 2021 totaling \$118,951,425.

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 2021.

Section 8. This Resolution is effective immediately upon passage.

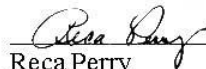
I hereby certify that the above resolution is accurate in describing the action herein of the Board of Directors on the date below.



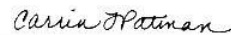
Cydonii Fairfax
Executive Vice President & General Counsel

PASSED this 24th day of September, 2020
APPROVED this 24th day of September, 2020

ATTEST:



Reba 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

APPENDICES

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

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Executive Summary

The year 2020 will long be remembered as a challenging time for our region, our nation, and our world.

During the COVID-19 pandemic, METRO continued to serve our community:



We provided essential service for essential workers.



We delivered donated groceries to the doors of our most vulnerable customers.



We took bus and train cleanliness to the next level.



We masked up and provided masks for our riders to do the same.



Even during these difficult times, there have been reasons to be proud.



On February 13, 2020, METRO's name shone in Times Square to celebrate a Wall Street deal that meant \$72.3 million in savings for the Authority. The successful pricing of its 2020A bonds for \$304 million capitalized on market conditions to maximize savings on debt repayment.

Six months later, METRO received the American Public Transportation Association's Outstanding Public Transportation System award, competing against other large agencies. This marks the second time within five years that METRO has earned this award, and the third time in its history.



Achievements that were factored in the award selection include:

- METRO's proactive response to Hurricane Harvey in 2017. The Authority was called a “model for emergency response” by APTA and awarded with the organization's highest honor for bus safety and security excellence.
- METRO's development of METRONext, a transformative long-range transportation plan for the Houston region. Overwhelming passage of bonding authority for the plan — nearly 70% voter approval — was possible because of a robust public engagement process.
- METRO's continued commitment to accessibility. METRO's Universal Accessibility Initiative ensures all bus stops are compliant with the Americans with Disabilities Act by 2024. Additionally, the launch of My Stop Technology made METRO one of the first transit agencies to fully implement Bluetooth technology to improve trip navigation accessibility

FY 2021 Business Plan Goals

During this period of uncertainty, METRO will stay the course, remaining focused on the same goals from the previous fiscal year. Below are METRO’s FY 2021 business plan goals:

FY2021 Business Plan Goals
Create outstanding trip experiences for all users by connecting residents to more places, more often, in a safe and efficient environment.
Enhance communities and lives by providing high quality mobility options for all service areas and users, which includes innovation and planning for the future.
Maintain and improve transportation system infrastructure.
Increase public awareness and support for the regional transportation system, which includes collaboration with Regional and National leadership.
Provide responsive, accountable, and trustworthy governance within the METRO organization.

With these goals in mind, each department of the Authority has examined its individual projected expenditures for FY 2021 from the ground up. This budgeting approach helps METRO remain a good steward of public funds. The following pages list investments that METRO will make relating to each of the five goals, while the Department Summaries section includes each department’s goals and strategies that fall under one or more of the goals. Budgeted and estimated year-end investments for FY 2020 are included in that section to provide context for the FY 2021 totals.

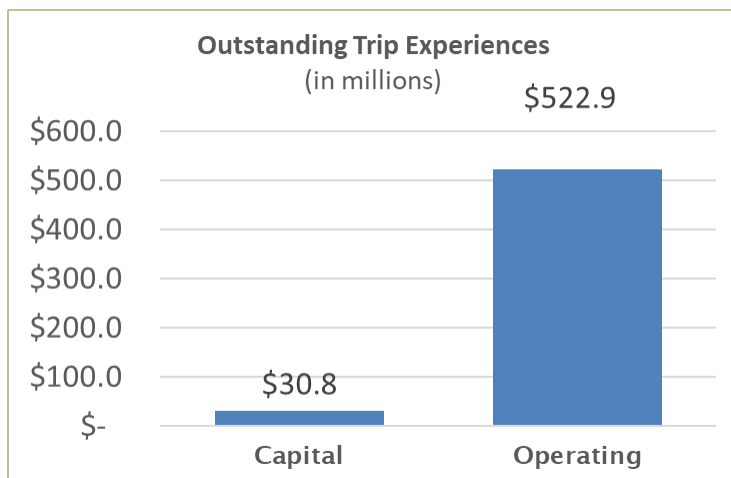
Detailed financial information from previous years can be found in METRO’s Comprehensive Annual Financial Reports (CAFR), which are in the Financial and Audit information section on METRO’s website, RideMETRO.org. Current financial information is posted in the same section in the form of monthly and quarterly financial reports.

Outstanding Trip Experiences



An outstanding transit trip starts before you ever get on board. Improved sidewalks, crosswalks, accessibility, and shelters make it easier to walk or roll to bus stops, and digital real-time information helps you know when your bus will arrive. These improvements and more are part of METRO's BOOST program to revamp bus service and facilities on the highest ridership routes.

Additional operating budget investments in FY 2021 include funding the departments responsible for providing transit service, ensuring that service is safe, assisting customers, and developing and evaluating bus and rail service. Administrative departments that help the Authority conduct its business also fit into this category.



Capital Budget

Bus Stop Accessibility/Site Improvement	\$ 20.3
Public Accessibility Bike, Sidewalk & Shelters	5.9
New Passenger Bus Shelters	4.3
Mobile Ticketing	0.3
Total	\$ 30.8

Operating Budget

Operations	\$ 426.9
METRO Police & Safety	46.4
Customer & Client Service	13.9
Information Technology	23.3
Procurement & Materials	12.5
Total	\$ 522.9

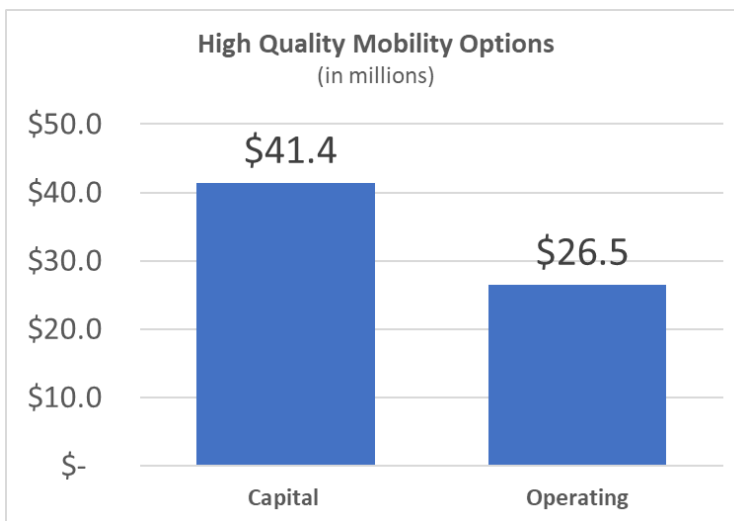
TOTAL \$ 553.7



High Quality Mobility Options



The Houston region continues to grow and change. METRO is anticipating and responding to demographic shifts, technological improvements, and variations in employment type and location. This requires planning and innovation to see the road ahead, along with ensuring that METRO's vehicles and facilities remain in good condition to meet both present and future needs. On November 5, 2019, voters approved bond funding for the METRONext Moving Forward Plan, which involves approximately 500 miles of transit improvements across our region. These improvements include the BOOST network and accessibility improvements mentioned previously, plus more METRORapid lines, transit centers, community connectors, and Park & Ride service. Continuing construction along METRO's newer rail lines will add more amenities to enhance riders' trips.



Capital Budget

METRORail Completion FFGA Commitment	\$	29.0
State of Good Repair		9.5
METRONext BOOST Program		2.9
	\$	41.4

Operating Budget

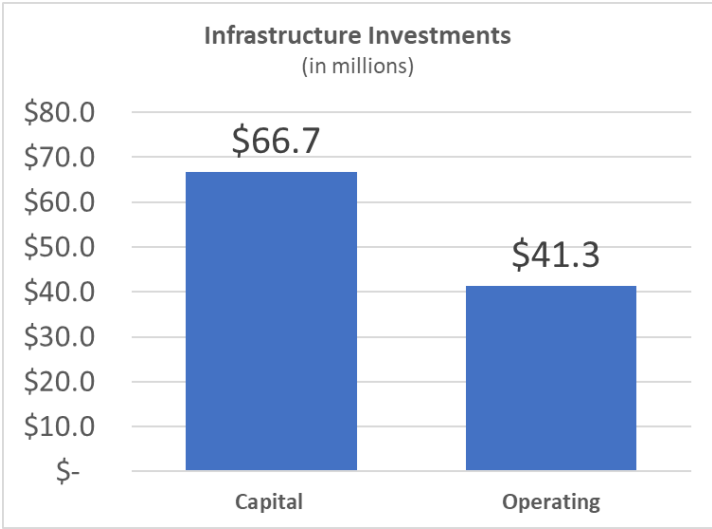
System & Capital Planning	\$	4.4
METRONext Pre-Planning		20.7
Office of Innovation		0.7
Urban Design		0.3
President & CEO's Allowance & Contingency		0.4
	\$	26.5

TOTAL \$ 67.9

Infrastructure Investments



As a good steward of public funds, METRO doesn’t just focus on building new facilities and providing new service. We track every vehicle, building, and system to see what needs repair and what needs replacement.



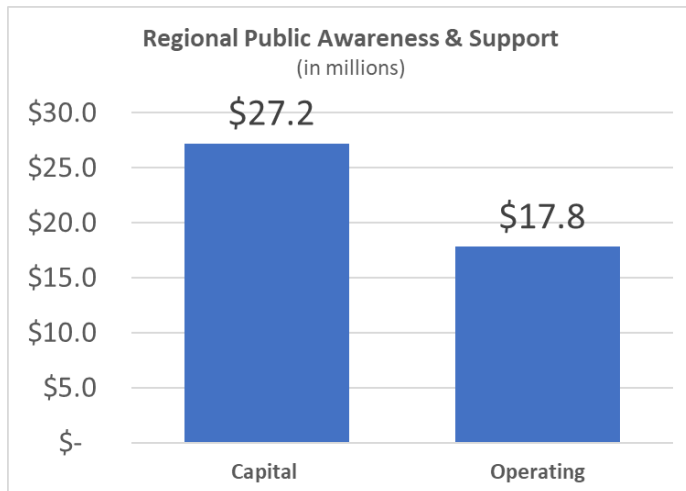
Capital Budget	
Facility State of Good Repair Upgrades	\$ 25.3
Systems State of Good Repair Upgrades	15.7
Rolling Stock Replacement	14.2
Rolling Stock State of Good Repair	11.5
	<u>\$ 66.7</u>
Operating Budget	
Facilities Maintenance	\$ 36.9
Engineering & Capital Projects	3.6
State of Good Repair Department	0.9
	<u>\$ 41.3</u>
TOTAL	\$ 108.0

Regional Public Awareness & Support



METRO’s Communications, Public Engagement, and Government Affairs groups want to make sure that everyone knows about METRO, its services, and how to ride. Part of getting the word out about METRO is working with regional partners to spread the news and serve riders better. Although METRO riders already know that they can start their journey with the tap of a card, in the near future, they will be able to use the same fare system to connect seamlessly to other transit systems in our region as well. METRO recently received \$14.8 million in competitive federal grant funds to include regional partners in our next generation fare collection system. The new account-based system

will offer riders more ways to pay fares, quickly and conveniently.



Capital Budget

Northwest Transit Center Reconfiguration & Parking Upgrade	\$ 17.7
West Bellfort Park & Ride	4.7
West Loop Bus Lane	3.6
Replacement of Automated Fare Collection System	1.0
Other	0.2
	<u>\$ 27.2</u>

Operating Budget

Public Engagement Division	\$ 1.6
Government Affairs Division	2.0
Communications Department	14.2
	<u>\$ 17.8</u>

TOTAL \$ 45.0

Trustworthy Governance



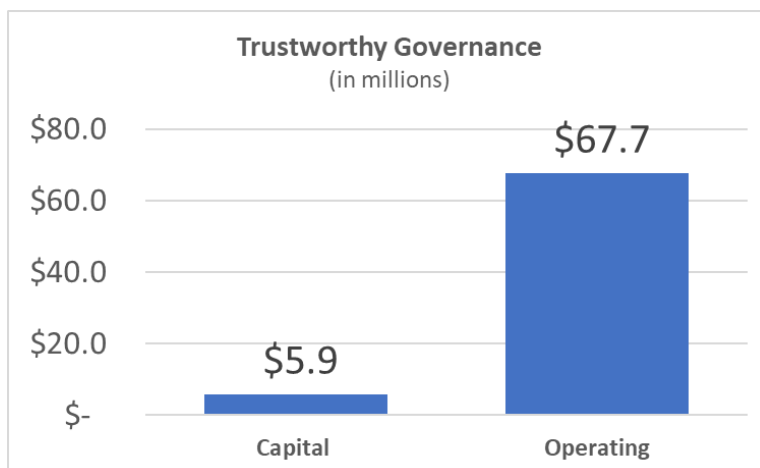
Texas Comptroller of Public Accounts

Our ratings and recognition demonstrate METRO's commitment to transparency, accountability, and good governance. Our Board and committee meetings can be viewed at www.ridemetro.org, as well as our finances, including our check register. These are among the reasons why METRO has received one or more Transparency Stars for the past nine years from the Texas Comptroller of Public Accounts along with multiple Certificates of Achievement for Excellence in Financial Reporting and Distinguished Budget Presentation Awards from the Government Finance Officers Association.

METRO has earned high marks for credit worthiness. KBRA and S&P Global assigned a 'AAA' rating and "Stable" outlook to METRO's Sales and Use Tax Refunding Bonds, Taxable Series 2020A. The 'AAA' rating from KBRA reflects an upgrade from 'AA+' assigned a year ago. KBRA attributes the upgrade to improved understanding of the timing and size of the Authority's capital plans following the passage of the \$3.5 billion bond referendum in November 2019. S&P Global also affirmed its 'AAA' rating on the Authority's parity sales tax debt outstanding.

In addition, METRO received up to \$18.5 million in grant money for construction of a new Northline Transit Center, which was originally part of the financing for the METRORail North Line extension. When that project was completed early and significantly under budget, METRO sought to utilize those savings for additional transit improvements. The new transit center will have seven bus bays and a 660-space parking garage.

To maintain these high standards, METRO's Operating Budget includes funding for departments that handle matters of compliance with laws and regulations, management, and administration.



Capital Budget

Facility Environmental Upgrades	\$ 3.3
IT Systems Upgrades	2.0
Fire/Life/Safety Rehabilitation	0.6
	<u>\$ 5.9</u>

Operating Budget

Human Resources	\$ 18.8
Finance	11.9
Operations Management Support	9.0
Executive Office, Board, & Authority Administration	4.7
Legal	3.9
Audit	1.3
President & CEO's Allowance & Contingency	18.1
	<u>67.7</u>

TOTAL \$ 73.6

Budget Highlights

The major highlights of METRO's FY 2021 Business Plan and Budget are as follows:

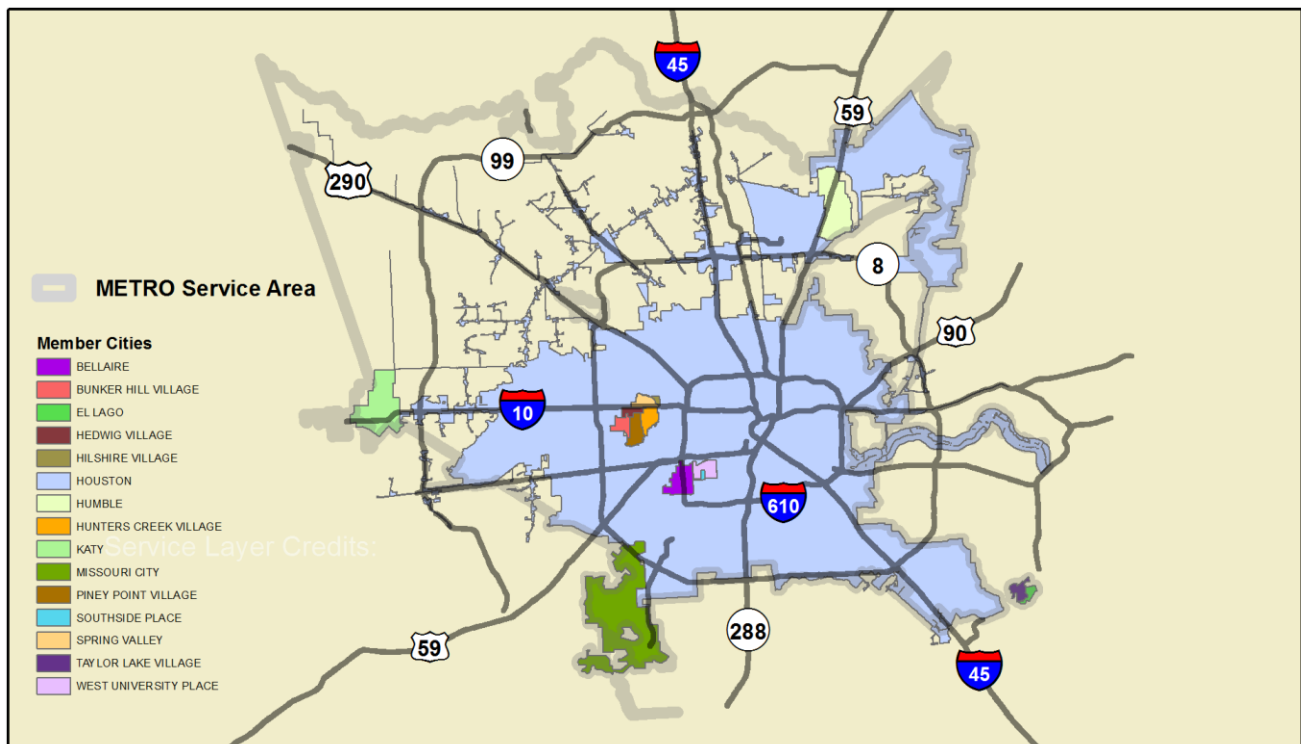
- **The total FY 2021 proposed Revenues available to METRO are \$760,689,418**, which represent a 23.3% decrease compared to the FY 2020 budget. This forecast is fiscally conservative and is mainly driven by decreases in bond proceeds as well as decreases in projected sales tax revenues and fares resulting from the COVID-19 pandemic.
- **The total FY 2021 proposed Operating Budget is \$676,320,000**, which represents a 1.1% decrease over the prior year's budget. METRO is reducing expenses where possible while absorbing additional COVID-19 costs. More details about Operating Budget drivers can be found in the Major Increases and Decreases table in the Operating Budget section.
- **The total FY 2021 proposed Capital Budget is \$172,083,151**, which represents an overall decrease of 47.9% over the FY 2020 budget. Because of the anticipated reductions in revenue due to the economic downturn resulting from COVID-19, METRO is re-prioritizing capital projects and balancing its core business needs with service expansion and enhancements.
- **The total FY 2021 proposed Debt Service Budget is \$118,951,425**, which represents a 9.6% decrease from the prior year's budget due to a reduction in debt issuances.
- **The total FY 2021 proposed transfer to the General Mobility Program is \$179,784,655**, which represents a decrease of 3.6% from the FY 2020 budget. This reflects the Authority's anticipated reduction in sales tax receipts due to the economic downturn from COVID-19. More details about the General Mobility Program can be found in the General Mobility Program section.
- **The total FY 2021 proposed workforce is 4,222**, a net decrease of 288 positions. METRO expects to reduce these positions through attrition.

During these unprecedented times, METRO remains committed to providing safe, clean, reliable, accessible and friendly public transportation to the Houston region. Our wish is for everyone to stay safe and know that together, we will get through this.

Preface

The Metropolitan Transit Authority of Harris County, Texas (the “Authority” or “METRO”) is a metropolitan mass 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 3.9 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-cent 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 street construction and mobility 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.

On November 5, 2019, voters approved bond funding for the METRONext Moving Forward Plan, which calls for 75 miles of new METRORapid service that operates like light rail, along with expansions to two-way HOV lanes, Park & Rides, transit centers, light rail, and Community Connector service. The plan also proposes enhancements to local bus stops, including improved accessibility, and upgraded safety and security measures. METRONext projects are already underway; work has begun to improve speed, reliability, and access on the 54 Scott and 56 Airline/Montrose bus routes.



METRO's Governing Principles

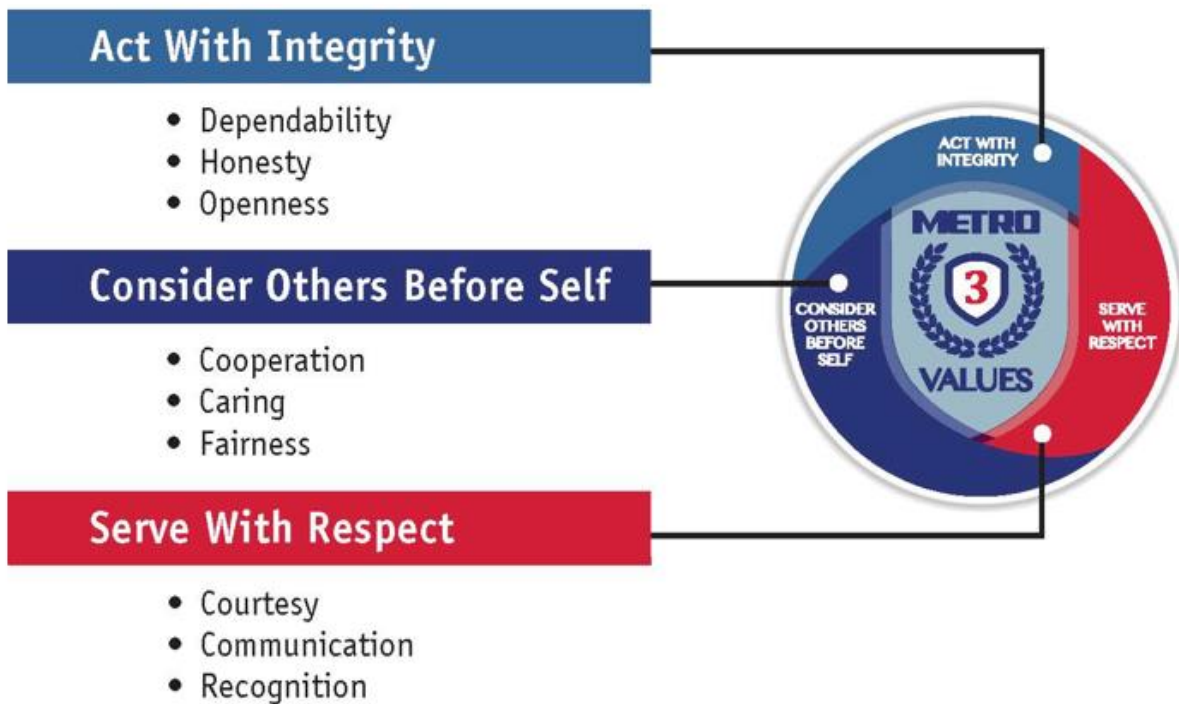
Mission

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. As chair, Carrin led the successful passage of the \$3.5 billion METRONext bond measure. METRONext calls for approximately 500 miles of travel improvements in the region over the next 20 years.

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. 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 University of Texas Health Science Center at Houston Development Board, 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. In 2018, Carrin was named Distinguished Alumna for Community Service by the University of Texas Law School Alumni Association. In 2019, the Houston chapter of WTS, which is dedicated to advancing women in transportation, named Carrin as Woman of the Year.

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

Jim Robinson, who represents Harris County on the METRO Board of Directors, is senior director of interagency coordination in Harris County's Budget Management Department. He previously served 23 years as chief appraiser of the Harris County Appraisal District and has also 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 concurrently 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 and membership in the National Guard Association of Texas. He has previously been a reserve captain for Harris County Constable Pct. 1, and chief of reserve deputies for Harris County Constable Pct. 3.

Robinson 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 retired Master Peace Officer, and a Certified Fraud Examiner.

**Don Elder Jr., Second Vice-Chair (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 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: Past member of the Katy Athletic Booster Club; Past president of Katy High School Alumni Association; Honorary member of Katy FFA, 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.

**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 eight years, the company grew from one to more than 15 associates and three offices in Texas. 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 have garnered acclaim on the national and international platform.

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 Houston – graduating from Milby Sr. High School in the Houston Independent School District (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 ISD, 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 Houston Chapter of the National Forum of Black Public Officials (NFBPA). Additionally, he is an active volunteer at The John Cooper 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.

**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 1970's, 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.

**Robert A. Fry, Jr. (M)**

Bob Fry retired in 2011 from the maritime industry after selling the company he founded in 1989. He was elected as Mayor Pro Tem (2007 - 2011) and Mayor (2011 - 2015) of West University Place serving two terms each. While in office he served as President of the Harris County Mayors and Councils Association, as a member of the board of the Houston-Galveston Area Council representing Home Rule Cities and served as a voting member representing Small Cities on its Transportation Policy Council.

A graduate of Milby High School in Houston and the University of Texas at Austin, he received U.S. Army training as a Transportation Corps officer and served in Vietnam.

He currently serves as Chairman of the Texas A&M Galveston Board of Visitors and was the Founding Chairman of the San Jacinto College Maritime Advisory Committee.

In addition, he currently serves as Chairman of the Houston Maritime Museum and recently concluded terms on the boards of the Gulf Coast River Authority and the Oaks Chamber Orchestra.

**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 the proud mother of two and a member of 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 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 – 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 as Chair of the Capital & Strategic Planning Committee and member of the Finance & Audit Committee.

His civic involvement has included serving as Chairman of the Board of Directors of Leadership Houston; President at the Texas Lyceum – a 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; Connecting Communities Initiative at Rice University's Kinder Institute; and Board of Directors of the Indo-American Charity Foundation.

Mr. Ramabhadran was honored as one of the 2012 Ten Outstanding Young Americans 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. He has been honored by the American Jewish Committee – Houston with the Human Relations award.

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

John Garcia

Vice President & Chief Auditor
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

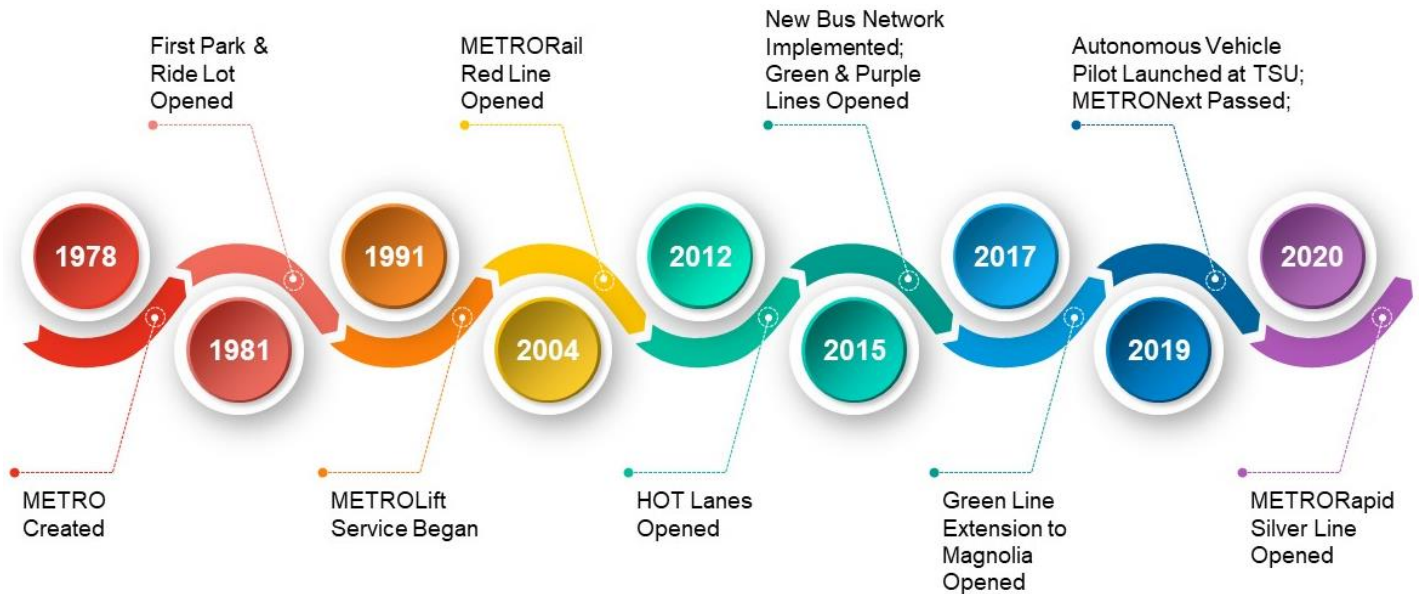
Roberto Treviño, P.E.

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 metropolitan rapid 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. Since then, the Authority has transformed a broken bus fleet into a regional multimodal transportation system.

Today, METRO has a well-established transit system. At present, METRO has 1,397 buses in active service on 84 local bus routes, one BRT route, and 11 Park & Ride routes. This level of service has been adjusted to meet customer demand due to COVID-19. The system also includes 76 light rail vehicles on three lines and a regional system of 192.5 miles of HOV/HOT lanes. METRO operates 105.3 of the 192.5 miles.

Overview of the Region and Service Area



METRO's service area population is approximately 4.7 million. The surrounding metropolitan statistical area (MSA) of Houston – The Woodlands – Sugar Land encompasses nine counties in Texas and has a population of 7.06 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 18% increase in population since 2010.

GEOGRAPHY

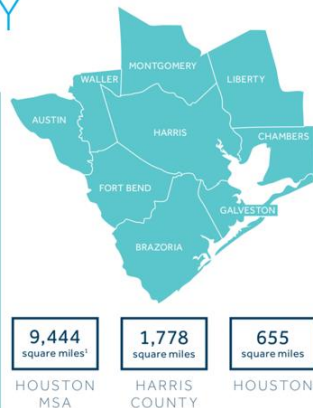
The Houston - The Woodlands - Sugar Land Metropolitan Statistical Area (MSA) contains nine Texas counties: Austin, Brazoria, Chambers, Fort Bend, Galveston, Harris, Liberty, Montgomery and Waller. Within these nine counties are 124 incorporated cities and 33 Census Designated Places (CDP).

The county seat or administrative center of Harris County is the City of Houston. Harris County contains the bulk of the city in addition to all or part of 33 incorporated cities and 12 CDPs. Small portions of Houston spread into adjacent Montgomery and Fort Bend counties.

¹ The longer title is shorted to "Houston MSA," "Metro Houston," "Greater Houston," "Houston area" or simply, "Houston"

² Combined land and water area

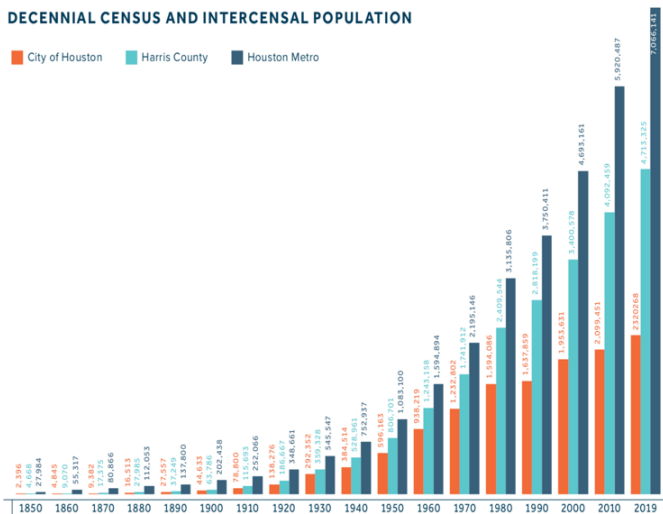
³ A Census Designated Place functions like a city or town, but is not incorporated



If the MSA were an independent nation and included in the list of countries ranked by the International Monetary Fund, it would rank as the world's 27th largest economy behind Thailand (\$487.2 billion) and ahead of Austria (\$457.6 billion) and Iran (\$452.3 billion).

DECENNIAL CENSUS AND INTERCENSAL POPULATION

City of Houston Harris County Houston Metro



Source: U.S. Census Bureau, Texas Almanac

Recent Economic Highlights

From 2010 to 2019, Houston demonstrated remarkable growth, gaining 1.5 million residents, creating more than 560,000 jobs, and adding \$140 billion (in nominal dollars) to its gross domestic product (GDP).

The region remains reliant on the energy sector but has diversified since the 1980s 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.

A continued surge in closings on homes that went under contract after the lifting of COVID-19 stay-at-home measures propelled Houston real estate into record territory in July 2020 – surpassing June's stronger-than-expected performance. However, a dwindling supply of homes caused by the burst of homebuying and home sellers holding back amid the ongoing COVID-19 crisis will make it difficult to keep up with the strong buyer demand.

The city's adopted General Fund budget for fiscal year 2020 is \$2.4 billion. Property and sales taxes compose 80.4 percent of revenue for the General Fund, with property taxes expecting to total \$1.2 billion and revenue from sales tax estimated (pre- COVID 19 pandemic) at \$694 million.

Sources:

- Greater Houston Partnership, *Houston Facts*, 2020
- Houston Association of Realtors, August 12, 2020 *MLS Report*

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. METRO will deploy its resources effectively to meet its customers' needs by implementing the following goals:

- Create Outstanding Trip Experiences
- Provide High Quality Mobility Options
- Maintain Accessible Infrastructure Investments
- Increase Regional Public Awareness & Support
- Provide Trustworthy Governance

The Authority's transit system has these components:

Bus System – Due to COVID-19, the Authority is currently adjusting services to meet customer demand with an active revenue fleet of 1,397 vehicles, including 689 diesel buses, 85 CNG buses, 433 40/45-foot hybrid buses, 14 Bus Rapid Transit buses, 38 alternative service vehicles, and 138 METROLift paratransit service vans. Previously, METRO had 1,412 buses in active revenue service. Its passenger facilities include over 9,000 active bus stops and 38,485 parking spaces.

METRO began its first Bus Rapid Transit service, the METRORapid Silver Line, on August 23, 2020. This route, which runs along Post Oak Boulevard in its own lane, connects Uptown Houston with two major transit centers and 17 bus routes.

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 Community Connector routes in the Acres Homes area, Missouri City and Northeast Houston.

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. With the addition of 7.4 miles of HOV lanes on US 290 in FY 2020, there are 192.5 miles of HOV lanes in Houston freeways. METRO operates 105.3 of the 192.5 miles.

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 FY 2015, the Purple (Southeast) and Green (East End) Lines. Destinations served by these 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.

Paratransit Service - The Authority's METROLift paratransit service uses both METRO-owned lift-equipped vans and contractor-owned and operated accessible minivans to provide trips to over 18,000 eligible riders. 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 – The Authority's METRO STAR commuter vanpool program serves an eight-county region and is one of the largest vanpool programs in the nation. Vanpools work well for long commutes not served by fixed-route transit. Riders share the cost of the van and fuel and use METRO's HOV/HOT network at no charge.



Service Plan

FY2021 Service Levels 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 STAR</u>
	<u>METRO Bus*</u>	<u>Bus</u>				<u>Service</u>		
Revenue Miles	30,958,076	6,533,435	37,491,511	1,649,920	39,141,431		15,683,259	
Revenue Hours	2,512,632	523,257	3,035,889	161,848	3,197,737		1,095,544	
Total Miles	35,600,582	7,476,228	43,076,810	1,659,614	44,736,424		18,683,163	
Total Hours	2,699,280	560,434	3,259,714	163,491	3,423,205		1,303,144	
Number of Vans								401

FY 2020 Service Levels 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 STAR</u>
	<u>METRO Bus*</u>	<u>Bus</u>				<u>Service</u>		
Revenue Miles	37,993,403	8,572,302	46,748,302	2,196,334	48,944,637	666	20,421,109	
Revenue Hours	2,808,130	595,744	3,420,528	198,910	3,619,438	130	1,178,722	
Total Miles	44,694,907	10,380,053	55,257,557	2,210,087	57,467,644	666	24,804,511	
Total Hours	3,076,543	662,753	3,755,950	201,217	3,957,167	130	1,328,449	
Number of Vans								564

*Includes Bus Rapid Transit (BRT)

Change to Service Levels: FY 2020 Budget to FY 2021 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>METRO</u>
	<u>METRO Bus</u>	<u>Bus</u>	<u>Events</u>				<u>Service</u>	<u>STAR</u>
Revenue Miles	-7,035,327	-2,038,867	-182,597	-9,256,792	-546,414	-9,803,206	-666	-4,737,850
Revenue Hours	-295,498	-72,487	-16,654	-384,639	-37,062	-421,701	-130	-83,178
Total Miles	-9,094,325	-2,903,825	-182,597	-12,180,747	-550,472	-12,731,219	-666	-6,121,348
Total Hours	-377,263	-102,319	-16,654	-496,236	-37,726	-533,962	-130	-25,305
Number of Vans								-163

<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>METRO</u>
	<u>METRO Bus</u>	<u>Bus</u>	<u>Events</u>				<u>Service</u>	<u>STAR</u>
Revenue Miles	-18.52%	-23.78%	-100.00%	-19.80%	-24.88%	-20.03%	-100.00%	-23.20%
Revenue Hours	-10.52%	-12.17%	-100.00%	-11.25%	-18.63%	-11.65%	-100.00%	-7.06%
Total Miles	-20.35%	-27.98%	-100.00%	-22.04%	-24.91%	-22.15%	-100.00%	-24.68%
Total Hours	-12.26%	-15.44%	-100.00%	-13.21%	-18.75%	-13.49%	-100.00%	-1.90%
Number of Vans								-28.90%

The impact of COVID-19 on METRO's FY 2020 ridership can be clearly seen below.

Boardings by Service Category

	FY 2019 Actual	FY 2020 Budget	FY 2020 Estimate
Fixed-Route Service			
Local/Bus Rapid Transit	59,643,687	59,409,692	45,473,413
Park & Ride	7,827,849	7,768,935	4,031,201
Subtotal Fixed-Route Bus	67,471,537	67,178,627	49,504,614
METRORail	18,556,589	18,104,519	13,181,651
Subtotal Fixed-Route Service	86,028,126	85,283,146	62,686,265
Special Events*	219,745	227,377	82,836
Total Fixed-Route	86,247,871	85,510,523	62,769,101
Customized Services			
METROLift	2,098,594	2,160,939	1,549,235
METRO STAR Vanpool	1,791,670	1,800,000	900,899
Internal Service	570	392	112
Subtotal Customized Services	3,890,834	3,961,331	2,450,246
Total Fixed-Route and Customized Services	90,138,705	89,471,854	65,219,347
HOV/HOT Carpools, Vanpools, and Non-METRO Buses	24,538,932	26,641,400	14,848,154

*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	FY2019		FY2020		FY2021
	End of Year Authorized Headcount	Actual	End of Year Authorized Headcount	Projected	End of Year Authorized Headcount
Operations, Public Safety & Customer Service	3,625	3,454	3,811	3,470	3,523
EVP Operations, Public Safety & Customer Service	9	9	9	7	9
Operations	3,165	3,046	3,255	3,045	2,998
Union FT	2,482	2,433	2,579	2,437	2,340
Union PT	89	74	89	71	89
Non-Union FT	585	538	585	536	568
Non-Union PT	9	1	2	1	1
Public Safety	381	336	473	362	451
Non-Union FT	347	313	419	327	403
Non-Union PT	34	23	54	35	48
Customer Service	70	63	74	56	65
Planning, Engineering & Construction	224	204	230	203	231
EVP Planning, Engineering & Construction	2	2	2	2	2
Construction	8	8	8	8	8
Facility Maintenance	179	163	185	164	185
Union FT	131	117	135	119	135
Non-Union FT	48	46	50	45	50
Capital & Environmental Planning	16	16	16	14	17
Engineering & Capital Project	19	15	19	15	19
Administration	246	232	255	246	262
EVP Administration	2	1	2	2	2
Information Technology	74	71	74	72	76
Human Resources	45	41	54	48	54
Procurement & Materials	120	115	120	118	123
Union FT	61	60	61	60	61
Non-Union FT	59	55	59	58	62
State of Good Repair	5	4	5	6	7
Government & Public Affairs	22	20	50	46	46
Deputy CEO	2	2	2	2	2
Public Engagement	10	8	10	10	10
Government Affairs	3	3	3	3	3
Client & Vanpool Ridership Services	6	6	34	30	30
Urban Design	1	1	1	1	1
Audit	11	8	11	8	9
Legal	19	19	19	18	19
Legal	17	17	17	16	17
Records Management	2	2	2	2	2
Finance	80	75	80	75	79
Chief Financial Officer	4	2	4	3	4
Finance	76	73	76	72	75
Communications	40	37	40	37	39
EVP, Communications	3	3	3	3	3
Press Office	7	6	7	7	7
Marketing & Corporate Communications	29	27	29	26	28
Partnership Promotions	1	1	1	1	1
Office of Innovation	4	4	5	4	5
Non-Departmental	-	-	-	-	-
Executive & Board	9	9	9	9	9
Total Union	2,763	2,684	2,864	2,687	2,625
Total Non-Union	1,517	1,378	1,646	1,429	1,597
Total Workforce	4,280	4,062	4,510	4,116	4,222

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

Total Part-Time Workforce (Union and Non-Union)	132	98	145	107	138
Total Full-Time Workforce (Union and Non-Union)	4,148	3,964	4,365	4,009	4,084

FY2021 Operating Budget Workforce Additions/Deletions

Department	Position	Additions	Deletions
Operations: Bus Maintenance	Cleaner Bus Maintenance		(13)
Operations: Bus Maintenance	Mechanic Bus Maintenance		(36)
Operations: Bus Maintenance	Utility Worker		(3)
Operations: Bus Transportation	Bus Operator		(164)
Operations: METRORail	Light Rail Servicer		(1)
Operations: METRORail	LRT Operator		(22)
	Total Union	0	(239)
Operations: Bus Maintenance	Mechanical Foreman		(3)
Operations: Bus Maintenance	Supervisor Advanced Technology	1	
Operations: Bus Maintenance	Vehicle Technology Specialist		(1)
Operations: Bus Transportation	Bus Controller	1	
Operations: Bus Transportation	Director Transportation Service Delivery		(1)
Operations: Bus Transportation	Executive Assistant (Senior Director)		(1)
Operations: Bus Transportation	Lead Scheduler		(1)
Operations: Bus Transportation	Senior Scheduler		(2)
Operations: Bus Transportation	Transit Scheduler	1	
Operations: Chief Operating Officer	Director Operational Engineering		(1)
Operations: Chief Operating Officer	Rail Systems Project Manager		(1)
Operations: Chief Operating Officer	Systems Engineer	1	
Operations: Contracted Services	Customer Service Representative (METROLift/Micro Transit)		(1)
Operations: Contracted Services	Manager Micro Transit Services		(1)
Operations: Contracted Services	METROLift/Micro Transit Service Leader		(1)
Operations: Contracted Services	Mobility Coordinator		(1)
Operations: Contracted Services	Team Leader METROLift Customer Service Call Center		(1)
Operations: Contracted Services	Team Leader METROLift Dispatch Call Center		(1)
Operations: METRORail	Chief Signals & Communications	1	
Operations: METRORail	Director LRV Maintenance		(1)
Operations: METRORail	Rail Operations Controller		(2)
Operations: METRORail	Signals & Communications Supervisor	1	
Operations: METRORail	Signals & Communications Technician		(2)
Operations: METRORail	Traction Power Technician		(1)
Operations: METRORail	Training Instructor Rail		(1)
Public Safety: METRO Police	Communication Liaison Operator		(1)
Public Safety: METRO Police	Police Cadet		(3)
Public Safety: METRO Police	Police Officer		(19)
Public Safety: METRO Police	Records Clerk		(1)
Public Safety: METRO Police	Senior Communication Liaison Operator	1	
Public Safety: METRO Police	Senior Police Officer	1	
Customer Service	Customer Service Representative		(9)
Planning, Engineering & Construction: Capital & Environmental Planning	Executive Assistant (Senior Director)	1	
Planning, Engineering & Construction: Capital & Environmental Planning	Senior Transit Planner	1	
Planning, Engineering & Construction: Capital & Environmental Planning	Transportation System Planner		(1)
Administration: Information Technology	IT Project Manager	1	
Administration: Information Technology	Web Programmer Analyst IV	1	
Administration: Procurement & Materials	Procurement/Materials Applications Analyst	1	
Administration: Procurement & Materials	Senior Contracts Admin	2	
Administration: State of Good Repair	Manager SOGR Asset Project	1	
Administration: State of Good Repair	SOGR Asset Specialist	1	
Government & Public Affairs: Client & Vanpool Ridership Services	Manager Vanpool Customer Service & Fleet		(1)
Government & Public Affairs: Client & Vanpool Ridership Services	Senior Vanpool Billing Clerk		(1)
Government & Public Affairs: Client & Vanpool Ridership Services	Vanpool Customer Service Representative		(2)
Audit	Auditor III IT		(1)
Audit	Deputy Chief Auditor		(1)
Finance	Accounts Payable Clerk		(1)
Finance	Fare Media Agent Field	1	
Finance	Vault Assistant		(1)
Communications: Marketing & Corporate Communications	Digital Content Marketing Specialist		(1)
	Total Non-Union	18	(67)

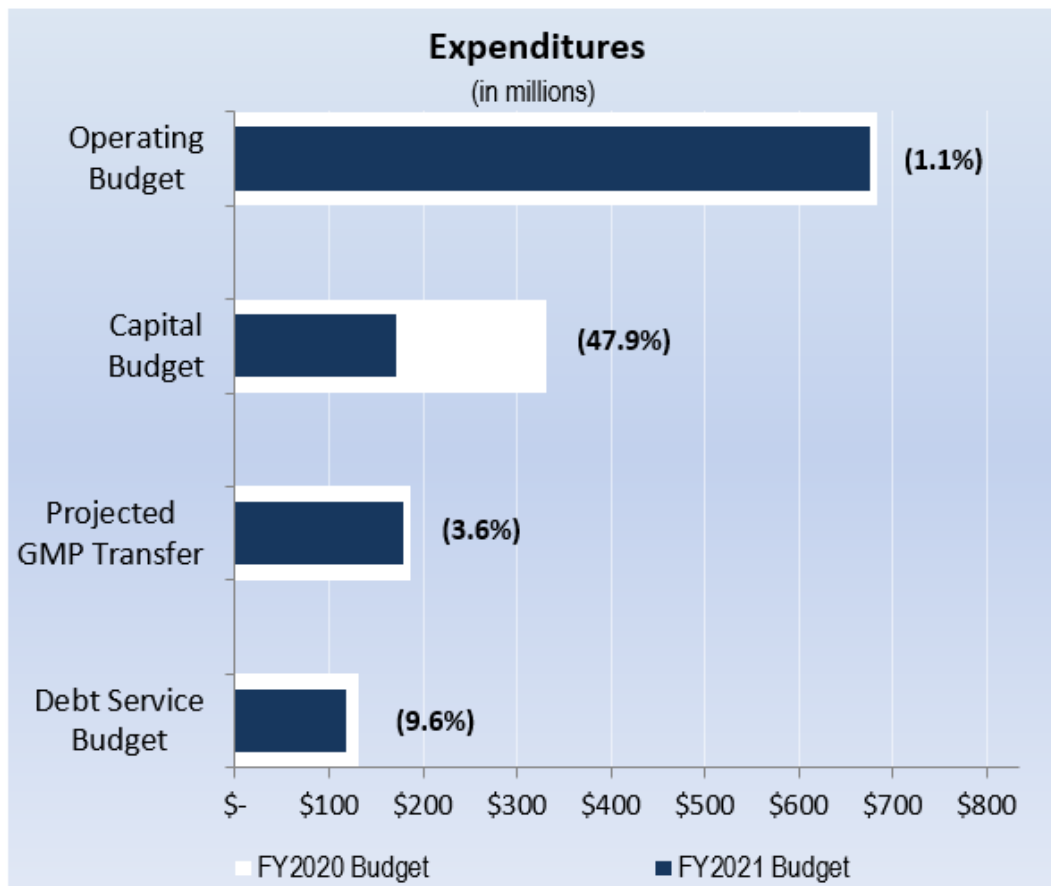
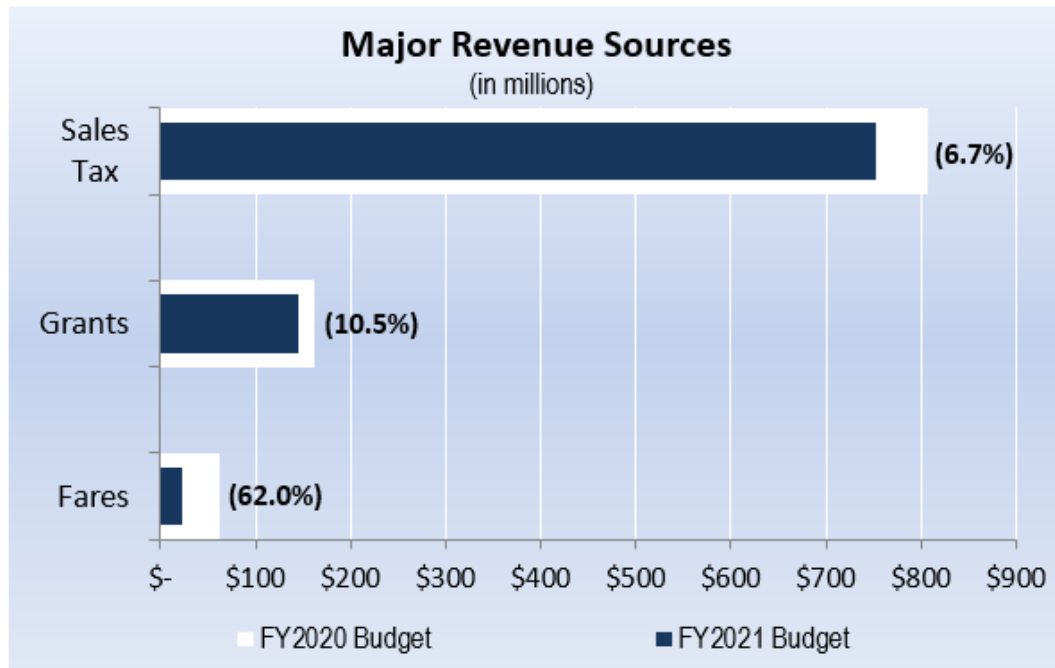
Total	18	(306)
Total Year-Over-Year Change in Authorized Positions		(288)



Authority Budget Summary

	FY2019 Actual	FY2020 Budget	FY2020 Estimate	FY2021 Budget	Budget-to-Budget \$	Variance %
Sales Tax	\$775,392,664	\$806,755,942	\$ 763,624,042	\$752,944,546	\$ (53,811,396)	(6.7%)
Transfer to GMP	(193,389,876)	(186,511,080)	(181,119,592)	(179,784,655)	6,726,424	(3.6%)
Sales Tax (net GMP Transfer)	\$582,002,788	\$620,244,862	\$ 582,504,450	\$573,159,891	\$ (47,084,971)	(7.6%)
Fares	61,463,978	61,593,487	28,267,046	23,429,097	(38,164,390)	(62.0%)
Vanpool	6,364,414	6,395,643	2,935,147	2,401,641	(3,994,002)	(62.4%)
HOT Lane Revenue	7,466,286	7,344,167	5,469,262	5,469,262	(1,874,905)	(25.5%)
Grants	111,419,739	162,077,700	343,116,864	145,013,527	(17,064,173)	(10.5%)
Interest	12,040,338	2,200,000	6,100,000	5,000,000	2,800,000	127.3%
Miscellaneous	6,799,354	4,212,720	6,330,738	6,216,000	2,003,280	47.6%
Bond Proceeds	57,173,284	127,662,714	82,826,716	-	(127,662,714)	(100.0%)
Total Revenues	\$844,730,181	\$991,731,293	\$1,057,550,223	\$760,689,418	\$(231,041,875)	(23.3%)
<u>Payroll & Benefits</u>						
Wages	\$145,844,104	\$161,296,028	\$ 152,225,268	\$145,921,159	\$ (15,374,869)	(9.5%)
Union Fringe Benefits	84,818,407	87,537,777	83,796,906	86,149,786	(1,387,990)	(1.6%)
Subtotal Union Labor	230,662,511	248,833,805	236,022,174	232,070,946	(16,762,859)	(6.7%)
Salaries and Non-Union Wages	\$103,918,962	\$119,479,095	\$ 115,655,194	\$114,655,226	\$ (4,823,870)	(4.0%)
Non-Union Fringe Benefits	39,149,973	50,621,273	47,729,084	53,789,150	3,167,877	6.3%
Subtotal Non-Union Labor	143,068,936	170,100,368	163,384,278	168,444,375	(1,655,993)	(1.0%)
Allocation to Capital & GMP	(9,205,732)	(11,839,795)	(10,820,039)	(10,877,060)	962,735	(8.1%)
Subtotal Labor and Fringe Benefits	364,525,715	407,094,378	388,586,413	389,638,261	(17,456,117)	(4.3%)
<u>Materials & Supplies</u>						
Services	\$ 54,542,801	\$ 65,107,629	\$ 60,082,155	\$ 86,632,357	\$ 21,524,728	33.1%
Materials and Supplies	31,523,430	33,100,294	36,852,621	32,765,044	(335,250)	(1.0%)
Fuel and Utilities	37,430,948	41,268,972	38,420,045	38,193,770	(3,075,202)	(7.5%)
<u>Administration</u>						
Casualty and Liability	\$ 2,967,630	\$ 5,827,894	\$ 5,837,404	\$ 7,021,253	\$ 1,193,359	20.5%
Purchased Transportation	103,860,527	107,992,292	107,860,583	101,121,050	(6,871,243)	(6.4%)
Leases, Rentals and Misc.	10,814,301	22,149,535	12,318,450	14,379,088	(7,770,447)	(35.1%)
Allocation to Capital & GMP - Non-Labor	(1,136,384)	(1,040,994)	(957,671)	(1,056,042)	(15,048)	1.4%
Subtotal Non-Labor	240,003,253	274,405,622	260,413,587	279,056,519	4,650,897	1.7%
Subtotal Labor and Non-Labor	604,528,968	681,500,000	649,000,000	668,694,781	(12,805,219)	(1.9%)
Contingency	-	2,500,000	-	7,625,219	5,125,219	205.0%
Total Operating Budget	\$604,528,968	\$684,000,000	\$ 649,000,000	\$676,320,000	\$(7,680,000)	(1.1%)
<u>Capital Expenses</u>						
Core Business Items	\$ 71,669,698	\$124,345,688	\$ 93,855,590	\$ 52,348,723	\$ (71,996,965)	(57.9%)
Expansion/Enhancements	81,713,784	206,160,312	90,479,224	119,734,428	(86,425,884)	(41.9%)
Total Capital Budget	\$153,383,481	\$330,506,000	\$ 184,334,814	\$172,083,151	\$(158,422,849)	(47.9%)
Debt Service	\$101,660,073	\$131,520,209	\$ 125,612,552	\$118,951,425	\$(12,568,783)	(9.6%)

FY2020 to FY2021 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 FY 2021 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 FY 2021 has been reduced by 1.00% in the budget calculations.
- No fixed-route fare increases will be proposed for FY 2021.
- 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 "baseline" operating expenses to match customer demand, social distancing needs/cleaning, and METRONext implementation pre-planning.
- METRO will meet the funding objective for defined benefit pension plans by continuing to make 100% of the actuarially determined annual contributions.
- 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 FY 2021 is projected to be \$185.0 million.
- When reallocating or modifying budgets within the Board-adopted levels, staff will adhere to the approval levels detailed in the Financial Parameters (found in Appendix A).
 - All budget changes will be reported to the Finance & Audit Committee on a quarterly basis.
 - Any modifications increasing budgets (Budget Amendments) would require Board approval and will adhere to Texas Transportation Code 451.102 and 451.103.
- Debt service expenses, transfer of General Mobility funds, and operating expenditures received priority in allocating available funds, followed by capital expenses.

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. 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 Chief Executive Officer.

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) *Governmental Accounting Standard No. 14, The Financial Reporting Entity and Statement No. 61, The Financial Reporting Entity: Omnibus-An Amendment of GASB Statement No 14 and No. 34.*

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 Appendix C.

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 Appendix B.

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 (see the Revenue section and Appendix I for more information)
- Inflation and interest rates
- Bond financing (see the Debt service section for more information)

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 FY2021 Annual Budget
(in millions)

Description	Approved FY2020 Budget	Proposed FY2021 Budget	Change
Operating Budget	\$ 684.0	\$ 676.3	\$ (7.7) (1.1%)
Capital Budget	330.5	172.1	(158.4) (47.9%)
Projected Transfer to GMP	186.5	179.8	(6.7) (3.6%)
Debt Service Budget	131.5	119.0	(12.6) (9.6%)
Total	\$ 1,332.5	\$ 1,147.1	\$ (185.5) (13.9%)

Operating Budget

The proposed Operating budget is \$676.3 million, a decrease of \$7.7 million or 1.1% from the FY2020 approved budget level. The decrease reflects management of “baseline” operating expenses to match customer demand, social distancing needs/cleaning, and METRONext implementation pre-planning.

Capital Budget

The proposed Capital budget of \$172.1 million reflects a decrease of \$158.4 million or 47.9% from the FY2020 approved budget level. This decrease is due to a \$72.0 million or 57.9% reduction in Core Business Items Necessary to Maintain Service and a \$86.4 million or 41.91% reduction in Expansion/Enhancement Capital Costs.

General Mobility Program Transfer

The FY2021 projected General Mobility Program (GMP) transfer is \$179.8 million, a decrease of \$6.7 million or 3.6% 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 FY2021 Annual Budget
(in millions)

Description	Approved FY2020 Budget	Proposed FY2021 Budget	Change	
<u>Core Business Items Necessary to Maintain Service</u>				
Vehicle Maintenance Costs	\$ 11.538	\$ 11.490	\$ (0.048)	(0%)
Maintaining Operational Facilities (Buildings and Rail)	45.918	34.171	(11.747)	(26%)
IT Projects	5.412	4.942	(0.470)	(9%)
Vehicle Acquisition Costs	61.477	1.745	(59.732)	-97%
Subtotal	\$ 124.346	\$ 52.349	(71.997)	(58%)
<u>Expansion & Enhancements</u>				
Vehicle Acquisition Costs	\$ 8.039	\$ 12.413	\$ 4.374	54%
Safety Projects	14.886	7.029	(7.857)	(53%)
IT Projects	15.624	2.070	(13.554)	(87%)
FFGA Commitments	45.467	34.971	(10.496)	(23%)
METRONext	52.937	23.206	(29.732)	(56%)
Legacy Projects - New and/or Enhanced	68.197	30.546	(37.652)	(55%)
Allowances	1.010	9.500	8.490	841%
Subtotal	206.160	119.734	(86.426)	(42%)
TOTAL Capital Program	\$ 330.506	\$ 172.083	\$ (158.423)	(48%)

The proposed Capital budget of \$172.1 million is allocated in two program categories – Core Business Items Necessary to Maintain Service and Expansion/Enhancement Capital Costs.

The FY2021 budget allots \$52.3 million for Core Business Items Necessary to Maintain Service and \$119.7 million for Expansion/Enhancement Capital Costs:

The sub-categories of the Core Business Items Necessary to Maintain Service include Vehicle Maintenance Costs, Maintaining Operational Facilities (Buildings and Rail), IT Projects, and Vehicle Acquisition Costs.

The sub-categories of the Expansion/Enhancement Capital Costs include Vehicle Acquisition Costs, Safety Projects, IT Projects, FFGA Commitments, METRONext, Legacy Projects - New and/or Enhanced, and Allowances. This Expansion/Enhancement component includes \$110.2 million in funding of Contracted/Obligated or Committed projects in FY2021 with an additional \$9.5 million in allowances, totaling \$119.7 million.

Debt Service Budget

METRO's annual debt service budget includes the principal and interest payments as well as all administrative costs associated with the Authority's debt program, including line of credit fees and dealer fees associated with its Commercial Paper program.

The proposed budget for debt service is \$119 million, a decrease of \$12.6 million or 9.6% from the FY2020 approved budget level. This decrease reflects the following:

- Lower debt service payments for existing debt due to refundings which took place in FY2019 and FY2020;
- The defeasance ("payoff") of outstanding debt in FY2020;
- METRO does not plan to issue any new debt in FY2021.

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 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.

The outstanding debt par value net of funds in any associated debt service funds (i.e., interest and sinking funds) as of the end of FY2021 is estimated to be approximately \$1.1 billion. Tables summarizing METRO's debt position are provided in the Debt Service section of this book.

Sources & Uses of Funds

The FY2021 budget requires \$1.332 billion to fund Operating Expenditures, Debt Service, General Mobility Program (GMP), Core Business Capital Expenditures, and Expansion/Enhancement Capital Expenditures. The table below summarizes the Sources and Uses of Funds for the FY2021 budget. Fund balances carrying over from the previous year are considered sources of funds.

Sources & Uses of Funds (in millions)

	2021
SOURCES OF FUNDS	
Beginning Fund Balance	\$ 391.668
<u>Revenues:</u>	
Sales Tax	\$ 752.945
Transportation Fares*	23.429
HOT Lanes	5.469
Vanpool	2.402
Grants	145.014
Other Income	11.216
Total FY2021 Revenues	\$ 940.474
Total Sources of Funds	\$ 1,332.142
USES OF FUNDS	
<u>Expenditures</u>	
Operating Budget Expenses	\$ 676.320
General Mobility Program Transfer	179.785
Core Business Capital Expenditures	52.349
Expansion / Enhancements Capital Expenditures	119.734
Debt Service	118.951
Total FY2021 Expenditures	\$ 1,147.139
Ending Fund Balance	\$ 185.003
Total Uses of Funds	\$ 1,332.142
* Includes Fixed Route and METROLift Revenues	

Funding of METRO Activities

The Operating Budget of \$676.3 million, GMP transfer of \$179.8 million, Capital Projects including Core Business Capital Expenditures and Expansion/Enhancements Capital Expenditures of \$172.1 million, and Debt Service expenses of \$119 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 \$940.5 million and a \$206.7 million drawdown in reserve funds.

The METRO Board-approved Debt Policy, which can be found in Appendix B, 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 FY2021 year-end general fund of \$185 million includes a total of \$101.4 million, a reserve available to assist in the funding METRO's debt obligations.

In addition, the METRO Board directed an additional 10% of the forward 12-month operating expenditures to be reserved (\$67.6 million) and another \$10 million reserve as directed by the Board. Thus, the FY2021 year-end general fund balance also includes an additional \$77.6 million similarly available to assist with the funding of METRO's operating and capital activities.

In total, METRO has earmarked \$179.1 million to be available in the event of an emergency.

Fiscal Year 2021							
Sources of METRO Funds (in millions)	Operations	General Mobility	Debt Service	Capital: Core Business	Capital: Expansion & Enhancements	Reserves	TOTAL
Sales Tax	344	180	119	52	58		753
Farebox	23						23
HOT Lanes	5						5
Vanpool	2						2
Grants	83				62		145
Other	11						11
Fund Balance	207					185	392
TOTAL	676	180	119	52	120	185	1,332



Five Year Sources and Uses Summary

The table below shows an overall financial projection for the next five years to FY2025 on a cash basis.

	2019 Actuals	2020 Budget	2020 Estimate	2021	2022	2023	2024	2025
Gross Sales Tax	\$ 770,236	\$ 806,756	\$ 763,624	\$ 752,945	\$ 810,568	\$ 888,913	\$ 955,142	\$ 1,017,278
GMP	\$ (178,500)	(186,511)	(181,120)	(179,785)	\$ (186,988)	(196,781)	(205,059)	(212,826)
Net Sales Tax	\$ 591,736	\$ 620,245	\$ 582,504	\$ 573,160	\$ 623,580	\$ 692,132	\$ 750,083	\$ 804,452
Cash Reserve Carryover from Prior Year	\$ 281,031	\$ 372,300	\$ 289,365	\$ 391,668 [‡]	\$ 185,003	\$ 180,900	\$ 181,229	\$ 193,078
Fares & Misc.	\$ 90,880	81,746	49,102	42,516	\$ 45,790	52,841	69,116	90,404
Operating Grants	\$ 71,402	89,991	53,000	83,000	70,000	70,000	70,000	70,000
Capital Grants	\$ 42,613	72,088	41,282	62,014	74,626	62,463	62,680	23,687
FEMA/CARES Act Grants	\$ 1,778	-	248,835	-	-	-	-	-
Debt Proceeds (Buses & Vans)	\$ 57,173	127,663	82,827	-	60,380	68,953	146,296	51,740
Debt Proceeds (Light Rail Vehicles)				-	6,016	-	-	-
Debt Proceeds (Small Equipment)				-	81,000	57,000	-	4,000
Debt Proceeds (METRONext)				-	34,029	-	45,484	24,736
Debt Proceeds (5 Yr / Commercial Paper)				-	36,000	45,000	-	-
Subtotal	\$ 1,136,613	\$ 1,364,032	\$ 1,346,916	\$ 1,152,358	\$ 1,216,424	\$ 1,229,291	\$ 1,324,887	\$ 1,262,097
Debt Service	\$ (101,660)	\$ (131,520)	\$ (125,613)	\$ (118,951)	\$ (118,790)	\$ (133,811)	\$ (143,388)	\$ (157,281)
Capital Budget	\$ (141,935)	(330,506)	(185,335)	(172,083)	(233,400)	(229,783)	(301,880)	(218,689)
Subtotal	\$ 893,019	\$ 902,005	\$ 1,035,968	\$ 861,323	\$ 864,234	\$ 865,697	\$ 879,620	\$ 886,126
Operating Budget	\$ (603,654)	\$ (684,000)	\$ (649,000)	\$ (676,320)	\$ (683,333)	\$ (684,468)	\$ (686,541)	\$ (700,272)
Cash Reserve at Year End	\$ 289,365	\$ 218,005	\$ 386,968	\$ 185,003	\$ 180,900	\$ 181,229	\$ 193,078	\$ 185,854
Emergency	\$ (6,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)	\$ (10,000)
Board Reserve	\$ (62,621)	(68,400)	(68,400)	(67,632)	(68,333)	(68,447)	(68,654)	(70,027)
Debt Reserve @ 15%	\$ (93,931)	(102,600)	(102,600)	(101,448)	(102,500)	(102,670)	(102,981)	(105,041)
Ending Balance	\$ 126,813	\$ 37,005	\$ 205,968	\$ 5,923	\$ 67	\$ 111	\$ 11,443	\$ 786
Maximum Annual Debt Service Coverage		5.30	5.82	5.77	4.87	4.41	4.51	4.73
Outstanding Par Value Debt[†]								
Commercial Paper	\$ -	\$ 114,900	\$ 115,800	\$ 109,700	\$ 104,500	\$ 95,700	\$ 82,200	\$ 64,700
Buses & Vans Debt	\$ -	234,176	234,176	208,463	239,348	282,031	401,374	419,285
Refunding Debt	\$ -	389,772	688,095	655,340	624,553	588,885	550,808	517,407
Rail Debt (incl. KO's & Maintenance)	\$ -	318,225	30,220	19,922	25,076	25,076	23,921	22,454
METRONext Debt	\$ -	47,000	-	-	34,029	33,373	73,741	93,308
Small Equipment Debt	\$ -	64,226	25,880	25,880	134,378	218,931	200,358	177,682
Total Debt Outstanding	\$ -	\$ 1,168,299	\$ 1,094,171	\$ 1,019,304	\$ 1,161,883	\$ 1,243,995	\$ 1,332,402	\$ 1,294,836

[†]: These balances represent the outstanding par values minus the projected amounts in any associated debt service funds (i.e., interest and sinking funds).

[‡]: The Cash Reserve Carryover from Prior Year in 2021 is \$5.7 million higher to than the Cash Reserve at Year End in the 2020 Estimate as it includes transfers from the General Mobility Fund and Real Estate Fund.

Statement of Revenues, Expenses, and Changes in Net Position

The table below – Statement of Revenues, Expenses and Changes in Net Position – 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 Position (in millions)

	FY2019 Actual	FY2020 Budget	FY2020 Estimate	FY2021 Estimate
REVENUES				
Operating Revenues:				
<u>Revenues:</u>				
Transportation Fares	61.464	61.593	28.267	23.429
HOT Lane & Special Events Revenues	7.466	7.344	5.469	5.469
Vanpool Revenues	6.364	6.396	2.935	2.402
Total Operating Revenues	75.295	75.333	36.671	31.300
Operating Expenses:				
Transit Operating	659.770	684.000	649.000	676.320
Depreciation and Amortization	194.565	204.294	169.357	177.824
Total Operating Expenses	854.335	888.294	818.357	854.144
Operating Loss	\$ (779.040)	\$ (812.960)	\$ (781.685)	\$ (822.844)
Non-Operating Revenues (Expenses):				
Sales Tax	\$ 775.393	\$ 806.756	\$ 763.624	\$ 752.945
Investment Income	12.040	2.200	6.100	5.000
Inter-Government Revenue	1.677	1.677	-	0.745
Non-capitalized Interest Expense	(46.371)	(54.063)	(44.154)	(42.803)
Other Income	3.344	2.536	6.331	5.471
Grant Proceeds - Operating	72.704	89.991	53.000	83.000
Local Infrastructure Assistance/GMP	(196.428)	(186.511)	(181.120)	(179.785)
Funds passed to subrecipients	(1.302)	-	(0.489)	-
Recovery /(Loss) for Asset Impairments	1.778	-	(6.928)	-
Gain (Loss) on Sale for Disposal of Assets	0.877	-	1.099	-
Total Non-Operating Revenues	\$ 623.712	\$ 662.585	\$ 597.462	\$ 624.572
Gain/(Loss) before Capital Grants	\$(155.328)	\$(150.376)	\$(184.223)	\$(198.272)
Capital Grant Proceeds	38.715	72.088	41.282	62.014
Changes in net assets	(116.613)	(78.288)	(142.941)	(136.258)
Net Assets - beginning of the year	1,297.179	1,286.699	1,180.566	1,037.625
Net Assets - end of the year	1,180.566	1,208.410	1,037.625	901.365

Statement of Net Position

The table below shows the Authority's Statement of Net Assets as of fiscal year's ending September 30, 2019, 2020, and 2021.

Statement of Net Position

(in millions)

	FY2019 Actual	FY2020 Budget	FY2020 Estimate	FY2021 Estimate
	9/30/2019	9/30/2020	9/30/2020	9/30/2021
Assets				
Cash	\$ 19.381	\$ 5.000	\$ 27.131	\$ 10.000
Receivables	144.070	145.000	113.777	114.000
Inventory	35.928	36.000	38.140	39.000
Investments	499.948	334.713	484.303	283.882
Other Assets	5.641	6.000	6.587	7.000
Property Net of Depreciation	2,451.510	2,738.977	2,391.290	2,374.526
Land & Improvements	367.042	410.082	358.129	380.544
Total Assets	\$ 3,523.521	\$ 3,675.772	\$ 3,419.357	\$ 3,208.951
Deferred Outflow of Resources*	104.564	105.000	104.564	105.000
Liabilities				
Trade Payables	\$ 111.669	112.000	\$ 105.888	106.000
Accrued Payroll	31.981	32.000	29.920	30.000
Short-Term Debt	116.100	114.900	115.800	109.700
Long-Term Liabilities	2,069.739	2,194.462	2,113.653	2,044.886
Other Liabilities	31.804	32.000	33.886	34.000
Total Liabilities	\$ 2,361.294	\$ 2,485.362	\$ 2,399.147	\$ 2,324.586
Deferred Inflow of Resources*	86.226	87.000	87.15	88.000
Net Assets - Retained	\$ 1,180.566	\$ 1,208.411	\$ 1,037.625	\$ 901.365
Total Liabilities and Net Assets	\$ 3,541.859	\$ 3,693.772	\$ 3,436.772	\$ 3,225.951

Note:

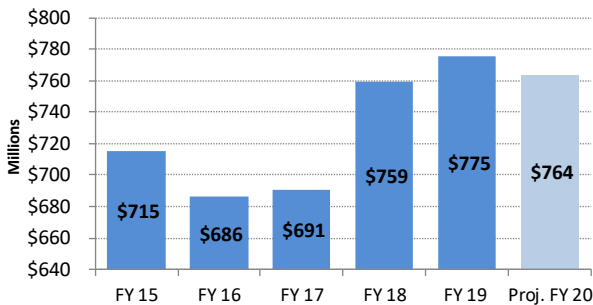
* A deferred outflow of resources is defined by the Governmental Accountability Standards Board as "a consumption of net assets by the government that is applicable to a future reporting period," and a deferred inflow of resources is defined as "an acquisition of net assets by the government that is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

Revenues

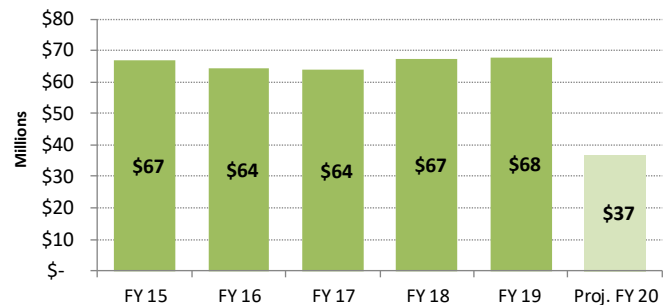
The Texas Transportation Code authorizes METRO to impose fares, tolls, charges, rents, and other compensation in amounts sufficient to produce revenue, together with sales tax revenue received by the Authority, in an amount adequate to: (1) pay all expenses necessary to operate and maintain its transit 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. METRO’s FY 2020 fare revenue has been severely reduced due to COVID-19; overall, ridership has dropped by about half, and METRO offered free fares on Local bus, Park & Ride, light rail, and METROLift services from March 23 through July 12, 2020.

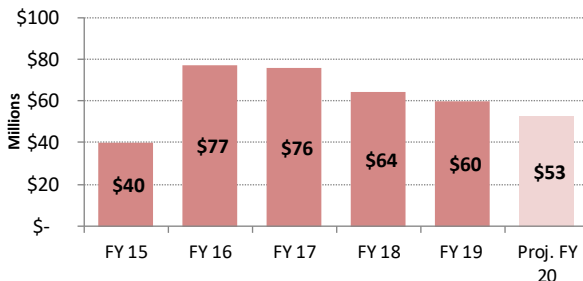
Sales Tax



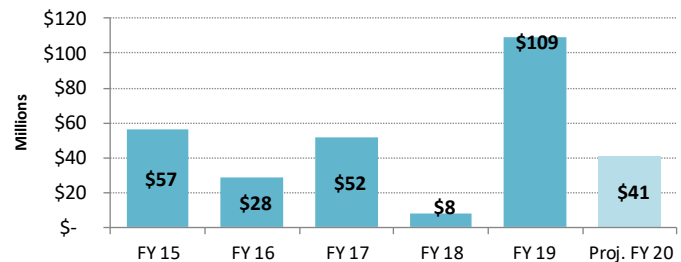
Farebox Revenue



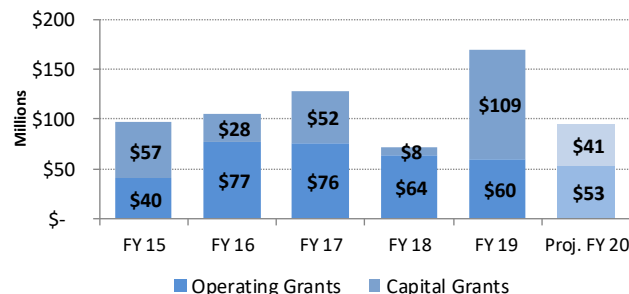
Operating Grants



Capital Grants

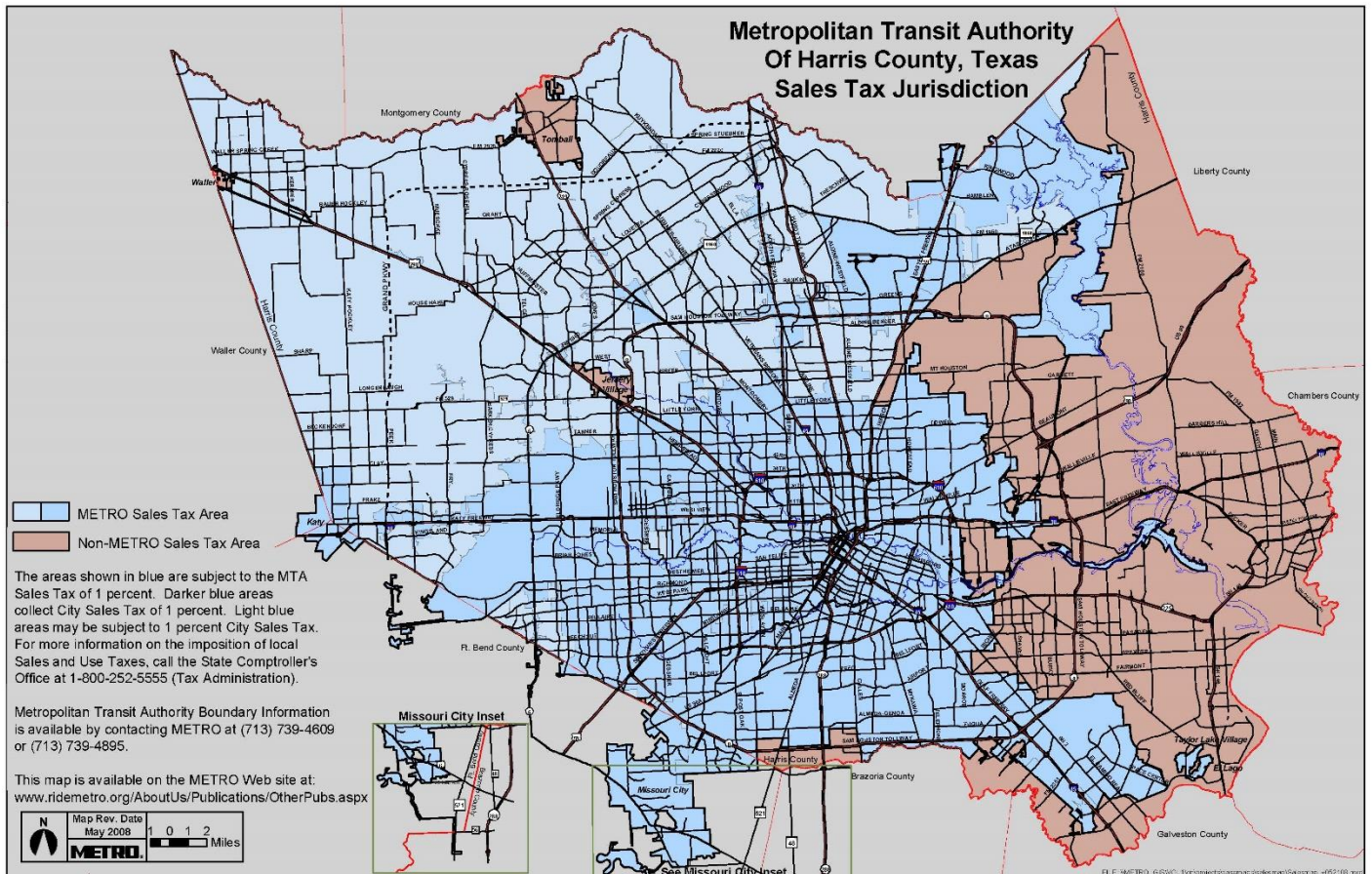


Total Grants



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.



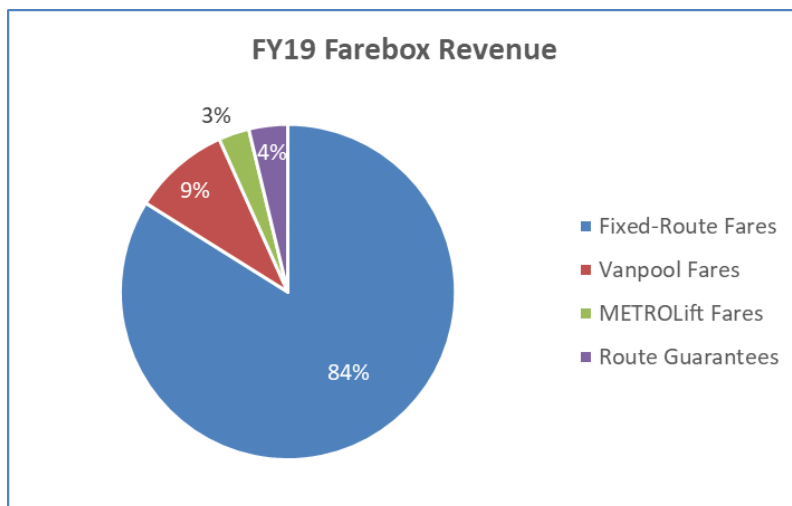
When METRO was created, service area voters approved the tax via referendum. METRO has collected the tax since 1978. This tax currently provides METRO well over \$600 million per year. Sales tax projections are developed by Dr. William (Bill) Gilmer of the Institute for Regional Forecasting at the Bauer 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 2025 can be found in Appendix I.

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 specified service.



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 METRO Star vanpool and route guarantees is recognized immediately when the payments are made. In contrast, revenue from fixed-route and METROLift fares is recognized at the time that the fares are used. 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 from between \$2.00 and \$3.50 per trip to \$2.50 – \$4.50 per trip as well.

The METROLift base fare also increased on February 1, 2016, from \$1.15 to \$1.25 for paratransit trips within the service area that is 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 base fares for local service in the country, as shown on the Comparative Base Fares map in Appendix F. METRO has no plans to increase either fixed-route or paratransit fare in FY2021.

Current Fares: Fiscal Year 2020

	Full Fare	Discounted Fare
Local/METROrail/BRT	\$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
Park & Ride Zone 7	\$8.00	\$4.00
METROLift (paratransit)		
Feeder Service	\$0.00	
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
Medicare cardholders*	METROLift riders*
Riders with disabilities who do not qualify for paratransit*	Qualified decorated and/or disabled military veterans*
Medicare cardholders*	Jurors with their summons or jury pass (if selected)

**With applicable METRO Q® Fare Card*

Federal Grants

Typically, METRO receives federal grant funds from several categories, including Section 5307 – Urbanized Area Formula Grants; Section 5309 – Capital Investment Grants; 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 Block Grant Program (STBG). 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. In FY 2020, METRO received additional grant funding from the Coronavirus Aid, Relief, and Economic Security (CARES) Act to help compensate for reduced revenues from sales tax and fares and cover additional coronavirus-related costs.

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 STBG 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 Grant

The Urbanized Area Formula Funding program (49 U.S.C. 5307) makes federal resources available to urbanized areas and to governors for transit capital and operating assistance in urbanized areas and for transportation-related planning. Funding is apportioned using legislative formulas. For areas of 50,000 to 199,999 in population, the formula is based on population and population density. For areas with populations of 200,000 and more, the formula is based on a combination of bus revenue vehicle miles, bus passenger miles, fixed guideway revenue vehicle miles, and fixed guideway route miles as well as population and population density.

Section 5309 – Capital Investment Grants

This FTA discretionary grant program funds transit capital investments, including heavy rail, commuter rail, light rail, streetcars and bus rapid transit. Federal transit law requires transit agencies seeking capital investment grant funding to complete a series of steps over several years.

Section 5310 – Enhanced Mobility of Seniors and Individuals with Disabilities

This program (49 U.S.C. 5310) provides formula funding to states for the purpose of assisting private nonprofit groups in meeting the transportation needs of older adults and people with disabilities when the transportation service provided is unavailable, insufficient, or inappropriate to meeting these needs. Formula funds are apportioned to direct recipients; for rural and small urban areas, this is the state Department of Transportation, while in large urban areas, a designated recipient is chosen by the governor. Direct recipients have flexibility in how they select subrecipient projects for funding, but their decision process must be clearly noted in a state/program management plan. The selection process may be formula-based, competitive or discretionary, and subrecipients can include states or local government authorities, private non-profit organizations, and/or operators of public transportation.

Section 5337 – State of Good Repair

The State of Good Repair Grants Program (49 U.S.C. 5337) provides capital assistance for maintenance, replacement, and rehabilitation projects of high-intensity fixed guideway and bus systems to help transit agencies maintain assets in a state of good repair. Additionally, SGR grants are eligible for developing and implementing Transit Asset Management plans

Section 5339 – Bus and Bus Facilities

Provides funding to states and transit agencies through a statutory formula to replace, rehabilitate and purchase buses and related equipment and to construct bus-related facilities. In addition to the formula allocation, the Grants for Buses and Bus Facilities program (49 U.S.C. 5339) includes two discretionary components: the Bus and Bus Facilities Discretionary Program and the Low or No Emissions Bus Discretionary Program.

Congestion Mitigation/Air Quality Improvement Program (CMAQ)

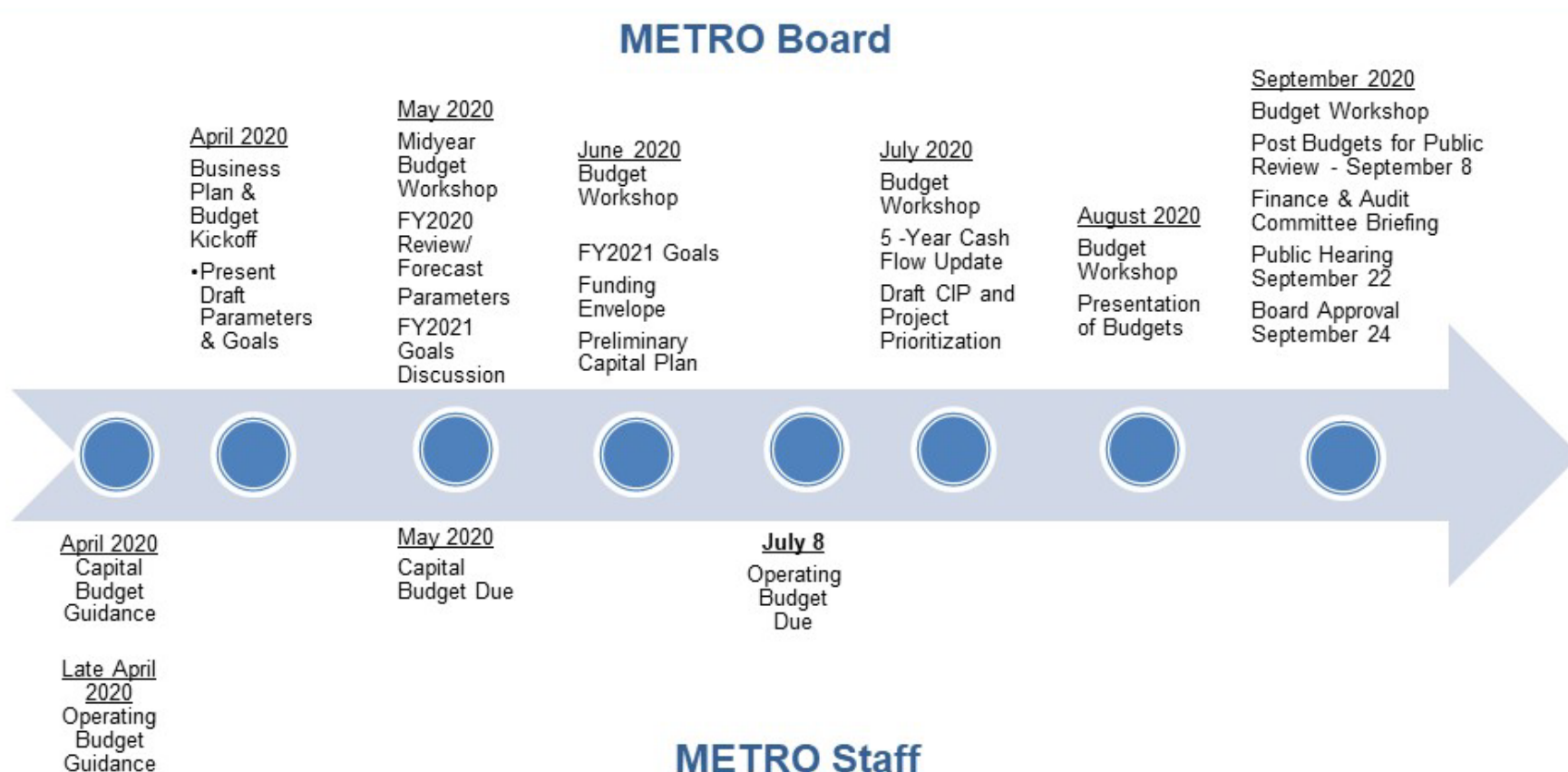
The Congestion Mitigation and Air Quality Improvement (CMAQ) Program provides funds to states for transportation projects designed to reduce traffic congestion and improve air quality, particularly in areas of the country that do not attain national air quality standards.

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 Appendix C.

FY2021 Budget Planning

Timeline



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. A public hearing will be held to receive public comments on the proposed Fiscal Year 2021 budgets at 12:00 p.m. on Tuesday, September 22, 2020 by telephone and video conference call on the Zoom meeting platform. The link to the hearing is <https://us02web.zoom.us/j/88606113800>. The meeting ID is 886 0611 3800 and the telephone number is 346-248-7799.

Based on the current guidance from public health officials recommending the limitation of in-person public meetings to slow the spread of COVID-19, all Board meetings since April 2020, including the budget workshops, have been held via videoconference call. The public can view archived recordings of the workshops and a live stream of the public hearing on METRO's website, www.ridemetro.org. Persons wishing to address the Board pre-register with the Board Office at least 48 hours in advance of the hearing. Alternatively, during the public comment portion of the hearing, persons may select the "Raise Hand" feature on the Zoom platform or press *9 if joining by telephone. Those calling in will be placed on hold. Once a participant is recognized, their microphone will be unmuted and they will be able to provide their comments.

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 public can make comments by calling METRO's Customer Service line at 713-635-4000, emailing Budget.Book@ridemetro.org, or speaking at the public hearing.

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. The CAM is also used to determine the cost by service mode for METRO's annual report to the National Transit Database.

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:

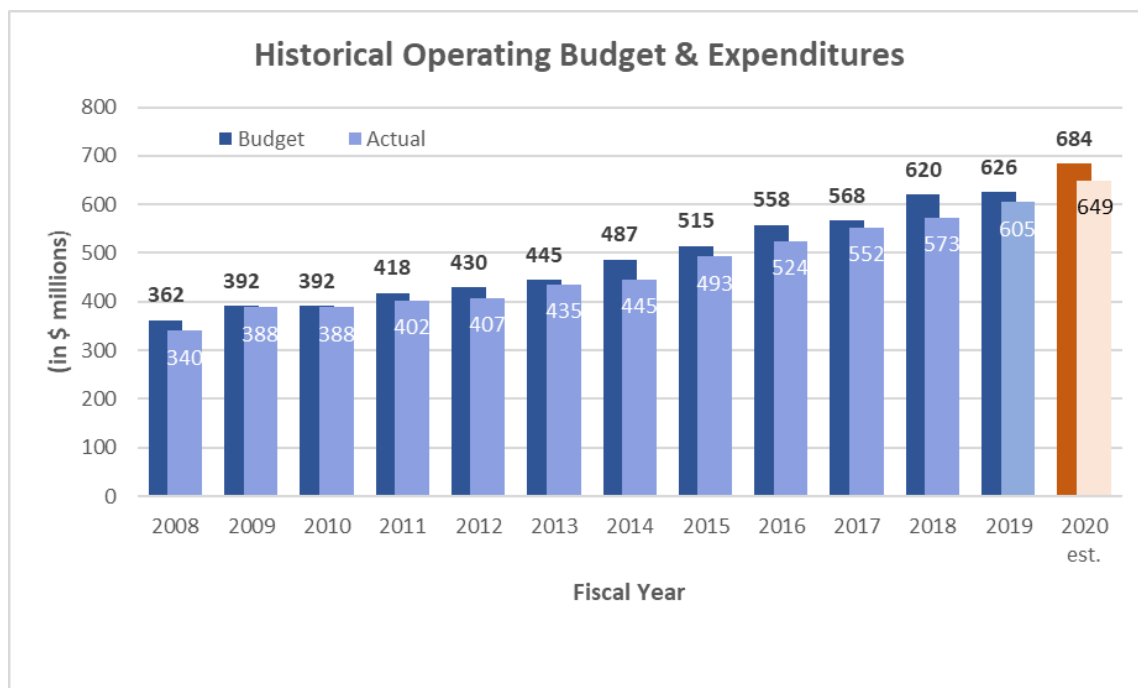
- METRO-operated Local Bus
- Contractor-operated (First Transit) Local Bus
- METRO-operated Bus Rapid Transit
- METRO-operated Park & Ride
- Contractor-operated (First Transit) Park & Ride
- METRO-operated Alternative Service (Community Connector)
- METROLift (standard service)
- METROLift Subsidy Program (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, 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 demonstrates METRO’s history of budgetary compliance.



Operating Budget

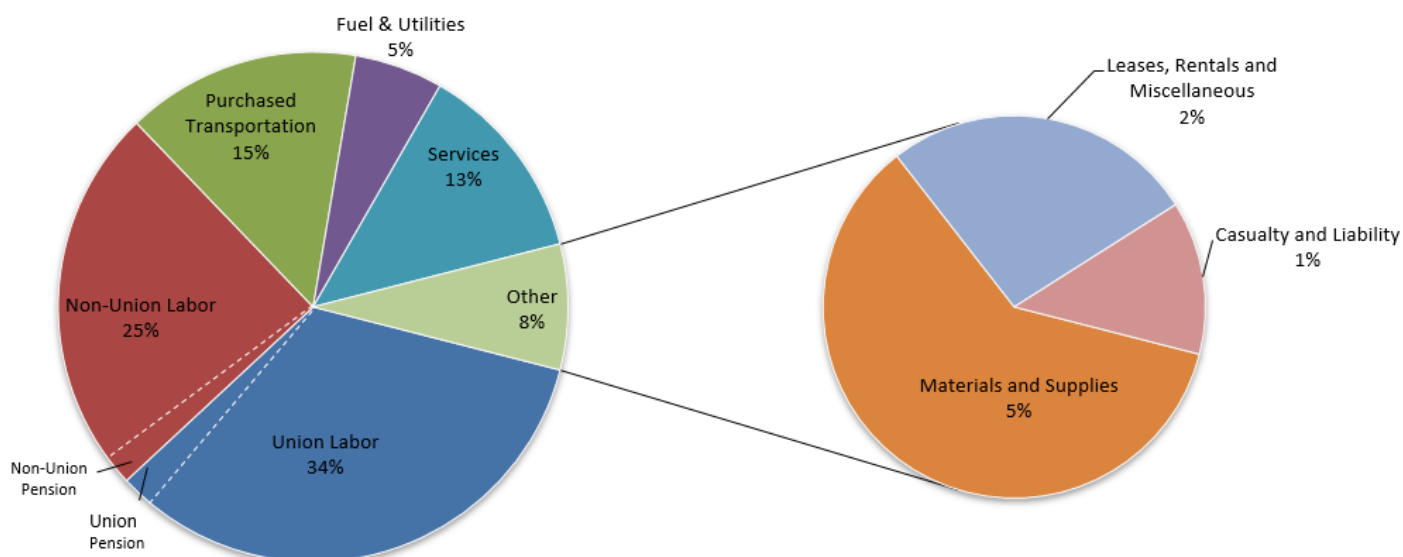
Summary		
FY 2020 Operating Budget	\$	684,000,000
Net Increase		55,537,460
Net Decrease		(63,217,460)
FY 2021 Operating Budget	\$	676,320,000
FY 2021 Net Decrease		(7,680,000)
Major Increases & Decreases		
<u>Increases</u>		
METRONext Pre-planning Operating Expenses	\$	20,665,000
COVID-19-related Investments		11,973,501
President's Contingency		5,594,344
3% union Contract Wage increase		4,575,266
Increased advertising for METRONext, METRORapid Silver Line and Safety		4,500,000
Increase in Workers' Compensation Costs		2,071,301
Increase in Medical & Dental Insurance		1,895,923
Increase in Legislative Coordination Expenses to accommodate State Legislative Session		1,015,000
Allowance for investments as allowed by Real Estate Fund		1,000,000
Lower allocation of Capital/GMP Expenses		962,735
Increase in Actuarially Determined Pension Contributions		862,065
Allowance for Innovation Projects		388,000
Other		34,325
Total Increases	\$	55,537,460
<u>Decreases</u>		
Adjust Service to Demand	\$	(23,888,577)
Elimination of non-recurring expenses from 2020		(28,340,873)
Non-Union Headcount reductions and hiring date lag		(5,292,995)
Union Reduction in Benefit Trust due to participation		(2,384,783)
Reductions in non-labor expenses in administrative areas of the Authority		(1,911,911)
Savings associated with bringing METROLift minivan service in-house		(1,398,321)
Total Decreases	\$	(63,217,460)

Operating Budget by Cost Category

	FY2019 Actual	FY2020 Budget	FY2020 Estimate	FY2021 Budget	Budget-to-Budget Variance	
					\$	%
Wages	\$ 145,844,104	\$ 161,296,028	\$ 152,225,268	\$ 145,921,159	\$(15,374,869)	(9.5%)
Union Fringe Benefits	84,818,407	87,537,777	83,796,906	86,149,786	(1,387,990)	(1.6%)
Subtotal Union Labor	\$ 230,662,511	\$ 248,833,805	\$ 236,022,174	\$ 232,070,946	\$(16,762,859)	(6.7%)
Salaries and Non-Union Wages	103,918,962	119,479,095	115,655,194	114,655,226	(4,823,870)	(4.0%)
Non-Union Fringe Benefits	39,149,973	50,621,273	47,729,084	53,789,150	3,167,877	6.3%
Subtotal Non-Union Labor	\$ 143,068,936	\$ 170,100,368	\$ 163,384,278	\$ 168,444,375	\$ (1,655,993)	(1.0%)
Allocation to Capital and GMP	\$ (9,205,732)	(11,839,795)	(10,820,039)	(10,877,060)	962,735	(8.1%)
Subtotal Labor and Fringe Benefits	\$ 364,525,715	\$ 407,094,378	\$ 388,586,413	\$ 389,638,261	\$(17,456,117)	(4.3%)
Services	54,542,801	65,107,629	60,082,155	86,632,357	21,524,728	33.1%
Materials and Supplies	31,523,430	33,100,294	36,852,621	32,765,044	(335,250)	(1.0%)
Fuel and Utilities	37,430,948	41,268,972	38,420,045	38,193,770	(3,075,202)	(7.5%)
Casualty and Liability	2,967,630	5,827,894	5,837,404	7,021,253	1,193,359	20.5%
Purchased Transportation	103,860,527	107,992,292	107,860,583	101,121,050	(6,871,243)	(6.4%)
Leases, Rentals and Miscellaneous	10,814,301	22,149,535	12,318,450	14,379,088	(7,770,447)	(35.1%)
Subtotal Non-Labor	\$ 241,139,637	\$ 275,446,616	\$ 261,371,258	\$ 280,112,561	\$ 4,665,945	1.7%
Subtotal Labor and Non-Labor	\$ 605,665,352	\$ 682,540,994	\$ 649,957,671	\$ 669,750,823	\$(12,790,171)	(1.9%)
Contingency	-	2,500,000	-	7,625,219	5,125,219	205.0%
Allocation to Capital and GMP	(1,136,384)	(1,040,994)	(957,671)	(1,056,042)	(15,048)	1.4%
Total Operating Expenses	\$ 604,528,968	\$ 684,000,000	\$ 649,000,000	\$ 676,320,000	\$ (7,680,000)	(1.1%)

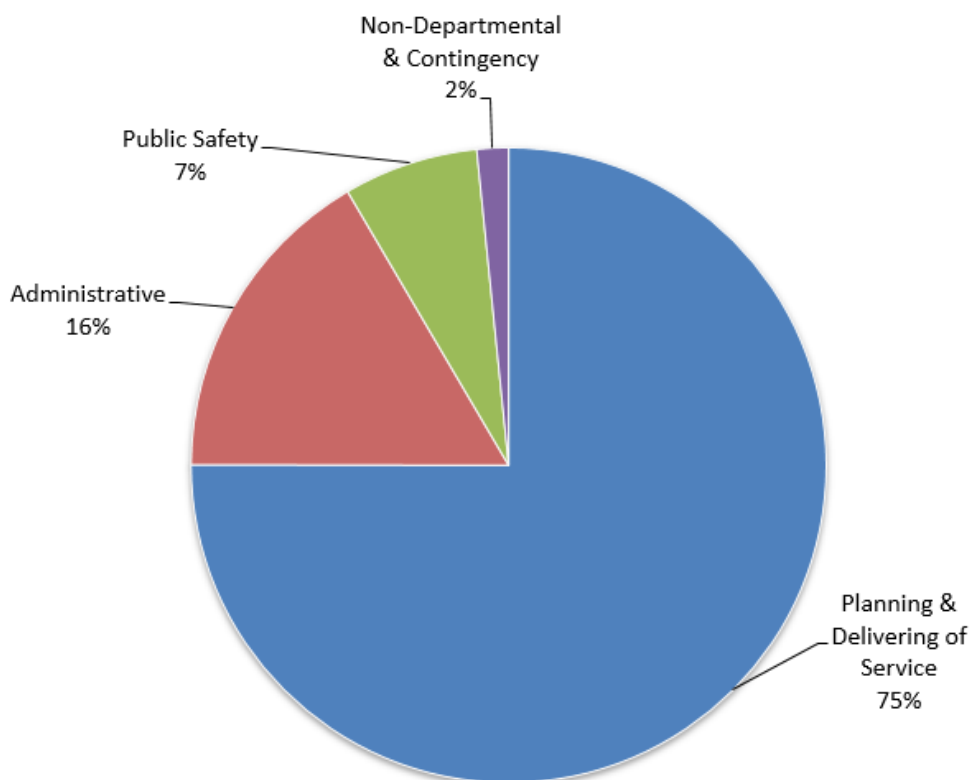
FY 2021 Operating Budget Breakdown

By Cost Category



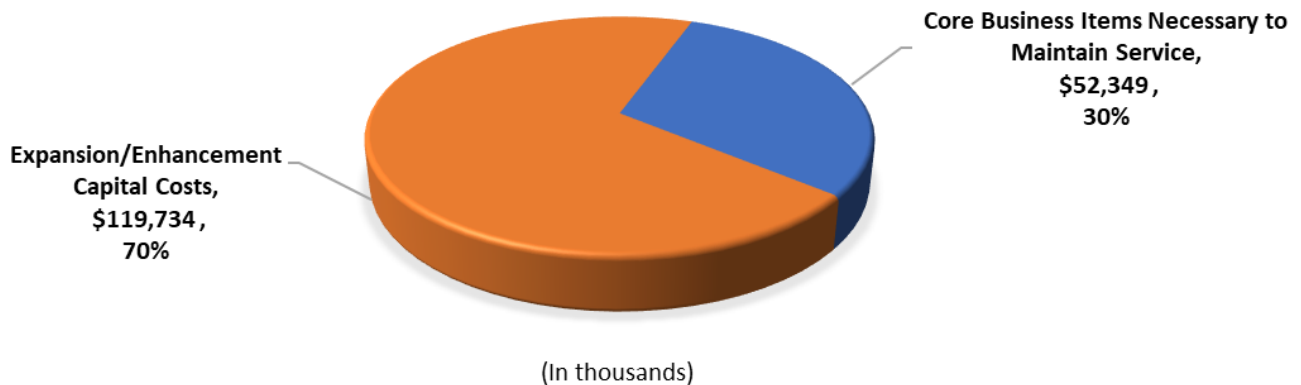
NOTE: Non-Union Pension represents 2.7% of total operating budget. Union Pension represents 3.1% of total operating budget.

By Function



Capital Budget

METRO's FY2021 Capital Programs: \$172,083,151



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 E for complete capitalization guidelines.

FY2021 Capital Budget and Five-Year Capital Program Plan

METRO's Capital Programs consist of two primary categories including Core Business Items Necessary to Maintain Service and Expansion/Enhancement Capital Costs.

The sub-categories of the Core Business Items Necessary to Maintain Service include Vehicle Maintenance Costs, Maintaining Operational Facilities (Buildings and Rail), IT Projects, and Vehicle Acquisition Costs. The Core Business component includes \$52.3 million in funding of Contracted/Obligated or Committed projects in FY2021.

The sub-categories of the Expansion/Enhancement Capital Costs include Vehicle Acquisition Costs, Safety Projects, IT Projects, FFGA Commitments, METRONext, Legacy Projects - New and/or Enhanced, and Allowances. This Expansion/Enhancement component includes \$110.2 million in funding of Contracted/Obligated or Committed projects in FY2021 with an additional \$9.5 million in allowances, totaling \$119.7 million.

FY2021 Capital Budget and Five-Year Capital Program Plan, continued

A Capital 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.

If a project is Non-Obligated, it may be funded from the \$9.5 million Unallocated Capital Project Allowance included in the FY2021 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 budget request, to ensure the request is in alignment with the established METRO goals:

- Create outstanding trip experiences for all users by connecting residents to more places, more often, in a clean, comfortable, safe and efficient environment.
- Enhance communities and lives by providing high quality mobility options for all service areas and users, which includes innovation and planning for the future.
- Maintain and improve an accessible transportation system infrastructure.
- Increase public awareness and support for the regional transportation system, which includes collaboration with regional and national leadership.
- Provide responsive, accountable and trustworthy governance within the METRO organization.

If the project meets the intent of METRO's goals and is approved to continue forward in the budget process, the Capital Budget Review Committee can approve the activation of projects under \$1 million and for projects \$1 million or more, the Capital Budget Review Committee can recommend that the project be presented to the METRO Board for approval to move forward as an active project.

A Capital Improvement Project is considered as an Unallocated 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.



Five-Year Capital Program Plan

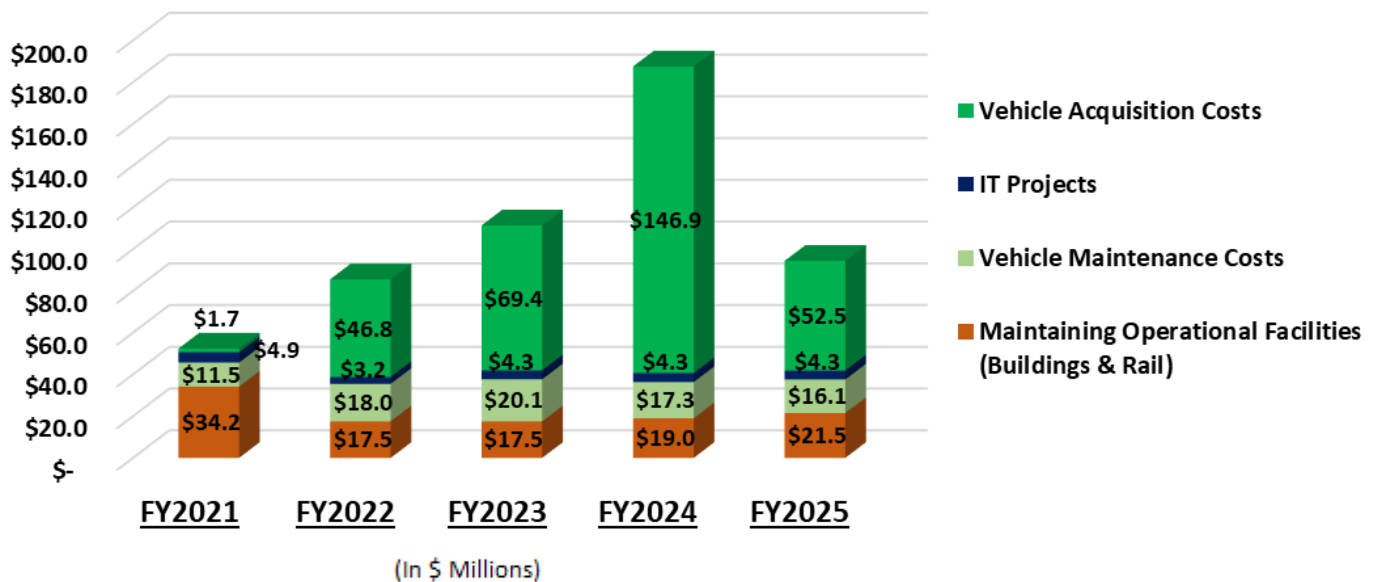
The following reflects METRO's Five-Year Capital Program plan:

Core Business Items Necessary to Maintain Service	Grant Funded	FY2021	FY2022	FY2023	FY2024	FY2025
Maintaining Operational Facilities (Buildings & Rail)	Y	\$ 34,171,310	\$ 17,500,000	\$ 17,500,000	\$ 19,000,000	\$ 21,500,000
Vehicle Maintenance Costs	N	11,490,000	17,971,000	20,144,000	17,328,000	16,060,300
IT Projects	N	4,942,000	3,242,000	4,310,000	4,310,000	4,310,000
Vehicle Acquisition Costs	N	1,745,413	46,799,187	69,403,444	146,871,167	52,504,896
Core Business Items Necessary to Maintain Service		\$ 52,348,723	\$ 85,512,187	\$ 111,357,444	\$ 187,509,167	\$ 94,375,196

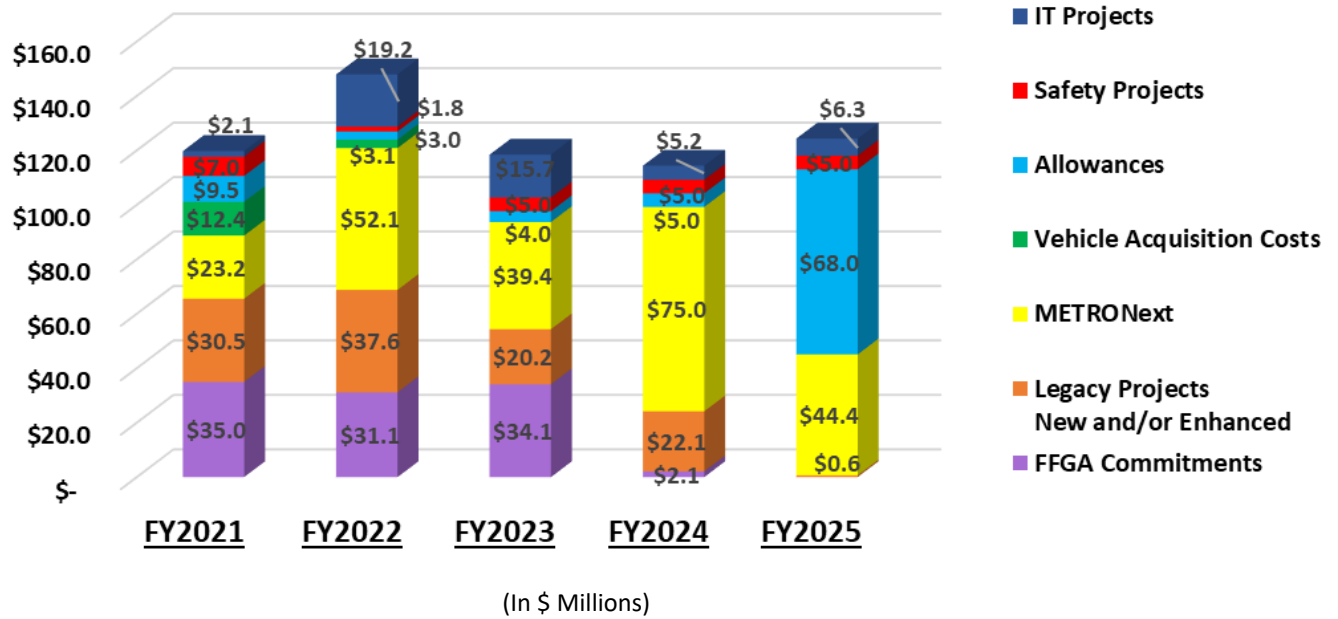
Expansion/Enhancement Capital Costs	Grant Funded	FY2021	FY2022	FY2023	FY2024	FY2025
FFGA Commitments	Y	\$ 34,971,407	\$ 31,137,955	\$ 34,078,877	\$ 2,123,000	\$ -
Legacy Projects - New and/or Enhanced	Y	30,545,648	37,615,365	20,243,000	22,072,000	628,000
METRONext	N	23,205,573	52,088,275	39,360,257	75,019,869	44,420,133
Vehicle Acquisition Costs	N	12,412,800	3,103,200	-	-	-
Allowances	N	9,500,000	3,000,000	4,000,000	5,000,000	68,000,000
Safety Projects	Y	7,029,000	1,754,000	5,000,000	5,000,000	5,000,000
IT Projects	N	2,070,000	19,189,000	15,743,000	5,156,000	6,266,000
Subtotal - Expansion/Enhancement Capital Costs		\$ 119,734,428	\$ 147,887,795	\$ 118,425,134	\$ 114,370,869	\$ 124,314,133
Capital Program - Total		\$ 172,083,151	\$ 233,399,982	\$ 229,782,578	\$ 301,880,036	\$ 218,689,329

Capital Grant Program	FY2021	FY2022	FY2023	FY2024	FY2025
Anticipated Capital Grant Funding - Total	\$ 62,013,527	\$ 74,626,189	\$ 62,463,374	\$ 62,679,702	\$ 23,686,843

Core Business Items Necessary to Maintain Service



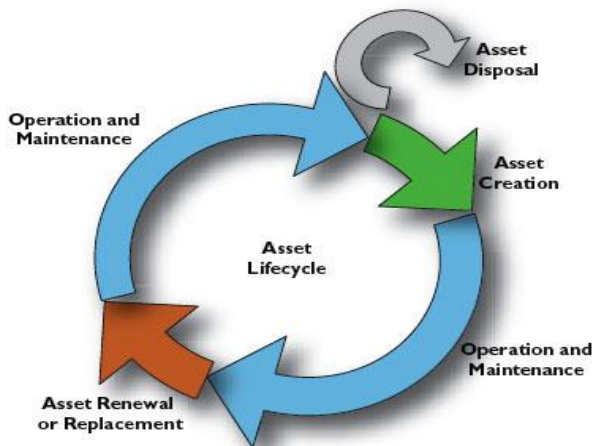
Expansion/ Enhancement Capital Costs



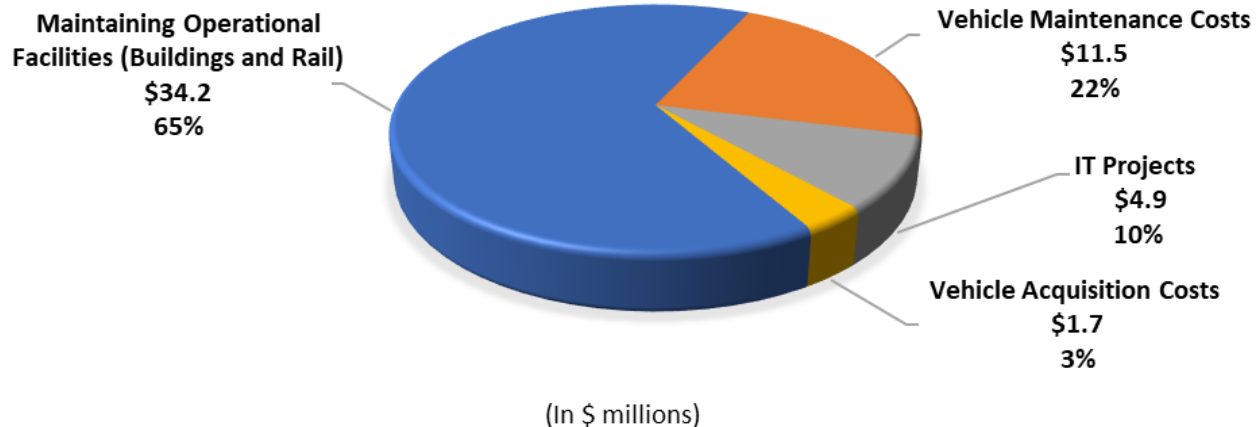
Core Business Items Necessary to Maintain Service

The infrastructure supported by the FY2021 Core Business budget includes facilities maintenance and administrative support, revenue rolling stock maintenance, and maintaining operating facility infrastructure including Bus Operating facility and Light Rail facility improvements. Maintenance of these assets is critical to ensure a high level of service, reliability and optimized operating costs.

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)



FY2021 Core Business Items Necessary to Maintain Service
\$52,348,723



Core Business Items Necessary to Maintain Service

<u>Core Business Items Necessary to Maintain Service</u>	<u>Grants</u>	<u>Local</u>	<u>FY2021</u>
Maintaining Operational Facilities (Buildings and Rail)	\$ 9,171,200	\$ 25,000,110	\$ 34,171,310
Vehicle Maintenance Costs	-	11,490,000	11,490,000
IT Projects	-	4,942,000	4,942,000
Vehicle Acquisition Costs	-	1,745,413	1,745,413
Core Business - Subtotal	\$ 9,171,200	\$ 43,177,523	\$ 52,348,723

Maintaining Operational Facilities (Buildings and Rail)

The Capital Improvement Program (CIP) provides for Core Business funding for Facility Maintenance, which involves a wide range of projects designed keep the METRO facilities in a state of good repair.

Core Business Items Necessary to Maintain Service

<u>Maintaining Operational Facilities (Buildings and Rail)</u>	<u>Grants</u>	<u>Local</u>	<u>FY2021</u>
BOF Kashmere - Electrical System Replacement	\$ -	\$ 5,789,000	\$ 5,789,000
Field Service Center - Roof Upgrade	-	5,000,000	5,000,000
BOF- Hiram Clarke Waste Water Treat Replacement	-	1,807,000	1,807,000
BOF- Polk- Oil/Water Separator Replacement	-	1,492,000	1,492,000
Bus- FSC Tools and Equipment	-	809,000	809,000
BOF Kashmere- Restroom & Kitchen Rehabilitation	-	526,000	526,000
Central Stores - Fire/Life Safety Rehabilitation	-	312,000	312,000
BOF Kashmere - Fire/Life Safety Rehabilitation	-	263,000	263,000
ROC & Red Line Composite Ties Phase 1	\$ 4,208,000	\$ 1,052,000	\$ 5,260,000
ROC & Red line Composite Ties Phase 2	3,971,200	992,800	4,964,000
LRT- Drainage Enhancement	-	3,038,000	3,038,000
LRT- Expansion Joint @ Braeswood	-	1,361,000	1,361,000
LRT- Southeast - Infrastructure (Rail TPSS Replacement)	992,000	-	992,000
LRT- Traction Power Pull Box Upgrades	-	937,037	937,037
ROC- Turntable Facility Upgrade @ ROC	-	381,000	381,000
LRT- TPSS HVAC	-	315,000	315,000
LRT- Axles Counter Case	-	275,000	275,000
LRT- Interline Overhead Catenary System Motor	-	170,273	170,273
LRT- Traction Power Tools	-	135,000	135,000
LRT- Signal Case for HVAC & Uninterrupted Power	-	105,000	105,000
LRT- Axle Counter Case for Uninterrupted Power Source	-	75,000	75,000
LRT- Fannin Switch Upgrade	-	60,000	60,000
LRT- EKOS Switch Rollers	-	50,000	50,000
S&I Lift Controls Upgrades	-	35,000	35,000
LRT- Surge Arrestor- Overhead Catenary System	-	20,000	20,000
Maintaining Operational Facilities (Buildings and Rail)	\$ 9,171,200	\$ 25,000,110	\$ 34,171,310

Vehicle Maintenance Costs

The Capital Improvement Program (CIP) provides for Core Business funding for Vehicle Maintenance, which involves a wide range of bus fleet and light rail vehicle project funding designed keep the METRO vehicles in a state of good repair.

Vehicle Maintenance Costs - continued

Core Business Items Necessary to Maintain Service

<u>Vehicle Maintenance Costs</u>	<u>Grants</u>	<u>Local</u>	<u>FY2021</u>
All Fleets-Engines	\$ -	\$ 4,780,000	\$ 4,780,000
All Fleets-HEV Hybrid	-	1,770,000	1,770,000
All Fleets-Axles	-	985,000	985,000
All Fleets-Transmissions	-	915,000	915,000
LRV- Brake Overhaul	-	2,037,000	2,037,000
LRV- Truck Overhaul	-	525,000	525,000
LRV- Propulsion Power	-	440,000	440,000
LRV- Seat Replacement - H3	-	23,000	23,000
LRV- Seat Replacements - H1	-	15,000	15,000
Vehicle Maintenance Costs	\$ -	\$ 11,490,000	\$ 11,490,000

IT Projects

The Capital Improvement Program (CIP) provides for Core Business funding of IT Department Projects, which are projects designed keep the METRO IT systems in a state of good repair.

Core Business Items Necessary to Maintain Service

<u>IT Projects</u>	<u>Grants</u>	<u>Local</u>	<u>FY2021</u>
IT- Data Center Management	\$ -	\$ 3,095,000	\$ 3,095,000
IT- Network Upgrades & Management	-	1,847,000	1,847,000
IT Projects	\$ -	\$ 4,942,000	\$ 4,942,000

Vehicle Acquisition Costs

The Capital Improvement Program (CIP) provides for Core Business funding for New Vehicle Procurement, which involves a wide range of bus fleet and light rail vehicle project funding over the full five year capital plan, designed keep the METRO vehicle fleet in an overall state of good repair.

Core Business Items Necessary to Maintain Service

<u>Vehicle Acquisition Costs</u>	<u>Grants</u>	<u>Local</u>	<u>FY2021</u>
METROLift Para-Transit Van	\$ -	\$ 303,413	\$ 303,413
METROLift Vans Make Ready	-	757,000	757,000
New Bus Make Ready	-	685,000	685,000
Vehicle Acquisition Costs	\$ -	\$ 1,745,413	\$ 1,745,413

Bus Engine Assemblies

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

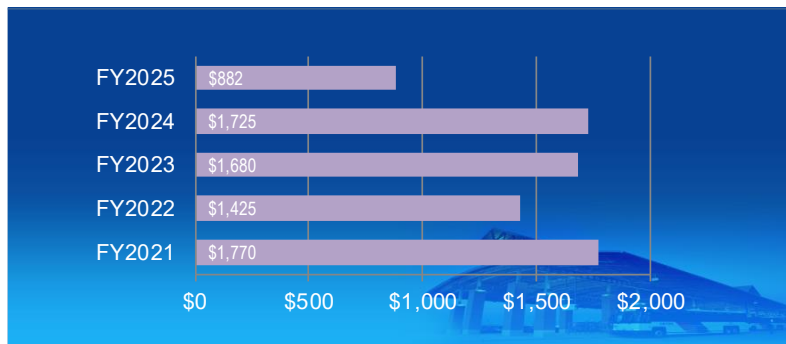
This project would involve engine replacements for 40' transit buses; 45' commuter buses, and 60' articulated buses to assure fleet dependability and provide safe and reliable transportation to METRO customers.

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 FY21-FY25 (In Thousands)



Project Scope

This project would involve replacing hybrid batteries for the 40' Orion Transit and 45' MCI Park & Ride buses to assure 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 FY21-FY25 (In Thousands)



Project Scope

This project involves a bus fleet axles replacement effort 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 the METRO bus fleet with a routine state of good repair axle 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.

Bus Transmission Assemblies

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

This project involves a bus fleet transmission replacement effort for the 40' transit buses and 45' commuter buses to assure 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.

LRV: Brakes Overhaul

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

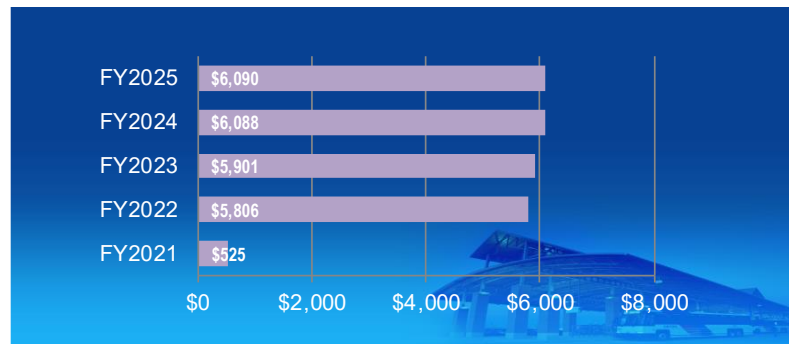
This project would install brakes in accordance with OEM overhaul recommendations, in an effort to provide safe and reliable vehicles. Brakes on the Siemens H1 and H2 LRVs were replaced in the FY2018 timeframe and brakes on the CAF H3 LRVs were overhauled in FY2020. This is now considered a yearly recurring capital overhaul program.

Operating Impact

Renovating brake components in a routine state of good repair program will lower the costs to maintain and repair them on an as-needed basis.

LRV: Truck Overhaul

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The OEM-recommended truck overhaul for FY2021 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.

LRV: Propulsion Power

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

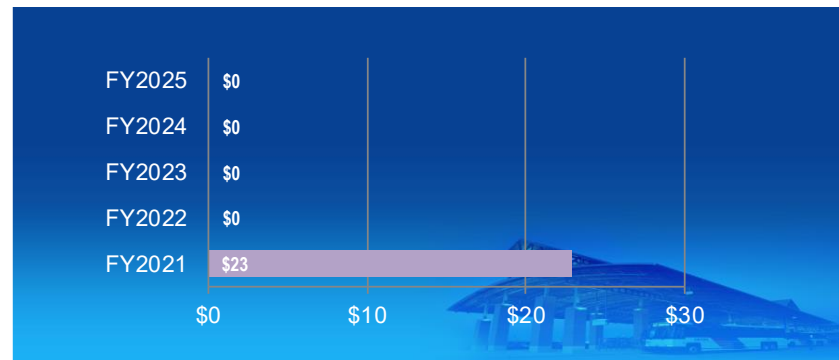
The OEM-recommended truck overhaul for FY2021 includes completing Light Rail Vehicle (LRV) Propulsion Power OEM recommended overhaul in two phases, the first in FY2021 with the replacement of fans, followed by a major overhaul in FY2023. This recurring overhaul needs to be accomplished roughly every eight years.

Operating Impact

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

LRV- Seat Replacement - H3

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

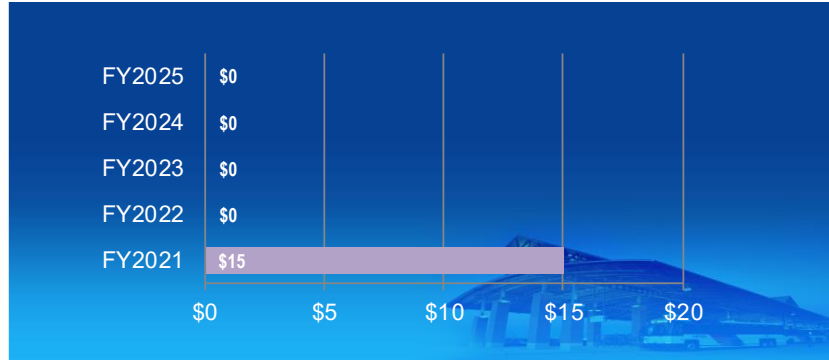
The OEM-recommended LRV Seating overhaul for FY2021 includes replacement of cloth inserts with plastic inserts, which lowers maintenance costs and provides a better customer experience. This recurring overhaul needs to be accomplished roughly every eight years.

Operating Impact

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

LRV- Seat Replacement - H1

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

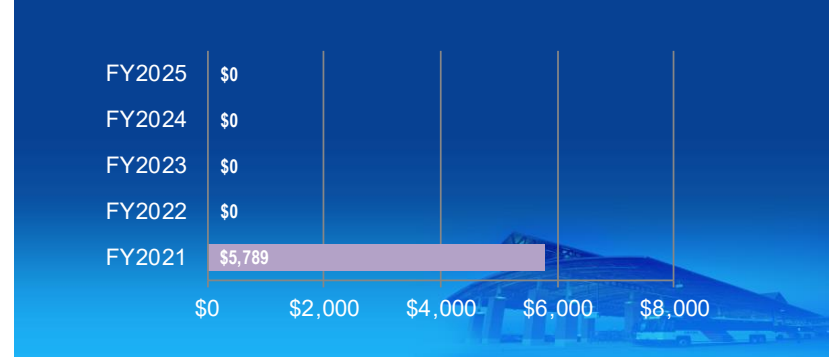
The OEM-recommended LRV Seating overhaul for FY2021 includes replacement of cloth inserts with plastic inserts, which lowers maintenance costs and provides a better customer experience. This recurring overhaul needs to be accomplished roughly every eight years.

Operating Impact

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

Rehabilitate Kashmere Electric Transformer

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

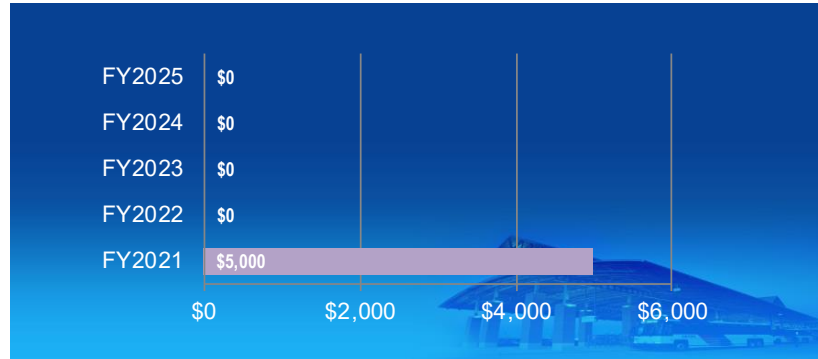
The goal of the project is to replace/upgrade or rehabilitate the existing electric transformer at the Kashmere BOF. The proposed transformer will help METRO keep an important bus operating facility like Kashmere in a state of good repair and keeping an important bus operating facility like Kashmere will help METRO market its services better and plan efficiently for the future.

Operating Impact

Project will be implemented in multiple phases during construction thereby reducing/minimizing operational impact.

Rehabilitate Field Service Center Roofing

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The goal of the project is to replace/upgrade or rehabilitate the existing 65,000 SF (approximately) roofing of the METRO Field Service Center.

Operating Impact

Operation impact will be minimal.

Replace Waste Water Treatment Plant at Hiram Clarke BOF

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

Replacement of existing WWTP that was installed in 1982. The WWTP serves the industrial waste water and after necessary treatment steps, the effluent is discharged to the City of Houston waste water main. However due to age (36 years) the WWTP is past its useful life and no longer functioning properly. A complete replacement is thereby proposed.

Operating Impact

Project will be implemented in multiple phases during construction thereby reducing/minimizing operational impact.

Replace Existing 20k Oil Water Separator at Polk BOF

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

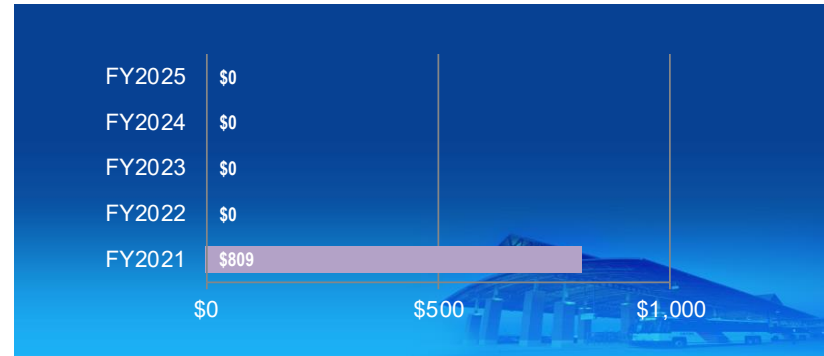
Replace Existing 20k Oil Water Separator @ Polk BOF. The proposed new 20k Oil water Separator will help METRO keep an important bus operating facility like Polk in a state of good repair and keeping an important bus operating facility like Polk will help METRO market its services better and plan efficiently for the future.

Operating Impact

Project will be implemented in multiple phases during construction thereby reducing/minimizing operational impact.

FSC Shop Tools & Equipment

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The projects of this request comprise an asset replacement program development in support of METRO's asset management plan with objective of keeping METRO's tools and equipment assets at a state of good repair rating at a level 3 or above. The selection and timing of assets to be replaced are both based on documented useful life benchmarks (ULBs) and condition assessments for the respective assets.

Operating Impact

No addition operating cost will be required.

BOF Kashmere- Restroom & Kitchen Rehabilitation

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

Installation of additional Rest Rooms and kitchen rehabilitation at the Kashmere BOF facility will involve an ADA accessible installation. Accommodating a busy METRO Bus Operating Facility such as the Kashmere facility will boost employee morale, provide convenience and eventually enhance ridership.

Operating Impact

No addition operating cost will be required.

Central Stores - Fire/Life Safety Rehabilitation

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

Rehabilitate the Central Store Fire Life Safety System to comply with the latest fire codes for compliant fire marshal inspections.

Operating Impact

The proposed improvement will help METRO keep an important operating facility like Kashmere in a state of good repair and would minimize the cost of maintaining aging facilities.

BOF Kashmere- Fire/Life Safety Rehabilitation

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

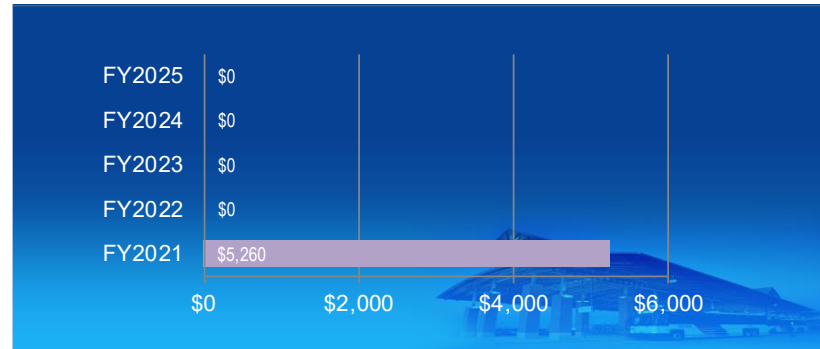
Rehabilitate the Kashmere Bus Operating Facility Fire Life Safety System to comply with the latest fire codes for compliant fire marshal inspections.

Operating Impact

The proposed improvement will help METRO keep an important operating facility like Kashmere in a state of good repair and would minimize the cost of maintaining aging facilities.

Red Line Rail Tie Upgrade

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

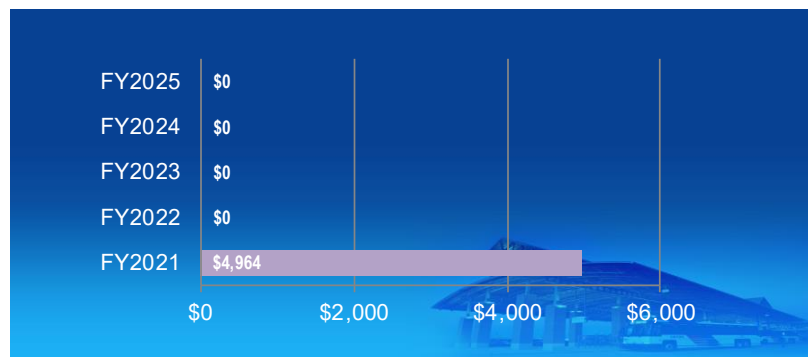
This project will upgrade/replace the rail ties along the Red Line. This project will replace all the timber crossties installed along the Red Line with new composite ties. The timber ties are past their useful life and need upgrading or replacement. The initiative ensure that state of good repair is maintained along our rail line.

Operating Impact

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

ROC Tie Upgrades/Crossings Replacements

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

This project will upgrade/replace the rail ties at the Rail Operations Center (ROC). 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. The initiative ensure that state of good repair is maintained at our rail facility.

Operating Impact

Project will be implemented in multiple phases during construction thereby reducing/minimizing operational impact.

LRT: Red Line Drainage and Subgrade Stabilization

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

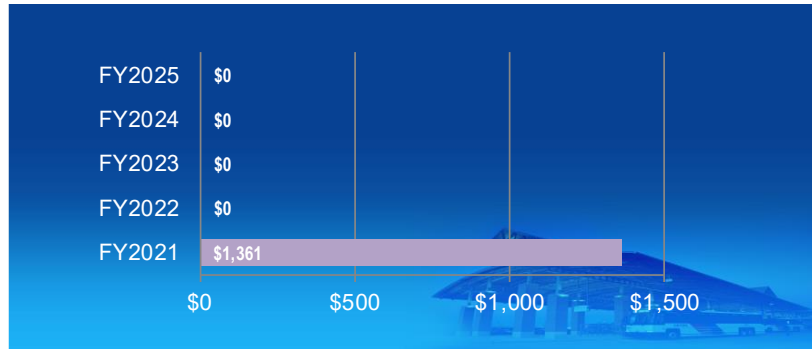
Project provides for improved drainage along the Red Line Light Rail Corridor from Holly Hall to the IH-610 area. Slow drainage issues and persistent flooding around the light rail corridor and NRG Stadium area are becoming more prevalent. During intense rainfalls, localized flooding results in operation shutdowns. This project will improve drainage characteristics of the existing area inlets and replace the French-drain system with a concrete swale and will improve the safety and security of train operations in the area. Due to the drainage issue in this area the subgrade is extremely saturated causing the rail in the area to lose its line and level (out of adjustment). The rail is brought back into its proper line and adjustment by rail tamping. Rail tamping is done two to three times per year on average.

Operating Impact

With the implementation of this project, Rail Operations will no longer be required to tamp the rail in the affected area, resulting in projected annual savings of \$100K.

LRT- Expansion Joint @ Braeswood

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

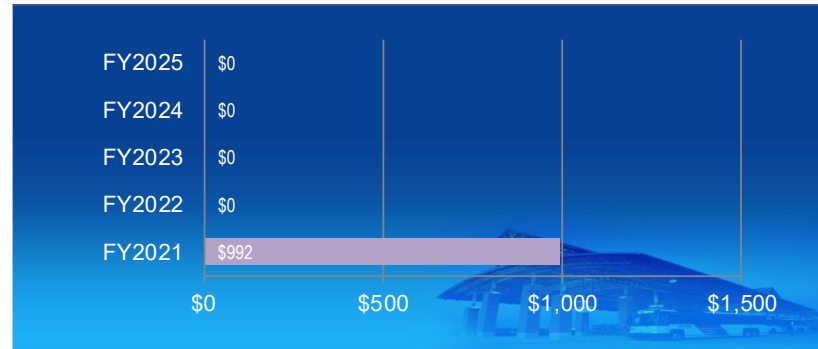
The pre-existing design at Fannin and Braeswood has proven to be insufficient for the traffic loads and configuration. This will require the elimination of the joint and a length of rail reinstalled to correct the geometry for the jointless construction being installed.

Operating Impact

With the implementation of this project, the Rail Operations group would mitigate safety (derailment) risk associated with jointed rail at bridge expansion joint, with no operating cost impact.

LRT -Southeast-Infrastructure (Rail TPSS Replacement)

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

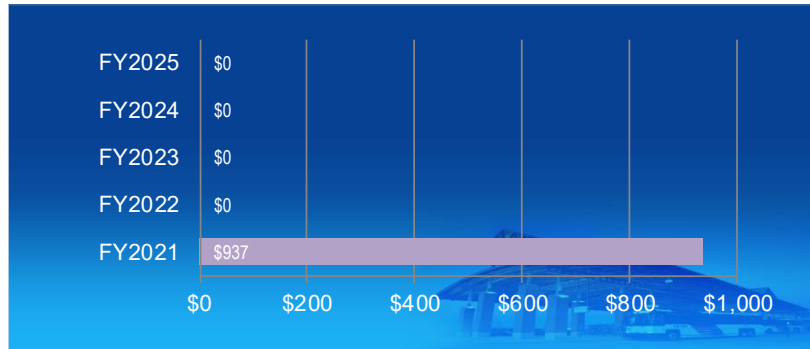
The project will install new above-ground cabinets and a traction power substation structure, built at an increased elevation since the current cables are past their useful life and need upgrading or replacement.

Operating Impact

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

Traction Power Pull Box Upgrade

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

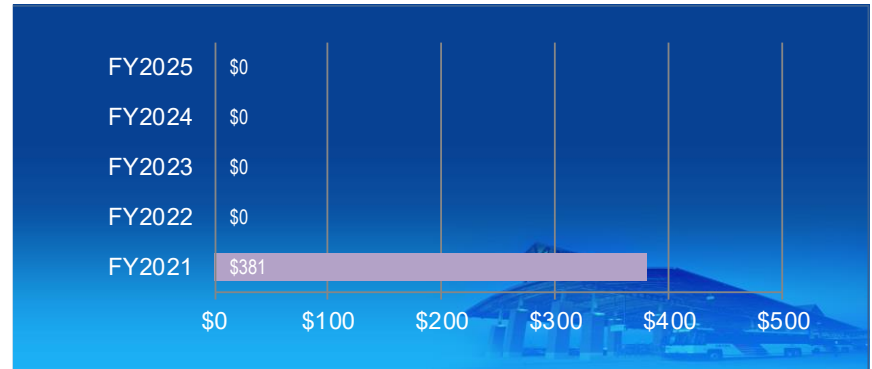
The project will install new above-ground cabinets so the traction power cable are above the water table, since the current cables are past their useful life and need upgrading or replacement.

Operating Impact

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

ROC- Turntable Facility Upgrade

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

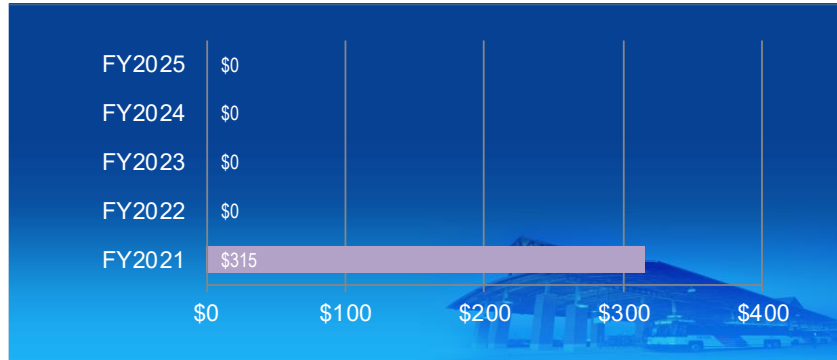
The project will install new flush-mounted Rail Operations turntable that allows for ease of handling major LRV components inside the Rail Operations Center facility.

Operating Impact

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

LRT- Traction Power Substation HVAC

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

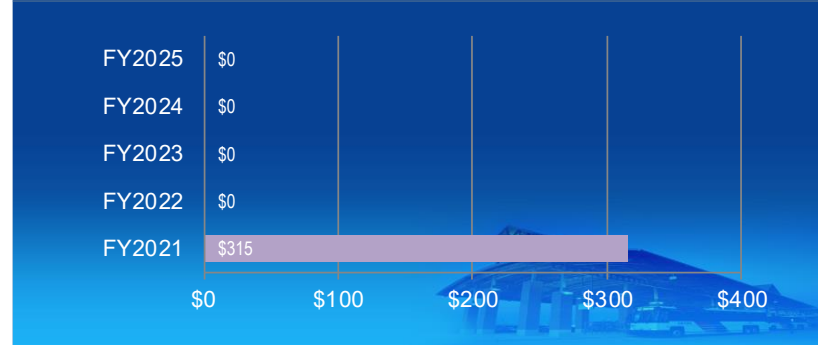
The project will rehabilitate Traction Power facilities by removing and replacing HVAC systems inside LRT substations, keeping the HVAC systems in a state of good repair will mitigate the risk of failure of the existing HVAC units and further mitigate the failure of the LRT substations.

Operating Impact

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

LRT- Axles Counter Case

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

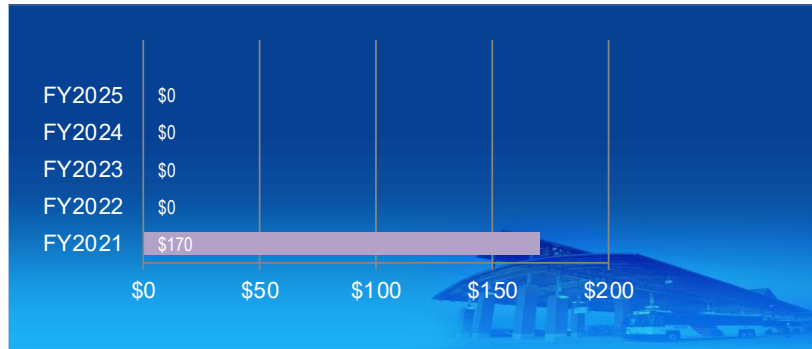
The project will rehabilitate the LRT Axle Counter Case for HVAC at East & Southeast Lines as they reach the useful life cycle in 2020/21. These axle counters HVAC are approximately 4 plus years of age. Green and Purple will need to be replaced in FY21 and North Line will need to be replaced in FY2025.

Operating Impact

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

LRT- Interline Overhead Catenary System Motor

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

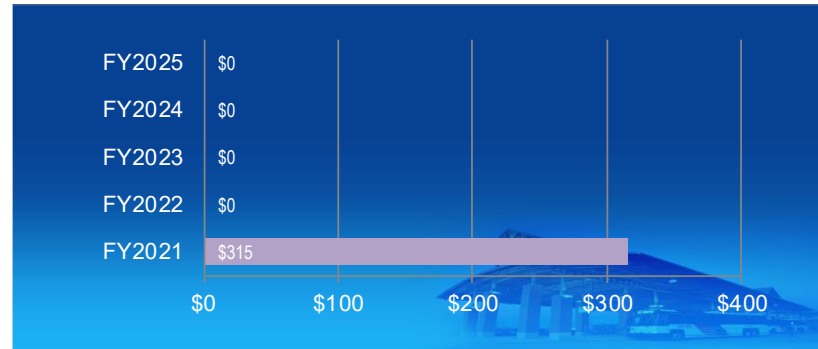
This project would finish the install of motor operated disconnect (MOD) switches for the Overhead Catenary System at Capital and Main and at Rusk and Main. The proposal is to procure four motor operated disconnects to replace the two switches between Walker and Rusk and the two switches located between 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.

LRT- Traction Power Tools

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The project will provide a Test & Restoration Trailer on site to allow Traction Power to perform repairs immediately and will improve safety, increase service reliability and have test equipment on site.

Operating Impact

Decreased maintenance and reduced down time would be the result of having a ready made Test & Restoration Trailer on site and would mitigate safety issues and operating costs by avoiding any delay to start repair work.

LRT- Signal Case for HVAC & Uninterrupted Power Source

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

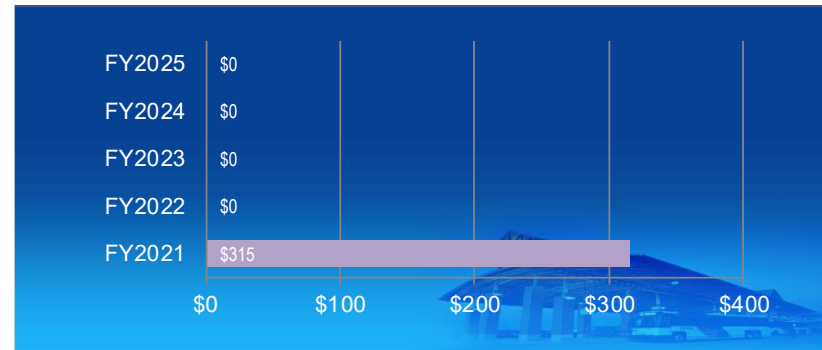
The project will provide a The EE and SE Line's existing power Signal Case for HVAC & UPS (Uninterrupted Power Source) require replacement of various parts in FY2021 to maintain safe operations. NL will need to be replaced in FY2025.

Operating Impact

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

LRT- Axle Counter Case for Uninterrupted Power Source

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The project will provide the East & SE Line Axle Counter UPS (Uninterrupted Power Source) since it has reached its useful life cycle and will need to be replaced in FY2021. The NL will need to be replaced in FY2025.

Operating Impact

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

LRT- Fannin Switch Upgrade

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The project will provide the rehabilitation of the existing power switches by overhauling and replacing various parts to maintain safe operations on the Legacy Line. Signals and Communications group will replace the switches after the FY2020 track work is complete, causing this project to roll into FY2021.

Operating Impact

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

LRT- EKOS Switch Rollers

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

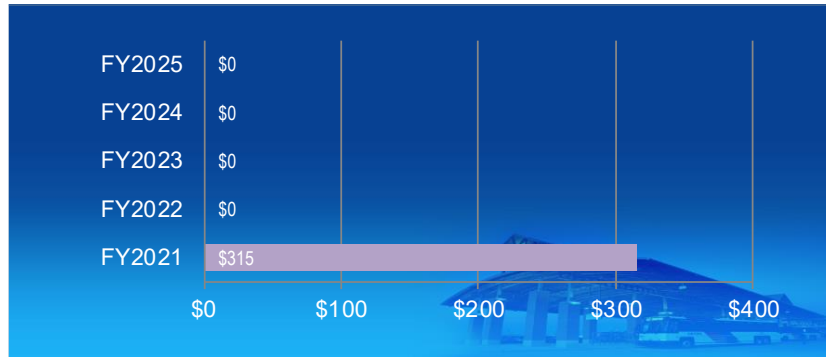
The project will install EKOSlide Rollers at Track Switches that will mitigate risk of injury to personnel when attempting to throw the switch for switching LRV to adjacent tracks.

Operating Impact

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

S&I Lift Controls Upgrades

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

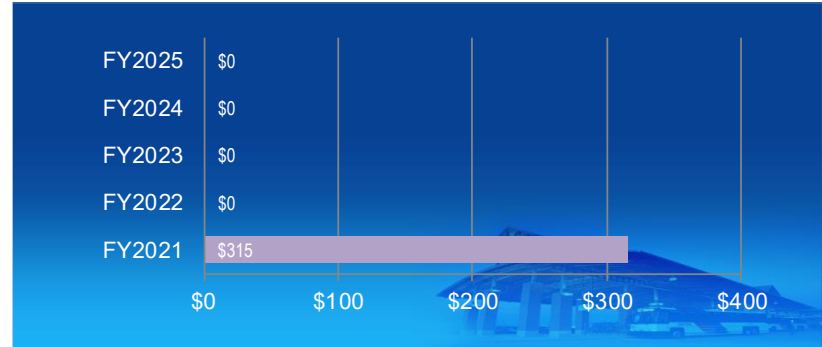
The project will install S&I Lift Controls Upgrades that will mitigate risk of injury to personnel when attempting to utilize the lift equipment at the Service and Inspection Facility on the East End Line.

Operating Impact

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

LRT- Surge Arrestor- Overhead Catenary System

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The project will install Surge Arrestors for substations that have not been replaced since 2007, with this equipment nearing the end of its life cycle.

Operating Impact

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

IT- Data Center Management

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

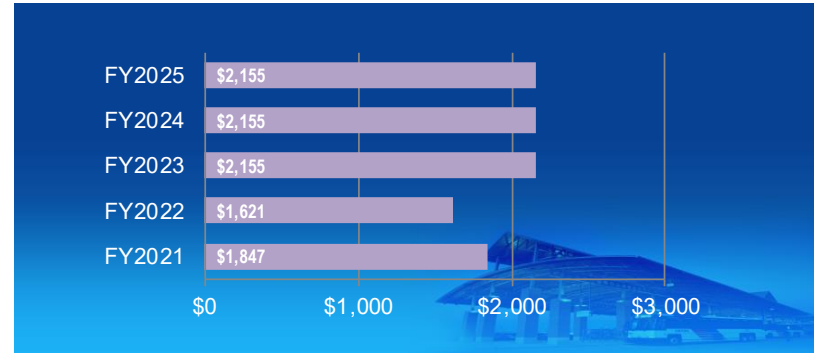
The Data Center Management Project for FY2021 will replace servers supporting mission-critical functions that have reached the end of their useful life and need to be upgraded or consolidated. This will also replace active storage that supports all functions (Rail, Bus Operations, Payroll, Finance, etc.) 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 FY2024 for equipment warranty.

Network Upgrades and Management

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The Network Upgrades and Management project for FY2020 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 FY2024 for equipment warranty.

METROLift Vans

Projected Expenditures FY21-FY25 (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 reliability as a life-cycle replacement. Regularly replacing METROLift 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.

METROLift Vans Make Ready

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

This is part of METRO's annual revenue vehicle replacement program to make vehicles ready for revenue service. Once the METROLift vans are delivered to METRO property, QA staff will inspect and either accept or reject the vehicles. If accepted, installation of electronic equipment is required to prepare vans for revenue service.

Operating Impact

No additional operating cost will be required.

All New Bus Make Ready

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

This is part of METRO's annual bus replacement program and new taxis van program to make the revenue vehicles ready for revenue service. Once the buses are delivered to METRO property, QA staff will inspect and either accept or reject the new buses. If accepted, installation of electronic equipment is required to prepare buses for revenue service.

Operating Impact

No additional operating cost will be required.

60' Articulated Buses

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

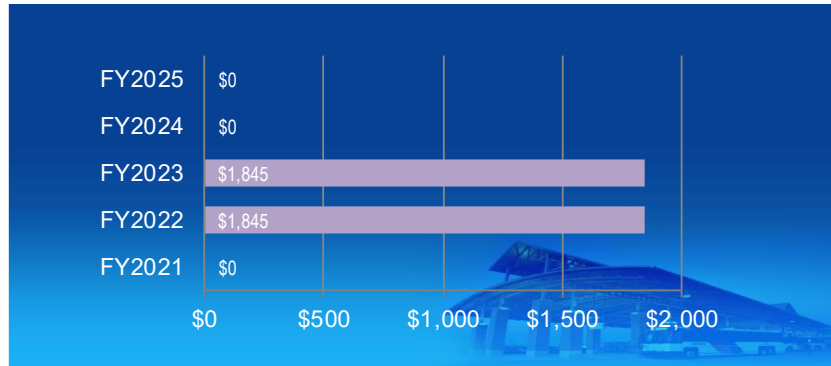
This procurement of a quantity of 110 of the 60' articulated buses in the FY2021 thru FY2025 timeframe is part of METRO's bus replacement program. Operating data has shown that the articulated buses are more cost-effective. New articulated buses include new camera systems that will enhance security and 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.

Pickup Trucks- Non-Revenue Vehicles

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

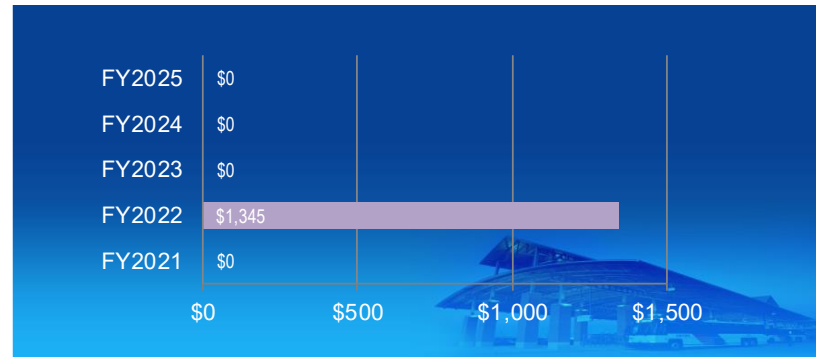
Replacing Non-Revenue pick Up Trucks that have met or exceeded their useful life will enhance METRO ability to provide a higher level of service to our customers. Managing and replacing our NRVs Vehicle over time provides a lower operating cost by reducing "out-of-service" times, thus allowing METRO Departments to provide a higher level of service to its customers.

Operating Impact

This purchase will reduce the vehicles' operating cost and increase their reliability and safety.

Specialized Vehicles- Non-Revenue Vehicles

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

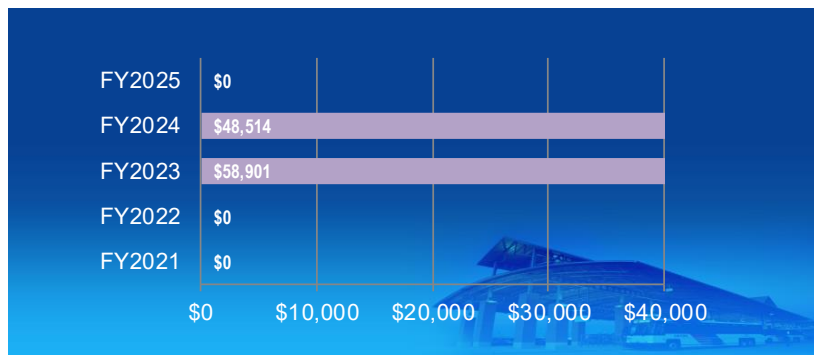
Replacing Non-Revenue Specialized Vehicles that have met or exceeded their useful life will enhance METRO ability to provide a higher level of service to our customers. Managing and replacing 10 MPD Motorcycles oin FY2022 provides a lower operating cost by reducing "out-of-service" times, thus allowing METRO Departments to provide a higher level of service to its customers.

Operating Impact

This purchase will reduce the vehicles' operating cost and increase their reliability and safety.

40' Transit Buses - Clean Diesel

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

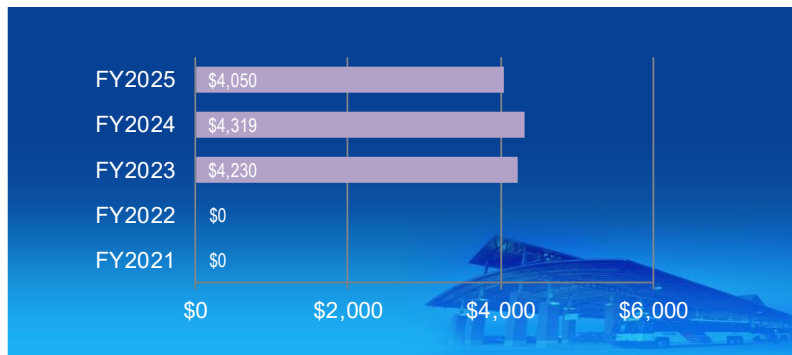
FY2021 thru FY2025 includes a quantity of 180 of the 40' Transit buses in the five year plan. New operating data with the clean diesel buses has shown that the transit buses are more cost-effective for the daily transit routes. New transit buses include new camera systems that will enhance security and 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.

Vans - Non-Revenue Vehicles

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

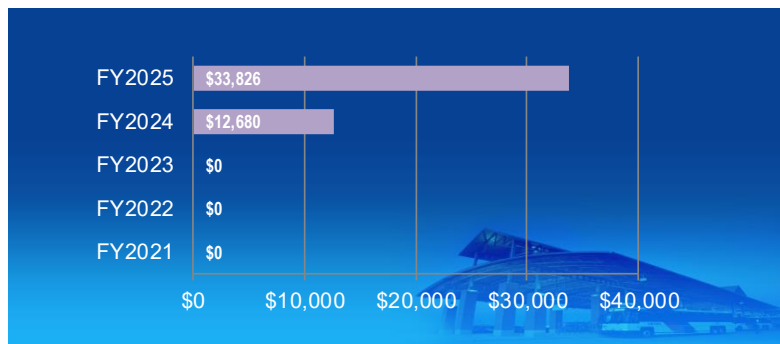
Replacing Non-Revenue Vans that have met or exceeded their useful life will enhance METRO ability to provide a higher level of service to our customers. Managing and replacing 250 of METRO's NRV Vehicle fleet over time provides a lower operating cost by reducing "out-of-service" times, thus allowing METRO Departments to provide a higher level of service to its customers.

Operating Impact

This purchase will reduce the vehicles' operating cost and increase their reliability and safety.

45' Commuter Buses

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

This procurement of a quantity of 72 of the 45' commuter buses in the FY2021 thru FY2025 timeframe 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 Yellow Cab Vans

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

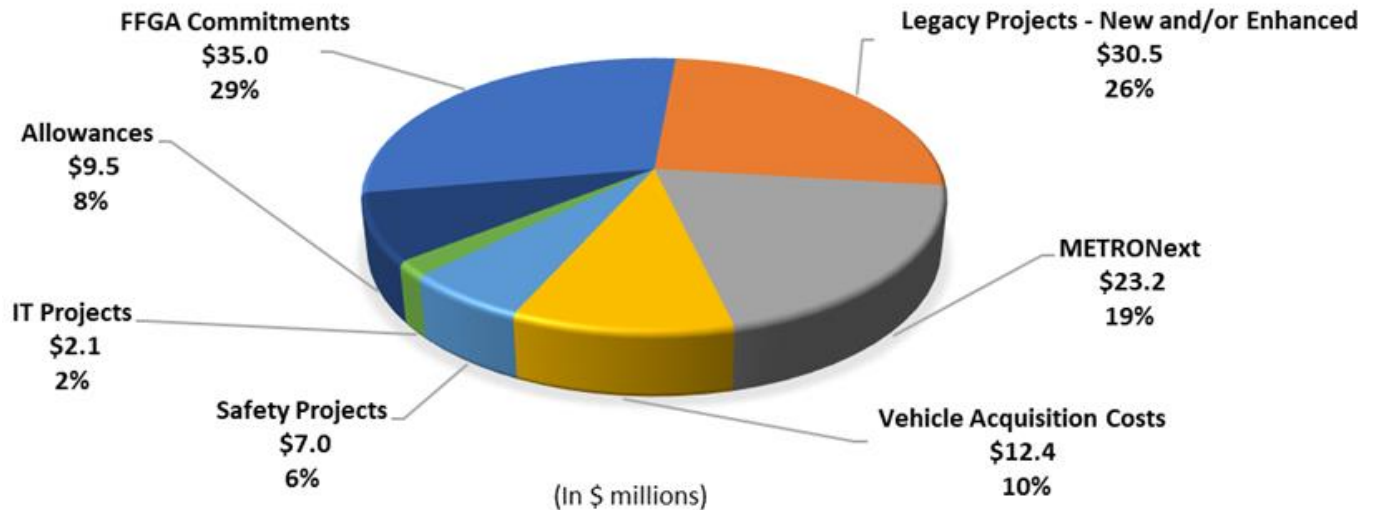
METRO's purchase of 300 paratransit taxi vans in the FY2021/22 timeframe as part of METRO's expansion in support of the existing METROLift paratransit van service, will incur out-year replacements for the program occurring on approximately every four years. METRO intends to reduce risk associated with the provision of paratransit services by purchasing a fleet of wheelchair accessible minivans similar to the vans currently operated by Yellow Cab Houston.

Operating Impact

METRO's ownership of the paratransit minivans allows a seamless provision of paratransit services as service providing contractors change. This business model is used by METRO in support of the larger METROLift vans. METRO will own the vans and operate them.

Expansion/Enhancement Capital Costs

FY2021 Expansion/Enhancement Capital Costs \$119,734,428



Expansion/Enhancement Capital Costs

<u>Expansion/Enhancement Capital Costs</u>	<u>Grants</u>	<u>Local</u>	<u>FY2021</u>
FFGA Commitments	\$ 19,795,310	\$ 15,176,097	\$ 34,971,407
Legacy Projects - New and/or Enhanced	15,823,545	14,722,103	30,545,648
METRONext	16,264,000	6,941,573	23,205,573
Vehicle Acquisition Costs	-	12,412,800	12,412,800
Safety Projects	809,472	6,219,528	7,029,000
IT Projects	150,000	1,920,000	2,070,000
Allowances	-	9,500,000	9,500,000
Expansion/Enhancement - Subtotal	\$ 52,842,327	\$ 66,892,101	\$ 119,734,428

FFGA Commitments

The Full Funding Grant Agreement (FFGA) Commitments of the Capital Improvement Program include the METRORail Completion program. Phase 1 of this program expanded the existing LRT system by adding three lines (North, Southeast, and East End) with 15 miles of LRT, 24 stations, a storage facility on the Southeast line, a service and an inspection facility on the East End line. The FFGA Commitment effort included the procurement of 39 light rail vehicles (LRV) for the opening-day fleets.

Phase 1 of the MRC program completes in FY2021 with the closeout of construction on the original three corridors. Phase 2 involves the delivery of 14 light rail vehicles in FY2021, the construction of a Rail

Operations Center storage track needed to accommodate the new LRVs, and the addition of bike lanes to the light rail stations. Phase 2 also involves the development and construction of a new Northline Maintenance of Way facility and the Northline Transit Center and Parking facility.

Expansion/Enhancement Capital Costs

<u>FFGA Commitments</u>	<u>Grants</u>	<u>Local</u>	<u>FY2021</u>
MRC-Southeast Phase 2 LRV Expansion	\$ 5,441,012	\$ 4,509,632	\$ 9,950,644
MRC-East End Phase 2 LRV Expansion	-	765,434	765,434
MRC-ROC Yard 2nd Expansion	4,494,855	3,056,985	7,551,840
MRC-Northline TC and Parking	4,367,790	2,970,567	7,338,357
MRC-North Line - Bike, Sidewalk, and Shelters	2,513,530	1,709,470	4,223,000
MRC-ROC Maintenance of Way	2,046,376	1,391,756	3,438,132
MRC-Southeast Line - Bike, Sidewalk, and Shelters	931,747	772,253	1,704,000
FFGA Commitments	\$ 19,795,310	\$ 15,176,097	\$ 34,971,407

Legacy Projects – New and/or Enhanced

Northwest Transit Center Improvements involved a major renovation effort that includes a new ramp, bus platforms and more parking with construction scheduled to be completed in FY2021.

The **West Loop Bus Lane** project will accommodate the new **METRORapid service** utilizing Bus Rapid Transit articulated buses on the Silver Line and offering a modern design with 100% accessibility, wide doorways and level boarding, stations and platforms similar to rail stations, dedicated bus-only lanes and bus-friendly traffic signals. The new METRORapid BRT bus is shown in the photograph below:



The **Passenger Bus Shelter Program** is an initiative to install bus shelters throughout the METRO service area. The program consists of the design and construction of new shelter foundations, as well as the fabrication and installation of standard passenger bus shelters. This program reinforces METRO's commitment to reinvesting in the agency's backbone – the bus system. Public response has been very positive, with bus shelters providing patrons both safety and protection from the elements.



West Belfort Park & Ride Enhancements include increased parking capacity to approximately 3,000 spaces through a garage and/or surface parking, improved passenger amenities including lighting and security enhancements and Universal Accessibility elements to improve access throughout the facility.

Expansion/Enhancement Capital Costs

Legacy Projects - New and/or Enhanced

	<u>Grants</u>	<u>Local</u>	<u>FY2021</u>
NWTC Reconfiguration & Parking Upgrade	\$ 7,951,546	\$ 9,756,299	\$ 17,707,845
West Belfort Park & Ride Lot	3,744,000	936,000	4,680,000
New Passenger Bus Shelters	3,448,800	862,200	4,311,000
West Loop Bus Lane	499,527	3,122,686	3,622,213
Langham Creek Conveyance Improvement	142,134	35,533	177,667
North Post Oak Pedestrian Bridge (TxDoT AFA)	37,538	9,385	46,923
Legacy Projects - New and/or Enhanced	\$ 15,823,545	\$ 14,722,103	\$ 30,545,648

METRONext

A key effort in the METRONext program in FY 2021 is for a capital upgrade program titled “Universal Accessibility”, which is designed to ensure 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, 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 7,000 locations over a five-year timeframe.

Expansion/Enhancement Capital Costs

METRONext

	<u>Grants</u>	<u>Local</u>	<u>FY2021</u>
Bus Stop Accessibility/Site Improvement	\$ 16,264,000	\$ 4,066,000	\$ 20,330,000
Boost - Airline /Montrose	-	1,608,533	1,608,533
Boost - Scott	-	1,267,040	1,267,040
METRONext	\$ 16,264,000	\$ 6,941,573	\$ 23,205,573

Fleet Expansion - Vehicle Acquisition Costs

The Capital Improvement Program (CIP) provides for an expansion of the fleet of METROLift Taxi Vans, to sustain an expected level of para-transit service by supporting the METROLift Van program.

Expansion/Enhancement Capital Costs

Fleet Expansion- Vehicle Acquisition Costs

	<u>Grants</u>	<u>Local</u>	<u>FY2021</u>
METROLift Yellow Cab Vans	\$ -	\$ 10,912,800	\$ 10,912,800
MPD Vehicles- Non-Revenue Vehicles	-	1,500,000	1,500,000
Vehicle Acquisition Costs	\$ -	\$ 12,412,800	\$ 12,412,800

Safety Projects

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

Expansion/Enhancement Capital Costs

<u>Safety Projects</u>	<u>Grants</u>	<u>Local</u>	<u>FY2021</u>
Traffic Signal Arm at Main & Pease/Jefferson	\$ -	\$ 3,772,000	\$ 3,772,000
Burnett Safety Fencing	809,472	550,528	1,360,000
Bus Security Monitor	-	1,125,000	1,125,000
LRT- Sunset Reconstruction	-	629,000	629,000
LRV- Headlight Upgrade	-	143,000	143,000
Safety Projects	\$ 809,472	\$ 6,219,528	\$ 7,029,000

IT Projects

The Capital Improvement Program (CIP) provides for a capital expansion of IT Department Projects, which are projects designed keep the METRO systems sustainable.

Expansion/Enhancement Capital Costs

<u>IT Projects</u>	<u>Grants</u>	<u>Local</u>	<u>FY2021</u>
IT- Automated Fare Collection	\$ 150,000	\$ 850,000	\$ 1,000,000
IT- Bus GPS Router Replacement	-	427,000	427,000
IT- Mobile Ticketing	-	256,000	256,000
IT- SAP SBP Budget Upgrade	-	200,000	200,000
IT- Regional Data Management System	-	187,000	187,000
IT Projects	\$ 150,000	\$ 1,920,000	\$ 2,070,000

Allowances

The Capital Improvement Program (CIP) provides for capital project allowances that may be funded from the \$8.0 million Unallocated Capital Fund included in the FY2021 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.

Expansion/Enhancement Capital Costs

<u>Allowances</u>	<u>Grants</u>	<u>Local</u>	<u>FY2021</u>
Unallocated Capital Fund	\$ -	\$ 9,500,000	\$ 9,500,000
Allowances	\$ -	\$ 9,500,000	\$ 9,500,000

METROLift Yellow Cab Vans

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

Purchase of 300 paratransit taxi vans in the FY2021-22 timeframe is a part of METRO's expansion in support of the existing METROLift paratransit van service, with out-year replacements for the program occurring on approximately every four years. METRO intends to reduce risk associated with the provision of paratransit services by purchasing a fleet of wheelchair accessible minivans similar to the vans currently operated by Yellow Cab Houston.

Operating Impact

METRO's ownership of the paratransit minivans allows a seamless provision of paratransit services as service providing contractors change. This business model is used by METRO in support of the larger METROLift vans. METRO will own the vans and sub-contract the operation of them.

MPD Motorcycles - Non-Revenue Vehicles

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

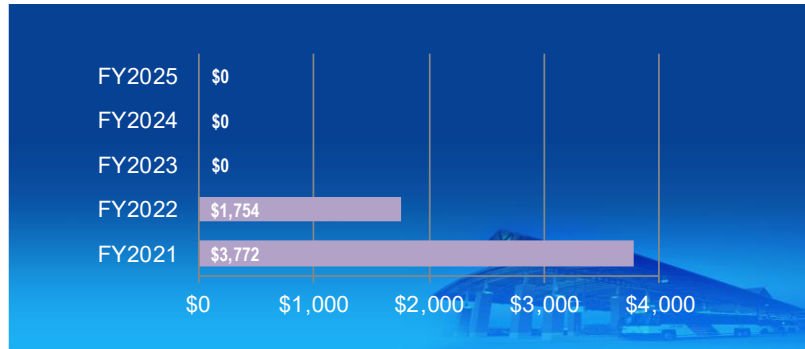
Replacing Non-Revenue Specialized Vehicles that have met or exceeded their useful life will enhance METRO ability to provide a higher level of service to our customers. Managing and replacing 10 MPD Motorcycles in FY2022 provides a lower operating cost by reducing "out-of-service" times, thus allowing METRO Departments to provide a higher level of service to its customers.

Operating Impact

This purchase will reduce the vehicles' operating cost and increase their reliability and safety.

Traffic Signal Arm at Main & Pease and Main & Jefferson

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

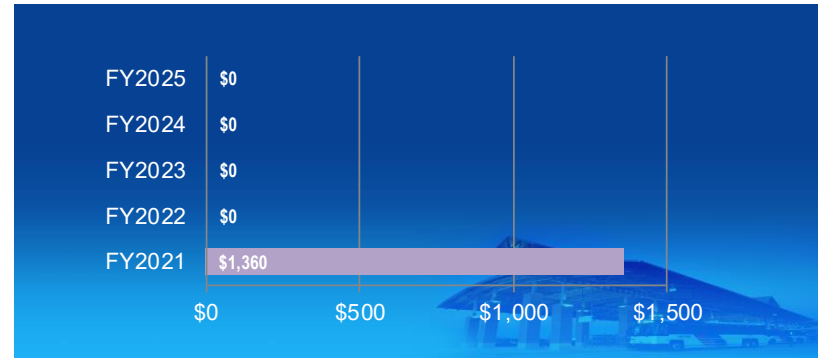
This project may install a longer traffic light arm and may add three traffic light fixtures above each traffic lane in an effort to better alert drivers to the standard traffic lighting at this intersection. The individual traffic light fixtures would be further illuminated with an LED back plate providing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

Burnett Safety Fencing

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

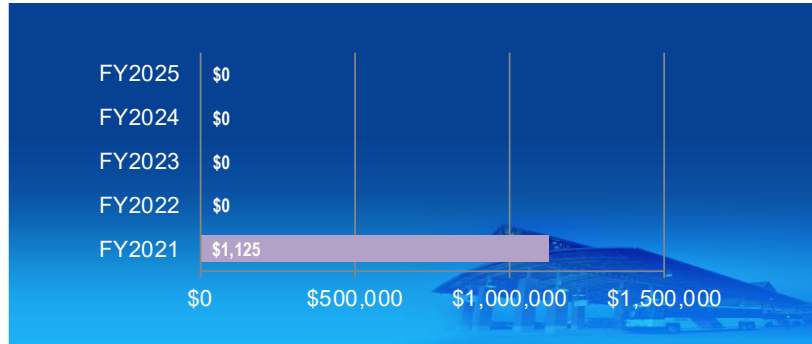
METRO opened the North corridor of the Red Line extension in December 2013 that includes elevated tracks located at the Burnett Transit Center. Since that time there have been a few occurrences where individuals use the structure to jump onto the roadway below. Adding security fencing to the area will mitigate the hazard and discourage these actions by the public.

Operating Impact

Reduce injuries and fatalities as a result of pedestrians jumping from the elevated area of the Burnett Transit Center.

Bus Security Monitor

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The installation of two video monitors at both the driver area and patron seating area to display sequential camera views with the intent to improve safety for both the operator and patrons.

Operating Impact

This equipment increases the patron experience during on board the bus by reducing negative incidents and providing a more safe environment while providing real time information for service, announcements, and security alert information.

Sunset Reconstruction

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

METRO will be coordinating with the City of Houston (COH) regarding the rehabilitation of the Sunset road in accordance with an upcoming agreement with the COH.

Operating Impact

No additional operating cost will be required.

LRV (H1/H2/H3) Headlight - Wig Wag

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

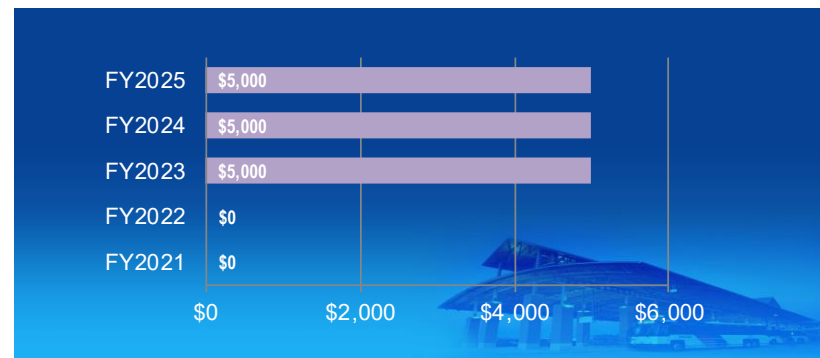
This is a safety initiative to make light rail vehicles more noticeable. It will rewire vehicles to flash headlights when audibles are triggered.

Operating Impact

No additional operating cost will be required.

Unspecified Safety Projects

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

Capital asset procurement is part of the unspecified safety project program planned to maintain operational reliability and cost-effectiveness. Replacing capital assets that have met their useful life with new or updated capital investment, not only improves customer experience, but provides stability and predictability by leveling the operational program management costs over time.

Operating Impact

If the capital asset or system is replaced, it will typically reduce overall operating cost and staff time to maintain.

Automated Fare Collection System

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

Replace obsolete fare collection system including back-end software and onboard hardware as needed. The current systems are beyond end of life and are failing and have to be replaced. This provides the ability for METRO to expand product offerings, integrate with regional partners and provide better overall service to the customer.

Operating Impact

If the system is replaced, it will reduce overall operating cost and staff time to maintain.

IT- Bus GPS Router Replacement

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

This is a SOGR and Safety project to replace the bus modems that have exceeded their expected life. This project will also provide robust "first responder" cellular connections through the nationwide First Net contract for all METRO buses, provide improved bandwidth to support the future new fare collection system, allow "video look in" capability for MPD, and provide the capability for customer Wi-Fi on bus service.

Operating Impact

If the system is replaced, it will reduce overall operating cost and staff time to maintain.

Mobile Ticketing

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

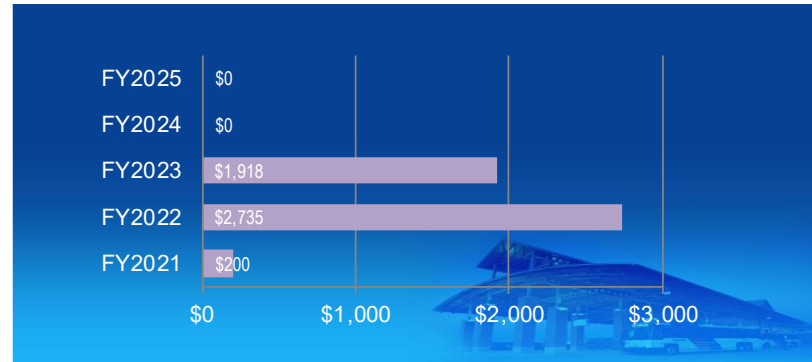
Provide a Mobile Ticketing alternative for our tech savvy patrons and partners, using their smartphone as an integrated METRO experience (ticketing, planning, alerts, promotions, events, partners, combos and offers).

Operating Impact

There is an operating component for annual hosting and support fees, transaction fees and processing fees. Transaction and process will increase proportionally based on the success of the mobile ticketing program

SAP SBP Budget Upgrade

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The FY2021-23 Capital Budget System upgrade would develop and incorporate the SAP Budget & Planning Module & would involve the following:

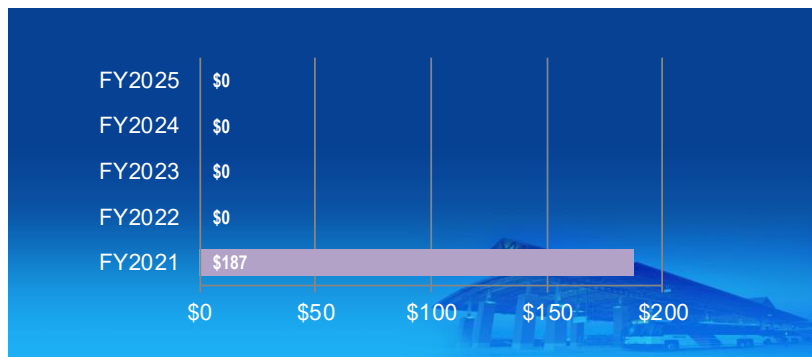
- Operating Budget derived from SAP FICO actual data and contracts, with a Long term Year CIP (Capital Improvement Program) and ranking criteria by project
- SAP would have the ability to summarize the Capital Labor components of CIP projects for comparison to the Operating Budget Capitalized Labor budget

Operating Impact

This project will incur an annual operating cost of \$10K.

Regional Data Management System

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

METRO is taking the lead in providing transit information and trip planning to the Greater Houston region. A consolidated data management system is needed to combine crucial transit data from each of METRO's regional partners. The system will enable METRO staff to create and manage the data that will enable regional patrons to receive scheduled or real time predictions, service alerts, and emergency alerts. The system will also enable patrons to plan trips that span multiple transit agencies.

Operating Impact

Operational impact will be minimal.

MRC-Southeast-Phase 2 LRV Expansion

Projected Expenditures FY21-FY25 (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 Light Rail Vehicles (LRVs) are being added with Phase 2 procurement, totaling 14 light rail vehicles, with one diverting to the East End Line. 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.

MRC-East End Phase 2 LRV Expansion

Projected Expenditures FY21-FY25 (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. One additional Light Rail Vehicle (LRV) is being added with Phase 2 procurement, out of a total 14 LRV procurement.

Operating Impact

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

MRC-Southeast Line - Bike, Sidewalk, and Shelters

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The project will construct high comfort (buffered) bike lanes on each side of Leeland Street from Columbia Tap Trail to Cullen Boulevard and on Cullen Boulevard from Leeland Street to Polk Street to provide universal access to the Purple Line of METRO's Light Rail Transit (LRT) System. The project will construct bikeway connection: on-street dedicated bikeway, restripe roadway in accordance with City of Houston's Major Freeway and Thoroughfare Plan and Houston Bike Plan.

Operating Impact

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

MRC-ROC Yard 2nd Expansion

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The North Line project includes a full buildout of the Rail Operations Center yard track to increase Light Rail Vehicle storage capacity from 40 to 60 vehicles.

Operating Impact

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

MRC- Maintenance of Way Facility

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The Maintenance of Way (MOW) project consists of constructing a new MOW facility for METRO Rail. This facility is part of FFGA Phase 2 scope. A new building is proposed to house the Maintenance of Way equipment and assigned personnel on the METRO owned parcel located at 1507 Keene Street, which is located on the northeast area of the IH 45 and IH 10 interchange. This parcel is approximately 2.56 acres and will include a maintenance building, parking (surface and garage), and stormwater detention facilities. The MOW requires additional right-of-way for inventory storage, utility and heavy equipment.

Operating Impact

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

Northline Transit Center and Parking

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The Northline Transit Center and Parking project consist of construction of a new facility along with parking adjacent to the Houston Community College. A central parking structure at the north end of the Red Line would encourage additional riders among students and staff and will enhance safety and security.

Operating Impact

The project will increase ridership by encouraging students and patrons to park at this facility and use transit to access Downtown, TMC and other destinations. The cost of maintenance and eventual replacement have been developed as part of the long range operating budget.

MRC-North Line - Bike, Sidewalk, and Shelter

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The project will construct a bikeway connection using on-street dedicated bikeway, that will restripe the roadway from four to two lanes in accordance with the City of Houston's Major Freeway and Thoroughfare Plan and the Houston Bike Plan. The project will include sidewalk rehabilitation from South Street to Fulton Street, bike parking and a repair station adjacent to a bike shelter.

Operating Impact

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

Bus Stop Accessibility/Site Improvement

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

METRO's bus stops have been ranked in their need for accessibility improvements. In FY2019, METRO began 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, the Facility Maintenance department spends an excessive amount of recurring maintenance funds to keep these areas with accessibility issues in a state of good repair. With improved accessibility features, approximately \$1 million can be saved over a five-year period.

Boost Corridor - Airline /Montrose

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

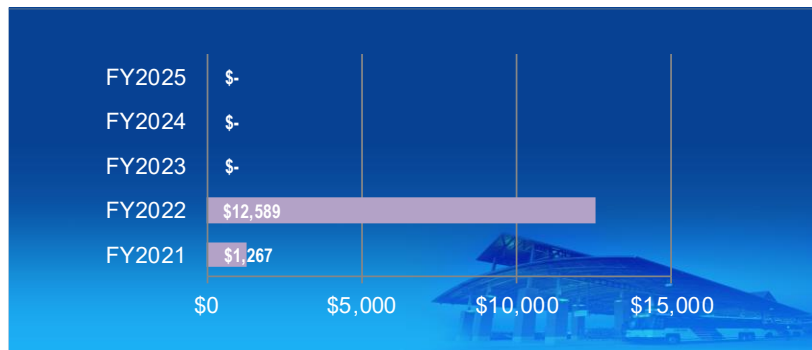
The BOOST Corridor Network involves Bus Operation Optimized System Treatments (BOOST) to make services faster and more reliable in certain highly traveled corridors through methods such as consolidating stops and signal coordination. The network includes the following corridors that will align with METRONext: Tidwell, Long Point, Westheimer, Broadway, Bellfort, MLK-Lockwood, Beechnut, Scott, Airline-Montrose. This particular BOOST Airline-Montrose project includes ten bus routes that have been identified through METRONext analysis 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.

Boost Corridor - Scott

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The BOOST Corridor Network involves Bus Operation Optimized System Treatments (BOOST) to make services faster and more reliable in certain highly traveled corridors through methods such as consolidating stops and signal coordination. The network includes the following corridors that will align with METRONext: Tidwell, Long Point, Westheimer, Broadway, Bellfort, MLK-Lockwood, Beechnut, Scott, Airline-Montrose. This particular BOOST-Scott 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.

Boost Corridor - Westheimer

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The BOOST Corridor Network involves Bus Operation Optimized System Treatments (BOOST) to make services faster and more reliable in certain highly traveled corridors through methods such as consolidating stops and signal coordination. The network includes the following corridors that will align with METRONext: Tidwell, Long Point, Westheimer, Broadway, Bellfort, MLK-Lockwood, Beechnut, Scott, Airline-Montrose. This particular BOOST -Westheimer project includes 18 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.

Missouri City Park and Ride

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

This project will provide a Park & Ride facility within the vicinity of Highway 6 in Missouri City.

Operating Impact

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

US59 Two Way HOV Spur to Edloe

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The Regional Express Network is designed to provide transit trips between job centers and other major destinations throughout the day, seven days a week. It will use two-way HOV lanes providing direct access to existing and new transit centers and Park & Rides. The commuter buses will use improved bus lanes in Downtown and the Texas Medical Center, and provide connections to the METRORail and METRORapid networks. This particular Regional Express project involves United States Highway 59/Interstate Highway 69 South Two-Way HOV Downtown to Edloe.

Operating Impact

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

University Corridor BRT Line

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

The METRORapid Bus Rapid Transit (BRT) network is designed to provide station-to-station service similar to METRORail, but has the flexibility to accommodate multiple routes. METRORapid lines will provide a direct connection between Downtown and George Bush Intercontinental Airport and another METRORapid Network will provide direct, rapid service between Downtown, Uptown, Northwest Transit Center and the proposed High-Speed Rail terminal. Exclusive lanes could be used for autonomous vehicle transit in the future. This particular METRORapid project involves the University Corridor between Westchase and Tidwell.

Operating Impact

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

Inner Katy BRT

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

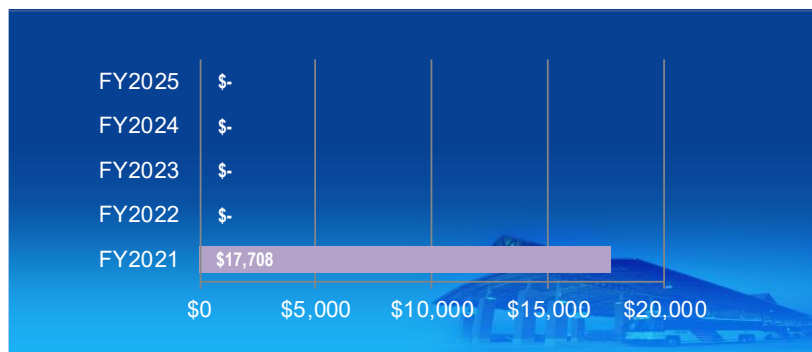
The METRORapid Bus Rapid Transit (BRT) network is designed to provide station-to-station service similar to METRORail, but has the flexibility to accommodate multiple routes. METRORapid lines will provide a direct connection between Downtown and George Bush Intercontinental Airport and another METRORapid line will provide direct, rapid service between Downtown, Uptown, Northwest Transit Center and the proposed High-Speed Rail terminal. Exclusive lanes could be used for autonomous vehicle transit in the future. This particular METRORapid project involves the Inner Katy Corridor to Northwest Transit Center / Proposed High Speed Rail / Uptown section of the city.

Operating Impact

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

Northwest Transit Center Reconfiguration & Parking Upgrade

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

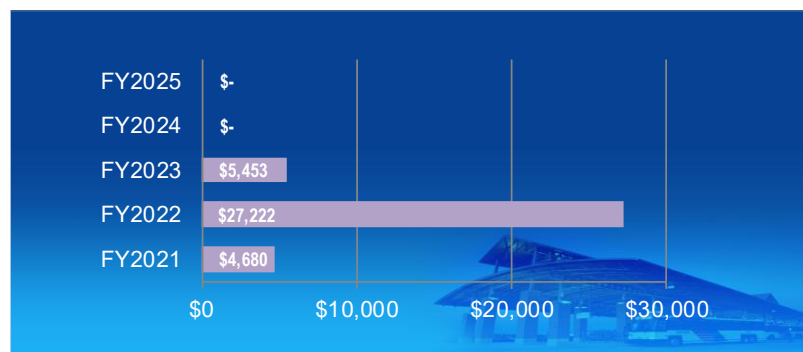
The Northwest Transit Center Reconfiguration (NWTC) and Parking Upgrade will increase the number of bays to accommodate METRO's Local Network and Uptown BRT service, and enhance bike and pedestrian amenities. In addition, parking capacity will be increased by 200 spaces to replace the capacity lost from 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 costs includes operating and maintenance cost for the NWTC facility only and will be developed as the project progresses.

West Bellfort Park & Ride Lot

Projected Expenditures FY21-FY25 (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.

New Passenger Bus Shelters

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

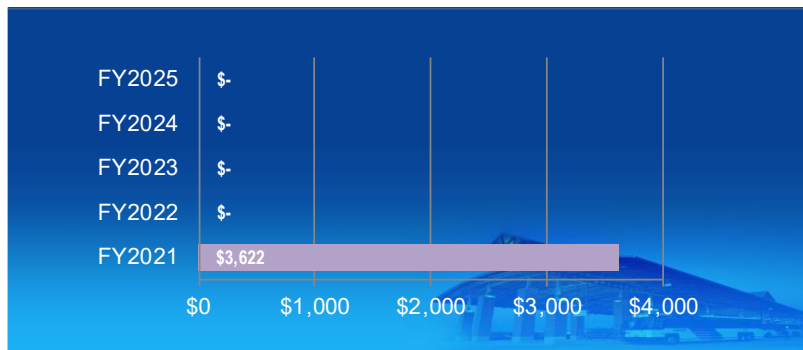
The METRO New Bus Network program restructured the existing bus network to be more aligned with the needs of METRO's growing service area. There will be 100 new bus shelters installed in FY2021. This program reinforces METRO's commitment to reinvest in the Authority's bus system backbone and continues 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.

North Post Oak Lane Configuration

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

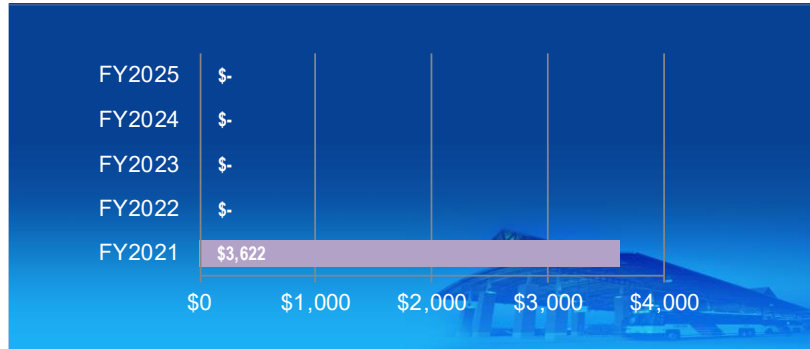
Design, Construction and Inter-agency Coordination for West Loop Bus Lane connecting Uptown BRT with the Northwest Transit Center over North Post Oak Road and bridge over IH-10. This project is being developed in coordination with TxDOT, Uptown and the City of Houston. The project includes improvements to North Post Oak Road such as restriping and a bike/pedestrian path connecting Northwest Transit Center to Memorial Drive. This project also includes estimated cost of a potential Advance Funding Agreement with TxDOT to include fiber along their West Loop Dedicated Bus Lanes Project.

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.

Langham Creek Conveyance Improvement

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

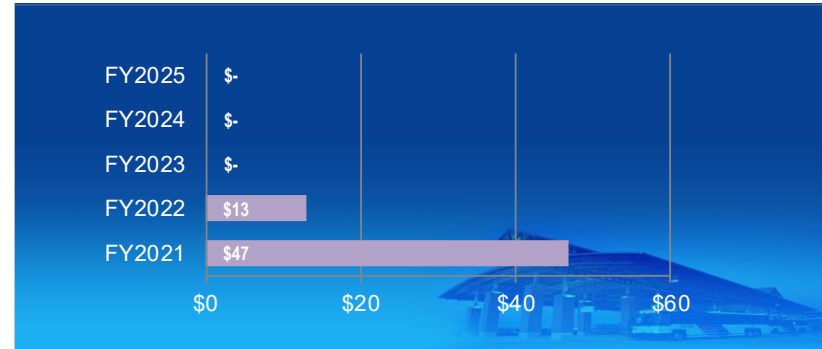
This project titled Langham Creek Conveyance Improvement Project involves a cost share interlocal agreement. The Parties acknowledge and agree that the Project shall consist of a preliminary engineering study to further analyze the alternatives proposed in the Report, and that the City shall complete the Project pursuant to the terms and conditions of this Agreement.

Operating Impact

All Parties to this Agreement desire to improve the flow of storm water across Clay Road at Langham Creek. There is no anticipated impact to the METRO operating costs.

North Post Oak Pedstrian Bridge

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

This projects involves the Design, Construction and Inter-agency Coordination for constructing a pedestrian bridge over IH-10 in conjunction with North Post Oak BRT project. This project is being developed in coordination with TxDOT, Uptown and the City of Houston.

Operating Impact

The project is a crucial connector in bringing the Uptown BRT service and other local service into the North West Transit Center.

Cypress T-Ramp

Projected Expenditures FY21-FY25 (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 T-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.

Unallocated Capital Fund

Projected Expenditures FY21-FY25 (In Thousands)



Project Scope

Capital Improvement Projects, which may be funded from the \$9.5 million Unallocated 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.

Operating Impact

If the capital asset or system is replaced, it will typically reduce overall operating cost and staff time to maintain.

Debt Service Budget

Debt Service

(in millions)

Debt Service Category	Projected FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
<u>Bonds & KOs</u>						
Principal	\$ 55.348	\$ 68.767	\$ 69.646	\$ 80.041	\$ 85.492	\$ 96.972
Interest	41.410	40.113	40.167	41.348	40.965	39.959
	\$ 96.758	\$ 108.879	\$ 109.812	\$ 121.390	\$ 126.457	\$ 136.931
<u>Commercial Paper</u>						
Credit Facility Fees	\$ 0.576	\$ 0.576	\$ 0.741	\$ 0.741	\$ 0.741	\$ 0.741
CP Dealer Fees	2.226	0.705	0.384	0.366	0.454	0.288
Budgeted CP Interest	1.586	1.594	1.608	1.558	1.414	1.174
Add'l Budgeted CP Interest @ 1%	1.158	1.097	1.045	0.957	0.822	0.647
	\$ 5.546	\$ 3.972	\$ 3.778	\$ 3.621	\$ 3.430	\$ 2.850
<u>Commercial Paper Pay Down</u>						
Payments from GMP Increment	\$ 4.893	\$ 4.900	\$ 4.200	\$ 7.800	\$ 12.700	\$ 16.900
Payments from Interest Underrun	0.300	1.200	1.000	1.000	0.800	0.600
	\$ 5.193	\$ 6.100	\$ 5.200	\$ 8.800	\$ 13.500	\$ 17.500
<u>2015 Series A Bonds</u>						
Principal	\$ 17.019	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	1.096	-	-	-	-	-
	\$ 18.115	\$ -	\$ -	\$ -	\$ -	\$ -
Total Debt Service	\$ 125.613	\$ 118.951	\$ 118.790	\$ 133.811	\$ 143.388	\$ 157.281

Outstanding Debt Balances*

(in millions)

	Projected FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Bus Replacement	\$ 223.876	\$ 198.163	\$ 229.048	\$ 272.583	\$ 392.899	\$ 411.833
2019 Uptown P&R Buses (14)	10.300	10.300	10.300	9.449	8.475	7.452
Total Bus Debt Outstanding	234.176	208.463	239.348	282.031	401.374	419.285
Equipment Debt Outstanding	25.880	25.880	134.378	218.931	200.358	177.682
Rail Debt Outstanding	718.315	675.261	649.629	613.960	574.729	539.861
Bonds & KO's	978.371	909.604	1,023.354	1,114.922	1,176.461	1,136.828
Commercial Paper	115.800	109.700	104.500	95.700	82.200	64.700
METRONext	-	-	34.029	33.373	73.741	93.308
TOTAL Debt Outstanding	\$ 1,094.171	\$ 1,019.304	\$ 1,161.883	\$ 1,243.995	\$ 1,332.402	\$ 1,294.836

* These balances represent the outstanding par values minus the projected amounts in any associated debt service funds (i.e., interest and sinking funds).



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 to its debt service funds (i.e., interest & sinking funds) required in the current year for interest, principal, and any required debt service reserve contributions.

The following table outlines the proposed FY2021 schedule of debt service payments as well as any other associated fees.

Series	Source	Principal	Interest	Fees	TOTAL
<u>Contractual Obligations (KOs)</u>					
2010A	Sales Tax / Grants	3,940,417	213,854		4,154,271
2011B	Sales Tax	4,290,000	431,950		4,721,950
2014A	Sales Tax	8,057,500	3,451,333		11,508,833
2015B	Sales Tax	4,980,000	2,064,083		7,044,083
2016B	Sales Tax Refunding	1,454,167	1,184,217		2,638,383
2016C	Sales Tax Refinancing	9,491,667	170,850		9,662,517
2016D	Sales Tax	4,445,000	1,796,271		6,241,271
2017B	Sales Tax/ Sales Tax Refunding	11,370,000	4,690,229		16,060,229
2017C	Sales Tax Refunding	489,167	550,589		1,039,755
2018A	Sales Tax	-	5,951,500		5,951,500
2019B	Sales Tax Refunding	1,078,750	489,823		1,568,573
2020	Sales Tax	2,062,500	7,988,144		10,050,644
<u>Voted Sales Tax</u>					
2011A	Sales Tax / Grants	10,297,917	557,979		10,855,896
2016A	Sales Tax Refunding	4,024,167	6,069,500		10,093,667
2017A	Sales Tax Refunding	2,785,417	1,296,250		4,081,667
2019A	Sales Tax Refunding	-	3,206,000		3,206,000
<u>Commercial Paper</u>					
Principal					
-Payments from GMP Increment		4,900,000			4,900,000
-Payments from Interest Underrun		1,200,000			1,200,000
Interest					
			2,690,886		2,690,886
<u>Fees</u>					
LOC Fees				876,000	876,000
Dealer Fees				405,300	405,300
Total Debt Service		\$ 74,866,667	\$ 42,803,459	\$ 1,281,300	\$ 118,951,425

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.

In November 2019, voters approved a referendum relating to the authorization of its regional transit plan — METRONext. METRONext contemplates the implementation of a regional transportation plan, including capital improvements and infrastructure, and authorizes approximately \$3.5 billion in debt to fund a portion of phase one of such plan. See www.metronext.org.

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
- Authorization: \$3.5 billion approved by the voters in 2019

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 the highest investment grade ratings from both Standard & Poor’s and Kroll Bond Rating agencies as follows:

Issue	Kroll/S&P
Sales and Use Tax Revenue Bonds	AAA/AAA
Sales and Use Tax Contractual Obligations	AAA/AAA

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

There are no plans to issue debt in FY2021; however, METRO plans to continue issuing sales tax revenue bonds and contractual obligations in the subsequent years. The table below highlights how the debt will be used.

Fiscal Year	Bus & Van Purchases	Light Rail Vehicle Purchases	Small Equipment Purchases	METRONext
2021	\$-	\$-	\$-	\$-
2022	\$60.380MM	\$6.016MM	\$117.000MM	\$34.029MM
2023	\$68.953MM	\$-	\$102.000MM	\$-
2024	\$146.296MM	\$-	\$-	\$45.484MM
2025	\$51.740MM	\$-	\$4.000MM	\$24.736MM

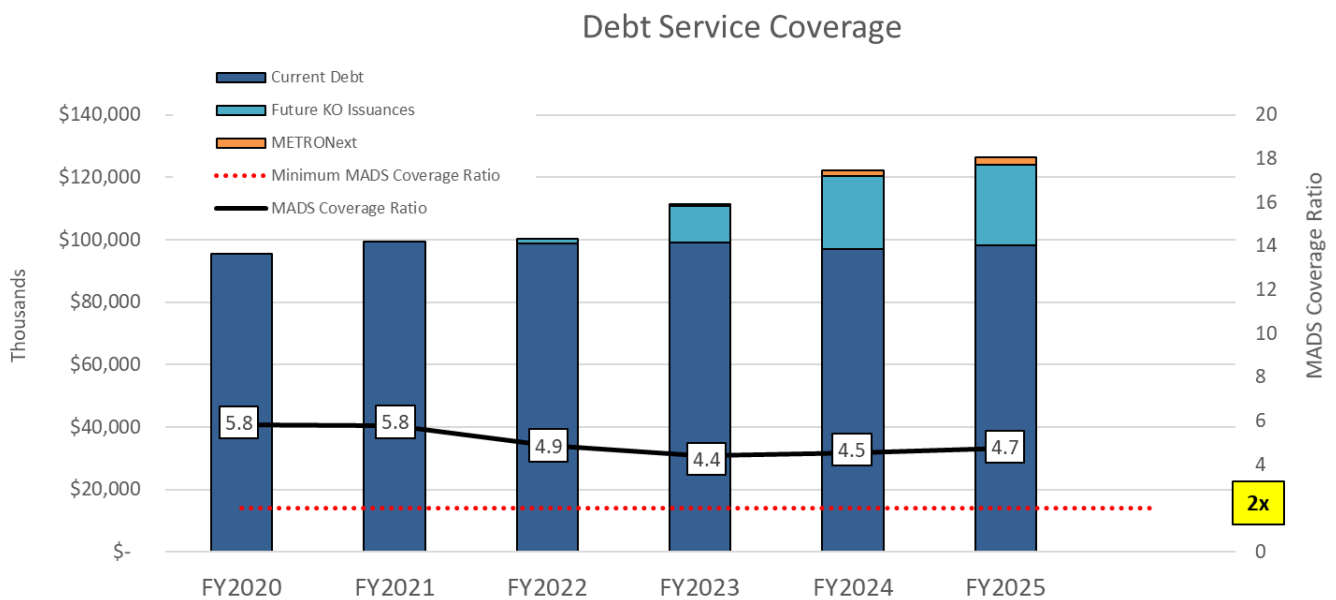
PROJECTED DEBT SERVICE LEVELS vs. LEGAL DEBT SERVICE COVERAGE LIMITS

The chart below shows the relationship between METRO’s projected debt service levels (bar chart) and its maximum annual debt service coverage ratios (line charts).

The maximum annual debt service (MADS) coverage ratio for METRO is calculated as 75% of the prior year's sales tax revenue divided by the maximum annual debt service of the outstanding/projected debt. METRO's bond covenants require its MADS ratio to be at least 2.00.

The chart below demonstrates that METRO’s MADS coverage far exceeds its minimum MADS requirement.

SALES TAX COVERAGE FAR EXCEEDS MINIMUM REQUIREMENT



METRO relies on sales tax revenue to fund transit services and has no intent to issue additional debt that would compromise its operations or legal requirements.



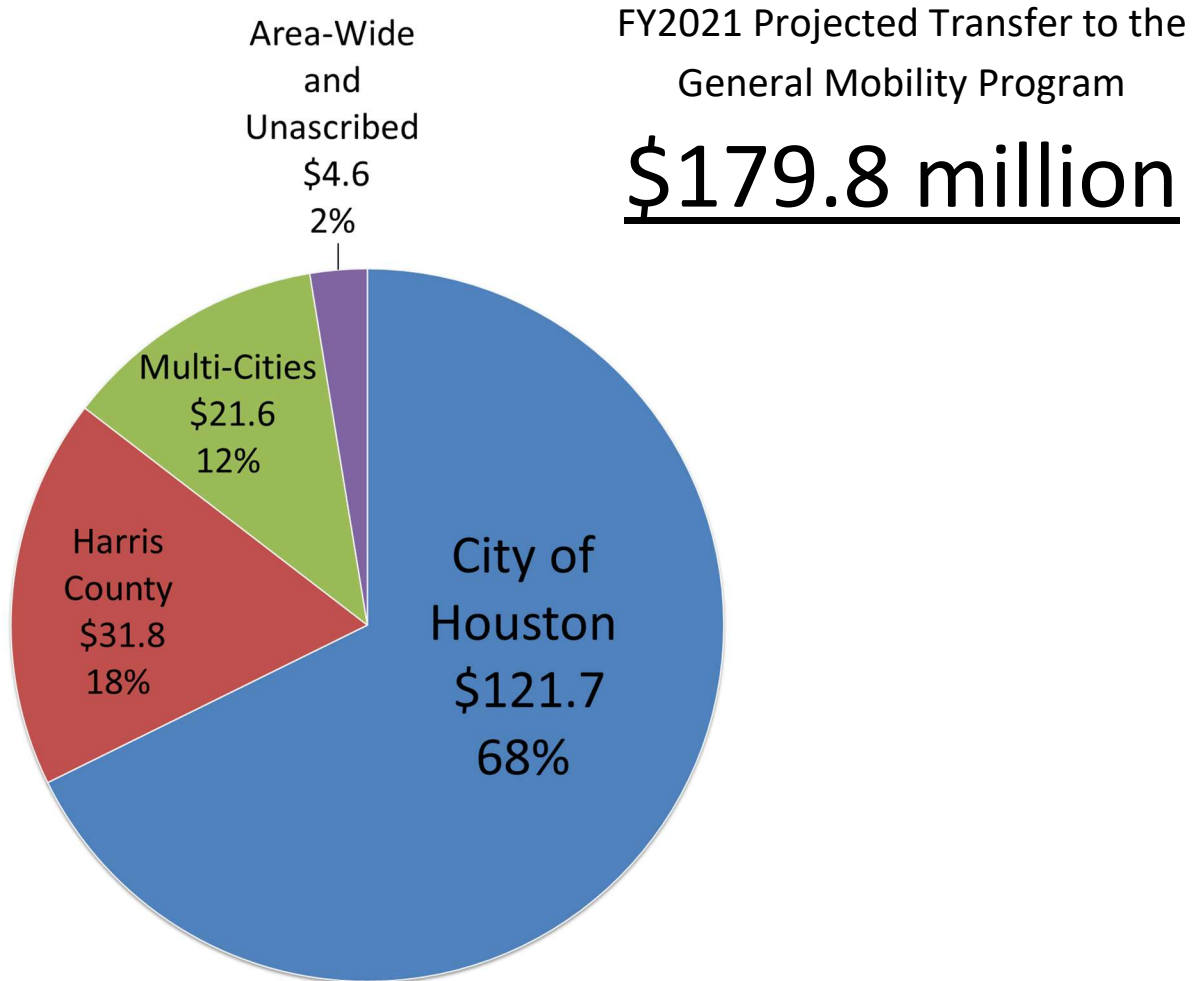
Metropolitan Transit Authority of Harris County Texas
Debt Report (Page 1 of 2)
As of July 31, 2020

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. 0.250%	Program Inception 10-Jan-06	Wtd. Avg. 83.21 days	\$ 7,014,204	\$ 241,452	\$ 169,402,000	\$ 95,202,000
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	\$ 106,690,895	\$ 55,225,000
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, 2027	\$ 500,949	\$ 8	\$ 72,789,714	\$ 50,170,000
Sales & Use Tax Series 2015A	CP Take Out	\$ 52,575,000	1.486%	August 28, 2015	August 15, 2020	\$ 385,930	\$ -	\$ 60,000,000	\$ 26,295,000
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%	November 8, 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	\$ 24,745,000
Sales & Use Tax Contractual Obligations Series 2018	104 45' Commuter Buses 20 40' CNG Buses 14 60' BRT Buses 35 40' Transit Buses Various small equipment	\$ 99,970,000	2.891%	November 28, 2018	November 1, 2030	\$ 810,364	\$ 2,503,938	\$ 79,971,173	\$ 99,970,000
Total Non-METRORail Expansion		\$ 742,675,750	2.029%			\$ 11,473,059	\$ 2,994,773	\$ 727,453,888	\$ 513,462,000

Metropolitan Transit Authority of Harris County Texas
Debt Report (Page 2 of 2)
As of July 31, 2020

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	METRORail Expansion Real Estate	\$ 20,598,000	Wtd. Avg. 0.250%	Program Inception 10-Jan-06	Wtd. Avg. 83.21 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	Defeased November 1, 2018	\$ 560,859	\$ 145,597	\$ 96,577,321	\$ -
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 2011A	North and Southeast Corridor Expansion	\$ 461,010,000	4.264%	September 28, 2011	November 1, 2041	\$ 869,366	\$ 285,759	\$ 461,301,403	\$ 20,175,000
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	\$ 26,180,000
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	\$ 121,390,000
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	\$ 22,585,000
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%	November 8, 2017	November 1, 2025	\$ 332,004	\$ -	\$ 35,039,618	\$ 29,995,000
Sales & Use Tax Contractual Obligations Series 2018	14 Light Rail Vehicles	\$ 19,060,000	2.891%	November 28, 2018	November 1, 2043	\$ 154,502	\$ 477,394	\$ 24,824,025	\$ 19,060,000
Sales & Use Tax Refunding Bonds Series 2019A	Refunded \$82,555,000 of Series 2009C	\$ 64,120,000	2.591%	September 4, 2019	November 1, 2038	\$ 636,311	\$ 513	\$ 85,225,915	\$ 64,120,000
Sales & Use Tax Refunding Bonds Taxable Series 2019B	Refunded \$17,000,000 of Series 2011A & \$4,855,000 of Series 2016A	\$ 23,880,000	2.228%	September 4, 2019	November 1, 2030	\$ 236,979	\$ 191	\$ 24,241,088	\$ 23,880,000
Sales & Use Tax Refunding Bonds Taxable Series 2020A	Refunded \$288,005,000 of Series 2011A	\$ 304,130,000	2.763%	February 27, 2020	November 1, 2041	\$ 1,854,909	\$ 378	\$ 309,441,164	\$ 304,130,000
Total METRORail Expansion		\$ 1,299,899,250	2.512%			\$ 7,458,288	\$ 1,230,826	\$ 1,386,545,315	\$ 677,748,000
Total Debt		\$ 2,042,575,000	2.304%			\$ 18,931,347	\$ 4,225,599	\$ 2,113,999,203	\$ 1,191,210,000

General Mobility Program



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.

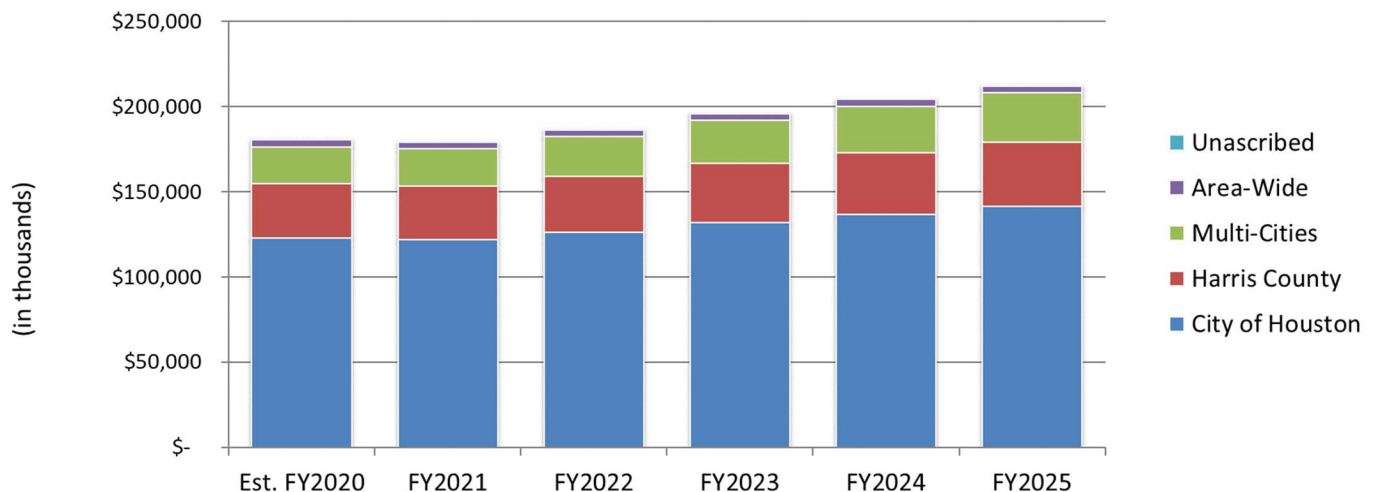
On November 5, 2019, voters approved a referendum relating to the authorization of METRO’s regional transit plan — METRONext. This referendum also continues General Mobility funding to member jurisdictions based on sales tax revenues set at the end of September 2014 with any growth in sales tax above that mark split 50/50 with member jurisdictions through September 30, 2040.

Projected Funding

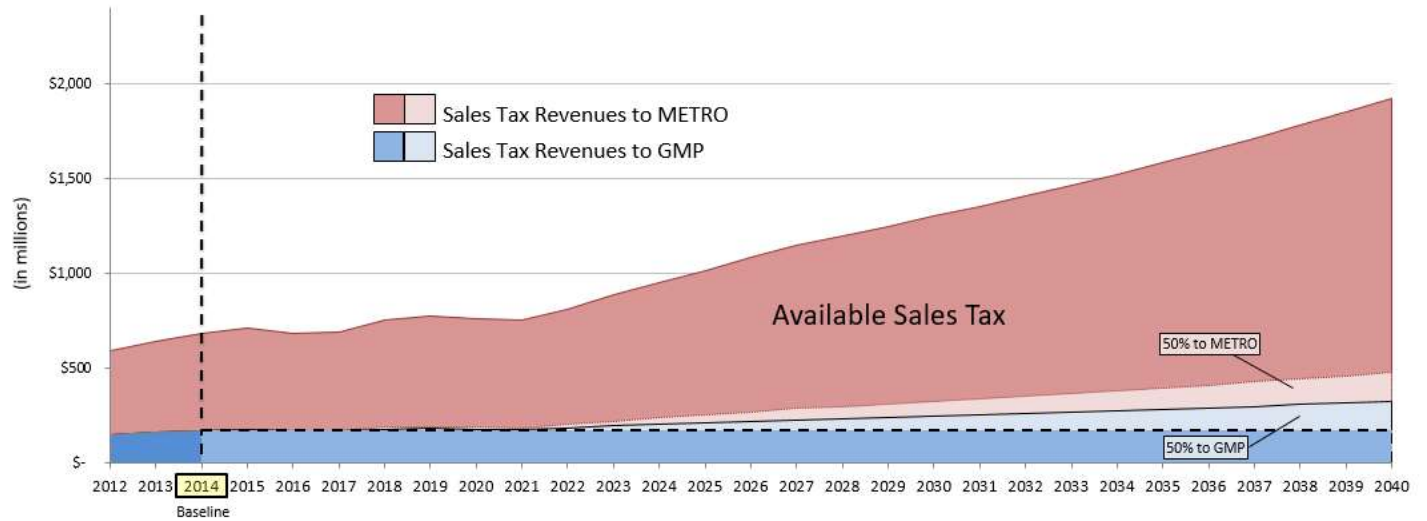
(in thousands)

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025
Street Repair & Congestion Mitigation						
City of Houston	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Multi-Cities	21,632	21,551	23,152	25,328	27,168	28,894
Area-Wide	4,000	4,000	4,000	4,000	4,000	4,000
Subtotal	\$ 35,632	\$ 35,551	\$ 37,152	\$ 39,328	\$ 41,168	\$ 42,894
Future Designated Projects						
City of Houston	\$ 112,709	\$ 111,738	\$ 116,078	\$ 121,979	\$ 126,967	\$ 131,647
Harris County	32,124	31,847	33,084	34,766	36,187	37,521
Unascribed	655	649	674	709	738	765
Subtotal	\$ 145,487	\$ 144,234	\$ 149,836	\$ 157,453	\$ 163,892	\$ 169,933
Total Commitment						
City of Houston	\$ 122,709	\$ 121,738	\$ 126,078	\$ 131,979	\$ 136,967	\$ 141,647
Harris County	32,124	31,847	33,084	34,766	36,187	37,521
Multi-Cities	21,632	21,551	23,152	25,328	27,168	28,894
Area-Wide	4,000	4,000	4,000	4,000	4,000	4,000
Unascribed	655	649	674	709	738	765
Total General Mobility Funding	\$ 181,120	\$ 179,785	\$ 186,988	\$ 196,781	\$ 205,059	\$ 212,826

5-Year General Mobility Projected Funding

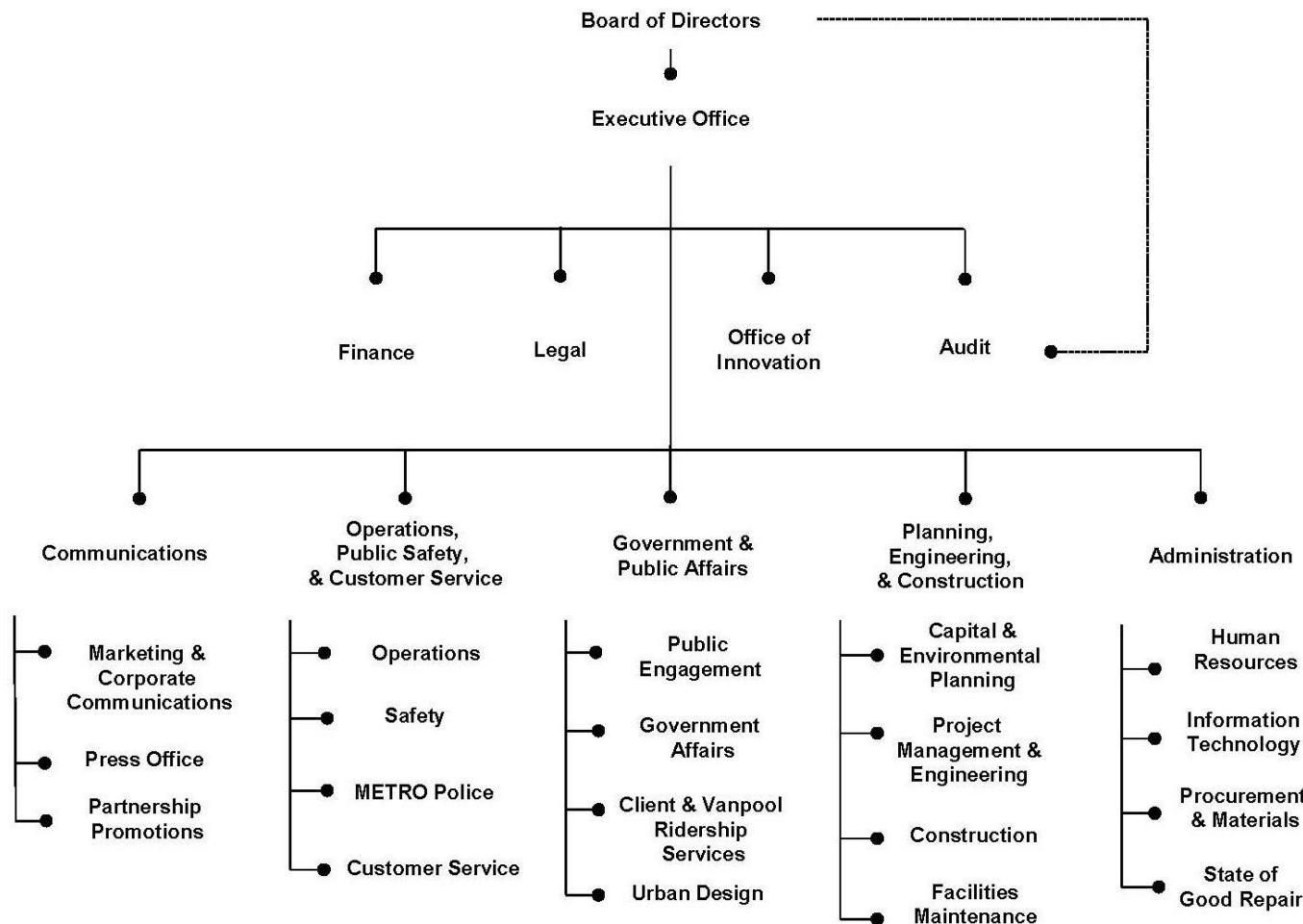


GMP Projections Based on the Long-Term Forecast from the Institute for Regional Forecasting



The above graphic illustrates the projections based on the voter mandated referendum on General Mobility held on November 5, 2019. 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 September 30, 2040.

Organization Chart



Department Summaries

This section provides a brief description of each METRO department, along with an organization chart and financial data showing the FY 2021 budget along with the current year's budget and year-end estimate, as well as goals and key performance indicators when applicable.

Departmental goals are linked to one or more of the Authority's goals:

Create outstanding trip experiences for all users by connecting residents to more places, more often, in a safe and efficient environment.

Enhance communities and lives by providing high quality mobility options for all service areas and users, which includes innovation and planning for the future.

Maintain and improve accessible transportation system infrastructure.

Increase public awareness and support for the regional transportation system, which includes collaboration with Regional and National leadership.

Provide responsive, accountable, and trustworthy governance within the METRO organization.

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

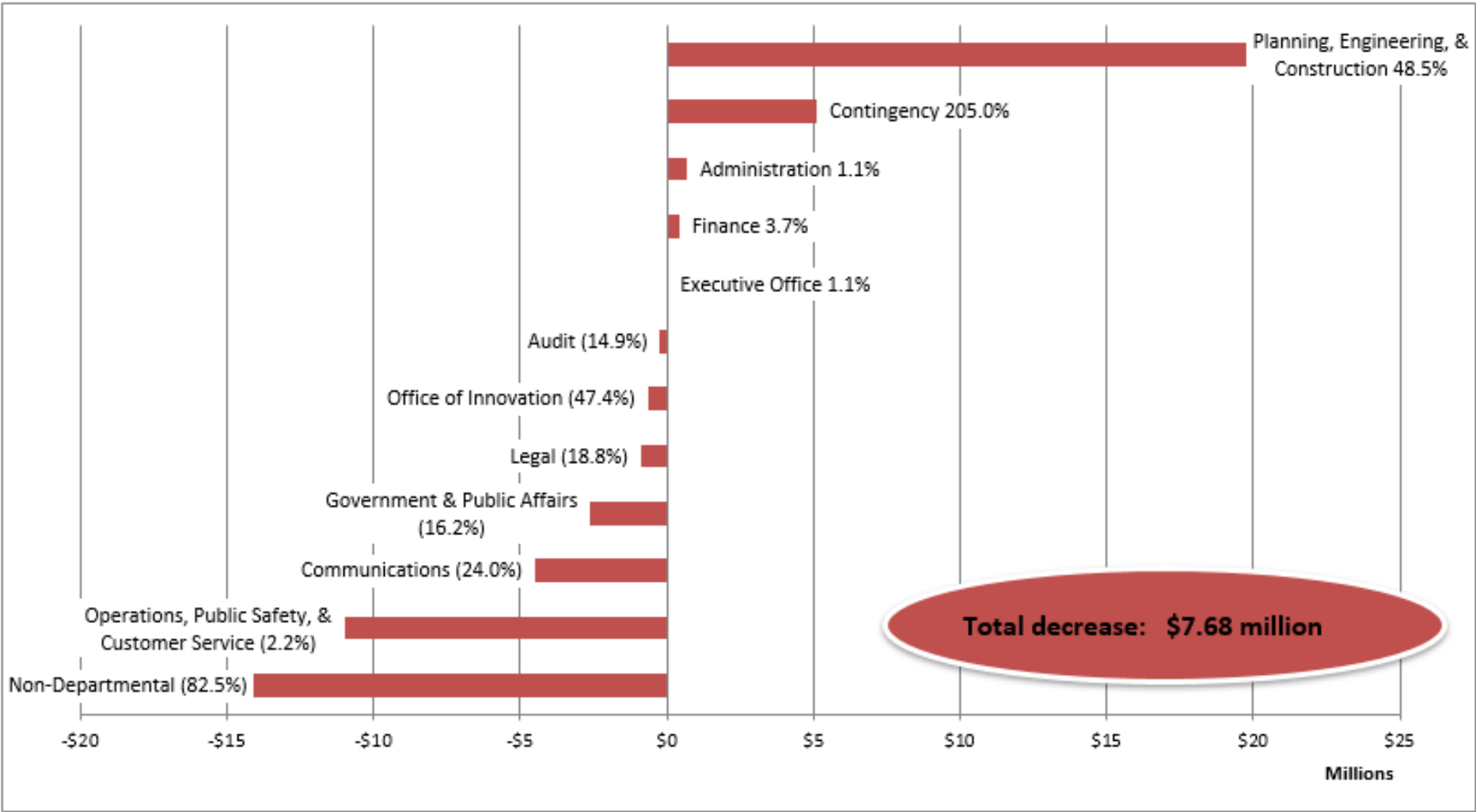
Through collaborative relations and innovative approaches, METRO will be an industry leader in delivering timely and efficient service that is transformative by providing multimodal interactions for communities to connect to everyday work and life opportunities.

Department Summaries

Budget by Department

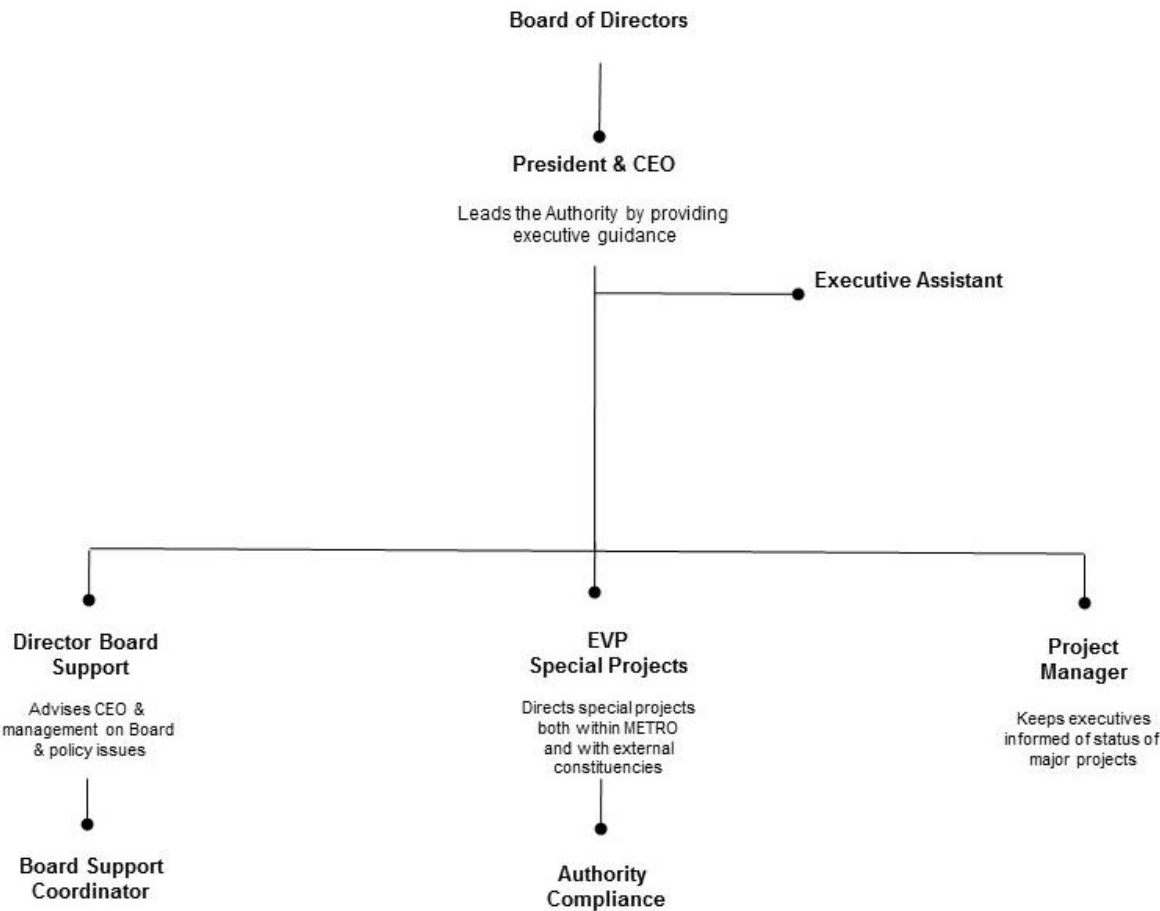
Departments	FY2020 Budget	FY2020 Estimate	FY2021 Budget	Budget-to-Budget Variance	
				\$	%
Operations, Public Safety, & Customer Service	\$ 499,360,736	\$ 502,926,251	\$ 488,356,723	\$ (11,004,013)	(2.2%)
Planning, Engineering, & Construction	44,070,670	42,500,985	65,457,862	21,387,192	48.5%
Administration	62,845,143	57,764,330	63,548,240	703,097	1.1%
Communications	18,755,831	13,539,131	14,248,474	(4,507,357)	(24.0%)
Government & Public Affairs	16,198,786	13,514,942	13,574,592	(2,624,194)	(16.2%)
Finance	11,471,656	10,615,000	11,900,476	428,820	3.7%
Legal	4,821,476	3,577,182	3,916,348	(905,128)	(18.8%)
Executive Office	2,347,600	2,084,863	2,374,409	26,809	1.1%
Audit	1,546,869	1,173,778	1,316,646	(230,223)	(14.9%)
Office of Innovation	1,396,229	1,303,539	733,948	(662,281)	(47.4%)
Contingency	2,500,000	-	7,625,219	5,125,219	205.0%
Non-Departmental	18,685,004	-	3,267,063	(15,417,941)	(82.5%)
TOTAL NET OPERATING	\$ 684,000,000	\$ 649,000,000	\$ 676,320,000	\$ (7,680,000)	-1.1%

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

	FY2020 Budget	FY2020 Estimate	FY2021 Budget	Budget-to-Budget Variance	
	\$	\$	\$	\$	%
Wages	\$ -	\$ -	\$ -	\$ -	N/A
Union Fringe Benefits	1,868	312	2,229	361	19.3%
Subtotal Union Labor	\$ 1,868	\$ 312	\$ 2,229	\$ 361	19.3%
Salaries and Non-Union Wages	1,305,396	1,342,667	1,282,080	(23,316)	(1.8%)
Non-Union Fringe Benefits	528,204	489,566	600,202	71,998	13.6%
Subtotal Non-Union Labor	\$ 1,833,600	\$ 1,832,233	\$ 1,882,282	\$ 48,682	2.7%
Allocation to Capital and GMP	-	-	-	-	N/A
Subtotal Labor and Fringe Benefits	\$ 1,835,468	\$ 1,832,545	\$ 1,884,512	\$ 49,044	2.7%
Services	122,825	76,531	137,200	14,375	11.7%
Materials and Supplies	6,994	6,227	6,994	-	0.0%
Fuel and Utilities	14,827	13,123	14,200	(627)	(4.2%)
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	367,486	156,436	331,503	(35,983)	(9.8%)
Subtotal Non-Labor	\$ 512,132	\$ 252,318	\$ 489,897	\$ (22,235)	(4.3%)
Subtotal Labor and Non-Labor	\$ 2,347,600	\$ 2,084,863	\$ 2,374,409	\$ 26,809	1.1%
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 2,347,600	\$ 2,084,863	\$ 2,374,409	\$ 26,809	1.1%

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.

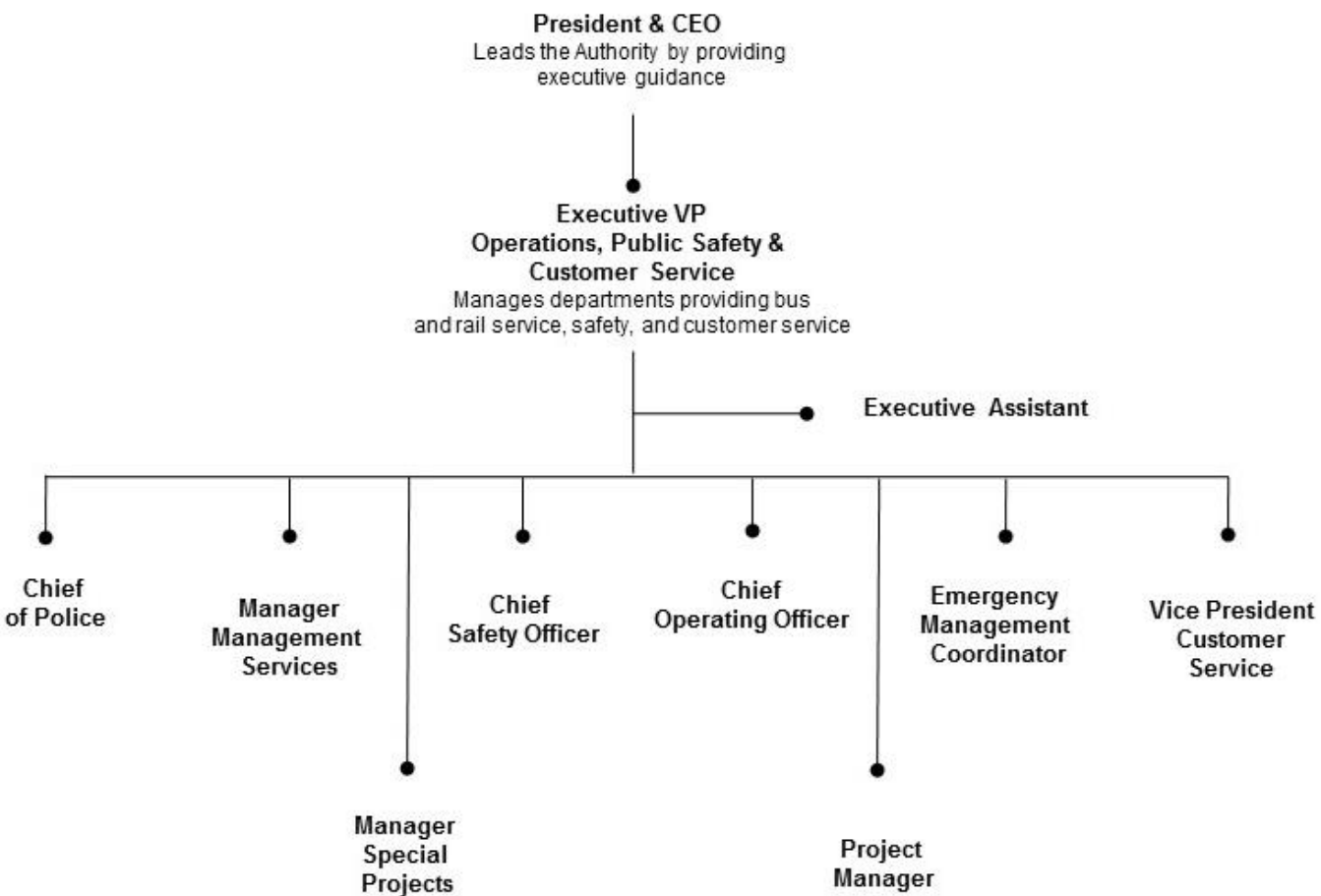
Number of Employees: 9

FY2021 Goals		METRO Budget Priorities				
Dept.	Initiative/Objective	Outstanding Trip Experiences	High Quality Mobility Options	Accessible Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Executive Office	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.	✓	✓	✓	✓	✓
	Ensure that policies and directives set by the Board of Directors are executed and implemented in a timely manner and as directed.	✓	✓	✓	✓	✓
	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.	✓	✓	✓	✓	✓
	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.	✓	✓	✓	✓	✓
	Continue to implement policies and procedures to employ sound financial principles and transparency practices.					✓
	Support the departments in the review of and update of the authority's policies, guidelines, procedures and manuals to meet industry best practices.	✓	✓	✓	✓	✓

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

	FY2020 Budget	FY2020 Estimate	FY2021 Budget	Budget-to-Budget Variance	
				\$	%
Wages	\$ 142,269,936	\$ 142,571,417	\$ 135,896,567	\$ (6,373,370)	(4.5%)
Union Fringe Benefits	68,286,807	67,943,236	64,674,455	(3,612,352)	(5.3%)
Subtotal Union Labor	\$ 210,556,743	\$ 210,514,653	\$ 200,571,022	\$ (9,985,721)	(4.7%)
Salaries and Non-Union Wages	74,891,834	72,143,773	71,559,015	(3,332,819)	(4.5%)
Non-Union Fringe Benefits	29,749,314	29,364,481	30,639,212	889,898	3.0%
Subtotal Non-Union Labor	\$ 104,641,148	\$ 101,508,255	\$ 102,198,227	\$ (2,442,921)	(2.3%)
Allocation to Capital and GMP	(5,170,087)	(5,040,744)	(4,080,830)	1,089,257	(21.1%)
Subtotal Labor and Fringe Benefits	\$ 310,027,804	\$ 306,982,163	\$ 298,688,419	\$ (11,339,386)	(3.7%)
Services	18,756,730	22,907,604	24,621,481	5,864,751	31.3%
Materials and Supplies	27,956,722	31,615,171	28,313,263	356,541	1.3%
Fuel and Utilities	35,664,332	32,636,748	32,496,021	(3,168,311)	(8.9%)
Casualty and Liability	5,827,894	5,791,138	7,019,813	1,191,919	20.5%
Purchased Transportation	99,435,871	101,121,061	95,571,408	(3,864,463)	(3.9%)
Leases, Rentals and Miscellaneous	2,732,376	2,830,037	2,702,360	(30,016)	(1.1%)
Subtotal Non-Labor	\$ 190,373,926	\$ 196,901,759	\$ 190,724,347	\$ 350,421	0.2%
Subtotal Labor and Non-Labor	\$ 500,401,730	\$ 503,883,922	\$ 489,412,765	\$ (10,988,965)	(2.2%)
Allocation to Capital and GMP	(1,040,994)	(957,671)	(1,056,042)	(15,048)	1.4%
Total Operating Expenses	\$ 499,360,736	\$ 502,926,251	\$ 488,356,723	\$ (11,004,013)	(2.2%)

	FY2020 Budget	FY2021 Budget	Budget-to-Budget Variance	
			\$	%
Total Operating Expenses				
Operations	\$ 447,296,736	\$ 435,924,024	\$ (11,372,712)	(2.5%)
METRO Police Department	34,604,200	34,534,521	(69,679)	(0.2%)
Safety	10,789,859	11,837,493	1,047,634	9.7%
Customer Service	5,339,671	4,811,901	(527,770)	(9.9%)
Executive Vice President	1,330,270	1,248,784	(81,487)	(6.1%)

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 road-calls 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.

Security: Group A Offenses - Based on the National Incident-Based Report System (NIBRS). Group A offenses consist of twenty-four (24) categories which address fifty-two (52) specific crimes. Group A offenses are more serious in nature and tend to be against persons or property and included: animal cruelty, arson, assault offenses, bribery, burglary/breaking & entering, counterfeiting/forgery, destruction/damage/vandalism of property, drug/narcotic offenses, embezzlement, extortion/blackmail, fraud offenses, gambling offenses, homicide offenses, human trafficking, kidnapping/ abduction, larceny/theft offenses, motor vehicle theft, pornography /obscene material, prostitution offenses, robbery, run-aways/persons under 18, sex offenses, stolen property offenses and weapon law violations. This metric is reported both in terms of the absolute number of incidents and the number of incidents per 100,000 boardings.

Complaint Contacts: Patrons contact METRO’s Customer Information Center to express service related dissatisfaction, and service-related complaints 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.

Department Annual Performance and Goals

Performance Indicator	FY 2019 Actual	FY 2020 Goal	FY 2020 Actual*	FY2021 Goal
Service and Reliability				
Bus-Local On-Time Performance (OTP)	76%	75%	76%	75%
Bus-Park & Ride OTP	77%	76%	77%	76%
Bus Weighted Average OTP	77%	75%	76%	75%
Rail-Red Line OTP	92%	93%	94%	93%
Rail-East Line OTP ³	98%	95%	97%	95%
Rail-South Line OTP ³	96%	95%	96%	95%
METROLift OTP	90%	90%	93%	90%
Mean Distance Between Mechanical Failures (all buses)	9,684	8,875	9,010	8,875
Mean Distance Between Service Interruptions (Rail)	15,634	15,000	15,916	15,000
Mean Distance Between Mechanical Failures (METROLift)	24,775	21,000	24,400	21,000
Safety				
Bus Accidents Absolute Number	587	594	465	594
Bus Accidents Per 100,000 Vehicle Miles	0.78	1.11	0.84	1.11
Rail Accidents Absolute Number	94	99	55	99
Rail Accidents Per 100,000 Vehicle Miles	2.60	2.75	1.94	2.75
Security				
Group A Criminal offenses	450	N/A	1,104	1,584
Group A Criminal offenses per 100,000 boardings	0.39	N/A	1.90	2.1
Criminal Incidents at METRO locations	293	N/A	258	2,040
Customer Service				
Customer Contacts Per 100,000 Boardings	16.98	<18.50	18.61	<21.00
Commendations	4,796	3,600	2,072	1,800

* FY2020 Actual: YTD through July 2020

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: 65

Customer Service FY 2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Call Center	Improve the customer experience in the call center	<ul style="list-style-type: none">• Improve the quality of information and service customers receive from the Customer Service Call 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	✓				
Agency-wide	Improve the customer experience by working on agency-wide customer service initiatives	<ul style="list-style-type: none">• Develop and implement agency-wide customer service programs to advance METRO's goal of improving the customer experience.• Manage efforts to assist all METRO departments to be more customer friendly with their programs, projects, and processes to fulfill the agency's mission to provide safe, clean, reliable, accessible and friendly public transportation services to our region.• Implement internal and external customer service education and employee development programs.	✓			✓	
RideStores	Improve the customer experience in the RideStores	<ul style="list-style-type: none">• Evaluate the RideStores' functions and branding to make them more customer friendly (1900 Main, Travis, Fannin South, Northwest Transit Center, online store, and retail outlets locations)	✓				

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: 46

Safety FY 2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Safety Administration	Deliver Transit Safety Education messaging and initiatives via various platforms.	Q1-Q4: Conduct 12 safety awareness focused campaigns	✓				
	Board approval of METRO PTASP by January 31, 2021	Q1: Update and finalize PTASP Q2: PTASP board approval by January 31, 2021	✓				✓
	Develop and finalize agency SMS Implementation Plan	Q1: Develop outline/structure Q2-Q3: Draft plan Q4: Circulate & Finalize	✓				✓
Drug & Alcohol	Achieve FTA Random Drug Testing Goal of 50%	Percentage of employees tested quarterly	✓				✓
	Achieve FTA Random Drug Testing Goal of 10%	Percentage of employees tested quarterly	✓				✓
Safety Risk Management	Enhance safety metrics by linking liability and workers compensation claims to rail accidents	Q1: Establish a meeting schedule Q2-Q3: Correct historical data FY 18-FY20 and link FY21 data Q4: Establish a reporting protocol for enhanced data					✓
	Update Liability Notice of Claim Form and create an electronic version for use on ridemetro.org	Q1: Develop outline/structure Q2-Q3: Draft guideline Q4: Circulate & Finalize					✓
	Upgrade Workers' Compensation notice form to an internal electronic document and eliminate the Employee Statement Form	Q1: Develop outline/structure Q2-Q3: Draft guideline Q4: Circulate & Finalize					✓
Customer Safety	Enhance and promote safety through leading indicator activities	Perform 30, 60, 90 day on board ride checks with 100% of new hire operators-(bus and rail)	✓				
		Conduct 1500 safety contacts (coaching activities) each quarter	✓				
		Conduct 65 facility safety inspections each quarter	✓		✓		
		Perform 100 random or post accident ride checks. Ride checks may be either on-board, following or video.	✓				
		Perform 250 radar checks each quarter.	✓				

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.

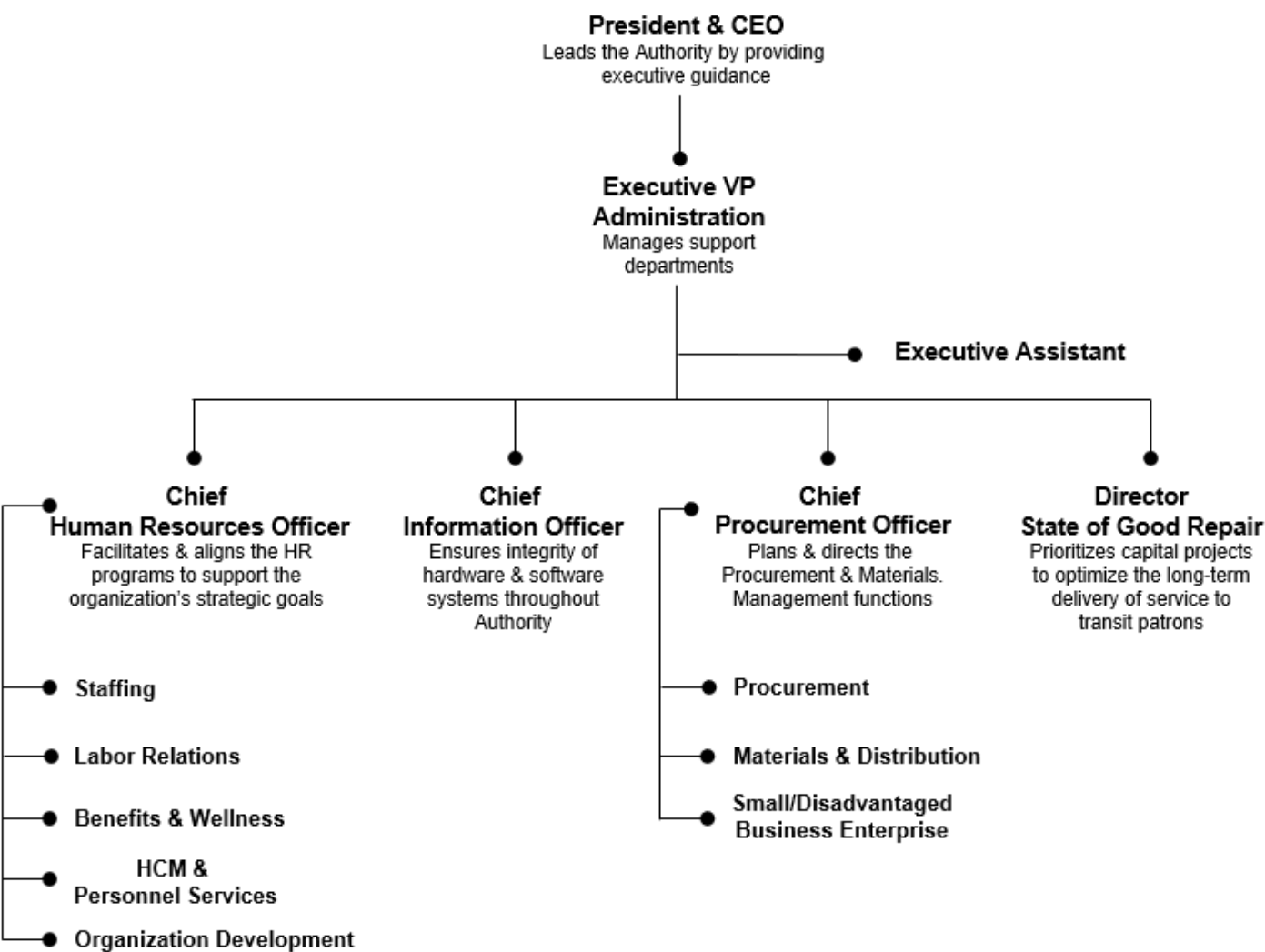
Number of Employees: 405

METRO Police FY 2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Field Operations	Provide a safe and secure system for employees and patrons	Number of Part 1 Crimes on the system	✓	✓			
	Increase Police Recruitment efforts	Recruit eligible candidates through print media. Increase educational eligibility to 30 college hours.	✓	✓			
	Hire 75% of vacancies	% of vacancies filled	✓	✓			
	Train all certified police personnel in mandated Texas Commission on Law Enforcement courses	40 hour training in progress. Emphasis on De-escalation and Implicit Bias training for all police officers.					✓
	Staff BRT Civilian Fare Inspector vacancies (19)	% of vacancies filled	✓	✓			

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

	FY2020 Budget	FY2020 Estimate	FY2021 Budget	Budget-to-Budget Variance	
				\$	%
Wages	\$ 3,188,849	\$ 3,333,961	\$ 3,242,559	\$ 53,710	1.7%
Union Fringe Benefits	15,627,524	12,701,287	16,203,529	576,005	3.7%
Subtotal Union Labor	\$ 18,816,372	\$ 16,035,248	\$ 19,446,088	\$ 629,715	3.3%
Salaries and Non-Union Wages	17,422,593	17,348,286	17,369,918	(52,674)	(0.3%)
Non-Union Fringe Benefits	10,882,984	9,132,226	12,651,813	1,768,829	16.3%
Subtotal Non-Union Labor	\$ 28,305,577	\$ 26,480,512	\$ 30,021,731	\$ 1,716,154	6.1%
Allocation to Capital and GMP	(2,427,561)	(1,279,827)	(1,975,719)	451,842	(18.6%)
Subtotal Labor and Fringe Benefits	\$ 44,694,388	\$ 41,235,932	\$ 47,492,100	\$ 2,797,712	6.3%
Services	7,023,219	6,147,703	5,319,549	(1,703,670)	(24.3%)
Materials and Supplies	719,829	703,790	554,042	(165,787)	(23.0%)
Fuel and Utilities	1,005,820	1,079,192	1,215,220	209,400	20.8%
Casualty and Liability	-	7,144	1,440	1,440	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	9,401,887	8,590,569	8,965,889	(435,998)	(4.6%)
Subtotal Non-Labor	\$ 18,150,755	\$ 16,528,398	\$ 16,056,140	\$ (2,094,615)	(11.5%)
Subtotal Labor and Non-Labor	\$ 62,845,143	\$ 57,764,330	\$ 63,548,240	\$ 703,097	1.1%
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 62,845,143	\$ 57,764,330	\$ 63,548,240	\$ 703,097	1.1%

	FY2020 Budget	FY2021 Budget	Budget-to-Budget Variance	
			\$	%
Total Operating Expenses				
Human Resources	\$ 24,735,309	\$ 26,398,379	\$ 1,663,070	6.7%
Information Technology	24,344,981	23,291,531	(1,053,451)	(4.3%)
Procurement and Materials	12,382,466	12,453,566	71,099	0.6%
State of Good Repair	882,226	910,056	27,830	3.2%
Executive Vice President	500,161	494,709	(5,452)	(1.1%)

Administration

The Administration department consists of four divisions: Information Technology, Human Resources, Procurement & Materials and State of Good Repair

Number of Employees: 262

Information Technology provides strategic direction, technical guidance and direct technology services for METRO. Focuses on building and directing a security program to manage and mitigate risks to the confidentiality and integrity of METRO's systems, data and information. Directs, develops, administers and monitors the Authority's technology solutions for technology infrastructure which supports all operating facilities, administrative offices, rail systems, transit centers and Park & Rides.

Administration FY2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Information Technology	Provide stable and reliable revenue systems	Provide stable and reliable revenue systems for our customers, business partners and internal administration staff with a monthly uptime of 97%	✓		✓		
	Provide a secure, stable and highly-available computing infrastructure	Provide a secure, stable and highly-available computing infrastructure for all METRO systems with a monthly uptime of 98%	✓	✓	✓	✓	✓
	Maintain high availability for CCC and METROLift Call Center	Maintain high availability for CCC and METROLift Call Center applications, with an average monthly uptime of 98%	✓	✓	✓		



Human Resources provides 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.

Administration FY2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Human Resources	Recruit and hire all METRO personnel. Expand the use of virtual technology for processes such as recruiting events, new hire orientation, interviewing and testing, etc.	Q1 - Q4: Fill Non-Union positions in median 60 business days Q1 - Q4: Partner with Operations & community organizations on recruiting and retention strategies	✓			✓	✓
	Manage labor negotiation process fro 2021 contract. Ensure adherence to the Labor Agreement, work rules, procedures and guidelines.	Q1 - Q4: Update the Employee Performance Code and Rules Q2 - Q4: Conduct training sessions with Office Assistants and Managers					✓
	Ensure cost-effective, comprehensive programs for the following: benefits, disability and leave, retirement, paid time off, and wellness. Continue to expand the use of technology to automate additional processes.	Q1 - Q4: Keep abreast of trends and updates in the benefits field by attending applicable seminars, workshops and conferences Q1 - Q4: Map out well-rounded 2020 Wellness programs events Q2 - Q4: Schedule training and provide updates on Disability and FMLA processes to management team and employees Q2 - Q4: Implement and schedule retirement and exit meetings to ensure understanding and knowledge					✓
	Design and implement training and development programs for METRO, and provide other services such as succession planning, coaching, management development programs, customized programs, etc.	Q1: 2021 calendar of classes developed and distributed Q1 - Q2: Vendors are selected and booked for the specific classes Q1 - Q4: Other services provided as requested throughout the year Q2 - Q4: Host interns and Hire Houston Youth program; ongoing training and OD programs					✓
	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	Q1 - Q4: Investigate and close EEO & ER compliant files within 60 days from receipt Q1 - Q4: Conduct monthly facility visits (ER/EEO) Q1 - Q4: Conduct EEO training for new supervisors within 90 days of hire/promotion Q1 - Q4: Conduct semi-annual contractor's meeting (Title VI)					✓
	Ensure jobs and salaries are compliant, competitive, equitable, and non-discriminatory	Q1: Implement approved pay programs and performance Q1 - Q4: Maintain accurate job descriptions, salary offer documentation, salary surveys and market data, current gender/diversity analytics, performance appraisals and reports					✓

Procurement & Materials provides the Authority with timely acquisition of goods and services and distribution of inventory and provides the small business community with solicitation opportunities through outreach certification and compliance.

Administration FY2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Procurement & Materials	Achieve zero (0) sustainable protests of contract awards	Zero sustainable protests					✓
	Timely acquisition and delivery of parts	Continuous monitoring of the Materials Availability Report will assist with vehicles being out of service due to parts	✓	✓			
	Increase small business opportunities	Small Business and Procurement staff will continue to educate small business firms through increased outreach, certification/compliance assistance; and targeted forums with the objective of increasing the opportunities to those firms through purchase order/contract awards.					✓

State of Good Repair develops 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 reinvestment decisions and preventive maintenance practices.

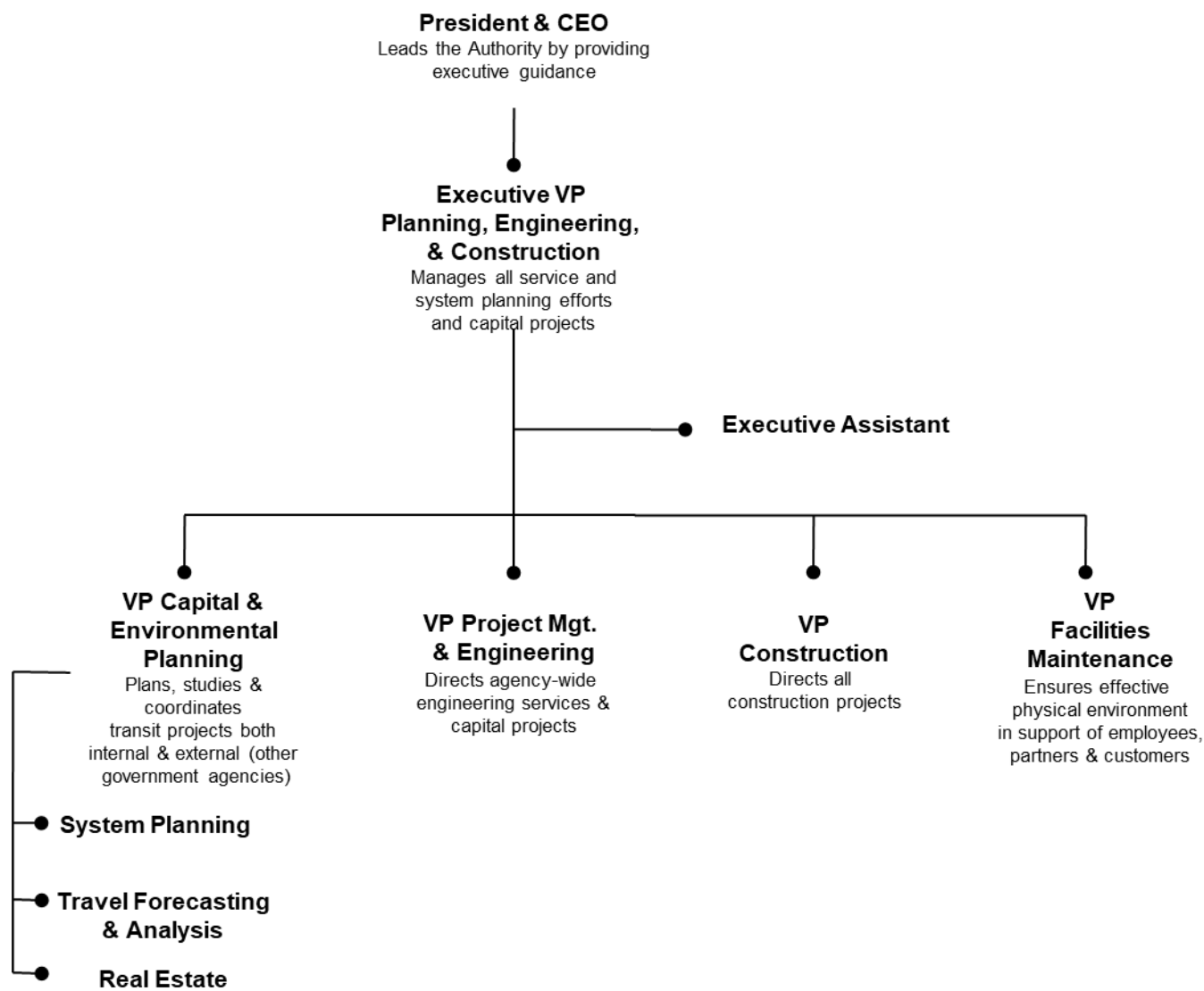
Administration FY2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
State of Good Repair	Inventory of capital assets	Itemized list of capital inventory detailed in the system of record (SAP) for all vehicles and facilities including equipment and components > \$5K.			✓		
	Assessment of asset conditions	Detailed, itemized assessment of asset system conditions including sufficient detail to support project definitions. For vehicles this is 100% of the fleet annually; for facilities this is at least 25% of facilities annually (100% every 4 years); for rail infrastructure (MOW) this is average monthly slow zones for the prior year.			✓		
	Capital investment decision support & prioritization	Develop input form prioritized capital investment projects. Provide SOGR Composite score for CIP to OMB. Update backlog list.			✓		
	Complete and implement Transit Asset Management Plan and / or Narrative Report	Original TAMP due 10/01/2018. Completed. Annually thereafter a narrative describing changes and updates is due with the NTD reporting. Update TAMP and Asset Management Policy.			✓		



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 Capital & Environmental Planning, Project Management & Engineering, Construction, and Facilities Maintenance.

PLANNING, ENGINEERING, AND CONSTRUCTION



Planning, Engineering, and Construction

	FY2020	FY2020	FY2021	Budget-to-Budget Variance	
	<u>Budget</u>	<u>Estimate</u>	<u>Budget</u>	<u>\$</u>	<u>%</u>
Wages	\$ 6,267,191	\$ 6,319,890	\$ 6,782,034	\$ 514,844	8.2%
Union Fringe Benefits	3,593,380	3,143,044	3,528,163	(65,218)	(1.8%)
Subtotal Union Labor	\$ 9,860,571	\$ 9,462,935	\$ 10,310,197	\$ 449,626	4.6%
Salaries and Non-Union Wages	8,318,970	8,215,442	8,115,357	(203,613)	(2.4%)
Non-Union Fringe Benefits	3,083,440	2,892,400	3,186,358	102,918	3.3%
Subtotal Non-Union Labor	\$ 11,402,410	\$ 11,107,841	\$ 11,301,715	\$ (100,696)	(0.9%)
Allocation to Capital and GMP	(4,220,584)	(4,476,560)	(4,797,734)	(577,150)	13.7%
Subtotal Labor and Fringe Benefits	\$ 17,042,398	\$ 16,094,216	\$ 16,814,177	\$ (228,220)	(1.3%)
Services	19,497,058	18,203,044	41,384,064	21,887,006	112.3%
Materials and Supplies	2,852,215	3,407,268	2,752,475	(99,740)	(3.5%)
Fuel and Utilities	4,498,128	4,620,124	4,385,812	(112,316)	(2.5%)
Casualty and Liability	-	38,262	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	180,872	138,070	121,334	(59,538)	(32.9%)
Subtotal Non-Labor	\$ 27,028,272	\$ 26,406,769	\$ 48,643,685	\$ 21,615,412	80.0%
Subtotal Labor and Non-Labor	\$ 44,070,670	\$ 42,500,985	\$ 65,457,862	\$ 21,387,192	48.5%
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 44,070,670	\$ 42,500,985	\$ 65,457,862	\$ 21,387,192	48.5%

	FY2020	FY2021	Budget-to-Budget Variance	
	<u>Budget</u>	<u>Budget</u>	<u>\$</u>	<u>%</u>
Total Operating Expenses				
Facilities Maintenance	\$ 37,420,404	\$ 36,874,937	\$ (545,467)	(1.5%)
Executive Vice President	130,278	23,165,751	23,035,473	17681.8%
Capital and Environmental Planning	4,665,831	4,365,529	(300,302)	(6.4%)
Engineering & Capital Projects	1,589,392	985,646	(603,745)	(38.0%)
Construction	264,765	65,998	(198,767)	(75.1%)

Planning, Engineering & Construction

The Planning, Engineering and Construction department consists of four divisions: Capital & Environmental Planning, Project Management & Engineering, Construction and Facilities Maintenance.

Number of Employees: 231

Capital & Environmental Planning maintains the agency's long-range plan, manages real estate assets and is responsible for third-party coordination of regional projects.

PEC Goals - FY2021			METRO Business Plan Goals				
Dept.	Initiative/Objective	Measurement	Outstanding Trip Experience	High Quality Mobility Options	Accessible Infrastructure Investment	Regional Public Awareness & Support	Trustworthy Governance
Capital & Environmental Planning	Advance projects included in FY2021 CIP	Advance projects in conceptual design within the FTA process		✓	✓		
	Ensure transit is considered in third-party projects	<ul style="list-style-type: none"> Ensure thorough coordination of projects Attend interagency coordination meetings throughout the year 	✓			✓	

Project Management & Engineering manages and designs the agency's, service expansion, enhancements to existing assets, SOGR (State of Good Repair), facilities maintenance and universal accessibility capital projects.

PEC Goals - FY2021			METRO Business Plan Goals				
Dept.	Initiative/Objective	Measurement	Outstanding Trip Experience	High Quality Mobility Options	Accessible Infrastructure Investment	Regional Public Awareness & Support	Trustworthy Governance
Project Management & Engineering	Progress design of FY2021 service expansion, safety and state of good repair projects		✓	✓	✓		
	Implement METRO's Universal Accessibility's bus stop site improvement and accessibility	<ul style="list-style-type: none"> Design/Construct Bus Stop Site Improvement and Accessibility Complete Universal Accessibility designs for 1,000 sites and construct 500 sites 	✓	✓	✓		

The **Construction** division is responsible for ensuring the agency's projects are constructed in compliance with applicable requirements.

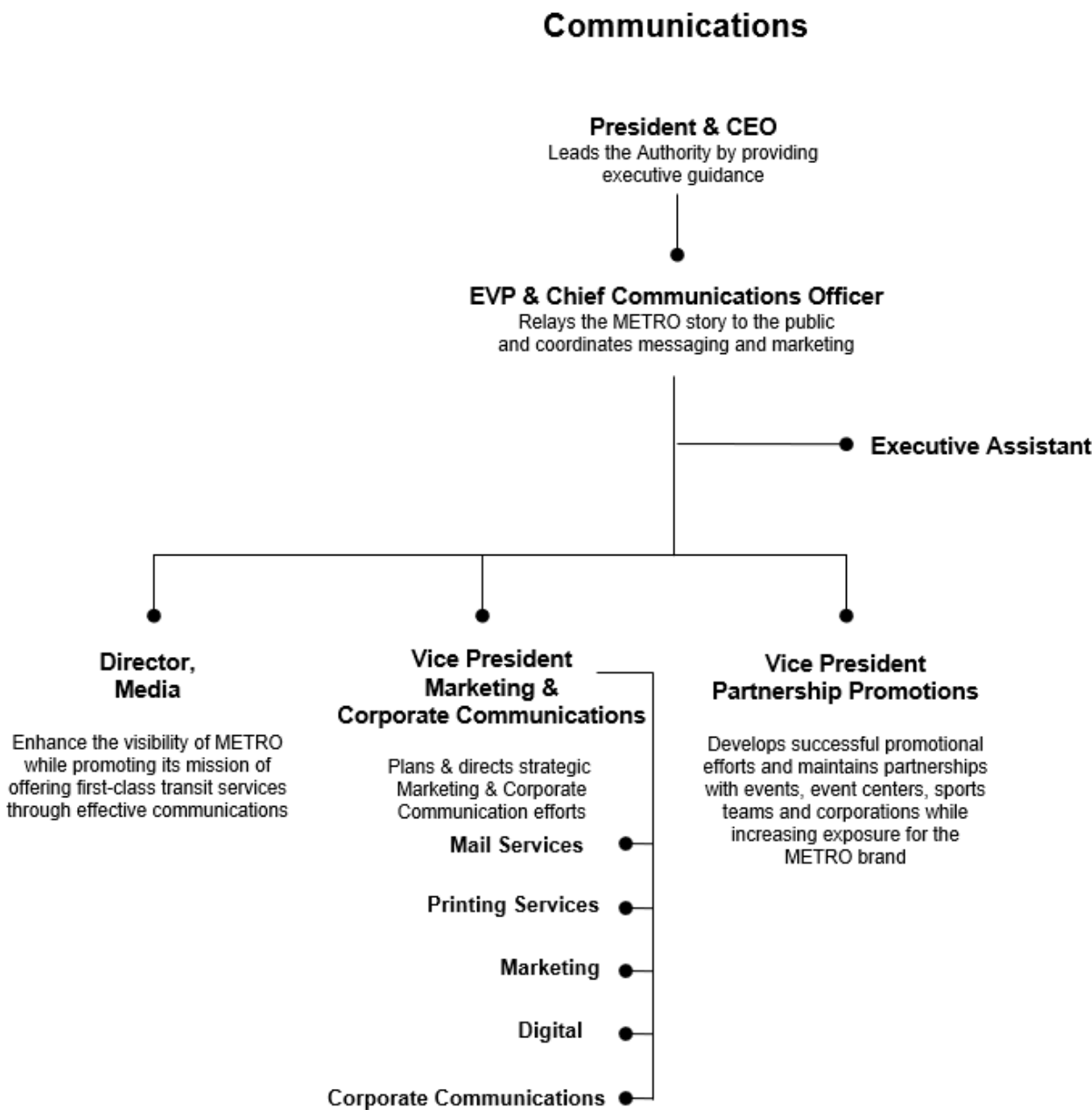
PEC Goals - FY2021			METRO Business Plan Goals				
Dept.	Initiative/Objective	Measurement	Outstanding Trip Experience	High Quality Mobility Options	Accessible Infrastructure Investment	Regional Public Awareness & Support	Trustworthy Governance
Construction	Complete construction and implementation of BRT programs	Percent of project completion vs. schedule	✓	✓	✓		

Facilities Maintenance maintains the agency's assets in a state of good repair.

PEC Goals - FY2021			METRO Business Plan Goals				
Dept.	Initiative/Objective	Measurement	Outstanding Trip Experience	High Quality Mobility Options	Accessible Infrastructure Investment	Regional Public Awareness & Support	Trustworthy Governance
Facilities Maintenance	Maintain agency public and private facilities in a state of good repair	<ul style="list-style-type: none"> Perform preventative maintenance on facilities and equipment Meet 100% preventative maintenance completion on METRO's mission and safety related equipment Meet 90% preventative maintenance completion 	✓	✓	✓		

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

	FY2020 Budget	FY2020 Estimate	FY2021 Budget	Budget-to-Budget Variance	
	\$	\$	\$	\$	%
Wages	\$ -	\$ -	\$ -	\$ -	N/A
Union Fringe Benefits	4,531	767	5,234	703	15.5%
Subtotal Union Labor	\$ 4,531	\$ 767	\$ 5,234	\$ 703	15.5%
Salaries and Non-Union Wages	3,164,627	3,065,977	3,071,690	(92,937)	(2.9%)
Non-Union Fringe Benefits	1,222,173	1,096,639	1,275,224	53,051	4.3%
Subtotal Non-Union Labor	\$ 4,386,801	\$ 4,162,616	\$ 4,346,914	\$ (39,887)	(0.9%)
Allocation to Capital and GMP	-	-	-	-	N/A
Subtotal Labor and Fringe Benefits	\$ 4,391,331	\$ 4,163,383	\$ 4,352,148	\$ (39,183)	(0.9%)
Services	13,075,087	8,431,633	9,109,249	(3,965,838)	(30.3%)
Materials and Supplies	1,226,521	911,654	738,000	(488,521)	(39.8%)
Fuel and Utilities	16,775	11,189	15,326	(1,449)	(8.6%)
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	46,117	21,271	33,751	(12,366)	(26.8%)
Subtotal Non-Labor	\$ 14,364,499	\$ 9,375,748	\$ 9,896,326	\$ (4,468,174)	(31.1%)
Subtotal Labor and Non-Labor	\$ 18,755,831	\$ 13,539,131	\$ 14,248,474	\$ (4,507,357)	(24.0%)
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 18,755,831	\$ 13,539,131	\$ 14,248,474	\$ (4,507,357)	(24.0%)

	FY2020 Budget	FY2021 Budget	Budget-to-Budget Variance	
	\$	\$	\$	%
Total Operating Expenses	\$ 17,040,089	\$ 12,508,220	\$ (4,531,868)	(26.6%)
Marketing	745,816	772,679	26,862	3.6%
Press Office	497,538	500,689	3,151	0.6%
EVP, Communications	472,388	466,886	(5,502)	(1.2%)

Communications

The Communications department consists of three divisions: Press Office, Marketing & Corporate Communications and Partnership Promotions.

Number of Employees: 39

Press Office enhances the visibility of METRO while promoting its mission of offering first-class transit services through effective communications. The office serves as the official point of contact between journalists and media professionals, manages METRO-owned social media platforms, generates original content for those platforms and facilitates responses to customer inquiries.

Communications FY2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Press Office	Enhance the visibility of METRO on digital, broadcast and print media while promoting the agency's first-class transit services as well as safety and security initiatives through effective communications.	<ul style="list-style-type: none">• Issue two (2) press releases per month.• Have a minimum of 1,000 social media posts on METRO digital channels per quarter.• Publish a minimum of four (4) METRO Connections newsletters per year.• Post a minimum of four (4) "The Next Stop Podcasts" per year.		✓		✓	

Marketing & Corporate Communications is further divided into four groups: Mail & Printing Services, Marketing, Digital and Corporate Communications.

Mail & Printing Services handles Authority-wide printing needs/requests. Is a full-service, in-house, digital print shop that produces all advertising, marketing, signage, brochures, guides and any other printed material METRO needs for both internal and external audiences.

Communications FY2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Mail & Printing Services	Support promotion of METRO safety and cleanliness	Production of collateral and owned media messaging				✓	
	Support promotion of METRORapid	Production of collateral for awareness of METRORapid service and METRORapid Silver Line in Uptown		✓		✓	
	Support METRONext	Production of collateral to educate public on progress of METRONext Moving Forward Plan projects (BOOST, Universal Accessibility)		✓		✓	
	Support "Drive Less, Do More" initiative	Production of collateral and owned media messaging				✓	



Marketing is a full-service, in-house agency providing advertising and marketing services for internal and external audiences.

Communications FY2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Marketing	METRO safety and cleanliness	Promote METRO's mission in COVID-related safety/cleanliness messaging	✓			✓	
	METROrapid	Build brand awareness of METROrapid as a service and the METROrapid Silver Line in Uptown		✓		✓	
	METRONext	Educate public on progress of METRONext Moving Forward Plan projects (BOOST, Universal Accessibility) and community events		✓		✓	
	"Drive Less Do More"	Position METRO as an alternative to driving, which offers tangible quality of life, environmental and convenience benefits		✓		✓	

Digital manages the METRO enterprise website redesign with a primary focus on user experience and extensive collaboration with key internal stakeholders on content aggregation and positioning

Communications FY2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Digital	Launch new METRO website	Execute project according to scope of work and associated phases of completion	✓	✓		✓	✓
	Develop content for new METRO website	Collaborate with stakeholders; align content development with anticipated page designs	✓	✓		✓	✓

Corporate Communications helps the Authority meet its business plan goals by providing clear and concise communications to internal and external audiences.

Communications FY2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Corporate Communications	Inside Track e-newsletter	Production and distribution of 20-25 e-newsletters annually, with corresponding printed versions					✓
	Digital bulletin boards	Post relevant content to engage and inform employees					✓
	METRO Matters TV show	Produce one new show per quarter, featuring agency leaders, to inform employees and members of the general public about timely and relevant METRO initiatives					✓
	METRO intranet	Post relevant content to engage and inform employees					✓
	Boardroom support	Provide audio/visual support for all committee and board meetings (in-person or virtual), ensuring they're live-streamed and recorded		✓		✓	✓

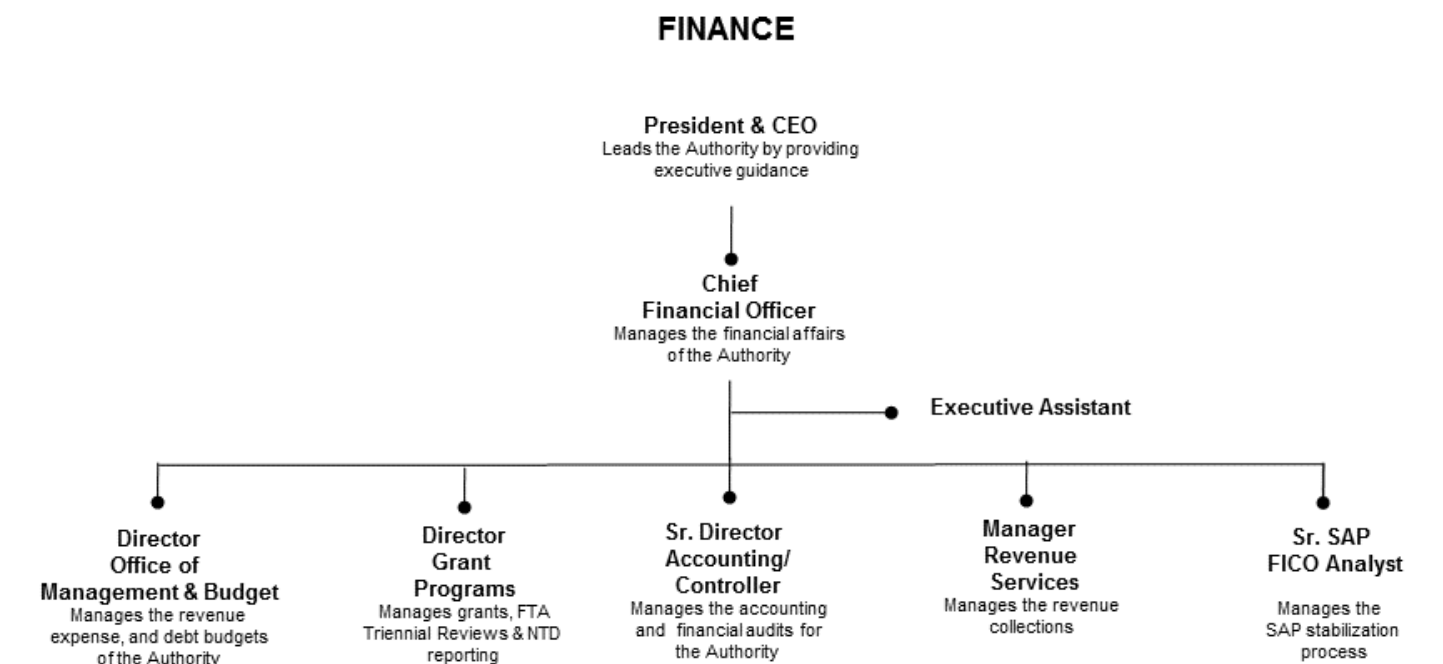


Partnership Promotions works to develop and maintain partnerships with events, event centers, sports teams, and corporations that meet the qualifications listed in the department’s guidelines.

Communications FY2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Partnership Promotions	Develop partnerships with five (5) entities that meet the criteria to promote using METRO among their current customers while increasing visibility and image for both parties	Develop and implement five (5) partnerships by end of FY2021	✓	✓		✓	

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

	FY2020 <u>Budget</u>	FY2020 <u>Estimate</u>	FY2021 <u>Budget</u>	Budget-to-Budget Variance	
				\$	%
Wages	\$ -	\$ -	\$ -	\$ -	N/A
Union Fringe Benefits	13,378	6,523	314,862	301,484	2253.6%
Subtotal Union Labor	\$ 13,378	\$ 6,523	\$ 314,862	\$ 301,484	2253.6%
Salaries and Non-Union Wages	6,248,957	6,314,639	6,141,613	(107,345)	(1.7%)
Non-Union Fringe Benefits	2,690,887	2,529,356	2,921,153	230,266	8.6%
Subtotal Non-Union Labor	\$ 8,939,845	\$ 8,843,995	\$ 9,062,766	\$ 122,921	1.4%
Allocation to Capital and GMP	(21,563)	(22,908)	(22,776)	(1,213)	5.6%
Subtotal Labor and Fringe Benefits	\$ 8,931,659	\$ 8,827,611	\$ 9,354,851	\$ 423,192	4.7%
Services	2,129,632	1,503,418	2,056,012	(73,620)	(3.5%)
Materials and Supplies	287,000	171,582	367,870	80,870	28.2%
Fuel and Utilities	24,662	20,916	23,396	(1,266)	(5.1%)
Casualty and Liability	-	861	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	98,702	90,612	98,347	(355)	(0.4%)
Subtotal Non-Labor	\$ 2,539,997	\$ 1,787,389	\$ 2,545,625	\$ 5,628	0.2%
Subtotal Labor and Non-Labor	\$ 11,471,656	\$ 10,615,000	\$ 11,900,476	\$ 428,820	3.7%
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 11,471,656	\$ 10,615,000	\$ 11,900,476	\$ 428,820	3.7%

	FY2020 <u>Budget</u>	FY2021 <u>Budget</u>	Budget-to-Budget Variance	
			\$	%
Total Operating Expenses				
Office of the Controller	\$ 4,450,323	\$ 4,380,456	\$ (69,867)	(1.6%)
Revenue Service	3,025,757	2,936,331	(89,426)	(3.0%)
Office of Management and Budget	2,315,885	2,372,402	56,517	2.4%
Chief Financial Officer	964,214	1,487,518	523,303	54.3%
Grants	715,476	723,769	8,293	1.2%

Finance

Finance Department provides management oversight and control of all financial functions including accounting and cash management, revenue management, grant management, and business and budget planning. The department consists of five divisions.

Number of Employees: 79

Chief Financial Officer (CFO): Primarily responsible for managing the Authority's finances, 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.

FY2021 Goals			METRO Budget Priorities				
Dept.	Initiative/Objective	Measurement	Outstanding Trip Experiences	High Quality Mobility Options	Accessible Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
CFO	Direct the financial affairs of the Authority	Prepare Monthly CFO Performance Report, which documents and explains the Authority financial position					✓
	Continue the SAP/FICO stabilization	Continue stabilization of SAP/FICO as updates are performed and new modules are implemented.					✓
	Continue to coordinate with the Union Health & Welfare Trust Fund	Work with investment advisor, actuary, investment managers and other consultants,					✓



Office of Management and Budget (OMB): Supports the Authority in implementing Business Plan priorities and fiscal policies set by the METRO Board, through independent and objective analysis to ensure financial sustainability.

FY2021 Goals			METRO Budget Priorities				
	Initiative/Objective	Measurement	Outstanding Trip Experiences	High Quality Mobility Options	Accessible Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
OMB	Ensure the Authority has sufficient funds to implement Business Plan priorities in FY21 and beyond	Produce the Authority's annual Operating and capital Budgets.					✓
	Conduct periodic financial analyses to ensure financial sustainability	Develop the Authority's five-year and long term financial forecast and update it as additional information is received (example: semiannual sales tax forecasts).					✓
	Monitor Authority revenues and analyze variances to ensure financial sustainability	Conduct monthly or quarterly analyses of revenues received from sales tax, fares, grants and other sources. Update variance slide(s) for CFO report and brief CFO on major sources of variance.					✓
	Prepare bond and other debt issuances to fund the Authority's present and future needs as required	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.					✓

Office of the Controller: Maintains METRO’s financial reporting system, including related internal controls, that supports compliance with related state and federal laws and required accounting standards.

FY2021 Goals			METRO Budget Priorities				
	Initiative/Objective	Measurement	Outstanding Trip Experiences	High Quality Mobility Options	Accessible Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Office of the Controller	Prepare external financial reports that comply with applicable rules, regulations, professional standards, and management instructions. Analyze financial information while providing support to OMB, OMS, and other departments. Manage the independent external financial audit and support compliance with related laws, rules, and reporting requirements. Support internal controls and maintain the reliability of the financial reporting system by performing timely and accurate reconciliations, account analysis, and identify and recommend improvements to accounting processes.	Internal controls over financial accounting, reporting is working effectively and financial information/reports are issued timely					✓
	Achieve prompt and accurate processing of METRO invoices and subsequent disbursement, monitor compliance with applicable METRO policies, and maintain a database of Accounts Payable transactions. Increase invoice production through better use of existing technology, improving processes, training, and enhancing oversight. Achieve greater financial accuracy through the accurate recording of the accrual at period end for unrecorded liabilities, reconcile the subsidiary system and related accounts to the general ledger timely, and maintain a high level of service with external and internal customers.	Vendor invoices are processed timely and accurately while maintaining effective internal controls and compliance over the payment/recording process.					✓
	Ensure the sales and use taxes are collected and distributed to METRO as scheduled. Administer Union and Non-Union Pension Funds according to the IRS’ approved plans which include working with actuary, custodian banks, attorneys and CPA Firms regarding pension matters.	Ensure sales tax receipts are received and disbursements for interlocal agreements are completed timely. Develop daily short-term cash flow analysis. Prepare and disburse all checks and record all cash receipts daily. Meet reporting dates and auditing requirements for pension plans’ financial statements.					✓
	Record and disburse employees’ wages on a weekly and bi-weekly cycle, deposit weekly payroll taxes, prepare quarter and year end wage and tax reports for state and federal governments, issue W-2 statements to current and former employees, perform SAP software updates and modifications as required to comply with regulations and union contractual obligations, prepare period end accruals and reconcile the subsidiary system to the general ledger along with related accounts, and provide high quality service to departments and individual employees.	Payments to employees are processed timely and accurately while maintaining effective internal controls and compliance over the payment/recording process.					✓

Grants Programs Division: Provides Grant management of FTA funded programs and oversight of subrecipient pass-through funds.

FY2021 Goals			METRO Budget Priorities				
	Initiative/Objective	Measurement	Outstanding Trip Experiences	High Quality Mobility Options	Accessible Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Grants	Submit Annual NTD Report without Notes	Increase efficiency of reporting to meet NTD Annual Report due date of 01/31/2021					✓
	Complete Annual Single Audit Report without Notes	Increase efficiency of audit along with increased effectiveness of subrecipient oversight before audit work commencement during Fall 2020					✓
	Apply for a minimum of three (3) discretionary grants	Grant Programs will continue to research grant opportunities and submit application as appropriate throughout Fiscal Year 2021.					✓

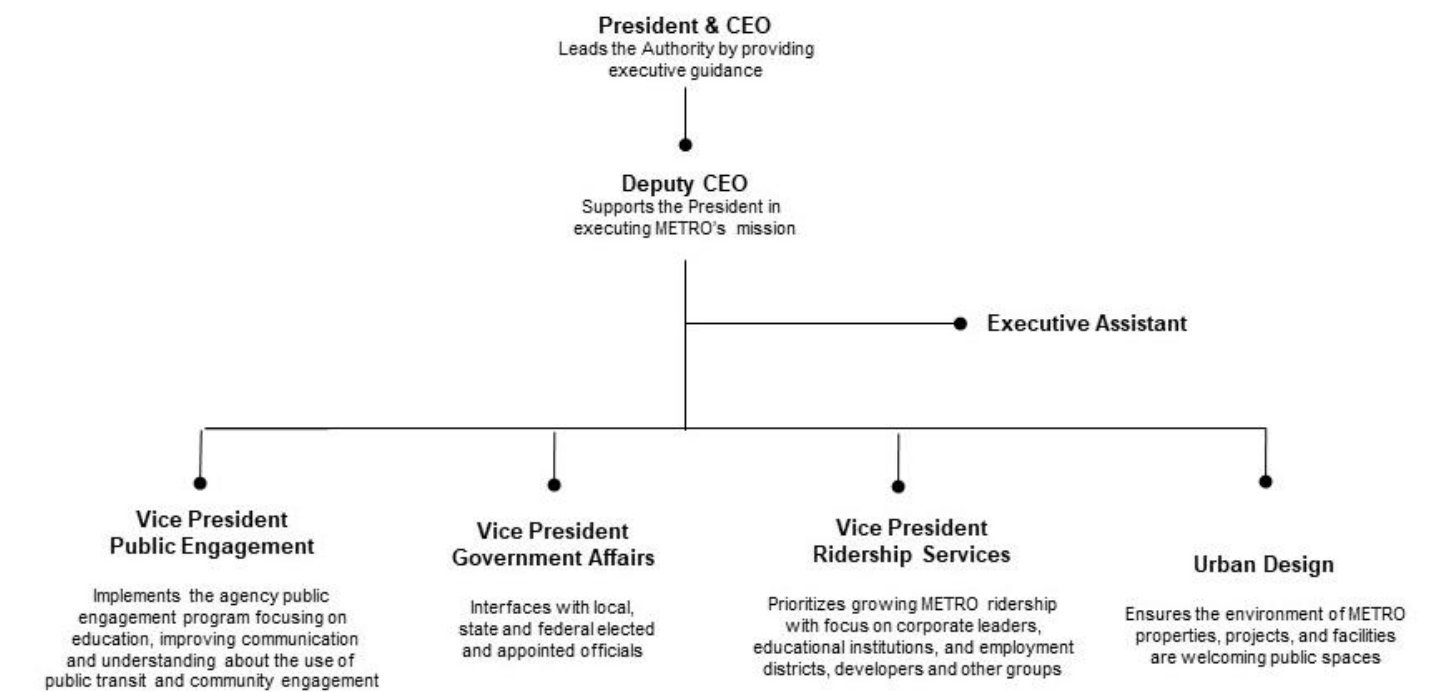
Revenue Service Division: Provides cash collection, counting and deposit service; fare media creation & inventory; fare-related customer service; HOT lanes revenue accounting; mobile ticketing system support & customer service; retailer, RideSponsor & agency invoicing & support; revenue servicing of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

FY2021 Goals			METRO Budget Priorities				
	Initiative/Objective	Measurement	Outstanding Trip Experiences	High Quality Mobility Options	Accessible Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Revenue Services	In-house repair of certain ticket vending machine (TVM) fare collection components	The reduction of outside repair and maintenance costs and the limited necessity to purchase new equipment during 2021	✓				✓
	All day cash collections (bus & rail) are prepared for deposit the following morning	Consistent daily cash flow throughout FY2021; Revenue services will continue to strive for continued process improvements throughout the fiscal year.	✓				✓
	Revenue Services will provide superior customer service with respect to mobile ticketing.	Revenue Services will continue to provide outstanding customer service to enhance the current users and new regional partners mobile ticketing experience by eliminating confusion in utilizing the app during FY2021	✓				✓

Government & Public Affairs

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

GOVERNMENT & PUBLIC AFFAIRS



Government and Public Affairs

	FY2020 Budget	FY2020 Estimate	FY2021 Budget	Budget-to-Budget Variance	
	\$	\$	\$	\$	%
Wages	\$ -	\$ -	\$ -	\$ -	N/A
Union Fringe Benefits	5,436	914	6,085	649	11.9%
Subtotal Union Labor	\$ 5,436	\$ 914	\$ 6,085	\$ 649	11.9%
Salaries and Non-Union Wages	4,240,167	4,057,168	3,582,823	(657,344)	(15.5%)
Non-Union Fringe Benefits	1,388,205	1,303,935	1,443,171	54,966	4.0%
Subtotal Non-Union Labor	\$ 5,628,372	\$ 5,361,103	\$ 5,025,994	\$ (602,378)	(10.7%)
Allocation to Capital and GMP	-	-	-	-	N/A
Subtotal Labor and Fringe Benefits	\$ 5,633,807	\$ 5,362,017	\$ 5,032,079	\$ (601,728)	(10.7%)
Services	1,303,894	994,943	2,342,392	1,038,498	79.6%
Materials and Supplies	36,013	23,197	19,100	(16,913)	(47.0%)
Fuel and Utilities	31,620	29,109	31,486	(133)	(0.4%)
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	8,556,421	6,739,522	5,549,641	(3,006,780)	(35.1%)
Leases, Rentals and Miscellaneous	637,031	366,154	599,893	(37,138)	(5.8%)
Subtotal Non-Labor	\$10,564,979	\$ 8,152,925	\$ 8,542,513	\$ (2,022,466)	(19.1%)
Subtotal Labor and Non-Labor	\$16,198,786	\$ 13,514,942	\$13,574,592	\$ (2,624,194)	(16.2%)
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$16,198,786	\$ 13,514,942	\$13,574,592	\$ (2,624,194)	(16.2%)

	FY2020 Budget	FY2021 Budget	Budget-to-Budget Variance	
	\$	\$	\$	%
Total Operating Expenses				
Client and Vanpool Ridership	\$12,506,176	\$ 9,090,008	\$ (3,416,168)	(27.3%)
Government Affairs	919,981	1,986,538	1,066,557	115.9%
Public Engagement	1,694,016	1,614,905	(79,112)	(4.7%)
Deputy CEO	565,981	574,793	8,812	1.6%
Urban Design	512,632	308,348	(204,284)	(39.9%)

Government & Public Affairs

The Government & Public Affairs department consists of four divisions: Public Engagement, Government Affairs, Client & Vanpool Ridership Services, and Urban Design.

Number of Employees: 46

Public Engagement develops, manages and implements 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.

Government & Public Affairs FY 2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Public Engagement	Manage all public engagement and outreach efforts relative to service and project implementation.	Develop and/or manage the public engagement plans associated with universal accessibility projects, BOOST corridor planning, and other METRONext related projects. Implement public engagement activities at key phases of service and project implementation.	✓	✓	✓	✓	
	Develop and implement a comprehensive and diverse program of activities that raises awareness and educates the public about METRO services, projects and programs.	Execute a minimum of 98 community engagement activities across a multitude of touchpoints every month that include virtual and digital engagement.	✓	✓	✓	✓	
	Direct and manage social network analysis to evaluate public reaction to METRO service, project and program initiatives and expand efforts to grow participation in project and service development public involvement activities.	Each quarter, execute a minimum of five (5) community engagement and/or public involvement activities directly tied to social network analysis data.	✓	✓	✓	✓	

Government Affairs coordinates interaction with local, state and federal elected officials to advocate and promote METRO's projects, programs and policies. Government Affairs develops and manages overall strategy for all METRO legislative activities.

Government & Public Affairs FY 2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Government Affairs	Work to ensure that METRO's interests are properly represented at the federal level by effectively influencing federal legislation.	Work closely with our delegation to advance METRO's legislative items including discretionary and formula in the new appropriations bill, funding as well as regulatory policies that impact the agency.	✓	✓	✓	✓	
	During the state interim legislative year, METRO will work with state legislators and state agencies 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.	Build support for METRO's issues by working closely with key members of the legislature during the interim year. Monitor the interim committee charges for the 2 Transportation Committee and effect/monitor committee reports.	✓	✓	✓	✓	
	Continue to strengthen METRO's relationships with elected officials through regular meetings to discuss METRO's long-range planning and short-range projects, including the METRONext plan.	Coordinate meetings with elected officials for educational briefings on METRONext as well as short term projects. Manage City Council Engagements. Meet with all 14 Multi-City Mayors on a quarterly basis or as needed.	✓	✓	✓	✓	

Client & Vanpool Ridership Services serves as a liaison for corporate, educational, and community partners working together to increase METRO's ridership and revenue by educating and enhancing client/patron knowledge in METRO services and Q Card products through multiple touch points. Ridership & Client Services collaborates effectively to make fare items accessible through effective sales and marketing to corporations, apartments, hotel concierge services, conventions, universities, retailers and other non-traditional partners in new markets.

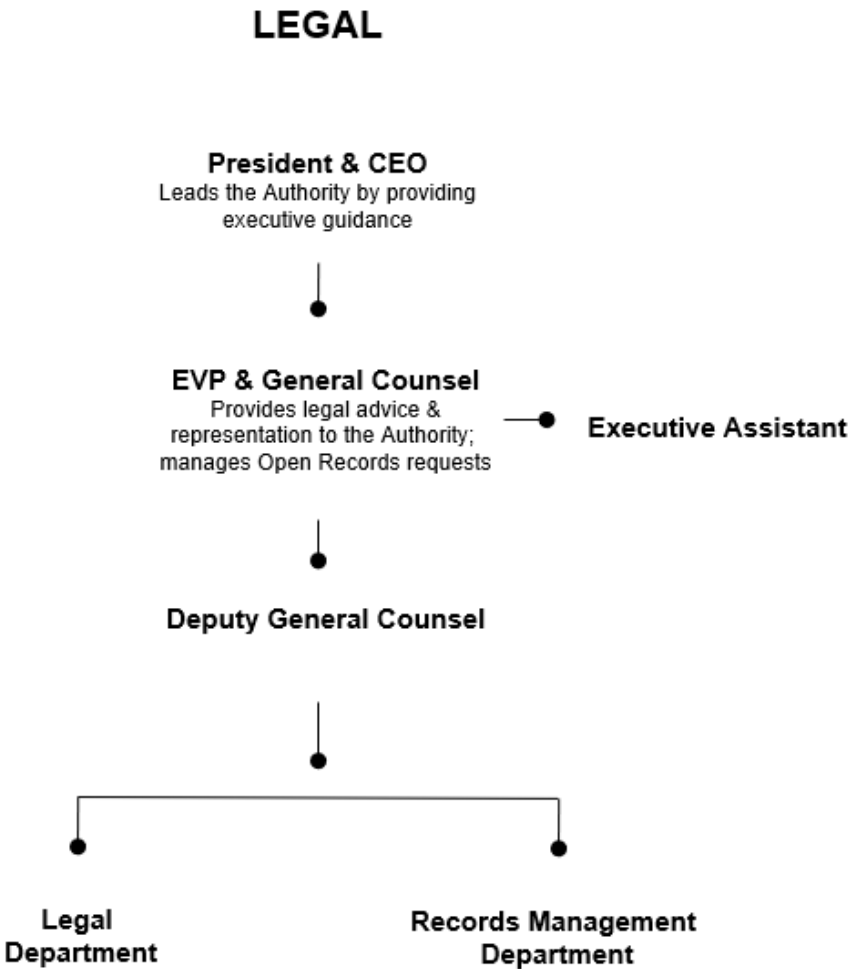
Government & Public Affairs FY 2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Client & Vanpool Ridership Services	Increase corporate programs, and most importantly, maintain business continuity and communicaiton for potential Park & Ride changes in FY21.	12 new Corporate accounts by end of FY 2021	✓	✓	✓	✓	
	Increase Rider Reward programs, while focusing on new Uptown area opportunities. Maintain current relationships for DT community support.	12 new Rider Rewards accounts by end of FY 2021					
	Create Ridership Development Strategy utilizing incentives to influence behavioral changes that will be key in restoring, educating, and influencing non-riders to try our system and continue promoting ridership to essential workers. Continue working with our clients, sustaining their confidence in METRO transit services. Overcome negative impacts of COVID-19.	1) MM for new contracts executed during FY 2021 scaled by size of organization 2) Work with H-GAC and METRO's Office of Innovation, Marketing and other partners to incentivize people to make greener choices such as METRO restores the public confidence. 3) Continue to collaborate and provide support to our client network as they navigate the new telework model by providing general information, virtual meetings, e-networking and training, and personal communication as required by our clients.	✓	✓	✓	✓	
	Enhance Go-to Market Plan – Maximize ways to make our channels work for METRO by increasing usage of METRO Q fare cards issued by 1% based if COVID vaccine is introduced in FY21.	1) Work with Houston First on new FY21 Conventions events (HF in development) 2) Continue “College/School Niche” strategic alignment 3) Improved Rider Reward Program - marketing collaboraion for app, etc. 4)Work with Uptown to develop ridership awareness/need for new Silver Line 5) Work with Marketing to improve website/pages for client interaction.	✓	✓	✓	✓	
	Increase employer partnerships, sustain current relationships and continue our collaboration for vanpool alternative transportation options.	Increase active Regional Vanpool employer accounts by 36 during FY 2021. Collaborate with Planning and HGAC for vanpool alternatives in areas where Park & Rides have been reduced.	✓	✓	✓	✓	
	Identify riders who participated in February 2020, and stopped riding due to Covid; track those that return to riding quarterly.	Recapture 30% of former Regional Vanpool riders that stopped riding during COVID. Collaborate with Planning and H-GAC for vanpool alternatives in areas where Park & Rides have been reduced.	✓	✓	✓	✓	
	Create a policy that provides tiered pricing by vehicle type/capacity/distance so that riders have price certainty for participating.	Develop a Regional Vanpool flat rate individual fee fare policy proposal for management review and approval by Q3 (May 15, 2021.)	✓	✓	✓	✓	✓

Urban Design enhances the overall experience of using transit by working with design consultants to ensure capital improvement projects are designed to support an enriching transit experience. The urban design process aims to value the social, economic and need 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

Government & Public Affairs FY 2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Urban Design	Provide urban transit design guides for METRO design consultants	This will follow regular procurement proceedings. Continue staff and stakeholder coordination to ensure guides and manuals provide best practice urban design strategies for consultant use.	✓	✓	✓	✓	
	Facilitate a transparent design review process for station area enhancement capital improvement projects	Review and comment on all project designs.	✓	✓	✓	✓	
	Create transit projects that improve the waiting environment and welcoming public spaces for all	Ongoing process working with Engineering design	✓	✓	✓	✓	
	Reinforce a sense of place and give structure and orientation to the transit experience	Coordinate with PEC to design transit stops to meet universal accessibility requirements per METRO design guidelines	✓	✓	✓	✓	
	Contribute positively to the fabric of communities and the unique qualities of adjacent neighborhoods	Complete urban site analysis to understand the riders of the transit stop location; where they are coming from; where they are going; and how nearby amenities are used throughout the day in order to propose the most effective amenities to the site	✓	✓	✓	✓	
	Contribute to the sustainability of the urban environment	Encourage an urban environment that supports and enhances transit's contribution to create healthy, smart, resilient, livable, walkable places.	✓	✓	✓	✓	
	Support joint-development projects	Urban design projects are development projects. Include in project analysis and work with real estate to identify and understand best land value and partnership opportunities to advance transit facilities to operate as valuable public spaces of communities	✓	✓	✓	✓	
	Design transit infrastructure to work with its natural environment and act as the natural landscape it has replaced. Allow creative thinking to impact transit design to work as a key agent of alleviating environmental impacts and restoring service to daily life	Include design strategies to restore ecosystem services in transit infrastructure specifically in dense urban areas	✓	✓	✓	✓	

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

	FY2020 <u>Budget</u>	FY2020 <u>Estimate</u>	FY2021 <u>Budget</u>	Budget-to-Budget Variance	
				\$	%
Wages	\$ -	\$ -	\$ -	\$ -	N/A
Union Fringe Benefits	2,711	453	3,120	409	15.1%
Subtotal Union Labor	\$ 2,711	\$ 453	\$ 3,120	\$ 409	15.1%
Salaries and Non-Union Wages	1,854,512	1,863,775	1,834,379	(20,132)	(1.1%)
Non-Union Fringe Benefits	508,049	519,300	596,215	88,165	17.4%
Subtotal Non-Union Labor	\$ 2,362,561	\$ 2,383,075	\$ 2,430,594	\$ 68,033	2.9%
Allocation to Capital and GMP	-	-	-	-	N/A
Subtotal Labor and Fringe Benefits	\$ 2,365,272	\$ 2,383,528	\$ 2,433,714	\$ 68,442	2.9%
Services	2,352,975	1,119,353	1,392,600	(960,375)	(40.8%)
Materials and Supplies	6,500	9,162	6,500	-	0.0%
Fuel and Utilities	8,508	7,140	8,508	-	0.0%
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	88,221	57,999	75,026	(13,195)	(15.0%)
Subtotal Non-Labor	\$ 2,456,204	\$ 1,193,654	\$ 1,482,634	\$ (973,570)	(39.6%)
Subtotal Labor and Non-Labor	\$ 4,821,476	\$ 3,577,182	\$ 3,916,348	\$ (905,128)	(18.8%)
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 4,821,476	\$ 3,577,182	\$ 3,916,348	\$ (905,128)	(18.8%)

Legal

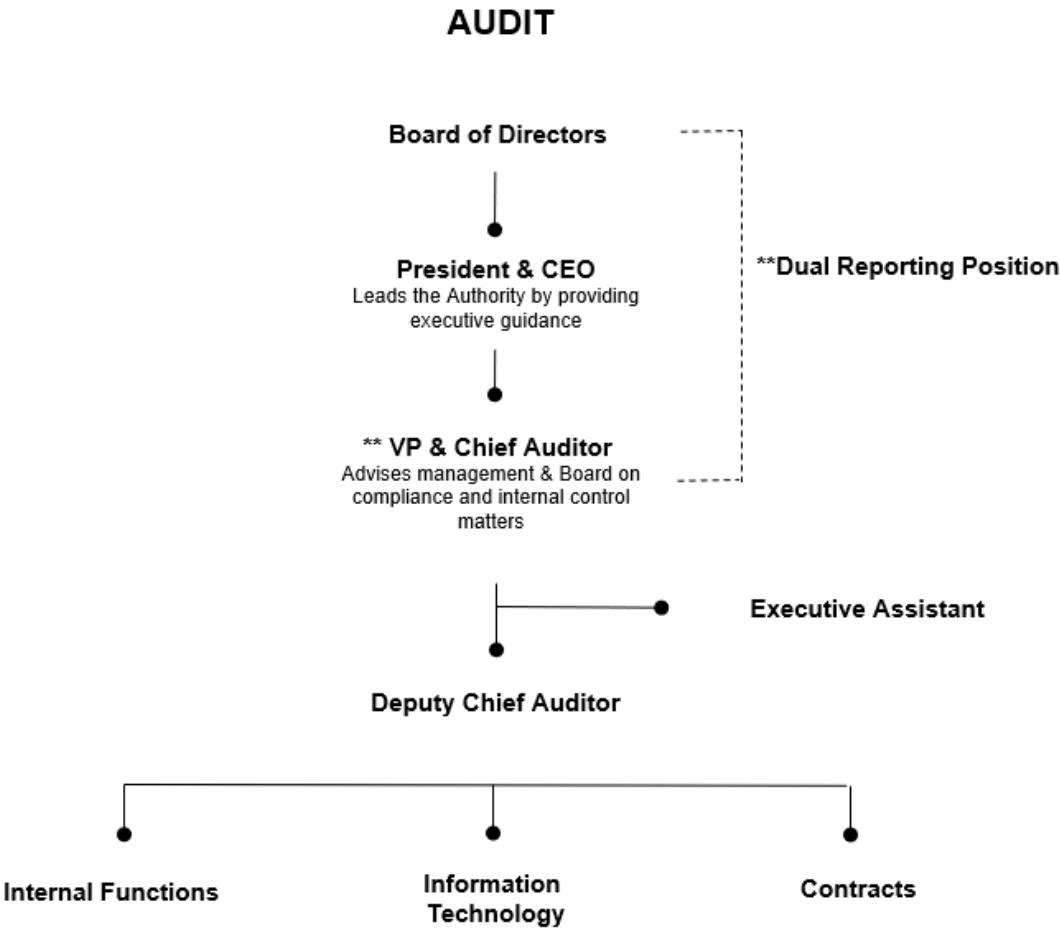
The Legal Department helps advance METRO's mission by providing legal advice and services to the Board of Directors, management and staff to foster sound decision-making in all areas of the Agency's operations, services and administration.

Number of Employees: 19

Legal FY 2021 Goals							
Dept.	Initiative/Objective	Measurement	METRO Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Accessible Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Legal	Vigorously represent METRO in litigation and provide business-driven legal advice and and counsel	Daily: Draft and review contracts, oversee governance and compliance matters, manage litigation and advise on all legal matters, including labor & employment and procurement law	✓	✓	✓	✓	✓
	Advise on the legal implications of proposed policy and other decisions and make recommendations to reduce the agency's liability exposure	Provide ongoing strategic review and advice on proposed policy and other decisions and make recommendations to reduce METRO's liability exposure	✓	✓	✓	✓	✓
	Administer the Agency's legal affairs in the most cost-efficient manner reasonable to ensure operations are completed expeditiously and in compliance with existing laws, regulations and ethical standards.	Continuously monitor the Agency's legal affairs ensuring timeliness and cost efficiency.	✓	✓	✓	✓	✓
	Maintain 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.	Staff works daily to maintain and update the Agency's robust records management program.	✓		✓	✓	✓
	Oversee the provision of all outside legal services to METRO to ensure efficiency, containment of costs and reliability of service	The Legal department reviews invoices monthly for outside counsel services. It also reviews timekeeper rates and obtains estimates for services in advance.	✓		✓		✓
	Provide in-house training to staff about various legal requirements and risks to prevent or reduce liabilities and legal disputes.	Ongoing collaborative development of Agency wide policies and training.	✓	✓	✓	✓	✓

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

	FY2020 Budget	FY2020 Estimate	FY2021 Budget	Budget-to-Budget Variance \$	%
Wages	\$ -	\$ -	\$ -	\$ -	N/A
Union Fringe Benefits	1,415	247	1,374	(40)	(2.9%)
Subtotal Union Labor	\$ 1,415	\$ 247	\$ 1,374	\$ (40)	(2.9%)
Salaries and Non-Union Wages	960,860	805,126	790,454	(170,406)	(17.7%)
Non-Union Fringe Benefits	339,304	278,571	323,793	(15,511)	(4.6%)
Subtotal Non-Union Labor	\$ 1,300,164	\$ 1,083,697	\$ 1,114,246	\$ (185,918)	(14.3%)
Allocation to Capital and GMP	-	-	-	-	N/A
Subtotal Labor and Fringe Benefits	\$ 1,301,579	\$ 1,083,943	\$ 1,115,621	\$ (185,958)	(14.3%)
Services	216,200	79,362	180,200	(36,000)	(16.7%)
Materials and Supplies	6,500	3,441	5,000	(1,500)	(23.1%)
Fuel and Utilities	900	180	400	(500)	(55.6%)
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	21,690	6,852	15,425	(6,265)	(28.9%)
Subtotal Non-Labor	\$ 245,290	\$ 89,834	\$ 201,025	\$ (44,265)	(18.0%)
Subtotal Labor and Non-Labor	\$ 1,546,869	\$ 1,173,778	\$ 1,316,646	\$ (230,223)	(14.9%)
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 1,546,869	\$ 1,173,778	\$ 1,316,646	\$ (230,223)	(14.9%)

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.

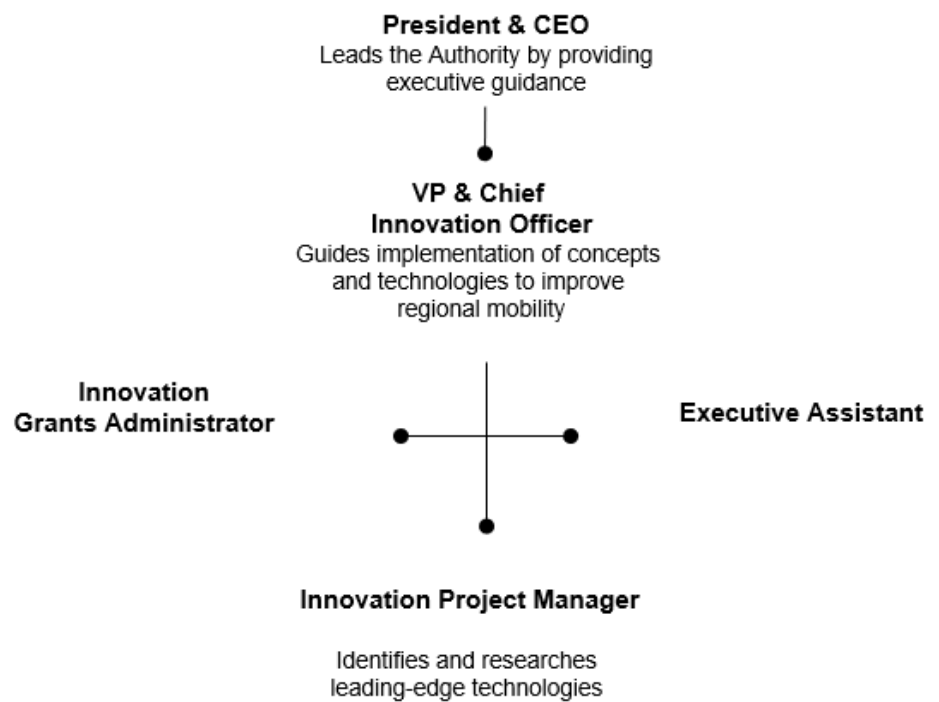
Number of Employees: 9

Audit FY 2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Accessible Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Audit	Perform follow-up of previous recommendations issued in the previous year's Audit Reports (Corrective Action Compliance)	Monthly follow-up on outstanding recommendations	✓		✓		✓
	Perform follow-up of previous recommendations issued in the previous year's Audit Reports (Corrective Action Compliance)	Each Quarter: perform Bug America Pre-Award and Post Delivery Audits as needed.					✓
	Perform Cost/Price Analysis at the request of Procurement to ensure compliance with FTA regulations in a timely manner to help support METRO's initiative with planning for the future and improve customer experience (internally).	Each Quarter perform Cost/Price Analysis as requested by Procurement.	✓	✓	✓	✓	✓
	Perform special projects as requested by Executive Leadership or Board of Directors.	Perform special projects as requested.	✓	✓	✓	✓	✓
	Initiate all Internal Function and Information Technology Audits documented on the Audit Plan presented to the Board for the fiscal year.	Initiate and complete as many Audits as possible without sacrificing quality of review and collaboration with Auditee. (Please note - Audit timing of completion may be impacted by resources available from Auditee or 3rd Party Information Technology Consultants as well as Department Personnel changes such as retirements or special project request not previously identified during risk assessment.)					✓
	Perform follow-up of recommendations from the external Light Rail Transit System Safety Assessment to help ensure safety enhancements are properly implemented.	Provide quarterly follow-up and updates of recommendations from the Light Rail Transit System Safety Assessment.		✓			✓
	Perform oversight of the Audit of Rail System Safety Program Plan to help ensure the required elements are reviewed by the contractor	Perform oversight of consultants performing Audit of Rail System Safety Program Plan.		✓			✓
	Create a career path within Audit, allowing employees to develop leadership skills, setting up the opportunity for upward mobility within the department.	Ongoing cross training of employees.	✓	✓			✓
	Cross train department employees that have displayed in interest to grow skill set and career goals across current Audit value added services (internal functions and contracts).	Ongoing cross training of employees.	✓				✓

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

	FY2020 Budget	FY2020 Estimate	FY2021 Budget	Budget-to-Budget Variance	
	\$	\$	\$	\$	%
Wages	\$ -	\$ -	\$ -	\$ -	N/A
Union Fringe Benefits	727	122	796	69	9.5%
Subtotal Union Labor	\$ 727	\$ 122	\$ 796	\$ 69	9.5%
Salaries and Non-Union Wages	495,774	498,341	457,898	(37,875)	(7.6%)
Non-Union Fringe Benefits	132,629	122,611	132,884	254	0.2%
Subtotal Non-Union Labor	\$ 628,403	\$ 620,953	\$ 590,782	\$ (37,621)	(6.0%)
Allocation to Capital and GMP	-	-	-	-	N/A
Subtotal Labor and Fringe Benefits	\$ 629,130	\$ 621,074	\$ 591,578	\$ (37,552)	(6.0%)
Services	630,009	618,563	89,610	(540,399)	(85.8%)
Materials and Supplies	2,000	1,129	1,800	(200)	(10.0%)
Fuel and Utilities	3,400	2,325	3,400	-	0.0%
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	131,690	60,448	47,560	(84,130)	(63.9%)
Subtotal Non-Labor	\$ 767,099	\$ 682,465	\$ 142,370	\$ (624,729)	(81.4%)
Subtotal Labor and Non-Labor	\$ 1,396,229	\$ 1,303,539	\$ 733,948	\$ (662,281)	(47.4%)
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 1,396,229	\$ 1,303,539	\$ 733,948	\$ (662,281)	(47.4%)

Office of Innovation

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

Number of Employees: 5

Office of Innovation FY 2021 Goals							
Dept.	Initiative/Objective	Measurement	Budget Priorities				
			Outstanding Trip Experiences	High Quality Mobility Options	Infrastructure Investments	Regional Public Awareness & Support	Trustworthy Governance
Office of Innovation	Develop COVID-19 Research Library	Install link of Intranet available to all METRO employees with COVID research, trends, and data					✓
	Partner with other transportation entities and Smart City Groups (Intelligent Transportation Systems, Federal Highway Administration, National Center for Transportation, etc.) to provide regional solutions to the increasing demand for transportation alternatives.	Maintain active Team Houston engagement				✓	
	Develop an in-house think tank to leverage employees' expertise.	Host a minimum of one think tank per quarter	✓	✓			
	Incorporate autonomous and connected transit solutions into METRO's modes of service.	Continue development of Automated Bus Consortium, AIM Grant (if awarded), and other efforts	✓	✓	✓		✓
	Manage METRO's unsolicited proposals and pilot program to encourage and incubate innovative ideas.	Pursue public and private grants to innovation, smart mobility projects		✓		✓	✓

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.

	FY2020 Budget	FY2020 Estimate	FY2021 Budget	Budget-to-Budget Variance	
				\$	%
Wages	\$ 9,570,053	\$ -	\$ -	\$ (9,570,053)	(100.0%)
Union Fringe Benefits	-	-	1,409,938	1,409,938	N/A
Subtotal Union Labor	\$ 9,570,053	\$ -	\$ 1,409,938	\$ (8,160,115)	(85.3%)
Salaries and Non-Union Wages	575,406	-	450,000	(125,406)	(21.8%)
Non-Union Fringe Benefits	96,082	-	19,125	(76,957)	(80.1%)
Subtotal Non-Union Labor	\$ 671,488	\$ -	\$ 469,125	\$ (202,363)	(30.1%)
Allocation to Capital and GMP	-	-	-	-	N/A
Subtotal Labor and Fringe Benefits	\$ 10,241,541	\$ -	\$ 1,879,063	\$ (8,362,477)	(81.7%)
Services	-	-	-	-	N/A
Materials and Supplies	-	-	-	-	N/A
Fuel and Utilities	-	-	-	-	N/A
Casualty and Liability	-	-	-	-	N/A
Purchased Transportation	-	-	-	-	N/A
Leases, Rentals and Miscellaneous	8,443,463	-	1,388,000	(7,055,463)	(83.6%)
Subtotal Non-Labor	\$ 8,443,463	\$ -	\$ 1,388,000	\$ (7,055,463)	(83.6%)
Subtotal Labor and Non-Labor	\$ 18,685,004	\$ -	\$ 3,267,063	\$ (15,417,941)	(82.5%)
Contingency	2,500,000	-	7,625,219	5,125,219	205.0%
Allocation to Capital and GMP	-	-	-	-	N/A
Total Operating Expenses	\$ 21,185,004	\$ -	\$ 10,892,283	\$ (10,292,721)	(48.6%)

Budget Item	FY2021 Budget
President and CEO's Contingency	\$ 7,625,219
Worker's Compensation Allowance	1,409,938
Potential Real Estate Fund Expenditures	1,000,000
President and CEO Allowance for Salary Actions	469,125
Strategic Initiatives and Innovation Pilots/Projects	388,000

Appendices

Appendix A: Financial Parameters

(Presented and approved at the May 20, 2020 meeting of the Finance & Audit Committee)

- Estimates of sales tax growth will be consistent with the growth estimates provided by Dr. Robert W. Gilmer, reduced by 1.00% in the budget calculations.
- No fixed-route fare increases will be proposed for FY 2021.
- METRO will present the Five-Year Cash Flow model annually, clearly specifying all sources and uses of revenue.
- METRO will position itself for optimum receipt and use of grants.
- METRO will allocate sufficient resources to operate core services.
- METRO will support financial sustainability by carefully managing the growth of “baseline” operating expenses to an increase of no more than 0.0%, after adjusting for non-recurring expenses.
- METRO will meet the funding objective for defined benefit pension plans by continuing to make 100% of the actuarially determined annual contributions.
- 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 in the Business Plan.
- 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 Board-directed \$10,000,000.
- When reallocating or modifying budgets within the Board-adopted levels, staff will adhere to the following approval levels:

Scope of Budget Changes	Approval Required
Up to \$250,000	Chief Financial Officer (CFO) or Director of the Office of Management & Budget (OMB)
\$250,000 - \$1,000,000	President & CEO
Over \$1,000,000	METRO Board of Directors
Administrative or technical changes (within the scope of the adopted budget that do not represent a change in METRO’s work plan or priorities)	CFO or the Director of OMB President & CEO (if changes involve a centralized allowance for specific actions)

- All budget changes will be reported to the Finance & Audit Committee on a quarterly basis.
 - Any modifications increasing budgets (Budget Amendments) would require Board approval and will adhere to Texas Transportation Code 451.102 and 451.103.

Appendix B: 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.

Appendix C: Investment Policy

METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY, TEXAS

INVESTMENT POLICY

As Approved on November 22, 2019

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%
Per issuer maximum limits:	
• 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 Poor's 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
Texas DAILY

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)
Cadence Bank (For Certificates of Deposit Only)
Wells Fargo

Approved Broker / Dealers

BOK Financial Securities, Inc	Multi-Bank Securities, Inc.
Blaylock Van, LLC	Piper Jaffray
Cabrera Capital Markets, LLC	PNC Bank
Cantella & Co. Inc.	Ramirez and Co.
Cantor Fitzgerald	Raymond James
Crews & Associates	RBC Capital Markets, LLC
FTN Financial Securities, Inc.	Rice Financial Products
Great Pacific Securities	Robert W. Baird & Co.
Hilltop Securities	Stern Brothers & Co.
Jefferies LLC	SunTrust Robinson Humphrey
Ladenburg Thalmann & Co.	Vining Sparks
Loop Capital Markets	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	

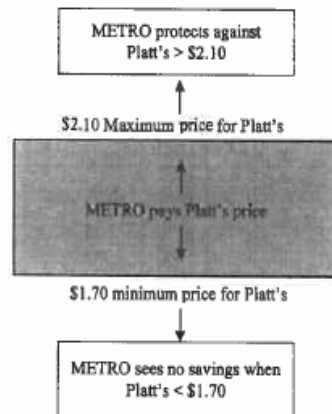
3. Maximum/Minimum Price Contracts (Collars):

- 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

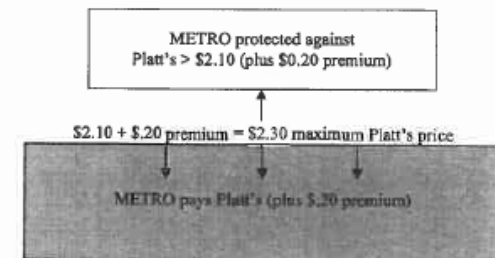
4. Maximum Price Contracts (Cap):

- 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.

Appendix E: 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.

Appendix F: Comparative Statistics

Top 25 North American Bus Fleets



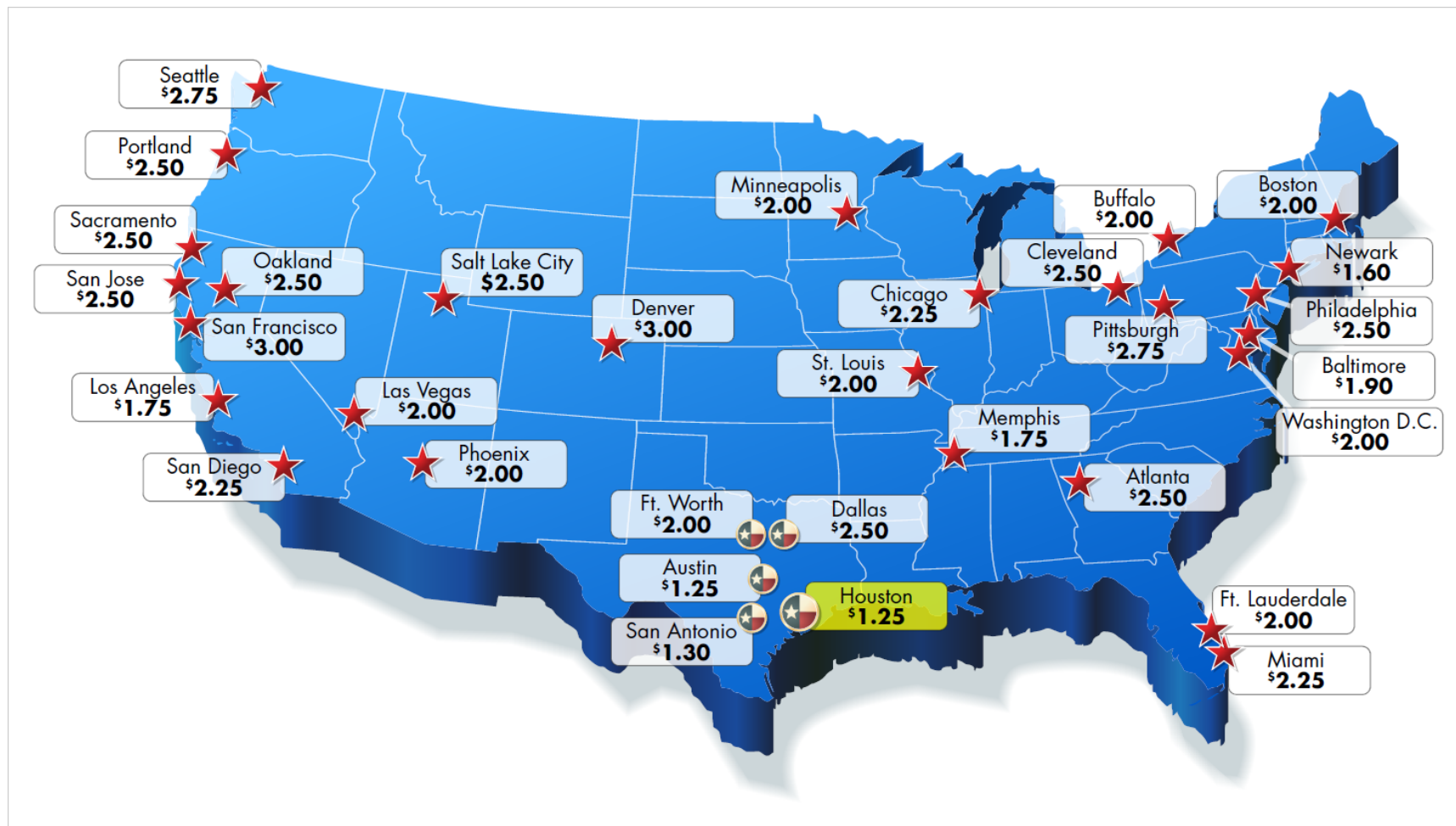
BUS | FLEET SURVEY

2019	AGENCY	35 ft. and under	Over 35 ft.	Artic.	2019 Total
1	MTA New York City Transit/MTA Bus Co. New York City	0	4,860	965	5,825
2	New Jersey Transit Corp. Newark, N.J.	39	2,879	85	3,003
3	Los Angeles County Metropolitan Transportation Authority Los Angeles	50	1,882	388	2,320
4	Pace Suburban Bus Chicago	1585	544	0	2,129
5	Coast Mountain Bus Co. Vancouver, B.C.	518	1,165	260	1,943
6	Toronto Transit Commission Toronto	0	1,773	153	1,926
7	Societe de Transport de Montreal Montreal	101	1,559	257	1,917
8	Chicago Transit Authority Chicago	0	1,560	304	1,864
9	Washington Metropolitan Area Transit Authority D.C.	82	1,524	76	1,682
10	King County Metro Transit Seattle	90	528	965	1,583
11	Southeastern Pennsylvania Transportation Authority Philadelphia	35	1,252	185	1,472
12	Regional Transportation District Denver	446	859	116	1,421
13	Metropolitan Transit Authority of Harris County Houston	45	1,110	88	1,243
14	Maryland Transit Administration Baltimore	366	723	52	1,141
15	BC Transit Victoria, B.C.	537	567	0	1,104
16	Calgary Transit Calgary, Alberta	268	722	92	1,082
17	OC Transpo Ottawa, Ontario	82	628	359	1,069
18	Valley Metro Phoenix	274	644	128	1,046
19	Edmonton Transit Service Edmonton, Alberta	147	847	33	1,027
20	Massachusetts Bay Transportation Authority Boston	0	880	101	981
21	San Francisco Municipal Railway San Francisco	30	625	317	972
22	Metro Transit Minneapolis	0	724	185	909
23	TriMet Portland, Ore.	223	681	0	904
24	Regional Transportation Commission of Southern Nevada Las Vegas	410	253	151	814
25	Metropolitan Transit System San Diego	214	486	113	813

26 METRO-MAGAZINE.COM SEPTEMBER/OCTOBER 2019

Source: METRO Magazine, "Top 100 Bus Fleets", September/October 2019

Base Fare Map



The data excludes any temporary fare reductions or eliminations due to COVID-19

Appendix G: Demographic Statistics

Year	Population	Per Capita Personal Income	Houston, The Woodlands, Sugar Land Unemployment Rate (%)	Houston, The Woodlands, Sugar Land Civilian Labor Force
2004	5,190,444	\$35,755	6.1	2,553,321
2005	5,299,567	\$38,495	5.6	2,592,940
2006	5,484,883	\$41,643	5.0	2,659,713
2007	5,597,674	\$43,565	4.2	2,703,120
2008	5,726,705	\$47,421	4.7	2,769,258
2009	5,867,489	\$43,448	7.6	2,831,524
2010	5,947,409	\$45,031	8.3	2,970,262
2011	6,056,366	\$48,038	7.8	3,041,173
2012	6,184,861	\$52,048	6.6	3,112,254
2013	6,330,657	\$51,552	6.0	3,182,553
2014	6,503,618	\$54,563	5.0	3,243,328
2015	6,676,565	\$54,322	4.6	3,260,519
2016	6,812,260	\$51,245	5.3	3,300,500
2017	6,905,695	\$52,765	5.0	3,337,385
2018	6,997,384	\$56,077	4.3	3,390,634
2019	7,066,141	*	3.8	3,428,878

*The Bureau of Economic Analysis has yet to release its time series data on per capita personal income for 2019.

Sources: Per capita income - The Bureau of Economic Analysis.

Population, unemployment rate and civilian population - Federal Reserve Bank of St. Louis.

"Civilian population" is defined as "persons 16 years of age and older residing in the 50 states and the District of Columbia, who are not inmates of institutions (e.g., penal and mental facilities, homes for the aged), and who are not on active duty in the Armed Forces."



Appendix H: FY2021 Budgeted Positions

Metropolitan Transit Authority of Harris County FY2021 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	Director Budget Operations	16	1
2010 - Oper, Public Safety, & Cust Service	1000000011 Sr. VP and Staff	Executive Assistant (Chief)	9	1
2010 - Oper, Public Safety, & Cust Service	1000000012 Operation Engineering	Director - System Integration Testing	17	1
2010 - Oper, Public Safety, & Cust Service	1000000012 Operation Engineering	Systems Engineer	14	1
2010 - Oper, Public Safety, & Cust Service	1000000012 Operation Engineering	Traffic Engineer	14	1
2010 - Oper, Public Safety, & Cust Service	1000000012 Operation Engineering	Vehicle Engineer	14	1
2010 - Oper, Public Safety, & Cust Service	1000000031 Sr. Dir. Trans.	Executive Assistant (VP)	9	1
2010 - Oper, Public Safety, & Cust Service	1000000031 Sr. Dir. Trans.	VP Bus Transportation	21	1
2010 - Oper, Public Safety, & Cust Service	1000000041 Dir. Trans. Prog.	Project Manager - METROLift	12	1
2010 - Oper, Public Safety, & Cust Service	1000000041 Director. Trans. Prog.	Executive Assistant (Senior Director)	8	1
2010 - Oper, Public Safety, & Cust Service	1000000041 Director. Trans. Prog.	Senior Director Customer Care & Custom Service	17	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Assistant Policy Administrator	7	2
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Call Center System Coordinator	10	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Contract Services Compliance Administrator	12	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Contract Services Compliance Assistant	7	3
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Customer Service Receptionist (PT)	4	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Customer Service Rep (METROLift/Micro Transit)	5	31
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Director Paratransit (METROLift) Services	15	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Manager Compliance Paratransit & Contracted	13	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Manager METROLift Passenger Relations	13	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Manager METROLift Services	13	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Manager Paratransit Evaluation & Development	13	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Manager Transportation Programs	14	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	METROLift Application Analyst	12	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	METROLift Contract Service Compliance Supervisor	10	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	METROLift Customer Service Representative	5	3
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	METROLift Dispatcher	6	44
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	METROLift Quality Monitor	9	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	METROLift Scheduling Coordinator	11	2
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	METROLift Service Leader	9	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	METROLift Service Monitor	9	8
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	METROLift Training Specialist	9	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	METROLift/Micro Transit Service Leader	9	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Mobility Coordinator	7	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Paratransit Appeals Coordinator	7	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Paratransit Policy Administrator	10	1
2010 - Oper, Public Safety, & Cust Service	1000000045 METROLift Svc.	Street Supervisor METROLift	9	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	3
2010 - Oper, Public Safety, & Cust Service	1000000051 Director. Svc. Delivery	Interim Director Trans Service Operations	15	1
2010 - Oper, Public Safety, & Cust Service	1000000061 Senior. Director. Rail	Executive Assistant (Senior Director)	8	1
2010 - Oper, Public Safety, & Cust Service	1000000061 Senior. Director. Rail	Senior Director Rail Operations	17	1
2010 - Oper, Public Safety, & Cust Service	1000000111 FB Trans. Admin.	Assistant Transportation Supt	12	2
2010 - Oper, Public Safety, & Cust Service	1000000111 FB Trans. Admin.	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000000111 FB Trans. Admin.	Supt Transportation	14	1
2010 - Oper, Public Safety, & Cust Service	1000000112 FB Starters	Chief Starter	10	1
2010 - Oper, Public Safety, & Cust Service	1000000112 FB Starters	Starter	Union	5
2010 - Oper, Public Safety, & Cust Service	1000000113 FB Operators	Bus Operator	Union	269
2010 - Oper, Public Safety, & Cust Service	1000000113 FB Operators	Bus Operator (PT)	Union	10
2010 - Oper, Public Safety, & Cust Service	1000000113 FB Operators	Bus Operator Retiree (PT)	Union	6
2010 - Oper, Public Safety, & Cust Service	1000000113 FB Operators	Bus Operator Trainee	Union	35
2010 - Oper, Public Safety, & Cust Service	1000000121 Kash Trans. Admin	Assistant Transportation Supt	12	1
2010 - Oper, Public Safety, & Cust Service	1000000121 Kash Trans. Admin	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000000121 Kash Trans. Admin	Supt Transportation	14	1
2010 - Oper, Public Safety, & Cust Service	1000000122 Kash Starters	Chief Starter	10	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	199
2010 - Oper, Public Safety, & Cust Service	1000000123 Kash Operators	Bus Operator (PT)	Union	9
2010 - Oper, Public Safety, & Cust Service	1000000123 Kash Operators	Bus Operator Retiree (PT)	Union	3
2010 - Oper, Public Safety, & Cust Service	1000000124 Kash Trans. Operators	Bus Operator	Union	7
2010 - Oper, Public Safety, & Cust Service	1000000124 Kash Trans. Operators	Bus Operator (PT)	Union	5
2010 - Oper, Public Safety, & Cust Service	1000000124 Kash Trans. Operators	Bus Operator Retiree (PT)	Union	1
2010 - Oper, Public Safety, & Cust Service	1000000131 Polk Trans. Admin.	Assistant Transportation Supt	12	2
2010 - Oper, Public Safety, & Cust Service	1000000131 Polk Trans. Admin.	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000000131 Polk Trans. Admin.	Supt Transportation	14	1
2010 - Oper, Public Safety, & Cust Service	1000000132 Polk Starters	Chief Starter	10	1



Metropolitan Transit Authority of Harris County
FY2021 Budgeted Positions

Department	Fund center	Position	Grade	Headcount
2010 - Oper, Public Safety, & Cust Service	1000000132 Polk Starters	Relief Starter	Union	1
2010 - Oper, Public Safety, & Cust Service	1000000132 Polk Starters	Starter	Union	4
2010 - Oper, Public Safety, & Cust Service	1000000133 Polk Operators	Bus Operator	Union	359
2010 - Oper, Public Safety, & Cust Service	1000000133 Polk Operators	Bus Operator (PT)	Union	10
2010 - Oper, Public Safety, & Cust Service	1000000133 Polk Operators	Bus Operator Retiree (PT)	Union	1
2010 - Oper, Public Safety, & Cust Service	1000000141 West Trans. Admin.	Assistant Transportation Supt	12	2
2010 - Oper, Public Safety, & Cust Service	1000000141 West Trans. Admin.	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000000141 West Trans. Admin.	Supt Transportation	14	1
2010 - Oper, Public Safety, & Cust Service	1000000142 West Starters	Chief Starter	10	1
2010 - Oper, Public Safety, & Cust Service	1000000142 West Starters	Relief Starter	Union	1
2010 - Oper, Public Safety, & Cust Service	1000000142 West Starters	Starter	Union	4
2010 - Oper, Public Safety, & Cust Service	1000000143 West Operators	Bus Operator	Union	362
2010 - Oper, Public Safety, & Cust Service	1000000143 West Operators	Bus Operator (PT)	Union	15
2010 - Oper, Public Safety, & Cust Service	1000000143 West Operators	Bus Operator Retiree (PT)	Union	3
2010 - Oper, Public Safety, & Cust Service	1000000151 HC Trans. Admin.	Assistant Transportation Supt	12	2
2010 - Oper, Public Safety, & Cust Service	1000000151 HC Trans. Admin.	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000000151 HC Trans. Admin.	Supt Transportation	14	1
2010 - Oper, Public Safety, & Cust Service	1000000152 HC Starters	Chief Starter	10	1
2010 - Oper, Public Safety, & Cust Service	1000000152 HC Starters	Starter	Union	7
2010 - Oper, Public Safety, & Cust Service	1000000153 HC Operators	Bus Operator	Union	249
2010 - Oper, Public Safety, & Cust Service	1000000153 HC Operators	Bus Operator (PT)	Union	9
2010 - Oper, Public Safety, & Cust Service	1000000153 HC Operators	Bus Operator Retiree (PT)	Union	4
2010 - Oper, Public Safety, & Cust Service	1000000154 HC Alternative Service	Service Driver	Union	53
2010 - Oper, Public Safety, & Cust Service	1000000301 Bus Dispatch	Assistant Supt Bus Control	12	1
2010 - Oper, Public Safety, & Cust Service	1000000301 Bus Dispatch	Bus Controller	10	21
2010 - Oper, Public Safety, & Cust Service	1000000301 Bus Dispatch	Interim Assistant Supt Bus Control	12	1
2010 - Oper, Public Safety, & Cust Service	1000000321 Scheduling	GIS Data Support Analyst	9	1
2010 - Oper, Public Safety, & Cust Service	1000000321 Scheduling	Manager Scheduling	15	1
2010 - Oper, Public Safety, & Cust Service	1000000321 Scheduling	Senior GIS Specialist Operations	13	1
2010 - Oper, Public Safety, & Cust Service	1000000321 Scheduling	Senior Scheduler	11	1
2010 - Oper, Public Safety, & Cust Service	1000000321 Scheduling	Transit Scheduler	10	3
2010 - Oper, Public Safety, & Cust Service	1000000321 Scheduling	Transit Scheduler	11	1
2010 - Oper, Public Safety, & Cust Service	1000000331 Operational Training	Director Operational Training	15	1
2010 - Oper, Public Safety, & Cust Service	1000000331 Operational Training	Maintenance Training Instructor	10	4
2010 - Oper, Public Safety, & Cust Service	1000000331 Operational Training	Manager Maintenance Training	13	1
2010 - Oper, Public Safety, & Cust Service	1000000331 Operational Training	Manager Transportation Training	13	1
2010 - Oper, Public Safety, & Cust Service	1000000331 Operational Training	Operations Customer Comment Data Analyst	8	1
2010 - Oper, Public Safety, & Cust Service	1000000331 Operational Training	Training Instructor	10	14
2010 - Oper, Public Safety, & Cust Service	1000000331 Operational Training	Transit Bus Repair C	Union	10
2010 - Oper, Public Safety, & Cust Service	1000000332 Street Supv.	Assistant Supt Service Supervision	12	2
2010 - Oper, Public Safety, & Cust Service	1000000332 Street Supv.	Assistant Supt Special Events & Construction	12	1
2010 - Oper, Public Safety, & Cust Service	1000000332 Street Supv.	Service Supervisor	10	40
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Lead Operations Management Analyst	14	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Manager Operations Management Analysis	15	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Manpower Administrator	12	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Manpower Coordinator	8	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	OMS Liaison	8	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Operations Management Analyst	12	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	Operations Management Analyst II Rail	11	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Operations Management Analyst II Trans	11	1
2010 - Oper, Public Safety, & Cust Service	1000000351 Budget Operations	Senior Proj Manager Ops Systems and Reporting	13	1
2010 - Oper, Public Safety, & Cust Service	1000000371 Contract Services Admin	Director Contract Operated Services	15	1
2010 - Oper, Public Safety, & Cust Service	1000000371 Contract Services Admin	Street Supervisor Contracted & Paratransit	9	2
2010 - Oper, Public Safety, & Cust Service	1000000621 Rail Trans. Admin	Assistant Transportation Supt (Rail)	12	1
2010 - Oper, Public Safety, & Cust Service	1000000621 Rail Trans. Admin	Director Rail Transportation	15	1
2010 - Oper, Public Safety, & Cust Service	1000000621 Rail Trans. Admin	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000000621 Rail Trans. Admin	Senior Training Instructor	11	1
2010 - Oper, Public Safety, & Cust Service	1000000621 Rail Trans. Admin	Supt Transportation Rail	14	1
2010 - Oper, Public Safety, & Cust Service	1000000621 Rail Trans. Admin	Training Instructor Rail	10	2
2010 - Oper, Public Safety, & Cust Service	1000000622 Rail Fld/Sta Supv.	Field Supervisor	10	4
2010 - Oper, Public Safety, & Cust Service	1000000623 Rail Operations	LRT Operator	Union	74
2010 - Oper, Public Safety, & Cust Service	1000000623 Rail Operations	LRT Operator Trainee	Union	15
2010 - Oper, Public Safety, & Cust Service	1000000624 S&I Rail Trans. Admin.	Assistant Transportation Supt (Rail)	12	1
2010 - Oper, Public Safety, & Cust Service	1000000624 S&I Rail Trans. Admin.	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000000624 S&I Rail Trans. Admin.	Supt Transportation Rail	14	1
2010 - Oper, Public Safety, & Cust Service	1000000625 S&I Rail Sta Supv.	Field Supervisor	10	5
2010 - Oper, Public Safety, & Cust Service	1000000626 Rail Trans.	LRT Operator	Union	57
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.	Assistant SuprIntdnt Special Events & Construction Coordination	12	1



Metropolitan Transit Authority of Harris County
FY2021 Budgeted Positions

Department	Fund center	Position	Grade	Headcount
2010 - Oper, Public Safety, & Cust Service	1000000651 Rail Control Ctr.	Chief Rail Controller	12	2
2010 - Oper, Public Safety, & Cust Service	1000000651 Rail Control Ctr.	Field Supervisor	10	14
2010 - Oper, Public Safety, & Cust Service	1000000651 Rail Control Ctr.	Rail Operations Controller	11	10
2010 - Oper, Public Safety, & Cust Service	1000000651 Rail Control Ctr.	Senior Instructor/Rules Examiner	11	1
2010 - Oper, Public Safety, & Cust Service	1000000651 Rail Control Ctr.	Supt Rail Control	14	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	1
2010 - Oper, Public Safety, & Cust Service	1000000663 Rail Inspections	LRV Body Mechanic	Union	4
2010 - Oper, Public Safety, & Cust Service	1000000663 Rail Inspections	LRV Electronic Specialist	9	4
2010 - Oper, Public Safety, & Cust Service	1000000663 Rail Inspections	LRV Machinist Tool & Die Maker	Union	1
2010 - Oper, Public Safety, & Cust Service	1000000663 Rail Inspections	LRV Maintenance Supervisor	12	4
2010 - Oper, Public Safety, & Cust Service	1000000663 Rail Inspections	LRV Technician T3	Union	29
2010 - Oper, Public Safety, & Cust Service	1000000663 Rail Inspections	Senior Project Manager LRV	13	1
2010 - Oper, Public Safety, & Cust Service	1000000663 Rail Inspections	Supt Maintenance	14	1
2010 - Oper, Public Safety, & Cust Service	1000000664 S&I Rail Maint. Svc. Veh.	Light Rail Servicer	Union	6
2010 - Oper, Public Safety, & Cust Service	1000000664 S&I Rail Maint. Svc. Veh.	LRV Cleaning Supervisor	8	1
2010 - Oper, Public Safety, & Cust Service	1000000665 S&I Rail Inspections	LRV Electronic Specialist	9	4
2010 - Oper, Public Safety, & Cust Service	1000000665 S&I Rail Inspections	LRV Maintenance Supervisor	12	4
2010 - Oper, Public Safety, & Cust Service	1000000665 S&I Rail Inspections	LRV Technician T1	Union	4
2010 - Oper, Public Safety, & Cust Service	1000000665 S&I Rail Inspections	LRV Technician T3	Union	9
2010 - Oper, Public Safety, & Cust Service	1000000665 S&I Rail Inspections	Supt Maintenance	14	1
2010 - Oper, Public Safety, & Cust Service	1000000666 Rail Heavy Repair	LRV Maintenance Supervisor	12	1
2010 - Oper, Public Safety, & Cust Service	1000000666 Rail Heavy Repair	LRV Technician T3 - Heavy Repair	Union	7
2010 - Oper, Public Safety, & Cust Service	1000000691 Track Maintenance	Chief Track Maintenance	14	1
2010 - Oper, Public Safety, & Cust Service	1000000691 Track Maintenance	Track Maintainer	9	13
2010 - Oper, Public Safety, & Cust Service	1000000691 Track Maintenance	Track Supervisor	10	3
2010 - Oper, Public Safety, & Cust Service	1000000692 Signal/Comm. Maint.	Axle Counter/Maintainer	7	6
2010 - Oper, Public Safety, & Cust Service	1000000692 Signal/Comm. Maint.	Chief Signals & Communications	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	2
2010 - Oper, Public Safety, & Cust Service	1000000692 Signal/Comm. Maint.	Signals Communications Technician	9	12
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.	Senior Proj Manager 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.	Traction Power Technician	9	11
2010 - Oper, Public Safety, & Cust Service	1000000694 Director of Maintenance of Way (MOW)	Rail Maintenance Trainer	11	2
2010 - Oper, Public Safety, & Cust Service	1000000694 Director of Maintenance of Way (MOW)	Supervisor Rail Maintenance Training	12	1
2010 - Oper, Public Safety, & Cust Service	1000000694 Director of Maintenance of Way (MOW)	Warranty Specialist (Rail)	10	1
2010 - Oper, Public Safety, & Cust Service	1000000694 Director of Maintenance of Way (MOW)	Director Maintenance of Way	15	1
2010 - Oper, Public Safety, & Cust Service	1000000831 Community Connector Serv.	Customer Service Rep (METROLift/Micro Transit)	5	3
2010 - Oper, Public Safety, & Cust Service	1000000831 Community Connector Serv.	METROLift Dispatcher	6	5
2010 - Oper, Public Safety, & Cust Service	1000000831 Community Connector Serv.	METROLift Service Monitor	9	1
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	Executive Assistant (Chief)	9	1
2010 - Oper, Public Safety, & Cust Service	1000000911 Chief of Police	Police Sergeant 1	12	1
2010 - Oper, Public Safety, & Cust Service	1000000911 Chief of Police	Police Support Coordinator	7	1
2010 - Oper, Public Safety, & Cust Service	1000000912 Management Services	Budget & Grants Analyst	10	1
2010 - Oper, Public Safety, & Cust Service	1000000912 Management Services	Management Services Budget Associate	8	1
2010 - Oper, Public Safety, & Cust Service	1000000912 Management Services	Management Services Manpower Coordinator	8	1
2010 - Oper, Public Safety, & Cust Service	1000000912 Management Services	Manager Management Services	14	1
2010 - Oper, Public Safety, & Cust Service	1000000931 Investigations	Police Officer 3	10	2
2010 - Oper, Public Safety, & Cust Service	1000000931 Investigations	Police Sergeant 1	12	1
2010 - Oper, Public Safety, & Cust Service	1000000931 Investigations	Project Specialist (Crime Stats)	8	1
2010 - Oper, Public Safety, & Cust Service	1000000931 Investigations	Senior Police Lieutenant	13	1
2010 - Oper, Public Safety, & Cust Service	1000000931 Investigations	Senior Police Officer	10	3
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Lieutenant 1	13	2
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Lieutenant 2	13	1
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Officer 1	10	4
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Officer 2	10	1
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Officer 3	10	6
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Officer 4	10	2
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Officer 5	10	8
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Officer 6	10	13
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Officer 7	10	1
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Sergeant 1	12	3
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Police Sergeant 2	12	4
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Senior Police Lieutenant	13	1
2010 - Oper, Public Safety, & Cust Service	1000000934 Field Operations-Patrol	Senior Police Officer	10	9
2010 - Oper, Public Safety, & Cust Service	1000000935 Support Operations-Spec Service	Assistant Chief of Police	16	1
2010 - Oper, Public Safety, & Cust Service	1000000935 Support Operations-Spec Service	Executive Assistant (Assistant Chief)	7	1



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2010 - Oper, Public Safety, & Cust Service	1000000935 Support Operations-Spec Service	Police Cadet	7	8
2010 - Oper, Public Safety, & Cust Service	1000000935 Support Operations-Spec Service	Police Lieutenant 2	13	1
2010 - Oper, Public Safety, & Cust Service	1000000935 Support Operations-Spec Service	Police Officer 1	10	1
2010 - Oper, Public Safety, & Cust Service	1000000935 Support Operations-Spec Service	Police Officer 3	10	2
2010 - Oper, Public Safety, & Cust Service	1000000935 Support Operations-Spec Service	Police Officer 7	8	25
2010 - Oper, Public Safety, & Cust Service	1000000935 Support Operations-Spec Service	Police Officer 7	10	11
2010 - Oper, Public Safety, & Cust Service	1000000935 Support Operations-Spec Service	Police Sergeant 1	12	2
2010 - Oper, Public Safety, & Cust Service	1000000935 Support Operations-Spec Service	Senior Police Officer	10	2
2010 - Oper, Public Safety, & Cust Service	1000000936 Sys. Security K-9 Unit/HLS	Police Officer 2	10	1
2010 - Oper, Public Safety, & Cust Service	1000000936 Sys. Security K-9 Unit/HLS	Police Officer 3	10	1
2010 - Oper, Public Safety, & Cust Service	1000000936 Sys. Security K-9 Unit/HLS	Police Officer 4	10	1
2010 - Oper, Public Safety, & Cust Service	1000000936 Sys. Security K-9 Unit/HLS	Police Officer 5	10	1
2010 - Oper, Public Safety, & Cust Service	1000000936 Sys. Security K-9 Unit/HLS	Senior Police Officer	10	3
2010 - Oper, Public Safety, & Cust Service	1000000942 Transtar Cntr'I Control Fac.	Communication Liaison Opr I	7	2
2010 - Oper, Public Safety, & Cust Service	1000000942 Transtar Cntr'I Control Fac.	Communication Liaison Opr II	6	1
2010 - Oper, Public Safety, & Cust Service	1000000942 Transtar Cntr'I Control Fac.	Communication Liaison Opr III	6	3
2010 - Oper, Public Safety, & Cust Service	1000000942 Transtar Cntr'I Control Fac.	Communication Liaison Opr IV	6	1
2010 - Oper, Public Safety, & Cust Service	1000000942 Transtar Cntr'I Control Fac.	Communication Liaison Opr V	6	5
2010 - Oper, Public Safety, & Cust Service	1000000942 Transtar Cntr'I Control Fac.	Communication Liaison Opr V	7	7
2010 - Oper, Public Safety, & Cust Service	1000000942 Transtar Cntr'I Control Fac.	Police Sergeant 1	12	1
2010 - Oper, Public Safety, & Cust Service	1000000942 Transtar Cntr'I Control Fac.	Senior Communication Liaison Operator	7	1
2010 - Oper, Public Safety, & Cust Service	1000000942 Transtar Cntr'I Control Fac.	Senior Police Lieutenant	13	1
2010 - Oper, Public Safety, & Cust Service	1000000942 Transtar Cntr'I Control Fac.	Senior Police Officer	10	1
2010 - Oper, Public Safety, & Cust Service	1000000942 Transtar Cntr'I Control Fac.	Senior Police Sergeant	12	1
2010 - Oper, Public Safety, & Cust Service	1000000952 Records Management (0952)	Police Records Clerk	5	7
2010 - Oper, Public Safety, & Cust Service	1000000952 Records Management (0952)	Supervisor Police Info Services	10	1
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 Officer 2	10	6
2010 - Oper, Public Safety, & Cust Service	1000000965 HOV/HOT Lane Enforcements	Police Officer 3	10	1
2010 - Oper, Public Safety, & Cust Service	1000000965 HOV/HOT Lane Enforcements	Police Officer 5	10	3
2010 - Oper, Public Safety, & Cust Service	1000000965 HOV/HOT Lane Enforcements	Senior Police Officer	10	8
2010 - Oper, Public Safety, & Cust Service	1000000965 HOV/HOT Lane Enforcements	Senior Police Sergeant	12	2
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Assistant Chief of Police	16	1
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Civilian Fare Inspector	6	33
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Executive Assistant (Assistant Chief)	7	1
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Fare Inspector	6	47
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Police Lieutenant 1	13	1
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Police Lieutenant 2	13	2
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Police Officer 1	10	1
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Police Officer 2	10	2
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Police Officer 3	10	3
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Police Officer 4	10	4
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Police Officer 5	10	10
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Police Officer 6	10	21
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Police Officer 6 (PT)	10	14
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Police Officer 7	10	14
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Police Officer 7 (PT)	9	1
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Police Officer 7 (PT)	10	33
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Police Sergeant	10	1
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Police Sergeant 1	12	4
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Police Sergeant 2	12	7
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Senior Police Lieutenant	13	2
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Senior Police Officer	10	3
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Senior Police Sergeant	12	4
2010 - Oper, Public Safety, & Cust Service	1000000966 Rail Operations - Patrol	Supervisor Fare Inspector	8	8
2010 - Oper, Public Safety, & Cust Service	1000001014 Tech. Svcs.	Manager Technical Services	13	1
2010 - Oper, Public Safety, & Cust Service	1000001014 Tech. Svcs.	Supervisor Advanced Technology	11	1
2010 - Oper, Public Safety, & Cust Service	1000001014 Tech. Svcs.	Technical Engineering Specialist	11	1
2010 - Oper, Public Safety, & Cust Service	1000001014 Tech. Svcs.	Technical Writer	11	1
2010 - Oper, Public Safety, & Cust Service	1000001021 Cent. Shop Admin.	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000001021 Cent. Shop Admin.	Production Control Analyst	10	1
2010 - Oper, Public Safety, & Cust Service	1000001021 Cent. Shop Admin.	Supt Maintenance	14	1
2010 - Oper, Public Safety, & Cust Service	1000001021 Cent. Shop Admin.	Team Leader Central Shops	7	1
2010 - Oper, Public Safety, & Cust Service	1000001022 Heavy Repair	Cleaner Bus Maintenance	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001022 Heavy Repair	Electronic Systems Specialist	10	1
2010 - Oper, Public Safety, & Cust Service	1000001022 Heavy Repair	Mechanical Foreman	10	1
2010 - Oper, Public Safety, & Cust Service	1000001022 Heavy Repair	Transit Bus Repair A	Union	14
2010 - Oper, Public Safety, & Cust Service	1000001022 Heavy Repair	Transit Bus Repair B	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001022 Heavy Repair	Transit Technician	Union	4
2010 - Oper, Public Safety, & Cust Service	1000001023 Body Shop	Cert Struct Welder Fabricator	Union	4



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2010 - Oper, Public Safety, & Cust Service	1000001023 Body Shop	Cleaner Bus Maintenance	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001023 Body Shop	Collision Repair A	Union	18
2010 - Oper, Public Safety, & Cust Service	1000001023 Body Shop	Mechanical Foreman	10	2
2010 - Oper, Public Safety, & Cust Service	1000001023 Body Shop	Upholstery Fabricator A	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	Machinist Tool & Die Maker	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Mechanical Foreman	10	2
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Senior Machinist	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Transit Bus Repair A	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Transit Technician	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Unit Rebuild A	Union	14
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Unit Rebuild B	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001024 Unit Overhaul	Unit Rebuild Master	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	Union	5
2010 - Oper, Public Safety, & Cust Service	1000001111 Kash Main. Admin.	General Foreman Maintenance	12	1
2010 - Oper, Public Safety, & Cust Service	1000001111 Kash Main. Admin.	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000001111 Kash Main. Admin.	Supt Maintenance	14	1
2010 - Oper, Public Safety, & Cust Service	1000001112 Kash Svc Rev Veh	Cleaner Bus Maintenance	Union	12
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	Union	10
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	AC & Heat A	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Collision Repair A	Union	5
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Electronic Systems Specialist	10	1
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Mechanical Foreman	10	7
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Transit Bus Repair A	Union	12
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Transit Bus Repair B	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Transit Master	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001113 Kash Inspections	Transit Technician	Union	10
2010 - Oper, Public Safety, & Cust Service	1000001121 Polk Maint. Admin.	General Foreman Maintenance	12	2
2010 - Oper, Public Safety, & Cust Service	1000001121 Polk Maint. Admin.	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000001121 Polk Maint. Admin.	Supt Maintenance	14	1
2010 - Oper, Public Safety, & Cust Service	1000001122 Polk Srv. Rev. Veh.	Cleaner Bus Maintenance	Union	15
2010 - Oper, Public Safety, & Cust Service	1000001122 Polk Srv. Rev. Veh.	Tool Room Attendant	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001122 Polk Srv. Rev. Veh.	Utility Worker	Union	9
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	AC & Heat A	Union	4
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Collision Repair A	Union	6
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Electronic Systems Specialist	10	1
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Mechanical Foreman	10	9
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Transit Bus Repair A	Union	20
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Transit Bus Repair B	Union	15
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Transit Master	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001123 Polk Inspections	Transit Technician	Union	13
2010 - Oper, Public Safety, & Cust Service	1000001131 West Maint. Admin.	General Foreman Maintenance	12	2
2010 - Oper, Public Safety, & Cust Service	1000001131 West Maint. Admin.	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000001131 West Maint. Admin.	Supt Maintenance	14	1
2010 - Oper, Public Safety, & Cust Service	1000001132 West Srv. Rev. Veh.	Cleaner Bus Maintenance	Union	22
2010 - Oper, Public Safety, & Cust Service	1000001132 West Srv. Rev. Veh.	Tool Room Attendant	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001132 West Srv. Rev. Veh.	Utility Worker	Union	11
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	AC & Heat A	Union	6
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Collision Repair A	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Electronic Systems Specialist	10	1
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Mechanical Foreman	10	10
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Transit Bus Repair A	Union	28
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Transit Bus Repair B	Union	12
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Transit Bus Repair C	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Transit Master	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001133 West Inspections	Transit Technician	Union	13
2010 - Oper, Public Safety, & Cust Service	1000001141 HC Maint. Admin.	General Foreman	12	2
2010 - Oper, Public Safety, & Cust Service	1000001141 HC Maint. Admin.	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000001141 HC Maint. Admin.	Supt Maintenance	14	1
2010 - Oper, Public Safety, & Cust Service	1000001142 HC Srv. Rev. Veh.	Cleaner Bus Maintenance	Union	16
2010 - Oper, Public Safety, & Cust Service	1000001142 HC Srv. Rev. Veh.	Tool Room Attendant	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001142 HC Srv. Rev. Veh.	Utility Worker	Union	13
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	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Collision Technician	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Electronic Systems Specialist	10	1
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Mechanical Foreman	10	10
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Transit Bus Repair A	Union	26



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2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Transit Bus Repair B	Union	10
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Transit Master	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001143 HC Inspections	Transit Technician	Union	11
2010 - Oper, Public Safety, & Cust Service	1000001145 HC Alternative & CC Services	Transit Bus Repair A	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001161 FB Maint. Admin.	General Foreman Maintenance	12	2
2010 - Oper, Public Safety, & Cust Service	1000001161 FB Maint. Admin.	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000001161 FB Maint. Admin.	Supt Maintenance	14	1
2010 - Oper, Public Safety, & Cust Service	1000001162 FB Srv. Rev. Veh.	Cleaner Bus Maintenance	Union	12
2010 - Oper, Public Safety, & Cust Service	1000001162 FB Srv. Rev. Veh.	Tool Room Attendant	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001162 FB Srv. Rev. Veh.	Utility Worker	Union	18
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	AC & Heat A	Union	5
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Collision Repair A	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Collision Repair C	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Collision Technician	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Electronic Systems Specialist	10	1
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Mechanical Foreman	10	10
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Transit Bus Repair A	Union	24
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Transit Bus Repair B	Union	6
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Transit Master	Union	2
2010 - Oper, Public Safety, & Cust Service	1000001163 FB Inspections	Transit Technician	Union	14
2010 - Oper, Public Safety, & Cust Service	1000001173 BB Inspections	Transit Technician	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001174 BB T-Truck	T Truck Wrecker Operator	Union	9
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.	Executive Assistant (Senior Director)	8	1
2010 - Oper, Public Safety, & Cust Service	1000001191 Prev. Maint. Admin.	Senior Director Bus Maintenance	17	1
2010 - Oper, Public Safety, & Cust Service	1000001301 Elect. Maint.	General Foreman Intelligent Transp Systems	12	1
2010 - Oper, Public Safety, & Cust Service	1000001301 Elect. Maint.	Intelligent Transportation Systems Foreman	10	1
2010 - Oper, Public Safety, & Cust Service	1000001301 Elect. Maint.	Intelligent Transportation Systems Tech	9	12
2010 - Oper, Public Safety, & Cust Service	1000001301 Elect. Maint.	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000001301 Elect. Maint.	Supt Intelligent Transp Systems	14	1
2010 - Oper, Public Safety, & Cust Service	1000001302 Elect. Maint. Rail	Electronic Revenue Systems Specialist	9	13
2010 - Oper, Public Safety, & Cust Service	1000001302 Elect. Maint. Rail	Revenue Systems Foreman	10	1
2010 - Oper, Public Safety, & Cust Service	1000001303 Radio Maint.	Communications Systems Specialist	9	2
2010 - Oper, Public Safety, & Cust Service	1000001303 Radio Maint.	Transit Technician Retiree (PT)	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001311 Quality Assurance	Manager 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	Manager Warranty	14	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	Electronic Communications Spec-SV	9	1
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	General Foreman Support Vehicles	12	1
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Mechanical Foreman	10	2
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Off Road Technician	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Office Administrator	6	1
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Small Engine Technician	Union	1
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Support Vehicle Coordinator	8	1
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Support Vehicle Master	Union	5
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Support Vehicle Master Mech	Union	3
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Support Vehicle Technician	Union	4
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Supt Support Vehicles	14	1
2010 - Oper, Public Safety, & Cust Service	1000001351 Support Vehicles	Utility Worker	Union	2
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.	Maintenance Support Coordinator	7	1
2010 - Oper, Public Safety, & Cust Service	1000001381 Dir. Maint. Supp.	Transit Bus Repair A Retiree (PT)	Union	5
2010 - Oper, Public Safety, & Cust Service	1000001381 Dir. Maint. Supp.	Transit Technician Retiree (PT)	Union	7
2010 - Oper, Public Safety, & Cust Service	1000001381 Director. Maint. Supp.	Director Maint Support	15	1
2010 - Oper, Public Safety, & Cust Service	1000001821 EVP Op Public Safety & Customer Service	Emergency Management Coordinator	12	1
2010 - Oper, Public Safety, & Cust Service	1000001821 EVP Op Public Safety & Customer Service	EVP Operations - Public Safety & Cust Service	22	1
2010 - Oper, Public Safety, & Cust Service	1000001821 EVP Op Public Safety & Customer Service	Executive Assistant V	10	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	Special Projects Manager	12	1
2010 - Oper, Public Safety, & Cust Service	1000002052 Svc. Planning & Dev.	Director Service Planning & Evaluation	17	1
2010 - Oper, Public Safety, & Cust Service	1000002052 Svc. Planning & Dev.	Interim Manager Service Evaluation	14	1
2010 - Oper, Public Safety, & Cust Service	1000002052 Svc. Planning & Dev.	Manager Service Planning	13	1
2010 - Oper, Public Safety, & Cust Service	1000002052 Svc. Planning & Dev.	Senior Transit Planner Service Plng	12	1
2010 - Oper, Public Safety, & Cust Service	1000002052 Svc. Planning & Dev.	Service Evaluation Analyst I	8	1
2010 - Oper, Public Safety, & Cust Service	1000002052 Svc. Planning & Dev.	Service Evaluation Analyst II	9	3
2010 - Oper, Public Safety, & Cust Service	1000002052 Svc. Planning & Dev.	Transit Analyst	8	1
2010 - Oper, Public Safety, & Cust Service	1000002052 Svc. Planning & Dev.	Transit Planner II Service Plng	10	1



Metropolitan Transit Authority of Harris County
FY2021 Budgeted Positions

Department	Fund center	Position	Grade	Headcount
2010 - Oper, Public Safety, & Cust Service	1000002185 HOT Lanes Operations	ARGO Systems Operator	6	5
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	Senior ARGO	7	2
2010 - Oper, Public Safety, & Cust Service	1000002185 HOT Lanes Operations	Supervisor ARGO	8	2
2010 - Oper, Public Safety, & Cust Service	1000002233 Fare Coll. Maint.	Transit Bus Revenue 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	10
2010 - Oper, Public Safety, & Cust Service	1000002234 Revenue Agents	Revenue Collection Foreman	9	1
2010 - Oper, Public Safety, & Cust Service	1000002241 Director. Risk Mgmt.	Director Risk Management	16	1
2010 - Oper, Public Safety, & Cust Service	1000002242 Claims	Claims Adjuster	8	5
2010 - Oper, Public Safety, & Cust Service	1000002242 Claims	Claims Assistant	6	2
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	Manager Claims	14	1
2010 - Oper, Public Safety, & Cust Service	1000002242 Claims	Senior Claims Adjuster	11	4
2010 - Oper, Public Safety, & Cust Service	1000002243 Bus Safety	Bus Safety Officer	10	5
2010 - Oper, Public Safety, & Cust Service	1000002243 Bus Safety	Manager, Bus Safety	14	1
2010 - Oper, Public Safety, & Cust Service	1000002243 Bus Safety	Safety Officer (Bus)	11	1
2010 - Oper, Public Safety, & Cust Service	1000002243 Bus Safety	Senior Safety Officer (Bus)	12	1
2010 - Oper, Public Safety, & Cust Service	1000002244 General Insurance	Senior Risk Management Analyst	12	1
2010 - Oper, Public Safety, & Cust Service	1000002245 Rail Safety	Manager Rail Safety	14	1
2010 - Oper, Public Safety, & Cust Service	1000002245 Rail Safety	Rail Safety Officer	10	2
2010 - Oper, Public Safety, & Cust Service	1000002245 Rail Safety	Senior Safety Officer (Rail)	12	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	Manager Environmental Health & Safety	14	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	Executive Assistant (Chief)	9	1
2010 - Oper, Public Safety, & Cust Service	1000002247 Chief of Safety Officer	Safety Project Coordinator	10	1
2010 - Oper, Public Safety, & Cust Service	1000002248 Safety Compliance and Analysis	Manager Safety Management System	14	1
2010 - Oper, Public Safety, & Cust Service	1000002248 Safety Compliance and Analysis	Safety Compliance & Analysis Administrator	13	1
2010 - Oper, Public Safety, & Cust Service	1000002248 Safety Compliance and Analysis	Safety Compliance & Analysis Officer	11	1
2010 - Oper, Public Safety, & Cust Service	1000002249 Transit Safety Education	Manager Transit Safety Education Programs	13	1
2010 - Oper, Public Safety, & Cust Service	1000002249 Transit Safety Education	Safety Education Programs Representative	10	1
2010 - Oper, Public Safety, & Cust Service	1000002448 Drug & Alcohol Program	Director 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.	Call Center Workforce & System Coordinator	10	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Customer Resolution Specialist	6	7
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.	Customer Service Programs Representative	10	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Customer Service Representative	5	22
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Director Customer Svc Call Ctr & Complaint R	15	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Manager Call Center Services	13	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Manager Call Center Support	13	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Manager Customer Complaints & Resolution	13	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Senior Customer Service Representative	6	3
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Supervisor Call Center Services I	8	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Supervisor Call Center Services II	9	2
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Supervisor Call Cntr Support & Training	9	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Supervisor, Customer Call Center Services	8	1
2010 - Oper, Public Safety, & Cust Service	1000002532 Cust. Call Ctr.	Supervisor, Customer Complaint & Resolution	10	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.	Welcome Center Coordinator	6	1
2010 - Oper, Public Safety, & Cust Service	1000002538 RideStores	Customer Service - Account Executive	9	1
2010 - Oper, Public Safety, & Cust Service	1000002538 RideStores	Customer Service Associate	5	8
2010 - Oper, Public Safety, & Cust Service	1000002538 RideStores	Customer Service Associate - Fannin South	5	2
2010 - Oper, Public Safety, & Cust Service	1000002538 RideStores	Customer Service Specialist (RideStore)	7	1
2010 - Oper, Public Safety, & Cust Service	1000002538 RideStores	Fannin Parking Lot Coordinator	8	1
2010 - Oper, Public Safety, & Cust Service	1000002538 RideStores	Manager Customer Service (Ride Store)	13	1
2010 - Oper, Public Safety, & Cust Service	1000002538 RideStores	Senior Customer Service Associate	6	3
2010 - Oper, Public Safety, & Cust Service	1000002538 RideStores	Supervisor Customer Service	9	1
2010 - Oper, Public Safety, & Cust Service	1000002812 Director of Safety	Safety Programs Coordinator	9	1
2010 - Oper, Public Safety, & Cust Service	1000002812 Director of Safety	Director Safety	16	1
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	Cleaner Facility Maintenance	Union	1
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	Facilities Maint Data Specialist	7	1
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	Facilities Supervisor	10	2
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	General Maintenance Mechanic A (NSS)	Union	2
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	Licensed Journey Mechanical (NSS)	Union	1
2020 - Planning, Engineer, & Construct	1000001331 Fac. Maint. Kash BOF	Licensed Journey Plumber	Union	1



Metropolitan Transit Authority of Harris County
FY2021 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	Manager Operating Facilities	13	1
2020 - Planning, Engineer, & Construct	1000001332 Fac. Maint. Polk BOF	General Foreman	12	1
2020 - Planning, Engineer, & Construct	1000001332 Fac. Maint. Polk BOF	General Maintenance Mechanic A (NSS)	Union	1
2020 - Planning, Engineer, & Construct	1000001332 Fac. Maint. Polk BOF	Licensed Journey Plumber	Union	1
2020 - Planning, Engineer, & Construct	1000001332 Fac. Maint. Polk BOF	Utility Worker OprFac NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001333 Fac. Maint. West BOF	Cleaner Facility Maintenance	Union	1
2020 - Planning, Engineer, & Construct	1000001333 Fac. Maint. West BOF	Facilities Supervisor	10	1
2020 - Planning, Engineer, & Construct	1000001333 Fac. Maint. West BOF	General Maintenance Journey NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001333 Fac. Maint. West BOF	General Maintenance Mechanic A (NSS)	Union	2
2020 - Planning, Engineer, & Construct	1000001333 Fac. Maint. West BOF	General Maintenance Mechanic A (SS)	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 - Electrician	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	Union	1
2020 - Planning, Engineer, & Construct	1000001334 Fac. Maint. HC BOF	Facilities Supervisor	10	1
2020 - Planning, Engineer, & Construct	1000001334 Fac. Maint. HC BOF	Licensed Maintenance Mechanic (Plm) NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001334 Fac. Maint. HC BOF	Licensed Maintenance Mechanic (R&H) NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001334 Fac. Maint. HC BOF	Licensed Maintenance Mechanic NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001336 Fac. Maint. FB BOF	Cleaner Facility Maintenance	Union	1
2020 - Planning, Engineer, & Construct	1000001336 Fac. Maint. FB BOF	Facilities Supervisor	10	1
2020 - Planning, Engineer, & Construct	1000001336 Fac. Maint. FB BOF	Lead Maintenance Mechanic (NSS)	Union	1
2020 - Planning, Engineer, & Construct	1000001336 Fac. Maint. FB BOF	Licensed Journey Electrician (NSS)	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	Licensed Maintenance Mechanic (Plm) NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001337 Fac. Maint. Buffalo Bayou	Cleaner Facility Maintenance	Union	1
2020 - Planning, Engineer, & Construct	1000001337 Fac. Maint. Buffalo Bayou	Lead Maintenance Mechanic (NSS)	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	Cleaner Facility Maintenance	Union	1
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	Facilities Maint Data Specialist	7	1
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	Facilities Supervisor	10	1
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	General Foreman	12	1
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	General Maintenance Mechanic HVAC	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 (Elec) NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	Manager Operating Facilities	13	1
2020 - Planning, Engineer, & Construct	1000001342 Fac. Maint. Field SC/CS	Utility Worker OprFac NSS	Union	2
2020 - Planning, Engineer, & Construct	1000001343 Fac. Maint. Custodial	Cleaner Facility Maintenance	Union	43
2020 - Planning, Engineer, & Construct	1000001343 Fac. Maint. Custodial	Facilities Supervisor (Public) SS	10	4
2020 - Planning, Engineer, & Construct	1000001343 Fac. Maint. Custodial	General Foreman Public Facilities	12	1
2020 - Planning, Engineer, & Construct	1000001343 Fac. Maint. Custodial	Manager Public Facilities	13	1
2020 - Planning, Engineer, & Construct	1000001343 Fac. Maint. Custodial	Utility Worker	Union	3
2020 - Planning, Engineer, & Construct	1000001343 Fac. Maint. Custodial	Utility Worker PubFac NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001344 Fac. Maint. Admin 1900 Main	Facilities Space Management Coordinator	7	1
2020 - Planning, Engineer, & Construct	1000001344 Fac. Maint. Admin 1900 Main	Supervisor Administration and Compliance	10	1
2020 - Planning, Engineer, & Construct	1000001345 Environmental Services	Environmental Services Manager	13	1
2020 - Planning, Engineer, & Construct	1000001346 Fac. Maint. Contracts Services	Facilities Access Specialist	7	1
2020 - Planning, Engineer, & Construct	1000001346 Fac. Maint. Contracts Services	Facilities Asset Management Coordinator	11	2
2020 - Planning, Engineer, & Construct	1000001346 Fac. Maint. Contracts Services	Facilities Inspector/Coordinator	10	1
2020 - Planning, Engineer, & Construct	1000001346 Fac. Maint. Contracts Services	Field Inspector/Coordinator	10	4
2020 - Planning, Engineer, & Construct	1000001346 Fac. Maint. Contracts Services	Manager Facilities Maintenance	14	1
2020 - Planning, Engineer, & Construct	1000001346 Fac. Maint. Contracts Services	Program Manager I	13	1
2020 - Planning, Engineer, & Construct	1000001346 Fac. Maint. Contracts Services	Senior Facilities Asset Management Coordinator	12	1
2020 - Planning, Engineer, & Construct	1000001346 Fac. Maint. Contracts Services	Supervisor Facilities Contract	12	1
2020 - Planning, Engineer, & Construct	1000001346 Fac. Maint. Contracts Services	Supervisor Security & Access Systems	10	1
2020 - Planning, Engineer, & Construct	1000001347 Fac. Maint. Rail	Cleaner Facility Maintenance	Union	1
2020 - Planning, Engineer, & Construct	1000001347 Fac. Maint. Rail	Facilities Supervisor	10	1
2020 - Planning, Engineer, & Construct	1000001347 Fac. Maint. Rail	General Maintenance Mechanic A (NSS)	Union	1
2020 - Planning, Engineer, & Construct	1000001347 Fac. Maint. Rail	Lead Maintenance Mechanic (NSS)	Union	1
2020 - Planning, Engineer, & Construct	1000001347 Fac. Maint. Rail	Licensed Journey Mechanical (NSS)	Union	1
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	Crane Operator	Union	3
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	Facilities Supervisor (Public)	10	1
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	Facilities Supervisor (Public) SS	10	3
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	General Foreman Public Facilities	10	1
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	General Foreman Public Facilities	12	1
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	General Maintenance Journey (SS)	Union	1
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	General Maintenance Mechanic A (SS)	Union	12
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	General Maintenance Mechanic A Crane Opr SS	Union	1
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	General Maintenance Mechanic B (SS)	Union	7



Metropolitan Transit Authority of Harris County
FY2021 Budgeted Positions

Department	Fund center	Position	Grade	Headcount
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	General Maintenance Mechanic B Crane Opr SS	Union	1
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	General Maintenance Mechanic HVAC	Union	1
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	Lead Maintenance Mechanic (NSS)	Union	1
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	Licensed Journey Electrician (SS)	Union	1
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	Licensed Journey Plumber	Union	1
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	Licensed Journey Plumber (SS)	Union	2
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	Licensed Maintenance Mechanic (SS)	Union	1
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	Licensed Maintenance Mechanic Elec (SS)	Union	1
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	Manager Public Facilities	13	1
2020 - Planning, Engineer, & Construct	1000001348 Fac. Maint. Mech.	Utility Worker PubFac NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001349 Fac. Maint. Headquarters	Energy Manager	13	1
2020 - Planning, Engineer, & Construct	1000001349 Fac. Maint. Headquarters	Facilities Maint Data Specialist	7	1
2020 - Planning, Engineer, & Construct	1000001349 Fac. Maint. Headquarters	Facilities Supervisor	10	1
2020 - Planning, Engineer, & Construct	1000001349 Fac. Maint. Headquarters	General Maintenance Mechanic A (NSS)	Union	2
2020 - Planning, Engineer, & Construct	1000001349 Fac. Maint. Headquarters	Licensed Journey Electrician (NSS)	Union	1
2020 - Planning, Engineer, & Construct	1000001349 Fac. Maint. Headquarters	Licensed Journey Mechanical (NSS)	Union	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	Facilities Supervisor	10	1
2020 - Planning, Engineer, & Construct	1000001350 Fac. Maint.Storage & Inspection Facility	General Maintenance Mechanic A (NSS)	Union	1
2020 - Planning, Engineer, & Construct	1000001350 Fac. Maint.Storage & Inspection Facility	Licensed Maintenance Mechanic (Elec) NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001350 Fac. Maint.Storage & Inspection Facility	Licensed Maintenance Mechanic (Plm) NSS	Union	1
2020 - Planning, Engineer, & Construct	1000001352 Fac. Maint. Rail Storage Griggs	Utility Worker	Union	1
2020 - Planning, Engineer, & Construct	1000001355 Fac. Maint. Admin.	Director Public Facilities	15	1
2020 - Planning, Engineer, & Construct	1000001355 Fac. Maint. Admin.	Facility Maintenance Assistant	5	1
2020 - Planning, Engineer, & Construct	1000001355 Fac. Maint. Admin.	Public Facilities Maint Analyst	10	1
2020 - Planning, Engineer, & Construct	1000001356 Fac. Maint. Shop	Facilities Supervisor (Public) SS	10	1
2020 - Planning, Engineer, & Construct	1000001356 Fac. Maint. Shop	General Maintenance Mechanic A (SS)	Union	2
2020 - Planning, Engineer, & Construct	1000001356 Fac. Maint. Shop	General Maintenance Mechanic B (SS)	Union	1
2020 - Planning, Engineer, & Construct	1000001356 Fac. Maint. Shop	Lead Maintenance Mechanic (NSS)	Union	1
2020 - Planning, Engineer, & Construct	1000002031 Cap & Env Planning	Director Environmental - Cap & Long Range Plng	15	1
2020 - Planning, Engineer, & Construct	1000002031 Cap & Env Planning	Executive Assistant (Senior Director)	9	1
2020 - Planning, Engineer, & Construct	1000002031 Cap & Env Planning	Lead Transp Systems Planner	12	1
2020 - Planning, Engineer, & Construct	1000002031 Cap & Env Planning	Manager Capital Planning & Proj Coordination	14	1
2020 - Planning, Engineer, & Construct	1000002031 Cap & Env Planning	Manager Regional & Long Range Planning	14	1
2020 - Planning, Engineer, & Construct	1000002031 Cap & Env Planning	Project Manager	12	1
2020 - Planning, Engineer, & Construct	1000002031 Cap & Env Planning	Senior Transit Planner	12	3
2020 - Planning, Engineer, & Construct	1000002031 Cap & Env Planning	Special Projects Director	15	1
2020 - Planning, Engineer, & Construct	1000002031 Cap & Env Planning	Transit Planner II Cap & Env Planning	10	1
2020 - Planning, Engineer, & Construct	1000002031 Cap & Env Planning	Transportation System Planner	11	2
2020 - Planning, Engineer, & Construct	1000002031 Cap & Env Planning	VP Systems & Capital Planning	19	1
2020 - Planning, Engineer, & Construct	1000002131 Real Estate	Manager 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	Architect Engineer	14	1
2020 - Planning, Engineer, & Construct	1000002161 Eng. Support Services	Director Program Management Support Services	16	1
2020 - Planning, Engineer, & Construct	1000002161 Eng. Support Services	Director Universal Accessibility	17	1
2020 - Planning, Engineer, & Construct	1000002161 Eng. Support Services	GIS Specialist	12	1
2020 - Planning, Engineer, & Construct	1000002161 Eng. Support Services	Manager Quality Assurance/Quality Control	14	1
2020 - Planning, Engineer, & Construct	1000002161 Eng. Support Services	Project Engineer	11	1
2020 - Planning, Engineer, & Construct	1000002161 Eng. Support Services	Senior Cad Technician	9	1
2020 - Planning, Engineer, & Construct	1000002161 Eng. Support Services	Traffic Engineer	13	1
2020 - Planning, Engineer, & Construct	1000002171 Construction Services	Executive Assistant (VP)	9	1
2020 - Planning, Engineer, & Construct	1000002171 Construction Services	Manager Construction Capital Projects	15	1
2020 - Planning, Engineer, & Construct	1000002171 Construction Services	Manager Scheduling & Estimating	15	1
2020 - Planning, Engineer, & Construct	1000002171 Construction Services	Program Manager I	13	2
2020 - Planning, Engineer, & Construct	1000002171 Construction Services	Resident Engineer	14	2
2020 - Planning, Engineer, & Construct	1000002171 Construction Services	VP Construction	19	1
2020 - Planning, Engineer, & Construct	1000002181 EVP -Planning Engineering & Construction	EVP Planning Engineering & Construction	22	1
2020 - Planning, Engineer, & Construct	1000002181 EVP -Planning Engineering & Construction	Executive Assistant (EVP)	10	1
2020 - Planning, Engineer, & Construct	1000002184 Project Management	Manager Facility Engineering	15	1
2020 - Planning, Engineer, & Construct	1000002184 Project Management	PEC Management Analyst	11	1
2020 - Planning, Engineer, & Construct	1000002184 Project Management	Program Manager I	13	1
2020 - Planning, Engineer, & Construct	1000002184 Project Management	Program Manager II	14	1
2020 - Planning, Engineer, & Construct	1000002184 Project Management	Project Engineer	11	3
2020 - Planning, Engineer, & Construct	1000002184 Project Management	Project Management & Eng Coordinator	9	1
2020 - Planning, Engineer, & Construct	1000002184 Project Management	Senior Proj Manager Security Systems	13	1
2020 - Planning, Engineer, & Construct	1000002184 Project Management	VP Project Management & Engineering	19	1
2030 - Administration	1000001611 EVP Administration	EVP Administration	22	1
2030 - Administration	1000001611 EVP Administration	Executive Assistant (EVP)	10	1
2030 - Administration	1000002341 SBE/DBE	Business Development & Assistance Officer	10	1
2030 - Administration	1000002341 SBE/DBE	Director Small Business Compliance	15	1



Metropolitan Transit Authority of Harris County
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Department	Fund center	Position	Grade	Headcount
2030 - Administration	1000002341 SBE/DBE	External Relations Officer - Procurement	12	1
2030 - Administration	1000002341 SBE/DBE	Procurement Small Business Coordinator	8	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	1000002411 Human Resources	ADA & Accessibility Services Manager	15	1
2030 - Administration	1000002411 Human Resources	Chief Human Resources Officer	21	1
2030 - Administration	1000002411 Human Resources	Executive Assistant (VP)	9	1
2030 - Administration	1000002411 Human Resources	Human Resource Assistant	7	1
2030 - Administration	1000002411 Human Resources	Human Resources Analyst	12	1
2030 - Administration	1000002422 Procurement	Assistant Contracts Admin S & T	9	1
2030 - Administration	1000002422 Procurement	Buyer - Materials	9	3
2030 - Administration	1000002422 Procurement	Chief Procurement Officer	21	1
2030 - Administration	1000002422 Procurement	Contract Administrator I	10	4
2030 - Administration	1000002422 Procurement	Contract Administrator II A & E	11	1
2030 - Administration	1000002422 Procurement	Contract Administrator II A & E 1	11	1
2030 - Administration	1000002422 Procurement	Contract Administrator II Proc 1	11	1
2030 - Administration	1000002422 Procurement	Contract Administrator II Services Tech	11	1
2030 - Administration	1000002422 Procurement	Contract Services Coordinator	9	4
2030 - Administration	1000002422 Procurement	Contracts Administrator I - Materials	10	1
2030 - Administration	1000002422 Procurement	Deputy Chief Procurement Officer	19	1
2030 - Administration	1000002422 Procurement	Director Contracts	15	1
2030 - Administration	1000002422 Procurement	Director Procurement	15	1
2030 - Administration	1000002422 Procurement	Executive Assistant (Chief)	9	1
2030 - Administration	1000002422 Procurement	Inventory Surplus Agent	8	1
2030 - Administration	1000002422 Procurement	Manager Contracts	14	1
2030 - Administration	1000002422 Procurement	Manager Procurement (Materials)	14	1
2030 - Administration	1000002422 Procurement	Manager Property Services	13	1
2030 - Administration	1000002422 Procurement	Procurement & Materials Applications Analyst	11	1
2030 - Administration	1000002422 Procurement	Procurement & Materials Applications Analyst	12	1
2030 - Administration	1000002422 Procurement	Program Specialist	10	1
2030 - Administration	1000002422 Procurement	Senior Contract Administrator	12	2
2030 - Administration	1000002422 Procurement	Senior Contracts Admin	12	2
2030 - Administration	1000002422 Procurement	Senior Contracts Admin A & E	12	1
2030 - Administration	1000002422 Procurement	Senior Contracts Admin Mat	12	1
2030 - Administration	1000002422 Procurement	Senior Contracts Admin S&T-1	12	1
2030 - Administration	1000002422 Procurement	Supervisor Contracts Specialist	13	3
2030 - Administration	1000002423 Mtrls & Distribution	Director Materials Management	15	1
2030 - Administration	1000002423 Mtrls & Distribution	Manager Planning and Distribution	13	1
2030 - Administration	1000002423 Mtrls & Distribution	Manager Stores	13	1
2030 - Administration	1000002423 Mtrls & Distribution	Materials Analyst	9	1
2030 - Administration	1000002423 Mtrls & Distribution	Materials Control Specialist	9	1
2030 - Administration	1000002423 Mtrls & Distribution	MRP Controller	10	1
2030 - Administration	1000002423 Mtrls & Distribution	Storeroom Attendant	Union	61
2030 - Administration	1000002423 Mtrls & Distribution	Storeroom Foreman	10	10
2030 - Administration	1000002441 HCM & Personnel Svcs.	HRIS Assistant	7	3
2030 - Administration	1000002441 HCM & Personnel Svcs.	Senior Manager HRIS & Personnel Services	15	1
2030 - Administration	1000002441 HCM & Personnel Svcs.	Supervisor HRIS and Employee Records	11	1
2030 - Administration	1000002442 Staffing	Associate Staffing Representative	8	3
2030 - Administration	1000002442 Staffing	Director Staffing	16	1
2030 - Administration	1000002442 Staffing	Senior Staffing Representative	11	2
2030 - Administration	1000002442 Staffing	Staffing Coordinator	7	7
2030 - Administration	1000002442 Staffing	Staffing Representative I	9	3
2030 - Administration	1000002442 Staffing	Staffing Representative II	10	1
2030 - Administration	1000002442 Staffing	Staffing Supervisor	12	1
2030 - Administration	1000002442 Staffing	Supervisor Staffing	12	2
2030 - Administration	1000002443 Benefits & Pension	Benefits Administrator	12	1
2030 - Administration	1000002443 Benefits & Pension	Benefits Representative	9	3
2030 - Administration	1000002443 Benefits & Pension	Director Benefits Pension Wellness	16	1
2030 - Administration	1000002443 Benefits & Pension	Retirement Plan Analyst	11	2
2030 - Administration	1000002444 Compensation	Compensation Administrator	13	1
2030 - Administration	1000002444 Compensation	Compensation Generalist	10	1
2030 - Administration	1000002444 Compensation	Director Compensation	16	1
2030 - Administration	1000002444 Compensation	Senior Compensation Generalist	11	1
2030 - Administration	1000002445 OD	Director Training & Organization Development	16	1
2030 - Administration	1000002445 OD	Senior Organization Development Specialist	13	3
2030 - Administration	1000002446 Wellness Programs	Leave and Wellness Coordinator	10	2
2030 - Administration	1000002449 EEO / ER	Director EEO and Employee Relations	16	1
2030 - Administration	1000002449 EEO / ER	EEO Title VI Compliance Officer	12	1
2030 - Administration	1000002449 EEO / ER	Employee Relations Specialist	11	1
2030 - Administration	1000002449 EEO / ER	Senior Employee Relations Specialist	12	1



Metropolitan Transit Authority of Harris County
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Department	Fund center	Position	Grade	Headcount
2030 - Administration	1000002451 Information Technology	Appl Systems Analyst II	11	1
2030 - Administration	1000002451 Information Technology	Appl Systems Analyst III	12	2
2030 - Administration	1000002451 Information Technology	Appl Systems Analyst IV	13	4
2030 - Administration	1000002451 Information Technology	Associate Project Manager	11	1
2030 - Administration	1000002451 Information Technology	Chief Information Officer	20	1
2030 - Administration	1000002451 Information Technology	Chief Information Security Officer/Director	17	1
2030 - Administration	1000002451 Information Technology	Chief Technology Officer	18	1
2030 - Administration	1000002451 Information Technology	Database Administrator II	13	1
2030 - Administration	1000002451 Information Technology	Database Administrator III	14	1
2030 - Administration	1000002451 Information Technology	Desktop Technician II	9	4
2030 - Administration	1000002451 Information Technology	Director IT Application Support Revenue	17	1
2030 - Administration	1000002451 Information Technology	Director IT Applications Support	17	1
2030 - Administration	1000002451 Information Technology	Director IT Digital Technology	17	1
2030 - Administration	1000002451 Information Technology	Director IT Infrastructure Support	17	1
2030 - Administration	1000002451 Information Technology	Director IT Project Management	17	1
2030 - Administration	1000002451 Information Technology	Executive Assistant (Chief)	9	1
2030 - Administration	1000002451 Information Technology	Information Security Specialist	11	1
2030 - Administration	1000002451 Information Technology	Information Security Specialist III	12	2
2030 - Administration	1000002451 Information Technology	Information Security Specialist IV	13	2
2030 - Administration	1000002451 Information Technology	Intelligent Transp System Specialist III	12	1
2030 - Administration	1000002451 Information Technology	Intelligent Transp System Specialist IV	13	1
2030 - Administration	1000002451 Information Technology	IT Asset Management Analyst	10	1
2030 - Administration	1000002451 Information Technology	IT Budget Analyst	10	1
2030 - Administration	1000002451 Information Technology	IT Manager	14	3
2030 - Administration	1000002451 Information Technology	IT Manager - Cybersecurity Office	14	1
2030 - Administration	1000002451 Information Technology	IT Manager - Network and Desktop Support	14	1
2030 - Administration	1000002451 Information Technology	IT Project Manager	14	2
2030 - Administration	1000002451 Information Technology	Manager Intelligent Transportation Systems	14	1
2030 - Administration	1000002451 Information Technology	Manager IT Database Administration	15	1
2030 - Administration	1000002451 Information Technology	Manager IT Webmaster Developer	15	1
2030 - Administration	1000002451 Information Technology	Manager Server & Storage Technologies	14	1
2030 - Administration	1000002451 Information Technology	Network Support Specialist II	11	1
2030 - Administration	1000002451 Information Technology	Network Support Specialist III	12	1
2030 - Administration	1000002451 Information Technology	Network Support Specialist IV	13	2
2030 - Administration	1000002451 Information Technology	SAP Basis & Database Administrator	13	1
2030 - Administration	1000002451 Information Technology	SAP Business Intelligence Analyst V	13	1
2030 - Administration	1000002451 Information Technology	SAP Developer	12	1
2030 - Administration	1000002451 Information Technology	SAP Developer IV	13	1
2030 - Administration	1000002451 Information Technology	SAP FICO Business Systems Analyst	14	1
2030 - Administration	1000002451 Information Technology	SAP HR Payroll Tech Business Analyst V	13	1
2030 - Administration	1000002451 Information Technology	SAP Plant Maintenance Analyst III	12	1
2030 - Administration	1000002451 Information Technology	SAP Plant Maintenance Analyst IV	13	1
2030 - Administration	1000002451 Information Technology	SAP Security Administrator	14	1
2030 - Administration	1000002451 Information Technology	SAP/ERP Project Manager	16	1
2030 - Administration	1000002451 Information Technology	Senior IT Project Manager	16	1
2030 - Administration	1000002451 Information Technology	Server Support Specialist I	10	1
2030 - Administration	1000002451 Information Technology	Server Support Specialist II	11	1
2030 - Administration	1000002451 Information Technology	Server Support Specialist II	12	1
2030 - Administration	1000002451 Information Technology	Server Support Spec IV Technical	13	2
2030 - Administration	1000002451 Information Technology	Server Support Specialist IV Technical	13	2
2030 - Administration	1000002451 Information Technology	Support Center Specialist II	9	4
2030 - Administration	1000002451 Information Technology	Tech Business Analyst IV	13	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	Web Programmer Analyst II	11	1
2030 - Administration	1000002451 Information Technology	Web Programmer Analyst III	12	1
2030 - Administration	1000002451 Information Technology	Web Programmer Analyst IV	13	2
2030 - Administration	1000002461 Labor Relations	Labor Relations Director	16	1
2030 - Administration	1000002461 Labor Relations	Labor Relations Hearing Officer	10	1
2030 - Administration	1000002461 Labor Relations	Senior Labor Relations Representative	11	1
2030 - Administration	1000002571 State of Good Repair	Director State of Good Repair	17	1
2030 - Administration	1000002571 State of Good Repair	Senior Asset Management Analyst (SOG)	14	1
2030 - Administration	1000002571 State of Good Repair	SOG Asset Project Manager	12	1
2030 - Administration	1000002571 State of Good Repair	SOG Asset Specialist	12	4
2040 - Govt & Public Affairs	1000002352 Government Affairs	Government & Public Affairs Coordinator	9	1
2040 - Govt & Public Affairs	1000002352 Government Affairs	Government Affairs Manager	12	1
2040 - Govt & Public Affairs	1000002352 Government Affairs	VP Government Affairs	18	1
2040 - Govt & Public Affairs	1000002521 Public Engagement	Director Public Engagement	15	1
2040 - Govt & Public Affairs	1000002521 Public Engagement	Public Affairs Representative	10	2
2040 - Govt & Public Affairs	1000002521 Public Engagement	Senior Public Affairs Representative	11	6



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Department	Fund center	Position	Grade	Headcount
2040 - Govt & Public Affairs	1000002521 Public Engagement	VP Public Engagement	19	1
2040 - Govt & Public Affairs	1000002522 Deputy CEO	Deputy Chief Executive Officer	23	1
2040 - Govt & Public Affairs	1000002522 Deputy CEO	Executive Assistant to Deputy CEO	11	1
2040 - Govt & Public Affairs	1000002525 Urban Design	Urban Designer	13	1
2040 - Govt & Public Affairs	1000002539 Regional Vanpool	Director Commuter Services	15	1
2040 - Govt & Public Affairs	1000002539 Regional Vanpool	Manager Commuter Service Program	13	1
2040 - Govt & Public Affairs	1000002539 Regional Vanpool	Manager Vanpool Billing & Reporting	13	1
2040 - Govt & Public Affairs	1000002539 Regional Vanpool	Operations Analyst - Trans Programs	10	1
2040 - Govt & Public Affairs	1000002539 Regional Vanpool	Senior Vanpool Account Executive	10	3
2040 - Govt & Public Affairs	1000002539 Regional Vanpool	Senior Vanpool Billing Clerk	6	1
2040 - Govt & Public Affairs	1000002539 Regional Vanpool	Supervisor Vanpool Customer Billing	10	1
2040 - Govt & Public Affairs	1000002539 Regional Vanpool	Supervisor Vanpool Customer Svc & Fleet	10	1
2040 - Govt & Public Affairs	1000002539 Regional Vanpool	Vanpool Account Executive	9	3
2040 - Govt & Public Affairs	1000002539 Regional Vanpool	Vanpool Billing Clerk	5	2
2040 - Govt & Public Affairs	1000002539 Regional Vanpool	Vanpool Communications Specialist	9	1
2040 - Govt & Public Affairs	1000002539 Regional Vanpool	Vanpool Customer Service Rep	5	5
2040 - Govt & Public Affairs	1000002539 Regional Vanpool	Vanpool Event Coordinator	8	1
2040 - Govt & Public Affairs	1000002539 Regional Vanpool	Vanpool Fleet Coordinator	8	1
2040 - Govt & Public Affairs	1000002539 Regional Vanpool	Vanpool Market Analyst	10	1
2040 - Govt & Public Affairs	1000002543 Ridership & Client Services	Director Client Services	16	1
2040 - Govt & Public Affairs	1000002543 Ridership & Client Services	Ridership & Client Services Coordinator	9	1
2040 - Govt & Public Affairs	1000002543 Ridership & Client Services	Ridership Development Officer	11	1
2040 - Govt & Public Affairs	1000002543 Ridership & Client Services	Sales Account Executive	10	1
2040 - Govt & Public Affairs	1000002543 Ridership & Client Services	Sales Representative III	10	1
2040 - Govt & Public Affairs	1000002543 Ridership & Client Services	VP Ridership Services	21	1
2050 - Audit	1000002331 Audit	Audit Coordinator	10	1
2050 - Audit	1000002331 Audit	Auditor II	11	3
2050 - Audit	1000002331 Audit	Auditor III Contracts	12	1
2050 - Audit	1000002331 Audit	Auditor III Internal Functions	12	1
2050 - Audit	1000002331 Audit	Manager Audit (Contracts)	14	1
2050 - Audit	1000002331 Audit	Manager Audit (Internal Functions)	14	1
2050 - Audit	1000002331 Audit	VP & Chief Auditor	21	1
2060 - Legal	1000002013 Records Management	Records Management Coord	7	2
2060 - Legal	1000002351 Legal	Deputy General Counsel	20	1
2060 - Legal	1000002351 Legal	EVP/General Counsel	22	1
2060 - Legal	1000002351 Legal	Executive Assistant (Gen Counsel)	10	1
2060 - Legal	1000002351 Legal	Legal Counsel	17	2
2060 - Legal	1000002351 Legal	Legal Secretary	9	2
2060 - Legal	1000002351 Legal	Paralegal	10	3
2060 - Legal	1000002351 Legal	Paralegal - TPIA	10	1
2060 - Legal	1000002351 Legal	Paralegal (Labor & Employment)	10	1
2060 - Legal	1000002351 Legal	Senior Legal Counsel	18	1
2060 - Legal	1000002351 Legal	Senior Paralegal Public Information Officer	13	1
2060 - Legal	1000002351 Legal	Staff Attorney	14	2
2060 - Legal	1000002351 Legal	Staff Attorney (Compl/Transactional)	14	1
2080 - Executive	1000002311 President & CEO	Board Support Coordinator	10	1
2080 - Executive	1000002311 President & CEO	Director Board Relations	15	1
2080 - Executive	1000002311 President & CEO	Office Manager to the President & CEO	13	1
2080 - Executive	1000002311 President & CEO	President & Chief Executive Officer	25	1
2080 - Executive	1000002311 President & CEO	Project Manager to President & CEO	13	1
2080 - Executive	1000002313 Authority Compliance	Director Best Practices	15	1
2080 - Executive	1000002313 Authority Compliance	EVP Special Projects	22	1
2080 - Executive	1000002313 Authority Compliance	Process Transformation Analyst IV	14	1
2080 - Executive	1000002313 Authority Compliance	Technical Editor	10	1
2110 - Finance	1000002211 Senior VP/CFO	Chief Financial Officer	22	1
2110 - Finance	1000002211 Senior VP/CFO	Executive Assistant (CFO)	10	1
2110 - Finance	1000002211 Senior VP/CFO	Financial Analyst SAP FICO	14	1
2110 - Finance	1000002211 Senior VP/CFO	Senior Management Analyst	12	1
2110 - Finance	1000002221 Office of the Controller	Accountant Accts Payable	9	2
2110 - Finance	1000002221 Office of the Controller	Accountant Gen Accounting/Fin Reporting	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	3
2110 - Finance	1000002221 Office of the Controller	Lead Financial Accounting & Reporting	14	1
2110 - Finance	1000002221 Office of the Controller	Lead Financial Analyst Pension & Invest	14	1
2110 - Finance	1000002221 Office of the Controller	Manager Accounts Payable	14	1
2110 - Finance	1000002221 Office of the Controller	Manager Payroll	14	1
2110 - Finance	1000002221 Office of the Controller	Manager Treasury Services	15	1
2110 - Finance	1000002221 Office of the Controller	Senior Accountant Accts Payable	11	2
2110 - Finance	1000002221 Office of the Controller	Senior Accountant Payroll	11	1
2110 - Finance	1000002221 Office of the Controller	Senior Director Accounting Controller	17	1



Metropolitan Transit Authority of Harris County
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Department	Fund center	Position	Grade	Headcount
2110 - Finance	1000002221 Office of the Controller	Senior Financial Accountant	12	5
2110 - Finance	1000002221 Office of the Controller	Senior Financial Accountant - Fin Accounting & Reporting	12	2
2110 - Finance	1000002221 Office of the Controller	Senior Manager Financial Accounting & Reporting	15	1
2110 - Finance	1000002221 Office of the Controller	Senior Payroll Clerk	7	2
2110 - Finance	1000002221 Office of the Controller	Team Lead Accountant Payroll	12	1
2110 - Finance	1000002221 Office of the Controller	Team Lead Cap Assets & Accounts Receivable	12	1
2110 - Finance	1000002221 Office of the Controller	Treasury Analyst	10	1
2110 - Finance	1000002221 Office of the Controller	Treasury Coordinator	7	2
2110 - Finance	1000002232 Ticket & Fare Collection	Fare Media Agent (Field)	6	6
2110 - Finance	1000002232 Ticket & Fare Collection	Fare Media Associate	5	2
2110 - Finance	1000002232 Ticket & Fare Collection	Lead Vault Attendant-SS	7	1
2110 - Finance	1000002232 Ticket & Fare Collection	Manager Revenue Services	15	1
2110 - Finance	1000002232 Ticket & Fare Collection	Senior Fare Media Agent	7	2
2110 - Finance	1000002232 Ticket & Fare Collection	Senior Fare Media Associate	6	1
2110 - Finance	1000002232 Ticket & Fare Collection	Supervisor Fare Media	8	1
2110 - Finance	1000002232 Ticket & Fare Collection	Supervisor Fare Media Agent (Field)	8	1
2110 - Finance	1000002232 Ticket & Fare Collection	Supervisor Revenue Services Admin	13	1
2110 - Finance	1000002232 Ticket & Fare Collection	Supervisor Vaulting Services	11	1
2110 - Finance	1000002232 Ticket & Fare Collection	Vault Assistant	4	3
2110 - Finance	1000002232 Ticket & Fare Collection	Vault Attendant	6	4
2110 - Finance	1000002232 Ticket & Fare Collection	Vaulting Services Support Coord - SS	7	1
2110 - Finance	1000002353 Grants	Director Grant Programs	16	1
2110 - Finance	1000002353 Grants	Grant Programs Administrator	11	1
2110 - Finance	1000002353 Grants	Grants Reimbursements Analyst	10	1
2110 - Finance	1000002353 Grants	Manager Grant Programs	14	1
2110 - Finance	1000002353 Grants	Senior Grant Programs Specialist	14	1
2110 - Finance	1000002361 Office of Management and Budget	Director Office of Management & Budget	17	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 - Revenue/Fare Policy	14	1
2110 - Finance	1000002361 Office of Management and Budget	Lead Management Analyst Cost Control	14	1
2110 - Finance	1000002361 Office of Management and Budget	Management Analyst	12	2
2110 - Finance	1000002361 Office of Management and Budget	Manager Capital Budgets Analysis & Reporting	15	1
2110 - Finance	1000002361 Office of Management and Budget	Manager Debt Service & Investments	15	1
2110 - Finance	1000002361 Office of Management and Budget	Manager Operating Budget	15	1
2110 - Finance	1000002361 Office of Management and Budget	Senior Management Analyst	13	2
2110 - Finance	1000002361 Office of Management and Budget	Senior Management Analyst - Data Analytics	13	1
2140 - Office of Innovation	1000002511 Office of Innovation(2511)	Chief Innovation Officer	21	1
2140 - Office of Innovation	1000002511 Office of Innovation(2511)	Executive Assistant (EVP)	10	1
2140 - Office of Innovation	1000002511 Office of Innovation(2511)	Innovation Grants Administrator	10	1
2140 - Office of Innovation	1000002511 Office of Innovation(2511)	Innovation Project Manager	12	2
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 (EVP)	10	1
2150 - Communications	1000002372 EVP, Communications	Senior Corporate Communications Specialist	13	1
2150 - Communications	1000002431 Mail Services	Mail Services Supervisor	8	1
2150 - Communications	1000002431 Mail Services	Mailroom Assistant	4	2
2150 - Communications	1000002432 Print Shop	Digital Publishing Operator	5	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	Marketing Dist Coordinator	6	1
2150 - Communications	1000002432 Print Shop	Offset Press Technician	7	1
2150 - Communications	1000002432 Print Shop	Print Shop Assistant	4	1
2150 - Communications	1000002432 Print Shop	Printing Services Coordinator	8	1
2150 - Communications	1000002523 Partnership Promotions	VP Partnership Promotions	18	1
2150 - Communications	1000002531 Marketing	Advertising Account Executive III	10	1
2150 - Communications	1000002531 Marketing	Advertising Account Executive Info Sys	10	1
2150 - Communications	1000002531 Marketing	Advertising Account Executive/Multimedia Specialist	10	1
2150 - Communications	1000002531 Marketing	Director Marketing	15	1
2150 - Communications	1000002531 Marketing	Graphic Designer I	9	2
2150 - Communications	1000002531 Marketing	Graphics Designer II	11	2
2150 - Communications	1000002531 Marketing	Photographer/Associate Content Writer	8	1
2150 - Communications	1000002531 Marketing	Senior Copywriter/Producer	11	1
2150 - Communications	1000002533 Digital	Manager Digital Marketing	14	1
2150 - Communications	1000002534 VP, Mktg Corp Comm	Market Research Analyst	13	1
2150 - Communications	1000002534 VP, Mktg Corp Comm	Marketing & Corporate Budget Analyst	10	1
2150 - Communications	1000002534 VP, Mktg Corp Comm	VP Marketing & Corporate Communications	18	1
2150 - Communications	1000002534 VP, Mktg Corp Comm	Web Designer	13	1
2150 - Communications	1000002581 Media & Corp. Comm.	Manager Corporate Communications	14	1
2150 - Communications	1000002581 Media & Corp. Comm.	Multimedia Specialist/Videographer	11	1

Appendix I. Historical and Projected Sales Tax Rates and Revenues

Sales Tax Revenues (Year of Expenditure \$1,000s)

Fiscal Year	Historical/ Estimated Data	% Change
2016	686,102	-4.1%
2017	690,929	0.7%
2018	759,064	9.9%
2019	775,393	2.2%
2020	763,624	-1.5%
2021	752,945	-1.4%
2022	810,568	7.7%
2023	888,913	9.7%
2024	955,142	7.5%
2025	1,017,278	6.5%

Estimates are based on the June 2020 forecast produced by Dr. Robert W. (Bill) Gilmer, head of the Institute for Regional Forecasting at the University of Houston. The forecast growth for FY2021 has been reduced by 1% by Board decision.

Dr. Gilmer's forecast incorporates data from multiple sources, including population and employment in the nine-county Houston metro area, Gross Domestic Product, the Consumer Price Index, personal income, Treasury bill prices, the Business Cycle Index produced by the Dallas Federal Reserve, the Purchasing Managers' Index, the price and production of oil, and the Baker Hughes Rig Count.

According to Dr. Gilmer's report dated June 2020, METRO's sales tax revenues are under significant pressure. The widespread stay-home orders and closings of all nonessential business was a new experiment, and it generated an enormous economic shock. These orders – along with the virus and reactive social distancing by the public – created the economic disruption seen in recent months. The estimate of METRO revenues is greatly complicated in the short-run by the virus, public orders, and social distancing by the general public. But the pandemic also puts the long-term at risk by losing two-and-a-half years of revenue growth, as METRO now faces nine quarters of decline and recovery in order to return to where METRO revenues stood in the fourth quarter of 2019. However, studies of economic catastrophes – war and disease – suggest that sometimes economic growth can accelerate above long-term trends once recovery is complete and perhaps replace some of those nine quarters of, essentially, standing still.

Dr. Gilmer’s report remains highly speculative, as it was written early in the downturn when the economic data remained limited, and primarily because the COVID-19 virus remains largely uncharacterized. There are still many gaps in knowledge about its ultimate rate of infection or mortality, whether reinfection is possible, or how long until there is effective treatment or a vaccine. The economics, including such basic facts as the potential length and depth of the downturn, remain heavily dependent on unknown basic facts about the virus.

The following two sections are excerpts from Dr. Gilmer’s report that summarize his findings.

METRO Sales Tax Revenues: A Quick Summary

The local sales tax data available through April (June allocations) are pointing to a significant downturn in sales tax revenue. The seasonally-adjusted sales tax peak was in January, and this peak preceded COVID-19 because of on-going 2019 weakness in Houston’s oil sector. The seasonally-adjusted decline in revenues through April is 20.2 percent for the City of Houston and 16.0 percent for METRO.

It is assumed that the recession underlying this pandemic is moderate, an assumption based on very large employment losses offset by equally large income gains from federal fiscal stimulus. Huge pandemic job losses resulted from economic shock brought on by the virus, stay-home orders, closing of essential businesses, and reactive social distancing by the public. Houston’s sales taxes also fell hard and for the same reasons. However, if we focus only on an underlying moderate recession, we also see a moderate decline in real sales tax revenue of 7.7 percent over six quarters from 2019Q4 to 2020Q2.

What about social distancing? As the economy began to reopen in May, the data on employment, unemployment, the purchasing managers indexes, and other measures found a trough, and assuming local sales taxes follow a similar lead in May and June, we could conservatively assume that 30 percent of the tax revenue lost by April might return in the following two months. Under these assumptions, we estimate losses to social distancing of \$9.3 million in the first quarter, followed by an additional 9.1 million in the second.

Under the hypothetical assumption that re-opening the economy results in sustained net gains in METRO’s sales tax revenue in \$6.4, \$5.5, and \$6.4 million in the following three quarters, and that the effects of social distancing disappear by 2021Q1, total social distancing losses in 2020 would be about \$46.0 million. Social distancing and the recession must be added together to determine total revenue losses.

The total figure for net social distancing losses to the pandemic used in the March report for the City of Houston was \$49.8 million, close to the \$46.0 million used in this report, although the timing of spending was very different. The March report had very large revenue losses concentrated in early 2020 and revenue recoveries in late 2020 and early 2021. However, the fiscal stimulus gave consumers the wherewithal to keep spending right through the shutdown orders, and online shopping kept early-pandemic purchases at a much higher level of spending than expected.

The recovery in tax revenues is defined as the return to the prior peak level, in this case a return to 2019Q4 levels. Using our forecast data adjusted for seasonality and inflation, after bottoming out in 2020Q2 recovery takes nine quarters or until 2022Q3. The social distancing losses disappear relatively quickly but shaking off METRO’s tax losses takes help from both U.S. economic recovery and oil markets. The U.S. recession ends in early 2021 but oil turns up strongly only in 2022.

METRO's tax revenues lose nine quarters of recession and recovery that just take them back to the 2019Q4 starting point, effectively losing all the growth that would otherwise have taken place without COVID-19. Studies of other macroeconomic catastrophes suggest that part of these losses to the pandemic period are often made up. This requires an acceleration of growth above long-run rates following the pandemic. We assumed for our low forecast there were no such revenue recoveries, the medium forecast sees half of losses recovered, and the high outlook sees all the losses restored. A return of about half has been seen in past wars and other pandemics, but there is no guarantee of any recovery.

Our December 2019 METRO revenue forecast was compared to the current outlook, including recession, social distancing, and a possible recovery of lost pandemic-period revenues. The current medium forecast for 2022 is below December by \$140.8 million or 12.7 percent. By 2026, the difference has narrowed to \$66.6 million or 6.3 percent. Narrowing the difference is primarily due to the assumption that half of pandemic-period losses will be restored.

Compared to where we expected to be last December, METRO's 2022 low forecast is \$111.0 million lower, with the difference between the current outlook and December narrowing little by 2026. The high forecast is \$140.8 million below December in 2022, but by 2026 it has closed the gap and is near the December high level.

Today's Economic Perspective on This Pandemic: A Summary

As we work our way through the current public health and economic crisis in Houston, the outlook continues to evolve rapidly. Past pandemics have seen public health officials implement a variety of protective measures such as quarantines, school and theater closings, and limiting crowd size, but the COVID-19 intervention in the economy through stay-home orders and widespread business closings has been unprecedented.

The immediate loss of 349,700 jobs in Houston in March and April is largely the result of stay-at-home orders by local public health officials plus reactive social distancing by the public. These stay-home orders were deemed necessary to ration hospital capacity and other essential services and to save lives, but they also radically changed the near-term economic outlook and our understanding of how economic events will unfold in the face of a serious pandemic.

Past pandemics have followed a different schedule: the virus spreads, there is reactive social distancing by the public that leaves stores and restaurants half empty, illness becomes widespread among workers, labor shortages force shift reductions and plant closings, economic uncertainty slows business and consumer spending, and different cities at different times close schools, limit crowds, and issues various public orders. The result was an economic shock, but one that unfolded over a period of weeks and months and not a few days.

The unprecedented widespread stay-home orders and closing of nonessential businesses pulled all of this forward in time – all the adverse effects came at once -- creating a much larger economic shock than ever seen previously, and then unprecedented community-wide quarantine and business closings came on top of this.

There is a trade-off here. As difficult as the stay-home orders are for businesses struggling to survive, if this enforced social distancing failed, we would still have seen substantial economic losses as well as many more deaths. A pandemic that did not employ pre-emptive business closings would none-the-less see heavy job losses that would just occur later in the infection cycle, as big swaths of the labor force were lost to illness and family caretaking. Reactive social distancing still would have left many restaurants and retail stores half empty.

The combination of stay-home orders and nonessential closings, plus the large and unexpected shock it generated, probably created more economic damage than would have occurred otherwise. However, as fast as the public health orders put people out of work in March and April, the Treasury Department was replacing their lost income. If we saw the largest decline in employment in history, it was met with the largest-ever increase in personal income as fiscal policy made up the losses in wages, salaries, and proprietors' income. Even as employment fell by over 20 million, trillions in stimulus payments allowed personal income to rise measured from March to May and to generate large personal savings by consumers.

Where does the Houston economy go now? We divide the likely post-COVID-19 economy into two parts. First, there is the effect of the disease on the broad U.S. economy as the virus progresses and brings a recession that is likely to last twelve months or more. Based on a growing number of studies of the relatively modest economic impact of a severe Spanish Flu pandemic, a bottom-up study by the Congressional Budget Office on the effects of past pandemics, and early data on the current economic reopening, we think Houston will share a moderate U.S. recession that unfolds over several quarters. It is fiscal spending that offsets losses to employment and provides balance to our outlook, and it is unlikely that the resulting recession will be nearly as bad as projected by many analysts who focus too narrowly on job loss alone.

Houston will share the national downturn as it loses sales to the rest of the state, country, and world. If we focus on Houston's economic base – those industries that drive economic expansion and contraction – the early March to May data indicate a local recession that so-far ranks as typical of the average local downturn we have experienced since 1990. The current Houston Purchasing Managers' Index is now telling a similar story.

The second part of Houston's near-term economic situation is the mandatory stay-home orders and business closings, combined with the normal reactive social distancing by the public. These local decisions depend narrowly on the progress of the virus and the reaction of public health officials, and it is simply unpredictable. However, a reasonable illustrative example can show how social distancing explains the large and frightening month-to-month changes we see in local employment, and how a successful economic reopening quickly swings the job figures from large negatives to equally-large positives.

Adding to the angst for Houston is the recent collapse in demand for oil as the Chinese, U.S., and European economies ground to a halt. Current low oil prices again raise the likelihood of Houston seeing a significant economic setback, although signs of stability are returning to oil markets faster than expected. Unfortunately, a return to fundamentals does not mean the fundamentals are particularly good.

After the illness subsides, public orders and economic disruptions end, and social distancing is no longer needed, where will we find the Houston economy? Assume the virus runs its course in 2020, and that the stimulus package is an effective economic bridge, by early 2021 the U.S. and Houston will begin a year of recovery from moderate recession. That recession would mean the loss of 72,800 jobs measured from 2020Q1 through 2021Q1, with recovery of employment complete by 2022Q2. As recovery unfolds and turns into expansion, we will see strong growth in 2022 and 2023 followed by a return to trend growth.

Appendix J: 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.

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.

Base Fare – The price charged to one adult for one transit ride; excludes transfer charges, zone charges, express service charges, peak period surcharges, and reduced fares.

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).

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 Period – The time with the highest transit ridership during the service day, often 6:00 – 9:00 a.m. and 3:00 – 6:00 p.m.

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.

Rolling Stock – Transit vehicles such as buses, vans, cars, railcars, locomotives, trolley cars and buses, and ferry boats, as well as vehicles used for support services.

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.

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.

Appendix K: List of METRO Acronyms and Abbreviations

ADA	Americans with Disabilities Act	H-GAC	Houston-Galveston Area Council
AFA	Advance Funding Agreement	HOT	High-Occupancy Toll (Lanes)
ARGO	Automated Reversible Gate Operation	HOV	High-Occupancy Vehicle (Facility)
		HVAC	Heating, Ventilation & Air Conditioning
BOF	Bus Operating Facility	IH	Interstate Highway
BOOST	Bus Operation Optimized System Treatments	IT	Information Technology
BRT	Bus Rapid Transit	IVOMS	Integrated Vehicle Operations Mgt System
CAF	Construcciones y Auxiliar de Ferrocarriles, manufacturer of H3 series of light rail vehicles	KOs	Contractual Obligations
CAFR	Comprehensive Annual Financial Report	LRT	Light Rail Transit
CAM	Cost Allocation Model	LRV	Light Rail Vehicle
CBR	Capital Budget Review Committee	MCI	Motor Coach Industries, a bus manufacturer
CFO	Chief Financial Officer	METRO	Metropolitan Transit Authority of Harris County, Texas
CIP	Capital Improvement Program	MDBF	Mean Distance between (Mechanical) Failures
CNG	Compressed Natural Gas	MLK	Martin Luther King, Jr.
COH	City of Houston	MOD	Motor-Operated Disconnect
CP	Commercial Paper	MOW	Maintenance of Way
DPS	Department Of Public Safety	MPD	METRO Police Department
EE	East End Line (Green Rail Line)	MRC	METRORail Completion
EKOS	Manufacturer of slide rollers	NTD	National Transit Database
ERP	Enterprise Resource Planning	NWTC	Northwest Transit Center
FFGA	Full Funding Grant Agreement	OCS	Overhead Contact or Catenary System
FSC	Field Service Center	OEM	Original Equipment Manufacturer
FTA	Federal Transit Administration	OTP	On-Time Performance
GAAP	Generally Accepted Accounting Principles	P&R	Park & Ride
GASB	Government Accounting Standards Board	PCZ	Panavision Compact Zoom, type of security camera
GMP	General Mobility Program	QA	Quality Assurance
H1	First LRV order from Siemens; 100 series	ROC	Rail Operations Center
H2	Second LRV order from Siemens; 200 series		
H3	LRV order from CAF USA; 300 series		
HCTRA	Harris County Toll Road Authority		
HEV	Hybrid electric vehicle		

S&I	Service & Inspection Facility
SAP	Systems, Applications and Products (ERP). Allows METRO to manage databases for different processes from a single unified system
SAP FICO	SAP module for financial accounting and cost controlling
SAP SBP	SAP module for public sector budgeting and planning
SE	Southeast Line (Purple Rail Line)
SF	Square feet
SOGR	State of Good Repair

Trapeze	Manufacturer of Transportation Software
TC	Transit Center

TPSS	Traction Power Substation
TVM	Ticket Vending Machine
TxDOT	Texas Department of Transportation

ULB	Useful Life Benchmark
UPS	Uninterruptible Power Supply

WWTP	Waste Water Treatment Plant
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