

**IIIA. Action Item:
 FY06 Operating Budget
 Board Options for Use of Projected Surplus in FY07**

**Estimated FY2006 Year End
 Operating Budget Surplus..... \$13.0 \$ Millions**

Staff Recommended Actions:

- a. Metrobus passenger survey to update subsidy allocation formulas (Metrorail survey to be budgeted in FY08) \$0.5
- b. *Contingent on Board Action with FY07 Budget* - Update customer information signs to reflect bus and rail service and fee adjustments 0.5
- c. *Contingent on Board Action with FY07 Budget* - maintain operating reserve at 1% of FY07 Approved Budget 0.7
- d. Workers' Comp / Accident Liability Claims - one time supplemental funding to increase reserve balance 10.0
- e. Change Board policy to reduce required reserve balance to 20% of estimated annual claims payout n/a

Total Recommended Use of Surplus \$11.7

Remaining Estimated Budget Surplus..... \$1.3

(Subject to Year End Closing and Final Audit Results)