



**Budget Committee**

**Financial Report Item IV-A**

**November 9, 2006**

**FY06 Operating Budget Fourth Quarter  
Financial Report**



**Washington Metropolitan Area Transit Authority**  
**FY06**

**Operating Budget**  
**Fourth Quarter Financial Report**

**FY06**

---

**WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY  
QUARTERLY OPERATING FINANCIAL REPORT  
FY06  
Fourth Quarter**

---

---

**INDEX**

- A. Executive Summary.....A-1**
- B. Revenue and Expense Analysis.....B-1**
- C. Budget Variance Reports.....C-1**
- D. Ridership and Performance Measures.....D-1**

## **A. EXECUTIVE SUMMARY**

**Executive Summary**

Fiscal 2006 ended \$3 million under budget with record ridership and revenue growth. At the December Budget Committee meeting staff will be forwarding an Action Item seeking to add this \$3 million to the existing operating reserve.

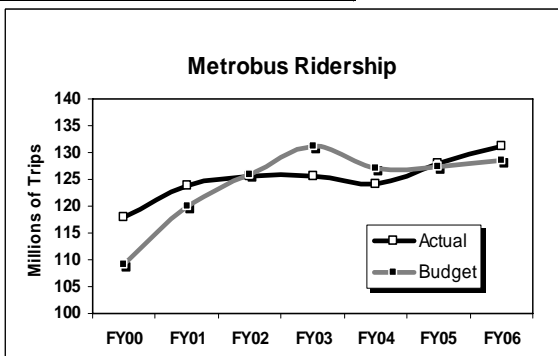
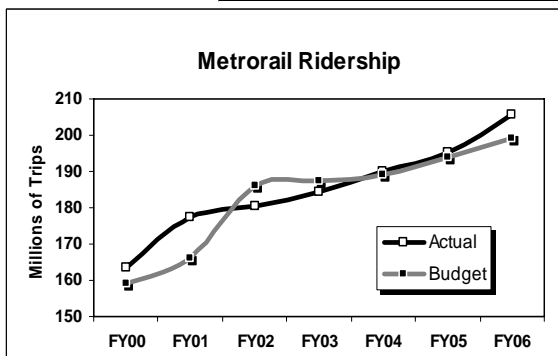
**Ridership and Revenue**

Metrorail, Metrobus and MetroAccess carried almost 12 million more customers compared to last year. Many ridership records were set during the year and by June, Metrorail was carrying nearly 750,000 customer each weekday. Total revenue of almost \$580 million exceeded the budget by approximately \$38 million, or 6 percent.

**Operating Expenses**

There were challenges throughout the year causing some costs to come in higher than expected. Examples included rapidly escalating energy costs and higher costs for maintaining an aging bus fleet. The combined impact of these pressures grew the operating expenses about 3 percent higher than budget.

Fiscal 2006 Year End				
	Actual	Budget	Variance	
	\$ Millions		Favorable/(Unfavorable)	
Revenue	\$ 617	\$ 579	\$ 38	6%
Expense	<u>1,049</u>	<u>1,014</u>	<u>(35)</u>	-3%
Subsidy	<u>\$ 432</u>	<u>\$ 435</u>	<u>\$ 3</u>	1%



**Year End Financial Closing**

At year end close there were a number of required, one-time-only accounting entries that had not been forecast, including: a catch up expense in June to get the paratransit contractor billings current, an inventory adjustment to reconcile bench stock, labor costs incurred this year on work budgeted in FY05 and P&T carryover items. The external auditors have completed their review of the fiscal 2006 books and issued a clean opinion on these results.

## **B. REVENUE AND EXPENSE ANALYSIS**

-----  
**COMBINED PASSENGER REVENUE (RAIL / BUS / METROACCESS)**

FY06 Budget	FY06 Actual	Year End Variance Favorable/(Unfavorable)
\$479.2	\$505.4	\$26.2

**METRORAIL PASSENGER REVENUE**

FY06 Budget	FY06 Actual	Year End Variance Favorable/(Unfavorable)
\$376.5	\$398.6	\$22.1

**Remarks:** At the end of fiscal 2006, Metrorail passenger revenues exceeded projections by \$22.1 million, or 5.7 percent higher than budgeted. One of the greatest contributors to the growth in Metrorail passenger revenue was the increase in rail ridership.

In the approved fiscal 2006 budget, rail ridership was expected to grow two percent to 199.3 million trips. However, the year ended with over 205.6 million trips, an increase of over 6.3 million trips or 5.3 percent. Three main factors drove this increase in ridership; general ridership growth, baseball attendance, and rapidly escalating gasoline prices.

The Washington Nationals moved from Canada to Washington DC in the spring of fiscal 2005. The ridership associated with attendance at home games was not included in the ridership budget for fiscal 2006. In June, the rail system experienced six of the highest ridership days. Four of these six days that ridership was over 774,000 were days with baseball games. Baseball related ridership on those days averaged over 10,000 trips. For fiscal 2006, total baseball related ridership was over 659,000 trips.

One of the most unexpected trip-generating events to occur in fiscal 2006 was rapidly escalating gasoline prices. The initial surge in gasoline price began in early 2005, and continued to increase over the spring and summer 2006 vacation driving period.

**BUS PASSENGER REVENUE**

FY06 Budget	FY06 Actual	Year End Variance Favorable/(Unfavorable)
\$98.8	\$103.9	\$5.1

**Remarks:** Metrobus passenger revenue at the end of year was \$103.9 million; \$5.0 million or 5.1 percent more than budgeted. Two major contributors to the

-----  
positive Metrobus revenue variances were higher average fares and higher ridership growth.

**METROACCESS PASSENGER REVENUE**

FY06 Budget	FY06 Actual	Year End Variance Favorable/(Unfavorable)
\$3.9	\$3.0	(\$0.9)

**Remarks:** MetroAccess passenger revenue at the end of the year was \$3.0 million, which was \$0.9 million less than anticipated in the budget. For the year, MetroAccess ridership was also almost 20 percent below the level anticipated in the budget.

-----  
**COMBINED NON-PASSENGER REVENUE**

FY06 Budget	FY06 Actual	Year End Variance Favorable/(Unfavorable)
\$100.0	\$111.4	\$11.4

**D.C. SCHOOL REVENUE**

FY06 Budget	FY06 Actual	Year End Variance Favorable/(Unfavorable)
\$4.2	\$4.7	\$0.5

**Remarks:** At the end of fiscal 2006, DC school revenue was \$4.7 million, or \$0.5 million above the fiscal 2006 budget. The increase in DC school revenue was a result of DC student ridership increases on both bus and rail. An even greater part of the revenue increase was generated by increases in the sale of DC SmartStudent Passes. For the year, total sales of the SmartStudent pass were over 123,000 passes, an increase of over 13 percent compared to pass sales for last fiscal year.

**CONTRACT/CHARTER BUS REVENUE**

FY06 Budget	FY06 Actual	Year End Variance Favorable/(Unfavorable)
\$1.1	\$2.0	\$0.9

**Remarks:** For the year, contract/charter bus revenue was \$2.0 million, or positive by \$0.9 million. The favorable variance is primarily from additional



-----  
charter revenue generated by providing bus service for Redskins games at Fed-Ex Field, which was not assumed when the budget was prepared. Several springtime events such as the annual Bay Bridge Walk and the Air Show at Andrews Air Force Base, also generated a significant portion of the annual contract/charter revenues. During the budget process, WMATA did not know if these events would be conducted due to homeland security concerns. The contract/charter revenue from Bay Bridge Walk and Air Show totaled \$713,000 for the year.

**PARKING REVENUE**

<b>FY06 Budget</b>	<b>FY06 Actual</b>	<b>Year End Variance Favorable/(Unfavorable)</b>
<b>\$36.5</b>	<b>\$38.6</b>	<b>\$2.1</b>

**Remarks:** Through the year, parking generated \$38.6 million in revenue, or \$2.1 million in parking revenue surplus. There were no changes in parking rates or collection procedures since last fiscal year; thus the positive variance was primarily the result of higher usage of the parking lots and garages. Parking for sports or special events generated both parking and rail passenger revenue as off-peak rail and reverse commute travel continues to grow.

**ADVERTISING REVENUE**

<b>FY06 Budget</b>	<b>FY06 Actual</b>	<b>Year End Variance Favorable/(Unfavorable)</b>
<b>\$30.0</b>	<b>\$30.0</b>	<b>\$0.0</b>

**Remarks:** The annual advertising revenue is determined by contractual agreement.

**JOINT DEVELOPMENT REVENUE**

<b>FY06 Budget</b>	<b>FY06 Actual</b>	<b>Year End Variance Favorable/(Unfavorable)</b>
<b>\$6.5</b>	<b>\$7.8</b>	<b>\$1.3</b>

**Remarks:** Total revenue for joint development was \$7.8 million for fiscal 2006. Joint Development revenue exceeded the budget by \$1.3 million. As the commercial real estate market appreciates, commercial rental rates are increasing. The largest positive variance, more than \$1.0 million, was the result of payments for percentage rents for fiscal 2004 and fiscal 2005.

-----  
**FIBER OPTIC REVENUE**

<b>FY06 Budget</b>	<b>FY06 Actual</b>	<b>Year End Variance Favorable/(Unfavorable)</b>
<b>\$7.8</b>	<b>\$9.3</b>	<b>\$1.5</b>

**Remarks:** For the year, total fiber optic revenue was \$9.3 million, or \$1.5 million more than budget. This continues the trend from previous fiscal years. A Wall Street Journal article noted an improving market for fiber optical services as the glut of fiber capacity nationwide has been slowly absorbed. A \$1.0 million favorable variance was generated from unanticipated fiber optical sources. Neon (formerly Columbia) paid more than \$0.6 million in fees, and Fibergate (formerly Arbros) paid \$0.2 in settlements from prior years.

**OTHER REVENUE**

<b>FY06 Budget</b>	<b>FY06 Actual</b>	<b>Year End Variance Favorable/(Unfavorable)</b>
<b>\$2.9</b>	<b>\$4.3</b>	<b>\$1.4</b>

**Remarks:** This account includes a variety of small revenue streams such as fees charged to developers for access to the rail right-of-way during adjacent construction, pay telephone revenue, bike locker rental, vending machines, sale of scrap material and subrogation collections. At the end of the fiscal year, this account totaled \$4.3 million, 49 percent or \$1.4 million more than budgeted.

**INTEREST ON INVESTMENT REVENUE**

<b>FY06 Budget</b>	<b>FY06 Actual</b>	<b>Year End Variance Favorable/(Unfavorable)</b>
<b>\$0.6</b>	<b>\$4.2</b>	<b>\$3.6</b>

**Remarks:** Interest on investment revenue totaled \$4.2 million, exceeding projections by \$3.6 million. The increase in interest revenue was the result of increasing interest rates during the year.

**SAFE CLEAN RELIABLE PROGRAM REVENUE**

<b>FY06 Budget</b>	<b>FY06 Actual</b>	<b>Year End Variance Favorable/(Unfavorable)</b>
<b>\$10.2</b>	<b>\$10.4</b>	<b>\$0.2</b>

**Remarks:** This program was initiated in fiscal 2006 with a budget of \$10.2 million. The revenue sources for this account included \$6 million from health insurance rebates, \$3 million from the anticipated sale of surplus property and \$1.2 million from advertising revenue. The advertising portion included enhanced advertisements such as tunnel ads, and ATM machine revenues. Through June 2006, the advertising portion was above projections by \$0.2 million.

**LABOR EXPENSE**

FY06 Budget	FY06 Actual	Year End Variance Favorable/(Unfavorable)
\$576.4	\$592.0	(\$15.6)

**Remarks:** The \$15.6 million year end unfavorable payroll cost variance is a net result of greater than expected overtime costs (see overtime history below), partially offset by payroll under runs from a higher number of vacancies than was expected in the budget. While this budget problem is significant it shows a moderate improvement over last year. This year's \$15.6 million overrun in labor expenses was approximately \$20.9 million for the same period in FY05. To also put this in perspective, the budget calculation of \$576.4 million, made 18 months ago, is off target by 2.7 percent.

The following chart shows the overtime history for FY01-FY06:

	FY01	FY02	FY03	FY04	FY05	FY06
Salaried Overtime	\$ 9.0	\$ 9.6	\$ 10.0	\$ 8.6	\$ 12.5	\$ 14.4
Hourly Overtime	53.6	48.6	54.5	53.6	65.0	68.3
Total Overtime	\$ 62.6	\$ 58.2	\$ 64.5	\$ 62.2	\$ 77.4	\$ 82.7

**FRINGE BENEFITS EXPENSE**

FY06 Budget	FY06 Actual	Year End Variance Favorable/(Unfavorable)
\$188.7	\$188.3	\$0.4

**Remarks:** The current \$0.4 million favorable variance is a result of health insurance savings associated with vacancies along with better than expected health claims experience, offset, in large part, by greater than expected costs for the Authority's pension plans. Deficits in the police pension category (-\$2.3 million for FY06) are a result of changes to the assumptions of the plan as recommended by the Plan Actuary. These assumption changes resulted in a one time "catch up" payment of approximately \$1.1 million which was reflected in the Q1 report. Additional funds have been added to the FY07 budget to accommodate these changes.

A sub-part of the fringe benefits budget is cost for workers' compensation claims. Up to a ceiling of \$5 million Metro is self-insured for these claims as well as claims for 3<sup>rd</sup> party accidents. The claims are paid out of a Board approved reserve fund.

Prior to fiscal 2003 this fund was maintained at a level high enough to pay all existing and future claims costs. With the approval of the fiscal 2003 budget a decision was made to suspend contributions to the fund and draw down the balance.

Contributions were planned to be gradually turned back on beginning in fiscal 2005, ultimately leading to an expected annual budgeted contribution equal to the expected annual claims payouts. Since then, the fund balance has been depleted more rapidly than planned. The balance is currently lower than dictated by Board policy and may be fully depleted within the next six months.

The table below displays how the fund balance has declined from \$20.7 million at the start of FY06 to an ending balance of \$2.9 million.

	Fiscal 2006			
	Q1	Q2	Q3	Q4
<b>Beginning Fund Balance</b>	<b>\$ 20.7</b>	\$ 16.2	\$ 12.8	\$ 6.2
<b>Plus: Budgeted Contributions</b>	<b>\$ 2.4</b>	<b>\$ 2.4</b>	<b>\$ 2.3</b>	<b>\$ 2.2</b>
<b>Less: Expenditures for</b>				
Workers' Comp	3.9	4.8	2.7	3.9
Dept of Labor	0.4	-	0.3	-
3rd Party Claims	0.8	0.5	0.5	0.3
3rd Party Litigation	1.8	0.5	5.5	1.3
<b>Total Claims Paid</b>	<b>\$ 6.9</b>	<b>\$ 5.8</b>	<b>\$ 8.9</b>	<b>\$ 5.5</b>
<b>Ending Fund Balance</b>	<b>\$ 16.2</b>	<b>\$ 12.8</b>	<b>\$ 6.2</b>	<b>\$ 2.9</b>

At the December Budget Committee meeting staff, with review and concurrence from the plan actuary, will be recommending the following:

Approve a change to the reserve policy by establishing a minimum year end balance set at 20 percent of the succeeding anticipated annual claims payout. FY2008 and beyond budgeted contributions will be set at a level to accomplish this policy directive.

**SERVICES EXPENSE**

FY06 Budget	FY06 Actual	Year End Variance Favorable/(Unfavorable)
<b>\$102.3</b>	<b>\$101.7</b>	<b>\$0.7</b>

**Remarks:** The \$0.7 million budget under run for FY06 is a result of slightly higher than expected costs in paratransit services (\$1.4 million) and parking lot

-----  
management services (\$1.6 million) offset by \$2.3 million lower than expected costs for the building and grounds equipment services.

**MATERIALS & SUPPLIES EXPENSE**

<b>FY06 Budget</b>	<b>FY06 Actual</b>	<b>Year End Variance Favorable/(Unfavorable)</b>
<b>\$69.5</b>	<b>\$77.6</b>	<b>(\$8.1)</b>

**Remarks:** A primary driver of this line item over run has been in the ongoing cost for bus parts. The average fleet age reached a high level this year and maintenance pressure placed a demand on the parts account way in excess of what the budget assumed. The fiscal 2007 operating budget could potentially face a similar challenge, however the capital budget funds a large scale purchase of new buses, reducing the average fleet age from 10 to 7 years. This improvement should mitigate the high expenditure rate for parts.

**PROPULSION POWER & FUEL EXPENSE**

<b>FY06 Budget</b>	<b>FY06 Actual</b>	<b>Year End Variance Favorable/(Unfavorable)</b>
<b>\$53.7</b>	<b>\$62.1</b>	<b>(\$8.4)</b>

**Remarks:** Energy prices remained stubbornly high throughout FY06. High energy prices resulted in a significant budget shortfall in the fuel and propulsion area, and are the single biggest risk area in the fiscal 2007 budget. Diesel fuel was budgeted this year at \$1.40 per gallon and is currently budgeted at \$2.24 per gallon in fiscal 2007. The Board has authorized staff to enter into a diesel swap agreement to mitigate this risk, however world events have kept the market price higher than the strike price needed to lock in at budget. A detailed review of past market trends indicates that the May – June period is historically a period of stability leading to a usual summer run up in prices. Staff anticipates that this will be the best time to execute a swap. Even if the budgeted \$2.24 per gallon rate cannot be secured, staff intends to begin what amounts to a dollar cost averaging strategy by hedging small, but repeated swap transactions with the intent of smoothing price spikes and budgetary impact.

In terms of propulsion power and electricity cost for facilities there appears to be a significant budget risk associated with prices charged to the Authority in Maryland by Pepco. The Authority has benefited from a fixed price contract that is set to expire at the start of fiscal 2007. The savings to date from this agreement have totaled nearly \$50 million. However, with the expiration of this deal the Authority is subject to a jump up to current market prices. The fiscal 2007 budget anticipates some of this risk by adding ten percent for price

-----  
inflation, nearly three times the general rate of inflation. However, recent media reports indicate the Pepco rate increases could be greatly in excess of that. Reports range from 50 to 70 percent price increases.

**UTILITIES & OTHER EXPENSE**

<b>FY06 Budget</b>	<b>FY06 Actual</b>	<b>Year End Variance Favorable/(Unfavorable)</b>
<b>\$43.8</b>	<b>\$47.7</b>	<b>(\$3.9)</b>

**C. BUDGET VARIANCE REPORTS**

**SUMMARY**  
**Fiscal 2006 Operating Budget**  
**JUNE, 2006**

(DOLLARS IN THOUSANDS)

MONTH				FISCAL YEAR	YEAR TO DATE			
FY05 Actual	FY06 Actual	FY06 Budget	Favorable (Unfavorable)		FY05 Actual	FY06 Actual	FY06 Budget	Favorable (Unfavorable)
				<b>REVENUES:</b>				
\$47,644	\$46,026	\$43,651	\$2,375	Passenger Revenue	\$476,754	\$505,397	\$479,176	\$26,220
377	380	319	61	D.C. School Reimbursement	4,345	4,720	4,250	470
525	106	71	36	Contract / Sub-Contract Charter	2,099	2,049	1,176	872
3,327	3,500	3,328	172	Parking	35,742	38,588	36,508	2,081
2,387	2,505	2,500	5	Advertising	29,008	30,015	30,000	15
371	616	546	70	Joint Development	7,609	7,825	6,558	1,267
1,177	972	213	759	Fiber Optic	8,857	9,283	7,810	1,473
859	1,061	258	803	Other	4,617	4,321	2,918	1,402
275	224	52	172	Interest	2,248	4,229	620	3,609
0	934	850	84	SCR Funding	0	10,419	10,200	219
<b>\$56,942</b>	<b>\$56,325</b>	<b>\$51,788</b>	<b>\$4,537</b>	<b>TOTAL REVENUE</b>	<b>\$571,281</b>	<b>\$616,845</b>	<b>\$579,216</b>	<b>\$37,629</b>
				<b>OPERATING EXPENSES:</b>				
\$48,039	\$52,046	\$47,807	(\$4,239)	Labor	\$555,114	\$592,015	\$576,446	(\$15,569)
15,512	13,527	16,618	3,091	Fringe Benefits	168,413	188,324	188,751	427
10,852	17,296	9,101	(8,195)	Services	86,440	101,665	102,341	676
10,328	11,314	5,825	(5,489)	Materials & Supplies	70,803	77,611	69,500	(8,111)
4,808	4,994	4,613	(381)	Power & Fuel	53,497	62,113	53,731	(8,382)
4,295	4,808	3,624	(1,184)	Utilities & Other	43,123	47,659	43,846	(3,814)
(1,725)	(1,725)	(1,725)	0	Reimbursements	(20,700)	(20,700)	(20,700)	0
<b>\$92,108</b>	<b>\$102,260</b>	<b>\$85,863</b>	<b>(\$16,396)</b>	<b>TOTAL EXPENSE</b>	<b>\$956,690</b>	<b>\$1,048,688</b>	<b>\$1,013,916</b>	<b>(\$34,772)</b>
<b>\$35,166</b>	<b>\$45,934</b>	<b>\$34,075</b>	<b>(\$11,859)</b>	<b>GROSS SUBSIDY</b>	<b>\$385,409</b>	<b>\$431,842</b>	<b>\$434,699</b>	<b>\$2,857</b>

61.8%

55.1%

60.3%

Cost Recovery Ratio

59.7%

58.8%

57.1%



**METRORAIL**  
**OPERATING BUDGET**  
**JUNE, 2006**  
(DOLLARS IN THOUSANDS)

MONTH			
FY05 Actual	FY06 Actual	FY06 Budget	Favorable (Unfavorable)
\$38,238	\$36,729	\$34,845	\$1,884
309	99	63	36
3,327	3,500	3,328	172
700	752	753	(0)
371	616	546	70
1,177	972	213	759
322	590	121	469
84	91	19	72
0	780	678	102
<b>\$44,409</b>	<b>\$44,130</b>	<b>\$40,566</b>	<b>\$3,564</b>
\$27,663	\$32,055	\$27,390	(\$4,666)
8,865	7,523	9,305	1,782
4,997	5,584	3,470	(2,114)
5,676	6,778	3,323	(3,455)
2,877	3,036	3,114	78
3,335	3,103	2,698	(405)
(225)	(225)	(225)	0
<b>\$53,188</b>	<b>\$57,854</b>	<b>\$49,074</b>	<b>(\$8,780)</b>
<b>\$8,779</b>	<b>\$13,724</b>	<b>\$8,508</b>	<b>(\$5,216)</b>
\$2,290	\$2,290	\$2,290	\$0
<b>\$11,070</b>	<b>\$16,014</b>	<b>\$10,799</b>	<b>(\$5,216)</b>

83.5%

76.3%

82.7%

FISCAL YEAR

REVENUES:

Passenger Revenue	\$373,330	\$398,548	\$376,472	\$22,075
D.C. School Reimbursement	2,133	1,363	928	434
Parking	35,742	38,581	36,508	2,073
Advertising	8,705	9,008	9,030	(22)
Joint Development	7,609	7,825	6,558	1,267
Fiber Optic	8,857	9,283	7,810	1,473
Other	2,351	2,615	1,370	1,245
Interest	997	1,573	228	1,345
SCR Funding	0	8,564	8,141	422
<b>TOTAL REVENUE</b>	<b>\$439,724</b>	<b>\$477,359</b>	<b>\$447,045</b>	<b>\$30,314</b>

OPERATING EXPENSES:

Labor	\$318,935	\$345,074	\$329,468	(\$15,605)
Fringe Benefits	96,168	111,564	106,989	(4,576)
Services	30,975	34,657	37,348	2,691
Materials & Supplies	38,037	40,888	39,249	(1,638)
Propulsion Power	33,604	34,955	35,738	782
Utilities & Other	30,000	33,152	31,930	(1,222)
Reimbursements	(2,700)	(2,700)	(2,700)	0
<b>TOTAL EXPENSE</b>	<b>\$545,019</b>	<b>\$597,589</b>	<b>\$578,022</b>	<b>(\$19,567)</b>

GROSS SUBSIDY

<b>\$105,296</b>	<b>\$120,230</b>	<b>\$130,977</b>	<b>\$10,747</b>
------------------	------------------	------------------	-----------------

Plus: Debt Service

\$27,484	\$27,484	\$27,484	\$0
----------	----------	----------	-----

LOCAL SUBSIDY

<b>\$132,780</b>	<b>\$147,715</b>	<b>\$158,462</b>	<b>\$10,747</b>
------------------	------------------	------------------	-----------------

Cost Recovery Ratio

80.7%

79.9%

77.3%

**METROBUS  
OPERATING BUDGET  
JUNE, 2006**

(DOLLARS IN THOUSANDS)

MONTH			
FY05 Actual	FY06 Actual	FY06 Budget	Favorable (Unfavorable)
\$9,106	\$9,228	\$8,464	\$763
68	281	256	25
645	106	71	36
1,687	1,752	1,747	5
0	0	0	0
536	471	138	334
191	133	33	101
0	133	148	(15)
<b>\$12,233</b>	<b>\$12,105</b>	<b>\$10,857</b>	<b>\$1,248</b>
\$20,341	\$19,965	\$20,345	\$380
6,637	5,998	7,290	1,292
2,641	2,870	1,475	(1,395)
4,651	4,500	2,499	(2,001)
1,931	1,958	1,499	(459)
916	1,663	897	(766)
(1,500)	(1,500)	(1,500)	0
<b>\$35,618</b>	<b>\$35,454</b>	<b>\$32,505</b>	<b>(\$2,949)</b>
<b>\$23,385</b>	<b>\$23,349</b>	<b>\$21,648</b>	<b>(\$1,701)</b>
\$0	\$0	\$0	\$0
<b>\$23,385</b>	<b>\$23,349</b>	<b>\$21,648</b>	<b>(\$1,701)</b>

34.3%

34.1%

33.4%

FISCAL YEAR

**REVENUES:**

Passenger Revenue	\$100,598
D.C. School Reimbursement	2,213
Contract / Sub-Contract Charter	2,099
Advertising	20,303
Joint Development	0
Other	2,266
Interest	1,252
SCR Funding	0

**TOTAL REVENUE**

**OPERATING EXPENSES:**

Labor	\$235,675
Fringe Benefits	72,096
Services	14,201
Materials & Supplies	32,739
Power & Fuel	19,894
Utilities & Other	12,802
Reimbursements	(18,000)

**TOTAL EXPENSE**

**GROSS SUBSIDY**

Plus: Debt Service	\$0
<b>LOCAL SUBSIDY</b>	<b>\$240,676</b>

Cost Recovery Ratio

YEAR-TO-DATE			
FY05 Actual	FY06 Actual	FY06 Budget	Favorable (Unfavorable)
\$100,598	\$103,856	\$98,808	\$5,047
2,213	3,358	3,322	36
2,099	2,049	1,176	872
20,303	21,007	20,970	37
0	0	0	0
2,266	1,706	1,549	157
1,252	2,656	392	2,264
0	1,603	1,773	(170)
<b>\$128,731</b>	<b>\$136,241</b>	<b>\$127,990</b>	<b>\$8,251</b>
\$235,675	\$246,550	\$246,117	(\$433)
72,096	76,659	81,495	4,836
14,201	15,820	15,103	(717)
32,739	36,646	30,215	(6,431)
19,894	27,158	17,994	(9,164)
12,802	13,985	11,571	(2,415)
(18,000)	(18,000)	(18,000)	0
<b>\$369,407</b>	<b>\$398,818</b>	<b>\$384,494</b>	<b>(\$14,324)</b>
<b>\$240,676</b>	<b>\$262,577</b>	<b>\$256,504</b>	<b>(\$6,073)</b>
\$0	\$0	\$0	\$0
<b>\$240,676</b>	<b>\$262,577</b>	<b>\$256,504</b>	<b>(\$6,073)</b>

34.8%

34.2%

33.3%

**REGIONAL BUS  
OPERATING BUDGET  
JUNE, 2006**

*(DOLLARS IN THOUSANDS)*

MONTH			
FY05 Actual	FY06 Actual	FY06 Budget	Favorable (Unfavorable)
\$7,393	\$7,701	\$7,051	\$650
68	281	256	25
645	106	71	36
1,687	1,752	1,747	5
0	0	0	0
536	471	138	334
191	133	33	101
0	133	148	15)
<b>\$10,520</b>	<b>\$10,578</b>	<b>\$9,443</b>	<b>\$1,135</b>
\$17,554	\$16,620	\$16,906	\$286
5,712	4,993	6,058	1,065
2,611	2,389	1,226	1,164)
4,373	3,746	2,077	1,670)
1,583	1,630	1,246	384)
916	1,663	897	766)
1,500)	1,500)	1,500)	0
<b>\$31,250</b>	<b>\$29,542</b>	<b>\$26,909</b>	<b>(\$2,633)</b>
<b>\$20,730</b>	<b>\$18,963</b>	<b>\$17,465</b>	<b>(\$1,498)</b>
\$0	\$0	\$0	\$0
<b>\$20,730</b>	<b>\$18,963</b>	<b>\$17,465</b>	<b>(\$1,498)</b>

33.7%

35.8%

35.1%

**FISCAL YEAR**

**REVENUES:**

Passenger Revenue  
D.C. School Reimbursement  
Contract / Sub-Contract Charter  
Advertising  
Joint Development  
Other  
Interest  
SCR Funding

**TOTAL REVENUE**

**OPERATING EXPENSES:**

Labor  
Fringe Benefits  
Services  
Materials & Supplies  
Power & Fuel  
Utilities & Other  
Reimbursements

**TOTAL EXPENSE**

**GROSS SUBSIDY**

Plus: Debt Service

**LOCAL SUBSIDY**

YEAR-TO-DATE			
FY05 Actual	FY06 Actual	FY06 Budget	Favorable (Unfavorable)
\$82,085	\$86,672	\$82,428	\$4,244
2,213	3,358	3,322	36
2,099	2,049	1,176	872
20,303	21,007	20,970	37
0	0	0	0
2,266	1,706	1,549	157
1,252	2,656	392	2,264
0	1,603	1,773	170)
<b>\$110,218</b>	<b>\$119,057</b>	<b>\$111,610</b>	<b>\$7,447</b>
\$197,426	\$205,244	\$204,813	(\$431)
60,090	63,816	67,818	4,002
13,878	13,170	12,568	601)
29,458	30,506	25,144	5,363)
15,715	22,608	14,974	7,634)
12,801	13,985	11,570	2,415)
18,000)	18,000)	18,000)	0
<b>\$311,369</b>	<b>\$331,328</b>	<b>\$318,887</b>	<b>(\$12,441)</b>
<b>\$201,150</b>	<b>\$212,272</b>	<b>\$207,277</b>	<b>(\$4,995)</b>
\$0	\$0	\$0	\$0
<b>\$201,150</b>	<b>\$212,272</b>	<b>\$207,277</b>	<b>(\$4,995)</b>

*Cost Recovery Ratio*

35.4%

35.9%

35.0%

**NON-REGIONAL BUS  
OPERATING BUDGET  
JUNE, 2006**

*(DOLLARS IN THOUSANDS)*

MONTH			
FY05 Actual	FY06 Actual	FY06 Budget	Favorable (Unfavorable)
\$1,713	\$1,527	\$1,414	\$113
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
<b>\$1,713</b>	<b>\$1,527</b>	<b>\$1,414</b>	<b>\$113</b>
\$2,787	\$3,345	\$3,439	\$94
925	1,005	1,232	227
30	481	249	232)
277	754	422	332)
348	328	253	75)
0	0	0	0
0	0	0	0
<b>\$4,367</b>	<b>\$5,913</b>	<b>\$5,597</b>	<b>(\$316)</b>
<b>\$2,654</b>	<b>\$4,386</b>	<b>\$4,183</b>	<b>(\$203)</b>
\$0	\$0	\$0	\$0
<b>\$2,654</b>	<b>\$4,386</b>	<b>\$4,183</b>	<b>(\$203)</b>

39.2%

25.8%

25.3%

**FISCAL YEAR**

**REVENUES:**

Passenger Revenue  
D.C. School Reimbursement  
Advertising  
Other  
SCR Funding

**TOTAL REVENUE**

**OPERATING EXPENSES:**

Labor  
Fringe Benefits  
Services  
Materials & Supplies  
Power & Fuel  
Utilities & Other  
Reimbursements

**TOTAL EXPENSE**

**GROSS SUBSIDY**

Plus: Debt Service

**LOCAL SUBSIDY**

*Cost Recovery Ratio*

**YEAR-TO-DATE**

FY05 Actual	FY06 Actual	FY06 Budget	Favorable (Unfavorable)
\$18,513	\$17,184	\$16,380	\$804
0	0	0	0
0	0	0	0
0	0	0	0
0	0	0	0
<b>\$18,513</b>	<b>\$17,184</b>	<b>\$16,380</b>	<b>\$804</b>
\$38,250	\$41,306	\$41,305	(\$2)
12,006	12,843	13,677	834
323	2,650	2,535	116)
3,280	6,140	5,071	1,069)
4,179	4,550	3,020	1,530)
0	0	0	0)
0	0	0	0
<b>\$58,038</b>	<b>\$67,489</b>	<b>\$65,607</b>	<b>(\$1,883)</b>
<b>\$39,525</b>	<b>\$50,306</b>	<b>\$49,227</b>	<b>(\$1,079)</b>
\$0	\$0	\$0	\$0
<b>\$39,525</b>	<b>\$50,306</b>	<b>\$49,227</b>	<b>(\$1,079)</b>

31.9%

25.5%

25.0%

**PARATRANSIT  
OPERATING BUDGET  
JUNE, 2006**

(DOLLARS IN THOUSANDS)

MONTH			
FY05 Actual	FY06 Actual	FY06 Budget	Favorable (Unfavorable)
\$300	\$69	\$342	(\$272)
0	21	24	3)
<b>\$300</b>	<b>\$90</b>	<b>\$365</b>	<b>(\$275)</b>
\$34	\$26	\$73	\$47
10	6	23	17
3,214	8,841	4,156	4,685)
1	36	3	33)
44	42	29	13)
<b>\$3,302</b>	<b>\$8,951</b>	<b>\$4,284</b>	<b>(\$4,667)</b>
<b>\$3,002</b>	<b>\$8,861</b>	<b>\$3,919</b>	<b>(\$4,943)</b>
\$0	\$0	\$0	\$0
<b>\$3,002</b>	<b>\$8,861</b>	<b>\$3,919</b>	<b>(\$4,943)</b>

9.1%

1.0%

8.5%

FISCAL YEAR

**REVENUES:**

Passenger Revenue  
SCR Funding  
**TOTAL REVENUE**

**OPERATING EXPENSES:**

Labor  
Fringe Benefits  
Services  
Materials & Supplies  
Utilities & Other  
**TOTAL EXPENSE**

**GROSS SUBSIDY**

Plus: Debt Service  
**LOCAL SUBSIDY**

YEAR-TO-DATE			
FY05 Actual	FY06 Actual	FY06 Budget	Favorable (Unfavorable)
\$2,826	\$2,993	\$3,896	(\$903)
0	252	286	33)
<b>\$2,826</b>	<b>\$3,246</b>	<b>\$4,182</b>	<b>(\$936)</b>
\$503	\$391	\$861	\$469
148	101	268	167
41,263	51,188	49,890	1,298)
27	77	36	41)
321	522	345	177)
<b>\$42,262</b>	<b>\$52,280</b>	<b>\$51,400</b>	<b>(\$881)</b>
<b>\$39,436</b>	<b>\$49,035</b>	<b>\$47,218</b>	<b>(\$1,817)</b>
\$0	\$0	\$0	\$0
<b>\$39,436</b>	<b>\$49,035</b>	<b>\$47,218</b>	<b>(\$1,817)</b>

6.7%

6.2%

8.1%

Cost Recovery Ratio

## **D. RIDERSHIP AND PERFORMANCE MEASURES**

## Year-to-Date - June 2006

### Monthly Report

REVENUE	PY	BUD	ACT	Var	
RAIL	\$386,929	\$390,072	\$412,148	\$22,076	6%
BUS	\$86,999	\$85,171	\$90,256	\$5,085	6%
ADA	\$2,825	\$3,896	\$2,993	(\$903)	(23%)
<b>Total</b>	<b>\$476,753</b>	<b>\$479,139</b>	<b>\$505,397</b>	<b>\$26,258</b>	<b>5%</b>

[Dollars in Thousands]

RIDERSHIP	PY	BUD	ACT	Var	
RAIL	195,186	199,278	205,604	6,326	3%
BUS	129,814	127,529	131,106	3,577	3%
ADA	1,275	1,683	1,356	(327)	(19%)
<b>Total</b>	<b>326,275</b>	<b>328,490</b>	<b>338,066</b>	<b>9,576</b>	<b>3%</b>

[Trips in Thousands]

AVG FARE	PY	BUD	ACT	Var	
RAIL	\$1.98	\$1.96	\$2.00	\$0.05	2%
BUS	\$0.67	\$0.67	\$0.69	\$0.02	3%
ADA	\$2.22	\$2.31	\$2.21	(\$0.11)	(5%)
<b>Total</b>	<b>\$1.46</b>	<b>\$1.46</b>	<b>\$1.49</b>	<b>\$0.04</b>	<b>2%</b>

### Revenue Analysis

RAIL								
Actual vs Budget			Actual vs PY		Budget vs PY			
Ridership	\$12,383	3%	Ridership	\$20,653	5%	Ridership	\$8,112	2%
Avg Fare	\$9,693	2%	Avg Fare	\$4,566	1%	Avg fare	(\$4,970)	(1%)
	\$22,076	6%		\$25,219	7%		\$3,143	1%

[Dollars in Thousands]

BUS								
Actual vs Budget			Actual vs PY		Budget vs PY			
Ridership	\$2,389	3%	Ridership	\$866	1%	Ridership	(\$1,531)	(2%)
Avg Fare	\$2,696	3%	Avg Fare	\$2,391	3%	Avg fare	(\$297)	(0%)
	\$5,085	6%		\$3,257	4%		(\$1,828)	(2%)

[Dollars in Thousands]

PARATRANSIT								
Actual vs Budget			Actual vs PY		Budget vs PY			
Ridership	(\$758)	(19%)	Ridership	\$179	6%	Ridership	\$904	32%
Avg Fare	(\$145)	(5%)	Avg Fare	(\$11)	(0%)	Avg fare	\$166	4%
	(\$903)	(23%)		\$168	6%		\$1,071	38%

[Dollars in Thousands]

# June 2006

## Monthly Report

## Revenue Analysis

REVENUE	PY	BUD	ACT	Var	
RAIL	\$39,457	\$36,009	\$37,893	\$1,884	5%
BUS	\$7,886	\$7,285	\$8,064	\$779	11%
ADA	\$300	\$342	\$69	(\$272)	(80%)
<b>Total</b>	<b>\$47,644</b>	<b>\$43,635</b>	<b>\$46,026</b>	<b>\$2,391</b>	<b>5%</b>

RIDERSHIP	PY	BUD	ACT	Var	
RAIL	18,556	18,413	18,745	332	2%
BUS	13,991	10,982	11,242	260	2%
ADA	112	147	115	(32)	(22%)
<b>Total</b>	<b>32,659</b>	<b>29,543</b>	<b>30,102</b>	<b>559</b>	<b>2%</b>

AVG FARE	PY	BUD	ACT	Var	
RAIL	\$2.13	\$1.96	\$2.02	\$0.07	3%
BUS	\$0.56	\$0.66	\$0.72	\$0.05	8%
ADA	\$2.68	\$2.32	\$0.60	(\$1.72)	(74%)
<b>Total</b>	<b>\$1.46</b>	<b>\$1.48</b>	<b>\$1.53</b>	<b>\$0.05</b>	<b>4%</b>

RAIL						
Actual vs Budget			Actual vs PY		Budget vs PY	
Ridership	\$649	2%	Ridership	\$402 1%	Ridership	(\$304) (1%)
Avg Fare	\$1,235	3%	Avg Fare	(\$1,967) (5%)	Avg fare	(\$3,145) (8%)
	\$1,884	5%		(\$1,565) (4%)		(\$3,449) (9%)

BUS						
Actual vs Budget			Actual vs PY		Budget vs PY	
Ridership	\$172	2%	Ridership	\$1,549 (20%)	Ridership	(\$1,696) (22%)
Avg Fare	\$607	8%	Avg Fare	\$1,727 27%	Avg fare	\$1,095 18%
	\$779	11%		\$178 2%		(\$601) (8%)

PARATRANSIT						
Actual vs Budget			Actual vs PY		Budget vs PY	
Ridership	(\$74)	(22%)	Ridership	\$9 3%	Ridership	\$95 32%
Avg Fare	(\$198)	(74%)	Avg Fare	(\$240) (78%)	Avg fare	(\$53) (14%)
	(\$272)	(80%)		(\$231) (77%)		\$41 14%



# May 2006

## Monthly Report

## Revenue Analysis

REVENUE	PY	BUD	ACT	Var	
RAIL	\$33,916	\$34,443	\$36,538	\$2,095	6%
BUS	\$7,342	\$7,541	\$7,810	\$268	4%
ADA	\$265	\$332	\$335	\$3	1%
<b>Total</b>	<b>\$41,523</b>	<b>\$42,317</b>	<b>\$44,683</b>	<b>\$2,366</b>	<b>6%</b>

RIDERSHIP	PY	BUD	ACT	Var	
RAIL	17,030	17,606	18,244	638	4%
BUS*	11,011	11,370	11,779	409	4%
ADA**	106	143	121	(23)	(16%)
<b>Total</b>	<b>28,147</b>	<b>29,119</b>	<b>30,143</b>	<b>1,025</b>	<b>4%</b>

AVG FARE	PY	BUD	ACT	Var	
RAIL	\$1.99	\$1.96	\$2.00	\$0.05	2%
BUS	\$0.67	\$0.66	\$0.66	(\$0.00)	(0%)
ADA	\$2.49	\$2.32	\$2.78	\$0.46	20%
<b>Total</b>	<b>\$1.48</b>	<b>\$1.45</b>	<b>\$1.48</b>	<b>\$0.03</b>	<b>2%</b>

RAIL								
Actual vs Budget			Actual vs PY		Budget vs PY			
Ridership	\$1,249	4%	Ridership	\$2,418	7%	Ridership	\$1,147	3%
Avg Fare	\$846	2%	Avg Fare	\$204	1%	Avg fare	(\$620)	(2%)
	\$2,095	6%		\$2,622	8%		\$527	2%

BUS								
Actual vs Budget			Actual vs PY		Budget vs PY			
Ridership	\$271	4%	Ridership	\$512	7%	Ridership	\$239	3%
Avg Fare	(\$3)	(0%)	Avg Fare	(\$44)	(1%)	Avg fare	(\$40)	(1%)
	\$268	4%		\$468	6%		\$199	3%

PARATRANSIT								
Actual vs Budget			Actual vs PY		Budget vs PY			
Ridership	(\$52)	(16%)	Ridership	\$35	13%	Ridership	\$92	35%
Avg Fare	\$55	20%	Avg Fare	\$35	12%	Avg fare	(\$24)	(7%)
	\$3	1%		\$70	27%		\$68	26%

# April 2006

## Monthly Report

## Revenue Analysis

REVENUE	PY	BUD	ACT	Var	
RAIL	\$35,247	\$33,612	\$35,584	\$1,972	6%
BUS	\$7,481	\$7,138	\$7,400	\$262	4%
ADA	\$222	\$351	\$333	(\$18)	(5%)
<b>Total</b>	<b>\$42,950</b>	<b>\$41,101</b>	<b>\$43,317</b>	<b>\$2,216</b>	<b>5%</b>

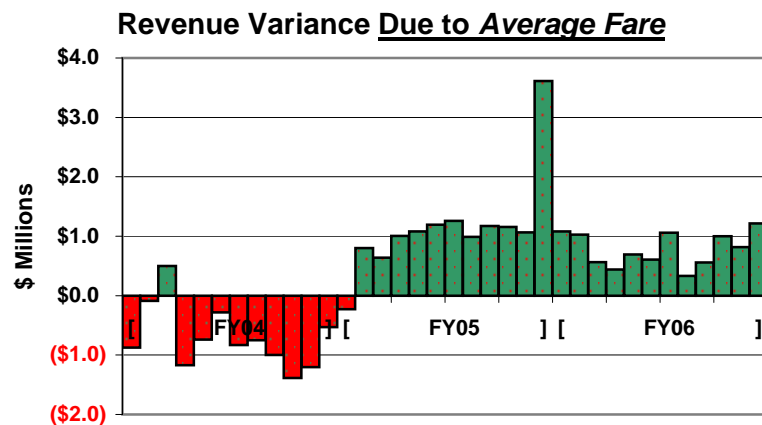
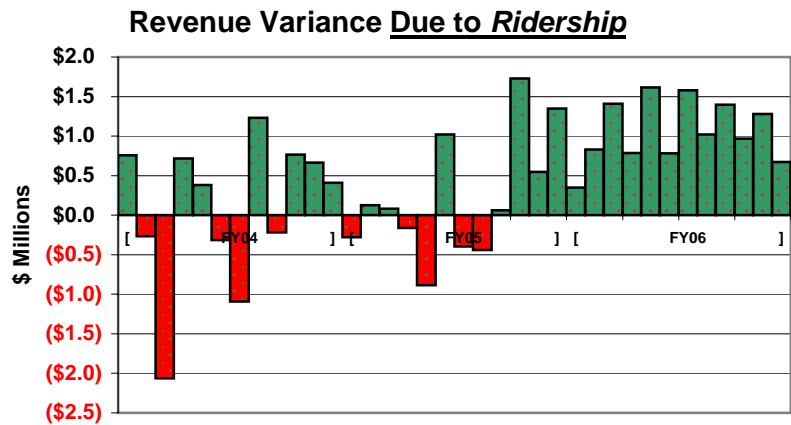
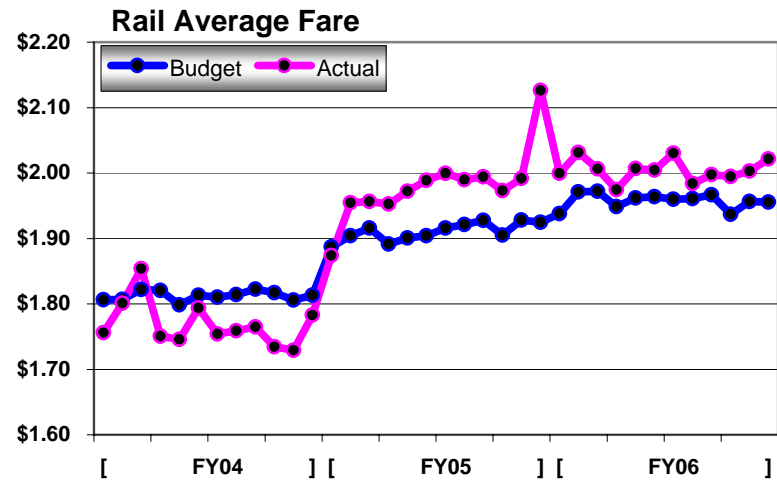
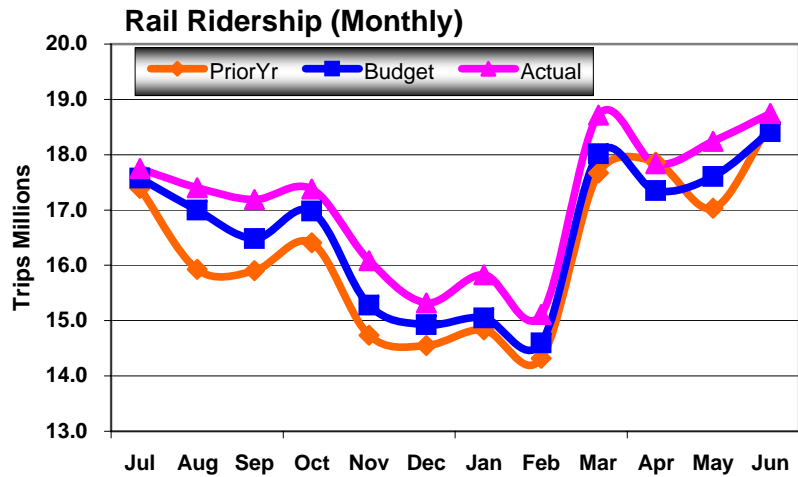
RIDERSHIP	PY	BUD	ACT	Var	
RAIL	17,863	17,352	17,838	486	3%
BUS	11,021	10,762	10,712	(50)	(0%)
ADA	114	151	111	(40)	(27%)
<b>Total</b>	<b>28,998</b>	<b>28,265</b>	<b>28,660</b>	<b>396</b>	<b>1%</b>

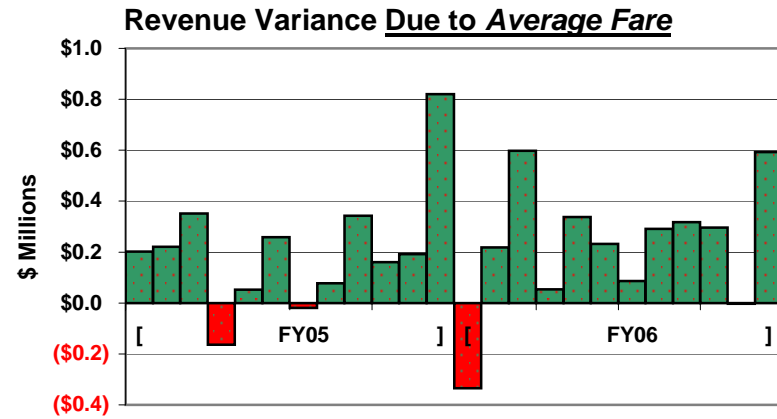
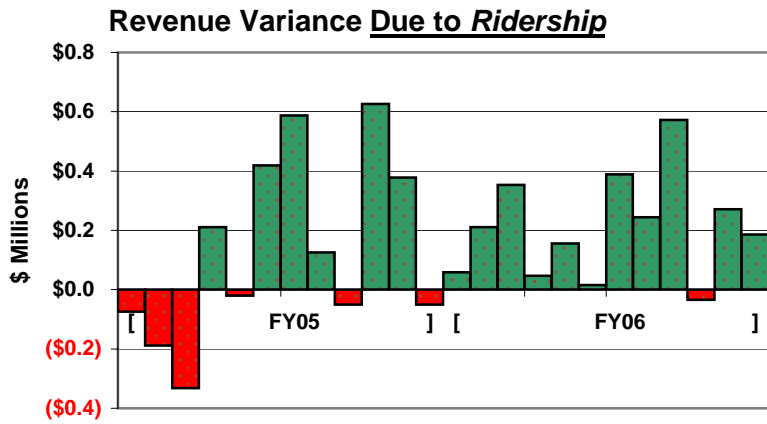
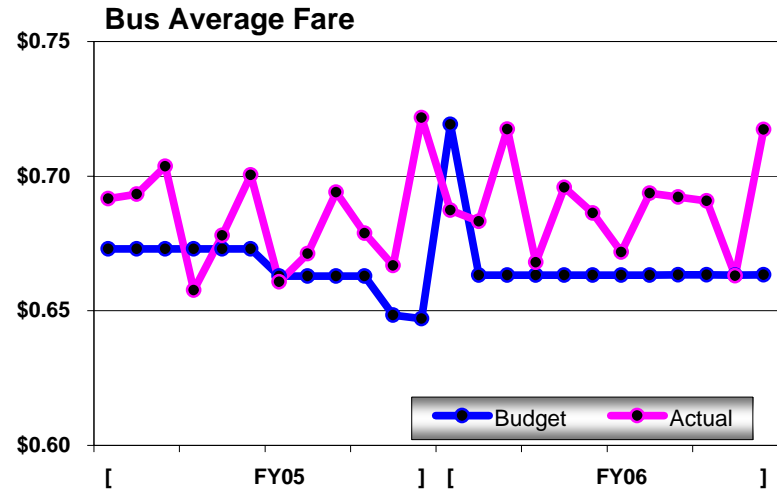
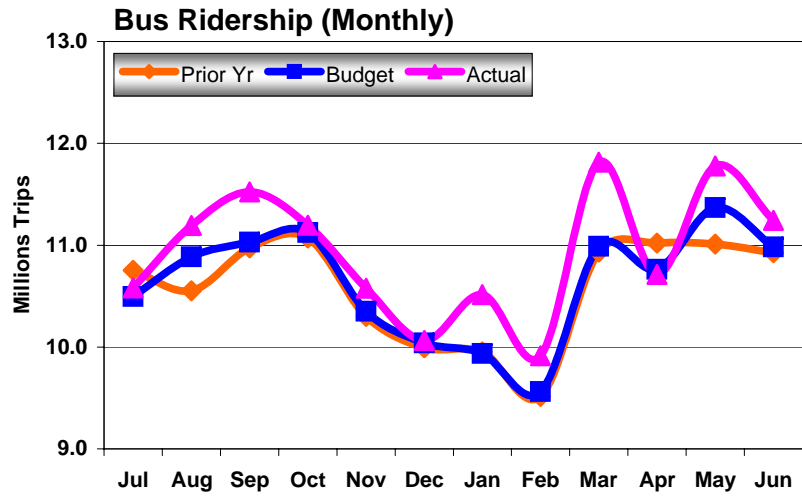
AVG FARE	PY	BUD	ACT	Var	
RAIL	\$1.97	\$1.94	\$1.99	\$0.06	3%
BUS	\$0.68	\$0.66	\$0.69	\$0.03	4%
ADA	\$1.95	\$2.32	\$3.00	\$0.68	29%
<b>Total</b>	<b>\$1.48</b>	<b>\$1.45</b>	<b>\$1.51</b>	<b>\$0.06</b>	<b>4%</b>

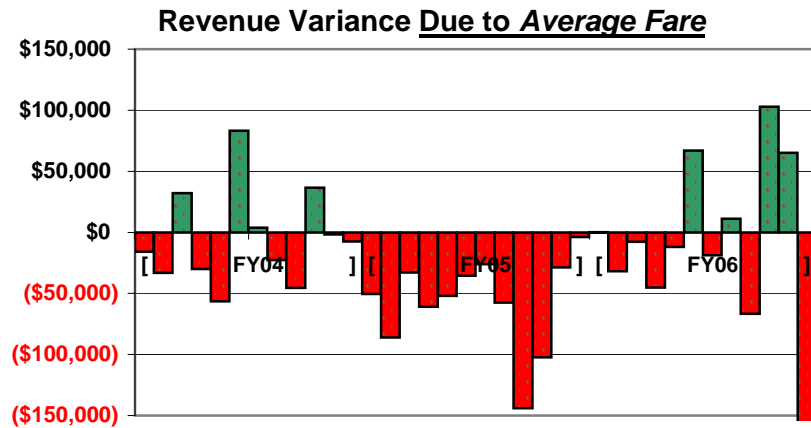
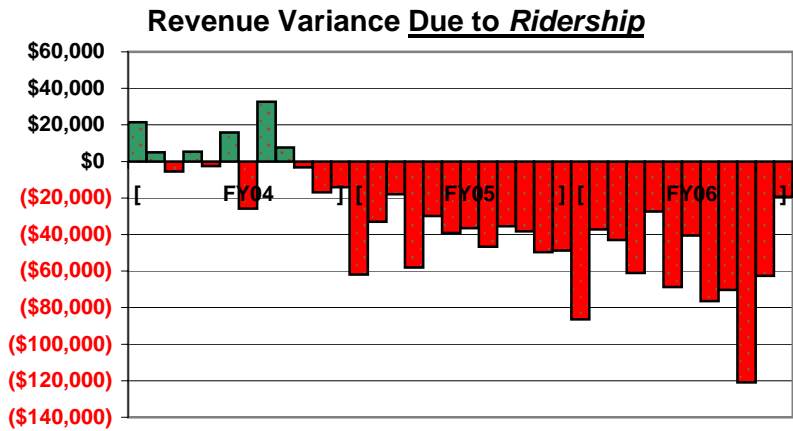
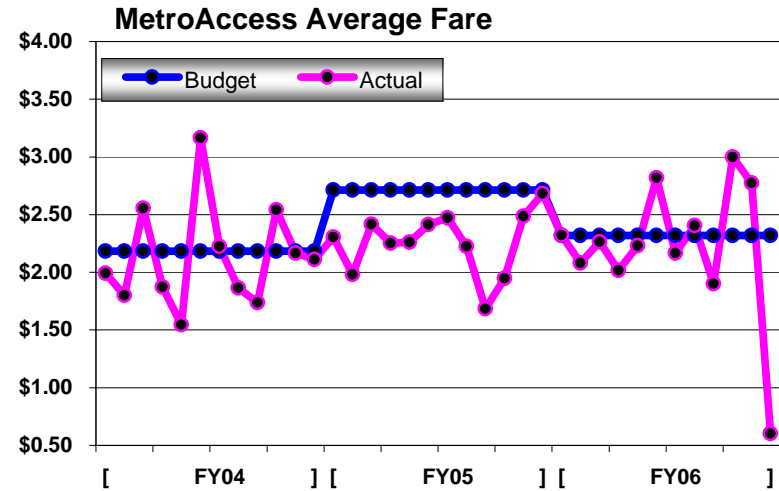
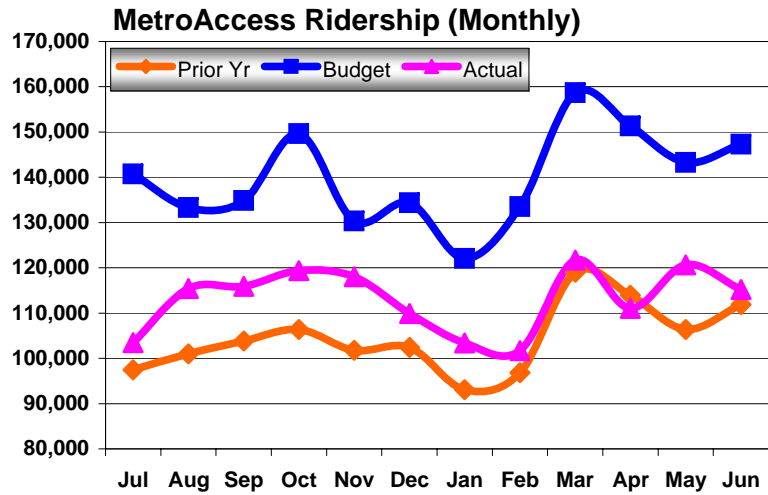
RAIL						
Actual vs Budget			Actual vs PY		Budget vs PY	
Ridership	\$941	3%	Ridership	(\$50) (0%)	Ridership	(\$1,009) (3%)
Avg Fare	\$1,031	3%	Avg Fare	\$387 1%	Avg fare	(\$626) (2%)
	\$1,972	6%		\$337 1%		(\$1,635) (5%)

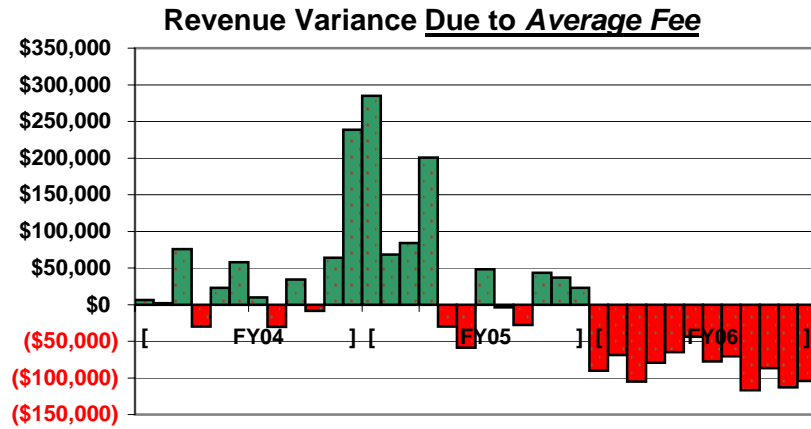
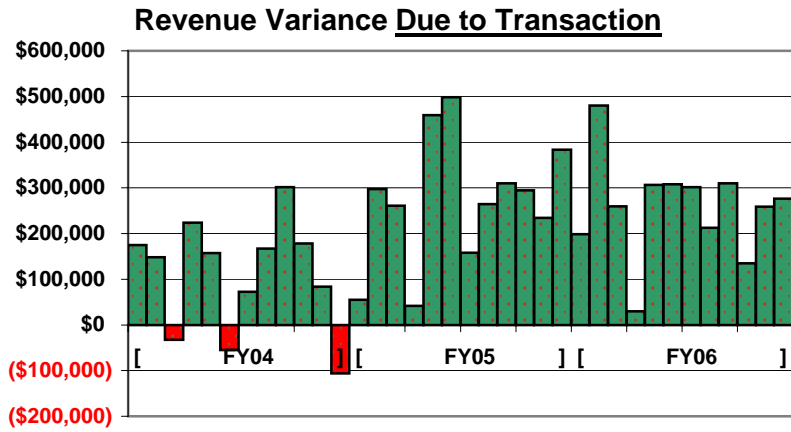
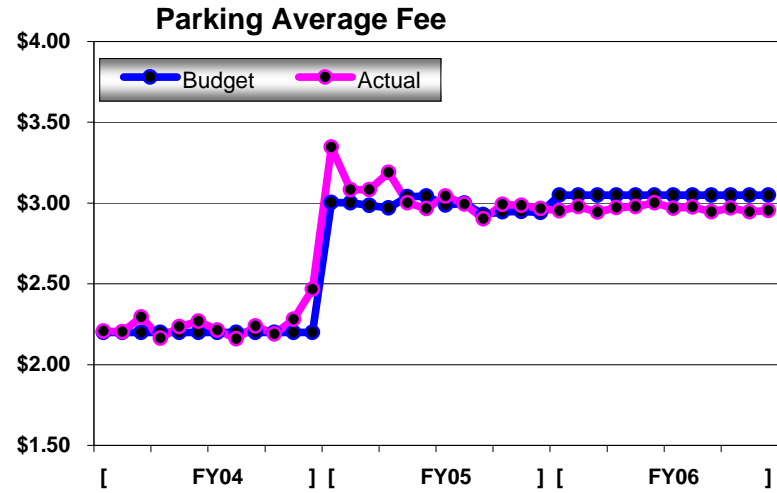
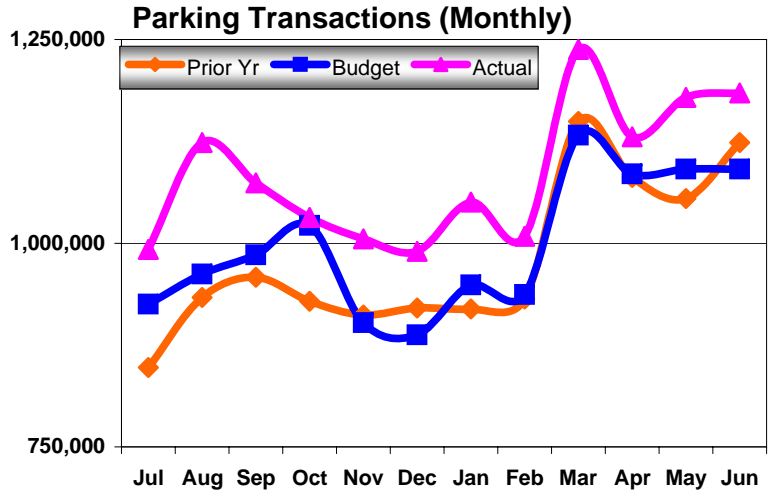
BUS						
Actual vs Budget			Actual vs PY		Budget vs PY	
Ridership	(\$33)	(0%)	Ridership	\$210 (3%)	Ridership	(\$176) (2%)
Avg Fare	\$295	4%	Avg Fare	\$129 2%	Avg fare	(\$167) (2%)
	\$262	4%		(\$80) (1%)		(\$343) (5%)

PARATRANSIT						
Actual vs Budget			Actual vs PY		Budget vs PY	
Ridership	(\$94)	(27%)	Ridership	(\$6) (3%)	Ridership	\$73 33%
Avg Fare	\$75	29%	Avg Fare	\$117 54%	Avg fare	\$56 19%
	(\$18)	(5%)		\$111 50%		\$129 58%

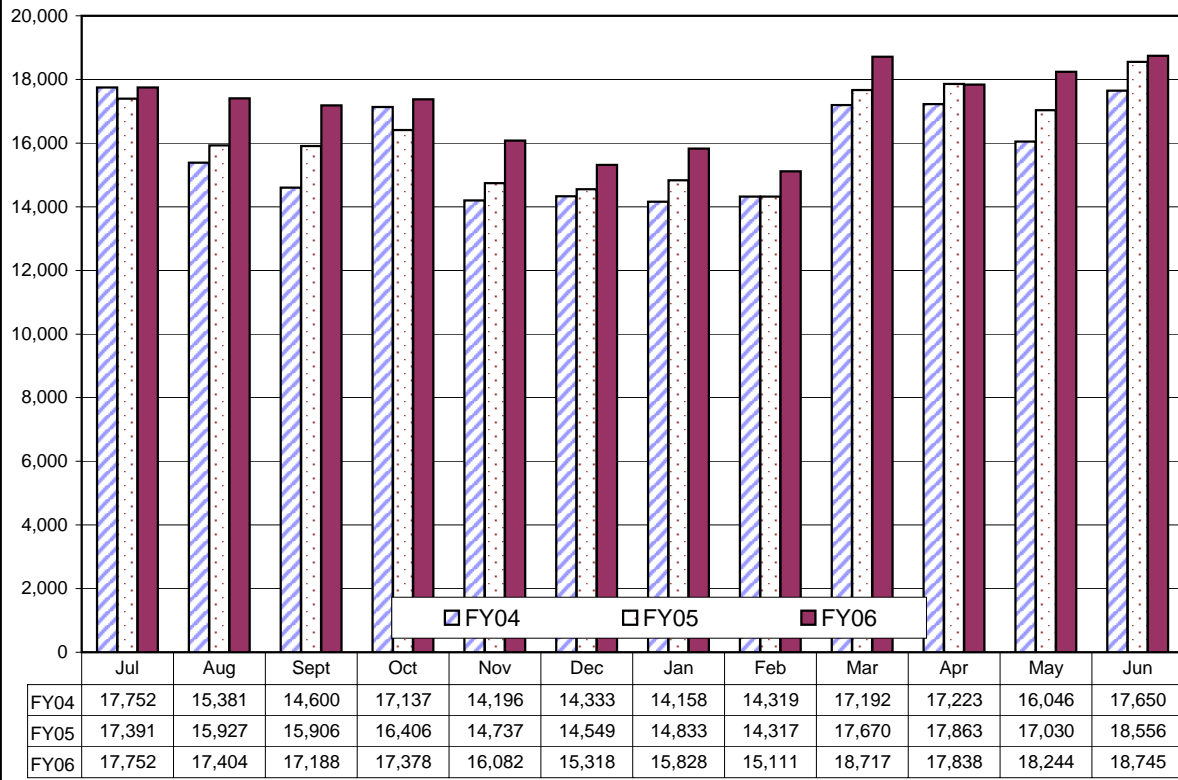




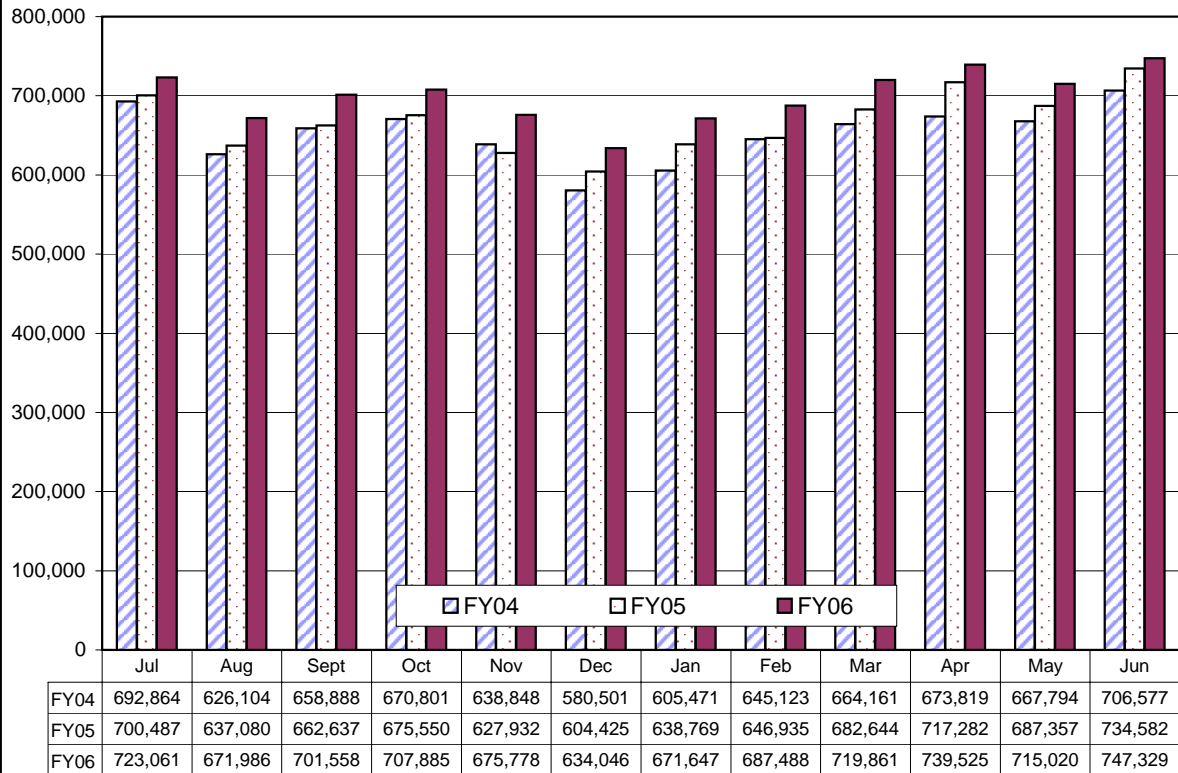




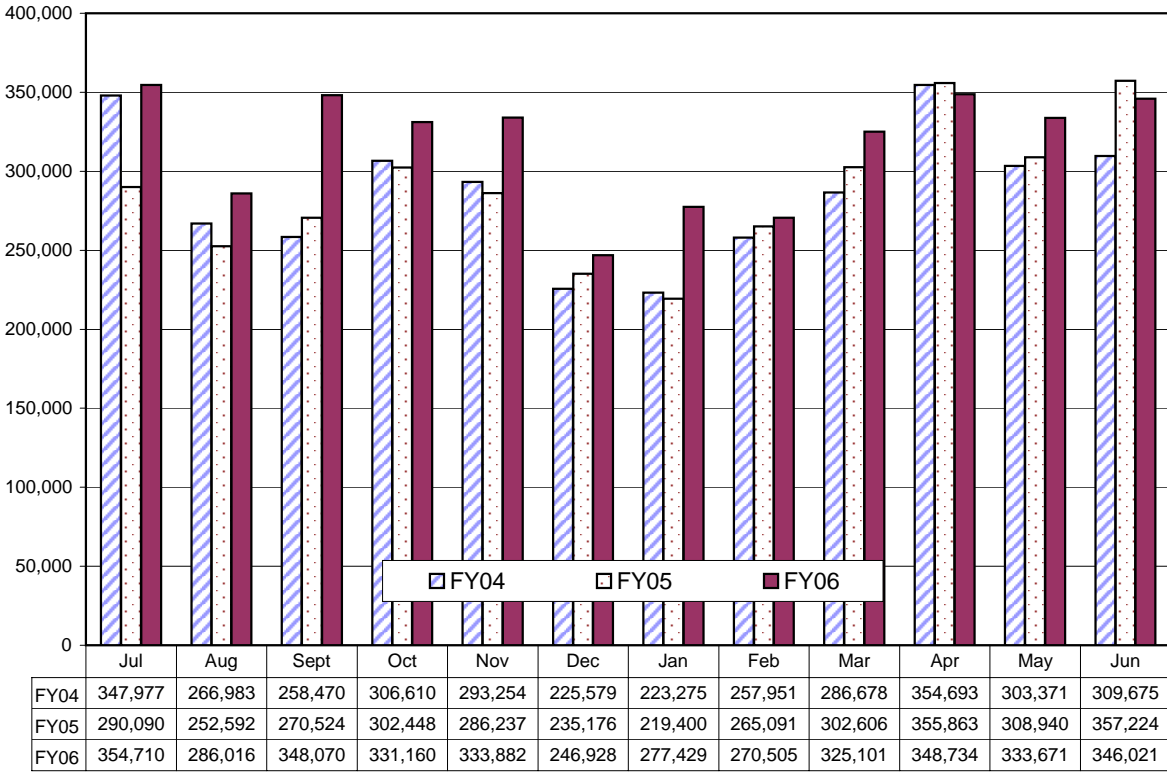
### METRORAIL MONTHLY RIDERSHIP (in 1,000s)



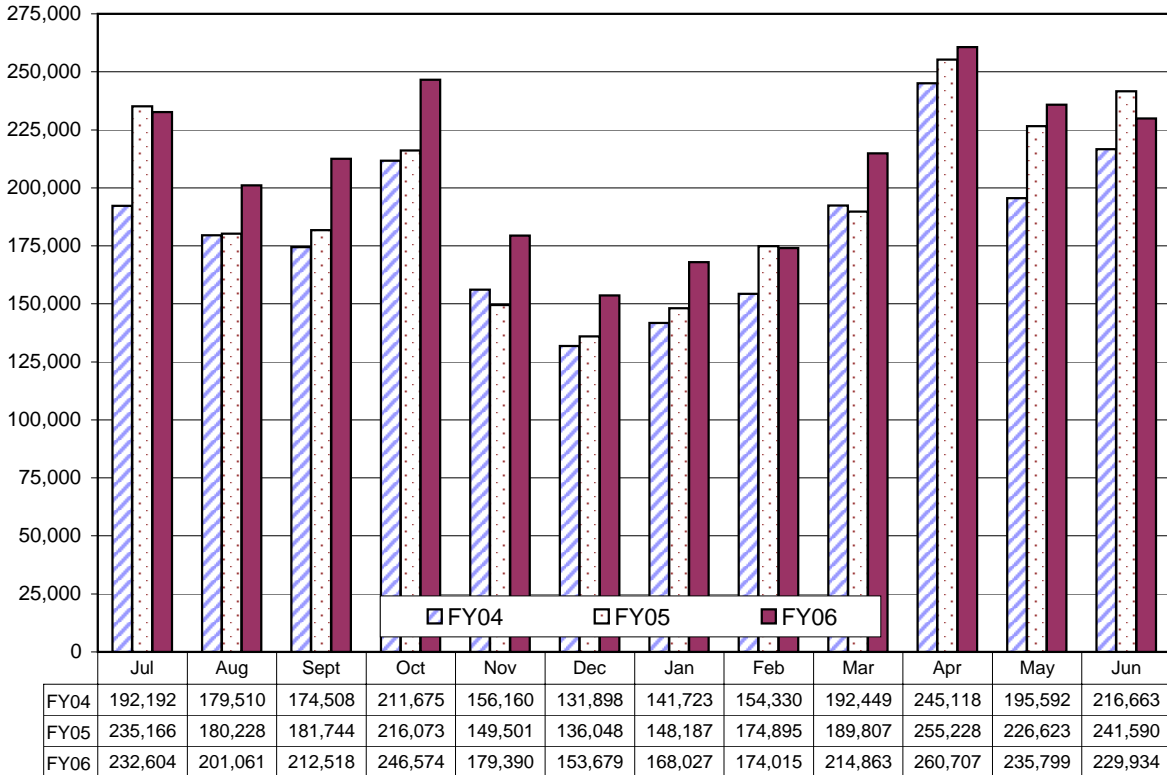
### METRORAIL AVERAGE WEEKDAY RIDERSHIP



### METRORAIL AVERAGE SATURDAY RIDERSHIP

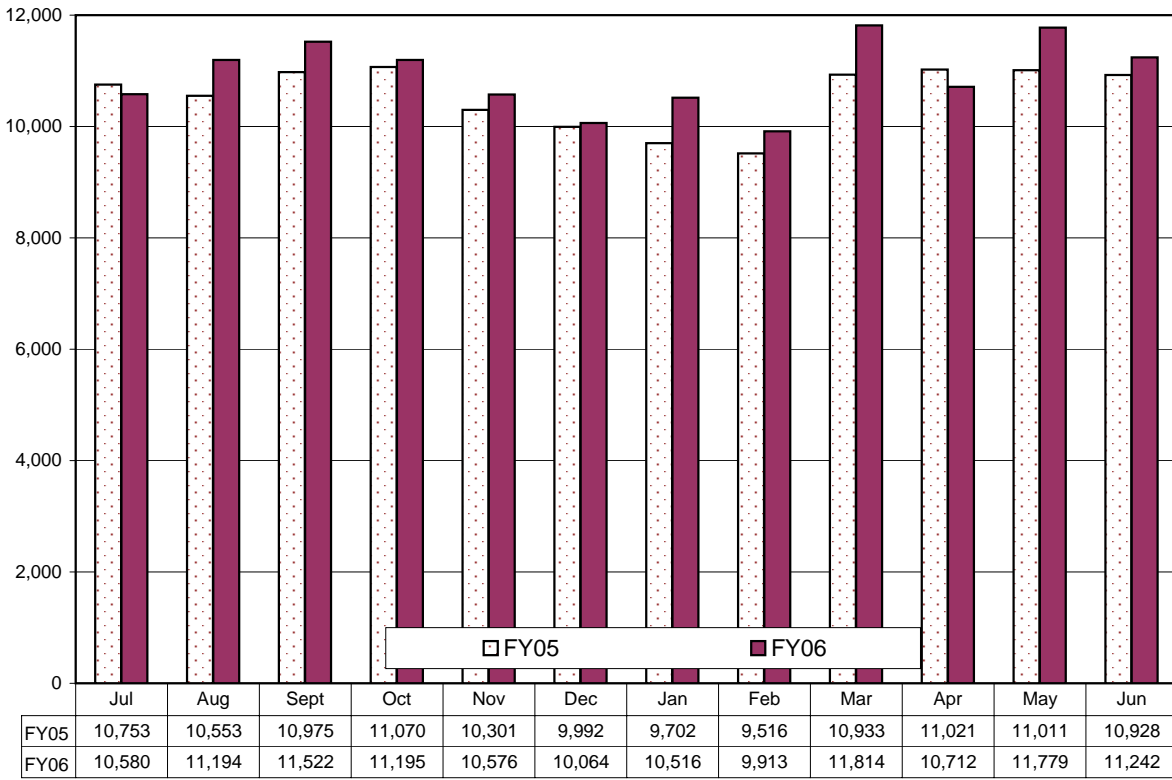


### METRORAIL AVERAGE SUNDAY RIDERSHIP

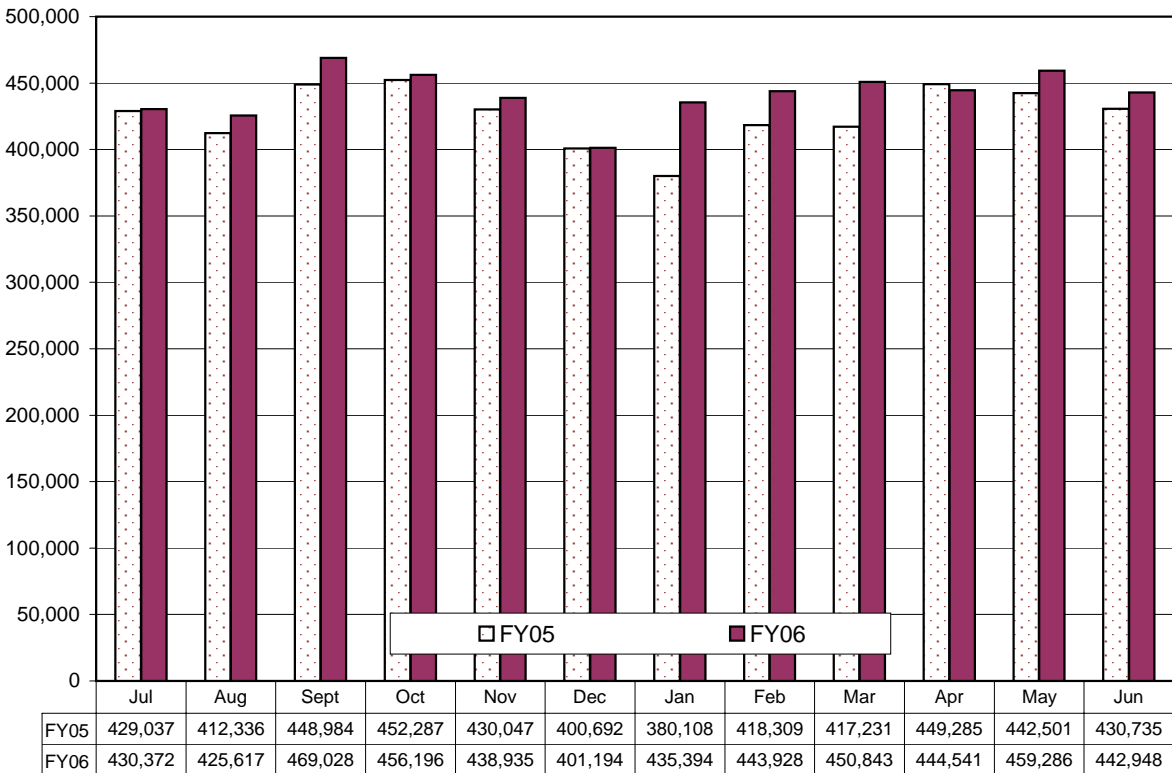




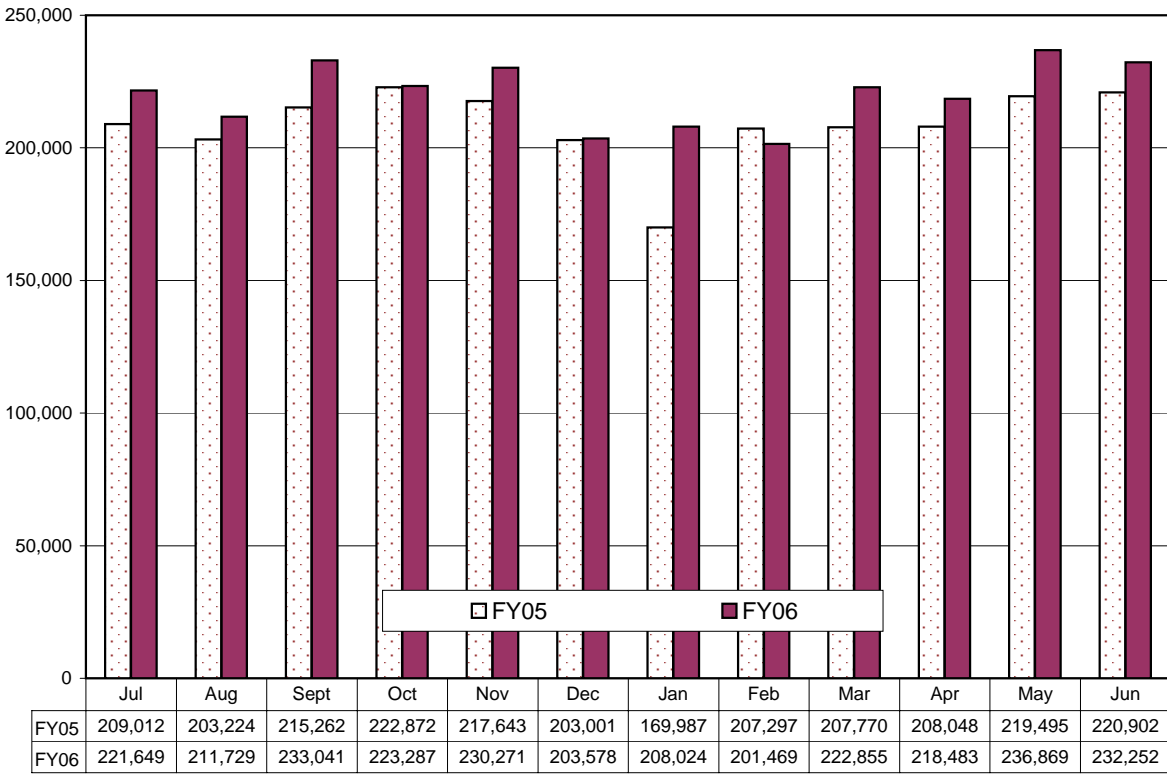
### METROBUS MONTHLY RIDERSHIP (in 1,000s)



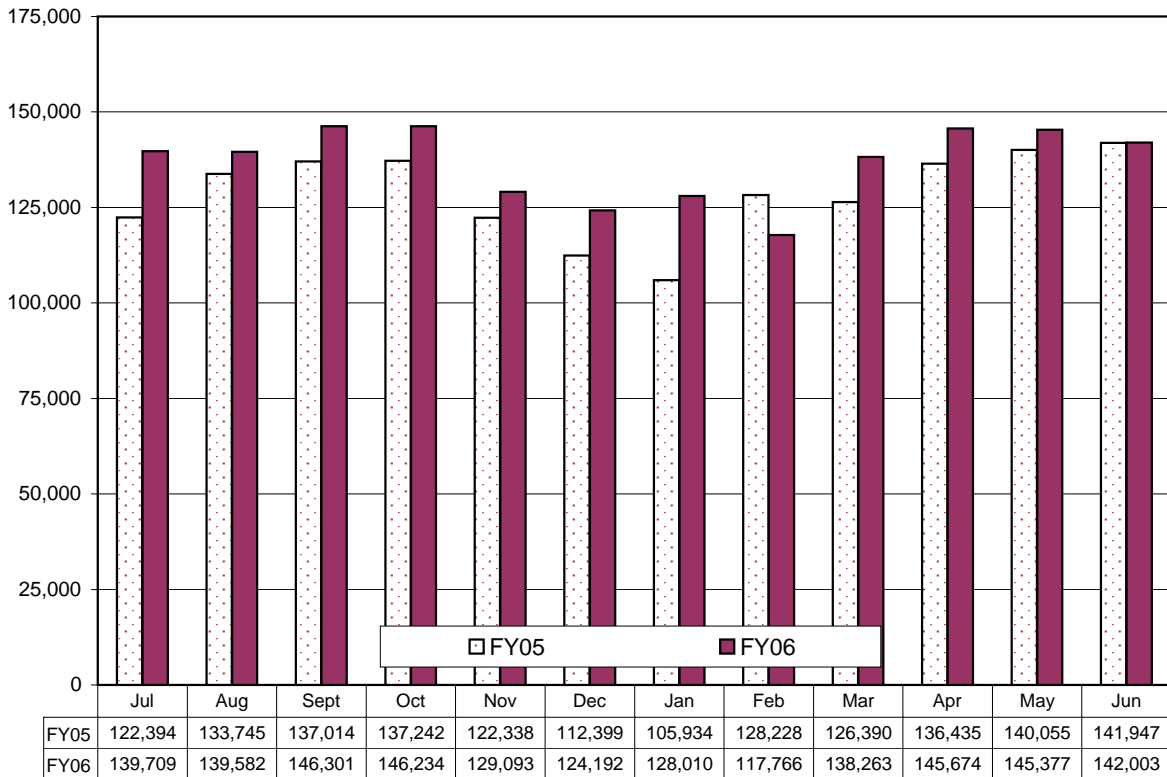
### METROBUS AVERAGE WEEKDAY RIDERSHIP



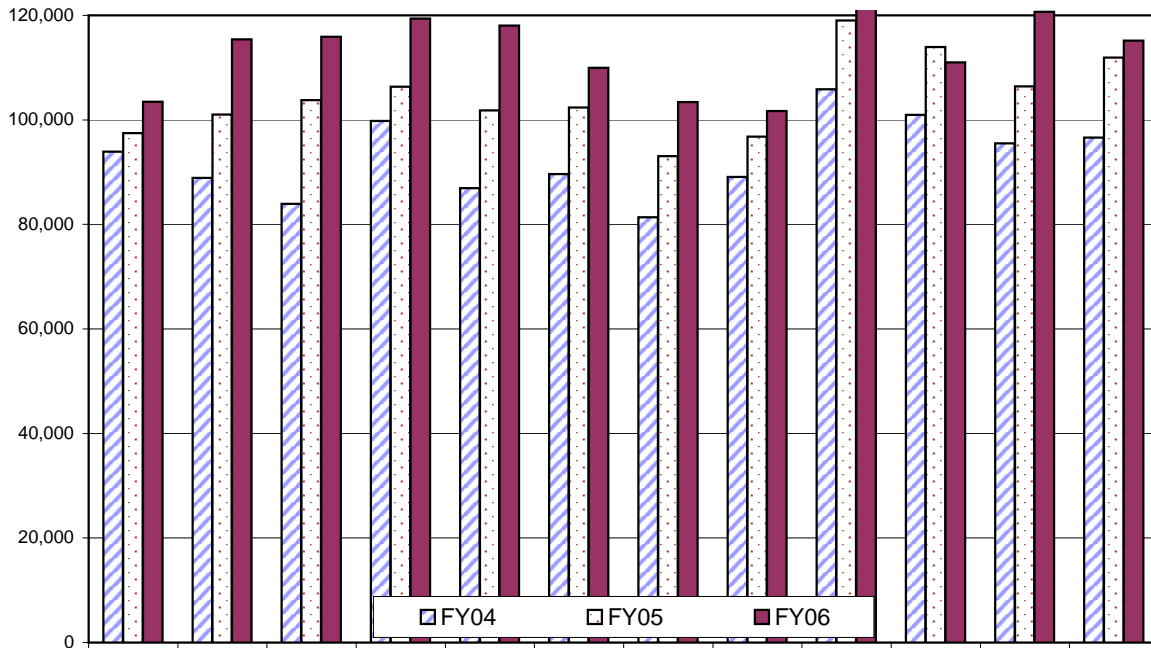
### METROBUS AVERAGE SATURDAY RIDERSHIP



### METROBUS AVERAGE SUNDAY RIDERSHIP

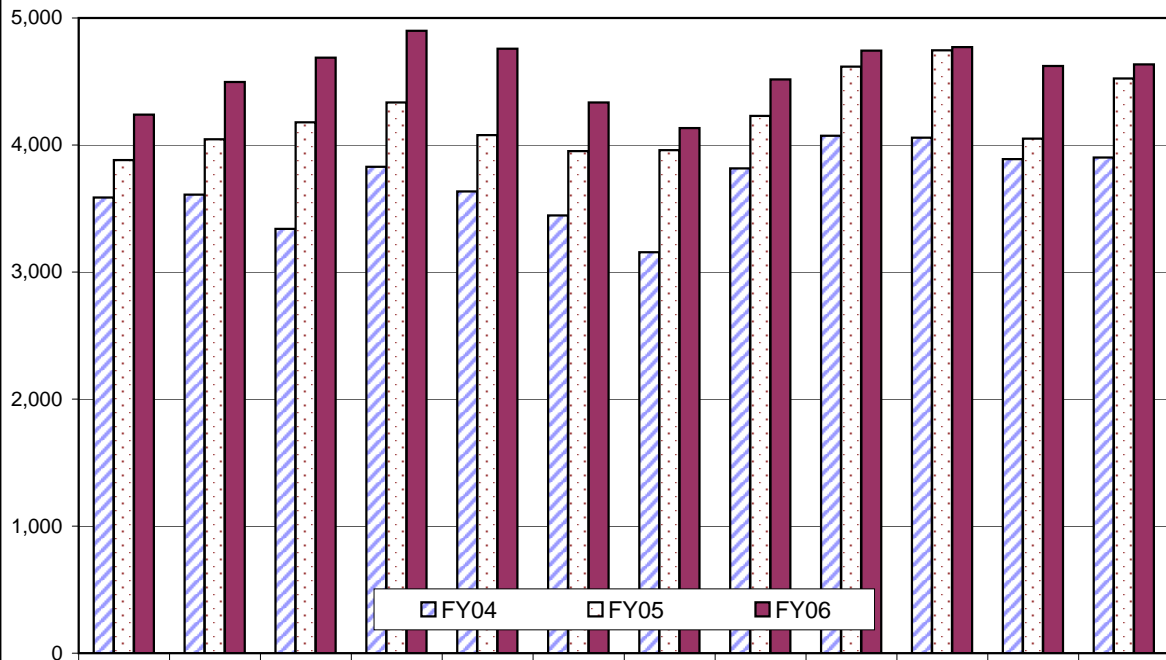


### METROACCESS MONTHLY RIDERSHIP



FY04	93,888	88,904	83,957	99,787	86,911	89,613	81,375	89,059	105,849	100,940	95,489	96,586
FY05	97,457	100,998	103,791	106,354	101,794	102,382	93,071	96,816	119,037	113,942	106,403	111,903
FY06	103,458	115,436	115,890	119,394	118,053	109,929	103,420	101,718	121,732	111,004	120,678	115,189

### METROACCESS AVERAGE WEEKDAY RIDERSHIP



FY04	3,588	3,609	3,340	3,828	3,635	3,446	3,155	3,816	4,074	4,057	3,890	3,901
FY05	3,882	4,046	4,179	4,335	4,077	3,951	3,960	4,230	4,617	4,745	4,050	4,525
FY06	4,239	4,495	4,688	4,900	4,759	4,334	4,134	4,516	4,742	4,770	4,621	4,634