



**Budget Committee**

**Financial Report Item IV-B**

**November 9, 2006**

**FY06 Metro Matters Year End Status**

**Washington Metropolitan Area Transportation Authority  
Board Action/Information Summary**

<input type="checkbox"/> Action <input checked="" type="checkbox"/> Information	MEAD Number: N/A	Resolution: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
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**PURPOSE**

To provide the year end status report for FY06 Metro Matters Program and the program cash flow adjustments to be made in the FY07 work plan.

**DESCRIPTION**

As required by the Metro Matters Funding Agreement, during the term of the agreement, the annual budget for each fiscal year must be reconciled to provide financial information for the program. The status of the year end is also summarized to provide the budget variances for revenue and expenditures.

**End of Fiscal year Status**

Budget: at the end of the FY06, total expenditures for the program, excluding the unfunded Security Program, are \$391.6M.

- For the Infrastructure Renewal Program, \$29.3M of unexpended funds for contracts awarded in the FY06 will be rolled over into FY07. A total of \$3.1M is not required by projects and the budget will be reduced to minimize debt financing.
- Expenditures for contracts using TIFIA obligation authority exceeded the budget by \$68.4M since the payback was required sooner than anticipated. TIFIA payback in the out years will be reduced by \$68.4M which maintains a balanced budget.
- Unexpended amounts for Rail Car and Bus Program elements of \$94.2, as well as \$12.8M for the Credit Facility, are still required and cash flow adjustments will be made to the FY07 work plan to complete the projects.

### Funding:

- Excluding the Security Program, \$391.6M of the budgeted \$465.5M was received.
- There was no external debt issued during the fiscal year. However, \$92.3M was temporarily borrowed internally from available capital funding sources. The temporary borrowing is in accordance with the approved Metro Matters program resolution.

### **Next Steps**

The following out year cash flow adjustments will be made to the program:

- For the IRP, increase FY07 and beyond cash flow forecast by \$29.3M and reduce the program by the amount of the unused budget of \$3.1M.
- Adjust cash flow requirements by \$94.2M in the Rail Car Program and \$11.1M in the Bus Program for FY07 and beyond.
- Roll over \$12.8M from the Credit Facility into FY07 and beyond.

Adjustments beyond FY07 will be included in the proposed FY08-13 budget to be presented to the Budget Committee in December.



# FY06 Metro Matters Year End Status

*Presented to the Board of Directors:*

**Budget Committee**

November 9, 2006



## Use of Funds

*Dollars in Million*

	<u>Budget</u>	<u>Actual</u>	<u>Out-Year Cash Flow Adjustments</u>	
Infrastructure Renewal Program	\$153.7	\$121.3	\$29.3	(\$3.1) <sup>1/</sup>
Rail Car Program	177.8	83.6	94.2	
Bus Program	15.2	4.1	11.1	
Program Costs	\$346.7	\$209.0	\$134.6	
Credit Facility	2.0	1.4	0.6	
Payoff Debt	12.2	0.0	12.2	
Finance Cost	\$14.2	\$1.4	\$12.8	
IRP Projects Using TIFIA	112.8	181.2	(68.4) <sup>2/</sup>	
<b>Total</b>	<b>\$473.7</b>	<b>\$391.6</b>	<b>\$79.0</b>	

Notes: 1/ \$3.1M of the budget amount not required by projects.

2/ Expenditures for projects using TIFIA obligation authority were required sooner than anticipated. TIFIA payback in the outyear will be reduced by \$68.4M.



## **Source of Funds**

*Dollars in Million*

<b>Funding Sources</b>	<b>Budget</b>	<b>Actual</b>
FY06 Beginning Balance	\$8.2	\$0.0
Federal	178.9	177.7
State and Local	133.6	115.6
Miscellaneous CIP	13.7	6.0
<b>Subtotal</b>	<b>334.4</b>	<b>299.3</b>
<b>Issue Debt</b>	<b>139.3</b>	<b>92.3</b> *
<b>Issue Debt</b>	<b>\$473.7</b>	<b>\$391.6</b>

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\* In accordance with the approved Metro Matters resolution, a temporary borrowing from internal capital funding sources was used to save financing costs.



**Next Steps:**

- **Update FY07 Work Plan**  
**Adjust cash flow forecast to complete on-going projects**
  - **IRP: \$29.3M**
  - **Rail Car Program: \$94.2M**
  - **Bus Program: \$11.1M**
  - **Credit Facility: \$12.8M**
  
- **Staff will present the Draft FY08 Annual Work Plan in December and include these cash flow updates.**