

# FY2014 APRIL HIGHLIGHTS

## Ridership and Revenue

### Metrorail

**April rail ridership was 19.5 million: 1.1 million below budget and 0.2 million below April last year.**

- The FY2014 budget assumed six months of revenue service for the Silver Line to Wiehle Avenue beginning in January 2014, with net additional ridership of 0.7 million trips per month. Due to the delay of the Silver Line, this negative ridership variance will continue during the second half of the year until the Silver Line opens.
- Ridership in April is usually boosted by tourists and visitors to see the Cherry Blossoms. However, ridership this April was weaker than in previous years:
  - Ridership was high on the weekend of April 12-13 during the peak of the Cherry Blossoms – approximately 50 percent more than a usual weekend.
  - Overall, though, ridership was lower – only one weekday (Thursday April 10) had total ridership of over 800,000 trips, compared to five such days last year.
  - The month closed weakly as well, with weekday ridership below 700,000 on April 28 to April 30.
  - The overall average weekday ridership was 743,000, compared to last year's average of 766,000.

### Metrobus

**April bus ridership was 11.6 million: 0.2 million above budget and flat versus April last year.**

- Bus ridership continues to track closely to budget both month-to-month and overall, with additional ridership from DC's "Kids Ride Free" program for school students compensating for some of the ridership lost when the Metrobus system was forced to suspend service due to severe weather.

### MetroAccess

**April MetroAccess ridership was 194,000: 21,000 above budget and 12,000 above April last year.**

- After being depressed by severe weather and suspensions of service, MetroAccess returned to its pre-winter trend of strong ridership, with total trips above budget by 12 percent for the month and above last year by 7 percent.

## Operating Revenue

**Total operating revenue in April was \$78.9 million: \$6.3 million below budget, or -7.4 percent.**

- Passenger fares and parking fees were \$5.5 million below budget in April as a result of the delayed Silver Line opening as well as generally weaker Metrorail ridership. Non-transit sources were also \$0.8 million below budget during the month, primarily as a result of timing in receipt of joint development lease revenues.
- For the year-to-date, operating revenues are \$27.3 million below budget:
  - Passenger fares and parking fees are below budget by \$30.6 million. This is primarily the result of the October government shutdown, severe winter weather, and the delay of Silver Line service. Altogether, the revenue impact of these three challenges has been approximately \$29 million. However, general weakness in rail ridership (as evidenced in April) has also had a modest negative impact.
  - Non-transit revenues are \$3.3 million above budget through April. Metro received a one-time insurance payment in the second quarter that boosted non-transit revenues, and positive performances in fiber optic and advertising revenues have been partially offset by a negative variance in joint development lease revenue.

## Operating Expenses

**April year-to-date operating expenses are favorable to budget by \$14.8 million or 1.1 percent.**

### Salaries and Wages

- Salaries and Wages are favorable year-to-date by \$3.7 million or 0.6 percent, primarily due to Authority-wide

vacancy levels. The vacancy rate at the end of April was 9.2 percent. The favorability was partially offset by higher personnel expenses associated with the new Collective Bargaining Agreements.

- Year-to-date overtime through April is \$1.1 million lower than the same period last year. Year-to-date overtime is \$15.8 million over budget primarily due to Car Maintenance (CMNT) 2K, 3K and 5K work, vacancy coverage, leave coverage, and special events.
- Fringe benefits are \$3.8 million over budget year-to-date - \$2.0 million of the overage is the result of higher than expected D.C. workers' compensation assessment costs.. Due to the unpredictability of the D.C. workers' compensation assessment billing, it is difficult to anticipate payments. A higher allocation for fringe benefits related to overages in operating labor of \$2.7 million along with higher than projected defined contribution pension cost due to the Local 2 settlement of \$1.6 million that is being partially offset by the timing of health cost invoice entries (\$2.5M) comprises the remaining overage.

## **Materials and Supplies**

- Materials and Supplies are \$14.5 million unfavorable year-to-date mainly due to a \$12.2 million negative variance associated with the maintenance on the 2K, 3K and 5K railcars, and Bus overruns of \$7.2 million as a result of accidents and vandalism. The overruns are partially offset by favorability in Financial Services (CFO), Communications (CSCM) and Safety (SAFE).

## **Services**

- Services expenses are \$22.3 million favorable year-to-date due in part to lower than anticipated expenses related to a contract closeout in the Safety Department (SAFE), which is favorable by \$6.0 million. Other contributors to favorability include timing of a Treasury contract settlement of \$4.0 million; timing of Transit Infrastructure and Engineering Services (TIES) contracts of \$5.3 million, which includes Plant (PLNT), System Maintenance (SMNT) and Car Maintenance (CMNT). Timing of contract services procurements for DGMO of \$2.1 million, timing in Bus Services (BUS) of \$1.4 million; and in CSCM of \$1.0 million. Access Services (ACCS) is unfavorable by \$0.3 million due to contract claims of \$1.8 million accrued for Veolia and First Transit for garage services rendered in FY2014.

## **Fuel, Propulsion, and Utilities**

- Fuel, Propulsion, and Utilities are favorable to budget by \$19.6 million year-to-date due to lower than projected power consumption, favorable diesel rates in Metro's hedges, the 6 month CNG tax credit, and a delay in the Silver Line service. Of the variance, approximately \$5.3 million is due to price favorability, \$12.7 million is due to lower volume, \$0.7 million due to favorability in other lubricants and \$0.8 million due to the CNG credit. The Silver Line service favorability of \$2.9 million is included in the rate and volume variance above. The CNG tax credit incentive program was not extended by the U.S. Congress after December 2013; therefore, the monthly accrual of \$0.3 million has been dropped for the remainder of the fiscal year.

## **Capital Program**

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**Metro has invested \$560 million of the \$996 million FY2014 Capital Improvement Program (CIP) budget through April, which is \$12 million less than was invested in the same period last year. This decline is the result of the new bus contract, which provides for full payment upon acceptance of buses instead of periodic milestone/progress payments. All figures below are year-to-date:**

### **Grant Closure**

- As of the end of April, Metro has closed 17 Federal Transit Administration (FTA) grants in FY2014.

### **Bus Acquisition**

- A multi-year contract is in place for the acquisition of new buses. The FY2014 order includes 85 forty-foot hybrid/electric buses that will replace buses at the end of their useful life. As of the end of April, 11 buses have been received. Metrobus also purchased 35 acres of land at Andrews Federal Campus in District Heights to build a replacement facility for Southern Avenue bus garage.

### **Access Vehicle Replacement**

- A contract is in place for the acquisition of 120 paratransit vans. As of the end of April, 35 vans have been received.

## **Escalator and Elevator Rehabilitation and Replacement**

- Twenty-one out of thirty-three planned escalator rehabilitations are complete with an additional seven in progress. Six out of ten escalator replacements are complete with the remaining four replacements in various stages of progress.
- Eleven out of nineteen planned elevator rehabilitations are complete and three are in progress.

## **Station Rehabilitation and Lighting Improvements**

- Eight of the 12 planned full station enhancement projects are complete and three are in progress. Nine of the 12 planned mini station enhancements are complete and three are in progress.
- Metro awarded a multi-year contract for the replacement of over 13,000 parking garage light fixtures in 25 parking facilities.
- Metro began installing new, brighter mezzanine lighting at underground stations. Lighting upgrades have been completed at 20 stations. The remaining 27 stations are expected to be completed by 2015.

## **Track Rehabilitation**

- In FY2014, Metro has performed rehabilitation on 26.01 of the planned 40 miles of track, welded 579 open weld joints, rehabilitated 5,173 linear feet of grout pads, repaired 2,336 leaks, and replaced 9.84 miles of running rail, 3.48 miles of third rail, 11,414 cross ties, 27,445 fasteners, 6,379 insulators, 29 yard turnouts, 5 mainline turnouts, and 1,207 safety signs.

## **Benefits to Customers**

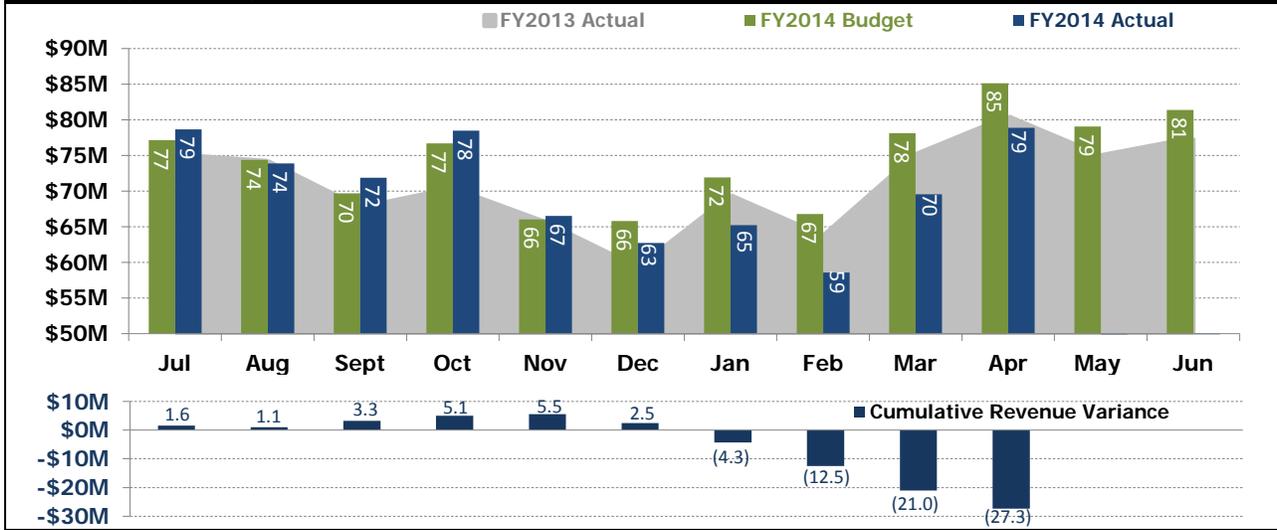
- *Testing of new 7000-Series railcars:* The new railcars are equipped with state-of-the-art safety technology and numerous features designed with extensive customer input. Metro plans to accept and test 64 new 7000 Series railcars associated with required expansion of the fleet to support the Silver Line in FY2015. The first 7000 Series railcars to replace the existing 1000 Series railcars are planned to be delivered to Metro at the end of FY2015.
- *Replacing Metro's existing fare collection system:* The new state-of-the-art system will enable customers to continue to use their SmarTrip cards while expanding fare payment to chip-enabled credit cards, identification cards, and mobile phones using near field communications. Work on the pilot program is now underway and is scheduled to be completed at the end of FY2015.
- *Railcar carpet replacement:* Metro is replacing the carpet in the existing railcar fleet with new resilient, slip resistant flooring. The new flooring also reflects interior and exterior light, creating a brighter, more open feel inside the car. The planned work for the 5000 and 6000 series cars is scheduled to be completed in FY2015.



# REVENUE AND RIDERSHIP

April FY2014

## REVENUE (in Millions)



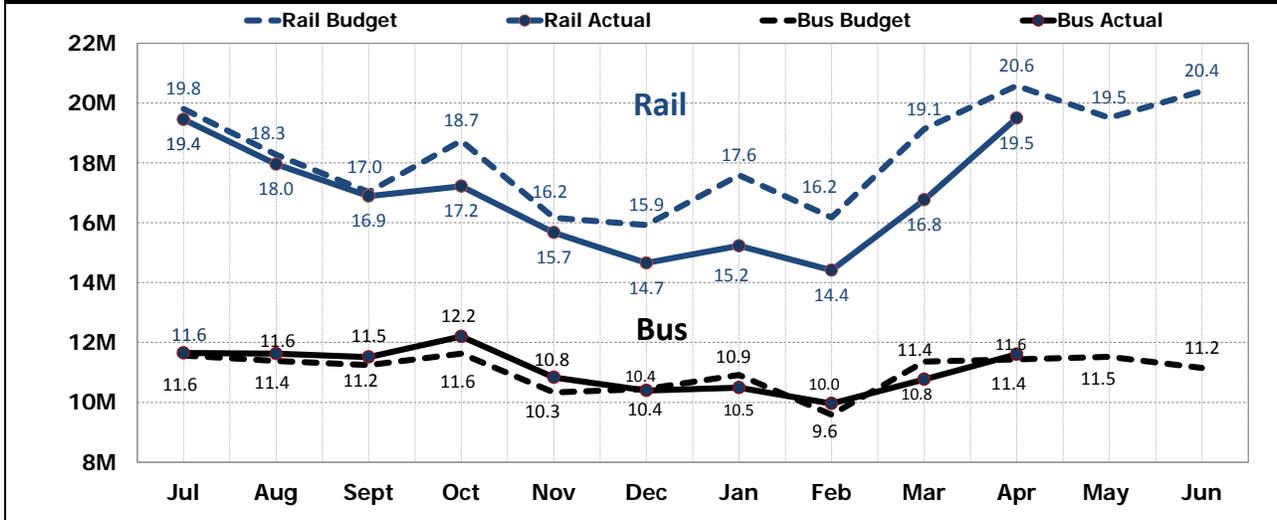
## RIDERSHIP (trips in Thousands)

MTD	Apr-FY2013	Apr-FY2014		Variance FY14	
	Actual	Actual	Budget	Prior Year	Budget
MetroRail	19,725	19,494	20,576	-1.2%	-5.3%
Metrobus	11,653	11,605	11,438	-0.4%	1.5%
MetroAccess	181	194	173	6.8%	12.0%
<b>System Total</b>	<b>31,559</b>	<b>31,293</b>	<b>32,186</b>	<b>-0.8%</b>	<b>-2.8%</b>

YTD	FY2013	FY2014		Variance FY14	
	Actual	Actual	Budget	Prior Year	Budget
MetroRail	172,536	167,732	179,396	-2.8%	-6.5%
Metrobus	109,151	111,032	109,883	1.7%	1.0%
MetroAccess	1,681	1,749	1,660	4.1%	5.3%
<b>System Total</b>	<b>283,367</b>	<b>280,513</b>	<b>290,939</b>	<b>-1.0%</b>	<b>-3.6%</b>

## MONTHLY RIDERSHIP FOR RAIL AND BUS (in Millions)

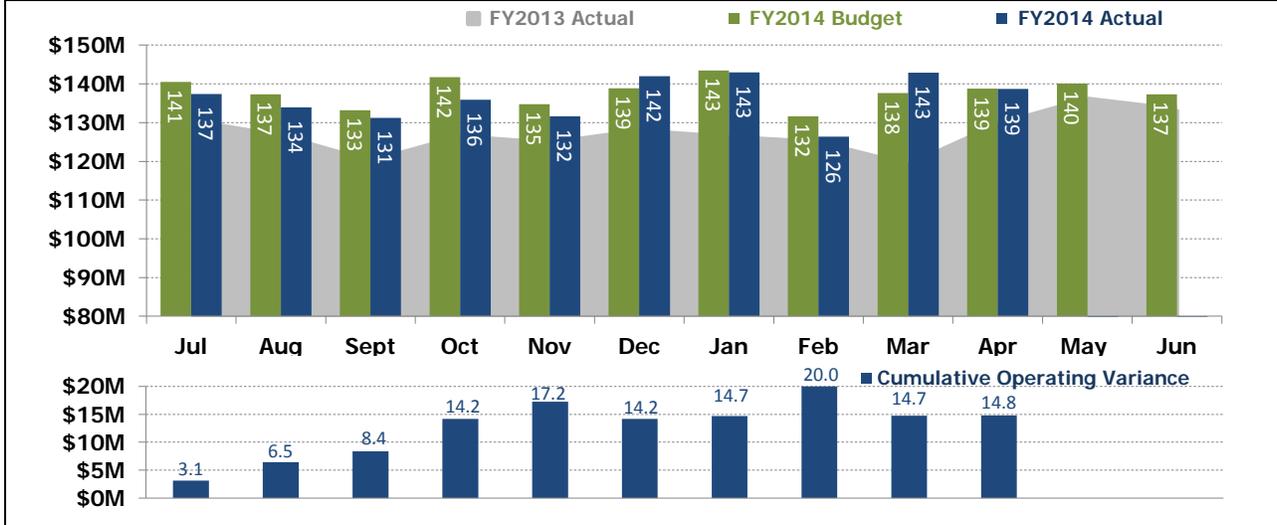




# OPERATING BUDGET

April FY2014

## OPERATING EXPENDITURES (\$ in Millions)



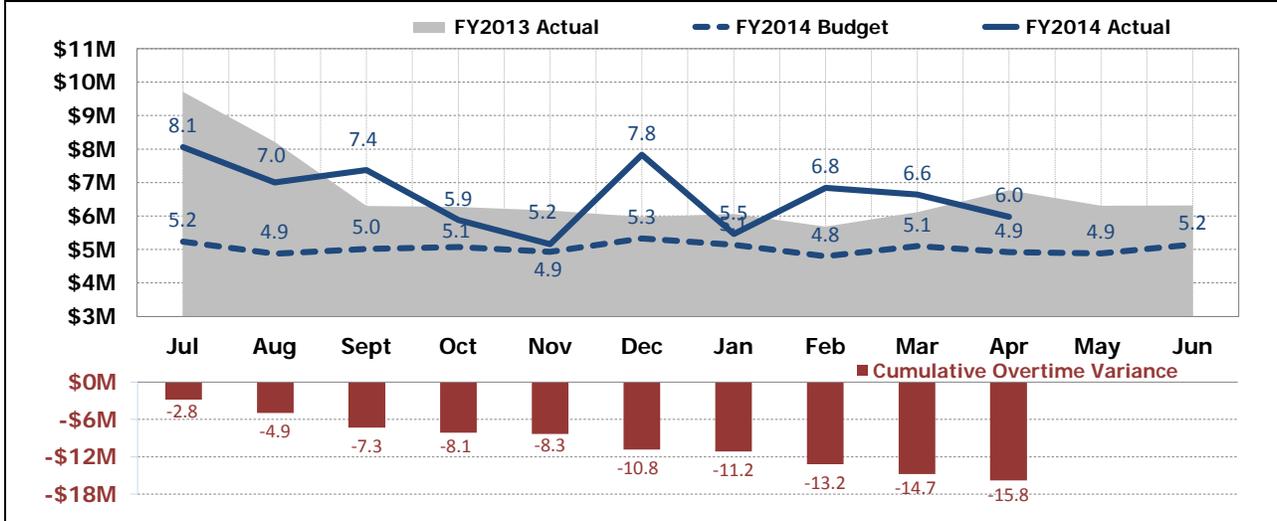
## OPERATING BUDGET (\$ in Millions)

MTD	Apr-FY2013		Apr-FY2014		Variance FY14	
	Actual		Actual	Budget	\$	Percent
Revenue	\$ 80.5		\$ 78.9	\$ 85.1	\$ (6.3)	-7.4%
Expense	\$ 129.5		\$ 138.7	\$ 138.8	\$ 0.0	0.0%
Subsidy	\$ 49.1		\$ 59.8	\$ 53.6	\$ (6.2)	-11.6%
Cost Recovery	62.1%		56.9%	61.4%		

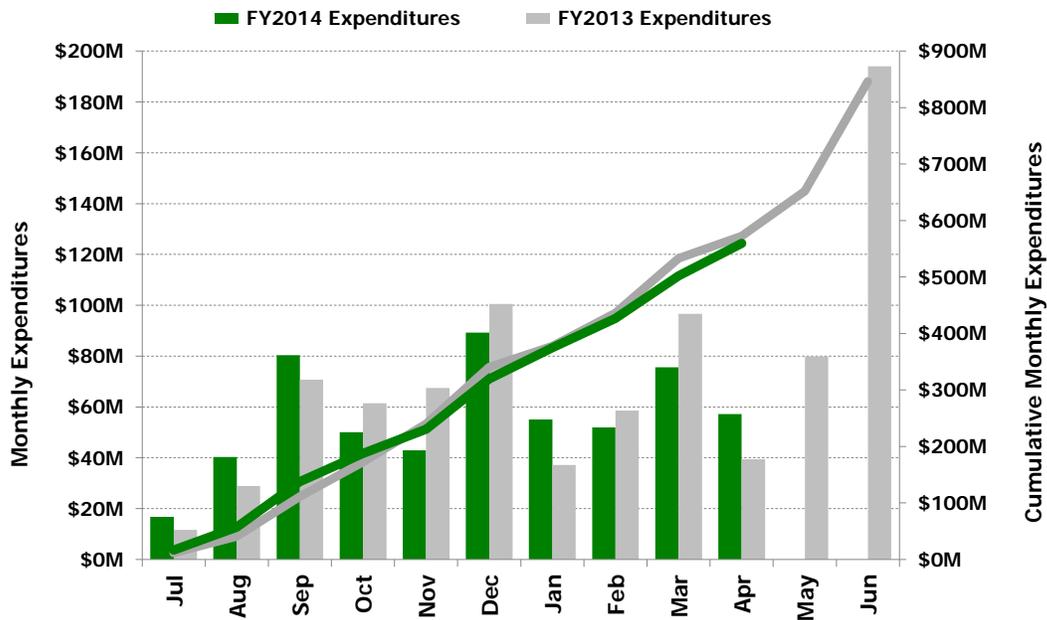
YTD	FY2013		FY2014		Variance FY14	
	Actual		Actual	Budget	\$	Percent
Revenue	\$ 701.2		\$ 704.3	\$ 731.6	\$ (27.3)	-3.7%
Expense	\$ 1,256.1		\$ 1,363.0	\$ 1,377.8	\$ 14.8	1.1%
Subsidy	\$ 554.9		\$ 658.8	\$ 646.2	\$ (12.5)	-1.9%
Cost Recovery	55.8%		51.7%	53.1%		

## YTD OVERTIME BUDGET VS ACTUAL (\$ in Millions)





### CIP EXPENDITURES (\$ in Millions)



### FY2014 USES OF FUNDS (\$ in Millions)

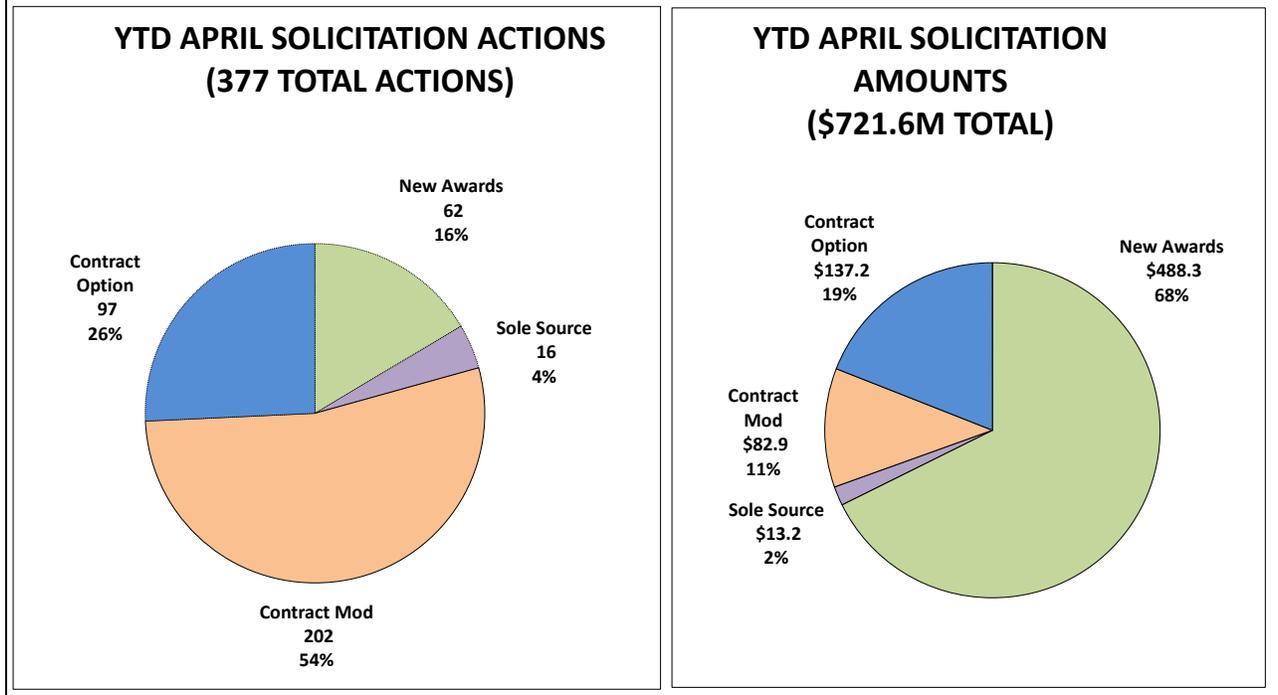
	Budget	Forecast	Expended	% Exp.
<b>FY2014 CIP</b>	\$ 996	\$ 845	\$ 560	56%
<b>Safety &amp; Security</b>	10	10	2	20%
<b>ARRA</b>	4	4	4	89%
<b>Reimbursable</b>	69	69	42	61%
<b>Total</b>	<b>\$ 1,079</b>	<b>\$ 928</b>	<b>\$ 607</b>	<b>56%</b>

### FY2014 PLANNED SOURCES OF FUNDS (\$ in Millions)

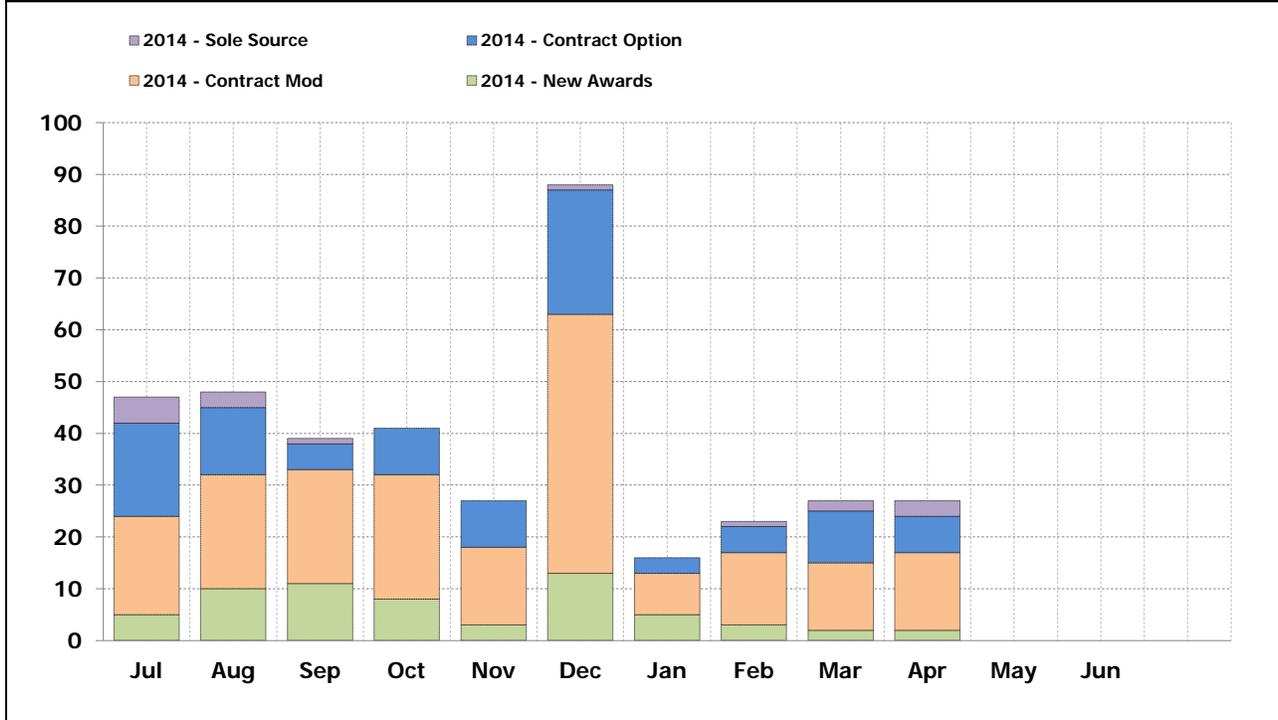
	CIP	Planned	Received*
<b>Federal Reimbursement</b>		\$ 476	\$ 27
<b>State and Local</b>		345	345
<b>Other Sources/Rollover</b>		24	24
<b>Subtotal</b>		<b>\$ 845</b>	<b>\$ 397</b>
<b>Safety &amp; Security</b>		\$ 10	\$ 3
<b>ARRA</b>		4	4
<b>Reimbursable</b>		69	11
<b>Subtotal</b>		<b>\$ 83</b>	<b>\$ 18</b>
<b>Total</b>		<b>\$ 928</b>	<b>\$ 415</b>

\*Received sources planned to be used for the FY2014 CIP

### SOLICITATION ACTIONS



### HISTORICAL SOLICITATIONS



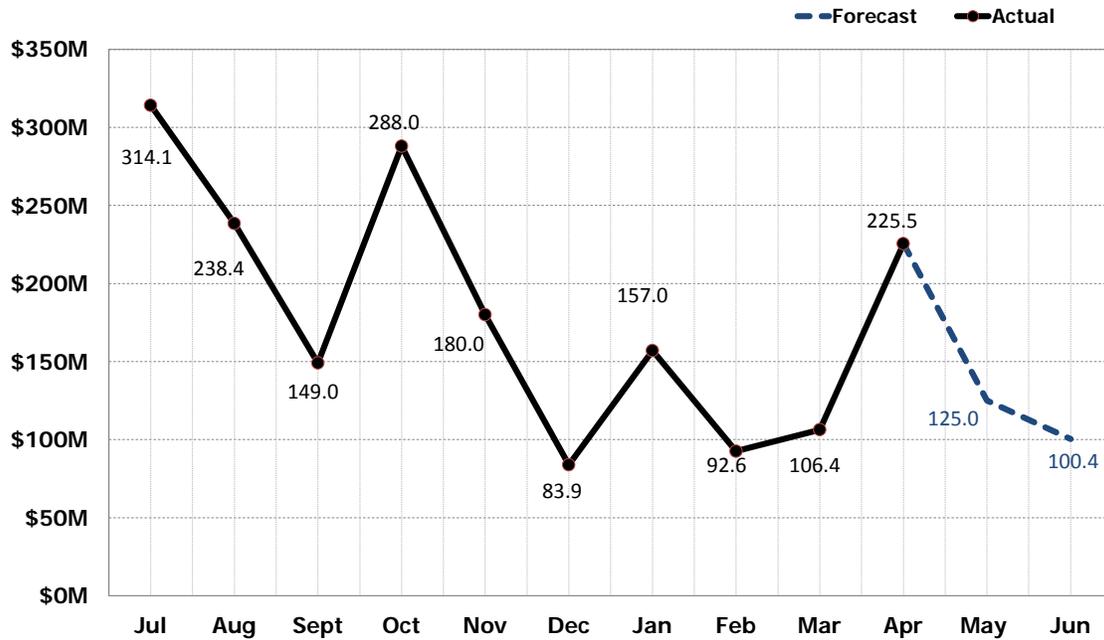
**Note:** 'Contract Mod' includes any written alteration in the specifications, delivery point, frequency of delivery, period of performance, price, quantity, or other provisions of the contract.



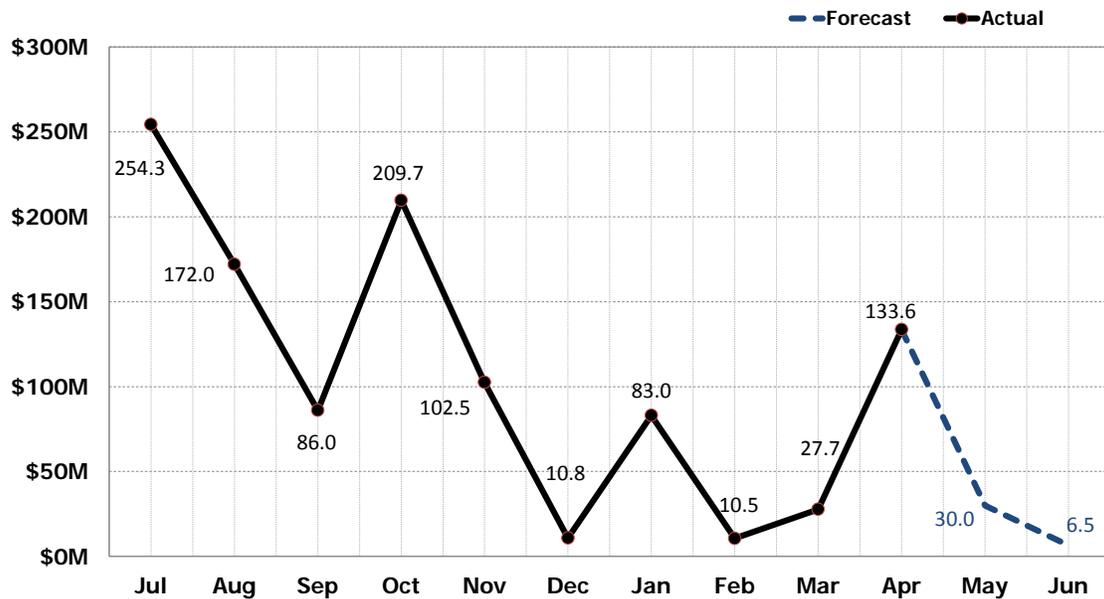
# FUND BALANCE

April FY2014

## TOTAL CASH (RESTRICTED and UNRESTRICTED)



## UNRESTRICTED CASH



*NOTE: Unrestricted Cash Balance included a \$45 million draw on WMATA's Line of Credit in December (repaid in January), a \$55 million draw in February and an additional \$40 million in March. Metro anticipates an additional draw of \$95 million in June, yielding an outstanding line of credit balance of approximately \$190 million of the total \$302.5 million line of credit capacity currently available.*

