



OPERATING BUDGET REPORT

February FY2013

OPERATING BUDGET (\$ in Millions)

MTD	Feb-FY2012		Feb-FY2013		Variance FY13	
	Actual		Actual	Budget	\$	Percent
Revenue	\$ 63.0		\$ 63.7	\$ 64.5	\$ (0.7)	-1.1%
Expense	\$ 115.6		\$ 125.0	\$ 125.3	\$ 0.4	0.3%
Subsidy	\$ 52.6		\$ 61.2	\$ 60.9	\$ (0.4)	-0.6%
Cost Recovery	54.5%		51.0%	51.4%		

YTD	FY2012		FY2013		Variance FY13	
	Actual		Actual	Budget	\$	Percent
Revenue	\$ 521.2		\$ 545.5	\$ 566.3	\$ (20.8)	-3.7%
Expense	\$ 949.2		\$ 1,007.4	\$ 1,042.7	\$ 35.3	3.4%
Subsidy	\$ 428.1		\$ 461.9	\$ 476.4	\$ 14.5	3.0%
Cost Recovery	54.9%		54.1%	54.3%		

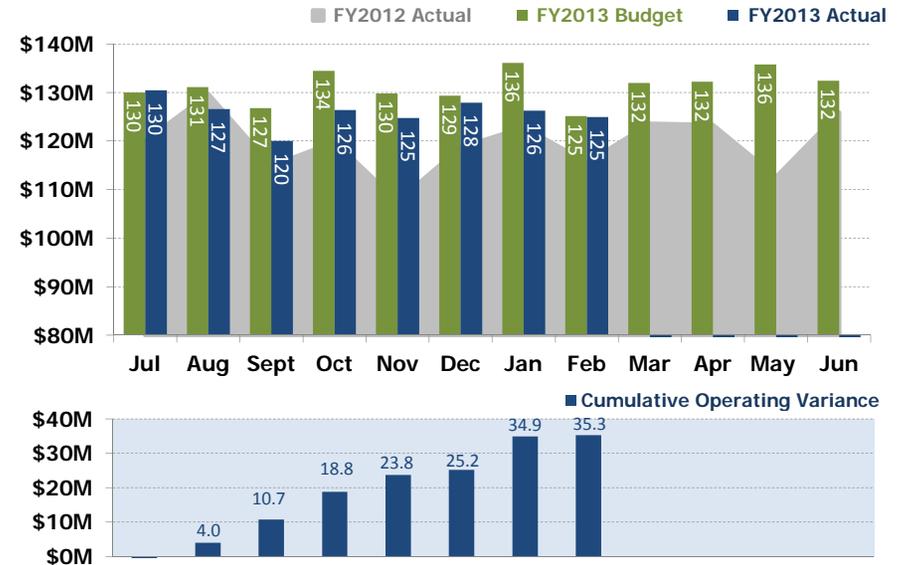
OPERATING PROGRAM HIGHLIGHTS

As of January YTD, Metro is **favorable to budget** by \$14.5M, or 3.0%.

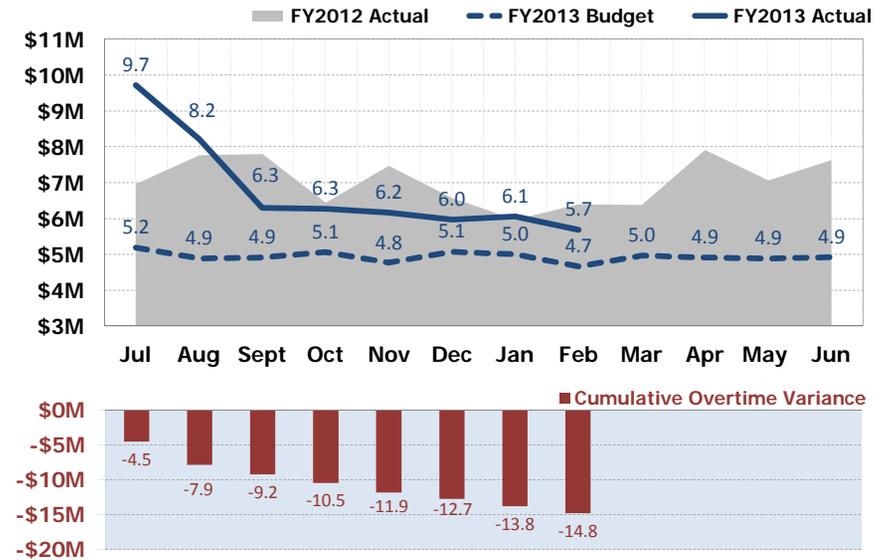
Year-to-date expenditures \$35.3M or 3.4% favorable to budget.

- Salary & wages below budget by \$19.7M due to vacancies.
- Overtime is (\$14.8M) over budget due to CMNT 2K, 3K and 5K maintenance, HVAC overhauls, midlife door inspections and friction brake maintenance, vacancy coverage, leave coverage, severe weather, incident response and special events, including Inauguration support activities.
- Fringe benefits is \$8.3M under budget due to lower than projected pension costs (\$4.2M), lower than expected health claims costs (\$1.6M), plus surpluses in FICA Expense (\$1.2M) and clothing, tools, and allowances (\$1.3M).
- Materials and Supply expenses are (\$9.7M) unfavorable mostly due to overruns in Bus material usage (\$4.8M unfavorable) and higher than expected expenses in TIES (\$6.3M unfavorable) attributed mainly to July CMNT 2K, 3K and 5K maintenance.
- Service expenses were \$18.4M favorable due to savings in paratransit expenses, late TIES (PLNT, SMNT, CMNT, CENV and ELES) contract awards, timing of various JOC contracts and Labor Relations expenses for arbitration negotiations and timing of Financial, CSCM, HR and IT. TIES estimates their favorability will be utilized in the 3rd and 4th quarters of FY13 with the ramp up of rail grinding, weed and bush clearing efforts.
- Propulsion/Diesel and Utilities were favorable to budget by \$15.1M due to lower than projected power consumption and favorable diesel rates in Metro hedges. The passage of the American Taxpayer Relief Act of 2012 included a Compressed Natural Gas (CNG) credit which will have an estimated favorable impact of \$5M on Metro's FY2013 expenditures; a \$3.9M CNG credit has been received YTD for FY12 and FY13 YTD refunds.

OPERATING EXPENDITURES (\$ in Millions)



YTD OVERTIME BUDGET VS ACTUAL (\$ in Millions)





REVENUE AND RIDERSHIP REPORT

February FY2013

RIDERSHIP (trips in Thousands)

MTD	Feb-FY2012		Feb-FY2013		Variance FY13	
	Actual	Actual	Budget	Prior Year	Budget	
Metro rail	16,609	15,704	15,947	-5.4%	-1.5%	
Metrobus	10,774	9,306	9,756	-13.6%	-4.6%	
MetroAccess	171	163	176	-4.7%	-7.2%	
System Total	27,553	25,174	25,878	-8.6%	-2.7%	

YTD	FY2012		FY2013		Variance FY13	
	Actual	Actual	Budget	Prior Year	Budget	
Metro rail	141,088	134,933	141,347	-4.4%	-4.5%	
Metrobus	87,269	82,964	85,530	-4.9%	-3.0%	
MetroAccess	1,370	1,328	1,461	-3.0%	-9.1%	
System Total	229,727	219,225	228,338	-4.6%	-4.0%	

REVENUE AND RIDERSHIP HIGHLIGHTS

Year-to-date Revenue

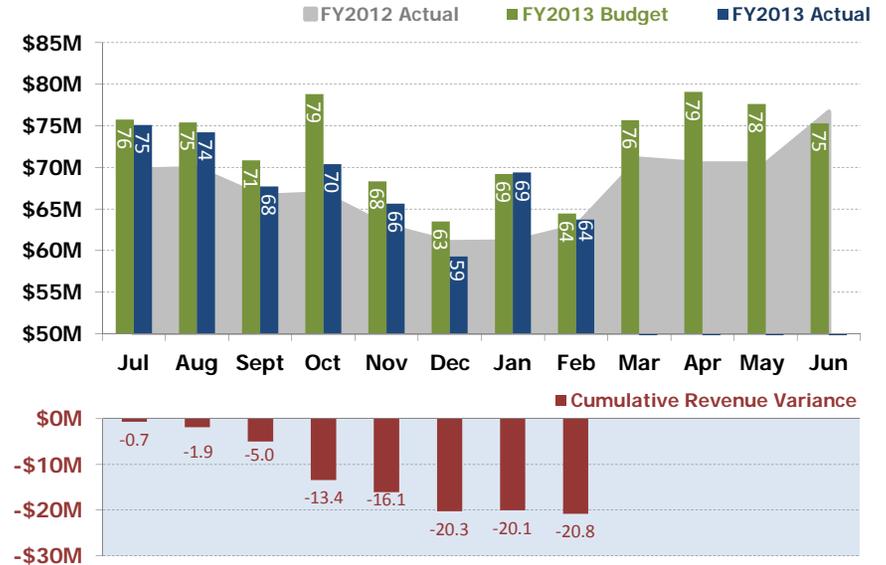
Total operating revenue is (\$20.8M) below budget, or -3.7%. Passenger revenues plus parking is (\$19.5M) below budget, while non-transit revenue is (\$1.2M) below budget. The Cubic bus farebox software error that was identified in the January report was patched beginning on February 22, but the impact continued to be felt in February. When restated, the impact on Metrobus YTD is estimated to be 3 million trips and \$2-2.5 million in fare revenue.

- **Rail passenger fare revenue** is (\$13.9M) below budget YTD primarily as a result of lower rail ridership; average fare YTD is \$2.89, which reflects the impact of the July fare increase and is slightly above the budgeted average fare for FY13 of \$2.87. Rail revenue has also experienced negative impacts from Hurricane Sandy in October and the unanticipated federal Christmas Eve holiday as well as a positive impact from greater-than-expected Inauguration attendance.
- **Bus passenger revenue** is (\$3.9M) below budget YTD due to a combination of factors: decreased ridership, a slightly lower average fare, and the Hurricane Sandy shutdown and Christmas Eve holiday. Average fare YTD is \$1.06, slightly below the budgeted average fare for FY13 of \$1.07. Bus revenue will be closer to budget once the unreported transactions due to the software problem are processed.
- **MetroAccess revenue** is at budget YTD; although ridership is below budget, average fare is higher at \$3.90 versus \$3.50 budget.
- **Parking revenue** is below budget YTD by (\$1.8M) or -5.7%, slightly greater than the overall reduction in rail ridership.
- **Other revenue** is (\$1.2M) below budget, with positive variances in advertising and fiber optic revenues outweighed by negative variances in joint development and other revenues.

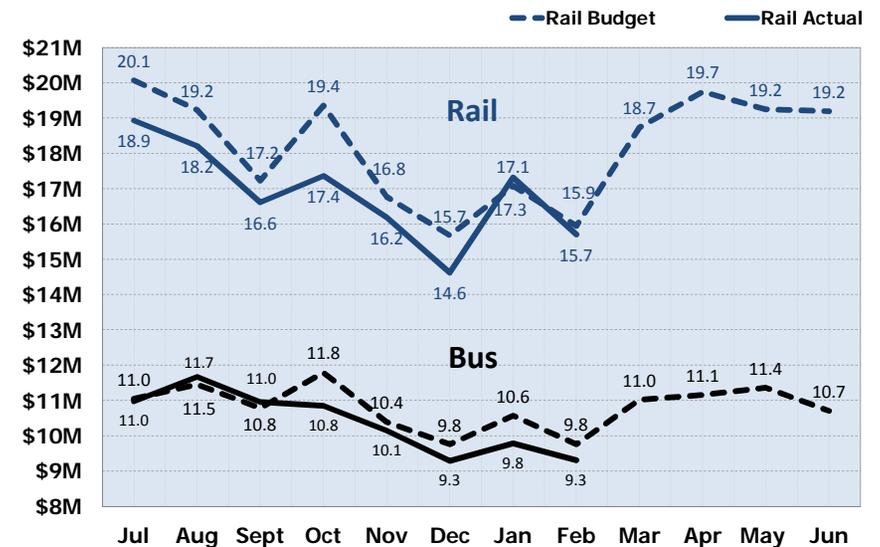
Year-to-date Ridership

- **Rail ridership** YTD is (6.4M) below budget, or -4.5%; rail ridership YTD is also down (6.2M) compared to the same period in FY12.
- **Bus ridership** is (2.6M) below budget YTD, or -3.0%; bus ridership YTD is also down (4.3M) compared to the same period in FY12.
- **MetroAccess ridership** is -9.1% below budget YTD; Access ridership YTD is also down -3.0% compared to the same period in FY12.

REVENUE (in Millions)



MONTHLY RIDERSHIP FOR RAIL AND BUS (in Millions)





SOURCES OF FUNDS (\$ in Millions)

	Expenditure-Based Year to Date Sources of Funds				
	Budget	Forecast	Awarded	Received	To be Rec.
FY2012 CIP	\$ 1,042	\$ 917	\$ 528	\$ 445	\$ 597
FY2013 CIP	\$ 1,073	\$ 975	\$ 548	\$ 384	\$ 689

	Obligation-Based to Date Sources of Funds				
	Budget		Awarded	Received	To be Rec.
Safety & Security	\$ 38		\$ 38	\$ 8	\$ 30
ARRA	\$ 8		\$ 8	\$ 3	\$ 6
Reimbursable	\$ 57		\$ 57	\$ 38	\$ 19
Total	\$ 104		\$ 104	\$ 49	\$ 55

USES OF FUNDS (\$ in Millions)

	Expenditure-Based Year to Date Uses of Funds					
	Budget	Forecast	Obligated	Expended	% Obl.	% Exp.
FY2012 CIP	\$ 1,042	\$ 917	\$ 781	\$ 381	85.2%	41.5%
FY2013 CIP	\$ 1,073	\$ 975	\$ 608	\$ 436	62.4%	44.7%

	Obligation-Based to Date Uses of Funds					
	Budget		Obligated	Expended	% Obl.	% Exp.
Safety & Security	\$ 39		\$ 39	\$ 13	99.7%	33.3%
ARRA	\$ 9		\$ 8	\$ 2	92.9%	21.2%
Reimbursable	\$ 57		\$ 52	\$ 44	92.7%	77.9%
Total	\$ 104		\$ 99	\$ 59	95.4%	56.5%

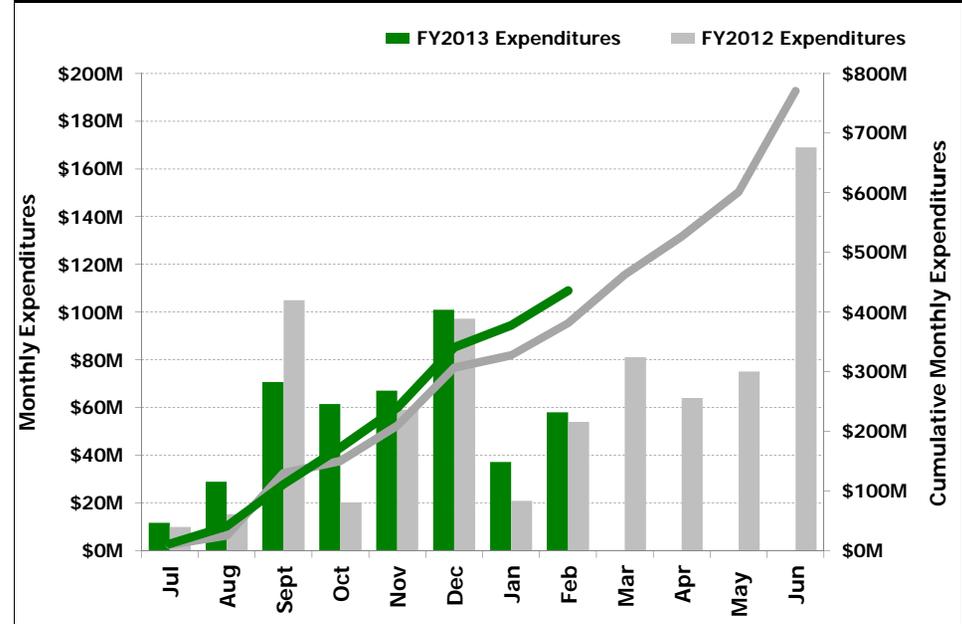
CAPITAL PROGRAM HIGHLIGHTS

As of February 28, 2013:

The Capital Improvement Program (CIP) has expended \$436 million in FY2013. This is \$55 million more than the same period in FY2012. Accomplishments include:

- 61 of the planned 96 forty-foot hybrid/electric buses have been received and 53 have been placed in service.
- 10 of the planned 138 new Access vehicles have been delivered.
- 27 of the 54 planned FY2013 escalator rehabilitations/modernizations are complete and 11 are in progress.
- Five of the 25 planned FY2013 elevator rehabilitations/modernizations are complete and six are in progress. Elevator rehabilitations are behind schedule due to a delay in the delivery of parts by a vendor that is now resolved. Elevator work will be accelerated to get back on schedule.
- Six of the 12 planned full station enhancement projects are complete; eight of the planned 12 mini station enhancements are complete and three full enhancements and three mini-station enhancement projects are underway.
- Track rehabilitation work completed includes the following: welded 455 open weld joints, retrofitted 465 linear feet of floating slabs, rehabilitated 6,176 linear feet of grout pads, tamped 21.56 miles of track, repaired 1,475 leaks, and replaced 8.64 miles of running rail, 7,944 cross ties, 15,322 fasteners, 3,779 insulators, 816 safety signs, 10 yard turnouts, and 3,895 direct fixation fasteners.

CIP EXPENDITURES (\$ in Millions)



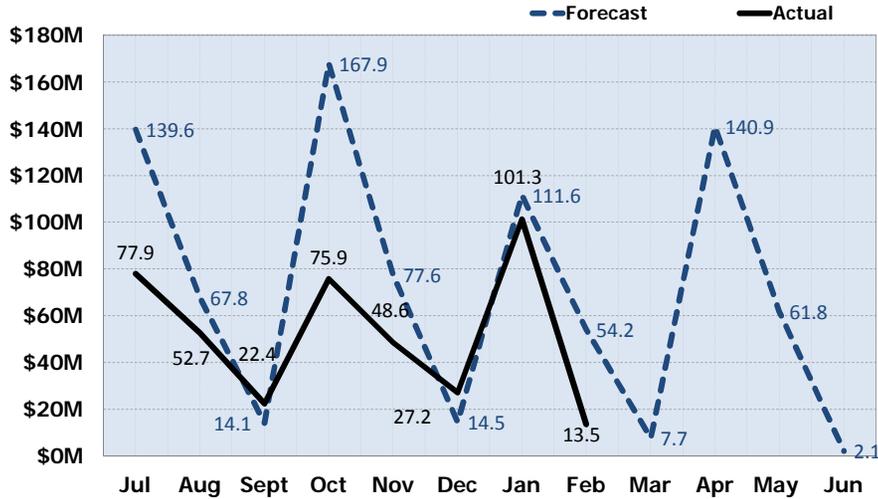
CAPITAL PROGRAM REPROGRAMMING

No reprogrammings in February

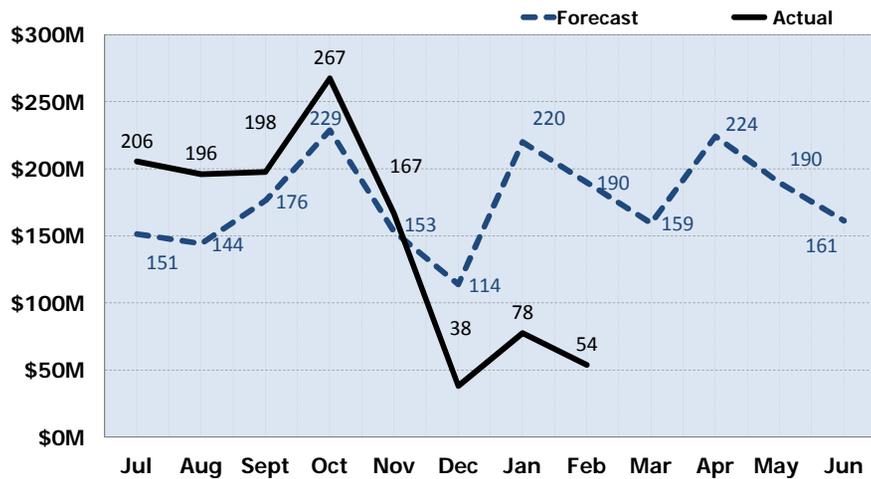


FUND BALANCE

OPERATING FUND BALANCE

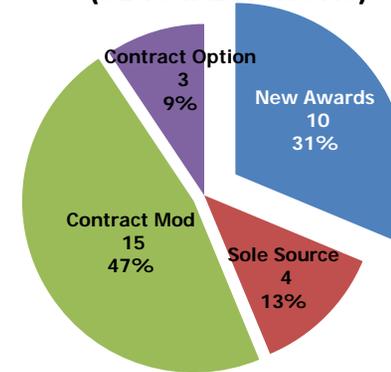


CAPITAL FUND BALANCE



PROCUREMENT

YTD FEBRUARY SOLICITATION ACTIONS (32 TOTAL ACTIONS)

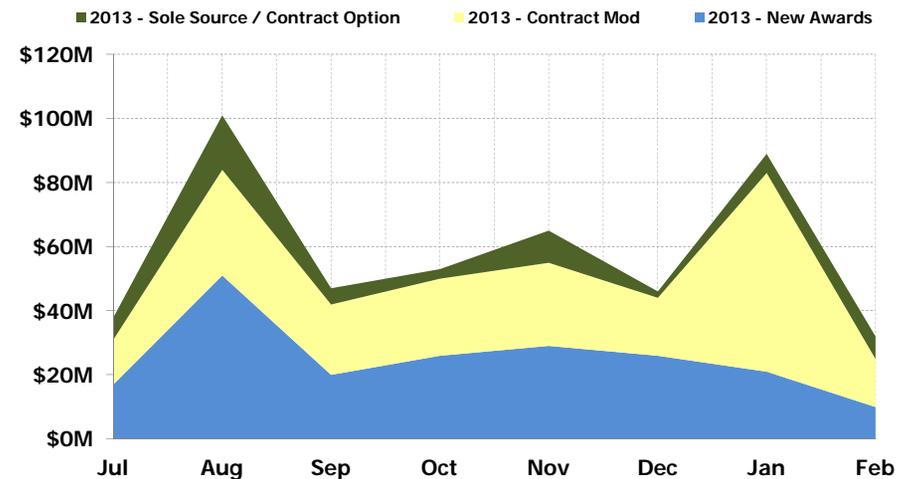


Procurement Highlights:

Year-to-Date, Metro awarded 471 solicitation actions. Of the total, 214 actions or 45% were contract modifications.

A \$4,023,795 capital funded contract was awarded to Compusearch for the Contract Life Cycle Management System (CLM).

A \$3,111,952 operating contract was awarded to Orion Management for CCTV Preventive and Corrective Maintenance to Bus Fleet, Storerooms and Service Lane Camera/DVR Systems.





OPERATING FINANCIALS

February FY2013

MONTHLY RESULTS				
Prior Year Actual	Current Year			
	Actual	Budget	Variance	
\$44.2	\$45.5	\$45.5	(\$0.1)	-0.2%
10.6	9.7	10.3	(0.6)	-5.5%
0.7	0.7	0.6	0.1	8.8%
3.7	3.6	3.7	(0.2)	-4.8%
\$59.1	\$59.4	\$60.2	(\$0.8)	-1.3%
\$0.7	\$0.7	\$0.7	\$0.0	0.0%
1.1	1.5	1.1	0.4	34.3%
0.3	0.4	0.7	(0.3)	-43.2%
1.2	1.5	1.2	0.3	23.9%
0.6	0.3	0.6	(0.3)	-49.5%
0.0	0.0	0.0	(0.0)	-84.1%
0.0	0.0	0.0	0.0	
0.0	0.0	0.0	0.0	
\$3.9	\$4.3	\$4.3	\$0.0	1.1%
\$63.0	\$63.7	\$64.5	(\$0.7)	-1.1%
\$52.1	\$53.4	\$54.9	\$1.5	2.7%
6.4	5.7	4.7	(1.0)	-21.8%
26.3	29.4	29.5	0.1	0.4%
13.8	16.8	16.8	(0.0)	-0.2%
4.0	7.6	5.0	(2.6)	-51.7%
7.8	6.9	7.5	0.6	7.9%
2.3	3.0	3.7	0.7	18.7%
2.9	2.1	3.2	1.1	34.0%
\$115.6	\$125.0	\$125.3	\$0.4	0.3%
\$52.6	\$61.2	\$60.9	(\$0.4)	-0.6%

Favorable/(Unfavorable)

FISCAL YEAR 2013

Dollars in Millions

Passenger Revenue

Metrail	
Metrobus	
MetroAccess	
Parking	

subtotal

Non-Passenger Revenue

D.C. Schools	
Advertising	
Joint Dev/Property Rent	
Fiber Optic	
Other	
Interest	
SE Closure	
SCR Funding	

subtotal

TOTAL REVENUE

Salary/Wages

Overtime	
Fringe Benefits	
Services	
Supplies	
Power/Diesel/CNG	
Utilities	
Insurance/Other	

TOTAL EXPENSE

SUBSIDY

YEAR-TO-DATE RESULTS				
Prior Year Actual	Current Year			
	Actual	Budget	Variance	
\$367.8	\$389.8	\$403.7	(\$13.9)	-3.4%
86.8	87.8	91.6	(3.9)	-4.2%
5.2	5.2	5.1	0.1	1.3%
29.9	29.6	31.3	(1.8)	-5.7%
\$489.7	\$512.3	\$531.8	(\$19.5)	-3.7%
\$4.6	\$4.8	\$4.8	\$0.0	0.0%
7.8	10.8	9.7	1.1	11.0%
3.9	3.5	5.4	(1.9)	-35.0%
9.5	10.4	9.7	0.7	7.3%
5.7	3.7	4.7	(1.0)	-20.6%
0.0	0.1	0.2	(0.2)	-73.9%
0.0	0.0	0.0	0.0	
0.0	0.0	0.0	0.0	
\$31.5	\$33.2	\$34.5	(\$1.2)	-3.6%
\$521.2	\$545.5	\$566.3	(\$20.8)	-3.7%
\$425.1	\$448.2	\$467.9	\$19.7	4.2%
55.4	54.4	39.6	(14.8)	-37.5%
208.2	228.0	236.3	8.3	3.5%
115.8	123.0	141.4	18.4	13.0%
39.5	50.7	41.0	(9.7)	-23.7%
60.1	54.2	64.5	10.3	16.0%
22.0	22.8	27.6	4.8	17.4%
23.2	26.2	24.4	(1.8)	-7.2%
\$949.2	\$1,007.4	\$1,042.7	\$35.3	3.4%
\$428.1	\$461.9	\$476.4	\$14.5	3.0%

Favorable/(Unfavorable)