

OCTOBER HIGHLIGHTS

Ridership and Revenue

Note: Comparisons to October 2012 are provided below but are of limited value due to Hurricane Sandy on October 29 and 30, 2012, which closed the entire Metro system.

Metrorail

October rail ridership was 17.2 million: 1.5 million below budget and 0.1 million below October 2012.

- Rail ridership was heavily impacted by the federal government shutdown from October 1 to October 16. Federal employees normally comprise 35-40 percent of weekday rail ridership. During the shutdown, ridership was down 15-20 percent, indicating that approximately half of Metro's federal employee riders were furloughed, which was in line with pre-shutdown expectations. Morning exits at stations such as L'Enfant Plaza, Federal Center SW, and Smithsonian were down 50-70 percent.
- Ridership rebounded quickly after the shutdown ended – on October 17, ridership was down approximately 8 percent, and ridership on October 18 was back to normal and continued for the rest of the month.

Metrobus

October bus ridership was 12.2 million: 0.5 million above budget and 1.1 million above October 2012.

- Bus ridership was largely unaffected by the federal government shutdown. Pre-shutdown expectations were for a modest impact on bus ridership – federal employee utilization of Metrobus will be an item for consideration in the upcoming regional bus survey in the spring of 2014.
- After kicking off in August, the "Ride Free on Bus" program for District of Columbia students continued its strong September performance into October. Ridership has stabilized at an average of 23,000 trips per day, and total October ridership in the program was 0.5 million.
- Bus continues to perform well on weekends – up 5.8 percent for the year to date compared to last year.

MetroAccess

October Access ridership was 190,000: 14,000 above budget and 22,000 above October 2012.

- Access ridership year to date is up 5.2 percent over budget as a result of a larger registrant pool and in response to the lower fares now available as a result of the fare calculator.
- Average trips taken per registrant has declined slightly as many new conditionally eligible users are taking advantage of the free fare on bus and rail, but overall trip volume has still increased.

Operating Revenue

Total operating revenue was \$1.8 million above budget for the month. Regular passenger fares (not including jurisdictional special fares) and parking fees were \$5.7 million below budget for the quarter, while all other sources were \$7.5 million above budget.

- The net negative impact of the shutdown was approximately \$5.7 million, all of which occurred in the first half of October. Passenger fares and parking in the second half of the month were normal.
- Total operating revenues were boosted by one-time events and non-transit revenue sources:
 - A one-time \$4.5 million insurance settlement payment.
 - A \$1.5 million catch-up in revenue recognition for September and October associated with the District of Columbia 'Ride Free on Bus' program, which was initiated subsequent to the adoption of the FY2014 budget. This program is projected to result in \$6 million in revenue above the original budgeted amount.
 - Continued strong performance by advertising and fiber optics (combined \$0.5 million above budget) as well as timing of payments on joint development leases.

Operating Expenses

Through October, year-to-date operating expenses are favorable to budget by \$14.2 million or 2.6 percent.

Salaries and Wages

- Salaries and Wages are favorable year-to-date by \$7.6 million or 3.0 percent, primarily due to Authority-wide vacancy levels. The favorability was partially offset by higher personnel expenses associated with the new Collective Bargaining Agreements.

- October overtime expenses were \$0.4 million lower than the same month last year and \$2.2 million lower year-to-date than during the same period last year. Year-to-date overtime is \$8.1 million over budget primarily due to Car Maintenance (CMNT) 2K, 3K and 5K work, vacancy coverage, leave coverage, and special events.
- Fringe benefits are \$0.1 million under budget for the year-to-date. The variance is positively affected by lower than anticipated pension, health, and welfare costs offset by a partial recognition of an unanticipated District of Columbia workers' compensation assessment expense of \$1.9 million. An additional \$1.2 million will be recognized in November.

Materials and Supplies

- Materials and Supplies are \$2.3 million unfavorable year-to-date mainly due to \$3.2 million of maintenance on the 2K, 3K and 5K railcars and Bus overruns of \$2.4 million as a result of accidents and vandalism. The overruns are partially offset by favorability in Financial Services, Communications (CSCM), and the Office of the Deputy General Manager-Operations (DGMO).

Services

- Services expenses are \$10.2 million favorable year-to-date due to Transit Infrastructure and Engineering Services (TIES) which includes System Maintenance (SMNT) and Plant (PLNT) contracts timing of \$2.6 million; timing of a Treasury contract settlement of \$2.5 million; Access Service (ACCS) contract closeout claims offset by increased ridership of \$2.3 million; and timing of contract services procurements for DGMO of \$0.8 million, Bus Services (BUS) contracts of \$0.5 million, and CSCM contracts of \$0.5 million.

Fuel, Propulsion, and Utilities

- Fuel, Propulsion, and Utilities are favorable to budget by \$5.6 million year-to-date due to lower than projected power consumption, favorable diesel rates in Metro's hedges, and the CNG tax credit. Of the variance, approximately \$1.5 million is due to price favorability and \$3.0 million is due to lower volume.

Capital Program

Metro has invested \$188 million of the \$996 million FY2014 Capital Improvement Program (CIP) budget through October, which is \$15 million more than the same period last year. All figures below are year to date.

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. An initial set of buses will be delivered for testing in March 2014. Metrobus also broke ground on the environmentally friendly Cinder Bed Road facility, which replaces the 70-year-old Royal Street Bus Garage and enables Metro to run modern buses on these routes.

Access Vehicle Replacement

- A contract is in place for the FY2014 acquisition of 120 paratransit vans. Delivery of the vans is expected to begin in March 2014.

Escalator Rehabilitation

- Nine of the 36 planned FY2014 escalator rehabilitations are complete and eight are in progress. Three escalator replacements at Pentagon Station are complete and in service. At least seven additional escalator replacements are also planned for completion during FY2014 including escalators at Van Ness-UDC, Georgia Ave-Petworth, Friendship Heights, Bethesda, Glenmont, Mt Vernon Square, and Shady Grove.
- Six of the 22 planned FY2014 elevator rehabilitations are complete and four are in progress.

Station Rehabilitation and Lighting Improvements

- Three of the 12 planned full station enhancement projects are complete, and two are in progress. Two of the 12 planned mini station enhancements are complete, and four are in progress.
- Metro awarded a multi-year contract to upgrade lighting at 25 parking garages. Outdated and inefficient lighting will be replaced by new "smart" high-efficiency LED systems that will create a brighter and safer environment and use less electricity. Metro expects to save an estimated \$2 million annually when the replacements are complete.

Track Rehabilitation

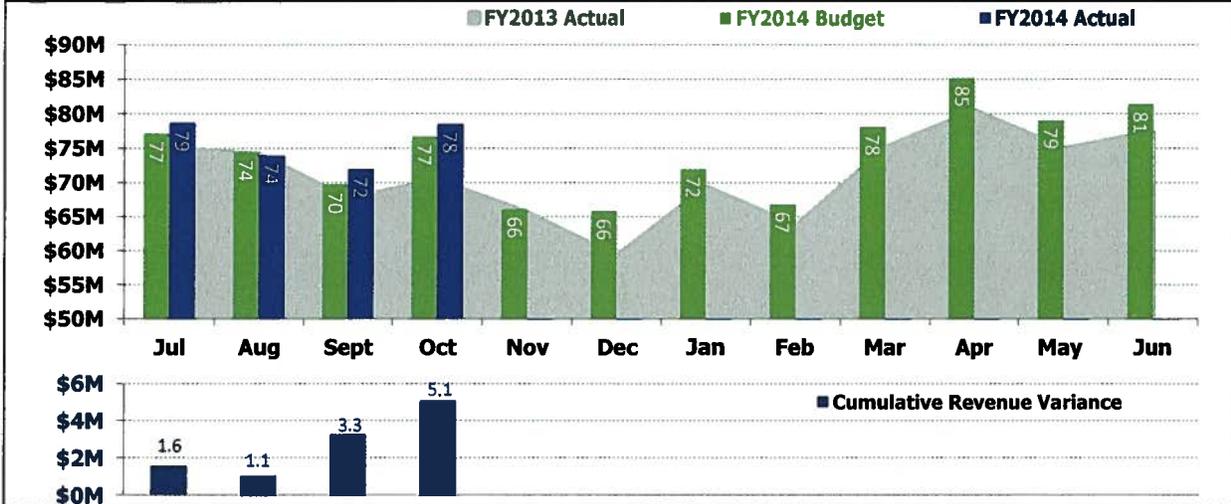
- Metro welded 332 open weld joints, rehabilitated 2,849 linear feet of grout pads, tamped 16.17 miles of track, repaired 749 leaks, and replaced 3.11 miles of running rail, 2.57 miles of third rail, 6,163 cross ties, 5,817 fasteners, 2,307 insulators, 11 yard turnouts, and 340 safety signs.



REVENUE AND RIDERSHIP

October FY2014

REVENUE (in Millions)

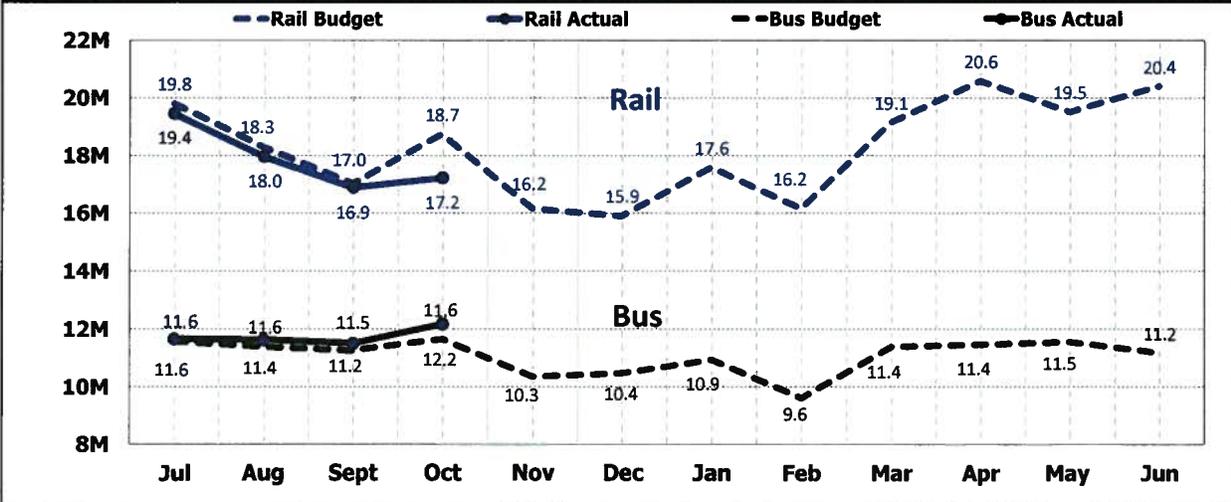


RIDERSHIP (trips in Thousands)

MTD	Oct-FY2013	Oct-FY2014		Variance FY14	
	Actual	Actual	Budget	Prior Year	Budget
Metr rail	17,357	17,219	18,735	-0.8%	-8.1%
Metrobus	11,118	12,171	11,628	9.5%	4.7%
MetroAccess	167	190	176	13.4%	7.9%
System Total	28,642	29,580	30,539	3.3%	-3.1%

YTD	FY2013	FY2014		Variance FY14	
	Actual	Actual	Budget	Prior Year	Budget
Metr rail	71,114	71,507	73,834	0.6%	-3.2%
Metrobus	44,886	46,944	45,812	4.6%	2.5%
MetroAccess	671	728	692	8.5%	5.2%
System Total	116,671	119,179	120,338	2.1%	-1.0%

MONTHLY RIDERSHIP FOR RAIL AND BUS (in Millions)

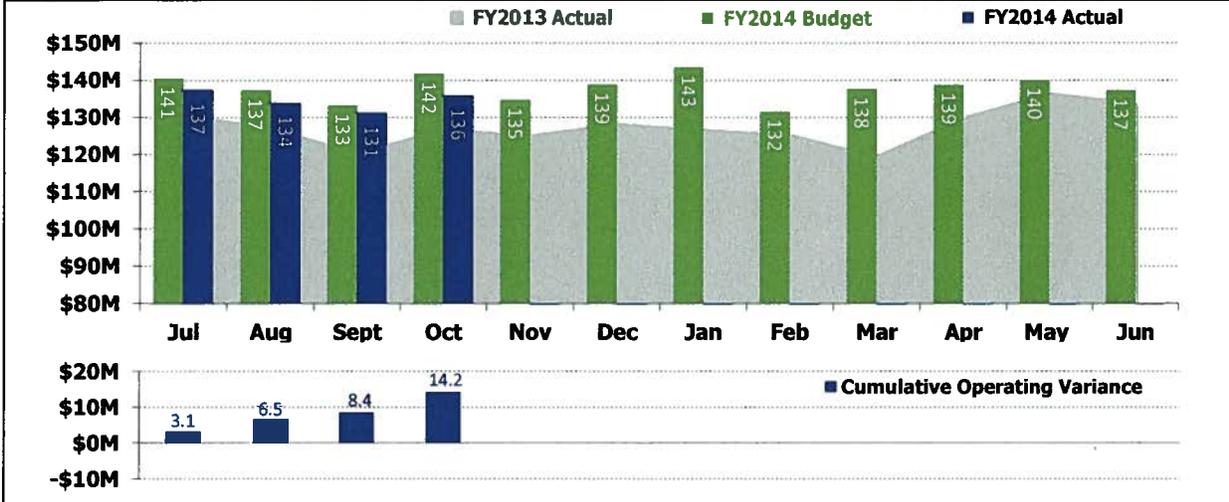




OPERATING BUDGET

October FY2014

OPERATING EXPENDITURES (\$ in Millions)

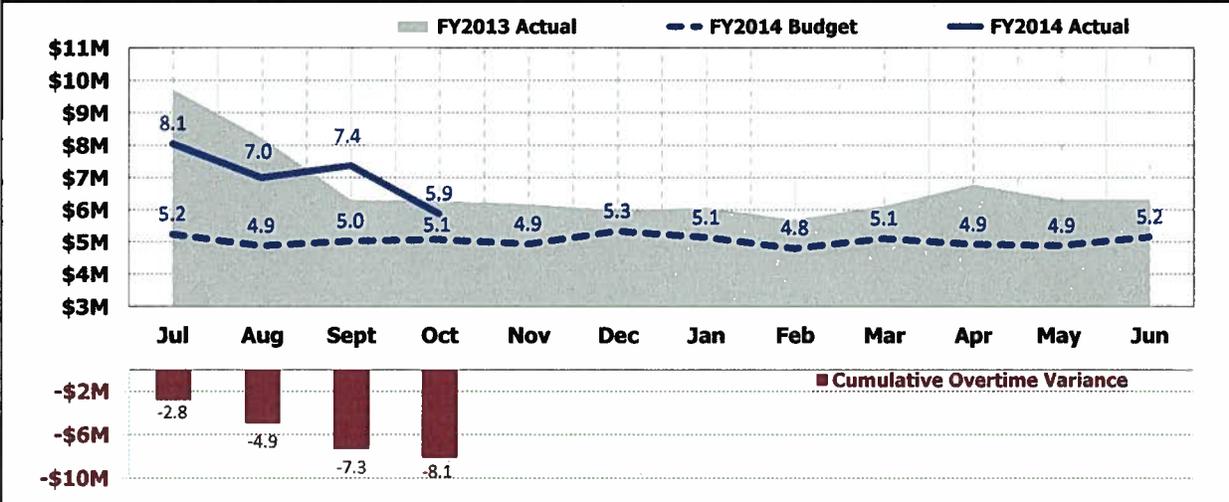


OPERATING BUDGET (\$ in Millions)

MTD	Oct-FY2013	Oct-FY2014		Variance FY14	
	Actual	Actual	Budget	\$	Percent
Revenue	\$ 70.4	\$ 78.5	\$ 76.7	\$ 1.8	2.3%
Expense	\$ 126.4	\$ 135.9	\$ 141.7	\$ 5.8	4.1%
Subsidy	\$ 56.0	\$ 57.5	\$ 65.1	\$ 7.6	11.7%
Cost Recovery	55.7%	57.7%	54.1%		

YTD	FY2013	FY2014		Variance FY14	
	Actual	Actual	Budget	\$	Percent
Revenue	\$ 287.4	\$ 302.9	\$ 297.8	\$ 5.1	1.7%
Expense	\$ 503.5	\$ 538.5	\$ 552.7	\$ 14.2	2.6%
Subsidy	\$ 216.1	\$ 235.7	\$ 254.9	\$ 19.2	7.5%
Cost Recovery	57.1%	56.2%	53.9%		

YTD OVERTIME BUDGET VS ACTUAL (\$ in Millions)

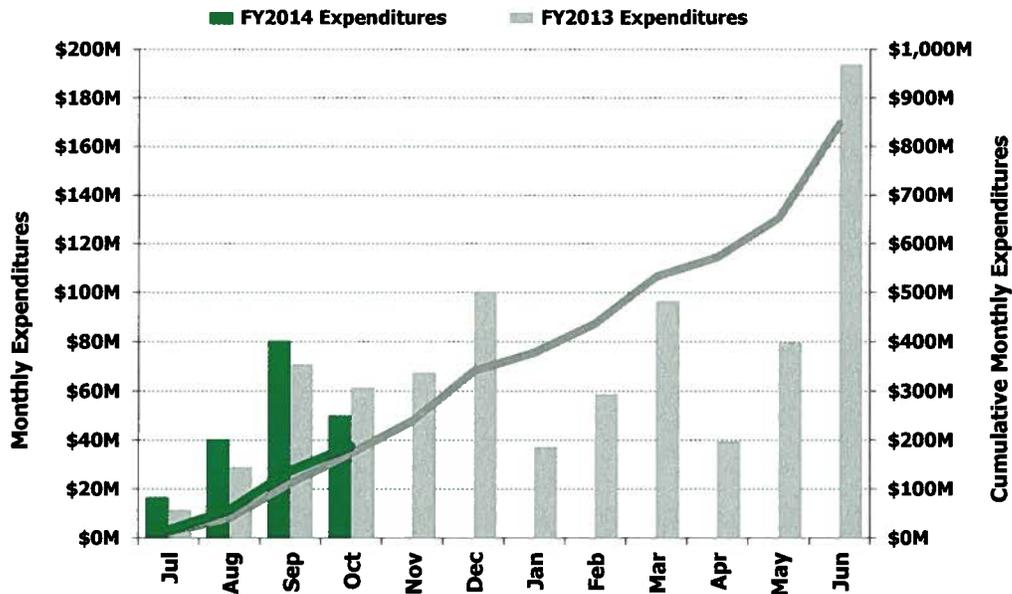




CAPITAL PROGRAM

October FY2014

CIP EXPENDITURES (\$ in Millions)



FY2014 USES OF FUNDS (\$ in Millions)

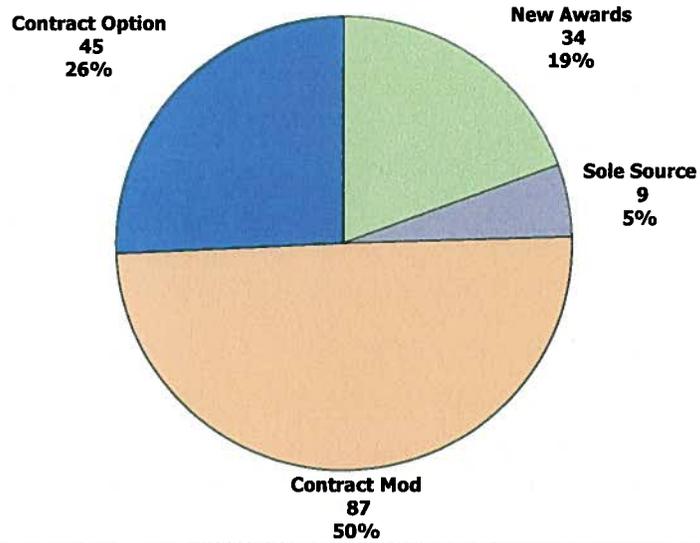
	Budget	Forecast	Expended	% Exp.
FY2014 CIP	\$ 996	\$ 996	\$ 188	19%
Safety & Security	10	10	0	0%
ARRA	2	2	2	74%
Reimbursable	69	69	10	15%
Total	\$ 1,077	\$ 1,077	\$ 200	19%

FY2014 PLANNED SOURCES OF FUNDS (\$ in Millions)

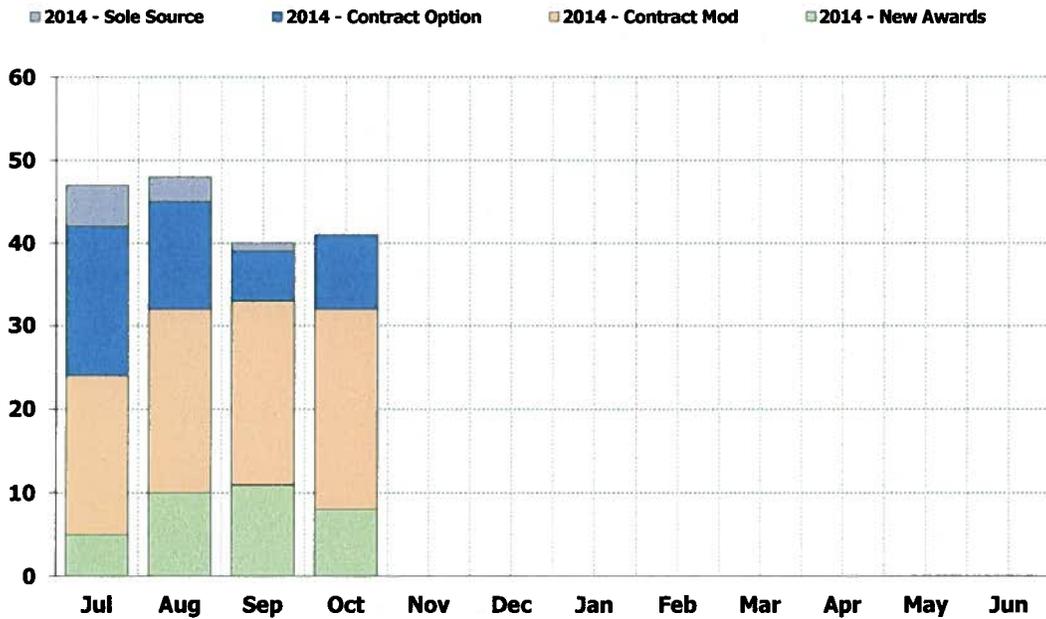
CIP	Planned	Received	Remaining
Federal Reimbursement	\$ 491	\$ 6	\$ 485
State and Local	401	214	187
Other Sources/Rollover	104	66	38
Subtotal	\$ 996	\$ 286	\$ 710
Safety & Security	\$ 10	\$ -	\$ 10
ARRA	2	3	(1)
Reimbursable	69	5	64
Subtotal	\$ 81	\$ 8	\$ 73
Total	\$ 1,077	\$ 294	\$ 783

SOLICITATION ACTIONS

YTD OCTOBER SOLICITATION ACTIONS (175 TOTAL ACTIONS)



HISTORICAL SOLICITATIONS

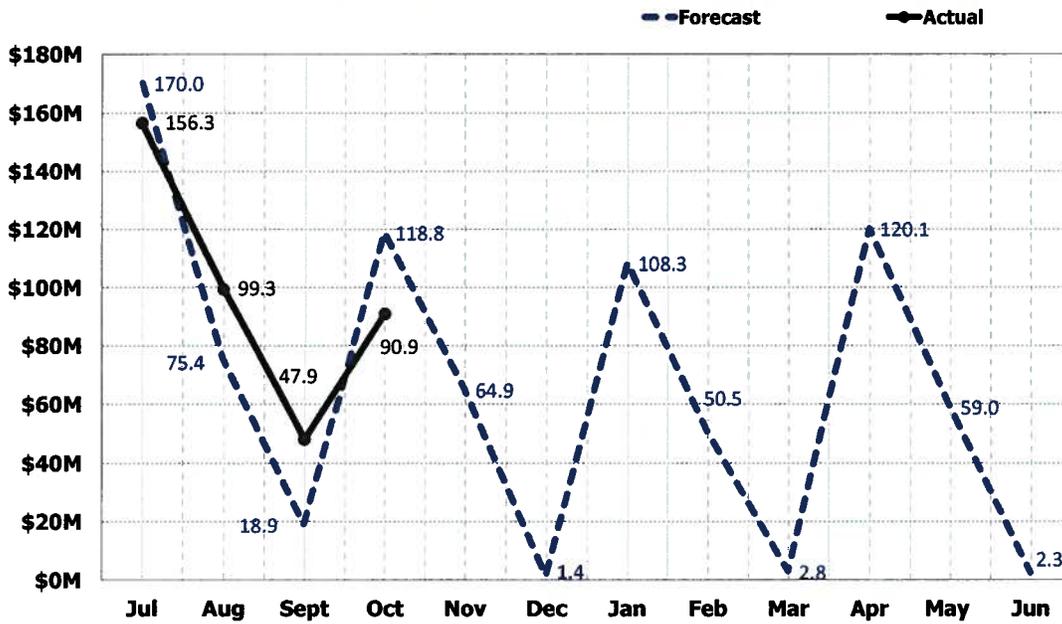




FUND BALANCE

October FY2014

OPERATING FUND BALANCE



CAPITAL FUND BALANCE

