

FY2014 JANUARY HIGHLIGHTS

Ridership and Revenue

Metrorail

January rail ridership was 15.2 million: 2.4 million below budget and 2.1 million below January 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.
- Winter weather affected ridership on a number of weekdays in January, with a total combined impact on ridership of approximately 1.2 million trips. The estimated loss of daily ridership is indicated below for each day:
 - Three OPM-designated weather days:
 - Jan 3: federal government open with unscheduled leave/telework plus New Year's holiday timing (240,000)
 - Jan 21: federal government closed (410,000)
 - Jan 22: two-hour delay for federal government with unscheduled leave/telework (140,000)
 - Other bad weather days:
 - Jan 2: snow and New Year's holiday timing (150,000)
 - Jan 7: extreme cold (150,000)
 - Jan 28 and 29: very cold (100,000 combined on two days)

Metrobus

January bus ridership was 10.5 million: 0.5 million below budget and 0.2 million below January last year.

- Bus ridership was down compared to its normal weekday average on the same bad weather days indicated above for rail. Total estimated loss of ridership was 0.8 million.
- Absent the weather, bus would have been above budget by approximately 0.3 million, in line with prior months.

MetroAccess

January MetroAccess ridership was 161,000: 3,000 below budget and 7,000 below January last year.

- After six months of above budget performance, MetroAccess ridership was below budget in January for the first time. However, this was due primarily to the suspension of service on January 21 due to the weather. If average daily ridership of 6,900 passengers had been carried on that day, monthly ridership would have been above budget and in line with previous months.

Operating Revenue

Total operating revenue in January was \$65.2 million: \$6.7 million below budget, or -9.4 percent.

- Passenger fares and parking fees were \$6.2 million below budget in January as a result of lower rail and parking revenues due to the weather and the delayed Silver Line opening. Non-transit sources were also \$0.6 million below budget during the month as a result of small negative variances in advertising and miscellaneous revenues.
- For the year to date, operating revenues are \$4.3 million below budget:
 - Passenger fares and parking fees are below budget by \$9.9 million, with approximately \$8.5 million of that amount attributable to the October government shutdown and the lack of Silver Line service in January.
 - Non-transit revenues are \$5.6 million above budget through January. In addition to positive performances in advertising, fiber optic, and joint development revenues, Metro received a one-time insurance payment in the second quarter that boosted non-transit revenues.

Operating Expenses

January Year-To-Date operating expenses are favorable to budget by \$14.7 million or 1.5 percent.

Salaries and Wages

- Salaries and Wages are favorable year-to-date by \$7.1 million or 1.6 percent, primarily due to Authority-wide vacancy levels. The vacancy rate at the end of January was 6.6 percent. The favorability was partially offset by higher personnel expenses associated with the new Collective Bargaining Agreements.
- January year-to-date overtime was \$0.6 million lower than the same period last year. Year-to-date overtime is \$11.2 million over budget primarily due to Car Maintenance (CMNT) 2K, 3K and 5K work, vacancy coverage, leave coverage, and special events.
- Fringe benefits are \$3.2 million over budget year-to-date. The overage is due to higher than expected D.C. workers' compensation assessment costs of \$1.6 million. Due to the unpredictability of the D.C. workers' compensation assessment billing, it is difficult to predict payments. Higher than anticipated pension costs due to the CBA of \$0.9 million and higher than projected salaried HMO costs of \$0.7 million also contributed to the unfavorability.

Materials and Supplies

- Materials and Supplies are \$9.2 million unfavorable year-to-date mainly due to \$8.6 million unfavorability associated with the maintenance on the 2K, 3K and 5K railcars and Bus overruns of \$4.6 million as a result of accidents and vandalism. The overruns are partially offset by favorability in Communications (CSCM), Financial Services (CFO), Safety (SAFE) and Access (ACCS).

Services

- Services expenses are \$14.9 million favorable year-to-date due to Transit Infrastructure and Engineering Services (TIES) which includes Plant (PLNT), System Maintenance (SMNT) and Car Maintenance (CMNT) contracts timing of \$3.4 million; timing of a Treasury contract settlement of \$3.4 million; Access Service (ACCS) contract closeout claims offset by increased ridership of \$2.3 million; and timing of contract services procurements for DGMO of \$1.5 million, timing of transportation and environmental services for Safety (SAFE) of \$1.3 million, Bus Services (BUS) of \$1.1 million and CSCM of \$0.7 million.

Fuel, Propulsion, and Utilities

- Fuel, Propulsion, and Utilities are favorable to budget by \$14.2 million year-to-date due to lower than projected power consumption, favorable diesel rates in Metro's hedges, the CNG tax credit, and a delay in the Silver Line service. Of the variance, approximately \$3.3 million is due to price favorability, \$8.4 million is due to lower volume, \$1.6 million due to other lubricants and \$0.9 million due to the CNG credit. The Silver Line service favorability of \$0.7 million is included in the rate and volume variance above.

Capital Program

Metro has invested \$375 million of the \$996 million FY2014 Capital Improvement Program (CIP) budget through January, this is \$3 million less than was invested in the same period last year. As a result of the new bus contract, which full payments are made on acceptance of buses instead of milestone/progress payments, investments are \$40 million less than the same period last year. All figures below are year to date.

Grant Closure

- Metro closed the remaining American Recovery and Reinvestment Act (ARRA) FTA Grant in January, bringing the total number of grants closed in FY2014 to 14.

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 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. Metrobus also purchased 35 acres of land at Andrews Federal Campus in District Heights, MD to build a replacement facility for Southern Ave. bus garage.

Access Vehicle Replacement

- A contract is in place for the acquisition of 120 paratransit vans. The first article inspection is complete and delivery is expected to begin in February 2014.

Escalator and Elevator Rehabilitation and Replacement

- Fourteen escalator rehabilitations are complete and seven are in progress. Three escalator replacements at Pentagon Station are complete and in service. Five of the seven additional escalator replacements planned for completion during FY2014 are in progress at Van Ness-UDC (2), Georgia Ave-Petworth, Mt Vernon Sq., and Bethesda.
- Nine elevator rehabilitations are complete and two are in progress.
- The escalator rehabilitation at Foggy Bottom is in progress and is expected to be returned to service in time for the Cherry Blossom festival in March.

Station Rehabilitation and Lighting Improvements

- Five of the 12 planned full station enhancement projects are complete and three are in progress. Six of the 12 planned mini station enhancements are complete and two 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 11 stations. The remaining 36 stations are expected to be completed by 2015.

Track Rehabilitation

- Metro welded 418 open weld joints, rehabilitated 3,756 linear feet of grout pads, tamped 20.55 miles of track, repaired 1,519 leaks, and replaced 5.91 miles of running rail, 3.01 miles of third rail, 8,055 cross ties, 16,152 fasteners, 3,877 insulators, 19 yard turnouts, and 767 safety signs.

Benefits to Customers

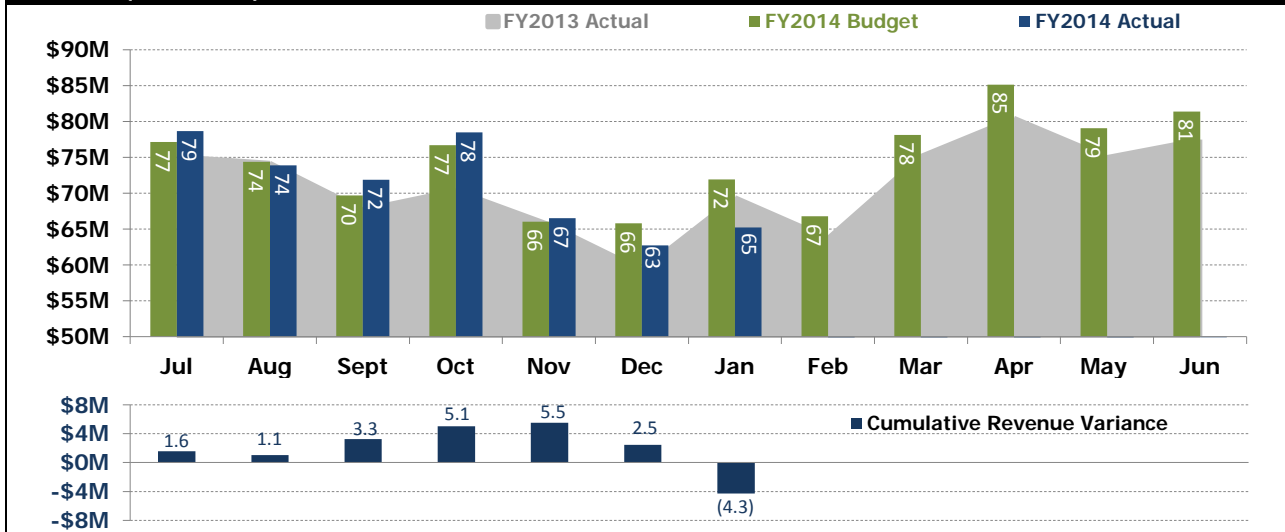
- Testing the new 7000-Series railcars on the rail system. The new railcars are equipped with state-of-the-art safety technology and numerous features designed with extensive customer input.
- Replacing Metro's existing fare collection system with a state-of-the-art system that enables customers to continue to use the SmarTrip cards while expanding fare payment to chip-enabled credit cards, identification cards, and mobile phones using near field communications.
- Replacing the carpet in the existing railcar fleet with new slip resistant resilient flooring. The new flooring also reflects some interior and exterior light, creating a brighter, more open feel inside the car.



REVENUE AND RIDERSHIP

January FY2014

REVENUE (in Millions)

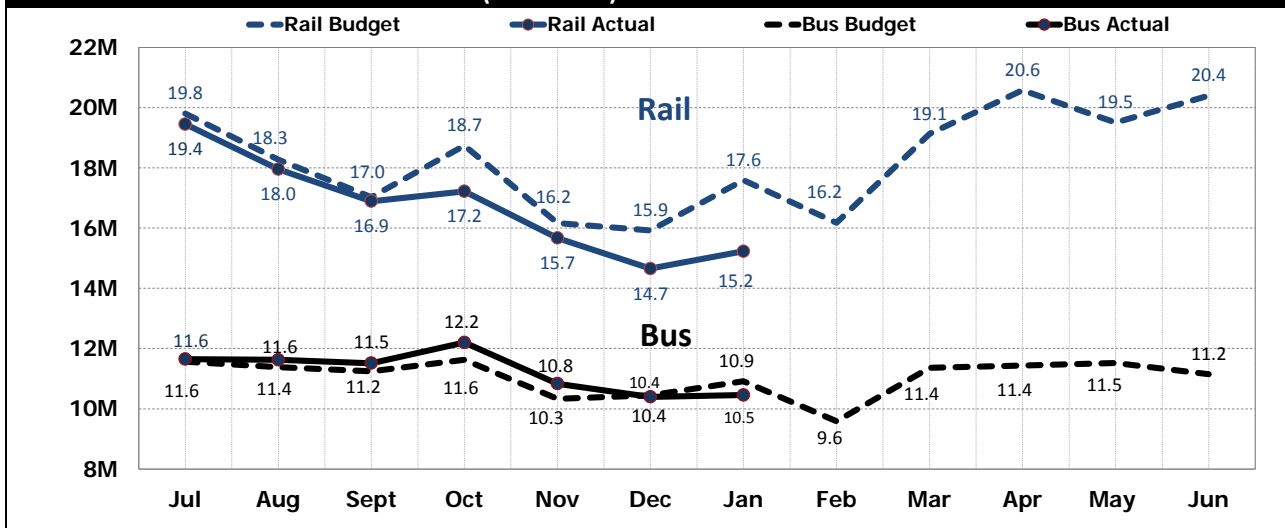


RIDERSHIP (trips in Thousands)

MTD	Q2-FY2013		Q2-FY2014		Variance FY14	
	Actual	Actual	Budget	Prior Year	Budget	
Metrorail	17,317	15,225	17,591	-12.1%	-13.5%	
Metrobus	10,653	10,455	10,914	-1.9%	-4.2%	
MetroAccess	168	161	165	-4.0%	-2.1%	
System Total	28,138	25,841	28,671	-8.2%	-9.9%	

YTD	FY2013		FY2014		Variance FY14	
	Actual	Actual	Budget	Prior Year	Budget	
Metrorail	119,229	117,061	123,514	-1.8%	-5.2%	
Metrobus	76,134	78,666	77,496	3.3%	1.5%	
MetroAccess	1,165	1,228	1,171	5.4%	4.9%	
System Total	196,528	196,954	202,180	0.2%	-2.6%	

MONTHLY RIDERSHIP FOR RAIL AND BUS (in Millions)

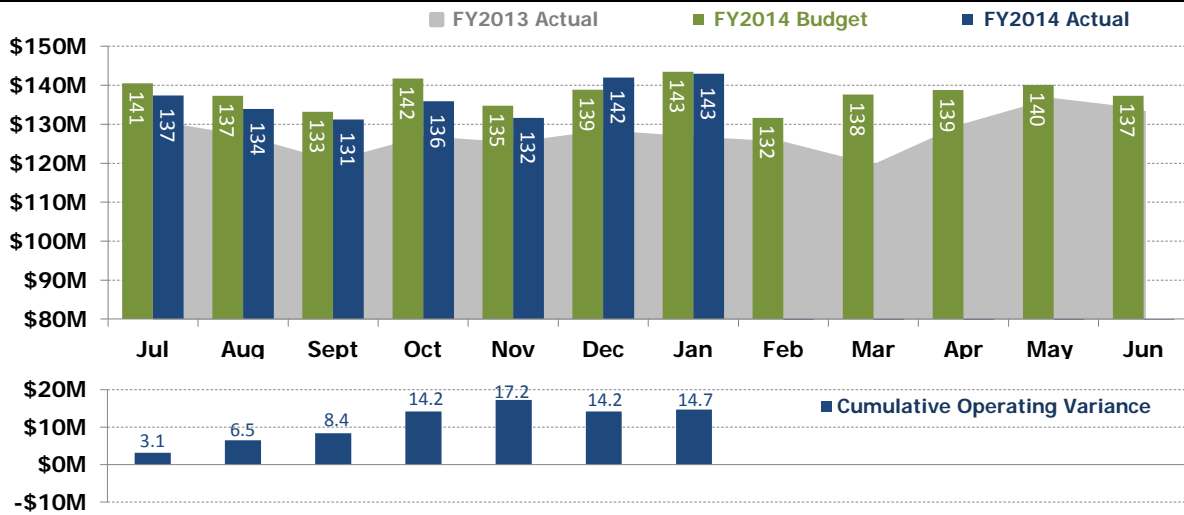




OPERATING BUDGET

January FY2014

OPERATING EXPENDITURES (\$ in Millions)

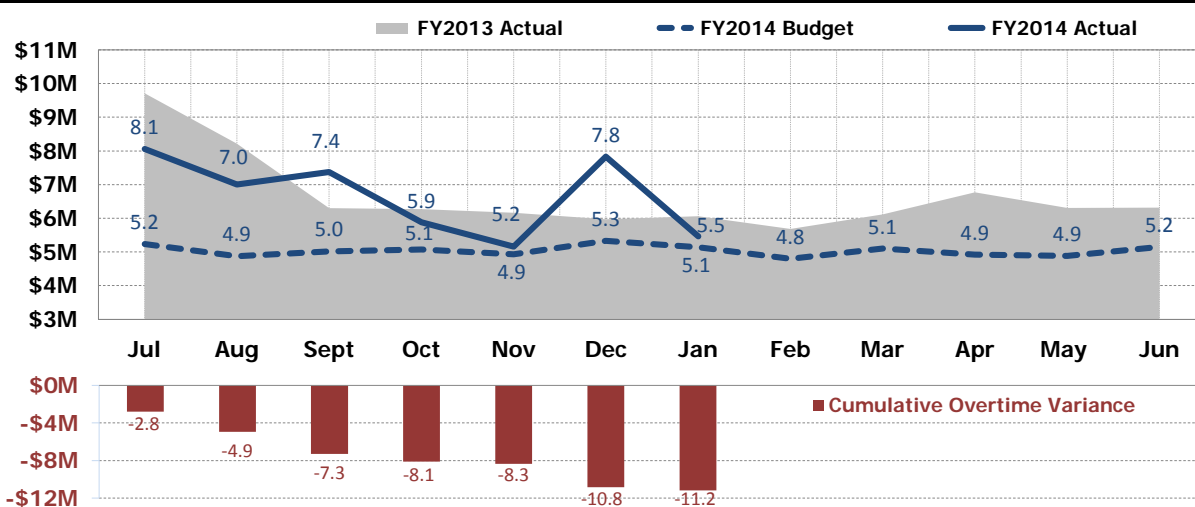


OPERATING BUDGET (\$ in Millions)

MTD	Jan-FY2013		Jan-FY2014		Variance FY14	
	Actual		Actual	Budget	\$	Percent
Revenue	\$ 69.4		\$ 65.2	\$ 71.9	\$ (6.7)	-9.4%
Expense	\$ 126.3		\$ 143.0	\$ 143.5	\$ 0.5	0.4%
Subsidy	\$ 56.9		\$ 77.8	\$ 71.6	\$ (6.2)	-8.7%
Cost Recovery	55.0%		45.6%	50.1%		

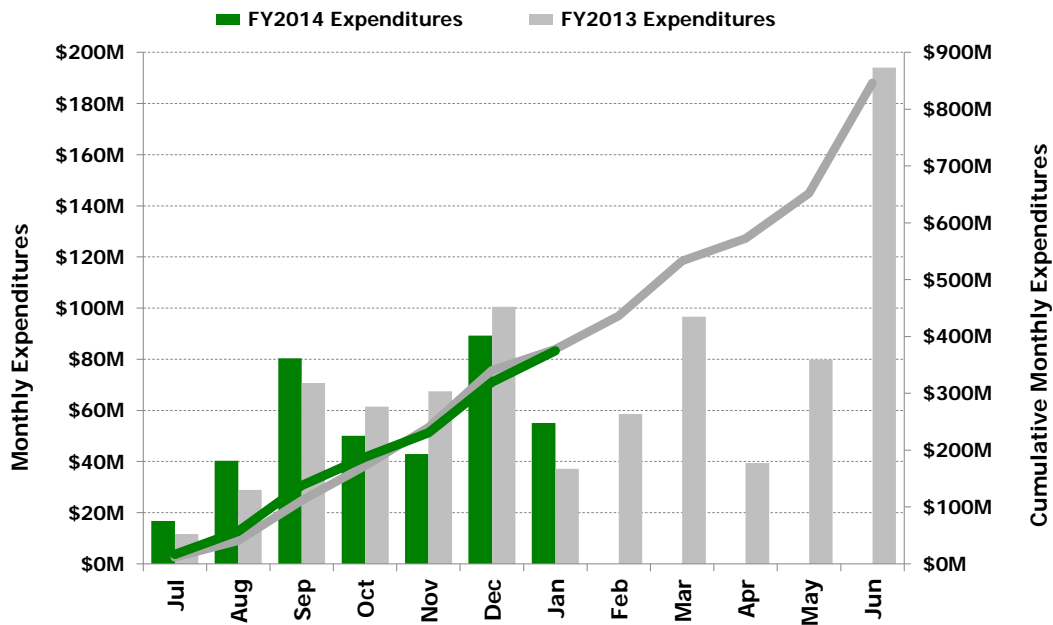
YTD	FY2013		FY2014		Variance FY14	
	Actual		Actual	Budget	\$	Percent
Revenue	\$ 481.8		\$ 497.3	\$ 501.5	\$ (4.3)	-0.9%
Expense	\$ 882.5		\$ 955.1	\$ 969.8	\$ 14.7	1.5%
Subsidy	\$ 400.7		\$ 457.8	\$ 468.2	\$ 10.4	2.2%
Cost Recovery	54.6%		52.1%	51.7%		

YTD OVERTIME BUDGET VS ACTUAL (\$ in Millions)





CIP EXPENDITURES (\$ in Millions)



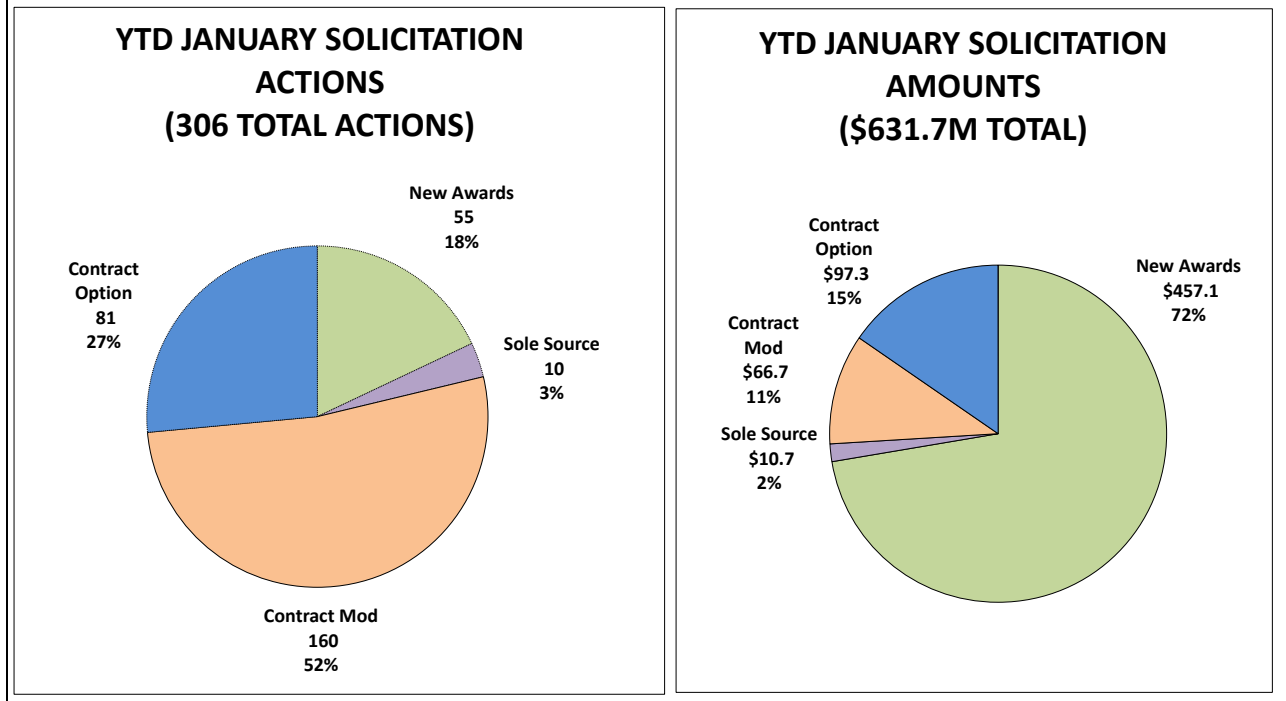
FY2014 USES OF FUNDS (\$ in Millions)

	Budget	Forecast	Expended	% Exp.
FY2014 CIP	\$ 996	\$ 919	\$ 375	38%
Safety & Security	10	10	0	1%
ARRA	3	3	3	84%
Reimbursable	69	79	30	43%
Total	\$ 1,078	\$ 1,011	\$ 407	38%

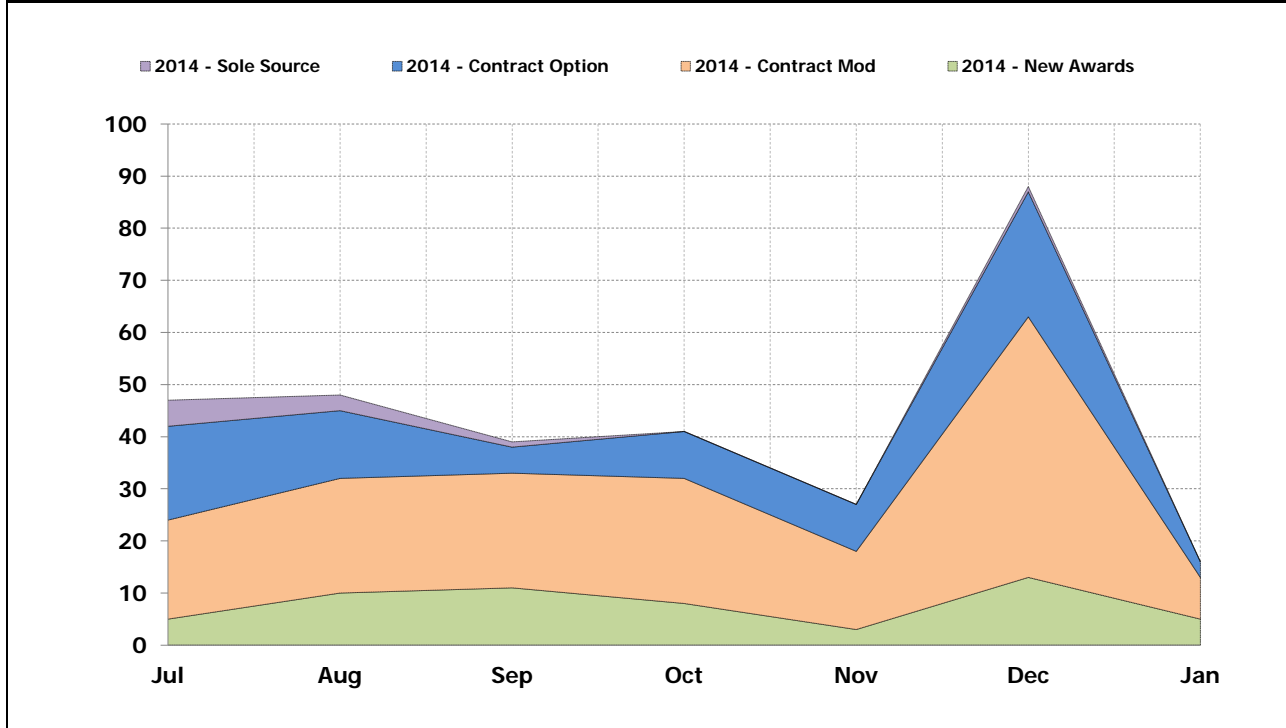
FY2014 PLANNED SOURCES OF FUNDS (\$ in Millions)

	CIP	Planned	Received
Federal Reimbursement		\$ 491	\$ 16
State and Local		401	302
Other Sources/Rollover		104	66
Subtotal		\$ 996	\$ 384
Safety & Security		\$ 10	\$ -
ARRA		3	3
Reimbursable		69	10
Subtotal		\$ 82	\$ 13
Total		\$ 1,078	\$ 397

SOLICITATION ACTIONS



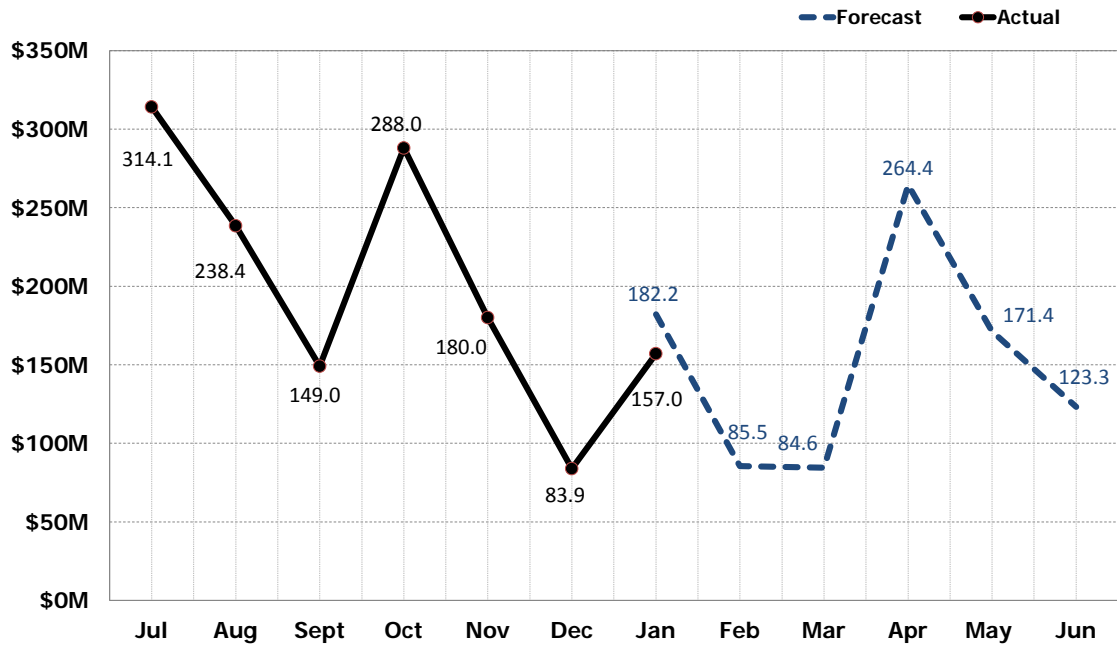
HISTORICAL SOLICITATIONS



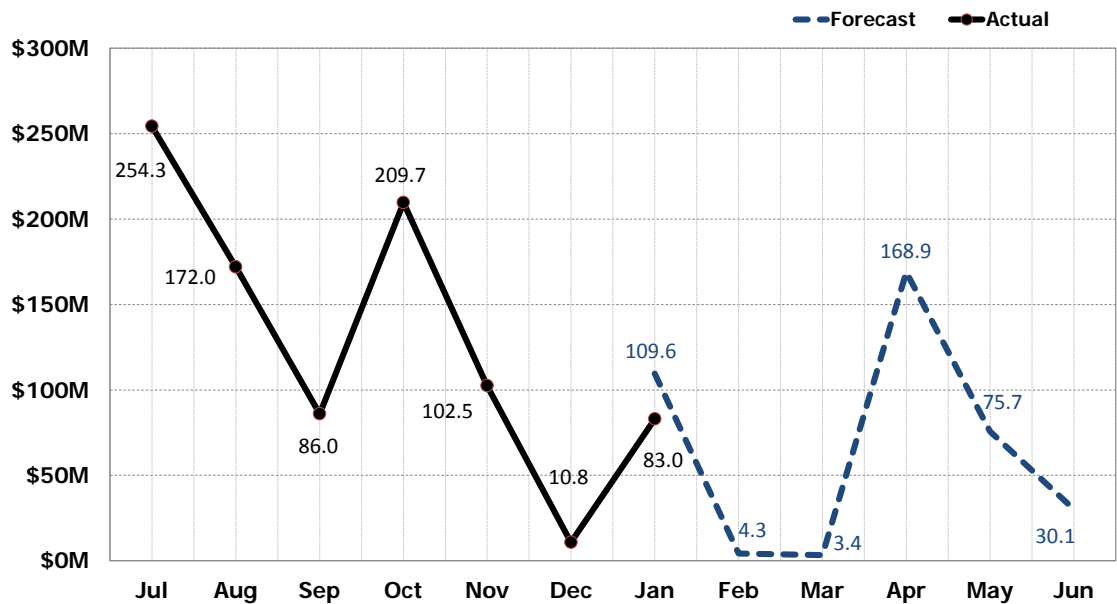
Note: 'Contract Mod' includes any written alteration in the specifications, delivery point, frequency of delivery, period of performance, price, quantity, or other provisions of the contract



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), with a forecasted draw of \$40 million in February and another \$40 million in March, with expected repayment in April.

