

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

Action
 Information

MEAD Number:

Resolution:
 Yes No

PURPOSE

To present the Board of Directors with an overview of budget assumptions regarding how revenue from the recent fare increase will be applied to FY08 and FY09 budgets.

DESCRIPTION

The fare increase implemented in January 2008 was designed to generate enough revenue during an 18 month period to balance the FY09 operating budget. Revenue collected during FY08 from this fare increase will be reserved for use in FY09.

NEXT STEPS

Continue to monitor and report on the fare increase revenue.



Finance, Administration and Oversight Committee

Information Item IV-A

March 13, 2008

Review FY08/09 Fare Increase Revenue



Review FY08/FY09 Fare Increase Revenue

Presented to the Board of Directors:

**Finance, Administration and Oversight
Committee**

March 13, 2008





Multi-Year Revenue Analysis

- The fare increase implemented in January 2008 is forecast over 18 months to generate revenues needed to balance the FY09 budget
- Of the \$109.3 million total new revenue there is an assumption that:
 - 1/3 of the revenue will be collected during FY08
 - 2/3 will be collected during FY09
- The FY08 portion will be carried forward to FY09
\$36.2 million



Fare Increase Revenue

Fare Increase Collected During		Metrorail	Metrobus	Total
FY08	Passenger Revenue	\$30.1	\$0.4	\$36.2
	Parking Revenue	\$5.7		
FY09	Passenger Revenue	\$60.9	\$0.7	\$73.1
	Parking Revenue	\$11.5		
18 Month Total New Revenue		<u>\$108.2</u>	<u>\$1.1</u>	<u>\$109.3</u>



Multi-Year Revenue Analysis

- During FY08, staff will prepare analysis to disaggregate bus and rail passenger revenue and ridership
- First \$36 million of passenger and parking revenue to FY09
- Remaining year-end budget surplus, if any, to Operating Reserve, per Board policy