

FY2014 FEBUARY HIGHLIGHTS

Ridership and Revenue

Metrorail

February rail ridership was 14.4 million: 1.8 million below budget and 1.3 million below February 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 February: the federal government was closed on February 13 and opened two hours late on February 14, and there were two other days (February 5 and 26) where OPM allowed unscheduled leave and telework for federal employees. Many local governments, school districts, and private sector employers were also closed on some or all of these days

Metrobus

February bus ridership was 9.9 million: 0.3 million above budget but 0.3 million below February last year.

- Bus ridership was down compared to its normal weekday average on the same weather days indicated above for rail, including a complete suspension of Metrobus service on February 13.

MetroAccess

February MetroAccess ridership was 157,000: 12,000 above budget and 6,000 below February last year.

- After being below budget in January following six months of above budget performance, MetroAccess ridership once again exceeded budget in February.

Operating Revenue

Total operating revenue in February was \$58.6 million: \$8.2 million below budget, or -12.3 percent.

- Passenger fares and parking fees were \$7.0 million below budget in February as a result of lower rail and parking revenues due to the weather and the delayed Silver Line opening. Non-transit sources were also \$1.2 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 \$12.5 million below budget:
 - Passenger fares and parking fees are below budget by \$16.9 million, primarily as a result of the October government shutdown, winter weather, and the delay of Silver Line service.
 - Non-transit revenues are \$4.4 million above budget through February. In addition to positive performances in fiber optic and joint development revenues, Metro received a one-time insurance payment in the second quarter that boosted non-transit revenues.

Operating Expenses

February year-to-date operating expenses are favorable to budget by \$20.0 million or 1.8 percent.

Salaries and Wages

- Salaries and Wages are favorable year-to-date by \$6.5 million or 1.3 percent, primarily due to Authority-wide vacancy levels. The vacancy rate at the end of February was 6.3 percent. The favorability was partially offset by higher personnel expenses associated with the new Collective Bargaining Agreements.
- February year-to-date overtime was \$0.8 million lower than the same period last year. Year-to-date overtime is \$13.2 million over budget primarily due to Car Maintenance (CMNT) 2K, 3K and 5K work, vacancy coverage, leave coverage, and special events.
- Fringe benefits are \$3.9 million over budget year-to-date. The overage is partially 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 allocation for fringe benefits related to overages in operating labor of \$2.3 million also contributed to the negative variance.

Materials and Supplies

- Materials and Supplies are \$7.7 million unfavorable year-to-date mainly due to \$7.4 million negative variance associated with the maintenance on the 2K, 3K and 5K railcars, and Bus overruns of \$5.1 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 \$20.6 million favorable year-to-date due to in part to lower than anticipated expenses related to a contract closeout in the Safety Department (SAFE), which is favorable by \$5.5 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 \$3.3 million, which includes Plant (PLNT), System Maintenance (SMNT) and Car Maintenance (CMNT); Access Services (ACCS) contract closeout claims, offset by increased ridership of \$2.8 million; timing of contract services procurements for DGMO of \$1.7 million, timing in Bus Services (BUS) of \$0.9 million; and in CSCM of \$0.8 million.

Fuel, Propulsion, and Utilities

- Fuel, Propulsion, and Utilities are favorable to budget by \$15.1 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 \$4.1 million is due to price favorability, \$9.2 million is due to lower volume, \$0.9 million due to other lubricants and \$0.9 million due to the CNG credit. The Silver Line service favorability of \$1.4 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 in February and reversed for January.

Capital Program

Metro has invested \$427 million of the \$996 million FY2014 Capital Improvement Program (CIP) budget through February, which is \$9 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 February, Metro has closed 15 FTA Grants.

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 February, the first pilot bus has been received for inspection and testing. 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 April 2014.

Escalator and Elevator Rehabilitation and Replacement

- Fifteen escalator rehabilitations are complete and six are in progress. Three escalator replacements at Pentagon Station are complete and in service. Six 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., Bethesda, and Friendship Heights.
- Nine elevator rehabilitations are complete and three are in progress.

Station Rehabilitation and Lighting Improvements

- Five of the 12 planned full station enhancement projects are complete and four are in progress. Seven 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 14 stations. The remaining 33 stations are expected to be completed by 2015.

Track Rehabilitation

- Metro welded 490 open weld joints, rehabilitated 4,012 linear feet of grout pads, tamped 20.89 miles of track, repaired 1,855 leaks, and replaced 6.52 miles of running rail, 3.01 miles of third rail, 8,070 cross ties, 20,039 fasteners, 4,405 insulators, 22 yard turnouts, 4 mainline turnouts, and 767 safety signs.

Benefits to Customers

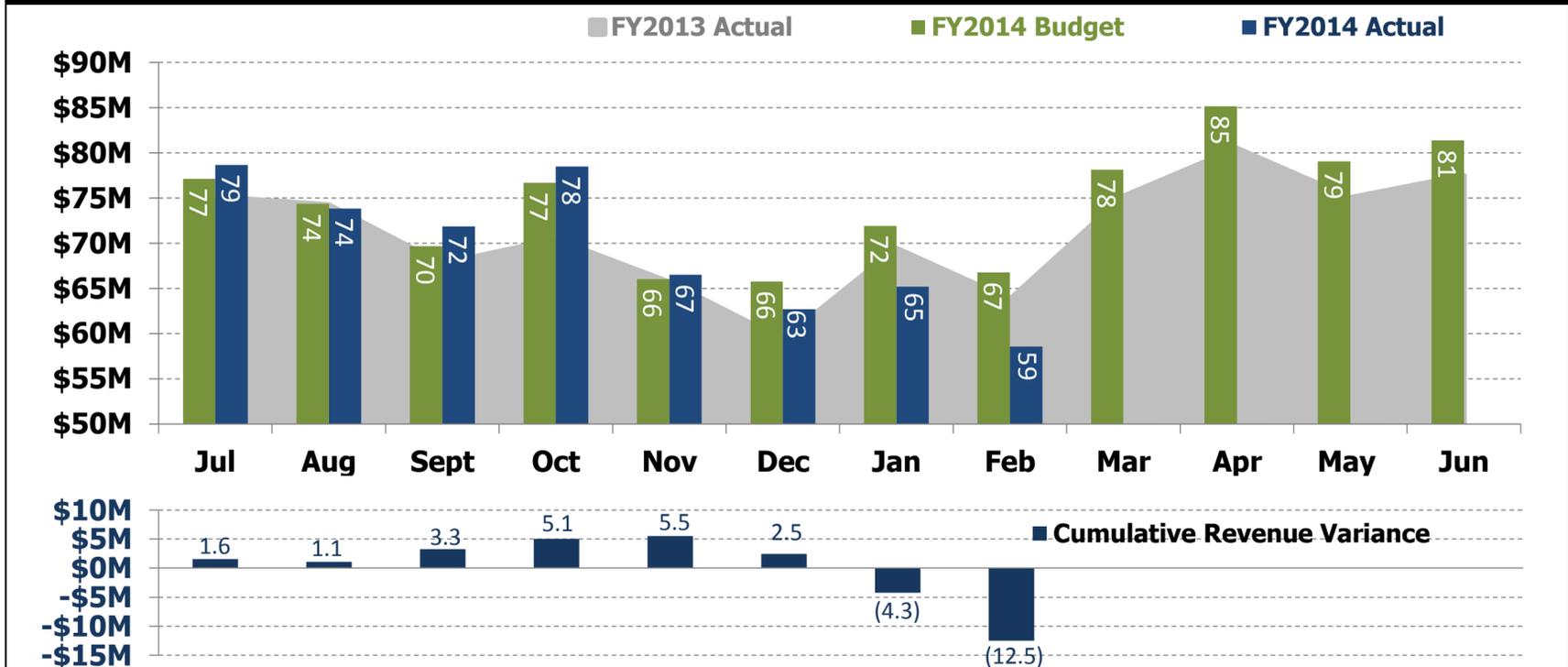
- Testing the new 7000-Series railcars on the rail system. The new railcars are equipped with state-of-the-art safety technology and numerous features designed with extensive customer input.
- Replacing Metro's existing fare collection system with a state-of-the-art system that enables customers to continue to use their 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 resilient, slip resistant flooring. The new flooring also reflects some interior and exterior light, creating a brighter, more open feel inside the car.



REVENUE AND RIDERSHIP

February FY2014

REVENUE (in Millions)

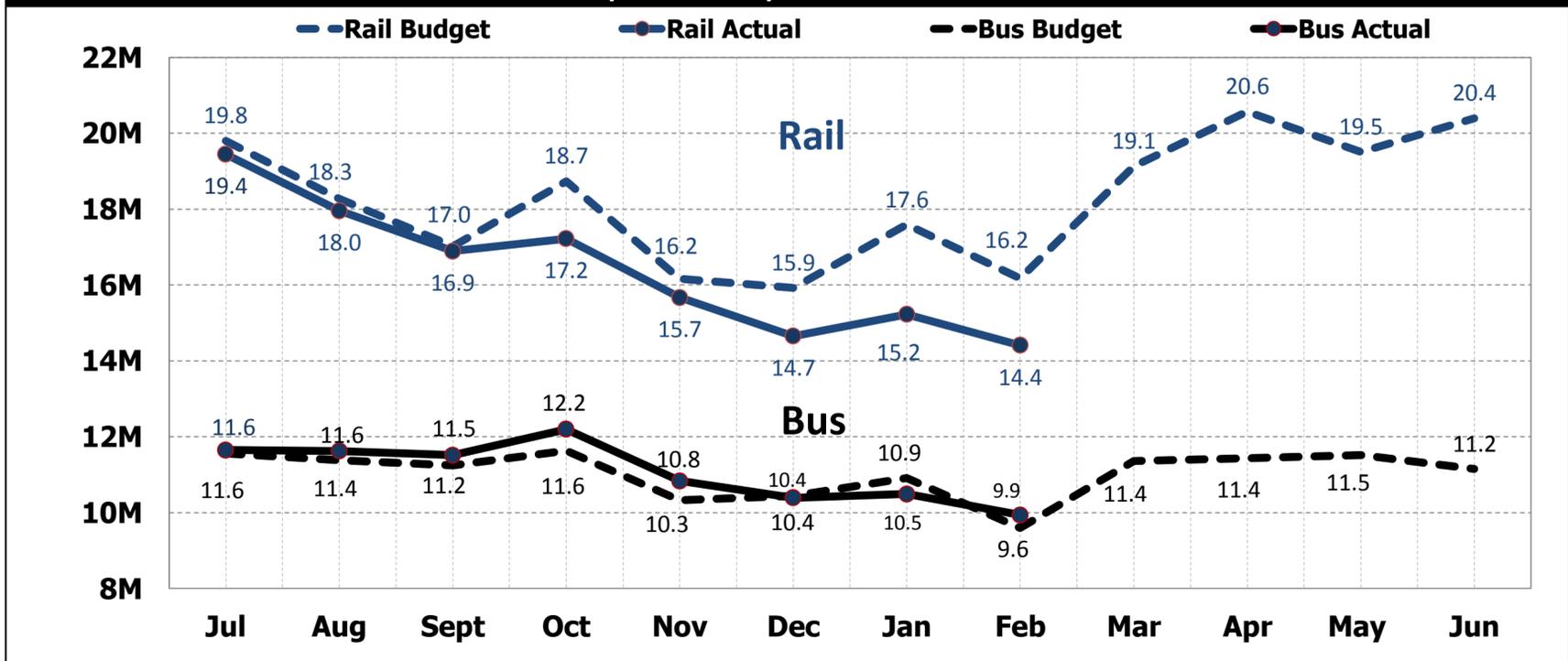


RIDERSHIP (trips in Thousands)

MTD	Q2-FY2013	Q2-FY2014		Variance FY14	
	Actual	Actual	Budget	Prior Year	Budget
Metrorail	15,704	14,413	16,176	-8.2%	-10.9%
Metrobus	10,219	9,939	9,590	-2.7%	3.6%
MetroAccess	163	157	145	-3.9%	8.2%
System Total	26,086	24,509	25,912	-6.0%	-5.4%

YTD	FY2013	FY2014		Variance FY14	
	Actual	Actual	Budget	Prior Year	Budget
Metrorail	134,933	131,474	139,690	-2.6%	-5.9%
Metrobus	86,354	88,639	87,085	2.6%	1.8%
MetroAccess	1,328	1,385	1,316	4.3%	5.2%
System Total	222,614	221,498	228,091	-0.5%	-2.9%

MONTHLY RIDERSHIP FOR RAIL AND BUS (in Millions)

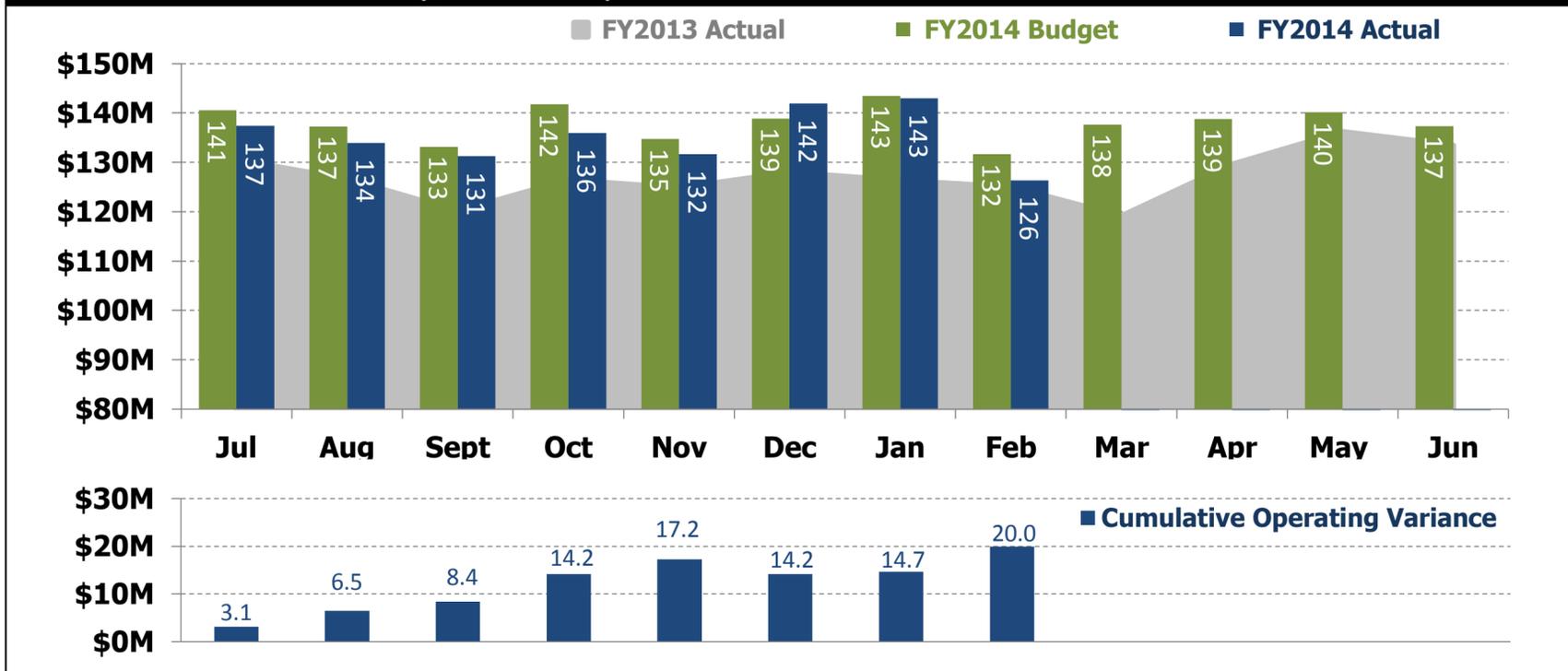




OPERATING BUDGET

February FY2014

OPERATING EXPENDITURES (\$ in Millions)

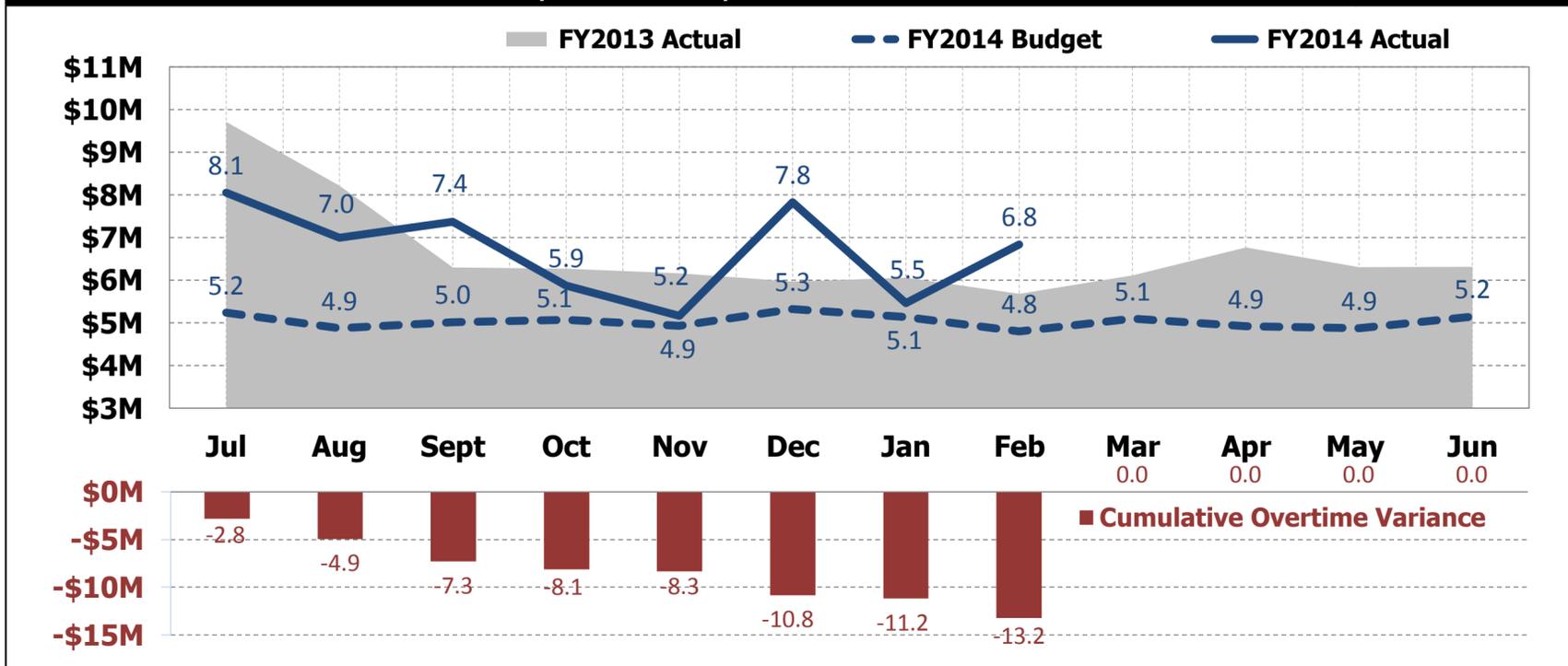


OPERATING BUDGET (\$ in Millions)

MTD	Feb-FY2013		Feb-FY2014		Variance FY14	
	Actual		Actual	Budget	\$	Percent
Revenue	\$ 63.7		\$ 58.6	\$ 66.8	\$ (8.2)	-12.3%
Expense	\$ 125.0		\$ 126.4	\$ 131.6	\$ 5.3	4.0%
Subsidy	\$ 61.2		\$ 67.8	\$ 64.9	\$ (2.9)	-4.5%
Cost Recovery	51.0%		46.4%	50.7%		

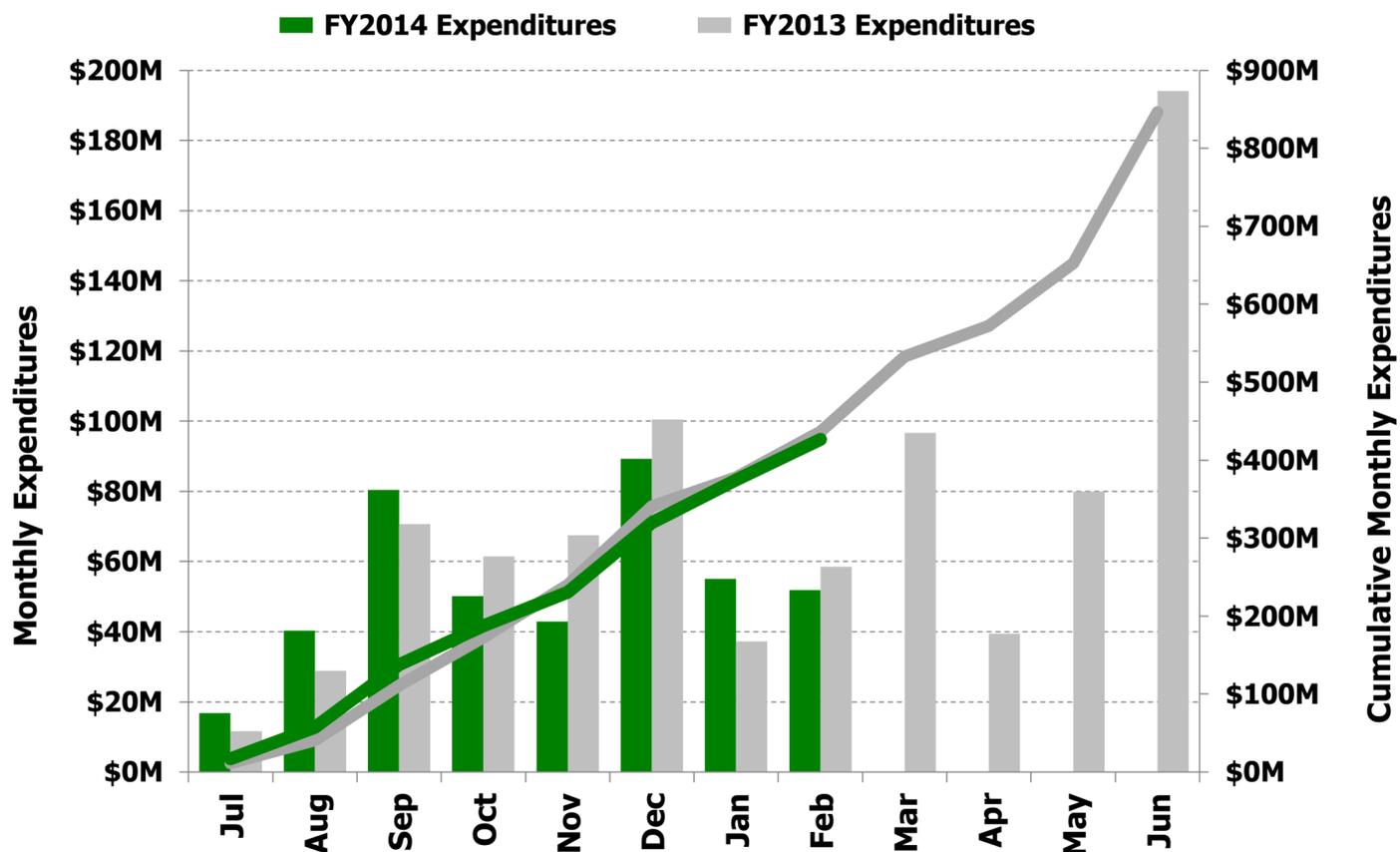
YTD	FY2013		FY2014		Variance FY14	
	Actual		Actual	Budget	\$	Percent
Revenue	\$ 545.5		\$ 555.9	\$ 568.3	\$ (12.5)	-2.2%
Expense	\$ 1,007.4		\$ 1,081.4	\$ 1,101.4	\$ 20.0	1.8%
Subsidy	\$ 461.9		\$ 525.6	\$ 533.1	\$ 7.5	1.4%
Cost Recovery	54.1%		51.4%	51.6%		

YTD OVERTIME BUDGET VS ACTUAL (\$ in Millions)





CIP EXPENDITURES (\$ in Millions)



FY2014 USES OF FUNDS (\$ in Millions)

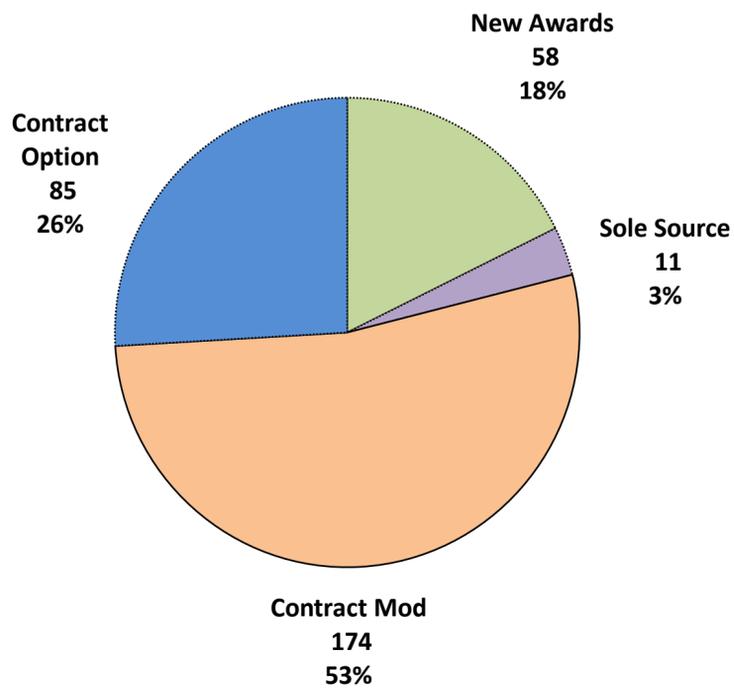
	Budget	Forecast	Expended	% Exp.
FY2014 CIP	\$ 996	\$ 919	\$ 427	43%
Safety & Security	10	10	0	1%
ARRA	3	3	0	11%
Reimbursable	69	79	30	43%
Total	\$ 1,078	\$ 1,011	\$ 457	42%

FY2014 PLANNED SOURCES OF FUNDS (\$ in Millions)

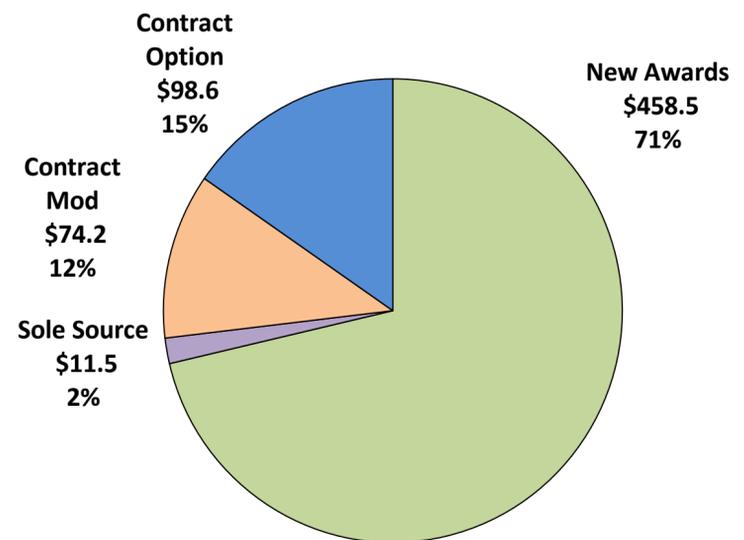
CIP	Planned	Received
Federal Reimbursement	\$ 491	\$ 23
State and Local	401	302
Other Sources/Rollover	104	66
Subtotal	\$ 996	\$ 391
Safety & Security	\$ 10	\$ 2
ARRA	3	3
Reimbursable	69	10
Subtotal	\$ 82	\$ 15
Total	\$ 1,078	\$ 407

SOLICITATION ACTIONS

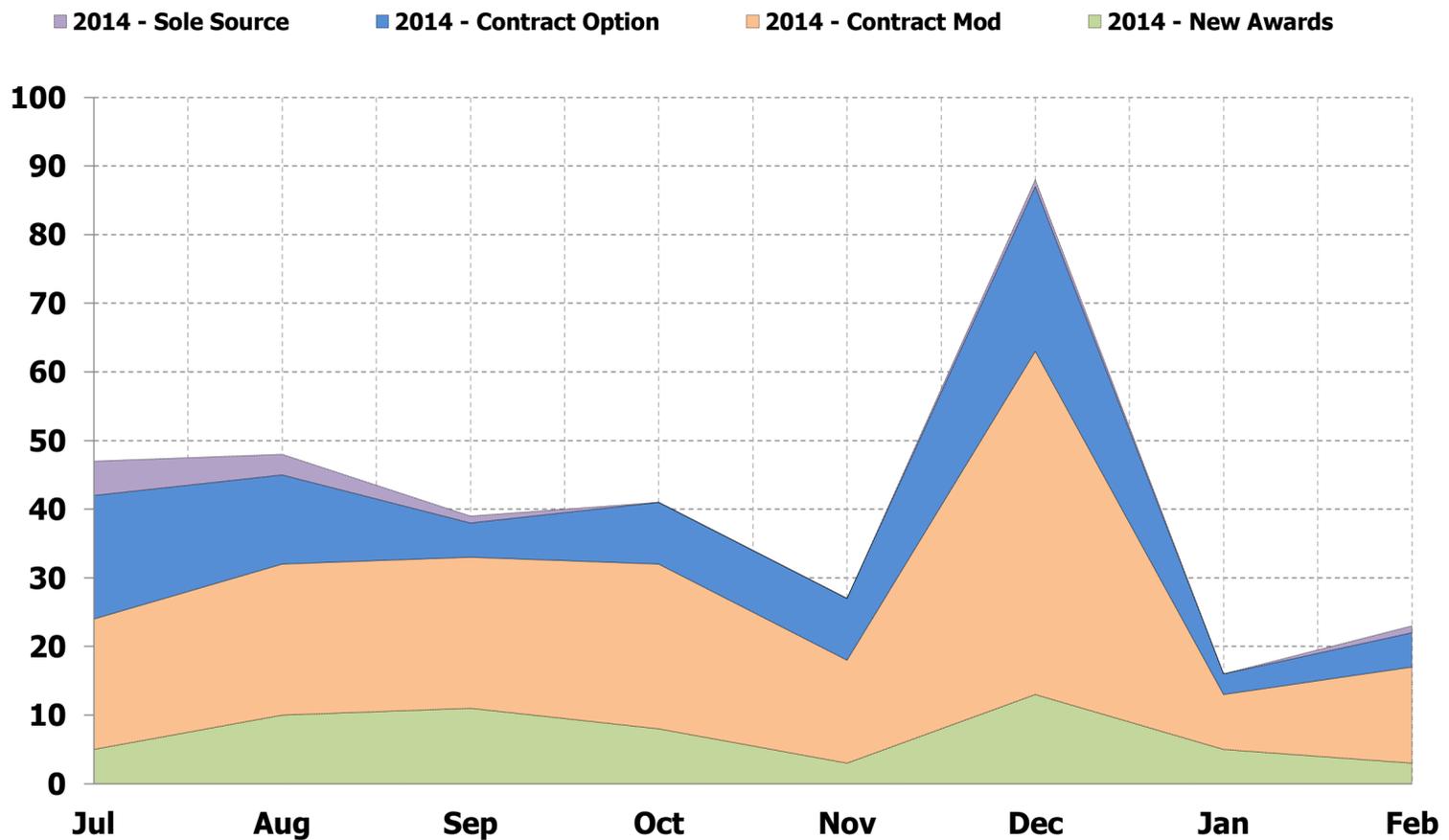
**YTD FEBRUARY SOLICITATION ACTIONS
(328 TOTAL ACTIONS)**



**YTD FEBRUARY SOLICITATION AMOUNTS
(\$642.8M TOTAL)**



HISTORICAL SOLICITATIONS



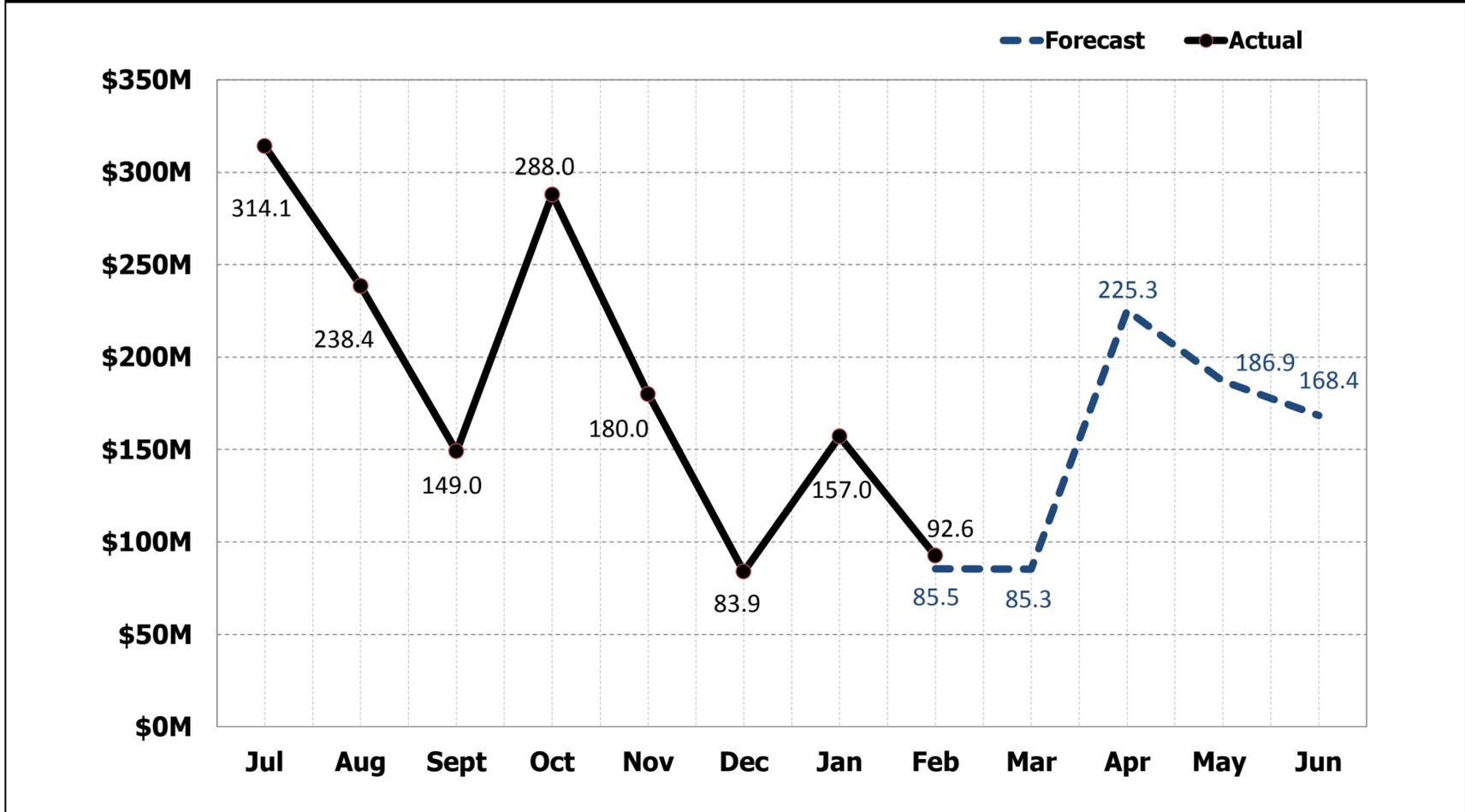
Note: 'Contract Mod' includes any written alteration in the specifications, delivery point, frequency of delivery, period of performance, price, quantity, or other provisions of the contract



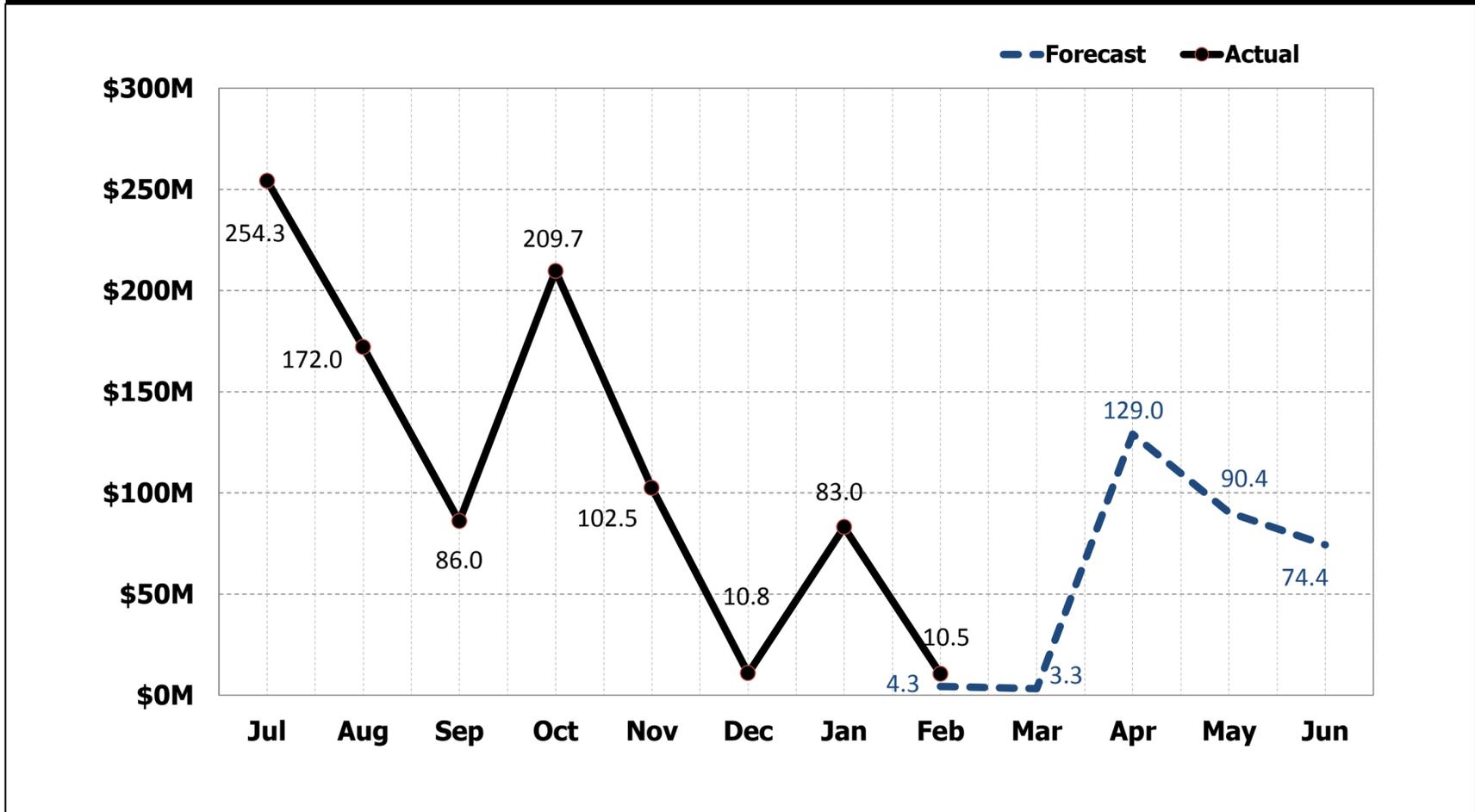
FUND BALANCES

February 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 another anticipated \$40 million in March, both with expected repayment in April.



OPERATING FINANCIALS

February FY2014

		MONTHLY RESULTS			YEAR-TO-DATE RESULTS				
Prior Year Actual		Current Year		Variance	Prior Year Actual	Current Year		Variance	
		Actual	Budget			Budget	Variance		
FISCAL YEAR 2014									
Dollars in Millions									
Passenger Revenue									
\$45.5	\$41.6	\$47.5	(\$5.9)	-12%	\$389.8	\$383.8	\$404.1	(\$20.3)	-5%
9.7	10.2	10.3	(0.0)	0%	87.8	93.1	91.0	2.1	2%
0.7	0.5	0.6	(0.1)	-13%	5.2	5.0	5.1	(0.1)	-2%
3.6	3.4	3.9	(0.5)	-13%	29.6	30.1	31.3	(1.2)	-4%
0.7	0.1	0.6	(0.5)	-80%	4.8	7.7	5.1	2.6	52%
\$60.1	\$55.9	\$62.9	(7.0)	-11%	\$517.1	\$519.7	\$536.6	(16.9)	-3%
Non-Passenger Revenue									
1.5	0.9	1.6	(\$0.7)	-46%	10.8	12.6	12.7	(\$0.1)	-1%
0.4	0.4	0.5	(0.1)	-16%	3.5	4.6	4.5	0.2	4%
1.5	1.3	1.2	0.1	6%	10.4	10.3	9.7	0.7	7%
0.3	0.2	0.6	(0.4)	-73%	3.7	8.7	4.7	4.0	86%
0.0	(0.0)	0.0	(0.0)	-102%	0.1	(0.2)	0.2	(0.4)	-169%
0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	
0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	
\$3.6	\$2.7	\$3.9	(1.2)	-30%	\$28.4	\$36.2	\$31.7	4.4	14%
\$63.7	\$58.6	\$66.8	(\$8.2)	-12.3%	\$545.5	\$555.9	\$568.3	(\$12.5)	-2.2%
TOTAL REVENUE									
\$53.4	\$57.1	\$56.5	(\$0.6)	-1%	\$448.2	\$486.9	\$493.4	\$6.5	1.3%
\$5.7	\$6.8	\$4.8	(2.0)	-43%	\$54.4	\$53.6	\$40.4	(13.2)	-33%
29.4	32.0	31.3	(0.7)	-2%	228.0	258.2	254.3	(3.9)	-2%
16.8	10.8	16.5	5.7	35%	123.0	116.0	136.6	20.6	15%
7.6	4.3	5.9	1.6	27%	50.7	57.3	49.6	(7.7)	-15%
6.9	9.2	9.3	0.1	1%	54.2	62.9	74.7	11.7	16%
3.0	3.3	4.1	0.8	19%	22.8	24.4	27.8	3.4	12%
2.1	2.8	3.2	0.4	13%	26.2	22.1	24.6	2.6	10%
\$125.0	\$126.4	\$131.6	\$5.3	4.0%	\$1007.4	\$1081.4	\$1101.4	\$20.0	1.8%
\$61.2	\$67.8	\$64.9	(\$2.9)	-4.5%	\$461.9	\$525.6	\$533.1	\$7.5	1.4%
TOTAL EXPENSE									
SUBSIDY									