### OPERATING BUDGET ($ in Millions)

<table>
<thead>
<tr>
<th>MTD</th>
<th>Dec-FY2012</th>
<th>Dec-FY2013</th>
<th>Variance FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Actual</td>
<td>Budget</td>
</tr>
<tr>
<td>Revenue</td>
<td>$61.0</td>
<td>$59.3</td>
<td>$63.5</td>
</tr>
<tr>
<td>Expense</td>
<td>$118.7</td>
<td>$127.9</td>
<td>$129.4</td>
</tr>
<tr>
<td>Subsidy</td>
<td>$57.7</td>
<td>$68.6</td>
<td>$65.9</td>
</tr>
<tr>
<td>Cost Recovery</td>
<td>51.4%</td>
<td>46.4%</td>
<td>49.1%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>YTD</th>
<th>FY2012</th>
<th>FY2013</th>
<th>Variance FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Actual</td>
<td>Budget</td>
</tr>
<tr>
<td>Revenue</td>
<td>$397.1</td>
<td>$412.4</td>
<td>$432.6</td>
</tr>
<tr>
<td>Expense</td>
<td>$710.8</td>
<td>$756.2</td>
<td>$781.4</td>
</tr>
<tr>
<td>Subsidy</td>
<td>$313.7</td>
<td>$343.8</td>
<td>$348.8</td>
</tr>
<tr>
<td>Cost Recovery</td>
<td>55.9%</td>
<td>54.5%</td>
<td>55.4%</td>
</tr>
</tbody>
</table>

### OPERATING EXPENDITURES ($ in Millions)

![Graph showing cumulative operating variance]

### OPERATING PROGRAM HIGHLIGHTS

As of December YTD, Metro is favorable to budget by $5.0M, or 1.4%.

**Year-to-date expenditures:** $25.2M or 3.2% favorable to budget.

- **Salary & wages** below budget by $16.0M due to vacancies. BUS and Accounting completed entries in December to capitalize BUS labor.
- **Overtime** is $(12.7M) over budget due to CMNT 2K, 3K and 5K maintenance, HVAC overhauls, mile inspection and friction brake maintenance, vacancy coverage, leave coverage, special events.
- **Fringe benefits** is $4.5M under budget due to lower than projected pension costs ($3.3M), mostly due to the timing of the increased contributions to the Transit Employees Retirement Plan, and a surplus in FICA Expense ($1.2M).
- **Materials and Supply expenses** are $(5.8M) unfavorable, mostly due to overruns in Bus material usage $(3.6M unfavorable) and higher than expected expenses in CMNT 2K, 3K and 5K maintenance. BUS and Accounting completed entries in December to capitalize BUS parts.
- **Service expenses** were $17.4M favorable due to savings in paratransit expenses, late PINT, SMNT, CMNT and ELES contract awards, timing of various JOC contracts and Labor Relations expenses for arbitration negotiations and timing of financial, IT and BUS services.
- **Propulsion/Diesel and Utilities** were favorable to budget by $7.9M due to lower than projected power consumption and favorable diesel rates in Metro hedges.
**REVENUE AND RIDERSHIP REPORT**

**RIDERSHIP (trips in Thousands)**

<table>
<thead>
<tr>
<th>MTD</th>
<th>Dec-FY2012</th>
<th>Dec-FY2013</th>
<th>Variance FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Actual</td>
<td>Budget</td>
</tr>
<tr>
<td>Metrorail</td>
<td>16,427</td>
<td>14,619</td>
<td>15,674</td>
</tr>
<tr>
<td>Metrobus</td>
<td>10,426</td>
<td>9,254</td>
<td>9,752</td>
</tr>
<tr>
<td>MetroAccess</td>
<td>169</td>
<td>159</td>
<td>176</td>
</tr>
<tr>
<td>System Total</td>
<td>27,023</td>
<td>24,032</td>
<td>25,602</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FYTD</th>
<th>FY2012</th>
<th>FY2013</th>
<th>Variance FY13</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>Actual</td>
<td>Budget</td>
</tr>
<tr>
<td>Metrorail</td>
<td>107,968</td>
<td>101,912</td>
<td>108,315</td>
</tr>
<tr>
<td>Metrobus</td>
<td>65,827</td>
<td>63,838</td>
<td>65,212</td>
</tr>
<tr>
<td>MetroAccess</td>
<td>1,030</td>
<td>997</td>
<td>1,114</td>
</tr>
<tr>
<td>System Total</td>
<td>174,824</td>
<td>166,747</td>
<td>174,641</td>
</tr>
</tbody>
</table>

**REVENUE (in Millions)**

<table>
<thead>
<tr>
<th>FY2012 Actual</th>
<th>FY2013 Budget</th>
<th>FY2013 Actual</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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</table>

**MONTHLY RIDERSHIP FOR RAIL AND BUS (in Millions)**

**REVENUE AND RIDERSHIP HIGHLIGHTS**

**Year-to-date Revenue**

Total operating revenue is ($20.3M) below budget, or -4.7%. Passenger revenues plus parking is ($19.0M) below budget, while non-transit revenue is ($1.2M) below budget.

- **Rail passenger fare revenue** is ($15.2M) below budget YTD as a result of lower rail ridership; average fare YTD is $2.88, which reflects the impact of the July fare increase and is just slightly above the budgeted average fare for FY13 of $2.87. The impact of Hurricane Sandy in October and the unanticipated federal Christmas Eve holiday is approximately $5 million in lost rail revenue.

- **Bus passenger revenue** is ($2.3M) below budget YTD due to a combination of factors: slightly 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. The impact of Sandy and Christmas Eve is estimated at $1 million in lost bus revenue.

- **MetroAccess revenue** is at budget YTD; although ridership is below budget, actual average fare is higher at $3.91 versus $3.50 budget.

- **Parking revenue** is below budget YTD by ($1.5M) or -6.4%, slightly greater than the overall reduction in rail ridership.

- **Other revenue** is ($1.2M) below budget, with positive variances in advertising revenue outweighed by negative variances in joint development and other revenues.

**Year-to-date Ridership**

- **Rail ridership** YTD is (6.4M) below budget, or -5.9%; rail ridership YTD is also down (5.1M) compared to the same period in FY12. The portion of the ridership loss attributable to Hurricane Sandy and the Christmas Eve holiday is approximately 1.8M trips.

- **Bus ridership** is (2.1M) below budget YTD, or -2.1%; bus ridership YTD is also down (2.0M) compared to the same period in FY12. However, if not for Hurricane Sandy and Christmas Eve, bus ridership would be within 0.6 percent of budget.

- **MetroAccess ridership** is -10.5% below budget YTD; Access ridership YTD is also down -3.2% compared to the same period in FY12.
As of December 31, 2012:

The Capital Improvement Program (CIP) has expended $341 million in FY2013. This is $34 million more than the same period in FY2012. Accomplishments include:

- 37 of the planned 96 forty-foot hybrid/electric buses have been received and placed in service.
- A contract has been awarded for the planned purchase of 138 paratransit vans.
- 20 of the 54 planned FY2013 escalator rehabilitations/modernizations are complete.
- Four of the 25 planned FY2013 elevator rehabilitations/modernizations are complete.
- Five of the 12 planned full station enhancement projects are complete; Six of the planned 12 mini station enhancements are complete and one full enhancement and five mini-station enhancement projects are underway.
- Track rehabilitation work completed includes the following: welded 326 open weld joints, retrofitted 465 linear feet of floating slabs, rehabilitated 6,102 linear feet of grout pads, tamped 15.08 miles of track, repaired 866 leaks, and replaced 5.61 miles of running rail, 7,522 cross ties, 14,403 fasteners, 3,594 insulators, 422 safety signs, six yard turnouts, and 2,522 direct fixation fasteners.
PROCUREMENT

DECEMBER SOLICITATION ACTIONS
(46 TOTAL ACTIONS)

- Actual
- Forecast

Contract Option 4%
Contract Mod 39%
New Awards 57%
Sole Source 0%

Procurement Highlights:

A $1,692,054 capital funded contract was awarded to IBM for PLM Software.
A $1,801,302 capital funded task order was issued with Notice to Proceed, to Gannett Fleming-Parron for Tactical Asset Management.
### FISCAL YEAR 2013

**Passenger Revenue**
- **Metrorail**
  - Actual: $42.8
  - Budget: $41.8
  - Variance: $0.1
- **Metrobus**
  - Actual: $10.2
  - Budget: 9.8
  - Variance: 0.4
- **MetroAccess**
  - Actual: 0.6
  - Budget: 0.6
  - Variance: 0.0
- **Parking**
  - Actual: 3.9
  - Budget: 3.2
  - Variance: 0.7

**Non-Passenger Revenue**
- **D.C. Schools**
  - Actual: 0.0
  - Budget: 3.3
  - Variance: 3.3
- **Advertising**
  - Actual: 0.0
  - Budget: 5.6
  - Variance: 5.6
- **Joint Dev/Property Rent**
  - Actual: 0.0
  - Budget: 3.2
  - Variance: 3.2
- **Other**
  - Actual: 0.0
  - Budget: 4.6
  - Variance: 4.6

**Salary/Wages**
- **Actual**: $318.8
- **Budget**: $335.2
- **Variance**: $16.4

**Overtime**
- **Actual**: 43.0
- **Budget**: 42.6
- **Variance**: 0.4

**Fringe Benefits**
- **Actual**: 154.7
- **Budget**: 170.3
- **Variance**: 15.6

**Services**
- **Actual**: 86.2
- **Budget**: 90.7
- **Variance**: 4.5

**Supplies**
- **Actual**: 29.7
- **Budget**: 36.5
- **Variance**: 6.8

**Power/Diesel/CNG**
- **Actual**: 45.3
- **Budget**: 43.7
- **Variance**: 1.6

**Utilities**
- **Actual**: 15.8
- **Budget**: 17.1
- **Variance**: 1.3

**Insurance/Other**
- **Actual**: 17.3
- **Budget**: 20.1
- **Variance**: 2.8

**TOTAL EXPENSE**
- **Actual**: $710.8
- **Budget**: $756.2
- **Variance**: $45.4

**TOTAL REVENUE**
- **Actual**: $397.1
- **Budget**: $412.4
- **Variance**: $15.3

**SUBSIDY**
- **Actual**: $313.7
- **Budget**: $343.8
- **Variance**: $30.1

**Favorable/(Unfavorable) Favorable/(Unfavorable)**