

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY - METRO

MISSION STATEMENT

To provide financial contributions, on behalf of Arlington County, to satisfy the formula allocated subsidy requirements of Metrorail, Metrobus and MetroAccess services provided by the Washington Metropolitan Area Transit Authority (WMATA) throughout the region.

WMATA is a regional public transportation partnership among and between the area's state and local governments and the federal government. WMATA's member jurisdictions are: Arlington and Fairfax counties, the cities of Alexandria, Fairfax and Falls Church in Virginia, the District of Columbia and Montgomery and Prince George's counties in Maryland. The Authority's major budgetary programs are Metrorail, Metrobus and MetroAccess operations, the Metrorail Construction Program and the Capital Improvement Program (CIP), which includes the Infrastructure Renewal Program (IRP), the System Access/Capacity Program (SAP) and the System Expansion Program (SEP).

FY 2009 PRIORITIES

The proposed priorities of WMATA are to sustain a stable operating environment by focusing on initiatives to improve and enhance:

- **Metrobus**
 - Adjust schedules to improve on-time performance
 - Move operations from Arlington's Ballston Garage to new West Ox Road facility
- **Metrorail**
 - Continue to improve power system to run 50% of peak period trains with 8 cars
- **MetroAccess**
 - Expand fleet to improve on-time performance and meet demand
 - Expand customer outreach and travel training to encourage use of fixed-route system

SIGNIFICANT BUDGET CHANGES

The FY 2009 proposed General Fund transfer for WMATA is \$20.0 million reflecting a 15 percent increase from the FY 2008 revised budget. The operating subsidy including a FY 2007 audit adjustment increases by \$2.3 million, which reflects:

- ↑ An eight percent increase in the Metrobus subsidy responding to annualization of FY 2008 bus services changes; addition of new regionally funded bus service and enhanced services requested by the County.
- ↓ A one percent decrease in the Metrorail subsidy due to new allocation based on 2007 Rail Survey results.
- ↓ Decrease of \$150,000 in Other Expenses; Metro included those expenses in the base budget.
- ↓ A 47 percent decrease in Reimbursable Projects; Metro included those expenses in the base budget.
- ↑ A seven percent increase in the Metro Access program responding to increase in Metro operating costs.
- ↑ Increase of \$920,729 due to shortfall FY 2007 Budget.

BUDGET DESCRIPTION

Growth in WMATA’s FY 2009 operating budget for the Metrobus, Metrorail and MetroAccess system is driven by: service expansion, base adjustments, and inflation. The FY 2009 WMATA Operating budget totals \$1.3 billion with approximately \$563.2 million (excluding the \$9.5 million shortfall for FY 2007) of subsidy allocated through the various formulas. Arlington’s share is approximately 7.0% of the total. Many transit services in Arlington operate seven days per week providing up to 18 hours of daily coverage. Metrobus annually transports nearly 14.1 million passengers (90% of all bus riders in Arlington) during nearly 176,000 revenue hours of service on 24 separate lines traveling 3.0 million miles through the county. There are seven major terminals and approximately 1,100 bus stops in the County. Metrorail serves 11 stations in Arlington along three lines (Orange, Yellow and Blue) with over 207,000 average weekday passenger entries and exits (64 million per year). MetroAccess serves about 1,100 persons per month, representing about 10 percent of paratransit travel by County residents. The FY 2009 WMATA CIP totals \$444.6 million. This program, funded through a regional 5-year agreement known as Metro Matters, procures new railcars and buses, funds escalator/elevator rehabilitation, and provide for Metrorail station and railcar capital improvements and enhancements. Arlington County is committed to contribute approximately \$15.5 million to WMATA’s CIP in FY 2009 from bond funds and state grants.

Metrobus Operations Program

County staff is actively engaged in planning, coordinating and supporting Metrobus services to ensure that optimal value and service quality is delivered to riders in the County. As part of developing the FY 2009 budget, an annual Metrobus service plan is prepared and initiatives identified for funding consideration. The plan anticipates a mid-year savings adjustment when WMATA cease operations of the 22B Pentagon-Army/Navy Dr-Shirley Park line. The service and associated cost savings will be transferred to Arlington Transit (ART) as part of a newly designed local service package Operational initiatives recommended for FY 2009 include the following:

**FY 2009 METROBUS INITIATIVES
PROPOSED FOR ARLINGTON SERVICES**

PikeRide Enhancements	\$10,000
<ul style="list-style-type: none"> ▪ Conduct operational review of Metrobus 16 line to determine effectiveness of FY07-08 enhancements ▪ Continue to support Pike Ride operator training ▪ Coordinate communications support for Super Stops with Metro and County technology staff 	<p>5,000</p> <p>5,000</p> <p>-</p>
MetroBus Service Enhancements	\$458,000
<ul style="list-style-type: none"> ▪ Add two afternoon trips to Metrobus 3Y Lee Highway-Farragut Square ▪ Increase service frequency of Metrobus 38B Ballston-Farragut Square to accommodate increased demand due to elimination of Georgetown Metro Connection to Rosslyn Station. 	<p>\$38,000</p> <p>\$420,000</p>
Net Total FY 2009 Initiatives Change	\$468,000

Metrobus Reimbursable Projects	\$95,900
▪ Extend Metrobus 9S Crystal City-Potomac Yard to residential development in Potomac Yard	\$93,000
▪ Maintain Transit Priority emitters on Metrobus 16 line buses	\$2,900

Capital Program

WMATA's Metro Matters Program is a financial funding initiative developed in late FY 2004 and approved in early FY 2005 to improve regional mobility and accessibility. The strategies of Metro Matters support regional goals to reduce traffic congestion, increase accessibility to public transportation and ultimately improve the quality of life in the region. The program elements are rail and bus procurements, garage construction in Northern Virginia, upgrade and implement system security measures, and implementation of Regional Bus Study recommendations. Arlington's share of the Metro Matters Program for FY 2009 is \$15.5 million.

Funding

Passenger and system revenues fund approximately 59% of the annual cost of operations, one of the highest ratios in the country. The balance of operating funding comes from jurisdictional subsidies.

The Northern Virginia Transportation Commission (NVTC) receives state transit funds on behalf of Northern Virginia jurisdictions and federal funds not directly allocated to WMATA. In addition, the state collects a two percent regional gas tax on behalf of NVTC and distributes the proceeds to NVTC for payment to WMATA for qualifying operating and capital costs. These revenues are reflected as State Transit Aid and Regional Gas Tax receipts in the County budget description. Local governments provide the balance of required funding for transit operating programs. Arlington County uses General Fund dollars to finance this portion of its share of WMATA operations.

FUTURE BUDGET CONSIDERATIONS

The following factors will continue to affect the WMATA operating budget beyond the FY 2009 budget as included in multi-year financial and service planning:

- Labor rates and wage inflation
- Health and pension increases
- Living Wage proposal for all Metro contracts
- Escalation of energy costs (diesel, compress natural gas, electric)
- Annualization of new facilities such as the station access improvements
- Ridership growth and system costs for Metro Access
- Implementation of recommendations from American Public Transportation Association's Rail & Bus Peer Review
- Availability of Federal Discretionary and Security Funds
- Passenger fares and system revenue receipts

METRO FINANCIAL SUMMARY

	FY 2007 Actual	FY 2008 Revised	FY 2009 Proposed	% Change '08 to '09
Metrobus	\$19,091,300	\$20,956,397	\$22,583,061	8%
Metrorail	11,393,800	12,528,979	12,458,282	-1%
Other Metro Expenses	150,000	150,000	-	-100%
Reimbursable Projects	285,318	181,900	95,900	-47%
MetroAccess	460,000	685,660	733,213	7%
Audit Adjustment ⁽¹⁾	-	-	920,729	-
TOTAL SUBSIDY	31,380,418	34,502,936	36,791,185	7%
Source of Contributions				
State Transit Aid	\$12,886,625	\$14,225,000	\$13,000,000	-9%
Regional Gas Tax	3,393,475	2,465,136	2,500,000	1%
Other	115,000	-	-	-
NVTC REVENUES	16,395,100	16,690,136	15,500,000	-7%
Other Sources ⁽²⁾	285,318	412,800	1,291,185	213%
NET TAX SUPPORT ⁽³⁾	\$14,700,000	\$17,400,000	\$20,000,000	15%

(1) Metro ended FY 2007 with a shortfall of \$9,482,176 due primarily to a lower Metrorail ridership; Arlington County's share is \$920,729, payment will come from savings at Metro.

(2) Of the \$20.0 million Net Tax Support to Metro, \$1,794,480 will be paid with new Northern Virginia Transportation Funds, transferred from the Transportation Investment Fund to the General Fund for Metro support.

(3) Includes credit available at WMATA and NVTC.