

FUND 309

METRO OPERATIONS AND CONSTRUCTION

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2003 Advertised Budget Plan, as approved by the Board of Supervisors on April 29, 2002:

- ◆ The Board of Supervisors made no changes to the FY 2003 Advertised Budget Plan.

The following funding adjustments reflect all approved changes to the FY 2002 Revised Budget Plan from January 1, 2002 through April 22, 2002. Included are all adjustments made as part of the FY 2002 Third Quarter Review:

- ◆ The Board of Supervisors made no adjustments to this fund.
-
-

County Executive Proposed FY 2003 Advertised Budget Plan

Purpose

Fund 309, Metro Operations and Construction, contains the funds provided by Fairfax County to pay the County's allocated portion of the Washington Metropolitan Area Transit Authority's (WMATA) FY 2003 operating and capital budget. The County subsidizes Metrorail, Metrobus, and MetroAccess (paratransit) service, contributes to construction costs associated with the 103-mile Metrorail system, and contributes to the repair, maintenance, rehabilitation, and replacement of capital equipment and facilities for the Metrobus, Metrorail, and MetroAccess systems.

The WMATA budget presented here is based on initial FY 2003 information obtained from WMATA budget staff, as well as County Department of Transportation (DOT) staff estimates. The WMATA General Manager issued the proposed FY 2003 WMATA budget in December 2001, and the WMATA Board Budget Committee is in the process of reviewing the proposed budget between January and May 2002. After this period of review, the WMATA Board of Directors will adopt the FY 2003 Budget in June 2002. The County's portion of the total WMATA budget is determined by using several formulas that include factors such as jurisdiction of residence of passengers, number of stations located in a jurisdiction, the amount of service in a jurisdiction, the jurisdiction's population, and the jurisdiction's population density.

Applied State Aid, Gas Tax Receipts, and State Department of Transportation Bond Revenues are recorded in Fund 309, Metro Operations and Construction. These funds are used by Fairfax County to offset WMATA's operating and capital costs. In addition, Fairfax County contributes a General Fund Transfer to Fund 309 to cover Operating Expenditures and General Obligation Bond revenues to cover Capital Construction Expenditures. These categories are summarized below.

FUND 309

METRO OPERATIONS AND CONSTRUCTION

Operating Expenditures

The total FY 2003 subsidy for Operating Expenses totals \$52.4 million, of which \$22.6 million will be supported by local funding sources. This funding level supports:

- Existing Metrorail and Metrobus service levels (assumed a 6.0 percent inflation factor to the WMATA FY 2002 Adopted Budget)
- Improvements to local bus service provided by WMATA
- Increased funds for MetroAccess due to increased utilization of these Americans with Disabilities (ADA) paratransit services
- Continuation of the Springfield Circulator Bus Service started in FY 2001
- Other service enhancements

As noted above, this estimate is based on preliminary FY 2003 information obtained from WMATA budget staff, as well as County Department of Transportation (DOT) staff estimates, and is subject to revision until the final WMATA budget is approved in June 2002.

On the basis of a Northern Virginia Transportation Commission (NVTC) formula, the County receives State Aid and Gas Tax Receipts to support operating requirements. In FY 2003, a total of \$29.8 million in State Aid and \$10.6 million in Gas Tax Receipts will be used to support the various Operating Expenses noted above. In addition, \$1.1 million will be funded from interest on funds at NVTC and \$0.1 million through a transfer from Fund 301, Contributed Roadway Improvement Fund, to support shuttle service in the Franconia/Springfield area. The remaining \$10.8 million is funded through a General Fund Transfer.

As a result of changes in the funding formula that became effective in FY 2000, the above totals for State Aid and Gas Tax are \$1.4 million higher than they would otherwise be. When the formula was updated, it was declared that additional funds resulting from the formula change could not be used to reduce the General Fund Transfer for current Operating Expenses but only for service enhancements. Therefore, this total (in the form of additional General Fund dollars) will be transferred to Fund 100, County Transit Systems, for various mass transit enhancements such as expanded bus service and reduced fare initiatives on select transit trips.

Capital Construction Expenditures

In total, \$21.1 million is included for Capital requirements, of which \$16.6 million is supported by Fairfax County General Obligation Bonds. The remaining total is funded through Applied State Aid and Gas Tax Receipts. Capital expenditures are included to support the completion of the 103-mile Metrorail system, as well as maintain and/or acquire facilities, equipment, rail cars, and buses.

In previous years, large funding totals in this category primarily supported Fifth Interim Capital Contribution Agreement (ICCA-V) or "fast track" construction plan of the 103-mile Metrorail system. Approved by the Board of Supervisors in FY 1992, the plan provided a funding mechanism for participating jurisdictions to contribute toward the completion of the regional Metrorail system by FY 2003. Based on the projected billing schedule provided by WMATA and construction progress, \$2.0 million is required in FY 2003 for this purpose. This amount represents the County's final scheduled ICCA-V payment. It should be noted that reconciliation payments will be required in future years. The FY 2003 total of \$2.0 million compares with an amount of \$8.5 million in FY 2001 and an estimated \$3.0 million in FY 2002 earmarked for capital rail construction.

Other FY 2003 Capital Expenditures include \$15.5 million for the Infrastructure Renewal Program (IRP), a program which includes the rehabilitation of the railcar fleet, upgrades to Metrorail system components such as fare gates and farecard machines, improvements to Metrobus and Metrorail facilities, and funding for all capital equipment. It is anticipated that this amount will continue to increase in future years. An additional \$0.5 million is included to support preliminary engineering requirements associated with the

FUND 309

METRO OPERATIONS AND CONSTRUCTION

System Expansion Program (SEP) and \$3.2 million is included to fund Adopted Regional System (ARS) debt service requirements.

Metrorail operates three lines in Fairfax County; the Yellow Line which terminates at the Huntington Station in the Southeastern part of the County, the Orange Line which terminates at the Vienna-Fairfax/GMU Station in the central part of the County, and the Blue Line terminating at the Franconia-Springfield station. In FY 2003, it is estimated that 27.9 million passengers will board Metrorail at stations in Fairfax County.

Key Accomplishments

- ◆ Placed new 5000 series Metrorail cars into service in Fall 2001.
- ◆ Completed design and secured zoning approvals for a 1,000-space parking garage at the Franconia-Springfield Metro station.

FY 2003 Initiatives

- ◆ Complete design and secure zoning approvals for an additional parking garage at the West Falls Church Metrorail station.

Performance Measurement Results

Fairfax County Metrobus ridership is projected to increase 5.26 percent from FY 2001 to FY 2002 and is projected to increase by an additional 3.58 percent FY 2003. Fairfax County Metrorail ridership is projected to increase 12.04 percent from FY 2001 to FY 2002 and maintain that level in FY 2003.

Funding Adjustments

The following funding adjustments from the FY 2002 Revised Budget Plan are necessary to support the FY 2003 program:

- ◆ The FY 2003 subsidy for Operating Expenses totals \$52,380,447, of which \$22,597,290 will be supported by local funding sources. It should be noted that this estimate is based on preliminary FY 2003 information obtained from WMATA budget staff, as well as County Department of Transportation (DOT) staff estimates. This funding level supports existing Metrorail and Metrobus service levels, as well as MetroAccess ridership, the continuation of Springfield Circulator Bus Service, and the provision of funding for several service enhancements.
- ◆ FY 2003 capital construction expenditures total \$21,120,079, of which \$16,606,471 will be supported by Fairfax County bond funds. Capital expenditures are included to maintain facilities, equipment, and buses and to support the completion of the 103-mile Metrorail system. The funding required for FY 2003 has increased because of additional subsidy requirement for the Infrastructure Renewal Program (IRP). FY 2003 funding of \$15,500,000 is included for the IRP, an amount that is expected to increase in future years. The Rail Capital requirement for the 103-mile system has continued to decline, based on the projected billing schedule provided by WMATA. An amount of \$1,951,151 is required in FY 2003 for this purpose, while an additional \$500,000 is included for the System Expansion Program (SEP). This program includes the rehabilitation of the railcar fleet, upgrades to Metrorail system components such as fare gates and farecard machines, improvements to Metrobus and Metrorail facilities, and funding for all capital equipment. Finally, an amount of \$3,168,928 is included to fund Adopted Regional System (ARS) debt service requirements.
- ◆ An amount of \$1,435,424 is transferred to Fund 100, County Transit Systems, for various mass transit enhancements such as expanded bus service and reduced fare initiatives on select transit trips.

FUND 309

METRO OPERATIONS AND CONSTRUCTION

The following funding adjustments reflect all approved changes to the FY 2002 Revised Budget Plan since passage of the FY 2002 Adopted Budget Plan. Included are all adjustments made as part of the FY 2001 Carryover Review and all other approved changes through December 31, 2001:

- ◆ FY 2002 disbursements are increased \$4,626,016 to reflect the carryover of unexpended balances from FY 2001 that are anticipated to be required in FY 2002 for transit needs, including capital costs, rail system enhancements, and facility improvements.

Objectives

- ◆ To increase the annual number of trips taken on Metrobus routes serving Fairfax County by 3.6 percent, from 9,000,000 in FY 2002 to 9,322,506 in FY 2003.
- ◆ To achieve 27,900,000 Metrorail trips originating in Fairfax County in FY 2003.

Performance Indicators

Metrobus

Indicator	Prior Year Actuals ¹			Current Estimate	Future Estimate
	FY 1999 Actual	FY 2000 Actual	FY 2001 Estimate/Actual	FY 2002	FY 2003
Output:					
Trips originating in Fairfax County	7,716,375	8,122,500	N/A / 8,550,000	9,000,000	9,322,506
Metrobus routes	87	87	87 / 87	87	87
Metrobus platform hours	317,169	320,373	326,000 / 335,649	348,063	351,543
Metrobus platform miles	5,374,679	5,593,797	5,793,000 / 5,964,412	6,150,828	6,212,336
Efficiency:					
Operating costs	\$26,432,097	\$26,387,656	NA / \$27,543,074	\$29,485,968	\$30,014,755
Fare box revenue	\$2,363,431	\$2,034,306	NA / \$2,665,930	\$3,459,351	\$4,427,258
Operating subsidy	\$24,068,666	\$24,353,350	NA / \$24,877,144	\$26,026,617	\$25,587,497
Operating cost/platform mile	\$4.92	\$4.72	NA / \$4.62	\$4.79	\$4.83
Operating cost/platform hour	\$83.34	\$82.37	NA / \$82.06	\$84.71	\$85.38
Revenue/operating cost (shown as a percent)	8.94%	7.71%	NA / 9.68%	11.73%	14.75%
Operating subsidy per Metrobus trip	\$3.12	\$3.00	NA / \$2.91	\$2.89	\$2.74
Outcome:					
Percent change in Fairfax County Trips	NA	5.3%	NA / 5.3%	5.3%	3.6%

¹ Performance data included in the FY 2003 Adopted Budget Plan has been adjusted to reflect figures consistent with jurisdictional data provided by WMATA. As a result, actual data for FY 1999 and FY 2000 has been revised and may be different than published in previous budget documents. In addition, no estimates are available for a majority of the FY 2001 data.

FUND 309 METRO OPERATIONS AND CONSTRUCTION

Metrorail

Indicator	Prior Year Actuals ¹			Current Estimate	Future Estimate
	FY 1999 Actual	FY 2000 Actual	FY 2001 Estimate/Actual	FY 2002	FY 2003
Output:					
Fairfax County Ridership	23,300,000	24,500,000	NA / 24,900,000	27,900,000	27,900,000
Efficiency:					
Operating costs	\$53,286,000	\$55,933,000	NA / \$58,512,000	\$63,085,000	\$65,708,000
Fare box revenue	\$38,312,000	\$38,118,000	NA / \$38,696,000	\$45,121,000	\$45,471,000
Operating subsidy	\$14,975,000	\$17,815,000	NA / \$19,817,000	\$17,964,000	\$20,237,000
Revenue/operating cost (shown as a percent)	74.46%	72.42%	NA / 74.15%	70.04%	69.20%
Operating subsidy Per Metrorail passenger	\$0.64	\$0.73	NA / \$0.80	\$0.64	\$0.73
Outcome:					
Percent change in Fairfax County Ridership	NA	5.2%	NA / 1.6%	12.0%	0.0%

¹ Performance data included in the FY 2003 Adopted Budget Plan has been adjusted to reflect figures consistent with jurisdictional data provided by WMATA. As a result, actual data for FY 1999 and FY 2000 has been revised and may be different than published in previous budget documents. In addition, no estimates are available for a majority of the FY 2001 data.

FUND 309 METRO OPERATIONS AND CONSTRUCTION

FUND STATEMENT

Fund Type G30, Capital Project Funds

Fund 309, Metro Operations
and Construction

	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan
Beginning Balance	\$2,938,449	\$0	\$9,078,340	\$4,452,324	\$4,452,324
Revenue:					
Revenue Applied to Operating Expenses					
State Aid Applied to Operating	\$19,897,892	\$28,089,171	\$28,727,837	\$29,783,157	\$29,783,157
Gas Tax Revenue Applied to Operating	11,902,522	8,550,000	8,550,000	10,550,000	10,550,000
Prior Year Adjustments	758,620	0	0	0	0
Interest	0	1,100,000	1,100,000	1,100,000	1,100,000
Subtotal - Revenue Applied to Operating	\$32,559,034	\$37,739,171	\$38,377,837	\$41,433,157	\$41,433,157
Revenue Applied to Capital Construction					
State Aid Applied to Rail Reliability	\$2,171,796	\$0	\$0	\$844,680	\$844,680
State Aid Applied to Bus Capital	1,829,100	0	0	0	0
State Aid Applied to ARS Debt Service	3,010,481	3,010,481	3,010,481	3,010,481	3,010,481
State Bonds Applied to Capital Construction	0	2,368,947	0	0	0
Gas Tax Rev. Applied to ARS Debt Service	158,447	158,447	158,447	158,447	158,447
System Improvement/Expansion	312,464	0	400,000	500,000	500,000
Advanced Payment Credit	4,006,640	0	0	0	0
Subtotal - Revenue Applied to Capital Construction	\$11,488,928	\$5,537,875	\$3,568,928	\$4,513,608	\$4,513,608
County Bond Sales ¹	\$13,000,000	\$4,918,523	\$4,918,523	\$12,154,147	\$12,154,147
Total Revenue	\$57,047,962	\$48,195,569	\$46,865,288	\$58,100,912	\$58,100,912
Transfers In:					
General Fund (001)	\$12,673,283	\$11,450,844	\$11,450,844	\$12,272,714	\$12,272,714
Contributed Roadway Improvement Fund (301)	0	0	0	110,000	110,000
Total Transfers In	\$12,673,283	\$11,450,844	\$11,450,844	\$12,382,714	\$12,382,714
Total Available	\$72,659,694	\$59,646,413	\$67,394,472	\$74,935,950	\$74,935,950

FUND 309 METRO OPERATIONS AND CONSTRUCTION

FUND STATEMENT

Fund Type G30, Capital Project Funds

Fund 309, Metro Operations
and Construction

	FY 2001 Actual	FY 2002 Adopted Budget Plan	FY 2002 Revised Budget Plan	FY 2003 Advertised Budget Plan	FY 2003 Adopted Budget Plan
Expenditures:					
Operating Expenditures					
Bus Operating Subsidy	\$25,000,941	\$26,026,617	\$26,084,063	\$27,649,107	\$27,649,107
Rail Operating Subsidy	17,644,237	17,964,482	18,843,551	19,974,164	19,974,164
ADA Paratransit - Metro	2,550,305	2,756,316	2,552,081	3,750,000	3,750,000
ADA Paratransit - FASTRAN	156,386	0	0	0	0
Service Enhancements	0	364,576	364,576	364,576	364,576
Springfield Circulator	291,500	642,600	642,600	642,600	642,600
Other Transportation	0	0	0	0	0
Subtotal - Operating Expenditures	\$45,643,369	\$47,754,591	\$48,486,871	\$52,380,447	\$52,380,447
Capital Construction Expenditures					
Capital Rail Contribution	\$8,526,061	\$894,630	\$3,027,259	\$1,951,151	\$1,951,151
Rail System Improvement/Expansion	312,464	400,000	400,000	500,000	500,000
Rail Reliability Program	2,895,728	5,992,840	6,423,666	15,500,000	15,500,000
Bus Capital	1,829,100	0	0	0	0
ARS Debt Service	3,168,928	3,168,928	3,168,928	3,168,928	3,168,928
Subtotal - Capital Construction Expenditures	\$16,732,281	\$10,456,398	\$13,019,853	\$21,120,079	\$21,120,079
Total Expenditures	\$62,375,650	\$58,210,989	\$61,506,724	\$73,500,526	\$73,500,526
Transfers Out:					
County Transit Systems (100)	\$1,205,704	\$1,435,424	\$1,435,424	\$1,435,424	\$1,435,424
Total Transfers Out	\$1,205,704	\$1,435,424	\$1,435,424	\$1,435,424	\$1,435,424
Total Disbursements	\$63,581,354	\$59,646,413	\$62,942,148	\$74,935,950	\$74,935,950
Ending Balance	\$9,078,340	\$0	\$4,452,324	\$0	\$0
General Fund	93,614	0	0	0	0
Bond Funds	8,984,726	0	4,452,324	0	0
Unreserved Balance	\$0	\$0	\$0	\$0	\$0

¹ The sale of bonds is presented here for planning purposes only. Actual bond sales are based on cash needs in accordance with Board policy. On November 3, 1992, the voters approved a \$50 million referendum for Metrorail construction expenses. All remaining bonds pertaining to this sale have been issued and allocated to Metro's Infrastructure Renewal Program and Dulles Corridor transit projects as directed by the Board of Supervisors on March 8, 1999.