

# Fund 309

## Metro Operations and Construction

### Focus

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 2013 operating and capital budget. The County subsidizes Metrorail, Metrobus, and MetroAccess (paratransit) service, contributes to construction costs associated with the 106-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 FY 2013 WMATA budget presented here includes preliminary County staff estimates in Fall 2011. The WMATA Board Budget Committee reviews the WMATA proposed budget between January and May 2012. The Metro Board will make its final decisions and approve a budget in June 2012.

The projected operating and capital requirements for the County's FY 2013 Metro subsidy are \$111,333,732. The County's portion of the total WMATA budget is determined 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. The County meets its Metro subsidy through a General Fund transfer, General Obligation bonds, applied State Aid, Gas Tax receipts, and interest earnings on State Aid balances. State Aid and Gas Tax balances are held and directly disbursed to Metro by the Northern Virginia Transportation Commission (NVTC).



Based on current Metro system needs, an increase is anticipated in the FY 2013 operating subsidy requirement from local jurisdictions. The County's FY 2013 proposed operating contribution of \$84.9 million includes an estimated 7 percent increase over the FY 2012 operating contribution. In addition, Fund 309 supports a transfer out of \$2.3 million to Fund 100, County Transit Systems. The total operational requirements of \$84.9 million and the \$2.3 million for County Transit requirements is funded through the following sources: a proposed FY 2013 General Fund transfer of \$11.3 million, \$54.2 million in applied State Aid, \$21.3 million in applied Gas Tax Receipts, \$0.3 million in anticipated interest on balances held by NVTC, and \$0.1 million in proffer revenue from Fund 301, Contributed Roadway Improvement Fund for the operating support of bus service in the Franconia/Springfield area.

In FY 2013, General Obligation bond revenue of \$21.84 million supports the majority of the \$26.41 million County subsidy for Metro Capital Construction Expenditures. Sources of support for the balance of the construction subsidy also include \$4.41 million in State Aid and \$0.16 million in Gas Tax receipts.

Further adjustments to the Metro FY 2013 budget, to be approved by the Metro Board in June 2012, will be reflected as revisions to the County's FY 2013 budget as part of the County's FY 2012 *Carryover Review* process.

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### FY 2013 Funding Adjustments

*The following funding is necessary to support the FY 2013 program.*

- ◆ **Metro Annual Operating Requirements** **\$84,926,703**  
The projected FY 2013 subsidy requirement for WMATA Operating Expenses totals \$84,926,703, an increase of \$5,592,558, or 7.0 percent over the FY 2012 Adopted Budget Plan based on estimated funding requirements as of fall 2011. This funding level supports existing Metrorail and Metrobus service levels, including \$50,793,928 for Metrobus; \$20,854,316 for Metrorail; and \$13,278,459 for MetroAccess service.
  
- ◆ **Metro Capital Requirements** **\$26,407,029**  
Projected FY 2013 Capital Construction expenditures total \$26,407,029 of which \$23,239,000 will support the acquisition of facilities, equipment, rail cars, and buses, as well as provide general infrastructure support to the 106-mile Metrorail system. An amount of \$3,168,029 funds the Adopted Regional System (ARS) debt service requirements.
  
- ◆ **Transfer Out to Fund 100, County Transit Systems** **\$2,304,186**  
The FY 2013 Transfer Out of \$2,304,186 to Fund 100, County Transit Systems, provides continued support for FAIRFAX CONNECTOR system. This level of support for County transit operations is consistent with an FY 2000 change in the NVTC State Aid and Gas Tax funding formula that resulted in a higher annual allocation to Fairfax County. When the formula was updated, the NVTC required that additional funds that resulted from the formula change be used only for transit service enhancements.
  
- ◆ **General Fund Support for Metro** **\$11,298,296**  
A proposed General Fund transfer of \$11,298,296 is consistent with the prior year level of support.
  
- ◆ **Support from Fund 301, Contributed Roadway Improvement Fund** **\$110,000**  
A transfer of \$110,000 from Fund 301, Contributed Roadway Improvement Fund, provides annual operating support of shuttle service in the Franconia/Springfield area. This level is consistent with the prior year level of support.

### Changes to FY 2012 Adopted Budget Plan

*The following funding adjustments reflect all approved changes in the FY 2012 Revised Budget Plan since passage of the FY 2012 Adopted Budget Plan. Included are all adjustments made as part of the FY 2011 Carryover Review, FY 2012 Third Quarter Review, and all other approved changes through April 24, 2012.*

- ◆ **Carryover Adjustments** **\$2,439,101**  
FY 2012 expenditures are recommended to increase \$2,439,101 based on Metro's approved Capital Improvement Program budget. The Sale of Bonds in support of Metro's capital program decreases in the amount of \$7,968,277, as a result of bond funds available in fund balance from FY 2011 due to lower capital expenditure requirements in the prior year, partially offset by the increase required for the FY 2012 capital program. There is no change to the FY 2012 County expenditure level for the approved Metro Operations budget, supported through the General Fund transfer. However, it is noted that Metro's approved operating budget does result in an increase of \$2,295,683 in the total County operating subsidy supported through other sources. This increase results in a corresponding

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adjustment to the total level of State Aid and Gas Tax applied from the Northern Virginia Transportation Commission (NVTC) as revenue to this fund.

### Key Performance Measures

#### Objectives

- ◆ To maximize the annual number of trips taken on Metrobus routes serving Fairfax County.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate/Actual	FY 2012	FY 2013
<b>Output:</b>					
Trips originating in Fairfax County	9,440,350	8,685,123	9,629,158 / 9,017,111	9,000,693	NA
Metrobus routes	91	75	85 / 88	88	NA
Metrobus platform hours	407,844	375,216	395,662 / 408,399	405,127	NA
Metrobus platform miles	6,565,966	6,040,689	7,330,351 / 5,603,780	5,802,251	NA
<b>Efficiency:</b>					
Operating subsidy	\$42,761,346	\$40,204,282	\$45,143,030 / \$45,387,450	\$47,470,961	NA
Operating subsidy/platform hour	\$104.85	\$107.15	\$114.09 / \$111.14	\$117.18	NA
Operating subsidy/platform mile	\$6.51	\$6.66	\$6.16 / \$8.10	\$8.18	NA
Operating subsidy per Metrobus trip	\$4.53	\$4.63	\$4.69 / \$5.03	\$5.27	NA
<b>Outcome:</b>					
Percent change in Fairfax County trips	(6.0%)	(8.0%)	1.0% / 3.8%	(0.2%)	NA

(Note: Due to unanticipated delays receiving Performance Measurement data, FY 2013 estimates were not available at the publishing deadline for the printed version of the [FY 2013 Adopted Budget Plan](#). Once data is available, the online version of Fund 309, Metro Operations and Construction will be updated with this information.)

### Performance Measurement Results

Fairfax County Metrobus ridership has fluctuated slightly from year to year for the period from FY 2009 through FY 2011. Metrobus trips originating in Fairfax County increased by 3.8 percent from FY 2010 to FY 2011, with a FY 2011 total of 9.0 million trips. A decrease of 16,418 trips, or 0.2 percent, is anticipated in FY 2012. It should be noted that jurisdictional data provided by WMATA has been used to populate this chart, and in some cases prior-year actual data has been revised to reflect updated data capturing methodologies. The County's FY 2012 operating subsidy per Metrobus trip is projected to be \$5.27.

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### Key Performance Measures

#### Objectives

- ◆ To maximize the number of Metrorail trips originating in Fairfax County.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2009 Actual	FY 2010 Actual	FY 2011 Estimate/Actual	FY 2012	FY 2013
<b>Output:</b>					
Fairfax County ridership	29,012,470	30,161,141	32,499,600 / 29,592,719	29,825,994	NA
<b>Efficiency:</b>					
Operating subsidy	\$17,334,537	\$22,621,746	\$15,597,666 / \$15,597,666	\$19,490,015	NA
Operating subsidy per Metrorail passenger	\$0.60	\$0.75	\$0.48 / \$0.53	\$0.65	NA
<b>Outcome:</b>					
Percent change in Fairfax County ridership	2.0%	4.0%	7.9% / (1.9%)	0.8%	NA

(Note: Due to unanticipated delays receiving Performance Measurement data, FY 2013 estimates were not available at the publishing deadline for the printed version of the FY 2013 Adopted Budget Plan. Once data is available, the online version of Fund 309, Metro Operations and Construction will be updated with this information.)

### Performance Measurement Results

Fairfax County Metrorail ridership is projected to be 29,825,994 in FY 2012, a slight increase over the FY 2011 actual level. It should be noted that jurisdictional data provided by WMATA has been used to populate this chart, and in some cases prior-year actual data has been revised to reflect updated data capturing methodologies. The County FY 2012 operating subsidy per Metrorail trip is projected to be \$0.65.

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### FUND STATEMENT

Fund Type G30, Capital Project Funds	Fund 309, Metro Operations and Construction				
	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	FY 2013 Adopted Budget Plan
<b>Beginning Balance</b>	<b>\$1,732,294</b>	<b>\$0</b>	<b>\$10,407,378</b>	<b>\$0</b>	<b>\$0</b>
Revenue:					
Revenue Applied to Operating					
Expenses:					
State Aid	\$44,745,156	\$51,841,412	\$51,841,412	\$54,222,593	\$54,222,593
Gas Tax Revenue	21,838,019	18,000,000	20,295,683	21,300,000	21,300,000
Interest on NVTC Balances	300,000	300,000	300,000	300,000	300,000
Subtotal - State/Gas Revenue, Operating	<u>\$66,883,175</u>	<u>\$70,141,412</u>	<u>\$72,437,095</u>	<u>\$75,822,593</u>	<u>\$75,822,593</u>
Revenue Applied to Capital					
Expenses:					
NVTD Bonds Applied to Capital Construction <sup>1</sup>	\$5,007,650	\$0	\$0	\$0	\$0
State Aid Applied to ARS Debt Service	3,010,456	3,010,481	3,010,481	3,009,628	3,009,628
Gas Tax Rev. Applied to ARS Debt Service	158,444	158,447	158,447	158,401	158,401
State Aid Applied to Metro Matters Capital	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Subtotal - State/Gas Revenue, Capital	<u>\$9,576,550</u>	<u>\$4,568,928</u>	<u>\$4,568,928</u>	<u>\$4,568,029</u>	<u>\$4,568,029</u>
County Revenue:					
County Bond Sales <sup>2</sup>	\$18,880,000	\$24,773,000	\$16,804,723	\$21,839,000	\$21,839,000
County Bond Premium	1,220,000	0	0	0	0
Subtotal - County Revenue	<u>\$20,100,000</u>	<u>\$24,773,000</u>	<u>\$16,804,723</u>	<u>\$21,839,000</u>	<u>\$21,839,000</u>
<b>Total Revenue</b>	<b>\$96,559,725</b>	<b>\$99,483,340</b>	<b>\$93,810,746</b>	<b>\$102,229,622</b>	<b>\$102,229,622</b>
Transfers In:					
General Fund (001) Contributed Roadway Improvement Fund (301)	\$7,409,851	\$11,298,296	\$11,298,296	\$11,298,296	\$11,298,296
Improvement Fund (301)	110,000	110,000	110,000	110,000	110,000
<b>Total Transfers In</b>	<b>\$7,519,851</b>	<b>\$11,408,296</b>	<b>\$11,408,296</b>	<b>\$11,408,296</b>	<b>\$11,408,296</b>
<b>Total Available</b>	<b>\$105,811,870</b>	<b>\$110,891,636</b>	<b>\$115,626,420</b>	<b>\$113,637,918</b>	<b>\$113,637,918</b>
Expenditures:					
Operating Expenditures					
Bus Operating Subsidy <sup>3</sup>	\$45,387,450	\$48,303,042	\$47,470,961	\$50,793,928	\$50,793,928
Rail Operating Subsidy	15,597,666	16,689,503	19,490,015	20,854,316	20,854,316
ADA Paratransit - Metro	11,347,290	12,141,600	12,409,775	13,278,459	13,278,459
Adjustments <sup>4</sup>	0	2,200,000	2,259,077	0	0
Subtotal - Operating Expenditures	<u>\$72,332,406</u>	<u>\$79,334,145</u>	<u>\$81,629,828</u>	<u>\$84,926,703</u>	<u>\$84,926,703</u>

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### FUND STATEMENT

Fund Type G30, Capital Project Funds	Fund 309, Metro Operations and Construction				
	FY 2011 Actual	FY 2012 Adopted Budget Plan	FY 2012 Revised Budget Plan	FY 2013 Advertised Budget Plan	FY 2013 Adopted Budget Plan
Capital Construction Expenditures					
Metro Capital Improvement Program	\$17,832,566	\$26,173,000	\$28,613,000	\$23,239,000	\$23,239,000
ARS Debt Service	3,168,900	3,168,928	3,168,029	3,168,029	3,168,029
Total County Capital Construction Subsidy	\$21,001,466	\$29,341,928	\$31,781,029	\$26,407,029	\$26,407,029
Total Operating and Capital Subsidy	\$93,333,872	\$108,676,073	\$113,410,857	\$111,333,732	\$111,333,732
Applied Support					
Applied NVTC State Aid and Gas Tax to Operating	(\$66,583,175)	(\$69,841,412)	(\$72,137,095)	(\$75,522,593)	(\$75,522,593)
Applied Interest at NVTC to Operating	(300,000)	(300,000)	(300,000)	(300,000)	(300,000)
Applied NVTB Bonds to Capital Construction <sup>1</sup>	(5,007,650)	0	0	0	0
Applied NVTC State Aid and Gas Tax to Capital	(4,568,900)	(4,568,928)	(4,568,928)	(4,568,029)	(4,568,029)
Total Expenditures, County	\$16,874,147	\$33,965,733	\$36,404,834	\$30,943,110	\$30,943,110
Transfers Out:					
County Transit Systems (100)	\$2,070,620	\$2,215,563	\$2,215,563	\$2,304,186	\$2,304,186
Total Transfers Out	\$2,070,620	\$2,215,563	\$2,215,563	\$2,304,186	\$2,304,186
<b>Total Disbursements, NVTC and County</b>	<b>\$95,404,492</b>	<b>\$110,891,636</b>	<b>\$115,626,420</b>	<b>\$113,637,918</b>	<b>\$113,637,918</b>
<b>Ending Balance<sup>5</sup></b>	<b>\$10,407,378</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
General Fund and					
Contributions	\$0	\$0	\$0	\$0	\$0
Bond Funds	10,407,378	0	0	0	0
<b>Unreserved Balance</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<sup>1</sup> In July 2009, the Commonwealth Transportation Board approved the issuance of Northern Virginia Transportation District (NVTB) bonds, \$5.0 million of which was applied to meet Fairfax County's portion of Metro's FY 2011 capital construction requirements.

<sup>2</sup> 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 2, 2004, the voters approved a \$110 million Transportation Bond. In October 2009, an amount of \$56.3 million was sold, including \$2.59 million in bond premium, leaving a balance of \$9.57 million in authorized but unissued bonds for this fund. The October 2009 bond sale amount included \$37.6 million to provide County one-time support to the Metro Capital Program, allowing the County to opt-out of debt service payments associated with capital projects for the next 25 years

<sup>3</sup> Expenditures for the Bus Operating Subsidy include continuing annual support of the Springfield Circulator service.

<sup>4</sup> The prior-year adjustment reflects the amount owed or credited as a result of WMATA's audit of expenditures from two years prior.

<sup>5</sup> The ending balance in Fund 309, Metro Operations and Construction, varies from year to year and is primarily related to differences between the preliminary budget presented by WMATA's General Manager and WMATA's Adopted budget. The FY 2011 ending balance for bond funds results from the timing of bond sales to meet ongoing requirements of the Metro Capital Improvements Program.