

City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 3, 2003

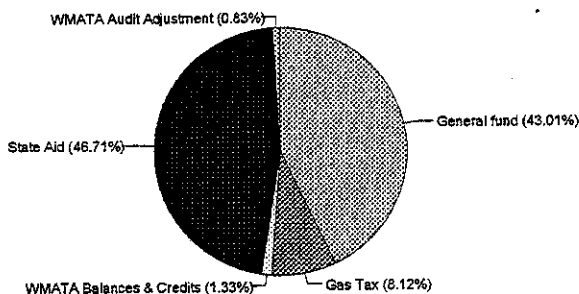
TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: PHILIP SUNDERLAND, CITY MANAGER *PS*

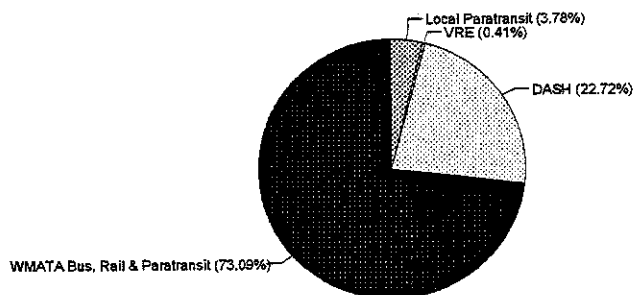
SUBJECT: BUDGET MEMO # 9: SOURCES AND USES OF TRANSIT FUNDING
(MAYOR DONLEY'S REQUEST)

In response to Mayor Donley's request for an update on the sources and uses of transit funding, the following charts are provided to illustrate the City's FY 2004 proposed transit operating and capital revenue and expenditure budgets.

FY 2004
OPERATING SOURCES



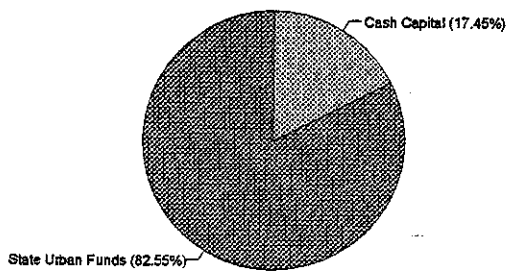
FY 2004
OPERATING USES



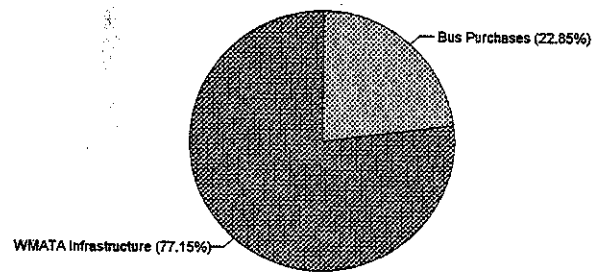
Operating Sources - The City's primary sources of transit operating funding for FY 2004 are State Aid (\$10.5 million) and the City's General Fund (\$9.7 million). Gas tax revenue provides an additional \$1.8 million. The use of City balances, the Washington Metropolitan Area Transit Authority (WMATA) audit adjustment, and operating credits to the City will contribute \$0.5 million in FY 2004. State aid and gas taxes are received through the Northern Virginia Transportation Commission (NVTC) where both of these revenues (as of the third quarter of FY 2003) may be running somewhat higher than previous City estimates. NVTC staff are in the process of undertaking new projections, and City staff hope to have them in hand when the scheduled FY 2003 and FY 2004 City General Fund revenue re-estimates and re-projections are completed in the next two weeks.

Operating Uses - Nearly three quarters of the City's FY 2004 transit operating budget is for the WMATA operating subsidy (\$16.4 million), and nearly one quarter is for the DASH operating subsidy (\$5.1 million). Local paratransit (\$850,000) and the Virginia Railway Express (VRE) (\$93,080) combined receive less than five percent of the overall transit operating budget.

FY 2004
CAPITAL SOURCES



FY 2004
CAPITAL USES



Capital Sources - The major funding source of the City's FY 2004 capital subsidy is State Urban Funds from the Virginia Department of Transportation (VDOT) Six Year Improvement Program (\$4.5 million). The remaining \$950,000 are City monies and represent the maintenance of effort dollar amount required by the State Code.

Capital Uses - Seventy-seven percent of the City's FY 2004 transit capital budget is planned for the FY 2004 WMATA Capital Improvement Program (CIP) (\$4.2 million). The WMATA CIP consists of Infrastructure Renewal Program (IRP) projects for on-going maintenance, rehabilitation, and upgrading of the bus and rail fleet, passenger and maintenance facilities, track and structures, and other infrastructure systems. Twenty-three percent of the transit capital budget (\$1.2 million) is planned for DASH bus replacement purchases.