

ITEM 7 - Information

April 16, 2003

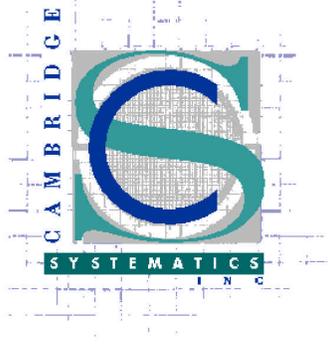
Report on the Financial Analysis for the 2003 Update to the Financially-Constrained Long Range Plan (CLRP)

Staff

Recommendation: Receive briefing on the preliminary draft results of the financial analysis for the 2003 CLRP.

Issues: None

Background: Under federal planning regulations a triennial update to the CLRP for the Washington region is required in 2003. A key element of this update is a financial analysis which reviews and updates projected transportation revenues and costs for operating, maintaining, and expanding the regional transportation system through 2030.



Memorandum

TO: Transportation Planning Board

FROM: Arlee Reno, Kiran Bhatt

DATE: April 9, 2003

RE: Progress Report on the Financial Analysis for the 2003 Update to the Constrained Long-Range Transportation Plan (CLRP)

I. Introduction

In preparation for the 2003 update of the CLRP, a 2003 financial analysis is now nearing completion. At a previous TPB meeting in November 2002, Mr. Reno briefed the Board on the overall process of the update. This memorandum describes the draft results for the 2003 plan.

II. Current Results and Caveats

Current results are shown in attached draft Tables 1 and 2. While these are considered to be draft final figures for all items, several issues remain. WMATA operating, rehabilitation, and preservation (IRP), system access and capacity (SAP), and system expansion (SEP) expenditure requests do not all match up to each of the jurisdiction's estimates by specific category. In the case of Virginia, WMATA requests have been included but all the funding jurisdictions have not necessarily approved all WMATA requests. Funding agencies will need to finalize their commitments in comparison to the WMATA requests.

III. Federal Funding Assumptions

- 1. Federal Transit Discretionary Funds.** In the last update, it was assumed that the region would successfully apply for and receive about \$100 million per year from a \$1.1 billion per year national discretionary or New Starts program, which is considered optimistic but not unreasonable. In this update, it is assumed that \$120 million will be available on average, representing a modest adjustment to the anticipated federal programs. Most federal funding for capital assistance to WMATA is for non-discretionary formula grants, and WMATA has included these forecasts of non-discretionary federal funds.

2. **Overall Federal Funding Assumptions for Reauthorization in Fiscal Years 2004-2009.** The likely scope of the next federal reauthorization legislation remains uncertain, and there is no specific reason to change the agencies' previous assumptions about anticipated federal funding levels.

IV. Comparisons to 2000 CLRP Revenues and Expenditures

While the revenues and expenditures for the 2003 Update and the 2000 Update were developed using the same general methods, some assumptions have changed and several other factors have changed. First, there are now 27 years in the forecasts in comparison to 25 years in the earlier forecasts. Also, the new tables are estimated in 2003 constant dollars whereas the previous tables were in 2000 constant dollars. It is estimated very roughly that these changes alone would have added about \$11 billion to the 2000 revenues and expenditures, if nothing else had changed. Other notable changes include:

- The percentage of expenditures for expansion shifted marginally from 20 percent in 2000, and is around 22 percent in the draft 2003 update.
- The percentage of total expenditures for public transportation in the draft 2003 update is close to 60 percent and for highways is close to 40 percent. The 2000 CLRP had 52 percent transit expenditures and 48 percent for highways. If all of the transit requests for IRP and funding to accommodate ridership growth had been funded in the 2000 CLRP, transit expenditures would have been at 57 percent. If some of the unfunded highway projects had also been included in the 2000 CLRP, the highway percentage also would have been higher.
- Highway expenditures are about the same as in 2000, and therefore, in real dollar terms, highway expenditures have been forecast to decline in this analysis in comparison to 2000.
- Some changes have occurred in the relative amounts listed as state and federal versus local in the revenue tables, which may be due to different accounting for state aid categories.

V. Next Steps

The financial analysis is expected to be finalized and completed by June after review by the TPB Technical Committee and the TPB. The consultant team will also prepare a final comparison and summary explanation of the changes since the 2000 CLRP. A final report is expected by the end of June.

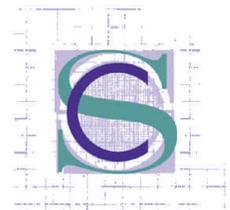


Table 1 Revenues – Financially Constrained Long Range Plan (2004 – 2030)

Millions of Constant 2003 Dollars

	District of Columbia	Suburban Maryland	Northern Virginia (1)	Regional	TOTAL
Federal / State	\$10,151	\$26,981	\$15,396		\$52,528
Local Jurisdictions		\$4,255	\$6,703		\$10,958
Private / Tolls / Bonds	\$2,372	\$359	\$1,981		\$4,712
<i>Sub-Total</i>	\$12,523	\$31,595	\$24,080	\$0	\$68,198
Local Transit Fares		\$301	\$1,458		\$1,759
WMATA Fares / Others				\$14,985	\$14,985
<i>Sub-Total</i>	\$0	\$301	\$1,458	\$14,985	\$16,744
<i>WMATA Fed Preservation (IRP)</i>				\$5,486	\$5,486
Special Federal					
NY Avenue	(Incl. Above)				\$0
Largo Extension		\$141			\$141
Dulles Corridor			\$1,353		\$1,353
Other Transit					\$0
Woodrow Wilson Bridge		\$1,013	\$618	\$0	\$1,631
<i>Sub-Total Special Federal</i>	\$0	\$1,154	\$1,971	\$0	\$3,125
GRAND TOTAL	\$12,523	\$33,050	\$27,509	\$20,471	\$93,553

(1) The local jurisdiction amount for Virginia includes funding at levels consistent with the WMATA request amounts. This has been done to balance the revenue and expenditures in this draft and does not represent funding amounts programmed by local jurisdictions in VA as part of this CLRP update.

04/09/03

DRAFT**Table 2 Expenditures – Financially Constrained Long Range Plan (2004 – 2030)**

Millions of Constant 2003 Dollars

	District of Columbia	Suburban Maryland	Northern Virginia (1)	Regional	TOTAL
Highway					
Operation / Preservation	\$4,323	\$10,600	\$7,259		\$22,182
Expansion	\$1,663	\$6,356	\$4,148		\$12,167
Other		\$97	\$1,116		\$1,213
Woodrow Wilson Bridge	(Incl. Above)	\$1,425	\$1,123		\$2,548
Highway Sub-Total	\$5,986	\$18,478	\$13,646	\$0	\$38,110
Transit					
Local / Commuter Rail					
Operations & Preservation		\$7,229			\$7,229
Expansion			\$3,918		\$3,918
			\$1,210		\$1,210
Local / Commuter Rail Sub-Total		\$7,229	\$5,128		\$12,357
WMATA					
Operating (2)	\$6,587	\$4,121	\$4,660	\$14,985	\$30,353
Preservation (IRP)	\$609	\$767	\$594	\$5,441	\$7,411
System Expansion (SEP)	\$4	\$4	\$3	\$45	\$56
System Access & Capacity (SAP)	\$290	\$976	\$758		\$2,024
WMATA Sub-Total	\$7,490	\$5,868	\$6,015	\$20,471	\$39,844
New Starts					
NY Avenue	(Incl. Above)				\$0
Largo Extension		\$167			\$167
Dulles Corridor			\$2,720		\$2,720
Other Projects & Studies					\$0
Other New Starts - Federal (3)					
MD/BiCounty Transitway		\$381			\$381
MD/Corridor City Transitway		\$871			\$871
MD/Other New Starts		\$56			\$56
New Starts Sub-Total	\$0	\$1,475	\$2,720	\$0	\$4,195
Transit Sub-Total	\$7,490	\$14,572	\$13,863	\$20,471	\$56,396
GRAND TOTAL	\$13,476	\$33,050	\$27,509	\$20,471	\$94,506
Revenues - Expenditures	\$0	\$0	-\$56	\$1,353	\$0
WMATA Request					
Operating	\$6,587	\$6,566	\$4,660	\$14,985	\$32,798
Preservation (IRP)	\$803	\$767	\$594	\$5,441	\$7,605
System Expansion (SEP)	\$4	\$4	\$3	\$45	\$56
System Access & Capacity (SAP)	\$1,023	\$976	\$758		\$2,757
New Starts	\$42	\$167	\$2,803		\$3,012
TOTAL	\$8,459	\$8,480	\$8,818	\$20,471	\$46,228

(1) VA - The WMATA amounts listed in VA column are estimates of VA allocations submitted by WMATA and do not reflect estimated revenues programmed by the State and or Northern Virginia localities.

(2) MD holding the MD WMATA operating subsidy to inflation and falling short of WMATA request

(3) Please see detailed breakdown for MD in Attachment-1

04/09/03

DRAFT

Table 2 Expenditures – Financially Constrained Long Range Plan (2004 – 2030)

Attachment-1: Details of MD / Other New Starts

Millions of Constant 2003 Dollars

MD Other New Starts

MD / BiCounty Transitway	\$381	
Bethesda to Silver Spring		\$371
Silver Spring to New Carrollton - Study Only		\$10
MD / Corridor City Transitway	\$871	
Metropolitan Grove to COMSAT		\$356
Shady Grove to Metropolitan Grove		\$515
MD / Other New Starts	\$56	
Maglev (study only)		\$10
Southern Maryland Commuter Bus Initiative		\$36
Southern Maryland Mass Transportation Analysis (study only)		\$10
		\$1,308