

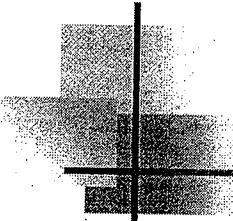


# Preliminary Sales Tax and Metro Transit Financial Update

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King County Budget and Financial  
Management Committee

February 17, 2009



# Purpose of Briefing

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Provide preliminary update on selected sales tax revenue forecasts (Mental Health and Transit)  
Provide update on Metro Transit financial status

NOTE: Comprehensive update on General Fund, Criminal Justice and CFS sales tax and other major revenues scheduled for March 17



# Key Assumptions

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- Continued economic slump with a slow recovery in mid 2010
- Lower income growth and inflation rates
- Four streamlining payments in 2008-2009, then termination
- No significant sales tax revenue impact of stimulus package in 2009

**Preliminary Mental Health Sales Tax Revenue**  
**Forecast – 2009 - 2013 Estimates**  
 (Dollars in Millions on Accrual Basis)

	<b>2009 Adopted Budget Estimate</b>	<b>February 2009 Preliminary Estimate</b>	<b>Change From 2009 Adopted Budget</b>
<b>2009</b>	<b>\$48.41</b>	<b>\$45.09</b>	<b>(\$3.32)</b>
<b>2010</b>	<b>\$50.80</b>	<b>\$46.36</b>	<b>(\$4.44)</b>
<b>2011</b>	<b>\$53.38</b>	<b>\$47.50</b>	<b>(\$5.87)</b>
<b>2012</b>	<b>\$56.11</b>	<b>\$49.07</b>	<b>(\$7.04)</b>
<b>2013</b>	<b>\$59.28</b>	<b>\$51.08</b>	<b>(\$8.20)</b>

# Preliminary Transit Sales Tax Revenue Forecast – 2008 Actual – 2013 Forecast (Dollars in Millions on Cash Basis)

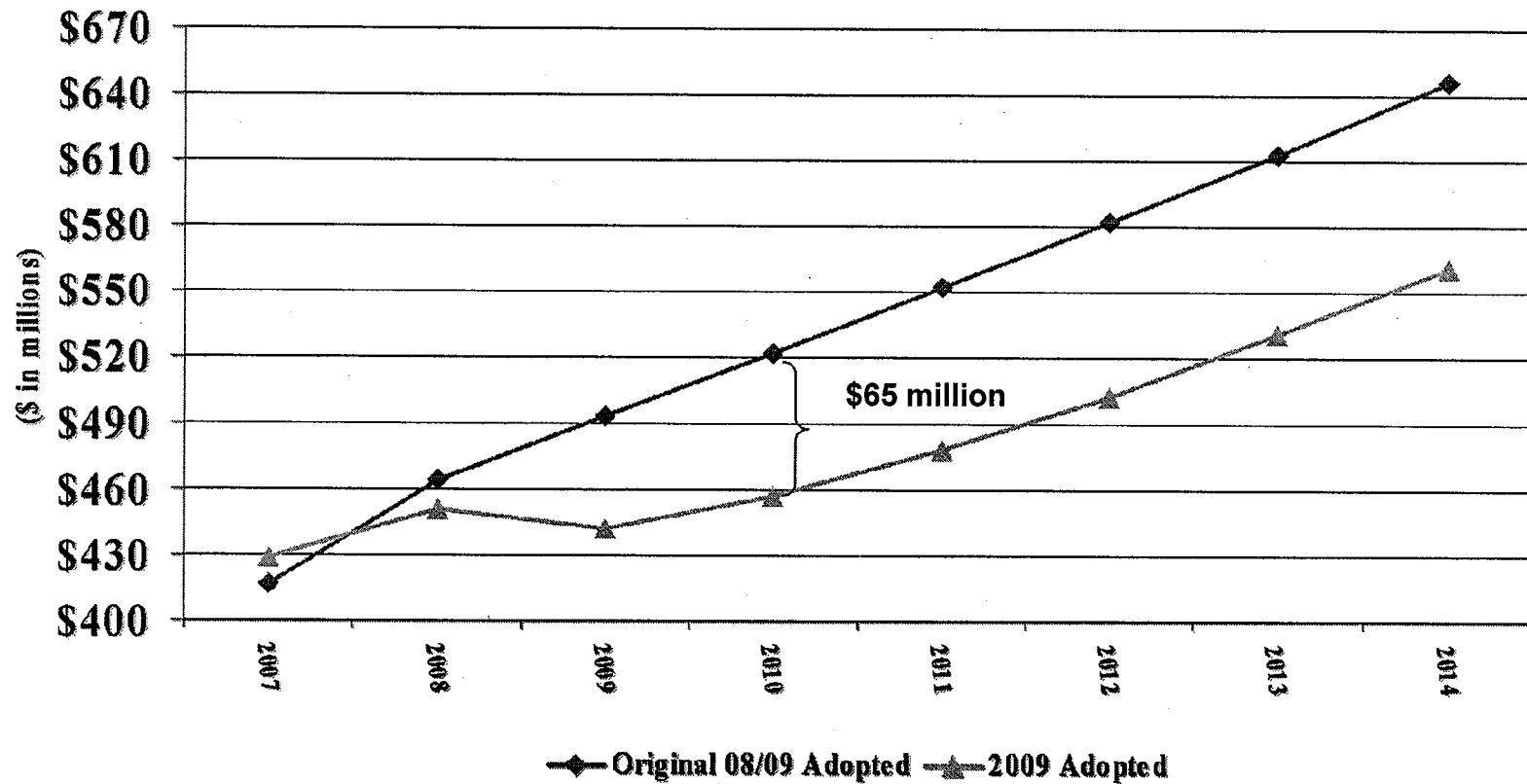
	<b>2008- 2009 Adopted Financial Plan</b>	<b>9/22/08 Projection</b>	<b>2/17/09 Projection</b>	<b>Change From Adopted Financial Plan</b>	<b>Change From 9/22/08 Projection</b>
<b>2008</b>	<b>\$464.85</b>	<b>\$451.46</b>	<b>\$445.43</b>	<b>-\$19.42</b>	<b>-\$6.03</b>
<b>2009</b>	<b>\$493.03</b>	<b>\$442.63</b>	<b>\$419.77</b>	<b>-\$73.26</b>	<b>-\$22.86</b>
<b>2010</b>	<b>\$522.02</b>	<b>\$457.15</b>	<b>\$421.93</b>	<b>-\$100.09</b>	<b>-\$35.22</b>
<b>2011</b>	<b>\$551.46</b>	<b>\$478.12</b>	<b>\$427.89</b>	<b>-\$123.57</b>	<b>-\$50.23</b>
<b>2012</b>	<b>\$581.51</b>	<b>\$502.27</b>	<b>\$440.76</b>	<b>-\$140.75</b>	<b>-\$61.51</b>
<b>2013</b>	<b>\$612.91</b>	<b>\$530.65</b>	<b>\$458.25</b>	<b>-\$154.66</b>	<b>-\$72.40</b>



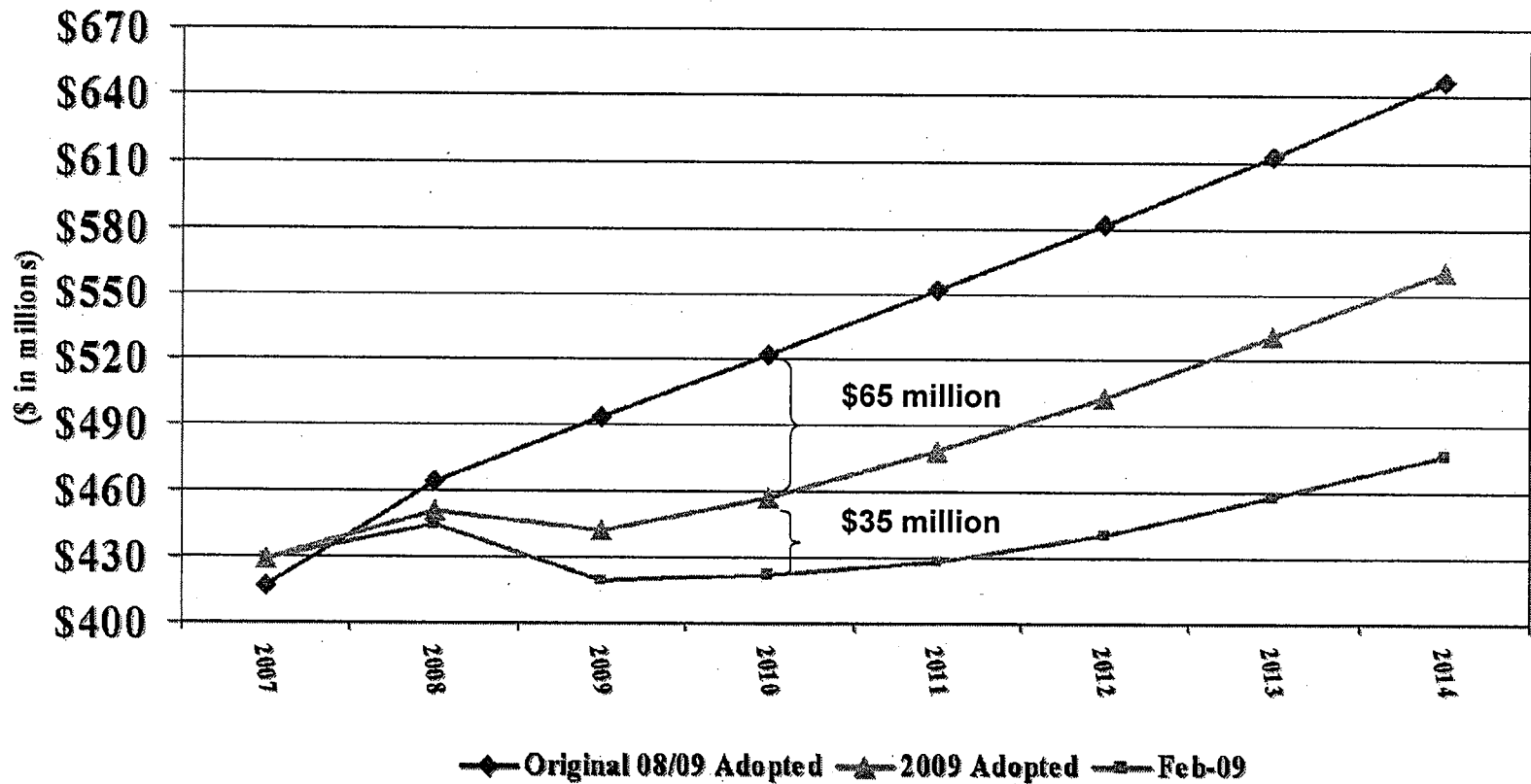
# Transit Division Impacts

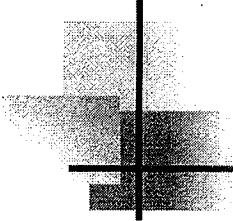
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# Transit Program – Sales Tax Revenue



# Transit Program – Sales Tax Revenue





# Transit Summary

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- Revised sales tax revenue projections being reviewed with other factors to determine program impacts
- Additional loss of \$28.9 million in this biennium nearly exhausts operating reserves in the absence of no additional spending reductions
- Additional loss of \$35 million (7.7% decline) in 2010 creates a gap of \$100 million – the equivalent of 800,000 to 1,000,000 hours of bus service
- The impact of the federal stimulus package is still to be determined
- Next steps: New financial forecast available in a few weeks