

# Metro Financial Update

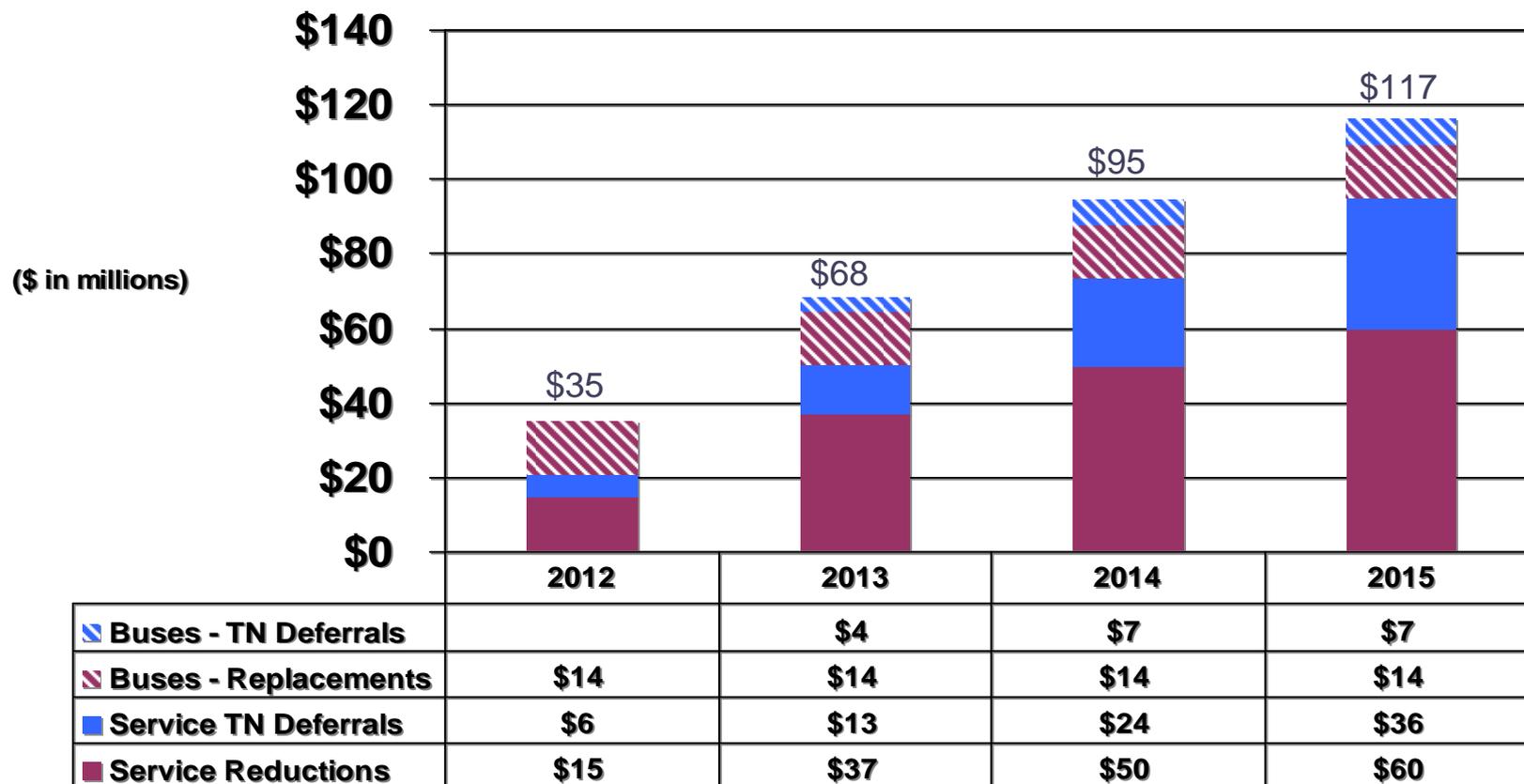
September 15, 2010



# Key Elements of the 2010-2011 Adopted Budget

1. **Defer bus service expansion:** Suspended remaining Transit Now improvements except Rapid Ride and already-approved partnerships.
2. **Capital program cuts:** Reprioritized capital program and reduced number of buses purchased
3. **Non-service related cuts:** reduced supplemental programs and service quality expense by 10%
4. **New revenue/Property tax swap:** 6.5 cents for transit; 1 cent for 520 Urban Partnership; 5.5 cents for other transit (including new Rapid Ride "F" Line)
5. **Operating reserves:** temporary reduction for 4 years
6. **Increase fares:** additional general fare increase in 2011
7. **Fleet replacement reserves:** \$100 million over four years
8. **Audit efficiencies:** Assumed 125,000 hours of scheduling efficiencies during the biennium
9. **Bus service:** 75,000 hours of service reductions during the biennium. Additional cuts required by 2013

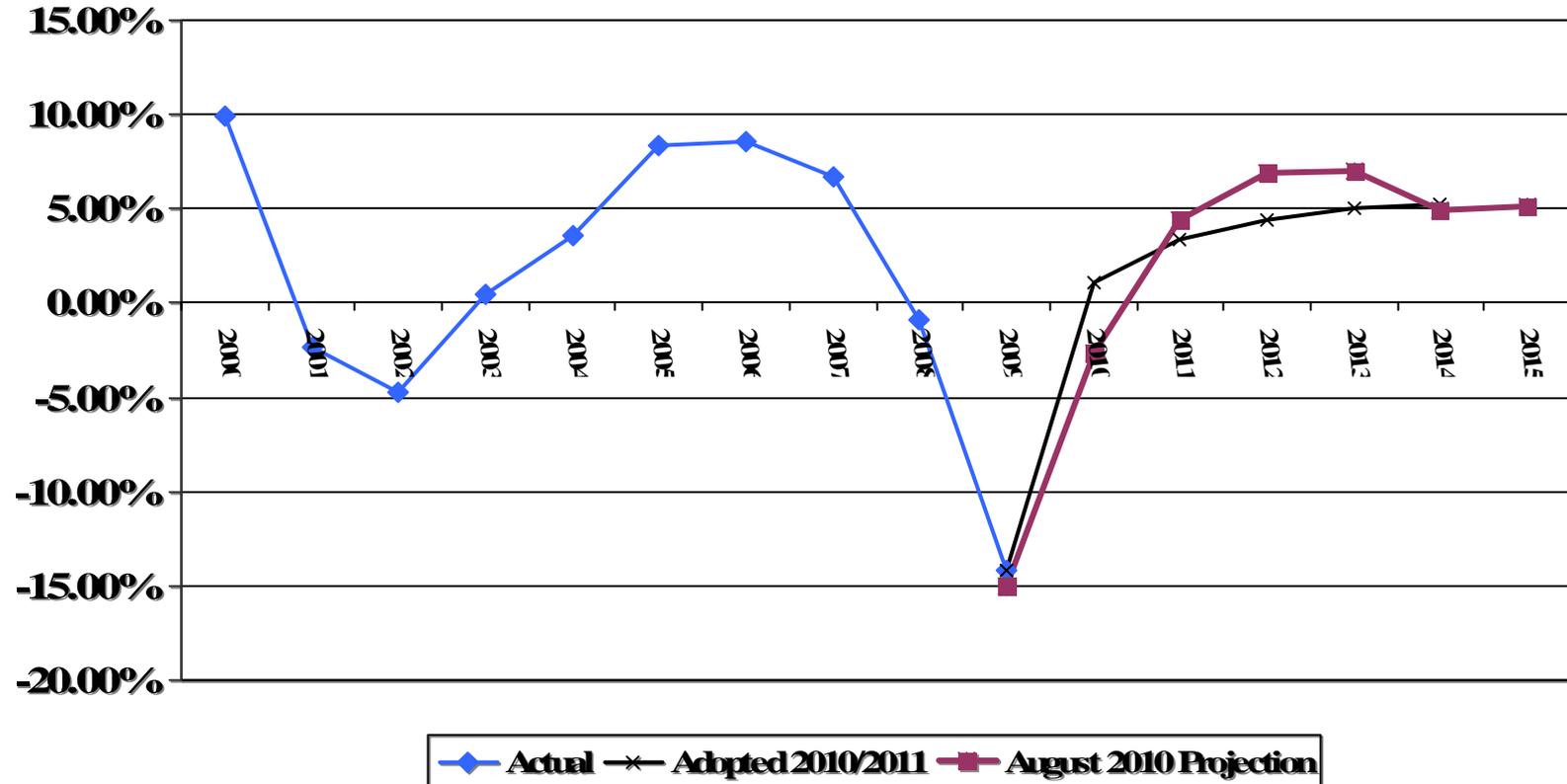
# Funds Needed to Retain Bus Service Levels



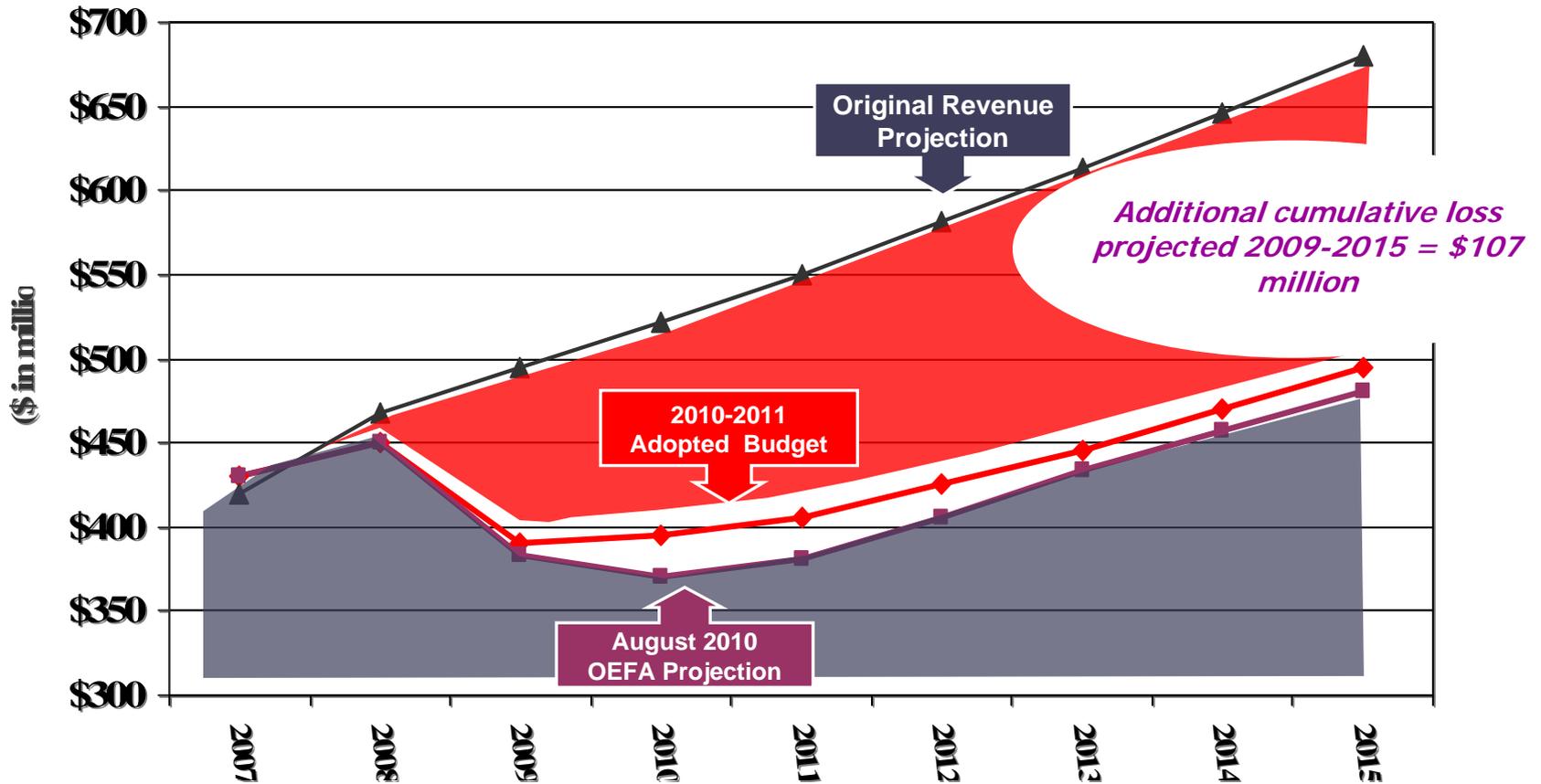
Lump sum funding is needed to purchase vehicles to support these service levels: \$200 million total; assuming financing, by 2015, \$21 million is needed each year.

# August 2010 Forecast

# Sales Tax Year-to-Year Growth Rates

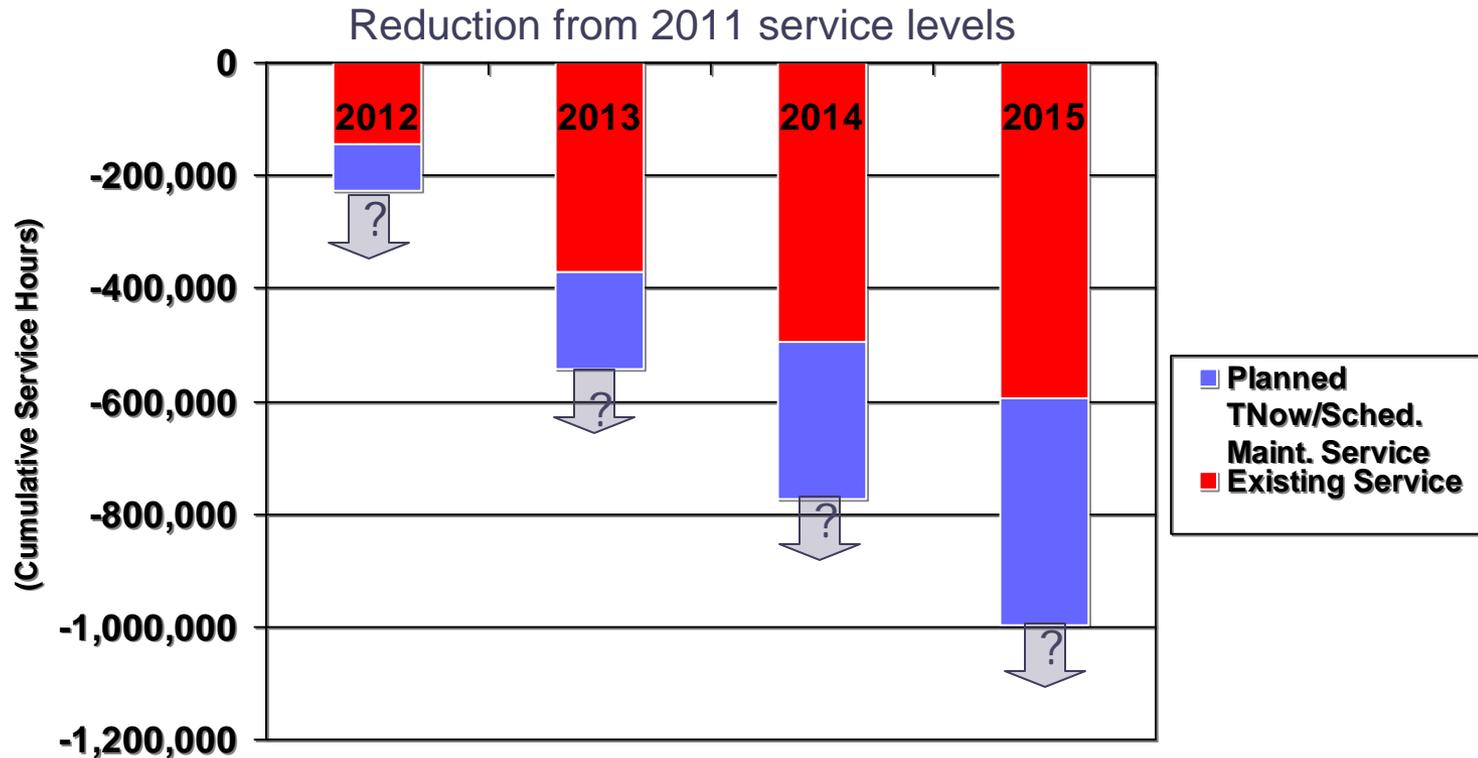


# King County Metro – Sales Tax Shortfall



Additional Loss by Year (millions \$)      (\$ 6)      (\$23)      (\$25)      (\$18)      (\$11)      (\$11)      (\$13)

# New sales tax projections could impact the levels of future service.



Reduction also in fleet and other infrastructure requirements