



**Finance, Administration and Oversight Committee**

**Information Item IV-A**

**December 3, 2009**

**FY2011 Preliminary Budget**



# WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

## Preliminary Budget for Fiscal Year 2011 July 1, 2010 – June 30, 2011

Finance, Administration and Oversight Committee

December 3, 2009



## Purpose

# To present the General Manager's Preliminary Budget

Part 1: Operating Budget, \$1.4 Billion

FY2011 Revenue, Expense, and Subsidy

Part 2: Capital Budget, \$0.7 Billion

FY2011 – FY2016 Capital Budget and Plan

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- A detailed proposed budget will be delivered to the FAO Committee for the January meeting.
- Final Board approval is anticipated by June 2009.



## FY2011 Preliminary Budget

- **Expenditures** have grown as a result of increased labor costs, higher insurance and liability payments, and MetroAccess growth.
- **Revenues** have decreased as a result of the current economic situation and its impact on ridership and advertisers.
- The overall **Subsidy** contributions for the jurisdictions are anticipated to remain at current levels.
- Metro has proposed revenue and expenditure **Initiatives** to close the gap.



## Early customer input on the Budget

- Four town meetings on the Budget gained these insights:
  - Riders generally asked that service levels remain the same.
  - Recognizing the budget situation, some supported paying increased fares.
  - One idea presented was to charge an additional amount for “peak of the peak” service.
  - Some riders also indicated that the jurisdictional partners should increase their Metro contribution.



## FY2011 Operating Budget

- In September, a \$144.1 million gap between revenues and expenditures was projected (\$106.6 million gap plus \$37.5 million in current fare policy increase):
  - Estimated total labor cost increase of 3 percent (COLA plus longevity and steps).
  - Fringe benefits increases for pension contributions and health care (11.5%).
  - Paratransit increase of 25%.
  - 6.3% increase in energy and utilities.



# FY2011 Operating Budget

- The current forecast includes a gap of \$175.4 million; an increase of \$31.3 million versus the \$144.1 million gap previously presented:

## **Revenue losses of \$23.29 million:**

Decrease in revenues. The current estimate is FY2009 ridership levels plus two 23.29 percent for rail and 1.5% for bus.

**\$23.29 Total Revenue Change**

## **Expenditure increases of \$7.99 million:**

Increase in salaries and fringes. Reduction in planned salary increases, offset 2.13 by increase in training hours for bus and increases in safety.

7.24 Increase in paratransit for growing demand.

(3.32) Less in materials and supplies, including additional parts capitalization.

(10.36) Decrease in fuel and utilities.

2.98 Increase in services.

9.32 Increase in other, mainly insurance.

**\$7.99 Total Expenditure Change**

**\$31.28 Total Change**



## FY2011 Budget Challenge

Options available to close the budget gap:

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- Increase bus, rail, and paratransit fares.
- Reduce some bus, rail, and paratransit services.
- Departmental reductions.
- Transfer additional preventive maintenance costs to the capital budget.
- Additional borrowing for capital.





## Metrorail FY2011 Baseline Revenue Highlights

- No rail ridership growth is projected from FY2009 to FY2010. FY2011 rail revenue is anticipated to be 2% above normalized FY2009 levels, or \$10.6 million.
- The average rail fare is decreasing due to the changing mix of long and short trips. The average rail fare in FY2010 after adjustments is \$2.25, \$0.03 below the budgeted level of \$2.28.
- FY2011 revenue projections normalized to compensate for one-time revenue changes due to Inauguration and the Red Line Accident of \$6.2 and \$0.7 million, respectively.
- The FY2011 revenue estimate also includes a reduction in unused fare media from 5% or \$28.1 million in FY2010 to 3% or \$17.0 million in FY2011, a reduction of \$11.1 million.



# Metrorail Passenger Revenue

<b>Metrorail</b> <i>(in millions)</i>	<b>Ridership</b>	<b>Revenue</b>
<b>2009 Actual Ridership</b>	<b>222.90</b>	<b>\$513.17</b>
Normalize for Obama Inauguration	(1.78)	(\$4.20)
Normalize for Unused Fare Media for Inauguration	-----	(\$2.00)
Normalize for Red Line Accident	0.36	\$0.70
<b>FY2009 Normalized Rail Ridership</b>	<b>221.48</b>	<b>\$507.67</b>
FY2011 Ridership Growth (2% above FY2009)	5.09	\$10.60
<b>FY2011 Base</b>	<b>226.57</b>	<b>\$518.27</b>
Reduction in Unused Fare Media (5% to 3%)	-----	(\$11.10)
Elimination of Elevator/Escalator Program Debt	-----	\$6.00
<b>Proposed FY2011 Revenue/Ridership</b>	<b>226.57</b>	<b>\$513.17</b>
<b>Approved FY2010</b>	<b>230.80</b>	<b>\$525.90</b>
<i>Change FY2011 vs FY2010</i>	<i>(4.23)</i>	<i>(\$12.73)</i>

- Year over year, Metrorail ridership is lower by 3% through the end of October.
- Rail passenger revenue for FY2010 is under budget almost \$13 million, through October 2009.
- Unused fare media reduced \$11 million, from 5% in FY2010 to 3% in FY2011 reflecting the elimination of MetroCheck Program and the increased use of SmarTrip cards.



## Metrobus FY2011 Baseline Revenue Highlights

- No bus ridership growth projected for FY2010. FY2011 bus revenue is expected to be approximately 1.5% above FY2009 levels or \$1.6 million.
- FY2009 bus revenue adjusted for six months of Fare Integration.
- FY2011 revenue projections not materially affected by the President Obama Inauguration or the Red Line accident.
- The current average bus fare of \$0.82 has remained relatively constant since the fare policy changes of January 2008 that included the elimination paper transfers and the implementation of the balanced transfer. Prior to the fare changes, the average fare was about \$0.74.



# Metrobus Passenger Revenue

<b>Metrobus</b> <i>(in millions)</i>	<b>Ridership</b>	<b>Revenue</b>
<b>2009 Actual Ridership</b>	<b>133.77</b>	<b>\$111.31</b>
<b>Annualize:</b>		
Elimination of Fare Integration		<b>(\$7.02)</b>
Paper Transfer		\$3.50
Balanced Transfer		\$2.00
FY2011 ridership growth (1.5%)	2.00	\$1.62
<b>Proposed FY2011 Revenue/Ridership</b>	<b>135.77</b>	<b>\$111.41</b>
<b>Approved FY2010</b>	<b>139.70</b>	<b>\$116.70</b>
<i>Change FY2011 vs FY2010</i>	<b>(3.93)</b>	<b>(\$5.29)</b>

- To date, Metrobus ridership through the end of October is 6 percent below last year and 10 percent below budget.
- Base passenger revenue for FY2010 is \$4.1 million below budget through October 2009.



## MetroAccess FY2011 Baseline Revenue Highlights

- MetroAccess ridership growth through October 2009 is 19% above the same period last fiscal year.
- The current average fare through the end of October 2009 is \$1.78, \$0.25 above the same period last year, but \$0.36 below the budgeted average fare.
- The proposed 2011 budget includes MetroAccess estimated ridership of 2.4 million passengers, 300,000 passengers above the approved FY2010 budget.



## MetroAccess Passenger –Revenue

<b>MetroAccess</b> <i>(in millions)</i>	<b>Ridership</b>	<b>Revenue</b>
<b>FY2010 Budgeted Revenue</b>	2.1	\$5.0
<b>FY2011 ridership growth (15%)</b>	0.3	\$0.6
<b>Proposed FY2011 Revenue/Ridership</b>	2.4	\$5.6
<b>Approved FY2010</b>	2.10	\$5.00
<i>Change FY2011 vs FY2010</i>	0.30	\$0.62

- MetroAccess ridership in FY2011 is projected to be 2.4 million trips.



## Other Non-Passenger Revenues

- Parking revenues are currently under budget and not predicted to increase in FY2011. (-\$2.8 million)
  - Meter revenue is down.
  - Reserved parking revenue is lower than last year.
- Non-Passenger revenues are being adversely affected by the economy and the conclusion of established contracts.
  - Current advertising contract ends in FY2010. (-\$29 million)
  - Conclusion of pay telephone contract. (-\$0.6 million)
  - Decline in interest income. (-\$2.6 million)
  - \$7 million allocated from the Transportation Infrastructure Investment Fund (TIIF) for operating support have been consumed. (-\$7.0 million)
  - End of Southeastern Garage offset program. (-\$5.1 million)



# Revenue Summary

- Overall, revenues are anticipated to be \$61.7 below the FY2010 Budget

	Actual 2009	Approved Budget 2010	Estimate Sept. 09 2011	Preliminary Budget 2011	Change FY2010 v. FY2011	%
<b>REVENUES (Millions)</b>						
Passenger	621.0	647.6	654.1	630.0	(17.6)	-2.7%
Other Passenger	7.8	5.0	5.0	5.0	0.0	0.0%
Parking	47.4	50.1	46.3	47.3	(2.8)	-5.5%
Charter	0.3	0.0	0.0	0.0	0.0	0.0%
Advertising	38.3	42.0	15.0	13.0	(29.0)	-69.0%
Joint Development	8.2	5.7	5.7	5.7	0.0	0.0%
Other	21.1	17.9	3.8	6.2	(11.8)	-65.6%
Employee Parking	0.2	0.2	0.2	0.2	0.0	15.0%
Interest	1.0	3.2	3.2	0.5	(2.6)	-83.7%
Fiber Optics	14.0	12.1	12.1	14.1	2.0	16.9%
<b>Total Revenues</b>	<b>759.2</b>	<b>783.7</b>	<b>745.4</b>	<b>722.1</b>	<b>(61.7)</b>	<b>-7.9%</b>

\$23.29 M decrease





# Expense Overview

- Expenditures are anticipated to be \$100.3 million higher than the FY2010 Budget.

	Actual 2009	Approved Budget 2010	Estimate Sept. 09 2011	Preliminary Budget 2011	Change FY2010 v. FY2011	%
<b>EXPENSES (Millions)</b>						
Salary	190.0	195.4	201.2	202.0	6.6	3.4%
Wages	417.5	424.7	437.4	437.0	12.4	2.9%
Overtime	62.1	48.3	49.7	50.1	1.8	3.8%
Fringes	267.4	284.3	316.9	318.2	33.9	11.9%
ADA Contract	78.5	78.9	98.6	105.9	27.0	34.2%
Other Services	74.1	83.8	86.3	89.3	5.5	6.6%
Materials & Supplies	82.3	73.1	76.7	73.4	0.3	0.5%
Fuel & Propulsion Power	98.9	108.8	116.1	107.9	(0.9)	-0.8%
Utilities	44.2	47.6	50.1	47.9	0.3	0.7%
Casualty & Liability	27.6	24.7	28.6	37.4	12.7	51.6%
Leases & Rentals	4.2	4.5	4.5	4.9	0.4	8.0%
Miscellaneous	3.6	4.9	5.1	5.2	0.2	5.0%
Reimbursements	(3.5)	(4.5)	(4.5)	(4.5)	0.0	0.0%
<b>Total Expenses</b>	<b>1,347.0</b>	<b>1,374.5</b>	<b>1,466.9</b>	<b>1,474.8</b>	<b>100.3</b>	<b>7.3%</b>
Preventive Maint/Reserves	20.7	44.0	30.7	30.7	(13.3)	-30.3%
<b>Net Expense</b>	<b>1,326.3</b>	<b>1,330.5</b>	<b>1,436.2</b>	<b>1,444.1</b>	<b>113.7</b>	<b>8.5%</b>

\$7.99 M increase



## Key FY2011 Expense Highlights

### Non-Personnel Expenses:

- Paratransit is up \$27.0 million, due to demand and renewal of the current contract.
- Services up \$5.5 million, or 6.6%, due to increases in maintenance agreements (hardware / software), Smartrip, legal/labor consulting, and bank fees.
- Materials and supplies is flat relative to FY10 – includes greater capitalization of repairable parts.
- Fuel and propulsion includes \$0.9 million reduction – combination of purchasing agreements and “wholesale” power contribute to the slightly lower rates.



## Key FY2011 Expense Highlights

### Non-Personnel Expenses (cont)

- Utilities – basically flat relative to FY10 the small increase represents waste water runoff charge from WASA.
- Casualty and liability up \$12.7 million or 51%, \$11 million in increased third party claims; \$1.7 million in premium costs.
- Leases – up \$0.4 million or 8%, general inflation and \$0.2 million to store damaged rail cars.
- Miscellaneous – up \$0.2 million.



## Personnel Costs

- Salaries and wages are anticipated to increase one percent, plus steps and longevity.
  - This is less than the 3% arbitration award, creating a potential risk.
- Pension costs increase by 24% to \$102.6 million over FY2010; the FY2011 contribution could have been as high as \$150 million, but labor and management lowered projected contribution requirements by changing asset-smoothing methods and extending amortization periods for most of Metro's pension plans.
- For health care, costs are projected to be approximately \$142 million for FY2011, an 8% increase over FY2010. This increase is in line with national trends.



## Closing the Gap

(Millions)	Actual 2009	Approved Budget 2010	Preliminary Budget 2011	Change FY2010 v. FY2011	%
Revenues	759.2	783.7	722.0	(61.7)	-7.9%
Net Expenses	1326.3	1330.5	1444.1	113.7	8.5%
Subsidy	567.2	546.7	722.1	175.4	32.1%

- Recommendations to close the \$175.4 million gap:
  - Bus and Rail service reductions of \$32.9 million, net of anticipated revenue losses.
  - Fare increases of \$92.5 million, an increase of \$55.0 million over the current Board-approved fare policy increase for FY2011 of \$37.5 million.
  - MetroAccess cost growth containment initiatives of \$10.0 million.
  - Departmental reductions of \$10.0 million.
  - Additional preventive maintenance of \$30.0 million.



## Service Changes

- Service changes could include:
  - Aligning service for bus and rail on some holidays and holiday-related days (the day after Thanksgiving, for example) to actual ridership.
  - Increasing headways on rail and bus service.
  - Closure of mezzanines and rail stations during periods of low utilization.
  - Later opening times for rail service.
  - Modifying late night rail and bus service.
  - Elimination of some low productivity, overlapping, and low ridership bus services.



## Capital Budget

- FY2010 is the final year of the successful Metro Matters Program.
- The Capital Needs Inventory (CNI) identified \$11 billion in needs over 10 years.
- Metro has \$8 billion in assets. Over the last six years, Metro has invested a total of \$3 billion, an average of \$0.5 billion annually.
- Metro staff is working with members of the Jurisdictional Coordination Committee to renew the Metro Matters agreement.



## Capital Budget and Plan

- The FY2011 Budget will be the first year of a six-year Capital Improvement Program (CIP).
- Each year the budget and five-year plan will be modified to reflect current infrastructure needs and the anticipated contribution of the jurisdictions.





# Capital Budget – Sources of Funds

## Capital Improvement Program (CIP) Costs: FY 2011-2016

(dollars in millions)

	Annual Work Plan Year: FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast	FY 2014 Forecast	FY 2015 Forecast	FY 2016 Forecast	Total FY 2011-16
<b>► Federal Funds:</b>							
• Federal Formula Grant Funds:							
› Section 5307 Grant	\$ 144.040	\$ 149.802	\$ 157.292	\$ 165.156	\$ 173.414	\$ 182.085	\$ 971.788
› Section 5309 Grant	104.520	108.701	114.136	119.843	125.835	132.127	705.161
Subtotal - Formula Grants	\$ 248.560	\$ 258.502	\$ 271.428	\$ 284.999	\$ 299.249	\$ 314.211	\$ 1,676.949
• Federal Dedicated Funds	150.000	150.000	150.000	150.000	150.000	150.000	900.000
Subtotal: Federal Funds	\$ 398.560	\$ 408.502	\$ 421.428	\$ 434.999	\$ 449.249	\$ 464.211	\$ 2,576.949
<b>► State and Local Funds:</b>							
• Match to Federal Formula Grants	62.140	64.626	67.857	71.250	74.812	78.553	419.237
• Match to Federal Dedicated Funds	150.000	150.000	150.000	150.000	150.000	150.000	900.000
• Local Additional Funds	107.560	107.560	107.560	107.560	107.560	107.560	645.360
Subtotal: State and Local Funds	\$ 319.700	\$ 322.186	\$ 325.417	\$ 328.810	\$ 332.372	\$ 336.113	\$ 1,964.597
<b>Total without Debt</b>	<b>\$ 718.260</b>	<b>\$ 730.688</b>	<b>\$ 746.844</b>	<b>\$ 763.809</b>	<b>\$ 781.621</b>	<b>\$ 800.324</b>	<b>\$ 4,541.546</b>
► Debt Strategy	-	-	-	-	235.959	159.925	395.884
<b>Grand Total</b>	<b>\$ 718.260</b>	<b>\$ 730.688</b>	<b>\$ 746.844</b>	<b>\$ 763.809</b>	<b>\$ 1,017.580</b>	<b>\$ 960.249</b>	<b>\$ 4,937.430</b>



# Capital Budget – Uses of Funds

## Capital Improvement Program (CIP) Costs: FY 2011-2016

(dollars in millions)

	Annual Work							Total FY 2011-16
	Plan Year:							
	FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast	FY 2014 Forecast	FY 2015 Forecast	FY 2016 Forecast		
A. Vehicles/Vehicle Parts	\$221.335	\$206.203	\$206.445	\$285.383	\$609.528	\$598.654	\$2,127.549	
B. Rail System Infrastructure Rehab.	153.422	136.863	106.245	153.797	133.890	51.151	735.369	
C. Maintenance Facilities	106.352	168.821	220.926	107.334	65.464	96.914	765.810	
D. Systems and Technology	79.228	60.944	59.502	68.177	63.427	65.719	396.996	
E. Track and Structures	57.652	50.307	50.471	48.979	51.325	55.937	314.671	
F. Passenger Facilities	30.766	33.706	37.157	38.282	37.623	36.854	214.388	
G. Maintenance Equipment	26.745	33.732	21.186	20.388	20.546	23.196	145.793	
H. Other Facilities	16.582	13.933	18.736	10.002	4.310	0.357	63.920	
I. Program Management	26.178	26.178	26.178	31.467	31.467	31.467	172.935	
<b>Grand Total</b>	<b>\$718.260</b>	<b>\$730.688</b>	<b>\$746.844</b>	<b>\$763.809</b>	<b>\$1,017.580</b>	<b>\$960.249</b>	<b>\$4,937.430</b>	



# Capital Budget – Project Detail

## Capital Improvement Program (CIP) Costs: FY 2011-2016

(dollars in millions)

	Annual Work Plan Year: FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast	FY 2014 Forecast	FY 2015 Forecast	FY 2016 Forecast	Total FY 2011-16
<b>A. Vehicles/Vehicle Parts</b>							
• Replacement of Rail Cars	\$0.000	\$0.000	\$0.000	\$65.967	\$330.405	\$327.388	\$723.759
• Replacement of Buses	73.297	71.606	74.113	76.707	104.556	82.170	482.449
• Rehabilitation of Rail Cars	57.000	45.065	42.901	63.540	94.039	108.098	410.642
• Rehabilitation of Buses	40.000	40.000	40.000	40.000	40.000	40.000	240.001
• Vehicle Replacement Components	7.056	12.582	15.305	18.595	21.312	21.793	96.643
• Purchase of MetroAccess Vehicles	14.618	8.366	9.324	9.948	10.431	10.827	63.514
• Replacement of Service Vehicles	3.082	8.398	7.734	6.745	5.969	5.562	37.490
• Rail Car Fleet Expansion	7.811	0.821	1.610	1.066	0.000	0.000	11.308
• Bus Fleet Expansion	2.817	2.817	2.817	2.817	2.817	2.817	16.899
• Bus Enhancements	15.654	16.549	12.640	0.000	0.000	0.000	44.843
Subtotal	\$221.335	\$206.203	\$206.445	\$285.383	\$609.528	\$598.654	\$2,127.549
<b>B. Rail System Infrastructure Rehab.</b>							
• Rail Line Segment Rehabilitation	\$153.422	\$136.863	\$106.245	\$153.797	\$133.890	\$51.151	\$735.369
Subtotal	\$153.422	\$136.863	\$106.245	\$153.797	\$133.890	\$51.151	\$735.369
<b>C. Maintenance Facilities</b>							
• Rehab and Replacement of Bus Garages	\$72.443	\$67.971	\$132.507	\$4.973	\$0.000	\$0.000	\$277.894
• Maintenance of Bus Garages	0.000	0.000	0.000	60.500	54.695	30.513	145.708
• Maintenance of Rail Yards	1.259	51.910	52.760	24.674	4.042	0.000	134.645
• Rail Maintenance Facilities	18.460	27.010	14.529				60.000
• Environmental Compliance Projects	2.675	4.930	3.129	3.058	1.726	3.644	19.162
Maintenance Bus and Rail Facilities	5.000	5.000	5.000	5.000	5.000	5.000	30.000
• Expansion of Bus Garages	6.515	12.000	13.000	9.129	0.000	57.757	98.401
Subtotal	\$106.352	\$168.821	\$220.926	\$107.334	\$65.464	\$96.914	\$765.810



# Capital Budget – Project Details

## Capital Improvement Program (CIP) Costs: FY 2011-2016 *(continued)*

(dollars in millions)

	Annual Work Plan Year:						
	FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast	FY 2014 Forecast	FY 2015 Forecast	FY 2016 Forecast	Total FY 2011-16
<b>D. Systems and Technology</b>							
• Power Systems Upgrades - Rail	\$13.500	\$7.500	\$3.500	\$2.000	\$1.500	\$1.291	\$29.291
• Operations Support Software	28.625	33.528	37.079	37.571	33.060	38.313	208.177
• Business Support Software & Equip.	15.426	13.350	13.068	25.126	25.636	23.911	116.516
• Rail Fare Equipment	21.677	6.566	5.855	3.480	3.230	2.205	43.013
Subtotal	\$79.228	\$60.944	\$59.502	\$68.177	\$63.427	\$65.719	\$396.996
<b>E. Track and Structures</b>							
• Track Rehabilitation	\$54.686	\$47.094	\$47.289	\$45.638	\$47.817	\$52.279	\$294.803
• Station/Tunnel Rehabilitation	2.966	3.213	3.182	3.341	3.508	3.658	19.868
Subtotal	\$57.652	\$50.307	\$50.471	\$48.979	\$51.325	\$55.937	\$314.671
<b>F. Passenger Facilities</b>							
• Elevator/Escalator Facilities	\$11.800	\$16.200	\$18.300	\$19.300	\$19.800	\$16.300	\$101.700
• Maintenance of Rail Station Facilities	7.527	7.630	7.730	7.830	7.930	8.130	46.777
• Bicycle & Pedestrian Facilities	0.786	0.811	0.777	0.802	0.829	0.451	4.456
• Rail Station: Capacity/Enhancements	6.950	6.248	7.533	7.533	6.248	9.092	43.604
• Bus Priority Corridor Improvements	2.817	2.817	2.817	2.817	2.817	2.817	16.899
• Rail Station Equipment	0.887	0.000	0.000	0.000	0.000	0.065	0.952
Subtotal	\$30.766	\$33.706	\$37.157	\$38.282	\$37.623	\$36.854	\$214.388
<b>G. Maintenance Equipment</b>							
• Rail Maintenance Equipment	\$19.187	\$26.038	\$13.435	\$12.517	\$12.427	\$15.012	\$98.616
• Heavy-Duty Track Equipment	4.100	4.100	4.100	4.100	4.100	4.100	24.600
• Bus Repair Equipment	2.650	2.781	2.928	3.025	3.125	3.288	17.797
• Business Facilities Equipment	0.808	0.812	0.723	0.746	0.894	0.796	4.780
Subtotal	\$26.745	\$33.732	\$21.186	\$20.388	\$20.546	\$23.196	\$145.793



# Capital Budget – Project Detail

## Capital Improvement Program (CIP) Costs: FY 2011-2016 *(continued)*

(dollars in millions)

	Annual Work							Total FY 2011-16
	Plan Year: FY 2011 Forecast	FY 2012 Forecast	FY 2013 Forecast	FY 2014 Forecast	FY 2015 Forecast	FY 2016 Forecast		
<b>H. Other Facilities</b>								
• Business Support Facilities	\$14.874	\$1.600	\$1.557	\$0.591	\$0.498	\$0.357	\$19.477	
• MTPD Support Facilities	1.708	12.333	17.179	9.411	3.812	0.000	44.443	
Subtotal	\$16.582	\$13.933	\$18.736	\$10.002	\$4.310	\$0.357	\$63.920	
<b>Total without Program Mgmt.</b>	<b>\$692.082</b>	<b>\$704.510</b>	<b>\$720.666</b>	<b>\$732.342</b>	<b>\$986.113</b>	<b>\$928.782</b>	<b>\$4,764.495</b>	
<b>I. Program Management</b>								
• Program Mgmt. & Support	\$21.178	\$21.178	\$21.178	\$26.467	\$26.467	\$26.467	\$142.935	
• Credit Facility	5.000	5.000	5.000	5.000	5.000	5.000	30.000	
Subtotal	26.178	26.178	26.178	31.467	31.467	31.467	172.935	
<b>Grand Total</b>	<b>\$718.260</b>	<b>\$730.688</b>	<b>\$746.844</b>	<b>\$763.809</b>	<b>\$1,017.580</b>	<b>\$960.249</b>	<b>\$4,937.430</b>	



## Next Steps

### December:

- Presentation of potential fare increases and potential service reductions to Jurisdictional Coordinating Committee, Riders Advisory Council, and Accessibility Advisory Committee.

### January:

- Board will receive Proposed FY2011 Budget books.
- Ridership and revenue updates.
- FAO Committee consideration of specific service reductions, if necessary.
- Board Action Item to begin public hearing process, if necessary.

### February

- Any necessary public hearings on fare increases and service reductions.
- Board Action Item to begin public hearing process.

### March

- Board reviews results of public hearings.
- Approval of any necessary fare increases and service reductions.

### May

- Final review of FY2011 budget issues and recommendations.

### June

- Board approval of the FY2011 Budget.