



**Fiscal Sustainability Task Force
Bringing it all Together**

Total Sources

Operating Revenue

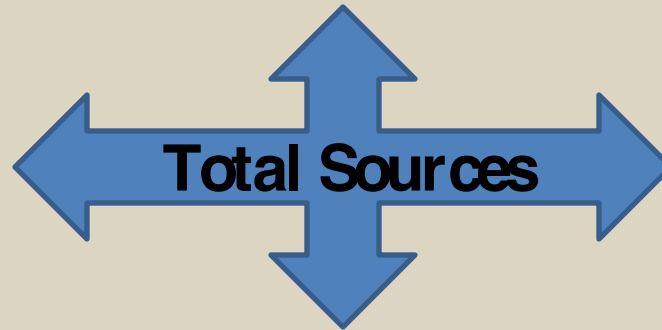
Sources from ongoing activities:

- Passenger Fares
- Advertising
- Lease
- Joint Venture
- Parking

Grant Revenue

Federal and local assistance:

- Operating Grants
- Capital Grants



Financing

Debt issuance and investments:

- Bonds
- Certificates of Participation (COPs)

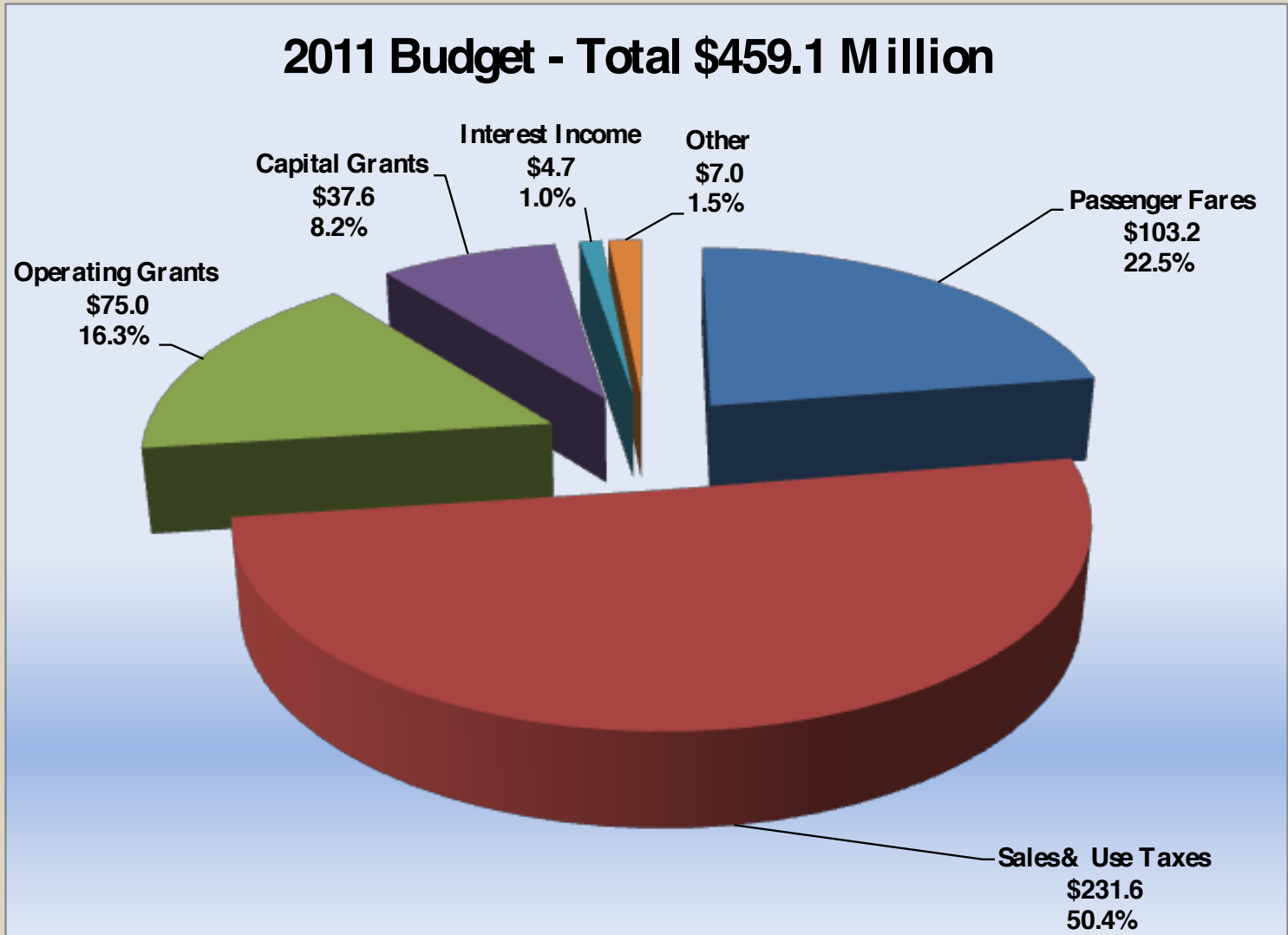
Other Income

Non-operating revenues:

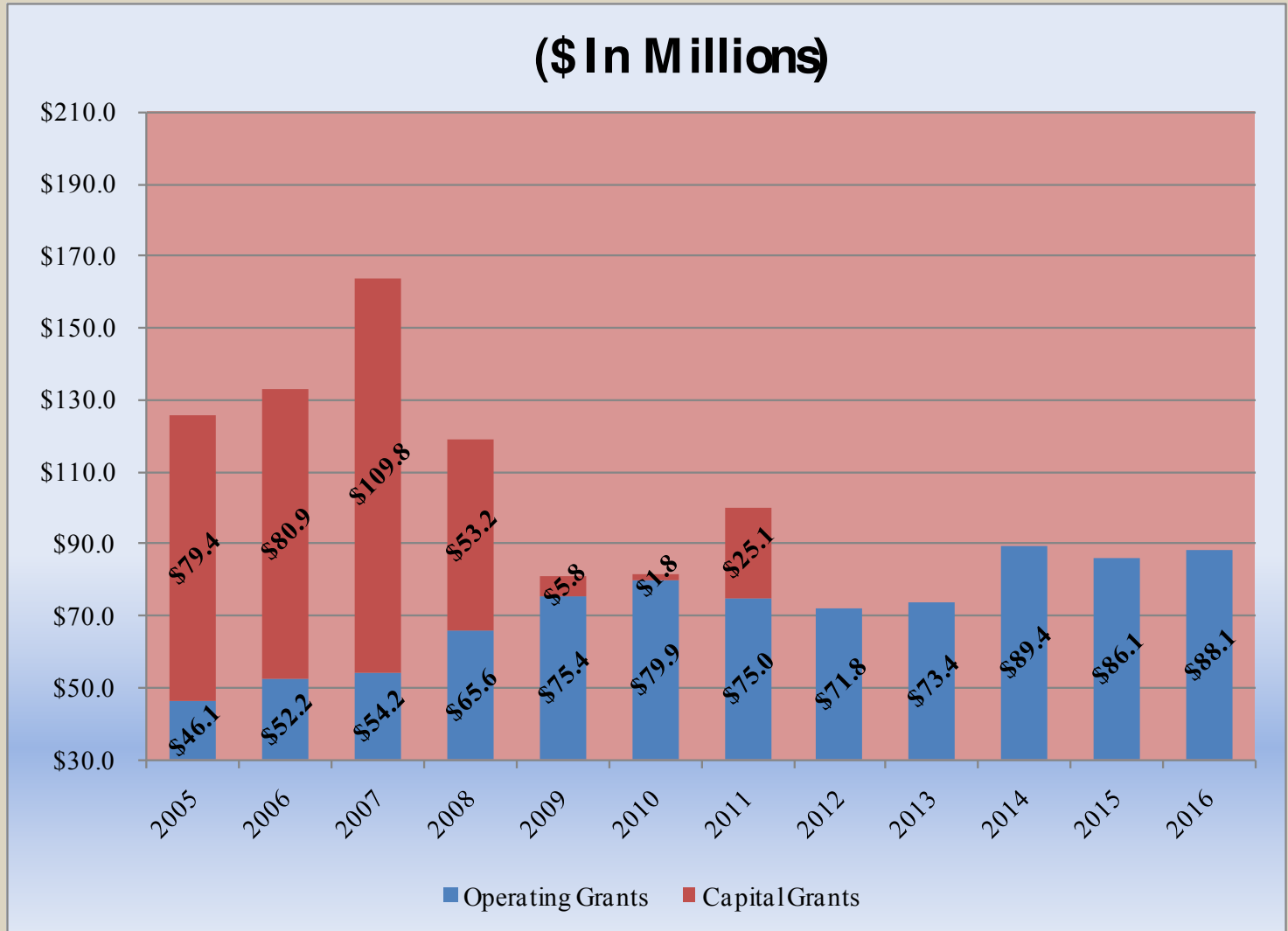
- Sales & Use Taxes
- Investment Income
- Asset Sales



Base System Sources (Excluding Financing)

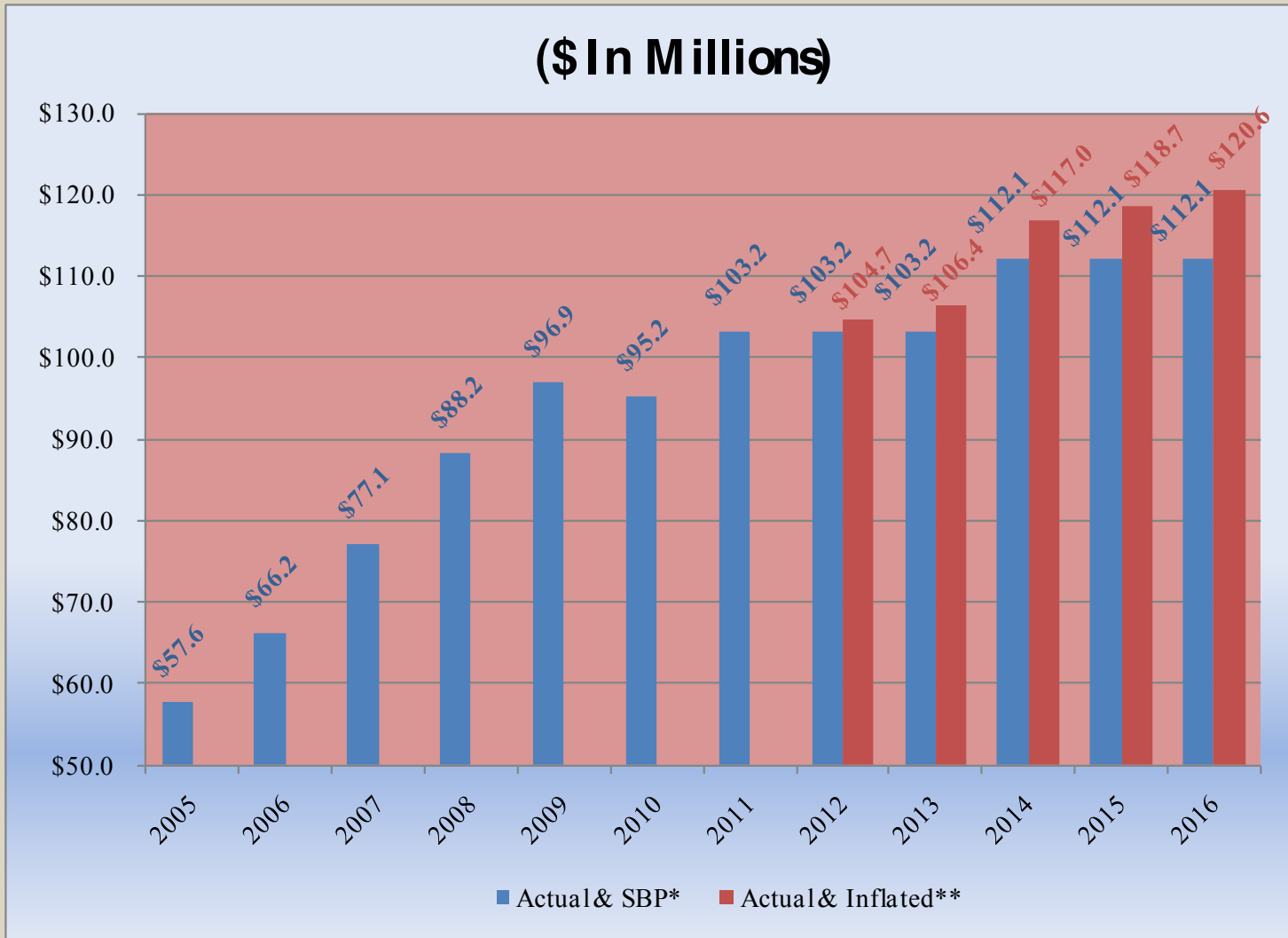


Base System Grant Revenue





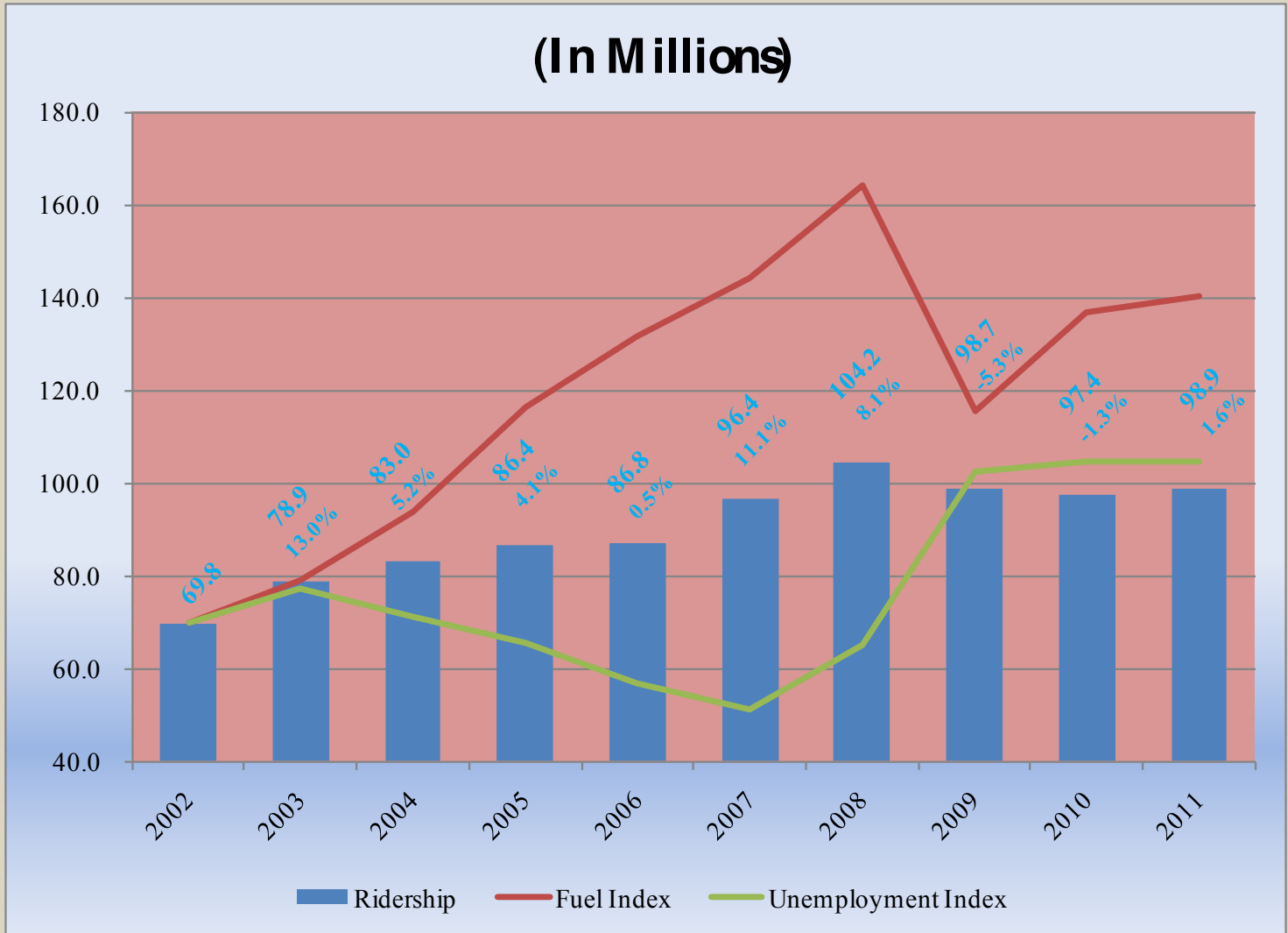
Base System Passenger Fare Revenue



* The 2012-2016 blue bars are from the Strategic Budget Plan (SBP) assuming a fare increase in 2014 and no ridership changes.

** The 2012-2016 red bars assume a fare increase in 2014 plus population growth estimates from the Colorado Department of Labor.

Base System Ridership



Base System Fare Revenue (in Millions)



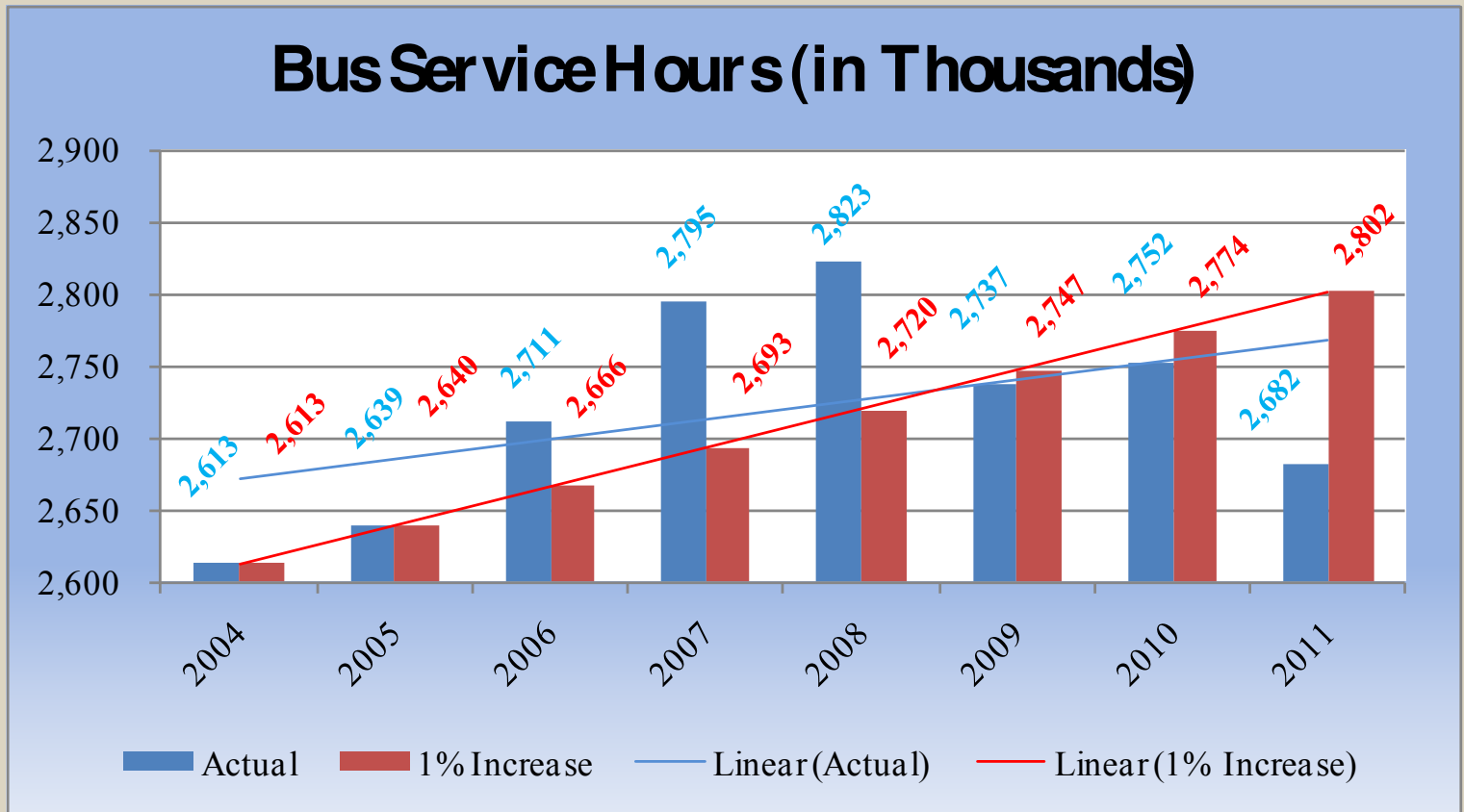
Passenger Fares	2002	2003	2004	2005	2006	2007	2008	2009	Forecast	Forecast
									2010	2011
Farebox	\$ 18.2	\$ 17.8	\$ 19.7	\$ 21.5	\$ 25.1	\$ 26.3	\$ 30.1	\$ 28.8		
Tokens	0.9	0.9	0.9	0.8	0.9	1.1	1.1	1.3		
Tickets	2.9	3.0	2.9	2.9	3.2	3.3	3.7	6.9		
Passes	22.3	22.4	24.5	24.2	28.9	26.8	31.5	34.6		
Eco Pass	7.4	8.2	9.3	10.2	10.8	13.0	14.8	18.6		
Discounts	(6.4)	(6.1)	(6.2)	(6.3)	(7.5)	(2.1)	(2.3)	(2.3)		
LRT	3.5	3.3	3.2	3.3	3.9	8.0	8.5	8.4		
Special	1.1	1.1	0.8	1.0	0.9	0.7	0.8	0.6		
Total	\$ 49.9	\$ 50.6	\$ 55.1	\$ 57.6	\$ 66.2	\$ 77.1	\$ 88.2	\$ 96.9	\$ 95.2	\$ 103.2
% Change	-	1.1%	9.5%	3.2%	16.1%	18.0%	13.0%	7.5%	-1.8%	8.4%
Passengers	69.8	78.9	83.0	86.4	86.8	96.4	104.2	98.7	97.4	98.9
% Change	-	13.0%	5.2%	4.1%	0.5%	11.1%	8.1%	-5.3%	-1.3%	1.6%
Local Fare	\$ 1.10	\$ 1.15	\$ 1.25	\$ 1.25	\$ 1.50	\$ 1.50	\$ 1.75	\$ 2.00	\$ 2.00	\$ 2.25
% Change	-	4.5%	8.7%	0.0%	20.0%	0.0%	16.7%	14.3%	0.0%	12.5%

Base System 2009 Service Performance



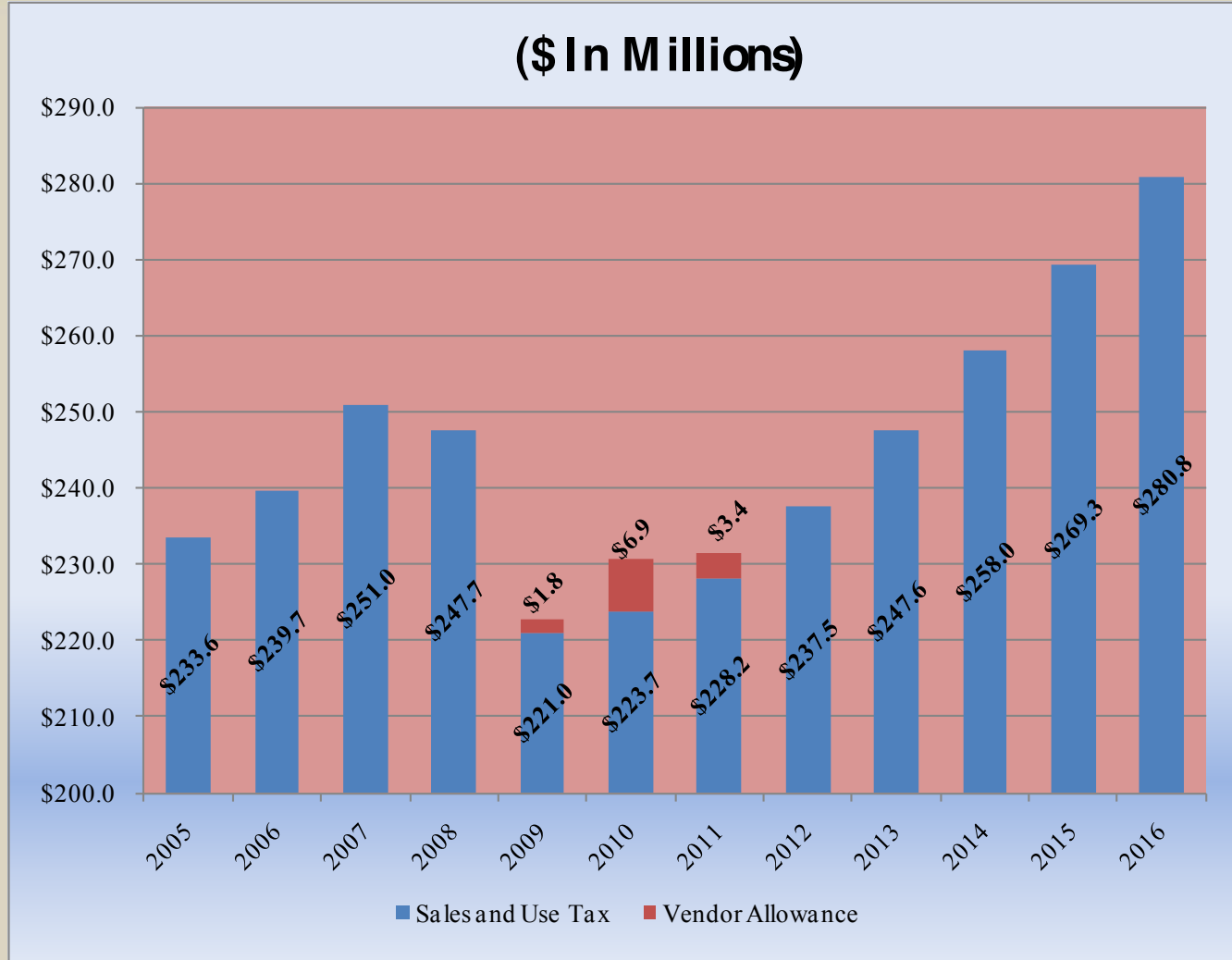
	<u>Passengers (in Millions)</u>	<u>Expenses (in Millions)</u>	<u>Revenue (in Millions)</u>	<u>Revenue per Boarding</u>	<u>Cost per Boarding</u>	<u>Subsidy per Boarding</u>
Local	55.1	\$ 235.3	\$ 49.7	\$ 0.90	\$ 4.26	\$ 3.36
Express	2.1	13.6	4.1	1.98	6.33	4.44
Regional	3.5	30.2	10.1	2.89	8.62	5.73
SkyRide	2.0	16.5	9.9	4.86	8.15	3.29
Call-n-Ride	0.5	5.9	1.0	2.35	12.30	10.22
Mall Shuttle	14.4	9.5	-	-	0.66	0.66
Access-a-Ride	0.7	34.8	1.6	2.44	52.76	50.32
Vanpool	0.4	2.2	1.1	2.90	5.77	2.71
Light Rail	19.8	98.6	18.4	0.93	4.99	4.06
Special	0.2	1.6	0.7	3.88	7.24	4.03
Total	<u>98.7</u>	<u>\$ 448.2</u>	<u>\$ 96.6</u>	<u>\$ 0.99</u>	<u>\$ 4.54</u>	<u>\$ 3.56</u>

Bus Service Hours





Base System Sales & Use Taxes (0.6%)



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Total
\$ Change	\$6.1	\$11.3	(\$3.3)	(\$26.7)	\$2.7	\$4.5	\$9.3	\$10.1	\$10.4	\$11.3	\$11.5	
Shortfall to 2007			(\$3.3)	(\$30.0)	(\$27.3)	(\$22.8)	(\$13.5)	(\$3.4)	\$7.0	\$18.3	\$29.8	(\$45.2)
Annual Change	2.6%	4.7%	-1.3%	-10.1%	3.5%	0.4%	2.6%	4.3%	4.2%	4.4%	4.3%	

Base System Strategic Budget Plan (SBP)



	2010	2011	2012	2013	2014	2015	2016	2020	2025
Revenue and Other Income									
Operating Revenue	\$ 93.5	\$ 101.7	\$ 101.7	\$ 101.7	\$ 112.1	\$ 112.1	\$ 112.1	\$ 143.7	\$ 162.5
Sales and Use Tax	231.8	233.1	237.5	247.6	258.0	269.3	280.8	341.0	422.0
Grant Revenue	141.1	70.2	71.8	73.4	89.4	86.1	88.1	94.1	106.4
Other Income	6.1	7.0	7.0	7.3	7.3	7.3	7.4	2.1	2.4
Total Revenue and Other Income	\$ 472.5	\$ 412.0	\$ 418.0	\$ 430.0	\$ 466.8	\$ 474.8	\$ 488.4	\$ 580.9	\$ 693.3
Operating Expenses Ex Depreciation	373.0	365.5	375.8	383.1	396.5	407.5	427.8	462.8	525.0
Income Before Int Inc/(Exp)	\$ 99.5	\$ 46.5	\$ 42.2	\$ 46.9	\$ 70.3	\$ 67.3	\$ 60.6	\$ 118.1	\$ 168.3
Interest Income/(Expenses)									
Interest Income	5.3	4.7	4.6	4.8	5.0	4.9	4.6	4.2	6.9
Interest Expense	(25.7)	(25.6)	(23.1)	(22.1)	(23.9)	(28.7)	(30.6)	(30.2)	(18.6)
Total Other Income/(Expense)	\$ (20.4)	\$ (20.9)	\$ (18.5)	\$ (17.3)	\$ (18.9)	\$ (23.8)	\$ (26.0)	\$ (26.0)	\$ (11.7)
Change in Net Assets (Income)	\$ 79.1	\$ 25.6	\$ 23.7	\$ 29.6	\$ 51.4	\$ 43.5	\$ 34.6	\$ 92.1	\$ 156.6
Capital Expenditures	(146.5)	(9.5)	(39.7)	(79.8)	(96.7)	(90.8)	(5.9)	(76.7)	(167.9)
Use of/(Increases to) Reserves									
Operating Reserve	(18.7)	2.4	(0.5)	(0.4)	(0.6)	(0.6)	(1.0)	(3.7)	(3.1)
Total Reserve Change	(18.7)	2.4	(0.5)	(0.4)	(0.6)	(0.6)	(1.0)	(3.7)	(3.1)
Debt Issued	63.3	-	29.1	75.4	93.4	87.1	-	29.7	0.1
Debt Payments	(65.5)	(50.3)	(53.2)	(45.8)	(50.9)	(56.0)	(65.3)	(66.6)	(32.0)
Increase/(Decrease) TDR	\$ (88.3)	\$ (31.8)	\$ (40.6)	\$ (21.0)	\$ (3.4)	\$ (16.8)	\$ (37.6)	\$ (25.2)	\$ (46.3)
Beginning Net Assets / TDR	126.5	38.2	6.4	(34.2)	(55.2)	(58.6)	(75.4)	(181.0)	(126.6)
Year End TDR/(Deficit)	\$ 38.2	\$ 6.4	\$ (34.2)	\$ (55.2)	\$ (58.6)	\$ (75.4)	\$ (112.9)	\$ (206.2)	\$ (172.9)

Base System SBP Adjusted



	2010	2011	2012	2013	2014	2015	2016	2020	2025
Revenue and Other Income									
Operating Revenue	\$ 93.5	\$ 101.7	\$ 101.7	\$ 101.7	\$ 112.1	\$ 112.1	\$ 112.1	\$ 143.7	\$ 162.5
Sales and Use Tax	231.8	233.1	237.5	247.6	258.0	269.3	280.8	341.0	422.0
Grant Revenue	141.1	70.2	71.8	73.4	89.4	86.1	88.1	94.1	106.4
Other Income	6.1	7.0	7.0	7.3	7.3	7.3	7.4	2.1	2.4
Adjustment to balance the SBP	-	-	17.5	17.5	17.5	17.5	17.5	17.5	17.5
Total Revenue and Other Income	\$ 472.5	\$ 412.0	\$ 435.5	\$ 447.5	\$ 484.3	\$ 492.3	\$ 505.9	\$ 598.4	\$ 710.8
Adjustment to balance the SBP	-	-	(17.5)	(17.5)	(17.5)	(17.5)	(17.5)	(17.5)	(17.5)
Operating Expenses Ex Depreciation	373.0	365.5	375.8	383.1	396.5	407.5	427.8	462.8	525.0
Income Before Int Inc / (Exp)	\$ 99.5	\$ 46.5	\$ 77.2	\$ 81.9	\$ 105.3	\$ 102.3	\$ 95.6	\$ 153.1	\$ 203.3
Interest Income / (Expenses)									
Interest Income	5.3	4.7	4.6	4.8	5.0	4.9	4.6	4.2	6.9
Interest Expense	(25.7)	(25.6)	(23.1)	(22.1)	(23.9)	(28.7)	(30.6)	(30.2)	(18.6)
Total Other Income / (Expense)	\$ (20.4)	\$ (20.9)	\$ (18.5)	\$ (17.3)	\$ (18.9)	\$ (23.8)	\$ (26.0)	\$ (26.0)	\$ (11.7)
Change in Net Assets (Income)	\$ 79.1	\$ 25.6	\$ 58.7	\$ 64.6	\$ 86.4	\$ 78.5	\$ 69.6	\$ 127.1	\$ 191.6
Capital Expenditures	(146.5)	(9.5)	(39.7)	(79.8)	(96.7)	(90.8)	(5.9)	(76.7)	(167.9)
Use of / (Increases to) Reserves									
Operating Reserve	(18.7)	2.4	0.4	(0.4)	(0.7)	(0.5)	(1.0)	(3.8)	(3.1)
Total Reserve Change	(18.7)	2.4	0.4	(0.4)	(0.7)	(0.5)	(1.0)	(3.8)	(3.1)
Debt Issued	63.3	-	29.1	75.4	93.4	87.1	-	29.7	0.1
Debt Payments	(65.5)	(50.3)	(53.2)	(45.8)	(50.9)	(56.0)	(65.3)	(66.6)	(32.0)
Increase / (Decrease) TDR	\$ (88.3)	\$ (31.8)	\$ (4.7)	\$ 14.0	\$ 31.5	\$ 18.3	\$ (2.6)	\$ 9.7	\$ (11.3)
Beginning Net Assets / TDR	126.5	38.2	6.4	1.7	15.7	47.2	65.5	72.6	148.3
Year End TDR / (Deficit)	\$ 38.2	\$ 6.4	\$ 1.7	\$ 15.7	\$ 47.2	\$ 65.5	\$ 63.0	\$ 82.3	\$ 137.0

Base System Sustainable Operating Level (Current Financial Scenario)



	<u>2011 SBP</u>	<u>% of Sales Tax</u>
Sales and Use Tax	\$ 233.1	
Debt Payments	(50.3)	-22%
Interest Payments	(25.6)	-11%
Investment Income	4.7	
Debt Service Net of Investment Income	(71.2)	-31%
Sales Tax Available for Capital/Operations	\$ 161.9	69%
Capital Expenditures	(9.5)	-4%
Sales Tax Available for Operations	\$ 152.4	65%
Operating Revenue	101.7	
Operating Grant Revenue	70.2	
Other Income	7.0	
Funds Available for Operations (Sustainable in Long-run)	\$ 331.3	
Operating Expenses	(365.5)	
Under/(Over) Utilization	\$ (34.2)	
Reserve Use	2.4	
Increase/(Decrease) SBP Reserve	\$ (31.8)	

Other Potential Sources Considered



- Advertising on Trains
- ROW Leasing
- Parking
- Concessions
- Vendor Allowance Elimination
- Stimulus Funds
- Local Subsidies
- Fare Pricing Normalization
- Sales Tax Rate Increase*
- Non-qualifying City/State Taxes*
- Property Taxes*

* Requires legislative campaign and/or voter approval