

**Transportation Revenue
Forecast Council
November 2010 Transportation
Economic and Revenue Forecasts**

Volume IV: Alternative Forecast Tables

Transportation Revenue
Forecast Council
November 2010

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Local Option Transit Sales Tax Revenue Forecast November 2010

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Transportation Revenue Forecast Council

**Table ST. 1. Sound Transit Revenue Forecast - CY Biennium Comparison
November 2010**

	2009-2011		Difference		2012-2013		Difference	
	Biennium	Biennium			Biennium	Biennium		
	November 2010	November 2009	Value	Percentage	November 2010	November 2009	Value	Percentage
Sales & Use Tax Revenue *	1,048,475,815	1,098,621,201	(50,145,386)	-5%	1,182,363,885	1,265,584,772	(83,220,886)	-7%
MVET Tax Revenue	125,694,852	128,190,164	(2,495,313)	-2%	128,616,291	131,131,974	(2,515,683)	-2%
Rental Car Tax Revenue	4,733,504	5,299,273	(565,769)	-11%	4,862,868	5,572,863	(709,995)	-13%
Total Tax Revenue	1,178,904,171	1,232,110,638	(53,206,467)	-4%	1,315,843,044	1,402,289,609	(86,446,565)	-6%
	2014-2015		Difference		2016-2017		Difference	
	Biennium	Biennium			Biennium	Biennium		
	November 2010	November 2009	Value	Percentage	November 2010	November 2009	Value	Percentage
Sales & Use Tax Revenue *	1,322,599,653	1,423,248,852	(100,649,199)	-7%	1,463,323,429	1,569,128,670	(105,805,241)	-7%
MVET Tax Revenue	138,715,033	140,903,910	(2,188,877)	-2%	151,469,965	153,660,666	(2,190,701)	-1%
Rental Car Tax Revenue	5,109,051	5,860,579	(751,528)	-13%	5,367,697	6,163,148	(795,451)	-13%
Total Tax Revenue	1,466,423,737	1,570,013,340	(103,589,603)	-7%	1,620,161,091	1,728,952,485	(108,791,394)	-6%
	2018-2019		Difference		2020-2021		Difference	
	Biennium	Biennium			Biennium	Biennium		
	November 2010	November 2009	Value	Percentage	November 2010	November 2009	Value	Percentage
Sales & Use Tax Revenue *	1,599,785,321	1,720,798,989	(121,013,668)	-7%	1,749,833,083	1,890,107,668	(140,274,585)	-7%
MVET Tax Revenue	163,816,585	166,435,413	(2,618,828)	-2%	176,683,459	180,106,478	(3,423,020)	-2%
Rental Car Tax Revenue	5,639,436	6,481,339	(841,902)	-13%	5,924,933	6,815,957	(891,024)	-13%
Total Tax Revenue	1,769,241,342	1,893,715,741	(124,474,398)	-7%	1,932,441,474	2,077,030,103	(144,588,629)	-7%
	2021-2023		Difference		2023-2025		Difference	
	Biennium	Biennium			Biennium	Biennium		
	November 2010	November 2009	Value	Percentage	November 2010	November 2009	Value	Percentage
Sales & Use Tax Revenue *	1,914,367,379	2,057,473,800	(143,106,421)	-7%	2,093,751,787	2,240,147,600	(146,395,813)	-7%
MVET Tax Revenue	191,121,104	194,318,100	(3,196,996)	-2%	206,707,353	209,305,800	(2,598,447)	-1%
Rental Car Tax Revenue	6,224,883	7,167,800	(942,917)	-13%	6,540,017	7,537,900	(997,883)	-13%
Total Tax Revenue	2,111,713,365	2,258,959,700	(147,246,335)	-7%	2,306,999,158	2,456,991,300	(149,992,142)	-6%
	2025-2027		Difference					
	Biennium	Biennium						
	November 2010	November 2009	Value	Percentage				
Sales & Use Tax Revenue *	1,914,367,379	2,057,473,800	(143,106,421)	-7%				
MVET Tax Revenue	191,121,104	194,318,100	(3,196,996)	-2%				
Rental Car Tax Revenue	6,224,883	7,167,800	(942,917)	-13%				
Total Tax Revenue	2,111,713,365	2,258,959,700	(147,246,335)	-7%				

* Sound Transit had a voter approved sales tax rate increase from 0.4% to 0.9% beginning in April 2009

Transportation Revenue Forecast Council

**Table ST. 2. Sound Transit Revenue Forecast By Calendar Year
November 2010**

	Calendar Year 2010	Calendar Year 2011	Calendar Year 2012	Calendar Year 2013	Calendar Year 2014	Calendar Year 2015	Calendar Year 2016	Calendar Year 2017
Sales & Use Tax Revenue *	510,694,536	537,781,280	574,341,909	608,021,976	643,358,121	679,241,532	714,854,106	748,469,323
MVET Tax Revenue	62,889,620	62,805,231	63,542,295	65,073,996	67,730,003	70,985,030	74,154,976	77,314,989
Rental Car Tax Revenue	2,390,658	2,342,845	2,401,416	2,461,452	2,522,988	2,586,063	2,650,714	2,716,982
Total Tax Revenue	575,974,814	602,929,356	640,285,620	675,557,424	713,611,112	752,812,625	791,659,796	828,501,295

	Calendar Year 2018	Calendar Year 2019	Calendar Year 2020	Calendar Year 2021	Calendar Year 2022	Calendar Year 2023	Calendar Year 2024	Calendar Year 2025
Sales & Use Tax Revenue *	782,362,797	817,422,525	854,666,332	895,166,751	935,712,937	978,654,443	1,022,841,629	1,070,910,159
MVET Tax Revenue	80,356,594	83,459,991	86,604,105	90,079,354	93,727,157	97,393,947	101,348,854	105,358,499
Rental Car Tax Revenue	2,784,907	2,854,530	2,925,893	2,999,040	3,074,016	3,150,866	3,229,638	3,310,379
Total Tax Revenue	865,504,298	903,737,045	944,196,329	988,245,145	1,032,514,110	1,079,199,256	1,127,420,121	1,179,579,037

	Calendar Year 2026	Calendar Year 2027
Sales & Use Tax Revenue *	1,120,305,764	1,173,544,330
MVET Tax Revenue	109,822,633	114,448,072
Rental Car Tax Revenue	3,393,139	3,477,967
Total Tax Revenue	1,233,521,536	1,291,470,369

* Sound Transit had a voter approved sales tax rate increase from 0.4% to 0.9% beginning in April 2009

TRANSPORTATION REVENUE FORECAST COUNCIL NOVEMBER 2010

TABLE T.1: TRANSIT SYSTEM LOCALLY GENERATED TAX DISTRIBUTIONS

<u>County</u>	<u>Transit System</u>	<u>Actuals 2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Adams	None										
Asotin	Asotin County Transit	491,200	449,300	469,200	515,300	553,100	576,200	604,200	632,900	661,400	690,700
Benton/Franklin	Ben Franklin Transit	22,773,700	25,242,600	26,365,700	28,951,600	31,078,400	32,377,500	33,947,800	35,563,700	37,160,500	38,810,400
Chelan/Douglas	Link Transit	7,794,500	7,528,700	7,863,600	8,634,900	9,269,200	9,656,600	10,125,000	10,606,900	11,083,200	11,575,300
Clallam	Clallam Transit System	5,582,600	5,697,100	5,950,600	6,534,200	7,014,200	7,307,400	7,661,900	8,026,600	8,387,000	8,759,300
Clark	C-TRAN	21,113,200	23,089,500	24,116,800	26,482,100	28,427,500	29,615,800	31,052,100	32,530,200	33,990,800	35,500,000
Columbia	Columbia County Public Transportation	188,500	180,800	188,800	207,300	222,500	231,900	243,100	254,700	266,100	277,900
Cowlitz	Community Urban Bus System	1,962,600	3,414,800	3,566,800	3,916,600	4,204,300	4,380,000	4,592,500	4,811,100	5,027,100	5,250,300
Ferry	None										
Garfield	Garfield Transit	0	0	0	0	0	0	0	0	0	0
Grant	Grant Transit Authority	2,759,200	2,578,300	2,693,000	2,957,200	3,174,400	3,307,100	3,467,500	3,632,500	3,795,600	3,964,200
Grays Harbor	Grays Harbor Transportation Authority	5,059,400	5,160,500	5,390,100	5,918,800	6,353,600	6,619,200	6,940,200	7,270,500	7,597,000	7,934,300
Island	Island Transit	4,753,800	7,060,500	7,374,600	8,097,900	8,692,800	9,056,200	9,495,400	9,947,400	10,394,000	10,855,500
Jefferson	Jefferson Transit Authority	2,283,400	2,197,200	2,295,000	2,520,100	2,705,200	2,818,300	2,955,000	3,095,600	3,234,600	3,378,200
King	Metro Transit	374,707,800	375,668,400	392,382,400	430,866,900	462,518,000	481,851,200	505,221,000	529,269,500	553,033,700	577,588,400
Kitsap	Kitsap Transit	25,749,000	25,649,500	26,790,600	29,418,200	31,579,300	32,899,300	34,494,900	36,136,800	37,759,400	39,435,900
Kittitas	None										
Klickitat	None										
Lewis	Twin Transit	1,336,200	1,234,100	1,289,000	1,415,400	1,519,400	1,582,900	1,659,700	1,738,700	1,816,800	1,897,400
Lincoln	None										
Mason	Mason Transportation Authority	3,174,600	3,142,200	3,282,000	3,603,900	3,868,600	4,030,300	4,225,800	4,426,900	4,625,700	4,831,100
Okanogan	None										
Pacific	Pacific Transit System	688,900	689,800	720,500	791,200	849,300	884,800	927,700	971,900	1,015,500	1,060,600
Pend Oreille	None										
Pierce	Pierce Transit	63,079,100	66,288,900	69,238,100	76,028,900	81,614,000	85,025,400	89,149,200	93,392,700	97,586,000	101,918,800
San Juan	None										
Skagit	Skagit Transit	6,480,500	6,261,700	6,540,200	7,181,700	7,709,300	8,031,500	8,421,000	8,821,900	9,218,000	9,627,300
Skamania	None										
Snohomish	Everett Transit System	14,569,500	15,802,500	16,505,600	18,124,500	19,455,900	20,269,100	21,252,200	22,263,800	23,263,400	24,296,300
	Community Transit	62,297,700	63,168,400	65,978,900	72,450,000	77,772,100	81,023,000	84,952,600	88,996,300	92,992,300	97,121,100
Spokane	Spokane Transit Authority	41,216,200	41,483,300	43,328,900	47,578,600	51,073,700	53,208,600	55,789,200	58,444,700	61,068,900	63,780,400
Stevens	None										
Thurston	Intercity Transit	20,630,600	21,570,400	22,530,100	24,739,800	26,557,200	27,667,300	29,009,200	30,390,000	31,754,500	33,164,400
Wahkiakum	None										
Walla Walla	Valley Transit	2,001,100	4,004,300	4,182,400	4,592,600	4,930,000	5,136,100	5,385,200	5,641,500	5,894,800	6,156,500
Whatcom	Whatcom Transportation Authority	17,889,700	18,334,300	19,150,000	21,028,200	22,572,900	23,516,500	24,657,000	25,830,700	26,990,500	28,188,900
Whitman	Pullman Transit	1,050,000	1,065,900	1,113,400	1,222,600	1,312,400	1,367,200	1,433,500	1,501,800	1,569,200	1,638,900
Yakima	Selah	277,300	273,700	285,900	313,900	337,000	351,100	368,100	385,600	402,900	420,800
	Union Gap	799,405	775,900	810,400	889,900	955,300	995,200	1,043,500	1,093,200	1,142,200	1,193,000
	Yakima Transit	4,484,300	4,644,400	4,851,000	5,326,800	5,718,100	5,957,100	6,246,000	6,543,300	6,837,100	7,140,700
Total		714,394,800	732,657,100	765,253,900	840,309,200	902,037,600	939,742,800	985,320,300	1,032,221,600	1,078,568,300	1,126,456,800

TRANSPORTATION REVENUE FORECASTS

TABLE T.1: TRANSIT SYSTEM LOCALLY

County	Transit System	2019	2020	2021	2022	2023	2024	2025	2026	2027
Adams	None									
Asotin	Asotin County Transit	721,100	753,900	788,900	824,900	862,100	900,900	942,000	984,200	1,028,400
Benton/Franklin	Ben Franklin Transit	40,518,100	42,361,700	44,327,300	46,348,600	48,438,900	50,618,700	52,926,900	55,298,000	57,786,400
Chelan/Douglas	Link Transit	12,084,600	12,634,400	13,220,700	13,823,600	14,447,000	15,097,100	15,785,500	16,492,700	17,234,900
Clallam	Clallam Transit System	9,144,700	9,560,800	10,004,500	10,460,700	10,932,400	11,424,400	11,945,300	12,480,500	13,042,100
Clark	C-TRAN	37,062,000	38,748,300	40,546,300	42,395,200	44,307,200	46,301,000	48,412,300	50,581,200	52,857,400
Columbia	Columbia County Public Transportation	290,100	303,300	317,400	331,900	346,900	362,500	379,000	396,000	413,800
Cowlitz	Community Urban Bus System	5,481,300	5,730,700	5,996,600	6,270,000	6,552,800	6,847,700	7,160,000	7,480,700	7,817,400
Ferry	None									
Garfield	Garfield Transit	0	0	0	0	0	0	0	0	0
Grant	Grant Transit Authority	4,138,600	4,326,900	4,527,700	4,734,100	4,947,600	5,170,300	5,406,100	5,648,200	5,902,400
Grays Harbor	Grays Harbor Transportation Authority	8,283,400	8,660,300	9,062,100	9,475,400	9,902,700	10,348,300	10,820,200	11,305,000	11,813,700
Island	Island Transit	11,333,200	11,848,800	12,398,600	12,964,000	13,548,700	14,158,300	14,804,000	15,467,200	16,163,200
Jefferson	Jefferson Transit Authority	3,526,900	3,687,400	3,858,400	4,034,400	4,216,300	4,406,100	4,607,000	4,813,400	5,030,000
King	Metro Transit	603,002,300	630,438,900	659,691,300	689,773,200	720,882,000	753,321,700	787,673,200	822,960,900	859,994,200
Kitsap	Kitsap Transit	41,171,100	43,044,400	45,041,600	47,095,500	49,219,500	51,434,400	53,779,800	56,189,200	58,717,700
Kittitas	None									
Klickitat	None									
Lewis	Twin Transit	1,980,900	2,071,000	2,167,100	2,266,000	2,368,200	2,474,700	2,587,600	2,703,500	2,825,100
Lincoln	None									
Mason	Mason Transportation Authority	5,043,600	5,273,100	5,517,800	5,769,400	6,029,600	6,300,900	6,588,300	6,883,400	7,193,200
Okanogan	None									
Pacific	Pacific Transit System	1,107,300	1,157,700	1,211,400	1,266,600	1,323,800	1,383,300	1,446,400	1,511,200	1,579,200
Pend Oreille	None									
Pierce	Pierce Transit	106,403,200	111,244,600	116,406,300	121,714,500	127,203,800	132,927,900	138,989,500	145,216,200	151,750,900
San Juan	None									
Skagit	Skagit Transit	10,050,900	10,508,200	10,995,800	11,497,200	12,015,700	12,556,400	13,129,000	13,717,100	14,334,400
Skamania	None									
Snohomish	Everett Transit System	25,365,400	26,519,500	27,750,000	29,015,400	30,324,000	31,688,600	33,133,600	34,617,900	36,175,800
	Community Transit	101,394,500	106,007,900	110,926,700	115,984,900	121,215,900	126,670,600	132,446,800	138,380,400	144,607,500
Spokane	Spokane Transit Authority	66,586,700	69,616,400	72,846,600	76,168,400	79,603,600	83,185,800	86,979,000	90,875,700	94,965,100
Stevens	None									
Thurston	Intercity Transit	34,623,600	36,199,000	37,878,600	39,605,900	41,392,100	43,254,800	45,227,200	47,253,400	49,379,800
Wahkiakum	None									
Walla Walla	Valley Transit	6,427,400	6,719,900	7,031,700	7,352,300	7,683,900	8,029,700	8,395,800	8,772,000	9,166,700
Whatcom	Whatcom Transportation Authority	29,429,200	30,768,200	32,195,800	33,664,000	35,182,200	36,765,400	38,441,900	40,164,100	41,971,500
Whitman	Pullman Transit	1,711,000	1,788,800	1,871,800	1,957,200	2,045,500	2,137,500	2,235,000	2,335,100	2,440,200
Yakima	Selah	439,400	459,300	480,700	502,600	525,200	548,900	573,900	599,600	626,600
	Union Gap	1,245,500	1,302,100	1,362,500	1,424,700	1,488,900	1,555,900	1,626,900	1,699,800	1,776,200
	Yakima Transit	7,454,900	7,794,100	8,155,800	8,527,700	8,912,300	9,313,300	9,738,000	10,174,300	10,632,100
Total		1,176,020,800	1,229,529,800	1,286,580,000	1,345,248,000	1,405,918,700	1,469,185,100	1,536,179,900	1,605,000,800	1,677,225,800

**REVENUE AND RIDERSHIP PROJECTIONS
NOVEMBER 2010 FORECAST
FISCAL YEARS 2011-2027**

Prepared for
Washington State Ferries
for Presentation to the
**Transportation Revenue
Forecast Council**

Prepared by
Parsons Brinckerhoff

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Washington State Ferries

November 2010 Revenue and Ridership Forecasts — Fiscal Years 2011-2027

NOVEMBER 2010 FORECAST NOTES

The fare revenue and ridership forecasts for Washington State Ferries (WSF) are completed in four stages. First, monthly ridership projections by six fare categories are prepared for each route using time series analysis methods, with a forecast horizon from the present through fiscal year (FY) 2027.

The second stage of the process generates system-wide ridership projections. Econometric models combine ferry fare scenarios and state economic variables to produce system-wide unconstrained ridership forecasts by six fare categories through FY 2027. Within each fare category, the individual route forecasts are then calibrated to match the system-wide forecast totals from the econometric models.

The third stage of the process consists of adjusting the calibrated passenger and vehicle ridership by route to reflect seasonal vehicle capacity constraints, changes in service hours, and/or the net impacts from adding or eliminating service.

Last, the appropriate fares and average fare realizations are applied to the calibrated, capacity-constrained ridership forecasts for each route by fare category. This yields monthly and annual revenue forecasts by route for six fare categories.

A total of two scenarios differing in fare assumptions were prepared for the November 2010 Forecast:

- **Baseline Forecast (Scenario 1)** – a 2.5% fare increase plus adjustments to the San Juan Island fares on January 1, 2011, with no further changes in the posted fares through the forecast horizon (resulting in declining real fares over time due to inflation); and
- **Alternative Forecast (Scenario 2)** – a 2.5% fare increase plus adjustments to the San Juan Island fares on January 1, 2011, followed by consecutive 2.5% increases each October, from 2011 through 2026 (FY 2012-27).

The Baseline Forecast (Scenario 1) in September did not include the assumption of a 2.5% fare increase on January 1, 2011. Note that a 2.5% across-the-board fare increase becomes a 2.7% average effective increase after up-rounding the central-sound reference fare to the nearest nickel.

The November 2010 Forecast results for FY 2010 include actual ridership counts and revenue collections through October 2010. In addition, they also reflect reduced Mukilteo-Clinton service due to terminal construction closures during three weekends in the late winter / early spring of 2011.

Ridership Impacts

The November 2010 ridership demand forecasts reflect the latest ridership data and updated economic variable projections produced by the State and Global Insight. The following points summarize the updated ridership forecast.

- Real personal income has been revised slightly upward throughout the forecast horizon relative to September, which pushes the ridership forecasts up.
- However, the forecasts for population and employment have been lowered slightly, putting downward pressure on ridership to somewhat offset the rise in real personal income.
- Aside from a minor spike at the end of 2010, real gasoline prices and vehicle operating costs per mile are predicted to be slightly lower to unchanged over the forecast horizon.
- Overall, the unconstrained ridership demand projections for the Baseline Forecast (Scenario 1) are down one percent or less, primarily due to the January 1, 2011 fare increase not assumed in September. Under the Alternative Forecast (Scenario 2), unconstrained ridership demand projections are almost unchanged from September.
- Revisions to the vessel capacity constraint model for current traffic trends by route have resulted in more headroom for ridership growth before reaching quarterly vessel space limits. The result, starting in the middle of the decade, is an increase to the projections for the vehicle ridership that can be served, despite a lack of growth in the unconstrained vehicle ridership demand.

Revenue Impacts

- The Baseline Forecast (Scenario 1) fare revenues for the 2009/11 biennium are projected to be \$294.6 M, or \$1.7 M (0.6%) higher, largely due to the January 1, 2011 fare increase not assumed in September. For the Alternative Forecast (Scenario 2), current biennium fare revenues are also projected to be \$294.6 M, or \$0.4 M (0.1%) higher than in September, due to higher than expected revenue in October 2010.
- Baseline Forecast (Scenario 1) fare revenue projections range from 2.2% higher in the 2011/13 biennium to as much as 3% higher in some of the outer biennia, compared with September. This is due to the January 1, 2011 fare increase and revisions to the San Juan Island fares not assumed in September.
- Alternative Forecast (Scenario 2) fare revenue projections are lower through the 2021/23 biennium and essentially unchanged thereafter. This is due to the

aforementioned increase in capacity-constrained ridership and the effects of the San Juan Island fare revisions.

Washington State Ferries

REVENUE PROJECTIONS ~ BASELINE FORECAST (SCENARIO #1)

No Changes in the Current Posted Fares¹

November 2010 Forecast – Fiscal Years 2011-2027

Fiscal Year	November 2010 Capacity-Constrained Revenue Forecast	Fiscal Year Annual Growth Rate	November Biennium Total	November vs. September Forecast			September 2010 Scenario #)	
				% Change by Fiscal Year	\$ Change and % Change by Biennium		Capacity-Constrained Revenue Forecast	Biennium Total
2008²	\$148,379,626	1.1%						
2009²	\$144,540,455	(2.6%)	\$292,920,081					
2010²	\$147,009,545	1.7%		0.0%			\$147,009,545	
2011^{2 3}	\$147,588,000	0.4%	\$294,597,545	1.2%	\$1,706,000	0.6%	\$145,882,000	\$292,891,545
2012	\$152,472,000	3.3%		2.0%			\$149,492,000	
2013	\$157,870,000	3.5%	\$310,342,000	2.4%	\$6,605,000	2.2%	\$154,245,000	\$303,737,000
2014	\$162,759,000	3.1%		2.2%			\$159,180,000	
2015	\$166,754,000	2.5%	\$329,513,000	2.4%	\$7,441,000	2.3%	\$162,892,000	\$322,072,000
2016	\$170,499,000	2.2%		2.7%			\$165,987,000	
2017	\$173,901,000	2.0%	\$344,400,000	2.9%	\$9,464,000	2.8%	\$168,949,000	\$334,936,000
2018	\$176,649,000	1.6%		3.0%			\$171,438,000	
2019	\$179,168,000	1.4%	\$355,817,000	3.0%	\$10,510,000	3.0%	\$173,869,000	\$345,307,000
2020	\$181,278,000	1.2%		2.9%			\$176,117,000	
2021	\$183,416,000	1.2%	\$364,694,000	2.9%	\$10,362,000	2.9%	\$178,215,000	\$354,332,000
2022	\$185,702,000	1.2%		3.0%			\$180,269,000	
2023	\$187,593,000	1.0%	\$373,295,000	3.0%	\$10,817,000	3.0%	\$182,209,000	\$362,478,000
2024	\$189,096,000	0.8%		2.8%			\$183,967,000	
2025	\$190,679,000	0.8%	\$379,775,000	2.6%	\$9,939,000	2.7%	\$185,869,000	\$369,836,000
2026	\$192,097,000	0.7%		2.4%			\$187,529,000	
2027	\$193,570,000	0.8%	\$385,667,000	2.3%	\$8,886,000	2.4%	\$189,252,000	\$376,781,000

¹ Scenario #1 includes a 2.5% fare increase on January 1, 2011, but assumes no further changes to the current nominal fares thereafter. This leads to declining real fares over the forecast horizon, and reflects the current programmed level of service subject to capacity constraints.

² Reflects/includes historical data.

³ Includes the effects of reduced ridership and revenue due to the Mukilteo terminal construction closures over 3 weekends in late winter/early spring 2011.

Washington State Ferries
REVENUE PROJECTIONS ~ ALTERNATIVE FORECAST (SCENARIO #2)
2.5% Annual Fare Increases FY 2011-27¹
November 2010 Forecast – Fiscal Years 2011-2027

Fiscal Year	November 2010 Capacity-Constrained Revenue Forecast	Fiscal Year Annual Growth Rate	November Biennium Total	November vs. September Forecast			September 2010 Scenario #)	
				% Change by Fiscal Year	\$ Change and % Change by Biennium		Capacity-Constrained Revenue Forecast	Biennium Total
2008²	\$148,379,626	1.1%						
2009²	\$144,540,455	(2.6%)	\$292,920,081					
2010²	\$147,009,545	1.7%		0.0%			\$147,009,545	
2011^{2 3}	\$147,588,000	0.4%	\$294,597,545	0.3%	\$402,000	0.1%	\$147,186,000	\$294,195,545
2012	\$154,773,000	4.9%		0.4%			\$154,202,000	
2013	\$163,332,000	5.5%	\$318,105,000	0.8%	\$1,829,000	0.6%	\$162,074,000	\$316,276,000
2014	\$171,552,000	5.0%		0.7%			\$170,410,000	
2015	\$179,021,000	4.4%	\$350,573,000	0.7%	\$2,396,000	0.7%	\$177,767,000	\$348,177,000
2016	\$186,501,000	4.2%		0.7%			\$185,241,000	
2017	\$194,317,000	4.2%	\$380,818,000	0.8%	\$2,860,000	0.8%	\$192,717,000	\$377,958,000
2018	\$201,962,000	3.9%		1.0%			\$199,865,000	
2019	\$209,908,000	3.9%	\$411,870,000	1.2%	\$4,535,000	1.1%	\$207,470,000	\$407,335,000
2020	\$217,733,000	3.7%		1.3%			\$214,971,000	
2021	\$225,558,000	3.6%	\$443,291,000	1.3%	\$5,686,000	1.3%	\$222,634,000	\$437,605,000
2022	\$233,650,000	3.6%		1.4%			\$230,447,000	
2023	\$241,523,000	3.4%	\$475,173,000	1.3%	\$6,369,000	1.4%	\$238,357,000	\$468,804,000
2024	\$249,625,000	3.4%		1.3%			\$246,504,000	
2025	\$258,267,000	3.5%	\$507,892,000	1.3%	\$6,413,000	1.3%	\$254,975,000	\$501,479,000
2026	\$266,777,000	3.3%		1.4%			\$263,178,000	
2027	\$275,660,000	3.3%	\$542,437,000	1.4%	\$7,352,000	1.4%	\$271,907,000	\$535,085,000

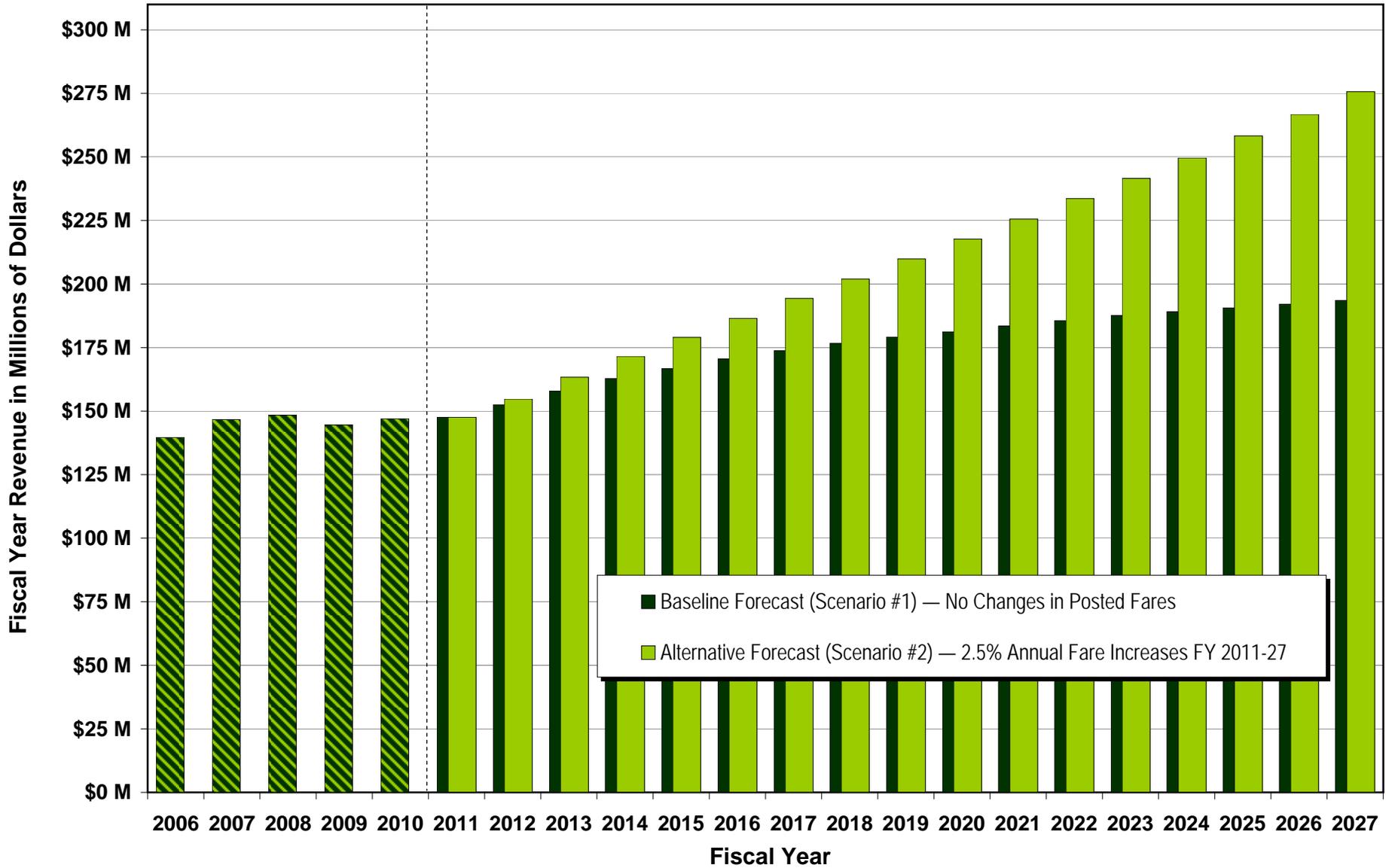
¹ Scenario #2 includes a 2.5% fare increase on January 1, 2011, followed by annual 2.5% fare increases with nickel up-rounding each October 1, 2011 through 2026 (FY 2012-27). This yields increasing real fares under the current inflation projection and reflects the current programmed level of service subject to capacity constraints.

² Reflects/includes historical data.

³ Includes the effects of reduced ridership and revenue due to the Mukilteo terminal construction closures over 3 weekends in late winter/early spring 2011.

Washington State Ferries — Revenue History and Forecast Trends

November 2010 Forecast Scenarios – Fiscal Years 2006-2027



Washington State Ferries
RIDERSHIP PROJECTIONS ~ BASELINE FORECAST (SCENARIO #1)
No Changes in the Current Posted Fares¹
November 2010 Forecast – Fiscal Years 2011-2027

Fiscal Year	November 2010 Unconstrained Demand Forecast	November 2010 Capacity Constrained Projections				September 2010 Projections	
		Passenger Ridership	Vehicle/Driver Ridership	Total Ridership	Annual Rate of Growth	Total Ridership	Nov. % Chg from Sep.
2008 ²	23,281,551	12,889,403	10,392,148	23,281,551	(2.9%)		
2009 ²	22,477,473	12,572,707	9,904,766	22,477,473	(3.5%)		
2010 ²	22,587,537	12,453,226	10,134,311	22,587,537	0.5%	22,587,537	0.0%
2011 ^{2 3}	22,603,000	12,532,000	10,028,000	22,560,000	(0.1%)	22,652,000	(0.4%)
2012	23,240,000	12,934,000	10,306,000	23,240,000	3.0%	23,450,000	(0.9%)
2013	24,100,000	13,391,000	10,703,000	24,094,000	3.7%	24,279,000	(0.8%)
2014	24,956,000	13,875,000	11,054,000	24,929,000	3.5%	25,123,000	(0.8%)
2015	25,647,000	14,264,000	11,326,000	25,590,000	2.7%	25,761,000	(0.7%)
2016	26,348,000	14,683,000	11,561,000	26,244,000	2.6%	26,361,000	(0.4%)
2017	27,062,000	15,108,000	11,763,000	26,871,000	2.4%	26,956,000	(0.3%)
2018	27,702,000	15,479,000	11,915,000	27,394,000	1.9%	27,466,000	(0.3%)
2019	28,374,000	15,869,000	12,036,000	27,905,000	1.9%	27,978,000	(0.3%)
2020	29,061,000	16,262,000	12,131,000	28,393,000	1.7%	28,477,000	(0.3%)
2021	29,760,000	16,648,000	12,230,000	28,878,000	1.7%	28,962,000	(0.3%)
2022	30,463,000	17,044,000	12,326,000	29,370,000	1.7%	29,436,000	(0.2%)
2023	31,171,000	17,450,000	12,392,000	29,842,000	1.6%	29,914,000	(0.2%)
2024	31,892,000	17,865,000	12,426,000	30,291,000	1.5%	30,388,000	(0.3%)
2025	32,633,000	18,308,000	12,447,000	30,755,000	1.5%	30,882,000	(0.4%)
2026	33,382,000	18,768,000	12,461,000	31,229,000	1.5%	31,371,000	(0.5%)
2027	34,135,000	19,229,000	12,474,000	31,703,000	1.5%	31,866,000	(0.5%)

¹ Scenario #1 includes a 2.5% fare increase on January 1, 2011, but assumes no further changes to the current nominal fares thereafter. This leads to declining real fares over the forecast horizon, and reflects the current programmed level of service subject to capacity constraints.

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Washington State Ferries
RIDERSHIP PROJECTIONS ~ ALTERNATIVE FORECAST (SCENARIO #2)
2.5% Annual Fare Increases FY 2011-27¹
November 2010 Forecast – Fiscal Years 2011-2027

Fiscal Year	November 2010 Unconstrained Demand Forecast	November 2010 Capacity Constrained Projections				September 2010 Projections	
		Passenger Ridership	Vehicle/Driver Ridership	Total Ridership	Annual Rate of Growth	Total Ridership	Nov. % Chg from Sep.
2008 ²	23,281,551	12,889,403	10,392,148	23,281,551	(2.9%)		
2009 ²	22,477,473	12,572,707	9,904,766	22,477,473	(3.5%)		
2010 ²	22,587,537	12,453,226	10,134,311	22,587,537	0.5%	22,587,537	0.0%
2011 ^{2 3}	22,603,000	12,532,000	10,028,000	22,560,000	(0.1%)	22,590,000	(0.1%)
2012	23,118,000	12,866,000	10,252,000	23,118,000	2.5%	23,128,000	(0.0%)
2013	23,753,000	13,187,000	10,566,000	23,753,000	2.7%	23,731,000	0.1%
2014	24,379,000	13,532,000	10,838,000	24,370,000	2.6%	24,356,000	0.1%
2015	24,832,000	13,774,000	11,037,000	24,811,000	1.8%	24,790,000	0.1%
2016	25,287,000	14,042,000	11,204,000	25,246,000	1.8%	25,220,000	0.1%
2017	25,742,000	14,305,000	11,369,000	25,674,000	1.7%	25,623,000	0.2%
2018	26,099,000	14,491,000	11,506,000	25,997,000	1.3%	25,912,000	0.3%
2019	26,480,000	14,690,000	11,634,000	26,324,000	1.3%	26,219,000	0.4%
2020	26,871,000	14,890,000	11,752,000	26,642,000	1.2%	26,514,000	0.5%
2021	27,271,000	15,083,000	11,855,000	26,938,000	1.1%	26,806,000	0.5%
2022	27,673,000	15,284,000	11,951,000	27,235,000	1.1%	27,092,000	0.5%
2023	28,065,000	15,489,000	12,016,000	27,505,000	1.0%	27,362,000	0.5%
2024	28,461,000	15,700,000	12,080,000	27,780,000	1.0%	27,640,000	0.5%
2025	28,866,000	15,925,000	12,136,000	28,061,000	1.0%	27,923,000	0.5%
2026	29,262,000	16,148,000	12,186,000	28,334,000	1.0%	28,181,000	0.5%
2027	29,651,000	16,370,000	12,228,000	28,598,000	0.9%	28,440,000	0.6%

¹ Scenario #2 includes a 2.5% fare increase on January 1, 2011, followed by annual 2.5% fare increases with nickel up-rounding each October 1, 2011 through 2026 (FY 2012-27). This yields increasing real fares under the current inflation projection and reflects the current programmed level of service subject to capacity constraints.

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Washington State Ferries — Ridership History and Forecast Trends

November 2010 Forecast Scenarios – Fiscal Years 2006-2027

