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May 25, 2010

Board reviewing service levels, reductions in staffing for 2011-12

As part of an ongoing agency-wide financial review, members of the DART Board of Directors will consider modifications in levels of transit service beginning with fiscal year 2012. Potential changes will also be accompanied with a reduction in staffing throughout the organization.

Service levels for 2011 have already been mostly set with the December 6 completion of the Green Line light rail and scheduled bus service changes.

Budget adjustments are being considered throughout the agency with a target of lowering expenses between \$30 and \$60 million by the beginning of fiscal year 2012. Additional sales tax information will be collected over the next nine to 12 months before decisions are made about the final budget target for fiscal year 2012. The level of budget adjustments will vary by operating mode and from department to department according to agency activities.

The number of positions eliminated also will vary by department. The potential number of eliminated positions ranges from 300 to 600. This reduction would come from a projected FY 2012 employment level of approximately 4,000 positions. Positions will be reduced through a combination of approaches including attrition, elimination of vacant jobs where possible, early retirement and voluntary separation. Layoffs would be after the other approaches were put in place and only if they did not produce the required number of position reductions. Those programs are still being reviewed and have not been developed. Staff adjustments would be made over a two-year period beginning in 2011.

In March, DART reported projections of lower than expected sales tax receipts. In addition to requiring adjustments in current service levels the long-term sales tax projections (for fiscal years 2012 and beyond) will also have a significant impact on the ability of the agency to undertake future expansion projects. Updated 20-year sales tax projections show DART receiving approximately \$3 billion less in sales tax income than the amount projected as recently as May 2009. However, all estimates confirm DART will be able to continue the routine replacement of fleet vehicles and maintain a state of good repair for its current facilities and those under construction.

More than 75% of the agency's income is from the collection of the one-percent sales tax in each of the 13 cities served by DART. Anticipated sales tax receipts for fiscal year 2010 are expected to be between \$13 and \$15 million below the original estimate of \$387.8 million.

Current rail projects not delayed by financial news

The DART Rail Green Line, and the Lake Highlands Station on the Blue Line, will open as scheduled in December 2010. The Blue Line extension from Garland to Rowlett will open as scheduled December 2012. The first two sections of the Orange Line from northwest Dallas to Irving are scheduled to open in 2012.

DART's budget includes capital spending, operations and debt service. The board is scheduled to review a draft fiscal year 2011 capital budget during the June 22 meeting and draft operations and debt service budgets at the July 13 meeting. Final budget approval is expected September 28.

