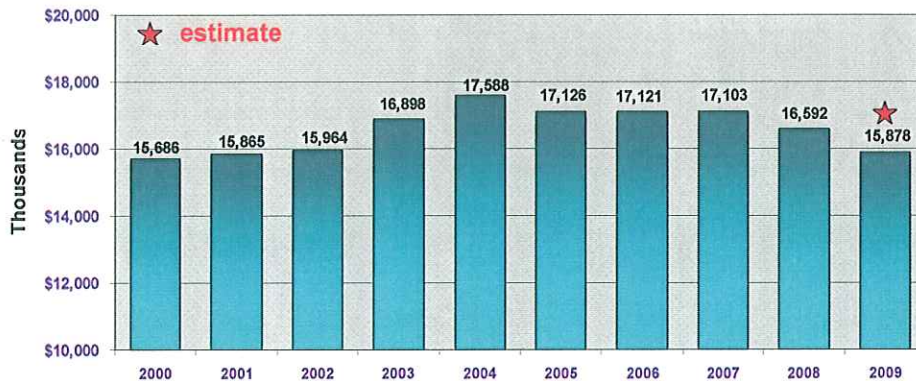


## Core Services Review Slides

### Michigan Transportation Fund

MTF revenue has decreased to 2001 levels



Washtenaw County Road Commission

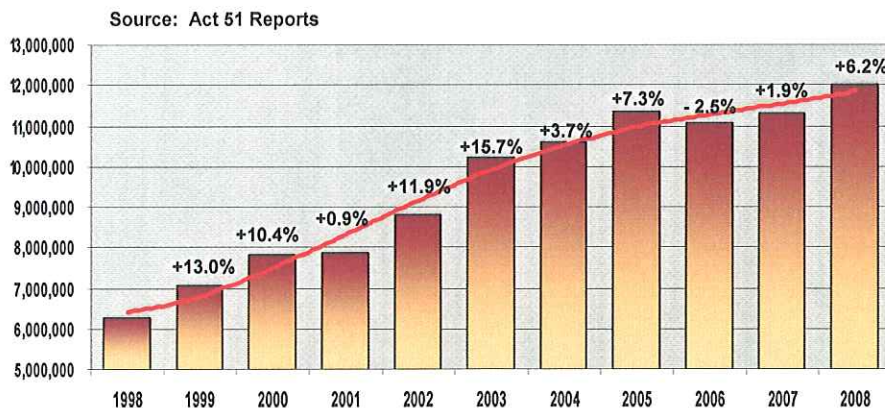
Sustainable Options

The Michigan Transportation Fund is a statutory revenue stream that Road Commissions rely on to plan and perform routine maintenance on the road system. The Washtenaw County Road Commission is anticipating that our 2009 MTF revenue will be roughly equal to the amount we received in 2001.

### Core Services Costs

Primary & Local Road – Routine Maintenance

Costs for routine maintenance have increased by 97% since 1998 (+9.7%/yr.)



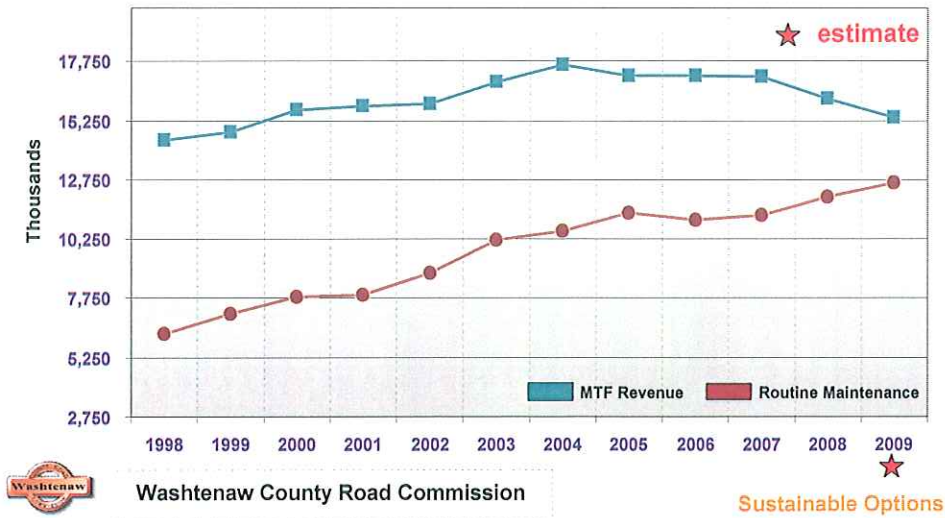
Washtenaw County Road Commission

Sustainable Options

The Washtenaw County Road Commission has historically viewed routine maintenance as a “core service”. Although as inflationary pressures continue to mount while revenue continues to decrease, the services that we have historically performed will need to be reduced.

# Available Capital Investments

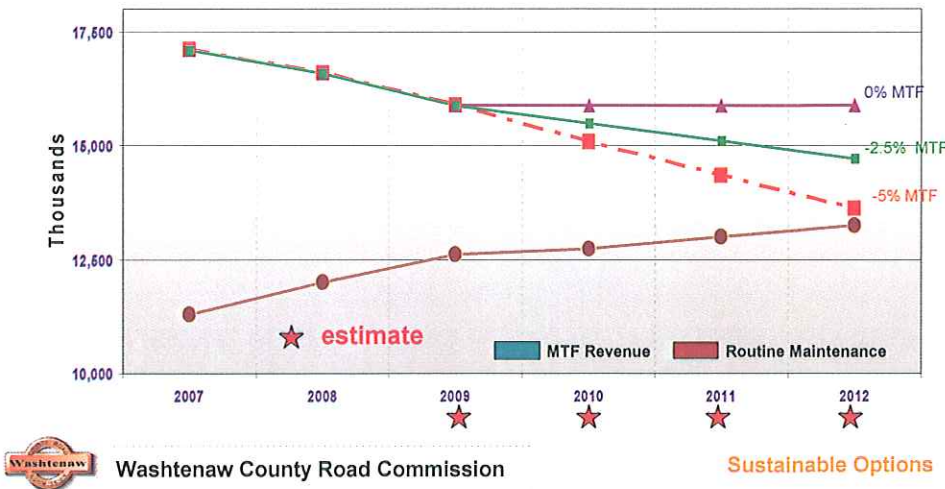
## MTF Revenue vs. Routine Maintenance Costs



This graph compares the relationship between our statutory revenue stream and our routine maintenance costs; the remaining revenue after all routine costs are covered continues to shrink. This remaining revenue represents available capital investment capacity. This comparison demonstrates how limited the Road Commission capacity is to invest in projects or equipment without outside revenue sources. Outside revenue sources provide much needed funding to invest in the road system and it provides opportunities to shift some of the costs our agency incurs during the summer months to project activity.

# Projected Capital Investments

## MTF Revenue vs. Core Services Costs



If we estimate anticipated MTF revenue and routine maintenance costs over the next three years, it demonstrates that our cost trends could exceed our anticipated MTF revenue. This projection does not anticipate outside revenue sources. The outside revenue sources are also expected to be limited during this economic recession. Historically, our Road Commission has been able to leverage outside revenue opportunities. This will continue to be a major initiative for the betterment of our road system and sustainability of our routine maintenance service levels.