

FY16 Budget Development Update

- Sources and Uses**
- Budget by Program**

May 1, 2015

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FY16 Budget Process

Remaining Schedule

- Friday, May 1, 10:00am-1:00pm
 - Balanced Budget and Revenue Allocation by Program
 - Revenues and Expenditures by Program
 - Responses from Departments
- Wednesday, May 6, 10:00am-12:00pm
 - Proposed FY16 Budget Book

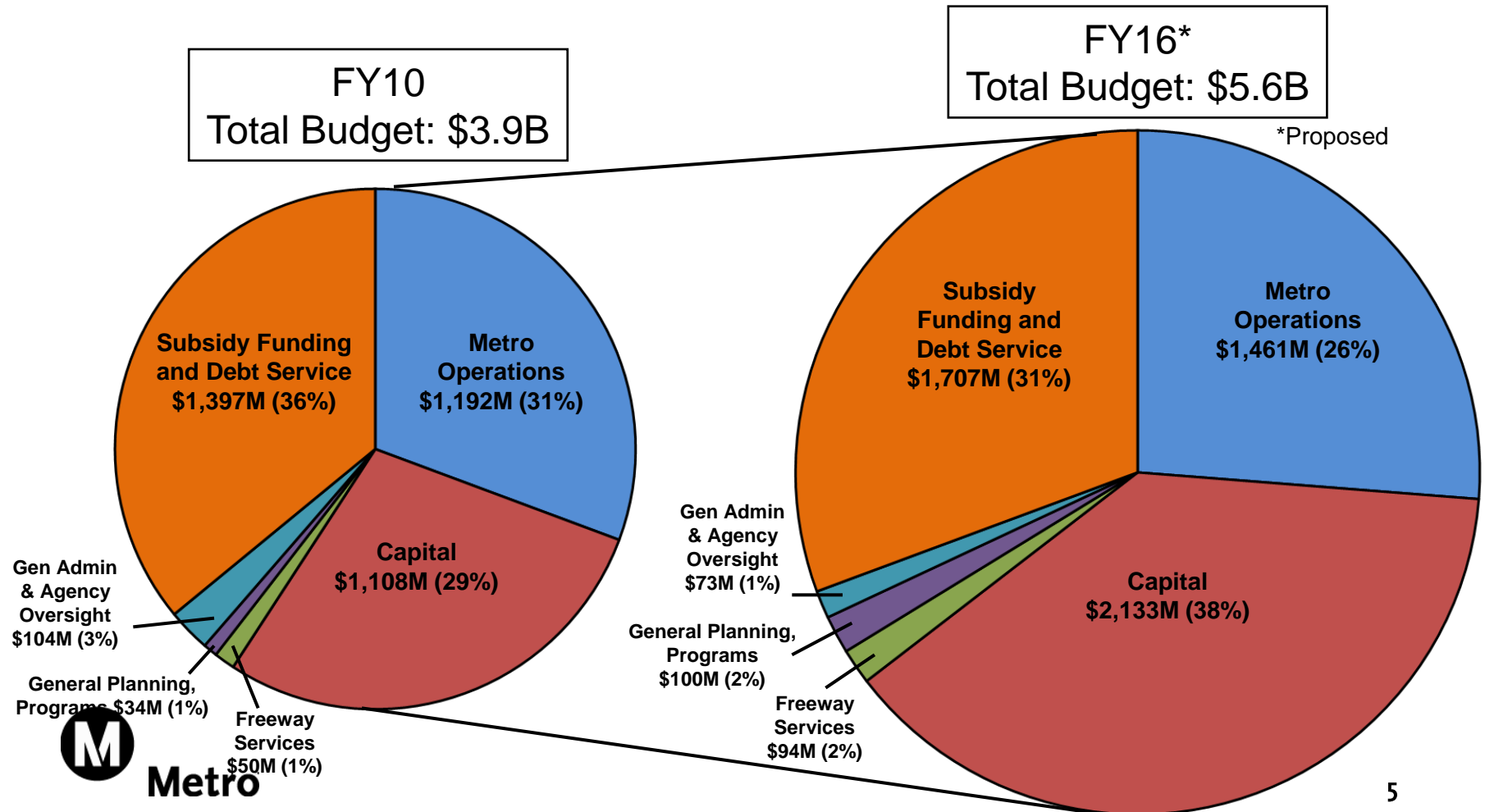
Public Presentations

- Wednesday, May 20, 1:00pm
 - Public Hearing; Finance and Budget Committee
- Thursday, May 28
 - Board Adoption; Regular Board Meeting



Operating vs. Capital Budgeted Expenditures

- Metro's budget has increased from \$3.9B in FY10 to a proposed \$5.6B in FY16. Of this \$1.7B increase, capital expenses account for approximately \$1B, or 60%.
- Capital expenses' share of Metro's budget has increased from 29% in FY10 to a projected 38% in FY16, and Operating expenses' share of Metro's budget has decreased from 31% in FY10 to a projected 26% in FY16.



FY16 Budget Assumptions

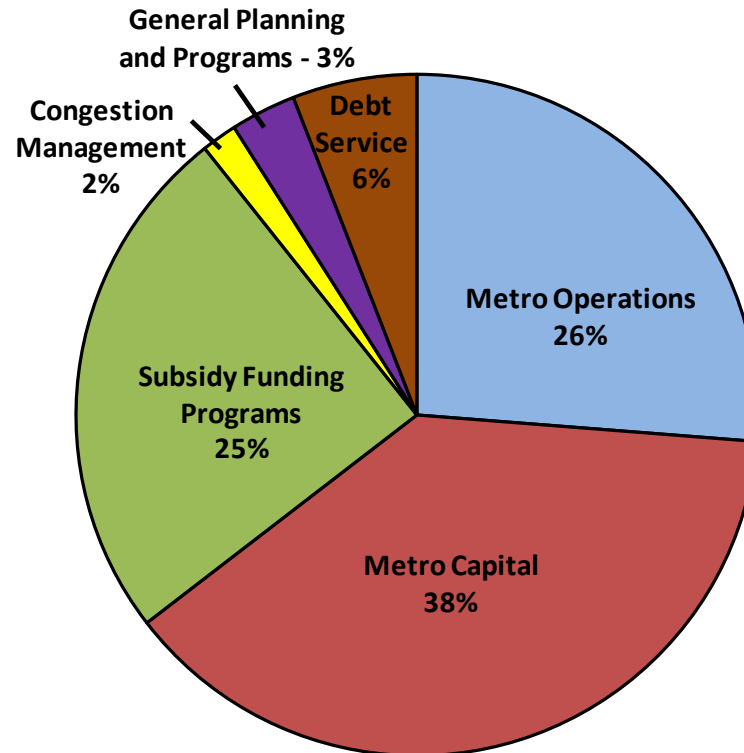
- CPI of 1.97%, which is the midpoint between Beacon and UCLA, the leading economic forecasts for the Los Angeles region.
- FY16 sales tax growth of 3.2%, based on FY15 year-to-date experience; this is conservative compared to Beacon, UCLA, and MUNI forecasts.
- Fare revenue is estimated at \$376M based on the new fare restructure and boarding projections with the addition of new rail services.
- Expo 2 and Gold Line Foothill 2A extensions projected to open in the fourth quarter of FY16.
- Additional 60 new FTEs to be added through the budget process, justified by new services or projects as directed. FTEs include 319 FTEs linked directed to opening of Expo 2 and Gold Line Foothill 2A extensions that were previously approved and reviewed by the Board.
- For SMART, ATU, TCU and AFSCME members, FY16 Proposed Budget salaries and fringe benefits will grow by negotiated rates per the Union Contract terms; Non-Contract salary increase of 3% in line with negotiated union contracts.
- Expense consumables (e.g. fuel, parts) linked directly to service levels.



FY16 Agency Budget Summary

(in millions)

Program Type (\$ in millions)		FY16 Proposed	% of Total FY16 Budget
1	Metro Operations	\$ 1,461.3	26%
2	Metro Capital	2,133.4	38%
3	Subsidy Funding Programs	1,378.4	25%
4	Congestion Management	93.9	2%
5	General Planning and Programs	172.8	3%
6	Debt Service	328.7	6%
7	Total Expenditures	\$ 5,568.4	100%



FY16 Budget By Program

Program Type (\$ in millions)	FY15 Budget	FY16 Proposed	\$ Change	% Change
Metro Operations:				
Bus	\$ 1,013.9	\$ 1,042.9	\$ 29.1	2.9%
Rail	370.1	399.4	29.3	7.9%
Bus and Rail Subtotal	\$ 1,384.0	\$ 1,442.3	\$ 58.3	4.2%
Regional Activities and Other	19.8	19.0	(0.8)	-4.0%
Metro Operations Total	\$ 1,403.7	\$ 1,461.3	\$ 57.5	4.1%
Capital:				
Transit Construction	\$ 1,607.6	\$ 1,563.1	\$ (44.5)	-2.8%
Operating Capital	428.4	431.1	2.7	0.6%
Transit Construction and Operating Capital Subtotal	\$ 2,036.0	\$ 1,994.2	\$ (41.9)	-2.1%
Regional Rail Capital	46.2	49.0	2.8	6.2%
Highway Capital	160.6	90.2	(70.4)	-43.8%
Metro Capital Total	\$ 2,242.8	\$ 2,133.4	\$ (109.4)	-4.9%
Total Metro Operations and Capital	\$ 3,646.5	\$ 3,594.6	\$ (51.9)	-1.4%
Subsidy Funding Programs:				
Regional Transit ⁽¹⁾	\$ 520.1	\$ 536.5	\$ 16.5	3.2%
Local Agencies	540.4	569.2	28.8	5.3%
Wilshire BRT	33.2	16.2	(17.0)	-51.3%
Federal Pass Throughs	13.2	27.9	14.7	110.9%
Fare Assistance	10.5	10.5	0.0	0.2%
Highway Subsidy	158.3	218.0	59.6	37.7%
Subsidy Funding Programs Total	\$ 1,275.8	\$ 1,378.4	\$ 102.5	8.0%
Congestion Management:				
Freeway Service Patrol	\$ 30.7	\$ 28.3	\$ (2.4)	-7.7%
ExpressLanes	31.9	42.3	10.4	32.7%
Kenneth Hahn Call Box Program	11.6	10.3	(1.3)	-11.0%
Regional Intergration of Intelligent Transportation System	3.7	2.2	(1.5)	-40.3%
Rideshare Services	11.0	10.8	(0.2)	-1.9%
Congestion Management Total	\$ 88.8	\$ 93.9	\$ 5.1	5.7%
General Planning and Programs:				
Programs and Studies	\$ 40.5	\$ 42.5	\$ 2.1	5.2%
General Planning and Programming	64.4	57.4	(7.0)	-10.9%
Legal, Audit, Transit Court, Oversight and Other	35.8	38.6	2.8	7.7%
Property Management/Union Station and Development	27.1	34.3	7.2	26.6%
General Planning and Programs Total	\$ 167.7	\$ 172.8	\$ 5.1	3.0%
Debt Service Total	\$ 336.1	\$ 328.7	\$ (7.3)	-2.2%
Total Expenditures	\$ 5,514.9	\$ 5,568.4	\$ 53.5	1.0%

Note: Totals may not add due to rounding.

⁽¹⁾ Represents subsidies to Municipal Operators, Metrolink and Access Services Incorporated (ASI).

FY16 Budget

FTEs

	Department	FY15 Active Budget	FY16 Addition	FY16 Total	Vacancy	Comments
1	Non-Contract					
2	Board of Directors	36	3	39	4	Office of the Inspector General - Construction Oversight
3	<i>Chief Executive Office</i>					
4	Chief Executive Office	39	1	40	1	EEO
5	Chief Policy Office	5	0	5	0	
6	Enterprise Risk & Safety Mgmt	86	7	93	5	4 for Construction Safety Inspection, 3 for Crenshaw Line Safety
7	Labor/Employee Relations	73	2	75	3	HR Increased Recruitment Volume
8	LA Metro Protective Svcs	8	0	8	5	
9	Program Management	38	4	42	0	Purple Line Extension Budget and Cost Management
10	Chief Executive Office Total	249	14	263	14	
11	Communications	95	0	95	10	
12	Congestion Reduction	15	3	18	0	1 RIITS, 2 ExpressLane Master Plan & Management
13	<i>Engineering & Construction</i>					
14	Highway Project Delivery	24	4	28	2	I-605, I-5
15	Regional Rail	7	1	8	0	SCRIP
16	Transit Project Delivery	144	10	154	22	Transit Construction
17	Engineering & Construction Total	175	15	190	24	
18	Finance & Budget	142	8	150	9	Billing, Pens/Benefits, TIFIA, TAP Munis, Online Budget, NTD, ACCESS
19	Information Technology	88	3	91	2	Payroll, PCI, Increase Server Maintenance, Security
20	Operations	285	0	285	17	
21	Planning & Development	158	3	161	15	Eastside Phase II, Joint Development, Mesaure R2 Survey
22	Vendor/Contract Mgmt	161	6	167	28	2 DEOD, 4 Measure R Transit Construction Contract Managers
23	Non-Contract Total	1,404	55	1,459	123	
24	Contract Total	8,253	5	8,258		5 for Xerox call center transition
25	Agency Total	9,657	60	9,717		

FY16 Budget

Summary of Agency Resources

Resources and Expenditures (\$ in millions)	FY15 Budget	FY16 Proposed	\$ Change FY15 to FY16	% Change	% of Total Budget
1 Sales Tax, TDA and STA Revenues ⁽¹⁾					
2 Proposition A	\$ 740.0	\$ 763.5	23.5	3.2%	
3 Proposition C	740.0	763.5	23.5	3.2%	
4 Measure R	740.0	763.5	23.5	3.2%	
5 Transportation Development Act (TDA)	370.0	381.8	11.8	3.2%	
6 State Transit Assistance (STA)	104.7	105.7	1.0	1.0%	
7 Total Sales Tax, TDA, & STA	\$ 2,694.7	\$ 2,778.0	\$ 83.3	3.1%	49.9%
8 Operating & Other Revenues					
9 Passenger Fares	\$ 351.1	\$ 376.0	\$ 24.9	7.1%	
10 ExpressLanes Tolls	30.7	62.2	31.5	102.6%	
11 Advertising	21.5	22.5	1.0	4.7%	
12 Other Revenues ⁽²⁾	47.0	62.1	15.1	32.1%	
13 Subtotal Operating & Other Revenues	\$ 450.3	\$ 522.8	\$ 72.5	16.1%	9.4%
14 Capital and Bond Resources					
15 Grants Reimbursements ⁽³⁾	\$ 1,264.2	\$ 999.2	(265.0)	-21.0%	
16 Prior Year Carryover Resources ⁽⁴⁾	1,105.8	1,268.4	162.6	14.7%	
17 Subtotal Capital and Bond Resources	\$ 2,370.0	\$ 2,267.6	(102.4)	-4.3%	40.7%
18 Total Resources	\$ 5,514.9	\$ 5,568.4	53.5	1.0%	100.0%

(1) Sales tax and TDA revenues for FY15 Budget represent reforecasted levels based on Q1 actual data from the State Board of Equalization (SBE).

(2) Other Revenues includes lease revenues, vending revenues, film revenues, county buy down, auto registration fees, transit

(3) Includes grant reimbursement of preventative maintenance operating capital cost and highway capital costs.

(4) Represent use of bond proceeds and sales tax revenue received and unspent in prior years.

FY16 Budget

Sales Tax by Ordinance

Type of Revenue (\$ in millions)	FY15 Budget	FY16 Proposed	\$ Change	% Change	% of Total	Eligible for Operations
Proposition A						
5% Administration	\$ 37.0	\$ 38.2	\$ 1.2	3.2%		
25% Local Return	175.8	181.3	5.6	3.2%		
35% Rail Development	246.1	253.9	7.8	3.2%		Eligible
40% Discretionary						
Transit (95% of 40%)	267.1	275.6	8.5	3.2%		Eligible
Incentive (5% of 40%)	14.1	14.5	0.4	3.2%		
Estimated Tax Revenue from Prop A	\$ 740.0	\$ 763.5	\$ 23.5	3.2%	27.5%	
Proposition C						
1.5% Administration	\$ 11.1	\$ 11.5	\$ 0.4	3.2%		
5% Rail/Bus Security	36.4	37.6	1.2	3.2%		Eligible
10% Commuter Rail	72.9	75.2	2.3	3.2%		
20% Local Return	145.8	150.4	4.6	3.2%		
25% Freeways/Highways	182.2	188.0	5.8	3.2%		
40% Discretionary	291.6	300.8	9.3	3.2%		Eligible
Estimated Tax Revenue from Prop C	\$ 740.0	\$ 763.5	\$ 23.5	3.2%	27.5%	
Measure R						
1.5% Administration	\$ 11.1	\$ 11.5	\$ 0.4	3.2%		
2% Transportation Capital Metro Rail	14.6	15.0	0.5	3.2%		
3% Transportation Capital Metrolink	21.9	22.6	0.7	3.2%		
5% Operations - New Rail	36.4	37.6	1.2	3.2%		Eligible
15% Local Return	109.3	112.8	3.5	3.2%		
20% Operations - Bus	145.8	150.4	4.6	3.2%		Eligible
20% Highway Capital	145.8	150.4	4.6	3.2%		
35% Transportation Capital New Rail/BRT	255.1	263.2	8.1	3.2%		
Estimated Tax Revenue from Measure R	\$ 740.0	\$ 763.5	\$ 23.5	3.2%	27.5%	
Transportation Development Act (TDA)						
Administration	\$ 8.5	\$ 8.5	\$ -	0.0%		
2.0% Article 3 (Pedestrians & Bikeways)	7.2	7.5	0.2	3.3%		
91.7% Article 4 (Bus Transit)	331.3	342.2	10.8	3.3%		Eligible
6.3% Article 8 (Transit/Streets & Hwys)	22.9	23.7	0.7	3.3%		
Estimated Tax Revenue from TDA	\$ 370.0	\$ 381.8	\$ 11.8	3.2%	13.7%	
State Transit Assistance (STA)						
STA Bus	\$ 55.8	\$ 54.9	\$ (0.9)	-1.6%		Eligible
STA Rail	48.9	50.8	1.9	3.8%		Eligible
Estimated Tax Revenue from STA	\$ 104.7	\$ 105.7	\$ 1.0	0.9%	3.8%	
Total Revenues	\$ 2,694.7	\$ 2,778.0	\$ 83.3	3.1%	100.0%	



FY16 Budget

Revenues Eligible for Bus & Rail Operating

(\$ in millions)

Revenues Eligible for Bus & Rail Operating		FY15 Budget	FY16 Proposed	\$ Change	% Change	% of Sales Tax
38	Proposition A	\$ 513.2	\$ 529.5	\$ 16.3	3.2%	69.4%
39	Proposition C	328.0	338.4	10.4	3.2%	44.3%
40	Measure R	182.2	188.0	5.8	3.2%	24.6%
41	TDA	331.3	342.2	10.8	3.3%	89.6%
42	STA	104.7	105.7	1.0	0.9%	100.0%
43	Total Bus & Rail Eligible Revenues	\$ 1,459.5	\$ 1,503.8	\$ 44.3	3.0%	54.1%

Funding Sources Eligible for Metro Operating		
44	Metro's Estimated Share of New Sales Tax, TDA, and STA Revenues is approximately 63.8%	
45	Metro's Estimated Share of New Sales Tax, TDA, and STA Revenues	\$ 959.4
46	Fares, Advertising, and Misc. Operating Revenues	451.8
47	Federal Funding, including Federal Sections 5307, 5337, 5340, CMAQ, CNG, and Homeland Security	260.1
48	State Grant- Cap and Trade Program	3.8
49	Local Grant- Toll Revenue Grant	4.2
50	Total Funding Sources Eligible for Metro Operating	\$ 1,679.3

Cost Demands for Metro Operating Eligible Funding		
51	Transit Operations Costs	\$ 1,520.4
52	Debt Service Repayment	219.5
53	State of Good Repair Costs	407.3
54	Debt Service - Prop A (CRA)	2.2
55	Total Cost Demands for Operating & Capital Eligible Funding	\$ 2,149.3
56	Amount Metro is Living Beyond Current Year Operating Eligible Funding*	\$ (470.0)

57 *For FY16, this difference is being offset with prior year bus and rail-eligible operating revenue carry-over, which is
 58 projected to run out in FY17, without factoring in labor cost-of-living increases.
 59
 60

FY16 Budget

Bus & Rail Eligible Fund

- Sources of Operating Eligible Fund Balances:
 1. Restructuring of Bus service level from FY10 to FY12 reduced 1 million Revenue Service Hours (RSH)
 2. Sales Tax growth peaked coming out of the recession at the same time from FY10 to FY12
 3. Acquired and applied one time revenues sources to eliminate Deferred Maintenance, including ARRA, Prop 1B and etc.
 4. Board adopted Fare Restructuring in FY15
 5. Years of exercising fiscal discipline
- Fund balance estimate decreases from \$1.8 billion in FY15 to \$1.4 billion in FY16
 1. Discontinued one-time revenue sources from grants such as ARRA and etc.
 2. Increased need for Asset Maintenance from \$250 million per annum to \$437 million in FY16
 3. Slower growth cycle of sales tax receipt
- Balancing Budget:
 1. FY17 is balanced assuming current programs
 2. FY18 estimated \$50 million deficit can be mitigated with careful financial/budgetary control
 3. FY19 will face major financial challenges for a forecasted deficit of \$289 million when Bus, Light Rail and Heavy Rail Vehicle replacement schedules are due, and new Rail Lines' initial Federal CMAQ funding runs out.

FY16 Budget

Estimated Ending Fund Balance

(\$ in millions)

Fund Type	FY16 Estimated Ending Fund Balance	
Proposition A:		
Discretionary Transit (95% of 40%)	\$	13.2
Discretionary Incentive (5% of 40%)		12.4
Rail (35%)		2.3
Interest		6.6
Total Proposition A	\$	34.6
Proposition C:		
Discretionary (40%)	\$	228.0
Security (5%)		11.6
Commuter Rail (10%)		-
Street & Highway (25%)		69.9
Interest		16.4
Total Proposition C	\$	326.0
Measure R:		
Administration (1.5%)	\$	30.0
Transit Capital - Metrolink (3%)		-
Transit Capital - Metro Rail (2%)		-
Transit Capital - New Rail (35%)		21.4
Highway Capital (20%)		142.9
New Rail Operations (5%)		64.5
Bus Operations (20%)		2.0
Total Measure R	\$	260.9
Transportation Development Act (TDA):		
Article 3	\$	14.7
Article 4		242.2
Article 8		3.7
Total TDA	\$	260.5
State Transit Assistance (STA):		
Revenue Share	\$	11.5
Population Share		-
Total STA	\$	11.5
Total PTMISEA	\$	108.9
Total SAFE Fund	\$	16.4
Other Special Revenue Funds	\$	53.0
General Fund:		
Administration - Proposition A, C, & TDA	\$	-
Mandatory Operating Reserve		127.1
General Fund / Other		258.1
Total General Fund	\$	385.2
Total	\$	1,456.9

Uncommitted Fund Balances:	
\$	348.2
Uncommitted Bus & Rail-Eligible Fund Balances:	
\$	30.9

* Previously allocated to Metro, Municipal Operators and cities.

** Committed

*** PTMISEA stands for "Public Transportation Modernization, Improvement, and Service Enhancement Account. Committed for capital projects."



Revenues and Expenditures for Specific Programs

ExpressLanes – Operating Budget

Operating Budget

		FY15 to FY16			Comments
		FY15 Budget	FY16 Budget	Difference	
1	Operating Revenues:				
2	Toll Revenues	\$ 30,696,000	\$ 62,173,082	\$ 31,477,082	FY15 YTD April 2015 actual revenue is \$34.1M.
3	Total Operating Revenues	30,696,000	62,173,082	31,477,082	
4					
5	Operating Expenses:				
6	Toll Road Operating & Administration:	20,318,109	42,282,745	21,964,636	FY15 Budget amount excludes board amendment adding \$11.6M in contract expenses.
7	Total Operating Expenses	20,318,109	42,282,745	21,964,636	
8					
9	Net Toll Revenue	10,377,891	19,890,337	9,512,446	
10					
10	Set-Asides				
11	Reserve (5% of Net Toll Revenue)	518,895	985,044	466,150	Including \$2.9M Subsidy for Metro Silver Line Operations and \$3.3M to Municipal Operators.
12	Municipal Operating Subsidy	2,500,000	6,200,000	3,700,000	
13	CRD Toll Revenue Grant Program	-	6,551,971	6,551,971	
14	Total Set-Asides	3,018,895	13,737,015	10,718,121	
15					
16	Toll Operating Surplus/(Deficit)	\$ 7,358,996	\$ 6,153,322	\$ (1,205,675)	

Revenues and Expenditures for Specific Programs

ExpressLanes – Capital Budget

Capital Budget

		FY15 to FY16			
		FY15 Budget	FY16 Budget	Difference	Comments
17	Funding Sources:				
18	Federal Grant Funding:	\$ 2,000,000	\$ 4,000,000	\$ 2,000,000	Federal ISTEA grant for environmental studies. Prop A/C/TDA Admin
19	Admin Transfers in for HOT lane Studies	-	2,900,000	2,900,000	
20	PC40 Transfers in for Patsaouras Plaza Bus Station Construction	2,277,800	14,508,568	12,230,768	
20	PC25 Transfers in for El Monte Busway & Transit Center Expansion	155,902	84,751	(71,151)	
21	Total Revenues	4,433,702	21,493,319	17,059,617	
22	Expenses:				
23	I-110 Transit Way Environmental Study:	2,000,000	6,900,000	4,900,000	Environmental studies for the extension of transit way on I-110 from its current terminus into Downtown LA. (Grant-funded project). HOT lane studies of I-110, I-105 and I-5. ExpressLanes construction in FY16, El Monte Busway and Transit Center Expansion, and Patsaouras Plaza Bus Station Construction.
24	Capital Improvement Expenses:	2,433,702	14,593,319	12,159,617	
24	Total Expenses	4,433,702	21,493,319	17,059,617	
25					
26	Capital Surplus / (Deficit)	\$ -	\$ -	\$ -	
27	Fund Balance - Beginning	\$ 135,024,736	\$ 142,383,732		
28	Fund Balance - Ending	\$ 142,383,732	\$ 148,537,054		

Revenues and Expenditures for Specific Programs

Union Station

		FY15 to FY16			Comments
		FY15 Budget	FY16 Budget	Difference	
1					
2	Operating Revenues:				
3	Rent and Common Area Maint Recoveries	\$ 7,504,939	\$ 8,210,165	\$ 705,226	
4	Gross Parking Revenues - Union Station West	1,359,764	1,414,155	54,391	
5	Gross Parking Revenues - Union Station East	1,556,123	1,618,368	62,245	
6	Special Events/Filming Revenues	408,000	408,000	-	
7	Total Operating Revenue	10,828,826	11,650,688	821,862	
8					
9	Operating Expenses:				
10	Legal Cost	25,000	100,000	75,000	
11	Risk Management	229,837	245,566	15,728	
12	Metro Labor	2,584,886	2,639,339	54,453	Transition maintenance of Union Station East from Property Manager to Metro (21 FTEs).
13	Property Management	11,985,269	15,259,569	3,274,300	Incl. Morlin Property Mgmt for parking, repair/maintenance, utilities, admin, leasing commissions, etc. Also includes cleaning/restriping of Gateway garage, wayfinding, LA River fountain waterproofing, large fountain maintenance and electrical renovation, aquarium maintenance, East Portal dome repair and cleaning, metal canopy and trench drain, variable frequency fan drive replacement, garage mgmt system replacement.
14	Marketing	70,000	70,000	-	
15	Interactive Kiosk	196,254	-	(196,254)	
16	Art Program	222,197	244,412	22,215	1) Regular care and maintenance of artworks; 2) Station art and architecture tours; 3) Passageway lightbox art program; 4) Art support/partnerships; 5) Refurbishment of aquarium as part of state of good repair.
17	Total Operating Expenses	15,313,443	18,558,886	3,245,443	
18					
19	MTA Operating Surplus/(Deficit)	\$ (4,484,617)	\$ (6,908,198)	\$ (2,423,581)	
20	Other Fund Transfers In [Memorandum only]:				
21					
22	Union Station Master Plan	\$ 2,904,713	\$ 2,377,751	\$ (526,962)	FY16 includes Planning cost and Union Station Cesar Chavez Bus Stop Capital project.
23					
24	Capital Improvement Expenses:				
25	Main Terminal HVAC	5,089,143	1,008,690	(4,080,453)	
26	Renovation/Upgrade	2,462,166	3,108,690	646,524	
27	Reroofing	5,666,544	1,508,690	(4,157,855)	
28	Smart HD CCTV	1,152,180	407,906	(744,275)	
29	Metro Bike Hub	-	459,932	459,932	
30	Total Capital Improvement Expenses	14,370,033	6,493,907	(7,876,127)	
31					
32	Debt Service Costs	4,564,000	4,258,250	(305,750)	
33					
34	Total Other Capital and Cash-Flow Demand	\$21,838,746	\$13,129,907	\$ (8,708,839)	

Revenues and Expenditures for Specific Programs

Parking

Operating Budget

		FY15 to FY16			
		FY15 Budget	FY16 Budget	Difference	Comments
1	Parking Revenues				
2	Gross Revenues	\$ 3,517,713	\$ 3,669,322	\$ 151,609	Parking permits, Union Station East and West parking garages
3	Total Parking Revenues	3,517,713	3,669,322	151,609	
4					
5	Parking Expenses				
6	Parking Lot/Garage Operators	3,043,213	2,942,408	(100,805)	
7	Metro Labor	443,377	582,616	139,239	Parking lots management and maintenance
8	<i>Non-Labor</i>				
	Metro Parking Management Unit	400,745	3,528,136	3,127,391	Increases include: Develop Supportive Transit Parking Plan (STPP) and Parking Master Plan \$650K; Implement Parking Ordinance, \$300K FY16 only (\$100K for signage, \$200K promo materials and supporting staff time); Repave/refurbish parking assets, three parking lots, \$1.6M ongoing; Incorporate/manage expanding parking inventory increasing to more than 30,000 spaces, \$930k ongoing (\$235K operation and maintenance of Fillmore and Azusa parking structures/ \$250K Crenshaw security); One time cost for appraisals to support negotiations for transfer of Caltrans lots \$150K
9					
10	Contractor Maintenance of Metro- and CalTrans-owned lots	982,033	1,452,362	470,329	
11	Security Dept. Labor Cost	855,082	855,082	-	Including private security services and LASD
12	Crenshaw Park and Ride Lease	795,153	795,153	-	Park and Ride Lot Lease from a church for Expo Line
13	Non-Labor Subtotal	3,033,012	6,630,733	3,597,720	
14					
15	Total Parking Expenses	6,519,602	10,155,756	3,636,154	
16					
17	Parking Program - Operating Surplus/(Deficit)	\$(3,001,889)	\$(6,486,434)	\$(3,484,545)	
18	Capital Improvement				
		FY15 to FY16			
		FY15 Budget	FY16 Budget	Difference	Comments
19					
20	NoHo Chandler Demonstration Lot	\$ 1,300,000	\$ 62,937	\$(1,237,063)	No actual cost in FY15 yet. LOP budget is \$1.4m
21	Implement parking guidance systems and other technology enhan	-	162,040	162,040	
22	Total Capital	\$ 1,300,000	\$ 224,977	\$(1,075,023)	

Revenues and Expenditures for Specific Programs

Regional TAP Program

	Item	Description	FY16 Budget	FTEs
1	Revenues			
2	Gross Revenue		\$ 375,965,840	
4	Total Revenues		375,965,840	
5	Expenditures			
6	Fare Collection	Vaulting (emptying farebox contents at the Divisions), ticket vending machine servicing (replenishing TAP cards, collecting cash bin) and cash counting.	16,941,850	96.07
7	Fare Enforcement	Fare validation carried out through Sheriff contract. Budget includes mobile validator (app on mobile phone).	6,506,336	
8	Fare Equipment Maintenance	Fare equipment maintenance and point-of-sale equipment connection	20,785,069	2.16
9	TAP Operations	TAP operations including call center, informaton agents, IT support to call center infrastructure and maintenance, third party vendor training and equipment maintenance fees.	9,993,559	67.05
10	Public Awareness	TAP materials, campaigns, and special events customer service. Reach out to patrons and potential patrons at events to increase ridership, provide pamphlet to increase the awareness of public transit services and associated TAP fare payment (public education & outreach).	1,649,097	8.66
11	Capital Improvements	Provide easier and convenient access to patrons to pay for the fare through mobile access, enhanced ticket vending at the machines. Install more ticket vending machines at stations and major transit hubs to reduce queuing and ease of access. Enhance cyber security to protect patrons' personal information.	13,366,381	6.35
12	Total Expenditures		69,242,292	180.28
13	Net Total Regional TAP Program Revenues		\$ 306,723,548	

Revenues and Expenditures for Specific Programs

Joint Development

	FY16 Non-	FTEs
	Labor	
1 Rent Revenues from Completed Projects	\$ 2,284,869	
2 Expenditures		
3 Metro Labor		15.68
4 Metro Non-Labor	\$ 2,689,105	
5 FY16 Expenditures	\$ 2,689,105	15.68

Notes
Financial advisors, design review, community outreach, operations support, safety
Legal services, consultant contracts, design review

Projects in negotiation, construction or consideration

- Taylor Yard (Lots 2, 4, and 5) - Construction of 108 units of affordable housing, 95 condominiums, mixed use with 16,690 sq ft of retail. Already have completed 155 units on other Taylor lots.
- West Hollywood (Division 7) - City of West Hollywood has requested Metro enter into an MOU to coordinate shared interests and goals.
- Vermont/Santa Monica – Under Exclusive Negotiating Agreement (ENA) with developer. Incl. 114 units of housing and 26,000 sq ft of retail.
- The Bloc - 7th/Metro Red Line Station portal entrance in to shopping center
- In Boyle Heights:
 - 1st/Boyle - Under construction. Incl. 80 affordable housing apartments and 4,000 sq ft of retail
 - 1st/Lorena - Under ENA. Incl. 49 units of affordable housing and 10,000 sq ft of retail
 - Chavez/Fickett - Proposed retail food market. Specific details TBD.
 - 1st/Soto - Under ENA. Incl. 88 units of affordable housing with 16,000 sq ft of ground floor retail
 - Chavez/Soto - Under ENA. Incl. 77 units of affordable housing with 8,000 sq ft of ground floor retail

In 2015:

- North Hollywood Red Line Station - Soliciting development proposals
- Sepulveda Park & Ride - Soliciting development proposals

In 2016:

- One or more sites on Crenshaw Line - Soliciting development proposals
- Mariachi Plaza Station – Community outreach and re-procurement of development proposals

Future sites:

- Additional sites along the Crenshaw Line
- Wilshire/Fairfax – 3 property owners proposing a development on their property to be built after subway completed.
- Gold Line (Foothill)
- Expo Line (Phase 2)



Special Topic Areas

Public-Private Partnerships

	Activity	FY16 Non-Labor	FTEs
1	Planning		
2	I-710 EIR/EIS A SOW for a financial strategy study evaluating the size of the funding gap on the I-710 S corridor is currently underway. This study hopes to attain a realistic strategy for funding this corridor, including revenue from a new ballot measure, container fees and suitability for P3 delivery. This study should be complete by Q2 of FY16.	\$ 300,000	0.45
3	SEPULVEDA PASS TRANSIT CORRIDOR An investment grade Traffic and Revenue study is anticipated to help identify how much revenue can be generated from an express lanes study on this corridor. It is anticipated that this project will begin in Q1 of FY16 with 75% of the work being completed in FY 16.	900,000	0.45
4	SR-710 NORTH GAP CLOSURE The office of the CEO has identified the need for an investment grade traffic and revenue study on this corridor to help identify the likely traffic and toll revenue potential for this corridor. In addition a strategic financial strategy will be required to fully understand the local, state and federal money available for this project including a share of a potential new ballot measure. Both studies will be in excess of \$1.5 million with 60% of those projects being completed in FY16.	900,000	0.45
5	HIGH DESERT CORRIDOR An investment grade Ridership and Revenue study is anticipated to help identify how much revenue can be generated from a high-speed rail project. This study will likely cost \$1.5 to \$2.0 million with additional contributions being made by the HDC JPA and the County of San Bernardino.	900,000	0.45
6	As-needed environmental consulting support to evaluate PPA agreements and other sustainability projects at Metro	225,000	0.20
7	Planning Department Total Public-Private Partnership	3,225,000	2.00
8			
9	Construction		
10	Outside counsel services for upcoming P3 support in FY 16. MOUs will be needed. - Development of RFP and Agreements - Review of P3 Submittals - Support for RFP development and proposal reviews	200,400	0.10
11	Project Management Support for Sustainability Construction Program for eight Renewable Energy Projects: four in-house and four P3.	135,750	0.05
12	Assist in the implementation of WESS at Gold Line and support of P3 wayside energy initiatives.	186,750	0.10
13	Construction Total Public-Private Partnership	522,900	0.25
14			
15	Combined Total Public-Private Partnership	\$ 3,747,900	2.25

Special Topic Areas

Metro Rail and BRT Stations

		FY16 FY16 Non-Labor Budget	FY16 FTEs
1	Cleanliness, Care, and Signage		
2	<u>Operations</u>		
3	Graffiti Abatement (Anti-graffiti film installation, graffiti paint out, etc.)	\$ 9,925,000	
4	Daily station cleaning, ongoing material repairs and replacements, painting, waste management	5,880,807	207.60
5	Metro Red Line grouting, remediation, and tunnel washing	2,185,152	
6	Capital Project Support (including Dept of Homeland Security Projects)		16.00
7	Landscape, tree trimming, herbicide application, and ROW trash and vegetation removal	10,573,000	
8	<u>Planning</u>		
9	Art Program, incl. requests from station refurbishments and Capital State of Good Repair (SOGR) Program	1,080,184	1.60
10	Systemwide Station Signage, incl. requests from station refurbishments and Capital SOGR Program	160,720	3.64
11	Cleanliness, Care, and Signage Subtotal	29,804,863	228.84
12	Systems (Plumbing, Electrical, Fire, Elevators, etc.)		
13	<u>Operations</u>		
14	Elevators and escalators repair/maintenance	10,882,795	
15	Plumbing, Electrical, Phones, Fire suppression, Ventilation, HVAC, Antennas, Fiber optic network	2,451,862	84.05
16	Lighting fixtures/systems repair, retrofitting, and replacement	773,611	24.00
17	Catenary system maintenance and uninterrupted power supply	547,975	17.00
18	<u>Communications</u>		
19	Retrofit existing displays with digital information displays	210,463	0.39
20	<u>Corporate Safety and Risk Management</u>		
21	Stations' share of Liability and Property Insurance, and Liability Claims	2,814,807	
22	Systems Subtotal	17,681,513	125.44
23	Design and Planning		
24	<u>Communications</u>		
25	Design, procure, fabricate and begin to install Signage changes for Expo Phase 1 and 2.	200,000	0.20
26	<u>Planning</u>		
27	Willowbrook/Rosa Parks Station Improvement design/engineering professional services contract	2,706,199	0.65
28	7th Street Metro Center Station passageway to The Bloc	3,000,000	0.05
29	Blue, Green Line Signage Refurbishment Plan	459,000	1.35
30	Line Designation Update	266,250	0.85
31	Design and Planning Total	6,631,449	3.10
32	Metro Rail and BRT Station Cleanliness, Systems, and Design and Planning Total	\$ 47,486,376	354.28

Special Topic Areas

Bus & Rail Network Master Planning

Activity	Description	Amount	FTEs
Systemwide Network Planning			
Operations			
Metro Short Range Transit Plan	In conjunction with Planning department, develop 10-year short range transit plan		0.20
Transit Service Policy	Establish a formal process for evaluating existing services.		0.25
Blue Ribbon Committee	Ongoing efforts to to receive guidance from regional operators on service policy development		0.25
Strategic Bus Network Plan	Over a three year period, develop, in conjunction with 2 contractors, a strategic bus network plan	\$ 48,912	0.25
Strategic Bus Network Plan	Over a three year period, develop, in conjunction with 2 contractors, a strategic bus network plan	303,237	0.25
Planning			
Bus/Rail Interface Study	Develop criteria for rail/BRT station to improve multi-modal access and transfers between modes	209,000	0.90
Short-Range Transit Plan	Regional Short-Range Transit Plan Development	117,685	0.10
Countywide BRT Corridor Study Phase 1B		500,000	
Subtotal Systemwide Network Planning		1,178,834	2.20
Wilshire BRT			
Wilshire BRT Project	Construction of the Wilshire BRT Project including bus lanes and other street improvements	7,466,012	
Wilshire BRT Before-After Study	Technical upport of Before and After Study on Wilshire BRT	149,587	0.20
Wilshire BRT Project	Wilshire BRT Project Management	135,133	0.55
Subtotal Wilshire BRT		7,750,732	0.75
Metro Rapid Bus System			
Metro Rapid Bus Program	Implement Metro Rapid Bus Program	45,000	
Metro Rapid Signals	Implement Metro Rapid Signal Priority	161,219	0.60
Metro Rapid Shelters	Implement Metro Rapid Shelters	1,758,356	
Subtotal Metro Rapid Bus System		1,964,575	0.60
Other Corridors/BRT			
Van Nuys Corridor	Van Nuys Corridor Environmental Study and Outreach	1,178,906	
Vermont and NoHo to Pasadena BRT Technical Studies	Metro Board directed technical analysis for Vermont and North Hollywood to Pasadena BRT corridors	1,089,682	2.30
Subtotal Other Corridors/BRT		2,268,588	2.30
Total		\$13,162,729	5.85

Special Topic Areas

Sustainability

	Activity	Description	FY16 Budget	FTEs
1	Planning & Development			
2	Countywide Sustainability Plan	Update the Countywide Sustainability Planning Policy format.	\$ 470,207	0.90
3	Sustainable Transportation Demonstration Projects	Conduct planning and demonstrations necessary to respond to the Countywide Sustainability Planning Policy and related subsequent policies and Board direction including, but not limited to, the First/Last Mile Strategic Plan and Complete Streets Policy. Complete sustainable transportation demonstration projects that test the effectiveness of CSPP strategies.	691,895	0.40
4	AGLA/Sustainable Communities Planning Grant	Board approved LARC/AGLA contract to create a coordinated regional plan for climate change adaption strategies.	445,885	0.40
5	Planning & Development Subtotal		1,607,987	1.70
6	Engineering & Construction			
7	Energy Conservation Initiatives	Initiatives to: (a) reuse energy through innovative application of technology, (b) utilize energy-efficient material such as solar panels and LED lighting, and (c) outfit bus and rail facilities with submeters to better monitor energy usage. Budget includes division reroofing to prepare for the solar panel installations and LEED certification of Metro facilities.	7,628,188	8.93
	Carbon Footprint Reduction	Install electric vehicle chargers at select rail stations and divisions to encourage electric vehicle usage by patrons and staff. Contract with biomethane provider for CNG for Metro buses. Metro zero emission buses demonstration pilot.	2,368,662	1.67
8	Sustainability Design Guide	Adhere to Metro's Sustainability Implementation Program through continual cycle of implement, monitor, measure, and assess. Establish new policies and/or guidelines where necessary.	413,107	0.57
9	Sustainability Management	Execute and monitor Metro's Sustainability Implementation Plan which addresses waste management, energy conservation, water conservation, greenhouse gas reduction. Capital improvements for FY16 focus on water conservation: installation of water recycling system at bus divisions (for buses), installation of recycled water irrigation system for landscaping, waste water diversion (reduce discharge fees), installation of new surface material at parking lot to demonstrate the effectiveness of particulate filtration.	4,066,434	1.25
10	Environmental Management System (EMS)	EMS is a set of operational procedures, based on Metro's Environmental Policy, to ensure compliance with federal, state, and local environmental regulations, as well as to facilitate environmental stewardship at all Metro facilities. In FY16 all divisions will be ISO certified. The budget allows for regulatory modifications to site conditions at all Metro facilities.	1,028,891	0.41
11	Carbon Emission and Greenhouse Gas Management	Collect data and monitor sustainability performance at Metro using metrics and comparing to benchmarks. Educate (and change behavior of) Metro staff by sharing sustainability data and by providing means to track and monitor energy usage at the Divisions. Any discussions and concerns can be raised and addressed through the established EMS forum.	1,153,238	0.48
12	Carbon Footprint Reduction	Installation of electric vehicle chargers at select rail stations and divisions to encourage electric vehicle usage by patrons and staff. Metro's zero emission buses will be in demonstration period during FY16.	811,725	1.67
13	Engineering & Construction Subtotal		17,470,245	14.98
14	Total Sustainability Initiatives and Programs		\$ 19,078,232	16.68

Special Topic Areas

Transit Security

	Activity	Description	Amount
1	Law Enforcement/Private Security Contract Services	Contract Services	\$ 87,755,231
2	Department of Homeland Security Grant Projects (Training Projects)	Training Grants	2,278,844
3	Uniform Allowances	Uniform Allowances	143,830
4	Overtime	Total Metro Security Overtime	1,625,120
5	Department of Homeland Security Grant Projects Capital Project		
6	Metro Emergency Operations Center	The Metro Emergency Operations Center is funded by California Transit Security Grant Program Proposition 1B to construct an integrated Bus, Rail, and Emergency Operations Center.	999,600
7	Threat Interdiction Unit	The U.S Department of Homeland Security provided funding for training and the purchase of equipment for this specialize law enforcement terrorism response team. This Threat Interdiction Unit is deployed throughout Metro transit system.	2,934,769
8	Active Shooter Training Exercise	The U.S Department of Homeland Security provided funding to support an interagency "Active Shooter" training exercise at Union Station.	95,411
9	Metro Security Kiosks	Metro Security Kiosks is funded by California Transit Security Grant Program Proposition 1B to construct 13 security kiosks and installed at strategic locations throughout Metro transit system.	683,127
10	Union Station Smart HDTV	The U.S Department of Homeland Security provided funding to install new High Definition Closed-Circuit Televisions in Union Station Complex (Union Station and Metro Gateway Headquarter) to mitigate potential terrorist activities.	270,592
11	Total		\$ 96,786,524

Special Topic Areas

Technology

		FY15 Budget	FY16 Budget	\$ Increase / (Decrease)	% Change
1	Customer Service				
2	Maintenance of TVMs, signages, Smartdrives	\$ 3,072,700	\$ 1,494,103	\$ (1,578,597)	-51.4%
3	TAP/UFS, mobile phones, mobile apps, training videos, new CRM system	1,134,000	3,304,789	2,170,789	191.4%
4	Upgrades/New System - vanpool website	182,628	182,628	-	0.0%
5	Customer Service Total	4,389,328	4,981,520	592,192	13.5%
6	Infrastructure				
7	Licenses, maintenance and software support of enterprise systems such as HASTUS, FIS, M3, Microsoft, NextBus	17,527,473	19,327,146	1,799,673	10.3%
8	TAP/UFS - Cubic support and Siebel license	1,229,289	2,451,066	1,221,777	99.4%
9	Upgrades/New Systems - Graticus, pension, Scada, Budget replacement	5,552,512	6,544,124	991,612	17.9%
10	Infrastructure Total	24,309,274	28,322,336	4,013,062	16.5%
11	Safety & Security				
12	Maintenance of 511, Transit Watch system	8,565,122	8,565,122	-	0.0%
13	TAP/UFS - Mobile Phone Validators	-	335,000	335,000	
14	Upgrades/New System - Blue and Gold Line emergency trip system, Blue Line signal system, platform track intruder alert	6,671,316	17,444,346	10,773,030	161.5%
15	Safety & Security Total	15,236,438	26,344,468	11,108,030	72.9%
16	Total Technology Expenditures	\$43,935,040	\$59,648,323	\$15,713,284	35.8%