



**BOARD MEETING  
DECEMBER 13, 2004**

**SUBJECT:                                   COMPARISON OF FY05 PROPOSED BUDGET TO  
PUBLISHED BUDGET**

**ACTION:                                   APPROVE THE FY05 BUDGET TOTAL  
EXPENDITURE PLAN**

**RECOMMENDATION**

Approve the FY05 Budget total expenditure plan of \$2.950 billion.

**ISSUE**

The FY05 budget published in August 2004 showed total expenditures of \$2.956 billion. The FY05 proposed budget adopted by the Board of Directors on June 7, 2004 showed total expenditures of \$2.860 billion. Supervisor Yaroslavsky asked the Office of Management and Budget to prepare an explanation of the difference.

**DISCUSSION**

Changes occurred between publication of the proposed budget book and the final budget book due to board actions in May, June and July and the inclusion of FY04 unspent capital expenditure authorizations in the FY05 capital budget. This cash flow reforecast of capital projects was project specific; no monies were shifted to other projects or funds and since the revenues for these expenditure authorizations are either grants or debt, they remain un-drawn until needed.

The capital projects cash flows reforecast had no impact on approved life-of-project budgets. This change represents an updated time phasing of cash flow requirements. For example, the Orange Line construction project under-spent the FY04 expenditure authorization by \$30.6 million so that expenditure authorization was moved to FY05. The Orange Line life-of-project budget remains the same at \$329.5 million.

Also, the Universal Fare System project under-spent the FY04 expenditure authorization by \$22.6 million so that expenditure authorization was moved to FY05. There were 18 other projects where the expenditure authorizations were increased in FY05. In all, the life-of-project budgets remained unchanged.

The specific changes to the FY05 adopted expenditure authorizations are outlined below: (dollars in millions)

Adopted expenditure authorization	June 7, 2004	\$2,860.2
Separate board approved actions		
Consent Decree service	June 24, 2004	11.3
Immediate Needs	June 7, 2004	5.0
Funding marks	July 22, 2004	3.7
Divisions 8 & 15 solar panels	June 7, 2004	3.5
Expo Light Rail	May 27, 2004	5.8
Inclusion of FY04 unspent capital expenditure authorizations		<u>60.0</u>
<b>Recommended Expenditure Authorization</b>		<b>\$2,949.5</b>
System processing errors eliminated		<u>6.1</u>
Published Budget Book		\$2,955.6

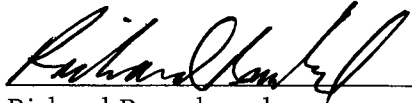
The attached report details how the above project changes impact accounts and departments.

**NEXT STEPS**

This report will be prepared and presented to the Board each year before publication of the final budget.


Attachment

Prepared by Office of Management & Budget



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Richard Brumbaugh  
Chief Financial Officer



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Roger Snoble  
Chief Executive Officer

Los Angeles County Metropolitan Transportation Authority  
 FY05 Budget Changes Summary, Proposed to Adopted,  
 By Department

(Dollars in Millions)	Department	FY05 Proposed Budget	Changes							Total Change	FY05 Adopted Budget	
			Consent Decree Service	Immediate Needs	Funding Mark, Call and Carryover	Total Non Capital	Capital Changes					Total Capital
								Board Approved	Carryover Reforecast	MTA to Correct		
1	Metro Operations	\$1,137.48	\$10.47	-	\$0.88	\$11.35	\$3.50	\$28.84	\$2.14	\$34.47	\$1,183.30	
2	Countywide Planning & Dev.	801.24	-	5.00	3.14	8.14	5.60	-	(0.66)	4.94	814.31	
3	Construction Project Management	379.06	-	-	-	-	-	29.62	5.37	34.99	414.04	
4	Communications	31.74	-	-	-	-	-	0.21	-	0.21	31.95	
5	Support Services	453.13	0.81	-	(0.31)	0.50	0.06	1.39	(0.86)	0.59	454.22	
6	Chief Of Staff	42.12	-	-	-	-	0.14	-	(0.36)	(0.22)	41.90	
7	Board Of Directors	\$15.46	-	-	-	-	-	-	-	0.38	15.84	
8	Total	\$2,860.23	\$11.28	\$5.00	\$3.70	\$19.98	\$9.30	\$60.05	\$6.01	\$75.36	\$2,955.57	

**Los Angeles County Metropolitan Transportation Authority  
FY05 Budget Changes Summary, Proposed to Adopted,  
By Expenditures**

	(Dollars in Millions)	FY05 Proposed Budget	Changes										FY05 Adopted Budget
			Consent Decree Service	Immediate Needs	Funding Mark, Call and Carryover	Total Non Capital	Capital Changes			Total Capital	Total Change		
	Expenditure Type						Board Approved	Carryover Reforecast	MTA to Correct				
1	Wages & Benefits	\$733.76	\$7.93	-	(\$0.29)	\$7.64	-	(\$0.07)	(\$0.30)	(\$0.37)	\$740.46		
2	Services	248.64	(0.01)	-	1.48	1.47	5.30	5.51	4.32	15.12	265.78		
3	Purchased Transportation	26.01	0.42	-	-	0.42	-	-	-	-	26.42		
4	Fuel, Lubricants & Propulsion Power	55.69	0.96	-	-	0.96	-	-	-	-	56.66		
5	Materials & Supplies	85.32	1.15	-	(0.00)	1.15	-	0.22	-	0.22	86.69		
6	Casualty & Liability	43.97	0.81	-	-	0.81	-	-	-	-	44.78		
7	Other Support	49.17	0.01	-	(0.00)	0.01	0.16	1.10	(1.18)	0.07	49.28		
8	Acquisitions	540.98	-	-	0.39	0.39	3.85	53.30	3.17	60.31	601.68		
9	Subsidies	776.72	-	5.00	2.13	7.13	-	-	-	-	783.85		
10	Debt	299.96	-	-	-	-	-	-	-	-	299.96		
11	Total	\$2,860.23	\$11.28	\$5.00	\$3.70	\$19.98	\$9.30	\$60.05	\$6.01	\$75.36	\$2,955.57		

Los Angeles County Metropolitan Transportation Authority  
 FY05 Budget Changes Details, Proposed to Adopted,  
 Metro Operations Reports

	(Dollars in Millions)	FY05 Proposed Budget	Changes							Total Change	FY05 Adopted Budget
			Consent Decree Service	Funding Mark, Call and Carryover	Total Non Capital	Capital Changes			Total Capital		
						Board Approved	Carryover Reforecast	MTA to Correct			
1	Metro Rail	\$184.13	-	-	-	\$0.88	\$0.52	\$1.40	\$1.40	\$185.53	
2	San Fernando Valley Service Sector	96.21	2.27	-	2.27	-	-	-	2.27	98.47	
3	San Gabriel Valley Service Sector	91.12	1.26	-	1.26	-	-	-	1.26	92.38	
4	Gateway Cities Service Sector	84.22	3.41	-	3.41	-	-	-	3.41	87.63	
5	South Bay Service Sector	121.63	(1.40)	-	(1.40)	-	-	-	(1.40)	120.23	
6	West Side/Central Service Sector	127.41	(0.23)	-	(0.23)	-	-	-	(0.23)	127.18	
7	Contract Services	35.82	0.42	-	0.42	-	-	-	0.42	36.23	
8	Bus Operations Control	6.54	-	-	-	-	-	-	-	6.54	
9	Central Maintenance	53.68	4.75	-	4.75	-	1.81	1.26	7.82	61.50	
10	Vehicle And Systems Technology	137.83	-	-	-	-	25.03	-	25.03	162.87	
11	Service Planning And Development	14.32	-	-	-	-	-	-	-	14.32	
12	Manpower-Transit Ops	1.61	-	-	-	-	-	-	-	1.61	
13	Operations Central Instruction	6.70	-	-	-	-	-	-	-	6.70	
14	Facilities	65.60	-	0.08	0.08	3.50	0.07	0.36	4.02	69.62	
15	Operations Security	68.24	-	0.80	0.80	-	1.04	-	1.83	70.07	
16	Safety	2.84	-	-	-	-	-	-	-	2.84	
17	Freeway Services	32.61	-	-	(0.00)	-	-	-	-	32.61	
18	Executive Office, Transit Operations	6.97	-	-	-	-	-	-	-	6.97	
19	Grand Total	\$1,137.48	\$10.47	\$0.88	\$11.35	\$3.50	\$28.84	\$2.14	\$34.47	\$1,183.30	

	(Dollars in Millions)	FY05 Proposed Budget	Changes							Total Change	FY05 Adopted Budget
			Consent Decree Service	Funding Mark, Call and BAD carryover	Total Non Capital	Capital Changes			Total Capital		
						Board Approved	Carryover Reforecast	MTA to Correct			
20	Wages & Benefits	\$618.11	\$7.93	\$0.08	\$8.01	-	-	(\$0.08)	(\$0.08)	\$626.04	
21	Services	120.78	(0.01)	0.41	0.40	-	2.30	-	2.30	123.48	
22	Purchased Transportation	26.01	0.42	-	0.42	-	-	-	0.42	26.42	
23	Fuel, Lubricants & Propulsion Power	55.69	0.96	-	0.96	-	-	-	0.96	56.66	
24	Materials & Supplies	77.06	1.15	-	1.15	-	0.22	-	0.22	78.43	
25	Casualty & Liability	0.12	-	-	-	-	-	-	-	0.12	
26	Other Support	20.55	0.01	-	0.01	-	-	-	-	20.56	
27	Acquisitions	215.17	-	0.39	0.39	3.50	26.32	2.22	32.04	247.59	
28	Subsidies	4.78	-	-	-	-	-	-	-	4.78	
29	Debt	(0.79)	-	-	-	-	-	-	-	(0.79)	
30	Total	\$1,137.48	\$10.47	\$0.88	\$11.35	\$3.50	\$28.84	\$2.14	\$34.47	\$1,183.30	

Los Angeles County Metropolitan Transportation Authority  
 FY05 Budget Changes Details, Proposed to Adopted,  
 Countywide Planning Dev. Reports

(Dollars in Millions)	Department	FY05 Proposed Budget	Changes						FY05 Adopted Budget	
			Immediate Needs	Funding Mark, Call and Carryover	Total Non Capital	Capital Changes		Total Capital		Total Change
						Board Approved	MTA to Correct			
1	Transp Dev & Implement	\$18.39	-	\$1.01	\$1.01	\$5.60	(\$0.66)	\$4.94	\$5.94	\$24.34
2	Programming & Policy Analysis	777.29	5.00	2.13	7.13	-	-	-	7.13	784.42
3	Long Range Planning & Coordination	5.04	-	-	-	-	-	-	-	5.04
4	Executive Office Reg Trans Plan & Dev	0.52	-	-	-	-	-	-	-	0.52
5	Total	\$801.24	\$5.00	\$2.92	\$7.92	\$5.60	(\$0.66)	\$4.94	\$13.07	\$814.31

(Dollars in Millions)	Expenditure Type	FY05 Proposed Budget	Changes						FY05 Adopted Budget	
			Immediate Needs	Funding Mark, Call and Carryover	Total Non Capital	Capital Changes		Total Capital		Total Change
						Board Approved	MTA to Correct			
6	Wages & Benefits	\$12.36	-	(\$0.06)	(\$0.06)	-	-	-	(\$0.06)	\$12.30
7	Services	15.62	-	1.06	1.06	5.26	(0.66)	4.59	5.66	21.27
8	Materials & Supplies	0.52	-	-	-	-	-	-	-	0.52
9	Other Support	0.35	-	-	-	-	-	-	-	0.35
10	Acquisitions	0.45	-	-	-	0.35	-	0.35	0.35	0.80
11	Subsidies	771.94	5.00	2.13	7.13	-	-	-	7.13	779.07
12	Total	\$801.24	\$5.00	\$2.92	\$7.92	\$5.60	(\$0.66)	\$4.94	\$13.07	\$814.31

Los Angeles County Metropolitan Transportation Authority  
 FY05 Budget Changes Details, Proposed to Adopted,  
 Construction Project Management Reports

	(Dollars in Millions)	Department	FY05 Proposed Budget	Capital Changes			Total Change	FY05 Adopted Budget
				Carryover Reforecast	MTA to Correct			
1		Construction Contracts	\$366.24	\$29.62	\$2.79	\$32.41	\$398.65	
2		Construction	2.95	-	-	-	2.95	
3		Program Management	3.90	-	(0.01)	(0.01)	3.90	
4		Engineering	1.87	-	2.59	2.59	4.46	
5		Quality Management	1.23	-	-	-	1.23	
6		Construction Safety	0.57	-	-	-	0.57	
7		Executive Office, Const	2.29	-	-	-	2.29	
8		Total	\$379.06	\$29.62	\$5.38	\$34.99	\$414.04	

	(Dollars in Millions)	Expenditure Type	FY05 Proposed Budget	Capital Changes			Total Change	FY05 Adopted Budget
				Carryover Reforecast	MTA to Correct			
9		Wages & Benefits	\$12.01	-	(\$0.01)	(\$0.01)	\$12.00	
10		Services	42.58	3.10	4.43	7.52	50.10	
11		Materials & Supplies	0.43	-	-	-	0.43	
12		Casualty & Liability	4.16	-	-	-	4.16	
13		Other Support	0.68	-	-	-	0.68	
14		Acquisitions	319.20	26.52	0.95	27.47	346.67	
15		Total	\$379.06	\$29.62	\$5.37	\$34.99	\$414.04	



Los Angeles County Metropolitan Transportation Authority  
 FY05 Budget Changes Details, Proposed to Adopted,  
 Communications Reports

(Dollars in Millions)		FY05 Proposed Budget	Capital Carryover Reforecast	FY05 Adopted Budget
Department				
1	Customer Relations	\$6.66	\$0.11	\$6.77
2	Customer & Vendor Services	5.80	-	5.80
3	Creative Services	3.29	0.10	3.39
4	Metro Commute Services	2.20	-	2.20
5	Marketing/Advertising	5.52	-	5.52
6	Printing Services	2.99	-	2.99
7	Public Relations	1.22	-	1.22
8	Communication Services	1.43	-	1.43
9	Program & Service Development	1.34	-	1.34
10	Signage And Distribution	0.59	-	0.59
11	Executive Office, Communications	0.70	-	0.70
12	Total	\$31.74	\$0.21	\$31.95

(Dollars in Millions)		FY05 Proposed Budget	Capital Carryover Reforecast	FY05 Adopted Budget
Department				
13	Wages & Benefits	\$16.13	-	\$16.13
14	Services	9.26	0.11	9.37
15	Materials & Supplies	1.14	-	1.14
16	Other Support	4.49	-	4.49
17	Acquisitions	0.72	0.10	0.81
18	Total	\$31.74	\$0.21	\$31.95

**Los Angeles County Metropolitan Transportation Authority  
FY05 Budget Changes Details, Proposed to Adopted,  
Support Services Reports**

Department	FY05 Proposed Budget	Changes							Total Change	FY05 Adopted Budget
		Consent Decree Service & RIF Adjustment	Funding Mark, Call and Carryover	Total Non Capital	Capital Changes			Total Capital		
					Board Approved	Carryover Reforecast	MTA to Correct			
1 Accounting	\$11.18	-	-	-	-	-	-	-	-	\$11.18
2 Treasury	336.02	-	-	-	0.06	1.10	(1.18)	(0.03)	(0.03)	336.02
3 Office of Management and Budget	2.42	0.05	0.03	0.08	-	-	-	-	0.08	2.52
4 Office of the CFO	0.37	-	-	-	-	-	-	-	-	0.37
5 Information & Technology Services	26.67	-	-	-	-	-	0.24	0.24	0.24	26.91
6 Management Audit Services	5.98	(0.05)	(0.34)	(0.39)	-	(0.07)	0.08	0.01	(0.38)	5.55
7 Procurement & Material Management	26.02	-	-	-	-	0.36	-	0.36	0.36	26.39
8 Risk Management	44.46	0.81	-	0.81	-	-	-	-	0.81	45.27
9 Total	\$453.13	\$0.81	(\$0.31)	\$0.50	\$0.06	\$1.39	(\$0.86)	\$0.59	\$1.09	\$454.22

Expenditure Type	FY05 Proposed Budget	Changes							Total Change	FY05 Adopted Budget
		Consent Decree Service & RIF Adjustment	Funding Mark, Call and Carryover	Total Non Capital	Capital Changes			Total Capital		
					Board Approved	Carryover Reforecast	MTA to Correct			
10 Wages & Benefits	\$49.15	-	(\$0.31)	(\$0.31)	-	(\$0.07)	(\$0.21)	(\$0.28)	(\$0.59)	\$47.98
11 Services	41.25	-	-	-	-	-	0.53	0.53	0.53	42.33
12 Materials & Supplies	5.02	-	-	-	-	-	-	-	-	5.02
13 Casualty & Liability	39.70	0.81	-	0.81	-	-	-	-	0.81	40.51
14 Other Support	15.44	-	-	-	0.06	1.10	(1.18)	(0.03)	(0.03)	15.44
15 Acquisitions	1.82	-	-	-	-	0.36	-	0.36	0.36	2.18
16 Debt	300.75	-	-	-	-	-	-	-	-	300.75
17 Total	\$453.13	\$0.81	(\$0.31)	\$0.50	\$0.06	\$1.39	(\$0.86)	\$0.59	\$1.09	\$454.22

**Los Angeles County Metropolitan Transportation Authority  
 FY05 Budget Changes Details, Proposed to Adopted,  
 Chief of Staff Reports**

	(Dollars in Millions)	Department	FY05 Proposed Budget	Capital Changes		Total Change	FY05 Adopted Budget
				Board Approved	MTA to Correct		
1		Administration	\$30.43	\$0.10	(\$0.36)	(\$0.27)	\$30.16
6		Diversity & Economic Opportunity	2.19	-	-	-	2.19
7		Community Relations	2.40	-	-	-	2.40
8		Labor/Employee Relations	2.21	-	-	-	2.21
9		Board Research Services	2.00			-	2.00
10		Policy, Research & Library Services (PrIs)	0.70			-	0.70
11		Executive Office, Chief Of Staff	2.19	0.04	-	0.04	2.23
12		<b>Total</b>	<b>42.12</b>	<b>\$0.14</b>	<b>(\$0.36)</b>	<b>(\$0.22)</b>	<b>\$41.90</b>

	(Dollars in Millions)	Expenditure Type	FY05 Proposed Budget	Capital Changes		Total Change	FY05 Adopted Budget
				Board Approved	MTA to Correct		
13		Wages & Benefits	\$21.55	-	-	-	\$21.55
14		Services	8.53	0.04	(0.36)	(0.32)	8.21
15		Materials & Supplies	1.08	-	-	-	1.08
16		Other Support	7.36	0.10	-	0.10	7.46
17		Acquisitions	3.60	-	-	-	3.60
18		<b>Total</b>	<b>42.12</b>	<b>\$0.14</b>	<b>(\$0.36)</b>	<b>(\$0.22)</b>	<b>\$41.90</b>

Los Angeles County Metropolitan Transportation Authority  
 FY05 Budget Changes Details, Proposed to Adopted,  
 Board of Directors Reports

(Dollars in Millions)		FY05 Proposed Budget	Capital Changes	
Department	MTA to Correct		FY05 Adopted Budget	
1	Inspector General	\$2.89	-	\$2.89
2	Office Of Board Secretary	1.01	-	1.01
3	Ethics Office	0.65	-	0.65
4	County Counsel	10.26	0.38	10.64
5	Board Office	0.16	-	0.16
6	Chief Executive Office	0.48	-	0.48
7	Grand Total	\$15.46	\$0.38	\$15.84

(Dollars in Millions)		FY05 Proposed Budget	Capital Changes	
Expenditure Type	MTA to Correct		FY05 Adopted Budget	
8	Wages & Benefits	\$4.46	-	\$4.46
9	Services	10.62	0.38	11.00
10	Materials & Supplies	0.06	-	0.06
11	Other Support	0.29	-	0.29
12	Acquisitions	0.03	-	0.03
13	Grand Total	\$15.46	\$0.38	\$15.84