Metro

FINANCE AND BUDGET COMMITTEE
JANUARY 16, 2008
EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE
JANUARY 17, 2008

SUBJECT: FINANCIAL STABILITY POLICY

ACTION: ADOPT MODIFICATIONS TO THE FINANCIAL STABILITY POLICY

RECOMMENDATION

Adopt the modifications to the Financial Stability Policy including the FY09 budget Business Planning Parameters.

ISSUE

The Financial Stability Policy adopted by the Board in January 2007, states that prior to the start of each new fiscal year, the Board shall review and approve the Financial Stability Policy that will be used by management as a framework for developing the following year's budget and will establish the Business Planning Parameters, including farebox recovery ratio, sales tax growth assumptions, and other key performance measurement goals to provide detailed guidance for development of the upcoming annual budget.

DISCUSSION

The purpose of the Financial Stability Policy is to ensure that we prudently manage our financial affairs, establish appropriate case reserves, limit the level of debt that may be incurred, ensure that the debt assumptions are based on financial parameters similar to or more conservative than those that would be placed on us by the financial marketplace and to provide management with a framework for developing the upcoming year's budget and other longer range financial plans and establishing future business targets for management to achieve.

During the FY07 budget deliberations in Spring 2006, the Board directed staff to develop a financial policy for the Board's consideration. The Financial Stability Policy, which superseded the previously Board approved Financial Standards, was adopted in January 2007 without fare policy elements. A proposed Fare Policy is presented for Board consideration in the January 2008 cycle. When approved, those elements will be incorporated in this Financial Stability Policy so that all financial policies will be contained in a single source document.

Detailed changes to the Financial Stability Policy are included in Attachment A. Attachment B is the policy with the proposed changes incorporated.

The Business Planning Parameters outlined in Attachment C are based on the FY08 update to the Ten-Year Forecast.

ALTERNATIVES CONSIDERED

The Board could choose not to modify the Financial Stability Policy or adopt the Business Planning Parameters or could choose to adopt different parameters. The budget planning process for the FY09 budget will begin in January with expenditure targets set by Executive Management in February. If the Board does not adopt the Business Planning Parameters, it could delay the budget development schedule.

FINANCIAL IMPACT

Adoption of the Business Planning Parameters will provide guidance to staff and management as we develop the upcoming fiscal year budget. These parameters will result in a budget that is constrained to the available revenues.

The sales tax growth forecast proposed for FY09 is 3% although the 20-year historical average is 4%. The lower rate is based on our current assessment for the upcoming year in light of declining real estate and financial market values resulting from the "subprime" crisis. The County is projecting a 3.5% growth rate for FY09. The Long Range Transportation Plan (LRTP) will continue to use 4% throughout the life of the plan. The long-term, historical average is more appropriate for projecting the average growth over the 22-year planning horizon of the LRTP.

NEXT STEPS

Incorporate the Board adopted Business Planning Parameters into the FY09 budget, future budget planning documents and the Long Range Transportation Plan.

Attachments

Prepared by: Michelle Lopes Caldwell
Executive Officer, Office of Management & Budget

Terry Matsumoto
Chief Financial Services Officer and Treasurer

Roger Snoble
Chief Executive Officer

Attachment A:

Summary of Changes

Location in Policy Doc	Reason for Change	Proposed Change
Policy Statement Paragraph 2	Remove reference to a specific year since policy is updated each year.	Additional financial guidance is found in the Business Planning Parameters and Debt Parameters ~~adopted in FY2006-07 and included with the Financial Stability Policy.~~
Financial Goals G4, G5	No longer required.	Delete Reserved designation and renumber remaining goals.
Financial Goals G4	Identify specific fund source for reserves.	Establish and maintain ~~reserves~~ <u>General Fund balances</u> equal to 5% of the operating budget to ensure that Metro can adjust to economic downturns, extraordinary cost increases and other financial emergencies.
Financial Strategies Strategy S3	FY2007-2008 Clarify that the strategy applies to both bus and rail. Clarify the performance measure.	FY2008-2009 Endeavor to keep growth in regional bus <u>and rail</u> operating expenses (as measured by ~~a rolling average of~~ growth in bus and rail operating cost per vehicle service hour) at or below the rate of inflation.
Strategy S3	Advise the Board of the actions taken to reduce expenditures to achieve a balanced budget.	~~A proposed strategy for mitigating expenditures will be presented to the Board at the time of adoption.~~ The proposed budget presented to the Board for adoption will include a summary of actions taken or proposed to reduce expenditures.
Strategy S14-S19	No longer required.	Delete Reserved designation and renumber remaining strategies.
Strategy S21	Delete S21 as it duplicates G4.	~~Maintain a 5% operating reserve to be used in times of significant revenue decline to preserve the region's ongoing ability to deliver safe and reliable service to the customer and to reinvest in capital.~~

Location in Policy Doc	Reason for Change	Proposed Change
General Fiscal Policies F4	Add this new General Fiscal Policy statement to clarify that the Financial Stability Policy is Metro's financial guidance policy.	The policies and procedures described herein shall be known as the Financial Stability Policy and shall supersede all other financial policies previously adopted by the Board.
General Fiscal Policies F5	Grammar change.	...~~The~~ Metro shall make annual contributions that when combined with employee contributions, fund actuarially computed costs as they accrue.
General Fiscal Policies F8	Grammar change.	...Such funds are generally available for appropriation in ~~the~~ <u>a</u> subsequent budget cycle in accordance with their ordinance designations.
General Fiscal Policies F9	Modify to reflect Board calendar and schedule.	...By ~~December~~ <u>January</u> of each fiscal year, the board shall review and approve the Financial Stability policy that will be used by management as a framework for developing the following year's budget~~. By February, the Board~~ <u>and</u> will establish the Business Planning Parameters including farebox recovery ratio...
General Fiscal Policies F9	Add language to clarify that differences between the proposed budget book and adopted budget do not require separate Board approval.	<u>Budget amendments approved by the Board at the time of or prior to budget adoption shall be incorporated into the final budget document with no further Board approval required.</u>
General Fiscal Policies F10	Correct language.	...Appropriations for the capital ~~and regional funding~~ budgets are approved on a life-of-project basis...
General Fiscal Policies F11	No longer required.	Delete Reserved designation and renumber remaining policies.

Location in Policy Doc	Reason for Change	Proposed Change
General Fiscal Policies F12	Revised to reflect current process.	~~Annually, Metro shall adopt a five-year (short range) transit plan for Los Angeles County. The plan will include service levels and ridership by mode for each of the years. The five-year plan will also identify the capital investment needs to support the existing regional system and regional service expansion. The SRTP will incorporate the first five years of Metro's ten-year forecast which include a hierarchy of strategies that are to be implemented when Metro's financial stability is threatened and strategies required to eliminate any potential deficit.~~ Metro shall periodically develop and adopt a Short Range Transportation Plan (SRTP) for Los Angeles County. The SRTP identifies Metro's priorities for implementing major capital projects in the near term (usually over a five or six year period), and identifies project implementation schedules and available funding.
FY2008-2009 Business Planning Parameters		
BPP B3	Reserved.	The farebox recovery ratio assumed for the FY09 budget is 27.7% with a fare revenue per boarding of $.67.
BPP B4	Revised to reflect current process.	...The projected incremental cost impact on cost per revenue vehicle hour of new services, programs, and/or facilities shall be presented to the board for approval ~~as part of the annual update of the SRTP each year~~ during the annual budget process.

Location in Policy Doc	Reason for Change	Proposed Change
BPP B5	Revised to reflect FY09 goal.	Service planning assumptions for bus operations will be based upon demonstrated needs ~~as defined through the five-year Short Range Plan~~ and approved by the Board. Ridership is expected to grow by 2.5% in FY09.
BPP B6	Revised to reflect FY09 goal.	Staffing for ~~FY08~~ FY09, measured in FTE's, will be held ~~to~~ at, or below, the ~~FY07~~ FY08 level, adjusted for service expansion or other new scope that has been approved by the Board.
BPP B8	Revised to clarify original Board intent in Financial Standards.	...Capital projects in excess of $5 million shall be presented separately for life-of-project budget approval by the Board prior to inclusion in the annual budget.
Debt D3	No longer required.	Delete Reserved designation and renumber remaining policies.

Attachment B:

Financial Stability Policy

Policy Statement

We have an important responsibility to the taxpayers of Los Angeles County to prudently manage our long and short-term finances. In time of economic change and uncertainty, it is especially important for us to ensure our ability to deliver safe, quality and reliable transportation services that are based upon a strong and stable financial foundation.

The Financial Stability Policy is divided into three sections: Goals, Strategies, and General Fiscal Policies. Additional financial guidance is found in the Business Planning Parameters and Debt Parameters. The purpose of the policy is to ensure that we prudently manage our financial affairs, establish appropriate cash reserves, limit the level of debt that may be incurred, ensure that the debt assumptions are based on financial parameters similar to or more conservative than those that would be placed on us by the financial marketplace and to provide management with a framework for developing the upcoming year's budget and other longer range financial plans and establishing future business targets for management to achieve.

Financial Goals

G1. Maintain public safety on our bus and rail system as the top priority.

G2. Maintain an operating and capital financial base that is sufficient to deliver safe, quality transportation improvements and transit service efficiently and cost-effectively to meet the levels of demand.

G3. Continuously improve productivity.

G4. Establish and maintain General Fund balances equal to 5% of the operating budget to ensure that we can adjust to economic downturns, extraordinary cost increases and other financial emergencies.

G5. Maintain the highest possible credit rating and reputation for prudent financial management.

FY2008-2009 Financial Strategies

S1. We give top priority to funding of public safety on our bus and rail system. Present the details of the safety and security budget to the Board of Directors for separate approval at the time of annual budget adoption.

S2. Adjust transit operating expenses as needed to reflect changes in service demand, technology, productivity and revenue availability.

S3. Endeavor to keep growth in regional bus and rail operating expenses (as measured by growth in bus and rail operating cost per vehicle service hour) at or below the rate of inflation. The proposed budget presented to the Board for adoption will include a summary of actions taken or proposed to reduce expenditures.

S4. New programs proposed for Board adoption will include a cost recovery analysis to determine the cost of implementing the program in measurable terms.

S5. Departments who provide services to the public or outside entities will perform a cost recovery analysis during the fiscal year budget process and make the information available as part of budget adoption.

S6. Any capital project savings above $200,000 must return to the Board for approval prior to the reprogramming or transfer of funds to other projects or programs.

S7. Implement technology and productivity advancements designed to reduce or avoid increasing operational costs.

S8. Explore greater efficiency, effectiveness and ways to increase ridership.

S9. Work to increase and optimize ridership on our system through partnerships that foster transit-oriented development and improve access to the system.

S10. Regularly review productivity improvement programs and results as part of the annual budget process.

S11. Adopt an annual budget that includes an allocation to capital programs adequate to meet annual baseline reinvestment needs for projects and programs which are essential to ensure system performance.

S12. Pursue grant funding for capital projects pursuant to the priorities as addressed in the Long Range Transportation Plan, Short Range Transit Plan, and Five-Year Capital Improvement Program.

S13. Use debt financing prudently to leverage local, regional, state and federal funding for major cyclical capital investments, such as, transit vehicles, facilities, fare collection equipment, and train control renovation and replacement.

S14. Increase revenue from other sources such as advertising, parking, concessions, and joint development while meeting customer needs and providing safe, reliable service.

General Fiscal Policies

F1. Complete and accurate accounting records shall be maintained in accordance with Generally Accepted Accounting Principles as promulgated by the Government Accounting Standards Board. The fiscal year-end for financial reporting purposes shall be June 30.

F2. An independent certified public accounting firm shall perform an examination of our consolidated financial statements (including Single Audit requirements) and retirement plan financial statements on an annual basis. The goal is to receive an unqualified opinion on the financial statements and an opinion that we are in compliance with Federal Single Audit requirements in all material respects and to receive the government Finance Officers Association (GFOA) award for excellence in financial reporting.

F3. Funds shall be invested within the guidelines of the Board's approved Investment Policy and in compliance with applicable state law, California Government Code Section 53600 et seq.

In accordance with the Investment Policy, the Board shall approve the Financial Institutions Resolution that designates the officials empowered to open, close, or authorize changes to accounts and authorizes the officials to designate individuals as Official Signatories for financial accounts.

F4. The policies and procedures described herein shall be known as the Financial Stability Policy and shall supersede all other financial policies previously adopted by the Board.

F5. An annual actuarial analysis shall be performed on all our self-administered retirement plans. We shall make annual contributions that, when combined with employee contributions, fund actuarially computed costs as they accrue.

F6. Appropriate insurance coverage shall be maintained to mitigate the risk of material loss. For self-insured retentions, we shall record the liabilities, including losses incurred but not reported, at 100% of the net present value.

The goal is to maintain restricted cash balances in amounts equal to the present value of estimated liabilities but in no event less than the next year's projected cash outflows. An actuarial review of self-insured liabilities will be made annually.

F7. Since sales taxes are received on a monthly basis, the allocations among the various ordinance categories shall also be recorded monthly.

Expenditures against appropriations are limited to cash actually on-hand during the fiscal year.

F8. Sales tax collections received during a fiscal year that are in excess of the sales tax budget for that year shall be reported as unreserved, designated fund balances in the Special Revenue Fund. Excess Local Return monies are disbursed when received. Any other excess balances may only be expended pursuant to Board authorization. Such funds are generally available for appropriation in a subsequent budget cycle in accordance with their ordinance designations.

F9. The fiscal year shall end on June 30 of each year. By January of each fiscal year, the Board shall review and approve the Financial Stability Policy that will be used by management as a framework for developing the following year's budget and will establish the Business Planning Parameters including farebox recovery ratio, sales tax growth assumptions, and other key performance measurement goals to provide detailed guidance for development of the upcoming annual budget. The Board shall approve the budget by June 30 of each fiscal year. Budget amendments approved by the Board at the time of or prior to budget adoption shall be incorporated into the final budget document with no further Board approval required.

F10. The annual budget establishes the legal level of appropriation. The budget shall include operating, capital, regional funding and other components necessary to implement the policy directions contained in the Financial Strategies Section of the Financial Stability Policy, previously Board adopted longer-term plans such as the Long Range Transportation Plan and the Short Range Transit Plan. Appropriations for the operating budget lapse at the end of one year. Appropriations for the capital budgets are approved on a life-of-project basis. Any allocations of one-time revenues to any program or project will be identified for the Board at the time of budget adoption or budget change and will only be recommended after considering the alternatives of reducing the level of service, reducing the cost per unit of service, reducing the scope of capital projects, deferring capital projects and/or raising fares. Any requests for project or program funding after annual budget adoption will be referred to the appropriate Board committee for Board review and recommendation. The budget shall be prepared in a fashion to clearly describe the projects and programs contained therein and to receive the GFOA award for excellence in budgetary presentation.

F11. A regional long-range (covering at least 20 years) transportation plan for Los Angeles County shall be adopted at least once every five years. For interim years, staff will report on changes affecting the major financial assumptions of the plan and progress toward the implementation of new projects and programs. The plan update report shall also highlight Board approved actions taken during the interim period that affect the plan outcomes or schedules.

F12. Periodically, a Short Range Transportation Plan (SRTP) for Los Angeles County may be developed and adopted. The SRTP identifies priorities for implementing major capital projects in the near term (usually over a five or six year period), and identifies project implementation schedules and available funding.

F13. A cost-effective system of internal control to adequately safeguard assets shall be maintained. In assessing the internal control system, management must weigh the cost of control against the expected benefit to be derived from its implementation.

Management will develop a risk assessment and an audit plan each year prior to the adoption of the annual budget. The Board's Executive Management and Audit Committee (EMAC), as the audit committee will provide input and approve the audit plan. Furthermore, completed internal audits will be submitted to the Board under separate cover as they are distributed to the Chief Executive Officer.

Recommendations for improvements to the system of internal controls are requirements of the various regularly scheduled and specifically directed audits that are performed in accordance with Generally Accepted Governmental Auditing Standards, the Institute of Internal Auditors Standards for the Professional Practice of Internal Auditing and Information Systems Audit and control Association Information Systems Auditing Standards, where appropriate. These recommendations, management's action plans and progress toward implementation will be periodically reported to the Board under separate cover.

F14. The Board will review and update the Debt Policy annually to ensure that debt assumptions used in financial planning are based on financial parameters similar to, or more conservative than, those that would be placed on us by the financial marketplace.

F15. Retiree Medical Liabilities – The Government Accounting Standards Board has adopted Statement #45 (GASB 45) that is effective for our fiscal year ending June 30, 2008. As defined in the standard, a significant liability recognizing the past and future costs of providing medical and related benefits, other than pensions, to its retirees is required to be recorded. Annually, the actuarially required contribution (ARC) is required to be recorded as an expense. The ARC recognizes the cost of the retiree benefits earned by current employees during the period and amortization of the unfunded past liabilities. GASB 45 does not mandate an entity's approach to setting aside cash to provide the future benefits.

It is our policy to fully fund the ARC, i.e., set aside and restrict the cash. However, since this amount is significantly greater than the current amount needed for these expenditures on the "pay as you go" basis, a separate discussion of this issue will be brought to the Board in setting the upcoming parameters for each upcoming budget year. A greater accounting liability will result when setting aside less cash than the ARC amount. The ARC will be recognized as an expense in the financial accounting system as required by GASB 45.

FY2008-2009 Business Planning Parameters

B1. Sales tax revenue forecasts shall be based on the 20 year historical growth in Los Angeles County taxable sales, which is currently 4.0%.

B2. Passenger revenue forecasts shall be derived from historical actual revenues. During periods affected by actual or proposed fare structure changes, the impacts on ridership and average fare forecasts shall be estimated conservatively.

The Board will review and update the fare policy on a regular cycle, at least each 5th year since prior review and approval. From time to time, management may propose fare modifications to achieve transit ridership improvements and to maintain financial viability.

B3. The farebox recovery ratio assumed for the FY09 budget is 27.7% with a fare revenue per boarding of $.67.

B4. The Board desires to steadily improve service efficiency over time. For our directly operated bus and rail service, cost per revenue vehicle service hour (measured separately for bus and rail) may not increase by more than the projected rate of inflation for the Los Angeles area plus the incremental costs associated with the addition of new services, programs, and/or facilities as approved by the Board.

The projected incremental cost impact on cost per revenue vehicle service hour of new services, programs, and/or facilities shall be presented to the Board during the annual budget process.

B5. Service planning assumptions for bus operations will be based upon demonstrated needs by and approved by the Board. Ridership is expected to grow by 2.5% in FY09.

B6. Staffing for FY09, measured in FTE's, will be held at or below the FY08 level, adjusted for service expansion or other new scope that has been approved by the Board.

B7. Regional programs such as local return, formula allocation procedure and Call for Projects shall be funded according to the terms of the laws, regulations and/or discretionary procedures approved by the Board.

B8. The capital plan covers our assets including major transportation infrastructure projects, i.e., BRT, LRT, bus maintenance facilities and is included in each annual budget. The capital plan shall include funding for asset replacement and expansion projects. Capital projects in excess of $5 million shall be presented separately for life-of-project approval by the Board prior to inclusion in the annual budget. Capital projects with life-of-project budget changes that cause the project to exceed $1 million or if the change exceeds $1 million shall be presented to the Board for approval.

B9. We apply for and receives discretionary Federal and State funding. Discretionary funding shall be requested for major system expansion projects or extraordinary transit capital needs. (e.g., Bus Rapid Transit, Light Rail Transit or new bus maintenance facilities). Discretionary funding levels shall be estimated by project based on appropriate State and Federal criteria and the likelihood of obtaining approvals.

The Board shall approve all discretionary State and Federal funding requests by project or program each year.

B10. Prop A and C administrative funds are appropriated through the annual budget to pay for activities not required to be accounted for in other funds. The following statements provide guidance for appropriation and use of Prop A and C administrative funds.

Appropriation

Up to 5% of Prop A may be appropriated for administrative purposes. The Prop C ordinance allows up to 1.5% to be appropriated for administrative purposes.

All sales tax funds are deposited initially into the various special revenue funds then transferred to the funds designated for expenditure. The Administrative Fund is within the Special Revenue Fund. Administrative Funds are limited to the lesser of appropriations or actual sales taxes received.

Administrative funds must be expended or encumbered within one year after the end of the year of appropriation. Lapsing is accounted for on the first-in, first-out basis. Lapsed Administrative funds, if any, are returned to the Special Revenue Fund at the end of each year for re-appropriation through the next budget process.

Eligible Uses

Administrative activities include the planning, management, execution, use and conduct of the projects and programs funded by Prop A and C funds. Administrative funds may not be used for operating or building the transit system or regional programs that are operations-related.

Following are examples, not an all-inclusive listing, of eligible uses of administrative funds:

- Indirect costs that are not allowable under federal guidelines, OMB Circular A-87, i.e., lobbying, interest expense, bad debt expense, cost of general governance.
- Indirect costs that we elect not to allocate through its annual FTA approved cost allocation plan (CAP) because to do so might burden projects or programs in an inequitable manner.
- Development of planning and programming documents required by federal and state regulations and Board policy.
- Activities that benefit our projects and programs indirectly such as internships, career development, training programs, etc.
- Transportation planning activities including bus, rail, highway and other surface transportation modes.
- Consent decree oversight.

The proposed expenditure programs for these activities will be shown in detail in the annual budget. Actual expenditures will be shown in the comprehensive annual financial report.

Debt

D1. We may not enter into a debt or financing arrangement unless the transaction is in full compliance with all applicable provisions of applicable state and federal laws and the Debt Policy.

D2. Long-term debt may be included in the budget or longer range plans; however, no such debt shall be incurred without the specific approval of the Board.

D3. The average life of debt instruments shall not exceed the average useful lives of the assets financed.

D4. Reserve funds that may be required by the financial markets for each debt issuance shall be maintained. Cash and securities, insurance or surety bonds may fund these reserves. For financial planning purposes, reserve requirements shall be included in the par amount of debt issued.

D5. We shall maintain a legal security structure of liens, agreements, pledged revenues, and other covenants which will be sufficient to secure rating of "A" or better on sales tax backed securities and secure A1 or P1 rating on other short-term debt, and, if necessary, to secure credit enhancement from financial institution with a rating of "AA" or better.

D6. Debt service coverage ratio minimums by sales tax ordinance categories are shown in the Debt Policy. For financial planning purposes, those ratios shall not be exceeded in the development of longer-term financial plans.

Attachment C:

BUSINESS PLANNING PARAMETERS
FY09

	Assumptions	Actual FY07	Budget FY08	Forecast FY09	Comments
	Revenues (Dollars in Millions)				
1	Sales Tax Revenue (A, C, TDA)	$ 1,674 *	$ 1,741	$ 1,793	
2	% Growth Rate Change		4.0%	3.0%	
	* Represents FY07 Budgeted Sales Tax Dollars.				
3	State Transit Assistance (STA)	$ 191	$ 57	$ 89	STA Windfall was for FY07 only
4	Fare Revenues	$ 293	$ 319	$ 327	Reflects Board Approved Fare Structure Increase
5	% Fare Revenue Changes		8.6%	2.5%	
6	Fare Per Boarding	$ 0.59	$ 0.67	$ 0.67	Reflects Board Approved Fare Structure Increase
7	Bus Advertising Revenues	$ 17.6	$ 19.0	$ 20.6	Based on new contract terms
8	Orange Line Advertising Revenues	$ -	$ -	$ 0.6	
9	Light Rail Advertising Revenues	0.1	-	1.2	
10	Heavy Rail Advertising Revenues	0.1	0.3	0.8	
11	Total Advertising Revenues	$ 17.8	$ 19.3	$ 23.2	
12	*Service Delivery* (Amounts in Thousands)				
13	Bus RSH	7,589	7,674	7,359	includes purchased transportation
14	Orange Line RSH	91	102	102	
15	Light Rail RSH	372	383	395	
16	Heavy Rail RSH	264	268	269	
17	Total RSH	8,316	8,427	8,125	
18	% RSH Change	1.3%	1.3%	-3.6%	
19	Bus Seat Capacity	90,752	92,868	93,904	includes Orange Line and purchased transporation
20	% Seat Capacity Change		2.3%	1.1%	
21	Bus Boardings	406,908	388,645	399,370	includes purchased transportation
22	Orange Line Boardings	6,737	6,611	6,710	
23	Light Rail Boardings	41,345	40,846	41,455	
24	Heavy Rail Boardings	40,883	39,575	40,166	
25	Total Boardings	495,873	475,677	487,701	
26	% Boardings Change	2.6%	-4.1%	2.5%	
27	*Expenses* (Dollars in Millions)				
28	CPI	2.9%	2.5%	2.7%	
29	% Diesel Price Change	0.2%	3.9%	0.4%	
30	% CNG Price Change	-19.8%	18.7%	2.3%	
32	% Salary Change	3.0%	3.5%	4.0%	Teamster 4.63%
33	% Health Benefits Change	10.0%	10.0%	10.0%	UTU 8%
34	% Other Benefits Change	3.0%	3.5%	4.0%	Teamster 4.63%
35	Farebox Recovery Ratio	25.0%	27.7%	27.7%	Total fares divided by total operating expenses Excludes non-modal regional expenses