

**Schedule of Operating Data, Ridership,
Operating Expenditures, Farebox Revenues and Other Revenues
For the Commuter Express Program – Region 2
City of Los Angeles**

*Year Ended June 30, 2020
with Report of Independent Auditors*



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Simpson & Simpson, LLP
Certified Public Accountants

CITY OF LOS ANGELES
COMMUTER EXPRESS PROGRAM – REGION 2

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SIMPSON & SIMPSON
CERTIFIED PUBLIC ACCOUNTANTS

FOUNDING PARTNERS
BRAINARD C. SIMPSON, CPA
MELBA W. SIMPSON, CPA

Independent Auditor's Report

To the Honorable Members of the City Council of the
City of Los Angeles, California
To the Los Angeles County
Metropolitan Transportation Authority
And to the Federal Transit Administration

Report on the Schedule

We have audited the accompanying Schedule of Operating Data, Ridership, Operating Expenditures, Farebox Revenues, and Other Revenues for the **Commuter Express Program – Region 2** of the City of Los Angeles for the year ended June 30, 2020 (the Schedule).

Management's Responsibility for the Schedule

The City of Los Angeles Department of Transportation's (LADOT) management is responsible for the preparation and fair presentation of this Schedule in accordance with accounting principles generally accepted in the United States of America and the requirements of the Uniform System of Accounts and Records and Reporting System, Final Rule, as specified in 49 CFR Part 630, Federal Register, January 15, 1993 and as presented in the 2020 Policy Manual; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the requirements of the Uniform System of Accounts and Records and Reporting System, Final Rule, as specified in 49 CFR Part 630, Federal Register, January 15, 1993 and as presented in the 2020 Policy Manual. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.





We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

The scope of our audit was to determine whether:

- A system is in place and maintained for recording data in accordance with the National Transit Database (NTD) definitions. The correct data is being measured and no systematic errors exist.
- A system is in place to record data on a continuing basis and the data gathering is an ongoing effort.
- Source documents are available to support the reported data and are maintained for the Federal Transit Administration's (FTA) review and audit for a minimum of three years following FTA's receipt of the NTD report. The data is fully documented and securely stored.
- A system of internal controls is in place to ensure the data collection process is accurate and that the recording system and reported comments are not altered. Documents are reviewed and signed by a supervisor, as required.
- The data collection methods are those suggested by FTA or otherwise meet FTA requirements.
- The deadhead miles, computed as the difference between the reported total actual vehicle miles data and the reported total actual vehicle revenue miles data, appear to be accurate.
- Data is consistent with prior reporting periods and other facts known about transit agency operations.
- Farebox revenues have been accounted for and recorded in accordance with FTA definitions.

Opinion

In our opinion, the Schedule of Operating Data, Ridership, Operating Expenditures, Farebox Revenues, and Other Revenues referred to above presents fairly, in all material respects, the operating data, ridership, operating expenditures, farebox revenues, and other revenues for the Commuter Express Program – Region 2 of the City of Los Angeles for the year ended June 30, 2020 in accordance with accounting principles generally accepted in the United States of America and the requirements of the Uniform System of Accounts and Records and Reporting System, Final Rule, as specified in 49 CFR Part 630, Federal Register, January 15, 1993 and as presented in the 2020 Policy Manual.

Restriction on Use

This report is intended solely for the information and use of the City of Los Angeles, the Los Angeles County Metropolitan Transportation Authority and FTA and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Simpson & Simpson".

Los Angeles, California
January 15, 2021

City of Los Angeles
Commuter Express Program – Region 2
Schedule of Operating Data, Ridership, Operating Expenditures
Farebox Revenues, and Other Revenues
Year ended June 30, 2020

	All Routes CE Region 2
Operating Data	
Number of Vehicles in Operation	68
Total Vehicle Miles	2,192,029
Total Vehicle Hours	83,324
Total Vehicle Revenue Miles	1,064,341
Total Vehicle Revenue Hours	49,392
Total Vehicle Trips	29,530
Directional Route Miles	507
Ridership Data	
Total Passenger Trips	595,178
Total Passenger Miles	10,936,040
Operating Expenditures	
Contractor Operating Costs	
Service Costs	\$ 6,295,890
Fuel Costs	1,813,402
Subtotal	8,109,292
Administrative Costs	668,459
Total Operating Expenditures	\$ 8,777,751
Farebox Revenues	\$ 272,803
Other Revenues	\$ 549,637

NOTES:

1. Commuter Express Program (CE) – Region 2 is an express bus service of the City of Los Angeles serving the northern area of the city.
2. Operating data such as vehicle hours and vehicle miles is based on the actual time and distance travelled by the vehicle including the deadhead miles/hours. Vehicle revenue hours and vehicle revenue miles are based on the trip schedule minus any missed trips. This data is calculated using pre-determined daily route plans for each vehicle trip less missed trips reported by LADOT's transportation provider.
3. Ridership data such as passenger miles and passenger trips is based on surveys conducted by LADOT's transportation provider using the specific trips that were statistically sampled for survey by LADOT.
4. Operating expenditures are based on the accrual method of accounting such that expenditures allocable to the transit program/route are reported in the period in which they are incurred.
5. Farebox revenues are based on actual farebox collected from passengers and the data is accumulated on a regular basis by LADOT's transportation provider.
6. Other revenues represent mostly the program's share in the advertising revenues and sale of transit tickets/passes and TAP cards.

**City of Los Angeles
Commuter Express Program – Region 2
Schedule of Operating Data, Ridership, Operating Expenditures
Farebox Revenues, and Other Revenues
Year ended June 30, 2020
(Continued)**

Operating Data	Line 409	Line 419
Number of Vehicles in Operation	9	10
Total Vehicle Miles	228,160	293,656
Total Vehicle Hours	8,272	10,487
Total Vehicle Revenue Miles	101,878	160,129
Total Vehicle Revenue Hours	4,579	6,098
Total Vehicle Trips	3,392	3,679
Directional Route Miles	66	69
Ridership Data		
Total Passenger Trips	81,315	85,969
Total Passenger Miles	1,256,182	1,362,468
Operating Expenditures		
Contractor Operating Costs		
Service Costs	\$ 585,012	\$ 778,050
Fuel Costs	188,750	242,933
Subtotal	<u>773,762</u>	<u>1,020,983</u>
Administrative Costs	61,971	82,529
Total Operating Expenditures	<u>\$ 835,733</u>	<u>\$ 1,103,512</u>
Farebox Revenues	<u>\$ 26,618</u>	<u>\$ 31,709</u>
Other Revenues	<u>\$ 80,213</u>	<u>\$ 75,671</u>

City of Los Angeles
Commuter Express Program – Region 2
Schedule of Operating Data, Ridership, Operating Expenditures
Farebox Revenues, and Other Revenues
Year ended June 30, 2020
(Continued)

Operating Data	<u>Line 422</u>	<u>Line 423</u>
Number of Vehicles in Operation	14	11
Total Vehicle Miles	575,083	374,860
Total Vehicle Hours	19,601	13,183
Total Vehicle Revenue Miles	265,908	156,459
Total Vehicle Revenue Hours	11,860	6,969
Total Vehicle Trips	5,299	3,991
Directional Route Miles	100	98
Ridership Data		
Total Passenger Trips	101,473	72,072
Total Passenger Miles	1,962,414	1,478,013
Operating Expenditures		
Contractor Operating Costs		
Service Costs	\$ 1,511,805	\$ 881,586
Fuel Costs	475,750	310,111
Subtotal	<u>1,987,555</u>	<u>1,191,697</u>
Administrative Costs	160,510	94,316
Total Operating Expenditures	<u>\$ 2,148,065</u>	<u>\$ 1,286,013</u>
Farebox Revenues	<u>\$ 84,685</u>	<u>\$ 27,809</u>
Other Revenues	<u>\$ 94,105</u>	<u>\$ 64,196</u>

City of Los Angeles
Commuter Express Program – Region 2
Schedule of Operating Data, Ridership, Operating Expenditures
Farebox Revenues, and Other Revenues
Year ended June 30, 2020
(Continued)

Operating Data	Line 549	Line 573	Line 574
Number of Vehicles in Operation	8	10	6
Total Vehicle Miles	222,260	331,535	166,475
Total Vehicle Hours	9,228	15,461	7,092
Total Vehicle Revenue Miles	120,579	171,166	88,222
Total Vehicle Revenue Hours	6,200	9,697	3,989
Total Vehicle Trips	4,311	6,577	2,281
Directional Route Miles	53	46	75
Ridership Data			
Total Passenger Trips	42,504	163,292	48,553
Total Passenger Miles	1,596,521	2,435,704	844,738
Operating Expenditures			
Contractor Operating Costs			
Service Costs	\$ 792,284	\$ 1,237,358	\$ 509,795
Fuel Costs	183,869	274,269	137,720
Subtotal	<u>976,153</u>	<u>1,511,627</u>	<u>647,515</u>
Administrative Costs	83,910	131,237	53,986
Total Operating Expenditures	<u>\$ 1,060,063</u>	<u>\$ 1,642,864</u>	<u>\$ 701,501</u>
Farebox Revenues	<u>\$ 30,888</u>	<u>\$ 49,780</u>	<u>\$ 21,314</u>
Other Revenues	<u>\$ 48,263</u>	<u>\$ 134,751</u>	<u>\$ 52,438</u>