

**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, 2021
with Report of Independent Auditors*



Metro[®]



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, 2021 (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 the 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 2021 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 2021 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 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, 2021 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 2021 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.

Los Angeles, California
January 20, 2022

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, 2021

	All Routes CE Region 2
Operating Data	
Number of Vehicles in Operation	68
Total Vehicle Miles	2,073,900
Total Vehicle Hours	63,627
Total Vehicle Revenue Miles	1,236,008
Total Vehicle Revenue Hours	38,646
Total Vehicle Trips	22,333
Directional Route Miles	507
Ridership Data	
Total Passenger Trips	190,699
Total Passenger Miles	2,728,416
Operating Expenditures	
Contractor Operating Costs	
Service Costs	\$ 5,332,210
Fuel Costs	1,270,803
Subtotal	6,603,013
Administrative Costs	541,315
Total Operating Expenditures	\$ 7,144,328
Farebox Revenues*	\$ 118,985
Other Revenues	\$ 117,788

NOTES:

* Commuter Express service ridership substantially decreased due to the pandemic, government restrictions over "social distancing", and stay-at-home orders which decreased Farebox revenues during the fiscal year.

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.

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, 2021 (Continued)

NOTES (Continued):

3. Ridership data such as passenger miles and passenger trips is collected using the Automatic Passenger Counter (APC) analytic reporting tool. The APC analytic reporting tool determines the average passenger trips and passenger mile for each trip in the system over a user-defined period, which is then extrapolated to the average daily route level statistics to create an annual total.
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 primarily represent the program's share of 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, 2021
(Continued)

Operating Data	<u>Line 409</u>	<u>Line 419</u>
Number of Vehicles in Operation	9	10
Total Vehicle Miles	172,975	378,213
Total Vehicle Hours	5,285	11,358
Total Vehicle Revenue Miles	94,814	224,978
Total Vehicle Revenue Hours	2,949	6,683
Total Vehicle Trips	2,239	4,066
Directional Route Miles	66	69
Ridership Data		
Total Passenger Trips	14,382	31,570
Total Passenger Miles	111,889	477,509
Operating Expenditures		
Contractor Operating Costs		
Service Costs	\$ 407,138	\$ 921,814
Fuel Costs	105,992	231,754
Subtotal	<u>513,130</u>	<u>1,153,568</u>
Administrative Costs	41,307	93,609
Total Operating Expenditures	<u>\$ 554,437</u>	<u>\$ 1,247,177</u>
Farebox Revenues	<u>\$ 9,604</u>	<u>\$ 10,804</u>
Other Revenues	<u>\$ 10,333</u>	<u>\$ 26,019</u>

City of Los Angeles
Commuter Express Program – Region 2
Schedule of Operating Data, Ridership, Operating Expenditures,
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Year ended June 30, 2021
(Continued)

Operating Data	<u>Line 422</u>	<u>Line 423</u>
Number of Vehicles in Operation	13	11
Total Vehicle Miles	782,805	152,479
Total Vehicle Hours	21,833	4,344
Total Vehicle Revenue Miles	457,816	83,481
Total Vehicle Revenue Hours	13,080	2,294
Total Vehicle Trips	5,792	1,504
Directional Route Miles	100	98
Ridership Data		
Total Passenger Trips	72,703	5,842
Total Passenger Miles	1,319,251	67,112
Operating Expenditures		
Contractor Operating Costs		
Service Costs	\$ 1,804,140	\$ 316,573
Fuel Costs	479,672	93,433
Subtotal	<u>2,283,812</u>	<u>410,006</u>
Administrative Costs	183,211	32,132
Total Operating Expenditures	<u>\$ 2,467,023</u>	<u>\$ 442,138</u>
Farebox Revenues	<u>\$ 50,619</u>	<u>\$ 7,310</u>
Other Revenues	<u>\$ 27,002</u>	<u>\$ 7,988</u>

City of Los Angeles
Commuter Express Program – Region 2
Schedule of Operating Data, Ridership, Operating Expenditures,
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Year ended June 30, 2021
(Continued)

	<u>Line 549</u>	<u>Line 573</u>	<u>Line 574</u>
Operating Data			
Number of Vehicles in Operation	8	11	6
Total Vehicle Miles	197,602	245,916	143,910
Total Vehicle Hours	6,880	9,371	4,556
Total Vehicle Revenue Miles	124,511	161,195	89,213
Total Vehicle Revenue Hours	4,673	6,323	2,644
Total Vehicle Trips	3,031	4,177	1,524
Directional Route Miles	53	46	75
Ridership Data			
Total Passenger Trips	17,370	38,176	10,656
Total Passenger Miles	75,415	444,252	232,988
Operating Expenditures			
Contractor Operating Costs			
Service Costs	\$ 644,947	\$ 872,684	\$ 364,914
Fuel Costs	121,083	150,687	88,182
Subtotal	<u>766,030</u>	<u>1,023,371</u>	<u>453,096</u>
Administrative Costs	65,455	88,566	37,035
Total Operating Expenditures	<u>\$ 831,485</u>	<u>\$ 1,111,937</u>	<u>\$ 490,131</u>
Farebox Revenues	<u>\$ 9,902</u>	<u>\$ 24,647</u>	<u>\$ 6,099</u>
Other Revenues	<u>\$ 9,818</u>	<u>\$ 28,264</u>	<u>\$ 8,364</u>