Proposed Budget

For Fiscal Year Ending June 30, 2003

Los Angeles County Metropolitan Transportation Authority Los Angeles, CA



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Table of Contents

1 BUDGET SUMMARY	1-0
MTA Board of Directors	1-1
Message From the Chief Executive Officer	1-6
MTA Profile	1-8
Budget Overview	1-10
MTA Organization Chart	1-14
MTA Vision/Mission/Goals	1-15
FY03 Budget Highlights	1-16
Significant Changes In FY03	1-16
Statement of Combined Revenues, Expenditures and Changes in Fur	
Balance	
Summary of Expenditures by Program	
Major Budget Assumptions	
FY02 Accomplishments	1-23
2 CUSTOMER SERVICES	2-0
Introduction	2-1
Transit Services	2-1
Metro Freeway Service Patrol (FSP)	2-8
Service Authority For Freeway Emergencies (SAFE)	2-9
Paratransit Services	2-9
High Occupancy Vehicle (HOV) Lanes	2-9
Rideshare Program	2-9
1-800-commute	2-10
Discount Fares Program	2-10
www.mta.net	2-10
3 FINANCIALS	3-0
Enterprise Fund	3-1
Budget & Service Levels	
Combined Statement of Revenues, Expenses and Changes in Retain	ed
Earnings	3-4
Internal Service Fund	3-6
Statement of Revenues, Expenses and Changes in Retained Earning	s3-7
Special Revenue Fund	
Combined Statement of Revenues, Expenditures and Changes in Fur	
Balances	3-10

Los Angeles County Metropolitan Transportation Authority Proposed Budget

Regional Programs	3-12
Budget Assumptions	3-12
FY03 Revenue Summary - Regional Programs Budget	3-12
Regional Subsidy Program Budget Detail	3-13
Regional Programs Descriptions	
Municipal Operator Programs	3-14
ADA/Accessibility Funding Programs	3-14
Call for Projects (CFP) Projects and Programs	
Other Local Programs	3-15
Regional Rail Program	3-16
Capital Fund	3-17
Combined Statement of Revenues, Expenditures And Changes in Fund	
BalancesGeneral Fund	
Statement of Revenues, Expenditures and Changes in Fund Balances	
Debt Fund.	
Statement of Revenues, Expenditures and Changes in Fund Balances MTA FY03 Debt Service Schedule	
MTA FY03 Debt Service Schedule	3-20
4 CAPITAL PROGRAM	4-0
Introduction	4-1
Projects Discussion	4-2
Infrastructure Improvement and Acquisition Capital Projects	4-4
Capital Program Project List	4-6
Capital Program Revenues & Expenditures	4-14
5 STRATEGIC BUSINESS UNITS	5-0
MTA Summary Description	5-1
Summary Of FY03 Budgeted FTEs By Department	
MTA Summary Expenditure Budget	
Transit Operations	
Countywide Planning & Development (CP&D)	
Engineering & Construction	
Communications	5-26
Support Services	5-30
Support Services – Finance	
Support Services – Information & Technology Services (ITS)	
Support Services - Management Audit Services	
Support Services - Office of Procurement	
Support Services - Risk Management	
Chief of Staff	
Chief of Staff	5-52

Los Angeles County Metropolitan Transportation Authority Proposed Budget

Chief of Staff - Administration	5-57
Board of Directors	5-62
6 APPENDIX	6-0
Appendix 1: MTA Budget Process	6-1
Appendix 2: Financial Standards Policy	
Appendix 3: MTA FY02-03 Financial Standards	
Appendix 4: Revenue Detail - FY03 Budget	6-14
Appendix 5: Summary of Revenues and Carryovers by Source	6-22
Appendix 6: Activity Based Bus Cost Model	
Appendix 7: Activity Based Light Rail Cost Model	6-26
Appendix 8: Activity Based Heavy Rail Cost Model	6-28
Appendix 9: Modal Operating Statistics	6-29
Appendix 10: Public Transportation Services Corporation (PTSC)	
Appendix 11: Benefit Assessment District (BAD)	
Appendix 12: PTSC/MTA Risk Management Authority (PRMA)	6-34
Appendix 13: Consent Decree	6-36
Appendix 14: GFOA Award	6-38
7 GLOSSARY	7-0
Terms	7-1

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BUDGET SUMMARY

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MTA BOARD OF DIRECTORS



John Fasana MTA Chairman, City Council Member, Duarte

Mr. Fasana, currently a Duarte City Councilman, was appointed to the Board as one of four appointees of the Los Angeles County City Selection Committee. Mr. Fasana previously served as the Mayor of the City of Duarte. Mr. Fasana presently serves on the Local League of California Cities Transportation Committee and the SCAG Transportation and Communications Committee. Mr. Fasana is President of the Buena Vista Foundation for at-risk youth and is a member of the Santa Anita YMCA Policy Board. Mr. Fasana received his Bachelor of Arts in Business Administration from Whittier College.



James K. Hahn 1st Vice Chair Mayor of Los Angeles

Mr. Hahn was elected Mayor of the City of Los Angeles in June 2001. He served Los Angeles for 16 years as its elected City Attorney (1985-2001) and four years as its elected City Controller (1981-1985). He received a Bachelor of Arts Degree in English and a law degree from Pepperdine University.



Zev Yaroslavsky 2nd Vice Chair Third Supervisorial District

Mr. Yaroslavsky is a member and Chair of the Los Angeles County Board of Supervisors representing the Third Supervisorial District, having been elected to this office in November 1994. Mr. Yaroslavsky served as a member of the Los Angeles City Council between 1975 and 1994. Prior to his election to the Los Angeles County Board of Supervisors, Mr. Yaroslavsky served on the 13-member MTA Board of Directors as the alternate to Los Angeles Mayor Richard Riordan. The Los Angeles native earned his Bachelor's degree in history and economics from UCLA in 1971, followed by a master's degree in history in 1972.



Michael D. Antonovich Fifth Supervisorial District

Mr. Antonovich is a member of the Los Angeles County Board of Supervisors and represents the Fifth Supervisorial District, having been reelected to his sixth four-year term in 2000. From 1972 to 1978, he served as a member of the California State Assembly. He also served as a member of the Board of Trustees of the Los Angeles Community College District from 1968 to 1973. Mr. Antonovich has held teaching positions with the Los Angeles School District and Pepperdine University. He holds a Bachelor of Arts degree and Master's Degree from California State University, Los Angeles.



Hal Bernson Los Angeles City Council Member

Mr. Bernson was reappointed to the Board in July 2001 by Mayor James K. Hahn. Mr. Bernson is a City Councilman for the City of Los Angeles having been first elected in 1979 to represent the northwest San Fernando Valley. During his time as a Councilman he was appointed to the State Seismic Safety Commission where he initiated legislation to rehabilitate 8,000 of Los Angeles' buildings to make them safer against earthquakes. Mr. Bernson has served in the U.S. Navy and is currently employed in retail businesses.



Yvonne Brathwaite Burke Second Supervisorial District

Mrs. Burke is the Los Angeles County Supervisor for the Second Supervisorial District, having been elected in 1992 and reelected in 1996 and 2000. Mrs. Burke served as a member of Congress from 1972 to 1978, and as an Assemblywoman from 1966 to 1972. She has served on numerous boards, including the University of California Board of Regents, the Board of Trustees of the Amateur Athletic Foundation (formerly the Los Angeles Olympic Organizing Committee), and Chair of the Los Angeles branch of the Federal Reserve Bank of San Francisco. Mrs. Burke received her Bachelor of Arts degree in Political Science from the University of California, Los Angeles, and a Juris Doctorate from the University of Southern California School of Law.



Paul Hudson Banker

Mr. Hudson is President and Chief Executive Officer of Broadway Federal Bank, a savings and loan institution serving the South Central Los Angeles market. Prior to joining Broadway Federal in 1980, Mr. Hudson practiced law with the Washington D.C. firm of Wilmer, Cutler and Pickering. Mr. Hudson is a past President of the Los Angeles NAACP, and has previously served as a board member for institutions including the Los Angeles Fire and Police Pension Fund. Mr. Hudson received a Bachelors Degree in political science from the University of California, Berkeley. In 1970, he received a Juris Doctorate degree from Boalt Hall School of Law.



Don Knabe Fourth Supervisorial District

Mr. Knabe is the Los Angeles County Supervisor representing the Fourth Supervisorial District, having been elected in 1996 and reelected in 2000. Following a successful career as a small business owner, Mr. Knabe joined Los Angeles County Supervisor Deane Dana's staff in 1982 and later became Chief of Staff for Deane Dana. Mr. Knabe was also elected to the Cerritos City Council in 1980 and served for eight years, including two terms as Mayor. Mr. Knabe holds a Bachelor's Degree in Business Administration from Graceland College in Lamoni, Iowa.



Gloria Molina First Supervisorial District

Ms. Molina is the Los Angeles County Supervisor representing the First Supervisorial District, having been first elected to this office in March of 1991 and re-elected in 1994 and 1998. Prior to her election to the Board of Supervisors, Ms. Molina served as State Assemblywoman for the 56th District from 1982 to 1987. In 1987, she was elected to the Los Angeles City Council where she served as the Councilwoman of the 1st District until 1991. Prior to being elected to public office, Ms. Molina served in the Carter White House as a Deputy for Presidential Personnel. After leaving the White House, Ms. Molina served as the Deputy Director for the Department of Health and Human Services in San Francisco. Ms. Molina has attended East L.A. College and Rio Hondo College.



Pam O'Connor Council Member, Santa Monica



Beatrice Proo City Council Member, Pico Rivera



Frank C. Roberts Mayor, City of Lancaster

Ms. O' Connor has served on the Santa Monica City Council since 1994 and twice has served as that city's mayor in 1997 and 1999. She has served as a member of the Southern California Association of Governments' Regional Council and League of California Cities, Transportation and Public Works Committee. Ms. O'Connor also works as a private consultant, specializing in historic preservation. Ms. O'Connor earned a Bachelor of Science Degree in journalism from Southern Illinois University and holds Masters Degrees in historic preservation planning and in technology management from Eastern Michigan University.

Ms. Proo has served on the Pico Rivera City Council since 1992 and has twice served as Mayor. Ms. Proo has served as past president of the League of California Cities' Los Angeles Division and is a board member for the Los Angeles County Local Agency Formation Commission. She is the Chair of the Gateway Cities Council of Governments Transportation Committee. Ms. Proo is also a member of the executive board of the California Joint Powers Insurance Authority and a member of the Regional Council of the Southern California Association of Governments. Ms. Proo is a former teacher and school principal, and holds a Bachelor of Arts Degree in education from Mount St. Mary's College.

Mr. Roberts is the Mayor of the City of Lancaster, having been elected in 1996, and re-elected in 1998 and 2002. Prior to his election as Mayor, Mr. Roberts served as a member of the City Council since 1992. Mr. Roberts retired from Antelope Valley College in 1996 after 36 years; 19 years as a teacher of engineering and math and 17 years as the Dean of Applied Academics and Technologies. Mr. Roberts holds a Bachelor of Science degree in Engineering from Cal State University at Los Angeles, a Master of Science degree in Vocational Education from UCLA, and a Masters in Public Administration from Cal State University at Northridge.



Ms. Yoh is a graduate student at the UCLA School of Public Policy and Social Research, and a former MTA intern. She has held several Teaching and Research Assistant positions at the University of Florida and the University of California, Los Angeles. Ms. Yoh earned a bachelor's degree in Anthropology in 1994 from the University of California, Berkeley.

Allison Yoh, Urban Planner



California in as the Ex-Officio Member to the Board. Mr. Sassaman is the Director of District 7 of the California State Department of Transportation (CALTRANS), having been named to this position in October 1999. In this position, he is responsible for managing 27 freeways and state highways in Los Angeles and Ventura Counties.

Mr.Sassaman was appointed by the Governor of

Robert Sassaman -- Ex-officio Member Appointed By Governor

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

Los Angeles County Metropolitan Transportation Authority Proposed Budget

Placeholder Message From the Chief Executive Officer, continued

MTA PROFILE

Formed in 1993, The Los Angeles County Metropolitan Transportation Authority (MTA) serves as transportation planner, coordinator, designer, builder, and operator for Los Angeles County. More than nine million people, nearly one-third of California's residents, live within the service area.

The MTA is responsible for the planning and programming of funds, and constructing and operating transportation programs and services in Los Angeles including the following:

- Bus and rail transit services, including funding administration for all Los Angeles County transit providers.
- Rail construction.
- Highway construction funding and traffic flow management.
- Rapid bus line development and construction of fixed guideways for buses and multi-passenger vehicles.
- Research and development of alternative energy sources for transit vehicles.
- Air quality, environmental impact, land use and economic development decisions.

MTA transportation service is divided into five bus operating service sectors with eleven bus divisions and three rail divisions. The Metro Bus system provides service to 1.2 million passengers daily with over 88 million

vehicle service miles. The entire fleet is wheelchair accessible and over 75% of the fleet is powered by compressed natural gas (CNG). The MTA's Metro Rail system provides service to over 220,000 passengers daily.

MTA headquarters and the Gateway Transit Center are located at historic Union Station. The center connects Los Angeles County to neighboring counties by providing easy connections for commuters using Metro Rail, Amtrak, Metrolink, and the El Monte Busway as well as vanpools, carpools, and taxis.

The MTA is governed by a Board of Directors with 13 voting members and one non-voting member. The Board of Directors are appointed as follows:

- One non-voting member appointed by the Governor.
- Five members of the Los Angeles County Board of Supervisors.
- The Mayor of the City of Los Angeles.
- Two public members and one member of the City Council of the City of Los Angeles appointed by the Mayor of the City of Los Angeles.
- Four members, each of whom shall be a mayor or member of a city council, appointed by the Los Angeles County City Selection Committee.

Though legally separate entities, the MTA's blended component units are,

1-8 • MTA Profile Budget Summary

in substance, part of MTA's operations and included as part of MTA's financial reporting. Accordingly, the activities of the Public Transportation Service Corporation (PTSC), the PTSC-MTA Risk Management Authority (PRMA), Service Authority for Freeway Emergencies (SAFE), and two Benefit Assessment Districts (BAD) are included as blended components in the annual budget presentation. Their respective Board

of Directors authorize annual budgets for component units. MTA's Board of Directors approves the annual budget for BAD.

The annual budget and additional information about the organization, programs and services at the MTA can be found on the MTA's website at www.mta.net.

BUDGET OVERVIEW

The total financial program proposed for the FY03 Budget is \$2.6 billion. The annual budget reflects a \$2.1 billion operating budget and a \$511.3 million Capital Program, representing a 4.6% decrease from the FY02 total financial program. Operating budget growth of 1% is related primarily to increased bus and rail service. The

Capital budget decline of 22.3% is largely attributed to revised project completion schedules, which put the completion of a number of capital projects further into the future.

(Amounts in thousands)

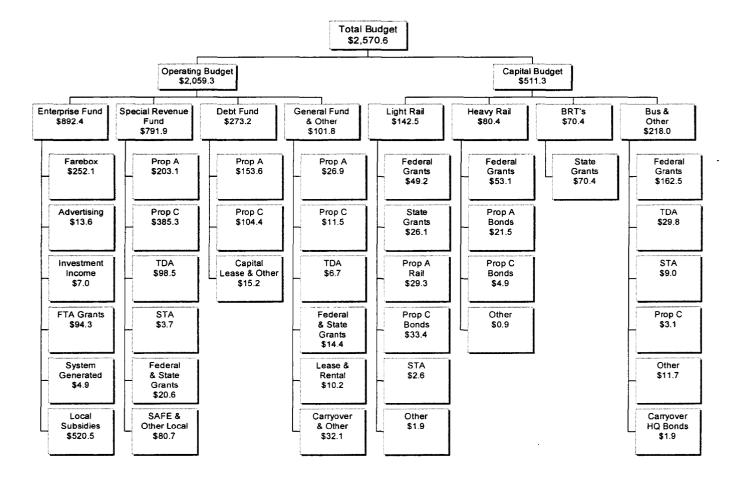
On and it as a Constant Burdana	FY02	FY03		
Operating & Capital Budget	Adopted	Proposed	Change	% Change
Contract Wages	316,902	333,033	16,131	5.1%
Non-Contract Wages	89,614	92,809	3,195	4.0%
Fringe Benefits	263,418	290,892	27,474	10.4%
Professional & Technical	193,736	168,613	(25,123)	(13.0%)
Contract Services	134,547	148,166	13,619	10.1%
Purchased Transportation	37,121	37,369	248	0.7%
Fuels & Lubricants/Utilities	65,718	50,729	(14,989)	(22.8%)
Materials and Supplies	84,598	77,093	(7,505)	(8.9%)
Casualty & Liability	39,471	38,659	(812)	(2.1%)
Debt/Interest	336,124	319,209	(16,915)	(5.0%)
Acquisitions	449,790	318,318	(131,472)	(29.2%)
Subsidies	679,035	703,074	24,039	3.5%
Other	34,790	20,647	(14,143)	(40.7%)
Total Operating & Capital Budget	2,724,864	2,598,611	(126,253)	(4.6%)
FTEs	8,925	9,158	233	2.6 %

Total Revenue By Source

(Amounts in millions)	FY02	FY03	
	Adopted	Proposed	% Change
Operating Revenue			
Passenger Fares	\$ 243.3	\$ 252.1	3.6%
Advertising	13.9	13.6	-2.2%
Other System Generated	13.3	12.0	-9.8%
Federal/State Funds	112.2	94.3	-16.0%
Sales Tax Revenue	1,382.9	1,379.8	-0.2%
Intergovernmental	87.1	96.0	10.2%
Investment Income	33.9	27.8	-18.0%
Licenses & Fines	6.1	6.1	0.0%
Lease & Rental	12.0	10.2	-15.0%
Sales/leaseback	10.0	5.0	-50.0%
Other	302.2	9.9	-96.7%
Carryover balances	116.5	152.5	30.9%
Total Operating Revenue	\$2,333.4	\$2,059.3	-11.7%
Capital Revenue			
Section 5309 New Starts	49.6	81.8	64.9%
Section 5307	65.2	74.3	14.0%
CMAQ	175.1	59.6	-66.0%
Fixed Guideways	21.9	37.1	69.4%
Traffic Congestion Relief Program (TCRP)	62.4	96.5	54.6%
Prop A Rail Bonds	50.8	21.5	-57.6%
Prop C 25 % Bonds	23.0	33.4	-63.8%
Prop C 40 % Bonds	82.9	4.9	-94.0%
STIP	41.7	0.0	-100.0%
L.A. City	19.9	0.0	-100.0%
STP/Highway/Other	11.2	12.0	9.8%
Carryover balances	51.6	90.2	74.8%
Total Capital Revenue	655.3	511.3	-22.0 %
Total Revenue	\$ 2,988.7	\$ 2,570.6	-14.0 %

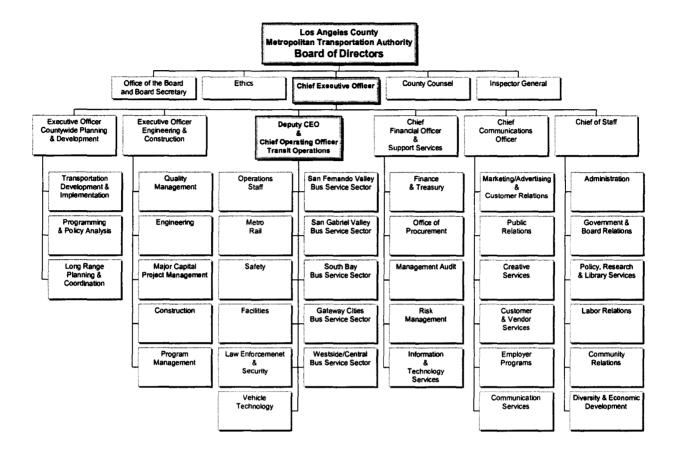
FY02-03 Sources And Uses Of Funds

(Amounts in millions)



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MTA ORGANIZATION CHART



MTA VISION/MISSION/GOALS

MTA Vision

MTA – leading the nation in mobility, safety, and customer satisfaction.

MTA Mission

MTA is responsible for the continuous improvement of an efficient and effective transportation system for Los Angeles County. Our team members provide expertise and leadership based on their distinct roles:

Transit Operations

 Operating transit system elements for which the agency has delivery responsibility.

Countywide Planning & Development

 Planning the countywide transportation system in cooperation with other agencies.

Engineering & Construction

 Managing the construction and engineering of transportation system components.

Communications

 Strategic evaluation, development and implementation of agency-wide marketing and communications programs.

Support Services

• Delivering timely support services to the MTA organization.

Chief of Staff

 Supporting the overall management of the MTA by coordinating implementation of the CEO's initiatives, overseeing key programs, and serving as liaison with Board Members and elected officials.

MTA Goals

These goals are organized in a balanced scorecard approach that addresses all aspects of the organization to ensure the success of the enterprise.

Customer

• Improve transportation services to increase customer satisfaction.

Internal Processes

• Improve and streamline business processes.

Learning and Innovation

• Increase innovation to improve performance.

Financial Management

 Increase effective and efficient utilization of resources.

The MTA Strategic Business Plan serves as the basis for linking and allocating resources for major activities in the annual budget. The FY03 Budget process includes development of performance measurements to help determine the success of critical program objectives. These key performance indicators are focused on results and outcomes, and will be used to monitor and report on unit cost efficiency, productivity, service quality, and customer service responsiveness of agency programs.

FY03 BUDGET HIGHLIGHTS

The FY03 Budget is \$2.6 billion, which is \$126.3 million or 4.6% lower than the FY02 Budget. This budget is based on current program requirements and organizational priorities. There are increased expenditures for capital outlays to design and construct the new Transit Corridor projects and for increased health and welfare costs. Reductions in workers' compensation costs due to safety improvements, administrative costs and debt transactions are an offset to growth in expenditures.

Significant Changes In FY03

Salary and Wages

 Budgeted in accordance with labor agreements and a performancebased compensation program for non-represented employees. Also includes an adjustment to the noncontract salary structure based on market survey analysis.

Fringe Benefits

- Price escalation is estimated at 15% for new medical contract renewals.
- Implementation of new labor agreements and actuarial assumption changes has affected pension costs and the ATU Health and Welfare fund in FY03 resulting in an increase of \$15.3 million.

Insurance and Workers' Compensation

 Administration of the self-insured and self-administered workers' compensation program using MTA

- staff will reduce the overall cost of the program.
- The new Transit Corridor projects will be insured through an owner controlled insurance program.
- Total workers' compensation costs will be reduced in FY03 by \$8.3 million, or 14.2% due to aggressive safety management.

Fuel and Propulsion Power

• The FY02 Budget anticipated significant increases in the cost of fuel and propulsion power. These increases did not materialize, resulting in favorable budget variances. The FY03 Budget assumes a cost structure similar to FY02 actual expenditures.

Service Sectors

 Implementation of five new service sectors (San Fernando Valley, San Gabriel Valley, Gateway Cities, South Bay, and Westside/Central Service Sectors) to provide better customer service and improve transportation efficiency.

Pasadena Gold Line (PGL) Start-up

• The Pasadena Gold Line (PGL) is scheduled to begin pre-revenue operations in FY03; revenue operations begin July 2003. The Capital Program includes funds for hiring and training train operators, maintenance specialists, and testing of the new equipment. The budget for start-up activities is \$16.8 million.

Major Bus and Rail Construction

- Design, engineering, and construction for three Transit Corridor projects (Eastside, San Fernando Valley East-West, Mid-City/Wilshire) are included at \$119.8 million.
- Continue construction activity on Metro Red Line North Hollywood Station pedestrian underpass.

Countywide Programs

- A Preliminary Engineering Report for the Mid-City/Exposition
 Boulevard Light Rail Line is budgeted for \$16.2 million.
- Access Services, Inc. (ASI) increases by \$7.2 million to cover inflation and business plan increases.
- Regional Programs (e.g., Funds programmed by MTA to other agencies) increases by \$29.8 million.
- Call for Projects (CFP) is anticipated to decrease by \$19.8 million in FY03. Reductions were partially offset by a \$13.7 million increase to the Southern California Regional Rail Authority (SCRRA) for State Transportation Improvement Program (STIP) acceleration projects.
- The Regional Pass Program is budgeted at \$2 million to cover subsidies to operators.

- Sales tax local return distribution to other municipalities and subsidies to other agencies increases by \$4.7 million.
- Formula funds to the Municipal Operators increases by \$7.4 million.

Communication Innovations

• The Rideshare Program, formerly administered by the Southern California Association of Governments (SCAG), is transferred to MTA to refocus efforts on marketing a complete line of programs to employers.

Capital Program

- The five-year FY03 FY07 Capital Program has increased over the five-year FY02 – FY06 Capital Program primarily, due to the inclusion of the Transit Corridor projects.
- The one-year FY03 expenditure plan for the capital projects focused on improving infrastructure and acquiring equipment has decreased over the one-year FY02 Adopted Budget by \$199.6 million. This was accomplished by revising the program to match the resources available to deliver completed projects.

Debt Service

 Debt service is budgeted at \$281 million, an 8.3% reduction over FY02.

Combined Statement of Revenues, Expenditures and Changes in Fund Balances For the Years Ending June 30, 2001, 2002 and 2003

(Amounts in millions)

	Proprietary Funds					Governmental Funds			
	Е	nterprise Fu		T-2	nal Service	Fund	Special Revenue Fund		
	FY01 Actual	FY02 Adopted	FY03 Proposed	FY01 Actual	FY02 Adopted	FY03 Proposed	FY01 Actual	FY02 Adopted	FY03 Proposed
1 Revenue:						,			
2 Sales tax	\$ -	\$ -	s -	s -	s -	s -	\$ 1,365.6	\$ 1,382.9	\$ 1,379.8
3 Intergovernmental grants] .	· <u>-</u>	•		•	•	65.5	67.7	79.0
4 Investment income		-	•	-		-	42.8	23.9	17.9
5 Lease and rental	_	•		_	-	-		-	-
6 Proceeds from sales and leaseback	-	-	-	_	-	-			-
7 Licenses and fines		-	-	-	-		6.5	6.1	6.1
8 Other		•	-	-	-		10.8	-	-
9 Sub-total	-		-				1,491.3	1,480.6	1,482.8
10									
11 Operating revenues:									
12 Passenger fares	211.7	243.3	252.1	-	-	-	-	-	•
13 Route subsidies	0.8	0.4	0.9	-	-	•	•	•	-
14 Metrolink interagency agreement	2.3	2.3	2.4	-	-	-	•	-	-
15 Advertising	12.2	13.9	13.6	-		-	4 (5) 5	4 /22 2	4 455 5
16 Total revenues	227.0	259.9	268.9	-			1,491.3	1,480.6	1,482.8
17									
18 Operating expenses/expenditures: 19 Transportation	450.4	533.8	E4E 7						
•	469.4		545.7	-	•	-	•	•	•
20 Maintenance	248.2	305.4	300.6	-	-	•	•	-	-
21 Capital outlay	-	-	•	-	-	•	647.5	-	704.0
22 Subsidies	·	-	-	-	-	•	617.5	671.3	701.0
23 Services		-	-	-	-	-	42.3	90.5	84.2
24 Debt and interest expenditures		25.5	20.4	-	-	•		-	
25 General and administrative	32.3	35.5	38.4	-			5.9	7.2	6.6
26 Total operating expenses/expenditures 27	749.9	874.8	884.7	•			665.7	769.1	791.9
28 Excess (deficiency) of revenues over expenditures/									
29 Operating income (loss)	(522.9)	(614.9)	(615.8)			_	825.6	711.5	690.9
30 Non-operating revenues/(expenses):	\- <u></u>	(/	(/						
31 Local grants	0.6	0.5							
32 Federal grants	60.2	112.2	94.3	_	_	_			
33 Charges for services		-	-	(300.5)	(358.1)	(393.6)			
34 Interest revenue	7.4	7.0	7.0	4.7	•	•			
35 Debt and interest expense	(15.6)	(8.8)	(7.8)		_			_	-
36 Gain (loss) on disposition of fixed assets	(1.8)	1.0	- ′	-	-	-	•	-	-
37 Other	7.3	2.1	1.8	295.7	358.1	393.6	•	-	•
38 Total non-operating revenues	58.1	114.0	95.3	-		-			-
39									
40 Excess (deficiency) of revenues over expenditures/	(45.5	(500.5)	/FAA #:					744.5	600.0
41 Operating income (loss) before other sources	(464.8)	(500.9)	(520.5)				825.6	711.5	690.9
42									
43 Other financing sources (uses):	477.0	E00 C	500 5					444.6	05.0
44 Operating transfers in	477.3	500.9	520.5	•	•	-	53.6	114.2	65.8
45 Operating transfers out		•	-	•	•	-	(828.5)	(917.9)	(959.1)
46 Proceeds from financing	-	•	-	•	•	-	•	•	•
47 Payment to refunding bond escrow agent	-	•	-	•	•	-	-	•	•
48 Proceeds of refunding bonds	477.0	£00.0	500.5	<u> </u>	<u> </u>		55.3	(903.6)	/900 01
49 Total other financing and sources (uses) 50	477.3	500.9	520.5	•			(719.7)	(803.8)	(893.3)
51 Excess (deficiency) of revenues and other financing sources over expenditures and other financing us	12.5	-	-	-	-	-	105.9	(92.3)	(202.4)
53 54 Deficit/fund balances-beginning of year	(75.8)	(63.3)	(63.3)	-	-		617.9	723.8	762.2
55 56 Deficit/fund balances-end of year	\$ (63.3)	\$ (63.3)	\$ (63.3)	\$ -	\$ -	\$ -	\$ 723.8	\$ 631.5	\$ 559.8

Note - The Benefit Assessment Districts, an Agency Fund, has been excluded from the MTA's budget, because legally adopted budgets are not required for Agency Funds.

Note - For FY02 and FY03, the Internal Service Fund is adjusted to be consistent with actual CAFR reporting.

Note - FY03 Beginning fund balances primarily include projected FY02 favorable revenue and expenditure variances for the Special Revenue and General Funds.

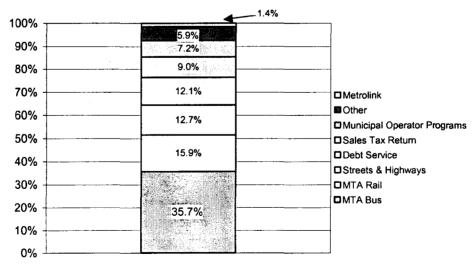
					rnmental F						Totals	
		apital Fund		 	Seneral Fur			bt Service f			norandum C	
	FY01 Actual	FY02 Adopted	FY03 Proposed									
\$		s -	s -	\$ -	\$ -	\$ -	s -	s -	\$ -	\$ 1,365.6	\$ 1,382.9	\$1,379.8
Ψ	349.7	446.5	361.3	4.5	15.0	14.4	3.3	4.4	2.7	423.0	533.6	457.3
	8.2		301.0	6.7	1.0	1.2	16.4	9.0	9.0	74.1	33.9	28.1
	•	_		13.0	12.0	10.2		-	-	13.0	12.0	10.2
				-	10.0	5.0					10.0	5.0
					-		_	-	-	6.5	6.1	6.1
	(1.4)		-	6.5	2.9	2.8	_		-	16.0	2.9	2.8
	356.5	446.5	361.3	30.7	40.9	33.6	19.7	13.4	11.7	1,898.2	1,981.3	1,889.3
	-	-	-	-	•	-	-	-	-	211.7	243.3	252.1
	-	•	-	-	•	•	-	-	•	0.8	0.4	0.9
	-	-	-	-	-	-	-	-	-	2.3	2.3	2.4
	-	445.5		-	-		-	•		12.2	13.9	13.6
	356.5	446.5	361.3	30.7	40.9	33.6	19.7	13.4	11.7	2,125.2	2,241.2	2,158.2
										400.4	F22 0	5457
	•	•	•	-	-	-	-	-	-	469.4	533.8	545.7
	250.6	-	- 	-	•	•	-	•	-	248.2	305.4	300.6 511.3
	359.6	655.3	511.3	4.7		-	-	-	-	359.6	655.3 674.0	703.1
	•	•	-	1.7 47.2	0.6 70.9	2.1 70.4	4.4	- 6.6	- 6.4	619.2 93.8	671.9 168.1	160.8
	-	•	-	41.2	70.9	70.4	264.3	288.8	6.1 267.0	264.3	288.8	267.0
	-	•	-	19.3	14.4	22.5	204.3	200,0	207.0	57.4	57.1	67.5
	359.6	655.3	511.3	68.2	85.9	95.0	268.7	295.4	273.2	2,112.0	2,680.5	2,556.0
	333.0	033.3	311.5	00.2	00.5	33.0	200.1	233.4	21 3.2	2,112.0	2,000.0	2,000.0
	(3.0)	(208.8)	(150.0)	(37.5)	(45.0)	(61.4)	(249.0)	(282.0)	(261.5)	13.2	(439.2)	(397.8
	-	-	-	•	•	-	-	-	-	0.6	0.5	•
	•	-	-	-	-	-	-	-	-	60.2	112.2	94.3
	-	-	-	-	-	-	-	-	-	(300.5)	(358.1)	(393.6
	-	-	-	-	•	-	-	-	-	12.1	7.0	7.0
	•	-	-	-	-	-	-	-	-	(15.6)	(8.8)	(7.8
	•	-	-	-	•	•	-	-	-	(1.8)	1.0	205.4
		<u> </u>			-					303.1	360.2	395.4
	-	-		-	-		-	-	-	58.1	114.0	95.3
	(3.0)	(208.8)	(150.0)	(37.5)	(45.0)	(61.4)	(249.0)	(282.0)	(261.5)	71.2	(325.3)	(302.5)
	(2,-,	(=====	(100.0)	(-1.1-)	(1-1-7		(=/				, (
	50.9	146.2	92.2	46.6	42.5	45.1	244.6	282.7	260.6	873.1	1,086.5	984.2
	(32.4)	(165.6)	(13.8)	(0.6)	(3.0)	(11.2)	(11.5)	•	-	(873.1)	(1,086.6)	(984.2
	5.2	226.7	59.9		•	•		-	-	5.2	226.7	59.9
	-	-	-	-	-	-	(408.7)	(290.9)	-	(408.7)	(290.9)	-
			•	•	_	-	431.9	290.9	-	487.2	290.9	
	23.7	207.2	138.3	46.0	39.5	33.9	256.3	282.7	260.6	83.7	226.6	59.9
	-											
	00.0		,,,,,,		/e e	(67.6)			/a a.	4546	/00 T	1040 0
	20.6	(1.6)	(11.8)	8.5	(5.5)	(27.6)	7.3	0.7	(0.9)	154.9	(98.7)	(242.6
	60.5	81.1	79.5	99.3	107.8	143.3	253.2	260.5	261.2	955.0	1,110.0	1,182.8
		91.1	, 5.5	33.3	.07.0	1,40.0				300.0	1,710.0	.,
				\$ 107.8					i			

SUMMARY OF EXPENDITURES BY PROGRAM

(Amounts in millions)	FY99 Actual	FY00 Actual	FY01 Actual	FY02 Adopted	FY03 Proposed	FY99 Actual	FY00 Actual	FY01 Actual	FY02 Adopted	FY03 Proposed
MTA Bus										
Capital	\$ 119.2	\$ 163.9	\$ 173.9	\$ 314.8	\$ 124.4	5.1%	7.5%	8.1%	11.6%	4.8%
Operating	681.6	683.4	635.6	735.1	732.2	29.1%	31.4%	29.7%	27.0%	28.2%
Transit Corridors/BRT	-	-	1.6	15.0	70.4	0.0%	0.0%	0.1%	0.6%	2.7%
MTA Bus Subtotal	8.008	847.3	811.1	1,064.9	927.0	34.2%	39.0%	37.9%	39.1%	35.7%
MTA Rail										
Rail Construction	391.4	234.9	127.5	180.0	150.9	16.7%	10.8%	6.0%	6.6%	5.8%
Capital	70.8	22.4	30.2	44.6	43.4	3.0%	1.0%	1.4%	1.6%	1.7%
Operating	98.9	105.1	121.5	146.5	153.2	4.2%	4.8%	5.7%	5.4%	5.9%
Transit Corridors/Eastside	-	-	4.4	39.8	65.6	0.0%	0.0%	0.2%	1.5%	2.5%
MTA Rail Subtotal	561.1	362.4	283.6	410.9	413.1	24.0%	16.7%	13.3%	15.1%	15.9%
Municipal Operator Programs	157.9	118.4	177.8	179.4	186.8	6.7%	5.4%	8.3%	6.6%	7.2%
Metrolink	38.8	30.6	31.7	35.2	37.6	1.7%	1.4%	1.5%	1.3%	1.4%
Sales tax return to local										
jurisdictions	195.8	227.6	229.4	229.6	234.3	8.4%	10.5%	10.7%	8.4%	9.0%
Streets and Highways	185.6	237.1	226.9	324.9	330.6	7.9%	10.9%	10.6%	11.9%	12.7%
Debt Service	348.9	300.7	292.5	339.3	314.7	14.9%	13.8%	13.7%	12.5%	12.1%
Other	51.4	51.1	84.7	140.7	154.5	2.2%	2.3%	4.0%	5.2%	5.9%
Total Expenditures by Program	\$ 2,340.3	\$ 2,175.2	\$ 2,137.7	\$ 2,724.9	\$ 2,598.6	100.0%	100.0%	100.0%	100.0%	100.0%

^{*} Includes Principal liability payments, Benefit Assessment debt payments, and excludes debt refunding.

FY03 Proposed Budget



Debt Service includes proprietary funds principal reduction of \$17.3 million in FY99, \$18.1 million in FY00 and \$28.3 million in FY01.

MAJOR BUDGET ASSUMPTIONS

Bus and Rail Operating Assumptions

FY03 Proposed Service Levels

MODE		VEHICLE REVENUE HOURS (000)	CHANGE FROM FY02
Metro Bus	MTA Operated	6,888	0.8%
	Contracted Service	654	0.0%
	Total Metro Bus	7,542	0.8%
Metro Rail	Blue Line	215	8.6%
	Green Line	88	1.5%
	Red Line	269	4.3%
	Total Metro Rail	572	5.3%
Total		8,114	1.1%

- Bus Operations will reorganize into five geographic service sectors responsible for bus service.
- Delivery of 30 new high capacity compressed natural gas (CNG) buses.
- Diesel fuel price decrease of 10%; natural gas price decrease of 44%.

Capital Program Assumptions

- FY03 Budget includes the carryover of eligible FY02 revenues and expenses.
- Major rail construction program will consist of close-out activities of Segments 2 and 3.
- Funds are included for final design and construction of four approved Transit Corridor Projects: Eastside \$49.4 million; Mid-City/Wilshire \$15.0 million; San Fernando Valley

- East-West \$55.4 million; and Exposition Transit Corridor \$16.2 million.
- Funds are included for purchase of light rail vehicles, \$41.2 million.
- Funds are included for Pasadena Gold Line Betterments and Startup, \$18.8 million.

Other Budget Assumptions

- Sales tax revenue increases 2.0% over the FY02 revenue estimate.
- Wage increases for represented employees based on current labor agreements.
- Salary increases of nonrepresented employees planned in a performance-based pool.
- Workers' Compensation expenses forecast to be reduced by \$8.3 million, or 14.2%, assuming the

Los Angeles County Metropolitan Transportation Authority Proposed Budget

- Safety Program Goal set up in the safety management program.
- Employee pension expenses forecast to increase by \$10.4 million, or 46%, as a result of the collective bargaining agreements and actuarial assumption changes.
- Health and other employee insurance rates projected to increase by 17% primarily due to increased costs for health and welfare plans and adjustments to labor agreements.

FY02 ACCOMPLISHMENTS

The following are key FY02 MTA accomplishments:

- Increased bus and rail ridership by 40,000 boardings per day (3%).
- Completed Metro Blue Line platform extensions and expanded capacity on both the Metro Blue and Metro Green Lines.
- Continued to operate the Metro Rapid Demonstration Program.
 Passenger travel times have been reduced by approximately 25%.
 Ridership increased nearly 35%, with one-third of the increase new to public transit. Increased the number of vehicles assigned to the Wilshire Rapid Bus from 65 to 80, due to increased ridership.
 Developed Phase II implementation plan for future Rapid Bus routes.
- Approved 23 new Metro Rapid Bus Lines.
- Received over 370 new CNG buses into the MTA fleet increasing total CNG fleet to over 1,700 buses.
- Began an aggressive Safety's 1st training program to train managers and supervisors to be more diligent in pursuit of a safe working environment.
- Awarded the Universal Fare System (UFS) contract for design and implementation of the \$70 million program.
- Adopted the 2001 Call for Projects (CFP) awarding \$893.4 million to regional grantees for

- transportation improvements throughout Los Angeles County.
- Developed the first regional transit pass for Los Angeles County.
- Approved the Municipal Operator Service Improvement Program (MOSIP) for Municipal Operators for \$15 million. The additional funding for five years will be used for improvements that benefit Consent Decree-related services.
- Implemented an in-house, selfinsured and self-administered workers' compensation claims program.
- Received Board approval for the Environmental Impact Reports (EIR) for the Eastside LRT and the San Fernando Valley BRT.
- Implemented new 'Wayfinding Kit' that will help the sight-impaired travel the Metro Rail System.
- Opened the US-405 San Diego
 Freeway carpool lane through the
 Sepulveda Pass bringing the total
 carpool system to 396 miles.
- Improved service for students, seniors, and disabled customers (June 2002) via new automated technology for issuance and delivery of reduced fare identification cards.

Los Angeles County Metropolitan Transportation Authority Proposed Budget

Performance Improvement:	Milestone:
Bus In-Service On-Time Performance	Bus In-Service On-Time Performance increased to 64.90% from 63.71% in FY01.
Bus On-Time Pullouts (OTP)	OTP reached an all-time record level, averaging 99.74% in the third quarter of FY02.
Bus Revenue Service Hours Delivered	In December 2001, Revenue Service Hours delivered reached a historic high of 99.15%.
Metro Blue Line Revenue Service Hours Delivered	For the first time, the Metro Blue Line Revenue Service Hours delivered remained above 99% throughout FY02.
Metro Green Line Safety	During FY02, the Metro Green Line posted its 13 th consecutive month without a reportable accident.
Bus Cleanliness	Bus cleanliness continued to rise in FY02, posting 10 consecutive quarters of improvement.
Past Due Bus Preventative Maintenance Program (PMPs)	The FY02 goal for Bus Past Due PMPs is 0.50 per assigned coach. In FY02, the goal was bettered every month, dropping from 0.18 in the first quarter to 0.08 in the third.
Bus Accidents	In September 2001, the bus accident rate dropped below the goal of 3.5 to 3.44 accidents per 100,000 miles.
Bus Complaints	Bus complaints remained below 3.4 per 100,000 boarding throughout every quarter of FY02.
Bus Mean Miles Between Mechanical Failures (MMBMF)	MMBMF reached an all-time high of 7,260 in January of FY02.

CUSTOMER SERVICES

INTRODUCTION

MTA provides a wide range of customer services to increase mobility throughout Los Angeles County. These services include transit operations, freeway services, highway construction, and transportation information.

Transit Services

MTA directly operates three modes of transit service: bus, light rail, and heavy rail, carrying over 1.2 million passengers per weekday. Transit operations and supporting capital expenditures make up 36% of the FY03 Budget.

Technology Improvements

Work continues on the Universal Fare System (UFS) and the Advanced Transportation Management System (ATMS). Each will provide a broad array of improvements in service. UFS will allow customers greater flexibility in their transportation options and facilitate better and more expeditious accounting of fares and ridership.

The new regional pass will be introduced in FY03 and will eventually integrate with UFS to provide seamless connections between the Metro Bus system and participating municipal operations. The ATMS project will replace obsolete radio communications systems, provide automatic vehicle location, computer aided dispatch, automatic passenger counters and interface with the UFS.

Metro Bus

MTA is the second largest bus operator in the United States. MTA bus service carries over 1.1 million passengers 250,000 miles on 185 bus routes with 18,500 bus stops each weekday. Passenger complaints have dropped to the lowest levels in six years.

In FY02, \$1.1 billion was expended in support of Metro Bus operating and capital programs. In FY03, this will decrease by 12.9 % to \$927.0 million. This decrease is a combination of lower capital expenditures and minor increases in bus service.

The FY03 Budget includes funds for the acquisition of 30 high capacity buses. The purchase of those new vehicles will support Lines 218, 603, and 605. MTA will provide 33 buses to contractors operating MTA service and will add new vehicles for the Metro Green Line shuttle.

MTA is the largest operator of alternative fueled buses. Currently 1,758, or 76% of the 2,316 buses in the active fleet, are powered by engines using clean-burning compressed natural gas (CNG).

Customer Services Introduction • 2-1

Service Sectors

The most significant change in the provision of bus service included in the FY03 Budget is the creation of five bus operations service sectors. This reorganization of the management of bus service is to improve service quality and bring decision-making closer to our customers.

The sectors will foster partnerships with other bus service providers around a shared vision for responsive community based transportation services.

The San Fernando Valley and San Gabriel Valley service sectors will begin operations July 1, 2002. The other three sectors will begin operations later in the fiscal year.

Community councils will provide recommendations to sector general managers who will evaluate and implement changes and improvements in transit services within the sector.

Each sector manager will oversee the operation of a fleet of approximately 400 to 600 buses. In addition to operations and maintenance personnel, each sector will include its own Human Resources, Planning, Scheduling, Marketing and Public Affairs staff.

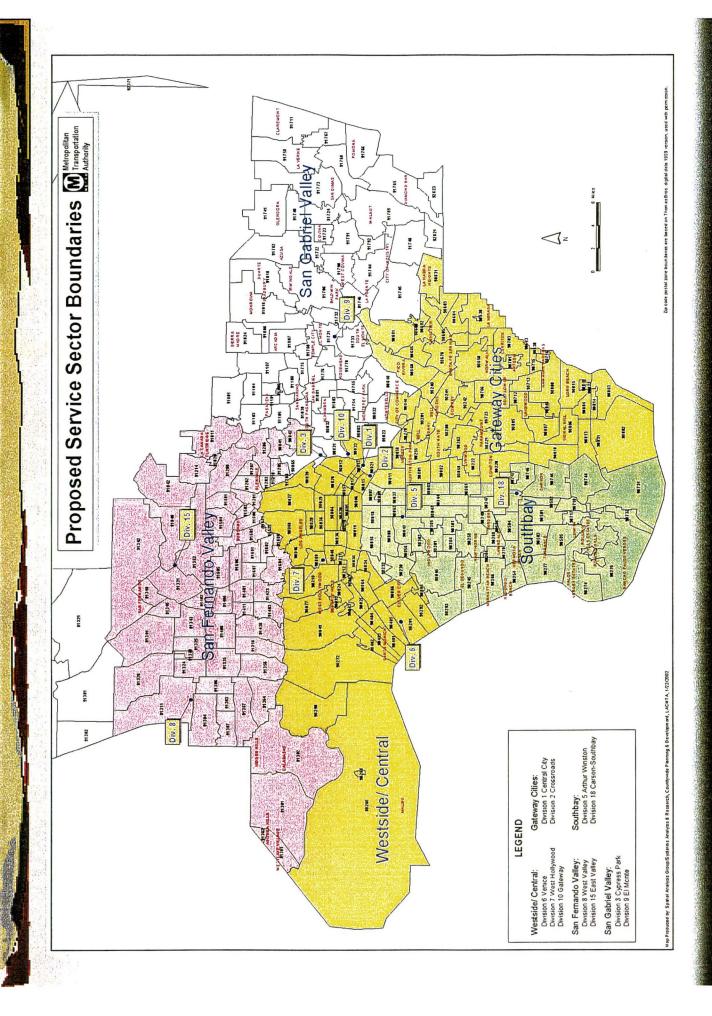
Sector Goals

- Create business units with municipal operator-like size.
- Establish each sector with geographic areas emerging from study of existing and potential route structures.
- Locate management and essential, customer-focused, support functions at sector operating bases within local communities served.
- Establish new relationships with MTA corporate support functions.

Sector Objectives

- To organize the functions of the MTA to best serve our customers in an effective manner.
- To develop an organizational framework that will lead the MTA toward improved safety and customer satisfaction.
- To foster a more dynamic working environment, to reduce management layers by moving responsibility and accountability closer to the customer.
- To achieve overall improvement in service quality.

2-2 • Introduction Customer Services



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FY03 Bus Operating Statistics By Service Sector

	SAN FERNANDO VALLEY	SAN GABRIEL VALLEY	GATEWAY	SOUTH BAY
BOARDINGS (000) VEHICLE SERVICE HOURS (000) VEHICLE SERVICE MILES (000) HUB MILES (000) BOARDINGS PER REVENUE SERVICE HOUR PASSENGER MILES VEHICLES	71,668	67,628	55,228	89,118
	1,303	1,230	1,004	1,620
	15,895	14,999	12,249	19,766
	19,337	18,247	14,901	24,046
	55.0	55.0	55.0	55.0
	356,897	319,739	203,235	362,596
	361	352	287	440
COST PER REVENUE SERVICE HOUR COST PER PASSENGER MILE COST PER BOARDING SUBSIDY PER BOARDING SUBSIDY PER PASSENGER MILE FARE RECOVERY RATIO FARE REVENUE PER BOARDING	\$78.57	\$80.30	\$87.44	\$76.22
	\$0.29	\$0.31	\$0.43	\$0.34
	\$1.43	\$1.46	\$1.59	\$1.39

Systemwide statistics include bus operating expenses from support activities not assigned directly to sector management, including, but not limited to, Central Maintenance, Central Control & Instruction, Facilities and Operations Security.

2-4 • Introduction Customer Services

Los Angeles County Metropolitan Transportation Authority Proposed Budget

FY03 Bus Operating Statistics By Service Sector, continued

	WESTSIDE/ CENTRAL	CONTRACT SERVICES	SYSTEMWIDE 1
	95,180	13,081	391,903
BOARDINGS (000)	1,731	654	7,542
VEHICLE SERVICE HOURS (000)	21,110	7,978	91,998
VEHICLE SERVICE MILES (000)	25,681	9,706	111,919
HUB MILES (000)	55.0	20.0	52.0
BOARDINGS PER REVENUE SERVICE HOUR	439,663	42,905	1,725,035
PASSENGER MILES VEHICLES	517	166	2,123
	\$79.21	\$51.00	\$98.00
COST PER REVENUE SERVICE HOUR	\$0.31	\$0.78	\$0.43
COST PER PASSENGER MILE	\$1.44	\$2.55	\$1.89
COST PER BOARDING			\$1.31
SUBSIDY PER BOARDING			\$0.30
SUBSIDY PER PASSENGER MILE			31%
FARE RECOVERY RATIO			\$0.54
FARE REVENUE PER BOARDING			

Customer Services Introduction • 2-5

Rail Performance Indicators	FY00 Actual	FY01 Actual	FY02 Budget	FY03 Proposed
Customer Indicators				
Light Rail On-Time Performance	n.a.	97.43%	98.00%	99.20%
Heavy Rail On-Time Performance	97.62%	99.13%	99.00%	98.25%
Complaints per 100,000 boardings				
Systemwide	1.02	0.85	0.78	0.80
Light Rail	0.95	0.76	0.80	0.80
Heavy Rail	0.83	0.83	0.80	0.80
Financial Indicators				
Light Rail cost per RVSH	\$301.57	\$363.85	\$294.79	\$289.79
Heavy Rail cost per RVSH	\$243.56	\$220.96	\$242.23	\$243.12
Farebox Recovery				
Light Rail	22.71%	19.13%	22.17%	27.82%
Heavy Rail	15.00%	19.66%	23.26%	28.23%
Subsidy per Boarding				
Light Rail	\$1.55	\$2.14	\$2.25	\$1.61
Heavy Rail	\$1.39	\$1.99	\$1.28	\$1.16
Internal Process Indicators				
Mean Miles Between Mechanical Failures	4,485	6,093	6,075	6,500
Learning/Innovation Indicators				
Rail accidents per 100,000 revenue train miles				
Light Rail (MGL, MBL)	n.a.	0.93	0.30	0.20
Heavy Rail (MRL)	n.a.	0.08	0.10	0.00

Metro Freeway Service Patrol (FSP)

MTA, in partnership with the California Department of Transportation (CALTRANS) and the California Highway Patrol (CHP), manages the largest fleet of tow and service trucks in the country. This service is known as the Los Angeles County Metro Freeway Service Patrol (FSP). Private tow operators are contracted to patrol designated

portions of freeways during morning and afternoon commute hours. The goal is to quickly repair or remove disabled vehicles to relieve freeway congestion. The program is funded through local Proposition C 25% sales tax and state highway funds.

Over 70% of motorists wait less than five minutes for assistance. Drivers change flat tires, fill radiators, tape leaky hoses, provide jump-starts, provide gasoline or when necessary,

will tow the vehicle to a safe location off the freeway.

The FY03 Budget total is: \$20.8 million for FSP.

Service Authority For Freeway Emergencies (SAFE)

Service Authority for Freeway Emergencies (SAFE) is a separate agency from the MTA that is responsible primarily for the maintenance and operation of the County's system of approximately 4,500 call boxes. These call boxes provide call-answering services for people with vehicle problems on busy roads. During FY03, the SAFE Program will award and begin the process of privatizing the callanswering function currently being provided by the CHP. Once implemented, this action should reduce the cost of this activity by as much as 50%.

Paratransit Services

Access Services, Inc. (ASI) manages the Americans with Disabilities Act (ADA) paratransit service. The purpose of ASI is to improve the quality and effectiveness of transportation services to elderly and persons with disabilities through coordination of public transportation with social service agencies and other charitable organizations, and to provide services to persons with disabilities in accordance with the ADA.

Over the past year, paratransit ridership has increased dramatically with an annual growth rate of over 20 percent.

The FY03 Budget for paratransit services is \$67.3 million which includes \$58.6 million funding for ASI and \$8.6 million funding for other ADA activities.

High Occupancy Vehicle (HOV) Lanes

There are 396 miles of High Occupancy Vehicle (HOV) lanes in operation in Los Angeles County. Built with the purpose of reducing congestion by using the capacity of the freeway system more efficiently, it is estimated that HOV lane use exceeds 700,000 person trips per day in Los Angeles County.

In FY03, the budget provides \$12.6 million for HOV lane improvements.

Rideshare Program

Over the past years, the five county transportation commissions, which fund regional and local rideshare services, have been reviewing service delivery options to optimize rideshare program performance. The MTA Board also directed staff to conduct a rideshare evaluation study during FY02 to review rideshare service delivery. As a result of these efforts. the county transportation commissions are coordinating with SCAG on the transition of rideshare responsibilities to service delivery approaches that maintain regional coordination but enhance employer outreach locally.

As the first step in this transition, MTA will move the Employer Outreach/Account Executive function in-house starting in July 2002 and will refocus its efforts on marketing a

complete line of programs to employers, from the promotion of transit pass programs to promotion of ridesharing and carpool lane use. During FY03, SCAG will continue to provide other rideshare activities, including the regional ridematch database. During the next year, MTA will continue working with SCAG and the other county transportation commissions in developing a plan for the transition of remaining rideshare activities by July 2003. This transition will promote close local coordination with employers, which is essential to meet regional rideshare goals in a cost-effective manner.

1-800-commute

1-800-commute provides personal transit assistance via telephone seven days a week. Callers are given route, schedule and fare information for all operators in the county, using the county's database of transit information.

Discount Fares Program

The Discount Fares Program provides personalized identification cards to eligible students (grades K-12 and full time college/vocational), seniors and disabled individuals. This enables them to ride MTA trains and buses at a significantly reduced cost under the MTA Reduced Fares Program. Student ID Cards are valid for an academic term, persons 62-years and above qualify for a senior ID Card and disabled ID Cards are issued for various time periods based on an individual's disability.

www.mta.net

www.mta.net is the address of MTA's Internet site. The site offers an interactive trip planner, accessible via the web 24 hours a day from anywhere in the world, offering complete transit information for Los Angeles County. The site also features detailed information on MTA's other transportation services and projects.

FINANCIALS

	그 그는 그 그리다 하는 항상을 가져왔다. 그는 그리는 그리는 그리는 것이 없다고 없다.
	그리고 그는 그는 전쟁으로 가장 살아 먹었다면 하다면 하는데 그 그 그 그 없는데 그리고 그 없다면 하다.
	그는 그리는 사람들이 얼마나 아무리를 받는 병사 생각이 되었다.

ENTERPRISE FUND

Fund Narrative

The Enterprise Fund accounts for transit services in a manner similar to the private sector. The transit services included within the Enterprise Fund are Metro Bus, contracted bus service, and Metro Rail.

Revenues

Operating revenues recover approximately 28% of the cost to provide transit services. The remaining 72% of the cost to provide service is funded through a combination of non-operating revenues (primarily federal grants) and transfers (Prop A & C, TDA and STA tax-based revenues).

Expenses

The Enterprise Fund FY03 budgeted expenses are as follows:

	Amt. in Millions	%
Bus	\$ 739.3	82.9
Light Rail	87.7	9.8
Heavy Rail	65.5	7.3
Total	\$ 892.5	100.0%

Approximately 69% of the Enterprise Fund expenses are for labor and fringe benefits. Fuel and materials represents another 12% of expenses with the remainder of the expenses being comprised of purchased transportation (7%), security (6%) and debt and other expenses (6%).

Budget & Service Levels

Mode		Vehicle Revenue Hours	Vehicle Revenue Miles	Unlinked Passenger Trips	Passenger Miles
Bus	MTA Operated	6,887,676	84,019,994	378,822,290	1,682,129,767
	Contracted Svc	654,041	7,978,381	13,080,820	42,905,089
	Subtotal Bus	7,541,717	91,998,375	391,903,110	1,725,034,856
Rail	Blue Line	214,980	4,586,240	27,947,400	194,782,199
	Green Line	87,950	2,730,976	11,433,500	79,686,922
	Red Line	269,641	6,111,603	40,446,150	163,985,142
	Subtotal Rail	572,571	13,428,819	79,827,050	438,454,263
Totals	;	8,114,288	105,427,194	471,730,160	2,163,489,119

Cost Per Unit of Service

	Vehicle Revenue Hours	Vehicle Revenue Miles	Unlinked Passenger Trips	Passenger Miles	
MTA Operated	\$101.34	\$8.40	\$1.86	\$.42	
Contracted Svc	\$51.00	\$4.18	\$2.54	\$.78	
Blended Bus	\$98.00	\$8.03	\$1.89	\$.43	
Blue Line	\$246.15	\$11.54	\$1.89	\$.27	
Green Line	\$396.44	\$12.77	\$3.05	\$.44	
Red Line	\$243.12	\$10.73	\$1.62	\$.40	
Blended Rail	\$267.81	\$11.42	\$1.92	\$.35	
	Contracted Svc Blended Bus Blue Line Green Line Red Line	MTA Operated \$101.34 Contracted Svc \$51.00 Blended Bus \$98.00 Blue Line \$246.15 Green Line \$396.44 Red Line \$243.12	Revenue Hours Revenue Miles MTA Operated \$101.34 \$8.40 Contracted Svc \$51.00 \$4.18 Blended Bus \$98.00 \$8.03 Blue Line \$246.15 \$11.54 Green Line \$396.44 \$12.77 Red Line \$243.12 \$10.73	Revenue Hours Revenue Miles Passenger Trips MTA Operated \$101.34 \$8.40 \$1.86 Contracted Svc \$51.00 \$4.18 \$2.54 Blended Bus \$98.00 \$8.03 \$1.89 Blue Line \$246.15 \$11.54 \$1.89 Green Line \$396.44 \$12.77 \$3.05 Red Line \$243.12 \$10.73 \$1.62	

Los Angeles County Metropolitan Transportation Authority Proposed Budget

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Financials

Combined Statement of Revenues, Expenses and Changes in Retained Earnings For the Years Ending June 30, 2001, 2002 and 2003

(Amounts in millions)

			Bus	· · · · · · · · · · · · · · · · · · ·	Light Rail			
		FY01	FY02	FY03	FY01	FY02	FY03	
1	Enterprise Fund by Mode	Actual	Adopted	Proposed	Actual	Adopted	Proposed	
1	Revenue:							
2	Operating revenues							
3	Passenger fares	\$ 186.9	\$ 212.1	\$ 212.6	\$ 16.8	\$ 18.6	\$ 23.5	
4	Route subsidies	0.8	0.4	0.9	-	-	-	
5	Metrolink interagency agreement	0.3	0.3	0.4	-	-	-	
6_	Advertising	12.2	13.9	12.2	-	-	1.0	
	Total revenues	200.2	226.7	226.0	16.8	18.6	24.4	
8								
	Operating expenses:							
10	Transportation	399.1	454.1	465.9	39.1	46.6	47.3	
11	Maintenance	203.9	249.1	239.8	25.0	31.1	33.2	
12_	General and administrative	25.4	24.9	25.7	3.7	6.2	7.3	
_	Total operating expenses	628.4	728.1	731.4	67.8	83.9	87.7	
14								
	Operating income (loss)	(428.2)	(501.4)	(505.5)	(51.0)	(65.3)	(63.3)	
16								
	Non-operating revenues/(expenses):						İ	
18	Local operating grants	0.6	0.5	-	-	_	-	
19	Federal operating grants	59.3	107.2	94.3	0.8	3.4	-	
20	Interest revenue	7.4	7.0	5.9	-	-	0.6	
21	Debt and interest expense	(15.6)	(8.8)	(7.8)	-	-	-	
22	Gain (loss) on disposition of fixed assets	(1.8)	1.0	-	-	-	-	
23_	Other	7.3	1.5	1.0	•	0.4	0.2	
_	Total Non-operating revenues	57.2	108.3	93.5	0.8	3.8	0.8	
25								
26	Other financing sources (uses):							
27	Operating transfers in						1	
28	Prop A	121.9	130.5	132.2	20.6	21.6	26.3	
29	Prop C	113.6	97.5	97.8	16.8	20.9	32.5	
30	TDA	154.8	164.3	179.9	2.0	0.9	-	
31	STA	-	-	2.1	10.7	18.1	3.7	
32	Other	(6.8)	0.8		-	-	-	
	Total other financing and sources (uses)	383.5	393.2	412.0	50.1	61.5	62.5	
34		į.						
35	Increase (decrease) in retained earnings	12.5	-	-	-	-	-	
36		j						
37	Deficit - beginning of year	(75.8)	(63.3)	(63.3)	-	•	-	
38		1						
39	Deficit - end of year	\$ (63.3)	\$ (63.3)	\$ (63.3)	\$ -	\$ -	\$ -	

	Heavy Rail							Total					
		Y01		FY02		FY03	FY01			FY02		FY03	
	A	ctual	Ad	lopted	Pi	oposed		Actual	A	dopted	Pro	oposed	
1													
2			_			400					_		
3	\$	7.9	\$	12.6	\$	16.0	\$	211.7	\$	243.3	\$	252.1	
4 5		-		- 2.0				0.8 2.3		0.4 2.3		0.9	
6		2.0		2.0		2.0 0.5		12.2		2.3 13.9		2.4 13.6	
7	_	9.9		14.6		18.5		227.0		259.9		268.9	
8		3.3		14.0		10.0		227.0		200.0		200.0	
9													
10		31.2		33.1		32.5		469.4		533.8	;	545.7	
11		19.3		25.2		27.6		248.2		305.4	i	300.6	
12		3.2		4.4		5.4		32.3		35.5		38.4	
13		53.7		62.7		65.5		749.9		874.8		884.7	
14													
15	L	(43.8)		(48.1)		(47.0)		(522.9)		(614.9)		(615.8)	
16													
17 18								0.6		0.5			
19		0.0		1.7		_		60.2		112.2		- 94.3	
20		0.0		1.7		0.5		7.4		7.0		7.0	
21		_		_		- 0.0		(15.6)		(8.8)		(7.8)	
22		_		-		_		(1.8)		1.0		-	
23				0.3		0.6		7.3		2.1		1.8	
24		0.0		1.9		1.0		58.1		114.0		95.3	
25									_				
26													
27													
28		10.3		10.8		19.4		152.7		162.9		177.9	
29		23.2		25.9		23.8		153.5		144.3		154.1	
30		5.0		0.5		-		161.8		165.7		179.9	
31		5.4		9.1		2.8		16.1		27.2		8.6	
32				-		-	_	(6.8)		0.8			
33	_	43.8		46.2		46.0	_	477.3		500.9		520.5	
34 35								10 E					
	l	-		-		-		12.5		-		-	
36 37	ł			_		_		/7E 9\		(63.3)		(63.3)	
37	⊢—	-		-			-	(75.8)		(63.3)		(63.3)	
39	l		\$	-	\$	•	\$	(63.3)	\$	(63.3)	\$	(63.3)	

INTERNAL SERVICE FUND

Fund Narrative

The Internal Service Fund accounts for the receipt and expenses of goods and services provided to projects and funds on a cost reimbursement basis. These expenses are allocated to the functional units of Transit Operations, Countywide Planning and Development, Engineering & Construction, as well as the blended component units, Public Transportation Services Corporation (PTSC) and PTSC/MTA Risk Management Authority (PRMA).

Revenues

Charges for financial and administrative service functions are allocated to MTA's programs and projects. As part of the allocation methodology, the program reimburses the MTA's overhead projects in the Internal Service Fund.

Expenses

Internal Service Fund expenses are in support of the MTA's core business units. The significant expenses in FY03 include:

- Salaries and fringes for financial, administrative and human resouce functions.
- Professional and contractual services for the maintenance of MTA facilities, Gateway and waste disposal at all divisions and Rail facilities.
- Original equipment vendor repair and maintenance of specialized ITS machinery and systems.
- Communication support of signage production and posting for Metro Bus and Metro Rail.
- Medical testing and support services for personnel recruitment activities and employment standard compliances.
- Accounting and auditing expenses.
- Utility and telecommunication expenditures for all MTA facilities and Gateway.

Statement of Revenues, Expenses and Changes in Retained Earnings For the Years Ending June 30, 2001, 2002 and 2003

(Amounts in millions)

	Internal Service Fund	FY01 Actua	l ,	FY02 Adopted	FY03 Proposed	
1	Operating expenses:					
2	Services	\$	- \$	-	\$	-
3	Total operating expenses	-		-		
4						
5	Operating income (loss)			-		-
6						
7	Non-operating revenues/(expenses):	İ				
8	Charges for services	(300	.5)	(358.1)		(393.6)
9	Interest revenue	4	.7	-		-
10	Other	295	.7	358.1		393.6
11	Total non-operating revenues	-		-		•
12						
13	Increase (decrease) in retained earnings	-		-		•
14						
15	Retained Earnings(deficit)-beg. of year			-		-
16						
17	Retained Earnings(deficit)-end of year	\$ -	\$		\$	-

Note: FY02 and FY03 expenses are adjusted to be consistent with actual CAFR reporting.

SPECIAL REVENUE FUND

Fund Narrative

The Special Revenue Fund accounts for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are earmarked for specified purposes. The Special Revenue fund reflects MTA's responsibility to administer special transportation programs as well as its duty to allocate transportation funds to local and regional agencies throughout Los Angeles County.

Revenue

The primary sources of revenue are from Proposition A sales tax, Proposition C sales tax, TDA sales tax, STA sales tax, Service Authority for Freeway Emergencies (SAFE), Congestion Mitigation and Air Quality (CMAQ) and other funds used to account for programs with dedicated revenue sources.

Expenditures

Laws, ordinances or grants that created these funds designate their use. Regional programs detailed in the following section, account for 89% of Special Revenue expenditures, and 11% for SAFE, FSP, other contract, and overhead and labor.

Los Angeles County Metropolitan Transportation Authority Proposed Budget

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Combined Statement of Revenues, Expenditures and Changes in Fund Balances For the Years Ending June 30, 2001, 2002 and 2003

(Amounts in millions)

		Propositio	n A		Proposition	1 C	Transpo	ortation De	velop. Act
On a sint Bassansa Francis	FY01	FY02	FY03	FY01	FY02	FY03	FY01	FY02	FY03
Special Revenue Funds	Actual	Adopted	Proposed	Actual	Adopted	Proposed	Actual	Adopted	Proposed
1 Revenue: 2 Sales tax	\$ 528.3	\$ 528.4	\$ 539.2	\$ 528.4	\$ 528.3	\$ 539.2	\$ 283.2	\$ 266.8	\$ 274.3
2 Sales tax 3 Intergovernmental grants	\$ 526.3	3 526.4	3 539.2	59.5	\$ 526.3 57.8	54.8	0.3	\$ 266.8	\$ 274.3
4 Investment income	8.5	6.0	4.0	21.5	14.0	10.0	9.0	3.5	3.5
5 Licenses and fines	-	-	-		-	-	-	-	-
6 Other	2.6		_	7.7	-	-		-	
7 Total revenues	539.4	534.4	543.2	617.2	600.1	604.0	292.5	270.3	277.8
8						· · · · · · · · · · · · · · · · · · ·			
9 Expenditures:									
10 Subsidies	187.0	194.4	203.1	314.7	377.1	377.1	111.9	87.0	98.5
11 Services	-	-	-	38.6	78.2	69.8	-	-	-
12 General and administrative	-	<u>.</u>	· ·	4.8	6.6	5.8	-		-
13 Total expenditures	187.0	194.4	203.1	358.1	461.9	452.7	111.9	87.0	98.5
14									
15 Excess (deficiency) of revenues	252.4	240.0	240.4	259.1	138.2	454.2	180.6	183.3	179.3
16 over expenditures	352.4	340.0	340.1	259.1	130.2	151.3	100.6	103.3	179.3
18 Other financing sources (uses):									
19 Operating transfers in									
20 Prop A		•	-	24.2	-		-		•
21 Prop C	-	-	-	-	38.0	51.1	_	-	•
22 TDA	.	-	-	8.4	-	•	3.1	0.9	1.0
23 STA	-	-	-	-	-	-	-	-	•
23 Other	-	-	•	16.7	75.3	12.0	1.2	-	-
24 Operating transfers out									
27 Prop A	-	-	-	-	-	-	-	•	-
25 Prop C	(24.2)	-	-	-	(38.0)	(52.9)	(8.4)	-	•
26 TDA		-	-		•	•	(3.1)	(0.9)	(1.0)
27 General Fund	(30.2)	(26.4)	(26.9)	(10.9)	(8.3)	(11.5)	(5.3)	(6.0)	(6.7)
28 Debt Service Fund	(147.7)			1 1		(107.0)		•	
	(2.0)		(29.3)	, ,	(5.8)	(5.0)		(23.9)	(30.3)
•			, ,	1	• •	(154.1)			(179.9)
30 Enterprise Fund	(152.7)		•	1 ' '	, ,	• •		, ,	•
31 Proceeds from financing	(050.5)		(007.7)	55.3	(0440)	(007.5)	(477.0)	(405.0)	(246.0)
32 Total other financing sources (uses)	(356.7)	(340.4)	(387.7)	(155.1)	(214.9)	(267.5)	(177.2)	(195.6)	(216.9)
33 34 Excess (deficiency) of revenue and other finan	l cina								
35 sources over expenditures/other financing use		(0.4)	(47.6)	104.0	(76.7)	(116.2)	3.4	(12.3)	(37.6)
36	`,	(5.4)	()		(· -··)	, ,		, · · · · · · · ·	(- · · · - /
37 Fund surplus balance - beginning of year*	125.6	121.3	118.9	310.5	414.5	412.0	136.3	139.7	173.8
38									
39 Fund surplus balance - end of year	\$ 121.3	\$ 120.9	\$ 71.3	\$ 414.5	\$ 337.8	\$ 295.8	\$ 139.7	\$ 127.4	\$ 136.2

^{*}FY03 Beginning fund balances primarily include projected FY01 favorable revenue and expenditure variances.

	State Tra	ansit	Assist	ance-ST	Α			SAFE					Other				Total	
	FY01 Actual		Y02 opted	FY03 Propos		FY0		FY02 Adopted		Y03 posed	FY0		FY02 Adopted	FY(Propo		FY01 Actual	FY02 Adopted	FY03 Proposed
! ! \$	25.7	\$	59.3	\$ 2'	7.1	\$	_	\$ -	s	_	\$ -		s -	\$		\$ 1,365.6	\$1,382.9	\$ 1,379.8
3 3	25.7	•	-	• 2		•	•	• -	•	-		.6	9.9		- 24.2	65.5	67.7	79.0
	2.0		0.4	(0.4		1.7			-		.1	-		-	42.8	23.9	17.9
5	•		-			i e	6.2	6.1		6.1		.3	-		-	6.5	6.1	6.1
<u>ا</u> د			-	•			0.5	-		-	-		-		-	10.8	-	-
Ľ	27.7		59.7	2	7.5		8.4	6.1		6.1	6	.1	9.9		24.2	1,491.3	1,480.6	1,482.8
3																		
	3.9		8.5		3.7		-	_					4.4		18.7	617.5	671.3	701.0
1	J. J		•				- 3.7	12.2		12.5			0.1		1.9	42.3	90.5	84.2
2	-		-				1.0	0.6		0.8	-		0.1		•	5.9	7.2	6.6
3	3.9		8.5		3.7		4.8	12.8		13.4	•		4.5		20.6	665.7	769.1	791.9
ŧГ																		
5																		
<u>: </u> _	23.8		51.2	2	3.8		3.7	(6.7	<u>) </u>	(7.3)	6	.1	5.4		3.6	825.6	711.5	690.9
7																		
3																		
			•					-					-			24.2	•	-
ı	-		-				-	-		-			-		-	-	38.0	51.1
2	-		•		-		•	-		•	•		•		-	11.5	0.9	1.0
3	-		•		•		-	•		-	-		-		•		•	•
3	-		•	•	•		•	-		•	•		•		1.9	17.9	75.3	13.8
4																Į		
7	-		•	•	-		•	-		-	•		-		•	-	•	•
5	-		•		-		-	-		(2.6)	(6	(0.	(5.4)	1	-	(38.5)	(43.4)	(55.6)
6	-		-		-		(1.2)	•		-	-		-		-	(4.3)	(0.9)	(1.0)
7	•		-		-		-	-		•	(0	.3)	-		•	(46.6)	(40.8)	(45.1)
В	-		-		•		-	-		•	-		-		•	(244.6)	(282.7)	(260.6)
9	(9.6)		(20.3)	(1	1.9))	-	-		-	-		-		-	(12.7)	(50.0)	(76.5)
0	(13.6)		(27.2)	(8.6)		-	-		-	.		-		-	(481.7)	(500.2)	(520.5)
2			•		-		-	-		-	.		-		-	55.3	-	-
1	(23.2)		(47.5)	(2	0.5)		(1.2)	-		(2.6)	(6	i.2)	(5.4)		1.9	(719.7)	(803.8)	(893.3)
2				•														
3										4								, ··
4	0.6		3.7		3.4		2.4	(6.7)	(9.9)	(0).2)	-		5.5	105.9	(92.3)	(202.4)
5 6	19.1		19.7	•	9.4	.	22.1	24.5	:	24.0	,	1.3	4.2		4.2	617.9	723.8	762.2
5 7	19.1		13.1		5.4	 	-4.1			24.U	 		4.2		7.2	317.5	123.0	102.2
8	\$ 19.7	s	23.3	\$ 3	2.7	s	24.5	\$ 17.8	\$ \$	14.1	\$ 4	1.2	\$ 4.2	\$	9.7	723.8	631.5	559.8

REGIONAL PROGRAMS

Budget Assumptions

The MTA provides funding directly to projects through grants of local funds or indirectly through allocated federal or state grants. Local funds consist mainly of Proposition A and Proposition C funds which are disbursed by the MTA to agencies based on an approved spending plan. Federal and state grant funds are programmed or allocated by the MTA and disbursed directly by the granting agency or disbursed by MTA to the grantee or

recipient. The recipient agency is responsible for administering and managing the federal or state grant.

The FY03 Budget for local funding commitments to the Call for Projects (CFP) reflects current year cash flow. Funding for all other local programs, including Municipal Operator programs, ASI, Proposition A Incentive, Local Return, Metrolink, and state and federal funding programs reflect the FY03 programmed amounts.

FY03 Revenue Summary - Regional Programs Budget

((Amounts in thousands)		Municipal Operator Programs		ADA Funding Program		CFP rojects & rograms	Other Local Projects	ommuter Rail & ercity Rail	Total Subsidy Budget	
1 I	Revenue										
2	Prop A - Admin 5%	\$	-	\$	-	\$	-	\$ -	\$ -	\$	-
3	Prop A - Local Return 25%						128,068				128,068
4	Prop A - Discretionary 95% of 40%		63,393								63,393
5	Prop A - Incentive 5% of 40%				8,672						8,672
6	Prop C - Local Return 20%						106,226				106,226
7	Prop C - Security 5%		4,246								4,246
8	Prop C - Commuter Rail 10%						30,486		37,644		68,130
9	Prop C - Streets & Hwys 25%						88,803				88,803
10	Prop C - Discretionary 40%		29,897		7,705		9,766	5,700			53,069
11	Prop C - Bonds										-
12	Other				45,809						45,809
13	TDA		76,630				21,822				98,452
14	STA Formula		3,701								3,701
15	Interest		8,916		5,087						14,003
16_	Regional Grantee Funds							18,453			18,453
17	Total	\$	186,784	\$	67,273	\$	385,171	\$ 24,153	\$ 37,644	\$	701,024

Regional Subsidy Program Budget Detail

(Amounts in thousands)

	(Amounto in thousands)	FY01	FY02	FY03
	Regional Fund Description	Actual	Adopted	Proposed
1	Municipal Operator Programs			
2	Operating funding program	\$ 161,045	\$ 149,109	\$ 154,717
3	Transit Security	4,663	4,252	5,377
4	Bus Service Improvement Program	630	17,572	18,071
5	Transit Service Expansion	7,407	5,562	5,658
6	Base bus restructuring	2,801	2,881	2,962
7	Municipal Operator Programs Total	176,546	179,377	186,784
8				
9	ADA/Accessibility Funding Programs			
10	ASI - Access Services, Inc.	43,546	51,363	58,601
11	Proposition A Incentive programs	5,655	6,600	8,672
12	ADA Accessibility Funding Programs Total	49,201	57,963	67,273
13				
14	CFP Projects and Programs			
15	Proposition A and C Local Return	229,373	229,588	234,294
16	Call for Projects	108,539	138,641	129,055
17	TDA Bikeways/Transit/Streets & Hwys Pgms	17,309	19,950	21,822
18	Local Projects and Programs Total	355,221	388,179	385,171
19				
20	Other Local Projects			,
21	Immediate Needs	3,533	5,000	5,000
22	SHORE/General Relief Tokens	1,400	1,050	700
23	Regional Grantee-FTA	-	4,462	18,453
24	Other Local Projects Total	4,933	10,512	24,153
25			•	
	Commuter Rail & Inter-City Rail Programs			
27	Metrolink	31,531	35,182	37,619
28	Intercity Rail	25	25	25
29	Commuter Rail & Intercity Rail Programs	31,556	35,207	37,644
30				
31	Total MTA Funded Programs	\$ 617,458	\$ 671,238	\$ 701,024

REGIONAL PROGRAMS DESCRIPTIONS

Municipal Operator Programs

Municipal Operator Programs provide for the equitable allocation of STA, TDA, Proposition A 40% Discretionary and Propositions A and Proposition C Interest Revenues to 16 transit service providers in Los Angeles County. These funds are allocated based on formulas prescribed by state law and by the MTA Board of Directors.

In addition, operators receive Proposition C 40% Discretionary funds under five programs approved by the Board of Directors: Foothill Mitigation Program, Transit Service Expansion, Discretionary Bus Restructuring and Bus Service Improvement Plan (BSIP) including Overcrowding Relief, and the Municipal Operator Service Improvement Program (MOSIP).

ADA/Accessibility Funding Programs

MTA contracts with Access Services, Inc (ASI) to provide complementary paratransit services for persons with disabilities who cannot use fixed route buses and trains, enabling the county's fixed route operators to be fully compliant with ADA requirements. ASI is also the Consolidated Transportation Services Agency (CTSA) for Los Angeles County, responsible for improving mobility options and coordination of specialized transportation. In FY03, \$58.6 million is included for ASI.

Paratransit Programs

Paratransit is an important component of Los Angeles County's comprehensive public transportation network. Paratransit service is operated by a variety of public and private providers, including many local jurisdictions within Los Angeles County.

In FY03, the Proposition A
Discretionary Incentive Program
includes funding of \$8.6 million for
Subregional Paratransit programs,
which are coordinated by multijurisdiction paratransit services
throughout Los Angeles County.

Call for Projects (CFP) Projects and Programs

Propositions A and C Local Return

The Proposition A and Proposition C ordinances require that each of the 88 cities and Los Angeles County receive a direct share, based on population, of the total Proposition A and Proposition C sales tax revenues. Known as "local return", these funds must be used to support transit needs or other transportation related projects, including paratransit and fixed route service, street and road maintenance (Prop C only) on streets heavily used by transit, and other transit-related improvements. In FY03, cities will receive over \$234.3 million under the Local Return Program.

<u>Transportation Improvement Program</u> (TIP) Call for Projects

The Transportation Improvement Project (TIP) Call for Projects (CFP) is a biennial process for allocating selected local, state and federal transportation funds to cities in Los Angeles County, Los Angeles County, municipal transit operators, joint power authorities and other public agencies. After MTA establishes funding estimates, eligible organizations submit project applications for review.

MTA staff, based on a scoring system adopted by the Board of Directors, evaluates the merits of each submittal and develops a priority ranking. The Board of Directors reviews the staff recommendations and adopts a multi-year funding program. After adoption by the Board of Directors, the MTA programs funding based on project cash flow plans and secures written agreements with successful project sponsors.

TDA Article 3 and Article 8

TDA Article 3 funds are allocated to all cities and the unincorporated areas of Los Angeles County based on population. TDA Article 3 funds may be used for pedestrian and bicycle facilities, including retrofitting facilities to comply with the Americans with Disabilities Act (ADA). TDA Article 8 funds may be used for transit and paratransit.

If the MTA finds that all transit needs in the jurisdiction have been met, funds may be used for the development, construction and maintenance of local streets and roads. Eligible claimants for TDA Article 8 funds include the cities of Avalon, Lancaster, Palmdale, Santa Clarita and the unincorporated areas of Los Angeles County.

Other Local Programs

The MTA provides \$5.7 million in funding for three programs: Immediate Needs, Support for Homeless Re-Entry (SHORE) and General Relief. The Department of Public Social Services (DPSS) funds several staff positions to implement the Welfare to Work Transportation Plan approved by the Board of Supervisors and the MTA Board of Directors. Staff also participates in coordination activities with city and county agencies. The goal of these activities is to improve coordination of public transportation access to the multitude of health and human services programs.

Regional Grantee

In a significantly expanding role, the MTA is acting as the grantee for federal funds on a pass-through basis. In FY03, the budgeted amount will increase from \$4.4 million to \$18.4 million. In FY02, federal funds were passed through to the Figueroa Corridor project and for projects in the cities of Bell, Burbank, Cudahy, Maywood, Monrovia, Monterey Park and Playa Vista Corporation.

In FY03, new participants will include the cities of Baldwin Park, Compton, Covina, El Monte, El Segundo, Glendale, Santa Fe Springs, South Pasadena, Sierra Madre, West Covina and the Pasadena Metro Blue Line Construction Authority.

Regional Rail Program

Metrolink is a regional passenger rail system which links downtown Los Angeles to the four surrounding counties and the Antelope Valley. Within Los Angeles County, Metrolink trains travel up to 79 miles per hour, with average passenger trip length over 35 miles. Construction, operation

and maintenance of the Metrolink fleet, right-of-way and facilities is performed by the Southern California Regional Rail Authority (SCRRA), a Joint Powers Authority (JPA). MTA and the other four county members of the JPA, in combination with state and federal grants, provide funding.

CAPITAL FUND

Fund Narrative

The Capital Fund accounts for projects to improve infrastructure, acquire equipment, and construct new bus and rail transportation facilities. The capital budget is developed concurrently and approved with the operating budget.

Revenues

Revenues for the capital fund are primarily from intergovernmental grants for infrastructure improvements and equipment acquisition projects (capital projects) and a combination of intergovernmental grants and long-term debt for the major bus and rail projects.

The Capital Fund reflects cost estimates and implementation plans for projects based on agency priorities as established by the Capital Review Committee. Funding is allocated based on plans and schedules to provide resources for project implementation.

Expenditures

The total five-year FY03-07 Capital Program (CP) is \$2.6 billion. For FY03, \$288.6 million has been included for major bus and rail construction and \$222 million has been budgeted for other capital projects, and \$600,000 has been budgeted for capital support expenses.

Capital Program expenditures are comprised of direct project costs for the acquisition, expansion, rehabilitation of infrastructure, and capital assets as well as staff necessary for successful design, construction, acquisition, and implementation.

Combined Statement of Revenues, Expenditures and Changes in Fund Balances For the Years Ending June 30, 2001, 2002 and 2003

(Amounts in millions)

				Lig	ht Rail	*		Heavy Rail*					
		FY01			FY02		FY03		FY01		FY02	F	Y03
	Capital Project Funds	Α	ctual	Ad	opted	P	roposed	Α	ctual	Ac	lopted	Pro	posed
1	Revenue:												
2	Intergovernmental grants	\$	11.7	\$	42.4	\$	75.3	\$	164.0	\$	69.5	\$	53.1
3	Investment income		0.3		-		-		7.9		-		-
4	Other		-		*		•		(1.3)		-		-
	Total revenues		11.9		42.4		75.3		170.6		69.5		53.1
6 ⁻ 7	Expenditures:												
8	Capital program												
9	Bus acquisitions		-		-		-		_		-		-
10	Bus facilities maintenance		-		-		-		-		-		-
12	Rail facilities maintenance		15.6		7.1		2.1		1.7		6.0		2.5
13	Rail MOW		-		-		-		7.1		0.5		0.0
14	Transit corridors		4.4		39.8		65.6		-		-		-
15	Construction		16.6		56.0		74.7		111.0		124.1		77.9
16	Other		-		0.1		-		-		-		-
17	Subtotal-capital program		36.5		102.9		142.5		119.9		130.6		80.4
18	Other capital support		-		-		-		-		-		-
19	Total expenditures		36.5		102.9		142.5		119.9		130.6		80.4
20													İ
	Excess (deficiency) of revenues over expenditures		(24.6)		(60.5)		(67.2)		50.8		(61.1)		(27.4)
22	04												
	Other financing sources (uses):												
24 25	Operating transfers in		3.8				29.3		(4.0)				
∠5 26	Prop A		3.0		-		29.3		(1.8) (2:3)		- 4.5		1.9
27	Prop C		-		-		0.2		0.1		3.2		0.3
28	TDA STA		-		1.1		2.6		0.1		3.1		0.3
29	Other		- 14.8		41.8		2.5		4.5		7.4		1.5
30	Operating transfers out		14.0		41.0		2.5		4.5		7.7		1.5
31	Prop C		_		(69.5)		_		(0.2)		_		_
32	Capital Fund		(1.2)		(5.3)		(0.9)		(25.3)		(90.8)		(12.8)
33	Proceeds from financing		5.2		92.6		33.4		(25.5)		134.1		26.4
	Total other financing sources (uses)		22.6		60.6		67.1		(24.3)		61.5		17.6
35	Total outer infancing sources (uses)	-	22.0		00.0		07.1		(24.5)		01.5		17.0
	Excess (deficiency) of revenues and other financing												
37 38	sources over expenditures and other financing uses		(2.0)		0.1		(0.1)		26.4		0.4		(9.8)
39	Fund surplus (deficit) balance - beginning of year		0.6		(1.4)		(1.3)		55.0		81.4		81.8
40 41	Fund surplus (deficit) balance - end of year	\$	(1.4)	\$	(1.3)	\$	(1.4)	\$	81.4	\$	81.8	\$	72.1

^{*} Note - FY01 Actual for Metro Rail includes SB 1995 Rail and Light Rail excludes BRT's.

3-18 • Capital Fund Financials

	В	us I	Rapi	d Tran	sitw	ays	Bus	Capital an	d Ot	her			Total		
	FY0			Y02 opted		FY03	FY01 Actual	FY02		FY03		FY01	FY02		FY03
ŀ	ACIU	aı	Au	opted	FIG	posed	ACIUAI	Adopted	PIC	posed	- 1	ctual	Adopted	Pro	posed
!	\$ 1	.6	\$	15.0	\$	70.4	\$ 172.5	\$ 319.5	\$	162.5	\$	349.7	\$ 446.5	\$	361.3
3	` .		•	-	•	-	-	Ψ 010.5	Ψ	-	•	8.2	Ψ 440.5	Ψ	301.0
	-			_		_	(0.1)	_		_		(1.4)	_		_
;	1	.6		15.0		70.4	172.4	319.5		162.5		356.5	446.5		361.3
l		-													
l							i								
ŀ															
١	-			-		-	158.7	260.0		73.7		158.7	260.0		73.7
١	-			-		-	14.6	56.3		49.4		14.6	56.3		49.4
١	-			-		-	6.3	20.0		33.0		23.6	33.0		37.7
١	-			•		-	-	10.3		9.1		7.1	10.9		9.1
١	1	.6		15.0		70.4	-	-		-		6.0	54.8		136.0
١	-			-		-	-	-		-		127.6	180.0		152.6
۱	-			-		-	22.0	60.1		52.2		22.0	60.2		52.2
١	1	.6		15.0		70.4	201.6	406.7		217.4		359.6	655.3		510.7
l				-		-	-	-		0.6		-	-		0.6
Ì	1	.6		15.0		70.4	201.6	406.7		218.0	<u> </u>	359.6	655.3		511.3
۱											:				
				•		-	(29.2)	(87.2)		(55.5)		(3.0)	(208.8)		(150.0)
;												2.0			29.3
	-			•		_	0.5	1.4		- 3.1		(1.8)	5.8		5.0
·	_			_		_	2.8	20.7		29.8		2.9	23.9		30.3
;	_			_		_	8.8	16.0		9.0		9.6	20.3		11.9
	_					_	18.9	47.0		11.7		38.2	96.2		15.7
							10.0						00.2		10
	-			-		-	_	-		-		(0.2)	(69.5)		_
2	_			_		_	(5.6)	•		-		(32.2)			(13.8)
3				•		_	(5.5)	-		-		5.2	226.7		59.9
•				-			25.3	85.1		53.6		23.7	207.2		138.3
;															
;															
				-		-	(3.9)	(2.1)		(1.9)		20.6	(1.6)		(11.8)
,							, , ,	\-··/		(113)			\··-/		,,
	-			-		-	4.9	1.0		(1.1)	_	60.5	81.1		79.5
	\$ -		\$	-	\$	-	\$ 1.0	\$ (1.1)	\$	(3.0)	\$	81.1	\$ 79.5	\$	67.7

GENERAL FUND

Fund Narrative

The General Fund includes activities associated with government that are not legally required or are not required to be accounted for in another fund.

The General Fund provides key compliance and oversight functions legal services, planning and development programs and MTA communication activities with constituents and customers.

Revenues

The primary sources of revenue to the General Fund are Propositions A and C sales tax administration funds, Proposition C Discretionary funds, TDA sales tax administration funds, and Federal, State, and Local grants.

MTA also collects rental and lease revenue on owned property and generates revenue from property management functions provided by the Real Estate Department. Revenues collected from non-recurring sources are included in the General Fund.

Expenditures

Labor expenditures in the General Fund are for Board support functions, management oversight and regional activity functions. The major portion of the professional services budgeted in FY03 are attributable to legal services, auditing, lobbyist contracts, transportation studies and consulting services for transportation planning models. Expenditures associated with property management activities that are not directly attributable to construction efforts are also included in the General Fund. The anticipated Regional Pass Subsidy of \$2 million is also included in the General Fund.

3-20 • General Fund Financials

Statement of Revenues, Expenditures and Changes in Fund Balances For the Years Ending June 30, 2001, 2002 and 2003

(Amounts in millions)

	onomi Eund		FY01	Ţ	FY02	FY03		
<u> </u>	General Fund	Α	ctual	Ad	opted	Pro	posed	
1 R	Revenue:							
2	Intergovernmental grants	\$	4.5	\$	15.0	\$	14.4	
3	Investment income		6.7		1.0		1.2	
4	Lease and rental	1	13.0		12.0		10.2	
5	Proceeds from sales and leaseback		-		10.0		5.0	
6_	Other	<u> </u>	6.5		2.9		2.8	
7 <u>T</u>	otal revenues		30.7		40.9		33.6	
8		l						
9 E	xpenditures:	İ						
10	Subsidies		1.7		0.6		2.1	
11	Services		47.2		70.9		70.4	
12_	General and administrative (1)		19.3		14.4		22.5	
13 <u>T</u>	otal expenditures		68.2		85.9		95.0	
14								
15 <u>E</u>	xcess (deficiency) of revenues over expenditures		(37.5)		(45.0)		(61.4)	
16								
17 C	Other financing sources (uses):							
18	Operating transfers in	1						
19	Prop A (1)		30.1		26.4		26.9	
20	Prop C		10.9		8.3		11.5	
21	TDA		5.3		6.0		6.7	
22	Other		0.3		1.8		-	
23	Operating transfers out	1						
24	Prop C		(0.2)		(0.4)		(9.3)	
25	Enterprise Fund	1	•		(8.0)		-	
26	Other		(0.5)		(1.8)		(1.9)	
27 T	otal other financing sources (uses)		46.0		39.5		33.9	
28		1						
29 E	excess (deficiency) of revenues and other financing							
30	sources over expenditures and other financing uses		8.5		(5.5)		(27.6)	
31								
32	Fund surplus balance - beginning of year (2)	<u> </u>	99.3		107.8		143.3	
33								
34_	Fund surplus balance - end of year	\$	107.8	\$	102.3	\$	115.7	

Note 1 - Expenditures and transfers in, reflect a reclassification of "Regional Activity" costs from Enterprise Fund.

Note 2 - FY03 Beginning fund balances primarily include projected FY02 favorable revenue and expenditure variances.

Financials General Fund • 3-21

DEBT FUND

Fund Narrative

The Debt Service Fund accounts for the accumulation and disbursement of resources related to the payment of general long-term debt principal and interest. Debt service related to the Enterprise and BAD funds are budgeted in those funds.

The Debt Policy, adopted by the Board of Directors, sets forth guidelines for the issuance and management of the MTA's debt, sets limitations on the amount of debt that may be incurred from each funding source and specifies other factors to be considered and documented when issuing debt. Proceeds from this year's commercial paper issuance and any long-term bond issuance will be used to fund the required local contribution to major capital projects including bus, rail and highway capital equipment and facilities.

The MTA has about \$4.06 billion of debt outstanding as of June 30, 2002. The MTA has refunded more than \$3.0 billion of its long-term debt to achieve debt service savings. Those savings exceed \$194 million on a present value basis.

Revenues

Annual revenues budgeted for the payment of debt service consists primarily of local sales tax revenues from Propositions A and C. Other sources include federal grants, fare collections, other financing sources and other operating revenues.

Expenditures

Commercial paper will be issued to provide interim funding for capital expenditures prior to the issuance of long-term bonds. If deemed appropriate during the fiscal year, long-term bonds may be issued. Otherwise, long-term bonds will be issued in a subsequent fiscal period to retire the commercial paper and provide permanent, long-term financing.

MTA's total FY03 debt service requirement is \$297.4 million and \$273.2 million is included in the Debt Service fund. The remaining \$24.2 million is budgeted in the Enterprise and the Benefit Assessment Districts funds. See MTA FY03 Debt Service Schedule for further detail.

Debt Limitations/Use Restrictions

MTA issues additional debt consistent with the Board adopted multi-year Capital Program. Revenues are allocated in accordance with the applicable ordinances, legislation, and planning processes.

Although MTA's bonds are not subject to California constitutional debt limitations, the MTA has contractual covenants as part of its bond indentures that set bounds for additional issuance. Some covenants restrict the percentage amount of specific revenue sources that may be used to service debt. These covenants provide protection to bondholders and limit the amount of additional bonds that may be issued. As a result, the

3-22 • Debt Fund Financials

MTA's senior lien sales tax revenue bonds carry the high credit ratings of A+ and AA.

Financials Debt Fund • 3-23

Statement of Revenues, Expenditures and Changes in Fund Balances For the Years Ending June 30, 2001, 2002 and 2003 (Amounts in millions)

Dobt	: Service Funds	1	FY01 ctual		FY02 dopted	D-	FY03 oposed
1 Rever		 ^	Cluai	A	opted	FI	oposeu
	ergovernmental grants	 	3.3	\$	4.4	\$	2.7
	estment income	"	16.4	Ψ	9.0	Ψ	9.0
	revenues	1-	19.7		13.4		11.7
5	ieverides	1	10.7		10.4		
-	nditures:						
•	vices		4.4		6.6		6.1
	ot and interest expenditures		264.3		288.8		267.0
	expenditures	-	268.7		295.4		273.2
10		<u> </u>				-	
11 Exces	ss (deficiency) of revenues over expenditures		(249.0)		(282.0)		(261.5)
12		t	<u> </u>				
	financing sources (uses):						
	erating transfers in	İ					
•	Prop A	ĺ	147.7		151.0		153.6
	Prop C	İ	97.0		131.7		107.0
17 Ope	erating transfers out	Ì					
	Prop A/C	ł	(9.9)		-		-
19 (Capital Fund		(1.7)		-		-
20 Pay	ment to refunding bond escrow agent		(408.7)		(290.9)		-
21 Pro	ceeds of refunding bonds	ļ	431.9		290.9		-
22 Total	other financing sources (uses)		256.3		282.7		260.6
23							
24 Exces	s (deficiency) of revenues and other financing	l					
25 sou	rces over expenditures and other financing uses	ĺ	7.3		0.7		(0.9)
26							
27 Fur	nd surplus balance - beginning of year		253.2		260.5		261.2
28							
29 Fur	nd surplus balance - end of year	\$	260.5	\$	261.2	\$	260.3

3-24 • Debt Fund Financials This Page Intentionally Left Blank

Financials Debt Fund • 3-25

MTA FY03 Debt Service Schedule

	lgeted Debt	Initial	Principal Balance	Interim Commercial	FI	rincipal Adjustment New Money	Commer. Paper	Principal Pmt	Principal Bat.
	Transaction Name	PAR Value	As of 6/30/02 (1)	Paper Financing	New Money	Financing Cost	Refunding	FY03	as of 6/30/03
1	1986-A New Money	707,615,000	7.0 01 0/00/02 (1)	1 apor i manong	right indica	- manding cook	1 tolollolling		-
2		271,550,000			1 -				
3	1988-A Refunding	112,274,129	. 1	_					1
4	1989-A Refunding	174,303,858		_		_	_	_	1
5		500,000,000			[
6	1991-B Refunding	281,425,000	66,450,000			_	_	940,000	65,510,00
7	1992-A Refunding	98,700,000	98,700,000	_	_		ĺ	340,000	98,700,00
8	1992-B Refunding	107,665,000	33,615,000	-		_	_	18,310,000	15,305,00
9	1993-A Refunding	560,570,000	540,115,000]	_		3,195,000	536,920,00
10	1996-A New Money	110,580,000	14,535,000]			2,130,000	12,405,00
11	1997-A Refunding	256,870,000	241,410,000	_			_	9,690,000	231,720,00
12	1999-A Refunding	160,205,000	160,205,000	_	_		_	8,050,000	160,205,00
13	1999-B New Money	150,340,000	135,114,982	-				8,500,000	126,614,98
14	1999-C Refunding	170,495,000	169,690,000	_	i		_	425,000	169,265,00
15	2001-A New Money	55,685,000	54,750,000	_			_	970,000	53,780,00
16	2001-B Refunding	191,215,000	190,012,716	-	_		_	190,000	189,822,71
17				_			-	130,000	103,022,71
18	1990-A Lease Rev. Bnd (CBL)	26,400,000	9,966,000					1,012,000	8,954,00
19	1990-A Yen Obligation (CBL)	6,600,000	4,834,987					1,894,434	2,940,55
20	1993-A CRA Housing	9,454,406	9,365,513					184,841	9,180,67
21	1993-A CRA Redevelopment	21,665,000	0,000,0		_		_	104,047	0,,00,0
22	2002-A CRA Redevelopment Refunding	20,825,000	20,825,000	· ·				13,750	20,811,25
23	1996 Refunding	104,715,000	22,155,000	•	_		-	1,970,000	20,185,00
24	Tax-Exempt Commercial Paper	350,000,000	183,306,000	80,295,000			_	1,310,000	263,601,00
25	Prop A Debt Sub-Total	4,449,152,392	1,955,050,198	80,295,000				49,425,025	
26	1 TOP A DEGL GOOF I OLAI	7,770,102,002	1,000,000,180	30,233,000				70,720,020	1,000,020,17
27	1992-A New Money	516,855,000	59,725,000		<u>-</u>			10,550,000	49,175,00
28	1993-A Refunding	204,095,000	200,709,968	•				955,000	199,754,96
29	1993-B New Money	312,350,000	278,010,000		•		<u> </u>	7,500,000	270,510,00
30	1995-A New Money	250,000,000	235,680,000	•	_			5,270,000	230,410,00
31	1998-A Refunding	219,710,000	219,709,965	•	•	•	-	5,270,000	219,709,96
32	1999-A New Money	124,805,000	120,939,964	•	•	•	-	2,285,000	118,654,96
33	2000-A New Money	161,995,000	156,925,000	•	•	•	- 1	2,725,000	154,200,00
34	2003-A New Money	101,995,000	150,525,000	•	- 1	· 1	-	2,725,000	154,200,00
35	Taxable Commercial Paper	150,000,000	73,656,000	34,433,000	-	•	•	•	108,089,00
36	Local Allocation City of Los Angeles	21,700,000	15,190,000	34,433,000	:	-		2,170,000	13,020,00
37	Prop C Debt Sub-Total	1,961,510,000	1,360,545,897	34,433,000				31,455,000	
38	Prop C Debt Sub-rotal	1,901,310,000	1,300,343,091	34,433,000		_ 		31,433,000	1,363,523,89
39	1995-A New Money (USG)	169.500.000							
40			68,400,205	•	-	•	:	2 740 706	GE 690 400
41	2000 Breda Lease (Norwest)	71,120,005		•	-	-	•	2,719,796	65,680,409
	2000 Breda Lease (CIBC)	15,240,004	14,680,395	•		•	-	552,924	14,127,47
42	2000 Breda Lease (Comerica)	96,520,000	92,864,196	•	-	-	-	3,406,464	89,457,732
43	2001 Comerica Lease	82,500,000	82,500,000	-	-	•	-	1,553,558	80,946,442
44	Debt Overhead Costs	40.040.000	0.450.500	•	-	-	- 1	4 700 000	4 700 50
45	1991-G CSDA COP	19,340,000	3,452,500	•	-	-	-	1,720,000	1,732,500
46 47	1992-C CTFC COP - Torrance	3,390,000	580,000					290,000	290,000
48	Other Debt Sub-Total	457,610,009	262,477,296	·				10,242,742	252,234,554
40 49	4002 B. I. A. Burn I. anno. (Dellar)	44 070 500				·			
49 50	1992-B LA Bus Lease (Dollar)	11,372,509	•	•	-	•]	-	•	-
50 51	1992-B LA Bus Lease (Yen)	0.477.000	-	•	-	-	•	-	•
	1992-C LA Bus Lease (Dollar)	9,477,000	•	•	-	-	i	•	
52	1992-C LA Bus Lease (Yen)	food belevit	· /	•	-	-	•	•	
53	1993-A LA Bus Lease (Dollar)	(see below)	(see below)	•	•	- (-	•	-
54	1993-A LA Bus Lease (Yen)	(000 5-1	·	•	-	•	-	•	
55	1992-A Worker Comp COP	(see below)	(see below)	•	-	-	-	-	(see below
56 57	1992-B CTFC COP - RTD	(see below)	(see below)					· · · · · ·	(see below
57	Enterprise Fund Sub-Total	(see below)						·	-
58	4000 A B-8 A Bi-4 A4	4							
59	1992-A Brift Assmt. Dist. A1	(see below)	(see below)	•	-	-	-	-	(see below
60	1992-A Brift Assmt. Dist. A2	(see below)	(see below)	•	-	-	- 1	-	(see below
61	2001-A Brift Assmt. Dist. A1 Refunding	(see below)	(see below)	•	- 1	-	-	•	(see below
62	2001-A Bnft Assmt. Dist. A2 Refunding	(see below)	(see below)	· · · · · · · · · · · · · · · · · · ·					(see below
63	Special Rev. Fund Sub-Total			<u> </u>					<u> </u>
64		i		(
65	1996-A Refunding (USG)	185,735,000	185,735,000	I	-				185,735,000
66	Internal Fund Sub-Total	185,735,000	185,735,000		-	-	-		185,735,000
67									
68	Budgeted Total	7,054,007,401	3,763,808,391	114,728,000	-	-		91,122.767	3,787,413,624
69									,,,
70	Reduction in Liabilities	1		1	1				
	1992-A Brift Assmt, Dist. A1	154,055,000	127,095,000	_	_	_	_	7,510,000	119,585,000
	1992-A Brift Assmt. Dist. A1			-	-	•	- 1	425,000	
		8,115,000	6,715,000	•	-	-	-		6,290,000
	2001-A Boft Assmt, Dist. A1 Refunding	42,465,000	42,465,000	-	- 1	•	-	235,000	42,230,00
	2001-A Brift Assmt. Dist. A2 Refunding	6,705,000	6,705,000	-	-	-	- 1	115,000	6,590,000
	1992-A Worker Comp COP	160,000,000	98,800,000	- 1	-	-	-	9,900,000	88,900,000
	1992-B CTFC COP - RTD	118,375,000	19,725,000					9,865,000	9,860,000
78	Liability Reduction Total	489,715,000	301,505,000					28,050,000	273,455,000
79	Total	7,543,722,401	4,065,313,391	114,728,000					4,060,868,624
80									

Foot Notes

- 1 Accrual basis. Reflects 7/1/02 principal payment.
 2 For transactions existing since before 1999, Miscellaneous Fees are not secured from sales tax revenues and may therefore be budgeted to be paid from other available funding

- a Capital needs are \$150 million for Prop C in FY03. An additional 10 percent represents the finance cost. Currently, capital needs for Prop A fall below the optimal financing issuance of \$150 million; hence, no bond financing for Prop A will be issued in FY03.
 4 A portion of Prop A 40% Discr. is pledged to fund debt service for these bonds. The developer is expected to reimburse the MTA from net project revenues.
 5 Assumes a weighted average of the beginning balance of \$183.3 million plus increases of \$80.3 million during the year @ 4.0%.
 5 Assumes a weighted average of the beginning balance of \$73.7 million plus increases of \$34.4 million during the year @ 6.0%.
 7 The MTA has issued COP's to finance the acquisition of buses and/or facilities, for which it anticipates receiving reimbursement from the user as a sublease payment.
 8 Only the miscellaneous fees are debt. OMB and Accounting have reprogrammed the P&I expenses to be a reduction of a liability which is not a debt expense. The P&I expenses are found in the section entitled "Reduction of a Liability."

MTA FY03 Debt Service Schedule, continued

	Principal	Interest	Total D/S P&I	Misc. Fees (2)	Total D/S Expense	Debt Service Fund	Enterprise Fund	Internal Service Fund	Agency Fund	Foot Notes
	: :	•				:	•		-	:
1	- 1			•	_	1 1	•			
	- 1	_							-	
	-		-		-					
	940,000	4,315,492	5,255,492	17,500	5,272,992	5,272,992	-	-	•	-
	· •	5,783,820	5,783,820	412,600	6,196,420	6,196,420	-	•	•	-
	18,310,000	2,016,900	20,326,900	12,500	20,339,400	20,339,400	•	- 1	•	-
	3,195,000	28,530,016	31,725,016	13,500	31,738,516	31,738,516	•	-	-	-
	2,130,000	765,240	2,895,240	11,000	2,906,240	2,906,240	•	-	•	-
	9,690,000	13,443,524 8,136,412	23,133,524	9,500 9,500	23,143,024 8,145,912	23,143,024	•	•	-	
	8,500,000	6,145,200	8,136,412 14,645,200	9,500	14,654,700	8,145,912 14,654,700	•	-	•	•
	425,000	8,369,260	8,794,260	9,500	8,803,760	8,803,760			•	[
Į	970,000	2,585,384	3,555,384	9,500	3,564,884	3,564,884			-	_
	190,000	9,860,576	10.050,576	9,500	10,060,076	10,060,076				
l	-	-			•		-	-	-	
	1,012,000	713,108	1,725,108	9,500	1,734,608	1,734,608	-	•	•	•
	1,894,434	-	1,894,434	9,500	1,903,934	1,903,934	•	-	-	-
	184,841	544,168	729,009	5,000	734,009	734,009	- 1	-	-	
						•	-	-	-	
	13,750	1,134,507	1,148,257	2,500	1,150,757	1,150,757	-	•	-	
	1,970,000	1,120,656	3,090,656	9,500	3,100,156	3,100,156	-	-	-	-
_	40 405 005	8,891,086	8,891,086	1,646,514	10,537,600	10,537,600		·	<u> </u>	
μ.	49,425,025	102,355,349	151,780,374	2,206,614	153,986,988	153,986,988			-	
_	10,550,000	3,769,920	14,319,920	10,000	14,329,920	14,329,920			-	
	955,000	10,299,708	11,254,708	805,680	12,060,388	12,060,388	:			-
	7,500,000	14,321,004	21,821,004	8,500	21,829,504	21,829,504		_ []	_	_
	5,270,000	12,551,472	17,821,472	8,500	17,829,972	17,829,972	<u>.</u> J			
	-	11,234,876	11,234,876	8,500	11,243,376	11,243,376	-		-	-
	2,285,000	5,760,388	8,045,388	8,500	8,053,888	8,053,888	-		-	
	2,725,000	8,000,976	10,725,976	8,500	10,734,476	10,734,476	-	-	-	-
	-	-	-	•	-		-	-	-	
	-	5,165,160	5,165,160	720,518	5,885,678	5,885,678		-	-	
	2,170,000	539,788	2,709,788	•	2,709,788	2,709,788	-		•	
	31,455,000	71,643,292	103,098,292	1,578,698	104,676,990	104,676,990		<u> </u>	-	-
_										
				-			-	-	-	-
	2,719,796	521,004	3,240,800	•	3,240,800	3,240,800	•	•	-	•
	552,924	120,468 952,762	673,392	-	673,392	673,392	-	-	-	-
	3,406,464 1,553,558	105,436	4,359,226 1,658,994	•	4,359,226 1,658,994	4,359,226	-	•	-	-
	1,555,556	105,430	1,000,994	2,321,000	2,321,000	1,658,994 2,321,000	- 1	•		•
	1,720,000	168,792	1,888,792	18,500	1,907,292	1,907,292	_			_
	290,000	34,512	324,512	19,000	343,512	343,512	-	.	_	
	10,242,742	1,902,974	12,145,716	2,358,500	14,504,216	14,504,216	-			-
	-	-]	-	-	-	-	-	-	-	-
	- 1	-	•	-	-	-	-		-	-
	- 1	-	-	-	•	•	-	-	-	-
	-	-	-	-	-	•	-	•	-	•
	-	-	-	-	• []	-	-	-	- 1	8,
	-					-		-	-	1
	•	6,290,200	6,290,200	107,600	6,397,800	•	6,397,800	•	-	1
		616,252 6,906,452	616,252 6,906,452	9,500 117,100	625,752 7,023,552		625,752 7,023,552			7, 1
-		0,900,432	0,900,432	117,100	7,023,552		7,023,332			<u> </u>
	_	4,553,209	4,553,209	9,000	4,562,209		Ť		4,562,209	11, 1
		19,125	19,125	9,000	28,125	_		.	28,125	11, 1
	.	1,635,547	1,635,547	9,000	1,644,547	_		.	1,644,547	11, 1
	-	238,302	238,302	9,000	247,302				247,302	11, 1
		6,446,183	6,446,183	18,000	6,482,183	•			6,482,183	•
-			7							
	.	10,739,733	10,739,733	9,500	10,749,233	.	.	10,749,233	.	1
		10,739,733	10,739,733	9,500	10,749,233			10,749,233		'
		,. 55,, 56	,,	2,000	,. 10,200			.5,7 40,200		
_	91,122,767	199,993,982	291,116,750	6,288,412	297,423,162	273,168,194	7,023,552	10,749,233	6,482,183	
	,,,	,		-,,-12		_, 0,,00,,04	.,520,002	. 5,1 40,200	5, .52, .00	
	-	1								
	7,510,000	.	7,510,000	.	7,510,000	-	-	-	7,510,000	1
	425,000	-	425,000	.	425,000	-	-	- +	425,000	1
	235,000	-	235,000	- 1	235,000	-	-	- 1	235,000	1
	115,000	-	115,000	.	115,000	-	-	-	115,000	1
	9,900,000	- (9,900,000	- (9,900,000	-	9,900,000	-	-	1
	9,865,000	-	9,865,000		9,865,000	•	9,865,000			1
	28,050,000		28,050,000	•	28,050,000		19,765,000		8,285,000	
			1	1			1	l l	1	

^{9 -} The RTD's Bus JLL's lease expense payment which is forwarded to the Trustee who then makes payment to the CTFC as holder of the bonds. The CTFC then forwards the

payment to MTA.

10 - This payment is converted into Yen through existing Yen currency swaps with Sumitomo Bank Capital Markets and with Barclays Bank and is then wire transferred to the Japanese lessor.

Japanese lessor.

11 - Only the interest expense is debt. OMB and Accounting have reprogrammed the principal expense to be a reduction of a liability — which is not a debt expense. The principal expense is found in the section entitled "Reduction of a Liability."

12 - The Benefit Assessment District debt service is solely an obligation of the respective districts and is paid from assessments received through the County Assessor's Office.

13 - OMB and Accounting have reprogrammed the principal and interest of this transaction to overhead administrative costs. Miscellaneous fees have remained in the D/S Fund.

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CAPITAL PROGRAM

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INTRODUCTION

The Capital Program (CP) is a financial plan of proposed capital projects, their costs, and timing over a five-year period. The CP is designed to meet MTA infrastructure needs in a responsive and efficient manner. It incorporates the current and future needs of the MTA and is updated annually.

The CP provides for the acquisition, construction, reconstruction, initial fixtures and equipment, renovation, rehabilitation, and replacement of facilities with a life expectancy of at least one year and any related costs for land acquisitions, land improvements, design, feasibility studies, engineering studies and engineering. It includes projects, which are, or will become, the property of MTA as well as projects that although not owned by the MTA, will be part of a joint project agreement with other governmental entities.

Capital projects are planned and executed in phases. The project development phase identifies project requirements and defines the project work scope. This includes preliminary design studies, permitting requirements, data collection, public involvement, legal and technical documentation, cost estimates, and assessment of alternatives.

The design phase includes professional consultant activities, legal and technical documentation, constructibility review, data collection, advertising, assessment of

alternatives related to project design, construction management services, and bid reviews.

The property acquisition phase includes the purchase of land, easements and right-of-way. This also includes negotiating the purchase price, surveys, appraisals, environmental audit, permitting, legal costs, maps, charts, and other costs.

The construction phase includes project construction contracts, professional and technical assistance, advertising, legal and technical documentation, inspection, testing, and permitting.

The MTA's 237 capital projects were grouped in one of the following eight elements: Major Bus and Rail Construction, Bus Acquisition, Bus Facilities Maintenance, Bus Maintenance, Rail Facilities Maintenance, Rail Vehicle Maintenance, Maintenance-of-Way (MOW), and Other Capital Projects.

Financing Of The Capital Program

The capital program is funded primarily with Federal, State and Local Grants. Additionally, the MTA finances a portion of the capital projects with debt and short term financing.

Capital Projects/Operating Budget Relationship

The capital projects program is a multi-year financial plan for the acquisition, expansion, and rehabilitation of infrastructure, construction, and other capital assets.

The first year of the Capital Program is authorized with approval of the operating budget. Five years are presented to the Board to acknowledge that approval of the fiscal year's expenditures provides for multi-year project approval. The CP is updated annually and presented to the Board of Directors for authorization.

Capital projects typically apply to: (1) expenditures which take place over two or more years, requiring continuing appropriations beyond a single fiscal year; (2) funding with debt because of significant costs to be shared by current and future beneficiaries; (3) systematic acquisition over an extended period of time; and (4) scheduled replacement or maintenance of specific elements of physical assets.

PROJECTS DISCUSSION

Major Bus and Rail Construction Projects

The budget for the Major Bus and Rail Construction Projects in FY03 reflects costs necessary for construction, closeout, claims settlement, start-up costs and litigation on the Metro Red Line, Blue Line, and Green Line. New to the FY03 Budget are capital expenditures for start-up of the Pasadena Gold Line, the Eastside Light Rail Transit (LRT), as well as engineering and construction of the SFV East-West Bus Rapid Transit (BRT).

Metro Red Line Segment 3

Included are costs necessary for completion of the Hollywood Freeway overpass, and the Lankershim Boulevard pedestrian underpass at Universal City Station and costs associated with site restoration, utility relocation, contract closeout, claim settlement and litigation.

Metro Red Line Segment 2

The FY03 Budget includes costs needed for completion of all remaining change order processing and contract closeouts, claim settlements and litigation costs.

Los Angeles Light Rail Vehicle Car

The final eight cars will be accepted in FY03. The budget includes consultant services, administrative support, Automatic Train Protection (ATP), and Train to Wayside Communications (TWC) equipment.

Eastside Light Rail Transit

This project is transitioning from the planning phase to the final design and construction phase. The budget includes the final design work, award of tunneling and underground station excavation, real estate acquisition, costs for award of rail car contract, and third party administration. This extension will connect East Los Angeles with downtown Los Angeles. The corridor will extend from Union Station to Beverly Boulevard and Atlantic Boulevard intersection.

The light rail line will operate atgrade for 5.3 miles and 1.7 miles through tunnels in Boyle Heights.

San Fernando Valley East-West BRT Transit Corridor

In FY03, design will continue and construction will begin on the SFV Bus Rapid Transit (BRT). This project is scheduled for completion in the year 2004. The BRT is an exclusive 14 mile. at-grade busway from the Metro Red Line North Hollywood station to Warner Center via the Burbank/Chandler right-of-way. The full busway project will consist of a 26foot wide busway, a bikeway and a landscaped median on the typical 60 to 100-foot wide right-of-way. It will parallel several major streets and will have thirteen stations spaced approximately one mile apart.

Total travel time for the full length of the corridor will be approximately thirty minutes. Park and Ride facilities at five stations will provide approximately 3,250 parking spaces plus existing parking at the North Hollywood Metro Red Line Station.

Mid-City/Wilshire Bus Rapid Transit

Preliminary engineering will continue during FY03. At the completion of preliminary engineering, staff will request direction from the Board of Directors. The Wilshire Boulevard Bus Corridor improvements are scheduled for completion during FY05. This project builds on the success of the Metro Rapid Bus Whittier/ Wilshire line to provide dedicated lanes for transit vehicles. The project includes larger capacity buses, multiple door boarding and alighting, and pre-payment of fares in station areas.

INFRASTRUCTURE IMPROVEMENT AND ACQUISITION CAPITAL PROJECTS

The infrastructure improvement and acquisition projects are sorted by the following elements: Major Bus and Rail Construction, Bus Acquisition, Bus Facilities Maintenance, Bus Maintenance, Rail Facilities Maintenance, Rail Vehicle Maintenance, Maintenance-of-Way, and ITS, Communications and Other Capital Projects.

Bus Acquisitions

The FY03 Bus Acquisition budget is \$73.7 million. The accelerated bus procurement plan is on schedule to be completed in FY04. For FY03, 30 buses are planned for delivery. The other FY03 expenditures in this element are primarily for bus system improvements such as the Universal Fare System (UFS) and the Advanced Transportation Management System (ATMS).

Bus Facilities Maintenance

The FY03 Bus Facilities Maintenance budget is \$43.6 million. Bus Facilities Maintenance projects include construction work at bus divisions to replace and refurbish equipment and facilities, and for the expansion of buildings and facilities and storage tank remediation.

Bus Maintenance

The Bus Maintenance projects budget is \$5.8 million. Projects in this category include refurbishing buses, upgrading emission control equipment and replacing shop equipment.

Maintenance-of-Way

The FY03 Maintenance-of-Way budget is \$9.1 million. This includes funds for upgrading of stations and operating facilities to comply with ADA requirements, station and tunnel water mitigation, installation, maintenance of gas analyzers, maintenance and refurbishment of traction power, signals, facility and track.

Rail Facilities Maintenance

The FY03 Rail Facilities Maintenance budget is \$31.8 million. This covers facility expansion projects, safety improvements, radio system upgrades, and support equipment.

Rail Vehicle Maintenance

The FY03 Rail Vehicle Maintenance budget is \$5.8 million. The Rail Vehicle Maintenance projects include ADA approved between car barriers for Red Line cars and the mid-life overhaul program for light rail vehicles.

ITS, Communications and Other Capital Projects

The FY03 ITS, Communications and Other Capital Projects budget is \$52.2 million. ITS projects support development of communications and information systems and replacement of obsolete computer equipment. Specific efforts include upgrade of human resources and payroll systems, the Financial Information System (FIS), the Customer Information

System and PC applications, division network construction, Maintenance and Material Management System, and obsolete PC workstations.

Other capital projects include equipment procurement and

installation, procurement of various service trucks and small purchases of equipment required for maintenance of the revenue fleet, non-revenue vehicle fleet and facilities.

CAPITAL PROGRAM PROJECT LIST

	. =		Operating			_	Project Bud	get (\$000s)		EV 03.0=	
Project	t Title	CP#	Budget Impact	Forecast 2002	2003	2004	2005	2006	2007	FY 03-07 Total	New
	cquisition										
1 Univen	sal Fare Collection System	2100014	High	4,900	15,460	72,628	-	-	-	88,088	
Manag	ced Transportation perment System (ATMS)	2100015	High	7,931	40,711	29,280	+	-	•	69,991	
Progra	ct Services - Bus Lease im	2101021	Negligible	8,654	7,325	9,460	9,656	9,852	9,570	45,864	
223 Ne	ew Flyer Option (FY01)	2101022	Negligible	2,231	318	-	-	-	-	318	
5 215 NA	ABI Option (FY01)	2101023	Negligible	32,338	325	•	-	-	-	325	
370 Bu	ıs Buy (FY02)	2101024	Negligible	127,836	752	-	-	-	-	752	
Bus Bu	y Option (FY04)	2101027	No-lieible			60	22.255	20.546	46 675	77,406	
Bus Bu	ıy (FY06)	2101027	Negligible Negligible	-	•		23,255	38,516 55	15,575 49,414	49,469	*
	ite Fuel High Capacity Buses			•	•	•	-	33	40,414		_
(FY03))	2102003	Negligible	239	6,211	9,251	-	-	-	15,463	*
- 500 50	ıy (FY07)	2105001	Negligible	-	-	-	-	-	58	58	*
	purchase of Shuttle Buses	2105007	Negligible	-	2,125	2,304	2,304	2,304	2,304	11,340	
	us Purchase	2105008	Negligible	-	500	6,020				6,520	_
3	Bus Acquisition Total			184,129	73,727	129,002	35,214	50,727	76,921	365,592	_
			_								_
Bus Fa	scilities Maintenance										_
4 Div. 1 (CNG Fueling Facility Lease	2300069	Moderate	1,212	1,232	1,265	1,240	742	650	5,128	
⁵ Bus Di	vision Maintenance Equip.	2303006	Negligible	1,491	1,018	1,208	1,233	1,258	1,283	6,001	
	e Bus Div. Emerg. Generators	2303008	Negligible	61	619	627	-	•	-	1,246	
	m System Upgrade and sement Program	2303010	Negligible	383	1,068	1,197	2,042	442	394	5,143	
8 Bus div	vision Roll-Up Doors	2303012	Negligible	402	507					507	
	ishment n 4 Facility Improvements	2303013	Negligible	144	153	_	_	_	_	153	
Landso	aping Replacement at Bus		• -			-	-	•	•		
Facilitie		2303014	Slight	29	115	•	•	•	-	115	
, pris Ob	perating Facility Improvements	2303020	Negligible	1,878	791	751	793	813	824	3,972	
2 ADA C	ompliance at Park-N-Ride Lots		[]								
	ompliance at Bus Operating ns and Customer Service	2303035	Slight	10	10	77	-	-	•	87	
Center	s	2303036	Slight	1,866	738	600	•	-	-	1,338	
at Divis	e Underground Storage Tanks sions 1, 8, 15, and RRC.	2303038	Negligible	588	158	-	-	-		158	*
3, 6, 7,	emediation Project: Divisions 1, 8, 10, 15, 18 General Building Modifications -	2303039	Negligible	1,275	2,816	2,114	1	-	-	4,931	
Facilitie		2303043	Negligible	-	684	-	-	-	-	684	
⁷ Replac	ement of Air Compressors	2303077	Negligible	17	102	-	-	-	•	102	
Bus Ex	haust System	2303083	Negligible	34	445	-	-	-	-	445	
9 Update	ASRS Test Equipment	2303090	Negligible	20	83	-	-	•	-	83	
1 100000	Radio Shop Test Equipment	2303091	Negligible	-	122	•	-	•	-	122	
Opdate		2303113		1,092	1.093	887	664	466	332	3,443	

			Operating				Project Bud	get (\$000s)			
	Project Title	CP#	Budget Impact	Forecast 2002	2003	2004	2005	2006	2007	FY 03-07 Total	New
	Bus Facilities Maintenance										
1	Div. 7 CNG Fueling Facilty Lease	2303114	Moderate	1,092	1,115	905	677	475	338	3,510	
2	Div. 2 CNG Fueling Facility Lease/Purchase	2303115	Moderate	535	455	473	483	492	502	2,405	
3	Div. 2 Maintenance Facility Mandated CNG Upgrades	2303116	Slight	1,233	158	_	_			158	
4	Div. 6 Maint. Facility Mandated CNG Upgrades	2303118	Slight	1,105	142	_	_	-	_	142	
5	Div. 9 CNG Fueling Facility Lease/Purchase	2303121	Moderate	802	525	438	447	456	466	2,333	
6	Div. 9 Maint. Facility Mandated CNG Upgrades	2303122	Slight	1,118	144				-	144	
7	Div. 15 CNG Fueling Facility Lease/Purchase	2303123	Moderate	776	437	455	464	474	483	2,313	
8	Division Floor Coating	2304002	Negligible	-	329	626	899	496		2,350	*
9	Division Roof Repairs	2304003	Negligible		551			-	-	551	
10	In-Ground Bus Hoist Replacement	2304004	Negligible	-	1,941	2,032	2,122	2,105	2,108	10,309	
11	Replace Drop Ceilings at Divisions	2304005	Negligible	-	405	161	· -	•	· <u>-</u>	566	
12	Refurbish EVAPCO Open Towers	2304006	Negligible	_	140		_		_	140	
13	Div. 3 CNG Fueling Facility Expansion	2304007		3	454	254	070	889	007	3.976	
14	Lease/Purchase Div. 8 CNG Fueling Facility Expansion	2304007	Moderate	3	434	854	872	009	907	•	
	Lease/Purchase	2304008	Moderate	1	454	854	872	889	907	3,976	
		2304009	Negligible	178	389	266	•	•	•	655	
		2304018	Negligible	44	320	-	•	•	-	320	
17	Remove and upgrade underground storage tanks	2304022	Negligible	-	3,638	2,418	2,476	•	-	8,532	
18	Landscape Enhancements	2305002	Negligible	-	73	1,440	813	•	-	2,326	*
19		2305008	Slight	.	141	179	352	359	190	1,219	*
20	Two New Bus Divisions	2305012	Negligible	-	4,959	-		-		4,959	*
21	Division Remodel/Upgrades	2305013	Negligible	_	62	1,914	1,953	1,993	1,735	7,657	*
22	Bus System Fire Code Corrections (Reg. 4	0005045			F0.4	570	F04	602		2.004	*
23	Violations) Bus Facilities Maintenance Projects 03-07 (Under	2305015	Negligible	-	504	579	591	603	615	2,891	
	\$1.0 million)	2305017	Slight	-	4,765	5,597	6,101	6,101	6,101	28,665	*
24	Div. 9 Shop Renovation & Expansion	2305018	Negligible	_	3,701	2,484	680	_	_	6,865	*
25	Denova I AV 9 Other Terminate	2305019	Negligible	_	940	_,		_	_	940	*
26	Temple 2 Beauty I guerre Facility	2305020	Negligible	_	• • •	1,735	_	•	<i>:</i>	1,735	*
27	Div. 7 Escility Improvements	2305021	Negligible	_	2,621	1,000	_			3,621	*
28	Div. 2 Maintananaa Ruilding Mademiration	2305022	Negligible	_ [923	856		_		1,779	*
29		2305022	Negligible	-	804	-	-	•	-	804	•
30	LAX Terminal Improvements	2305024	Negligible	-	366	•	-	-	-	366	*
31	El Monte Transit Station Enhancements	2305025	Slight	-	114		-	•	-	114	*
32	Screen Process Shop - Degreasing System	3908006	Negligible	200	249	-	-	•	-	249	
33	Bus Facilities Maintenance Total			17,589	43,567	33,992	25,775	19,055	17,835	140,224	

Project Name		Orginal Title		Operating Budget	Forecast			Project But	iget (\$000s)			
Replace Regional Rebuild Certife Shop Experience 200004 Replace Regional Rebuild Certife Shop Experience 200004 Replace Regional Rebuild Certife Shop Experience 200004 Replace Regional Rebuild Certife Shop Experience 200004 Replace Regional Rebuild Certife Shop Experience 200004 Replace Regional Rebuild Certife Shop Experience 200004 Replace Regional Rebuild Certife Shop Experience 200004 Replace Regional Rebuild Certife Shop Experience 200004 Replace Regional Rebuild Certife Shop Experience 200004 Replace Regional Rebuild Certife Shop Experience 200004 Replace Regional Rebuild Certife Shop Experience 200004 Replace Regional Rebuild Certife Shop Experience 200004 Replace Regional Rebuild Certife Shop Experience 200004 Replace Regional Rebuild Certife Shop Experience 200004 Replace Regional Rebuild Certife Shop Experience 200004 Replace Regional Rebuild Certife Shop Experience 200004 Replace Repl		Project Title	CP#			2003	2004	2005	2006	2007	FY 03-07 Total	New
Replace Regional Rebuild Center Shop 200044 Regligible 700 812 499 509 527 537 2,884		Bus Maintenance										
Equipment 2200044 Negligibile 700 812 499 509 527 537 2,884	1	Engine Rebuild - EPA Kits	2200031	Slight	1,472	1,254	889	5	-	-	2,148	
Project CRT Installation or Revenue Diesel Bus Fleet (Diesel Emissions Systems Revort) Project CRT Installation or Revenue Diesel Bus Fleet (Diesel Emissions Systems Revort) Project CRT Installation or Revenue Diesel Bus Fleet (Diesel Emissions Systems Revort) Project CRT Installation or Revenue Diesel Bus Fleet (Diesel Emissions Systems Revort) Project Revort		Equipment	2200044	Negligible	700	812	499	509	527	537	2,884	
Superficial (Piesel Emissions Systems Rairoft) Superficial (Piesel Emissions Systems Rairoft) Superficial (Piesel Emissions Systems Rairoft) Superficial (Piesel Emissions Systems Rairoft) Superficial (Piesel Emissions Systems Rairoft) Superficial (Piesel Emissions Systems Rairoft) Superficial (Piesel Emissions Systems Rairoft) Superficial (Piesel Emissions Systems Rairoft) Superficial (Piesel Emissions Systems Rairoft) Superficial (Piesel Emissions Project Emission Project E		Project	2203000	Negligible	751	8 67	-	-	•	•	867	
Realized Service Servi		Bus Fleet (Diesel Emissions Systems Retrofit)	2203001	Slight	374	1,808	1,624	1	-	-	3,433	
Service 205001 Slight - 365	5	•	2203004	Slight	113	676	828	1	-	-	1,505	
Construction	6		2205001	Slight		365	-		-	<u>-</u>	365	*
Segment North Hollywood (800082)	7	Bus Maintenance Total			3,409	5,783	3,840	516	527	537	11,203	
Segment North Hollywood (800082)		Construction		I					<u> </u>			
Green Line Construction (800023) 4002012 Slight 6,992 5,729 100 - - 64,320	_			ļ. <u>.</u>								
10 LA Rail Car (800150) 4002013 High 32,531 29,322 2,450 104 -	8	Segment 3 North Hollywood (800082)	4002010	High	42,031	52,028	12,292				64,320	
11 Rail Construction-800001 Blue Line	9	Green Line Construction (800023)	4002012	Slight	6,992	5,729	. 100	•	-	-	5,829	
Rail Construction-800005 Pasadena A002016 Slight - 10,002 - 847 10,002 10,002 10,002 10,002 10,002 10,002	10	L.A. Rail Car (800150)	4002013	High	32,531	29,322	2,450	104		-	31,876	
Line	11	Rail Construction- 800001 Blue Line	4002015	High	627	847	•	-	•	•	847	
Grade Separation		Line	4002016	Slight	-	10,002	•	•	-		10,002	
Segment 1 4002019 Slight 458 356 102 - - 458 458 158 Rail Construction -800081 Red Line Segment 2 4002020 Slight 36,656 21,482 3,500 - - 24,982 145		Grade Separation	4002017	Slight	-	125	-	-	-	•	125	
Segment 2		Segment 1	4002019	Slight	458	356	102	-	-	-	458	
Extension		Segment 2	4002020	Slight	36,656	21,482	3,500	-	-	-	24,982	
Extension Project 4002022 Slight 3,182 1,898 102 2,000 18 Rail Construction-800382 Trizechahn Facility 4002026 Slight 42 19 2,000 19 Light Rail Vehicle Fleet Enhancement (800151) 4005002 High - 11,827 15,000 39,606 18,755 6,179 91,368 * 20 San Femando Corridor N/S - 4005004 High 51,700 52,000 47,300 151,000 * 21 Mid-City/Wilshire Transit Corridor (Project 800111) 4005005 High - 14,987 75,453 87,900 48,785 15,936 243,061 * 22 Eastside LRT - Union Station to Beverly & Atlantic (Project 800088) 5SFV East-West BRT Transit Corridor (Project 800112) 4005006 High - 49,442 87,700 114,600 120,100 148,500 520,342 * 23 SFV East-West BRT Transit Corridor (Project 800112) 4005008 High - 55,412 116,200 109,277 45,342 8,400 334,632 * 24 Mid-City/Exposition Transit Corridor (Project 800113) 4005009 High - 16,181 40,700 52,300 79,400 60,200 248,781 * 25 PGL Startup (Project 800007) 4005009 High - 16,847	16	-	4002021	Slight	458	145	-	-	-	-	145	
Facility		Extension Project	4002022	Slight	3,182	1,898	102	-	•	-	2,000	
(800151)		Facility	4002026	Slight	42	19	-	-	-	-	19	
21 Mid-City/Wilshire Transit Comdor (Project 800111) 4005005 High - 14,987 75,453 87,900 48,785 15,936 243,061 * 22 Eastside LRT - Union Station to Beverly & Atlantic (Project 800088) 4005006 High - 49,442 87,700 114,600 120,100 148,500 520,342 * 23 SFV East-West BRT Transit Comdor (Project 800112) 4005007 High - 55,412 116,200 109,277 45,342 8,400 334,632 * 24 Mid-City/Exposition Transit Comidor (Project 800113) 4005008 High - 16,181 40,700 52,300 79,400 60,200 248,781 * 25 PGL Startup (Project 800007) 4005009 High - 16,847 16,847 * 26 PGL SCADA Betterments 4005010 Moderate - 2,000 2,000 *	19		4005002	High	-	11,827	15,000	39,606	18,755	6,179	91,368	*
Project 800111 4005005 High - 14,987 75,453 87,900 48,785 15,936 243,061	20	San Fernando Corridor N/S -	4005004	High	-	-	-	51,700	52,000	47,300	151,000	*
Beverly & Atlantic (Project 800088) 3 SFV East-West BRT Transit Corridor (Project 800112) 4005007 High - 49,442 87,700 114,600 120,100 148,500 520,342 * 4005007 High - 55,412 116,200 109,277 45,342 8,400 334,632 * * 4005008 High - 16,181 40,700 52,300 79,400 60,200 248,781 * 25 PGL Startup (Project 800007) 4005009 High - 16,847 16,847 * 26 PGL SCADA Betterments 4005010 Moderate - 2,000 2,000 *	21		4005005	High	-	14,987	75,453	87,900	48,785	15,936	243,061	*
(Project 800112) 4005007 High - 55,412 116,200 109,277 45,342 8,400 334,632 ** 24 Mid—City/Exposition Transit Corridor (Project 800113) 4005008 High - 16,181 40,700 52,300 79,400 60,200 248,781 * 25 PGL Startup (Project 800007) 4005009 High - 16,847 - - - - 16,847 * 28 PGL SCADA Betterments 4005010 Moderate - 2,000 - - - - 2,000 *		Beverly & Atlantic (Project 800088)	4005006	High		49,442	87,700	114,600	120,100	148,500	520,342	*
(Project 800113) 4005008 High - 16,181 40,700 52,300 79,400 60,200 248,781 * 25 PGL Startup (Project 800007) 4005009 High - 16,847 - - - 16,847 * 26 PGL SCADA Betterments 4005010 Moderate - 2,000 - - - 2,000 *		(Project 800112)	4005007	High	-	55,412	116,200	109,277	45,342	8,400	334,632	*
28 PGL SCADA Betterments 4005010 Moderate - 2,000 2,000 *	24		4005008	High	-	16,181	40,700	52,300	79,400	60,200	248,781	*
27	25	PGL Startup (Project 800007)	4005009	High	-	16,847	•	•	•	-	16,847	*
27 Construction Total 129,795 288,648 353,600 455,487 364,382 286,516 1,748,633		PGL SCADA Betterments			-	2,000	•				2,000	*
	27	Construction Total			129,795	288,648	353,600	455,487	364,382	286,516	1,748,633	

		Operating		<u> </u>		Project Bu	udget (\$000s))		
Project Title	CP#	Budget Impact	Forecast 2002	2003	2004	2005	2006	2007	FY 03-07 Total	New
Maintenance-of-Way (MOW)										
PGL Midway Warehouse - Equipment and Storage		Negligible	-	946	26	-	•	•	973	*
MBL Grade Crossing Improvements	3300001		810	894	553	564	588	-	2,600	
MOW Tools and Equipment	3300002	Negligible	767	252	514	525	536	546	2,373	
OCS - Overhead Catenary Upgrade/Refurbishment	3300004	Slight	710	579	573	585	597	609	2,942	
MOW - Acquire Track Geometry Car	3300005	Slight	-	10	1,714	•	-	-	1,724	
MOW Battery Replacement/Refurbishment	3300006	Slight	785	276	342	349	356	370	1,693	
Crossing Gate Equipment Replacement	3300009	Slight	188	279	185	189	193	197	1,043	
Replace Guarded Rail Crossings	3300010	Slight	184	617	-		-	-	617	
Replace MRL Transformers	3300011		295	95	625		-		720	
Construct Division 22 blow-down pit										
and building enclosure Rail System Bridge, Tunnel, and	3306008		211	0	2,287	694	•	-	2,981	
Facility Inspection Services	3306010	Negligible	401	584	337	-	•	•	921	
MRL MOW Facility Expansion	3307000	Slight	59	10	•	514	-		524	
MBL Train Tracking Improvements	3308001	Negligible		277	887	-	•	-	1,165	*
Mobile Rail Safety Educational Program	3308003	Negligible	-	523	319	-	•	•	842	*
MBL MOW Design enhancements for 2 minute headway operation PGL MOW Gold Line enhancements	3308005	Slight	-	244	882	946	954	1,003	4,028	*
for 2 min headways between Union and Midway Station.	3308006	Slight	- 1	344	445	829	7,159	13	8,790	*
Pasadena Gold Line - MOW Vehicles	3308011	Moderate	-	1,493	-		•	-	1,493	*
Rail MOW Projects 03-07 (Under \$1.0 million)		Moderate	_	1,718	1,990	2,431	2,431	2,431	11,001	*
Maintenance-Of-Way Total		-	4,410	9,140	11,681	7,626	12,813	5,169	46,429	
	<u> </u>									
Other Capital Projects										
Rail TVM Communications & Components Upgrade	2203003	Slight	388	9	186			_	194	-
New Cash Room Facility		Negligible	784	1,110	2,325	_		-	3,435	
Replace ASRS Modicon PLC		Negligible	9	305					305	
controllers Replace ASRS automatic guided		Negligible	12	1,401	•	•	_	-	1,401	
vehicles (AGV) Replace and or repair all Unit Load					-	-	-	-	,	
and Mini Load aisle rails Seal Storeroom floors at six Bus		Negligible	252	288	•	•	-	•	288	
Storerooms (Div 1-6).		Negligible	-	-	•	473	8	-	481	*
Upgrade Miniload System	2304011	Negligible	184	421	•	-	•	-	421	
Metro Rapid Bus Program Phase 2	2304015	High	-	4,593	-	•	-	-	4,593	*
New storage building for Division 20 warehouse Red Line Heavy Rail Maintenance Yard	3105001	Moderate	_	406	19	-	-	_	425	*
New Storage Building for Division 22		Moderate	_		494		_	_	494	*
warehouse	0.00002									

<u>_</u>		Operating	I _			Project Bud	get (\$000s)		E 1465.5=	
Project Title	CP#	Budget Impact	Forecast 2002	2003	2004	2005	2006	2007	FY 03-07 Total	New
Other Capital Projects										
Storage Building - Division 11.	3205009	Slight	48	336	-	-	•	-	336	
² Covered Awning for Division 11	3205015	Negligible	- :	77	9	•	-	•	86	*
3 Covered Awning for Division 22	3205085	Negligib le	-	-	108	48	•	-	155	*
4 MBL Expanded Photo Enforcement	3306014	Climbs	404	204					304	
Program in Los Angeles 5 MBL Long Beach Photo Enforcement	3300014	Slight	404	304	•	-	•	-	304	
Program	3306015	Slight	45	125	466	-	-	-	591	
6 MBL Four Quadrant Gate Program	3306017	Slight	124	1,764	707				2,471	
Expansion 7 MBL fiber optic "TRAIN" sign program	3300017	Silgin	124	1,704	707	-	•	-	2,471	
in Long Beach	3306018	Slight	260	270	-	-	-	-	270	
8 Seg1 Remote Terminal Unit (RTU)	3308009	Slight		1,892	1,693		_	_	3,585	*
Upgrade 9 General Services chemical storage	3300008	Silgin	-	1,082	1,093	•	•	_	3,303	
facility	3900038	Slight	35	1,395	•	•	-	-	1,395	
10 FIS Oracle Upgrade	3900048	Negligible	1,299	847	-	•	-	-	847	
11 Real Estate Property Management	********									
System 12 HR/Rourall System Unamedos	3900051	Negligible	480	512	•	•	-	-	512	
12 HR/Payroll System Upgrades	3900061	Negligible	544	267	136	-	-	-	403	
13 Application Enhancement / Replacement	3900095	Negligible	792	231	716	265	270	761	2,244	
14 Enlarge MTA's Computer Room	3900110	Negligible	896	280	_		_	_	280	
15 Wide Area Network Upgrade (WAN)					0.074	0.050	-	_		
16 Replacement Revenue Processing	3900120	Slight	85	495	2,871	2,653	-	•	6,020	
Equipment	3907006	Slight	265	363	305	216	230	-	1,114	
17 Maintenance and Material						4			40.440	
Management System Replacement	3907054	Slight	1,756	4,158	7,022	1,263	-	•	12,443	
18 Automatic Guidance Vehicle (AGV) Battery Charging System	3907057	Negligible	20	234	-	-	•	-	234	
19 Automated Pallet Replenishment	0007050				440				446	
System RRC 20 Automate Bulk Storage Area	3907058	Negligible	-	2	142	•	-	-	145	
-	3907062	Negligible	•	-	1,424	•	-	•	1,424	
21 Spot Cooling for Warehouse Work Area at RRC	3907063	Slight	•	_	245	8	-	•	254	*
22 Central Instruction Independent		-								
Learning System	3907078	Negligible	93	563	-	•	-	•	563	
23 Workstation and Network Technology	3907082	Negligible	1,265	446	341	333	324	331	1,776	
Refresh Program 24 Document Processing Management	3907062	Ivegiigible	1,200	440	341	333	324	331	1,770	
System (DPMS)	3907084	Slight	313	1,757	2,003	1,085	-	-	4,845	
25 Security Cameras for Divisions 11, 20,	3907201	Slight	16	93	307	_	_		400	
22, 61 to protect MTA property. 26 Integrate HR, Payroll, and Labor	3907201	Silgrit	10	85	301	-	_	_	400	
Systems	3907208	Negligible	39	542	1,437	4,278	937	-	7,194	
27 Increase Pallet Racking for Division	3907215	Slight	_		57	1	_	_	58	
22 Green Line 28 Gateway Elevator Improvements			65		٥,	•				
29 Division Network Construction Project	3907239 3907244	Negligible Slight	65 5,643	386 5,162	3,156	-	-	-	386 8,318	
30 Bus & Rail Radio Transmitters			·		-,				•	
Upgrade	3907249	Negligible	167	491	•	-	-	•	491	
31 FY01 Replacement Non-Revenue Vehicles	3907253	Negligible	612	3,509	_	-	-	-	3,509	
32 Replace Non-Rev Veh Pickup Trucks	3907254	Negligible	653	556	-	-	-	-	556	
33 Replace Non-Rev Veh-ForkLifts	3907257	Negligible	627	361	-	•	•	-	361	
34 Replace Non-Rev Veh-Tow Trucks	3907258	Negligible	12	140	-	-	•	-	140	
35 Replace Non-Rev Veh-Rail Service Pickups	3907259	Negligible	10	707	•	-	•	-	707	
36 Replace Non-Rev Veh-Large Utility	0007000									
Veh 37 Completion of Metro Blue Line Art	3907260	Negligible	286	29	-	-	-	-	29	
37 Completion of Metro Blue Line Art Program	3907262	Slight	274	397	251	288	-	•	936	
38 Scheduling Software Acquisition	0000000	Markette.								
(Hastus-ATP Module) 39 FY02 New/Expansion Non-Rev Veh	3908002 3908005	Negligible Slight	600 2,761	29 4,750	-	•	-	-	29 4,750	
40 Screen Process Shop Equip.			2,701		-	-	-	2		
	3908007	Negligible		54	-			-	54	
Other Capital Projects Continued Nex	rage									

			Operating				Project Budg	et(\$000s)			
	Project Title	CP#	Budget Impact	Forecast 2002	2003	2004	2005	2006	2007	FY 03-07 Total	New
	Other Capital Projects										
1 2	Completion of Metro Red Line Art Program Completion of Metro Green Line Art	3908025	Slight	•	631	654	655	654	-	2,595	*
	Program	3908027	Slight	- [159	344	346	257	-	1,106	*
3	Dock Leveler for RRC	3908034	Negligible	-	94	5	-	-	•	99	
4	Gateway Building Security Upgrade	3908035	Slight	-	65	•	-	-	-	65	*
5		3908038	Negligible	-	5,037	-	-	-	•	5,037	
6	FY04 Non Revenue Vehicles	3908039	Negligible	-	-	7,165	4		-	7,170	
7	FY05 Non Revenue Vehicles	3908040	Negligible	-	-	-	3,543	•	•	3,543	
8	FY06 Non Revenue Vehicles	3908041	Negligible	-	-	•	-	5,142	-	5,142	
	Gateway Headquarters Improvement Projects	3908044	Slight	-	1,377	•	-	-	•	1,377	
	Transit Plaza Projects	3908045	Slight	-	998	294	-	-	-	1,292	
11	Vertical Carousel Additional - Division 11	3908046	Negligible	-	84	10	-	-		94	*
12	Bus Farebox Refurbishment	3908047	Negligible	804	291	337	354	-	-	982	
13	Redesign Work Stations in Metro Information Center.	3909004	Negligible	-	113	237	-		•	350	*
14	Closed Circuit Television (Bus)	3909008	Moderate	-	64	683	•	-	-	748	*
15	MBL 12th/Flower Security Upgrades	3909014	Slight	-	2	18	-	-	-	20	*
	Expansion vehicles for S&Z-MC Department	3909030	Slight		208		-	-	•	208	*
17	Language Translator Equipment	3909032	Negligible	-	24	-	-	•	-	24	*
	FY07 Non-Revenue Vehicles	3909034	Negligible	-	-	•	-	-	6,401	6,401	*
	USG Fire Code Corrections (Reg. 4 Violations)	3909038	Slight	-	130	214	218	223	227	1,012	*
_	Real Estate Dept. ESR Projects	3909039	Slight	-	105	114	117	-	•	335	*
	Building Services Dept ESR Projects	3909043	Slight	-	104	104	107	111	105	532	*
22	Rapid Bus Art Program	3909052	Negligible		661	•	-	•	•	661	
	Other Capital Projects Total		L	22,922	52,204	36,601	16,254	8,158	7,825	121,044	
	Rail Facilities Maintenance			· · · · · · · · · · · · · · · · · · ·							
24	UFS PGL Betterments	2105006	Moderate		1,052					1,052	
	Wheel Boring Machine	2303094	1	12	1,032	-	•	•	•	126	
26	Emergency Generators for Rail	2303094	Slight Slight	-	456	-	-	•	-	456	
	Pallet Racking- Location 80	2304012	Slight	-	-	-	195	-		195	
28	Upgrade Rail Stations to ADA	3200071	Negligible	439	952					952	
29	Compliance Metro Red Line Car Barriers	3205000	Negligible	111	120	-	-	-	-	120	
	Upgrade Facilities and Appurtenances to ADA Compliance	3205001	Negligible	485	63	-	•	-		63	
31	Fiber Optic Rail Communication System	3205004	 Negligible	972	2,037	-	-	-	-	2,037	
32	Light Rail Radio System and Console Upgrades	3205005	Negligible	188	1,579	34		-	-	1,613	
33	Grout MRL Station & Tunnel Water Leaks	3205007	 Negligible	4	788	362	369	389	409	2,318	
34	MBL Facility Improvements		Negligible	827	268	435	444	_	-	1,146	
35	ROC Reconfiguration	3205023	Negligible	-	1,608	-	•	-		1,608	
	Power Switches - MBL Stations	3205031	Slight	91	63	367	-	•	-	430	
37	Elevators at 1st and Hill (Civic Center)	3205034	Negligible	62		748	605	-	-	1,353	
	Rail Facilities Maintenance Continued	l Next Page	·								

		Operating				Project Bud	get (\$000s)			—
Project Title	CP#	Budget Impact	Forecast 2002	2003	2004	2005	2006	2007	FY 03-07 Total	New
Rail Facilities Maintenance										
Elevators at 4th and Hill (Pershing Square) MGL Elevator and Escalator Sumps	3205035	Negligible	59	-	1,174	1,301	•	-	2,475	
and Clarifiers	3205036	Slight	125	251	1,254	-	-	•	1,506	
3 MRL Traction Power Elevator (Wilshire/Vermont)	3205037	Negligible	67	-	603	-	•	-	603	
4 MGL Stations - New Public Address Equipment	3205038	Slight	53	-	-	1,600	•	-	1,600	
5 Relocate and Refurbish Wheel Truing Machine	3205042	Slight	551	257	-	-	-	-	257	
6 SCADA Equipment replacement	3205045	Slight	570	2,109	3,326	3,337	-	-	8,772	
7 Rail Facilities Refurbishment	3205048	Negligible		210	209	217	215	217	1,068	*
8 Gas Analyzer Installation MRL	3205050	Slight	477	2,821	-	•	-	-	2,821	
 Industrial Programmable Controllers for Rail Car Hoist Rail Divisions Water Treatment 	3205051	Negligible	-	57	-	•	-	-	57	
Systems Systems	3205056	Moderate	242	341	-	-	•	-	341	
11 MRL Fire Control System Upgrade	3205058	Negligible	110	105	-	-	-	-	105	
12 MRL Radio System	3205059	Negligible	36	-	520	1,099	-	-	1,619	
13 Upgrade LRT Facilitites, MGL	3205062	Slight	890	262	244	148	-	-	655	
14 Upgrade HRT facilitities	3205064	Slight	497	341	399	420	-	-	1,160	
¹⁵ MRL Segment 1 Drainage Improvements	3205068	Slight	334	337	619	862		_	1,818	
16 MRL Station Canopies	3205075	Slight	22	485	2,810	•	-	-	3,294	
¹⁷ MRL Fire Code Corrections (Reg. 4 Violations)	3205081	Slight	391	1,048	1,042	1,038	1,059	1,052	5,239	
¹⁸ Upgrade 19 MBL Platforms	3205086	Moderate	1,260	1,124	-	-	-	-	1,124	
¹⁹ MRL Emergency Escalator Lighting	3205087	Slight	99	-	1,083	-		-	1,083	
²⁰ Enhanced MRL Station Signage	3205131	Slight	85	246	13	-	-	•	259	
21 Install Outside Paving at Division 20 Red Line Maintenance Warehouse	3205136	Negligible	-	15	162	1	-	•	178	
22 Division 22 Expansion Program	3205145	Moderate	139	41	2,234	-	-,	-	2,275	
²³ Division 11 Expansion Program.	3205146	Moderate	207	1,386	2,455	2,514	-	-	6,354	
24 Division 11 Catwalk	3206004	Negligible	70	178	-	-	-	-	178	
²⁵ Division 22 test signal loops	3206006	Negligible	52	-	•	157	-	-	157	
²⁶ Div 20 test signal loops	3206007	Negligible	52	-	-	124	-	-	124	
27 Division 11 storage yard stairways and walkways	3206009	Negligible	42	•	-	185	-		185	
28 CCF Air Handling Unit Replacement	3206014	Negligibie	31	84	-		-	-	84	
²⁹ Underground tank/piping upgrade and	3206015	Negligible	120	631	-	•	-	-	631	
30 MRL Uninterruptable Power Supply Replacement Project	3206020	Slight	567	2,453	47	•	-	-	2,500	
31 Escalator Safety Brushes	3207008	Negligible	-	372	655	-	-	-	1,027	*
32 MBL CCTV Video Transmission System Upgrade	3207014	Negligible	-	•	342	750	-	-	1,092	*
33 Rail Communications Systems Upgrade	3207016	Negligible	-	74	1,188	1,106		-	2,368	*
34 MRL F&EM & VMS Computer	3207017	Positive	_ [-	510	1,265	-	-	1,775	*
Upgrade 35 Closed-Circuit Television (Rail)	3207017	Slight	- 1	-	1,377		•	-	1,377	=
³⁶ Civic Center Flooring Replacement	3207034	Negligible	-		249	2,048		-	2,297	*
37 MBL Long Beach Transit Mall Station redesign for 3-car train operation	3207036	Slight	-	9	1,192	263	-	-	1,463	*
Rail Facilities Maintenance Continued	Next Page]								

		Operating				Project Bud	iget (\$000s)			
Project Title	CP#	Budget Impact	Forecast 2002	2003	2004	2005	2006	2007	FY 03-07 Total	Nev
Rail Facilities Maintenance										
MBL Fire Code Corrections (Reg. 4 Violations)	3207037	Negligible	-1	257	405	414	422	430	1,928	*
2 MGL Fire Code Corrections (Reg. 4 violations)	3207038	Slight		227	380	388	395	403	1,794	*
Refurbish Elevators at MRL Hollywood/Vine Station	3207040	Negligible	-	783	591	-	•		1,374	*
Rail Facilities Maintenance Proejcts 03- 07 (Under \$1.0 million)	3207043	Slight	-	5,700	6,813	8,088	8,088	8,088	36,777	*
Metro Blue & Green Lines Custodial Operations Facility	3308010	Slight	-	447	242	485	-	-	1,174	*
6 Central A/C - Divisions 22 and 61	3909002	Slight	-	-	-	172	2	-	174	*
Rail Facilities Maintenance Total			10,339	31,765	34,082	29,594	10,570	10,600	116,612	
Rail Vehicle Maintenance										
Mid-Life Overhaul Program for Rail Vehicles	3106001	Negligible		2,568	2,873	2,932	2,992	3,051	14,416	*
ADA Between Car Barrier - Metro Red Line	3106003	Slight		3,277	•			-	3,277	*
Rail Vehicle Maintenance Total				5,845	2,873	2,932	2,992	3,051	17,693	
Grand Total	-	·····	372,594	510,678	605,672	573,400	469,224	408.455	2,567,429	

Operating Budget Impact:

Positive - The project will either generate some revenues to offset expenses or will actually reduce operating costs.

Negligible - The impact will be very small. It will generate less than \$10,000 per year in increased operating expenditures.

Slight - The impact will be between \$10,001 and \$50,000 in increased operating expenditures.

Moderate - The impact will be between \$50,001 and \$100,000 in operating expenditures.

High - This project will cause an increase in operating expenditures of \$100,001 or more annually.

CAPITAL PROGRAM REVENUES & EXPENDITURES

	FY03	FY04	FY05	FY06	FY07	
(Amounts in millions)	Budget	Forecast	Forecast	Forecast	Forecast	TOTAL
FTA SECTION 5307 (includes 15% Discr.)	\$ 74.3	\$ 70.1	\$ 36.1	\$ 24.0	\$ 24.2	\$ 228.6
FTA SECTION 5309 CLEAN FUEL	2.7	3.0	3.3	3.6	4.0	16.7
FTA SECTION 5309 FIXED GUIDEWAYS MOD.	37.0	43.9	26.1	19.4	29.3	155.7
CMAQ	59.2	53.5	17.1	9.2	49.6	188.6
FTA 5309 NEW STARTS	81.8	80.2	104.2	111.7	70.0	447.9
REGIONAL SURFACE TRANSPORTATION - RSTP	-	4.6	26.0	33.3	2.0	65.9
REGIONAL IMPROVEMENT FUNDS - STIP	9.0	1.3	14.4	-	6.2	30.9
STATE HIGHWAY ACCOUNT (SHA)	0.3	0.2	-	-	-	0.5
TRAFFIC CONGESTION RELIEF PROGRAM - TCRP	96.5	183.9	175.4	142.6	104.3	702.6
AIR QUALITY REGISTRATION FEE - AB2766	-		-	-	6.1	6.1
TDA ARTICLE 4	30.1	29.4	25.5	16.2	13.0	114.3
STA REVENUE SHARE/POPULATION	11.9	16.0	14.3	2.2	1.9	46.4
PROP A 35% CASH	29.3	-	-	-	-	29.3
PROP C 10% CASH	1.9	-	-	-	-	1.9
PROP C 25% CASH	3.1	0.5	-	-	6.9	10.5
PROP A 35% RAIL BONDS	21.5	3.5	-	-	1.0	26.0
PROP C 25% BONDS	33.5	39.6	90.8	37.9	12.4	214.1
PROP C 40% BONDS	5.0	19.5	-	-	-	24.4
HEADQUARTERS BONDS	1.9	-	-	-	-	1.9
REFUNDED EASTSIDE FUNDING	9.8	15.9	2.6	-	-	28.3
BRIDGE FUNDING	-	16.1	16.7	32.4	62.4	127.6
OTHER	1.9	24.6	20.9	36.5	15.2	99.1
TOTAL AVAILABLE REVENUES	510.6	605.6	573.4	469.1	408.5	2,567.3
BUS ACQUISITION	73.7	129.0	35.2	50.7	76.9	365.6
BUS FACILITIES MAINTENANCE	43.6	34.0	25.8	19.1	17.8	140.2
BUS MAINTENANCE	5.8	3.8	0.5	0.5	0.5	11.2
MAINTENANCE OF WAY	9.1	11.7	7.6	12.8	5.2	46.4
RAIL FACILITIES MAINTENANCE	31.8	34.1	29.6	10.6	10.6	116.6
RAIL VEHICLE MAINTENANCE	5.8	2.9	2.9	2.9	3.1	17.6
RAIL CONSTRUCTION	288.6	353.6	455.5	364.4	286.5	1,748.6
OTHER CAPITAL PROJECTS	52.2	36.6	16.3	8.2	7.8	121.0
TOTAL CAPITAL PROGRAM EXPENDITURES	510.6	605.7	573.4	469.2	408.5	2,567.4
SURPLUS/(SHORTFALL)	-	-	•	•	-	<u>-</u>

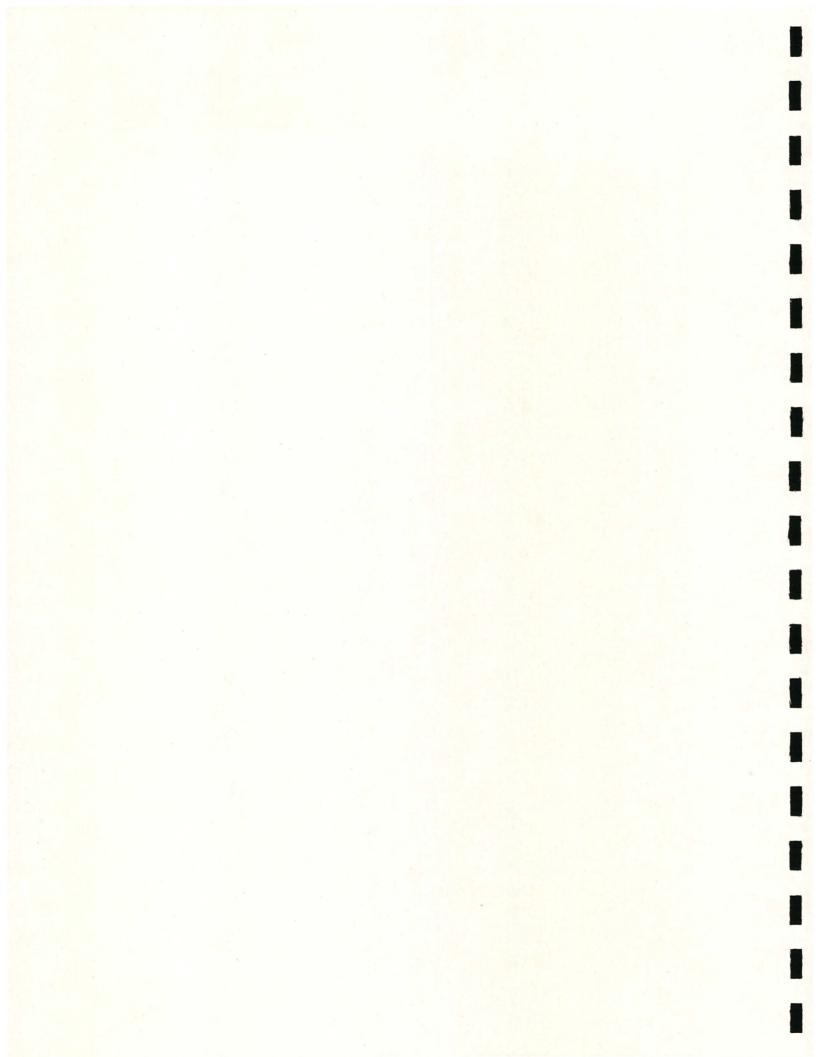
Five-Year Capital Vehicle Acquisition Plan

Placeholder for Five-Year Capital Vehicle Acquisition Plan

Los Angeles County Metropolitan Transportation Authority Proposed Budget

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STRATEGIC BUSINESS UNITS



MTA SUMMARY DESCRIPTION

The MTA is the principal planner, builder and operator of public transportation services and infrastructure improvements in Los Angeles County. The MTA is organized along seven Strategic Business Units (SBU): Transit Operations, Countywide Planning & Development (CP&D), Engineering & Construction, Communications, Support Services, Chief of Staff, and Board of Directors.

Transit Operations manages all aspects of MTA Metro Bus and Rail operations. Countywide Planning & Development is responsible for programming and administering Federal, state and local transportation funds, preparing the Transportation Improvement Plan (TIP) and planning and coordinating regional transportation services and infrastructure improvements throughout Los Angeles County. Engineering & Construction is responsible for providing the

engineering and construction oversight for major construction projects and MTA facilities improvements. Communications is responsible for the strategic evaluation, development and implementation of agency-wide marketing and communications programs. Support Services provides essential financial and administrative support to the entire organization. The Chief of Staff coordinates and provides oversight over key programs and provides support to the CEO. The Board of Directors SBU establishes MTA policies and approves appropriations to provide Los Angeles County with a world class, multimodal transportation system. The Board of Directors manages Board Meetings and Board Committee Meetings, ethics and lobby registration programs, legal counsel and corrective actions.

Summary of FY03 Budgeted FTEs By Department

		FY01	FY02	FY03	Change
		Adopted	Adopted	Proposed	from
		FTEs	FTEs	FTEs	FY02 Adopted
	Transit Operations				
1	Executive Office, Transit Operations	2	2	9	7
2	San Fernando Valley Service Sector	997	1,021	993	(28)
3	San Gabriel Valley Service Sector	973	944	938	(6)
4	Gateway Cities Service Sector	821	825	815	(10)
5	South Bay Service Sector	1,178	1,229	1,209	(20)
6	West Side/Central Service Sector	1,276	1,262	1,296	34
7	Vehicle Technology	55	51	49	(2)
8	New Technology & System Improvement	22	22	9	(13)
9		103	104	101	(3)
10	Contract Services	4	4	3	(1)
11	Service Delivery	108	109	147	38
12	Central Control & Instruction	187	179	191	12
13	Facilities	318	330	343	13
14	Congestion Relief Support	11	11	10	(1)
15		481	473	448	(25)
16	Metro Rail	732	746	922	176
17	Safety	30	29	26	(3)
18		7,298	7,341	7,509	168
				·	
	Countywide Planning & Development				
19		4	4	4	-
20		42	40	35	(5)
21		56	66	65	(1)
22		33	32	35	`3 [´]
23	Countywide Planning & Development Total	135	142	139	(3)
			<u></u>		
	Engineering & Construction				
24	Executive Office, Construction	9	9	9	-
25	Quality Management	13	16	14	(2)
26	Engineering	63	76	78	2
27	Construction	26	22	22	-
28	Program Management	35	35	35	
29	Engineering & Construction Total	146	158	158	
	Communications				
30	Mktg./Advertising & Customer Relations	146	142	144	2
31	Executive Office, Communications	-	-	5	5
32		38	39	53	14
33	Creative Services	12	13	13	-
34	Public Relations	7	7		
35	Communications Total	203	201	222	21_
	2 12 5				
	Support Services - Finance	^	_	_	
36	Executive Office, Finance	3	3	3	-
37	Office of The CFO	2	2	2	-
38	Accounting	82	82	82	-
39	Treasury	60	69	67	(2)
40	Office of Management & Budget	25	25	25	- (0)
41	Support Services - Finance Total	172	181	179	(2)

Note - FY02 Adopted FTE's have been realigned to reflect FY03 organizational structure

Summary of FY03 Budgeted FTEs By Department (Continued)

	FY01 Adopted FTEs	FY02 Adopted FTEs	FY03 Proposed FTEs	Change from FY02 Adopted
Support Services - ITS				
1 Information & Technology Services	166	165	164	(1)
2 Support Services - ITS Total	166	165	164	(1)
Support Services - Management Audit Services				
3 Management Audit Services	72	71	68	(3)
4 Support Services - Management Audit Services Total		71	68	(3)
		<u> </u>		
Support Services - Office of Procurement				
5 Materiel	202	203	205	2
6 Contracts	31	31	28	(3)
7 Contracts-Construction	40	43	41	(2)
8 Executive Office, Procurement	6	7	7	-
9 Contract Support	27	30	30	
10 Support Services - Office of Procurement Total	306	314	311	(3)
Support Services - Risk Management				
11 Risk Management	20	20	62	42
12 Support Services - Risk Management Total	20	20	62	42
Chief of Staff				
13 Executive Office, Chief of Staff	10	10	11	1
14 Policy, Research & Library Services (PRLS)	-	2	6	4
15 Labor/Employee Relations	19	19	23	4
16 Board Research Services	13	14	15	1
17 Diversity & Economic Opportunity	25	24	25	1
18 Public Affairs	8	10	24	14
19 Chief of Staff Total	75	79	104	25
Chief of Staff - Administration				
20 Executive Office, Administration	15	16	14	(2)
21 Human Resources	71	59	59	, `-
22 General Services	93	94	96	2
23 Real Estate	19	22	20	(2)
24 Chief of Staff - Administration Total	198	191	189	(2)
Board of Directors				
25 Chief Executive Office	1	1	1	_
26 Office of Board Secretary	9	9	9	-
27 Ethics Office	6	6	6	-
28 County Counsel	6	4	5	1
29 Inspector General	42	42	32	(10)
30 Board of Directors Total	64	62	53	(9)
31 MTA Total	8,856	8,925	9,158	233

Note - FY02 Adopted FTE's have been realigned to reflect FY03 organizational structure

MTA Summary Expenditure Budget

Business Unit FTEs	FY01 Adopted	FY02 Adopted	FY03 Proposed
1 Transit Operations	7,298	7,341	7,509
2 Countywide Planning & Development	135	142	139
3 Engineering & Construction	146	158	158
4 Communications	203	201	222
5 Support Services - Finance	172	181	179
6 Support Services - ITS	166	165	164
7 Support Services - Management Audit Services	72	71	68
Support Services - Office of Procurement	306	314	311
9 Support Services - Risk Management	20	20	62
10 Chief of Staff	75	79	104
11 Chief of Staff - Administration	198	191	189
12 Board of Directors	64	62	53
13 MTA Total	8,856	8,925	9,158

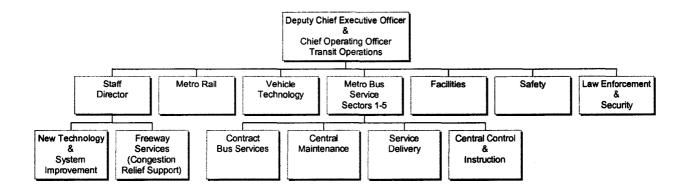
Expenditures		FY01	 FY02	 FY03
(Amounts in thousands)		Actual	Adopted	 Proposed
14 Transit Operations	\$	856,080	\$ 1,070,288	\$ 977,817
15 Countywide Planning & Development		659,222	844,074	784,677
16 Engineering & Construction		109,537	193,547	235,237
17 Communications	ļ	12,992	15,013	28,122
18 Support Services - Finance		894,925	645,965	328,454
19 Support Services - ITS		27,412	50,451	33,265
20 Support Services - Management Audit Services	İ	9,969	11,707	11,058
21 Support Services - Office of Procurement	ļ	25,565	34,190	34,121
22 Support Services - Risk Management		49,476	50,367	43,994
23 Chief of Staff		7,021	9,664	15,053
24 Chief of Staff - Administration		29,028	42,343	39,182
25 Board of Directors		32,577	28,255	39,631
26 MTA Total	\$	2,713,804	\$ 2,995,864	\$ 2,570,611

Expenditure Types	xpenditure Types FY01		 FY02		FY03	
(Amounts in thousands)		Actual		Adopted		Proposed
27 Contract Wages		\$	384,648	\$ 316,902	\$	333,033
28 Non-Contract Wages			144,462	89,614		92,809
29 Fringe Benefits			213,304	263,418		290,892
30 Professional & Technical Services			86,754	193,736		168,613
31 Contract Services		1	116,561	134,547		148,166
32 Purchased Transportation			23,700	37,121		37,369
33 Fuels & Lubricants/Utilities			54,738	65,718		50,729
34 Materials and Supplies			71,539	84,598		77,093
35 Casualty & Liability		ĺ	40,066	39,471		38,659
36 Debt/Interest			702,097	607,124		291,209
37 Acquisitions			231,378	449,790		318,318
38 Subsidies			619,166	679,035		703,074
39 Other			25,391	34,790		20,647
40	MTA Total	\$	2,713,804	\$ 2,995,864	\$	2,570,611

Note - FY02 Adopted FTE's have been realigned to reflect FY03 organizational structure

TRANSIT OPERATIONS

Organization Chart



Strategic Business Unit

Transit Operations is committed to supporting the agency-wide mission: "MTA is responsible for the continuous improvement of an efficient and effective transportation system for Los Angeles County."

Transit Operations has developed a Strategic Plan to accomplish the MTA's Mission and Vision. The objectives of the strategic plan are:

- Improve transportation services to increase customer satisfaction.
- Increase effective and efficient utilization of resources.
- Improve and streamline business processes.
- Increase innovation and learning to improve performance and employee morale.

Metro Bus and Metro Rail provide clean, safe, efficient and reliable transit services to more than 1.2 million patrons per weekday. During FY03, Transit Operations will operate, either directly or under contract, over 7.5 million bus revenue service hours, and over 570,000 rail vehicle revenue service hours.

Transit Operations is organized into 17 departments to provide maximum functionality and optimum service to our customers.

Service Sectors

The newly implemented Service Sectors include the San Fernando Valley, San Gabriel Valley, Gateway Cities, South Bay and Westside/Central Service Sectors. Each service sector consists of all facets of bus operations: transportation, maintenance, service planning and scheduling, communications, and administration. Each service sector is committed to provide the highest level of quality transportation services to the customers and communities by operating in a safe, courteous, professional, well trained, dependable, and customer-oriented manner.

Metro Rail

The Metro Rail department provides leadership and management direction to deliver cost effective and efficient rail service. The department operates over 200 light and heavy rail vehicles and maintains over 62 rail stations, over 59 miles of tracks, overhead catenary, heavy rail traction power systems, and oversees all facets of rail operations including transportation, wayside systems maintenance, vehicle maintenance, and rail operations control.

Contracted Bus Services

Contracted Bus Services provides professional oversight and management of contractors providing 654,000 hours of bus service.

Central Maintenance

Central Maintenance provides the highest level of maintenance support to operating divisions. Departmental functions include the Regional Rebuild Center, Fleet Management and Support Services, Quality Assurance, fare collection maintenance, and Non-Revenue Vehicle/Equipment. Programs cover all facets of bus and equipment maintenance: repairing and rebuilding major components and sub-systems, controlling and assigning bus fleet, managing environmental compliance programs, maintaining bus stops and terminal locations, and overseeing the procurement of nonrevenue vehicles and equipment.

Central Control & Instruction

Bus Operations Central Control & Instruction is accountable for communicating via two-way radio and telephone with Bus Operators, Field Supervisors, Field Technicians, the operating Divisions and emergency response personnel. They monitor and control special bus movements, modify bus activity when conditions require outside interaction due to accidents and provides failure management to assist our service to meet the operating goals in the areas of Safety, Customer Relations and On-time Performance (OTP). It also provides progressive basic and follow-up training for new and veteran employees with a cost effective approach to strengthen employee skills and meet our goals in the areas of Safety, Customer Relations, and On-time performance.

Service Delivery

The Service Delivery Department develops and implements the operating framework for the MTA bus and rail system, and provides timely and accurate information to operating division and sector staff that will assist them in creating and maintaining community-responsive service and schedules.

Facilities

The Facilities Department provides safe and adequate facilities to enable transit customers and MTA employees to experience a world-class transit system. The department's primary function includes the development, implementation, and management of capital programs for MTA facilities. The department is also responsible for developing and implementing energy efficiency programs that reduce utility costs and improve employee safety.

Vehicle Technology

The Vehicle Technology department identifies, reviews, tests, and procures high capacity, alternatively fueled, advanced technology buses. It provides operational support and training on operations and maintenance of new vehicles, manages all bus acquisitions, and is responsible for other vehicle technology projects to increase operating efficiency and improve services provided to MTA transit passengers and employees.

Safety

The Safety Department seeks to make the Safety's 1st program a reality for all employees. The objective of the program is to provide leadership, guidance, technical direction, and resources to protect people, prevent mishaps, achieve regulatory compliance, and control hazards, hazardous occupational exposures, and costs.

Law Enforcement & Security

The Department of Law Enforcement & Security provides security and law enforcement services and programs for the protection of the MTA's passengers, employees, properties, revenues, and assets.

New Technology & System Improvement

The New Technology and System Improvement department is tasked with the oversight of the acquisition and implementation of new automated systems for Transit Operations. Systems currently under development include the Advanced Transportation Management System (ATMS); Universal Fare System (UFS); Maintenance and Materiel Management System (M3); S-1 Gard; and upgraded operator seat replacement.

Freeway Services

The Freeway Services department is responsible for providing various motorist assistance activities throughout Los Angeles County. Its programs encompass functions that result in decreased congestion along Los Angeles County freeways and highways, improved safety to motorists, and a positive perception to the general motoring public. The department is directly supportive of the MTA's goal to improve the transportation system within the county. The department actually oversees programs from two distinct agencies. The Freeway Service Patrol is an MTA function, and the Service Authority for Freeway Emergencies (SAFE) program is a separate authorized agency, distinct from the MTA.

Significant Changes In FY03

- Complete Pasadena Gold Line Pre-Revenue Operations.
- Implement five Service Sectors to provide better local customer service.
- Increase Bus Service Hours by 56,411 RSH.
- Increase Metro Blue Line Vehicle Service Hours by 16,887 RSH.
- Increase Metro Green Line Vehicle Service Hours 1,242 RSH.
- Increase Metro Red Line Vehicle Service Hours by 10,745 RSH.

Los Angeles County Metropolitan Transportation Authority Proposed Budget

- Increase directly operated bus fleet to an all time high of 2,348 total active fleet.
- Training of all MTA employees to improve safety awareness.

Transit Operations Reports

Transit Operations

	FY01	FY02	FY03
Department FTEs	Adopted	Adopted	Proposed
1 Executive Office, Transit Operations	2	2	9
2 San Fernando Valley Service Sector	997	1,021	993
3 San Gabriel Valley Service Sector	973	944	938
4 Gateway Cities Service Sector	821	825	815
5 South Bay Service Sector	1,178	1,229	1,209
6 West Side/Central Service Sector	1,276	1,262	1,296
7 Vehicle Technology	55	51	49
8 New Technology & System Improvement	22	22	9
9 Operations Security	103	104	101
10 Contract Services	4	4	3
11 Service Delivery	108	109	147
12 Central Control & Instruction	187	179	191
13 Facilities	318	330	343
14 Congestion Relief Support	11	11	10
15 Central Maintenance	481	473	448
16 Metro Rail	732	746	922
17 Safety	30	29	26
18 Transit Operations Total FTEs	7,298	7,341	7,509

Expenditures	FY01	FY02	FY03
(Amounts in thousands)	Actual	Adopted	Proposed
19 Executive Office, Transit Operations	\$ 10,857	\$ 10,886	\$ 11,704
20 San Fernando Valley Service Sector	72,497	85,911	86,182
21 San Gabriel Valley Service Sector	75,716	81,692	80,606
22 Gateway Cities Service Sector	62,013	68,557	69,539
23 South Bay Service Sector	87,143	104,210	104,681
24 West Side/Central Service Sector	95,189	106,532	113,735
25 Vehicle Technology	157,955	203,737	50,150
26 New Technology & System Improvement	2,655	3,325	15,590
27 Operations Security	59,205	58,785	58,346
28 Contract Services	23,546	37,841	38,943
29 Service Delivery	8,547	21,955	14,750
30 Central Control & Instruction	11,080	13,271	13,709
31 Facilities	31,783	50,874	75,988
32 Congestion Relief Support	18,351	33,471	32,352
33 Central Maintenance	60,542	82,157	76,928
34 Metro Rail	75,910	102,411	130,244
35 Safety	3,091	4,673	4,370
36 Transit Operations Total	\$ 856,080	\$ 1,070,288	\$ 977,817

Transit Operations Reports, continued

Transit Operations (Continued)

Expenditure Types		FY01 FY02			FY03	
(Amounts in thousands)	Actual Adopted		Adopted	l Propose		
1 Contract Wages	\$	274,696	\$	300,002	\$	315,733
2 Non-Contract Wages		17,462		20,412		24,005
3 Fringe Benefits		176,436		216,824		241,924
4 Professional & Technical Services		4,311		16,921		16,069
5 Contract Services		79,912		98,489		100,380
6 Purchased Transportation	ļ	21,082		27,573		28,340
7 Fuels & Lubricants/Utilities		50,541		60,985		45,975
8 Materials and Supplies		56,775		67,407		62,877
9 Casualty & Liability		23		50		100
10 Acquisitions		164,354		239,515		138,241
11 Other		10,488		22,110		4,173
12 Transit Operations Total	\$	856,080	\$ 1	,070,288	\$	977,817

Note: Congestion Relief Operations unit is comprised of programs from both the MTA and SAFE, and that funding for SAFE is distinct and separate from that of the MTA.

FY03 Performance Measures

Balanced Scorecard Goals/Obje	ctives/Performance Measures	FY00 Actual	FY01 Actual	FY02 Estimated	FY03 Target
Customer Goal - Improve transp	ortation services to increase custo	omer sati	sfaction		
Objectives: Improve In-Service-On-Time Performance	Performance Measure: Percent In-Service On-Time Performance	65.39%	63.71%	64.90%	75.00%
Increase reliability of service	Percent scheduled revenue service hours delivered	98.69%	98.84%	98.85%	98.90%
Reduce customer complaints	Complaints per 100k boardings	4.39	3.79	3.51	3.90
Financial Goal - Increase effective	ve and efficient utilization of resou	rces			
Objectives: Reduce bus cost per service hour without reducing the overall quality of service	Performance Measure: Bus - Systemwide cost per RSH	\$99.36	\$98.39	\$98.44	\$98.00
ovorali quality of oor vice	San Fernando Sector direct cost per RSH	n.a.	n.a.	n.a.	\$79.59
	San Gabriel Sector direct cost per RSH	n.a.	n.a.	n.a.	\$81.34
	Westside/Central Sector direct cost per RSH	n.a.	n.a.	n.a.	\$80.19
	Gateway Cities Sector direct cost per RSH	n.a.	n.a.	n.a.	\$88.55
	Southbay Sector direct cost per RSH	n.a.	n.a.	n.a.	\$77.21
	Farebox Recovery		31.57%	30.77%	30%
	Subsidy per Boarding Fare per Boarding	\$ 1.29 \$ 0.59	\$ 1.28 \$ 0.55	\$ 1.32 \$ 0.55	\$ 1.31 \$ 0.54

FY03 Performance Measures, continued

Balanced Scorecard Goals/Object	ctives/Performance Measures	FY00 Actual	FY01 Actual	FY02 Estimated	FY03 Target
Internal Processes Goal - Improv	e and streamline business proces	ses			
Objectives:	Performance Measure:	•	***************************************		
Improve mean miles between chargeable mechanical failures	Mean miles between mechanical failures	5,585	4,808	5,470	6,000
Learning/Innovation Goal - Incre	ase innovation to improve perform	ance			
Objectives:	Performance Measure:	***************************************	(a) (a) (a) (a) (a) (a) (a) (a) (a) (a)		
Improve safety and security by reducing accidents	Vehicle accidents per 100k miles	4.15	3.98	2.70	3.50
	Passenger accidents per 100k boardings	n.a.	n.a.	0.17	0.15
Improve safety and security by	Workers' compensation lost work				
reducing lost work days	days per 100 employees per month				
	San Fernando Sector	n.a.	108.4	129.4	97.1
	San Gabriel Sector	n.a.	125.2	120.0	90.0
	Westside/Central Sector	n.a.	134.3	139.0	104.3
	Gateway Cities Sector	n.a.	136.3	150.3	112.7
	Southbay Sector	n.a.	172.2	169.3	127.0
	New lost work time indemnity claims reported/filed per month	n.a.	n.a.	99.8	83.3
	New w.c. claims per 200,000 exposure hours				
	Indemnity	n.a.	n.a.	30.8	23.1
	Medical	n.a.	n.a.	31.2	23.4
	San Fernando Sector				
	Indemnity	n.a.	24.0	22.8	17.1
	San Gabriel Sector				
	Indemnity	n.a.	29.1	27.8	20.8
	Westside/Central Sector				
	Indemnity	n.a.	27.6	27.5	20.6
	Gateway Cities Sector				
	Indemnity	n.a.	29.1	43.2	32.4
	Southbay Sector				
	Indemnity	n.a.	25.2	30.5	22.8

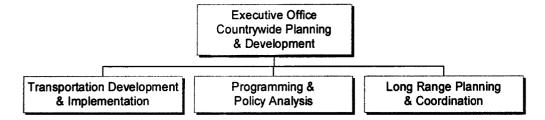
Balanced Scorecard Goals/Obje	ctives/Performance Measures		Y00 ctual		FY01 ctual		Y02 Imated		FY03 arget
Customer Goal - Improve transp	ortation services to increase cust	omei	satis:	fact	ion				400
Objectives: Improve In-Service-On-Time Performance - Rail	Performance Measure: Percent In Service On-Time performance Heavy Rail		7.62%		9.13%		9.00%		9.20%
1	Light Rail		n.a.	9	7.43%	98	3.00%	9	8.25%
Increase reliability of service	Percent scheduled revenue vehicle service hours delivered Systemwide Heavy Rail Light Rail	99	9.39% 9.61% 9.31%	99	9.48% 9.61% 9.42%	99	9.50% 9.65% 9.45%	1	100% 100% 100%
Reduce customer complaints	Complaints per 100,000 boarding		7.0170	•	J. 42 /0	0.	J10 70	,	70
	Systemwide Heavy Rail Light Rail	(1.02 0.83 0.95	(0.85 0.83 0.76	(0.78 0.80 0.80		0.80 0.80 0.80
Financial Goal - Increase effective	ve and efficient utilization of resou	ırces							
Objectives: Reduce rail cost per revenue vehicle service hour without reducing the overall quality of service	Performance Measure: Blended Rail cost per RVSH	!	n.a.	\$2	82.83	\$2	68.95	\$2	67.81
	Heavy Rail cost per RVSH Light Rail cost per RVSH	•	43.56 01.57	•	20.96 63.85	•	42.23 94.79		243.12 289.79
	Farebox Recovery Light Rail Heavy Rail Subsidy per Boarding		2.71% 5.00%		9.13% 9.66%		2.17% 3.26%		28% 28%
	Light Rail Heavy Rail Fare per Boarding Light Rail	\$ \$	1.55 1.39 0.45	\$ \$ \$	2.14 1.99 0.51	\$ \$	2.25 1.28 0.64	\$ \$ \$	1.61 1.16 0.60
	Heavy Rail	\$	0.24	\$	0.41	\$	0.33	\$	0.04

Los Angeles County Metropolitan Transportation Authority Proposed Budget

Balanced Scorecard Goals/Object	tives/Performance Measures	FY00 Actual		FY02 Estimated	FY03 Target
Internal Processes Goal - Improve	and streamline business processe	s .			
Objectives:	Performance Measure:				
Improve mean vehicle miles between FTA reportable	Mean miles between failures	4,485	6,093	6,075	6,500
Learning/Innovation Goal - Increa	se innovation to improve performar	1C 0			
Objectives:	Performance Measure:				
Improve safety and security by reducing accidents	Rail accidents per 100,000 revenue train miles	n.a.	0.86	0.27	0.00
	Heavy Rail (MRL)	n.a.	0.08	0.10	0.00
	Light Rail (MGL, MBL)	n.a.	0.93	0.30	0.20
	Rail passenger accidents per 100,000 boardings	n.a.	n.a.	0.02	0.05
	Heavy Rail (MRL)	n.a.	n.a.	0.00	0.00
	Light Rail (MGL, MBL)	n.a.	n.a.	0.10	0.05
Improve safety and security by reducing lost work days	Workers' compensation lost work days per 100 employees per month	n.a.	65.8	68.1	51.1
	New lost work time indemnity claims reported/filed	n.a.	72	54	41
	New w.c. claims per 200,00 exposure hours				
	Indemnity	n.a.	14.3	14.3	14
	Medical	n.a.	n.a.	8.7	8

COUNTYWIDE PLANNING & DEVELOPMENT (CP&D)

Organization Chart



Strategic Business Unit

Countywide Planning & Development (CP&D) is responsible for programming and administering federal, state and local transportation funds, preparing a financially constrained TIP, and planning and coordinating regional transportation services and infrastructure improvements in Los Angeles County, the 88 cities and the 16 municipal bus operators in Los Angeles County and CALTRANS.

Executive Office

Directs the overall programs of MTA's planning and programming services, develops strategies, defines major priorities and resolves critical transportation issues in Los Angeles County.

Long Range Planning & Coordination

Long Range Planning is responsible for countywide planning activities including coordinating the Long Range Transportation Plan (LRTP) and the Call for Projects (CFP) process. Other responsibilities include development of the Short Range Transit Plan, including countywide services such as Metro Rapid and paratransit, the Congestion Management Program,

countywide ridesharing and technical resources such as travel demand modeling.

Transportation Development and Implementation

Transportation Development and Implementation will reorganize into geographic teams in FY03. The area teams will be: Central, South Bay, Southeast/Gateway Cities, Westside, San Gabriel Valley, and the San Fernando Valley/North County. Each team will be responsible for project management and implementation for multiple modes of transportation within its geographic area. The department is responsible for project development, management and/or implementation of multiple modes of transportation within Los Angeles County including Highway/Freeway, Arterials, TDM, Rail and Busway, Signal Synchronization, Intelligent Transportation Systems, Bicycle, Pedestrian and other planning efforts. In addition, this department approves and monitors the utilization of CFP funds by the cities and county and conducts joint development activities. This department also serves as the project planning lead in the LRTP and CFP.

Programming & Policy Analysis

Programming & Policy Analysis (P&PA) is responsible for strategic capital planning, regional and local programming, and regional grants management and administration for all fund sources that support the MTA's mission of improving mobility and promoting innovative and comprehensive transportation systems throughout Los Angeles County. P&PA also assigns funding for the CFP; analyzes and interprets state, federal, and local programming proposals and policies; serves as the funding lead in the LRTP and CFP; allocates local and municipal operator funding; provides funding policy development for regional programs, local programs and organizational

direction; is the MTA liaison with state and federal grantor agencies; and is the MTA liaison to the cities on Proposition A and Proposition C Local Return and Discretionary funds, and TDA Article 3 and 8.

Significant Changes In FY03

- Expand the Metro Rapid Bus by two lines.
- Preliminary engineering as well as final environmental planning will commence for the Exposition Light Rail Line to the Westside.
- FY03 Budget includes \$11.2 million for sound wall design and construction.

Countywide Planning & Development Reports

Countywide Planning & Development

	FY01	FY02	FY03
Department FTEs	Adopted	Adopted	Proposed
1 Executive Office, Reg Transp Plan & Dev	4	4	4
2 Long Range Planning & Coordination	42	40	35
3 Transportation Dev & Implementation	56	66	65
4 Programming & Policy Analysis	33	32	35
5 Countywide Planning & Development Total FTEs	135	142	139

Expenditures		FY01		FY02		FY03			
(Amounts in thousands)	Actual Adopted		ual Adopted F		Actual Adopted Pr		tual Adopted Prop		roposed
6 Executive Office, Reg Transp Plan & Dev	\$	1,403	\$	1,224	\$	558			
7 Long Range Planning & Coordination		15,545		69,886		25,810			
8 Transportation Dev & Implementation		21,670		87,548		48,766			
9 Programming & Policy Analysis		620,604		685,416		709,543			
10 Countywide Planning & Development Total	\$	659,222	\$	844,074	\$	784,677			

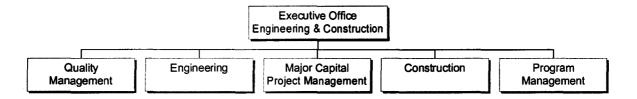
Expenditure Types		FY01		FY02		FY03		
(Amounts in thousands)		Actual Adopted		Adopted		Adopted		roposed
11 Non-Contract Wages	\$	7,816	\$	9,526	\$	9,300		
12 Fringe Benefits	ĺ	3,379		4,643		5,182		
13 Professional & Technical Services		25,018		93,001		50,927		
14 Contract Services	İ	592		2,473		2,316		
15 Purchased Transportation		2,618		9,548		9,029		
16 Fuels & Lubricants/Utilities		-		3		2		
17 Materials and Supplies		186		484		2,022		
18 Acquisitions	į.	2,803		44,704		2,183		
19 Subsidies		617,237		679,035		703,024		
20 Other		(427)		657		692		
21 Countywide Planning & Development Total	\$	659,222	\$	844,074	\$	784,677		

Balanced Scorecard Goals/Objectives	/Performance Measures	4.0	FY01 Actual	FY02 Estimated	FY03 I Target
Customer Goal - Improve transportati	on services to increase customer's	atisfacti	on		
Objectives: Develop Short Range Transportation Plan identifying priority projects and implementation schedule for FY 04-09	Performance Measure: % of Short Range Transportation Program complete	n.a.	n.a.	15%	100%
Implement 2003 Call for Projects through a performance based, competitive selection process. (Two year effort ends in July 2004)	% of Call for Projects Program complete	n.a.	90%	10%	90%
Coordinate with SCAG and County Transportation Commissions to ensure regional performance goals are met necessary to demonstrate air quality conformance and continued federal funding of MTA's TIP	% compliance with air quality conformity regulations	100%	100%	100%	100%
Improve communications between subregions and MTA Planning	# of subregional COG and working group meetings attended	n.a.	n.a.	70	90
Obtain Countywide technical input on MTA policies and programs	# of Technical Advisory Committee (TAC) meetings chaired	n.a.	n.a.	11	11
Improve HOV planning	% of HOV Evaluation Study completed	n.a.	n.a.	70%	100%
Mitigate the noise in neighborhoods adjacent to freeways	# of soundwall NBSSRs completed	n.a.	n.a.	10	11
Plan additional transit corridor extensions	% of Expo PE and final environmental completed	n.a.	n.a.	10%	70%
	% of Crenshaw Corridor MIS completed	n.a.	n.a.	80%	100%
	% of San Fernando Valley North/South MIS completed	n.a.	n.a.	10%	100%
Improve Bus Stop Safety/Security	% of \$500,000 Bus Stop Safety/Security funds programmed	n.a.	n.a.	0	100%

Balanced Scorecard Goals/Objectives/F	Performance Measures	FY00 Actual	FY01 Actual	FY02 Estimated	FY03 Target
Financial Goal - Increase effective and	efficient utilization of resources			er erenen Tille	
Objectives: Maintain TDI-managed projects on time and on budget	Performance Measure: % of projects completed within 10% of schedule	n.a.	n.a.	65%	75%
	% of projects on budget	n.a.	n.a.	90%	90%
Collect assessments from Benefit Assessment Districts meeting bonded indebtedness expenses	\$ received from the Benefit Assessment Districts	\$14.2 M	\$14.2 M	\$14.2 M	\$14.3 M
Internal Processes Goal - Improve and	streamline business processes				
Objectives: Improve internal coordination between Planning and Operations on new and ongoing air quality-related programs and projects	Performance Measure: Average number of days to prepare reports for air quality grants and emission credits	14	14	10	7
Improve Call for Projects management	% of business process audit recommendations implemented	n.a.	n.a.	0	80%
Learning/Innovation Goal - Increase inn	ovation to improve performance				
Objectives: Improve Trip Distribution choice model	Performance Measure: % of trip distribution model enhancement on schedule	n.a.	n.a.	10%	100%
Enhance professional transportation planning skills through in-house and outside training opportunities.	% of employees participating in internal or outside training	n.a.	n.a.	n.a.	100%
Increase Safety awareness in the workplace	% employees completed safety training	n.a.	n.a.	10%	90%

ENGINEERING & CONSTRUCTION

Organization Chart



Strategic Business Unit

Engineering & Construction is responsible for providing engineering services and construction oversight for rail projects, transit corridors, capital projects and engineering service requests. The primary focus during FY03 are the final design of the Transit Corridor Projects, start of construction on the Eastside Light Rail Project, start of construction of the North Hollywood Segment 3 Universal City Pedestrian Underpass, complete delivery and acceptance of the L.A. Rail Car vehicles, and continue closeout and claim settlements on all open contracts.

Executive Office

The Executive Office for Engineering & Construction is responsible for managing division and cost center activities in support of the MTA Capital Program in addition to providing technical and administrative guidance and assistance.

Quality Management

Quality Management is responsible for the implementation of administrative and control measures during design, procurement, construction, installation, testing, start-up and turnover that assure the transit system meets the expectations of our customers.

Engineering

Engineering is responsible for the cost-effective provision of design and other engineering professional services from preliminary engineering through final design and construction of bus and rail projects. These projects range from minor updates to bus facilities to design of major rail projects.

Major Capital Projects Management

The Major Capital Projects
Management department is a
consolidated project engineering and
construction staffing organization that
will manage the Eastside and the
Exposition Long Range
Transportation projects, the San
Fernando Valley and Wilshire Mid
City BRT projects, the completion of
construction and contract closeout of
the North Hollywood Metro Rail,
systems engineering for all Metro Rail
lines and the coordination of Pasadena

Gold Line LRT system engineering/ integration and start up activities.

Construction

The Construction unit is responsible for the construction management and oversight for all rail constructionrelated activities and construction related capital improvement projects.

The Construction unit also includes Environmental Compliance, and Construction Safety.

Environmental Compliance provides environmental clearance for the MTA projects and ensures compliance with the provisions of Federal, state and local laws, regulations and guidelines related to impacts of the projects on the environmental, and cultural resources. In addition, this department monitors and updates mitigation measures status reports for the projects.

Environmental Services is responsible for providing the appropriate plan, labor, and equipment to mitigate contamination impacts; maintain compliance with all environmental regulations pertaining to hazardous wastes and materials; monitor environmental contractors working on projects; and provide regulatory interface to resolve MTA concerns and address MTA requirements imposed on projects.

The Construction Safety staff is responsible to ensure the highest level of safety in the workplace on all construction projects, including the San Fernando Valley BRT, the Eastside LRT, and capital projects. The staff oversees all safety and work

related activities for the Construction Division.

Program Management

Program Management is responsible for planning, scheduling, tracking, reporting, and forecasting the impact of engineering, construction and capital projects on the labor and financial resources of the MTA. This cost center also provides timely and accurate configuration management of contract changes and all documentations in support of every division project.

Significant Changes In FY03

- Engineering & Construction's FY03
 Budget increased as a result of new projects such as the Transit
 Corridor Projects that will either be in final design or start of construction in FY03 and the new Light Rail Vehicle Fleet
 Enhancement project.
- Metro Red Line Segment 3 North Hollywood: The FY03 Budget totals \$37.8 million, a reduction of \$20.5 million from FY02, and includes the cost of site improvements at the Universal City station; design, engineering and construction of the Lankershim Boulevard Pedestrian Bridge Undercrossing; construction claims settlements; project closeout process; continued claims analysis support; and litigation/legal service.
- Transit Corridor Projects: The FY03 Budget totals \$96.7 million, an increase of \$15.6 million from FY02, and includes preliminary design for the Wilshire Exposition

- Boulevard Bus Rapid Transit (BRT); final design and start of construction for the Eastside Light Rail Transit (LRT) and San Fernando BRT.
- Los Angeles Light Rail Car and Light Rail Vehicle (LRV) Fleet Enhancement Projects: The FY03 Budget totals \$11.8 million, a decrease of \$24.9 from FY02, and includes costs to fund the last of the Siemens vehicles that are scheduled for delivery and acceptance in FY03, and the new procurement contract for 24 LRVs.
- Metro Green Line: The FY03
 Budget totals \$4.4 million, a
 decrease of \$6.6 million from FY02,
 and includes the completion of the
 Automatic Train Control System,
 costs relating to testing and
 startup of the vehicles, and
 CALTRANS outstanding claims.
- Capital Projects: The FY03 Budget includes design and construction activities for the fiber optic rail communication system, CNG fueling facilities upgrades, CNG compressors, Universal Fare Collection System, Division Network Cabeling Project, and various bus and rail facility upgrades.

Engineering & Construction Reports

Engineering & Construction

	FY01	FY02	FY03
Department FTEs	Adopted	Adopted	Proposed
1 Executive Office, Construction	9	9	9
2 Quality Management	13	16	14
3 Engineering	63	76	78
4 Construction	26	22	22
5 Program Management	35	35	35
6 Engineering & Construction Total FTEs	146	158	158

Expenditures	FY01		FY02		FY03	
(Amounts in thousands)		Actual		\dopted	Propos	
7 Executive Office, Construction	\$	869	\$	1,004	\$	1,329
8 Quality Management		1,084		1,340		1,517
9 Engineering		5,680		7,423		8,745
10 Construction	1	1,871		2,069		2,070
11 Construction Contracts	1	96,945		177,811		217,550
12 Program Management	ĺ	3,088		3,900		4,026
13 Engineering & Construction	n Total \$	109,537	\$	193,547	\$	235,237

Expenditure Types		FY01		FY02		FY03
(Amounts in thousands)		Actual	A	dopted	P	roposed
14 Contract Wages	\$	295	\$	-	\$	-
15 Non-Contract Wages		8,828		9,891		10,383
16 Fringe Benefits		3,958		4,722		5,842
17 Professional & Technical Services	1	26,278		31,494		52,202
18 Contract Services	ļ	1,662		166		120
19 Fuels & Lubricants/Utilities		-		19		•
20 Materials and Supplies	l	5,123		770		2,215
21 Casualty & Liability	l	-		-		-
22 Acquisitions	1	62,547		145,074		164,170
23 Subsidies	Į	1,704		-		-
24 Other		(858)		1,411		305
25 Engineering & Construction Total	\$	109,537	\$	193,547	\$	235,237

Note: The Major Capital Projects Management Department is included in the Engineering department FTE's and Expenditures.

Balanced Scorecard Goals/Object	ives/Performance Measures	6 8.00 mm (1.000)	600	FY02 Estimated	FY03 Target
	rtation services to increase custome				
Objectives: Keep the design and construction of major projects on track.	Performance Measure:	***			
A. Eastside LRT	A. Complete final design by 9-02. NTP for tunnel construction by 5-03.	n.a. n.a.	n.a. n.a.	n.a. n.a.	Sept. 02 May 03
B. San Fernando Valley BRT	B. Award of design/build contractor 12-02. Start final design by 1-03. Begin construction 4-03.	n.a. n.a. n.a.	n.a. n.a. n.a.	n.a. n.a. n.a.	Dec. 02 Jan. 03 April 03
C. Exposition LRT	C. Complete preliminary engineering by 6-03.	n.a.	n.a.	n.a.	June 03
Support the start-up (rail activation) of the Pasadena Gold Line (PGL)	A. Award P2550 contract by 10-04- 02.	n.a.	n.a.	n.a.	Oct. 02
	B. Number of cars available for revenue service by 4-03	n.a.	n.a.	n.a.	24
Provide on-time support to MTA Capital Program					
A. Top 25%	A. Complete 95% of milestones on schedule.	n.a.	n.a.	95%	95%
B. Second 25 %	B. Complete 75% of milestones on schedule.	n.a.	n.a.	75%	75%
Financial Goal - Increase effective	and efficient utilization of resource	8			
Objectives: Keep the design and construction of major projects (Eastside LRT, San Fernando Valley BRT and Exposition LRT) on budget.	Performance Measure: Maintain budget for the major projects within plus or minus 10% of approved budget.	n.a.	n.a.	n.a.	100%

Balanced Scorecard Goals/Object			FY01 Actual	FY02 Estimated	FY03 Target
Internal Processes Goal - Improve	and streamline business processe	98	2,00	and the second	NO.
Objectives: Install web-based project management collaboration system for corridor and UFS projects	Performance Measure: Web based collaboration system installed by August 30, 2002.	n.a.	n.a.	n.a.	Aug. 02
Streamline Quality Assurance review of design.	Percent reduction in Quality Assurance review time.	n.a.	n.a.	n.a.	15%
Learning/Innovation Goal - Increa	se innovation to improve performa	nce			
Objectives: Increase safety awareness in the workplace	Performance Measure: A. For construction activities, maintain a recordable injury rate below the national average of 7.8.	4.1	4.4	4.4	6.0
	B. For construction activities, maintain lost time injury rate at at less than half the national average of 3.8.	0	3.6	0	1.9

COMMUNICATIONS

Organization Chart



Strategic Business Unit

The Communications organization is responsible for the strategic evaluation, development and implementation of agency-wide marketing and communications programs.

Executive Office, Communications

The Communications Executive Office will oversee and direct the activities of the organization to improve customer satisfaction and public opinion of MTA and its services, optimize ridership, and position MTA as the recognized transportation leader both regionally and nationally.

Customer & Vendor Services

Customer & Vendor Services manages the Retail Vendor Network, Customer Center Operations, the Reduced Fare Program, Metro Mail/E-Commerce, Lost and Found, Distribution and Control of Fare Media. The department will manage the Regional Pass and UFS Smart Card implementation.

Creative Services

Creative Services provides a range of services that, together with the other Communications divisions, seek to improve the image of the agency. These services include Design Services (graphic design, signage/wayfinding/ environmental graphics, corporate identity), Production Services (print production, quality control, forms/resolutions, audio visual/photography services), and **Customer Communication Services** (copywriting, editing, terminology style guides, special reports, website, and signage & customer information audit/review). The unit is also responsible for the encouragement of quality facility design principles throughout the agency and the implementation of the MTA's public art policy (Metro Art & Design), which includes significant community involvement.

Marketing/Customer Relations

Marketing promotes the use of MTA services through marketing, advertising, promotions, and communications. Marketing Research, the Advertising Revenue Contract and Account Services are included. Customer Relations provides

customers information through 1-800-COMMUTE, offering route & schedule information, and processing customer input and complaints.

Public Relations

Public Relations manages Media Relations, Publications, Employee Communications, and the Speakers Bureau. It informs the public and MTA employees about the MTA's activities via press releases, magazines, brochures, videos, MTA's internal and external websites, media features, press events, and community speakers.

Communication Services

Communication Services manages all Special Event, Joint Promotion and Community Fair and Festival Participation. Included are all sector, municipal and facility and filming coordination.

Employer Programs

Employer Programs markets a complete line of Alternative Transportation, Pass and Rideshare programs to area employers businesses, government organizations and educational institutions. This department's services include Rideshare Matching, Vanpool Formation, Buspool and other TDM programs.

Significant Changes In FY03

- The new Communications organization was created mid-year FY02 by consolidating sections from other departments within the MTA. Under a new Chief Communications Officer (CCO), several functions including marketing, advertising, graphics, marketing research, Metro Art, customer relations, public and media relations, the vendor network, customer centers, fare media production and distribution, internal communications, special events, and MTA.net have been restructured and redirected for improved agency communications designed to increase ridership, awareness and perception.
- In FY03 the Rideshare Program, previously operated by SCAG, will now be operated by MTA. These services are grant-funded.

Communications Report

Communications

	FY01	FY02	FY03
Department FTEs	Adopted	Adopted	Proposed
1 Mktg./Advertising & Customer Relations	146	142	144
2 Executive Office, Communications	-	-	5
3 Customer & Vendor Services	38	39	53
4 Creative Services	12	13	13
5 Public Relations	7	7	7
6 Communications Total FTEs	203	201	222

Expenditures	FY01		FY01 FY02		1		xpenditures FY01		FY02			FY03
(Amounts in thousands)	Actual		A	dopted	Pı	roposed						
7 Mktg./Advertising & Customer Relations	\$	8,364	\$	8,766	\$	16,410						
8 Executive Office, Communications		-		-		631						
9 Customer & Vendor Services		3,093		3,458		4,560						
10 Creative Services		859		2,067		5,060						
11 Public Relations		676		722		1,461						
12 Communications Total	\$	12,992	\$	15,013	\$	28,122						

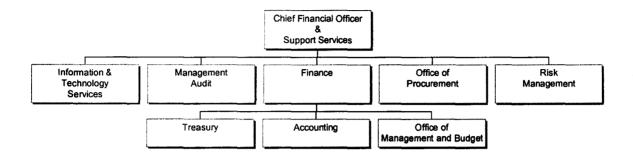
Expenditure Types		FY01	FY02			FY03
(Amounts in thousands)	A	Actual Adopted			Proposed	
13 Contract Wages	\$	3,508	\$	3,997	\$	4,070
14 Non-Contract Wages		3,018		3,239		4,452
15 Fringe Benefits		3,753		4,078		5,741
16 Professional & Technical Services	l	1,518		1,400		6,129
17 Contract Services	l	273		1,182		1,235
18 Fuels & Lubricants/Utilities		-		-		-
19 Materials and Supplies		205		328		811
20 Acquisitions		2		211		582
21 Other		715		578		5,102
22 Communications Total	\$	12,992	\$	15,013	\$	28,122

Note: Total number of FTEs includes two new departments that Communications created, Communication Services and Employer Programs.

Balanced Scorecard Goals/Object	tives/Performance Measures	FY00 Actual	FY01 Actual	FY02 Estimated	FY03 Target
Customer Goal - Improve transp	ortation services to increase cus	stomer sati	sfaction		
Objectives:	Performance Measure:				
Improve customer satisfaction and wait time on 1-800-COMMUTE	Average wait time in minutes and seconds	5:06	3:35	3:30	2:45
Improve percentage response to written customer inquiries within 3 days	Percent of responses within 3 days	n.a.	n.a.	92%	100%
Financial Goal - Increase effectiv	e and efficient utilization of resc	ources			
Objectives:	Performance Measure:				
Generate revenue from film leasing	Total revenue generated from film leasing	\$411,000	\$468,000	\$450,000	\$350,000
Establish baseline for tracking dollar value for positive print and electronic media coverage	Dollar value of positive print and electronic media coverage	n.a.	n.a.	n.a.	establish baseline
Internal Processes Goal - Improv	e and streamline business proc	0 8808			
Objectives:	Performance Measure:				
Împrove internal awareness	Publish 4 quarterly magazines and 4 quarterly Service Sector newsletters	n.a.	n.a.	n.a.	complete 100% of specified number of publications
Learning/Innovation Goal - Incre	ase innovation to improve perfo	rmance			
Objectives:	Performance Measure:		***************************************		
Increase safety awareness in the workplace	Percent employees completed safety training	n.a.	n.a.	25%	75%

SUPPORT SERVICES

Organization Chart



Strategic Business Unit

Support Services, headed by the Chief Financial Officer, provides crossfunctional administrative and financial services to support the MTA's core business units. Support Services is comprised of departments and resources that serve all operating units.

Support Services – Finance

Department Narrative

The Executive Office, Finance, oversees Accounting, Office of Management & Budget (OMB), and Treasury departments. It also provides support for the MTA's operating and capital plans.

Accounting

Accounting records MTA's financial transactions, generates financial reports, processes payroll, accounts payable and receivables, and accounts, reports and bills all its capital and operating grants.

Office of Management & Budget

The Office of Management & Budget (OMB) develops the annual operating, capital and subsidy budgets; prepares revenue and expense projections; manages operating and capital expenditure and revenue plans; conducts special studies that analyze key business activities and processes, and coordinates strategic planning efforts.

Treasury

Treasury forecasts, monitors and manages cash requirements; oversees and directs the investment of available funds and debt proceeds; and administers the debt program. Pension and Benefits administers all facets of group health and welfare plans, pension plans, 401(k) and 457 deferred compensation, and unemployment insurance, and provides retirement and financial counseling programs. Revenue Administration collects, counts, and deposits fare revenue; maintains and repairs Ticket Vending Machines (TVM) fare collection equipment.

Significant Changes In FY03

- The Pension and Benefits unit was transferred to Treasury in FY02.
 Management has reorganized the unit and reduced administrative staff.
- Functions performed by the Revenue Department will be consolidated in FY03 to different parts of the organization. In FY02, Revenue Administration was transferred to Treasury, and Credit Collection was transferred to Accounting. Revenue Equipment Maintenance functions were consolidated with Transit Operations' Maintenance functions. Fare Media and Sales functions of the Revenue Department were moved to the Communications SBU.

Support Services - Finance Reports

Support Services - Finance

	FY01 FY02			
Department FTEs	Adopted	Adopted	Proposed	
1 Executive Office, Finance	3	3	3	
2 Office of The CFO	2	2	2	
3 Accounting	82	82	82	
4 Treasury	60	69	67	
5 Office of Management & Budget	25	25	25	
6 Support Services - Finance Total FTEs	172	181	179	

Expenditures		FY01		FY02		FY03
(Amounts in thousands)		Actual Adopted		Adopted Prop		roposed
7 Non-Departmental	\$	(1,171)	\$	-	\$	-
8 Executive Office, Finance		344		655		696
9 Office of The CFO		280		493		407
10 Accounting		10,678		11,728		11,620
11 Treasury		879,048		624,477		307,586
12 Office of Management & Budget		2,588		3,612		3,145
13 Non-Departmental - Board Contingency	İ	3,158		5,000		5,000
14 Support Services - Finance Total	\$	894,925	\$	645,965	\$	328,454

Expenditure Types	FY01 FY02			FY03		
(Amounts in thousands)		Actual	F	dopted	Proposed	
15 Contract Wages	\$	95,930	\$	1,936	\$	2,000
16 Non-Contract Wages		72,483		6,395		6,504
17 Fringe Benefits	ĺ	4,417		5,966		6,315
18 Professional & Technical Services		9,970		14,439		13,970
19 Contract Services		3,772		5,739		5,714
20 Fuels & Lubricants/Utilities		-		-		-
21 Materials and Supplies		274		427		401
22 Debt/Interest		702,097		607,124		291,209
23 Acquisitions	1	(1,023)		1,800		298
24 Other		7,005		2,139		2,043
25 Support Services - Finance Total	\$	894,925	\$	645,965	\$	328,454

Balanced Scorecard Goals/Object	ves/Performance Measures	FY00 Actual	FY01 Actual	FY02 Estimate	FY03 Target
er dar 12 For sommer engrisker i 1 och 10 oc	tation services to increase custome	Oki jak armini opo nobeloj.	- 20 to enterprocedo do Francisco estado		
Objectives: Pay all vendors/suppliers within 30 days from date of invoice or within PO/contract terms	Performance Measure: Days to pay invoices from invoice date/receipt date	n.a.	n.a.	n.a.	30
	Days to pay properly approved invoices	30	22	10	n.a
Process 95% of retiree applications within 30 days of receipt of completed application	Percentage processed within 30 days	100%	100%	100%	100%
Process 95% of 401k/457 payroll deductions/changes within the same pay period as received	Percentage processed within the same payroll period	n.a.	n.a.	95%	95%
Resolve all positive pay exceptions in a timely manner to avoid delay in customers receiving payment	Percentage of positive pay exceptions resolved within 4 hours of notification	MTA not on-line	100%	100%	100%
Financial Goal - Increase effective	and efficient utilization of resources				14.00 mg (1.00 mg) 18.00 mg (1.00 mg)
Objectives: Provide timely and accurate financial information for Service Sectors	Performance Measure: Percentage of sector financial reports delivered within 7 days of accounting month close and 42 days of quarter close	n.a.	n.a.	n.a.	100%
Maintain an overall win rate of 85% for unemployment cases	Percentage of Unemployment Insurance cases won	94%	94%	90%	85%
Pay 100% of all premiums on a timely basis to avoid incurring penalties	Percentage of premiums paid timely	100%	100%	100%	100%
Ensure best utilization of financial assets by reviewing short-term cash held by bond trustees	Review 25% of bond issues each quarter and adjust investment strategy as appropriate	85%	85%	90%	100%
When bond proceeds are available, process requests for reimbursement from bond proceeds within 45 days of receipt of request from Accounting	Days to draw proceeds from trustee following receipt of a reimbursement request by Treasury	60 days	60 days	30 days	30 days
Structure Operating fund portfolios to maximize investment income within policy objections of safety of principal and liquidity	Portfolio total return will equal or exceed the market value weighted composite of the 91 day t-bill return and the Merrill 1-3yr Gov't/Corp index return	1.0	1.0	1.0	1.0

Los Angeles County Metropolitan Transportation Authority Proposed Budget

Balanced Scorecard Goals/Object	ves/Performance Measures	FY00 Actual		FY02 stimate	FY03 Target
nternal Processes Goal - Improve	and streamline business processes				
Objectives: Improve financial and management information	Performance Measure: Percent improvement in customer satisfaction rating	n.a.	n.a.	5%	20%
Reduce number of payroll errors	Percent reduction in number of errors/total special checks processed from previous year	n.a.	n.a.	25%	10%
Reduce number of unprocessed/unmatched invoices over 90 days outstanding.	Percent reduction in number of unprocessed/unmatched invoices over 90 days outstanding from previous year	45%	30%	21%	10%
Improve collection of accounts over 90 days outstanding	Percent reduction from previous year the amount of uncollected accounts over 90 days outstanding	n.a.	n.a.	n.a.	10%
Submit grant billings on time	Number of days from month end to submit grant billings	10	10	9	8
Pay properly approved expense reports on time	Number of days to pay properly approved expense reports from date of receipt	n.a.	n.a.	7	7
Develop FIS Accounting and end user report	Develop FIS accounting and end user reports every quarter	n.a.	n.a.	n.a.	3
Add Medicare B reimbursement information to the HR Central System	100% of existing Med B recipients to be added to the system by fiscal year end (25% each quarter)	n.a.	n.a.	n.a.	100%
	100% of all new recipients added to the system each quarter	n.a.	n.a.	n.a.	100%
Implement filing system to specifically retain post-closing documentation related to bond and lease transactions	Create file for 10 transactions during each quarter	n.a.	n.a.	n.a.	100%

Los Angeles County Metropolitan Transportation Authority Proposed Budget

Balanced Scorecard Goals/Object				FY02 stimate	FY03 Target
Learning/Innovation Goal - Increa	se innovation to improve performance				
Objectives: Increase safety awareness in the workplace	Performance Measure: Percent employees completed safety training	n.a.	n.a.	25%	75%
Enhance staff knowledge and skills through continuing education	20% of employees will participate in a seminar or training class each quarter	n.a.	n.a.	25%	75%
20% of department staff to complete a skills based training or continuing education course each quarter	Percentage of employees completing training during the quarter	n.a.	n.a.	n.a.	100%

Support Services – Information & Technology Services (ITS)

Department Narrative

Information Technology Services (ITS) is responsible for the development, implementation, operation, maintenance, and technical support of MTA's computer systems and integrated communications network.

Significant Changes In FY03

• Reduced Capital Budget by \$19.6 million. This reduction is due to year-over-year fluctuations in technology development programs and MTA's greater emphasis on capital improvement projects that provide the greatest benefit to transit customers.

- Several major projects, Universal
 Fare System (UFS), Advanced
 Transportation Management
 System (ATMS), Division Network
 Construction Project (DNCP),
 Maintenance and Material
 Management System (M3), and
 Document Processing Management
 System (DPMS) will enter the
 implementation phase and will
 require shifting of resources to
 support this phase of the project.
- Implementation of Service Sectors requires changes in the technical systems that support this activity and require refinements to the programming to support the decentralized organization.

Support Services – Information & Technology Services (ITS) Reports

Support Services - ITS

	FY01	FY02	FY03
Department FTEs	Adopted	Adopted	Proposed
1 Information & Technology Services	166	165	164
2 Support Services - ITS Total FTEs	166	165	164

	Expenditures		FY01		FY02		FY03
	(Amounts in thousands)	Actual		Adopted		Adopted Prop	
3	Information & Technology Services	\$	27,412	\$	50,451	\$	33,265
4	Support Services - ITS Total	\$	27,412	\$	50,451	\$	33,265

Expenditure Types	FY01		FY02			FY03
(Amounts in thousands)		Actual_	A	dopted	Pr	oposed
5 Contract Wages	\$	1,979	\$	2,241	\$	2,146
6 Non-Contract Wages		7,031		8,028		7,236
7 Fringe Benefits		4,219		5,328		5,848
8 Professional & Technical Services		5,942		18,262		12,108
9 Contract Services	ĺ	731		642		323
10 Fuels & Lubricants/Utilities		2,230		2,495		2,511
11 Materials and Supplies		4,087		8,745		2,602
12 Acquisitions		1,166		4,603		432
13 Other	ĺ	27		107		59
14 Support Services - ITS Total	\$	27,412	\$	50,451	\$	33,265

Balanced Scorecard Goals/Objec	tives/Performance:Measures	FY00 Actual		FY02 Estimated	FY03 Target
	ortation services to increase custo	mersati	efaction		Ī
Objectives: Provide timely response to helpdesk tickets.	Performance Measure: Percent of 3.5 or better rating in customer survey responses	n.a.	n.a.	90%	95%
Provide continuous access to mission critical applications.	Network availability	95%	95%	99.5%	99.8%
Deliver Capital Projects on schedule.	Adherence to Capital Projects against their established forecasted schedule.	n.a.	n.a.	50%	90%
	e and efficient utilization of resou	rces			
Objectives: Improve the MTA's payment record with vendors.	Performance Measure: Percent Invoices paid within 30 days.	n.a.	n.a.	48%	90%
Reduce cost for service maintenance contracts.	Percent of maintenance contracts renegotiated for a lower fee.	n.a.	n.a.	n.a.	80%
Internal Processes Goal - Improv	e and streamline business proces	ses			
Objectives: Improve and enforce ITS Change Control policies and procedures for application development.	Performance Measure: Percent of change control management integrated for all major applications development.	n.a.	n.a.	n.a.	100%
Strengthen security and management practices to safeguard ITS assets	Audit of security practices completed for one critical system per quarter.	n.a.	n.a.	n.a.	100%
Improve the consistency and quality of service ITS offers the agency.	Percentage of four policies and procedures per quarter developed to support ITS work functions.	n.a.	n.a.	n.a.	100%
	ase innovation to improve perform	nance			
Objectives: Increase safety awareness in the workplace by training 25 employees per quarter.	Performance Measure: Percent of department employees completing safety training	n.a.	n.a.	100%	100%
Define and execute a training plan to educate staff in new technologies the agencies will be using in coming years.	Percent of all scheduled training completed	n.a.	n.a.	n.a.	100%

Support Services - Management Audit Services

Department Narrative

Management Audit Services' role is to strengthen internal controls and to promote the economy, efficiency and effectiveness of MTA operations. It also administers the MTA's prequalification program, performs control self-assessments (CSA) and coordinates MTA's tracking of outside audit recommendations.

Significant Changes In FY03

 Decreased labor and overall expenditures as the department moves closer to concluding contract audit work and litigation matters that required intensive audit support.

Support Services - MASD Reports

Support Services - Management Audit Services

	Γ	FY01	FY02	FY03
Department FTEs		Adopted	Adopted	Proposed
1 Management Audit Services		72	71	68
2 Management Audit Sei	vices Total FTEs	72	71	68

Expenditures	FY01		FY02		/01 FY02 F		FY03	
(Amounts in thousands)	Actual		Adopted		Actual Adopted Pro		oposed	
3 Management Audit Services	\$	9,969	\$	11,707	\$	11,058		
4 Management Audit Services Total	\$	9,969	\$	11,707	\$	11,058		

Expenditure Types	FY01		FY02				FY03
(Amounts in thousands)	/	Actual	A	dopted	Propose		
5 Non-Contract Wages	\$	4,101	\$	4,412	\$	4,150	
6 Fringe Benefits		1,816		2,115		2,320	
7 Professional & Technical Services		4,065		4,910		4,345	
8 Contract Services		1		-		-	
9 Materials and Supplies		73		89		62	
10 Other		(87)		181		181	
11 Management Audit Services Total	\$	9,969	\$	11,707	\$	11,058	

Balanced Scorecard Goals/Objective	s/Performance Measures	FY00 Actual		FY02 Estimated	FY03 Target
Customer Goal - Improve transportat	ion services to increase custome	r satisfac	tion		
Objectives: Internal Audit will execute the FY03 Internal Audit Plan, (including major audits of bus operations, bus maintenance, rail Operations and ITS)	Performance Measure: Completion of the audits included in the approved audit plan	78%		85%	85%
Project Audit Group (PAG) will complete elimination of audit backlogs	Percent of backlogged audits outstanding	75%	50%	25%	0%
Financial Goal - Increase effective an	d efficient utilization of resources				
Objectives: EMC litigation support and close- out audits completed	Performance Measure: Number of EMC close-out audits remaining	418	396	291	0
Track sustention rates for all contract audits	Sustention percentage yield from contract audit analysis	32.83%	66%	12.1%	40%
Internal Processes Goal - Improve an	d streamline business processes				
Objectives: Complete Control Self Assessment (CSA) workshops and business process certification documents by year end.	Performance Measure: No. of workshops completed	7	3	1	3 for 100%
CSA will follow-up and facilitate completion of 190 action plans resulting from 11 CSA workshops	No. of CSA Business Process certification documents completed	19	32	19	40 for 100%
Promote audit compliance and track timely implementation of proposed corrective actions	Average audit resolution score	50%	85.5%	85.0%	90%
Learning/Innovation Goal - Increase i	nnovation to improve performanc	8			
Objectives: Increase safety awareness in the workplace	Performance Measure: Adherence to safety action plan	n.a.	n.a.	n.a.	100%

Support Services - Office of Procurement

Department Narrative

Procurement and Material Management provides the purchasing, supply chain logistics, management, and contract administration of all goods and services for the MTA.

Executive Office, Procurement

Executive Office, Procurement provides management oversight for the acquisition and management of all goods and services for the MTA. The Executive Office of Procurement oversees three basic functions, which are Contract Administration, Contract Support, and Logistics/Material Management.

Contract Administration

Contract Administration is responsible for pre-award and postaward contract administration for construction and major planning efforts, professional services, goods, equipment and rolling stock.

Contract Support

Contract Support provides expertise and support in cost/price analysis, estimating, and procurement compliance.

Materiel Management

Materiel Management is responsible for planning, acquisition, control, and distribution of inventory goods and materials; purchase of goods and equipment, administration of the Purchase Card Program, pre-award and post-award administration of yearly blanket purchase contracts, and the Material Sales Program for the sale and disposal of obsolete inventory and equipment.

Significant Changes In FY03

- Procurement's FY03 non-labor budget is \$9.8 million including \$5.7 million in bus and rail capital projects. FY03 operating budget of \$4.1 million represents a \$1.4 million decrease.
- Increase Materiel Management by \$1.3 million for capital warehousing and system projects, including FY02 carryover.
- Decrease Procurement Non-Departmental by \$932,000 through reductions in parts inventory account and agency advertising.

Support Services - Procurement Reports

Support Services - Office of Procurement

Department FTEs	FY01 Adopted	FY02 Adopted	FY03 Proposed
1 Materiel	202	203	205
2 Contracts	31	31	28
3 Contracts-Construction	40	43	41
4 Executive Office, Procurement	6	7	7
5 Contract Support	27	30	30
6 Office of Procurement Total FTEs	306	314	311

Expenditures (Amounts in thousands)	FY01 Actual		FY02 Adopted			
7 Materiel	\$	12,701	\$	18,016	\$	20,672
8 Contracts		2,289	•	2,911		2,620
9 Contracts-Construction		3,376		4,114		3,994
10 Executive Office, Procurement		1,104		2,081		1,462
11 Non-Departmental Materiel		3,411		3,564		2,626
13 Contract Support		2,684		3,504		2,747
14 Office of Procurement Total	\$	25,565	\$	34,190	\$	34,121

Expenditure Types	FY01 FY02		Y02	FY03		
(Amounts in thousands)		Actual	Ad	opted	Pro	posed
15 Contract Wages	\$	5,369	\$	5,792	\$	6,055
16 Non-Contract Wages		8,434		9,921		8,831
17 Fringe Benefits]	7,045		8,683		9,443
18 Professional & Technical Services	1	1,209		1,575		808
19 Contract Services		31		59		51
20 Fuels & Lubricants/Utilities	1	8		14		10
21 Materials and Supplies		3,269		3,743		2,936
22 Acquisitions		73		4,070		5,575
24 Other		127		333		412
25 Office of Procurement Total	\$	25,565	\$	34,190	\$	34,121

Balanced Scorecard Goals/Object	ives/Performance Measures	FY00 Actual	FY01 Actual	FY02 Estimated	FY03 Target
Customer Goal - Improve transpo	rtation services to increase cust	omer satisi	action		
Objectives: Improve performance in the delivery of materiel parts and supplies.	Performance Measure: Maintain quarterly engine component reliability from suppliers and maintain an acceptance rate of 97% to RRC operations.	97%	97%	97%	97%
	Maintain quarterly 98% service level for cleaning materials, bus window guards and passenger seat inserts.	98%	98%	98%	98%
	Maintain 1% quarterly average No Stock Hold as a percentage of the active bus fleet.	1%	1%	1%	1%
Achieve a rating of satisfactory or better on 80% of client post award evaluations	Percent satisfactory customer evaluations from New Starts Program. Baseline is fourth quarter of FY02.	n.a.	n.a.	n.a.	80%
Award contracts on time	75% of all contracts shall be awarded on time (PATs issues deadlines according to \$ value)	n.a.	n.a.	n.a.	75%
Financial Goal - Increase effective	and efficient utilization of resou	ırces			
Objectives: Reduce the cost of materials & supplies to Transit Operations.	Performance Measure: Maintain annual revenue in the amount of \$450,000 from the sale of bus parts as surplus or scrap material.	\$538,000	\$640,000	\$700,000	\$450,000
	Achieve cumulative savings of \$2,000,000 by the end of FY03 by implementing master agreements and other cost reduction strategies.	\$443,000	\$600,000	\$500,000	\$500,000

Balanced Scorecard Goals/Object	ives/Performance Measures	FY00 Actual	FY01 Actual	FY02 Estimated	FY03 Target
Financial Goal - Increase effective	and efficient utilization of resou	rces			
Objectives: Reduce encumbrances through timely contract closure	Performance Measure: Close out and unencumber all physically complete, non-litigation contracts greater than \$100,000 and over 180 days past contract completion using June 02 report as baseline	n.a.	n.a.	n.a.	100% over 180 days
	Close out and unencumber 100% of physically complete, non-litigation contracts greater than \$100,000 and over 2 years past contract completion date and 50% of contracts greater than \$100,000 and within 1 to 2 years past contract completion date	n.a.	n.a.	n.a.	100% over 2 years 50% 1 2 yr
Reduce contract lead time for Construction and Professional Services	150 days or less per contract	n.a.	n.a.	n.a.	150 days
Strive for Contract Award Prices for bids and negotiated procurements, within 20% of the Independent Cost Estimates or Technical Evaluations	Variance between the independent cost estimate and bid/negotiated price on estimates \$200K and greater.	n.a.	n.a.	n.a.	20%
	Variance between the technical evaluation and bid/negotiated price on technical evaluation \$200K and greater.	n.a.	n.a.	n.a.	20%

Balanced Scorecard Goals/Objective	es/Performance Measures	and the second	FY01 Actual	FY02 Estimated	FY03 Target
Internal Processes Goal - Improve a	nd streamline business processes			e e e e e e e e e e e e e e e e e e e	
Objectives: Procure inventory and non- inventory material and supplies in a cost effective, timely manner	Performance Measure: Maintain 13.5-day average or less administrative lead-time for inventory procurement.	n.a.	16	13.5	13.5
	Maintain 26-day average or less administrative lead-time for non-inventory procurement.	n.a.	30	26	26
Achieve negotiated PATS scheduled procurements commensurate with staffing	Achieve planned or forecasted PATS Schedule 80% on time by the published PATS schedule/forecast for all contracts scheduled for award in FY03	80%	85%	n.a.	80%
Reduce number of Unpriced Contractual Actions	No more than 10% of all Contract Actions shall be issued as a UCA	n.a.	n.a.	n.a.	10%
Increase accuracy of estimating products (Independent Cost Estimates and Technical Evaluations) compared to contract award prices by not exceeding 20% of the preaward contract price.	Variance between the independent cost estimate and bid/negotiated price on estimates \$200K and greater.	n.a.	n.a.	n.a.	20%
contract price.	Variance between the technical evaluation and bid/negotiated price on technical evaluation \$200K and greater.	n.a.	n.a.	n.a.	20%

Balanced Scorecard Goals/Objectiv	es/Performance Measures	FY00 Actual	FY01 Actual	FY02 Estimated	FY03 Target
Learning/Innovation Goal - Increase	innovation to improve performance	: 0			
Objectives: Increase safety awareness in the workplace and encourage employees to attend on-site professional education programs.	Performance Measure: All employees complete DuPont Safety First training by end of FY03	n.a.	n.a.	75%	100%
	40 hours of class time of professional development for all Gateway employees by end of FY03.	n.a.	n.a.	75%	100%
Train all eligible Contract Administration & Purchasing (approximately 100) staff as required under the Contracting Officer's Warrant Program (COWP). Note: eligible staff are those who otherwise meet the requirements of the Warrant Program.	Percent of staff trained versus the total number of staff (approximately 100) eligible to be trained for the fiscal year.	n.a.	n.a.	n.a.	100%
Identify and implement Public/Private Partnership model to minimize MTA Capital Outlay requirements in FY03	Implement Public/Private Partnership model on at least one non-CNG project in FY03. FY02 CNG project is the baseline	n.a.	n.a.	n.a.	1
Conduct Contract Administrator Training	Training twice a month	n.a.	n.a.	n.a.	8
Digitize Mini Board Reports	100% complete by end of FY03	n.a.	n.a.	n.a.	100%
Digitize Pre-Award Audit Process	100% complete by end of FY03	n.a.	n.a.	n.a.	100%

Support Services - Risk Management

Department Narrative

Risk Management is responsible for protecting the MTA's assets through the identification, management and control of insurable risks.

Responsibilities include management and oversight of the following: the Owner-Controlled Insurance Program (OCIP) for construction activities, workers' compensation claims administration, Public Liability/Property Damage (PL/PD) claims administration, the identification, purchase and management of appropriate insurance

programs, oversight of self-insured liability reserves through risk financing techniques, and recovery of insurance proceeds for damage to MTA property.

Significant Changes In FY03

- Complete the implementation of an in-house, self-insured and selfadministered workers' compensation claims administration unit.
- Procure and implement an owner controlled insurance program (OCIP) to support transit corridor projects.

Support Services – Risk Management Reports

Support Services - Risk Management

		FY01	FY02	FY03
Department FT Es		Adopte d	Adopted	Proposed
1 Risk Management		20	20	62
2	Risk Management Total FTE's	20	20	62

Expenditures			FY01		FY02		FY03	
	(Amounts in thousands)		Actual		Adopted		Pr	oposed
3	Risk Management		\$	49,476	\$	50,367	\$	43,994
4	Risk Management	Tot al	\$	49,476	\$	50,367	\$	43,994

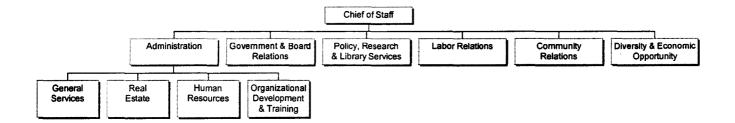
Expenditure T ypes (Amounts in thousands)	FY01 Actual		1		1		1		1		1				Pı	FY03 oposed
5 Contract Wages	\$	185	\$	-	\$	-										
6 Non-Contract Wages	ł	2,487		3,314		3,001										
7 Fringe Benefits	ĺ	1,019		1,611		(2,733)										
8 Professional & Technical Services		5,370		5,647		4,865										
9 Materials and Supplies		19		37		46										
10 Casualty & Liability	l	40,043		39,421		38,559										
11 Other		353		337		256										
12 Risk Management Total	\$	49,476	\$	50,367	\$	43,994										

FY03 Performance Measures

Balanced Scorecard Goals/Obje	ctives/Performance Measures	FY00 Actual	FY01 Actual	FY02 Estimated	FY03 Target
Customer Service - Improve tran	sportation services to increase c	ustomer sati	staction		
Objectives:	Performance Measure:	***************************************	***************************************		
Reduce work related injuries	Number of new claims per 100 employees	36.6	30.5	31.0	25.6
	Indemnity to total claims (%)	73.5%	63.9%	70.7%	65.0%
Reduce lost work days associated with work related injuries	Number of lost work days	96,390	108,513	114,198	94,213
	Number of lost work days per 100 employees	108.1	119.4	123.3	101.7
Administer third party liabilities/property damages	Number of new traffic accident claims per 100K hub miles	n.a.	39.0	34.7	28.6
Financial Goal - Increase effective	ve and efficient utilization of reso	urcae			
Objectives:	Performance Measure:	4,000			
Control workers comp costs	Total payments per 100 employees	\$ 515,699	\$ 580,521	\$ 589,740	\$ 486,536
Control PL/PD costs	Average PL/PD payment per claim	\$ 4,977	\$ 5,970	\$ 5,894	\$ 4,863
	Subrogation recoveries	\$ (874,543)	\$ (699,932)	\$ (586,060)	\$ (575,000)
Internal Processes Goal - Improv	ve and streamline business proce	SSOS			
Objectives:	Performance Measure:				
Ensure effective management of claims administration	Percent of WC files reviewed	n.a.	n.a.	n.a.	5%)
	Percent of high exposure PL/PD files reviewed	100%	100%	100%	100%
Learning/Innovation Goal - Incre	ase innovation to improve perfor	mance			
Objectives:	Performance Measure:				
Increase safety awareness in the workplace	Percent employees completed safety training	n.a.	n.a.	n.a.	100%

CHIEF OF STAFF

Organization Chart



Strategic Business Unit

The Chief of Staff was reorganized and expanded to include Administration, Labor/Employee Relations, Community Relations, Policy, Research & Library Services, Board/Government Relations and Diversity & Economic Opportunity.

Significant Changes In FY03

 The Chief of Staff organization has several diverse activities underneath its umbrella. The majority of the budget and staffing for the Chief of Staff organization was transferred from other departments within the MTA.

Chief of Staff

Strategic Business Unit

The Chief of Staff – Administration Unit is discussed in the following pages.

Executive Office, Chief of Staff

The Chief of Staff Office coordinates all areas of the MTA, provides oversight over key programs and provides support to the Chief Executive Officer. It provides policy recommendations and advice and counsel in the development of strategies and resolution of sensitive and complex political, business, and government issues. This office directs and executes the strategic mission, vision and values of the MTA, and provides direction towards the achievement of performance goals and objectives.

Policy, Research & Library Services

Policy, Research & Library Services (PR&LS) develops, catalogues, publishes and monitors policy, regulations and procedures promulgated by MTA Board of Directors and the Chief Executive Officer. It provides oversight of Board-related matters including the preparation of committee and board reports. Additionally, the department is also responsible for agency research, analysis and process improvements at the direction of the CEO. PR&LS also operates the MTA's Dorothy Peyton Gray Library and Transportation Museum.

Labor/Employee Relations

Labor/Employee Relations negotiates, administers and interprets the MTA's collective bargaining agreements, manages grievance administration, provides contract interpretation and provides due process advice to MTA management.

Government & Board Relations

Government Relations is the principal liaison to all federal, state and local elected officials, government agencies, commissions and their staff. The department develops the MTA's legislative goals and objectives, obtains legislative support and monitors the legislative process for the MTA. Board Relations serves as a liaison between the MTA's Board of Directors and executive management and provides research information and analyses on significant issues to enhance the decision-making process.

Diversity & Economic Opportunity

Diversity & Economic Opportunity formerly Small Business Diversity & Labor Compliance) provides customer service, achieves workforce diversity, and promotes economic opportunity by implementing internal and external programs that benefit customers, staff, and trade workers on MTA construction projects and the small business community.

Community Relations

Community Relations, formerly known as Public Affairs, communicates the transportation objectives of the MTA

to communities served by the MTA. This is accomplished with community outreach programs, facilitation of public participation in planning, engineering, and construction of mass transit projects, development of Rail Safety outreach programs, and management of ADA compliance issues.

Significant Changes In FY03

- Community Relations was transferred to the Chief of Staff organization from Engineering & Construction. Expanded functions such as Service Sector Community Relations, Transit Corridor Buildout, Rail Safety Education and Outreach and ADA compliance have increased the staffing and budget requirements.
- The Administration function was consolidated under the Chief of Staff. Most of the departments under Administration remained intact with two exceptions: the Pension and Benefits Section of Human Resources was moved to Finance and Creative Services was transferred to the newly created Communications organization.

- The newly created Policy, Research and Library Services department represents the consolidation of several activities, such as Library Services, Policy and Research, and the administration of the MTA's Dorothy Peyton Gray Library and Transportation Museum. Most of the staffing and budgets were transferred from former departments. Additional funding is requested in FY03 for a new Electronic Board Report to improve the efficiency and effectiveness of processing Board reports.
- Diversity & Economic Opportunity changed department name from Small Business Diversity & Labor Compliance; function was reassigned to report to the Chief Executive Office.
- Reassigned Equal Employment
 Opportunity Department to
 function as a unit of the Diversity
 & Economic Opportunity
 Department.

Chief Of Staff Reports

Chief of Staff

	FY01	FY02	FY03
Department FTEs	Adopted	Adopted	Proposed
1 Executive Office, Chief of Staff	10	10	11
2 Policy, Research & Library Services (PRLS)	-	2	6
3 Labor/Employee Relations	19	19	23
4 Board Research Services	13	14	15
5 Diversity & Economic Opportunity	25	24	25
6 Public Affairs	8	10	24
7 Chief of Staff Total FTEs	75	79	104

Expenditures		FY01		FY02		FY03
(Amounts in thousands)	Actual Adopted		dopted	opted Pro		
8 Executive Office, Chief of Staff	\$	1,107	\$	2,485	\$	2,951
9 Policy, Research & Library Services (PRLS)		-		-		1,341
10 Labor/Employee Relations		1,760		2,027		2,458
11 Board Research Services		1,637		1,799		2,163
12 Diversity & Economic Opportunity		1,731		2,220		2,226
13 Public Affairs		786		1,133		3,914
14 Chief of Staff Total	\$	7,021	\$	9,664	\$	15,053

Expenditure Types		FY01	FY02	FY03
(Amounts in thousands)		Actual	Adopted	Proposed
15 Contract Wages		\$ (1)	\$ -	\$ -
16 Non-Contract Wages		4,006	4,544	6,205
17 Fringe Benefits		1,706	2,207	3,459
18 Professional & Technical Services		1,303	2,279	3,117
19 Contract Services		(247)	64	312
20 Fuels & Lubricants/Utilities		1	1	22
21 Materials and Supplies		36	102	323
22 Acquisitions		-	-	75
23 Other		217	467	1,540
24	Chief of Staff Total	\$ 7,021	\$ 9,664	\$ 15,053

FY03 Performance Measures

Balanced Scorecard Goals/Object	ives/Performance Measures	FY00 'Actual	FY01 Actual E	FY02 stimated	FY03 Target
Customer Goal - Improve transpo	rtation services to increase custon	ner satisf	action		
Objectives: Conduct outreach to public to provide them with opportunity to influence transportation construction projects	Performance Measure: Newsletters, Community meetings, Construction Notices individual contacts and field meetings	n.a.	30	22	20
Communicate public concerns to management/staff	Attendance at field/internal meetings, participation on issues	n.a.	95%	96%	97%
Use technology on safety presentations to reach 5000 persons a week	Number of people briefed per week	n.a.	n.a.	n.a.	5,000
Process certification applications within 90 days of receiving required information	Days to process Certification applications	151	115	110	90
Financial Goal - Increase effective	and efficient utilization of resource	8 \$			
Objectives: Provide mitigation services to impacted entities to carry out the legal requirement of the EIR, maintain goodwill and reduce claims	Performance Measure: Responsiveness to complaints and mitigation provided	n.a.	n.a.	n.a.	100%
Increase efficiency of communication by using computer generated presentation and materials	Number of presentations and materials distributed to MTA and public	100	100	100	750
Prevent track-related accidents with vehicles and pedestrians	Number of fatalities on light rail operations	0	0	0	0
Achieve 100% prevailing wage file audits	Percentage of prevailing wage files audited	60%	75%	85%	100%
Achieve 100% monitoring of Certified Payroll reports	Percentage of payment reports monitored	20%	35%	40%	100%

Los Angeles County Metropolitan Transportation Authority Proposed Budget

FY03 Performance Measures, continued

nternal Processes Goal - Improve	and streamine business processi	/3			
Objectives: Assist Management with Board presentations using computer equipment and handouts	Performance Measure: Number of MTA Board and other presentations provided	n.a.	n.a.	24	3
Reduce EEO complaint investigation cycle to 45 days	Days to process EEO complaint investigation	n.a.	n.a.	120	4
Improve response time to grievances after hearings	Respond to UTU 2nd level grievance appeals within 45 calendar days of hearing date	n.a.	71%	94%	100%
	Respond to ATU 2nd level grievance appeals within 22 calendar days of hearing date	n.a.	44%	100%	1009
earning/Innovation Goal - Increas	e innovation to improv e performa	nce			
Dbjectives: Increase safety awareness in the workplace	Performance Measure: Percent employees completed safety training	n.a.	n.a.	25%	75%
Foster Integrated transportation planning for Sectors	Percent of weekly meetings attended with Sector Staff and Chief of Staff	n.a.	n.a.	n.a.	100%
Use mobile bus unit for schools and safety demonstrations	Number of people seeing safety demonstrations per year.	5,000	10,000	15,000	25,00

Chief of Staff - Administration

Unit Narrative

The Administration unit is responsible for four essential support services functions, which include Human Resources, General Services, Real Estate Services and Organizational Development and Training (OD&T). These critical functions agency-wide activities and projects.

Executive Officer, Administration

The Executive Office provides management oversight for the provision of administration services, including building and real estate services and human resources, organizational development and training activities. OD&T is included in this function.

General Services

General Services provides Gateway building management, records management, copy and mail services, printing services and travel coordination.

Human Resources

Human Resources manages all aspects of personnel management for MTA, which includes administration and guidance on all human resources issues including: recruiting and staffing, compensation, classification, leave programs, drug and alcohol compliance programs and personnel rewards.

Real Estate

Real Estate provides real estate services in the areas of appraisal, environmental investigations, property acquisitions, relocation, property management and dispositions.

Organizational Development & Training

OD&T integrates the use of training and development, organizational development and career/workforce development to improve individual, group and organizational effectiveness.

Significant Changes In FY03

- Pension and Benefits administration was transferred to Finance.
- Executive Officer of HR & Administration was consolidated to flatten management layer.
- Real Estate budget was reduced by \$2.5 million and two FTEs. This is due to lower project acquisition activity for the Santa Monica Transit Parkway Project and for Transit Plaza Improvements.
- The transfer of the Pension and Benefits function from Human Resources to Finance reallocated workforce by nine positions and approximately \$0.9 million from Administration unit.
- Two other positions in HR were transferred to Risk Management to support Return to Work program in

Los Angeles County Metropolitan Transportation Authority Proposed Budget

- response to independent audit recommendation.
- Creative Services (formerly Graphics and Metro Art) was transferred to Communications to align this function to their primary clients.
- Real Estate will support the implementation of the ATMS project with the acquisition of a new microwave site for operators.

Chief Of Staff - Administration Reports

Chief of Staff - Administration

ſ	FY01	FY02	FY03
Department FTEs	Adopted	Adopted	Proposed
1 Executive Office, Administration	15	16	14
2 Human Resources	71	59	59
3 General Services	93	94	96
4 Real Estate	19	22	20
5 Chief of Staff - Administration Total FTEs	198	191	189

Expenditures		FY01		FY02		FY03
(Amounts in thousands)		Actual	A	dopted	Pr	oposed
6 Executive Office, Administration	\$	2,075	\$	2,326	\$	2,605
7 Human Resources		7,403		8,658		7,237
8 Non Departmental - Human Resources		80		-		-
9 General Services		10,949		16,217		16,770
10 Real Estate		8,521		15,142		12,570
11 Chief of Staff - Administration Total	\$	29,028	\$	42,343	\$	39,182

Expenditure Types	FY01		FY02			FY03
(Amounts in thousands)	Actual		Adopted		Pr	oposed
12 Contract Wages	\$	2,687	\$	2,934	\$	3,029
13 Non-Contract Wages		5,751		6,524		5,667
14 Fringe Benefits		4,241		5,425		5,797
15 Professional & Technical Services		1,303		3,184		3,465
16 Contract Services		2,611		3,808		4,009
17 Fuels & Lubricants/Utilities		1,896		2,116		2,124
18 Materials and Supplies		1,471		2,386		2,726
19 Acquisitions		1,362		9,764		6,690
20 Subsidies		225		-		50
21 Other		7,481		6,202		5,625
22 Chief of Staff - Administration Total	\$	29,028	\$	42,343	\$	39,182

FY03 Performance Measures

Balanced Scorecard	Goals/Objectives/Performance Measures	FY00 Actual	FY01 Actual	FY02 Estimated	FY03 Target
Custo mer Goal - Imp	rove transportation services to increase custome	r satisfactio	n .		
Objectives:	Performance Measure: Percent of timeliness of public records requests in compliance with policies	87%	91%	95%	95%
	On time delivery of printing services jobs	98%	98%	99%	99%
	On time delivery of copy center jobs Percent of mail distribution on time performance	94% 92%	94% 94%	99% 95%	99% 95%
	Customer satisfaction rating for training & development sessions (1 to 5 scale)	n.a.	3.37	3.71	4.12
Financial Goal - Incre	Customer satisfaction with organizational development interventions (1 to 5 scale) ase effective and efficient utilization of resources	n.a.	n.a.	n.a.	3.5
Objectives:	Performance Measure:				
Objectives.	Cost per training hour for full classes	n.a.	\$62.34	\$ 54.17	\$49.40
	Increase in Employee Center profit as a percentage of cost of goods sold	\$126,750	\$332,000	\$480,000	\$550,000
	Generate \$12 million in annual revenue from the sale, short-term and long-term lease of MTA real property assests and other special uses of MTA properties	\$14.4M	\$16.9M	\$12.5M	\$12M

FY03 Performance Measures, continued

Balanced Scorecard (Goals/Objectives/Performance Measures	FY00 Actual	FY01 Actual	FY02 Estimated	FY03 Target
Internal Processes Go	oal - Improve and streamline business proce	SSOS			
Objectives:	Performance Measure: Number of days of cycle time with Span FM system to provide computerized work orders.	N/A	15 days	12 days	12 days
	Completion of general wage increases (quarterly wage adjustment) for represented employees prior to effective date	0	5 days	5 days	5 days
	Certify 85% of routine vacancies within 32 days	n.a.	74%	76%	85%
	Cycle time to fill hard-to-fill positions to 45 days	124 days	81 days	45 days	45 days
	Percentage of MTA employees testing positive for prohibited drugs, alcohol	< 1%	< 1%	< 1%	< 1%
	Average time to process, analyze and resolve requests for reasonable accomodation of disability for employment	n.a.	n.a.	60 days	30 days
Learning/Innovation G	Goal - Increase innovation to improve perfor	mance			
Objectives:	Performance Measure: Number of employees completing formal inhouse training	1,250	3,850	4,399 .	5,500

BOARD OF DIRECTORS

Organization Chart



Strategic Business Unit

The Board of Directors establishes policies and authorizes appropriations of the MTA. Reporting directly to the Board of Directors are the Chief Executive Office, Board Office/Office of the Board Secretary, County Counsel, Ethics Office, and the Office of Inspector General.

Chief Executive Office

The Chief Executive Office manages the MTA, which is the third largest transportation agency in the United States. The Chief Executive Office directs the operations of a multi-modal transit system, construction improvements, and regional transportation planning and programming functions.

The Chief Executive Office works with staff, elected officials, and the community to bring consensus on key projects while at the same time improving the mobility and livability of Los Angeles County.

The Chief Executive Officer heads this department. Those reporting to the Chief Executive Officer include the Planning Executive Officer; Executive Officer Engineering and Construction;

Deputy CEO/Chief Operations Officer; Chief Financial Officer, Chief of Staff; and the Chief Communications Officer. These officers' units support the enterprise-wide objectives and provide linkages to our stakeholders including our business partners, the unions, and the community.

Office of the Board & Board Secretary

The Office of the Board & Board Secretary is responsible for the Board meeting process including agendas, minutes, resolutions, and scheduling. It includes the Legal Services function, which is responsible for accepting and processing all legal documents served on the MTA and its employees.

County Counsel

As general counsel to the MTA, County Counsel provides legal representation, advice, and counsel.

County Counsel attorneys attend Board and committee meetings, and provide advice on issues of governmental law such as the Brown Act, procurement law, eminent domain, Public Records Act, conflict of interest laws, and Federal and State laws relating to transportation. Additionally, County Counsel provides advice and representation on construction matters, employee relations and personnel matters, drafts and reviews contracts, represents the MTA in litigation and arbitration, and oversees legal services provided by outside law firms.

Ethics Office

The Ethics Office advises the Board of Directors, executive management, and staff on ethical, financial disclosure and conflict of interest issues. It also administers the MTA's Lobby Registration program, conducts ethics training, and researches state laws and regulations governing campaign contributions, fund raising activities, conflicts of interest and lobby regulations.

Office of Inspector General

The mission of the Office of Inspector General (OIG) is to: preserve and enhance, the integrity, efficiency, effectiveness, safety, and quality of the services provided by the MTA by conducting independent investigations, audits, inspections, and analyses. The OIG also provides law enforcement officials with information and evidence regarding possible criminal activities and assists the MTA with timely recommendations to improve operations and performance.

Significant Changes In FY03

- Secretary will upgrade the MTA
 Board Room translation equipment
 to allow for the simultaneous
 translation of meetings in three
 languages while providing service
 for the hearing impaired, and
 anticipated the increased
 responsibility of carrying out the
 department's mission with regards
 to Transit Service Area Council
 Meetings.
- County Counsel will increase legal services by \$11.8 million, based on project caseload for current litigation matters, new rail and bus projects, and increased activity.
- The Office of Inspector General (OIG) will reduce staffing level by 10 FTEs from FY02 Adopted Budget (from 42 to 32 positions).

Board Of Directors Reports

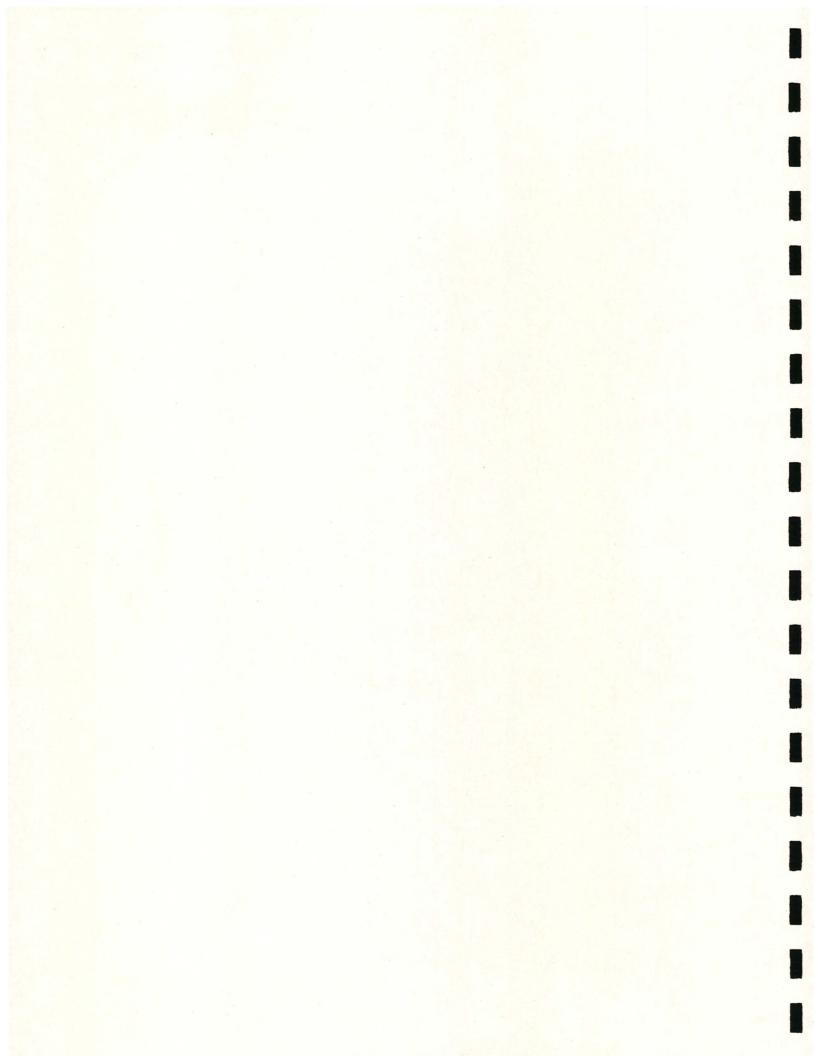
Board of Directors

	FY01	FY02	FY03
Department FTEs	Adopted	Adopted	Proposed
Office of Board Secretary	9	9	9
2 Ethics Office	6	6	6
3 County Counsel	6	4	5
4 Inspector General	42	42	32
5 Chief Executive Office	1	1	1
6 Board of Directors Total FTEs	64	62	53

Expenditures (Amounts in thousands)		FY01 Actual		FY02 Adopted		FY03 Proposed	
8 Office of Board Secretary	- 1	583		594		609	
9 Ethics Office	ŀ	521		531		566	
10 County Counsel		27,606		22,437		34,292	
11 Inspector General	ł	3,372		4,280		3,557	
12 Chief Executive Office		371		270		433	
13 Board of Directors Tot	al \$	32,577	\$	28,255	\$	39,631	

Expenditure Types		FY01	FY02		FY03	
(Amounts in thousands)		Actual	Α	dopted	Pr	oposed
14 Non-Contract Wages	\$	3,045	\$	3,408	\$	3,075
15 Fringe Benefits		1,315		1,816		1,754
16 Professional & Technical Services		467		624		608
17 Contract Services		27,223		21,925		33,706
18 Fuels & Lubricants/Utilities		62		85		85
19 Materials and Supplies		21		80		72
20 Acquisitions		94		49		72
21 Other		350		268		259
22 Overhead		-		-		
23 Board of Directors Total	\$	32,577	\$	28,255	\$	39,631

APPENDICES



APPENDIX 1: MTA BUDGET PROCESS

Budget Overview

The annual budget, as adopted by the Board of Directors, is the legal authority to obligate and spend funds. It includes all operating, capital and debt service requirements of the MTA for the fiscal year, July 1st to June 30th. The annual budget is comprised of Operating and Capital budgets.

The operating budget provides a summary of the planned revenues and expenditures for the fiscal year for MTA services and programs including the following:

- All revenue and expense assumptions and projections.
- Revenue Service Hours and miles of bus and rail service.

The operating budget includes Metro Bus and Rail operations, Freeway Service Patrol (FSP), planning activities and projects, property management activities, debt service, agency administration, and contingencies. The operating budget is comprised of the Enterprise, General, Special Revenue, Internal Service and Debt Funds.

The capital budget process has been integrated into the annual budget process. The capital budget includes all capital projects including corridor and rail construction projects and the five-year Capital Program (CP). The CP consists of all activities associated with bus acquisition, bus and rail capital improvements, facility construction and other capital

improvements such as information technology enhancements. When the Board of Directors approves a capital project, it authorizes the schedule and total expenditures over the life of the project. The annual budget authorizes the anticipated expenditures of the total project budget and the scope of work to be completed within the current fiscal year. Capital projects funding requirements extend over multiple budgetary periods. The approach to providing flexible funding over the life of the project requires the re-appropriation of unexpended carryover revenues and expenses from the prior fiscal year.

The MTA also budgets for regional programs to provide funds directly through grants of local funds or indirectly through allocating Federal and State grants to local agencies and transit operators throughout Los Angeles County. Funds are allocated to other government agencies in accordance with legislative requirements, Board of Directors policy or through a competitive awards process known as the Call for Projects (CFP). The Board of Directors approves the projects recommended for funding through the annual budget and the competitive process.

Regional Programs funded in the Special Revenue Fund include capital and operating allocations to municipal bus operators, direct disbursements to Los Angeles County municipalities for transportation programs and services for the disabled persons provided by Access Services, Inc (ASI).

MTA's financial records reflect only those funds that are actually received and directly disbursed by the MTA.

Budget Workflow

In accordance with the Financial Standards, the annual budget is adopted before July 1st to define the legal level of fiscal year expenditures. Budgeting for the fiscal year is divided into three phases: (1) budget formulation and preparation; (2) budget presentation and reviews; and (3) budget implementation.

Budget Formulation and Preparation

- Initial planning, development of assumptions, preparation of instructions and training materials began in January after a mid-year review of the FY02 Budget.
- FY03 Budget Kickoff meetings were held with departments the week of February 25, 2002.
- Budget system training classes were held the first two weeks of February 2002.
- Preparation of the FY03 Budget began in mid-February 2002 with departments developing expense and labor requests that were submitted to Office of Management & Budget (OMB) in mid-March.

Budget Reviews

 The five-year Capital Plan was developed concurrently with the annual operating budget.
 Recommendations for the update to the five-year plan were reviewed with the Capital Review

- Committee in late February and early March 2002.
- Project and department level reviews of budget requests were reviewed in March 2002.

Adoption Phase

- The summary of the proposed budget was released to the Board of Directors and public on May 1, 2002.
- MTA staff briefed the Board of Directors staff on May 8, 2002.
- A workshop was held for the Board of Directors on May 13, 2002.
- The public hearing was held May 16, 2002, in conjunction with the Finance and Budget Committee meeting.
- The annual budget and the Capital Plan updates were adopted on May 23, 2002 at the regularly scheduled Board of Directors meeting.

Budget Implementation

- The FY03 Budget will be implemented on July 1, 2002.
- Periodic financial reports are prepared to enable management to monitor and control the budget.
- Quarterly financial reports are prepared by Finance and presented by the Chief Financial Officer to the Board of Directors. These reports monitor financial performance and ensure compliance with approved budget.

Budget Basis

The MTA is a single, integral entity for budgeting and accounting purposes. Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental and proprietary funds, except that depreciation and amortization are not budgeted. The Governmental Accounting Standards Board (GASB) defines a fund as a "fiscal and accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations".

Funds are classified into three categories: governmental, proprietary, and fiduciary. Budgets are adopted for each fund within the groups; the proprietary category includes Enterprise and Internal Service; governmental includes General, Special Revenue, Capital Projects, and Debt Service Funds. Fiduciary funds are not included in the annual budget. That fund category includes pension and agency trust funds. All governmental funds, except the Special Revenue fund, are accounted for using the modified accrual basis of accounting, meaning that revenue is recognized when it is both measurable and available. Special Revenue fund proceeds are budgeted as the "flow of funds" basis, essentially cash basis. The proprietary funds, Enterprise and Internal Service, use the accrual basis of accounting in which revenue is recognized when it is earned or received.

MTA uses Special Revenue funds to account for those funds that are restricted by purpose and use. The Special Revenue funds reflect MTA's responsibility to administer special transportation programs as well as its duty to allocate transportation funds to local and regional agencies throughout Los Angeles County. Special revenue funds are shown in the budget summaries on a cash-flow basis.

In addition, MTA is responsible for acting as a trustee for certain funds which are held by the MTA as an agent for individuals, private organizations or other funds. MTA uses Fiduciary funds to account for these assets and includes pension trust funds and restricted agency funds. Benefit Assessment District (BAD) funds are an example of trustee funds that MTA collects and serves as the trustee for debt payment. The outstanding debt is an obligation of the Benefit Assessment District; MTA administers the program through the collection of taxes from property owners and payments to bondholders.

Service Authority for Freeway
Emergencies (SAFE) administers the
Los Angeles County Call Box program,
which coordinates emergency services
to motorists on freeways. SAFE is an
independent financial entity
component unit. SAFE funding is
derived from the \$1 fee collected on
vehicle registrations.

Budget Policies and Procedures

The annual budget is developed on the basis of the combination of two budget methodologies. Continuation level budgeting is used to develop the funding and resources necessary to sustain critical operating, special

programs and previously approved capital projects. The agency uses the zero-based budgeting methodology to determine resources for new programs and capital projects as well as general and administrative expenses.

The MTA's Chart of Accounts is reviewed and supplemented on an annual basis. In FY02, the Agency's comprehensive Chart of Accounts was consolidated by the Finance Department to improve congruence between budgeting, accounting and financial reporting.

In accordance with the Financial Standards, the Finance unit monitors revenues and budget expenditures throughout the fiscal year.

For all MTA accounting funds except the Enterprise Fund, budgetary oversight and control is attained through checking available funds for non-labor transactions. Available funds are identified as unspent and unencumbered. Available funds are verified for a department and project by monitoring combined budget totals for non-labor account categories or for individual acquisition-related accounts. Project expenditures in the Enterprise Fund will be controlled and monitored based on a cost-per-hour performance target within the budgetary constraints of the appropriation level approved by the Board of Directors.

Budget Amendments

Budget detail is a management plan for financial activity and is prepared at the fund, project, department and expense level. The legal level of

control is at the fund level. Total expenditures cannot exceed the final appropriation adopted by the Board. During the fiscal year, changes in law, economic conditions and emergencies can have an impact on budget authority. Spending authority may be increased or decreased throughout the fiscal year as unanticipated situations arise. Management may make revisions within operational and project budgets only when there is no net dollar impact to the total appropriations at the fund level. As such, the Chief Executive Officer can approve administrative revisions to the financial plan if changes are consistent with the appropriation by fund. MTA's source of authority to make changes is rooted in disclosure on financial policy as stated in MTA's Comprehensive Annual Financial Report (CAFR) where reference to the legal level of authority is at the fund level so that staff has the ability to make changes within that legal authority.

Capital Program Budget Process

In December 2001, MTA initiated a reengineered Capital Program (CP). A Capital Review Committee, made up of select department representatives, developed a process to bring about a more efficient way of allocating capital dollars for projects.

Meetings were held with the MTA departments to review and discuss the guidelines of the new Capital Program.

Departments were instructed to analyze the project's scope, non-labor and labor costs, and timeframe needed to implement the capital project. The departments then ranked the projects based on the following criteria:

- "Mission Critical" (If not done, will transportation service be affected?)
- Safety Enhancement (If not done will it cause a hazardous situation?)
- Mandated (Is the project required by law, regulation, Board mandate, or community regulation?)
- Ongoing/Project Readiness (Is the project a current construction/ acquisition project, or carryover from prior fiscal year?)

 Supports Strategic Plan (Does the project support one or more Agency objectives; provides cost savings and increased efficiency?)

The capital projects were compiled and reviewed by the Capital Review Committee. Based on this review. A five-year capital program was developed based on project rankings, project readiness, available agency resources and funding.

APPENDIX 2: FINANCIAL STANDARDS POLICY

POLICY STATEMENT

The Board shall review and approve a set of Financial Standards each year as part of the annual budget and financial planning process.

PURPOSE

The Financial Standards shall be divided into three sections:

- 1. General Financial Standards The purpose of the general
 standards is to ensure that
 MTA prudently manages its
 financial affairs and establishes
 appropriate cash reserves to be
 able to meet its future financial
 commitments.
- 2. Debt Financial Standards The purpose of the Debt Standards is to limit the level of debt that may be incurred and 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 MTA by the financial marketplace.

 These standards will be consistent with the Boardapproved Debt Policy.
- 3. Business Planning Parameters The purpose of the Business
 Planning Parameters is to
 provide management with a
 framework for developing the
 following year's budget and
 other MTA financial plans and
 establishes future business
 targets for management to
 achieve.

APPLICATION

This policy applies to all MTA financial plans.

1.0 PROCEDURES

- 1.1 The Management Team will review each of the Financial Standards areas annually.
- 1.2 The MTA's performance against the Financial Standards shall be measured and reported to the CEO throughout the year on a regular cycle.
- 1.3 At least annually, a mid-term report of the MTA's financial and programmatic performance will be presented to the Board.
- 1.4 The Financial Standards may be amended or waived by the Board on a case-by-case basis.

2.0 DEFINITION OF TERMS

- 2.1 Financial Plan Any plan, denominated in financial terms, that represents the MTA's official intentions to external parties, including other levels of government and their agencies, stakeholders, business partners and customers of the transportation system in Los Angeles County.
- 2.2 CEO The MTA's chief executive officer or designee.
- 2.3 Management Team Appointed by the CEO.

- 2.4 Budget The financial plan that summarizes the MTA's intentions during a fiscal year.
- 2.5 Capital Program The financial plan that details the MTA's investment in its own assets over a five-year period. The Capital Program is updated and included in each year's budget. The current year's expenditures are appropriated within the budget.

3.0 RESPONSIBILITIES

- 3.1 OMB shall be responsible for conducting the periodic performance reviews required under this policy.
- 3.2 Based on inputs from all units of the MTA, OMB shall be responsible for presenting the updated financial standards to the Board for review and approval.
- 4.0 FLOWCHART

Not applicable.

- 5.0 REFERENCES
- 5.1 MTA Debt Policy
- 5.2 MTA Investment Policy

6.0 ATTACHMENTS

None.

7.0 PROCEDURE HISTORY

- 7.1 Initial Action February 2002
- 7.2 Adoption of this policy supercedes the following previously adopted policies that are subsumed by FIN 25 or are procedural in nature and will be administered under the authority of the CEO:
 - Fin 1 Fiscal Policies (General)
 - Fin 2 Budget Preparation and Approval
 - Fin 3 Budgetary Controls
 - Fin 4 Budget Amendments and Adjustments
 - Fin 5 Fiscal Monitoring & Reporting
 - Fin 6 Funds Programmed to Other Agencies
 - Fin 7 Contingency Fund
 - Fin 8 Chart of Accounts
 - Fin 9 Revenue Policies

APPENDIX 3: MTA FY02-03 FINANCIAL STANDARDS

The Financial Standards are divided into three sections: General, Debt. and Business Planning Parameters. The purpose of the General standards is to ensure that MTA prudently manages its financial affairs and establishes appropriate cash reserves. The purpose of the Debt standards is to limit the level of debt that may be incurred and to ensure that debt assumptions are based on financial parameters similar to or more conservative than those that would be placed on MTA by the financial marketplace. Actual debt covenants may differ from these standards. In accordance with the MTA's Debt Policy, where this occurs, the actual covenants will be disclosed in the Board report supporting the debt issuance. The Business Planning Parameters provide management with a framework for developing the following year's budget and other longer range financial plans and establishing future business targets for management to achieve.

Financial Standards - General

- G1. Complete and accurate accounting records shall be maintained in accordance with Generally Accepted Accounting Principles as promulgated by the Government Accounting Standards Board. MTA's fiscal year-end for financial reporting purposes shall be June 30.
- G2. An independent accounting firm shall perform an examination of MTA's consolidated financial

- statements (including Single Audit requirements) and MTA's retirement plan financial statements on an annual basis. The MTA's goal is to receive an unqualified opinion on the financial statements and an opinion that MTA is 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.
- G3. Funds of the MTA 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 MTA Officials empowered to open, close, or authorize changes to accounts and authorizes MTA Officials to designate individuals as Official Signatories for the MTA's financial accounts.

G4. An annual actuarial analysis shall be performed on all MTA self-administered retirement plans. The MTA shall make annual contributions that, when

- combined with employee contributions, fund actuarially computed costs as they accrue.
- G5. Appropriate insurance coverage shall be maintained to mitigate the risk of material loss. For self-insured retentions, the MTA shall record the liabilities, including losses incurred but not reported, at 100% of the net present value.

It is the MTA's goal that restricted cash balances are maintained in amounts equal to the 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.

- G6. 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.
- G7. 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 the subsequent budget cycle in accordance with their ordinance designations.
- G8. The fiscal year of MTA shall end on June 30 of each year. By January of each fiscal year, the Board should review and approve a set of Financial Standards that can be used by management as a framework for developing the following year's Budget. The Board shall approve the Budget by June 30 of each fiscal year.
- G9. The annual budget establishes the legal level of appropriation for a year. The budget shall include operating, capital, regional funding and other components necessary to implement the policy directions containing previously Board adopted longer-term plans, i.e., LRTP, SRTP. 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.
- G10. The MTA shall adopt a long-range (covering at least 20 years) transportation plan for Los Angeles County 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.

- G11. Annually, the MTA shall adopt a five-year (short-range) transportation plan (SRTP) 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 plan will also identify key performance indicators by which to measure the MTA's accomplishment of the plan's goals.
- G12. The MTA shall maintain a cost effective system of internal control to adequately safeguard the MTA's assets. In assessing the internal control system, management must weigh the cost of control against the expected benefit to be derived from its implementation.

Recommendations for improvements to the MTA's 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. These recommendations, management's action plans and

progress toward implementation will be reported to the Board's Executive Management and Audit Committee on a regular basis.

<u>Financial Standards - Business</u> Planning Parameters

- B1. Sales tax revenue forecasts shall be based on a sales tax model developed specifically for the Los Angeles County by an independent economist, except for the initial five years, which may be based on management's best estimate. The real growth projections in the model shall be reduced by 20% for the balance of the (forecast).
- B2. Passenger revenue forecasts shall be derived from ridership and average fare forecasts based on the MTA's approved fare policy and fare structure.

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 subsidy per passenger targets (see B4) and to maintain MTA's financial viability.

B3. The Board desires to steadily improve service efficiency over time. It is the MTA's long-term strategy to achieve this by reducing the subsidy per passenger ratio (operating expenses, excluding depreciation, minus operating

- revenues, divided by passenger boardings). Subsidy per passenger for the MTA's bus and rail system may not be higher in FY03 than \$1.38 plus the additional subsidy required for load factor mitigation.
- B4. For MTA 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, less efficiencies of 1.5%; 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 for approval as part of the annual update of the SRTP each year.
- B5. For FY03 MTA's staffing, measured in FTE's, will be held to the FY 2002 level adjusted for service expansion or other new scope that has been approved by the Board.
- B6. 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 MTA Board.
- B7. The capital plan covers MTA's 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 \$1 million shall be listed separately for approval by the Board.
- Timely replacement of assets shall be the highest priority to ensure a safe system.

 Accordingly, the capital plan shall include replacement reserves by major asset category to ensure adequate future funding. The reserve levels shall be based on management's assessment of the asset category's condition.
- Expansion projects not previously approved in the short-range plan shall be prioritized based on the project's cost, impact on ridership, return on investment, available funds, and other relevant factors. An inflation rate of 4% shall be used for expansion capital projects.
- B8. MTA applies 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., BRT, LRT 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.

B9. Prop A and C administrative funds (Admin) are appropriated through the MTA's annual budget from the Special Revenue Fund to the General Fund 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

Based on past practice, 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.

Admin funds are transferred from the Special Revenue Fund to the General Fund as received, limited to the lesser of appropriations or actual sales taxes received.

Admin funds must be expended or encumbered within one year after the end of the year of appropriation.

Lapsing is accounted for on the firstin, first-out basis. Lapsed Admin 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 management, including planning, of the execution, use and conduct of the projects and programs funded by Prop A and C funds.

Admin funds may not be used for operating or building the transit system.

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 MTA elects 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, i.e., non-recurring costs of re-organization or service re-structuring.
- Development of planning documents required by federal and state regulations and MTA Board policy.
- Activities that benefit MTA 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.

Financial Standards - Debt

- D1. MTA 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 MTA's 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 MTA Board.
- D4. The average life of debt instruments shall not exceed the average useful lives of the assets financed.
- D5. 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.
- D6. MTA 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.
- D7. Debt service coverage ratio minimums by sales tax ordinance categories are shown in the MTA's Debt Policy. For financial planning purposes, those ratios shall not be exceeded in the development of longer-term financial plans.

Fund Type	/ENUE DETAIL - FY03 BUD	Assumptions	Application/Uses
Sales Tax Revenue	<u> </u>	Assumptions	Application/0303
Proposition A	\$641.6 million in revenues include \$102.4 million in carryover funds and \$539.2 million in new sales tax.	Based on Management's best estimate, the FY03 sales tax forecast was calculated on the FY02 projected actual escalated by 2.0%.	All areas of budget- operations, debt service, general fund, planning projects, and subsidies.
Proposition C	\$908.8 million in revenues include \$369.6 million in carryover funds and \$539.2 million in new tax revenues.	Based on Management's best estimate, the FY03 sales tax forecast was calculated on the FY02 projected actual escalated by 2.0%.	All areas of budget- operations, debt service, general fund, planning projects, and subsidies.
Transportation Development Act (TDA)	\$433.7 million in revenues include \$159.4 million in carryover funds and \$274.3 million in new tax revenues.	Based on Management's best estimate, the FY03 sales tax forecast was calculated on the FY02 projected actual escalated by 2.0%.	MTA bus operations, local match to COP and capital projects, subsidies to municipal bus operators.
State Transit Assistance (STA)	\$55.2 million in revenues include \$28.1 million carryover funds and \$27.1 million in new revenues.	Projection is based on State Controller's Report of allocated funds to L.A. County.	MTA agency-wide capital and rail operations, subsidies to municipal bus operators.
Intergovernmental F	Revenues		
Local Revenues			
Access Service Inc.	\$45.8 million in new revenues.	Based on Board approved funding plan.	ADA Compliance program
City of Los Angeles	\$2.7 million in new revenues.	Projection based on MTA Treasury Dept. debt service schedule.	Debt related to bus leases.
Grand Central Square	\$424,900 in revenues.	Based on new schedule of anticipated cash flows as projected by developer.	Debt repayment for CRA Housing and Redevelopment.
CSDA/CTFC Sub- lease agreement	\$2.2 million in new revenues.	Consistent with MTA's FY03 Treasury Dept. Debt Plan.	Financing reimbursements for COP sub-lease debt service.
Local Other	\$394,951 in new revenues. This includes \$137,561 from SCAG for the Rideshare Program, \$191,754 from AQMD for	Based on estimate by Countywide Planning staff of anticipated grant funds.	Rideshare Rewards/Club Metro program, SCAG employer rideshare program, and Regional

Los Angeles County Metropolitan Transportation Authority Proposed Budget

Fund Type	Revenues	Assumptions	Application/Uses
· · · · · · · · · · · · · · · · · · ·	Rideshare Rewards/Club Metro, and \$65,636 local match funds for Regional Grantee – FTA funds		Grantee – FTA program.
State Revenues			
State Traffic Congestion Relief Program - TCRP	\$96.5 million in new revenues.	Based on major funding plan for transportation in California intended to ease traffic congestion in key regions.	Mid-City/Wilshire, San Fernando Valley East- West, Eastside LRT, Mid-Cit/Exposition Transit Corridors.
State Highway Account – SHA	\$305,944 in new revenues.	Based MTA's Grant Management Dept estimate of anticipated grant funds from the State.	System safety and security programs.
SB45 Administration	\$3.8 million in new revenues.	Estimated by Capital Planning staff, consistent with SB45 funding plan.	Administration and oversight of planning projects
Budget Change Proposal (BCP)	\$5.7 million in new revenues.	Based on State Highway Operations Dept. estimate of anticipated grant funds from Caltrans for Freeway Service Patrol project.	Freeway Service Patrol Program (FSP)
State Other	\$10.3 million in revenues includes \$4.5 million from Dept. of Public Social Services \$4.2 million from Dept. of Transportation, and \$1.6 million from Caltrans and SCAG.	Based on estimate by Countywide Planning staff of anticipated grant funds. Funds reimbursed to MTA as expenditures are incurred.	Access to Job program, SCAG Employer Rideshare Service Project, and the I-710 MIS study.
Federal Revenues			
Section 5309 [3] New Starts	\$81.8 million in available revenues.	Assumed to average \$65 million annually through FY 2013. Funds reimbursed to MTA as expenditures are incurred.	Metro Red Line Segment 3-North Hollywood project and Eastside LRT
Section 5309 [3] Fixed Guideways Modernization Section 5309 [3]	\$37.1 million in available revenues. \$13.7 million in available	Assumed guaranteed level of TEA-21 and projected added eligible miles that become seven years old during the plan period. Funds reimbursed to MTA as expenditures are incurred. Assumed guaranteed level	Rail asset acquisition and maintenance capital projects. Bus acquisition, Union

Los Angeles County Metropolitan Transportation Authority Proposed Budget

APPENDIX 4: REVENUE DETAIL - FY03 BUDGET						
Fund Type	Revenues	Assumptions	Application/Uses			
Bus Facilities	revenues.	of TEA-21 and projected added eligible miles that become seven years old during the plan period. Funds reimbursed to MTA as expenditures are incurred.	Station improvements, and FTA Grantee program.			
Section 5307 [9] Capital	\$74.4 million in available revenues.	Assumed at the guaranteed level of TEA-21 as determined by the federal formula and SCAG implementing formulas. Section 5307 funds reimbursed to MTA as expenditures are incurred.	Bus capital leases, bus facility improvements, bus preventive maintenance, and information technology improvements.			
Congestion Mitigation and Air Quality (CMAQ)	\$59.6 million in available revenues.	Based on State Implementation Plan that has been approved pursuant to the Clean Air Act. Funds reimbursed to MTA as expenditures are incurred.	Universal fare collection system, advanced transportation management system, and alternate fuel high capacity buses.			
Section 5307 – STIP Funds	\$17.9 million in available revenues.	Based on estimate by Countywide Planning staff of anticipated grant funds. Funds reimbursed to MTA as expenditures are incurred.	FTA Grantee pass thru subsidies program, system safety and security project, and light rail vehicle enhancements project.			
Federal Other	\$4.7 million in available revenues includes \$3.8 million from FTA job access program, \$300,000 from FHWA pass-thru Caltrans, \$175,000 RSTP-CMAQ regional, and \$340,000 MTA Sponsored CFP project.	Based on estimate by Countywide Planning staff of anticipated grant funds. Funds reimbursed to MTA as expenditures are incurred.	Job Access program, LA/Ventura advanced traveler information, MTA Sponsored CFP Project, and FEMA.			
Investment Income	Revenues					
Prop A Interest	\$20.5 million in available revenues include \$16.5 million in carryover funds and \$4.0 million in new revenues.	New revenue estimate is based on average portfolio investment amount with an annual yield rate of 1.9%.	MTA bus operations and Municipal Bus operators			
Prop C Interest	\$52.4 million in revenues	New revenue estimate is	MTA bus operations			

Los Angeles County Metropolitan Transportation Authority Proposed Budget

Fund Type	VENUE DETAIL - FY03 BUD	Assumptions	Application/Uses
runu Type	includes \$42.4 million in carryover funds and \$10 million in new revenues.	based on average portfolio investment amount with an annual yield rate of 1.9%.	and Municipal Bus operators
TDA Interest	\$17.8 million in revenues includes 14.3 million in carryover funds and \$3.5 million in new revenues.	New revenue estimate is limited to portion of funds that is allocated through FAP.	MTA bus operations and Municipal Bus operators
STA Interest	\$2.0 million in revenues includes 1.6 million in carryover funds and \$400K in new revenues.	New revenue estimate is limited to portion of funds that is allocated through FAP.	MTA bus operations and Municipal Bus operators
General Fund- Interest Revenue	\$900,000 in new revenues.	New revenue estimates are based on average earning in FY01.	General administrative expenditures
Debt Service Fund-Interest Revenue	\$9.0 million in new revenues.	Based on the average over last three years.	Reduce principal and interest in the Debt Service Funds.
Lease And Rental			
Lease and Rental	\$66.1 million in revenues including \$55.9 million in carryover funds and \$10.2 million in new revenues.	Based on MTA's Property Management Dept. estimate and actual lease agreements.	Property management Metro Bus & Rail Operations Joint development.
License And Fines			<u> </u>
Service Authority for Freeway Emergencies (SAFE)	\$30.1 million in revenues including \$24.0 million in carryover balance and \$6.1 million in new revenues.	Based on number of registered vehicles in L.A. County at \$1 per car and actual FY02 revenues.	Call box program
HOV Lanes Fines	\$450,000 in new revenues.	Based on State Highway Operations Dept. estimate of anticipated funds.	Freeway Service Patrol program (FSP)
General Fund Reve	nues		
Parking Fees	\$850,000 in new revenues.	Projected revenues are based on analysis of actual monthly receipts from Catellus Corporation, and are estimated at an average of \$70,833 a month.	General administrative expenditures
Sales Leaseback	\$48.1 million in revenues including \$43.1 million in carryover balance and \$5.0 million in new revenues.	Based on scheduled sales leaseback transaction on first half of Siemens and P2000 Sumitomo rail cars.	Bus and rail operations and other uses to be determined.

Los Angeles County Metropolitan Transportation Authority Proposed Budget

	/ENUE DETAIL - FY03 BUD		A
Fund Type	Revenues	Assumptions	Application/Uses
SCRRA Administrative Support	\$53,000 in new revenues.	Based on current contract agreements between SCRRA and MTA's ITS Department for leasing RS/6000 server, IBM hardware maintenance support, and Oracle FIS license fees.	General administrative expenditures
Employee Activities	\$1.3 million in revenues including \$486,000 in carryover balance and \$775,000 in new revenues.	Based on projected revenues by Human Resources Department including \$480,000 for Employee Center ticket, logo merchandise and See's candy sales.	Employee activities related projects
Miscellaneous Other	\$600,000 in new revenues.	Projection is based on analysis of miscellaneous cash receipts.	General administrative expenditures
PBL (Admin Costs Reimbursement)	\$100,000 in new revenues.	Based on estimate from MTA's Property Management Dept. on projected reimbursements from Pasadena Authority.	Property Management program related to Pasadena Blue Line.
General Fund Estimated Carryover Balance	\$29.8 million in carryover funds.	Based on analysis of accounting records. Balance includes unspent FY01 and projected FY02 budgeted expenditures.	Board Contingency Programs, Office of County Counsel, Legal Services, Countywide Planning & Development Projects, and Office of Inspector General.
Other Revenues	<u> </u>		
Federal Aid Urban Cash (FAU Cash)	\$12.3 million in available funds including \$12.0 in carryover funds and \$300,000 in interest income funds	Carryover based on actual Accounting records.	Countywide Planning and Development projects, all eligible Prop A Local Return projects.
Ridesharing Funds	\$1.3 million in carryover funds	Based on actual accounting records.	SCAG employer rideshare program, all eligible Prop A Local Return projects.
Benefit Assessment District (BAD)	\$6.8 million in new revenues.	Financing reimbursements to equal annual debt service expenditures. The assessments are collected	Financing reimbursements for Benefit Assessment (BAD) debt service

Los Angeles County Metropolitan Transportation Authority Proposed Budget

Fund Type	Revenues	Assumptions	Application/Uses
		from commercial property owners within half a mile of certain Metro Red Line stations.	
Operating Revenue	s		
Fare Box Revenues- Passenger fares	\$252.1 million in new revenues.	Assumes increased boarding due to additional bus service, additional rail boarding due to increased Metro Green Line and Metro Blue Line service.	Bus and rail operations
Hollywood Shuttle	\$400,000 in new revenues.	Based on prior year actual and estimated contract value between MTA and L.A. County and L.A. Philharmonic.	Bus operations
Metrolink Interagency Agreement	\$2.4 million in new revenues.	Revenues are based on annual estimate of 2.8 million passengers transferring from Metrolink to Metro Red Line and MTA's buses at \$.80 each. Growth rate consistent with last year's level assumption.	Bus and rail operations
Advertising	\$13.6 million in new revenues.	Based on number of buses running during peak hours per contract with Transportation Display Incorporated.	Bus operations
Non-Operating Rev	enues		
Federal Preventive Maintenance Grant	\$81.8 million in new revenues.	Assumed at the guaranteed level of TEA-21 as determined by the federal formula and SCAG implementing formulas. Section 5307 funds reimbursed to MTA as expenditures are incurred.	Bus and Rail Preventative Maintenance
Federal CMAQ Rapid Bus Grant	\$12.5 million in new revenues.	Based on State Implementation Plan that has been approved pursuant to the Clean Air Act.	Operations of Rapid Bus program.

Los Angeles County Metropolitan Transportation Authority Proposed Budget

APPENDIX 4: REVENUE DETAIL - FY03 BUDGET										
Fund Type	Revenues	Assumptions	Application/Uses							
Interest Revenues	\$7.0 million in new revenues.	Based on FY01 actual earnings.	Bus operations							
Bus Parts/Scrap Sales	\$450,000 in new revenues.	Based on MTA's Procurement Department estimate of revenues from the sale of salvaged bus parts and non-revenue vehicles.	Bus operations							
Filming Fees	\$350,000 in new revenues.	Based on MTA's Marketing Department projection and filming activity trends in Southern California.	Bus and rail operations							
County Buydown of Fare Media	\$450,000 in new revenues.	FY02 amount based on Customer Service Department revised cash flow assumption.	Bus operations							
Fare Violations/Fines	\$400,000 in new revenues.	Revenue is based on MTA's Transit Security Department projected number of citations that will be issued in FY03.	Bus and rail operations							
Miscellaneous	\$571,000 in new revenues.	Based on average FY01 and FY02 cash receipts.	Bus and rail operations							
Other Financing So.	urces									
General Revenue Bonds	\$1.9 million in carryover revenue	Interest earned on unspent funds.	Gateway Headquarter Improvements							
Capital Lease	\$9.9 million in carryover revenue	Based on FY00 proceeds from Capital Lease.	Capital Lease payments							
Proceeds from Financing – Prop A 35% Bonds	\$21.5 million in estimated proceeds.	Based on capital expenditures requirements and MTA Treasury Department debt plan.	Rail capital asset expenditure close out.							
Proceeds from Financing – Prop C 25% Bonds	\$33.5 million in estimated proceeds including \$87,000 in carryover funds and \$33.4 million in new proceeds.	Based on capital expenditures requirements and MTA Treasury Department debt plan.	Suspended Pasadena project outstanding claims, Pasadena Gold Line start up costs and Green Line costs							
Proceeds from Financing – Prop C 40% Bonds	\$5.0 million in new proceeds.	Based on capital expenditures requirements and MTA Treasury Department debt plan.	Feasibility study for two new bus divisions.							
Refunded	\$43.6 million in carryover	Based on analysis of	Light rail car							

Los Angeles County Metropolitan Transportation Authority Proposed Budget

APPENDIX 4: REVENUE DETAIL - FY03 BUDGET									
Fund Type	Revenues	Assumptions	Application/Uses						
Eastside Bonds	funds.	account balances.	enhancements, Advanced transportation management system, and Rail construction projects.						

APPENDIX 5: SUMMARY OF REVENUES AND CARRYOVER BY SOURCE

(Amounts in thousands)		iscal Year 200	-		iscal Year 200	_		Fiscal Year 200:	3
Revenue Source	Carryover	Actual	Total	Carryover	Adopted	Total	Carryover	Proposed	Total
Sales Tax Revenues	ĺ								
Proposition A									
Administration	s -	\$ 26,424	\$ 26,424	•	\$ 26,422	\$ 26,422	\$ (40)	26,962 \$	26,
Local Return (25%)	4,725	125,326	130,051	4,725	125,505	130,230	4,725	128,068	132,
Rail - Set Aside (35%)	49,836	175,723	225,558	49,151	175,707	224,858	47,361	179,295	226,
Discretionary (95% of 40%)	39,113	190,785	229,898	28,793	190,768	219,561	29,050	194,664	223,
Incentive (5% of 40%)	13,450	10,041	23,491	17,836	10,040	27,877	21,280	10,245	31,
Total proposition A	107,124	528,299	635,423	100,505	528,443	628,949	102,376	539,234	641
Proposition C	•								
Administration	3,315	7,926	11,242	396	7,925	8,321	(8)	8,088	8
Local Return (20%)	8,420	104,101	112,521	18,769	104,083	122,852	18,769	106,226	124
Security (5%)	2,349	26,025	28,374	2,329	26,021	28,350	2,176	26,557	28
Commuter Rail (10%)	53,675	52,051	105,725	62,789	52,042	114,831	58,593	53,113	111
Streets & Highways (25%)	155,629	130,126	285,756	191,268	130,104	321,372	187,862	132,783	320
Discretionary (40%)	57,903	208,202	266,105	94,945	208,166	303,111	102,188	212,453	314
Total proposition C	281,292	528,432	809,723	370,495	528,340	898,836	369,580	539,220	908
Transportation Development Act - TDA				l					
Administration - (Fixed)	-	6,000	6,000	678	6,000	6,678	678	6,000	6
Article 3 - (2%)	9,440	4,817	14,257	11,631	5,217	16,848	14,402	5,365	19
Article 4 - (92.68%)	122,020	258,172	380,193	117,563	241,692	359,255	136,390	248,565	384
Article 8 - (5.32%)	(159)		14,072	943	13,929	14,872	7,937	14,325	22
Total TDA	131,301	283,221	414,522	130,816	266,838	397,654	159,407	274,255	433
Total 1DA	131,301		414,322	150,610	200,838	377,034	155,407	214,233	
State Transit Assistance - STA	l								
Revenue Share - PUC 99314	12,973	10,431	23,403	13,613	32,057	45,669	25,203	12,403	37
Population Share - PUC 99313	6,086	15,266	21,352	6,043	27,221	33,264	2,881	14,705	17
Total STA	19,058	25,697	44,756	19,656	59,278	78,934	28,084	27,108	55
otal Sales Tax	538,774	1,365,650	1,904,424	621,472	1,382,900	2,004,372	659,447	1,379,817	2,039
ntergovernmental									
Local Funds	į								
Access Service Inc - ASI (RSTP Federal Funds)		47,216	47,216		44,047	44,047	_	45,809	45
City of LA.		5,642	5,642	_	20,171	20,171	_	2,710	2
SCAQMD		6,013	6,013	-	2,000	2,000	<u>-</u>	-,	_
County of LA.			•	_	4,499	4,499			
Joint Development - Grand Central Market	-	1,623	1,623	-	2,078	2,078		425	
Financing Reimbursements	-	-	•	-	-	-	-	•	
CSDA/CTFC Sub-lease agreement		1,680	1,680	-	2,338	2,338	-	2,245	2
Kaiser Hospital	-	•	•	-	-	•	-	•	
Local Other	-	10	10	-	497	497	-	395	
Total local funds	<u> </u>	62,185	62,185	<u> </u>	75,631	75,631	-	51,584	5
State Funds									
Rail Bonds - Prop 116	-	3,248	3,248	-	-	-	-	•	
SCAQMD - AB2766	-		•	-			-	-	
Regional Improvement Funds		59,315	59,315	-	41,730	41,730	-	•	-
State STP/Traffic Congestion Relief Funds	-	-	-	•	62,429	62,429	-	96,468	96
Regional Improvement Funds (AB 1012)	-	•	-	-	8,000	8,000		•	
State Highway Account	•		•	-	•		-	306	-
SB45 Administration	-	3,418	3,418	-	3,130	3,130	-	3,763	3
Budget Change Proposal - BCP		5,847	5,847	-	5,400	5,400	-	5,655	5
State Other	 	6,187	6,187	-	8,828	8,828	-	10,336	10
Total state funds	 	78,015	78,015	-	129,517	129,517	-	116,528	116
Federal Funds	1	07.770	07 (70		51.045	61.040		01 804	
Federal Section 5309 [3] Capital - New Starts		97,672	97,672	-	51,045	51,045	1	81,804 37,060	81
Federal Section 5309 [3] Fixed Guideways		27,268	27,268	•	21,856	21,856	_	37,060	37
Federal Section 5309 [3] Bus Facilities		22 241	22 241	•	7,791 65,229	7,791 65,229		13,742	13
Federal Section 5307 [9] Capital	1	33,341	33,341	-	65,229	65,229	-	74,359	74
Federal Section 5313B [26] Congestion Mitigation & Air Quality - CMAQ	1 -	124 121	124 121	_	175,128	175,128	1 -	59,575	
RSTP		124,121	124,121	•	1/3,128	1/3,128	_	C1 C, KC	5 9
PVEA	_	220	339	-	-	•	_	•	
	1	339	339	_	-	-	_	•	
FEMA - Earthquake FHWA		-		1	•	•	Ī .	•	
FHWA Federal Section 5307 - STIP Funds	1 -	•	-	•	803	803	1	17,914	17
Federal Other	1 :	560	560	1 -	6,589	6,589	-	4,701	4
	 	283,302	283,302	-		328,442	 	289,154	
Total federal funds	 			· · · · · · · · · · · · · · · · · · ·	328,442		· · · · ·		289
otal Intergovernmental		423,503	423,503	<u> </u>	533,589	533,589	-	457,266	457
Salance to following page	\$ 538,774	S 1789152	\$ 2,327,926	S 621.472	\$ 1,916,489	\$ 2.537.961	S 659.447	\$ 1,837,083 \$	2,496

Los Angeles County Metropolitan Transportation Authority Proposed Budget

- (Amounts in thousands)		iscal Year 200	1	F	iscal Year 200)2		Fiscal Year 200)3
_	Revenue Source	Carryover	Actual	Total	Carryover	Adopted	Total	Carryover	Proposed	Total
	Balance from previous page	\$ 538,774	\$ 1,789,152	\$ 2,327,926	\$ 621,472	\$ 1,916,489	\$ 2,537,961	\$ 659,447	\$ 1,837,083 \$	2,496,530
	nvestment Income	10 888	11.000							
73 74	Prop A Interest Prop C Interest	13,777 29,242	11,077 26,192	24,853 55,434	20,746 44,042	6,000	26,746	16,535	4,000	20,535
74 75	TDA Interest	5,008	26,192 8,961	13,969	8,878	14,000 3,500	58,042 12,378	42,418 14,317	10,000 3,500	52,418 17,817
76	STA Interest	-	1,961	1,961	0,070	400	400	1,561	400	1,961
77	General Fund - Interest Revenue	-	5,958	5,958		1,000	1,000	-	900	900
78	Interest Earned on Debt Service Funds	-	16,406	16,406	-	9,000	9,000		9,000	9,000
79_	Interest Earned on Capital Projects Fund/ISF		6,680	6,680	-				-	
	Total investment income	48,027	77,234	125,261	73,666	33,900	107,566	74,831	27,800	102,631
	License and Fines	14,368	12,979	27,347	50,019	11,954	61,973	55,958	10,150	66, 108
83	SAFE	22,098	8,421	30,519	24,547	6,100	30,647	23,953	6,100	30,053
84_	HOV Lanes Fines	103	557	660	185	250	435	540	450	990
85_	Total license and fines	22,202	8,978	31,179	24,732	6,350	31,082	24,493	6,550	31,043
	Other									
87	General fund revenues									
88 89	Parking Fees Sales Leaseback	•	880 1 209	880	-	827	827	42 110	850	850
90	SCRRA Administrative Support		1,308	1,308	_	10,000 126	10,000 126	43,118	5,000 53	48,118 53
91	Copying Fees & Bid Document Sales		13	13		-	-		•	-
92	Vendor Fair Fees/Misc Customer Relations Fees	-	113	113		•	-	-	•	
93	Employee Activities	•	662	662	-	745	745	486	775	1,261
94	HR Development Training	•		•		155	155	-	•	
95	Miscellaneous other	-	2,530	2,530		600	600	-	600	600
96 97	Pasadena B.L. (Admin costs reimbursement) General fund estimated carryover balance*	71,729	•	71,729	43,326	213	213 43,326	29,848	100	100 29,848
98	Total general fund revenues	71,729	5,505	77,234	43,326	12,666	55,992	73,452	7,378	80,830
99 99	FAU Cash	11,995	1,130	13,126	13,126	12,000	13,126	12,026	300	12,326
100	Ports Hwy Improvement	•	-,	-		-	-	-	-	,
101	Ridesharing	1,111	104	1,215	1,215	-	1,215	1,295	-	1,295
102	Sumitomo Gearbox Settlement	-		-	-	-	-	-	-	•
103	Benefit Assessment District	-	16,274	16,274	-	8,457	8,457	-	6,837	6,837
104_	Miscellaneous		3,175	3,175	-					
105_	Total other Operating revenues:	84,835	26,190	111,025	57,667	21,123	78,790	86,772	14,515	101,288
100 \ 107	Fare Box Revenues - Passenger fares	_	211,713	211,713	_	243,270	243,270	_	252,081	252,081
108	Route subsidies - Hollywood shuttle		359	359		400	400		400	400
109	Metrolink Interagency Agreement		2,276	2,276	-	2,300	2,300	-	2,363	2,363
110_	Advertising	-	12,227	12,227		13,925	13,925	-	13,600	13,600
111_	Total operating revenues	•	226,575	226,575	-	259,895	259,895	-	268,444	268,444
	Non-operating revenues									
113 114	Local operating grants FTA Grant - 5307 Preventive Maintenance	-	621 41,324	621 41,324		84,871	84,871	•	81,783	81,783
114	FTA Grant - 5309 Fixed Guideways		41,324 804	41,324 804		5.047	5,047		81,783	61,763
116	FTA Grant - CMAQ Rapid Bus		18,000	18,000	-	22,300	22,300	-	12,500	12,500
117	Interest revenues (includes share of ISF interest)	-	7,441	7,441	-	7,000	7,000	-	7,000	7,000
118	Net Appreciation in fair value of investments	•	1,696	1,696	-	•	•		-	-
119	Other:									
120 121	Bus Parts/Scrap Sales Sales/Leaseback	•	•	•	-	450	450	-	450	450
121	Automated Public Toilets			:	1	- 75	- 75		-	-
123	Filming Fees		467	467	.	450	450		350	350
124	County Buy down	•	412	412		450	450	-	450	450
125	Fare Violations/Fines		927	927	-	600	600	-	400	400
126	Warranty Reimbursements	•	46	46	-		-	-	•	•
127	Sales of Surplus Property	•	4 170			1,000	- 560	-	- 571	- 571
128_	Miscellaneous Total other	<u> </u>	4,172	4,172		560 2 585		 		
129	Total non consting programs		6,025	6,025	-	3,585	3,585		2,221	2,221
150	Total non-operating revenue Total Revenues	708,205	75,911 2,217,018	75,911 2,925,224	827,556	122,803 2,372,515	122,803 3,200,070	901,502	103,504 2,268,047	103,504 3,169,548
_		708,203	4,417,018	4,743,444	821,330	4,314,313	3,200,070	701,302	2,200,047	J, 107,J48
131								1		
131 <u>-</u> 132 (Other financing Sources				1 .	50,800	50,800	-	21,482	21,482
131 <u>-</u> 132 (133			-	-						
131 <u>-</u> 132 (133 134	Other financing Sources Proceeds from financing Proposition A Rail Bonds Proposition C St & Hwys Bonds		- 60,475	60,475	10,860	92,976	103,835	87	33,435	
131 <u> </u>	Other financing Sources Proceeds from financing Proposition A Rail Bonds Proposition C St & Hwys Bonds Proposition C Discr Bonds		60,475 -	60,475	10,860	92,976 82,894	103,835 82,894	-	33,435 4,959	4,959
131 <u>1</u> 132 (133 134 135 136 137	Other financing Sources Proceeds from financing Proposition A Rail Bonds Proposition C St & Hwys Bonds Proposition C Discr Bonds Refunded Eastside Bonds	• • •	60,475	-	-		82,894	43,592		4,959 43,592
131 2 132 3 133 134 135 136 137	Other financing Sources Proceeds from financing Proposition A Rail Bonds Proposition C St & Hwys Bonds Proposition C Discr Bonds Refunded Eastside Bonds General revenue bonds	- - - - 4,588	60,475 - -	- 60,475 - 4,588	10,860 - - 2,607			43,592 1,904		4,959 43,592 1,904
131 2 132 3 133 134 135 136 137 138	Other financing Sources Proceeds from financing Proposition A Rail Bonds Proposition C St & Hwys Bonds Proposition C Discr Bonds Refunded Eastside Bonds General revenue bonds Capital Lease		-	- 4,588 -	2,607	82,894 - -	82,894 - 2,607	43,592 1,904 9,932	4,959 - - -	4,959 43,592 1,904 9,932
131	Other financing Sources Proceeds from financing Proposition A Rail Bonds Proposition C St & Hwys Bonds Proposition C Discr Bonds Refunded Eastside Bonds General revenue bonds	- - - - 4,588 - - 4,588	60,475 - - 60,475 431,874	-	-		82,894	43,592 1,904 9,932 55,515	4,959 - - - - 59,876	4,959 43,592 1,904 9,932
131 _ 132 (133 134 135 136 137 138 139 _ 140 _	Other financing Sources Proceeds from financing Proposition A Rail Bonds Proposition C St & Hwys Bonds Proposition C Discr Bonds Refunded Eastside Bonds General revenue bonds Capital Lease Total proceeds from financing	4,588	60,475	4,588 - 65,063	2,607	82,894 - - - 226,670	82,894 - 2,607 - 240,136	43,592 1,904 9,932 55,515	4,959 - - - - 59,876	33,522 4,959 43,592 1,904 9,932 115,391

NOTES: Intergovernmental funds are on reimbursement basis therefore, no carryover balances are assumed.

APPENDIX 6: ACTIVITY BASED BUS COST MODEL

		FY02 Adopted FY03 Proposed					ad	FY02 TO FY03 \$ Inc.	0	% Inc.
Α	CTIVITY	Dollars	,,,,,	\$/RSH	Dollars	-	\$/RSH	\$/RSH		/RSH
	RANSPORTATION			<u> </u>		_	*************************************			
2	UTU WAGES & BENEFITS	235,786,095	\$	34.52	250,725,726	\$	36.40	14,939,631	\$	1.89
3	SERVICES		\$	0.00	2.750	\$	0.00	(8,250)		(0.00)
4	DIVISION MGT & ADMIN	12,922,898	Š	1.89	16,140,550	\$	2.34	,	Š	0.45
5	TRAINING	3,888,520	\$	0.57	5,164,959	\$	0.75	-,,	\$	0.18
6	CONTROL CENTER	8,469,896	Š	1.24	7,423,270	Š	1.08	(1,046,626)		(0.16)
7	SCHEDULING AND PLANNING	3,166,731	\$	0.46	4,934,429	\$	0.72		Š	0.25
8	UNIFORMS	1,174,783	Š	0.17	92.603	\$	0.01	(1,082,180)		(0.16)
9-	SUB-TOTAL	265,419,923	\$	38.85	284,484,288	Š			\$	2.45
10										
11 D	IVISION MAINTENANCE									
12	SERVICE ATTENDANT	20,725,954	\$	3.03	22.852.968	\$	3.32	2,127,014	\$	0.28
13	MECHANIC	53,093,397	\$	7.77	58,706,407	\$	8.52		Š	0.75
14	FUEL	37,916,317	\$	5.55	19,916,834	\$	2.89	(17,999,483)	Š	(2.66)
15	TIRES	4,303,242	\$	0.63	4,256,688	\$	0.62	(46,554)		(0.01)
16	MATERIALS & SUPPLIES	25,829,084	\$	3.78	27,418,422	\$	3.98	1,589,338	\$	0.20
17	SERVICES	103,000	\$	0.02	93,000	\$	0.01	(10,000)	\$	(0.00)
18	DIVISION MGT & ADMIN	9,716,930	\$	1.42	10,997,395	\$	1.60		\$	0.17
19	UNIFORMS	1,227,020	\$	0.18	1,294,746	\$	0.19	•	\$	0.01
20	PREVENTIVE MAINTENANCE	4,243,550	\$	0.62	4,673,667	\$	0.68	430,117	\$	0.06
21	SUB-TOTAL	157,158,496	\$	23.01	150,210,126	\$	21.81	(6,948,369)	\$	(1.20)
22										
23 O	THER MAINTENANCE									
24	INVENTORY MANAGEMENT	5,576,542	\$	0.82	2,113,215	\$	0.31	(3,463,327)	\$	(0.51)
25	LOGISTICS	6,686,840	\$	0.98	7,590,359	\$	1.10	903,519	\$	0.12
26	REVENUE ADMINISTRATION	14,152,369	\$	2.07	13,803,526	\$	2.00	(348,843)	\$	(0.07)
27	SUB-TOTAL	26,415,751	\$	3.87	23,507,101	\$	3.41	(2,908,650)	\$	(0.45)
28										
29 RI	RC REGULAR MAINTENANCE									
30	ATU	5,251,200	\$	0.77	6,265,606	\$	0.91	1,014,406	\$	0.14
31	MATERIALS & SUPPLIES	3,492,272	\$	0.51	3,540,076	\$	0.51	47,805	\$	0.00
32	SERVICES	389,148	\$	0.06	•	\$	-	(389,148)		(0.06)
33	RRC MGT & ADMIN	2,312,211	\$	0.34	1,998,917	\$	0.29	(313,294)	\$	(0.05)
34	SUB-TOTAL	11,444,831	\$	1.68	11,804,600	\$	1.71	359,769	\$	0.04
35										
	RC PREVENTATIVE MAINTENANCE									
37	POWER PLANT ASSEMBLY	14,761,254	\$	2.16	13,335,130	\$	1.94	(1,426,124)		(0.22)
38	ACCIDENT REPAIR	747,940	\$	0.11	843,974	\$	0.12	96,034	\$	0.01
39	ETHANOL CONVERSION	-	\$	-	•	\$	•		\$	•
40	WHEELCHAIR LIFTS	577,303	\$	0.08	50,070	\$	0.01	(527,233)		(0.08)
41	PAINTING	3,061,591	\$	0.45	2,690,600	\$	0.39	(370,991)		(0.06)
42	WINDOWS	185,803	\$	0.03	375,697	\$	0.05	•	\$	0.03
43	RRC MGT & ADMIN	412,611	\$	0.06	690,539	\$	0.10		\$	0.04
44	SUB-TOTAL	19,746,502	\$	2.89	17,986,009	_\$_	2.61	(1,760,493)	\$	(0.28)

Los Angeles County Metropolitan Transportation Authority Proposed Budget

APPENDIX 6: ACTIVITY BASED BUS COST MODEL, continued

				FY02 TO FY03
	FY02 Adop	ted	FY03 Proposed	\$ inc. % inc.
ACTIVITY	Dollars	\$/RSH	Dollars \$/R	SH \$/RSH \$/RSH
45 46 MAINTENANCE SUPPORT	5,003,392	\$ 0.73	4,448,932 \$ 0.0	55 (554,460) \$ (0.09)
47 NON-REVENUE VEHICLES	3,474,149	\$ 0.51	3,835,895 \$ 0.9	
48 FACILITIES MAINTENANCE	18,051,671	\$ 2.64	20,377,384 \$ 2.9	
49 TRAINING	1,530,931	\$ 0.22	1,587,144 \$ 0.3	
50 OTHER	•	\$ -	- \$ -	- \$ -
51 SUB-TOTAL	28,060,143	\$ 4.11	30,249,354 \$ 4.3	
52				
53 SUB-TOTAL MAINTENANCE	242,825,722	\$ 35.55	233,757,189 \$ 33.9	94 (9,068,533) \$ (1.61)
54 55 TRANSIT SECURITY	20 427 049	£ 202	22 222 242 6 2	47 (0.044.720) f (0.26)
56 SAFETY	26,127,948 3,278,505		23,883,218 \$ 3.4 1,667,206 \$ 0.3	
57 CASUALTY & LIABILITY		\$ 4.56	1,667,206 \$ 0.5 32,136,579 \$ 4.6	
58 WORKERS' COMP		\$ 7.79	42,340,368 \$ 6.	
59 TRANSITIONAL DUTY PROGRAM	2,979,017	\$ 0.44	3,098,045 \$ 0.4	
60 SUB-TOTAL	116,790,097	\$ 17.10	103,125,415 \$ 14.9	
61	110,700,007	<u> </u>	100,120,410 \$ 14.0	γ (10,00+,002) ψ (2.12)
62 TRANSIT OPERATIONS SUPPORT DEP	ARTMENTS			
63 EO/DEO/GM	4,218,249	\$ 0.62	5,632,345 \$ 0.8	32 1,414,096 \$ 0.20
64 SUPPORT SERVICES	5,235,554	\$ 0.77	7,396,902 \$ 1.0	07 2,161,348 \$ 0.31
65 OPERATIONS ISF CHARGES	11,299,914	\$ 1.65	15,178,468 \$ 2.2	20 3,878,554 \$ 0.55
66 OTHER (RAIL)	-	\$ -	- \$ -	
67 SUB-TOTAL	20,753,717	\$ 3.04	28,207,716 \$ 4.1	7,453,999 \$ 1.06
68				
69 OTHER UNITS CHARGING				
70 BOARD OVERSIGHT		\$ 0.00	137,192 \$ 0.0	
71 CEO/COS	2,254,555	\$ 0.33	5,447,981 \$ 0.7	
72 MASD	•	\$ 0.12	525,321 \$ 0.0	
73 OTHER PROCUREMENT	.,,	\$ 0.59	3,534,912 \$ 0.5	
74 COMMUICATIONS		\$ 0.24	4,470,094 \$ 0.6	
75 OTHER FINANCE 76 HUMAN RESOURCES		\$ 1.99	12,072,464 \$ 1.7	
76 HUMAN RESOURCES 77 ADMINISTRATION		\$ 0.97 \$ 2.83	3,707,836 \$ 0.5 17,996,790 \$ 2.6	
78 ENGINEERING & CONSTRUCTION	19,344,603 188,486	\$ 0.03	17,996,790 \$ 2.6 496,008 \$ 0.0	
79 SUB-TOTAL		\$ 7.10	48,388,597 \$ 7.0	
80	10,000,001	<u> </u>	το,οοο,οοι ψ ι	(112,004) 4 (0.01)
81 TOTAL MTA OPERATED	694,290,061	\$ 101.63	697,963,204 \$ 101.3	3,673,144 \$ (0.30)
82 REVENUE SERVICE HOURS	6,831,265		6,887,676	56,411
83				
84 PURCHASED TRANSPORTATION				
85 CONTRACTED SERVICE	30,281,036	\$ 46.30	30,528,714 \$ 46.6	
86 SECURITY	• •	\$ 3.64	2,269,522 \$ 3.4	
87 ADMINISTRATION		\$ 0.48	558,306 \$ 0.8	
88 SUB-TOTAL		\$ 50.42	33,356,542 \$ 51.0	0 379,317 \$ 0.58
89 REVENUE SERVICE HOURS	654,041		654,041	-
90 04 ENTERPRISE ELIND DERT				
91 ENTERPRISE FUND DEBT 92 INTEREST (610709)	9 940 745	\$ 1.18	7.022.0E0 \$ 0.0	12 (4.796.60E) \$ (0.2E)
93 ADMINISTRATION (300076)	8,819,745 735,605		7,033,050 \$ 0.9 730,631 \$ 0.1	
94 SUB-TOTAL		\$ 1.28	7,763,682 \$ 1.0	
95	0,000,000	- 1.20	7,100,002 W 1.0	(1,101,000) \$ (0.20)
96 TOTAL BUS PROJECT	\$ 736,822,636	\$ 98.44	739,083,428 \$ 98.0	
97 TOTAL REVENUE SERVICE HOURS	7,485,306		7,541,717	56,411

APPENDIX 7: ACTIVITY BASED LIGHT RAIL COST MODEL

					FY02 TO FY03						
		FY02 Add	pte	d	FY	03 Pr	opo	sed	\$ Inc.	9	6 Inc.
	ACTIVITY	Dollars		er RSH	Dolla	rs	Ė	Per RSH	\$/RSH	\$	/RSH
1	TRANSPORTATION										
2	OPERATOR WAGES & BENEFITS	6,855,011	\$	24.07	7,074	1,412	\$	23.35	219,402	\$	(0.72)
3	SERVICES	-	\$	-		-	\$	-	•	\$	•
4	MATERIALS & SUPPLIES	112,400	\$	0.39	115	,240	\$	0.38	2,840	\$	(0.01)
5	MGT & ADMIN	1,761,327	\$	6.18	2,010	,462	\$	6.64	249,135	\$	0.45
6	CENTROL CONTROL	4,571,399	\$	16.05	4,898	3,465	\$	16.17	327,066	\$	0.12
7	SCHEDULING AND PLANNING	562,635	\$	1.98	111	,196	\$	0.37	(451,439)	\$	(1.61)
8	UNIFORMS	40,325	\$	0.14	48	3,000	\$	0.16	7,675	\$	0.02
9	SUB-TOTAL	13,903,097	\$	48.82	14,257	7,775	\$	47.07	354,679	\$	(1.75)
10											
11	DIVISION MAINTENANCE										
12	SERV ATTEN WAGES & BENEFITS	1,898,236	\$	6.67	1,994	,347	\$	6.58	96,111	\$	(0.08)
13	MECHANIC WAGES & BENEFITS	5,995,451	\$	21.05	5,343	,026	\$	17.64	(652,425)	\$	(3.41)
14	MATERIALS & SUPPLIES	2,122,000	\$	7.45	2,202	2,000	\$	7.27	80,000	\$	(0.18)
15	SERVICES	378,500	\$	1.33	285	000,	\$	0.94	(93,500)	\$	(0.39)
16	MGT & ADMIN	1,891,702	\$	6.64	1,812	2,040	\$	5.98	(79,662)	\$	(0.66)
17	UNIFORMS	105,000	\$	0.37	106	000,	\$	0.35	1,000	\$	(0.02)
18	PREVENTIVE MAINTENANCE	3,754,299	\$	13.18	5,357	,719	\$	17.69	1,603,420	\$	4.50
19	SUB-TOTAL	16,145,188	\$	56.69	17,100	,133	\$	56.45	954,944	\$	(0.24)
20											
21	OTHER MAINTENANCE										
22	INVENTORY MANAGEMENT	189,960	\$	0.67	173	,642	\$	0.57	(16,318)	\$	(0.09)
23	LOGISTICS	921,586	\$	3.24	990	,303	\$	3.27	68,717	\$	0.03
24	REVENUE ADMINISTRATION	1,846,443	\$	6.48	1,869	,069	\$	6.17	22,626	\$	(0.31)
25	SUB-TOTAL	2,957,989	\$	10.39	3,033	,014	\$	10.01	75,025	\$	(0.37)
26											
27	MAINTENANCE OF WAY										
28	ATU WAGES & BENEFITS	3,370,687	\$	11.84	3,889	,097	\$	12.84	518,410	\$	1.00
29	MATERIALS & SUPPLIES	433,170	\$	1.52	403	,170	\$	1.33	(30,000)	\$	(0.19)
30	SERVICES	313,750	\$	1.10	276	,000	\$	0.91	(37,750)	\$	(0.19)
31	UNIFORMS	53,010	\$	0.19	53	,000	\$	0.17	(10)	\$	(0.01)
32	PROPULSION POWER	10,197,000	\$	35.80	10,300	,000	\$	34.00	103,000	\$	(1.80)
33	MGT & ADMIN	1,178,084	\$	4.14	1,219	,754	\$	4.03	41,670	\$	(0.11)
34 ~	SUB-TOTAL	15,545,701	\$	54.58	16,141	,021	\$	53.28	595,320	\$	(1.30)
35								-			
36	MAINTENANCE SUPPORT	-	\$	-		-	\$	-			
37	NON-REVENUE VEHICLES	555,254	\$	1.95	436	,612	\$	1.44	(118,643)	\$	(0.51)
38	FACILITIES MAINTENANCE	6,023,548	\$	21.15	7,378	,972	\$	24.36	1,355,424	\$	3.21
39	OTHER		\$	-		-	\$	-	-	\$	-
40	SUB-TOTAL	6,578,802	\$	23.10	7,815	,583	\$	25.80	1,236,781	\$	2.70
-											

APPENDIX 7: ACTIVITY BASED LIGHT RAIL COST MODEL

							FY02 TO	FY)3
	FY02 Add	pte	ed	FY03 Pro	ogo	sed	\$ Inc.	9	% Inc.
ACTIVITY	Dollars	P	er RSH	Dollars		Per RSH	\$/RSH	S	/RSH
41							•	\$	-
42 TRANSIT SECURITY	14,297,231	\$	50.20	15,407,831	\$	50.86	1,110,600	\$	0.66
43 SAFETY	1,309,735	\$	4.60	887,647	\$	2.93	(422,088)	\$	(1.67)
44 CASUALTY & LIABILITY	1,937,064	\$	6.80	1,132,035	\$	3.74	(805,029)	\$	(3.06)
45 WORKERS' COMP	2,252,877	\$	7.91	2,387,709	\$	7.88	134,831	\$	(0.03)
46 TRANSITIONAL DUTY PROGRAM	51,362	\$	0.18	53,851	\$	0.18	2,489	\$	(0.00)
47 SUB-TOTAL	19,848,269	\$	69.69	19,869,073	\$	65.59	20,804	\$	(4.10)
48									
49 TRANSIT OPERATIONS SUPPORT DEP	ARTMENTS								
50 DEO/GM	903,598	\$	3.17	1,180,325	\$	3.90	276,727	\$	0.72
51 EO	1,920	\$	0.01	•	\$	-	(1,920)	\$	(0.01)
52 SUPPORT SERVICES	233,977	\$	0.82	634,175	\$	2.09	400,198	\$	1.27
53 OPERATIONS ISF CHARGES	977,032	\$	3.43	1,336,814	\$	4.41	359,782	\$	0.98
54 OTHER (BUS, RRC)	(0)	\$	(0.00)	-	\$	-	0	\$	0.00
55 SUB-TOTAL	2,116,527	\$	7.43	3,151,315	\$	10.40	1,034,788	\$	2.97
56									
57 OTHER UNITS CHARGING (300022, 3000	33 & 300009, 10	000	1, 100003	, 100004, 100033	3)			•	
58 BOARD	70,968	\$	0.25	13,117	\$	0.04	(57,851)	\$	(0.21)
59 CEO/COS	236,747	\$	0.83	1,121,131	\$	3.70	884,384	\$	2.87
60 MASD	175,303	\$	0.62	124,196	\$	0.41	(51,107)	\$	(0.21)
61 OTHER PROCUREMENT	885,413	\$	3.11	607,804	\$	2.01	(277,609)	\$	(1.10)
62 COMMUNICATIONS	517,248	\$	1.82	1,461,424	\$	4.82	944,176	\$	3.01
63 OTHER FINANCE	1,567,786	\$	5.50	1,122,201	\$	3.70	(445,585)	\$	(1.80)
64 HUMAN RESOURCES	714,413	\$	2.51	263,322	\$	0.87	(451,091)	\$	(1.64)
65 ADMINISTRATION	1,992,272	\$	7.00	1,575,564	\$	5.20	(416,708)	\$	(1.79)
66 ENGINEERING & CONSTRUCTION	700,691	\$	2.46	128,616	\$	0.42	(572,075)	\$	(2.04)
67 SUB-TOTAL	6,860,841	\$	24.09	6,417,375	\$	21.18	(443,466)	\$	(2.91)
68									
69 TOTAL MTA OPERATED	83,956,415	\$	294.79	87,785,289	\$	289.79	<u>3,828,874</u>	\$	(5.00)
70 REVENUE SERVICE HOURS	284,801			302,930			18,129		

APPENDIX 8: ACTIVITY BASED HEAVY RAIL COST MODEL

			FY02 TO FY03		
	FY02 Adopted	FY03 Proposed	\$ Inc. % Inc.		
ACTIVITY	Dollars PER RSH	DollarsPer RSH	\$/RSH \$/RSH		
1 TRANSPORTATION 2 OPERATOR WAGES & BENEFITS	3,841,923 \$ 14.84	3,925,950 \$ 14.56	84,028 \$ (0.28)		
3 SERVICES	- \$ -	- \$ -	- \$ -		
4 MATERIALS & SUPPLIES	40,000 \$ 0.15	51,380 \$ 0.19	11,380 \$ 0.04		
5 MGT & ADMIN	994,530 \$ 3.84	1,119,059 \$ 4.15	124,529 \$ 0.31		
6 CENTROL CONTROL	2,115,663 \$ 8.17	2,276,407 \$ 8.44	160,744 \$ 0.27		
7 SCHEDULING AND PLANNING 8 UNIFORMS	293,096 \$ 1.13	55,598 \$ 0.21	(237,498) \$ (0.93)		
8 UNIFORMS 9 SUB-TOTAL	25,875 \$ 0.10 7,311,087 \$ 28.24	24,000 \$ 0.09 7,452,394 \$ 27.64	(1,875) \$ (0.01) 141,307 \$ (0.60)		
10	7,011,001 \$ 20.24	1,402,554 \ \psi \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \ \	141,507 \$ (0.00)		
11 DIVISION MAINTENANCE					
12 SERV ATTEN WAGES & BENEFITS		1,623,328 \$ 6.02	110,702 \$ 0.18		
13 MECHANIC WAGES & BENEFITS	3,956,007 \$ 15.28	3,592,990 \$ 13.33	(363,016) \$ (1.96)		
14 MATERIALS & SUPPLIES 15 SERVICES	1,199,000 \$ 4.63 164,000 \$ 0.63	1,766,000 \$ 6.55 93,000 \$ 0.34	567,000 \$ 1.92 (71,000) \$ (0.29)		
16 MGT & ADMIN	1,024,343 \$ 3.96	1,261,238 \$ 4.68	236,895 \$ 0.72		
17 UNIFORMS	74,000 \$ 0.29	74,000 \$ 0.27	(0) \$ (0.01)		
18 PREVENTIVE MAINTENANCE	1,800,015 \$ 6.95	3,468,700 \$ 12.86	1,668,685 \$ 5.91		
19 SUB-TOTAL	9,729,991 \$ 37.58	11,879,257 \$ 44.06	2,149,266 \$ 6.47		
20					
21 OTHER MAINTENANCE	100 570 . 0 50	400,000 0 0.45	(7.044) 6 (0.05)		
22 INVENTORY MANAGEMENT 23 LOGISTICS	129,579 \$ 0.50 536,863 \$ 2.07	122,268 \$ 0.45 599.313 \$ 2.22	(7,311) \$ (0.05) 62,450 \$ 0.15		
24 REVENUE ADMINISTRATION	536,863 \$ 2.07 1,227,571 \$ 4.74	599,313 \$ 2.22 1,237,553 \$ 4.59	62,450 \$ 0.15 9,982 \$ (0.15)		
25 SUB-TOTAL	1,894,013 \$ 7.32	1,959,134 \$ 7.27	65,121 \$ (0.05)		
26					
27 MAINTENANCE OF WAY					
28 ATU WAGES & BENEFITS	3,503,188 \$ 13.53	3,774,469 \$ 14.00	271,281 \$ 0.47		
29 MATERIALS & SUPPLIES	291,850 \$ 1.13	294,850 \$ 1.09	3,000 \$ (0.03)		
30 SERVICES 31 UNIFORMS	16,000 \$ 0.06 49,290 \$ 0.19	19,750 \$ 0.07 49,290 \$ 0.18	3,750 \$ 0.01 (0) \$ (0.01)		
32 PROPULSION POWER	6,350,000 \$ 24.53	6,670,000 \$ 24.74	320,000 \$ 0.21		
33 MGT & ADMIN	918,499 \$ 3.55	933,551 \$ 3.46	15,052 \$ (0.09)		
34 SUB-TOTAL	11,128,827 \$ 42.99	11,741,910 \$ 43.55	613,083 \$ 0.56		
35					
36 MAINTENANCE SUPPORT	- \$ -	- \$ -			
37 NON-REVENUE VEHICLES 38 FACILITIES MAINTENANCE	520,176 \$ 2.01 8,483,807 \$ 32.77	449,574 \$ 1.67	(70,602) \$ (0.34) 1.070.181 \$ 2.66		
39 OTHER	8,483,807 \$ 32.77 - \$ -	9,553,988 \$ 3 5.43 - \$ -	1,070,181 \$ 2.66 - \$ -		
40 SUB-TOTAL	9,003,983 \$ 34.78	10,003,563 \$ 37.10	999,580 \$ 2.32		
41			- \$ -		
42 TRANSIT SECURITY	12,843,543 \$ 49.61	11,789,818 \$ 43.72	(1,053,725) \$ (5.88)		
43 SAFETY	416,822 \$ 1.61	174,944 \$ 0.65	(241,878) \$ (0.96)		
44 CASUALTY & LIABILITY	2,799,507 \$ 10.81	2,732,891 \$ 10.14	(66,616) \$ (0.68)		
45 WORKERS' COMP	1,654,440 \$ 6.39	1,723,569 \$ 6.39	69,128 \$ 0.00		
46 TRANSITIONAL DUTY PROGRAM 47 SUB-TOTAL	51,362 \$ 0.20 17,765,674 \$ 68.62	53,851 \$ 0.20 16,475,072 \$ 61.10	2,489 \$ 0.00 (1,290,602) \$ (7.52)		
48 300-101AL	17,703,074 \$ 00.02	10,473,072 \$ 01.10	(1,290,002) \$ (1.32)		
49 TRANSIT OPERATIONS SUPPORT DE	PARTMENTS				
50 DEO/GM	446,544 \$ 1.72	528,204 \$ 1.96	81,660 \$ 0.23		
51 EO	960 \$ 0.00	- \$ -	(960) \$ (0.00)		
52 SUPPORT SERVICES 53 OPERATIONS ISF CHARGES	363,546 \$ 1.40 714,466 \$ 2.76	342,532 \$ 1.27 989,351 \$ 3.67	(21,015) \$ (0.13) 274,885 \$ 0.91		
54 OTHER (BUS, RRC)	- \$ -	- \$ -	- \$ -		
55 SUB-TOTAL	1,525,516 \$ 5.89	1,860,086 \$ 6.90	334,570 \$ 1.01		
56					
57 OTHER UNITS					
58 BOARD	704 \$ 0.00	10,837 \$ 0.04	10,133 \$ 0.04		
59 CEO/COS 60 MASD	170,032 \$ 0.66 106,661 \$ 0.41	352,680 \$ 1.31 76,784 \$ 0.28	182,648 \$ 0.65		
60 MASD 61 OTHER PROCUREMENT	106,661 \$ 0.41 496,568 \$ 1.92	379,293 \$ 1.41	(29,877) \$ (0.13) (117,275) \$ (0.51)		
62 COMMUNICATIONS	337,349 \$ 1.30	843,923 \$ 3.13	506,574 \$ 1.83		
63 OTHER FINANCE	1,136,032 \$ 4.39	926,069 \$ 3.43	(209,963) \$ (0.95)		
64 HUMAN RESOURCES	518,599 \$ 2.00	210,656 \$ 0.78	(307,943) \$ (1.22)		
65 ADMINISTRATION	1,435,535 \$ 5.54	1,244,012 \$ 4.61	(191,523) \$ (0.93)		
66 ENGINEERING & CONSTRUCTION	152,387 \$ 0.59	139,156 \$ 0.52	(13,231) \$ (0.07)		
67 SUB-TOTAL	4,353,868 \$ 16.82	4,183,409 \$ 15.51	(170,459) \$ (1.30)		
69 TOTAL MTA OPERATED	62,712,960 \$242.23	65,554,824 \$ 243.12	2,841,864 \$ 0.89		
70 REVENUE SERVICE HOURS	258,896	269,641	10,745		
		•	· · · · · · · · · · · · · · · · · · ·		

APPENDIX 9: MODAL OPERATING STATISTICS

	[FY01	FY02	FY03	Inc/(Dec)
Bus	Notes	Actual	Adopted	Proposed	Adopted
1 Fares (\$000)		\$184,208	\$212,101	\$212,605	\$504
2 Other Revenue (\$000)		\$12,998	\$14,598	\$12,913	(\$1,685)
3 Expenses (\$000)	1,4	\$643,862	\$736,823	\$739,083	\$2,260
4 Boardings (000)		359,002	385,420	391,903	6,483
5 Farebox Recovery Ratio		30.63%	30.77%	30.51%	-0.25%
6 Vehicle Service Hours (000)	4	6,942	7,485	7,542	56
7 Cost per Hour	4	\$92.74	\$98.44	\$98.00	(\$0.44)
8 Cost per Passenger Mile	5	\$0 .50	\$0.54	\$0.43	(\$0.11)
9 Vehicle Service Miles (000)	i	85,655	91,683	91,998	315
10 Passenger Miles (000)		1,278,045	1,372,094	1,725,035	352,941
11 Fare Revenue per Boarding		\$0.51	\$0.55	\$0.54	(\$0.01)
12 Subsidy per Boarding	2	\$1.24	\$1.32	\$1.31	(\$0.01)
13 Subsidy per Passenger Mile	2	\$0.35	\$0.37	\$0.30	(\$0.07)
14 Peak Fleet		2,017	2,129	2,123	(6)
	-	= 72.1			

	Г	FY01	FY02	FY03	Inc/(Dec)
Light Rail	Notes	Actual	Adopted	Proposed	Adopted
15 Fares (\$000)		\$16,839	\$18,611	\$23,460	\$4,849
16 Other Revenue (\$000)		\$0	\$ 0	\$960	\$960
17 Expenses (\$000)	1	\$67,861	\$83,956	\$87,785	\$3,829
18 Boardings (000)		29,860	29,004	39,381	10,377
19 Farebox Recovery Ratio	1	24.81%	22.17%	27.82%	5.65%
20 Vehicle Service Hours (000)	3	196	285	303	18
21 Cost per Hour		\$346.23	\$294.79	\$289.79	(\$5.00)
22 Cost per Passenger Mile		\$0.33	\$0.41	\$0.32	(\$0.09)
23 Vehicle Service Miles (000)	3	4,658	6,879	7,317	438
24 Passenger Miles (000)	5	208,718	202,738	274,469	71,731
25 Fare Revenue per Boarding		\$0.56	\$0.64	\$0.60	(\$0.05)
26 Subsidy per Boarding	2	\$1.71	\$2.25	\$1.61	(\$0.64)
27 Subsidy per Passenger Mile	2	\$0.24	\$0.32	\$0.23	(\$0.09)

		FY01	FY02	FY03	Inc/(Dec)
Heavy Rail	Notes	Actual	Adopted	Proposed	Adopted
28 Fares (\$000)		\$9,944	\$12,558	\$16,016	\$3,458
29 Other Revenue (\$000)		\$0	\$2,027	\$2,488	\$4 61
30 Expenses (\$000)	1	\$53,808	\$62,713	\$65,555	\$2,842
31 Boardings (000)	Ì	27,958	37,502	40,446	2,944
32 Farebox Recovery Ratio	1	18.48%	23.26%	28.23%	4.97%
33 Vehicle Service Hours (000)	3	186	259	270	11
34 Cost per Hour		\$289.96	\$242.23	\$243.12	\$0.89
35 Cost per Passenger Mile		\$0.64	\$0.56	\$0.40	(\$0.16)
36 Vehicle Service Miles (000)	3	3,568	5,868	6,112	244
37 Passenger Miles (000)	5	83,873	112,506	163,985	51,479
38 Fare Revenue per Boarding		\$0.36	\$0.33	\$0.40	\$0.06
39 Subsidy per Boarding	2	\$1.57	\$1.28	\$1.16	(\$0.12)
40 Subsidy per Passenger Mile	2	\$0.52	\$0.43	\$0.29	(\$0.14)

Notes

- (1) Expenses include Transitional Duty Program
- (2) Subsidy excludes all operating revenue
- (3)Reflect revenue vehicle hours & miles
- (4)FY01 Actual includes impact of 32 day strike

APPENDIX 10: PUBLIC TRANSPORTATION SERVICES CORPORATION (PTSC)

In December 1996, MTA created the Public Transportation Services Corporation (PTSC), a nonprofit public benefit corporation organized under the laws of the State. PTSC was created in order to transfer certain functions, currently performed by the MTA, and the employees related to those functions, to this new corporation. The PTSC conducts essential public transportation activities including but not limited to the following: (a) coordinates multimodal multi-jurisdictional transportation planning; (b) programs Federal, state and local funds for transportation projects county-wide within Los Angeles County: (c)

oversees construction; (d) provides certain administrative services to the County's Service Authority for Freeway Emergencies (SAFE) and the Southern California Regional Rail Authority (SCRRA); (e) provides administrative support and security services for the foregoing and to the operation of the MTA's Metro Bus and Rail system: and (f) other activities and services as it deems necessary. One advantage of the PTSC is that it allows the employees of the corporation, including those transferred from the MTA, to participate in the California Public **Employees Retirement System** (PERS).

Appendix 10: Public Transportation Services Corporation Statement of Revenues, Expenditures and Changes in Fund Balances

(Amounts in millions)

	FY01	FY02	FY03	
PTSC Only	Actual	Adopted	Proposed	
1 Revenue:				
2 Reimbursement for support services	\$ 124.6	\$ 157.9	\$ 178.7	
3 Total revenue	124.6	157.9	178.7	
4				
5 Operating expenses:	1			
6 Salaries, wages & fringe	\$ 123.5	\$ 157.8	\$ 178.2	
7 Services, leases, taxes & misc	1.1	0.1	0.5	
8 Total expenses	124.6	157.9	178.7	
9				
10 Increase(decrease) in retained earnings	-	-	-	
11				
12 Retained earnings - beginning of year	-	-	-	
13				
14 Retained earnings - end of year	\$ -	\$ -	\$ -	

APPENDIX 11: BENEFIT ASSESSMENT DISTRICT (BAD)

The Benefit Assessment is a fee on properties within half a mile of certain Metro Red Line Stations. This fee is used to pay part or all of the cost of capital improvements enhancing the value of property receiving service from or located near and benefiting from the capital improvements.

The MTA's Special Benefit Assessment District was initially created pursuant to a resolution adopted by the former Southern California Rapid Transit District's Board of Directors on July 11, 1985.

The purpose of the Benefit Assessment District Program is to ensure that assessments are levied at a rate high enough to repay the Segment 1 Assessment District's bonded indebtedness and administrative costs.

Appendix 11: Benefit Assessment District, continued Statement of Revenues, Expenditures and Changes in Fund Balances

(Amounts in millions)

,	Benefit Assessment District Funds			FY02 Adopted		FY03 Proposed	
	Revenue:						
2	Intergovernmental	\$	-	\$	-	\$	-
3	Investment income		1.7		-		-
4	Licenses and fines		-		-		-
5	Other		14.6		8.5		6.8
6	Total revenues		16.3		8.5		6.8
7							
8	Expenditures:						
9	Debt and interest expenditures		8.2		7.9		6.5
10	General and administrative		0.4		0.5		0.4
11	Total expenditures		8.6		8.5		6.8
12							
13	Excess (deficiency) of revenues over expenditures		7.7		-		
14							
15	Other financing sources (uses):						
16	Operating transfers in		-		-		-
17	Operating transfers out		٠.		-		-
18	Total other financing sources (uses)				-		-
19							
20	Excess (deficiency) of revenues and other financing	i.					
21	sources over expenditures and other financing uses		7.7		-		-
22							
23	Fund surplus balance - beginning of year		-		7.7		7.7
24							
25	Fund surplus balance - end of year	\$	7.7	\$	7.7	\$	7.7

APPENDIX 12: PTSC/MTA RISK MANAGEMENT AUTHORITY (PRMA)

PTSC/MTA Risk Management
Authority (PRMA) was established in
September 1998. It is a public entity,
created pursuant to Section 6500, et
seq., of the Government Code, between
the MTA and PTSC for the purposes of
establishing and operating a program
of cooperative self-insurance and risk
management. Each of the member
parties desired to join together with
the other for the purpose of pooling
certain self-insured claims and losses
and transferring risk between the
parties, as permitted under

Article XVI, Section 6 of the California Constitution, and as provided in Government Code Section 990.8.

The purposes of PRMA are to secure insurance on behalf of the parties, including excess insurance on a group basis; to accumulate, administer and invest funds for risk management purposes; and to effect cost savings in the administration of such self-insurance, insurance and risk management programs as may be established by PRMA in order to reduce the cost of transportation services to the public.

Appendix 12: PTSC/MTA Risk Management Authority (PRMA) Statement of Revenues, Expenditures and Changes in Fund Balances

(Amounts in millions)

PRMA Only		FY01 Actual		FY02 Adopted		FY03 Proposed	
1	Revenue:		-		· · · · · · · · · · · · · · · · · · ·		
2	Reimbursement for support services	\$	39.4	\$	59.0	\$	49.8
3	Total revenue		39.4		59.0		49.8
4							
5	Operating expenses:	1					
6	Fringe benefits	\$	38.9	\$	58.7	\$	45.6
7	Allocable costs		0.4		0.3		4.2
8	Total expenses		39.4		59.0		49.8
9							
10	Increase(decrease) in retained earnings	1	-		-		-
11							
12	Retained earnings - beginning of year	1	-		-		
13							
14	Retained earnings - end of year	\$	-	\$		\$	

APPENDIX 13: CONSENT DECREE

On October 28, 1996, a consent decree was agreed to between the MTA and the class action plaintiffs. The consent decree provides for the MTA to:

- Reduce its load factor (i.e. the number of people who stand on a bus) to certain targets.
- Expand bus service improvements by making available a net of 102 additional buses by June 1997.
- Implement a pilot project to facilitate access to county-wide job, education and health care centers.
- Not to increase cash fares for two years and pass fares for three years beginning December 1, 1996, after which the MTA may raise fares subject to certain conditions of the Consent Decree.
- Introduce a weekly pass and an offpeak discount fare on selected lines.

The MTA is also obligated to create a joint working group with representatives from the plaintiff's class and the MTA to implement the Consent Decree.

Load Factor Standards

The Consent Decree contains specific targets for reducing loading standards by the year 2002. The MTA is required to reduce the target load factor on buses operating during peak periods from 1.45 (19 standees) to 1.35 (15 standees) by December 31, 1997; to 1.25 (11 standees) by June 30, 2000; and to 1.20 (9 standees) by June 30, 2002.

Pursuant to its remediation plan, the MTA added a total of 130 buses to peak hour service between June 1999 and December 1999. The peak bus fleet was increased by 96 buses between December 1998 and June 1999, with an additional 64 buses added in December 1999.

The addition of these buses is intended to enable the MTA to meet a required peak period load factor target of 1.25 (11 standees) by June 30, 2000.

The final load factor target required by the Consent Decree is a peak period load factor of 1.20 (9 standees) by June 30, 2002. In compliance with the Special Master and court order, the MTA added 91 buses into service in October 2001.

Five-Year New Service Plan

The Consent Decree requires the MTA to develop and implement a five-year plan of improvements to the bus system to improve mobility for the transit dependent community in the greater Los Angeles area. To date, both the MTA and the Bus Riders Union have submitted plans to the Special Master for review and a final determination as to the magnitude of the plan. MTA proposes to add a total of six routes designed specifically to meet the mobility needs of the transit dependent community in serving educational, employment and health care facilities and providing enhanced coordination with the regional transit network.

The six additional routes will be phased in as outlined in the five-year plan. The service will add 49 buses to peak hour service. A total of 20 buses will be operated directly by MTA, with the remaining 29 operated by private contractors. The MTA five-year plan also recommends continued operation of the Consent Decree pilot program.

Fares

The MTA has not increased fares since the beginning of the Consent Decree in 1996. The discount fares called for in the Consent Decree were implemented over the next year. Sale of the weekly pass began in December 1996. A base off-peak discount fare of \$0.75 was introduced on Line 40 and all lines operating late night/early morning (9pm-5am) service over the next two-year period.

APPENDIX 14: GFOA AWARD

The Government Finance Officers
Association of the United States and
Canada (GFOA) presented a
Distinguished Budget Presentation
Award to the Los Angeles County
Metropolitan Transportation
Authority, California for its annual
budget for the fiscal year beginning
July 1, 2002. In order to receive this
award, a governmental unit must
publish a budget document that meets
program criteria as a policy

document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Placeholder for GFOA certificate

Los Angeles County Metropolitan Transportation Authority Proposed Budget

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GLOSSARY

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TERMS

ABC Activity Based Cost. Methodology that measures the cost

and performance of activities, resources, and cost objects. Resources are assigned to activities, then activities are assigned to cost objectives based on their use. ABC recognizes the causal relationships of cost drivers to

activities.

ADA Americans with Disabilities Act. A comprehensive civil

rights measure signed into law July 1990 to ensure persons with disabilities receive equal access to transportation and

other services.

AFSCME American Federation of State County and Municipal

Employees. The union representing maintenance and

transportation supervisors.

APC Automatic Passenger Counters

ASI Access Services Incorporated. ASI is a private non-profit

corporation, which is the Consolidated Transportation Services (CTSA) for Los Angeles County, and as such has

the responsibility to improve and coordinate the

paratransit services for 187 different social service and

public paratransit operators.

ATMS Advanced Transportation Management System

ATTB Advanced Technology Transit Bus. A fuel cell powered,

zero emissions, low floor, lightweight prototype transit bus that the LACMTA is helping to fund. It uses aerospace composite material for a curb weight of 10,000 lbs. below

current buses.

ATU Amalgamated Transit Union. The union representing

mechanics and other maintenance employees.

BAD Benefit Assessment District. A limited area around public

transportation stations in which non-residential property owners are taxed for benefits derived from proximity to the

system.

BALANCED A management instrument that translates an

SCORECARD organization's mission and strategy into a comprehensive

set of performance measures that provides a framework for strategic measurement and management. The balanced scorecard has 4 perspectives: financial management, customer, internal processes, and innovation or learning.

BIAS Budget Information Analysis System. A computerized

database application designed to enable departments (cost centers) to enter their budget requests and report those

requests.

BOND An interest-bearing promise to pay a specified sum of

money due on a specified date.

BOS Bus Operations Subcommittee

Bus Rapid Transit – Dedicated Busways

BSIP Bus Service Improvement Program - Additional buses on

existing lines for overcrowding relief in FY97, plus

additional bus routes in FY98.

BUDGET A plan of financial operations for a given period including

proposed expenditures and revenues, and authorized

staffing levels.

CAFR Comprehensive Annual Financial Report. MTA's annual

financial statements.

CALTRANS California Department of Transportation

CAPITAL ASSET The acquisition of property, facility, or equipment whose

cost exceeds \$2,500 per unit. Capital project costs include installation, delivery cost, sales and use taxes, and General

and Administrative overhead costs.

CAPITAL PROJECT Major construction, acquisition, or renovation activities

which add value to a government's physical assets or

significantly increase their useful life.

7-2 • Terms Glossarv

CBD

Central Business District

CFP

Call for Projects. Primary process for the selection of transportation improvement projects for funding with

discretionary federal, state, and local revenues.

CMAQ

Congestion Mitigation and Air Quality

CNG

Compressed Natural Gas

COMMERCIAL

PAPER

Short-term interest-bearing promissory note secured by pledged revenues and a liquidity/credit facility. The

maturity can range from 1 to 270 days.

CORRIDORS

Eastside light rail lines and fixed guideway projects in

mid-cities and San Fernando Valley.

COSO/CSA

Committee of Sponsoring Organization/Control Self-

Assessment.

CPD

Countywide Planning & Development

CPI

Consumer Price Index. A statistical description of price levels provided by the U.S. Department of Labor. The index is uses as a measure of the increase in the cost of living

(i.e., economic inflation).

CPUC

California Public Utilities Commission

CTC

California Transportation Commission

CTSA

Consolidated Transportation Services Agency. The LACMTA has been designated as the CTSA for Los Angeles County to coordinate all paratransit services to ensure compliance with the Americans with Disabilities

Act (ADA).

CWO

Contract Work Order

DBE Disadvantaged Business Enterprise. Businesses owned

and operated primarily by minorities and women.

DEBT SERVICE

FUND

Fund, which accounts for those resources used to repay the

principal and interest on long-term debt.

DOT United States Department of Transportation

EEO/AA Equal Employment Opportunity/Affirmative Action

EIR Environmental Impact Report. A detailed statement

describing and analyzing the significant environmental effects of a project, and discussing ways to mitigate or

avoid those effects.

EIS Environmental Impact Statement. Same as EIR, except

prepared under the (federal) National Environmental

Policy Act.

ENCUMBRANCES The unperformed portion of a contract for goods or services.

ENTERPRISE

FUND

Fund established to finance and account for the operation and maintenance of facilities and services that are entirely

or predominantly self-supporting.

ESR **Engineering Service Request**

FAP Formula Allocation Program. FAP is the adopted method

for allocation of federal, state, and local transit operating

subsidies to Los Angeles County bus operators. The current formula allocates funds as follows: 50% based on vehicle service miles and 50% based on "fare units". Allocations are made using audited performance data.

FAU Federal Aid Urban. Authorized by the enactment of the

Federal Highway Act every five years. Cities and the

county are eligible for FAU funds for projects such as street reconstruction and widening, and installation of lights and

signals.

FIS

Financial Information System. An automated, integrated

financial accounting and control system.

FISCAL YEAR

The period at the end of which a governmental agency determines its financial position and results of operations. The MTA's fiscal year begins July 1 and ends June 30 of the following calendar year.

FIXED ASSETS

Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

FSP

Metro Freeway Service Patrol - Service financed by the LACMTA, which uses roving tow trucks to remove disabled vehicles and debris from freeways.

FTA

Federal Transit Administration. Formerly the Urban Mass Transportation Administration (UMTA).

FTE

Full-Time Equivalent Position. A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be the equivalent to a .5 of a full-time position.

FUNCTION

An activity or a group of related activities for which the Reporting Unit is responsible.

FUND

A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and changes in these assets and liabilities.

FY

Fiscal Year

GOALS

Target that guides an organization's efforts in moving toward a desired future state.

HEAVY RAIL

High-speed passenger rail cars operating singly or in trains of two or more cars on fixed rails in separate rights-of-way from which all other vehicular and foot traffic is excluded.

HOV

High Occupancy Vehicle lanes or Carpool lanes on freeways dedicated for use by vehicles with multiple occupants.

IMMEDIATE NEEDS

TRANSPORTATION PROGRAM

As a response to the Los Angeles uprisings, the LACMTA supports the First African Methodist Episcopal Church (FAME) and the International Institute of Los Angeles to distribute taxi vouchers and bus tokens in South Central Los Angeles.

ITS

Intelligent Transportation System Technologies that use computers to monitor real time traffic flow and congestion points through pavement sensors and closed circuit cameras.

JOINT DEVELOPMENT Projects that combine public and private resources to build mixed use development around transit station areas.

JPA

Joint Powers Authority

KEY PERFORMANCE INDICATOR Indicators that measure and analyze performance in terms of quantity, effectiveness or efficiency.

L.A. LIGHT RAIL VEHICLE CAR Los Angeles Light Rail Vehicle Car. Patterned after the Blue Line Car, the LA Light Rail Vehicle Car will be a generic vehicle that will allow for upgrades in technology and automation.

LACMTA

Los Angeles County Metropolitan Transportation Authority

LIGHT RAIL

Lightweight passenger rail cars operating on fixed rails in right-of-way that is not separated from other traffic for much of the way. Light rail vehicles are driven electronically with power drawn from an overhead electric line. LOCAL RETURN

Local return is a direct share, based on population, that the 88 cities and the Los Angeles County receive from the total Propositions A and C sales tax revenue. These funds are used to support transit needs or other transportation related projects, including paratransit and fixed route service, street and road maintenance and other transit related improvements.

LOSSAN

Los Angeles-San Diego Inter-city Railway

LRTP

Long Range Transportation Plan – 25 year plan for multimodal transportation needs of Los Angeles County.

LRV

Light Rail Vehicle

MIS

Major Investment Study

M3

Formerly, Maintenance and Materiel Management System

METRO BLUE LINE Long-Beach-Los Angeles Light Rail Transit Project. A 22mile electrically powered light rail line constructed by the LACMTA. It opened for service July 14, 1990.

METRO GREEN

LINE

Norwalk-El Segundo Light Rail Transit Project. A 20-mile electric rail line constructed by the LACMTA on the median of the I-105 freeway. It opened for service August 12, 1995.

GOLD LINE

METRO PASADENA Union Station to Pasadena light rail line scheduled to begin service in FY04.

METRO RED LINE -SEGMENT I

Segment I of the Metro Rail project constructed by the LACMTA from Union Station to Wilshire/Alvarado (4.4) miles). Operation began in January 1993.

METRO RED LINE -SEGMENT II

Segment II of the Metro Rail project includes Wilshire/Alvarado west to Wilshire/Western, which opened for service in August 1996. Wilshire/Vermont north to Hollywood/Vine opened for service in June 1999.

METRO RED LINE -

Segment III of the Metro Rail project includes

SEGMENT III

Hollywood/Vine to North Hollywood, which opened for

service in June 2000.

METROLINK

The regional commuter rail system connecting Los

Angeles, Orange, Riverside, San Bernardino, and Ventura

counties. Service began in October 1992.

MISSION

An enduring statement of purpose, the organization's reason for existence. Describes what the organization

does, whom it does it for, and how it does it.

MODE

A particular form of transportation identified by the vehicle or mode used i.e., bus, light rail, heavy rail, or pedestrian automated guide way, bikeways, highways,

arterials.

MOSIP

Municipal Operator Service Improvement Program

MOU

Memorandum of Understanding. A formal contractual

agreement between two or more public agencies.

MOW

Maintenance of Way

MTA

Metropolitan Transportation Authority. Also known as

LACMTA.

MULTIMODAL

Public transportation system, which employs a combination of highway, bus, rail, HOV, bikeway,

pedestrian land use, and demand management systems.

MUNICIPAL OPERATOR

A city or county (including any non-profit corporation or other legal entity wholly-owned or controlled by the city or county) which operates a public transportation system, or which on July 1, 1972, financially supported in whole or in part a privately-owned public transportation system and which is not included within an existing transit district.

NON-REVENUE

Vehicles that do not carry fare-paying passengers.

VEHICLES

National Transit Database

NTD

OBJECTIVE

Time-phased measurable accomplishment required realizing the successful completion of a strategic goal.

OCIP

Owner Controlled Insurance Program

OVERHEAD

Expenses not directly chargeable to a particular program, which support multiple programs of the LACMTA.

PERFORMANCE INDICATORS

Specific quantitative and qualitative measure of work performed as an objective of specific departments or programs.

PERFORMANCE MEASURES

Data collected to determine how effective or efficient a program is in achieving its objectives.

PROGRAM

A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible.

PROP A

Proposition A was a sales tax initiative approved by Los Angeles County voters in 1980. It established a one-half cent sales tax to be used for public transit.

PROP C

Proposition C was a sales tax approved by the Los Angeles County voters in 1990. It established a one half-cent sales tax to be used for public transportation purposes.

PTSC

Public Transportation Services Corporation. Created by the LACMTA in December 1996, the PTSC is a non-profit public benefit corporation organized under the laws of the State.

RAPID BUS

Demonstration Program based on Curitiba, Brazil Public Transportation Model. Metro Rapid is a bus operating program with several attributes to improve service operating speeds including bus signal priority, level boarding and alighting with low floor buses, headway, fewer stops, far-side intersection location of stations and active management of service operation.

REVENUE

SERVICE HOURS

(RSH)

Total number of scheduled hours that a bus or train is in service. This total excludes hours spent traveling to and from storage facilities and during other non-service travel.

REVENUE VEHICLE

Vehicles that carry fare-paying passengers.

REVENUE

VEHICLE HOURS

(RVSH)

Total number of scheduled hours that a vehicle is in service. Excludes hours spent traveling to and from storage facilities and during other non-service travel.

REVENUE

VEHICLE MILES

Total number of miles traveled by a vehicle operating on rails or tracks, bus, van trolley, ferry, cable car, or other vehicle used to provide public transportation for which a fare is collected. Excludes miles spent traveling to and from storage facilities and during other non-service travel.

RFP

Request for Proposal

ROD

Revenue Operations Date

RTAA

Regional Transit Alternatives Analysis

SAFE

Service Authority for Freeway Emergencies, a separate legal entity. Funds generated from one dollar from each vehicle registration within Los Angeles County used to provide expanded and improved emergency call box service

along the highways.

SB-45

Senate Bill 45. This bill revised the procedures for the development and implementation of the State

Transportation Improvement Program.

SBE

Small Business Enterprise. Businesses in which at least 51% of the business is owned and operated primarily by socially or economically disadvantaged individuals.

SBU

Strategic Business Unit

SCADA

Supervisory Control and Data Acquisition

SCAG

Southern California Association of Governments

SCAQMD

South Coast Air Quality Management District

SCRRA

Southern California Regional Rail Authority. A joint powers agency including Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties formed to plan, construct, and operate the regional commuter rail system

known as Metrolink.

SHORE

Support for Homeless Re-entry Program. The LACMTA provides bus tokens to Los Angeles County shelters and missions.

SPECIAL REVENUE FUND

Fund used to account for resources, which are legally or administratively restricted for specific purposes.

SRTP

Short Range Transportation Plan. A five-year business plan, completed every three years, which is used for internal planning.

STA

State Transit Assistance Fund. Used to account for the revenue from the sales tax on gasoline used for transit purposes. The STA fund was created as an amendment to the Transportation Development Act of 1976.

STIP

State Transportation Improvement Program. This program was adopted by the California Transportation Commission (CTC) and serves as the primary vehicle for programming funds for highway projects.

TCU

Transportation Communications Union. Union represents clerical workers.

TDA

Transportation Development Act. Created by state law in 1972, the TDA authorized the use of ¼ of 1% of the state sales tax for transportation purposes. 1% of this revenue is allocated to the LACMTA for its transportation planning activities.

TEA-21

Transportation Equity Act for the 21st Century

TEAMSTERS

Union representing security guards

TIP

Transportation Improvement Program. The programming document, which establishes allocation of funding for Los

Angeles County highways and transit.

TOTS

Transit Operating and Trend System

TSM

Transportation Systems Management. A program of user incentives and disincentives to maximize capacity and

usage of the existing transportation network.

TVM

Ticket Vending Machines

UFS

Universal Fare System

WELFARE TO

WORK

MTA in collaboration with the Los Angeles County Department of Public Social Services (DPSS) provides transportation services for welfare recipients to connect

them to their jobs, healthcare, child care and/or

employment related services.

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