

Includes Cost-of-Living Pay Hike

MTA Adopts FY 2001 Budget that Delivers Record Bus, Rail Service, plus Highway and Other Regional Programs

(May 25) In the fiscal year starting July 1, the MTA will deliver a record amount of bus and rail service, move forward with new bus and rail projects, fund highway and other regional transportation programs -- and still manage to balance the budget while spending about the same as the current year's adopted budget. That's the upshot of the \$2.552 billion FY 2001 budget adopted today by the MTA Board.

Included in the budget is funding for a 2.7 percent across-the-board, cost-of-living pay increase for employees.

MTA turning point

"This budget marks another turning point for the MTA," said CEO Julian Burke. "For the past three years we have focused on putting our house in order. Having substantially accomplished that, we can now concentrate on delivering and expanding programs and services that will improve mobility for our public transit customers and everyone in Los Angeles County who depends on MTA for regional mobility."

Buses will remain the highest budget priority in FY 2001. The MTA will spend 46 percent of its budget - \$1.161 billion - on MTA bus operating and capital and municipal bus operator subsidies compared to 44 percent - \$1.119 billion - in the current fiscal year.

[See metro.net May15: MTA TO SET RECORD FOR MOST BUS SERVICE IN FY 2001](#)

The MTA and its contract bus lines will offer a record amount of bus service in FY 2001, eclipsing the previous record set in the mid-1980's by the SCRTD. The budget calls for deploying at least 2,012 buses during weekday rush hours and 7,271,125 annual bus revenue service hours between the MTA and its contract carriers.

Highways and regional programs

The second largest portion of the budget - \$532 million or 21 percent of the budget - is for highway and other regional transportation programs. These improvements and services include new freeway carpool lane construction, sound walls, street and freeway gap closures, grade separations at railroad crossings, street widening, traffic light coordination and funding for the Metro Freeway Service Patrol to help stranded motorists.

These programs are critical for the region's mobility as underscored by the fact that about 97 percent of all trips made in Los Angeles County are made by private vehicles not public transit.

Next year's spending plan earmarks \$247 million for Metro Rail construction - \$45 million less than in FY 2000 because the rail construction program is nearing completion. Metro Rail operating costs will increase by \$11 million to \$132 million because Metro Rail service is being expanded. Metrolink will receive \$36 million, or 1.4 percent, of next year's total funding.

Metro Red Line vehicle service hours will increase 10 percent in Fiscal Year 2001 while Metro Blue and Green Line hours will expand by 20 percent.

Cost per mile down on light rail

The importance of this expansion of Metro Rail service stands out in

sharp relief considering that, for the first time, in FY 2001 the MTA's cost per passenger mile will be less on light rail than the bus: 32 cents versus 50 cents. It is projected to cost 79 cents per passenger mile on the subway, but that cost will decline as ridership builds.

Rounding out the MTA FY 2001 spending plan is debt service. MTA's debt service next year will be \$343 million compared to \$327 million this fiscal year. It is up slightly as additional bonding is required to complete Metro Rail construction activities.

Although the budget does not indicate a fare increase, Burke said that may still be necessary if MTA operating costs rise or if projected transit sales tax growth falls short.

[Back to MTA Report](#)