

## State Controller Finds MTA Complying with Consent Decree



Kathleen Connell

(Aug. 22, 2001) The MTA is complying with the 1996 federal Consent Decree, State Controller Kathleen Connell said, Tuesday, in releasing an audit of the agency.

"This is good news for the riders of the MTA because the terms of the Consent Decree were directed at improving service and working conditions and keeping fares reasonable," Connell said.

The audit, which covered the period of July 1, 1998, through June 30, 2000, also looked at the MTA's handling of voter-approved funding. Connell said the MTA had properly allocated and spent Proposition A and Proposition C funds.

The audit noted that the Consent Decree compliance was still subject to resolution of how to measure the bus passenger load factor goal set by the federal court.

### Potential fiscal impact

The report said the MTA's long-range plans "do not address the potential fiscal impact" should the agency's appeal of the Consent Decree be denied "or... accommodate projected increases in rail and bus service operating costs."

"These two factors could increase projected expenditures by over \$350 million through 2010," said Connell. "The MTA should take action to address them now in its long-range plans."

"We're pleased with the overall findings of the audit and we're committed to completing the necessary changes," said Chief Operating Officer Allan Lipsky. "We have been successful in resolving deficits in the past and we understand the large challenge that represents for the future."

Lipsky also said the MTA has nearly completed an inventory of its assets – bus, rail and non-operating equipment of all types – as suggested by the audit.

"The MTA has been the subject of many audits over the past several years by various offices," Connell said. "I am pleased to find that the MTA was in compliance with the major aspects of the audit and that the findings can be readily remedied by the agency."

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