Los Angeles County
Metropolitan Transportation Authority
California

Annual Comprehensive Financial Report

For the Fiscal Year Ended June 30, 2024

FY24



Metro

Los Angeles County Metropolitan
Transportation Authority
Los Angeles, California

ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2024

Metro

Prepared by the
Accounting Department

Nalini Ahuja, Chief Financial Officer
Diana Estrada, Interim Senior Executive Officer, Finance/Controller

THIS PAGE INTENTIONALLY LEFT BLANK



LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
ANNUAL COMPREHENSIVE FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2024

TABLE OF CONTENTS

	Page No.
INTRODUCTORY SECTION (Unaudited)	
Letter of Transmittal	1
GFOA Certificate of Achievement Award	9
Management Organizational Chart	10
Board of Directors	11
List of Board Appointed Officials	12
FINANCIAL SECTION	
Independent Auditor's Report	13
Management's Discussion and Analysis (Unaudited)	17
Financial Statements:	
Government-wide Financial Statements:	
Statement of Net Position	39
Statement of Activities	40
Fund Financial Statements:	
Balance Sheet – Governmental Funds	42
Reconciliation of the Balance Sheet to the Statement of Net Position – Governmental Activities	45
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	46
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	48
Statement of Net Position – Proprietary Fund – Enterprise Fund	49
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Fund – Enterprise Fund	51
Statement of Cash Flows – Proprietary Fund – Enterprise Fund	52
Statement of Fiduciary Net Position – Employee Retirement and OPEB Trust Funds	54
Statement of Changes in Fiduciary Net Position – Employee Retirement and OPEB Trust Funds	55
Notes to the Financial Statements	57
REQUIRED SUPPLEMENTARY INFORMATION (Unaudited)	
Schedule of Changes in Net Pension Liability and Related Ratios – California Public Employees' Retirement System (CalPERS) – Miscellaneous Plan	143
Schedule of Contributions – CalPERS – Miscellaneous Plan	145
Schedule of Changes in Net Pension Liability and Related Ratios – Employee Retirement Income Plans:	
Sheet Metal, Air, Rail, Transportation, Transportation Division (SMART-TD)	146
Transportation Communication Union Plan (TCU)	148
American Federation of State, County and Municipal Employee Plan (AFSCME)	150
Non-Contract (NC)	152
Amalgamated Transportation Union Plan (ATU)	154
Totals for the Four Union Groups and Non-Contract	156
Schedule of Contributions to Employee Retirement Income Plans	157

TABLE OF CONTENTS (Continued)

Page No.

Schedule of Changes in Net OPEB Liability and Related Ratios - Other Postemployment Benefits Plan 159
Schedule of Investment Returns - Other Postemployment Benefits Plan 161
Schedule of Contributions - Other Postemployment Benefits Plan 162
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual:
General Fund 163
Proposition A Fund 164
Proposition C Fund 165
Measure R Fund 166
Measure M Fund 167
Transportation Development Act Fund 168
State Transit Assistance Fund 169

OTHER SUPPLEMENTARY INFORMATION

Combining and Individual Fund Financial Statements:

Combining Balance Sheet - Nonmajor Governmental Funds 171
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds 172

Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual:

Service Authority for Freeway Emergencies Fund 173
Other Special Revenue Funds 174

Combining Schedule of Fiduciary Net Position 175
Combining Schedule of Changes Fiduciary Net Position 176
Combining Schedule of Fiduciary Net Position - Employee Retirement Trust Funds 177
Combining Schedule of Changes Fiduciary Net Position - Employee Retirement Trust Funds 178

STATISTICAL SECTION (UNAUDITED)

Financial Trends:

Net Position by Component (Table 1) 180
Changes in Net Position (Table 2) 181
Fund Balances of Governmental Funds (Table 3) 183
Changes in Fund Balances of Governmental Funds (Table 4) 184

Revenue Capacity:

Governmental Activities – Sales Tax Revenues by Source (Table 5) 185
Program Revenues by Source (Bus and Rail) (Table 6) 186
Farebox Recovery Percentage by Mode (Table 7) 187

Debt Capacity:

Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures (Table 8) 188
Historical Debt Service Coverage Ratios – Proposition A, Proposition C, and Measure R (Table 9) 189
Graphical Presentation of Table 9 – Proposition A, Proposition C, Measure R, and Debt Service Coverage Ratios 190

TABLE OF CONTENTS (Continued)

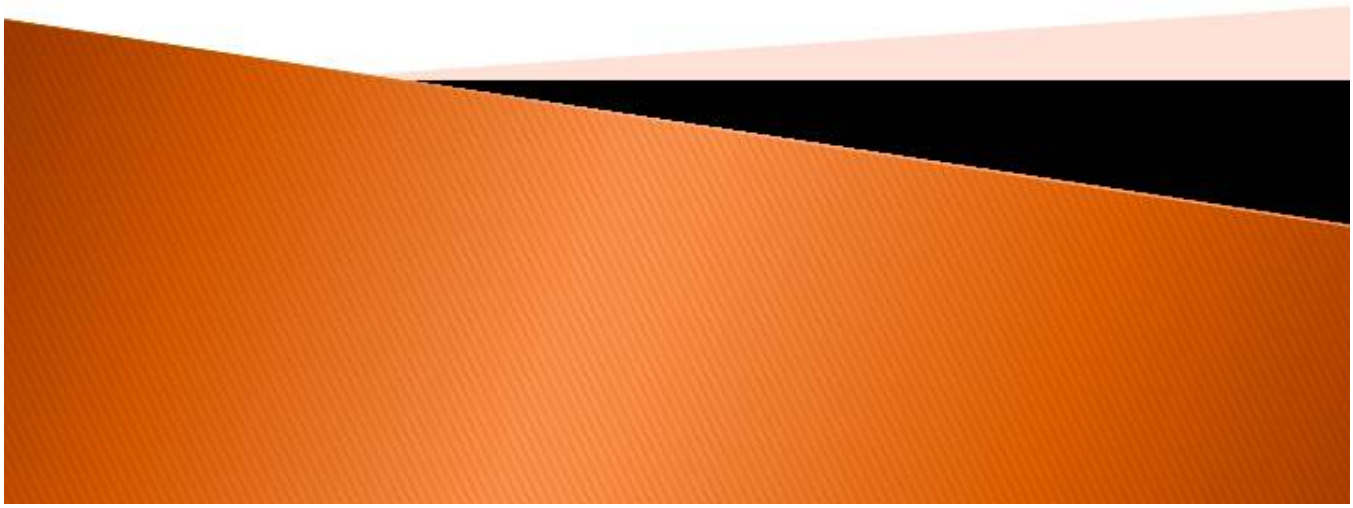
	Page No.
Ratio of Outstanding Debt by Type (Table 10)	191
Demographic and Economic Information:	
Demographic and Economic Statistics (Table 11)	192
Ten Largest Employers in Los Angeles County (Table 12)	193
Los Angeles County Taxable Transactions by Type of Business (Table 13)	195
Operating Information:	
Operating Indicators by Mode (Table 14)	197
Graphical Presentation of Table 14 – Passenger Fares and Operating Expenses by Mode	198
Passenger Boardings by Mode (Table 15)	199
Operating Expenses by Function (Bus and Rail) (Table 16)	200
Full-Time Equivalent Employees by Function (Table 17)	201
Revenues and Operating Assistance – Comparison to Transit Industry Trend (Table 18)	202
Operating Expenses by Function – Comparison to Transit Industry Trend (Table 19)	203

THIS PAGE INTENTIONALLY LEFT BLANK



Los Angeles County Metropolitan Transportation Authority

INTRODUCTORY SECTION



Los Angeles County
Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012-2952
213.922.2000
metro.net

December 18, 2024

The Board of Directors, Los Angeles County Metropolitan Transportation Authority
and Citizens of Los Angeles County, California

Dear Honorable Board of Directors and Citizens of Los Angeles County, California:

Subject: Annual Comprehensive Financial Report

The Annual Comprehensive Financial Report for the Los Angeles County Metropolitan Transportation Authority (LACMTA) for the fiscal year ended June 30, 2024, is submitted herewith. State law requires LACMTA to publish a complete set of audited financial statements within six months of the close of each fiscal year.

LACMTA is required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Uniform Guidance. Information related to the Single Audit, including the Schedule of Federal and State awards, findings, and recommendations, and auditor's reports on the internal control structure and compliance with applicable laws and regulations are set forth in a separate Single Audit report.

Crowe LLP, a firm of licensed Certified Public Accountants, has audited the LACMTA's financial statements. The main goal of the independent audit is to provide reasonable assurance that the financial statements of LACMTA as of and for the fiscal year ended June 30, 2024, are free of material misstatement. The audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified (clean) opinion on LACMTA's financial statements as of and for the fiscal year ended June 30, 2024. The independent auditor's report is located in the front of the financial section of this report.

Management assumes full responsibility for the completeness and reliability of information contained in this report, based upon a comprehensive framework of internal controls. Because the cost of internal control should not exceed anticipated benefits, the objective of the controls is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. All material disclosures necessary to enable the reader to gain an understanding of LACMTA's financial activities have been included.

Management's Discussion and Analysis (MD&A), shown on pages 17 to 38, provides a narrative introduction, overview, and analysis of the financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

LACMTA was created by State of California Assembly Bill 152, *Los Angeles County Metropolitan Transportation Authority Reform Act of 1992*, which became effective on February 1, 1993. LACMTA is unique among the nation's transportation agencies. It serves as a planner, coordinator, designer, builder, operator, and funding partner of the transportation network serving the most populous county in the nation. As one of the largest providers of public transportation in the United States, LACMTA's coordinated systems have about 300.2 million bus and rail boardings in FY 2024 within its 4,099-square-mile service area.

LACMTA's financial reports include the activities of the Public Transportation Services Corporation (PTSC), the PTSC-MTA Risk Management Authority (PRMA), the Exposition Metro Line Construction Authority (EXPO), and the Service Authority for Freeway Emergencies (SAFE). Although they are legally separate entities, their activities are reported as blended component units in LACMTA's financial statements.

Balancing LACMTA's FY25 Budget - LACMTA starts the financial cycle by reviewing current year budget variances (both revenue and expense) to gauge past performance and anticipated future funding demands. The annual budget process begins with the Planning Parameters presented to the board in January or February. The parameters include estimated revenue and expense growth assumptions, service levels, construction project cash flows and funding availability based on information available at the time the Board Report is composed. Extensive public outreach efforts begin in early October and continue through May to obtain feedback from LA County taxpayers on the Budget followed by a public hearing in May with Board Adoption targeted for May each year.

Budget Summary

The $9.0 billion adopted budget for FY25 is 3.6% lower than in FY24, mainly due to the conclusion of two major capital projects, the initial operating segment of the K Line in South LA and the Regional Connector in Downtown LA. While these projects allowed us to reduce capital funding allocated to construction, the operation of these new parts of our rail system necessitated an increase in funding to operations, to ensure their successful performance.

The adopted $9.0 billion budget for FY25 is balanced and focused on a service plan to include: system expansion integration, customer experience enhancements, safety and cleanliness, maintaining and modernizing assets, and employee safety, retention, and engagement. The safety of Metro's riders and employees will continue to be our top priority, and the Adopted FY25 budget expands upon our successful multi-layered public safety strategy that is driving crime down on our system. The FY25 Adopted Budget includes $354.1million, in resource deployment for enhancing public safety on our system. This represents a 11% increase over the FY24 Budget.

Metro has allocated resources to hire 53 more Transit Security Officers to protect our customers and employees. We'll enhance our investments in Transit Ambassadors as we prepare to move the program in-house and make Ambassadors permanent Metro employees. We'll continue our investments in homeless outreach services, mental health outreach, and Community

Intervention specialists, to ensure that we're deploying the right resources to address issues that occur on our system. In addition to these investments, Metro will take additional steps in FY25 to ensure the safety of our bus operators. Related to both safety and cleanliness, the Adopted FY25 budget also calls for an expansion of our efforts to improve the station experience on our rail system. Metro's station experience improvements at our Westlake/MacArthur Parks station have led to a decrease in crime, a decrease in fare evasion, and an increase in paid fare entries at that station. In FY25, we'll expand those efforts to more stations. For FY25, we are significantly enhancing our commitment to cleanliness with a comprehensive increase in cleaning activities. The FY25 Adopted Budget reflects 14.4% increase, amounting to $32.2 million. This substantial investment includes the addition of 165 new staff members who will be directly deployed to clean and upkeep bus and rail vehicles, stations, stops, and facilities.

Metro is committed to investments in the bus system. The FY25 Adopted Budget includes total bus investments of $2.2 billion, a 17.0% increase over the FY24 Budget. Metro's comprehensive total bus investment includes bus operations and maintenance, NextGen initiatives, bus capital improvements, bus transit planning and construction, customer experience initiatives, and Low-Income Fare is Easy (LIFE) Program.

The Transit Infrastructure Development (TID)Program delivers rail and bus rapid transit (BRT) route expansions and improvements identified in the Measure R and Measure M Ordinances. In the FY25 Adopted Budget, the TID Program totals $2.0 billion, a reduction of 21.6% from FY24. This reflects the various stages of project development, including projects nearing completion and projects in early construction. While the overall program budget is reduced, projects in the planning phase continue to advance, as evidenced by the 61.1% growth from $218.8 million in FY24 to $352.4 million in the FY25 Adopted Budget.

Metro faces budget challenges with escalating operating and capital costs, rail system and operation expansion, new initiatives to make the system clean, safe, and reliable, and revenue shortages. Metro will continue to identify mitigation strategies to help address current and future challenges while strengthening cost controls through the Equitable Zero-Based Budget (EZBB) process. The EZBB process continues to drive this year's annual budget development as a cost control tool that integrates an equity lens to develop a fiscally and equitable responsible budget.

Metro will continue its focus on ensuring equity for customers. The new budget was developed using key equity assessment budget tools. Metro's budget provides targeted and indirect benefits to Equity Focus Communities, including continued support for its Low-Income Fare is Easy and Go Pass Pilot Programs, as well as the rollout of its Mobility Wallet and Fare Capping programs, which provide vital fare relief for more L.A. Metro riders.

All these investments focus on one thing: putting people first. The FY25 Budget listens to our customers and makes investments in the areas they want us to address the most. As we look forward to hosting the FIFA World Cup and the NBA All-Star Game in 2026, the Super Bowl in 2027,and the Olympic and Paralympic Games in 2028, each of these investments will help us deliver a world-class transit system for the residents of and visitors to LA County that will help us be ready for those events as well as making legacy improvements that will benefit Angelenos long after all those activities are over.

Budgetary Controls - LACMTA's legal level of budgetary control is at the fund level. Comprehensive multi-year plans are adopted when major capital projects are approved. The portion of costs expected to be incurred on each project during the fiscal year is included in annual appropriations. The budgetary control for capital projects is at the life-of-project level and thus the funding commitment does not lapse at the end of each fiscal year. LACMTA maintains an encumbrance accounting system as another tool of budgetary control.

The Board of Directors (Board) approves the budget by June 30 of each fiscal year. The annual budget establishes the legal level of appropriation. The budget includes operating, capital, regional funding, and other components necessary to implement the policy directions contained in previously Board-adopted long-term plans such as the Long Range Transportation Plan (LRTP) and the more detailed Short Range Transportation Plan (SRTP). In addition to operating its own services, LACMTA funds other municipal bus operators, commuter rail services, ADA paratransit, Metrolink, Access Services, and a wide array of multimodal transportation projects.

Local Economy

The Los Angeles Economic Development Corporation (LAEDC) recently reported that having moved beyond the economic dislocations of the COVID-19 pandemic and the high-inflation environment of 2022 and 2023, Los Angeles County today finds that the large, systemic challenges that the region faced prior to 2020—from high housing costs to stressed transportation infrastructure to a declining population—are reemerging to take center stage.

Los Angeles was on the path to economic recovery in 2021 and 2022 when it faced a new scourge: inflation. In response to the pandemic, the federal government injected roughly $5 trillion into the national economy through assistance to families, businesses, state and local governments, and other programmatic spending. While Angelenos did receive a share of this federal assistance, they also encountered much higher prices for everyday goods and services. Moreover, as the Federal Reserve rapidly hiked interest rates to slow the economy and rein in inflation, the region also experienced higher costs for mortgages, automobile loans, credit cards and business loans.

The challenges that Los Angeles faces are numerous and intertwined. However, three primary challenges stand out, namely regional population decline, housing affordability, and the cost of doing business.

Projections show that the Los Angeles region is expected to lose population over the foreseeable future. A population loss suggests a smaller regional labor force, fewer high-income earners and, as a result, a loss of entrepreneurialism, investment dollars and tax revenue. This result can quickly lead to a downward spiral: a smaller consumer base leads to reduced demand and lower tax revenues; the tax revenues that are generated are no longer sufficient to cover the expense of government services; and the government raises taxes in response, further incentivizing residents to leave. Through increased capital investment and innovation, though, the Los Angeles region could spur economic growth even with a declining population. Through policies

and other actions that reduce the cost of living and increase the quality of life in the region, policymakers could create the conditions necessary to attract more local investment and entrepreneurial activity.

Housing affordability is a significant challenge in the Los Angeles region. Data from the California Association of Realtors show that as of the third quarter of 2023, only 11 percent of households in Los Angeles County can afford to purchase a median priced, single-family home.Paying more than 30 percent of household income for housing makes it difficult to purchase necessities. It also threatens the region's economic growth, as companies are forced to pay more to attract and retain talent than their competitors in other parts of the country. The Los Angeles region needs to markedly increase the local housing supply to help moderate prices and increase affordability. Its opportunity in facing this challenge is to employ innovative approaches to develop new housing at scale.

The difficulties people have in opening and operating a business in a region have straightforward implications for economic growth. Los Angeles's business costs are almost 20 percent higher than the national average. For the Los Angeles area, labor costs are 13 percent higher than the national average, while energy costs, real estate costs and taxes are 91 percent, 51 percent and 40 percent higher, respectively. That said, the high costs for labor, utilities, land, regulations, and taxes lead to businesses leaving the state or closing shop. The Los Angeles region can employ solutions that balance the need to reduce costs for businesses while still supporting the needs of workers and other residents.

In 2023, California experienced slower economic growth compared to the national average, and projections suggest a further slowdown in gross state product growth. The State budget is struggling with substantial deficits, primarily attributed to economic slowdown and the volatility and uncertainty of tax revenues, emphasizing the need for budget balancing strategies and proposed solutions. To address this, the Governor's budget balancing strategies include withdrawing $12.2 billion from mandatory and discretionary Budget Stabilization Account balance and the entire Safety Net Reserve balance of $0.9 billion, and spending-related solutions, totaling $26 billion.

Like the U.S. and California forecasts, the Los Angeles County will experience more restrained economic growth over the next two years, with a projected real gross county product growth rate of 1.4 percent in 2024 and 1.5 percent in 2025. In the coming years, the rate of job creation in Los Angeles County is expected to be slow, with a projected annual growth rate of 1.0 percent in 2024 and 0.5 percent in 2025. However, as some high paying industries, such as the information industry, transition from job losses to job growth over the next two years, we expect more robust growth in real personal income into the future. The COVID-19 pandemic created ongoing challenges for the commercial real estate sector in Los Angeles County, particularly the office market. The office sector is still struggling with heightened vacancy rates resulting from the shift away from central business districts towards remote and hybrid work arrangements. A bright spot in the sector comes with the increasing promise of adaptive reuse. Adaptive reuse, where commercial buildings are converted into residential properties, has gained considerable attention from policymakers and stakeholders in California to address the housing demand and the need to repurpose underutilized office and commercial spaces. California has implemented

regulatory measures to simplify the conversion of underused commercial buildings into residential units and has introduced financial assistance for affordable housing conversions.

Long-term Financial Planning

Long-term financial planning is accomplished in two stages at LACMTA: (1) the Long Range Transportation Plan (LRTP) and (2) the Short Range Transportation Plan (SRTP). The LRTP is a 25–40-year plan that is updated approximately every five years; the LRTP and SRTP financial forecasts are components of the respective plans and updated and presented to the Board regularly to show how funds are being programmed and provide a financial outlook and risk assessment. The LRTP is adopted by the Board and prioritizes the highway and transit infrastructure projects and transit services for the entire region. The 2020 LRTP was adopted by the Board in September 2020. The SRTP is a five to fifteen-year plan that is updated between LRTP cycles and adopted by the Board. The SRTP refines the schedules and budgets for adopted LRTP projects that are occurring in the nearer term. The LRTP and the SRTP use the most recently Adopted Annual Budget as the baseline for the period covered in those plans. These Plans (LRTP/SRTP) rely upon a magnitude of underlying assumptions that may differ from the Annual Budgets adopted by the Board each year. The Annual Budget represents the legal authority for spending LACMTA dollars.

Relevant Financial Policies

The Financial Stability Policy (Policy) is divided into three sections: Goals, Strategies, and General Fiscal Policies. The purpose of the Policy is to ensure that LACMTA prudently manages its financial affairs and establishes appropriate cash reserves to meet its future commitments. The Policy is reviewed annually and remains in effect until it is amended or changed by the Board.

Also included in the Policy are the Business Planning Parameters and Debt Financial Standards. The purpose of the Business Planning Parameters is to provide management with a framework for developing the following year's budget and other LACMTA financial plans and to establish future business targets for management to achieve. The purpose of the Debt Financial 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 LACMTA by the financial marketplace. These standards are consistent with the Board-approved Debt Policy.

In addition to the Policy and LACMTA Debt Policy, the Board has adopted a Cost Management Policy that identifies uniform procedures to follow in the event of a Measure R or Measure M capital project cost increase, a Fiscal Responsibility Policy that accounts for debt interest incurred and allocates the cost to Measure R capital projects, and a LRTP Priorities Policy that identifies criteria to prioritize capital projects if there is limited funding for all LACMTA projects. These additional policies help LACMTA manage financial risks related to project costs, debt, and variability of funding.

Major Initiatives

With the significant number and size of capital projects and the accelerated implementation schedule for delivery, Metro's capability and capacity to deliver multiple complex projects on-time and within budget is challenged. Several strategic initiatives to improve planning, time consistency, transparency, and discipline to project delivery have been implemented. These strategic initiatives are complementary and performed in conjunction with the Early Intervention Team (EIT) strategic initiatives.

Eastside Access active transportation improvements was completed in FY24. Construction continued and completion is anticipated in FY25 for Rosecrans/Marquardt Grade Separation, Metro Center Street, Airport Metro Center, Rail to Rail active transportation, Transit Learning Center, and I-605 South Street Off-Ramp Improvements projects. Construction continued for Purple Line Transit Corridor, Division 20 Yard Portal/Turnback, and Gold Line Foothill Extension Phase 2B projects. Metro G-Line Bus Rapid Transit Improvements, 105 Express Lanes Phase 1, and East San Fernando Transit Corridor continued alternative delivery pre-construction services. On the highway side, construction continued on the SR-57 / SR-60 Interchange Improvements project, Soundwalls Package 10, SR-71 Gap from I-10 to Rio Rancho and I5N County Enhancements SR-14 to Parker Road.

Concurrent progress continues for all Measure R and M projects as they move forward through the planning phase and environmental clearance, toward shovel readiness. The Final EIR/ EIS and Record of Decision were received for Southeast Gateway Line formerly (West Santa Ana Branch Project). Eastside Transit Corridor Phase 2 completed Final EIR and NEPA evaluation is expected to begin shortly. Green Line Extension to Torrance released its Draft EIR and is proceeding with the Final EIR. Environmental studies continue to progress on the Sepulveda Transit Corridor project. Metro's Board awarded a contract to initiate planning and environmental studies of a BRT alignment in the Vermont Transit Corridor, scheduled for service by the 2028 Olympic and Paralympic Games. LACMTA remains committed to expanding mobility by delivering transportation infrastructure projects as well as continuing its planning of current projects in queue and strategically providing funding for regional transportation investments.

Awards

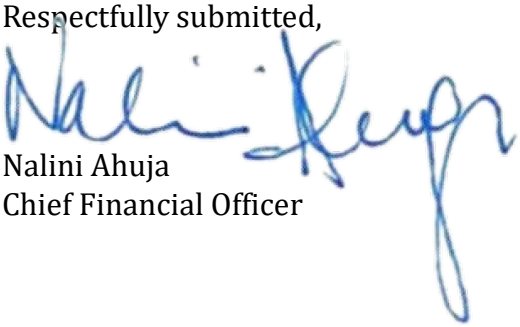
The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to LACMTA for its annual comprehensive financial report for the fiscal year ended June 30, 2023. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

The Certificate of Achievement is valid for a period of one year only. We believe LACMTA's current report continues to conform to the Certificate of Achievement Program's requirements, and it will be submitted to the GFOA for consideration.

Acknowledgments

I want to thank the Accounting Department, who has worked diligently in the preparation of these financial statements, and all other departments for their assistance in providing the data necessary to prepare the report. I would like to acknowledge the Board and our CEO for their continuous support in maintaining the highest standard of professionalism in the management of LACMTA's finances. Finally, I want to thank our independent auditors, Crowe LLP, for their efforts throughout this audit engagement.

Respectfully submitted,



Nalini Ahuja
Chief Financial Officer



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Los Angeles County
Metropolitan Transportation Authority
California

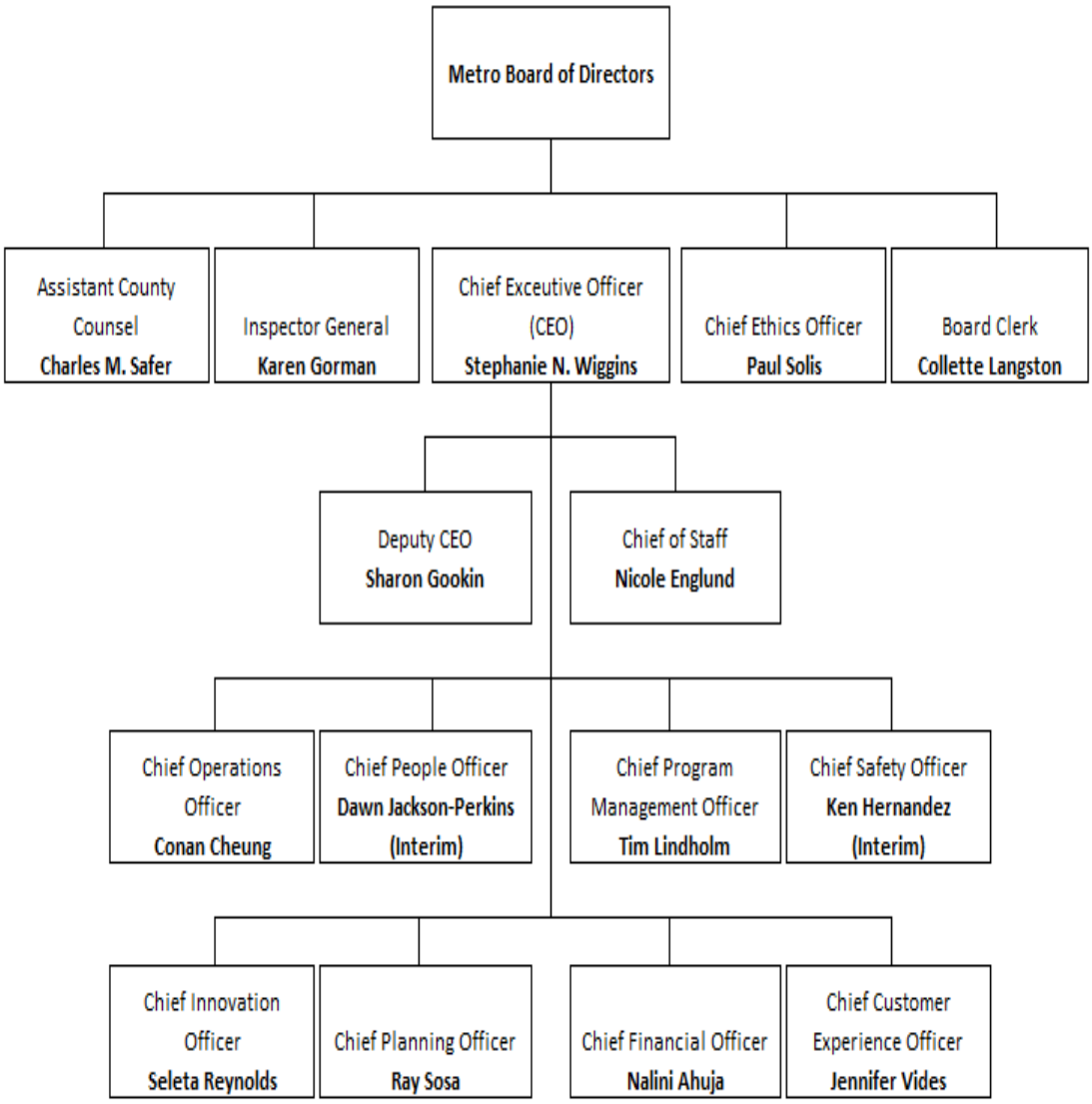
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

Los Angeles County Metropolitan Transportation Authority
Management Organizational Chart



Los Angeles County Metropolitan Transportation Authority

BOARD OF DIRECTORS
(Updated as of July 2024)



Janice Hahn
Chair
Los Angeles County Board Supervisor
District 4



Fernando Dutra
1st Vice Chair
Appointee of Los Angeles County City
Selection Committee
Southeast Long Beach sector



Jacquelyn Dupont-Walker
2nd Vice Chair
Appointee of Mayor of the City of Los
Angeles



Kathryn Barger
Board Member
Los Angeles County Board Supervisor
District 5



Karen Bass
Board Member
Mayor of the City of Los Angeles



James Butts
Board Member
Appointee of Los Angeles County
City Selection Committee
(Southwest Corridor Sector)



Lindsey Horvath
Los Angeles County Board Supervisor
District 3



Paul Krekorian
Appointee of Mayor of the City of Los
Angeles



Holly Mitchell
Los Angeles County Board Supervisor
District 2



Ara J. Najarian
Appointee of Los Angeles County
City Selection Committee
North County/San Fernando Valley
sector



Tim Sandoval
Appointee of Los Angeles County
City Selection Committee, San Gabriel
Valley sector



Hilda Solis
Los Angeles Board Supervisor
District 1



Katy Yarolasky
Board Member
Appointee of Mayor of the City of
Los Angeles



Gloria Roberts
Nonvoting Board Member
District 7 Director
California Department of
Transportation (Caltrans)
Appointee of the Governor of
California

Los Angeles County Metropolitan Transportation Authority

List of Board Appointed Officials

Stephanie N. Wiggins
Chief Executive Officer

Collette Langston
Board Clerk
Karen Gorman
Inspector General
Paul Solis
Chief Ethics Officer
Charles Safer
Assistant County Counsel

Executive Staff

Sharon Gookin
Deputy CEO

Nicole Englund
Chief of Staff

Conan Cheung
Chief Operations Officer

Dawn Jackson-Perkins (Interim)
Chief People Officer

Tim Lindholm
Chief Program Management Officer

Ken Hernandez (Interim)
Chief Safety Officer

Seleta Reynolds
Chief Innovation Officer

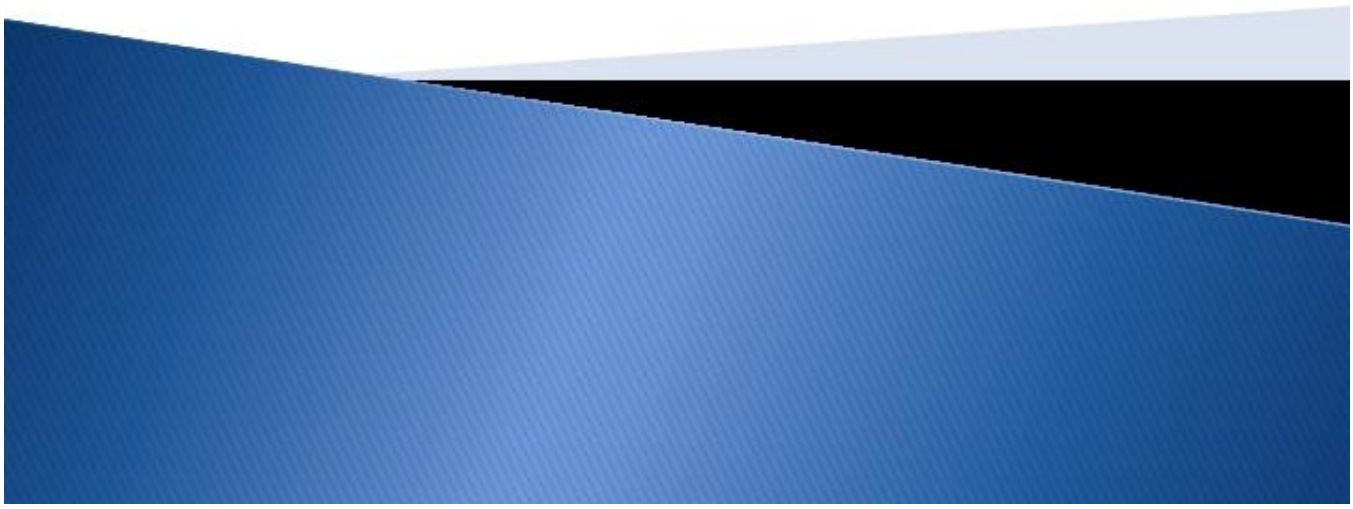
Ray Sosa
Chief Planning Officer

Nalini Ahuja
Chief Financial Officer

Jennifer Vides
Chief Customer Experience Officer

Los Angeles County Metropolitan Transportation Authority

FINANCIAL SECTION



Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

The Board of Directors
Los Angeles County Metropolitan Transportation Authority
Los Angeles, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Los Angeles County Metropolitan Transportation Authority (LACMTA), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the LACMTA's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of LACMTA, as of June 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the defined benefit pension plan financial statements of the Los Angeles County Metropolitan Transportation Authority Retirement Income Plans, which represent 76 percent and 76 percent, respectively, of the assets and net position of the aggregate remaining fund information as of June 30, 2024, and 76 percent of the expenses/deductions of the aggregate remaining fund information for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Los Angeles County Metropolitan Transportation Authority Retirement Income Plans, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States *(Government Auditing Standards)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the LACMTA, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The defined benefit pension plan financial statements of the Los Angeles County Metropolitan Transportation Authority Retirement Income Plans were not audited in accordance with *Government Auditing Standards*.

.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about LACMTA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of LACMTA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the LACMTA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in Net Pension Liability and Related Ratios - California Public Employees' Retirement System (CalPERS) - Miscellaneous Plan, Schedule of Contributions - CalPERS - Miscellaneous Plan, the Schedule of Changes in Net Pension Liability and Related Ratios - Employee Retirement Income Plans, the Schedule of Contributions to Employee Retirement Income Plans, the Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Investments Returns – Other Postemployment Benefits Plan, Schedule of Contributions – Other Postemployment Benefits Plan, and the Budgetary Comparison Information for the General Fund, Proposition A fund, Proposition C fund, Measure R fund, Measure M fund, Transportation Development Act fund and State Transit Assistance fund, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the LACMTA's basic financial statements. The combining and individual fund financial statements and schedules, budgetary comparison information - Service Authority for Freeway Emergencies fund and other special revenue funds are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules, budgetary comparison information - Service Authority for Freeway Emergencies fund and other special revenue funds are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2024 on our consideration of the LACMTA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of LACMTA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the LACMTA's internal control over financial reporting and compliance.



Crowe LLP

Los Angeles, California
December 18, 2024

THIS PAGE INTENTIONALLY LEFT BLANK



Los Angeles County Metropolitan Transportation Authority
Management's Discussion and Analysis (Unaudited)
For the Fiscal Year Ended June 30, 2024

As management of the Los Angeles County Metropolitan Transportation Authority (LACMTA), we offer our readers of LACMTA's financial statements this narrative overview and analysis of the financial activities of LACMTA for the fiscal year ended June 30, 2024. This discussion and analysis is designed to:

- Provide an overview of LACMTA's financial activities
- Highlight significant financial issues
- Discuss changes in LACMTA's financial position
- Explain any material deviations from the approved budget
- Identify individual major fund issues

We encourage readers to consider the information presented here in conjunction with additional information that we have in our letter of transmittal which can be found on pages 1-8 of this report.

All dollar amounts are expressed in thousands unless otherwise indicated.

Financial Highlights

- LACMTA's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources as of June 30, 2024 by $19,470,636. Of this amount, a negative amount of $(1,748,063) is reported as unrestricted net position.

- Business-type activities net position for the current year increased by $1,286,692, or 10.41% mainly due to the increase in capital assets funded by federal, state, and local grants mostly attributed to vehicle procurement, and major heavy and light rail construction projects related to Westside Purple Line Extension Sections 1, 2, and 3, Division 20 Portal Widening Turnback, Airport Metro Connector, and Metro L Line (Gold Line) Foothill Extension Phase 2B.

- The increase in the governmental activities net position of $150,329, or 2.65% was mainly due to the increase in investment earnings.

- At the close of fiscal year 2024, LACMTA's governmental funds reported combined fund balances totaling $4,893,054, an increase of $88,920 compared to the prior year. Of this amount, $4,714,394 was restricted, $29,821 was committed, $12,705 was assigned, $13 was nonspendable, and $136,121 was unassigned and available for spending at LACMTA's discretion.

- At the end of fiscal year 2024, the unrestricted fund balance, the total of the committed, assigned and unassigned components of fund balance for the General fund was $178,647 or approximately 118.13% of total General fund expenditures.

- During fiscal year 2024, long-term debt decreased by $(382,037), or (5.97)% from the previous fiscal year. The decrease was mainly due to the annual bond principal payments made on July 1, 2023 and December 1, 2023, refunding of Prop A 2014 A and and Prop A 2015A sales tax revenue refunding bonds, and the refunding of Prop A sales tax revenue commercial paper notes.

- Business-type activities operating revenues increased by $41,026 or 18.44% compared to the previous fiscal year due to increases in fare revenue attributable to increased fare enforcement activities which resulted in decrease in fare evasion, increase in ridership, and increases in toll revenues throughout the fiscal year.

- Business-type activities operating grants and contributions increased by $285,454 or 98.04% due to ongoing federal funding for maintenance and operations projects supporting the sustainability and efficiency of the region's transit network to ensure continued transportation services to Los Angeles County commuters.

- Sales tax revenues decreased by $(116,100) or (2.20)% from the prior fiscal year due to lower allocations received from the State which were influenced by shifts in consumer spending patterns and overall changes in consumer purchases.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to LACMTA's financial statements. LACMTA's financial statements are comprised of three components: (1) the government-wide financial statements; (2) the fund financial statements; and (3) the notes to the financial statements. This report also includes required supplementary information and other supplementary information intended to furnish additional detail to support the financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements provide a broad overview of LACMTA's finances in a manner similar to private-sector entities.

The Statement of Net Position on page 39 presents information on all of LACMTA's assets, liabilities, and deferred inflows/outflows of resources, and the difference is reported as net position. Over time, trends of increasing or decreasing net position may serve as useful indicator of whether the financial position of LACMTA is improving or deteriorating.

The Statement of Activities on pages 40-41 presents information showing how LACMTA's net position changed during the most recent fiscal year. It reports these changes when the underlying event occurs regardless of the timing of related cash flows using the total

economic resources measurement focus. It shows the gross and net costs of LACMTA's functions.

Both the Statement of Net Position and the Statement of Activities distinguish between the functions that are intended to recover a significant portion of their costs from user fees and charges for business-type activities and the functions that are principally supported by governmental revenues for governmental activities.

The government-wide financial statements include LACMTA and its legally separate entities that are financially accountable to LACMTA. Since they are in substance part of LACMTA's operations, their information has been blended with LACMTA's information. These entities include the Public Transportation Services Corporation (PTSC), the PTSC-MTA Risk Management Authority (PRMA), the Exposition Metro Line Construction Authority (EXPO), and the Service Authority for Freeway Emergencies (SAFE).

Fund Financial Statements

A fund is a group of related accounts that is distinguished by specific activities or objectives in accordance with special regulations or restrictions. LACMTA uses fund accounting to ensure and demonstrate compliance with legal requirements. LACMTA's funds are divided into three categories: proprietary, governmental, and fiduciary.

Proprietary Funds

LACMTA maintains only one Proprietary fund: the Bus and Rail Operations Enterprise Fund. All transit-related transactions, including support services, capital, debt, ExpressLanes, and Union Station operation activities are recorded in this fund and are presented as business-type activities in the government-wide financial statements.

The Enterprise fund is used to report the type of functions presented in the business-type activities in the government-wide financial statements. The Proprietary fund financial statements can be found on pages 49-53.

Governmental Funds

Governmental funds are used to account for the functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, governmental funds use the current financial resources measurement focus. Thus, they report near-term inflows and outflows of spendable resources, as well as balances of available spendable resources at the end of the fiscal year.

The governmental fund financial statements can be found on pages 42-43 and 46-47.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information provided for governmental activities in the government-wide financial statements. As a result, readers may better understand the long-term effect of the government's near-term financing decisions. Reconciliation statements on pages 45 and 48 are shown to facilitate the comparison between the governmental funds and the government-wide financials.

LACMTA maintains eleven individual governmental funds, seven of which are considered major funds. Individual fund data for the major funds are presented in the governmental funds' balance sheet and governmental funds' statement of revenues, expenditures, and changes in fund balances.

LACMTA adopts a spending plan each year. Budgetary comparison schedules are provided for the General fund and for each major Special Revenue fund on pages 163-169, for the nonmajor funds on page 173, and for the aggregate remaining Special Revenue funds on page 174.

Fiduciary Funds

Fiduciary funds are used to account for assets held by LACMTA in a trustee capacity. Since these assets are not available to fund LACMTA's programs, they are excluded from the government-wide financial statements. They cover the five employee pension plans and the Other Postemployment Benefits (OPEB) Trust fund that are administered by LACMTA. The fiduciary fund statements can be found on pages 54-55.

Notes to the Financial Statements

Various disclosures accompany the government-wide and fund financial statements in order to provide a full understanding of LACMTA's finances. The notes to the financial statements are on pages 57-141.

Other Information

In addition to the financial statements and accompanying notes, this report presents certain required supplementary information, other supplementary information, and statistical information beginning on page 143.

Government-wide Financial Analysis

Statement of Net Position

LACMTA's net position at June 30, 2024 increased by $1,437,021 or 7.97%, when compared to June 30, 2023. The increase in net position was mostly due to an increase in capital assets funded by federal, state, and local grants mostly attributed to vehicle procurement, and heavy and light rail construction related to Westside Purple Line Extension Sections 1, 2, and 3, Division 20 Portal Widening Turnback, Airport Metro Connector, and Metro L Line (Gold Line) Foothill Extension Phase 2B projects.

The following table is a summary of the Statement of Net Position as of June 30, 2024 and 2023:

Los Angeles County Metropolitan Transportation Authority
Summary Statement of Net Position

	Business-type Activities		Governmental Activities		Total	
	2024	2023	2024	2023	2024	2023
Current & other assets	$ 1,636,898	$ 1,763,741	$ 5,492,660	$ 5,554,577	$ 7,129,558	$ 7,318,318
Capital assets	21,596,103	20,252,920	749,832	750,034	22,345,935	21,002,954
Total assets	23,233,001	22,016,661	6,242,492	6,304,611	29,475,493	28,321,272
Deferred outflows of resources	445,001	513,015	—	—	445,001	513,015
Total assets and deferred outflows of resources	23,678,002	22,529,676	6,242,492	6,304,611	29,920,494	28,834,287
Long-term liabilities	7,768,865	8,578,389	2,497	3,781	7,771,362	8,582,170
Other liabilities	1,379,835	1,016,272	264,038	490,411	1,643,873	1,506,683
Total liabilities	9,148,700	9,594,661	266,535	494,192	9,415,235	10,088,853
Deferred inflows of resources	881,946	574,351	152,677	137,468	1,034,623	711,819
Total liabilities and deferred inflows of resources	10,030,646	10,169,012	419,212	631,660	10,449,858	10,800,672
Net investment in capital assets	15,391,655	14,096,372	747,335	747,753	16,138,990	14,844,125
Restricted for:						
Debt service	200,658	290,727	—	—	200,658	290,727
General Fund - High Occupancy Vehicle (HOV) Lanes and Surface Transportation Program-Local (STPL)Exchange projects	—	—	5,841	5,540	5,841	5,540
Proposition A ordinance projects	—	—	669,684	617,033	669,684	617,033
Proposition C ordinance projects	—	—	912,779	1,075,144	912,779	1,075,144
Measure R ordinance projects	—	—	1,078,906	1,066,894	1,078,906	1,066,894
Measure M ordinance projects	—	—	1,226,738	1,161,085	1,226,738	1,161,085
TDA and STA projects	—	—	789,020	654,161	789,020	654,161
Other nonmajor governmental projects	—	—	196,083	159,965	196,083	159,965
Unrestricted (deficit)	(1,944,957)	(2,026,435)	196,894	185,376	(1,748,063)	(1,841,059)
Total net position	$ 13,647,356	$ 12,360,664	$ 5,823,280	$ 5,672,951	$ 19,470,636	$ 18,033,615

The decrease in current and other assets of $(126,842) or (7.19)%, in the business-type activities was primarily due to reimbursement of capital expenditures from available bond proceeds as of last fiscal year-end.

The increase in capital assets of $1,343,183 or 6.63%, in the business-type activities was mainly due to an increase in capital assets funded by federal, state, and local grants mostly attributed to heavy rail construction and vehicle procurement projects including the Westside Purple Line Extension Sections 1, 2, and 3 and the Division 20 Portal Widening Turnback projects, and the light rail construction projects including the Airport Metro Connector and Metro L Line (Gold Line) Foothill Extension Phase 2B projects. Major capital projects are described in more detail on pages 29-33.

The decrease in deferred outflows of resources in the business-type activities of $(68,014) or (13.26)% over fiscal year 2023 is mainly related to differences between expected and actual earnings on plan assets related to pension and other post employment benefits (OPEB). The increase in deferred inflows of resources in the business-type activities by $307,595 or 53.56% from previous fiscal year is mainly related to differences between expected and actual earnings on plan assets related to OPEB. The increase in deferred inflows of resources in the governmental activities by $15,209 or 11.06% from previous year was attributable to newly executed lease agreements booked during the fiscal year 2024, related to GASB 87, leases.

Statement of Activities

The following table is a summary of the Statement of Activities for the years ended June 30, 2024 and 2023:

Los Angeles County Metropolitan Transportation Authority
Summary Statement of Activities

	Business-type Activities		Governmental Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program revenues:						
Charges for services	$ 263,567	$ 222,541	$ 16,009	$ 17,994	$ 279,576	$ 240,535
Operating grants and contributions	576,600	291,146	215,553	223,556	792,153	514,702
Capital grants and contributions	792,186	1,033,262	—	—	792,186	1,033,262
General revenues:						
Sales tax	—	—	5,154,697	5,270,797	5,154,697	5,270,797
Investment income	8,795	8,446	189,018	123,232	197,813	131,678
Net appreciation (decline) in fair value of investments	(11,687)	12,995	38,082	(6,529)	26,395	6,466
Gain on disposition of capital assets	515	355	—	202	515	557
Miscellaneous	11,061	10,064	94,728	77,125	105,789	87,189
Total program revenues	1,641,037	1,578,809	5,708,087	5,706,377	7,349,124	7,285,186
Program expenses:						
Bus and rail operations	3,191,382	2,990,555	—	—	3,191,382	2,990,555
Union station operations	23,113	25,615	—	—	23,113	25,615
Toll operations	41,907	38,533	—	—	41,907	38,533
Transit operators programs	—	—	517,656	482,924	517,656	482,924
Local cities programs	—	—	885,994	918,564	885,994	918,564
Congestion relief operations	—	—	46,025	49,437	46,025	49,437
Highway projects	—	—	428,612	374,067	428,612	374,067
Regional multimodal capital programs	—	—	259,170	245,010	259,170	245,010
Paratransit programs	—	—	170,697	168,466	170,697	168,466
Other transportation subsidies	—	—	172,631	165,819	172,631	165,819
General government	—	—	174,916	180,591	174,916	180,591
Total program expenses	3,256,402	3,054,703	2,655,701	2,584,878	5,912,103	5,639,581
Increase (decrease) in net position before transfers	(1,615,365)	(1,475,894)	3,052,386	3,121,499	1,437,021	1,645,605
Transfers	2,902,057	2,761,421	(2,902,057)	(2,761,421)	—	—
Increase in net position	1,286,692	1,285,527	150,329	360,078	1,437,021	1,645,605
Net position - beginning of year	12,360,664	11,075,137	5,672,951	5,312,873	18,033,615	16,388,010
Net position – end of year	$13,647,356	$12,360,664	$5,823,280	$5,672,951	$19,470,636	$18,033,615

Business-type activities recovered from operating revenues 11.17% of total operating expenses, excluding depreciation, compared to 10.30% in the prior year. The remaining costs were covered mainly by sales tax revenues. Capital expenditures have traditionally been funded as needed with governmental resources and grants.

Capital grants and contributions in the business-type activities decreased by $(241,076) or (23.33)% from the previous fiscal year. The decrease was mainly due to lower grants revenue for the Westside Purple Line Extension and Airport Metro Connector projects.

Operating grants and contributions in the business-type activities increased by $285,454 or 98.04% compared to the previous year, due to ongoing federal funding for maintenance and operations projects supporting the sustainability and efficiency of the region's transit network to ensure continued transportation services to Los Angeles County commuters.

Most of the governmental program expenditures relate to subsidies for countywide transportation planning and development programs. These programs are primarily funded by local sales taxes. Subsidies totaled $2,091,503 reflecting an increase of $54,003 or 2.65% from previous year, and they represented the largest governmental expenditures. Subsidies are pass-through federal, state and local funding to other agencies in Los Angeles County for public transit, traffic systems, street and road maintenance, and other transit related improvement projects.

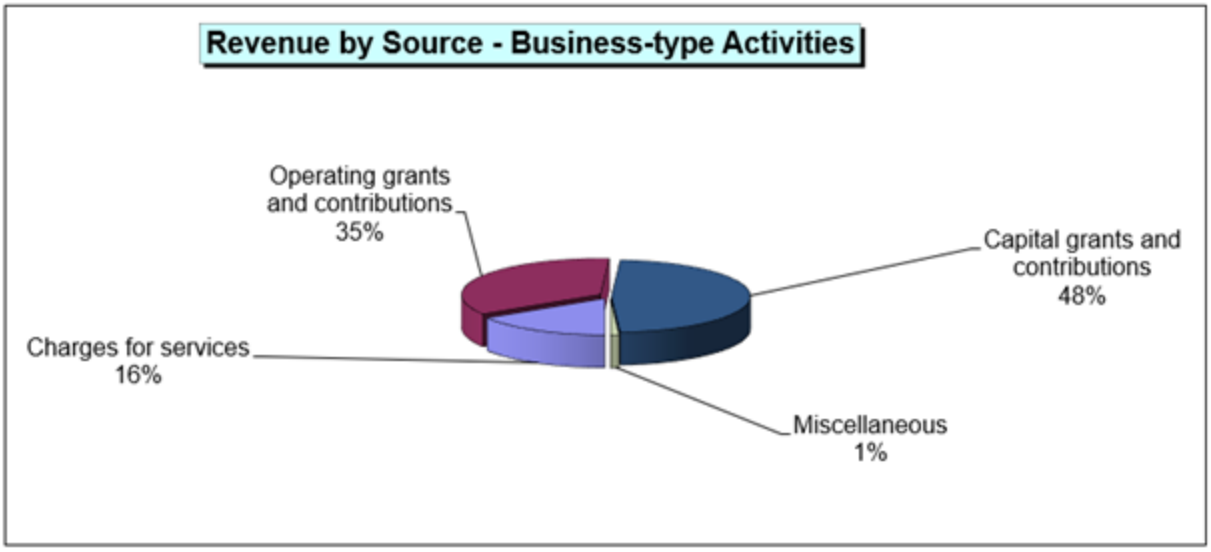
Highway project expenditures increased by $54,545 or 14.58% from prior fiscal year mainly due to expenditures related to construction and subregional projects including the SR-57/ SR-60 Interchange Improvements, Phase II of the Alameda Corridor Grade Separation, and the Soundwall Improvements on the I-10 freeway.

Regional multi-modal program expenditures increased by $14,160 or 5.78% from prior fiscal year due to the increase in expenditures related to the West Santa Ana Branch Transit Corridor and Phase 2 of the Eastside Transit Corridor projects, which will extend the L (Gold) light rail line from East Los Angeles to Whittier.

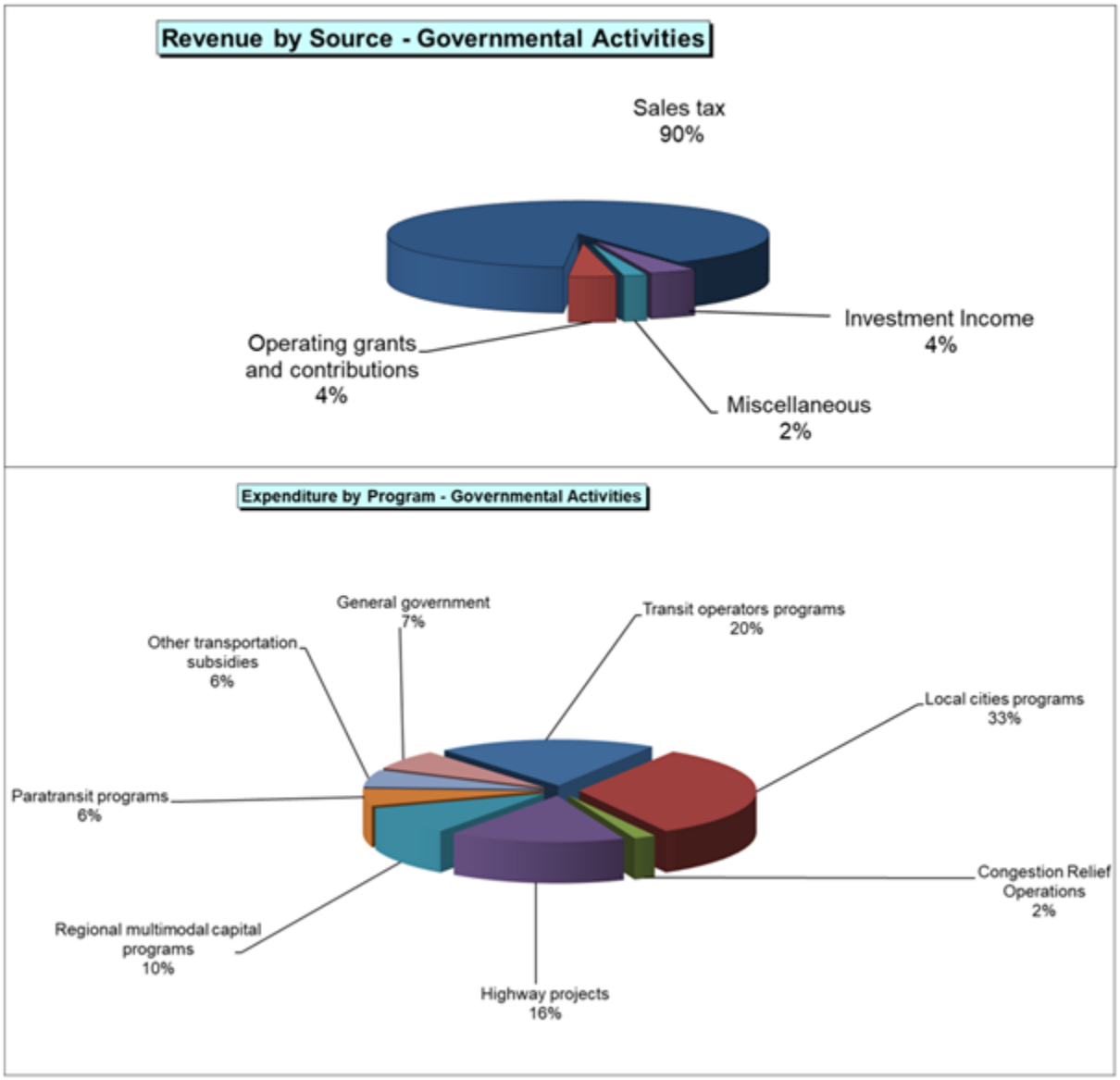
Paratransit programs expenditures increased by $2,231 or 1.32% from prior fiscal year due to higher Access Services expenditures for ADA compliance in current fiscal year.

Other transportation subsidies expenditures increased by $6,812, or 4.11%, compared to the previous year due to the increase in subsidies to various municipalities from the Measure R and Measure M formula allocation programs.

Below is a graphical depiction of the components of business-type revenues for the fiscal year ended June 30, 2024.



Below are graphical depictions of the components of governmental revenues and expenditures for the fiscal year ended June 30, 2024.



Financial Analysis of LACMTA's Funds

Proprietary Funds

The Proprietary fund financial statements provide the same information found in the business-type section of the government-wide financial statements, but in more detail.

The net increase of $1,286,692 or 10.41% in net position was primarily due to the increase in capital assets funded by federal, state, and local grants mostly attributed to vehicle procurement projects and major rail construction projects on the Westside Purple Line Extension Sections 1, 2, and 3, Airport Metro Connector, and Metro L Line (Gold Line) Foothill Extension Phase 2B projects.

Governmental Funds

As previously stated, governmental funds present information about current financial (consumable) resources because they directly affect the short-term flow of resources and financing requirements. This situation is particularly true in regard to the different categories of fund balances. The Unassigned fund balance of $136,121 represents uncommitted available resources as of the end of the fiscal year. LACMTA's governmental funds ended the fiscal year with $4,893,054 in total fund balance.

The major governmental funds are discussed below:

The General fund balance increased by $10,490 mainly due to investment earnings. Of the $184,501 fund balance, $48,367 is restricted, committed, or assigned for future expenditures.

The Proposition A fund balance increased by $52,651, mainly due to lower operating transfer out for operating and capital projects. The total fund balance of $669,684 was restricted as to use by the Proposition A ordinance.

The Proposition C fund balance decreased by $(140,807) mainly due to higher transfer out for bus and rail operating projects. Proposition C ordinance restricts the use of the fund balance of $905,096.

The Measure R fund balance decreased by $(24,198) mainly due to higher transfer out for bus and rail operating projects, debt service and capital projects. The restricted fund balance of $977,969 will be used to fund future programs eligible under the Measure R ordinance.

The Measure M fund balance increased by $19,814 mainly due to investment earnings. The restricted fund balance of $1,170,769 will be used to fund future programs eligible under the Measure M ordinance.

The Transportation Development Act (TDA) of 1971 provides two funding sources, namely the Local Transportation Fund (LTF) and the State Transit Assistance Fund (STA).

The TDA Local Transportation fund balance increased by $176,883 mainly due to decrease in transfer out for bus operating projects. The fund balance of $594,290 is restricted under the provisions of the Transportation Development Act.

The State Transit Assistance (STA) fund balance decreased by $(42,024) due to an increase in transfer out of rail operating projects. The fund balance of $194,730 is restricted under the provisions of the State Transit Assistance.

General Fund Budgetary Highlights

The General fund includes activities associated with the government that are not legally or otherwise required to be accounted for in another fund. It accounts for only 1.41% of LACMTA's total governmental fund revenues, while expenditures represent 5.69% of total governmental fund expenditures.

The original budget increased by $19,783 mainly due to a revision in the final budget for planning projects.

Revenues

The main sources for the General fund are lease and rental income from LACMTA's owned properties, the sale of low carbon fuel credits, and other general revenues. Total actual revenues were lower than budget by $25,805 mainly due to lower revenue billings.

Expenditures

The General Fund provides resources to pay for bus and rail operating activities, joint development administration, property management expenditures, administration of LACMTA's rideshare services and other general expenditures.

The favorable expenditure variance of $175,342 compared to final budget was mainly due to lesser spending in transit planning and other programming activities, transportation subsidy payments and expenditures related to governmental and oversight activities.

The unfavorable variance in the Other Financing Sources and Uses of Funds of $53,096 compared to final budget was mainly due to lower actual transfer in for planning projects .

Capital Assets Administration

As of June 30, 2024, LACMTA had $22,345,935 investment in capital assets, net of accumulated depreciation and amortization, with a 6.39% increase from previous year, as shown below:

Los Angeles County Metropolitan Transportation Authority
Capital Assets (Net of accumulated depreciation and amortization)

	Business-type Activities		Governmental Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	$ 1,758,234	$ 1,748,339	$ 746,589	$ 746,589	$ 2,504,823	$ 2,494,928
Buildings & improvements	8,322,415	8,753,125	—	—	8,322,415	8,753,125
Equipment	114,723	52,492	—	—	114,723	52,492
Vehicles	1,397,674	1,459,960	—	—	1,397,674	1,459,960
Construction in progress	9,950,487	8,194,300	—	—	9,950,487	8,194,300
Intangible right-to-use lease assets	32,070	29,567	2,187	1,890	34,257	31,457
Intangible right-to-use IT subscription assets	20,500	15,137	1,056	1,555	21,556	16,692
Total Capital Assets	$ 21,596,103	$ 20,252,920	$ 749,832	$ 750,034	$ 22,345,935	$ 21,002,954

Major capital asset projects in various stages of development at the end of the current fiscal year included the following:

Metro L Line (Gold Line) Foothill Extension Project

The Metro L Line (Gold Line) Foothill Extension Project includes the cities of Pasadena, Arcadia, Monrovia, Duarte, Irwindale, Azusa, Glendora, San Dimas, La Verne, Pomona, Claremont, and Montclair in the counties of Los Angeles and San Bernardino. The L Line (Gold line) Foothill extension is being built in two phases, Phase 2A and 2B.

The first phase, Phase 2A was budgeted at $741 million and extended from the Sierra Madre Villa Station in Pasadena to the City of Azusa. Phase 2A provided 6 new stations and approximately 11.1 miles, including an additional 5 miles of freight rail track relocations and improvements. The first phase, Phase 2A, commenced revenue operation in March 2016.

Phase 2B will extend from Azusa to the City of Montclair and will be constructed in two Segments. Segment I is currently budgeted at $1.532 billion for the construction of approximately 70% of the 12.3-mile project alignment. The remaining 30% shall be constructed as additional funds are identified. Phase 2B has 6 new passenger stations (4 up to the city of Pomona as part of the base contract and 2 for the Montclair option when funding is secured) and includes improvements to existing bridges and roadways, retaining walls, sound walls, and associated parking facilities. During FY24, the Gold Line Foothill Extension Project Phase 2B completed: Light Rail Track construction from the end of the current terminus in the City of Azusa through the City of Pomona, construction of Route 66, 210 and 57 freeway pier protection, Freight track relocation, 4 LRT bridges, work at 29 of 37

grade crossings from Glendora to Pomona and major grade crossing work/long-term closures, installed 8 Traction Power Substations, and continued construction of Glendora, San Dimas, La Verne, and Pomona stations, and Overhead Catenary System (OCS) installation throughout the alignment. As of June 30, 2024, $1,001.6 million has been expended. The expected substantial completion for the Phase 2B base contract is early 2025.

Westside Purple Line Extension Project

The Westside Purple Line Extension Project is a $9.2 billion project that will extend the existing Purple Line by approximately 9.1 miles beginning at the Wilshire/Western Station to Westwood/VA Hospital Station. The project consists of three Sections as described below:

- The Westside Purple Line Extension Section 1 Project (Project) has an approved LOP budget of $3.7 billion. The Project will extend 3.9 miles from the existing Wilshire/ Western Station to a terminus station at the intersection of Wilshire and La Cienega Boulevards. The Project includes three underground stations, an expansion and modifications to the existing Division 20 Yard and Maintenance Facility, and procurement of 34 heavy rail vehicles. The Design/Build Contract of $1.6 billion was awarded to Skanska-Traylor-Shea, a Joint Venture for tunneling, stations, track work, systems, and systems integration testing. The Design/Build Contract of $52.8 million was awarded to Clark Construction Group for the construction of Division 20 Rail Maintenance and Operation Facility and has been completed. This Project has received a FFGA from the FTA and a TIFIA Loan Agreement from the USDOT. The Project is expected to begin revenue operation in Fall 2025. As of June 30, 2024, $3.0 billion has been expended.

- The Westside Purple Line Extension Section 2 Project (Project) has an approved LOP budget of $2.6 billion. The Project will extend 2.6 miles from the future Wilshire/La Cienega Station to Century City Station. The Project has received a FFGA from the FTA and a TIFIA Loan Agreement from the USDOT. The Project includes two underground stations and procurement of 20 heavy rail vehicles. The Design/Build Contract of $1.4 billion was awarded in April 2017 to Tutor Perini/O&G, a Joint Venture for the tunneling, stations, track work, systems, and systems integration. The Project is expected to begin revenue operation in Summer 2026. As of June 30, 2024, $1.8 billion has been expended.

- The Westside Purple Line Extension Section 3 Project (Project) has an approved LOP budget of $3.3 billion. The Project will extend 2.6 miles from the future Century City/ Constellation Station to a terminus station at the Westwood/VA Hospital Station. The Project includes two underground stations and procurement of 16 heavy rail vehicles. Two Design/Build contracts with a combined value of $1.8 billion have been issued; the first to Frontier-Kemper Constructors, Inc./Tutor Perini, a joint venture for tunnels, and the second to Tutor Perini/O&G, a joint venture for stations, track work, systems, and systems integration testing. The Project received a FFGA from the FTA

in March 2020. The Project is expected to begin revenue operation in 2027. As of June 30, 2024, $1.6 billion has been expended.

Light Rail Vehicle Acquisition Project

LACMTA has executed a contract with Kinkisharyo International, LLC (KI) to procure up to 235 light rail vehicles (LRVs). The current approved LOP budget including the four executed Options is $972 million. In April 2012, the Board approved a contract with KI to manufacture and deliver 78 new LRVs as base order vehicles. In August 2013, the Board executed Options 1 and 4 of the contract, which included 28 and 69 additional vehicles, respectively. In April 2015, the Board approved to execute Option 2 for an additional 39 vehicles, and Option 3 for another 21 vehicles. The 78 base order vehicles are intended for use on the Foothill Gold Line Extension and the EXPO light rail extensions and delivery was completed on April 2017. A portion of the Option 1 of the contract of 28 LRVs will be used on the Crenshaw/LAX light rail line expansion project while the remaining, along with all LRVs in Option 4, will be used for system-wide fleet replacement. Options 2 and 3 of the contracts are intended for the Regional Connector, future service improvements, and for the replacement of the decommissioned of fleet P865 and fleet P2020. As of June 30, 2023, a total of two hundred thirty-five (235) new fleet LRVs have been conditionally accepted and placed into revenue service; ninety-one (91) at the Metro A Line (Blue Line/Gold Line North), eighty-eight (88) at the Metro E Line (EXPO Line/Gold Line South), twenty-three (23) at the Metro C Line (Green Line), and thirty-three (33) assigned to the Metro K Line (Crenshaw Line). As of June 25, 2024, the Project Team has issued final acceptance for all two hundred thirty-five (235) LRVs. As of June 30, 2024, $831 million has been expended.

Bus Acquisition Project

LACMTA executed contracts for 4 bus procurements in FY18 in addition to 1 bus procurement executed in FY17. These contracts authorized the replacement of up to 1,000 transit buses. The configurations of these buses are 40' CNG, 60' CNG, 40' battery electric, and 60' battery electric. The electric buses are the first Zero Emission Vehicles delivered under LACMTA's ambitious plan to convert the entire bus operation to zero emission by 2030. The combined LOP budgets for all contracts is $821.8 million. As of June 30, 2024, $639.0M million has been expended.

- For the 40' CNG buses, the contract was awarded to El Dorado National-California, Inc. for a base order of 295 buses and an option order of 259 buses for a total of 554 buses. Delivery of buses was completed in FY22. The current approved LOP budget is $420.9 million. Total expended through June 30, 2024 was $388.5M.

- For the 60' CNG buses, the contract was awarded to New Flyer of America Inc. for a base order of 65 buses. In September 2019, LACMTA's Board approved the exercise of the contract modification option to purchase 70 60' CNG articulated buses for a total of 135 buses. Delivery of all buses was completed in FY22. There are some remaining balances/retention pending contract close out. Metro and New Flyer came

to agreement on the retainage of the final 4 buses. New Flyer will need to fulfill and one remaining contractual milestone in order for the retentions to be released. This is forecasted to be achieved in FY25. The current approved LOP budget is $149.3 million. Total expended through June 30, 2024 was $141.0M.

- For the 40' Battery Electric Buses (BEBs), the contract was awarded to BYD Coach & Bus, LLC (BYD) for a base (60 buses) and option (40 buses) order for a total of 100 buses. The option for the additional 40 buses were approved by the Metro Board and exercised in July 2021. Five (5) pilot buses were put into service in FY23 and are running on the Metro J Line (Silver Line) service from Division 9 and Division 18. In March 2023, the Metro Board approved to upgrade the balance of the ninety-five (95) 40' buses to extended-range buses. The 95 extended-range buses will begin arriving in Q2 FY25. As of June 30, 2024, Metro has deployed 21 mobile chargers at Divisions 1, 2, 3, and 18, along with 8 opportunity charging units at the Harbor Gateway Transit Center (HGTC). This charging equipment will be fully operational by the 1st quarter of FY'25. The current approved LOP Budget is $163.5M. Total expended through June 30, 2024 was $35.5M.

- For the 60' Battery Electric Buses (BEBs), one contract was awarded to New Flyer of America for a base order of forty (40) buses. All forty (40) New Flyer vehicles were delivered and placed into service by the end of Q2 FY21 and have accumulated more than 2 million miles on the Metro G Line (Orange Line), the first fully electrified LA Metro Bus Line. The current approved LOP Budget is $80.0 million. Total expended through June 30, 2024 was $67.6M. A second contract was awarded to BYD Coach and Bus, LLC for a total of 5 buses. Delivery of buses was completed in Q4 of FY24. The current approved LOP budget is $8.1M. Total expended through June 30, 2024 was $6.4M.

Division 20 Portal Widening Turnback

Division 20 Portal Widening Turnback is a Design-Bid-Build project with an approved Life-of-Project (LOP) budget of $956 million. T.Y. LIN International is the Engineer of Record responsible for providing final design services. At present, non-revenue Metro B/D Line trains proceed south of Union Station and through the portal just south of the US 101 Freeway before entering a complex set of switches in the Division 20 rail yard. In order to increase train speeds and ensure the reliability of operations, the existing tunnel portal must be widened to accommodate additional tracks and switches that diverge to become the turnback and yard leads. The trackwork at the portal will be reconfigured to connect to new storage tracks to the south and west side of the yard. The reconfiguration of the yard will not preclude a potential future revenue station at 6th Street. The Project will be completed in stages as to not preclude delivery of procurement of Rolling Stock or the Purple Line Extension Section 1 (PLE1) revenue service date. As of June 30, 2024, $805 million has been expended and is expected to complete Summer 2026.

Airport Metro Connector Project

The Airport Metro Connector Project (AMC) has an approved Life-of-Project (LOP) budget of $899 million. AMC will be the ninth station along the Metro K Line (Crenshaw/LAX Line) alignment and provide a connection to the Los Angeles World Airport's Automated People Mover that will transport patrons directly to LAX Airport. The AMC station will have a bus plaza with 16 public loading bays plus seven additional layover and charging bays, an active transportation hub for bike transit, a private vehicle drop-off, and sustainability features such as solar panels and drought resistant landscaping. A central main hub will connect all of these transit modes with the future Los Angeles World Airport's Automated People Mover, which in turn will provide a direct connection to all the terminals at LAX Airport. A portion of the budget is also set aside for supporting the Metro K Line (Crenshaw/LAX Line) components; a temporary layover area for rail operators, adjustment to the grade rail crossing at Arbor Vitae Ave., and other minor adjustments, resulting from the AMC construction effects on Metro K Line (Crenshaw/LAX Line) rail operations. The Project awarded two construction contracts. The first contract is the Early Works (EW) for which Metro issued Notice to Proceed in May 2021 was closed out in FY24.

Through June 30, 2023, the contractor responsible for station construction, Tutor Perini Corporation (TPC), completed the LRT metal roof, skylight, and ceiling finishes. Work in LRT electrical and elevator machine rooms is nearing completion but electrical work and low voltage wire pulling continues. Metro Hub skylight and ceiling finishes at the mezzanine level have been completed. Work continues on the interior buildout of Metro Hub ground level buildings with focus on electrical, communication, and elevator machine rooms. Work also continues on the ground level ceiling installation at LRT and Metro Hub areas, and the cladding of ground level buildings and LRT electrical, elevator and machine rooms. The Bike Hub exterior waterproofing has been completed. Bike Hub interior buildout is ongoing. Bus Plaza metal panel installation has been completed at the canopies and electrical rough-in is nearing completion. The interior buildout of the Bus Plaza buildings is also ongoing. The installation of shallow site utilities is nearing completion, but the construction of site lighting pole foundation and planters has been completed. The installation of fire alarm devices has started at LRT, Metro Hub and South Ancillary Building. Work continued in all electrical rooms and energizing main panels with generator power is ongoing. All communication rooms have racks and cable tray installed. Low voltage cable pulling to the communication rooms is ongoing. Low voltage cable terminations start in July 2024. Substantial completion of the AMC Station is scheduled for November 2024, revenue operations in December 2024, and final acceptance in April 2025. As of June 30, 2024, $714.6 million has been expended.

Additional information on capital assets can be found on pages 87-88.

Long-term Debt Administration

As of June 30, 2024, LACMTA had a total of $6,016,213 in long-term debt outstanding. Of this amount, $4,933,610 related to bonds secured by sales tax revenues, $42,795 was secured by farebox and other general revenues, $90,142 related to lease/leaseback obligations, $50,128 associated to long-term leases and subscription-based IT arrangements, and the remaining balance of $899,538 pertains to unamortized bond premium, as shown below:

Los Angeles County Metropolitan Transportation Authority
Long-term Debt
(Amounts expressed in thousands)

	Business-type Activities		Governmental Activities		Total	
	2024	2023	2024	2023	2024	2023
Sales tax revenue bonds and refunding bonds	$ 4,933,610	$ 5,162,455	$ —	$ —	$ 4,933,610	$ 5,162,455
General revenue and refunding bonds	42,795	52,290	—	—	42,795	52,290
Commercial paper notes and revolving lines of credit	—	95,000	—	—	—	95,000
Lease/lease to service obligations	90,142	84,925	—	—	90,142	84,925
Long-term leases	32,879	30,383	2,250	1,913	35,129	32,296
Long-term subscription-based IT arrangements	14,752	12,673	247	368	14,999	13,041
Other liabilities	—	—	—	1,500	—	1,500
Total long-term debt	5,114,178	5,437,726	2,497	3,781	5,116,675	5,441,507
Unamortized bond premium	899,538	956,743	—	—	899,538	956,743
Total long-term debt, net	$ 6,013,716	$ 6,394,469	$ 2,497	$ 3,781	$ 6,016,213	$ 6,398,250

The decrease in long-term debt by $(382,037) was mainly due to the scheduled bond annual principal repayments, bond premium amortization, and the refunding of Prop A 2014A Sales Tax Revenue Refunding Bonds, Prop A 2015A Sales Tax Revenue Refunding bonds and Prop A Taxable and Tax-exempt Commercial Paper Notes, offset by the net increase in lease/lease to service obligations due to interest accretion and increase in long-term leases and subscription-based IT arrangements from newly executed agreements and contract remeasurements or modifications.

During fiscal year 2024, LACMTA issued Proposition A Sales Tax Revenue Refunding Bonds, Series 2024-A and 2024-B, with principal amounts of $114,325 and $42,680, respectively. The proceeds of Series 2024-A Bonds, including bond premium of $21,874 and other available funds from the refunded bonds' trust accounts, were used to refund and defease Proposition A 2014A Sales Tax Revenue Refunding Bonds and Proposition A 2015A Sales Tax Revenue Refunding Bonds, with outstanding principal balances of $88,865 and $17,320, respectively. Additionally, portion of the proceeds of Series 2024-A Bonds was used to refund $50,000 aggregate outstanding balance of Prop A Second Subordinate Sales Tax Revenue Tax-Exempt Commercial Paper Notes, Series A-TE-BANA. Further, proceeds of Series 2024-B Bonds were used to refund $42,500 aggregate principal amount of its outstanding Prop A Second Subordinate Sales Tax Revenue, Taxable Commercial Paper

Notes, Series A-T-BANA. The refunding of Proposition A 2014A Sales Tax Revenue Refunding Bonds generated $8,876 in net present value of cash flow savings over 19 years and resulted in $17,577 excess of net carrying value over total reacquisition price that is reported under Deferred Inflow of Resources in the business-type activities of the government-wide financial statements and amortized over the shorter of the life of the refunded or the refunding bonds. The refunding of Prop A 2015A Sales Tax Revenue Refunding bonds generated $1,018 in net present value of cash flow savings over 11 years.

Bond Ratings

LACMTA's bonds are rated by Standard & Poor's, Moody's, Fitch, and Kroll. As of June 30, 2024, the ratings are as follows:

Bond Issue Type	Standard & Poor's	Moody's	Fitch	Kroll (1)
Proposition A First Tier Senior Lien Bonds	AAA	Aa1	NR	AAA
Proposition C Senior Sales Tax Revenue Bonds	AAA	Aa1	AA+	NR
Measure R Senior Sales Tax Revenue Bonds	AAA	Aa1	NR	NR
Measure R Junior Subordinate Sales Tax Revenue Bonds	AA	NR	AA	NR
General Revenue Bonds	AA+	Aa2	NR	NR

(1) Kroll Bond Rating Agency rates the Proposition A Sales Tax Revenue Refunding Bonds, Series 2018 only.

Additional information on LACMTA's long-term debt can be found on pages 122-138.

Economic Factors and Next Year's Budget

The FY25 Adopted Budget was developed using an Equitable Zero-Based Budgeting (EZBB) process. The EZBB process continues to drive this year's annual budget development as a cost control tool that integrates an equity lens to develop a fiscally and equitable responsible budget. This budget facilitates a collaborative approach across Metro's departments. Incorporating feedback from Metro's expanded budget public outreach efforts, ensuring every department aligns on strategic priorities. It allocates resources based on Metro's mission, core focuses, and agency strategic imperatives.

The budget assumes the following major revenue sources and expenditures:

REVENUE SOURCES

- Sales tax and Transportation Development Act (TDA) revenues are projected to be $5.2 billion, a decrease of $198 million, or 3.7%, from the FY24 Budget, based on economic analyses and forecasts from nationally recognized agencies.
- State Transit Assistance (STA) and Senate Bill 1 (SB 1) revenues for bus and rail operations and capital in FY25 are expected to be $279.7 million region-wide, representing a 30.3% increase from the FY24 Budget.
- Fare revenues are projected to reach $174.6 million, an 18.9% increase from the FY24 Budget. These projections are based on estimated actuals for FY24, the implementation of fare capping, a series of fare changes, and a modest 3% increase in ridership, reflecting the return-to-office trend for telecommuters and ongoing improvements in customer experience initiatives.
- ExpressLanes toll revenues are expected to be $81.7 million in FY25, including usage and violation fees from the existing I-10 and I-110 operating segments.
- Advertising revenues are anticipated to be $27.2 million in FY25, a slight decline from the FY24 Budget of $27.7 million, reflecting restructured advertising contracts.
- Other revenues are expected to total $88.0 million in FY25, a 3.2% decrease from the FY24 Budget. This includes revenues from the bike program, park and ride, leases, vending, film, SAFE, auto registration fees, transit court fees, CNG fuel credits, Measure W, investment income, and other miscellaneous revenues.

EXPENDITURES

- The FY25 service plan will increase service to levels above those before the pandemic. It will consist of 8.8 million revenue service hours (RSH) for bus and rail, along with 272 thousand RSH for Metro Micro, reflecting a 5.3% increase over the FY24 actual hours.

- The bus service plan is undergoing transformation through NextGen, aiming to create an all-day, faster, more frequent, and reliable network.
- Efforts will continue to expand bus lanes and implement improvements for speed and reliability. Other rail improvements include full-year operation of enhanced frequencies:
    - 8-minute service during peak times and 10-minute service during off-peak hours and weekends on the A and E Lines, as well as continued 10-minute daytime frequency on the C and K Lines.
    - A new operating plan will be launched on the C Line (Norwalk-LAX) with improved weekday peak frequency of 8 minutes
    - The 10-minute daytime frequency will be scheduled on the B and D Lines.
    - Increased frequency, particularly during off-peak hours.
- The FY25 Adopted Budget includes 11,283 full-time equivalents (FTEs), an increase of 400 FTEs from FY24. These new additions comprise 107 Non-Represented FTEs and 293 Represented FTEs.
- The Consumer Price Index (CPI), which measures cost inflation by the Bureau of Labor Statistics, is projected to increase by 3.2% over FY25.

Cleaning Surge
The FY25 Proposed Budget includes $255.4 million for comprehensive cleaning activities, reflecting a 14.4% increase or $32.2 million over FY24. This includes the addition of 115 new staff to be deployed directly to clean and maintain bus and rail vehicles, stations, stops, and facilities and 50 part-time custodians hired through the Room-to-Work Program that supports unhoused riders and other individuals with career opportunities working for Metro.

Bus and Rail Service Plan
The FY25 Proposed Budget for the Metro Transit program for bus, rail, and Metro Micro is $2.7 billion, an increase of 11.4% or $272.4 million over the FY24 Budget. The FY25 proposed service plan includes funding to support the delivery of 8.8 million Revenue Service Hours to operate bus and rail services, as well as the Metro Micro pilot program. The rail service plan includes the highly anticipated addition of the LAX/Metro Transit Center (AMC) and Aviation/Century stations along the K Line in the latter half of FY25. Approximately 81 thousand pre-revenue service hours for testing are also planned for the D Line Extension Phase 1 (PLE 1) and A Line (Foothill) Pomona extension.

Bus Improvements
The FY25 Proposed Budget includes total bus investments of $2.2 billion, a 17% increase over the FY24 Budget. Metro's comprehensive investment in the bus system includes bus operations and maintenance, NextGen initiatives, bus capital Improvements, bus transit planning and construction, customer experience initiatives and studies, and LIFE Program.

Prioritizing Safety
The FY25 Proposed Budget includes $354.1 million for resource deployment to enhance public safety on our system. This represents an 11% increase over the FY24 budget. Metro's transformational change to public safety employs deliberate and equity-driven public safety initiatives including Metro Transit Security, Public Security and Law Enforcement, Transit Ambassadors, Homeless/Mental Health Outreach, and New Transit Public Safety Model.

Transportation Infrastructure Development (TID)
The Transit Infrastructure Development (TID) Program focuses on expanding and improving rail and bus rapid transit (BRT) routes as outlined in the Measure R and Measure M Ordinances. In the FY25 Proposed Budget, the TID Program totals $2.0 billion, a reduction of 21.6 % from FY24. This decrease reflects the various stages that projects are currently in, which include the Airport Metro Connector completion, and the A Line to Pomona and D Line Extension Section 1 winding down toward completion. In early construction phases are East San Fernando Valley Light Rail, G Line Improvements, and North Hollywood to Pasadena BRT.

While the overall program budget is reduced, projects in the planning phase continue to advance, as evidenced by the 61.1% growth from $218.8 million in FY24 to $352.4 million in the FY25 Adopted Budget

For details of LACMTA's FY25 budget, please visit LACMTA's website at www.metro.net.

Further Information
This report has been designed to provide our stakeholders with a general overview of LACMTA's financial condition and related issues. Additional information can be obtained by visiting LACMTA's website at www.metro.net.

Los Angeles County Metropolitan Transportation Authority
Statement of Net Position
June 30, 2024
(Amounts expressed in thousands)

	Business-type Activities	Governmental Activities	Total
ASSETS			
Cash and cash equivalents - unrestricted	$ 93,183	$ 1,840,079	$ 1,933,262
Cash and cash equivalents - restricted	216,254	—	216,254
Investments - unrestricted	181,501	2,314,250	2,495,751
Investments - restricted	402,812	—	402,812
Receivables, net	542,853	1,338,318	1,881,171
Inventories	86,018	—	86,018
Prepaid and other current assets	24,135	13	24,148
Lease accounts	90,142	—	90,142
Capital assets:			
Land and construction in progress	11,708,721	746,589	12,455,310
Other capital assets, net of depreciation and amortization	9,887,382	3,243	9,890,625
TOTAL ASSETS	23,233,001	6,242,492	29,475,493
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows on debt refunding	2,769	—	2,769
Deferred outflows related to pension	334,712	—	334,712
Deferred outflows related to OPEB	95,451	—	95,451
Deferred outflows related to ARO	12,069	—	12,069
TOTAL DEFERRED OUTFLOWS OF RESOURCES	445,001	—	445,001
LIABILITIES			
Accounts payable and accrued liabilities	953,008	541,339	1,494,347
Accrued interest payable	67,357	—	67,357
Internal balances	278,906	(278,906)	—
Pollution remediation obligation	9,278	—	9,278
Unearned revenues	44,803	505	45,308
Other liabilities	26,483	1,100	27,583
Long-term liabilities:			
Due within 1 year	510,074	670	510,744
Due in more than 1 year	7,258,791	1,827	7,260,618
TOTAL LIABILITIES	9,148,700	266,535	9,415,235
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to debt refunding	48,960	—	48,960
Deferred inflows related to pension	15,625	—	15,625
Deferred inflows related to OPEB	816,484	—	816,484
Deferred inflows related to leases	877	152,677	153,554
TOTAL DEFERRED INFLOWS OF RESOURCES	881,946	152,677	1,034,623
NET POSITION			
Net investment in capital assets	15,391,655	747,335	16,138,990
Restricted for:			
Debt service	200,658	—	200,658
General Fund - High Occupancy Vehicle (HOV) Lanes and Surface Transportation Program-Local (STPL)Exchange projects	—	5,841	5,841
Tax Measures:			
Proposition A ordinance projects	—	669,684	669,684
Proposition C ordinance projects	—	912,779	912,779
Measure R ordinance projects	—	1,078,906	1,078,906
Measure M ordinance projects	—	1,226,738	1,226,738
TDA and STA projects	—	789,020	789,020
Other nonmajor governmental projects	—	196,083	196,083
Unrestricted (deficit)	(1,944,957)	196,894	(1,748,063)
TOTAL NET POSITION	$ 13,647,356	$ 5,823,280	$ 19,470,636

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
Statement of Activities
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions
Business-type activities:			
Bus and rail operations	$ 3,191,382	$ 161,029	$ 576,600
Union Station operations	23,113	15,538	—
Toll operations	41,907	87,000	—
Total business-type activities	3,256,402	263,567	576,600
Governmental activities:			
Transit operators programs	517,656	—	—
Local cities programs	885,994	—	—
Congestion relief operations	46,025	—	6,703
Highway projects	428,612	—	105,450
Regional multimodal capital programs	259,170	—	35,375
Paratransit programs	170,697	—	—
Other transportation subsidies	172,631	—	3,900
General government	174,916	16,009	64,125
Total governmental activities	2,655,701	16,009	215,553
Total	$ 5,912,103	$ 279,576	$ 792,153
General revenues:			
Sales tax			
Investment income			
Net appreciation (decline) in fair value of investments			
Gain on disposition of capital assets			
Miscellaneous			
Total general revenues			
Transfers			
Change in net position			
Net position – beginning of year			
Net position – end of year			

The notes to the financial statements are an integral part of this statement.

	Net (Expense) Revenue and Changes in Net position		
Capital Grants and Contributions	Business-type Activities	Governmental Activities	Total
$ 792,186	$ (1,661,567)	$ —	$ (1,661,567)
—	(7,575)	—	(7,575)
—	45,093	—	45,093
792,186	(1,624,049)	—	(1,624,049)
—	—	(517,656)	(517,656)
—	—	(885,994)	(885,994)
—	—	(39,322)	(39,322)
—	—	(323,162)	(323,162)
—	—	(223,795)	(223,795)
—	—	(170,697)	(170,697)
—	—	(168,731)	(168,731)
—	—	(94,782)	(94,782)
—	—	(2,424,139)	(2,424,139)
$ 792,186	(1,624,049)	(2,424,139)	(4,048,188)
	—	5,154,697	5,154,697
	8,795	189,018	197,813
	(11,687)	38,082	26,395
	515	—	515
	11,061	94,728	105,789
	8,684	5,476,525	5,485,209
	2,902,057	(2,902,057)	—
	1,286,692	150,329	1,437,021
	12,360,664	5,672,951	18,033,615
	$ 13,647,356	$ 5,823,280	$ 19,470,636

Los Angeles County Metropolitan Transportation Authority
Balance Sheet
Governmental Funds
June 30, 2024
(Amounts expressed in thousands)

	Major		
		Special	
	General Fund	Proposition A	Proposition C
ASSETS			
Cash and cash equivalents	$ 56,496	$ 137,746	$ 182,461
Investments	142,438	355,491	470,785
Receivables:			
Sales tax	—	194,796	194,796
Accounts	14,557	—	—
Interest	1,075	2,477	3,439
Intergovernmental	10,121	—	8,903
Leases	134,540	—	—
Due from other funds	42,977	55,893	149,888
Prepaid and other assets	13	—	—
TOTAL ASSETS	$ 402,217	$ 746,403	$ 1,010,272
LIABILITIES			
Accounts payable and accrued liabilities	$ 28,692	$ 62,538	$ 97,125
Due to other funds	17,410	14,181	236
Other liabilities	1,100	—	—
TOTAL LIABILITIES	47,202	76,719	97,361
DEFERRED INFLOWS OF RESOURCES			
Deferred revenues	17,837	—	7,815
Deferred inflows related to leases	152,677	—	—
TOTAL DEFERRED INFLOWS OF RESOURCES	170,514	—	7,815
FUND BALANCES			
Nonspendable	13	—	—
Restricted	5,841	669,684	905,096
Committed	29,821	—	—
Assigned	12,705	—	—
Unassigned	136,121	—	—
TOTAL FUND BALANCES	184,501	669,684	905,096
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 402,217	$ 746,403	$ 1,010,272

The notes to the financial statements are an integral part of this statement.

Funds					Nonmajor Funds	
	Revenue Funds					
	Measure R	Measure M	TDA	STA	Other Governmental Funds	Total Governmental Funds
	$ 276,268	$ 230,009	$ 649,455	$ 163,128	$ 144,516	$ 1,840,079
	712,907	593,680	—	—	38,949	2,314,250
	194,766	194,284	93,666	71,472	—	943,780
	7,273	—	—	—	3	21,833
	6,429	6,138	6,802	2,253	1,004	29,617
	122,021	56,220	—	—	11,283	208,548
	—	—	—	—	—	134,540
	59,124	287,250	7,274	134,450	15,146	752,002
	—	—	—	—	—	13
	$ 1,378,788	$ 1,367,581	$ 757,197	$ 371,303	$ 210,901	$ 6,244,662
	$ 200,075	$ 123,561	$ 16,478	$ 11,405	$ 1,465	$ 541,339
	99,037	17,282	146,429	165,168	13,353	473,096
	—	—	—	—	—	1,100
	299,112	140,843	162,907	176,573	14,818	1,015,535
	101,707	55,969	—	—	68	183,396
	—	—	—	—	—	152,677
	101,707	55,969	—	—	68	336,073
	—	—	—	—	—	13
	977,969	1,170,769	594,290	194,730	196,015	4,714,394
	—	—	—	—	—	29,821
	—	—	—	—	—	12,705
	—	—	—	—	—	136,121
	977,969	1,170,769	594,290	194,730	196,015	4,893,054
	$ 1,378,788	$ 1,367,581	$ 757,197	$ 371,303	$ 210,901	$ 6,244,662

THIS PAGE INTENTIONALLY LEFT BLANK



Los Angeles County Metropolitan Transportation Authority
Reconciliation of the Balance Sheet
to the Statement of Net Position – Governmental Activities
June 30, 2024
(Amounts expressed in thousands)

Fund balances – total governmental funds (page 43)	$ 4,893,054
Government capital assets are not financial resources and, therefore, are not reported in the funds.	749,832
Long-term liabilities that are not due and payable in the current period are not reported in the funds	(2,497)
Governmental funds report revenue only to the extent that increases current financial resources. However, in the Statement of Activities, revenues are reported when earned. This is the amount of revenue earned but not available to pay for current period expenditures and, therefore, deferred in the governmental funds	182,891
Net position of governmental activities (page 39)	$ 5,823,280

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2024
(Amount expressed in thousands)

		Special	Major
	General Fund	Proposition A	Proposition C
REVENUES			
Sales tax	$ —	$ 1,093,032	$ 1,093,037
Intergovernmental	8,502	—	30,043
Investment income	8,564	22,869	32,237
Net appreciation in fair value of investments	2,007	5,363	10,475
Lease and rental	18,035	—	—
Licenses and fines	777	—	—
Other	41,809	—	—
TOTAL REVENUES	79,694	1,121,264	1,165,792
EXPENDITURES			
Current			
Administration and other transportation projects	127,450	—	51,822
Transportation subsidies	22,701	412,192	592,820
Capital outlay - Long-term lease arrangements	—	—	—
Capital outlay - Subscription-based IT arrangements	203	—	258
Debt and interest expenditures			
Principal	859	—	153
Interest and fiscal charges	18	—	3
TOTAL EXPENDITURES	151,231	412,192	645,056
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(71,537)	709,072	520,736
OTHER FINANCING SOURCES (USES)			
Transfers in	139,752	4,690	230,069
Transfers out	(57,928)	(661,111)	(891,870)
Net transfers	81,824	(656,421)	(661,801)
Long-term lease arrangements issued	—	—	—
Subscription-based IT arrangements issued	203	—	258
TOTAL OTHER FINANCING SOURCES (USES)	82,027	(656,421)	(661,543)
NET CHANGE IN FUND BALANCES	10,490	52,651	(140,807)
Fund balances – beginning of year	174,011	617,033	1,045,903
FUND BALANCES – END OF YEAR	$ 184,501	$ 669,684	$ 905,096

The notes to the financial statements are an integral part of this statement.

Funds						
	Revenue Funds				Nonmajor Funds	
	Measure R	Measure M	TDA	STA	Other Governmental Funds	Total Governmental Funds
$	1,092,876	$ 1,091,069	$ 520,073	$ 264,610	$ —	$ 5,154,697
	58,922	586	—	—	54,447	152,500
	40,005	44,748	21,388	10,212	8,996	189,019
	8,843	11,077	—	—	315	38,080
	—	—	—	—	—	18,035
	—	—	—	—	45,574	46,351
	7,273	—	—	—	1	49,083
	1,207,919	1,147,480	541,461	274,822	109,333	5,647,765
	318,095	60,985	—	—	4,388	562,740
	416,533	412,446	184,892	45,652	4,267	2,091,503
	779	—	—	—	—	779
	—	—	—	—	—	461
	9	1,500	—	—	—	2,521
	3	—	—	—	—	24
	735,419	474,931	184,892	45,652	8,655	2,658,028
	472,500	672,549	356,569	229,170	100,678	2,989,737
	120,185	32,524	7,271	—	—	534,491
	(617,662)	(685,259)	(186,957)	(271,194)	(64,567)	(3,436,548)
	(497,477)	(652,735)	(179,686)	(271,194)	(64,567)	(2,902,057)
	779	—	—	—	—	779
	—	—	—	—	—	461
	(496,698)	(652,735)	(179,686)	(271,194)	(64,567)	(2,900,817)
	(24,198)	19,814	176,883	(42,024)	36,111	88,920
	1,002,167	1,150,955	417,407	236,754	159,904	4,804,134
$	977,969	$ 1,170,769	$ 594,290	$ 194,730	$ 196,015	$ 4,893,054

Los Angeles County Metropolitan Transportation Authority
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

Amounts reported for the governmental activities in the Statement of Activities (pages 40-41) are different because:	
Net change in fund balances – total governmental funds (page 47)	$ 88,920
Government funds account for principal payment as expenditures. The payment of principal of long-term leases, SBITA and long-term liability consumes current financial resources but has no effect on net assets. Principal payments included in the fund statements.	2,521
Revenues reported in the Statement of Activities but not reported in the Statement of Revenues, Expenditures, and Changes in Fund Balances. These deferred revenues are not reported in the current period because they are not available.	60,329
Amortization of right to use lease and subscription-based IT arrangement assets recorded in the Statement of Activities is not reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance. This expenditure was not available in the current period.	(1,441)
Change in net position of governmental activities (page 41)	$ 150,329

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
Statement of Net Position
Proprietary Fund – Enterprise Fund
June 30, 2024
(Amounts expressed in thousands)

ASSETS AND DEFERRED OUTFLOWS OF RESOURCES

ASSETS	
Current assets:	
Cash and cash equivalents - unrestricted	$ 93,183
Cash and cash equivalents - restricted	188,381
Investments - unrestricted	181,501
Investments - restricted	17,009
Receivables, net	527,069
Lease receivable	672
Inventories	86,018
Prepaid and other current assets	24,135
Total current assets	1,117,968
Noncurrent assets:	
Cash and cash equivalents - restricted	27,873
Investments - restricted	385,803
Notes receivable	14,722
Lease receivable, non-current	390
Lease accounts	90,142
Capital assets:	
Land and construction in progress	11,708,721
Other capital assets, net of depreciation and amortization	9,887,382
Total noncurrent assets	22,115,033
Total assets	23,233,001
DEFERRED OUTFLOWS OF RESOURCES	
Deferred outflows on debt refunding	2,769
Deferred outflows related to pension	334,712
Deferred outflows related to OPEB	95,451
Deferred outflows related to ARO	12,069
Total deferred outflows of resources	445,001
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	$ 23,678,002

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
Statement of Net Position (Continued)
Proprietary Fund – Enterprise Fund
June 30, 2024
(Amounts expressed in thousands)

LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION

LIABILITIES	
Current liabilities:	
Accounts payable and accrued liabilities	$ 953,008
Accrued interest payable	67,357
Due to other funds	278,906
Claims payable	133,414
Compensated absences payable	114,931
Asset retirement obligation	941
Bonds and notes payable	247,844
Lease liability	7,507
Subscription liability	5,437
Other current liabilities	26,483
Total current liabilities	1,835,828
Noncurrent liabilities:	
Claims payable	313,042
Compensated absences payable	35,105
Net pension liability	653,243
Net OPEB liability	493,345
Asset retirement obligation	11,128
Pollution remediation obligation	9,278
Bonds and notes payable	5,718,241
Lease liability	25,372
Subscription liability	9,315
Unearned revenues	44,803
Total noncurrent liabilities	7,312,872
Total liabilities	9,148,700
DEFERRED INFLOWS OF RESOURCES	
Deferred inflows related to debt refunding	48,960
Deferred inflows related to pension	15,625
Deferred inflows related to OPEB	816,484
Deferred inflows related to leases	877
Total deferred inflows of resources	881,946
NET POSITION	
Net investment in capital assets	15,391,655
Restricted for debt service	200,658
Unrestricted (deficit)	(1,944,957)
Total net position	$ 13,647,356

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Fund – Enterprise Fund
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

OPERATING REVENUES		
Passenger fares	$	132,949
Auxiliary transportation		28,080
Lease and rental		15,538
Toll revenues		87,000
Total operating revenues		263,567
OPERATING EXPENSES		
Salaries and wages		949,877
Fringe benefits		488,142
Professional and technical services		476,380
Material and supplies		129,083
Casualty and liability		92,836
Fuel, lubricants, and propulsion power		118,055
Purchased transportation		75,706
Depreciation and amortization		715,320
Other		28,730
Total operating expenses		3,074,129
OPERATING LOSS		(2,810,562)
NON-OPERATING REVENUES (EXPENSES)		
Local grants		7,900
Federal grants		568,700
Investment income		8,795
Net decline in fair value of investments		(11,687)
Interest expense		(182,273)
Gain on disposition of capital assets		515
Other revenue		11,061
Total net non-operating revenues		403,011
LOSS BEFORE CAPITAL GRANTS AND CONTRIBUTIONS		(2,407,551)
CAPITAL GRANTS AND CONTRIBUTIONS		
Local grants		40,584
State grants		293,327
Federal grants		458,275
Total capital grants and contributions		792,186
TRANSFERS		
Transfers in		2,943,435
Transfers out		(41,378)
Total transfers		2,902,057
CHANGE IN NET POSITION		1,286,692
Net position – beginning of year		12,360,664
NET POSITION – END OF YEAR	$	13,647,356

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
Statement of Cash Flows
Proprietary Fund – Enterprise Fund
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$	264,863
Payments to suppliers		(923,094)
Payments to employees and benefit payments		(1,505,391)
Other operating receipts (payments)		2,000
Net cash used for operating activities		(2,161,622)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Transfers from other funds		2,256,291
Federal operating grants received		441,659
State and local operating grants received		16,144
Net cash flows from non-capital financing activities		2,714,094
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from the disposition of capital assets		554
Federal capital grants received for capital projects		380,252
State and local capital grants received for capital projects		348,117
Transfers from other funds for capital project reimbursements		1,014,301
Payment for bonds and notes payable		(333,340)
Interest paid for bonds and notes		(237,889)
Acquisition and construction of capital assets		(1,980,916)
Payment for lease and IT subscription liability		(18,552)
Interest paid related to leases and IT subscription liability		(660)
Net cash used for capital and related financing activities		(828,133)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale and maturity of investments		9,960,884
Purchase of investments		(9,980,403)
Investment earnings		6,104
Net cash used for investing activities		(13,415)
Net decrease in cash and cash equivalents		(289,076)
Cash and cash equivalents – beginning of year		598,514
CASH AND CASH EQUIVALENTS – END OF YEAR	$	309,438

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
Statement of Cash Flows (Continued)
Proprietary Fund – Enterprise Fund
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

Reconciliation of operating loss to net cash used for operating activities		
Operating loss	$	(2,810,562)
Adjustments to reconcile operating loss to net cash used for operating activities:		
Depreciation and amortization expenses		715,320
Other non-operating revenue		11,061
Decrease in deferred outflows related to pension		33,752
Decrease in deferred outflows from asset retirement obligations		5,154
Decrease in deferred outflows from other post employment plans		31,878
Increase in receivables		(37,034)
Decrease in notes receivable		2,000
Increase in prepaid and other current assets		(8,865)
Increase in inventories		(10,266)
Decrease in accounts payable and accrued liabilities		(6,076)
Decrease in pollution remediation obligation		(64)
Increase in compensated absences payable		9,457
Increase in claims payable		24,837
Increase in accrued payroll liabilities		15,252
Decrease in net pension liability		(11,049)
Decrease in net OPEB liability		(446,862)
Decrease in asset retirement obligations		(5,154)
Decrease in other current liabilities		(1,863)
Increase in unearned revenues		27,262
Decrease in deferred inflows related to pension		(5,029)
Increase in deferred inflows related to other post employment benefit plan		305,229
Total adjustments		648,940
Net cash used for operating activities	$	(2,161,622)

Non-cash investing, capital and financing activities		
Capital assets included in accounts payable and accrued liabilities	$	612,864
Capital grants and contributions included in intergovernmental receivable	$	328,872
Refunded bonds	$	(157,005)
Bond premium/discount amortization	$	67,345
Interest accretion on lease/leaseback obligations	$	5,217
Decline in fair value of investments	$	(11,686)
Gain on disposition of capital assets	$	515

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
Statement of Fiduciary Net Position - Employee Retirement and OPEB Trust Funds
June 30, 2024
(Amounts expressed in thousands)

ASSETS		
Cash and cash equivalents	$	22,404
Investments:		
Bonds		324,252
Domestic stocks		467,339
Non-domestic stocks		36,249
Pooled investments		1,784,250
Receivables:		
Member contributions		1,968
Securities sold		842
Interest and dividends		3,461
Prepaid items and other assets		81
Total assets		2,640,846
LIABILITIES		
Accounts payable and other liabilities		9,775
Securities purchased		3,598
Total liabilities		13,373
NET POSITION		
Restricted for:		
Pensions		2,158,191
OPEB		469,282
Total Net Position	$	2,627,473

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
Statement of Changes in Fiduciary Net Position - Employee Retirement and OPEB Trust Funds
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

ADDITIONS		
Contributions:		
Employer	$	74,060
Member		45,964
Total contributions		120,024
Investment income (expense)		
Net appreciation in fair value of investments		237,637
Investment income		31,240
Investment expense		(7,214)
Other income		2,549
Net investment income		264,212
Total additions		384,236
DEDUCTIONS		
Retiree benefits		171,073
Administrative expenses		2,403
Total deductions		173,476
Net increase in net position		210,760
Net position - beginning of year		2,416,713
NET POSITION - END OF YEAR	$	2,627,473

The notes to the financial statements are an integral part of this statement.

THIS PAGE INTENTIONALLY LEFT BLANK



Los Angeles County Metropolitan Transportation Authority
Notes to the Financial Statements
June 30, 2024

		Page No.
I.	**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**	
A.	Reporting Entity	58
B.	Government-wide and Fund Financial Statements	59
C.	Measurement Focus, Basis of Accounting, and Financial Statement Presentation	60
D.	Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position	64
E.	Effects of New Pronouncements	74
II.	**STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**	
A.	Budgetary Information	75
B.	Encumbrances	76
III.	**DETAILED NOTES ON ALL FUNDS**	
A.	Cash and Investments	76
B.	Receivables	83
C.	Interfund Balances and Transfers	84
D.	Capital Assets	87
E.	Long-Term Liabilities	89
F.	Claims Payable (Risk Management)	89
G.	Compensated Absences	91
H.	Deferred Compensation Plans	92
I.	Employees' Retirement Plans	93
J.	Other Postemployment Benefits (OPEB)	108
K.	Pollution Remediation Obligation	119
L.	Certain Asset Retirement Obligations	120
M.	Long-Term Debt	122
N.	Lease/leaseback liability	133
O.	Leases	134
P.	Subscription-Based Information Technology Arrangements (SBITA)	137
Q.	Capital and MOU Commitments	139
R.	Joint Powers	139
S.	Litigation and Other Contingencies	140
T.	Subsequent Events	141

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Los Angeles County Metropolitan Transportation Authority (LACMTA) is governed by a 14-member Board of Directors (Board). The Board is comprised of five members of the County Board of Supervisors, the Mayor of the City of Los Angeles, three members appointed by the Mayor, four members who are either mayors or members of a city council and have been appointed by the Los Angeles County City Selection Committee to represent the other cities in the County, and a non-voting member appointed by the Governor of the State of California.

Management has prepared LACMTA's financial statements and those of its blended component units. The blended component units discussed below are included as part of the reporting entity because they are financially dependent upon LACMTA and because LACMTA's approval is needed for the units to expend their budgets or charges and issue long-term debt. Although they are legally separate entities, the blended component units are in substance part of LACMTA's operations and data from these units are combined with LACMTA's financial data.

LACMTA administers the activities of the Public Transportation Services Corporation (PTSC), the PTSC-MTA Risk Management Authority (PRMA), the Exposition Metro Line Construction Authority (EXPO), and the Service Authority for Freeway Emergencies (SAFE) and includes the activities of these organizations in the accompanying financial statements. PTSC, PRMA, and EXPO provide services exclusively to LACMTA. LACMTA shares its governing board with SAFE, and the management of LACMTA has operational responsibility for SAFE. PTSC, PRMA, and EXPO are presented and reported in the business activity type funds and SAFE is reported in the governmental fund type. Additional detailed financial information for each of these entities can be obtained from LACMTA's Accounting Department, One Gateway Plaza, Los Angeles, CA 90012-2952 or by visiting LACMTA's website at www.metro.net.

PTSC was created in August 1997 to conduct activities essential to the provision of public transportation in and around Los Angeles County. To achieve this goal, LACMTA entered into an acquisition agreement under which the planning, programming, administrative, operational management, and construction functions of LACMTA were transferred to and acquired by PTSC. Under this agreement, these functions are provided by PTSC and funded by LACMTA.

PRMA was established in October 1998 for the purpose of establishing and operating a program of cooperative self-insurance and risk management. PRMA provides workers' compensation coverage for all LACMTA and PTSC employees and provides public liability and property damage insurance coverage for all LACMTA properties.

EXPO was established in February 2006 for the purpose of constructing the Exposition Light Rail Line, the newest extension of the 95-station Metro Rail system. The first phase of the project runs 8.6 miles from the Metro Rail Station at 7th and Flower Streets in downtown Los Angeles to Washington and National Boulevards in Culver City. The second phase is approximately 6.6 miles and is continuing from the Phase 1 terminus in Culver City to 4th Street and Colorado Avenue in the City of Santa Monica. The first phase of the project commenced revenue operations in April 2012. The second phase commenced revenue operations May 2016. There was no activity in fiscal year 2024.

SAFE was established in 1988 under the authority of the California Legislature to provide emergency aid to motorists on freeways and expressways within Los Angeles County.

B. Government-wide and Fund Financial Statements

LACMTA's financial statements, prepared in accordance with Governmental Accounting Standards Board (GASB) Statement No. 34, as amended, *Financial Statements and Management's Discussion and Analysis for State and Local Governments,* consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

The government-wide financial statements report information on all of the non-fiduciary activities of the primary government and its component units. Business-type activities, which rely to a significant extent on fees and charges for services, are reported separately from governmental activities, which normally are supported by taxes and intergovernmental revenues.

The Statement of Activities demonstrates the degree to which the direct expenses, including centralized expenses of a given function or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not included within the program revenues are reported as general revenues. Certain indirect costs are included in the reported program expenses.

The effect of interfund activity has been eliminated from the government-wide financial statements. However, intra-activity billing for services provided and used is not eliminated in the process of consolidation.

Separate fund financial statements are provided for proprietary funds, governmental funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and contributions are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

The fiduciary fund financial statements also use the accrual basis of accounting and are reported using the economic resources measurement focus.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, LACMTA considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred and a valid claim is presented. Transportation subsidies are recorded when all of the eligibility requirements have been met, including the receipt of the reimbursement request. Long-term debt is recorded only when payment is due. Capital asset acquisitions, including entering into contracts giving the LACMTA the right-to-use lease assets and IT subscription assets, are reported as expenditures in the governmental funds. Issuance of long-term debt and financing through leases and subscription-based IT arrangements are reported as other financing sources.

Interest income associated with the current fiscal period is subject to accrual and has been recognized as revenue of the current fiscal period and reported in the government-wide financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of LACMTA's Enterprise fund are charges to customers for services, rental, and toll revenues. Operating expenses include the cost of services, administrative expenses, and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. When both restricted and unrestricted resources are available for use, it is LACMTA's policy to use restricted resources first. Unrestricted resources are used as they are needed.

Fund Accounting

LACMTA utilizes fund accounting to report its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts.

Funds are classified into three categories: proprietary, governmental, and fiduciary, as described below.

The Proprietary fund is used to account for LACMTA's ongoing operations and activities similar to those found in the private sector where the determination of net income is necessary or useful to provide sound financial administration.

***Enterprise fund* -** This includes three fund groups described below:

Bus and rail operations are financed and operated in a manner similar to private businesses where the intent is that costs, including depreciation, of providing goods or services to the general public on a continuing basis be recovered primarily through user charges and governmental transfers. All major transit operations capital projects are partially funded by proceeds from debt secured by sales tax revenue, State and Federal grants, and contributions from the governmental funds. Sales tax secured debt is reported as a liability in the Enterprise fund. The financial resources used to pay the debt principal and interests are reported as contributions from the governmental funds.

Union Station is a hub for rail and bus services. Amtrak, Metrolink, Metro light rail and subway, and Metro buses are the major providers of services that operate within Union Station's facilities. There are also private businesses providing food services and general merchandising within Union Station facilities. Union Station's activities associated with the rental of spaces and parking are reported in the Enterprise fund of LACMTA.

Metro *ExpressLanes* began as a one-year pilot program funded through a federal grant from U.S. Department of Transportation (USDOT). The ExpressLanes convert existing carpool High-Occupancy Vehicle (HOV) lanes to High-Occupancy Toll (HOT) lanes. Metro ExpressLanes consists of 11 miles on the I-110 Harbor Transit-way between Adams Boulevard and Harbor Gateway Transit Center that opened in November 2012 and 14 miles on the I-10 El Monte Bus-way between Alameda Street and I-605 that opened in February 2013. All vehicles using the ExpressLanes are required to have a transponder to access the lanes. Tolls are collected electronically. The activities of Metro ExpressLanes are reported in the Enterprise fund of LACMTA. In April 2014, LACMTA's Board of Directors authorized the conversion of Metro ExpressLanes to a permanent program.

The Enterprise fund also accounts for the activities of LACMTA's blended component units namely PTSC, PRMA, and EXPO. Please refer to pages 58 and 59 for more details.

LACMTA reports all operations-related transactions, including capital and related debt, in the Enterprise fund.

Governmental funds are used to account for LACMTA's governmental activities. The measurement focus is the determination of changes in financial position, rather than net income determination. LACMTA uses the following governmental fund types:

The General fund is used to account for those financial resources that are not required to be accounted for in another fund. The General fund is one of LACMTA's major governmental funds.

Special Revenue funds are used to account for proceeds of specific revenue sources including sales taxes that are legally restricted to expenditures for specified purposes. The following are LACMTA's other major governmental funds:

> ***Proposition A*** - This fund is used to account for the proceeds of the voter-approved one-half percent sales tax that became effective on July 1, 1982. Revenues collected are to be allocated: 1) 25% to local jurisdictions for local transit; 2) 35% to be used for construction and operation of rail rapid transit systems; and 3) 40% is allocated to county-wide operators at the discretion of LACMTA.
>
> ***Proposition C*** - The "Los Angeles County Anti-Gridlock Transit Improvement Fund" is used to account for the proceeds of the voter-approved one-half percent sales tax that became effective on April 1, 1991. Revenues collected are to be allocated: 1) 5% to improve and expand rail and bus security; 2) 10% for Commuter Rail and construction of transit centers, park-and-ride lots and freeway bus stops; 3) 20% to local jurisdictions for public transit and related services; 4) 25% for essential county-wide transit-related improvements to freeways and state highways; and 5) 40% to improve and expand rail and bus transit county-wide.
>
> ***Measure R*** - The "Traffic Relief and Rail Expansion Ordinance" is used to account for the proceeds of the voter-approved half-cent sales tax that became effective on July 1, 2009 and continuing to June 30, 2039. Revenues collected are allocated to: 1) 2% for Metro rail capital improvements; 2) 3% for Metrolink capital improvements; 3) 5% for rail operations for new transit projects; 4) 15% for local return; 5) 20% for bus operations allocated using LACMTA's formula allocation procedure (based on vehicle service miles and fare revenue); 6) 20% for highway capital projects; and 7) 35% for specific transit capital projects.
>
> ***Measure M*** - The "Los Angeles County Traffic Improvement Plan" is used to account for the proceeds of the voter-approved half-cent sales tax that became effective July 1,

2017. Measure M is an ordinance authorizing an additional one-half percent sales tax approved by the voters of Los Angeles County on November 8, 2016 and which increases to one percent rate when Measure R expires on July 1, 2039. Revenues will be allocated as follows: 1) 16% for local returns; 2) 35% for Metro rail capital - new rail; 3) 1% for Metrolink capital improvements; 4) 17% for highway construction; 5) 25% for rail and bus operations; 6) 2% for state of good repair; 7) 2% for ADA paratransit; and 8) 2% for active transportation program.

Transportation Development Act (TDA) - This fund is used to account for revenues received from the State as part of the Transportation Development Act and are paid out to various transit operators, including LACMTA, for operating and capital uses.

State Transit Assistance (STA) - This fund is used to account for revenue received from the State Transit Assistance Program under the Transportation Development Act formulas that determine the allocation of the proceeds among eligible recipients. Under the provisions of the "Gas Tax Swap" enacted in 2010, the STA program is funded by an excise tax on diesel fuel and based on actual consumption of diesel fuel rather than an annual budget appropriation.

LACMTA also has the following nonmajor Special Revenue funds:

Service Authority for Freeway Emergencies (SAFE) - This fund is used to account for revenues received from the State Department of Motor Vehicles, generated by a $1 per car registration fee in Los Angeles County to improve freeway emergency response programs including call box operations.

Other Special Revenue Funds - This fund is used to account for specific revenue sources related to funds not classified as major Special Revenue funds.

Fiduciary funds are used to account for assets held by LACMTA in a trustee capacity or as an agent for individuals, other governmental units, or other funds. Fiduciary funds include the following pension and other employee benefit trust funds:

Employees' Retirement Trust funds account for the assets of the five defined-benefit pension plans that LACMTA administers and are accounted for in essentially the same manner as the proprietary funds.

Other Postemployment Benefits (OPEB) Trust funds account for the resources held in trust by LACMTA for the other postemployment benefits of members and beneficiaries not offered as an integral part of a pension plan.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

Cash and Investments

LACMTA applies the provisions of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and External Investment Pools and* GASB Statement No. 72, *Fair Value Measurement and Application*. Investments are stated at fair value based on the fair value hierarchy. The net appreciation (decline) in fair value of investments is shown in the Statement of Revenues, Expenditures, and Changes in Fund Balances for all governmental fund types, and in the Statement of Revenues, Expenses, and Changes in Fund Net Position for the Proprietary fund.

Cash and Cash Equivalents

LACMTA considers all highly liquid investments with maturities of 90 days or less from the acquisition date to be cash and cash equivalents because they are readily convertible to known amounts of cash and are so near their maturity that they present an insignificant risk of change in value. State statutes and LACMTA's policy allows LACMTA to invest in U.S. Treasury, commercial paper, repurchase agreements, and the State Treasurer's Investment pool.

As required by California State statutes, LACMTA is required to deposit surplus STA and TDA cash with the County Treasurer. LACMTA is an involuntary participant in the County Treasurer's external investment pool. Deposits in the cash management pool of the County Treasurer are presented as cash and cash equivalents as they are available for immediate withdrawal or deposit at any time without prior notice or penalty and there is no significant risk of principal.

Restricted Cash and Cash Equivalents

Certain cash and cash equivalents are restricted as these assets are either advances used for specific purpose with the balance being refunded upon project completion or funds restricted for debt service.

Restricted Investments

Certain investments are classified as restricted on the Statement of Net Position because their use is limited externally by applicable bond covenants, laws or regulations or there exists an imposed restriction through enabling legislation.

Non-current Restricted Cash, Cash Equivalents, and Investments

In accordance with GASB 62, certain restricted cash, cash equivalents, and investments are non-current as these funds are restricted as to withdrawal or use for other than current operations, for disbursement in the acquisition or construction of non-current assets, or for the liquidation of long-term debt. The amount restricted for debt service does not include any unspent capital-related debt.

Receivables

Receivables are net of estimated allowances for uncollectible accounts which are determined based on past experiences. Most of the receivables from Federal agencies are amounts funding projects for major bus and rail, planning, capital acquisition, construction and operating assistance. State receivables involve funding for construction of various highways in partnership with the California Department of Transportation. Local receivables arise from certain local cities and municipalities who partner with LACMTA for certain projects that affect their local corridors.

Lease Receivables

At the commencement of a lease, lease receivable is measured at present value of future lease payments expected to be received during the lease term. Measurement of the present value includes the fixed payments, variable payments based on rate or index, reasonably certain residual guarantees, other reasonably certain payments, and lease incentives payable to the lessee. The lease receivable is reduced for actual payments received, less amounts for accrued interest.

The future lease payments are discounted using the interest rate implicit in the lease agreement. When the interest rate is not provided in the lease agreement, LACMTA uses its estimated incremental borrowing rate as the discount rate. The lease terms and lease payments used are those that are stated in the executed agreements. The lease term includes the noncancellable period of the lease.

The lease receivable is remeasured in subsequent financial reporting period, if an amendment to the lease contract, individually or in aggregate significantly affects the amount of the lease receivable since the previous measurement.

An amendment to a lease contract is considered a lease modification, unless the lessee's right to use the underlying asset decreases, in which case it would be a partial or full lease termination. A lease termination is accounted for by reducing the carrying value of the lease receivable and deferred inflow of resources, with any difference being recognized as a gain or loss.

The aforementioned accounting practice is in conformity with GASB 87, Leases.

Internal Balances

All outstanding balances between funds at the end of the fiscal year are referred to as "due to/from other funds" on the fund financial statements. Generally, the effect of the interfund activity within the governmental funds has been removed. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances."

Inventories and Prepaid Items

Inventories, consisting primarily of bus and rail vehicle parts, are valued at weighted average cost. Inventory items of governmental funds are recorded as expenditures when consumed. Certain payments to vendors applicable to future accounting periods are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which it was consumed.

Capital Assets

Capital assets are reported in the applicable business-type or governmental activities in the government-wide financial statements. Capital assets are defined by LACMTA as assets with an initial individual cost of more than $5,000 (amount not in thousands). LACMTA also capitalizes assets whose individual acquisition costs are less than the threshold for an individual asset but are significant in aggregate. Such assets are recorded at historical cost if purchased or constructed, (except for intangible right-to-use lease assets), the measurement of which is discussed below. If donated, capital assets are recorded at acquisition value.

Effective July 1, 2021, LACMTA implemented GASB 87, the new accounting standards on leases, and recorded intangible right-to-use lease assets, in the government-wide and Proprietary fund financial statements, equal to the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before commencement date of the lease term and direct ancillary costs necessary to place the asset into service. It is being amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. An amortization expense is recognized representing the decrease in the useful life of the right-to-use lease asset over the lease term. Any remeasurement of the lease liability requires a corresponding change in the right-to-use lease asset.

Effective July 1, 2022, LACMTA implemented GASB 96, the new accounting standard on Subscription-Based Information Technology Arrangements (SBITA). As of June 30, 2023, LACMTA has recorded intangible right-to-use IT subscription assets in the government-wide and Proprietary fund financial statements, equal to the initial amount of subscription liability, payments made to a SBITA vendor before the commencement of the subscription term, and the capitalizable of any implementation costs. It is being amortized using the straight-line method over the shorter of the subscription term or the useful life of the underlying IT assets. An amortization expense is recognized representing the decrease in

the useful life of the right-to-use subscription-based information technology arrangement assets and is being reported as an outflow of resources.

Impairment of the subscription asset may result from a change in the service utility or duration of use of the asset. Impairment to the subscription asset is accounted first by reducing it for any changes in the corresponding subscription liability. Any remaining amount should be recognized as an impairment.

Capital assets, except for intangible right-to-use lease assets and right-to-use subscription-based information technology arrangement assets, are carried at cost and depreciated using the straight-line method based on the estimated useful life of the assets. Intangible right-to-use lease assets and right-to-use IT subscription assets are amortized over the lesser of the estimated useful life or the term of the underlying asset, as follows:

Asset Type	Useful Life in Years	Term in Years
Buildings and improvements	30	
Rail cars	25	
Buses	7 - 14	
Equipment and other furnishings	5 - 10	
Other vehicles	5	
Intangible right-to-use lease assets		
Land		2 - 44
Building		2 - 9
Equipment		2 - 4
Intangible right-to-use IT subscription assets		2 - 5

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life is expensed.

Proprietary fund capital assets acquired with federal, state, and local capital grants are included in the Statement of Net Position. Depreciation on these capital assets is included in the accompanying Statement of Revenues, Expenses, and Changes in Fund Net Position.

Compensated Absences

It is LACMTA's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated vacation and sick leave in the governmental fund. All vacation and sick leave pay is accrued when earned in the Government-wide and Proprietary fund financial statements. Accumulation and payment of vacation and sick leave is based on the collective bargaining agreements with the various unions.

Employee Retirement Plans

LACMTA provides pension benefits that cover substantially all full-time employees through five self-administered single-employer defined benefit pension plans, and an agent multiple-employer plan administered by the California Public Employees' Retirement System (CalPERS). Four of the self-administered single-employer defined benefit pension plans are restricted to specific union members, while the fifth provides benefits to Non-Contract employees and Teamsters.

For financial reporting purposes, the CalPERS administered Miscellaneous Plan and the five LACMTA self-administered Retirement Plans' net pension liability is measured by the pension plans' total pension liability at the close of the last fiscal year and rolled forward from information based on the actuarial valuation reports dated no more than twenty-four months prior to the current fiscal year end.

For purposes of measuring the net pension liability, deferred outflows and inflows of resources related to pension, and pension expenses, information about the fiduciary net position of the Plan(s) and additions to/deductions from the fiduciary net position have been determined on the same basis they are reported to the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Additional detailed information on LACMTA's Employee Retirement Plans can be found on pages 93-107.

Other Postemployment Benefits Plan

On February 22, 2007, the MTA Board adopted a resolution authorizing the establishment of an irrevocable Retiree Health Care and Welfare Benefits Trust ("Plan"). The Plan is a single-employer, defined benefit plan administered by LACMTA to provide OPEB benefits, such as medical, dental, vision, life insurance, and similar benefits offered by LACMTA to its active and retired employees. The Plan covers benefits administered by LACMTA to Non-contract employees and employees represented by AFSCME and the Teamsters, and the contractual obligations to the respective Union Health & Welfare Trusts for employees represented by ATU, TCU, and SMART-TD. Generally, eligibility for coverage is based on employee's service and age.

For financial reporting purposes, the net OPEB liability is measured by the OPEB Trust's total OPEB liability at the close of the last fiscal year and rolled forward from information based on actuarial reports dated no more than twenty-four months prior to the current fiscal year end. LACMTA's funding policy is to contribute the direct "pay-as-you-go" cost as determined by required premium/claim payments and union healthcare trust contractual contributions, plus $5,000, subject to budget review annually. The determination to actually deposit some or all of the contributions is addressed in each year's annual budget process.

Assets are held in trust separately from the LACMTA and may be used only for the payment of benefits to the members.

For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB, and OPEB expenses, information about the fiduciary net position of the Plan and additions to/deductions from the fiduciary net position have been determined on the same basis they are reported to the Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Long-term Obligations

In the government-wide and Proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities, net of related original issue premiums and discounts. Bond issue costs are reported as current period costs and accounting gains and losses resulting from refunding of debts are reported as deferred outflows of resources or deferred inflows of resources in conformity with GASB 65. In the governmental fund financial statements, bond issuance costs and refunding gains/losses are recognized as current period expenditures.

Lease Liability

The lease liability reported in the government-wide and Proprietary fund financial statements, is measured at present value of future lease payments expected to be made at the commencement of the lease term. Measurement of the present value includes the fixed payments, variable payments based on rate or index, reasonably certain residual guarantees, exercise price of a purchase option if reasonably certain to be exercised, applicable payment of penalties for terminating the lease, any lease incentives receivable from the lessor, and any other reasonably certain payments based on the assessment of all relevant factors. The lease liability is reduced as payments are made and interest expense is recognized as an outflow of resources in the enterprise fund. The principal and interest payments are recorded as outflow of resources in the governmental funds.

The future lease payments are discounted using the interest rate implicit in the lease agreement. When the interest rate is not provided in the lease agreement, LACMTA uses its estimated incremental borrowing rate as the discount rate. The lease terms and lease payments used are those that are stated in the executed agreements. The lease term includes the noncancellable period of the lease.

A lease modification is accounted for by remeasuring the lease liability. The lease asset is adjusted by the difference between the remeasured liability and the liability immediately before the lease modification. A lease termination should be accounted for by reducing the carrying values of the lease liability and lease asset, with any difference being recognized as a gain or loss.

The lease/leaseback transactions have been recorded similar to leases, in that the present value of the future lease payments has been recognized as part of long-term liabilities on the Statement of Net Position- government-wide.

The aforementioned accounting practice is in conformity with GASB 87, Leases.

Subscription Liability (SBITA)

The subscription liability reported in the government-wide and Proprietary fund financial statements, is measured at present value of future payments expected to be made at the commencement of the contract term. Measurement of the present value includes the fixed payments, variable payments based on the interest rate the SBITA charges or implicit in the contract, or the government's estimated incremental borrowing rate, payment for penalties for terminating the SBITA, and any other payments to the SBITA vendor or subscription contract incentives associated with the SBITA contract. The subscription liability is reduced as payments are made and interest expense is recognized as an outflow of resources in the enterprise and governmental funds.

The future payments are discounted using the interest rate the SBITA charges or implicit in the contract, or the government's estimated incremental borrowing rate. When the interest rate is not provided by the SBITA, LACMTA uses its estimated incremental borrowing rate as the discount rate.

A SBITA modification is accounted as a separate SBITA if the SBITA modification gives the government additional subscription assets and if the increase in subscription payments for those additional subscription assets are not unreasonable. If SBITA modifications are not accounted for separately, then there will be a remeasurement of the subscription liability. The subscription asset is adjusted by the difference between the remeasured liability and the liability immediately before the SBITA modification. However, if the change reduces the carrying value of the subscription asset to zero, any remaining amount should be reported as an inflow of resources. Changes in exercised options, discount rates, or events resulting in extension or termination of the SBITA are subject to a remeasurement of the subscription liability.

The aforementioned accounting practice is in conformity with GASB 96, Subscription Based Information Technology Arrangements.

Deferred Outflows/Inflows of Resources Related to Pensions

Most changes in net pension liability are required to be included in pension expense in the period of the change such as service cost, interest on the total pension liability, and changes in benefit terms. The following changes in net pension liability are not included in pension expense as of the beginning of the measurement period and are required to be reported as deferred outflows of resources or deferred inflows of resources related to pensions:

1. Changes in total pension liability arising from differences between expected and actual experience with regard to economic or demographic factors.
2. The effects of changes in assumptions about future economic or demographic factors or of other inputs.
3. Differences between projected and actual investment earnings on pension plan investments.

The amounts in items 1 and 2 are recognized as pension expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of employees determined as of the beginning of the measurement period. Item 3 is recognized as pension expense using a systematic and rational method over a closed five-year period.

Deferred outflows of resources are also used to report LACMTA's contributions to CalPERS and to the LACMTA self-administered Employee Retirement Plans subsequent to the measurement date of the net pension liability. They will be recognized as a reduction of the net pension liability in the next fiscal year.

Deferred Outflows/Inflows of Resources Related to OPEB

Deferred outflows and deferred inflows of resources represent the unamortized portion of (1) the difference between expected and actual experience, (2) the changes in assumptions, and (3) the difference between expected and actual earnings on OPEB Plan investments.

OPEB expense is recognized for the service costs, interest costs, administrative expenses, and expected investment return actuarially determined as of the measurement date. Employer contributions to the OPEB Plan subsequent to the measurement date but before the end of the current fiscal year are recorded as deferred outflows of resources in the current fiscal year.

The difference between expected and actual experience and the changes in assumptions are amortized over the average future working life expectancy. The difference between expected and actual earnings on OPEB Plan investments is recognized as OPEB expense using a systematic and rational method over a closed five-year period.

Deferred Outflows of Resources Related to Asset Retirement Obligations (ARO)

Deferred outflows of resources related to Asset Retirement Obligations represent the present value of expected future outlays associated with the retirement of a tangible capital asset when a legal obligation is incurred and the obligation is reasonably estimable as required by GASB Statement No. 83. This present value of future obligation will be evaluated annually to determine whether the effects of one or more factors are expected to significantly change the estimate of the asset retirement outlays.

Deferred Outflows/Inflows of Resources Related to Debt Refunding

LACMTA issues sales tax revenue refunding bonds by refinancing previously issued sales tax revenue bonds and/or commercial paper notes, generally to achieve debt service costs savings, to restructure the repayment of a debt, to change the type of instruments being used, or to retire an indenture in order to remove undesirable covenants when more favorable interest rates or financing terms become available. In refunding debt resulting in the legal defeasance of the old debt, the difference in the carrying value of the refunded debt and its reacquisition price is reported as deferred outflows or deferred inflows of resources in the Statement of Net Position and amortized over the life of the old or the new debt, whichever is shorter.

Deferred Inflows of Resources Related to Leases

The deferred inflows of resources related to leases represent the initial value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods. Subsequently, a lease revenue is recognized from the deferred inflows of resources in a systematic and rational manner over the term of the lease. The lease term includes the noncancellable period of the lease as stated in the executed contracts.

The deferred inflows of resources generally is adjusted by the same amount as any change resulting from the remeasurement of the lease receivable. This is in conformity with GASB 87, Leases.

Deferred Revenues

National Council on Governmental Accounting (NCGA) Statement 1 provides that revenues and other governmental fund financial resources should be recognized in the accounting period in which they become both measurable and available. GASB 65 provides that when an asset is recorded in the governmental fund financial statements but the revenue is not available, a deferred inflow of resources should be reported until it becomes available. LACMTA considers receivables that are not collected within 90 days from the close of the fiscal year as revenues that are not available in the current year, and therefore, not susceptible to accrual. These represent governmental revenues for grants receivable from federal, state, and local sources that are reported as deferred revenues in the governmental fund financial statements in the current year and recognized as revenue in subsequent periods as they become available.

Unearned Revenues

In the Government-wide and Proprietary fund financial statements, unearned revenues are resource inflows that do not meet the criteria for revenue recognition. Unearned revenues arise when resources are received by LACMTA before it has a legal claim to them, such as grant monies received prior to the incurrence of the qualifying expenditures, the presale of passes and tokens, and others. When revenue recognition criteria are met, or when

LACMTA has a legal claim to the resources, unearned revenue is removed from the Statement of Net Position and the revenue is recognized.

Other Revenues

Other revenues in the governmental funds include proceeds from the sale of Low Carbon Fuel Standard (LCFS) credits, sale of surplus land, CNG tax credits, and other miscellaneous revenues.

Fund Balances

LACMTA reports its fund balances in various categories based on the nature of the limitations requiring the use of resources for specific purpose. LACMTA classifies its governmental fund balances into:

Nonspendable fund balances include amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to be maintained intact. Prepayments and inventories in the governmental funds are included in the nonspendable fund balances.

Restricted fund balances include amounts that can be spent only for specific purposes stipulated by enabling legislation, by the grants, by the creditors, or by the regulations of other governments. Propositions A, C, Measure M and Measure R sales taxes are restricted by the ordinances that created the taxes. Funds received from TDA, STA, SAFE, and other grants are restricted by the grantors providing the funds.

Committed fund balances are amounts that can be used only for specific purposes imposed by a formal action of the LACMTA's Board of Directors, which is LACMTA's highest decision-making authority. Those committed amounts cannot be used for any other purposes unless the Board removes or changes the specific use of the funds.

Assigned fund balances are amounts that do not meet the criteria to be classified as restricted or committed but are intended to be used for specific purposes. Under the LACMTA's board policy, contracts that are $1,000 or less can be approved and assigned by the Chief Executive Officer or his/her designee.

Unassigned fund balances are the residual classification for the General fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the General fund.

The Board establishes, modifies, or rescinds fund balance commitments by passage of resolution. LACMTA adopted the GASB 54 criteria and determined that a resolution is binding, and that action can establish a fund balance commitment. This is done through the

adoption of the budget and subsequent amendments that occur throughout the fiscal year. In circumstances when an expenditure is made for a purpose for which amounts are available from multiple fund balance classifications, fund balance is generally depleted in the order of restricted, committed, assigned, and then unassigned.

E. Effects of New Pronouncements

The following summarizes recent GASB pronouncements and their effect, if any, on the financial statements:

In April 2022, GASB issued Statement No. 99, Omnibus 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and the requirements related to financial guarantees and the classification and reporting of derivative instruments are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. The implementation of this Statement did not have a material effect on the financial statements.

In June 2022, GASB issued Statement No. 100, Accounting Changes and Error Corrections. The objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period.

The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the

new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. LACMTA implemented the new reporting requirements in Fiscal Year ended June 30, 2024 with no material effect on the financial statements.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

The budget cycle begins in August when the capital call process is initiated. This involves identifying capital needs for the coming fiscal year's budget and reviewing and prioritizing the requests. The capital budget process is usually concluded by the end of November or early December. In December, the CEO establishes or updates core missions and objectives for the coming fiscal year budget. Between January and February, LACMTA submits budgeted planning parameters to the Board outlining basic assumptions to be used in preparing the coming year's annual budget. In February or March of each year, all LACMTA departments submit requests for appropriations to management so that an operational and capital projects budget can be prepared. The Office of Management and Budget (OMB) works with the requesting departments to finalize the annual budget request and begins presenting the proposed budget drafts to the Board staff from mid-March through early April. In late April, OMB prepares the Proposed Budget book and posts the final version to the metro.net website at least two weeks prior to the public hearing in May. The proposed budgets are submitted to the Board in mid-May for review and adoption. Prior to adoption, the Board conducts public hearings in May for discussion of the proposed annual budgets. The Board adopts the final budget at the conclusion of the hearings, which is planned to occur in late May, but no later than June 30.

Enabling legislation and adopted policies and procedures provide that LACMTA's Board approves an annual budget. Annual budgets are adopted on a basis consistent with U.S.

Generally Accepted Accounting Principles (GAAP) for all governmental and proprietary funds. The Board also approves the Life of Project budget whenever new capital projects are approved. All non-capital appropriations lapse at fiscal year-end. The appropriated budget is prepared by fund, cost center, expense type, and project. The legal level of control is at the fund level and the Board must approve additional appropriations. By policy, the Board has provided procedures for management to make revisions within operational or project budgets only when there is no net dollar effect to the total appropriations at the fund level. Quarterly updates for operating and capital expenditures are submitted to the Board. Budget amendments are made when needed.

B. Encumbrances

Encumbrance accounting is employed in the General and Special Revenue governmental funds. Under this method, purchase orders, contracts, Memoranda of Understanding (MOU), and other commitments outstanding at year-end are reported as committed or assigned fund balances since they do not constitute expenditures or liabilities. These commitments will be recognized in subsequent years' appropriations.

III. DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

As of June 30, 2024, the following are LACMTA's cash and investments:

	Amount
Cash deposits	$ 67,991
State/county investment pool	1,068,701
Debt securities:	
Medium term notes	693,546
Mortgage backed securities	45,270
Commercial paper	2,125
Asset backed securities	269,557
Fixed income:	
Money market, mutual or pooled funds	1,298,771
U.S. Agencies securities	294,272
U.S. Treasury obligations	1,307,846
Total cash and investments	$ 5,048,079

	Business-type Activities	Governmental Activities	Total
Reported in the Statement of Net Position and Balance Sheet:			
Cash and cash equivalents - unrestricted, current	$ 93,183	$ 1,840,079	$ 1,933,262
Cash and cash equivalents - restricted, current	188,381	—	188,381
Investments - unrestricted, current	181,501	2,314,250	2,495,751
Investment - restricted, current	17,009	—	17,009
Cash and cash equivalents - restricted, noncurrent	27,873	—	27,873
Investments - restricted, noncurrent	385,803	—	385,803
Total cash and investments	$ 893,750	$ 4,154,329	$ 5,048,079

As of June 30, 2024, the following are LACMTA's investments set forth by level, within the fair value hierarchy:

	Level 1	Level 2	Total
Debt securities:			
Medium term notes	$ —	$ 693,546	$ 693,546
Mortgage-backed securities	—	45,270	45,270
Commercial paper	—	2,125	2,125
Asset-backed securities	—	269,557	269,557
Fixed income:			
Money market, mutual or pooled funds	—	1,298,771	1,298,771
U.S. Agencies securities	—	294,272	294,272
U.S. Treasury obligations	1,307,846	—	1,307,846
Total	$ 1,307,846	$ 2,603,541	$ 3,911,387

In February 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*. This standard is applicable primarily to investments made by state and local governments that defines fair value and describes how fair value should be measured, identifies the assets and liabilities that should be measured at fair value, and requires specific information about fair value to be disclosed in the financial statements. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted market prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the agency has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Typically, the fair value reflects management's estimates of assumptions that market participants would use in pricing the asset or liability.

U.S. Treasury obligations and some money market, mutual or pooled funds are classified as Level 1 and are valued using prices in active markets for identical assets. Debt securities, money market, mutual or pooled funds, and U.S. Agencies securities are classified as Level 2 and are valued using inputs that are observable but not active using the market approach. These inputs include matrix pricing models and comparisons to prices of similar assets.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level (in terms of reliability) of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Investment Policy

LACMTA internally pools cash deposits and investments. All proprietary and governmental funds maintain an equity interest in the pool. Each fund's positive equity in the internally pooled cash deposits and investments account is presented as cash and investments on the Statement of Net Position and Balance Sheet. Negative equity balances have been reclassified and are reflected as interfund receivables/payables. Interest income earned and expenses incurred as a result of investing are allocated to the various funds based on their average daily balances. For purposes of the Statement of Net Position, Balance Sheet, and Statement of Cash Flows, all highly liquid investments, including restricted assets with maturity date of 90 days or less from acquisition date, are considered to be cash and cash equivalents. Otherwise, they are classified as investments.

All investments are stated at their fair values. Net changes in the fair values of investments are shown in the Statement of Revenues, Expenses, and Changes in Fund Net Position in the Enterprise fund and the Statement of Revenues, Expenditures, and Changes in Fund Balances in the Governmental fund.

LACMTA's most recent investment policy, adopted by the Board on March 28, 2024, requires LACMTA's investment program to meet three criteria in the order of their importance: **Safety** - preservation of capital, diversification, and the protection of investment principal; **Liquidity** - investment portfolios will remain sufficiently liquid to enable

LACMTA to meet operating requirements that might be reasonably anticipated. **Return on Investments** - LACMTA will maximize yield on the portfolio consistent with the safety and liquidity objectives.

The table below briefly describes LACMTA's investment policy. LACMTA's investment policy is applicable to the cash deposits and investments. Bond proceeds and debt service investment accounts are governed by LACMTA's debt policy. This table does not address cash deposits and investments held by bond trustees that are governed by the provisions of LACMTA's bond trust agreements.

Authorized Investment Type	Maximum Effective Maturity	Maximum Percentage of Portfolio*	Maximum Investment In One Issuer	Minimum Ratings
Bonds issued by LACMTA	5 years	100%	100%	None
U.S. Treasury obligations	5 years	100%	100%	None
U.S. Unsecured unsubordinated obligations	5 years	30%	10%	AA
Bonds, Notes or warrants of any local agency within the State of California	5 years	25%	25%	A1 short term or AA long term
U.S. Agency securities	5 years	100%	100%	None
Registered state warrants or treasury notes or bonds of other 49 states	5 years	25%	25%	A1 short term or AA long term
Banker's acceptance	180 days	40%	10%	A1 + /P1 short term
Commercial paper	270 days	40%	10%	A
Negotiable certificates of deposit	5 years	30%	10%	None
Placement Service Assisted Deposits	5 years	30%	10%	None
Repurchase agreements	90 days	20%	20%	None
Medium-term notes	5 years	30%	10%	A
Money market, mutual or pooled funds	Not applicable	20%	10%	A1+/P1 short term or AAA Long term
Asset-backed securities	5 years	20% combined with any mortgage-backed securities	15%	AAA
Mortgage-backed securities	5 years	20% combined with any asset-backed securities	15%	AAA
Local Agency Investment Fund (LAIF)	Not applicable	Set by LAIF	Set by LAIF	Not applicable
Local Government Investment Pool (LGIP)	Not applicable	Set by LGIP	Set by LGIP	Not applicable

* *The percentage of portfolio authorization is based on fair value.*

LACMTA's investment policy prohibits investing in derivatives or reverse repurchase agreements. The management of LACMTA's cash and investments can be categorized as follows:

- Cash deposits
- Cash equivalents and investments-unrestricted
- Cash equivalents and investments-restricted

Cash Deposits

As of June 30, 2024, LACMTA's carrying amount of cash comprises $798 in cash on hand and $67,193 in checking accounts for a combined total of $67,991. LACMTA's total bank balance was $179,793 with the difference representing primarily outstanding checks/ACH and deposits in transit. Accounts with banks were insured by Federal Deposit Insurance Corporation (FDIC) for up to $250,000 (amount not in thousands) per financial institution and uninsured amounts are collateralized by securities held by the bank's trust department or its agent in LACMTA's name.

LACMTA is a voluntary participant for its investments with the California Local Agency Investment Fund (LAIF). LACMTA's voluntary participation with the LAIF totaled $225,000 as of June 30, 2024. The LAIF Advisory Board, whose Chairman is the State Treasurer or designee, provides regulatory oversight for the LAIF.

The net position value of involuntary participation in Los Angeles County Investment Pool (LACIP) totaled $843,731 as of June 30, 2024. The County Board of Supervisors provides regulatory oversight for LACIP.

The value of position in the pool for both the LAIF and the LACIP is the same as the LACMTA's value of the pool shares and is reported at amortized cost.

Cash equivalents and Investments

As of June 30, 2024, LACMTA had the following cash equivalents and investments:

Investment Type	Total	Weighted Average Duration (in years) per Investment Type	Concentration of Investments	Ratings
Asset-backed securities	$ 269,557	1.5382	6.89 %	A1+ to AAA
Commercial paper	2,125	0.2156	0.05 %	A-1+
Medium term notes	693,546	2.3841	17.73 %	BBB+ to AAA
Mortgage-backed securities	45,270	2.0941	1.16 %	AAA
Money market, mutual or pooled funds	1,298,771	0.0027	33.21 %	Not Rated to AAA
U.S. Agency securities	294,272	1.5047	7.52 %	
U.S. Treasury obligations	1,307,846	1.9257	33.44 %	
Total	$ 3,911,387		100.00 %	

The weighted average duration is calculated using the investment's effective duration weighted by the investment's fair value.

Risk

In accordance with GASB Statement No. 40, *Deposit and Risk Disclosure - an Amendment of GASB Statement No.3,* certain required disclosures regarding investment policies and practices with respect to credit risk, concentration of credit risk, custodial credit risk, interest rate risk, and foreign currency risk are discussed in the following paragraphs:

Credit Risk

Investments are subject to credit risk, which is the chance that an issuer will fail to pay principal or interest in a timely manner, or that negative perceptions of the issuer's ability to make these payments will cause price to decline. The tables above summarize the fair value of investments that are included in the restricted and unrestricted cash and investments and the related credit ratings. LACMTA maintains policies to manage credit risks, which include requiring minimum credit ratings issued by nationally recognized statistical rating organizations for its investments.

Concentration of Credit Risk

Concentration of credit risk is the risk associated with a lack of diversification or having too much invested in a few individual shares. As disclosed above, LACMTA maintains investment policies that establish thresholds for holdings of individual securities. LACMTA did not have any holdings meeting or exceeding these threshold levels as of June 30, 2024.

As of June 30, 2024, with the exception of investments that are explicitly guaranteed by the U.S. government, LACMTA did not have any investments with more than 5% of the total investments under one issuer except for the following U.S. Agency securities and money market mutual funds:

		Total	Concentration of Credit Risk
First American	$	471,787	12.06 %

Custodial Credit Risk

LACMTA has no known custodial credit risk for deposits as financial institutions are required by the California Government Code to collateralize deposits of public funds by pledging government securities as collateral. Such collateralization of public funds is accomplished by pooling. The market value of pledged securities must be in accordance with the Government Code for the State of California. California law also allows financial institutions to collateralize public fund deposits by governmental securities with a value of 110% of the deposit or by pledging first trust deed mortgage notes having a value of 150% of a governmental unit's total deposits. LACMTA may waive collateral requirements for deposits that are fully insured up to $250,000 (amount not in

thousands) by the FDIC. All investment securities purchased were held and registered in LACMTA's name and maintained for the benefit of LACMTA in the trust department or safekeeping department of a financial institution as established by a written third-party safekeeping agreement between LACMTA and the financial institution.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. LACMTA measures interest rate risk on its short-term investments using the effective duration method. LACMTA maintains a policy requiring that the average duration of the externally managed short-term investments not to exceed 150% of the benchmark duration and the average duration of the internally managed short-term investments not to exceed three years. This policy does not apply to investments proceeds related to bond financings. LACMTA measures interest rate risk on its bond proceeds and debt service investments using the weighted average maturity method.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair values of the cash deposits or investments. As of June 30, 2024, there was no exposure to foreign currency risk as all LACMTA cash deposits and investments are denominated in U.S. dollar currency.

B. Receivables

Receivables as of June 30, 2024, as shown in the government-wide financial statements, in the aggregate, including the applicable allowance for doubtful accounts related to accounts receivable, are as follows:

Receivables	Business-type Activities	Governmental Activities	Total
Accounts	$ 49,899	$ 21,833	$ 71,732
Interest	3,484	29,617	33,101
Intergovernmental	474,084	208,548	682,632
Sales Tax	—	943,780	943,780
Notes	14,722	—	14,722
Others	22	—	22
Leases	1,062	134,540	135,602
Gross Receivables	543,273	1,338,318	1,881,591
Less: Allowances for doubtful accounts	(420)	—	(420)
Receivables, net	$ 542,853	$ 1,338,318	$ 1,881,171

Receivables as of June 30, 2024 for governmental activities by individual major funds and nonmajor funds are as follows:

	Receivables					
Fund Name	Accounts	Interest	Intergovernmental	Sales tax	Leases	Total
General Fund	$ 14,557	$ 1,075	$ 10,121	$ —	$ 134,540	$ 160,293
Prop A	—	2,477	—	194,796	—	197,273
Prop C	—	3,439	8,903	194,796	—	207,138
Measure R	7,273	6,429	122,021	194,766	—	330,489
Measure M	—	6,138	56,220	194,284	—	256,642
TDA	—	6,802	—	93,666	—	100,468
STA	—	2,253	—	71,472	—	73,725
Other Governmental	3	1,004	11,283	—	—	12,290
Total	$ 21,833	$ 29,617	$ 208,548	$ 943,780	$ 134,540	$ 1,338,318

C. Interfund Balances and Transfers

The following is a summary of due to/from other funds at June 30, 2024:

	Due from other funds									
Due to other funds	Enterprise Fund	General Fund	Prop A	Prop C	Measure M	Measure R	STA	TDA	Other Governmental	Total
General Fund	$ 17,410	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ 17,410
Prop A	14,181	—	—	—	—	—	—	—	—	14,181
Prop C	236	—	—	—	—	—	—	—	—	236
Measure M	17,282	—	—	—	—	—	—	—	—	17,282
Measure R	99,037	—	—	—	—	—	—	—	—	99,037
STA	165,168	—	—	—	—	—	—	—	—	165,168
TDA	146,429	—	—	—	—	—	—	—	—	146,429
Other Governmental	13,353	—	—	—	—	—	—	—	—	13,353
Enterprise Fund	(752,002)	42,977	55,893	149,888	287,250	59,124	134,450	7,274	15,146	—
Total	$ (278,906)	$ 42,977	$ 55,893	$ 149,888	$ 287,250	$ 59,124	$ 134,450	$ 7,274	$ 15,146	$ 473,096

Internal balances represent receivables from/payables owed to a particular fund by another fund for temporary loans, advances, goods delivered or services rendered. The loans will be repaid when sufficient cash is available. Any outstanding balances between the governmental funds and business-type activities were reported in the government-wide statement of net position.

Transfers in and out by fund for the fiscal year ended June 30, 2024 were as follows:

	Transfers In							
Transfers Out	Enterprise Fund	General Fund	Prop A	Prop C	Measure M	Measure R	TDA	Total
General Fund	$ 54,809	$ —	$ —	$ 3,114	$ —	$ 5	$ —	$ 57,928
Prop A	470,731	55,049	—	128,060	—	—	7,271	661,111
Prop C	799,555	36,888	22	—	31,061	24,344	—	891,870
Measure M	517,954	1,187	—	70,282	—	95,836	—	685,259
Measure R	595,732	8,624	—	11,843	1,463	—	—	617,662
STA	271,194	—	—	—	—	—	—	271,194
TDA	176,656	10,247	—	54	—	—	—	186,957
Other Governmental	56,804	7,763	—	—	—	—	—	64,567
Enterprise Fund	—	19,994	4,668	16,716	—	—	—	41,378 *
Grand Total	$ 2,943,435	$ 139,752	$ 4,690	$ 230,069	$ 32,524	$ 120,185	$ 7,271	$ 3,477,926

* *The amounts represent Enterprise Fund's bond proceeds and Metro ExpressLanes revenue reinvestment program funds used to finance major capital program/planning projects.*

The following transfers were made out of funds receiving revenues to the funds where they were spent:

The transfers from the General fund to the Enterprise fund were mainly funding for capital expenditures related to the Regional Connector system integration project. Transfer of funds to the Proposition C fund were for debt service payments, and for the Freeway Service Patrol program. Funds transferred to Measure R fund included the planning activities related to the TOD Planning Grant Round 4 and Regional Connector system integration.

The transfers from the Proposition A fund to the Enterprise fund were mainly for bus and rail operations and maintenance costs, debt service payments, and capital expenditures related to systems upgrade, HR5000 heavy rail vehicle procurement, EXPO/Blue Line light rail vehicle procurement, Rail to Rail, and P2550 LRV Mid-life overhaul projects. The transfers to the General fund mostly represented the Prop A administration fees. The transfers to Proposition C fund represents the fiscal year 2023 growth over inflation and for planning activities related to Commuter Rail project. Also, transfers to the TDA fund were for bus operation maintenance costs.

The transfers from the Proposition C fund to the Enterprise fund were funding for bus and rail operations and maintenance costs including Microtransit and Bikeshare programs, debt service payments, and capital expenditures primarily related to the East San Fernando Valley Transit Corridor and Crenshaw/LAX Transit Corridor projects. The Proposition C fund transfers to the General fund included the Proposition C administration fees and funding for planning activities related to rideshare services while transfers to the Proposition A fund were for bus subsidies. Additionally, the transfers to the Measure M fund were associated with the commuter rail subsidies while transfers to the Measure R fund were for planning activities related to the Sepulveda Transit Corridor project.

The transfers from the Measure M fund to the Enterprise fund were funding for the bus and rail operations and maintenance costs, and capital expenditures related to the ongoing construction of the Airport Metro Connector, Westside Subway Extension Section 3, Metro G Line BRT improvements, East San Fernando Valley Transit Corridor, and the Gold Line Foothill Extension Phase 2B projects. Transfers of funds to the General Fund were for planning activities related to CW First/Last Mile, NextGen Bus Priority Lanes, Metro's Bicycle and Bike Share, and the Crenshaw Northern Extension programs. Funds transferred to the Prop C fund were payments for commuter rail, LIFE program, and other subsidies. Fund transfers to the Measure R fund were funding for the planning activities related to the Sepulveda Pass Transit Corridor and I-5 North Enhancement projects.

The transfers from the Measure R fund to the Enterprise fund were mainly funding for the bus and rail operations and maintenance costs, debt service payments, and capital expenditures related to EXPO/Blue Line light rail vehicle procurement, Division 20 Portal Widening Turnback, Airport Metro Connector, and Westside Subway Extension Section 2 projects. Transfers to the General fund were mostly for Zero Emission (Electric) Transit Bus program, Long Range Transportation Planning (LRTP), Rail to Rail/River ATC Segment B, and P3,UP's, Pilots planning projects. Transfers to Proposition C were for planning

activities including regional bikeways program. Measure M also received funds from Measure R for Metro's business solution center program.
The transfers from the STA fund to the Enterprise fund were mostly funding for bus and rail operations and maintenance costs, service scheduling, service planning and enhancement; public affairs, promotions, and outreach; and capital expenditure for the Crenshaw/LAX fare gates project.

Most of the TDA fund transfers to the Enterprise fund were funding for bus operations and maintenance costs, and capital expenditures primarily related to bus midlife program, systems upgrade, Rail to Rail Segment A project, acquisition of non-revenue vehicles in compliance with AQMD Rule 1196, facilities improvement, and Regional Connector projects. The TDA fund transfers to the General fund represents administration fees for planning and administrative costs allocable to the General fund while the transfer to Proposition C was mainly for the On the Move Riders program.

The transfers from the Other Governmental funds to the Enterprise fund were funding mainly for rail operations and maintenance costs, and capital expenditures related to the Rail-to-Rail Segment A program and for the ongoing construction activities of the Metro G Line BRT improvements. Transfers to the General fund were primarily for the Regional Grants Management program.

The transfers from the Enterprise fund to the General Fund were funding for subsidies under the CRD Transit and Congestion Pricing programs. Transfers to the General fund also included a transfer of revenues to fund future energy conservation projects. Transfers to the Prop C fund were funding for planning projects including the Regional Surface Transit and Local Traffic systems while transfers to Prop A fund were mainly for management and administration costs related to bus and rail operations.

D. Capital Assets

A summary of changes in capital assets for the year ended June 30, 2024 is as follows:

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Business-type Activities				
Capital assets, not being depreciated or amortized:				
Land	$ 1,748,339	$ 9,895	$ —	$ 1,758,234
Construction in progress	8,194,300	2,299,593	(543,406)	9,950,487
Total capital assets, not being depreciated or amortized	9,942,639	2,309,488	(543,406)	11,708,721
Capital assets, being depreciated and amortized:				
Buildings and improvements	15,712,950	42,016	—	15,754,966
Equipment	496,131	96,370	(8)	592,493
Vehicles	3,162,176	128,686	(17,558)	3,273,304
Intangible right-to-use lease assets:				
Land	8,558	5819	—	14,377
Building	37,679	5,764	(563)	42,880
Equipment	742	—	(165)	577
Intangible right-to-use IT subscription assets	21,243	15,036	—	36,279
Total capital assets, being depreciated and amortized	19,439,479	293,691	(18,294)	19,714,876
Less accumulated depreciation for:				
Buildings and improvements	(6,959,825)	(472,726)	—	(7,432,551)
Equipment	(443,639)	(34,139)	8	(477,770)
Vehicles	(1,702,216)	(190,430)	17,016	(1,875,630)
Total accumulated depreciation	(9,105,680)	(697,295)	17,024	(9,785,951)
Less accumulated amortization for intangible right-to-use-lease assets:				
Land	(3,251)	(2,073)	—	(5,324)
Building	(13,659)	(6,223)	—	(19,882)
Equipment	(502)	(56)	—	(558)
Total accumulated amortization of intangible right-to-use lease assets	(17,412)	(8,352)	—	(25,764)
Less accumulated amortization for intangible right-to-use-IT subscription assets	(6,106)	(9,673)	—	(15,779)
Total accumulated depreciation and amortization	(9,129,198)	(715,320)	17,024	(9,827,494)
Total capital assets, being depreciated and amortized, net	10,310,281	(421,629)	(1,270)	9,887,382
Business-type activities capital assets	**$20,252,920**	**$ 1,887,859**	**$ (544,676)**	**$ 21,596,103**

	Balance July 1, 2023	Increases	Decreases	Balance June 30, 2024
Governmental Activities				
Capital assets, not being depreciated or amortized:				
Land	$ 746,589	$ —	$ —	$ 746,589
Total capital assets, not being depreciated or amortized	746,589	—	—	746,589
Capital assets, being amortized:				
Intangible right-to-use lease assets :				
Building	5,802	779	—	6,581
Intangible right-to-use IT subscription assets	2180	461	—	2,641
Less accumulated amortization for intangible right-to-use-lease assets:				
Building	(3,912)	(482)	—	(4,394)
Less accumulated amortization for intangible right-to-use-IT subscription assets	(625)	(960)	—	(1,585)
Total capital assets, being amortized, net	3,445	(202)	—	3,243
Governmental Activities capital assets	**$ 750,034**	**$ (202)**	**$ —**	**$ 749,832**
Total capital assets	**$21,002,954**	**$ 1,887,657**	**$ (544,676)**	**$ 22,345,935**

Depreciation and amortization expenses charged to functions and/or programs are as follows:

Business-type Activities	
Bus and rail operations	$ 707,830
Union Station operations	3,567
Toll operations	3,923
Total depreciation and amortization expense – Business-type activities	$ 715,320
Governmental Activities	
General government	$ 1,442
Total amortization expense – Governmental activities	$ 1,442

E. Long-Term Liabilities

As discussed in more detail in Notes F, G, I, J, L, and M, the following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the year ended June 30, 2024.

	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
Business-type activities					
Long-term debt	$ 6,394,469	$ 210,547	$ (591,300)	$ 6,013,716	$ 260,788
Claims payable	421,619	158,251	(133,414)	446,456	133,414
Compensated absences payable	140,579	124,085	(114,628)	150,036	114,931
Net pension liability	664,292	375,313	(386,362)	653,243	—
Net OPEB liability	940,207	119,508	(566,370)	493,345	—
Asset retirement obligations	17,223	—	(5,154)	12,069	941
Total Business-type activities	$ 8,578,389	$ 987,704	$ (1,797,228)	$ 7,768,865	$ 510,074
Governmental activities					
Long-term debt	3,781	1,238	(2,522)	2,497	670
Total long-term liabilities	$ 8,582,170	$ 988,942	$ (1,799,750)	$ 7,771,362	$ 510,744

F. Claims Payable (Risk Management)

The primary emphasis of claims and judgment activities at PRMA is to prevent or reduce the risk of injury to persons and damage to or loss of property. Where losses cannot be prevented, LACMTA endeavors to self-insure or to assume such losses as it may deem advisable and economical, giving due consideration to the frequency and severity of probable losses. The consideration of the effect of potential self-insured or assumed losses is part of LACMTA's financial planning process.

Capital

For its construction projects, LACMTA requires contractors to maintain a contractor-controlled insurance program (CCIP) to minimize LACMTA's risk of exposure to construction related losses. These policies provide property, liability, and workers' compensation insurance and cover many of the risks arising from the work of contractors and subcontractors on LACMTA construction projects.

LACMTA purchased a construction project umbrella insurance program (super excess general liability policies) that provides additional coverage limits on LACMTA capital projects identified as major. The program provides up to $550 million in additional coverage over the dedicated limits of insurance provided by each of the Design-Build contractors. The Design-Build contract values for the ongoing and recently completed projects is approximately $13 billion.

Operations

The estimated liabilities for the public liability and property damage, and workers' compensation claims are actuarially determined and subject to periodic adjustment as conditions warrant. The estimated liabilities are discounted using an average discount rate of 3.0%. LACMTA believes that the estimated liability for self-insured claims as of June 30, 2024 will be sufficient to cover any costs arising from claims filed or to be filed for incidents that occurred through that date. The estimated liabilities are based, in part, upon an independent actuarial estimate of unsettled claims including losses that have been incurred but not reported, and legal expenses, but excluding direct administration costs both by LACMTA employees and third-party administrators.

LACMTA is partially self-insured for public liability and property damage for non-construction activities up to $25 million per occurrence. In addition, LACMTA has established an excess liability program of insurance coverage with limits of $300 million through the International and Domestic markets for claims more than self-insurance retentions.

Furthermore, LACMTA has an all-risk property insurance program that covers all of its property. The property insurance policy covers insurable values of approximately $18.8 billion on a probable maximum loss basis with policy limits of $650 million for damages ($150 million for flood damages). Earthquake coverage is not included in the current program structure. LACMTA does not set aside funds to cover potential gaps in property insurance coverage in case of losses.

The following table summarizes changes in the claims liabilities for the year ended June 30, 2024:

	Property and Casualty		Workers' Compensation		Total	
	2024	2023	2024	2023	**2024**	2023
Unpaid claims and claim adjustment reserves - beginning of year	$ 139,659	$ 146,129	$ 281,960	$ 237,024	$421,619	$383,153
Provisions for insured events	57,610	52,760	82,120	118,089	139,730	170,849
Interest income	5,557	1,684	12,964	5,103	18,521	6,787
Total incurred claims and claims adjustment expense	202,826	200,573	377,044	360,216	579,870	560,789
Payment attributable to insured events	(48,218)	(60,913)	(85,196)	(78,257)	(133,414)	(139,170)
Total unpaid claims and claim adjustment reserves – end of year	$ 154,608	$ 139,660	$ 291,848	$ 281,959	$446,456	$421,619

As of June 30, 2024, $133,414 of the total claims liability is considered current. Claims payable is reported in the Statement of Net Position in the Proprietary fund.

As of June 30, 2024, a designated investment has been set aside in the amount of $154,608 equal to the property and casualty liabilities.

The workers' compensation program is both self-insured and self-administered by LACMTA. As of June 30, 2024, a designated investment has been set aside in the amount of $291,848 equal to the workers' compensation liabilities.

Settled claims have not exceeded the commercial coverage in any of the past three fiscal years. There have been no significant reductions in insurance coverage from the previous year.

G. Compensated Absences

LACMTA's and PTSC's contract employees represented by the Sheet Metal, Air, Rail, Transportation, Transportation Division (SMART-TD), the Amalgamated Transportation Union (ATU), the Transportation Communications Union (TCU), the American Federation of State, County and Municipal Employees (AFSCME) and the Brotherhood of Teamsters (Teamsters), accumulate vacation leave pay and sick leave pay in varying amounts based on the collective bargaining agreements with the various unions.

Under the existing collective bargaining agreements, vacation periods are not cumulative. However, employees may carry forward vacation pay of up to 40 hours for TCU and ATU, while 40 hours may be carried forward to the next vacation period for SMART-TD if notice is given by April 1. Otherwise, unused vacation hours earned for the year are paid off on May 31. SMART-TD, TCU, and Teamsters employees may request payment of a limited amount of unused sick leave each year at a rate of 75% of face value. Unused sick leave for contract employees is payable at the rate of 100% of the face value upon retirement or death.

LACMTA and PTSC have a combined vacation and sick leave program for NC and AFSCME represented employees. Under this program, vacation and sick leave are combined as time off with pay (TOWP), which accrues at varying rates throughout the year.

Accumulated vacation and sick leave prior to the implementation of TOWP policy on January 1, 1995 were considered frozen and remained on the books as a liability. Frozen vacation may be converted into TOWP once per year at the request of the employee, or will be paid at 100% at retirement, termination, or death. Frozen sick leave may be converted to TOWP prior to retirement at a 75% conversion rate when an employee reaches the age of 55 and has five years or more service. Upon retirement, unused sick pay is paid at 75%, except for those individuals who retire between the ages 50 and 55, wherein the payout rate varies from 50% to 75% depending on the employee's age at retirement. All employees with 30 or more years of service, regardless of age at retirement, have a payout rate at 75%. Upon death, payment of frozen sick leave will be at 100% to the employee's beneficiary. If an employee covered by a collective bargaining agreement accepts a regular NC or AFSCME position, any sick hours that normally would be awarded on the next anniversary date of employment will be prorated and placed in a frozen sick leave account. The normal annual accrual rate is pursuant to the respective collective bargaining agreement. In addition, the

amount of prior sick hours earned under a union plan shall be placed in the employee's frozen sick account.

The following is a summary of the compensated absences payable for the year ended June 30, 2024:

	Balance July 1, 2023	Earned	Used	Balance June 30, 2024	Due Within One Year
Union Employees:					
Vacation leave	$ 40,121	$ 45,022	$ (41,201)	$ 43,942	$ 41,201
Sick leave	46,926	24,997	(23,764)	48,159	24,067
TOWP	15,990	17,212	(16,535)	16,667	16,535
Sub-total	103,037	87,231	(81,500)	108,768	81,803
Non-Union Employees:					
Vacation leave	53	14	(3)	64	3
Sick leave	2,305	43	(56)	2,292	56
TOWP	35,184	36,797	(33,069)	38,912	33,069
Sub-total	37,542	36,854	(33,128)	41,268	33,128
Total	$ 140,579	$ 124,085	$ (114,628)	$ 150,036	$ 114,931

As of June 30, 2024, $114,931 of the compensated absences payable is considered current. The compensated absences payable is reported in the Statement of Net Position in the Proprietary fund.

H. Deferred Compensation Plans

457 Deferred Compensation Plan

LACMTA has a deferred compensation plan for all employees established in accordance with Internal Revenue Code (IRC) Section 457, which permits employees to defer a portion of their current salary to future years.

Under this plan, employees may contribute up to the lesser of $23,000 (not in thousands) or 100% of their earnings, in calendar year 2024. A special provision in the law allows employees to contribute up to $30,500 (not in thousands) if an employee is 50 years of age or older by December 31, 2024.

The plan is managed by a third-party plan administrator and trustee. Employee deferrals can be allocated among several investment options as directed by the employee. Although the employee is always 100% vested in the plan, withdrawals are not available to the employee until termination, retirement, attaining age 59-1/2, death, or unforeseeable emergency. In the opinion of management, LACMTA has no liability for any losses under the plan, but does have the fiduciary responsibility of due professional care that would be required from a prudent investor. Accordingly, the assets of the deferred compensation plan and the related liability to employees are not reported in the accompanying financial statements. LACMTA

does not match employees' contributions to the deferred compensation plan. As of June 30, 2024, the deferred compensation plan had assets stated at fair value of $603,581.

401(k) Savings Plan

LACMTA also offers a deferred savings plan to all employees created in accordance with IRC Section 401(k). Under this plan, employees may contribute up to the lesser of $23,000 (not in thousands) or 100% of their earnings in calendar year 2024. A special provision in the law allows employees to contribute up to $30,500 (not in thousands) if an employee is 50 years of age or older by December 31, 2024.

The 401(k) Savings Plan is managed by a third-party plan administrator, and the participants can direct the plan administrator to allocate their deferral based on several investment options. Plan benefits are based solely on amounts contributed by employees to their own accounts. Withdrawals are not available to employees until termination, retirement, attaining age 59-1/2, death, or unforeseen emergency. In the opinion of management, LACMTA has no liability for any losses under the plan, but does have the fiduciary responsibility of due professional care that would be required from a prudent investor. Accordingly, the plan's assets and liability to employees are not reported in the accompanying financial statements. LACMTA does not match employees' contributions to the 401(k) savings plan. As of June 30, 2024, the 401(k) savings plan had assets at fair value totaling $773,900.

Employees may participate in both 457 deferred compensation and 401(k) savings plan. The maximum annual combined contribution per calendar year using both plans is $46,000 ($61,000 if age 50 years or older). Employees who have not previously participated in the 457 deferred compensation "catch-up" provision and are aged lower than 50 years old, can contribute up to $46,000 to the 457 plan in calendar year 2024, plus $23,000 in the 401k plan for a total of $69,000. Employees who have not previously participated in the 457 deferred compensation "catch-up" provision and are aged 50 years or older, can contribute up to $46,000 to the 457 plan in calendar year 2024, plus $30,500 in the 401k plan, for a total of $76,500.

I. Employee Retirement Plans

LACMTA provides pension benefits through CalPERS and five self-administered defined-benefit pension plans that cover substantially all full-time employees.

California Public Employees' Retirement System (CalPERS) - Miscellaneous Plan

Plan Description

Public Transportation Services Corporation (PTSC), a blended component unit of LACMTA, provides a defined benefit pension plan through the Miscellaneous Plan (the Plan), an agent

multiple-employer plan administered by the California Public Employees' Retirement System (CalPERS). CalPERS acts as common investment and administrative agent for participating public employers within the State of California. An agent multiple-employer plan is one in which the assets of the multiple employers are pooled together for investment purposes, but separate accounts are maintained for each individual employer.

Benefits Provided

Most full-time employees of PTSC are covered under the Plan. There are two classes of plan members. Those hired before the Public Employees' Pension Reform Act of 2013 (PEPRA) took effect on January 1, 2013 are known as Classic Members. Members hired after that date are known as PEPRA members. Classic Members are eligible for retirement at age 50, while PEPRA members must be 52 years of age. In both cases, at least 5 years of service credit is needed to retire. Benefits for the defined benefit plan are based on the member's year of service, age, final compensation, and benefit formula. The benefit factor is actuarially reduced or increased prior to or after age 60 for Classic Members and for PEPRA members prior to or after age 62. The Plan also provides optional benefits for survivor and disability benefits. The benefit provisions and all other requirements are established by contract with CalPERS in accordance with the provisions of the Public Employees' Retirement Law (PERL). CalPERS issues an annual audited stand-alone financial report and a copy can be obtained by submitting a written request to CalPERS at P.O. Box 942709, Sacramento, CA 94229-2709 or by visiting its website at www.CalPERS.ca.gov.

Employees Covered by Benefit Terms

The following employees were covered based on the CalPERS actuarial valuation report as of June 30, 2022:

Active employees	2,508
Inactive employees	297
Terminated employees	972
Retired employees and beneficiaries	1,515
Total	5,292

Contributions

All employer contribution rates are actuarially determined annually and become effective July 1 following the notice of a change in the rate in accordance with Section 20814(C) of the PERL. The employer and employee contributions are a percentage of the covered payroll, which is based on pensionable earnings. The rates are defined by law and are based on the employer's benefit formula as determined by periodic actuarial valuations. These contributions are deposited in a fund established for each entity for the purpose of creating actuarial reserves for future benefits. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. For the reporting fiscal year

2024, the contribution rate was 18.2% of covered payroll and contributions totaled $59,212. This rate includes the mandatory employee contribution rate of 7.00% that is currently paid by PTSC for all Classic Members. PEPRA members pay 8.00% of covered-employee payroll which is 50% of the total normal cost of 16.21%. Employer and Classic Members mandatory contributions are paid by PTSC.

Net Pension Liability

The Plan's net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The total pension liability was rolled forward to determine the June 30, 2023 total pension liability.

Actuarial Methods and Assumptions Used to Determine Total Pension Liability

The June 30, 2023 total pension liability was based on the following actuarial methods and assumptions applied to all periods included in the measurement:

Actuarial Cost Method	Entry age normal
Actuarial Assumptions:	
Discount rate	6.90%
Inflation	2.30%
Salary increases	Varies by entry age and service
Mortality rate table *(1)*	Derived using CalPERS' membership data for all funds
Post-retirement benefit increases	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance floor on purchasing power applies, 2.30% thereafter

(1) Mortality table used was developed on CalPERS-specific data. The probabilities were based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries.

All other actuarial assumptions used in the June 30, 2022 valuation report were based on the results of an actuarial experience study for the period from 2001 to 2019, including updates to salary increase, mortality, and retirement rates.

Changes of Assumptions

There were no changes in assumptions from the prior measurement date.

Discount Rate

The discount rate used to measure the total pension liability was 6.90%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions

from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members.

The long-term expected rate of return on the Plan investments was determined using a building-block method in which the best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

The table below shows the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These geometric rates of return are net of administrative expenses:

Asset Class	Current Target Allocation	Real Return (1,2)
Global equity - Cap - Weighted	30.00%	4.54%
Global equity - Non-Cap - Weighted	12.00%	3.84%
Private equity	13.00%	7.28%
Treasury	5.00%	0.27%
Mortgage-backed securities	5.00%	0.50%
Investment grade corporates	10.00%	1.56%
High yield	5.00%	2.27%
Emerging market debt	5.00%	2.48%
Private debt	5.00%	3.57%
Real Assets	15.00%	3.21%
Leverage	(5.00)%	(0.59)%

(1) An expected inflation rate of 2.30% was used for this period
(2) Figures are based on the 2021 Asset Liability Management Study.

Changes in the Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balance at July 1,2022	$ 1,180,860	$ 920,781	$ 260,079
Changes for the year			
Service cost	44,689	—	44,689
Interest on the total pension liability	82,099	—	82,099
Changes of benefit terms	1,192	—	1,192
Difference between expected and actual experience	7,043	—	7,043
Contribution - employer	—	41,159	(41,159)
Contribution - employee	—	20,563	(20,563)
Net investment income	—	57,615	(57,615)
Benefit payments, including refunds of employee contributions	(43,200)	(43,199)	(1)
Administrative expense	—	(677)	677
Net changes during 2022-23	91,823	75,461	16,362
Balance at June 30, 2023	$ 1,272,683	$ 996,242	$ 276,441

No significant changes between the measurement date at June 30, 2023 and the reporting date at June 30, 2024 were known to management to have significant effect on the net pension liability.

Sensitivity of the Net Pension Liability to Changes in Discount Rate

The table below shows the sensitivity of the Plan's net pension liability as of the measurement date, calculated using the discount rate of 6.90%, and the changes of 1 percentage-point lower (5.90%) and 1 percentage-point higher (7.90%):

	Discount Rate -1% 5.90%	Current Discount Rate 6.90%	Discount Rate +1% 7.90%
Plan's net pension liability (asset)	$ 449,143	$ 276,441	$ 133,007

Pension Plan Fiduciary Net Position

Detailed information about the Plan’s fiduciary net position is available in the separately issued audited CalPERS financial report. A copy of the CalPERS Annual Comprehensive Financial Report can be obtained by submitting a written request to CalPERS at P.O. Box 942709, Sacramento, CA 94229-2709 or by visiting its website at www.CalPERS.ca.gov.

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pension

For the reporting fiscal year ended June 30, 2024, the plan recognized pension expense of $63,383. Pension expenses represent the changes in net pension liability recognized in the current reporting period adjusted for employee actual contributions, and the deferred recognition of changes in investment gain/loss, actuarial gain/loss, actuarial assumptions or method, and plan benefits.

Deferred outflows of resources and deferred inflows of resources represent the unamortized portion of changes to the net pension liability to be recognized in future periods in a systematic and rational manner.

The following are the sources of deferred outflows and deferred inflows of resources as of the measurement date at June 30, 2023:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	$ 19,223	$ —
Differences between expected and actual experiences	12,014	(8,910)
Net differences between projected and actual earnings on pension plan investments	44,386	—
Employer contributions for fiscal year 2024	59,212	—
Total	$ 134,835	$ (8,910)

Contributions made after the measurement date of the net pension liability but before June 30, 2024, totaling $59,212 will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2025.

Amounts reported as deferred outflows and deferred inflows of resources related to pension will be recognized as pension expenses in future periods as follows:

Fiscal Year Ended June 30	Deferred Outflows (Inflows) of Resources
2025	$ 16,514
2026	11,848
2027	34,595
2028	3,619
2029	137
Total	$ 66,713

Expected Average Remaining Service Lifetime (EARSL)

For the measurement period ending June 30, 2023, the EARSL for the plan is 5.1 years which was calculated by dividing the total service years of 27,114 (not in thousands) which represents the sum of remaining service lifetimes of the active employees, by 5,292 (not in thousands) which represents the total number of participants (active, inactive, and retired). The remaining service lifetimes is equal to zero for inactive employees and retirees. Also, total future service reflects the probability of decrements resulting from events other than receiving a cash refund.

LACMTA Administered Pension Plans

Plans Description

LACMTA established and administers five single-employer defined benefit plans, referring collectively as the "Plans". These Plans provide pension, disability, and death benefits to full-time employees in a work classification covered under collective bargaining agreements with the Sheet Metal, Air, Rail, Transportation, Transportation Division (SMART-TD), the Transportation Communication Union (TCU), the Amalgamated Transit Union (ATU), the American Federation of State, County and Municipal Employees (AFSCME) and one Plan for the Non-Contract (NC) employees which are not covered by a collective bargaining agreement. The assets of the five Plans are pooled together for investment purposes, but separate accounts are maintained for each retirement plan to pay for its benefit payments and other liabilities.

An annual audited stand-alone financial report for the Plans can be obtained by requesting a copy from the Accounting Department, One Gateway Plaza, Los Angeles, CA 90012-2952 or by visiting LACMTA's website at www.metro.net.

Benefits Provided

LACMTA provides retirement, disability, and death benefits. SMART-TD employees with 10 years of service and age 55, or 23 years of service, or 5 years of service and age 65 are eligible to retire. TCU and ATU employees with 10 years of service and age 55 or 23 years of service are eligible to retire. NC and AFSCME employees with 5 years of service and age 50 or 30 years of service (Old Plan only) or age 50 and active on April 1, 1993 are eligible to retire. Retirement benefits for SMART-TD, TCU, NC, and AFSCME employees are calculated as 1.67% of the employee's adjusted final compensation, which is computed as the average of highest 36 consecutive months of compensation less $133.33 (not in thousands). For the NC and AFSCME employees, New Plan participants are not eligible for the 30 and out benefit but receive an 8% higher benefits. For the ATU employees, the benefit increases beginning with 23 years of service and increases from there.

All SMART-TD, TCU, and ATU employees are eligible for disability benefits after 10 years of service and the retirement benefits are 2% of final compensation for each year of service.

NC and AFSCME employees are eligible after 10 years of service and age 50 and the retirement benefits are the same as normal retirement benefits. Death benefits for SMART-TD, TCU, and ATU employees equal member contributions with 5.5% interest and if vested, spouse will receive instead benefits payable under 100% Joint and Survivor (J&S) option had the employee retired before his or her death. For NC and AFSCME employees, the death benefits equal member contributions with 5.5% interest plus an amount equal to the member's monthly compensation earn at the date of death multiplied by years of service not to exceed six years and if eligible with 10 years of service, the spouse will receive instead benefits payable under 100% J&S option had the employee retired before his or her death. If no surviving spouse, 50% of life annuity that member would have received if he/she had retired on the date of death goes to surviving children.

Employees Covered by Benefit Terms

The table below shows the number (not in thousands) of active employees accruing benefits and retirees and beneficiaries receiving benefits based on the actuarial valuations as of December 31, 2022 for SMART-TD, TCU, NC, and AFSCME, and January 1, 2023 for ATU:

	SMART-TD	TCU	ATU	NC	AFSCME	Total
Retirees and beneficiaries receiving benefits and terminated/transferred employees entitled to receive benefits	2,740	544	1,510	1,083	208	6,085
Active employees accruing benefits under CalPERS	n/a	n/a	n/a	100	16	116
Active employees:						
Vested	1,468	340	1,176	12	8	3,004
Non-vested	2,073	443	1,080	—	—	3,596
Total	**6,281**	**1,327**	**3,766**	**1,195**	**232**	**12,801**

Contributions

LACMTA's funding policy is to make annual contributions to the Plans in amounts that, when combined with employees' contributions, fund the actuarially computed costs as they accrue. Actuarially computed costs are determined using the Projected Unit Credit Method except for the ATU Plan which uses the Entry Age Normal Method.

The employer and employee contributions are required by the plan agreements to be expressed as either a percentage of annual earnings applicable only to the ATU Plan, or as the dollar amount recommended by an actuary to finance the benefits as provided in the SMART-TD, TCU, NC, and AFSCME plans. This formula for making contributions to the Plans has been set by the respective Plans' collective bargaining agreements and can be

changed in future collective bargaining negotiations between LACMTA and their respective Plans.

The required contributions of LACMTA and its employees for FY24 were actuarially determined by the funding valuation reports dated December 31, 2022 for the SMART-TD, TCU, AFSCME, and NC retirement plans, and January 1, 2023 for the ATU retirement plan. The actuarially required contribution rate of salary for ATU employees is 4.35%, TCU plan is 2.70%, and SMART-TD is 7.04%. LACMTA's required contributions for the ATU Plan were 15.35% of covered payroll. For SMART-TD, TCU, AFSCME, Non-Contract, and ATU the required contributions were determined to be $23,453, $9,010, $788, $2,129, and $33,319, respectively. LACMTA's actual contributions for all SMART-TD, TCU, AFSCME, NC, and ATU were $23,453, $9,010, $788, $2,129, and $38,680, respectively, and are paid through the Internal Service Fund.

Net Pension Liability

Net pension liabilities for the SMART-TD, TCU, AFSCME and NC pension plans were measured as of June 30, 2023 and the total pension liabilities used to calculate the net pension liabilities were determined by actuarial valuations as of December 31, 2022 based on the actuarial experience study for the period from January 1, 2014 to December 31, 2017.

The ATU pension plan net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2023 based on the results of an actuarial experience study for the period from January 1, 2014 to December 31, 2017.

All Plans' projected total pension liabilities were rolled forward to the June 30, 2023 measurement date taking into consideration adjustments for benefit payments, expected growth in benefit obligations, changes in key assumptions, plan provisions, and any significant changes in plan demographics events.

Actuarial Assumptions

The table below summarizes the actuarial methods and assumptions applied to all periods included in the measurements as of June 30, 2023 as applicable to the plans:

	SMART-TD/TCU/AFSCME/NC	ATU
Actuarial cost method	Entry age normal	Entry age normal
Actuarial assumptions:		
Discount rate	7.00%	6.85%
Inflation	3.00%	2.50%
Salary growth rate	Varies by age from 3.75% to 17%	Negotiated CBA rate increases of July 1, 2022: 3.5%, July 1, 2023:3.5% and Quarterly Wage Adjustments of 0.25% on September 1, December 1, March 1, and June 1 during the period of the current CBA ending June 30, 2024. Thereafter, 2.25% - 12.00% based on age. An additional load of 2% is applied to the Actuarial Accrued Liability and Normal Cost for active and transfer participants to anticipate supplemental components of final average compensation upon retirement (1%) and increases in salary due to promotion (1%).
Long term expected return on assets	7.00% net of investment expense and gross of administrative expense	6.85% compounded annually, net of investment expense only
Mortality Rates	RP-2014 Blue Collar with generationally projected improvements using scale MP-2017	Annuities: Healthy participants: RP-2014 Blue Collar mortality tables for healthy employees and annuitants, projected to 2022 using scale BB. Disabled participants: RP-2014 Disabled Retiree Mortality Table. Lump sums: RP-2014 Blue Collar Mortality Tables for healthy annuitants projected to 2022 using scale BB, blended 85% Males and 15% Females.

Change of Assumptions

For the measurement date of June 30, 2023, there were no change in assumptions for SMART-TD, TCU, AFSCME and NC plans. For the ATU pension plan, there was no change in assumptions. Effective Jan. 1, 2023, the amortization method for recognizing unfunded liabilities was updated to a layered method. Under this method, the unfunded liability as of Jan. 1, 2023, is the initial unfunded liability that is amortized over a 15 year period. Each subsequent year's gain or loss is then amortized over a new 15-year period creating layers of staggered 15-year amortization period. Prior to Jan. 1, 2023: effective Jan. 1 2018, amortization period was reset to a fixed and declining 20-year period for 5 years with a 15-year rolling amortization period in effect thereafter.

Discount Rate

SMART-TD, TCU, AFSCME, and NC plans used the long-term actuarially determined discount rate of 7.00% while ATU used 6.85% discount rate to measure the total pension liabilities. The discount rate for all plans did not incorporate a municipal bond rate. The projection of cash flows to determine the discount rate assumed that the contributions from the employer and employee will be equal to the actuarially determined contribution rates or dollar amounts for the applicable fiscal years. In the event that the assumptions are not realized, then the contributions will be adjusted accordingly to match the change in liability.

The SMART-TD, TCU, AFSCME, and NC retirement plans long-term expected rate of return on pension plan investments was based on the actuary's proprietary January 1, 2018 capital market simulation model, where each return represents a 20-year geometric real return, (i.e. net of inflation).

The ATU plan long-term expected rate of return on pension plan investments was determined using a building-block method using best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation and reflect long-term expected real rates of return over a 10-year horizon.

Summarized below are the long-term real rates of return by asset class of the Plans:

	Long-term Expected Real Rate of Return		Target Asset Allocation	
Asset Class	TCU/AFSCME/ SMART-TD/NC	ATU	TCU/AFSCME/ SMART-TD/NC	ATU
Domestic equities	5.00%	7.59%	39.00%	36.00%
International equities	5.60%	10.73%	23.00%	26.00%
Fixed income	0.90%	4.51%	29.00%	29.00%
Real Estate	3.40%	6.50%	5.00%	5.00%
Alternative investments	3.80%	6.90%	3.00%	3.00%
Cash equivalents	0.30%	3.30%	1.00%	1.00%

Changes in the Net Pension Liability

Presented below is the aggregate changes in the pension plans' net pension liabilities for measurement period of July 1, 2022 to June 30, 2023.

	SMART-TD	TCU	AFSCME	NC	ATU	Total
Total pension liability – beginning of year	$ 990,158	$ 238,406	$ 62,395	$ 145,008	$ 799,533	$ 2,235,500
Service cost	25,676	8,067	75	233	26,225	60,276
Interest	68,927	16,929	4,178	9,778	55,036	154,848
Difference between expected and actual experience	14,811	(758)	1,021	(1,411)	8,773	22,436
Benefit payments paid from trust	(62,534)	(9,144)	(6,335)	(11,923)	(44,448)	(134,384)
Transfer (benefit payments originally paid by other plans)	(852)	(262)	663	634	(183)	—
Net change in total pension liability	46,028	14,832	(398)	(2,689)	45,403	103,176
Total pension liability – end of year	1,036,186	253,238	61,997	142,319	844,936	2,338,676
Fiduciary net position – beginning of year	776,974	192,892	52,362	115,874	693,185	1,831,287
Contributions - LACMTA	19,738	8,871	675	2,026	36,874	68,184
Contributions - Employees	22,294	3,726	—	—	13,388	39,408
Net investment gain	67,180	17,252	4,222	9,662	60,936	159,252
Benefit payments	(62,534)	(9,144)	(6,335)	(11,923)	(44,448)	(134,384)
Administrative expenses	(555)	(317)	(255)	(289)	(457)	(1,873)
Transfers (benefit payments originally paid by other plans)	(852)	(262)	663	634	(183)	—
Net change in fiduciary net position	45,271	20,126	(1,030)	110	66,110	130,587
Fiduciary net position – end of year	822,245	213,018	51,332	115,984	759,295	1,961,874
Net pension liability (asset) – end of year	$ 213,941	$ 40,220	$ 10,665	$ 26,335	$ 85,641	$ 376,802

Changes to the Plans

There are no significant changes nor subsequent events occurred that management is aware of that would impact the results between the measurement date of the net pension liabilities and LACMTA reporting date for the year ended June 30, 2024.

Significant Changes in Population Covered

There are no significant changes in the population covered that would impact the net pension liabilities reported above.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The table below presents the net pension liability (asset) of the Plans, calculated using the discount rate as well as what the Plans' net pension liability (asset) would be if it were calculated using a discount rate that is a percentage-point lower or a percentage-point higher than the current rate:

Plans' Net Pension Liability (Asset)	Discount Rate -1% 6.00%	Current Discount Rate 7.00%	Discount Rate +1% 8.00%	Discount Rate -1% 5.85%	Current Discount Rate 6.85%	Discount Rate +1% 7.85%
SMART-TD	$ 318,406	$ 213,941	$ 126,111			
TCU	64,980	40,220	19,462			
AFSCME	14,965	10,665	6,929			
NC	37,146	26,335	16,924			
ATU				$ 174,250	$ 85,641	$ 10,226

Pension Plans Fiduciary Net Position

Detailed information about the Plans' fiduciary net position is available in the separately issued audited financial reports. A copy of the financial reports can be obtained by submitting a written request to the Accounting Department, LACMTA, One Gateway Plaza, Los Angeles, CA 90012-2952.

Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pension

For reporting fiscal year ended June 30, 2024, LACMTA recognized pension expense of $78,674, which represents the change in net pension liability during the measurement period, adjusted for employee contributions and deferred recognition of changes in investment gain/loss, demographics and assumption changes.

Aggregate Pension Expenses by Plan	Amount
SMART-TD	$ 30,813
TCU	9,740
AFSCME	2,421
Non-contract	1,753
ATU	33,947
Total	$ 78,674

Deferred outflows of resources and deferred inflows of resources represent the unamortized portion of changes to net pension liability to be recognized in future periods in a systematic and rational manner.

The following are the sources of deferred outflows of resources and deferred inflows of resources as of the measurement date at June 30, 2023:

	Deferred Outflows of Resources	Deferred Inflows of Resources
SMART-TD		
Changes of assumptions	$ —	$ —
Differences between expected and actual experiences	17,129	(14)
Net differences between projected and actual earnings on investments	35,079	—
Employer contributions for fiscal year 2024	23,453	—
Total	$ 75,661	$ (14)
TCU		
Changes of assumptions	$ 18	$ —
Differences between expected and actual experiences	5,330	(6,701)
Net differences between projected and actual earnings on investments	8,814	—
Employer contributions for fiscal year 2024	9,010	—
Total	$ 23,172	$ (6,701)
AFSCME		
Changes of assumptions	$ —	$ —
Differences between expected and actual experiences	—	—
Net differences between projected and actual earnings on investments	2,236	—
Employer contributions for fiscal year 2024	788	—
Total	$ 3,024	$ —
NC		
Changes of assumptions	$ —	$ —
Differences between expected and actual experiences	—	—
Net differences between projected and actual earnings on investments	4,721	—
Employer contributions for fiscal year 2024	2,129	—
Total	$ 6,850	$ —
ATU		
Changes of assumptions	$ 15,380	$ —
Differences between expected and actual experiences	5,180	—
Net differences between projected and actual earnings on investments	31,930	—
Employer contributions for fiscal year 2024	38,680	—
Total	$ 91,170	$ —
TOTAL MTA		
Changes of assumptions	$ 15,398	$ —
Differences between expected and actual experiences	27,639	(6,715)
Net differences between projected and actual earnings on investments	82,780	—
Employer contributions for fiscal year 2024	74,060	—
Total	$ 199,877	$ (6,715)

Contributions made after the measurement date of the net pension liability but before the end of June 30, 2024 totaling $74,060 will be recognized as a reduction of the net pension liability in fiscal year ending June 30, 2025.

Deferred inflows of resources resulting from net differences between projected and actual earnings on investments are amortized over five years, all other deferred outflows or inflows of resources will be amortized over their remaining service lives.

The following amounts reported as deferred outflows of resources related to pension that will be recognized in future periods as pension expense:

	Deferred Outflows (Inflows)					
Fiscal Year Ended June 30	**SMART-TD**	**TCU**	**AFSCME**	**NC**	**ATU**	**Total**
2025	$ 12,770	$ 1,301	$ 329	$ 609	$ 12,332	$ 27,341
2026	7,228	436	(27)	(137)	7,430	14,930
2027	33,719	7,524	2,081	4,626	30,397	78,347
2028	(1,523)	(1,557)	(147)	(376)	(37)	(3,640)
2029	—	(243)	—	—	1,845	1,602
2030	—	—	—	—	523	523
Total	$ 52,194	$ 7,461	$ 2,236	$ 4,722	$ 52,490	$ 119,103

Payable/Receivable to the Pension Plan

At June 30, 2024, the pension plans reported a net receivable of $1,682 for the outstanding amount of Medicare Part B premium reimbursements to the retirees advanced by the pension plans for the year ended June 30, 2024.

Aggregate Amounts

For FY2024, LACMTA recognized amounts related to pensions across all five LACMTA administered pension plans and the Miscellaneous plan administered by CalPERS as follows:

	Deferred Inflows of Resources	**Deferred Outflows of Resources**	**Net Pension Liability**	**Pension Expenses**
CalPERS	$ (8,910)	$ 134,835	$ 276,441	$ 63,383
LACMTA Plans	(6,715)	199,877	376,802	78,674
	$ (15,625)	$ 334,712	$ 653,243	$ 142,057

J. Other Postemployment Benefits (OPEB)

Plan Description

Plan Administration

On February 22, 2007, the Board adopted a resolution authorizing the establishment of an irrevocable Retiree Health Care and Welfare Benefits Trust (Plan). The Plan is a single-employer defined benefit plan administered by LACMTA to provide OPEB benefits, such as medical, dental, vision, life insurance, and similar benefits offered by LACMTA to its active and retired employees. The Plan covers benefits administered by LACMTA for Non-Contract employees and employees represented by AFSCME and the Teamsters and for the contractual obligations to the respective Union Health and Welfare Trusts for employees represented by ATU, TCU, and SMART-TD. The benefits, coverage levels, employee contributions and employer contributions are either governed/amended by the policies established by the LACMTA's Board, collective bargaining agreements, or the Union Health and Welfare Trusts. Generally, eligibility for coverage is based on the employee's service and age.

As of January 1, 2023, plan membership consisted of the following (not in thousands):

Actives	10,148
Retirees Pre-65	1,143
Retirees Post-65	5,090
Total	16,381

Plan Accounting Practices

Basis of Accounting - The Plan's financial statements have been prepared using the accrual basis of accounting. Revenues are recognized when earned and expenses are recorded when incurred.

Contributions and Benefits - Plan member contributions are recognized in the period in which the contributions are due. LACMTA contributions are funded in accordance with the funding policy as described below. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan.

Method Used to Value Investments - Investments are reported at fair value based on the fair value hierarchy at fiscal year-end. Investment income is recognized on an accrual basis. Gains and losses on sales and exchange of securities are recognized on the trade date. Gains or losses on sales of securities are measured on the basis of average cost.

The statement of fiduciary net position and statement of changes in fiduciary net position of the OPEB Plan are presented in the Other Supplementary Information on pages 175-176. An

annual unaudited stand-alone financial report is prepared for the Plan and can be obtained by requesting a copy from the Accounting Department, LACMTA, One Gateway Plaza, Los Angeles, CA 90012-2952

Benefits Provided

LACMTA pays for a portion of eligible retirees' medical, dental, and vision plan premiums for groups covered under the LACMTA and Union plans. Employees who meet the eligibility requirements receive benefits for themselves and their dependents.

Funding Policy (Contributions)

Member Contribution

The contributions made by Non-Contract, AFSCME, and Teamsters retirees are established and approved by the Board. Generally, the contribution is calculated as a percent of the premium cost. Service of 25 years or more is required in order to qualify for the active employee contribution rate. For each year of service less than 25 years, the retiree pays an additional 4% of LACMTA's cost. Contributions are remitted by LACMTA to the Plan.

The Union Health and Welfare Trusts establish the plan member contribution rates. ATU contributions are $80 per month for retirees less than 65 years of age and $60 per month for retirees more than 65 years of age. TCU contributions are $45 per month with additional contributions of $15 per month for dependent coverage for retirees less than 65 years of age. There are no required contributions for retirees more than 65 years of age. SMART -TD contributions are $100 per month with no additional contribution for dependent coverage for retirees less than 65 years of age. There are no required contributions for retirees more than 65 years of age. Contributions made by retirees represented by ATU, TCU, and SMART-TD are directly remitted to their respective union healthcare trusts. Dollar amounts are not in thousands.

LACMTA Contribution

LACMTA's funding policy is to contribute the direct "pay-as you go" costs as determined by premium/claim payments and union healthcare trust contractual contributions, plus $5,000, subject to budget review annually. The determination to actually deposit some or all of the contributions is addressed in each year's annual budget process. In FY24, the budget review has resulted in no contribution.

Changes in Net OPEB Liability and Related Ratios

The Plan's Net OPEB Liability was measured as of June 30, 2023. The total OPEB liability used in the calculation of the Net OPEB Liability was determined by the actuarial valuation as of January 1, 2023 applied to all periods included in the measurement, unless otherwise specified.

The actuarial valuation used in the January 1, 2023 valuation was rolled forward to the June 30, 2023 measurement date.

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balance at June 30, 2023	$ 1,385,013	$ 444,806	$ 940,207
Changes for the year			
Service cost	56,808	—	56,808
Interest on the total OPEB liability	62,417	—	62,417
Changes of assumptions	(278,730)	—	(278,730)
Difference between expected and actual experience	(230,305)	—	(230,305)
Contribution - employer	—	21,804	(21,804)
Net investment income	—	35,531	(35,531)
Benefit payments, including refunds of employee contributions	(47,020)	(47,020)	—
Administrative expense	—	(283)	283
Net changes during 2023-24	(436,830)	10,032	(446,862)
Balance at June 30, 2024	$ 948,183	$ 454,838	$ 493,345

No significant changes between measurement date at June 30, 2023 and the reporting date at June 30, 2024 were known to management to have a significant effect on the net OPEB liability. Administration expenses are based on current year expenses and are projected at 2.5% down from previous rate of 3.0% per annum inflation assumption.

The discount rate was changed from 4.40% in 2022 to 6.00% in 2023 and the same investment rate of return of 6.90% in 2022 was used in 2023.

Actuarial Assumptions

Actuarial Cost Method	Entry Age Normal
Discount rate	6.00%
Payroll increases	3.50%
Investment rate of return	6.90%
Inflation	2.50%
Mortality	Pub-2010 headcount-weighted tables for all income levels with fully generational projection from 2010 using improvement scale MP-2021
Healthcare cost trend rates	Medicare Pre 65: 6.75% in 2023 reducing to 4.50% ultimate in 2032 (revised since prior valuation)
	Medicare Post 65: 7.00% in 2023 reducing to 4.50% ultimate in 2033 (revised since prior valuation)
	Dental and Vision: 4.50% per year
	Administrative: 2.5% per year

The January 1, 2023 valuation was based on the census data provided as of January 1, 2023 and only current active and retired participants are valued in this actuarial study. Future new entrants or any projected growth in LACMTA's employee population are not considered.

The measurement period for fiscal year ended June 30, 2024 is July 1, 2022 through June 30, 2023. For purposes of calculating the net OPEB liability as of June 30, 2024, the beginning balance of the measurement period, a discount rate of 6.00% was used under the Entry Age Normal cost method.

To project the long-term expected rate of return on the Plan's investments, a building-block method was used to estimate ranges of expected future real rates of return (expected returns, net of the Plan investment expense and inflation) for each major asset class.

The long-term expected rate of return, the long-term market return expectations as well as the expected Plan fund cash flows were taken into account in projecting the long-term expected rate of return. These cash flows were developed assuming that both members and

LACMTA will make the projected "pay-as you-go" contributions plus $5,000, on time and as scheduled, in all future years. Using historical returns of all the Plan's asset classes, expected compound (geometric) returns were calculated over the long-term (30 plus years) net of administrative expenses. Expected nominal returns for the long-term were used to calculate the present value of benefits for the Plan.

The table below reflects long-term expected real rates of return by asset class. The projected rates of return were calculated using the capital market assumptions.

Asset Class	Strategic Allocation	Long-Term Expected Real Rate of Return
U.S. Equity	39.00%	7.50%
International Equity	18.50%	7.10%
U.S. Fixed Income	26.00%	4.70%
Emerging Markets Equity	7.50%	7.40%
Real Estate Investment Trusts (REITS)	3.50%	7.00%
Private Real Estate	3.50%	7.20%
Liquidity	2.00%	2.70%

The actual rate of return as of June 30, 2024 was 11.14%. Prior year information can be found in the Required Supplementary Information on page 161.

Discount rate

The discount rate used to measure the total OPEB liability as of June 30, 2023 was 6.00%. This rate is based on the single equivalent rate using 1) the expected investment return (i.e., 6.90%) for the period assets are projected to be sufficient to pay plan benefits and 2) the July 1, 2023 S&P Municipal Bond 20 Year High Grade Rate Index (i.e., 4.13%) thereafter applied to projected benefit payments.

Investments

Investment policy

Pursuant to a resolution adopted by LACMTA's Board of Directors, the Chief Executive Officer appointed a three-person Investment Advisory Committee (the "Committee") as trustee of the Plan to oversee the policies and procedures related to the operation and administration of the Plan. The Committee has authority to implement the investment policy and guidelines related to the investment of the Plan's assets. The Committee is composed of the Chief Financial Officer as Chairman, the Treasurer, and the Chief Risk, Safety and Asset Management Officer.

It is the goal and objective of the Committee to achieve long-term growth by maximizing the long-term rate of return on investments and minimizing the risk of loss in fulfilling the Plan's current and long-term obligations. The Plan's assets are managed by investment managers who have to comply with policies and procedures set forth in the investment policy.

To achieve the Trust's investment objectives and to balance between risk and return, the Committee allocated assets into two broad classes called Investment Assets and Liquidity Assets. The Investment Assets will be invested based on the target range in order to achieve

an average total annual rate of return that is equal to or greater than the Plan's assumed investment rate of return of 6.9%. The Liquidity Assets will be mainly cash and cash equivalents used to pay for benefits and expenses of the Plan.

The Committee has adopted the following asset allocation as of June 30, 2023:

	Asset Weightings	
Asset Classes	**Range**	**Target**
Domestic Equity	29% - 49%	39%
International Equity	16% - 36%	26%
Other Equity/Inflation Hedge	0% - 17%	7%
Fixed Income	16% - 36%	26%
Cash Equivalent	0% - 10%	2%

As of June 30, 2023, the OPEB Plan's cash and investments consisted of the following:

Fixed Income:		
U.S Agency Securities	$	43,737
U.S. Treasury Securities		19,371
Debt Securities:		
Domestic Corporate Bonds		37,614
Foreign Corporate Bonds		5,130
Pooled Funds:		
Money Market Funds		11,185
Mutual Funds		278,425
Non-Real Estate Funds		36,710
Real Estate Funds		24,293
Total cash and investments	$	456,465

Note: Money Market Funds are classified as cash and cash equivalents on the OPEB financial statements.

The Plan categorizes its fair value investments within the fair value hierarchy established by GASB 72, "*Fair Value Measurement and Application",* that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives highest priority to unadjusted quoted market prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3) as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the agency has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;

- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Typically, the fair value reflects management's estimates of assumptions that market participants would use in pricing the asset or liability.

Investments measured at Net Asset Value (NAV) as a practical expedient for fair value are not categorized within the fair value hierarchy.

U.S. Treasury obligations and domestic securities are classified as Level 1 and are valued using prices in active markets for identical assets. Debt securities, mutual and money market funds, and U.S. Agencies securities are classified as Level 2 and are valued using inputs that are observable but not active using the market approach. These inputs include matrix pricing models and comparisons to prices of similar assets.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level (in terms of reliability) of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

As of June 30, 2023, the following are OPEB Trust's investments set forth by level, within the fair value hierarchy:

	Level 1	Level 2	Total
Fixed Income:			
U.S. Agency Securities	$ —	$ 43,737	$ 43,737
U.S. Treasury Securities	19,371	—	19,371
Debt securities:			
Domestic Corporate Bonds	—	37,614	37,614
Foreign Corporate Bonds	—	5,130	5,130
Pooled Funds:			
Money Market Funds	—	11,185	11,185
Mutual Funds	—	278,425	278,425
Total	$ 19,371	$ 376,091	395,462
Investments measured at the net asset value:			
Pooled funds:			
Non-real estate funds			36,710
Real estate funds			24,293
Total investments measured at net asset value			61,003
Total investments			$ 456,465

	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Pooled Funds:				
Non-real estate funds	$ 36,710	$ —	Monthly	5 days
Real estate funds	24,293	—	Quarterly	90 days
Total	$ 61,003			

The fair value of the pooled funds invested in real estate and non-real estate holdings via our limited partnerships (LPs) is based upon the OPEB Trust's proportionate interest in the LP's capital (i.e. NAV). The fair value of the real estate and non-real estate holdings owned by the LPs is based on the estimated fair value of the respective LP's consolidated financial statements.

Non-real estate funds - this type consists of a single fund which invests in international securities. In regard to the WCM fund, funds can be redeemed at any time based on the redemption clauses with a minimum distribution threshold set at $100 and a minimum account balance set at $1,000.

Real estate funds - this type consists of 2 funds which invests in U.S. commercial and residential real estate. In regard to the Prudential fund, there are no redemption restrictions in place, and funds can be redeemed at any time based upon the redemption clauses. In regard to the LEM V fund, redemptions requested by investors are not allowed, and funds will only be distributed to the investors as the fund investments are sold based upon the discretion of the fund's management team.

The following table shows the cash equivalents and investments held by the trustee for the benefit of the OPEB Trust in accordance with the provisions of the trust agreement as of June 30, 2023:

Investment Type	Total	Weighted Average Duration (in years) per Investment Type	Concentration of Investments	Ratings
Domestic Corporate Bonds	$ 37,614	5.6840	8.24 %	Not Rated to AAA
Foreign Corporate Bonds	5,130	5.2689	1.12 %	B- to AAA
Money Market Funds	11,185	0.0027	2.45 %	AAA
Mutual Funds	278,425	0.0027	61.00 %	Not Rated
Non-Real Estate Funds	36,710	0.0027	8.05 %	Not Rated
Real Estate Funds	24,293	0.0027	5.32 %	Not Rated
U.S. Agency Securities	43,737	6.4702	9.58 %	
U.S. Treasury Securities	19,371	9.7241	4.24 %	
Total	$ 456,465		100.00 %	

The weighted average duration is calculated using the investment's effective duration weighted by the investment's fair value.

Risk

In accordance with GASB Statement No. 40, *Deposit and Risk Disclosure - an Amendment of GASB Statement No.3,* certain required disclosures regarding investment policies and practices with respect to credit risk, concentration of credit risk, custodial credit risk, interest rate risk, and foreign currency risk are discussed in the following paragraphs:

Credit Risk

Investments are subject to credit risk, which is the chance that an issuer will fail to pay principal or interest in a timely manner, or that negative perceptions of the issuer's ability to make these payments will cause price to decline. The table above summarizes the fair value of investments that are included in the restricted and unrestricted cash and investments and the related credit ratings. The OPEB Plan maintains policies to manage credit risks, which include requiring minimum credit ratings issued by nationally recognized statistical rating organizations and maintaining diversified investments using target asset allocation ranges encompassing a long-term perspective.

Concentration of Credit Risk

Concentration of credit risk is the risk associated with a lack of diversification or having too much invested in a few individual securities. As disclosed above, the OPEB Plan maintains investment policies that establish thresholds for holdings of individual securities. OPEB Plan did not have any holdings meeting or exceeding these threshold levels as of June 30, 2023.

As of June 30, 2023, with the exception of investments that are explicitly guaranteed by the U.S. government, OPEB did not have any investments with more than 5% of the total investments under one issuer except for the following limited partnership and money market/ mutual funds:

	Total	Concentration of Credit Risk
Vanguard	$ 232,742	50.99 %
Lazard	40,052	8.77 %
WCM Focused International	36,710	8.05 %

Custodial Credit Risk

For deposits, custodial credit risk is the risk that in the event of a bank failure, the OPEB Trust's deposits in the possession of an outside party may not be returned. Deposits are exposed if they are not insured or are not collateralized. As of June 30, 2023, there are no deposits at any financial institutions other than the OPEB Trust's custodian.

For an investment, custodial credit risk is the risk that, in the event of the failure of the counter party, the OPEB Trust will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. Investment securities are exposed to custodial credit risk if they are not insured or are not registered in the OPEB Trust's name and held by the counter party. As of June 30, 2023, investments are held by the OPEB Trust's custodian in the OPEB Trust's name.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The OPEB Trust adopted a long-term investment horizon such that the chances and duration of investment losses are carefully weighed against the long-term potential for appreciation of assets. The plan currently maintains the interest rate risk consistent with its long-term investment horizon.

Foreign Currency Risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair values of the cash deposits or investments. As of June 30, 2023, there was no exposure to foreign currency risk as all OPEB investments are denominated in U.S. dollar currency.

Rate of Return

For the fiscal year ended June 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 8.22%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the Plan, as well as what the Plan's net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.00%) or 1-percentage-point higher (7.00%) than the current discount rate for the fiscal year ended June 30, 2023:

	Discount rate -1% (5.00%)	Current Discount Rate (6.00%)	Discount Rate +1% (7.00%)
Net OPEB Liability	$ 607,741	$ 493,345	$ 396,705

Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the effect of healthcare cost trend sensitivity on the total OPEB liability if it was calculated using healthcare cost trend rates that are 1-percentage-point lower

or 1-percentage-point higher than the Trend Rate and net OPEB liability for the fiscal year ended June 30, 2023:

	1% Decrease	Trend Rate	1% Increase
Net OPEB Liability	$ 386,849	$ 493,345	$ 626,602

OPEB Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to OPEB

For reporting fiscal year ended June 30, 2024, LACMTA recognized OPEB expense of ($87,952) which represents the change in net OPEB liability during the measurement period, adjusted for employee contribution and deferred recognition of changes in investment gain/ loss, demographics and assumption changes.

Deferred outflows of resources and deferred inflows of resources represent the unamortized portion of changes to net OPEB liability to be recognized in future periods in a systematic and rational manner.

The following are the sources of deferred outflows of resources and deferred inflows of resources as of the measurement date at June 30, 2023:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of Assumptions	$ 72,319	$ (477,919)
Difference Between Expected and Actual Experiences	—	(338,565)
Net Differences Between Projected and Actual Earnings on OPEB Plan Investments	23,132	—
Total	$ 95,451	$ (816,484)

Deferred inflows of resources resulting from net differences between projected and actual earnings on investments are amortized over five years, all other deferred outflows or inflows of resources will be amortized over their estimated average remaining service life.

Amounts recognized in the deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the OPEB expense in future years as follows:

Fiscal Year Ended June 30	Deferred Outflows (Inflows) of Resources
2025	$ (142,627)
2026	(137,290)
2027	(76,388)
2028	(112,712)
2029	(95,796)
2030	(156,220)
Total	$ (721,033)

Payable/Receivable to the Pension Plan

At June 30, 2024, the OPEB plan reported a $1,682 payable to the LACMTA Employees' Retirement Plans for the Medicare Part B premium reimbursements to the retirees advanced by the pension plans for the year ended June 30, 2024.

K. Pollution Remediation Obligation

LACMTA follows the guidance of GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations,* establishing accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities such as site assessments and cleanups.

LACMTA is responsible for the pollution remediation obligations for various facilities and capital projects. These facilities and projects include those with known soil and/or groundwater impacts or either current or anticipated future obligations involving contamination of soil or groundwater at locations not controlled by LACMTA.

LACMTA calculates expected outlays related to this pollution remediation using established potential environmental liability estimates for three different cost categories namely, external remediation costs, internal administration costs, and litigation and settlement costs, where each cost category has a different way to estimate the costs.

External remediation costs are estimated on a life cycle basis through retirement of the pollution remediation obligations or using a forecasted, year-by-year scope of the remaining project life cycles to the point of No Further Action (NFA), i.e. closure. The scoping period for newly identified sites and for the continuance of other identified obligation at other sites was assumed to start on July 1, 2022.

Internal administration costs estimate labor using the full time equivalent (FTE) basis. An FTE value of $200,000 (amount not in thousands) per annum is multiplied by the annual FTE count anticipated for each site and the projected duration period required to retire the pollution remediation obligations.

Litigation and settlement costs are based on LACMTA's proportionate share of cleanup and remediation costs at each cleanup site that received LACMTA’s generated hazardous waste, based on volume, ongoing remediation costs, and prior years’ expenses.

The remediation obligation estimates as of June 30, 2024 are subject to change over time. Costs may vary due to price fluctuations, changes in technology, changes in potential responsible parties, results of environmental studies, changes to status and regulations, and other factors that could result in revisions to these estimates.

Prospective recoveries from responsible parties may reduce LACMTA's obligation. Capital assets may be created when pollution outlays are made under specific circumstances. LACMTA is not expecting recovery from other responsible parties.

As of June 30, 2024, LACMTA has an estimated pollution remediation obligation of $9,278 related to soil and/or groundwater pollution cleanup activities. Currently, LACMTA does not have any liabilities for pollution remediation activities for possible liabilities which are not reasonably estimable.

L. Certain Asset Retirement Obligations

In FY2019, LACMTA implemented GASB Statement No. 83, *Certain Asset Retirement Obligations*, which addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. Under GASB Statement No. 83, recognition of an ARO is to occur when the liability is incurred and reasonably estimable. As of FY2024, LACMTA determined that it had incurred an ARO liability with respect to the removal of thirty three (33) underground storage tanks (USTs). All of these USTs are scheduled to be permanently removed from service by the end of the 2029 fiscal year. Both of the following obligating events apply to the 33 USTs:

a. External Obligating Event: The 33 USTs are subject to legal requirements associated with their removal as outlined in 40 CFR 280, Subpart G and 23 CCR 2672.
b. Internal Obligating Event: Although LACMTA's ARO for the 33 USTs is not contamination-related, the placement of these USTs into service represents an internal obligating event.

LACMTA's ARO relates to the removal of the USTs and associated appurtenances in accordance with applicable regulations. Activities associated with the ARO include the following:

a. Acquisition of UST removal permits
b. Removal of existing flatwork and associated appurtenances (e.g., piping, electrical connections, sensors, vent lines, etc.)
c. Excavation of soil and backfill material to expose the USTs and related features
d. Removal of UST and piping contents
e. Decontamination, removal and disposal of the UST and piping
f. Disposal of the USTs, associated appurtenances and debris
g. Collection and laboratory analysis of confirmation soil samples
h. Backfilling and resurfacing to match existing grade
i. UST removal reporting

The 33 USTs range in size from 500 to 30,000 gallons. They are located at 9 separate LACMTA facilities and were installed at various times between 1987 and 2014. Thus, LACMTA's UST population ranges in age from approximately 10-37 years. The generally

accepted anticipated life expectancy of a UST is approximately 30 years. The estimated remaining service life of LACMTA's USTs is variable with 5 of 33 (15%) USTs beyond their estimated useful life of 30 years, and 4 of 33 (12%) USTs having an estimated remaining useful life of 5 years or greater. However, LACMTA is planning to permanently remove all of the existing USTs from service by the end of fiscal year 2029.

Quantitative estimates of the retirement costs for LACMTA USTs were originally calculated for FY 2019. These estimated costs were presented in the GASB 83 Technical Memorandum dated August 7, 2019. The most recent estimate of retirement costs for FY 2024 were presented in GASB 83 Technical memorandum dated September 24, 2024. Estimated retirement costs were provided by LACMTA's Environmental Compliance and Sustainability staff and are based on actual direct costs incurred by LACMTA for USTs that were removed in recent years. These costs include direct costs associated with planning, permitting, physical removal, decontamination, and disposal of USTs and related infrastructure, as well as backfilling and site restoration necessary to restore the site for its continued use. In the time since the initial estimate of retirement costs was prepared, LACMTA has removed forty (40) USTs from service, the costs of which has been recorded as current period expenses. These assets are considered retired for the purpose of this update and are excluded from future liability projections.

An external environmental consultant reviewed the estimated costs and determined that the values provided by LACMTA represent most likely estimates of current costs if the removal activities were performed in FY 2019. The FY 2024 value of all future outlays associated with the remaining LACMTA USTs is $ 12,069. Sixteen (16) USTs were removed during FY2024. Based on LACMTA's removal schedule and FY2024 estimate of costs, the estimated retirement costs by year through FY 2029 including the amount for inflation adjustment, is provided below:

a. FY 2025 – $ 941
b. FY 2026 – $ 945
c. FY 2027 – $ 353
d. FY 2028 – $ 3,057
f· FY 2029 – $ 6,773

UST costs and related depreciation are reported under buildings and improvement and the associated ARO will be budgeted similar to a capital expenditure, hence, the estimated liabilities have been budgeted through fiscal year 2029.

M. Long-term Debt

LACMTA's long-term debt activities for the year ended June 30, 2024 are summarized as follows:

Type of Issue	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
BUSINESS-TYPE ACTIVITIES					
Other debt					
Commercial paper notes	$ 95,000	$ —	$ (95,000)	$ —	$ —
Sales tax revenue and refunding bonds	5,162,455	157,005	(385,850)	4,933,610	243,440
General revenue bonds	52,290	—	(9,495)	42,795	9,945
Unamortized bond premium (1)	956,743	21,874	(79,079)	899,538	—
Total other debt	6,266,488	178,879	(569,424)	5,875,943	253,385
Lease/leaseback liability	84,925	5,217 (2)	—	90,142	(5,541) (3)
Long-term leases	30,383	11,415	(8,919)	32,879	7,507
Long-term subscription-based IT arrangements	12,673	15,036	(12,957)	14,752	5,437
Net Business-type activities long-term debt	**$ 6,394,469**	**$ 210,547**	**$ (591,300)**	**$ 6,013,716**	**$ 260,788**
GOVERNMENTAL ACTIVITIES					
Long-term leases	1,913	777	(440)	2,250	497
Long-term subscription-based IT arrangements	368	461	(582)	247	173
Other liabilities	1,500	—	(1,500)	—	
Net Governmental activities long-term debt	**$ 3,781**	**$ 1,238**	**$ (2,522)**	**$ 2,497**	**$ 670**

(1) Unamortized bond premium/discount are associated with the issuance of sales tax revenue and refunding bonds and general revenue refunding bonds.

(2) Additions represent loan accretion, which is the accrued interest, or a portion thereof, added to the principal amount.

(3) Negative amount due within one year represents interest accretion to the principal.

Direct Borrowings/Direct Placements

Revolving Line of Credit

As of June 30, 2024, LACMTA had no outstanding obligation on its Prop C Revolving Credit facility. Information on its authorized and unused capacities are summarized below:

Series	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Authorized Amount	Unused Capacity
Proposition C revolving credit	$ —	$ —	$ —	$ —	$ 150,000	$ 150,000

The Revolving Credit Agreement effective June 1, 2022, entered with Bank of the West, authorizes LACMTA to issue up to $150,000 in Subordinate Proposition C Sales Tax Revenue Revolving Obligations, with an expiration date of May 30, 2025. Pursuant to the terms of the Proposition C Revolving Credit Agreement, revolving obligations bear interest at variable rates and LACMTA can convert any outstanding Proposition C revolving obligations to a term loan that will be payable in equal installments over the amortization period following May 30, 2025.

Upon the occurrence of an Event of Default under the Revolving Credit Agreement, the Lender may take one or more of the following actions: (i) by written notice to the Authority, declare the outstanding amount of the Obligation under the Revolving Credit Agreement to be immediately due and payable; (ii) direct the Trustee and the Authority, as applicable, to cause a mandatory redemption of the Notes or take such other remedial action as is provided for in the Proposition C Trust Agreement; (iii) by written notice to the Authority, reduce the Available Commitment to zero and thereafter the Lender will have no further obligation to make Advances and/or may terminate the Commitment; (iv) take whatever action as may appear necessary or desirable to collect the amounts due and payable under the Related Documents or enforce performance or observance of any obligation, agreement or covenant under the Related Documents; (v) cure any Default, Event of Default or event of nonperformance under the Revolving Credit Agreement or any Related Document; provided, however, that the Lender shall have no obligation to effect such cure; and (vi) exercise any and all remedies as it may have under the Related Documents.

Provided, however, that the Lender shall not declare the outstanding amount of the Obligation under the Revolving Credit Agreement to be immediately due and payable or cause a mandatory redemption of Notes until seven days after the occurrence of certain Events of Default under the Agreement. Notwithstanding the foregoing, if any other holder or credit enhancer of Debt or any counterparty under any Swap Contract related thereto causes any such Debt or other obligations of the Authority to become immediately due and payable, the Lender may immediately avail itself of certain remedies set forth in the Revolving Credit Agreement and/or declare the unpaid principal amount of all outstanding notes, all interest accrued and unpaid thereon and all other amounts owing or payable under the Revolving Credit Agreement to be immediately due and payable.

Other Debt

Sales Tax Revenue and Sales Tax Revenue Refunding Bonds

Sales tax revenue and refunding bonds outstanding as of June 30, 2024 are as follows:

Bond Series	Original Borrowing	Year Issued *	Final Maturity *	Interest Rates to Maturity	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
Proposition A									
2014A	$ 135,715	2014	2035	3.00 to 5.00%	$ 94,320	$ —	$ (94,320)	$ —	$ —
2015A	26,480	2015	2035	3.00 to 5.00%	18,405	—	(18,405)	—	—
2016 A	185,605	2016	2031	2.00 to 5.00%	104,265	—	(16,080)	88,185	17,305
2017A	471,395	2017	2042	5.00%	458,195	—	(13,855)	444,340	14,550
2017B	85,455	2017	2023	5.00%	43,770	—	(43,770)	—	—
2018A	13,890	2018	2031	3.00 to 5.00%	10,595	—	(965)	9,630	1,010
2019A	57,745	2019	2026	5.00%	31,285	—	(9,925)	21,360	10,420
2024A	114,325	2024	2042	5.00%	—	114,325	—	114,325	—
2024B	42,680	2024	2035	4.75%	—	42,680	—	42,680	—
				Sub-total	760,835	157,005	(197,320)	720,520	43,285
Proposition C									
2013A	138,960	2013	2023	2.00 to 5.00%	16,970	—	(16,970)	—	—
2016A	86,570	2016	2030	2.00 to 5.00%	56,540	—	(5,955)	50,585	6,250
2017A	454,845	2017	2042	4.00 to 5.00%	402,190	—	(12,165)	390,025	12,770
2019A	418,575	2019	2044	5.00%	418,575	—	—	418,575	15,140
2019B	126,425	2019	2036	5.00%	126,425	—	—	126,425	—
2019C	47,830	2019	2029	5.00%	30,530	—	(6,405)	24,125	6,725
2020A	28,265	2020	2023	5.00%	28,265	—	(28,265)	—	—
2021A	321,905	2021	2046	5.00%	321,905	—	—	321,905	7,770
2022A	40,475	2022	2028	5.00%	40,475	—	(10,105)	30,370	10,605
2023A	230,470	2023	2038	5.00%	230,470	—	—	230,470	11,195
				Sub-total	1,672,345	—	(79,865)	1,592,480	70,455
Measure R Senior bonds									
2010A	573,950	2010	2039	4.28 to 5.73%	506,305	—	(23,905)	482,400	24,670
2016A	522,120	2016	2039	3.00 to 5.00%	422,730	—	(17,675)	405,055	18,590
2021A	514,500	2021	2039	4.00 to 5.00%	472,620	—	(20,215)	452,405	21,225
				Sub-total	1,401,655	—	(61,795)	1,339,860	64,485
Measure R Junior Subordinate bonds									
2020A	1,356,095	2020	2037	5.00%	1,327,620		(46,870)	1,280,750	65,215
				Sub-total	1,327,620	—	(46,870)	1,280,750	65,215
				Total	$ 5,162,455	$ 157,005	$ (385,850)	$ 4,933,610	$ 243,440

* *Years stated are calendar year*

LACMTA issues sales tax revenue bonds to provide funds for the acquisition of revenue vehicles and construction of major capital projects. Sales tax revenue bonds are secured by the Los Angeles County voter approved Proposition A, Proposition C, or Measure R sales taxes, net of administration costs and allocations to local governments.

LACMTA issues sales tax revenue refunding bonds generally to reduce debt service costs by refinancing previously issued sales tax revenue bonds and/or commercial paper notes when more favorable interest rates or financing terms are available. Refunding may also be executed for reasons other than to achieve cost savings, such as to restructure the repayment schedule of the debt, to change the type of debt instruments being used, or to retire an indenture to remove undesirable covenants.

The principal amount is payable in annual installments on July 1 for Proposition A and Proposition C bonds, and on June 1 for Measure R bonds. Interest is payable semi-annually on January 1 and July 1 for Proposition A and Proposition C bonds, and on December 1 and June 1 for Measure R bonds.

In the event of a default on the Proposition A revenue and refunding bonds that occurs and continues, including the failure to pay the principal, redemption price, or interest of any bond, failure to perform any covenant or provision in this Agreement, voluntary bankruptcy of the Authority, a court-ordered bankruptcy of the Authority, a default that results in the acceleration of the principal and interest of such debt, the use of funds from the Reserve Fund to pay principal and/or interest on the Bonds without restoring that amount to the Reserve Fund, a failure to collect Proposition A Tax or to pay the pledged tax to the Trustee, or any other event of default provided in a Supplemental Agreement, the Trustee will apply all pledged revenues and other funds held except where otherwise provided in the Agreement, after payment of reasonable fees and expenses of the Trustee and costs and expenses resulting in the collection of such monies, in the following order: (1) payment of all installments of interest then due on the Bonds, in the order of maturity, with applicable interest; (2) payment of unpaid principal of the Bonds, in the order of maturity, with applicable interest. Upon a default event, the Trustee shall upon the written request of holders of 25% of the principal amount of Bonds outstanding and subject to acceleration, declare same to be immediately due and payable.

In the event of a default on the Proposition C revenue and refunding bonds that occurs and continues, including the failure to pay the principal, redemption price, or interest of any bond, failure to perform any covenant or provision in this Agreement, voluntary bankruptcy of the Authority, a court-ordered bankruptcy of the Authority, or a court assumes control of the Authority or its Pledged Revenues, as described and defined in this Agreement, the Trustee will apply all pledged revenues and other funds held except where otherwise provided in the Agreement, after payment of reasonable fees and expenses of the Trustee and costs and expenses resulting in the collection of such monies, in the following order: (1) payment of all installments of interest then due on Senior Bonds and Senior Parity Debt, in

the order of maturity, with applicable interest; (2) payment of unpaid principal of Senior Bonds and Senior Parity Debt, in the order of maturity, with applicable interest.

In the event of a default on the Measure R revenue and refunding bonds that occurs and continues, including the failure to pay the principal, redemption price, or interest of any bond, failure to perform any covenant or provision in this Agreement, voluntary bankruptcy of the Authority, a court-ordered bankruptcy of the Authority, or a court assumes control of the Authority or its Pledged Revenues, as described and defined in this Agreement, the Trustee will apply all pledged revenues and other funds held except where otherwise provided in the Agreement, in the following order: (1) payment of any expenses necessary to protect the interest of the Bond Holders in declaring the event of default and reasonable fees and expenses of the Trustee; (2) payment of the whole amount of Bond Obligation then due for Senior Bonds; (3) payment of available Pledged Revenues to pay Subordinate Obligations; (4) payment of available Pledged Revenues to pay fees and expenses related to Senior and Subordinate Obligations; (5) payment of available Pledged Revenues to pay Bond Obligation then due for Junior Subordinate Obligations; (7) payment of all other obligations then due and payable. In no event, except as otherwise referenced to the contrary in this Agreement, are the Bonds and Subordinate Obligations subject to acceleration if any event of default occurs.

General Revenue Bonds

General revenue bonds are issued to generate financing for the acquisition, construction and major rehabilitation of capital assets. The general revenue bonds were issued to fund the cost of the LACMTA's 27-story headquarters building, including parking and related improvements. Refunding bonds were subsequently issued to refinance the original debt to achieve debt service savings. Both bonds were issued at a fixed rate.

General revenue refunding bonds outstanding as of June 30, 2024 are as follows:

Series	Original Borrowing	Year Issued	Final Maturity	Interest Rates to Maturity	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Due Within One Year
2015 Bonds	$ 64,770	2015	2027	3.00% - 5.00 %	$ 52,290	$ —	$ (9,495)	$ 42,795	$ 9,945

The principal amount is payable in annual installments on July 1 and interest is payable semi-annually on January 1 and July 1 for general revenue bonds.

In the event of a default on the general revenue and refunding bonds that occurs and continues, including the failure to pay the principal, redemption price, or interest of any bond, failure to perform any covenant or provision in this Agreement, voluntary bankruptcy of the Authority, a court-ordered bankruptcy of the Authority, or a court otherwise assumes control of the Authority or its Pledged Revenues, or any other event of default provided in a Supplemental Agreement as described and defined in this Agreement, the Trustee will apply all pledged revenues and other funds held except where otherwise provided in the

Agreement, after payment of reasonable fees and expenses of the Trustee and costs and expenses resulting in the collection of such monies, in the following order: (1) payment of all installments of interest then due on the Bonds, in the order of maturity, with applicable interest; (2) payment of unpaid principal of the Bonds, in the order of maturity, with applicable interest. Upon a default event, the Trustee shall upon the written request of holders of 25% of the principal amount of Bonds outstanding and subject to acceleration, declare same to be immediately due and payable.

Commercial Paper Notes

As of June 30, 2024, LACMTA had no outstanding balances on its commercial paper notes. Information on the amount of authorized and unused principal capacity are also shown below:

Series	Balance July 1, 2023	Additions	Reductions	Balance June 30, 2024	Authorized Amount	Unused Principal Capacity	
Proposition A Commercial Paper,Bank of America	$ 95,000	$ —	$ (95,000)	$ —	$ 150,000	$ 150,000	*(1)*
Measure R Commercial Paper, TD bank	—	—	—	—	150,000	150,000	
Total	$ 95,000	$ —	$ (95,000)	$ —	$ 300,000	$ 300,000	

(1) Prop A Commercial Paper Notes (CPN) outstanding obligations were refunded by the issuance of Prop A 2024A Sales Tax Revenue Refunding Bonds and Prop A 2024B Sales Tax Revenue Refunding Bonds in April 2024. Please refer to page 132 for more details.

LACMTA issues Commercial Paper Notes (CPN) to provide interim financing for construction and acquisition activities, including construction of transit and rail capital projects and rail right-of-way acquisitions. LACMTA operates two commercial paper programs, Proposition A CPN and Measure R CPN, to maintain access to a low cost and flexible source of capital financing. LACMTA taxable and tax-exempt series CPN are issued with maturity dates ranging from one to 270 days at various interest rates.

As of June 30, 2024, the Proposition A CPN program is authorized to issue up to $150,000 with supporting letter of credit. On June 24, 2022, LACMTA entered into a letter of credit with Bank of America for $150,000 which expires on June 24, 2025. LACMTA had no outstanding obligation on its Prop A CPN program as of June 30, 2024.

The Measure R CPN program has a $150,000 credit capacity. The letters of credit with Bank of America and State Street bank that supported the Measure R commercial paper program expired on October 27, 2022. On September 30, 2022, LACMTA replaced the letters of credit provided by Bank of America and State Street Bank with a letter of credit provided by TD Bank for a maximum principal amount of $150,000 that will expire on September 29, 2027. As of June 30, 2024, LACMTA had no outstanding obligation on its Measure R credit facility.

Under the terms of the commercial paper programs, maturing principal amounts can be rolled over by issuing new notes. It is the intention of LACMTA to pay the accrued interest and reissue the principal amounts as they mature. Therefore, the outstanding amounts are classified as non-current liabilities. LACMTA periodically retires CPN by issuing long-term, fixed rate bonds.

LACMTA's commercial paper programs are supported by direct-pay irrevocable letters of credit issued by Bank of America for Prop A CPN, and TD Bank for Measure R CPN. All banks are required to have a short-term credit rating of at least A-1/P-1. The letter of credit is drawn upon at each note maturity to pay the principal and interest due. Principal advanced by the banks and paid to the holders of the matured notes is reimbursed to the banks either by issuing new notes or by direct payment from LACMTA.

Interest is paid on a current basis from sales tax revenues. In the event that the CPN dealers are unable to remarket the commercial paper and/or LACMTA is unable to repay the interest or principal, the banks will incur an unreimbursed draw on the letters of credit. Unreimbursed draws are converted to term loans following a specified period of time. The term loan for Proposition A CPN is repayable beginning nine months after the commencement of the term loan, with quarterly principal payments over a period of four years and three months. The term loan for Measure R CPN is repayable beginning six months after the commencement of the term loan, with quarterly principal payments over a period of two years and six months. Interest is charged at rates specified in the applicable reimbursement agreements.

Upon the occurrence of an Event of Default under the letter of Credit supporting Proposition A Commercial Paper described in the Reimbursement Agreement, the Bank may take one or more of the following actions: (i) cause the Issuing and Paying Agent to make a final drawing on the Letter of Credit in an amount equal to the principal of the outstanding Notes plus interest to their maturity, after which the Letter of Credit shall terminate, (ii) cause the Issuing and Paying Agent to suspend issuance of additional Notes and upon the Bank honoring the drawing under the Letter of Credit to pay the last Note outstanding on its maturity date, the Letter of Credit shall terminate, (iii) on the maturity date of the last Note outstanding to mature, cause the Stated Amount of the Letter of Credit to be reduced to the principal amount of Notes then outstanding, (iv) cure any default, event of default or event of nonperformance under the Reimbursement Agreement or any of the other Related Documents or (v) exercise any other rights or remedies available under any Related Document, the Act or Ordinance No. 16 or any other agreement.

Upon the occurrence of certain Events of Default, the Bank may, by notice to the Authority and the Trustee, declare all outstanding Obligations of the Authority to be immediately due and payable (provided that the obligations of the Authority shall become automatically and immediately due and payable without such notice upon the occurrence of certain bankruptcy-related Events of Default unless such automatic acceleration is waived by the Bank in writing).

Upon the occurrence and during the continuance of an Event of Default relating to Letter of Credit supporting Measure R Commercial Paper described in the Reimbursement Agreement, the Bank may take one or more of the following actions: (i) cause the Issuing and Paying Agent to make a final drawing on the Letter of Credit in an amount equal to the principal of the outstanding Notes plus interest to their maturity, after which the Letter of Credit shall terminate, (ii) cause the Issuing and Paying Agent to suspend issuance of additional Notes and upon the Bank honoring the drawing under the Letter of Credit to pay the last Note outstanding on its maturity date, the Letter of Credit shall terminate, (iii) on the maturity date of the last Note outstanding to mature, cause the Stated Amount of the Letter of Credit to be reduced to the principal amount of Notes then outstanding, (iv) cure any default, event of default or event of nonperformance under the Reimbursement Agreement or any of the other Related Documents or (v) exercise any other rights or remedies available under any Related Document, the Act or Ordinance or any other agreement.

Unless the Authority shall enter into any Bank Agreement providing the remedy of acceleration of principal or interest on any Senior Bonds, Parity Obligations, Subordinate Obligations or Parity or Senior Debt, the Bank shall have no right to accelerate any outstanding Reimbursement Obligations.

Annual Debt Service Requirement

LACMTA's annual debt service requirement for long-term debt, and lease/leaseback obligations as of June 30, 2024 are as follows:

Business-type Activities

Sales Tax Revenue and Refunding Bonds

	Proposition A			Proposition C		
Year Ending June 30	Principal	Interest	Total	Principal	Interest	Total
2025	$ 43,285	$ 32,332	$ 75,617	$ 70,455	$ 77,782	$ 148,237
2026	51,230	32,099	83,329	76,050	74,119	150,169
2027	45,990	29,678	75,668	67,895	70,521	138,416
2028	48,385	27,446	75,831	68,375	67,114	135,489
2029	37,880	25,467	63,347	71,790	63,610	135,400
2030-2034	164,395	103,147	267,542	358,490	264,973	623,463
2035-2039	173,495	60,149	233,644	395,575	171,317	566,892
2040-2044	155,860	16,061	171,921	378,485	72,427	450,912
2045-2049	—	—	—	105,365	5,989	111,354
Total	$ 720,520	$ 326,379	$ 1,046,899	$ 1,592,480	$ 867,852	$ 2,460,332

	Measure R		
Year Ending June 30	Principal	Interest	Total
2025	$ 129,700	$ 130,665	$ 260,365
2026	147,800	124,148	271,948
2027	154,910	116,570	271,480
2028	171,135	108,631	279,766
2029	179,370	99,873	279,243
2030-2034	1,035,140	352,710	1,387,850
2035-2039	802,555	104,446	907,001
Total	$ 2,620,610	$ 1,037,043	$ 3,657,653

General Revenue Refunding Bonds

Year Ending June 30	Principal	Interest	Total
2025	$ 9,945	$ 1,864	$ 11,809
2026	10,435	1,369	11,804
2027	10,935	847	11,782
2028	11,480	287	11,767
Total	$ 42,795	$ 4,367	$ 47,162

Lease/leaseback liability

Year Ending June 30	Principal *(1)*	Interest	Total
2025	$ (5,541)	$ 5,541	$ —
2026	(3,572)	3,572	—
2027	(6,101)	6,101	—
2028	79,692	6,607	86,299
2029	25,664	448	26,112
Total	$ 90,142	$ 22,269	$ 112,411

(1) Principal amounts include interest accretion due and payable beginning July 1, 2024 through June 30, 2029.

Total Debt Service - Business-type Activities

Year Ending June 30	Total Annual Principal	Debt Service- Interest	Business-Type Activities Total
2025	$ 247,844	$ 248,184	$ 496,028
2026	281,943	235,307	517,250
2027	273,629	223,717	497,346
2028	379,067	210,085	589,152
2029	314,704	189,398	504,102
2030-2034	1,558,025	720,830	2,278,855
2035-2039	1,371,625	335,912	1,707,537
2040-2044	534,345	88,488	622,833
2045-2049	105,365	5,989	111,354
Total	**$ 5,066,547**	**$ 2,257,910**	**$ 7,324,457**

Pledged Revenues

LACMTA pledged its Proposition A, Proposition C and Measure R sales tax revenues, excluding sales tax allocated for administrative fees and local allocations, to repay sales tax revenue bonds, and sales tax revenue refunding bonds. These bonds were used to finance the acquisition of revenue vehicles, and construction and renovation of major capital facilities. Farebox revenues are pledged for the payment of the general revenue refunding bonds. LACMTA is subject to maximum annual debt service policy limits set forth in its Debt Policy adopted by LACMTA's Board.

The table below presents LACMTA's pledged revenue, annual debt service, and debt service coverage for the fiscal year ended June 30, 2024:

Source	Gross Receipts (1)	Allocation Rate	Local Allocations	Pledged Revenue	Total Debt Service (2)	Debt Service Coverage
Prop A	$ 1,093,032	25%	$ 273,258	$ 819,774	$ 152,760	5.4
Prop C	1,093,037	20%	218,607	874,430	157,756	5.5
Measure R	1,092,876	15%	163,931	928,945	244,746	3.8
General Revenue bonds	185,252	—	—	185,252	11,830	15.7

(1) Sales tax revenues reported using the accrual basis of accounting, net of the California Department of Tax and Fee Administration administrative fees. Gross receipts on General Revenue bonds represent farebox revenues, advertising revenues, revenues derived from LACMTA's leased properties, investment earnings, and other revenues under non-operating revenue categories of the Enterprise fund.

(2) Total Debt Service represents actual principal and interest paid.

Significant Changes to Long-Term Debt

Refunding of Bonds and Short-term Borrowings

In April 2024, LACMTA issued an aggregate principal amount of $114,325 of Proposition A Sales Tax Revenue Refunding Bonds, Series 2024-A, and $42,380 of Proposition A Sales Tax Revenue Refunding Bonds, Series 2024-B, with an interest rate of 5% and 4.75 %, respectively. The net proceeds from Series 2024-A, including bond premium of $21,874, together with available funds from accounts related to the refunded bonds, and after payment of associated bond issuance costs and underwriter's discount, were used to refund and defease outstanding principal balances of $88,865 of Prop A 2014-A Sales Tax Revenue Refunding Bonds, $17,320 of Prop A 2015-A Sales Tax Revenue Refunding Bonds, and $50,000 aggregate outstanding obligation of Prop A Sales Tax Revenue, Tax-Exempt Commercial Paper Notes, Series A-TE-BANA. The proceeds from Series 2024-B, net of associated bond issuance costs and underwriter's discount, were used to refund $42,500 aggregate principal amount of outstanding Prop A Sales Tax Revenue, Taxable Commercial Paper Notes, Series A-T-BANA. The refunding of Proposition A 2014A Sales Tax Revenue Refunding Bonds resulted in $17,577 excess of net carrying value over total reacquisition price that is reported under Deferred Inflow of Resources in the business-type activities of the government-wide financial statements and amortized over the shorter of the life of the refunded or the refunding bonds.

Principal payments are due on July 1 of each year starting July 1, 2025 and July 1, 2026, for Prop A 2024-A Sales Tax Revenue Refunding Bonds and Prop A 2024-B Sales Tax Revenue Refunding Bonds, respectively. Interest payments are due semi-annually on July 1 and January 1 of each year commencing on January 1, 2025, with final maturity date of July 1, 2042, for Proposition A Sales Tax Revenue Refunding Bonds, Series 2024-A and July 1, 2035, for Prop A 2024-B Sales Tax Revenue Refunding Bonds.

The net cash flow savings that resulted from the refunding are as follows:

Refunded Debt	Prior Net Cash Flow	Refunded Debt Service	Net Cash Flow Savings	Net Present Value of Net Cash Flow Savings
Prop A 2014-A Sales Tax Revenue Refunding Bonds	$ 104,754	$ 84,496	$ 20,258	$ 8,876
Prop C 2015-A Sales Tax Revenue Refunding Bonds	19,575	16,472	3,103	1,018
Total	**$ 124,329**	**$ 100,968**	**$ 23,361**	**$ 9,894**

N. Lease/leaseback Liability

From January 1997 through July 2003, LACMTA entered into a number of "Lease/leaseback" leveraged lease agreements for assets including heavy rail vehicles, buses, light rail vehicles, and various real property operating facilities. Under these agreements, LACMTA entered into a head-lease as lessor with an investor and simultaneously entered into a sublease agreement as lessee to lease the assets back. LACMTA received upfront rent prepayments that were invested in fixed income investments in an amount that, including interest income, will be sufficient to fund all scheduled payments through exercise of the early buyout option. LACMTA realized $64,700 in net benefits after funding of the fixed income investments and payment of transaction expenses.

For the leveraged lease transactions, LACMTA was obligated to insure and maintain the facilities, buses, and rail cars. The leveraged lease agreements provided LACMTA's right to continue to use and control the facilities, buses, and rail cars during the term of the sublease. LACMTA agreed to indemnify the investors against increased costs, and any new or increased taxes or fees imposed on the leased assets, and cash flows or income of the lease, other than changes to the income tax rate.

The proceeds from various finance obligations have been recorded as lease accounts in the Statement of Net Position of the Enterprise Fund. LACMTA entered into various lease/ leaseback agreements in the form of Payment Undertakings, Equity Payment Undertakings and Guaranteed Investment Certificates with various investment providers. These were general obligations of the investment providers for the benefit of the trust. As of June 30, 2024, these lease/leaseback agreements totaled $90,142. These funds were placed with fiscal agents and are sufficient to cover all scheduled payments. The related liabilities are shown as long-term debt in the business-type activities. This debt will be repaid from earnings on the related investments together with the principal amounts of the investments.

American International Group Inc. (AIG) or its affiliates provided a fixed income investment product known as a "payment undertaking agreement" (PUA) that was used in eight of the lease/leaseback transactions in order to invest the proceeds to fund all the scheduled rent payments and early buy-out option payments. In addition, LACMTA obtained credit enhancement from AIG and Assured Guaranty Municipal Corp. (AGM), as successor to Financial Security Assurance Inc.) for several of the transactions. As a result of declines in AIG's and AGM's credit ratings, LACMTA was contractually obligated to replace the PUAs or provide credit enhancement for eight transactions. The remaining two were unaffected.

LACMTA has terminated seven of the eight affected leases and has entered into collateral posting agreements for the remaining lease. Failure to reach a solution with respect to the remaining affected transaction could result in early termination of the transaction and could require LACMTA to pay legal expenses.

Lease/leaseback liability for the fiscal year ended June 30, 2024 are as follows:

Lease	Interest Rate	Balance July 1, 2023	Additions *(1)*	Reductions	Balance June 30, 2024	Due Within One Year *(2)*
First Hawaiian Lease	6.61%	$ 84,925	$ 5,217	$ —	$ 90,142	$ (5,541)

(1) Additions represent loan accretion, which is the accrued interest, or a portion thereof, added to the principal amount.
(2) Negative amounts due within one year represent interest accretion to the principal.

The lease/leaseback arrangements discussed here have been disclosed in Note D, Lease Liability, on pages 69-70.

O. Leases

In FY2022, LACMTA implemented GASB Statement No. 87, Leases, which addresses accounting and financial reporting for leases by governments. GASB Statement No. 87, requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

LACMTA has entered into various lease agreements as "Lessor" of various parcels of land located within the vicinity of the Red Line stations, including LA Union Station, which was acquired by LACMTA in April 2011, and some areas of its building located at One Gateway Plaza. These leases have non-cancellable period of more than 12 months and for accounting purposes, are reported at present value in the statement of net position and balance sheet of the proprietary and governmental funds, respectively.

During the fiscal year 2024, LACMTA recorded an additional lease receivable of $19,283 and deferred inflows of resources of $20,564 related to newly executed lease contracts and lease modifications in the governmental funds and governmental activities. As of June 30, 2024, LACMTA had 58 active lease agreements as "Lessor" with outstanding balances in lease receivable and deferred inflows of resources of $1,062 and $877, in the enterprise funds and business-type activities, and $134,540 and $152,677, in the governmental funds and governmental activities, respectively.

Below is the summary of the total amount of inflows of resources recognized from these leases during the fiscal year 2024:

	Lease revenue	Lease interest income	Total
Business-type activities	$ 549	$ 10	$ 559
Governmental activities	5,924	1,174	7,098
Total	$ 6,473	$ 1,184	$ 7,657

LACMTA is also committed under various leases as the "Lessee" of parking lots, building or office spaces, and equipment. These leases have non-cancellable periods of more than 12 months and for accounting purposes, are reported as financing leases.

In fiscal year 2024, LACMTA recorded at present value an additional lease liability and right-to-use lease asset of $4,525 and $4,525, in the enterprise funds and business-type activities and $779 and $779, in the governmental funds and governmental activities, respectively, related to newly executed lease contracts, using the current fiscal year's discount rate of 2.59%. Also, during the year, 9 lease agreements were modified due to LACMTA's intent to exercise its option to renew based on several amendments and letters of memorandum. These 9 leases were remeasured using the incremental borrowing rate at effectivity date and recorded a total present value of lease liability of $6,890 and the right-to-use lease asset of $6,890, in the enterprise funds and business-type activities.

The summary of the total amount of outflows of resources incurred from these leases during the fiscal year 2024 are presented below:

	Amortization of Right-to-use lease assets	Lease interest expense	Total
Business-type activities	$ 8,353	$ 325	$ 8,678
Governmental activities	482	15	497
Total	$ 8,835	$ 340	$ 9,175

As of June 30, 2024, LACMTA had 35 active lease agreements with outstanding lease liability of $32,879 and $2,250, and lease assets recognized at present value, net of accumulated amortization of $32,070 and $2,187, in the statement of net position of the proprietary and governmental activities, respectively.

The table below presents the amount of lease assets and the related accumulated amortization by major classification as of June 30, 2024:

	Business-type			Governmental			Total		
Classification	Lease Asset	Accumulated Amortization	Net Present Value	Lease Asset	Accumulated Amortization	Net Present Value	Lease Asset	Accumulated Amortization	Net Present Value
Land	$ 14,377	$ (5,324)	$ 9,053	$ —	$ —	$ —	$ 14,377	$ (5,324)	$ 9,053
Building	42,880	(19,882)	22,998	6,581	(4,394)	2,187	49,461	(24,276)	25,185
Equipment	577	(558)	19	—	—	—	577	(558)	19
Total	$ 57,834	$ (25,764)	$ 32,070	$ 6,581	$ (4,394)	$ 2,187	$ 64,415	$ (30,158)	$ 34,257

The above amounts are reported as part of LACMTA's capital assets presented in Note D of the Notes to the Financial Statements on page 87.

At June 30, 2024, the principal and interest requirements to maturity for these leases, excluding lease/leaseback payable, are presented below. Please refer to Note M of the Notes to the Financial Statements for the principal and interest requirements related to lease/ leaseback agreements.

Business-type activities

Ending June 30	Principal	Interest	Total
2025	$ 7,507	$ 333	$ 7,840
2026	6,293	271	6,564
2027	4,754	220	4,974
2028	4,286	174	4,460
2029	1,430	143	1,573
2030-2034	3,602	585	4,187
2035-2039	813	479	1,292
2040-2044	1,050	381	1,431
2045-2049	1,377	244	1,621
2050-2054	1,263	71	1,334
2055 and above	504	$ 19	523
Total	$ 32,879	$ 2,920	$ 35,799

Governmental activities

Ending June 30	Principal	Interest	Total
2025	$ 497	$ 28	$ 525
2026	525	23	548
2027	592	19	611
2028	116	15	131
2029	76	13	89
2030-2034	444	29	473
Total	$ 2,250	$ 127	$ 2,377

The above principal amounts are reported as part of LACMTA's long-term debt activities presented in Note M of the Notes to the Financial Statements on page 122.

P. Subscription-Based Information Technology Arrangements (SBITA)

In FY2023, LACMTA implemented GASB Statement No. 96, Subscription- based information technology arrangements (SBITAs), which establishes standards of accounting and financial reporting for SBITAs by a government end user. Subscription-based information technology arrangements (SBITAs) provide governments with access to vendors' IT software and associated tangible capital assets for subscription payments without granting governments perpetual license or title to the IT software and associated tangible capital assets. GASB Statement No. 96 requires that certain SBITA results in the recognition of a right-to-use IT subscription asset, an intangible asset, and a corresponding subscription liability. Prior to the issuance of this Statement, there was no accounting or financial reporting guidance specifically for SBITAs.

LACMTA has entered into various subscription-based information technology arrangements with numerous vendors for the use of software, access to vendors' database and use of vendors' computing power and storage. All contracts are for longer than 12 months and some contracts contain both a right-to-use IT asset component and an IT support services component.

During fiscal year 2024, LACMTA recorded at present value an additional subscription liability and right-to-use IT subscription asset of $15,035 and $15,035 in the enterprise funds and business-type activities, and $461 and $461 in the governmental funds and governmental activities, respectively, related to newly executed SBITA contracts, using the current fiscal year's discount rate of 2.59%.

The summary of the total amount of outflows of resources incurred from these SBITAs during the fiscal year 2024 are presented below:

	Amortization of right-to-use IT subscription assets	SBITA Interest expense	Total
Business-type activities	$ 9,672	$ 335	$ 10,007
Governmental activities	959	8	967
Total	$ 10,631	$ 343	$ 10,974

Future subscription payments are discounted using LACMTA incremental borrowing rate on effectivity date as provided by the Treasury Department. All future payments are specified in the contract agreements.

As of June 30, 2024, LACMTA had 57 active SBITAs with a total amount of right-to-use IT subscription assets recognized at present value, net of accumulated amortization, of $20,500 and $1,056 in the statement of net position of the proprietary and governmental activities, respectively.

The table below presents the amount of right-to-use IT subscription assets and the related accumulated amortization as of June 30, 2024:

Business-type			Governmental			Total		
SBITA asset	Accumulated Amortization	Net Present Value	SBITA asset	Accumulated Amortization	Net Present Value	SBITA asset	Accumulated Amortization	Net Present Value
$ 36,279	$ (15,779)	$ 20,500	$ 2,641	$ (1,585)	$ 1,056	$ 38,920	$ (17,364)	$ 21,556

At June 30, 2024, the principal and interest requirements to maturity for these SBITAs, are presented below. Please refer to Note M of the Notes to the Financial Statements for the principal and interest requirements related to subscription-based information technology arrangements:

	Business-type activities			**Governmental activities**		
Ending June 30	Principal	Interest	Total	Principal	Interest	Total
2025	$ 5,437	$ 260	$ 5,697	$ 173	$ 6	$ 179
2026	4,288	238	4,526	74	2	76
2027	1,616	123	1,739	—	—	—
2028	1,532	83	1,615	—	—	—
2029	454	44	498	—	—	—
2030 and above	1,425	67	1,492	—	—	—
Total	$ 14,752	$ 815	$ 15,567	$ 247	$ 8	$ 255

The above principal amounts are reported as part of LACMTA's long-term debt activities presented in Note M of the Notes to the Financial Statements on page 122.

Q. Capital and MOU Commitments

LACMTA uses encumbrances accounting for its governmental funds. Encumbrances represent commitments related to executory contracts not yet performed and purchase orders not yet filled. Commitments for such expenditures of monies are encumbered to reserve applicable budget appropriations. Encumbrances are reported as part of restricted, committed or assigned fund balance on the governmental funds balance sheet.

Encumbrance balances for the governmental funds as of June 30, 2024 are as follows:

Fund	Total
General Fund	$ 35,628
Proposition A	49,718
Proposition C	303,235
Measure R	768,859
Measure M	103,858
TDA	262,279
STA	11,062
Total	$ 1,534,639

LACMTA's commitments to vendors for capital projects which are in various phases of development as of June 30, 2024 are as follows:

	Total Contract	Remaining
Rail projects	$ 9,405,115	$ 2,010,427
Bus rapid transit ways	69,120	12,028
Bus acquisition and others	988,656	191,707
Total	$ 10,462,891	$ 2,214,162

R. Joint Powers

LACMTA is a member of the Southern California Regional Rail Authority (SCRRA), which was formed as a regional Joint Powers Agency between the transportation commissions of the Counties of Los Angeles, San Bernardino, Orange, Riverside, and Ventura. SCRRA's purpose is to plan, design, construct, and administer the operation of regional passenger rail lines serving the participating counties. SCRRA named the regional commuter rail system "Metrolink."

Metrolink's capital acquisition and expansion have been funded by contributions from member agencies and the State of California. LACMTA provides funding for the majority of Metrolink's operating and capital costs. As of June 30, 2024, the total outstanding payables and commitments were $2,560 and $194,515, respectively.

A summary of financial information for the SCRRA for the year ended June 30, 2023 (most recent data available) is as follows:

	Amount
Total assets	$ 1,640,269
Deferred outflows of resources	16,222
Total assets and deferred outflows of resources	1,656,491
Total liabilities	250,797
Deferred inflows of resources	4,742
Total liabilities and deferred inflows of resources	255,539
Net Position	$ 1,400,952
Total Revenues	$ 410,578
Total Expenses	435,955
Decrease in Net Position	$ (25,377)

Additional detailed financial information is available from the Office of the Chief Financial Officer, SCRRA, 900 Wilshire Blvd., Suite 1500 Los Angeles, CA 90017-4791, or by visiting Metrolink's website at www.metrolinktrains.com.

S. Litigation and Other Contingencies

Although various claims have been asserted against LACMTA, it is the opinion of LACMTA that none of the pending claims will materially and adversely affect LACMTA's ability to pay the principal and interest on any of its obligations.

LACMTA believes it is possible of a potential liability for contractor claims on its major construction projects in the range between $200 and $300 million, however, no liability has been reported as of June 30, 2024.

Federal, State, and Other Governmental Funding

LACMTA receives significant funding from federal, state, and other governmental grant funds as reimbursement for costs incurred. Such grants are subject to review and audit by the grantor agencies. These audits could result in disallowed expenditures under the terms

of the grant or in reductions of future grant monies. Based on prior experience, LACMTA's management believes that costs ultimately disallowed, if any, would not materially affect the financial condition of LACMTA.

T. Subsequent Events

In July 2024, the Board approved a direct loan to San Gabriel Valley Council of Governments (SGVCOG) from Measure M Multi-Year Subregional Program (Measure M MSP) funds, for an aggregate amount not to exceed $160,950, on a draw-down basis, to partially fund the Alameda Corridor-East (ACE), and the I 605/Valley projects. The estimated disbursement of $160,950 is a replacement of the originally approved-loan of $61,100 approved by the Board in August 2022 in response to SGVCOG's need to resolve the funding shortfalls and to ensure funding for both the ACE Project and the I-605/Valley Project. On October 1, 2024, LACMTA disbursed $25,000 to SGVCOG as initial release or draw down of the estimated $31,130 first-year annual advance direct loan. The loan will be repaid with interest and the funds will go back to Measure M MSP funds.

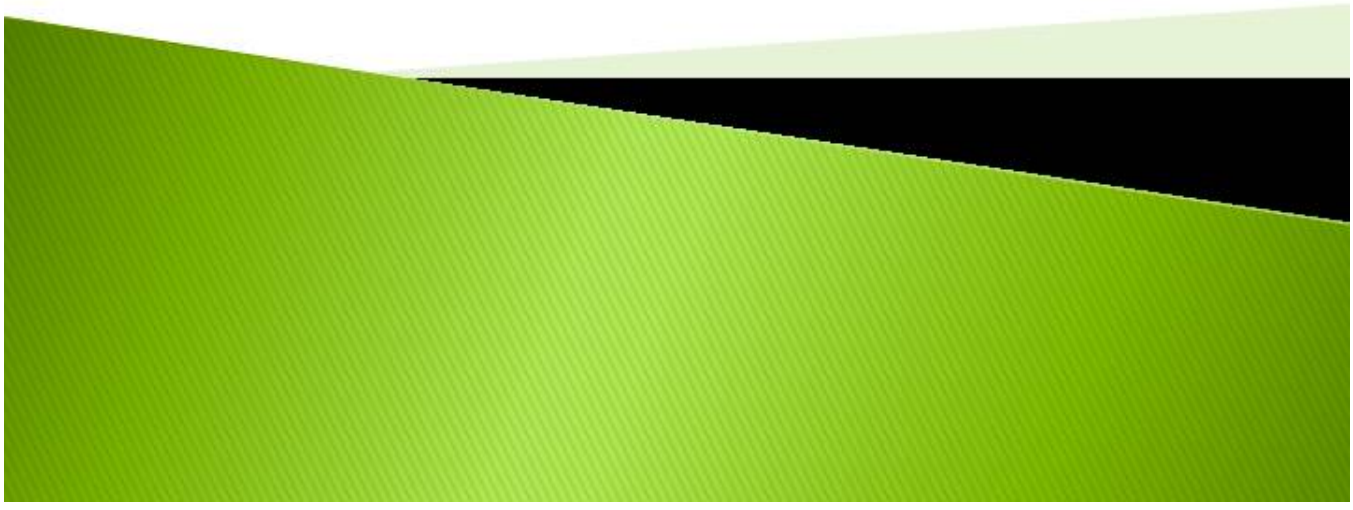
On October 30, 2024, LACMTA issued an aggregate principal amount of $427,450 of Measure R Senior Sales Tax Revenue Refunding Bonds, Series 2024-A with annual interest rate of 5%. The bond proceeds, including bond premium of $70,329, together with other available funds and after payment of associated bond issuance costs and underwriter's discount, were used to refund its outstanding Measure R Senior Sales Tax Revenue Bonds, Series 2010-A.

THIS PAGE INTENTIONALLY LEFT BLANK



Los Angeles County Metropolitan Transportation Authority

REQUIRED SUPPLEMENTARY INFORMATION



Los Angeles County Metropolitan Transportation Authority
Schedule of Changes in Net Pension Liability and Related Ratios
California Public Employees' Retirement System (CalPERS) – Miscellaneous Plan
Last Ten Fiscal Years*
(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Pension Liability										
Service cost	$21,905	$23,238	$24,955	$30,120	$31,824	$35,365	$38,962	$ 40,485	$41,373	$44,689
Interest on total pension liability	37,546	41,535	45,436	49,725	54,095	59,618	65,159	71,117	76,193	82,099
Change of benefit terms	—	—	—	—	—	—	—	—	17,795	1,192
Difference between expected and actual experiences	—	7,066	2,012	5,642	8,733	13,988	7,857	9,440	(14,310)	7,043
Changes of assumptions	—	(10,299)	—	41,661	(6,608)	—	—	—	30,873	—
Benefit payments, including refunds of employee contributions	(13,399)	(15,729)	(17,554)	(19,962)	(23,450)	(25,408)	(28,885)	(33,079)	(40,540)	(43,200)
Net change in total pension liability	**46,052**	**45,811**	**54,849**	**107,186**	**64,594**	**83,563**	**83,093**	**87,963**	**111,384**	**91,823**
Total pension liability – beginning of year	496,365	542,417	588,228	643,077	750,263	814,857	898,420	981,513	1,069,476	1,180,860
Total pension liability – end of year	**542,417**	**588,228**	**643,077**	**750,263**	**814,857**	**898,420**	**981,513**	**1,069,476**	**1,180,860**	**1,272,683**
Plan Fiduciary Net Position										
Contributions - Employer	13,313	14,415	17,510	20,266	22,856	27,238	31,592	34,099	36,861	41,159
Contributions - Employee	10,565	11,367	12,822	13,770	15,831	17,241	18,736	19,030	19,443	20,563
Net investment income (loss)	72,179	11,202	2,850	59,678	51,169	44,135	36,944	180,741	(74,873)	57,615
Benefit payments, including refunds of employee contributions	(13,399)	(15,729)	(17,554)	(19,962)	(23,450)	(25,408)	(28,885)	(33,079)	(40,540)	(43,199)
Administrative expense	—	(581)	(310)	(773)	(930)	(471)	(1,019)	(780)	(611)	(677)
Other miscellaneous income	—	—	—	—	(1,766)	1	—	—	—	—
Net change in fiduciary net position	**82,658**	**20,674**	**15,318**	**72,979**	**63,710**	**62,736**	**57,368**	**200,011**	**(59,720)**	**75,461**
Plan fiduciary net position – beginning of year	405,047	487,705	508,379	523,697	596,676	660,386	723,122	780,490	980,501	920,781
Plan fiduciary net position – end of year	487,705	508,379	523,697	596,676	660,386	723,122	780,490	980,501	920,781	996,242
Plan net pension liability – end of year	$54,712	$79,849	$119,380	$153,587	$154,471	$175,298	$201,023	$ 88,975	$260,079	$276,441
Plan fiduciary net position as a percentage of the total pension liability	89.91 %	86.43 %	81.44 %	79.53 %	81.04 %	80.49 %	79.52 %	91.68 %	77.98 %	78.28 %
Covered payroll	$145,140	$159,124	$173,744	$192,457	$209,335	$235,717	$259,572	$272,257	$255,075	$277,054
Plan net pension liability as a percentage of covered payroll	37.70 %	50.18 %	68.71 %	79.80 %	73.79 %	74.37 %	77.44 %	32.68 %	101.96 %	99.78 %

**The amounts presented for each reporting fiscal year were determined as of measurement period ended June 30 that occurred one year prior.*

Notes to Schedule:

This plan is an agent multiple-employer defined benefit pension plan administered by CalPERS.

Benefit Changes

The figures above generally include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures above, unless the liability impact is deemed to be material by the plan actuary. In 2022, SB 1168 increased the standard retiree lump sum death benefit from $500 to $2,000 for any death occurring on or after July 1, 2023. The impact, if any, is included in the changes of benefit items.

Changes of Assumptions

There were no changes in assumptions in measurement period ended June 30, 2023. Effective with the June 30, 2021 valuation date (June 30, 2022 measurement date), the accounting discount rate was reduced from 7.15% to 6.90%. In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. The accounting discount rate was 7.15% for measurement dates June 30, 2017 through June 30, 2021, 7.65% for measurement dates June 30, 2015 through June 30, 2016, and 7.50% for measurement date 2014.

Los Angeles County Metropolitan Transportation Authority
Schedule of Contributions
California Public Employees' Retirement System (CalPERS) – Miscellaneous Plan
Last Ten Fiscal Years
(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023 *	2024
Actuarially determined contribution	$14,415	$17,510	$20,266	$22,856	$27,238	$31,592	$34,099	$36,861	$41,159	$59,212
Contributions in relation to the actuarially determined contribution	(14,415)	(17,510)	(20,266)	(22,856)	(27,238)	(31,592)	(34,099)	(36,861)	(41,159)	(59,212)
Contribution deficiency (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Covered payroll	$159,124	$173,744	$192,457	$209,335	$235,717	$259,572	$272,257	$255,075	$277,054	$325,770
Contributions as a percentage of covered payroll	9.06 %	10.08 %	10.53 %	10.92 %	11.56 %	12.17 %	12.52 %	14.45 %	14.86 %	18.18 %

**Updated based on the GASB 68 accounting report for the measurement date June 30, 2023.*

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for FY2022-2023 were derived from the June 30, 2022 actuarial valuation report:

This plan is an agent multiple-employer defined benefit pension plan administered by CalPERS.

Actuarial Cost Method	Entry Age Normal
Discount Rate	6.90%
Inflation	2.50%
Salary Increases	Varies by Entry Age and Service
Payroll Growth	2.75%
Investment Rate of Return	7.00% Net of Pension Plan Investment and Administrative Expenses; includes Inflation.
Retirement Age	The probabilities of Retirement are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015.
Mortality	The probabilities of mortality are based on the 2017 CalPERS Experience Study for the period from 1997 to 2015. Pre-retirement and Post-retirement mortality rates include 15 years of projected mortality improvement using 90% of Scale MP-2016 published by the Society of Actuaries.

Los Angeles County Metropolitan Transportation Authority

Schedule of Changes in Net Pension Liability and Related Ratios – Employee Retirement Income Plan

Sheet Metal, Air, Rail, Transportation, Transportation Division (SMART-TD)

Last Ten Fiscal Years*

(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total pension liability – beginning of year	$660,053	$683,777	$748,848	$778,530	$814,317	$847,306	$874,517	$905,340	$950,867	$990,158
Service cost	19,054	19,135	19,930	18,495	19,276	21,394	22,291	22,855	23,100	25,676
Interest	46,123	47,691	52,470	54,313	56,845	59,255	60,975	63,179	66,326	68,927
Difference between expected and actual experience	(317)	19,103	(3,662)	5,941	5,459	(8,278)	(106)	11,665	3,671	14,811
Changes of assumptions	—	23,116	—	—	(4,794)	—	—	—	—	—
Benefit payments paid from trust	(40,145)	(43,015)	(38,001)	(41,735)	(42,177)	(44,119)	(50,914)	(51,329)	(52,969)	(62,534)
Transfer of contributions between plans	(991)	(959)	(1,055)	(1,227)	(1,620)	(1,041)	(1,423)	(843)	(837)	(852)
Net change in total pension liability	23,724	65,071	29,682	35,787	32,989	27,211	30,823	45,527	39,291	46,028
Total pension liability – end of year	683,777	748,848	778,530	814,317	847,306	874,517	905,340	950,867	990,158	1,036,186
Fiduciary net position – beginning of year	462,402	541,017	539,161	538,204	602,034	652,747	693,357	710,915	889,694	776,974
Contributions - LACMTA	23,568	19,780	21,369	22,015	21,467	21,079	23,034	22,967	22,272	19,738
Contributions - Employees	15,920	16,528	18,490	18,148	18,715	19,550	19,746	17,447	21,713	22,294
Net investment income (loss)	80,714	6,446	(1,404)	67,046	54,762	45,674	27,614	191,174	(102,305)	67,180
Benefit payments	(40,145)	(43,014)	(38,001)	(41,735)	(42,177)	(44,119)	(50,914)	(51,329)	(52,969)	(62,534)
Administrative expenses	(451)	(637)	(356)	(417)	(434)	(533)	(499)	(637)	(594)	(555)
Transfer of contributions between plans	(991)	(959)	(1,055)	(1,227)	(1,620)	(1,041)	(1,423)	(843)	(837)	(852)
Net change in fiduciary net position	78,615	(1,856)	(957)	63,830	50,713	40,610	17,558	178,779	(112,720)	45,271
Fiduciary net position – end of year	541,017	539,161	538,204	602,034	652,747	693,357	710,915	889,694	776,974	822,245
Net pension liability – end of year	$142,760	$209,687	$240,326	$212,283	$194,559	$181,160	$194,425	$ 61,173	$213,184	$213,941
Plan fiduciary net position as a percentage of the total pension liability	79.12 %	72.00 %	69.13 %	73.93 %	77.04 %	79.28 %	78.52 %	93.57 %	78.47 %	79.35 %
Covered payroll	$173,322	$187,395	$193,246	$192,346	$198,718	$208,173	$215,390	$220,965	$223,338	$250,560
Net pension liability as a percentage of covered payroll	82.37 %	111.90 %	124.36 %	110.37 %	97.91 %	87.02 %	90.27 %	27.68 %	95.45 %	85.39 %

**The amounts presented for each fiscal year were determined as of measurement period ended June 30 that occurred one year prior.*

Notes to Schedule:

In FY2016, for the SMART-TD plan, which is a single-employer defined benefit plan, the percentage of participants assumed to elect lump-sum was decreased from 35% to 30%, the age-based withdrawal rates were increased, and the retirement rates were increased at service levels for 23 to 29 years. The mortality tables were also updated with all rates projected forward with the MP-2014 generational mortality improvement scale.

In FY2017 and FY2018, there were no changes in assumptions.

In FY2019, the percentage of participants assumed to elect lump-sum was decreased from 30% to 20%, the age-based withdrawal rates were increased, and the retirement rates were decreased at service levels for 10 to 21 years. Additionally, there were increases in the salary scale assumption at ages 30 and above but with decreases prior to age 30. Mortality was also updated to reflect the Society of Actuaries' MP-2017 generational mortality projection scale.

In FY2020 through FY2024, there were no changes in assumptions.

Los Angeles County Metropolitan Transportation Authority

Schedule of Changes in Net Pension Liability and Related Ratios – Employee Retirement Income Plan

Transportation Communication Union Plan (TCU)

Last Ten Fiscal Years*

(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total pension liability – beginning of year	$ 128,421	$ 136,120	$ 151,272	$ 159,084	$ 171,877	$ 184,309	$ 196,345	$ 205,829	$ 231,752	$ 238,406
Service cost	3,342	3,622	4,317	4,502	4,876	6,459	6,762	7,434	7,905	8,067
Interest	9,020	9,615	10,672	11,215	12,112	13,124	13,950	14,712	16,402	16,929
Difference between expected and actual experience	1,246	1,559	(786)	3,944	2,503	(884)	(3,450)	10,067	(6,795)	(758)
Changes of assumptions	—	5,213	—	—	506	—	—	—	—	—
Benefit payments paid from trust	(5,787)	(4,716)	(6,268)	(6,689)	(6,979)	(6,162)	(7,361)	(5,947)	(10,527)	(9,144)
Transfer of contributions between plans	(122)	(141)	(123)	(179)	(586)	(501)	(417)	(343)	(331)	(262)
Net change in total pension liability	7,699	15,152	7,812	12,793	12,432	12,036	9,484	25,923	6,654	14,832
Total pension liability – end of year	136,120	151,272	159,084	171,877	184,309	196,345	205,829	231,752	238,406	253,238
Fiduciary net position – beginning of year	90,413	107,551	110,820	111,931	127,651	140,714	154,791	165,623	216,449	192,892
Contributions - LACMTA	5,466	4,741	5,615	5,955	6,218	7,753	8,592	8,584	9,030	8,871
Contributions - Employees	1,769	2,300	2,557	2,751	2,880	3,206	3,440	3,640	3,903	3,726
Net investment income (loss)	16,005	1,294	(347)	14,090	11,810	10,114	6,848	45,268	(25,292)	17,252
Benefit payments	(5,787)	(4,716)	(6,268)	(6,689)	(6,979)	(6,162)	(7,361)	(5,947)	(10,527)	(9,144)
Administrative expenses	(193)	(209)	(323)	(208)	(280)	(333)	(270)	(376)	(340)	(317)
Transfer of contributions between plans	(122)	(141)	(123)	(179)	(586)	(501)	(417)	(343)	(331)	(262)
Net change in fiduciary net position	17,138	3,269	1,111	15,720	13,063	14,077	10,832	50,826	(23,557)	20,126
Fiduciary net position – end of year	107,551	110,820	111,931	127,651	140,714	154,791	165,623	216,449	192,892	213,018
Net pension liability – end of year	$ 28,569	$ 40,452	$ 47,153	$ 44,226	$ 43,595	$ 41,554	$ 40,206	$ 15,303	$ 45,514	$ 40,220
Plan fiduciary net position as a percentage of the total pension liability	79.01 %	73.26 %	70.36 %	74.27 %	76.35 %	78.84 %	80.47 %	93.40 %	80.91 %	84.12 %
Covered payroll	$ 28,978	$ 34,512	$ 37,014	$ 39,764	$ 42,497	$ 47,235	$ 49,491	$ 54,262	$ 57,637	$ 58,913
Net pension liability as a percentage of covered payroll	98.59 %	117.21 %	127.39 %	111.22 %	102.58 %	87.97 %	81.24 %	28.20 %	78.97 %	68.27 %

**The amounts presented for each fiscal year were determined as of measurement period ended June 30 that occurred one year prior.*

Notes to Schedule:

In FY2016, for the TCU plan, which is a single-employer defined benefit plan, retirement rates were changed at service levels of less than 25 years. The mortality tables were also updated with all rates projected forward with the MP-2014 generational mortality improvement scale.

In FY2017 and FY2018, there were no changes in assumptions.

In FY2019, the percentage of participants assumed to elect lump-sum was decreased from 25% to 20% and the retirement rates were changed at service levels for 10 to 20 years as well as for 23 years. Likewise, there were increases in the salary scale assumption at all ages. Mortality was also updated to reflect the Society of Actuaries' MP-2017 generational mortality projection scale.

In FY2020 through FY2024, there were no changes in assumptions.

Los Angeles County Metropolitan Transportation Authority

Schedule of Changes in Net Pension Liability and Related Ratios – Employee Retirement Income Plan

American Federation of State, County and Municipal Employee Plan (AFSCME)

Last Ten Fiscal Years*

(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total pension liability – beginning of year	$ 64,607	$ 66,226	$ 70,656	$ 70,372	$ 70,178	$ 67,140	$ 65,278	$ 64,950	$ 64,290	$ 62,395
Service cost	391	318	235	192	125	177	153	148	96	75
Interest	4,384	4,438	4,790	4,778	4,690	4,517	4,388	4,337	4,362	4,178
Changes to benefit terms	—	—	—	—	—	—	—	146	—	—
Difference between expected and actual experience	872	1,839	(999)	(460)	429	(879)	722	1,106	(2,131)	1,021
Changes of assumptions	—	3,358	—	—	(1,568)	—	—	—	—	—
Benefit payments paid from trust	(4,835)	(6,393)	(5,018)	(5,594)	(8,527)	(6,670)	(6,855)	(7,032)	(4,886)	(6,335)
Transfer of contributions between plans	807	870	708	890	1,813	993	1,264	635	664	663
Net change in total pension liability	1,619	4,430	(284)	(194)	(3,038)	(1,862)	(328)	(660)	(1,895)	(398)
Total pension liability – end of year	66,226	70,656	70,372	70,178	67,140	65,278	64,950	64,290	62,395	61,997
Fiduciary net position – beginning of year	54,938	61,926	58,392	55,149	58,520	58,136	56,873	54,176	62,763	52,362
Contributions - LACMTA	1,964	1,455	1,638	1,576	1,378	1,038	1,081	1,170	965	675
Net investment income (loss)	9,219	690	(251)	6,675	5,206	3,669	2,038	14,142	(6,872)	4,222
Benefit payments	(4,835)	(6,393)	(5,018)	(5,594)	(8,527)	(6,670)	(6,855)	(7,032)	(4,886)	(6,335)
Administrative expenses	(167)	(156)	(320)	(176)	(254)	(293)	(225)	(328)	(272)	(255)
Transfer of contributions between plans	807	870	708	890	1,813	993	1,264	635	664	663
Net change in fiduciary net position	6,988	(3,534)	(3,243)	3,371	(384)	(1,263)	(2,697)	8,587	(10,401)	(1,030)
Fiduciary net position – end of year	61,926	58,392	55,149	58,520	58,136	56,873	54,176	62,763	52,362	51,332
Net pension liability – end of year	$ 4,300	$ 12,264	$ 15,223	$ 11,658	$ 9,004	$ 8,405	$ 10,774	$ 1,527	$ 10,033	$ 10,665
Plan fiduciary net position as a percentage of the total pension liability	93.51 %	82.64 %	78.37 %	83.39 %	86.59 %	87.12 %	83.41 %	97.62 %	83.92 %	82.80 %
Covered payroll	$ 3,822	$ 3,338	$ 2,936	$ 2,199	$ 1,547	$ 1,399	$ 1,149	$ 1,185	$ 909	$ 941
Net pension liability as a percentage of covered payroll	112.51 %	367.41 %	518.49 %	530.15 %	582.03 %	600.79 %	937.68 %	128.86 %	1,103.74 %	1,133.37 %

* *The amounts presented for each fiscal year were determined as of measurement period ended June 30 that occurred one year prior.*

Notes to Schedule:

In FY2016, for the AFSCME plan, which is a single-employer defined benefit plan, the percentage of participants assumed to elect lump sums was decreased from 30% to 25% and the age based withdrawal rate increased at age 45. The age based retirement rates were now applied to all New Plan participants, regardless of whether they have more or less than 30 years of service. The service based retirement rate increased at 30 years of service and in addition, these service based rates were now only applied to the Old Plan participants. The mortality tables were also updated with all rates projected forward with the MP-2014 generational mortality improvement scale.

In FY2017 and FY2018, there were no changes in assumptions.

In FY2019, changes were made to the retirement rates for 30 to 34 years of service. No changes were made at service level of more than 35 years as well as to the age based retirement rates. Additionally, there were increases in the salary scale assumption at all ages. Mortality was also updated to reflect the Society of Actuaries' MP-2017 generational mortality projection scale.

In FY2020 and FY2021, there were no changes in assumptions.

In FY2022, there were no changes in assumptions. The amount reported as Plan Amendments represents the increase in TPL and pension expense resulting from the Voluntary Incentive Separation Program ("VSIP). The amendment which became effective January 1, 2021, provided two additional years of benefit service to eligible employees who accepted the offer and retired between January 1, 2021 and March 31, 2021. Employees who also participate in the CalPERS plan had the option to have the two additional years of service provided in either the MTA's plans or CalPERS, but not both. There were 62 employees who accepted the offer, of which 5 members were provided the additional service in the AFSCME plan.

In FY2023 and FY2024, there were no changes in assumptions.

Los Angeles County Metropolitan Transportation Authority

Schedule of Changes in Net Pension Liability and Related Ratios – Employee Retirement Income Plan

Non-Contract (NC)

Last Ten Fiscal Years*

(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total pension liability – beginning of year	$ 147,574	$ 148,935	$ 156,795	$ 158,813	$ 159,490	$ 153,044	$ 147,216	$ 146,960	$ 146,262	$ 145,008
Service cost	628	536	466	376	246	441	426	416	281	233
Interest	10,011	10,062	10,675	10,697	10,770	10,396	9,952	9,827	9,787	9,778
Changes to benefit terms	—	—	—	—	—	—	—	315	—	—
Difference between expected and actual experience	587	191	(68)	2,577	(883)	(6,554)	489	2,945	2,358	(1,411)
Changes of assumptions	—	8,044	—	—	(4,604)	—	—	—	—	—
Benefit payments paid from trust	(10,540)	(11,661)	(9,697)	(13,762)	(12,774)	(10,548)	(11,769)	(14,916)	(14,946)	(11,923)
Transfer of contributions between plans	675	688	642	789	799	437	646	715	1,266	634
Net change in total pension liability	1,361	7,860	2,018	677	(6,446)	(5,828)	(256)	(698)	(1,254)	(2,689)
Total pension liability – end of year	148,935	156,795	158,813	159,490	153,044	147,216	146,960	146,262	145,008	142,319
Fiduciary net position – beginning of year	113,454	127,728	122,215	116,864	122,180	125,066	126,325	122,603	142,806	115,874
Contributions - LACMTA	5,074	4,186	4,531	4,566	4,195	3,369	2,849	2,772	2,461	2,026
Net investment income (loss)	19,276	1,493	(505)	13,936	10,941	8,323	4,818	31,994	(15,411)	9,662
Benefit payments	(10,540)	(11,661)	(9,697)	(13,762)	(12,774)	(10,548)	(11,769)	(14,916)	(14,946)	(11,923)
Administrative expenses	(211)	(219)	(322)	(213)	(275)	(322)	(266)	(362)	(302)	(289)
Transfer of contributions between plans	675	688	642	789	799	437	646	715	1,266	634
Net change in fiduciary net position	14,274	(5,513)	(5,351)	5,316	2,886	1,259	(3,722)	20,203	(26,932)	110
Fiduciary net position – end of year	127,728	122,215	116,864	122,180	125,066	126,325	122,603	142,806	115,874	115,984
Net pension liability – end of year	$ 21,207	$ 34,580	$ 41,949	$ 37,310	$ 27,978	$ 20,891	$ 24,357	$ 3,456	$ 29,134	$ 26,335
Plan fiduciary net position as a percentage of the total pension liability	85.76 %	77.95 %	73.59 %	76.61 %	81.72 %	85.81 %	83.43 %	97.64 %	79.91 %	81.50 %
Covered payroll	$ 3,953	$ 3,460	$ 3,522	$ 3,447	$ 3,172	$ 3,092	$ 2,846	$ 2,875	$ 1,960	$ 1,624
Net pension liability as a percentage of covered payroll	536.48 %	999.42 %	1,191.06 %	1,082.39 %	882.03 %	675.65 %	855.83 %	120.21 %	1,486.43 %	1,621.61 %

* *The amounts presented for each fiscal year were determined as of measurement period ended June 30 that occurred one year prior.*

Notes to Schedule:

In FY2016, for the NC plan, which is a single-employer defined benefit plan,the percentage of participants assumed to elect lump sums was decreased from 30% to 25% and the age based withdrawal rate increased at age 45. The age based retirement rates were now applied to all New Plan participants, regardless of whether they have more or less than 30 years of service. The service based retirement rate increased at 30 years of service and in addition, these service based rates were now only applied to the Old Plan participants. The mortality tables were also updated with all rates projected forward with the MP-2014 generational mortality improvement scale.

In FY2017 and FY2018, there were no changes in assumptions.

In FY2019, changes were made to the retirement rates for 30 to 34 years of service. No changes were made at service level of more than 35 years as well as to the age based retirement rates. Additionally, there were increases in the salary scale assumption at all ages. Mortality was also updated to reflect the Society of Actuaries' MP-2017 generational mortality projection scale.

In FY2020 and FY2021, there were no changes in assumptions.

In FY2022, there were no changes in assumptions. The amount reported as Plan Amendments represents the increase in TPL and pension expense resulting from the Voluntary Incentive Separation Program ("VSIP). The amendment which became effective January 1, 2021, provided two additional years of benefit service to eligible employees who accepted the offer and retired between January 1, 2021 and March 31, 2021. Employees who also participate in the CalPERS plan had the option to have the two additional years of service provided in either the MTA's plans or CalPERS, but not both. There were 62 employees who accepted the offer, of which 6 members were provided the additional service in the Non-Contract plan.

In FY2023 and FY 2024, there were no changes in assumptions.

Los Angeles County Metropolitan Transportation Authority
Schedule of Changes in Net Pension Liability and Related Ratios – Employee Retirement Income Plan
Amalgamated Transportation Union Plan (ATU)
Last Ten Fiscal Years*
(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total pension liability – beginning of year	$ 417,566	$ 445,951	$ 505,143	$ 542,889	$ 582,087	$ 623,925	$ 664,889	$ 710,682	$ 752,983	$ 799,533
Service cost	12,428	13,928	17,098	15,337	16,081	21,020	22,119	23,207	24,377	26,225
Interest	31,401	33,785	35,877	38,249	40,835	44,136	47,358	50,084	53,064	55,036
Changes to benefit terms	—	—	—	7,692	—	—	—	—	—	—
Difference between expected and actual experience	(1,823)	1,060	4,176	(1,418)	3,642	4,674	2,032	5,818	4,077	8,773
Changes of assumptions	8,999	29,243	—	2,976	10,906	—	4,770	—	3,624	—
Benefit payments paid from trust	(22,251)	(18,366)	(19,233)	(23,365)	(29,220)	(28,978)	(30,416)	(36,644)	(37,831)	(44,448)
Transfer of contributions between plans	(369)	(458)	(172)	(273)	(406)	112	(70)	(164)	(761)	(183)
Net change in total pension liability	28,385	59,192	37,746	39,198	41,838	40,964	45,793	42,301	46,550	45,403
Total pension liability – end of year	445,951	505,143	542,889	582,087	623,925	664,889	710,682	752,983	799,533	844,936
Fiduciary net position – beginning of year	318,802	379,275	394,655	406,188	468,536	518,577	567,353	603,228	774,985	693,185
Contributions - LACMTA	20,126	21,257	22,782	25,423	27,157	29,783	31,844	33,319	34,956	36,874
Contributions - Employees	7,648	8,607	9,272	9,696	10,159	11,365	12,124	12,536	13,277	13,388
Net investment income (loss)	55,695	4,736	(731)	51,241	42,711	36,991	22,778	163,197	(90,997)	60,936
Benefit payments	(22,251)	(18,366)	(19,233)	(23,365)	(29,220)	(28,978)	(30,416)	(36,644)	(37,831)	(44,448)
Administrative expenses	(376)	(396)	(385)	(374)	(360)	(497)	(385)	(487)	(444)	(457)
Transfer of contributions between plans	(369)	(458)	(172)	(273)	(406)	112	(70)	(164)	(761)	(183)
Net change in fiduciary net position	60,473	15,380	11,533	62,348	50,041	48,776	35,875	171,757	(81,800)	66,110
Fiduciary net position – end of year	379,275	394,655	406,188	468,536	518,577	567,353	603,228	774,985	693,185	759,295
Net pension liability (asset) – end of year	$ 66,676	$ 110,488	$ 136,701	$ 113,551	$ 105,348	$ 97,536	$ 107,454	$ (22,002)	$ 106,348	$ 85,641
Plan fiduciary net position as a percentage of the total pension liability	85.05 %	78.13 %	74.82 %	80.49 %	83.12 %	85.33 %	84.88 %	102.92 %	86.70 %	89.86 %
Covered payroll	$113,462	$118,355	$127,258	$142,665	$152,397	$167,130	$178,697	$186,974	$196,165	$206,922
Net pension liability as a percentage of covered payroll	58.77 %	93.35 %	107.42 %	79.59 %	69.13 %	58.36 %	60.13 %	(11.77)%	54.21 %	41.39 %

* *The amounts presented for each fiscal year were determined as of measurement period ended June 30 that occurred one year prior.*

Notes to Schedule:

In FY2016, for the ATU plan, which is a single-employer defined benefit plan, the amount reported as Assumption Changes reflects a change in the discount rate assumption from 7.50% to 7.00%. The discount rate assumption better reflects long-term return expectations for the Plan over a 30-year horizon. In addition, the salary assumption was updated to reflect the negotiated rate increases over the next 3 years (4.25%, 2015-2017).

In FY2017, there were no changes in actuarial assumptions.

In FY2018, the amount reported as Assumption Changes reflects a load of 1% applied to the Actuarial Accrued Liability and Normal Cost for active and transfer participants to anticipate supplemental components of final average compensation upon retirement. The amount reported as Changes to Benefit Terms reflects a negotiated benefit increase of a one-time 4% COLA for partipants in payment status and a one-time 2% COLA for participants in DROP with an assumed payment effective date in September 2017.

In FY2019, the amount reported as Assumption Changes reflects changes in actuarial assumptions for salary, retirement, termination, lump sum elections, marriage assumption, and assumed operating expenses effective January 1, 2018.

In FY2020, the operating expense assumption was changed from $400,000 per year to $300,000 per year. The change only impacts the Actuarially Determined Contribution. It does not affect the Total Pension Liability calculation.

In FY2021, the assumed employee contribution rate was increased from 4.0% to 6.5% of compensation to better reflect future expected employee contributions, and a load of 1% was added to the Total Pension Liability and Normal Cost of actives and transfer participants to reflect anticipated salary increases due to promotions. The operating expense assumption was updated to include a 2.5% annual increase for inflation.

In FY2022, there were no changes in actuarial assumptions.

In FY2023, the interest discount rate and investment return assumption was decreased from 7.00% to 6.85%. The salary scale assumption was updated to 3.50% effective July 1, 2022 and July 1, 2023 including qualified wage adjustments under the CBA. The assumed disability rates were reduced to 50% of previous rates. The retirement rates were updated for members with over and under 15 years of service to be consistent with recent historical and future anticipated experience and the 100% retirement assumption was increased from age 70 to age 75.

In FY2024, there were no changes in actuarial assumptions.

Los Angeles County Metropolitan Transportation Authority
Schedule of Changes in Net Pension Liability and Related Ratios – Employee Retirement Income Plan
Total for the Four Union Groups and Non-Contract (NC)
Last Ten Fiscal Years*
(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total pension liability – beginning of year	$1,418,221	$1,481,009	$1,632,714	$1,709,688	$1,797,949	$1,875,724	$1,948,245	$2,033,761	$2,146,154	$2,235,500
Service cost	35,843	37,539	42,046	38,902	40,604	49,491	51,751	54,060	55,759	60,276
Interest	100,939	105,591	114,484	119,252	125,252	131,428	136,623	142,139	149,941	154,848
Changes of benefit terms	—	—	—	7,692	—	—	—	461	—	—
Difference between expected and actual experiences	565	23,752	(1,339)	10,584	11,150	(11,921)	(207)	31,601	1,180	22,436
Changes of assumptions	8,999	68,974	—	2,976	446	—	4,664	—	3,624	—
Benefit payments paid from trust	(83,558)	(84,151)	(78,217)	(91,145)	(99,677)	(96,477)	(107,315)	(115,868)	(121,159)	(134,384)
Transfer (benefit payments originally paid by other plans	—	—	—	—	—	—	—	—	1	—
Net change in total pension liability	62,788	151,705	76,974	88,261	77,775	72,521	85,516	112,393	89,346	103,176
Total pension liability – end of year	1,481,009	1,632,714	1,709,688	1,797,949	1,875,724	1,948,245	2,033,761	2,146,154	2,235,500	2,338,676
Fiduciary net position – beginning of year	1,040,009	1,217,498	1,225,243	1,228,336	1,378,921	1,495,240	1,598,699	1,656,545	2,086,697	1,831,287
Contributions - LACMTA	56,198	51,419	55,935	59,535	60,415	63,022	67,400	68,812	69,684	68,184
Contributions - Employees	25,337	27,435	30,319	30,595	31,754	34,121	35,310	33,623	38,893	39,408
Net investment income (loss)	180,910	14,659	(3,238)	152,988	125,430	104,771	64,096	445,775	(240,877)	159,252
Benefit payments	(83,558)	(84,151)	(78,217)	(91,145)	(99,677)	(96,477)	(107,315)	(115,868)	(121,159)	(134,384)
Administrative expenses	(1,398)	(1,617)	(1,706)	(1,388)	(1,603)	(1,978)	(1,645)	(2,190)	(1,952)	(1,873)
Transfers (benefit payments originally paid by other plans)	—	—	—	—	—	—	—	—	1	—
Net change in fiduciary net position	177,489	7,745	3,093	150,585	116,319	103,459	57,846	430,152	(255,410)	130,587
Fiduciary net position – end of year	1,217,498	1,225,243	1,228,336	1,378,921	1,495,240	1,598,699	1,656,545	2,086,697	1,831,287	1,961,874
Net pension liability – end of year	$263,511	$407,471	$481,352	$419,028	$380,484	$349,546	$377,216	$ 59,457	$404,213	$376,802
Plan fiduciary net position as a percentage of the total pension liability	82.21 %	75.04 %	71.85 %	76.69 %	79.72 %	82.06 %	81.45 %	97.23 %	81.92 %	83.89 %
Covered payroll	$323,537	$347,060	$363,976	$380,421	$398,331	$427,029	$447,573	$466,261	$480,009	$518,960
Net pension liability as a percentage of covered payroll	81.45 %	117.41 %	132.25 %	110.15 %	95.52 %	81.86 %	84.28 %	12.75 %	84.21 %	72.61 %

* *The amounts presented for each fiscal year were determined as of measurement period ended June 30 that occurred one year prior.*

Each plan is a single-employer defined benefit plan.

Los Angeles County Metropolitan Transportation Authority
Schedule of Contributions to Employee Retirement Income Plans
Last Ten Fiscal Years
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
SHEET METAL, AIR, RAIL,TRANSPORTATION, TRANSPORTATION DIVISION (SMART-TD)										
Actuarially determined contribution	$ 19,780	$ 21,369	$ 22,011	$ 21,467	$ 21,080	$ 23,033	$ 22,967	$ 22,272	$ 19,738	$ 23,453
Contributions in relation to the actuarially determined contribution	(19,780)	(21,369)	(22,011)	(21,467)	(21,080)	(23,033)	(22,967)	(22,272)	(19,738)	(23,453)
Contribution deficiency (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Covered payroll	$187,395	$193,246	$192,346	$198,718	$208,173	$215,390	$220,965	$223,338	$250,560	$285,415
Contributions as a percentage of covered payroll	10.56 %	11.06 %	11.44 %	10.80 %	10.13 %	10.69 %	10.39 %	9.97 %	7.88 %	8.22 %
TRANSPORTATION COMMUNICATION UNION PLAN (TCU)										
Actuarially determined contribution	$ 4,741	$ 5,615	$ 5,955	$ 6,218	$ 7,752	$ 8,592	$ 8,584	$ 9,030	$ 8,871	$ 9,010
Contributions in relation to the actuarially determined contribution	(4,741)	(5,615)	(5,955)	(6,218)	(7,752)	(8,592)	(8,584)	(9,030)	(8,871)	(9,010)
Contribution deficiency (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Covered payroll	$ 34,512	$ 37,014	$ 39,764	$ 42,497	$ 47,235	$ 49,491	$ 54,262	$ 57,637	$ 58,913	$64,963
Contributions as a percentage of covered payroll	13.74 %	15.17 %	14.98 %	14.63 %	16.41 %	17.36 %	15.82 %	15.67 %	15.06 %	13.87 %
AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEE PLAN (AFSCME)										
Actuarially determined contribution	$ 1,455	$ 1,638	$ 1,575	$ 1,378	$ 1,038	$ 1,082	$ 1,170	$ 965	$ 675	$ 788
Contributions in relation to the actuarially determined contribution	(1,455)	(1,638)	(1,575)	(1,378)	(1,038)	(1,082)	(1,170)	(965)	(675)	(788)
Contribution deficiency (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Covered payroll	$ 3,338	$ 2,936	$ 2,199	$ 1,547	$ 1,399	$ 1,149	$ 1,185	$ 909	$ 941	$733
Contributions as a percentage of covered payroll	43.59 %	55.79 %	71.62 %	89.08 %	74.20 %	94.17 %	98.73 %	106.16 %	71.73 %	107.50 %
NON-CONTRACT (NC)										
Actuarially determined contribution	$ 4,186	$ 4,531	$ 4,565	$ 4,195	$ 3,369	$ 2,849	$ 2,772	$ 2,461	$ 2,026	$ 2,129
Contributions in relation to the actuarially determined contribution	(4,186)	(4,531)	(4,565)	(4,195)	(3,369)	(2,849)	(2,772)	(2,461)	(2,026)	(2,129)
Contribution deficiency (excess)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Covered payroll	$ 3,460	$ 3,522	$ 3,447	$ 3,172	$ 3,092	$ 2,846	$ 2,875	$ 1,960	$ 1,624	$1,679
Contributions as a percentage of covered payroll	120.98 %	128.65 %	132.43 %	132.25 %	108.96 %	100.11 %	96.42 %	125.56 %	124.75 %	126.80 %

Los Angeles County Metropolitan Transportation Authority
Schedule of Contributions to Employee Retirement Income Plans (Continued)
Last Ten Fiscal Years
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
AMALGAMATED TRANSPORTATION UNION PLAN (ATU)										
Actuarially determined contribution *	$ 21,257	$ 22,677	$ 25,066	$ 26,624	$ 29,381	$ 30,968	$ 31,225	$ 31,288	$ 31,907	$ 33,319
Contributions in relation to the actuarially determined contribution	(21,257)	(22,782)	(25,422)	(27,157)	(29,783)	(31,844)	(33,319)	(34,957)	(36,874)	(38,680)
Contribution deficiency (excess)	$ —	$ (105)	$ (356)	$ (533)	$ (402)	$ (876)	$ (2,094)	$ (3,669)	$ (4,967)	$ (5,361)
Covered payroll	$118,355	$127,258	$142,665	$152,397	$167,130	$178,697	$186,974	$196,165	$206,922	$217,061
Contributions as a percentage of covered payroll	17.96 %	17.90 %	17.82 %	17.82 %	17.82 %	17.82 %	17.82 %	17.82 %	17.82 %	17.82 %
TOTAL										
Actuarially determined contribution	$ 51,419	$ 55,829	$ 59,175	$ 59,882	$ 62,620	$ 66,524	$ 66,718	$ 66,016	$ 63,217	$ 68,699
Contributions in relation to the actuarially determined contribution	(51,419)	(55,934)	(59,531)	(60,415)	(63,022)	(67,400)	(68,812)	(69,685)	(68,184)	(74,060)
Contribution deficiency (excess)	$ —	$ (105)	$ (356)	$ (533)	$ (402)	$ (876)	$ (2,094)	$ (3,669)	$ (4,967)	$ (5,361)
Covered payroll	$347,060	$363,976	$380,421	$398,331	$427,029	$447,573	$466,261	$480,009	$518,960	$569,851
Contributions as a percentage of covered payroll	14.82 %	15.37 %	15.65 %	15.17 %	14.76 %	15.06 %	14.76 %	14.52 %	13.14 %	13.00 %

* *Unlike other plans, ATU's ADC is based on percentage of payroll rather than a fixed dollar amount.*

Each plan is a single-employer defined benefit plan.

Los Angeles County Metropolitan Transportation Authority
Schedule of Changes in Net OPEB Liability and Related Ratios
Last Ten Fiscal Years*
(Amounts expressed in thousands)

	2018	2019	2020	2021	2022	2023	2024
Total OPEB Liability							
Service cost	$ 86,058	$ 69,912	$ 66,838	$ 67,628	$ 85,290	$ 75,730	$ 56,808
Interest cost	55,924	61,050	66,422	54,666	45,867	50,785	62,417
Differences between expected and actual experience	(179,706)	—	(240,338)	—	(119,151)	—	(230,305)
Changes of assumptions	(191,475)	(72,824)	(73,145)	159,713	(70,497)	(228,946)	(278,730)
Benefit payments	(23,558)	(42,757)	(46,335)	(38,649)	(40,196)	(47,324)	(47,020)
Net change in total OPEB Liability	(252,757)	15,381	(226,558)	243,358	(98,687)	(149,755)	(436,830)
Total OPEB Liability - Beginning of year	1,854,031	1,601,274	1,616,655	1,390,097	1,633,455	1,534,768	1,385,013
Total OPEB Liability - Ending of year	1,601,274	1,616,655	1,390,097	1,633,455	1,534,768	1,385,013	948,183
Plan Fiduciary Net Position							
Contributions - Employer	31,933	49,806	51,166	40,309	39,988	18,968	21,804
Net investment income	35,666	29,016	21,263	16,045	125,371	(69,741)	35,531
Benefit payments	(23,558)	(42,757)	(46,335)	(38,649)	(40,196)	(47,324)	(47,020)
Administrative expense	(167)	(295)	(207)	(148)	(209)	(205)	(283)
Net change in Plan Fiduciary Net Position	43,874	35,770	25,887	17,557	124,954	(98,302)	10,032
Plan Fiduciary Net Position - Beginning of year	295,066	338,940	374,710	400,597	418,154	543,108	444,806
Plan Fiduciary Net Position - Ending of year	338,940	374,710	400,597	418,154	543,108	444,806	454,838
Net OPEB Liability - Ending of year	$1,262,334	$1,241,945	$989,500	$1,215,301	$991,660	$940,207	$493,345
Fiduciary Net Position as a Percentage of OPEB Liability	21.17 %	23.18 %	28.82 %	25.60 %	35.39 %	32.12 %	47.97 %
Covered-employee payroll	$747,036	$743,277	$836,334	$891,915	$839,957	$869,355	$888,534
Net OPEB Liability as a Percentage of Covered-employee payroll	168.98 %	167.09 %	118.31 %	136.26 %	118.06 %	108.15 %	55.52 %

** The amounts presented for each fiscal year were determined as of measurement period ended June 30 that occurred one year prior. Additional years will be presented as they become available.*

Note to schedule:

There were no changes in benefit terms in fiscal year 2018 through 2023.

Fiscal year 2018 was the first year of implementation of GASB 75 for the Plan. Additional years will be presented as they become available.

Changes in assumptions

The discount rate was increased from 3.70% to 4.00% as of 07/01/2018.

The discount rate was decreased from 4.00% to 3.80% as of 07/01/2019. Mortality was also updated using improvements scale MP-2018; previously with scale MP-2016 improvements. In addition, healthcare cost trend rates were reduced for Medical Pre 65 and Medical Post 65.

The discount rate was decreased from 3.80% to 2.70% as of 07/01/2020. Additionally, the December 2019 Secure Act repeal of excise tax for high-cost plans under the Affordable Care Act was reflected which removes the impact from liabilities calculated as of June 30, 2020.

The discount rate was increased from 2.70% to 3.20% as of 07/01/2021. Investment rate of return was reduced from 7.00% to 6.90%. Mortality was also updated using improvements scale MP-2020; previously with Scale MP-2018 improvements.

The discount rate was increased from 3.20% to 4.40% as of 07/01/2022. Mortality was also updated using improvements scale MP-2021; previously with Scale MP-2020 improvements. In addition, healthcare cost trend rates were reduced for Medical Pre 65 and Medical Post 65.

The discount rate was increased from 4.40% to 6.00% as of 07/01/2023. Mortality was also updated using improvements scale Pub-2010 headcount-weighted tables for all income levels with fully generational projection from 2010 using improvement scale MP-2021. In addition, healthcare cost trend rates were reduced for Medical Pre 65 and Medical Post 65.

Los Angeles County Metropolitan Transportation Authority
Schedule of Investment Returns - Other Postemployment Benefits Plan
Last Ten Fiscal Years

	2017	2018	2019	2020	2021	2022	2023	2024
Annual money-weighted rate of return, net of investment expense	11.92%	8.47%	5.64%	4.00%	29.99%	(13.19%)	8.22%	11.14%

Note to schedule:

Only eight years are shown. Years presented are the reporting for the fiscal year ended. GASB 74 was implemented for the Plan in fiscal year 2017 and GASB 75 was implemented in fiscal year 2018. Additional years will be presented as they become available.

Los Angeles County Metropolitan Transportation Authority
Schedule of Contributions - Other Postemployment Benefits Plan
Last Ten Fiscal Years
(Amounts expressed in thousands)

	2017	2018	2019	2020	2021	2022 (**)	2023 (**)	2024 (**)
Pay-as-you-go contribution (*)	$ 26,203	$ 25,671	$ 26,295	$ 25,743	$ 27,348	$ —	$ —	$ —
Contribution in relation to pay-as-you-go contribution	31,203	30,671	28,687	25,619	22,790	—	—	—
Contribution deficiency (excess)	$ (5,000)	$ (5,000)	$ (2,392)	$ 124	$ 4,558	$ —	$ —	$ —

(*) LACMTA's funding is not based on actuarially determined contributions nor is it statutorily established. Annual contributions are based on estimated pay-as-you-go costs plus $5 million as a liability reduction contribution subject to budget review annually. Pay-as-you-go costs are the premiums paid for retiree health benefits (NC and AFSCME) plus the contractual contributions to ATU, TCU, and SMART Health & Welfare Trusts per each union's Collective bargaining agreement.

(**) In FY22, FY23 and FY24, the budget review has resulted in no contribution.

Note to Schedule:

GASB 74 was implemented in fiscal year 2017. Additional years will be presented as they become available.

Los Angeles County Metropolitan Transportation Authority
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

	Budgeted Amounts*			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	$ 40,585	$ 40,585	$ 8,502	$ (32,083)
Investment income	1,550	1,550	8,564	7,014
Net appreciation in fair value of investments	—	—	2,007	2,007
Lease and rental	15,881	15,881	18,035	2,154
Licenses and fines	750	750	777	27
Other	46,733	46,733	41,809	(4,924)
TOTAL REVENUES	105,499	105,499	79,694	(25,805)
EXPENDITURES				
Current:				
Administration and other	248,293	268,576	127,450	141,126
Transportation subsidies	58,497	57,997	22,701	35,296
Capital outlay - Subscription-based IT arrangements	—	—	203	(203)
Debt and interest expenditures:				
Principal	—	—	859	(859)
Interest and fiscal charges	—	—	18	(18)
TOTAL EXPENDITURES	306,790	326,573	151,231	175,342
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(201,291)	(221,074)	(71,537)	149,537
OTHER FINANCING SOURCES (USES)				
Transfers in	190,334	190,334	139,752	(50,582)
Transfers out	(55,211)	(55,211)	(57,928)	(2,717)
Subscription-based IT arrangements issued	—	—	203	203
TOTAL OTHER FINANCING SOURCES (USES)	135,123	135,123	82,027	(53,096)
NET CHANGE IN FUND BALANCES	(66,168)	(85,951)	10,490	96,441
Fund balances – beginning of year	174,011	174,011	174,011	—
FUND BALANCES – END OF YEAR	$ 107,843	$ 88,060	$ 184,501	$ 96,441

** Budget prepared in accordance with GAAP*

Los Angeles County Metropolitan Transportation Authority
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Proposition A Fund
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

	Budgeted Amounts*			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Sales tax	$ 1,200,000	$ 1,200,000	$ 1,093,032	$ (106,968)
Investment income	—	—	22,869	22,869
Net appreciation in fair value of investments	—	—	5,363	5,363
TOTAL REVENUES	1,200,000	1,200,000	1,121,264	(78,736)
EXPENDITURES				
Current:				
Transportation subsidies	435,977	435,977	412,192	23,785
TOTAL EXPENDITURES	435,977	435,977	412,192	23,785
EXCESS OF REVENUES OVER EXPENDITURES	764,023	764,023	709,072	(54,951)
OTHER FINANCING SOURCES (USES)				
Transfers in	8,408	8,408	4,690	(3,718)
Transfers out	(848,548)	(848,548)	(661,111)	187,437
TOTAL OTHER FINANCING SOURCES (USES)	(840,140)	(840,140)	(656,421)	183,719
NET CHANGE IN FUND BALANCES	(76,117)	(76,117)	52,651	128,768
Fund balances – beginning of year	617,033	617,033	617,033	—
FUND BALANCES – END OF YEAR	$ 540,916	$ 540,916	$ 669,684	$ 128,768

**Budget prepared in accordance with GAAP.*

Los Angeles County Metropolitan Transportation Authority
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Proposition C Fund
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

	Budgeted Amounts*			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Sales tax	$ 1,200,000	$ 1,200,000	$ 1,093,037	$ (106,963)
Intergovernmental	19,096	19,096	30,043	10,947
Investment income	—	—	32,237	32,237
Net appreciation in fair value of investments	—	—	10,475	10,475
TOTAL REVENUES	1,219,096	1,219,096	1,165,792	(53,304)
EXPENDITURES				
Current:				
Administration and other	84,076	81,108	51,822	29,286
Transportation subsidies	694,897	694,897	592,820	102,077
Capital outlay - Subscription-based IT arrangements	—	—	258	(258)
Debt and interest expenditures:				
Principal	—	—	153	(153)
Interest and fiscal charges	—	—	3	(3)
TOTAL EXPENDITURES	778,973	776,005	645,056	130,949
EXCESS OF REVENUES OVER EXPENDITURES	440,123	443,091	520,736	77,645
OTHER FINANCING SOURCES (USES)				
Transfers in	189,667	189,667	230,069	40,402
Transfers out	(1,071,752)	(1,071,752)	(891,870)	179,882
Subscription-based IT arrangements issued	—	—	258	258
TOTAL OTHER FINANCING SOURCES (USES)	(882,085)	(882,085)	(661,543)	220,542
NET CHANGE IN FUND BALANCES	(441,962)	(438,994)	(140,807)	298,187
Fund balances – beginning of year	1,045,903	1,045,903	1,045,903	—
FUND BALANCES – END OF YEAR	$ 603,941	$ 606,909	$ 905,096	$ 298,187

** Budget prepared in accordance with GAAP.*

Los Angeles County Metropolitan Transportation Authority
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Measure R Fund
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

	Budgeted Amounts*			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Sales tax	$1,200,000	$1,200,000	$ 1,092,876	$ (107,124)
Intergovernmental	210,785	210,785	58,922	(151,863)
Investment income	—	—	40,005	40,005
Net appreciation in fair value of investments	—	—	8,843	8,843
Other	—	—	7,273	7,273
TOTAL REVENUES	1,410,785	1,410,785	1,207,919	(202,866)
EXPENDITURES				
Current:				
Administration and other	559,322	554,351	318,095	236,256
Transportation subsidies	573,886	568,419	416,533	151,886
Capital outlay - Long-term lease arrangements	—	—	779	(779)
Debt and interest expenditures				
Principal	—	—	9	(9)
Interest and fiscal charges	—	—	3	(3)
TOTAL EXPENDITURES	1,133,208	1,122,770	735,419	387,351
EXCESS OF REVENUES OVER EXPENDITURES	277,577	288,015	472,500	184,485
OTHER FINANCING SOURCES (USES)				
Transfers in	240,087	240,087	120,185	(119,902)
Transfers out	(494,274)	(494,274)	(617,662)	(123,388)
Long-term lease arrangements issued	—	—	779	779
TOTAL OTHER FINANCING SOURCES (USES)	(254,187)	(254,187)	(496,698)	(242,511)
NET CHANGE IN FUND BALANCES	23,390	33,828	(24,198)	(58,026)
Fund balances – beginning of year	1,002,167	1,002,167	1,002,167	—
FUND BALANCES – END OF YEAR	$1,025,557	$1,035,995	$ 977,969	$ (58,026)

** Budget prepared in accordance with GAAP*

Los Angeles County Metropolitan Transportation Authority
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Measure M Fund
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

	Budgeted Amounts*			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Sales tax	$ 1,200,000	$ 1,200,000	$ 1,091,069	$ (108,931)
Intergovernmental	51,848	51,848	586	(51,262)
Investment income	—	—	44,748	44,748
Net appreciation in fair value of investments	—	—	11,077	11,077
TOTAL REVENUES	1,251,848	1,251,848	1,147,480	(104,368)
EXPENDITURES				
Current:				
Administration and other	226,665	156,998	60,985	96,013
Transportation subsidies	471,560	472,632	412,446	60,186
Debt and interest expenditures				
Principal note payment	—	—	1,500	(1,500)
TOTAL EXPENDITURES	698,225	629,630	474,931	154,699
EXCESS OF REVENUES OVER EXPENDITURES	553,623	622,218	672,549	50,331
OTHER FINANCING SOURCES (USES)				
Transfers in	38,306	38,306	32,524	(5,782)
Transfers out	(658,057)	(658,057)	(685,259)	(27,202)
TOTAL OTHER FINANCING SOURCES (USES)	(619,751)	(619,751)	(652,735)	(32,984)
NET CHANGE IN FUND BALANCES	(66,128)	2,467	19,814	17,347
Fund balances – beginning of year	1,150,955	1,150,955	1,150,955	—
FUND BALANCES – END OF YEAR	$ 1,084,827	$ 1,153,422	$ 1,170,769	$ 17,347

* *Budget prepared in accordance with GAAP*

Los Angeles County Metropolitan Transportation Authority
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Transportation Development Act Fund
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

	Budgeted Amounts*			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Sales taxes	$ 600,000	$ 600,000	$ 520,073	$ (79,927)
Investment income	—	—	21,388	21,388
TOTAL REVENUES	600,000	600,000	541,461	(58,539)
EXPENDITURES				
Current:				
Transportation subsidies	232,038	232,038	184,892	47,146
TOTAL EXPENDITURES	232,038	232,038	184,892	47,146
EXCESS OF REVENUES OVER EXPENDITURES	367,962	367,962	356,569	(11,393)
OTHER FINANCING SOURCES (USES)				
Transfers in	—	—	7,271	7,271
Transfers out	(196,079)	(196,079)	(186,957)	9,122
TOTAL OTHER FINANCING SOURCES (USES)	(196,079)	(196,079)	(179,686)	16,393
NET CHANGE IN FUND BALANCES	171,883	171,883	176,883	5,000
Fund balances – beginning of year	417,407	417,407	417,407	—
FUND BALANCES – END OF YEAR	$ 589,290	$ 589,290	$ 594,290	$ 5,000

* *Budget prepared in accordance with GAAP*

Los Angeles County Metropolitan Transportation Authority
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
State Transit Assistance Fund
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

	Budgeted Amounts*			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Sales taxes	$ 187,965	$ 187,965	$ 264,610	$ 76,645
Investment income	—	—	10,212	10,212
TOTAL REVENUES	187,965	187,965	274,822	86,857
EXPENDITURES				
Current:				
Transportation subsidies	41,131	41,131	45,652	(4,521)
TOTAL EXPENDITURES	41,131	41,131	45,652	(4,521)
EXCESS OF REVENUES OVER EXPENDITURES	146,834	146,834	229,170	82,336
OTHER FINANCING SOURCES (USES)				
Transfers out	(141,020)	(141,020)	(271,194)	(130,174)
TOTAL OTHER FINANCING SOURCES (USES)	(141,020)	(141,020)	(271,194)	(130,174)
NET CHANGE IN FUND BALANCES	5,814	5,814	(42,024)	(47,838)
Fund balances – beginning of year	236,754	236,754	236,754	—
FUND BALANCES – END OF YEAR	$ 242,568	$ 242,568	$ 194,730	$ (47,838)

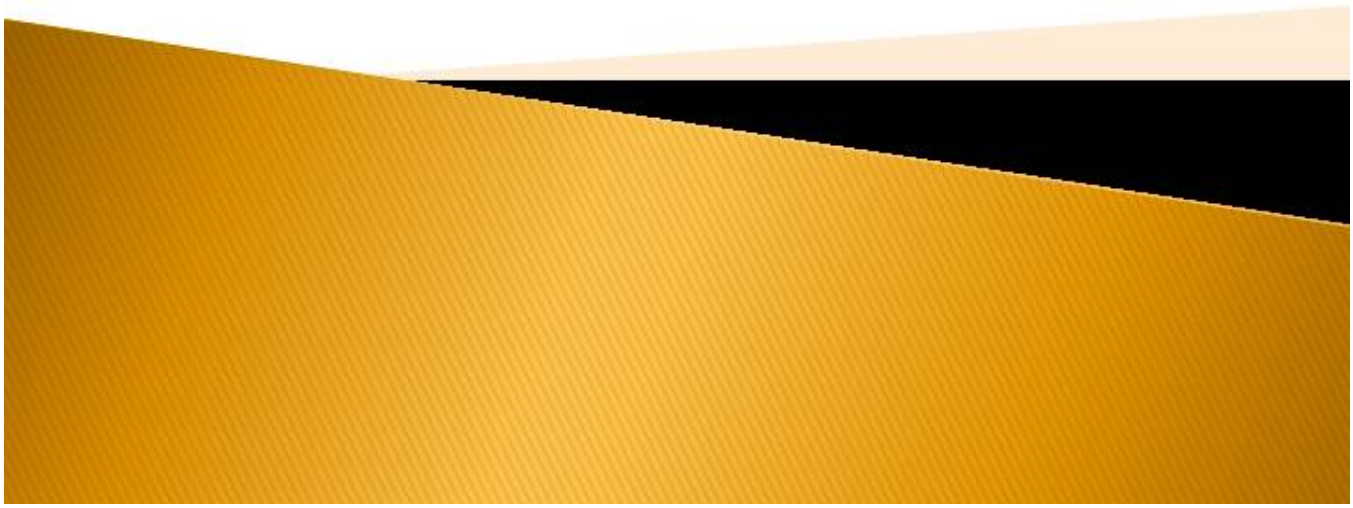
** Budget prepared in accordance with GAAP*

THIS PAGE INTENTIONALLY LEFT BLANK



Los Angeles County Metropolitan Transportation Authority

OTHER SUPPLEMENTARY INFORMATION



Los Angeles County Metropolitan Transportation Authority
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2024
(Amounts expressed in thousands)

	Special Revenue Funds		
	Service Authority For Freeway Emergencies	Other	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	$ 12,786	$ 131,730	$ 144,516
Investments	31,118	7,831	38,949
Receivables			
Accounts	3	—	3
Interest	223	781	1,004
Intergovernmental	1,395	9,888	11,283
Due from other funds	—	15,146	15,146
TOTAL ASSETS	$ 45,525	$ 165,376	$ 210,901
LIABILITIES			
Accounts payable and accrued liabilities	$ 706	$ 759	$ 1,465
Due to other funds	—	13,353	13,353
TOTAL LIABILITIES	706	14,112	14,818
DEFERRED INFLOWS OF RESOURCES			
Deferred revenues	—	68	68
TOTAL DEFERRED INFLOWS OF RESOURCES	—	68	68
FUND BALANCES			
Restricted	44,819	151,196	196,015
TOTAL FUND BALANCES	44,819	151,196	196,015
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	$ 45,525	$ 165,376	$ 210,901

Los Angeles County Metropolitan Transportation Authority
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

	Special Revenue Funds		
	Service Authority For Freeway Emergencies	Other	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	$ —	$ 54,447	$ 54,447
Investment income	1,498	7,498	8,996
Net appreciation (decline) in fair value of investments	347	(32)	315
Licenses and fines	7,957	37,617	45,574
Other	—	1	1
TOTAL REVENUES	9,802	99,531	109,333
EXPENDITURES			
Current:			
Administration and other	4,388	—	4,388
Transportation subsidies	—	4,267	4,267
TOTAL EXPENDITURES	4,388	4,267	8,655
EXCESS OF REVENUES OVER EXPENDITURES	5,414	95,264	100,678
OTHER FINANCING SOURCES (USES)			
Transfers out	—	(64,567)	(64,567)
TOTAL OTHER FINANCING USES	—	(64,567)	(64,567)
NET CHANGE IN FUND BALANCES	5,414	30,697	36,111
Fund balances – beginning of year	39,405	120,499	159,904
FUND BALANCES – END OF YEAR	$ 44,819	$ 151,196	$ 196,015

Los Angeles County Metropolitan Transportation Authority
Schedule of Revenues, Expenses, and Changes in Fund Balances – Budget and Actual
Service Authority for Freeway Emergencies Fund
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

	Budgeted Amounts*			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Investment income	$ 100	$ 100	$ 1,498	$ 1,398
Net appreciation in fair value of investments	—	—	347	347
Licenses and fines	8,297	8,297	7,957	(340)
TOTAL REVENUES	8,397	8,397	9,802	1,405
EXPENDITURES				
Current:				
Administration and other	8,756	8,756	4,388	4,368
TOTAL EXPENDITURES	8,756	8,756	4,388	4,368
EXCESS OF REVENUES OVER EXPENDITURES	(359)	(359)	5,414	5,773
NET CHANGE IN FUND BALANCES	(359)	(359)	5,414	5,773
Fund balances – beginning of year	39,405	39,405	39,405	—
FUND BALANCES – END OF YEAR	$ 39,046	$ 39,046	$ 44,819	$ 5,773

** Budget prepared in accordance with GAAP*

Los Angeles County Metropolitan Transportation Authority
Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual
Other Special Revenue Funds
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

	Budgeted Amounts*			
	Original	Final	Actual Amounts	Variance with Final Budget
REVENUES				
Intergovernmental	$ 6,425	$ 6,425	$ 54,447	$ 48,022
Investment income	—	—	7,498	7,498
Net decline in fair value of investments	—	—	(32)	(32)
License and fines	26,653	26,653	37,617	10,964
Others	—	—	1	1
TOTAL REVENUES	33,078	33,078	99,531	66,453
EXPENDITURES				
Current:				
Transportation subsidies	4,154	4,154	4,267	(113)
TOTAL EXPENDITURES	4,154	4,154	4,267	(113)
EXCESS OF REVENUES OVER EXPENDITURES	28,924	28,924	95,264	66,340
OTHER FINANCING SOURCES (USES)				
Transfers out	(84,667)	(84,667)	(64,567)	20,100
TOTAL OTHER FINANCING SOURCES (USES)	(84,667)	(84,667)	(64,567)	20,100
NET CHANGE IN FUND BALANCES	(55,743)	(55,743)	30,697	86,440
Fund balances – beginning of year	120,499	120,499	120,499	—
FUND BALANCES – END OF YEAR	$ 64,756	$ 64,756	$ 151,196	$ 86,440

** Budget prepared in accordance with GAAP*

Los Angeles County Metropolitan Transportation Authority
Combining Schedule of Fiduciary Net Position
June 30, 2024
(Amounts expressed in thousands)

	Employee Retirement Trust Funds	OPEB Trust Fund	Total
ASSETS			
Cash and cash equivalents	$ 14,418	$ 7,986	$ 22,404
Investments:			
Bonds	214,963	109,289	324,252
Domestic stocks	467,339	—	467,339
Non-domestic stocks	36,249	—	36,249
Pooled investments	1,425,187	359,063	1,784,250
Receivables			
Member contributions	1,590	378	1,968
Securities sold	842	—	842
OPEB Trust Fund *	1,682	—	1,682
Interest and dividends	2,506	955	3,461
Prepaid items and other assets	81	—	81
Total assets	2,164,857	477,671	2,642,528
LIABILITIES			
Accounts payable and other liabilities	3,068	6,707	9,775
Payable to Employee Retirement Trust Funds *	—	1,682	1,682
Securities purchased	3,598	—	3,598
Total liabilities	6,666	8,389	15,055
NET POSITION RESTRICTED FOR PENSIONS AND OPEB			
Restricted for pension and OPEB benefits	$ 2,158,191	$ 469,282	$ 2,627,473

** Receivable/payable between the fiduciary trust funds were eliminated in the Statement of Net Position - Employee Retirement and OPEB Trust Funds on page 54.*

Los Angeles County Metropolitan Transportation Authority
Combining Schedule Of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

	Employee Retirement Trust Funds	OPEB Trust Fund	Total
ADDITIONS			
Contributions			
Employer	$ 74,060	$ —	$ 74,060
Member	44,986	978	45,964
Total contributions	119,046	978	120,024
Investment income (expense)			
Net appreciation in fair value of investments	198,423	39,214	237,637
Investment income	21,280	9,960	31,240
Investment expense	(6,795)	(419)	(7,214)
Other income	2,549	—	2,549
Net investment income	215,457	48,755	264,212
Total additions	334,503	49,733	384,236
DEDUCTIONS			
Retiree benefits	136,001	35,072	171,073
Administrative expenses	2,185	218	2,403
Total deductions	138,186	35,290	173,476
Change in net position	196,317	14,443	210,760
Net position - beginning of year	1,961,874	454,839	2,416,713
Net position - end of year	$ 2,158,191	$ 469,282	$ 2,627,473

Los Angeles County Metropolitan Transportation Authority
Combining Schedule of Fiduciary Net Position - Employee Retirement Trust Funds
Fiduciary Funds
June 30, 2024
(Amounts expressed in thousands)

	Sheet Metal, Air, Rail, Transportation, Transportation Division	Transportation Communication Union Plan	American Federation of State, County and Municipal Employee Plan	Non-Contract Employee Plan	Amalgamated Transportation Union Plan	Total
ASSETS						
Cash and cash equivalents	$ 5,992	$ 1,608	$ 349	$ 776	$ 5,693	$ 14,418
Investments						
Bonds	89,341	23,975	5,198	11,563	84,886	214,963
Domestic stocks	194,230	52,124	11,302	25,137	184,546	467,339
Non-domestic stocks	15,065	4,043	877	1,950	14,314	36,249
Pooled investments	592,320	158,955	34,466	76,658	562,788	1,425,187
Receivables						
Member contributions	1,136	101	—	—	353	1,590
Contribution transfer from other plans *	—	—	487	917	—	1,404
Securities sold	350	94	20	45	333	842
Interest and dividends	1,041	279	61	135	990	2,506
Receivable from OPEB Trust Fund	—	96	277	978	331	1,682
Prepaid items and other assets	34	9	2	4	32	81
Total assets	899,509	241,284	53,039	118,163	854,266	2,166,261
LIABILITIES						
Contribution transfers to other plans *	860	399	—	—	145	1,404
Accounts payable and other liabilities	1,213	369	139	234	1,113	3,068
Securities purchased	1,496	401	87	193	1,421	3,598
Total liabilities	3,569	1,169	226	427	2,679	8,070
NET POSITION						
Restricted for pension benefits	$ 895,940	$ 240,115	$ 52,813	$ 117,736	$ 851,587	$ 2,158,191

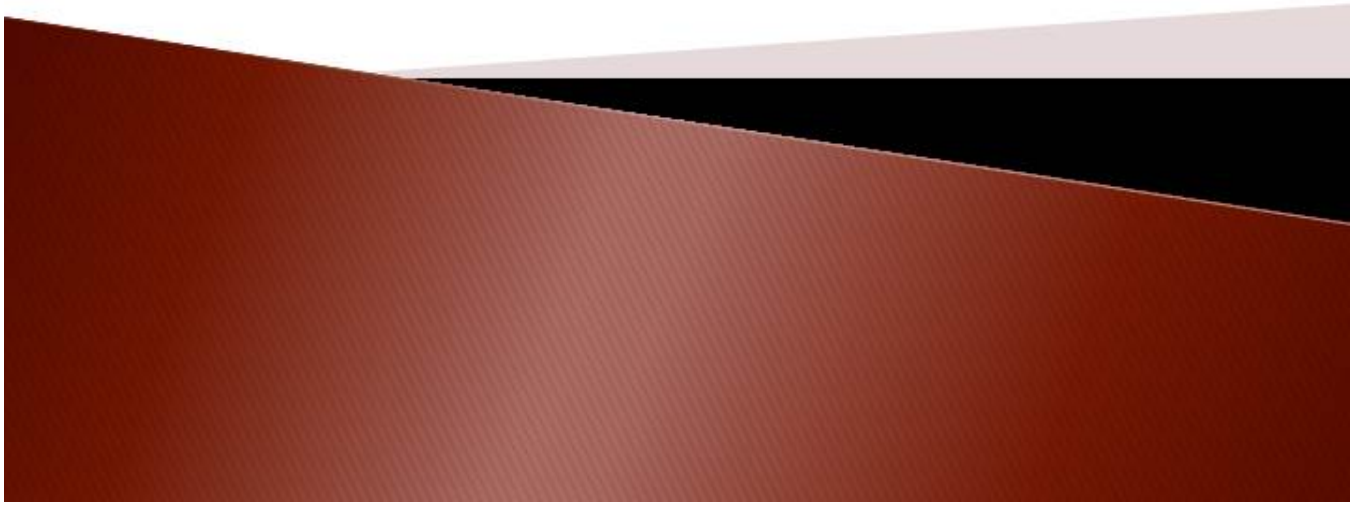
* Inter-plan receivables/payables among the Union Plans were eliminated in the Statement of Fiduciary Net Position found on page 54.

Los Angeles County Metropolitan Transportation Authority
Combining Schedule of Changes in Fiduciary Net Position - Employee Retirement Trust Funds
Fiduciary Funds
For the Fiscal Year Ended June 30, 2024
(Amounts expressed in thousands)

	Sheet Metal, Air, Rail, Transportation, Transportation Division	Transportation Communication Union Plan	American Federation of State, County and Municipal Employee Plan	Non-Contract Employee Plan	Amalgamated Transportation Union Plan	Total
ADDITIONS						
Contributions:						
Employer	$ 23,454	$ 9,009	$ 788	$ 2,129	$ 38,680	$ 74,060
Member	26,206	4,137	—	—	14,643	44,986
Transfers between plans	(860)	(399)	487	917	(145)	—
Total contributions	48,800	12,747	1,275	3,046	53,178	119,046
Investment income (expense)						
Net appreciation in fair value of investments	82,825	21,931	5,021	11,130	77,516	198,423
Investment income	8,893	2,347	535	1,197	8,308	21,280
Investment expense	(2,834)	(753)	(168)	(376)	(2,664)	(6,795)
Other income	1,233	344	4	42	926	2,549
Total net investment income	90,117	23,869	5,392	11,993	84,086	215,457
Total additions	138,917	36,616	6,667	15,039	137,264	334,503
DEDUCTIONS						
Retiree benefits	64,566	9,133	4,879	12,951	44,472	136,001
Administrative expenses	657	385	307	337	499	2,185
Total deductions	65,223	9,518	5,186	13,288	44,971	138,186
Change in net position	73,694	27,098	1,481	1,751	92,293	196,317
Net Position – beginning of year	822,246	213,017	51,332	115,984	759,295	1,961,874
Net Position – end of year	$ 895,940	$ 240,115	$ 52,813	$ 117,735	$ 851,588	$ 2,158,191

Los Angeles County Metropolitan Transportation Authority

STATISTICAL SECTION



STATISTICAL SECTION

This section of LACMTA's annual comprehensive financial report presents trend information about LACMTA's financial results, major revenue sources, outstanding debt obligations, demographic statistics, and operating activities to help the reader understand LACMTA's overall financial condition.

	Page No.
Financial Trends	
These schedules contain trend information to help the reader understand how LACMTA's financial performance has changed over time.	180 - 184
Revenue Capacity	
These schedules contain information to help the reader assess LACMTA's local revenue sources: sales taxes, operating assistance, and passenger fares.	185 - 187
Debt Capacity	
These schedules present information to help the reader assess the affordability of LACMTA's current outstanding debts and LACMTA's ability to issue additional debt in the future.	188 - 191
Demographic and Economic Information	
These schedules contain demographic and economic indicators to assist the reader in understanding the environment within which LACMTA's financial activities take place.	192 - 196
Operating Information	
These schedules contain service and facilities statistics to help the reader understand how LACMTA's financial report relates to its services and operating activities and how it compares to the transit industry.	197 - 203

Los Angeles County Metropolitan Transportation Authority *Table 1*
Net Position by Component
Last Ten Fiscal Years
(Accrual basis of accounting)
(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities:										
Net investment in capital assets	$ 769,942	$ 769,834	$ 768,977	$ 749,457	$ 749,417	$ 749,417	$ 749,417	$ 746,421	$ 747,753	$ 747,335
Restricted for										
General Fund - Highway Occupancy (HOV) Lanes and Surface Transportation Program-Local (STPL) Exchange projects	—	—	—	—	—	—	—	21,857	5,540	5,841
Proposition A ordinance projects	311,284	86,647	134,674	127,125	138,291	139,813	474,584	1,079,459	617,033	669,684
Proposition C ordinance projects	278,776	266,232	214,721	178,945	279,909	237,396	472,023	997,273	1,075,144	912,779
Measure R ordinance projects	255,516	369,215	362,645	414,565	335,378	330,128	276,965	560,155	1,066,894	1,078,906
Measure M ordinance projects	—	—	—	429,568	678,681	631,957	672,442	1,112,995	1,161,085	1,226,738
PTMISEA projects	82,385	13,907	11	—	—	—	—	—	—	—
TDA and STA projects	107,393	165,757	159,013	302,434	298,063	177,846	259,018	502,323	654,161	789,020
Other nonmajor governmental projects	68,121	111,773	93,951	146,676	173,495	138,948	128,234	152,860	159,965	196,083
Unrestricted	656,388	237,268	472,265	356,105	303,142	239,282	180,170	139,530	185,376	196,894
Total governmental activities net position	2,529,805	2,020,633	2,206,257	2,704,875	2,956,376	2,644,787	3,212,853	5,312,873	5,672,951	5,823,280
Business-type activities:										
Net investment in capital assets	7,313,244	7,762,367	7,797,783	8,328,321	8,899,216	9,917,311	11,392,995	12,780,696	14,096,372	15,391,655
Restricted for debt service	418,006	420,543	459,949	536,936	523,844	566,387	365,657	330,203	290,727	200,658
Unrestricted (deficit)	(1,019,466)	(943,051)	(1,031,275)	(1,807,024)	(1,779,642)	(1,777,125)	(1,749,198)	(2,035,762)	(2,026,435)	(1,944,957)
Total business-type activities net position	6,711,784	7,239,859	7,226,457	7,058,233	7,643,418	8,706,573	10,009,454	11,075,137	12,360,664	13,647,356
Primary government:										
Net investment in capital assets	8,083,186	8,532,201	8,566,760	9,077,778	9,648,633	10,666,728	12,142,412	13,527,117	14,844,125	16,138,990
Restricted for debt service	418,006	420,543	459,949	536,936	523,844	566,387	365,657	330,203	290,727	200,658
Restricted for other purpose										
General Fund - Highway Occupancy (HOV) Lanes and Surface Transportation Program-Local (STPL) Exchange projects	—	—	—	—	—	—	—	21,857	5,540	5,841
Proposition A ordinance projects	311,284	86,647	134,674	127,125	138,291	139,813	474,584	1,079,459	617,033	669,684
Proposition C ordinance projects	278,776	266,232	214,721	178,945	279,909	237,396	472,023	997,273	1,075,144	912,779
Measure R ordinance projects	255,516	369,215	362,645	414,565	335,378	330,128	276,965	560,155	1,066,894	1,078,906
Measure M ordinance projects	—	—	—	429,568	678,681	631,957	672,442	1,112,995	1,161,085	1,226,738
PTMISEA projects	82,385	13,907	11	—	—	—	—	—	—	—
TDA and STA projects	107,393	165,757	159,013	302,434	298,063	177,846	259,018	502,323	654,161	789,020
Other nonmajor governmental projects	68,121	111,773	93,951	146,676	173,495	138,948	128,234	152,860	159,965	196,083
Unrestricted (deficit)	(363,078)	(705,783)	(559,010)	(1,450,919)	(1,476,500)	(1,537,843)	(1,569,028)	(1,896,232)	(1,841,059)	(1,748,063)
Total primary government net position	$ 9,241,589	$ 9,260.492	$ 9,432,714	$ 9,763,108	$ 10,599,794	$ 11,351,360	$ 13,222,307	$16,388,010	$18,033,615	$19,470,636

Source: Annual Comprehensive Financial Report

Los Angeles County Metropolitan Transportation Authority *Table 2*

Changes in Net Position
Last Ten Fiscal Years
(Accrual basis of accounting)
(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
Transit operators programs	$ 304,916	$ 357,346	$ 351,667	$ 345,473	$ 379,911	$ 404,115	$ 378,088	$ 411,376	$ 482,924	$ 517,656
Local cities programs	549,302	548,101	543,972	749,990	711,855	686,270	754,786	882,526	918,564	885,994
Congestion relief operations	43,724	42,279	50,034	41,407	42,475	44,122	34,753	37,542	49,437	46,025
Highway projects	196,158	594,069	181,211	220,443	301,038	291,654	239,881	382,910	374,067	428,612
Regional multimodal capital programs	42,844	52,363	114,253	104,298	100,676	102,784	90,072	195,869	245,010	259,170
Paratransit programs	83,602	105,042	103,560	114,027	108,560	139,642	87,392	122,397	168,466	170,697
Other transportation subsidies	72,088	64,237	93,316	118,119	127,427	141,024	92,350	121,007	165,819	172,631
Debt service interest	1,011	954	686	—	—	—	—	—	—	—
General government	96,909	109,029	134,569	142,462	161,022	174,909	156,088	119,973	180,591	174,916
Total government activities	1,390,554	1,873,420	1,573,268	1,836,219	1,932,964	1,984,520	1,833,410	2,273,600	2,584,878	2,655,701
Business-type activities:										
Transit operations	1,935,989	2,085,787	2,311,422	2,363,719	2,607,757	2,570,831	2,480,546	2,546,497	2,990,555	3,191,382
Union Station operations	9,729	9,172	9,664	8,400	13,933	14,865	13,352	14,910	25,615	23,113
Toll operations	20,757	24,815	27,073	31,905	43,134	57,259	26,765	31,701	38,533	41,907
Total business-type activities expenses	1,966,475	2,119,774	2,348,159	2,404,024	2,664,824	2,642,955	2,520,663	2,593,108	3,054,703	3,256,402
Total expenses	3,357,029	3,993,194	3,921,427	4,240,243	4,597,788	4,627,475	4,354,073	4,866,708	5,639,581	5,912,103
Program Revenues										
Governmental activities:										
Charges for services	23,704	9,009	19,427	18,269	18,014	17,006	19,760	18,725	17,994	16,009
Operating grants & contributions	345,206	44,805	130,836	83,838	138,544	95,545	132,597	156,570	223,556	215,553
Total governmental activities program revenues	368,910	53,814	150,263	102,107	156,558	112,551	152,357	175,295	241,550	231,562
Business-type activities:										
Charges for services	439,028	443,856	423,143	404,415	368,954	274,041	80,343	161,530	222,541	263,567
Operating grants & contributions	263,838	200,193	252,344	327,664	328,867	571,212	862,493	2,022,455	291,146	576,600
Capital grants & contributions	486,793	457,106	340,376	664,403	426,935	733,203	787,620	494,723	1,033,262	792,186
Total business-type activities program revenues	1,189,659	1,101,155	1,015,863	1,396,482	1,124,756	1,578,456	1,730,456	2,678,708	1,546,949	1,632,353
Total primary government program revenues	1,558,569	1,154,969	1,166,126	1,498,589	1,281,314	1,691,007	1,882,813	2,854,003	1,788,499	1,863,915
Net (expense)/revenue										
Governmental activities	(1,021,644)	(1,819,606)	(1,423,005)	(1,734,112)	(1,776,406)	(1,871,969)	(1,681,053)	(2,098,305)	(2,343,328)	(2,424,139)
Business-type activities	(769,293)	(1,018,619)	(1,332,296)	(1,007,542)	(1,540,068)	(1,064,499)	(790,207)	85,600	(1,507,754)	(1,624,049)
Total net expense	$ (1,790,937)	$ (2,838,225)	$ (2,755,301)	$ (2,741,654)	$ (3,316,474)	$ (2,936,468)	$ (2,471,260)	$ (2,012,705)	$ (3,851,082)	$ (4,048,188)

Los Angeles County Metropolitan Transportation Authority *Table 2*
Changes in Net Position (Continued)
Last Ten Fiscal Years
(Accrual basis of accounting)
(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and Other Changes In Net Position										
Governmental activities:										
Sales tax	$ 2,717,320	$ 2,753,686	$ 2,834,411	$ 3,931,132	$ 3,992,725	$ 3,897,520	$ 4,248,622	$ 5,097,269	$ 5,270,797	$ 5,154,697
Investment income (loss) *	11,498	24,638	10,580	15,642	53,999	54,723	2,259	(35,639)	116,703	227,100
Miscellaneous **	30,781	59,786	60,664	53,853	70,114	80,623	58,480	89,616	77,327	94,728
Transfers	(2,063,299)	(1,527,676)	(1,297,026)	(1,767,897)	(2,088,931)	(2,472,486)	(2,060,242)	(952,921)	(2,761,421)	(2,902,057)
Total governmental activities	696,300	1,310,434	1,608,629	2,232,730	2,027,907	1,560,380	2,249,119	4,198,325	2,703,406	2,574,468
Business-type activities:										
Investment income (loss) *	17,295	8,919	12,032	14,442	21,016	10,113	21,902	14,601	21,441	(2,892)
Miscellaneous **	10,293	10,099	9,836	13,024	15,306	12,945	10,944	12,561	10,419	11,576
Transfers	2,063,299	1,527,676	1,297,026	1,767,897	2,088,931	2,472,486	2,060,242	952,921	2,761,421	2,902,057
Total business-type activities	2,090,887	1,546,694	1,318,894	1,795,363	2,125,253	2,495,544	2,093,088	980,083	2,793,281	2,910,741
Total primary government	2,787,187	2,857,128	2,927,523	4,028,093	4,153,160	4,055,924	4,342,207	5,178,408	5,496,687	5,485,209
Change in Net Position										
Governmental activities	(325,344)	(509,172)	185,624	498,618	251,501	(311,589)	568,066	2,100,020	360,078	150,329
Business-type activities	1,321,594	528,075	(13,402)	787,821	585,185	1,431,045	1,302,881	1,065,683	1,285,527	1,286,692
Total primary government	$ 996,250	$ 18,903	$ 172,222	$ 1,286,439	$ 836,686	$ 1,119,456	$ 1,870,947	$ 3,165,703	$ 1,645,605	$ 1,437,021

Source: Annual Comprehensive Financial Report

* *Includes net appreciation(decline) in fair value of investments*
** *Includes gain(loss) on sale of capital assets*

Los Angeles County Metropolitan Transportation Authority *Table 3*
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)
(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nonspendable	$ —	$ —	$ —	$ 21	$ 21	$ 21	$ 19	$ 18	$ 19	$ 13
Restricted *	15,753	35,704	49,417	25,750	25,689	22,496	27,970	21,857	5,540	5,841
Committed *	10,994	13,862	11,891	14,250	36,217	27,476	22,329	37,161	33,005	29,821
Assigned *	16,162	23,653	22,180	35,168	10,943	10,473	21,939	26,057	24,840	12,705
Unassigned *	512,492	450,594	366,051	279,381	200,787	143,255	94,460	67,963	110,607	136,121
Total General Fund	555,401	523,813	449,539	354,570	273,657	203,721	166,717	153,056	174,011	184,501
All other governmental funds - special revenue funds										
Nonspendable	—	—	—	—	—	11	—	—	—	—
Restricted: *										
Proposition A Fund	311,284	86,647	134,674	127,125	138,291	139,813	474,584	1,079,459	617,033	669,684
Proposition C Fund	278,776	266,232	214,721	178,945	279,909	237,385	472,023	993,075	1,045,903	905,096
Measure R Fund	255,516	369,215	362,645	414,565	335,378	330,128	276,965	523,194	1,002,167	977,969
Measure M Fund	—	—	—	429,568	678,681	631,957	672,442	1,111,432	1,150,955	1,170,769
PTMISEA Fund	82,385	13,907	11	—	—	—	—	—	—	—
TDA	98,839	165,757	149,408	197,005	218,192	149,135	235,417	377,827	417,407	594,290
STA	8,554	—	9,605	105,429	79,871	28,711	23,601	124,496	236,754	194,730
Nonmajor Governmental Funds	68,121	111,773	93,951	146,676	173,495	138,948	128,234	152,823	159,904	196,015
Unrestricted (deficit):										
STA	—	(13,094)	—	—	—	—	—	—	—	—
Total all other governmental funds	1,103,475	1,000,437	965,015	1,599,313	1,903,817	1,656,088	2,283,266	4,362,306	4,630,123	4,708,553
Total governmental funds	$1,658,876	$1,524,250	$1,414,554	$1,953,883	$2,177,474	$1,859,809	$2,449,983	$ 4,515,362	$ 4,804,134	$ 4,893,054

Source: Annual Comprehensive Financial Report

* Reclassification of fund balances with the implementation of GASB Statement No. 54 – *Fund Balance Reporting and Government Fund Type Definitions*

Los Angeles County Metropolitan Transportation Authority *Table 4*
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified accrual basis of accounting)
(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Sales tax	$2,717,320	$2,753,686	$2,834,411	$3,931,132	$ 3,992,725	$ 3,897,520	$ 4,248,622	$ 5,097,269	$ 5,270,797	$ 5,154,697
Intergovernmental	374,350	120,428	155,452	105,727	116,974	92,294	155,157	121,320	156,768	152,500
Investment income (loss) *	11,498	24,638	10,580	15,642	53,999	54,723	2,259	(35,638)	116,703	227,099
Lease and rental	23,641	9,065	19,427	18,139	14,649	14,988	15,954	16,476	16,125	18,035
Licenses and fines	8,354	8,606	8,842	10,333	40,029	41,038	42,220	42,829	43,920	46,351
Other	24,129	51,180	49,515	62,458	27,122	38,778	18,114	49,478	32,054	49,083
Total revenues	3,159,292	2,967,603	3,078,227	4,143,431	4,245,498	4,139,341	4,482,326	5,291,734	5,636,367	5,647,765
Expenditures										
Current										
Administration and other	263,376	344,422	616,580	315,941	371,567	405,285	303,097	438,111	544,827	562,740
Transportation subsidies	1,126,168	1,227,936	1,256,002	1,520,276	1,561,397	1,579,235	1,530,313	1,833,372	2,037,500	2,091,503
Capital outlay - Long-term lease arrangements	—	—	—	—	—	—	—	—	—	779
Capital outlay - Subscription-based IT arrangements	—	—	—	—	—	—	—	—	1,810	461
Principal, interest and fiscal charges	2,194	2,195	18,315	—	—	—	—	1,951	3,847	2,545
Total expenditures	1,391,738	1,574,553	1,890,897	1,836,217	1,932,964	1,984,520	1,833,410	2,273,434	2,587,984	2,658,028
Excess of revenues over expenditures	1,767,554	1,393,050	1,187,330	2,307,214	2,312,534	2,154,821	2,648,916	3,018,300	3,048,383	2,989,737
Other financing sources (uses)										
Long-term lease arrangements issued	—	—	—	—	—	—	—	—	—	779
Subscription-based IT arrangements issued	—	—	—	—	—	—	—	—	1,810	461
Transfers out, net of transfers in	(2,063,299)	(1,527,676)	(1,297,026)	(1,767,897)	(2,088,931)	(2,472,486)	(2,058,742)	(952,921)	(2,761,421)	(2,902,057)
Total other financing sources (uses)	(2,063,299)	(1,527.676)	(1,297,026)	(1,767.897)	(2,088.931)	(2,472.486)	(2,058.742)	(952.921)	(2,759.611)	(2,900,817)
Net change in fund balances	$ (295,745)	$ (134.626)	$ (109,696)	$ 539,317	$ 223,603	$ (317,665)	$ 590,174	$ 2,065,379	$ 288,772	$ 88,920
Debt service expenditures expressed as a percentage of non-capital expenditures	0.16%	0.14%	0.98%	0.00%	0.00%	0.00%	0.00%	0.09%	0.15%	0.10%

Source: Annual Comprehensive Financial Report

** Includes net appreciation (decline) in fair value of investments*

Los Angeles County Metropolitan Transportation Authority *Table 5*
Governmental Activities
Sales Tax Revenues by Source
Last Ten Fiscal Years
(Modified accrual basis of accounting)
(Amounts expressed in thousands)

Fiscal Year	Proposition A	Proposition C	Measure R (2)	Measure M (1)	Transportation Development Act	State Transit Assistance	Total
2015	$ 745,655	$ 745,632	$ 745,919	$ —	$ 373,991	$ 106,123	$ 2,717,320
2016	763,636	763,643	764,968	—	382,753	78,686	2,753,686
2017	789,342	789,269	787,891	—	393,882	74,027	2,834,411
2018	836,529	836,545	836,721	826,969	411,672	182,696	3,931,132
2019	846,548	846,546	846,793	836,173	420,793	195,872	3,992,725
2020	824,569	824,567	823,382	820,724	405,988	198,290	3,897,520
2021	911,302	911,310	912,444	911,235	442,450	159,881	4,248,622
2022	1,091,206	1,091,203	1,091,162	1,089,933	525,158	208,607	5,097,269
2023	1,111,178	1,111,177	1,110,713	1,106,177	531,418	300,134	5,270,797
2024	1,093,032	1,093,037	1,092,876	1,091,069	520,073	264,610	5,154,697

Source: Annual Comprehensive Financial Report

(1) Measure M is a voter-approved half-cent sales tax that took effect on July 1, 2017 for the "Los Angeles Improvement Traffic Plan."
(2) Measure R is a voter-approved half-cent sales tax that took effect on July 1, 2009 for Los Angeles County to finance new transportation projects and programs.

Los Angeles County Metropolitan Transportation Authority *Table 6*
Business-type Activities – Transit Operations
Program Revenues by Source
Last Ten Fiscal Years
(Accrual basis of accounting)
(Amounts expressed in thousands)

Fiscal Year	Passenger Fares	Federal Operating Grants	Operating Subsidies		Auxiliary Transportation/ Route Subsidies	Lease and Rental*	Toll Revenues**	Total
2015	$ 351,648	$ 253,422	$ 665,998	***	$ 21,606	$ 7,691	$ 58,083	$ 1,358,448
2016	340,274	199,956	901,770	***	22,647	8,134	72,801	1,545,582
2017	319,345	249,188	988,046	***	23,940	8,588	71,270	1,660,377
2018	300,042	308,469	1,767,897	***	42,694	9,792	69,887	2,498,781
2019	265,289	319,304	2,088,931	***	25,896	13,546	64,223	2,777,189
2020	184,592	267,673	2,472,486	***	21,164	12,901	55,384	3,014,200
2021	20,449	855,612	2,060,242	***	7,676	13,404	38,814	2,996,197
2022	62,991	2,014,746	952,921	***	18,680	12,421	67,438	3,129,197
2023	113,557	281,396	2,761,421	***	25,812	13,020	70,152	3,265,358
2024	132,949	568,700	2,902,057	***	28,080	15,538	87,000	3,734,324

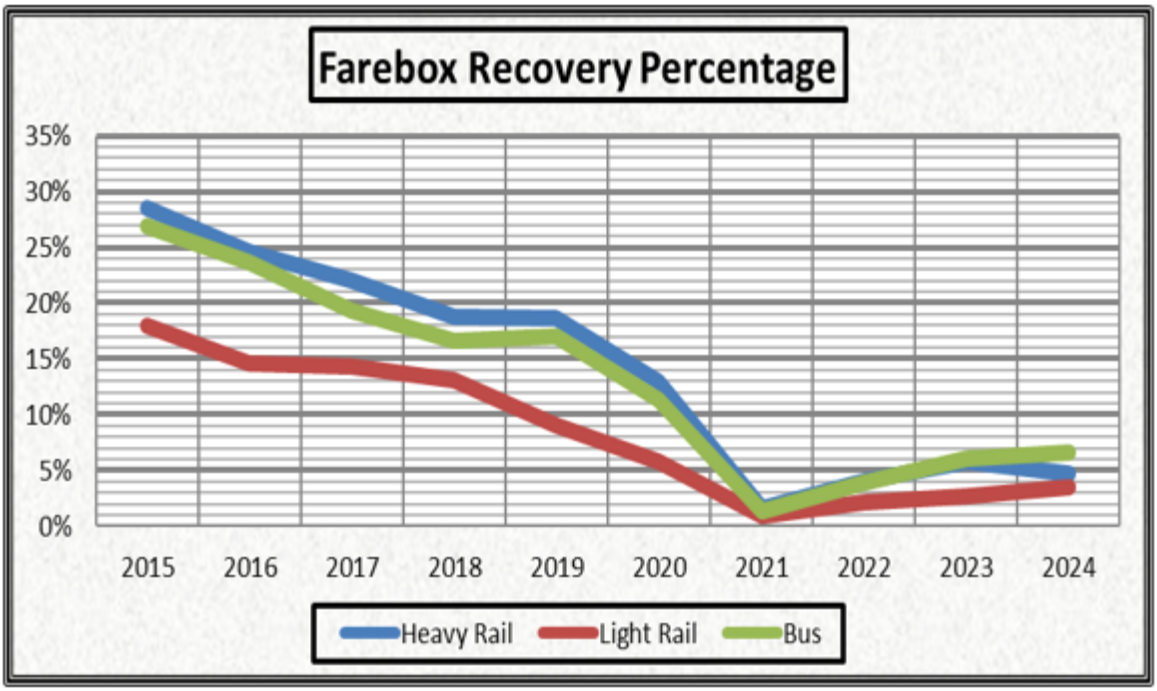
Source: Annual Comprehensive Financial Report

* *LACMTA purchased Union Station property in April 2011.*
** *Metro ExpressLanes commenced revenue operations in November 2012 for I-110 and February 2013 for I-10*
*** Net of transfers out

Los Angeles County Metropolitan Transportation Authority
Business-type Activities – Transit Operations
Farebox Recovery Percentage by Mode
Last Ten Fiscal Years

Table 7

Fiscal Year	Heavy Rail	Light Rail	Bus	All Modes
2015	29%	18%	27%	25%
2016	25%	15%	24%	22%
2017	22%	14%	19%	18%
2018	19%	13%	17%	16%
2019	19%	9%	17%	15%
2020	13%	6%	11%	10%
2021	2%	1%	1%	1%
2022	4%	2%	4%	4%
2023	6%	3%	6%	5%
2024	5%	3%	7%	6%



Source: National Transit Database Report.

Los Angeles County Metropolitan Transportation Authority *Table 8*

Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Expenditures

Last Ten Fiscal Years

(Amounts expressed in thousands)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Principal	$510,144	$182,066	$215,949	$390,200	$260,420	$300,075	$255,923	$292,718	$322,693	$309,166
Interest	73,027	140,575	134,289	178,055	198,952	229,681	250,394	277,781	276,656	252,055
Total debt service expenditures	$583,171	$322,641	$350,238	$568,255	$459,372	$529,756	$506,317	$570,499	$599,349	$561,221
Total general expenditures	$3,860,834	$3,917,887	$4,137,376	$4,739,916	$4,861,889	$4,953,838	$4,726,384	$5,244,806	$6,048,980	$6,293,379
Percentage of debt service to general expenditures (%)	15.10 %	8.24 %	8.47 %	11.99 %	9.45 %	10.69 %	10.71 %	10.88 %	9.91 %	8.92 %

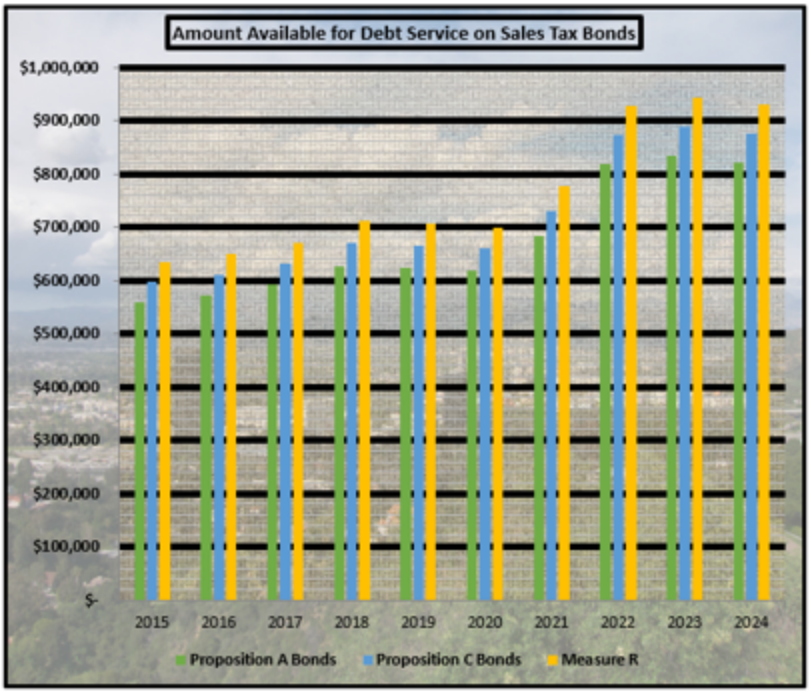
Source: Annual Comprehensive Financial Report

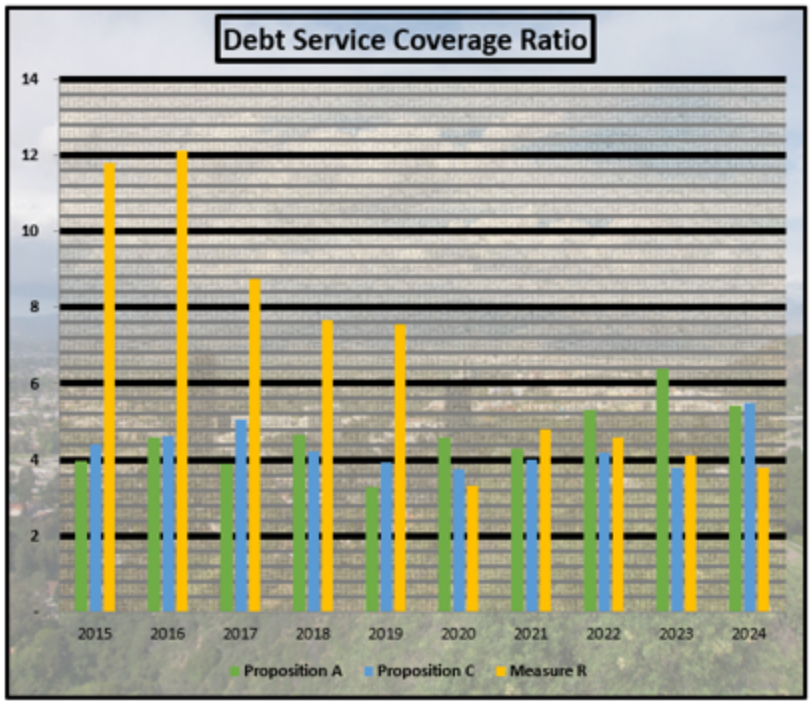
Los Angeles County Metropolitan Transportation Authority *Table 9*
Historical Debt Service Coverage Ratios – Proposition A, Proposition C, and Measure R
Last Ten Fiscal Years
(Amounts expressed in thousands)

Source	Fiscal Year	Net Sales Tax Revenue	Less Local Return (1)	Amount Available for Debt Service On Sales Tax Bonds	Aggregate Debt Service Requirement	Debt Service Coverage Ratio
Proposition A	2015	$ 745,655	$ 186,414	$ 559,241	$ 140,849	3.97
	2016	763,636	190,909	572,727	125,253	4.57
	2017	789,342	197,336	592,006	151,473	3.91
	2018	836,529	209,132	627,397	134,837	4.65
	2019	831,113	207,778	623,335	189,821	3.28
	2020	824,569	206,142	618,427	135,291	4.57
	2021	911,302	227,826	683,476	157,662	4.30
	2022	1,091,206	272,802	818,404	155,765	5.30
	2023	1,111,178	277,794	833,384	130,779	6.40
	2024	1,093,032	273,258	819,774	152,760	5.40
Proposition C	2015	745,632	149,126	596,506	135,092	4.42
	2016	763,643	152,729	610,914	132,161	4.62
	2017	789,269	157,854	631,415	125,320	5.04
	2018	836,545	167,309	669,236	158,380	4.23
	2019	846,546	169,309	677,237	169,860	3.99
	2020	824,567	164,913	659,654	176,614	3.74
	2021	911,310	182,262	729,048	180,517	4.00
	2022	1,091,203	218,241	872,962	205,683	4.20
	2023	1,111,177	222,235	888,942	234,067	3.80
	2024	1,093,037	218,607	874,430	157,756 (2)	5.50
Measure R	2015	745,919	111,888	634,031	53,658	11.82
	2016	764,968	114,745	650,223	53,605	12.13
	2017	787,891	118,184	669,707	76,438	8.76
	2018	836,721	125,508	711,213	92,759	7.67
	2019	846,793	127,019	719,774	93,525	7.70
	2020	823,382	123,507	699,875	210,617	3.32
	2021	912,444	136,867	775,577	158,108	4.80
	2022	1,091,162	163,674	927,488	200,006	4.60
	2023	1,110,713	166,607	944,106	228,130	4.10
	2024	1,092,876	163,931	928,945	244,746	3.80

Source: Annual Comprehensive Financial Report
(1) % Local return of net sales tax revenue - Proposition A 25%, Proposition C 20%, and Measure R 15%
(2) Increase in debt service coverage ratio due to decrease in debt service requirement from payment of bonds that fully matured as of June 30, 2024.

Los Angeles County Metropolitan Transportation Authority
Graphical Presentation of Table 9
Proposition A, Proposition C, and Measure R Debt Service Coverage Ratios





Los Angeles County Metropolitan Transportation Authority *Table 10*

Ratio of Outstanding Debt by Type
(Excluding Claims and Compensated Absences)
Last Ten Fiscal Years
(Amounts expressed in millions except per capita amount)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities:										
Redevelopment & Housing bonds	$ 19	$ 18	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Long-term leases	—	—	—	—	—	—	—	4	2	2
Other liabilities	—	—	—	—	—	—	2	2	2	—
Total Governmental activities	19	18	—	—	—	—	2	6	4	2
Business-type activities										
Sales tax revenue and refunding bonds	3,037	2,810	3,717	4,497	4,938	5,003	5,292	5,519	5,162	4,934
Lease/leaseback obligation	468	425	228	238	176	186	194	80	85	90
General revenue bonds	142	113	106	98	89	80	70	61	52	43
Unamortized bond premium/discount	233	271	393	469	519	475	954	1,014	957	900
Commercial paper and revolving lines of credit	84	385	194	178	211	231	206	98	95	—
Long-term leases	—	—	—	—	—	—	—	37	30	33
Long-term subscription-based IT arrangements (SBITA)	—	—	—	—	—	—	—	—	13	15
Capital grant receipts revenue bonds	4	2	1	—	—	—	—	—	—	—
Notes obligation - TIFIA (CPC)	37	488	567	581	595	608	—	—	—	—
Total Business-type activities	4,005	4,494	5,206	6,061	6,528	6,583	6,716	6,809	6,394	6,015
Total Primary government	$ 4,024	$ 4,512	$ 5,206	$ 6,061	$ 6,528	$ 6,583	$ 6,718	$ 6,815	$ 6,398	$ 6,017
Percentage of Personal Income*	0.74 %	0.80 %	0.90%	1.01%	1.03%	0.97%	0.92%	0.94%	0.85%	n/a
Per Capita*	$396.26	$441.01	$ 506.22	$ 595.15	$ 641.76	$655.42	$681.07	$692.32	$655.47	$612.38

Source: Annual Comprehensive Financial Report

* *See the Schedule of Demographic and Economic Statistics for population and personal income data (Table 11)*
n/a Data not available.

Los Angeles County Metropolitan Transportation Authority *Table 11*
Demographic and Economic Statistics
Last Ten Calendar Years
(Amounts and population expressed in thousands)

Fiscal Year	Population County of Los Angeles (1)	Population State of California (1)	Taxable Sales County of Los Angeles (2)		Personal Income County of Los Angeles (3)	Per Capita Personal Income County of Los Angeles (3)	Unemployment Rate County of Los Angeles (4)
2015	10,155	38,907	$ 151,981,740	*	$ 544,064,971	54	6.6 %
2016	10,231	39,501	155,155,641	*	562,436,306	55	5.2 %
2017	10,284	39,810	160,280,130	*	580,335,216	56	4.7 %
2018	10,184	39,695	166,023,795		601,947,888	59	4.6 %
2019	10,172	39,782	172,313,602		635,759,588	62	4.4 %
2020	10,044	39,466	157,737,984		684,663,140	68	12.3%
2021	9,861	39,186	192,524,203		728,772,915	74	8.9%
2022	9,835	39,079	213,716,609		722,935,767	74	4.9 %
2023	9,761	38,940	208,502,835		756,659,481	78	5.0 %
2024	9,824	39,128	n/a		n/a	n/a	n/a

Source:

(1) California Department of Finance (based on May 1, 2024 release, California Department of Finance , Demographic Research Unit - Report E-4)
(2) State Board of Equalization
** Last updated: October 1, 2024 - revised statistics for 2015-2017*
(3) U.S. Department of Commerce, Bureau of Economic Analysis
Personal Income includes net earnings by place of residence; dividends, interest and rent; and personal current transfer receipts received by the residence of Los Angeles
Per capita personal income was computed using Census Bureau midyear population estimates. November 14, 2024 - new statistics for 2023; revised statistics for 2019-2022.
Note - All dollar estimates are not adjusted for inflation

(4) California Employment Development Labor Market Information Division, not seasonally adjusted

n/a - Data not available

Los Angeles County Metropolitan Transportation Authority
Ten Largest Employers in Los Angeles County
Last Ten Fiscal Years
(Not in thousands)

Table 12

	2016*			2017*			2018*			2020**			2021**		
Major Employers	Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment
County of Los Angeles	107,500	1	2.21%	108,500	1	2.23%	107,400	1	2.20%	113,207	1	2.59%	111,800	1	2.45%
Los Angeles Unified School District	90,800	2	1.87%	90,800	2	1.87%	104,300	2	2.14%	77,928	2	1.79%	75,676	2	1.66%
City of Los Angeles (including DWP)	49,500	3	1.02%	61,900	3	1.27%	61,900	3	1.27%	43,572	3	1.00%	41,270	5	0.91%
University of California, Los Angeles	46,200	4	0.95%	63,500	4	1.31%	65,600	4	1.34%	50,957	4	1.17%	46,130	4	1.01%
Federal Government (Non-Defense Dept) (1)	45,000	5	0.93%	43,900	5	0.90%	43,600	5	0.89%	50,000	5	1.15%	50,000	3	1.10%
Kaiser Permanente	36,900	6	0.76%	36,400	6	0.75%	37,400	6	0.77%	41,349	6	0.95%	40,876	6	0.90%
State of California (non-education)	29,900	7	0.61%	30,000	7	0.62%	29,800	7	0.61%	30,370	7	0.70%	29,100	7	0.64%
University of Southern California	18,900	8	0.39%	20,100	8	0.41%	21,000	8	0.43%	22,164	8	0.51%	22,465	8	0.49%
Northrop Grumman Corp	16,600	9	0.31%	16,600	9	0.31%	16,600	9	0.31%	18,000	10	0.41%	18,000	10	0.44%
Target Corp	15,000	10	0.34%	15,000	10	0.34%	15,000	10	0.34%	20,000	9	0.46%	20,000	9	0.39%
Total ten largest employers	456,300		9.39%	486,700		10.01%	502,600		10.30%	467,547		10.73%	455,317		9.99%
All other employers	4,294,900		90.61%	4,377,400		89.99%	4,379,500		89.70%	3,895,753		89.27%	4,103,583		90.01%
Total Employment in LA County ***	4,751,200		100.00%	4,864,100		100.00%	4,882,100		100%	4,363,300		100%	4,558,900		100.00%

Source:
(1) Includes U.S. Postal Service
* *Los Angeles Almanac Research*
** *Los Angeles Business Journal, Special Report: The Largest Employers in LA County*
*** *California Employment Development Department, Labor Market Information Division*

Note: Information for 2015, 2019 and 2024 were not available

Los Angeles County Metropolitan Transportation Authority
Ten Largest Employers in Los Angeles County (Continued)
Last Ten Fiscal Years
(Not in thousands)

	2022*			2023*		
Major Employers	Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment
County of Los Angeles	106,200	1	2.23%	100,800	1	2.12%
Los Angeles Unified School District	73,800	2	1.55%	90,900	2	1.91%
City of Los Angeles (including DWP)	61,600	5	1.29%	68,300	5	1.43%
University of California, Los Angeles	50,200	4	1.05%	51,700	4	1.09%
Federal Government (Non-Defense Dept) (1)	44,700	3	0.94%	44,600	3	0.94%
Kaiser Permanente	40,800	6	0.86%	32,400	6	0.68%
State of California (non-education)	32,300	7	0.68%	33,900	7	0.71%
University of Southern California	22,400	8	0.47%	21,000	8	0.44%
Northrop Grumman Corp	18,000	10	0.38%	16,600	9	0.35%
Target Corp	20,000	9	0.42%	15,000	10	0.31%
Total ten largest employers	470,000		9.87%	475,200	****	9.98%
All other employers	4,294,500		90.13%	4,288,400	****	90.02%
Total Employment in LA County ***	4,764,500		100.00%	4,763,600		100.00%

Source:
(1) Includes U.S. Postal Service
* *Los Angeles Almanac Research*
** *Los Angeles Business Journal, Special Report: The Largest Employers in LA County*
*** *California Employment Development Department, Labor Market Information Division*
**** *Updated*

Note: Information for 2015, 2019 and 2024 were not available

Los Angeles County Metropolitan Transportation Authority *Table 13*

Los Angeles County Taxable Transactions by Type of Business

Last Ten Calendar Years

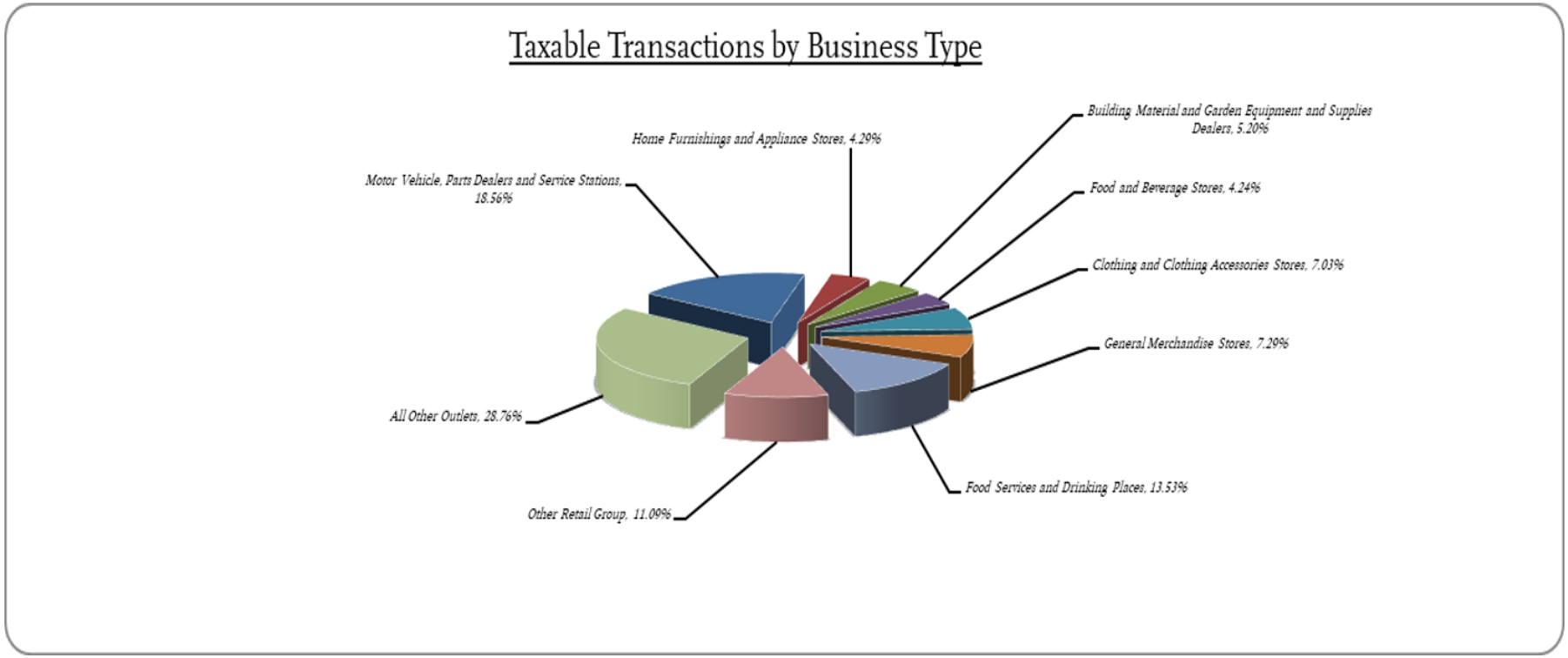
(Amounts expressed in millions)

Type of Business	2015	2016	2017		2018		2019		2020	2021	2022	2023	2024
Motor vehicle, parts dealers and service stations	$ 29,526	$28,640	$29,526	*	$31,489	*	$31,446	*	$ 26,666	$ 35,975	$ 41,444	$ 37,709	n/a
Home furnishings and appliance stores	7,833	7,842	7,609	*	7,537	*	7,309	*	6,608	8,191	7,731	6,977	n/a
Building material and garden equipment, and supplies dealers	7,403	7,688	8,034	*	8,446	*	8,698	*	9,557	10,457	11,019	10,679	n/a
Food and beverage stores	6,689	6,696	6,922	*	7,107	*	7,255	*	7,650	7,871	8,267	8,344	n/a
Clothing and clothing accessories stores	10,974	11,414	11,554	*	12,258	*	12,537	*	9,499	13,982	14,430	14,020	n/a
General merchandise stores	10,913	10,905	11,250	*	12,584	*	12,911	*	12,264	14,456	15,079	14,524	n/a
Food services and drinking places	20,606	22,002	23,199	*	24,016	*	25,098	*	17,006	23,626	28,100	29,529	n/a
Other retail group	14,202	14,808	15,187	*	15,707	*	17,190	*	24,165	24,442	24,553	24,381	n/a
All other outlets	42,886	44,211	45,979	*	46,879	*	49,869	*	44,322	53,524	63,094	62,339	n/a
Total	$151,032	$154,206	$159,260		$166,023		$172,313		$157,737	$192,524	$213,717	$208,502	$ —

Source: California State Board of Equalization, Table 3 Taxable Sales in California Counties by Type of Business

n/a data for 2024 not available as of ACFR publishing date

** Updated.*


Taxable Transactions by Business Type
Building Material and Garden Equipment and Supplies Dealers, 5.20%
Home Furnishings and Appliance Stores, 4.29%
Motor Vehicle, Parts Dealers and Service Stations, 18.56%
Food and Beverage Stores, 4.24%
Clothing and Clothing Accessories Stores, 7.03%
General Merchandise Stores, 7.29%
All Other Outlets, 28.76%
Food Services and Drinking Places, 13.53%
Other Retail Group, 11.09%

Los Angeles County Metropolitan Transportation Authority *Table 14*
Business-type Activities – Transit Operations
Operating Indicators by Mode
Last Ten Fiscal Years
(Amounts expressed in thousands for Passenger fares and Operating expenses)

	2015	**2016**	**2017**	**2018**	2019	2020	2021	2022	2023	**	2024	**
PASSENGER FARES:												
Heavy Rail	$ 36,338	$ 35,789	$ 35,622	$ 32,305	$ 31,426	$ 19,761	$ 2,563	$ 7,154	$ 11,041		$ 11,484	
Light Rail	47,902	47,807	52,570	49,116	42,986	24,655	3,054	8,732	13,162		21,571	
Bus*	267,408	256,678	231,153	218,621	190,877	140,176	14,832	47,105	90,527	***	101,727	
OPERATING EXPENSES (excluding depreciation):												
Heavy Rail	$ 127,153	$ 145,450	$ 161,559	$ 171,688	$ 168,453	$ 152,328	$ 156,720	$ 175,274	$ 192,351	***	$ 246,352	
Light Rail	265,702	328,351	366,355	375,017	446,369	425,382	393,871	410,761	497,458	***	627,644	
Bus*	994,171	1,087,236	1,199,762	1,216,614	1,288,261	1,242,038	1,125,139	1,206,936	1,495,591	***	1,526,616	
PASSENGER MILES TRAVELLED:												
Heavy Rail	236,023	224,277	228,179	210,105	207,665	162,928	99,058	128,144	133,671		115,767	
Light Rail	386,901	427,260	495,532	495,012	462,756	318,738	151,162	183,686	122,800		313,952	
Bus*	1,444,741	1,337,680	1,196,313	1,158,789	1,149,053	916,793	449,228	631,466	746,765		819,036	
VEHICLE/PASSENGER CAR REVENUE MILES:												
Heavy Rail	6,977	6,884	7,010	6,976	6,874	6,801	6,256	6,101	6,086		5,186	
Light Rail	13,702	13,746	16,699	17,999	17,757	15,537	12,421	13,476	14,641		18,473	
Bus*	75,207	76,159	74,129	73,176	73,046	66,697	57,334	66,252	70,631		74,083	
HOURS:												
Heavy Rail	319	316	321	318	314	311	288	287	298		285	
Light Rail	680	663	789	866	867	756	593	661	723		908	
Bus*	6,972	7,067	6,935	6,904	6,342	6,352	5,383	6,290	6,742		7,115	
BUSES/RAIL CARS:												
Heavy Rail	104	104	104	104	104	102	102	100	100		100	
Light Rail	171	196	246	300	298	302	292	298	337		337	
Bus*	2,457	2,438	2,439	2,402	2,420	2,548	2,339	2,184	2,072		2,066	
PASSENGER STATIONS:												
Heavy Rail	16	16	16	16	16	16	16	16	16		16	
Light Rail	66	79	79	79	79	79	79	78	87		87	
Bus*	49	56	58	58	61	61	46	45	43		45	

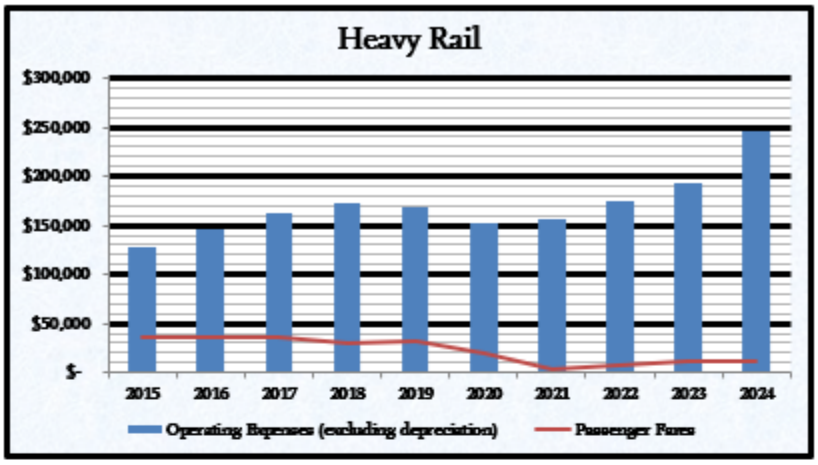
Source: National Transit Database Report

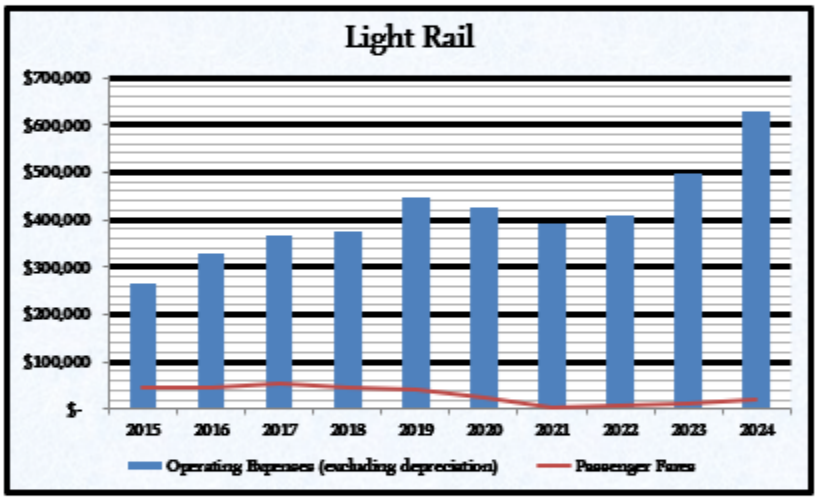
** Includes Purchase Transportation and Orange Line*

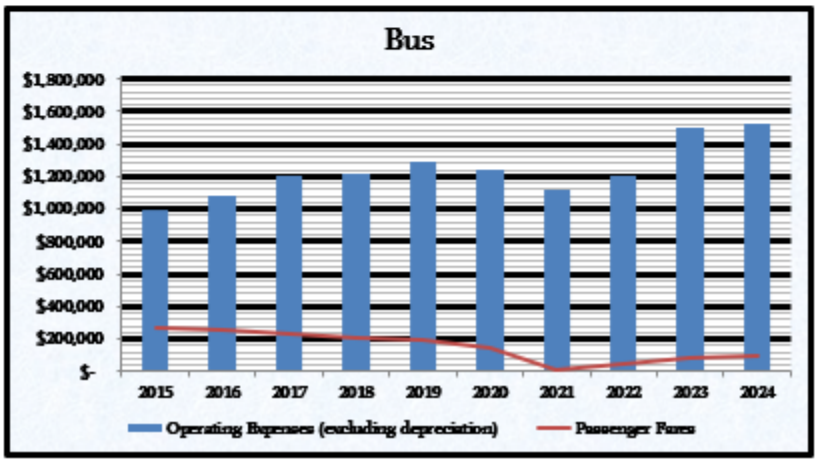
*** Passenger fares include TAP cards fees*

**** Updated*

Los Angeles County Metropolitan Transportation Authority
Graphical Presentation of Table 14
Passenger Fares and Operating Expenses by Mode
(Amounts expressed in thousands)





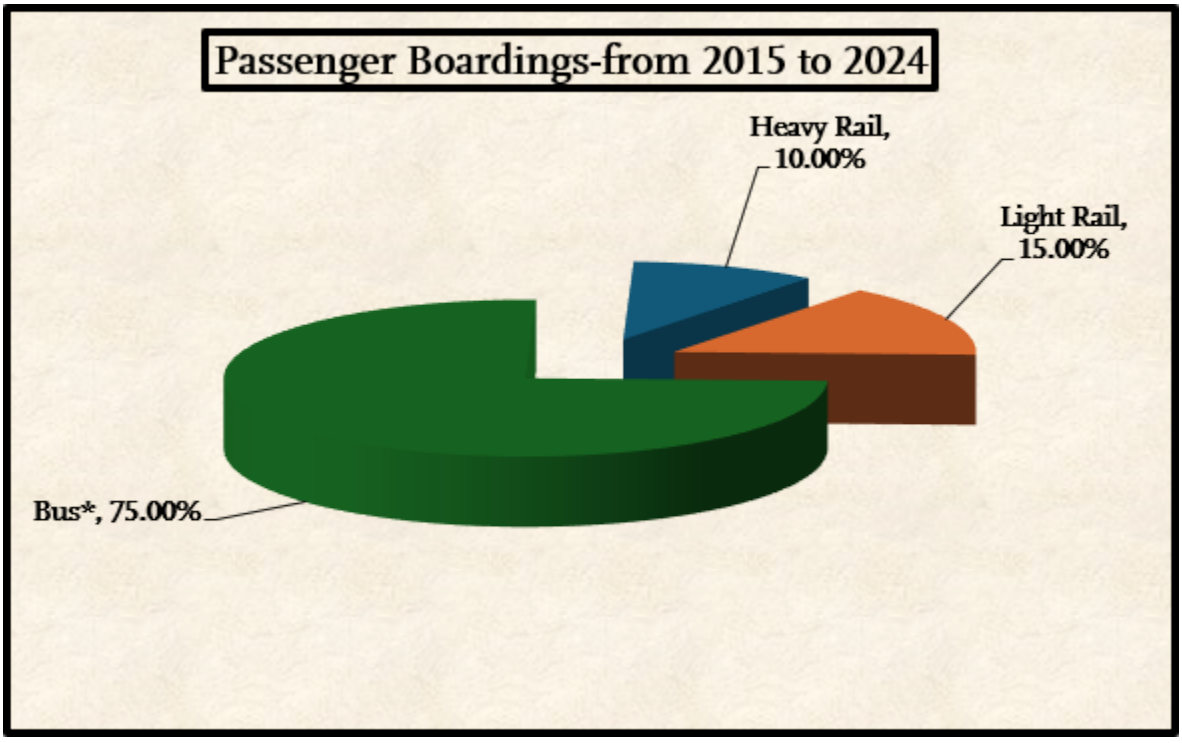


Los Angeles County Metropolitan Transportation Authority *Table 15*
Business-type Activities – Transit Operations
Passenger Boardings by Mode
Last Ten Fiscal Years
(Boardings expressed in thousands)

Fiscal Year	Heavy Rail	Light Rail	Bus *	Total
2015	47,721	62,775	342,980	453,476
2016	46,003	62,085	320,870	428,958
2017	45,632	67,764	289,999	403,395
2018	43,752	66,387	280,794	390,933
2019	43,074	59,655	273,507	376,237
2020	33,668	42,098	227,576	303,342
2021	18,889	22,871	152,652	194,411
2022	25,075	30,661	197,788	253,524
2023	26,855	32,016	211,308	270,179
2024	22,842	43,287	235,324	301,453

Source: National Transit Database Report

* *Includes Purchased Transportation and Orange Line*



Los Angeles County Metropolitan Transportation Authority *Table 16*
Business-type Activities – Transit Operations
Operating Expenses by Function (Bus and Rail)
Last Ten Fiscal Years
(Amounts expressed in thousands)

Fiscal Year	Operations	Vehicle Maintenance	Non-Vehicle Maintenance	General Administration	Depreciation	Total
2015	732,694	291,972	114,359	265,746	490,590	1,895,361
2016	823,416	320,398	99,128	331,476	482,908	2,057,326
2017	888,989	339,290	119,431	395,589	577,633	2,320,932
2018	913,002	370,176	121,833	372,297	599,439	2,376,747
2019	994,477	381,115	155,238	387,809	555,633	2,474,272
2020	919,063	369,904	152,354	402,335	608,860	2,452,516
2021	817,390	329,639	137,558	381,175	596,771	2,262,533
2022	902,113	337,804	154,766	406,682	602,502	2,403,867
2023	1,227,442 *(1)*	409,651 *(1)*	221,680 *(1)*	337,852 *(1)*	569,237	2,765,862
2024	1,330,928	431,329	230,965	418,951	630,896	3,043,069

(1) Updated

Source: National Transit Database Report

See accompanying independent auditor's report.

Los Angeles County Metropolitan Transportation Authority *Table 17*

Full-Time Equivalent Employees by Function (not in thousands)

Last Ten Fiscal Years

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Metro Operations	7,585	7,859	7,807	7,891	8,061	8,003	8,005	8,149	8,437	8,549
Countywide Planning & Development	156	161	163	162	166	164	164	166	192	198
Construction Project Management	193	205	254	293	307	319	319	314	283	304
Communications	271	278	285	314	328	344	344	345	—	—
Support Services	612	690	697	699	721	735	736	724	951	977
Chief Executive Office	428	482	532	571	594	614	610	611	674	792
Board of Directors	36	39	38	38	40	40	41	41	59	63
Total	9,281	9,714	9,776	9,968	10,217	10,219	10,219	10,350	10,596	10,883

Source: Adopted Budget

Los Angeles County Metropolitan Transportation Authority *Table 18*
Business-type Activities – Transit Operations
Revenues and Operating Assistance
Comparison to Transit Industry Trend
Percent to Total
Last Ten Fiscal Years

	Operations			Operating Assistance				
Fiscal Year	Passenger Fares	Other	Subtotal	Federal	State	Local	Subtotal	Total
Transportation Industry (1)								
2015	33 %	5 %	37 %	8 %	23 %	31 %	63 %	100 %
2016	31 %	5 %	36 %	8 %	24 %	31 %	64 %	100 %
2017	31 %	5 %	36 %	9 %	23 %	32 %	64 %	100 %
2018	31 %	5 %	36 %	9 %	23 %	33 %	64 %	100 %
2019	30 %	4 %	34 %	8 %	23 %	35 %	66 %	100 %
2020	17 %	4 %	21 %	26 %	23 %	30 %	79 %	100 %
2021	*	*	*	*	*	*	*	*
2022	*	*	*	*	*	*	*	*
2023	*	*	*	*	*	*	*	*
2024	*	*	*	*	*	*	*	*
LACMTA (2)								
2015	23 %	6 %	29 %	16 %	6 %	49 %	71 %	100 %
2016	21 %	7 %	28 %	12 %	6 %	54 %	72 %	100 %
2017	18 %	6 %	24 %	13 %	3 %	60 %	76 %	100 %
2018	16 %	2 %	18 %	16 %	11 %	55 %	82 %	100 %
2019	15 %	3 %	18 %	17 %	23 %	42 %	82 %	100 %
2020	10 %	2 %	12 %	13 %	30 %	45 %	88 %	100 %
2021	2 %	1 %	3 %	31 %	11 %	55 %	97 %	100 %
2022	3 %	2 %	5 %	47 %	2 %	46 %	95 %	100 %
2023	4 %	1 %	5 %	9 %	16 %	70 %	95 %	100 %
2024	4 %	2 %	6 %	17 %	10 %	67 %	94 %	100 %

* *Data not available*

Source:
1) APTA 2022 Public Transportation Fact Book
2) National Transit Database Report

Los Angeles County Metropolitan Transportation Authority *Table 19*

Business-type Activities – Transit Operations

Operating Expenses by Function

Comparison to Transit Industry Trend

Percent to Total

Last Ten Fiscal Years

Fiscal Year	Vehicle Operations	Vehicle Maintenance	Non-Vehicle Maintenance	General Administration	Purchased Transportation	Total**
Transportation Industry (1)						
2015	43 %	16 %	11 %	16 %	14 %	100 %
2016	42 %	16 %	11 %	17 %	14 %	100 %
2017	42 %	16 %	12 %	16 %	14 %	100 %
2018	42 %	16 %	11 %	17 %	14 %	100 %
2019	42 %	16 %	11 %	16 %	15 %	100 %
2020	42 %	16 %	11 %	17 %	15 %	100 %
2021	41%	16%	12%	18%	14%	100 %
2022	*	*	*	*	*	*
2023	*	*	*	*	*	*
2024	*	*	*	*	*	*
LACMTA (2)						
2015	50 %	20 %	8 %	18 %	4 %	100 %
2016	50 %	20 %	6 %	20 %	4 %	100 %
2017	50 %	19 %	7 %	21 %	3 %	100 %
2018	49 %	21 %	6 %	20 %	4 %	100 %
2019	50 %	20 %	8 %	19 %	3 %	100 %
2020	48 %	19 %	8 %	21 %	4 %	100 %
2021	48 %	19 %	8 %	22 %	3 %	100 %
2022	49 %	18 %	8 %	21 %	4 %	100 %
2023	54 %	18 %	10 %	15 %	3 %	100 %
2024	54 %	17 %	9 %	16 %	4 %	100 %

* *Data not available*

** *Excludes depreciation*

Source:

1) APTA 2022 Public Transportation Fact Book

2) National Transit Database Report

THIS PAGE INTENTIONALLY LEFT BLANK

Los Angeles County
Metropolitan Transportation Authority
One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.6000

metro.net

@metrolosangeles

losangelesmetro

Metro®

25-1233HP © 2024 LACMTA