

**Schedule of Operating Data, Ridership,  
Operating Expenditures, Farebox Revenues, and Other Revenues  
For the Commuter Express Program – Region 1  
City of Los Angeles**

*Year Ended June 30, 2018  
with Report of Independent Auditors*



**Metro<sup>®</sup>**



Simpson & Simpson, LLP  
Certified Public Accountants

***CITY OF LOS ANGELES  
COMMUTER EXPRESS PROGRAM – REGION 1***

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## Independent Auditor's Report

To the Honorable Members of the City Council of the  
City of Los Angeles, California  
To the Los Angeles County  
Metropolitan Transportation Authority  
And to the Federal Transit Administration

### Report on the Schedule

We have audited the accompanying Schedule of Operating Data, Ridership, Operating Expenditures, Farebox Revenues, and Other Revenues for the **Commuter Express Program – Region 1** of the City of Los Angeles for the year ended June 30, 2018 (the Schedule).

### Management's Responsibility for the Schedule

The City of Los Angeles Department of Transportation's (LADOT) management is responsible for the preparation and fair presentation of this Schedule in accordance with accounting principles generally accepted in the United States of America and the requirements of the Uniform System of Accounts and Records and Reporting System, Final Rule, as specified in 49 CFR Part 630, Federal Register, January 15, 1993 and as presented in the 2018 Policy Manual; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Schedule that is free from material misstatement, whether due to fraud or error.

### Auditors' Responsibility

Our responsibility is to express an opinion on the Schedule based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the requirements of the Uniform System of Accounts and Records and Reporting System, Final Rule, as specified in 49 CFR Part 630, Federal Register, January 15, 1993 and as presented in the 2018 Policy Manual. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Schedule.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.



The scope of our audit was to determine whether:

- A system is in place and maintained for recording data in accordance with the National Transit Database (NTD) definitions. The correct data is being measured and no systematic errors exist.
- A system is in place to record data on a continuing basis and the data gathering is an ongoing effort.
- Source documents are available to support the reported data and are maintained for the Federal Transit Administration's (FTA) review and audit for a minimum of three years following FTA's receipt of the NTD report. The data is fully documented and securely stored.
- A system of internal controls is in place to ensure the data collection process is accurate and that the recording system and reported comments are not altered. Documents are reviewed and signed by a supervisor, as required.
- The data collection methods are those suggested by FTA or otherwise meet FTA requirements.
- The deadhead miles, computed as the difference between the reported total actual vehicle miles data and the reported total actual vehicle revenue miles data, appear to be accurate.
- Data is consistent with prior reporting periods and other facts known about transit agency operations.
- Farebox revenues have been accounted for and recorded in accordance with FTA definitions.

### **Opinion**

In our opinion, the Schedule of Operating Data, Ridership, Operating Expenditures, Farebox Revenues, and Other Revenues referred to above presents fairly, in all material respects, the operating data, ridership, operating expenditures, farebox revenues, and other revenues for the Commuter Express Program – Region 1 of the City of Los Angeles for the year ended June 30, 2018 in accordance with accounting principles generally accepted in the United States of America and the requirements of the Uniform System of Accounts and Records and Reporting System, Final Rule, as specified in 49 CFR Part 630, Federal Register, January 15, 1993 and as presented in the 2018 Policy Manual.

### **Restriction on Use**

This report is intended solely for the information and use of the City of Los Angeles, the Los Angeles County Metropolitan Transportation Authority and FTA and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Simpson &amp; Simpson". The signature is written in a cursive, flowing style.

Los Angeles, California  
February 10, 2019

**City of Los Angeles**  
**Commuter Express Program – Region 1**  
**Schedule of Operating Data, Ridership, Operating Expenditures,**  
**Farebox Revenues, and Other Revenues**  
**Year ended June 30, 2018**

	<b>All Routes</b>
<b>Operating Data</b>	<b>CE Region 1</b>
Number of Vehicles in Operation	44
Total Vehicle Miles	1,153,847
Total Vehicle Hours	57,800
Total Vehicle Revenue Miles	596,226
Total Vehicle Revenue Hours	33,332
Total Vehicle Trips	50,776
Directional Route Miles	248
<b>Ridership Data</b>	
Total Passenger Trips	828,967
Total Passenger Miles	8,889,472
<b>Operating Expenditures</b>	
Contractor Operating Costs	
Service Costs	\$ 3,970,399
Fuel Costs	983,079
Subtotal	4,953,478
Administrative Costs	371,122
Total Operating Expenditures	\$ 5,324,600
<b>Farebox Revenues</b>	\$ 253,544
<b>Other Revenues</b>	\$ 1,629,444

**NOTES:**

1. Commuter Express Program (CE) – Region 1 is an express bus service of the City of Los Angeles serving the southern area of the city. Under this program, the City also provides shuttle services for Metrolink passengers.
2. Operating data such as vehicle hours and vehicle miles is based on the actual time and distance travelled by the vehicle including the deadhead miles/hours. Vehicle revenue hours and vehicle revenue miles are based on the trip schedule minus any missed trips. This data is calculated using pre-determined daily route plans for each vehicle trip less missed trips reported by LADOT's transportation provider.
3. Ridership data such as passenger miles and passenger trips is based on surveys conducted by LADOT's transportation provider using the specific trips that were statistically sampled for survey by LADOT.
4. Operating expenditures are based on the accrual method of accounting such that expenditures allocable to the transit program/route are reported in the period in which they are incurred.
5. Farebox revenues are based on actual farebox collected from passengers and the data is accumulated on a regular basis by LADOT's transportation provider.
6. Other revenues represent mostly the program's share in the advertising revenues and sale of transit tickets/passes and TAP cards.

**City of Los Angeles**  
**Commuter Express Program – Region 1**  
**Schedule of Operating Data, Ridership, Operating Expenditures**  
**Farebox Revenues, and Other Revenues**  
**Year ended June 30, 2018**  
**(continued)**

<b>Operating Data</b>	<u><b>Metrolink</b></u>	<u><b>Line 142</b></u>
Number of Vehicles in Operation	5	2
Total Vehicle Miles	34,003	256,405
Total Vehicle Hours	3,763	12,351
Total Vehicle Revenue Miles	20,189	193,552
Total Vehicle Revenue Hours	3,308	10,380
Total Vehicle Trips	9,609	23,994
Directional Route Miles	4	16
<b>Ridership Data</b>		
Total Passenger Trips	195,724	147,425
Total Passenger Miles	371,756	928,288
<b>Operating Expenditures</b>		
Contractor Operating Costs		
Service Costs	\$ 394,004	\$ 1,236,326
Fuel Costs	28,971	218,457
Subtotal	<u>422,975</u>	<u>1,454,783</u>
Administrative Costs	36,832	115,571
Total Operating Expenditures	<u>\$ 459,807</u>	<u>\$ 1,570,354</u>
<b>Farebox Revenues</b>	<u>\$ -</u>	<u>\$ 142,725</u>
<b>Other Revenues</b>	<u>\$ 148,563</u>	<u>\$ 71,719</u>

**City of Los Angeles  
Commuter Express Program – Region 1  
Schedule of Operating Data, Ridership, Operating Expenditures  
Farebox Revenues, and Other Revenues  
Year ended June 30, 2018  
(continued)**

<b>Operating Data</b>	<b>Line 431</b>	<b>Line 437</b>
Number of Vehicles in Operation	4	6
Total Vehicle Miles	105,349	164,855
Total Vehicle Hours	4,909	7,507
Total Vehicle Revenue Miles	38,152	54,648
Total Vehicle Revenue Hours	2,520	3,507
Total Vehicle Trips	2,017	3,025
Directional Route Miles	40	38
 <b>Ridership Data</b>		
Total Passenger Trips	39,642	81,686
Total Passenger Miles	891,392	1,336,867
 <b>Operating Expenditures</b>		
Contractor Operating Costs		
Service Costs	\$ 300,207	\$ 417,772
Fuel Costs	89,757	140,457
Subtotal	389,964	558,229
Administrative Costs	28,058	39,048
Total Operating Expenditures	\$ 418,022	\$ 597,277
 <b>Farebox Revenues</b>	 \$ 11,007	 \$ 17,694
 <b>Other Revenues</b>	 \$ 96,993	 \$ 257,970

**City of Los Angeles**  
**Commuter Express Program – Region 1**  
**Schedule of Operating Data, Ridership, Operating Expenditures**  
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**Year ended June 30, 2018**  
**(continued)**

<b>Operating Data</b>	<b>Line 438</b>	<b>Line 448</b>	<b>Line 534</b>
Number of Vehicles in Operation	15	8	4
Total Vehicle Miles	344,333	186,259	62,643
Total Vehicle Hours	16,711	7,652	4,907
Total Vehicle Revenue Miles	165,462	94,571	29,652
Total Vehicle Revenue Hours	7,054	3,969	2,594
Total Vehicle Trips	6,826	3,287	2,018
Directional Route Miles	58	62	30
<b>Ridership Data</b>			
Total Passenger Trips	209,642	125,564	29,284
Total Passenger Miles	3,016,680	1,452,655	891,834
<b>Operating Expenditures</b>			
Contractor Operating Costs			
Service Costs	\$ 840,305	\$ 472,752	\$ 309,033
Fuel Costs	293,372	158,693	53,372
Subtotal	1,133,677	631,445	362,405
Administrative Costs	78,540	44,191	28,882
Total Operating Expenditures	\$ <u>1,212,217</u>	\$ <u>675,636</u>	\$ <u>391,287</u>
<b>Farebox Revenues</b>	\$ <u>42,546</u>	\$ <u>27,543</u>	\$ <u>12,029</u>
<b>Other Revenues</b>	\$ <u>544,183</u>	\$ <u>415,827</u>	\$ <u>94,189</u>