

**Adopted**  
**Budget**  
Los Angeles County Metropolitan Transportation Authority



LACMTA \*  
.A64  
2000

43

For the Fiscal Year



Ending June 30, 2000



**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY**  
 Adopted Budget for Fiscal Year Ending June 30, 2000

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# Budget Summary





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*Transportation and Housing*

**Julian Burke**  
*Chief Executive Officer*

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## PROFILE OF THE MTA

The Los Angeles County Metropolitan Transportation Authority (LACMTA) is unique among the nation's transportation agencies. It serves as transportation planner and coordinator, builder and operator for one of the country's largest, most populous counties. More than 9 million people – one-third of California's residents – live, work and play within its 1,433-square-mile service area.

Formed in 1993, the MTA provides the leadership and resources needed to develop a comprehensive transit system in which people can travel quickly, economically and safely in a pleasant environment. The familiar Metro "M" on buses, rail cars, Freeway Service Patrol tow trucks and other transportation services identifies the range of services the MTA provides to improve the region's mobility.

In addition to operating some 1,900 coaches in the Metro Bus fleet, the MTA operates two light-rail lines: the 22-mile Metro Rail Blue Line between Long Beach and Los Angeles and the 20-mile Metro Green Line between El Segundo and Norwalk. The MTA also operates the Metro Red Line subway between Union Station and Wilshire Boulevard/Western Avenue. This year the MTA opened the Red Line extension to Hollywood and Vine. By the year 2000, the subway is expected to begin serving

Universal City and North Hollywood in the San Fernando Valley.

The MTA employs about 8,000 people in a broad range of technical specialties and services ranging from Metro Bus and Metro Rail operators and mechanics to construction engineers and safety inspectors, from transportation planning professionals to customer information agents. The MTA is composed of three service departments: Transit Operations, Engineering & Construction and Regional Transportation Planning & Development. They are supported by the Media, Marketing, Customer Relations, Finance, Procurement, Human Resources, Risk Management, Office of Safety & Security, and Administration departments.

The MTA is governed by a Board of Directors with 13 voting members. Serving on the Board are the five Los Angeles County supervisors, the Mayor of Los Angeles and his three appointees, and four elected officials who represent the other 87 cities that make up Los Angeles County. One non-voting member is appointed by the Governor of California.

MTA headquarters is located at Patsouras Transit Plaza in the Gateway complex just east of historic Union Station. MTA also operates 11 bus divisions and three rail divisions, in addition to a number of smaller facilities scattered throughout its service area.

## **BUDGET MESSAGE FROM THE CHIEF EXECUTIVE OFFICER**

The Year 2000 holds great promise for the MTA, for transit riders and for all in Los Angeles County who depend upon an efficient transportation system. This will be a watershed year, marked by major improvements in the transportation infrastructure -- bus, rail, highway -- and other transit-related projects that will increase regional mobility.

Three factors will significantly influence transit service in Fiscal Year 2000. The first is the continued improvement of bus service with the addition of 130 peak hour buses into service and the opening June 12, 1999, of Metro Red Line service to Hollywood. The improvement in bus service was the result of improvements in maintenance, tightening bus schedules and increasing the number of service hours. After more than a decade, and with the MTA's rail construction program winding down, this budget will include far more funding for buses and more emphasis on regional transportation programs. The completion of the five-station Metro Red Line extension provides service to a heavily populated corridor -- one that also has major significance to the city's tourist and film industries.

The second major impact during Fiscal Year 2000 will be the delivery of 437 new CNG buses and the awarding of purchase orders for additional new buses. As part of the accelerated bus procurement plan, the MTA has committed to purchase 2,095 new CNG buses. By the end of the fiscal year, the MTA will have received more than 900 of these new CNG buses and will continue to order and receive new buses at the rate of approximately 40 buses per month. Also by the end of Fiscal Year 2000, the MTA will have completed the conversion of 324 alcohol fueled buses to clean diesel. These buses are proving to be among the most reliable in the MTA fleet. Receipt of the new buses will enable the MTA to improve the reliability of the entire system. Improved reliability means improved service to the more than 500,000 passengers who ride on MTA buses every day.

The third major impact will be the opening in Spring 2000 of Metro Red Line service to Hollywood/Highland, Universal City and North Hollywood. With the full 17.4 miles of subway in operation, Metro Rail ridership is expected to double from the current 100,000 daily boardings to 200,000. It will give the area's transit-dependent and other commuters vastly expanded access to jobs, schools, hospitals, shopping, sports, cultural and entertainment venues, while easing traffic congestion and improving air quality.

The MTA's spending plan for the fiscal year beginning July 1, 1999, is \$2.536 billion, \$118 million more than the Fiscal Year 1999 Budget. By far, the largest portion of the Fiscal Year 2000 Budget -- more than \$931 million -- is earmarked for Metro Bus operations and for the purchase of new buses and the funding of bus-related facilities. During the year, the Agency will take delivery of 437 new buses, both as replacements for aging equipment and to expand service by some 281,000 operating hours. Perhaps more than any other indicator, allocating such a significant percentage of the budget to Metro Bus operations signals the MTA's commitment to improve service to the region's transit-dependent residents.

## **Restoring emphasis on core business**

Much of the groundwork for the improvements in Metro Bus and Metro Rail service was laid in the past two years during which the MTA restored the Agency's emphasis on its core business of providing safe, cost-efficient, on-time transit service. As a result, the Agency can count the following among many successful efforts in Fiscal Year 1999:

- Received and put 221 new buses into service,
- Expanded service to relieve overcrowding on Metro Buses,
- Initiated a "Professional Pride" program that improved on-time bus pullouts and reduced miles between mechanical breakdowns,
- Doubled the number of road supervisors to improve bus schedule adherence,
- Achieved more than \$20 million in cost savings and non-farebox revenue increases from successful implementation of last year's workout team recommendations,
- Improved Agency accountability by closely monitoring department budgets and progress in meeting management action plans, and
- Completed the Regional Transit Alternatives Analysis, a transportation planning framework and funding plan that will include an update of the Long Range Transportation Plan and such projects as the Rapid Bus demonstration program, transportation corridor studies and development of a Universal Fare System that will link the MTA and municipal operators.

Those efforts are ongoing as we continue to shape our organization, to instill strict management controls and to hone our budgetary and financial practices.

## **A balanced Fiscal Year 2000 Budget**

The Fiscal Year 2000 Budget is a product of these principles. The new \$2.536 billion budget is balanced. About half the increase in this year's proposed budget is due to the planned expansion of Metro Bus and Metro Rail service, while the remainder is targeted for street and highway improvements.

The \$727.7 million bus operations and \$204.3 million bus capital portions of the budget make up the largest segment of the budget - \$931 million. This segment of the budget provides for more Metro Bus peak hour service with 130 additional buses. The MTA will hire more operators and mechanics to staff up Metro Bus operations in order to provide this increased service. The MTA will also continue capital improvements to integrate clean fuel buses into the system and maintain safe and functional operating facilities.

The Budget also provides \$121 million for Metro Rail operations - Metro Blue Line, Metro Green Line and the Metro Red Line, with its new extension serving five stations along Vermont Avenue and Hollywood Boulevard. In the area of rail engineering and construction, the Budget shrinks to \$292 million from \$391 million with the completion of Metro Red Line Segment 3 and the opening next spring of subway service to North Hollywood.

The second largest segment of the new budget will provide \$756.8 million for subsidies to the county's 16 municipal bus operators and Metrolink, as well as for ADA accessibility programs, bikeways, smart shuttles and pedestrian improvements. Funding also is earmarked for construction of freeway carpool lanes, freeway gap closures, traffic light coordination to speed traffic flow and the Freeway Service Patrol, among many other projects. Every resident of, or visitor to, Los Angeles County will be positively affected by these transportation projects and services.

Debt service costs are tagged at \$327.2 million – 12.9 percent of the budget. Administrative activities costs are pegged at \$72 million for the fiscal year.

A modest fare increase is contemplated in this budget to go into effect November 1, 1999. Such fare increase, which must be approved by the MTA Board of Directors after a public hearing in July, is permitted by the federal court's Consent Decree. It should be noted that the MTA has not raised fares since 1995. The \$10.2 million expected to be raised by the fare increase will only fund about 13 percent of the increased operations budget.

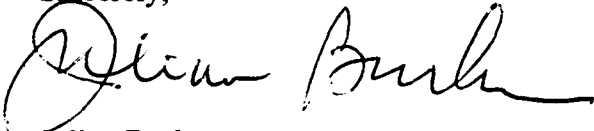
### **Challenges ahead**

While the MTA's prospects in this fiscal year are quite favorable, the Agency and its Board must remain cognizant of the challenges and uncertainties the year ahead will bring. The MTA has requested a judicial review certain recent rulings of the Special Master relative to the Consent Decree. However, if the court should require the Agency to implement all, or a significant portion of these rulings now under review, the MTA would be forced to reassess every program in the Fiscal Year 2000 Budget to cover the resulting additional expense of bus operations.

The issue of transit zones, how they should be developed, funded and operated, will demand substantial attention during this new fiscal year, and the Agency will continue to face growing competition from other regions for federal and state funding. However, the MTA will complete the first update in five years of its Long-Range Transportation Plan, a document that will bring the region's transportation issues and solutions into sharper focus and help to create a new vision for the MTA.

Management's best efforts will be directed toward these and other operational challenges that will evolve during the fiscal year. The Fiscal Year 2000 Budget will allow the Agency to continue to build a world-class transportation system that will serve the citizens of Los Angeles County far into the new century.

Sincerely,



Julian Burke

# **FY99 ACCOMPLISH- MENTS AND FY00 BUDGET HIGHLIGHTS**

## **TRANSIT OPERATIONS**

### **FY99 ACCOMPLISHMENTS**

#### **BUS PROCUREMENTS**

##### **Accelerated Bus Purchases Adds 800 Vehicles**

The MTA Board approved the replacement of 2,095 buses over the next five years. The decision adds nearly 800 buses to the scheduled purchases of 1,313 buses outlined in a previously approved six-year plan.

Currently, about 42 percent of the MTA's buses exceed the federal bus retirement guideline of 12 years, with an average fleet age of 9.4 years. By accelerating the bus purchases, the average age of MTA's fleet will be under six years by the end of calendar year 2000, seven years earlier than previously planned.

##### **221 Buses Delivered in FY99**

A total of 221 buses were delivered to the MTA in FY99, including 200 Neoplan Compressed Natural Gas (CNG) vehicles and one New Flyer first production bus and 20 clean diesel New Flyer vehicles purchased from Las Vegas.

##### **438 Buses Ordered**

Orders were placed for 215 new NABI low-floor CNG buses and 223 low floor New Flyer vehicles.

##### **Special Master Ruling**

In March, 1999, the MTA Board voted to seek clarification and possible modification of the order issued by the Special Master appointed by the Court to oversee compliance of the Consent Decree between the MTA and the class action plaintiffs. The Special Master ordered the MTA to purchase additional new CNG buses, 532 more than the 2,095 buses in the accelerated Bus Procurement Plan.

#### **IMPROVED FLEET RELIABILITY**

##### **Professional Pride Program**

Transit Operations began a "Professional Pride" program to improve service to Metro Bus customers by focusing attention on improving on-time performance and equipment reliability.

During the course of the first six months of the program, bus on-time pullouts increased from 98.4% to 99.1%. Bus in-service on-time performance during the same period increased from 48.9% to 53.0% and, more significantly, buses departing early ("running hot") decreased from 32.0% to 26.7%.

The primary maintenance indicator, mean miles between mechanical failures (MMBMF) increased dramatically during the course of the Professional Pride program. Since its inception in October, mean miles between mechanical failures increased by 20.5%, from 4,604 to 5,552.

Improvements in on-time performance and mean miles between mechanical failures can be directly attributed to increased on-street supervision, including the establishment of "Tiger Teams" comprised of recently retired supervisors and broad improvements in bus maintenance programs.

On the streets, however, roughly 40 percent of all Metro Bus trips were operating ahead of schedule. More supervisors, including retirees called back for duty, were deployed along Metro Bus routes to help regulate service and reduce passenger loads. Special teams targeted certain lines for extra attention.

#### **Alcohol Buses Converted to Diesel**

By the end of June, 1999, MTA will have converted 142 of its 324 poorly performing alcohol-fueled buses to clean diesel; the remainder will be completed by December, 1999. Getting an equivalent number of older diesel buses off the

street will improve service and reduce pollution.

#### **Bus Service Added on 32 Lines**

In FY99, MTA improved bus service by adding 96 weekday peak hour buses for load factor reduction, increasing the frequency of the service on 45 Metro Bus lines and extending the distance traveled on three routes. Nine buses will be reduced as part of the bus and rail interface and service overlap changes resulting from the new Hollywood and Vine rail extension.

#### **Improving Quality at RRC**

At the Regional Rebuild Center (RRC), MTA is making many changes and process improvements. One of these is requiring a much higher level of management and supervisory involvement in the repair and rebuild process. Now, supervisors are on the floor with the mechanics about 40 percent more than in prior years.

Other improvements include:

- Better parts availability and supply - to assist in making "rollout"
- Comeback tracking - reporting and correcting a problem with a component when it fails prematurely
- Accountability - employees working together to improve job performance and product quality
- Reporting credibility - producing documents that are more accurate and tell the "whole" story
- Timely failure analysis - to assess what happened and share the learning with Division and RRC employees.

## **IMPROVING FLEET CLEANLI- NESS**

### **375 Buses Painted**

Approximately 375 buses have been painted in the "gold standard" color scheme - a bright white with gold stripe.

### **Graffiti Abatement**

Over 4,000 window guards, which are made of special materials that can be easily replaced when they are tagged with graffiti, were changed out in buses.

## **OTHER IMPROVEMENTS/COST SAVINGS**

### **Reduced Deadhead Mileage**

By implementing a workout team recommendation to reassign lines to divisions more efficiently, MTA reduced non-revenue miles and hours, resulting in annualized savings of about \$1.8 million, of which about \$900,000 was achieved in FY99.

### **Seat Standardization/Engine Stan- dardization Recommendation**

Pursuing a workout team recommendation, Metro Bus Maintenance tested and monitored bus operator seats and started implementing a program to standardize bus seats where practicable. This step should result in savings of about \$500 per seat in new bus procurements and provide a healthier and more comfortable environment for operators. In addition, Metro Bus will standardize engines on all future bus procurements.

### **Warranty Recoveries**

MTA has greatly improved its warranty recovery program for new vehicles and exceeded its goals by recovering about

\$2.5 million in parts, labor and cash refunds.

### **Blue Line Safety Program**

In an effort to reduce the number of grade crossing accidents involving Metro Rail Blue Line trains and pedestrians and vehicles, MTA has revamped its public safety awareness program. Some of the elements include: door-to-door distribution of bi-lingual flyers, rail safety brochures and safety magnets; mounting 270 street pole banners with safety messages at intersections; and working with parents, resident, businesses, educators and commuters in safety outreach programs.

The first light rail operator in the country to employ photo enforcement cameras at grade crossings, the MTA is adding six intersections to its photo enforcement program, bringing the total to 23. The program targets those grade crossings experiencing the greatest number of violations by motorists and is backed by the threat of a hefty fine for violators.

### **Reduction of Non-Revenue Vehicles**

The non-revenue fleet was reduced by about 70 vehicles in accordance with the workout team recommendations, saving over \$350,000 per year.

### **Improved Management Reporting**

Weekly and monthly management reports have been instrumental in tracking performance.

### **Articulated Bus Test**

A 60-foot, 58 seat, low-floor New Flyer articulated bus has been field tested on Line 40 from Patsaouras Plaza to the South Bay Galleria in Torrance. Although the Southern California Rapid Transit District (SCRTD) once operated articulated buses with mixed results, the MTA's limited experience with the New Flyer bus indicates that it is easier to drive, has better maneuverability and good passenger acceptance. Fueling and maintaining the longer vehicles, however, would require modifications to division facilities.

### **Metro Flash Cards**

Vision-impaired patrons began using a booklet of numbered cards, called "Metro Flash" to signal Metro Bus operators. Patrons can arrange the flash cards, which include Braille characters, to show the number of the bus line they wish to ride.

### **Transit Zones**

In FY99, the MTA undertook a major effort to update the process by which an entity applies for transportation zone status. This update was initiated pursuant to a Board-directed study in FY98 which focused attention on the possibility of adding and expanding zones to both improve local control over transit services and increase MTA's operating efficiencies.

MTA expects to submit all recommended changes to the current guidelines, which have not been updated since their adoption in 1986, to the Board for approval in FY99. Preliminary applications for the expansion of the one existing zone and the creation of a new zone have been received. MTA expects the

formal application and review process to occur in FY00.

### **New Executive Officer for Transit Operations**

Jim Reichert, a nationally respected transit manager, headed Operations on an interim basis for most of FY99. Mr. Reichert implemented the Professional Pride and Smart Bus programs and brought renewed leadership and unison to our bus and rail system. In April, 1999 Tom Conner, former general manager of the Los Angeles Department of Transportation, was hired as the new executive officer of MTA Transit Operations.

### **SUBWAY TO HOLLYWOOD OPENS**

#### **Metro Red Line Segment 2 Opens**

The 4.6 mile Vermont/Hollywood segment of the Metro Red Line opened to the public on June 12, 1999. Unique features of the five new stations include award-winning skylights at the Vermont/Santa Monica Station; rock formations at the entrance to the Vermont/Beverly Station; the 1950s sci-fi decor of the Vermont/Sunset station; the fire, earth, air and water themes of the Hollywood/Western Station; and the Hollywood/Vine Station's celebration of Hollywood and the film industry.

### **FY00 BUDGET HIGHLIGHTS**

#### **Over 7 Million Revenue Service Hours**

Transit Operations manages all aspects of MTA Metro Bus and Metro Rail operations and related activities by providing clean, safe, efficient and reliable transit services to more than 1.2 million



patrons per day. In FY00 MTA and its contracted service providers will deliver:

- 366.5 million unlinked passenger trips
- 7,057,000 bus revenue service hours, or about 6 percent more than in FY99
- 202,000 light rail vehicle service hours or about 1 percent more than in FY99
- 235,000 heavy rail vehicle service hours or about 71 percent more than in FY99

### **FY00 Metro Bus and Metro Rail Goals and Objectives**

The primary goal for the MTA in FY00 is to improve Metro Bus service and customer satisfaction by:

- meeting Consent Decree goals
- implementing the accelerated bus procurement plan
- deploying the Metro Rapid Bus program on three demonstration lines
- improving bus service reliability and upgrading equipment
- implementing technology improvements to the Metro system

The second goal is to improve Metro Rail service and customer satisfaction by:

- fully integrating the North Hollywood Metro Red line into the Metro Rail system on its scheduled revenue operation date (ROD)
- improving rail service reliability

### **Improving MTA Bus Service Reliability**

To meet load factor requirements and to improve bus service, the reliability of the bus fleet must first increase. To accom-

plish this, Transit Operations has developed objectives for FY00 which include:

- increasing systemwide on-time pull-out performance from 99.0 to 99.3 percent
- increasing miles between mechanical roadcalls from 1,400 to 2,000
- continuing to improve preventive maintenance
- improving cleanliness, graffiti and vandalism ratings from 6.5 to 8.0
- improving employee morale by recognizing individual and division performance
- monitoring and ensuring progress on the "Smart Bus" implementation including the Universal Fare System, radios, Automatic Voice Annunciators, Automatic Passenger Counters, cameras and security equipment
- equipping the entire fleet with Integrablok brake lining which saves money and improves safety
- ensuring less than half a percent defective wheelchair lifts and no buses with defects over 72 hours
- maintaining overtime expenditures to stay within the FY00 Budget
- reducing workers' compensation claims
- setting a zero tolerance goal on schedule deviations to keep buses meeting on-street on-time performance
- reduce the frequency of bus accidents to 3.0 per hundred thousand miles by June 30, 2000

Transit Operations will accomplish this by:

- reviewing division manager performance in relation to the performance measures shown above for each quarter
- identifying problematic buses and repeat road calls at each division
- taking actions to resolve defects and improve performance.

#### **Contracted Bus Services**

MTA understands the importance of having consistent service levels, whether the bus is operated by MTA or by one of its contractors. Therefore, contract negotiations with these transit suppliers will include appropriate performance measures and penalties.

#### **Steps To Minimize Overcrowding**

To minimize overcrowding, schedule delays and customer complaints, MTA deployed 10 "staged" buses (buses standing ready in the central business district to be deployed in the event of overcrowding and delays to service)

In addition, supervisory "Tiger Teams" have been deployed along the heaviest routes to ensure proper line spacing and adherence to schedules.

MTA also intends to uniformly utilize appropriate counseling, coaching and discipline when necessary in response to customer complaints.

#### **Reducing Labor Costs - Workout Team Recommendation**

To reduce costs, Transit Operations management will carefully monitor operator scheduling and will develop programs to reduce:

- absenteeism by 2 days per operator
- overtime
- workers' compensation expenses.

#### **Hiring and Training New Operators**

Transit Operations plans on hiring and training 500 new operators in FY00. In addition, they will provide 3,600 existing operators 8 hours of mandated training to help the drivers provide safe, on-time and courteous service and to prevent accidents.

#### **Mechanic Training**

Mechanic training is an especially important goal in FY00 because the MTA is adding significant numbers of new buses equipped with state-of-the-art technologies. In addition, many of the senior mechanics are eligible for retirement and will have to be replaced by newly hired mechanics. Therefore, three new mechanic trainers will be hired and will be located at the divisions to provide first-hand on-site mechanic training.

#### **Professional Pride Recognition Program**

In FY00, Transit Operations, in conjunction with the Office of Office of Safety & Security and Risk Management, will implement a recognition program as a part of the Professional Pride Program.

The program goals are to:

- achieve 3.0 accident frequency rate by June 30, 2000
- reduce customer complaints by 10%
- improve employee morale and job satisfaction by establishing awards programs
- reduce absenteeism by 2 days per bus operator

- reduce lost work days to industrial injuries by 10%
- accident reduction
- worker's compensation lost time days.

### **Cleanliness Programs**

Metro Bus Operations will continue its program to improve cleanliness by 10 percent over the baseline in each quarter in FY00. Metro Rail Operations has set a goal of achieving 99 percent graffiti clean cars at roll-out.

For each quarter of FY00, Transit Operations has a goal of removing graffiti from 6,200 buses, installing 3,125 seat inserts and 1,563 disposable window inserts, and cleaning 5,500 MTA bus stops, 42 terminals and 6.3 million square feet of inactive rail rights of way and parcel properties.

### **Passenger Information**

To keep passenger information current, Transit Operations will implement bus stop changes, create and maintain data bases to provide accurate bus stop signs, expand the information cube program and implement the automatic voice annunciator system for all its divisions.

### **Smart Bus Program**

In FY00, elements of the Smart Bus program will begin to be implemented throughout the Metro Bus system. These technological improvements to the Metro Bus Operations system will assist in managing the on-street operation of the bus system and should improve overall customer service and satisfaction. Some of the Smart Bus components include technology such as a universal fare system, radio communications system,

automatic passenger counting systems, automatic voice annunciators and video transmission cameras.

### **Regional Rebuild Center (RRC)**

The RRC plans to overhaul about 350 engines, rebuild 840 transmissions, repair 58 coaches, paint 350 more buses, install 204 window sets, 160 wheelchair lifts, and rebuild a significant number of mechanical and electrical components in support of Transit Operations.

### **Maintain All MTA Bus Facilities**

The FY00 goal is to resolve 92 percent of Metro Bus Operations and Metro Rail Operations facilities "trouble tickets" within 3 days, providing parts are available.

### **Transit Operating & Trends Systems Migration**

The Transit Operating and Trends System (TOTS) is going to be upgraded to address Y2K issues and to include operator interfaces, advanced manpower planning and performance monitoring capabilities.

The current stand-alone application will be replaced by a new system which will bring together on a single platform the timekeeping system, vehicle accident monitoring system and operator bidding system as well as others.

### **Metro Rail Operations**

Thirty Breda heavy rail cars and 18 Siemens light rail cars will be tested and monitored to make sure the cars meet specifications. About 350 rail car subsystem overhauls will be accomplished in FY00.

### **North Hollywood Metro Red Line Tests**

To make sure the North Hollywood Metro Red Line is safe and ready to open and integrated into the Metro Rail system on its scheduled revenue operation date in the Spring of 2000, Metro Rail Operations will conduct 24 systems integration tests such as ventilation, propulsion power, lighting, wayside signals, radio transmissions, speed codes, clearance testing and speed tests. Twelve new operators will be selected and trained to operate the additional service.

## **REGIONAL TRANSPORTATION PLANNING & DEVELOPMENT (RTP&D)**

Regional Transportation Planning and Development (RTP&D) is responsible for programming and administering federal, state and local transportation funds, preparing a financially constrained Transportation Improvement Plan (TIP), and planning and coordinating regional transportation services and infrastructure improvements among 89 cities, County of Los Angeles Caltrans and the 17 municipal operator/included operators, as well as planning, implementing and monitoring MTA bus and rail service delivery.

### **FY99 ACCOMPLISHMENTS**

#### **Regional Transit Alternatives Analysis (RTAA) Completed**

In the wake of the suspension of rail projects last year and the subsequent re-programming of 1998 STIP and new funding provided by TEA-21, the MTA Board required that a Regional Transit Alternatives Analysis (RTAA) be completed to study viable and effective transportation options for all parts of Los Angeles County.

The RTAA, completed in November, 1998, is a policy framework and funding plan which generally coincides with the STIP and TEA-21 funding cycles (1999—2004.) It includes \$7.9 billion for bus operations and purchases, \$3.8 billion for rail/transit programs and \$5.2 billion for highway-related projects through 2004. Several new projects

which were recommended, such as the Rapid Bus program, which will improve service to the transit dependent in all parts of Los Angeles County, will be implemented in FY00.

#### **Rapid Bus Demonstration Project**

The Metro Rapid Bus project is an element of the RTAA approved by the Board last November and includes a demonstration of three rapid bus lines - one each in East Los Angeles, Mid-City and in the San Fernando Valley. The purpose of the project is to show that travel times can be reduced for passengers traveling long distances on major streets.

#### **HOV (Carpool) Lanes**

In October, MTA joined Caltrans and community officials in opening a 6.5 mile, \$30 million carpool lane on the I-405. The lane links the I-110 and the I-710 freeway interchanges in Carson.

#### **New Metro Rail Blue Line Parking**

Metro Rail Blue Line patrons gained 500 more parking spaces with the opening of a 700-space parking building next to the Willow Station in Long Beach. A joint project of the MTA, the Long Beach Development Agency and private enterprise, the development will include a Lucky store, a Sav-on drugstore and other retail stores. The MTA leased five acres for the 12-acre project and will receive nearly \$8 million from rent during the 35-year lease of the site.

### **Countywide Call for Projects**

Applications were distributed to cities and transportation agencies for the countywide FY00-04 Call for Projects. RTP&D received 437 applications in seven modal categories requesting \$1.2 billion in funding. The applications are being evaluated to determine the allocation of up to \$558.7 million. Recommendations on project funding will be presented to the Board for approval in July, 1999.

### **Joint Development Projects**

A 1.2 million square foot entertainment/hotel/retail complex will be constructed by TrizecHahn Centers above MTA's Metro Rail Red Line subway station at Hollywood and Highland Boulevards. The venture includes a 3,300-seat live broadcast theater, which will be used to stage the Academy Awards. A six-screen multi-plex, retail stores, restaurants and a processional staircase rising from Hollywood Boulevard with the Hollywood sign in clear sight are also planned. The MTA receives ground rent which will increase based on the project's success. Additional joint development proposals being developed include film studios to North Hollywood and an entertainment industry complex.

### **Club Metro/Rideshare 2000**

Club Metro is a rideshare incentive program that rewards commuters who have been ridesharing for at least six months. Club members receive a card that entitles them to a 20 percent discount or 2-for-1 specials at Los Angeles County restaurants and entertainment venues.

Over 1,300 employers are currently enrolled in "Rideshare 2000" an incentive

program that provides gift certificates worth up to \$120 to drive-alone commuters that agree to rideshare during a trial period. Both programs were expanded this year.

### **Long Beach *BIKESTATION* Project Wins Top Honors**

The Long Beach *BIKESTATION*, a full service bicycle storage and rental facility catering to biking commuters, avid cyclists and leisure riders has been chosen by the U.S. Department of Transportation's Federal Highway Administration (FHWA) as the winner of their Environmental Excellence award in Community Livability.

The Long Beach *BIKESTATION*, funded by the MTA, opened in March 1996 as the first of its kind in the United States. The facility offers all-day secured bicycle parking for riders who want to commute to work, use public transportation or visit the many attractions in the downtown Long Beach area.

### **Segment 2B Bus/Rail Interface Plan**

The public hearing for the MOS 2B Bus/Rail Interface Plan for the Metro Rail Red Line Extension to Hollywood was held on March 6, 1999. The hearing included elements of the Westside Restructuring Study and proposals developed as part of the Restructuring Plan submitted to the FTA in May, 1998. The final revised Bus/Rail Interface Plan for Segment 2B was submitted to the Board of Directors for approval in April, 1999.

Approved changes will be implemented in June, 1999, concurrent with the opening of the Metro Rail Red Line Extension to Hollywood.

### **Consent Decree**

A public hearing to review successful elements of the Consent Decree Pilot Program was held on March 6, 1999. The findings and recommendations of the final plan have been drafted for Board approval in the near future.

The Load Factor Remediation Plan was submitted to the Special Master for consideration in December, 1998. The Special Master issued a ruling for which the MTA has issued a motion for clarification and modification. A draft copy of the Consent Decree Five-Year Plan was also submitted to the Special Master for consideration in December, 1998. A decision on the final Five-Year Plan is still under review by the Special Master.

### **Short Range Transit Plan (SRTP)**

The Service Planning Department developed an MTA Short Range Transit Plan (SRTP). The SRTP provides a strategic framework for the service change process, and it identifies the linkages between that process and other MTA goals. The SRTP is presently under internal review and is scheduled to be reviewed and approved by the MTA Board in July, 1999.

## **FY00 BUDGET HIGHLIGHTS**

### **RTP&D FY00 Goals and Objectives**

The primary goal of RTP&D in FY00 is to improve coordination and collaboration with other stakeholders in RTP&D:

- completing the update of the Long Range Transportation Plan
- effectively managing and implementing the Call for Projects, other funding plans and regional projects

- completing the planning analysis for the East Side and Mid-City fixed guide-way systems
- administering the fair share funding formulas and analyzing options to improve the benefits of the distribution
- working with stakeholders of sub-regions to improve local transit service
- working with the Pasadena Blue Line Construction Authority to facilitate construction of the Pasadena Blue Line.

### **Long Range Plan Update (LRP)**

The last 20-year analysis of transportation planning which defined the existing system, mobility needs and policy issues and identified alternatives and funding for Los Angeles County, was completed in 1995.

The goal of the LRP is to develop a multimodal system that better serves the needs of transit-dependent riders, while also providing a network that will attract solo drivers out of their cars, primarily through faster transit speeds, improved quality of service and more commuter choices.

Given the changes in project priority, schedule and funding which have occurred over the last five years, the MTA will update the LRP this year. This update will incorporate the results of an extensive community outreach program drawing on input from numerous organizations, government entities and individuals.

### **Metro Rapid Bus Demonstration Program**

MTA will implement a Metro Rapid Bus demonstration program in three corridors including Wilshire/Whittier, Ventura Boulevard and Pico/East First Street.

Rapid buses will have traffic signal priority and stop only at major intersections. When feasible, rapid buses will be assigned to priority bus lanes and be able to bypass traffic congestion. With stops a mile apart, they are expected to travel about 15 to 25 percent faster than local service. MTA planners expect the first rapid bus line will be designated on Wilshire and Whittier Boulevards, where it can be coordinated with the bus signal priority projects.

### **Universal Fare System (UFS) Implementation and Fare Policy**

The MTA Board approved development of the Universal Fare System (UFS) which is a set of procurement requirements, fare collection equipment specifications and fare media requirements for cash and electronic fare collection. When the UFS system is implemented, it should enable seamless, coordinated inter-modal and inter-agency transit travel throughout Los Angeles County. In FY00 MTA will issue an RFP for 2,500 UFS units and award a contract.

### **Service Monitoring and Scheduling**

The Scheduling department performs all routing, service planning and monitoring for MTA services and develops Consent Decree service plans. The use of automatic passenger counters on buses on the 20 highest ridership lines will be increased to improve monitoring and reporting requirements of the Consent Decree.

MTA monitors the 20 highest ridership lines biweekly; 57 other lines are monitored quarterly in an effort to meet the load factor reduction plan.

In FY00, Scheduling will be implementing scheduling software upgrades which will further improve system efficiency and reduce costs.

### **Automatic Passenger Counting (APC) Program**

The demonstration project that was begun in FY99 will be evaluated and specifications will be developed for the APC technology to be deployed as an element of the "Smart Bus" technology package the MTA is implementing in FY00.

### **Operations Scheduling**

MTA expects to prepare about 170 to 200 new timetables, route maps and service change notices to support Transit Operations.

### **Bus Zones Studies**

The MTA recently received two notices of intention to file applications for transit zones. The Board is considering amending its guidelines for adopted new transit zones to clarify a complicated procedure for turning over portions of MTA service to other operators.

### **Manage \$3.9 billion in grants**

Over the next five years, MTA is expected to provide financial management and programming for \$3.9 billion in state and federal funds.



### **Complete Three Corridor Studies for Mid-City, Eastside and San Fernando Valley**

The MTA recognizes the need to address transportation needs in the three corridors where new subway construction was suspended—the East Side, Mid-City, and the San Fernando Valley. The Rapid Bus program will meet some of the needs in these neighborhoods, but the MTA is also proceeding with corridor re-evaluation and major investment studies and environmental impact statements and reports for the Mid-City, East Side and San Fernando Valley areas utilizing an \$8 million TEA 21 grant for Mid-City and East Side with other funds for the San Fernando Valley.

### **Bus Signal Priority Project - \$3.5 million**

Demonstration corridors will be selected and system development will be started for the bus signal priority project to help buses adhere to their schedules. This technology will either extend or provide an early green light to buses which will reduce delays at intersections.

### **Alameda Corridor**

MTA will be contributing \$358.7 million to the \$2.4 billion Alameda Corridor project which will facilitate movement of goods from the Los Angeles Harbor to 25<sup>th</sup> Street. This year \$59.2 million is being recommended for expenditures from the STIP and Proposition C 25% funds.

### **Highway Projects**

Pursuant to SB 45, the MTA now is responsible for programming \$1.15 billion in highway projects and works closely with Caltrans to monitor project progress. The freeway program focuses on

gap closures, high occupancy vehicle (HOV) lanes, traffic operation systems, intelligent transportation systems and sound wall programs.

In FY00, construction will be started on high occupancy vehicle (HOV) lanes on the I-405 from Route 105 to Route 90 and from Waterford to Route 101. MTA will also manage the construction of HOV lanes from the Orange County Line to South Street on the I-605 freeway. The design for interim HOV lanes on the I-5 Santa Ana Freeway will be completed in FY00. Gap closures on several Route 30 projects, and the Route 210 soundwall design should also be executed.

### **Arterial Improvements/ Signal Synchronization/ATIS**

MTA is responsible for managing 49 Call for Projects funded arterial improvements totaling \$446 million and 99 signal synchronization projects totaling \$239 million through 2001. System requirements for a real time electronic Advanced Traveler Information System (ATIS) will be developed for the Los Angeles and Ventura regions. With a target completion date of May, 2001, the ATIS will deploy a computerized information system that disseminates real time traffic conditions and transit route and schedule information to commuters.

### **Segment 3 Rail Opening**

Once the Metro Rail Red Line to North Hollywood is opened, MTA plans on implementing a bus/rail interface plan which will reduce overlapping service. Public hearings will be held to review the draft plan before it is implemented.

## **ENGINEERING & CONSTRUCTION**

Engineering & Construction has been a major area of focus in the face of shrinking funding sources and the pending completion of current rail projects. In accordance with these MTA program changes, Engineering & Construction has modified its organization and is shifting from its role as a rail construction manager to that of a maintenance organization responsible for the ongoing, day-to-day operations of MTA's Metro Bus and Metro Rail transit systems.

### **FY99 ACCOMPLISHMENTS**

#### **Segment 2 Rail Tests**

Rail start-up crews successfully electrified a 7,000 foot section of the Metro Rail Red Line Vermont/Hollywood line and tested trains on the 4.6 mile subway segment prior to its revenue operation date of June 12, 1999.

#### **Hollywood Restoration**

Metro Rail contractors began final restoration work along Hollywood Boulevard, pouring asphalt and rebuilding sidewalks, curbs, gutters and bus pads west of Vine Street. Except for the final paving of Vermont and Sunset, most of the work was finished in time for the opening of the Metro Red Line to Hollywood.

#### **Universal City Station: On Time, Under Budget**

Work on the Universal City station contract was completed on the original

schedule and approximately 10 percent under budget. Work on the three-year project, contracted to Tutor/Saliba-Perini, began in December, 1995.

#### **Federal Funding OK'd for Segment 3**

The FY99 federal omnibus spending bill was passed, earmarking \$62 million for construction of the Metro Rail Red Line subway project that will keep the North Hollywood segment of the subway system from Hollywood/Highland to Universal City and North Hollywood on schedule for service to begin in the Spring of 2000.

#### **North Hollywood - Segment 3 Progress**

North Hollywood Segment 3 stations have been made operational with permanent power.

#### **Blue Line Platform Extensions**

Although Engineering & Construction planned on extending platforms on nine Metro Rail Blue Line stations in FY99, the original scope of the project was enlarged to include all 19 stations. As a result, a more comprehensive program was developed for implementation in FY00.

#### **Sprinkler Retrofit**

Engineering & Construction completed the sprinkler retrofit for Segment 2B on budget. Segment 1 was started in January and will be completed in June, 2000.

### **Acceptance of L.A. Cars**

MTA has accepted and tested 10 of the Siemens P2000 light rail cars. It is expected that these cars will be rotated into the Metro Rail Blue Line until the Pasadena Blue Line is constructed and operational.

### **Pasadena Metro Blue Line Construction Authority**

Former Governor Wilson signed into law SB1847, a bill to establish the Pasadena Metro Rail Blue Line Construction Authority to award and oversee all design and construction contracts for completion of the Metro Rail Blue Line to Pasadena. Once the line is completed, it will be turned over to the MTA for operation of passenger service.

### **Compressed Natural Gas (CNG) Fueling Facilities**

Due to the accelerated bus procurement plan, the need for CNG fueling facilities has increased. To minimize capital costs, Construction is developing a public/private partnership for future CNG fueling facilities at Divisions 5 and 9.

### **Underground Storage Tank Replacement**

To comply with environmental mandates, Engineering & Construction replaced 8 to 13 underground storage tanks at each of the MTA's 11 bus divisions and 2 support facilities.

### **Poetry in Motion**

Metro Art launched a program called "Poetry in Motion" to enhance Metro Bus customers' transit experience. About 60,000 poetry cards were installed aboard 2,000 buses, 250,000 bookmarks were distributed to local libraries and

poetry readings were held at bus stops and rail stations.

## **FY00 BUDGET HIGHLIGHTS**

### **Engineering & Construction Goals and Objectives**

The two major objectives in the coming year are to:

- complete the North Hollywood Metro Rail Red Line Segment 3 on schedule and on budget
- keep all other construction projects budgeted in FY00 on schedule and on budget.

### **Preparing to Open Metro Rail Red Line Segment 3 to North Hollywood**

Construction of the Metro Rail Red Line Segment 3 to North Hollywood will continue apace, with a revenue operations date scheduled for the Spring of 2000. Construction activity includes beginning the Universal City station bus plaza and Lankershim Boulevard widening; completing installation of traction power substation and equipment, completing track work and testing; and continuing the installation of the automatic train control system.

### **Complete Segment 2 Work**

In FY00, Engineering & Construction will complete integration testing of all remaining systems, finish construction of the Kaiser Portal, and resolve contract closeouts, claim settlements and litigation relating to Metro Rail Segment 2 (the Vermont-Hollywood Corridor on the Metro Red Line) which opened June 12, 1999.

### **Metro Red Line Segment 1 - Transit Enhancements**

MTA will upgrade the sprinkler system at five stations, install roll-up door emergency stops at station entrances, and upgrade Metro Rail Red Line stations and facilities to comply with ADA requirements.

### **Pasadena Blue Line**

Construction will work to resolve all outstanding issues in order to effect a transfer of the Pasadena Blue Line project to the Joint Powers Authority. However, some costs are included in the FY00 Budget for the automatic train protection and for contract close out costs.

### **LA Car Deliveries**

The FY00 Budget includes costs for the receipt, testing and acceptance of 20 cars which will be rotated into the Metro Rail fleet until the Pasadena Blue Line is operational.

### **Implementing Capital Improvement Program (CIP) Projects**

Projects to maintain and upgrade transit operations facilities will include the tunnel re-grouting, the Metro Rail Green Line radio upgrade and the Metro Rail Blue Line corrosion control studies and construction.

### **Metro Rail Blue Line Platform Extensions**

The extension of the Metro Rail Blue Line platforms to receive 3-car trains was delayed in FY99 in order to plan and engineer a more comprehensive program which includes all 19 of the Metro Rail Blue Line stations instead of the subset that were considered last year. By the end of FY00, MTA expects nine

stations to have platform extensions completed.

### **Suspended Rail Projects - East Side and Mid-City**

All activities for the Eastside Extension and Mid-City rail lines were suspended in January, 1998. However, costs are included for the procurement and management of the rail passenger car contract for 14 cars, for water and gas well maintenance, property management and environmental monitoring.

### **Compressed Natural Gas (CNG) Fueling Facilities**

Currently, only four divisions have CNG facilities. As the CNG bus fleet will be increasing significantly over the coming year, MTA must also increase its fueling capability. Therefore, plans to design and initiate procurements for fueling stations at Divisions 5 and 7 and the Regional Rebuild Center (RRC) and to install compressors at Divisions 8, 10 and 18 are high priorities.

### **Metro Rail Blue Line Grade Crossing Improvements**

Working with homeowners' associations, schools, neighborhood groups, churches and public agencies, MTA will increase public awareness to reduce Metro Rail Blue Line grade crossing accidents.

### **ADA Projects**

ADA upgrades such as tactile tile installations, ramp modifications and elevator improvements will be made to rail stations and customer service centers.

**Metro Art Demonstration Project**

MTA will implement a demonstration project to deter vandalism on 30 CNG bus interiors while promoting the use of public transit to area landmarks.

**Regional Rebuild Center (RRC) Improvements**

The Regional Rebuild Center (RRC) will be upgraded by enclosing one shop area, building a slow CNG fueling station, upgrading an underground storage tank leak detection system, and putting a new roof coating on one of the buildings.

## **OTHER**

### **FY99 ACCOMPLISHMENTS**

#### **Federal Omnibus Spending Bill**

Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) annual legislative action appropriated \$62 million for construction of the Metro Rail Red Line subway to North Hollywood. The measure includes \$3 million for new bus purchases and \$8 million for a regional transit study and preliminary design and engineering for transportation projects on the Eastside and Mid-City areas of Los Angeles. Acceptance of the MTA's Restructuring Plan in July, 1998 released suspended Federal Funding and validated the MTA's progress in getting its financial house in order.

#### **Favorable State Audit**

An independent review by the California State Auditor concluded that the MTA's plan to service its long-term debt is financially sound.

#### **Proposition A Passage**

Los Angeles County voters approved Proposition A, a measure which prohibits the MTA from using County sales tax revenues to finance planning, design, construction or operation of any new subways beyond the current project that will connect Hollywood and North Hollywood. The measure requires annual independent audits of the sales tax revenues and establishes a five-member Citizen's Advisory and Oversight Committee to receive the audits, conduct a public hearing and report comments to the MTA.

#### **Bond Lawsuit Settled**

The settlement of a lawsuit against Lazard Freres & Co., which had been accused of overcharging the MTA in a 1993 bond refunding transaction, resulted in a payment to the MTA of \$6.7 million (a portion went to the plaintiff) plus legal fees and an indemnity for any taxes arising from the transaction.

#### **Substance Abuse Program Gains U.S. Department of Transportation (DOT) Recognition**

The MTA is nationally recognized as having a model drug and alcohol abuse program. The U.S. DOT's Transportation Safety Institute has asked the MTA to help teach other transit operators how to improve their compliance with federal substance abuse regulations.

#### **Increased Revenues from Non-Farebox Sources**

MTA received revenues of almost \$11 million in FY99; \$8.9 million from real estate lease rentals and property sales and \$2.1 million from fiber optic leases.

#### **Workout Team Savings**

In 1998, the CEO created ten workout teams to find new ways to reduce costs and to generate additional revenues from non-farebox sources. In FY99, implementation of these recommendations resulted in total savings of over \$20 million and included:

- deadhead efficiencies
- improved brake lining material
- reducing non-revenue vehicles
- extending periodicities for selected maintenance functions
- reducing the number of engine overhauls
- coordinating/marketing filming requests through one point of contact
- selling surplus property
- increasing lease rates
- reducing custodial services
- requiring employees to take 80 hours of time off with pay each year
- developing plans to implement a purchasing card for small recurrent purchases.

**Reduction of Custodial and Energy Costs - Workout Team Recommendation**

As part of the workout team recommendations, 9 positions were reduced and the cleaning schedule was modified to cut custodial costs. Energy consumption was also reduced during non-peak hours. Together, these savings amounted to about \$300,000 in FY99.

**Y2K Program Office**

To prepare for potential problems when the dates in computers change to the year 2000, MTA has established a Y2K Program Office to remediate its various systems. With the help of contracted programmers, work is on schedule and it is expected that all mission-critical systems will be Y2K compliant. A contingency plan is also being prepared for remediation of portions of less critical systems.

**Interest Rate Savings/Bond Sales**

MTA realized a one-time savings of approximately \$15 million from lower interest rates and delayed debt issuance.

In January, 1999, MTA sold nearly \$125 million in bonds at an interest rate just over 4.85 percent. Since this rate was lower than expected and favorable to the MTA, it will save about \$9 million over the 30-year life of the bond.

**Revenue Collections Savings**

By eliminating canvas bags for coins, MTA saved \$48,000 per year in materials, and by reducing bulk coin processing, reduced bank service charges by about \$37,000 per year.

**Quarterly Review Meetings**

The CEO's office began holding quarterly departmental and Agency-wide meetings to examine the budget status and progress in meeting Management Action Plans (MAPs). It has proven a successful forum to review accomplishments, to resolve outstanding issues and to keep the MTA on track budget and performance wise.

**Capital Improvement Plan (CIP)**

A \$1.245 billion, five-year Capital Improvement Plan (CIP) identified and prioritized capital projects based on whether they were mandated, for health and safety, required for capital equipment, or for maintenance of assets, or facility improvement, service improvement or cost reduction. The CIP represents the first comprehensive Agency-

wide effort to plan for the maintenance and replacement of the capital assets required to support Metro Bus and Metro Rail operations.

### **Rail System Safety Program**

By meeting FTA/CPUC regulatory requirements and exceeding hygiene studies, The MTA passed a successful audit of the Agency's Rail System Safety program plan.

### **Project Audits**

MTA has completed 225 Call-for-Project audits this year, resulting in \$35 million in questioned costs and \$4 million in disallowed costs. The Management Audit Services Department (MASD) and Regional Transportation Planning & Development (RTP&D) departments are currently in the process of recovering \$8.9 million.

### **Transitional Duty Program**

Risk Management and Transit Operations developed a transitional duty program which will bring employees back to work in a modified capacity until they are ready to assume their full duties.

### **Workers' Compensation Claims**

In FY98, MTA paid out \$39 million in workers' compensation claims and another \$6 million in administrative fees, the highest in the transit industry. About 500 MTA employees are off work on injury claims, and 764 employees have each filed 10 or more claims.

MTA, its unions and the Agency's insurance vendor, Travelers Insurance Company, have formed a partnership to solve one of the MTA's most expensive problems - reducing workers' compensation costs.

They formed a steering committee which reviews the multiple aspects of the workers' compensation issues and recommends cost reduction solutions to management. MTA's Risk Management Department and Travelers Insurance Company are working with the unions to resolve claims handling. Travelers Insurance Company's Safety Department and MTA Safety are training MTA employees in high incident areas to reduce the number of injuries and related costs.

## **FY00 BUDGET HIGHLIGHTS**

In FY00, MTA has set two additional goals to:

- carefully manage the Agency's expenditures and improve efficiency
- increase the effectiveness and satisfaction of the workforce.

Strategies to accomplish the goal of carefully managing the MTA's expenditures, the Agency include:

- increasing the efficiency and effectiveness of the Agency
- improving management reporting, accountability and controls
- reducing workers' compensation costs
- improving the farebox recovery ratio
- developing new revenue streams from non-farebox sources.

Strategies to increase the effectiveness and satisfaction of the workforce include:

- improving the quality of the workforce
- improving job satisfaction and employee morale
- partnering with the unions to optimize productivity and service.



## **MTA BUDGET**

The annual budget includes all operating, capital and debt service requirements of the LACMTA for the fiscal year. The fiscal year is from July 1 to June 30. The annual budget includes Operating, Capital and Regional Program budgets.

The Operating Budget provides a summary of the planned revenues and expenditures for the fiscal year for MTA services and programs, including the following:

- all revenue and expense assumptions and projections
- platform hours and miles of bus and rail service

The Operating Budget includes Metro Bus and Metro Rail operations, planning activities and projects, property management administration, and contingencies. The Operating Budget consists of the Enterprise, General, Special Revenue, and Debt Funds.

The Capital Budget includes all activities associated with bus acquisition, replacement projects, rail construction activities, and other capital projects. The Capital Budget reflects the annual amount appropriated for each capital project. When the Board of Directors authorizes new capital projects, the total project cost and schedule are approved. The approval of the project budget authorizes expenditures over the duration of the project. The annual budget authorizes the anticipated expenditures for the year

as well as the scope of work to be completed in the fiscal year.

The Regional Programs Budget includes funds that MTA provides directly through grants of local funds or indirectly through allocating Federal and State grants to local agencies and transit operators throughout Los Angeles County. Funds are allocated to other government agencies in accordance with legislative mandates, Board policy or through a competitive awards process known as the "Call for Projects". The Board approves the projects recommended for funding through the annual budget and the competitive process.

Programs funded in the Regional Programs Budget include capital and operating allocations to municipal bus operators, direct disbursements to Los Angeles County cities for transportation programs and services for the disabled provided by Access Services, Inc. MTA's financial records reflect only those funds which are actually received and directly disbursed by the Agency, mainly Proposition A and C revenues.

## **THE FY00 BUDGET PROCESS**

The FY00 Budget process was characterized by the following events:

- the adopted budget document was released to the Board and public at the end of April, 1999
- MTA staff briefed Board members on May 10, 1999

- a public hearing was held May 17, 1999, in conjunction with the Finance and Budget Committee meeting
- on May 24, 1999, a summary of the budget was presented to the Board
- the Budget was adopted on May 27, 1999 at the regularly scheduled Board meeting

## **BUDGET ACCOUNTING METHODOLOGY**

MTA prepares its budget and financial statements in conformance with Generally Accepted Accounting Principles (GAAP) as applied to governmental units. For budgeting and accounting purposes, the MTA is a single, integral entity. However, management prepares budgets and financial statements for MTA and its component units. The component units are part of the reporting entity because of the significance of their operational or financial relationships with MTA. The MTA administers and includes the activities of the Public Transportation Services Corporation (PTSC), two Benefit Assessment Districts (BAD), four defined Defined Benefit Pension Plans, and the LACMTA Leasing Authority.

Annual budgets are adopted for separate accounting entities known as fund groups. They include the Enterprise, General, Special Revenue, Capital projects, and Debt Service funds. The Governmental Accounting Standards Board (GASB) defines a fund as a fiscal and accounting entity with a self-balancing set of accounts which are segregated for the purpose of carrying on specific activities or attaining certain objectives in

accordance with special regulations, restrictions or limitations.

All funds except the Enterprise and Special Revenue funds are accounted for using the modified accrual basis of accounting, meaning revenue is recognized when it is both measurable and available.

The Enterprise and Internal Services funds use the accrual basis of accounting in which revenue is recognized when it is earned or received.

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

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

The FY99 Budget and prior year's figures were restated to consolidate all expenditures for debt service and staff administration expenditures. In prior years, the benefit assessment debt service was shown in the Debt fund.

# COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

(Amounts expressed in millions)

	GOVERNMENTAL FUNDS								
	General Fund			Special Revenue			Capital Projects		
	FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted
1 Revenue:									
2 Sales Tax									
3     Proposition A	\$ -	\$ -	\$ -	\$ 438.3	\$ 449.7	\$ 476.2	\$ -	\$ -	\$ -
4     Proposition C	-	-	-	441.9	452.1	479.9	-	-	-
5     Transportation Development Act - TDA	-	-	-	219.9	228.7	241.0	-	-	-
6     State Transportation Assistance - STA	-	-	-	31.5	31.0	31.0	-	-	-
7 Intergovernmental									
8     Local	-	-	1.3	35.1	-	1.6	75.0	3.7	25.1
9     State	0.1	1.0	4.8	31.0	4.5	5.0	17.7	214.5	103.6
10    Federal	0.3	3.4	3.1	23.2	-	38.7	194.6	385.9	431.4
11 Investment Income	1.6	0.3	1.0	30.7	19.0	15.7	15.4	-	-
12 Lease and Rental	-	9.3	10.5	-	-	-	9.1	-	-
13 License and Fines	0.4	-	0.5	5.7	6.3	6.0	-	-	-
14 Other	1.0	7.9	1.4	-	3.5	0.9	0.4	4.4	1.2
15 Operating Revenues									
16     Passenger Fares	-	-	-	-	-	-	-	-	-
17     Route Subsidies	-	-	-	-	-	-	-	-	-
18     Metrolink Interagency Agreement	-	-	-	-	-	-	-	-	-
19     Auxiliary Transportation	-	-	-	-	-	-	-	-	-
20 Total revenues	<u>3.3</u>	<u>21.9</u>	<u>22.5</u>	<u>1,257.3</u>	<u>1,194.8</u>	<u>1,296.1</u>	<u>312.2</u>	<u>608.5</u>	<u>561.3</u>
21									
22 Expenditures/Operating Expenses:									
23 Salaries, Wages & Fringe	11.8	11.0	12.3	5.0	6.2	7.1	25.7	34.6	37.3
24 Services, Leases, Taxes & Misc	16.0	24.4	37.6	29.5	61.9	60.8	122.6	91.3	95.6
25 Purchased Transportation	(0.0)	-	-	-	2.4	-	-	-	-
26 Fuel, Utilities, Materials & Supplies	0.3	1.2	0.2	0.2	0.4	0.3	0.6	6.0	10.9
27 Casualty & Liability	-	-	-	(0.0)	0.5	0.1	8.2	20.6	17.5
28 Acquisitions	0.1	-	-	0.0	0.0	-	357.2	411.5	422.4
29 Allocated Overhead	1.9	5.1	7.1	3.4	4.5	10.2	21.6	23.5	24.4
30 Subsidies	6.1	-	3.7	457.9	643.4	667.4	3.0	-	-
31 Debt/Interest Expense	-	-	-	-	-	-	-	-	-
32 Total Expenditures/Operating expenses	<u>36.2</u>	<u>41.7</u>	<u>60.8</u>	<u>495.9</u>	<u>719.4</u>	<u>745.9</u>	<u>539.0</u>	<u>587.5</u>	<u>608.1</u>
33									
34 Excess (deficiency) of revenues over expenditures/	<u>(32.9)</u>	<u>(19.8)</u>	<u>(38.3)</u>	<u>761.4</u>	<u>475.4</u>	<u>550.2</u>	<u>(226.8)</u>	<u>21.0</u>	<u>(46.8)</u>
35 Operating income (loss)									
36 Non-Operating Revenues/(Expenses)									
37 Local operating grants	-	-	-	-	-	-	-	-	-
38 Federal operating grants	-	-	-	-	-	-	-	-	-
39 Interest revenue	-	-	-	-	-	-	-	-	-
40 Debt/Interest Expense	-	-	-	-	-	-	-	-	-
41 Net appreciation in fair value of investments	-	-	-	-	-	-	-	-	-
42 Other	-	-	-	-	-	-	-	-	-
43 Total Non-Operating Revenues/(Expenses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
44									
45 Excess (deficiency) of rev over exp before transfers	<u>(32.9)</u>	<u>(19.8)</u>	<u>(38.3)</u>	<u>761.4</u>	<u>475.4</u>	<u>550.2</u>	<u>(226.8)</u>	<u>21.0</u>	<u>(46.8)</u>
46 Income (loss) before Transfers									
47 Other financing Sources (Uses):									
48 Operating transfer in	47.5	36.4	44.7	118.8	113.5	0.5	259.2	29.1	15.5
49 Operating transfer out	-	(7.9)	(5.1)	(799.5)	(730.8)	(796.3)	(301.4)	(206.0)	(101.0)
50 Proceeds from financing	-	-	-	-	-	43.3	-	167.1	102.6
51 Proceeds of refunding bonds	-	-	-	-	-	-	-	-	-
52 Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-	-
53 Total other financing and sources (uses)	<u>47.5</u>	<u>28.5</u>	<u>39.7</u>	<u>(680.7)</u>	<u>(617.3)</u>	<u>(752.5)</u>	<u>(42.2)</u>	<u>(9.8)</u>	<u>17.1</u>
54									
55 Excess (deficiency) of revenues and other financing	14.6	8.7	1.4	80.7	(141.9)	(202.3)	(269.0)	11.2	(29.7)
56 sources over expenditures and other financing uses									
57 Fund balances - beginning of year	<u>(1.3)</u>	<u>13.4</u>	<u>22.1</u>	<u>448.4</u>	<u>529.1</u>	<u>387.3</u>	<u>305.1</u>	<u>36.1</u>	<u>47.3</u>
58 Fund balances (deficit) - end of year	<u>\$ 13.4</u>	<u>\$ 22.1</u>	<u>\$ 23.5</u>	<u>\$ 529.1</u>	<u>\$ 387.3</u>	<u>\$ 185.0</u>	<u>\$ 36.1</u>	<u>\$ 47.3</u>	<u>\$ 17.7</u>

Debt Service			PROPRIETARY FUNDS						AGENCY FUNDS			TOTAL (Memorandum Only)		
FY98	FY99	FY00	Enterprise			Internal Service			BAD			FY98	FY99	FY00
Actual	Midyear	Adopted	FY98	FY99	FY00	FY98	FY99	FY00	FY98	FY99	FY00	Actual	Midyear	Adopted
			Actual	Midyear	Adopted	Actual	Midyear	Adopted	Actual	Midyear	Adopted	Actual	Midyear	Adopted
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 438.3	\$ 449.7	\$ 476.2
-	-	-	-	-	-	-	-	-	-	-	-	441.9	452.1	479.9
-	-	-	-	-	-	-	-	-	-	-	-	219.9	228.7	241.0
-	-	-	-	-	-	-	-	-	-	-	-	31.5	31.0	31.0
3.6	-	-	-	-	-	-	-	-	-	-	-	113.7	3.7	27.9
-	-	-	-	-	-	-	-	-	-	-	-	48.8	220.0	113.4
-	-	-	-	-	-	-	-	-	-	-	-	218.1	389.3	473.2
12.7	-	-	-	-	-	4.1	-	-	1.6	-	-	66.1	19.3	16.7
-	-	-	-	5.6	-	-	-	-	-	-	-	9.1	14.9	10.5
-	-	-	-	-	-	-	-	-	-	-	-	6.1	6.3	6.5
0.3	-	2.5	-	-	-	0.4	-	-	11.1	10.7	16.2	13.2	26.4	22.2
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	222.4	224.4	247.5	-	-	-	-	-	-	222.4	224.4	247.5
-	-	-	0.3	0.7	-	-	-	-	-	-	-	0.3	0.7	-
-	-	-	-	2.4	2.3	-	-	-	-	-	-	-	2.4	2.3
-	-	-	8.6	12.3	13.6	-	-	-	-	-	-	8.6	12.3	13.6
16.6	-	2.5	231.3	245.4	263.3	4.5	-	-	12.7	10.7	16.2	1,838.0	2,081.3	2,162.0
-	-	-	501.0	461.0	499.2	73.0	50.9	53.6	0.2	0.2	0.2	616.7	563.9	609.7
3.3	4.2	5.9	54.8	90.9	84.2	28.8	36.0	35.6	0.1	0.2	0.1	255.1	308.9	319.9
-	-	-	19.7	29.8	36.9	-	-	-	-	-	-	19.7	32.3	36.9
-	-	-	87.7	102.0	123.7	14.8	13.6	14.1	0.0	0.0	0.0	103.5	123.2	149.3
-	-	-	8.6	28.1	30.5	0.3	0.3	0.5	-	-	-	17.1	49.5	48.6
-	-	-	1.1	1.5	1.8	-	0.6	0.2	-	-	-	358.4	413.7	424.3
(10.7)	(10.7)	-	80.8	63.9	78.6	(113.4)	(96.6)	(120.5)	0.2	0.1	0.2	(16.4)	(10.2)	(0.0)
1.7	-	-	-	-	-	-	-	-	-	-	-	468.7	643.4	671.0
225.1	283.4	261.3	-	-	-	-	-	-	9.6	10.1	15.7	234.6	293.5	277.0
219.4	276.8	267.3	753.7	777.3	854.9	3.5	4.8	(16.5)	9.9	10.7	16.2	2,057.5	2,418.2	2,536.6
(202.8)	(276.8)	(264.7)	(522.4)	(532.0)	(591.5)	1.1	(4.8)	16.5	2.8	(0.0)	(0.0)	(219.6)	(336.9)	(374.7)
-	-	-	1.5	-	-	-	-	-	-	-	-	1.5	-	-
-	-	-	26.4	-	-	-	-	-	-	-	-	26.4	-	-
-	-	-	3.7	2.7	7.3	-	-	-	-	-	-	3.7	2.7	7.3
-	-	-	(4.1)	-	(12.9)	(9.5)	-	(16.5)	-	-	-	(13.6)	-	(29.4)
-	-	-	0.2	-	-	-	-	-	-	-	-	0.2	-	-
-	-	-	5.6	4.1	5.7	-	-	-	-	-	-	5.6	4.1	5.7
-	-	-	33.3	6.8	0.1	(9.5)	-	(16.5)	-	-	-	23.9	6.8	(16.4)
(202.8)	(276.8)	(264.7)	(489.1)	(525.2)	(591.4)	(8.4)	(4.8)	0.0	2.8	(0.0)	(0.0)	(195.7)	(330.1)	(391.0)
184.8	240.5	250.1	484.9	525.2	591.4	9.5	-	(0.0)	-	-	-	1,104.7	944.7	902.3
(3.9)	-	-	-	-	-	-	-	-	-	-	-	(1,104.8)	(944.7)	(902.3)
-	25.7	14.6	-	-	-	-	-	-	-	-	-	-	192.8	160.5
219.7	89.5	100.0	-	-	-	-	-	-	-	-	-	219.7	89.5	100.0
(377.7)	(89.5)	(100.0)	-	-	-	-	-	-	-	-	-	(377.7)	(89.5)	(100.0)
22.9	266.1	264.7	484.9	525.2	591.4	9.5	-	(0.0)	-	-	-	(158.1)	192.7	160.4
(179.9)	(10.7)	0.0	(4.2)	0.0	(0.0)	1.1	(4.8)	0.0	2.8	(0.0)	(0.0)	(353.8)	(137.4)	(230.6)
289.3	109.5	98.8	(97.8)	(102.0)	(102.0)	(1.2)	(0.2)	(4.9)	-	2.8	2.8	942.5	588.7	451.3
109.5	\$ 98.8	\$ 98.8	\$ (102.0)	\$ (102.0)	\$ (102.0)	\$ (0.2)	\$ (4.9)	\$ (4.9)	\$ 2.8	\$ 2.8	\$ 2.7	\$ 588.7	\$ 451.3	\$ 220.7

## SUMMARY OF EXPENDITURES BY PROGRAM

This table describes the allocation of available resources, including fares and other income, to cover expenditures by major program.

	(Dollars in millions)					
	FY98	FY99	FY00	FY98	FY99	FY00
	Actual	Midyear	Adopted	Actual	Midyear	Adopted
<b>MTA BUS</b>						
Capital	\$ 95.6	\$ 119.2	\$ 204.2	4.6%	4.9%	8.1%
Operating	662.9	665.3	727.7	32.2%	27.5%	28.7%
	<u>758.5</u>	<u>784.5</u>	<u>931.9</u>	<u>36.9%</u>	<u>32.4%</u>	<u>36.7%</u>
<b>MTA RAIL</b>						
Rail Construction	413.5	391.4	292.0	20.1%	16.2%	11.5%
Capital	26.4	70.8	107.7	1.3%	2.9%	4.2%
Operating	83.5	109.8	120.9	4.1%	4.5%	4.8%
	<u>523.4</u>	<u>572.0</u>	<u>520.6</u>	<u>25.4%</u>	<u>23.7%</u>	<u>20.5%</u>
<b>MUNICIPAL OPERATOR PROGRAMS</b>	163.9	167.4	187.2	8.0%	6.9%	7.4%
<b>METROLINK</b>	38.8	38.6	39.4	1.9%	1.6%	1.6%
<b>HIGHWAY &amp; OTHER</b>	353.5	521.4	530.2	17.2%	21.6%	20.9%
<b>DEBT</b>	219.4	334.3	327.2	10.7%	13.8%	12.9%
<b>TOTAL EXPENDITURES BY PROGRAM</b>	<u>\$ 2,057.5</u>	<u>\$ 2,418.2</u>	<u>\$ 2,536.6</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>

## SUMMARY OF SUBSIDIES BY PROGRAM

This table describes the allocation of subsidies among the major program activities that MTA supports through the allocation of sales taxes, federal and state grants, and proceeds from financing.

	(Dollars in millions)			FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted
	FY98 Actual	FY99 Midyear	FY00 Adopted						
<b>BUS</b>									
MTA Capital	\$ 95.6	\$ 119.2	\$ 204.2	5.3%	5.5%	9.0%			
MTA Operating, Net of Fares	415.8	438.5	476.6	23.2%	20.2%	21.1%			
Municipal Operator Programs	163.9	167.4	187.2	9.1%	7.7%	8.3%			
	<u>675.3</u>	<u>725.1</u>	<u>868.0</u>	<u>37.7%</u>	<u>33.5%</u>	<u>38.4%</u>			
<b>RAIL</b>									
MTA Rail Construction	413.5	391.4	292.0	23.1%	18.1%	12.9%			
MTA Capital	26.4	70.8	107.7	1.5%	3.3%	4.8%			
MTA Operating, Net of Fares	66.3	85.1	96.1	3.7%	3.9%	4.3%			
Metrolink	38.8	38.6	39.4	2.2%	1.8%	1.7%			
	<u>545.0</u>	<u>585.9</u>	<u>535.2</u>	<u>30.4%</u>	<u>27.0%</u>	<u>23.7%</u>			
<b>HIGHWAY &amp; OTHER</b>	353.5	521.4	530.2	19.7%	24.1%	23.5%			
<b>DEBT</b>	219.4	334.3	327.2	12.2%	15.4%	14.5%			
<b>SUBSIDIES BY PROGRAM</b>	<u>1,793.2</u>	<u>2,166.7</u>	<u>2,260.6</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>			
Add Back Fare & Other Income	264.3	251.5	275.9						
<b>TOTAL EXPENDITURES</b>	<u>\$ 2,057.5</u>	<u>\$ 2,418.2</u>	<u>\$ 2,536.6</u>						

## **SUMMARY OF FY00 BUDGETED FTEs BY DEPARTMENT**

The table on the following page shows the number of full time equivalents (FTEs) planned for FY00. The number of FTEs are expected to increase by 419 in FY00 primarily due to Consent Decree remediation and Metro Rail Red Line expansion.

Transit Operations plans to increase by 360 FTEs due to Consent Decree remediation and Metro Rail Red Line expansion.

The Management Audit Services Department (MASD) will increase by 12 FTEs to clear up back log on construction audits required by AB1869, and close-out audits of contracts.

Regional Transportation Planning & Development (RTP&D) plans a 13 FTE increase due to greater responsibilities in the following: Call for Projects management; the Long Range Plan; the State Transportation Improvement Program (STIP) monitoring; Consent Decree; and, Mid-City, Eastside and San Fernando Corridor studies.

Finance plans to increase by 26 FTEs primarily to support Metro Rail Red Line Segment 2 revenue collection and to improve internal control procedures.

Information & Technology Services plans to increase by 12 FTEs to support Y2K and other communications/technology projects.

Office of Safety & Security plans to increase by 11 FTEs to enhance security on the Metro Rail Red and Blue Lines.

Procurement plans to increase by 8 FTEs in FY00 to support the Accelerated Bus Procurement Program and the material management functions in the Bus Operations Divisions.

Engineering & Construction plans to decrease 15 FTEs as a result of the demobilization of Metro Rail Red Line Segment 2 and the reorganization of the Engineering & Construction department.



SUMMARY OF FY00 BUDGETED FTEs BY DEPARTMENT

		FY98 FTEs	FY99 FTEs	FY00 FTEs	Increase/ (Decrease)
Board Of Directors	Office Of Board Secretary	10	9	9	-
	Ethics Office	8	7	6	(1)
	County Counsel	4	4	4	-
	Inspector General	37	42	42	-
	<b>Board Of Directors Total</b>	<b>59</b>	<b>62</b>	<b>61</b>	<b>(1)</b>
Chief Executive Office	Chief Executive Office	4	2	1	(1)
	Deputy CEO/COO & DCEO Const/Ops	8	7	3	(4)
	Chief Of Staff	1	4	6	2
	New Business Development	-	-	2	2
	Management Audit Services	43	61	72	12
	Board Research Services	4	5	5	-
	Media Relations	11	7	7	-
	Marketing	19	13	13	1
	Customer Relations	130	134	134	-
	Government Relations	10	8	8	-
	<b>Chief Executive Office Total</b>	<b>229</b>	<b>240</b>	<b>251</b>	<b>11</b>
Transit Operations	Executive Office, Transit Operations	5	2	2	-
	Transit Operations Support	79	90	82	(8)
	Transit Bus Operations	4,764	4,931	5,194	263
	Maintenance Support	726	701	742	41
	Transit Rail Operations	458	523	587	64
	<b>Transit Operations Total</b>	<b>6,033</b>	<b>6,246</b>	<b>6,606</b>	<b>360</b>
R T P & D	Executive Office, Reg Transp Plan & Dev	5	5	9	4
	Operations Planning	96	91	93	2
	Countywide Planning	32	28	34	6
	Transp Dev & Implement	69	62	60	(2)
	Capital Dev & Prog	24	22	25	3
	<b>R T P &amp; D Total</b>	<b>226</b>	<b>208</b>	<b>221</b>	<b>13</b>
Finance	Executive Office, Finance	4	4	8	4
	Accounting	65	65	71	6
	Treasury	15	12	11	(1)
	Risk Management	20	20	20	1
	Revenue Administration	129	133	147	14
	Office Of Management & Budget	22	21	22	2
	<b>Finance Total</b>	<b>256</b>	<b>253</b>	<b>279</b>	<b>26</b>
Administration	Executive Office, Administration	2	4	3	(1)
	General Services	117	104	100	(4)
	Real Estate	30	19	19	-
	Information & Technology Services	173	143	155	12
	<b>Administration Total</b>	<b>321</b>	<b>270</b>	<b>277</b>	<b>8</b>

SUMMARY OF FY00 BUDGETED FTEs BY DEPARTMENT

		FY98 FTEs	FY99 FTEs	FY00 FTEs	Increase/ (Decrease)
Human Resources	Equal Employment Opportunity	35	8	8	-
	Employee Relations	19	16	10	(6)
	Hr Admin	31	29	42	13
	Career Development	6	2	2	-
	Hr Development	12	11	10	(1)
	Personnel	34	33	27	(6)
	Human Resources Total	<u>137</u>	<u>99</u>	<u>99</u>	<u>-</u>
Office of Safety & Security	Office of Safety & Security	<u>245</u>	<u>112</u>	<u>123</u>	<u>11</u>
	Office of Safety & Security Total	<u>245</u>	<u>112</u>	<u>123</u>	<u>11</u>
Procurement	Executive Office, Procurement	-	6	4	(2)
	Matériel	135	181	191	10
	Contracts	49	65	53	(12)
	Acquisition Warranty	43	45	47	2
	Estimating & Compliance	6	6	12	6
	Construction Procurement	56	33	37	4
	Procurement Total	<u>290</u>	<u>336</u>	<u>344</u>	<u>8</u>
Engineering & Construction	Executive Office, Construction	22	12	10	(2)
	Quality Management	18	16	16	(1)
	Engineering	98	72	62	(10)
	Construction	27	30	32	2
	Program Management	39	38	34	(4)
	Metro Art	6	5	5	0
	Public Affairs	27	9	8	(1)
Engineering & Construction Total	<u>237</u>	<u>181</u>	<u>166</u>	<u>(15)</u>	
MTA Total	<u>8,034</u>	<u>8,006</u>	<u>8,425</u>	<u>419</u>	

## BUS OPERATING COST PER REVENUE SERVICE HOUR

Expense Category	Fiscal Year 1998	Fiscal Year 1999	Fiscal Year 2000 Adopted	FY99 to FY00 Change in \$/RSH	
Regular Labor	\$ 33.22	\$ 32.27	\$ 33.72	\$ 1.45	4.5%
Overtime Labor	9.19	9.06	8.38	(0.68)	-7.5%
<b>Labor</b>	<b>42.41</b>	<b>41.33</b>	<b>42.10</b>	<b>0.77</b>	<b>1.9%</b>
Fringe Benefits	26.23	25.84	26.67	0.83	3.2%
<b>Wages and Benefits</b>	<b>68.64</b>	<b>67.17</b>	<b>68.77</b>	<b>1.60</b>	<b>2.4%</b>
Facilities Maintenance & Other Contract Services	3.37	3.15	2.69	(0.46)	-14.6%
Rev. Veh. Fuel/Propulsion Power	3.22	2.60	2.97	0.37	14.2%
Revenue Vehicle Parts	7.16	9.89	11.40	1.51	15.3%
Other Material & Supplies	1.49	1.40	1.62	0.22	15.7%
Liability Insurance	4.06	4.09	4.24	0.15	3.7%
Transit Security <sup>1</sup>	2.29	3.60	4.86	1.26	35.0%
Other Expenses	0.10	0.97	0.57	(0.40)	-41.2%
Overhead and Taxes	12.50	9.56	10.91	1.35	14.1%
<b>MTA Operated</b>	<b>\$ 102.83</b>	<b>\$ 102.43</b>	<b>\$ 108.03</b>	<b>\$ 5.60</b>	<b>5.5%</b>
<b>Purchased Transportation<sup>2</sup></b>	<b>\$ 46.71</b>	<b>\$ 51.52</b>	<b>\$ 55.61</b>	<b>\$ 4.09</b>	<b>7.9%</b>
<b>National Transit Database (Section 15)</b>	<b>\$ 99.29</b>	<b>\$ 98.15</b>	<b>\$ 103.06</b>	<b>\$ 4.91</b>	<b>5.0%</b>
Leases & Interest Expense	1.11	1.23	2.75	1.52	123.6%
<b>All Bus Operating Expenses</b>	<b>\$ 100.32</b>	<b>\$ 99.27</b>	<b>\$ 105.54</b>	<b>\$ 6.43</b>	<b>6.5%</b>
<b>Revenue Service Hours (MTA only)</b>	<b>6,175,934</b>	<b>6,197,000</b>	<b>6,393,681</b>	<b>196,681</b>	<b>3.2%</b>
<b>RSH Contract Services</b>	<b>422,489</b>	<b>579,000</b>	<b>663,522</b>	<b>84,522</b>	<b>14.6%</b>
<b>Total Revenue Service Hours</b>	<b>6,598,423</b>	<b>6,776,000</b>	<b>7,057,203</b>	<b>281,203</b>	<b>4.1%</b>

Note: Fiscal Year 1998 excludes a \$28.2 million adjustment to Workers' Compensation Reserves and a partially offsetting adjustment of \$21.3 million to PL/PD Reserves.

<sup>1</sup> Transit Security includes only Transit Police Officer Salaries and LAPD and LASD contracts.

<sup>2</sup> Purchased Transportation expenses include only direct contract costs. Other support expenses included in MTA Operating expenses.

## HEAVY RAIL OPERATING COST PER VEHICLE SERVICE HOUR

Expense Category	Fiscal Year 1998	Fiscal Year 1999	Fiscal Year 2000 Adopted	FY99 to FY00 Change in \$/VSH	
Regular Labor	\$ 88.22	\$ 87.38	\$ 55.27	\$ (32.11)	-36.7%
Overtime Labor	10.76	8.41	5.42	(2.99)	-35.6%
<b>Labor</b>	<u>98.98</u>	<u>95.79</u>	<u>60.69</u>	<u>(35.10)</u>	<u>-36.6%</u>
Fringe Benefits	63.06	50.76	35.22	(15.54)	-30.6%
<b>Wages and Benefits</b>	<u>162.04</u>	<u>146.55</u>	<u>95.91</u>	<u>(50.64)</u>	<u>-34.6%</u>
Facilities Maintenance & Other Contract Services	14.73	25.61	12.13	(13.48)	-52.6%
Rev. Veh. Fuel/Propulsion Power	40.02	31.20	25.94	(5.26)	-16.9%
Revenue Vehicle Parts	7.72	14.49	9.68	(4.81)	-33.2%
Other Material & Supplies	5.59	10.37	7.21	(3.16)	-30.5%
Liability Insurance	19.31	15.86	10.02	(5.84)	-36.8%
Transit Security <sup>1</sup>	47.61	94.63	22.26	(72.37)	-76.5%
Other Expenses	0.69	0.56	1.08	0.52	92.9%
Overhead and Taxes	28.05	25.31	17.46	(7.85)	-31.0%
<b>National Transit Database (Section 15)</b>	<u>\$ 325.80</u>	<u>\$ 364.59</u>	<u>\$ 201.70</u>	<u>\$ (162.89)</u>	<u>-44.7%</u>
<b>Leases &amp; Interest Expense</b>	<u>\$ 0.70</u>	<u>\$ 0.01</u>	<u>\$ 0.01</u>	<u>\$ -</u>	<u>0.0%</u>
<b>All Heavy Rail Operating Expenses</b>	<u>\$ 326.50</u>	<u>\$ 364.60</u>	<u>\$ 201.72</u>	<u>\$ (162.89)</u>	<u>-44.7%</u>
<b>Revenue Vehicle Hours</b>	<u>95,272</u>	<u>108,000</u>	<u>235,000</u>	<u>127,000</u>	<u>117.6%</u>

<sup>1</sup> Transit Security includes only Transit Police Officer Salaries and LAPD and LASD contracts.

LIGHT RAIL OPERATING COST PER REVENUE VEHICLE HOUR

Expense Category	Fiscal Year 1998	Fiscal Year 1999	Fiscal Year 2000 Proposed	FY99 to FY00 Change in \$/VSH	
Regular Labor	\$ 70.00	\$ 83.39	\$ 90.99	\$ 7.60	9.1%
Overtime Labor	12.21	10.70	11.19	0.49	4.6%
<b>Labor</b>	<b>82.21</b>	<b>94.09</b>	<b>102.18</b>	<b>8.09</b>	<b>8.6%</b>
Fringe Benefits	53.41	51.15	60.04	8.89	17.4%
<b>Wages and Benefits</b>	<b>135.62</b>	<b>145.24</b>	<b>162.22</b>	<b>16.98</b>	<b>11.7%</b>
Facilities Maintenance & Other Contract Services	37.80	48.80	38.04	(10.76)	-22.0%
Rev. Veh. Fuel/Propulsion Power	25.36	28.28	31.85	3.57	12.6%
Revenue Vehicle Parts	14.58	11.71	16.10	4.39	37.5%
Other Material & Supplies	4.96	7.61	8.26	0.65	8.5%
Liability Insurance	14.34	5.47	5.51	0.04	0.7%
Transit Security <sup>1</sup>	22.28	51.73	55.69	3.96	7.7%
Other Expenses	0.29	5.92	4.50	(1.42)	-24.0%
Overhead and Taxes	23.33	24.01	29.16	5.15	21.4%
<b>National Transit Database (Section 15)</b>	<b>\$ 278.52</b>	<b>\$ 328.79</b>	<b>\$ 351.31</b>	<b>\$ 22.52</b>	<b>6.8%</b>
<b>Leases &amp; Interest Expense</b>	<b>\$ 0.01</b>	<b>\$ 0.01</b>	<b>\$ 0.94</b>	<b>\$ 0.93</b>	<b>9300.0%</b>
<b>All Light Rail Operating Expenses</b>	<b>\$ 278.53</b>	<b>\$ 328.80</b>	<b>\$ 352.25</b>	<b>\$ 23.45</b>	<b>7.1%</b>
<b>Revenue Vehicle Hours</b>	<b>199,011</b>	<b>198,000</b>	<b>202,000</b>	<b>4,000</b>	<b>2.0%</b>

<sup>1</sup> Transit Security includes only Transit Police Officer Salaries and LAPD and LASD contracts.

## FY00 MODAL OPERATING STATISTICS

Bus	Notes	FY99 Midyear	FY00 Adopted	Increase (Decrease)
Fares (\$000)		\$206,217	\$225,269	\$19,052
Expenses (\$000)	1,2	\$672,647	\$744,802	\$72,155
Boardings (000)		344,521	366,463	21,942
Farebox Recovery Ratio		30.66%	30.25%	-0.41%
Vehicle Service Hours (000)		6,776	7,057	281
Cost per Hour		\$99.27	\$105.54	\$6.27
Cost per Passenger Mile		\$0.53	\$0.55	\$0.02
Vehicle Service Miles (000)		83,010	89,750	6,740
Passenger Miles (000)		1,274,727	1,355,913	81,186
Subsidy per Boarding	3	\$1.30	\$1.37	\$0.07
Subsidy per Passenger Mile	3	\$0.35	\$0.37	\$0.02

Rail	Notes	FY99 Midyear	FY00 Adopted	Increase (Decrease)
Fares (\$000)		\$18,253	\$22,152	\$3,899
Expenses (\$000)	1,2	\$104,479	\$118,553	\$14,074
Boardings (000)		34,130	46,436	12,306
Farebox Recovery Ratio		17.47%	18.69%	1.21%
Vehicle Service Hours (000)	4	306	437	131
Cost per Hour		\$341.44	\$271.29	-\$70.15
Cost per Passenger Mile		\$0.51	\$0.45	-\$0.06
Vehicle Service Miles (000)	4	7,395	8,178	783
Passenger Miles (000)		206,878	265,248	58,370
Subsidy per Boarding	3	\$2.50	\$2.08	-\$0.42
Subsidy per Passenger Mile	3	\$0.41	\$0.36	-\$0.05

Total	Notes	FY99 Midyear	FY00 Adopted	Increase (Decrease)
Fares (\$000)		\$224,470	\$247,421	\$22,951
Expenses (\$000)	1,2	\$777,126	\$863,355	\$86,229
Boardings		378,651	412,899	34,248
Farebox Recovery Ratio		28.88%	28.66%	-0.23%
Vehicle Service Hours (000)	4	7,082	7,494	412
Cost per Hour		\$109.73	\$115.21	\$5.47
Cost per Passenger Mile		\$378.54	\$412.78	\$34.24
Vehicle Service Miles (000)	4	90,405	97,928	7,523
Passenger Miles (000)		1,481,605	1,621,161	139,556
Subsidy per Boarding	3	\$1.40	\$1.45	\$0.05
Subsidy per Passenger Mile	3	\$0.36	\$0.37	\$0.01

**Notes:**

- (1)Expenses exclude Transitional Duty Program
- (2)Expenses include capitalized maintenance
- (3)Subsidy includes all operating revenue
- (4)Reflect car hours & miles

FY00 PROPOSED FARES

	Current	Proposed	Increase
Bus/Rail Cash	\$1.35	\$1.45	\$0.10
Transfer Charge	\$0.25	\$0.25	-
Token	\$0.90	\$0.95	\$0.05
Express Stamp	\$0.50	\$0.50	-
Off-Peak Fare	\$0.75	\$0.75	-
Weekly Pass	\$11.00	\$12.00	\$1.00
Semi-monthly Pass	\$21.00	\$23.00	\$2.00
Regular Monthly Pass	\$42.00	\$45.00	\$3.00
Student Monthly Pass	\$20.00	\$22.00	\$2.00
College Monthly Pass	\$30.00	\$32.00	\$2.00
Discount Fares for Seniors and Disabled			
Bus/Rail	\$0.45	\$0.45	-
Express Zone Charge	\$0.25	\$0.25	-
Transfer Charge	\$0.10	\$0.10	-
Monthly Pass	\$12.00	\$13.00	\$1.00

The proposed fare plan will increase revenues in FY00 by \$10.2 million.

## **LINK TO OTHER PLANNING PROCESSES**

The planning process at MTA is an effort to establish a framework that guides the Agency towards meeting its goals and objectives. The goals and objectives are developed in coordination with civic, environmental, business, labor and community groups affected by investments in transportation. The effort is always to deliver a balanced transportation system which provides access to all citizens, addresses the mobility needs of the transit-dependent, spurs economic growth and development in the region and reduces auto dependency while preserving the environment.

The annual budget is one of a series of plans which the Board of Directors approves to set the financial and operational course for the MTA. The MTA's planning horizon ranges from over 20 years in the Long Range Plan (LRP), 10 years in the Regional Transit Alternative Analysis (RTAA), and 5 years in the Capital Improvement Plan (CIP) to the next fiscal year in the annual budget process. While the MTA strives for consistency in assumptions and direction, each plan serves a unique purpose in defining MTA's financial and operational goals and policies. The annual budget is the vehicle whereby the MTA commits funds.

A comprehensive public outreach effort to identify and prioritize the County's transportation needs was conducted in FY99 as part of the RTAA. Due to the significant financial issues facing the MTA, resources were focused on solving the more pressing problems of improving overall bus service and developing transit alternatives for suspended rail projects while maintaining

MTA's commitments to the state and federal governments on the Metro Red Line rail construction projects. The annual budgeting process was conducted in conjunction with the RTAA.

For FY00, the MTA has linked the operating and capital budgeting process to a set of objectives and strategies based on MTA's goals of:

- 1) Optimizing our core businesses by:
  - improving Metro Bus and Metro Rail service and customer satisfaction
  - improving coordination and collaboration with other stakeholders in regional transportation planning and programming
  - completing construction projects on schedule
- 2) Carefully managing the Agency's expenditures and improving efficiency.
- 3) Increasing the effectiveness and satisfaction of the workforce.

Over the next year, the MTA will continue to take steps to further meet these goals.



## MAJOR BUDGET ASSUMPTIONS

Budget assumptions specific to the Operating, Capital and Regional Programs budgets are discussed with the presentation of each budget section. Notable major assumptions related to the FY00 Adopted Budget include the following:

- Proposition A, Proposition C, and TDA revenues are conservatively forecasted to grow at 4.4% over FY99 estimated revenues
- FY00 Adopted Budget includes a fare increase effective November, 1999
- The planned fare increase is consistent with CPI adjustments allowed in the Consent Decree
- The change equates to a ten cent increase to the cash fare, a five cent increase in the price of tokens, and a \$3 increase in the price of a monthly pass
- The planned November fare increase will result in an additional \$10.2 million in revenues
- Federal revenues are budgeted based on a reimbursement basis
- Section 5309 Rail Modifications and Section 5307 Capital funds are budgeted in accordance with the federal appropriations level for Los Angeles County, estimated in the RTAA
- Section 5309 New Starts funds are budgeted in accordance with the FFGA for Metro Rail Red Line Segment 3
- Some reorganizations are implemented through the FY00 Budget process. These changes are further described in the Executive Office and Department Budgets sections
- Salary increases for represented employees are included in the budget.
- A 4% salary increase is assumed for all non-represented employees

- A 3% vacancy rate is assumed for all non-represented staff

Metro Rail Red Line MOS-2 opened for operations to Hollywood and Vine on June 12, 1999.

# REVENUE FUNDING DETAIL - FY00 BUDGET

FUND TYPE	REVENUES	ASSUMPTIONS	APPLICATION/USES
<b>SALES TAX REVENUES</b>			
1. Proposition A	\$531.3 million in revenues include \$55.2 million in carryover funds and \$476.2 million in new sales tax	FY00 sales tax forecast was calculated based on increasing FY99 to 5%, and then escalating it by 4.40%.	All areas of budget-operations, debt service, general fund, planning projects, subsidies.
2. Proposition C	\$705.1 million revenues include \$217.4 million in carryover funds and \$480 million in new tax revenues	FY00 sales tax forecast was calculated based on increasing FY99 to 5%, and then escalating it by 4.40%.	All areas of budget-operations, debt service, general fund, planning projects, subsidies.
3. TDA	\$326.7 million in revenues include \$85.6 million in carryover funds and \$241.0 million in new tax revenues	FY00 sales tax forecast was calculated based on increasing FY99 to 5%, and then escalating it by 4.40%.	MTA bus and rail operations, local match to COP and capital projects, subsidies to municipal bus operators
4. STA	\$43.4 million in revenues include \$12.4 million carryover funds and \$31 million in new revenues.	Preliminary revenue projection based on State Controller's Report dated 02/26/99 and assumed at FY99 level.	MTA bus and rail operations, subsidies to municipal bus operators
<b>INTERGOVERNMENTAL REVENUES</b>			
<b>LOCAL REVENUES</b>			
1. City of Los Angeles	\$18.1 million in new revenues.	Based on capital budget assumptions & agreement between LA City & MTA for rail construction projects.	Metro Red Line Segment I and Metro Red Line-North Hollywood construction expenses.
2. SCAQMD	\$7.4 million in new revenues.	Clean Fuel funds for bus purchases as identified in the Accelerated Bus Procurement Funding Plan dated 10/06/98 and estimated grant funds as projected by RTP&D staff.	Bus acquisition, Fuel Cell Power system purchase, and SB836 project.
3. Los Angeles County	\$1.1 million in new revenues	Based on estimate by RTP& D staff of anticipated grant funds. Funds are on reimbursement basis	Fuel Cell Power system purchase, Welfare to work program, and Tree planting project.
4. Kaiser Hospital - Private Funds	\$1.2 million in new revenues.	Based on current construction expenditure plans	Metro Red Line Segment II construction
<b>STATE REVENUES</b>			
1. Rail Bonds-Prop 116	\$7.3 million in new revenues.	Based on current construction expenditure plans	Metro Green Line project
2. State STP	\$85.3 million in new revenues.	Based on current construction expenditure plans	Funds will be used in Red Line Seg. III-N. Hollywood.
3. State Highway Account	\$11.1 million in new revenues.	Based on current construction expenditure plans	Funds will be used in Red Line Seg. III-N. Hollywood.
4. State TCI	\$600K in new revenues	Based on estimate by RTP& D staff of anticipated grant funds. Funds are on reimbursement basis	Westlake MacArthur Park intercept facility project
5. SB45 Administration	\$3.1 million in new revenues.	Estimated by Capital Planning staff, consistent with SB45 funding plan.	Administration and oversight of planning projects
6. Budget Change Proposal-BCP	\$4.5 million in new revenues.	Based on Highway Operations Dept estimate of anticipated grant funds from CALTRANS for Freeway Service Patrol project.	Freeway Service Patrol Program
7. State Other	\$1.6 million in new revenues	TEA funds based on estimate by RTP& D staff of anticipated grants	Exposition ROW bikeway phase I & II, Pico/Slauson MBL station improvement project, and Rideshare AB2766 expansion project
<b>FEDERAL REVENUES</b>			
1. Section 5309 [3] New Starts	\$65.6 million in available revenues	Includes \$49.6m of capital new starts & \$12.4m of deferred local share	Red Line Seg III-N. Hollywood project and East side/Mid city corridor studies CA-03-0508.
2. Section 5309 [3] Rail Modifications	\$43.7 million in available revenues	Funding is consistent with FY00 Capital Improvement Plan (CIP) for rail operating capital projects.	Rail asset maintenance capital projects.

## REVENUE FUNDING DETAIL - FY00 BUDGET

FUND TYPE	REVENUES	ASSUMPTIONS	APPLICATION/USES
3. Section 5307 [9] Capital	\$180.4 million in available revenues	Consistent with CIP FY00 funding level. \$180.4M includes \$61.1m of grant carryover funds. Section 5307 funds reimbursed to MTA as they are incurred.	COP debt service Bus and rail capital Preventive Maintenance
4. CMAQ	\$67.7 million in new revenues.	Projected revenues are consistent with CIP funding level.	Bus acquisition Facility improvements
5. PVEA	\$300K in available revenues	Based on estimate by RTP& D staff of anticipated grant funds. Funds are on reimbursement basis	Smart corridor B/A evaluation project
6. FHWA	\$1.4 million in available revenues	Based on estimate by RTP& D staff of anticipated grant funds. Funds are on reimbursement basis	Project IMAJINE
7. Regional Improvement Fund	\$69.0 million in new revenues.	Funding is consistent with FY00 CIP	Bus acquisition
8. Regional Surface Transportation Funds-RSTP	\$39.7 million in new revenues	FY00 funding for Access Service Incorporated (ASI) is consistent with RTAA funding level.	Access Service Incorporated and bus acquisition
9. Other Federal -	\$1.7 million in available revenues	Grant funds consistent with RTAA funding level	Los Angeles Neighborhood Initiative - LANI
<b>INVESTMENT INCOME REVENUES</b>			
1. PROP A Interest	\$12.1 million in revenues including \$8.8 in carryover balance and \$3.3 million in new revenues	New revenues calculated based on average fund balance in the pooled account.	MTA bus operations and Municipal Bus operators
2. PROP C Interest	\$23.5 million in revenues including \$15.5 million in carryover funds and \$8 million in new revenues	New revenues calculated based on average fund balance in the pooled account.	MTA bus operations and Municipal Bus operators
3. TDA Interest	\$25.5 million in revenues including \$21.5 in carryover balance and \$4 million in new revenues.	New revenues are estimated at an average of \$333K a month based on analysis of County Treasurer Controller monthly remittances.	MTA bus operations and Municipal Bus operators
4. STA Interest	\$695K in revenues including \$295K in carryover balance and \$400K in new revenues	New revenues calculated based on average fund balance in the pooled account	MTA bus operations and Municipal Bus operators
5. General Fund-Interest Revenue	\$1.0 million in new revenues	Calculated using FY98 actual as the base to estimate FY00 revenues	General administrative expenditures
<b>LEASE AND RENTAL</b>			
1. Lease and Rental	\$10.5 million in new revenues.	Based on MTA's property management department estimate and actual lease agreements	Property management Bus & Rail Operations Joint development
<b>LICENSE AND FINES</b>			
1. SAFE	\$18.4 million includes \$12.4 million in carryover and \$6.0 million in new revenues.	Based on number of registered vehicles in L.A. County at \$1 per car and actual FY98 revenues	Call box program
2. HOV Lanes Fines	\$452K in new revenues.	Based on Highway Operations Dept estimate of anticipated funds.	Freeway Service Patrol program
<b>GENERAL FUND REVENUES</b>			
1. Parking Fees	\$720K in new revenues.	Projected revenues are based on analysis of actual monthly receipts from Catellus Corporation, and are estimated at an average of \$60,000 a month.	General administrative expenditures
2. Copying Fees & Bid Document Sales	\$75K in new revenues.	Projection is based on analysis of miscellaneous cash receipts and it is estimated at FY99 level.	General administrative expenditures
3. Vendor Fair Fees	\$76K in new revenues	Based on average of actual fees collected in prior years vendor fairs	General administrative expenditures
4. Employee Activities	\$463K in new revenues	Based on projected revenues by Human Resources department	Employee activities related projects
5. Miscellaneous - Intergovernmental	\$80K in new revenues	Projection is based on analysis of miscellaneous cash receipts and it is	General administrative expenditures

## REVENUE FUNDING DETAIL - FY00 BUDGET

FUND TYPE	REVENUES	ASSUMPTIONS	APPLICATION/USES
		estimated at FY99 level.	
6. General Funds Estimated Carryover Balance	\$8 million in carryover funds include \$6.5m in Lazard Freres settlement and \$1.5m in interest	Based on analysis of accounting records. This includes on-time proceeds from legal settlements not allocated in FY99.	Board Contingency Programs and Planning & Programming Projects
<b>OTHER REVENUES</b>			
1. FAU Cash	\$14.9 million in revenues includes \$14.4 million in carryover and \$500K in new revenues.	Estimate of investment income is based on anticipated average cash balance of \$10.7million.	Other planning project
2. Ports Hwy Improvement	\$7.1 million includes \$6.7 million in carryover and \$380K in new revenues.	Based on estimate of anticipated revenues on average balance of \$10m.	Funds are restricted for Ports & highways related projects.
3. Benefit Assessment District	\$16.2 million in new revenues.	Financing reimbursements to equal annual debt service expenditures. The assessments are collected from commercial property owners within half a mile of Red Line Stations.	Financing reimbursements for Benefit Assessment debt service
4. CSDA/CTFC Sub- Lease Agreements	\$2.5 million in new revenues.	Funding level is based on Treasury Department's debt plan dated 03/15/99.	Financing reimbursements for COP's sub-lease debt service.
<b>OPERATING REVENUES</b>			
1. Fare Box Revenues- Passenger fares	\$247.4 million in new revenues.	Assumes fare increase effective 11/01/99 and increased boarding due to additional consent decree service, and additional rail boarding due on extension of Red Line.	Bus and rail operations
2. Metrolink Interagency Agreement	\$2.3 million in new revenues.	Revenues are based on estimated number of passengers transferring from Metrolink to MTA's bus and Red Line systems. FY00 assumes zero growth.	Bus and rail operations
3. Auxiliary Transportation- Advertising	\$13.6 million in new revenues.	Based on contract with Transportation Display Incorporated for FY00 period.	Bus operations
<b>NON-OPERATING REVENUES</b>			
1. Interest Revenues	The total amount of \$7.3 million includes the \$3.0 million in new revenues from investments and \$4.3 million from the Internal Service Fund.	The interest from the Internal Service Fund is based on the assumption that the Internal Service Fund has a payable to the Enterprise Fund at a 5% interest.	Bus operations
2. Bus parts/scrap sales	\$380K in new revenues.	Revenue from the sale of salvaged bus parts is preliminary and does not include emission reduction credits.	Bus operations
3. Rental Revenue vehicle	\$2.7 million in new revenues.	Cross Border Leasing revenues are based on MTA Treasury Department's debt plan dated 03/15/99.	Bus operations
4. Filming Fees	\$650K in new revenues.	Based on MTA's Public Relations Department projection estimated at FY99 budgeted level.	Bus operations
5. County Buydown of Fare Media	\$351K in new revenues.	FY00 amount based on Customer Service Department revised cash flow assumption.	Bus operations
6. Fare Violations/Fines	\$350K in new revenues.	Revenue is based on MTA's Transit Security Department projected number of citations that will be issued in FY00.	Bus and rail operations
7. Miscellaneous	\$1.3 million in new revenues.	Various cash receipts based on analysis of miscellaneous cash receipts for such items as class certification, lost badges replacement fees, transportation passes sale commissions, and sale of surplus real state property	Bus and rail operations

# REVENUE FUNDING DETAIL - FY00 BUDGET

FUND TYPE	REVENUES	ASSUMPTIONS	APPLICATION/USES
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## *OTHER FINANCING SOURCES*

1. Proceeds from Financing	\$204.1 million in funds include \$43.5 million in carryover funds and \$160.5 million in new bonds issue	Based on CFP and capital expenditures requirements and MTA Treasury Department debt plan.	Bus and rail capital asset maintenance, light rail projects, HOV and major streets improvements construction rojects
2. Proceeds from Refunding Bonds	\$100 million in refunding bonds	Based on MTA Treasury Department debt plan.	Tax-exempt commercial paper refunding

# FY00 SUMMARY OF ESTIMATED FUNDS AVAILABLE

(Amounts expressed in thousands)

Revenue Source	FY98 Actual			FY99 Midyear			FY00 Adopted		
	Carryover	New	Total	Carryover	New	Total	Carryover	New	Total
<b>Sales Tax Revenues</b>									
<b>Proposition A</b>									
Administration	\$ 1,335	\$ 21,916	\$ 23,251	\$ 1,343	\$ 23,127	\$ 24,470	\$ 827	\$ 23,809	\$ 24,636
Local Return (25%)	21,677	104,101	125,778	-	106,642	106,642	8,887	113,092	121,979
Rail - Set Aside (35%)	8,430	145,742	154,172	-	149,299	149,299	14,581	158,329	172,909
Discretionary (95% of 40%)	29,405	158,234	187,639	1,098	162,096	163,194	23,844	171,900	195,744
Incentive (5% of 40%)	4,822	8,328	13,150	206	8,531	8,737	7,030	9,047	16,078
<b>Total proposition A</b>	<b>65,669</b>	<b>438,321</b>	<b>503,989</b>	<b>2,647</b>	<b>449,695</b>	<b>452,342</b>	<b>55,168</b>	<b>\$ 476,177</b>	<b>531,345</b>
<b>Proposition C</b>									
Administration	(1,566)	6,629	5,063	183	7,101	7,284	382	7,199	7,581
Local Return (20%)	14,274	87,060	101,334	-	88,998	88,998	7,416	94,548	101,965
Security (5%)	(302)	21,765	21,463	-	22,249	22,249	-	23,637	23,637
Commuter Rail (10%)	37,074	43,530	80,603	18,043	44,499	62,542	27,254	47,274	74,528
Streets & Highways (25%)	145,157	108,825	253,982	100,734	111,247	211,981	152,476	118,185	270,661
Discretionary (40%)	11,852	174,120	185,971	12,795	177,995	190,790	37,675	189,096	226,771
<b>Total proposition C</b>	<b>206,487</b>	<b>441,929</b>	<b>648,416</b>	<b>131,755</b>	<b>452,089</b>	<b>583,844</b>	<b>225,203</b>	<b>479,940</b>	<b>705,143</b>
<b>Transportation Development Act - TDA</b>									
Administration - (Fixed)	1,581	4,000	5,581	-	6,000	6,000	1,114	6,000	7,114
Article 3 - (2%)	5,305	4,318	9,622	51	4,453	4,504	7,187	4,701	11,888
Article 4 - (92.88%)	101,839	200,517	302,356	26,338	206,813	233,151	77,335	217,837	295,172
Article 8 - (5.12%)	(2,050)	11,053	9,003	129	11,401	11,530	-	12,504	12,504
<b>Total TDA</b>	<b>106,675</b>	<b>219,888</b>	<b>326,563</b>	<b>26,518</b>	<b>228,667</b>	<b>255,185</b>	<b>85,637</b>	<b>241,042</b>	<b>326,679</b>
<b>State Transit Assistance - STA</b>									
Revenue Share - PUC 99314	353	15,808	16,161	-	16,578	16,578	10,422	16,578	27,000
Population Share - PUC 99313	240	15,730	15,970	-	14,466	14,466	1,949	14,466	16,415
<b>Total STA</b>	<b>593</b>	<b>31,538</b>	<b>32,131</b>	<b>-</b>	<b>31,044</b>	<b>31,044</b>	<b>12,371</b>	<b>31,044</b>	<b>43,415</b>
<b>Total sales tax</b>	<b>379,424</b>	<b>1,131,676</b>	<b>1,511,100</b>	<b>160,920</b>	<b>1,161,495</b>	<b>1,322,415</b>	<b>378,379</b>	<b>1,228,203</b>	<b>1,606,582</b>
<b>Intergovernmental</b>									
<b>Local Funds</b>									
City of L.A.	-	70,782	70,782	-	2,222	2,222	-	18,129	18,129
SCAQMD	-	2,369	2,369	-	1,497	1,497	-	7,415	7,415
County of L.A.	-	-	-	-	-	-	-	1,163	1,163
Access System Inc - ASI	-	26,559	26,559	-	-	-	-	-	-
Metrolink reimbursement	-	5,859	5,859	-	-	-	-	-	-
Miscellaneous	-	8,057	8,057	-	-	-	-	1,234	1,234
<b>Total local funds</b>	<b>-</b>	<b>113,626</b>	<b>113,626</b>	<b>-</b>	<b>3,719</b>	<b>3,719</b>	<b>-</b>	<b>27,941</b>	<b>27,941</b>
<b>State Funds</b>									
Rail Bonds - Prop 116	-	1,864	1,864	10,691	36,152	46,843	-	7,258	7,258
TSM Funds	-	-	-	-	2,691	2,691	-	-	-
State STP	-	-	-	-	-	-	-	85,286	85,286
State Highway Account	-	36,606	36,606	-	174,945	174,945	-	11,081	11,081
State TCI	(7)	368	361	233	-	233	-	600	600
SB45 Administration	-	-	-	-	1,000	1,000	-	3,100	3,100
Budget Change Proposal - BCP	3	3,666	3,669	-	4,544	4,544	-	4,544	4,544
Other	-	6,296	6,296	2,456	173	2,629	-	1,608	1,608
<b>Total state funds</b>	<b>(4)</b>	<b>48,800</b>	<b>48,796</b>	<b>13,380</b>	<b>219,505</b>	<b>232,885</b>	<b>-</b>	<b>113,477</b>	<b>113,477</b>
<b>Federal Funds</b>									
Federal Section 5309 [ 3 ] Capital - New Starts	-	28,372	28,372	61,463	-	61,463	-	65,573	65,573
Federal Section 5309 [ 3 ] Rail Mods	-	2,927	2,927	13,087	3,500	16,587	-	43,751	43,751
Federal Section 5307 [ 9 ] Capital	-	163,479	163,479	146,069	89,954	236,023	-	180,436	180,436
Federal Section 26	23	4,807	4,830	300	-	300	-	-	-
CMAQ (Regional & Exchange)	(2,527)	16,960	14,433	20,000	64,100	84,100	-	67,653	67,653
PVEA	778	257	1,035	1,234	-	1,234	-	300	300
FEMA - Earthquake	(2,575)	611	(1,964)	-	-	-	-	-	-
FHWA	6,345	338	6,683	-	3,436	3,436	-	1,384	1,384
Regional Improvement Fund	-	-	-	-	-	-	-	69,000	69,000
Federal DOE Grant	(168)	348	179	-	-	-	-	-	-
Department of Justice Grant	-	-	-	-	-	-	-	-	-
Regional Surface Transportation Funds (RSTP)	-	-	-	6,619	36,720	43,339	-	39,700	39,700
Other - LANI	-	-	-	2,025	-	2,025	-	1,675	1,675
<b>Total federal funds</b>	<b>1,875</b>	<b>218,100</b>	<b>219,975</b>	<b>250,797</b>	<b>197,710</b>	<b>448,507</b>	<b>-</b>	<b>469,472</b>	<b>469,472</b>
<b>Balance carryforward</b>	<b>\$ 381,294</b>	<b>\$ 1,512,202</b>	<b>\$ 1,893,496</b>	<b>\$ 425,097</b>	<b>\$ 1,582,430</b>	<b>\$ 2,007,527</b>	<b>\$ 378,379</b>	<b>\$ 1,839,092</b>	<b>\$ 2,217,472</b>

**FY00 SUMMARY OF ESTIMATED FUNDS AVAILABLE**

(Amounts expressed in thousands)

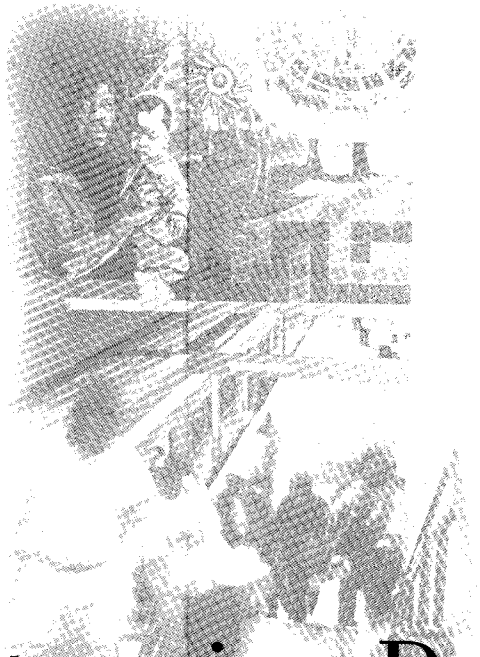
Revenue Source	FY98 Actual			FY99 Midyear			FY00 Adopted		
	Carryover	New	Total	Carryover	New	Total	Carryover	New	Total
Balance brought forward	\$ 381,294	\$ 1,512,202	\$ 1,893,496	\$ 425,097	\$ 1,582,430	\$ 2,007,527	\$ 378,379	\$ 1,839,092	\$ 2,217,472
<b>Investment Income</b>									
Prop A Interest	7,909	5,454	13,363	1,954	3,400	5,354	8,752	3,300	12,052
Prop C Interest	23,030	11,607	34,637	1,608	7,835	9,443	15,519	8,027	23,546
TDA Interest	28,578	9,641	38,219	1,521	7,500	9,021	21,516	4,000	25,516
STA Interest	-	644	644	344	310	654	295	400	695
Other Special Revenue Funds	-	2,343	2,343	-	-	-	-	-	-
General Fund - Interest Revenue	-	1,556	1,556	-	280	280	-	1,000	1,000
Interest Earned on Debt Service Funds	-	12,732	12,732	-	-	-	-	-	-
Interest Earned on B.A.D. Fund	-	1,622	1,622	-	-	-	-	-	-
Interest Earned on Internal Service Funds	-	4,129	4,129	-	-	-	-	-	-
Interest Earned on Light/Heavy Rail Funds	-	15,372	15,372	-	-	-	-	-	-
<b>Total investment income</b>	<b>59,517</b>	<b>65,100</b>	<b>124,617</b>	<b>5,427</b>	<b>19,325</b>	<b>24,752</b>	<b>46,082</b>	<b>16,727</b>	<b>62,809</b>
Lease and Rental	-	9,098	9,098	-	9,325	9,325	-	10,500	10,500
<b>License and Fines</b>									
SAFE	20,115	5,682	25,797	12,594	6,000	18,594	12,428	6,000	18,428
HOV Lanes Fines	547	396	943	89	264	353	-	452	452
<b>Total license and fines</b>	<b>20,662</b>	<b>6,078</b>	<b>26,740</b>	<b>12,683</b>	<b>6,264</b>	<b>18,947</b>	<b>12,428</b>	<b>6,452</b>	<b>18,879</b>
<b>Other</b>									
<b>General fund revenues</b>									
Parking Fees	-	810	810	-	860	860	-	720	720
Lazard Freres Settlement	-	-	-	-	6,521	6,521	-	-	-
Filming Fees	-	23	23	-	-	-	-	-	-
Copying Fees & Bid Document Sales	-	93	93	-	75	75	-	75	75
Vendor Fair Fees/Misc Customer Relations Fees	-	73	73	-	-	-	-	76	76
Employee Activities	-	-	-	-	223	223	-	463	463
Miscellaneous other	-	-	-	-	-	-	-	80	80
General fund estimated carryover balance	-	-	-	1,556	-	1,556	8,021	-	8,021
<b>Total general fund revenues</b>	<b>-</b>	<b>999</b>	<b>999</b>	<b>1,556</b>	<b>7,679</b>	<b>9,235</b>	<b>8,021</b>	<b>1,415</b>	<b>9,436</b>
FAU Cash	16,871	546	17,418	-	650	650	14,437	500	14,937
Ports Hwy Improvement	10,315	379	10,694	10,622	216	10,838	6,724	380	7,104
Ridesharing	4,358	116	4,474	-	-	-	-	-	-
Sumitomo Gearbox Settlement	-	-	-	-	4,400	4,400	-	-	-
SCRAA Administrative Support	-	425	425	-	205	205	-	-	-
Benefit Assessment District	-	11,085	11,085	-	10,651	10,651	-	16,202	16,202
CSDA/CTFC Sub-Lease Agreements	-	-	-	-	2,611	2,611	-	2,522	2,522
Miscellaneous	-	1,449	1,449	-	7	7	-	-	-
<b>Total other</b>	<b>31,544</b>	<b>14,999</b>	<b>46,543</b>	<b>12,178</b>	<b>26,419</b>	<b>38,597</b>	<b>29,182</b>	<b>21,019</b>	<b>50,201</b>
<b>Operating revenues:</b>									
Fare Box Revenues - Passenger fares	-	222,502	222,502	-	224,431	224,431	-	247,421	247,421
Route subsidies - Hollywood shuttle	-	265	265	-	713	713	-	-	-
Metrolink Interagency Agreement	-	-	-	-	2,377	2,377	-	2,254	2,254
Auxiliary transportation - Advertising	-	8,570	8,570	-	12,275	12,275	-	13,630	13,630
<b>Total operating revenues</b>	<b>-</b>	<b>231,338</b>	<b>231,338</b>	<b>-</b>	<b>239,796</b>	<b>239,796</b>	<b>-</b>	<b>263,305</b>	<b>263,305</b>
<b>Non-operating revenues</b>									
Local operating grants	-	1,560	1,560	-	-	-	-	-	-
Federal operating grants	-	26,372	26,372	-	-	-	-	-	-
Interest revenues (includes ISF interest)	-	3,691	3,691	-	2,700	2,700	-	7,300	7,300
Net Appreciation in fair value of investments	-	192	192	-	-	-	-	-	-
<b>Other:</b>									
Bus parts/scrap sales	-	292	292	-	1,175	1,175	-	380	380
Rental revenue vehicle	-	237	237	-	5,575	5,575	-	2,686	2,686
Rental bldg. other	-	-	-	-	-	-	-	-	-
Filming Fees	-	-	-	-	650	650	-	650	650
County Buydown	-	369	369	-	500	500	-	351	351
Fare Violations/Fines	-	118	118	-	175	175	-	350	350
Warranty Reimbursements	-	85	85	-	500	500	-	-	-
Miscellaneous	-	1,943	1,943	-	514	514	-	1,250	1,250
<b>Total other</b>	<b>-</b>	<b>3,044</b>	<b>3,044</b>	<b>-</b>	<b>9,089</b>	<b>9,089</b>	<b>-</b>	<b>5,667</b>	<b>5,667</b>
<b>Total non-operating revenue</b>	<b>-</b>	<b>34,859</b>	<b>34,859</b>	<b>-</b>	<b>11,789</b>	<b>11,789</b>	<b>-</b>	<b>12,967</b>	<b>12,967</b>
<b>Total Revenues</b>	<b>493,017</b>	<b>1,873,673</b>	<b>2,366,690</b>	<b>455,385</b>	<b>1,895,348</b>	<b>2,350,733</b>	<b>466,071</b>	<b>2,170,061</b>	<b>2,636,133</b>
<b>Other financing Sources</b>									
<b>Proceeds from financing</b>									
Proposition A Rail Bonds	116,473	-	116,473	-	155,178	155,178	-	85,505	85,505
Proposition C St & Hwys and Discr Bonds	138,621	-	138,621	-	37,566	37,566	40,100	75,000	115,100
General revenue bonds	5,556	-	5,556	4,588	-	4,588	3,448	-	3,448
<b>Total proceeds from financing</b>	<b>260,650</b>	<b>-</b>	<b>260,650</b>	<b>4,588</b>	<b>192,744</b>	<b>197,332</b>	<b>43,548</b>	<b>160,505</b>	<b>204,053</b>
Proceeds of refunding bonds	-	219,710	219,710	-	89,490	89,490	-	100,000	100,000
<b>Total other financing sources</b>	<b>260,650</b>	<b>219,710</b>	<b>480,360</b>	<b>4,588</b>	<b>282,234</b>	<b>286,822</b>	<b>43,548</b>	<b>260,505</b>	<b>304,053</b>
<b>Total funds available</b>	<b>\$ 753,666</b>	<b>\$ 2,093,383</b>	<b>\$ 2,847,050</b>	<b>\$ 459,973</b>	<b>\$ 2,177,582</b>	<b>\$ 2,637,554</b>	<b>\$ 509,619</b>	<b>\$ 2,430,566</b>	<b>\$ 2,940,186</b>

NOTE: For FY00 carryover balances are for General fund and Special Revenue funds only. Debt Service funds, Capital Project funds, and Agency fund carryover balances are not assumed.

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Enterprise, Debt,  
General, Capital, and  
Regional Programs Budgets



# ENTERPRISE, DEBT, GENERAL, CAPITAL, AND REGIONAL PROGRAMS BUDGETS

## ENTERPRISE FUND PROJECTS

### BUDGET ASSUMPTIONS

The following revenue and expenses were used to develop the FY00 Operating Budget.

- Bus and rail farebox revenue is estimated at \$247 million. A November, 1999 fare increase is assumed in the FY00 Adopted Budget, resulting in \$10.2 million in additional revenues.
- Additional Metro Bus service and the extension of the Metro Rail Red Line resulted in increased boardings, which should yield \$8.4 million in additional fare revenue
- The FY00 Adopted Budget assumes the base cash fare will be increased consistent with CPI adjustments allowed in the Consent Decree, beginning in November, 1999. The CPI change equates to a planned \$.10 increase to the base fare. The monthly pass will increase by \$3, while tokens will increase by \$.05.
- MTA will directly operate 6.4 million revenue service hours and contract for 663,500 additional hours, for a total of 7.1 million revenue service hours. This is a 4% increase over FY99 levels.
- 437,000 rail revenue service hours are planned for FY00, a 48% increase from FY98 service levels. This increase is due to the Metro Rail Red Line Segment 2 to Hollywood and Vine opening in June, 1999 and Red Line Segment 3 to North Hollywood a year later, in May, 2000.
- Bus service levels are consistent with MTA's Load Factor Remediation Plan. These amounts include an additional 113 buses placed in service in FY00 in addition to the 273 buses operated in FY99.

### Bus And Rail Service Levels (numbers in thousands)

	Revenue Service Hours	Revenue Miles	Boardings
<b>BUS</b>			
Directly Operated	6,393	80,475	348,873
Purchased	663	9,275	17,590
<b>Total</b>	<u>7,057</u>	<u>89,750</u>	<u>366,463</u>
<b>RAIL</b>			
Blue Line	158.8	3,328	16,995
Red Line	235.0	3,472	22,507
Green Line	46.2	1,378	6,934
<b>Total</b>	<u>437.0</u>	<u>8,178</u>	<u>46,436</u>

# COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

## Enterprise Fund Only

(Amounts expressed in millions)

	Bus			Heavy Rail		
	FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted
1 Revenue:						
2 Sales Tax						
3 Lease and Rental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4 Operating Revenues						
5 Passenger Fares	206.6	206.2	225.3	6.2	6.8	9.4
6 Route Subsidies	0.3	0.7	-			
7 Metrolink Interagency Agreement		1.5	2.3		0.9	
8 Auxiliary Transportation	7.2	12.3	13.6	-	-	-
9 Total revenues	<u>214.1</u>	<u>220.7</u>	<u>241.2</u>	<u>6.2</u>	<u>7.8</u>	<u>9.4</u>
10 Expenditures/Operating Expenses:						
11 Salaries, Wages & Fringe	454.7	416.0	439.6	16.5	15.8	22.5
12 Services	37.0	50.7	52.8	4.9	13.1	8.2
13 Purchased Transportation	19.7	29.8	36.9	-	-	-
14 Fuel, Utilities, Materials & Supplies	73.3	86.5	102.2	5.1	6.1	10.1
15 Casualty & Liability	3.9	25.3	27.0	1.8	1.7	2.4
16 Acquisitions	0.5	0.5	0.7	0.1	-	0.1
17 Allocated Overhead	73.8	56.4	68.6	2.7	2.7	4.1
18 Total Expenditures/Operating expenses	<u>663.0</u>	<u>665.2</u>	<u>727.8</u>	<u>31.1</u>	<u>39.4</u>	<u>47.4</u>
19						
20 Operating income (loss)	<u>(448.9)</u>	<u>(444.5)</u>	<u>(486.6)</u>	<u>(24.9)</u>	<u>(31.6)</u>	<u>(38.0)</u>
21 Non-Operating Revenues/(Expenses)						
22 Local operating grants	1.5					
23 Federal operating grants	22.0					
24 Interest revenue	3.7	2.7	7.3			
25 Debt/Interest Expense	-	-	-	-	-	-
26 Net appreciation in fair value of investments	0.2					
27 Other	5.6	3.4	2.6	-	0.1	0.1
28 Total Non-Operating Revenues/(Expenses)	<u>33.0</u>	<u>6.1</u>	<u>9.9</u>	<u>-</u>	<u>0.1</u>	<u>0.1</u>
29						
30 Excess (deficiency) of rev over exp before Transfers						
31 Income (loss) before Transfers	(415.8)	(438.5)	(476.7)	(24.9)	(31.5)	(37.9)
32 Operating Transfers-in						
33 Proposition A	118.4	119.3	119.0	9.3	8.0	4.1
34 Proposition C	78.4	76.4	88.4	6.2	13.0	25.6
35 TDA	149.4	153.0	155.1	3.4	3.6	0.4
36 STA	20.6	12.8	12.5	5.6	5.3	4.8
37 Federal Section 5307 (9) Capital	20.2	66.8	79.8	-	-	1.3
38 Federal Section 5309 (3) Capital	-	-	-	0.1	1.4	1.6
39 Proceeds from Financing	14.3	4.0	4.8	0.2	-	-
40 Other	7.7	3.2	17.1	-	-	-
41 Total Operating Transfers-in	<u>409.0</u>	<u>435.5</u>	<u>476.7</u>	<u>24.8</u>	<u>31.3</u>	<u>37.9</u>
42						
43 Excess (deficiency) of revenues and other financing sources						
44 over expenditures and other financing uses	\$ (6.8)	\$ (3.0)	\$ (0.0)	\$ (0.1)	\$ (0.2)	\$ (0.0)
45						
46 Fund balances - beginning of year						
47 Fund balances (deficit) - end of year						

Light Rail			Debt			Other			Total Enterprise Fund		
FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted
\$ -	\$ -	\$ -	\$ -	\$ 5.6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5.57	\$ -
9.6	11.4	12.7	-	-	-	1.4	-	-	222.4	224.4	247.5
-	-	-	-	-	-	-	-	-	0.3	0.7	-
-	-	-	-	-	-	-	-	-	-	2.4	2.3
-	-	-	-	-	-	1.4	-	-	8.6	12.3	13.6
<u>9.6</u>	<u>11.4</u>	<u>12.7</u>	<u>-</u>	<u>5.6</u>	<u>-</u>	<u>1.4</u>	<u>-</u>	<u>-</u>	<u>231.3</u>	<u>245.4</u>	<u>263.3</u>
29.0	28.8	32.8	-	-	-	0.8	0.3	4.3	501.0	461.0	499.2
10.0	20.0	19.1	1.8	7.1	4.2	1.1	-	-	54.8	90.9	84.2
-	-	-	-	-	-	-	-	-	19.7	29.8	36.9
8.9	9.4	11.4	-	-	-	0.3	0.1	-	87.7	102.0	123.7
2.9	1.1	1.1	-	-	-	-	-	-	8.6	28.1	30.5
0.6	1.1	0.9	-	-	-	-	-	-	1.1	1.5	1.8
4.1	4.7	5.9	-	-	-	0.1	0.1	-	80.8	63.9	78.6
<u>55.4</u>	<u>65.1</u>	<u>71.2</u>	<u>1.8</u>	<u>7.1</u>	<u>4.2</u>	<u>2.4</u>	<u>0.5</u>	<u>4.3</u>	<u>753.7</u>	<u>777.3</u>	<u>854.9</u>
(45.8)	(53.7)	(58.4)	(1.8)	(1.6)	(4.2)	(1.0)	(0.5)	(4.3)	(522.4)	(532.0)	(591.5)
4.4	-	-	-	-	-	-	-	-	1.5	-	-
-	-	-	(4.1)	-	(12.9)	-	-	-	26.4	-	-
-	0.1	0.2	-	-	2.7	-	0.5	-	3.7	2.7	7.3
<u>4.4</u>	<u>0.1</u>	<u>0.2</u>	<u>(4.1)</u>	<u>-</u>	<u>(10.2)</u>	<u>-</u>	<u>0.5</u>	<u>-</u>	<u>(4.1)</u>	<u>-</u>	<u>(12.9)</u>
(41.4)	(53.6)	(58.2)	(5.9)	(1.6)	(14.3)	(1.0)	(0.0)	(4.3)	0.2	-	-
9.2	16.0	8.2	-	-	-	-	-	-	5.6	4.1	5.7
9.1	16.8	31.1	1.8	4.7	1.5	-	-	-	<u>33.3</u>	<u>6.8</u>	<u>0.1</u>
5.8	7.0	1.4	-	-	-	-	-	-	(489.1)	(525.2)	(591.4)
5.6	9.1	9.6	-	-	-	-	-	-	136.9	143.3	131.2
16.9	-	2.4	-	-	-	-	-	-	95.5	110.8	146.6
2.3	4.8	5.5	-	-	-	-	-	-	158.6	163.6	163.7
0.4	-	-	-	-	-	-	-	-	31.8	27.3	26.9
-	-	-	-	-	-	-	-	-	37.1	66.8	93.8
-	-	-	-	-	-	-	-	-	2.4	6.2	7.1
-	-	-	-	-	-	-	-	-	14.9	4.0	4.8
<u>49.3</u>	<u>53.8</u>	<u>58.2</u>	<u>1.8</u>	<u>4.7</u>	<u>14.3</u>	<u>-</u>	<u>-</u>	<u>4.3</u>	<u>7.7</u>	<u>3.2</u>	<u>17.1</u>
\$ 7.9	\$ 0.2	\$ (0.0)	\$ (4.1)	\$ 3.1	\$ (0.0)	\$ (1.0)	\$ (0.0)	\$ (0.0)	\$ (484.9)	\$ 525.2	\$ 591.4
									(97.8)	(102.0)	(102.0)
									<u>\$ (102.0)</u>	<u>\$ (102.0)</u>	<u>\$ (102.0)</u>

**FY00 ENTERPRISE FUND REVENUE PROJECTION**

	Total	BUS		LIGHT RAIL			HEAVY RAIL		Return to Work Program	Debt
		Operations	Prev Maint	MBLine Ops	MGLine Ops	Prev Maint	MRLine Ops	Prev Maint		
<b>1 REVENUE</b>										
<b>2 Operating and Non-operating</b>										
3 Farebox	\$ 247,421,000	\$ 225,269,000	\$ -	\$ 8,006,000	\$ 4,734,000	\$ -	\$ 9,412,000	\$ -	\$ -	\$ -
4 Advertising	13,630,000	13,630,000	-	-	-	-	-	-	-	-
5 Metrolink Interagency Transfer Agreement	2,253,862	2,253,862	-	-	-	-	-	-	-	-
6 Interest - Operations	7,300,000	7,300,000	-	-	-	-	-	-	-	-
7 Cross Border Leasing - Financing Reimb.	2,686,154	-	-	-	-	-	-	-	-	2,686,154
8 Bus Parts/Scrap Sales	380,000	380,000	-	-	-	-	-	-	-	-
9 Filming Fees	650,000	650,000	-	-	-	-	-	-	-	-
10 L.A. County Buss Pass Buydown	350,673	350,673	-	-	-	-	-	-	-	-
11 Miscellaneous	1,250,000	1,250,000	-	-	-	-	-	-	-	-
12 Fare Violation Citations	350,000	-	-	125,000	100,000	-	125,000	-	-	-
<b>14 Total Revenues</b>	<b>276,271,689</b>	<b>251,083,535</b>	<b>-</b>	<b>8,131,000</b>	<b>4,834,000</b>	<b>-</b>	<b>9,537,000</b>	<b>-</b>	<b>-</b>	<b>2,686,154</b>
<b>17 Operating Transfers In</b>										
18 Proposition A Discretionary - 95% of 40%	\$ 118,979,887	\$ 118,979,887	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
19 Proposition A Rail - 35%	12,257,079	-	-	4,085,693	4,085,693	-	4,085,693	-	-	-
20 Proposition A - Interest (Fair Share Based)	2,163,382	2,163,382	-	-	-	-	-	-	-	-
21 Subtotal Proposition A Transfers	133,400,348	121,143,269	-	4,085,693	4,085,693	-	4,085,693	-	-	-
23 Proposition C Discretionary - 40%										
24 FH Mitigation & BSIP	10,368,279	10,368,279	-	-	-	-	-	-	-	-
25 Consent Decree	44,622,639	44,622,639	-	-	-	-	-	-	-	-
26 Security Shortfall	35,802,341	21,762,028	-	5,479,287	3,619,583	-	4,941,443	-	-	-
27 Rail Operating Shortfall	35,131,087	-	-	12,498,966	4,632,043	-	18,000,079	-	-	-
28 Operating Shortfall (Fair Share Based)	-	-	-	-	-	-	-	-	-	-
29 Debt Service - Enterprise	1,464,352	-	-	-	-	-	-	-	-	1,464,352
30 Total Proposition C Discretionary-40%	127,388,699	76,752,946	-	17,978,252	8,251,626	-	22,941,523	-	-	1,464,352
31 Proposition C - Interest (Fair Share Based)	5,855,917	5,855,917	-	-	-	-	-	-	-	-
32 Proposition C - 5% - Security	19,237,324	11,693,179	-	2,944,132	1,944,875	-	2,655,138	-	-	-
33 Subtotal Proposition C Transfers	152,481,940	94,302,042	-	20,922,384	10,196,501	-	25,596,660	-	-	1,464,352
35 TDA - Article 4	163,741,239	137,229,704	17,831,093	-	-	1,370,112	-	412,385	4,311,729	2,586,216
36 TDA - Interest (FAP Based)	3,006,676	3,006,676	-	-	-	-	-	-	-	-
37 STA - Formula Allocation	12,461,167	12,461,167	-	-	-	-	-	-	-	-
38 STA - Population	14,466,000	-	-	4,822,000	4,822,000	-	4,822,000	-	-	-
39 STA - Interest (FAP Based)	300,668	300,668	-	-	-	-	-	-	-	-
40 Federal Section 5307 [ 9 ]	93,762,861	-	79,767,996	1,456,734	943,266	-	1,300,000	-	-	10,294,865
41 Federal Section 5309 [ 3 ]	7,129,988	-	-	-	-	5,480,448	-	1,649,540	-	-
42 Proceeds from Financing	4,849,728	-	4,849,728	-	-	-	-	-	-	-
43 Lease Revenues	4,600,000	4,600,000	-	-	-	-	-	-	-	-
44 FAU Cash - FY98 Carryover	1,193,800	1,193,800	-	-	-	-	-	-	-	-
<b>44 Total Operating Transfers In</b>	<b>\$ 591,394,413</b>	<b>\$ 374,237,326</b>	<b>\$ 102,448,817</b>	<b>\$ 31,286,811</b>	<b>\$ 20,047,460</b>	<b>\$ 6,850,560</b>	<b>\$ 35,804,353</b>	<b>\$ 2,061,925</b>	<b>\$ 4,311,729</b>	<b>\$ 14,345,433</b>

FY00 CASH FLOWS (\$000)

	Enterprise Fund			Internal Service Fund		
	FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted
Operating Loss	(\$522,400)	(\$532,000)	(\$588,700)	\$1,100	(\$4,800)	\$16,400
Net effect of changes in:						
Accounts receivable	3,025	(1,222)	(2,063)	-	-	-
Leases & other receivables	2,997	-	-	(34)	-	-
Advances to other funds	6,604	-	-	-	-	-
Prepaid & other assets	272	-	-	2,407	-	-
Inventory	(3,674)	(8,376)	(12,490)	-	-	-
Accounts payable	9,062	4,896	7,300	25,441	1,619	4,760
Accrued liabilities	(78)	-	-	(7,733)	1,403	4,124
Compensated absences payable	-	-	-	(22,753)	(1,612)	2,564
Post retirement benefits payable	-	-	-	7,256	(2,679)	4,261
Advances from other funds	(53,787)	-	-	-	-	-
Claims & judgements payable	36,421	-	-	(29,222)	(14,620)	(12,427)
Deferred revenues	286	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Net cash used in operating activities	<u>(521,272)</u>	<u>(536,703)</u>	<u>(595,953)</u>	<u>(23,538)</u>	<u>(20,689)</u>	<u>19,683</u>
Cash flow from non-capital and related financing						
Proceeds from operating grants	22,610	7,300	8,794			
Operating transfers from other funds	453,661	444,936	481,624			
Operating transfers out to other funds	-	-	-	9,472	-	-
Repayment of RANs	-	-	-			
Interest paid on RANs	-	-	-			
Interest received on RANs	-	-	-			
Net cash provided by non-capital financing	<u>476,271</u>	<u>452,236</u>	<u>490,418</u>	<u>9,472</u>	<u>0</u>	<u>0</u>
Cash flow from capital and related financing						
Proceeds from capital grants	41,508	72,964	100,892	-	-	-
Proceeds from sale of fixed assets	3,308	-	-	-	-	-
Payment of matured bonds & notes	(9,865)	0	(9,865)	(6,900)	(15,700)	(8,300)
Interest paid on bonds & notes	(4,367)	0	(3,000)	(9,363)	(10,740)	(18,923)
Net cash used in capital financing	<u>30,584</u>	<u>72,964</u>	<u>88,027</u>	<u>(16,263)</u>	<u>(26,440)</u>	<u>(27,223)</u>
Cash flow from investing activities						
Proceeds from sale & maturity of investments	14,661	4,000	4,845	20,346	-	-
Purchase of investments	(7,481)	-	-	(19,519)	-	-
Interest received on investments	3,605	2,700	7,300	3,083	-	-
Net cash provided by investing activities	<u>10,785</u>	<u>6,700</u>	<u>12,145</u>	<u>3,910</u>		
Net increase in cash and cash equivalents	(3,632)	(4,803)	(5,363)	(26,419)	(47,129)	(7,540)
Cash & cash equivalents - beginning of year	45,480	41,848	37,045	133,654	107,235	60,106
Cash & cash equivalents - end of year	<u>\$41,848</u>	<u>\$37,045</u>	<u>\$31,683</u>	<u>\$107,235</u>	<u>\$60,106</u>	<u>\$52,565</u>

FY00 BALANCE SHEET (\$000)

	Enterprise Fund			Internal Service Fund		
	FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted
<b>Assets</b>						
Unrestricted cash & equivalents	\$11,218	\$11,218	\$11,218	\$154,316	\$154,316	\$154,316
Accounts receivable	18,805	20,027	22,090	-	-	-
Intergovernmental	32,279	32,279	32,279	-	-	-
Other receivables	341	341	341	147	147	147
Leases	152	152	152	1,242	1,242	1,242
Advances to Other Funds	2,795	2,795	2,795	161,654	161,654	161,654
Inventory	51,386	59,762	72,252	-	-	-
Prepaid Assets	3,017	3,017	3,017	3,467	3,467	3,467
Restricted cash & equivalents	35,130	35,130	35,130	17,626	17,626	17,626
Investments	13,843	13,843	13,843	53,944	53,944	53,944
Fixed assets	3,093,735	4,880,682	6,376,003	147,896	180,457	214,127
<b>Total Assets</b>	<b><u>3,262,701</u></b>	<b><u>5,059,246</u></b>	<b><u>6,569,120</u></b>	<b><u>540,292</u></b>	<b><u>572,853</u></b>	<b><u>606,523</u></b>
<b>Liabilities</b>						
Accounts Payable	30,034	34,930	42,230	32,383	34,002	38,762
Accrued Liabilities	213	213	213	28,054	29,457	33,581
Claims payable	36,421	36,421	36,421	97,465	82,845	70,418
Advances from other funds	176,590	176,590	176,590	-	-	-
Interest payable	2,054	0	3,000	4,595	10,740	10,740
Compensated absences payable	-	-	-	33,246	31,634	34,198
Debt payable-current	9,865	0	9,865	7,400	15,700	15,700
Other liabilities	9,104	9,104	9,104	-	-	-
Insurance reserves	-	-	-	-	-	-
Post-retirement benefits payable	-	-	-	55,258	52,579	56,840
Debt payable-long term	59,185	49,320	39,455	133,100	124,800	116,500
<b>Total Liabilities</b>	<b><u>323,466</u></b>	<b><u>306,578</u></b>	<b><u>316,878</u></b>	<b><u>391,501</u></b>	<b><u>381,757</u></b>	<b><u>376,739</u></b>
<b>Equity</b>						
Retained earnings (deficit)	(102,240)	(102,240)	(102,240)	-	-	-
Federal capital grants	970,495	1,713,479	2,610,044	-	-	-
State capital grants	308,664	321,481	335,284	-	-	-
Local capital grants	1,762,316	2,819,948	3,409,154	148,791	191,096	229,784
<b>Total Equity</b>	<b><u>2,939,235</u></b>	<b><u>4,752,668</u></b>	<b><u>6,252,242</u></b>	<b><u>148,791</u></b>	<b><u>191,096</u></b>	<b><u>229,784</u></b>
<b>Total Liabilities and Equity</b>	<b><u>\$3,262,701</u></b>	<b><u>\$5,059,246</u></b>	<b><u>\$6,569,120</u></b>	<b><u>\$540,292</u></b>	<b><u>\$572,853</u></b>	<b><u>\$606,523</u></b>



## CONSENT DECREE

In October, 1996, a Consent Decree was filed between the MTA and class action plaintiffs. The Consent Decree calls for:

- additional bus service
- creation of an \$11 weekly pass, which was implemented in FY97
- a continuation of the monthly pass and a rollback in price of passes from \$49 to \$42 for three years
- off-peak fares on selected bus lines, which was implemented in FY98
- commitment by the MTA to maintain the current cash fare of \$1.35 and the cost of tokens at 90 cents through November, 1998

The MTA made significant service improvements to the bus system, including reducing overcrowding by adding new services. The standard for the Bus Load Factor Remediation and implementation of the five-year Service Program Plan are presently under review. In the spirit of the Consent Decree, the MTA is moving forward and incorporating in the FY00 Adopted Budget the first year of the Remediation Plan and the five-year Service Program Plan.

The following section highlights bus service expansion during 1999 and the FY00 Adopted Budget which have been consistent with the MTA's mission and objectives to serve the Los Angeles County transit-dependent with a reliable and affordable bus and rail system services.

### Load Factor Reduction

- Added 113 peak buses to reduce crowding through June 1998
- Added 30 peak buses during FY99
- Will add 66 peak buses June, 1999 and 64 peak buses by December, 1999
- By end of December, 1999, will have added over 600,000 annual revenue hours of additional service to reduce crowding

### New Service Program

- Instituted Pilot Project consisting of 64 additional buses between FY98 and FY00
- Will institute five new bus lines and one modified line as part of the 5 year New Service Plan, during FY00 adding 49 peak buses
- By end of June, 2000 will have added over 400,000 revenue hours of new services

### Cost of Consent Decree Service (\$000)

	FY99 Projected	FY00 Adopted
Load Factor Reduction	\$30,300	\$49,000
New Service	<u>12,500</u>	<u>23,000</u>
<b>Total</b>	<b><u>\$42,800</u></b>	<b><u>\$72,000</u></b>

## **DEBT FUND**

### **BUDGET ASSUMPTIONS**

It is an objective of the MTA to borrow at the lowest cost while minimizing risk and maintaining future flexibility for the financing program and other business matters of the MTA.

The MTA plans that it will primarily use proceeds from debt issuance to fund its local contribution to major capital projects, including bus, rail and highway facilities, as well as acquisitions of buses and real property.

Debt will only be issued in accordance with the MTA's Debt Policy which was adopted by the Board in October, 1998. The Debt Policy sets forth guidelines for the issuance and management of the MTA's debt. The Debt Policy provides guidance and sets limitations on the amount of debt that may be incurred by the MTA from each funding source and specifies other factors to be considered and documented when issuing debt.

The MTA currently has about \$3.9 billion of outstanding obligations, as of June 30, 1999. The MTA has refunded more than \$2.5 billion of its debt to achieve debt service savings. Those savings exceed \$125 million on a present value basis, and total even more on a gross basis.

#### **Debt Limitations/Use Restrictions**

MTA carefully manages its plans to issue additional debt through the use of both the Capital Improvement Plan (CIP), a multi-year plan, and the annual budget. Revenues are allocated in accordance with the

applicable ordinances, legislation and planning policies.

A recent example of which would include compliance with the "Metropolitan Transportation Authority Reform and Accountability Act of 1998". Although the MTA's bonds are not subject to California constitutional debt limitations, the MTA has contractual covenants as part of its bond indentures which set bounds for issuance. Certain of these covenants restrict the percentage amount of specific revenue sources which may be used to service debt. These covenants provide protection to bondholders and limit the amount of additional bonds that may be issued. As a result the MTA's senior lien sales tax bonds carry the relatively high credit ratings of A+ and AA- and are very well regarded by investors.

#### **Revenue Sources Pledged to Debt Service**

Annual revenues pledged to fund the payment of debt service consist primarily of local sales tax revenues from Propositions A and C. Other sources include federal/state/local grants, fare collections and other operating revenues.

#### **Planned FY00 Debt Issuance**

During the year it is planned that \$160.5 million of long-term bonds will be issued. Short-term notes known as commercial paper will be issued to provide interim funding within the fiscal year prior to issuance of the long-term bonds. This interim funding will then be refunded into

the planned long-term bond issues later in the fiscal year. The planned par amount of long-term bond issuance to provide project funding is estimated at \$85.5 million for the Proposition A sales tax revenue bonds and \$75.0 million for Proposition C sales tax revenue bonds. These par amounts incorporate legal expenses and other costs associated with issuance of the bonds.

## **FY00 REVENUE/EXPENDITURE SUMMARY**

Of the four funds, the Debt Service Fund pays for project debt service expenditures, which account for \$267.3 million of the FY00 \$327.2 million Proposed Budget. The Fund is made up of the Proposition A fund totaling \$168.4 million, Proposition C fund totaling \$95.2 million, and the General Obligation fund totaling \$3.6 million. See MTA Debt Service Schedule for further detail.

# MTA DEBT SERVICE SCHEDULE – INCLUDES FY00 ISSUANCES

Fiscal Year 2000

## Principal Adjustments and Payments

Transaction Name	Initial PAR Value	Principal Balance As of 6/30/99 (1)	Interim Commercial Paper Financing	New Money	Refunding	Principal Pmt FY00	Principal Bal. as of 6/30/00
1986-A New Money	707,615,000	-	-	-	-	-	-
1987-A Refunding	271,550,000	-	-	-	-	-	-
1988-A Refunding	112,274,129	-	-	-	-	-	-
1989-A Refunding	174,303,858	-	-	-	-	-	-
1991-A New Money	500,000,000	10,795,000	-	-	-	5,235,000	5,560,000
1991-B Refunding	281,425,000	269,340,000	-	-	-	790,000	267,550,000
1992-A Refunding	98,700,000	98,700,000	-	-	-	-	98,700,000
1992-B Refunding	107,665,000	82,730,000	-	-	-	15,480,000	67,250,000
1993-A Refunding	560,570,000	548,825,000	-	-	-	2,765,000	546,060,000
1996-A New Money	110,580,000	108,805,000	-	-	-	1,855,000	106,950,000
1997-A Refunding	256,870,000	256,690,000	-	-	-	2,960,000	253,730,000
1999-A Refunding	160,205,000	160,205,000	-	-	-	-	160,205,000
1999-B New Money	150,340,000	150,340,000	-	-	-	7,445,000	142,895,000
1999-C Refunding	179,910,000	179,910,000	-	-	-	-	179,910,000
2000-A New Money	85,505,000	-	-	85,505,000	-	1,247,736	84,257,264
1990-A Lease Rev. Bnd (CBL)	26,400,000	14,454,000	-	-	-	2,046,000	12,408,000
1990-A Yen Obligation (CBL)	6,600,000	5,721,286	-	-	-	18,283	5,703,003
1993-A CRA Housing	9,454,406	9,454,406	-	-	-	-	9,454,406
1993-A CRA Redevelopment	21,665,000	21,665,000	-	-	-	-	21,665,000
1996 Refunding	104,715,000	100,660,000	-	-	-	1,680,000	98,980,000
Tax-Exempt Commercial Paper	350,000,000	98,990,000	100,000,000	-	(100,000,000)	-	98,990,000
<b>Prop A Debt Sub-Total</b>	<b>4,276,347,392</b>	<b>2,116,284,692</b>	<b>100,000,000</b>	<b>85,505,000</b>	<b>(100,000,000)</b>	<b>41,522,019</b>	<b>2,160,267,673</b>
1992-A New Money	518,855,000	88,060,000	-	-	-	8,940,000	79,120,000
1993-A Refunding	204,095,000	202,390,000	-	-	-	815,000	201,575,000
1993-B New Money	312,350,000	297,225,000	-	-	-	5,900,000	291,325,000
1995-A New Money	250,000,000	250,000,000	-	-	-	4,570,000	245,430,000
1998-A Refunding	219,710,000	219,710,000	-	-	-	-	219,710,000
1999-A New Money	124,805,000	124,805,000	-	-	-	1,865,000	122,940,000
2000-A New Money	75,000,000	-	-	75,000,000	-	1,094,441	73,905,559
Taxable Commercial Paper	73,500,000	60,720,000	-	-	-	-	60,720,000
<b>Prop C Debt Sub-Total</b>	<b>1,776,315,000</b>	<b>1,242,910,000</b>	<b>-</b>	<b>75,000,000</b>	<b>-</b>	<b>23,184,441</b>	<b>1,294,725,559</b>
1995-A New Money (USG)	169,500,000	-	-	-	-	-	-
Debt Overhead Costs	-	-	-	-	-	-	-
1991-G CSDA COP	19,340,000	10,040,000	-	-	-	1,635,000	8,405,000
1992-C CTFC COP - Torrance	3,390,000	1,750,000	-	-	-	295,000	1,455,000
<b>General Debt Sub-Total</b>	<b>192,230,000</b>	<b>11,790,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,930,000</b>	<b>9,860,000</b>
<b>MTA Debt Total</b>	<b>6,244,892,392</b>	<b>3,370,984,692</b>	<b>100,000,000</b>	<b>160,505,000</b>	<b>(100,000,000)</b>	<b>66,636,460</b>	<b>3,464,853,232</b>
1992-B LA Bus Lease (Dollar)	11,372,509	-	-	-	-	-	-
1992-B LA Bus Lease (Yen)	-	-	-	-	-	-	-
1992-C LA Bus Lease (Dollar)	9,477,000	-	-	-	-	-	-
1992-C LA Bus Lease (Yen)	-	-	-	-	-	-	-
1993-A LA Bus Lease (Dollar)	21,740,000	4,550,187	-	-	-	2,402,742	2,147,446
1993-A LA Bus Lease (Yen)	-	6,818,245	-	-	-	1,451,852	5,366,393
1992-B CTFC COP - RTD	118,375,000	59,185,000	-	-	-	9,865,000	49,320,000
<b>Enterprise Fund Sub-Total</b>	<b>160,964,509</b>	<b>70,553,432</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,719,594</b>	<b>56,833,839</b>
1992-A Bnft Assmt. Dist. A1	154,055,000	149,470,000	-	-	-	6,615,000	142,855,000
1992-A Bnft Assmt. Dist. A2	8,115,000	7,910,000	-	-	-	360,000	7,550,000
<b>Special Rev. Fund Sub-Total</b>	<b>162,170,000</b>	<b>157,380,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,975,000</b>	<b>150,405,000</b>
1996-A Refunding (USG)	185,735,000	185,735,000	-	-	-	-	185,735,000
1992-A Worker Comp COP	160,000,000	132,700,000	-	-	-	8,300,000	124,400,000
<b>Internal Fund Sub-Total</b>	<b>345,735,000</b>	<b>318,435,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,300,000</b>	<b>310,135,000</b>
<b>Other Debt Total</b>	<b>668,869,509</b>	<b>546,368,432</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>28,994,594</b>	<b>517,373,839</b>
<b>Grand Total</b>	<b>6,913,761,901</b>	<b>3,917,353,125</b>	<b>100,000,000</b>	<b>160,505,000</b>	<b>(100,000,000)</b>	<b>95,631,054</b>	<b>3,982,227,071</b>

**Foot Notes**

- 1 - Payment is made on an accrual basis. Reflects 7/1/00 payment.
- 2 - For transactions existing since before FY99, amounts in the "Misc. Fees" category are not secured from sales tax revenues and may therefore be budget to be paid from other available funding sources.
- 3 - Assumes a FY00 Rail need of \$68.179mm taken at 6.0 percent over 28 years.
- 4 - A portion of Prop A 40% Discr. is pledged to fund debt service for these bonds. The developer is expected to reimburse the MTA from net project revenues. Treasury should be consulted each year to determine the status of reimbursements.
- 5 - Assumes a \$98.990mm balance taken at 4 percent.
- 6 - Assumes a FY00 Highway need of \$77.726mm taken at 6.0 percent over 28 years.
- 7 - Assumes \$60.720mm balance @ 6.0%
- 8 - The MTA has issued COP's to finance the acquisition of buses and/or facilities, for which it anticipates receiving reimbursement from the user as a sublease payment.
- 9 - A lease expense payment for the RTD Bus JLL's. The payment is forwarded to the trustee who then makes payment to the CTFC as holder of the bonds. The CTFC then forwards the payment to MTA, pursuant to an Assignment Agreement.
- 10 - This payment is converted into Yen through existing Yen currency swaps with Sumitomo Bank Capital Markets and with Barclays Bank and is then wire transferred to the Japanese Lessor.
- 11 - The Benefit Assessment District debt service is solely an obligation of the respective districts and is paid from assessments received through the County Assessor's Office.
- 12 - OMB and Accounting have reprogrammed the principal and interest of this transaction to overhead administrative costs. Miscellaneous fees have remained in the D/S Fund.

## Debt Service Expense

Principal Payment (1)	Interest Payment (1)	Total D/S P&I	Misc. Fees (2)	Total D/S Expense	Foot Notes
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
5,235,000	1,464,553	6,699,553	12,500	6,712,053	-
790,000	16,884,968	17,674,968	12,500	17,687,468	-
-	5,783,820	5,783,820	406,677	6,190,497	-
15,480,000	4,839,399	20,319,399	12,500	20,331,899	-
2,765,000	28,962,751	31,727,751	12,500	31,740,251	-
1,855,000	6,304,666	8,159,666	12,500	8,172,166	-
2,960,000	14,268,300	17,228,300	12,500	17,240,800	-
-	8,136,413	8,136,413	12,500	8,148,913	-
7,445,000	7,196,399	14,641,399	12,500	14,653,899	-
-	9,751,976	9,751,976	12,500	9,764,476	-
1,247,736	5,130,300	6,378,036	361,000	6,739,036	3
2,046,000	1,096,810	3,142,810	12,500	3,155,310	-
18,283	-	18,283	12,500	30,783	-
-	550,130	550,130	12,500	562,630	4
-	1,278,235	1,278,235	12,500	1,290,735	4
1,680,000	5,820,563	7,500,563	12,500	7,513,063	-
-	6,166,667	6,166,667	2,323,667	8,490,334	5
41,522,019	123,835,949	165,157,969	3,266,343	168,424,312	-
8,940,000	5,384,574	14,324,574	12,500	14,337,074	-
815,000	10,433,205	11,248,205	815,261	12,063,465	-
5,900,000	15,858,203	21,758,203	12,500	21,770,703	-
4,570,000	13,256,250	17,826,250	12,500	17,838,750	-
-	11,234,875	11,234,875	12,500	11,247,375	-
1,865,000	6,180,738	8,045,738	12,500	8,058,238	-
1,094,441	4,500,000	5,594,441	361,000	5,955,441	6
-	3,643,200	3,643,200	292,538	3,935,738	7
23,184,441	70,491,043	93,675,485	1,531,299	95,206,784	-
-	-	-	1,106,000	1,106,000	-
1,635,000	482,773	2,117,773	12,500	2,130,273	8
295,000	84,085	379,085	12,500	391,585	8
1,930,000	566,858	2,496,858	1,131,000	3,627,858	-
66,636,461	194,693,850	261,330,311	5,928,642	267,258,953	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
2,402,742	270,912	2,673,654	12,500	2,686,154	9
1,451,852	-	1,451,852	12,500	1,464,352	10
9,865,000	3,003,580	12,868,580	12,500	12,881,080	8
13,719,594	3,274,492	16,994,086	37,500	17,031,586	-
6,615,000	8,216,465	14,831,465	12,500	14,843,965	11
360,000	466,220	826,220	12,500	838,720	11
6,975,000	8,682,685	15,657,685	25,000	15,682,685	-
-	10,739,734	10,739,734	12,500	10,752,234	12
8,300,000	8,183,475	16,483,475	12,500	16,495,975	12
8,300,000	18,923,209	27,223,209	25,000	27,248,209	-
28,994,594	30,880,386	59,874,980	87,500	59,962,480	-
95,631,055	225,574,236	321,205,290	6,016,142	327,221,433	-

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**COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**Debt Service Fund Only**

(Amounts expressed in millions)

	FY98 Actual	FY99 Midyear	FY00 Adopted
1 Revenue:			
2 Intergovernmental			
3 Local	\$ 3.6	\$ -	\$ -
4 Investment Income	12.7	-	-
5 Other	0.3	-	2.5
6 Total revenues	<u>16.6</u>	<u>-</u>	<u>2.5</u>
7			
8 Expenditures/Operating Expenses:			
9 Services, Leases, Taxes & Misc	3.3	4.2	5.9
10 Allocated Overhead	(10.7)	(10.7)	-
11 Subsidies	1.7	-	-
12 Debt/Interest Expense	<u>225.1</u>	<u>283.4</u>	<u>261.3</u>
13 Total Expenditures/Operating expenses	<u>219.4</u>	<u>276.8</u>	<u>267.3</u>
14			
15			
16 Excess (deficiency) of rev over exp before transfers	<u>(202.8)</u>	<u>(276.8)</u>	<u>(264.7)</u>
17			
18 Other financing Sources (Uses):			
19 Operating transfer in	184.8	240.5	250.1
20 Operating transfer out	(3.9)	-	-
21 Proceeds from financing	-	25.7	14.6
22 Proceeds of refunding bonds	219.7	89.5	100.0
23 Payment to refunding bond escrow agent	<u>(377.7)</u>	<u>(89.5)</u>	<u>(100.0)</u>
24 Total other financing and sources (uses)	<u>22.9</u>	<u>266.1</u>	<u>264.7</u>
25			
26 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(179.9)	(10.7)	0.0
27			
28 Fund balances - beginning of year	<u>289.3</u>	<u>109.5</u>	<u>98.8</u>
29 Fund balances (deficit) - end of year	<u>\$ 109.5</u>	<u>\$ 98.8</u>	<u>\$ 98.8</u>

## **GENERAL FUND**

### **BUDGET ASSUMPTIONS**

The General Fund includes project expenditures required for Agency administrative activities. The major project included in this fund is non-allocable overhead expenses which cannot be allocated to projects in accordance with FTA policy and Federal OMB - 87 Guidelines. Non-allocable overhead includes Government Relations, Public Relations, Board support, Board contingency, Legal contingency and a portion of County Counsel. Other projects included are: Labor Negotiation, Proposition A & C Audit, Movie/Film industry assistance, and intern and employee programs.



**COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**General Fund Only**

(Amounts expressed in millions)

	FY98 Actual	FY99 Midyear	FY00 Adopted
1 Revenue:			
7 Intergovernmental			
8 Local	\$ -	\$ -	\$ 1.3
9 State	0.1	1.0	4.8
10 Federal	0.3	3.4	3.1
11 Investment Income	1.6	0.3	1.0
12 Lease and Rental	-	9.3	10.5
13 License and Fines	0.4	-	0.5
14 Other	1.0	7.9	1.4
20 Total revenues	<u>3.3</u>	<u>21.9</u>	<u>22.5</u>
21			
22 Expenditures/Operating Expenses:			
23 Salaries, Wages & Fringe	11.8	11.0	12.3
24 Services, Leases, Taxes & Misc	16.0	24.4	37.6
25 Purchased Transportation	(0.0)	-	-
26 Fuel, Utilities, Materials & Supplies	0.3	1.2	0.2
27 Casualty & Liability	-	-	-
28 Acquisitions	0.1	-	-
29 Allocated Overhead	1.9	5.1	7.1
30 Subsidies	6.1	-	3.7
31 Debt/Interest Expense	-	-	-
32 Total Expenditures/Operating expenses	<u>36.2</u>	<u>41.7</u>	<u>60.8</u>
33			
45 Excess (deficiency) of rev over exp before transfers	<u>(32.9)</u>	<u>(19.8)</u>	<u>(38.3)</u>
46			
47 Other financing Sources (Uses):			
48 Operating transfer in	47.5	36.4	44.7
49 Operating transfer out	-	(7.9)	(5.1)
50 Proceeds from financing	-	-	-
51 Proceeds of refunding bonds	-	-	-
52 Payment to refunding bond escrow agent	-	-	-
53 Total other financing and sources (uses)	<u>47.5</u>	<u>28.5</u>	<u>39.7</u>
54			
55 Excess (deficiency) of revenues and other financing	14.6	8.7	1.4
56 sources over expenditures and other financing uses			
57 Fund balances - beginning of year	<u>(1.3)</u>	<u>13.4</u>	<u>22.1</u>
58 Fund balances (deficit) - end of year	<u>\$ 13.4</u>	<u>\$ 22.1</u>	<u>\$ 23.5</u>

## **CAPITAL FUND**

### **BUDGET ASSUMPTIONS**

The Capital Budget includes the Rail Construction Program and the Capital Improvement Plan (CIP).

The CIP represents the first comprehensive Agency-wide effort for the MTA to plan for the maintenance and replacement of the capital assets required to support Metro Bus and Metro Rail operations. The CIP process included only those projects that support the MTA Metro Bus and Metro Rail operating programs and the MTA's infrastructure. The CIP scope excludes the rail construction program and new operating facilities beyond those already under construction.

The CIP is required by the MTA's debt policy and achieves the following objectives:

- creates a comprehensive plan of capital needs between FY00 and FY04
- provides detailed justifications, cost estimates and implementation plans for capital projects
- prioritizes projects and allocates funding
- provides a balanced plan for capital improvement investments
- improves internal control for project implementation

This CIP does not assume any changes or modifications to MTA's service delivery structure (See FY00-04 Capital Improvement Plan).

The CIP development began in September 1998 as each MTA sponsoring organization developed a list of capital projects requiring implementation over the next five years. Cost estimates and implementation plans

were developed for all projects. The projects were justified, prioritized and submitted to a CIP review committee. The committee, consisting of representatives from each sponsoring organization, established an Agency-wide priority ranking of all projects within the following predefined classifications:

- mandated projects
- health and safety projects
- capital equipment replacements
- maintenance of assets
- facility improvements
- service improvements
- cost reduction projects

The final list of prioritized projects and funding allocation for each project was reviewed by the Office of the CEO and is submitted in this FY00 Adopted Budget. The plan will be updated annually. The projects scheduled for implementation in the first year of the CIP are included in the FY00 Adopted Budget.

The FY00-04 CIP includes a total of 189 projects at an estimated cost of \$1.245 billion. The CIP is funded with \$1.246 billion in Federal, State and Local funds. At the end of the five-year plan, there is a projected \$19 million surplus in rail capital program funding and an \$18 million deficit in bus and other capital program funding. Therefore \$18 million in cost reductions or revenue enhancements must be achieved in the bus and other capital programs over the next five years. The following actions will be taken to achieve the required results:

- proactive project management strategies to reduce projected costs
- negotiation of contracting terms and conditions to reduce exposure to cost increases
- changes to procurement specifications to reduce the long term cost of buses and major bus components such as engines and transmissions
- use of additional debt financing instruments for bus procurements
- cost/benefit analysis of maintaining ownership of microwave communications infrastructure
- reallocation of unspent funds budgeted to capital projects in previous fiscal years

## CIP FUNDING CAPACITY

The MTA's capacity to support the requested CIP projects depends on the availability of governmental grants, local matching funds, and financing alternatives.

The CIP project total cost of \$1.245 billion is funded with \$1.187 billion in Federal, State and Local funds already programmed by the MTA Board, an additional \$49 million of new funding available for allocation and \$10 million in additional bond financing.

The CIP funding projection is consistent with the capital funding plan approved by the Board on December 3, 1998 as part of the Regional Transit Alternatives Analysis (RTAA) with the addition of the following sources:

- \$1.7 million in Section 5307 funds allocated from regional discretionary funds by the Bus Operations Subcommittee (BOS) in FY97 for construction of CNG fueling facilities.

- \$425,000 in Prop C 40% Bonds required to match Section 5307 funds.
- \$39.5 million in Section 5309 funds projected to be available through FY04 but remained unallocated in the RTAA.
- \$9.4 million of Proposition A 35% Bonds required to match Section 5309 funds.
- \$2.8 million of General Revenue Bonds allocated to Gateway Headquarters building capital improvements

Tables 1, 2 and 3 in the FY00-04 Capital Improvement Plan, pages 34-37 provide the detailed funding availability by revenue source for the FY00 Adopted Budget.

## FY00 REVENUE/EXPENDITURE SUMMARY

The first year of the CIP is incorporated into the FY00 Adopted Budget. Board authorization and approval is required to implement the capital projects outlined for FY00. The projects that require multiple year funding commitments are authorized to be implemented; however, funding is appropriated annually. Amendments to the CIP may be requested as needed as part of quarterly updates to the Board.

The FY00 Adopted Budget includes \$381.9 million, of which \$69.4 million is unspent funds from FY99.

# COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

## Capital Fund Only

(Amounts expressed in millions)

	Bus & Rail			Heavy Rail		
	FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted
1 Revenue:						
2 Sales Tax						
3 Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4 Local	3.3	1.5	5.7	71.5	2.2	18.1
5 State		24.5		11.3	187.4	96.4
6 Federal	77.1	252.9	359.4	104.5	103.3	71.6
7 Investment Income	0.2			6.8		
8 Lease and Rental				0.1		
9 Other	-	4.4	1.2	0.2	-	-
10 Total revenues	<u>80.6</u>	<u>283.3</u>	<u>366.3</u>	<u>194.4</u>	<u>292.9</u>	<u>186.1</u>
11						
12 Expenditures/Operating Expenses:						
13 Salaries, Wages & Fringe	2.9	10.4	16.8	17.4	20.2	17.0
14 Services	13.0	31.1	29.2	89.1	54.3	51.4
15 Purchased Transportation	-	-	-	-	-	-
16 Fuel, Utilities, Materials & Supplies	0.3	5.2	9.0	0.2	0.8	1.4
17 Casualty & Liability	-	-	-	7.6	20.6	17.5
18 Acquisitions	103.9	133.7	241.4	223.8	215.6	116.4
19 Allocated Overhead	1.8	9.6	13.7	16.6	12.1	8.8
20 Subsidies	0.0	-	-	3.0	-	-
21 Total Expenditures/Operating expenses	<u>122.0</u>	<u>190.0</u>	<u>310.1</u>	<u>357.7</u>	<u>323.5</u>	<u>212.5</u>
22						
23 Excess (deficiency) of rev over exp before Transfers						
24 Income (loss) before Transfers	(41.4)	93.3	56.2	(163.3)	(30.6)	(26.4)
25						
26 Other financing Sources (Uses):						
27 Operating transfer in						
28 TDA	10.5	24.5	15.5			-
29 Other	4.6	2.3		226.0		
30 Operating transfer out						
31 Intergovernmental-Federal	(10.0)	(136.0)	(101.0)	(130.3)	(35.5)	-
32 Intergovernmental-Local			-		(4.8)	
33 Proceeds from financing		2.3	1.2		90.8	29.5
34 Proceeds of refunding bonds						
35 Payment to refunding bond escrow agent	-	-	-	-	-	-
36 Total other financing and sources (uses)	<u>5.1</u>	<u>(106.9)</u>	<u>(84.3)</u>	<u>95.7</u>	<u>50.5</u>	<u>29.5</u>
37						
38 Excess (deficiency) of revenues and other financing sources						
39 over expenditures and other financing uses	\$ (36.3)	\$ (13.6)	\$ (28.1)	\$ (67.6)	\$ 19.9	\$ 3.1
40						
41 Fund balances - beginning of year						
42 Fund balances (deficit) - end of year						

Light Rail			Commuter Rail			Total Capital Fund		
FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
0.2					1.2	75.0	3.7	25.1
6.4	2.6	7.3				17.7	214.5	103.6
13.0	29.7	0.4				194.6	385.9	431.4
7.6			0.8			15.4	-	-
			9.0			9.1	-	-
0.1	-	-	0.1	-	-	0.4	4.4	1.2
<u>27.3</u>	<u>32.3</u>	<u>7.7</u>	<u>9.9</u>	<u>-</u>	<u>1.2</u>	<u>312.2</u>	<u>608.5</u>	<u>561.3</u>
4.3	2.8	2.1	1.1	1.2	1.4	25.7	34.6	37.3
19.0	1.5	11.3	1.6	4.4	3.7	122.6	91.3	95.6
-	-	-	-	-	-	-	-	-
0.0	0.0	0.4	0.0	0.0	0.1	0.6	6.0	10.9
0.3	-	-	0.3	-	-	8.2	20.6	17.5
29.4	62.2	64.6	0.1	-	-	357.2	411.5	422.4
2.8	1.3	1.3	0.4	0.5	0.7	21.6	23.5	24.4
-	-	-	-	-	-	3.0	-	-
<u>55.8</u>	<u>67.9</u>	<u>79.6</u>	<u>3.5</u>	<u>6.1</u>	<u>5.9</u>	<u>539.0</u>	<u>587.5</u>	<u>608.1</u>
(28.5)	(35.6)	(71.9)	6.4	(6.1)	(4.6)	(226.8)	21.0	(46.8)
18.1	-	-		2.3	-	10.5	24.5	15.5
						248.7	4.6	-
						-	-	-
(151.4)	(29.7)		(9.7)			(150.0)	(201.2)	(101.0)
						(151.4)	(4.8)	-
	74.0	71.9				-	167.1	102.6
						-	-	-
<u>(133.3)</u>	<u>44.3</u>	<u>71.9</u>	<u>(9.7)</u>	<u>2.3</u>	<u>-</u>	<u>(42.2)</u>	<u>(9.8)</u>	<u>17.1</u>
\$ (161.8)	\$ 8.7	\$ (0.0)	\$ (3.3)	\$ (3.8)	\$ (4.6)	\$ (269.0)	\$ 11.2	\$ (29.7)
						305.1	36.1	47.3
						<u>\$ 36.1</u>	<u>\$ 47.3</u>	<u>\$ 17.7</u>

## **CIP PROJECT SUMMARY**

Capital projects are categorized into three major categories: Metro Bus, Metro Rail and ITS, Communications and other capital projects. These project categories are defined in the FY00-04 Capital Improvement Plan (CIP).

The following pages include the recommended CIP for FY00-04.

# CAPITAL IMPROVEMENT PLAN

	PROJECT EXPENDITURES					TOTAL	
	2000	2001	2002	2003	2004	2000-2004	
<b>Bus Acquisition</b>							
1	Bus Under Contract	\$146,364,552	-	-	-	-	\$146,364,552
2	Basic Bus	-	130,667,517	135,300,602	68,010,355	67,703,736	401,682,212
3	Major Parts & Assemblies	-	3,554,411	2,320,710	2,381,704	2,444,474	10,701,299
4	1st Year Parts Consumables	-	361,965	1,303,689	429,520	440,840	2,536,014
5	Future Bus Order Mgmt. & Admin	-	275,990	173,614	178,178	182,874	810,656
6	Future Bus Order Site Inspection	-	2,446,245	1,252,492	1,322,284	1,398,315	6,419,336
7	Delivery & Make Ready (FBO)	-	306,559	193,044	198,118	203,338	901,059
8	Fare Collection System	17,433,375	38,892,824	6,636,680	9,980,326	-	72,943,205
9	Transit Radio System	788,590	19,555,701	20,010,886	1,160,827	1,191,420	42,707,424
10	Smart Bus Option	6,570,000	6,134,999	6,277,800	3,221,400	3,306,300	25,510,499
11	Delta Cost for all CNG	-	2,183,037	7,324,100	3,758,300	3,857,350	17,122,787
12	Upgrade of Pre-223 Option Buses	2,325,000	4,754,625	7,219,470	-	-	14,299,095
13	ATTB Development Program	555,311	-	-	-	-	555,311
<b>Bus Maintenance</b>							
14	Bus Farebox Refurbishment	840,787	859,705	476,169	254,358	261,062	2,692,081
<b>Bus Facilities Maintenance</b>							
15	CNG Station & Upgrades	5,945,495	1,248,037	-	-	-	7,193,532
16	CNG @ Div. 3, 8, 10, & 18	92,205	149,621	153,103	99,009	161,269	655,207
17	Replace two CNG @ Div 8	-	-	1,276,915	745,941	-	2,022,856
18	Div 3,CNG Facility Modif.	503,611	-	-	-	-	503,611
19	CNG Compress/ Fueling Upgrades	2,208,823	1,129,260	-	-	-	3,338,083
20	Div. 7 CNG Facility Upgrades	1,279,518	-	-	-	-	1,279,518
21	Div. 1, 8, 15, & RRC Tank	-	-	-	-	-	609,242
22	Bus Div. Maintenance Equipment	2,164,831	1,080,365	508,621	335,181	454,964	4,543,962
23	Vacuum Sys. Upgrades/Replacement	401,294	798,116	816,694	838,159	1,302,516	4,156,779
24	Div 4 Facility Improvements	368,819	-	-	-	-	368,819
25	Bus Facility Improvements	519,031	530,709	670,186	687,798	705,927	3,113,651
26	Div 18 - Roof Replacement	249,790	-	-	-	-	249,790
27	ADA Compliance at Bus Stations	463,991	-	-	-	-	463,991
28	ADA - Customer Service Centers	192,268	-	-	-	-	192,268
29	ADA at Park-N-Ride Lots	388,751	-	-	-	-	388,751
30	ADA - Bus Operating Divisions	1,870,520	2,007,158	1,999,858	2,289,014	201,900	8,368,450
31	ADA - Compliance at RRC	424,123	174,334	-	-	-	598,457
32	Site Reme. Div 6, 8, 10, 15, 18	-	1,259,081	1,288,387	-	-	2,547,468
33	Div 1, 2, & 9 CNG Upgrades	-	1,021,794	1,299,824	1,333,989	297,921	3,953,528
34	New Cash Room Facility	266,451	2,299,456	113,261	-	-	2,679,168
<b>Rail Vehicle Maintenance</b>							
35	Seg. 1 Radio Retrofit	1,641,141	2,382,870	-	-	-	4,024,011
36	LRV Shop Equipment	-	234,713	277,289	348,716	238,604	1,099,322
<b>Rail Facilities Maintenance</b>							
37	Segment 1 Sprinkler Retrofit	4,573,750	-	-	-	-	4,573,750
38	ADA Ramps @ Rail Stations	493,563	303,854	-	-	-	797,417
39	ADA Truncated@Rail Facility	18,375	96,268	-	-	-	114,643
40	ADA Upgrade Facilities/ all	425,390	376,589	-	-	-	801,979
41	MBL ROW -Fence	99,999	100,337	175,913	-	-	376,249
42	Fiber Optic Rail Comm. Sys.	475,542	1,204,765	891,688	-	-	2,571,995
43	MGL Amplifiers/Receivers	410,374	193,700	198,208	203,418	208,779	1,214,479
44	Grout MRL Station	306,627	313,525	320,822	329,255	337,932	1,608,161
45	Storage Building/Div 11	-	-	360,824	-	-	360,824
46	Re-surface Floor - Div 20	-	28,989	-	-	-	28,989

# CAPITAL IMPROVEMENT PLAN

	PROJECT EXPENDITURES					TOTAL
	2000	2001	2002	2003	2004	2000-2004
47 Central A/C - Division 20	56,705	-	-	-	-	56,705
48 Div 11- Supervisor Office	24,230	-	-	-	-	24,230
49 Divi 11-Loading Ramp	-	24774	-	-	-	24774
50 Seal Floor (Epoxy)- Location 61	-	35,843	-	-	-	35,843
51 MBL Facility Improvements	161,795	160,095	149,531	186,634	36,461	694,516
52 Div 11 Shower/Locker Mods	186,634	-	-	-	-	186,634
53 ROC Reconfiguration	294,884	-	-	-	-	294,884
54 Voice Data Recorders	162,375	-	-	-	-	162,375
55 Storm Drain at 18th & Flower	165,892	-	-	-	-	165,892
56 Additional Track for MBL	-	-	3,787,767	4,791,019	1,494,278	10,073,064
57 Power Switches - MBL	522,550	360,104	357,897	308,073	-	1,548,624
58 Upgrade MGL Radio	307,091	-	-	-	-	307,091
59 Elevators at 1st and Hill	-	-	-	-	1,035,551	1,035,551
60 Elevators at 4th and Hill	-	-	-	-	757,053	757,053
61 MGL- Holding Tanks and Sumps	118,345	155,414	949,622	-	-	1,223,381
62 MRL Traction Power	-	-	335,338	-	-	335,338
63 MGL Public Address Equip.	-	-	208,666	-	-	208,666
64 Segment 1 - UPS batteries	60,130	-	-	-	-	60,130
65 Wheel Truing Machine	-	-	260,646	-	-	260,646
66 SCADA Equipment Replacement	15,497	1,663,235	3,533,855	1,901,579	-	7,114,166
67 IDS System Replacement	54,125	-	-	-	-	54,125
68 Sewage Ejector System MRL	21,650	84,490	22,652	88,729	23,860	241,381
69 Gas Analyzer/ MRL-5 Stations	261,563	645,582	660,608	-	-	1,567,753
70 Programmable Rail Car Hoist	54,125	-	-	-	-	54,125
71 Rail Div. Water Treatment Sys.	224,966	-	106,931	-	-	331,897
72 MRL Fire Control	278,547	257,033	-	-	-	535,580
73 MRL Radio System	-	-	-	993,444	357,901	1,351,345
74 MGL Emergency Trip Stations	70,311	-	-	-	-	70,311
75 Upgrade LRT facilities, MGL	162,708	92,248	177,158	181,816	186,607	800,537
76 Change Neon Lighting	916,537	-	-	-	-	916,537
77 Upgrade HRT facilities	162,708	147,591	177,157	181,816	186,607	855,879
78 Sidewalks in MGL Yard	-	11,068	123,494	-	-	134,562
79 Grout MRL Tunnels	368,900	373,049	226,926	-	-	968,875
80 Mandated Safety Improvements	315,591	289,137	292,589	300,280	308,193	1,505,790
81 MOS 1 Drainage Improvements	59,008	-	-	-	-	59,008
82 Roll-up Doors Emergency Stops	35,447	-	-	-	-	35,447
83 Retrofit Emergency Lighting	-	-	101,333	118,266	133,918	353,517
84 MRL Roll-up Door Access	-	-	130,724	-	-	130,724
85 MRL Station Canopies	-	-	-	2,629,568	481,167	3,110,735
86 Re-tile Pershing Square Station	-	-	-	-	1,838,280	1,838,280
87 Program Logic Controls	-	-	-	1,824,562	26,187	1,850,749
88 Ventilation for Ancillary Rooms	51,500	5,533	-	-	-	57,033
89 MRL Emergency Walkway	-	-	-	-	528,777	528,777
90 Fire Code Corrections	705,293	-	-	-	-	705,293
91 MGL Mast Signals	-	370,791	279,619	-	-	650,410
92 MBL Platform Upgrade	3,178,828	4,931,929	-	-	-	8,110,757
93 Emergency lights for escalators	-	110,685	807,028	130,250	-	1,047,963
94 LR Stations Improvements	484,885	373,932	-	-	-	858,817



# CAPITAL IMPROVEMENT PLAN

	PROJECT EXPENDITURES					TOTAL
	2000	2001	2002	2003	2004	2000-2004
95 MBL Stations Art Program	372,775	325,820	318,328	194,983		1,211,906
96 MBL Platform Ext. Art Program	58,315	49,329	-	-		107,644
97 ADA Compliance Rail Signage	281,302	-	-	-		281,302
98 Non-Rev Vehicles/MOW	108,250	110,685	-	-		218,935
99 Data Processing Equipment	65,733	43,444	157,718	219,983	231,268	718,146
100 Rail TVM Hardware Upgrade	389,700	-	-	-		389,700
<b>Maintenance of Way (MOW)</b>						
101 Grade Crossing Improvements	444,570	375,342	384,078	394,174	404,562	2,002,726
102 Tools and Equipment	162,375	166,028	169,892	174,358	178,953	851,606
103 Portable Emergency Generator	108,250	-	-	-		108,250
104 Overhead Catenary Upgrade	817,551	940,211	962,094	987,382	1,013,404	4,720,642
105 Track Geometry Car	-	-	-	1,743,582		1,743,582
106 Battery Replacement	729,824	760,808	275,996	283,250		2,049,878
107 Crossing Gate Equip. Replacement	205,958	131,361	134,420	137,952	141,588	751,279
108 Guarded Crossings Replacement	-	325,061	-	-		325,061
109 Transformer Replacement	-	96,695	374,942	348,716		820,353
110 Wayside Spare Parts	216,500	221,371	226,523	232,477	238,604	1,135,475
111 MRL Elevator compliance	162,375	-	-	-		162,375
112 MRL/GL Escalator Step Chain	297,688	-	-	-		297,688
113 Ballast Car	-	-	-	174,358		174,358
114 MBL - Erridicate Roadbed	267,022	128,070	-	-		395,092
115 MGL Shop - Tire Press/Crane	-	-	154,217	-		154,217
116 Rail System Inspection	184,972	189,585	183,073	187,884	281,719	1,027,233
117 Booz-Allen/LB Photo Enformt.	354,354	140,060	-	-		494,414
118 Booz-Allen/ARC Lights Retrofit	219,929	107,997	110,510	113,415	116,405	668,256
119 Booz-Allen /Quadrant Gates	207,854	411,765	421,348	432,422	443,822	1,917,211
120 Booz-Allen/Fiber Opti Signs LB	206,104	210,741	159,014	-		575,859
121 Booz-Allen/Install Swing Gates	80,258	119,189	-	-		199,447
122 Forklift GL- MOW	12,541	-	-	-		12,541
123 Noise Barriers/Rosecrans Ave	1,229,584	-	-	-		1,229,584
124 4 Quadrant Gates	57,712	-	-	-		57,712
125 Blue Line Safety Improvements	151,518	-	-	-		151,518
126 Photo Enforcement Installations	227,294	-	-	-		227,294
<b>ITS/Communications/Other</b>						
127 Water By-Pass Valve	25,000	-	-	-		25,000
128 Plaza Level Tenant Improvements	891,330	-	-	-		891,330
129 HQ Mech. & Plumbing	485,335	-	-	-		485,335
130 HQ Electrical Improvements	160,224	-	-	-		160,224
131 Upgrade Customer Info System	778,576	1,650,463	-	-		2,429,039
132 FIS-Version Upgrade	285,794	657,837	169,892	-		1,113,523
133 Property Management System	239,412	654,461	253,984	-		1,147,857
134 Year 2000 Upgrades	5,067,790	1,346,393	-	-		6,414,183
135 HR/Payroll System Upgrades	200,000	845,337	661,966	-		1,707,303
136 Application Enhancement	652,364	1,137,455	2,296,551	3,286,822	2,425,624	9,798,816

# CAPITAL IMPROVEMENT PLAN

	PROJECT EXPENDITURES					TOTAL
	2000	2001	2002	2003	2004	2000-2004
137 Budget and Grants Mgmt Module	-	517,369				517,369
138 Computer Aided Drafting Eqpt.	67,292	-				67,292
139 Enlarge Computer Room	741,347	-				741,347
140 Geographic Info System (GIS)	264,620	540,790	522,324	536,053	227,368	2,091,155
141 Enterprise-Wide Management	484,499	102,727	98,979	-		686,205
142 Wide Area Network Upgrade	666,255	5,793,264	5,254,805	1,792,162	2,022,136	15,528,622
143 Schedule Building Software	156,122	-				156,122
144 Scheduling System Phase 2	550,000	434,562	444,677	563,745		1,992,984
145 Service Trucks	39,944	-				39,944
146 TOTS Series 1 Replacement	2,867,166	817,770	-			3,684,936
147 North American Dialing Plan	148,126	-				148,126
148 Non-Rev - Vehicle Replacement	5,544,490	7,192,001	2,305,379	5,249,184	5,146,326	25,437,380
149 Non-Rev - Vehicle Expansion	483,336	-				483,336
150 Tow Trucks & Vault Trucks (6)	162,375	166,028	283,154	348,716		960,273
151 Delivery Vans (3)	39,944	-				39,944
152 Equipment for Non-Revenue	29,999	-				29,999
153 Purchase Truck Wheel Balancer	6,495	-				6,495
154 Non-Rev/Power Parts System	5,412	-				5,412
155 Non-Rev/Diesel Cleaning System	16,238	-				16,238
156 Pallet Racking		15,717				15,717
157 Gas Powered Pionjars	56,583	-				56,583
158 Computer Learning Center	22,359	-				22,359
159 Maint/Material Mgt. System	3,051,934	5,543,933	4,606,176	-		13,202,043
160 Weather Mitigation	37,912	-				37,912
161 Network Tech Refresh Program	1,100,569	1,651,920	1,658,981	1,098,572	1,003,538	6,513,580
162 Enterprise Image System	1,809,037	1,328,686	62,624	64,270		3,264,617
163 Network Test Equipment	85,577	37,693	38,570	39,584	40,627	242,051
164 Emergency Backup/Radio Sites	121,681	-				121,681
165 Replacement/Security Vehicles		72,278	60,896	62,497	64,145	259,816
166 Customer Complaint System	286,677	-				286,677
167 Fire Damper Replace Phase I	250,000	-				250,000
168 P1/Plaza Police/Security	110,000	-				110,000
169 Live Scan Fingerprint Equipment	80,000	-				80,000
Subtotal						
<b>CIP Capital Project Fund</b>	<b>\$245,836,839</b>					
170 Window Guard Replacement	1,856,332	1,898,094	1,942,275	1,993,322	2,045,859	9,735,882
171 Replacemt CNG Fuel Cylinders	4,398,416	-				4,398,416
172 Capitalized Repair Parts - LRV	1,848,229	1,770,970	1,925,453	1,976,060	2,147,441	9,668,153
173 Capitalized Repair Parts - HRV	1,306,979	1,328,227	1,472,405	1,627,343	1,789,534	7,524,488
174 LRV Overhaul Program	1,892,836	1,753,048	3,195,635	4,782,559	5,485,935	17,110,013
175 HRV Overhaul Program	404,813	1,229,673	431,483	1,585,319	2,082,743	5,734,031
176 Heavy Rail Shop Equipment	129,900	110,685	113,261	116,238	238,604	708,688
177 Div 20 Press Tonnage Recorder	48,712	-				48,712
178 Div 11, 20 Car hoists Program	81,188	-				81,188

# CAPITAL IMPROVEMENT PLAN

	PROJECT EXPENDITURES					TOTAL
	2000	2001	2002	2003	2004	2000-2004
179 Div 11-(4) Car Hoist Screw Shaft	43,300	-	-	-	-	43,300
180 Bus Tire Lease	3,836,870	4,154,645	4,538,642	4,657,932	4,780,691	21,968,780
181 Diesel Conversion	2,701,960	-	-	-	-	2,701,960
182 Replace Wheelchair Lifts	3,378,619	3,454,638	-	-	-	6,833,257
183 Power Plant Assembly Rebuilding	25,603,628	17,764,461	17,844,636	19,961,120	18,436,556	99,610,401
184 Procu. & Rebuild Transmissions	5,868,433	3,841,401	3,930,989	4,190,437	4,218,323	22,049,583
185 Bus Painting/ Window Replacemt	6,895,037	5,109,428	5,228,356	5,365,773	5,507,190	28,105,784
186 Purchase Rotable Parts for Buses	876,825	896,552	917,421	941,534	966,348	4,598,680
187 RRC Major Maintenance/Repair	2,186,758	2,235,960	2,288,004	2,348,139	2,410,025	11,468,886
188 Equip Purchase/Refurb @ RRC	487,125	498,085	509,678	523,074	536,860	2,554,822
Subtotal						
<b>Enterprise Fund</b>	<b>\$63,847,960</b>					
1999 Carryover	\$69,476,710					
<b>FY00 CIP Program</b>	<b>\$379,161,509</b>					

## **RAIL CONSTRUCTION PROGRAM STATUS**

The following is the status of design and construction implementation on the Metro Rail construction projects (included in the FY00 Adopted Budget).

### **HEAVY RAIL**

#### **Metro Red Line Segment 1**

The FY00 Adopted Budget of \$854,000 includes cost associated with closing out punchlist items with the City of Los Angeles, obtaining delivery of original equipment, spare parts and other contract closeout items.

#### **Metro Red Line Segment 2**

Segment 2 includes two rail corridors: Wilshire Corridor and the Vermont/Hollywood Corridor. The Wilshire Corridor began revenue operations in July, 1996. The Vermont/Hollywood Corridor opens for revenue operations in June, 1999. The FY00 Adopted Budget of \$53.8 million includes costs for completion of all remaining systems integration testing, completion of Kaiser Portal, contract closeouts, claim settlements, and litigation.

#### **Metro Red Line Segment 3 - North Hollywood**

The North Hollywood Extension will be involved in numerous phases of project execution culminating with revenue operations in FY00. The FY00 Adopted Budget of \$140.7 million includes beginning construction for the Universal City Station Bus Plaza and Lankershim Blvd. widening; completing installation of traction power substation/equipment, completing trackwork and testing; and continuing the installation of the Automatic Train Control System.

#### **Metro Red Line Segment 3 - Eastside Extension**

All design and construction activities for this project were suspended January 13, 1998 except the ongoing procurement of rail vehicles. The FY00 Adopted Budget of \$8.6 million includes costs for the procurement and management of the rail passenger car contract (14 cars), property maintenance and a revolving fund to mitigate housing losses in the project area.

#### **Systemwide Agency Costs**

Systemwide costs of \$3.2 million for Project Management Assistance on federally and locally funded projects, document and data review, policy and procedures review, procurement standards and Contract Administration review and monitoring; staff support to provide management with functional support such as budget and schedule analysis and preparation, organizational assistance to Engineering Department, FIS interface, change control processes, claim litigation support, and technical support and oversight are all included in the FY00 Adopted Budget. The FY00 Adopted Budget also includes costs for technical support to Procurement for General Engineering Consultant (GEC) solicitation, the Lessons Learned Program support, Engineering Management consultant (EMC) contract closeouts, and Computer Aided Design & Drafting (CADD) and Graphic Information System implementation.

#### **Hollywood Boulevard Mitigation**

The FY00 Adopted Budget of \$1.4 million is included for minimizing the impact of construction activities including station con-

struction, restoration of sidewalks, walk of fame stars, curb gutters and bus pads work. Funds are included to provide a shuttle for Metro Rail Red Line patrons between Vine and La Brea on Hollywood Blvd.

## **LIGHT RAIL**

### **Pasadena Blue Line**

All construction activities for this project were suspended on January 13, 1998. The FY00 Adopted Budget of \$8.9 million includes construction close out costs including contract C6435 -13 Concrete/Steel Bridge Retrofit; and allowances for claims and settlements of disputes.

### **Los Angeles/Long Beach Blue Line**

The FY00 Adopted Budget of \$2.2 million includes costs for resolution of legal claims with public and private agencies regarding underground utilities. Also included are completion of Metro Rail Blue Line art projects and settlement of Union Pacific Railroad right of way acquisition costs.

### **Metro Green Line**

The FY00 Adopted Budget of \$20.9 million includes funding for the completion of the Automatic Train Control System; costs relating to testing and startup of the vehicles; testing of the train control wayside equipment with carbine equipment; outstanding Caltrans claims; and continuing construction of the Maintenance-of-Way (MOW) facility and associated system improvements.

### **L.A. Rail Car**

The FY00 Adopted Budget of \$47.5 million includes costs for the deliverance and acceptance of 20 cars, payments for fabrication and testing milestones, consultant services, and administrative support.

**ENGINEERING AND CONSTRUCTION DIVISION  
 FINANCIAL STATEMENT - METRO RED LINE SEGMENT 2 - PROJECT 800081  
 PROJECT FORECAST AS OF MARCH 1999  
 FUND #6005 - HEAVY RAIL FUND  
 (\$000)**

	<b>Project Budget</b>	<b>Project Authorization</b>	<b>Project to date (6-30-98)</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>	<b>Forecast to Complete</b>	<b>Total Project Forecast</b>
<b>REVENUES:</b>							
Federal	\$ 667,000	\$ 667,000	\$ 667,000				\$ 667,000
State	133,029	133,029	133,029				133,029
City of LA	96,000	96,000	94,071	1,929	-	-	96,000
Total Revenues	<u>896,029</u>	<u>896,029</u>	<u>894,100</u>	<u>1,929</u>	<u>-</u>	<u>-</u>	<u>896,029</u>
<b>EXPENDITURES:</b>							
Capital Outlay	1,738,771	1,738,771	1,538,274	75,020	53,953	71,524	1,738,771
Excess (deficiency) of revenues over (under) expenditures	<u>(842,742)</u>	<u>(842,742)</u>	<u>(644,174)</u>	<u>(73,091)</u>	<u>(53,953)</u>	<u>(71,524)</u>	<u>(842,742)</u>
<b>OTHER FINANCING SOURCES</b>							
Proceeds from financing							
Prop A 35% & Prop C 40%	838,308	838,308	644,174	68,657	53,912	71,565	838,308
Private Funding Sources	4,434	4,434	-	4,434	-	-	4,434
Total Other Financing Sources	<u>\$ 842,742</u>	<u>\$ 842,742</u>	<u>\$ 644,174</u>	<u>\$ 73,091</u>	<u>\$ 53,912</u>	<u>\$ 71,565</u>	<u>\$ 842,742</u>

**ENGINEERING AND CONSTRUCTION DIVISION**

**FINANCIAL STATEMENT - METRO RED LINE SEGMENT 3 NORTH HOLLYWOOD - PROJECT 800082**

**PROJECT FORECAST AS OF MARCH 1999**

**FUND #6006 - HEAVY RAIL FUND**

(\$000)

	<b>Project Budget</b>	<b>Project Authorization</b>	<b>Project to date (6-30-98)</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>	<b>Forecast to Complete</b>	<b>Total Project Forecast</b>
<b>REVENUES:</b>							
Federal	\$ 935,755	\$ 663,368	\$ 543,655	\$ 96,918	\$147,286	\$ 147,896	\$ 935,755
State	159,000	148,729	56,392	91,527	11,081		159,000
City of LA	90,000	58,000	55,446	-	8,715	25,839	90,000
<b>Total Revenues</b>	<u>1,184,755</u>	<u>870,097</u>	<u>655,493</u>	<u>188,445</u>	<u>167,082</u>	<u>173,735</u>	<u>1,184,755</u>
<b>EXPENDITURES:</b>							
Capital Outlay	1,310,822	957,160	839,942	190,605	140,628	139,647	1,310,822
Excess (deficiency) of revenues over (under) expenditures	<u>(126,067)</u>	<u>(87,063)</u>	<u>(184,449)</u>	<u>(2,160)</u>	<u>26,454</u>	<u>34,088</u>	<u>(126,067)</u>
<b>OTHER FINANCING SOURCES</b>							
Proceeds from financing Prop A 35% & Prop C 40%	126,067	87,063	184,449	2,160	(26,454)	(34,088)	126,067
Private Funding Sources	-	-	-	-	-	-	-
<b>Total Other Financing Sources</b>	<u>\$ 126,067</u>	<u>\$ 87,063</u>	<u>\$ 184,449</u>	<u>\$ 2,160</u>	<u>\$ (26,454)</u>	<u>\$ (34,088)</u>	<u>\$ 126,067</u>

**ENGINEERING AND CONSTRUCTION DIVISION  
 FINANCIAL STATEMENT - LA RAIL CAR - PROJECT 800150  
 PROJECT FORECAST AS OF MARCH 1999  
 FUND #6001 - LIGHT RAIL FUND  
 (\$000)**

	<b>Project Budget</b>	<b>Project Authorization</b>	<b>Project to date (6-30-98)</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>	<b>Forecast to Complete</b>	<b>Total Project Forecast</b>
<b>REVENUES:</b>							
Federal	\$ 61,177	\$ 61,177	\$ 57,298	\$ 3,879			\$ 61,177
State	16,398	16,398	16,398				16,398
City of LA	-	-	-	-	-	-	-
<b>Total Revenues</b>	<u>77,575</u>	<u>77,575</u>	<u>73,696</u>	<u>3,879</u>	<u>-</u>	<u>-</u>	<u>77,575</u>
<b>EXPENDITURES:</b>							
Capital Outlay	201,400	201,400	120,624	23,442	47,501	9,833	201,400
Excess (deficiency) of revenues over (under) expenditures	<u>(123,825)</u>	<u>(123,825)</u>	<u>(46,928)</u>	<u>(19,563)</u>	<u>(47,501)</u>	<u>(9,833)</u>	<u>(123,825)</u>
<b>OTHER FINANCING SOURCES</b>							
Proceeds from financing Prop A 35% & Prop C 40%	123,825	123,825	46,928	19,563	47,501	9,833	123,825
Private Funding Sources	-	-	-	-	-	-	-
<b>Total Other Financing Sources</b>	<u>\$ 123,825</u>	<u>\$ 123,825</u>	<u>\$ 46,928</u>	<u>\$ 19,563</u>	<u>\$ 47,501</u>	<u>\$ 9,833</u>	<u>\$ 123,825</u>



**ENGINEERING AND CONSTRUCTION DIVISION**  
**FINANCIAL STATEMENT - METRO GREEN LINE - PROJECT 800023**  
**PROJECT FORECAST AS OF MARCH 1999**  
**FUND #6001 - LIGHT RAIL FUND**  
**(\$000)**

	<b>Project Budget</b>	<b>Project Authorization</b>	<b>Project to date (6-30-98)</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>	<b>Forecast to Complete</b>	<b>Total Project Forecast</b>
<b>REVENUES:</b>							
Federal							-
State	\$ 105,900	\$ 105,900	\$ 97,852	\$ 790	\$ 7,258		\$ 105,900
City of LA	-	-	-	-	-	-	-
<b>Total Revenues</b>	<u>105,900</u>	<u>105,900</u>	<u>97,852</u>	<u>790</u>	<u>7,258</u>	<u>-</u>	<u>105,900</u>
<b>EXPENDITURES:</b>							
Capital Outlay	712,302	712,302	673,434	12,816	20,919	5,133	712,302
Excess (deficiency) of revenues over (under) expenditures	<u>(606,402)</u>	<u>(606,402)</u>	<u>(575,582)</u>	<u>(12,026)</u>	<u>(13,661)</u>	<u>(5,133)</u>	<u>(606,402)</u>
<b>OTHER FINANCING SOURCES</b>							
Proceeds from financing							
Prop A 35% & Prop C 40%	606,402	606,402	575,582	12,026	13,661	5,133	606,402
Private Funding Sources	-	-	-	-	-	-	-
<b>Total Other Financing Sources</b>	<u>\$ 606,402</u>	<u>\$ 606,402</u>	<u>\$ 575,582</u>	<u>\$ 12,026</u>	<u>\$ 13,661</u>	<u>\$ 5,133</u>	<u>\$ 606,402</u>

# REGIONAL PROGRAMS

## BUDGET ASSUMPTIONS

A core function of the MTA, as stipulated in its enabling legislation, is to serve as the regional transportation planning agency for Los Angeles County. MTA coordinates transportation projects to ensure the development of an integrated Metro System through the Long Range Plan (LRP), and the Regional Transit Alternatives Analysis (RTAA). Funds are allocated to various local agencies to support these projects.

Funds are allocated to other government agencies as mandated by legislation, Board policy, or through a competitive awards process known as the Call for Projects. The Board approves the projects recommended for funding through the annual budget and the biennial Call for Projects.

The MTA provides funding directly to projects through grants of local funds or indirectly through allocating Federal or State grants. Local funds consist mainly of Proposition A and C funds which are directly disbursed by the MTA to agencies based on an approved spending plan. Federal and State grant funds are programmed or allocated by the MTA and disbursed directly by the granting agency or disbursed by MTA to the grantee, or recipient. The recipient agency is responsible for administering and managing the Federal or State grant.

This section summarizes the funds that the MTA programs to other local agencies. The FY00 Adopted Budget for local funding commitments to the Call for Projects reflect current year cashflow, rather than programmed amounts, and include estimated

expenditure of prior year commitments. Funding for all other local programs, including Municipal Operator programs, ASI, Proposition A Incentive, Local Return, Metrolink, and State and Federal funding programs reflect the FY00 programmed amounts.

## FY00 REVENUE/EXPENDITURE SUMMARY

The schedule shown details the revenues and expenditures by each major funding category included in the Regional Programs Budget.

- Municipal Operator Programs include funding to the 16 transit service providers throughout Los Angeles County. These funds are allocated through the Formula Allocation Program (FAP) based on service parameters.
- The ADA/Accessibility Funding Program includes funding for ASI and operators granted funding in the Proposition A Incentive program, which was established in the proposition A implementation guidelines as 5% of the discretionary 40% of total Proposition A revenues. Incentive program revenues are used for services to help the elderly and disabled with community-based transportation services.
- Local Projects and Programs include funding through the Propositions A and C Local Return programs. This funding category also includes funds allocated through the TDA Article 3 and 8 programs for transit purposes.

- Call for Projects: Call for Projects process allocates funds to regionally significant projects implemented by local jurisdictions, transit agencies and other public agencies. The FY99 Call for Projects will program funds across seven modal categories for FY00-04. Approximately \$558.7 million of Federal, State and Local funds will be programmed through this call process. MTA Board action on actual Call for Projects funding will not occur until July 1999.
- Other Local projects includes subsidies awarded by the MTA Board outside of the Call-for-Projects process, to the Immediate Needs programs, Support for Homeless Re-Entry (SHORE) and General Relief.
- Commuter Rail and Intercity Rail programs fund the Southern California Regional Rail Authority's (SCRRA) Metrolink service for Los Angeles County and provides \$25,000 for Intercity Rail support.

All of these programs are discussed in greater detail in the following Regional Programs description section.

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FY00 REVENUE / EXPENDITURE SUMMARY (\$000)  
REGIONAL PROGRAMS BUDGET

	Municipal Op. Programs	ADA Funding Programs	Local Projects & Programs	Other Local Projects	Comm. Rail & Intercity Rail	Total Subsidy Budget
<b>Revenue</b>						
Farebox Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Prop A - Admin 5%	-	-	-	-	-	-
Prop A - Local Return 25%	-	-	113,092	-	-	113,092
Prop A - Rail 35%	-	-	-	-	-	-
Prop A - Discretionary 95% of 40%	52,920	-	-	-	-	52,920
Prop A - Incentive 5% of 40%	-	4,493	-	-	-	4,493
Prop C - Admin 1.5%	-	-	-	-	-	-
Prop C - Local Return 20%	-	-	94,548	-	-	94,548
Prop C - Security 5%	4,400	-	-	-	-	4,400
Prop C - Commuter Rail 10%	-	-	3,256	-	33,670	36,926
Prop C - Streets & Hwys 25%	-	-	170,156	-	-	170,156
Prop C - Discretionary 40%	11,368	4,200	1,497	7,816	-	24,881
Other Local Revenues	-	-	6,826	-	-	6,826
TDA	54,096	4,900	17,205	-	-	76,201
STA Formula	4,117	-	-	-	-	4,117
Other State	-	-	-	-	-	-
Federal	-	34,800	-	-	-	34,800
Proceeds from Financing	-	-	43,277	-	-	43,277
Interest	4,400	-	-	-	-	4,400
<b>Total</b>	<b>131,301</b>	<b>48,393</b>	<b>449,858</b>	<b>7,816</b>	<b>33,670</b>	<b>671,037</b>
<b>Expenditures by Category</b>						
Salaries, Wages & Fringes	83	-	-	-	5	87
Services, Leases, Taxes & Misc.	1,000	-	-	-	220	1,220
Purchase Transportation	-	-	-	-	-	-
Fuels, Utilities, Material & Supplies	-	-	-	-	10	10
Casualty & Liability	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-
Allocated Overhead	16	-	2,351	-	-	2,367
Subsidies	130,202	48,393	447,507	7,816	33,435	667,352
Debt/Interest	-	-	-	-	-	-
<b>Total</b>	<b>\$ 131,301</b>	<b>\$ 48,393</b>	<b>\$ 449,858</b>	<b>\$ 7,816</b>	<b>\$ 33,670</b>	<b>\$ 671,037</b>

**COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**

**Special Revenue Fund Only**

(Amounts expressed in millions)

	Proposition A			Proposition C		
	FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted
1 Revenue:						
2 Sales Tax						
3 Proposition A	\$ 438.3	\$ 449.7	\$ 476.2	\$ -	\$ -	\$ -
4 Proposition C	-	-	-	441.9	452.1	479.9
5 Transportation Development Act - TDA	-	-	-	-	-	-
6 State Transportation Assistance - STA	-	-	-	-	-	-
7 Intergovernmental						
8 Local	-	-	-	34.8	-	-
9 State	1.7	-	-	3.1	-	5.0
10 Federal	-	-	-	0.1	-	34.8
11 Investment Income	5.5	3.4	3.3	11.6	7.8	8.0
12 Lease and Rental	-	-	-	-	-	-
13 License and Fines	-	-	-	-	-	-
14 Other	-	-	-	-	-	-
15 Total revenues	<u>445.5</u>	<u>453.1</u>	<u>479.5</u>	<u>491.5</u>	<u>459.9</u>	<u>527.8</u>
16						
17 Expenditures/Operating Expenses:						
18 Salaries, Wages & Fringe	0.3	-	-	3.5	4.9	6.4
19 Services	0.0	-	-	24.6	47.1	47.0
20 Purchased Transportation	-	-	-	-	2.4	-
21 Fuel, Utilities, Materials & Supplies	0.0	-	-	0.1	0.1	0.3
22 Casualty & Liability	-	-	-	-	0.4	-
23 Acquisitions	-	-	-	0.0	-	-
24 Allocated Overhead	0.3	-	-	2.4	4.1	10.0
25 Subsidies	<u>157.3</u>	<u>162.2</u>	<u>171.6</u>	<u>231.1</u>	<u>399.2</u>	<u>412.4</u>
26 Total Expenditures/Operating expenses	<u>157.9</u>	<u>162.2</u>	<u>171.6</u>	<u>261.7</u>	<u>458.3</u>	<u>476.1</u>
27						
28 Excess (deficiency) of rev over exp before Transfers	<u>287.5</u>	<u>290.9</u>	<u>307.8</u>	<u>229.9</u>	<u>1.6</u>	<u>51.7</u>
29						
30 Other financing Sources (Uses):						
31 Operating transfer in						
32 Federal	-	-	-	-	-	-
33 Proceeds from Financing	5.4	-	-	20.6	80.7	-
34 Local	0.5	-	-	10.4	-	-
35 SpRev Other	12.3	-	-	68.4	-	0.0
36 Operating transfer out						
37 Prop A	(294.9)	(289.0)	(315.5)	-	-	-
38 Prop C	-	-	-	(253.6)	(221.4)	(250.7)
39 STA	-	-	-	-	-	-
40 TDA	-	-	-	-	-	-
41 Federal	-	-	-	-	-	-
42 State	-	-	-	-	-	-
43 Other	-	-	(2.2)	-	-	(5.9)
44 Proceeds from Financing	-	-	-	-	-	-
45 Proceeds from financing	-	-	-	-	-	43.3
46 Total other financing and sources (uses)	<u>(276.8)</u>	<u>(289.0)</u>	<u>(317.7)</u>	<u>(154.3)</u>	<u>(140.7)</u>	<u>(213.3)</u>
47 Excess (deficiency) of revenues and other financing sources						
48 over expenditures and other financing uses	\$ 10.8	\$ 1.9	\$ (9.9)	\$ 75.6	\$ (139.1)	\$ (161.6)
49						
50 Fund balances - beginning of year						
51 Fund balances (deficit) - end of year						

TDA & STA			SAFE			Other			Total Special Revenue Fund		
FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted	FY98 Actual	FY99 Midyear	FY00 Adopted
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	438.3	449.7	476.2
-	-	-	-	-	-	-	-	-	441.9	452.1	479.9
219.9	228.7	241.0	-	-	-	-	-	-	219.9	228.7	241.0
31.5	31.0	31.0	-	-	-	-	-	-	31.5	31.0	31.0
-	-	-	-	-	-	0.3	-	1.6	35.1	-	1.6
-	-	-	-	-	-	26.2	4.5	-	31.0	4.5	5.0
-	-	-	-	-	-	23.1	-	3.9	23.2	-	38.7
11.0	7.8	4.4	0.7	-	-	1.9	-	-	30.7	19.0	15.7
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	5.7	6.0	6.0	-	0.3	-	5.7	6.3	6.0
-	-	-	-	-	-	-	3.5	0.9	-	3.5	0.9
<u>262.4</u>	<u>267.5</u>	<u>276.5</u>	<u>6.4</u>	<u>6.0</u>	<u>6.0</u>	<u>51.5</u>	<u>8.3</u>	<u>6.3</u>	<u>1,257.3</u>	<u>1,194.8</u>	<u>1,296.1</u>
0.5	-	-	0.7	1.3	0.4	0.0	0.0	0.3	5.0	6.2	7.1
0.1	-	-	4.8	14.8	12.4	-	-	1.4	29.5	61.9	60.8
-	-	-	-	-	-	-	-	-	-	2.4	-
0.0	-	-	0.1	0.3	0.0	-	-	0.0	0.2	0.4	0.3
-	-	-	(0.0)	0.1	0.1	-	-	-	(0.0)	0.5	0.1
-	-	-	-	0.0	-	-	-	-	0.0	0.0	-
0.4	-	-	0.2	0.4	0.1	0.0	0.0	0.1	3.4	4.5	10.2
<u>69.8</u>	<u>72.0</u>	<u>76.5</u>	-	-	-	<u>(0.4)</u>	<u>10.0</u>	<u>6.8</u>	<u>457.9</u>	<u>643.4</u>	<u>667.4</u>
<u>70.8</u>	<u>72.0</u>	<u>76.5</u>	<u>5.8</u>	<u>16.8</u>	<u>13.0</u>	<u>(0.4)</u>	<u>10.1</u>	<u>8.6</u>	<u>495.9</u>	<u>719.4</u>	<u>745.9</u>
191.6	195.5	200.0	0.6	(10.8)	(7.0)	51.8	(1.8)	(2.3)	761.4	475.4	550.2
-	-	-	-	-	-	-	28.7	0.1	-	28.7	0.1
-	-	-	-	-	-	-	-	-	26.0	80.7	-
-	-	-	-	-	-	-	4.1	0.5	10.9	4.1	0.5
-	-	-	1.2	-	-	0.1	-	-	81.9	-	0.0
-	-	-	-	-	-	-	-	-	(294.9)	(289.0)	(315.5)
-	-	-	-	-	-	-	-	-	(253.6)	(221.4)	(250.7)
(11.2)	(27.1)	(26.9)	-	-	-	-	-	-	(11.2)	(27.1)	(26.9)
(187.3)	(109.0)	(185.2)	-	-	-	-	-	-	(187.3)	(109.0)	(185.2)
-	-	-	-	-	-	(46.4)	-	-	(46.4)	-	-
-	-	-	-	-	-	(3.2)	-	-	(3.2)	-	-
-	-	(3.3)	-	-	-	(2.9)	-	(1.7)	(2.9)	-	(13.0)
-	-	-	-	-	-	-	(84.3)	(4.9)	-	(84.3)	(4.9)
-	-	-	-	-	-	-	-	-	-	-	43.3
<u>(198.5)</u>	<u>(136.1)</u>	<u>(215.5)</u>	<u>1.2</u>	<u>-</u>	<u>-</u>	<u>(52.4)</u>	<u>(51.5)</u>	<u>(6.0)</u>	<u>(680.7)</u>	<u>(617.3)</u>	<u>(752.5)</u>
\$ (6.9)	\$ 59.4	\$ (15.5)	\$ 1.8	\$ (10.8)	\$ (7.0)	\$ (0.6)	\$ (53.3)	\$ (8.3)	\$ 80.7	\$ (141.9)	\$ (202.3)
									<u>448.4</u>	<u>529.1</u>	<u>387.3</u>
									<u>529.1</u>	<u>387.3</u>	<u>185.0</u>

## **REGIONAL PROGRAMS DESCRIPTIONS**

### **MUNICIPAL OPERATOR PROGRAMS**

Municipal Operator Programs are funds provided to the 16 transit service providers in Los Angeles County. The MTA allocates operating funds based on formulas approved by the Board using performance metrics such as vehicle service miles, passenger revenues and fares. Several other programs provide funding for municipal operators:

- **Operating Funds** - all eligible operators receive a proportionate share of applicable local, state and federal funds that are used as operating subsidies. These funds include STA, TDA and Proposition A Discretionary.
  - **Funds for Security** - a proportionate share of Proposition C 5% Security funds is available to municipal operators and the MTA to supplement regional security services. The FY00 Adopted Budget assumes funding for municipal security programs consistent with SB1755, also known as the Calderon Bill. This legislation provided that 90% of the total Proposition C 5% Security Funds be allocated by formula on the basis of total passengers served.
  - **Bus Service Improvement Plan (BSIP)** - the initial BSIP was approved by the Board in March, 1996 to provide supplemental funding to all Los Angeles County operators on a formula basis for the expansion of bus service. The FY00 Adopted Budget continues the BSIP at the funding level of \$10.4 million.
- Municipal operators will receive \$2.5 million and the balance will be allocated to MTA Metro Bus operations.
- **Transit Service Expansion** - this program provides funding to support specific services provided by the seven operators within Los Angeles County: Culver City; Foothill; Gardena; Long Beach; Los Angeles; Torrance; and, Antelope Valley. The FY00 Adopted Budget continues at the FY99 level of \$5.4 million.
  - **Base Bus Restructuring** - the Base Bus Restructuring provides funding for additional outside service, in addition to base service provided by the following operators: Commerce, Foothill, Montebello, and Torrance. The FY00 Adopted Budget continues funding at FY99 levels of \$2.8 million.
  - **Foothill Mitigation Program** - Proposition C Discretionary funds are allocated to the 16 transit providers and the MTA to mitigate against any adverse affect of Foothill Transit becoming an included operator.
  - **Fair Share Allocations** - Proposition C 40% Discretionary and Proposition A and C Interest funds are allocated to the transit operators if these funds are allocated to MTA to meet its bus operating service expenses, per Board policy.



## **AMERICANS WITH DISABILITIES ACT (ADA) PROGRAM**

The MTA continues to lead the effort to be fully compliant with the Federal American with Disabilities Act (ADA) by providing transit services to the disabled public.

MTA contracts with the non-profit Access Services, Inc. (ASI) to provide regional transit services for the disabled public. ASI provides Los Angeles County's complementary paratransit system designed for people with disabilities who cannot ride the fixed route bus and rail system. In 1990, the federal government mandated this specialized transportation service. The service is required to be complementary to the fixed route system, meaning the service must run at similar times as the fixed route system and must serve all areas within 3/4 mile on either side of a fixed route.

ASI is also the Consolidated Transportation Services Agency (CTSA) for Los Angeles County. As the CTSA, ASI fulfills a mandate from the State of California that each county have an agency working to improve transportation accessibility and to improve coordination among social service transportation and other public transportation service providers. The FY00 Adopted Budget increases funding to \$43.9 million, \$10.5 million more than the FY99 Revised Budget level. ASI will be funded with RSTP and Proposition C 40% Discretionary funds consistent with the FY99 Funding plan.

### **Paratransit Programs**

The intent of the Proposition A Discretionary Incentive Program is to encourage coordination of paratransit systems and institute and effective service.

The FY00 Adopted Budget programs \$9.0 million in Proposition A Discretionary Incentive funds. \$4.5 million from the incentive fund is programmed for specific paratransit programs throughout Los Angeles County. Paratransit is a component of the public transportation network that typically uses smaller vehicles in a demand response mode. The service usually targets seniors and persons with disabilities, although many paratransit services are also available to the general public. Many of the 89 cities in Los Angeles County operate their own paratransit systems, usually within the boundaries of one jurisdiction. A few of the jurisdictions provide service to neighboring cities or unincorporated portions of the County and some of these services are eligible for Proposition A Discretionary Incentive funds.

## **LOCAL PROJECTS AND PROGRAMS**

### **Proposition A and C Local Return**

The Proposition A and C ordinances require that each of the 89 cities of Los Angeles County receive a direct, share based on population, of the total Propositions A and C sales tax revenues to support transit needs and other transportation projects, known as "local return." Cities receive 25% of Proposition A receipts and 20% of Proposition C receipts. Funds can be used for paratransit and fixed route service, street and road maintenance and other transit - related improvements. In FY00, cities will receive approximately \$207 million under the local return program, a 4.4% increase over the FY99 Midyear Budget.

**TDA Bikeways/Transit/Streets & Highways Program**

This program category includes funding for TDA Article 3 and 8 funding programs. In FY00, \$4.7 million in TDA Article 3 funds and \$12 million in TDA Article 8 funds will be allocated. Article 8 funds are used for streets and road and transit projects. TDA Article 3 funds are allocated to all cities and the unincorporated areas of the County by population basis

**Ports Access Highway Improvements Program**

Ports access demonstration projects are partially funded through this program established in July, 1990. The MTA acts as the fund administrator whose responsibilities include facilitation and management of the account. The Ports and Cities of Los Angeles and Long Beach and Caltrans contributed to this funding program. It is estimated that \$6.8 million will be drawn down from this account in FY00 for project reimbursement.

**TIP Call for Projects**

The TIP Call for Projects is the MTA's biennial process for allocating funds to local

agencies for transportation improvements of regional significance. After the MTA establishes funding estimates for each project category, local agencies are invited to submit project applications that compete for funding allocations. MTA staff evaluates the project applications and ranks the submittals in each category according to a scoring system adopted by the Board. Upon the Board's adoption of the multi-year funding program, the MTA secures written agreements with the successful project sponsors and allocates funding to cities as agreed in the cash flow plan.

Eligible participants in the TIP Call for Projects include the cities in the county and the County of Los Angeles, municipal operators, joint powers authorities, public agencies and, in some cases, private non-profit organizations. Multiple TIP Call for Projects cycles at the MTA have resulted in significant programming to non-MTA project sponsors for FY00. Based on past experience of project delivery rates, MTA staff has estimated local funding cash expenditures for non-MTA projects as follows:

**Funds by Project Categories - Modes (\$000)**

	<b>FY00 Programmed Expenditures</b>	<b>Anticipated FY00 Expenses</b>
Freeway Projects (HOV, TSM and Gap Closures)	\$110,374	79,613
Regional Surface Transportation Improvements	34,604	24,223
Transit Capital and Enhancements	10,669	7,468
Transit Enhancements	0	0
Local Traffic Systems Management	128,867	90,207
Regional Bikeways and Pedestrian Improvements	14,490	10,143
Transportation Demand Management	<u>9,333</u>	<u>6,533</u>
<b>Total Local Programmed CFP Funds</b>	<b><u>\$308,337</u></b>	<b><u>\$218,187</u></b>

REGIONAL PROGRAMS BUDGET DETAIL (\$000)

	FY98 Actual	FY99 Midyear	FY00 Adopted
<b>MTA Programming of Regional Funds:</b>			
<b>Municipal Operator Programs</b>			
Operating Funding Program	\$ 111,977	\$ 107,752	\$ 116,191
Call for Projects Security funds	838	3,235	4,400
Bus Service Improvement Program	1,492	2,501	2,501
Transit Service Expansion	3,103	5,408	5,408
Base Bus Restructuring	<u>2,801</u>	<u>2,801</u>	<u>2,801</u>
<b>Municipal Operator Programs Total</b>	<b>120,210</b>	<b>121,698</b>	<b>131,301</b>
<b>ADA/Accessibility Funding Programs</b>			
ASI - Access Services Inc	29,631	33,400	43,900
Proposition A Incentive programs	<u>8,268</u>	<u>6,249</u>	<u>4,493</u>
<b>ADA/Accessibility Funding Programs Total</b>	<b>37,899</b>	<b>39,649</b>	<b>48,393</b>
<b>Local Projects and Programs</b>			
Proposition A and C Local Return	189,690	195,640	207,640
TDA Bikeways / Transit / Streets & Hwys Pgms	11,021	16,034	17,205
Ports Access Highway	16	10,000	6,826
Call for Projects	<u>68,031</u>	<u>221,160</u>	<u>218,187</u>
<b>Local Projects and Programs Total</b>	<b>268,756</b>	<b>442,833</b>	<b>449,858</b>
<b>Other Local Projects</b>			
Immediate Needs	4,887	5,000	5,000
SHORE/General Relief Tokens	962	1,075	2,475
Wilshire Streetscape	<u>658</u>	<u>650</u>	<u>341</u>
<b>Other Local Projects Total</b>	<b>6,507</b>	<b>6,725</b>	<b>7,816</b>
<b>Commuter Rail &amp; Intercity Rail Programs</b>			
Metrolink	35,273	32,452	33,645
Intercity Rail	<u>25</u>	<u>25</u>	<u>25</u>
<b>Commuter Rail &amp; Intercity Rail Programs</b>	<b>35,298</b>	<b>32,477</b>	<b>33,670</b>
<b>Total MTA Funded Programs</b>	<b>\$ 468,671</b>	<b>\$ 643,382</b>	<b>\$ 671,037</b>

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# Organizational Summary



# ORGANIZATIONAL SUMMARY

This section of the FY00 Adopted Budget includes information on departmental budgets grouped by Executive Officer. The total budgeted number of full-time equivalent (FTE) positions after the FY99 midyear adjustments is 8,006. However, it should be noted that the budgeted number of FTEs may not reflect the current number of people within each Executive Unit. The number of FTEs reflects to actual time that a position will be filled during the year. If a position is planned to be filled for half of the year, it is equal to one-half FTE.

## REORGANIZATION

The FY00 Adopted Budget process included minor reorganizations in the effort to streamline management and flatten the organization. Management Action Plans (MAPs) were developed for FY00 strategies that are based on MTA's guiding principles. These reorganizations include:

- The Office of the Chief Operating Officer (OCCO) has a new department, New Business Development, reporting directly to the Chief Operating Officer (COO). Also reporting directly to the COO are Public Relations and Customer Relations & Marketing. The Chief of Staff, who in turn reports to the CEO, has the following direct reporting departments: Government Relations, Labor Relations, Board Research Services, and the Management Audit Services Department (MASD).
- Office of Safety & Security reports to the Office of the CEO, but is now shown separately.
- The Engineering & Construction Division has modified its organization and staff utilization in accordance with MTA program changes. This division is in transition from a start-up organization, tasked with initiating new projects, to a maintenance organization responsible for the ongoing, day-to-day operations of MTA Metro Bus and Metro Rail transit systems. The division is changing its role from that of a managing organization, overseeing the rail construction program implementation to that of a self-performing Engineering, Design, and Construction Management organization that maintains MTA facilities.
- Transit Operations' Labor Relations (cost center 3130) is a new post-merger function in Transit Operations in FY00, a transfer of the function of second level labor administration from Employee Relations (cost center 6110). During FY99, Transit Operations' reorganization created a functional separation between Maintenance and Transportation but maintained a single budget. In FY00, these two functions are budgeted separately.
- The Risk Management Department reports to the Chief Financial Officer (CFO) within the Office of the CEO. Accounting, Treasury, Revenue Administration and the Office of Management & Budget also report to the CFO.
- The Office of Procurement is currently organizing its staff to support the requirements associated with accelerated bus procurements and purchased parts activity. Procurement is still in the process of redefining itself. However,

for FY99 as for FY00, Procurement maintains the same departments even though there are internal changes of focus. The Procurement Compliance & Business Planning unit is providing the coordination for Office of Inspector General (OIG) audit reviews, policy and procedure updates, response to federal and state audits and training implementation. In addition, this unit is responsible for resolving all protest issues. The Office of Procurement has begun its transition from administering complex construction contracts to focus on bus procurements and professional service contracts as part of the unit's core business.

- Administration has reorganized the Information & Technology Services (ITS), establishing the ITS-Information Services/Y2K Project Team as a direct report to the Executive Office representing the importance of the MTA's Year 2000 Project efforts.
- Regional Transportation Planning & Development (RTP&D) has assumed responsibility for managing the Agency's auxiliary units, Service Authority for Freeway Emergencies (SAFE), Freeway Service Patrol/Major Incident Response (FSP/MIR) and coordinating with the SAFE program office.
- Human Resources has been elevated from a Department to an Executive Office and separated from the Administration function due to reporting relationships.
- The Employee & Labor Relations unit was reorganized and divided between Human Resources and Transit Operations. The function of second level labor administration has transferred to Transit Operations. Arbitration, contract administration & interpretation, and non-

contract grievances are still handled by Employee Relations. Responsibility for contract negotiations has been transferred to the Office of the CEO.



# MTA FY00 Adopted



MTA  
Board of Directors

Office of Board  
Secretary

County Counsel

Chief Executive Officer

Inspector General

Ethics Office

Office of the CEO

New Business Dev.

Board Research  
Services

Management  
Audit Services

Risk Management

Government  
Relations

Office of Safety  
& Security

Media Relations

Office of Labor  
Relations

Engineering &  
Construction

Transit Operations

Finance

Office of Procurement

Administration

Regional Transportation  
Planning & Development

Human Resources

Construction  
Administration

Bus Maintenance

Office of Mgmt & Budget

Service Contract  
Administration

Information and  
Technology Services

Capital Development &  
Programming

Human Resources

Program Management

Bus Transportation

Revenue

Construction Contract  
Administration

Marketing &  
Customer Relations

Countywide Planning

Employee Relations

Engineering Mgmt

Transit Rail Operations

Accounting

Material

General Services

Transp. Development &  
Implementation

Equal Employment Opty

Construction Mgmt

Transit Operations  
Support

Treasury

Procurement Compliance  
&  
Business Planning

Real Estate

Ops Planning &  
Scheduling  
Consent Decree  
Compliance

Quality Management

Chief Estimator

Year 2000 Project

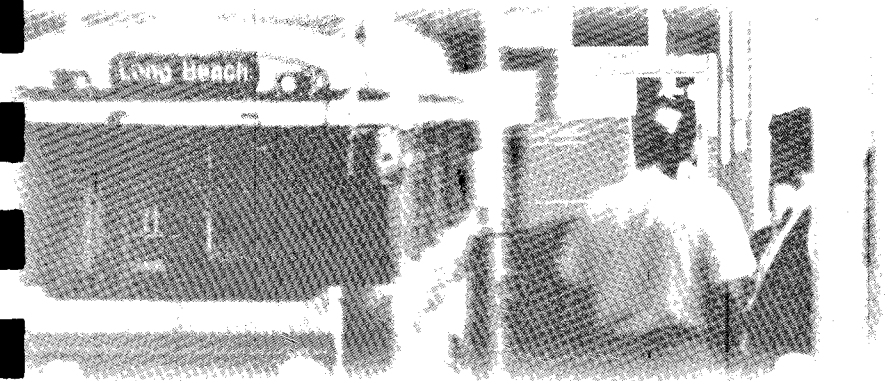
Vehicle Acquisition  
& Warranty

## MTA Summary Expenditure Budget

<b>Executive Office FTE's</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Board Of Directors	59	62	61
Chief Executive Office	229	240	251
Transit Operations	6,033	6,246	6,606
R T P & D	226	208	221
Finance	256	253	279
Administration	321	270	277
Human Resources	137	99	99
Office Of Safety & Security	245	112	123
Office Of Procurement	290	336	344
Engineering & Construction	237	181	166
<b>Total</b>	<b>8,034</b>	<b>8,006</b>	<b>8,425</b>

<b>Expenditure (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Board Of Directors	21,334	28,023	28,690
Chief Executive Office	19,984	23,974	23,611
Transit Operations	586,719	596,037	660,963
R T P & D	522,023	733,940	783,598
Finance	688,002	482,968	519,547
Administration	45,751	65,764	75,186
Human Resources	19,386	10,336	12,006
Office Of Safety & Security	45,281	58,342	67,481
Office Of Procurement	120,378	125,539	198,712
Engineering & Construction	388,175	378,515	289,379
Non-Departmental	(8,198)	4,537	6,338
<b>Total</b>	<b>2,448,834</b>	<b>2,507,977</b>	<b>2,665,510</b>

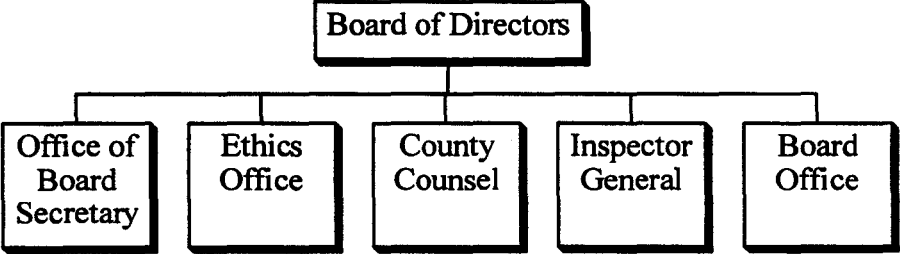
<b>Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	271,354	258,713	273,543
Non-Contract Wages	99,054	96,405	106,311
Fringe Benefits	246,310	209,067	229,693
Professional & Tech Services	154,354	160,832	147,935
Contract Services	63,483	133,047	139,769
Purchased Transportation	19,718	32,266	36,896
Fuels & Lubricants/Utilities	39,341	36,813	45,330
Material & Supplies	64,200	86,417	103,946
Casualty & Liability	17,065	49,509	48,565
Debt/Interest	625,938	383,005	406,340
Acquisitions	358,448	413,663	424,331
Subsidies	468,671	643,382	671,037
Other	37,309	15,016	31,814
<b>Sub Total</b>	<b>2,465,245</b>	<b>2,518,136</b>	<b>2,665,510</b>
Overhead	(16,411)	(10,159)	0
<b>Total</b>	<b>2,448,834</b>	<b>2,507,977</b>	<b>2,665,510</b>



Executive Office  
and  
Department Budgets



**Board of Directors**



## Board Of Directors

Department FTE's	FY98 Actual	FY99 Midyear	FY00 Adopted
Office Of Board Secretary	10	9	9
Ethics Office	8	7	6
County Counsel	4	4	4
Inspector General	37	42	42
<b>Total</b>	<b>59</b>	<b>62</b>	<b>61</b>

Expenditures (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Board Office	183	1,425	145
Office Of Board Secretary	559	544	548
Ethics Office	620	480	438
County Counsel	14,765	17,717	18,905
Inspector General	3,220	4,290	4,304
<b>Sub Total Department</b>	<b>19,347</b>	<b>24,458</b>	<b>24,340</b>

Non-Departmental-County Counsel	1,987	3,565	4,350
<b>Sub Total Non-dept.</b>	<b>1,987</b>	<b>3,565</b>	<b>4,350</b>

<b>Total Non-dept &amp; Dept</b>	<b>21,334</b>	<b>28,023</b>	<b>28,690</b>
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Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	0	0	0
Non-Contract Wages	2,739	3,152	3,185
Fringe Benefits	1,486	1,528	1,483
Professional & Tech Services	286	1,957	838
Contract Services	16,410	20,839	22,730
Fuels & Lubricants/Utilities	62	85	85
Material & Supplies	141	96	66
Acquisitions	76	208	158
Other	134	157	146
<b>Sub Total</b>	<b>21,334</b>	<b>28,023</b>	<b>28,690</b>
Overhead	0	0	0
<b>Total</b>	<b>21,334</b>	<b>28,023</b>	<b>28,690</b>

**Board Of Directors    Board Office**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Non-Contract Wages	0	0	0
Fringe Benefits	0	0	0
Professional & Tech Services	124	1,387	117
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	19	6	0
Other	40	32	29
<b>Sub Total</b>	<b>183</b>	<b>1,425</b>	<b>145</b>
Overhead	0	0	0
<b>Total</b>	<b>183</b>	<b>1,425</b>	<b>145</b>

## OFFICE OF BOARD SECRETARY

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

### FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>Increase the efficiency and effectiveness of the Agency.</li> </ul>	<ul style="list-style-type: none"> <li>Provide convenient public access to Board information to contribute to the vitality of the region and the transportation system development by posting board agenda, distributing board reports and minutes in person, via US mail, electronic mail &amp; internet, coordinating &amp; convening board meetings, and responding to requests within one day.</li> </ul>
<ul style="list-style-type: none"> <li>Improve management reporting, accountability, and controls.</li> </ul>	<ul style="list-style-type: none"> <li>Act as MTA's Agent of Service of Process for all legal documents by accepting and processing all legal documents (e.g., subpoenas, summons and complaints) and claims for damages and garnishments served on MTA and its employees.</li> <li>Represent MTA in courts as custodian of records.</li> </ul>

### Major Budget Variances - Office of Board Secretary

- Although total FTEs remains constant at nine for the Office of Board Secretary and the Legal Services Support function, the allocation of positions by function changed. In FY99, nine FTEs were split into six for the Board Secretary and three for Legal Services.
- In FY00, the Office of Board Secretary function reduces from six to five, an FTE reduction of one. In contrast, the Legal Services function is a one-stop location for legal service on both MTA and personal service by outside parties on MTA employees and increases from three to four FTES.

### Major Budget Variances - Board Office

- Professional services in the FY99 Budget is inflated by \$1.307 million to pay for the Yaroslavsky special Sales Tax Los Angeles County Election (passed at June 1999 Board meeting) to stop future rail construction. Board Contingency Funds were transferred to the Board Office budget to reimburse Los Angeles County for election costs.
- Although the FY00 Adopted Budget is reduced from FY98 actual expenditures, the Board Office cost was reduced in FY99 due to annualized savings of no alternates resulting in reduced travel, Board fees, and conference seminars.



**Board Of Directors    Office Of Board Secretary**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	346	348	351
Fringe Benefits	183	162	155
Professional & Tech Services	9	24	31
Contract Services	0	0	0
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	20	7	9
Other	1	3	3
<b>Sub Total</b>	<b>559</b>	<b>544</b>	<b>548</b>
Overhead	0	0	0
<b>Total</b>	<b>559</b>	<b>544</b>	<b>548</b>
<b>FTEs</b>	<b>10</b>	<b>9</b>	<b>9</b>

## ETHICS OFFICE

The Ethics Office advises the Board of Directors, executive management, and staff on ethical, financial disclosure and conflict of interest issues. It also researches state laws and regulation governing campaign contributions, fund raising activities, conflicts of interest and lobby regulations.

### FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"><li>• Improve management reporting, accountability and controls.</li></ul>	<ul style="list-style-type: none"><li>• Advise and deliver reports to board on conflict of interest issues for Agency.</li><li>• Register and administer lobbyist administration for the Agency.</li><li>• Administer financial disclosure reporting for the Agency.</li><li>• Provide comprehensive training for contract &amp; non-contract employees.</li></ul>

### Major Budget Variances

- In FY00, the Ethics Office is able to eliminate one secretary position. The Ethics Office is able to realize cost efficiencies due to new technology that reduce paper dependencies.
- The Ethics Office has implemented on-line registration and quarterly reporting for lobbyists which has significantly reduced paper volume and improved management of information.
- In FY00, the Ethics Office has cut \$13,000 in planned expenditures for Travel, Training and Memberships.

**Board Of Directors    Ethics Office**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	354	311	300
Fringe Benefits	203	153	134
Professional & Tech Services	0	0	0
Contract Services	0	0	0
Material & Supplies	56	1	2
Other	7	16	3
<b>Sub Total</b>	<b>620</b>	<b>480</b>	<b>438</b>
Overhead	0	0	0
<b>Total</b>	<b>620</b>	<b>480</b>	<b>438</b>

FTEs	8	7	6
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# COUNTY COUNSEL

As General Counsel to the MTA, Office of the County Counsel’s mission is to provide timely and effective legal representation, advice, and counsel of the highest professional caliber to the MTA.

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

## FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Increase the efficiency and effectiveness of the Agency.</li> </ul>	<ul style="list-style-type: none"> <li>• Efficiently administer the General Counsel office by managing outside counsel and all litigation to minimize costs and liability.</li> <li>• Efficiently administer the General County Counsel office by using training to identify and resolve potential disputes before they come large cases.</li> <li>• Efficiently administer the General Counsel office by timely responding to requests for legal advice and assistance.</li> <li>• Efficiently administer the General Counsel office by vigorously pursuing false claims against MTA contractors.</li> </ul>

## Major Budget Variances

In summary review, County Counsel increases budget in both Non-Departmental and in legal cost centers.

- The increases in the Non-Departmental Legal cost center are due to:
  - \* an increase in the Contingency fund for Transit Operations unit including Special Master and plaintiff’s attorneys’ costs in connection with Labor/Community Strategy Consent Decree
  - \* an increase in the Contingency fund for potential litigation fees on Metro Rail Construction over contract disputes
  - \* an increase in potential environmental recovery cases
  - \* an increase for unplanned lawsuits and other unanticipated legal services

- The increases in the Legal cost center are due to:
  - \* Increase legal budget for Transit Operations due to:
    - ⇒ Service Authority for Freeway Emergencies (SAFE) litigation
    - ⇒ Fare lawsuit
    - ⇒ anticipated labor negotiations
    - ⇒ wheelchair access
    - ⇒ Transit Operations employee-related new litigation
- Offsetting decreases are due to:
  - \* Legal charges to administration, including transfer of budget for Inspector General decrease
  - \* Legal charges to construction projects decrease
  - \* Legal charges to planning projects decrease
- County Counsel has increased County Counsel contracts and reduced MTA Contract Counsel to reduce legal fees since Los Angeles County has negotiated a better rate for legal services than MTA.
  - \* County Counsel increases budget by \$2.4 million for legal services through County Counsel Contracts at Los Angeles County offset by a \$2.4 million decrease in MTA Contract Counsel, law firms or attorneys hired directly on MTA contracts.

## Board Of Directors County Counsel

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	158	207	195
Fringe Benefits	65	77	91
Professional & Tech Services	135	135	270
Contract Services	14,360	17,254	18,299
Material & Supplies	17	21	12
Acquisitions	0	0	0
Other	30	24	39
<b>Sub Total</b>	<b>14,765</b>	<b>17,717</b>	<b>18,905</b>
Overhead	0	0	0
<b>Total</b>	<b>14,765</b>	<b>17,717</b>	<b>18,905</b>

FTEs	4	4	4
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<b>Non-Department Expenditure Type</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Professional & Tech Services	0	0	0
Contract Services	1,987	3,565	4,350
Other	0	0	0
<b>Sub Total</b>	<b>1,987</b>	<b>3,565</b>	<b>4,350</b>
<b>Total</b>	<b>1,987</b>	<b>3,565</b>	<b>4,350</b>

# OFFICE OF INSPECTOR GENERAL

The Office of Inspector General (OIG) is responsible for identifying and investigating allegations of fraud, waste, and abuse of MTA resources, both internally and externally.

## FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Increase the efficiency and effectiveness of the Agency</li> </ul>	<ul style="list-style-type: none"> <li>• Maximize staff effectiveness</li> <li>• Issue 10 audit reports</li> <li>• Issue 5 audit policy statements</li> <li>• Issue 10 inspection reports</li> <li>• Promote and operate OIG hotline</li> <li>• Work more closely with Gateway management to identify systemic problems and make remedial changes</li> </ul>

## Major Budget Variances

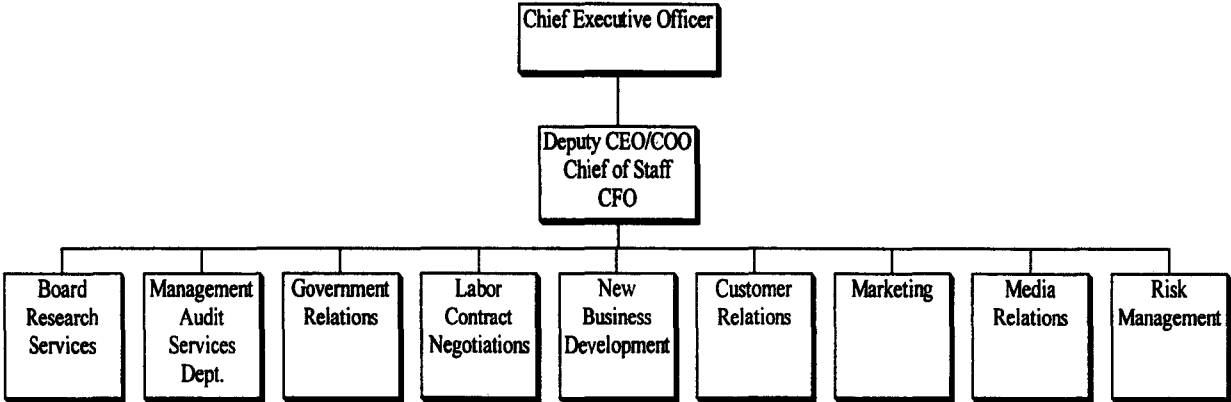
- The OIG non-labor budget for FY00 is largely consistent with the FY99 Revised Budget, which is \$100,000 lower than the FY99 Adopted Budget (or will be once a \$100,000 budget reduction fund transfer is completed for FY99). The only change in the FY00 Budget is an increase of \$60,000 in combined Professional/Technical & Contract services (due to transfer of budget funding and responsibility for certain legal service fees in FY00 from County Counsel to the OIG).
- The OIG pays for their own utilities, specifically OIG telephone usage, which is the same in FY00 Adopted Budget as in FY99 Midyear Budget.
- FTEs remain stable at 42 positions both in FY99 Adopted, FY99 Midyear and in FY00 Adopted Budgets. 42 positions were previously budgeted in FY98, reduced by five to 37 during the FY98 Reforecast Budget and restored to 42 in the FY99 Adopted Budget.
- Interns and training programs remain at the same funding levels as in FY99 Midyear: \$75,000 for Interns and \$65,000 for training programs.

## Board Of Directors    Inspector General

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	1,882	2,287	2,340
Fringe Benefits	1,035	1,136	1,103
Professional & Tech Services	18	411	420
Contract Services	63	20	81
Fuels & Lubricants/Utilities	62	85	85
Material & Supplies	29	61	44
Acquisitions	76	208	158
Other	56	83	73
<b>Sub Total</b>	<b>3,220</b>	<b>4,290</b>	<b>4,304</b>
Overhead	0	0	0
<b>Total</b>	<b>3,220</b>	<b>4,290</b>	<b>4,304</b>
<b>FTEs</b>	<b>37</b>	<b>42</b>	<b>42</b>



# Office of the CEO



## Chief Executive Office

Department FTE's	FY98 Actual	FY99 Midyear	FY00 Adopted
Chief Executive Office	4	2	1
Deputy Ceo/Coo	8	6	3
Deputy Ceo Construction / Operations	0	1	0
New Business Development	0	0	2
Chief Of Staff	0	4	6
Management Audit Services	43	61	72
Board Research Services	4	5	5
Media Relations	11	7	7
Marketing	19	13	13
Customer Relations	130	134	134
Government Relations	10	8	8
<b>Total</b>	<b>229</b>	<b>240</b>	<b>251</b>

Expenditures (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Chief Executive Office	604	774	207
Deputy Ceo/Coo	1,390	1,416	981
Deputy Ceo Construction / Operations	0	114	0
New Business Development	0	0	189
Chief Of Staff	528	1,384	1,536
Management Audit Services	5,243	9,245	9,086
Board Research Services	490	419	442
Media Relations	1,017	603	661
Marketing	2,481	2,202	2,678
Customer Relations	7,103	6,566	6,542
Government Relations	1,127	1,251	1,290
<b>Sub Total Department</b>	<b>19,984</b>	<b>23,974</b>	<b>23,611</b>

<b>Sub Total Non-dept.</b>			
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<b>Total Non-dept &amp; Dept</b>	<b>19,984</b>	<b>23,974</b>	<b>23,611</b>
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Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	2,584	2,889	2,820
Non-Contract Wages	6,950	7,943	7,283
Fringe Benefits	5,815	5,617	5,086
Professional & Tech Services	3,187	6,031	7,183
Contract Services	880	21	35
Fuels & Lubricants/Utilities	2	0	0
Material & Supplies	330	480	275
Acquisitions	1	0	54
Other	234	993	875
<b>Sub Total</b>	<b>19,984</b>	<b>23,974</b>	<b>23,611</b>
Overhead	0	0	0
<b>Total</b>	<b>19,984</b>	<b>23,974</b>	<b>23,611</b>

**Chief Executive Office    Chief Executive Office**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	408	190	131
Fringe Benefits	215	88	58
Professional & Tech Services	(18)	480	0
Contract Services	(41)	0	0
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	7	0	0
Acquisitions	0	0	0
Other	32	16	18
<b>Sub Total</b>	<b>604</b>	<b>774</b>	<b>207</b>
Overhead	0	0	0
<b>Total</b>	<b>604</b>	<b>774</b>	<b>207</b>

FTEs	4	2	1
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## OFFICE OF THE CHIEF EXECUTIVE OFFICER

The Office of the Chief Executive Officer (OCEO) was organized to better implement efforts to achieve Agency goals. This office consists of the MTA's senior officers (the CEO, the Chief Operating Officer, the Chief Financial Officer, the Chief of Staff, the Deputy Assistant CEO, the Deputy Executive Officer of New Business Development and support staff.)

Certain responsibilities of the OCEO have been delegated to this Office to improve coordination and control of work that crosses departmental lines and to provide additional resources to staff and stakeholders. The departmental description of Risk Management is included in Finance, Risk Management.

The strategic goals and objectives of the Office of the CEO are to:

### FY00 Strategic Goals and Objectives

STRATEGIC GOALS	OBJECTIVE
<ul style="list-style-type: none"> <li>• Optimize our core businesses to:               <ul style="list-style-type: none"> <li>A. Improve Metro Bus service and customer satisfaction</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Meet the Consent Decree objectives.</li> <li>• Implement the accelerated bus procurement plan.</li> <li>• Deploy the Metro Rapid Bus program for 3 demonstration lines.</li> <li>• Improve Metro Bus service reliability and upgrade equipment.</li> <li>• Implement technology improvements to the Metro Bus system.</li> </ul>
<ul style="list-style-type: none"> <li>• Optimize our core businesses to:               <ul style="list-style-type: none"> <li>B. Improve Metro Rail service and customer satisfaction.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Fully integrate the North Hollywood Metro Rail Red Line into the Metro Rail system on its scheduled ROD.</li> <li>• Improve rail service reliability.</li> </ul>
<ul style="list-style-type: none"> <li>• Optimize our core businesses to:               <ul style="list-style-type: none"> <li>C. Improve coordination and collaboration with other stakeholders in regional transportation planning and programming.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Complete the update of the Long Range Plan (LRP).</li> <li>• Effectively manage and implement the Call for Projects, other funding plans and regional projects.</li> <li>• Complete the planning analysis for East Side and Mid-City fixed guide-way systems.</li> <li>• Administer the fair share funding formulas and analyze options to improve the benefits of the distribution.</li> <li>• Work with stakeholders of sub-regions to improve local transit service.</li> <li>• Work with the Pasadena Blue Line Construction Authority to facilitate construction of the Pasadena Blue Line.</li> </ul>

<ul style="list-style-type: none"> <li>• Optimize our core businesses to: D. Complete construction projects on schedule.</li> </ul>	<ul style="list-style-type: none"> <li>• Complete North Hollywood Metro Rail Red Line Segment 3 on schedule and on budget.</li> <li>• Keep all other construction projects budgeted in FY00 on schedule and on budget.</li> </ul>
<ul style="list-style-type: none"> <li>• Carefully manage the Agency's expenditures and improve efficiency.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase the efficiency and effectiveness of the Agency.</li> <li>• Improve management reporting, accountability and controls.</li> <li>• Reduce workers' compensation costs.</li> <li>• Improve the farebox recovery ratio.</li> <li>• Develop new revenue streams from non-farebox sources.</li> </ul>
<ul style="list-style-type: none"> <li>• Increase the effectiveness and satisfaction of the workforce.</li> </ul>	<ul style="list-style-type: none"> <li>• Improve the effectiveness and quality of the workforce.</li> <li>• Improve job satisfaction and employee morale.</li> <li>• Partner with the unions to optimize productivity and service.</li> </ul>

# OFFICE OF THE CHIEF EXECUTIVE OFFICER

## Major Budget Variances

Cost Centers rolling up the Chief Executive Office contribute to the non-labor variance as follows:

- A \$1.2 million increase in services is mainly due to:
  - \* \$256,000 add: The CEO, the COO and the Chief of Staff budgeted \$2.16 million in professional and technical services, an increase of \$256,000 from the FY99 Midyear Budget to provide as needed service support to the Office of the DCEO/COO.
  - \* \$433,000 add: Marketing has increased \$433,000 partly due to a \$170,000 Capital project for signage fabrication costs for elevators and ticket vending machines (TVM) for Metro Rail System Improvement Rail Signage-ADA. Additionally, the Office of Management & Budget (OMB) increased the budget in the Marketing Department for FY00 expenditures at the MTA Print Shop, and the Graphics Department to charge back Marketing for printing services, photocopies, and graphics based on historical actual expenditures.
  - \* \$480,000 add: Management Audit Services Department (MASD) has increased services by \$480,390. Much of the increase is due to CPA firm services for close-out of large and/or sensitive Call-for-Projects to identify unused funds and disallowed costs.
  - \* Customer Relations increased by \$154,000 mainly due to the acquisition of a new customer complaint system.
  - \* Chief of Staff increased professional and technical services by \$150,000 to provide assistance to the Office of the CEO.
- A \$215,000 reduction in Material & Supplies and Other.
- A \$54,000 increase in Acquisitions. Customer Relations is upgrading the Customer Complaint System to expedite processing of customer complaints from Customer Relations to Transit Operations' operating divisions to improve bus service delivery to public, quicker remedial action, and contributes to satisfying transit rider consent decree.
- Cost centers rolling up the Chief Executive Office contribute to the FTEs variance as follows:
  - \* Positions for the departments reporting to the CEO have increased by 11 from FY99, totaling 251 for FY00.
  - \* Reporting to the Chief of Staff are the Management Audit Services Department (MASD), Government Relations, Labor Relations, and Board Research Services. Board Research Services and Government Relations have maintained the same number of positions from FY99 to FY00. Board Research Services has 5 positions and Government Relations has 8 positions. Although the Chief of Staff has increased by 2 for Labor Relations and the New Business Development adds 2, this is more than offset by decreases in the Chief Operating Office (COO) and the CEO and the former DCEO of Construction/Operations.
  - \* MASD total positions for FY99 translated from FTEs is a total of 72, although not reflected in the FY99 Midyear department FTEs of 61. Add 10.25 FTEs to the 61 FTEs equates to 72 positions.

- \* Add 2.25 FTEs to the 61 FTEs due to time-phasing of FTEs in FY99
- \* In Project Audit, 3.75 Auditors in FY99 were only budgeted for three quarters. In FY00 this translates into 5 Auditors. In Contractor Pre-Qual only 2 Auditors were budgeted for the first quarter, but 3 Auditors were budgeted for three quarters. This translates into 3 Auditor positions for FY00.
- \* Add 8 FTEs to the 61 number due to transfer of as-needed to FTEs in FY99 in a FY00 fund transfer.
- MASD has added a new cost center function Audit Resolution and Recovery and has moved 2 staff from other MASD cost center functions. Other MASD cost center functions are the Management Audit, Internal Audit, Contract Audit, Project Audit Group, Contractor Pre-Qualification, COSO/CSA.

**Chief Executive Office    Deputy Ceo/Coo**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Non-Contract Wages	369	927	207
Fringe Benefits	201	191	92
Professional & Tech Services	733	274	660
Contract Services	18	0	0
Material & Supplies	1	10	2
Other	68	14	20
<b>Sub Total</b>	<b>1,390</b>	<b>1,416</b>	<b>981</b>
Overhead	0	0	0
<b>Total</b>	<b>1,390</b>	<b>1,416</b>	<b>981</b>

FTEs	8	6	3
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**Chief Executive Office    Dep Exec Office Const/Ops**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Non-Contract Wages	0	77	0
Fringe Benefits	0	35	0
Material & Supplies	0	0	0
Other	0	2	0
<b>Sub Total</b>	<b>0</b>	<b>114</b>	<b>0</b>
<b>Total</b>	<b>0</b>	<b>114</b>	<b>0</b>

FTEs	0	1	0
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**Chief Executive Office    New Business Development**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Non-Contract Wages	0	0	130
Fringe Benefits	0	0	57
Material & Supplies	0	0	0
Other	0	0	1
<b>Sub Total</b>	<b>0</b>	<b>0</b>	<b>189</b>
<b>Total</b>	<b>0</b>	<b>0</b>	<b>189</b>
<b>FTEs</b>	<b>0</b>	<b>0</b>	<b>2</b>

**Chief Executive Office    Chief Of Staff**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Non-Contract Wages	150	283	350
Fringe Benefits	83	127	155
Professional & Tech Services	377	850	1,000
Material & Supplies	(85)	11	12
Other	3	112	19
<b>Sub Total</b>	<b>528</b>	<b>1,384</b>	<b>1,536</b>
Overhead	0	0	0
<b>Total</b>	<b>528</b>	<b>1,384</b>	<b>1,536</b>

FTEs	0	4	6
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## BOARD RESEARCH SERVICES

Board Research Services reviews board reports and coordinates and provides briefings with MTA Board members and their staff on various issues to provide the Board with information to make informed decisions.

### FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Work with stakeholders of sub-regions to improve local transit service.</li> </ul>	<ul style="list-style-type: none"> <li>• Provides research and analysis to Board members, Board staff and MTA executive management regarding Agency policies before the committees of Construction, Finance &amp; Budget, Executive Management, RTP&amp;D, and Transit Operations.</li> <li>• Enhance MTA Board member Fasana's effectiveness by providing timely and creative technical, strategic and administrative support: gain support and funding for critical transportation initiatives endorsed by the San Gabriel Valley Council of Governments.</li> <li>• Effectively link MTA stakeholders in support of policies, programs and projects by serving as staff liaison to the legislatively mandated MTA citizens advisory council.</li> <li>• Provide leadership in identifying issues and developing strategies to improve the decision-making process of Board of Directors and MTA staff. Oversee and provide research and analysis for Board and executive staff.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve management reporting, accountability and controls.</li> </ul>	<ul style="list-style-type: none"> <li>• Keep department administrative functions operating efficiently by developing department budget, processing requisitions via FIS, processing expense reports and performing other administrative duties in a timely manner.</li> </ul>
<ul style="list-style-type: none"> <li>• Increase the efficiency and effectiveness of the Agency.</li> </ul>	<ul style="list-style-type: none"> <li>• Oversee the department's daily administrative functions and the development of the department budget including approval of requisitions, timesheets, expense reports, etc.</li> </ul>

**Chief Executive Office    Board Research Services**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Non-Contract Wages	313	278	299
Fringe Benefits	176	131	134
Fuels & Lubricants/Utilities	1	0	0
Material & Supplies	(1)	3	3
Other	2	8	7
<b>Sub Total</b>	<b>490</b>	<b>419</b>	<b>442</b>
Overhead	0	0	0
<b>Total</b>	<b>490</b>	<b>419</b>	<b>442</b>

FTEs	4	5	5
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## MANAGEMENT AUDIT SERVICES DEPARTMENT

Management Audit Services Department (MASD) is responsible for supporting the MTA and management through Internal Audit (review internal controls, verify compliance with laws and regulations, determine whether assets are safeguarded, review the accuracy and timeliness of financial reports); Contract Audit (conduct construction and professional service contract audits according to legislature AB 1869 and FTA required interim and close-out audits); Project Audit (performs required Call-for-Projects close-out audits and administers the mandated Consolidated Audit); Contractor Pre-Qualification function (implement the audit requirements of California Assembly Bill 1869) and COSO/CSA (establish internal controls throughout MTA).

### FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Increase the efficiency and effectiveness of the Agency.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure all MASD cost centers meet their goals, objectives and strategies.</li> <li>• Improve methods of safeguarding MTA assets by conducting audits.</li> <li>• Contract with CPA firm to perform mandated financial/compliance audits of jurisdictions within Los Angeles County that received TDA, FTA, Propositions A&amp;C funds administered by MTA. These audits last year identified over \$8 million in lapsed (unspent) funds.</li> <li>• Complete 244 additional audits of projects funded by the FY93-FY96 calls. These audits identify recoverable dollars for MTA. Audits through January 1999 have recovered \$8.9 million, exceeding project audit FY99 \$1.3 million budget.</li> <li>• Refine data handling and reduce processing time on non-responsive pre-qualification applicants.</li> <li>• Process pre-qualification applications in a comprehensive but timely manner.</li> <li>• Facilitate the implementation of the Control Self Assessment (CSA) process throughout the MTA.</li> <li>• Track and issue monthly reports on recoveries and recommendations which have been implemented, proposed, and scheduled. Conduct "Value" analysis as required.</li> <li>• Ensure auditees provide formal responses, corrective action plans and monitor implementation.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve management reporting, accountability and controls.</li> </ul>	<ul style="list-style-type: none"> <li>• Issue 300 Contract Audit reports.</li> <li>• Provide litigation support to legal counsel to identify cost avoidance dollars.</li> </ul>

## Chief Executive Office Management Audit Services

Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	0	0	0
Non-Contract Wages	2,534	3,863	3,668
Fringe Benefits	1,050	1,882	1,632
Professional & Tech Services	1,353	3,036	3,516
Contract Services	10	0	0
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	242	259	71
Acquisitions	1	0	0
Other	53	205	198
<b>Sub Total</b>	<b>5,243</b>	<b>9,245</b>	<b>9,086</b>
Overhead	0	0	0
<b>Total</b>	<b>5,243</b>	<b>9,245</b>	<b>9,086</b>
<b>FTEs</b>	<b>43</b>	<b>61</b>	<b>72</b>

## GOVERNMENT RELATIONS

Government Relations directs and coordinates all activities relating to legislation and elected officials which includes: budgets; board and executive staff reports; briefings; and tours for elected officials, administrators, business and civic leaders. It acts as the principle liaison to all Federal, State, and Local elected officials, government agencies, commissions, and their staff. The department develops the MTA's legislative goals and objectives, obtains legislative support and monitors the legislative process for MTA impacts.

### FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Increase the efficiency and effectiveness of the Agency.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop a team environment for coordinated efforts to ensure cohesive and coordinated government relations outreach, strategies and efforts according to board and MTA policy.</li> <li>• Develop outreach effort materials and briefings for Transportation Coalition to communicate Federal, State and Local transportation initiatives and garner additional support from our stakeholders.</li> </ul>
<ul style="list-style-type: none"> <li>• Work with elected and appointed stakeholders.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure introduction and coverage of legislation important to MTA and the Board of Directors.</li> <li>• Regularly attend and act on items at Los Angeles City Council, Los Angeles City Council Transportation Committee (CTC), California League of Cities and California Contract Cities Association.</li> <li>• Regularly attend and act on items at Los Angeles County Board of Supervisors, Independent Cities Association, Southern California Association of Governments, and other regional agencies.</li> </ul>
<ul style="list-style-type: none"> <li>• Enhance and augment the Call for Projects, other funding plans and regional projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure coordination with the Agency and communication to external entities to protect MTA funding at the state legislative level specifically relating to the \$959 million in funding from CTC.</li> <li>• Develop political direction and strategy to obtain funding. Secure funding in the FY00 Appropriations Act. Develop materials, schedule briefings work with coalition.</li> <li>• Complete and work towards TEA-21 implementation and other legislative issues.</li> </ul>



**Chief Executive Office      Government Relations**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	367	396	414
Fringe Benefits	207	203	183
Professional & Tech Services	47	547	561
Contract Services	465	0	0
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	3	2	7
Other	38	103	127
<b>Sub Total</b>	<b>1,127</b>	<b>1,251</b>	<b>1,290</b>
Overhead	0	0	0
<b>Total</b>	<b>1,127</b>	<b>1,251</b>	<b>1,290</b>
<b>FTEs</b>	<b>10</b>	<b>8</b>	<b>8</b>

## CUSTOMER RELATIONS / MARKETING

Customer Relations assists MTA's customers and stakeholders via individual, one-on-one service. It provides Metro Information (individualized customer service via telephone) to approximately 7,000 bus and rail-riding public callers daily and maintains a complete database of countywide transit scheduling. Passenger Relations responds to approximately 400 complaints and other requests for customer service per day via telephone, written correspondence, electronic mail, and walk-ins. Marketing creates information materials and promotional programs to help customers understand MTA services and generate a positive perception of those services. It oversees revenue-producing activities in advertising and film leasing. It provides service and support to MTA's network of fare media vendors and administers MTA's internet and intranet sites.

### FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Develop new revenue streams for non-farebox sources.</li> </ul>	<ul style="list-style-type: none"> <li>• Manage the \$12.975 million revenue-producing contract on Metro Bus advertising and new fixed revenue-producing contract on rail advertising.</li> </ul>
<ul style="list-style-type: none"> <li>• Increase the efficiency and effectiveness of the Agency.</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce average wait time in Metro information to five and a half minutes by using part time employees to augment staff during peak call periods and weekends.</li> <li>• Audit Customer Computerized Information System (CCIS) transit database for accuracy and customer responsiveness and implement required improvements.</li> <li>• Respond to customer requests within established turnaround times for mailing of timetables, maps and brochures.</li> <li>• Create timely explanatory materials for fare changes, service changes and other programs and provide all departmental production, proofing and distribution support.</li> <li>• Update fixed information materials (maps, signage, bus cubes) at regular intervals to reflect service and policy changes.</li> <li>• Support safety awareness efforts for Metro riders and employees.</li> </ul>
<ul style="list-style-type: none"> <li>• Complete North Hollywood Metro Red Line Segment 3 on schedule and on budget.</li> </ul>	<ul style="list-style-type: none"> <li>• Finalize and execute communication plan for North Hollywood Metro Rail extension opening and provide all support materials necessary to inform the public of Metro Bus and Rail interface options.</li> </ul>

**Chief Executive Office    Customer Relations**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	2,584	2,889	2,820
Non-Contract Wages	1,214	1,024	1,077
Fringe Benefits	3,128	2,528	2,329
Professional & Tech Services	70	30	180
Contract Services	11	21	35
Fuels & Lubricants/Utilities	1	0	0
Material & Supplies	79	67	34
Acquisitions	0	0	54
Other	17	6	11
<b>Sub Total</b>	<b>7,103</b>	<b>6,566</b>	<b>6,542</b>
Overhead	0	0	0
<b>Total</b>	<b>7,103</b>	<b>6,566</b>	<b>6,542</b>

<b>FTEs</b>	<b>130</b>	<b>134</b>	<b>134</b>
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## Chief Executive Office    Marketing

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	1,016	575	636
Fringe Benefits	458	272	281
Professional & Tech Services	530	724	1,157
Contract Services	407	0	0
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	53	112	138
Acquisitions	0	0	0
Other	17	519	465
<b>Sub Total</b>	<b>2,481</b>	<b>2,202</b>	<b>2,678</b>
Overhead	0	0	0
<b>Total</b>	<b>2,481</b>	<b>2,202</b>	<b>2,678</b>
<b>FTEs</b>	<b>19</b>	<b>13</b>	<b>13</b>

## MEDIA RELATIONS

Media Relations is responsible for media relations & employee communications. It is the central clearinghouse for all media contacts and handles responses to media inquiries and stages numerous press events. It also publishes a variety of employee publications from *News-in-a Flash* to *MTA Report*, and also coordinates the "All Hands" staff meetings with the CEO. Its staff will be responsible for editing the new Intranet content and helping to bring the Intranet online this Spring. Media Relations also coordinates an MTA Speakers Bureau, although that effort was scaled back in the current budget. Staff writes many of the executive and Board member speeches. It works closely with Marketing, Customer Relations, executive staff, and virtually every department at MTA.

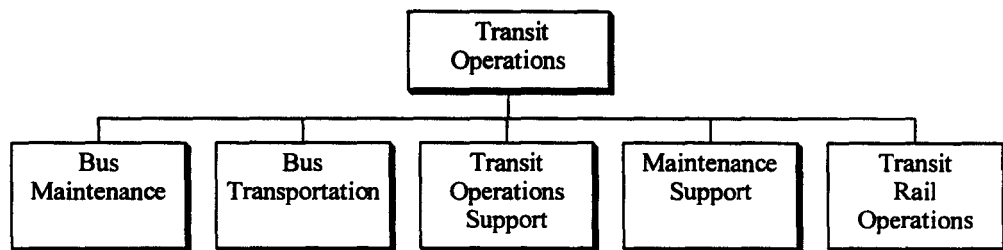
### FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Publicize Agency objectives to improve Metro Bus &amp; Metro Rail system and regional planning efforts.</li> </ul>	<ul style="list-style-type: none"> <li>• Expand media outreach to inform public of Metro Bus overhauls, Metro Rail expansion, and planning efforts. Improve public access to MTA.</li> <li>• Ensure quick response time to media calls during regular &amp; off hours including emergencies.</li> <li>• Expand outreach to Hispanic, African-American, Asian and &amp; other ethnic media.</li> <li>• During Spring 1999, keep public and MTA employees informed of contingency plans in the event of a transit strike that could occur July 1, 2000 when MTA union contracts expire.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve job satisfaction and employee morale.</li> </ul>	<ul style="list-style-type: none"> <li>• Improve internal communications to better inform employees of MTA's progress and facilitate employee feedback to management.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve the effectiveness and quality of the workforce.</li> </ul>	<ul style="list-style-type: none"> <li>• Enhance the flow of technical and other Agency information to employees.</li> </ul>

**Chief Executive Office    Media Relations**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	580	329	370
Fringe Benefits	297	159	165
Professional & Tech Services	95	90	109
Contract Services	10	0	0
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	30	18	9
Acquisitions	0	0	0
Other	5	7	9
<b>Sub Total</b>	<b>1,017</b>	<b>603</b>	<b>661</b>
Overhead	0	0	0
<b>Total</b>	<b>1,017</b>	<b>603</b>	<b>661</b>
<b>FTEs</b>	<b>11</b>	<b>7</b>	<b>7</b>

## Transit Operations



## TRANSIT OPERATIONS

Transit Operations manages all aspects of MTA Metro Bus and Metro Rail operations and related activities. Transit Operations provides clean, safe, efficient and reliable transit services to more than 1.2 million patrons per day, covering Los Angeles County's 2,200 square miles. During FY00, Transit Operations will operate over seven (7) million bus revenue service hours, and 170,638 rail revenue service hours.

### FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Meet the Consent Decree objectives.</li> </ul>	<ul style="list-style-type: none"> <li>• Operate 6,435,056 revenue service hours.</li> <li>• Implement and maintain safe, convenient bus stop locations with accurate information.</li> <li>• Operate 232,255 additional revenue service hours for Consent Decree.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve bus service reliability and upgrade equipment.</li> </ul>	<ul style="list-style-type: none"> <li>• Employ Delay Mitigation strategies to minimize overcrowding, schedule delays and complaints.</li> <li>• Improve the reliability of the bus fleet at each of the operating divisions.</li> <li>• Train all staff to ensure safe &amp; reliable services. Improve revenue fleet reliability. Maintain visibility over the bus fleet. Meet service delivery requirements.</li> <li>• Provide acceptance testing/oversight of new rail cars. Verify rail maintenance is performed per settlement agreements and rail programs.</li> <li>• Maintain all MTA Metro Bus facilities.</li> <li>• Improve non-revenue fleet reliability.</li> </ul>
<ul style="list-style-type: none"> <li>• Increase the efficiency and effectiveness of the Agency.</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce unscheduled overtime.</li> <li>• Achieve a cost effective pay hour to revenue service hour ratio.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve rail service reliability.</li> </ul>	<ul style="list-style-type: none"> <li>• Deliver 124,300 revenue service hours.</li> <li>• Deliver high quality reliable service.</li> <li>• Complete scheduled overhauls on a timely basis.</li> <li>• Maintain all MTA Metro Rail facilities.</li> <li>• Complete wayside and transportation capital programs.</li> </ul>
<ul style="list-style-type: none"> <li>• Fully integrate the North Hollywood Metro Red Line into the Metro Rail system on its scheduled ROD.</li> </ul>	<ul style="list-style-type: none"> <li>• Deliver 48,300 revenue service hours.</li> <li>• Deliver high quality reliable service.</li> </ul>
<ul style="list-style-type: none"> <li>• Implement technology improvements to the Metro system.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop and implement "Smart Bus" program.</li> </ul>



## **TRANSIT OPERATIONS**

### **Major Budget Variances**

In FY99, Transit Operations reduced operating expenses by implementing numerous operating efficiencies; increases in FY00 Adopted Budget are primarily the result of additional Metro Bus service requirements, the opening of MOS2B, court-mandated improvements in service and costs associated with the acquisition of new revenue vehicles. In order to comply with the Consent Decree, Metro Bus revenue service hours will be increased by approximately 4%, resulting in an increase in bus mileage and requiring an 8% fleet expansion. The MOS2B rail extension will nearly double heavy rail revenue service hours, open five additional stations, and require the expansion of rail control and communications systems. Light Rail service will be increased by 1.2%.

### **Increased Service and Service Improvements:**

- Metro Bus Division Maintenance staff will increase by 58 positions and require an increase of \$1 million in overtime.
- The Regional Rebuild Center (RRC) will replace 161 wheelchair lifts, resulting in the transfer of seven mechanics from other RRC programs.
- 238.8 Bus Operator FTEs will be added.
- The cost of Purchase Transportation will increase by \$9.5 million for increased service and added operating costs.
- The Materials & Supplies budget will be increased by \$445,000 for bus seat inserts and sacrificial windows, which will be implemented by Metro Clean Program.
- The Professional & Technical Services budget will be increased by \$135,000 for costs associated with Automated Voice Annunciators, and benchmarking operating costs.
- The Building & Grounds budget will increase by \$150,000 - the estimated costs to install passenger shelters at selected MTA Metro Bus and Metro Rail stations.
- Increased service and expanded cleanliness and graffiti abatement programs will increase materials and supply costs at the operating divisions by \$5.3 million. The increase will be partially offset by reductions in the Window Replacement Program, the Engine & Transmission Rebuild Program, and the discontinuation of MTA Lite.
- The RRC will paint 350 coaches to improve the appearance of the bus fleet.
- 52 new Light Rail cars will be purchased. Also, the car consist will be increased from one-car to two-car consists, increasing propulsion power costs by \$1 million, on the Metro Rail Green Line.

### **Acquisition of 438 New Buses**

- The Engine & Transmission Rebuild Program will be reduced and 15 ATU mechanic position will be reassigned to the operating divisions.
- The advanced alternative fuel and electronic systems on the new buses will require \$1 million of OEM support and an additional one and a half FTEs in FY00.

**The Opening of MOS2B**

- The increased service will require the acquisition of 74 additional Heavy Rail cars and increase Propulsion Power cost by \$3 million.
- The additional staff required to support the increase in service, vehicles and facilities are four Facilities Systems Technicians, two Electronic Communication Inspectors, 13.8 mechanics, 17.7 train operators, 6.25 rail supervisors and 13 custodians.

**Other Budget Impact**

- Wage adjustments for Operators will result in an increase of approximately \$1.6 million in FY00.
- The budget for Labor Settlements will increase by \$595,200 to better reflect the actual expenses.
- Non-revenue vehicle capital budget will increase by \$6 million for the replacement of an aging fleet of service vehicles and to support the expansion of the Metro Rail Red Line.

## Transit Operations

Department FTE's	FY98 Actual	FY99 Midyear	FY00 Adopted
Executive Office, Transit Operations	5	2	2
Transit Operations Support	79	90	82
Bus Transportation	82	180	3,998
Maintenance Support	726	701	742
Bus Maintenance	4,682	4,750	1,196
Transit Rail Operations	458	523	587
<b>Total</b>	<b>6,033</b>	<b>6,246</b>	<b>6,606</b>

Expenditures (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Executive Office, Transit Operations	577	446	513
Transit Operations Support	12,313	39,099	47,506
Bus Transportation	7,584	17,059	283,940
Maintenance Support	79,373	98,150	114,451
Bus Maintenance	390,271	375,315	134,687
Transit Rail Operations	40,513	56,875	71,810
<b>Sub Total Department</b>	<b>530,632</b>	<b>586,944</b>	<b>652,907</b>

Non-Departmental-Operations	56,088	9,093	8,056
<b>Sub Total Non-dept.</b>	<b>56,088</b>	<b>9,093</b>	<b>8,056</b>

<b>Total Non-dept &amp; Dept</b>	<b>586,719</b>	<b>596,037</b>	<b>660,963</b>
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Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	243,535	237,085	251,928
Non-Contract Wages	30,924	33,231	36,572
Fringe Benefits	194,480	166,725	181,596
Professional & Tech Services	1,400	2,274	2,287
Contract Services	5,220	12,733	13,829
Purchased Transportation	15,920	25,152	34,648
Fuels & Lubricants/Utilities	35,934	31,915	38,075
Material & Supplies	54,204	72,125	83,256
Acquisitions	1,577	6,944	14,507
Subsidies	0	0	0
Other	3,523	7,856	4,265
<b>Sub Total</b>	<b>586,716</b>	<b>596,039</b>	<b>660,963</b>
Overhead	3	(2)	0
<b>Total</b>	<b>586,719</b>	<b>596,037</b>	<b>660,963</b>

**Transit Operations      Executive Office, Transit Operations**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	318	116	152
Fringe Benefits	180	67	67
Professional & Tech Services	8	142	100
Contract Services	2	0	0
Material & Supplies	4	2	12
Acquisitions	0	0	0
Other	65	119	181
<b>Sub Total</b>	<b>577</b>	<b>446</b>	<b>513</b>
Overhead	0	0	0
<b>Total</b>	<b>577</b>	<b>446</b>	<b>513</b>
<b>FTEs</b>	<b>5</b>	<b>2</b>	<b>2</b>

## Transit Operations    Bus Maintenance

Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	205,394	189,317	48,653
Non-Contract Wages	12,958	13,178	3,899
Fringe Benefits	131,140	130,378	36,423
Professional & Tech Services	12	0	15
Contract Services	19	28	30
Fuels & Lubricants/Utilities	21,620	21,509	18,854
Material & Supplies	18,980	21,222	26,749
Acquisitions	0	25	0
Other	146	72	65
<b>Sub Total</b>	<b>390,269</b>	<b>375,728</b>	<b>134,687</b>
Overhead	2	(413)	0
<b>Total</b>	<b>390,271</b>	<b>375,315</b>	<b>134,687</b>

FTEs	4,682	4,750	1,196
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## Transit Operations    Bus Transportation

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	512	6,129	159,111
Non-Contract Wages	3,600	5,706	15,652
Fringe Benefits	2,671	3,763	107,322
Professional & Tech Services	4	200	293
Contract Services	0	6	13
Purchased Transportation	0	1	0
Fuels & Lubricants/Utilities	1	0	0
Material & Supplies	725	858	1,388
Other	70	60	161
<b>Sub Total</b>	<b>7,584</b>	<b>16,722</b>	<b>283,940</b>
Overhead	0	337	0
<b>Total</b>	<b>7,584</b>	<b>17,059</b>	<b>283,940</b>
<b>FTEs</b>	<b>82</b>	<b>180</b>	<b>3,998</b>

## Transit Operations      Transit Operations Support

Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	1,254	1,506	1,534
Non-Contract Wages	2,923	2,381	2,044
Fringe Benefits	2,509	1,917	1,873
Professional & Tech Services	588	1,110	1,167
Contract Services	545	1,046	1,036
Purchased Transportation	0	25,151	34,648
Fuels & Lubricants/Utilities	1	1	0
Material & Supplies	4,207	4,968	4,470
Acquisitions	0	325	57
Subsidies	0	0	0
Other	316	684	676
<b>Sub Total</b>	<b>12,344</b>	<b>39,088</b>	<b>47,506</b>
Overhead	(31)	11	0
<b>Total</b>	<b>12,313</b>	<b>39,099</b>	<b>47,506</b>

FTEs	79	90	82
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Non-Department Expenditure Type	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	0	1,653	0
Non-Contract Wages	0	0	0
Fringe Benefits	28,163	1,705	0
Professional & Tech Services	559	0	0
Contract Services	33	25	0
Purchased Transportation	15,920	0	0
Fuels & Lubricants/Utilities	8,843	0	5,067
Material & Supplies	0	0	0
Subsidies	0	0	0
Other	2,569	5,710	2,989
<b>Sub Total</b>	<b>56,088</b>	<b>9,093</b>	<b>8,056</b>
Overhead	0	0	0
<b>Total</b>	<b>56,088</b>	<b>9,093</b>	<b>8,056</b>

FTEs	0	0	0
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## Transit Operations Maintenance Support

Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	21,190	22,160	22,497
Non-Contract Wages	4,765	5,251	6,360
Fringe Benefits	17,111	16,518	18,852
Professional & Tech Services	103	597	449
Contract Services	4,146	6,638	9,645
Purchased Transportation	0	0	0
Fuels & Lubricants/Utilities	5,184	977	212
Material & Supplies	25,700	38,587	42,212
Acquisitions	849	6,224	14,098
Other	323	1,158	126
<b>Sub Total</b>	<b>79,372</b>	<b>98,111</b>	<b>114,451</b>
Overhead	1	39	0
<b>Total</b>	<b>79,373</b>	<b>98,150</b>	<b>114,451</b>
FTEs	726	701	742



**Transit Operations      Transit Rail Operations**

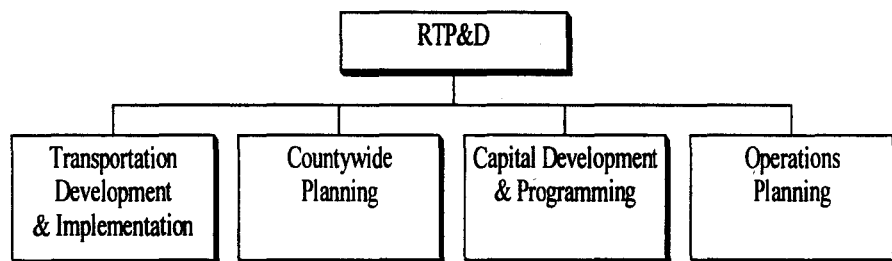
<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	15,184	16,320	20,133
Non-Contract Wages	6,360	6,599	8,465
Fringe Benefits	12,704	12,377	17,059
Professional & Tech Services	126	225	262
Contract Services	475	4,991	3,105
Fuels & Lubricants/Utilities	284	9,428	13,942
Material & Supplies	4,587	6,488	8,425
Acquisitions	728	370	352
Other	33	53	66
<b>Sub Total</b>	<b>40,483</b>	<b>56,850</b>	<b>71,810</b>
Overhead	31	24	0
<b>Total</b>	<b>40,513</b>	<b>56,875</b>	<b>71,810</b>

FTEs	458	523	587
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## **Regional Transportation Planning & Development**



# REGIONAL TRANSPORTATION PLANNING & DEVELOPMENT

The Regional Transportation Planning & Development division (RTP&D) develops plans, policies and funding programs and implements projects across transportation modes, including highway/freeway, Metro Rail and Metro Bus, signal synchronization, bicycle and pedestrian.

## FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Improve bus service reliability and upgrade.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop and implement cost-effective MTA service schedules and operator assignments.</li> </ul>
<ul style="list-style-type: none"> <li>• Meet the Consent Decree objectives.</li> </ul>	<ul style="list-style-type: none"> <li>• Implement Consent Decree-Five Year Plan.</li> <li>• Implement actions to attain load factor reduction targets.</li> </ul>
<ul style="list-style-type: none"> <li>• Increase the efficiency and effectiveness of the Agency.</li> </ul>	<ul style="list-style-type: none"> <li>• Perform technical evaluation of impacts and support transit restructuring recommendations.</li> <li>• Implement provisions of SB45 including soundwall policies.</li> </ul>
<ul style="list-style-type: none"> <li>• Develop new revenue stream from non-farebox sources.</li> </ul>	<ul style="list-style-type: none"> <li>• Implement revenue generating projects on MTA property.</li> </ul>
<ul style="list-style-type: none"> <li>• Complete the update of the Long Range Plan (LRP).</li> </ul>	<ul style="list-style-type: none"> <li>• Identify, sub-regional transportation needs.</li> <li>• Evaluate and recommend modal specific strategies.</li> </ul>
<ul style="list-style-type: none"> <li>• Work with Pasadena Blue Line Construction Authority to facilitate construction of the Metro Rail Blue Line.</li> </ul>	<ul style="list-style-type: none"> <li>• Support grants management efforts.</li> </ul>
<ul style="list-style-type: none"> <li>• Administer the fair share funding formulas and analyze options to improve the benefits of the distribution.</li> </ul>	<ul style="list-style-type: none"> <li>• Redefine Memorandum of Understanding (MOU).</li> <li>• Work with Bus Operating Subcommittee (BOS) on funding issues.</li> <li>• Re-evaluate TDA Articles 3 and 8 claim process.</li> </ul>
<ul style="list-style-type: none"> <li>• Deploy the Metro Rapid Bus program for 3 demonstration lines.</li> </ul>	<ul style="list-style-type: none"> <li>• Implement Metro Rapid Bus demonstration program.</li> </ul>
<ul style="list-style-type: none"> <li>• Work with stakeholders of sub-regions to improve local transit service.</li> </ul>	<ul style="list-style-type: none"> <li>• Work with municipal operators to reach agreement on financial and service coordination issues.</li> <li>• Help guide policy through legislative actions and funding guidelines advocacy.</li> <li>• Chair Technical Advisory Committee and serve as liaison to sub-regional council of governments &amp; geographic regions.</li> </ul>
<ul style="list-style-type: none"> <li>• Complete the planning analysis for East Side and Mid-City fixed guide-way systems.</li> </ul>	<ul style="list-style-type: none"> <li>• Conduct Corridor Re-evaluation/Major Investment Studies for the Mid-City, East Side and San Fernando Valley Corridors.</li> </ul>
<ul style="list-style-type: none"> <li>• Effectively manage and implement the Call for Projects, other funding plans and regional projects.</li> </ul>	<ul style="list-style-type: none"> <li>• Manage and implement Federal, State, and Local grants and programming requirements.</li> <li>• Ensure modal projects are implemented on time, within budget, and meet the agreed upon scope of work.</li> </ul>

# REGIONAL TRANSPORTATION PLANNING & DEVELOPMENT (RTP&D)

## Major Budget Variances

### Summary of Changes

Description	FY 99	FY 00	Variance	Percent Change
Call	22.5	24.9	2.4	10.7%
Grant	9	13	4	44.4%
Capital	1.1	16.3	15.2	1381.8%
Consent Decree	3.7	16.9	13.2	356.8%
FSP / SAFE	39	34.5	-4.5	-11.5%
BAD	0.2	0.4	0.2	100.0%
Operating	16.1	23.3	7.2	44.7%
<b>Total Budget</b>	<b>91.6</b>	<b>129.3</b>	<b>37.7</b>	<b>41.2%</b>

### Operating Budget Increases

### Operating Budget Variances

- Regional Transportation Planning & Development's (RTP&D) budget has increased in the area of Call and Grant-funded projects. Major growth in this category include: Alameda Corridor North - End Improvements, Bus Signal Priority Pilot Project, High Occupancy Lanes (HOV) design projects.
- Operating budget increases are a result of new projects including Long Range Plan (LRP) update, Joint Development activities and local match requirements for Corridor Studies.
- RTP&D has also assumed the role of managing the transit operations auxiliary units, Service Authority for Freeway Emergencies (SAFE) and Freeway Service Patrol/Major Incident Response (FSP/MIR).
- Purchased transportation services increased adhering to consent decree demands for additional contracted services.

### Capital Budget Variance

- RTP&D's capital projects increased with the implementation of the regional Universal Fare System.

## R T P & D

<b>Department FTE's</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Executive Office, Reg Transp Plan & Dev	5	5	9
Operations Planning	96	91	93
Countywide Planning	32	28	34
Transp Dev & Implement	69	62	60
Capital Dev & Prog	24	22	25
<b>Total</b>	<b>226</b>	<b>208</b>	<b>221</b>

<b>Expenditures (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Executive Office, Reg Transp Plan & Dev	396	555	909
Operations Planning	9,364	16,040	13,145
Countywide Planning	698	8,413	27,214
Transp Dev & Implement	36,965	63,548	68,796
Capital Dev & Prog	2,227	2,002	2,497
<b>Sub Total Department</b>	<b>49,650</b>	<b>90,558</b>	<b>112,561</b>

Non-Departmental- Cdp	470,669	643,382	671,037
Non-Departmental-Bus Sys Imp Plan	1,704	0	0
<b>Sub Total Non-dept.</b>	<b>472,373</b>	<b>643,382</b>	<b>671,037</b>

<b>Total Non-dept &amp; Dept</b>	<b>522,023</b>	<b>733,940</b>	<b>783,598</b>
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<b>Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	2,355	2,459	2,354
Non-Contract Wages	9,094	7,370	10,681
Fringe Benefits	6,342	6,524	6,084
Professional & Tech Services	6,715	34,378	37,559
Contract Services	24,311	33,250	36,552
Purchased Transportation	3,813	7,114	2,248
Fuels & Lubricants/Utilities	88	2	153
Material & Supplies	363	699	403
Casualty & Liability	(12)	50	60
Acquisitions	23	29	15,800
Subsidies	469,365	643,382	671,037
Other	149	(2,231)	667
<b>Sub Total</b>	<b>522,605</b>	<b>733,027</b>	<b>783,598</b>
Overhead	(582)	913	0
<b>Total</b>	<b>522,023</b>	<b>733,940</b>	<b>783,598</b>

**R T P & D Executive Office, Reg Transp Plan & Dev**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	273	334	573
Fringe Benefits	103	162	256
Professional & Tech Services	0	50	60
Contract Services	8	0	0
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	4	3	3
Other	7	7	17
<b>Sub Total</b>	<b>396</b>	<b>555</b>	<b>909</b>
Overhead	0	0	0
<b>Total</b>	<b>396</b>	<b>555</b>	<b>909</b>

FTEs	5	5	9
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## R T P & D Transp Dev & Implement

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	3,827	2,600	3,582
Fringe Benefits	2,052	2,202	1,603
Professional & Tech Services	6,013	27,461	28,217
Contract Services	23,829	33,247	34,748
Purchased Transportation	259	0	0
Fuels & Lubricants/Utilities	87	2	153
Material & Supplies	181	440	135
Casualty & Liability	(12)	50	60
Acquisitions	3	29	0
Subsidies	1,269	0	0
Other	42	(2,521)	298
<b>Sub Total</b>	<b>37,548</b>	<b>63,511</b>	<b>68,796</b>
Overhead	(583)	37	0
<b>Total</b>	<b>36,965</b>	<b>63,548</b>	<b>68,796</b>

<b>FTEs</b>	<b>69</b>	<b>62</b>	<b>60</b>
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## R T P & D Countywide Planning

Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	0	0	0
Non-Contract Wages	1,765	1,439	2,868
Fringe Benefits	923	839	1,352
Professional & Tech Services	244	2,643	5,208
Contract Services	143	2	1,805
Purchased Transportation	0	2,956	0
Material & Supplies	127	83	80
Acquisitions	20	0	15,800
Subsidies	(2,575)	0	0
Other	50	74	101
<b>Sub Total</b>	<b>697</b>	<b>8,036</b>	<b>27,214</b>
Overhead	1	376	0
<b>Total</b>	<b>698</b>	<b>8,413</b>	<b>27,214</b>

FTEs	32	28	34
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Non-Department Expenditure Type	FY98 Actual	FY99 Midyear	FY00 Adopted
Purchased Transportation	1,704	0	0
Fuels & Lubricants/Utilities	0	0	0
<b>Sub Total</b>	<b>1,704</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>1,704</b>	<b>0</b>	<b>0</b>

## R T P & D Capital Dev & Prog

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	1,281	1,155	1,399
Fringe Benefits	729	562	631
Professional & Tech Services	95	182	313
Contract Services	62	0	0
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	20	43	78
Acquisitions	0	0	0
Subsidies	0	0	0
Other	39	61	75
<b>Sub Total</b>	<b>2,227</b>	<b>2,002</b>	<b>2,497</b>
Overhead	0	0	0
<b>Total</b>	<b>2,227</b>	<b>2,002</b>	<b>2,497</b>

<b>FTEs</b>	24	22	25
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<b>Non-Department Expenditure Type</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Subsidies	470,671	643,382	671,037
Other	(2)	0	0
<b>Sub Total</b>	<b>470,669</b>	<b>643,382</b>	<b>671,037</b>
Overhead	0	0	0
<b>Total</b>	<b>470,669</b>	<b>643,382</b>	<b>671,037</b>

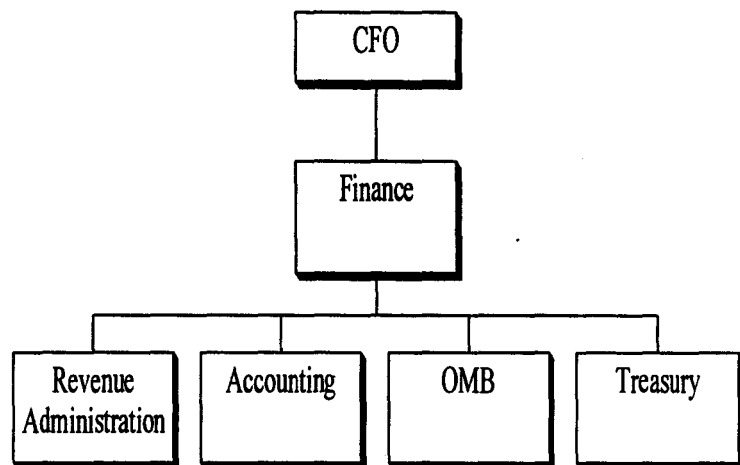
## RTP & D Operations Planning

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	2,355	2,459	2,354
Non-Contract Wages	1,949	1,842	2,257
Fringe Benefits	2,534	2,760	2,241
Professional & Tech Services	363	4,043	3,761
Contract Services	269	0	0
Purchased Transportation	1,851	4,158	2,248
Fuels & Lubricants/Utilities	1	0	0
Material & Supplies	30	131	108
Subsidies	0	0	0
Other	13	147	176
<b>Sub Total</b>	<b>9,364</b>	<b>15,540</b>	<b>13,145</b>
Overhead	0	500	0
<b>Total</b>	<b>9,364</b>	<b>16,040</b>	<b>13,145</b>
<b>FTEs</b>	<b>96</b>	<b>91</b>	<b>93</b>

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## Finance



## FINANCE

Finance ensures MTA's financial integrity. Accounting records all assets and liabilities, prepares monthly/quarterly financial statements; pays bi-weekly payroll; manages accounts payable and receivables. Treasury forecasts, monitors and manages MTA's cash requirements; oversees and directs the investment of available funds and debt proceeds; and administers MTA's Debt program. Office of Management & Budget develops the annual operating, capital and subsidy budgets; prepares monthly/quarterly revenue and expense projections; manages operating and capital expenditure and revenue plans; and develops business strategies. Revenue collects, counts, and deposits fare revenue; maintains and replaces fare collection equipment; stores, maintains and provides security for the fare media inventory; manages the vendor sales program and collects delinquent accounts receivable.

### FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Improve management reporting, accountability and controls.</li> </ul>	<ul style="list-style-type: none"> <li>• Oversee operations of interdepartmental staff involved with receiving and safeguarding currency in a 24 hour/7 day a week operation.</li> <li>• Improve business planning and managing by monitoring and evaluating progress on achievement of MAP performance measures on a quarterly basis.</li> <li>• Coordinate the preparation and distribution of information between the pension fund investment board and the plans service providers.</li> <li>• Manage internal and external operating funds to maintain liquidity and maximize investment returns.</li> <li>• Pay invoices accurately and timely by streamlining invoice payment processes to assure efficient and effective work flow.</li> <li>• Maintain a monitoring system to make MOU/ subsidy payments accurately, timely and with appropriate review. Analyze and reconcile (to G/L and/or County Records) all funds associated with subsidy payments.</li> </ul>
<ul style="list-style-type: none"> <li>• Increase the efficiency and effectiveness of the Agency.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to improve service and delivery to the growing vendor network.</li> <li>• Increase the collection and service of ticket vending machines (TVMs) to incorporate the new Metro Rail Red Line Hollywood and North Hollywood stations (8 stations/41TVMs), and the Metro Rail Blue Line platform extensions (19 TVMs).</li> </ul>

## **FINANCE**

### **Major Budget Variances**

- Accounting is adding 6 FTEs to enhance the timeliness and quality of reporting.
- Treasury is eliminating the Treasurer position. The duties of the Treasurer will be assumed by the Executive Officer, Finance.
- Revenue Administration is adding 12 FTEs to handle the added Hollywood & Vine Metro Rail Red Line extension, and 2 FTE's to establish the Revenue Collection Team.
- Executive Office, Finance is adding 4 FTEs to enhance the Strategic Planning Function.
- Office of Management and Budget is adding 1 FTE to enhance forecasting and analysis.
- Risk Management is adding \$2 million to expand the Transitional Duty Program.
- Propositions A&C debt service is increasing by \$30 million.

## Finance

Department FTE's	FY98 Actual	FY99 Midyear	FY00 Adopted
Executive Office, Finance	4	4	8
Accounting	65	65	71
Treasury	15	12	11
Risk Management	20	20	20
Revenue Administration	129	133	147
Office Of Management & Budget	22	21	22
<b>Total</b>	<b>256</b>	<b>253</b>	<b>279</b>

Expenditures (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Executive Office, Finance	419	740	1,085
Accounting	5,485	5,665	6,005
Treasury	1,176	1,967	1,825
Risk Management	10,240	1,446	1,501
Revenue Administration	16,679	17,532	18,943
Office Of Management & Budget	1,733	1,822	2,314
<b>Sub Total Department</b>	<b>35,731</b>	<b>29,173</b>	<b>31,673</b>

Non-Departmental-Accounting	32	0	0
Non-Departmental-Treasury	631,602	394,408	427,224
Non-Departmental-Ops Risk Mgmt	20,640	36,874	42,203
Non-Departmental-Const Risk Mgmt	0	22,514	18,447
Non-Departmental-Rev Admin	(3)	0	0
<b>Sub Total Non-dept.</b>	<b>652,271</b>	<b>453,795</b>	<b>487,874</b>

<b>Total Non-dept &amp; Dept</b>	<b>688,002</b>	<b>482,968</b>	<b>519,547</b>
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Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	3,748	3,851	4,319
Non-Contract Wages	6,432	8,031	10,740
Fringe Benefits	6,782	3,972	8,141
Professional & Tech Services	13,564	12,289	16,389
Contract Services	10,204	10,801	6,680
Fuels & Lubricants/Utilities	4	4	3
Material & Supplies	1,227	1,466	1,499
Casualty & Liability	17,312	49,459	48,505
Debt/Interest	625,938	383,005	406,340
Acquisitions	73	1,506	952
Other	13,456	19,325	15,979
<b>Sub Total</b>	<b>698,740</b>	<b>493,708</b>	<b>519,547</b>
Overhead	(10,738)	(10,740)	0
<b>Total</b>	<b>688,002</b>	<b>482,968</b>	<b>519,547</b>



**Finance Executive Office, Finance**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	221	293	551
Fringe Benefits	124	132	243
Professional & Tech Services	65	275	275
Contract Services	(7)	0	0
Material & Supplies	3	8	4
Debt/Interest	0	0	0
Acquisitions	0	0	0
Other	13	32	12
<b>Sub Total</b>	<b>419</b>	<b>740</b>	<b>1,085</b>
Overhead	0	0	0
<b>Total</b>	<b>419</b>	<b>740</b>	<b>1,085</b>

FTEs	4	4	8
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## Finance Revenue Administration

Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	3,122	3,224	3,688
Non-Contract Wages	1,435	1,461	1,625
Fringe Benefits	3,089	2,707	3,347
Professional & Tech Services	759	128	1,086
Contract Services	6,799	6,618	6,382
Fuels & Lubricants/Utilities	4	4	3
Material & Supplies	1,010	1,143	1,332
Acquisitions	73	1,506	931
Other	388	742	550
<b>Sub Total</b>	<b>16,679</b>	<b>17,532</b>	<b>18,943</b>
Overhead	0	0	0
<b>Total</b>	<b>16,679</b>	<b>17,532</b>	<b>18,943</b>

FTEs	129	133	147
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Non-Department Expenditure Type	FY98 Actual	FY99 Midyear	FY00 Adopted
Professional & Tech Services	(3)	0	0
<b>Sub Total</b>	<b>(3)</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>(3)</b>	<b>0</b>	<b>0</b>

## Finance Accounting

Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	626	626	631
Non-Contract Wages	2,327	2,496	2,560
Fringe Benefits	1,628	1,492	1,734
Professional & Tech Services	410	516	883
Contract Services	47	6	7
Material & Supplies	159	215	91
Acquisitions	0	0	21
Other	288	313	77
<b>Sub Total</b>	<b>5,485</b>	<b>5,665</b>	<b>6,005</b>
Overhead	0	0	0
<b>Total</b>	<b>5,485</b>	<b>5,665</b>	<b>6,005</b>

FTEs	65	65	71
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Non-Department Expenditure Type	FY98 Actual	FY99 Midyear	FY00 Adopted
Professional & Tech Services	32	0	0
Other	0	0	0
<b>Sub Total</b>	<b>32</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>32</b>	<b>0</b>	<b>0</b>

**Finance Office Of Management & Budget**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	1,068	1,114	1,349
Fringe Benefits	599	491	600
Professional & Tech Services	51	152	308
Contract Services	2	0	0
Material & Supplies	7	37	14
Acquisitions	0	0	0
Other	6	27	42
<b>Sub Total</b>	<b>1,733</b>	<b>1,822</b>	<b>2,314</b>
Overhead	0	0	0
<b>Total</b>	<b>1,733</b>	<b>1,822</b>	<b>2,314</b>
<b>FTEs</b>	<b>22</b>	<b>21</b>	<b>22</b>

## Finance Treasury

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	515	547	486
Fringe Benefits	287	267	228
Professional & Tech Services	246	578	1,074
Contract Services	84	545	1
Material & Supplies	32	9	9
Debt/Interest	0	0	0
Other	12	21	28
<b>Sub Total</b>	<b>1,176</b>	<b>1,967</b>	<b>1,825</b>
Overhead	0	0	0
<b>Total</b>	<b>1,176</b>	<b>1,967</b>	<b>1,825</b>

FTEs	15	12	11
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<b>Non-Department Expenditure Type</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Professional & Tech Services	630	617	5,717
Contract Services	3,270	3,633	290
Debt/Interest	625,938	383,005	406,340
Other	12,503	17,893	14,877
<b>Sub Total</b>	<b>642,342</b>	<b>405,148</b>	<b>427,224</b>
Overhead	(10,740)	(10,740)	0
<b>Total</b>	<b>631,602</b>	<b>394,408</b>	<b>427,224</b>

## FINANCE -- RISK MANAGEMENT

Risk Management is responsible for protecting the MTA's assets through the identification, management and control of insurable risks. Responsibilities of Risk Management include management and oversight of the following: the MTA's Owner-Controlled Insurance Program (OCIP) for construction activities, workers' compensation programs, Public Liability/Property Damage (PL/PD) programs, including litigation, the identification, purchase and management of appropriate insurance programs, oversight of self-insured liability reserves through risk financing techniques, protection of MTA's assets through contract review and monitoring, and recovery of insurance proceeds for damage to the MTA's property. Risk Management was formed by the combination of two separate departments, Construction Risk Management and Operations Risk Management in 1997.

### FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Improve management reporting, accountability and controls.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide appropriate insurance coverage for MTA operations consistent with reducing total cost of risk and willingness to accept losses.</li> <li>• Perform financial analysis of self-insured reserves and deductible expenditures.</li> <li>• Create Worker's Compensation and Traffic Accidents Management Reports to heighten awareness of frequency and severity.</li> <li>• Administer the Worker's Compensation charge-back program Analyze contract insurance requirements and track certificates of insurance to protect the Agency's assets for operations and construction exposures.</li> </ul>
<ul style="list-style-type: none"> <li>• Increase the efficiency and effectiveness of the Agency.</li> </ul>	<ul style="list-style-type: none"> <li>• Control the cost of the Owner Controlled Insurance Program (OCIP).</li> <li>• Support a multi-departmental focus of reduction of vehicle accidents.</li> <li>• Minimize legal expenses on self-insured Public Liability/Property Damage (PL/PD) program.</li> <li>• Control cost of self-insured PL/PD claims program.</li> </ul>
<ul style="list-style-type: none"> <li>• Reduce workers' compensation costs.</li> </ul>	<ul style="list-style-type: none"> <li>• Support a multi-departmental focus on reduction of workers' compensation claims.</li> <li>• Reduce cost of 132(a) claims.</li> <li>• Audit Travelers' files to monitor self-insured program.</li> <li>• Minimize costs of claims through Transitional Duty Program.</li> <li>• Control fraud claims.</li> </ul>

## Finance Risk Management

Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	0	0	0
Non-Contract Wages	866	918	1,009
Fringe Benefits	531	481	454
Professional & Tech Services	335	1	1
Contract Services	10	0	0
Material & Supplies	16	24	19
Casualty & Liability	8,480	0	0
Acquisitions	0	0	0
Other	(1)	21	18
<b>Sub Total</b>	<b>10,238</b>	<b>1,446</b>	<b>1,501</b>
Overhead	2	0	0
<b>Total</b>	<b>10,240</b>	<b>1,446</b>	<b>1,501</b>

FTEs	20	20	20
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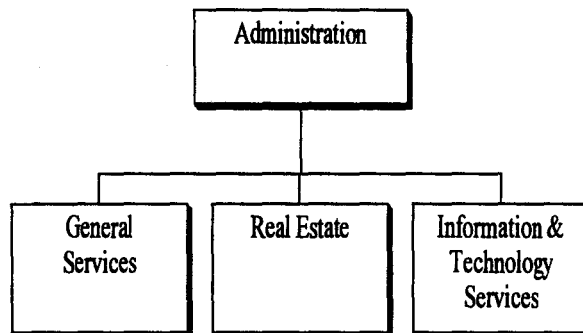
Non-Department Expenditure Type	FY98 Actual	FY99 Midyear	FY00 Adopted
Non-Contract Wages	0	1,200	3,160
Fringe Benefits	524	(1,598)	1,535
Professional & Tech Services	11,038	10,021	7,045
Material & Supplies	0	30	30
Casualty & Liability	8,831	49,459	48,505
Other	246	275	375
<b>Sub Total</b>	<b>20,640</b>	<b>59,387</b>	<b>60,650</b>
<b>Total</b>	<b>20,640</b>	<b>59,387</b>	<b>60,650</b>

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## Administration



# ADMINISTRATION

The Administration Division is responsible for providing support services to MTA departments and, in certain respects, to our public. Information & Technology Services (ITS) is responsible for the planning, acquisition, maintenance and use of information and telecommunications technologies and provides related customer support and technical services. ITS also bears primary responsibility for ensuring the continuing viability of the MTA's computer systems beyond the year 2000. General Services provides facility and administrative services, including building management and maintenance, records management and mail, graphic design and printing services. Real Estate provides real estate appraisal, relocation and management services, environmental investigations, lease and property management and disposition strategies.

## FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Increase the efficiency and effectiveness of the Agency.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure that the Y2K Project upgrades progress on schedule to provide continued functionality of the MTA beyond January 1, 2000.</li> <li>• Develop and implement an Agency-wide, on-line document management system.</li> <li>• Efficiently allocate ITS staff to optimize support for ongoing operations, enhance staff skills with training, provide upgraded tools to perform test functions.</li> <li>• Improve Metro Bus and Metro Rail operations runcutting with schedule systems enhancements.</li> <li>• Maintain building systems cost-effectively while meeting mandated safety standards.</li> <li>• Improve customer service by conducting quarterly surveys of clients and reduce printing/copying costs by suggesting less expensive design alternatives.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve management reporting, accountability and controls.</li> </ul>	<ul style="list-style-type: none"> <li>• Implement the Division Networking project to significantly enhance management reporting in Metro Bus and Metro Rail Operations with on-line tools.</li> <li>• Continue COTR training program with Procurement to enhance the contract management skills of staff.</li> </ul>
<ul style="list-style-type: none"> <li>• Develop new revenue streams from non-farebox sources.</li> </ul>	<ul style="list-style-type: none"> <li>• Complete the sale of excess parcels and generate new revenue totaling \$1,500,000.</li> <li>• Negotiate at least 100 new leases or amend existing leases to increase revenue by \$500,000 while maintaining existing \$9.5 million revenue from specialty leases.</li> <li>• Negotiate long-term lease/development agreements for selected locations and generate \$500,000 in new revenue.</li> <li>• Identify potential fiber optic licensing opportunities to generate additional new revenue.</li> </ul>

## ADMINISTRATION

### Major Budget Variances

The staffing increase of approximately 3.5% is primarily attributable to required support for the Information & Technology Services (ITS). Additional staff support is required for implementation of technological improvements to increase Agency efficiency and to extend network systems and communications infrastructure capability to Division locations. Staff support is also required to meet Y2K systems remediation and replacement strategies to ensure that critical computer systems are operational in the new millenium.

- Information & Technology Services (ITS) has been reorganized into four cost centers with two leaders, each of whom report directly to the Executive Officer. Information Services/Y2K Project Team (cost center 9210) is led by the Y2K Project Manager, representing the importance of the MTA's Y2K Project efforts. The ITS-Infrastructure Team is headed by the Chief Information Officer and is comprised of three cost centers: 9220- ITS Operations; 9230-ITS Network Engineering; and 9240-ITS Administration. The FTE transfers between cost centers and additions to staff resulted in an increase of 13 FTEs.
- Building Services Non-Departmental increase of \$1.0 million as compared to FY99 resulted from a reserve for legal claims filed against the MTA.
- Reduction in Printing Services of \$1.6 million resulted from printing and photocopy services being charged back to user cost centers through the MTA charge-back system.
- Building Services reduction of \$.5 million is attributable to reduced cost for outside services that perform repair, maintenance, or preventive maintenance/certification on the facilities, systems, or equipment that support the Gateway Building and the Child Care Center and a reduction of 4 FTEs.
- Records & Mail Services reflect a decrease of \$165,000 in costs associated with off-site storage and retrieval of inactive records.
- ITS - Y2K Systems Projects increased by approximately \$4.0 million primarily for capital projects related to the Year 2000 effort.
- ITS-Operations increase of \$.4 million for repairs and maintenance of computers, telecommunications and other electronic systems, computer software licenses, technical vendor support, and subscription services required to maintain existing MTA computer systems.
- ITS-Network Engineering & Administration increase of \$5.6 million, mainly capital funds, comprised of \$3.1 million to upgrade the Wide Area Network to provide network services to facilities outside of the Gateway Headquarters building and \$2.5 million to fund upgrades for older model personal computers, completion of the Data Center, service trucks and replacement of non-functional test equipment.

## Administration

Department FTE's	FY98 Actual	FY99 Midyear	FY00 Adopted
Executive Office, Administration	2	4	3
General Services	117	104	100
Real Estate	30	19	19
Information & Technology Services	173	143	155
<b>Total</b>	<b>321</b>	<b>270</b>	<b>277</b>

Expenditures (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Executive Office, Administration	226	435	365
General Services	12,080	14,005	11,866
Real Estate	7,239	5,757	5,372
Information & Technology Services	19,177	36,239	46,737
<b>Sub Total Department</b>	<b>38,721</b>	<b>56,435</b>	<b>64,340</b>

Non-Departmental-Building Services	2,685	2,581	3,401
Non-Departmental-Real Estate	2,240	4,342	4,450
Non-Departmental-I.T.S.	2,104	2,406	2,995
<b>Sub Total Non-dept.</b>	<b>7,029</b>	<b>9,329</b>	<b>10,846</b>

<b>Total Non-dept &amp; Dept</b>	<b>45,751</b>	<b>65,764</b>	<b>75,186</b>
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Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	4,175	5,037	4,372
Non-Contract Wages	9,357	7,095	8,849
Fringe Benefits	8,064	6,078	6,939
Professional & Tech Services	3,544	20,049	13,332
Contract Services	5,906	5,116	6,382
Fuels & Lubricants/Utilities	3,582	4,570	4,762
Material & Supplies	3,801	6,447	10,201
Casualty & Liability	0	0	0
Acquisitions	2,413	5,160	12,908
Other	4,909	6,057	7,442
<b>Sub Total</b>	<b>45,751</b>	<b>65,610</b>	<b>75,186</b>
Overhead	0	154	0
<b>Total</b>	<b>45,751</b>	<b>65,764</b>	<b>75,186</b>

**Administration Executive Office, Administration**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	138	217	193
Fringe Benefits	82	104	86
Professional & Tech Services	4	20	20
Contract Services	0	0	0
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	0	4	4
Other	1	89	62
<b>Sub Total</b>	<b>226</b>	<b>435</b>	<b>365</b>
Overhead	0	0	0
<b>Total</b>	<b>226</b>	<b>435</b>	<b>365</b>

FTEs	2	4	3
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## Administration    General Services

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	2,191	3,004	2,133
Non-Contract Wages	1,339	988	1,122
Fringe Benefits	2,483	1,933	2,016
Professional & Tech Services	403	541	(1,546)
Contract Services	2,250	2,726	2,161
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	2,021	1,738	2,401
Acquisitions	195	1,968	2,191
Other	1,197	1,107	1,388
<b>Sub Total</b>	<b>12,080</b>	<b>14,005</b>	<b>11,866</b>
Overhead	0	0	0
<b>Total</b>	<b>12,080</b>	<b>14,005</b>	<b>11,866</b>

FTEs	117	104	100
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<b>Non-Department Expenditure Type</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Professional & Tech Services	0	0	4
Fuels & Lubricants/Utilities	1,477	2,256	2,095
Material & Supplies	0	0	0
Other	1,207	325	1,302
<b>Sub Total</b>	<b>2,685</b>	<b>2,581</b>	<b>3,401</b>
<b>Total</b>	<b>2,685</b>	<b>2,581</b>	<b>3,401</b>

**Administration    Real Estate**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	1,502	1,053	1,050
Fringe Benefits	785	598	470
Professional & Tech Services	(53)	75	173
Contract Services	1,736	1,792	2,005
Fuels & Lubricants/Utilities	0	12	126
Material & Supplies	6	6	7
Acquisitions	3,032	1,949	1,355
Other	230	171	186
<b>Sub Total</b>	<b>7,239</b>	<b>5,657</b>	<b>5,372</b>
Overhead	0	100	0
<b>Total</b>	<b>7,239</b>	<b>5,757</b>	<b>5,372</b>

FTEs	30	19	19
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<b>Non-Department Expenditure Type</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Services	1	0	0
Casualty & Liability	0	0	0
Acquisitions	0	0	0
Other	2,239	4,342	4,450
<b>Sub Total</b>	<b>2,240</b>	<b>4,342</b>	<b>4,450</b>
<b>Total</b>	<b>2,240</b>	<b>4,342</b>	<b>4,450</b>

## Administration Information & Technology Services

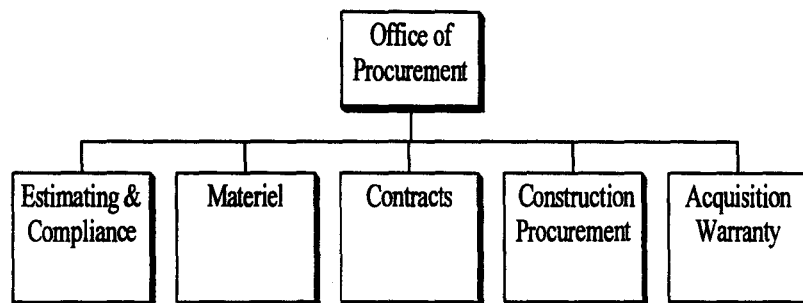
Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	1,984	2,034	2,238
Non-Contract Wages	6,378	4,836	6,484
Fringe Benefits	4,713	3,442	4,368
Professional & Tech Services	3,189	19,309	14,682
Contract Services	1,919	598	1,760
Fuels & Lubricants/Utilities	0	0	2
Material & Supplies	1,774	4,699	7,789
Acquisitions	(814)	1,244	9,361
Other	34	23	54
<b>Sub Total</b>	<b>19,177</b>	<b>36,184</b>	<b>46,737</b>
Overhead	0	54	0
<b>Total</b>	<b>19,177</b>	<b>36,239</b>	<b>46,737</b>

FTEs	173	143	155
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Non-Department Expenditure Type	FY98 Actual	FY99 Midyear	FY00 Adopted
Professional & Tech Services	0	104	0
Contract Services	0	0	456
Fuels & Lubricants/Utilities	2,104	2,302	2,539
Material & Supplies	0	0	0
Other	0	0	0
<b>Sub Total</b>	<b>2,104</b>	<b>2,406</b>	<b>2,995</b>
<b>Total</b>	<b>2,104</b>	<b>2,406</b>	<b>2,995</b>



## Office of Procurement



# OFFICE OF PROCUREMENT

The Office of Procurement is responsible for materiel management; storage; distribution; issuance of goods; and the execution of purchase orders, contracts, modifications, and supplemental agreements. It also directs and oversees bids, contract analysis, preparation of awards, contract administration, negotiations of contract changes, and ensures compliance with contractual terms and conditions for all rail capital projects. The Office also processes warranty claims, provides education and training on basic procedures and equal opportunity compliance.

## FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Increase the efficiency and effectiveness of the Agency.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide the timely and effective flow of material including receipt, storage and distribution of MTA's material, parts, and supplies.</li> <li>• Maximize efficiency in monitoring contractor compliance to DBE/SBE program requirements.</li> <li>• Enforce prevailing wage requirements and EEO/AA on all applicable construction projects.</li> <li>• Process contracts/change notices more efficiently.</li> <li>• Conduct alternative dispute resolution process to settle prime and subcontractor construction claims against the MTA.</li> <li>• Provide administrative support for special assignments for rail project claims and litigation support.</li> <li>• Prepare fair cost estimates for contract changes that result in successful contract negotiations that keep construction costs reasonable.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve management reporting, accountability and controls.</li> </ul>	<ul style="list-style-type: none"> <li>• Review and approve cost analysis, price analysis, prenegotiation memos with contract values under \$1 million. Prepare cost/price analysis section of board reports and senior management memorandums.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve Metro Bus service reliability and upgrade.</li> </ul>	<ul style="list-style-type: none"> <li>• Through contract modification, warranty processing, parts inspection and negotiation ensure the MTA receives reliable equipment, systems and facilitates from contractors and vendors.</li> </ul>
<ul style="list-style-type: none"> <li>• Implement the accelerated bus procurement plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Purchase of 250 CNG buses.</li> <li>• Purchase of 100 Option buses.</li> <li>• Purchase 223 CNG New Flyer buses.</li> <li>• Purchase of 20 Diesel buses.</li> </ul>

# OFFICE OF PROCUREMENT

## Major Budget Variances

The Office of Procurement's organizational changes are included in the FY99 Midyear and in FY00 Adopted Budgets. Procurement's FY98 actuals do not include Contract and Labor Compliance and Certification units originally in the Equal Employment Opportunity Department but reorganized into Procurement in the FY99 Adopted Budget. Those FY98 actuals are contained in Human Resources.

- Total FTEs increases 7 FTEs in FY00, from 336 to 344. The 336 FTEs equals the FY99 Adopted of 338 FTEs, with a transfer out to Transit Operations of 2 FTEs in FY99. In addition, 1.5 FTEs Warranty Equipment Mechanics (3 full time positions for one half year) were added in FY99 Midyear to 344 FTEs in FY00. The adjusted FY99 Midyear is 337.5 FTEs in comparison to the 344 FTEs in FY00.
- FTE changes are split between non-contract FTEs and contract FTEs. FY99 Midyear includes 190 FTEs. FY00 includes 194 Non-Contract FTEs.
- Contract or union FTEs in FY99 Adopted were 148 FTEs and 149.5 in FY99 Midyear and 149 FTEs in FY00.
- Procurement increases by \$73.181 million in FY00 compared to the FY99 Midyear.
- Bus Acquisition increases in Equipment Engineering to reflect Metro Bus purchase delivery schedule and cash flow.
- Bus and Rail Operating Capital Contribution to the Variance of \$73.181 million.

(\$Millions)	Midyear FY99	FY00	Increase/(Decrease)
Bus Acquisition	88.954	155.919	66.966
Logistics Capital	2.009	2.102	0.093
CNG Fuel Tanks	-	4.253	4.253
Other Capital	6.051	7.216	1.165
Total	97.014	169.490	72.477

- Increase Bus Acquisition expenses \$66 million from \$88.954 million to \$155.919 million.
- Replace CNG Fuel Tanks displaying premature leakage is an increase of \$2.165 million.
- Increase acquisition of Capital Equipment for Bus Operating Facilities and General Services Maintenance Equipment in Inventory Management Capital and offset decrease in Logistics Capital.

## Office Of Procurement

Department FTE's	FY98 Actual	FY99 Midyear	FY00 Adopted
Materiel	135	181	191
Contracts	49	65	53
Acquisition Warranty	43	45	47
Executive Office, Procurement	0	6	4
Estimating & Compliance	6	6	12
Construction Procurement	56	33	37
<b>Total</b>	<b>290</b>	<b>336</b>	<b>344</b>

Expenditures (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Materiel	9,634	13,722	18,421
Contracts	3,320	5,695	4,820
Acquisition Warranty	100,015	97,129	163,744
Executive Office, Procurement	0	582	388
Estimating & Compliance	567	1,656	2,469
Construction Procurement	4,774	2,644	4,007
<b>Sub Total Department</b>	<b>118,309</b>	<b>121,428</b>	<b>193,849</b>

Non-Departmental-Materiel	2,068	4,111	4,863
<b>Sub Total Non-dept.</b>	<b>2,068</b>	<b>4,111</b>	<b>4,863</b>

<b>Total Non-dept &amp; Dept</b>	<b>120,378</b>	<b>125,539</b>	<b>198,712</b>
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Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	3,527	5,229	5,397
Non-Contract Wages	8,105	10,215	11,282
Fringe Benefits	7,638	8,578	8,816
Professional & Tech Services	7,780	4,355	4,164
Contract Services	38	2,745	147
Fuels & Lubricants/Utilities	3	127	2,187
Material & Supplies	3,065	4,211	7,007
Casualty & Liability	0	0	0
Acquisitions	89,959	89,503	159,035
Other	264	583	676
<b>Sub Total</b>	<b>120,378</b>	<b>125,546</b>	<b>198,712</b>
Overhead	(1)	(7)	0
<b>Total</b>	<b>120,378</b>	<b>125,539</b>	<b>198,712</b>

**Office Of Procurement      Executive Office, Procurement**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Non-Contract Wages	0	366	230
Fringe Benefits	0	171	102
Professional & Tech Services	0	20	30
Material & Supplies	0	2	1
Other	0	24	26
<b>Sub Total</b>	<b>0</b>	<b>582</b>	<b>388</b>
Overhead	0	0	0
<b>Total</b>	<b>0</b>	<b>582</b>	<b>388</b>
FTEs	0	6	4

**Office Of Procurement      Estimating & Compliance**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	362	986	1,615
Fringe Benefits	204	653	787
Professional & Tech Services	0	0	0
Material & Supplies	1	10	26
Other	0	7	42
<b>Sub Total</b>	<b>567</b>	<b>1,656</b>	<b>2,469</b>
Overhead	0	0	0
<b>Total</b>	<b>567</b>	<b>1,656</b>	<b>2,469</b>

FTEs	6	6	12
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**Office Of Procurement Materiel**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	2,739	4,343	4,645
Non-Contract Wages	2,040	2,672	2,934
Fringe Benefits	3,283	3,940	4,459
Professional & Tech Services	3	119	113
Contract Services	30	30	41
Fuels & Lubricants/Utilities	0	11	22
Material & Supplies	560	497	571
Acquisitions	963	2,009	5,574
Other	15	101	62
<b>Sub Total</b>	<b>9,634</b>	<b>13,722</b>	<b>18,421</b>
Overhead	0	0	0
<b>Total</b>	<b>9,634</b>	<b>13,722</b>	<b>18,421</b>

FTEs	135	181	191
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<b>Non-Department Expenditure Type</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Fringe Benefits	1	0	0
Professional & Tech Services	80	681	1,408
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	1,988	3,430	3,455
<b>Sub Total</b>	<b>2,068</b>	<b>4,111</b>	<b>4,863</b>
<b>Total</b>	<b>2,068</b>	<b>4,111</b>	<b>4,863</b>

## Office Of Procurement    Contracts

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	167	191	195
Non-Contract Wages	1,876	3,056	2,513
Fringe Benefits	1,226	1,790	1,280
Professional & Tech Services	(73)	470	636
Contract Services	0	0	89
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	42	120	71
Acquisitions	0	0	0
Other	81	67	34
<b>Sub Total</b>	<b>3,320</b>	<b>5,695</b>	<b>4,820</b>
Overhead	0	0	0
<b>Total</b>	<b>3,320</b>	<b>5,695</b>	<b>4,820</b>
FTEs	49	65	53



**Office Of Procurement    Construction Procurement**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	2,392	1,688	2,312
Fringe Benefits	1,332	895	1,053
Professional & Tech Services	20	10	544
Contract Services	0	0	0
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	23	22	38
Casualty & Liability	0	0	0
Acquisitions	991	0	0
Other	15	29	59
<b>Sub Total</b>	<b>4,774</b>	<b>2,644</b>	<b>4,007</b>
Overhead	0	0	0
<b>Total</b>	<b>4,774</b>	<b>2,644</b>	<b>4,007</b>

FTEs	56	33	37
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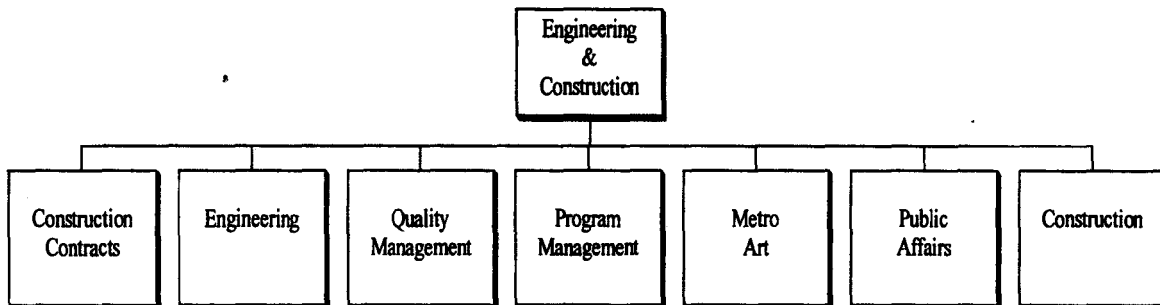
**Office Of Procurement    Acquisition Warranty**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	621	695	557
Non-Contract Wages	1,435	1,446	1,678
Fringe Benefits	1,592	1,128	1,136
Professional & Tech Services	7,750	3,056	1,432
Contract Services	8	2,716	17
Fuels & Lubricants/Utilities	2	116	2,165
Material & Supplies	450	130	2,845
Acquisitions	88,005	87,494	153,462
Other	152	355	453
<b>Sub Total</b>	<b>100,016</b>	<b>97,136</b>	<b>163,744</b>
Overhead	(1)	(7)	0
<b>Total</b>	<b>100,015</b>	<b>97,129</b>	<b>163,744</b>

FTEs	43	45	47
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## Engineering & Construction



## ENGINEERING & CONSTRUCTION

Engineering & Construction oversees all aspects of Metro engineering and construction projects. Quality Management implements the administration and control measures during design, procurement, construction, installation, testing, start-up, and turnover that assure the transit system meets the expectations of ultimate customers. Engineering provides full and part-time engineering support for the Metro Rail Red Line Segment 3, Metro Rail Green Line, L.A. Rail Car projects and system-wide activities. Program Management monitors construction's impact on the financial resources of the MTA; developing and consolidating project financial status data into short range and long range cash management and strategic planning tools; evaluating and coordinating all program and project schedules and cost controls; forecasting and reporting all activities for rail transit projects; monitoring and tracking baseline, design, and contract changes; providing document controls for project records and documents; and specialized information system support. Public Affairs implements the construction impact management program resolving critical issues affecting the community and its elected representation, the contractors and the MTA. Metro Art plans, directs, and implements all aspects of the MTA's public art policy. It seeks to increase the awareness of quality art design and enhance the public transit experience on Metro Rail, Metro Bus and Metrolink.

### FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Complete North Hollywood Metro Rail Red Line Segment 3 on schedule and on budget.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure project is on schedule and within budget.</li> <li>• Manage Segment 3 Metro Art activities and comply with all aspects of MTA public art policy within original \$4.1 million Segment 3 art program budget.</li> </ul>
<ul style="list-style-type: none"> <li>• Fully integrate the North Hollywood Metro Red Line into the Metro Rail system on its scheduled ROD.</li> </ul>	<ul style="list-style-type: none"> <li>• Respond to Segment 3 public concerns, provide mitigation services, monitor construction activities and provide timely information to stakeholders.</li> </ul>
<ul style="list-style-type: none"> <li>• Increase management reporting, accountability and controls.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide Agency-wide oversight to ensure ADA compliance and develop measures for improving agency responsiveness to ADA issues.</li> </ul>
<ul style="list-style-type: none"> <li>• Keep all other construction projects in FY00 on schedule and on budget.</li> </ul>	<ul style="list-style-type: none"> <li>• Stay within FY99 Segment 2 budget and ensure completion of Kaiser entrance. Complete technical (i.e. contract deliverables, submittals, as-builts, etc.) and contractual close out for at least 70% of all open changes and claims (estimated at 500). Complete system installation and Phase II testing and close out of applicable EMC CWO's. Reduce FTEs.</li> <li>• Oversee construction management of Metro Rail Blue Line station platform extensions.</li> <li>• Receive, test and accept 20 light rail vehicles.</li> <li>• Implement facility improvements at Divisions 3,5,7,8,10 &amp;18 to accommodate CNG fleet.</li> </ul>

# **ENGINEERING & CONSTRUCTION**

## **Major Budget Variances**

The Engineering & Construction Division encompasses the following functions: Executive Office, Construction, Metro Art, Public Affairs, Quality Management, Engineering Management, Project Engineering, Construction Management, Environmental Compliance, Environmental Services, and Program Management.

Construction Engineering was re-organized for FY00. It now represents a consolidation of a number of FY99 cost centers including Facilities Engineering (3343), Rail Operations Support (3370), Systemwide Engineering (8330), Third Party Coordination (8340) and Rail Activation (8350). In addition to the consolidation of cost centers, Construction Engineering will assume responsibility for all MTA engineering activities. This will include a number of engineering activities previously performed by consultants and other parties. The consolidation and expansion of internal engineering functions will improve accountability and control in addition to reducing costs.

- Complete of all remaining system integration testing, completion of Kaiser Portal, contract closeouts, claim settlements and litigation for Segment 2.
- Continue construction of Segment 3 - North Hollywood to include beginning construction of Universal City Bus Plaza, Lankershim widening, completing installation of traction power, station equipment and continuing installation of the ATC system.
- Pasadena Metro Rail Blue Line budget includes funds for Automatic Train Control, 33 cars and 2 spares, and claims from bridge contractor and EMC. The Project has been demobilized and funds transferred to the Metro Rail Blue Line Transportation Authority.
- Consolidation of all MTA engineering activities.
- Complete Metro Rail Green Line Maintenance-of-Way facility; continue work on Automatic Train Control and Light Rail Radio System contracts, and start-up rail vehicles.
- L.A. Car Project budget includes funds for deliverance and acceptance of 20 cars.
- Provide art support for the Millenium Project, Taylor Yards and CNG bus vandalism abatement.
- Public Affairs' budget includes support for Hollywood Boulevard mitigation and the ADA (\$1.5 million).
- Quality Assurance will continue to provide audit and surveillance support of construction activities for operating facilities improvements (\$433,000).
- Provide engineering and construction support for the Long Beach Metro Rail Blue Line platform extensions to accommodate 3 car trains.
- Provide engineering support for CNG facilities upgrades and bus and rail operating facilities improvements.
- \$6.3 million is included for procurement and installation of Segment 1 Radio Retrofit.
- \$12 million is included for completion of Fire Safety Sprinklers and Drainage Projects.

## Engineering & Construction

Department FTE's	FY98 Actual	FY99 Midyear	FY00 Adopted
Metro Art	6	5	5
Public Affairs	27	9	8
Executive Office, Construction	22	12	10
Quality Management	18	16	16
Engineering	98	72	62
Construction	27	30	32
Program Management	39	38	34
<b>Total</b>	<b>237</b>	<b>181</b>	<b>166</b>

Expenditures (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Metro Art	497	607	876
Public Affairs	3,936	2,514	2,333
Executive Office, Construction	2,199	1,134	1,131
Quality Management	1,675	1,167	1,333
Engineering	16,728	34,419	5,777
Construction	2,911	2,544	2,846
Construction Contracts	356,834	332,903	271,974
Program Management	3,395	3,227	3,109
<b>Sub Total Department</b>	<b>388,175</b>	<b>378,515</b>	<b>289,379</b>

<b>Sub Total Non-dept.</b>			
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<b>Total Non-dept &amp; Dept</b>	<b>388,175</b>	<b>378,515</b>	<b>289,379</b>
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Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	(11)	0	0
Non-Contract Wages	12,626	9,919	9,580
Fringe Benefits	7,473	5,699	4,571
Professional & Tech Services	89,907	72,552	54,310
Contract Services	250	922	255
Fuels & Lubricants/Utilities	(330)	46	11
Material & Supplies	433	331	497
Casualty & Liability	(490)	0	0
Debt/Interest	0	0	0
Acquisitions	264,842	309,090	219,718
Subsidies	0	0	0
Other	13,367	(19,572)	437
<b>Sub Total</b>	<b>388,066</b>	<b>378,987</b>	<b>289,379</b>
Overhead	109	(471)	0
<b>Total</b>	<b>388,175</b>	<b>378,515</b>	<b>289,379</b>

## Engineering & Construction Executive Office, Const

Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	0	0	0
Non-Contract Wages	1,166	827	715
Fringe Benefits	637	478	332
Professional & Tech Services	337	0	6
Contract Services	0	0	0
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	23	39	33
Acquisitions	1	0	0
Other	34	56	46
<b>Sub Total</b>	<b>2,199</b>	<b>1,401</b>	<b>1,131</b>
Overhead	0	(267)	0
<b>Total</b>	<b>2,199</b>	<b>1,134</b>	<b>1,131</b>
<b>FTEs</b>	<b>22</b>	<b>12</b>	<b>10</b>

**Engineering & Construction      Construction Contracts**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Non-Contract Wages	0	0	0
Fringe Benefits	0	0	0
Professional & Tech Services	88,053	65,609	52,256
Contract Services	(273)	0	0
Fuels & Lubricants/Utilities	(333)	0	0
Material & Supplies	73	0	0
Casualty & Liability	(493)	0	0
Acquisitions	257,483	287,763	219,718
Subsidies	0	0	0
Other	12,323	(20,469)	0
<b>Sub Total</b>	<b>356,834</b>	<b>332,903</b>	<b>271,974</b>
Overhead	0	0	0
<b>Total</b>	<b>356,834</b>	<b>332,903</b>	<b>271,974</b>



## Engineering & Construction      Engineering

Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	(11)	0	0
Non-Contract Wages	5,360	4,092	3,643
Fringe Benefits	3,432	2,577	1,878
Professional & Tech Services	458	6,163	100
Contract Services	18	3	5
Fuels & Lubricants/Utilities	2	35	5
Material & Supplies	95	109	85
Casualty & Liability	0	0	0
Acquisitions	7,225	21,328	0
Other	41	111	61
<b>Sub Total</b>	<b>16,620</b>	<b>34,419</b>	<b>5,777</b>
Overhead	109	0	0
<b>Total</b>	<b>16,728</b>	<b>34,419</b>	<b>5,777</b>
<b>FTEs</b>	<b>98</b>	<b>72</b>	<b>62</b>

## Engineering & Construction      Quality Management

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	1,045	884	901
Fringe Benefits	591	427	404
Professional & Tech Services	19	35	0
Fuels & Lubricants/Utilities	0	0	2
Material & Supplies	10	5	10
Other	10	16	16
<b>Sub Total</b>	<b>1,675</b>	<b>1,367</b>	<b>1,333</b>
Overhead	0	(200)	0
<b>Total</b>	<b>1,675</b>	<b>1,167</b>	<b>1,333</b>
<b>FTEs</b>	<b>18</b>	<b>16</b>	<b>16</b>

## Engineering & Construction Program Management

Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	0	0	0
Non-Contract Wages	2,008	2,015	1,852
Fringe Benefits	1,160	1,035	833
Professional & Tech Services	92	52	168
Contract Services	0	0	3
Material & Supplies	132	96	239
Acquisitions	0	0	0
Other	3	28	14
<b>Sub Total</b>	<b>3,395</b>	<b>3,227</b>	<b>3,109</b>
Overhead	0	0	0
<b>Total</b>	<b>3,395</b>	<b>3,227</b>	<b>3,109</b>

FTEs	39	38	34
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## Engineering & Construction Metro Art

Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	0	0	0
Non-Contract Wages	264	270	277
Fringe Benefits	125	132	127
Professional & Tech Services	56	90	222
Contract Services	42	78	212
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	(2)	14	21
Casualty & Liability	3	0	0
Debt/Interest	0	0	0
Acquisitions	0	0	0
Other	9	23	17
<b>Sub Total</b>	<b>497</b>	<b>607</b>	<b>876</b>
Overhead	0	0	0
<b>Total</b>	<b>497</b>	<b>607</b>	<b>876</b>

FTEs	6	5	5
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## Engineering & Construction    Public Affairs

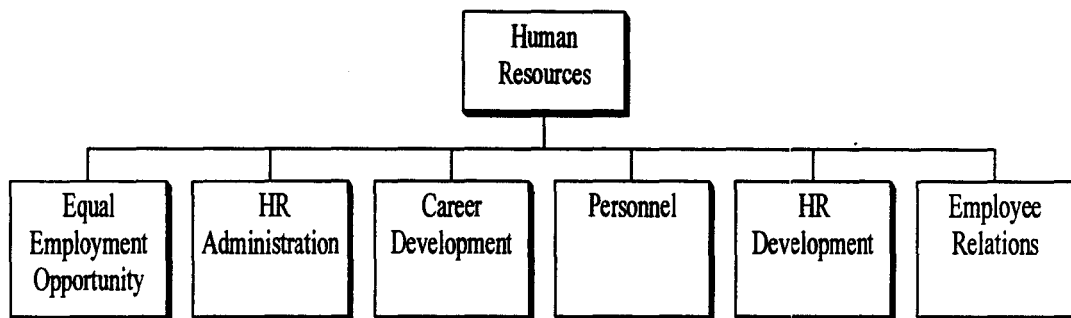
Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	0	0	0
Non-Contract Wages	1,045	385	371
Fringe Benefits	581	171	172
Professional & Tech Services	866	512	1,544
Contract Services	463	841	35
Fuels & Lubricants/Utilities	0	11	0
Material & Supplies	92	38	79
Acquisitions	0	0	0
Other	890	561	133
<b>Sub Total</b>	<b>3,936</b>	<b>2,519</b>	<b>2,333</b>
Overhead	0	(4)	0
<b>Total</b>	<b>3,936</b>	<b>2,514</b>	<b>2,333</b>

FTEs	27	9	8
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## Engineering & Construction      Construction

Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	0	0	0
Non-Contract Wages	1,737	1,446	1,822
Fringe Benefits	946	879	824
Professional & Tech Services	25	90	14
Fuels & Lubricants/Utilities	1	0	4
Material & Supplies	10	28	31
Acquisitions	133	0	0
Other	57	102	150
<b>Sub Total</b>	<b>2,911</b>	<b>2,544</b>	<b>2,846</b>
Overhead	0	0	0
<b>Total</b>	<b>2,911</b>	<b>2,544</b>	<b>2,846</b>
FTEs	27	30	32

## Human Resources



# HUMAN RESOURCES

Human Resources (HR) is responsible for providing support services to MTA departments, and in certain respects to our public. HR recruits and selects all staff and administers pension, benefits, and special programs. HR also provides staff with training programs focusing on core business skills and updated policies and procedures. Employee & Labor Relations interprets, and administers MTA's collective bargaining agreements and administers the Employee Relations program for non-represented employees. Equal Employment Opportunity (EEO) provides training on EEO policies and practices and investigates discrimination and complaints.

## FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Increase the efficiency and effectiveness of the Agency.</li> </ul>	<ul style="list-style-type: none"> <li>• Manage recruitment to fill over 1,000 positions.</li> <li>• Aggressively arbitrate cases &amp; minimize MTA's exposure to back pay settlements by serving as management advocates.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve the effectiveness and quality of the workforce.</li> </ul>	<ul style="list-style-type: none"> <li>• Provide training and skills development to increase effective job performance and increase productivity.</li> <li>• Provide consultation services to meet the development &amp; training needs of the MTA and its stakeholders.</li> <li>• Monitor and enhance the administration of the MTA's Performance Appraisal Program.</li> <li>• Prevent substance abuse in the workplace through effective management of an FTA-compliant drug &amp; alcohol testing program.</li> <li>• Promote effective work environment; help employees solve personal problems that impact work performance; reduce risk of violence or threats of violence in the workplace.</li> <li>• Conduct Sexual Harassment Prevention &amp; Diversity Training for all managers &amp; supervisors.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve job satisfaction and employee morale.</li> </ul>	<ul style="list-style-type: none"> <li>• Administer Health and Welfare Plans.</li> <li>• Administer pension &amp; deferred compensation plans.</li> <li>• Manage employee recognition programs.</li> <li>• Close and resolve 80% of EEO complaints within 180 days of receipt.</li> <li>• Provide a Learning Resource Center where employees can develop and enhance job skills.</li> <li>• Recommend and coordinate Agency-wide salary increases for non-represented employees.</li> <li>• Evaluate individual salary equity review requests.</li> <li>• Respond to grievances in accordance with collective bargaining agreements and uphold time limits.</li> <li>• Re-open a modified employee center for ticket sales.</li> </ul>



## **HUMAN RESOURCES**

### **Major Budget Variances**

- Employee Relations transferred four FTEs doing second level reviews to Transit Operations.
- Human Resources is adding four FTEs to facilitate the hiring of additional staff.
- Employee Relations is adding \$350,000 to prepare for union negotiations.
- Non-Departmental - Human Resources is adding \$2.7 million to correct the over allocation of fringe benefits in FY99.

## Human Resources

Department FTE's	FY98 Actual	FY99 Midyear	FY00 Adopted
Equal Employment Opportunity	35	8	8
Employee Relations	19	16	10
Hr Admin	31	29	42
Career Development	6	2	2
Hr Development	12	11	10
Personnel	34	33	27
<b>Total</b>	<b>137</b>	<b>99</b>	<b>99</b>

Expenditures (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Equal Employment Opportunity	2,611	534	608
Employee Relations	1,736	1,480	1,061
Hr Admin	4,616	5,860	4,983
Career Development	1,328	432	380
Hr Development	1,672	1,466	1,483
Personnel	2,415	2,444	2,491
<b>Sub Total Department</b>	<b>14,379</b>	<b>12,215</b>	<b>11,007</b>

Non-Departmental-Human Resources	5,007	(1,879)	1,000
<b>Sub Total Non-dept.</b>	<b>5,007</b>	<b>(1,879)</b>	<b>1,000</b>

<b>Total Non-dept &amp; Dept</b>	<b>19,386</b>	<b>10,336</b>	<b>12,006</b>
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Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	2,024	335	374
Non-Contract Wages	9,440	4,784	4,845
Fringe Benefits	4,192	2,303	3,947
Professional & Tech Services	2,367	1,734	1,759
Contract Services	242	45	21
Purchased Transportation	21	0	0
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	125	250	268
Acquisitions	0	105	99
Subsidies	35	0	0
Other	939	780	695
<b>Sub Total</b>	<b>19,385</b>	<b>10,336</b>	<b>12,006</b>
Overhead	1	0	0
<b>Total</b>	<b>19,386</b>	<b>10,336</b>	<b>12,006</b>

**Human Resources    Equal Employment Opportunity**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	0	0	0
Non-Contract Wages	1,399	339	386
Fringe Benefits	836	158	198
Professional & Tech Services	346	0	15
Contract Services	0	25	0
Material & Supplies	(7)	2	2
Other	37	9	8
<b>Sub Total</b>	<b>2,611</b>	<b>534</b>	<b>608</b>
Overhead	0	0	0
<b>Total</b>	<b>2,611</b>	<b>534</b>	<b>608</b>

FTEs	35	8	8
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## Human Resources    Hr Admin

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	188	29	185
Non-Contract Wages	1,872	1,806	2,009
Fringe Benefits	1,318	2,481	1,054
Professional & Tech Services	1,039	964	1,024
Contract Services	6	3	15
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	(7)	130	138
Other	200	449	558
<b>Sub Total</b>	<b>4,616</b>	<b>5,860</b>	<b>4,983</b>
Overhead	0	0	0
<b>Total</b>	<b>4,616</b>	<b>5,860</b>	<b>4,983</b>

FTEs	31	29	42
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<b>Non-Department Expenditure Type</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	1,494	0	0
Non-Contract Wages	3,016	0	0
Fringe Benefits	47	(1,879)	1,000
Contract Services	0	0	0
Material & Supplies	2	0	0
Other	448	0	0
<b>Sub Total</b>	<b>5,007</b>	<b>(1,879)</b>	<b>1,000</b>
Overhead	0	0	0
<b>Total</b>	<b>5,007</b>	<b>(1,879)</b>	<b>1,000</b>

FTEs	0	0	0
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## Human Resources Career Development

Department Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	0	0	0
Non-Contract Wages	464	175	162
Fringe Benefits	111	86	78
Professional & Tech Services	325	116	102
Contract Services	233	0	0
Material & Supplies	47	31	29
Subsidies	35	0	0
Other	114	23	9
<b>Sub Total</b>	<b>1,328</b>	<b>432</b>	<b>380</b>
Overhead	0	0	0
<b>Total</b>	<b>1,328</b>	<b>432</b>	<b>380</b>

FTEs	6	2	2
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## Human Resources Personnel

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	332	306	189
Non-Contract Wages	1,102	1,047	1,109
Fringe Benefits	804	664	861
Professional & Tech Services	69	60	136
Contract Services	1	13	3
Fuels & Lubricants/Utilities	0	0	0
Material & Supplies	17	22	22
Acquisitions	0	69	80
Other	91	262	91
<b>Sub Total</b>	<b>2,415</b>	<b>2,444</b>	<b>2,491</b>
Overhead	0	0	0
<b>Total</b>	<b>2,415</b>	<b>2,444</b>	<b>2,491</b>

FTEs	34	33	27
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## Human Resources    Hr Development

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Non-Contract Wages	554	573	618
Fringe Benefits	512	423	500
Professional & Tech Services	555	364	271
Contract Services	0	1	2
Material & Supplies	35	58	62
Acquisitions	0	36	19
Other	15	11	11
<b>Sub Total</b>	<b>1,672</b>	<b>1,466</b>	<b>1,483</b>
Overhead	0	0	0
<b>Total</b>	<b>1,672</b>	<b>1,466</b>	<b>1,483</b>

FTEs	12	11	10
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## Human Resources    Employee Relations

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	11	0	0
Non-Contract Wages	1,033	843	562
Fringe Benefits	564	371	256
Professional & Tech Services	33	230	210
Contract Services	0	3	1
Purchased Transportation	21	0	0
Material & Supplies	38	8	15
Other	35	26	18
<b>Sub Total</b>	<b>1,735</b>	<b>1,480</b>	<b>1,061</b>
Overhead	1	0	0
<b>Total</b>	<b>1,736</b>	<b>1,480</b>	<b>1,061</b>
FTEs	19	16	10



**Office of Safety & Security**

## OFFICE OF SAFETY & SECURITY

Office of Safety & Security is the lead department for the MTA in instituting a comprehensive "System Safety & Security" program focusing on enhanced management and employee accountability for safety, specialized training, improved accident analyses and employee recognition. The department's four major sections are Operations Safety, which is responsible for Metro Rail, Metro Bus and facility safety programs; Construction/Systems Safety, which handles Metro construction safety oversight, capital project safety oversight, CPUC self-certification program and the Metro Rail Blue Line Grade crossing safety program; Occupational Health & Safety, which encompasses mandated safety training, education and awareness programs, safety compliance and audit performance, worker's compensation and Transit Operations accident and injury analysis; and Security & Law Enforcement, which manages direct and contract security services for employees, facilities and revenues as well as provides contractual oversight of the Los Angeles Police Department and Los Angeles County Sheriff's Department public safety contracts.

### FY00 Objectives and Strategies

OBJECTIVE	STRATEGY
<ul style="list-style-type: none"> <li>• Increase the efficiency and effectiveness of the Agency.</li> </ul>	<ul style="list-style-type: none"> <li>• Manage law enforcement contracts to ensure that service is performed effectively, efficiently and within budget by improving management accountability and controls and by conducting weekly compliance monitoring visits of LAPD and LASD Transit Operations.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve management reporting, accountability and controls.</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain and allocate construction safety personnel to monitor and document contractor compliance with contract safety provisions.</li> <li>• Develop and monitor safety performance of contractors/contract services through evaluations.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve the farebox recovery ratio.</li> </ul>	<ul style="list-style-type: none"> <li>• Manage revenue investigation program that contributes to security of MTA revenue, provides efficiencies through investigation, policy and procedural changes and optimizes the controls for protection of MTA revenue.</li> </ul>
<ul style="list-style-type: none"> <li>• Keep all other construction projects budgeted in FY00 on schedule and on budget.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure all fire/life and CPUC safety items are completed.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve rail service reliability.</li> </ul>	<ul style="list-style-type: none"> <li>• Increase public awareness to reduce Metro Rail Blue Line grade crossing accidents.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve bus service reliability and upgrade equipment.</li> </ul>	<ul style="list-style-type: none"> <li>• Develop and implement a Bus System Safety Program Plan.</li> <li>• Improve Rail System Safety Program Plan.</li> </ul>
<ul style="list-style-type: none"> <li>• Improve effectiveness and quality of the workforce.</li> </ul>	<ul style="list-style-type: none"> <li>• Reduce employee risks and hazards through effective environmental and occupational health programs.</li> </ul>

## **Office of Safety & Security**

### **Major Budget Variances**

- Four FTEs are being upgraded from Security Guard to Sergeant.
- Two Security Guards are being added to the Revenue Collection Team.
- Office of Safety & Security is replacing some LAPD officers assigned to the Metro Rail Red Line with five Security Guards FTEs, 15 year-end FY00 positions, resulting in a \$1.8 million reduction in the LAPD expenses partially offset by \$.3 million of additional wages and benefits.
- The LAPD and LASD security budget is being increased by \$7 million.

## Office Of Safety & Security

Department FTE's	FY98 Actual	FY99 Midyear	FY00 Adopted
Office Of Safety & Security	245	112	123
<b>Total</b>	<b>245</b>	<b>112</b>	<b>123</b>

Expenditures (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Office Of Safety & Security	45,281	58,342	67,481
<b>Sub Total Department</b>	<b>45,281</b>	<b>58,342</b>	<b>67,481</b>

<b>Sub Total Non-dept.</b>			
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<b>Total Non-dept &amp; Dept</b>	<b>45,281</b>	<b>58,342</b>	<b>67,481</b>
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Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	9,123	1,828	1,979
Non-Contract Wages	3,616	2,765	3,295
Fringe Benefits	6,772	2,042	3,031
Professional & Tech Services	25,543	3,035	3,777
Contract Services	3	46,574	53,139
Purchased Transportation	(36)	0	0
Fuels & Lubricants/Utilities	0	64	54
Material & Supplies	517	311	474
Acquisitions	0	1,118	1,100
Other	184	612	633
<b>Sub Total</b>	<b>45,721</b>	<b>58,349</b>	<b>67,481</b>
Overhead	(440)	(6)	0
<b>Total</b>	<b>45,281</b>	<b>58,342</b>	<b>67,481</b>

**Office Of Safety & Security      Office Of Safety & Security**

<b>Department Expenditure Type (\$000)</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	9,123	1,828	1,979
Non-Contract Wages	3,616	2,765	3,295
Fringe Benefits	6,772	2,042	3,031
Professional & Tech Services	25,543	3,035	3,777
Contract Services	3	46,574	53,139
Purchased Transportation	(36)	0	0
Fuels & Lubricants/Utilities	0	64	54
Material & Supplies	517	311	474
Acquisitions	0	1,118	1,100
Other	184	612	633
<b>Sub Total</b>	<b>45,721</b>	<b>58,349</b>	<b>67,481</b>
Overhead	(440)	(6)	0
<b>Total</b>	<b>45,281</b>	<b>58,342</b>	<b>67,481</b>
<b>FTEs</b>	<b>245</b>	<b>112</b>	<b>123</b>

## Non-Departmental

Department FTE's	FY98 Actual	FY99 Midyear	FY00 Adopted
<b>Total</b>			

Expenditures (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Non-Departmental	0	0	0
<b>Sub Total Department</b>	<b>0</b>	<b>0</b>	<b>0</b>

Non-Departmental	(8,205)	4,537	6,338
Deputy Chief Executive Office	7	0	0
<b>Sub Total Non-dept.</b>	<b>(8,198)</b>	<b>4,537</b>	<b>6,338</b>

<b>Total Non-dept &amp; Dept</b>	<b>(8,198)</b>	<b>4,537</b>	<b>6,338</b>
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Expenditure Type (\$000)	FY98 Actual	FY99 Midyear	FY00 Adopted
Contract Wages	292	0	0
Non-Contract Wages	(230)	1,900	0
Fringe Benefits	(2,731)	0	0
Professional & Tech Services	61	2,179	6,338
Contract Services	19	0	0
Purchased Transportation	0	0	0
Fuels & Lubricants/Utilities	(3)	0	0
Material & Supplies	(6)	0	0
Casualty & Liability	256	0	0
Debt/Interest	0	0	0
Acquisitions	(515)	0	0
Subsidies	(728)	0	0
Other	149	458	0
<b>Sub Total</b>	<b>(3,435)</b>	<b>4,537</b>	<b>6,338</b>
Overhead	(4,763)	0	0
<b>Total</b>	<b>(8,198)</b>	<b>4,537</b>	<b>6,338</b>

**Non-Departmental      Non-Departmental**

<b>Non-Department Expenditure Type</b>	<b>FY98 Actual</b>	<b>FY99 Midyear</b>	<b>FY00 Adopted</b>
Contract Wages	292	0	0
Non-Contract Wages	(230)	1,900	0
Fringe Benefits	(2,731)	0	0
Professional & Tech Services	61	2,179	6,338
Contract Services	19	0	0
Purchased Transportation	0	0	0
Fuels & Lubricants/Utilities	(3)	0	0
Material & Supplies	(6)	0	0
Casualty & Liability	256	0	0
Debt/Interest	0	0	0
Acquisitions	(515)	0	0
Subsidies	(728)	0	0
Other	149	458	0
<b>Sub Total</b>	<b>(3,435)</b>	<b>4,537</b>	<b>6,338</b>
Overhead	(4,763)	0	0
<b>Total</b>	<b>(8,198)</b>	<b>4,537</b>	<b>6,338</b>

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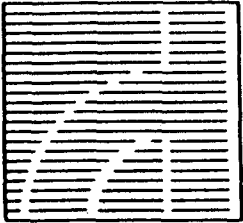
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# Appendices





The Government Finance Officers Association  
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**CERTIFICATE OF RECOGNITION FOR BUDGET PREPARATION**

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Office of Management & Budget

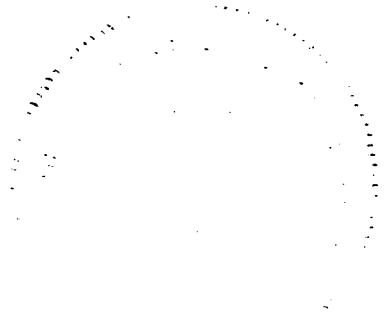
Los Angeles County Metro. Transportation Authority, California

*The Certificate of Recognition for Budget Preparation is presented by the Government Finance Officers Association to those individuals who have been instrumental in their government unit achieving a Distinguished Budget Presentation Award. The Distinguished Budget Presentation Award, which is the highest award in governmental budgeting, is presented to those government units whose budgets are judged to adhere to program standards.*

*Executive Director*

*Date*

April 13, 1999



## APPENDIX B

### PUBLIC TRANSPORTATION SERVICES CORPORATION (PTSC)

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

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

## APPENDIX B

### COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

PTSC Only

(Amounts expressed in millions)

	FY98 Actual	FY99 Midyear	FY00 Adopted
<b>Revenue</b>			
Reimbursement for Support Services	\$ 126.1	\$ 142.4	\$ 143.7
<b>Tot revenue</b>	<u>\$ 126.1</u>	<u>\$ 142.4</u>	<u>\$ 143.7</u>
<b>Expenditures/Operating Expenses</b>			
Salaries, Wages & Fringe	\$ 125.8	\$ 141.2	\$ 142.6
Services, Leases, Taxes & Misc	\$ 0.3	\$ 1.2	\$ 1.0
Purchased Transportation			
Fuel, Utilities, Materials & Supplies			\$ 0.1
Casualty & Liability			
Acquisitions			
Allocated Overhead			
Debt/Interest Expense			
<b>Total Expenditures</b>	<u>\$ 126.1</u>	<u>\$ 142.4</u>	<u>\$ 143.7</u>
<b>Excess (deficiency) of revenue over     expense before transfers</b>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>
<b>Other Financing Sources (Uses)</b>			
Operating Transfer in			
Operating Transfer out			
<b>Total other financing and sources (uses)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Excess (deficiency) of revenues and other     financing sources over expenditures</b>	\$ 0.0	\$ 0.0	\$ 0.0
<b>Fund balances - beginning of year</b>	\$ -	\$ -	\$ -
<b>Fund balances (deficit) - end of year</b>	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>

Note:

PTSC began operations in August 1998.

## APPENDIX C

### PTSC/MTA RISK MANAGEMENT AUTHORITY (PRMA)

PTSC/MTA Risk Management Authority (PRMA) was established in September, 1998. It is a public entity, created pursuant to section 6500, et seq., of the Government Code, between the MTA and PTSC for the purposes of establishing and operating a program of cooperative self-insurance and risk management. Each of the member parties desired to join together with the other for the purpose of pooling certain self-insured claims and losses and transferring risk between the parties, as permitted under Article XVI, section 6 of the California Constitution, and as provided in Government Code section 990.8.

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

## APPENDIX D

### SERVICE AUTHORITY FOR FREEWAY EMERGENCIES (SAFE)

The Service Authority for Freeway Emergencies (SAFE) was established in Los Angeles County in 1988. SAFE is a separate legal entity created under state law and is responsible for implementing and managing the motorist aid call box system within Los Angeles County.

There have been just under 4,500 call boxes installed in the County, the largest such program in the nation. On any day, upwards of 1,400 call box calls are answered by SAFE. A retrofit campaign is underway to make the call boxes more accessible to drivers with speech or hearing-impairments, and also to those that are mobility-impaired. SAFE receives its funding from a dedicated \$1 surcharge to the annual vehicle registration fees.

**APPENDIX D**

**COMBINED STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**SAFE Fund Only**  
 (Amounts expressed in millions)

	FY98 Actual	FY99 Midyear	FY00 Adopted
1 Revenue:			
2 Sales Tax			
3 Investment Income	\$ 0.7	\$ -	\$ -
4 Lease and Rental	-	-	-
5 License and Fines	5.7	6.0	6.0
6 Other	-	-	-
7 Total revenues	<u>6.4</u>	<u>6.0</u>	<u>6.0</u>
8			
9 Expenditures/Operating Expenses:			
10 Salaries, Wages & Fringe	0.7	1.3	0.4
11 Services, Leases, Taxes & Misc	4.8	14.8	12.4
12 Purchased Transportation			
13 Fuel, Utilities, Materials & Supplies	0.1	0.3	0.0
14 Casualty & Liability	(0.0)	0.1	0.1
15 Acquisitions	-	0.0	-
16 Allocated Overhead	0.2	0.4	0.1
17 Debt/Interest Expense	-	-	-
18 Total Expenditures/Operating expenses	<u>5.8</u>	<u>16.8</u>	<u>13.0</u>
19			
20 Excess (deficiency) of rev over exp before Transfers	0.6	(10.8)	(7.0)
21 Income (loss) before Transfers			
22			
23 Other financing Sources (Uses):			
24 Operating transfer in	1.2	-	-
25 Operating transfer out	-	-	-
26			
27 Excess (deficiency) of revenues and other financing			
28 sources over expenditures and other financing uses	<u>1.8</u>	<u>(10.8)</u>	<u>(7.0)</u>
29 Fund balances - beginning of year	<u>20.1</u>	<u>21.9</u>	<u>11.1</u>
30 Fund balances (deficit) - end of year	<u>\$ 21.9</u>	<u>\$ 11.1</u>	<u>\$ 4.1</u>



## APPENDIX E

### OTHER TRANSIT - DEPENDENT PROGRAMS/SERVICES

The MTA funds a number of programs and activities that directly impact the needs of the transit dependent population. These programs and activities include:

- Allocated over \$500k to bus stop improvements in Call For Projects.
- Implemented U.S. Department of Justice (DOJ) funded additional policing for bus riders in East Los Angeles, North East San Fernando Valley and MacArthur Park areas at start of FY99
- Restructured owl bus services in Spring, 1998
- Completed service restructuring studies for Central-East-Northeast, Westside and Mid-Cities areas during the past year
- Support for Homeless Re-Entry (SHORE) Project: The SHORE projects is designed to provided tokens to indigents in Los Angeles County.
- MTA provides \$2.1 million annually to Los Angeles County General Relief to purchase tokens and weekly passes from MTA. This fare media helps general relief participants to find and keep jobs.
- Immediate Needs Transportation Plan Project; this project provides transportation for persons with immediate transportation needs and limited resources. Bus token and taxi coupons worth up to \$28 per person per month are furnished to individuals for travel to medical appointments, food shopping, job interviews and rides to shelters. Funding is continued at the FY99 Adopted Budget of \$5 million (\$2.5 million to First Renaissance and \$2.5 million to International Institute of Los Angeles).
- Access Services Inc., (ASI) a separate legal entity, provides regional transit services for the disabled public. ASI provides Los Angeles County's complementary paratransit system designed for people with disabilities who cannot ride the fixed route bus and rail system. MTA provides funding to ASI services.

# APPENDIX F

## FY00 FARE REVENUE FORECAST (\$000)

	FY99		FY99		DISCOUNT		FY00			BASE		FY00	
	FY98	MIDYEAR	CHGS	FCST	MEDIA	TRANSFERS	BOARDINGS	W/O INC.	% INC.	FARE INC.	ADOPTED	% INC.	
<b>BUS</b>													
CASH	87,346	81,184	4,448	85,632	(1,053)	-	2,079	86,658	1%	4,029	90,687	6%	
PASSES	65,399	69,206	2,544	71,750	957	-	2,876	75,583	5%	3,295	78,878	10%	
TOKENS	<u>50,991</u>	<u>55,828</u>	<u>(3,291)</u>	<u>52,537</u>	<u>(81)</u>	-	<u>1,170</u>	<u>53,626</u>	<u>2%</u>	<u>2,078</u>	<u>55,704</u>	<u>6%</u>	
TOTAL	203,736	206,218	3,701	209,919	(177)	-	6,125	215,867	3%	9,402	225,269	7%	
<b>RAIL</b>													
CASH	6,261	5,300	871	6,171	(89)	-	660	6,742	9%	263	7,005	14%	
PASSES	8,365	8,148	300	8,448	75	-	1,099	9,622	14%	388	10,010	18%	
TOKENS	<u>4,140</u>	<u>4,765</u>	<u>(281)</u>	<u>4,484</u>	<u>(26)</u>	-	<u>501</u>	<u>4,959</u>	<u>11%</u>	<u>178</u>	<u>5,137</u>	<u>15%</u>	
TOTAL	18,766	18,213	890	19,103	(40)	-	2,260	21,323	12%	829	22,152	16%	
<b>TOTAL</b>													
CASH	93,607	86,484	5,319	91,803	(1,142)	-	2,739	93,400	2%	4,292	97,692	6%	
PASSES	73,764	77,354	2,844	80,198	1,032	-	3,974	85,204	6%	3,683	88,887	11%	
TOKENS	<u>55,131</u>	<u>60,593</u>	<u>(3,572)</u>	<u>57,021</u>	<u>(107)</u>	-	<u>1,672</u>	<u>58,586</u>	<u>3%</u>	<u>2,256</u>	<u>60,842</u>	<u>7%</u>	
TOTAL	<u>222,502</u>	<u>224,431</u>	<u>4,591</u>	<u>229,022</u>	<u>(217)</u>	-	<u>8,385</u>	<u>237,190</u>	<u>4%</u>	<u>10,231</u>	<u>247,421</u>	<u>8%</u>	

### % TOTAL

CASH	42.1%	38.5%	115.9%	40.1%	526.3%	N.A.	32.7%	39.4%		42.0%	39.5%
PASSES	33.2%	34.5%	61.9%	35.0%	-475.6%	N.A.	47.4%	35.9%		36.0%	35.9%
TOKENS	<u>24.8%</u>	<u>27.0%</u>	<u>-77.8%</u>	<u>24.9%</u>	<u>49.3%</u>	<u>N.A.</u>	<u>19.9%</u>	<u>24.7%</u>		<u>22.1%</u>	<u>24.6%</u>
TOTAL	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>100.0%</u>	<u>N.A.</u>	<u>100.0%</u>	<u>100.0%</u>		<u>100.0%</u>	<u>100.0%</u>

### BOARDINGS (thousands of unlinked passenger trips)

Bus	342,174		356,846				10,395	367,241	3%	(778)	366,463	3%
Rail	32,065		34,344		8,030		4,136	46,510	35%	(74)	46,436	35%
Total	374,239		391,190		8,030		14,531	413,751	6%	(852)	412,899	6%

### REVENUE PER BOARDING

Bus	\$0.5954		\$0.5883				\$0.5892	\$0.5878	0%		\$0.6147	4%
Rail	\$0.5853		\$0.5562				\$0.5465	\$0.4585	-18%		\$0.4770	-14%
Total	\$0.5945		\$0.5854				\$0.5770	\$0.5733	-2%		\$0.5992	2%

### Notes:

FY99 forecast based on March YTD actuals

Boarding forecast per D. Woodbury

MOS3 ROD May, 2000

FY00 W/O INC. is a forecast of FY revenue excluding the impact of a fare increase

Assume 11/1/99 fare increase: cash \$0.10; tokens \$0.05; passes \$3.00

Blue	8,006
Red	9,412
Green	4,734
Total Rail	22,152

**APPENDIX G**

**FY00 ENTERPRISE FUND**

**Summary of Revenues and Operating Transfers In**

Revenue	Amount	Allocation Methodology/Expense Authorization
<u>Operating &amp; Non-operating</u>		
Farebox	\$ 247,421,000	System generated
Auxiliary revenue	28,850,689	System generated
<b>Total Revenues</b>	<u>276,271,689</u>	
<u>Operating Transfers In</u>		
Proposition A	133,400,348	Formula allocation process (FAP)
<u>Proposition C - 40% Discretionary</u>		
FH Mitigation & BSIP	10,368,279	Formula allocation process (FAP)
Consent Decree	44,622,639	Board discretion
Security Shortfall	35,802,293	Board discretion
Rail Operations Shortfall	35,131,087	Board discretion
Debt Service	1,464,352	Board discretion
<b>Total Proposition C - 40% Discretionary</b>	<u>127,388,651</u>	
Proposition C - Interest	5,855,917	Fair share
Proposition C - 5% Security	19,237,372	Fair share - Caldereon SB1755
TDA	166,747,914	Formula allocation process (FAP)
STA	27,227,834	Formula allocation process (FAP)
Federal Section 5307 [ 9 ]	93,762,861	Formula allocation process (FAP)
Federal Section 5309 [ 3 ]	7,129,988	Restricted for rail capital
Proceeds from Financing	4,849,728	Capital projects local match
Lease Revenues	4,600,000	General fund revenues
FAU Cash - FY98 Carryover	1,193,800	One time revenue
<b>Total Operating Transfers In</b>	<u>591,394,413</u>	
<b>Total Revenues and Operating Transfers In</b>	<u>\$ 867,666,102</u>	

**APPENDIX H**

**BLUE LINE OPERATING COST PER REVENUE VEHICLE HOUR**

Expense Category	Fiscal Year 1998	Fiscal Year 1999	Fiscal Year 2000 Proposed	FY99 to FY00 Change in \$/VSH	
1 Regular Labor	\$ 61.94	\$ 70.87	\$ 74.81	\$ 3.94	5.6%
2 Overtime Labor	11.76	8.48	8.60	0.12	1.4%
3 Labor	<u>73.70</u>	<u>79.35</u>	<u>83.41</u>	<u>4.06</u>	<u>5.1%</u>
4 Fringe Benefits	54.46	45.11	50.32	5.21	11.5%
5 Wages and Benefits	<u>128.16</u>	<u>124.46</u>	<u>133.73</u>	<u>9.27</u>	<u>7.4%</u>
6 Facilities Maintenance & Other Contract Services	26.83	46.62	24.71	(21.91)	-47.0%
7 Rev. Veh. Fuel/Propulsion Power	23.22	24.00	23.08	(0.92)	-3.8%
8 Revenue Vehicle Parts	17.30	12.78	17.73	4.95	38.7%
9 Other Material & Supplies	5.22	6.96	6.85	(0.11)	-1.6%
10 Liability Insurance	11.95	4.06	4.02	(0.04)	-1.0%
11 Transit Security <sup>1</sup>	19.67	43.90	46.35	2.45	5.6%
12 Other Expenses	0.31	7.48	5.37	(2.11)	-28.2%
13 Overhead and Taxes	23.45	20.34	23.84	3.50	17.2%
14 National Transit Database (Section 15)	<u>\$ 256.13</u>	<u>\$ 290.62</u>	<u>\$ 285.68</u>	<u>\$ (4.94)</u>	<u>-1.7%</u>
15 Leases & Interest Expense	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0.95</u>	<u>\$ 0.95</u>	<u>NA</u>
16 All Light Rail Operating Expenses	<u>\$ 256.13</u>	<u>\$ 290.62</u>	<u>\$ 286.63</u>	<u>\$ (3.99)</u>	<u>-1.4%</u>
17 Revenue Vehicle Hours	<u>148,344</u>	<u>150,000</u>	<u>156,000</u>	<u>6,000</u>	<u>4.0%</u>

<sup>1</sup> Transit Security includes only Transit Police Officer Salaries and LAPD and LASD contracts.

**APPENDIX H**

**GREEN LINE OPERATING COST PER REVENUE VEHICLE HOUR**

Expense Category	Fiscal Year 1998	Fiscal Year 1999	Fiscal Year 2000 Proposed	FY99 to FY00 Change in \$/VSH	
1 Regular Labor	\$ 93.58	\$ 122.54	\$ 145.78	\$ 23.24	19.0%
2 Overtime Labor	13.43	17.57	20.06	2.49	14.2%
3 Labor	<u>107.01</u>	<u>140.11</u>	<u>165.84</u>	<u>25.73</u>	<u>18.3%</u>
4 Fringe Benefits	50.32	70.01	93.02	23.01	32.9%
5 Wages and Benefits	<u>157.33</u>	<u>210.12</u>	<u>258.86</u>	<u>48.74</u>	<u>23.2%</u>
6 Facilities Maintenance & Other Contract Services	69.87	55.66	83.25	27.59	49.6%
7 Rev. Veh. Fuel/Propulsion Power	31.65	41.67	61.59	19.92	47.8%
8 Revenue Vehicle Parts	6.61	8.36	10.59	2.23	26.7%
9 Other Material & Supplies	4.15	9.62	12.95	3.33	34.6%
10 Liability Insurance	21.31	9.88	10.53	0.65	6.6%
11 Transit Security <sup>1</sup>	29.93	76.21	87.34	11.13	14.6%
12 Other Expenses	0.23	1.06	1.54	0.48	45.3%
13 Overhead and Taxes	22.96	35.49	47.20	11.71	33.0%
14 National Transit Database (Section 15)	<u>\$ 344.08</u>	<u>\$ 448.05</u>	<u>\$ 573.89</u>	<u>\$ 125.84</u>	<u>28.1%</u>
15 Leases & Interest Expense	<u>\$ 0.02</u>	<u>\$ 0.03</u>	<u>\$ 0.90</u>	<u>\$ 0.87</u>	<u>2900.0%</u>
16 All Light Rail Operating Expenses	<u>\$ 344.10</u>	<u>\$ 448.08</u>	<u>\$ 574.79</u>	<u>\$ 126.71</u>	<u>28.3%</u>
17 Revenue Vehicle Hours	50,667	48,000	46,000	(2,000)	-4.2%

<sup>1</sup> Transit Security includes only Transit Police Officer Salaries and LAPD and LASD contracts.

# APPENDIX I

## GLOSSARY OF TERMS

<b>ADA</b>	Americans with Disabilities Act. A comprehensive civil rights measure signed into law July, 1990 to ensure persons with disabilities receive equal access to transportation and other services.
<b>ASI</b>	Access Services Incorporated. ASI is a private non-profit corporation which is the Consolidated Transportation Services (CTSA) for Los Angeles County, and as such has the responsibility to improve and coordinate the paratransit services for 187 different social service and public paratransit operators.
<b>ATTB</b>	Advanced Technology Transit Bus. A fuel cell powered, zero emissions, low floor, lightweight prototype transit bus that the LACMTA is helping to fund. It uses aerospace composite material for a curb weight 10,000 lbs. below current buses.
<b>ATU</b>	Amalgamated Transit Union. The union representing mechanics and other maintenance employees.
<b>BAD</b>	Benefit Assessment District. A limited area around public transportation stations in which non-residential property owners are taxed for benefits derived from proximity to the system.
<b>BIAS</b>	Budget Information Analysis System. A computerized database application designed to enable departments (cost centers) to enter their budget requests and report those requests.
<b>BOND</b>	An interest-bearing promise to pay a specified sum of money due on a specified date.
<b>BOS</b>	Bus Operations Subcommittee.
<b>BSIP</b>	Bus Service Improvement Program - Additional buses on existing lines for overcrowding relief in FY97, plus that and additional bus routes in FY98.

<b>BUDGET</b>	A plan of financial operations for a given period including proposed expenditures and revenues, and authorized staffing levels.
<b>CALL FOR PROJECTS</b>	Primary process for the selection of transportation improvement projects for funding with discretionary federal, state, and local revenues.
<b>CALTRANS</b>	California Department of Transportation.
<b>CAPITAL ASSET</b>	The acquisition of property, facility, or equipment whose cost exceeds \$2,500 per unit. Capital project costs include installation, delivery cost, sales and use taxes, and General and Administrative overhead costs.
<b>CBD</b>	Central Business District
<b>CCIS</b>	Custom Computerized Information System.
<b>CIP</b>	Capital Improvement Plan.
<b>CNG</b>	Compressed Natural Gas.
<b>COMMERCIAL PAPER</b>	Short-term interest-bearing promissory note secured by pledged revenues and a liquidity/credit facility. The maturity can range from 1 to 270 days.
<b>COTR</b>	Contracting Officer's Technical Representative
<b>COSO/CSA</b>	Committee of Sponsoring Organization/Control Self-Assessment.
<b>CPI</b>	Consumer Price Index.
<b>CPUC</b>	California Public Utilities Commission.
<b>CTSA</b>	Consolidated Transportation Services Agency. The LACMTA has been designated as the CTSA for Los Angeles County to coordinate all paratransit services to ensure compliance with the Americans with Disabilities Act (ADA).
<b>CWO</b>	Contract Work Order.

<b>DBE</b>	Disadvantaged Business Enterprise. Businesses owned and operated primarily by minorities and women.
<b>DEBT SERVICE FUND</b>	Fund which accounts for those resources used to repay the principal and interest on long-term debt.
<b>DOJ</b>	United States Department of Justice - The LACMTA has a multi-year grant from the DOJ for community policing.
<b>DOT</b>	United States Department of Transportation
<b>EEO/AA</b>	Equal Employment Opportunity/Affirmative Action.
<b>EIS</b>	Environmental Impact Statement. Same as EIR, except prepared under the (federal) National Environmental Policy Act.
<b>EMC</b>	Engineering Management Consultant.
<b>ENCUMBRANCES</b>	Commitments related to the unperformed portion of a contract for goods or services.
<b>ENTERPRISE FUND</b>	Fund established to finance and account for the operation and maintenance of facilities and services that are entirely or predominantly self-supporting.
<b>FAP</b>	Formula Allocation Program. FAP is the adopted method for allocation of federal, state, and local transit operating subsidies to Los Angeles County bus operators. The current formula allocates funds as follows: 50% based on vehicle service miles and 50% based on "fare units". Allocations made using audited performance data.
<b>FAU</b>	Federal Aid Urban. Authorized by the enactment of the Federal Highway Act every five years. Cities and the county are eligible for FAU funds for projects such as street reconstruction and widening, and installation of lights and signals.
<b>FFGA</b>	Full-Funding Grant Agreement. Agreement with the FTA for the funding of Metro Rail Segments.



<b>FIS</b>	<b>Financial Information System.</b> An automated, integrated financial accounting and control system.
<b>FISCAL YEAR</b>	The period at the end of which a governmental agency determines its financial position and results of operations. The fiscal year begins July 1 and ends June 30 of the following calendar year.
<b>FSP</b>	<b>Metro Freeway Service Patrol -</b> Service financed by the LACMTA which uses roving tow trucks to remove disabled vehicles and debris from freeways.
<b>FTA</b>	<b>Federal Transit Administration.</b> Formerly the Urban Mass Transportation Administration (UMTA).
<b>FTE</b>	<b>Full-Time Equivalent.</b>
<b>FUNCTION</b>	An activity or a group of related activities for which the Reporting Unit is responsible.
<b>FUND</b>	A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources together with all related liabilities and changes in these assets and liabilities.
<b>FY</b>	<b>Fiscal Year.</b>
<b>GHQ</b>	<b>Gateway Headquarters building.</b>
<b>HEAVY RAIL</b>	High-speed passenger rail cars operating singly or in trains of two or more cars on fixed rails in separate rights-of-way from which all other vehicular and foot traffic is excluded.
<b>IMMEDIATE NEEDS PROGRAM</b>	As a response to the Los Angeles uprisings, the LACMTA supports the First African Methodist Episcopal Church (FAME) and the International Institute of Los Angeles to distribute taxi vouchers and bus tokens in South Central Los Angeles.
<b>JOINT DEVELOPMENT</b>	Projects which combine public and private resources to build mixed use development around transit station areas.

<b>L.A. CAR</b>	Los Angeles Car. Patterned after the Blue Line Car, the LA CAR will be a generic vehicle that will allow for upgrades in technology and automation.
<b>LACMTA</b>	Los Angeles County Metropolitan Transportation Authority.
<b>LIGHT RAIL</b>	Lightweight passenger rail cars operating singly on fixed rails in right-of-way that is not separated from other traffic for much of the way. Light rail vehicles are driven electronically with power drawn from an overhead electric line.
<b>LOSSAN</b>	Los Angeles-San Diego Intercity Railway.
<b>LRV</b>	Light Rail Vehicle
<b>MAPs</b>	Management Action Plans.
<b>MMS</b>	Materiel Management System
<b>METRO BLUE LINE</b>	Long-Beach-Los Angeles Light Rail Transit Project. A 22-mile electrically-powered light rail line constructed by the LACMTA. It opened for service July 14, 1990.
<b>METRO GREEN LINE</b>	Norwalk-El Segundo Light Rail Transit Project. A 20-mile electric rail line constructed by the LACMTA on the median of the I-105 freeway. It opened for service August 12, 1995.
<b>METRO RED LINE - SEGMENT I</b>	Segment I of the Metro Rail project constructed by the LACMTA from Union Station to Wilshire/Alvarado (4.4 miles). Operation began in January 1993.
<b>METRO RED LINE - SEGMENT II</b>	Segment II of the Metro Rail project includes Wilshire/Alvarado west to Wilshire/Western, which opened for service in August, 1996. Wilshire/Vermont north to Hollywood/Vine is scheduled for completion in June, 1999.

**METRO RED LINE -  
SEGMENT III**

Segment III of the Metro Rail project under construction. Segment III includes three branches: Branch 1 will be from Hollywood/Vine to Lankershim Blvd./Chandler Blvd.; Branch 2 will extend from Wilshire/Western to Pico/San Vicente; and Branch 3 is still under study but will serve East Los Angeles. Branch 1 will be completed in the Spring of 2000. Branches 2 & 3 have been suspended.

**METROLINK**

The regional commuter rail system connecting Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties. Service began in October 1992.

**MODE**

A particular form of transportation identified by the vehicle used i.e., bus, light rail, heavy rail, or automated guideway.

**MOU**

Memorandum of Understanding. A formal contractual agreement between two or more public agencies.

**MOW**

Maintenance of Way.

**MTA**

Metropolitan Transportation Authority. Also known as LACMTA.

**MULTIMODAL**

Public transportation system which employs a combination of highway, bus, rail, HOV, bikeway, pedestrian land use, and demand management systems.

**MUNICIPAL OPERATOR**

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

**NON-REVENUE VEHICLES**

Vehicles which do not carry fare-paying passengers.

**OVERHEAD**

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

**PERFORMANCE MEASURE**

The means by which progress in meeting or attaining an objective may be demonstrated.

<b>PROPOSITION A</b>	Sales tax initiative approved by Los Angeles County voters in 1980. It established one-half cent sales tax to be used for public transit.
<b>PROPOSITION C</b>	It established sales tax which was approved by the Los Angeles County voters in 1990. A one half-cent sales tax to be used for public transportation purposes.
<b>PTSC</b>	Public Transportation Services Corporation. Created by the LACMTA in December, 1996, the PTSC is a non-profit public benefit corporation organized under the laws of the State. It was created to transfer certain functions currently performed by LACMTA and its employees to this new corporation.
<b>REVENUE SERVICE HOURS</b>	Total number of scheduled hours that a bus or train is in service. This total excludes hours spent traveling to and from storage facilities and during other non-service travel.
<b>REVENUE VEHICLE</b>	Vehicles which carry fare-paying passengers.
<b>REVENUE VEHICLE HOURS</b>	Total number of scheduled hours that a vehicle is in service. Excludes hours spent traveling to and from storage facilities and during other non-service travel.
<b>REVENUE VEHICLE MILES</b>	Total number of miles traveled by a vehicle operating on rails or tracks, bus, van trolley, ferry, cable car, or other vehicle used to provide public transportation for which a fare is collected. Excludes miles spent traveling to and from storage facilities and during other non-service travel.
<b>ROD</b>	Revenue Operations Date.
<b>RTAA</b>	Regional Transit Alternatives Analysis.
<b>RTP&amp;D</b>	Regional Transportation Planning & Development unit of the MTA. Formerly known as Planning & Programming.

<b>SAFE</b>	Service Authority for Freeway Emergencies, a separate legal entity. Funds generated from one dollar from each vehicle registration within Los Angeles County used to provide expanded and improved emergency call box service along the highways.
<b>SB-45</b>	Senate Bill 45. This bill revised the procedures for the development and implementation of the State Transportation Improvement Program.
<b>SBE</b>	Small Business Enterprise. Businesses in which at least 51% of the business is owned and operated primarily by socially or economically disadvantaged individuals.
<b>SCRRA</b>	Southern California Regional Rail Authority. A joint powers agency including Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties formed to plan, construct, and operate the regional commuter rail system known as Metrolink.
<b>SHORE PROGRAM</b>	Support of the Homeless Re-entry Program. The LACMTA provides bus tokens to Los Angeles County shelters and missions.
<b>SPECIAL REVENUE FUND</b>	Fund used to account for resources which are legally or administratively restricted for specific purposes.
<b>S RTP</b>	Short Range Transit Plan. A five-year business plan, completed every three years, which is used for internal planning.
<b>STA</b>	State Transit Assistance Fund. Used to account for the revenue from the sales tax on gasoline used for transit purposes. The STA fund was created as an amendment to the Transportation Development Act of 1976.
<b>STIP</b>	State Transportation Improvement Program. This program was adopted by the California Transportation Commission (CTC) and serves as the primary vehicle for programming funds for highway projects.
<b>TCU</b>	Transportation Communications Union. Union represents clerical workers.

<b>TDA</b>	Transportation Development Act. Created by state law in 1972, the TDA authorized the use of ¼ of 1% of the state sales tax for transportation purposes. 1% of this revenue is allocated to the LACMTA for its transportation planning activities.
<b>TEA-21</b>	Transportation Equity Act for the 21 <sup>st</sup> Century
<b>TEAMSTERS</b>	Union representing security guards.
<b>TIP</b>	Transportation Improvement Program. The programming document which establishes allocation of funding for Los Angeles County highways and transit.
<b>TSM</b>	Transportation Systems Management. A program of user incentives and disincentives to maximize capacity and usage of the existing transportation network.
<b>TVM</b>	Ticket Vending Machines.
<b>UTU</b>	United Transportation Union. Union which represents bus operators, schedule makers, and schedule checkers.