

FY2002-2003

ADOPTED BUDGET

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY



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Los Angeles County
Metropolitan Transportation
Fiscal year ... budget



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

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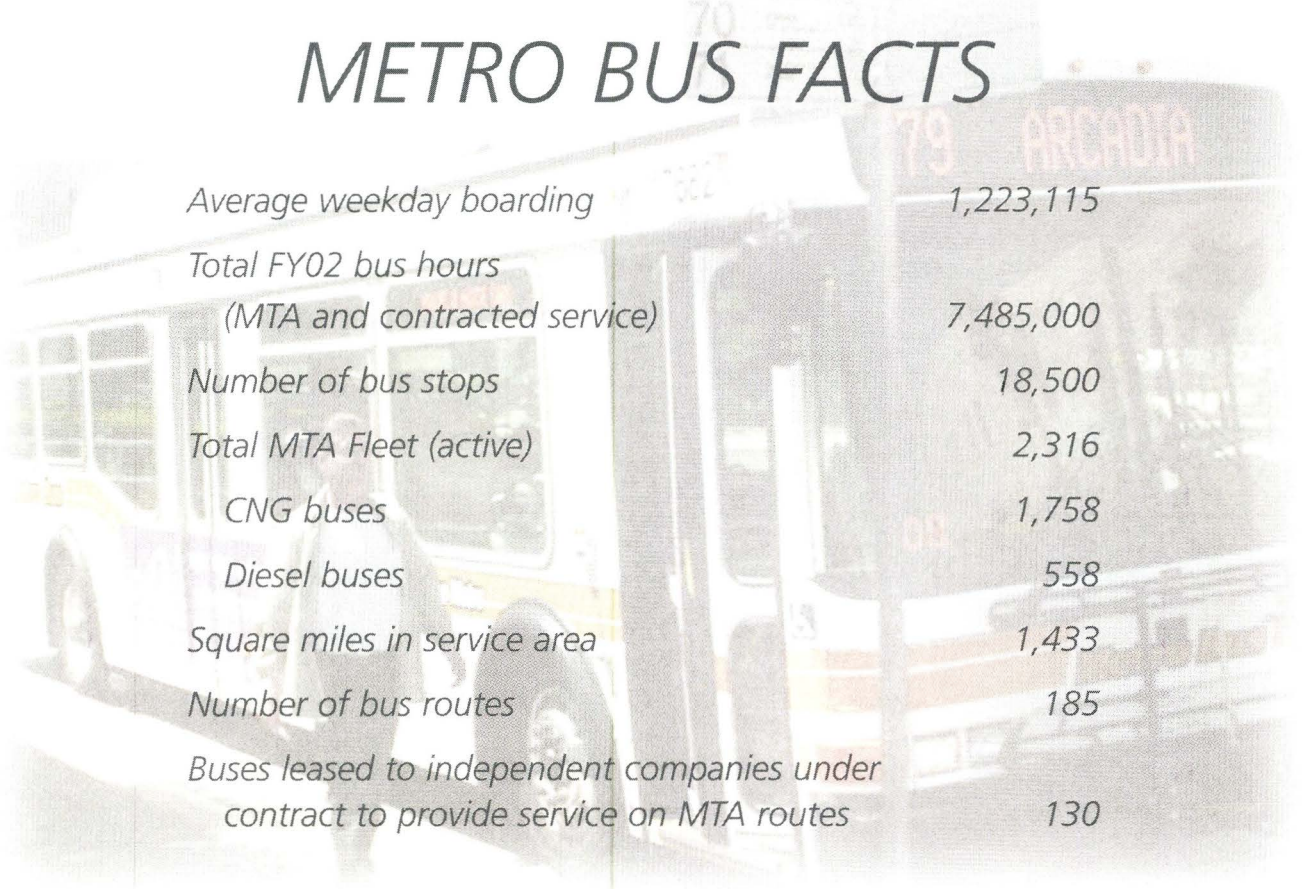
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BUDGET SUMMARY

METRO BUS FACTS



| | |
|--|-----------|
| <i>Average weekday boarding</i> | 1,223,115 |
| <i>Total FY02 bus hours (MTA and contracted service)</i> | 7,485,000 |
| <i>Number of bus stops</i> | 18,500 |
| <i>Total MTA Fleet (active)</i> | 2,316 |
| <i>CNG buses</i> | 1,758 |
| <i>Diesel buses</i> | 558 |
| <i>Square miles in service area</i> | 1,433 |
| <i>Number of bus routes</i> | 185 |
| <i>Buses leased to independent companies under contract to provide service on MTA routes</i> | 130 |

FY2002-2003

ADOPTED BUDGET



MTA BOARD OF DIRECTORS



John Fasana
MTA Chairman, City Council
Member, Duarte

John Fasana, a City of Duarte Councilmember, is one of four City Selection Committee appointees to the 13-member MTA Board of Directors and has represented the 30 San Gabriel Valley Cities as a Director to the Los Angeles County Metropolitan Transportation Authority (MTA) since its inception in 1993. He currently serves as the Chair of the Board of Directors, Chairs the Executive Management Committee and is a member of the Operations Committee. Fasana was elected to the Duarte City Council in November 1987, and reelected in 1991, 1995, and 1999, and served as Mayor in 1990, and 1997. He has promoted Duarte's interests in transportation, community services, and environmental protection. As Chair of the San Gabriel Valley Council of Governments Transportation Committee, Fasana has provided policy direction that has led to the creation of the Alameda Corridor East Gateway to America and the Pasadena Metro Blue Line Construction Authority. Fasana currently represents seven cities on the Foothill Transit Executive Board. He is also a member of the Transportation Committees of Southern California Association of Governments (SCAG) and the League of California Cities, Los Angeles County Division. Fasana has worked 21 years with Southern California Edison and is a graduate of Whittier College. John and his wife, Kris, have lived in Duarte with their three children since 1985. Their children attend or are graduates of Duarte public schools and currently, he has two children enrolled in California Universities.



James K. Hahn
1st Vice Chair
Mayor of Los Angeles

Mr. Hahn was elected Mayor of the City of Los Angeles in June 2001. He served Los Angeles for 16 years as its elected City Attorney (1985-2001) and four years as its elected City Controller (1981-1985). He received a Bachelor of Arts Degree in English and a law degree from Pepperdine University.



Zev Yaroslavsky
2nd Vice Chair
Third Supervisorial District

Mr. Yaroslavsky is a member and Chair of the Los Angeles County Board of Supervisors representing the Third Supervisorial District, having been elected to this office in November 1994. Mr. Yaroslavsky served as a member of the Los Angeles City Council between 1975 and 1994. Prior to his election to the Los Angeles County Board of Supervisors, Mr. Yaroslavsky served on the 13-member MTA Board of Directors as the alternate to Los Angeles Mayor Richard Riordan. The Los Angeles native earned his Bachelor's degree in history and economics from UCLA in 1971, followed by a master's degree in history in 1972.



Michael D. Antonovich
Fifth Supervisorial District

Mr. Antonovich is a member of the Los Angeles County Board of Supervisors and represents the Fifth Supervisorial District, having been reelected to his sixth four-year term in 2000. From 1972 to 1978, he served as a member of the California State Assembly. He also served as a member of the Board of Trustees of the Los Angeles Community College District from 1968 to 1973. Mr. Antonovich has held teaching positions with the Los Angeles School District and Pepperdine University. He holds a Bachelor of Arts degree and Master's Degree from California State University, Los Angeles.



Hal Bernson
Los Angeles City Council Member

Mayor James K. Hahn reappointed Mr. Bernson to the Board in July 2001. Mr. Bernson is a City Councilman for the City of Los Angeles having been first elected in 1979 to represent the northwest San Fernando Valley. During his time as a Councilman he was appointed to the State Seismic Safety Commission where he initiated legislation to rehabilitate 8,000 of Los Angeles' buildings to make them safer against earthquakes. Mr. Bernson has served in the U.S. Navy.



Yvonne Brathwaite Burke
Second Supervisorial District

Mrs. Burke is the Los Angeles County Supervisor for the Second Supervisorial District, having been elected in 1992 and reelected in 1996 and 2000. Mrs. Burke served as a member of Congress from 1972 to 1978, and as an Assemblywoman from 1966 to 1972. She has served on numerous boards, including the University of California Board of Regents, the Board of Trustees of the Amateur Athletic Foundation (formerly the Los Angeles Olympic Organizing Committee), and Chair of the Los Angeles branch of the Federal Reserve Bank of San Francisco. Mrs. Burke received her Bachelor of Arts degree in Political Science from the University of California, Los Angeles, and a Juris Doctorate from the University of Southern California School of Law.



Paul Hudson
Banker

Mr. Hudson is President and Chief Executive Officer of Broadway Federal Bank, a savings and loan institution serving the South Central Los Angeles market. Prior to joining Broadway Federal in 1980, Mr. Hudson practiced law with the Washington D.C. firm of Wilmer, Cutler and Pickering. Mr. Hudson is a past President of the Los Angeles NAACP, and has previously served as a board member for institutions including the Los Angeles Fire and Police Pension Fund. Mr. Hudson received a Bachelors Degree in political science from the University of California, Berkeley. In 1970, he received a Juris Doctorate degree from Boalt Hall School of Law.



Don Knabe
Fourth Supervisorial District

Mr. Knabe is the Los Angeles County Supervisor representing the Fourth Supervisorial District, having been elected in 1996 and reelected in 2000. Following a successful career as a small business owner, Mr. Knabe joined Los Angeles County Supervisor Deane Dana's staff in 1982 and later became Chief of Staff for Deane Dana. Mr. Knabe was also elected to the Cerritos City Council in 1980 and served for eight years, including two terms as Mayor. Mr. Knabe holds a Bachelor's Degree in Business Administration from Graceland College in Lamoni, Iowa.



Gloria Molina
First Supervisorial District

Ms. Molina is the Los Angeles County Supervisor representing the First Supervisorial District, having been first elected to this office in March of 1991 and re-elected in 1994 and 1998. Prior to her election to the Board of Supervisors, Ms. Molina served as State Assemblywoman for the 56th District from 1982 to 1987. In 1987, she was elected to the Los Angeles City Council where she served as the Councilwoman of the 1st District until 1991. Prior to being elected to public office, Ms. Molina served in the Carter White House as a Deputy for Presidential Personnel. After leaving the White House, Ms. Molina served as the Deputy Director for the Department of Health and Human Services in San Francisco. Ms. Molina has attended East L.A. College and Rio Hondo College.



Pam O'Connor
Council Member,
Santa Monica

Ms. O'Connor has served on the Santa Monica City Council since 1994 and twice has served as that city's mayor in 1997 and 1999. She has served as a member of the Southern California Association of Governments' Regional Council and League of California Cities, Transportation and Public Works Committee. Ms. O'Connor also works as a private consultant, specializing in historic preservation. Ms. O'Connor earned a Bachelor of Science Degree in journalism from Southern Illinois University and holds Masters Degrees in historic preservation planning and in technology management from Eastern Michigan University.



Beatrice Proo
City Council Member,
Pico Rivera

Ms. Proo has served on the Pico Rivera City Council since 1992 and has twice served as Mayor. Ms. Proo is a 21-year founding chairman of Pacific Western National Bank. Ms. Proo has served as past president of the League of California Cities' Los Angeles Division and is a board member for the Los Angeles County Local Agency Formation Commission. She is the Chair of the Gateway Cities Council of Governments Transportation Committee. Ms. Proo is also a member of the executive board of the California Joint Powers Insurance Authority and a member of the Regional Council of the Southern California Association of Governments. Ms. Proo is a former teacher and school principal, and holds a Bachelor of Arts Degree in education from Mount St. Mary's College.



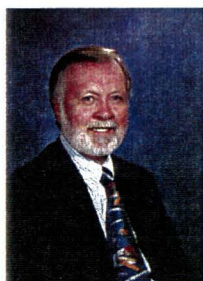
Frank C. Roberts
Mayor, City of Lancaster

Mr. Roberts is the Mayor of the City of Lancaster, having been elected in 1996, and re-elected in 1998 and 2002. Prior to his election as Mayor, Mr. Roberts served as a member of the City Council since 1992. Mr. Roberts retired from Antelope Valley College in 1996 after 36 years; 19 years as a teacher of engineering and math and 17 years as the Dean of Applied Academics and Technologies. Mr. Roberts holds a Bachelor of Science degree in Engineering from Cal State University at Los Angeles, a Master of Science degree in Vocational Education from UCLA, and a Masters in Public Administration from Cal State University at Northridge.



Allison Yoh, Urban Planner

Ms. Yoh is a graduate student at the UCLA School of Public Policy and Social Research, and a former MTA intern. She has held several Teaching and Research Assistant positions at the University of Florida and the University of California, Los Angeles. Ms. Yoh earned a bachelor's degree in Anthropology in 1994 from the University of California, Berkeley.



Robert Sassaman -- Ex-officio
Member Appointed By
Governor

Mr. Sassaman was appointed by the Governor of California in as the Ex-Officio Member to the Board. Mr. Sassaman is the Director of District 7 of the California State Department of Transportation (CALTRANS), having been named to this position in October 1999. In this position, he is responsible for managing 27 freeways and state highways in Los Angeles and Ventura Counties.

MESSAGE FROM THE CHIEF EXECUTIVE OFFICER

MTA – leading the nation in mobility, safety and customer satisfaction.

This is the vision that guided my staff and I as we drafted a \$2.6 billion spending plan for FY03. It is where MTA will be within the next three to five years. This budget moves closer to our goal than this agency has ever been.

For starters, MTA will spend \$127 million less in this fiscal year than last year's budget yet deliver more bus and rail service with no fare increase and be more responsive to local communities.

The touchstones for this budget – my first as MTA's new CEO – are delivering excellent customer service and controlling costs.

We owe it to MTA's 10 million customers in Los Angeles County to provide excellent service. No excuses. Anyone who walks, bicycles, uses public transit including paratransit for the disabled, or drives on any street or freeway in the county is an MTA customer. This budget recognizes we have a huge customer base but that everyone counts.

Against that backdrop, MTA will deliver a record amount of Metro Bus and Rail service in FY03. This will give existing customers faster and more convenient service while coaxing motorists who are auto dependent to give public transit a try because they will have a choice.

Included in the budget are plans for expanding Metro Rapid bus service on Vermont and South Broadway, the first of 24 new Metro Rapid lines that will be phased in over the next few years.

In FY03, MTA will gear up to start operating the Los Angeles to Pasadena Metro Gold Line. Service from East Pasadena to Union Station in downtown Los Angeles should start in mid-2003. Next spring, MTA also will break ground on an Eastside extension of the Metro Gold Line as well as a 14-mile busway that will link Warner Center in the West San Fernando Valley with the Metro Red Line subway station in North Hollywood. Planning for new bus and light rail projects in the Mid-City/Westside corridor also are budgeted.

Overlaying the network of expanded transit services, MTA has decentralized Metro Bus operations into five community-based service sectors in an effort to provide better customer service and be more responsive to local communities.

For decades, MTA has run a fleet of more than 2,000 buses serving all Los Angeles County from its downtown Los Angeles headquarters, but it is just too unwieldy and distant from the people we serve.

Both Deputy CEO John Catoe and I have extensive experience running smaller bus operations in Dallas, San Diego, Santa Monica and Orange County, where we knew our employees

by name, and we were easily accessible to the people we served.

Taking our cue from these smaller companies, we have split MTA bus operations into five geographical operating units. Each service sector has its own budget and is headed by a general manager with support staff based in the communities they serve.

Sectors are in place for the San Fernando and San Gabriel Valleys, South Bay, Westside/Central areas, and the Gateway Cities in Southeast Los Angeles County.

MTA headquarters staff are still responsible for Metro Rail, Metro Rapid and express buses that serve multiple communities. Our customers have the best of all worlds: improved local service and more regional transportation options including a new regional transit pass that debuted September 1, 2002, good for travel on all Metro buses and trains and 11 municipal bus lines.

By saving commuters time and money, I am confident we will gain more public transit riders. At the same time, MTA is striving to boost the number of occupants per vehicle on the roads, which has held steady at about 1.12 for more than a decade.

The FY03 budget funds an array of street, highway and other regional programs such as construction of freeway carpool lanes, freeway sound walls, street widening, traffic signal coordination, grade separations at railroad crossings, bikeways, ride-share incentives, shuttles and other transportation programs. It also

includes funding for the Metro Freeway Service Patrol to help stranded motorists.

This spending plan embodies a broad and ambitious mobility program. Yet, MTA's resources are limited. Farebox revenue generates less than 30% of what is needed to operate Metro buses and trains. The rest is largely subsidized by local, state and federal transportation dollars, and there is intense competition for those monies. Controlling costs is imperative.

MTA will deliver more with less in FY03 by reducing administrative overhead, driving down Metro Bus and Rail operating costs and cutting worker's compensation expenses with an aggressive safety management plan. Last fall MTA contracted with Dupont, the industry leader in running safe operations for 200 years. Dupont does not make a penny unless MTA saves on costs associated with employee injuries. The firm helped New York Transit cut worker's compensation costs by 50%. Our goal is to cut MTA costs by at least 51% in five years. In FY03 the goal is to save \$8.3 million compared to FY02.

Worker's compensation is just one of the cost factors computed in MTA's hourly operating expense. By making MTA a safer place to work, reducing administrative overhead, bolstering bus and rail car maintenance, and doing a more efficient job in scheduling service, among other efforts, MTA is controlling costs.

The cost of Metro Bus operations is projected to drop to \$99.14 an hour from \$99.21 an hour in FY02 despite

higher labor costs including rising premiums for health care. Likewise, Metro Rail will cost \$271.52 an hour to operate in FY03, down from \$271.69 the year before.

My predecessor, Julian Burke, did a yeoman's job in shoring up MTA's finances and streamlining operations.

Now I am ready to take MTA to the next step and achieve our vision of making MTA the nation's transportation leader in mobility, safety and customer satisfaction. This FY03 Budget edges us ever closer to that goal.

Sincerely,



Roger Snoble

Chief Executive Officer

MTA PROFILE

Formed in 1993, The Los Angeles County Metropolitan Transportation Authority (MTA) serves as transportation planner, coordinator, designer, builder, and operator for Los Angeles County. More than nine million people, nearly one-third of California's residents, live within the service area.

The MTA is responsible for the planning and programming of funds, and constructing and operating transportation programs and services in Los Angeles including the following:

- Bus and rail transit services, including funding administration for all Los Angeles County transit providers.
- Rail construction.
- Highway construction funding and traffic flow management.
- Rapid bus line development and construction of fixed guideways for buses and multi-passenger vehicles.
- Research and development of alternative energy sources for transit vehicles.
- Air quality, environmental impact, land use and economic development decisions.

MTA transportation service is divided into five bus operating service sectors with eleven bus divisions and three rail divisions. The Metro Bus system provides service to 1.2 million passengers daily with over 91 million

vehicle service miles annually. The entire fleet is wheelchair accessible and over 75% of the fleet is powered by compressed natural gas (CNG). The MTA's Metro Rail system provides service to over 246,000 passengers daily.

MTA headquarters and the Gateway Transit Center are located at historic Union Station. The center connects Los Angeles County to neighboring counties by providing easy connections for commuters using Metro Rail, Amtrak, Metrolink, and the El Monte Busway as well as vanpools, carpools, and taxis.

A Board of Directors governs the MTA with 13 voting members and one non-voting member. The Board of Directors are appointed as follows:

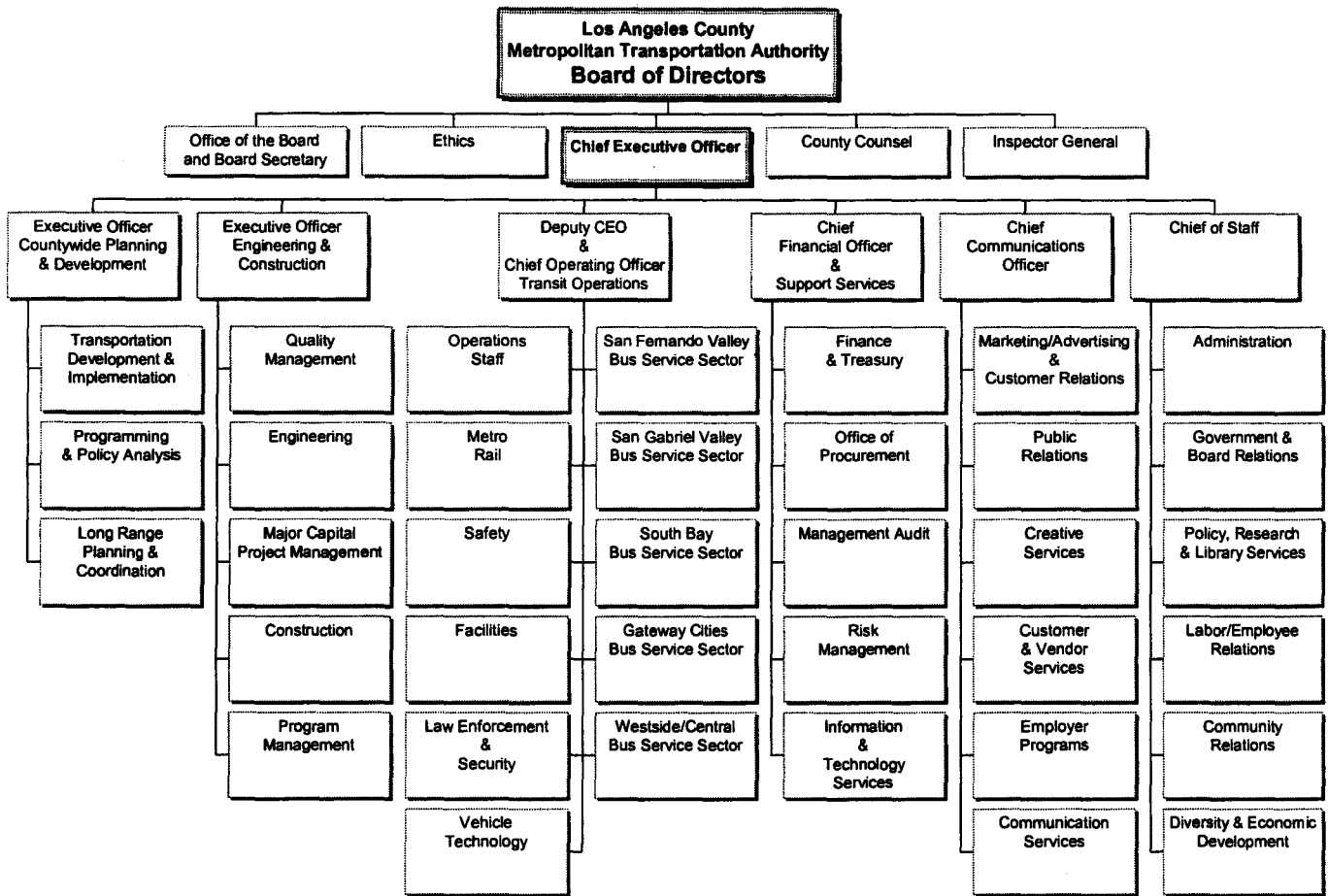
- One non-voting member appointed by the Governor.
- Five members of the Los Angeles County Board of Supervisors.
- The Mayor of the City of Los Angeles.
- Two public members and one member of the City Council of the City of Los Angeles appointed by the Mayor of the City of Los Angeles.
- Four members, each of whom shall be a mayor or member of a city council, appointed by the Los Angeles County City Selection Committee.

Though legally separate entities, the MTA's blended component units are, in substance, part of MTA's operations and included as part of MTA's financial reporting. Accordingly, the activities of the Public Transportation Service Corporation (PTSC), the PTSC-MTA Risk Management Authority (PRMA), Service Authority for Freeway Emergencies (SAFE), and two Benefit Assessment Districts (BAD) are included as blended components in the annual budget

presentation. Their respective Board of Directors authorize annual budgets for component units. MTA's Board of Directors approves the annual budget for BAD.

The annual budget and additional information about the organization, programs and services at the MTA can be found on the MTA's website at www.mta.net.

MTA ORGANIZATION CHART



MTA VISION/MISSION/GOALS

MTA Vision

MTA – leading the nation in mobility, safety, and customer satisfaction.

MTA Mission

MTA is responsible for the continuous improvement of an efficient and effective transportation system for Los Angeles County. Our team members provide expertise and leadership based on their distinct roles:

Transit Operations

- Operating transit system elements for which the agency has delivery responsibility.

Countywide Planning & Development

- Planning the countywide transportation system in cooperation with other agencies.

Engineering & Construction

- Managing the construction and engineering of transportation system components.

Communications

- Strategic evaluation, development and implementation of agency-wide marketing and communications programs.

Support Services

- Delivering timely support services to the MTA organization.

Chief of Staff

- Supporting the overall management of the MTA by coordinating implementation of the CEO's

initiatives, overseeing key programs, and serving as liaison with Board Members and elected officials.

MTA Goals

These goals are organized in a balanced scorecard approach that addresses all aspects of the organization to ensure the success of the enterprise.

Customer

- Improve transportation services to increase customer satisfaction.

Internal Processes

- Improve and streamline business processes.

Learning and Innovation

- Increase innovation to improve performance.

Financial Management

- Increase effective and efficient utilization of resources.

The MTA Strategic Business Plan serves as the basis for linking and allocating resources for major activities in the annual budget. The FY03 budget process includes development of performance measurements to help determine the success of critical program objectives. These key performance indicators are focused on results and outcomes, and will be used to monitor and report on unit cost efficiency, productivity, service quality, and customer service responsiveness of agency programs.

FY03 BUDGET HIGHLIGHTS

The FY03 Budget is \$2.6 billion, which is \$127 million or 4.7% lower than the FY02 Budget. This budget is based on current program requirements and organizational priorities. There are increased expenditures for capital outlays to design and construct the new Transit Corridor projects and for increased health and welfare costs. Reductions in workers' compensation costs due to safety improvements, administrative costs and debt transactions are an offset to growth in expenditures.

Significant Changes In FY03

Salary and Wages

- Budgeted in accordance with labor agreements and a performance-based compensation program for non-represented employees. Also includes an adjustment to the non-contract salary structure based on market survey analysis.

Fringe Benefits

- Price escalation is estimated at 15% for new medical contract renewals.
- Implementation of new labor agreements and actuarial assumption changes has increased the pension costs by \$9.7 million and the ATU Health & Welfare fund increases \$4.9 million in FY03.

Insurance and Workers' Compensation

- Administration of the self-insured and self-administered workers'

compensation program using MTA staff will reduce the overall cost of the program.

- The new Transit Corridor projects will be insured through an owner controlled insurance program (OCIP).
- Total workers' compensation costs will be reduced in FY03 by \$8.3 million, or 14.2% due to aggressive safety management.

Fuel and Propulsion Power

- The FY02 Budget anticipated significant increases in the cost of fuel and propulsion power. These increases did not materialize, resulting in favorable budget variances. The FY03 Budget assumes a cost structure similar to FY02 actual expenditures.

Service Sectors

- Implementation of five new service sectors (San Fernando Valley, San Gabriel Valley, Gateway Cities, South Bay, and Westside/Central) to provide better customer service and improve transportation efficiency.

Pasadena Gold Line (PGL) Start-up

- The Pasadena Gold Line (PGL) is scheduled to begin pre-revenue operations in FY03; revenue operations to begin July 2003. The Capital Program includes funds for hiring and training of train operators, maintenance specialists, and testing of the new equipment.

The budget for start-up activities is \$16.9 million.

Major Bus and Rail Construction

- Design, engineering, and construction for three Transit Corridor projects (Eastside, San Fernando Valley East-West, Mid-City/Wilshire) are included at \$119.8 million.
- Continue construction activity on the Metro Red Line North Hollywood Station pedestrian underpass.

Countywide Programs

- A Preliminary Engineering Report for the Mid-City/Exposition Boulevard Light Rail Line is budgeted for \$16.2 million.
- Access Services, Inc. (ASI) increases by \$7.2 million to cover inflation and business plan increases.
- Regional Programs (e.g., Funds programmed by MTA to other agencies) increases by \$31.9 million.
- Call for Projects (CFP) is anticipated to decrease by \$19.8 million in FY03. Reductions were partially offset by a \$13.7 million increase to the Southern California Regional Rail Authority (SCRRA) for State Transportation Improvement Program (STIP) acceleration projects.
- The Regional Pass Program is budgeted at \$2 million to cover subsidies to operators.

- Sales tax local return distribution to other municipalities and subsidies to other agencies increases by \$4.7 million.
- Formula funds to the Municipal Operators increases by \$7.8 million.

Communication Innovations

- The Rideshare Program, formerly administered by the Southern California Association of Governments (SCAG), is transferred to MTA to refocus efforts on marketing a complete line of programs to employers.

Capital Program

- The five-year FY03 – FY07 Capital Program has increased over the five-year FY02 – FY06 Capital Program primarily due to the inclusion of the Transit Corridor projects.
- The one-year FY03 expenditure plan for the capital projects focused on improving infrastructure and acquiring equipment and has decreased over the one-year FY02 adopted plan by \$144.8 million. This was accomplished by revising the program to match the resources available to deliver completed projects.

Debt Service

- Debt service is budgeted at \$280.2 million, an 7.9% reduction over FY02.

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**Combined Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ending June 30, 2001, 2002 and 2003**

(Amounts in millions)

| | Proprietary Funds | | | | | | Governmental Funds | | |
|--|-------------------|-----------------|-----------------|-----------------------|-----------------|-----------------|----------------------|-----------------|-----------------|
| | Enterprise Fund | | | Internal Service Fund | | | Special Revenue Fund | | |
| | FY01 Actual | FY02 Adopted | FY03 Adopted | FY01 Actual | FY02 Adopted | FY03 Adopted | FY01 Actual | FY02 Adopted | FY03 Adopted |
| 1 Revenue: | | | | | | | | | |
| 2 Sales tax | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,365.6 | \$ 1,382.9 | \$ 1,380.9 |
| 3 Intergovernmental grants | - | - | - | - | - | - | 65.5 | 67.7 | 81.5 |
| 4 Investment income | - | - | - | - | - | - | 42.8 | 23.9 | 18.9 |
| 5 Lease and rental | - | - | - | - | - | - | - | - | - |
| 6 Proceeds from sales and leaseback | - | - | - | - | - | - | - | - | - |
| 7 Licenses and fines | - | - | - | - | - | - | 6.5 | 6.1 | 6.1 |
| 8 Other | - | - | - | - | - | - | 10.8 | - | - |
| 9 Sub-total | - | - | - | - | - | - | 1,491.2 | 1,480.6 | 1,487.4 |
| 10 | | | | | | | | | |
| 11 Operating revenues: | | | | | | | | | |
| 12 Passenger fares | 211.7 | 243.3 | 252.1 | - | - | - | - | - | - |
| 13 Route subsidies | 0.8 | 0.4 | 0.4 | - | - | - | - | - | - |
| 14 Metrolink interagency agreement | 2.3 | 2.3 | 2.4 | - | - | - | - | - | - |
| 15 Advertising | 12.2 | 13.9 | 13.6 | - | - | - | - | - | - |
| 16 Total revenues | 227.0 | 259.9 | 268.4 | - | - | - | 1,491.2 | 1,480.6 | 1,487.4 |
| 17 | | | | | | | | | |
| 18 Operating expenses/expenditures: | | | | | | | | | |
| 19 Transportation | 469.4 | 533.8 | 558.7 | - | - | - | - | - | - |
| 20 Maintenance | 248.2 | 305.4 | 294.2 | - | - | - | - | - | - |
| 21 Capital outlay | - | - | - | - | - | - | - | - | - |
| 22 Subsidies | - | - | - | - | - | - | 617.5 | 671.4 | 703.1 |
| 23 Services | - | - | - | - | - | - | 42.3 | 90.5 | 82.8 |
| 24 Debt and interest expenditures | - | - | - | - | - | - | - | - | - |
| 25 General and administrative | 32.3 | 35.6 | 43.3 | - | - | - | 5.9 | 7.2 | 6.7 |
| 26 Total operating expenses/expenditures | 749.9 | 874.8 | 896.1 | - | - | - | 665.6 | 769.1 | 792.7 |
| 27 | | | | | | | | | |
| 28 Excess (deficiency) of revenues over expenditures/ | | | | | | | | | |
| 29 Operating income (loss) | (522.9) | (614.9) | (627.7) | - | - | - | 825.6 | 711.4 | 694.8 |
| 30 Non-operating revenues/(expenses): | | | | | | | | | |
| 31 Local grants | 0.6 | 0.5 | 0.5 | - | - | - | - | - | - |
| 32 Federal grants | 60.2 | 112.2 | 94.3 | - | - | - | - | - | - |
| 33 Charges for services | - | - | - | (300.5) | (358.1) | (394.1) | - | - | - |
| 34 Interest revenue | 7.4 | 6.9 | 7.0 | 4.7 | - | - | - | - | - |
| 35 Debt and interest expense | (15.6) | (8.8) | (7.0) | - | - | - | - | - | - |
| 36 Gain (loss) on disposition of fixed assets | (1.8) | 1.0 | - | - | - | - | - | - | - |
| 37 Other | 7.3 | 2.1 | 1.8 | 295.8 | 358.1 | 394.1 | - | - | - |
| 38 Total non-operating revenues | 58.1 | 113.9 | 96.5 | - | - | - | - | - | - |
| 39 | | | | | | | | | |
| 40 Excess (deficiency) of revenues over expenditures/ | | | | | | | | | |
| 41 Operating income (loss) before other sources | (464.8) | (501.0) | (531.2) | - | - | - | 825.6 | 711.4 | 694.8 |
| 42 | | | | | | | | | |
| 43 Other financing sources (uses): | | | | | | | | | |
| 44 Operating transfers in | 477.3 | 501.0 | 531.2 | - | - | - | 53.6 | 114.2 | 62.6 |
| 45 Operating transfers out | - | - | - | - | - | - | (828.5) | (917.9) | (966.0) |
| 46 Proceeds from financing | - | - | - | - | - | - | - | - | - |
| 47 Payment to refunding bond escrow agent | - | - | - | - | - | - | - | - | - |
| 48 Proceeds of refunding bonds | - | - | - | - | - | - | 55.3 | - | - |
| 49 Total other financing and sources (uses) | 477.3 | 501.0 | 531.2 | - | - | - | (719.6) | (803.8) | (903.4) |
| 50 | | | | | | | | | |
| 51 Excess (deficiency) of revenues and other financing | | | | | | | | | |
| 52 sources over expenditures and other financing uses | 12.5 | - | - | - | - | - | 106.0 | (92.3) | (208.7) |
| 53 | | | | | | | | | |
| 54 Deficit/fund balances-beginning of year | (75.8) | (63.3) | (63.3) | - | - | - | 617.9 | 723.9 | 762.1 |
| 55 | | | | | | | | | |
| 56 Deficit/fund balances-end of year | \$ (63.3) | \$ (63.3) | \$ (63.3) | \$ - | \$ - | \$ - | \$ 723.9 | \$ 631.6 | \$ 553.5 |

Note - The Benefit Assessment Districts, an Agency Fund, has been excluded from the Combined Statement, see Appendix 11 for financial data.

Note - For FY02 and FY03, the Internal Service Fund is adjusted to be consistent with CAFR reporting.

Note - FY03 Beginning fund balances primarily include projected FY02 favorable revenue and expenditure variances for the Special Revenue and General Funds.

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

| | Governmental Funds | | | | | | | | | Totals | | |
|----|--------------------|-----------------|-----------------|----------------|-----------------|-----------------|-------------------|-----------------|-----------------|-------------------|-----------------|-----------------|
| | Capital Funds | | | General Fund | | | Debt Service Fund | | | (Memorandum Only) | | |
| | FY01 Actual | FY02 Adopted | FY03 Adopted | FY01 Actual | FY02 Adopted | FY03 Adopted | FY01 Actual | FY02 Adopted | FY03 Adopted | FY01 Actual | FY02 Adopted | FY03 Adopted |
| 1 | | | | | | | | | | | | |
| 2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,365.6 | \$ 1,382.9 | \$ 1,380.9 |
| 3 | 349.7 | 446.5 | 362.3 | 4.5 | 15.0 | 14.4 | 3.3 | 4.4 | 2.7 | 423.0 | 533.6 | 460.8 |
| 4 | 8.2 | - | - | 6.7 | 1.0 | 1.2 | 16.4 | 9.0 | 9.0 | 74.0 | 33.9 | 29.1 |
| 5 | - | - | - | 13.0 | 12.0 | 10.2 | - | - | - | 13.0 | 12.0 | 10.2 |
| 6 | - | - | - | - | 10.0 | 5.0 | - | - | - | - | 10.0 | 5.0 |
| 7 | - | - | - | - | - | - | - | - | - | 6.5 | 6.1 | 6.1 |
| 8 | (1.4) | - | - | 6.5 | 2.9 | 2.8 | - | - | - | 16.0 | 2.9 | 2.8 |
| 9 | 356.5 | 446.5 | 362.3 | 30.7 | 40.9 | 33.6 | 19.7 | 13.4 | 11.7 | 1,898.1 | 1,981.3 | 1,894.9 |
| 10 | | | | | | | | | | | | |
| 11 | | | | | | | | | | | | |
| 12 | - | - | - | - | - | - | - | - | - | 211.7 | 243.3 | 252.1 |
| 13 | - | - | - | - | - | - | - | - | - | 0.8 | 0.4 | 0.4 |
| 14 | - | - | - | - | - | - | - | - | - | 2.3 | 2.3 | 2.4 |
| 15 | - | - | - | - | - | - | - | - | - | 12.2 | 13.9 | 13.6 |
| 16 | 356.5 | 446.5 | 362.3 | 30.7 | 40.9 | 33.6 | 19.7 | 13.4 | 11.7 | 2,125.1 | 2,241.2 | 2,163.4 |
| 17 | | | | | | | | | | | | |
| 18 | | | | | | | | | | | | |
| 19 | - | - | - | - | - | - | - | - | - | 469.4 | 533.8 | 558.7 |
| 20 | - | - | - | - | - | - | - | - | - | 248.2 | 305.4 | 294.2 |
| 21 | 359.6 | 655.3 | 510.5 | - | - | - | - | - | - | 359.6 | 655.3 | 510.5 |
| 22 | - | - | - | 1.7 | 0.6 | 2.1 | - | - | - | 619.2 | 672.0 | 705.2 |
| 23 | - | - | - | 47.2 | 70.9 | 67.7 | 4.4 | 6.6 | 6.1 | 93.8 | 168.1 | 156.6 |
| 24 | - | - | - | - | - | - | 264.3 | 288.8 | 267.0 | 264.3 | 288.8 | 267.0 |
| 25 | - | - | - | 19.3 | 14.4 | 13.7 | - | - | - | 57.4 | 57.1 | 63.7 |
| 26 | 359.6 | 655.3 | 510.5 | 68.2 | 85.9 | 83.4 | 268.7 | 295.4 | 273.2 | 2,111.9 | 2,680.5 | 2,555.8 |
| 27 | | | | | | | | | | | | |
| 28 | | | | | | | | | | | | |
| 29 | (3.1) | (208.8) | (148.2) | (37.5) | (45.0) | (49.8) | (249.0) | (282.0) | (261.5) | 13.1 | (439.3) | (392.5) |
| 30 | | | | | | | | | | | | |
| 31 | - | - | - | - | - | - | - | - | - | 0.6 | 0.5 | 0.5 |
| 32 | - | - | - | - | - | - | - | - | - | 60.2 | 112.2 | 94.3 |
| 33 | - | - | - | - | - | - | - | - | - | (300.5) | (358.1) | (394.1) |
| 34 | - | - | - | - | - | - | - | - | - | 12.1 | 6.9 | 7.0 |
| 35 | - | - | - | - | - | - | - | - | - | (15.6) | (8.8) | (7.0) |
| 36 | - | - | - | - | - | - | - | - | - | (1.8) | 1.0 | - |
| 37 | - | - | - | - | - | - | - | - | - | 303.1 | 360.2 | 395.8 |
| 38 | - | - | - | - | - | - | - | - | - | 58.1 | 113.9 | 96.5 |
| 39 | | | | | | | | | | | | |
| 40 | | | | | | | | | | | | |
| 41 | (3.1) | (208.8) | (148.2) | (37.5) | (45.0) | (49.8) | (249.0) | (282.0) | (261.5) | 71.3 | (325.4) | (296.0) |
| 42 | | | | | | | | | | | | |
| 43 | | | | | | | | | | | | |
| 44 | 50.9 | 146.2 | 90.3 | 46.6 | 42.5 | 44.3 | 244.6 | 282.7 | 260.6 | 873.0 | 1,086.6 | 988.9 |
| 45 | (32.4) | (165.6) | (13.7) | (0.6) | (3.0) | (9.3) | (11.5) | - | - | (873.0) | (1,086.6) | (988.9) |
| 46 | 5.2 | 226.7 | 59.9 | - | - | - | - | - | - | 5.2 | 226.7 | 59.9 |
| 47 | - | - | - | - | - | - | (408.7) | (290.9) | - | (408.7) | (290.9) | - |
| 48 | - | - | - | - | - | - | 431.9 | 290.9 | - | 487.2 | 290.9 | - |
| 49 | 23.7 | 207.2 | 136.5 | 46.0 | 39.5 | 35.0 | 256.3 | 282.7 | 260.6 | 83.7 | 226.7 | 60.0 |
| 50 | | | | | | | | | | | | |
| 51 | | | | | | | | | | | | |
| 52 | 20.6 | (1.6) | (11.7) | 8.5 | (5.5) | (14.9) | 7.3 | 0.7 | (0.9) | 154.9 | (98.7) | (236.0) |
| 53 | | | | | | | | | | | | |
| 54 | 60.5 | 81.0 | 79.5 | 99.3 | 107.9 | 143.2 | 253.2 | 260.5 | 261.2 | 955.0 | 1,110.0 | 1,182.8 |
| 55 | | | | | | | | | | | | |
| 56 | \$ 81.0 | \$ 79.5 | \$ 67.8 | \$ 107.9 | \$ 102.4 | \$ 128.4 | \$ 260.5 | \$ 261.2 | \$ 260.3 | \$ 1,109.9 | \$ 1,011.3 | \$ 946.7 |

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

SUMMARY OF EXPENDITURES BY PROGRAM

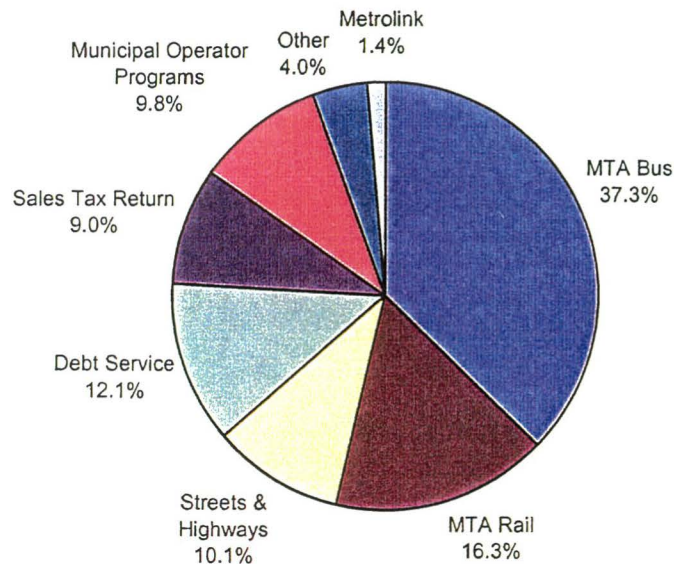
| (Amounts in millions) | FY99 Actual* | | FY00 Actual* | | FY01 Actual* | | FY02 Adopted* | | FY03 Adopted | |
|--|-------------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|-------------------|---------------|
| MTA Bus | | | | | | | | | | |
| Capital | \$ 119.2 | 5.1% | \$ 166.8 | 7.7% | \$ 180.9 | 8.5% | \$ 329.8 | 12.0% | \$ 156.8 | 6.1% |
| Operating | 681.6 | 29.1% | 683.4 | 31.4% | 635.6 | 29.7% | 735.1 | 27.0% | 740.7 | 28.5% |
| BRT-SFV/Mid-City | - | 0.0% | - | 0.0% | 1.6 | 0.1% | 15.0 | 0.6% | 70.5 | 2.7% |
| MTA Bus Subtotal | 800.8 | 34.2% | 850.2 | 39.1% | 818.1 | 38.3% | 1,079.9 | 39.6% | 968.0 | 37.3% |
| MTA Rail | | | | | | | | | | |
| Rail Construction | 391.4 | 16.7% | 234.9 | 10.8% | 127.5 | 6.0% | 180.0 | 6.6% | 150.4 | 5.8% |
| Capital | 70.8 | 3.0% | 22.4 | 1.0% | 30.2 | 1.4% | 44.6 | 1.6% | 51.3 | 2.0% |
| Operating | 98.9 | 4.3% | 105.1 | 4.9% | 121.5 | 5.7% | 146.5 | 5.4% | 155.4 | 6.0% |
| LRT-Eastside/Expo | - | 0.0% | - | 0.0% | 4.4 | 0.2% | 39.8 | 1.5% | 65.7 | 2.5% |
| MTA Rail Subtotal | 561.1 | 24.0% | 362.4 | 16.7% | 283.6 | 13.3% | 410.9 | 15.1% | 422.8 | 16.3% |
| Municipal Operator and Paratransit Programs | 195.9 | 8.4% | 163.3 | 7.5% | 227.0 | 10.6% | 239.1 | 8.8% | 255.2 | 9.8% |
| Metrolink | 38.8 | 1.7% | 30.6 | 1.4% | 31.7 | 1.5% | 35.2 | 1.3% | 37.6 | 1.4% |
| Sales tax return to local jurisdictions | 195.8 | 8.4% | 227.6 | 10.5% | 229.4 | 10.7% | 229.6 | 8.4% | 234.3 | 9.0% |
| Streets and Highways | 147.6 | 6.3% | 192.2 | 8.8% | 177.7 | 8.3% | 265.3 | 9.7% | 262.8 | 10.1% |
| Debt Service ** | 348.9 | 14.8% | 300.7 | 13.8% | 292.5 | 13.7% | 339.3 | 12.5% | 314.8 | 12.1% |
| Other Governmental | 51.4 | 2.2% | 48.2 | 2.2% | 77.7 | 3.6% | 125.6 | 4.6% | 102.2 | 4.0% |
| Total Expenditures by Program | \$ 2,340.3 | 100.0% | \$ 2,175.2 | 100.0% | \$ 2,137.7 | 100.0% | \$ 2,724.9 | 100.0% | \$ 2,597.7 | 100.0% |

* Prior year amounts have been reclassified to conform to the FY03 year presentation.

** Includes Principal liability payments, Benefit Assessment debt payments, and excludes debt refunding.

** Debt Service includes proprietary funds principal reduction of \$17.3 million in FY99, \$17.7 million in FY00 and \$18.2 million in FY01, \$19.3 million in FY02 and \$19.8 million in FY03.

FY03 Adopted Budget



MAJOR BUDGET ASSUMPTIONS

Bus and Rail Operating Assumptions

FY03 Adopted Service Levels

| MODE | | VEHICLE REVENUE HOURS (000) | CHANGE FROM FY02 |
|--------------|-------------------------|--------------------------------|---------------------|
| Metro Bus | MTA Operated | 6,888 | 0.8% |
| | Contracted Service | 654 | 0.0% |
| | Total Metro Bus | 7,542 | 0.8% |
| Metro Rail | Blue Line | 215 | 8.6% |
| | Green Line | 88 | 1.5% |
| | Red Line | 269 | 4.3% |
| | Total Metro Rail | 572 | 5.3% |
| Total | | 8,114 | 1.1% |

- Bus Operations will reorganize into five geographic service sectors responsible for bus service.
- Delivery of 30 new high capacity compressed natural gas (CNG) buses.
- Diesel fuel price decrease of 10%; natural gas price decrease of 44%.

Capital Program Assumptions

- FY03 Budget includes the carryover of eligible FY02 revenues and expenditures.
- Major rail construction program will consist of closeout activities of Segments 2 and 3.
- Funds are included for final design and construction of four approved Transit Corridor Projects: Eastside \$49.5 million; Mid-City/Wilshire

\$15.0 million; San Fernando Valley East-West \$55.5 million; and Exposition Transit Corridor \$16.2 million.

- Funds are included for purchase of light rail vehicles, \$41.1 million.
- Funds are included for Pasadena Gold Line Betterments and Start-up, \$18.9 million.

Other Budget Assumptions

- Sales tax revenue increases 2.0% over the FY02 revenue estimate.
- Wage increases for represented employees based on current labor agreements.
- Salary increases of non-represented employees planned in a performance-based pool.

- Workers' Compensation expenses forecast to be reduced by \$8.3 million, or 14.2%, assuming the Safety Program Goal set up in the safety management program.
- Employee pension expenses forecast to increase by \$9.7 million, or 27%, as a result of the collective bargaining agreements and actuarial assumption changes.
- Health and other employee insurance rates projected to increase by 21% primarily due to increased costs for health and welfare plans and adjustments to labor agreements.

FY02 ACCOMPLISHMENTS

The following are key FY02 MTA accomplishments:

- Increased bus and rail ridership by 40,000 boardings per day or 3%.
- Completed Metro Blue Line platform extensions and expanded capacity on both the Metro Blue and Metro Green Lines.
- Continued to operate the Metro Rapid Bus Demonstration Program. Passenger travel times have been reduced by approximately 25%. Ridership increased nearly 35%, with one-third of the increase new riders to public transit. Increased the number of vehicles assigned to the Wilshire Rapid Bus from 65 to 80 due to increased ridership. Developed Phase II implementation plan for future Rapid Bus routes.
- Received over 370 new CNG buses into the MTA fleet, increasing the total CNG fleet to over 1,700 buses.
- Began an aggressive Safety's 1st training program to train managers and supervisors to be more diligent in pursuit of a safe working environment.
- Awarded the Universal Fare System (UFS) contract for design and implementation.
- Adopted the 2001 Call for Projects (CFP) awarding \$893.4 million to regional grantees for transportation improvements throughout Los Angeles County.
- Developed the first regional transit pass for Los Angeles County.
- Approved the Municipal Operator Service Improvement Program (MOSIP) for Municipal Operators for \$15 million. The additional funding for five years will be used for improvements that benefit Consent Decree-related services.
- Implemented an in-house, self-insured and self-administered workers' compensation claims program.
- Received Board approval for the Environmental Impact Reports (EIR) for the Eastside Light Rail Transit (LRT) and the San Fernando Valley Bus Rapid Transit (BRT).
- Implemented new 'Wayfinding Kit' that will help the sight-impaired travel the Metro Rail System.
- Opened the US-405 San Diego Freeway carpool lane through the Sepulveda Pass bringing the total carpool system to 396 miles.
- Improved service for students, seniors, and disabled customers (June 2002) via new automated technology for issuance and delivery of reduced fare identification cards.

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

| Performance Improvement: | Milestone: |
|--|---|
| <i>Bus In-Service On-Time Performance</i> | Bus In-Service On-Time Performance increased to 64.90% from 63.71% in FY01. |
| <i>Bus On-Time Pullouts (OTP)</i> | OTP reached an all-time record level, averaging 99.74% in the third quarter of FY02. |
| <i>Bus Revenue Service Hours Delivered</i> | In December 2001, Revenue Service Hours delivered reached a historic high of 99.15%. |
| <i>Metro Blue Line Revenue Service Hours Delivered</i> | For the first time, the Metro Blue Line Revenue Service Hours delivered remained above 99% throughout FY02. |
| <i>Metro Green Line Safety</i> | During FY02, the Metro Green Line posted its 13 th consecutive month without a reportable accident. |
| <i>Bus Cleanliness</i> | Bus cleanliness continued to rise in FY02, posting 10 consecutive quarters of improvement. |
| <i>Past Due Bus Preventive Maintenance Program (PMPs)</i> | The FY02 goal for Bus Past Due PMPs is 0.50 per assigned coach. In FY02, the goal was bettered every month, dropping from 0.18 in the first quarter to 0.08 in the third. |
| <i>Bus Accidents</i> | In September 2001, the bus accident rate dropped below the goal of 3.5 to 3.44 accidents per 100,000 miles. |
| <i>Bus Complaints</i> | Bus complaints remained below 3.4 per 100,000 boardings throughout every quarter of FY02. |
| <i>Bus Mean Miles Between Mechanical Failures (MMBMF)</i> | MMBMF reached an all-time high of 7,260 in January of FY02. |

CUSTOMER SERVICES

METRO FREEWAY SERVICE PATROL FACTS

LACMTA, in partnership with the California Department of Transportation and the California Highway Patrol, manages the largest fleet of tow and service trucks in the country known as the Los Angeles County Metro Freeway Service Patrol. The goal is to quickly repair or remove disabled vehicles to relieve freeway congestion.

| | |
|--|---------|
| <i>Number of motorists assisted annually</i> | 350,000 |
| <i>Number of freeway miles served</i> | 422 |
| <i>Number of tow trucks on patrol</i> | 145 |
| <i>Number of tow truck beats</i> | 40 |

FY2002-2003

ADOPTED BUDGET



INTRODUCTION

MTA provides a wide range of customer services to increase mobility throughout Los Angeles County. These services include transit operations, freeway services, highway construction, and transportation information.

Transit Services

MTA directly operates three modes of transit service: bus, light rail, and heavy rail, carrying over 1.2 million passengers per weekday. Transit operations and supporting capital expenditures make up 36% of the FY03 Budget.

Technology Improvements

Work continues on the Universal Fare System (UFS) and the Advanced Transportation Management System (ATMS). Each will provide a broad array of improvements in service. UFS will allow customers greater flexibility in their transportation options and facilitate better and more expeditious accounting of fares and ridership.

The new regional pass will be introduced in FY03 and will eventually integrate with UFS to provide seamless connections between the Metro Bus system and participating municipal operations. The ATMS project will replace obsolete radio communication systems, provide automatic vehicle location, computer aided dispatch, automatic passenger counters and interface with the UFS.

Metro Bus

MTA is the second largest bus operator in the United States. MTA bus service carries over 1.2 million passengers 250,000 miles on 185 bus routes with 18,500 bus stops each weekday. Passenger complaints have dropped to the lowest levels in six years.

In FY02, \$1.1 billion was expended in support of Metro Bus operating and capital programs. In FY03, this will decrease by 10.4% to \$968 million. This decrease is a combination of lower capital expenditures and minor increases in bus service.

The FY03 Budget includes funds for the acquisition of 30 high capacity buses. MTA will provide 33 buses to contractors operating MTA service and will add new vehicles for the Metro Green Line shuttle.

MTA is the largest operator of alternative fueled buses. Currently 1,758 or 76% of the 2,316 buses in the active fleet are powered by engines using clean-burning compressed natural gas (CNG).

Service Sectors

The most significant change in the provision of bus service included in the FY03 Budget is the creation of five bus operations service sectors. This reorganization of the management of bus service is to improve service quality and bring decision-making closer to our customers.

The sectors will foster partnerships with other bus service providers around a shared vision for responsive community based transportation services.

The San Fernando Valley and San Gabriel Valley service sectors will begin operations July 1, 2002. The other three sectors will begin operations later in the fiscal year.

Community councils will provide recommendations to sector general managers who will evaluate and implement changes and improvements in transit services within the sector.

Each sector manager will oversee the operation of a fleet of approximately 400 to 600 buses. In addition to operations and maintenance personnel, each sector will include its own Human Resources, Planning, Scheduling, Marketing and Public Affairs staff.

Sector Goals

- Create business units with municipal operator-like size.
- Establish each sector with geographic areas emerging from study of existing and potential route structures.
- Locate management and essential, customer-focused, support functions at sector operating bases within local communities served.
- Establish new relationships with MTA corporate support functions.

Sector Objectives

- To organize the functions of the MTA to best serve our customers in an effective manner.
- To develop an organizational framework that will lead the MTA toward improved safety and customer satisfaction.
- To foster a more dynamic working environment, to reduce management layers by moving responsibility and accountability closer to the customer.
- To achieve overall improvement in service quality.

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FY03 Bus Operating Statistics By Service Sector

| | SAN FERNANDO VALLEY | SAN GABRIEL VALLEY | GATEWAY | SOUTH BAY |
|------------------------------------|---------------------------|-----------------------|---------|-----------|
| BOARDINGS (000) | 67,905 | 69,391 | 57,042 | 90,630 |
| VEHICLE SERVICE HOURS (000) | 1,235 | 1,262 | 1,037 | 1,648 |
| VEHICLE SERVICE MILES (000) | 17,169 | 15,563 | 10,995 | 19,847 |
| HUB MILES (000) | 18,322 | 18,723 | 15,391 | 24,454 |
| BOARDINGS PER REVENUE SERVICE HOUR | 55.0 | 55.0 | 55.0 | 55.0 |
| PASSENGER MILES | 338,158 | 328,074 | 213,617 | 368,748 |
| VEHICLES OPERATED | 364 | 353 | 293 | 448 |
| | | | | |
| COST PER REVENUE SERVICE HOUR | \$84.49 | \$81.38 | \$86.08 | \$77.84 |
| COST PER PASSENGER MILE | \$0.31 | \$0.31 | \$0.42 | \$0.35 |
| COST PER BOARDING | \$1.54 | \$1.48 | \$1.57 | \$1.42 |
| SUBSIDY PER BOARDING | | | | |
| SUBSIDY PER PASSENGER MILE | | | | |
| FARE RECOVERY RATIO | | | | |
| FARE REVENUE PER BOARDING | | | | |

¹ Systemwide statistics include bus operating expenses from support activities not assigned directly to sector management, including, but not limited to, Central Maintenance, Central Control & Instruction, Facilities and Operations Security.

FY03 Bus Operating Statistics By Service Sector, continued

| | WESTSIDE/ CENTRAL | CONTRACT SERVICES | SYSTEMWIDE ¹ |
|------------------------------------|----------------------|----------------------|-------------------------|
| BOARDINGS (000) | 93,853 | 13,081 | 391,903 |
| VEHICLE SERVICE HOURS (000) | 1,706 | 654 | 7,542 |
| VEHICLE SERVICE MILES (000) | 20,446 | 7,978 | 91,998 |
| HUB MILES (000) | 25,323 | 9,706 | 111,919 |
| BOARDINGS PER REVENUE SERVICE HOUR | 55.0 | 20.0 | 52.0 |
| PASSENGER MILES | 433,531 | 42,905 | 1,725,035 |
| VEHICLES OPERATED | 499 | 166 | 2,123 |
| | | | |
| COST PER REVENUE SERVICE HOUR | \$81.71 | \$51.00 | \$99.14 |
| COST PER PASSENGER MILE | \$0.32 | \$0.78 | \$0.43 |
| COST PER BOARDING | \$1.49 | \$2.55 | \$1.91 |
| SUBSIDY PER BOARDING | | | \$1.33 |
| SUBSIDY PER PASSENGER MILE | | | \$0.30 |
| FARE RECOVERY RATIO | | | 30% |
| FARE REVENUE PER BOARDING | | | \$0.54 |

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

| Bus Performance Indicators | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|--|------------------------|------------------------|---------------------------|------------------------|
| <i>Customer Indicators</i> | | | | |
| In-Service On-Time Performance | 65.39% | 63.71% | 64.19% | 75.00% |
| <i>Financial Indicators</i> | | | | |
| Bus cost per service hour ¹ | \$99.59 | \$99.59 | \$99.21 | \$99.14 |
| Farebox Recovery | 32.87% | 30.75% | 30.53% | 30.16% |
| Subsidy per Boarding | \$1.29 | \$1.34 | \$1.34 | \$1.33 |
| <i>Internal Process Indicators</i> | | | | |
| Mean miles between mechanical failures | 5,585 | 4,808 | 5,470 | 6,000 |
| <i>Learning/Innovation Indicators</i> | | | | |
| Vehicle accidents per 100k miles | 4.15 | 4.0 | 3.5 | 2.7 |

¹. Reclassified to reflect the board adopted change to Prop A & C Admin.

Metro Rapid

Metro Rapid provides faster regional travel. The key features of Metro Rapid that make it faster and easier to use include simple route layout, frequent service, greater distance between stops, low-floor buses to facilitate boarding and alighting, color-coded buses and stops and traffic signal priority at intersections.

Launched in 2000, the Metro Rapid Demonstration Program, consisting of two lines, one along Ventura Boulevard in the San Fernando Valley and the other along the Wilshire/Whittier Transit Corridor, has reduced travel time by about 25%. Ridership has increased nearly 35% with one-third of those riders using Metro Rapid representing new riders to the system.

During FY02, the MTA Board of Directors approved the implementation of the Metro Rapid Expansion Program. This includes operation of two new lines in FY03 and development of five additional Metro Rapid Bus Lines to begin service within the next 12-18 months.

In approving the Metro Rapid Expansion Program, additional corridors were identified and prioritized into four implementation phases.

Metro Rail

MTA operates 59 miles of rail service. The 22-mile light rail Los Angeles to Long Beach Metro Blue Line, has 66,000 average weekday boardings. Also light rail, the 20-mile Metro Green Line operates on an exclusive

right-of-way on the US-105 Freeway between El Segundo and Norwalk and has approximately 30,000 weekday boardings. The 17-mile Metro Red Line is a heavy rail subway operating between Downtown Los Angeles and North Hollywood, with a branch extending along Wilshire Boulevard to Western Avenue. Metro Red Line ridership increased significantly since the opening of the final segment in July 2000 and now has over 150,000 average weekday boardings.

The FY03 Budget includes additional resources to support a 5% increase in rail vehicle service hours consistent with growing ridership. Other initiatives in the FY03 Budget include: increased overhauls on revenue vehicles and signal and traction power

systems to improve vehicle availability and minimize system interruptions. The budget also includes funds to improve wayside maintenance and warranty tracking system to better track system component maintenance and increase warranty recoveries.

Metro Rail Operations will continue to test and accept the LA Rail Car light rail vehicles. Ensuring these cars are available for revenue operations is essential to providing the increased service and to be prepared to begin operations of the Metro Gold Line in July 2003.

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

| Rail Performance Indicators | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|--|------------------------|------------------------|---------------------------|------------------------|
| Customer Indicators | | | | |
| Light Rail On-Time Performance | n.a. | 97.43% | 98.00% | 99.20% |
| Heavy Rail On-Time Performance | 97.62% | 99.13% | 99.00% | 98.25% |
| Complaints per 100,000 boardings | | | | |
| Systemwide | 1.02 | 0.85 | 0.78 | 0.80 |
| Light Rail | 0.95 | 0.76 | 0.80 | 0.80 |
| Heavy Rail | 0.83 | 0.83 | 0.80 | 0.80 |
| Financial Indicators | | | | |
| Light Rail cost per RVSH ¹ | \$302.23 | \$369.06 | \$296.40 | \$293.24 |
| Heavy Rail cost per RVSH ¹ | \$245.62 | \$223.38 | \$244.52 | \$247.13 |
| Farebox Recovery | | | | |
| Light Rail | 22.66% | 24.58% | 22.05% | 27.49% |
| Heavy Rail | 15.00% | 18.28% | 23.04% | 27.77% |
| Subsidy per Boarding | | | | |
| Light Rail | \$1.53 | \$1.69 | \$2.27 | \$1.64 |
| Heavy Rail | \$1.39 | \$1.43 | \$1.30 | \$1.19 |
| Internal Process Indicators | | | | |
| Mean Miles Between Mechanical Failures | 4,485 | 6,093 | 6,075 | 6,500 |
| Learning/Innovation Indicators | | | | |
| Rail accidents per 100,000 revenue train miles | | | | |
| Light Rail (MGL, MBL) | n.a. | 0.93 | 0.30 | 0.20 |
| Heavy Rail (MRL) | n.a. | 0.08 | 0.10 | 0.00 |

¹. Reclassified to reflect the board adopted change to Prop A & C Admin.

Metro Freeway Service Patrol (FSP)

MTA, in partnership with the California Department of Transportation (CALTRANS) and the California Highway Patrol (CHP), manage the largest fleet of tow and service trucks in the country. This service is known as the Los Angeles County Metro Freeway Service Patrol (FSP). Private tow operators are

contracted to patrol designated portions of freeways during morning and afternoon commute hours. The goal is to quickly repair or remove disabled vehicles to relieve freeway congestion. The program is funded through local Proposition C 25% sales tax and state highway funds.

Over 70% of motorists wait less than five minutes for assistance. Drivers change flat tires, fill radiators, tape

leaky hoses, provide jump-starts, provide gasoline or when necessary, will tow the vehicle to a safe location off the freeway.

The FY03 Budget total is \$20.8 million for FSP.

Service Authority For Freeway Emergencies (SAFE)

Service Authority for Freeway Emergencies (SAFE) is a separate agency from the MTA that is responsible primarily for the maintenance and operation of the County's system of approximately 4,500 call boxes. These call boxes provide call-answering services for people with vehicle problems on busy roads. During FY03, the SAFE Program will award and begin the process of privatizing the call-answering function currently being provided by the CHP. Once implemented, this action should reduce the cost of this activity by as much as 50%.

Paratransit Services

Access Services, Inc. (ASI) manages the Americans with Disabilities Act (ADA) paratransit service. The purpose of ASI is to improve the quality and effectiveness of transportation services to elderly and persons with disabilities through coordination of public transportation with social service agencies and other charitable organizations, and to provide services to persons with disabilities in accordance with the ADA.

Over the past year, paratransit ridership has increased dramatically

with an annual growth rate of over 20%.

The FY03 Budget for paratransit services is \$68 million which includes \$58.6 million funding for ASI and \$9.4 million funding for other ADA activities.

High Occupancy Vehicle (HOV) Lanes

There are 396 miles of High Occupancy Vehicle (HOV) lanes in operation in Los Angeles County. Built with the purpose of reducing congestion by using the capacity of the freeway system more efficiently, it is estimated that HOV lane use exceeds 700,000 person trips per day in Los Angeles County.

In FY03, the budget provides \$15.1 million for HOV lane improvements.

Rideshare Program

Over the past years, the five county transportation commissions, which fund regional and local rideshare services, have been reviewing service delivery options to optimize rideshare program performance. The MTA Board also directed staff to conduct a rideshare evaluation study during FY02 to review rideshare service delivery. As a result of these efforts, the county transportation commissions are coordinating with SCAG on the transition of rideshare responsibilities to service delivery approaches that maintain regional coordination but enhance employer outreach locally.

As the first step in this transition, MTA will move the Employer

Outreach/Account Executive function in-house starting July 2002 and will refocus its efforts on marketing a complete line of programs to employers, from the promotion of transit pass programs to promotion of ridesharing and carpool lane use. During FY03, SCAG will continue to provide other rideshare activities, including the regional ridematch database. During the next year, MTA will continue working with SCAG and the other county transportation commissions in developing a plan for the transition of remaining rideshare activities by July 2003. This transition will promote close local coordination with employers, which is essential to meet regional rideshare goals in a cost-effective manner.

1-800-commute

1-800-commute provides personal transit assistance via telephone seven days a week. Callers are given route, schedule and fare information for all operators in the county, using the county's database of transit information.

Discount Fares Program

The Discount Fares Program provides personalized identification cards to eligible students (grades K-12 and full time college/vocational), seniors and disabled individuals. This enables them to ride MTA trains and buses at a significantly reduced cost under the MTA Reduced Fares Program. Student ID Cards are valid for an academic term, persons 62-years and above qualify for a senior ID Card, and disabled ID Cards are issued for various time periods based on an individual's disability.

www.mta.net

www.mta.net is the address of MTA's Internet site. The site offers an interactive trip planner accessible via the web 24 hours a day from anywhere in the world, offering complete transit information for Los Angeles County. The site also features detailed information on MTA's other transportation services and projects.

FINANCIALS

METRO RAIL FACTS

LACMTA operates 59.4 miles of rail service. The FY03 Budget includes additional resources to support a 5% increase in rail vehicle service hours consistent with growing ridership.

METRO BLUE LINE

| | |
|--------------------------|--------|
| Opening date: | 1990 |
| Average weekday boarding | 66,225 |
| Number of stations | 22 |
| Length of route in miles | 22 |
| Number of cars in fleet | 54 |

METRO RED LINE

| | |
|--------------------------|---------|
| Opening date | 1993 |
| Average weekday boarding | 150,000 |
| Number of stations | 16 |
| Length of route in miles | 17.4 |
| Number of cars in fleet | 102 |

METRO GREEN LINE

| | |
|--------------------------|--------|
| Opening date | 1995 |
| Average weekday boarding | 29,800 |
| Number of stations | 14 |
| Length of route in miles | 20 |
| Number of cars in fleet | 15 |

FY2002-2003

ADOPTED BUDGET



ENTERPRISE FUND

Fund Narrative

The Enterprise Fund accounts for transit services in a manner similar to the private sector. The transit services included within the Enterprise Fund are Metro Bus, contracted bus service, and Metro Rail.

Revenues

Bus and rail operating revenues recover approximately 30% of the cost to provide transit services. The remaining 70% of the cost to provide service is funded through a combination of non-operating revenues (primarily federal grants) and transfers (Prop A & C, TDA and STA tax-based revenues).

Expenses

The Enterprise Fund FY03 budgeted expenses are as follows:

| | Amount in Millions | % |
|------------|--------------------|--------|
| Bus | \$747.6 | 82.8 |
| Light Rail | 88.8 | 9.8 |
| Heavy Rail | 66.6 | 7.4 |
| Total | \$903.1 | 100.0% |

Enterprise Fund expenses of \$903.1 million are composed of \$896.1 million operating expenses and \$7.0 million of non-operating interest expenses.

Approximately 69% of the Enterprise Fund expenses are for labor and fringe benefits. Fuel and materials represents another 12% of expenses with the remainder of the expenses being comprised of purchased transportation (7%), security (6%) and debt and other expenses (6%).

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

Budget & Service Levels

| Mode | | Vehicle Revenue Hours | Vehicle Revenue Miles | Unlinked Passenger Trips | Passenger Miles |
|---------------|----------------------|-----------------------|-----------------------|--------------------------|----------------------|
| Bus | MTA Operated | 6,887,676 | 84,019,994 | 378,822,290 | 1,682,129,767 |
| | Contracted Svc | 654,041 | 7,978,381 | 13,080,820 | 42,905,089 |
| | Subtotal Bus | 7,541,717 | 91,998,375 | 391,903,110 | 1,725,034,856 |
| Rail | Blue Line | 214,980 | 4,586,240 | 27,947,400 | 194,782,199 |
| | Green Line | 87,950 | 2,730,976 | 11,433,500 | 79,686,922 |
| | Red Line | 269,641 | 6,111,603 | 40,446,150 | 163,985,142 |
| | Subtotal Rail | 572,571 | 13,428,819 | 79,827,050 | 438,454,263 |
| Totals | | 8,114,288 | 105,427,194 | 471,730,160 | 2,163,489,119 |

Cost Per Unit of Service

| Mode | | Vehicle Revenue Hours | Vehicle Revenue Miles | Unlinked Passenger Trips | Passenger Miles |
|-------------|---------------------|-----------------------|-----------------------|--------------------------|-----------------|
| Bus | MTA Operated | \$102.58 | \$8.50 | \$1.89 | \$.42 |
| | Contracted Svc | \$51.00 | \$4.18 | \$2.55 | \$.78 |
| | Blended Bus | \$99.14 | \$8.13 | \$1.91 | \$.43 |
| Rail | Blue Line | \$248.65 | \$11.66 | \$1.91 | \$.27 |
| | Green Line | \$402.22 | \$12.95 | \$3.09 | \$.44 |
| | Red Line | \$247.13 | \$10.90 | \$1.65 | \$.41 |
| | Blended Rail | \$271.52 | \$11.58 | \$1.95 | \$.35 |

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Combined Statement of Revenues, Expenses and Changes in Retained Earnings For the Years Ending June 30, 2001, 2002 and 2003

(Amounts in millions)

| Enterprise Fund by Mode | Bus | | | Light Rail | | |
|---|----------------|-----------------|-----------------|----------------|-----------------|-----------------|
| | FY01 Actual | FY02 Adopted | FY03 Adopted | FY01 Actual | FY02 Adopted | FY03 Adopted |
| 1 Revenue: | | | | | | |
| 2 Operating revenues | | | | | | |
| 3 Passenger fares | \$ 186.9 | \$ 212.1 | \$ 212.6 | \$ 16.8 | \$ 18.6 | \$ 23.5 |
| 4 Route subsidies | 0.8 | 0.4 | 0.4 | - | - | - |
| 5 Metrolink interagency agreement | 0.3 | 0.3 | 0.4 | - | - | - |
| 6 Advertising | 12.2 | 13.9 | 12.2 | - | - | 1.0 |
| 7 Total revenues | 200.2 | 226.7 | 225.5 | 16.8 | 18.6 | 24.4 |
| 8 | | | | | | |
| 9 Operating expenses: | | | | | | |
| 10 Transportation | 399.1 | 454.1 | 472.8 | 39.1 | 46.6 | 49.8 |
| 11 Maintenance | 203.9 | 249.1 | 239.2 | 25.0 | 31.1 | 30.7 |
| 12 General and administrative | 25.4 | 24.9 | 28.7 | 3.7 | 6.2 | 8.2 |
| 13 Total operating expenses | 628.4 | 728.1 | 740.7 | 67.8 | 83.9 | 88.8 |
| 14 | | | | | | |
| 15 Operating income (loss) | (428.2) | (501.4) | (515.2) | (51.0) | (65.3) | (64.3) |
| 16 | | | | | | |
| 17 Non-operating revenues/(expenses): | | | | | | |
| 18 Local operating grants | 0.6 | 0.5 | 0.5 | - | - | - |
| 19 Federal operating grants | 59.3 | 107.1 | 94.3 | 0.8 | 3.4 | - |
| 20 Interest revenue | 7.4 | 6.9 | 5.9 | - | - | 0.6 |
| 21 Debt and interest expense | (15.6) | (8.8) | (7.0) | - | - | - |
| 22 Gain (loss) on disposition of fixed assets | (1.8) | 1.0 | - | - | - | - |
| 23 Other | 7.3 | 1.5 | 1.0 | - | 0.4 | 0.2 |
| 24 Total Non-operating revenues | 57.2 | 108.2 | 94.7 | 0.8 | 3.8 | 0.8 |
| 25 | | | | | | |
| 26 Other financing sources (uses): | | | | | | |
| 27 Operating transfers in | | | | | | |
| 28 Prop A | 121.9 | 130.6 | 132.2 | 20.6 | 21.6 | 26.3 |
| 29 Prop C | 113.6 | 97.5 | 106.3 | 16.8 | 21.0 | 34.0 |
| 30 TDA | 154.8 | 164.3 | 179.9 | 2.0 | 0.9 | - |
| 31 STA | - | - | 2.1 | 10.7 | 18.1 | 3.3 |
| 32 Other | (6.8) | 0.8 | - | - | - | - |
| 33 Total other financing and sources (uses) | 383.5 | 393.2 | 420.5 | 50.1 | 61.6 | 63.5 |
| 34 | | | | | | |
| 35 Increase (decrease) in retained earnings | 12.5 | - | - | - | - | - |
| 36 | | | | | | |
| 37 Deficit - beginning of year | (75.8) | (63.3) | (63.3) | - | - | - |
| 38 | | | | | | |
| 39 Deficit - end of year | \$ (63.3) | \$ (63.3) | \$ (63.3) | \$ - | \$ - | \$ - |

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

| | Heavy Rail | | | Total | | |
|----|----------------|-----------------|-----------------|----------------|-----------------|-----------------|
| | FY01 Actual | FY02 Adopted | FY03 Adopted | FY01 Actual | FY02 Adopted | FY03 Adopted |
| 1 | | | | | | |
| 2 | | | | | | |
| 3 | \$ 7.9 | \$ 12.6 | \$ 16.0 | \$ 211.7 | \$ 243.3 | \$ 252.1 |
| 4 | - | - | - | 0.8 | 0.4 | 0.4 |
| 5 | 2.0 | 2.0 | 2.0 | 2.3 | 2.3 | 2.4 |
| 6 | - | - | 0.5 | 12.2 | 13.9 | 13.6 |
| 7 | 9.9 | 14.6 | 18.5 | 227.0 | 259.9 | 268.4 |
| 8 | | | | | | |
| 9 | | | | | | |
| 10 | 31.2 | 33.1 | 36.1 | 469.4 | 533.8 | 558.7 |
| 11 | 19.3 | 25.2 | 24.3 | 248.2 | 305.4 | 294.2 |
| 12 | 3.2 | 4.4 | 6.3 | 32.3 | 35.6 | 43.3 |
| 13 | 53.7 | 62.7 | 66.7 | 749.9 | 874.8 | 896.1 |
| 14 | | | | | | |
| 15 | (43.8) | (48.1) | (48.2) | (522.9) | (614.9) | (627.7) |
| 16 | | | | | | |
| 17 | | | | | | |
| 18 | - | - | - | 0.6 | 0.5 | 0.5 |
| 19 | 0.0 | 1.6 | - | 60.2 | 112.2 | 94.3 |
| 20 | - | - | 0.5 | 7.4 | 6.9 | 7.0 |
| 21 | - | - | - | (15.6) | (8.8) | (7.0) |
| 22 | - | - | - | (1.8) | 1.0 | - |
| 23 | - | 0.3 | 0.6 | 7.3 | 2.1 | 1.8 |
| 24 | 0.0 | 1.9 | 1.0 | 58.1 | 113.9 | 96.5 |
| 25 | | | | | | |
| 26 | | | | | | |
| 27 | | | | | | |
| 28 | 10.3 | 10.8 | 19.4 | 152.7 | 163.0 | 177.9 |
| 29 | 23.1 | 25.9 | 25.3 | 153.5 | 144.4 | 165.6 |
| 30 | 5.0 | 0.5 | - | 161.8 | 165.7 | 179.9 |
| 31 | 5.4 | 9.1 | 2.5 | 16.1 | 27.2 | 7.8 |
| 32 | - | - | - | (6.8) | 0.8 | - |
| 33 | 43.8 | 46.2 | 47.2 | 477.3 | 501.0 | 531.2 |
| 34 | | | | | | |
| 35 | - | - | - | 12.5 | - | - |
| 36 | | | | | | |
| 37 | - | - | - | (75.8) | (63.3) | (63.3) |
| 38 | | | | | | |
| 39 | \$ - | \$ - | \$ - | \$ (63.3) | \$ (63.3) | \$ (63.3) |

INTERNAL SERVICE FUND

Fund Narrative

The Internal Service Fund accounts for the receipt and expenses of goods and services provided to projects and funds on a cost reimbursement basis. These expenses are allocated to the functional units of Transit Operations, Countywide Planning and Development, Engineering & Construction, as well as the blended component units, Public Transportation Services Corporation (PTSC) and PTSC/MTA Risk Management Authority (PRMA).

Revenues

Charges for financial and administrative service functions are allocated to MTA's programs and projects. As part of the allocation methodology, the program reimburses the MTA's overhead projects in the Internal Service Fund.

Expenses

Internal Service Fund expenses are in support of the MTA's core business units. The significant expenses in FY03 include:

- Salaries and fringes for financial, administrative and human resource functions.
- Professional and contractual services for the maintenance of MTA facilities, Gateway, and waste disposal at all divisions and rail facilities.
- Original equipment vendor repair and maintenance of specialized ITS machinery and systems.
- Communication support of signage production and posting for Metro Bus and Metro Rail.
- Medical testing and support services for personnel recruitment activities and employment standard compliances.
- Accounting and auditing expenses.
- Utility and telecommunication expenditures for all MTA facilities and Gateway.

**Statement of Revenues, Expenses and Changes in Retained Earnings
For the Years Ending June 30, 2001, 2002 and 2003**

(Amounts in millions)

| Internal Service Fund | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|------------------------|-------------------------|-------------------------|
| 1 Operating expenses: | | | |
| 2 Services | \$ - | \$ - | \$ - |
| 3 Total operating expenses | - | - | - |
| 4 | | | |
| 5 Operating income (loss) | - | - | - |
| 6 | | | |
| 7 Non-operating revenues/(expenses): | | | |
| 8 Charges for services | (300.5) | (358.1) | (394.1) |
| 9 Interest revenue | 4.7 | - | - |
| 10 Other | 295.8 | 358.1 | 394.1 |
| 11 Total non-operating revenues | - | - | - |
| 12 | | | |
| 13 Increase (decrease) in retained earnings | - | - | - |
| 14 | | | |
| 15 Retained Earnings(deficit)-beg. of year | - | - | - |
| 16 | | | |
| 17 Retained Earnings(deficit)-end of year | \$ - | \$ - | \$ - |

Note: FY02 and FY03 expenses are adjusted to be consistent with CAFR reporting requirements.

SPECIAL REVENUE FUND

Fund Narrative

The Special Revenue Fund accounts for the proceeds of specific revenue sources (other than expendable trust or major capital projects) that are earmarked for specified purposes. The Special Revenue Fund reflects 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.

Revenue

The primary sources of revenue are from Proposition A sales tax, Proposition C sales tax, TDA sales tax, STA sales tax, Service Authority for Freeway Emergencies (SAFE), Congestion Mitigation and Air Quality (CMAQ) and other funds used to account for programs with dedicated revenue sources.

Expenditures

Laws, ordinances or grants that created these funds designate their use. Regional programs detailed in the following section account for 89% of Special Revenue expenditures, 11% for SAFE, FSP, other contracts and overhead and labor.

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Los Angeles County Metropolitan Transportation Authority
Adopted Budget

**Combined Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ending June 30, 2001, 2002 and 2003**

(Amounts in millions)

| | Proposition A | | | Proposition C | | | Transportation Develop. Act | | |
|---|----------------|-----------------|-----------------|----------------|-----------------|-----------------|-----------------------------|-----------------|-----------------|
| | FY01 Actual | FY02 Adopted | FY03 Adopted | FY01 Actual | FY02 Adopted | FY03 Adopted | FY01 Actual | FY02 Adopted | FY03 Adopted |
| Special Revenue Funds | | | | | | | | | |
| 1 Revenue: | | | | | | | | | |
| 2 Sales tax | \$ 528.3 | \$ 528.4 | \$ 539.2 | \$ 528.4 | \$ 528.3 | \$ 539.2 | \$ 283.2 | \$ 266.8 | \$ 274.3 |
| 3 Intergovernmental grants | - | - | - | 59.6 | 57.8 | 54.8 | 0.3 | - | - |
| 4 Investment income | 8.5 | 6.0 | 4.0 | 21.5 | 14.0 | 10.0 | 9.0 | 3.5 | 3.5 |
| 5 Licenses and fines | - | - | - | - | - | - | - | - | - |
| 6 Other | 2.6 | - | - | 7.7 | - | - | - | - | - |
| 7 Total revenues | 539.4 | 534.4 | 543.2 | 617.2 | 600.1 | 604.1 | 292.5 | 270.3 | 277.8 |
| 8 | | | | | | | | | |
| 9 Expenditures: | | | | | | | | | |
| 10 Subsidies | 187.0 | 194.4 | 204.2 | 314.7 | 377.1 | 378.1 | 111.9 | 87.0 | 98.5 |
| 11 Services | - | - | - | 38.6 | 78.2 | 68.4 | - | - | - |
| 12 General and administrative | - | - | - | 4.8 | 6.6 | 5.8 | - | - | - |
| 13 Total expenditures | 187.0 | 194.4 | 204.2 | 358.1 | 461.9 | 452.4 | 111.9 | 87.0 | 98.5 |
| 14 | | | | | | | | | |
| 15 Excess (deficiency) of revenues | | | | | | | | | |
| 16 over expenditures | 352.4 | 340.0 | 339.0 | 259.1 | 138.2 | 151.7 | 180.6 | 183.3 | 179.3 |
| 17 | | | | | | | | | |
| 18 Other financing sources (uses): | | | | | | | | | |
| 19 Operating transfers in | | | | | | | | | |
| 20 Prop A | - | - | - | 24.2 | - | - | - | - | - |
| 21 Prop C | - | - | - | - | 38.0 | 52.2 | - | - | - |
| 22 TDA | - | - | - | 8.4 | - | - | 3.1 | 0.9 | 1.0 |
| 23 STA | - | - | - | - | - | - | - | - | - |
| 24 Other | - | - | - | 16.7 | 75.3 | 7.6 | 1.2 | - | - |
| 25 Operating transfers out | | | | | | | | | |
| 26 Prop A | - | - | - | - | - | - | - | - | - |
| 27 Prop C | (24.2) | - | - | - | (38.0) | (52.5) | (8.4) | - | - |
| 28 TDA | - | - | - | - | - | - | (3.1) | (0.9) | (1.0) |
| 29 General Fund | (30.1) | (26.4) | (26.9) | (10.9) | (8.3) | (10.7) | (5.3) | (6.0) | (6.7) |
| 30 Debt Service Fund | (147.7) | (151.0) | (153.6) | (97.0) | (131.7) | (107.0) | - | - | - |
| 31 Capital Fund | (2.0) | - | (29.3) | 1.8 | (5.8) | (5.0) | (3.0) | (23.9) | (29.4) |
| 32 Enterprise Fund | (152.7) | (163.0) | (177.9) | (153.6) | (144.3) | (165.6) | (161.7) | (165.7) | (179.9) |
| 33 Proceeds from financing | - | - | - | 55.3 | - | - | - | - | - |
| 34 Total other financing sources (uses) | (356.7) | (340.4) | (387.7) | (155.1) | (214.8) | (281.0) | (177.2) | (195.6) | (216.0) |
| 35 | | | | | | | | | |
| 36 Excess (deficiency) of revenue and other financing | | | | | | | | | |
| 37 sources over expenditures/other financing uses | (4.3) | (0.4) | (48.7) | 104.0 | (76.7) | (129.3) | 3.4 | (12.3) | (36.7) |
| 38 | | | | | | | | | |
| 39 Fund surplus balance - beginning of year* | 125.6 | 121.3 | 118.9 | 310.5 | 414.5 | 412.0 | 136.3 | 139.7 | 173.8 |
| 40 | | | | | | | | | |
| 41 Fund surplus balance - end of year | \$ 121.3 | \$ 120.9 | \$ 70.2 | \$ 414.5 | \$ 337.8 | \$ 282.7 | \$ 139.7 | \$ 127.5 | \$ 137.0 |

*FY03 Beginning fund balances primarily include projected FY02 favorable revenue and expenditure variances.

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

| | State Transit Assistance-STA | | | SAFE | | | Other | | | Total | | |
|----|------------------------------|-----------------|-----------------|----------------|-----------------|-----------------|----------------|-----------------|-----------------|----------------|-----------------|-----------------|
| | FY01 Actual | FY02 Adopted | FY03 Adopted | FY01 Actual | FY02 Adopted | FY03 Adopted | FY01 Actual | FY02 Adopted | FY03 Adopted | FY01 Actual | FY02 Adopted | FY03 Adopted |
| 1 | | | | | | | | | | | | |
| 2 | \$ 25.7 | \$ 59.3 | \$ 28.2 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,365.6 | \$ 1,382.9 | \$ 1,380.9 |
| 3 | - | - | - | - | - | 2.5 | 5.6 | 9.9 | 24.1 | 65.5 | 67.7 | 81.5 |
| 4 | 2.0 | 0.4 | 0.4 | 1.7 | - | 1.0 | 0.1 | - | - | 42.8 | 23.9 | 18.9 |
| 5 | - | - | - | 6.2 | 6.1 | 6.1 | 0.3 | - | - | 6.5 | 6.1 | 6.1 |
| 6 | - | - | - | 0.5 | - | - | - | - | - | 10.8 | - | - |
| 7 | 27.7 | 59.7 | 28.6 | 8.4 | 6.1 | 9.6 | 6.0 | 9.9 | 24.1 | 1,491.2 | 1,480.6 | 1,487.4 |
| 8 | | | | | | | | | | | | |
| 9 | | | | | | | | | | | | |
| 10 | 3.9 | 8.5 | 3.7 | - | - | - | - | 4.4 | 18.7 | 617.5 | 671.4 | 703.1 |
| 11 | - | - | - | 3.7 | 12.2 | 12.5 | - | 0.1 | 1.9 | 42.3 | 90.5 | 82.8 |
| 12 | - | - | - | 1.0 | 0.6 | 0.9 | - | 0.1 | - | 5.9 | 7.2 | 6.7 |
| 13 | 3.9 | 8.5 | 3.7 | 4.7 | 12.8 | 13.4 | - | 4.5 | 20.6 | 665.6 | 769.1 | 792.7 |
| 14 | | | | | | | | | | | | |
| 15 | | | | | | | | | | | | |
| 16 | 23.8 | 51.2 | 24.9 | 3.7 | (6.7) | (3.7) | 6.0 | 5.4 | 3.5 | 825.6 | 711.5 | 694.8 |
| 17 | | | | | | | | | | | | |
| 18 | | | | | | | | | | | | |
| 19 | | | | | | | | | | | | |
| 20 | - | - | - | - | - | - | - | - | - | 24.2 | - | - |
| 21 | - | - | - | - | - | - | - | - | - | - | 38.0 | 52.2 |
| 22 | - | - | - | - | - | - | - | - | - | 11.5 | 0.9 | 1.0 |
| 23 | - | - | - | - | - | - | - | - | - | - | - | - |
| 24 | - | - | - | - | - | - | - | - | 1.9 | 17.9 | 75.3 | 9.4 |
| 25 | | | | | | | | | | | | |
| 26 | - | - | - | - | - | - | - | - | - | - | - | - |
| 27 | - | - | - | - | - | - | (6.0) | (5.4) | - | (38.5) | (43.4) | (52.5) |
| 28 | - | - | - | (1.2) | - | - | - | - | - | (4.3) | (0.9) | (1.0) |
| 29 | - | - | - | - | - | - | (0.3) | - | - | (46.6) | (40.8) | (44.3) |
| 30 | - | - | - | - | - | - | - | - | - | (244.6) | (282.7) | (260.6) |
| 31 | (9.6) | (20.3) | (12.8) | - | - | - | - | - | - | (12.7) | (50.0) | (76.5) |
| 32 | (13.6) | (27.2) | (7.8) | - | - | - | - | - | - | (481.7) | (500.2) | (531.2) |
| 33 | - | - | - | - | - | - | - | - | - | 55.3 | - | - |
| 34 | (23.2) | (47.5) | (20.6) | (1.2) | - | - | (6.2) | (5.4) | 1.9 | (719.6) | (803.8) | (903.4) |
| 35 | | | | | | | | | | | | |
| 36 | | | | | | | | | | | | |
| 37 | 0.6 | 3.7 | 4.4 | 2.5 | (6.7) | (3.7) | (0.2) | - | 5.4 | 106.0 | (92.3) | (208.7) |
| 38 | | | | | | | | | | | | |
| 39 | 19.1 | 19.7 | 29.4 | 22.1 | 24.6 | 24.0 | 4.3 | 4.1 | 4.1 | 617.9 | 723.9 | 762.1 |
| 40 | | | | | | | | | | | | |
| 41 | \$ 19.7 | \$ 23.4 | \$ 33.8 | \$ 24.6 | \$ 17.9 | \$ 20.2 | \$ 4.1 | \$ 4.1 | \$ 9.5 | 723.9 | 631.6 | 553.5 |

REGIONAL PROGRAMS

Budget Assumptions

The MTA provides funding directly to projects through grants of local funds or indirectly through allocated federal or state grants. Local funds consist mainly of Proposition A and Proposition C funds which are 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.

The FY03 Budget for local funding commitments to the Call for Projects (CFP) reflects current year cash flow. 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 FY03 programmed amounts.

FY03 Revenue Summary - Regional Programs Budget

| (Amounts in thousands) | Municipal Operator Programs | ADA Funding Program | CFP Projects & Programs | Other Local Projects | Commuter Rail & Intercity Rail | Total Subsidy Budget |
|-------------------------------------|-----------------------------------|---------------------------|-------------------------------|----------------------------|--------------------------------------|----------------------------|
| 1 Revenue | | | | | | |
| 2 Prop A - Admin 5% | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 3 Prop A - Local Return 25% | | | 128,068 | | | 128,068 |
| 4 Prop A - Discretionary 95% of 40% | 63,783 | | | | | 63,783 |
| 5 Prop A - Incentive 5% of 40% | | 9,365 | | | | 9,365 |
| 6 Prop C - Local Return 20% | | | 106,226 | | | 106,226 |
| 7 Prop C - Security 5% | 4,246 | | | | | 4,246 |
| 8 Prop C - Commuter Rail 10% | | | 30,486 | | 37,644 | 68,130 |
| 9 Prop C - Streets & Hwys 25% | | | 82,098 | | | 82,098 |
| 10 Prop C - Discretionary 40% | 29,901 | 7,705 | 9,905 | 5,700 | | 53,212 |
| 11 Prop C - Bonds | | | | | | - |
| 12 Other | | 45,809 | 7,566 | | | 53,375 |
| 13 TDA | 76,630 | | 21,822 | | | 98,452 |
| 14 STA Formula | 3,701 | | | | | 3,701 |
| 15 Interest | 8,933 | 5,087 | | | | 14,020 |
| 16 Regional Grantee Funds | | | | 18,453 | | 18,453 |
| 17 Total | \$ 187,194 | \$ 67,966 | \$ 386,171 | \$ 24,153 | \$ 37,644 | \$ 703,128 |

Los Angeles County Metropolitan Transportation Authority
Adopted Budget

Regional Subsidy Program Budget Detail

(Amounts in thousands)

| Regional Fund Description | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|------------------------|-------------------------|-------------------------|
| 1 Municipal Operator Programs | | | |
| 2 Operating funding program | \$ 161,045 | \$ 149,109 | \$ 156,258 |
| 3 Transit Security | 4,663 | 4,252 | 4,246 |
| 4 Bus Service Improvement Program | 630 | 17,572 | 18,071 |
| 5 Transit Service Expansion | 7,407 | 5,562 | 5,658 |
| 6 Base bus restructuring | 2,801 | 2,881 | 2,962 |
| 7 Municipal Operator Programs Total | 176,546 | 179,377 | 187,194 |
| 8 | | | |
| 9 ADA/Accessibility Funding Programs | | | |
| 10 ASI - Access Services, Inc. | 43,546 | 51,363 | 58,601 |
| 11 Proposition A Incentive programs | 5,655 | 6,600 | 9,365 |
| 12 ADA Accessibility Funding Programs Total | 49,201 | 57,963 | 67,966 |
| 13 | | | |
| 14 CFP Projects and Programs | | | |
| 15 Proposition A and C Local Return | 229,373 | 229,588 | 234,294 |
| 16 Call for Projects | 108,539 | 138,641 | 130,055 |
| 17 TDA Bikeways/Transit/Streets & Hwys Pgms | 17,309 | 19,950 | 21,822 |
| 18 Local Projects and Programs Total | 355,221 | 388,179 | 386,171 |
| 19 | | | |
| 20 Other Local Projects | | | |
| 21 Immediate Needs | 3,533 | 5,000 | 5,000 |
| 22 SHORE/General Relief Tokens | 1,400 | 1,050 | 700 |
| 23 Regional Grantee-FTA | - | 4,462 | 18,453 |
| 24 Other Local Projects Total | 4,933 | 10,512 | 24,153 |
| 25 | | | |
| 26 Commuter Rail & Inter-City Rail Programs | | | |
| 27 Metrolink | 31,531 | 35,182 | 37,619 |
| 28 Intercity Rail | 25 | 25 | 25 |
| 29 Commuter Rail & Intercity Rail Programs | 31,556 | 35,207 | 37,644 |
| 30 | | | |
| 31 Total MTA Funded Programs | \$ 617,458 | \$ 671,238 | \$ 703,128 |

REGIONAL PROGRAMS DESCRIPTIONS

Municipal Operator Programs

Municipal Operator Programs provide for the equitable allocation of STA, TDA, Proposition A 40% Discretionary and Propositions A and Proposition C Interest Revenues to sixteen transit service providers in Los Angeles County. These funds are allocated based on formulas prescribed by state law and by the MTA Board of Directors.

In addition, operators receive Proposition C 40% Discretionary funds under five programs approved by the Board of Directors: Foothill Mitigation Program, Transit Service Expansion, Discretionary Bus Restructuring and Bus Service Improvement Plan (BSIP) including Overcrowding Relief, and the Municipal Operator Service Improvement Program (MOSIP).

ADA/Accessibility Funding Programs

MTA contracts with Access Services, Inc (ASI) to provide complementary paratransit services for persons with disabilities who cannot use fixed route buses and trains, enabling the county's fixed route operators to be fully compliant with ADA requirements. ASI is also the Consolidated Transportation Services Agency (CTSA) for Los Angeles County, responsible for improving mobility options and coordination of specialized transportation. In FY03, \$58.6 million is included for ASI.

Paratransit Programs

Paratransit is an important component of Los Angeles County's comprehensive public transportation network. Paratransit service is operated by a variety of public and private providers, including many local jurisdictions within Los Angeles County.

In FY03, the Proposition A Discretionary Incentive Program includes funding of \$8.6 million for Sub regional Paratransit programs, which are coordinated by multi-jurisdiction paratransit services throughout Los Angeles County.

CFP Projects and Programs

Propositions A and C Local Return

The Proposition A and Proposition C ordinances require that each of the 88 cities and Los Angeles County receive a direct share, based on population, of the total Proposition A and Proposition C sales tax revenues. Known as "local return", these funds must be used to support transit needs or other transportation related projects, including paratransit and fixed route service, street and road maintenance (Prop C only) on streets heavily used by transit, and other transit-related improvements. In FY03, cities will receive over \$234.3 million under the Local Return Program.

Transportation Improvement Program (TIP) CFP

The Transportation Improvement Project (TIP) CFP is a biennial process for allocating selected local, state and federal transportation funds to cities in Los Angeles County, Los Angeles County, municipal transit operators, joint power authorities and other public agencies. After MTA establishes funding estimates, eligible organizations submit project applications for review.

MTA staff, based on a scoring system adopted by the Board of Directors, evaluates the merits of each submittal and develops a priority ranking. The Board of Directors reviews the staff recommendations and adopts a multi-year funding program. After adoption by the Board of Directors, the MTA programs funding based on project cash flow plans and secures written agreements with successful project sponsors.

TDA Article 3 and Article 8

TDA Article 3 funds are allocated to all cities and the unincorporated areas of Los Angeles County based on population. TDA Article 3 funds may be used for pedestrian and bicycle facilities, including retrofitting facilities to comply with the Americans with Disabilities Act (ADA). TDA Article 8 funds may be used for transit and paratransit.

If the MTA finds that all transit needs in the jurisdiction have been met, funds may be used for the development, construction and maintenance of local streets and roads. Eligible claimants for TDA

Article 8 funds include the cities of Avalon, Lancaster, Palmdale, Santa Clarita and the unincorporated areas of Los Angeles County.

Other Local Programs

The MTA provides \$5.7 million in funding for three programs: Immediate Needs, Support for Homeless Re-Entry (SHORE) and General Relief. The Department of Public Social Services (DPSS) funds several staff positions to implement the Welfare to Work Transportation Plan approved by the Board of Supervisors and the MTA Board of Directors. Staff also participates in coordination activities with city and county agencies. The goal of these activities is to improve coordination of public transportation access to the multitude of health and human service programs.

Regional Grantee

In a significantly expanding role, the MTA is acting as the grantee for federal funds on a pass-through basis. In FY03, the budgeted amount will increase from \$4.4 million to \$18.5 million. In FY02, federal funds were passed through to the Figueroa Corridor project and for projects in the cities of Bell, Burbank, Cudahy, Maywood, Monrovia, Monterey Park and Playa Vista Corporation.

In FY03, new participants will include the cities of Baldwin Park, Compton, Covina, El Monte, El Segundo, Glendale, Santa Fe Springs, South Pasadena, Sierra Madre, West Covina and the Pasadena Metro Blue Line Construction Authority.

Regional Rail Program

Metrolink is a regional passenger rail system which links downtown Los Angeles to the four surrounding counties and the Antelope Valley. Within Los Angeles County, Metrolink trains travel up to 79 miles per hour, with average passenger trip length over 35 miles. Construction, operation

and maintenance of the Metrolink fleet, right-of-way and facilities is performed by the Southern California Regional Rail Authority (SCRRA), a Joint Powers Authority (JPA). MTA and the other four county members of the JPA, in combination with state and federal grants, provide funding.

CAPITAL FUND

Fund Narrative

The Capital Fund accounts for projects to improve infrastructure, acquire equipment, and construct new bus and rail transportation facilities. The capital budget is developed concurrently and approved with the operating budget.

Revenues

Revenues for the Capital Fund are primarily from intergovernmental grants for infrastructure improvements and equipment acquisition projects (capital projects) and a combination of intergovernmental grants and long-term debt for the major bus and rail projects.

The Capital Fund reflects cost estimates and implementation plans for projects based on agency priorities

as established by the Capital Review Committee. Funding is allocated based on plans and schedules to provide resources for project implementation.

Expenditures

The total five-year FY03-07 Capital Program (CP) is \$2.6 billion. For FY03, \$293.8 million has been included for major bus and rail construction, \$216.1 million for other capital projects, and \$600,000 for capital support expenses.

Capital Program expenditures are comprised of direct project costs for the acquisition, expansion, rehabilitation of infrastructure, and capital assets as well as staff necessary for successful design, construction, acquisition, and implementation.

Combined Statement of Revenues, Expenditures and Changes in Fund Balances For the Years Ending June 30, 2001, 2002 and 2003

(Amounts in millions)

| Capital Project Funds | Light Rail* | | | Heavy Rail** | | |
|--|----------------|-----------------|-----------------|----------------|-----------------|-----------------|
| | FY01 Actual | FY02 Adopted | FY03 Adopted | FY01 Actual | FY02 Adopted | FY03 Adopted |
| 1 Revenue: | | | | | | |
| 2 Intergovernmental grants | \$ 11.7 | \$ 42.4 | \$ 75.4 | \$ 164.0 | \$ 69.5 | \$ 53.3 |
| 3 Investment income | 0.2 | - | - | 7.9 | - | - |
| 4 Other | - | - | - | (1.3) | - | - |
| 5 Total revenues | 11.9 | 42.4 | 75.4 | 170.6 | 69.5 | 53.3 |
| 6 | | | | | | |
| 7 Expenditures: | | | | | | |
| 8 Capital program | | | | | | |
| 9 Bus acquisitions | - | - | - | - | - | - |
| 10 Bus facilities maintenance | - | - | - | - | - | - |
| 12 Rail facilities maintenance | 15.6 | 7.0 | 2.5 | 1.7 | 6.0 | 4.5 |
| 13 Rail MOW | - | - | - | 7.2 | 0.5 | 0.0 |
| 14 Transit corridors | 4.3 | 39.8 | 65.7 | - | - | - |
| 15 Construction | 16.6 | 56.0 | 74.7 | 111.0 | 124.1 | 75.9 |
| 16 Other | - | 0.1 | - | - | - | - |
| 17 Subtotal-capital program | 36.5 | 102.9 | 142.9 | 119.9 | 130.6 | 80.3 |
| 18 Other capital support | - | - | - | - | - | - |
| 19 Total expenditures | 36.5 | 102.9 | 142.9 | 119.9 | 130.6 | 80.3 |
| 20 | | | | | | |
| 21 Excess (deficiency) of revenues over expenditures | (24.6) | (60.5) | (67.5) | 50.8 | (61.1) | (27.0) |
| 22 | | | | | | |
| 23 Other financing sources (uses): | | | | | | |
| 24 Operating transfers in | | | | | | |
| 25 Prop A | 3.8 | - | 29.3 | (1.8) | - | - |
| 26 Prop C | - | - | - | (2.3) | 4.5 | 1.9 |
| 27 TDA | - | - | 0.2 | 0.1 | 3.2 | 0.3 |
| 28 STA | - | 1.1 | 2.8 | 0.8 | 3.1 | 0.0 |
| 29 Other | 14.8 | 41.8 | 2.5 | 4.5 | 7.4 | 1.4 |
| 30 Operating transfers out | | | | | | |
| 31 Prop C | - | (69.5) | - | (0.2) | - | - |
| 32 Capital Fund | (1.2) | (5.3) | (0.9) | (25.3) | (90.8) | (12.8) |
| 33 Proceeds from financing | 5.2 | 92.6 | 33.5 | - | 134.1 | 26.4 |
| 34 Total other financing sources (uses) | 22.6 | 60.6 | 67.4 | (24.3) | 61.5 | 17.3 |
| 35 | | | | | | |
| 36 Excess (deficiency) of revenues and other financing | | | | | | |
| 37 sources over expenditures and other financing uses | (2.0) | 0.1 | (0.1) | 26.5 | 0.4 | (9.7) |
| 38 | | | | | | |
| 39 Fund surplus (deficit) balance - beginning of year | 0.6 | (1.4) | (1.3) | 55.0 | 81.5 | 81.9 |
| 40 | | | | | | |
| 41 Fund surplus (deficit) balance - end of year | \$ (1.4) | \$ (1.3) | \$ (1.4) | \$ 81.5 | \$ 81.9 | \$ 72.2 |

* Note - FY01 Actual for Light Rail excludes Bus Rapid Transitways, which was reported in CAFR.

** Note - FY01 Actual for Heavy Rail includes SB 1995 Rail, which was reported in CAFR.

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

| | Bus Rapid Transitways | | | Bus Capital and Other | | | Total | | |
|----|-----------------------|-----------------|-----------------|-----------------------|-----------------|-----------------|----------------|-----------------|-----------------|
| | FY01 Actual | FY02 Adopted | FY03 Adopted | FY01 Actual | FY02 Adopted | FY03 Adopted | FY01 Actual | FY02 Adopted | FY03 Adopted |
| 1 | | | | | | | | | |
| 2 | \$ 1.6 | \$ 15.0 | \$ 70.5 | \$ 172.5 | \$ 319.5 | \$ 163.0 | \$ 349.7 | \$ 446.5 | \$ 362.3 |
| 3 | - | - | - | - | - | - | 8.2 | - | - |
| 4 | - | - | - | (0.1) | - | - | (1.4) | - | - |
| 5 | 1.6 | 15.0 | 70.5 | 172.4 | 319.5 | 163.0 | 356.5 | 446.5 | 362.3 |
| 6 | | | | | | | | | |
| 7 | | | | | | | | | |
| 8 | | | | | | | | | |
| 9 | - | - | - | 158.7 | 260.0 | 73.7 | 158.7 | 260.0 | 73.7 |
| 10 | - | - | - | 14.6 | 56.3 | 43.5 | 14.6 | 56.3 | 43.5 |
| 12 | - | - | - | 6.3 | 20.0 | 23.7 | 23.6 | 33.0 | 30.7 |
| 13 | - | - | - | - | 10.3 | 9.1 | 7.2 | 10.9 | 9.1 |
| 14 | 1.6 | 15.0 | 70.5 | - | - | - | 6.0 | 54.8 | 136.2 |
| 15 | - | - | - | - | - | - | 127.6 | 180.0 | 150.6 |
| 16 | - | - | - | 22.0 | 60.1 | 66.1 | 22.0 | 60.2 | 66.1 |
| 17 | 1.6 | 15.0 | 70.5 | 201.6 | 406.7 | 216.1 | 359.6 | 655.3 | 509.9 |
| 18 | - | - | - | - | - | 0.6 | - | - | 0.6 |
| 19 | 1.6 | 15.0 | 70.5 | 201.6 | 406.7 | 216.7 | 359.6 | 655.3 | 510.5 |
| 20 | | | | | | | | | |
| 21 | - | - | - | (29.2) | (87.2) | (53.7) | (3.1) | (208.8) | (148.2) |
| 22 | | | | | | | | | |
| 23 | | | | | | | | | |
| 24 | | | | | | | | | |
| 25 | - | - | - | - | - | - | 2.0 | - | 29.3 |
| 26 | - | - | - | 0.5 | 1.4 | 3.1 | (1.8) | 5.8 | 5.0 |
| 27 | - | - | - | 2.8 | 20.7 | 28.8 | 2.9 | 23.9 | 29.4 |
| 28 | - | - | - | 8.8 | 16.0 | 9.9 | 9.6 | 20.3 | 12.8 |
| 29 | - | - | - | 18.9 | 47.0 | 9.9 | 38.2 | 96.2 | 13.8 |
| 30 | | | | | | | | | |
| 31 | - | - | - | - | - | - | (0.2) | (69.5) | - |
| 32 | - | - | - | (5.6) | - | - | (32.2) | (96.1) | (13.7) |
| 33 | - | - | - | - | - | - | 5.2 | 226.7 | 59.9 |
| 34 | - | - | - | 25.3 | 85.1 | 51.8 | 23.7 | 207.2 | 136.5 |
| 35 | | | | | | | | | |
| 36 | | | | | | | | | |
| 37 | - | - | - | (3.9) | (2.1) | (1.9) | 20.6 | (1.6) | (11.7) |
| 38 | | | | | | | | | |
| 39 | - | - | - | 4.9 | 1.0 | (1.1) | 60.5 | 81.1 | 79.5 |
| 40 | | | | | | | | | |
| 41 | \$ - | \$ - | \$ - | \$ 1.0 | \$ (1.1) | \$ (3.0) | \$ 81.1 | \$ 79.5 | \$ 67.8 |

GENERAL FUND

Fund Narrative

The General Fund includes activities associated with government that are not legally required or are not required to be accounted for in another fund.

The General Fund provides key compliance and oversight functions legal services, planning and development programs and MTA communication activities with constituents and customers.

Revenues

The primary sources of revenue to the General Fund are Propositions A and Proposition C sales tax administration funds, Proposition C Discretionary funds, TDA sales tax administration funds, and Federal, State, and Local grants. MTA also collects rental and lease revenue on owned property and generates revenue from property

management functions provided by the Real Estate Department. Revenues collected from non-recurring sources are included in the General Fund.

Expenditures

Labor expenditures in the General Fund are for Board support functions, management oversight and regional activity functions. The major portion of the professional services budgeted in FY03 are attributable to legal services, auditing, lobbyist contracts, transportation studies and consulting services for transportation planning models. Expenditures associated with property management activities that are not directly attributable to construction efforts are also included in the General Fund. The anticipated Regional Pass Subsidy of \$2 million is also included in the General Fund.

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ending June 30, 2001, 2002 and 2003
(Amounts in millions)

| General Fund | FY01 | FY02 | FY03 |
|--|---------------|----------------|----------------|
| | Actual | Adopted | Adopted |
| 1 Revenue: | | | |
| 2 Intergovernmental grants | \$ 4.5 | \$ 15.0 | \$ 14.4 |
| 3 Investment income | 6.7 | 1.0 | 1.2 |
| 4 Lease and rental | 13.0 | 12.0 | 10.2 |
| 5 Proceeds from sales and leaseback | - | 10.0 | 5.0 |
| 6 Other | 6.5 | 2.9 | 2.8 |
| 7 Total revenues | 30.7 | 40.9 | 33.6 |
| 8 | | | |
| 9 Expenditures: | | | |
| 10 Subsidies | 1.7 | 0.6 | 2.1 |
| 11 Services | 47.2 | 70.9 | 67.7 |
| 12 General and administrative | 19.3 | 14.4 | 13.7 |
| 13 Total expenditures | 68.2 | 85.9 | 83.4 |
| 14 | | | |
| 15 Excess (deficiency) of revenues over expenditures | (37.5) | (45.0) | (49.8) |
| 16 | | | |
| 17 Other financing sources (uses): | | | |
| 18 Operating transfers in | | | |
| 19 Prop A | 30.1 | 26.4 | 26.9 |
| 20 Prop C | 10.9 | 8.3 | 10.7 |
| 21 TDA | 5.3 | 6.0 | 6.7 |
| 22 Other | 0.3 | 1.8 | - |
| 23 Operating transfers out | | | |
| 24 Prop C | (0.1) | (0.4) | (7.6) |
| 25 Enterprise Fund | - | (0.8) | - |
| 26 Other | (0.5) | (1.8) | (1.8) |
| 27 Total other financing sources (uses) | 46.0 | 39.5 | 35.0 |
| 28 | | | |
| 29 Excess (deficiency) of revenues and other financing | | | |
| 30 sources over expenditures and other financing uses | 8.5 | (5.5) | (14.9) |
| 31 | | | |
| 32 Fund surplus balance - beginning of year (1) | 99.3 | 107.9 | 143.2 |
| 33 | | | |
| 34 Fund surplus balance - end of year | \$ 107.9 | \$ 102.4 | \$ 128.4 |

Note 1 - FY03 Beginning fund balances primarily include projected FY02 favorable revenue and expenditure variances.

DEBT FUND

Fund Narrative

The Debt Service Fund accounts for the accumulation and disbursement of resources related to the payment of general long-term debt principal and interest. Debt service related to the Enterprise and BAD funds are budgeted in those funds.

The Debt Policy, adopted by the Board of Directors, sets forth guidelines for the issuance and management of the MTA's debt, sets limitations on the amount of debt that may be incurred from each funding source and specifies other factors to be considered and documented when issuing debt.

Proceeds from this year's commercial paper issuance and any long-term bond issuance will be used to fund the required local contribution to major capital projects including bus, rail and highway capital equipment and facilities.

The MTA has about \$4.06 billion of debt outstanding as of June 30, 2002. The MTA has refunded more than \$3.0 billion of its long-term debt to achieve debt service savings. Those savings exceed \$194 million on a present value basis.

Revenues

Annual revenues budgeted for the payment of debt service consists primarily of local sales tax revenues from Proposition A and Proposition C. Other sources include federal grants, fare collections, other financing sources and other operating revenues.

Expenditures

Commercial paper will be issued to provide interim funding for capital expenditures prior to the issuance of long-term bonds. If deemed appropriate during the fiscal year, long-term bonds may be issued. Otherwise, long-term bonds will be issued in a subsequent fiscal period to retire the commercial paper and provide permanent, long-term financing.

MTA's total FY03 debt service requirement is \$297.4 million and \$273.2 million is included in the Debt Service fund. The remaining \$24.2 million is budgeted in the Enterprise and the Benefit Assessment Districts funds. See MTA FY03 Debt Service Schedule for further detail.

Debt Limitations/Use Restrictions

MTA issues additional debt consistent with the Board adopted multi-year Capital Program. Revenues are allocated in accordance with the applicable ordinances, legislation, and planning processes.

Although MTA's bonds are not subject to California constitutional debt limitations, the MTA has contractual covenants as part of its bond indentures that set bounds for

additional issuance. Some covenants restrict the percentage amount of specific revenue sources that 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 revenue bonds carry the high credit ratings of A+ and AA.

**Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ending June 30, 2001, 2002 and 2003**
(Amounts in millions)

| Debt Service Funds | FY01 Actual | FY02 Adopted | FY03 Adopted |
|--|------------------------|-------------------------|-------------------------|
| 1 Revenue: | | | |
| 2 Intergovernmental grants | \$ 3.3 | \$ 4.4 | \$ 2.7 |
| 3 Investment income | 16.4 | 9.0 | 9.0 |
| 4 Total revenues | 19.7 | 13.4 | 11.7 |
| 5 | | | |
| 6 Expenditures: | | | |
| 7 Services | 4.4 | 6.6 | 6.1 |
| 8 Debt and interest expenditures | 264.3 | 288.8 | 267.0 |
| 9 Total expenditures | 268.7 | 295.4 | 273.2 |
| 10 | | | |
| 11 Excess (deficiency) of revenues over expenditures | (249.0) | (282.0) | (261.5) |
| 12 | | | |
| 13 Other financing sources (uses): | | | |
| 14 Operating transfers in | | | |
| 15 Prop A | 147.7 | 151.0 | 153.6 |
| 16 Prop C | 97.0 | 131.7 | 107.0 |
| 17 Operating transfers out | | | |
| 18 Prop A/C | (9.9) | - | - |
| 19 Capital Fund | (1.7) | - | - |
| 20 Payment to refunding bond escrow agent | (408.7) | (290.9) | - |
| 21 Proceeds of refunding bonds | 431.9 | 290.9 | - |
| 22 Total other financing sources (uses) | 256.3 | 282.7 | 260.6 |
| 23 | | | |
| 24 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses | 7.3 | 0.7 | (0.9) |
| 25 | | | |
| 26 | | | |
| 27 Fund surplus balance - beginning of year | 253.2 | 260.5 | 261.2 |
| 28 | | | |
| 29 Fund surplus balance - end of year | \$ 260.5 | \$ 261.2 | \$ 260.3 |

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

MTA FY03 Debt Service Schedule

Budgeted Debt

| Transaction Name | Initial PAR Value | Principal Balance As of 6/30/02 (1) | Interim Commercial Paper Financing | Principal Adjustments | | | | | Principal Pmt FY03 | Principal Bal. as of 6/30/03 |
|---|-------------------|-------------------------------------|------------------------------------|-----------------------|--------------------------|-------------------------|-------------|---------------|--------------------|------------------------------|
| | | | | New Money | New Money Financing Cost | Commer. Paper Refunding | | | | |
| 1 1986-A New Money | 707,615,000 | - | - | - | - | - | - | - | - | |
| 2 1987-A Refunding | 271,550,000 | - | - | - | - | - | - | - | - | |
| 3 1988-A Refunding | 112,274,129 | - | - | - | - | - | - | - | - | |
| 4 1989-A Refunding | 174,303,858 | - | - | - | - | - | - | - | - | |
| 5 1991-A New Money | 500,000,000 | - | - | - | - | - | - | - | - | |
| 6 1991-B Refunding | 281,425,000 | 66,450,000 | - | - | - | - | 940,000 | 65,510,000 | - | |
| 7 1992-A Refunding | 98,700,000 | 98,700,000 | - | - | - | - | - | 98,700,000 | - | |
| 8 1992-B Refunding | 107,665,000 | 33,615,000 | - | - | - | - | 18,310,000 | 15,305,000 | - | |
| 9 1993-A Refunding | 560,570,000 | 540,115,000 | - | - | - | - | - | 3,195,000 | 536,920,000 | |
| 10 1996-A New Money | 110,580,000 | 14,535,000 | - | - | - | - | 2,130,000 | 12,405,000 | - | |
| 11 1997-A Refunding | 256,870,000 | 241,410,000 | - | - | - | - | 9,690,000 | 231,720,000 | - | |
| 12 1999-A Refunding | 160,205,000 | 160,205,000 | - | - | - | - | - | 160,205,000 | - | |
| 13 1999-B New Money | 150,340,000 | 135,114,982 | - | - | - | - | 8,500,000 | 126,614,982 | - | |
| 14 1999-C Refunding | 170,495,000 | 169,690,000 | - | - | - | - | 425,000 | 169,265,000 | - | |
| 15 2001-A New Money | 55,685,000 | 54,750,000 | - | - | - | - | 970,000 | 53,780,000 | - | |
| 16 2001-B Refunding | 191,215,000 | 190,012,716 | - | - | - | - | 190,000 | 189,822,716 | - | |
| 17 | - | - | - | - | - | - | - | - | - | |
| 18 1990-A Lease Rev. Bnd (CBL) | 26,400,000 | 9,966,000 | - | - | - | - | 1,012,000 | 8,954,000 | - | |
| 19 1990-A Yen Obligation (CBL) | 6,600,000 | 4,834,987 | - | - | - | - | 1,894,434 | 2,940,553 | - | |
| 20 1993-A CRA Housing | 9,454,406 | 9,365,513 | - | - | - | - | 184,841 | 9,180,672 | - | |
| 21 1993-A CRA Redevelopment | 21,665,000 | - | - | - | - | - | - | - | - | |
| 22 2002-A CRA Redevelopment Refunding | 20,825,000 | 20,825,000 | - | - | - | - | 13,750 | 20,811,250 | - | |
| 23 1996 Refunding | 104,715,000 | 22,155,000 | - | - | - | - | 1,970,000 | 20,185,000 | - | |
| 24 Tax-Exempt Commercial Paper | 350,000,000 | 183,306,000 | 80,295,000 | - | - | - | - | 263,601,000 | - | |
| 25 Prop A Debt Sub-Total | 4,449,152,392 | 1,955,050,198 | 80,295,000 | - | - | - | 49,425,025 | 1,985,920,173 | - | |
| 26 | - | - | - | - | - | - | - | - | - | |
| 27 1992-A New Money | 516,855,000 | 59,725,000 | - | - | - | - | 10,550,000 | 49,175,000 | - | |
| 28 1993-A Refunding | 204,095,000 | 200,709,968 | - | - | - | - | 955,000 | 199,754,968 | - | |
| 29 1993-B New Money | 312,350,000 | 278,010,000 | - | - | - | - | 7,500,000 | 270,510,000 | - | |
| 30 1995-A New Money | 250,000,000 | 235,680,000 | - | - | - | - | 5,270,000 | 230,410,000 | - | |
| 31 1998-A Refunding | 219,710,000 | 219,709,965 | - | - | - | - | - | 219,709,965 | - | |
| 32 1999-A New Money | 124,805,000 | 120,939,964 | - | - | - | - | 2,285,000 | 118,654,964 | - | |
| 33 2000-A New Money | 161,995,000 | 156,925,000 | - | - | - | - | 2,725,000 | 154,200,000 | - | |
| 34 2003-A New Money | - | - | - | - | - | - | - | - | - | |
| 35 Taxable Commercial Paper | 150,000,000 | 73,656,000 | 34,433,000 | - | - | - | - | 108,089,000 | - | |
| 36 Local Allocation - City of Los Angeles | 21,700,000 | 15,190,000 | - | - | - | - | 2,170,000 | 13,020,000 | - | |
| 37 Prop C Debt Sub-Total | 1,961,510,000 | 1,360,545,897 | 34,433,000 | - | - | - | 31,455,000 | 1,363,523,897 | - | |
| 38 | - | - | - | - | - | - | - | - | - | |
| 39 1995-A New Money (USG) | 169,500,000 | - | - | - | - | - | - | - | - | |
| 40 2000 Breda Lease (Norwest) | 71,120,005 | 68,400,205 | - | - | - | - | 2,719,796 | 65,680,409 | - | |
| 41 2000 Breda Lease (CIBC) | 15,240,004 | 14,680,395 | - | - | - | - | 552,924 | 14,127,471 | - | |
| 42 2000 Breda Lease (Comerica) | 96,520,000 | 92,864,196 | - | - | - | - | 3,406,464 | 89,457,732 | - | |
| 43 2001 Comerica Lease | 82,500,000 | 82,500,000 | - | - | - | - | 1,553,558 | 80,946,442 | - | |
| 44 Debt Overhead Costs | - | - | - | - | - | - | - | - | - | |
| 45 1991-G CSDA COP | 19,340,000 | 3,452,500 | - | - | - | - | 1,720,000 | 1,732,500 | - | |
| 46 1992-C CTFC COP - Torrance | 3,390,000 | 580,000 | - | - | - | - | 290,000 | 290,000 | - | |
| 47 Other Debt Sub-Total | 457,610,009 | 262,477,296 | - | - | - | - | 10,242,742 | 252,234,554 | - | |
| 48 | - | - | - | - | - | - | - | - | - | |
| 49 1992-B LA Bus Lease (Dollar) | 11,372,509 | - | - | - | - | - | - | - | - | |
| 50 1992-B LA Bus Lease (Yen) | - | - | - | - | - | - | - | - | - | |
| 51 1992-C LA Bus Lease (Dollar) | 9,477,000 | - | - | - | - | - | - | - | - | |
| 52 1992-C LA Bus Lease (Yen) | - | - | - | - | - | - | - | - | - | |
| 53 1993-A LA Bus Lease (Dollar) | (see below) | (see below) | - | - | - | - | - | - | - | |
| 54 1993-A LA Bus Lease (Yen) | - | - | - | - | - | - | - | - | - | |
| 55 1992-A Worker Comp COP | (see below) | (see below) | - | - | - | - | - | - | (see below) | |
| 56 1992-B CTFC COP - RTD | (see below) | (see below) | - | - | - | - | - | - | (see below) | |
| 57 Enterprise Fund Sub-Total | (see below) | - | - | - | - | - | - | - | - | |
| 58 | - | - | - | - | - | - | - | - | - | |
| 59 1992-A Bnft Assmt. Dist. A1 | (see below) | (see below) | - | - | - | - | - | - | (see below) | |
| 60 1992-A Bnft Assmt. Dist. A2 | (see below) | (see below) | - | - | - | - | - | - | (see below) | |
| 61 2001-A Bnft Assmt. Dist. A1 Refunding | (see below) | (see below) | - | - | - | - | - | - | (see below) | |
| 62 2001-A Bnft Assmt. Dist. A2 Refunding | (see below) | (see below) | - | - | - | - | - | - | (see below) | |
| 63 Special Rev. Fund Sub-Total | - | - | - | - | - | - | - | - | - | |
| 64 | - | - | - | - | - | - | - | - | - | |
| 65 1996-A Refunding (USG) | 185,735,000 | 185,735,000 | - | - | - | - | - | 185,735,000 | - | |
| 66 Internal Fund Sub-Total | 185,735,000 | 185,735,000 | - | - | - | - | - | 185,735,000 | - | |
| 67 | - | - | - | - | - | - | - | - | - | |
| 68 Budgeted Total | 7,054,007,401 | 3,763,808,391 | 114,728,000 | - | - | - | 91,122,767 | 3,787,413,624 | - | |
| 69 | - | - | - | - | - | - | - | - | - | |
| 70 Reduction in Liabilities | - | - | - | - | - | - | - | - | - | |
| 71 1992-A Bnft Assmt. Dist. A1 | 154,055,000 | 127,095,000 | - | - | - | - | 7,510,000 | 119,585,000 | - | |
| 72 1992-A Bnft Assmt. Dist. A2 | 8,115,000 | 6,715,000 | - | - | - | - | 425,000 | 6,290,000 | - | |
| 73 2001-A Bnft Assmt. Dist. A1 Refunding | 42,465,000 | 42,465,000 | - | - | - | - | 235,000 | 42,230,000 | - | |
| 74 2001-A Bnft Assmt. Dist. A2 Refunding | 6,705,000 | 6,705,000 | - | - | - | - | 115,000 | 6,590,000 | - | |
| 75 1992-A Worker Comp COP | 160,000,000 | 98,800,000 | - | - | - | - | 9,900,000 | 88,900,000 | - | |
| 76 1992-B CTFC COP - RTD | 118,375,000 | 19,725,000 | - | - | - | - | 9,865,000 | 9,860,000 | - | |
| 78 Liability Reduction Total | 489,715,000 | 301,505,000 | - | - | - | - | 28,050,000 | 273,455,000 | - | |
| 79 | - | - | - | - | - | - | - | - | - | |
| 80 Total | 7,543,722,401 | 4,065,313,391 | 114,728,000 | - | - | - | 119,172,767 | 4,060,868,624 | - | |

Foot Notes

- 1 - Accrual basis. Reflects 7/1/02 principal payment.
- 2 - For transactions existing since before 1999, Miscellaneous Fees are not secured from sales tax revenues and may therefore be budgeted to be paid from other available funding sources.
- 3 - Capital needs are \$150 million for Prop C in FY03. An additional 10 percent represents the finance cost. Currently, capital needs for Prop A fall below the optimal financing issuance of \$150 million; hence, no bond financing for Prop A will be issued in FY03.
- 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.
- 5 - Assumes a weighted average of the beginning balance of \$183.3 million plus increases of \$80.3 million during the year @ 4.0%.
- 5 - Assumes a weighted average of the beginning balance of \$73.7 million plus increases of \$34.4 million during the year @ 6.0%.
- 7 - 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.
- 8 - Only the miscellaneous fees are debt. OMB and Accounting have reprogrammed the P&I expenses to be a reduction of a liability - which is not a debt expense. The P&I expenses are found in the section entitled "Reduction of a Liability."

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

MTA FY03 Debt Service Schedule, continued

| | Principal | Interest | Total D/S P&I | Misc. Fees (2) | Total D/S Expense | Debt Service Fund | Enterprise Fund | Internal Service Fund | Agency Fund | Foot Notes |
|----|-------------|-------------|------------------|----------------|----------------------|----------------------|--------------------|--------------------------|----------------|---------------|
| 1 | - | - | - | - | - | - | - | - | - | - |
| 2 | - | - | - | - | - | - | - | - | - | - |
| 3 | - | - | - | - | - | - | - | - | - | - |
| 4 | - | - | - | - | - | - | - | - | - | - |
| 5 | - | - | - | - | - | - | - | - | - | - |
| 6 | 940,000 | 4,315,492 | 5,255,492 | 17,500 | 5,272,992 | 5,272,992 | - | - | - | - |
| 7 | - | 5,783,820 | 5,783,820 | 412,600 | 6,196,420 | 6,196,420 | - | - | - | - |
| 8 | 18,310,000 | 2,016,900 | 20,326,900 | 12,500 | 20,339,400 | 20,339,400 | - | - | - | - |
| 9 | 3,185,000 | 28,530,016 | 31,725,016 | 13,500 | 31,738,516 | 31,738,516 | - | - | - | - |
| 10 | 2,130,000 | 765,240 | 2,895,240 | 11,000 | 2,906,240 | 2,906,240 | - | - | - | - |
| 11 | 9,690,000 | 13,443,524 | 23,133,524 | 9,500 | 23,143,024 | 23,143,024 | - | - | - | - |
| 12 | - | 8,136,412 | 8,136,412 | 9,500 | 8,145,912 | 8,145,912 | - | - | - | - |
| 13 | 8,500,000 | 6,145,200 | 14,645,200 | 9,500 | 14,654,700 | 14,654,700 | - | - | - | - |
| 14 | 425,000 | 8,369,260 | 8,794,260 | 9,500 | 8,803,760 | 8,803,760 | - | - | - | - |
| 15 | 970,000 | 2,585,384 | 3,555,384 | 9,500 | 3,564,884 | 3,564,884 | - | - | - | - |
| 16 | 190,000 | 9,860,576 | 10,050,576 | 9,500 | 10,060,076 | 10,060,076 | - | - | - | - |
| 17 | - | - | - | - | - | - | - | - | - | 3 |
| 18 | 1,012,000 | 713,108 | 1,725,108 | 9,500 | 1,734,608 | 1,734,608 | - | - | - | - |
| 19 | 1,894,434 | - | 1,894,434 | 9,500 | 1,903,934 | 1,903,934 | - | - | - | - |
| 20 | 184,841 | 544,168 | 729,009 | 5,000 | 734,009 | 734,009 | - | - | - | 4 |
| 21 | - | - | - | - | - | - | - | - | - | 4 |
| 22 | 13,750 | 1,134,507 | 1,148,257 | 2,500 | 1,150,757 | 1,150,757 | - | - | - | 4 |
| 23 | 1,970,000 | 1,120,856 | 3,090,856 | 9,500 | 3,100,356 | 3,100,356 | - | - | - | - |
| 24 | - | 8,891,086 | 8,891,086 | 1,646,514 | 10,537,600 | 10,537,600 | - | - | - | 5 |
| 25 | 49,425,025 | 102,355,349 | 151,780,374 | 2,206,614 | 153,986,988 | 153,986,988 | - | - | - | - |
| 26 | - | - | - | - | - | - | - | - | - | - |
| 27 | 10,550,000 | 3,769,920 | 14,319,920 | 10,000 | 14,329,920 | 14,329,920 | - | - | - | - |
| 28 | 955,000 | 10,299,708 | 11,254,708 | 805,680 | 12,060,388 | 12,060,388 | - | - | - | - |
| 29 | 7,500,000 | 14,321,004 | 21,821,004 | 8,500 | 21,829,504 | 21,829,504 | - | - | - | - |
| 30 | 5,270,000 | 12,551,472 | 17,821,472 | 8,500 | 17,829,972 | 17,829,972 | - | - | - | - |
| 31 | - | 11,234,876 | 11,234,876 | 8,500 | 11,243,376 | 11,243,376 | - | - | - | - |
| 32 | 2,285,000 | 5,760,388 | 8,045,388 | 8,500 | 8,053,888 | 8,053,888 | - | - | - | - |
| 33 | 2,725,000 | 8,000,976 | 10,725,976 | 8,500 | 10,734,476 | 10,734,476 | - | - | - | - |
| 34 | - | - | - | - | - | - | - | - | - | 3 |
| 35 | - | 5,165,160 | 5,165,160 | 720,518 | 5,885,678 | 5,885,678 | - | - | - | 6 |
| 36 | 2,170,000 | 539,788 | 2,709,788 | - | 2,709,788 | 2,709,788 | - | - | - | - |
| 37 | 31,455,000 | 71,643,292 | 103,098,292 | 1,578,698 | 104,676,990 | 104,676,990 | - | - | - | - |
| 38 | - | - | - | - | - | - | - | - | - | - |
| 39 | - | - | - | - | - | - | - | - | - | - |
| 40 | 2,719,796 | 521,004 | 3,240,800 | - | 3,240,800 | 3,240,800 | - | - | - | - |
| 41 | 552,924 | 120,468 | 673,392 | - | 673,392 | 673,392 | - | - | - | - |
| 42 | 3,406,464 | 952,762 | 4,359,226 | - | 4,359,226 | 4,359,226 | - | - | - | - |
| 43 | 1,553,558 | 105,436 | 1,658,994 | - | 1,658,994 | 1,658,994 | - | - | - | - |
| 44 | - | - | - | 2,321,000 | 2,321,000 | 2,321,000 | - | - | - | - |
| 45 | 1,720,000 | 168,792 | 1,888,792 | 18,500 | 1,907,292 | 1,907,292 | - | - | - | 7 |
| 46 | 290,000 | 34,512 | 324,512 | 19,000 | 343,512 | 343,512 | - | - | - | 7 |
| 47 | 10,242,742 | 1,902,974 | 12,145,716 | 2,358,500 | 14,504,216 | 14,504,216 | - | - | - | - |
| 48 | - | - | - | - | - | - | - | - | - | - |
| 49 | - | - | - | - | - | - | - | - | - | - |
| 50 | - | - | - | - | - | - | - | - | - | - |
| 51 | - | - | - | - | - | - | - | - | - | - |
| 52 | - | - | - | - | - | - | - | - | - | - |
| 53 | - | - | - | - | - | - | - | - | - | 8, 9 |
| 54 | - | - | - | - | - | - | - | - | - | 10 |
| 55 | - | 6,290,200 | 6,290,200 | 107,600 | 6,397,800 | - | 6,397,800 | - | - | 11 |
| 56 | - | 616,252 | 616,252 | 9,500 | 625,752 | - | 625,752 | - | - | 7, 11 |
| 57 | - | 6,906,452 | 6,906,452 | 117,100 | 7,023,552 | - | 7,023,552 | - | - | - |
| 58 | - | - | - | - | - | - | - | - | - | - |
| 59 | - | 4,553,209 | 4,553,209 | 9,000 | 4,562,209 | - | - | - | 4,562,209 | 11, 12 |
| 60 | - | 19,125 | 19,125 | 9,000 | 28,125 | - | - | - | 28,125 | 11, 12 |
| 61 | - | 1,635,547 | 1,635,547 | 9,000 | 1,644,547 | - | - | - | 1,644,547 | 11, 12 |
| 62 | - | 238,302 | 238,302 | 9,000 | 247,302 | - | - | - | 247,302 | 11, 12 |
| 63 | - | 6,446,183 | 6,446,183 | 18,000 | 6,464,183 | - | - | - | 6,464,183 | - |
| 64 | - | - | - | - | - | - | - | - | - | - |
| 65 | - | 10,739,733 | 10,739,733 | 9,500 | 10,749,233 | - | - | 10,749,233 | - | 13 |
| 66 | - | 10,739,733 | 10,739,733 | 9,500 | 10,749,233 | - | - | 10,749,233 | - | - |
| 67 | - | - | - | - | - | - | - | - | - | - |
| 68 | 91,122,767 | 199,993,982 | 291,116,750 | 6,288,412 | 297,423,162 | 273,168,194 | 7,023,552 | 10,749,233 | 6,482,183 | - |
| 69 | - | - | - | - | - | - | - | - | - | - |
| 70 | - | - | - | - | - | - | - | - | - | - |
| 71 | 7,510,000 | - | 7,510,000 | - | 7,510,000 | - | - | - | 7,510,000 | 11 |
| 72 | 425,000 | - | 425,000 | - | 425,000 | - | - | - | 425,000 | 11 |
| 73 | 235,000 | - | 235,000 | - | 235,000 | - | - | - | 235,000 | 11 |
| 74 | 115,000 | - | 115,000 | - | 115,000 | - | - | - | 115,000 | 11 |
| 75 | 9,900,000 | - | 9,900,000 | - | 9,900,000 | - | 9,900,000 | - | - | 11 |
| 76 | 9,865,000 | - | 9,865,000 | - | 9,865,000 | - | 9,865,000 | - | - | 11 |
| 78 | 28,050,000 | - | 28,050,000 | - | 28,050,000 | - | 19,765,000 | - | 8,285,000 | - |
| 79 | - | - | - | - | - | - | - | - | - | - |
| 80 | 119,172,767 | 199,993,982 | 319,166,750 | 6,288,412 | 325,473,162 | 273,168,194 | 26,788,552 | 10,749,233 | 14,767,183 | - |

- 9 - The RTD's Bus JLL's lease expense payment which 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.
- 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 - Only the interest expense is debt. OMB and Accounting have reprogrammed the principal expense to be a reduction of a liability -- which is not a debt expense. The principal expense is found in the section entitled "Reduction of a Liability."
- 12 - 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.
- 13 - 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.

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CAPITAL PROGRAM

The FY03 Budget for major bus and rail construction projects include capital expenditures for the following construction projects:

Los Angeles Car Procurement

Eastside Light Rail Transit

Light Rail Vehicle Fleet Enhancement

San Fernando Valley Bus Rapid Transit Corridor

Mid-City/Wilshire Transit Corridor

Mid-City/Exposition Transit Corridor

Pasadena Gold Line Start-up

FY2002-2003

ADOPTED BUDGET



INTRODUCTION

The Capital Program (CP) is a financial plan of proposed capital projects, their costs, and timing over a five-year period. The CP is designed to meet MTA infrastructure needs in a responsive and efficient manner. It incorporates the current and future needs of the MTA and is updated annually.

The CP provides for the acquisition, construction, reconstruction, initial fixtures and equipment, renovation, rehabilitation, and replacement of facilities with a life expectancy of at least one year and any related costs for land acquisitions, land improvements, design, feasibility studies, engineering studies and engineering. It includes projects, which are, or will become, the property of MTA as well as projects that although not owned by the MTA, will be part of a joint project agreement with other governmental entities.

Capital projects are planned and executed in phases. The project development phase identifies project requirements and defines the project work scope. This includes preliminary design studies, permitting requirements, data collection, public involvement, legal and technical documentation, cost estimates, and assessment of alternatives.

The design phase includes professional consultant activities, legal and technical documentation, constructibility review, data collection, advertising, assessment of

alternatives related to project design, construction management services, and bid reviews.

The property acquisition phase includes the purchase of land, easements and right-of-way. This also includes negotiating the purchase price, surveys, appraisals, environmental audit, permitting, legal costs, maps, charts, and other costs.

The construction phase includes project construction contracts, professional and technical assistance, advertising, legal and technical documentation, inspection, testing, and permitting.

The MTA's 237 capital projects were grouped in one of the following eight elements: Major Bus and Rail Construction, Bus Acquisition, Bus Facilities Maintenance, Bus Maintenance, Rail Facilities Maintenance, Rail Vehicle Maintenance, Maintenance-of-Way (MOW), and ITS, Communications and Other Capital Projects.

Financing Of The Capital Program

The CP is funded primarily with Federal, State and Local Grants. Additionally, the MTA finances a portion of the capital projects with debt and short term financing.

Capital Projects/Operating Budget Relationship

The CP is a multi-year financial plan for the acquisition, expansion, and

rehabilitation of infrastructure, construction, and other capital assets.

The first year of the Capital Program is authorized with approval of the operating budget. Five years are presented to the Board of Directors to acknowledge that approval of the fiscal year's expenditures provides for multi-year project approval. The CP is updated annually and presented to the Board of Directors for authorization.

Capital projects typically apply to: (1) expenditures which take place over two or more years, requiring continuing appropriations beyond a single fiscal year; (2) funding with debt because of significant costs to be shared by current and future beneficiaries; (3) systematic acquisition over an extended period of time; and (4) scheduled replacement or maintenance of specific elements of physical assets.

PROJECTS DISCUSSION

Major Bus and Rail Construction

Projects

The budget for the Major Bus and Rail Construction projects in FY03 reflects costs necessary for construction, closeout, claims settlement, start-up costs and litigation on the Metro Red Line, Blue Line, and Green Line. New to the FY03 Budget are capital expenditures for start-up of the Pasadena Gold Line, the Eastside Light Rail Transit (LRT), as well as engineering and construction of the San Fernando Valley East-West Bus Rapid Transit (BRT).

Metro Red Line Segment 3

Included are costs necessary for completion of the Hollywood Freeway overpass, and the Lankershim Boulevard pedestrian underpass at Universal City Station and costs associated with site restoration, utility relocation, contract closeout, claim settlement and litigation.

Metro Red Line Segment 2

The FY03 Budget includes costs needed for completion of all remaining change order processing and contract closeouts, claim settlements and litigation costs.

Los Angeles Light Rail Vehicle Car

The final eight cars will be accepted in FY03. The budget includes consultant services, administrative support, Automatic Train Protection (ATP), and Train to Wayside Communications (TWC) equipment.

Eastside Light Rail Transit

This project is transitioning from the planning phase to the final design and construction phase. The budget includes the final design work, award of tunneling and underground station excavation, real estate acquisition, costs for award of rail car contract, and third party administration. This extension will connect East Los Angeles with downtown Los Angeles. The corridor will extend from Union Station to Beverly Boulevard and Atlantic Boulevard intersection.

The light rail line will operate at-grade for 5.3 miles and 1.7 miles through tunnels in Boyle Heights.

**San Fernando Valley East-West BRT
Transit Corridor**

In FY03, design will continue and construction will begin on the San Fernando Valley BRT. This project is scheduled for completion in the year 2004. The BRT is an exclusive 14-mile, at-grade busway from the Metro Red Line North Hollywood station to Warner Center via the Burbank/Chandler right-of-way. The full busway project will consist of a 26-foot wide busway, a bikeway and a landscaped median on the typical 60 to 100-foot wide right-of-way. It will parallel several major streets and will have thirteen stations spaced approximately one mile apart.

Total travel time for the full length of the corridor will be approximately 30 minutes. Park and Ride facilities at five stations will provide

approximately 3,250 parking spaces plus existing parking at the North Hollywood Metro Red Line Station.

Mid-City/Wilshire Bus Rapid Transit

Preliminary engineering will continue during FY03. At the completion of preliminary engineering, staff will request direction from the Board of Directors. The Wilshire Boulevard bus corridor improvements are scheduled for completion during FY05. This project builds on the success of the Metro Rapid Bus Whittier/Wilshire line to provide dedicated lanes for transit vehicles. The project includes larger capacity buses, multiple door boarding and alighting, and pre-payment of fares in station areas.

INFRASTRUCTURE IMPROVEMENT AND ACQUISITION CAPITAL PROJECTS

The infrastructure improvement and acquisition projects are sorted by the following elements: Major Bus and Rail Construction, Bus Acquisition, Bus Facilities Maintenance, Bus Maintenance, Rail Facilities Maintenance, Rail Vehicle Maintenance, Maintenance-of-Way, and ITS, Communications and Other Capital Projects.

Bus Acquisitions

The FY03 Bus Acquisition budget is \$73.8 million. The accelerated bus procurement plan is on schedule to be completed in FY04. For FY03, 30 buses are planned for delivery. The other FY03 expenditures in this element are primarily for bus system improvements such as the Universal Fare System (UFS) and the Advanced Transportation Management System (ATMS).

Bus Facilities Maintenance

The FY03 Bus Facilities Maintenance budget is \$43.5 million. Bus Facilities Maintenance projects include construction work at bus divisions to replace and refurbish equipment and facilities, and for the expansion of buildings and facilities and storage tank remediation.

Bus Maintenance

The Bus Maintenance projects budget is \$5.8 million. Projects in this category include refurbishing buses, upgrading emission control equipment and replacing shop equipment.

Maintenance-of-Way

The FY03 Maintenance-of-Way budget is \$9.2 million. This includes funds for upgrading of stations and operating facilities to comply with ADA requirements, station and tunnel water mitigation, installation, maintenance of gas analyzers, maintenance and refurbishment of traction power, signals, facility and track.

Rail Facilities Maintenance

The FY03 Rail Facilities Maintenance budget is \$30.7 million. This covers facility expansion projects, safety improvements, radio system upgrades, and support equipment.

Rail Vehicle Maintenance

The FY03 Rail Vehicle Maintenance budget is \$6.0 million. The Rail Vehicle Maintenance projects include ADA approved between car barriers for Red Line cars and the mid-life overhaul program for light rail vehicles.

ITS, Communications and Other Capital Projects

The FY03 ITS, Communications and Other Capital Projects budget is \$54.8 million. ITS projects support development of communications and information systems and replacement of obsolete computer equipment. Specific efforts include upgrade of human resources and payroll systems, the Financial Information System (FIS), the Customer Information

System and PC applications, division network construction, Maintenance and Material Management System, and obsolete PC workstations.

Other capital projects include equipment procurement and

installation, procurement of various service trucks and small purchases of equipment required for maintenance of the revenue fleet, non-revenue vehicle fleet and facilities.

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

CAPITAL PROGRAM PROJECT LIST

| Project Title | CP# | Operating Budget Impact | Forecast 2002 | Project Budget (\$000s) | | | | | FY 03-07 Total | NEW |
|---|---------|-------------------------|----------------|-------------------------|----------------|---------------|---------------|---------------|----------------|-----|
| | | | | 2003 | 2004 | 2005 | 2006 | 2007 | | |
| Bus Acquisition | | | | | | | | | | |
| 1 Universal Fare Collection System | 2100014 | High | 4,400 | 15,468 | 72,628 | - | - | - | 88,096 | |
| 2 Advanced Transportation Management System (ATMS) | 2100015 | High | 6,267 | 40,718 | 29,280 | - | - | - | 69,997 | |
| 3 Contract Services - Bus Lease Program | 2101021 | Negligible | 8,654 | 7,326 | 9,460 | 9,656 | 9,852 | 9,570 | 45,864 | |
| 4 223 New Flyer Option (FY01) | 2101022 | Moderate | 2,236 | 320 | - | - | - | - | 320 | |
| 5 215 NABI Option (FY01) | 2101023 | Negligible | 4,338 | 327 | - | - | - | - | 327 | |
| 6 370 Bus Buy (FY02) | 2101024 | Negligible | 127,451 | 757 | - | - | - | - | 757 | |
| 7 Bus Buy Option (FY04) | 2101027 | Negligible | - | - | 60 | 23,255 | 38,516 | 15,575 | 77,406 | |
| 8 Bus Buy (FY06) | 2102001 | Negligible | - | - | - | - | 55 | 49,414 | 49,469 | • |
| 9 Alternate Fuel High Capacity Buses (FY03) | 2102003 | Negligible | 339 | 6,242 | 9,251 | - | - | - | 15,493 | • |
| 10 Bus Buy (FY07) | 2105001 | Negligible | - | - | - | - | - | 58 | 58 | • |
| 11 Lease-purchase of Shuttle Buses | 2105007 | Negligible | - | 2,125 | 2,304 | 2,304 | 2,304 | 2,304 | 11,340 | |
| 12 ATV Bus Purchase | 2105008 | Negligible | - | 500 | 6,020 | - | - | - | 6,520 | |
| 13 Bus Acquisition Total | | | 153,685 | 73,783 | 129,002 | 35,214 | 50,727 | 76,921 | 365,647 | |
| Bus Facilities Maintenance | | | | | | | | | | |
| 14 Div. 1 CNG Fueling Facility Lease | 2300069 | Moderate | 1,212 | 1,232 | 1,265 | 1,240 | 742 | 650 | 5,128 | |
| 15 Bus Division Maintenance Equip. | 2303006 | Negligible | 1,839 | 1,017 | 1,208 | 1,233 | 1,258 | 1,283 | 6,001 | |
| 16 Replace Bus Div. Emerg. Generators | 2303008 | Negligible | 84 | 638 | 627 | - | - | - | 1,265 | |
| 17 Vacuum System Upgrade and Replacement Program | 2303010 | Negligible | 247 | 1,067 | 1,197 | 2,042 | 442 | 394 | 5,142 | |
| 18 Bus Division Roll-Up Doors Refurbishment | 2303012 | Negligible | 399 | 507 | - | - | - | - | 507 | |
| 19 Division 15 Facility Improvements | 2303013 | Negligible | 99 | 152 | - | - | - | - | 152 | |
| 20 Landscaping Replacement at Bus Facilities | 2303014 | Slight | 142 | 115 | - | - | - | - | 115 | |
| 21 Bus Operating Facility Improvements | 2303020 | Negligible | 1,879 | 748 | 751 | 793 | 813 | 824 | 3,929 | |
| 22 ADA Compliance at Park-N-Ride Lots | 2303035 | Slight | 10 | 10 | 77 | - | - | - | 87 | |
| 23 ADA Compliance at Bus Operating Divisions and Customer Service Centers | 2303036 | Slight | 1,180 | 737 | 600 | - | - | - | 1,337 | |
| 24 Replace Underground Storage Tanks at Divisions 1, 8, 15, and RRC. | 2303038 | Negligible | 588 | 158 | - | - | - | - | 158 | • |
| 25 Site Remediation Project: Divisions 1, 3, 6, 7, 8, 10, 15, 18 | 2303039 | Negligible | 1,514 | 2,797 | 2,114 | 1 | - | - | 4,912 | |
| 26 RRC General Building Modifications - Facilities | 2303043 | Negligible | - | 684 | - | - | - | - | 684 | |
| 27 Replacement of Air Compressors | 2303077 | Negligible | 117 | 101 | - | - | - | - | 101 | |
| 28 Bus Exhaust System | 2303083 | Negligible | 41 | 445 | - | - | - | - | 445 | |
| 29 Update ASRS Test Equipment | 2303090 | Negligible | 20 | 83 | - | - | - | - | 83 | |
| 30 Update Radio Shop Test Equipment | 2303091 | Negligible | - | 122 | - | - | - | - | 122 | |
| 31 Div. 5 CNG Fueling Facility Lease | 2303113 | Moderate | 1,092 | 1,093 | 887 | 664 | 466 | 332 | 3,443 | |

Bus Facilities Maintenance continued next page

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

Capital Program Project List (Continued)

| Project Title | CP# | Operating Budget Impact | Forecast 2002 | Project Budget (\$000s) | | | | | FY 03-07 Total | M/N |
|---|---------|-------------------------|---------------|-------------------------|---------------|---------------|---------------|---------------|----------------|-----|
| | | | | 2003 | 2004 | 2005 | 2006 | 2007 | | |
| Bus Facilities Maintenance | | | | | | | | | | |
| 1 Div. 7 CNG Fueling Facility Lease | 2303114 | Moderate | 1,092 | 1,115 | 905 | 677 | 475 | 338 | 3,510 | |
| 2 Div. 2 CNG Fueling Facility Lease/Purchase | 2303115 | Moderate | 424 | 455 | 473 | 483 | 492 | 502 | 2,405 | |
| 3 Div. 2 Maintenance Facility Mandated CNG Upgrades | 2303116 | Slight | 1,233 | 158 | - | - | - | - | 158 | |
| 4 Div. 6 Maint. Facility Mandated CNG Upgrades | 2303118 | Slight | 1,105 | 142 | - | - | - | - | 142 | |
| 5 Div. 9 CNG Fueling Facility Lease/Purchase | 2303121 | Moderate | 702 | 526 | 438 | 447 | 456 | 466 | 2,333 | |
| 6 Div. 9 Maint. Facility Mandated CNG Upgrades | 2303122 | Slight | 1,118 | 144 | - | - | - | - | 144 | |
| 7 Div. 15 CNG Fueling Facility Lease/Purchase | 2303123 | Moderate | 670 | 437 | 455 | 464 | 474 | 483 | 2,313 | |
| 8 Division Floor Coating | 2304002 | Negligible | - | 329 | 626 | 899 | 496 | - | 2,350 | • |
| 9 Division Roof Repairs | 2304003 | Negligible | 181 | 551 | - | - | - | - | 551 | |
| 10 In-Ground Bus Hoist Replacement | 2304004 | Negligible | 292 | 1,941 | 2,032 | 2,122 | 2,105 | 2,108 | 10,309 | |
| 11 Replace Drop Ceilings at Divisions | 2304005 | Negligible | 35 | 405 | 161 | - | - | - | 566 | |
| 12 Refurbish EVAPCO Open Towers | 2304006 | Negligible | - | 140 | - | - | - | - | 140 | |
| 13 Div. 3 CNG Fueling Facility Expansion Lease/Purchase | 2304007 | Moderate | 2 | 454 | 854 | 872 | 889 | 907 | 3,976 | |
| 14 Div. 8 CNG Fueling Facility Expansion Lease/Purchase | 2304008 | Moderate | 1 | 454 | 854 | 872 | 889 | 907 | 3,976 | |
| 15 Replace Uninterruptable Power Supply Units (UPS) at Bus Facilities | 2304009 | Negligible | 78 | 389 | 266 | - | - | - | 655 | |
| 16 Division 8 Vault House | 2304018 | Negligible | 56 | 320 | - | - | - | - | 320 | |
| 17 Remove and upgrade underground storage tanks | 2304022 | Negligible | 1,049 | 3,637 | 2,418 | 2,476 | - | - | 8,531 | |
| 18 Landscape Enhancements | 2305002 | Negligible | - | 73 | 1,440 | 813 | - | - | 2,326 | • |
| 19 Permanent restroom facilities at selected locations. | 2305008 | Slight | - | 141 | 179 | 352 | 359 | 190 | 1,219 | • |
| 20 Two New Bus Divisions | 2305012 | Negligible | - | 4,963 | - | - | - | - | 4,963 | • |
| 21 Division Remodel/Upgrades | 2305013 | Negligible | - | 62 | 1,914 | 1,953 | 1,993 | 1,735 | 7,657 | • |
| 22 Bus System Fire Code Corrections (Reg. 4 Violations) | 2305015 | Negligible | - | 504 | 579 | 591 | 603 | 615 | 2,891 | • |
| 23 Bus Facilities Maintenance Projects 03-07 (Under \$1.0 million) | 2305017 | Slight | - | 4,765 | 5,597 | 6,101 | 6,101 | 6,101 | 28,665 | • |
| 24 Div. 9 Shop Renovation & Expansion | 2305018 | Negligible | - | 3,701 | 2,484 | 680 | - | - | 6,865 | • |
| 25 Repave LAX & Other Terminals | 2305019 | Negligible | - | 940 | - | - | - | - | 940 | • |
| 26 Temple & Beaudry Layover Facility | 2305020 | Negligible | - | - | 1,735 | - | - | - | 1,735 | • |
| 27 Div. 7 Facility Improvements | 2305021 | Negligible | - | 2,621 | 1,000 | - | - | - | 3,621 | • |
| 28 Div. 2 Maintenance Building Modernization | 2305022 | Negligible | - | 923 | 856 | - | - | - | 1,779 | • |
| 29 Division 6 Soundwall | 2305023 | Negligible | - | 804 | - | - | - | - | 804 | • |
| 30 LAX Terminal Improvements | 2305024 | Negligible | - | 366 | - | - | - | - | 366 | • |
| 31 El Monte Transit Station Enhancements | 2305025 | Slight | - | 113 | - | - | - | - | 113 | • |
| 32 Screen Process Shop - Degreasing System | 3908006 | Negligible | 200 | 249 | - | - | - | - | 249 | |
| 33 Bus Facilities Maintenance Total | | | 18,700 | 43,528 | 33,992 | 25,775 | 19,055 | 17,835 | 140,185 | |

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

Capital Program Project List (Continued)

| Project Title | CP# | Operating Budget Impact | Forecast 2002 | Project Budget (\$000s) | | | | | FY 03-07 Total | New |
|--|---------|-------------------------|----------------|-------------------------|----------------|----------------|----------------|----------------|------------------|-----|
| | | | | 2003 | 2004 | 2005 | 2006 | 2007 | | |
| Bus Maintenance | | | | | | | | | | |
| 1 Engine Rebuild - EPA Kits | 2200031 | Slight | 1,456 | 1,254 | 889 | 5 | - | - | 2,149 | |
| 2 Replace Regional Rebuild Center Shop Equipment | 2200044 | Negligible | 810 | 813 | 499 | 509 | 527 | 537 | 2,885 | |
| 3 RTS 4400 Series Refurbishment Project | 2203000 | Negligible | 751 | 869 | - | - | - | - | 869 | |
| 4 CRT Installation on Revenue Diesel Bus Fleet (Diesel Emissions Systems Retrofit) | 2203001 | Slight | 323 | 1,810 | 1,624 | 1 | - | - | 3,435 | |
| 5 Particulate Traps for MTA Leased Buses | 2203004 | Slight | 113 | 650 | 828 | 1 | - | - | 1,479 | |
| 6 Refurbish 4 Diesel Buses for Contract Service | 2205001 | Slight | - | 366 | - | - | - | - | 366 | |
| 7 Bus Maintenance Total | | | 3,452 | 5,762 | 3,840 | 516 | 527 | 537 | 11,182 | |
| Construction | | | | | | | | | | |
| 8 Segment 3 North Hollywood (800082) | 4002010 | High | 42,031 | 52,018 | 12,292 | - | - | - | 64,311 | |
| 9 Green Line Construction (800023) | 4002012 | Slight | 6,402 | 5,719 | 100 | - | - | - | 5,819 | |
| 10 L.A. Rail Car (800150) | 4002013 | High | 35,431 | 29,334 | 2,450 | 104 | - | - | 31,888 | |
| 11 Rail Construction- 800001 Blue Line | 4002015 | High | 872 | 813 | - | - | - | - | 813 | |
| 12 Rail Construction-800005 Pasadena Line | 4002016 | Slight | - | 10,002 | - | - | - | - | 10,002 | |
| 13 Rail Construction-800020 Imperial Grade Separation | 4002017 | Slight | 87 | 126 | - | - | - | - | 126 | |
| 14 Rail Construction-800080 Red Line Segment 1 | 4002019 | Slight | 292 | 332 | 102 | - | - | - | 434 | |
| 15 Rail Construction -800081 Red Line Segment 2 | 4002020 | Slight | 36,642 | 21,467 | 3,500 | - | - | - | 24,967 | |
| 16 Rail Construction-800083 Mid- City Extension | 4002021 | Slight | 458 | 146 | - | - | - | - | 146 | |
| 17 Rail Construction-800084 Eastside Extension Project | 4002022 | Slight | 2,882 | 1,899 | 102 | - | - | - | 2,001 | |
| 18 Rail Construction-800382 Trizechahn Facility | 4002026 | Slight | 42 | 19 | - | - | - | - | 19 | |
| 19 Light Rail Vehicle Fleet Enhancement (800151) | 4005002 | High | - | 11,774 | 15,000 | 39,606 | 18,755 | 6,179 | 91,314 | • |
| 20 San Fernando Corridor N/S - | 4005004 | High | - | - | - | 51,700 | 52,000 | 47,300 | 151,000 | • |
| 21 Mid-City/Wilshire Transit Corridor (Project 800111) | 4005005 | High | 7,073 | 15,008 | 75,453 | 87,900 | 48,785 | 15,936 | 243,083 | • |
| 22 Eastside LRT - Union Station to Beverly & Atlantic (Project 800088) | 4005006 | High | 33,979 | 49,502 | 87,700 | 114,600 | 120,100 | 148,500 | 520,402 | • |
| 23 SFV East-West BRT Transit Corridor (Project 800112) | 4005007 | High | 10,104 | 55,485 | 116,200 | 109,277 | 45,342 | 8,400 | 334,705 | • |
| 24 Mid-City/Exposition Transit Corridor (Project 800113) | 4005008 | High | - | 16,221 | 40,700 | 52,300 | 79,400 | 60,200 | 248,821 | • |
| 25 PGL Startup (Project 800007) | 4005009 | High | - | 16,926 | - | - | - | - | 16,926 | • |
| 26 Construction Total | | | 176,096 | 286,790 | 353,600 | 455,487 | 364,382 | 286,516 | 1,748,775 | |

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

Capital Program Project List (Continued)

| Project Title | CP# | Operating Budget Impact | Forecast 2002 | Project Budget (\$000s) | | | | | FY 03-07 Total | New |
|--|---------|-------------------------|---------------|-------------------------|---------------|--------------|---------------|--------------|----------------|-----|
| | | | | 2003 | 2004 | 2005 | 2006 | 2007 | | |
| Maintenance-of-Way (MOW) | | | | | | | | | | |
| 1 PGL Midway Warehouse - Equipment and Storage | 3105000 | Negligible | - | 949 | 26 | - | - | - | 976 | • |
| 2 MBL Grade Crossing Improvements | 3300001 | Slight | 799 | 898 | 553 | 564 | 588 | - | 2,604 | |
| 3 MOW Tools and Equipment | 3300002 | Negligible | 754 | 253 | 514 | 525 | 536 | 546 | 2,374 | |
| 4 UCS - Overhead Catenary Upgrade/Refurbishment | 3300004 | Slight | 648 | 581 | 573 | 585 | 597 | 609 | 2,944 | |
| 5 MOW - Acquire Track Geometry Car | 3300005 | Slight | - | 10 | 1,714 | - | - | - | 1,724 | |
| 6 MOW Battery Replacement/Refurbishment | 3300006 | Slight | 837 | 276 | 342 | 349 | 356 | 370 | 1,694 | |
| 7 Crossing Gate Equipment Replacement | 3300009 | Slight | 172 | 280 | 185 | 189 | 193 | 197 | 1,044 | |
| 8 Replace Guarded Rail Crossings | 3300010 | Slight | 51 | 619 | - | - | - | - | 619 | |
| 9 Replace MRL Transformers | 3300011 | Slight | 308 | 96 | 625 | - | - | - | 721 | |
| 10 Construct Division 22 blow-down pit and building enclosure | 3306008 | Slight | 274 | 0 | 2,287 | 694 | - | - | 2,981 | |
| 11 Rail System Bridge, Tunnel, and Facility Inspection Services | 3306010 | Negligible | 424 | 585 | 337 | - | - | - | 922 | |
| 12 MRL MOW Facility Expansion | 3307000 | Slight | 84 | 9 | - | 514 | - | - | 523 | |
| 13 MBL Train Tracking Improvements | 3308001 | Negligible | - | 278 | 887 | - | - | - | 1,165 | • |
| 14 Mobile Rail Safety Educational Program | 3308003 | Negligible | - | 523 | 319 | - | - | - | 842 | • |
| 15 Core Capacity Enhancements to the Metro Blue Line | 3308005 | Slight | - | 244 | 882 | 946 | 954 | 1,003 | 4,028 | • |
| 16 PGL MOW Gold Line enhancements for 2.0 min headways between Union and Midway Station. | 3308006 | Slight | - | 346 | 445 | 829 | 7,159 | 13 | 8,792 | • |
| 17 Pasadena Gold Line - MOW Vehicles | 3308011 | Moderate | - | 1,496 | - | - | - | - | 1,496 | • |
| 18 Rail MOW Projects 03-07 (Under \$1.0 million) | 3308012 | Moderate | - | 1,722 | 1,990 | 2,431 | 2,431 | 2,431 | 11,005 | • |
| 19 Maintenance-Of-Way Total | | | 4,351 | 9,166 | 11,681 | 7,626 | 12,813 | 5,169 | 46,455 | |
| Other Capital Projects | | | | | | | | | | |
| 20 Rail TVM Communications & Components Upgrade | 2203003 | Slight | 180 | 9 | 186 | - | - | - | 194 | |
| 21 New Cash Room Facility | 2303060 | Negligible | 784 | 1,132 | 2,325 | - | - | - | 3,458 | |
| 22 Replace ASRS Modicon PLC controllers | 2303071 | Negligible | 9 | 305 | - | - | - | - | 305 | |
| 23 Replace ASRS automatic guided vehicles (AGV) | 2303072 | Negligible | 12 | 1,402 | - | - | - | - | 1,402 | |
| 24 Replace and or repair all Unit Load and Mini Load aisle rails | 2303073 | Negligible | 249 | 288 | - | - | - | - | 288 | |
| 25 Seal Storeroom floors at six (6) Bus Storerooms (Div 1-6). | 2303107 | Negligible | - | - | - | 473 | 8 | - | 481 | • |
| 26 Upgrade Miniloading System | 2304011 | Negligible | 601 | 421 | - | - | - | - | 421 | |
| 27 Metro Rapid Bus Program Phase 1 | 2304015 | High | - | 4,596 | - | - | - | - | 4,596 | • |
| 28 New storage building for Division 20 warehouse Red Line Heavy Rail Maintenance Yard | 3105001 | Moderate | - | 410 | 19 | - | - | - | 429 | • |
| 29 New Storage Building for Division 22 warehouse | 3105002 | Moderate | - | - | 494 | - | - | - | 494 | • |
| Other Capital Projects Continued Next Page | | | | | | | | | | |

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

Capital Program Project List (Continued)

| Project Title | CP# | Operating Budget Impact | Forecast 2002 | Project Budget (\$000s) | | | | | FY 03-07 Total | New |
|---|---------|-------------------------|---------------|-------------------------|-------|-------|------|------|----------------|-----|
| | | | | 2003 | 2004 | 2005 | 2006 | 2007 | | |
| Other Capital Projects | | | | | | | | | | |
| 1 Storage Building - Division 11. | 3205009 | Slight | 65 | 336 | - | - | - | - | 336 | |
| 2 Covered Awning for Division 11 | 3205015 | Negligible | - | 77 | 9 | - | - | - | 86 | • |
| 3 Covered Awning for Division 22 | 3205085 | Negligible | - | - | 108 | 48 | - | - | 155 | • |
| 4 MBL Expanded Photo Enforcement Program in Los Angeles | 3306014 | Slight | 349 | 304 | - | - | - | - | 304 | |
| 5 MBL Long Beach Photo Enforcement Program | 3306015 | Slight | 45 | 125 | 486 | - | - | - | 591 | |
| 6 MBL Four Quadrant Gate Program Expansion | 3306017 | Slight | 124 | 1,766 | 707 | - | - | - | 2,472 | |
| 7 MBL fiber optic "TRAIN" sign program in Long Beach | 3306018 | Slight | 260 | 270 | - | - | - | - | 270 | |
| 8 Seg.-1 Remote Terminal Unit (RTU) Upgrade | 3308009 | Slight | - | 1,895 | 1,693 | - | - | - | 3,588 | • |
| 9 General Services chemical storage facility | 3900038 | Slight | 984 | 1,395 | - | - | - | - | 1,395 | |
| 10 FIS Oracle Upgrade | 3900048 | Negligible | 1,344 | 847 | - | - | - | - | 847 | |
| 11 Real Estate Property Management System | 3900051 | Negligible | 480 | 512 | - | - | - | - | 512 | |
| 12 HR/Payroll System Upgrades | 3900061 | Negligible | 544 | 267 | 136 | - | - | - | 403 | |
| 13 Application Enhancement / Replacement | 3900095 | Negligible | 792 | 232 | 716 | 265 | 270 | 761 | 2,244 | |
| 14 Enlarge MTA's Computer Room | 3900110 | Negligible | 972 | 280 | - | - | - | - | 280 | |
| 15 Wide Area Network Upgrade (WAN) | 3900120 | Slight | 110 | 496 | 2,871 | 2,653 | - | - | 6,021 | |
| 16 Replacement Revenue Processing Equipment | 3907006 | Slight | 265 | 365 | 305 | 216 | 230 | - | 1,116 | |
| 17 Maintenance and Material Management System Replacement | 3907054 | Slight | 2,186 | 4,147 | 7,022 | 1,263 | - | - | 12,432 | |
| 18 Automatic Guidance Vehicle (AGV) Battery Charging System | 3907057 | Negligible | 25 | 234 | - | - | - | - | 234 | |
| 19 Automated Pallet Replenishment System RRC | 3907058 | Negligible | - | 2 | 142 | - | - | - | 144 | |
| 20 Automate Bulk Storage Area | 3907062 | Negligible | - | - | 1,424 | - | - | - | 1,424 | |
| 21 Spot Cooling for Warehouse Work Area at RRC | 3907063 | Slight | - | - | 245 | 8 | - | - | 254 | • |
| 22 Central Instruction Independent Learning System | 3907078 | Negligible | 93 | 563 | - | - | - | - | 563 | |
| 23 Workstation and Network Technology Refresh Program | 3907082 | Negligible | 1,859 | 447 | 341 | 333 | 324 | 331 | 1,776 | |
| 24 Document Processing Management System (DPMS) | 3907084 | Slight | 306 | 1,757 | 2,003 | 1,085 | - | - | 4,845 | |
| 25 Security Cameras for Divisions 11, 20, 22, 61 to protect MTA property. | 3907201 | Slight | 16 | 93 | 307 | - | - | - | 400 | |
| 26 Integrate HR, Payroll, and Labor Systems | 3907208 | Negligible | 61 | 544 | 1,437 | 4,278 | 937 | - | 7,196 | |
| 27 Increase Pallet Racking for Division 22 Green Line | 3907215 | Slight | - | - | 57 | 1 | - | - | 58 | |
| 28 Gateway Elevator Improvements | 3907239 | Negligible | 451 | 386 | - | - | - | - | 386 | |
| 29 Division Network Construction Project (DNCP) | 3907244 | Slight | 5,781 | 5,210 | 3,156 | - | - | - | 8,366 | |
| 30 Bus & Rail Radio Transmitters Upgrade | 3907249 | Negligible | 167 | 492 | - | - | - | - | 492 | |
| 31 FY01 Replacement Non-Revenue Vehicles | 3907253 | Negligible | 617 | 3,512 | - | - | - | - | 3,512 | |
| 32 Replace Non-Rev Veh Pickup Trucks | 3907254 | Negligible | 630 | 557 | - | - | - | - | 557 | |
| 33 Replace Non-Rev Veh--ForkLifts | 3907257 | Negligible | 627 | 362 | - | - | - | - | 362 | |
| 34 Replace Non-Rev Veh--Tow Trucks | 3907258 | Negligible | 13 | 140 | - | - | - | - | 140 | |
| 35 Replace Non-Rev Veh--Rail Service Pickups | 3907259 | Negligible | 10 | 707 | - | - | - | - | 707 | |
| 36 Replace Non-Rev Veh--Large Utility Veh | 3907260 | Negligible | 296 | 29 | - | - | - | - | 29 | |
| 37 Completion of Metro Blue Line Art Program | 3907262 | Slight | 285 | 323 | 251 | 288 | - | - | 862 | |
| 38 Scheduling Software Acquisition (Hastus-ATP Module) | 3908002 | Negligible | 598 | 29 | - | - | - | - | 29 | |
| 39 FY02 New/Expansion Non-Rev Veh | 3908005 | Slight | 1,580 | 4,755 | - | - | - | - | 4,755 | |
| 40 Screen Process Shop Equip. | 3908007 | Negligible | 54 | 54 | - | - | - | - | 54 | |
| Other Capital Projects Continued Next Page | | | | | | | | | | |

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

Capital Program Project List (Continued)

| Project Title | CP# | Operating Budget Impact | Forecast 2002 | Project Budget(\$000s) | | | | | FY 03-07 Total | New |
|---|---------|-------------------------|---------------|------------------------|---------------|---------------|--------------|--------------|----------------|-----|
| | | | | 2003 | 2004 | 2005 | 2006 | 2007 | | |
| Other Capital Projects | | | | | | | | | | |
| 1 Completion of Metro Red Line Art Program | 3908025 | Slight | - | 639 | 654 | 655 | 654 | - | 2,602 | ● |
| 2 Completion of Metro Green Line Art Program | 3908027 | Slight | - | 159 | 344 | 346 | 257 | - | 1,106 | ● |
| 3 Dock Leveler for RRC | 3908034 | Negligible | - | 94 | 5 | - | - | - | 99 | ● |
| 4 Gateway Building Security Upgrade | 3908035 | Slight | - | 65 | - | - | - | - | 65 | ● |
| 5 FY03 Non Revenue Vehicles | 3908038 | Negligible | - | 5,045 | - | - | - | - | 5,045 | ● |
| 6 FY04 Non Revenue Vehicles | 3908039 | Negligible | - | - | 7,165 | 4 | - | - | 7,170 | ● |
| 7 FY05 Non Revenue Vehicles | 3908040 | Negligible | - | - | - | 3,543 | - | - | 3,543 | ● |
| 8 FY06 Non Revenue Vehicles | 3908041 | Negligible | - | - | - | - | 5,142 | - | 5,142 | ● |
| 9 Gateway Headquarters Improvement Projects | 3908044 | Slight | 1,520 | 1,377 | - | - | - | - | 1,377 | ● |
| 10 Transit Plaza Projects | 3908045 | Slight | 1,043 | 999 | 294 | - | - | - | 1,293 | ● |
| 11 Vertical Carousel Additional - Division 11 | 3908046 | Negligible | - | 83 | 10 | - | - | - | 94 | ● |
| 12 Bus Farebox Refurbishment | 3908047 | Negligible | 804 | 291 | 337 | 354 | - | - | 982 | ● |
| 13 Redesign Work Stations in Metro Information Center. | 3909004 | Negligible | - | 113 | 237 | - | - | - | 350 | ● |
| 14 Closed Circuit Television (Bus Divisions) | 3909008 | Moderate | - | 64 | 683 | - | - | - | 748 | ● |
| 15 MBL 12th/Flower Security Upgrades | 3909014 | Slight | - | 2 | 18 | - | - | - | 20 | ● |
| 16 Expansion vehicles for S&Z-MC Department | 3909030 | Slight | - | 208 | - | - | - | - | 208 | ● |
| 17 Language Translator Equipment | 3909032 | Negligible | - | 24 | - | - | - | - | 24 | ● |
| 18 FY07 Non-Revenue Vehicles | 3909034 | Negligible | - | - | - | - | - | 6,401 | 6,401 | ● |
| 19 USG Fire Code Corrections (Reg. 4 Violations) | 3909038 | Slight | - | 130 | 214 | 218 | 223 | 227 | 1,012 | ● |
| 20 Real Estate Dept. ESR Projects | 3909039 | Slight | - | 105 | 114 | 117 | - | - | 335 | ● |
| 21 Building Services Dept ESR Projects | 3909043 | Slight | - | 104 | 104 | 107 | 111 | 105 | 532 | ● |
| 22 Rapid Bus Art Program | 3909052 | Negligible | - | 607 | - | - | - | - | 607 | ● |
| 23 Capital Administration Support | 3909053 | Negligible | - | 600 | 600 | 600 | 600 | 600 | 3,000 | ● |
| 24 PGL SCADA Betterments | 4005010 | Moderate | - | 2,000 | - | - | - | - | 2,000 | ● |
| 25 Other Capital Projects Total | | | 27,188 | 54,780 | 37,201 | 16,854 | 8,758 | 8,425 | 126,020 | |
| Rail Facilities Maintenance | | | | | | | | | | |
| 26 Wheel Boring Machine | 2303094 | Slight | 132 | 126 | - | - | - | - | 126 | ● |
| 27 Emergency Generators for Rail | 2303096 | Slight | 44 | 456 | - | - | - | - | 456 | ● |
| 28 Pallet Racking- Location 80 | 2304012 | Slight | - | - | - | 195 | - | - | 195 | ● |
| 29 Upgrade Rail Stations to ADA Compliance | 3200071 | Negligible | 406 | 953 | - | - | - | - | 953 | ● |
| 30 Metro Red Line Car Barriers | 3205000 | Negligible | 111 | 120 | - | - | - | - | 120 | ● |
| 31 Upgrade Facilities and Appurtenances to ADA Compliance | 3205001 | Negligible | 397 | 63 | - | - | - | - | 63 | ● |
| 32 Fiber Optic Rail Communication System | 3205004 | Negligible | 573 | 2,036 | - | - | - | - | 2,036 | ● |
| 33 Light Rail Radio System and Console Upgrades | 3205005 | Negligible | 150 | 1,579 | 34 | - | - | - | 1,613 | ● |
| 34 Grout MRL Station & Tunnel Water Leaks | 3205007 | Negligible | 386 | 788 | 362 | 369 | 389 | 409 | 2,318 | ● |
| 35 MBL Facility Improvements | 3205019 | Negligible | 827 | 268 | 435 | 444 | - | - | 1,147 | ● |
| 36 ROC Reconfiguration | 3205023 | Negligible | 880 | 1,609 | - | - | - | - | 1,609 | ● |
| 37 Power Switches - MBL Stations | 3205031 | Slight | 84 | 64 | 367 | - | - | - | 431 | ● |
| 38 Elevators at 1st and Hill (Civic Center) | 3205034 | Negligible | 62 | - | 748 | 605 | - | - | 1,353 | ● |
| Rail Facilities Maintenance Continued Next Page | | | | | | | | | | |

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

Capital Program Project List (Continued)

| Project Title | CP# | Operating Budget Impact | Forecast 2002 | Project Budget (\$000s) | | | | | FY 03-07 Total | New |
|---|---------|-------------------------|---------------|-------------------------|-------|-------|-------|-------|----------------|-----|
| | | | | 2003 | 2004 | 2005 | 2006 | 2007 | | |
| Rail Facilities Maintenance | | | | | | | | | | |
| 1 Elevators at 4th and Hill (Pershing Square) | 3205035 | Negligible | 59 | - | 1,174 | 1,301 | - | - | 2,475 | |
| 2 MGL Elevator and Escalator Sumps and Clarifiers | 3205036 | Slight | 125 | 252 | 1,254 | - | - | - | 1,506 | |
| 3 MRL Traction Power Elevator (Wilshire/Vermont) | 3205037 | Negligible | 65 | - | 603 | - | - | - | 603 | |
| 4 MGL Stations - New Public Address Equipment | 3205038 | Slight | 47 | - | - | 1,600 | - | - | 1,600 | |
| 5 Relocate and Refurbish Wheel Truing Machine | 3205042 | Slight | 551 | 130 | - | - | - | - | 130 | |
| 6 SCADA Equipment replacement | 3205045 | Slight | 613 | 2,115 | 3,326 | 3,337 | - | - | 8,779 | |
| 7 Rail Facilities Refurbishment | 3205048 | Negligible | - | 210 | 209 | 217 | 215 | 217 | 1,067 | |
| 8 Gas Analyzer Installation MRL | 3205050 | Slight | 760 | 2,820 | - | - | - | - | 2,820 | |
| 9 Industrial Programmable Controllers for Rail Car Hoist | 3205051 | Negligible | 54 | 57 | - | - | - | - | 57 | |
| 10 Rail Divisions Water Treatment Systems | 3205056 | Moderate | 373 | 341 | - | - | - | - | 341 | |
| 11 MRL Fire Control System Upgrade | 3205058 | Negligible | 210 | 105 | - | - | - | - | 105 | |
| 12 MRL Radio System | 3205059 | Negligible | 36 | - | 520 | 1,099 | - | - | 1,619 | |
| 13 Upgrade LRT Facilities, MGL | 3205062 | Slight | 740 | 263 | 244 | 148 | - | - | 655 | |
| 14 Upgrade HRT facilities | 3205064 | Slight | 647 | 342 | 399 | 420 | - | - | 1,161 | |
| 15 MRL Segment 1 Drainage Improvements | 3205068 | Slight | 193 | 337 | 619 | 862 | - | - | 1,818 | |
| 16 MRL Station Canopies | 3205075 | Slight | 11 | 485 | 2,810 | - | - | - | 3,295 | |
| 17 MRL Fire Code Corrections (Reg. 4 Violations) | 3205081 | Slight | 391 | 1,048 | 1,042 | 1,038 | 1,059 | 1,052 | 5,239 | |
| 18 Upgrade 19 MBL Platforms | 3205086 | Moderate | 1,260 | 1,125 | - | - | - | - | 1,125 | |
| 19 MRL Emergency Escalator Lighting | 3205087 | Slight | 64 | - | 1,083 | - | - | - | 1,083 | |
| 20 Enhanced MRL Station Signage | 3205131 | Slight | 120 | 246 | 13 | - | - | - | 259 | |
| 21 Install Outside Paving at Division 20 Red Line Maintenance Warehouse | 3205136 | Negligible | - | 15 | 162 | 1 | - | - | 178 | |
| 22 Division 22 Expansion Program | 3205145 | Moderate | 155 | 20 | 2,234 | - | - | - | 2,254 | |
| 23 Division 11 Expansion Program | 3205146 | Moderate | 216 | 1,364 | 2,455 | 2,514 | - | - | 6,332 | |
| 24 Division 11 Catwalk | 3206004 | Negligible | 45 | 178 | - | - | - | - | 178 | |
| 25 Division 22 test signal loops | 3206006 | Negligible | 21 | - | - | 157 | - | - | 157 | |
| 26 Div 20 test signal loops | 3206007 | Negligible | 21 | - | - | 124 | - | - | 124 | |
| 27 Division 11 storage yard stairways and walkways | 3206009 | Negligible | 37 | 120 | - | 185 | - | - | 305 | |
| 28 CCF Air Handling Unit Replacement | 3206014 | Negligible | 101 | 84 | - | - | - | - | 84 | |
| 29 Underground tank/piping upgrade and soil remediation | 3206015 | Negligible | 74 | 631 | - | - | - | - | 631 | |
| 30 MRL Uninterruptable Power Supply Replacement Project | 3206020 | Slight | 280 | 2,454 | 47 | - | - | - | 2,500 | |
| 31 Escalator Safety Brushes | 3207008 | Negligible | - | 372 | 655 | - | - | - | 1,027 | ● |
| 32 MBL CCTV Video Transmission System Upgrade | 3207014 | Negligible | - | - | 342 | 750 | - | - | 1,092 | ● |
| 33 Rail Communications Systems Upgrade | 3207016 | Negligible | - | 74 | 1,188 | 1,106 | - | - | 2,369 | ● |
| 34 MRL F&EM & VMS Computer Upgrade | 3207017 | Slight | - | - | 510 | 1,265 | - | - | 1,775 | ● |
| 35 Closed-Circuit Television (Rail) | 3207019 | Slight | - | - | 1,377 | - | - | - | 1,377 | ● |
| 36 Civic Center Flooring Replacement | 3207034 | Negligible | - | - | 249 | 2,048 | - | - | 2,297 | ● |
| 37 MBL Long Beach Transit Mall Station redesign for 3-car train operation | 3207036 | Slight | - | 8 | 1,192 | 263 | - | - | 1,463 | ● |
| Rail Facilities Maintenance Continued Next Page | | | | | | | | | | |

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

Capital Program Project List (Continued)

| Project Title | CP# | Operating Budget Impact | Forecast 2002 | Project Budget (\$000s) | | | | | FY 03-07 Total | New |
|--|---------|-------------------------|----------------|-------------------------|----------------|----------------|----------------|----------------|------------------|-----|
| | | | | 2003 | 2004 | 2005 | 2006 | 2007 | | |
| Rail Facilities Maintenance | | | | | | | | | | |
| 1 MBL Fire Code Corrections (Reg. 4 Violations) | 3207037 | Negligible | - | 257 | 405 | 414 | 422 | 430 | 1,928 | ● |
| 2 MGL Fire Code Corrections (Reg. 4 violations) | 3207038 | Slight | - | 228 | 380 | 388 | 395 | 403 | 1,794 | ● |
| 3 Install Elevators at MRL Hollywood/Vine Station | 3207040 | Negligible | - | 783 | 591 | - | - | - | 1,374 | ● |
| 4 Rail Facilities Maintenance Proejcts 03-07 (Under \$1.0 million) | 3207043 | Slight | - | 5,731 | 6,813 | 8,088 | 8,088 | 8,088 | 36,808 | ● |
| 5 Metro Blue & Green Lines Custodial Operations Facility | 3308010 | Slight | - | 447 | 242 | 485 | - | - | 1,174 | ● |
| 6 Central A/C - Divisions 22 and 61 | 3909002 | Slight | - | - | - | 172 | 2 | - | 174 | ● |
| 7 Rail Facilities Maintenance Total | | | 11,323 | 30,702 | 34,082 | 29,594 | 10,570 | 10,600 | 115,549 | |
| Rail Vehicle Maintenance | | | | | | | | | | |
| 8 Mid-Life Overhaul Program for Rail Vehicles | 3106001 | Negligible | - | 2,662 | 2,873 | 2,932 | 2,992 | 3,051 | 14,510 | ● |
| 9 ADA Between Car Barrier - Metro Red Line | 3106003 | Slight | - | 3,326 | - | - | - | - | 3,326 | ● |
| 10 Rail Vehicle Maintenance Total | | | - | 5,988 | 2,873 | 2,932 | 2,992 | 3,051 | 17,836 | |
| 11 Grand Total | | | 394,795 | 510,500 | 606,272 | 573,999 | 489,824 | 409,055 | 2,569,650 | |

Operating Budget Impact:

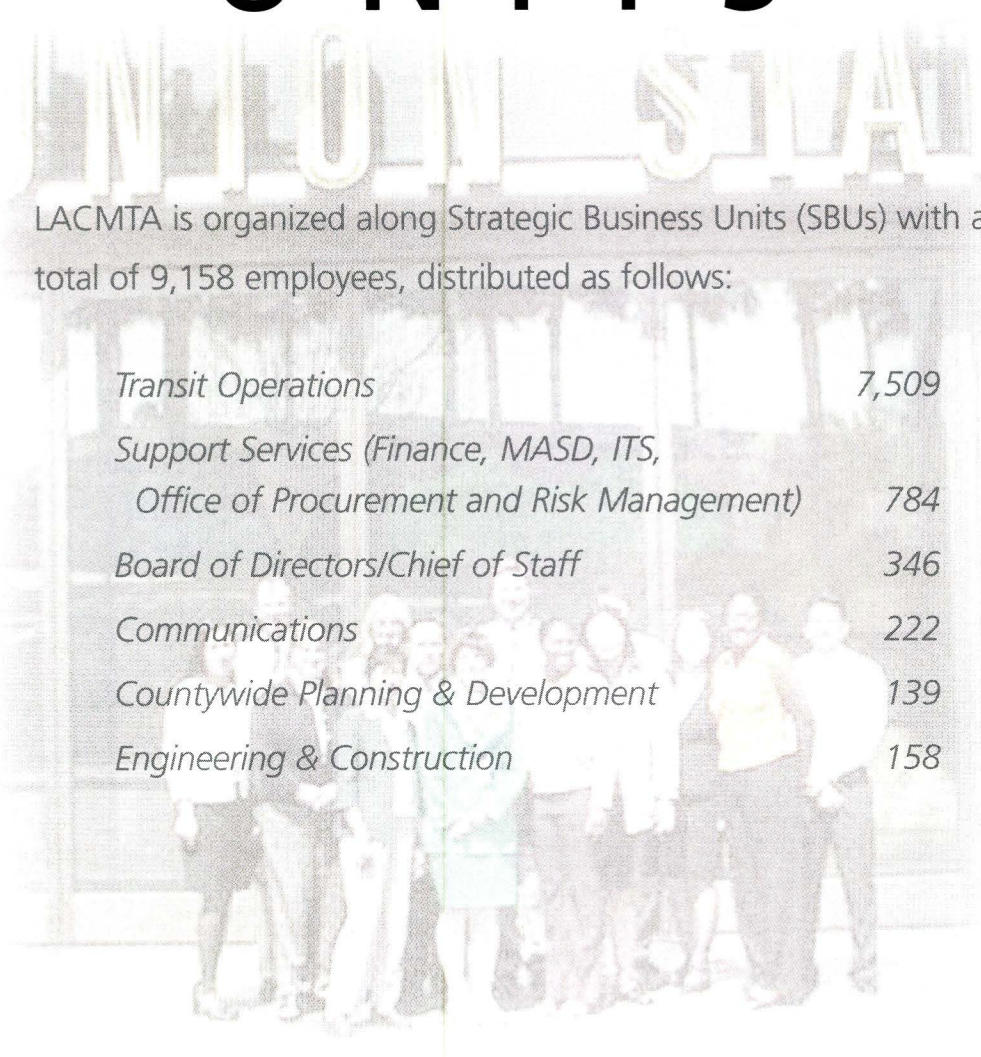
- Positive - The project will either generate some revenues to offset expenses or will actually reduce operating costs.*
- Negligible - The impact will be very small. It will generate less than \$10,000 per year in increased operating expenditures.*
- Slight - The impact will be between \$10,001 and \$50,000 in increased operating expenditures.*
- Moderate - The impact will be between \$50,001 and \$100,000 in operating expenditures.*
- High - This project will cause an increase in operating expenditures of \$100,001 or more annually.*

CAPITAL PROGRAM REVENUES & EXPENDITURES

| (Amounts in millions) | FY03 Budget | FY04 Forecast | FY05 Forecast | FY06 Forecast | FY07 Forecast | TOTAL |
|---|----------------|------------------|------------------|------------------|------------------|----------------|
| FTA SECTION 5307 (includes 15% Discr.) | \$ 77.3 | \$ 85.5 | \$ 36.2 | \$ 26.0 | \$ 26.6 | \$ 251.5 |
| FTA SECTION 5309 CLEAN FUEL | 2.7 | 3.0 | 3.3 | 3.6 | 4.0 | 16.7 |
| FTA SECTION 5309 FIXED GUIDEWAYS MOD. | 35.4 | 44.0 | 26.2 | 19.5 | 29.4 | 154.4 |
| CMAQ | 59.0 | 51.6 | 17.1 | 24.4 | 76.6 | 228.7 |
| FTA 5309 NEW STARTS | 55.1 | 80.2 | 104.2 | 111.7 | 70.0 | 421.2 |
| REGIONAL SURFACE TRANSPORTATION - RSTP | 0.3 | 4.6 | 26.0 | 33.3 | 2.0 | 66.2 |
| REGIONAL IMPROVEMENT FUNDS - STIP | 8.8 | 1.3 | 14.4 | - | 6.2 | 30.7 |
| STATE HIGHWAY ACCOUNT (SHA) | 0.3 | 0.2 | - | - | - | 0.5 |
| TRAFFIC CONGESTION RELIEF PROGRAM - TCRP | 123.3 | 195.5 | 196.3 | 162.1 | 90.1 | 767.3 |
| AIR QUALITY REGISTRATION FEE - AB2766 | - | - | - | - | 6.1 | 6.1 |
| TDA ARTICLE 4 | 29.4 | 29.5 | 25.7 | 16.3 | 13.1 | 114.1 |
| STA REVENUE SHARE/POPULATION | 12.8 | 16.0 | 14.3 | 2.2 | 1.9 | 47.2 |
| PROP A 35% CASH | 29.3 | - | - | - | - | 29.3 |
| PROP C 10% CASH | 1.9 | - | - | - | - | 1.9 |
| PROP C 25% CASH | 3.1 | - | - | - | 6.9 | 10.0 |
| PROP A 35% RAIL BONDS | 21.5 | 3.5 | - | - | 1.0 | 26.0 |
| PROP C 25% BONDS | 33.6 | 39.6 | 90.8 | 37.9 | 12.4 | 214.3 |
| PROP C 40% BONDS | 5.0 | 19.5 | - | - | - | 24.5 |
| HEADQUARTERS BONDS | 1.9 | - | - | - | - | 1.9 |
| REFUNDED EASTSIDE FUNDING | 9.7 | 15.9 | 2.6 | - | - | 28.2 |
| BRIDGE FUNDING | - | 16.1 | 16.7 | 32.4 | 62.4 | 127.6 |
| OTHER | 0.1 | 0.3 | 0.3 | 0.3 | 0.3 | 1.5 |
| TOTAL AVAILABLE REVENUES | 510.5 | 606.3 | 574.0 | 469.8 | 409.0 | 2,569.6 |
| BUS ACQUISITION | 73.8 | 129.0 | 35.2 | 50.7 | 76.9 | 365.6 |
| BUS FACILITIES MAINTENANCE | 43.5 | 34.0 | 25.8 | 19.1 | 17.8 | 140.2 |
| BUS MAINTENANCE | 5.8 | 3.8 | 0.5 | 0.5 | 0.5 | 11.2 |
| MAINTENANCE OF WAY | 9.2 | 11.7 | 7.6 | 12.8 | 5.2 | 46.5 |
| RAIL FACILITIES MAINTENANCE | 30.7 | 34.1 | 29.6 | 10.6 | 10.6 | 115.5 |
| RAIL VEHICLE MAINTENANCE | 6.0 | 2.9 | 2.9 | 2.9 | 3.1 | 17.8 |
| CONSTRUCTION (INCLUDES TRANSIT CORRIDORS) | 286.8 | 353.6 | 455.5 | 364.4 | 286.5 | 1,746.8 |
| OTHER CAPITAL PROJECTS | 54.8 | 37.2 | 16.9 | 8.8 | 8.4 | 126.0 |
| TOTAL CAPITAL PROGRAM EXPENDITURES | 510.5 | 606.3 | 574.0 | 469.8 | 409.0 | 2,569.6 |
| SURPLUS/(SHORTFALL) | - | - | - | - | - | - |

STRATEGIC BUSINESS UNITS

LACMTA is organized along Strategic Business Units (SBUs) with a total of 9,158 employees, distributed as follows:



| | |
|---|-------|
| <i>Transit Operations</i> | 7,509 |
| <i>Support Services (Finance, MASD, ITS, Office of Procurement and Risk Management)</i> | 784 |
| <i>Board of Directors/Chief of Staff</i> | 346 |
| <i>Communications</i> | 222 |
| <i>Countywide Planning & Development</i> | 139 |
| <i>Engineering & Construction</i> | 158 |

FY2002-2003

ADOPTED BUDGET



MTA SUMMARY DESCRIPTION

The MTA is the principal planner, builder and operator of public transportation services and infrastructure improvements in Los Angeles County. The MTA is organized along seven Strategic Business Units (SBU): Transit Operations, Countywide Planning & Development (CP&D), Engineering & Construction, Communications, Support Services, Chief of Staff, and Board of Directors.

Transit Operations manages all aspects of MTA Metro Bus and Rail operations. Countywide Planning & Development is responsible for programming and administering Federal, state and local transportation funds, preparing the Transportation Improvement Plan (TIP) and planning and coordinating regional transportation services and infrastructure improvements throughout Los Angeles County. Engineering & Construction is responsible for providing the

engineering and construction oversight for major construction projects and MTA facilities improvements. Communications is responsible for the strategic evaluation, development and implementation of agency-wide marketing and communications programs. Support Services provides essential financial and administrative support to the entire organization. The Chief of Staff coordinates and provides oversight over key programs and provides support to the CEO. The Board of Directors SBU establishes MTA policies and approves appropriations to provide Los Angeles County with a world class, multi-modal transportation system. The Board of Directors manages Board Meetings and Board Committee Meetings, ethics and lobby registration programs, legal counsel and corrective actions.

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

SUMMARY OF FY03 BUDGETED FTES BY DEPARTMENT

| | | FY01 Adopted FTEs | FY02 Adopted FTEs | FY03 Adopted FTEs | Change from FY02 Adopted |
|--|--|-------------------------|-------------------------|-------------------------|--------------------------------|
| <i>Transit Operations</i> | | | | | |
| 1 | Executive Office, Transit Operations | 2 | 2 | 10 | 8 |
| 2 | San Fernando Valley Service Sector | 997 | 1,017 | 1,002 | (15) |
| 3 | San Gabriel Valley Service Sector | 973 | 941 | 983 | 42 |
| 4 | Gateway Cities Service Sector | 821 | 821 | 819 | (2) |
| 5 | South Bay Service Sector | 1,178 | 1,226 | 1,258 | 32 |
| 6 | West Side/Central Service Sector | 1,276 | 1,255 | 1,304 | 49 |
| 7 | Vehicle Technology | 55 | 51 | 38 | (13) |
| 8 | New Technology & System Improvement | 22 | 24 | 6 | (18) |
| 9 | Operations Security | 103 | 104 | 101 | (3) |
| 10 | Contract Services | 4 | 4 | 3 | (1) |
| 11 | Service Development | 108 | 109 | 138 | 29 |
| 12 | Operations Central Instruction | 82 | 97 | 109 | 12 |
| 13 | Facilities | 318 | 327 | 232 | (95) |
| 14 | Congestion Relief Support | 11 | 11 | 8 | (3) |
| 15 | Bus Operations Control | 105 | 104 | 81 | (23) |
| 16 | Central Maintenance | 481 | 475 | 422 | (53) |
| 17 | Metro Rail | 732 | 746 | 1,056 | 310 |
| 18 | Safety | 30 | 30 | 21 | (9) |
| 19 | Transit Operations Total | 7,298 | 7,344 | 7,591 | 247 |
| <i>Countywide Planning & Development</i> | | | | | |
| 20 | Executive Office, Reg Trans Plan & Dev | 4 | 4 | 4 | - |
| 21 | Long Range Planning & Coordination | 42 | 42 | 30 | (12) |
| 22 | Transp Dev & Implementation | 56 | 66 | 65 | (1) |
| 23 | Programming & Policy Analysis | 33 | 32 | 35 | 3 |
| 24 | Countywide Planning & Development Total | 135 | 144 | 134 | (10) |
| <i>Engineering & Construction</i> | | | | | |
| 25 | Executive Office, Construction | 9 | 5 | 5 | - |
| 26 | Quality Management | 13 | 16 | 14 | (2) |
| 27 | Engineering | 63 | 76 | 76 | - |
| 28 | Construction | 26 | 22 | 26 | 4 |
| 29 | Program Management | 35 | 34 | 35 | 1 |
| 30 | Engineering & Construction Total | 146 | 153 | 156 | 3 |
| <i>Communications</i> | | | | | |
| 31 | Mktg./Advertising & Cust. Relations | 146 | 142 | 128 | (14) |
| 32 | Executive Office, Communications | - | - | 8 | 8 |
| 33 | Customer & Vendor Services | 38 | 38 | 43 | 5 |
| 34 | Creative Services | 12 | 14 | 20 | 6 |
| 35 | Employer Programs | - | - | 15 | 15 |
| 36 | Communication Services | - | - | 6 | 6 |
| 37 | Public Relations | 7 | 7 | 7 | - |
| 38 | Communications Total | 203 | 201 | 227 | 26 |
| <i>Support Services - Finance</i> | | | | | |
| 39 | Executive Office, Finance | 3 | 3 | 3 | - |
| 40 | Office Of The CFO | 2 | 2 | 2 | - |
| 41 | Accounting | 82 | 82 | 84 | 2 |
| 42 | Treasury | 60 | 61 | 65 | 4 |
| 43 | Office of Management & Budget | 25 | 25 | 24 | (1) |
| 44 | Support Services - Finance Total | 172 | 173 | 178 | 5 |

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

Summary of FY03 Budgeted FTEs By Department, Continued

| | | FY01 Adopted FTEs | FY02 Adopted FTEs | FY03 Adopted FTEs | Change from FY02 Adopted |
|---|---|-------------------------|-------------------------|-------------------------|--------------------------------|
| <i>Support Services - ITS</i> | | | | | |
| 1 | Information & Technology Services | 166 | 166 | 164 | (2) |
| 2 | Support Services - ITS Total | 166 | 166 | 164 | (2) |
| <i>Support Services - Management Audit Services</i> | | | | | |
| 3 | Management Audit Services | 72 | 72 | 68 | (4) |
| 4 | Support Services - Management Audit Services Total | 72 | 72 | 68 | (4) |
| <i>Support Services - Procurement</i> | | | | | |
| 5 | Material | 202 | 203 | 163 | (40) |
| 6 | Contracts | 31 | 30 | 30 | - |
| 7 | Contracts-Construction | 40 | 46 | 41 | (5) |
| 8 | Executive Office, Procurement | 6 | 7 | 7 | - |
| 9 | Contract Support | 27 | 28 | 30 | 2 |
| 10 | Support Services - Procurement Total | 306 | 314 | 271 | (43) |
| <i>Support Services - Risk Management</i> | | | | | |
| 11 | Risk Management | 20 | 20 | 58 | 38 |
| 12 | Support Services - Risk Management Total | 20 | 20 | 58 | 38 |
| <i>Chief of Staff</i> | | | | | |
| 13 | Executive Office, Chief of Staff | 10 | 11 | 11 | - |
| 14 | Policy, Research & Library Services (PRLS) | - | - | 6 | 6 |
| 15 | Labor/Employee Relations | 19 | 19 | 21 | 2 |
| 16 | Board Research Services | 13 | 13 | 15 | 2 |
| 17 | Diversity & Economic Opportunity | 25 | 24 | 25 | 1 |
| 18 | Community Relations | 8 | 8 | 25 | 17 |
| 19 | Chief of Staff Total | 75 | 75 | 103 | 28 |
| <i>Chief of Staff - Administration</i> | | | | | |
| 20 | Executive Office, Administration | 3 | 3 | 3 | - |
| 21 | Organizational Development and Training | 12 | 12 | 12 | - |
| 22 | Human Resources | 71 | 72 | 52 | (20) |
| 23 | General Services | 93 | 93 | 96 | 3 |
| 24 | Real Estate | 19 | 21 | 20 | (1) |
| 25 | Chief of Staff - Administration Total | 198 | 201 | 183 | (18) |
| <i>Board of Directors</i> | | | | | |
| 26 | Office of Board Secretary | 9 | 9 | 9 | - |
| 27 | Ethics Office | 6 | 6 | 6 | - |
| 28 | County Counsel | 6 | 4 | 5 | 1 |
| 29 | Inspector General | 42 | 42 | 32 | (10) |
| 30 | Chief Executive Office | 1 | 1 | 1 | - |
| 31 | Board of Directors Total | 64 | 62 | 53 | (9) |
| 32 | Authority Total | 8,856 | 8,925 | 9,186 | 261 |

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

MTA SUMMARY EXPENDITURE BUDGET

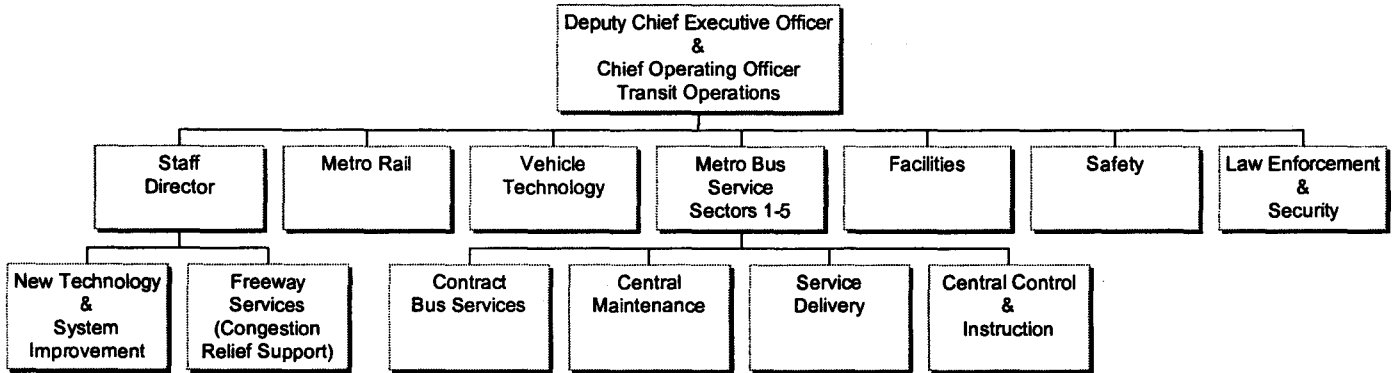
| Business Unit FTEs | FY01 Adopted | FY02 Adopted | FY03 Adopted |
|--|-------------------------|-------------------------|-------------------------|
| 1 Transit Operations | 7,298 | 7,344 | 7,591 |
| 2 Countywide Planning & Development | 135 | 144 | 134 |
| 3 Engineering & Construction | 146 | 153 | 156 |
| 4 Communications | 203 | 201 | 227 |
| 5 Support Services - Finance | 172 | 173 | 178 |
| 6 Support Services - ITS | 166 | 166 | 164 |
| 7 Support Services - Management Audit Services | 72 | 72 | 68 |
| 8 Support Services - Procurement | 306 | 314 | 271 |
| 9 Support Services - Risk Management | 20 | 20 | 58 |
| 10 Chief of Staff | 75 | 75 | 103 |
| 11 Chief of Staff - Administration | 198 | 201 | 183 |
| 12 Board of Directors | 64 | 62 | 53 |
| 13 Authority Total | 8,856 | 8,925 | 9,186 |

| Expenditures (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|------------------------|-------------------------|-------------------------|
| 14 Transit Operations | \$ 856,080 | \$ 1,070,288 | \$ 984,346 |
| 15 Countywide Planning & Development | 659,222 | 844,074 | 779,131 |
| 16 Engineering & Construction | 109,537 | 193,547 | 232,578 |
| 17 Communications | 12,992 | 15,013 | 33,663 |
| 18 Support Services - Finance | 894,925 | 645,965 | 327,149 |
| 19 Support Services - ITS | 27,412 | 50,451 | 33,231 |
| 20 Support Services - Management Audit Services | 9,969 | 11,707 | 11,046 |
| 21 Support Services - Procurement | 25,565 | 34,190 | 31,759 |
| 22 Support Services - Risk Management | 49,476 | 50,367 | 43,617 |
| 23 Chief of Staff | 7,101 | 9,664 | 14,944 |
| 24 Chief of Staff - Administration | 28,948 | 42,343 | 38,614 |
| 25 Board of Directors | 32,577 | 28,255 | 39,623 |
| 26 Authority Total | \$ 2,713,804 | \$ 2,995,864 | \$ 2,569,701 |

| Expenditure Types (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|------------------------|-------------------------|-------------------------|
| 27 Contract Wages | \$ 384,649 | \$ 316,902 | \$ 332,640 |
| 28 Non-Contract Wages | 144,463 | 89,614 | 94,316 |
| 29 Fringe Benefits | 213,304 | 263,418 | 291,375 |
| 30 Professional & Technical Services | 86,754 | 193,736 | 169,932 |
| 31 Contract Services | 116,561 | 134,547 | 150,951 |
| 32 Purchased Transportation | 23,700 | 37,121 | 37,369 |
| 33 Fuels & Lubricants/Utilities | 54,738 | 65,718 | 50,729 |
| 34 Materials and Supplies | 71,539 | 84,598 | 77,262 |
| 35 Casualty & Liability | 40,066 | 39,471 | 38,659 |
| 36 Debt/Interest | 702,097 | 607,124 | 291,209 |
| 37 Acquisitions | 231,378 | 449,790 | 302,313 |
| 38 Subsidies | 619,166 | 679,035 | 705,178 |
| 39 Other | 25,389 | 34,790 | 27,768 |
| 40 Authority Total | \$ 2,713,804 | \$ 2,995,864 | \$ 2,569,701 |

TRANSIT OPERATIONS

Organization Chart



Strategic Business Unit

Transit Operations is committed to supporting the agency-wide mission: "MTA is responsible for the continuous improvement of an efficient and effective transportation system for Los Angeles County."

Transit Operations has developed a Strategic Plan to accomplish the MTA's Mission and Vision. The objectives of the strategic plan are:

- Improve transportation services to increase customer satisfaction.
- Increase effective and efficient utilization of resources.
- Improve and streamline business processes.
- Increase innovation and learning to improve performance and employee morale.

Metro Bus and Metro Rail provide clean, safe, efficient and reliable transit services to more than 1.2 million patrons per weekday. During FY03, Transit Operations will operate,

either directly or under contract, over 7.5 million bus revenue service hours, and over 570,000 rail vehicle revenue service hours.

Transit Operations is organized into 17 departments to provide maximum functionality and optimum service to our customers.

Service Sectors

The newly implemented Service Sectors include the San Fernando Valley, San Gabriel Valley, Gateway Cities, South Bay and Westside/Central Service Sectors. Each service sector consists of all facets of bus operations: transportation, maintenance, service planning and scheduling, communications, and administration. Each service sector is committed to provide the highest level of quality transportation services to the customers and communities by operating in a safe, courteous, professional, well trained, dependable, and customer-oriented manner.

Metro Rail

The Metro Rail department provides leadership and management direction to deliver cost effective and efficient rail service. The department operates over 200 light and heavy rail vehicles and maintains over 62 rail stations; over 59 miles of track, overhead catenaries, heavy rail traction power systems, and oversees all facets of rail operations including transportation, wayside systems maintenance, vehicle maintenance, and rail operations control.

Contracted Bus Services

Contracted Bus Services provides professional oversight and management of contractors providing 654,000 hours of bus service.

Central Maintenance

Central Maintenance provides the highest level of maintenance support to operating divisions. Departmental functions include the Regional Rebuild Center, Fleet Management and Support Services, Quality Assurance, Fare Collection Maintenance, and Non-Revenue Vehicle/Equipment. Programs cover all facets of bus and equipment maintenance: repairing and rebuilding major components and sub-systems, controlling and assigning bus fleet, managing environmental compliance programs, maintaining bus stops and terminal locations, and overseeing the procurement of non-revenue vehicles and equipment.

Central Control & Instruction

Bus Operations Central Control & Instruction is accountable for communicating via two-way radio and

telephone with Bus Operators, Field Supervisors, Field Technicians, the operating Divisions and emergency response personnel. They monitor and control special bus movements, modify bus activity when conditions require outside interaction due to accidents and provides failure management to assist our service to meet the operating goals in the areas of Safety, Customer Relations and On-time Performance (OTP). It also provides progressive basic and follow-up training for new and veteran employees with a cost effective approach to strengthen employee skills and meet our goals in the areas of Safety, Customer Relations, and On-time performance.

Service Delivery

The Service Delivery Department develops and implements the operating framework for the MTA bus and rail system, and provides timely and accurate information to operating division and sector staff that will assist them in creating and maintaining community-responsive service and schedules.

Facilities

The Facilities Department provides safe and adequate facilities to enable transit customers and MTA employees to experience a world-class transit system. The department's primary function includes the development, implementation, and management of capital programs for MTA facilities. The department is also responsible for developing and implementing energy efficiency programs that reduce utility costs and improve employee safety.

Vehicle Technology

The Vehicle Technology department identifies, reviews, tests, and procures high capacity, alternatively fueled, advanced technology buses. It provides operational support and training on operations and maintenance of new vehicles, manages all bus acquisitions, and is responsible for other vehicle technology projects to increase operating efficiency and improve services provided to MTA transit passengers and employees.

Safety

The Safety Department seeks to make the Safety's 1st program a reality for all employees. The objective of the program is to provide leadership, guidance, technical direction, and resources to protect people, prevent mishaps, achieve regulatory compliance, and control hazards, hazardous occupational exposures, and costs.

Law Enforcement & Security

The Department of Law Enforcement & Security provides security and law enforcement services and programs for the protection of the MTA's passengers, employees, properties, revenues, and assets.

New Technology & System Improvement

The New Technology and System Improvement department is tasked with the oversight of the acquisition and implementation of new automated systems for Transit Operations. Systems currently under development include the Advanced Transportation Management System (ATMS);

Universal Fare System (UFS); Maintenance and Materiel Management System (M3); S-1 Gard; and upgraded operator seat replacement.

Freeway Services

The Freeway Services department is responsible for providing various motorist assistance activities throughout Los Angeles County. Its programs encompass functions that result in decreased congestion along Los Angeles County freeways and highways, improved safety to motorists, and a positive perception to the general motoring public. The department is directly supportive of the MTA's goal to improve the transportation system within the county. The department actually oversees programs from two distinct agencies. The Freeway Service Patrol is an MTA function, and the Service Authority for Freeway Emergencies (SAFE) program is a separate authorized agency, distinct from the MTA.

Significant Changes In FY03

- Complete Pasadena Gold Line Pre-Revenue Operations.
- Implement five Service Sectors to provide better local customer service.
- Increase Bus Service Hours by 56,411 RSH.
- Increase Metro Blue Line Vehicle Service Hours by 16,887 RSH.
- Increase Metro Green Line Vehicle Service Hours 1,242 RSH.
- Increase Metro Red Line Vehicle Service Hours by 10,745 RSH.

- Increase directly operated bus fleet to an all time high of 2,348 total active fleet.
- Train all MTA employees to improve safety awareness.

Transit Operations Reports

Transit Operations

| Department FTEs | FY01 Adopted | FY02 Adopted | FY03 Adopted |
|---|-------------------------|-------------------------|-------------------------|
| 1 Executive Office, Transit Operations | 2 | 2 | 10 |
| 2 San Fernando Valley Service Sector | 997 | 1,017 | 1,002 |
| 3 San Gabriel Valley Service Sector | 973 | 941 | 983 |
| 4 Gateway Cities Service Sector | 821 | 821 | 819 |
| 5 South Bay Service Sector | 1,178 | 1,226 | 1,258 |
| 6 West Side/Central Service Sector | 1,276 | 1,255 | 1,304 |
| 7 Vehicle Technology | 55 | 51 | 38 |
| 8 New Technology & System Improvement | 22 | 24 | 6 |
| 9 Operations Security | 103 | 104 | 101 |
| 10 Contract Services | 4 | 4 | 3 |
| 11 Service Development | 108 | 109 | 138 |
| 12 Operations Central Instruction | 82 | 97 | 109 |
| 13 Facilities | 318 | 327 | 232 |
| 14 Congestion Relief Support | 11 | 11 | 8 |
| 15 Bus Operations Control | 105 | 104 | 81 |
| 16 Central Maintenance | 481 | 475 | 422 |
| 17 Metro Rail | 732 | 746 | 1,056 |
| 18 Safety | 30 | 30 | 21 |
| 19 Transit Operations Total FTEs | 7,298 | 7,344 | 7,591 |

| Expenditures (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|--|------------------------|-------------------------|-------------------------|
| 20 Executive Office, Transit Operations | \$ 10,857 | \$ 10,886 | \$ 9,592 |
| 21 San Fernando Valley Service Sector | 72,497 | 85,911 | 87,611 |
| 22 San Gabriel Valley Service Sector | 75,716 | 81,692 | 83,714 |
| 23 Gateway Cities Service Sector | 62,013 | 68,557 | 70,616 |
| 24 South Bay Service Sector | 87,143 | 104,210 | 107,949 |
| 25 West Side/Central Service Sector | 95,189 | 106,532 | 115,180 |
| 26 Vehicle Technology | 157,955 | 203,737 | 49,036 |
| 27 New Technology & System Improvement | 2,655 | 3,325 | 15,173 |
| 28 Operations Security | 59,205 | 58,785 | 58,343 |
| 29 Contract Services | 23,546 | 37,841 | 40,702 |
| 30 Service Development | 8,547 | 21,955 | 13,678 |
| 31 Operations Central Instruction | 4,047 | 4,155 | 5,835 |
| 32 Facilities | 31,783 | 50,874 | 69,512 |
| 33 Congestion Relief Support | 18,351 | 33,471 | 32,197 |
| 34 Bus Operations Control | 7,033 | 9,116 | 7,815 |
| 35 Central Maintenance | 60,542 | 82,157 | 74,658 |
| 36 Metro Rail | 75,910 | 102,411 | 138,907 |
| 37 Safety | 3,091 | 4,673 | 3,828 |
| 38 Transit Operations Total | \$ 856,080 | \$ 1,070,288 | \$ 984,346 |

Transit Operations Reports, continued

Transit Operations (Continued)

| Expenditure Types (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|-------------------|---------------------|-------------------|
| 1 Contract Wages | \$ 274,696 | \$ 300,002 | \$ 316,848 |
| 2 Non-Contract Wages | 17,462 | 20,412 | 26,270 |
| 3 Fringe Benefits | 176,436 | 216,824 | 243,990 |
| 4 Professional & Technical Services | 4,311 | 16,921 | 16,525 |
| 5 Contract Services | 79,912 | 98,489 | 100,490 |
| 6 Purchased Transportation | 21,082 | 27,573 | 30,099 |
| 7 Fuels & Lubricants/Utilities | 50,541 | 60,985 | 45,975 |
| 8 Materials and Supplies | 56,775 | 67,407 | 62,881 |
| 9 Casualty & Liability | 23 | 50 | 100 |
| 10 Acquisitions | 164,354 | 239,515 | 128,850 |
| 11 Subsidies | - | - | 1,000 |
| 12 Other | 10,488 | 22,110 | 11,318 |
| 13 Transit Operations Total | \$ 856,080 | \$ 1,070,288 | \$ 984,346 |

Note: Congestion Relief Operations unit is comprised of programs from both the MTA and SAFE, and that funding for SAFE is distinct and separate from that of the MTA.

FY03 Performance Measures

| Balanced Scorecard Goals/Objectives/Performance Measures | | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|--|--|----------------|----------------|-------------------|----------------|
| Customer Goal - Improve transportation services to increase customer satisfaction | | | | | |
| Objectives: | Performance Measure: | | | | |
| Improve In-Service-On-Time Performance | Percent In-Service On-Time Performance | 65.39% | 63.71% | 64.90% | 75.00% |
| Increase reliability of service | Percent scheduled revenue service hours delivered | 98.69% | 98.84% | 98.85% | 98.90% |
| Reduce customer complaints | Complaints per 100k boardings | 4.39 | 3.79 | 3.54 | 3.00 |
| Financial Goal - Increase effective and efficient utilization of resources | | | | | |
| Objectives: | Performance Measure: | | | | |
| Reduce bus cost per service hour without reducing the overall quality of service | Bus - Systemwide cost per RSH ¹ | \$99.36 | \$98.39 | \$98.44 | \$99.14 |
| | San Fernando Sector direct cost per RSH ¹ | n.a. | n.a. | n.a. | \$84.49 |
| | San Gabriel Sector direct cost per RSH ¹ | n.a. | n.a. | n.a. | \$81.38 |
| | Westside/Central Sector direct cost per RSH ¹ | n.a. | n.a. | n.a. | \$81.71 |
| | Gateway Cities Sector direct cost per RSH ¹ | n.a. | n.a. | n.a. | \$86.08 |
| | Southbay Sector direct cost per RSH ¹ | n.a. | n.a. | n.a. | \$77.84 |
| | Farebox Recovery | 32.95% | 31.57% | 30.77% | 30% |
| | Subsidy per Boarding | \$ 1.29 | \$ 1.28 | \$ 1.32 | \$ 1.33 |
| | Fare per Boarding | \$ 0.59 | \$ 0.55 | \$ 0.55 | \$ 0.54 |

¹ Reclassified to reflect the board adopted change to Prop A & C.

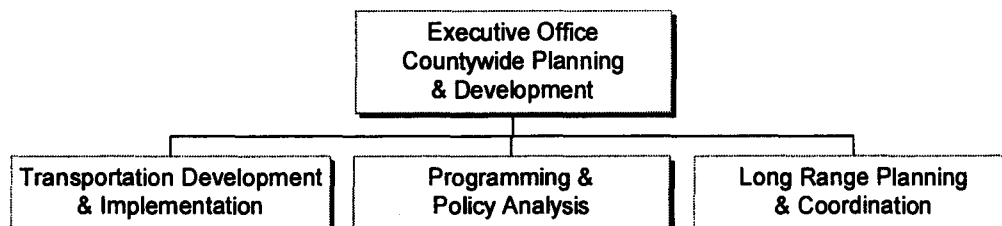
Los Angeles County Metropolitan Transportation Authority
Adopted Budget

FY03 Performance Measures, continued

| Balanced Scorecard Goals/Objectives/Performance Measures | | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|--|--|------------------------|------------------------|---------------------------|------------------------|
| Internal Processes Goal - Improve and streamline business processes | | | | | |
| Objectives: | Performance Measure: | | | | |
| Improve mean vehicle miles between FTA reportable | Mean miles between failures | 4,485 | 6,093 | 6,075 | 6,500 |
| Learning/Innovation Goal - Increase innovation to improve performance | | | | | |
| Objectives: | Performance Measure: | | | | |
| Improve safety and security by reducing accidents | Rail accidents per 100,000 revenue train miles | n.a. | 0.86 | 0.27 | 0.00 |
| | Heavy Rail | n.a. | 0.08 | 0.10 | 0.00 |
| | Light Rail | n.a. | 0.93 | 0.30 | 0.20 |
| Improve safety and security by reducing lost work days | Rail passenger accidents per 100,000 boardings | n.a. | n.a. | 0.02 | 0.05 |
| | Heavy Rail | n.a. | n.a. | 0.00 | 0.00 |
| | Light Rail | n.a. | n.a. | 0.10 | 0.05 |
| Improve safety and security by reducing lost work days | Workers' compensation lost work days per 100 employees per month | n.a. | 65.8 | 68.1 | 51.1 |
| | New lost work time indemnity claims reported/filed | n.a. | 72 | 54 | 41 |
| | New w.c. claims per 200,00 exposure hours | | | | |
| | Indemnity | n.a. | 14.3 | 14.3 | 14 |
| | Medical | n.a. | n.a. | 8.7 | 8 |

COUNTYWIDE PLANNING & DEVELOPMENT (CP&D)

Organization Chart



Strategic Business Unit

Countywide Planning & Development (CP&D) is responsible for programming and administering federal, state and local transportation funds, preparing a financially constrained TIP, and planning and coordinating regional transportation services and infrastructure improvements in Los Angeles County, the 88 cities and the 16 municipal bus operators in Los Angeles County and CALTRANS.

Executive Office

Directs the overall programs of MTA's planning and programming services, develops strategies, defines major priorities and resolves critical transportation issues in Los Angeles County.

Long Range Planning & Coordination

Long Range Planning is responsible for countywide planning activities including coordinating the Long Range Transportation Plan (LRTP) and the Call for Projects (CFP) process. Other responsibilities include development of the Short Range Transit Plan,

including countywide services such as Metro Rapid and paratransit, the Congestion Management Program, countywide ridesharing and technical resources such as travel demand modeling.

Transportation Development & Implementation

Transportation Development & Implementation will reorganize into geographic teams in FY03. The area teams will be: Central, South Bay, Southeast/Gateway Cities, Westside, San Gabriel Valley, and the San Fernando Valley/North County. Each team will be responsible for project management and implementation for multiple modes of transportation within its geographic area. The department is responsible for project development, management and/or implementation of multiple modes of transportation within Los Angeles County including Highway/Freeway, Arterials, TDM, Rail and Busway, Signal Synchronization, Intelligent Transportation Systems, Bicycle, Pedestrian and other planning efforts. In addition, this department approves and monitors the utilization of CFP

funds by the cities and county and conducts joint development activities. This department also serves as the project planning lead in the LRTP and CFP.

Programming & Policy Analysis

Programming & Policy Analysis (P&PA) is responsible for strategic capital planning, regional and local programming, and regional grants management and administration for all fund sources that support the MTA's mission of improving mobility and promoting innovative and comprehensive transportation systems throughout Los Angeles County. P&PA also assigns funding for the CFP; analyzes and interprets state, federal, and local programming proposals and policies; serves as the funding lead in the LRTP and CFP; allocates local and municipal operator funding; provides funding policy development for regional programs,

local programs and organizational direction; is the MTA liaison with state and federal grantor agencies; and is the MTA liaison to the cities on Proposition A and Proposition C Local Return and Discretionary funds, and TDA Article 3 and 8.

Significant Changes In FY03

- Expand the Metro Rapid Bus by two lines.
- Commence preliminary engineering as well as final environmental planning for the Exposition Light Rail Line to the Westside.
- FY03 Budget includes \$11.2 million for sound wall design and construction.

Countywide Planning & Development Reports

Countywide Planning & Development

| Department FTEs | FY01 Adopted | FY02 Adopted | FY03 Adopted |
|---|-------------------------|-------------------------|-------------------------|
| 1 Executive Office, Reg Trans Plan & Dev | 4 | 4 | 4 |
| 2 Long Range Planning & Coordination | 42 | 42 | 30 |
| 3 Transp Dev & Implementation | 56 | 66 | 65 |
| 4 Programming & Policy Analysis | 33 | 32 | 35 |
| 5 Countywide Planning & Development Total FTEs | 135 | 144 | 134 |

| Expenditures (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|------------------------|-------------------------|-------------------------|
| 6 Executive Office, Reg Trans Plan & Dev | \$ 1,403 | \$ 1,224 | \$ 558 |
| 7 Long Range Planning & Coordination | 15,545 | 69,886 | 20,936 |
| 8 Transp Dev & Implementation | 21,670 | 87,548 | 48,754 |
| 9 Programming & Policy Analysis | 620,604 | 685,416 | 708,883 |
| 10 Countywide Planning & Development Total | \$ 659,222 | \$ 844,074 | \$ 779,131 |

| Expenditure Types (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|------------------------|-------------------------|-------------------------|
| 11 Non-Contract Wages | \$ 7,816 | \$ 9,526 | \$ 8,946 |
| 12 Fringe Benefits | 3,379 | 4,643 | 4,965 |
| 13 Professional & Technical Services | 25,018 | 93,001 | 44,287 |
| 14 Contract Services | 592 | 2,473 | 4,548 |
| 15 Purchased Transportation | 2,618 | 9,548 | 7,270 |
| 16 Fuels & Lubricants/Utilities | - | 3 | 2 |
| 17 Materials and Supplies | 186 | 484 | 2,021 |
| 18 Acquisitions | 2,803 | 44,704 | 2,271 |
| 19 Subsidies | 617,237 | 679,035 | 704,128 |
| 20 Other | (427) | 657 | 693 |
| 21 Countywide Planning & Development Total | \$ 659,222 | \$ 844,074 | \$ 779,131 |

FY03 Performance Measures

| Balanced Scorecard Goals/Objectives/Performance Measures | | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|---|--|----------------|----------------|-------------------|----------------|
| Customer Goal - Improve transportation services to increase customer satisfaction | | | | | |
| Objectives: | Performance Measure: | | | | |
| Develop Short Range Transportation Plan identifying priority projects and implementation schedule for FY 04-09 | % of Short Range Transportation Program complete | n.a. | n.a. | 15% | 100% |
| Implement 2003 Call for Projects through a performance based, competitive selection process. (Two year effort ends in July 2004) | % of Call for Projects Program complete | n.a. | 90% | 10% | 90% |
| Coordinate with SCAG and County Transportation Commissions to ensure regional performance goals are met necessary to demonstrate air quality conformance and continued federal funding of MTA's TIP | % compliance with air quality conformity regulations | 100% | 100% | 100% | 100% |
| Improve communications between subregions and MTA Planning | # of subregional COG and working group meetings attended | n.a. | n.a. | 70 | 90 |
| Obtain Countywide technical input on MTA policies and programs | # of Technical Advisory Committee (TAC) meetings | n.a. | n.a. | 11 | 11 |
| Improve HOV planning | % of HOV Evaluation Study completed | n.a. | n.a. | 70% | 100% |
| Mitigate the noise in neighborhoods adjacent to | # of soundwall NBSSRs completed | n.a. | n.a. | 10 | 11 |
| Plan additional transit corridor extensions | % of Expo PE and final environmental completed | n.a. | n.a. | 10% | 70% |
| | % of Crenshaw Corridor MIS completed | n.a. | n.a. | 80% | 100% |
| | % of San Fernando Valley North/South MIS completed | n.a. | n.a. | 10% | 100% |

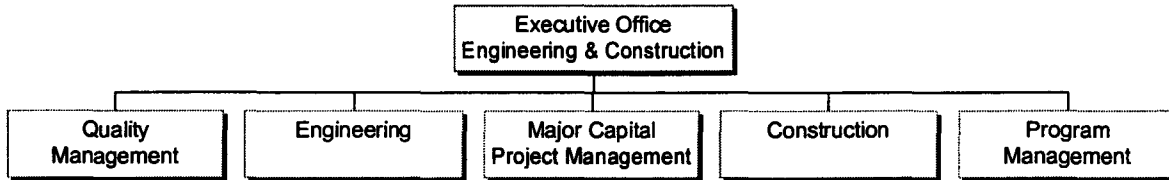
Los Angeles County Metropolitan Transportation Authority
Adopted Budget

FY03 Performance Measures, continued

| Balanced Scorecard Goals/Objectives/Performance Measures | | FY00 | FY01 | FY02 | FY03 |
|--|---|---------------|---------------|------------------|---------------|
| | | Actual | Actual | Estimated | Target |
| Financial Goal - Increase effective and efficient utilization of resources | | | | | |
| Objectives: | Performance Measure: | | | | |
| Maintain TDI-managed projects on time and on budget | % of projects completed within 10% of schedule | n.a. | n.a. | 65% | 75% |
| | % of projects on budget | n.a. | n.a. | 90% | 90% |
| Collect assessments from Benefit Assessment Districts meeting bonded indebtedness expenses | \$ received from the Benefit Assessment Districts | \$14.2 M | \$14.2 M | \$14.2 M | \$14.3 M |
| Internal Processes Goal - Improve and streamline business processes | | | | | |
| Objectives: | Performance Measure: | | | | |
| Improve internal coordination between Planning and Operations on new and ongoing air quality-related programs and projects | Average number of days to prepare reports for air quality grants and emission credits | 14 | 14 | 10 | 7 |
| Improve Call for Projects management | % of business process audit recommendations implemented | n.a. | n.a. | 0 | 80% |
| Learning/Innovation Goal - Increase Innovation to improve performance | | | | | |
| Objectives: | Performance Measure: | | | | |
| Improve Trip Distribution choice model | % of trip distribution model enhancement on schedule | n.a. | n.a. | 10% | 100% |
| Enhance professional transportation planning skills through in-house and outside training opportunities. | % of employees participating in internal or outside training | n.a. | n.a. | n.a. | 100% |
| Increase Safety awareness in the workplace | % employees completed safety training | n.a. | n.a. | 10% | 90% |

ENGINEERING & CONSTRUCTION

Organization Chart



Strategic Business Unit

Engineering & Construction is responsible for providing engineering services and construction oversight for rail projects, transit corridors, capital projects and engineering service requests. The primary focus during FY03 are the final design of the Transit Corridor Projects, start construction on the Eastside Light Rail Project, start construction of the North Hollywood Segment 3 Universal City Pedestrian Underpass, complete delivery and acceptance of the L.A. Rail Car vehicles, and continue closeout and claim settlements on all open contracts.

Executive Office

The Executive Office for Engineering & Construction is responsible for managing division and cost center activities in support of the MTA Capital Program in addition to providing technical and administrative guidance and assistance.

Quality Management

Quality Management is responsible for the implementation of administrative and control measures during design, procurement, construction, installation, testing,

start-up and turnover that assure the transit system meets the expectations of our customers.

Engineering

Engineering is responsible for the cost-effective provision of design and other engineering professional services from preliminary engineering through final design and construction of bus and rail projects. These projects range from minor updates to bus facilities to design of major rail projects.

Major Capital Project Management

The Major Capital Project Management department is a consolidated project engineering and construction staffing organization that will manage the Eastside and the Exposition Long Range Transportation projects, the San Fernando Valley and Wilshire Mid City BRT projects, the completion of construction and contract closeout of the North Hollywood Metro Rail, systems engineering for all Metro Rail lines and the coordination of Pasadena Gold Line LRT system engineering/integration and start up activities.

Construction

The Construction unit is responsible for the construction management and oversight for all rail construction-

related activities and construction related capital improvement projects.

The Construction unit also includes Environmental Compliance, and Construction Safety.

Environmental Compliance provides environmental clearance for the MTA projects and ensures compliance with the provisions of federal, state and local laws, regulations and guidelines related to impacts of the projects on the environmental, and cultural resources. In addition, this department monitors and updates mitigation measures status reports for the projects.

Environmental Services is responsible for providing the appropriate plan, labor, and equipment to mitigate contamination impacts; maintain compliance with all environmental regulations pertaining to hazardous wastes and materials; monitor environmental contractors working on projects; and provide regulatory interface to resolve MTA concerns and address MTA requirements imposed on projects.

The Construction Safety staff is responsible to ensure the highest level of safety in the workplace on all construction projects, including the San Fernando Valley BRT, the Eastside LRT, and capital projects. The staff oversees all safety and work related activities for the Construction Division.

Program Management

Program Management is responsible for planning, scheduling, tracking, reporting, and forecasting the impact

of engineering, construction and capital projects on the labor and financial resources of the MTA. This cost center also provides timely and accurate configuration management of contract changes and all documentations in support of every division project.

Significant Changes In FY03

- Engineering & Construction's FY03 Budget increased as a result of new projects such as the Transit Corridor Projects that will either be in final design or start of construction in FY03 and the new Light Rail Vehicle Fleet Enhancement project.
- Metro Red Line – Segment 3 North Hollywood: The FY03 Budget totals \$37.8 million, a reduction of \$20.5 million from FY02, and includes the cost of site improvements at the Universal City station; design, engineering and construction of the Lankershim Boulevard Pedestrian Bridge Undercrossing; construction claims settlements; project closeout process; continued claims analysis support; and litigation/legal service.
- Transit Corridor Projects -- The FY03 Budget totals \$96.7 million, an increase of \$15.6 million from FY02, and includes preliminary design for the Wilshire Exposition Boulevard Bus Rapid Transit (BRT); final design and start of construction for the Eastside Light Rail Transit (LRT) and San Fernando BRT.

- Los Angeles Light Rail Car and Light Rail Vehicle (LRV) Fleet Enhancement Projects: The FY03 Budget totals \$41.1 million, a decrease of \$8.3 million from FY02, and includes costs to fund the last of the Siemens vehicles that are scheduled for delivery and acceptance in FY03, and the new procurement contract for 24 (Light Rail Vehicles (LRV).
- Metro Green Line: The FY03 Budget totals \$4.4 million, a decrease of \$6.6 million from FY02, and includes the completion of the Automatic Train Control System, costs relating to testing and startup of the vehicles, and CALTRANS outstanding claims.
- Capital Projects: The FY03 Budget includes design and construction activities for the fiber optic rail communication system, CNG fueling facilities upgrades, CNG compressors, Universal Fare Collection System, Division Network Cabling Project, and various bus and rail facility upgrades.

Engineering & Construction Reports

Engineering & Construction

| Department FTEs | FY01 Adopted | FY02 Adopted | FY03 Adopted |
|--|-----------------|-----------------|-----------------|
| 1 Executive Office, Construction | 9 | 5 | 5 |
| 2 Quality Management | 13 | 16 | 14 |
| 3 Engineering | 63 | 76 | 76 |
| 4 Construction | 26 | 22 | 26 |
| 5 Program Management | 35 | 34 | 35 |
| 6 Engineering & Construction Total FTEs | 146 | 153 | 156 |

| Expenditures (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|--|-------------------|-------------------|-------------------|
| 7 Executive Office, Construction | \$ 869 | \$ 1,004 | \$ 940 |
| 8 Quality Management | 1,084 | 1,340 | 1,514 |
| 9 Engineering | 5,680 | 7,423 | 8,104 |
| 10 Construction | 1,871 | 2,069 | 2,454 |
| 11 Construction Contracts | 96,945 | 177,811 | 215,547 |
| 12 Program Management | 3,088 | 3,900 | 4,019 |
| 13 Engineering & Construction Total | \$ 109,537 | \$ 193,547 | \$ 232,578 |

| Expenditure Types (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|--|-------------------|-------------------|-------------------|
| 14 Contract Wages | \$ 295 | \$ - | \$ - |
| 15 Non-Contract Wages | 8,828 | 9,891 | 10,235 |
| 16 Fringe Benefits | 3,958 | 4,722 | 5,735 |
| 17 Professional & Technical Services | 26,278 | 31,494 | 56,501 |
| 18 Contract Services | 1,662 | 166 | 120 |
| 19 Fuels & Lubricants/Utilities | - | 19 | - |
| 20 Materials and Supplies | 5,123 | 770 | 2,215 |
| 21 Casualty & Liability | - | - | - |
| 22 Acquisitions | 62,547 | 145,074 | 157,468 |
| 23 Subsidies | 1,704 | - | - |
| 24 Other | (858) | 1,411 | 304 |
| 26 Engineering & Construction Total | \$ 109,537 | \$ 193,547 | \$ 232,578 |

Note: The Major Capital Projects Management Department is included in the Engineering department FTE's and Expenditures.

FY03 Performance Measures

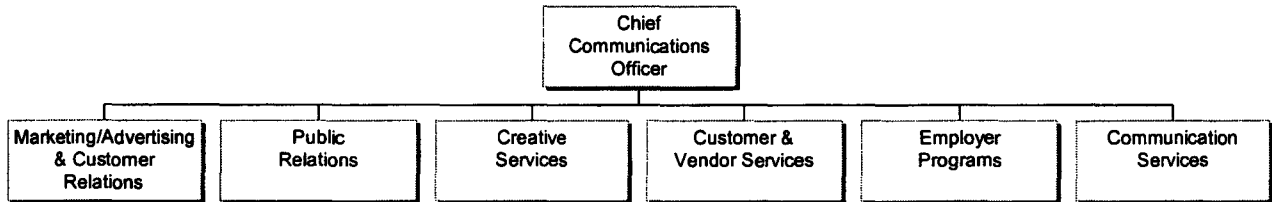
| Balanced Scorecard Goals/Objectives/Performance Measures | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target | |
|--|---|----------------|-------------------|----------------|----------|
| Customer Goal - Improve transportation services to increase customer satisfaction | | | | | |
| Objectives: | Performance Measure: | | | | |
| Keep the design and construction of major projects on track. | | | | | |
| A. Eastside LRT | A. Complete final design by 9-02. | n.a. | n.a. | n.a. | Sept. 02 |
| | NTP for tunnel construction by 5-03. | n.a. | n.a. | n.a. | May 03 |
| B. San Fernando Valley BRT | B. Award of design/build contractor 12-02. | n.a. | n.a. | n.a. | Dec. 02 |
| | Start final design by 1-03. | n.a. | n.a. | n.a. | Jan. 03 |
| | Begin construction 4-03. | n.a. | n.a. | n.a. | April 03 |
| C. Exposition LRT | C. Complete preliminary engineering by 6-03. | n.a. | n.a. | n.a. | June 03 |
| Support the start-up (rail activation) of the Pasadena Gold Line (PGL) | A. Award P2550 contract by 10-04-02. | n.a. | n.a. | n.a. | Oct. 02 |
| | B. Number of cars available for revenue service by 4-03 | n.a. | n.a. | n.a. | 24 |
| Provide on-time support to MTA Capital Program | | | | | |
| A. Top 25% | A. Complete 95% of milestones on schedule. | n.a. | n.a. | 95% | 95% |
| B. Second 25% | B. Complete 75% of milestones on schedule. | n.a. | n.a. | 75% | 75% |
| Financial Goal - Increase effective and efficient utilization of resources | | | | | |
| Objectives: | Performance Measure: | | | | |
| Keep the design and construction of major projects (Eastside LRT, San Fernando Valley BRT and Exposition LRT) on budget. | Maintain budget for the major projects within plus or minus 10% of approved budget. | n.a. | n.a. | n.a. | 100% |

FY03 Performance Measures, continued

| Balanced Scorecard Goals/Objectives/Performance Measures | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|---|-----------------------------|----------------|-------------------|----------------|
| Internal Processes Goal - Improve and streamline business processes | | | | |
| Objectives: | Performance Measure: | | | |
| Install web-based project management collaboration system for corridor and UFS projects | n.a. | n.a. | n.a. | Aug. 02 |
| Streamline Quality Assurance review of design. | n.a. | n.a. | n.a. | 15% |
| Learning/Innovation Goal - Increase innovation to improve performance | | | | |
| Objectives: | Performance Measure: | | | |
| Increase safety awareness in the workplace | 4.1 | 4.4 | 4.4 | 4.4 |
| | 0 | 3.6 | 0 | 1.9 |

COMMUNICATIONS

Organization Chart



Strategic Business Unit

The Communications organization is responsible for the strategic evaluation, development and implementation of agency-wide marketing and communications programs.

Executive Office, Communications

The Communications Executive Office will oversee and direct the activities of the organization to improve customer satisfaction and public opinion of MTA and its services, optimize ridership, and position MTA as the recognized transportation leader both regionally and nationally.

Customer & Vendor Services

Customer & Vendor Services manages the Retail Vendor Network, Customer Center Operations, the Reduced Fare Program, Metro Mail/E-Commerce, Lost and Found, Distribution and Control of Fare Media. The department will manage the Regional Pass and UFS Smart Card implementation.

Creative Services

Creative Services provides a range of services that, together with the other Communications divisions, seek to improve the image of the agency. These services include Design Services (graphic design, signage/wayfinding/environmental graphics, corporate identity), Production Services (print production, quality control, forms/resolutions, audio visual/photography services), and Customer Communication Services (copywriting, editing, terminology style guides, special reports, website, and signage & customer information audit/review). The unit is also responsible for the encouragement of quality facility design principles throughout the agency and the implementation of the MTA's public art policy (Metro Art & Design), which includes significant community involvement.

Marketing/Advertising & Customer Relations

Marketing promotes the use of MTA services through marketing, advertising, promotions, and communications. Marketing

Research, the Advertising Revenue Contract and Account Services are included. Customer Relations provides customers information through 1-800-COMMUTE, offering route & schedule information, and processing customer input and complaints.

Public Relations

Public Relations manage Media Relations, Publications, Employee Communications, and the Speakers Bureau. It informs the public and MTA employees about the MTA's activities via press releases, magazines, brochures, videos, MTA's internal and external websites, media features, press events, and community speakers.

Communication Services

Communication Services manages all Special Event, Joint Promotion and Community Fair and Festival Participation. Included are all sector, municipal and facility and filming coordination.

Employer Programs

Employer Programs markets a complete line of Alternative Transportation, Pass and Rideshare programs to area employers businesses, government organizations and educational institutions. This

department's services include Rideshare Matching, Vanpool Formation, Buspool and other TDM programs.

Significant Changes In FY03

- The new Communications organization was created mid-year FY02 by consolidating sections from other departments within the MTA. Under a new Chief Communications Officer (CCO), several functions including marketing, advertising, graphics, marketing research, Metro Art, customer relations, public and media relations, the vendor network, customer centers, fare media production and distribution, internal communications, special events, and MTA.net have been restructured and redirected for improved agency communications designed to increase ridership, awareness and perception.
- Consolidated SCAG and MTA (from CP&D) rideshare related activities under Chief Communications Officer.
- Transferred the Employee Activities Center from the Human Resources Department in Administration.

Communications Report

Communications

| Department FTEs | FY01 Adopted | FY02 Adopted | FY03 Adopted |
|---------------------------------------|-------------------------|-------------------------|-------------------------|
| 1 Mktg./Advertising & Cust. Relations | 146 | 142 | 128 |
| 2 Executive Office, Communications | - | - | 8 |
| 3 Customer & Vendor Services | 38 | 38 | 43 |
| 4 Creative Services | 12 | 14 | 20 |
| 5 Employer Programs | - | - | 15 |
| 6 Communication Services | - | - | 6 |
| 7 Public Relations | 7 | 7 | 7 |
| 8 Communications Total FTEs | 203 | 201 | 227 |

| Expenditures (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|--|------------------------|-------------------------|-------------------------|
| 9 Mktg./Advertising & Cust. Relations | \$ 8,364 | \$ 8,766 | \$ 14,501 |
| 10 Executive Office, Communications | - | - | 830 |
| 11 Customer & Vendor Services | 3,093 | 3,458 | 3,787 |
| 12 Creative Services | 859 | 2,067 | 5,383 |
| 13 Employer Programs | - | - | 5,788 |
| 14 Communication Services | - | - | 1,890 |
| 15 Public Relations | 676 | 722 | 1,484 |
| 16 Communications Total | \$ 12,992 | \$ 15,013 | \$ 33,663 |

| Expenditure Types (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|------------------------|-------------------------|-------------------------|
| 17 Contract Wages | \$ 3,508 | \$ 3,997 | \$ 4,071 |
| 18 Non-Contract Wages | 3,018 | 3,239 | 4,804 |
| 19 Fringe Benefits | 3,753 | 4,078 | 5,926 |
| 20 Professional & Technical Services | 1,518 | 1,400 | 9,831 |
| 21 Contract Services | 273 | 1,182 | 1,679 |
| 22 Fuels & Lubricants/Utilities | - | - | 2 |
| 23 Materials and Supplies | 205 | 328 | 1,059 |
| 24 Acquisitions | 2 | 211 | 582 |
| 25 Other | 715 | 578 | 5,709 |
| 26 Communications Total | \$ 12,992 | \$ 15,013 | \$ 33,663 |

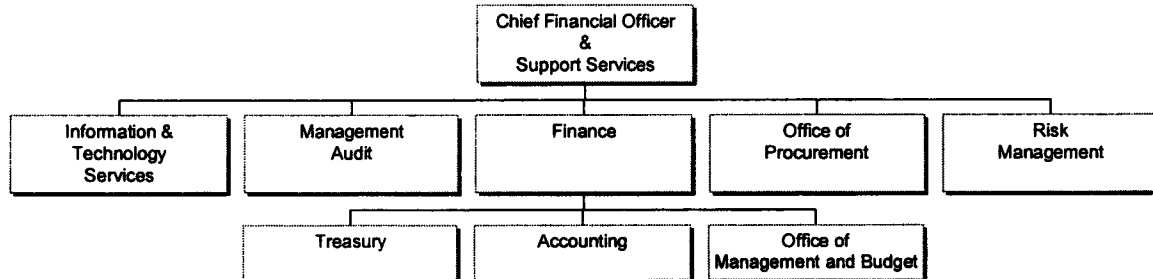
Note: Total number of FTEs includes two new departments that Communications created, Communication Services and Employer Programs.

FY03 Performance Measures

| Balanced Scorecard Goals/Objectives/Performance Measures | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|---|-----------------------------|----------------|-------------------|---|
| Customer Goal - Improve transportation services to increase customer satisfaction | | | | |
| Objectives: | Performance Measure: | | | |
| Improve customer satisfaction and wait time on 1-800-COMMUTE | 5:06 | 3:35 | 3:30 | 2:45 |
| Improve percentage response to written customer inquiries within 3 days | n.a. | n.a. | 92% | 100% |
| Financial Goal - Increase effective and efficient utilization of resources | | | | |
| Objectives: | Performance Measure: | | | |
| Generate revenue from film leasing | \$411,000 | \$468,000 | \$450,000 | \$350,000 |
| Establish baseline for tracking dollar value for positive print and electronic media coverage | n.a. | n.a. | n.a. | establish baseline |
| Internal Processes Goal - Improve and streamline business processes | | | | |
| Objectives: | Performance Measure: | | | |
| Improve internal awareness | n.a. | n.a. | n.a. | complete 100% of specified number of publications |
| Learning/Innovation Goal - Increase innovation to improve performance | | | | |
| Objectives: | Performance Measure: | | | |
| Increase safety awareness in the workplace | n.a. | n.a. | 25% | 75% |

SUPPORT SERVICES

Organization Chart



Strategic Business Unit

Support Services, headed by the Chief Financial Officer, provides cross-functional administrative and financial services to support the

MTA's core business units. Support Services is comprised of departments and resources that serve all operating units.

Support Services – Finance

Department Narrative

The Executive Office, Finance, oversees Accounting, Office of Management & Budget (OMB), and Treasury departments. It also provides support for the MTA's operating and capital plans.

Accounting

Accounting records MTA's financial transactions, generates financial reports, processes payroll, accounts payable and receivables, and reports and bills all its capital and operating grants.

Office of Management & Budget

The Office of Management & Budget (OMB) develops the annual operating, capital, and subsidy budgets; prepares revenue and expense projections; manages operating and capital expenditure and revenue plans; conducts special studies that analyze key business activities and processes, and coordinates strategic planning efforts.

Treasury

Treasury forecasts, monitors and manages cash requirements; oversees and directs the investment of

available funds and debt proceeds; and administers the debt program.

Pension and Benefits administers all facets of group health and welfare plans, pension plans, 401(k) and 457 deferred compensation, and unemployment insurance, and provides retirement and financial counseling programs. Revenue Administration collects, counts, and deposits fare revenue; maintains and repairs Ticket Vending Machines (TVM) fare collection equipment.

Significant Changes In FY03

- The Pension and Benefits unit was transferred to Treasury in FY02. Management has reorganized the unit and reduced administrative staff.
- Functions performed by the Revenue Department will be consolidated in FY03 to different parts of the organization. In FY02, Revenue Administration was transferred to Treasury, and Credit Collection was transferred to Accounting. Revenue Equipment Maintenance functions were consolidated with Transit Operations' Maintenance functions. Fare Media and Sales functions of the Revenue Department were moved to the Communications SBU.

Support Services - Finance Reports

Support Services - Finance

| Department FTEs | FY01 Adopted | FY02 Adopted | FY03 Adopted |
|--|-----------------|-----------------|-----------------|
| 1 Executive Office, Finance | 3 | 3 | 3 |
| 2 Office Of The CFO | 2 | 2 | 2 |
| 3 Accounting | 82 | 82 | 84 |
| 4 Treasury | 60 | 61 | 65 |
| 5 Office of Management & Budget | 25 | 25 | 24 |
| 6 Support Services - Finance Total FTEs | 172 | 173 | 178 |

| Expenditures (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|--|-------------------|-------------------|-------------------|
| 7 Non-Departmental | \$ (1,171) | \$ - | \$ - |
| 8 Executive Office, Finance | 344 | 655 | 695 |
| 9 Office Of The CFO | 280 | 493 | 407 |
| 10 Accounting | 10,678 | 11,728 | 11,776 |
| 11 Treasury | 718,321 | 624,477 | 306,271 |
| 12 Office of Management & Budget | 2,588 | 3,612 | 3,000 |
| 13 Non-Departmental - Board Contingency | 3,158 | 5,000 | 5,000 |
| 14 Support Services - Finance Total | \$ 734,198 | \$ 645,965 | \$ 327,149 |

| Expenditure Types (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|-------------------|-------------------|-------------------|
| 15 Contract Wages | \$ 1,926 | \$ 1,936 | \$ 2,003 |
| 16 Non-Contract Wages | 5,762 | 6,395 | 6,393 |
| 17 Fringe Benefits | 4,416 | 5,966 | 5,118 |
| 18 Professional & Technical Services | 9,970 | 14,439 | 13,970 |
| 19 Contract Services | 3,772 | 5,739 | 5,714 |
| 20 Fuels & Lubricants/Utilities | - | - | - |
| 21 Materials and Supplies | 274 | 427 | 401 |
| 22 Debt/Interest | 702,097 | 607,124 | 291,209 |
| 23 Acquisitions | (1,023) | 1,800 | 298 |
| 24 Other | 7,004 | 2,139 | 2,043 |
| 25 Support Services - Finance Total | \$ 734,198 | \$ 645,965 | \$ 327,149 |

FY03 Performance Measures

| Balanced Scorecard Goal/Objectives/Performance Measures | | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|--|---|-----------------|----------------|-------------------|----------------|
| Customer Goal - Improve transportation services to increase customer satisfaction | | | | | |
| Objectives: | Performance Measure: | | | | |
| Pay all vendors/suppliers within 30 days from date of invoice or within PO/contract terms | Days to pay invoices from invoice date/receipt date | n.a. | n.a. | n.a. | 30 |
| | Days to pay properly approved invoices | 30 | 22 | 10 | n.a. |
| Process 95% of retiree applications within 30 days of receipt of completed application | Percentage processed within 30 days | 100% | 100% | 100% | 100% |
| Process 95% of 401k/457 payroll deductions/changes within the same pay period as received | Percentage processed within the same payroll period | n.a. | n.a. | 95% | 95% |
| Resolve all positive pay exceptions in a timely manner to avoid delay in customers receiving payment | Percentage of positive pay exceptions resolved within 4 hours of notification | MTA not on-line | 100% | 100% | 100% |
| Financial Goal - Increase effective and efficient utilization of resources | | | | | |
| Objectives: | Performance Measure: | | | | |
| Provide timely and accurate financial information for Service Sectors | Percentage of sector financial reports delivered within 7 days of accounting month close and 42 days of quarter close | n.a. | n.a. | n.a. | 100% |
| Obtain 90% favorable decision for unemployment cases as supported by UI code | Percentage of Unemployment Insurance cases won | 94% | 94% | 90% | 90% |
| Pay 100% of all premiums on a timely basis to avoid incurring penalties | Percentage of premiums paid timely | 100% | 100% | 100% | 100% |
| Ensure best utilization of financial assets by reviewing short-term cash held by bond trustees | Review 25% of bond issues each quarter and adjust investment strategy as appropriate | 85% | 85% | 90% | 100% |
| When bond proceeds are available, process requests for reimbursement from bond proceeds within 45 days of receipt of request from Accounting | Days to draw proceeds from trustee following receipt of a reimbursement request by Treasury | 60 days | 60 days | 30 days | 30 days |
| Structure Operating fund portfolios to maximize investment income within policy objections of safety of principal and liquidity | Portfolio total return will equal or exceed the market value weighted composite of the 91 day t-bill return and the Merrill 1-3yr Gov't/Corp index return | 1.0 | 1.0 | 1.0 | 1.0 |

FY03 Performance Measures, continued

| Balanced Scorecard Goals/Objectives/Performance Measures | | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|--|---|----------------|----------------|-------------------|----------------|
| Internal Processes Goal - Improve and streamline business processes | | | | | |
| Objectives: | Performance Measure: | | | | |
| Improve financial and management information | Percent improvement in customer satisfaction rating | n.a. | n.a. | 5% | 20% |
| Reduce number of payroll errors | Percent reduction in number of errors/total special checks processed from previous year | n.a. | n.a. | 25% | 10% |
| Reduce number of unprocessed/unmatched invoices over 90 days outstanding. | Percent reduction in number of unprocessed/unmatched invoices over 90 days outstanding from previous year | 45% | 30% | 21% | 10% |
| Improve collection of accounts over 90 days outstanding | Percent reduction from previous year the amount of uncollected accounts over 90 days outstanding | n.a. | n.a. | n.a. | 10% |
| Submit grant billings on time | Number of days from month end to submit grant billings | 10 | 10 | 9 | 8 |
| Pay properly approved expense reports on time | Number of days to pay properly approved expense reports from date of receipt | n.a. | n.a. | 7 | 7 |
| Develop FIS Accounting and end user report | Develop FIS accounting and end user reports every quarter | n.a. | n.a. | n.a. | 3 |
| Add Medicare B reimbursement information to the HR Central System | 100% of existing Med B recipients to be added to the system by fiscal year end (25% each quarter) | n.a. | n.a. | n.a. | 100% |
| | 100% of all new recipients added to the system each quarter | n.a. | n.a. | n.a. | 100% |
| Implement filing system to specifically retain post-closing documentation related to bond and lease transactions | Create file for 10 transactions during each quarter | n.a. | n.a. | n.a. | 100% |

Los Angeles County Metropolitan Transportation Authority
Adopted Budget

FY03 Performance Measures, continued

| Balanced Scorecard Goals/Objectives/Performance Measures | | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|---|---|----------------|----------------|-------------------|----------------|
| Learning/Innovation Goal - Increase Innovation to improve performance | | | | | |
| Objectives: | Performance Measure: | | | | |
| Increase safety awareness in the workplace | Percent employees completed safety training | n.a. | n.a. | 25% | 75% |
| Enhance staff knowledge and skills through continuing education | 20% of employees will participate in a seminar or training class each quarter | n.a. | n.a. | 25% | 75% |
| 20% of department staff to complete a skills based training or continuing education course each quarter | Percentage of employees completing training during the quarter | n.a. | n.a. | n.a. | 100% |

Support Services – Information & Technology Services (ITS)

Department Narrative

Information Technology Services (ITS) is responsible for the development, implementation, operation, maintenance, and technical support of MTA's computer systems and integrated communications network.

Significant Changes In FY03

- Reduced Capital Budget by \$19.6 million. This reduction is due to year-over-year fluctuations in technology development programs and MTA's greater emphasis on capital improvement projects that provide the greatest benefit to transit customers.
- Several major projects, Universal Fare System (UFS), Advanced Transportation Management System (ATMS), Division Network Construction Project (DNCP), Maintenance and Material Management System (M3), and Document Processing Management System (DPMS) will enter the implementation phase and will require shifting of resources to support this phase of the project.
- Implementation of Service Sectors requires changes in the technical systems that support this activity and require refinements to the programming to support the decentralized organization.

Support Services – Information & Technology Services (ITS) Reports

Support Services - ITS

| Department FTEs | FY01 Adopted | FY02 Adopted | FY03 Adopted |
|--|-----------------|-----------------|-----------------|
| 1 Information & Technology Services | 166 | 166 | 164 |
| 2 Support Services - ITS Total FTEs | 166 | 166 | 164 |

| Expenditures (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|--|----------------|-----------------|-----------------|
| 3 Information & Technology Services | \$ 27,412 | \$ 50,451 | \$ 33,231 |
| 4 Support Services - ITS Total | \$ 27,412 | \$ 50,451 | \$ 33,231 |

| Expenditure Types (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|----------------|-----------------|-----------------|
| 5 Contract Wages | \$ 1,979 | \$ 2,241 | \$ 2,146 |
| 6 Non-Contract Wages | 7,031 | 8,028 | 7,226 |
| 7 Fringe Benefits | 4,219 | 5,328 | 5,823 |
| 8 Professional & Technical Services | 5,942 | 18,262 | 12,108 |
| 9 Contract Services | 731 | 642 | 323 |
| 10 Fuels & Lubricants/Utilities | 2,230 | 2,495 | 2,511 |
| 11 Materials and Supplies | 4,087 | 8,745 | 2,602 |
| 12 Acquisitions | 1,166 | 4,603 | 432 |
| 13 Other | 27 | 107 | 60 |
| 14 Support Services - ITS Total | \$ 27,412 | \$ 50,451 | \$ 33,231 |

FY03 Performance Measures

| Balanced Scorecard Goals/Objectives/Performance Measures | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target | |
|---|---|----------------|-------------------|----------------|-------|
| Customer Goal - Improve transportation services to increase customer satisfaction | | | | | |
| Objectives: | Performance Measure: | | | | |
| Provide timely response to helpdesk tickets. | Percent of 3.5 or better rating in customer survey responses | n.a. | n.a. | 90% | 95% |
| Provide continuous access to mission critical applications. | Network availability | 95% | 95% | 99.5% | 99.8% |
| Deliver Capital Projects on schedule. | Adherence to Capital Projects against their established forecasted schedule. | n.a. | n.a. | 50% | 90% |
| Financial Goal - Increase effective and efficient utilization of resources | | | | | |
| Objectives: | Performance Measure: | | | | |
| Improve the MTA's payment record with vendors. | Percent ITS invoices paid within 30 days. | n.a. | n.a. | 48% | 90% |
| Reduce cost for service maintenance contracts. | Percent of maintenance contracts renegotiated for a lower fee. | n.a. | n.a. | n.a. | 80% |
| Internal Processes Goal - Improve and streamline business processes | | | | | |
| Objectives: | Performance Measure: | | | | |
| Improve and enforce ITS Change Control policies and procedures for application development. | Percent of change control management integrated for all major applications development. | n.a. | n.a. | n.a. | 100% |
| Strengthen security and management practices to safeguard ITS assets | Audit of security practices completed for one critical system per quarter. | n.a. | n.a. | n.a. | 100% |
| Improve the consistency and quality of service ITS offers the agency. | Percentage of four policies and procedures per quarter developed to support ITS work functions. | n.a. | n.a. | n.a. | 100% |
| Learning/Innovation Goal - Increase innovation to improve performance | | | | | |
| Objectives: | Performance Measure: | | | | |
| Increase safety awareness in the workplace by training 25 employees per quarter. | Percent of department employees completing safety training | n.a. | n.a. | 100% | 100% |
| Define and execute a training plan to educate staff in new technologies the agencies will be using in coming years. | Percent of all scheduled training completed | n.a. | n.a. | n.a. | 100% |

Support Services - Management Audit Services

Department Narrative

Management Audit Services' role is to strengthen internal controls and to promote the economy, efficiency and effectiveness of MTA operations. It also administers the MTA's pre-qualification program, performs control self-assessments (CSA) and coordinates MTA's tracking of outside audit recommendations.

Significant Changes In FY03

- Decreased labor and overall expenditures as the department moves closer to concluding contract audit work and litigation matters that required intensive audit support.

Support Services - MASD Reports

Support Services - Management Audit Services

| Department FTEs | FY01 Adopted | FY02 Adopted | FY03 Adopted |
|---|-----------------|-----------------|-----------------|
| 1 Management Audit Services | 72 | 72 | 68 |
| 2 Management Audit Services Total FTEs | 72 | 72 | 68 |

| Expenditures (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|--|-----------------|------------------|------------------|
| 3 Management Audit Services | \$ 9,969 | \$ 11,707 | \$ 11,046 |
| 4 Management Audit Services Total | \$ 9,969 | \$ 11,707 | \$ 11,046 |

| Expenditure Types (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|-----------------|------------------|------------------|
| 5 Non-Contract Wages | \$ 4,101 | \$ 4,412 | \$ 4,149 |
| 6 Fringe Benefits | 1,816 | 2,115 | 2,308 |
| 7 Professional & Technical Services | 4,065 | 4,910 | 4,345 |
| 8 Contract Services | 1 | - | - |
| 9 Materials and Supplies | 73 | 89 | 62 |
| 10 Other | (87) | 181 | 182 |
| 11 Management Audit Services Total | \$ 9,969 | \$ 11,707 | \$ 11,046 |

FY03 Performance Measures

| Balanced Scorecard Goals/Objectives/Performance Measures | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|--|-----------------------------|----------------|-------------------|----------------|
| Customer Goal - Improve transportation services to increase customer satisfaction | | | | |
| Objectives: | Performance Measure: | | | |
| Internal Audit will execute the FY03 Internal Audit Plan, (including major audits of bus operations, bus maintenance, rail Operations and ITS) | 78% | 53% | 85% | 85% |
| Completion of the audits included in the approved audit plan | | | | |
| Project Audit Group (PAG) will complete elimination of audit backlogs | 75% | 50% | 25% | 0% |
| Percent of backlogged audits outstanding | | | | |
| Financial Goal - Increase effective and efficient utilization of resources | | | | |
| Objectives: | Performance Measure: | | | |
| EMC litigation support and close-out audits completed | 418 | 396 | 291 | 0 |
| Number of EMC close-out audits remaining | | | | |
| Track sustention rates for all contract audits | 32.83% | 66% | 12.1% | 40% |
| Sustention percentage yield from contract audit analysis | | | | |
| Internal Processes Goal - Improve and streamline business processes | | | | |
| Objectives: | Performance Measure: | | | |
| Complete Control Self Assessment (CSA) workshops and business process certification documents by year end. | 7 | 3 | 1 | 3 for 100% |
| No. of workshops completed | | | | |
| CSA will follow-up and facilitate completion of 190 action plans resulting from 11 CSA workshops | 19 | 32 | 19 | 40 for 100% |
| No. of CSA Business Process certification documents completed | | | | |
| Promote audit compliance and track timely implementation of proposed corrective actions | 50% | 85.5% | 85.0% | 90% |
| Average audit resolution score | | | | |
| Learning/Innovation Goal - Increase innovation to improve performance | | | | |
| Objectives: | Performance Measure: | | | |
| Increase safety awareness in the workplace | n.a. | n.a. | n.a. | 100% |
| Adherence to safety action plan | | | | |

Support Services - Office of Procurement

Department Narrative

Procurement and Material Management provides the purchasing, supply chain logistics, management, and contract administration of all goods and services for the MTA.

Executive Office, Procurement

Executive Office, Procurement provides management oversight for the acquisition and management of all goods and services for the MTA. The Executive Office of Procurement oversees three basic functions, which are Contract Administration, Contract Support, and Logistics/Material Management.

Contract Administration

Contract Administration is responsible for pre-award and post-award contract administration for construction and major planning efforts, professional services, goods, equipment and rolling stock.

Contract Support

Contract Support provides expertise and support in cost/price analysis, estimating, and procurement compliance.

Material Management

Material Management is responsible for planning, acquisition, control, and distribution of inventory goods and materials; purchase of goods and equipment, administration of the Purchase Card Program, pre-award and post-award administration of yearly blanket purchase contracts, and the Material Sales Program for the sale and disposal of obsolete inventory and equipment.

Significant Changes In FY03

- Procurement's FY03 non-labor budget is \$9.8 million including \$5.7 million in bus and rail capital projects. FY03 operating budget of \$4.1 million represents a \$1.4 million decrease.
- Increase Material Management by \$1.3 million for capital warehousing and system projects, including FY02 carryover.
- Decrease Procurement Non-Departmental by \$938,000 through reductions in parts inventory account and agency advertising.
- Procurement's FY03 labor budget decreases by 43 FTEs, mainly due to a 42 FTE transfer of Stock Clerks and Storekeepers from the Material Department to Sector Management in Bus Operations.

Support Services - Procurement Reports

Support Services - Procurement

| Department FTEs | FY01 Adopted | FY02 Adopted | FY03 Adopted |
|---|-----------------|-----------------|-----------------|
| 1 Materiel | 202 | 203 | 163 |
| 2 Contracts | 31 | 30 | 30 |
| 3 Contracts-Construction | 40 | 46 | 41 |
| 4 Executive Office, Procurement | 6 | 7 | 7 |
| 5 Contract Support | 27 | 28 | 30 |
| 6 Office of Procurement Total FTEs | 306 | 314 | 271 |

| Expenditures (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|--|------------------|------------------|------------------|
| 7 Materiel | \$ 12,701 | \$ 18,016 | \$ 18,108 |
| 8 Contracts | 2,289 | 2,911 | 2,837 |
| 9 Contracts-Construction | 3,376 | 4,114 | 3,983 |
| 10 Executive Office, Procurement | 1,104 | 2,081 | 1,460 |
| 11 Non-Departmental Material | 3,411 | 3,564 | 2,626 |
| 12 Contract Support | 2,684 | 3,504 | 2,745 |
| 13 Office of Procurement Total | \$ 25,565 | \$ 34,190 | \$ 31,759 |

| Expenditure Types (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|------------------|------------------|------------------|
| 14 Contract Wages | \$ 5,369 | \$ 5,792 | \$ 4,514 |
| 15 Non-Contract Wages | 8,434 | 9,921 | 8,974 |
| 16 Fringe Benefits | 7,045 | 8,683 | 8,483 |
| 17 Professional & Technical Services | 1,209 | 1,575 | 804 |
| 18 Contract Services | 31 | 59 | 54 |
| 19 Fuels & Lubricants/Utilities | 8 | 14 | 10 |
| 20 Materials and Supplies | 3,269 | 3,743 | 2,932 |
| 21 Acquisitions | 73 | 4,070 | 5,575 |
| 22 Other | 127 | 333 | 413 |
| 23 Office of Procurement Total | \$ 25,565 | \$ 34,190 | \$ 31,759 |

FY03 Performance Measures

| Balanced Scorecard Goals/Objectives/Performance Measures | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|--|-----------------------------|----------------|-------------------|----------------|
| Customer Goal - Improve transportation services to increase customer satisfaction | | | | |
| Objectives: | Performance Measure: | | | |
| Improve performance in the delivery of material parts and supplies. | 97% | 97% | 97% | 97% |
| | 98% | 98% | 98% | 98% |
| | 1% | 1% | 1% | 1% |
| Achieve a rating of satisfactory or better on 80% of client post award evaluations | n.a. | n.a. | n.a. | 80% |
| Award contracts on time | n.a. | n.a. | n.a. | 75% |
| Financial Goal - Increase effective and efficient utilization of resources | | | | |
| Objectives: | Performance Measure: | | | |
| Reduce the cost of materials & supplies to Transit Operations. | \$538,000 | \$640,000 | \$700,000 | \$450,000 |
| | \$443,000 | \$600,000 | \$500,000 | \$500,000 |

FY03 Performance Measures, continued

| Balanced Scorecard Goals/Objectives/Performance Measures | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|--|-----------------------------|----------------|-------------------|---|
| Financial Goal - Increase effective and efficient utilization of resources | | | | |
| Objectives: | Performance Measure: | | | |
| Reduce encumbrances through timely contract closure | n.a. | n.a. | n.a. | 100% over 180 days |
| | n.a. | n.a. | n.a. | 100% over 2 years; 50% within 1 to 2 years |
| Reduce contract lead time for Construction and Professional Services | n.a. | n.a. | n.a. | 150 days |
| Strive for Contract Award Prices for bids and negotiated procurements, within 20% of the Independent Cost Estimates or Technical Evaluations | n.a. | n.a. | n.a. | 20% |
| | n.a. | n.a. | n.a. | 20% |

FY03 Performance Measures, continued

| Balanced Scorecard Goals/Objectives/Performance Measures | | FY00 | FY01 | FY02 | FY03 |
|--|---|--------|--------|-----------|--------|
| | | Actual | Actual | Estimated | Target |
| Internal Processes Goal - Improve and streamline business processes | | | | | |
| Objectives: | Performance Measure: | | | | |
| Procure inventory and non-inventory material and supplies in a cost effective, timely manner | Maintain 13.5-day average or less administrative lead-time for inventory procurement. | n.a. | 16 | 13.5 | 13.5 |
| | Maintain 26-day average or less administrative lead-time for non-inventory procurement. | n.a. | 30 | 26 | 26 |
| Achieve negotiated PATS scheduled procurements commensurate with staffing | Achieve planned or forecasted PATS Schedule 80% on time by the published PATS schedule/forecast for all contracts scheduled for award in FY03 | 80% | 85% | n.a. | 80% |
| Reduce number of Unpriced Contractual Actions | No more than 10% of all Contract Actions shall be issued as a UCA | n.a. | n.a. | n.a. | 10% |
| Increase accuracy of estimating products (Independent Cost Estimates and Technical Evaluations) compared to contract award prices by not exceeding 20% of the preaward contract price. | Variance between the independent cost estimate and bid/negotiated price on estimates \$200K and greater. | n.a. | n.a. | n.a. | 20% |
| | Variance between the technical evaluation and bid/negotiated price on technical evaluation \$200K and greater. | n.a. | n.a. | n.a. | 20% |

FY03 Performance Measures, continued

| Balanced Scorecard Goals/Objectives/Performance Measures | | FY00 | FY01 | FY02 | FY03 |
|--|---|--------|--------|-----------|--------|
| | | Actual | Actual | Estimated | Target |
| Learning/Innovation Goal - Increase innovation to improve performance | | | | | |
| Objectives: | Performance Measure: | | | | |
| Increase safety awareness in the workplace and encourage employees to attend on-site professional education programs. | All employees complete DuPont Safety First training by end of FY03 | n.a. | n.a. | 75% | 100% |
| | 40 hours of class time of professional development for all Gateway employees by end of FY03. | n.a. | n.a. | 75% | 100% |
| Train all eligible Contract Administration & Purchasing (approximately 100) staff as required under the Contracting Officer's Warrant Program (COWP). Note: eligible staff are those who otherwise meet the requirements of the Warrant Program. | Percent of staff trained versus the total number of staff (approximately 100) eligible to be trained for the fiscal year. | n.a. | n.a. | n.a. | 100% |
| Identify and implement Public/Private Partnership model to minimize MTA Capital Outlay requirements in FY03 | Implement Public/Private Partnership model on at least one non-CNG project in FY03. FY02 CNG project is the baseline | n.a. | n.a. | n.a. | 1 |
| Conduct Contract Administrator Training | Training twice a month | n.a. | n.a. | n.a. | 8 |
| Utilize Electronic Tracking and Approval System of Mini Board Reports | 100% complete by end of FY03 | n.a. | n.a. | n.a. | 100% |
| Implement Electronic Pre-Award Auditing Process | 100% complete by end of FY03 | n.a. | n.a. | n.a. | 100% |

Support Services - Risk Management

Department Narrative

Risk Management is responsible for protecting the MTA's assets through the identification, management and control of insurable risks.

Responsibilities include management and oversight of the following: the Owner-Controlled Insurance Program (OCIP) for construction activities, workers' compensation claims administration, Public Liability/Property Damage (PL/PD) claims administration, the identification, purchase and management of appropriate insurance

programs, oversight of self-insured liability reserves through risk financing techniques, and recovery of insurance proceeds for damage to MTA property.

Significant Changes In FY03

- Complete the implementation of an in-house, self-insured and self-administered workers' compensation claims administration unit.
- Procure and implement an owner controlled insurance program (OCIP) to support transit corridor projects.

Support Services – Risk Management Report

Support Services - Risk Management

| Department FTEs | FY01 Adopted | FY02 Adopted | FY03 Adopted |
|-------------------------------------|-----------------|-----------------|-----------------|
| 1 Risk Management | 20 | 20 | 58 |
| 2 Risk Management Total FTEs | 20 | 20 | 58 |

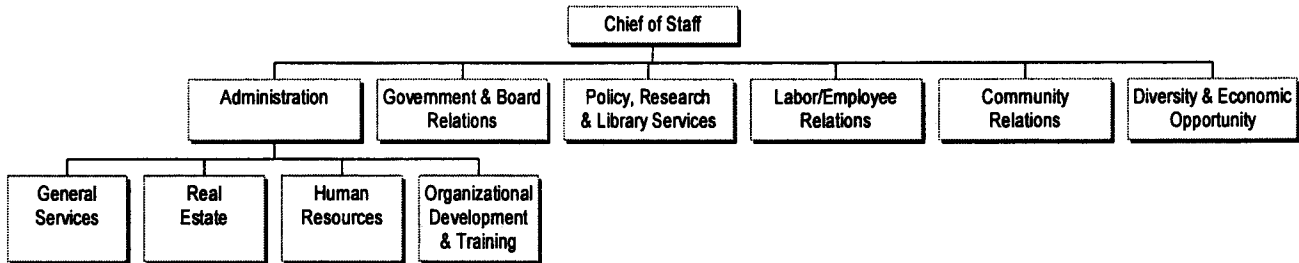
| Expenditures (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|--|----------------|-----------------|-----------------|
| 3 Risk Management | \$ 49,476 | \$ 50,367 | \$ 43,617 |
| 4 Risk Management Total | \$ 49,476 | \$ 50,367 | \$ 43,617 |

| Expenditure Types (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|----------------|-----------------|-----------------|
| 5 Contract Wages | \$ 185 | \$ - | \$ - |
| 6 Non-Contract Wages | 2,487 | 3,314 | 2,760 |
| 7 Fringe Benefits | 1,019 | 1,611 | (2,869) |
| 8 Professional & Technical Services | 5,370 | 5,647 | 4,865 |
| 9 Materials and Supplies | 19 | 37 | 46 |
| 10 Casualty & Liability | 40,043 | 39,421 | 38,559 |
| 11 Other | 353 | 337 | 256 |
| 12 Risk Management Total | \$ 49,476 | \$ 50,367 | \$ 43,617 |

FY03 Performance Measures

| Balanced Scorecard Goals/Objectives/Performance Measures | | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|---|--|----------------|----------------|-------------------|----------------|
| Customer Service - Improve transportation services to increase customer satisfaction | | | | | |
| Objectives: | Performance Measure: | | | | |
| Reduce work related injuries | Number of new claims per 100 employees | 36.6 | 30.5 | 31.0 | 25.6 |
| | Indemnity to total claims (%) | 73.5% | 63.9% | 70.7% | 65.0% |
| Reduce lost work days associated with work related injuries | Number of lost work days | 96,390 | 108,513 | 114,198 | 94,213 |
| | Number of lost work days per 100 employees | 108.1 | 119.4 | 123.3 | 101.7 |
| Administer third party liabilities/property damages | Number of new traffic accident claims per 100K hub miles | n.a. | 39.0 | 34.7 | 28.6 |
| Financial Goal - Increase effective and efficient utilization of resources | | | | | |
| Objectives: | Performance Measure: | | | | |
| Control workers comp costs | Total payments per 100 employees | \$ 515,699 | \$ 580,521 | \$ 589,740 | \$ 486,536 |
| Control PL/PD costs | Average PL/PD payment per claim | \$ 4,977 | \$ 5,970 | \$ 5,894 | \$ 4,863 |
| | Subrogation recoveries | \$ 874,543 | \$ 699,932 | \$ 586,060 | \$ 575,000 |
| Internal Processes Goal - Improve and streamline business processes | | | | | |
| Objectives: | Performance Measure: | | | | |
| Ensure effective management of claims administration | Percent of WC files reviewed | n.a. | n.a. | n.a. | 5% |
| | Percent of high exposure PL/PD files reviewed | 100% | 100% | 100% | 100% |
| Learning/Innovation Goal - Increase innovation to improve performance | | | | | |
| Objectives: | Performance Measure: | | | | |
| Increase safety awareness in the workplace | Percent employees completed safety training | n.a. | n.a. | n.a. | 100% |

CHIEF OF STAFF Organization Chart



Strategic Business Unit

The Chief of Staff was reorganized and expanded to include Administration, Labor/Employee Relations, Community Relations, Policy, Research & Library Services, Government & Board Relations and Diversity & Economic Opportunity.

Significant Changes In FY03

- The Chief of Staff organization has several diverse activities underneath its umbrella. The majority of the budget and staffing for the Chief of Staff organization was transferred from other departments within the MTA.

Chief of Staff

Strategic Business Unit

The Chief of Staff – Administration Unit is discussed in the following pages.

Executive Office, Chief of Staff

The Chief of Staff Office coordinates all areas of the MTA, provides oversight over key programs and provides support to the Chief Executive Officer. It provides policy recommendations and advice and counsel in the development of strategies and resolution of sensitive and complex political, business, and government issues. This office directs and executes the strategic mission, vision and values of the MTA, and provides direction towards the achievement of performance goals and objectives.

Policy, Research & Library Services

Policy, Research & Library Services (PR&LS) develops, catalogues, publishes and monitors policy, regulations and procedures promulgated by MTA Board of Directors and the Chief Executive Officer. It provides oversight of Board-related matters including the preparation of committee and board reports. Additionally, the department is also responsible for agency research, analysis and process improvements at the direction of the CEO. PR&LS also operates the MTA's Dorothy Peyton Gray Library and Transportation Museum.

Labor/Employee Relations

Labor/Employee Relations negotiates, administers and interprets the MTA's collective bargaining agreements, manages grievance administration, provides contract interpretation and provides due process advice to MTA management.

Government & Board Relations

Government Relations is the principal 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 the MTA. Board Relations serves as a liaison between the MTA's Board of Directors and executive management and provides research information and analyses on significant issues to enhance the decision-making process.

Diversity & Economic Opportunity

Diversity & Economic Opportunity, formerly Small Business Diversity & Labor Compliance provides customer service, achieves workforce diversity, and promotes economic opportunity by implementing internal and external programs that benefit customers, staff, and trade workers on MTA construction projects and the small business community.

Community Relations

Community Relations, formerly known as Public Affairs, communicates the transportation objectives of the MTA

to communities served by the MTA. This is accomplished with community outreach programs, facilitation of public participation in planning, engineering, and construction of mass transit projects, development of Rail Safety outreach programs, and management of ADA compliance issues.

Significant Changes In FY03

- Community Relations was transferred to the Chief of Staff organization from Engineering & Construction. Expanded functions such as Service Sector Community Relations, Transit Corridor Build-out, Rail Safety Education and Outreach and ADA compliance have increased the staffing and budget requirements.
- The Administration function was consolidated under the Chief of Staff. Most of the departments under Administration remained intact with two exceptions: the Pension and Benefits Section of Human Resources was moved to Finance and Creative Services was transferred to the newly created Communications organization.
- The newly created Policy, Research and Library Services department represents the consolidation of several activities, such as Library Services, Policy and Research, and the administration of the MTA's Dorothy Peyton Gray Library and Transportation Museum. Most of the staffing and budgets were transferred from former departments. Additional funding is requested in FY03 for a new Electronic Board Report to improve the efficiency and effectiveness of processing Board reports.
- Diversity & Economic Opportunity changed department name from Small Business Diversity & Labor Compliance; function was reassigned to report to the Chief Executive Office.
- Reassigned Equal Employment Opportunity Department to function as a unit of the Diversity & Economic Opportunity Department.

Chief Of Staff Reports

Chief of Staff

| Department FTEs | FY01 Adopted | FY02 Adopted | FY03 Adopted |
|--|-------------------------|-------------------------|-------------------------|
| 1 Executive Office, Chief of Staff | 10 | 11 | 11 |
| 2 Policy, Research & Library Services (PRLS) | - | - | 6 |
| 3 Labor/Employee Relations | 19 | 19 | 21 |
| 4 Board Research Services | 13 | 13 | 15 |
| 5 Diversity & Economic Opportunity | 25 | 24 | 25 |
| 6 Community Relations | 8 | 8 | 25 |
| 7 Chief of Staff Total FTEs | 75 | 75 | 103 |

| Expenditures (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|--|------------------------|-------------------------|-------------------------|
| 8 Executive Office, Chief of Staff | \$ 1,107 | \$ 2,485 | \$ 2,949 |
| 9 Policy, Research & Library Services (PRLS) | - | - | 1,393 |
| 10 Labor/Employee Relations | 1,760 | 2,027 | 2,225 |
| 11 Board Research Services | 1,637 | 1,799 | 2,160 |
| 12 Non Departmental - Human Resources | 80 | - | - |
| 13 Diversity & Economic Opportunity | 1,731 | 2,220 | 2,251 |
| 14 Community Relations | 786 | 1,133 | 3,966 |
| 15 Chief of Staff Total | \$ 7,101 | \$ 9,664 | \$ 14,944 |

| Expenditure Types (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|------------------------|-------------------------|-------------------------|
| 16 Contract Wages | \$ (1) | \$ - | \$ - |
| 17 Non-Contract Wages | 4,060 | 4,544 | 6,145 |
| 18 Fringe Benefits | 1,733 | 2,207 | 3,410 |
| 19 Professional & Technical Services | 1,303 | 2,279 | 3,117 |
| 20 Contract Services | (247) | 64 | 312 |
| 21 Fuels & Lubricants/Utilities | 1 | 1 | 22 |
| 22 Materials and Supplies | 36 | 102 | 323 |
| 23 Acquisitions | - | - | 75 |
| 24 Other | 216 | 467 | 1,540 |
| 25 Chief of Staff Total | \$ 7,101 | \$ 9,664 | \$ 14,944 |

FY03 Performance Measures

| Balanced Scorecard Goals/Objectives/Performance Measures | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|---|-----------------------------|----------------|-------------------|----------------|
| Customer Goal - Improve transportation services to increase customer satisfaction | | | | |
| Objectives: | Performance Measure: | | | |
| Conduct outreach to public to provide them with opportunity to influence transportation construction projects | n.a. | 30 | 22 | 20 |
| Communicate public concerns to management/staff | n.a. | 95% | 96% | 97% |
| Use technology on safety presentations to reach 5000 persons a week | n.a. | n.a. | n.a. | 5,000 |
| Process certification applications within 90 days of receiving required information | 151 | 115 | 110 | 90 |
| Financial Goal - Increase effective and efficient utilization of resources | | | | |
| Objectives: | Performance Measure: | | | |
| Provide mitigation services to impacted entities to carry out the legal requirement of the EIR, maintain goodwill and reduce claims | n.a. | n.a. | n.a. | 100% |
| Increase efficiency of communication by using computer generated presentation and materials | 100 | 100 | 100 | 750 |
| Prevent track-related accidents with vehicles and pedestrians | 0 | 0 | 0 | 0 |
| Achieve 100% prevailing wage file audits | 60% | 75% | 85% | 100% |
| Achieve 100% monitoring of Certified Payroll reports | 20% | 35% | 40% | 100% |

FY03 Performance Measures, continued

| Balanced Scorecard Goals/Objectives/Performance Measures | | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|--|--|----------------|----------------|-------------------|----------------|
| Internal Processes Goal - Improve and streamline business processes | | | | | |
| Objectives: | Performance Measure: | | | | |
| Assist Management with Board presentations using computer equipment and handouts | Number of MTA Board and other presentations provided | n.a. | n.a. | 24 | 36 |
| Reduce EEO complaint investigation cycle to 45 days | Days to process EEO complaint investigation | n.a. | n.a. | 120 | 45 |
| Improve response time to grievances after hearings | Respond to UTU 2nd level grievance appeals within 45 calendar days of hearing date | n.a. | 71% | 94% | 100% |
| | Respond to ATU 2nd level grievance appeals within 22 calendar days of hearing date | n.a. | 44% | 100% | 100% |
| Learning/Innovation Goal - Increase innovation to improve performance | | | | | |
| Objectives: | Performance Measure: | | | | |
| Increase safety awareness in the workplace | Percent employees completed safety training | n.a. | n.a. | 25% | 75% |
| Foster Integrated transportation planning for Sectors | Percent of weekly meetings attended with Sector Staff and Chief of Staff | n.a. | n.a. | n.a. | 100% |
| Use mobile bus unit for schools and safety demonstrations | Number of people seeing safety demonstrations per year. | 5,000 | 10,000 | 15,000 | 25,000 |

Chief of Staff - Administration

Unit Narrative

The Administration unit is responsible for four essential support services functions, which include Human Resources, General Services, Real Estate Services and Organizational Development and Training (OD&T). These critical functions support agency-wide activities and projects.

Executive Officer, Administration

The Executive Office provides management oversight for the provision of administration services, including building and real estate services and human resources, organizational development and training activities.

General Services

General Services provides Gateway building management, records management, copy and mail services, printing services and travel coordination.

Human Resources

Human Resources manage all aspects of personnel management for MTA, which includes administration and guidance on all human resources issues including: recruiting and staffing, compensation, classification, leave programs, drug and alcohol compliance programs and personnel rewards.

Real Estate

Real Estate provides real estate services in the areas of appraisal, environmental investigations, property acquisitions, relocation, property management and dispositions.

Organizational Development & Training

OD&T integrates the use of training and development, organizational development and career/workforce development to improve individual, group and organizational effectiveness.

Significant Changes In FY03

- Pension and Benefits administration was transferred to Finance.
- Executive Officer of HR & Administration was consolidated to flatten management layer.
- The Real Estate budget was reduced by \$2.5 million and two positions. This is due to lower project acquisition activity for the Santa Monica Transit Parkway Project and for Transit Plaza Improvements.
- Two other positions in HR were transferred to Risk Management to support the Return to Work program in response to independent audit recommendation.

- Creative Services (formerly Graphics and Metro Art) was transferred to Communications to align this function to their primary clients.
- Real Estate will support the implementation of the ATMS project with the acquisition of a new microwave site for operators.

Chief Of Staff - Administration Report

Chief of Staff - Administration

| Department FTEs | FY01 Adopted | FY02 Adopted | FY03 Adopted |
|---|-------------------------|-------------------------|-------------------------|
| 1 Executive Office, Administration | 3 | 3 | 3 |
| 2 Organizational Development and Training | 12 | 12 | 12 |
| 3 Human Resources | 71 | 72 | 52 |
| 4 General Services | 93 | 93 | 96 |
| 5 Real Estate | 19 | 21 | 20 |
| 6 Chief of Staff - Administration Total FTEs | 198 | 201 | 183 |

| Expenditures (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|------------------------|-------------------------|-------------------------|
| 7 Executive Office, Administration | \$ 467 | \$ 429 | \$ 453 |
| 8 Organizational Development and Training | 1,608 | 1,897 | 2,300 |
| 9 Human Resources | 7,403 | 8,658 | 6,566 |
| 10 General Services | 10,949 | 16,217 | 16,771 |
| 11 Real Estate | 8,521 | 15,142 | 12,524 |
| 12 Chief of Staff - Administration Total | \$ 28,948 | \$ 42,343 | \$ 38,614 |

| Expenditure Types (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|------------------------|-------------------------|-------------------------|
| 13 Contract Wages | \$ 2,687 | \$ 2,934 | \$ 3,058 |
| 14 Non-Contract Wages | 5,697 | 6,524 | 5,339 |
| 15 Fringe Benefits | 4,214 | 5,425 | 6,740 |
| 16 Professional & Technical Services | 1,303 | 3,184 | 2,971 |
| 17 Contract Services | 2,611 | 3,808 | 4,005 |
| 18 Fuels & Lubricants/Utilities | 1,896 | 2,116 | 2,122 |
| 19 Materials and Supplies | 1,471 | 2,386 | 2,648 |
| 20 Acquisitions | 1,362 | 9,764 | 6,690 |
| 21 Subsidies | 225 | - | 50 |
| 22 Other | 7,482 | 6,202 | 4,991 |
| 23 Chief of Staff - Administration Total | \$ 28,948 | \$ 42,343 | \$ 38,614 |

FY03 Performance Measures

| Balanced Scorecard Goals/Objectives/Performance Measures | | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|--|--|----------------|----------------|-------------------|----------------|
| Customer Goal - Improve transportation services to increase customer satisfaction | | | | | |
| Objectives: | Performance Measure: | | | | |
| | Percent of timeliness of public records requests in compliance with policies | 87% | 91% | 95% | 95% |
| | On time delivery of printing services jobs | 98% | 98% | 99% | 99% |
| | On time delivery of copy center jobs | 94% | 94% | 99% | 99% |
| | Percent of mail distribution on time performance | 92% | 94% | 95% | 95% |
| | Customer satisfaction rating for training & development sessions (1 to 5 scale) | n.a. | 3.37 | 3.71 | 4.12 |
| | Customer satisfaction with organizational development interventions (1 to 5 scale) | n.a. | n.a. | n.a. | 3.5 |
| Financial Goal - Increase effective and efficient utilization of resources | | | | | |
| Objectives: | Performance Measure: | | | | |
| | Cost per training hour for full classes | n.a. | \$62.34 | \$54.17 | \$49.40 |
| | Increase in Employee Center profit as a percentage of cost of goods sold | \$126,750 | \$332,000 | \$480,000 | \$550,000 |
| | Generate \$12 million in annual revenue from the sale, short-term and long-term lease of MTA real property assets and other special uses of MTA properties | \$14.4 M | \$16.9 M | \$12.5 M | \$12.0 M |

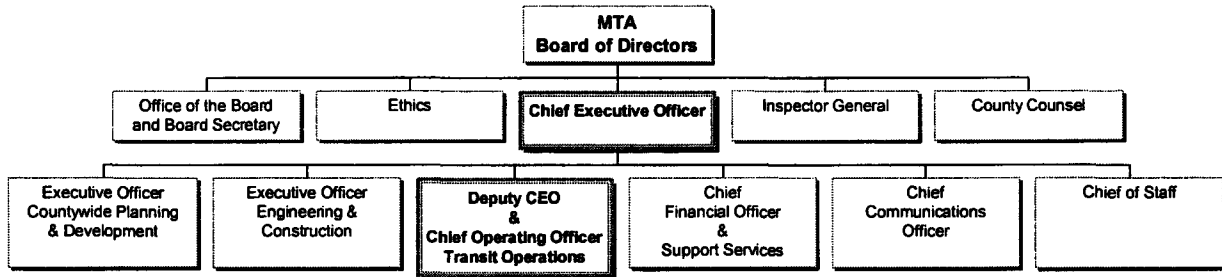
Los Angeles County Metropolitan Transportation Authority
Adopted Budget

FY03 Performance Measures, continued

| Balanced Scorecard Goals/Objectives/Performance Measure | | FY00 Actual | FY01 Actual | FY02 Estimated | FY03 Target |
|--|--|----------------|----------------|-------------------|----------------|
| Internal Processes Goal - Improve and streamline business processes | | | | | |
| Objectives: | Performance Measure: | | | | |
| | Number of days of cycle time with Span FM system to provide computerized work orders. | N/A | 15 days | 12 days | 12 days |
| | Completion of general wage increases (quarterly wage adjustment) for represented employees prior to effective date | 0 | 5 days | 5 days | 5 days |
| | Certify 85% of routine vacancies within 32 days | n.a. | 74% | 76% | 85% |
| | Cycle time to fill hard-to-fill positions to 45 days | 124 days | 81 days | 45 days | 45 days |
| | Percentage of MTA employees testing positive for prohibited drugs, alcohol | < 1% | < 1% | < 1% | < 1% |
| | Average time to process, analyze and resolve requests for reasonable accomodation of disability for employment | n.a. | n.a. | 60 days | 30 days |
| Learning/Innovation Goal - Increase innovation to improve performance | | | | | |
| Objectives: | Performance Measure: | | | | |
| | Number of employees completing formal in-house training | 1,250 | 3,850 | 4,399 | 5,500 |

BOARD OF DIRECTORS

Organization Chart



Strategic Business Unit

The Board of Directors establishes policies and authorizes appropriations of the MTA. Reporting directly to the Board of Directors is the Chief Executive Office, Board Office/Office of the Board Secretary, County Counsel, Ethics Office, and the Office of Inspector General.

Planning Executive Officer; Executive Officer Engineering and Construction; Deputy CEO/Chief Operations Officer; Chief Financial Officer, Chief of Staff; and the Chief Communications Officer. These officers' units support the enterprise-wide objectives and provide linkages to our stakeholders including our business partners, the unions, and the community.

Chief Executive Office

The Chief Executive Office manages the MTA, which is the third largest transportation agency in the United States. The Chief Executive Office directs the operations of a multi-modal transit system, construction improvements, and regional transportation planning and programming functions.

Office of the Board & Board Secretary

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

The Chief Executive Office works with staff, elected officials, and the community to bring consensus on key projects while at the same time improving the mobility and livability of Los Angeles County.

County Counsel

As general counsel to the MTA, County Counsel provides legal representation, advice, and counsel.

The Chief Executive Officer heads this department. Those reporting to the Chief Executive Officer include the

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, 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, and oversees legal services provided by outside law firms.

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 administers the MTA's Lobby Registration program, conducts ethics training, and researches state laws and regulations governing campaign contributions, fund raising activities, conflicts of interest and lobby regulations.

Office of the Inspector General

The mission of the Office of the Inspector General (OIG) is to: preserve and enhance the integrity, efficiency, effectiveness, safety, and quality of the services provided by the MTA by conducting independent investigations, audits, inspections,

and analyses. The OIG also provides law enforcement officials with information and evidence regarding possible criminal activities and assists the MTA with timely recommendations to improve operations and performance.

Significant Changes In FY03

- The Office of the Board & Board Secretary will upgrade the MTA Board Room translation equipment to allow for the simultaneous translation of meetings in three languages while providing service for the hearing impaired, and anticipated the increased responsibility of carrying out the department's mission with regards to Transit Service Area Council Meetings.
- County Counsel will increase legal services by \$11.8 million, based on project caseload for current litigation matters, new rail and bus projects, and increased activity.
- The Office of the Inspector General (OIG) will reduce staffing level by 10 FTEs from FY02 Adopted Budget (from 42 to 32 positions).

Board Of Directors Report

Board of Directors

| Department FTEs | FY01 Adopted | FY02 Adopted | FY03 Adopted |
|--|-----------------|-----------------|-----------------|
| 1 Office of Board Secretary | 9 | 9 | 9 |
| 2 Ethics Office | 6 | 6 | 6 |
| 3 County Counsel | 6 | 4 | 5 |
| 4 Inspector General | 42 | 42 | 32 |
| 5 Chief Executive Office | 1 | 1 | 1 |
| 6 Board of Directors Total FTEs | 64 | 62 | 53 |

| Expenditures (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|--|------------------|------------------|------------------|
| 7 Board Office | \$ 124 | \$ 143 | \$ 174 |
| 8 Office of Board Secretary | 583 | 594 | 608 |
| 9 Ethics Office | 521 | 531 | 565 |
| 10 County Counsel | 27,606 | 22,437 | 34,292 |
| 11 Inspector General | 3,372 | 4,280 | 3,552 |
| 12 Chief Executive Office | 371 | 270 | 432 |
| 13 Board of Directors Total | \$ 32,577 | \$ 28,255 | \$ 39,623 |

| Expenditure Types (Amounts in thousands) | FY01 Actual | FY02 Adopted | FY03 Adopted |
|---|------------------|------------------|------------------|
| 14 Non-Contract Wages | \$ 3,045 | \$ 3,408 | \$ 3,075 |
| 15 Fringe Benefits | 1,315 | 1,816 | 1,746 |
| 16 Professional & Technical Services | 467 | 624 | 608 |
| 17 Contract Services | 27,223 | 21,925 | 33,706 |
| 18 Fuels & Lubricants/Utilities | 62 | 85 | 85 |
| 19 Materials and Supplies | 21 | 80 | 72 |
| 20 Acquisitions | 94 | 49 | 72 |
| 21 Other | 350 | 268 | 259 |
| 22 Board of Directors Total | \$ 32,577 | \$ 28,255 | \$ 39,623 |

APPENDICES

METRO RAPID PROGRAM FACTS

The Metro Rapid program provides faster regional travel for bus patrons. Its key features include simple route layout, frequent service, greater distance between stops, low-floor buses to facilitate boarding and alighting, color-coded buses and stations, and traffic signal priority at intersections. Currently, there are 2 existing bus corridors, Wilshire-Western and Ventura, which total 42 miles in length. In December 2002, MTA will open the Vermont Metro Rapid and the Broadway Metro Rapid corridors, totaling 23 miles in length. Since the inception of Metro Rapid Bus, ridership has increased nearly 40%.

| | |
|--|-----|
| <i>Existing bus corridors (Wilshire-Western and Ventura)</i> | 2 |
| <i>Length of miles of existing corridors</i> | 42 |
| <i>Number of expansion corridors in development stage</i> | 23 |
| <i>Total length of miles of expansion corridors in development stage</i> | 400 |

FY2002-2003

ADOPTED BUDGET



APPENDIX 1: MTA BUDGET PROCESS

Budget Overview

The annual budget, as adopted by the Board of Directors, is the legal authority to obligate and spend funds. It includes all operating, capital and debt service requirements of the MTA for the fiscal year, July 1st to June 30th. The annual budget is comprised of operating and capital 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.
- Revenue Service Hours and miles of bus and rail service.

The operating budget includes Metro Bus and Rail operations, Freeway Service Patrol (FSP), planning activities and projects, property management activities, debt service, agency administration, and contingencies. The operating budget is comprised of the Enterprise, General, Special Revenue, Internal Service and Debt Funds.

The capital budget process has been integrated into the annual budget process. The capital budget includes all capital projects including corridor and rail construction projects and the five-year Capital Program (CP). The CP consists of all activities associated with bus acquisition, bus and rail capital improvements, facility construction and other capital

improvements such as information technology enhancements. When the Board of Directors approves a capital project, it authorizes the schedule and total expenditures over the life of the project. The annual budget authorizes the anticipated expenditures of the total project budget and the scope of work to be completed within the current fiscal year. Capital projects funding requirements extend over multiple budgetary periods. The approach to providing flexible funding over the life of the project requires the re-appropriation of unexpended carryover revenues and expenses from the prior fiscal year.

The MTA also budgets for regional programs to provide funds 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 requirements, Board of Directors policy or through a competitive awards process known as the Call for Projects (CFP). The Board of Directors approves the projects recommended for funding through the annual budget and the competitive process.

Regional Programs funded in the Special Revenue Fund include capital and operating allocations to municipal bus operators, direct disbursements to Los Angeles County municipalities for transportation programs, and services

for the disabled persons provided by Access Services, Inc (ASI).

MTA's financial records reflect only those funds that are actually received and directly disbursed by the MTA.

Budget Workflow

In accordance with the Financial Standards, the annual budget is adopted before July 1st to define the legal level of fiscal year expenditures. Budgeting for the fiscal year is divided into three phases: (1) budget formulation and preparation; (2) budget presentation and reviews; and (3) budget implementation.

Budget Formulation and Preparation

- Initial planning, development of assumptions, preparation of instructions and training materials began in January after a mid-year review of the FY02 Budget.
- FY03 Budget Kickoff meetings were held with departments the week of February 25, 2002.
- Budget system training classes were held the first two weeks of February 2002.
- Preparation of the FY03 Budget began in mid-February 2002 with departments developing expense and labor requests that were submitted to Office of Management & Budget (OMB) in mid-March.

Budget Reviews

- The five-year Capital Plan was developed concurrently with the annual operating budget. Recommendations for the update to the five-year plan were reviewed with the Capital Review

Committee in late February and early March 2002.

- Project and department level reviews of budget requests were reviewed in March 2002.

Adoption Phase

- The summary of the proposed budget was released to the Board of Directors and public on May 1, 2002.
- MTA staff briefed the Board of Directors staff on May 8, 2002.
- A workshop was held for the Board of Directors on May 13, 2002.
- The public hearing was held May 16, 2002, in conjunction with the Finance and Budget Committee meeting.
- The annual budget and the Capital Plan updates were adopted on May 23, 2002 at the regularly scheduled Board of Directors meeting.

Budget Implementation

- The FY03 Budget will be implemented on July 1, 2002.
- Periodic financial reports are prepared to enable management to monitor and control the budget.
- Quarterly financial reports are prepared by Finance and presented by the Chief Financial Officer to the Board of Directors. These reports monitor financial performance and ensure compliance with approved budget.

Budget Basis

The MTA is a single, integral entity for budgeting and accounting purposes. Annual budgets are

adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental and proprietary funds, except that depreciation and amortization are not budgeted. The Governmental Accounting Standards Board (GASB) defines a fund as a *“fiscal and accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations”*.

Funds are classified into three categories: governmental, proprietary, and fiduciary. Budgets are adopted for each fund within the groups; the proprietary category includes Enterprise and Internal Service; governmental includes General, Special Revenue, Capital Projects, and Debt Service Funds. Fiduciary funds are not included in the annual budget. That fund category includes pension and agency trust funds. All governmental funds, except the Special Revenue fund, are accounted for using the modified accrual basis of accounting, meaning that revenue is recognized when it is both measurable and available. Special Revenue fund proceeds are budgeted as the “flow of funds” basis, essentially cash basis. The proprietary funds, Enterprise and Internal Service, 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 that are restricted by purpose and use. The

Special Revenue fund reflects 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 cash-flow 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 includes pension trust funds and restricted agency funds. Benefit Assessment District (BAD) funds are an example of trustee funds that MTA collects and serves as the trustee for debt payment. The outstanding debt is an obligation of the Benefit Assessment District; MTA administers the program through the collection of taxes from property owners and payments to bondholders.

Service Authority for Freeway Emergencies (SAFE) administers the Los Angeles County Call Box program, which coordinates emergency services to motorists on freeways. SAFE is an independent financial entity component unit. SAFE funding is derived from the \$1 fee collected on vehicle registrations.

Budget Policies and Procedures

The annual budget is developed on the basis of the combination of two budget methodologies. Continuation level budgeting is used to develop the funding and resources necessary to sustain critical operating, special

programs and previously approved capital projects. The agency uses the zero-based budgeting methodology to determine resources for new programs and capital projects as well as general and administrative expenses.

The MTA's Chart of Accounts is reviewed and supplemented on an annual basis. In FY02, the Agency's comprehensive Chart of Accounts was consolidated by the Finance Department to improve congruence between budgeting, accounting and financial reporting.

In accordance with the Financial Standards, the Finance unit monitors revenues and budget expenditures throughout the fiscal year.

For all MTA accounting funds except the Enterprise Fund, budgetary oversight and control is attained through checking available funds for non-labor transactions. Available funds are identified as unspent and unencumbered. Available funds are verified for a department and project by monitoring combined budget totals for non-labor account categories or for individual acquisition-related accounts. Project expenditures in the Enterprise Fund will be controlled and monitored based on a cost-per-hour performance target within the budgetary constraints of the appropriation level approved by the Board of Directors.

Budget Amendments

Budget detail is a management plan for financial activity and is prepared at the fund, project, department and expense level. The legal level of

control is at the fund level. Total expenditures cannot exceed the final appropriation adopted by the Board. During the fiscal year, changes in law, economic conditions and emergencies can have an impact on budget authority. Spending authority may be increased or decreased throughout the fiscal year as unanticipated situations arise. Management may make revisions within operational and project budgets only when there is no net dollar impact to the total appropriations at the fund level. As such, the Chief Executive Officer can approve administrative revisions to the financial plan if changes are consistent with the appropriation by fund. MTA's source of authority to make changes is rooted in disclosure on financial policy as stated in MTA's Comprehensive Annual Financial Report (CAFR) where reference to the legal level of authority is at the fund level so that staff has the ability to make changes within that legal authority.

Capital Program Budget Process

In December 2001, MTA initiated a re-engineered Capital Program (CP). A Capital Review Committee, made up of select department representatives, developed a process to bring about a more efficient way of allocating capital dollars for projects.

Meetings were held with the MTA departments to review and discuss the guidelines of the new Capital Program.

Departments were instructed to analyze the project's scope, non-labor and labor costs, and timeframe needed

to implement the capital project. The departments then ranked the projects based on the following criteria:

- “Mission Critical” (If not done, will transportation service be affected?)
- Safety Enhancement (If not done will it cause a hazardous situation?)
- Mandated (Is the project required by law, regulation, Board mandate, or community regulation?)
- Ongoing/Project Readiness (Is the project a current construction/ acquisition project, or carryover from prior fiscal year?)

- Supports Strategic Plan (Does the project support one or more Agency objectives; provides cost savings and increased efficiency?)

The capital projects were compiled and reviewed by the Capital Review Committee. Based on this review. A five-year capital program was developed based on project rankings, project readiness, available agency resources and funding.

APPENDIX 2: FINANCIAL STANDARDS POLICY

POLICY STATEMENT

The Board shall review and approve a set of Financial Standards each year as part of the annual budget and financial planning process.

PURPOSE

The Financial Standards shall be divided into three sections:

1. General Financial Standards - The purpose of the general standards is to ensure that MTA prudently manages its financial affairs and establishes appropriate cash reserves to be able to meet its future financial commitments.
2. Debt Financial Standards - The purpose of the Debt Standards is to limit the level of debt that may be incurred and to ensure that debt assumptions used in financial planning are based on financial parameters similar to or more conservative than those that would be placed on MTA by the financial marketplace. These standards will be consistent with the Board-approved Debt Policy.
3. Business Planning Parameters - The purpose of the Business Planning Parameters is to provide management with a framework for developing the following year's budget and other MTA financial plans and establishes future business targets for management to achieve.

APPLICATION

This policy applies to all MTA financial plans.

1.0 PROCEDURES

- 1.1 The Management Team will review each of the Financial Standards areas annually.
- 1.2 The MTA's performance against the Financial Standards shall be measured and reported to the CEO throughout the year on a regular cycle.
- 1.3 At least annually, a mid-term report of the MTA's financial and programmatic performance will be presented to the Board.
- 1.4 The Financial Standards may be amended or waived by the Board on a case-by-case basis.

2.0 DEFINITION OF TERMS

- 2.1 Financial Plan – Any plan, denominated in financial terms, that represents the MTA's official intentions to external parties, including other levels of government and their agencies, stakeholders, business partners and customers of the transportation system in Los Angeles County.
- 2.2 CEO – The MTA's chief executive officer or designee.
- 2.3 Management Team – Appointed by the CEO.

- 2.4 Budget – The financial plan that summarizes the MTA’s intentions during a fiscal year.
- 2.5 Capital Program – The financial plan that details the MTA’s investment in its own assets over a five-year period. The Capital Program is updated and included in each year’s budget. The current year’s expenditures are appropriated within the budget.

3.0 RESPONSIBILITIES

- 3.1 OMB shall be responsible for conducting the periodic performance reviews required under this policy.
- 3.2 Based on inputs from all units of the MTA, OMB shall be responsible for presenting the updated financial standards to the Board for review and approval.

4.0 FLOWCHART

Not applicable.

5.0 REFERENCES

- 5.1 MTA Debt Policy
- 5.2 MTA Investment Policy

6.0 ATTACHMENTS

None.

7.0 PROCEDURE HISTORY

- 7.1 Initial Action – February 2002
- 7.2 Adoption of this policy supercedes the following previously adopted policies that are subsumed by FIN 25 or are procedural in nature and will be administered under the authority of the CEO:
 - Fin 1 Fiscal Policies (General)
 - Fin 2 Budget Preparation and Approval
 - Fin 3 Budgetary Controls
 - Fin 4 Budget Amendments and Adjustments
 - Fin 5 Fiscal Monitoring & Reporting
 - Fin 6 Funds Programmed to Other Agencies
 - Fin 7 Contingency Fund
 - Fin 8 Chart of Accounts
 - Fin 9 Revenue Policies

APPENDIX 3: MTA FY02-03 FINANCIAL STANDARDS

The Financial Standards are divided into three sections: General, Debt, and Business Planning Parameters. The purpose of the General standards is to ensure that MTA prudently manages its financial affairs and establishes appropriate cash reserves. The purpose of the Debt standards is to limit the level of debt that may be incurred and to ensure that debt assumptions are based on financial parameters similar to or more conservative than those that would be placed on MTA by the financial marketplace. Actual debt covenants may differ from these standards. In accordance with the MTA's Debt Policy, where this occurs, the actual covenants will be disclosed in the Board report supporting the debt issuance. The Business Planning Parameters provide management with a framework for developing the following year's budget and other longer range financial plans and establishing future business targets for management to achieve.

Financial Standards – General

- G1. Complete and accurate accounting records shall be maintained in accordance with Generally Accepted Accounting Principles as promulgated by the Government Accounting Standards Board. MTA's fiscal year-end for financial reporting purposes shall be June 30.
- G2. An independent accounting firm shall perform an examination of MTA's consolidated financial

statements (including Single Audit requirements) and MTA's retirement plan financial statements on an annual basis. The MTA's goal is to receive an unqualified opinion on the financial statements and an opinion that MTA is in compliance with Federal Single Audit requirements in all material respects and to receive the Government Finance Officers Association (GFOA) award for excellence in financial reporting.

- G3. Funds of the MTA shall be invested within the guidelines of the Board's approved Investment Policy and in compliance with applicable State law, California Government Code Section 53600 et seq.

In accordance with the Investment Policy, the Board shall approve the Financial Institutions Resolution that designates the MTA Officials empowered to open, close, or authorize changes to accounts and authorizes MTA Officials to designate individuals as Official Signatories for the MTA's financial accounts.

- G4. An annual actuarial analysis shall be performed on all MTA self-administered retirement plans. The MTA shall make annual contributions that, when

- combined with employee contributions, fund actuarially computed costs as they accrue.
- G5. Appropriate insurance coverage shall be maintained to mitigate the risk of material loss. For self-insured retentions, the MTA shall record the liabilities, including losses incurred but not reported, at 100% of the net present value.
- It is the MTA's goal that restricted cash balances are maintained in amounts equal to the estimated liabilities but in no event less than the next year's projected cash outflows. An actuarial review of self-insured liabilities will be made annually.
- G6. Since sales taxes are received on a monthly basis, the allocations among the various ordinance categories shall also be recorded monthly.
- Expenditures against appropriations are limited to cash actually on-hand during the fiscal year.
- G7. Sales tax collections received during a fiscal year that are in excess of the sales tax budget for that year shall be reported as unreserved, designated fund balances in the Special Revenue Fund. Excess Local Return monies are disbursed when received. Any other excess balances may only be expended pursuant to Board authorization. Such funds are generally available for appropriation in the subsequent budget cycle in accordance with their ordinance designations.
- G8. The fiscal year of MTA shall end on June 30 of each year. By January of each fiscal year, the Board should review and approve a set of Financial Standards that can be used by management as a framework for developing the following year's Budget. The Board shall approve the Budget by June 30 of each fiscal year.
- G9. The annual budget establishes the legal level of appropriation for a year. The budget shall include operating, capital, regional funding and other components necessary to implement the policy directions containing previously Board adopted longer-term plans, i.e., LRTP, SRTP. The budget shall be prepared in a fashion to clearly describe the projects and programs contained therein and to receive the GFOA award for excellence in budgetary presentation.
- G10. The MTA shall adopt a long-range (covering at least 20 years) transportation plan for Los Angeles County at least once every five years. For interim years, staff will report on changes affecting the major financial assumptions of the plan and progress toward the implementation of new projects and programs. The plan update

Federal criteria and the likelihood of obtaining approvals.

The Board shall approve all discretionary State and Federal funding requests by project or program each year.

- B9. Prop A and C administrative funds (Admin) are appropriated through the MTA's annual budget from the Special Revenue Fund to the General Fund to pay for activities not required to be accounted for in other funds. The following statements provide guidance for appropriation and use of Prop A and C administrative funds.

Appropriation

Based on past practice, up to 5% of Prop A may be appropriated for administrative purposes.

The Prop C ordinance allows up to 1.5% to be appropriated for administrative purposes.

Admin funds are transferred from the Special Revenue Fund to the General Fund as received, limited to the lesser of appropriations or actual sales taxes received.

Admin funds must be expended or encumbered within one year after the end of the year of appropriation. Lapsing is accounted for on the first-in, first-out basis. Lapsed Admin funds, if any, are returned to the Special Revenue Fund at the end of each year for re-appropriation through the next budget process.

Eligible Uses

Administrative activities include the management, including planning, of the execution, use and conduct of the projects and programs funded by Prop A and C funds.

Admin funds may not be used for operating or building the transit system.

Examples, not an all-inclusive listing, of eligible uses of administrative funds:

- Indirect costs that are not allowable under federal guidelines, OMB Circular A-87, i.e., lobbying, interest expense, bad debt expense, cost of general governance.
- Indirect costs that MTA elects not to allocate through its annual FTA approved cost allocation plan (CAP) because to do so might burden projects or programs in an inequitable manner, i.e., non-recurring costs of re-organization or service re-structuring.
- Development of planning documents required by federal and state regulations and MTA Board policy.
- Activities that benefit MTA projects and programs indirectly such as internships, career development, training programs, etc.
- Transportation planning activities including bus, rail, highway and other surface transportation modes.
- Consent Decree oversight.

The proposed expenditure programs for these activities will be shown in detail in the annual budget (Appendix 4).

Financial Standards - Debt

- D1. MTA may not enter into a debt or financing arrangement unless the transaction is in full compliance with all applicable provisions of applicable state and federal laws and the MTA's Debt Policy.
- D2. Long-term debt may be included in the budget or longer range plans; however, no such debt shall be incurred without the specific approval of the MTA Board.
- D3. The average life of debt instruments shall not exceed the average useful lives of the assets financed.
- D4. Reserve funds that may be required by the financial markets for each debt issuance shall be maintained. Cash and

securities, insurance or surety bonds may fund these reserves. For financial planning purposes, reserve requirements shall be included in the par amount of debt issued.

- D5. MTA shall maintain a legal security structure of liens, agreements, pledged revenues, and other covenants which will be sufficient to secure rating of "A" or better on sales tax backed securities and secure A1 or P1 rating on other short-term debt, and, if necessary, to secure credit enhancement from financial institution with a rating of "AA" or better.
- D6. Debt service coverage ratio minimums by sales tax ordinance categories are shown in the MTA's Debt Policy. For financial planning purposes, those ratios shall not be exceeded in the development of longer-term financial plans.

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

| APPENDIX 4: REVENUE DETAIL - FY03 BUDGET | | | |
|---|---|---|--|
| Fund Type | Revenues | Assumptions | Application/Uses |
| <i>Sales Tax Revenues</i> | | | |
| Proposition A | \$641.6 million in revenues include \$102.4 million in carryover funds and \$539.2 million in new sales tax. | Based on Management's best estimate, the FY03 sales tax forecast was calculated on the FY02 projected actual escalated by 2.0%. | All areas of budget-operations, debt service, general fund, planning projects, and subsidies. |
| Proposition C | \$908.8 million in revenues include \$369.6 million in carryover funds and \$539.2 million in new tax revenues. | Based on Management's best estimate, the FY03 sales tax forecast was calculated on the FY02 projected actual escalated by 2.0%. | All areas of budget-operations, debt service, general fund, planning projects, and subsidies. |
| Transportation Development Act (TDA) | \$433.7 million in revenues include \$159.4 million in carryover funds and \$274.3 million in new tax revenues. | Based on Management's best estimate, the FY03 sales tax forecast was calculated on the FY02 projected actual escalated by 2.0%. | MTA bus operations, local match to COP and capital projects, subsidies to municipal bus operators. |
| State Transit Assistance (STA) | \$56.3 million in revenues include \$28.1 million carryover funds and \$28.2 million in new revenues. | Projection is based on State Controller's Report of allocated funds to L.A. County. | MTA agency-wide capital and rail operations, subsidies to municipal bus operators. |
| <i>Intergovernmental Revenues</i> | | | |
| <i>Local Revenues</i> | | | |
| Access Service Inc. | \$45.8 million in new revenues. | Based on Board approved funding plan. | ADA Compliance program |
| City of Los Angeles | \$2.7 million in new revenues. | Projection based on MTA Treasury Dept. debt service schedule. | Debt related to bus leases. |
| Grand Central Square | \$424,900 in revenues. | Based on new schedule of anticipated cash flows as projected by developer. | Debt repayment for CRA Housing and Redevelopment. |
| CSDA/CTFC Sub-lease agreement | \$2.2 million in new revenues. | Consistent with MTA's FY03 Treasury Dept. Debt Plan. | Financing reimbursements for COP sub-lease debt service. |
| Local Other | \$394,846 in new revenues. This includes \$137,561 from SCAG for the Rideshare Program, \$191,754 from AQMD for Rideshare Rewards/Club Metro, and \$65,531 local match funds for Regional Grantee – FTA funds | Based on estimate by Countywide Planning staff of anticipated grant funds. | Rideshare Rewards/Club Metro program, SCAG employer rideshare program, and Regional Grantee – FTA program. |

Los Angeles County Metropolitan Transportation Authority
Adopted Budget

APPENDIX 4: REVENUE DETAIL - FY03 BUDGET

| Fund Type | Revenues | Assumptions | Application/Uses |
|--|--|---|---|
| <i>State Revenues</i> | | | |
| State Traffic Congestion Relief Program - TCRP | \$123.3 million in new revenues. | Based on major funding plan for transportation in California intended to ease traffic congestion in key regions. | Mid-City/Wilshire, San Fernando Valley East-West, Eastside LRT, Mid-Cit/Exposition Transit Corridors. |
| State Highway Account – SHA | \$312,454 in new revenues. | Based MTA's Grant Management Dept estimate of anticipated grant funds from the State. | System safety and security programs. |
| SB45 Administration | \$3.8 million in new revenues. | Estimated by Capital Planning staff, consistent with SB45 funding plan. | Administration and oversight of planning projects |
| Budget Change Proposal (BCP) | \$5.7 million in new revenues. | Based on State Highway Operations Dept. estimate of anticipated grant funds from Caltrans for Freeway Service Patrol project. | Freeway Service Patrol Program (FSP) |
| State Other | \$10.3 million in revenues includes \$4.5 million from Dept. of Public Social Services \$4.2 million from Dept. of Transportation, and \$1.6 million from Caltrans and SCAG. | Based on estimate by Countywide Planning staff of anticipated grant funds. Funds reimbursed to MTA as expenditures are incurred. | Access to Job program, SCAG Employer Rideshare Service Project, and the I-710 MIS study. |
| <i>Federal Revenues</i> | | | |
| Section 5309 [3] New Starts | \$55.1 million in available revenues. | Assumed to average \$65 million annually through FY 2013. Funds reimbursed to MTA as expenditures are incurred. | Metro Red Line Segment 3-North Hollywood project and Eastside LRT |
| Section 5309 [3] Fixed Guideways Modernization | \$35.4 million in available revenues. | Assumed guaranteed level of TEA-21 and projected added eligible miles that become seven years old during the plan period. Funds reimbursed to MTA as expenditures are incurred. | Rail asset acquisition and maintenance capital projects. |
| Section 5309 [3] Bus Facilities | \$13.7 million in available revenues. | Based on estimate by Countywide Planning staff of anticipated grant funds. Funds reimbursed to MTA as expenditures are incurred. | Bus acquisition, Union Station improvements, and FTA Grantee program. |

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

APPENDIX 4: REVENUE DETAIL - FY03 BUDGET

| Fund Type | Revenues | Assumptions | Application/Uses |
|--|--|---|--|
| Section 5307 [9] Capital | \$77.3 million in available revenues. Includes \$7.0 million from City of L.A. for North Hollywood MRL project. | Assumed at the guaranteed level of TEA-21 as determined by the federal formula and SCAG implementing formulas. Section 5307 funds reimbursed to MTA as expenditures are incurred. | Bus capital leases, bus facility improvements, bus preventive maintenance, North Hollywood MRL, and information technology improvements. |
| Congestion Mitigation and Air Quality (CMAQ) | \$59.3 million in available revenues. | Based on State Implementation Plan that has been approved pursuant to the Clean Air Act. Funds reimbursed to MTA as expenditures are incurred. | Universal fare collection system, advanced transportation management system, and alternate fuel high capacity buses. |
| Regional Surface Transportation (RSTP) | \$17.7 million in available revenues. | Based on estimate by Countywide Planning staff of anticipated grant funds. Funds reimbursed to MTA as expenditures are incurred. | FTA Grantee pass thru subsidies program, system safety and security project, and light rail vehicle enhancements project. |
| Federal Other | \$4.7 million in available revenues includes \$3.8 million from FTA job access program, \$300,000 from FHWA pass-thru Caltrans, \$175,000 RSTP-CMAQ regional, and \$340,000 MTA Sponsored CFP project. | Based on estimate by Countywide Planning staff of anticipated grant funds. Funds reimbursed to MTA as expenditures are incurred. | Job Access program, LA/Ventura advanced traveler information, MTA Sponsored CFP Project, and FEMA. |
| RSTP – SAFE | \$2.5 million in available revenues. | Based on estimate by Countywide Planning staff of anticipated grant funds. Funds reimbursed to MTA as expenditures are incurred. | Call boxes. |
| <i>Investment Income Revenues</i> | | | |
| Prop A Interest | \$20.5 million in available revenues include \$16.5 million in carryover funds and \$4.0 million in new revenues. | New revenue estimate is based on average portfolio investment amount with an annual yield rate of 1.9%. | MTA bus operations and Municipal Bus operators |
| Prop C Interest | \$52.4 million in revenues includes \$42.4 million in carryover funds and \$10 million in new revenues. | New revenue estimate is based on average portfolio investment amount with an annual yield rate of 1.9%. | MTA bus operations and Municipal Bus operators |
| TDA Interest | \$17.8 million in revenues | New revenue estimate is | MTA bus operations and |

Los Angeles County Metropolitan Transportation Authority
Adopted Budget

| APPENDIX 4: REVENUE DETAIL - FY03 BUDGET | | | |
|--|---|--|--|
| Fund Type | Revenues | Assumptions | Application/Uses |
| | includes 14.3 million in carryover funds and \$3.5 million in new revenues. | limited to portion of funds that is allocated through FAP. | Municipal Bus operators |
| STA Interest | \$2.0 million in revenues includes 1.6 million in carryover funds and \$400K in new revenues. | New revenue estimate is limited to portion of funds that is allocated through FAP. | MTA bus operations and Municipal Bus operators |
| General Fund-Interest Revenue | \$900,000 in new revenues. | New revenue estimates are based on average earning in FY01. | General administrative expenditures |
| SAFE – Interest | \$1.0 in new revenues | New revenue estimates are based on FY01 earnings. | Call boxes |
| Debt Service Fund-Interest Revenue | \$9.0 million in new revenues. | Based on the average over last three years. | Reduce principal and interest in the Debt Service Funds. |
| <i>Lease And Rental</i> | | | |
| Lease and Rental | \$66.1 million in revenues including \$55.9 million in carryover funds and \$10.2 million in new revenues. | Based on MTA's Property Management Dept. estimate and actual lease agreements. | Property management Metro Bus & Rail Operations Joint development. |
| <i>License And Fines</i> | | | |
| Service Authority for Freeway Emergencies (SAFE) | \$30.1 million in revenues including \$24.0 million in carryover balance and \$6.1 million in new revenues. | Based on number of registered vehicles in L.A. County at \$1 per car and actual FY02 revenues. | Call box program |
| HOV Lanes Fines | \$990,000 in new revenues. | Based on State Highway Operations Dept. estimate of anticipated funds. | Freeway Service Patrol program (FSP) |
| <i>General Fund Revenues</i> | | | |
| Parking Fees | \$850,000 in new revenues. | Projected revenues are based on analysis of actual monthly receipts from Catellus Corporation, and are estimated at an average of \$70,833 a month. | General administrative expenditures |
| Sales Leaseback | \$48.1 million in revenues including \$43.1 million in carryover balance and \$5.0 million in new revenues. | Based on scheduled sales leaseback transaction on first half of Siemens and P2000 Sumitomo rail cars. | Bus and rail operations and other uses to be determined. |
| SCRRA Administrative Support | \$53,000 in new revenues. | Based on current contract agreements between SCRRA and MTA's ITS Department for leasing RS/6000 server, IBM hardware maintenance support, and Oracle FIS license fees. | General administrative expenditures |

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

| APPENDIX 4: REVENUE DETAIL - FY03 BUDGET | | | |
|---|--|--|--|
| Fund Type | Revenues | Assumptions | Application/Uses |
| Employee Activities | \$1.3 million in revenues including \$486,000 in carryover balance and \$775,000 in new revenues. | Based on projected revenues by Human Resources Department including \$480,000 for Employee Center ticket, logo merchandise and See's candy sales. | Employee activities related projects |
| Miscellaneous Other | \$600,000 in new revenues. | Projection is based on analysis of miscellaneous cash receipts. | General administrative expenditures |
| PBL (Admin Costs Reimbursement) | \$100,000 in new revenues. | Based on estimate from MTA's Property Management Dept. on projected reimbursements from Pasadena Authority. | Property Management program related to Pasadena Blue Line. |
| General Fund Estimated Carryover Balance | \$29.8 million in carryover funds. | Based on analysis of accounting records. Balance includes unspent FY01 and projected FY02 budgeted expenditures. | Board Contingency Programs, Office of County Counsel, Legal Services, Countywide Planning & Development Projects, and Office of Inspector General. |
| <i>Other Revenues</i> | | | |
| Federal Aid Urban Cash (FAU Cash) | \$12.3 million in available funds including \$12.0 in carryover funds and \$300,000 in interest income funds | Carryover based on actual Accounting records. | Countywide Planning and Development projects, all eligible Prop A Local Return projects. |
| Ridesharing Funds | \$1.3 million in carryover funds | Based on actual accounting records. | SCAG employer rideshare program, all eligible Prop A Local Return projects. |
| Benefit Assessment District (BAD) | \$6.8 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 certain Metro Red Line stations. | Financing reimbursements for Benefit Assessment (BAD) debt service |
| <i>Operating Revenues</i> | | | |
| Fare Box Revenues- Passenger fares | \$252.1 million in new revenues. | Assumes increased boarding due to additional bus service, additional rail boarding due to increased Metro Green Line and | Bus and rail operations |

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

APPENDIX 4: REVENUE DETAIL - FY03 BUDGET

| Fund Type | Revenues | Assumptions | Application/Uses |
|--------------------------------------|---------------------------------|--|---------------------------------------|
| | | Metro Blue Line service. | |
| Hollywood Shuttle | \$400,000 in new revenues. | Based on prior year actual and estimated contract value between MTA and L.A. County and L.A. Philharmonic. | Bus operations |
| Metrolink Interagency Agreement | \$2.4 million in new revenues. | Revenues are based on annual estimate of 2.8 million passengers transferring from Metrolink to Metro Red Line and MTA's buses at \$.80 each. Growth rate consistent with last year's level assumption. | Bus and rail operations |
| Advertising | \$13.6 million in new revenues. | Based on number of buses running during peak hours per contract with Transportation Display Incorporated. | Bus operations |
| <i>Non-Operating Revenues</i> | | | |
| Federal Preventive Maintenance Grant | \$81.8 million in new revenues. | Assumed at the guaranteed level of TEA-21 as determined by the federal formula and SCAG implementing formulas. Section 5307 funds reimbursed to MTA as expenditures are incurred. | Bus and Rail Preventative Maintenance |
| Federal CMAQ Rapid Bus Grant | \$12.5 million in new revenues. | Based on State Implementation Plan that has been approved pursuant to the Clean Air Act. | Operations of Rapid Bus program. |
| Interest Revenues | \$7.0 million in new revenues. | Based on FY01 actual earnings. | Bus operations |
| Bus Parts/Scrap Sales | \$450,000 in new revenues. | Based on MTA's Procurement Department estimate of revenues from the sale of salvaged bus parts and non-revenue vehicles. | Bus operations |
| Filming Fees | \$350,000 in new revenues. | Based on MTA's Marketing Department projection and filming activity trends in Southern California. | Bus and rail operations |

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

| APPENDIX 4: REVENUE DETAIL - FY03 BUDGET | | | |
|---|--|--|---|
| Fund Type | Revenues | Assumptions | Application/Uses |
| County Buydown of Fare Media | \$450,000 in new revenues. | FY02 amount based on Customer Service Department revised cash flow assumption. | Bus operations |
| Fare Violations/Fines | \$400,000 in new revenues. | Revenue is based on MTA's Transit Security Department projected number of citations that will be issued in FY03. | Bus and rail operations |
| Miscellaneous | \$571,000 in new revenues. | Based on average FY01 and FY02 cash receipts. | Bus and rail operations |
| <i>Other Financing Sources</i> | | | |
| General Revenue Bonds | \$1.9 million in carryover revenue | Interest earned on unspent funds. | Gateway Headquarter Improvements |
| Capital Lease | \$9.9 million in carryover revenue | Based on FY00 proceeds from Capital Lease. | Capital Lease payments |
| Proceeds from Financing – Prop A 35% Bonds | \$21.5 million in estimated proceeds. | Based on capital expenditures requirements and MTA Treasury Department debt plan. | Rail capital asset expenditure close out. |
| Proceeds from Financing – Prop C 25% Bonds | \$33.5 million in estimated proceeds including \$87,000 in carryover funds and \$33.4 million in new proceeds. | Based on capital expenditures requirements and MTA Treasury Department debt plan. | Suspended Pasadena project outstanding claims, Pasadena Gold Line start up costs and Green Line costs |
| Proceeds from Financing – Prop C 40% Bonds | \$5.0 million in new proceeds. | Based on capital expenditures requirements and MTA Treasury Department debt plan. | Feasibility study for two new bus divisions. |
| FTA Eastside Reimbursement | \$43.6 million in carryover funds. | Based on analysis of account balances. | Light rail car enhancements, Advanced transportation management system, and Rail construction projects. |

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

APPENDIX 5: GENERAL FUND EXPENDITURES AND FUNDING

| Project | Task Name | Expenditures | Prop A Admin. | Prop C Admin. | TDA Admin | General Fund and other | Total |
|--|--------------------------------|----------------------|---------------------|---------------------|---------------------|------------------------|----------------------|
| Beginning Fund Balance | | | - | - | - | 86,291,792.00 | 86,291,792.00 |
| New Revenues/allocations | | | 14,960,350.65 | 10,687,732.57 | 6,678,133.52 | 33,132,971.00 | 65,459,187.74 |
| Available funds | | | 14,960,350.65 | 10,687,732.57 | 6,678,133.52 | 119,424,763.00 | 151,750,979.74 |
| 100002-Governmental/Oversight | | | | | | | |
| | General oversight | 29,787,156.26 | 5,309,845.00 | - | - | 24,477,311.26 | 29,787,156.26 |
| | Funds Administration | 31,724.31 | - | - | - | 31,724.31 | 31,724.31 |
| | Legal | 2,054,500.00 | - | - | - | 2,054,500.00 | 2,054,500.00 |
| | Investment/Debt Mgmt-G&A | 41,474.87 | - | - | - | 41,474.87 | 41,474.87 |
| | Investment/Cash Mgmt. | 69,925.90 | - | - | - | 69,925.90 | 69,925.90 |
| | Debt Management | 58,327.61 | - | - | - | 58,327.61 | 58,327.61 |
| | Total 100002 | 32,043,108.95 | 5,309,845.00 | - | - | 26,733,263.95 | 32,043,108.95 |
| 100011-Employee Activities | | | | | | | |
| | Employee Recreation Expense | 274,671.49 | - | - | - | 274,671.49 | 274,671.49 |
| | Employee Center Expense | 599,772.59 | - | - | - | 599,772.59 | 599,772.59 |
| | Total 100011 | 874,444.08 | - | - | - | 874,444.08 | 874,444.08 |
| 100012-Prop A & C Audit | | | | | | | |
| | Prop A Audit | 18,000.00 | 18,000.00 | - | - | - | 18,000.00 |
| | Prop C Audit | 18,000.00 | - | 18,000.00 | - | - | 18,000.00 |
| | Total 100012 | 36,000.00 | 18,000.00 | 18,000.00 | - | - | 36,000.00 |
| 330500-Industry Assistance | | | | | | | |
| | Filming Marketing-Total | 130,961.35 | - | - | - | 130,961.35 | 130,961.35 |
| 400018-Union Station Enhancements | | | | | | | |
| | CA-03-0504 MTA | 25,431.87 | - | - | - | 25,431.87 | 25,431.87 |
| | CA-03-0504 Catellus | 124,062.00 | - | - | - | 124,062.00 | 124,062.00 |
| | CA-03-0504 Interior | 258,663.00 | - | - | - | 258,663.00 | 258,663.00 |
| | CA-03-0504 Courtyard | 390,307.00 | - | - | - | 390,307.00 | 390,307.00 |
| | CA-03-0504 Pedestrian Tunnel | 799,899.00 | - | - | - | 799,899.00 | 799,899.00 |
| | CA-03-0504 ADA Rests | 264,000.00 | - | - | - | 264,000.00 | 264,000.00 |
| | Total 400018 | 1,862,362.87 | - | - | - | 1,862,362.87 | 1,862,362.87 |
| 405510-Other Planning and Programming | | | | | | | |
| | Call/MOU Tech Support | 193,265.97 | 193,265.97 | - | - | - | 193,265.97 |
| | Consolidated Audit | 402,020.94 | 402,020.94 | - | - | - | 402,020.94 |
| | Prop A/C Administration | 687,639.84 | 687,639.84 | - | - | - | 687,639.84 |
| | Grants Administration | 801,673.79 | 801,673.79 | - | - | - | 801,673.79 |
| | TDA Article 3 & 8 | 19,862.33 | 19,862.33 | - | - | - | 19,862.33 |
| | TIP Administration | 382,939.54 | 382,939.54 | - | - | - | 382,939.54 |
| | Govt. Coordination/Outreach | 745,287.63 | 745,287.63 | - | - | - | 745,287.63 |
| | Fuel Cell Buyers | 51,337.33 | 51,337.33 | - | - | - | 51,337.33 |
| | Bus System Improvements | 738,855.68 | 738,855.68 | - | - | - | 738,855.68 |
| | Station Planning/Joint Develop | 1,199,979.06 | 1,199,979.06 | - | - | - | 1,199,979.06 |
| | Regional Bike Mktg. Program | 314,410.01 | 314,410.01 | - | - | - | 314,410.01 |
| | Transit Capital/TCI | 16,995.69 | 16,995.69 | - | - | - | 16,995.69 |
| | Art Program | 181,000.00 | 181,000.00 | - | - | - | 181,000.00 |
| | General Planning | 2,187,259.59 | 374,245.19 | 1,813,014.40 | - | - | 2,187,259.59 |
| | General Commuter Program | 3,301.00 | - | 3,301.00 | - | - | 3,301.00 |
| | Regional Marketing Campaign | 3,000,000.12 | - | 817,938.60 | 2,182,061.52 | - | 3,000,000.12 |
| | Total 405510 | 10,925,828.52 | 6,109,513.00 | 2,634,254.00 | 2,182,061.52 | - | 10,925,828.52 |

**Los Angeles County Metropolitan Transportation Authority
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APPENDIX 5: GENERAL FUND EXPENDITURES AND FUNDING

| Project | Task Name | Expenditures | Prop A Admin. | Prop C Admin. | TDA Admin | General Fund and other | Total |
|--|-------------------------------|----------------------|---------------------|---------------------|---------------------|------------------------|----------------------|
| Beginning Fund Balance | | | - | - | - | 86,291,792.00 | 86,291,792.00 |
| New Revenues/allocations | | | 14,960,350.85 | 10,687,732.57 | 6,678,133.52 | 33,132,971.00 | 65,459,187.74 |
| Available funds | | | 14,960,350.85 | 10,687,732.57 | 6,678,133.52 | 119,424,763.00 | 151,750,979.74 |
| 405511-Transit Planning | | | | | | | |
| | Long Range Plan Update | 2,391,752.85 | 2,391,752.85 | - | - | - | 2,391,752.85 |
| | Municipal Funding & Coord. | 304,802.22 | 304,802.22 | - | - | - | 304,802.22 |
| | Admin. NTD Report | 230,993.24 | 230,993.24 | - | - | - | 230,993.24 |
| | Coord. Implement DPSS | 650.00 | 650.00 | - | - | - | 650.00 |
| | SRTP Service Development | 1,535,388.07 | 440,196.69 | 1,095,191.38 | - | - | 1,535,388.07 |
| | Bus/Rail Interface | 31,521.27 | - | 31,521.27 | - | - | 31,521.27 |
| | Restructuring Study | 120,650.23 | - | 120,650.23 | - | - | 120,650.23 |
| | Bus System Improvements | 5,151,402.93 | - | 4,180,440.12 | 970,962.81 | - | 5,151,402.93 |
| | Green Line Bus/Rail Interface | 31,521.27 | - | - | 31,521.27 | - | 31,521.27 |
| | Alternative Service Delivery | 94,564.05 | - | - | 94,564.05 | - | 94,564.05 |
| | BSIP Project Support/Develop. | 2,504.17 | - | - | 2,504.17 | - | 2,504.17 |
| | Metro Rapid Bus | 1,641,371.77 | - | 915,437.00 | 725,934.77 | - | 1,641,371.77 |
| | Transit Planning | 743,416.11 | - | - | 743,416.11 | - | 743,416.11 |
| | CA-37-X019 Contracts | 6,840,000.00 | - | - | - | 6,840,000.00 | 6,840,000.00 |
| | CA-37-X019 Project Admin. | 400,000.00 | - | - | - | 400,000.00 | 400,000.00 |
| | CA-37-X019 Marketing | 432,000.00 | - | - | - | 432,000.00 | 432,000.00 |
| | DPSS Labor Charges | 437,554.28 | - | - | - | 437,554.28 | 437,554.28 |
| | BRT Research | 48,112.61 | - | - | 48,112.61 | - | 48,112.61 |
| | Eastside Ext. Pedestrian Xing | 120,000.00 | - | - | 120,000.00 | - | 120,000.00 |
| | Taylor Yard Safety | 50,000.00 | - | - | 50,000.00 | - | 50,000.00 |
| | ADA Compliance | 261,337.27 | - | - | 261,337.27 | - | 261,337.27 |
| | Social Service Transit | 84,193.28 | - | - | 84,193.28 | - | 84,193.28 |
| | Transit Zone Study | 21,014.27 | - | - | 21,014.27 | - | 21,014.27 |
| | Operating Reports | 4,243.83 | - | - | 4,243.83 | - | 4,243.83 |
| | Privatized Lines | 4,243.83 | - | - | 4,243.83 | - | 4,243.83 |
| | Labor Cost Model | 8,487.66 | - | - | 8,487.66 | - | 8,487.66 |
| | Scheduling Date Archive | 4,243.83 | - | - | 4,243.83 | - | 4,243.83 |
| | Research & Development | 1,516,376.95 | - | - | 1,321,292.24 | 195,084.71 | 1,516,376.95 |
| | Total 405511 | 22,512,345.99 | 3,368,395.00 | 6,343,240.00 | 4,496,072.00 | 8,304,638.99 | 22,512,345.99 |
| 405515-REGIONAL PASS PROGRAM | | | | | | | |
| | Regional Pass Program | 2,000,000.02 | - | - | - | 2,000,000.02 | 2,000,000.02 |
| 405547-SCAG Employer Rideshare | | | | | | | |
| | Core Rideshare STIP | 669,347.35 | - | - | - | 669,347.35 | 669,347.35 |
| | Core Rideshare Services | 1,723,414.25 | - | - | - | 1,723,414.25 | 1,723,414.25 |
| | Employer Rideshare Services | 941,397.00 | - | 232,288.60 | - | 709,108.40 | 941,397.00 |
| | Expand R/S 2000 | 338,193.24 | - | 146,439.24 | - | 191,754.00 | 338,193.24 |
| | Rideshare 2K & Club | 914,348.99 | - | 914,348.99 | - | - | 914,348.99 |
| | Employer Rideshare Services | 1,485,260.74 | - | 399,161.74 | - | 1,086,099.00 | 1,485,260.74 |
| | Total 405547 | 6,071,961.57 | - | 1,692,238.57 | - | 4,379,723.00 | 6,071,961.57 |
| 500001-Figueroa Corridor/37th Improv. | | | | | | | |
| | Figueroa Corridor Construct. | 50,000.00 | - | - | - | 50,000.00 | 50,000.00 |
| 609911-Transit Academy/TOPS | | | | | | | |
| | TOP | 142,874.65 | 142,874.65 | - | - | - | 142,874.65 |
| 610041-Property Management | | | | | | | |
| | General ROW Overhead | 6,071,270.99 | - | - | - | 6,071,270.99 | 6,071,270.99 |
| | Exposition | 20,000.00 | - | - | - | 20,000.00 | 20,000.00 |
| | SANBAG | 194,163.97 | - | - | - | 194,163.97 | 194,163.97 |
| | Total 610041 | 6,285,434.96 | - | - | - | 6,285,434.96 | 6,285,434.96 |

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

APPENDIX 5: GENERAL FUND EXPENDITURES AND FUNDING

| Project | Task Name | Expenditures | Prop A Admin. | Prop C Admin. | TDA Admin | General Fund and other | Total |
|---------------------------------------|--|---------------|---------------|---------------|--------------|------------------------|----------------|
| Beginning Fund Balance | | | - | - | - | 86,291,792.00 | 86,291,792.00 |
| New Revenues/allocations | | | 14,960,350.65 | 10,687,732.57 | 6,678,133.52 | 33,132,971.00 | 65,459,187.74 |
| Available funds | | | 14,960,350.65 | 10,687,732.57 | 6,678,133.52 | 119,424,763.00 | 151,750,979.74 |
| 610051-Pasadena Property Mgmt. | | | | | | | |
| | Pasadena Blue Line | 68,228.04 | - | - | - | 68,228.04 | 68,228.04 |
| 610061-Owned Property | | | | | | | |
| | Property Acquisition | 90,000.00 | - | - | - | 90,000.00 | 90,000.00 |
| | Administration | 317,478.42 | - | - | - | 317,478.42 | 317,478.42 |
| | Total 610061 | 407,478.42 | - | - | - | 407,478.42 | 407,478.42 |
| | Total General Fund Revenue & Expenditures | 83,411,029.42 | 14,948,627.65 | 10,687,732.57 | 6,678,133.52 | 51,096,535.68 | 83,411,029.42 |
| | Allocation to ISF | | 11,723.00 | | | | 11,723.00 |
| | Remaining balances | | (0.00) | - | - | 68,328,227.32 | 68,328,227.32 |

* Footnote - General Fund includes carryover balance from prior years, consisting of Prop A, C and TDA Administration funds.
Also includes Prop C Streets and Highway funds.

**Los Angeles County Metropolitan Transportation Authority
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APPENDIX 6: SUMMARY OF REVENUES AND CARRYOVER BY SOURCE

| (Amounts in thousands) Revenue Source | Fiscal Year 2001 | | | Fiscal Year 2002 | | | Fiscal Year 2003 | | |
|--|------------------|--------------|--------------|------------------|--------------|--------------|------------------|--------------|--------------|
| | Carryover | Actual | Total | Carryover | Adopted | Total | Carryover | Adopted | Total |
| 1 Sales Tax Revenues | | | | | | | | | |
| 2 Proposition A | | | | | | | | | |
| 3 Administration | \$ - | \$ 26,424 | \$ 26,424 | - | \$ 26,422 | \$ 26,422 | \$ (40) | 26,962 | \$ 26,922 |
| 4 Local Return (25%) | 4,725 | 125,326 | 130,051 | 4,725 | 125,505 | 130,230 | 4,725 | 128,068 | 132,793 |
| 5 Rail - Set Aside (35%) | 49,836 | 175,723 | 225,558 | 49,151 | 175,707 | 224,858 | 47,361 | 179,295 | 226,657 |
| 6 Discretionary (95% of 40%) | 39,113 | 190,785 | 229,898 | 28,793 | 190,768 | 219,561 | 29,050 | 194,664 | 223,714 |
| 7 Incentive (5% of 40%) | 13,450 | 10,041 | 23,491 | 17,836 | 10,040 | 27,877 | 21,280 | 10,245 | 31,525 |
| 8 Total proposition A | 107,124 | 528,299 | 635,423 | 100,505 | 528,443 | 628,949 | 102,376 | 539,234 | 641,610 |
| 9 | | | | | | | | | |
| 10 Proposition C | | | | | | | | | |
| 11 Administration | 3,315 | 7,926 | 11,242 | 396 | 7,925 | 8,321 | (8) | 8,088 | 8,080 |
| 12 Local Return (20%) | 8,420 | 104,101 | 112,521 | 18,769 | 104,083 | 122,852 | 18,769 | 106,226 | 124,995 |
| 13 Security (5%) | 2,349 | 26,025 | 28,374 | 2,329 | 26,021 | 28,350 | 2,176 | 26,557 | 28,732 |
| 14 Commuter Rail (10%) | 53,675 | 52,051 | 105,725 | 62,789 | 52,042 | 114,831 | 58,593 | 53,113 | 111,706 |
| 15 Streets & Highways (25%) | 155,629 | 130,126 | 285,756 | 191,268 | 130,104 | 321,372 | 187,862 | 132,783 | 320,645 |
| 16 Discretionary (40%) | 57,903 | 208,202 | 266,105 | 94,945 | 208,166 | 303,111 | 102,188 | 212,453 | 314,641 |
| 17 Total proposition C | 281,292 | 528,432 | 809,723 | 370,495 | 528,340 | 898,836 | 369,580 | 539,220 | 908,800 |
| 18 | | | | | | | | | |
| 19 Transportation Development Act - TDA | | | | | | | | | |
| 20 Administration - (Fixed) | - | 6,000 | 6,000 | 678 | 6,000 | 6,678 | 678 | 6,000 | 6,678 |
| 21 Article 3 - (2%) | 9,440 | 4,817 | 14,257 | 11,631 | 5,217 | 16,848 | 14,402 | 5,365 | 19,767 |
| 22 Article 4 - (92.68%) | 122,020 | 258,172 | 380,193 | 117,563 | 241,692 | 359,255 | 136,390 | 248,726 | 385,116 |
| 23 Article 8 - (5.32%) | (159) | 14,232 | 14,072 | 943 | 13,929 | 14,872 | 7,937 | 14,164 | 22,101 |
| 24 Total TDA | 131,301 | 283,221 | 414,522 | 130,816 | 266,838 | 397,654 | 159,407 | 274,255 | 433,662 |
| 25 | | | | | | | | | |
| 26 State Transit Assistance - STA | | | | | | | | | |
| 27 Revenue Share - PUC 99314 | 12,973 | 10,431 | 23,403 | 13,613 | 32,057 | 45,669 | 25,203 | 14,233 | 39,436 |
| 28 Population Share - PUC 99313 | 6,086 | 15,266 | 21,352 | 6,043 | 27,221 | 33,264 | 2,881 | 13,956 | 16,837 |
| 29 Total STA | 19,058 | 25,697 | 44,756 | 19,656 | 59,278 | 78,934 | 28,084 | 28,189 | 56,273 |
| 30 Total Sales Tax | 538,774 | 1,365,650 | 1,904,424 | 621,472 | 1,382,900 | 2,004,372 | 659,447 | 1,380,898 | 2,040,345 |
| 31 | | | | | | | | | |
| 32 Intergovernmental | | | | | | | | | |
| 33 Local Funds | | | | | | | | | |
| 34 Access Service Inc - ASI (RSTP Federal Funds) | - | 47,216 | 47,216 | - | 44,047 | 44,047 | - | 45,809 | 45,809 |
| 35 City of L.A. | - | 5,642 | 5,642 | - | 20,171 | 20,171 | - | 2,710 | 2,710 |
| 36 SCAQMD | - | 6,013 | 6,013 | - | 2,000 | 2,000 | - | - | - |
| 37 County of L.A. | - | - | - | - | 4,499 | 4,499 | - | - | - |
| 38 Joint Development - Grand Central Market | - | 1,623 | 1,623 | - | 2,078 | 2,078 | - | 425 | 425 |
| 39 Financing Reimbursements | - | - | - | - | - | - | - | - | - |
| 40 CSDA/CTFC Sub-lease agreement | - | 1,680 | 1,680 | - | 2,338 | 2,338 | - | 2,245 | 2,245 |
| 41 Kaiser Hospital | - | - | - | - | - | - | - | - | - |
| 42 Local Other | - | 10 | 10 | - | 497 | 497 | - | 395 | 395 |
| 43 Total local funds | - | 62,185 | 62,185 | - | 75,631 | 75,631 | - | 51,584 | 51,584 |
| 44 State Funds | | | | | | | | | |
| 45 Rail Bonds - Prop 116 | - | 3,248 | 3,248 | - | - | - | - | - | - |
| 46 SCAQMD - AB2766 | - | - | - | - | - | - | - | - | - |
| 47 Regional Improvement Funds | - | 59,315 | 59,315 | - | 41,730 | 41,730 | - | - | - |
| 48 State STP/Traffic Congestion Relief Funds | - | - | - | - | 62,429 | 62,429 | - | 123,329 | 123,329 |
| 49 Regional Improvement Funds (AB 1012) | - | - | - | - | 8,000 | 8,000 | - | - | - |
| 50 State Highway Account | - | - | - | - | - | - | - | 312 | 312 |
| 51 SB45 Administration | - | 3,418 | 3,418 | - | 3,130 | 3,130 | - | 3,763 | 3,763 |
| 52 Budget Change Proposal - BCP | - | 5,847 | 5,847 | - | 5,400 | 5,400 | - | 5,655 | 5,655 |
| 53 State Other | - | 6,187 | 6,187 | - | 8,828 | 8,828 | - | 10,336 | 10,336 |
| 54 Total state funds | - | 78,015 | 78,015 | - | 129,517 | 129,517 | - | 143,396 | 143,396 |
| 55 Federal Funds | | | | | | | | | |
| 56 Federal Section 5309 [3] Capital - New Starts | - | 97,672 | 97,672 | - | 51,045 | 51,045 | - | 55,118 | 55,118 |
| 57 Federal Section 5309 [3] Fixed Guideways | - | 27,268 | 27,268 | - | 21,856 | 21,856 | - | 35,367 | 35,367 |
| 58 Federal Section 5309 [3] Bus Facilities | - | - | - | - | 7,791 | 7,791 | - | 13,704 | 13,704 |
| 59 Federal Section 5307 [9] Capital | - | 33,341 | 33,341 | - | 65,229 | 65,229 | - | 77,328 | 77,328 |
| 60 Federal Section 5313B [26] | - | - | - | - | - | - | - | - | - |
| 61 Congestion Mitigation & Air Quality - CMAQ | - | 124,121 | 124,121 | - | 175,128 | 175,128 | - | 59,348 | 59,348 |
| 62 RSTP | - | - | - | - | 2,500 | 2,500 | - | 2,500 | 2,500 |
| 63 PVEA | - | 339 | 339 | - | - | - | - | - | - |
| 64 FEMA - Earthquake | - | - | - | - | - | - | - | - | - |
| 65 FHWA | - | - | - | - | - | - | - | - | - |
| 66 Regional Surface Transp. Funds (RSTP) | - | - | - | - | 803 | 803 | - | 17,725 | 17,725 |
| 67 Federal Other | - | 560 | 560 | - | 6,589 | 6,589 | - | 4,701 | 4,701 |
| 68 Total federal funds | - | 283,302 | 283,302 | - | 330,942 | 330,942 | - | 265,792 | 265,792 |
| 69 Total Intergovernmental | - | 423,503 | 423,503 | - | 536,089 | 536,089 | - | 460,772 | 460,772 |
| 70 Balance to following page | \$ 538,774 | \$ 1,789,152 | \$ 2,327,926 | \$ 621,472 | \$ 1,918,989 | \$ 2,540,461 | \$ 659,447 | \$ 1,841,671 | \$ 2,501,117 |

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

| (Amounts in thousands) Revenue Source | Fiscal Year 2001 | | | Fiscal Year 2002 | | | Fiscal Year 2003 | | |
|--|------------------|--------------|--------------|------------------|--------------|--------------|------------------|--------------|--------------|
| | Carryover | Actual | Total | Carryover | Adopted | Total | Carryover | Adopted | Total |
| 71 Balance from previous page | \$ 538,774 | \$ 1,789,152 | \$ 2,327,926 | \$ 621,472 | \$ 1,918,989 | \$ 2,540,461 | \$ 659,447 | \$ 1,841,671 | \$ 2,501,117 |
| 72 Investment income | | | | | | | | | |
| 73 Prop A Interest | 13,777 | 11,077 | 24,853 | 20,746 | 6,000 | 26,746 | 16,535 | 4,000 | 20,535 |
| 74 Prop C Interest | 29,242 | 26,192 | 55,434 | 44,042 | 14,000 | 58,042 | 42,418 | 10,000 | 52,418 |
| 75 TDA Interest | 5,008 | 8,961 | 13,969 | 8,878 | 3,500 | 12,378 | 14,317 | 3,500 | 17,817 |
| 76 STA Interest | - | 1,961 | 1,961 | - | 400 | 400 | 1,561 | 400 | 1,961 |
| 77 General Fund - Interest Revenue | - | 5,958 | 5,958 | - | 1,000 | 1,000 | - | 900 | 900 |
| 78 SAFE - Interest Revenue | - | 1,791 | 1,791 | - | - | - | - | 1,047 | 1,047 |
| 79 Interest Earned on Debt Service Funds | - | 16,406 | 16,406 | - | 9,000 | 9,000 | - | 9,000 | 9,000 |
| 80 Interest Earned on Capital Projects Fund/ISF | - | 6,680 | 6,680 | - | - | - | - | - | - |
| 81 Total investment income | 48,027 | 79,025 | 127,052 | 73,666 | 33,900 | 107,566 | 74,831 | 28,847 | 103,678 |
| 82 Lease and Rental | 14,368 | 12,979 | 27,347 | 50,019 | 11,954 | 61,973 | 55,958 | 10,150 | 66,108 |
| 83 License and Fines | | | | | | | | | |
| 84 SAFE | 22,098 | 6,629 | 28,727 | 24,547 | 6,100 | 30,647 | 23,953 | 6,100 | 30,053 |
| 85 HOV Lanes Fines | 103 | 557 | 660 | 185 | 250 | 435 | 540 | 450 | 990 |
| 86 Total license and fines | 22,202 | 7,186 | 29,388 | 24,732 | 6,350 | 31,082 | 24,493 | 6,550 | 31,043 |
| 87 Other | | | | | | | | | |
| 88 General fund revenues | | | | | | | | | |
| 89 Parking Fees | - | 880 | 880 | - | 827 | 827 | - | 850 | 850 |
| 90 Sales Leaseback | - | 1,308 | 1,308 | - | 10,000 | 10,000 | 43,118 | 5,000 | 48,118 |
| 91 SCRRRA Administrative Support | - | - | - | - | 126 | 126 | - | 53 | 53 |
| 92 Copying Fees & Bid Document Sales | - | 13 | 13 | - | - | - | - | - | - |
| 93 Vendor Fair Fees/Misc Customer Relations Fees | - | 113 | 113 | - | - | - | - | - | - |
| 94 Employee Activities | - | 662 | 662 | - | 745 | 745 | 486 | 775 | 1,261 |
| 95 HR Development Training | - | - | - | - | 155 | 155 | - | - | - |
| 96 Miscellaneous other | - | 2,530 | 2,530 | - | 600 | 600 | - | 600 | 600 |
| 97 Pasadena B.L. (Admin costs reimbursement) | - | - | - | - | 213 | 213 | - | 100 | 100 |
| 98 General fund estimated carryover balance* | 71,729 | - | 71,729 | 43,326 | - | 43,326 | 29,848 | - | 29,848 |
| 99 Total general fund revenues | 71,729 | 5,505 | 77,234 | 43,326 | 12,666 | 55,992 | 73,452 | 7,378 | 80,830 |
| 100 FAU Cash | 11,995 | 1,130 | 13,126 | 13,126 | - | 13,126 | 12,026 | 300 | 12,326 |
| 101 Ports Hwy Improvement | - | - | - | - | - | - | - | - | - |
| 102 Ridesharing | 1,111 | 104 | 1,215 | 1,215 | - | 1,215 | 1,295 | - | 1,295 |
| 103 Sumitomo Gearbox Settlement | - | - | - | - | - | - | - | - | - |
| 104 Benefit Assessment District | - | 16,274 | 16,274 | - | 8,457 | 8,457 | - | 6,837 | 6,837 |
| 105 Miscellaneous | - | 3,175 | 3,175 | - | - | - | - | - | - |
| 106 Total other | 84,835 | 26,190 | 111,025 | 57,667 | 21,123 | 78,790 | 86,772 | 14,515 | 101,287 |
| 107 Operating revenues: | | | | | | | | | |
| 108 Fare Box Revenues - Passenger fares | - | 211,713 | 211,713 | - | 243,270 | 243,270 | - | 252,081 | 252,081 |
| 109 Route subsidies - Hollywood shuttle | - | 359 | 359 | - | 400 | 400 | - | 400 | 400 |
| 110 Metrolink Interagency Agreement | - | 2,276 | 2,276 | - | 2,300 | 2,300 | - | 2,363 | 2,363 |
| 111 Advertising | - | 12,227 | 12,227 | - | 13,925 | 13,925 | - | 13,600 | 13,600 |
| 112 Total operating revenues | - | 226,575 | 226,575 | - | 259,895 | 259,895 | - | 268,444 | 268,444 |
| 113 Non-operating revenues | | | | | | | | | |
| 114 Local operating grants | - | 621 | 621 | - | - | - | - | - | - |
| 115 FTA Grant - 5307 Preventive Maintenance | - | 41,324 | 41,324 | - | 84,871 | 84,871 | - | 81,783 | 81,783 |
| 116 FTA Grant - 5309 Fixed Guideways | - | 804 | 804 | - | 5,047 | 5,047 | - | - | - |
| 117 FTA Grant - CMAQ Rapid Bus | - | 18,000 | 18,000 | - | 22,300 | 22,300 | - | 12,500 | 12,500 |
| 118 Interest revenues (includes share of ISF interest) | - | 7,441 | 7,441 | - | 7,000 | 7,000 | - | 7,000 | 7,000 |
| 119 Net Appreciation in fair value of investments | - | 1,696 | 1,696 | - | - | - | - | - | - |
| 120 Other: | | | | | | | | | |
| 121 Bus Parts/Scrap Sales | - | - | - | - | 450 | 450 | - | 450 | 450 |
| 122 Sales/Leaseback | - | - | - | - | - | - | - | - | - |
| 123 Automated Public Toilets | - | - | - | - | 75 | 75 | - | - | - |
| 124 Filming Fees | - | 467 | 467 | - | 450 | 450 | - | 350 | 350 |
| 125 County Buy down | - | 412 | 412 | - | 450 | 450 | - | 450 | 450 |
| 126 Fare Violations/Fines | - | 927 | 927 | - | 600 | 600 | - | 400 | 400 |
| 127 Warranty Reimbursements | - | 46 | 46 | - | - | - | - | - | - |
| 128 Sales of Surplus Property | - | - | - | - | 1,000 | - | - | - | - |
| 129 Miscellaneous | - | 4,172 | 4,172 | - | 560 | 560 | - | 571 | 571 |
| 130 Total other | - | 6,025 | 6,025 | - | 3,585 | 3,585 | - | 2,221 | 2,221 |
| 131 Total non-operating revenue | - | 75,911 | 75,911 | - | 122,803 | 122,803 | - | 103,504 | 103,504 |
| 132 Total Revenues | 708,205 | 2,217,018 | 2,925,224 | 827,556 | 2,375,015 | 3,202,570 | 901,502 | 2,273,680 | 3,175,182 |
| 133 Other financing Sources | | | | | | | | | |
| 134 Proceeds from financing | | | | | | | | | |
| 135 Proposition A Rail Bonds | - | - | - | - | 50,800 | 50,800 | - | 21,482 | 21,482 |
| 136 Proposition C St & Hwys Bonds | - | 60,475 | 60,475 | 10,860 | 92,976 | 103,835 | 87 | 33,497 | 33,584 |
| 137 Proposition C Discr Bonds | - | - | - | - | 82,894 | 82,894 | - | 4,959 | 4,959 |
| 138 Refunded Eastside Bonds | - | - | - | - | - | - | 43,592 | - | 43,592 |
| 139 General revenue bonds | 4,588 | - | 4,588 | 2,607 | - | 2,607 | 1,904 | - | 1,904 |
| 140 Capital Lease | - | - | - | - | - | - | 9,932 | - | 9,932 |
| 141 Total proceeds from financing | 4,588 | 60,475 | 65,063 | 13,466 | 226,670 | 240,136 | 55,515 | 59,937 | 115,452 |
| 142 Proceeds from refunding bonds | - | 431,874 | 431,874 | - | 290,890 | 290,890 | - | - | - |
| 143 Total other financing sources | 4,588 | 492,350 | 496,938 | 13,466 | 517,560 | 531,026 | 55,515 | 59,937 | 115,452 |
| 144 Total revenues and carryovers | \$ 712,793 | \$ 2,709,368 | \$ 3,422,162 | \$ 841,022 | \$ 2,892,575 | \$ 3,733,598 | \$ 957,017 | \$ 2,333,618 | \$ 3,290,635 |

NOTES: Intergovernmental funds are on reimbursement basis therefore, no carryover balances are assumed.

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

APPENDIX 7: ACTIVITY BASED BUS COST MODEL

| ACTIVITY | FY02 ADOPTED | | FY03 ADOPTED | | FY02 TO FY03 | |
|---------------------------------|--------------|----------|--------------|----------|-------------------|------------------|
| | Dollars | \$/RSH | Dollars | \$/RSH | \$ Inc. \$/RSH | % Inc. \$/RSH |
| 1 TRANSPORTATION | | | | | | |
| 2 UTU WAGES & BENEFITS | 235,786,095 | \$ 34.52 | 250,664,140 | \$ 36.39 | 14,878,045 | \$ 1.88 |
| 3 SERVICES | 11,000 | \$ 0.00 | 2,750 | \$ 0.00 | (8,250) | \$ (0.00) |
| 4 DIVISION MGT & ADMIN | 12,922,898 | \$ 1.89 | 16,385,518 | \$ 2.38 | 3,462,620 | \$ 0.49 |
| 5 TRAINING | 3,888,520 | \$ 0.57 | 5,180,098 | \$ 0.75 | 1,291,578 | \$ 0.18 |
| 6 CONTROL CENTER | 8,469,896 | \$ 1.24 | 7,346,892 | \$ 1.07 | (1,123,004) | \$ (0.17) |
| 7 SCHEDULING AND PLANNING | 3,166,731 | \$ 0.46 | 4,165,463 | \$ 0.60 | 998,732 | \$ 0.14 |
| 8 UNIFORMS | 1,174,783 | \$ 0.17 | 1,207,793 | \$ 0.18 | 33,010 | \$ 0.00 |
| 9 SUB-TOTAL | 265,419,923 | \$ 38.85 | 284,952,654 | \$ 41.37 | 19,532,731 | \$ 2.52 |
| 10 | | | | | | |
| 11 DIVISION MAINTENANCE | | | | | | |
| 12 SERVICE ATTENDANT | 20,725,954 | \$ 3.03 | 22,850,396 | \$ 3.32 | 2,124,442 | \$ 0.28 |
| 13 MECHANIC | 53,093,397 | \$ 7.77 | 58,703,153 | \$ 8.52 | 5,609,756 | \$ 0.75 |
| 14 FUEL | 37,916,317 | \$ 5.55 | 19,916,834 | \$ 2.89 | (17,999,483) | \$ (2.66) |
| 15 TIRES | 4,303,242 | \$ 0.63 | 4,256,688 | \$ 0.62 | (46,554) | \$ (0.01) |
| 16 MATERIALS & SUPPLIES | 25,829,084 | \$ 3.78 | 27,467,945 | \$ 3.99 | 1,638,861 | \$ 0.21 |
| 17 SERVICES | 103,000 | \$ 0.02 | 93,000 | \$ 0.01 | (10,000) | \$ (0.00) |
| 18 DIVISION MGT & ADMIN | 13,040,456 | \$ 1.91 | 14,653,373 | \$ 2.13 | 1,612,917 | \$ 0.22 |
| 19 UNIFORMS | 1,227,020 | \$ 0.18 | 1,320,151 | \$ 0.19 | 93,131 | \$ 0.01 |
| 20 PREVENTIVE MAINTENANCE | 4,243,550 | \$ 0.62 | 4,673,707 | \$ 0.68 | 430,157 | \$ 0.06 |
| 21 SUB-TOTAL | 160,482,022 | \$ 23.49 | 153,935,246 | \$ 22.35 | (6,546,775) | \$ (1.14) |
| 22 | | | | | | |
| 23 OTHER MAINTENANCE | | | | | | |
| 24 INVENTORY MANAGEMENT | 5,576,542 | \$ 0.82 | 2,111,859 | \$ 0.31 | (3,464,683) | \$ (0.51) |
| 25 LOGISTICS | 4,436,497 | \$ 0.65 | 5,031,040 | \$ 0.73 | 594,543 | \$ 0.08 |
| 26 REVENUE ADMINISTRATION | 14,152,369 | \$ 2.07 | 14,091,481 | \$ 2.05 | (60,888) | \$ (0.03) |
| 27 SUB-TOTAL | 24,165,408 | \$ 3.54 | 21,234,380 | \$ 3.08 | (2,931,028) | \$ (0.45) |
| 28 | | | | | | |
| 29 RRC REGULAR MAINTENANCE | | | | | | |
| 30 ATU | 5,251,200 | \$ 0.77 | 6,264,886 | \$ 0.91 | 1,013,686 | \$ 0.14 |
| 31 MATERIALS & SUPPLIES | 3,492,272 | \$ 0.51 | 3,539,698 | \$ 0.51 | 47,427 | \$ 0.00 |
| 32 SERVICES | 389,148 | \$ 0.06 | - | \$ - | (389,148) | \$ (0.06) |
| 33 RRC MGT & ADMIN | 2,312,211 | \$ 0.34 | 1,953,211 | \$ 0.28 | (359,000) | \$ (0.05) |
| 34 SUB-TOTAL | 11,444,831 | \$ 1.68 | 11,757,795 | \$ 1.71 | 312,965 | \$ 0.03 |
| 35 | | | | | | |
| 36 RRC PREVENTATIVE MAINTENANCE | | | | | | |
| 37 POWER PLANT ASSEMBLY | 14,761,254 | \$ 2.16 | 13,334,409 | \$ 1.94 | (1,426,845) | \$ (0.22) |
| 38 ACCIDENT REPAIR | 747,940 | \$ 0.11 | 843,915 | \$ 0.12 | 95,975 | \$ 0.01 |
| 39 ETHANOL CONVERSION | - | \$ - | - | \$ - | - | \$ - |
| 40 WHEELCHAIR LIFTS | 577,303 | \$ 0.08 | 50,069 | \$ 0.01 | (527,234) | \$ (0.08) |
| 41 PAINTING | 3,061,591 | \$ 0.45 | 2,690,328 | \$ 0.39 | (371,263) | \$ (0.06) |
| 42 WINDOWS | 185,803 | \$ 0.03 | 375,653 | \$ 0.05 | 189,851 | \$ 0.03 |
| 43 RRC MGT & ADMIN | 412,611 | \$ 0.06 | 785,801 | \$ 0.11 | 373,190 | \$ 0.05 |
| 44 SUB-TOTAL | 19,746,502 | \$ 2.89 | 18,080,176 | \$ 2.63 | (1,666,326) | \$ (0.27) |
| 45 | | | | | | |

Los Angeles County Metropolitan Transportation Authority
Adopted Budget

APPENDIX 7: ACTIVITY BASED BUS COST MODEL

| ACTIVITY | FY02 ADOPTED | | FY03 ADOPTED | | FY02 TO FY03 | |
|---|----------------|-----------|--------------|-----------|-------------------|------------------|
| | Dollars | \$/RSH | Dollars | \$/RSH | \$ Inc. \$/RSH | % Inc. \$/RSH |
| 46 MAINTENANCE SUPPORT | 8,707,544 | \$ 1.27 | 9,167,033 | \$ 1.33 | 459,489 | \$ 0.06 |
| 47 NON-REVENUE VEHICLES | 3,474,149 | \$ 0.51 | 3,660,368 | \$ 0.53 | 186,219 | \$ 0.02 |
| 48 FACILITIES MAINTENANCE | 18,516,027 | \$ 2.71 | 20,664,084 | \$ 3.00 | 2,148,058 | \$ 0.29 |
| 49 TRAINING | 457,748 | \$ 0.07 | 474,158 | \$ 0.07 | 16,410 | \$ 0.00 |
| 50 OTHER | - | \$ - | - | \$ - | - | \$ - |
| 51 SUB-TOTAL | 31,155,468 | \$ 4.56 | 33,965,643 | \$ 4.93 | 2,810,176 | \$ 0.37 |
| 52 | | | | | | |
| 53 SUB-TOTAL MAINTENANCE | 246,994,230 | \$ 36.16 | 238,973,241 | \$ 34.70 | (8,020,989) | \$ (1.46) |
| 54 | | | | | | |
| 55 TRANSIT SECURITY | 26,127,948 | \$ 3.82 | 23,882,488 | \$ 3.47 | (2,245,460) | \$ (0.36) |
| 56 SAFETY | 3,278,505 | \$ 0.48 | 1,589,946 | \$ 0.23 | (1,688,559) | \$ (0.25) |
| 57 CASUALTY & LIABILITY | 31,179,462 | \$ 4.56 | 32,136,579 | \$ 4.67 | 957,117 | \$ 0.10 |
| 58 WORKERS' COMP | 53,225,165 | \$ 7.79 | 42,661,988 | \$ 6.19 | (10,563,177) | \$ (1.60) |
| 59 TRANSITIONAL DUTY PROGRAM | 2,979,017 | \$ 0.44 | 3,093,387 | \$ 0.45 | 114,370 | \$ 0.01 |
| 60 SUB-TOTAL | 116,790,097 | \$ 17.10 | 103,364,387 | \$ 15.01 | (13,425,710) | \$ (2.09) |
| 61 | | | | | | |
| 62 TRANSIT OPERATIONS SUPPORT DEPARTMENTS | | | | | | |
| 63 EO/DEO/GM | 4,218,249 | \$ 0.62 | 6,447,573 | \$ 0.94 | 2,229,324 | \$ 0.32 |
| 64 SUPPORT SERVICES | 1,531,402 | \$ 0.22 | 3,323,581 | \$ 0.48 | 1,792,179 | \$ 0.26 |
| 65 OPERATIONS ISF CHARGES | 11,299,914 | \$ 1.65 | 15,181,703 | \$ 2.20 | 3,881,789 | \$ 0.55 |
| 66 OTHER (RAIL) | - | \$ - | - | \$ - | - | \$ - |
| 67 SUB-TOTAL | 17,049,565 | \$ 2.50 | 24,952,857 | \$ 3.62 | 7,903,292 | \$ 1.13 |
| 68 | | | | | | |
| 69 OTHER UNITS CHARGING | | | | | | |
| 70 BOARD OVERSIGHT | 9,588 | \$ 0.00 | 603,014 | \$ 0.09 | 593,426 | \$ 0.09 |
| 71 CEO/COS | 2,254,555 | \$ 0.33 | 5,419,772 | \$ 0.79 | 3,165,217 | \$ 0.46 |
| 72 MASD | 851,603 | \$ 0.12 | 534,843 | \$ 0.08 | (316,760) | \$ (0.05) |
| 73 OTHER PROCUREMENT | 4,016,907 | \$ 0.59 | 3,576,482 | \$ 0.52 | (440,425) | \$ (0.07) |
| 74 COMMUNICATIONS | 6,200,276 | \$ 0.91 | 8,930,530 | \$ 1.30 | 2,730,254 | \$ 0.39 |
| 75 OTHER FINANCE | 13,614,031 | \$ 1.99 | 11,578,641 | \$ 1.68 | (2,035,390) | \$ (0.31) |
| 76 HUMAN RESOURCES | 6,606,063 | \$ 0.97 | 3,007,264 | \$ 0.44 | (3,598,799) | \$ (0.53) |
| 77 ADMINISTRATION | 20,099,181 | \$ 2.94 | 20,635,271 | \$ 3.00 | 536,091 | \$ 0.05 |
| 78 ENGINEERING & CONSTRUCTION | 188,486 | \$ 0.03 | 35,038 | \$ 0.01 | (153,448) | \$ (0.02) |
| 79 SUB-TOTAL | 53,840,689 | \$ 7.88 | 54,320,855 | \$ 7.89 | 480,165 | \$ 0.01 |
| 80 | | | | | | |
| 81 TOTAL MTA OPERATED | 700,094,505 | \$ 102.48 | 706,563,994 | \$ 102.58 | 6,469,489 | \$ 0.10 |
| 82 REVENUE SERVICE HOURS | 6,831,265 | | 6,887,676 | | 56,411 | |
| 83 | | | | | | |
| 84 PURCHASED TRANSPORTATION | | | | | | |
| 85 CONTRACTED SERVICE | 30,281,036 | \$ 46.30 | 30,098,714 | \$ 46.02 | (182,322) | \$ (0.28) |
| 86 SECURITY | 2,382,261 | \$ 3.64 | 2,269,522 | \$ 3.47 | (112,739) | \$ (0.17) |
| 87 ADMINISTRATION | 313,928 | \$ 0.48 | 987,854 | \$ 1.51 | 673,926 | \$ 1.03 |
| 88 SUB-TOTAL | 32,977,225 | \$ 50.42 | 33,356,091 | \$ 51.00 | 378,866 | \$ 0.58 |
| 89 REVENUE SERVICE HOURS | 654,041 | | 654,041 | | - | |
| 90 | | | | | | |
| 91 ENTERPRISE FUND DEBT | | | | | | |
| 92 INTEREST (610309) | 8,819,745 | \$ 1.18 | 7,033,050 | \$ 0.93 | (1,786,695) | \$ (0.25) |
| 93 ADMINISTRATION (300076) | 735,605 | \$ 0.10 | 730,293 | \$ 0.10 | (5,312) | \$ (0.00) |
| 94 SUB-TOTAL | 9,555,350 | \$ 1.28 | 7,763,344 | \$ 1.03 | (1,792,006) | \$ (0.25) |
| 95 | | | | | | |
| 96 TOTAL BUS PROJECT | \$ 742,627,080 | \$ 99.21 | 747,683,428 | \$ 99.14 | 5,056,348 | \$ (0.07) |
| 97 TOTAL REVENUE SERVICE HOURS | 7,485,306 | | 7,541,717 | | 56,411 | |
| 98 | | | | | | |

99 Note: Reclassified to reflect the board adopted change to Prop A & C.

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

APPENDIX 8: ACTIVITY BASED LIGHT RAIL COST MODEL

| ACTIVITY | FY02 ADOPTED | | FY03 ADOPTED | | FY02 TO FY03 | |
|--------------------------------|--------------|----------|--------------|----------|-------------------|------------------|
| | Dollars | Per RSH | Dollars | Per RSH | \$ Inc. \$/RSH | % Inc. \$/RSH |
| 1 TRANSPORTATION | | | | | | |
| 2 OPERATOR WAGES & BENEFITS | 6,855,011 | \$ 24.07 | 7,072,725 | \$ 23.35 | 217,714 | \$ (0.72) |
| 3 SERVICES | - | \$ - | - | \$ - | - | \$ - |
| 4 MATERIALS & SUPPLIES | 112,400 | \$ 0.39 | 115,240 | \$ 0.38 | 2,840 | \$ (0.01) |
| 5 MGT & ADMIN | 1,761,327 | \$ 6.18 | 2,096,742 | \$ 6.92 | 335,415 | \$ 0.74 |
| 6 CENTROL CONTROL | 4,571,399 | \$ 16.05 | 4,866,367 | \$ 16.06 | 294,968 | \$ 0.01 |
| 7 SCHEDULING AND PLANNING | - | \$ - | - | \$ - | - | \$ - |
| 8 UNIFORMS | 40,325 | \$ 0.14 | 48,000 | \$ 0.16 | 7,675 | \$ 0.02 |
| 9 SUB-TOTAL | 13,340,462 | \$ 46.84 | 14,199,074 | \$ 46.87 | 858,612 | \$ 0.03 |
| 10 | | | | | | |
| 11 DIVISION MAINTENANCE | | | | | | |
| 12 SERV ATTEN WAGES & BENEFITS | 1,898,236 | \$ 6.67 | 1,985,462 | \$ 6.55 | 87,226 | \$ (0.11) |
| 13 MECHANIC WAGES & BENEFITS | 6,550,705 | \$ 23.00 | 6,243,774 | \$ 20.61 | (306,931) | \$ (2.39) |
| 14 MATERIALS & SUPPLIES | 2,122,000 | \$ 7.45 | 2,265,884 | \$ 7.48 | 143,884 | \$ 0.03 |
| 15 SERVICES | 378,500 | \$ 1.33 | 303,992 | \$ 1.00 | (74,508) | \$ (0.33) |
| 16 MGT & ADMIN | 1,891,702 | \$ 6.64 | 2,143,214 | \$ 7.07 | 251,512 | \$ 0.43 |
| 17 UNIFORMS | 105,000 | \$ 0.37 | 121,950 | \$ 0.40 | 16,949 | \$ 0.03 |
| 18 PREVENTIVE MAINTENANCE | 3,754,299 | \$ 13.18 | 5,357,742 | \$ 17.69 | 1,603,443 | \$ 4.50 |
| 19 SUB-TOTAL | 16,700,442 | \$ 58.64 | 18,422,019 | \$ 60.81 | 1,721,576 | \$ 2.17 |
| 20 | | | | | | |
| 21 OTHER MAINTENANCE | | | | | | |
| 22 INVENTORY MANAGEMENT | 189,960 | \$ 0.67 | 173,498 | \$ 0.57 | (16,462) | \$ (0.09) |
| 23 LOGISTICS | 921,586 | \$ 3.24 | 990,316 | \$ 3.27 | 68,730 | \$ 0.03 |
| 24 REVENUE ADMINISTRATION | 1,846,443 | \$ 6.48 | 1,868,732 | \$ 6.17 | 22,289 | \$ (0.31) |
| 25 SUB-TOTAL | 2,957,989 | \$ 10.39 | 3,032,546 | \$ 10.01 | 74,557 | \$ (0.38) |
| 26 | | | | | | |
| 27 MAINTENANCE OF WAY | | | | | | |
| 28 ATU WAGES & BENEFITS | 3,370,687 | \$ 11.84 | 3,888,654 | \$ 12.84 | 517,967 | \$ 1.00 |
| 29 MATERIALS & SUPPLIES | 433,170 | \$ 1.52 | 403,170 | \$ 1.33 | (30,000) | \$ (0.19) |
| 30 SERVICES | 313,750 | \$ 1.10 | 276,000 | \$ 0.91 | (37,750) | \$ (0.19) |
| 31 UNIFORMS | 53,010 | \$ 0.19 | 53,000 | \$ 0.17 | (10) | \$ (0.01) |
| 32 PROPULSION POWER | 10,197,000 | \$ 35.80 | 10,300,000 | \$ 34.00 | 103,000 | \$ (1.80) |
| 33 MGT & ADMIN | 1,178,084 | \$ 4.14 | 1,075,498 | \$ 3.55 | (102,586) | \$ (0.59) |
| 34 SUB-TOTAL | 15,545,701 | \$ 54.58 | 15,996,322 | \$ 52.81 | 450,621 | \$ (1.78) |
| 35 | | | | | | |
| 36 MAINTENANCE SUPPORT | - | \$ - | - | \$ - | | |
| 37 NON-REVENUE VEHICLES | 0 | \$ 0.00 | 0 | \$ 0.00 | (0) | \$ (0.00) |
| 38 FACILITIES MAINTENANCE | 6,060,170 | \$ 21.28 | 7,537,399 | \$ 24.88 | 1,477,229 | \$ 3.60 |
| 39 OTHER | - | \$ - | - | \$ - | - | \$ - |
| 40 SUB-TOTAL | 6,060,170 | \$ 21.28 | 7,537,399 | \$ 24.88 | 1,477,229 | \$ 3.60 |

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

APPENDIX 8: ACTIVITY BASED LIGHT RAIL COST MODEL

| ACTIVITY | FY02 ADOPTED | | FY03 ADOPTED | | FY02 TO FY03 | |
|---|--------------|-----------|--------------|-----------|-------------------|------------------|
| | Dollars | Per RSH | Dollars | Per RSH | \$ Inc. \$/RSH | % Inc. \$/RSH |
| 41 | | | | | | |
| 42 TRANSIT SECURITY | 14,297,231 | \$ 50.20 | 15,406,731 | \$ 50.86 | 1,109,500 | \$ 0.66 |
| 43 SAFETY | 1,309,735 | \$ 4.60 | 887,315 | \$ 2.93 | (422,420) | \$ (1.67) |
| 44 CASUALTY & LIABILITY | 1,937,064 | \$ 6.80 | 1,132,035 | \$ 3.74 | (805,029) | \$ (3.06) |
| 45 WORKERS' COMP | 2,252,877 | \$ 7.91 | 2,427,875 | \$ 8.01 | 174,998 | \$ 0.10 |
| 46 TRANSITIONAL DUTY PROGRAM | 51,362 | \$ 0.18 | 53,737 | \$ 0.18 | 2,375 | \$ (0.00) |
| 47 SUB-TOTAL | 19,848,269 | \$ 69.69 | 19,907,693 | \$ 65.72 | 59,423 | \$ (3.97) |
| 48 | | | | | | |
| 49 TRANSIT OPERATIONS SUPPORT DEPARTMENTS | | | | | | |
| 50 DEO/GM | 1,466,233 | \$ 5.15 | 1,067,305 | \$ 3.52 | (398,928) | \$ (1.62) |
| 51 EO | 1,920 | \$ 0.01 | - | \$ - | (1,920) | \$ (0.01) |
| 52 SUPPORT SERVICES | 233,977 | \$ 0.82 | 149,807 | \$ 0.49 | (84,170) | \$ (0.33) |
| 53 OPERATIONS ISF CHARGES | 977,032 | \$ 3.43 | 1,275,786 | \$ 4.21 | 298,754 | \$ 0.78 |
| 54 OTHER (BUS, RRC) | (0) | \$ (0.00) | - | \$ - | 0 | \$ 0.00 |
| 55 SUB-TOTAL | 2,679,162 | \$ 9.41 | 2,492,898 | \$ 8.23 | (186,264) | \$ (1.18) |
| 56 | | | | | | |
| 57 OTHER UNITS CHARGING (300022, 300033 & 300009, 100001, 100003, 100004, 100033) | | | | | | |
| 58 BOARD | 70,968 | \$ 0.25 | 47,332 | \$ 0.16 | (23,636) | \$ (0.09) |
| 59 CEO/COS | 236,747 | \$ 0.83 | 1,273,587 | \$ 4.20 | 1,036,839 | \$ 3.37 |
| 60 MASD | 175,303 | \$ 0.62 | 123,304 | \$ 0.41 | (51,999) | \$ (0.21) |
| 61 OTHER PROCUREMENT | 885,413 | \$ 3.11 | 603,771 | \$ 1.99 | (281,642) | \$ (1.12) |
| 62 COMMUNICATIONS | 878,891 | \$ 3.09 | 1,898,125 | \$ 6.27 | 1,019,234 | \$ 3.18 |
| 63 OTHER FINANCE | 1,567,786 | \$ 5.50 | 1,067,299 | \$ 3.52 | (500,487) | \$ (1.98) |
| 64 HUMAN RESOURCES | 714,413 | \$ 2.51 | 272,773 | \$ 0.90 | (441,640) | \$ (1.61) |
| 65 ADMINISTRATION | 2,051,783 | \$ 7.20 | 1,828,838 | \$ 6.04 | (222,945) | \$ (1.17) |
| 66 ENGINEERING & CONSTRUCTION | 700,691 | \$ 2.46 | 128,346 | \$ 0.42 | (572,345) | \$ (2.04) |
| 67 SUB-TOTAL | 7,281,995 | \$ 25.57 | 7,243,374 | \$ 23.91 | (38,621) | \$ (1.66) |
| 68 | | | | | | |
| 69 TOTAL MTA OPERATED | 84,414,191 | \$ 296.40 | 88,831,324 | \$ 293.24 | 4,417,133 | \$ (3.16) |
| 70 REVENUE SERVICE HOURS | 284,801 | | 302,930 | | 18,129 | |
| 71 | | | | | | |

72 Note: Reclassified to reflect the board adopted change to Prop A & C.

APPENDIX 9: ACTIVITY BASED HEAVY RAIL COST MODEL

| ACTIVITY | FY02 ADOPTED | | FY03 ADOPTED | | FY02 TO FY03 | |
|--|--------------|-----------|--------------|-----------|-------------------|------------------|
| | Dollars | PER RSH | Dollars | Per RSH | \$ Inc. \$/RSH | % Inc. \$/RSH |
| 1 TRANSPORTATION | | | | | | |
| 2 OPERATOR WAGES & BENEFITS | 3,841,923 | \$ 14.84 | 3,925,950 | \$ 14.56 | 84,028 | \$ (0.28) |
| 3 SERVICES | - | \$ - | - | \$ - | - | \$ - |
| 4 MATERIALS & SUPPLIES | 40,000 | \$ 0.15 | 51,380 | \$ 0.19 | 11,380 | \$ 0.04 |
| 5 MGT & ADMIN | 994,530 | \$ 3.84 | 1,122,770 | \$ 4.16 | 128,240 | \$ 0.32 |
| 6 CENTROL CONTROL | 2,115,663 | \$ 8.17 | 2,259,640 | \$ 8.38 | 143,977 | \$ 0.21 |
| 7 SCHEDULING AND PLANNING | - | \$ - | - | \$ - | - | \$ - |
| 8 UNIFORMS | 25,875 | \$ 0.10 | 24,000 | \$ 0.09 | (1,875) | \$ (0.01) |
| 9 SUB-TOTAL | 7,017,991 | \$ 27.11 | 7,383,740 | \$ 27.38 | 365,750 | \$ 0.28 |
| 10 DIVISION MAINTENANCE | | | | | | |
| 12 SERV ATTEN WAGES & BENEFITS | 1,512,626 | \$ 5.84 | 1,673,420 | \$ 6.21 | 160,794 | \$ 0.36 |
| 13 MECHANIC WAGES & BENEFITS | 4,476,183 | \$ 17.29 | 4,256,140 | \$ 15.78 | (220,043) | \$ (1.51) |
| 14 MATERIALS & SUPPLIES | 1,199,000 | \$ 4.63 | 1,796,150 | \$ 6.66 | 597,150 | \$ 2.03 |
| 15 SERVICES | 164,000 | \$ 0.63 | 101,442 | \$ 0.38 | (62,559) | \$ (0.26) |
| 16 MGT & ADMIN | 1,024,343 | \$ 3.96 | 1,425,350 | \$ 5.29 | 401,007 | \$ 1.33 |
| 17 UNIFORMS | 74,000 | \$ 0.29 | 76,942 | \$ 0.29 | 2,942 | \$ (0.00) |
| 18 PREVENTIVE MAINTENANCE | 1,800,015 | \$ 6.95 | 3,468,730 | \$ 12.86 | 1,668,715 | \$ 5.91 |
| 19 SUB-TOTAL | 10,250,167 | \$ 39.59 | 12,798,174 | \$ 47.46 | 2,548,007 | \$ 7.87 |
| 21 OTHER MAINTENANCE | | | | | | |
| 22 INVENTORY MANAGEMENT | 129,579 | \$ 0.50 | 122,199 | \$ 0.45 | (7,380) | \$ (0.05) |
| 23 LOGISTICS | 536,863 | \$ 2.07 | 599,511 | \$ 2.22 | 62,648 | \$ 0.15 |
| 24 REVENUE ADMINISTRATION | 1,227,571 | \$ 4.74 | 1,237,399 | \$ 4.59 | 9,828 | \$ (0.15) |
| 25 SUB-TOTAL | 1,894,013 | \$ 7.32 | 1,959,109 | \$ 7.27 | 65,096 | \$ (0.05) |
| 27 MAINTENANCE OF WAY | | | | | | |
| 28 ATU WAGES & BENEFITS | 3,503,188 | \$ 13.53 | 3,774,469 | \$ 14.00 | 271,281 | \$ 0.47 |
| 29 MATERIALS & SUPPLIES | 291,850 | \$ 1.13 | 294,850 | \$ 1.09 | 3,000 | \$ (0.03) |
| 30 SERVICES | 16,000 | \$ 0.06 | 19,750 | \$ 0.07 | 3,750 | \$ 0.01 |
| 31 UNIFORMS | 49,290 | \$ 0.19 | 49,290 | \$ 0.18 | (0) | \$ (0.01) |
| 32 PROPULSION POWER | 6,350,000 | \$ 24.53 | 6,670,000 | \$ 24.74 | 320,000 | \$ 0.21 |
| 33 MGT & ADMIN | 918,499 | \$ 3.55 | 805,551 | \$ 2.99 | (112,948) | \$ (0.56) |
| 34 SUB-TOTAL | 11,128,827 | \$ 42.99 | 11,613,910 | \$ 43.07 | 485,083 | \$ 0.09 |
| 36 MAINTENANCE SUPPORT | | | | | | |
| 37 NON-REVENUE VEHICLES | - | \$ - | - | \$ - | - | \$ - |
| 38 FACILITIES MAINTENANCE | 8,531,159 | \$ 32.95 | 9,668,334 | \$ 35.86 | 1,137,175 | \$ 2.90 |
| 39 OTHER | - | \$ - | - | \$ - | - | \$ - |
| 40 SUB-TOTAL | 8,531,159 | \$ 32.95 | 9,668,334 | \$ 35.86 | 1,137,175 | \$ 2.90 |
| 42 TRANSIT SECURITY | | | | | | |
| 43 SAFETY | 12,843,543 | \$ 49.61 | 11,789,209 | \$ 43.72 | (1,054,334) | \$ (5.89) |
| 44 CASUALTY & LIABILITY | 416,822 | \$ 1.61 | 174,771 | \$ 0.65 | (242,051) | \$ (0.96) |
| 45 WORKERS' COMP | 2,799,507 | \$ 10.81 | 2,732,891 | \$ 10.14 | (66,616) | \$ (0.68) |
| 46 TRANSITIONAL DUTY PROGRAM | 1,654,440 | \$ 6.39 | 1,765,376 | \$ 6.55 | 110,936 | \$ 0.16 |
| 47 SUB-TOTAL | 51,362 | \$ 0.20 | 53,737 | \$ 0.20 | 2,375 | \$ 0.00 |
| 48 SUB-TOTAL | 17,765,674 | \$ 68.62 | 16,515,984 | \$ 61.25 | (1,249,691) | \$ (7.37) |
| 49 TRANSIT OPERATIONS SUPPORT DEPARTMENTS | | | | | | |
| 50 DEO/GM | 739,640 | \$ 2.86 | 510,978 | \$ 1.90 | (228,662) | \$ (0.96) |
| 51 EO | 960 | \$ 0.00 | - | \$ - | (960) | \$ (0.00) |
| 52 SUPPORT SERVICES | 363,546 | \$ 1.40 | 86,283 | \$ 0.32 | (277,263) | \$ (1.08) |
| 53 OPERATIONS ISF CHARGES | 714,466 | \$ 2.76 | 964,199 | \$ 3.58 | 249,733 | \$ 0.82 |
| 54 OTHER (BUS, RRC) | - | \$ - | - | \$ - | - | \$ - |
| 55 SUB-TOTAL | 1,818,612 | \$ 7.02 | 1,561,460 | \$ 5.79 | (257,152) | \$ (1.23) |
| 57 OTHER UNITS | | | | | | |
| 58 BOARD | 704 | \$ 0.00 | 38,792 | \$ 0.14 | 38,088 | \$ 0.14 |
| 59 CEO/COS | 170,032 | \$ 0.66 | 359,613 | \$ 1.33 | 189,580 | \$ 0.68 |
| 60 MASD | 106,661 | \$ 0.41 | 77,337 | \$ 0.29 | (29,324) | \$ (0.13) |
| 61 OTHER PROCUREMENT | 496,568 | \$ 1.92 | 381,790 | \$ 1.42 | (114,778) | \$ (0.50) |
| 62 COMMUNICATIONS | 804,952 | \$ 3.11 | 1,451,947 | \$ 5.38 | 646,996 | \$ 2.28 |
| 63 OTHER FINANCE | 1,136,032 | \$ 4.39 | 910,829 | \$ 3.38 | (225,203) | \$ (1.01) |
| 64 HUMAN RESOURCES | 518,599 | \$ 2.00 | 228,319 | \$ 0.85 | (290,280) | \$ (1.16) |
| 65 ADMINISTRATION | 1,512,482 | \$ 5.84 | 1,547,319 | \$ 5.74 | 34,837 | \$ (0.10) |
| 66 ENGINEERING & CONSTRUCTION | 152,387 | \$ 0.59 | 138,980 | \$ 0.52 | (13,407) | \$ (0.07) |
| 67 SUB-TOTAL | 4,898,418 | \$ 18.92 | 5,134,927 | \$ 19.04 | 236,509 | \$ 0.12 |
| 69 TOTAL MTA OPERATED | 63,304,862 | \$ 244.52 | 66,635,639 | \$ 247.13 | 3,330,777 | \$ 2.61 |
| 70 REVENUE SERVICE HOURS | 258,896 | | 269,641 | | 10,745 | |

72 Note: Reclassified to reflect the board adopted change to Prop A & C.

APPENDIX 10: MODAL OPERATING STATISTICS

| Bus | Notes | FY01 Actual | FY02 Adopted | FY03 Adopted | Inc/(Dec) Adopted |
|-------------------------------|--------------|------------------------|-------------------------|-------------------------|------------------------------|
| 1 Fares (\$000) | | \$187,206 | \$212,101 | \$212,605 | \$504 |
| 2 Other Revenue (\$000) | | \$12,998 | \$14,598 | \$12,913 | (\$1,685) |
| 3 Expenses (\$000) | 1,4 | \$651,119 | \$742,627 | \$747,683 | \$5,056 |
| 4 Boardings (000) | | 336,309 | 385,420 | 391,903 | 6,483 |
| 5 Farebox Recovery Ratio | | 30.75% | 30.53% | 30.16% | -0.36% |
| 6 Vehicle Service Hours (000) | 4 | 6,538 | 7,485 | 7,542 | 56 |
| 7 Cost per Hour | 4 | \$99.59 | \$99.21 | \$99.14 | (\$0.07) |
| 8 Cost per Passenger Mile | 5 | \$0.50 | \$0.54 | \$0.43 | (\$0.11) |
| 9 Vehicle Service Miles (000) | | 80,282 | 91,683 | 91,998 | 315 |
| 10 Passenger Miles (000) | | 1,300,688 | 1,372,094 | 1,725,035 | 352,941 |
| 11 Fare Revenue per Boarding | | \$0.56 | \$0.55 | \$0.54 | (\$0.01) |
| 12 Subsidy per Boarding | 2 | \$1.34 | \$1.34 | \$1.33 | (\$0.01) |
| 13 Subsidy per Passenger Mile | 2 | \$0.35 | \$0.38 | \$0.30 | (\$0.07) |
| 14 Vehicles Operated | | 2,026 | 2,129 | 2,123 | (6) |

| Light Rail | Notes | FY01 Actual | FY02 Adopted | FY03 Adopted | Inc/(Dec) Adopted |
|--------------------------------|--------------|------------------------|-------------------------|-------------------------|------------------------------|
| 15 Fares (\$000) | | \$16,839 | \$18,611 | \$23,460 | \$4,849 |
| 16 Other Revenue (\$000) | | \$0 | \$0 | \$960 | \$960 |
| 17 Expenses (\$000) | 1,4 | \$68,504 | \$84,414 | \$88,831 | \$4,417 |
| 18 Boardings (000) | | 30,610 | 29,004 | 39,381 | 10,377 |
| 19 Farebox Recovery Ratio | | 24.58% | 22.05% | 27.49% | 5.44% |
| 20 Vehicle Service Hours (000) | 3 | 186 | 285 | 303 | 18 |
| 21 Cost per Hour | | \$369.06 | \$296.40 | \$293.24 | (\$3.16) |
| 22 Cost per Passenger Mile | | \$0.32 | \$0.42 | \$0.32 | (\$0.09) |
| 23 Vehicle Service Miles (000) | 3 | 4,367 | 6,879 | 7,317 | 438 |
| 24 Passenger Miles (000) | 5 | 213,339 | 202,738 | 274,469 | 71,731 |
| 25 Fare Revenue per Boarding | | \$0.55 | \$0.64 | \$0.60 | (\$0.05) |
| 26 Subsidy per Boarding | 2 | \$1.69 | \$2.27 | \$1.64 | (\$0.63) |
| 27 Subsidy per Passenger Mile | 2 | \$0.24 | \$0.32 | \$0.23 | (\$0.09) |

| Heavy Rail | Notes | FY01 Actual | FY02 Adopted | FY03 Adopted | Inc/(Dec) Adopted |
|--------------------------------|--------------|------------------------|-------------------------|-------------------------|------------------------------|
| 28 Fares (\$000) | | \$7,944 | \$12,558 | \$16,016 | \$3,458 |
| 29 Other Revenue (\$000) | | \$2,000 | \$2,027 | \$2,488 | \$461 |
| 30 Expenses (\$000) | 1,4 | \$54,407 | \$63,305 | \$66,636 | \$3,331 |
| 31 Boardings (000) | | 31,191 | 37,502 | 40,446 | 2,944 |
| 32 Farebox Recovery Ratio | | 18.28% | 23.04% | 27.77% | 4.73% |
| 33 Vehicle Service Hours (000) | 3 | 244 | 259 | 270 | 11 |
| 34 Cost per Hour | | \$223.38 | \$244.52 | \$247.13 | \$2.61 |
| 35 Cost per Passenger Mile | | \$0.43 | \$0.56 | \$0.41 | (\$0.16) |
| 36 Vehicle Service Miles (000) | 3 | 5,540 | 5,868 | 6,112 | 244 |
| 37 Passenger Miles (000) | 5 | 126,461 | 112,506 | 163,985 | 51,479 |
| 38 Fare Revenue per Boarding | | \$0.25 | \$0.33 | \$0.40 | \$0.06 |
| 39 Subsidy per Boarding | 2 | \$1.43 | \$1.30 | \$1.19 | (\$0.11) |
| 40 Subsidy per Passenger Mile | 2 | \$0.35 | \$0.43 | \$0.29 | (\$0.14) |

Notes:

All statistics reclassified to reflect the board adopted change to Prop A & C.

(1)Expenses include Transitional Duty Program and interest

(2)Subsidy excludes all operating revenue

(3)Reflect revenue vehicle hours & miles

(4)FY01 Actual includes impact of 32 day strike

(5)FY01 restated to reflect updated average trip length

APPENDIX 11: 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 PTSC conducts essential public transportation activities including but not limited to the following: (a) coordinates multi-modal multi-jurisdictional transportation planning; (b) programs Federal, state and local funds for transportation projects county-wide within Los Angeles County; (c)

oversees construction; (d) provides certain administrative services to the County's Service Authority for Freeway Emergencies (SAFE) and the Southern California Regional Rail Authority (SCRRA); (e) provides administrative support and security services for the foregoing and to the operation of the MTA's Metro Bus and Rail system; and (f) other activities and 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 11: Public Transportation Services Corporation
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ending June 30, 2001, 2002 and 2003**

(Amounts in millions)

| PTSC Only | FY01 Actual | FY02 Adopted | FY03 Adopted |
|--|------------------------|-------------------------|-------------------------|
| 1 Revenue: | | | |
| 2 Reimbursement for support services | \$ 124.6 | \$ 157.0 | \$ 178.7 |
| 3 Total revenue | <u>124.6</u> | <u>157.0</u> | <u>178.7</u> |
| 4 | | | |
| 5 Operating expenses: | | | |
| 6 Salaries, wages & fringe | \$ 123.5 | \$ 156.9 | \$ 178.2 |
| 7 Services, leases, taxes & misc | 1.1 | 0.1 | 0.5 |
| 8 Total expenses | <u>124.6</u> | <u>157.0</u> | <u>178.7</u> |
| 9 | | | |
| 10 Increase(decrease) in retained earnings | - | - | - |
| 11 | | | |
| 12 Retained earnings - beginning of year | - | - | - |
| 13 | | | |
| 14 Retained earnings - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

APPENDIX 12: BENEFIT ASSESSMENT DISTRICT (BAD)

The Benefit Assessment is a fee on properties within half a mile of certain Metro Red Line Stations. This fee is used to pay part or all of the cost of capital improvements enhancing the value of property receiving service from or located near and benefiting from the capital improvements.

The MTA's Special Benefit Assessment District was initially created pursuant to a resolution

adopted by the former Southern California Rapid Transit District's Board of Directors on July 11, 1985.

The purpose of the Benefit Assessment District Program is to ensure that assessments are levied at a rate high enough to repay the Segment 1 Assessment District's bonded indebtedness and administrative costs.

Appendix 12: Benefit Assessment District, continued
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ending June 30, 2001, 2002 and 2003

(Amounts in millions)

| Benefit Assessment District Funds | FY01 Actual | FY02 Adopted | FY03 Adopted |
|--|------------------------|-------------------------|-------------------------|
| 1 Revenue: | | | |
| 2 Intergovernmental | \$ - | \$ - | \$ - |
| 3 Investment income | 1.7 | - | - |
| 4 Licenses and fines | - | - | - |
| 5 Other | 14.6 | 8.5 | 6.8 |
| 6 Total revenues | 16.3 | 8.5 | 6.8 |
| 7 | | | |
| 8 Expenditures: | | | |
| 9 Debt and interest expenditures | 8.2 | 7.9 | 6.5 |
| 10 General and administrative | 0.4 | 0.5 | 0.4 |
| 11 Total expenditures | 8.6 | 8.5 | 6.8 |
| 12 | | | |
| 13 Excess (deficiency) of revenues over expenditures | 7.7 | - | - |
| 14 | | | |
| 15 Other financing sources (uses): | | | |
| 16 Operating transfers in | - | - | - |
| 17 Operating transfers out | - | - | - |
| 18 Total other financing sources (uses) | - | - | - |
| 19 | | | |
| 20 Excess (deficiency) of revenues and other financing | | | |
| 21 sources over expenditures and other financing uses | 7.7 | - | - |
| 22 | | | |
| 23 Fund surplus balance - beginning of year | - | 7.7 | 7.7 |
| 24 | | | |
| 25 Fund surplus balance - end of year | \$ 7.7 | \$ 7.7 | \$ 7.7 |

APPENDIX 13: 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 13: PTSC/MTA Risk Management Authority (PRMA)
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ending June 30, 2001, 2002 and 2003**

(Amounts in millions)

| <u>PRMA Only</u> | <u>FY01 Actual</u> | <u>FY02 Adopted</u> | <u>FY03 Adopted</u> |
|--|------------------------|-------------------------|-------------------------|
| 1 Revenue: | | | |
| 2 Reimbursement for support services | \$ 39.4 | \$ 59.0 | \$ 49.8 |
| 3 Total revenue | <u>39.4</u> | <u>59.0</u> | <u>49.8</u> |
| 4 | | | |
| 5 Operating expenses: | | | |
| 6 Fringe benefits | \$ 38.9 | \$ 58.7 | \$ 45.6 |
| 7 Allocable costs | 0.4 | 0.3 | 4.2 |
| 8 Total expenses | <u>39.4</u> | <u>59.0</u> | <u>49.8</u> |
| 9 | | | |
| 10 Increase(decrease) in retained earnings | - | - | - |
| 11 | | | |
| 12 Retained earnings - beginning of year | <u>-</u> | <u>-</u> | <u>-</u> |
| 13 | | | |
| 14 Retained earnings - end of year | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |

APPENDIX 14: 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 are 4,471 call boxes located along the freeway system of Los Angeles County. This is the largest such program in the United States. An average of 500 calls are received everyday.

Beginning in FY02, SAFE will be upgrading the entire call box system

to bring it into compliance with ADA. This three-year, \$7.5 million project (\$3.8 million in FY03) will improve the accessibility of the call box system for all users, particularly those who are mobility impaired. These upgrades include making the call box sites larger and building ramps to make them more accessible. Previous projects have made the call boxes useable to the hearing and speech impaired.

SAFE receives its funding from a dedicated \$1 surcharge to the annual California vehicle registration fee.

**Appendix 14: Service Authority for Freeway Emergencies (SAFE)
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ending June 30, 2001, 2002 and 2003**

(Amounts in millions)

| Service Authority for Freeway Emergencies | FY01 Actual | FY02 Adopted | FY03 Adopted |
|--|------------------------|-------------------------|-------------------------|
| 1 Revenue: | | | |
| 2 Intergovernmental | \$ - | \$ - | \$ 2.5 |
| 3 Investment income | 1.7 | - | 1.0 |
| 4 Licenses and fines | 6.2 | 6.1 | 6.1 |
| 5 Other | 0.5 | - | - |
| 6 Total revenues | 8.4 | 6.1 | 9.6 |
| 7 | | | |
| 8 Expenditures: | | | |
| 9 Services | 3.8 | 12.2 | 12.5 |
| 10 General and administrative | 1.0 | 0.6 | 0.8 |
| 11 Total expenditures | 4.8 | 12.8 | 13.4 |
| 12 | | | |
| 13 Excess (deficiency) of revenues over expenditures | 3.6 | (6.7) | (3.7) |
| 14 | | | |
| 15 Other financing sources (uses): | | | |
| 16 Operating transfers out | | | |
| 17 TDA | (1.2) | - | - |
| 18 Other | - | - | - |
| 19 Total other financing sources (uses) | (1.2) | - | - |
| 20 | | | |
| 21 Excess (deficiency) of revenues and other financing | | | |
| 22 sources over expenditures and other financing uses | 2.4 | (6.7) | (3.7) |
| 23 | | | |
| 24 Fund surplus balance - beginning of year | 22.1 | 24.5 | 24.0 |
| 25 | | | |
| 26 Fund surplus balance - end of year | \$ 24.5 | \$ 17.8 | \$ 20.2 |

FY03 beginning fund balance includes FY02 favorable revenue and expenditure variance.

APPENDIX 15: CONSENT DECREE

On October 28, 1996, a consent decree was agreed to between the MTA and the class action plaintiffs. The consent decree provides for the MTA to:

- Reduce its load factor (i.e. the number of people who stand on a bus) to certain targets.
- Expand bus service improvements by making available a net of 102 additional buses by June 1997.
- Implement a pilot project to facilitate access to county-wide job, education and health care centers.
- Not to increase cash fares for two years and pass fares for three years beginning December 1, 1996, after which the MTA may raise fares subject to certain conditions of the Consent Decree.
- Introduce a weekly pass and an off-peak discount fare on selected lines.

The MTA is also obligated to create a joint working group with representatives from the plaintiff's class and the MTA to implement the Consent Decree.

Load Factor Standards

The Consent Decree contains specific targets for reducing loading standards by the year 2002. The MTA is required to reduce the target load factor on buses operating during peak periods from 1.45 (19 standees) to 1.35 (15 standees) by December 31, 1997; to 1.25 (11 standees) by June 30, 2000; and to 1.20 (9 standees) by June 30, 2002.

Pursuant to its remediation plan, the MTA added a total of 130 buses to peak hour service between June 1999 and December 1999. The peak bus fleet was increased by 96 buses between December 1998 and June 1999, with an additional 64 buses added in December 1999.

The addition of these buses is intended to enable the MTA to meet a required peak period load factor target of 1.25 (11 standees) by June 30, 2000.

The final load factor target required by the Consent Decree is a peak period load factor of 1.20 (9 standees) by June 30, 2002. In compliance with the Special Master and court order, the MTA added 91 buses into service in October 2001.

Five-Year New Service Plan

The Consent Decree requires the MTA to develop and implement a five-year plan of improvements to the bus system to improve mobility for the transit dependent community in the greater Los Angeles area. To date, both the MTA and the Bus Riders Union have submitted plans to the Special Master for review and a final determination as to the magnitude of the plan. MTA proposes to add a total of six routes designed specifically to meet the mobility needs of the transit dependent community in serving educational, employment and health care facilities and providing enhanced coordination with the regional transit network.

The six additional routes will be phased in as outlined in the five-year plan. The service will add 49 buses to peak hour service. A total of 20 buses will be operated directly by MTA, with the remaining 29 operated by private contractors. The MTA five-year plan also recommends continued operation of the Consent Decree pilot program.

Fares

The MTA has not increased fares since the beginning of the Consent Decree in 1996. The discount fares called for in the Consent Decree were implemented over the next year. Sale of the weekly pass began in December 1996. A base off-peak discount fare of \$0.75 was introduced on Line 40 and all lines operating late night/early morning (9pm-5am) service over the next two-year period.

APPENDIX 16: GFOA AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the Los Angeles County Metropolitan Transportation Authority, California for its annual budget for the fiscal year beginning July 1, 2002. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy

document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**Los Angeles County Metropolitan Transit Authority
California**

For the Fiscal Year Beginning

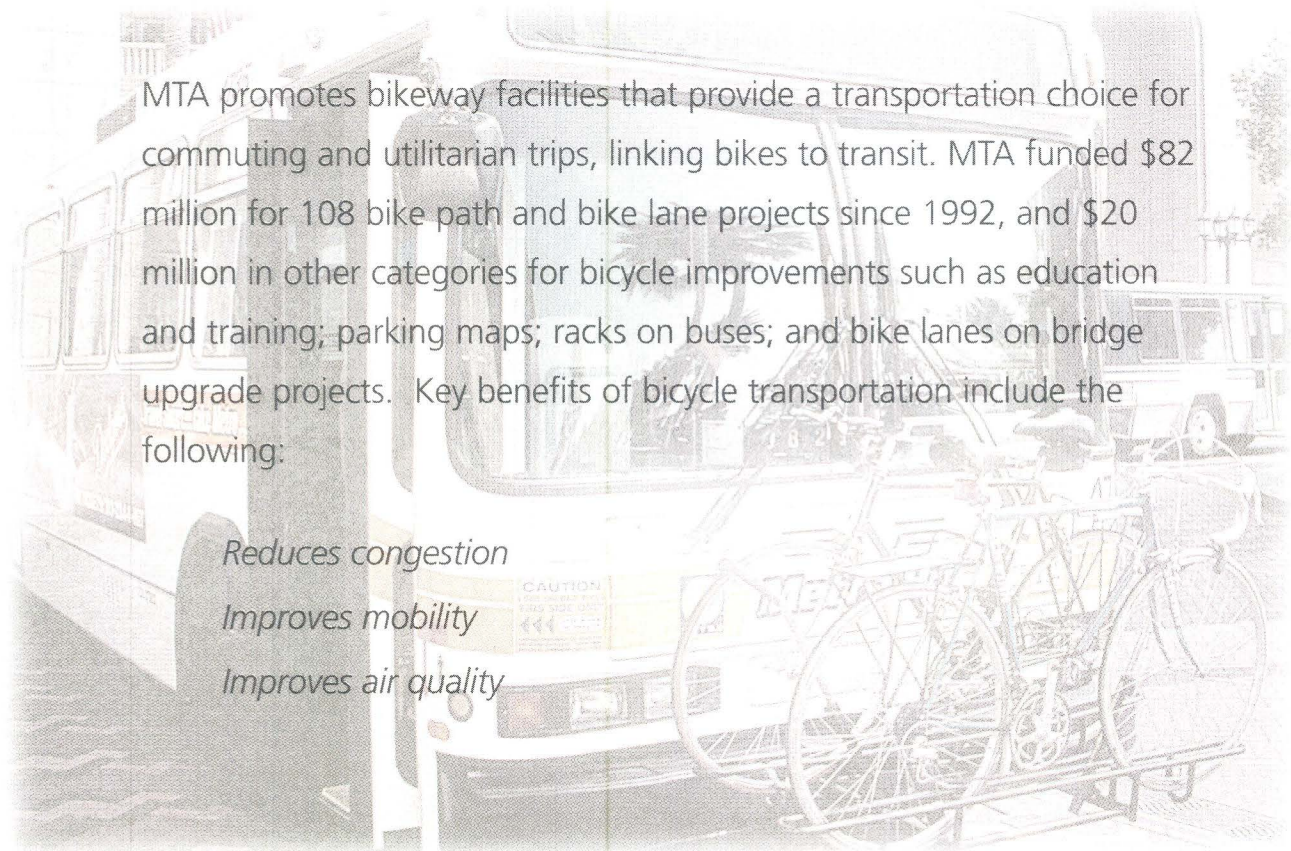
July 1, 2001

Thomas D. Brewer
President

Jeffrey R. Egan
Executive Director

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GLOSSARY



MTA promotes bikeway facilities that provide a transportation choice for commuting and utilitarian trips, linking bikes to transit. MTA funded \$82 million for 108 bike path and bike lane projects since 1992, and \$20 million in other categories for bicycle improvements such as education and training; parking maps; racks on buses; and bike lanes on bridge upgrade projects. Key benefits of bicycle transportation include the following:

Reduces congestion

Improves mobility

Improves air quality

FY2002-2003

ADOPTED BUDGET



TERMS

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| ABC | Activity Based Cost. Methodology that measures the cost and performance of activities, resources, and cost objects. Resources are assigned to activities, then activities are assigned to cost objectives based on their use. ABC recognizes the causal relationships of cost drivers to activities. |
| ADA | 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. |
| AFSCME | American Federation of State County and Municipal Employees. The union representing maintenance and transportation supervisors. |
| APC | Automatic Passenger Counters |
| ASI | 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. |
| ATMS | Advanced Transportation Management System |
| ATTB | 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 of 10,000 lbs. below current buses. |
| ATU | Amalgamated Transit Union. The union representing mechanics and other maintenance employees. |
| BAD | 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. |
| BALANCED SCORECARD | A management instrument that translates an organization's mission and strategy into a comprehensive set of performance measures that provides a framework for strategic measurement and management. The balanced scorecard has 4 perspectives: financial management, |

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| | customer, internal processes, and innovation or learning. |
| BIAS | Budget Information Analysis System. A computerized database application designed to enable departments (cost centers) to enter their budget requests and report those requests. |
| BOND | An interest-bearing promise to pay a specified sum of money due on a specified date. |
| BOS | Bus Operations Subcommittee |
| BRT | Bus Rapid Transit – Dedicated Busways |
| BSIP | Bus Service Improvement Program - Additional buses on existing lines for overcrowding relief in FY97, plus additional bus routes in FY98. |
| BUDGET | A plan of financial operations for a given period including proposed expenditures and revenues, and authorized staffing levels. |
| CAFR | Comprehensive Annual Financial Report. MTA's annual financial statements. |
| CALTRANS | California Department of Transportation |
| CAPITAL ASSET | 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. |
| CAPITAL FUND | Fund used to account for financial resources to be used for the acquisition or construction of major capital assets. |
| CAPITAL PROJECT | Major construction, acquisition, or renovation activities that add value to a government's physical assets or significantly increase their useful life. |
| CBD | Central Business District |
| CFP | Call for Projects. Primary process for the selection of transportation improvement projects for funding with discretionary federal, state, and local revenues. |
| CMAQ | Congestion Mitigation and Air Quality |
| CNG | Compressed Natural Gas |

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| COMMERCIAL PAPER | Short-term interest-bearing promissory note secured by pledged revenues and a liquidity/credit facility. The maturity can range from 1 to 270 days. |
| CORRIDORS | Eastside light rail lines and fixed guideway projects in mid-cities and San Fernando Valley. |
| COSO/CSA | Committee of Sponsoring Organization/Control Self-Assessment. |
| CPD | Countywide Planning & Development |
| CPI | Consumer Price Index. A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation). |
| CPUC | California Public Utilities Commission |
| CTC | California Transportation Commission |
| CTSA | 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). |
| CWO | Contract Work Order |
| DBE | Disadvantaged Business Enterprise. Businesses owned and operated primarily by minorities and women. |
| DEBT SERVICE FUND | Fund used to account for the accumulation and disbursement of resources related to the payment of general long-term debt principal and interest. |
| DOT | United States Department of Transportation |
| EEO/AA | Equal Employment Opportunity/Affirmative Action |
| EIR | Environmental Impact Report. A detailed statement describing and analyzing the significant environmental effects of a project, and discussing ways to mitigate or avoid those effects. |
| EIS | Environmental Impact Statement. Same as EIR, except prepared under the (federal) National Environmental Policy Act. |

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| ENCUMBRANCES | The unperformed portion of a contract for goods or services. |
| ENTERPRISE FUND | Fund established to finance and account for the operation and maintenance of facilities and services that are entirely or predominantly self-supporting. |
| ESR | Engineering Service Request |
| FAP | 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 are made using audited performance data. |
| FAU | 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. |
| FIS | Financial Information System. An automated, integrated financial accounting and control system. |
| FISCAL YEAR | The period at the end of which a governmental agency determines its financial position and results of operations. The MTA's fiscal year begins July 1 and ends June 30 of the following calendar year. |
| FIXED ASSETS | Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment. |
| FSP | Metro Freeway Service Patrol - Service financed by the LACMTA, which uses roving tow trucks to remove disabled vehicles and debris from freeways. |
| FTA | Federal Transit Administration. Formerly the Urban Mass Transportation Administration (UMTA). |
| FTE | Full-Time Equivalent Position. A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be the equivalent to a .5 of a full-time position. |

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| FUNCTION | An activity or a group of related activities for which the Reporting Unit is responsible. |
| FUND | 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. |
| FY | See Fiscal Year. |
| GENERAL FUND | The General Fund is used to account for those financial resources which are not required to be accounted for in another fund. |
| GOALS | Target that guides an organization's efforts in moving toward a desired future state. |
| HEAVY RAIL | 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. |
| HOV | High Occupancy Vehicle lanes or Carpool lanes on freeways dedicated for use by vehicles with multiple occupants. |
| IMMEDIATE NEEDS TRANSPORTATION PROGRAM | 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. |
| INTERNAL SERVICE FUND | Fund is used to account for the goods and services provided to MTA projects and funds on a cost reimbursement basis. |
| ITS | Intelligent Transportation System Technologies that use computers to monitor real time traffic flow and congestion points through pavement sensors and closed circuit cameras. |
| JOINT DEVELOPMENT | Projects that combine public and private resources to build mixed use development around transit station areas. |
| JPA | Joint Powers Authority |
| KEY PERFORMANCE INDICATOR | Indicators that measure and analyze performance in terms of quantity, effectiveness or efficiency. |

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| L.A. LIGHT RAIL VEHICLE CAR | Los Angeles Light Rail Vehicle Car. Patterned after the Blue Line Car, the LA Light Rail Vehicle Car will be a generic vehicle that will allow for upgrades in technology and automation. |
| LACMTA | Los Angeles County Metropolitan Transportation Authority |
| LIGHT RAIL | Lightweight passenger rail cars operating 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. |
| LOCAL RETURN | Local return is a direct share, based on population, that the 88 cities and the Los Angeles County receive from the total Propositions A and C sales tax revenue. These funds are used to support transit needs or other transportation related projects, including paratransit and fixed route service, street and road maintenance and other transit related improvements. |
| LOSSAN | Los Angeles-San Diego Inter-city Railway |
| LRT | Light Rail Transit |
| LRTP | Long Range Transportation Plan – 25 year plan for multi-modal transportation needs of Los Angeles County. |
| LRV | Light Rail Vehicle |
| MIS | Major Investment Study |
| M3 | Formerly, Maintenance and Materiel Management System |
| METRO BLUE LINE | 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. |
| METRO GREEN LINE | 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. |
| METRO PASADENA GOLD LINE | Union Station to Pasadena light rail line scheduled to begin service in FY04. |

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| METRO RED LINE - SEGMENT I | 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. |
| METRO RED LINE - SEGMENT II | 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 opened for service in June 1999. |
| METRO RED LINE - SEGMENT III | Segment III of the Metro Rail project includes Hollywood/Vine to North Hollywood, which opened for service in June 2000. |
| METROLINK | The regional commuter rail system connecting Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties. Service began in October 1992. |
| MISSION | An enduring statement of purpose, the organization's reason for existence. Describes what the organization does, whom it does it for, and how it does it. |
| MODE | A particular form of transportation identified by the vehicle or mode used i.e., bus, light rail, heavy rail, or pedestrian automated guide way, bikeways, highways, arterials. |
| MOSIP | Municipal Operator Service Improvement Program |
| 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 that do not carry fare-paying passengers. |

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| NTD | National Transit Database. This publication consists of consolidated profiles for the thirty (30) largest transit agencies in the United States. |
| OBJECTIVE | Time-phased measurable accomplishment required realizing the successful completion of a strategic goal. |
| OCIP | Owner Controlled Insurance Program. OCIP self-insurance coverage includes workers' compensation, employer's liability, bodily injury and property damage liability, builder's risk (property), and railroad protective liability. |
| OVERHEAD | Expenses not directly chargeable to a particular program, which support multiple programs of the LACMTA. |
| PERFORMANCE INDICATORS | Specific quantitative and qualitative measure of work performed as an objective of specific departments or programs. |
| PERFORMANCE MEASURES | Data collected to determine how effective or efficient a program is in achieving its objectives. |
| PRMA | PTSC/MTA Risk Management Authority. Established in September 1998 is a public entity, between the MTA and PTSC for the purposes of establishing and operating a program of cooperative self-insurance and risk management. |
| PROGRAM | A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible. |
| PROP A | Proposition A was a sales tax initiative approved by Los Angeles County voters in 1980. It established a one-half cent sales tax to be used for public transit. |
| PROP C | Proposition C was a sales tax approved by the Los Angeles County voters in 1990. It established a one half-cent sales tax to be used for public transportation purposes. |
| PTSC | 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. |

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| RAPID BUS | Demonstration Program based on Curitiba, Brazil Public Transportation Model. Metro Rapid is a bus operating program with several attributes to improve service operating speeds including bus signal priority, level boarding and alighting with low floor buses, headway, fewer stops, far-side intersection location of stations and active management of service operation. |
| REVENUE SERVICE HOURS (RSH) | 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. |
| REVENUE VEHICLE | Vehicles that carry fare-paying passengers. |
| REVENUE VEHICLE HOURS (RVSH) | 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. |
| REVENUE VEHICLE MILES | 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. |
| RFP | Request for Proposal. An RFP is a tool used by governments and businesses to purchase equipment and services by promoting competitive proposals among suppliers. Through this competitive process, suppliers offer a wide array of potential solutions and prices and compete with each other to win the business. Buyers evaluate the many different supplier solutions and pick the one that most closely fits their needs and budget. |
| ROD | Revenue Operations Date |
| RTAA | Regional Transit Alternatives Analysis |
| S-1 Gards | A device also called the "Dangerzone Deflector" – that can push a fallen pedestrian out from under the rear wheels of a moving bus. |
| SAFE | 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. |

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| SB-45 | Senate Bill 45. This bill revised the procedures for the development and implementation of the State Transportation Improvement Program. |
| SBE | Small Business Enterprise. Businesses in which at least 51% of the business is owned and operated primarily by socially or economically disadvantaged individuals. |
| SBU | Strategic Business Unit |
| SCADA | Supervisory Control and Data Acquisition |
| SCAG | Southern California Association of Governments functions as the Metropolitan Planning Organization for six counties: Los Angeles, Orange, San Bernardino, Riverside, Ventura and Imperial. As the designated Metropolitan Planning Organization, the Southern California Association of Governments is mandated by the federal government to research and draw up plans for transportation, growth management, hazardous waste management, and air quality. |
| SCAQMD | South Coast Air Quality Management District. The non-desert portions of Los Angeles, Riverside, San Bernardino and Orange counties. |
| SCRRA | 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. |
| SHORE | Support for Homeless Re-entry Program. The LACMTA provides bus tokens to Los Angeles County shelters and missions. |
| SPECIAL REVENUE FUND | Fund used to account for specific revenue sources (other than major capital projects) that are restricted for specified purposes. |
| SRTP | Short Range Transportation Plan. A five-year business plan, completed every three years, which is used for internal planning. |
| STA | 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. |

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| STIP | 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. |
| TCU | Transportation Communications Union. Union represents clerical workers. |
| TDA | 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. |
| TEA-21 | Transportation Equity Act for the 21 st Century. On June 9, 1998, the President signed the Transportation Equity Act for the 21st Century (TEA-21) authorizing highway, highway safety, transit and other surface transportation programs for the next 6 years. |
| TEAMSTERS | Union representing security guards |
| TIP | Transportation Improvement Program. The programming document, which establishes allocation of funding for Los Angeles County highways and transit. |
| TOTS | Transit Operating and Trend System |
| TSM | Transportation Systems Management. A program of user incentives and disincentives to maximize capacity and usage of the existing transportation network. |
| TVM | Ticket Vending Machines |
| UFS | Universal Fare System |
| WELFARE TO WORK | MTA in collaboration with the Los Angeles County Department of Public Social Services (DPSS) provides transportation services for welfare recipients to connect them to their jobs, healthcare, childcare and/or employment related services. |

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