

1997-1998 Proposed Budget

Los Angeles County
Metropolitan
Transportation
Authority



Los Angeles County
Metropolitan Transportation Authority

1997-1998 Proposed Budget



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About the Cover:

The FY98 Budget cover was designed by artist John Lee. Lee is a 19-year old Fine Art student at Santa Monica College and grew up in Los Angeles. Lee was a participant in Metro Art's *Young Artist Program*, established as part of MTA vandalism abatement efforts. Through this program, Lee's vibrant work was printed on bus cards and posted throughout the Metro Bus system. "Metro is as much a part of the Los Angeles landscape as Hollywood or Venice Beach," says Lee. "Los Angeles is colorful and that's why I love it. I think art adds flavor to everyday life, and on buses art gives passengers something to think about." If you look closely at Lee's work, you will find an array of MTA services and programs including buses, trains, call boxes, and carpool lanes.

The FY98 Budget, including the cover, was printed in-house by the MTA Print Shop.

1997-1998
Proposed Budget

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Overview of Budget Process, Methodology and Organizational Assumptions

Budget Process

The annual budget includes all operating, capital, and debt service requirements of the LACMTA for the following fiscal year. The fiscal year is from July 1 to June 30. The Budget includes an analysis of the assumptions, underlying revenue and expense projections; number of authorized positions by department; platform hours and miles of service; and the capital and construction schedule upon which the budget is based. The budget specifies the number of positions authorized to be filled during the fiscal year.

The capital budget reflects the annual amount appropriated for each capital project. When the Board authorizes a new capital project, the Board approves a total project cost and schedule. The approval of the project budget authorizes the total expenditures over the duration of the construction project. The annual budget authorizes the anticipated expenditures of the total project budget as well as the scope of work to be completed in the fiscal year.

Development of the Fiscal Year Operating and Capital Budget includes four phases:

Phase I - Budget Strategies. The Chief Executive Officer, Finance, working with Executive Management, defines the targets, assumptions and strategies for the annual budget. This involves projecting revenues and expenses and developing service level assumptions. Phase I is completed prior to the release of the budget instructions.

Phase II - Budget Development. Managers are required to prepare line item budgets and objectives consistent with the strategies developed in Phase I. Managers develop departmental objectives based on the budget objectives. Line item budgets are prepared using the automated Budget Input System (BIS).

Phase III - Budget Departmental Review. Budget requests are submitted on line to OMB for review and analysis. Each Executive Office is assigned a budget analyst who will review the budget for consistency with budget directions and strategies.

Phase IV - Budget Adoption. By May 31 of each year, the Chief Executive Officer (CEO) submits to the Board of Directors a proposed Budget for the following fiscal year. The Board of Directors adopts a resolution by June 30 of each fiscal year approving a balanced Budget for the following fiscal year. Passage of the annual budget requires a majority vote of the principal members of the Board of Directors.

In the event that the Board of Directors does not adopt the Budget by June 30, the Board of Directors may adopt a continuing appropriations resolution until such time as the Budget is adopted. A continuing appropriations resolution provides that payments for services performed on behalf of the LACMTA shall continue until such time as a Budget is adopted.

Budget Adjustment Process

The approved Budget is the basis for authorization for all expenditures. Managers are responsible for ensuring that all expenditures are consistent with the adopted operating budget, and project managers are responsible for ensuring capital expenditures are consistent with the adopted capital budget. During the year, the actual costs for specific expenditures may vary from the amounts budgeted for those purposes. Administrative procedures set forth specific parameters for transferring funds within and between expense categories during the fiscal year to accommodate these variations from the approved Budget.

If a budget revision is required during the year that impacts the net revenue and expenditure budget of any fund, the manager must state this when submitting a Board Item regarding the expenditure or contract approval.

Methodology

Decentralizing Budgets

The FY98 Budget reinforces fiscal responsibility and accountability by aligning budget responsibility with the decision maker and cost controller. The Non-Departmental Budget which accounted for more than one-third of the MTA's total budget, has been decentralized. A chart at the back of this section, "Decentralization of Non-departmental Expenditures," provides a detailed "was-is" comparison of the FY97 and FY98 Budget's different treatment of these expenditures.

Training expenditures consolidated for each executive unit for FY97, are now budgeted at the departmental level.

Budgeting FTEs and Salary

A limited number of temporary regular employees receive fringe benefits and are treated as FTEs. For example, Information & Technology Services (ITS), in response to the Coopers & Lybrand Audit Report, has restructured its work content and is bringing functions previously performed by bd Systems in-house. ITS is budgeting 23 temporary employees during this transition year.

Salary dollars continue to be budgeted for approximately 80% of wages in order to account for paid vacation, sick days, holidays and other administrative time, which are included as a fringe benefit.

Budgeting Fringe and Overhead

Different fringe benefits rates are calculated for each union group based on contract benefits as well as for non-represented employees. The FY97 Budget assumed one fringe rate for all employees. The FY97 Budget Book did not reflect fringe benefit dollars in the departments' budgets. The FY98 Budget Book includes fringe at the department level for all time periods shown. The FY98 budget assumes PERS is implemented by August 1.

Overhead is not included in the departmental budget as the MTA's payroll system, which is used to allocate overhead, does not charge overhead to departments; overhead is charged to each project's budget. (This issue caused confusion during Transit Police merger presentations. FY97 overhead calculated on Transit Police labor was budgeted at \$11M. This was charged to bus and rail operations' security costs, but not to the Transit Police departmental budget.) MTA will reconsider this methodology when reviewing specifications for the new Human Resources/payroll system.

Budgeting for Gross Revenues and Expenses

MTA is changing its accounting practices to reflect the gross fare revenue dollars and associated expenditures. This impacts two expenses:

- Service expenditures for the 13 contract lines now reflect full costs (previously net of cash fare receipts). This impacts the BSIP department in the Regional Transportation Planning & Development unit.
- Other costs reflect the full cost of commissions (previously netted against token fare revenue and not budgeted). This impacts the Revenue Administration department in the Finance unit.

The combined impact increases MTA's annual expense by \$8M. FY97 Budget has been adjusted to reflect these generally accepted accounting practices.

Budgeting Other Expense

In general, the use of other non-payroll expense categories such as services and supplies remains consistent with FY97 practices.

Organizational Assumptions

The FY98 Proposed Budget reflects several staffing and reporting alignment changes as compared to the adopted FY97 Budget. These changes, many implemented in FY97, are in response to the Triennial Audit, the Coopers & Lybrand Organizational Assessment study, and operational efficiencies. The major changes reflected in the FY98 Proposed Budget include:

- Strengthening of the Inspector General (plus 5 FTEs) and Management Audit Services (plus 10 FTEs for AB1869).
- Establishing an Ethics Office separate from the Office of Board Secretary.
- Creating the Chief of Staff and Board Research Services functions.
- Creating department focused on Bus System Improvement.
- Consolidating 4 bus regions into 3 and creating a Service Quality Department in Transit Operations.
- Moving Safety from Risk Management - Operations to Transit Operations.
- Eliminating the Executive Office for Administration.
- Consolidating Procurement (formerly in the Administration unit) and Contract Administration (formerly in the Construction unit), into a new executive office: Procurement & Distribution.
- Merging Transit Police with the Los Angeles Police and Sheriffs Departments.

The FY97 Budget is adjusted to align with the FY98 Proposed Budget.

As staff continues to identify further efficiencies, FTEs will be realigned. For example, staff has transferred service quality and warranty claim responsibility from Transit Operations to Procurement & Distribution. Make/buy analysis may lead to additional staffing changes.

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MTA Summary Revenue Budget

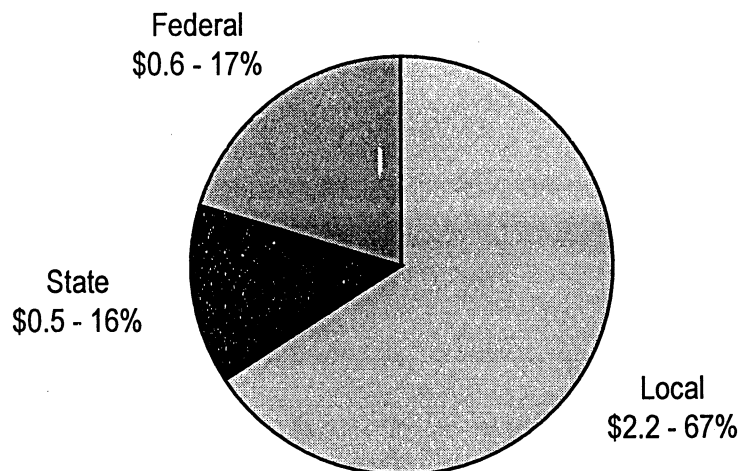
The MTA receives revenues from local state, and federal sources. The MTA is projecting \$3.3 billion in total revenues from all sources. As shown on the schedule on the following page, this projection consists of \$2.2 billion in local funds, \$0.5 billion in State funds, and \$0.6 billion in Federal funds.

Local revenues of \$2.2 billion include Propositions A and C sales tax revenues, leveraged bond funds, farebox revenues, and funds from other local agencies. Of the local funds anticipated in FY98, \$900 million (41% of the total local funds) are Propositions A and C sales tax revenues. In addition, the MTA is anticipating \$150 million from the City of Los Angeles for its contribution to Metro rail construction. Bus and rail farebox revenues are projected at \$219 million. This farebox projection conservatively projects the changes to MTA's fare structure and reduced fare revenues due to the Consent Decree, based on current receipts.

The State revenue sources are projected at \$511 million, a \$77 million increase over the FY97 Budget. TDA Article 4 revenues make up the bulk of this increase, which was budgeted in FY97 at \$286 million and is projected at \$339 million in FY98, an increase of \$53 million. The FY97 Budget did not fully reflect the carryover amount; however the FY98 Budget does, since it is assumed that capital project managers will obligate the grant funds in FY98. In addition, the MTA is more aggressively pursuing State TSM funds and is projecting to be awarded \$11.3 million for Los Angeles County projects, mainly for Metro rail construction.

Federal revenue sources are projected at \$567 million, which is an \$8 million reduction from the FY97 budget levels. The MTA is assuming a federal appropriation of \$100 million for Metro Rail Segment 3 construction, consistent with the Rail Alternatives Analysis. In addition, the FY98 Budget reflects the total Section 9 capital carryover amount which assumes the capital project managers will obligate the grant funds in FY98. The FY97 Budget did not assume the entire carryover amount would be obligated or spent in the fiscal year.

Summary of FY98 Source of Funds Total: 3.3 Billion



*Summary of FY98 Total Funds Available
(\$000)*

	FY96 <u>Actual</u>	FY97 <u>Budget</u>	FY97 <u>Projected</u>	FY98 <u>Budget</u>
Local Funds				
Proposition A				
Carry Over	-	26,993	36,225	28,707
New Funds	408,613	436,500	417,801	446,100
Bonds	216,271	266,000	266,000	234,000
Proposition A Total	624,884	729,493	720,026	708,807
Proposition C				
Carry Over	-	178,504	221,073	187,308
New Funds	432,013	443,600	425,001	455,900
Bonds	256,143	303,600	325,500	415,949
Proposition C Total	688,156	925,704	971,574	1,059,157
Lease Revenues	7,405	8,100	8,100	9,995
City of Los Angeles	83,319	81,684	81,684	150,646
SCAQMD	-	-	-	5,469
HOV Violations	248	640	640	1,265
Farebox Revenues	207,370	228,700	236,300	218,900
Other Operating Revenues	33,235	53,396	45,796	22,233
General Revenue Bonds	-	1,000	1,000	-
Federal Aid Urban Cash - FAU	3,076	-	-	2,019
Other				
General Fund Miscellaneous Revenues	718	1,050	1,050	1,100
SCRRA Administrative Support	-	-	-	702
Ridesharing	-	-	-	4,800
Other Total	718	1,050	1,050	6,602
Total Local Funds	1,648,411	2,029,767	2,066,170	2,185,093

**Summary of FY98 Total Funds Available
(\$000)**

	<u>FY96 Actual</u>	<u>FY97 Budget</u>	<u>FY97 Projected</u>	<u>FY98 Budget</u>
State Funds				
Transportation Development Act - TDA	211,294	285,700	276,016	338,622
State Transportation Act - STA	23,125	22,492	23,400	30,050
Rail Bonds	63,462	52,245	52,245	53,070
Transit Capital Improvement - TCI	-	1,965	1,965	1,376
Transportation Systems Management - TSM	29,860	2,591	2,591	11,276
State Highway Account	-	46,406	46,406	55,850
Service Authority for Freeway Emergencies - SAFE	8,015	18,600	18,600	15,010
Budget Change Proposal - BCP	166	4,100	4,100	5,708
Other	506	-	-	389
Total State Funds	336,428	434,099	425,323	511,351
Federal Funds				
Section 3	347,262	247,308	247,308	183,671
Section 9 - Capital	94,813	146,308	146,308	181,233
Section 9 - Operating	27,998	15,000	21,100	21,100
Section 26	296	6,700	6,700	12,855
CMAQ/RSTP	21,461	156,042	156,042	160,509
Petroleum Violation Escrow Account - PVEA	906	700	700	1,850
Department of Education - DOE	91	399	399	384
Other (a)	770	3,100	3,100	6,310
Total Federal Funds	493,597	575,557	581,657	567,912
Other				
Financing Reimbursements	22,170	15,552	15,552	15,224
TOTAL MTA	2,500,606	3,054,975	3,088,702	3,279,580

a) Includes \$1.2M from Department of Justice, \$2.4 for Intelligent Transit System, \$1.5 for Los Angeles Neighborhood Initiative, and \$1.2 for Federal Demo

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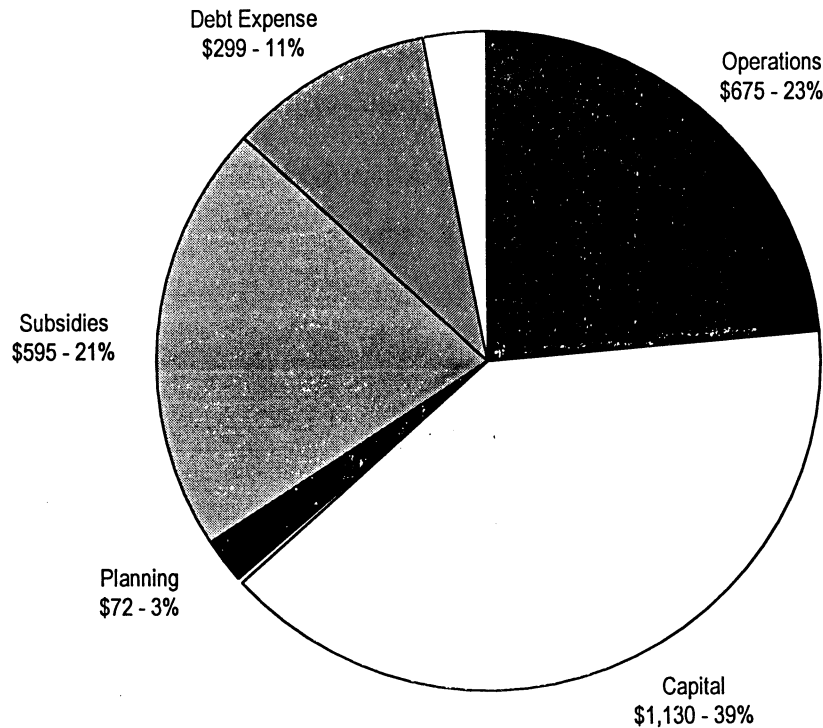
MTA Summary Expenditure Budget

The Total FY98 Expenditure Budget is \$2.8 billion, which is comprised of:

Agency Administration	75,316
Planning	71,928
Bus & Rail Operations	674,930
Capital Projects	1,130,078
Debt Expense	299,299
Subsidies	594,713
Total	<u>\$2,846,264</u>

Agency Administration expenses include support services and other expenses that are not allocable to project budgets as overhead expense. These expenses include government relations and board-related expenses. Planning expenses are those costs associated with the delivery of regional transportation projects, programs and funds. Bus and rail operations includes the costs of service delivery, with all associated support expenses, such as marketing, customer service and scheduling. Capital projects include all bus and rail operations' capital projects, administrative capital projects, in addition to the major rail construction projects. Debt expense includes all debt for the agency; subsidies includes grants and revenues paid to municipal operators and other local agencies throughout Los Angeles County. These expense categories are detailed in sections throughout the FY98 Budget.

Summary of FY98 Expenditure by Program
Total - \$2.8 Billion



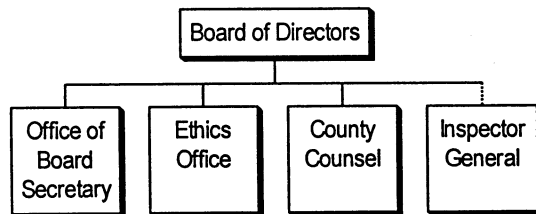
MTA Summary Expenditure Budget

Executive Office FTE's	FY 96 Budget	FY 97 Budget	FY 98 Budget
Board Of Directors	53	62	67
Chief Executive Office	17	7	7
Chief Of Staff	65	103	112
Transit Operations	6,163	6,143	6,029
Regional Transp Planning & Dev	211	220	218
Finance	247	260	259
Administration	911	925	510
Procurement & Distribution	218	252	244
Customer Services & Communications	208	232	228
Construction	196	209	209
Total	8,289	8,413	7,883

Expenditure (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Board Of Directors	14,118	17,578	22,530
Chief Executive Office	1,941	1,232	1,379
Chief Of Staff	9,456	11,084	12,972
Transit Operations	609,395	654,284	712,621
Regional Transp Planning & Dev	94,485	63,436	685,701
Finance	36,308	90,052	443,022
Administration	115,218	142,485	169,522
Procurement & Distribution	14,865	20,455	24,117
Customer Services & Communications	16,957	31,942	24,935
Construction	541,632	835,011	746,615
Non-Departmental	796,382	1,003,332	2,851
Total	2,250,757	2,870,891	2,846,264

Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	352,898	360,134	332,257
Fringe Benefits	217,645	215,959	198,306
Services	441,428	430,843	457,783
Material, Supplies & Utilities	112,036	123,201	95,282
Aquisitions	310,815	757,028	763,128
Subsidies	463,722	557,401	592,542
Other	351,883	425,379	406,967
Sub Total	2,250,428	2,869,944	2,846,264
Overhead	329	947	0
Total	2,250,757	2,870,891	2,846,264

Board of Directors



Board Of Directors

Department FTE's	FY 96 Budget	FY 97 Budget	FY 98 Budget
Office Of Board Secretary	10	11	11
Ethics Office	4	8	8
County Counsel	7	6	6
Inspector General	32	37	42
Total	53	62	67

Expenditures (\$000)	FY 96 Actual	FY 97 Budget	FY 98 Budget
Board Office	201	341	300
Office Of Board Secretary	601	782	712
Ethics Office	209	589	641
County Counsel	10,548	11,574	11,745
Inspector General	2,559	4,292	4,632
Sub Total Department	14,118	17,578	18,030

Non-Departmental-County Counsel	0	0	4,500
Sub Total Non-dept.	0	0	4,500

Total Non-dept & Dept	14,118	17,578	22,530
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Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	2,244	2,798	3,073
Fringe Benefits	1,136	2,144	2,102
Services	10,438	11,961	16,619
Material, Supplies & Utilities	25	166	294
Aquisitions	90	208	208
Other	184	300	235
Sub Total	14,118	17,578	22,530
Overhead	0	0	0
Total	14,118	17,578	22,530

Board Of Directors Board Office

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	0	0	0
Fringe Benefits	0	0	0
Services	170	186	181
Material, Supplies & Utilities	(11)	10	14
Other	42	145	105
Sub Total	201	341	300
Overhead	0	0	0
Total	201	341	300

Board of Directors

Office of Board Secretary (1110)

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

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none">• Fiscally Responsible• Customer Focused	<ul style="list-style-type: none">• Continue to provide existing levels of support and production to the Board and its committees while reducing budget expenditures by 10% during FY98.• Meet all established deadlines for production, posting and delivering agendas, recaps and minutes.
FY97 Accomplishments	
<ul style="list-style-type: none">• Administered the Board Meeting process, including scheduling, catering, agendizing, attending, taking, and transcribing minutes/recaps of all Committee and Board Meetings.• Provided support to individual members of the Board with correspondence, travel requests, benefits, expense reimbursements, and Director fees.• Acted as filing officer for state-mandated Statements of Economic Interest.• Accepted and processed all legal documents (claims for damages, garnishments, subpoenas, summons, and complaints) served on the MTA and its employees.• Researched record requests, delivered documents, and made required court appearances meeting court and deposition deadlines.	

Board Of Directors Office Of Board Secretary

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	386	423	397
Fringe Benefits	194	283	260
Services	11	67	20
Material, Supplies & Utilities	7	5	26
Other	3	4	8
Sub Total	601	782	712
Overhead	0	0	0
Total	601	782	712
FTEs	10	11	11

Board of Directors

Ethics Office (1120)

The Ethics Office is responsible for advising the Board of Directors, Executive Management, and staff on ethical principles in accordance with state laws and regulations governing campaign contributions, fund raising activities, conflicts of interest, and lobby regulations.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Community and Regionally Responsive • Customer Focused • Employee Supportive 	<ul style="list-style-type: none"> • Maintain ethics program to save approximately 20% in procurement/contract costs. Respond to Federal concerns by highlighting MTA ethics and accountability to restore confidence. • Implement and maintain a Lobby Registration program as required by State law. Evaluate and revise program forms. Provide for electronic report filing. • Use ethics policy and advise on all agency procurements, e.g., eliminate additional contract costs by allowing free and open competition sustained through Economic Disclosure, Conflict of Interest, Lobbyist Registration and Gift Policy. Address appearance issues involving fundraising activities and campaign contributions through Board Code of Conduct. Maintain additional savings through litigation reduction based on issues of unfair competitive advantage. • Incorporate ethics and lobby registration provisions in all procurement documents. • Implement and monitor a Contractor Code of Conduct to insure ethical MTA contractor job performance. • Implement and monitor the Board Code of Conduct and the Employee Code of Conduct to assure the public that MTA officials conduct themselves in a fair and equitable manner. • Conduct annual department review. • Provide support to employees to allow them to make informed, ethical decisions. • Provide ongoing training in general and specialized training to staff, lobbyists, and contractors.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Developed new codes of conduct in an attempt to change the image and integrity of the MTA with the general public and the FTA. • Successfully provided ethics training to over 500 employees. • Developed relational database for registration and quarterly filings for over 700 lobbyists. • Prepared monthly conflict of interest statements to the Board. • Processed Statements of Economic Disclosure to approximately 700 staff in accordance with state statute. 	

Board Of Directors Ethics Office

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	127	328	328
Fringe Benefits	66	230	228
Services	0	13	0
Material, Supplies & Utilities	3	4	72
Aquisitions	0	0	0
Other	13	15	12
Sub Total	209	589	641
Overhead	0	0	0
Total	209	589	641

FTEs	4	8	8
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Board of Directors

County Counsel (1210)

The County Counsel is responsible for providing legal advice and representation to the MTA. County Counsel provides advice on issues of governmental law, procurement law, conflict of interest laws, and Federal and State laws relating to transportation. County Counsel also provides advice and representation on construction matters, labor relations, personnel matters and administers outside legal services.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community & Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Expand the capability of this office by increasing training in specialized areas and upgrading staff with attorneys specializing in construction and labor relations/employment, thereby reducing use of outside counsel. • Attempt, when practical, early resolution of lawsuits. • Respond to requests for legal advice as follows: formal legal opinions (2 weeks); requests for legal advice (3 business days); review contracts, agreements, or other documents (1 week). If unable to meet these timeframes, so inform client. • Notify affected employee or his/her department head within 30 days of receipt of any lawsuit naming that employee as defendant and update employee/department head thereafter of any significant upcoming action. • Provide monthly status reports to the MTA Board and the executive officers on significant litigation. • Monitor MTA compliance with requirements of Consent Decree in class action fare lawsuit quarterly, to ensure MTA meets all legal obligations to the community. • Prepare working draft of a legal handbook by March, 1998. • Provide a minimum of 2 training sessions/qtr. for employees.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Obtained settlement of environmental lawsuit to allow MRL Segment 3 subway tunneling to proceed in the Santa Monica Mountains. • Negotiated resolution of the class action fare lawsuit. • Obtained State's highest court's rejection of challenge to MTA's DBE/MBE program. • Obtained federal court ruling upholding MTA's drug testing policy. • Obtained from the U.S. Department of Labor an unprecedented interim 13C Certification for the release of approximately \$99M Section 9 operating and capital funds to the MTA. • Conducted seminars on various topics ranging from contract liability, mass mailing regulation, the Brown Act, and the Public Records Act. • Provided legal counsel on various public-private partnerships for MTA including the development of the Union Station Transit Center facilities, LTE "Light" Program, MTA "Location 24", Long Beach Willow Street Station, and other MTA surplus properties located in Chatsworth. 	

Board Of Directors County Counsel

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	175	246	258
Fringe Benefits	89	148	143
Services	10,111	11,130	11,293
Material, Supplies & Utilities	6	5	24
Aquisitions	90	0	0
Other	77	44	27
Sub Total	10,548	11,574	11,745
Overhead	0	0	0
Total	10,548	11,574	11,745

FTEs	7	6	6
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Non-Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	0	0	0
Services	0	0	4,500
Sub Total	0	0	4,500
Total	0	0	4,500

Comments
Non-departmental includes \$4.5 million for Legal Contingency (\$5 million budgeted in Department 0000 in FY97)

Board of Directors

Inspector General (1310)

The Inspector General is responsible for identifying and investigating allegations of fraud, waste, and abuse of MTA resources; and monitoring compliance with the Ethics Policy and legislatively-assigned responsibilities.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused 	<ul style="list-style-type: none"> • Detect, investigate, deter, and prevent fraud, waste, or abuse in MTA programs and operations. • Effect cost savings or recoveries of at least \$5M in FY98. • Conduct, supervise, and provide policy direction for audits, reviews, and analyses relating to the programs, operations, and contracts of the MTA. • Recommend remedial actions to correct deficiencies and achieve fiscal responsibility. • Inform the MTA Board and management of issues and deficiencies involving compliance with applicable policies, procedures, Federal and State laws and regulations, and the need for appropriate action.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Opened 30 and closed 43 investigations during the calendar year 1996. • Completed 6 audits identifying critical areas of internal control weaknesses. • Initiated a new inspection program and completed 6 inspections. • Continued to keep MTA Board informed on critical issues facing MTA. • Developed a comprehensive questionnaire for prequalifying MTA contractors. • Continued to identify potential problem areas and notified MTA management. 	

Board Of Directors Inspector General

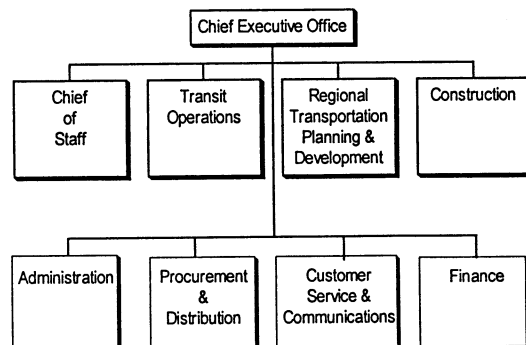
Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	1,557	1,801	2,089
Fringe Benefits	786	1,483	1,470
Services	146	565	625
Material, Supplies & Utilities	20	142	158
Aquisitions	0	208	208
Other	50	94	83
Sub Total	2,559	4,292	4,632
Overhead	0	0	0
Total	2,559	4,292	4,632

FTEs	32	37	42
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Chief Executive Office



Chief Executive Office

The Chief Executive Office is responsible for coordinating the activities of the Office of the CEO, including acting as a liaison between the Board and MTA staff. Additionally, the Chief Executive Office oversees Equal Opportunity Administration and audit functions.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Achieve a 5% reduction in MTA's operating budget. • Develop and implement a 3-5-year Strategic Business Plan. • Develop and implement an agency-wide system of performance measures and standards. • Achieve higher productivity by implementing all FY97-98 organization structure and process improvement recommendations contained in the Organizational Assessment. • Achieve a 5-year ISTEA funding agreement, ensuring \$250M for buses, \$100M for Mid-Cities project and \$102M for MOS-4. • Resolve rail construction scope and funding issues and develop a plan supported by the Board and the FTA. • Improve bus service by implementing the Consent Decree and incorporating findings of the Service Planning and Market Research study into service and operations planning. • Continue implementation of the Customer First Program. • Develop and implement a fare-card system. • Adopt and begin implementing the 20-year Long-Range Plan. • Compile the results from MTA's Stakeholder survey and use to develop improved constituent services, increased coordination and restructured and improved regional planning functions. • Implement the adopted Performance Appraisal system and develop a Pay-for-Performance plan to compensate employees based on the results they achieve. • Continue training management employees in TLAMP and develop and implement a similar professional development program for non-management employees. • Compile the results of the MTA employee survey and implement strategies to improve the agency's effectiveness and morale. • Develop and implement an Organizational Development Master Plan to identify opportunities for employee skill development and to increase employee skills agency-wide.

Chief Executive Office

FY97 Agency Accomplishments

- Completed the first annual stakeholder, partners, and employee satisfaction surveys.
- Conducted a comprehensive organizational assessment and began implementation of initiatives.
- Developed MTA vision and mission statements.
- Implemented new bus service as required by Consent Decree.
- Managed the start-up of 6 contract lines and the transition of management for the original 7 contract lines from the Operations unit.
- Guided the Long Range Transportation Plan stakeholder and Community Outreach process.
- Completed the conversion and implementation of the new Financial Information System (FIS), continuously enhancing its reporting capabilities based on user input.
- Implemented new classification and pay grade structure.
- Consolidated the Procurement and Construction Contracts departments into a single, coordinated executive units.
- Oversaw the development of the MTA Board-adopted 1997 Legislative Strategy and Workplan, January, 1997.
- Held the Customer First Conference, dedicated entirely to customer service excellence.
- Oversaw the implementation of proactive, merchant assistance programs like Rapid Response, Security, Parking, advertising, and rent subsidy to impacted businesses along commercial corridors.
- Opened the 2.2 mile Red Line Segment 2 of Metro Red Line Wilshire Blvd. In July.
- Completed street restoration of Vermont/Hollywood corridor.
- Mined over 8,000 feet in both east and west tunnels on Segment 3, North Hollywood.
- Completed over 60% of final design for Eastside extension.
- Completed over 80% of final design for Pasadena Line.
- Completed reconstruction of Arroyo Seco Bridge for the Pasadena Blue Line.
- Implemented all FTA quality and safety improvements.
- Led the Transit Police merger effort.

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Chief Executive Office

Department FTE's	FY 96 Budget	FY 97 Budget	FY 98 Budget
Chief Executive Office	17	7	2
Deputy Ceo Finance & Admin	0	0	5
Total	17	7	7

Expenditures (\$000)	FY 96 Actual	FY 97 Budget	FY 98 Budget
Chief Executive Office	1,941	1,232	327
Deputy Ceo Finance & Admin	0	0	1,052
Sub Total Department	1,941	1,232	1,379

Sub Total Non-dept.			
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Total Non-dept & Dept	1,941	1,232	1,379
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Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	1,137	439	475
Fringe Benefits	565	271	313
Services	134	370	400
Material, Supplies & Utilities	43	14	17
Other	62	137	173
Sub Total	1,941	1,232	1,379
Overhead	0	0	0
Total	1,941	1,232	1,379

Chief Executive Office Chief Executive Office

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	1,137	439	176
Fringe Benefits	565	271	115
Services	134	370	0
Material, Supplies & Utilities	43	14	10
Other	62	137	27
Sub Total	1,941	1,232	327
Overhead	0	0	0
Total	1,941	1,232	327
FTEs	17	7	2

Chief Executive Office Deputy Ceo Finance & Admin

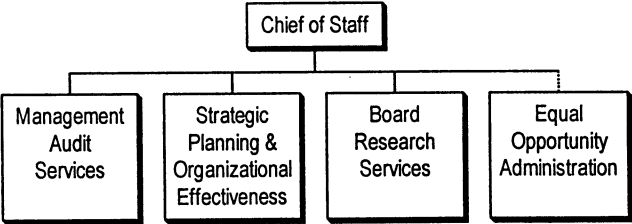
Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	0	0	300
Fringe Benefits	0	0	198
Services	0	0	400
Material, Supplies & Utilities	0	0	8
Other	0	0	146
Sub Total	0	0	1,052
Overhead	0	0	0
Total	0	0	1,052

FTEs	0	0	5
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Chief of Staff



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Chief Of Staff

Department FTE's	FY 96 Budget	FY 97 Budget	FY 98 Budget
Equal Opportunity Administration	36	38	40
Chief Of Staff	0	8	8
Management Audit Services	21	42	50
Board Research Services	0	7	6
Strategic Plan & Org Effectiveness	8	8	8
Total	65	103	112

Expenditures (\$000)	FY 96 Actual	FY 97 Budget	FY 98 Budget
Equal Opportunity Administration	5,411	4,391	3,415
Chief Of Staff	0	731	2,813
Management Audit Services	3,360	3,781	4,683
Board Research Services	0	534	632
Strategic Plan & Org Effectiveness	684	1,646	1,429
Sub Total Department	9,456	11,084	12,972

Sub Total Non-dept.			
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Total Non-dept & Dept	9,456	11,084	12,972
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Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	2,776	4,724	5,284
Fringe Benefits	1,403	2,983	3,573
Services	5,192	3,095	3,608
Material, Supplies & Utilities	46	68	314
Aquisitions	0	3	0
Other	39	211	192
Sub Total	9,456	11,084	12,972
Overhead	0	0	0
Total	9,456	11,084	12,972

Chief of Staff

Chief of Staff (2400)

The Chief of Staff is responsible for providing leadership, planning and facilitative resources to ensure that the MTA is strategically positioned to carry out its mission.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Introduce the MTA's first 5 year Strategic Business Plan to the Board for adoption by June 30, 1998. • Ensure completion of all Organizational Assessment recommendations scheduled for FY98 by monitoring progress, submitting quarterly progress reports to the Board Organizational Assessment Steering Committee and participating in selected projects necessary to carry out the recommendations. • Provide Consultation and analysis to the Audit Task Force of the Board of Directors in order to improve management processes and accountability. • Implement centralized, quarterly reporting of agency-wide performance measures and standards. • Develop an improved approach to providing the Board of Directors with clear, concise information and ensuring open lines of communications with the MTA staff. • Complete an analysis of the MTA's safety programs' structural alignment and procedures to identify any changes needed to improve results. • Develop a database of Small/Disadvantaged Business Enterprises that allows for more efficient storage, tracking and retrieval of information to improve monitoring and reporting in Equal Opportunity programs. • Develop and implement an Organizational Development program and master plan to ensure an appropriate range of training to MTA employees.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Led the development and staff roll-out of the MTA's first vision, mission, and goals to refine and re-emphasize the agency's focus and service to the public. • Developed MTA's first one-year business plan document. • Facilitated MTA's first annual stakeholder, partners and employee satisfaction surveys. • Managed a comprehensive Organizational Assessment management review of MTA by a consultant and began implementation of the initiatives resulting from it. • Began developing agency-wide performance measures. • Coordinated development of an automated MTA Master Calendar. • Re-engineered the contract audit process to improve productivity and to expedite the contract change process. • Developed a revised Management Audit Contract program while completing more than 200 audits and reviews. • Led and coordinated AB 1869 audit requirements. • Led the creation and adoption of the mission and vision. 	

Chief Of Staff Chief Of Staff

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	0	376	384
Fringe Benefits	0	268	262
Services	0	74	2,140
Material, Supplies & Utilities	0	2	16
Other	0	11	11
Sub Total	0	731	2,813
Overhead	0	0	0
Total	0	731	2,813
FTEs	0	8	8

Chief of Staff

Equal Opportunity Administration (2100)

The Equal Opportunity Administration is responsible for the development, implementation, and monitoring of MTA's equal opportunity programs. Equal Opportunity ensures that personnel and contract procurement policies and procedures comply with equal opportunity laws and regulations.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Implement contract with SCRRA to ensure proper compensation. • Complete FTA mandated monitoring of at least 43 additional contracts and also assume excess workload being performed by a consultant in Labor Compliance area. • Complete merger and streamline Contract Compliance operation to effectively service Disadvantaged/Minority/Women-owned Business Enterprise (D/M/WBEs). • Develop D/M/WBE monitoring database to effect efficient data storage and provide statistical reports on Contract Compliance. • Provide quarterly Contract Compliance Orientation/Workshops for MTA staff, Transportation Business Advisory Council (TBAC) and small business community. • Increase publication of Directory of Certified Firms to 2 per year. • Host workshops when revised FTA DBE regulations are issued. • Reduce turnaround time for goals and Good Faith Efforts (GFE) evaluation from 10 to 5-7 days. • Implement Intergency Imaging System grant to improve Small Business Enterprise (SBE) certification process. • Increase certification closures to 20/mo. for each Equal Opportunity staffmember in the Business Outreach and Development unit. • Enter into a reciprocal certification agreement with Alameda Corridor. • Train and test all employees' knowledge of sexual harassment.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Developed outreach program to ensure achievement of the MTA's annual goal; exceeded the overall DBE goal of 23% by achieving 24.8%. • Conducted Sexual Harassment & Diversity training for Transit Police and various Transit Operations divisions and orientation on DBE requirements and MTA business opportunities for the small business community. Diversity Task Force Committee established as a result of this training. • Increased budgeted positions by 3 for adherence to FTA monitoring requirements. • Held Team Building Retreat/Workshop in April, 1997, which was successful in fostering communication, assessment of staff's skill levels, and goals development for the department. • Finalized and adopted EO Department Policy/Procedures: Title VI Complaint Procedures. • Constructed Outreach Calendar of Events, Consultant Forums, Small Business Events, Agency Interface, TBAC, and vendor fairs. • Developed Labor Compliance/EEO/AA oversight procedures to monitor Labor Compliance Contract. 	

Chief Of Staff Equal Opportunity Administration

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	1,391	1,614	1,633
Fringe Benefits	703	1,095	1,119
Services	3,267	1,553	585
Material, Supplies & Utilities	32	12	36
Other	19	117	42
Sub Total	5,411	4,391	3,415
Overhead	0	0	0
Total	5,411	4,391	3,415
FTEs	36	38	40

Chief of Staff

Management Audit Services (2500)

The Management Audit Services Department is responsible for supporting the MTA and management through the following 3 functions: Audit function (conduct contract and performance audits); Safety compliance function (monitor compliance with applicable safety regulations and industry practices); and Pre-Qualification function (implement the audit requirements of California Assembly Bill 1869).

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Perform all legally mandated audits, including the 289 financial and compliance audits of the annual Consolidated Audit, 400 contract audits, 220 close-out audits of transportation related Call-for-Projects, and 25 operational audits in high risk functions. These audits will ensure MTA is complying with applicable laws and regulations; identify significant dollar savings and recoveries; and recommend improvements in the economy, efficiency and effectiveness of MTA's operations, programs, and activities. • Support the Board's Audit Task Force. • Develop and implement Safety Compliance Program to ensure MTA provides a safe transportation system. Conduct 10 safety reviews; develop MTA corporate total safety culture. • Control, direct and guide all affected MTA contractors through the new pre-qualification process in a manner that provides due process to all and results in few if any disputes. • Evaluate MTA safety outreach programs to ensure community and regional needs are met. • Evaluate employee and contractor worker safety programs to ensure MTA maintains a safe working environment and to indirectly help reduce workers compensation costs which.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Developed forward pricing agreements with major professional consultants as part of re-engineering the contract audit process to improve productivity and to expedite contract change process. • Restructured operational audit program to increase productivity. • Implemented an Audit Management Information System. • Completed 113 consolidated audits, 26 operational audits, 75 contract audits, and 12 other projects. • Hired 5 experienced contract auditors to implement AB 1869 audit requirements. • Created a 5-member Contractor Pre-Qualification Unit to administer AB1869 mandated pre-qualification questionnaire. Developed and led a task force to design and roll out an efficient and practical pre-qualification process to support MTA procurement. • Completed 2 major safety reviews of CNG Tank Rupture and interface of Risk Management Construction and Construction Safety. • Coordinated approval of FTA-mandated System Safety Program Plan. 	

Chief Of Staff Management Audit Services

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	1,121	1,980	2,386
Fringe Benefits	566	1,117	1,613
Services	1,638	658	357
Material, Supplies & Utilities	15	11	237
Other	19	15	89
Sub Total	3,360	3,781	4,683
Overhead	0	0	0
Total	3,360	3,781	4,683
FTEs	21	42	50

Chief of Staff

Board Research Services (2700)

The Board Research Services is responsible reviewing board reports and for coordinating and providing briefings with MTA Board Members and their staffs on various issues to provide the Board with information to make informed decisions.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused 	<ul style="list-style-type: none"> • Set up briefings with Board of Directors on the FY98-99 Budget and the 5 year Strategic Plan. • Develop streamlined Board Report review process. • Implement recommendations contained in Organizational Assessment including review of board restructuring legislation, procedures to streamline board reports, preparation of board-report guidelines, and report to Strategy and Executive Management Committees on improved reporting process. • Develop process, in conjunction with Chief of Staff, to provide Board of Directors with clear, concise and open lines of communications with the MTA staff. • Provide effective staff support to the MTA Citizens Advisory Council. • Conduct quarterly workshops with the Citizens Advisory Council to garner support on wide-ranging MTA issues. • Attend all League of California Cities, Los Angeles County Division and other meetings and provide staff support to MTA League Corridor Board Members who attend these meetings. • Develop a procedure for effectively logging and tracking all MTA Board Member inquiries for information and analysis and staff responses to these inquiries.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Successfully reviewed Board reports and coordinated briefings with MTA Board Members and their staffs on many issues scheduled for consideration in order to provide the Board with sufficient information to make informed decisions. • Developed, in conjunction with ITS, an MTA Master Calendar so as to assist in the coordination of events and meetings that require MTA Board Member participation. • Successfully represented the MTA before the League of California Cities, Los Angeles County Division, Contract Cities Association, and Independent Cities Association. • Successfully staffed the MTA's legislatively-mandated Citizens Advisory Council and coordinated a CNG bus workshop and Long Range Transportation Plan presentation workshop in addition to other presentations and programs. 	

Chief Of Staff Board Research Services

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	0	274	369
Fringe Benefits	0	197	251
Material, Supplies & Utilities	0	30	2
Other	0	33	10
Sub Total	0	534	632
Overhead	0	0	0
Total	0	534	632

FTEs	0	7	6
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Chief of Staff

Strategic Planning & Organizational Effectiveness (9100)

The Strategic Planning & Organizational Effectiveness Department is responsible for managing MTA's strategic and business plan process, organization/situation assessments, and organizational improvement.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Employee Supportive 	<ul style="list-style-type: none"> • Produce MTA's first 5 year Strategic Business Plan by June 30, 1998. • Develop and implement a first set of agency-wide performance measures by September 30, 1997. • Implement a balanced scorecard approach to agency-wide performance measures by June 30, 1998. • Oversee and coordinate follow-up of Organizational Assessment recommendations to achieve 75% or more implementation by June 30, 1998. • Ensure through project management and oversight the completion of three process improvement projects – vehicle maintenance, HR recruitment & selection, and budget – by June 30, 1998. • Conduct stakeholder Customer Satisfaction Survey by January 1, 1998, and coordinate the development of strategies that integrate key findings into MTA goals, objectives, strategies and measurement. • Complete Organizational Development Master Plan by December 31, 1997. • Implement high-priority Organizational Development Master Plan recommendations by June 30, 1998.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Developed updated vision, mission and strategic goals with Executive Staff. • Developed plan for employee involvement in authoring set of employee-management Values for the MTA. • Developed 1 year Business Plan framework and prepared first annual business plan document. • Facilitated development of measurable objectives for all MTA Units and Departments linked to Strategic Business Plan framework. • Developed Customer Satisfaction Index using Service Planning and Market Research Study. • Developed consolidated MTA performance measures linked to measurable objectives. • Developed and implemented pilot objectives tracking system for executive staff. • Facilitated completion of first annual stakeholder and employee satisfaction surveys. • Facilitated implementation of 30% of Transportation Leadership and Management Program (TLAMP) project recommendations by responsible departments. • Established and conducted monthly Senior Management Forums. • Coordinated top-to-bottom management review of the MTA (Coopers & Lybrand study) and began implementation of 37 out of 57 initiatives in the four-year improvement plan. • Launched the Human Resource Recruitment and Selection work process improvement program. 	

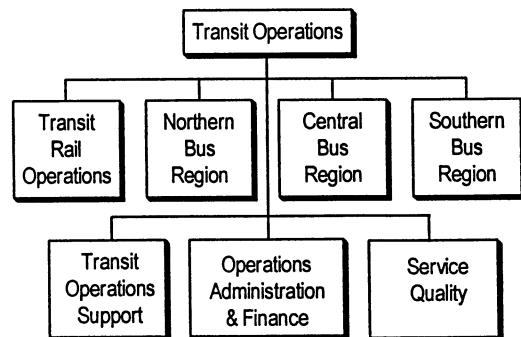
Chief Of Staff Strategic Plan & Org Effectiveness

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	264	479	512
Fringe Benefits	133	307	328
Services	286	809	526
Material, Supplies & Utilities	0	13	23
Aquisitions	0	3	0
Other	1	35	40
Sub Total	684	1,646	1,429
Overhead	0	0	0
Total	684	1,646	1,429
FTEs	8	8	8

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Transit Operations



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Transit Operations

Department FTE's	FY 96 Budget	FY 97 Budget	FY 98 Budget
Executive Office, Transit Operations	3	3	6
Operations Administration & Finance	86	60	56
Transit Operations Support	828	879	843
Northern Bus Region	1,707	1,789	1,713
Service Quality	25	49	93
Central Bus Region	1,427	1,425	1,440
Southern Bus Region	1,645	1,462	1,412
Transit Rail Operations	442	476	466
Total	6,163	6,143	6,029

Expenditures (\$000)	FY 96 Actual	FY 97 Budget	FY 98 Budget
Executive Office, Transit Operations	446	1,357	671
Operations Administration & Finance	49,649	4,614	5,223
Transit Operations Support	145,804	243,237	307,344
Northern Bus Region	132,535	132,626	127,117
Service Quality	8,681	9,107	14,626
Central Bus Region	121,336	107,271	106,753
Southern Bus Region	114,448	111,926	103,030
Transit Rail Operations	36,495	44,146	39,866
Sub Total Department	609,395	654,284	704,631

Non-Departmental-Operations	0	0	7,991
Sub Total Non-dept.	0	0	7,991

Total Non-dept & Dept	609,395	654,284	712,621
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Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	265,546	259,643	247,320
Fringe Benefits	133,366	144,844	133,999
Services	41,712	61,117	65,084
Material, Supplies & Utilities	97,687	87,619	75,461
Aquisitions	60,091	97,891	186,212
Other	5,886	3,170	4,545
Sub Total	604,287	654,284	712,621
Overhead	5,107	0	0
Total	609,395	654,284	712,621

Transit Operations

Executive Office (3000)

The Executive Office for Transit Operations is responsible for oversight of all aspects of MTA bus and rail operations and related activities.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Deliver 6.2M revenue hours of bus service to 330M passengers and 0.15M revenue hours of rail service to 30M passengers at an operating cost not to exceed \$445,342,359. • Introduce 190 new compressed natural gas (CNG) buses into service, and recondition 90 additional buses to meet the needs of current service and Bus System Improvement Plan (BSIP)/Consent decree service expansion. • Achieve a traffic accident rate of less than 3.0 accidents per 100,000 miles to maintain MTA's position as a national leader in passenger and employee safety. • Improve the condition of the fleet and reliability of bus service by implementing Ready to Roll Standards, an in-service on-time performance improvement program, and achieving 99.5% On-Time Pull-Out Rate and 4,000 Miles Between Chargeable Road Calls, during FY98. • Hold community meetings, meet with consumer advisory groups, and participate in community organizations, on a monthly basis throughout the service area. • Continue to support work with Joint Working Group on Consent Decree issues. • Install Division logos on bus fleet to increase community identification and ownership. • Implement gainsharing programs in each operating unit, establish monthly Employee Forums, and conduct "Let's Talk" meetings with front line employees quarterly at every work location. • Hold second Annual Innovations Conference encouraging non-operations units to participate. • Provide Strategies For Dealing With Difficult People and MTA's Customer First Initiative training to 100% of Bus and Train Operators to improve customer service in FY98.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Implemented Joint Working Groups as required by Consent Decree. • Implemented new bus service as required by Consent Decree. • Implemented management ride program to increase management visibility to both employees and customers. • Implemented new paint scheme for buses and trains. • Held first Annual Innovations Conference. • Coordinated a national forum on GNG technology and fueling issues. 	

Transit Operations Executive Office, Transit Operations

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	242	163	337
Fringe Benefits	128	351	228
Services	47	50	63
Material, Supplies & Utilities	5	0	7
Other	25	793	37
Sub Total	446	1,357	671
Overhead	0	0	0
Total	446	1,357	671
FTEs	3	3	6

Transit Operations

Operations Administration & Finance (3100)

Operations Administration & Finance provides human resources, financial, and management support to all MTA Operations departments to ensure an organization committed to its customers and dedicated to providing cost-effective transit services.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Employee Supportive 	<ul style="list-style-type: none"> • Manage FY98 Operating and Capital Budgets for Operations according to schedule while implementing efficiencies. • Provide system-wide, regional and division operating performance and financial variance reports weekly, monthly and/or quarterly to ensure all units result in a zero budget variance. • Implement project management techniques within Operations to ensure 100% adherence to budget goals and objectives. • Train 100% of Bus Operators in Strategies For Dealing With Difficult People. • Hire and train 206 full-time and 286 part-time bus and rail operators. • Develop and implement the Transit Institute for the retraining of 100% current bus operators. • Administer annual Performance Appraisal Program for 749 Non-Contract staff.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Developed FY98 Budget in accordance with financial constraints (3% reduction). • Trained over 315 new bus operators and retained over 2,150 bus operators. • Trained 1,476 mechanics and 260 service attendants. • Developed Emergency Preparedness Plan for all MTA operating divisions. • Implemented automated division-level performance monitoring programs (DOMES). • Developed monthly performance report. • Developed Strategies for Dealing with Difficult People training program for bus and rail operators. 	

Transit Operations Operations Administration & Finance

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	3,420	2,591	2,479
Fringe Benefits	2,191	1,372	1,682
Services	170	163	134
Material, Supplies & Utilities	1,280	48	833
Aquisitions	42,529	0	0
Other	58	441	94
Sub Total	49,649	4,614	5,223
Overhead	0	0	0
Total	49,649	4,614	5,223

FTEs	86	60	56
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Non-Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	0	0	(5,226)
Fringe Benefits	0	0	(2,622)
Services	0	0	7,160
Material, Supplies & Utilities	0	0	6,560
Other	0	0	2,118
Sub Total	0	0	7,991
Overhead	0	0	0
Total	0	0	7,991

Comments
Non-departmental includes \$8 million for Bus Service Improvement Plan (\$8 million budgeted in FY97)

Transit Operations

Transit Operations Support (3200, 3300, 3400)

Transit Operations Support (TOS) is responsible for overseeing critical support functions of MTA Operations. Specific programs that TOS oversees includes Operations Support (Dispatch); Equipment Engineering; Congestion Relief Operations and Freeway Service Patrol; Facilities Maintenance; Regional Rebuild Center; and Non-Revenue Vehicle Operations.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive 	<ul style="list-style-type: none"> • Award procurement for new buses to maximize the amount of buses which can be purchased with the funds available. • Provide 72,000 hours of dispatch coverage for bus operations. • Deliver 190 new buses into revenue service. • Refurbish facilities for 3 bus divisions, 1 bus terminal, and 11 rail stations. • Rebuild 622 engines and 977 transmissions, and repaint 250 buses. • Add up to 350 new call boxes on county roads in the <i>Call Box Program</i>, and increase the <i>Freeway Service Patrol</i> service levels and coverage by 10%.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Provided over 64,800 man-hours of dispatch coverage for bus operations. • Delivered 140 new CNG buses into revenue service and an operational prototype of ATTB. • Upgraded facilities in 2 bus divisions, 1 rail division, and 10 rail stations. • Assisted 400,000 motorists through the Call Box Program, and 300,000 with Freeway Service Patrol. • Rebuilt 914 engines (including 200 methanol warranty, 85 CNG mitigation, and 28 purchased new), 1,001 transmissions (includes requalified), repainted 200 buses, put 105 buses through the Inspect and Repair as Necessary (IRAN) program, and prepared 160 buses for contracted service. 	

Transit Operations Transit Operations Support

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	27,936	33,744	32,494
Fringe Benefits	18,190	23,266	22,139
Services	40,736	55,114	54,652
Material, Supplies & Utilities	44,512	34,364	14,402
Aquisitions	10,323	95,876	182,527
Other	3,979	874	1,131
Sub Total	145,675	243,237	307,344
Overhead	129	0	0
Total	145,804	243,237	307,344

FTEs	828	879	843
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Comments
Non-departmental includes \$4 million for Division Electircity & Gas (\$4 million budgeted in Department 0000 in FY97), \$9 million for Rail Propulsion Power (\$8 million budgeted in Department 0000 in FY97), and \$2 million for Fuel & Lube Taxes (\$3 million budgeted in Department 0000 in FY97).

Transit Operations

Transit Rail Operations (3900)

Transit Rail Operations is responsible for the operation and maintenance of existing rail lines and the activation of future rail lines in a safe, efficient, and cost-effective manner.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Employee Supportive 	<ul style="list-style-type: none"> • Monitor costs and come in on budget by the end of FY98. • Conduct 100% of all mandatory statutory inspections by the Maintenance of Way staff to maximize system safety and reliability. • Complete 95% of scheduled car inspections; provide 95% on-time roll outs and ensure that train roll outs are 100% graffiti free by the Rail Vehicle Maintenance staff to provide reliable, clean and safe rail vehicles for revenue service. • Provide support for the receipt, testing and acceptance of the 18 Siemens light rail vehicles. • Provide support for the receipt, testing and acceptance of the 44 Breda heavy rail vehicles. • Increase Metro Blue Line service by signal replacement in Long Beach. • Provide 100% of all required safety certification and training classes by the Rail Transportation staff for MTA employees and other public agency personnel to maximize and maintain proper safety and readiness levels.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Increased revenue service by over 14,400 hours (9.6%). • Increased Metro Blue Line level of service by over 11% by improvements in the re-phasing of signals along Washington Blvd. • Started Revenue operations of Red Line Segment from Wilshire/Alvarado to Wilshire/Western which extended the subway an additional 2 miles and added 3 more stations. • Exceeded Metro Green Line ridership projection of 10,000 daily riders; actual ridership averages over 18,000 riders. 	

Transit Operations Transit Rail Operations

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	20,028	19,630	19,524
Fringe Benefits	9,906	12,729	12,063
Services	209	4,639	639
Material, Supplies & Utilities	5,303	5,069	3,850
Aquisitions	833	2,015	3,685
Other	48	63	104
Sub Total	36,328	44,146	39,866
Overhead	167	0	0
Total	36,495	44,146	39,866
FTEs	442	476	466

Transit Operations

Northern Bus Region (3500)

The Northern Bus Region is responsible for the operation and maintenance of buses in 4 operating divisions: North Los Angeles (Division 3); East San Gabriel Valley (Division 9); West Valley (Division 8); and East Valley (Division 15).

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Provide service within budget by monitoring monthly variance reports and reducing expenditures, reducing injuries and illnesses by 10%, reducing overtime usage by 10%, and minimizing Voluntary Call Backs (VCBs). • Investigate and respond to customer complaints, including contacting the customer and resolving the issue, within 3 working days of receipt. • Perform deep bus cleans every 6,000 miles in addition to the regular daily Bus Cleanliness Program to maintain clean buses and reduce customer complaints. • Reduce avoidable accidents and customer complaints by 10% through having operators attend 8-16 hours of "Strategies Training" along with their 8 hours of Vehicle Transit Training (VTT) and "Back to Basics" training annually. • Reduce schedule related complaints by 10% by conducting 3 Management rides and 10 time/load checks per week for schedule adherence and on-time performance. • Conduct 1 community meeting quarterly to discuss bus service, answer questions, and address any issues and/or concerns. • Identify and emphasize the necessary tools, training and support to advance employee's professional growth and job satisfaction by ensuring employees attend 16-24 hours of MTA and/or external training per year.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Reduced past due preventative maintenance from an average of 2 per bus to 1.5 per bus. • Submitted proposals on 18 LADOT lines and, as of April, are in discussions with Santa Clarita Transit for maintenance services. • Implemented a program to monitor and analyze maintenance costs, addressing parts usage, mechanic and service attendant PMP time job on and off analysis, overtime/non-work time usage, roadcalls, and fuel usage reports. 	

Transit Operations Northern Bus Region

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	79,598	77,478	72,996
Fringe Benefits	38,404	40,640	36,995
Services	27	112	150
Material, Supplies & Utilities	14,026	14,296	16,808
Other	481	100	168
Sub Total	132,535	132,626	127,117
Overhead	0	0	0
Total	132,535	132,626	127,117
FTEs	1,707	1,789	1,713

Transit Operations

Service Quality (3600)

Service Quality is responsible for providing programs to ensure MTA Operations are safe and of the highest quality. Specific programs managed by Service Quality are Operations Safety; Quality Assurance; Quality Integration; Quality Response; and Stops and Zones.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Employee Supportive 	<ul style="list-style-type: none"> • Process and recover 98% of all bus and rail warranty claims within one week of receipt and recover approximately \$1.2M in claims during FY98. • Perform 36 simulated California Highway Patrol (CHP) terminal and Biennial Inspection of Trucks inspections during FY98. • Expand Van Nuys Blvd. Bus Stop Information Cube Demonstration Program, to entail the implementation and maintenance of a Bus Stop Information Cube Program for 250-350 additional bus stops within the MTA system. • Implement a Safety Awards Program for union (UTU, ATU & TCU) employees by June 30, 1997 (by January, 1998 expand to non-contract employees) and monitor the effectiveness of the program throughout FY98. • Provide new programs to Operating Divisions by developing and implementing a Division Partnership Program and a Division Safety Meeting/Training Improvement Program.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Performed 18 simulated CHP inspections and reported findings after each inspection within 3 days. • Responded and reported on 27 major bus accidents and 9 bus fires, and reported findings of each investigation within 1 week. • Completed on schedule all bus stop and data changes necessary to implement the route modifications associated with the opening of the 3 Metro Red Line stations at Vermont, Normandie, and Western, and the Green Line Harbor Transitway Station. • Accomplished the cleaning of 6,000 bus stops, 23,153 buses, and 228 miles of Inactive Rail Right-of-Way (IRROW) using Probation Department and community service work crews. • Developed a safety coordinator training program and conducted training of all safety coordinators at 13 operating divisions and Regional Rebuild Center. • Developed a Liquid CNG emergency procedure program and conducted training for 31 supervisors and service attendants at Division 5. 	

Transit Operations Service Quality

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	1,137	1,801	4,313
Fringe Benefits	619	1,053	2,728
Services	453	841	2,135
Material, Supplies & Utilities	31	4,688	4,898
Aquisitions	6,405	0	0
Other	35	725	552
Sub Total	8,680	9,107	14,626
Overhead	1	0	0
Total	8,681	9,107	14,626

FTEs	25	49	93
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Transit Operations

Central Bus Region (3700)

The Central Bus Region is responsible for clean, safe, efficient, and reliable service that meets the needs of our customers and the communities that we serve throughout some of the most challenging environments in the greater Los Angeles area.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Limit union (ATU & UTU) and transit operations supervisor (TOS) overtime to the amount budgeted (zero variance). Provide close monitoring of mechanical indicators to address and correct mechanical failures resulting in a 20% reduction of in-service failures. • Investigate and respond to customer complaints, including contacting the customer and resolving the issue, within 3 working days of receipt. • Expand the RIDE program to include all first line supervisors within the Central Region by December 1, 1997. • Achieve a high level of community involvement by requiring divisions to attend at least 80% of the monthly bicycle commission meetings, obtain Chamber of Commerce memberships by December 1, 1997, and develop Seniors Advisory Groups at all locations by January 15, 1998. • Implement Central City Riders Forum in conjunction with councilmembers to expand customer input within the central city service delivery area. • Implement bimonthly Maintenance Improvement Program (MIP) training and an aggressive needs-based training posture for both transportation and maintenance, with training on the multiple drivers defect card beginning at Division 7 by April 9, 1997.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Continually achieved high performance ratings on critical performance objectives within the region, including a 99.26% on-time performance rating, 90.9% on-time inspection, and a 3.6% sick/worker's compensation rate. • Adopted new and innovative approaches to doing business such as forming community partnerships, creating employee recognition events, developing customer complaint mitigation programs, and initiation of service quality programs. • Developed, maintained and managed an effective financial and operating performance reporting system through the use of monthly budget meetings and reviews of cost center variance reports. • Increased division visibility and strengthened community relations with management by attending city and county commission meetings, advisory group meetings, Chamber of Commerce meetings, and community events on a regular basis. • Communicated frequently with team members from all levels to exchange ideas, identify areas in need of attention, and to develop service delivery, enhancement strategies through monthly meetings, talks with employees, and daily/monthly newsletters. • Supported division management in achieving their goals and objectives by scheduling meetings to identify issues and participating in the resolution of the issues. 	

Transit Operations Central Bus Region

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	65,872	61,869	61,996
Fringe Benefits	31,703	32,177	30,777
Services	42	148	151
Material, Supplies & Utilities	18,319	12,984	13,660
Aquisitions	0	0	0
Other	590	93	169
Sub Total	116,526	107,271	106,753
Overhead	4,810	0	0
Total	121,336	107,271	106,753

FTEs	1,427	1,425	1,440
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Transit Operations

Southern Bus Region (3800)

The Southern Bus Region is responsible for providing bus service and maintenance to an area which includes the following 3 operating divisions: Los Angeles central business district, South-Central Los Angeles, and the South Bay area.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Control labor costs by managing overtime utilization through-out the fiscal year with the implementation at all the Southern Region Divisions, of the maintenance overtime management program developed at Division 18. • Control bus operator overtime labor costs through a 25% reduction in Voluntary Call Backs (VCBs) and the elimination of Ordered Call Backs (OCBs). • Improve regional on-time pull-out rate to 99% by end of FY98. • Investigate and respond to customer complaints, including contacting the customer and resolving the issue, within 3 working days of receipt. • Improve bus cleanliness by 5% to overall regional average of 6.6 by June, 1998 with the active redeployment of the Division Advisory Council (DAC) program, focused public affairs involvement, and increase in mini-clean programs at the operating divisions. • Increased community meetings. • Implement safety and gain-sharing programs on July 1, 1997 to specifically target and provide incentives to reduce the number of accidents by 5% throughout FY98.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Continued implementation/maintenance of division line captain programs to insure quick complaint resolution and foster employee development. • Continued periodic community meetings/division tours in order to provide service-related "feedback" from our customers. • Coordinated and participated in a wide array of community outreach programs in order to gain greater perception of customer needs, and increased public awareness relative to the goals and objectives of MTA. • Garnered partnerships with social services agencies that represent persons with disabilities to better serve our customer needs. • Initiated division cross-training programs to foster employee development and to broaden skill base. • Initiated employee suggestion program to allow employees to participate in decisions that affect their work environment. 	

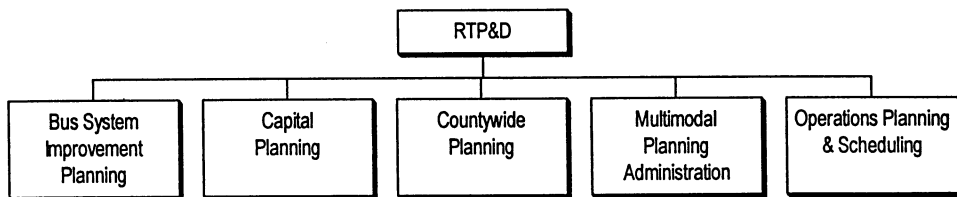
Transit Operations Southern Bus Region

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	67,312	62,366	58,407
Fringe Benefits	32,226	33,257	30,009
Services	28	51	1
Material, Supplies & Utilities	14,211	16,170	14,443
Other	671	82	171
Sub Total	114,448	111,926	103,030
Overhead	0	0	0
Total	114,448	111,926	103,030
FTEs	1,645	1,462	1,412

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Regional Transportation Planning & Development



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Regional Transp Planning & Dev

Department FTE's	FY 96 Budget	FY 97 Budget	FY 98 Budget
Executive Office, Reg Transp Plan & Dev	5	7	5
Operations Planning & Scheduling	100	95	93
Countywide Planning	30	25	26
Multimodal Planning Administration	52	57	59
Capital Planning	24	26	25
Bus System Improvement Planning	0	10	10
Total	211	220	218

Expenditures (\$000)	FY 96 Actual	FY 97 Budget	FY 98 Budget
Executive Office, Reg Transp Plan & Dev	444	920	571
Operations Planning & Scheduling	6,364	7,919	7,656
Countywide Planning	74,234	4,476	3,791
Multimodal Planning Administration	9,466	46,159	52,814
Capital Planning	3,977	2,630	2,816
Bus System Improvement Planning	0	1,332	1,165
Sub Total Department	94,485	63,436	68,813

Non-Departmental-Capital Planning	0	0	592,542
Non-Departmental-Bus Sys Imp Plan	0	0	24,346
Sub Total Non-dept.	0	0	616,888

Total Non-dept & Dept	94,485	63,436	685,701
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Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	9,821	11,313	11,415
Fringe Benefits	4,930	7,178	6,975
Services	75,600	43,956	73,664
Material, Supplies & Utilities	105	168	539
Aquisitions	(164)	0	0
Subsidies	2,830	272	592,542
Other	1,333	550	566
Sub Total	94,455	63,436	685,701
Overhead	30	0	0
Total	94,485	63,436	685,701

Regional Transportation Planning & Development

Executive Office (4000)

The Executive Office for Regional Transportation Planning & Development is responsible for the development of plans, policies, funding programs, and implementing projects necessary for the MTA to achieve its overall goals and objectives.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Identify and secure additional federal, state, and local funding sources over FY97 levels. • Implement management and budget controls to increase internal efficiencies and personal responsibility. • Implement key elements of the Consent Decree; reduce load factor to 1.35 by December, 1997; and begin implementation of the new service plan by June, 1998. • Conduct stakeholder meetings and elected official briefings for all new projects to increase understanding and participation. • Send 20% of RTPD staff to at least 2 technical training or employee development sessions. • Involve employees in development of their annual performance contracts/evaluations by implementing the new Performance Appraisal System. • Encourage nomination of employees for the Employee of the Month award. • Develop a staff rotation schedule that will allow interested staff to work in a different area within RTP&D to enhance and expand their knowledge and experiences. • Develop training models for each major function within the units to allow at least 10 other RTP&D staff to learn more about each unit's work and to develop additional job skills. • Hold weekly staff and quarterly staff meetings to discuss issues and to recognize employee achievements. • Encourage communication between departments.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Oversaw the completion of the '97 Call for Projects, programming over half a billion dollars to local agencies. • Managed the start-up of 6 contract lines and the transition of management for the original 7 contract lines from the Operations unit. • Led the development of the Rail Recovery Plan. • Guided the Long Range Transportation Plan stakeholder and Community Outreach process. • With Transit Operations, coordinated the implementation of the Consent Decree. 	

Regional Transp Planning & Dev Executive Office, Reg Transp Plan & Dev

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	281	274	256
Fringe Benefits	145	248	173
Services	17	200	100
Material, Supplies & Utilities	1	10	3
Other	1	188	39
Sub Total	444	920	571
Overhead	0	0	0
Total	444	920	571
FTEs	5	7	5

Regional Transportation Planning & Development

Operations Planning & Scheduling (4100)

The Operations Planning and Scheduling Department is responsible for the scheduling and routing of bus and rail services operated directly by the MTA in accordance with budget and labor agreement limitations and providing analytical and service planning support to other units for regional restructuring studies.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive 	<ul style="list-style-type: none"> • Develop and implement a demonstration system of expanded and new bus services to reduce average passenger loads, and improve access to jobs, education and health care. • Develop specifications and procure automated passenger counting equipment for MTA buses. • Seek Board adoption and begin implementation of service restructuring recommendations of the Central-East-Northeast, Westside, and such other restructuring studies as may be completed during FY97-98. • Design a service monitoring program to monitor compliance with load factor reduction and other requirements of the Consent Decree. • Develop and seek Board adoption of a bus/rail interface plan for the Hollywood/Vine extension of the Metro Red Line. • Seek Board adoption and implement a restructuring of Harbor Freeway bus services to serve the activation of online transitway stations.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Planned bus/rail interface plan for extension of Metro Red Line to Wilshire/Western. • Supported negotiation of Consent Decree resolving bus riders' litigation. • Planned Overcrowding Relief element of Bus System Improvement Program. • Completed Load Factor Reduction Plan required by Consent Decree. • Completed Rail Fleet Management Plan for heavy and light rail through 2010. 	

Regional Transp Planning & Dev Operations Planning & Scheduling

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	4,143	4,235	4,214
Fringe Benefits	2,062	2,595	2,468
Services	16	1,004	777
Material, Supplies & Utilities	25	29	116
Other	118	56	82
Sub Total	6,364	7,919	7,656
Overhead	0	0	0
Total	6,364	7,919	7,656
FTEs	100	95	93

Regional Transportation Planning & Development

Countywide Planning (4200)

The Countywide Planning Department provides technical assistance to other MTA functions and to municipalities (travel demand modeling, transportation demand management, library); and coordinates with other agencies in the development and implementation of transportation plans, programs and improvements (CMP, highway planning). Countywide Planning has the lead role in strategic planning for countywide transportation issues and represents the MTA in regional and state forums in the development and analysis of transportation policies and programs.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive 	<ul style="list-style-type: none"> • Complete assigned travel demand simulations and provide required reports before established deadline for use in subsequent analysis and evaluation activities. • Increase implementation of local transportation strategies to increase vehicle-miles-of-travel savings by 10% through the Congestion Management Program. • Increase cost effectiveness of SCRRA's Metrolink by expanding ridership and services 4%, increasing the farebox-recovery ratio to 40%. • Prepare camera-ready updates to the MTA's system map by June 30, 1998. • Update the Congestion Management Program by December, 1997, to provide cities with more local implementation strategies • Develop a highway performance program to identify areas of high congestion and determine strategies that can result in a more effective use of the highway system. • Develop standard specifications for the Standard Regional Revenue Processing System (Metrocard). • Represent MTA's interests and provide technical/ policy staff support to MTA representatives on inter-county and regional organizations.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Completed the High-Occupancy Vehicle System Integration Plan. • Completed Phase I of the Service Planning Market Research Project. • Completed the 1996 update of the Congestion Management Plan. • Negotiated SCRRA FY98 Budget that increases service while reducing MTA subsidy amount. 	

Regional Transp Planning & Dev Countywide Planning

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	1,417	1,454	1,624
Fringe Benefits	717	907	926
Services	70,777	2,017	962
Material, Supplies & Utilities	24	19	193
Aquisitions	(194)	0	0
Subsidies	1,389	0	0
Other	103	79	86
Sub Total	74,233	4,476	3,791
Overhead	1	0	0
Total	74,234	4,476	3,791

FTEs	30	25	26
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Regional Transportation Planning & Development

Multimodal Planning Administration (4300)

Multimodal Planning Administration is responsible for project management across all modes, including Highway/Freeway, Transit Planning, TDM, Rail Planning, Signal Synchronization, Intelligent Transportation Systems, and other multimodal planning efforts; approves and monitors the utilization of funds by cities and transit operators; conducts joint development activities; is the MTA liaison to the cities on Propositions A and C Local Return and Discretionary funds, TDA Article 3 and 4; serves as the project planning lead in the Long Range Plan and the Call for Projects.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive 	<ul style="list-style-type: none"> • Pursue private partnerships and local agency participation for all transportation projects to maximize leverage of MTA resources. • Ensure that MTA funded transportation projects meet or exceed expectations. • Perform analytical and environmental studies to ensure that cost effective programs and projects are implemented. • Promote transit usage and reduce trips/trip lengths by planning and funding incentives to modify travel behavior: telecommuting, televillage centers, TDM, etc. • Facilitate goods movement to strengthen local and regional economies by advancing funding to major regional projects. • Emphasize MTA's leadership role in the transportation field on the regional, state and national level: prepare 2-5 research papers on MTA planning innovations and issues.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Completed the design for 4 stations on the Metro Red Line Eastern Extension. • Received the FHWA grant of \$3M for Project IMAJINE, a high level Intelligent Transportation System. • Finalized the draft MIS/EIR/SEIR for the San Fernando Valley East/West Transportation Corridor and concluded the Santa Monica Transit Parkway MIS. • Completed the 1997 Call for Projects, programming over \$0.5B to local agencies. • Secured \$22M in State Transit Capital Improvement (TCI) funds for Los Angeles County projects. 	

Regional Transp Planning & Dev Multimodal Planning Administration

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	2,882	3,344	3,470
Fringe Benefits	1,449	2,132	2,179
Services	4,102	40,170	46,683
Material, Supplies & Utilities	38	69	185
Aquisitions	30	0	0
Subsidies	904	272	0
Other	34	171	297
Sub Total	9,439	46,159	52,814
Overhead	27	0	0
Total	9,466	46,159	52,814
FTEs	52	57	59

Regional Transportation Planning & Development

Capital Planning (4400)

The Capital Planning Department is responsible for strategic capital planning for all fund sources that support the MTA's mission of improving mobility and promoting innovative and comprehensive transportation systems throughout Los Angeles County.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive 	<ul style="list-style-type: none"> • Maintain current funding levels and pursue increased state, federal, and local funding by: applying for and receiving \$170M in Federal grants; applying for and receiving \$70M in State grants; and pursuing in FY97-98: ISTEA reauthorization for \$500M (LA County); STIP reform; and SB 45 approval (\$200M over 7 years). • Foster a corporate culture putting the customer first by developing and issuing a Capital Planning quarterly status report. • Establish funding partnerships to maximize public benefit by: pursuing receipt of \$200M city contribution for Metro Red Line Segments 2 and 3; developing, coordinating and funding multi-jurisdictional transportation programs by completing the Long Range Transportation Plan update and the Call for Projects, and holding quarterly meetings with Caltrans, the CTC, and the FTA.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Allocated \$270M in Federal and \$62M in State grants; collected \$10M in assessments. • Prepared and transmitted the FY97-2003 RTIP containing \$14 billion in Los Angeles County projects. • Initiated Long Range Transportation Plan update, and Call for Projects. 	

Regional Transp Planning & Dev Capital Planning

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	1,098	1,449	1,317
Fringe Benefits	557	893	868
Services	688	262	554
Material, Supplies & Utilities	18	14	37
Aquisitions	0	0	0
Subsidies	537	0	0
Other	1,077	12	40
Sub Total	3,975	2,630	2,816
Overhead	2	0	0
Total	3,977	2,630	2,816

FTEs	24	26	25
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Non-Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Subsidies	0	0	592,542
Sub Total	0	0	592,542
Total	0	0	592,542

Comments
Non-departmental includes \$593 million for Subsidies to other agencies and municipalities (\$563 million budgeted in Department 0000 in FY97).

Regional Transportation Planning & Development

Bus System Improvement Planning (4600)

The Bus System Improvement Planning (BSIP) Department is responsible for implementation of the Bus System Improvement Plan; planning, monitoring, and administration of contract services for 13 lines contracted by the MTA; liaison to the municipal operators; and coordination and oversight of agency compliance with the ADA and the ADA-required complementary paratransit program.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive 	<ul style="list-style-type: none"> • Improve vehicle reliability as measured by roadcalls per 100,000 miles on contract services by 15% by October 1, 1997, with a cost increase of less than 6% per revenue vehicle service hour (RVSH). • Increase total trips provided through the Immediate Needs Transportation Project (INTP) by 2%. • Oversee implementation of overcrowding relief for transit dependents on all operators receiving funding. • Work with the Operations Unit to reduce ADA-related complaints by 30% by June 30, 1998. • Conduct 10 service inspections per quarter for contract service, (each at least 4 boardings), and report results to contractor. • Oversee implementation of Transit Improvement Councils, or equivalents, in each MTA service region by January 1, 1998. • Oversee continued coordination with all municipal operators through the General Managers meetings, Bus Operations Subcommittee (BOS) and Local Transit Systems Subcommittee (LTSS). • Ensure coordination of restructuring studies with all operators in each sub-region, and with other restructuring studies. • Continue active participation with Joint Working Group to ensure that Consent Decree service improvements are timely implemented in a most cost-effective and efficient manner.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Oversaw the development and execution of MOUs with operators to provide overcrowding relief. • Developed the annual update to the ADA Paratransit Plan and revised the ADA Transition Plan to reflect new project completion dates. • Implemented National Transit Database reporting program for small operators in Los Angeles County. • Developed annual update to the Short Range Transit Plan. • Oversaw the start-up of 6 contract lines and the transition of management for the original 7 contract lines from the Operations unit. • Implemented Mobility Allowance Demonstration projects. • Oversaw development of the 10-point security funding agreement with the Municipal Operators. 	

Regional Transp Planning & Dev Bus System Improvement Planning

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	0	557	532
Fringe Benefits	0	403	361
Services	0	302	243
Material, Supplies & Utilities	0	28	6
Other	0	43	22
Sub Total	0	1,332	1,165
Overhead	0	0	0
Total	0	1,332	1,165

FTEs	0	10	10
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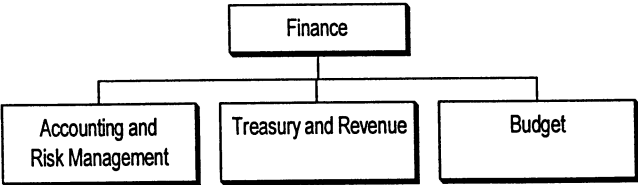
Non-Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Services	0	0	24,346
Sub Total	0	0	24,346
Total	0	0	24,346

Comments
Non-departmental includes \$24 million for Contract Bus Service (\$15 million budgeted in Department 0000 in FY97).

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Finance



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Finance

Department FTE's	FY 96 Budget	FY 97 Budget	FY 98 Budget
Executive Office, Finance	3	6	4
Accounting	70	70	69
Treasury	14	15	17
Risk Management-Operations	32	19	16
Risk Management-Construction	0	4	5
Revenue Administration	116	131	130
Office Of Management & Budget	12	15	18
Total	247	260	259

Expenditures (\$000)	FY 96 Actual	FY 97 Budget	FY 98 Budget
Executive Office, Finance	7,212	1,200	937
Accounting	9,145	6,608	6,611
Treasury	5,233	2,511	2,512
Risk Management-Operations	5,305	1,936	1,248
Risk Management-Construction	0	61,010	61,263
Revenue Administration	7,995	14,867	17,300
Office Of Management & Budget	1,419	1,920	1,859
Sub Total Department	36,308	90,052	91,731

Non-Departmental-Treasury	0	0	310,038
Non-Departmental-Ops Risk Mgmt	0	0	41,253
Sub Total Non-dept.	0	0	351,291

Total Non-dept & Dept	36,308	90,052	443,022
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Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	9,590	11,818	11,157
Fringe Benefits	4,899	8,076	6,812
Services	11,859	16,070	36,576
Material, Supplies & Utilities	1,361	2,087	1,785
Aquisitions	5,280	617	803
Other	3,320	51,384	385,890
Sub Total	36,308	90,052	443,022
Overhead	0	0	0
Total	36,308	90,052	443,022

Finance Executive Office, Finance

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	283	399	248
Fringe Benefits	145	207	167
Services	1,424	563	500
Material, Supplies & Utilities	34	3	3
Aquisitions	5,257	0	0
Other	70	28	19
Sub Total	7,212	1,200	937
Overhead	0	0	0
Total	7,212	1,200	937

FTEs	3	6	4
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Finance

Accounting (5100)

The Accounting Department is responsible for the recording of all assets and liabilities of MTA; preparation of monthly and quarterly financial statements for all funds; preparation of Comprehensive Annual Financial Report; payment of bi-weekly payroll; management of accounts payable and receivables function; development and maintenance of automated integrated financial management system; and the development and implementation of MTA Accounting policies.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Prepare summary financial statements on a quarterly basis within 30 days of month end close. (Full accrual for the fourth quarter only.) • Provide monthly financial data by Fund, Cost Center, and Project in conjunction with month end close. (Various standard and special request management reports.) • Close June 30, 1997 and generate audited financial statements by December, 1997. • Prepare Comprehensive Annual Financial Report (CAFR) and submit to GFOA in time for Award Certificate Program. • Pay vendor invoices within 30 days of invoice date or 15 days of receipt of invoice received late from vendors. • Document and track monthly all interfund cash flow loans. • Reduce over 90 day accounts receivable aging levels by closing on all billing issues of 90+ day receivables and submitting for final payment by August 31, 1997 or before. • Complete implementation of FIS billing module by August 15, 1997. • Refine vendor alpha split to A/P staff to provide continuity of service to vendors. Review transaction levels monthly. • Select 2 beta vendors for electronic payroll and invoicing transaction tests. Have system functional by July 1, 1998. • Refine project accounting split among Senior Accountants. Review transaction activity monthly. • Establish quarterly meetings with accounting staff of other transportation organizations with whom the MTA interfaces. • Hold quarterly department wide staff meetings. • Hold weekly senior and unit staff meeting. • Provide specific training in employee's annual work plan.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Developed, produced, and submitted MTA's first Comprehensive Annual Financial Report (CAFR) to Government Finance Officers Association (GFOA) for Certificate Of Achievement in Financial Reporting. • Closed FY96 by October 30, 1996 and distributed Audited Comprehensive Financial Report by January, 1997. • Completed conversion and implementation of new FIS system. • Produced quarterly Financial Statements. • Accounting, working with Treasury, developed the "Pool Cash Concept"; and reduced Interfund receivable balances by over \$200M compared to prior year. • Other Accomplishments: Consolidated filing of all 1099's Tax Statement onto new FIS system; updated cost allocation plan; filed State Controllers Report and other regulatory reports on time. 	

Finance Accounting

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	3,249	3,370	3,491
Fringe Benefits	1,610	2,410	1,799
Services	3,760	340	568
Material, Supplies & Utilities	104	119	364
Aquisitions	6	0	0
Other	417	369	390
Sub Total	9,145	6,608	6,611
Overhead	0	0	0
Total	9,145	6,608	6,611

FTEs	70	70	69
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Finance

Treasury (5200)

The Treasury Department is responsible for the forecasting, monitoring and managing of MTA's cash requirements. Oversight and direction of the investment of MTA's available funds and debt proceeds; develop financial strategies to support MTA operations and capital programs; administration of MTA's debt program.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Manage short term investments to maximize earnings (Target: earnings must exceed bank interest rate.) • Develop and refine debt management plan. • Establish process for fee review and contract re-negotiation. • Complete investigation of State Board of Equalization's tax reporting and distribution processes. • Establish qualified pool of fiscal and paying agents. • Develop 5-year cash flow model. • Complete transition to single financial institution (commercial banking services only). • Submit to Board any government code changes requiring approval 1 month prior to change's effective date. • Submit Investment Policy to Board by December. • Meet retirement plans defined asset allocation target. • Update cash flow model quarterly. • Develop Treasury Outreach Program • Implement "suggestion box" for Cashiers Office. • Coordinate training for Customer Service Center employees. • Reinstate the Treasurer's Report. • Revamp existing Treasury reports to "user friendly" format. • Develop and publicize Investor Relations program. • Review Construction Enhancement Loan Program's lending criteria. • Develop and formalize 3 functional disciplines' cross-training for 10 professional staff by March 31, 1998. • Register 10 professional staff for financial graduate education or certification programs. • Provide industry standards training to cashier office. • Define and document staff responsibilities.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Promoted professional education, certification and training for staff who received/renewed: Masters of Business Administration, Certified Cash Manager, Certified Government Financial Manager, General Securities Representative, and Registered Investment Advisor. • Developed new petty cash fund policy that increased individual fund levels at transportation and maintenance divisions. This expedited returning a vehicle to service. • Issued RFP and selected new bank to consolidate 3 commercial banking relationships and take advantage of advanced banking technology while reducing costs. • Held investor tours in New York, Boston and San Francisco, showcasing MTA to large investors and organized CEO forum to increase MTA visibility for financial services providers. • Revised and obtained Board approval for MTA Investment Policy. Revised policy received the Certification of Excellence Award from Municipal Treasurers' Association in June, 1996. • Implemented 4 MTA pension plan restructuring to meet target asset allocation policy. 	

Finance Treasury

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	753	751	879
Fringe Benefits	357	479	590
Services	2,870	1,201	893
Material, Supplies & Utilities	54	12	62
Other	1,199	67	88
Sub Total	5,233	2,511	2,512
Overhead	0	0	0
Total	5,233	2,511	2,512

FTEs	14	15	17
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Non-Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Services	0	0	7,051
Other	0	0	302,987
Sub Total	0	0	310,038
Total	0	0	310,038

Comments
Non-departmental includes \$310 million for Debt Service & Interest (\$327 million budgeted in Department 0000 in FY97).

Finance

Risk Management - Operations (5310)

The Risk Management - Operations Department is responsible for the adjudication, payment, and management of Public Liability, Property Damage (PL/PD) and Worker's Compensation (WC) claims resulting from bus and rail operations; and purchase of Property and Liability insurance coverage for MTA Operations.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"><li data-bbox="261 562 537 590">• Fiscally Responsible <li data-bbox="261 993 516 1020">• Customer Focused <li data-bbox="261 1192 542 1220">• Employee Supportive	<ul style="list-style-type: none"><li data-bbox="609 562 1365 621">• Recover an additional \$90,000 over FY97 from third parties through subrogation.<li data-bbox="609 627 1370 722">• Validate the integrity of the Workers' Compensation (WC) and Public Liability/Property Damage (PL/PD) databases by producing quarterly exception reports and auditing 20 claims files quarterly.<li data-bbox="609 728 1424 787">• Report biannually on recommended levels of self-insurance reserves and forecast future losses.<li data-bbox="609 793 1333 852">• Complete the WC third party administrator (TPA) procurement by March 1, 1998.<li data-bbox="609 858 1263 886">• Design and publish the PL/PD TPA RFP by October, 1997.<li data-bbox="609 892 1406 919">• Establish an internal hotline for the reporting of damaged MTA property.<li data-bbox="609 926 1390 984">• Develop and implement policy and procedures to standardize contract insurance requirements by April, 1998.<li data-bbox="609 991 1346 1050">• Develop a database and implement an automated system to issue Certificates of Insurance by December, 1997.<li data-bbox="609 1056 1404 1115">• Design and produce claims and safety statistical reports to support new multi-departmental loss prevention programs by September, 1997.<li data-bbox="609 1121 1403 1180">• Offer monthly WC training classes to management to ensure corporate-wide compliance with the California Labor Code.<li data-bbox="609 1186 1378 1245">• Implement a WC hotline for use by injured employees to answer their benefit questions by October, 1998.
FY97 Accomplishments	
<ul style="list-style-type: none"><li data-bbox="261 1318 1352 1377">• Reduced Workers' Compensation and Public Liability/Property Damage claims litigation costs by \$1.7M compared to FY96.<li data-bbox="261 1383 1398 1442">• Recovered over \$800,000 from third parties for damage and injury to MTA property/personnel during the first 9 months of FY97.<li data-bbox="261 1449 1412 1507">• Negotiated a \$220,000 reduction in the fifth year fee for the Workers' Compensation claims Third Party Administrator, and a \$108,000 reduction in the All Risk Property Insurance premium.<li data-bbox="261 1514 1313 1572">• Completed extensive technical performance audits of the Workers' Compensation and Public Liability/Property Damage claims Third Party Administrators.<li data-bbox="261 1579 1357 1673">• Supported the Transit Police merger project by developing historical Workers' Compensation and Public Liability/Property Damage claims cost analysis, and negotiating insurance and indemnity contract terms.<li data-bbox="261 1680 1419 1738">• Trained over 300 management staff members on the legal requirements for reporting and administering employee Workers' Compensation claims.	

Finance Risk Management-Operations

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	1,393	1,123	733
Fringe Benefits	726	750	495
Services	2,449	12	1
Material, Supplies & Utilities	13	25	5
Other	724	26	14
Sub Total	5,305	1,936	1,248
Overhead	0	0	0
Total	5,305	1,936	1,248

FTEs	32	19	16
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Non-Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	0	0	0
Fringe Benefits	0	0	0
Services	0	0	11,430
Other	0	0	29,823
Sub Total	0	0	41,253
Total	0	0	41,253

Comments
Non-departmental includes \$11 million for TPA-Hertz Workers' Compensation & Personal Liability/Property Damage (\$12 million budgeted in Department 0000 in FY97), \$30 million for Personal Liability/Property Damage Bus (\$32 million budgeted in Department 0000 in FY97), and \$220K for AQMD (\$287K budgeted in Department 0000 in FY97).

Finance

Risk Management - Construction (5320)

The Risk Management - Construction Department is responsible for the management and payment of Public Liability, Property Damage, and Worker's Compensation claims generated as a result of construction; loss control; claim management; management of Owner-Controlled Insurance Program (OCIP) for construction; establishment and monitoring of actuarially determined liability accounts.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Merge Risk Management - Construction and Risk Management - Operations; capitalizing on centralities and eliminating overlapping duplicative costs. • Pursue multimillion dollar recovery for builders risk costs arising in connection with the sinkhole, from Alliance Insurance Company. • Restructure program professional liability insurance plan (PPLIP) and recover in excess of \$13M from PPLIP finite layer for use in obtaining more favorable terms and conditions under a newly restructured professional liability insurance program. • Conduct quarterly Owner Controlled Insurance Program (OCIP) procedures and training with subcontractors. • Conduct quarterly Owner Controlled Insurance Program (OCIP) procedures and training with MTA departments. • Implement Third Party Insurance program that protects MTA assets and is responsive to community and regional needs. • Complete staffing reorganization that focuses team accountability, in measurable terms, on meeting above departmental goals. • Implement career path and incentive structure within Risk Management Department.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Implemented the First Party Property Protection Plan for Hollywood Hills. • Replaced insurance program after the MTA's previous insurer, Argonaut, cancelled. • Maintained excess program with London underwriters. • Revised insurance contract language to reflect current industry standards. • Set up Owner-Controlled Insurance Program (OCIP) administrative office. • Developed litigation log. • Developed loss reporting process. 	

Finance Risk Management-Construction

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	0	645	270
Fringe Benefits	0	404	140
Services	0	10,169	9,202
Material, Supplies & Utilities	0	50	50
Other	0	49,742	51,601
Sub Total	0	61,010	61,263
Overhead	0	0	0
Total	0	61,010	61,263
FTEs	0	4	5

Finance

Revenue Administration(5400)

Revenue Administration is responsible for the collection, counting, and deposit of fare revenue; maintenance and replacement of fare revenue equipment; storage, maintenance, and safekeeping of fare media inventory; management of vendor sales program; and collection of delinquent accounts receivable.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Employee Supportive • Customer Focused 	<ul style="list-style-type: none"> • Develop revenue collection inspection system and establish fully operational inspection teams by September, 1997. • Acquire and install currency counting equipment for cash processing efficiency and currency contract sale control. <ul style="list-style-type: none"> * Process \$2.87M in cash and tokens in 6 days. * Reduce annual operating costs approximately \$112,000. * Increase sampling of currency sold to the vendor by 10%. • Computerize coin and currency counting equipment. • Complete evaluation and upgrade of farebox data collection computers at bus divisions to reduce transmission errors. • Maintain 5% or less delinquency rate of fare media vendor 90-day A/R. • Integrate credit collection system with FIS to improve collection of 45 days old fare media vendor accounts. • Conduct customer center ticket clerks audits. • Implement Consultant Report for Credit and Collection process. • Install and implement the Point-of-Sale system for fare media sales and inventory management at MTA customer centers, and reconciliation of customer center ticket clerk accounts. • Develop formal training program to update skills and broaden the knowledge of fare media support staff. • Acquire and maintain 100 bus fareboxes per the MTA Consent Decree and Bus Improvement Plan. • Establish field satellite shops at 2 bus divisions. • Evaluate ways to increase service to Metro rail patrons. • Install and maintain 5 additional ticket vending machines. • Refurbish thirty (2/3) cash receiver vaults to extend their lives. • Install 1,000 bus fareboxes security hardware and new locks.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Negotiated a new currency sales contract, for a budget savings of \$700,000 per year. • Installed a complete new camera surveillance system in the cash room. • Refurbished over 50% of entire system of Cashboxes, Fareboxes and Receiver Vaults while providing 102 additional complete farebox systems to meet June 30, 1997 requirements of the Consent Decree. • Negotiated a new contract for Fare Media Pass and Stamp Production, to include new Weekly Pass production and distribution, in compliance with the Consent Decree. • Developed a monthly billing/tracking system for receivables and reduced delinquencies by over \$2.1M. 	

Finance Revenue Administration

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	3,258	4,539	4,522
Fringe Benefits	1,731	3,154	2,939
Services	925	3,539	6,801
Material, Supplies & Utilities	1,154	1,873	1,293
Aquisitions	18	616	803
Other	909	1,146	943
Sub Total	7,995	14,867	17,300
Overhead	0	0	0
Total	7,995	14,867	17,300
FTEs	116	131	130

Finance

Office of Management & Budget (5600)

The Office of Management and Budget (OMB) is responsible for the development of the annual operating and capital budget and subsidy budget ; preparation of monthly and quarterly revenue and expense projections; management of operating and capital expenditure and revenue plans; evaluation of fiscal impact of service and fare adjustments; and development of cost containment and revenue enhancement strategies.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Employee Supportive 	<ul style="list-style-type: none"> • Lead the financial modeling for the 5-year strategic plan for Board adoption by April, 1998. MTA will improve its allocation of resources and communication of its programs scheduled within 1 to 5 years. • Implement overhead cost control and allocation model by identifying the overhead cost elements, benchmarking with other national agencies, instituting direct charges and chargebacks, and improving project controls. • Improve capital budget control and cost performance reporting through active involvement with project managers using project accounting reporting standards. • Automate the budget position control system to streamline the personnel requisition process by participating in the development of new specifications for HRMIS; position control specifications to be completed by March, 1998. • Improve cashflow analysis and forecasting for bus and rail capital for projects by developing and updating project expenditure plans with funding source detail. • Improve FIS delivery to management and staff by providing increased on-line access and managerial summary reports. Managerial reports are to be distributed by the 20th of the month. • Improve FIS expertise of OMB's staff so that OMB analysts can provide expanded service to the MTA.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Received Government Finance Officers Association (GFOA) award for budget presentation. • Reorganized capital budgeting functions in OMB, Capital Planning, and Construction to improve planning and management of limited financial resources. • Issued monthly expenditure variance reports to the organization. • Implemented a re-engineering budget process and installed a new user-oriented budgeting system with expanded tracking and reporting capabilities. • Implemented recommendations contained in Coopers & Lybrand Organizational Assessment study, including reorganizing of OMB to address staffing shortages identified by Coopers & Lybrand. • Provided funding marks to the Los Angeles County municipal operators. 	

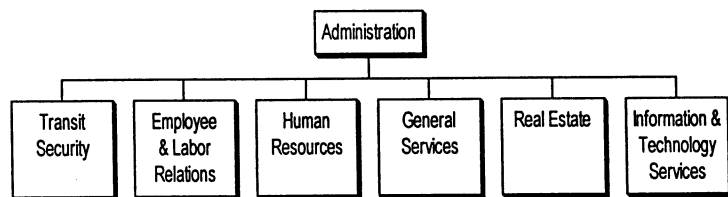
Finance Office Of Management & Budget

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	654	991	1,014
Fringe Benefits	331	672	682
Services	431	247	130
Material, Supplies & Utilities	2	4	8
Aquisitions	0	1	0
Other	1	6	24
Sub Total	1,419	1,920	1,859
Overhead	0	0	0
Total	1,419	1,920	1,859
FTEs	12	15	18

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Administration



Administration

Department FTE's	FY 96 Budget	FY 97 Budget	FY 98 Budget
Transit Security	501	501	80
Executive Office, Administration	5	0	0
Employee & Labor Relations	20	19	20
Human Resources	69	88	84
General Services	122	125	121
Real Estate	32	32	32
Information & Technology Services	162	160	173
Total	911	925	510

Expenditures (\$000)	FY 96 Actual	FY 97 Budget	FY 98 Budget
Transit Security	35,491	38,307	51,184
Executive Office, Administration	715	551	0
Employee & Labor Relations	606	2,053	2,096
Human Resources	8,136	11,816	12,010
General Services	10,488	17,139	14,227
Real Estate	30,678	22,352	16,163
Information & Technology Services	29,103	50,268	57,366
Sub Total Department	115,218	142,485	153,047

Non-Departmental-Human Resources	0	0	9,802
Non-Departmental-Building Services	0	0	2,025
Non-Departmental-Real Estate	0	0	2,183
Non-Departmental-I.T.S.	0	0	2,466
Sub Total Non-dept.	0	0	16,475

Total Non-dept & Dept	115,218	142,485	169,522
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Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	36,371	39,883	22,494
Fringe Benefits	19,347	26,493	24,331
Services	23,614	30,457	76,877
Material, Supplies & Utilities	5,995	6,579	11,059
Aquisitions	21,333	37,638	27,792
Other	8,556	1,435	4,821
Sub Total	115,218	142,485	167,373
Overhead	0	0	2,149
Total	115,218	142,485	169,522

Administration Executive Office, Administration

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	335	229	0
Fringe Benefits	166	189	0
Services	160	80	0
Material, Supplies & Utilities	5	5	0
Other	50	49	0
Sub Total	715	551	0
Overhead	0	0	0
Total	715	551	0

FTEs	5	0	0
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Administration

Transit Security (2600)

Transit Security is responsible for providing security services for MTA's employees, facilities, revenues, and other assets. Bus and rail services will be contracted out to the Los Angeles Police Department (LAPD) and the Los Angeles Sheriff's Department (LASD).

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Manage law enforcement contracts with the LAPD and LASD and maintain a 25% fare inspection rate on the rail line systems. • Manage private security guard contracts to reduce costs. • Develop specific performance standards for LAPD/LASD. • Increase Violent Offender Interdiction Tactics (VOITs) by 25% on buses. • Increase train room visits by 25% system-wide. • Ensure LAPD and LASD issue appropriate citations for law and ordinance violations that will accrue to the MTA. • Deploy daily, contract security guards and fare inspectors on the rail line system. Officers will be re-assigned to the bus system. • Conduct security audits of all major MTA facilities by June, 1998. • Develop comprehensive security radio communication system. • Develop MTA security information program June 30, 1998. • Develop jointly with LAPD/LASD MTA security strategic plan by June 30, 1998. • Produce a Field Training Manual and policy manual that will provide all security personnel with current and accurate information regarding security operations by December 31, 1997 to alleviate confusion and complaints and improve service. • Increase anti-graffiti enforcement activities on bus and rail systems by 10%. • Develop FTA specified security plan by March, 1998. • Ensure that law enforcement agencies increase uniformed bus boardings to 12 per shift per uniformed field unit. • Initiate officer liaison program with each bus division by June 30, 1998. • Develop the new class security guard supervisors by December 31, 1997. • Provide professional training sessions for 100% armed security staff and 100% administration staff. • Develop internal information program by December, 1997.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Completed negotiations with the County and City of Los Angeles to undertake a policy initiative in merging the MTA Transit Police Dept. into the LASD and the LAPD (Transit Policing Partnership). • Implemented an initiative to increase the number of random bus boardings by uniformed patrol officers. • Received approval for the MTA's third Community-Based Policing grant from the U.S. Dept. of Justice. • Continued full staffing of all law enforcement patrol assignments systemwide and opened position due to merger (despite uncertainty). 	

Administration Transit Security

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	20,839	20,352	2,463
Fringe Benefits	10,741	13,609	1,675
Services	2,823	4,201	44,814
Material, Supplies & Utilities	165	60	34
Aquisitions	829	0	0
Other	94	85	49
Sub Total	35,491	38,307	49,035
Overhead	0	0	2,149
Total	35,491	38,307	51,184

FTEs	501	501	80
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Comments
Transit Police (TP) budget for FY97 does not include \$10.9 million overhead charged on TP labor, \$1.3 million capital, or \$.7 million vehicle maintenance.

Administration

Employee & Labor Relations (6100)

The Employee & Labor Relations Department is responsible for interpreting, administering, and negotiating the MTA's collective bargaining agreements and administering the Employee Relations program for non-represented employees.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Negotiate collective bargaining agreements with the UTU, ATU, and TCU by August 1, 1997, which maximizes use of our people and operations capital at a reduced cost. • Negotiate collective bargaining agreement with the Teamsters by August 31, 1997, which maximizes use of resources at no cost increase. • Resolve or submit to arbitration all grievances with an on-going cost liability within 6 months of receipt. • Visit each division at least monthly to work with Operations staff to resolve personnel problems at the first level before they become grievances or discipline is necessary. • Develop high performance teams to provide quicker resolution of FY98 grievances in comparison to grievance resolution in FY97. • Negotiate revision to minor rules procedure in UTU collective bargaining agreement to encourage Operators to comply with customer focused rules and to provide deterrent to continued violation of rules by August 1, 1997. • Establish joint management/labor committees. • Present 3 training sessions (minimum 4 hours each) per month to supervisors and managers at the first level to avoid or minimize filed grievances beginning September, 1997. • Negotiate provisions in UTU and ATU collective bargaining agreements to permit existing bus service to be more responsive to customer needs, such as flexible destination, as Regional Planning and Programming identified by August 1, 1997. • Disseminate revised non-represented employee grievance policy to include resolution of selected grievances through arbitration process by October 1, 1997. • Reduce current backlog of 147 ATU grievances pending arbitration by 50% by June 1, 1998 and beginning October 1, 1997, immediately schedule for arbitration all ATU grievances appealed to arbitration.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Convened, guided, and assisted management committees with developing union contract proposals. • Developed a labor negotiations strategy with long-term goals and short-term objectives. • Revised and implemented the Non-Represented Employee Discipline Policy to make it more effective. • Successfully thwarted a union organizing attempt (CAPE). 	

Administration Employee & Labor Relations

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	374	896	1,034
Fringe Benefits	193	564	668
Services	34	514	303
Material, Supplies & Utilities	3	22	31
Other	2	57	60
Sub Total	606	2,053	2,096
Overhead	0	0	0
Total	606	2,053	2,096

FTEs	20	19	20
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Administration

Human Resources (6200)

The Human Resources Department is responsible for recruitment and selection of all staff; administration of pension, benefits, and special programs; and human resources development.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Maintain an 80% win rate on unemployment insurance claims. • Complete study to assign exempt/non-exempt designation to non-fair labor represented positions as defined by the Standards Act. • Improve the recruitment and selection process to be more flexible, but within EEOC Uniform Selection Guidelines, by January, 1998. • Complete selection to fill vacant positions in a 45-day average. • Complete 120 classification and salary reviews. • Develop and facilitate Customer First training for 450 supervisors and 1,500 employees by year-end. • Participate in at least 4 community based job fairs during the year to inform the community of MTA job opportunities. • Generate random testing orders for at least 50% of all safety sensitive employees for drugs and 25% for alcohol. • Acquire 25 new business partners to support the Transportation Career Academy Program. • Complete the 12 month implementation plan for Transportation Industry Consortium by June 30, 1998. • Expand/begin new employee orientation to new employees. • Meet with each retirement applicant within 30 days of the employee's application. • Complete annual benefits open enrollment by December 31, 1997. • Ensure special events discounts and recreational activities to all employees through the Employee Activities function. • Issue service award pins and retiree recognition plaques to every eligible employee.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Filled 483 vacant positions in the first 8 months of the fiscal year. • Opened Gateway Childcare Center, conducted Division and Gateway health fairs and blood drives, and administered drug testing and employee trip reduction programs. • Conducted numerous in-house training and development programs for all employees, including First Line Supervision, TLAMP, computer skills, and Teambuilding. • Administered the employee pension and benefits, flexible spending, and deferred comp. programs. • Ran the employee store and managed company travel at a savings of \$300,000. • Involved 282 high school seniors in Transportation Career Academies and Transportation Occupations Programs, and expanded Transportation Careers Programs to 467 students. • Implemented new classification and pay grade structure and new performance appraisal system. 	

Administration Human Resources

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	3,349	4,132	5,187
Fringe Benefits	2,393	3,223	3,067
Services	1,644	3,531	2,688
Material, Supplies & Utilities	66	374	319
Other	684	557	748
Sub Total	8,136	11,816	12,010
Overhead	0	0	0
Total	8,136	11,816	12,010

FTEs	69	88	84
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Non-Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	0	0	0
Fringe Benefits	0	0	9,802
Other	0	0	0
Sub Total	0	0	9,802
Total	0	0	9,802

Comments
Non-departmental includes Special Assistant Program, Fringe Benefits and Fringe Allocation.

Administration

General Services (6400)

The General Services Department is responsible for providing cost-effective, customer-responsive facility and administrative services, including management of administrative buildings, records and mail services, graphic services, and printing services.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Employee Supportive 	<ul style="list-style-type: none"> • Complete projects within +/- 10% of the project's budget. • Identify potential budget variances in advance and take corrective actions on a monthly basis. • Implement a chargeback system for services rendered by Printing, Graphics, and General Services. • Maintain the USG facility to assure that all mandated permits are renewed and all government regulations are met within the required deadlines to provide a healthy and safe work environment to the USG population. • Provide printing estimates to customers within 2 working days of submittal of request. • Implement a publications program that will make the contents of Records Management Center (RMC) catalog available and accessible on the MTA network. • Implement a computerized service request program to improve service efficiency and updates the employee DBF for space planning and location purposes. • Improve the communication, and personnel management skills among General Services managers for cost centers 6420, 6430, 6440 and 6450 by conducting monthly brown bag lunches, headed by the General Services Director to encourage open expression of concern, creative problem solving exercises and coordination of intradepartmental projects.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Successfully opened the Gateway Child Care Facility. • Assisted Union Station Gateway Inc. in successfully obtaining the Certificate of Occupancy for the Gateway Building. • Implemented the first MTA document imaging system in August, 1996. • Met 95% of all negotiated scheduled printing requests. • Improved their workflow tracking and management system. 	

Administration General Services

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	3,409	3,745	3,581
Fringe Benefits	1,743	2,568	2,310
Services	1,661	4,283	4,249
Material, Supplies & Utilities	2,507	3,425	2,416
Aquisitions	6	2,465	25
Other	1,162	653	1,646
Sub Total	10,488	17,139	14,227
Overhead	0	0	0
Total	10,488	17,139	14,227

FTEs	122	125	121
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Non-Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Material, Supplies & Utilities	0	0	1,950
Other	0	0	75
Sub Total	0	0	2,025
Total	0	0	2,025

Comments
Non-departmental includes \$2 million for Gateway Utilities and Taxes (\$2.7 million budgeted in Department 0000 in FY97).

Administration

Real Estate (6500)

The Real Estate Department is responsible for providing real estate appraisal, relocation and management services, as well as environmental investigations. The Department is also responsible for maximizing revenues and profitability of real property assets in support of MTA.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Reduce property management costs by 5% by reducing the right of way (ROW) that MTA is responsible for maintaining. • Increase lease revenue from MTA railroad ROW by 5%. • Increase revenue by \$50,000 by disposing of surplus real estate. • Enter into lease agreement for the development of MTA ROW. • Collaborate with Joint Development to identify revenue producing uses for properties not needed for transit projects. • Complete appraisal of parcels required for all active transit projects within the real estate project schedule. • Complete environmental investigations on 100% of the full take parcels scheduled for acquisition for all active transit projects. • Complete 100% property acquisition required for all active transit projects on scheduled and for a reasonable price. • Complete timely relocation of 100% of the commercial and residential owners and tenants occupying properties required for active transit projects. • Respond within 3 days to community inquiries. • Respond to existing and prospective tenants of MTA real property in courteous manner within 3 days. • Respond within 3 days to requests from the public to make MTA owned real estate available for uses that contribute to the vitality of the community that the real estate is located. • Identify opportunities for specialty and management training and permit staff to attend at least 1 training class or seminar.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Increased revenue leases revenues by 10%; new annualized rental is \$765,000. • Solicited proposals for lease of 57,000 sq. ft. of office space for co-located offices of Eastside Construction Team and OIG. Selection of the 818 Building saved \$550,000 due under an existing lease. • Completed a pilot of Geographical Information System (GIS) project on the Burbank Branch right-of-way which will serve as a model for the enterprise MTA GIS programs. • Completed the RFP and currently evaluating proposals, submitted on the marketing program of MTA's 350 miles of right of way properties for fiber optic uses, both revenue generating and in-kind facilities installed for MTA's benefit. • Completed acquisition of 4 parcels for the Pasadena Blue Line, 14 parcels for the East Side Extension, and 27 sub-surface easements for the North Hollywood Project. • Obtained a Certificate of Occupancy for the MTA Headquarters and the Gateway Plaza. 	

Administration Real Estate

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	1,537	1,753	1,671
Fringe Benefits	789	1,078	1,030
Services	1,872	2,626	2,369
Material, Supplies & Utilities	551	9	14
Aquisitions	19,564	16,872	11,057
Other	6,364	15	23
Sub Total	30,678	22,352	16,163
Overhead	0	0	0
Total	30,678	22,352	16,163

FTEs	32	32	32
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Non-Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Other	0	0	2,183
Sub Total	0	0	2,183
Total	0	0	2,183

Comments
Non-departmental includes \$2.2 million for Leases (\$4.6 million budgeted in Department 0000 in FY97).

Administration

Information & Technology Services (9200)

The Information & Technology Services Department (ITS) is responsible for the acquisition and use of information and telecommunications technologies that enhance the MTA's ability to achieve its organizational and business objectives. Key functions include advanced technologies, networked services, program management, customer support, and technical services.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsive • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Complete development of SAFE MIS by June, 1998. • Finalize design and begin implementation of Material Management and Vehicle Management Information Systems by December, 1997 • Establish basic infrastructure for Geographic Information System (GIS) by September, 1997. • Implement Series/1 project by June, 1998. • Begin implementing Year 2000 Project by November, 1997. • Provide computer service 24 hrs./day, 7 days/wk with online availability rate of 98.5%. • Complete implementing OS/390 operating system by September, 1997 • Increase Help Desk's satisfaction rate from 60% to 70%. • Respond to technical services priority 1 requests within 2 hrs., priority 2 within 4 hrs. and priority 3 within 6 hrs. • Implement Phase 2 of Ops cabling project by February, 1998. • Implement all outstanding recommendations made in Audit & System Safety's ITS review by June, 1998. • Complete development of FSP MIS by June, 1998. • Complete Phase 1 of FIRST by March, 1998. • Begin implementing HRMIS by December, 1997.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Finalized a 5 year Information Technology Strategic Plan for the MTA. • Issued RFPs to secure a new material management and vehicle maintenance system. • Expanded internet service and access to external stakeholders and the public. • Implemented the first phase of the Year 2000 project. • Expanded technology services to all operating divisions. 	

Administration Information & Technology Services

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	6,528	8,776	8,557
Fringe Benefits	3,323	5,262	5,779
Services	15,421	15,222	22,116
Material, Supplies & Utilities	2,699	2,686	4,167
Aquisitions	933	18,301	16,710
Other	200	20	37
Sub Total	29,103	50,268	57,366
Overhead	0	0	0
Total	29,103	50,268	57,366

FTEs	162	160	173
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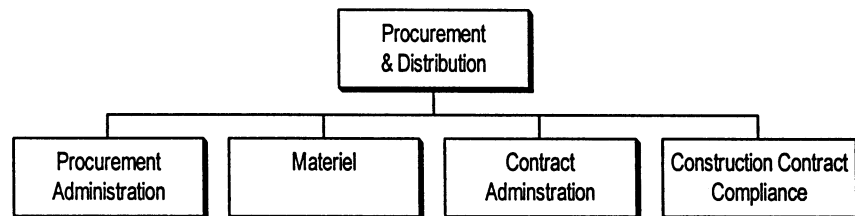
Non-Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Services	0	0	337
Material, Supplies & Utilities	0	0	2,129
Sub Total	0	0	2,466
Total	0	0	2,466

Comments
Non-departmental includes \$2.5 million for Telephone Usage (\$2.5 million budgeted in Department 0000 in FY97).

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Procurement & Distribution



Procurement & Distribution

Executive Office (6900)

The Executive Office for Procurement & Distribution is responsible for materiel management; storage; distribution; issuance of goods; and the execution of purchase orders, contracts, modifications, and supplemental agreements. The department also provides education and training on basic procedures and compliance.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Reduce Bus Inventory Parts levels by \$1.2M. • Continue implementation of Inventory 27-month master agreements program and award \$9M in contracts in FY98 to achieve a cost avoidance over the period of agreement of \$1.4M. • Maintain a minimum 95% service rate for purchased material, parts and supplies agency-wide. Service Rate is defined as the level by which inventory, such as materials, parts and supplies is available to user. • Develop acquisition-planning with all departments and achieve initial 80% rate of procurements according to planned schedule. • Increase number of ads placed in minority/community publications by 15% from 42% to 48%. • Increase training of professional staff to 1 training class per month to strengthen skills, teamwork and morale. • Increase training for user staff to 1 training session/quarter to strengthen skills, teamwork and morale. • Develop and finalize the Requirements Definition Plan for the new Materiel Management System.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Successfully planned and implemented the fifth annual Vendor Fair. • Took corrective action to the findings of 1996 Triennial Review; final action to be completed is policies and procedures manual. • Implemented Parts Identification Program (PIP) with a target cost savings of \$500,000 annually; attainment of program is \$545,905 (this is an 18 month program) as of March, 1997. • Successfully brought legally mandated advertising program in-house for cost efficiencies through March, 1997. • Collected revenues of \$350,000 year to date for sales of obsolete materials, equipment and supplies. • Improved annual inventory turnover rate from 1.45x in the previous year to 2.23x as of March, 1997. • Implemented Contract Administrators to Job-Site Program. • Completed Engineering Improvement Program. • Completed addition of staff requested by Arthur Andersen and the passage of AB1869. 	

Procurement & Distribution

Department FTE's	FY 96 Budget	FY 97 Budget	FY 98 Budget
Materiel	178	190	188
Construction Contract Admin	40	62	56
Total	218	252	244

Expenditures (\$000)	FY 96 Actual	FY 97 Budget	FY 98 Budget
Materiel	12,279	15,175	13,676
Construction Contract Admin	2,587	5,280	6,257
Sub Total Department	14,865	20,455	19,933

Non-Departmental-Materiel	0	0	4,184
Sub Total Non-dept.	0	0	4,184

Total Non-dept & Dept	14,865	20,455	24,117
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Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	7,920	10,522	10,350
Fringe Benefits	4,044	6,864	6,769
Services	329	776	2,178
Material, Supplies & Utilities	2,184	815	4,162
Aquisitions	41	1,346	493
Other	346	131	167
Sub Total	14,865	20,455	24,117
Overhead	0	0	0
Total	14,865	20,455	24,117

Procurement & Distribution

Materiel (6300)

The Materiel Department is responsible for the acquisition of quality goods, materials and services. Responsibilities include materiel management functions; storage, distribution, issuance of goods and the execution of purchase orders, contracts, modifications, and supplemental agreements. The department also provides education and training on basic procedures and compliance.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Reduce Bus Inventory Parts levels by \$1.2M. • Continue implementation of Inventory 27-month master agreements program and award \$9M in contracts in FY98 to achieve a cost avoidance, over the period of agreement of \$1.4M. • Maintain a minimum 95% service rate for purchased material, parts and supplies agency-wide. Service Rate is defined as the level by which inventory, such as materials, parts and supplies is available to user. • Develop acquisition-planning with all departments and achieve initial 80% rate of procurements according to planned schedule. • Increase number of ads placed in minority/community publications by 15% from 42% to 48%. • Increase training for user staff to one training session/quarter to strengthen skills, teamwork and morale. • Develop and finalize the Requirements Definition Plan for the new Materiel Management System.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Successfully planned and implemented the fifth annual Vendor Fair. • Corrective action taken to the findings of 1996 Triennial Review, final action to be completed is policies and procedures manual. Draft to Board in May. • Implemented Parts Identification Program (PIP) with a target cost savings of \$500,000 annually; attainment program to date is \$545,905 (this is an 18 month program) • Successfully brought legally mandated advertising program in-house and project an annual cost savings of \$128,600. • Revenues of \$350,000 year to date for sales of obsolete materials, equipment and supplies. • Annual inventory turnover rate improved from 1.45x in the previous year to 2.23x year-to-date. 	

Procurement & Distribution Materiel

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	6,295	7,715	7,451
Fringe Benefits	3,216	4,952	4,814
Services	231	276	107
Material, Supplies & Utilities	2,173	794	752
Aquisitions	41	1,346	493
Other	323	92	60
Sub Total	12,278	15,175	13,676
Overhead	0	0	0
Total	12,279	15,175	13,676

FTEs	178	190	188
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Non-Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Services	0	0	814
Material, Supplies & Utilities	0	0	3,370
Sub Total	0	0	4,184
Total	0	0	4,184

Comments
Non-departmental includes \$4 million for Parts Inventory and Request for Proposal Ads (\$4 million budgeted in Department 0000 in FY97).

Procurement & Distribution Construction Contract Admin

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	1,625	2,807	2,899
Fringe Benefits	829	1,912	1,955
Services	98	500	1,257
Material, Supplies & Utilities	11	22	39
Other	24	40	107
Sub Total	2,587	5,280	6,257
Overhead	0	0	0
Total	2,587	5,280	6,257

FTEs	40	62	56
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Procurement & Distribution

Construction Contract Administration (8520)

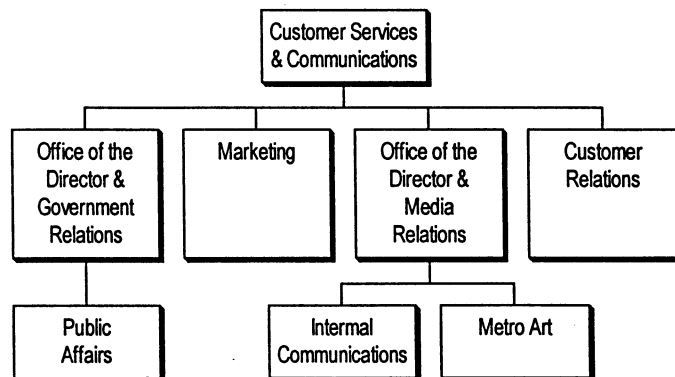
The Construction Contract Administration Department is responsible for directing and overseeing bids, contracts analysis, preparation of awards, contract administration, negotiate contract changes, and ensure compliance with contractual terms and conditions for all rail capital projects.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Reduce backlog of change notices and records of negotiation and claims by 20% to reduce losses to MTA, improve process time and consistency in documentation. • Improve initial acceptance level of Construction Board reports to 80% to increase customer satisfaction, improve department credibility and improve staff proficiency. • Fully implement and integrate the pre-qualification portion of State law established by AB1869 through the establishment of unit policies and procedures. • Provide at least 2 training classes for each professional staff to improve subject-matter proficiency, improve knowledge of public contracting laws and to improve communications skills.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Implemented Contract Administrators to Job-Site Program. • Completed Engineering Improvement Program. • Completion of additional staff requested by Arthur Andersen and the passage of AB1869*. • Completion of all Arthur Andersen recommended tasks. • Developed and implemented first Design Build Contract. • Revised, implemented and trained Consultant Change Control Procedure. • Established Architectural Engineering Review Board to handle consultant errors and omissions of claims. 	

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Customer Services & Communications



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Customer Services & Communications

Department FTE's	FY 96 Budget	FY 97 Budget	FY 98 Budget
Executive Office, Communications	3	7	4
Office Of Director & Media Relations	9	8	11
Metro Art	5	9	9
Marketing	32	26	24
Public Affairs	34	45	34
Customer Relations	118	128	128
Internal Communications	0	4	4
Office Of Director & Govt Relations	7	5	14
Total	208	232	228

Expenditures (\$000)	FY 96 Actual	FY 97 Budget	FY 98 Budget
Executive Office, Communications	201	896	451
Office Of Director & Media Relations	839	805	1,054
Metro Art	395	1,148	1,165
Marketing	5,633	8,007	4,858
Public Affairs	2,852	12,927	8,292
Customer Relations	5,735	6,593	6,545
Internal Communications	84	466	534
Office Of Director & Govt Relations	1,218	1,100	2,038
Sub Total Department	16,957	31,942	24,935

Sub Total Non-dept.			
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Total Non-dept & Dept	16,957	31,942	24,935
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Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	7,452	9,253	8,870
Fringe Benefits	3,964	5,873	5,356
Services	3,803	12,622	7,032
Material, Supplies & Utilities	665	1,432	780
Aquisitions	10	0	44
Other	1,061	2,763	2,854
Sub Total	16,957	31,942	24,935
Overhead	0	0	0
Total	16,957	31,942	24,935

Customer Services & Communications

Executive Office (7000)

The Executive Office for Customer Services & Communications is responsible for providing and framing external and internal information in order to effectively communicate and promote MTA programs and services to its various audiences. The Customer Services & Communications Division is comprised of the following units: Office of the Director & Media Relations, Metro Art, Marketing, Office of the Director & Government Relations, Public Affairs, Customer Relations, and Internal Communications.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Oversee the implementation of Computer Telephone Integration (CTI) enhancements to improve access to Metro Information. • Develop a revenue-producing program to create and sell new advertising on MTA property. • Coordinate the introduction of public restrooms at MTA facilities. • Oversee the procurement of federal and state dollars to secure MTA program funding. • Lead the effort to seek re-authorization of ISTEA. • Develop MTA management communication policies through the presentation of a "white paper". • Oversee and conduct the second annual "Customer First Conference" scheduled for Spring, 1998. • Develop a Crisis Management Plan for the total MTA. • Oversee the implementation of mitigation and outreach plans for active Rail Construction projects: MRL Segments 2 & 3, MBL Pasadena and Metro Eastside. • Oversee the development of community advisory groups for Metro Art and the completion of 3 art projects. • Oversee the creation of MTA Speakers Bureau. • Cause to have developed the Employee Suggestion Program, the second annual Employee Survey, and the third annual Charitable Giving Campaign.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Developed the Board adopted 1997 Legislative Strategy and Workplan, January, 1997. • Held the Customer First Conference, dedicated entirely to Customer Service Excellence. • Completed a series of 4 Public Forums. • Implemented merchant assistance programs i.e., Rapid Response, Security, Parking, and advertising and rent subsidy programs to impacted businesses along commercial corridors. • Implemented the Employee Recognition Program and the development of the Employee Suggestion Program. 	

Customer Services & Communications Executive Office, Communications

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	130	454	249
Fringe Benefits	66	341	146
Services	0	20	30
Material, Supplies & Utilities	2	5	5
Other	3	77	21
Sub Total	201	896	451
Overhead	0	0	0
Total	201	896	451

FTEs	3	7	4
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Customer Services & Communications

Office of the Director & Government Relations (7190 & 7130)

The Government Relations & Public Affairs Director is responsible for directing and coordinating all activities of Government Relations and Public Affairs, including but not limited to: budgets, board and executive staff reports, briefings, and tours of elected officials, administrators, business and civic leaders.

Government Relations is responsible for acting as the principle liaison to all federal, state, and local elected officials, government agencies, commissions, and their staffs. The department develops the MTA's legislative goals and objectives, obtains legislative support, and monitors the legislative process for MTA impacts.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive 	<ul style="list-style-type: none"> • Obtain support for legislative policies and programs to seek funding from our partners on the state, federal and local levels. • Seek reauthorization of ISTEA. • Actively pursue the inclusion of bus, rail and highway projects as part of the ISTEA legislation including: seek \$250 million Bus Replacement Earmark, and increase funding for Metro Rail Segment 3 and begin preliminary funding for Segment 4 Metro Rail • Authorize El Monte; San Gabriel; Santa Monica Highway projects to pursue the 4.3 cent federal gas tax currently diverted to the General Fund for use in the Highway Trust Fund consistent with previous transportation policy with a sub-allocation to the Mass Transit Account. • Increase California's share of highway formula funding including the flexible funding programs, CMAQ and STP. Modify CMAQ language to maximize countywide funding levels. • Brief all Southern California elected officials and their staff at the federal, state, and local levels of government on a quarterly basis to develop support of MTA projects, programs, and policies. • Establish regularly scheduled briefings and community tours on a quarterly basis for federal, state, and local officials and their staffs, Board Members, and Executive Officers. • Prepare and deliver quarterly briefings for community groups. • Develop a crisis communications policy which informs public officials of emergencies which have an immediate impact on their constituents.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Developed MTA Board adopted 1997 Legislative Strategy and Workplan, January, 1997. • Conducted ongoing analysis of legislation and policies affecting the MTA and transportation. Staff recommendations were provided through MTA Board Reports. Legislative matrixes provide updates to the MTA Board at Executive Management Committee and at Board meetings. • Provided Board members, federal, state, and local elected officials with updates on events and actions taken on the federal, state, and local levels through Legislative Briefs and Government Relations Updates. • Developed 1997 Legislative Goals and Project Update for federal, state and local elected officials. The book was distributed on Capitol Hill and locally. • Ensured continuous development of government relations strategies and processes to maximize the partnership within the region for continued funding of MTA's transportation programs. 	

Customer Services & Communications Office Of Director & Govt Relations

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	429	340	724
Fringe Benefits	218	192	468
Services	517	547	611
Material, Supplies & Utilities	11	1	59
Other	43	20	176
Sub Total	1,218	1,100	2,038
Overhead	0	0	0
Total	1,218	1,100	2,038

FTEs	7	5	14
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Customer Service & Communications

Public Affairs (7160)

The Public Affairs Department is responsible for representing and building support for MTA plans, projects, construction, operation activities with the community, elected officials, businesses and general public.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Participate in the development of an agency-wide crisis management policy by October, 1997. • Develop and implement computerized case management program for Metro Eastside merchants, businesses and residents. • Develop and implement 3 outreach plans for Operations supporting the Northern, Southern and Central regions. • Develop and implement community outreach plans to mitigate construction activities for active Rail Construction Projects: Metro Red Line Segments 2 & 3, Metro Blue Line - Pasadena, and Metro Eastside by September, 1998. • Conduct a community survey to assess effectiveness of mitigation efforts and outreach plans by April, 1998. • Coordinate 4 Community Information Forums to further develop the outreach program for Public Affairs. • Analyze data from Employee Survey and develop responses/action plan that address areas of concern relevant to Public Affairs staff by September, 1997. • Produce a Public Affairs manual to facilitate employee orientation and resource information by December, 1997.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Instituted 1 to 1 contacts with residents along several construction corridors in East Los Angeles, Vermont and Hollywood Corridors, and North Hollywood. One-on-one outreach efforts resulted in a 15% - 20% greater attendance at community meetings. • Coordinated community outreach for LCNG facilities at Division 5. • Implemented proactive merchant assistance programs like Rapid Response, Security, parking, advertising, and rent subsidy programs to impacted businesses along commercial corridors. • Provided sound mitigation programs for residents located adjacent to construction and operations corridors. • Expanded the Adopt-a-Block Program to include 45 additional blocks along Hollywood and Vermont Corridors for cleaning and graffiti abatement services. • Implemented outreach programs for rail plans. • Coordinated a national forum on CNG Technology and Fueling Issues. • Integrated Metro Information Field Offices to include more community activities. 	

Customer Services & Communications Public Affairs

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	871	1,957	1,382
Fringe Benefits	513	1,283	904
Services	741	6,358	3,105
Material, Supplies & Utilities	48	741	326
Aquisitions	1	0	44
Other	678	2,590	2,530
Sub Total	2,852	12,927	8,292
Overhead	0	0	0
Total	2,852	12,927	8,292
FTEs	34	45	34

Customer Services & Communications

Office of the Director & Media Relations (7110 and 7150)

The Office of the Director & Media Relations' units are responsible for the new MTA Speakers Bureau which coordinates and solicits opportunities for MTA officials to speak before community groups about MTA services and solicits public feedback. As part of the community outreach effort, a series of commentaries will be produced on critical transportation issues for the MTA CEO and Board chair and distribute these to a central mailing list of community stakeholders.

Media Relations is responsible for planning, developing, and implementing all press events, developing and distributing press releases, photo captions, and press kits to the media. The unit serves as MTA's spokesperson in the event of an emergency and is on-call 24 hours a day to respond to such incidents.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Issue 20 press releases and hold at least 4 press events demonstrating MTA's actions to control and reduce costs, increase revenues and improve cost effectiveness. • Issue 20 press releases and hold at least 5 press events demonstrating MTA's commitment to improve mobility. • Develop crisis response program for department. • Organize and initiate an MTA Speakers Bureau by August 1, 1997. • Produce fact sheets, message points, and other public information material in support of the Speakers Bureau by August 1, 1997. • Schedule a minimum of 25 community speaking engagements for the Speakers Bureau for the fiscal year. • Develop and begin maintaining a central mailing list of MTA stakeholders in the community. • Produce and distribute a letter per year dealing with critical transportation issues to community stakeholders on the central mail list. • Issue 20 press releases and hold at least 4 press events to publicize MTA's efforts to strengthen its ties to the community. • Conduct a special outreach program to Hispanic and ethnic press. • Distribute 20 press releases and hold at least 4 press events to publicize MTA employee skills and activities as well as progress on labor negotiations.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Publicized the Customer First campaign. • Distributed press releases and held over 10 media events to publicize positive MTA programs and projects. • Prepared public service announcement to support the "Travel Smart – Take Metro" theme. • Conducted more than 2 media events and distributed more than 6 press releases publicizing the MTA's legislative program and efforts to garner continued federal and state support. • Concluded all of the activities outlined within the Board-adopted Communications Plan. Conducted quarterly meetings with community news executives as well as conducted more than 4 press events and distributed more than 4 features monthly on MTA programs, services and personnel. • Publicized and invited media to attend Customer First conference which resulted in positive national publicity. • Worked closely, providing features for use in Marketing Department's <i>MTA Review</i> and in-house publication, <i>Metro Family</i>. Created news article display board outside of cafeteria. 	

Customer Services & Communications Office Of Director & Media Relations

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	424	414	595
Fringe Benefits	216	237	330
Services	156	137	103
Material, Supplies & Utilities	19	8	11
Aquisitions	3	0	0
Other	21	10	14
Sub Total	839	805	1,054
Overhead	0	0	0
Total	839	805	1,054

FTEs	9	8	11
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Customer Services & Communications

Metro Art (7120)

Metro Art is responsible for planning, directing, and implementing all aspects of MTA's public art policy and seeks to increase awareness of the importance of quality design throughout the MTA. Metro Art involves artists in a variety of permanent and temporary projects throughout the Metro and Metrolink systems with the objective of making mass transit more friendly to commuters and communities.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Initiate artwork conservation plan and overhaul 3 art projects to optimize invested resources and improve overall service. • Produce an art project to encourage use of the Metro System to cultural destinations during non-peak hours. • Initiate a transit art educational program for neighborhoods. • Produce a self-guided tour, 10 postcards and 10 detailed flash cards to provide customer-friendly information on Metro Art and to inform our customers, the media and the general public. • Establish a community advisory group along mid Metro Blue Line and complete community profile. • Select 20 artists and complete 10 projects in Metro facilities and/or vehicles, in partnership with communities in Los Angeles County. • Complete 15 projects to final-construction-document stage and progress with fabrication milestones on 8 projects, all rail related. • Produce art project honoring MTA employees. • Encourage each Metro Art employee to use carpools, bicycles or mass transit twice a week.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Completed 3 permanent art installations (2 large tile murals; 1 large painted metal mural; one sculptural installation consisting of several suspended works, wall tiles, benches and skylights) and 2 temporary projects for Metro Red Line Wilshire Extension opening. • Completed installation of 2 projects (mosaic tile and "wishing well" sculpture; series of 6 stained glass works) on Metro Blue Line and 2 projects (handpainted "story" tiles and benches; series of floor tile medallions, benches, and railing sculptures) on Metro Green Line. • Negotiated and awarded 8 artist fabrication contracts for Metro Red Line Hollywood and North Hollywood extensions. • Selected artists and completed station design for Metro Red Line East Side extension. • Completed photo essay project and bookmarks for Metro Bus customers. • Developed 3 pilot projects involving artists in urban design/planning projects (Glendale Boulevard streetscape project; Pico/Convention Center pedestrian linkage; Hill Street/Angel's Walk pedestrian linkage project). • Completed installation of 4 projects for Metrolink. 	

Customer Services & Communications Metro Art

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	189	433	427
Fringe Benefits	96	264	233
Services	60	432	472
Material, Supplies & Utilities	32	5	5
Aquisitions	4	0	0
Other	14	14	28
Sub Total	395	1,148	1,165
Overhead	0	0	0
Total	395	1,148	1,165
FTEs	5	9	9

Customer Services & Communications

Internal Communications (7180)

Internal Communications is responsible for developing and implementing an internal communications plan which builds support for the mission, vision, and goals of the MTA. This Department produces all internal publications, oversees the editorial board, plans and implements employee recognition and suggestion programs, coordinates employee communication for the CEO, provides communication support to MTA units, conducts an annual charitable giving campaign and conducts ongoing communications assessments to evaluate effectiveness of communications programs.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Customer Focused • Employee Supportive 	<ul style="list-style-type: none"> • Publish the following newsletters and magazines specifically geared to employee communication needs: <ul style="list-style-type: none"> * 10 issues of <i>Metro Family</i> * 24 issues of <i>CEO Report</i> * 6 issues of <i>Focus On</i> * 12-15 issues of <i>News-in-a-Flash</i> * 5 issues of the <i>Communicator</i> • Implement an Internal Customer First Program by December, 1997, including the following elements: <ul style="list-style-type: none"> * Hold 8 CEO Advisory Group meetings * Hold 8 "brown bag" lunches with CEO and major departments * Hold 12 "Division Appreciation" days in Operations, 4 employee meetings at Gateway and 1 such meeting at Regional Rebuild Center. • Implement Employee-of-the-Year Award and On-the-Spot Awards by March, 1998. • Implement Employee Suggestion Program by August, 1998. • Implement second annual Employee Survey. • Complete planning for September, 1998 employee picnic. • Implement third annual charitable giving campaign.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Published 30 issues of <i>CEO Report</i> and 10 issues of <i>Metro Family</i> magazine. • Implemented the Employee Recognition Program – 80 employees recognized as employee of the month since August, 1996. • Administered the first annual MTA Charitable Giving campaign. • Developed the Employee Suggestion Program. • Planned and coordinated the first annual Employee Survey, agency-wide. 	

Customer Services & Communications Internal Communications

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	43	231	188
Fringe Benefits	19	128	127
Services	12	60	131
Material, Supplies & Utilities	9	43	75
Other	0	4	12
Sub Total	84	466	534
Overhead	0	0	0
Total	84	466	534

FTEs	0	4	4
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Customer Services & Communications

Marketing (7140)

The Marketing Department is responsible for the creation of cost-effective informational materials and promotional programs to help customers understand MTA services and to generate a positive public perception of those services.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive 	<ul style="list-style-type: none"> • Secure a vendor via a revenue-producing contract by January 1, 1998 to create and sell new advertising availabilities on MTA property (such as rail stations, right-of-way, and vacant land in high-traffic areas). • Implement a series of monthly marketing partnerships with Southland attractions by January 1, 1998, providing admission discounts for Metro Bus and Metro Rail customers, thereby providing a regular, tangible value-added program. • Develop and install an interactive capability for trip planning via public transportation on the MTA internet site by June 30, 1998. • Develop a "capabilities presentation" for Communications by September 1, 1997 to educate internal customers about the division's services. • Create and air 1 new episode of the "Metro Safari" TV program about MTA endeavors by June 30, 1998.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Produced 10 regional sector maps that include all Metro and Muni services for Los Angeles County. • Launched "New Fare Deal" campaign to introduce the new weekly pass and increase awareness of reduced prices for monthly and semi-monthly passes. • Increased the Metro Pass and Discount Token sales network to over 740 locations. • Marketed the "On-Time Guarantee" program during the months of March and April to retain and increase ridership. • Premiered "Metro Safari," an informative half-hour television series about MTA's services. • Coordinated opening of the Metro Red Line Wilshire Extension which attracted an estimated 80,000 attendees. • Completed Phase 1 of the Service Planning Market Research Project working together with RTPD. 	

Customer Services & Communications Marketing

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	1,771	1,793	1,572
Fringe Benefits	928	890	726
Services	2,224	4,744	2,323
Material, Supplies & Utilities	422	540	200
Aquisitions	2	0	0
Other	285	41	38
Sub Total	5,633	8,007	4,858
Overhead	0	0	0
Total	5,633	8,007	4,858

FTEs	32	26	24
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Customer Services & Communications

Customer Relations (7170)

The Customer Relations Department is responsible for Metro Information, which provides individualized customer service to the bus and rail-riding public as well as Customer Information, which handles comment and complaint input from the general public.

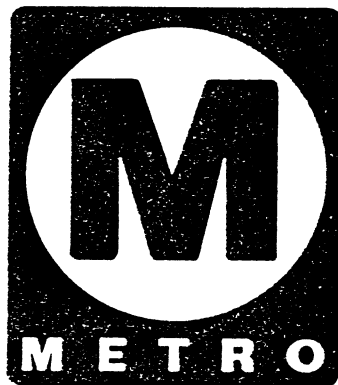
FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused 	<ul style="list-style-type: none"> • Implement Computer Telephone Integration (CTI) enhancements to improve access to Metro information. • Achieve a service level of 50% of incoming Metro Information calls answered within 180 seconds. • Implement an automated survey system to be used at the conclusion of Voice Response System (VRS) assisted call in FY98. • Develop and implement a continuing outreach program with the disabled community. Distribute 50,000 Accessible Rider Comment Cards annually to disabled organizations beginning the first quarter of FY98. • Increase the number of customer telephone contacts by 5% each quarter during FY98. • Respond to all customer letters within 12 working days beginning the first quarter of FY98. • Hold Customer First Conference in Spring, 1998. • Require Information Technology Systems (ITS) support, design, code and implement Internet access to the Customer Complaint Information System (CCIS) to promote self-help transit itinerary planning.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Implemented the On-Time Guarantee Program that provided for a free ride if a bus is running 10 minutes or more behind schedule. The promotion is intended to highlight the reliability and dependability of the Metro System. At the same time, the program helps to identify locations where schedule improvements are needed. • Held the Customer First Conference, dedicated entirely to Customer Service Excellence. Transit officials and professional staff from across the country heard nationally recognized experts in the field share their insights on how to improve service to the customer. The lessons learned will be incorporated into MTA's overall training programs. • Completed a series of 4 Public Forums, an innovative outreach program aimed at community leaders and opinion influencers to facilitate a lively exchange of information. The common theme of the forums, "Time Out from Too Fast" examined various methods of coping with Los Angeles' fast paced lifestyle and the role that effective public transit can play in improving the quality of life. • Improved 1-800-Commute, a toll-free regional transit and rideshare information line. Representatives provide personalized itinerary assistance to over 7,000 callers each day. New services include "fax back" and other related features that use CTI technology. • Implemented new Customer Complaint System (CCS) to enable front line Operations staff to focus and take action on issues of concern to our customers. 	

Customer Services & Communications Customer Relations

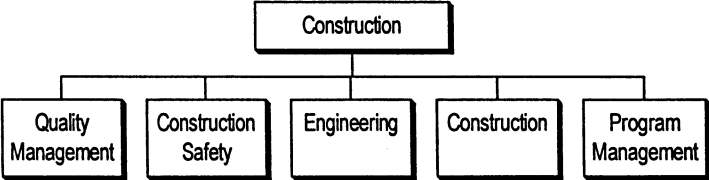
Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	3,596	3,633	3,732
Fringe Benefits	1,908	2,539	2,422
Services	92	325	258
Material, Supplies & Utilities	122	90	100
Other	18	7	34
Sub Total	5,735	6,593	6,545
Overhead	0	0	0
Total	5,735	6,593	6,545

FTEs	118	128	128
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Construction



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Construction

Department FTE's	FY 96 Budget	FY 97 Budget	FY 98 Budget
Executive Office, Construction	20	26	23
Quality Management	20	19	19
Construction Safety	21	24	23
Engineering	57	60	63
Construction	31	29	30
Program Management	47	51	51
Total	196	209	209

Expenditures (\$000)	FY 96 Actual	FY 97 Budget	FY 98 Budget
Executive Office, Construction	2,437	8,144	2,802
Quality Management	1,299	2,067	1,834
Construction Safety	1,235	2,052	2,060
Engineering	4,700	6,377	7,743
Construction	2,344	2,926	3,392
Construction Contracts	526,548	808,327	723,252
Program Management	3,070	5,118	5,530
Sub Total Department	541,632	835,011	746,615

Sub Total Non-dept.			
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Total Non-dept & Dept	541,632	835,011	746,615
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Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	9,320	11,810	11,819
Fringe Benefits	4,731	7,819	8,077
Services	254,793	194,932	175,746
Material, Supplies & Utilities	2,599	280	871
Aquisitions	224,420	619,325	547,578
Subsidies	1	0	0
Other	45,767	844	2,524
Sub Total	541,631	835,011	746,615
Overhead	1	0	0
Total	541,632	835,011	746,615

Construction

Executive Office (8000)

The Executive Office for Construction is responsible for the oversight of Metro Rail Construction projects.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Meet budget and schedule milestones in FY98 for major construction projects underway, taking into consideration those safety, quality and funding issues that may impact projects' schedule and/or budget. • By December, 1997, develop a Construction Unit Performance Measurement System to set achievement targets, monitor performance, and develop improvement strategies. • By March, 1998, complete the implementation of the original 46 Engineering Improvement Plan tasks (which are based on the May, 1996 Arthur Andersen Report recommendations). • By February, 1998, develop and implement a system to identify and assess the needs and expectations of stakeholders, determine current satisfaction levels, and gather recommendations for improvement and finalize plan by June 30, 1998. • As required by project schedules, develop and implement outreach plans and mitigation measures which address the unique needs of the communities impacted by construction. By April, 1998, conduct community surveys to assess effectiveness. • By August, 1997, develop an ongoing Construction Unit orientation program for new employees and construction consultant staff. • By September, 1997, analyze data from the MTA Employee Survey and develop a prioritized work plan to address the areas of concern identified for the Construction Unit.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Opened the 2.2 mile Metro Red Line Segment 2 in July. • Completed station and tunnel excavation on Vermont/Hollywood corridor. • Completed street restoration of Vermont/Hollywood corridor. • Successfully negotiated mitigation to environmental concerns in Runyon Canyon. • Mined over 8000 feet in both east and west tunnels on Segment 3. • Completed over 60% of final design for Eastside extension. • Completed over 80% of final design for Pasadena line. • Completed reconstruction of Arroyo Seco Bridge. • Implemented all FTA quality and safety improvements. • Developed an Engineering Review Plan for the EMC and completed 60% of recommendations. • Presented the prototype of the LA Car. 	

Construction Executive Office, Construction

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	1,259	1,599	1,444
Fringe Benefits	649	996	996
Services	463	4,935	145
Material, Supplies & Utilities	27	56	78
Aquisitions	5	0	0
Other	34	558	140
Sub Total	2,437	8,144	2,802
Overhead	0	0	0
Total	2,437	8,144	2,802

FTEs	20	26	23
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Construction

Quality Management (8100)

The Quality Management Department 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 ultimate customers.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible 	<ul style="list-style-type: none"> • Develop an effective quality performance measurement system to assess the performance of the Metro Construction by August, 1997. • Implement the Construction Division's Training Program. • Implement computer based systems to improve information reporting.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Implemented a computer-based reporting system to improve the quality of management information. • Implemented and refined the Division Quality Council, renamed Executive Steering Group. • Enhanced existing close communication channels with MTA Construction Manager organizations to achieve complete and effective closure of issues identified during the audit and surveillance process. • Developed and refined Engineering Design Procedures, the Design Quality Manual, and Design Review Checklists to control EMC design work and to facilitate implementation of new more cost-effective designs. • Continued the refinement of a cost-effective and efficient system of managing the quality of contractor work that meets Metro Construction quality requirements and efficiently utilizes resources within the Construction Manager organizations by review and revision of construction contractor construction work plan requirements. • Continued development of cost-effective and efficient methods to assist MTA Engineering to implement the Lessons Learned Program for full utilization and implementation for new design work. • Reorganized the Quality Management staff to provide Senior Quality Engineers to the Project Quality Managers, resulting in increased frequency and improved timeliness of surveillance of work in progress to prevent/detect/resolve work impacting quality issues. 	

Construction Quality Management

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	858	1,062	1,023
Fringe Benefits	433	711	725
Services	0	255	37
Material, Supplies & Utilities	5	19	15
Other	2	19	34
Sub Total	1,299	2,067	1,834
Overhead	0	0	0
Total	1,299	2,067	1,834

FTEs	20	19	19
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Construction

Construction Safety (8200)

The Construction Safety Department is responsible for contractor jobsite safety inspections; monitoring contractor compliance; auditing contractor reported injuries; oversight of consultant safety audits; monitoring injury rates; reviewing and assessing the impact of Federal, State, and local or other regulatory changes; and assisting in contract design and acceptance process; and representing the MTA in the processes used to promulgate new construction safety regulated regulations.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Employee Supportive 	<ul style="list-style-type: none"> • Reduce OSHA Recordable and Loss Time Injury Rates for all Metro Rail projects as measured by the comparison of Calendar Year 1996 with the results of Calendar Year 1997 thereby reducing safety costs. • Completion of the revision or creation of 5 Construction Safety Education Program Modules in order to increase contractor worker and supervisor hazard awareness and reduce injury incidence rates. • Complete implementation of Personal Protective Equipment Database to facilitate tracking of company issued personal protective equipment and better manage stock and resources. • Increase the number of employees certified as to Construction Health and Safety Technicians from 4 to 12. • Increase the number of employees certified as Certified Safety Professionals from 1 to at least 6.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Reduced OSHA 200 Recordable Rate from 3.1 to 2.9 for calendar 1996 for Pasadena Project. • Maintained lost time injury rate of zero for the year for Pasadena Project. • Reduced OSHA rate from 17.9 to 13.1 for calendar year 1996 for Segment 2. • Reduced lost time injury rate from 2.4 for calendar year 1995 to 1.1 for 1996 for Segment 2. • Reduced lost time injury rate from 0.5 for calendar year 1995 to 0.4 for 1996 for Segment 3. • Completed the Construction Safety Education Program. • Revised the Underground Safety Representative Training Module and Competent Person Awareness Training for Evacuation. • Four departments' personnel passed the Construction Safety and Health Technician Exam and are now certified. • Completed implementation of Personal Protective Equipment storage and issuance for the Construction Division. 	

Construction Construction Safety

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	795	1,120	1,141
Fringe Benefits	405	750	775
Material, Supplies & Utilities	12	151	77
Other	22	32	67
Sub Total	1,235	2,052	2,060
Overhead	0	0	0
Total	1,235	2,052	2,060

FTEs	21	24	23
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Construction

Engineering (8300)

The Engineering Department is responsible for providing full and part-time engineering support for the Metro Red Line Segment 2, Metro Red Line Segment 3, and the Pasadena Blue Line Projects and support for system-wide activities.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Community and Regionally Responsive 	<ul style="list-style-type: none"> • Complete compliance with AB 1869 by September, 1997. • Complete close-out of cost recovery claim with GTE and the City of Los Angeles on the Blue Line (L.A. to Long Beach) by December, 1997. • Complete the acceptance of 46 BREDA cars by the end of the fiscal year. • Complete delivery of 27 L.A. Rail Cars during the fiscal year. • Install 23,000 feet of track for N. Hollywood Segment 3 during fiscal year. • Complete driverless verification for the Green Line by the end of fiscal year.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Revised Engineering policies and procedures as part of the Engineering Improvement Plan. • Initiated construction of the Metro Red Line Maintenance of Way facility. • Initiated design-build construction of the Imperial Station Maintenance of Way facility. • Updated the baseline criteria, standards, and directives drawings to incorporate improvements, enhancements, and Lessons Learned to support the final design for MRL Eastside Project. • Directed design studies which updated seismic design criteria and developed the initial modifications to the structural details required for the MRL Eastside Project. • Implemented enhancements to the EMC CADD System to improve throughput, efficiency, and capability to support the MRL Eastside design and Pasadena Blue Line efforts. • Completed Phase I of the Engineering Improvement Plan recommended by Arthur Andersen. • Managed the program-wide project to enhance MBL capacity which resulted in a significant reduction of 6 minutes in round-trip time without capital expenditure. • Concluded negotiations with section designers and issued all notices to proceed on Eastside. • Managed start-up and activation process for the A650 MRL option car delivery, testing, and acceptance. • Instituted a policy to shorten the third party review time at interim to allow for more response time and coordination by the GEC on Eastside. • Started early relocations of utilities for the tunnel contract of the Union Station to First & Boyle segment of the Eastside extension. • Initiated work orders for the replacement of water and gas utilities impacted by the Pasadena Line. • Successfully completed negotiations for all Cooperative Agreements on the Eastside. 	

Construction Engineering

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	3,054	3,520	3,523
Fringe Benefits	1,544	2,357	2,405
Services	38	350	1,460
Material, Supplies & Utilities	23	16	136
Aquisitions	4	44	0
Other	36	90	220
Sub Total	4,697	6,377	7,743
Overhead	2	0	0
Total	4,700	6,377	7,743

FTEs	57	60	63
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Construction

Construction (8400)

The Construction Department is responsible for the management and oversight for all rail construction-related activities.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Community and Regionally Responsive • Employee Supportive 	<ul style="list-style-type: none"> • Manage CM consultants within their contract budgets. • Keep construction changes to less than 10%. • Mitigate 40% or more of construction claims. • Reduce administrative costs of managing consultant contracts by 1% as measured by the percentage of each work order allocated to administration and project implementation plans. • Limit the number of construction delays caused by Construction that result in added prime contractor costs to no more than 5 during the fiscal year. • Reduce legitimate environmental complaints to 120 or fewer by minimizing impact on neighborhoods through noise control, dust prevention and traffic control. • Reduce average incident and severity rates to 60% or less of national average by placing first priority on safety. • Limit the number of Environmental Regulatory Agency violations attributable to the MTA to no more than 3 during the fiscal year. • Experience less than 60% of national average incident and severity rates. • Provide for professional growth of CM by attendance at 2 project relevant off-site training events for each staff member.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Developed and implemented a constructability program acceptable to the PMO which will be utilized on all projects. • Implemented a retrofit wastewater mitigation concept for Segment 1, 2 and 3. • Reduced the amount of blasting necessary to complete tunnel through Santa Monica mountains. • Issued limited Notice-To-Proceed and negotiated Cost Plus-Fixed Fee Contract Management contract for the first segment of the Eastside project. • Identified, stockpiled, hauled, and disposed over 50,000 tons of contaminated soil from all active projects without incident or disruption to the projects. • Implemented a wastewater discharge monitoring plan for groundwater in tunnels between Runyon Canyon and Universal City Station. 	

Construction Construction

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	1,509	1,706	1,726
Fringe Benefits	763	1,137	1,160
Services	20	17	204
Material, Supplies & Utilities	5	28	70
Aquisitions	2	0	0
Other	45	38	233
Sub Total	2,344	2,926	3,392
Overhead	0	0	0
Total	2,344	2,926	3,392

FTEs	31	29	30
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Construction

Program Management (8600)

The Program Management Department is responsible for monitoring the Metro Construction's impact on the financial resources of the MTA; developing and consolidating project financial status data into short range and long range cash management and strategic planning tools; evaluating and coordinating all program and project schedules and cost controls; forecasting and reporting all activities for rail transit projects; and monitoring change orders.

FY98 Goals	FY98 Objectives
<ul style="list-style-type: none"> • Fiscally Responsible • Customer Focused • Community and Regionally Responsive • Employee Support 	<ul style="list-style-type: none"> • Provide cost reporting and forecasting training to all Construction Division staff responsible for input to the project cost forecasting and engineering earned value as described in Program Control Policies and Procedures #5 by December, 1997 to increase accuracy of project cost forecast. • Update rail construction expenditure plans quarterly. • Reduce contract change process time by 10%. • Implement Document Imaging, Indexing and Retrieval System. • Complete F.I.S. Interfaces. • Reduce by more than 50% the content of the Project Manager's monthly status report by August, 1997 in order to focus more attention on key performance measurements: cost, schedule and significant areas of concern. • Coordinate and prepare all project control information for monthly executive briefings after monthly reporting period. • Complete Wide Area Network (WAN) rebuild. • Provide cost and design estimates within 30 days of receipt of documents. • Provide labor distribution reports to Project Managers bi-weekly. • Provide updated construction expenditure plans to the Chief Financial Officer quarterly. • Respond to requests for data from media, public officials and funding partners within 3 days maximum. • Train all Eastside Project team members in change and document control procedures.
FY97 Accomplishments	
<ul style="list-style-type: none"> • Implemented all 26 Arthur Andersen recommendations for enhanced management effectiveness. • Implemented rigorous Program Management training for departments internal and external to Construction. This training involved detailed aspects of cost estimating, project management, project cost management, contract change control and configuration management. • Developed and implemented a more stringent project cost control system. • Generated revenue by selling the MTA change control system to 3 outside agencies. • Streamlined the monthly status report. • Updated long range cash flow and staffing plan for the Construction division. • Created document imaging system that is being used by Construction division project offices. • Redesigned change processing for construction and professional service contracts. 	

Construction Program Management

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	1,844	2,803	2,962
Fringe Benefits	937	1,868	2,016
Services	248	420	23
Material, Supplies & Utilities	29	11	491
Other	12	15	38
Sub Total	3,071	5,118	5,530
Overhead	(1)	0	0
Total	3,070	5,118	5,530
FTEs	47	51	51

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Construction Construction Contracts

Department Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	0	0	0
Fringe Benefits	1	0	0
Services	254,024	188,955	173,877
Material, Supplies & Utilities	2,497	0	5
Aquisitions	224,410	619,281	547,578
Subsidies	1	0	0
Other	45,615	91	1,793
Sub Total	526,548	808,327	723,252
Overhead	0	0	0
Total	526,548	808,327	723,252

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Non-Departmental

*Decentralization of Non-departmental Expenditures
(\$000)*

Several expenses were consolidated in the FY 97 budget into one department, titled non-departmental. While the objective was to improve control, the consolidated department negated the controls of the new FIS system and reduced managerial accountability. FIS is structured to require various levels of approval according to the dollars being approved. A manager can only approve for specified accounts. The FY 98 Proposed Budget returns control of all expenses to the department and/or cost center manager and leverages the built-in controls of the FIS system. The person responsible for negotiating and controlling usage will be accountable for the budget and expenditure.

While this will improve accountability, it makes comparing the FY 97 Budget and FY 98 Proposed Budget difficult. The chart below is included to provide a "road map" from one year to the next.

<i>Expenditure Type</i>	<i>FY97 Bgt (\$000)</i>		<i>FY98 Dept.</i>	<i>FY98 Bgt (\$000)</i>		<i>Comments</i>
Misc. Expenses	5,000		0000 - Non-dept.	5,000		Agency Contingency
Expense Transfer	-	5,000		(2,149)	2,851	Police Merger Overhead
Services	5,000	5,000	0121 - Legal	4,500	4,500	Legal Contingency
Services	7,900	7,900	0311 - Ops	7,991	7,991	BSIP
Utilities	3,985		3345 - Ops	4,350		Division Electricity & Gas
Utilities	7,500			8,875		Rail Propulsion Power
Taxes	2,678	14,163		2,170	15,395	Fuel & Lube Taxes
Subsidies	562,129	562,129	0441 - Subsidies	594,709	594,709	Regional Subsidies
Purchase Transp	15,187	15,187	0461 - BSIP	24,346	24,346	Contract Bus Service
Services	7,357		0521 - Treasury	7,051		
Interest Expense	320,308	327,665		302,987	310,038	Debt Service & Interest
Workers Comp	29,372		0531 - Risk Mg Ops	28,115		
Services	12,444			11,430		TPA-Hertz wc & pl/pd
Casualty & Liability	31,502			29,603		PL/PD Bus
Taxes	287			220		AQMD
Expense Transfer	(29,872)	43,733		(28,500)	40,868	Fringe Allocation
Direct Labor	1,284		0621 - HR	1,156		Special Assistant Program
Fringe Benefits	183,072			174,080		Fringe Benefits
Allocated Fringe	(180,168)	4,188		(164,021)	11,215	Fringe Allocation
Mat & Supply	4,260	4,260	0631 - Procurement	4,184	4,184	Parts Inventory; RFP Ads
Utilities	2,689	2,689	0641 - Gen Serv	2,025	2,025	Gateway Utilities & Taxes
Leases & Rentals	4,616	4,616	0651 - Real Est.	2,183	2,183	Reduced 818 W. 7th Lease
Utilities	2,440	2,440	0921 - ITS	2,466	2,466	Telephone Usage
Mat & Supply	3,300	3,300	3000's - Ops	3,300	3,300	Bus Parts Capital
Utilities	98	98	3350	103	103	Fwy Srv Patrol
Casualty & Liability	591	591	SCRRA	n/a	-	Metrolink Budget Expense
Taxes	91	91	8000's - Const	100	100	Hazardous Waste Fees
Misc. Expenses	282	282	4300's -RTP&D	300	300	Bike Safety Education

Non-Departmental

Department FTE's	FY 96 Budget	FY 97 Budget	FY 98 Budget
Total			

Expenditures (\$000)	FY 96 Actual	FY 97 Budget	FY 98 Budget
Non-Departmental	47,445	0	0
Sub Total Department	47,445	0	0

Non-Departmental	748,937	1,003,332	2,851
Sub Total Non-dept.	748,937	1,003,332	2,851

Total Non-dept & Dept	796,382	1,003,332	2,851
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Expenditure Type (\$000)	FY 96 Actuals	FY 97 Budget	FY 98 Budget
Salary & Wages	720	(2,069)	0
Fringe Benefits	39,260	3,413	0
Services	13,952	55,488	0
Material, Supplies & Utilities	1,325	23,972	0
Aquisitions	(286)	0	0
Subsidies	460,891	557,129	0
Other	285,328	364,453	5,000
Sub Total	801,192	1,002,386	5,000
Overhead	(4,809)	947	(2,149)
Total	796,382	1,003,332	2,851

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Capital Budget

Summary of FY98 Capital Budget Assumptions

The FY 1998 Capital Budget is based on the following major funding assumptions:

- Federal Transit Administration funding of Metro Red Line Segment 3 at the level assumed in the Rail Recovery Plan - \$100 million
- Continued Federal Transit Administration funding through the Section 9 Discretionary and Section 3 Rail Modernization programs at Fiscal Year 1997 levels.
- City of Los Angeles funding of \$148 million for Metro Red Line construction.

The FY98 Capital Budget was developed to support ongoing transit operations activities. The facility improvements, upgrades and vehicle maintenance projects being implemented in FY98 will insure the efficient and cost effective operations of the bus and rail system in future years. The scope of the FY 1998 Capital Budget includes the programming of \$24 million towards the purchase of 67 new buses and the appropriation of \$100 million to take delivery of 191 buses scheduled for delivery in FY 1998. The capital budget also includes funding for bus and rail facilities projects that are required to maintain a safe and reliable transit operating system. The major bus facilities improvements include division upgrades such as bus yard repavements, floor repairs, bus cleaning system repair and replacements, roof repairs, underground tank replacement, CNG fuel station construction, and security upgrades. Major rail facility improvements include tunnel and station grouting, communications system retrofitting, new maintenance of way (MOW) facility construction, and station sprinkler system installation.

Capital funds were also allocated to MOW projects and revenue vehicle maintenance projects. These include fencing around elevated stations, overhead catenary system upgrades, support equipment procurements, monitoring and control system upgrades, bus and rail vehicle brake, transmission and propulsion system overhaul, tire leases, and other vehicle maintenance expenses eligible for federal capital assistance.

The rail construction program is a major component of the MTA's capital program. FY 1998 capital funds are provided for continuing construction of Metro Red Line Segments 2 and 3 as well as the Pasadena Blue Line and the LA Car projects. Funding is included to complete procurement, installation and testing of the automated guideway systems equipment on the Metro Green Line

*Detail List of Capital Projects
(\$000)*

Rail Capital Projects

	FY98 Budget
Metro Blue Line Facilities Improvements	
- Retension and restagger OCS	150
- Modify DC circuit breakers and electrical switches on Washington Blvd.	400
- Maintenance of way and preservation and grade crossing rehabilitation programs	190
- Elevator and escalator repairs	520
- Complete installation of station art work	300
- Continue close out of 3rd party agreements and settle right of way issue	1,728
- Install signage and make grade crossing safety improvements	2,706
- Reconstruct crossing frogs	100
- Preliminary design for non revenue connector	300
- Preliminary design for platform extensions	200
- Add LRV storage tracks at Division 11	500
Sub Total	<u>7,094</u>
Metro Blue Line Maintenance	
- Airbrake system overhaul	2,119
- Corrosion control program	1,500
- Capitalized parts	2,348
- Motor overhaul	984
- Gearbox replacement	1,118
- Coupler overhaul, Pantograph overhaul, vehicle maintenance, SCADA improvements	1,504
- Vehicle Battery refurbishment program	300
Sub Total	<u>9,873</u>
Support Equipment	
- Procure speed swing and attachments	210
- Procure support equipment i.e. weld truck, work train, ballast car	1,255
Sub Total	<u>1,465</u>
Systemwide Engineering and Administration	
- Systemwide staffing, owner controlled insurance, third party admin, TQM programs, drawing and document control, Project MIS admin, budget and financial admin, contract auditing, contract compliance, public art admin,	10,178
- Design criteria maintenance, lessons learned program, MIS system maintenance, design changes and studies, quality improvement, rail operations support	9,431
Sub Total	<u>19,609</u>

*Detail List of Capital Projects
(\$000)*

Rail Capital Projects

FY98
Budget

Metro Red Line Facilities Improvements

- Dual Dock leveler installation at Div 20	63
- Upgrade and replace signal equipment, EBPS control and projection system, and FACP failure summary alarm	313
- Maintenance of Way Preservation program	421
- Install new radio system	3,215
- Modify existing MOW building and construct additional facility	4,505
- Grout tunnels for all operating segment tunnels, mitigate station water leaks and improve drainage at entrances	3,478
- Improve emergency lighting in tunnels	70
- Replace stainless steel fire hose cabinets doors with glass	30
- Modify ancillary rooms ventilation, modify air handing unit switches and improve emergency operation	90
- Add ramp to west end of Grand station	80
- Install sprinkler system and modify sump discharge system in underground stations and tunnels	4,836

Sub Total 17,101

Metro Red Line maintenance

- Retrofit PA system on trains	475
- Capitalized Parts	598

Sub Total 1,073

Metro Green Line

- Install fencing at elevated stations	45
- Add storage tracks at Division 22	200

Sub Total 245

TOTAL

56,460

*Detail List of Capital Projects
(\$000)*

<i>Bus Capital Projects</i>	FY98 Budget
Bus Maintenance projects	
- Rebuild and overhaul bus power plant assemblies	27,620
- Regional Rebuild Center Dynamometer upgrade	184
- AGV System control upgrade	40
- Inspect and repair as required program	2,203
- Tire leasing program	4,000
- Capitalized parts, 100 gallon hot tanks, 4-wheel laser alignment rack. tools and equipment	7,989
- Interior bus cleaning parts	5,200
- Cash counting equipment purchases and farebox refurbishment	1,732
- D4 engine and transmission rebuilding project	672
- RRC lathe, D8 brake equip, D4 shop equip, D4 alignment equip, power washers, pavement scrubbers	416
- Headsign refurbishment	175
Sub Total	<u>50,231</u>
Bus Facilities Improvements	
- 4-way overhead crane	25
- CNG fuel facility construction, upgrade and conversion	6,196
- Building modifications and repairs	10,568
Sub Total	<u>16,789</u>
Underground Tank Replacement	12,913
Sub Total	<u>12,913</u>
Transit Radio System	
- TRS settlement	10,700
- TRS signpost transmitter	145
- 550 radios	1,929
- Radio receivers and dispatch equip, replacement hand held radios, Transit Police communication system improvements, radio repeaters and receivers	2,380
Sub Total	<u>15,154</u>
TOTAL	<u><u>95,087</u></u>

*Detail List of Capital Projects
(\$000)*

<i>Vehicle Acquisitions</i>	FY98 Budget
Bus Procurement	100,067
Advanced Technology Transit Bus	15,675
L.A. Rail Cars	50,507
Non Revenue Vehicles and Support Equipment	
- Replacement vehicles	5,737
- Gas engine smog analyzer and vehicle flushers	58
- AGV vehicle replacement	660
- Non revenue vehicle lifts	178
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Sub Total	6,633
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TOTAL	172,882
	<hr/> <hr/>

Rail Construction Projects

Pasadena Blue Line	76,272
Metro Green Line including MOW bldg	32,823
Metro Green Line Del Norte Station	787
Metro Red Line Segment 1	2,569
Metro Red Line Segment 2	175,306
Metro Red Line Segment 3 - North Hollywood	320,597
Metro Red Line Segment 3 - Mid City	7,551
Metro Red Line Segment 3 - Eastern Extension	145,944
	<hr/>
TOTAL	761,849
	<hr/> <hr/>

*Detail List of Capital Projects
(\$000)*

<i>Other Divisions</i>	FY98 Budget
Information and Technology Projects	
- Personal computer replacements	9,011
- Division LAN cabling	1,000
- TOT-VMS-MMS study modify and upgrade	10,410
- GIS upgrade	295
- Human Resources MIS requirements study	276
- Schedule System improvements	155
- Phase II Imaging project including EO	403
- Rail Incident Management System hardware	175
- ASRS Backup system and customer service center improvements	281
Sub Total	<u>22,006</u>
Regional Transportation Planning and Development	
- San Fernando Valley E/W Planning and Preliminary Engineering	4,064
- Imperial Grade Separation MOU	3,100
Sub Total	<u>7,164</u>
Chief of Staff	
- Construction Project Management Oversight	2,100
Sub Total	<u>2,100</u>
Communication	
- Construction Mitigation programs for Hollywood	5,246
Sub Total	<u>5,246</u>
Administration	
Complete Headquarters Building punchlist items	3,323
Complete Transit Plaza punchlist items	8,025
Sub Total	<u>11,348</u>
TOTAL	<u><u>47,864</u></u>

Regional and Municipal Programs

A primary role of the MTA, as stipulated in its enabling legislation, is to serve as the regional transportation planning agency for Los Angeles County. MTA coordinates transportation projects to ensure the development of an integrated Metro System through the Long Range Plan and programs funds to various local agencies to support these projects.

All transportation funds must be programmed by MTA through the Regional Transportation Improvement Plan (RTIP). Funds are allocated to other government agencies by mandated legislation, Board policy, or through a competitive awards process known as the "Call for Projects." The Board approves the projects recommended for funding through the annual budget and the Call for Projects.

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

This section provides a summary of the funds which MTA programs to other county operators, cities which receive a share of Proposition A and C revenues and other funds disbursed by the MTA, and federal and state agencies. Additionally, a detailed listing of the funding allocations to all municipal and eligible operators included in the FY98 Proposed Budget and disbursements to cities through the "local return" program is provided. Under the "local return" program cities receive 25 percent of Proposition A receipts and 20 percent of Proposition C receipts. Funds can be used for paratransit and fixed route service, street and road maintenance and other transportation improvements. Cities may receive additional funds through the "Call for Projects." A detailed listing of projects awarded through the Call for Projects is published in the Regional Transportation Improvement Plan.

Regional and Municipal Programs by Fund Source
(\$000)

	FY98			
	<u>Budget</u>	<u>Local</u>	<u>State</u>	<u>Federal</u>
Municipal Operator Programs				
Operating Funds	107,902	48,260	59,642	-
Capital Funds	28,174	-	-	28,174
Security Funds - Call For Projects	1,098	1,098	-	-
Bus System Improvement Program (BSIP)	2,552	2,552	-	-
Transit Service Expansion (TSE)	5,398	5,398	-	-
Base Bus Restructuring	2,801	2,801	-	-
Subtotal	147,925	60,109	59,642	28,174
Special Community Services				
Immediate Needs Transportation Program	5,000	5,000	-	-
Subtotal	5,000	5,000	-	-
City Programs				
Local Return - Prop A and C	192,960	192,960	-	-
TDA - Bicycle and Pedestrian	4,538	-	4,538	-
Streets and Highways	30,686	30,686	-	-
Subtotal	228,184	223,646	4,538	-
Paratransit Service				
ASI - Access Services Inc.	30,000	3,441	-	26,559
Proposition A Incentive Program	7,908	7,908	-	-
Subtotal	37,908	11,349	-	26,559
Highway/Street Programs				
HOV Programs	72,670	72,670	-	-
Smart Streets	37,340	37,340	-	-
TDA - Transit / Streets & Highways	11,617	-	11,617	-
Subtotal	121,627	110,010	11,617	-
Other Local and Regional Programs				
SCRRA - Metrolink	52,569	52,569	-	-
Wilshire Streetscape Program	1,500	1,500	-	-
Subtotal	54,069	54,069	-	-
Total For Local Programs	594,713	464,183	75,797	54,733
Funds Disbursed By Other Local State and Federal Agencies				
Transit Capital Improvement (TCI) Program	22,000	-	22,000	-
State Highway Program	67,639	-	67,639	-
Local Program	423,856	423,856	-	-
Call for Projects	31,699	-	8,889	22,810
Subtotal	545,194	423,856	98,528	22,810
Total Funds Programmed to Other Agencies	1,139,907	888,039	174,325	77,543

*Fiscal Year 1997 and 1998 Local Allocation Estimates
Propositions A and C Local Return*

<u>CITY</u>	<u>FY97 Prop A Estimate</u>	<u>FY98 Prop A Estimate</u>	<u>Inc/(Dec) over FY97</u>	<u>FY97 Prop C Estimate</u>	<u>FY98 Prop C Estimate</u>	<u>Inc/(Dec) over FY97</u>	<u>Total Inc/(Dec) over FY97</u>
AGOURA HILLS	232,357	238,374	6,017	193,224	199,199	5,975	11,992
ALHAMBRA	971,171	996,091	24,919	807,610	832,391	24,782	49,701
ARCADIA	569,614	584,282	14,669	473,681	488,260	14,579	29,248
ARTESIA	179,768	184,357	4,590	149,492	154,060	4,568	9,158
AVALON	35,700	36,621	921	29,688	30,602	915	1,835
AZUSA	482,236	494,583	12,347	401,019	413,302	12,283	24,631
BALDWIN PARK	807,337	828,168	20,831	671,368	692,066	20,698	41,529
BELL	399,491	409,797	10,307	332,210	342,451	10,241	20,547
BELLFLOWER	716,204	734,674	18,470	595,583	613,936	18,353	36,824
BELL GARDENS	478,636	490,969	12,333	398,025	410,282	12,257	24,589
BEVERLY HILLS	365,257	374,702	9,444	303,742	313,123	9,381	18,825
BRADBURY	9,700	9,952	251	8,066	8,316	250	501
BURBANK	1,109,783	1,138,417	28,633	922,877	951,327	28,450	57,084
CALABASAS	204,157	209,434	5,277	169,773	175,015	5,242	10,520
CARSON	966,983	991,956	24,974	804,126	828,936	24,810	49,784
CERRITOS	607,247	622,948	15,700	504,977	520,571	15,595	31,295
CLAREMONT	373,691	382,925	9,234	310,755	319,994	9,240	18,474
COMMERCE	138,090	141,648	3,559	114,833	118,370	3,537	7,095
COMPTON	1,023,650	1,050,062	26,412	851,249	877,493	26,243	52,655
COVINA	502,191	515,130	12,939	417,614	430,473	12,859	25,798
CUDAHY	267,968	274,893	6,925	222,838	229,716	6,879	13,803
CULVER CITY	444,880	456,291	11,411	369,955	381,303	11,348	22,759
DIAMOND BAR	614,270	630,166	15,896	510,816	526,603	15,787	31,683
DOWNEY	1,071,261	1,098,780	27,519	890,842	918,205	27,362	54,881
DUARTE	240,435	246,574	6,140	199,941	206,052	6,111	12,250
EL MONTE	1,242,062	1,274,011	31,949	1,032,877	1,064,637	31,760	63,709
EL SEGUNDO	176,145	180,709	4,564	146,479	151,011	4,531	9,095
GARDENA	597,392	612,759	15,367	496,781	512,057	15,276	30,643
GLENDALE	2,117,077	2,171,569	54,491	1,760,525	1,814,689	54,164	108,655
GLENDORA	561,592	576,037	14,445	467,010	481,370	14,360	28,805
HAWAIIAN GARDENS	160,490	164,635	4,145	133,460	137,579	4,118	8,264
HAWTHORNE	841,904	863,626	21,722	700,113	721,696	21,583	43,304
HERMOSA BEACH	204,968	210,270	5,302	170,448	175,714	5,266	10,568
HIDDEN HILLS	20,533	21,067	533	17,075	17,604	529	1,062
HUNTINGTON PARK	652,559	669,418	16,860	542,657	559,405	16,748	33,608
INDUSTRY	7,633	7,794	161	6,348	6,513	165	326
INGLEWOOD	1,273,151	1,305,955	32,804	1,058,730	1,091,332	32,601	65,406
IRWINDALE	12,011	12,312	301	9,988	10,289	301	602
LA CANADA-FLINTRIDGE	219,623	225,293	5,670	182,635	188,268	5,633	11,303
LA HABRA HEIGHTS	71,600	73,456	1,856	59,542	61,384	1,843	3,698
LAKEWOOD	844,526	866,371	21,844	702,294	723,990	21,696	43,540
LA MIRADA	499,080	511,843	12,763	415,027	427,726	12,699	25,462
LANCASTER	1,316,195	1,349,410	33,214	1,094,526	1,127,645	33,119	66,334
LA PUENTE	442,624	454,043	11,418	368,079	379,425	11,346	22,764
LA VERNE	353,886	362,988	9,108	294,280	303,334	9,054	18,162
LAWNDALE	322,868	331,213	8,345	268,492	276,781	8,289	16,634
LOMITA	220,457	226,140	5,684	183,328	188,976	5,648	11,332
LONG BEACH	4,813,557	4,937,032	123,475	4,002,872	4,125,672	122,799	246,275

*Fiscal Year 1997 and 1998 Local Allocation Estimates
Propostions A and C Local Return*

CITY	FY97 Prop A Estimate	FY98 Prop A Estimate	Inc/(Dec) over FY97	FY97 Prop C Estimate	FY98 Prop C Estimate	Inc/(Dec) over FY97	Total Inc/(Dec) over FY97
LOS ANGELES CITY	39,930,521	40,841,771	911,250	33,205,539	34,129,761	924,221	1,835,472
LYNWOOD	723,359	741,948	18,589	601,533	620,015	18,482	37,071
MALIBU	133,023	136,452	3,429	110,620	114,027	3,408	6,837
MANHATTAN BEACH	371,924	381,547	9,623	309,286	318,843	9,557	19,180
MAYWOOD	319,902	328,163	8,262	266,025	274,232	8,208	16,469
MONROVIA	423,380	434,309	10,929	352,075	362,934	10,859	21,788
MONTEBELLO	681,926	699,521	17,596	567,078	584,561	17,483	35,079
MONTEREY PARK	701,148	719,266	18,118	583,063	601,061	17,998	36,117
NORWALK	1,088,439	1,116,345	27,906	905,127	932,883	27,756	55,662
PALMDALE	1,162,850	1,192,930	30,080	967,006	996,882	29,875	59,955
PALOS VERDES ESTATES	153,323	157,293	3,970	127,501	131,443	3,942	7,912
PARAMOUNT	590,770	606,027	15,257	491,274	506,431	15,157	30,414
PASADENA	1,502,674	1,541,166	38,492	1,249,598	1,287,888	38,290	76,781
PICO RIVERA	670,381	687,684	17,302	557,477	574,668	17,191	34,493
POMONA	1,533,541	1,572,929	39,388	1,275,266	1,314,431	39,165	78,553
RANCHO PALOS VERDES	467,658	479,707	12,049	388,896	400,871	11,975	24,023
REDONDO BEACH	700,026	718,137	18,111	582,129	600,117	17,987	36,099
ROLLING HILLS	21,678	22,230	552	18,027	18,577	550	1,102
ROLLING HILLS ESTATES	89,889	92,218	2,329	74,750	77,063	2,313	4,641
ROSEMEAD	595,992	611,347	15,355	495,617	510,877	15,261	30,616
SAN DIMAS	383,913	393,735	9,822	319,256	329,028	9,772	19,594
SAN FERNANDO	258,657	265,325	6,668	215,095	221,721	6,627	13,295
SAN GABRIEL	434,280	445,458	11,178	361,140	372,251	11,111	22,289
SAN MARINO	147,112	150,911	3,799	122,336	126,110	3,774	7,573
SANTA CLARITA	1,421,452	1,458,120	36,668	1,182,055	1,218,490	36,435	73,103
SANTA FE SPRINGS	175,356	179,884	4,528	145,823	150,322	4,498	9,026
SANTA MONICA	991,049	1,016,446	25,396	824,140	849,401	25,261	50,657
SIERRA MADRE	122,434	125,586	3,152	101,814	104,947	3,133	6,285
SIGNAL HILL	96,300	98,792	2,492	80,082	82,557	2,475	4,967
SOUTH EL MONTE	239,001	245,174	6,172	198,749	204,881	6,132	12,305
SOUTH GATE	997,405	1,023,189	25,784	829,425	855,036	25,611	51,395
SOUTH PASADENA	272,957	279,998	7,041	226,986	233,983	6,997	14,038
TEMPLE CITY	361,568	370,861	9,293	300,674	309,913	9,239	18,532
TORRANCE	1,532,074	1,571,608	39,533	1,274,047	1,313,327	39,280	78,813
VERNON	889	904	15	739	755	16	31
WALNUT	345,424	354,358	8,934	287,249	296,122	8,874	17,808
WEST COVINA	1,116,928	1,145,782	28,854	928,818	957,482	28,664	57,517
WEST HOLLYWOOD	408,024	418,540	10,516	339,306	349,757	10,451	20,967
WESTLAKE VILLAGE	86,000	88,220	2,219	71,516	73,721	2,205	4,424
WHITTIER	904,705	927,842	23,137	752,337	775,359	23,022	46,159
UNINCORPORATED L.A.	<u>10,776,865</u>	<u>10,926,035</u>	<u>149,171</u>	<u>8,961,857</u>	<u>9,130,431</u>	<u>168,574</u>	<u>317,745</u>
TOTAL	<u>102,718,800</u>	<u>105,117,500</u>	<u>2,398,700</u>	<u>85,419,200</u>	<u>87,842,300</u>	<u>2,423,100</u>	<u>4,821,800</u>

Population estimates are as of January 1, 1995 based on L.A. County Department of Regional Planning report dated 02/06/97.
Revenue estimates are based on the UCLA-BFP projection of Taxable Sales in Los Angeles County dated 9/96.

Funding Marks

TABLE 4-5
BUDGET

FY 98 TRANSIT FUNDING ESTIMATES

REVISED

Operator	Federal Operating, TDA, and STA		Proposition A		TDA		Proposition A		Total	
	% Shares	% Shares	Discretionary % Share	Operating Estimate	Article 4 Estimate	STA Estimate	Discretionary Estimate	Formula Funds Estimate	Formula Funds Estimate	
Arcadia	0.1331%	0.1603%	0	308,616	0	16,639	244,738	569,993	569,993	
Claremont	0.0247%	0.0297%	0	57,259	0	3,087	45,408	105,754	105,754	
Commerce (a)	0.0871%	0.0871%	0	202,034	0	10,893	133,004	345,931	345,931	
Culver City	1.2203%	1.2196%	0	2,829,087	0	152,531	1,862,456	4,844,074	4,844,074	
Foothill	6.1006%	6.0975%	0	14,143,880	0	762,573	9,311,255	24,217,707	24,217,707	
Gardena	1.4597%	1.4590%	0	3,384,272	0	182,464	2,227,947	5,794,684	5,794,684	
La Mirada	0.0702%	0.0846%	0	162,834	0	8,779	129,130	300,743	300,743	
Long Beach	5.9608%	5.9578%	0	13,819,853	0	745,103	9,097,940	23,662,897	23,662,897	
Montebello	1.6012%	1.6004%	0	3,712,349	0	200,153	2,443,928	6,356,429	6,356,429	
Norwalk	0.3774%	0.3772%	0	874,958	0	47,174	576,006	1,498,138	1,498,138	
Redondo Beach	0.0220%	0.0264%	0	50,903	0	2,744	40,367	94,014	94,014	
Santa Monica	5.7068%	5.7039%	0	13,230,892	0	713,349	8,710,213	22,654,454	22,654,454	
MTA Bus Ops	75.5908%	75.5522%	21,100,000	154,153,355	0	9,448,854	115,373,479	300,075,688	300,075,688	
Torrance	1.6453%	1.6444%	0	3,814,427	0	205,656	2,511,129	6,531,213	6,531,213	
			21,100,000	210,744,720	0	12,500,000	152,707,000	397,051,720	397,051,720	

Notes: To compensate for Commerce having zero passenger revenue, MTA multiplies each of Commerce's funding estimates by two.

Adjusted totals for Commerce are: Federal Operating Assistance: \$0; TDA \$404,068; STA \$21,786; and Prop A \$266,008. (Source of additional funds is Proposition A Interest)

REVISED

TABLE 98-6
 ELIGIBLE OPERATORS BUS TRANSIT FUNDING ESTIMATES (a)
 FY 98 LACMTA BUDGET OFFICE

Operating Statistics									
Eligible Operators	Vehicle Service Miles	Passenger Revenue	Base Fare	50% VSM	50% Fare Units	Sum of 50% VSM & 50% Fare Units	Federal Operating Share	TDA, STA	Proposition A Shares
Antelope Valley	1,087,000	1,212,000	0.80	543,500	757,500	1,301,000	0.855790%		0.855430%
Santa Clarita	1,942,000	873,000	0.75	971,000	582,000	1,553,000	1.021554%		1.021124%
City Of Los Angeles DOT	1,796,000	1,759,000	1.10	898,000	799,545	1,697,545	1.116635%		1.116165%
Foothill - BSCP	1,160,486	1,209,387	0.85	580,243	711,404	1,291,647	0.842462%		0.842128%
Funding Estimates (a)									
Eligible Operators	Proposition A Discretionary	TDA Article 4	STA	Federal Operating	Total				
Antelope Valley	1,306,301	0 (b)	106,974	0 (c)	1,413,275				
Santa Clarita	1,559,328	0 (b)	127,694	215,548	1,902,571				
Foothill - BSCP	1,285,989	1,775,444	105,308	177,759	3,344,500				
City Of Los Angeles DOT	1,704,463	2,353,250	139,579	235,610	4,432,902				
	5,856,081	4,128,695	479,555	628,918	11,093,249				

Notes:

- a) Eligible operators funds will be paid Discretionary shares from Proposition A Discretionary revenues above Inflation and the balance of funds from the Proposition A Incentive (5%) fund.
- b) Antelope Valley and Santa Clarita do not receive TDA Article 4 funds.
- c) Antelope Valley does not receive Federal Operating funds.

TABLE 98-7
 FY 1998 TDA ARTICLE 8 APPORTIONMENTS
 (Transit/Streets & Highways)
 LACMTA BUDGET OFFICE

REVISED

AGENCY	POPULATION (1)	ARTICLE 8 PERCENTAGE	TDA ARTICLE 8 REVENUE
Avalon	3,242	0.68%	79,090
Lancaster	119,462	25.09%	2,914,316
Palmdale	105,609	22.18%	2,576,367
Santa Clarita	129,086	27.11%	3,149,097
LA County Unincorporated	118,810	24.95%	2,898,410
Total	476,209	100.00%	11,617,280

(1) Population estimates are as of January 1, 1995 based on L.A. County Department of Regional Planning report dated 02/06/97.

DIAL-A-RIDE CALCULATIONS
 FY 1998
 LACMTA BUDGET OFFICE

REVISED

DAR Corrections (Not including AVTA, SC, LADOT)

	Uncorrected Share	Share of DAR Pool	Correction for CAP	Corrected Share
Arcadia	0.1602663%	53.2452705%	0.0271531%	0.1331132%
Claremont	0.0297352%	9.8789174%	0.0050379%	0.0246973%
La Mirada	0.0845605%	28.0935513%	0.0143267%	0.0702339%
Redondo Beach	0.0264343%	8.7822607%	0.0044786%	0.0219557%
SUM	0.3009963%			0.2500000%
DAR CAP	0.2500000%			
Exceeds Cap	0.0509963%			

	Uncorrected Share	Share of Non DAR Pool	Correction for CAP	Corrected Share
Commerce	0.0870976%	0.0873605%	0.0000446%	0.0871421%
Culver City	1.2196270%	1.2233091%	0.0006238%	1.2202509%
Foothill	6.0974642%	6.1158728%	0.0031189%	6.1005831%
Gardena	1.4589687%	1.4633734%	0.0007463%	1.4597150%
Long Beach	5.9577756%	5.9757624%	0.0030474%	5.9608230%
Montebello	1.6004034%	1.6052351%	0.0008186%	1.6012220%
Norwalk	0.3771968%	0.3783356%	0.0001929%	0.3773897%
Santa Monica	5.7038729%	5.7210932%	0.0029175%	5.7067905%
MTA Bus Ops	75.5521877%	75.7802835%	0.0386451%	75.5908328%
Torrance	1.6444098%	1.6493743%	0.0008411%	1.6452509%

99.6990037%

DAR Corrections (Include AVTA, SC, LADOT)

	Uncorrected Share	Share of DAR Pool	Correction for CAP	Corrected Share
Arcadia	0.1554700%			
Claremont	0.0288453%			
La Mirada	0.0820299%	Not Applicable for AVTA, SC, LADOT Calculation		
Redondo Beach	0.0256432%			
SUM	0.2919883%			
DAR Cap	0.0025			
Exceeds Cap	0.0419883%			

	Uncorrected Share	Share of Non DAR Pool	Correction for CAP	Corrected Share
Commerce	0.08449097%			
Culver City	1.18312700%			
Foothill	5.91498423%			
Gardena	1.41530587%			
Long Beach	5.77947607%			
Montebello	1.55250781%			
Norwalk	0.36590835%			
Santa Monica	5.53317201%			
MTA Bus Ops	73.29112256%			
Torrance	1.59519720%			
Antelope Valley	0.85542994%	0.85793501%	0.00036023%	0.85579017%
Santa Clarita	1.02112428%	1.02411458%	0.00043001%	1.02155429%
City of Los Angeles	1.11616541%	1.11943403%	0.00047003%	1.11663545%

99.7080117%

DAR Corrections (Not including AVTA, SC, LADOT)

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Arcadia	0.1602663%	53.2452705%	0.0271531%	0.1331132%
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La Mirada	0.0845605%	28.0935513%	0.0143267%	0.0702339%
Redondo Beach	0.0264343%	8.7822607%	0.0044786%	0.0219557%
SUM	0.3009963%			0.2500000%
DAR CAP	0.2500000%			
Exceeds Cap	0.0509963%			

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Culver City	1.2196270%	1.2233091%	0.0006238%	1.2202509%
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Gardena	1.4589687%	1.4633734%	0.0007463%	1.4597150%
Long Beach	5.9577756%	5.9757624%	0.0030474%	5.9608230%
Montebello	1.6004034%	1.6052351%	0.0008186%	1.6012220%
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Torrance	1.6444098%	1.6493743%	0.0008411%	1.6452509%
	99.6990037%			

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Arcadia	0.1554700%			
Claremont	0.0288453%			
La Mirada	0.0820299%	Not Applicable for AVTA, SC, LADOT Calculation		
Redondo Beach	0.0256432%			
SUM	0.2919883%			
DAR Cap	0.0025			
Exceeds Cap	0.0419883%			

	Uncorrected Share	Share of Non DAR Pool	Correction for CAP	Corrected Share
Commerce	0.08449097%			
Culver City	1.18312700%			
Foothill	5.91498423%			
Gardena	1.41530587%			
Long Beach	5.77947607%			
Montebello	1.55250781%			
Norwalk	0.36590835%			
Santa Monica	5.53317201%			
MTA Bus Ops	73.29112256%			
Torrance	1.59519720%			
Antelope Valley	0.85542994%	0.85793501%	0.00036023%	0.85579017%
Santa Clarita	1.02112428%	1.02411458%	0.00043001%	1.02155429%
City of Los Angeles	1.11616541%	1.11943403%	0.00047003%	1.11663545%
	99.7080117%			

TABLE 98-7
 FY 1998 TDA ARTICLE 8 APPORTIONMENTS
 (Transit/Streets & Highways)
 LACMTA BUDGET OFFICE

REVISED

AGENCY	POPULATION (1)	ARTICLE 8 PERCENTAGE	TDA ARTICLE 8 REVENUE
Avalon	3,242	0.68%	79,090
Lancaster	119,462	25.09%	2,914,316
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Santa Clarita	129,086	27.11%	3,149,097
LA County Unincorporated	118,810	24.95%	2,898,410
Total	476,209	100.00%	11,617,280

(1) Population estimates are as of January 1, 1995 based on L.A. County Department of Regional Planning report dated 02/06/97.

FY98 Regional and Municipal Operator Programs
(\$000)

Subsidies to other municipal operators and other local agencies appear in the budget in two different amounts:

592,542 Capital Planning - Non-Departmental
2,171 Included in Multimodal Planning Administration under services
594,713 Total Regional and Municipal Programs

Capital Planning - Non - Departmental includes the Formula Allocation Program (FAP) and other service-related funding programs for the municipal operators, Section 9 capital funds, and the Call for Projects programming.

Multimodal Planning Administration includes miscellaneous subsidies for the Smart Corridor project, and other signal synchronization projects included in services.

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Debt Management

In order to finance capital acquisitions to support its construction and operations, the MTA and its predecessor agencies have since 1986 issued over \$5.7 billion in debt including refundings of which \$3.6 billion remains outstanding. Annual revenues to fund in debt service, operating expenditures, program expenditures and grant disbursements come from local sales tax, federal/state/local grants, fare collections and other operating revenues. Local sales tax revenues, in excess of \$800 million per year, are the mainstay of MTA's revenues.

The MTA has to carefully manage the cost of debt service. Economic constraints on MTA's traditional sales tax, grant and fare revenues set against the need to expand and improve bus and rail service while maintaining construction program capital commitments limits the funds available to support debt financing. In addition, the original sales tax ordinances and subsequent MTA Board policy decisions allocate portions of the sales tax revenue to specific uses further limiting the amount of revenue that can be leveraged with debt financing.

Accordingly, the MTA has used innovative financing methods to increase its debt capacity by reducing the cost of funds of sales tax supported debt and by developing debt programs secured by alternative revenue sources. In addition, the MTA has looked to reduce the cost of equipment purchases through the use of domestic and cross border leasing transactions, as well as through the use of pooled purchases.

Summary

The municipal amount of MTA's long-term debt was approximately \$3.6 billion and over the term of the debt MTA will pay interest totaling approximately \$3.0 billion. These amounts exclude principal and interest that will be paid from assets deposited in escrow accounts. These escrow accounts relate to certain bonds that have been refunded in advance to reduce the MTA's interest expense by taking advantage of lower interest rates. Various revenue sources are pledged to repay this debt. The primary sources of revenue pledged for repayment of MTA's debt are portions of the Proposition A and Proposition C Sales Taxes. Although MTA's revenue bonds are not subject to California debt limitations, MTA is subject to covenants in its bond indentures and has additionally, established internal planning and budgetary limitations on the percent amount of Proposition A and C revenue which can be pledged to repayment of debt. The following schedule summarizes MTA's Annual Long-Term Debt Service Obligations. The detailed debt listing is presented at the end of this section.

Due in Fiscal Year	Principal	Interest	Total
1996-97	\$ 63.6	182.5	\$ 246.1
1997-98	74.0	173.1	247.1
1998-99	82.5	174.0	256.5
1999-00	86.7	169.3	256.0
2000-01	91.0	164.4	255.4
Thereafter	2,792.9	1,937.6	4,730.5
Total	\$ 3,190.7	2,800.9	\$ 5,991.6

Numbers are in millions

Long-Term Debt

Long-term obligations of the MTA consist of sales tax revenue bonds, refunding bonds, certificates of participation, commercial paper notes, revenue anticipation notes and other liabilities payable from governmental and proprietary activities. A summary description of bonds, notes and other liabilities as of June 30, 1997 and estimated additions for FY98 follow:

	Balance <u>June 30, 1997</u>	<u>Additions*</u>	Estimated Balance <u>June 30, 1998</u>
Sales Tax Revenue Bonds	2760193	700,000	3,459,965
Redevelopment and Housing Bonds	31,119		31,119
General Revenue Bonds	185735		185,735
Lease Revenue Bonds	25587	200	25,705
Total Bonded Debt	<u>3,002,634</u>	<u>700,200</u>	<u>3,702,524</u>
Commercial Paper Notes	318362		318,362
Certificates of Participation	223250		223,250
Total	<u>3,544,246</u>	<u>700,200</u>	<u>4,244,136</u>

*NOTE: As of May 8, 1997 budget estimates only, pending final construction requirements and long range plan approval.

Sales Tax Revenue and Refunding Bonds - Sales Tax Revenue Bonds consist of Proposition A and C bonds which were issued to provide funds for the acquisition and construction of major capital facilities. Sales tax revenue refunding bonds (refunding bonds) are issued to provide funds for retiring previously issued sales tax revenue bonds. Generally, refunding bonds reduce debt service costs of the MTA as a result of more favorable interest rates being available.

Redevelopment and Housing Bonds - In 1990 the MTA entered into an agreement with the Community Redevelopment Agency of the City of Los Angeles (CRA) for financing the Grand Central Square Multi-family Housing and Redevelopment Project. Under this agreement, a housing bond and a redevelopment bond were issued, secured by real property of the Grand Central Square Project. The project is completed and MTA is currently making payments for the debt service related to these bonds.

Lease Revenue Bonds - Lease revenue bonds have been issued to finance the purchase of light rail cars. Basic provision of the financing program called for the purchase price paid by the leasing agent to be paid 80% in U.S. Dollars and 20% in Japanese Yen. The lease arrangement has a purchase option equal to 10% of the original financing (\$3,300,000) which is payable at the end of the lease term.

General Revenue Bonds - These bonds were issued to finance the cost of the MTA headquarters building, including parking and related improvements.

Commercial Paper Notes - The MTA issues commercial paper notes (CPN), taxable and tax exempt, with original maturity dates ranging from one to 270 days at various interest rates. Under the terms of the notes, the MTA can rollover or extend the principal amounts due on the notes at each maturity. It is the intention of the MTA to pay the accrued interest and rollover or reissue the

principal amounts as they mature. The proceeds from the CPNs are used to finance construction activities including rail construction and land acquisition.

Certificates of Participation (1990 Issue) - The purpose of these certificates is to provide a multiple-year worker's compensation self-insurance fund for the MTA

Certificates of Participation(1991 Issue) - The MTA in association with the California Special Districts Association (CSDA), issued certificates of participation to provide supplementary financing for the procurement of buses and other equipment. The MTA is obligated to make lease payments to CSDA, and subsequently subleases the buses to other governmental agencies. These agencies are required to make payments that will equal the amount of the lease payments to the CSDA. In the event the amount received from the governmental agencies does not equal the lease payment to the CSDA, the MTA is required to use other available resources to make such lease payments.

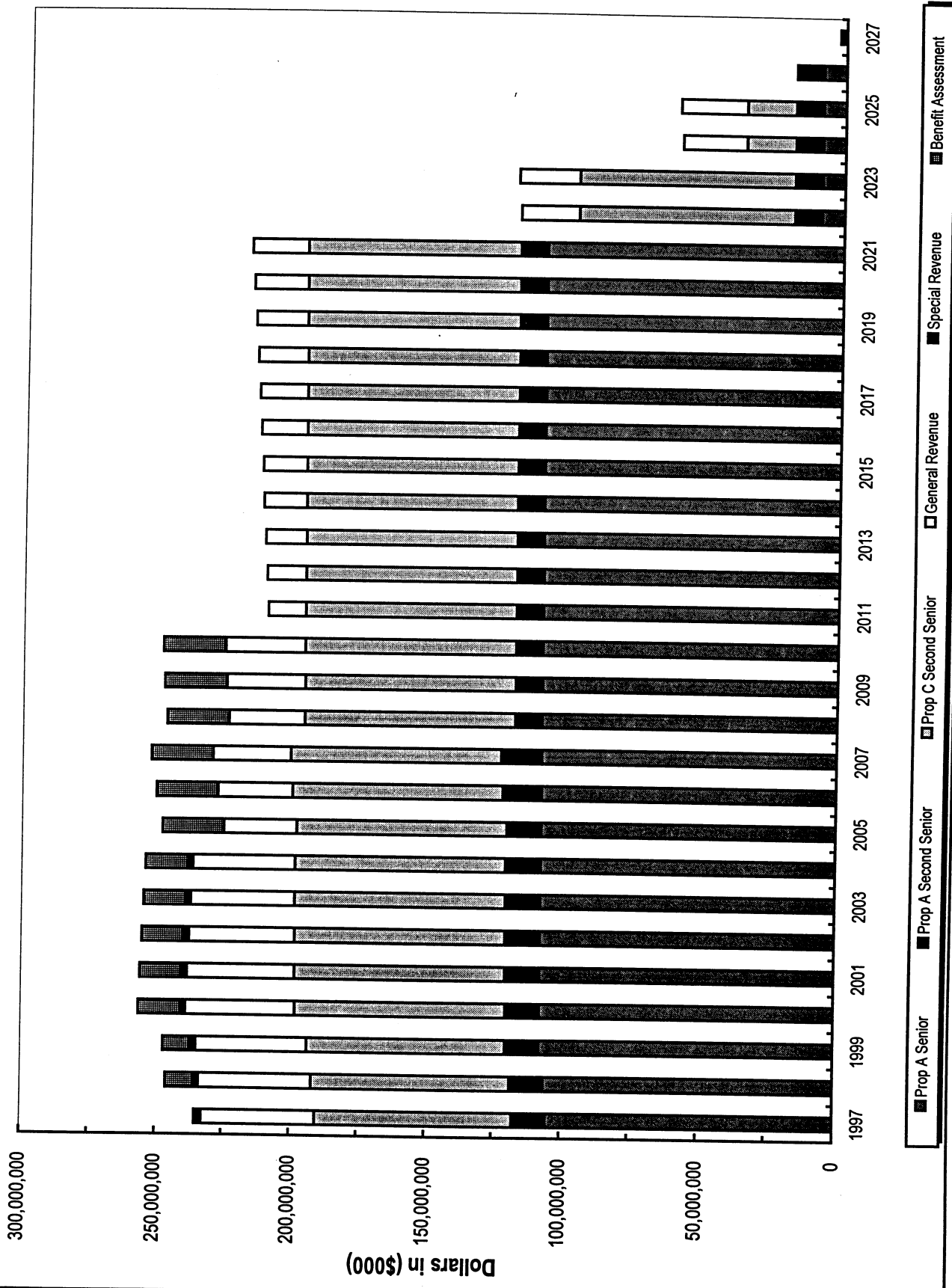
Certificates of Participation (1992B issue) - The MTA participated in the issuance of California Transit Finance Corporation Certificates of Participation 1992, Series B to finance the acquisition of 333 buses and related equipment.

Certificates of Participation (1992C) - The MTA issued these certificates to finance the acquisition of buses and related equipment for the City of Torrance. The MTA is obligated to make lease payments to the California Transit Finance Corporation (CTFC). The City of Torrance repayment to MTA consists of its FTA Section 9 Capital Grant Funds and TDA funds. To the extent necessary to satisfy the City's obligation to MTA, its FTA and Prop A funds are also pledged for repayment.

Benefit Assessment District Revenue Bonds - The Benefit Assessment District Revenue Bonds, were issued to assist in the financing of the private sector portion of the Metro Rail Project. The A1 and A2 Bonds are solely payable from assessments paid by owners of assessable property within Districts A1 and A2, respectively, against which assessments have been or will be levied.

These bonds do not constitute an indebtedness of the MTA and are payable solely from assessments levied on assessable properties. In the opinion of MTA officials, the total outstanding debt is not payable from any revenue or asset of the MTA. Accordingly, no liability is been recorded in MTA's financial statements nor budget allocated for debt service.

MTA Aggregate Outstanding Debt Service

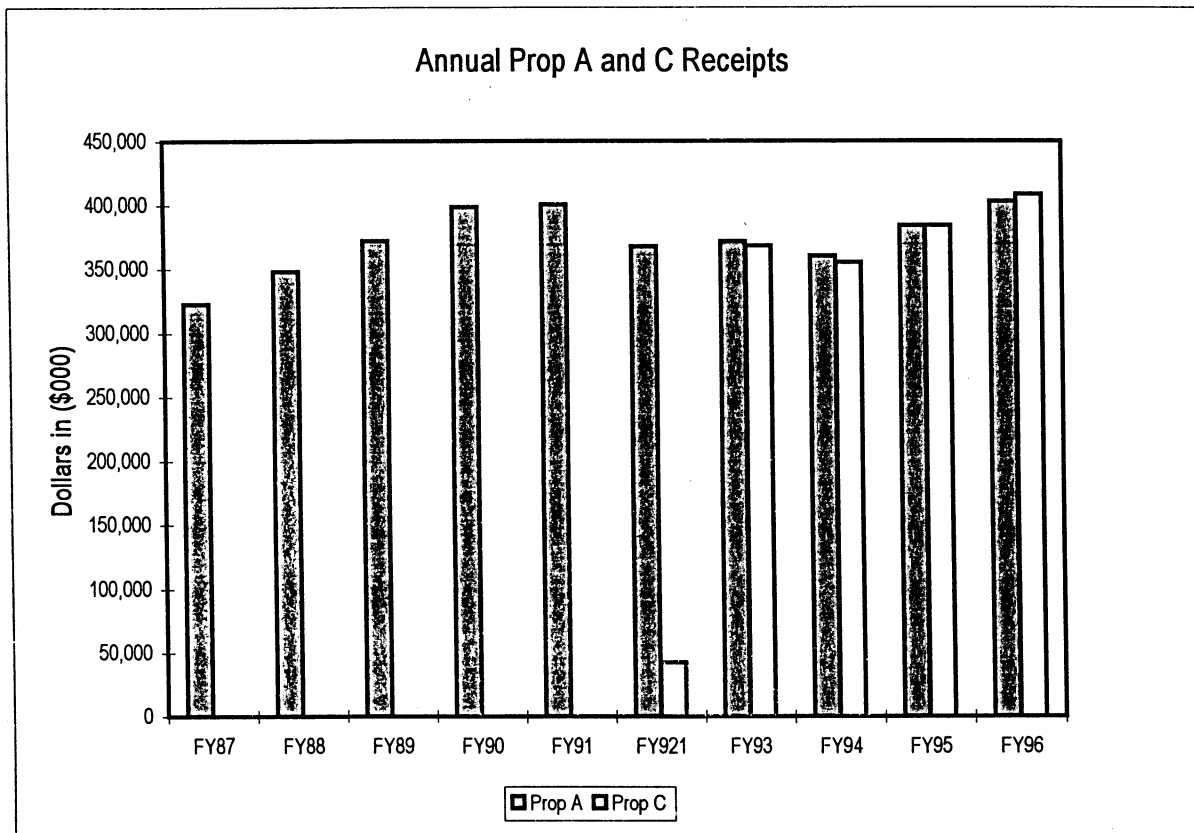


Appendix A

Historical Prop A and C Revenue Receipts (\$000)

	Prop A	Prop C
FY87	323,000	
FY88	348,200	
FY89	372,100	
FY90	398,600	
FY91	400,400	
FY92 ¹	367,707	42,532
FY93	371,452	368,272
FY94	360,023	355,094
FY95	384,139	384,029
<u>FY96</u>	<u>402,981</u>	<u>408,491</u>
<u>Total</u>	<u>3,728,602</u>	<u>1,558,418</u>

¹ First year of Prop C sales tax collections.



Appendix A

FY98 Prop A and Prop C Revenue by Use (\$000)

	<i>Prop A</i>		<i>Prop C</i>		<i>Total</i>
	<i>Cash (1)</i>	<i>Bond</i>	<i>Cash (2)</i>	<i>Bond</i>	
Bus					
MTA	115,373		69,305		184,678
Regional	52,552		11,928		64,480
Rail					
Operations	18,245		20,469		38,714
Construction			1,450		1,450
Commuter Rail			52,569		52,569
Fwy Service, etc.			23,871		23,871
Call for Projects			42,104		42,104
Local Return	105,118		87,842		192,960
Other Subsidies			8,441		8,441
Debt	120,269		103,626		223,895
Planning & Other	22,436		34,264		56,700
<i>Total Cash</i>	<u><u>433,993</u></u>		<u><u>455,869</u></u>		<u><u>889,862</u></u>
Bus					
MTA			61,553		61,553
Rail					
Operations			8,533		8,533
Construction		209,311	136,309		345,620
Call for Projects			98,544		98,544
Other Subsidies			1,500		1,500
Planning & Other		11,348	14,900		26,248
<i>Total Bond</i>		<u><u>220,659</u></u>	<u><u>321,339</u></u>		<u><u>541,998</u></u>

Notes:

(a) Prop A cash includes use of \$9 million carry-over from prior years' programming

(a) Prop C cash includes use of \$10 million carry-over from prior years' programming

Appendix A

Fare Revenue-Change to FY97 Budget (\$000)

	FY97 Budget	FY 96 Actual vs. Budget	Fare Structure	Projected Boardings	Contractor	Commissions	FY97 Gross Projected	FY98 Budget
Farebox								
Bus	114,100	(6,100)	(12,000)	(5,900)	4,600		94,700	94,000
Blue	4,300	(500)					3,800	3,800
Red	8,700		(5,000)	(2,500)			1,200	1,200
Green	1,000			300			1,300	1,300
Sub-Total Fare Box	128,100	(6,600)	(17,000)	(8,100)	4,600	0	101,000	100,300
Passes								
Bus	50,800	0	3,500	0			54,300	55,400
Blue	1,600	0		0			1,600	1,600
Red	2,300	0		0			2,300	2,300
Green	800	0		0			800	800
Sub-Total Passes	55,500	0	3,500	0	0	0	59,000	60,100
Tokens								
Bus	41,600	0	8,500	(500)		2,800	52,400	54,800
Blue	400	0		0			400	400
Red	2,200	0		0		100	2,300	2,300
Green	900	0		0		100	1,000	1,000
Sub-Total Tokens	45,100	0	8,500	(500)	0	3,000	56,100	58,500
Total Fares	<u>228,700</u>	<u>(6,600)</u>	<u>(5,000)</u>	<u>(8,600)</u>	<u>4,600</u>	<u>3,000</u>	<u>216,100</u>	<u>218,900</u>

Notes:

FY 96 Actual vs. Budget--Less actual revenue than expected.

Fare Structure--On-going switch from farebox to prepaid media including impact of weekly pass.

Projected Boardings--Fewer than budgeted FY97 boardings.

Contractor--cash fares collected by service contractors not reflected in original budget.

Commissions--Adjustment to reflect total value, including commissions.

FY 98 Budget reflects changes in boardings, primarily due to assumed increase based on consent decree mandated lower fares.

Appendix A
Fare Revenue-Mode by Media
(\$000)

	FY 97		
	FY97 Budget	Projected	FY98 Budget
Bus			
Farebox	114,100	94,700	94,000
Passes	50,800	54,300	55,400
Tokens	41,600	52,400	54,800
Sub-Total	206,500	201,400	204,200
Blue Line			
Farebox	4,300	3,800	3,800
Passes	1,600	1,600	1,600
Tokens	400	400	400
Sub-Total	6,300	5,800	5,800
Red Line			
Farebox	8,700	1,200	1,200
Passes	2,300	2,300	2,300
Tokens	2,200	2,300	2,300
Sub-Total	13,200	5,800	5,800
Green Line			
Farebox	1,000	1,300	1,300
Passes	\$ 800	\$ 800	\$ 800
Tokens	\$ 900	\$ 1,000	\$ 1,000
Sub-Total	2,700	3,100	3,100
Total Fares	<u>\$ 228,700</u>	<u>\$ 216,100</u>	<u>\$ 218,900</u>

Appendix B

FY98 Budget Schedule

MONTH	BUDGET PROCESS
August - September, 1996	OMB planned for budget system technology and reviewed current fiscal year budget process; released FY97 Adopted Budget document.
October, 1996	OMB worked with Capital Planning to prepare Capital Budget Instructions and with Organizational Effectiveness to prepare FY98 Goals guidelines.
November, 1996	Capital Planning and OMB distributed Capital Budget Instructions
December, 1996	Management finalized budget assumptions; budget targets provided to Executive Officers.
January, 1997	Cost centers trained on budget process and system.
February, 1997	Departments submitted FY98 Budget requests.
March, 1997	OMB reviewed budget submittals for compliance with Budget Instructions and goals; OMB worked with departments to resolve any discrepancies.
April, 1997	Executive review of budget submissions; cost centers adjusted budgets as required and finalized goals and objectives.
May, 1997	OMB finalized revenue and expenditure budgets; developed funding plans for all projects; prepared and released proposed FY98 Budget document.
June, 1997	Conduct Board workshops and briefings; Board votes on proposed FY98 Budget.

Appendix C

Contingencies

Agency Contingency

- Agency Contingency is provided for Board requests not anticipated during the budget cycle or unanticipated for operating and capital project shortfalls. Agency contingency is budgeted at \$5 million.
- An example of an unanticipated operating shortfall might be the CNG problem experienced in the Fall of 1996 and the subsequent safety testing costs. Note that FY97 contingency was not used for this situation; illustration only.
- Expenditures of the Agency contingency must be approved by the Board.

Legal Contingency

- Due to the unpredictability of legal expenses, the legal contingency covers unanticipated legal costs and expenses which occur during the budget year. Legal contingency is budgeted at \$4.5 million.
- Expenditures from the legal contingency must be either approved by the MTA Board, the Claims Committee, within its delegated authority, or County Counsel, within its delegated authority, or be expenditures MTA is legally obligated to pay.

Economic Impact Contingency

- Economic Impact Contingency, budgeted at \$2 million for FY98, is to provide funds for affected individuals or entities who may have been subjected to economic losses as a result of MTA's construction program.
- The budget allocated for this program is for "as-needed" occurrences only.
- Qualifying expenditure guidelines for this program are the same as the guidelines adopted for the Rapid Response Program. Authorized expenditures will be submitted for approval by the Construction Project Manager and the Executive Officer for Customer Services & Communications.

Appendix D
Marginal Cost of Bus Services
(\$000)

	FY98
Bus Project	
Regional Rebuild Center	900
Operating Divisions	334,900
Operations Planning & Scheduling	100
Revenue Administration & Commissions	9,200
Procurement	5,700
Insurance	24,100
Human Resources/Special Assistants	1,100
Inventory Adjustments	3,600
Capital	
Tires & Tubes	4,000
 MARGINAL COST	 383,600
 RSH	 6,150
 MARGINAL COST/RSH	 <u>\$62.37</u>

Appendix E

Description of Major Funding Sources

Local Revenues

Proposition A. Proposition A funds are revenues generated from a half-cent sales tax approved in 1980 by Los Angeles County voters. Revenue projections are based on the UCLA Sales Tax Forecast. After a deduction of up to 5% for LACMTA administration, funds are apportioned as follows:

<u>Fund Category</u>	<u>Apportionment</u>
Local Return	25%
Rail Program	35%
Discretionary	40%
TOTAL	100%

Proposition C. Proposition C funds are revenues generated from a half-cent sales tax approved in 1990 by Los Angeles County voters. Revenue projections are based on the UCLA Sales Tax Forecast. After deduction of up to 1.5% for LACMTA administration, funds are apportioned as follows:

<u>Fund Category</u>	<u>Apportionment</u>
Security	5%
Commuter Rail and Transit Centers	10%
Local Return	20%
Rail Program	25%
Discretionary	40%
TOTAL	100%

Farebox. Fare revenue is generated through cash in the farebox and prepaid sales of passes and tokens.

Special Benefit Assessment Districts. Special Benefit Assessment Districts are authorized by state legislation to levy special benefit assessments for needed public rail transit facilities and/or services on the property which benefits from those facilities and/or services. Assessments are calculated annually based on either the square footage of the parcel or the square footage of the assessable improvements, whichever is larger. Benefit Assessment Districts have been established around the Metro Red Line Segment 1 and Segment 2 station areas and are planned for the Metro Red Line Segment 3 - North Hollywood extension station area.

Public/Private (Joint Development). Revenues generated from public/private participation in joint development of rail lines and rail stations.

HOV Lane Violation Fund. Penal Code 1463.26, effective January 1, 1989, entitles the LACMTA to receive fines and forfeitures collected in Los Angeles County from the violations of Vehicle code Sections 21655.5 (Vehicle Occupancy Levels) and 21655.8 (Crossing Over Double Parallel Solid Lines). The LACMTA receives one-third of the fines if violations occur within city limits and one-half of the fines if violations occur in an unincorporated area of the county. The HOV Violation Fund is allocated to the freeway incident management program that includes the Freeway Service Patrol.

Advertising and Auxiliary Revenue. Revenues derived from advertising or other minor contract services provided by LACMTA Operations.

State Revenues

State Gas Tax. Proposition 111, effective August 1, 1990, imposed a state gas tax of five cents (\$.05) per gallon and a one cent (\$.01) per gallon increase effective on January 1 of each of the next four years (1991 to 1994), for a total of nine cents (\$.09) per gallon state gas tax

State Gas Tax revenues are used to support the Traffic Systems Management Program (TSM), the State and Local Transportation Partnership Program (SLTPP), the Environmental Enhancement and Mitigation Program, the Transportation Planning & Development (TP&D), and the State Transportation Improvement Program (STIP).

- TSM is a funding program for projects designed to make better use of existing transportation rights-of-way.
- The SLPP provides state funds to match local funds for the construction of transportation projects. Funds available are prorated over the construction cost of eligible projects statewide. Eligible highway projects must either increase capacity, extend service to a new area, or extend the useful life of the roadway by ten years for rehabilitation projects. Only construction costs are eligible for reimbursement. Projects selected for the program require a one-to-one local match to state dollars.
- Environmental Enhancement and Mitigation Program. \$10 Million is allocated annually for 10 years to be used for projects directly or indirectly related to modifying existing transportation facilities and for the design, construction, or expansion of new transportation facilities. Local, state and federal agencies including nonprofit entities may apply for and receive grants not to exceed \$5 million.
- The TP&D revenues are generated from a sales tax on diesel fuel, a sales tax due on gasoline above nine cents per gallon, and "spill over" sales tax (4.75% tax on taxable goods, including gasoline, in excess of revenue generated from 5% state sales tax on all taxable goods, except gasoline). The TP&D includes the Transit Capital Improvements (TCI) and the State Assistance Fund (STA) Programs.
 - * TCI is an annual state program funded by the California Transportation Commission Planning & Development and Article XIX (state gas tax) funds. Eligible uses include: abandoned railroad rights-of-way acquisition, bus rehabilitation; fixed guideway/rolling stock for commuter rail, urban rail and intercity rail; grade separation; intermodal transfer stations serving various transportation modes, ferry projects-ferry vessels and terminals; and short-line railroad rehabilitation. These funds are programmed at the discretion of the California Transportation Commission based upon a statewide competition.
 - * The STA program is a source of funding for transit capital and operating purposes. STA funds are derived from a sales tax on gasoline and diesel fuel and are equal to 50% of TP&D revenues. These funds are allocated to counties based on population and transit operator revenues.
 - ⇒ STA Population Share. The population share of STA (PUC section 99313) is allocated by the State Controller, based on the ratio of the population of the county to the total population of the state.
 - ⇒ STA Revenue Share. The revenue share of the STA (PUC section 99314) is allocated by the State Controller based on the total revenue of operators during the prior fiscal year.

- The STIP is the adopted plan of the California Transportation Commission for the allocation of funds to specific projects in future years. Programs identified in the STIP are funded through state and federal gas taxes. The STIP programs revenues in the State Highway Account and from the Passenger Rail Bond Fund. Major programs include the Flexible Congestion Relief (FCR), the Inter-Regional Road System, the State Highway Operation and Protection Program (SHOPP), and the Retrofit Soundwall Program.
 - * The FCR is a statewide capital program for highway and fixed guideway capacity improvements composed of state and federal gas tax revenues. Guidelines are developed by Caltrans and adopted by the California Transportation Commission. FCR funds are appropriated to fund major gap closures, backbone arterials, carpool lanes, and some fixed guideway uses.
 - * The Inter-Regional Road System program was established to make improvements for inter-regional traffic on state highways outside urban limit lines from revenues composed of state and federal gas taxes. Projects eligible for this program are nominated by Caltrans for the STIP. These funds count toward meeting county minimum in whatever counties they are programmed. All unallocated Inter-Regional Road System revenues are transferred to the FCR fund annually.
 - * The SHOPP was established for the maintenance and operational integrity and safety of the state highway system. It includes rehabilitation and safety projects, operational improvements, and other work necessary to maintain system integrity.
 - * The Retrofit Soundwall Program funds are a subset of Flexible Congestion Relief (FCR) revenues. At the time of the STIP adoption, the California Transportation Commission determines how much FCR funds will be made available for soundwalls based on statutory requirements and statewide need.
- State Rail Bonds.
 - * Proposition 108, enacted in 1990, authorizes the state to sell \$1 Billion in general obligation bonds to provide funds for rail capital outlay. Eligible projects must be located on routes and corridors specified in the measure, or future statutes enacted by the state legislature with at least 15% of the total bond funds to be spent for inter-city rail.
 - * Proposition 116, enacted in 1990, authorizes the state to sell \$1 Billion in general obligation bonds to provide funds for rail capital outlay, allocating certain amounts to specified state and local entities through a grant program administered by the California Transportation Commission. Funds are used primarily for passenger and commuter rail systems, with limited funds available for public mass transit guideways, paratransit vehicles, bicycle and ferry facilities, and a railroad technology museum. This program requires matching funds from local entities.

Service Authority for Freeway Emergencies (SAFE). The Service Authority for Freeway Emergencies receives \$1.00 from Department of Motor Vehicles for each vehicle registered in Los Angeles County, to be used for freeway call boxes and service patrols.

Intermodal Surface Transportation Efficiency Act (ISTEA) Match. ISTEA match funds are allocated to eligible projects to match federal funds programmed through the TIP Call for Projects. ISTEA match funds are targeted toward urban congestion relief and air quality improvement projects which are designed to improve upon the capacity of regional transportation systems. Typical ISTEA match funded projects include traffic signal synchronization projects, Smart Corridor improvements, peak-hour parking restrictions, and urban freeway Traffic Operations Systems. Transportation Control Measures (TCMs) are eligible for these matching funds. Transit rolling stock is not eligible.

State Transportation Development Act. The State Transportation Development Act (TDA) provides state funding to eligible operators for operating and capital purposes. Revenues are derived from ¼ cent of the 6-cent retail sales tax collected state-wide. The ¼ cent is returned by the State Board of Equalization to each county according to the amount of tax collected in that county.

- TDA Article 3. Article 3 of the Act dedicates 2% of the funds for bicycle and pedestrian facilities.
- TDA Article 4. Article 4 of the Act includes funds given to municipal transit operators, transit districts, and Joint Powers Authorities. Approximately 91% of the TDA funds received by the LACMTA are covered by Article 4.
- TDA Article 8. Article 8 of the Act includes funds used for transit and paratransit programs to fulfill unmet transit needs in areas outside the service area of LACMTA operations. Article 8 accounts for approximately 5% of the funds received by the LACMTA.

Article XIX. Article XIX (of the State Constitution) Rail Guideway Funds allows state gas tax funds to be used for rail capital projects in those counties such as Los Angeles whose voters approved Proposition 5. This proposition allows the LACMTA to use the state gas tax for rail capital purposes in addition to highway purposes. The statutory authorization for an Article XIX Guideway Program was replaced by the Flexible Congestion Relief Program (Proposition 111) after FY93. The California Transportation Commission has previously committed \$420.0 million of Article XIX funds to the Metro Red Line Project.

Budget Change Proposal Funds. Use of these funds for Freeway Service Patrol programs was authorized by AB 3346 in 1992. The source of these funds is the State Highway Account used to construct and maintain freeways with revenues generated by the state gas tax. Los Angeles County receives about 40% of the available funds. Tow truck programs are the only eligible use for these funds.

Federal Revenues

Intermodal Surface Transportation Efficiency Act (ISTEA). ISTEA funds are authorized for both highway and transit use and are distributed for the following programs: Surface Transportation Program (STP), Congestion Mitigation and Air Quality Improvement (CMAQ) Programs, Transportation Enhancement Activities (TEA), Minimum Allocation, Donor State Bonus, Interstate Maintenance, Bridge Replacement and Rehabilitation, National Highway System, Substitute Highway.

ISTEA - STP. This program is intended for use by states and localities for congestion relief in urban areas. STP is a block grant type program that may be used by the states and localities for any roads that are not functionally classified as local or rural minor collectors. Such roads are now collectively referred to as federal aid roads. Eligible uses include construction, reconstruction, rehabilitation, resurfacing, restoration, enhancement, and operational improvements for highways, capital costs for transit projects eligible for assistance under the Federal Transit Act, publicly owned intracity or inter-city bus terminals and facilities, carpool projects, fringe and corridor parking facilities, bicycle and pedestrian walkways, and highway and transit safety improvements.

ISTEA - CMAQ. Congestion Mitigation and Air Quality Improvement program (CMAQ) funds are apportioned to states which have ozone and/or carbon monoxide nonattainment areas (based on the nonattainment classification factor). Such projects are used to attain national ambient area air quality standards. Projects must contribute to the reduction of air pollutants by implementing Transportation Control Measures (TCM), such as carpool lanes, Transportation Demand Management (TDM) measures and transit (transit-related projects or programs contained in an approved SIP). Other projects and programs may qualify if, after consultation with the Environmental Protection Agency, FHWA determines that they are likely to contribute to the attainment of a National Ambient Air Quality Standard.

Transportation Enhancement Activities (TEA). The ISTEA sets aside 10% of Surface Transportation Program (STP) funds for Transportation Enhancements. Eligible enhancement projects include the following : Provision of facilities for pedestrians and bicycle; acquisition of scenic easements and scenic or historic sites; scenic or historic highway programs; landscaping and other scenic beautification; historic preservation ; rehabilitation and operation of historic transportation building, structures, or facilities; preservation of abandoned railway corridors; control and removal of outdoor advertising; and archeological planning and research. Once such projects are ranked by the LACMTA, they must compete at the state level for funding commitments from the California Transportation Commission.

Federal Highway Demonstration Projects. These revenues include federally authorized funding for projects designated in the 1991 Intermodal Surface Transportation Efficiency Act. The funds may be used for project development, right-of-way, and construction for projects designated in the ISTEA.

Section 3 Discretionary and Formula Capital Program. The Section 3 program is authorized over a 6-year period. Funds are divided 40% for new rail starts, 40% for rail modernization, and 20% for bus.

New Rail Starts. Funds are generally earmarked by Congress to specific projects and are programmed in the TIP based on current and projected congressional earmarks and FTA grant applications. In Los Angeles County, these funds are earmarked by Congress to the Metro Rail Project.

Rail Modernization. Similar to New Rail Starts, funds are used for rail transit capital improvements which are allocated by formula rather than on a discretionary basis to existing system improvements.

Federal Operating and Capital (FTA Section 9). These federal formula-based transit operating and capital funds are based on population and transit operating statistics.

Revenues are appropriated by Congress from the General Funds which are restricted to Bus and Rail capital expenses. Funds are allocated on a formula basis to each urbanized area in the nation.

SMART Streets/Intelligent Vehicle Highway Systems (IVHS) Funds. These funds can be used in Los Angeles County for the expansion and refinement of SMART corridor technologies. Funds also provide emergency call boxes on county freeway systems.

Federal Aid Urban Cash Account. These revenues were derived from an exchange of Regional Federal Aid Urban apportionment with the cities of San Jose and Irvine.

Appendix F

Glossary Of Terms

AA/DEIS	Alternatives Analysis/Draft Environmental Impact Statement.
ACCESSIBLE SERVICE	Transit vehicles equipped with wheelchair lifts.
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.
AFI	Alternate Fuel Initiative Bus - any fuel but diesel.
AQMD	Air Quality Management District. See SCAQMD.
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.
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 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.
BIS	Budget Input 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.
BSIP	Bus Service Improvement Program - Additional buses on existing lines for overcrowding relief (\$7.5 million) in FY97, plus that and additional bus routes in FY98.
BUDGET	A plan of financial operations for a given period including proposed expenditures and revenues, and authorized staffing levels.

CALL FOR PROJECTS	Primary process for the selection of transportation improvement projects for funding with discretionary federal, state, and local revenues.
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.
CLEAN FUELS	Lower polluting replacements for conventional diesel fuel. The state has mandated that all buses purchased after January 1, 1992 be clean-fueled.
CMA	Congestion Management Agency. In response to a state initiative, the LACMTA has been designated as the CMA for Los Angeles County.
CMAQ	Congestion Mitigation Air Quality. A source of federal ISTEA funds.
CMP	Congestion Management Program. A new, county-wide program enacted by the state to improve traffic congestion in California's urbanized areas.
CNG	Compressed Natural Gas.
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.
COP	Certificate of Participation. A debt obligation used to finance a capital project.
CPFF CM	Cost Plus - Fixed Fee Construction Management contract.
CPI	Consumer Price Index.
CPUC	California Public Utilities Commission.
CTC	California Transportation Commission. The state commission responsible for improving highway and transit-related capital improvements.
CTP	Corporate Transit Partnership. Program which provides transit service marketing and information to corporations and large employment centers.

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).
DAR	Dial-a-Ride. Curb-to-curb transit service provided to the general public and/or elderly or disabled persons.
DBE	Disadvantaged Business Enterprise. Businesses owned and operated primarily by minorities and women.
DEBT SERVICE FUND	Fund which accounts for those resources used to repay the principal and interest on long-term debt.
DOE	United States Department of Education
DOJ	United States Department of Justice - The LACMTA has a multi-year grant from the DOJ for community policing. FY98 allocation is \$1.17 million.
DOT	United States Department of Transportation.
ECCT	Eastside Communications Coordination Team - Comprised of representatives from cross-functional departments involved with Eastside concerns such as Real Estate, Construction, Procurement, County Counsel, Public Affairs, Government Relations, Operations and Regional Planning.
ECONOMIC IMPACT PROGRAM	The purpose of this program, budgeted at \$2 million for FY98, is to provide funds for affected individuals or entities who may be subjected to economic losses as a result of the MTA's construction program. The budget allocated for this program is for "as-needed" occurrences only.
EIR	Environmental Impact Report. A detailed statement prepared under the California Environmental Quality Act (CEQA) describing and analyzing the significant environmental effects of a project and discussing ways to avoid or mitigate the effects.
EIS	Environmental Impact Statement. Same as EIR, except prepared under the (federal) National Environmental Policy Act.
ENCUMBRANCES	Commitments related to 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.

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.
FARE UNITS	Passenger revenue divided by the base cash fare.
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.
FCR	Flexible Congestion Relief. A federal program of capital improvements to relieve congestion by building/enhancing highways.
FFGA	Full-funding grant agreement. Agreement with the FTA for the funding of Metro Rail Segments.
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 fiscal year begins July 1 and ends June 30 of the following calendar year.
FSP	Metro Freeway Service Patrol - Service financed by the MTA which uses roving tow trucks to remove disabled vehicles and debris from freeways.
FTA	Federal Transit Administration. Formerly the Urban Mass Transportation Administration (UMTA).
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	Fiscal Year.
GENERAL FUND	The fund used to account for all resources not required to be reported in any other fund.
GFOA	Government Finance Officers Association.
GHQ	Gateway Headquarters building.

GIS	Geographic Information System - A technology that combines mapping and information stored as data to generate maps and reports to provide a planned and systematic approach to collecting and managing geography-based information with tabular databases linked by location.
GREENWAYS	Pedestrian, bicycle, and transit parkways often built on existing rail rights-of-way.
HCIP	Hollywood Construction Impact Program. Metro Red Line - Segment 2 construction impact mitigation budgeted for \$2.1 million in FY98. Major components are security, community outreach, and cleaning and graffiti removal.
HEAVY RAIL	A type of transit vehicle railway with the capacity for a "heavy volume" of traffic and characterized by exclusive rights-of-way, multi-car trains, high speed and rapid acceleration, sophisticated signaling, and high platform loading.
HOV LANES	High Occupancy Vehicle Lanes.
HRMIS	Human Resources Management Information System.
HSOPP	Highway Systems Operation and Protection Plan.
HUB MILES	Total miles driven by the bus fleet, including miles traveled out of service.
IMMEDIATE NEEDS PROGRAM	As a response to the L. A. riots, the LACMTA provides \$2.5 million to the First African Methodist Episcopal Church (FAME) and \$2.5 million to the International Institute of L. A. to distribute taxi vouchers and bus tokens up to \$28 per person per month in South Central L. A.
ISTEA	Intermodal Surface Transportation Efficiency Act of 1991.
JOB CLASSIFICATION	The official job title as assigned by the Human Resources Department.
JTPA	Job Training Partnership Act administered by the City of Los Angeles.
JOINT DEVELOPMENT	Projects which combine public and private resources to build mixed use development around transit station areas.
LA CAR	Los Angeles Car. Patterned after the Blue Line Car, the LA CAR will be a generic vehicle that will allow for upgrades in technology and automation.
LACBD	Los Angeles Central Business District.

LACMTA	Los Angeles County Metropolitan Transportation Authority.
LANI	Los Angeles Neighborhood Initiative - A non-profit corporation established by the City of Los Angeles Mayor's Office to improve transportation services, revitalize public spaces, and promote small business in Los Angeles neighborhoods.
LEVERAGE	Use of debt to match federal and state funding to expand current cash flows.
LIGHT RAIL	A type of electric transit vehicle railway with a "light volume" traffic capacity compared to "Heavy Rail". Light rail may be on exclusive or shared rights-of way, high or low platform loading, multi-car or single-car trains, automated or manually-operated (e.g., Blue Line).
LOSSAN	Los Angeles-San Diego Intercity Railway.
LRT	Light Rail Transit.
LRV	Light Rail Vehicle.
LTSS	Local Transit Systems Subcommittee
MMS	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 and opened for service on 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 was opened for service August 12, 1995.
METRO RED LINE - SEGMENT 1	Segment 1 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 2	Wilshire/Alvarado west to Wilshire/Western opened for service in August of 1996. Wilshire/Vermont north to Hollywood/Vine is scheduled for completion in December of 1998.
METRO RED LINE - SEGMENT 3	Segment 3 of the total of the Metro Rail project under design by the LACMTA. Segment III includes three branches: Branch 1 will be from Hollywood/Vine to Lankershim Blvd./Chandler Blvd.; Branch 2 will extend from Wilshire/Western to Pico/San Vicente; and Branch 3 is still under study but will serve the East Los Angeles area .
METROLINK	The regional commuter rail system connecting Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties. Service began in October 1992.

MODE	A particular form of transportation identified by the vehicle used i.e., bus, light rail, heavy rail, or automated guideway.
MOU	Memorandum of Understanding. A formal contractual agreement between two or more public agencies.
MOW	Maintenance of Way
MTA	Metropolitan Transportation Authority. Also known as LACMTA (See LACMTA).
MULTIMODAL	Public transportation system which employs a combination of highway, bus, rail, HOV, bikeway, pedestrian land use, and demand management systems.
MUNICIPAL OPERATOR	A city or county (including any non-profit corporation or other legal entity wholly-owned or controlled by the city or county) which operates a public transportation system, or which on July 1, 1972, financially supported in whole or in part a privately-owned public transportation system and which is not included within an existing transit district.
NON-REVENUE VEHICLES	Vehicles which do not carry fare-paying passengers.
NTP	Notice To Proceed.
OFF-PEAK VEHICLES	Total revenue vehicles required to meet off-peak period service needs per weekday.
OVERHEAD	Expenses not directly chargeable to a particular program which support multiple programs of the LACMTA.
PERFORMANCE MEASURE	The means by which progress in meeting or attaining an objective may be demonstrated.
PHIM	Ports Highway Improvement Match. The MTA acts as an escrow agent and accumulates in this fund matching monies which are contributed by participating agencies in order to receive a Federal Demonstration Grant. Participating agencies are as follows: Caltrans, City of Los Angeles, City of Long Beach, Port of Los Angeles, and Port of Long Beach.
PROPOSITION A	Sales tax initiative approved by Los Angeles County voters in 1980. It established one-half cent sales tax to be used for public transit.
PROPOSITION C	It established sales tax which was approved by the Los Angeles County voters in 1990. A one half-cent sales tax to be used for public transportation purposes.
PUC	Public Utilities Code or Commission.

PVEA	Petroleum Violation Escrow Account. A state Special Revenue Fund available to the LACMTA for transportation projects on a competitive basis.
RAN	Revenue Anticipation Note.
REGULATION XV	Trip Reduction Plan managed by the AQMD.
REVENUE VEHICLE	Vehicles which carry fare-paying passengers.
REVENUE VEHICLE HOURS	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.
ROD	Revenue Operations Date.
ROW	Right-of-Way. Land purchased for a transit system generally but not exclusively for rail.
RTIP	Regional Transportation Improvement Program. This plan is required in order for the region to qualify for federal funding, which is the basis for Los Angeles County input into the State Transportation Improvement Program (STIP).
SAFE	Service Authority for Freeway Emergencies. 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.
SCAG	Southern California Association of Governments. The regional planning agency for Los Angeles, Imperial, Orange, Riverside, San Bernardino, and Ventura Counties.
SCAQMD	South Coast Air Quality Management District. Also known as AQMD.
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.
SECTION 15 OPERATING COSTS	Operating costs as defined by the FTA for reporting purposes; total operating costs less leases, rentals, and interest expense.
SFV	San Fernando Valley.

SGV	San Gabriel Valley.
SHORE PROGRAM	Support of the Homeless Re-entry Program. The LACMTA provides \$700,000 in bus tokens to L.A. County shelters and missions.
SPECIAL REVENUE FUND	Fund used to account for resources which are legally or administratively restricted for specific purposes.
SRTP	Short Range Transit 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.
STIP	State Transportation Improvement Program was adopted by the California Transportation Commission (CTC) and serves as the primary vehicle for programming funds for highway projects.
TCM	Transportation Control Measures. Required actions under the Federal Clean Air Act; examples include bus transit, ridesharing, signal synchronization, and rail 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 6% state sales tax for transportation purposes. 1% of this revenue is allocated to the LACMTA for its transportation planning activities.
TDM	Transportation Demand Management. A series of programs to encourage ridesharing, reduction of air pollution, etc.
TEAMSTERS	Union representing security guards.
TIP	Transportation Improvement Program. The programming document which establishes allocation of funding for Los Angeles County highways and transit.
TOP	Transportation Occupations Program. Jointly sponsored by the LACMTA, local businesses, and school districts through which rail line pass. The program prepares young people for careers in transportation.
TPM	Transportation Performance Measurement. A program which monitors system performance of transit operators who receive federal and state formula-driven funds.
TPOA	Transit Police Officers Association. Union which represents peace officers.

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.

UTU

8 5 8 8

United Transportation Union. Union which represents bus operators, schedule makers, and schedule checkers.

VMS

Vehicle Maintenance System.