
Proposed Budget

For the Fiscal Year Ending June 30, 2001

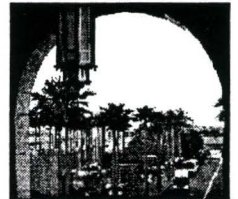
Los Angeles County
Metropolitan Transportation Authority
Los Angeles, CA



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Contents

Budget Summary

MTA Board of Directors.....	1-1
MTA Profile.....	1-2
Message From the Chief Executive Officer & Chief Operating Officer.....	1-3
MTA Team Mission.....	1-6
MTA Team Vision.....	1-6
MTA Team Goals.....	1-6
Critical Success Indicators.....	1-7
Strategic Planning Process.....	1-8
FY00 Accomplishments and FY01 Budget Highlights.....	1-9
Transit Operations.....	1-9
Countywide Planning & Development (CP&D).....	1-18
Engineering and Construction.....	1-25
Support Services and Other Units.....	1-28
MTA Budget Process.....	1-31
Budget Overview.....	1-31
Budget Workflow.....	1-32
Budget Basis.....	1-32
Major Budget Assumptions.....	1-37
Service Level Assumptions.....	1-37
Capital Improvement Plan Assumptions.....	1-37
Other Budget Assumptions.....	1-38
Revenue Detail - FY01 Budget.....	1-39
Summary of Expenditures by Program.....	1-49

Financials

Enterprise Fund.....	2-1
Fund Narrative.....	2-1
Revenue.....	2-1
Expenses.....	2-1
Budget & Service Level Assumptions.....	2-2
Enterprise Fund Schedule.....	2-4
Internal Service Fund.....	2-9
Fund Narrative.....	2-9
Revenue.....	2-9
Expenses.....	2-9
Statement of Revenues, Expenses and Changes in Retained Earnings.....	2-10
Statement of Cash Flow.....	2-11
Special Revenue Fund.....	2-13
Fund Narrative.....	2-13
Revenue.....	2-13

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Expenses	2-13
Combined Statement of Revenues, Expenditures and Changes in Fund Balance	2-14
Statement of Expenditures by Project/Program for the Period Ending June 30, 2001	2-16
Regional Programs.....	2-17
FY01 Revenue/Expenditure Summary Regional Programs Budget	2-17
Regional Programs Descriptions	2-18
ADA/Accessibility Funding Programs	2-18
Local Projects and Programs	2-19
Capital Fund.....	2-22
Fund Narrative	2-22
Revenue	2-22
Expenses	2-22
Capital Improvement Plan by Program Element	2-23
Rail Construction	2-29
Statement of Revenues, Expenditures And Changes in Fund Balance	2-32
General Fund.....	2-35
Fund Narrative	2-35
Revenue	2-35
Expenses	2-36
Statement of Revenues, Expenditures and Changes in Fund Balance	2-37
Statement of Expenditures by Project/Program	2-38
Debt Fund	2-39
Fund Narrative	2-39
Revenue	2-39
Expenses	2-39

Strategic Business Units

Summary Description	3-1
MTA.....	3-2
MTA Summary Expenditure Budget.....	3-3
Summary Of FY01 Budgeted FTEs By Department	3-4
Transit Operations.....	3-6
Organization Chart.....	3-6
Strategic Business Unit Description	3-6
Transit Operations Objectives	3-6
Transit Operations Reports	3-7
Countywide Planning & Development (CP&D).....	3-15
Organization Chart.....	3-15
Strategic Business Unit.....	3-15
Countywide Planning and Development Objectives	3-15
Unit Description.....	3-16
Major Budget Variances	3-17
Countywide Planning and Development Reports	3-18
Engineering & Construction	3-26
Organization Chart.....	3-26
Strategic Business Unit.....	3-26
Engineering & Construction Objectives	3-26
Unit Description.....	3-26
Major Budget Variances	3-27
Engineering & Construction Reports.....	3-29
Support Services	3-37
Organization Chart.....	3-37
Strategic Business Unit.....	3-37

Support Services Objectives	3-37
Support Services - Finance	3-38
Organization Chart.....	3-38
Major Budget Variances	3-38
Support Services - Finance Reports.....	3-40
Support Services - Management Audit Service Department.....	3-48
Organization Chart.....	3-48
Management Audit Services Department	3-48
Major Budget Variances	3-48
Support Services - MASD Reports	3-49
Support Services - Administration	3-50
Organization Chart.....	3-50
Major Budget Variances	3-50
Support Services - Administration Reports	3-52
Support Services - Procurement.....	3-59
Organization Chart.....	3-59
Office of Procurement	3-59
Major Budget Variances	3-59
Support Services - Procurement Reports	3-60
Support Services - Human Resources	3-65
Organization Chart.....	3-65
Human Resources	3-65
Major Budget Variances	3-65
Support Services - Human Resources Reports	3-66
Board/CEO/Other.....	3-73
Organization Chart.....	3-73
Board/CEO/Other Narrative	3-73
Board/CEO/Other Reports.....	3-74
Board Office and Office of Board Secretary	3-75
Ethics Office	3-77
County Counsel	3-79
Office of the Inspector General	3-81
Office of the Chief Executive Officer.....	3-83
Labor Relations.....	3-86
Board Research Services	3-88
Office of System Safety & Security	3-90
Media Relations	3-92
Government Relations	3-94

Appendices

Appendix 1: Activity Based Heavy Rail Cost Model	4-1
Appendix 2: Activity Based Light Rail Cost Model	4-2
Appendix 3: Activity Based Bus Cost Model	4-3
Appendix 4: Six Year Operating Statistics	4-5
Appendix 5: FY01 Modal Operating Statistics	4-6
Appendix 6: FY2001 - FY2005 CIP Funds Available	4-7
Appendix 7.....	4-8
Public Transportation Services Corporation (PTSC).....	4-8
Appendix 8.....	4-9
Combined Statement of Revenues, Expenditures and Changes in Fund Balance	4-9
Appendix 9.....	4-10
PTSC/MTA Risk Management Authority (PRMA)	4-10
Appendix 10.....	4-11

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

Service Authority For Freeway Emergencies (SAFE)..... 4-11

Glossary

Terms 5-1

Budget Summary

MTA Board of Directors

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Ex-Officio Member, Construction Committee

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Ex-Officio Member, Construction Committee

MTA Profile

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

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

In addition to operating over 1,900 coaches in the Metro Bus fleet, the MTA operates two light-rail lines: the 22-mile Metro Rail Blue Line between Long Beach and Los Angeles and the 20-mile Metro Green Line between El Segundo and Norwalk. The MTA also operates the 17-mile Heavy Rail Metro Red Line subway system running through downtown Los Angeles from Union Station to North Hollywood. The western branch extends along Wilshire Boulevard to Western Avenue.

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

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

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

Message From the Chief Executive Officer & Chief Operating Officer

Placeholder for CEO Message

Placeholder for CEO Message

MTA Team Mission

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

Transit Operations

- Operating transit system elements for which the MTA has delivery responsibility

Countywide Planning and Development

- Planning the overall transportation system

Engineering and Construction

- Managing the construction and engineering of transportation system components

Support Services

- Delivering timely support services to the MTA organization

MTA Team Vision

Our purpose is to be the recognized leader for realizing a world-class transportation system for Los Angeles County. Our position as a premier transportation agency will be established by:

- A vigilant pursuit of cost-effective, high quality mission-critical service delivery
- An extraordinary record of excellence in planning, construction and engineering
- A proven competency for innovations in transportation development
- An exemplary work environment providing team members with needed services

MTA Team Goals

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

Customer

- Increase the availability of customer-responsive transportation options

Internal Processes

- Increase accountability for planned results

Innovation and Improvement

- Increase operational and organizational performance

Financial Management

- Increase effective and efficient utilization of resources

Critical Success Indicators

- Customer satisfaction
- Employee satisfaction
- Minimize non-formula fund subsidies
- Compliance attainment
- Results-based budgeting
- Passenger mile/seat ratio
- Comprehensive life-cycle costs to benefit ratios
- Process cycle times
- Bond rating
- Comparative purchase costs

The goals provide information on specific means and approaches to reach our vision. These goals also alert our stakeholders regarding what we are trying to accomplish and were developed using an approach called the Balanced Scorecard. The Balanced Scorecard encourages organizations to focus on a balanced set of organizational goals and to develop a series of performance measures (Critical Success Indicators) rather than simply relying on financial performance.

From the MTA-wide Mission, Vision and Goals, each MTA department developed a number of objectives, strategies and performance measures which are outlined on the Management Action Plans (MAPs). The MAPs will be reviewed quarterly to evaluate departmental attainment of stated objectives. The MAPs process will continue to assist in focusing departmental resources and attention on the MTA's stated Mission, Vision, and Goals.

Strategic Planning Process

The Strategic Planning Process was undertaken to better understand the MTA's current operating environment and to establish a renewed Mission, Vision and Goals for the MTA, providing strategic direction. The FY01 Strategic Plan was developed with the input of more than 100 internal and external stakeholders, including representatives of all employee labor groups, the Board of Directors, the City of Los Angeles, MTA executive staff and with the guidance of the consulting firms of Booz-Allen, Pricewaterhousecoopers and Metropolitan Futures.

We anticipate that this strategic planning process will continue annually, although the MTA Mission, Vision, and Goals will remain fixed for the intermediate-term business planning horizon. It is our hope that the development of a Team Mission, Vision, and Goals, as well as focusing on internal and external customers will reorient the MTA to improved teamwork and service.

FY00 Accomplishments and FY01 Budget Highlights

Transit Operations

FY00 Accomplishments

Improved On-Time Performance

In July 1999, bus on-time pullout (OTP) performance (when buses leave the division on schedule), was at 99.19%. As a result of improvements in fleet reliability, increased supervisory presence at roll-out and increased management commitment, by March, 2000, OTP improved pullouts to 99.51%. During the month of March, only two cancellations occurred, as compared to 14 in July 1999. During the same period, outlates were reduced from 505 to 341.

Heavy Rail OTP improved from 99.7% during the first quarter of FY00 to 99.8% at the end of the third quarter. Light Rail OTP improved from 99.06% during the first quarter to 99.54% by the end of the third quarter.

Reduced Customer Complaints

Between July 1999 and January 2000, the rate of customer complaints per 100,000 boardings declined from 4.83 to 3.89. Total complaints decreased by 23.7% for the same period. The most notable improvements came in the areas of accessible service and operator discourtesy, declining by 31.4%, and schedule adherence showed a 30.0% improvement.

Bus Procurements

The Accelerated Bus Procurement Plan that was approved by the Board of Directors in October 1998 requires replacement of all over aged buses and expansion buses through the purchase of 2095 new buses. In FY00, the MTA will have received a total of 438 new Compressed Natural Gas (CNG) buses from New Flyer of America (New Flyer) and North American Bus, Inc. (NABI). During FY00 the Board of Directors approved the two procurements consist of 223 New Flyer vehicles and 215 NABI vehicles. By the end of FY00, the CNG bus fleet will have expanded to over 900 buses, which is the largest alternative fuel fleet in the United States.

Improved Fleet Reliability

The improvement in the reliability of the transit bus fleet was evidenced by consistent improvement in key performance indicators. The primary maintenance indicator, Mean Miles Between Mechanical Failures (MMBMF), increased by approximately 10 percent from 5,357 at the beginning of the fiscal year to nearly 6,000 during the latter part of the fiscal year. Another important indicator, Past Due Critical Preventive Maintenance Programs (PMP), also showed considerable improvement. The number of past due critical PMPs actions per bus was reduced from 0.94 to about 0.20 during the fiscal year.

Maintenance Training

Mechanic training continues to be a high priority in the Maintenance department. In FY00, the department hired three additional instructors to train mechanics on the state-of-the-art electronic and alternative fuel systems on new buses. The training was provided through general classroom instruction and through hands-on instruction at the operating divisions. Specialty training was also provided by bus manufacturers, Detroit Diesel, Cummins, Lift-U, and several other equipment providers.

In addition, Maintenance held two retreats for managers and analysts during FY00. The retreats were designed to raise awareness of Maintenance management issues and build stronger leadership skills.

Regional Rebuild Center

In FY00, the Regional Rebuild Center (RRC) implemented the RRC 2000 Quality Improvement Program. Within the confines of the program, management is striving to improve inter-departmental communication, promote team development at the shop level, improve labor and parts usage, and improve customer support. The program began showing results in FY00 with the completion of approximately 170 wheelchair lift conversions, installation of 208 bus window upgrades, completion of over 60 major accident repairs, and the painting of over 380 buses.

Completion of Diesel Conversion Project

Conversion of the methanol and ethanol bus fleet was initiated due to the high rate of failure of the alcohol-fueled engines in the 1989 and 1992 Transportation Manufacturing Corporation (TMC) buses. The conversion program began in June 1998 and was completed in March 2000. Valley Detroit Diesel converted a total of 324 alcohol-fueled buses to clean diesel. The project was completed on budget and ahead of schedule. All of the converted buses are now in active service and equipped with an upgraded Detroit Diesel 6V-92 engine that meets all applicable emissions standards.

Improving Fleet Cleanliness

In FY00, the Quality Assurance departments began a schedule of regular, quarterly bus cleanliness inspections at divisions. Under the program, divisions are rated on their ability to provide clean, graffiti-free coaches. They are rated in specific areas of concern and then assigned an overall cleanliness score. Through the first three quarters of FY00, overall division cleanliness improved from a low of 5.6 at the beginning of the fiscal year to 6.5.

Vandalism/Graffiti Abatement

The Vandalism Abatement Program (VAP) is an important part of MTA's Zero Tolerance plan to provide a safe and clean public transportation system to the communities we serve. VAP is the primary concern of the Division Advisory Committees (DAC) which consists of volunteer front-line employees, including bus operators and maintenance personnel at all eleven bus divisions. DAC will expand in FY01 to include rail.

DAC members receive training in marketing, public affairs and educational techniques to accomplish the ambitious mission of preventing graffiti vandalism in our communities and on our transportation system. The three main elements of the DAC mission are school outreach and education, community clean-ups, and parent education seminars. The program emphasizes community ownership of the transportation system, graffiti vandalism laws and bus/rail safety.

The MTA, through the committed efforts of DAC members in collaboration with the law enforcement transportation units of the Los Angeles Police Department (LAPD) and Los Angeles Sheriff Department (LASD), has developed a unique relationship with communities throughout Los Angeles County. This cooperative effort has resulted in a marked improvement in the communities and bus lines targeted so far. DAC members participated in fifteen community beautification projects for the City & County of Los Angeles. DAC sponsored four division/community open houses.

Continued success requires that existing members and participating communities maintain their efforts.

Reorganization of Transportation Function

In FY00, Transportation re-engineered the division operation by:

- Augmenting supervisory staff with retirees to perform line monitoring function
- Redefining Transit Operation Supervisor (TOS) duties
- Establishing the Line Instructor Mentor Program, training 120 mentors
- Recruiting and training Transportation Division Dispatchers (TDD)
- Increasing staffing and training for Metro Rail Operations

Improved Training

- Conducted Transit Operating and Trend System (TOTS) training to familiarize transportation managers with the capabilities of the new system
- Developed training curriculum for TOS's
- By the end of FY00, will have trained 846 new operators, 248 Class A mechanics and 101 service attendants
- Developed a bus-specific defensive driving class
- Established an independent learning center at Office of Central Instruction (OCI), designed to allow operators to perform required continuing and remedial education on their own time and at their own pace

Transit Operating & Trends Systems Migration

During FY00, the TOTS was upgraded to address Y2K issues and to include operator interfaces, advanced manpower planning and performance monitoring capabilities. The new system has brought together on a single platform, the time-keeping system, vehicle accident monitoring system and operator bidding system as well as others.

Bus Operator Recognition Program

A Bus Operator Recognition Program was begun in FY00 to provide quarterly and annual recognition to operators, managers, and divisions for achievements in safety, courtesy, service, and attendance. The program was designed with the expectation that positive reinforcement would help in changing the culture of transportation employees.

An annual "Best of the Best" event recognizes operators with excellent performance for five consecutive years. As part of the program, division performance measurements are posted in each division to raise

awareness and demonstrate how each division is performing, comparing performance against set goals as well as other divisions.

Metro Blue Line Safety Program

In an effort to reduce the number of grade crossing collisions involving Metro Blue Line trains and pedestrians and vehicles, MTA has revamped its public safety awareness program. Some of the elements include:

- Conducting community focus meetings to solicit feedback from neighborhoods
- Giving train safety presentations and hosting safety writing/drawing contests in schools
- Participating in community safety and health fairs
- Training volunteers to take safety messages into neighborhoods

Other initiatives include:

- Updating a train safety videotape
- Sending out train safety public service announcements to local media
- Installing train safety messages on billboards
- Providing weekly safety tours to school groups
- Creating safety movie trailers for showing in local theater chains

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

North Hollywood Metro Red Line

MTA Metro Rail Operations successfully expanded the Metro Red Line to Universal City (North Hollywood). The success of the service expansion was the result of a close working relationship between Metro Rail Operations, Construction, Marketing and other support departments.

As a result of the Metro Red Line extension, boardings increased dramatically on the Metro Red Line itself, as well as the Light Rail lines that feed into the subway system. A comparison of May 1999 boardings to boardings in March 2000 shows an increase in total monthly Metro Red Line boardings of 40.6%. When compared for the same period, Metro Green Line boardings experienced an increase of 10.3% and Metro Blue Line boardings increased by 13.5%.

Contracted Bus Service

During FY00, Transit Operations enhanced the management of contracted bus services by hiring a manager and two field representatives. Working closely with the contracted providers, they have helped to raise contractor performance and ensure the delivery of quality transportation service.

Additionally, existing contracts with Laidlaw, First Transit Inc. (FTI) and Transportation Concepts Inc. (TCI) were modified to add performance incentives and disincentives, which assisted in achieving quality service.

Improved Management Reporting

Weekly and monthly management reports continued to be an important element in tracking performance. During FY00, the Transit Operations Support department produced weekly and monthly performance reports. Transit Operations has initiated the process for procuring software to improve the accuracy timeliness and availability of performance data.

Steps To Minimize Overcrowding

In the December 1999 shake-up (semi-annual operator reassignment), Transit Operations completed its planned addition of sixty-four peak buses per the Remediation Plan Schedule. The addition of those buses, combined with improvements in on-time pullout performance and a decrease in service interruptions have helped to reduce overcrowding.

FY01 Budget Highlights

Metro Rapid Bus

During FY01, the Metro Rapid Bus will operate on the Ventura Boulevard and Whittier/Wilshire Corridors on a seven-day, sixteen-hour per day operation. Rapid buses will have traffic signal priority and stop only at major intersections. When feasible, rapid buses will be assigned to priority bus lanes and be able to bypass traffic congestion. With stops a mile apart, they are expected to travel about 15 to 25 percent faster than local service. MTA planners expect the first Rapid bus line will be designated on Wilshire and Whittier Boulevards, where it can be coordinated with the bus signal priority projects.

Rapid Bus will offer patrons higher speed, higher quality service on state-of-the-art coaches with customer amenities, including platform level and sheltered boarding to coaches with technology designed to allow preferred passage of traffic signals and higher speed travel. Rapid Bus will be easily distinguishable by the red color and rapid bus decals.

Subway to North Hollywood to Open

The new state-of-the-art Metro Red Line stations will be fully operational at Hollywood-Highland, Universal City, and North Hollywood. The Segment 3 stations and 6.2 miles of additional tunnels will provide a greater range of travel for Los Angeles rail riders.

Over 7 Million Revenue Service Hours

Transit Operations manages all aspects of MTA Metro Bus and Metro Rail Operations and related activities by providing clean, safe, efficient and reliable transit services to more than 1.2 million patrons per day. In FY01, MTA and its contracted service providers will:

- Deliver 437.5 million unlinked passenger trips
- Deliver 7,271,125 bus revenue service hours (591,890 of which will be provided by contracted service and 610,599 by Rapid Bus)
- Deliver 242,709 light rail vehicle service hours
- Deliver 259,919 heavy rail vehicle service hours

FY01 Metro Bus and Metro Rail Goals and Objectives

The primary goals for Transit Operations in FY01 are:

- Reduce operating costs to achieve blended bus and rail cost per service hour targets by FY03
- Increase gross revenue per revenue service hour to align with bus and rail targets by FY03
- Achieve performance and quality targets in the areas of reliability, timeliness, cleanliness and safety by FY03

Improving MTA Bus Service Reliability

To meet load factor requirements and to improve bus service, the reliability of the bus fleet must first continue to increase. To accomplish this, Transit Operations has developed objectives for FY01 which include:

- Maintaining system-wide on-time pull-out performance of 99.5%
- Increasing miles between chargeable mechanical roadcalls to 6,000 or more
- Continuing to improve preventive maintenance
- Raising minimum division bus cleanliness, ratings to 6.0
- Improving employee morale by recognizing individual and division performance
- Monitoring and ensuring progress on the “Smart Bus” implementation including the universal fare system, radios, automatic voice annunciators, automatic passenger counters, cameras and security equipment
- Constraining overtime expenditures to stay within the FY01 budget
- Reducing workers’ compensation claims
- Reducing the bus accident rate to 3.5 per 100,000 hub miles
- Achieving a customer complaint ratio of 4.0 or less per hundred thousand boardings
- Meeting ADA service goals with regard to lifts, straps and clamps and pass-ups
- Raising bus in-service on-time performance to 70% or higher
- Reduce lost revenue service hours to 1.0% or less

Strategies to accomplish the above objectives:

- Monitor and support division performance in relation to the performance measures shown above for each quarter
- Continue to identify problematic buses and repeat road calls at each division
- Take actions to resolve defects and improve performance
- Institute zero-tolerance programs for wheelchair pass-ups and schedule violations
- Restructure the scheduling and assignment of TOS’s

FY01 New Bus Orders

MTA will receive approximately 501 new CNG buses in FY01. The buses will be purchased as part of three procurements:

- In October 1998, the Board of Directors exercised an option to purchase an additional 223 New Flyer low-floor CNG buses. The first of the 223 Option buses will begin arriving the early part of the second quarter of FY01 at the rate of approximately 40 to 50 buses per month.
- In January 2000, the Board of Directors exercised an option to purchase an additional 215 NABI low-floor CNG buses. The first of the 215 option buses will begin arriving in the third quarter of FY01 at a rate of approximately 40 to 50 buses per month.
- In December 1999, the MTA initiated a new procurement for 370 low-floor buses with options for up to 700 additional buses. The first of the 370 bus order may begin arriving in the fourth quarter of FY01. Delivery of this bus order is expected to be completed at the end of FY02.

Advanced Transportation Management System

The Advances Transportation Management System (ATMS) project will replace two antiquated bus radio control systems with one integrated state-of-the-art transit vehicle technology enhanced system to provide a reliable, contemporary communications service to controllers, bus operators, riders and management. The current system is crippled by outdated technology, the lack of availability of replacement parts and incomplete data. It is also labor-intensive. An independent assessment of the system determined that it would be cost-effective to replace the two current systems with a fully-integrated single system.

In December 1999, a system management contract was awarded.

- A business plan was finalized in March
- A conceptual design is under development
- A contract for system integration will be awarded at the August meeting of the Board of Directors

Regional Rebuild Center (RRC)

In FY01, the Regional Rebuild Center will complete the retrofit of the wheelchair lifts in the TMC 1200 series bus fleet. The RRC will also complete the installation of new clear windows sets on the MTA fleet with sacrificial window guards to reduce the damage from vandalism. The paint shop will paint approximately 426 buses with the new Metro Bus color scheme. The mechanical shops will rebuild 319 engines, 542 transmissions, and assemble 383 power plant assemblies. The body shop is prepared to complete 65 major bus accident repairs and repair 330 buses with minor body damage at the operating divisions.

Facility Improvements

With the continued procurement of CNG buses, supporting infrastructure must be installed to ensure that each operating division has the capability to fuel and maintain CNG buses. The MTA made considerable headway in support of this requirement in FY00 by installing CNG fueling stations at Divisions 5 and 7 under a public/private partnership. In FY01, one additional CNG fueling station will

be installed at Division 1. In addition to the CNG fueling stations, the maintenance buildings and service islands at each location are being modified with gas detection systems and other modifications required for gaseous fuels. The MTA allocated \$1.7 million in funding for the public/private partnership in FY00 and will allocate another \$4.3 million in FY01 with the continued expansion of the CNG fueling infrastructure.

The MTA had fourteen bus washing systems at the operating divisions, with ten of the bus washers being fifteen years or older at the beginning of FY00. During FY00, the MTA replaced bus washers at Divisions 3, 5, 10, and 18 to improve the reliability of the equipment and improve the appearance of the bus fleet. A total of \$688,500 was allocated to replace the bus washers at these four divisions. In FY01, an additional \$215,000 is being allocated for replacement of the bus washer at Division 6, and \$400,000 is being allocated for replacement of bus washers at other key operating divisions.

Replacement of Non-Revenue Vehicles

The average age of the MTA non-revenue fleet was eight years in FY00, with an average mileage of over 96,000. During the FY00, over 800 non-revenue vehicles exceeded the FTA guidelines of five years or 100,000 miles for replacement. In FY00, the MTA will replace 162 light-duty vehicles, twenty-four medium-duty vehicles, fourteen forklifts, and various other specialty vehicles. The Non-Revenue Vehicle Replacement plan requires the replacement of about 260 vehicles per year from FY01 through FY05. In FY01, the MTA will replace 156 light-duty vehicles, twenty-four medium-duty vehicles, twenty-one forklifts, and sixty miscellaneous pieces of equipment.

Mechanic Training

In FY01, training will be primarily focused on improving mechanic skill levels in the troubleshooting and repair of electronic subsystems and alternative fuel engines and fuel systems using advanced computerized diagnostic equipment. Technical information centers will also be available at all divisions to provide mechanics with the latest technical information on all bus types.

Metro Rail Operations

Thirty Breda heavy rail cars and twenty-nine light rail Siemens cars will be tested and monitored to make sure the cars meet specifications. About 248 rail car subsystem overhauls will be accomplished in FY01.

Division 22 Opening

In FY00, Transit Operations will increase staffing at Division 22, which supports the Metro Green Line, in order to make it a fully operational Division. In FY00, Division 22 was a satellite to Metro Blue Line, Division 11. The need to make Division 22 fully operational was predicated on the acceptance of thirty additional Siemens P200 light rail cars, and the increase in Metro Green Line peak service from one-car consist to two-car consist.

Metro Blue Line Expands

The Metro Blue Line will begin construction on several stations to expand the platforms to accommodate larger trains as the MTA moves from a two-car to a three-car consist on the Light Rail system. This is done in an effort to relieve congestion during peak load periods.

Countywide Planning & Development (CP&D)

FY00 Accomplishments

Grants Management and Administration

Applied for and secured over \$450 million in federal and state grants for MTA projects and programs. This includes \$55 million for the continued design and construction of North Hollywood Extension of the Metro Red Line, which opens in June 2000. This also includes over \$190 million to be used in purchasing some 570 buses under the MTA Accelerated Bus Purchase Program.

Obtained approval from the Board of Directors and the City of Los Angeles City Council for Amendment No. 1 to the Financial Contribution Agreement of Segment 3 of the Metro Red Line Project. Through the Agreement, the City provided \$200 million contribution which opens in June 2000.

Closed out over \$700 million in federal grants from the Federal Transit Administration for Segment 2 of the Metro Red Line Project. The federal funds were used for design and construction activities on Segment 2, whose Vermont-Hollywood leg was completed and opened for service in June 2000.

Triennial Performance Audit

Tracked the implementation of the 1995-1997 Transportation Development Act (TDA) Triennial Performance Audit recommendations and countywide planning and countywide transit operators. Performed organizational and functional review of the planning department and subsidiary roles through implementation of recommendations from the 1995-1997 TDA Triennial Performance Audit for MTA.

Freeway Service Patrol

Awarded twenty-four tow truck routes to increase efficiency. Redefined three party roles and responsibilities (MTA/CHP/Caltrans). Updated the Freeway Service Patrol (FSP) Standard Operating Procedure. Installed radio base stations to tie in communication with northern San Fernando Valley and North County.

Completed Countywide Teletype (TTY) upgrade and refurbishment of call boxes.

Metro Art

Installed 9,974 hand-painted art tiles at North Hollywood station, columns of art tile and historic text in the Universal City station and kinetic light sculpture at Hollywood/Highland station.

Corridor Reevaluation of East Side, Mid-City-Westside and San Fernando Valley

Completed reevaluation of the East Side, Mid-City-Westside and San Fernando Valley Corridors and major investment study for each of these three corridors. Upon review of the information contained in the three studies, the MTA selected one or more alternative in each corridor to proceed to the next planning phase which is preparation of the draft Environmental Impact Statement (EIS) and Environmental Impact Report (EIR). The Environmental Clearance phase will be funded with an \$8

million TEA-21 grant for Mid-City/Westside and East Side and with other funds for the San Fernando Valley.

Joint Development

The TrizecHahn development, a 1.2 million square foot entertainment/hotel/retail complex above the MTA's Metro Red Line subway station at Hollywood-Highland Boulevards, broke ground and started construction. TrizecHahn Centers began monthly rent payments to the MTA pursuant to the long-term ground lease agreement negotiated and executed the previous year. These rent payments will increase when the project opens and each year thereafter due to inflation adjustments and periodic reappraisals of the MTA property. The TrizecHahn development is scheduled to open in the Fall of 2001.

Santa Monica Transit Parkway

Completed and certified the final Environmental Impact Report (EIR) for the Santa Monica Transit Parkway project. The Board of Directors certified the document and authorized staff to work with the City of Los Angeles to assume the lead for the project. Staff drafted the necessary agreements to transition the project and over the course of the year, worked with the City to assure that funding previously secured for the project remained obligated.

Harbor and El Monte Transitways

In cooperation with the City of Los Angeles and California Department of Transportation (Caltrans) developed a satisfactory Transportation Systems Management (TSM) alternative to connect the Harbor and El Monte Transitways. Also worked through Federal Highway Administration to allow City of Los Angeles staff time to be used as a soft match for the project and was also successful in reducing the cost of the TSM alternative through value engineering.

Alameda Corridor

Alameda Corridor programmed state TSM fund in cooperation with Alameda Corridor Transportation Authority (ACTA) staff; Amended both the North End and Alameda Corridor MTA funding agreements to reflect the change in funding sources as well as refined the scopes of work to incorporate changes since the agreements were originally executed.

Soundwall Policies

Developed Soundwall Implementation policies that were adopted by the Board in February 2000.

High Occupancy Vehicle (HOV) Lanes:

Opened Route 14 HOV lanes between Sand Canyon and Escondido (10.7 miles, cost \$32.8 million)

Started construction:

Route 605 San Gabriel River Freeway HOV lanes between Orange County Line and South Street (3.8 miles, budgeted \$15.8 million)

Route 405 San Diego Freeway HOV southbound Lanes between Route 101 and Waterford) (6.9 miles, budgeted \$22 million)

Route 14 Antelope Valley Freeway HOV lanes between Escondido and Pearblossom (11.2 miles, budgeted \$41.6 million)

State Transportation Improvement Program (STIP)

Pursuant to the Board of Directors, MTA adopted a policy for "Programming Cost Changes for STIP Highway Projects"; \$9 million in cost increases and scope/schedule changes were administratively processed and/or approved by the Board of Directors for projects totaling more than \$511 million.

Metro Rapid Bus

Metro Rapid Bus implementation initiated Phase 1 of the Metro Rapid Bus transit service on the Whittier-Wilshire Corridor and Ventura Boulevard Corridor. Utilizing 100 specially designated NABI buses equipped with bus signal transponders and APC, this service provided expedited bus service through these major corridors.

South Coast Air Quality Management District's Grant

In September 1999, MTA received two landmark clean air grants totaling \$8.4 million to help purchase new CNG buses. The Mobile Source Air Pollution Reduction Review Committee (MSRC), a regional clean air funding group, provided \$6.4 million. The South Coast Air Quality Management District (SCAQMD) approved more than \$2 million. Together, these grants helped purchase 350 CNG buses that were put into service by the end of FY00.

Rideshare 2000

MTA's voluntary rideshare program, which provides incentives to commuters to use travel modes other than driving alone, has made significant progress toward increasing program participation. As of April 5, 2000, the program has enrolled 4,137 employment sites, 2,494 Rideshare 2000 participants and 1,620 Club Metro participants. This represents a 250% increase in Rideshare 2000 participation and a 450% increase in Club Metro participating since July 1, 1999.

The Southeast Bus Restructuring Study

The Southeast Bus Restructuring Study is the last in a series of seven bus restructuring studies conducted throughout Los Angeles County over the past six years. The final work of the study has been going through an extensive process of review, refinement and consensus building. The benefit of this process has been the successful sponsorship of some transit service proposals. Several major findings of the study were cited including the need to improve service to selected corridors and destinations, improve bus connections and make information more integrated and available. The final phase of this study will be an evaluation of the Subregional Governance Alternatives and local control options.

Bus/Rail Interface Plan

A bus/rail interface plan was developed to support the opening of Segment 3, Metro Red Line Extension to North Hollywood on June 24, 2000. A public hearing was held on November 13, 1999, on the proposed plan. The final plan, based on public input, was approved by the Board of Directors on March 23, 2000, and implemented on June 25, 2000.

Five-Year Service Projection

A detailed Five-Year Service Projection has been developed to assist the MTA with multi-year financial planning. The plan projects the number of buses, operator assignments, service hours, and miles needed

through FY 2005. This plan is used by the Office of Management and Budget (OMB) for development of the Transit Operations budget, and is also included in the Short Range Transit Plan (SRTP).

Long Range Transportation Plan

During FY00, MTA resumed the revision of the Long Range Transportation Plan. Activities included engaging the public, cities, sub-regions, Partner public agencies and stakeholders in the preliminary planning process through a series of outreach meetings.

FY1999 Call-for-Projects

MTA administered the 1999 Call-for-Projects process and Memorandum of Understanding (MOU) development as part of the County Transportation Improvement Program (CTIP). As part of this process, staff programmed and assigned funds in the order of \$535 million. A process improvement program was developed regarding the management, tracking and auditing of regional funds. A project manager training program was initiated to assure accountability, conformity and project close-out audit resolution.

FY01 Budget Highlights

Long Range Transportation Plan

One of MTA's most significant activities during FY01 will be the completion of the Year 2000 Long Range Transportation Plan. This plan will establish MTA's vision for the continued development of the Los Angeles County transportation system over the next twenty-five years. The plan will evaluate the performance of a variety of transportation strategies, and develop recommendations for policies, programs, and projects that are most effective in meeting current and future transportation needs.

2000 Abbreviated Call For Projects

In response to Governor Davis's Transportation 2000 initiative, MTA will recommended a slate of local projects for MTA Board approval and inclusion into the State Transportation Improvement Program (STIP). MTA will work with project on project development and implementation.

2001 Call for Projects

MTA will conduct the 2001 Call for Projects process during FY01. Through this process, local jurisdictions, transit operators, and other agencies will be invited to nominate projects to compete for funding in various modal categories. Projects approved through the Call for Projects process will be included in the 2002 State Transportation Improvement Program (STIP).

Strategic Capital Planning

MTA continue to reconciling Capital & Operating Budget information with funding information in Long Range Transportation Plan; Review and analyze funding impacts of Governor Davis' Transportation Initiatives amounting to over \$1.billion for Los Angeles County.

Regional and Local Funds Programming

MTA continue funds programming required by TEA-21 & SB 45, including developing and maintaining databases for \$14 billion Regional Transportation Improvement Program (RTIP)/County Transportation Improvement Program (CTIP); Monitor, track, report and control Subsidies to Others portion of the FY01 MTA Capital and Operating Budget as well as oversee Transit Formula Allocation Program for the Municipal Operators.

Grants Management & Administration

Monitor, track reports and control over \$3 billion in federal, state and local grant funding (from FY01 and previous years) for MTA projects and programs.

Complete Phase II of the Corridor Studies for Mid-City, East Side and San Fernando Valley

The MTA will continue the environmental assessment of the alternatives selected in each of the three corridors; Mid-City, East Side and San Fernando Valley. The MTA will prepare draft Environmental Impact Statements and Environmental Impact Reports (EIS/EIR) in compliance with state and federal law and conduct extensive community outreach. Upon completion of the draft EIS/EIR's, the MTA will choose a Locally Preferred Alternative in each corridor and start the final EIS/EIR and Preliminary Engineering.

Metro Rapid Bus

Following the successful implementation of the first Metro Rapid Bus demonstration in FY00, staff will continue to analyze Phase II corridor projects and seek additional funding for program expansion.

Service Planning/Market Research Program (SPMRP)

MTA will implement regional on-board surveys on bus and rail patrons in FY01. In conjunction with the Year 2000 census, these surveys will provide the largest customers/marketing information ever available to MTA. The surveys will involve extensive focus group sessions to gear the surveys to market currents, and follow-up telephone surveys to collect market and travel behavioral data in details. Line specific or corridor specific surveys and studies geared to measuring public responses to service initiatives will supplement the region-wide survey effort.

Transportation Demand Management (TDM)

The Team will manage 133 TDM projects totaling approximately \$6 million for FY01. MTA will continue to identify and fund innovative projects that serve to reduce or eliminate trips through a better utilization of available resources.

Soundwall Projects

MTA will: a) oversee the delivery of the 42 soundwall projects on the May 1989 soundwall retrofit list that is funded by the \$170 million CTC allocation, and b) manage/supervise and coordinate the completion of NBSSR's, engineering design and construction of Phase I Post 1989 HOV retrofit soundwalls.

Route 30 Freeway Gap Closure

Final engineering design plans, specifications and estimates (PS&E) will be completed and several construction projects will be advertised and awarded during FY01. MTA will monitor these projects to ensure conformance with scope, schedule and costs.

High Occupancy Vehicle Lanes

Two HOV lane construction projects should be completed/open to traffic in FY01: (a) Route 405 San Diego Freeway between Rte 101 and Waterford, and b) Route 605 San Gabriel River Freeway between Orange County Line and South Street.

Construction projects to start: Projects to begin construction are: (a) Route 10 San Bernardino Freeway HOV lanes between Baldwin Ave. and Route 605 (3.2 miles, budgeted \$55 million), (b) Route 14 Antelope Valley Freeway HOV lanes between Route 5 and San Fernando Road (2.3 miles, budgeted \$19.3 million), and (c) Route 10 San Bernardino Freeway between Route 57 and SBCL (5.9 miles, budgeted \$96 billion).

Design Projects: (a) Route 405 San Diego Freeway HOV lanes between Rte 90 and Rte 10 (3.6 miles, cost estimate \$143 million), and (b) Route 60 Pomona Freeway HOV lanes between Rte 605 and Brea Canyon Road (11.3 miles, cost estimate \$85 million).

Joint Development

The MTA will conclude negotiations for a retail commercial development at the Chatsworth Metrolink Station and execute development agreements. The MTA will also conduct solicitations for interested developers at other Metro Red Line Stations including North Hollywood, Universal City, Wilshire/Western, Wilshire/Vermont, Hollywood/Vine, Westlake/MacArthur Park and others as appropriate to negotiate joint developments where possible.

Bus Signal Priority Pilot Project

During FY01, MTA in conjunction with the county-wide advisory committee will complete the technology evaluation and selection of a bus signal priority technology for implementation on Crenshaw Boulevard, the demonstration corridor. Hardware and software will be procured and installed. Staff will continue their coordination efforts with the Metro Rapid Bus demonstration pilot, LADOT's Transit Signal Priority Project, MTA's Advance Transit Management System (ATMS) and Automatic Passenger Counter (APC).

Harbor Freeway Transitway Extension

During FY01, MTA will negotiate and execute the necessary agreements for the City of Los Angeles to implement the TSM alternative approved by the Board in FY00 as part of the PSR document. MTA will continue to coordinate with the City of Los Angeles and Caltrans on this element of the project as well as on a succeeding phase, the Alameda By-pass Feasibility study.

Alameda By-pass Feasibility Study

As part of a succeeding phase of the Harbor Transitway Extension Project, staff will advertise and award the contract for the Alameda By-pass Feasibility Study. This study will evaluate the feasibility of

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

improving various streets in and around Downtown Los Angeles to accommodate HOVs and Goods Movement traffic. It is anticipated that the consultant contract will be awarded late in the 3rd quarter of FY01 with initiation of consultant work commencing in the 4th quarter.

Freeway Service Patrol

Implement communications system upgrade and data gathering capacity improvements. Award 13 beats from procurement initiated in FY00.

SAFE

MTA Initiate construction of ADA compliance work for Los Angeles County Call Boxes. MTA will continue efforts towards privatization and other cost savings measures for Call Box Management.

Metro Art

Continue installations of Metro Blue, Green, and Red Line Art projects. Initiate Hollywood Hills tunnel art project for Segment 3, initiate public art components for Metro Rapid Bus and other regionally significant projects.

Engineering and Construction

FY00 Accomplishments

Metro Red Line (MRL) Segment 3

The North Hollywood Extension energized the 3rd rail on schedule and began revenue operations June 2000-six months ahead of schedule. During FY00, the following was completed: the installation of the traction power station, installation and activation of the automatic train control system and restoration of Hollywood Boulevard. Additionally, the following contracts were awarded: North Hollywood station site restoration contract and the USC site restoration contract.

Metro Red Line (MRL) Segment 2

A permanent Certificate of Occupancy was received during the year and remaining construction of the Kaiser Portal at the Vermont-Sunset station was completed. Staff initiated project contract close-outs, claim settlements and litigation.

Metro Green Line (MGL) Maintenance of Way Facility

During the year, staff completed the bid documents, received and evaluated bid proposals, and awarded the design and build contract. The contractor completed design and started construction. Staff continued to support the work on the automatic train control and radio system contracts.

Los Angeles Rail Cars

To date, twenty-two vehicles have been received. Several cars have undergone extensive testing to prove design conformance and prepare for MTA acceptance.

Capital Improvement Plan (CIP) Rail:

- **Metro Blue Line Platform Extensions:** During FY00, the design & build contract was awarded and design completed for Groups 1, 2, and 3 stations; started construction for Group 1 stations. The project consists of design and construction of station platforms to accommodate three-car consists for nineteen Metro Blue Line stations. Work at each station includes platform extensions, lighting and PA systems, signal modifications emergency and handicap access, pedestrian walkways, landscaping and utility relocations.
- **Metro Red Line Segments 1 & 2B Sprinkler Systems:** Installation and upgrade of the sprinkler systems in the public areas of the Metro Red Line Segment 1 and 2B stations were completed and brought into safety compliance. Contract close-out and project was completed on schedule and within budget.
- **Tunnel Grouting:** Contract awarded and grouting work started. The project involves injecting contact and backfill grout to fill voids and seal leaks and cracks at designated locations where water leakage is indicated in Metro Red Line Segments 1 and 2A concrete tunnel liners and cross passages.

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

- **Radio Retrofit:** The contractor completed final design of the system and started the installation of the radio retrofit for Metro Red Line Segment 2 with new radio communication system equipment, antenna cables and systems interface pursuant to LAPD and LAFD requirements.

Capital Improvement Plan (CIP) Bus:

- **Metro Blue Line Power Switches:** Started design work to modify seven manual street switches to remote automatic switches. This includes new switch mechanisms, TWC loops, signaling, track safety circuits and SCADA interface circuits.
- **Elevator Fail Strobe Lights-Harbor Freeway Stations:** Completed design of the strobe lights and associated circuitry at Harbor Freeway Stations to indicate the operational status of the elevators. The new circuitry will trigger the strobe light to warn arriving buses not to deboard wheelchair passengers at that particular station.
- **Upgrade Control System for Division 11 & Division 20 Car Hoists:** Completed construction by replacing obsolete Mitsubishi Programmable Logic Controller (PLC) with a new system. The PLC lateral logic was reprogrammed to keep all the control features the same as existing system. Project included training on the maintenance requirements and procedures.
- **Redesign Metro Green Line Emergency Trip Stations:** Completed all emergency trip stations on Metro Green Line to eliminate frequent and long interruptions of revenue service.
- **Roll-Up Doors Emergency Stop:** Completed design and installation of remote operation of emergency roll-up doors which resulted in saving manpower required to open and close Metro Red Line Segment 1 stations.
- **Various Projects:** Additional work performed by Engineering and Construction includes the following: started construction for the RRC leak detection system; completed installation of the CNG fueling station at Divisions 5 and 7; replaced the Division 1 underground tank; completed the ADA upgrade to four transit centers and seven customer service centers; added one CNG compressor to Divisions 10 and 18; completed installation of RRC plasma cutting table; completed installation of 10 ton crane at Division 20; accepted approximately 100 Engineering Service Requests (ESRs) relative to facilities, operations and safety improvements and compliance; and received the first payment from the firm marketing the Contract Control System (CCS) software designed by staff.

FY01 Budget Highlights

Metro Red Line Segment 3, North Hollywood

The North Hollywood Extension of the Metro Red Line began revenue operations June, 2000. The FY01 project activity includes receiving the Certificate of Occupancy, completing US 101 Freeway Over-crossing and Universal City Station site restoration; and completing Lankershim Bridge widening and Lankershim Boulevard restoration.

Metro Green Line

The FY01 budget includes funding for the completion of the Automatic Train Control System; costs relating to testing and startup of the vehicles; testing of the train control wayside equipment with carbon equipment; Caltrans outstanding claims and the continuing construction of the Maintenance of Way facility.

Los Angeles Rail Car

The FY01 budget includes costs for the deliverance and acceptance of remaining rail cars payments for fabrication and testing milestones, in addition to consultant services and administrative support.

Metro Red Line Segment 2

The FY01 budget includes costs for completion of all remaining contract close-outs, claim settlements and litigation. Segment 2 includes two rail corridors: The Wilshire/Western Corridor, which began revenue operations July 1996, and the Vermont-Hollywood Corridor, which began revenue operations June 1999.

Capital Improvement Plan (CIP) Rail

Minor rail capital improvements include on-going minor rail projects such as the Los Angeles-Long Beach Blue Line punch list and claims, the Metro Blue Line corrosion control studies and construction, the Imperial Highway punch list, the Pasadena Blue Line Engineering Management Consultant (EMC) claims mitigation, and the Deferred Metro Red Line Projects environmental mitigation.

The FY01 budget includes the costs for Engineering and Construction technical support to Procurement for the General Engineering Consultant solicitation, the Lessons Learned Program support, EMC contract close-outs, design and construction of the Metro Blue Line Platform extensions to include three car consist, radio retrofit, environmental mitigation, and tunnel grouting.

Capital Improvement Plan (CIP) Bus

The FY01 budget includes costs for Engineering and Construction support to maintain and upgrade operations facilities projects such as re-roofing, lighting, fuel tank replacement, leak detection, pavement replacement, CNG compressors, and ADA compliance.

Support Services and Other Units

FY00 Accomplishments

Administration

All mission-critical computer systems were successfully made Y2K compliant, so that the MTA did not experience any adverse impacts due to the year 2000 date change.

Marketing launched the "It's Getting Better on the Bus" campaign to communicate transit improvements to our customers.

Management Audit Services Department

Management Audit Services Department (MASD) and Accounting completed the initial Proposition A & C sales tax revenue audits (since inception through June 30, 1998) and submitted to the Citizen's Oversight Advisory Committee as mandated by the MTA Reform and Accountability Act of 1998.

Finance

Accounting successfully converted to Payroll 2000 and implemented ongoing system enhancements to improve the payroll process.

Treasury completed replacement of \$350 million letters of credit supporting the tax-exempt commercial paper program.

Treasury initiated lease for up to seventy-two Breda rail vehicles, providing an up-front cash benefit estimated at more than \$12 million.

Revenue Administration introduced a new, combined ID card for seniors and/or handicapped patrons, which consolidated five previous forms of ID cards and passes. This gives passengers the ability to carry one card with both their picture and monthly pass stamp, and assists MTA drivers by reducing the number of valid forms of fare media they have to recognize each month.

Revenue Administration expanded rail ticket vending machine (TVM) service at eight new stations in support of the Metro Red Line extension to Hollywood and North Hollywood.

Office of Management and Budget (OMB) initiated tools to improve analysis, expense monitoring and reporting; including development of Activity Based Costing (ABC). Implementing ABC in transportation service delivery is a new innovation in the public sector and promises to be an important tool in managing cost and improving overall agency financial performance. OMB also developed a five-year revenue and expense plan for short-term financial forecasting and oversaw the five-year service plan development for revenue service hours and miles, operator assignment and the number of buses to support forecasting.

Risk Management

Risk Management implemented the Transitional Duty Program, which saved \$2 million in temporary disability payments in the Workers' Compensation program.

Procurement

Procurement developed a "buy-back" provision to avoid costs associated with obsolescence because of changes or product improvements, an innovative approach was considered to include the obsolete material as a condition of award. By utilizing the "buy-back" provision method the MTA recovered \$70,000 or approximately 94% of the original purchase value of conventional brake lining.

Procurement streamlines operations and reduced administrative costs by implementing the "Purchase Card Program" in early FY00 for small dollar purchases. The "Purchase Card Program" provides an alternative, simplified method of filling both anticipated and unanticipated, repetitive needs for non-inventory supplies, parts, and other items.

Human Resources

The Pension and Benefits unit of Human Resources negotiated reduced cost for employee benefit packages through the use of a specialist consultant. The use of a consultant provides MTA with the cost benefits associated with "volume" buying power.

The Career Development unit of Human Resources recruited five business partners for internship and mentor programs: the Los Angeles Archdiocese, the Watts Labor Community Action Committee, Nickerson One-Stop, Chinatown Service Center and Catholic Big Brothers. These job partners are providing valuable funding in FY00 and will continue in FY01.

Human Resources Development and Training institutionalized the Transportation Leadership Academy (TLA) for MTA supervisors and managers. TLA promotes skill-building in management and leadership, team building, and management change. This program is fully designed, developed, and delivered by internal staff.

Government Relations

Government Relations assisted in securing Federal Appropriation funding of \$64.8 million for North Hollywood and other MTA transportation programs and funding for 1989 retrofit sound-wall list.

Media

Public Relations/Media Relations developed an intranet daily electronic newsletter for MTA employees.

Safety and Security

Safety completed successful trial installation, testing and acceptance by California Public Utilities Commission (CPUC) of four-quad rail crossing gate technology on the Metro Blue Line. This system should deter motorists from driving around crossing guards and are an additional safety measure to reduce the number of accidents.

No lost time injuries were reported on Segments 2B and 3 during the first six months of FY00 compared to seventeen lost time injuries in the first six months of FY99.

LAPD uncovered major bus transfer theft and counterfeit rings during FY00 with tips received, in part, from the Divisional "Cops-n-Ops" meetings with bus operators resulting in potential savings to the MTA.

Hosted the Federal Law Enforcement Training Centers program in transit security and anti-terrorism.

FY01 Budget Highlights

Finance

The Financial Information System (FIS) will be upgraded to Oracle government accounting system version Ili. Version Ili has enhanced workflow payment and cash forecasting capabilities and physical inventory monitoring.

Risk Management

Workers' Compensation premium continues to increase by \$10 million due to higher exposure and growth in payroll.

Administration

Provide professional real estate acquisition and relocation services to the City of Los Angeles for the Santa Monica Transit Way project which will combine 2.4 miles of North and South Santa Monica Boulevards into a transit parkway that will feature a center roadway with three vehicular travel lanes and a bicycle lane in each direction, a landscaped center median, frontage roads on both the north and south sides for parking and access to local streets and plus bus priority treatment at signalized intersections.

Division Networking Construction Project, which will significantly enhance network access and management reporting in Metro Bus and Metro Rail Operations, will begin the construction phase.

Commence design and implementation of the Maintenance and Materiel Management System that will improve operations and enhance efficiency.

MTA Budget Process

Budget Overview

The annual budget, as adopted by the Board of Directors, is the legal authority to obligate and spend funds. It includes all operating, capital and debt service requirements of the MTA for the fiscal year. MTA's fiscal year is from July 1st to June 30th. The annual budget is comprised of an Operating, Capital and Regional Programs budget.

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

- All revenue and expense assumptions and projections
- Revenue Service hours and miles of bus and rail service

The Operating Budget includes Metro Bus and Rail Operations, Freeway Service Patrol (FSP), planning activities and projects, property management activities, debt service, agency administration, and contingencies. The Operating Budget consists of the Enterprise, General, Special Revenue, and Debt Funds.

The Capital Budget includes all activities associated with bus acquisition, bus and rail capital improvements, rail construction activities, and other capital projects. The Board of Directors authorizes new capital project, total project cost and schedule. The approval of the project budget authorizes the total expenditures over the multi-year duration of the capital 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.

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

Programs funded in the Regional Programs Budget include capital and operating allocations to municipal bus operators, direct disbursements to Los Angeles County cities for transportation programs and services for the disabled provided by Access Services, Inc. (ASI).

MTA's financial records reflect only those funds which are actually received and directly disbursed by the MTA, mainly Proposition A and C revenues.

Budget Workflow

Budgeting for the fiscal year can be divided into three phases: (1) budget formulation and preparation (2) budget presentation and reviews; and (3) budget implementation. The FY01 budget process was characterized by the following events:

- Initial planning of the budget began in January. Preparation of the budget began in mid-February, departments developed their budget requests which were submitted to the Office of Management and Budget (OMB) in March
- Project and department level reviews of budget requests were scheduled in April
- The summary of the proposed budget was released to the Board of Directors and public on May 3, 2000
- MTA staff briefed the Board of Directors on May 8, 2000
- A public hearing was held May 18, 2000, in conjunction with the Finance and Budget Committee meeting
- The Budget was adopted on May 25, 2000 at the regularly scheduled Board of Directors meeting. Motions introduced during the adoption process are also included in the Appendix
- The FY01 budget will be implemented on July 1, 2000

Budget Basis

The MTA is a single, integral entity for budgeting and accounting purposes. However, it is reported as a collection of separate accounting entities known as funds. The Governmental Accounting Standards Board (GASB) defines a fund as a fiscal and accounting entity with a self-balancing set of accounts which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Annual budgets are adopted for each of the fund groups used by the MTA, including the Enterprise, General, Special Revenue, Capital Projects, and Debt Service Funds. All funds except the Enterprise and Special Revenue funds are accounted for using the modified accrual basis of accounting, meaning that revenue is recognized when it is both measurable and available. The Enterprise Fund uses the accrual basis of accounting in which revenue is recognized when it is earned or received. Department budgets are controlled at the line item or account level.

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

The Service Authority for Freeway Emergencies (SAFE) administers Los Angeles County's participation in the statewide Call Box program, which coordinates emergency services to motorists on freeways. SAFE is an independent financial entity component unit, which is administered by MTA staff. SAFE funding is derived from the \$1 fee collected on vehicle registrations. SAFE program expenditures are reflected in the Operating and Capital Budgets.

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

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

During the fiscal year, changes in law, economic conditions and emergencies can have an impact on budget authority. Spending authority may have to be increased or decreased throughout the fiscal year as these unanticipated situations arise. The Chief Executive Officer is given authority by the Board of Directors to transfer funds between projects, departments, and accounts within the same fund based on changes in need. Any transfers between projects, accounts and departments in different funds are subject to approval by the Board of Directors.

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Combined Financial Statement

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

**Combined Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ending June 30, 1999, 2000 and 2001**

(Amounts in millions)

	Proprietary Funds						Governmental Funds		
	Enterprise Fund			Internal Service Fund			Special Revenue Fund		
	FY99 Actual	FY00 Adopted Budget	FY01 Proposed	FY99 Actual	FY00 Adopted Budget	FY01 Proposed	FY99 Actual	FY00 Adopted Budget	FY01 Proposed
1 Revenue:									
2 Sales tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,167.6	\$ 1,228.2	\$ 1,284.6
3 Intergovernmental	-	-	-	-	-	-	93.0	45.3	62.3
4 Investment income	-	-	-	-	-	-	30.1	15.7	21.3
5 Licenses and fines	-	-	-	-	-	-	7.7	6.0	7.3
6 Other	-	-	-	-	-	-	(0.2)	0.9	-
7 Sub-total	-	-	-	-	-	-	1,298.3	1,296.1	1,375.5
8									
9 Operating revenues:									
10 Passenger fares	228.9	247.4	236.5	-	-	-	-	-	-
11 Route subsidies	1.1	-	0.4	-	-	-	-	-	-
12 Metrolink interagency agreement	-	2.3	2.3	-	-	-	-	-	-
13 Auxiliary transportation	12.3	13.6	14.7	-	-	-	-	-	-
14 Total revenues	242.3	263.3	253.9	-	-	-	1,298.3	1,296.1	1,375.5
15									
16 Operating expenses/expenditures:									
17 Transportation	561.7	514.3	513.4	-	-	-	-	-	-
18 Maintenance	214.8	297.4	293.1	-	-	-	-	-	-
19 Capital outlay	-	-	-	-	-	-	-	-	-
20 Subsidies	-	-	-	-	-	-	506.8	667.3	620.1
21 Services	-	-	-	311.0	120.5	92.6	7.9	66.5	82.1
22 Debt and interest expenditures	-	-	-	-	-	-	-	-	-
23 General and administrative	39.0	39.1	41.4	-	-	-	7.8	12.0	6.9
24 Total operating expenses/expenditures	815.4	850.8	847.9	311.0	120.5	92.6	522.5	745.8	709.1
25									
26 Excess (deficiency) of revenues over expenditures/									
27 Operating income (loss)	(573.1)	(587.5)	(594.0)	(311.0)	(120.5)	(92.6)	775.7	550.3	666.4
28 Non-operating revenues/(expenses):									
29 Local grants	1.5	-	-	-	-	-	-	-	-
30 Federal grants	55.9	-	100.3	-	-	-	-	-	-
31 Interest revenue	8.1	7.3	3.3	5.9	-	-	-	-	-
32 Debt and interest expense	(12.6)	(17.0)	(15.5)	-	-	-	-	-	-
33 Gain (loss) on disposition of fixed assets	(0.7)	-	2.1	-	-	-	-	-	-
34 Other	5.0	5.6	2.2	312.3	120.5	92.6	-	-	-
35 Total non-operating revenues	57.2	(4.1)	92.4	318.2	120.5	92.6	-	-	-
36									
37 Excess (deficiency) of revenues over expenditures/									
38 Operating income (loss) before other sources	(515.9)	(591.6)	(501.6)	7.2	-	-	775.7	550.3	666.4
39									
40 Other financing sources (uses):									
41 Operating transfers in	529.0	591.6	501.6	-	-	-	74.7	0.5	-
42 Operating transfers out	-	-	-	(7.2)	-	-	(783.9)	(796.3)	(837.1)
43 Proceeds from financing	-	-	-	-	-	-	-	43.3	-
44 Payment to refunding bond escrow agent	-	-	-	-	-	-	-	-	-
45 Proceeds of refunding bonds	-	-	-	-	-	-	-	-	-
46 Total other financing and sources (uses)	529.0	591.6	501.6	(7.2)	-	-	(709.2)	(752.5)	(837.1)
47									
48 Excess (deficiency) of revenues and other financing									
49 sources over expenditures and other financing uses	13.1	-	(0.0)	-	-	-	66.6	(202.2)	(170.7)
50									
51 Retained earnings (deficit)/fund balances-beg. of year	(102.2)	(89.1)	(89.1)	-	-	-	526.3	592.9	390.6
52									
53 Retained earnings (deficit)/fund balances-end of year	\$ (89.1)	\$ (89.1)	\$ (89.1)	\$ -	\$ -	\$ -	\$ 592.9	\$ 390.6	\$ 219.9

Note - The Benefit Assessment Districts, an Agency Fund, has been excluded from the MTA's budget, because legally adopted budgets are not required for Agency Funds.

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

	Governmental Funds									Totals		
	Capital Funds			General Fund			Debt Service Fund			(Memorandum Only)		
	FY99 Actual	FY00 Adopted Budget	FY01 Proposed	FY99 Actual	FY00 Adopted Budget	FY01 Proposed	FY99 Actual	FY00 Adopted Budget	FY01 Proposed	FY99 Actual	FY00 Adopted Budget	FY01 Proposed
1												
2	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,167.6	\$ 1,228.2	\$ 1,284.6
3	225.0	560.1	354.1	1.7	9.2	10.9	3.4	2.5	2.4	323.1	617.1	429.7
4	5.9	-	-	0.9	1.0	0.9	10.7	-	-	47.6	16.7	22.2
5	-	-	-	0.4	0.5	0.3	-	-	-	8.1	6.5	7.6
6	6.2	1.2	-	14.7	11.9	14.4	1.4	-	-	22.1	14.0	14.4
7	237.1	561.3	354.1	17.7	22.6	26.5	15.5	2.5	2.4	1,568.6	1,882.5	1,758.5
8												
9												
10	-	-	-	-	-	-	-	-	-	228.9	247.4	236.5
11	-	-	-	-	-	-	-	-	-	1.1	-	0.4
12	-	-	-	-	-	-	-	-	-	-	2.3	2.3
13	-	-	-	-	-	-	-	-	-	12.3	13.6	14.7
14	237.1	561.3	354.1	17.7	22.6	26.5	15.5	2.5	2.4	1,810.9	2,145.8	2,012.4
15												
16												
17	-	-	-	-	-	-	-	-	-	561.7	514.3	513.4
18	-	-	-	-	-	-	-	-	-	214.8	297.4	293.1
19	378.0	561.8	572.8	-	-	-	-	-	-	378.0	561.8	572.8
20	-	-	-	4.8	3.7	0.4	-	-	-	511.6	671.0	620.5
21	-	-	-	15.1	49.1	69.3	1.6	-	-	335.6	236.1	244.0
22	-	-	-	-	-	-	300.7	267.2	280.2	300.7	267.2	280.2
23	36.0	46.3	17.8	11.4	8.0	10.6	-	-	-	94.2	105.4	76.7
24	414.0	608.1	590.6	31.3	60.8	80.3	302.3	267.2	280.2	2,396.5	2,653.2	2,600.7
25												
26												
27	(176.9)	(46.8)	(236.5)	(13.6)	(38.2)	(53.8)	(286.8)	(264.7)	(277.8)	(585.7)	(507.4)	(588.3)
28												
29	-	-	-	-	-	-	-	-	-	1.5	-	-
30	-	-	-	-	-	-	-	-	-	55.9	-	100.3
31	-	-	-	-	-	-	-	-	-	14.0	7.3	3.3
32	-	-	-	-	-	-	-	-	-	(12.6)	(17.0)	(15.5)
33	-	-	-	-	-	-	-	-	-	(0.7)	-	2.1
34	-	-	-	-	-	-	-	-	-	317.3	126.1	94.8
35	-	-	-	-	-	-	-	-	-	375.4	116.4	185.0
36												
37												
38	(176.9)	(46.8)	(236.5)	(13.6)	(38.2)	(53.8)	(286.8)	(264.7)	(277.8)	(210.3)	(391.0)	(403.3)
39												
40												
41	134.5	15.5	109.7	19.0	44.7	32.4	194.7	250.1	277.8	951.9	902.4	921.5
42	(154.6)	(101.0)	(84.1)	(3.9)	(5.1)	(0.3)	(2.4)	-	-	(951.9)	(902.4)	(921.5)
43	193.5	102.6	174.0	-	-	-	106.7	14.6	-	300.2	160.5	174.0
44	-	-	-	-	-	-	(342.8)	(100.0)	(365.0)	(342.8)	(100.0)	(365.0)
45	-	-	-	-	-	-	330.7	100.0	365.0	330.7	100.0	365.0
46	173.4	17.1	199.6	15.1	39.6	32.1	286.9	264.7	277.8	288.1	160.5	174.0
47												
48												
49	(3.5)	(29.7)	(36.9)	1.5	1.4	(21.7)	0.1	-	-	77.8	(230.5)	(229.3)
50												
51	36.1	32.6	(10.7)	13.4	14.9	56.0	109.5	109.6	109.6	583.0	660.8	456.4
52												
53	\$ 32.6	\$ (10.7)	\$ (47.6)	\$ 14.9	\$ 56.0	\$ 34.3	\$ 109.6	\$ 109.6	\$ 109.6	\$ 660.8	\$ 430.3	\$ 227.1

Major Budget Assumptions

Service Level Assumptions

The FY01 budget assumes the following new services:

- The Metro Red Line Segment 3 rail service to North Hollywood from the beginning of FY01
- Full year operation of Rapid Bus on Ventura Boulevard & Wilshire-Whittier Corridors
- Metro Green Line rail service will operate a two car consist at peak and Division 22 (Metro Green Line) will be fully operational
- 7,271,125 bus revenue service hours - 3% increase from FY00
- 242,709 Metro Blue Line/Metro Green Line vehicle service hours - 20% increase from FY00
- 259,919 Metro Red Line vehicle service hours - 10% increase from FY00
- Delivery and operation of 502 new CNG buses
- Delivery of thirty BREDA and twenty-nine Siemens rail cars

Mode	Vehicle Revenue Hours (000)
Bus	
MTA Operated (BASE)	6,069
MTA Operated (R.B.)	610
Contracted Service	592
Subtotal Bus	7,271
Rail	
Blue Line	158
Red Line	260
Green Line	85
Subtotal Rail	503
Total	7,774

Capital Improvement Plan Assumptions

- Begin Universal Fare System (UFS) implementation for seamless inter-modal/inter-agency transit level
- Upgrade and increase capacity of CNG facilities
- Upgrade and expand capacity at Metro Red Line yard
- Replace approximately 200 non-revenue vehicles
- Construction of Metro Blue Line station platform extension for three-car configuration

Other Budget Assumptions

- Includes an increase in funding for Mid-City-Westside and Eastside Corridors environmental studies and preliminary engineering
- Includes funding for the sound-wall implementation program including noise study and or design contracts
- Sales tax revenue grows at 3% over FY00 projected level
- \$50 million in Section 3 New Starts for Metro Red Line North Hollywood
- Bus cost per revenue service hour of \$98.75
- All wages increased by Consumer Price Index (CPI)

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

Revenue Detail - FY01 Budget			
Fund Type	Revenues	Assumptions	Application/Uses
<i>Sales Tax Revenues</i>			
1. Proposition A	\$557.2 million in revenues include \$55 million in carryover funds and \$502.3 million in new sales tax.	FY01 sales tax forecast was calculated by adjusting up FY00 by \$3.6 million for aerospace withdrawal and increasing it by 3% over the FY00 projected receipts.	All areas of budget-operations, debt service, general fund, planning projects, and subsidies.
2. Proposition C	\$694.2 million revenues include \$191.7 million in carryover funds and \$502.5 million in new tax revenues.	Sales tax forecast was calculated by increasing 3% over the FY00 projected receipts.	All areas of budget-operations, debt service, general fund, planning projects, and subsidies.
3. Transportation Development Act (TDA)	\$376.4 million in revenues include \$123 million in carryover funds and \$253.7 million in new tax revenues.	Sales tax forecast was calculated based on 0.2525% of combined new FY01 Prop A & C estimated sales tax revenues.	MTA bus and rail operations, local match to COP and capital projects, subsidies to municipal bus operators.
4. State Transit Assistance (STA)	\$34.5 million in revenues include \$8.3 million carryover funds and \$26.1 million in new revenues.	Preliminary revenue projection based on Caltrans Fund Estimate dated 08/99.	MTA bus and rail operations, subsidies to municipal bus operators.
<i>Intergovernmental Revenues</i>			
<i>Local Revenues</i>			
1. Access System Inc.	\$41.6 million in new revenues.	Based on Board approved funding plan.	ADA Compliance program.
2. City of Los Angeles	\$6.2 million in new revenues.	Projection based on updated agreement between LA City and MTA for rail construction projects.	Metro Red Line-North Hollywood construction expenses.
3. Southern California Air Quality Management District (SCAQMD)	\$3 million in new revenues.	Clean fuel funds for bus purchases as identified in the Accelerated Bus Procurement Funding Plan dated 10/06/98 and estimated grant funds as projected by Countywide Planning staff.	Bus acquisition, fuel cell power system purchase, and SB836 project.
4. Los Angeles County	\$600K in new revenues.	Based on estimate by Countywide Planning staff of anticipated grant funds. Funds are on reimbursement basis.	Welfare to work program and tree planting project.
5. CSDA/CTFC Sub-lease agreement	\$2.4 million in new revenues.	Consistent with FY01 MTA's Treasury Dept. Debt Plan.	Financing reimbursements for COP sub-lease debt service.
6. Local Other	\$2.4 million in new revenues. This includes \$1.2 million Welfare to Work, \$857K 1998 SB 836 Rideshare Program, \$292K Route 710 Corridor MIS, \$70K Project Intermodal Multi Jurisdictional Integrated Network Environment (IMAJINE), and \$6.8K Getty Museum Intern Subsidy.	Based on estimate by Countywide Planning staff of anticipated grant funds. A portion includes funds allocated from L.A. County Private Industry Council and Department of Public Social Services.	Welfare to Work Program, SB836 Rideshare Program, Route 710 Corridor MIS, Project IMAJINE, and Getty Museum Intern Subsidy.
<i>State Revenues</i>			
1. Rail Bonds - Prop 116	\$2 million in new revenues.	Based on current construction expenditure plans.	Metro Green Line project
2. Regional Improvement Funds	\$60.3 million in new revenues.	Based on 1998 STIP Augmentation.	Accelerated bus procurement

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

Revenue Detail - FY01 Budget			
Fund Type	Revenues	Assumptions	Application/Uses
3. State Transit Capital Improvement (TCI)	\$20K in new revenues.	Based on estimate by Countywide Planning staff of anticipated grant funds. Funds are on reimbursement basis.	Westlake-MacArthur Park intercept facility project
4. SB45 Administration	\$3.1 million in new revenues.	Estimated by Capital Planning staff, consistent with SB45 funding plan.	Administration and oversight of planning projects
5. Budget Change Proposal (BCP)	\$3.9 million in new revenues.	Based on State Highway Operations Dept estimate of anticipated grant funds from Caltrans for Freeway Service Patrol project.	Freeway Service Patrol Program (FSP)
6. State Other	\$5.3 million in new revenues. This includes \$4.7 million STIP funds, \$292K Route Corridor MIS, \$70K Pico/Slauson Metro Blue Line Station, \$70K Project IMAJINE, and \$185K Transportation Equity Act (TEA).	Based on estimate by Countywide Planning staff of anticipated grant funds. Funds are on reimbursement basis.	SCAG Core & Employer Rideshare Program, Route 710 Corridor MIS, Transit Museum, Project IMAJINE, and Pico/Slauson Metro Blue Line Station.
Federal Revenues			
1. Section 5309 [3] New Starts	\$49.1 million in available revenues includes \$39.2 million of capital new starts & \$9.8 million of deferred local share, and \$154K for Grant Management.	Assumed to average \$65 million annually through FY 2013. Funds reimbursed to MTA as they are incurred.	Metro Red Line Segment 3-North Hollywood project and Grant Management.
2. Section 5309 [3] Fixed Guideways Modernization	\$34.2 million in available revenues.	Assumed guaranteed level of TEA 21 and projected added eligible miles that become seven years old during the plan period. Funds reimbursed to MTA as they are incurred.	Rail asset maintenance capital projects.
3. Section 5307 [9] Capital	\$43.5 million in available revenues.	Assumed at the guaranteed level of TEA 21 as determined by the federal formula and SCAG implementing formulas. Section 5307 funds reimbursed to MTA as they are incurred.	COP debt service, Bus and rail capital and Preventive Maintenance
4. Section 5313	\$500K in new revenues.	Based on Countywide Planning staff of anticipated grant funds.	State planning and research program
5. Congestion Mitigation and Air Quality (CMAQ)	\$150.7 million in new revenues.	Based on State Implementation Plan that has been approved pursuant to the Clean Air Act.	Bus acquisition and Facility improvements
6. Petroleum Violation Escrow Account (PVEA)	\$190K in available revenues.	Based on estimate by Countywide Planning staff of anticipated grant funds. Funds are on reimbursement basis.	Smart corridor evaluation project
7. Clean Fuel Program	\$5.7 million in new revenues	Grant appropriated by Congress Per TEA 21 legislation.	Clean fuel bus procurement

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

Revenue Detail - FY01 Budget

Fund Type	Revenues	Assumptions	Application/Uses
8. Federal Other	\$15.1 million in available revenues. This includes \$6.3 million Phase 1 & 2 Supplemental Draft Environmental Impact Statement (SDEIS) & San Fernando Valley Environmental Impact Statement (SFEIS), \$3.8 million Mid-Cities/Westside Corridor Studies, \$1 million Welfare to Work, \$1.4 million Catellus Pedestrian Improvement Project, \$624K LA Ventura Advanced Traveler Information System (ATIS), \$560K Project IMAJINE, \$500K Figueroa Corridor Pedestrian Improvement, \$400K Glendale Blvd. Terminus, \$300K Project Management, \$200K Eastside Ext., \$50K Metro Rapid Bus, and \$16K Alameda Bypass.	Based on estimate by Countywide Planning staff of anticipated grant funds.	Phase 1 & 2 SDEIS & SFEIS, Mid-Cities/Westside Corridor Studies, Welfare to Work, Catellus Pedestrian Improvement Project, LA Ventura ATIS, Project IMAJINE, Figueroa Corridor Pedestrian Improvement, Glendale Blvd. Terminus, Project Management, Eastside Ext, Rapid Bus, and Alameda Bypass.
Investment Income Revenues			
1. Prop A Interest	\$15.7 million in revenues including \$11.4 million in carryover funds and \$4.2 million in new revenues.	New revenue estimate is based on average portfolio investment amount with an annual yield rate of 4.90%	MTA bus operations and Municipal Bus operators
2. Prop C Interest	\$34 million in revenues including \$21.6 million in carryover funds and \$12.4 million in new revenues.	New revenue estimate is based on average portfolio investment amount with an annual yield rate of 4.90%	MTA bus operations and Municipal Bus operators
3. TDA Interest	\$7.2 million in revenues including \$3.2 million in carryover funds and \$4 million in new revenues.	New revenue estimate is based on an annual average of \$100 million with a yield of 4%	MTA bus operations and Municipal Bus operators
4. STA Interest	\$695K in revenues including \$295K in carryover funds and \$400K in new revenues.	New revenue estimate is based on an annual average of \$10 million with a yield of 4%	MTA bus operations and Municipal Bus operators
5. General Fund-Interest Revenue	\$849K in new revenues.	New revenue estimates are based on average portfolio investment amount at annual yield rate of 4.90%	General administrative expenditures
Lease And Rental			
1. Lease and Rental	\$11.3 million in new revenues.	Based on MTA's property management department estimate and actual lease agreements.	Property management Metro Bus & Rail Operations Joint development
License And Fines			
1. Service Authority for Freeway Emergencies (SAFE)	\$21.4 million in revenues including \$14.1million in carryover balance and \$7.3 million in new revenues.	Based on number of registered vehicles in LA. County at \$1 per car and actual FY99 revenues.	Call box program
2. HOV Lanes Fines	\$250K in new revenues.	Based on State Highway Operations Dept estimate of anticipated funds.	Freeway Service Patrol program (FSP)

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

Revenue Detail - FY01 Budget			
Fund Type	Revenues	Assumptions	Application/Uses
General Fund Revenues			
1. Parking Fees	\$770K in new revenues.	Projected revenues are based on analysis of actual monthly receipts from Catellus Corporation, and are estimated at an average of \$64K a month.	General administrative expenditures
2. SCRRA Administrative Support	\$101K in new revenues.	Based on current contract agreements between SCRRA and MTA's ITS department including \$41K in FTE support and \$26K in Oracle FIS license fees.	General administrative expenditures
3. Copying Fees & Bid Document Sales	\$4K in new revenues.	Amount is consistent with FY99 level.	General administrative expenditures
4. Employee Activities	\$712K in new revenues.	Based on projected revenues by Human Resources department including \$418K for Employee Center ticket, logo merchandise and See's candy sales.	Employee activities related projects
5. HR Development Training	\$409K in new revenues.	Based on projected revenues by Human Resources department including \$229K for Signal Systems Training Program.	Human Resources development training provided to local transit agencies.
6. Miscellaneous	\$689K in new revenues.	Projection is based on analysis of miscellaneous cash receipts.	General administrative expenditures
7. PBL (Admin Costs Reimbursement)	\$527K in new revenues.	Based on estimate from MTA's Property Management department on projected reimbursements from Pasadena Authority.	Property Management program related to Pasadena Blue Line.
8. General Funds Estimated Carryover Balance	\$56 million in carryover funds.	Based on analysis of accounting records. Balance includes unspent FY99 budgeted expenditures.	Board Contingency Programs, Office of County Counsel, Legal Services, Countywide Planning & Development Projects, and Office of Inspector General..
Other Revenues			
1. Federal Aid Urban Cash (FAU Cash)	\$11.4 million in revenues includes \$11.1 million in carryover and \$300K in new revenues.	Estimate of investment income is based on anticipated average cash balance of \$6.0 million with an annual yield rate of 4.90%	Countywide Planning and Development projects.
2. Ridesharing	\$1.1 million in carryover funds.	Based on analysis of MTA financial records.	Bus operations
3. Benefit Assessment District (BAD)	\$8.9 million in new revenues.	Financing reimbursements to equal annual debt service expenditures. The assessments are collected from commercial property owners within half a mile of certain Metro Red Line Stations.	Financing reimbursements for Benefit Assessment debt (BAD) service

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

Revenue Detail - FY01 Budget			
Fund Type	Revenues	Assumptions	Application/Uses
Operating Revenues			
1. Fare Box Revenues- Passenger fares	\$236.5 million in new revenues.	Assumes increased boardings due to additional bus service, additional rail boardings due to the extension of the Metro Red Line to North Hollywood, and increased Metro Green Line service. (fare reimbursement - \$1 million)	Bus and rail operations
2. Hollywood Shuttle	\$404K in new revenues.	Based on prior year actual and estimated contract value between MTA and LA County and LA Philharmonic.	Bus operations
3. Metrolink Interagency Agreement	\$2.3 million in new revenues.	Revenues are based on annual estimate of 2.8 million passengers transferring from Metrolink to Red Line and MTA's buses at \$.80 each. Growth rate consistent with last year's level assumption.	Bus and rail operations
4. Auxiliary Transportation-Advertising	\$14.7 million in new revenues.	Based on contract with Transportation Display Incorporated. FY01 revenue from bus advertising includes \$1.0 million for wrapped advertising. No revenue for rail advertising is projected for FY01.	Bus operations
Non-Operating Revenues			
1. Federal Preventative Maintenance Grant	\$77.5 million in new revenues.	Assumed at the guaranteed level of TEA 21 as determined by the federal formula and SCAG implementing formulas. Section 5307 funds reimbursed to MTA as they are incurred.	Bus and Rail Preventative Maintenance
2. Federal Fixed Guideways Modernization Grant	\$4.8 million in new revenues.	Assumed guaranteed level of TEA 21 and projected added eligible miles that become seven years old during the plan period. Funds reimbursed to MTA as they are incurred.	Rail asset maintenance capital projects.
3. Federal CMAQ Rapid Bus Grant	\$18 million in new revenues.	Based on State Implementation Plan that has been approved pursuant to the Clean Air Act.	Rapid Bus Pilot Program operations
4. Interest Revenues	\$3.3 million in new revenues.	Based on pooled account average balance of \$67 million earning an annual yield rate of 4.9%	Bus operations
5. Bus Parts/Scrap Sales	\$448K in new revenues.	Based on MTA's Procurement Department estimate of revenues from the sale of salvaged bus parts and non-revenue vehicles.	Bus operations
6. Filming Fees	\$450K in new revenues.	Based on MTA's Customer Relations Department projection estimated at FY00 budgeted level and filming activity trends in Southern California.	Bus operations

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

Revenue Detail - FY01 Budget			
Fund Type	Revenues	Assumptions	Application/Uses
7. County Buydown of Fare Media	\$450K in new revenues.	FY01 amount based on Customer Service Department revised cash flow assumption.	Bus operations
8. Fare Violations/Fines	\$400K in new revenues.	Revenue is based on MTA's Transit Security Department projected number of citations that will be issued in FY01.	Bus and rail operations
9. Sales of Surplus Property	\$2.1 million in new revenues.	Revenue is based on sales of surplus real estate property.	Bus operations
10. Miscellaneous	\$549K in new revenues.	Based on analysis of FY99 and FY00 cash receipts. Excludes sales of surplus property which is stated separately.	Bus and rail operations
Other Financing Sources			
1. Proceeds from Financing	\$220.2 million in funds include \$46.2 million in carryover funds and \$174 million in new bonds issue.	Based on Call For Projects (CFP), capital expenditures requirements and MTA Treasury Department debt plan.	Bus and rail capital asset maintenance and light rail projects
2. Proceeds from Refunding Bonds	\$365 million in refunding bonds.	Based on MTA Treasury Department debt plan.	Tax-exempt commercial paper refunding

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

Summary of Revenues and Carryovers by Source

(Amounts in thousands)

Revenue Source	Fiscal Year 1999			Fiscal Year 2000			Fiscal Year 2001		
	Carryover	Actual	Total	Carryover	Adopted	Total	Carryover	Proposed	Total
1 Sales Tax Revenues									
2 Proposition A									
3 Administration	\$ 1,343	\$ 22,453	\$ 23,796	\$ 827	\$ 23,809	\$ 24,636	\$ 2,375	25,115	\$ 27,490
4 Local Return (25%)	-	106,650	106,650	8,887	113,092	121,979	11,054	119,296	130,350
5 Rail - Set Aside (35%)	-	149,311	149,311	14,581	158,329	172,910	27,244	167,015	194,258
6 Discretionary (95% of 40%)	1,098	162,109	163,207	23,844	171,900	195,744	7,955	181,330	189,285
7 Incentive (5% of 40%)	206	8,532	8,738	7,030	9,047	16,077	6,311	9,544	15,854
8 Total proposition A	2,647	449,055	451,702	55,169	476,177	531,346	54,938	502,300	557,238
9									
10 Proposition C									
11 Administration	183	6,783	6,966	382	7,199	7,581	2,915	7,538	10,453
12 Local Return (20%)	-	89,090	89,090	7,416	94,548	101,964	13,093	98,993	112,085
13 Security (5%)	-	22,272	22,272	-	23,637	23,637	1,136	24,748	25,884
14 Commuter Rail (10%)	18,043	44,545	62,588	27,254	47,274	74,528	29,478	49,496	78,975
15 Streets & Highways (25%)	100,734	111,362	212,096	152,476	118,185	270,661	109,556	123,741	233,297
16 Discretionary (40%)	12,795	178,179	190,974	37,675	189,096	226,771	35,490	197,985	233,475
17 Total proposition C	131,755	452,231	583,986	225,203	479,940	705,143	191,668	502,500	694,168
18									
19 Transportation Development Act - TDA									
20 Administration - (Fixed)	-	6,000	6,000	1,114	6,000	7,114	-	6,000	6,000
21 Article 3 - (2%)	51	4,465	4,516	7,187	4,701	11,888	6,347	4,954	11,301
22 Article 4 - (92.68%)	26,338	207,376	233,714	77,335	217,837	295,172	116,369	229,568	345,937
23 Article 8 - (5.32%)	129	11,433	11,562	-	12,504	12,504	-	13,178	13,178
24 Total TDA	26,518	229,274	255,792	85,636	241,042	326,678	122,716	253,700	376,416
25									
26 State Transit Assistance - STA									
27 Revenue Share - PUC 99314	-	19,000	19,000	10,422	16,578	27,000	2,869	13,381	16,250
28 Population Share - PUC 99313	-	18,082	18,082	1,949	14,466	16,415	5,463	12,749	18,212
29 Total STA	-	37,082	37,082	12,371	31,044	43,415	8,332	26,130	34,462
30 Total Sales Tax	160,920	1,167,642	1,328,562	378,379	1,228,202	1,606,581	377,654	1,284,630	1,662,284
31									
32 Intergovernmental									
33 Local Funds									
34 Access System Inc - ASI (RSTP Federal Funds)	-	27,635	27,635	-	39,700	39,700	-	41,554	41,554
35 City of LA.	-	10,155	10,155	-	18,129	18,129	-	6,208	6,208
36 SCAQMD	-	-	-	-	7,415	7,415	-	3,000	3,000
37 County of LA.	-	-	-	-	1,163	1,163	-	600	600
38 Joint Development - Grand Central Market	-	1,606	1,606	-	-	-	-	-	-
39 Metrolink reimbursement	-	2,566	2,566	-	-	-	-	-	-
40 CSDA/CTFC Sub-lease agreement	-	1,797	1,797	-	2,522	2,522	-	2,424	2,424
41 Kaiser Hospital	-	2,434	2,434	-	1,234	1,234	-	-	-
42 Local Other	-	5,106	5,106	-	-	-	-	2,437	2,437
43 Total local funds	-	51,299	51,299	-	70,163	70,163	-	56,223	56,223
44 State Funds									
45 Rail Bonds - Prop 116	10,691	35,136	45,827	-	7,258	7,258	-	2,000	2,000
46 TSM Funds	-	27,044	27,044	-	-	-	-	-	-
47 Regional Improvement Funds	-	-	-	-	69,000	69,000	-	60,273	60,273
48 State STP	-	-	-	-	85,286	85,286	-	-	-
49 State Highway Account	-	25,258	25,258	-	11,081	11,081	-	-	-
50 State TCI	233	-	233	-	600	600	-	20	20
51 SB45 Administration	-	-	-	-	3,100	3,100	-	3,115	3,115
52 Budget Change Proposal - BCP	-	4,671	4,671	-	4,544	4,544	-	3,870	3,870
53 State Other	2,456	4,547	7,003	-	1,608	1,608	-	5,331	5,331
54 Total state funds	13,380	96,656	110,036	-	182,477	182,477	-	74,608	74,608
55 Federal Funds									
56 Federal Section 5309 [3] Capital - New Starts	61,463	92,071	153,534	-	65,573	65,573	-	49,053	49,053
57 Federal Section 5309 [3] Fixed Guideways	13,087	2,169	15,256	-	43,751	43,751	-	34,202	34,202
59 Federal Section 5307 [9] Capital	146,069	75,393	221,462	-	180,436	180,436	-	43,469	43,469
60 Federal Section 5313B [26]	300	-	300	-	-	-	-	500	500
61 CMAQ (Regional & Exchange)	20,000	6,135	26,135	-	67,653	67,653	-	150,717	150,717
62 PVEA	1,234	148	1,382	-	300	300	-	190	190
63 FEMA - Earthquake	-	46	46	-	-	-	-	-	-
64 FHWA	-	304	304	-	1,384	1,384	-	-	-
65 Clean Fuel Bus Program	6,619	-	6,619	-	-	-	-	5,700	5,700
66 Federal Other	2,025	642	2,667	-	1,675	1,675	-	15,062	15,062
67 Total federal funds	250,797	176,908	427,705	-	360,772	360,772	-	298,893	298,893
68 Total Intergovernmental	264,177	324,863	589,040	-	613,412	613,412	-	429,724	429,724
69 Balance to following page	\$ 425,097	\$ 1,492,504	\$ 1,917,601	\$ 378,379	\$ 1,841,614	\$ 2,219,993	\$ 377,654	\$ 1,714,354	\$ 2,092,008

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

Revenue Source	Fiscal Year 1999			Fiscal Year 2000			Fiscal Year 2001		
	Carryover	Actual	Total	Carryover	Adopted	Total	Carryover	Proposed	Total
70 Balance from previous page	\$ 425,097	\$ 1,492,504	\$ 1,917,601	\$ 378,379	\$ 1,841,614	\$ 2,219,993	\$ 377,654	\$ 1,714,354	\$ 2,092,008
71 Investment Income									
72 Prop A Interest	1,954	4,019	5,973	8,752	3,300	12,052	11,431	4,225	15,657
73 Prop C Interest	1,608	14,333	15,941	15,519	8,027	23,546	21,580	12,345	33,925
74 TDA Interest	1,521	6,226	7,747	21,516	4,000	25,516	3,178	4,000	7,178
75 STA Interest	344	902	1,246	295	400	695	295	400	695
76 General Fund - Interest Revenue	-	364	364	-	1,000	1,000	-	849	849
77 Interest Earned on Debt Service Funds	-	10,694	10,694	-	-	-	-	-	-
78 Interest Earned on Capital Projects Fund	-	6,039	6,039	-	-	-	-	-	-
79 Total investment income	5,427	42,577	48,004	46,082	16,727	62,809	36,484	21,820	58,304
80 Lease and Rental	-	8,670	8,670	-	10,500	10,500	-	11,295	11,295
81 License and Fines									
82 SAFE	12,594	7,743	20,337	12,428	6,000	18,428	14,141	7,300	21,441
83 HOV Lanes Fines	89	489	578	-	452	452	-	250	250
84 Total license and fines	12,683	8,232	20,915	12,428	6,452	18,880	14,141	7,550	21,691
85 Other									
86 General fund revenues									
87 Parking Fees	-	772	772	-	720	720	-	770	770
88 Lazard Freres Settlement	-	6,521	6,521	-	-	-	-	-	-
89 SCRRA Administrative Support	-	-	-	-	-	-	-	101	101
90 Copying Fees & Bid Document Sales	-	-	-	-	75	75	-	4	4
91 Vendor Fair Fees/Misc Customer Relations Fees	-	-	-	-	76	76	-	-	-
92 Employee Activities	-	425	425	-	463	463	-	712	712
93 HR Development Training	-	-	-	-	-	-	-	409	409
94 Miscellaneous other	-	373	373	-	80	80	-	689	689
95 Pasadena B.L. (Admin costs reimbursement)	-	-	-	-	-	-	-	527	527
96 General fund estimated carryover balance*	1,556	-	1,556	8,021	-	8,021	55,963	-	55,963
97 Total general fund revenues	1,556	8,091	9,647	8,021	1,414	9,435	55,963	3,212	59,175
98 FAU Cash	-	960	960	14,437	500	14,937	11,141	300	11,441
99 Ports Hwy Improvement	10,622	460	11,082	6,724	380	7,104	-	-	-
100 Ridesharing	-	70	70	-	-	-	1,109	-	1,109
101 Sumitomo Gearbox Settlement	-	4,400	4,400	-	-	-	-	-	-
102 Benefit Assessment District	-	-	-	-	16,202	16,202	-	8,847	8,847
103 Miscellaneous	-	2,717	2,717	-	-	-	-	-	-
104 Total other	12,178	16,698	28,876	29,182	18,496	47,678	12,250	12,359	24,609
105 Operating revenues:									
106 Fare Box Revenues - Passenger fares	-	226,477	226,477	-	247,421	247,421	-	236,484	236,484
107 Route subsidies - Hollywood shuttle	-	1,147	1,147	-	-	-	-	404	404
108 Metrolink Interagency Agreement	-	2,377	2,377	-	2,254	2,254	-	2,276	2,276
109 Auxiliary transportation - Advertising	-	12,275	12,275	-	13,630	13,630	-	14,713	14,713
110 Total operating revenues	-	242,276	242,276	-	263,305	263,305	-	253,877	253,877
111 Non-operating revenues									
112 Local operating grants	-	791	791	-	-	-	-	-	-
113 FTA Grant - 5307 Preventive Maintenance	-	55,845	55,845	-	-	-	-	77,483	77,483
114 FTA Grant - 5309 Fixed Guideways	-	-	-	-	-	-	-	4,790	4,790
115 FTA Grant - CMAQ Rapid Bus	-	-	-	-	-	-	-	18,000	18,000
116 Interest revenues (includes share of ISF interest)	-	8,152	8,152	-	7,300	7,300	-	3,303	3,303
117 Net Appreciation in fair value of investments	-	(550)	(550)	-	-	-	-	-	-
118 Other:									
119 Bus parts/scrap sales	-	1,143	1,143	-	380	380	-	448	448
120 Rental revenue vehicle	-	-	-	-	2,686	2,686	-	-	-
121 Filming Fees	-	568	568	-	650	650	-	450	450
122 County Buydown	-	697	697	-	351	351	-	450	450
123 Fare Violations/Fines	-	200	200	-	350	350	-	400	400
124 Sales of Surplus Property	-	-	-	-	-	-	-	2,100	2,100
125 Miscellaneous	-	3,625	3,625	-	1,250	1,250	-	549	549
126 Total other operating	-	6,233	6,233	-	5,667	5,667	-	4,397	4,397
127 Total non-operating revenue	-	70,471	70,471	-	12,967	12,967	-	107,973	85,183
128 Total Revenues	455,385	1,881,430	2,336,815	466,071	2,170,061	2,636,132	440,529	2,129,228	2,569,757
129 Other financing Sources									
130 Proceeds from financing									
131 Proposition A Rail Bonds	-	149,002	149,002	-	85,505	85,505	28,520	42,500	71,020
132 Proposition C St & Hwys and Discr Bonds	-	151,143	151,143	40,100	75,000	115,100	16,524	131,500	148,024
133 General revenue bonds	4,588	-	4,588	3,448	-	3,448	1,187	-	1,187
134 Total proceeds from financing	4,588	300,145	304,733	43,548	160,505	204,053	46,231	174,000	220,231
135 Proceeds of refunding bonds	-	330,700	330,700	-	100,000	100,000	-	365,000	365,000
136 Total other financing sources	4,588	630,845	635,433	43,548	260,505	304,053	46,231	539,000	585,231
137 Total revenues and carryovers	\$ 459,973	\$ 2,512,275	\$ 2,972,248	\$ 509,619	\$ 2,430,566	\$ 2,940,186	\$ 486,760	\$ 2,668,228	\$ 3,154,988

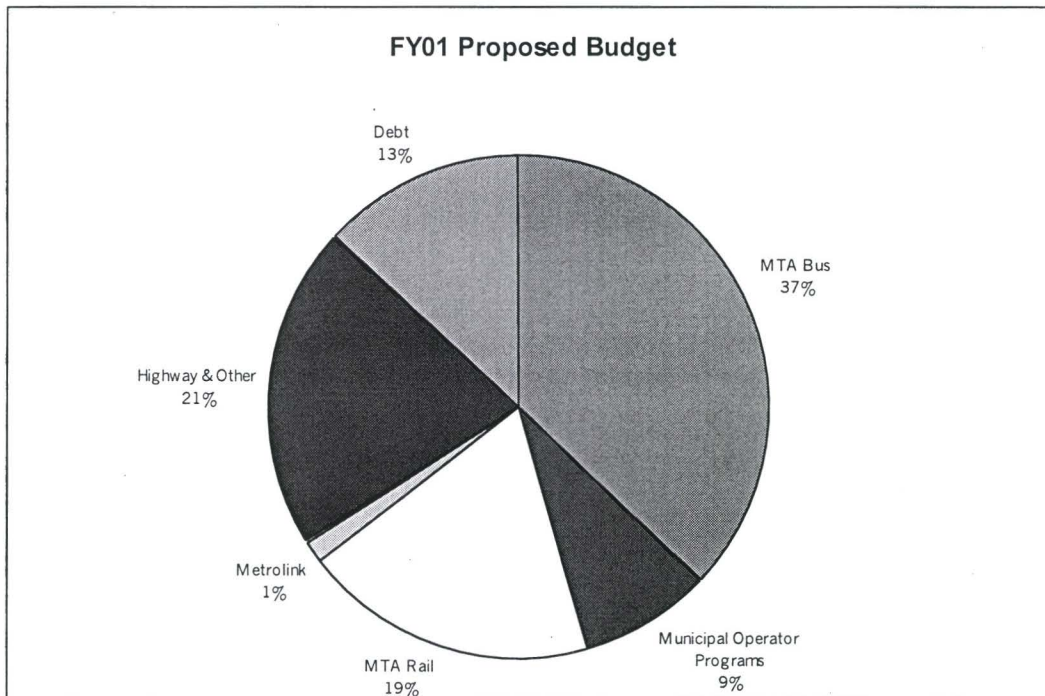
NOTES: Intergovernmental funds are on reimbursement basis therefore, no carryover balances are assumed.

*Increase in carryover balances reflect budgeted transfers from Special Revenue fund but corresponding expenditures were deferred.

Summary of Expenditures by Program

(Dollars in millions)

	FY99 Actual	FY00 Adopted	FY01 Proposed	FY99 Actual	FY00 Adopted	FY01 Proposed
MTA Bus						
Capital	\$ 119.2	\$ 204.2	\$ 242.4	5.1%	8.1%	9.5%
Operating	681.6	727.7	702.8	29.3%	28.7%	27.5%
MTA Bus Subtotal	800.8	931.9	945.2	34.4%	36.7%	37.0%
MTA Rail						
Rail Construction	391.4	292.0	247.0	16.8%	11.5%	9.7%
Capital	70.8	107.7	101.8	3.0%	4.2%	4.0%
Operating	98.9	120.9	131.9	4.3%	4.8%	5.2%
MTA Rail Subtotal	561.1	520.6	480.7	24.1%	20.5%	18.8%
Municipal Operator Programs	157.9	187.2	215.8	6.8%	7.4%	8.5%
Metrolink	38.8	39.4	35.7	1.7%	1.6%	1.4%
Highway & Other	432.8	530.2	531.9	18.6%	20.9%	20.8%
Debt Service	334.3	327.2	343.1	14.4%	12.9%	13.4%
Total Expenditures by Program	\$ 2,325.7	\$ 2,536.5	\$ 2,552.5	100.0%	100.0%	100.0%



Financials

Enterprise Fund

Fund Narrative

The Enterprise Fund is used to account for Metro Bus and Rail Operations, which are financed and operated in a manner similar to that formula in the private sectors. The transit services included within the Enterprise Fund are Metro Bus, Rapid Bus, light-rail and heavy-rail service and other regional programs. Other regional programs support all transit providers in Los Angeles County, including the Patsaouras Transit Plaza, transitways and the 1-800-COMMUTE telephone information service.

Revenue

The Enterprise Fund operating revenues recover approximately 30% of the cost to provide transit services. Over 90% of the operating revenues are derived from passenger fares with the remainder coming from route subsidies, interagency agreements and advertising. The other 70% of costs to provide services are funded through a combination of non-operating revenues and transfers. The main source of non-operating revenue is federal grants, while the main sources of transfers are from Proposition A and C, Transportation Development Act (TDA), and State Transit Assistance Fund (STA) tax revenues. The amount of tax revenue required to balance the Enterprise Fund varies from year to year and is dependent upon the amount of federal grant funds available.

Expenses

Within the Enterprise Fund, approximately 70% of expenses are for labor and fringe benefits. The majority of the labor costs include employees represented by United Transportation Union (UTU), Amalgamated Transit Union (ATU), Transportation Communications Union (TCU), and American Federation of State County and Municipal Employees (AFSCME). Fuel and materials represents another 16% of expenses with the remainder of the expenses being comprised of services, purchased transportation and General and Administrative expenses.

MTA Transit Security works to maintain a safe and secure transit system. Transit Security develops and manages system crime prevention and facility security programs. Their priorities are to protect passengers, employees, revenue and property. In FY01, for combined Metro bus and rail modes, the costs for transit-related security are \$59.3 million or \$7.62 per revenue service hour.

MTA contracts with local law enforcement organizations for enhanced security presence on the transit system. Since November, 1997, MTA has contracted directly with Los Angeles Police Department (LAPD) and the Los Angeles County Sheriff's Department (LASD) to provide transit policing service. These policing contracts contribute the majority of transit security cost per hour in bus and rail modes. Contract budget amounts for the with LAPD and LASD are negotiated on an annual basis. Service charges to the MTA are based on full cost recovery (includes overhead cost allocation).

LAPD provides security for MTA Metro buses and the Metro Red Line subway at a cost of \$32.3 million, an increase of 13.6% over FY00 budget. LAPD's staffing profile for FY01 includes 233 sworn officers and thirty-four civilian personnel assigned to administration. This includes an increase of one civilian position over FY00 staffing levels.

LASD provides security for MTA Metro buses and light rail modes, Metro Green and Blue Lines, at a cost of \$21.3 million an increase of 7% over FY00. For FY01, their staffing profile includes 164 sworn

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

officers and thirty-four civilian personnel assigned to administration. This includes an increase of one civilian position over FY00 staffing levels.

LASD provides security for MTA Metro buses and light rail modes, Metro Green and Blue Lines, at a cost of \$21.3 million an increase of 7% over FY00. For FY01, their staffing profile includes 164 sworn officers and thirty civilian administrators. Staffing has increased by one civilian position above FY00 levels.

Other elements of transit security costs charged to the Enterprise Fund include dispatch and facility security. MTA Security has increased its staff by eleven transit security officers, with total department staffing going from 93 to 104 in FY01 to fully staff the security dispatch center on a twenty-hour, seven day-a-week basis and for enhanced security at the Regional Rebuild Center (RRC). Gateway security was also increased to improve security checks during peak work periods. Another component reflected in bus and rail cost per hour is contract security. There are approximately 162 contract officers that provide security at Park-and-Ride lots and at MTA Metro bus and rail operating divisions and support facilities.

Budget & Service Level Assumptions

Mode		Vehicle Revenue Hours	Vehicle Revenue Miles	Unlinked Passenger Trips
Bus	MTA Operated	6,679,235	82,008,346	367,357,925
	Contracted Svc	591,890	8,450,409	15,981,030
	Subtotal Bus	7,271,125	90,458,755	383,338,955
Rail	Blue Line	157,614	3,397,974	17,022,420
	Red Line	259,919	5,929,300	24,952,224
	Green Line	85,095	2,663,675	12,168,585
	Subtotal Rail	502,628	11,990,949	54,143,229
Totals		7,773,753	102,449,704	437,482,184

The following revenue and expenses were used to develop the FY01 Operating Budget:

- Metro bus and rail fare box revenue is estimated at \$236 million
- The FY01 budget assumes the base cash fare will not increase
- The FY01 budget assumes that the additional night service for Staples Center runs for the entire year
- The FY01 budget assumes the following fuel prices: diesel-80.83 cents/gallon, gasoline-\$1.11/gallon, and CNG-35.29 cents/therm

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

**Combined Statement of Revenues, Expenses and Changes in Retained Earnings
For the Years Ending June 30, 1999, 2000 and 2001**

(Amounts in millions)

Enterprise Fund by Mode	Bus			Rapid Bus			Light Rail		
	FY99 Actual	FY00 Adopted Budget	FY01 Proposed	FY99 Actual	FY00 Adopted Budget	FY01 Proposed	FY99 Actual	FY00 Adopted Budget	FY01 Proposed
1 Revenue:									
2 Operating revenues									
3 Passenger fares	\$ 213.8	\$ 225.3	\$ 208.2	\$ -	\$ -	\$ 3.4	\$ 10.5	\$ 12.7	\$ 14.8
4 Route subsidies	1.1	-	0.4	-	-	-	-	-	-
5 Metrolink interagency agreement	-	2.3	0.3	-	-	-	-	-	-
6 Auxiliary transportation	12.3	13.6	14.7	-	-	-	-	-	-
7 Total revenues	227.2	241.2	223.6	-	-	3.4	10.5	12.7	14.8
8									
9 Operating expenses:									
10 Transportation	506.0	452.5	398.5	-	-	39.0	35.2	38.3	42.1
11 Maintenance	189.6	248.0	229.7	-	-	9.6	15.9	28.9	30.1
12 General and administrative	23.3	31.8	15.9	-	-	9.3	9.3	3.9	4.8
13 Total operating expenses	718.9	732.3	644.1	-	-	57.9	60.4	71.1	77.0
14									
15 Operating income (loss)	(491.7)	(491.1)	(420.5)	-	-	(54.5)	(49.9)	(58.4)	(62.2)
16									
17 Non-operating revenues/(expenses):									
18 Local operating grants	1.5	-	-	-	-	-	-	-	-
19 Federal operating grants	49.7	-	77.5	-	-	18.0	4.8	-	3.4
20 Interest revenue	8.1	7.3	3.3	-	-	-	-	-	-
21 Debt and interest expense	(12.6)	(17.0)	(15.5)	-	-	-	-	-	-
22 Gain (loss) on disposition of fixed assets	(0.7)	-	2.1	-	-	-	-	-	-
23 Other	5.0	5.3	1.8	-	-	-	-	0.2	0.3
24 Total Non-operating revenues	51.0	(4.4)	69.2	-	-	18.0	4.8	0.2	3.7
25									
26 Other financing sources (uses):									
27 Operating transfers in									
28 Prop A	124.3	119.0	121.9	-	-	-	16.0	8.2	20.5
29 Prop C	89.6	89.9	80.5	-	-	18.3	15.3	31.1	24.6
30 TDA	139.4	162.0	147.6	-	-	18.2	4.1	1.4	1.3
31 STA	12.9	12.5	0.3	-	-	-	9.1	9.6	12.1
32 Other	88.6	112.1	1.0	-	-	-	0.6	7.9	-
33 Total operating transfers in	454.8	495.5	351.3	-	-	36.5	45.1	58.2	58.5
34									
35 Total other financing and sources (uses)	454.8	495.5	351.3	-	-	36.5	45.1	58.2	58.5
36									
37 Increase (decrease) in retained earnings	14.1	-	-	-	-	-	-	-	-
38									
39 Retained earnings (deficit) - beg. of year	(103.2)	(89.1)	(89.1)	-	-	-	-	-	-
40									
41 Retained earnings (deficit) - end of year	\$ (89.1)	\$ (89.1)	\$ (89.1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

	Heavy Rail			Regional Activities and Other			Total		
	FY99 Actual	FY00 Adopted Budget	FY01 Proposed	FY99 Actual	FY00 Adopted Budget	FY01 Proposed	FY99 Actual	FY00 Adopted Budget	FY01 Proposed
1									
2									
3	\$ 4.6	\$ 9.4	\$ 10.1	\$ -	\$ -	\$ -	\$ 228.9	\$ 247.4	\$ 236.5
4	-	-	-	-	-	-	1.1	-	0.4
5	-	-	2.0	-	-	-	-	2.3	2.3
6	-	-	-	-	-	-	12.3	13.6	14.7
7	4.6	9.4	12.1	-	-	-	242.3	263.3	253.9
8									
9									
10	20.5	23.5	33.8	-	-	-	561.7	514.3	513.4
11	9.2	20.5	23.7	-	-	-	214.8	297.4	293.1
12	5.4	3.4	4.3	1.0	-	7.1	39.0	39.1	41.4
13	35.1	47.4	61.8	1.0	-	7.1	815.4	850.8	847.9
14									
15	(30.5)	(38.0)	(49.7)	(1.0)	-	(7.1)	(573.1)	(587.5)	(594.0)
16									
17									
18	-	-	-	-	-	-	1.5	-	-
19	1.4	-	1.4	-	-	-	55.9	-	100.3
20	-	-	-	-	-	-	8.1	7.3	3.3
21	-	-	-	-	-	-	(12.6)	(17.0)	(15.5)
22	-	-	-	-	-	-	(0.7)	-	2.1
23	-	0.1	0.1	-	-	-	5.0	5.6	2.2
24	1.4	0.1	1.5	-	-	-	57.2	(4.1)	92.4
25									
26									
27									
28	8.0	4.1	10.3	-	-	6.5	148.3	131.3	159.2
29	14.2	25.6	31.1	-	-	-	119.1	146.6	154.5
30	1.5	0.4	0.7	-	-	0.6	145.0	163.8	168.4
31	5.4	4.8	6.1	-	-	-	27.4	26.9	18.5
32	-	3.0	-	-	-	-	89.2	123.0	1.0
33	29.1	37.9	48.2	-	-	7.1	529.0	591.6	501.6
34									
35	29.1	37.9	48.2	-	-	7.1	529.0	591.6	501.6
36									
37	-	-	-	(1.0)	-	-	13.1	-	-
38									
39	-	-	-	1.0	-	-	(102.2)	(89.1)	(89.1)
40									
41	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (89.1)	\$ (89.1)	\$ (89.1)

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Internal Service Fund

Fund Narrative

The Internal Service Fund is used to account for goods and services provided to projects and funds on a cost reimbursement basis. This fund provides the other departments with centralized services financial, administrative and facility support services. The Fund is comprised of general agency overhead, functional unit overhead projects for Operations, Planning and Construction as well as discrete projects for Public Transportation Services Corporation (PTSC) and Public Risk Management Agency (PRMA) costs.

Finance is responsible for development and management of budget, fiscal reporting, accounting activities, payroll, investments and debt service management.

Administration functions included in the Internal Service Fund are information services, computer services including network and telecommunications, maintenance of Gateway facilities, mailroom, printing, photocopier and graphics.

The overhead charges for the functional overhead units are comprised of charges specifically attributable to support and management of that unit including executive management staff and administration.

Revenue

Charges for financial and administrative service functions are allocated to the MTA's services and projects. As part of the allocation, the service and project funds reimburse the MTA's overhead projects in the Internal Service Fund.

Expenses

Internal Service Fund expenses are primarily for salaries and fringes for financial and administrative functions. The significant FY01 expenses in professional and contractual services are facilities maintenance for Gateway, consulting services for strategic planning and special studies, and services to support hiring and employment activities and services to support internal skill enhancement/training activities.

Statement of Revenues, Expenses and Changes in Retained Earnings

For the Years Ending June 30, 1999, 2000 and 2001

Internal Service Fund	FY99 Actual	FY00 Adopted Budget	FY01 Proposed
1 Operating expenses:			
2 Services	\$ 311.0	\$ 120.5	\$ 92.6
3 Total operating expenses	311.0	120.5	92.6
4			
5 Operating income (loss)	(311.0)	(120.5)	(92.6)
6			
7 Non-operating revenues/(expenses):			
8 Interest revenue	5.9	-	-
9 Other	312.3	120.5	92.6
10 Total non-operating revenues	318.2	120.5	92.6
11			
12 Other financing sources (uses):			
13 Operating transfers out			
14 Enterprise Fund	(7.2)	-	-
15 Total operating transfer out	(7.2)	-	-
16			
17 Total other financing and sources (uses)	(7.2)	-	-
18			
19 Increase (decrease) in retained earnings	-	-	-
20			
21 Retained Earnings(deficit)-beg. of year	-	-	-
22			
23 Retained Earnings(deficit)-end of year	\$ -	\$ -	\$ -

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

Statement of Cash Flow

For the Years Ending 1999, 2000 and 2001

Internal Service Fund	1999 Actual	FY00 Forecast	FY01 Forecast
1 Cash flow from operating activities:			
2 Operating income (loss)	\$ 1,102	\$ (3,850)	\$ (4,235)
6			
7 Net effect of changes in:			
8 Intergovernmental receivables	(2,754)	(1,921)	960
9 Interest receivable	-	265	(6)
10 Leases and other receivables	536	(324)	162
11 Interfund receivable	28,554	-	-
12 Prepaid and other assets	3,398	-	-
13 Accounts payable	(4,192)	(1,579)	790
14 Accrued liabilities	(12,159)	795	835
15 Claims and judgment payable	(97,465)	-	-
16 Compensated absences payable	(33,246)	-	-
17 Post retirement benefits payable	(55,258)	-	-
18 Net cash used in operating activities	(171,484)	(6,614)	(1,494)
19			
20 Cash flow from non-capital financing activities:			
21 Operating transfers out to other funds	(7,246)	-	-
22 Net cash provided by non-capital financing activities	(7,246)	-	-
23			
24 Cash flow from capital and related financing activities:			
25 Payment of matured bonds and notes payable	(7,400)	-	-
26 Interest paid on bonds and notes payable	(4,595)	-	-
27 Net cash used in capital and related financing activities	(11,995)	-	-
28			
29 Cash flow from investing activities:			
30 Proceeds from sales and maturity of investments	53,944	-	-
31 Interest received on investments	5,760	3,850	4,235
32 Net cash provided by investing activities	59,704	3,850	4,235
33			
34 Net increase (decrease) in cash and cash equivalents	(131,021)	(2,764)	2,741
35			
36 Cash and cash equivalents, beginning of year	171,047	40,026	37,262
37			
38 Cash and cash equivalents, end of year	\$ 40,026	\$ 37,262	40,003
39 Supplemental schedule of noncash investing, capital and financing transactions:			
40 Transfer of bonds and notes payable to Enterprise Fund	\$ 133,100	\$ -	-

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Statement of Expenditures by Project/Program for the Period Ending June 30, 2001

(Amounts in thousands)	Project	Project Name	FY01 Proposed
Internal Service Fund			
	100001	General Overhead	\$ (93,000)
	100003	PTSC Overhead	26,300
	100004	PRMA Overhead	42,520
	100033	Overhead - Operations	18,400
	100044	Overhead - P&P	1,955
	100088	Overhead - Construction	3,800
Total Expenditures			\$ (25)

Special Revenue Fund

Fund Narrative

Special Revenue fund is used to account for the proceeds of specific revenue sources (other than expendable trust or for major Capital Projects) that are legally restricted to expenditure for specified purposes. The Special Revenue fund reflects MTA's responsibility to administer special transportation programs as well as its duty to allocate transportation funds to local and regional agencies throughout Los Angeles County.

Revenue

The primary sources of the Special Revenue fund are from Proposition A sales tax, Proposition C sales tax, Transportation Development Act (TDA) sales tax, State Transit Assistance (STA) sales tax, Service Authority for Freeway Emergencies (SAFE) and others.

Expenses

Laws and ordinances that created these funds designate the uses of MTA Special Revenue funds. Local projects and programs include funding through the Propositions A and C Local Return programs. This funding category also includes funds allocated through the TDA Article 3 and 8 programs for transit purposes and the Call-for-Projects (CFP).

Municipal operator programs include funding to the sixteen transit service providers throughout Los Angeles County. These funds are allocated through the Formula Allocation Procedure (FAP) based on service parameters. The ADA/Accessibility funding program includes funding for Access Service Inc. (ASI) and paratransit operators granted funding in the Proposition A Incentive program, which was established in the Proposition A implementation guidelines as 5% of the discretionary 40% of total Proposition A revenues. Incentive program expenditures are for services to help the elderly and disabled with community-based transportation services. Commuter Rail and Inter-city Rail programs fund the Southern California Regional Rail Authority's (SCRRA) Metrolink service for Los Angeles County and provides \$25,000 for Inter-city Rail support.

The CFP is a biennial process that allocates funds to regionally significant projects implemented by local jurisdictions, transit agencies and other public agencies. The CFP is a biennial process, occurring every other year. In July 1999, the Board of Directors approved \$568.6 million for the CFP.

Other local projects include subsidies awarded by the Board of Directors outside of the CFP process to the Immediate Needs program, Support for Homeless Re-Entry (SHORE) and General Relief.

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Combined Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ending June 30, 1999, 2000 and 2001
(Amounts in millions)

	Proposition A			Proposition C			Transportation Develop. Act-TDA		
	FY99 Actual	FY00 Adopted	FY01 Proposed	FY99 Actual	FY00 Adopted	FY01 Proposed	FY99 Actual	FY00 Adopted	FY01 Proposed
Special Revenue Funds									
1 Revenue:									
2 Sales tax	\$ 449.1	\$ 476.2	\$ 502.3	\$ 452.2	\$ 479.9	\$ 502.5	\$ 229.3	\$ 241.0	\$ 253.7
3 Intergovernmental	-	-	-	37.1	39.8	58.2	0.8	-	-
4 Investment income	5.5	3.3	4.2	15.8	8.0	12.3	6.2	4.0	4.0
5 Licenses and fines	-	-	-	-	-	-	-	-	-
6 Other *	(0.5)	-	-	(0.5)	-	-	0.8	-	-
7 Total revenues	454.1	479.5	506.5	504.6	527.8	573.0	237.1	245.0	257.7
8									
9 Expenditures:									
10 Subsidies	151.9	171.6	182.2	274.6	412.4	353.8	65.5	72.3	79.9
11 Services	-	-	-	-	53.6	71.9	-	-	-
12 General and administrative	-	-	-	7.0	10.1	6.4	-	-	-
13 Total expenditures	151.9	171.6	182.2	281.6	476.1	432.1	65.5	72.3	79.9
14									
15 Excess (deficiency) of revenues									
16 over expenditures	302.2	307.9	324.3	223.0	51.7	140.9	171.6	172.7	177.8
17									
18 Other financing sources (uses):									
19 Operating transfers in									
20 Prop A	-	-	-	13.3	-	-	-	-	-
21 Prop C	0.6	-	-	8.9	-	-	-	-	-
22 TDA	-	-	-	-	-	-	20.1	-	-
23 STA	-	-	-	-	-	-	9.4	-	-
24 Other	1.3	-	-	17.8	-	-	-	-	-
25 Total operating transfers in	1.9	-	-	40.0	-	-	29.5	-	-
26 Operating transfers out									
27 Prop A	-	-	-	(0.6)	-	-	-	-	-
28 Prop C	(13.3)	-	-	(8.9)	-	-	-	-	-
29 TDA	-	-	-	-	-	-	(20.1)	-	-
30 General Fund	(8.9)	(23.6)	(18.6)	(4.1)	(14.6)	(7.5)	(5.8)	(6.0)	(6.0)
31 Debt Service Fund	(118.4)	(160.7)	(163.5)	(73.3)	(89.5)	(114.3)	-	-	-
32 Capital Fund	(2.3)	-	-	(0.8)	-	(10.4)	(21.8)	(15.5)	(9.4)
33 Enterprise Fund	(148.4)	(131.2)	(159.2)	(119.1)	(146.6)	(154.4)	(145.0)	(166.7)	(168.3)
34 Other	-	(2.2)	-	-	(5.9)	-	-	-	-
35 Total operating transfers out	(291.2)	(317.7)	(341.3)	(206.8)	(256.6)	(286.6)	(192.7)	(188.2)	(183.7)
36 Proceeds from financing	-	-	-	-	43.3	-	-	-	-
37 Total other financing sources (uses)	(289.3)	(317.7)	(341.3)	(166.8)	(213.3)	(286.6)	(163.2)	(188.2)	(183.7)
38									
39 Excess (deficiency) of revenue and other financing									
40 sources over expenditures/other financing uses	12.8	(9.8)	(17.0)	56.2	(161.6)	(145.7)	8.4	(15.5)	(5.9)
41									
42 Fund surplus balance - beginning of year	87.1	99.9	90.1	257.3	313.5	151.9	108.7	117.1	101.7
43									
44 Fund surplus balance - end of year	\$ 99.9	\$ 90.1	\$ 73.1	\$ 313.5	\$ 151.9	\$ 6.2	\$ 117.1	\$ 101.7	\$ 95.8

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

	State Transit Assistance-STA			SAFE*			Other			Total		
	FY99 Actual	FY00 Adopted	FY01 Proposed	FY99 Actual	FY00 Adopted	FY01 Proposed	FY99 Actual	FY00 Adopted	FY01 Proposed	FY99 Actual	FY00 Adopted	FY01 Proposed
1												
2	\$ 37.1	\$ 31.0	\$ 26.1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,167.6	\$ 1,228.2	\$ 1,284.6
3	-	-	-	-	-	-	55.1	5.5	4.1	93.0	45.3	62.3
4	0.9	0.4	0.4	-	-	-	1.7	-	0.3	30.1	15.7	21.3
5	-	-	-	7.7	6.0	7.3	-	-	-	7.7	6.0	7.3
6	-	-	-	-	-	-	-	0.9	-	(0.2)	0.9	-
7	38.0	31.4	26.5	7.7	6.0	7.3	56.8	6.4	4.4	1,298.3	1,296.1	1,375.5
8												
9												
10	2.9	4.2	4.2	-	-	-	11.9	6.8	-	506.8	667.3	620.1
11	-	-	-	7.9	12.9	10.1	-	-	0.1	7.9	66.5	82.1
12	-	-	-	0.6	0.1	0.5	0.2	1.8	-	7.8	12.0	6.9
13	2.9	4.2	4.2	8.5	13.0	10.6	12.1	8.6	0.1	522.5	745.8	709.1
14												
15												
16	35.1	27.2	22.3	(0.8)	(7.0)	(3.3)	44.7	(2.2)	4.3	775.7	550.3	666.4
17												
18												
19												
20	-	-	-	-	-	-	-	-	-	13.3	-	-
21	-	-	-	-	-	-	-	-	-	9.5	-	-
22	-	-	-	-	-	-	-	-	-	20.1	-	-
23	-	-	-	-	-	-	-	-	-	9.4	-	-
24	-	-	-	-	-	-	3.3	0.5	-	22.4	0.5	-
25	-	-	-	-	-	-	3.3	0.5	-	74.7	0.5	-
26												
27	-	-	-	-	-	-	-	-	-	(0.6)	-	-
28	-	-	-	-	-	-	(6.2)	(4.9)	-	(28.4)	(4.9)	-
29	(9.5)	-	-	-	-	-	-	-	-	(29.6)	-	-
30	-	-	-	-	-	-	(0.2)	(1.7)	(0.3)	(19.0)	(45.9)	(32.4)
31	-	-	-	-	-	-	-	-	-	(191.8)	(250.1)	(277.8)
32	-	-	(5.7)	-	-	-	(50.0)	-	-	(74.8)	(15.5)	(25.5)
33	(27.3)	(27.2)	(18.5)	-	-	-	-	-	(1.0)	(439.8)	(471.8)	(501.4)
34	-	-	-	-	-	-	-	-	-	-	(8.1)	-
35	(36.8)	(27.2)	(24.2)	-	-	-	(56.4)	(6.6)	(1.3)	(783.9)	(796.3)	(837.1)
36	-	-	-	-	-	-	-	-	-	-	43.3	-
37	(36.8)	(27.2)	(24.2)	-	-	-	(53.1)	(6.1)	(1.3)	(709.2)	(752.5)	(837.1)
38												
39												
40	(1.7)	-	(1.9)	(0.8)	(7.0)	(3.3)	(8.4)	(8.3)	3.0	66.6	(202.2)	(170.7)
41												
42	17.8	16.1	16.1	21.9	21.1	14.1	33.5	25.1	16.8	526.3	592.9	390.6
43												
44	\$ 16.1	\$ 16.1	\$ 14.2	\$ 21.1	\$ 14.1	\$ 10.8	\$ 25.1	\$ 16.8	\$ 19.8	592.9	390.6	219.9

* Note: For the Safe Fund, interest revenue is combined with the licenses and fines revenue

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Statement of Expenditures by Project/Program for the Period Ending June 30, 2001

(Amounts in thousands)	Project	Project Name	FY01 Proposed
Special Revenue Fund			
	200070	Freeway Service Patrol (FSP)	\$ 545
	300070	Freeway Service Patrol	18,989
	300075	Major Incident Response	1,000
	300209	Call Box Program/SAFE	10,633
	400017	Capital Development & Programg	3,700
	400019	CA-03-0508 Plan & Coceptual Eg	10,888
	400224	Joint Development	304
	405522	Highway Planning	5,400
	405533	Commuter Rail	343
	405544	Mobility & Air Quality Program	3,600
	406001	La/Ventura ATIS	848
	410001	Freeway	46,369
	410002	Regional Surface Trans	19,270
	410006	Transit Security	5,300
	410007	Local Traffic System	52,827
	410008	Regional Bikeways	3,825
	410009	Transportation Demand Mgmt.	10,259
	410010	Commuter Rail MOU	1,325
	410011	Other Subsidies	43,526
	410016	Other Subsidies-Other Agencies	6,050
	410033	Bus Capital Operations	15,363
	410053	TDA Formula Subsidies	61,800
	410055	Prop A Subsidies	1,333
	410056	Prop A Disc Bus Subsidies	56,900
	410057	Prop A Incentive	4,600
	410058	TDA Subsidies	4,965
	410059	TDA Subsidies - Art 8	13,208
	410060	STA Special Revenue Subsidies	4,200
	410061	Prop C Subsidies	2,925
	410062	PC Disc Subsidies	14,740
	410064	Commuter Rail Os	35,766
	410075	Local Return	99,000
	410076	Prop A 25% Local Ret Subsidies	119,200
	420001	CFP - PC10% Mta Sponsored Proj	38
	420002	MTA Sponsored CFP Proj/PC25	29,000
	600002	Working Prod FEMA	73
	610340	Investment & Debt Mgmnt	1,000
Total Expenditures			\$ 709,112

Regional Programs

Budget Assumptions

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

This section summarizes the funds that the MTA programs to other local agencies. The FY01 budget for local funding commitments to the Call-for-Projects reflect current year cash-flow rather than programmed amounts, and include estimated expenditure of prior year commitments. Funding for all other local programs, including Municipal Operator programs, ASI, Proposition A Incentive, Local Return, Metrolink, and State and Federal funding programs reflect the FY01 programmed amounts.

FY01 Revenue/Expenditure Summary Regional Programs Budget

(Amounts in thousands)

	Municipal Op- Programs	ADA Funding Program	Local Projects & Programs	Other Local Projects	Comm. Rail & Intercity Rail	Total Subsidy Budget
1 Revenue						
2 Prop A - Admin 5%	\$ -	\$ -	\$ 400	\$ -	\$ -	\$ 400
3 Prop A - Local Return 25%	-	-	119,296	-	-	119,296
4 Prop A - Discretionary 95% of 40%	56,916	-	-	-	-	56,916
5 Prop A - Incentive 5% of 40%	-	4,607	-	-	-	4,607
6 Prop C - Local Return 20%	-	-	98,993	-	-	98,993
7 Prop C - Security 5%	2,213	-	-	-	-	2,213
8 Prop C - Commuter Rail 10%	428	-	1,325	-	35,767	37,520
9 Prop C - Streets & Hwys 25%	-	-	147,518	-	-	147,518
10 Prop C - Discretionary 40%	14,742	1,973	-	6,050	-	22,765
11 Other	-	41,554	-	-	-	41,554
12 TDA	61,048	-	18,132	-	-	79,180
13 STA Formula	4,101	-	-	-	-	4,101
14 Interest	5,086	-	-	-	-	5,086
15 Total	144,534	48,134	385,664	6,050	35,767	620,149

Regional Programs Descriptions

Municipal Operator Programs

Municipal Operator Programs provide funds to the sixteen transit service providers in Los Angeles County. Operating funds are allocated based on formulas prescribed by State law and by the Board of Directors using performance metrics such as vehicle service miles, passenger revenues and fares. All eligible operators receive a proportionate share of applicable local, and state funds that are used as operating subsidies. These funds include STA, TDA and Proposition A Discretionary revenue. In addition, operators receive Proposition C 40% funds under 2 programs approved by the Board of Directors: Foothill Mitigation Program and the Fair Share Allocation. Proposition C Discretionary funds are allocated to the sixteen transit providers and the MTA to mitigate any adverse affect on total formula funding of Foothill Transit becoming an included operator.

The Bus Service Improvement Plan (BSIP), approved by the Board of Directors in 1996, provides supplemental funding to all Los Angeles County operators on a formula basis for the expansion of bus service. The FY01 budget provides the BSIP with \$10.4 million. Municipal operators will receive \$2.5 million and the balance will be allocated to MTA Metro Bus Operations.

The Transit Service Expansion (TSE) program provides funding to support specific services provided by the seven operators within Los Angeles County: Culver City; Foothill; Gardena; Long Beach; Los Angeles; Torrance; and Antelope Valley. The FY01 budget provides \$5.4 million.

The Base Bus Restructuring program provides funding for additional outside service in addition to base service provided by the following operators: Commerce, Foothill, Montebello, and Torrance. The FY01 budget provides \$2.8 million.

Proposition A and C Interest are allocated to the transit operators, if these funds are allocated to MTA to meet its bus operating service expenses.

ADA/Accessibility Funding Programs

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

ASI is also the Consolidated Transportation Services Agency (CTSA) for Los Angeles County. As the CTSA, ASI fulfills a mandate from the State of California that each county have an agency working to improve transportation accessibility and to improve coordination among social service transportation and other public transportation service providers. The FY01 budget includes funding of \$43.5 million. ASI will be funded with RSTP and Proposition C 40% discretionary funds consistent with the FY01 Funding Plan.

ASI will be funded with RSTP and Proposition C 40% discretionary funds consistent with the FY01 Funding Plan.

Paratransit Programs

The intent of the Proposition A Discretionary Incentive Program is to encourage coordination of paratransit systems and institute an effective service. The FY01 budget includes \$9 million in Proposition A Discretionary Incentive funds of which \$4.6 million is programmed for specific paratransit programs throughout Los Angeles County. Paratransit is a component of the public transportation network that typically uses smaller vehicles in a demand response mode. The service usually targets seniors and persons with disabilities, although many paratransit services are also available to the general public. Many of the eighty-nine cities in Los Angeles County operate their own paratransit systems, usually within the boundaries of one jurisdiction. A few of the jurisdictions provide service to neighboring cities or unincorporated portions of the County and some of these services are eligible for Proposition A Discretionary Incentive funds.

Local Projects and Programs

Proposition A and C Local Return

The Proposition A and C ordinances require that each of the eighty-nine cities of Los Angeles County receive a direct share, based on population, of the total Propositions A and C sales tax revenues to support transit needs and other transportation projects, known as "local return." Cities receive 25% of Proposition A receipts and 20% of Proposition C receipts. Funds are for paratransit and fixed route service, street and road maintenance and other transit related improvements. In FY01, cities will receive over \$218 million under the Local Return program.

Transportation Improvement Project Call-for-Projects

The Transportation Improvement Project (TIP) Call-for-Projects is the MTA's biennial process for allocating funds to local agencies for transportation improvements of regional significance. After the MTA establishes funding estimates for each project category, local agencies are invited to submit project applications that compete for funding allocations. MTA staff evaluates the project applications and ranks the submittals in each category according to a scoring system adopted by the Board of Directors. Upon the Board of Directors' adoption of the multi-year funding program, the MTA secures written agreements with the successful project sponsors and allocates funding to the sponsors as agreed in the cash flow plan.

Eligible participants in the TIP Call-for-Projects include the cities in the County of Los Angeles, municipal operators, joint powers authorities, public agencies and, in some cases, private non-profit organizations. Multiple TIP Call-for-Projects cycles at the MTA have resulted in significant programming to non-MTA project sponsors for FY01.

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Call for Projects Fund By Project Categories

(Amounts in thousands)

Project Descriptions	FY00 Budget Adopted	FY01 Proposed
Freeway Projects (HOV, TSM and Gap Closures)	\$79,613	\$46,370
Regional Surface Transportation Improvements	24,223	19,270
Transit Capital and Enhancements	7,468	16,689
Local Traffic Systems Management	90,207	52,828
Regional Bikeways and Pedestrian Improvements	10,143	3,826
Transportation Demand Management	6,533	10,260
Totals	\$218,187	\$149,243

Transportation Development Act Bikeways/Transit/Streets & Highways Program

Transportation Development Act (TDA) Article 3 funds are allocated to all cities and the unincorporated areas of the County by population basis. In FY01, \$5 million in TDA Article 3 funds and \$13 million in TDA Article 8 funds will be allocated. Article 8 funds are used for streets and highway projects.

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Regional Programs Budget Detail

(Amounts in thousands)

Regional Fund Description	TOTALS		
	FY99 Actual	FY00 Adopted	FY01 Proposed
Municipal operator programs			
Operating funding program	\$ 104,465	\$ 116,191	\$ 131,610
Call for Projects security funds	2,582	4,400	2,213
Bus Service Improvement Program	2,294	2,501	2,501
Transit Service Expansion	5,408	5,408	5,408
Base bus restructuring	2,801	2,801	2,801
Municipal Operator Programs Total	117,550	131,301	144,533
ADA/Accessibility Funding Programs			
ASI - Access Services Inc.	33,400	43,900	43,527
Proposition A Incentive programs	4,601	4,493	4,607
ADA Accessibility Funding Programs Total	38,001	48,393	48,134
Local Projects and Programs			
Proposition A and C Local Return	195,774	207,640	218,289
Call for Projects	73,641	218,187	149,243
TDA Bikeways/Transit/Streets & Hwys Pgms	16,138	17,205	18,132
Ports Access Highway	11,958	6,826	-
Local Projects and Programs Total	297,511	449,858	385,664
Other Local Projects			
Immediate Needs	2,285	5,000	5,000
SHORE/General Relief Tokens	-	2,475	1,050
Wilshire Streetscape	-	341	-
Other Local Projects Total	2,285	7,816	6,050
Commuter Rail & Intercity Rail Programs			
Metrolink	32,707	33,645	35,742
Intercity Rail	25	25	25
Commuter Rail & Intercity Rail Programs	32,732	33,670	35,767
Total MTA Funded Programs	\$ 488,079	\$ 671,038	\$ 620,148

Capital Fund

Fund Narrative

The Capital Fund includes the Rail Construction Program and the Capital Improvement Program (CIP). The Rail Construction Program incorporates the construction and acquisition of the light rail and heavy rail projects. The CIP is a comprehensive, Agency-wide five year (FY01-FY05) plan that adds and replaces capital assets that support the MTA Metro Bus and Rail Operations infrastructure. The CIP excludes the rail construction program.

The Capital Fund provides detailed justifications, cost estimates and implementation plans for capital projects, prioritizes projects and allocates funding, provides a balanced plan for capital improvement investments, improves internal control for project implementation.

Revenue

The revenues for the Capital Fund are federal section 5307, 5308, 5309, CMAQ, State Transit Assistance, Regional Improvement Fund, TDA Article 4, SCAQMD/AB2766, Proposition A 35% Bonds, Prop C 25% Highway Bonds, Proposition C 25% Bonds, General Revenue Bonds, and Proposition C 40% Discretionary.

Expenses

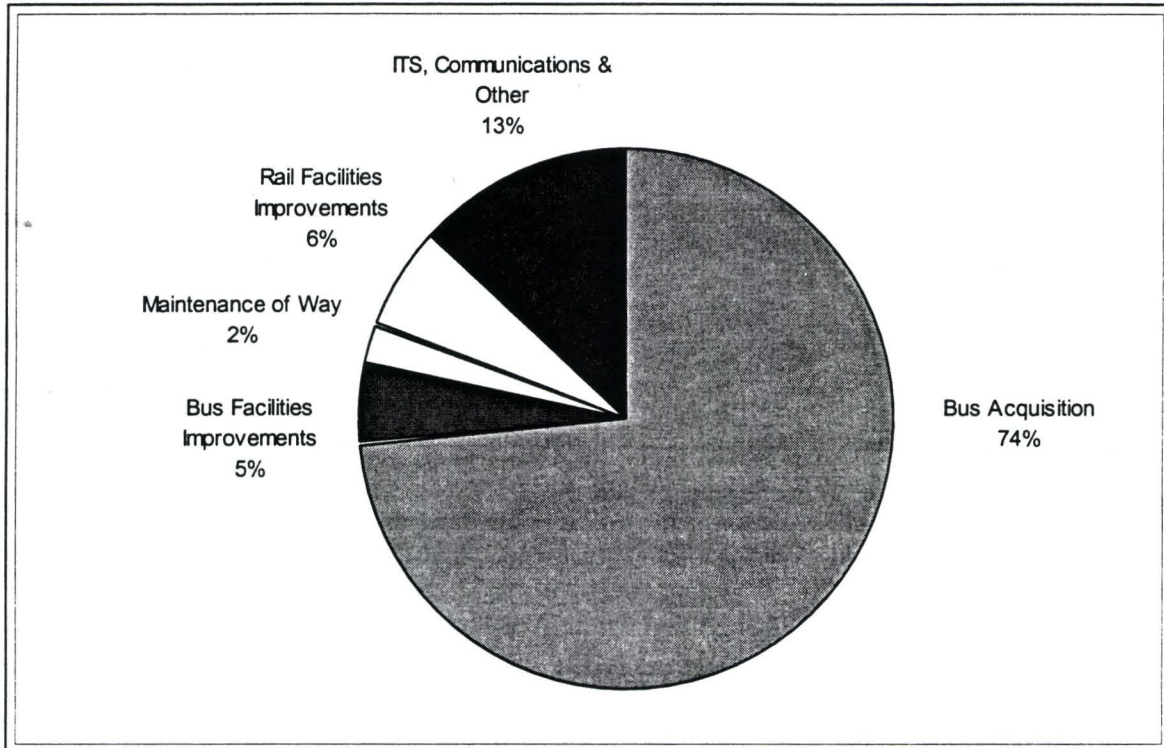
The Capital Fund expenses are primarily for direct expenditures and general/administrative costs associated with the light and heavy rail program, bus acquisitions, rail and bus facilities and other capital programs included in the CIP. The CIP was updated in September 1999 as each MTA sponsoring organization, reviewed and revised the FY00 CIP. Cost estimates and implementation plans were revised for all projects. The projects were justified, prioritized, and submitted to a CIP review committee. The committee, consisting of representatives from each sponsoring organization, established an Agency-wide priority ranking of all projects. The final list of prioritized projects and funding allocation for each project was reviewed by the Office of the CEO and was submitted as part of the FY01 budget.

The first year of the FY01-05 CIP is incorporated into the FY01 budget. The Board of Directors authorization and approval is required to implement the capital projects outlined for FY01. The projects that require multiple years funding commitments are authorized to be implemented; however, funding is appropriated annually. Amendments to the CIP may be requested as needed as part of quarterly updates to the Board of Directors.

The total cost projection for the projects included in the FY01-FY05 CIP is \$974.9 million. The expenditures anticipated for the FY00 CIP year are forecasted to be \$49 million less than the value which was approved last fiscal year. This is due to changes in project scope and implementation delays. The budget for the FY01 CIP is \$327.4 million, which is \$35 million greater than that projected in the FY00 CIP. This is due to an acceleration of bus deliveries, increased CNG fueling facility requirements, as well as the carry forward of projects planned but not completed in FY00.

Capital Improvement Plan by Program Element

The Capital Improvement Plan (CIP) projects included in the FY01-05 Plan fall into five major program elements. The chart below presents a summary of CIP projects by program element. As shown, over 74 % of the adopted CIP funding is related to supporting bus acquisition.



Bus Acquisition:

Bus Acquisition	\$240,410,535
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Bus acquisition projects include the manufacture of new buses in accordance with the Accelerated Bus Procurement Plan (ABPP) approved by the Board of Directors in October 22, 1998. The Accelerated Bus Procurement Plan project includes payments to bus manufacturers, procurement of spare parts, on-site inspection, bus make-ready. The upgrade and retrofit of buses with reliability and connectivity improvements (i.e. global positioning and automatic passenger counting) is also included.

Implementation of this acquisition plan will establish a twelve year bus replacement schedule and bring the average fleet age to six years by 2008.

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

Fiscal Year	ABPP	Other Deliveries
1998	237	0
1999	221	0
2000	418	0
2001	602*	26
2002	333	0
2003	200	0
2004	84	0
2005	0	200
Total FY01-05	2095	226

* Includes 100 Clean Diesel buses leased for Contracted Services

In addition to the buses in the ABPP scheduled for delivery between FY01 and FY04, 226 additional buses will be ordered which are in excess of the ABPP. Also, included in bus acquisitions are the Universal Fare Collection System project and the Transit Radio System project approved by the Board of Directors on December 3, 1998.

Bus Facilities Improvements:

Bus Facilities Maintenance	\$16,117,222
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Bus facilities maintenance projects includes construction work at various bus divisions to install CNG fueling capacity to meet the influx of new CNG bus purchases; replacement, refurbishment, and expansion of building, vacuum systems, upgrades and shop floor resurfacing.

Maintenance of Way:

Maintenance of Way	\$7,546,092
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These projects encompass expansion of Divisions 11 and 22, and maintenance of buildings and equipment at MTA-operated rail facilities and stations. Specific projects include mandated upgrade of stations and operating facilities to comply with ADA, station and tunnel water mitigation, installation of gas analyzers, maintenance and refurbishment of facility equipment and systems (e.g. Sewage Ejector and Water Treatment Systems), and replacement of SCADA equipment.

Rail Facilities Improvements:

Rail Facilities Maintenance	\$20,653,888
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This element covers work related to preservation and upgrade of track, electric power systems, and signaling systems. Projects include mandated projects, such as grade crossing improvements (photo enforcement, retrofit of lighting, gates, and signage), transformer replacement, and improvement of bridge and tunnel inspection services. All adopted projects are vital to preserving the safety and reliability of Metro Blue, Green, and Red Line systems.

ITS, Communications & Other Capital Projects:

ITS, Communications & Other	\$42,691,752
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Information Technology and Systems projects support development of communications and information systems and replace obsolete computer equipment. Specific efforts include upgrade of Human Resources and Payroll Systems, the Financial Information System (FIS), the Customer Information System and PC applications. Other projects involve the division network construction and replacement of the Transit Operating and Trends System (TOTS), Maintenance and Material Management System (MMS), and obsolete PC workstations.

Other projects include continued maintenance of the Gateway Headquarters Building and projects that will complete tenant improvement projects and equipment procurement and installation. Non-revenue equipment includes replacements of the units used for operator relief/on-street supervision, procurement of various service trucks, and small purchases of equipment required for maintenance of the revenue fleet, non-revenue vehicle fleet and facilities. The following section presents all the CIP projects for FY01-FY05.

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

FY 2001 - FY 2005 Capital Improvement Plan

Project Names	CIP	Project	Project Expenditures (\$000s)					Totals 2005	2001-
			2,001	2,002	2,003	2,004	2,005		
Bus Acquisition									
1 Placed Orders: 223 New Flyer/NABI 215	210002	200004	8,264	-	-	-	-	-	8,264
2 Fare Collection System	210014	200225	30,921	45,390	-	-	-	-	76,311
3 Transit Radio System	210015	200053	19,980	29,493	1,762	1,808	-	-	53,043
4 Retrofit 1,132 Buses with Smart Bus Technology	210104	200004	-	8,681	8,883	-	-	-	17,564
5 Contract Services - Bus Lease Program	2101021	200004	5,960	7,793	7,770	7,770	7,799	-	37,092
6 223 New Flyer Option (FY01)	2101022	200004	83,383	-	-	-	-	-	83,383
7 215 NABI Option (FY01) - Unplaced Order	2101023	200004	77,275	-	-	-	-	-	77,275
8 370 Bus Buy (FY02) - Unplaced Order	2101024	200004	14,628	128,975	-	-	-	-	143,603
9 200 Bus Buy Option (FY03) - Unplaced Order	2101025	200004	-	-	78,928	-	-	-	78,928
10 84 Bus Buy Option (FY04) - Unplaced Order	2101027	200004	-	-	-	33,956	-	-	33,956
11 200 Bus Buy (FY05) - Unplaced Order	2101028	200004	-	-	-	-	-	83,523	83,523
12 Automated Passenger Counter (APC) Equipment	2101029	200004	-	5,408	859	882	905	-	8,054
Total Bus Acquisition			240,411	225,740	98,202	44,415	92,228		700,996
Bus Facilities Improvements									
13 CNG Fueling Station Installation for Divisions 5 & 7 and future locations	2300069	200215	4,288	8,158	10,008	10,273	9,416	-	42,142
14 (CNG) compressor overhaul at Div 3, 8, 10, 15, & 18	2303004	200215	158	166	108	183	129	-	743
15 Bus Division Maintenance Equipment	2303006	200029	1,055	495	304	420	507	-	2,781
16 Vacuum System Upgrades and Replacement Program	2303010	200029	779	796	815	1,220	465	-	4,075
17 Division 4 Facility Improvements	2303013	200030	376	-	-	-	-	-	376
18 Division Landscape Replacement	2303014	200029	113	-	-	-	-	-	113
19 Replace of two Compressed Natural Gas (CNG) compressors at Division 8	2303017	200215	-	1,276	737	-	-	-	2,013
20 Division 3 - Re-roofing of Transportation and Maintenance building	2303018	200215	405	-	-	-	-	-	405
21 Compressed Natural Gas (CNG) Facility Upgrades - Additional CNG Compressor and Fueling Posts at Division 8 [8 only]	2303019	200215	1,223	-	-	-	-	-	1,223
22 Bus Operating Facility Improvements	2303020	200027	949	970	993	1,019	1,046	-	4,976
23 Division 7 - Compressed Natural Gas (CNG) Facility Upgrades - Division 7 CNG Maintenance Building Modifications	2303022	200215	183	-	-	-	-	-	183
24 Division 18 - Roof Replacement	2303030	200027	814	-	-	-	-	-	814
25 ADA Compliance at Bus Operating Divisions	2303036	200032	1,148	1,229	1,258	1,523	-	-	5,158
26 Underground Tank Replacement at Bus Divisions 1, 8, 15, and Regional Rebuild Center	2303038	200025	190	-	-	-	-	-	190
27 Site Remediation Projects at Bus Divisions 3,6,7, 8, 10, 15, 18	2303039	200025	1,623	1,132	505	-	-	-	3,260
28 Division 1, 2, 6 & 9 - Compressed Natural Gas (CNG) Facility Upgrades	2303048	200215	1,623	1,534	1,456	-	-	-	4,613
29 New Cash Room Facility / New Cash Counting Facility	2303060	200212	1,190	1,218	-	-	-	-	2,408
Total Bus Facilities Improvements			16,117	16,973	16,183	14,637	11,562		75,472
Maintenance of Way (MOW)									
30 Grade Crossing Improvements	3300001	200013	342	349	363	373	383	-	1,810
31 Tools and Equipment	3300002	200013	162	166	170	174	179	-	852
32 Overhead Catenary System (OCS) and Traction Power Equipment	3300004	200013	842	861	881	904	689	-	4,177
33 Track Geometry Car	3300005	200013	-	-	1,699	-	-	-	1,699
34 Battery & Traction Power Equipment Replacement & Rehabilitation	3300006	200013	725	260	266	273	-	-	1,523
35 Crossing Gate Equipment Replacement	3300009	200013	119	121	124	128	131	-	623
36 Guarded Crossings Replacement	3300010	200013	308	-	-	-	-	-	308
37 Transformer Replacement	3300011	200013	333	449	-	-	-	-	782
38 Wayside Spare Parts	3300013	200013	217	221	227	232	239	-	1,135
39 Ballast Car	3306004	200013	-	83	-	-	-	-	83
40 Metro Blue Line - Eradicate Roadbed Erosion	3306006	200013	316	-	-	-	-	-	316
41 - MGL Shop - Blow-down pit	3306008	800223	993	2,620	-	-	-	-	3,612
42 Noise Barriers on Rosecrans Ave Bridge	3306009	200014	1,266	-	-	-	-	-	1,266
43 Bridge, Tunnel, facilities Inspection services for rail system	3306010	800089	382	389	398	408	419	-	1,997
44 Photo Enforcement Installations at Six Additional Crossings in Los Angeles	3306014	800089	22	-	-	-	-	-	22
45 Long Beach Photo Enforcement Program	3306015	800089	397	258	-	-	-	-	655
46 Booz-Allen Recommendations/ARC Lights Retrofit	3306016	800089	204	-	-	-	-	-	204
47 Four Quadrant Gates Expansion	3306017	800089	461	696	482	495	508	-	2,643
48 Install Fiber Optic "TRAIN" Signs in Long Beach	3306018	800089	436	45	-	-	-	-	481
49 Install Swing Gates and Pedestrian Crossing Arms (Gates) at High-Risk MBL Locations	3306019	800089	11	186	-	-	-	-	197
50 Forklift (Walkie, 2500 lb) - Green Line MOW	3306020	200014	11	-	-	-	-	-	11
Total Maintenance of Way (MOW)			7,546	6,706	4,610	2,988	2,548		24,398

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

CIP Project List, continued

Project Names	CIP	FIS	2,001	2,002	2,003	2,004	2,005	Totals 2005	2001-
Other Capital Projects									
51 General Services-chemical storage facility	3900038	200040	1,321	-	-	-	-	-	1,321
52 Modernize the Customer Information System	3900043	200020	1,398	173	177	-	-	-	1,748
53 FIS-Version Upgrade	3900048	200020	748	174	-	-	-	-	921
54 Real Estate Property Management System	3900051	200020	842	386	-	-	-	-	1,228
55 HR/Payroll System Upgrades	3900061	200056	953	700	-	-	-	-	1,653
56 Application Enhancement/Replacement	3900095	200020	2,888	171	754	3,184	9	-	7,006
57 Enlarge Computer Room	3900110	200030	582	-	-	-	-	-	582
58 Enterprise Geographic Info System GIS	3900111	200020	121	125	-	-	-	-	246
59 Enterprise-Wide Management and Security Software and Hardware	3900118	200020	313	141	-	-	-	-	454
60 Wide Area Network Upgrade	3900120	200020	903	2,933	1,481	58	-	-	5,375
61 PRESERVATION-EQUIPMENT REPLACEMENT/DATA Replacement/Data Congestion Relief	3900122	200020	587	-	-	-	-	-	587
62 Scheduling System Enhancement Phase 2	3900131	200020	435	455	590	-	-	-	1,479
63 TOTS Series 1 Computer Replacement	3900135	200056	1,491	-	-	-	-	-	1,491
64 Acquire Revenue Processing Equipment	3907006	200212	269	232	101	104	107	-	813
65 Wheel alignment system	3907016	200010	84	-	-	-	-	-	84
66 Equipment - Portable lifts	3907023	200010	86	-	-	-	-	-	86
67 Fare Media Barcode Scanning System	3907028	200212	268	-	-	-	-	-	268
68 Automated Fare Collection Equipment Inventory Management System	3907031	200212	309	40	-	-	-	-	348
69 Pallet Racking	3907034	200040	14	-	-	-	-	-	14
70 Bus Division Storeroom Office Furniture Replacement	3907041	200030	23	-	-	-	-	-	23
71 Maintenance and Material Management System Replacement	3907054	200056	4,793	3,658	477	-	-	-	8,928
72 Operation Central Instruction Independent Learning System (ILS)	3907078	200020	138	370	-	-	-	-	508
73 Workstation and Network Technology Refresh Program	3907082	200020	1,651	1,800	1,249	1,056	-	-	5,757
74 Enterprise Image and Workflow System	3907084	200020	1,782	289	296	-	-	-	2,367
75 Network Test Equipment	3907087	200056	40	41	42	43	-	-	167
76 Emergency Backup Power/Tower Maintenance	3907088	200030	105	17	-	-	-	-	122
77 Replacement of Security Vehicles	3907107	200010	74	71	73	5	-	-	222
78 Mobile Emergency Command, Control & Communications Center	3907127	200010	167	-	-	-	-	-	167
79 Y2K Projects	3907173	200056	1,942	-	-	-	-	-	1,942
80 Vehicle Information System & Equipment	3907177	200020	89	-	-	-	-	-	89
81 Non-Revenue Equipment for Division 15 & 18	3907179	200010	10	-	-	-	-	-	10
82 Division 4 Sandblasting Cabinet & Spray Booth	3907181	200030	10	-	-	-	-	-	10
83 Bus Cube - Enhanced Bus Stop Signage Program	3907187	200033	96	6	6	6	-	-	114
84 Security Cameras for Divisions 11, 20, 22 and 61.	3907201	200020	-	169	-	-	-	-	169
85 Integrate HR, Payroll and Labor Systems	3907208	200020	987	1,050	774	1,210	2,333	-	6,355
86 Copy Center Equipment	3907224	200030	26	2	2	2	2	2	35
87 New Print Shop Equipment	3907228	200030	-	-	21	38	-	-	59
88 Custodian Equipment	3907236	200001	8	8	15	-	-	-	31
89 Security System Improvements	3907238	200001	395	-	-	-	-	-	395
90 Gateway Elevator Improvements	3907239	200001	360	39	-	-	-	-	399
91 Building Repair	3907241	200001	8	12	300	303	316	-	939
92 Building Maintenance	3907242	200001	173	61	86	71	77	-	469
93 Division Network Construction Project	3907244	200020	7,604	3,959	-	-	-	-	11,562
94 Acquire Server for Electronic Filing and Data Archiving of Accounting Files and Reports	3907245	200010	65	-	-	-	-	-	65
95 Bus & Rail Radio Transmitters Upgrade	3907249	200020	771	-	-	-	-	-	771
96 Non- Revenue Vehicles-Passenger Vehicles/sedans/vans	3907253	200010	2,927	3,054	4,129	4,264	7,742	-	22,116
97 Non- Revenue Vehicles-pickup trucks	3907254	200010	722	1,532	2,071	2,139	3,882	-	10,345
98 Non- Revenue Vehicles-Misc non-revenue and support equipment	3907255	200010	676	-	-	-	-	-	676
99 Non- Revenue Vehicles-Large Trucks	3907256	200010	1,740	-	-	-	-	-	1,740
100 Non- Revenue Vehicles-Fork Lifts, warehouse equipment	3907257	200010	741	-	-	-	-	-	741
101 Non- Revenue Vehicles-Specialized vehicles	3907259	200010	354	-	-	-	-	-	354
102 Non- Revenue Vehicles-Large Utility Vehicles	3907260	200010	248	-	-	-	-	-	248
103 Metro Art Program	3907262	200010	356	-	-	-	-	-	356
104 Total Other Capital Projects			42,692	21,667	12,644	12,483	14,468		103,954
Rail Facilities Improvements									
105 Upgrade Rail Stations to ADA Compliance	3200071	800280	557	317	-	-	-	-	873
106 Upgrade Facilities to ADA Compliance	3205000	800280	130	-	-	-	-	-	130
107 ADA Compliance for Rail Facilities and Equipment	3205001	800280	609	-	-	-	-	-	609
108 Fiber Optic Rail Communication system	3205004	200220	1,195	926	-	-	-	-	2,121
109 MGL Radio System Y2K & Consoles Upgrade	3205005	200014	1,432	-	-	-	-	-	1,432
110 Grout MRL station water leaks -- service contract	3205007	200015	294	300	307	316	324	-	1,541
111 Storage Building (60FT X 100 FT) - Division 11	3205009	200013	-	351	-	-	-	-	351
112 Re-surface Warehouse Floor (Epoxy) - Division 20	3205010	200015	28	-	-	-	-	-	28

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

CIP Project List, continued

Project Names	CIP	FIS	Project Expenditures (\$000s)					Totals 2005	2001-
			2001	2002	2003	2004	2005		
113 Central A/C - Division 20	3205011	200015	55	-	-	-	-	-	55
114 Concrete Loading Ramp (20FT X 25 FT) Division 11	3205014	200013	23	-	-	-	-	-	23
115 Seal Warehouse Floor (Epoxy)- Location 61	3205016	200013	34	-	-	-	-	-	34
116 MBL Facility Improvements	3205019	200013	278	290	296	304	312	-	1,480
117 Division 11 Shower and Locker Room Modifications	3205021	200013	173	-	-	-	-	-	173
118 Reconfiguration of Rail Operations Center	3205023	200220	581	-	-	-	-	-	581
119 Voice Data Recorders	3205025	200220	175	-	-	-	-	-	175
120 Additional Track for MBL	3205030	800201	386	5,606	5,637	-	-	-	11,629
121 MBL Stations-Power Switches and Signal Interlockings -	3205031	200013	378	325	323	-	-	-	1,026
122 Elevators at 1st and Hill	3205034	200015	-	-	-	1,009	-	-	1,009
123 Elevators at 4th and Hill	3205035	200015	-	-	-	745	-	-	745
124 MGL stations - Holding tanks and sumps	3205036	200014	472	391	320	-	-	-	1,183
125 MRL Traction Power	3205037	800281	141	389	-	-	-	-	531
126 MGL Stations - New Public Address Equipment Relocate Simmons Stanray Wheel Truing Machine from Div 11 to	3205038	800223	209	-	-	-	-	-	209
127 PBL	3205042	200013	237	-	204	-	-	-	441
128 SCADA Equipment replacement	3205045	200007	1,954	2,214	1,838	-	-	-	6,006
129 Sewage ejector system refurbishment MRL	3205049	200015	68	22	72	23	75	-	261
130 Gas Analyzer Installation (C/O) MRL	3205050	200015	791	920	-	-	-	-	1,711
131 Rail divisions water treatment system and air dryer	3205056	200220	176	80	-	-	-	-	256
132 MRL Fire Control	3205058	800275	466	-	-	-	-	-	466
133 MRL Radio System	3205059	200015	-	-	959	360	-	-	1,319
134 Redesign MGL emergency trip stations	3205061	200014	70	-	-	-	-	-	70
135 MGL Unscheduled Emergencies	3205062	200014	313	324	332	340	349	-	1,658
136 MRL Unscheduled Emergencies	3205064	200015	294	300	307	315	324	-	1,540
137 Sidewalks in Metro Green Line Yard	3205065	800223	173	-	-	-	-	-	173
138 Grout MRL Tunnels	3205066	800095	480	414	-	-	-	-	894
139 MOS 1 drainage improvements	3205068	800280	246	-	-	-	-	-	246
140 Retrofit emergency lighting	3205070	200015	97	132	148	-	-	-	378
141 MRL roll-up door access hatches	3205071	800280	129	-	-	-	-	-	129
142 MRL station canopies	3205075	200015	-	-	524	2,440	-	-	2,964
143 Re-tile Pershing Square Station	3205077	200015	-	-	-	1,727	-	-	1,727
144 Upgrade of Program Logic Controls and Fire Control Panels	3205078	800280	-	-	870	863	-	-	1,734
145 Ventilation for ancillary rooms	3205079	800280	11	-	-	-	-	-	11
146 MRL emergency walkway improvements	3205080	800280	61	-	-	-	-	-	61
147 Fire Code Corrections	3205081	800275	669	-	-	-	-	-	669
148 MGL Mast signals	3205083	200014	375	276	-	-	-	-	650
149 MBL platform upgrade for 19 stations	3205086	800201	3,311	5,534	5,663	-	-	-	14,509
150 Emergency lightning for escalators	3205087	800280	-	442	289	611	-	-	1,341
151 LR Stations Improvements	3205097	200212	962	-	-	-	-	-	962
152 Completion of MBL Stations Art Program	3205099	800001	613	313	207	-	-	-	1,133
153 MBL Platform Extension Art Program	3205100	800201	117	-	-	-	-	-	117
154 Rail Signage - ADA Compliance	3205101	200220	227	-	-	-	-	-	227
155 Data Processing Equipment	3205108	200212	55	167	398	29	-	-	650
156 Rail Ticket Vending Machine Hardware Upgrade	3205109	200212	40	-	-	-	-	-	40
157 Division 22 Self Sufficiency Program	3205145	800223	756	53	-	-	-	-	809
158 Division 11 Expansion Program	3205146	800223	812	136	-	-	-	-	948
Total Rail Facilities Improvements			20,654	20,222	18,695	9,082	1,384		70,038

CIP Funding Capacity

The MTA's capacity to support the requested CIP projects depends on the availability of governmental grants, local matching funds, and financing alternatives. The five year CIP program cost of \$975 million is funded with Federal, State and Local funds already programmed by the Board of Directors. The CIP funding projection is consistent with the Financial Remediation Plan approved by the Board of Directors on December 3, 1998 as part of the Regional Transit Alternatives Analysis (RTAA). See Appendix 6 for funds available.

Rail Construction

The following is the status of the projects included in the Rail Construction Program for FY01:

Heavy Rail

- **Metro Red Line Segment 1:** The FY01 budget of \$976,000 includes costs associated with closing out punch list items with the City of Los Angeles, obtaining delivery of original train equipment, spare parts and other contract close-out items.
- **Metro Red Line Segment 2:** Metro Red Line Segment 2 includes two rail corridors: Wilshire Corridor and the Vermont-Hollywood Corridor. The Wilshire Corridor began revenue operations in July, 1996. The Vermont-Hollywood Corridor began revenue operations in June, 1999. The FY01 budget of \$58.6 million associated with contract close-outs, claim settlements, and litigation.
- **Metro Red Line Segment 3 - North Hollywood:** The North Hollywood Extension will begin revenue operations in June 2000. The FY01 budget of \$119.9 million includes the widening completion of Lankershim Boulevard, completion of the US101 Freeway overcrossing, and Universal City Station site restoration. It also includes cost associated with contract close-outs, claim settlements, and litigation.
- **Deferred Metro Red Line Segment 3 - Eastside Extension:** All design and construction activities for this project were suspended January 13, 1998 except the ongoing procurement of rail vehicles. The FY01 budget of \$6.6 million includes costs for the procurement and management of the rail passenger car contract (fourteen cars), property maintenance and a revolving fund to mitigate housing losses in the project area.
- **System-wide Agency Costs:** The FY01 budget includes costs of \$5.2 million for project management assistance on federally and locally funded projects, document and data review, policy and procedures review, procurement standards and contract administration review and monitoring; staff support to provide management with functional support, such as budget and schedule analysis and preparation, FIS interface, change control process, claim litigation support, and technical support and oversight are all included. The FY01 budget also includes costs for technical support to Procurement for General Engineering Consultant (GEC) solicitation, and Lessons Learned Program support, Engineering Management Consultant (EMC) contract close-outs, and Computer Aided Design and Drafting (CADD) and Graphic Information System implementation.

Light Rail

- **Pasadena Blue Line:** All construction activities by the MTA were suspended on January 13, 1998. The FY01 budget of \$9.2 million includes construction close-out costs including contract C6435 -13 Concrete/Steel Bridge Retrofit, and allowances for claims and settlements of disputes.
- **Los Angeles/Long Beach Blue Line:** The FY01 budget of \$1.2 million includes costs for resolution of legal claims with public and private agencies regarding underground utilities.
- **Metro Green Line:** The FY01 budget of \$13.9 million includes funding for the completion of the Maintenance-of-Way facility and associated system improvements; testing of the train control wayside equipment with carbon equipment; and outstanding Caltrans claims.
- **Rail Car:** The FY01 budget of \$43.6 million includes costs for the deliverance and acceptance of cars, payments for fabrication and testing milestones, consultant services, and administrative support.

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

**Combined Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ending June 30, 1999, 2000 and 2001
(Amounts in millions)**

	Light Rail			Metro Rail		
	FY99 Actual	FY00 Adopted Budget	FY01 Proposed	FY99 Actual*	FY00 Adopted Budget	FY01 Proposed
Capital Project Funds						
1 Revenue:						
2 Intergovernmental	\$ 9.7	\$ 7.7	\$ 9.6	\$ 138.6	\$ 186.1	\$ 64.1
3 Investment income	-	-	-	4.6	-	-
4 Other	4.6	-	-	0.1	-	-
5 Total revenues	14.3	7.7	9.6	143.3	186.1	64.1
6						
7 Expenditures:						
8 Capital outlay	15.7	76.2	79.6	264.9	202.2	184.4
9 General and administrative	4.1	3.4	4.3	27.8	10.3	6.4
10 Total expenditures	19.8	79.6	83.9	292.7	212.5	190.8
11						
12						
13 Excess (deficiency) of revenues over expenditures	(5.5)	(71.9)	(74.3)	(149.4)	(26.4)	(126.7)
14						
15 Other financing sources (uses):						
16 Operating transfers in						
17 Prop A	-	-	-	2.3	-	-
18 Prop C	-	-	-	-	-	5.8
19 TDA	-	-	-	-	-	0.6
20 Intergovernmental	-	-	-	49.9	-	-
21 Other	24.1	-	52.8	29.5	-	14.0
22 Total operating transfers in	24.1	-	52.8	81.7	-	20.4
23 Operating transfers out						
24 Prop C	(9.2)	-	-	(0.3)	-	-
25 Debt Service Fund	-	-	-	(0.1)	-	-
26 Capital Fund	(6.7)	-	(15.2)	(51.9)	-	(68.9)
27 Enterprise Fund	(61.4)	-	-	(17.3)	-	-
28 Other	(2.8)	-	-	-	-	-
29 Total operating transfers out	(80.1)	-	(15.2)	(69.6)	-	(68.9)
30 Proceeds from financing	10.9	71.9	32.8	182.6	29.5	141.2
31 Total other financing sources (uses)	(45.1)	71.9	70.4	194.7	29.5	92.7
32						
33 Excess (deficiency) of revenues and other financing						
34 sources over expenditures and other financing uses	(50.6)	-	(3.9)	45.3	3.1	(34.0)
35						
36 Fund surplus (deficit) balance - beginning of year	65.0	14.4	14.4	(45.7)	(0.4)	2.7
37						
38 Fund surplus (deficit) balance - end of year**	\$ 14.4	\$ 14.4	\$ 10.5	\$ (0.4)	\$ 2.7	\$ (31.3)

* Note - Metro Rail includes SB 19995 Rail for the FY-99 Actuals

** Note - FY00 ending fund balance for the Commuter Rail fund reported in the General Fund

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

	Commuter Rail			Other Capital			Total		
	FY99 Actual	FY00 Adopted Budget	FY01 Proposed	FY99 Actual	FY00 Adopted Budget	FY01 Proposed	FY99 Actual	FY00 Adopted Budget	FY01 Proposed
1									
2	\$ 0.1	\$ 1.2	\$ -	\$ 76.6	\$ 365.1	\$ 280.4	\$ 225.0	\$ 560.1	\$ 354.1
3	1.1	-	-	0.2	-	-	5.9	-	-
4	1.5	-	-	-	1.2	-	6.2	1.2	-
5	2.7	1.2	-	76.8	366.3	280.4	237.1	561.3	354.1
6									
7									
8	3.7	3.8	-	93.7	279.6	308.8	378.0	561.8	572.8
9	1.0	2.1	-	3.1	30.5	7.1	36.0	46.3	17.8
10	4.7	5.9	-	96.8	310.1	315.9	414.0	608.1	590.6
11									
12									
13	(2.0)	(4.7)	-	(20.0)	56.2	(35.5)	(176.9)	(46.8)	(236.5)
14									
15									
16									
17	-	-	-	-	-	-	2.3	-	-
18	-	-	-	0.8	-	4.6	0.8	-	10.4
19	-	-	-	21.8	15.5	8.8	21.8	15.5	9.4
20	-	-	-	-	-	-	49.9	-	-
21	-	-	-	6.1	-	23.1	59.7	-	89.9
22	-	-	-	28.7	15.5	36.5	134.5	15.5	109.7
23									
24	-	-	-	-	-	-	(9.5)	-	-
25	(2.2)	-	-	-	-	-	(2.3)	-	-
26	-	-	-	-	-	-	(58.6)	-	(84.1)
27	(2.7)	-	-	-	-	-	(81.4)	-	-
28	-	-	-	-	(101.0)	-	(2.8)	(101.0)	-
29	(4.9)	-	-	-	(101.0)	-	(154.6)	(101.0)	(84.1)
30	-	-	-	-	1.2	-	193.5	102.6	174.0
31	(4.9)	-	-	28.7	(84.3)	36.5	173.4	17.1	199.6
32									
33									
34	(6.9)	(4.7)	-	8.7	(28.1)	1.0	(3.5)	(29.7)	(36.9)
35									
36	25.2	18.3	(0.0)	(8.4)	0.3	(27.8)	36.1	32.6	(10.7)
37									
38	\$ 18.3	\$ (0.0)	\$ (0.0)	\$ 0.3	\$ (27.8)	\$ (26.8)	\$ 32.6	\$ (10.7)	\$ (47.6)

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

Statement of Expenditures by Project/Program for the Period Ending June 30, 2001

(Amounts in thousands)	Project	Project Name	FY01 Proposed
Capital Fund	200001	Headquarters	\$ 1,293
	200002	Transit Plaza	144
	200003	Advanced Technology Transit Bus (ATTB)	908
	200004	Bus Acquisition	190,000
	200007	Light Rail Service Maintenance	1,753
	200009	Heavy Rail Service Maintenance	33
	200010	Non-Revenue Vehicles And Equip	7,852
	200012	Bus Operating Facilities	119
	200013	Blue Line Operating Facilities	4,400
	200014	Green Line Operating Facilitis	3,591
	200015	Red Line Operating Facilities	2,768
	200016	Grant Management and Administration	246
	200020	System Projects	19,610
	200021	VMS/MMS Replacement	97
	200025	Tank Replacement-Facilities	215
	200026	Remediation Projects-Facilities	1,752
	200027	General Bldg. Mods.-Facilities	1,866
	200029	Equip. Purchases/Mods-Facilities	2,530
	200030	General Services Maint/Equip	784
	200031	Paving/Flooring Projects	410
	200032	Mandated Projects-Facilities	1,023
	200033	Cap Projects Communications	97
	200040	Procurement And Warehouse Ops	1,326
	200053	Radios-ITS	18,366
	200056	Year 2000 Projects	8,279
	200212	Revenue Facility Improvements	3,806
	200215	CNG Facility Upgrades	7,540
	200220	Metro Rail System Improvements	2,625
	200225	Universal Fare System	30,541
	200403	Metro Rapid Bus	1,885
	800001	Blue Line LA/Long Beach	1,188
	800005	Pasadena Line	9,148
	800020	Imperial Highway Grade Seperat	608
	800023	Green Line	13,846
	800080	Red Line Segment 1	1,000
	800081	Red Line Segment 2	51,600
	800082	Red Line Segment 3-NH	114,800
	800083	Def Red Line Sgmt 3 Mid City	260
	800084	Defer Red Line Sgmt 3-East Ext	6,622
	800089	System Safety & Security	3,207
	800091	MRL Segment 1 Radio Retrofit	5,500
	800092	Systemwide	4,721
	800094	MRL Maintenance-Of-Way Faciliy	5
	800095	Environmental Mitigation	1,100
	800150	LA Rail Car	43,700
	800201	Blue Line Transit Enhancements	4,952
	800223	Green Line Transit Enhancemens	2,168
	800275	Engineering Support	8,300
	800280	Transit Enhancements MOS 1	1,700
	800281	Transit Enhancements MOS 2	217
	800382	Hollywood Trizechahn Dev.	64
Total Expenditures			\$ 590,565

General Fund

Fund Narrative

The General Fund is used to account for resources traditionally associated with government which are not required legally to be accounted for in another fund. The General Fund provides key management control and oversight functions, legal services, planning and development programs, and MTA communications with constituents and customers.

The Board of Directors acts as governing body and directs the use of resources for attainment of MTA goals. The Board of Directors provides overall policy, executive and financial direction to the MTA. Also included in the General Fund are administrative support functions of the Board of Directors and Board Research Services.

The General Fund includes management oversight functions. The Office of Inspector General is responsible for providing Agency oversight and conducting special analyses and investigations of MTA functions. Internal Audit is responsible for independently examining the MTA's operations and activities. Control Self-Assessment conducts analyses of the MTA's administrative functions. The Ethics Department conducts oversight of the MTA's code of ethics and policies. These reviews provide the Board of Directors and the Executive Leadership Team (ELT) with information to effectively direct the MTA.

Legal and litigation services are obtained from the County of Los Angeles. Office of County Counsel functions as the MTA's general counsel and serves as legal advisor to both the Board of Directors and staff.

The General Fund includes external affairs activities including Government Relations, Public Affairs, Media Relations, Marketing, and Customer Relations. Collectively, these departments are responsible for developing and maintaining relationships and building consensus with legislative bodies, government agencies, the media, and the public.

Planning activities provided in the General Fund include the updates of the Long Range Plan (LRP) and Regional Economic Model updates, liaison to the California Transportation Commission (CTC), ADA planning and compliance activities, analysis of policy scenarios, and National Transit database reporting.

Revenue

The primary sources of revenue to the General Fund are Propositions A and C sales tax administration fees, Proposition C Discretionary funds, Transportation Development Act (TDA) sales tax administration fees, Federal, State, and Local grants and revenues generated for MTA property management services.

MTA allocates 5% of the ½ cents sales tax approved in 1980 by Los Angeles County voters for administration of Proposition A funds. MTA also allocates 1.5% of the ½ cents sales tax approved in 1990 by Los Angeles County voters for administration of Proposition C funds.

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

In the General Fund, TDA funds are provided by the State of California for transit planning purposes. Revenues are derived from $\frac{1}{4}$ cent of the $7\frac{1}{4}$ cent retail sales tax collected state wide. The $\frac{1}{4}$ cent is returned by the State Board of Equalization to each county according to the amount of tax collected in that county.

MTA also collects rental and lease revenue on owned property and generates revenue from property management functions provided by the Real Estate department.

Expenses

FY01 General Fund salaries and fringes expenses are for Board support functions, management oversight and regional activities. The major portion of the professional services budgeted are attributable to legal services, auditing, transportation studies and consulting services to support planning models.

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ending June 30, 1999, 2000 and 2001
(Amounts in millions)

General Fund	FY00		
	FY99	Adopted	FY01
	Actual	Budget	Proposed
1 Revenue:			
2 Intergovernmental	\$ 1.7	\$ 9.2	\$ 10.9
3 Investment income	0.9	1.0	0.9
4 Licenses and fines	0.4	0.5	0.3
5 Other	14.7	11.9	14.4
6 Total revenues	17.7	22.6	26.5
7			
8 Expenditures: *			
9 Subsidies	4.8	3.7	0.4
10 Services	15.1	49.1	69.3
11 General and administrative	11.4	8.0	10.6
12 Total expenditures	31.3	60.8	80.3
13			
14 Excess (deficiency) of revenues over expenditures	(13.6)	(38.2)	(53.8)
15			
16 Other financing sources (uses):			
17 Operating transfers in			
18 Prop A	8.8	23.6	18.6
19 Prop C	4.1	14.6	7.5
20 TDA	5.8	6.0	6.0
21 Other	0.3	0.5	0.3
22 Total operating transfers in	19.0	44.7	32.4
23 Operating transfers out			
24 Prop C	(2.2)	-	-
25 Debt Service Fund	(0.7)	-	-
26 Enterprise Fund	(0.5)	(4.6)	-
27 Other	(0.5)	(0.5)	(0.3)
28 Total operating transfers out	(3.9)	(5.1)	(0.3)
29			
30 Total other financing sources (uses)	15.1	39.6	32.1
31			
32 Excess (deficiency) of revenues and other financing			
33 sources over expenditures and other financing uses	1.5	1.4	(21.7)
34			
35 Fund surplus balance - beginning of year	13.4	14.9	56.0
36			
37 Fund surplus balance - end of year **	\$ 14.9	\$ 56.0	\$ 34.3

* Note - FY01 includes Property Mgmt. expenditures, previously accounted for in the Commuter Rail Capital fund.

** Note - FY00 ending fund balance includes \$39.7m of programmed Administration funds carried over from FY99 and Lease revenues carried over from the Commuter Rail Capital Fund.

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

Statement of Expenditures by Project/Program

for the Period Ending June 30, 2001

(Amounts in thousands)	Project	Project Name	FY01	
				Proposed
General Fund	100002	Gvrnmtl & Oversight Activities	\$	32,500
	100006	Labor Negotiation Project		3,500
	100011	Employee Activities		700
	100012	Audit Prop A & C		0
	330400	Change Control System		0
	330500	Industry Assistance		100
	400018	Union Station Enhancements		0
	405510	Other P&P Planning		12,500
	405511	Transit Planning		18,300
	405547	SCAG Employee Rideshare Service Project		4,700
	610041	Property Management		6,700
	610051	Pasadena Blue Line Property Management		200
	610061	Owened Property		600
	609911	Trans Academies/TOP/FTA		100
	609921	Los Angeles Neighborhood Initi		400
Total Expenditures			\$	80,300

Debt Fund

Fund Narrative

Our objective is to borrow at the lowest cost while minimizing risk and maintaining future flexibility for the financing program and other business matters of the MTA. Proceeds from debt issuance will be used primarily to fund its local contribution to major capital projects, including bus, rail and highway facilities, as well as acquisitions of buses, rail vehicles and real property.

Debt will only be issued in accordance with the MTA's Debt Policy, most recently updated and adopted by the Board of Directors in October 1999. The Debt Policy sets forth guidelines for the issuance and management of the MTA's debt, sets limitations on the amount of debt that may be incurred by the MTA from each funding source and specifies other factors to be considered and documented when issuing debt.

The MTA currently has about \$3.8 billion of outstanding obligations, as of June 30, 2000. The MTA has refunded more than \$2.6 billion of its long-term debt to achieve debt service savings. Those savings exceed \$135 million on a present value basis, and total even more on a gross basis.

Revenue

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

Expenses

During the year, it is planned that \$389.0 million of long-term bonds will be issued; of that amount approximately \$131.5 million will be applied to prior period expenditures. Commercial paper will also be issued to provide interim funding for FY01 expenditures prior to issuance of long-term bonds to provide permanent financing. This interim funding will then be refunded into one or more long-term bond issues later in the fiscal year. The planned par amount of long-term bond issuance to provide FY01 project funding is estimated at \$106.4 million for the Proposition A Sales Tax revenue bonds and \$282.6 million for Proposition C Sales Tax revenue bonds. These par amounts incorporate legal expenses and other costs associated with issuance of the bonds.

Of the five debt service funds contributing to payment of \$314.8 in FY01, \$274.5 million of that amount will be paid from the Debt Service Fund. The Debt Service Fund is made up of the Proposition A totaling \$163.5 million, Proposition C totaling \$111.6 million, and others totaling \$5.2 million. See MTA Debt Service Schedule for further detail.

Debt Limitations/Use Restrictions

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

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

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

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MTA Debt Service Schedule

Budgeted Debt

Transaction Name	Initial PAR Value	Principal Balance As of 6/30/00 (1)	Interim Commercial Paper Financing	Principal Adjustments				Principal Bal. as of 6/30/01
				New Money	Commer. Paper Refunding	Principal Pmt FY01		
1 1986-A New Money	707,615,000	-	-	-	-	-	-	
2 1987-A Refunding	271,550,000	-	-	-	-	-	-	
3 1988-A Refunding	112,274,129	-	-	-	-	-	-	
4 1989-A Refunding	174,303,858	-	-	-	-	-	-	
5 1991-A New Money	500,000,000	5,560,000	-	-	-	5,560,000	-	
6 1991-B Refunding	281,425,000	267,550,000	-	-	-	835,000	266,715,000	
7 1992-A Refunding	98,700,000	98,700,000	-	-	-	-	98,700,000	
8 1992-B Refunding	107,665,000	67,250,000	-	-	-	16,350,000	50,900,000	
9 1993-A Refunding	560,570,000	546,060,000	-	-	-	2,900,000	543,160,000	
10 1996-A New Money	110,580,000	18,505,000	-	-	-	1,940,000	16,565,000	
11 1997-A Refunding	256,870,000	253,730,000	-	-	-	3,125,000	250,605,000	
12 1999-A Refunding	160,205,000	160,205,000	-	-	-	-	160,205,000	
13 1999-B New Money	150,340,000	142,895,000	-	-	-	7,780,000	135,115,000	
14 1999-C Refunding	165,850,000	170,495,000	-	-	-	395,000	170,100,000	
15 2001-A New Money	106,443,700	-	-	106,443,700	-	2,787,907	103,655,793	
16 1990-A Lease Rev. Bnd (CBL)	26,400,000	13,332,000	-	-	-	2,200,000	11,132,000	
17 1990-A Yen Obligation (CBL)	6,600,000	5,704,474	-	-	-	17,614	5,686,860	
18 1993-A CRA Housing	9,454,406	9,454,406	-	-	-	-	9,454,406	
19 1993-A CRA Redevelopment	21,665,000	20,920,000	-	-	-	-	20,920,000	
20 1996 Refunding	104,715,000	23,925,000	-	-	-	1,770,000	22,155,000	
21 Tax-Exempt Commercial Paper	350,000,000	314,010,000	150,000,000	-	(365,000,000)	-	99,010,000	
22 Prop A Debt Sub-Total	4,283,226,092	2,118,295,880	150,000,000	106,443,700	(365,000,000)	45,660,521	1,964,079,059	
23								
24 1992-A New Money	516,855,000	79,120,000	-	-	-	9,430,000	69,690,000	
25 1993-A Refunding	204,095,000	201,575,000	-	-	-	865,000	200,710,000	
26 1993-B New Money	312,350,000	291,325,000	-	-	-	6,390,000	284,935,000	
27 1995-A New Money	250,000,000	245,430,000	-	-	-	4,770,000	240,660,000	
28 1998-A Refunding	219,710,000	219,710,000	-	-	-	-	219,710,000	
29 1999-A New Money	124,805,000	122,940,000	-	-	-	2,000,000	120,940,000	
30 2001-A New Money	282,558,800	-	-	282,558,800	-	6,304,712	276,254,088	
31 Taxable Commercial Paper	150,000,000	61,509,000	-	-	-	-	61,509,000	
32 Prop C Debt Sub-Total	2,060,373,800	1,221,609,000	-	282,558,800	-	29,759,712	1,474,408,088	
33								
34 1995-A New Money (USG)	169,500,000	-	-	-	-	-	-	
35 Debt Overhead Costs	-	-	-	-	-	-	-	
36 1991-G CSDA COP	19,340,000	6,815,000	-	-	-	1,660,000	5,155,000	
37 1992-C CTFC COP - Torrance	3,390,000	1,160,000	-	-	-	290,000	870,000	
38 Other Debt Sub-Total	192,230,000	7,975,000	-	-	-	1,950,000	6,025,000	
39								
40 1992-B LA Bus Lease (Dollar)	11,372,509	-	-	-	-	-	-	
41 1992-B LA Bus Lease (Yen)	-	-	-	-	-	-	-	
42 1992-C LA Bus Lease (Dollar)	9,477,000	-	-	-	-	-	-	
43 1992-C LA Bus Lease (Yen)	-	-	-	-	-	-	-	
44 1993-A LA Bus Lease (Dollar)	(see below)	(see below)	-	-	-	-	(see below)	
45 1993-A LA Bus Lease (Yen)	-	5,366,393	-	-	-	5,366,393	-	
46 1992-A Worker Comp COP	(see below)	(see below)	-	-	-	-	(see below)	
47 1992-B CTFC COP - RTD	(see below)	(see below)	-	-	-	-	(see below)	
48 Enterprise Fund Sub-Total	20,849,509	5,366,393	-	-	-	5,366,393	-	
49								
50 1992-A Bnft Assmt. Dist. A1	(see below)	(see below)	-	-	-	-	(see below)	
51 1992-A Bnft Assmt. Dist. A2	(see below)	(see below)	-	-	-	-	(see below)	
52 Special Rev. Fund Sub-Total	-	-	-	-	-	-	-	
53								
54 1996-A Refunding (USG)	185,735,000	185,735,000	-	-	-	-	185,735,000	
55 Internal Fund Sub-Total	185,735,000	185,735,000	-	-	-	-	185,735,000	
56								
57 Budgeted Total	6,742,414,401	3,538,981,273	150,000,000	389,002,500	(365,000,000)	82,736,625	3,630,247,147	
58								
59 Reduction In Liabilities								
60 1992-A Bnft Assmt. Dist. A1	154,055,000	141,655,000	-	-	-	7,050,000	134,605,000	
61 1992-A Bnft Assmt. Dist. A2	8,115,000	7,495,000	-	-	-	380,000	7,115,000	
62 1992-A Worker Comp COP	160,000,000	117,000,000	-	-	-	8,800,000	108,200,000	
63 1992-B CTFC COP - RTD	118,375,000	39,455,000	-	-	-	9,865,000	29,590,000	
64 1993-A LA Bus Lease (Dollar)	21,740,000	2,147,445	-	-	-	2,147,445	-	
65 Liability Reduction Total	462,285,000	307,752,445	-	-	-	28,242,445	279,510,000	
66								
67 Total	7,204,699,401	3,846,733,718	150,000,000	389,002,500	(365,000,000)	110,979,070	3,909,757,147	

Foot Notes

- 1 - Accrual basis. Reflects 7/1/01 principal payment.
- 2 - For transactions existing since before 1999, Miscellaneous Fees are not secured from sales tax revenues and may therefore be budgeted to be paid from other available funding sources.
- 3 - The FY01 financing combines FY00 and FY01 capital needs. No new money transactions were issued in FY00. Capital needs are \$55 million and \$51.4 million for Prop A and \$76.5 million and \$206.1 million for Prop C respectively for FY00 and FY01.
- 4 - A portion of Prop A 40% Discr. is pledged to fund debt service for these bonds. The developer is expected to reimburse the MTA from net project revenues.
- 5 - Assumes a beginning balances of \$314.010 million taken at 4 percent.
- 6 - Assumes \$61.509 million balance @ 6.0%
- 7 - The MTA has issued COP's to finance the acquisition of buses and/or facilities, for which it anticipates receiving reimbursement from the user as a sublease payment.
- 8 - Only the miscellaneous fees are debt. OMB and Accounting have reprogrammed the P&I expenses to be a reduction of a liability -- which is not a debt expense. The P&I expenses are found in the section entitled "Reduction of a Liability."

MTA Debt Service Schedule, continued

	Principal	Interest	Total D/S P&I	Misc. Fees (2)	Total D/S Expense	Debt Service Fund	Enterprise Fund	Internal Service Fund	Agency Fund	Foot Notes
1	-	-	-	-	-	-	-	-	-	-
2	-	-	-	-	-	-	-	-	-	-
3	-	-	-	-	-	-	-	-	-	-
4	-	-	-	-	-	-	-	-	-	-
5	5,560,000	350,280	5,910,280	22,500	5,932,780	5,932,780	-	-	-	-
6	835,000	16,838,358	17,673,358	17,500	17,690,858	17,690,858	-	-	-	-
7	-	5,783,820	5,783,820	406,677	6,190,497	6,190,497	-	-	-	-
8	16,350,000	3,972,519	20,322,519	12,500	20,335,019	20,335,019	-	-	-	-
9	2,900,000	28,827,266	31,727,266	12,500	31,739,766	31,739,766	-	-	-	-
10	1,940,000	956,860	2,896,860	12,500	2,909,360	2,909,360	-	-	-	-
11	3,125,000	14,105,500	17,230,500	12,500	17,243,000	17,243,000	-	-	-	-
12	-	8,136,413	8,136,413	12,500	8,148,913	8,148,913	-	-	-	-
13	7,780,000	6,861,374	14,641,374	12,500	14,653,874	14,653,874	-	-	-	-
14	395,000	8,403,473	8,798,473	12,500	8,810,973	8,810,973	-	-	-	-
15	2,787,907	7,975,500	10,763,407	373,500	11,136,907	11,136,907	-	-	-	3
16	2,200,000	943,481	3,143,481	12,500	3,155,981	3,155,981	-	-	-	-
17	17,614	-	17,614	12,500	30,114	30,114	-	-	-	-
18	-	550,130	550,130	12,500	562,630	562,630	-	-	-	4
19	-	2,468,560	2,468,560	12,500	2,481,060	2,481,060	-	-	-	4
20	1,770,000	1,320,856	3,090,856	12,500	3,103,356	3,103,356	-	-	-	-
21	-	7,893,733	7,893,733	1,474,218	9,367,952	9,367,952	-	-	-	5
22	45,660,521	115,388,122	161,048,642	2,444,395	163,493,037	163,493,037	-	-	-	-
23	-	-	-	-	-	-	-	-	-	-
24	9,430,000	4,892,874	14,322,874	12,500	14,335,374	14,335,374	-	-	-	-
25	865,000	10,391,191	11,256,191	815,261	12,071,452	12,071,452	-	-	-	-
26	6,390,000	15,386,203	21,776,203	12,500	21,788,703	21,788,703	-	-	-	-
27	4,770,000	13,055,170	17,825,170	12,500	17,837,670	17,837,670	-	-	-	-
28	-	11,234,875	11,234,875	12,500	11,247,375	11,247,375	-	-	-	-
29	2,000,000	6,050,188	8,050,188	12,500	8,062,688	8,062,688	-	-	-	-
32	6,304,712	15,256,650	21,561,362	373,500	21,934,862	21,934,862	-	-	-	3
31	-	3,690,540	3,690,540	591,003	4,281,543	4,281,543	-	-	-	6
32	29,759,712	79,957,690	109,717,402	1,842,264	111,559,666	111,559,666	-	-	-	-
33	-	-	-	-	-	-	-	-	-	-
34	-	-	-	-	-	-	-	-	-	-
35	-	-	-	2,746,000	2,746,000	2,746,000	-	-	-	-
36	1,660,000	381,445	2,041,445	12,500	2,053,945	2,053,945	-	-	-	7
37	290,000	67,860	357,860	12,500	370,360	370,360	-	-	-	7
38	1,950,000	449,305	2,399,305	2,771,000	5,170,305	5,170,305	-	-	-	-
39	-	-	-	-	-	-	-	-	-	-
40	-	-	-	-	-	-	-	-	-	-
41	-	-	-	-	-	-	-	-	-	-
42	-	-	-	-	-	-	-	-	-	-
43	-	-	-	-	-	-	-	-	-	-
44	-	-	-	12,500	12,500	-	12,500	-	-	8, 9
45	5,366,393	-	5,366,393	12,500	5,378,893	-	5,378,893	-	-	10
46	-	7,550,600	7,550,600	107,600	7,658,200	-	7,658,200	-	-	11
47	-	2,421,545	2,421,545	12,500	2,434,045	-	2,434,045	-	-	7, 11
48	5,366,393	9,972,145	15,338,538	145,100	15,483,638	-	15,483,638	-	-	-
49	-	-	-	-	-	-	-	-	-	-
50	-	7,871,315	7,871,315	12,500	7,883,815	-	-	-	7,883,815	11, 12
51	-	445,680	445,680	12,500	458,180	-	-	-	458,180	11, 12
52	-	8,316,995	8,316,995	25,000	8,341,995	-	-	-	8,341,995	-
53	-	-	-	-	-	-	-	-	-	-
54	-	10,739,734	10,739,734	12,500	10,752,234	-	-	10,752,234	-	13
55	-	10,739,734	10,739,734	12,500	10,752,234	-	-	10,752,234	-	-
56	-	-	-	-	-	-	-	-	-	-
57	82,736,625	224,823,991	307,560,616	7,240,259	314,800,875	280,223,008	15,483,638	10,752,234	8,341,995	-
58	-	-	-	-	-	-	-	-	-	-
59	-	-	-	-	-	-	-	-	-	-
60	7,050,000	-	7,050,000	-	7,050,000	-	-	-	7,050,000	11
61	380,000	-	380,000	-	380,000	-	-	-	380,000	11
62	8,800,000	-	8,800,000	-	8,800,000	-	8,800,000	-	-	12
63	9,865,000	-	9,865,000	-	9,865,000	-	9,865,000	-	-	13
64	2,147,445	82,630	2,230,075	-	2,230,075	-	2,230,075	-	-	8
65	28,242,445	82,630	28,325,075	-	28,325,075	-	20,895,075	-	7,430,000	-
66	-	-	-	-	-	-	-	-	-	-
67	110,979,070	224,906,621	335,885,691	7,240,259	343,125,950	280,223,008	36,378,713	10,752,234	15,771,995	-

- 9 - The RTD's Bus JLL's lease expense payment which is forwarded to the Trustee who then makes payment to the CTFC as holder of the bonds. The CTFC then forwards the payment to MTA.
- 10 - This payment is converted into Yen through existing Yen currency swaps with Sumitomo Bank Capital Markets and with Barclays Bank and is then wire transferred to the Japanese lessor.
- 11 - Only the interest expense is debt. OMB and Accounting have reprogrammed the principal expense to be a reduction of a liability -- which is not a debt expense. The principal expense is found in the section entitled "Reduction of a Liability."
- 12 - The Benefit Assessment District debt service is solely an obligation of the respective districts and is paid from assessments received through the County Assessor's Office.
- 13 - OMB and Accounting have reprogrammed the principal and interest of this transaction to overhead administrative costs. Miscellaneous fees have remained in the D/S Fund.

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

**Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ending June 30, 1999, 2000 and 2001**

(Amounts in millions)

Debt Service Funds	FY99 Actual	FY00 Adopted Budget	FY01 Proposed
1 Revenue:			
2 Intergovernmental	\$ 3.4	\$ 2.5	\$ 2.4
3 Investment income	10.7	-	-
4 Other	1.4	-	-
5 Total revenues	15.5	2.5	2.4
6			
7 Expenditures:			
8 Services	1.6	-	-
9 Debt and interest expenditures	300.7	267.2	280.2
10 Total expenditures	302.3	267.2	280.2
11			
12 Excess (deficiency) of revenues over expenditures	(286.8)	(264.7)	(277.8)
13			
14 Other financing sources (uses):			
15 Operating transfers in			
16 Prop A	118.4	160.6	163.5
17 Prop C	73.4	89.5	114.3
18 Other	2.9	-	-
19 Total operating transfers in	194.7	250.1	277.8
20 Operating transfers out			
21 Prop A	(1.3)	-	-
22 Capital Fund	(1.1)	-	-
23 Total operating transfers out	(2.4)	-	-
24			
25 Proceeds from financing	106.7	14.6	-
26 Payment to refunding bond escrow agent	(342.8)	(100.0)	(365.0)
27 Proceeds of refunding bonds	330.7	100.0	365.0
28 Total other financing sources (uses)	286.9	264.7	277.8
29			
30 Excess (deficiency) of revenues and other financing			
31 sources over expenditures and other financing uses	0.1	-	-
32			
33 Fund surplus balance - beginning of year	109.5	109.6	109.6
34			
35 Fund surplus balance - end of year	\$ 109.6	\$ 109.6	\$ 109.6

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Strategic Business Units

Summary Description

The Balanced Scorecard management approach was initiated by the MTA for the FY01 strategic business planning process. Balanced Scorecard initiatives build on areas of quality management, strategic planning and performance measurement. The balanced scorecard model focuses the organization on achieving strategic results in terms of four perspectives; customers/constituents, internal process, innovation (skill and knowledge improvements), and resource management (financial costs). Strategic planning elements and performance measures related to each perspective drove the development of the MTA's mission, vision and goals.

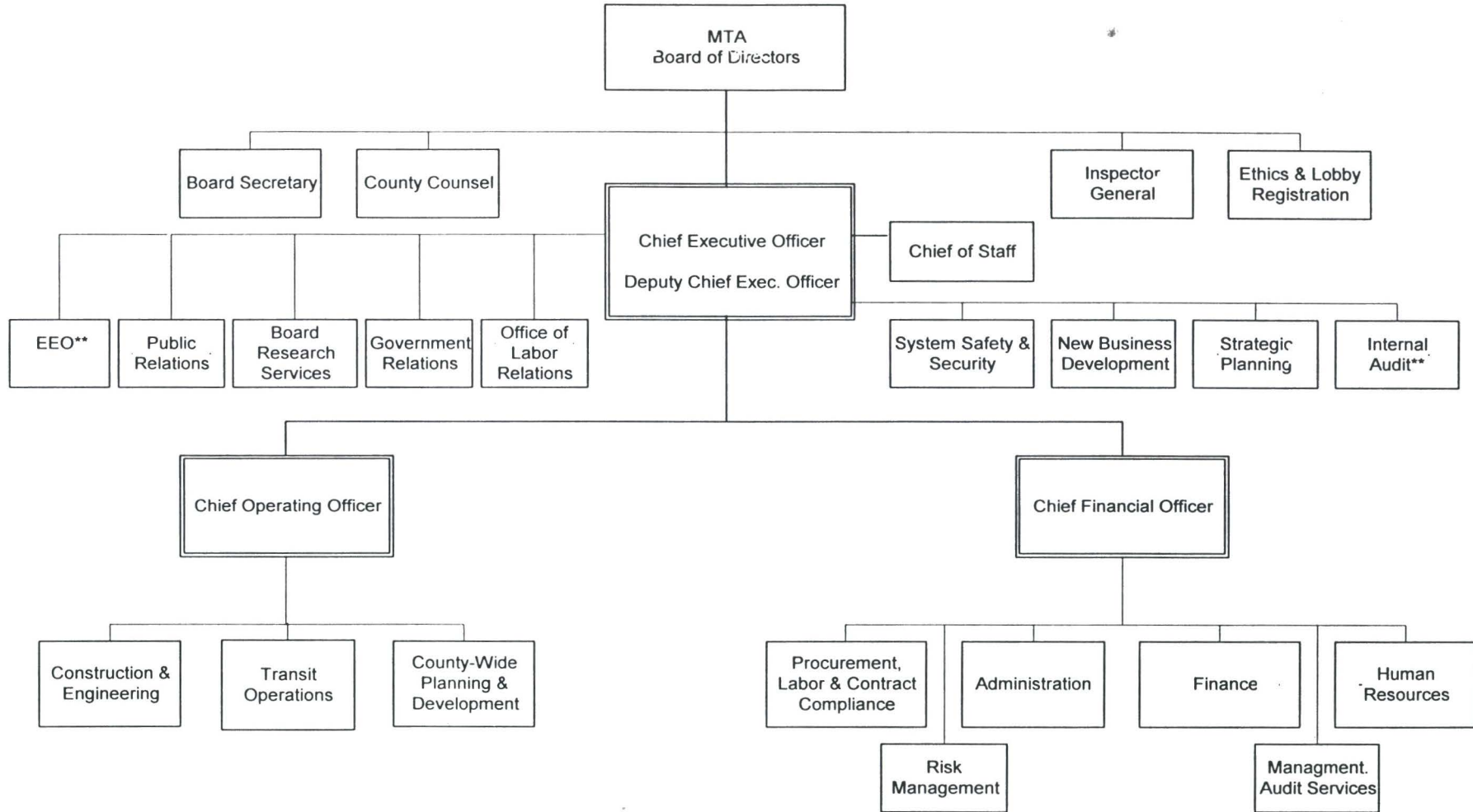
The first step to implementing the Balanced Scorecard approach was to align and focus the organization on the overall mission, vision and goals. The organizational structure was realigned into Strategic Business Units which are the core business and support functions of the MTA. The four major SBUs are Transit Operations, Countywide Planning and Developing, Engineering and Construction and Support Services.

The second step in the process was to identify the related key change initiatives required to realize the strategy and mobilize the organization. An Executive Leadership Team (ELT), which consists of the leaders of the four SBUs, the Chief Executive Officer, the Chief Operating Officer and the County Counsel, was convened to define the MTA's strategic priorities. The priorities were communicated to the SBU teams and subsequently each unit formulated major objectives that are integrated with the MTA's overall mission and vision. The collaborative process developed unit-level objectives that are linked. All unit level goals are focused on continued process and efficiency improvements at the MTA.

The final step is to create feedback at all levels of the organization to evaluate progress against strategy, monitor and manage issues and priorities, and measure performance and contribution to the MTA mission vision and goals. Each department is responsible for aligning strategic goals to their management action plans. This will lead to a integration of budgeting and strategic planning. Departments will define what resources are necessary for their work processes to contribute to the attainment of the MTA's overall goals.

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

MTA



**FY 01 Proposed
Management Organization
Structure**

Key:
** Affirmative Action Officer and Internal Audit report directly to the Office of the CEO.



MTA Summary Expenditure Budget

Department FTE'S		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Transit Operations	6,331	6,689	7,043
2	Countywide Planning & Development	185	189	207
3	Engineering & Construction	176	161	153
4	Finance	253	278	278
5	Management Audit Services	61	72	72
6	Administration	416	425	435
7	Office of Procurement	291	297	322
8	Human Resources	99	99	94
9	Board of Directors	62	61	63
10	Chief Executive Office	145	157	190
11	Total	8,019	8,428	8,857

Expenditure (Amounts in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
12	Transit Operations	647,346	826,666	884,520
13	Countywide Planning & Development	534,266	782,709	755,336
14	Engineering & Construction	275,091	288,708	245,160
15	Finance	764,488	525,885	772,978
16	Management Audit Services	5,816	9,079	11,460
17	Administration	54,288	86,164	80,199
18	Human Resources	52,089	12,121	11,814
19	Office of Procurement	24,152	35,037	31,103
20	Board of Directors	33,779	28,588	26,477
21	Chief Executive Office	58,484	73,134	78,357
22	Total	2,449,800	2,668,090	2,897,404

Expenditure Type (Amounts in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
23	Contract Wages	266,843	273,856	311,989
24	Non-Contract Wages	88,162	106,770	85,724
25	Fringe Benefits	268,283	229,127	234,570
26	Professional & Tech Services	111,288	148,775	161,808
27	Contract Services	116,763	139,541	132,944
28	Purchased Transportation	26,608	36,896	30,601
29	Fuels & Lubricants/Utilities	34,584	45,318	47,823
30	Material & Supplies	67,436	104,271	97,401
31	Casualty & Liability	45,515	48,515	37,644
32	Debt/Interest	658,736	406,340	657,269
33	Acquisitions	252,345	425,005	440,432
34	Subsidies	488,079	671,037	620,467
35	Other	25,158	32,640	38,732
36	Sub Total	2,449,800	2,668,090	2,897,404
37	Overhead	0	0	0
38	Total	2,449,800	2,668,090	2,897,404

Note: Department detail not adjusted to reflect FY01 interdepartment transfers and reorganizations in prior years.

Summary Of FY01 Budgeted FTEs By Department

Prior Years Adjusted for Interdepartment Transfers and Reorganizations

		FY99 Actual FTEs	FY00 Adopted FTEs	FY01 Proposed FTEs	Increase/ (Decrease)
1	Transit Operations				
	Executive Office, Transit Operations	2	2	2	-
2	Transit Operations Support	125	114	124	10
3	Bus Transportation	180	3,998	4,234	236
4	Maintenance Support	701	742	757	15
5	Bus Maintenance	4,750	1,196	1,220	24
6	Transit Rail Operations	523	587	668	81
7	Acquisition Warranty	45	46	37	(9)
8	Transit Operations Total	6,326	6,684	7,043	359
	Countywide Planning & Development				
9	Executive Office, C P & D	5	9	4	(5)
10	Congestion Relief Support	11	9	11	2
11	Operations Planning	64	56	56	-
12	Countywide Planning	28	33	43	10
13	Transp Dev & Implement	51	53	56	3
14	Capital Dev & Prog	22	25	33	8
15	Metro Art	5	5	5	-
16	Countywide Planning & Development Total	185	189	207	18
	Engineering & Construction				
17	Executive Office, Construction	12	11	9	(2)
18	Quality Management	16	16	13	(3)
19	Engineering	72	59	63	4
20	Construction	30	31	26	(5)
21	Program Management	38	37	34	(3)
22	Public Affairs	9	8	8	-
23	Engineering & Construction Total	176	161	153	(8)
	Finance				
24	Office of the CFO	-	2	2	-
25	Executive Office, Finance	4	3	3	-
26	Accounting	65	71	72	1
27	Treasury	12	11	11	-
28	Risk Management	20	20	20	-
29	Revenue Administration	133	147	148	1
30	Office Of Management & Budget	19	21	22	1
31	Finance Total	251	275	278	3
32	MASD				
	Management Audit Services	61	72	72	-
33	MASD Total	61	72	72	-

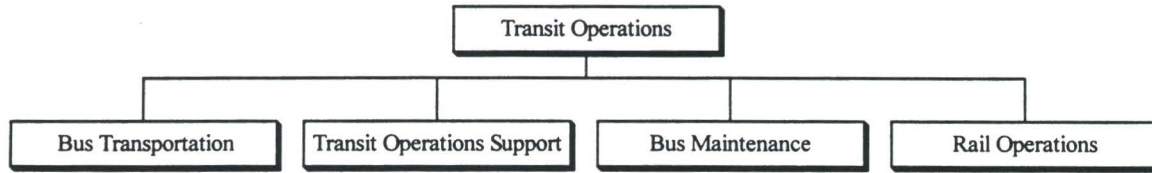
**Los Angeles County Metropolitan Transportation Authority
Proposed Budget**

Summary Of FY01 Budgeted FTEs By Department, continued
Prior Years Adjusted for Interdepartment Transfers and Reorganizations

			FY99 Actual FTEs	FY00 Adopted FTEs	FY01 Proposed FTEs	Increase/ (Decrease)
34	Administration	Executive Office, Administration	4	3	3	-
35		General Services	104	100	100	-
36		Real Estate	19	19	19	-
37		Mktg. / Cust. Relations	146	147	147	-
38		Information & Technology Services	94	98	101	3
39		Information Services Department	50	58	65	7
40		Administration Total	416	425	435	10
41	Procurement	Materiel	181	191	202	11
42		Contracts	64	70	71	1
43		Executive Office, Procurement	6	5	6	1
44		Contract Support	40	32	44	12
45		Procurement Total	291	297	322	25
46	Human Resources	Equal Employment Opportunity	8	8	8	-
47		Employee Relations	8	3	3	-
48		Hr Admin	29	41	40	(1)
49		Career Development	2	2	-	(2)
50		Hr Development	11	10	12	2
51		Personnel	33	28	31	3
52		Human Resources Total	91	92	94	2
53	Board Of Directors	Office Of Board Secretary	9	9	9	-
54		Ethics Office	7	6	6	-
55		County Counsel	4	4	6	2
56		Inspector General	42	42	42	-
57		Board Of Directors Total	62	61	63	2
58	Chief Executive Office	Chief Executive Office	2	1	1	-
59		Deputy CEO/COO	5	3	3	-
60		Chief Of Staff	4	5	3	(2)
61		New Business Development	2	3	4	1
62		Strategic Planning & Analysis	2	3	3	-
63		Labor Relations	14	14	16	2
64		Board Research Services	5	5	5	-
65		System Safety & Security	112	123	140	17
66		Media Relations	7	7	7	-
67		Government Relations	8	8	8	-
68		Chief Executive Office Total	161	172	190	18
69	MTA Total		8,019	8,428	8,857	429

Transit Operations

Organization Chart



Strategic Business Unit Description

Transit Operations manages all aspects of MTA Metro Bus and Metro Rail operations and related activities. Transit Operations provides clean, safe, efficient and reliable transit services to more than 1.2 million patrons per day, covering Los Angeles County’s 2,200 square miles. During FY01, Transit Operations will operate over seven million bus revenue service hours, and over 500 thousand rail revenue service hours.

Transit Operations Objectives

OBJECTIVES	<ul style="list-style-type: none"> • Reduce operating subsidy to achieve blended bus and rail targets by FY03 • Increase gross revenue per revenue (vehicle) service hour to align with bus and rail targets by FY03 • Achieve performance and quality targets in the areas of reliability, timeliness, cleanliness and safety by FY03
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FY01 Highlights:

- 3.4% bus service increase with a reduction of 7.1% cost per hour.
- Addition of 49 FTEs to support the opening of Division 22 (Metro Green Line Transportation and Maintenance-of-Way (MOW))
- 65 additional FTEs due to an increase in the operator to assignment ratio from 1.16 to 1.18 to meet service demands and lower cost
- \$1.4 million increase to elevator/escalator maintenance cost
- \$6.0 million capital bus acquisition budgeted for purchased transportation equipment supplied by contractors
- Increase of seventeen Maintenance Specialists and two Maintenance Specialist Leaders to support the Heavy and Light Rail vehicle expansion
- Additional Operators, five Service Attendants and three Mechanics to support Metro Rapid Bus

Transit Operations Reports

Transit Operations

Department FTEs	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Executive Office, Transit Operations	2	2	2
2 Transit Operations Support	130	119	124
3 Bus Transportation	180	3,998	4,234
4 Maintenance Support	701	742	757
5 Bus Maintenance	4,750	1,196	1,220
6 Transit Rail Operations	523	587	668
7 Acquisition Warranty	45	46	37
8 Total	6,331	6,689	7,043

Expenditures (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
9 Executive Office, Transit Operations	302	512	470
10 Transit Operations Support	37,593	50,297	50,637
11 Bus Transportation	10,258	283,838	307,929
12 Maintenance Support	80,289	114,694	108,652
13 Bus Maintenance	391,920	134,712	145,388
14 Transit Rail Operations	55,343	71,590	77,085
15 Acquisition Warranty	68,132	162,967	185,179
16 Sub Total Department	643,837	818,610	875,340
17 Non-Departmental -Operations	3,509	8,056	9,180
18 Sub Total Non-dept.	3,509	8,056	9,180
19 Total Non-dept & Dept	647,346	826,666	884,520

Expenditure Type (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
20 Contract Wages	247,602	253,546	289,142
21 Non-Contract Wages	33,640	38,859	14,241
22 Fringe Benefits	175,205	182,907	187,392
23 Professional & Tech Services	2,591	3,411	7,231
24 Contract Services	8,700	13,553	14,081
25 Purchased Transportation	23,731	34,648	28,601
26 Fuels & Lubricants/Utilities	30,567	40,240	42,991
27 Material & Supplies	57,607	86,416	78,625
28 Acquisitions	63,457	167,968	210,789
29 Other	4,246	5,116	11,425
30 Sub Total	647,346	826,666	884,520
31 Overhead	0	0	0
32 Total	647,346	826,666	884,520

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Transit Operations Reports, continued

Transit Operations Executive Office, Transit Operations

Department Expenditure Type (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	58	152	160
3 Fringe Benefits	31	67	69
4 Professional & Tech	163	100	50
5 Contract Services	0	0	0
6 Material & Supplies	0	12	10
7 Other	49	181	182
8 Sub Total	302	512	470
9 Overhead	0	0	0
10 Total	302	512	470
11 FTEs	2	2	2

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Transit Operations Reports, continued

Transit Operations Transit Operations Support

Department Expenditure Type (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	2,184	2,584	3,717
2 Non-Contract Wages	2,658	2,699	2,176
3 Fringe Benefits	2,565	2,701	3,064
4 Professional & Tech Services	614	1,396	1,542
5 Contract Services	394	1,036	436
6 Purchased Transportation	23,731	34,648	28,601
7 Fuels & Lubricants/Utilities	0	0	0
8 Material & Supplies	4,683	4,491	4,822
9 Acquisitions	276	57	0
10 Other	487	685	6,278
11 Sub Total	37,593	50,297	50,637
12 Overhead	0	0	0
13 Total	37,593	50,297	50,637
14 FTEs	130	119	124

Non-Department Expenditure Type (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
15 Contract Wages	0	0	0
16 Non-B20 Contract Wages	0	0	0
17 Fringe Benefits	775	0	0
18 Professional & Tech Services	3	0	0
19 Contract Services	20	0	0
20 Purchased Transportation	0	0	0
21 Fuels & Lubricants/Utilities	0	5,067	5,274
22 Material & Supplies	0	0	0
23 Other	2,711	2,989	3,906
24 Sub Total	3,509	8,056	9,180
25 Overhead	0	0	0
26 Total	3,509	8,056	9,180
27 FTEs	0	0	0

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Transit Operations Reports, continued

Transit Operations Bus Transportation

Department Expenditure Type (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	592	159,111	176,637
2 Non-Contract Wages	5,265	15,641	3,273
3 Fringe Benefits	3,416	107,242	109,359
4 Professional & Tech Services	214	353	2,770
5 Contract Services	0	13	14
6 Purchased Transportation	0	0	0
7 Fuels & Lubricants/Utilities	23	0	0
8 Material & Supplies	711	1,323	1,349
9 Acquisitions	0	0	14,403
10 Other	38	154	122
11 Sub Total	10,258	283,838	307,929
12 Overhead	0	0	0
13 Total	10,258	283,838	307,929
14 FTEs	180	3,998	4,234

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

Transit Operations Reports, continued

Transit Operations Maintenance Support

Department Expenditure Type (Amounts in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Contract Wages	21,721	22,509	27,311
2	Non-Contract Wages	5,119	6,392	3,878
3	Fringe Benefits	16,842	18,373	21,207
4	Professional & Tech Services	197	548	689
5	Contract Services	4,293	9,515	11,039
6	Purchased Transportation	0	0	0
7	Fuels & Lubricants/Utilities	5,562	212	252
8	Material & Supplies	24,540	42,510	26,504
9	Acquisitions	1,383	14,098	17,575
10	Other	632	536	196
11	Sub Total	80,289	114,694	108,652
12	Overhead	0	0	0
13	Total	80,289	114,694	108,652
14	FTEs	701	742	757

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Transit Operations Reports, continued

Transit Operations Bus Maintenance

Department Expenditure Type (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	205,100	48,653	52,502
2 Non-Contract Wages	12,497	3,899	779
3 Fringe Benefits	136,736	36,388	34,246
4 Professional & Tech Services	1	15	0
5 Contract Services	89	30	217
6 Fuels & Lubricants/Utilities	16,486	18,854	23,380
7 Material & Supplies	20,967	26,809	34,227
8 Acquisitions	0	0	0
9 Other	43	65	37
10 Sub Total	391,920	134,712	145,388
11 Overhead	0	0	0
12 Total	391,920	134,712	145,388
13 FTEs	4,750	1,196	1,220

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

Transit Operations Reports, continued

Transit Operations Transit Rail Operations

Department Expenditure Type (Amounts in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Contract Wages	17,160	20,133	27,994
2	Non-Contract Wages	6,845	8,442	3,058
3	Fringe Benefits	13,785	17,024	18,222
4	Professional & Tech Services	32	262	705
5	Contract Services	2,203	2,943	2,360
6	Fuels & Lubricants/Utilities	8,428	13,942	14,085
7	Material & Supplies	6,716	8,425	9,685
8	Acquisitions	155	352	941
9	Other	19	66	36
10	Sub Total	55,343	71,590	77,085
11	Overhead	0	0	0
12	Total	55,343	71,590	77,085
13	FTEs	523	587	668

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

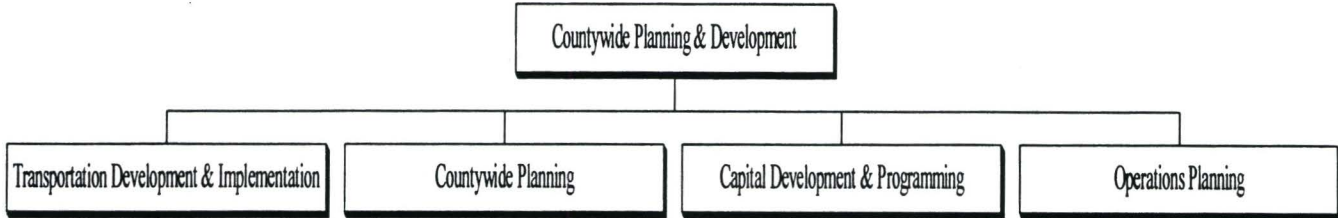
Transit Operations Reports, continued

Transit Operations Acquisition Warranty

Department Expenditure Type (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	845	557	981
2 Non-Contract Wages	1,197	1,633	917
3 Fringe Benefits	1,054	1,112	1,224
4 Professional & Tech Services	1,367	737	1,475
5 Contract Services	1,701	17	15
6 Fuels & Lubricants/Utilities	69	2,165	0
7 Material & Supplies	-10	2,845	2,029
8 Acquisitions	61,643	153,462	177,870
9 Other	266	439	668
10 Sub Total	68,132	162,967	185,179
11 Overhead	0	0	0
12 Total	68,132	162,967	185,179
13 FTEs	45	46	37

Countywide Planning & Development (CP&D)

Organization Chart



Strategic Business Unit

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

Countywide Planning & Development is organized functionally with resources assigned to support multi-modal transportation segments. Component departments in the SBU include Operations Planning and Systems Analysis, Capital Development and Programming, Transportation Planning Integration, and Transportation Development & Implementation.

Countywide Planning & Development assumed responsibility for managing the MTA's auxiliary units, Service Authority for Freeway Emergencies (SAFE), Freeway Service Patrol/Major Incident Response (FSP/MIR) and coordinating with the SAFE program office. Commencing in FY01, the Metro Art program will be aligned to CP&D. Metro Art plans, directs, and implements all aspects of the MTA's public art policy. It seeks to increase the awareness of quality art design and enhance the public transit experience on Metro Rail, Metro Bus and Metrolink.

Countywide Planning and Development Objectives

OBJECTIVES	<ul style="list-style-type: none"> • Complete 90% of all CFP and CP&D internal projects on schedule, on budget and meeting mobility goals as measured by adopted project objectives and consistent with funding requirements on an annual basis by FY01 • Secure federal, state, and local discretionary appropriations that achieve annualized targets • Complete a viable consolidated countywide LRTP specifying planned levels of mobility and effective multi-modal resource allocation by FY03 • Improve customer awareness and satisfaction by geography and mode by 10% over FY00 baseline in identified customer/market segments by FY03
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Unit Description

- The Executive Officer directs the overall programs of MTA's multi-modal planning & programming services, develop strategies, defines major priorities and resolution to critical transportation issues.
- Operations Planning and Scheduling Administration provides direction and support to the Scheduling, Service Planning, and Transportation Analysis/Technical Support sections. This unit is also responsible for ensuring that the activities of the three sections are coordinated with each other as well as with the rest of the Agency. The Deputy Executive Officer of this unit is designated the Consent Decree Compliance Officer responsible for meeting the requirements of the Consent Decree. This unit is also responsible for LADOT memorandum of Understanding implementation.
- The Countywide Planning Development 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
- Transportation Development and Implementation Department 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 the cities and transit operators; conducts joint development activities; is the MTA liaison to the cities on Proposition A and C Local Return and Discretionary funds, TDA Article 3 and 8; serves as the project planning lead in the Long Range Plan and Call-for-Projects.
- The Capital Development and Programming Department (CD&P) is responsible for strategic capital planning, regional programming, and grants management and administration for all fund sources that support the MTA's mission of improving mobility and promoting innovative and comprehensive transportation systems throughout Los Angeles County. CD&P also programs the Call-for-Projects, analyzes state, federal, and local programming proposals and policies, allocates the local and municipal operator funding as well as provides policy development for regional planning, local programs and organizational directions.

Major Budget Variances

Description	FY00	FY01	Variance	Percent Change
Call	24.9	16.9	-8	-32.13%
Grant	13	28.1	15.1	116.15%
Capital	16.3	36.3	20	122.70%
Consent Decree	16.9	0.6	-16.3	-96.45%
FSP/SAFE	34.5	30	-4.5	-13.04%
BAD	0.4	0.5	0.1	25.00%
Operating	23.3	21.2	-2.1	-9.01%
Total Budget	129.3	133.6	4.3	3.33%

Operating Budget Variances

- Capital Planning & Development's budget has increased in the area of Call and Grant-funded projects. Major growth in this category include: Three Corridor Studies for Mid-City, Eastside and San Fernando Valley, Rideshare 2000/Club Metro, Welfare to Work Transportation Plan, Long Range Plan (LRP) update, Survey Planning/ Market Research Programs (SPMRP) and Joint Development activities.
- Purchased transportation related to consent decree services and the service monitoring and scheduling department has been realigned the Transit Operations in FY01 budget.

Capital Budget Variance

- Capital projects include the implementation of the regional Universal Fare System (UFS) and the Metro Rapid Bus demonstration.

Regional Programs Variance

- The FY01 budget for local funding commitments to the Call-for-Projects reflect current year cash flow, rather than programmed amounts, and includes estimated expenditure of prior year commitments; thus resulting in a \$68.9M decrease from FY00 to FY01.

Countywide Planning and Development Reports

Countywide Planning & Development

Department FTE'S	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Congestion Relief Support	11	9	11
2 Executive Office	5	9	4
3 Operations Planning	64	56	56
4 Countywide Planning	28	33	43
5 Transp Dev & Implement	51	53	56
6 Capital Dev & Prog	22	25	33
7 Metro Art	5	5	5
8 Total	185	189	207

Expenditure Type (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
10 Congestion Relief Support	25,295	34,534	29,777
11 Executive Office	564	907	1,478
12 Operations Planning	7,324	10,334	7,971
13 Countywide Planning	3,631	27,179	48,460
14 Transp Dev & Implement	18,356	35,330	42,580
15 Capital Dev & Prog	2,054	2,502	3,406
16 Metro Art	458	885	1,197
17 Sub Total Department	57,683	111,672	134,869
18 Non-Departmental- CD&P	476,583	671,037	620,467
19 Sub Total Non-dept.	476,583	671,037	620,467
20 Total Non-dept & Dept	534,266	782,709	755,336

Expenditures (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
21 Contract Wages	1,419	1,305	1,605
22 Non-Contract Wages	7,916	10,337	10,882
23 Fringe Benefits	4,873	5,372	5,614
24 Professional & Tech Services	10,981	38,022	52,909
25 Contract Services	24,633	36,823	29,895
26 Purchased Transportation	2,876	2,248	2,000
27 Fuels & Lubricants/Utilities	112	153	135
28 Material & Supplies	254	408	774
29 Casualty & Liability	41	60	50
30 Acquisitions	438	16,300	30,292
31 Subsidies	480,477	671,037	620,467
32 Other	245	643	712
33 Sub Total	534,266	782,709	755,336
34 Overhead	0	0	0
35 Total	534,266	782,709	755,336

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

CP&D Reports, continued

Countywide Planning & Development

Congestion Relief

Department Expenditure Type (Amounts in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Contract Wages	0	0	52
2	Non-Contract Wages	456	496	700
3	Fringe Benefits	225	223	436
4	Professional & Tech Services	853	1,933	1,980
5	Contract Services	23,232	31,498	26,167
6	Fuels & Lubricants/Utilities	112	151	132
7	Material & Supplies	134	89	164
8	Casualty & Liability	41	60	50
9	Acquisitions	53	0	0
10	Other	188	85	97
11	Sub Total	25,295	34,534	29,777
12	Overhead	0	0	0
13	Total	25,295	34,534	29,777
14	FTEs	11	9	11

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

CP&D Reports, continued

Countywide Planning & Development Executive Office

Department Expenditure Type (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	356	572	246
3 Fringe Benefits	179	255	105
4 Professional & Tech Services	18	60	1,100
5 Contract Services	0	0	0
6 Fuels & Lubricants/Utilities	0	0	1
7 Material & Supplies	2	3	8
8 Other	9	17	18
9 Sub Total	564	907	1,478
10 Overhead	0	0	0
11 Total	564	907	1,478
12 FTEs	5	9	4

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

CP&D Reports, continued

Countywide Planning & Development

Operations Planning

Department Expenditure Type (Amounts in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Contract Wages	1,419	1,305	1,553
2 Non-Contract Wages	1,343	1,596	1,350
3 Fringe Benefits	1,531	1,400	1,234
4 Professional & Tech Services	550	3,527	3,575
5 Contract Services	8	0	0
6 Purchased Transportation	2,590	2,248	0
7 Fuels & Lubricants/Utilities	0	0	0
8 Material & Supplies	23	92	114
9 Acquisitions	0	0	0
10 Other	-140	167	145
11 Sub Total	7,324	10,334	7,971
12 Overhead	0	0	0
13 Total	7,324	10,334	7,971
14 FTEs	64	56	56

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

CP&D Reports, continued

Countywide Planning & Development

Countywide Planning

Department Expenditure Type (Amounts in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	1,609	2,807	2,771
3 Fringe Benefits	870	1,320	1,309
4 Professional & Tech Services	611	5,208	10,527
5 Contract Services	26	1,864	1,024
6 Purchased Transportation	0	0	2,000
7 Material & Supplies	29	80	357
8 Acquisitions	-3	15,800	30,292
9 Subsidies	436	0	0
10 Other	53	101	180
11 Sub Total	3,631	27,179	48,460
12 Overhead	0	0	0
13 Total	3,631	27,179	48,460
14 FTEs	28	33	43

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

CP&D Reports, continued

Countywide Planning & Development Transp Dev & Implem

Department Expenditure Type (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	2,738	3,181	3,530
3 Fringe Benefits	1,350	1,415	1,535
4 Professional & Tech Services	8,081	26,759	34,813
5 Contract Services	1,290	3,250	2,500
6 Purchased Transportation	286	0	0
7 Fuels & Lubricants/Utilities	0	2	2
8 Material & Supplies	15	46	48
9 Casualty & Liability	0	0	0
10 Acquisitions	388	500	0
11 Subsidies	4,186	0	0
12 Other	22	177	152
13 Sub Total	18,356	35,330	42,580
14 Overhead	0	0	0
15 Total	18,356	35,330	42,580
16 FTEs	51	53	56

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

CP&D Reports, continued

Countywide Planning & Development

Capital Dev & Prog

Department Expenditure Type (Amounts in thousands)	FY00		FY01
	FY99 Actual	Adopted	Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	1,188	1,403	1,962
3 Fringe Benefits	602	630	849
4 Professional & Tech Services	108	313	452
5 Contract Services	20	0	0
6 Fuels & Lubricants/Utilities	0	0	0
7 Material & Supplies	33	78	64
8 Acquisitions	0	0	0
9 Subsidies	0	0	0
10 Other	103	79	79
11 Sub Total	2,054	2,502	3,406
12 Overhead	0	0	0
13 Total	2,054	2,502	3,406
14 FTEs	22	25	33

Non-Department Expenditure Type	FY00		FY01
	FY99 Actual	Adopted	Proposed
15 Professional & Tech Services	729	0	0
16 Subsidies	475,854	671,037	620,467
17 Other	0	0	0
18 Sub Total	476,583	671,037	620,467
19 Overhead	0	0	0
20 Total	476,583	671,037	620,467

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

CP&D Reports, continued

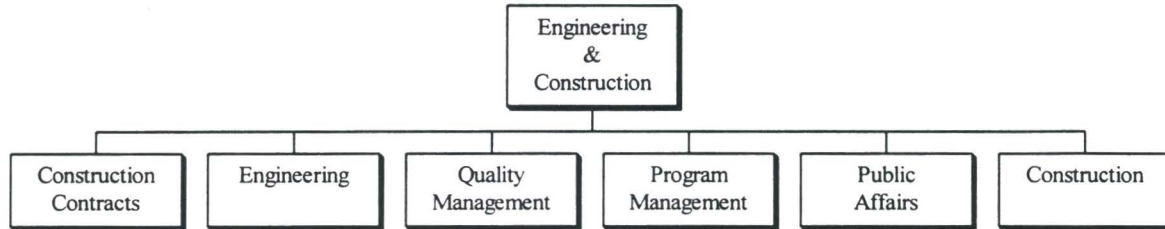
Countywide Planning & Development

Metro Art

Department Expenditure Type (Amounts in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	227	283	323
3 Fringe Benefits	116	130	145
4 Professional & Tech Services	31	222	462
5 Contract Services	57	212	204
6 Fuels & Lubricants/Utilities	0	0	0
7 Material & Supplies	19	21	20
8 Casualty & Liability	0	0	0
9 Debt/Interest	0	0	0
10 Acquisitions	0	0	0
11 Other	8	18	42
12 Sub Total	458	885	1,197
13 Overhead	0	0	0
14 Total	458	885	1,197
15 FTEs	5	5	5

Engineering & Construction

Organization Chart



Strategic Business Unit

Engineering and Construction is responsible for providing the engineering services and construction oversight for large rail projects and over 125 Capital Improvement Program (CIP) projects. FY01 budget totals \$306.5 million, an eleven percent reduction from the FY00 budget. Engineering and Construction is responsible for providing engineering and construction oversight to four major rail projects totaling \$236 million; nine minor rail projects totaling \$28.2 million; and bus/rail CIP projects totaling \$42.3 million. In light of the April 6, 2000, State commitment to fund light rail, we will also focus on planning for implementation of the newly funded rail start up projects. Motivated by our vision and the desire to perform engineering work more economically and with greater control, Engineering and Construction has shifted from its oversight role with consultants to that of a self performing, technically proficient organization. The Engineering and Construction expects to see continued strides during FY01 in maximizing productivity and the quality of finished products.

Engineering & Construction Objectives

OBJECTIVES	<ul style="list-style-type: none"> • Achieve 95% on-time and on-budget delivery of engineering and construction services • Achieve targeted close out of all construction projects within six months of contract conclusion within the original fixed project budget by FY03 • Prepare lifecycle cost reduction options in conformity with project classification targets • Achieve a 0% budget variance for all community mitigation by FY03
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Unit Description

To facilitate the efficient and effective management of the projects and programs, Engineering and Construction is comprised of eight cost departments as follows:

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

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

- The Executive Office for Engineering and Construction is responsible for managing division and cost center activities in support of the MTA in addition to providing technical and administrative guidance and assistance.
- Quality Management/Assurance 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.
- Engineering is responsible for the cost-effective provision of design and other engineering professional services from preliminary engineering through final design and construction of bus and rail projects. These projects range from minor updates to bus facilities to design of major projects.
- Project Engineering is responsible for providing engineering support staff for each of the projects.
- The Construction unit is responsible for the management and oversight for all rail construction related activities and construction related capital improvement projects.
- Environmental Services is responsible for providing the appropriate plan, labor and equipment to mitigate contamination impacts; to maintain compliance with all environmental regulations pertaining to hazardous wastes and materials; to monitor environmental contractors working on projects; and to provide regulatory interface to resolve MTA concerns and address MTA requirements imposed on projects.
- Environmental Compliance provides environmental clearance for MTA projects and ensures compliance with the provisions of federal, state and local laws, regulations and guidelines related to impacts of the projects on the environment and on cultural resources. In addition, the section monitors and updates mitigation measures status reports for the projects.
- The MTA Construction Contracts Department is responsible for directing contract administration in the engineering and construction of MTA capital projects in procurement, purchasing, construction and professional services contracts consistent with MTA policies and procedures. Directs the overall process of quality control and general management of contract operations.
- Program Management is responsible for monitoring the impact on the financial resources of the MTA's developing and consolidated 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 related Capital Improvement Projects; provide timely and accurate change status data, assume in-house responsibility for design change control, process bid packages, drawings and contract document changes.

Major Budget Variances

With the arrival of revenue service for the North Hollywood Extension of the Metro Red Line on June 24, 2000, Engineering and Construction can begin a reduction in staffing from the FY00 approved levels. Eleven positions will be eliminated in FY01. This reflects the evolution of priorities from primarily constructing a rail system to the administrative close-out of contract change orders and resolving contractor claims. At the same time, the requested staffing level reflects the on-going demands of an agency-wide capital improvement program. This expanded role also includes the assumption of engineering activities previously performed by consultants. The unification of all MTA

engineering responsibilities within the Engineering and Construction will improve accountability and control as well as reduce costs.

The project budgets total \$306.5 million for FY01 as follows:

- **Metro Red Line Segment 2:** The FY01 budget totals \$58.6 million which includes costs for completion of all remaining contract close-outs, claim settlements, and litigation. Metro Red Line Segment 2 includes two rail corridors: the Wilshire Corridor and the Vermont-Hollywood Corridor. The Wilshire Corridor began Revenue Operations July 1996. The Vermont-Hollywood Corridor began revenue operations June 1999.
- **Metro Red Line Segment 3, North Hollywood:** The FY01 budget for North Hollywood Extension totals \$119.9 million and is based on a Revenue Operation date of June 2000. The project activity includes receiving the certificate of occupancy, completing US-101 freeway overcrossing and Universal City Station site restoration; and completing Lankershim bridge widening and Lankershim Boulevard restoration.
- **Metro Green Line:** The FY01 budget totals \$13.9 million and includes funding for the completion of the Automatic Train Control System; costs relating to testing and startup of the vehicles; testing of the train control wayside equipment with carbine equipment; Caltrans outstanding claims and the continuing construction of the Maintenance-of-Way facility.
- **Metro Blue Line Transit Enhancements:** The FY01 budget totals \$5 million and includes funding for the design and construction of station platforms to accommodate three-car consist for nineteen Metro Blue Line stations. Work at each station includes platform extensions, lighting and PA systems, signal modifications, emergency and handicap access, pedestrian walkways, landscaping and utility relocation.
- **Minor Rail Capital Improvements:** The FY01 budget totals \$28.3 million and includes funding for on-going minor rail projects such as the Metro Blue Line punch list and claims, the Metro Blue Line corrosion control studies and construction, the Imperial Highway punch list, Pasadena Engineering Management Consultant (EMC) claims mitigation, the Metro Red Line Eastside house mitigation program, and Deferred Metro Red Line Projects environmental mitigation.
- **Capital Improvement Plan (CIP):**
 - **Rail:** The FY01 budget includes \$24.2 million for Engineering and Construction technical support to Procurement for GEC solicitation, the Lessons Learned Program support, Engineering Management Consultant contract close-outs, the CADD and Graphic Information System implementation, radio retrofit, environmental mitigation, and tunnel grouting.
 - **Bus:** The FY01 budget includes \$18.1 million for various projects requiring Engineering and Construction support to maintain and upgrade Operation Facilities such as re-roofing, lighting, tank replacement, leak detection, pavement replacement, CNG compressors and ADA compliance requirements.

Engineering & Construction Reports

Engineering & Construction

Department FTEs		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Public Affairs	9	8	8
2	Executive Office, Const	12	11	9
3	Quality Management	16	16	13
4	Engineering	72	59	63
5	Construction	30	31	26
6	Program Management	38	37	34
7	Total	176	161	153

Expenditures (Amount in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
8	Public Affairs	1,570	2,484	1,107
9	Executive Office, Const	185	1,580	1,638
10	Quality Management	1,243	1,331	1,335
11	Engineering	21,045	5,572	6,128
12	Construction	1,907	2,692	2,562
13	Construction Contracts	246,895	271,631	228,273
14	Program Management	2,245	3,417	4,117
15	Sub Total Department	275,091	288,708	245,160
16	Sub Total Non-dept.			
17	Total Non-dept & Dept	275,091	288,708	245,160

Expenditure Type (Amount in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
18	Contract Wages	0	0	0
19	Non-Contract Wages	8,605	9,478	9,797
20	Fringe Benefits	4,360	4,517	4,318
21	Professional & Tech Services	70,265	55,164	43,376
22	Contract Services	498	43	20
23	Fuels & Lubricants/Utilities	4	11	0
24	Material & Supplies	298	478	1,476
25	Casualty & Liability	9	0	0
26	Acquisitions	186,011	218,286	185,447
27	Subsidies	4,434	0	0
28	Other	608	730	725
29	Sub Total	275,091	288,708	245,160
30	Overhead	0	0	0
31	Total	275,091	288,708	245,160

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Engineering & Construction Reports, continued

Engineering & Construction Public Affairs

Department Expenditure Type (Amount in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	463	471	390
3 Fringe Benefits	230	223	170
4 Professional & Tech Services	272	1,532	229
5 Contract Services	185	35	1
6 Fuels & Lubricants/Utilities	2	0	0
7 Material & Supplies	51	81	35
8 Acquisitions	0	0	0
9 Other	368	143	281
10 Sub Total	1,570	2,484	1,107
11 Overhead	0	0	0
12 Total	1,570	2,484	1,107
13 FTEs	9	8	8

Engineering & Construction Reports, continued

Engineering & Construction Executive Office, Construction

Department Expenditure Type (Amount in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	665	819	714
3 Fringe Benefits	327	377	329
4 Professional & Tech Services	-879	6	524
5 Contract Services	0	0	0
6 Fuels & Lubricants/Utilities	0	0	0
7 Material & Supplies	11	33	27
8 Acquisitions	0	0	0
9 Other	61	346	45
10 Sub Total	185	1,580	1,638
11 Overhead	0	0	0
12 Total	185	1,580	1,638
13 FTEs	12	11	9

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Engineering & Construction Reports, continued

Engineering & Construction Quality Management

Department Expenditure Type (Amount in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	812	901	777
3 Fringe Benefits	415	402	342
4 Professional & Tech Services	2	0	173
5 Fuels & Lubricants/Utilities	0	2	0
6 Material & Supplies	7	10	8
7 Other	7	16	36
8 Sub Total	1,243	1,331	1,335
9 Overhead	0	0	0
10 Total	1,243	1,331	1,335
11 FTEs	16	16	13

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

Engineering & Construction Reports, continued

Engineering & Construction Engineering

Department Expenditure Type (Amount in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	3,914	3,505	4,129
3 Fringe Benefits	2,105	1,811	1,803
4 Professional & Tech Services	182	100	71
5 Contract Services	6	5	0
6 Fuels & Lubricants/Utilities	0	5	0
7 Material & Supplies	78	85	36
8 Casualty & Liability	0	0	0
9 Acquisitions	14,712	0	0
10 Other	48	61	89
11 Sub Total	21,045	5,572	6,128
12 Overhead	0	0	0
13 Total	21,045	5,572	6,128
14 FTEs	72	59	63

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

Engineering & Construction Reports, continued

Engineering & Construction Construction

Department Expenditure Type (Amount in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	1,217	1,717	1,490
3 Fringe Benefits	597	775	650
4 Professional & Tech Services	50	14	136
5 Contract Services	0	0	14
6 Fuels & Lubricants/Utilities	0	4	0
7 Material & Supplies	15	31	18
8 Acquisitions	0	0	0
9 Other	29	150	253
10 Sub Total	1,907	2,692	2,562
11 Overhead	0	0	0
12 Total	1,907	2,692	2,562
13 FTEs	30	31	26

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Engineering & Construction Reports, continued

Engineering & Construction Construction Contract

Department Expenditure Type (Amount in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Non-Contract Wages	0	0	0
2 Fringe Benefits	0	0	0
3 Professional & Tech Services	70,678	53,344	41,608
4 Contract Services	307	0	0
5 Fuels & Lubricants/Utilities	2	0	0
6 Material & Supplies	78	0	1,218
7 Casualty & Liability	9	0	0
8 Acquisitions	171,299	218,286	185,447
9 Subsidies	4,434	0	0
10 Other	89	0	0
11 Sub Total	246,895	271,631	228,273
12 Overhead	0	0	0
13 Total	246,895	271,631	228,273

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Engineering & Construction Reports, continued

Engineering & Construction Program Management

Department Expenditure Type (Amount in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	1,534	2,065	2,298
3 Fringe Benefits	687	929	1,024
4 Professional & Tech	-41	168	634
5 Contract Services	0	3	5
6 Material & Supplies	59	239	135
7 Acquisitions	0	0	0
8 Other*	7	14	22
9 Sub Total	2,245	3,417	4,117
10 Overhead	0	0	0
11 Total	2,245	3,417	4,117
12 FTEs	38	37	34

Support Services

Organization Chart



Strategic Business Unit

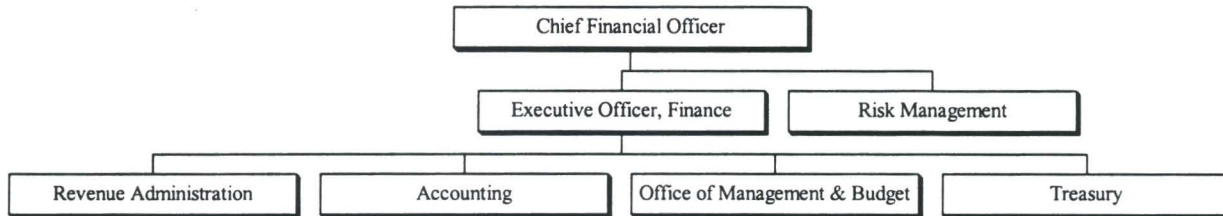
The Support Services business unit was created as a centralized functional organization, whose mission is to provide timely services in support the MTA organization team. Support Services is comprised of departments and resources that serve all operating units. As an internal supplier of services and resources, Support Services' strategic objectives and performance drivers are integral to supporting cross-business initiatives for improved efficiencies in Transit Operations, Planning and Construction. This strategic business unit's primary focus is to improve internal business processes. Support Services is responsible for implementing customer-focused objectives that reduce cycle time by alleviating non-value added activities. These service departments provide key cross-business and fundamental processes to support the core business units. This cross-functional team will develop and implement business plans that yield problem-solving processes for management control and improved efficiencies throughout the organization.

Support Services Objectives

OBJECTIVES	<ul style="list-style-type: none"> • Improve access to timely and accurate mission critical management information for key customers by FY02 • Identify and map core processes with a 20% target improvement in cycle time with no additional net cost or performance degradation by December 31, 2001 • Achieve 20% improvement in customer satisfaction levels by FY02
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Support Services - Finance

Organization Chart



Finance is responsible for managing MTA's fiscal affairs. It consists of the following functions:

- Office of the Chief Financial Officer, along with the Executive Office-Finance, oversees Accounting, Office of Management and Budget, Treasury, Revenue, and Risk Management departments and provides support for the MTA's operating and capital plans.
- Accounting records all assets and liabilities, prepares monthly/quarterly financial statements; pays bi-weekly payroll; manages accounts payable and receivables.
- Treasury forecasts, monitors and manages cash requirements; oversees and directs the investment of available funds and debt proceeds; and administers Debt program.
- Office of Management & Budget develops the annual operating, capital and subsidy budgets; prepares monthly/quarterly revenue and expense projections; manages operating and capital expenditure and revenue plans; and conducts special studies to analyze and improve the MTA's operations.
- Risk Management is responsible for protecting the MTA's assets through the identification, management and control of insurable risks. Responsibilities include management and oversight of the following: the Owner-Controlled Insurance Program (OCIP) for construction activities, worker's compensation programs, Public Liability/Property Damage (PL/PD) programs including litigation, the identification, purchase and management of appropriate insurance programs, oversight of self-insured liability reserves through risk financing techniques and recovery of insurance proceeds for damage to the MTA's property.
- Revenue collects, counts, and deposits fare revenue; maintains and replaces fare collection equipment; stores, maintains and provides security for the fare media inventory; manages the vendor sales program and collects delinquent accounts receivable.

Major Budget Variances

- Accounting is adding one FTE in the Payroll section to improve customer service to the Transportation unit of Operations
- Revenue Administration is adding one FTE to supervise the Revenue Compliance Unit

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

- Executive Office, Finance was reorganized creating separate departments for the Office of the CFO and Strategic Planning & Analysis. As part of the agency reorganization, Strategic Planning and Analysis department was transferred to Office of CEO
- An increase of \$10M in Workers' Compensation premium for FY01 is based on Risk Management's forecast of Traveler's insurance policy maximum retro premium and incurred loss estimates, and growth increase in payroll
- The Transitional Duty program increased from \$3.2M in FY00 to \$3.7M in FY01. The increase reflects the full implementation of the program in Metro bus and rail divisions and support cost centers for FY01. The objective of this program is to reduce Workers' Compensation claim expenses
- Property premium decreased from \$3.9M to \$3.4M due to reassessment of covered assets.

Support Services - Finance Reports

Finance

Department FTEs		FY00		FY01
		FY99 Actual	Adopted	Proposed
1	Office of the CFO	0	2	2
2	Executive Office, Finance	4	6	3
3	Accounting	65	71	72
4	Treasury	12	11	11
5	Risk Management	20	20	20
6	Revenue Administration	133	147	148
7	Office of Management & Budget	21	21	22
8	Total	253	278	278

Expenditures (Amount in thousands)		FY00		FY01
		FY99 Actual	Adopted	Proposed
9	Office of the CFO	0	244	567
10	Executive Office, Finance	498	849	620
11	Accounting	5,004	6,017	6,245
12	Treasury	1,676	1,824	1,944
13	Risk Management	1,307	1,560	1,508
14	Revenue Administration	16,522	18,987	20,366
15	Office of Management & Budget	1,670	2,269	2,322
16	Sub Total Department	26,677	31,751	33,571
17	Non-Departmental -Accounting	(47)	6,317	10,000
18	Non-Departmental -Treasury	675,783	427,224	679,764
19	Non-Departmental -Ops Risk Mgmt	51,134	42,147	39,922
20	Non-Departmental -Const Risk Mgmt	10,941	18,447	9,721
21	Sub Total Non-Dept.	737,811	494,134	739,407
22	Total Non-dept & Dept	764,488	525,885	772,978

Expenditure Type (Amount in thousands)		FY00		FY01
		FY99 Actual	Adopted	Proposed
23	Contract Wages	3,998	4,322	4,873
24	Non-Contract Wages	6,104	10,842	11,037
25	Fringe Benefits	16,270	8,179	8,273
26	Professional & Tech Services	11,250	22,621	27,174
27	Contract Services	6,256	6,680	6,142
28	Fuels & Lubricants/Utilities	1	3	1
29	Material & Supplies	1,218	1,511	1,466
30	Casualty & Liability	45,464	48,455	37,594
31	Debt/Interest	658,735	406,340	657,269
32	Acquisitions	-195	952	2,161
33	Subsidies	2,672	0	0
34	Other	12,715	15,979	16,990
35	Sub Total	764,488	525,885	772,978
36	Overhead	0	0	0
37	Total	764,488	525,885	772,978

Support Services - Finance Reports, continued

Finance Office of the CFO

Department Expenditure Type (Amount in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Non-Contract Wages	0	165	175
2 Fringe Benefits	0	72	75
3 Professional & Tech	0	0	300
4 Material & Supplies	0	2	5
5 Other	0	5	11
6 Sub Total	0	244	567
7 Total	0	244	567
8 FTEs	0	2	2

Support Services - Finance Reports, continued

Finance Executive Office, Finance

Department Expenditure Type (Amount in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	269	386	212
3 Fringe Benefits	147	170	91
4 Professional & Tech	51	275	300
5 Contract Services	0	0	0
6 Material & Supplies	7	4	5
7 Debt/Interest	0	0	0
8 Acquisitions	0	0	0
9 Other	24	14	12
10 Sub Total	498	849	620
11 Overhead	0	0	0
12 Total	498	849	620
13 FTEs	4	6	3

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Support Services - Finance Reports, continued

Finance Accounting

Department Expenditure Type (Amount in thousands)	FY00		FY01
	FY99 Actual	Adopted	Proposed
1 Contract Wages	626	631	632
2 Non-Contract Wages	2,133	2,572	2,598
3 Fringe Benefits	1,528	1,734	1,517
4 Professional & Tech Services	479	883	1,348
5 Contract Services	3	7	12
6 Material & Supplies	156	91	78
7 Acquisitions	0	21	9
8 Other	79	77	51
9 Sub Total	5,004	6,017	6,245
10 Overhead	0	0	
11 Total	5,004	6,017	6,245

12 FTEs	65	71	72
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Non-Department Expenditure Type	FY00		FY01
	FY99 Actual	Adopted	Proposed
13 Fringe Benefits	(49)	0	0
14 Professional & Tech Services	81	6,317	10,000
15 Casualty & Liability	(44)	0	0
16 Debt / Interest	(1,480)	0	0
17 Acquisitions	(1,235)	0	0
18 Subsidies	2,672	0	0
19 Other	9	0	0
20 Sub Total	(47)	6,317	10,000
21 Overhead	0	0	0
22 Total	(47)	6,317	10,000

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Support Services - Finance Reports, continued

Finance Treasury

Department Expenditure Type (Amount in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	5	0	0
2 Non-Contract Wages	415	486	541
3 Fringe Benefits	206	227	238
4 Professional & Tech Services	472	1,074	1,100
5 Contract Services	560	1	2
6 Material & Supplies	9	9	11
7 Debt/Interest	0	0	0
8 Other	8	28	52
9 Sub Total	1,676	1,824	1,944
10 Overhead	0	0	0
11 Total	1,676	1,824	1,944

12 FTEs	12	11	11
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Non-Department Expenditure Type	FY99 Actual	FY00 Adopted	FY01 Proposed
13 Professional & Tech Services	2,637	5,717	6,369
14 Contract Services	(854)	290	20
15 Debt/Interest	660,216	406,340	657,269
16 Subsidies	0	0	0
17 Other	13,784	14,877	16,106
18 Sub Total	675,783	427,224	679,764
19 Overhead	0	0	0
20 Total	675,783	427,224	679,764

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Support Services - Finance Reports, continued

Finance Risk Management

Department Expenditure Type (Amount in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	858	1,049	1,022
3 Fringe Benefits	419	472	439
4 Professional & Tech Services	0	1	8
5 Contract Services	0	0	0
6 Material & Supplies	23	19	20
7 Casualty & Liability	2	0	0
8 Acquisitions	0	0	0
9 Other	5	18	19
10 Sub Total	1,307	1,560	1,508
11 Overhead	0	0	0
12 Total	1,307	1,560	1,508

13 FTEs	20	20	20
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Non-Department Expenditure Type	FY99	FY00	FY01
	Actual	Adopted	Proposed
14 Contract Wages	240	0	0
15 Non-Contract Wages	0	3,160	3,744
16 Fringe Benefits	10,643	1,529	1,792
17 Professional & Tech Services	7,287	7,045	6,216
18 Material & Supplies	9	30	23
19 Casualty & Liability	45,506	48,455	37,594
20 Other	(1,610)	375	275
21 Sub Total	62,075	60,594	49,643
22 Total	62,075	60,594	49,643

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Support Services - Finance Reports, continued

Finance Revenue Administration

Department Expenditure Type (Amount in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Contract Wages	3,127	3,691	4,241
2 Non-Contract Wages	1,397	1,655	1,372
3 Fringe Benefits	2,867	3,357	3,522
4 Professional & Tech Services	189	1,086	1,245
5 Contract Services	6,547	6,382	6,108
6 Fuels & Lubricants/Utilities	1	3	1
7 Material & Supplies	950	1,332	1,294
8 Acquisitions	1,040	931	2,152
9 Other	404	550	431
10 Sub Total	16,522	18,987	20,366
11 Overhead	0	0	0
12 Total	16,522	18,987	20,366
13 FTEs	133	147	148

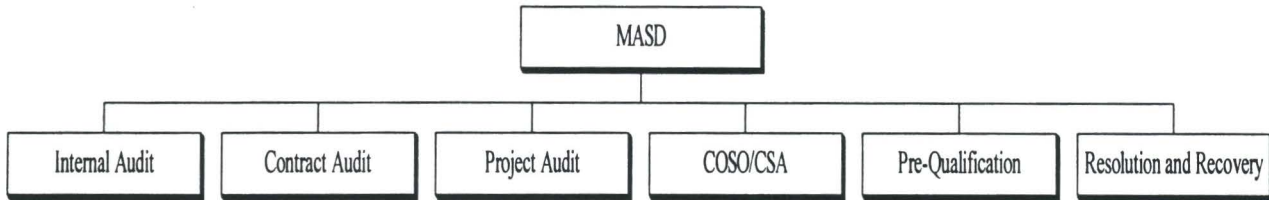
Support Services - Finance Reports, continued

Finance Office of Management & Budget

Department Expenditure Type (Amount in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	1,032	1,370	1,373
3 Fringe Benefits	509	616	598
4 Professional & Tech	54	224	288
5 Contract Services	0	0	0
6 Material & Supplies	64	24	30
7 Acquisitions	0	0	0
8 Other	12	35	33
9 Sub Total	1,670	2,269	2,322
10 Overhead	0	0	0
11 Total	1,670	2,269	2,322
12 FTEs	21	21	22

Support Services - Management Audit Service Department

Organization Chart



Management Audit Services Department

Management Audit Services Department (MASD) is responsible for supporting the MTA and management and assisting in the resolution of issues related to CEO hotline calls, OIG, FTA, and PMOC reports.

- Internal Audit reviews internal controls, verify compliance with laws and regulations, determine whether assets are safeguarded, review the accuracy and timeliness of financial reports.
- Contract Audit conducts construction and professional service contract audits according to legislature AB1869 and FTA required interim and close-out audits.
- Project Audit performs required Call-for-Projects close-out audits and administers the mandated Consolidated Audit.
- Contractor Pre-Qualification function implements the audit requirements of California Assembly Bill 1869.
- COSO/CSA assesses MTA work processes and procedures. It recommends and establishes internal controls to improve processes throughout MTA.
- Audit Resolution and Recovery reports and track and issue monthly reports on recoveries and recommendations which have been implemented, proposed and scheduled.

Major Budget Variances

- MASD has increased services by \$2.4 million much of the increase is for CPA services for close-out audits of contracts with Engineering Management Consultant (EMC), Parson-Dillingham, Fluor-Daniels, Call-For-Projects awards and Red Line Segments 2 and 3.
- MASD has not increased its staff from the FY00 approved level of 72 FTEs.

Support Services - MASD Reports

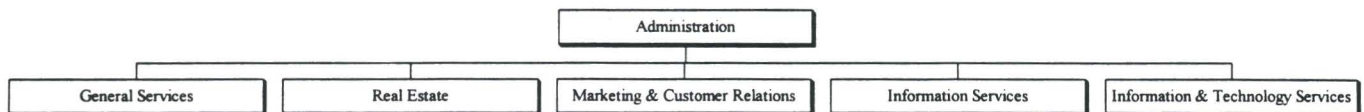
Management Audit Services

Management Audit Services

Department Expenditure Type (Amount in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	2,911	3,668	4,407
3 Fringe Benefits	1,518	1,625	1,940
4 Professional & Tech	1,139	3,516	4,905
5 Contract Services	0	0	0
6 Fuels & Lubricants/Utilities	0	0	0
7 Material & Supplies	176	71	95
8 Acquisitions	0	0	0
9 Other	71	198	114
10 Sub Total	5,816	9,079	11,460
11 Overhead	0	0	0
12 Total	5,816	9,079	11,460
13 FTEs	61	72	72

Support Services - Administration

Organization Chart



Administration is responsible for providing support services to MTA departments and, in certain respects, to our public. It consists of the following functions:

- General Services provides facility and administrative services, including building management and maintenance, records management and mail, graphic design and printing services
- Real Estate provides real estate appraisal, relocation and management services, environmental investigations, lease and property management and disposition strategies
- Marketing creates informational materials and programs that help customers understand MTA services
- Customer Relations handles customer requests for information and all other customer communications received via telephone, written correspondence, e-mail, and in-person
- Information & Technology Services (ITS) is responsible for the development, operation, maintenance and technical support of MTA's integrated communications network and data processing systems
- The Information Services Department (ISD) is responsible for the development, maintenance and technical support of computer programs which serve the entire agency

Major Budget Variances

Administration's FY01 budget of \$80.2 million is down \$6.0 million from the previous year's budget. This primarily reflects the successful completion of Y2K systems remediation, partially offset by continuing development and implementation of technological improvements to increase the MTA's efficiency, and by the Santa Monica Transit Parkway Project. The staff increase of ten positions (nine new positions and one transfer in from Transit Operations) is required to support technology development and support in the Information Services and Information Technology departments. The following highlights major variances by department within Administration.

- General Services' budget of \$12.8 million is down \$2.9 million versus the FY00 budget. This primarily reflects a year-over-year reduction in the budget for capital projects. In addition, the prior year included a reserve for a legal claim. There is no change in the department's staffing level from FY00.

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

- Real Estate's budget is increasing \$4.0 million to \$14.9 million. Real estate acquisition and relocation services to be provided under contract to the City of Los Angeles for the Santa Monica Transit Parkway Project offsets decreases in other capital projects. There is no change in the department's staffing level from FY00.
- Marketing & Customer Relations budget of \$8.7 million is down approximately \$0.5 million. Completion of North Hollywood activities slightly offsets increases in other projects, such as the Metro Rapid Bus. In addition, the budget is down due to the completion of the customer complaint system capital project in the prior year. There is no change in the department's staffing level from FY00.
- Information & Technology Services budget of \$28.3 million is down \$0.8 million from FY00, primarily the result of budget reductions for maintenance and technical support services. Staff level is increasing by three FTEs, (two new positions and one transfer in from Information Services). The new positions support capital projects and provide additional supervision at ITS' technical support shops.
- Information Services budget is down \$5.7 million to \$15.1 million. Budget reductions due to the completion of Y2K activities are partially offset by increased activity in continuing projects or new projects, such as: developing the Maintenance and Materiel Management System and the Document Processing and Management System, modernizing the Customer Information System, and integrating the Human Resources / Payroll Systems. To support the technology development, the staff level increases by seven FTEs. In addition one position is transferring into Information Services from Transit Operations and one position is transferring out to Information & Technology Services.

Support Services - Administration Reports

Administration

Department FTE'S		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Executive Office - Administration	4	3	3
2	General Services	104	100	100
3	Real Estate	19	19	19
4	Marketing & Customer Relations	146	147	147
5	Information & Technology Services	94	98	101
6	Information Services Department	50	58	65
7	Total	416	425	435

Expenditures (Amounts in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
8	Executive Office - Administration	369	364	399
9	General Services	10,503	12,310	10,684
10	Real Estate	4,835	6,483	10,293
11	Marketing & Customer Relations	8,016	9,215	8,677
12	Information & Technology Services	12,558	26,124	25,502
13	Information Services Department	10,346	20,787	15,061
14	Sub Total Department	46,627	75,284	70,616
15	Non-Departmental-Building Services	2,318	3,401	2,128
16	Non-Departmental-Real Estate	3,260	4,484	4,637
17	Non-Departmental-ITS	2,082	2,995	2,818
18	Sub Total Non-Department	7,660	10,880	9,583
19	Total Non-Department & Department	54,288	86,164	80,199

Expenditure Type (Amounts in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
20	Contract Wages	7,066	7,280	7,524
21	Non-Contract Wages	8,989	10,856	11,442
22	Fringe Benefits	9,235	9,600	9,559
23	Professional & Tech Services	7,826	14,410	16,606
24	Contract Services	4,494	6,422	4,347
25	Fuels & Lubricants/Utilities	3,797	4,750	4,523
26	Material & Supplies	4,648	10,370	10,174
27	Acquisitions	2,130	14,425	9,092
28	Other	6,102	8,052	6,931
29	Sub Total	54,288	86,164	80,199
30	Overhead	0	0	0
31	Total	54,288	86,164	80,199

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

Support Services - Administration Reports, continued

Administration Executive Office

Department Expenditure Type (Amounts in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Contract Wages	0	0	0
2	Non-Contract Wages	206	193	205
3	Fringe Benefits	101	85	88
4	Professional & Tech Services	3	20	40
5	Contract Services	0	0	0
6	Fuels & Lubricants/Utilities	0	0	0
7	Material & Supplies	2	4	5
8	Other	55	62	61
9	Sub Total	369	364	399
10	Overhead	0	0	0
11	Total	369	364	399
12	FTEs	4	3	3

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Support Services - Administration Reports, continued

Administration General Services

Department Expenditure Type (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	2,125	2,131	2,339
2 Non-Contract Wages	1,039	1,143	1,032
3 Fringe Benefits	2,285	2,021	1,915
4 Professional & Tech Services	378	-1,546	-665
5 Contract Services	1,770	1,873	1,389
6 Fuels & Lubricants/Utilities	1	0	0
7 Material & Supplies	1,114	2,401	2,329
8 Acquisitions	857	2,901	937
9 Other	935	1,388	1,408
10 Sub Total	10,503	12,310	10,684
11 Overhead	0	0	0
12 Total	10,503	12,310	10,684
13 FTEs	104	100	100
Non-Department Expenditure Type	FY99 Actual	FY00 Adopted	FY01 Proposed
14 Professional & Tech Services	0	4	0
15 Fuels & Lubricants/Utilities	1,706	2,095	2,104
16 Material & Supplies	0	0	0
17 Other	612	1,302	23
18 Sub Total	2,318	3,401	2,128
19 Total	2,318	3,401	2,128

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Support Services - Administration Reports, continued

Administration Real Estate

Department Expenditure Type (Amounts in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Contract Wages	0	0	0
2	Non-Contract Wages	1,054	1,093	1,095
3	Fringe Benefits	524	490	504
4	Professional & Tech Services	91	173	217
5	Contract Services	1,697	2,298	2,056
6	Fuels & Lubricants/Utilities	97	114	0
7	Material & Supplies	8	19	7
8	Acquisitions	1,176	2,108	6,130
9	Other	188	186	283
10	Sub Total	4,835	6,483	10,293
11	Overhead	0	0	
12	Total	4,835	6,483	10,293
13	FTEs	19	19	19
Non-Department Expenditure Type		FY99 Actual	FY00 Adopted	FY01 Proposed
14	Contract Services	0	0	0
15	Acquisitions	-679	0	0
16	Other	3,940	4,484	4,637
17	Total	3,260	4,484	4,637

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Support Services - Administration Reports, continued

Administration Marketing & Customer Relations

Department Expenditure Type (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	2,823	2,820	2,877
2 Non-Contract Wages	1,596	1,714	1,778
3 Fringe Benefits	2,602	2,606	2,466
4 Professional & Tech Services	546	1,338	974
5 Contract Services	-1	35	27
6 Fuels & Lubricants/Utilities	1	0	0
7 Material & Supplies	104	172	90
8 Acquisitions	0	54	0
9 Other	345	476	464
10 Sub Total	8,016	9,215	8,677
11 Overhead	0	0	0
12 Total	8,016	9,215	8,677
13 FTEs	146	147	147

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Support Services - Administration Reports, continued

Administration Information & Technology Services

Department Expenditure Type (Amounts in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Contract Wages	1,774	2,328	2,308
2	Non-Contract Wages	2,179	2,804	3,179
3	Fringe Benefits	2,097	2,573	2,708
4	Professional & Tech Services	4,326	6,474	8,584
5	Contract Services	538	1,760	475
6	Fuels & Lubricants/Utilities	0	2	1
7	Material & Supplies	1,559	790	7,731
8	Acquisitions	84	9,361	498
9	Other	1	32	19
10	Sub Total	12,558	26,124	25,502
11	Overhead	0	0	0
12	Total	12,558	26,124	25,502
13	FTEs	94	98	101
Non-Department Expenditure Type		FY99 Actual	FY00 Adopted	FY01 Proposed
14	Professional & Tech Services	90	0	0
15	Contract Services	0	456	400
16	Fuels & Lubricants/Utilities	1,993	2,539	2,418
17	Material & Supplies	0	0	0
18	Other	0	0	0
19	Total	2,082	2,995	2,818

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

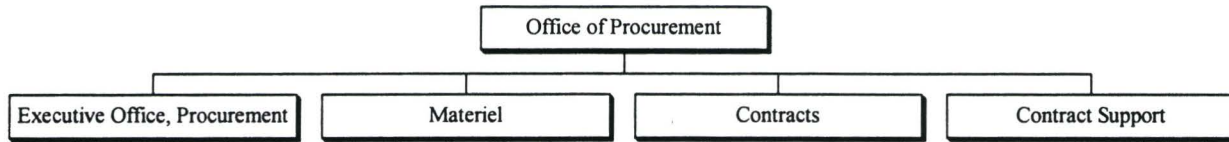
Support Services - Administration Reports, continued

Administration Information Services Department

Department Expenditure Type (Amounts in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Contract Wages	344	0	0
2	Non-Contract Wages	2,915	3,909	4,152
3	Fringe Benefits	1,626	1,825	1,878
4	Professional & Tech Services	2,392	7,948	7,456
5	Contract Services	490	0	0
6	Fuels & Lubricants/Utilities	0	0	0
7	Material & Supplies	1,862	6,983	12
8	Acquisitions	693	0	1,527
9	Other	26	122	36
10	Sub Total	10,346	20,787	15,061
11	Overhead	0	0	0
12	Total	10,346	20,787	15,061
13	FTEs	50	58	65

Support Services - Procurement

Organization Chart



Office of Procurement

The Office of Procurement is organized into four departments: Materiel, Contracts, Contract Support, and the Executive Office of Procurement. The Office of Procurement is responsible for materiel management; storage; distribution; issuance of goods; and the execution of purchase orders, contracts, modifications, and supplemental agreements. It also directs and oversees bids, contract analysis, preparation of awards, contract administration, negotiations of contract changes, and ensures compliance with contractual terms and conditions.

Major Budget Variances

The Office of Procurement's organizational changes are included in the FY01 budget. Currently, the Office of Procurement is organized into four departments: Materiel, Contracts, Contracts Support and the Executive Office of Procurement. Acquisition Warranty function was transferred to Transit Operations in FY00 due to organization realignment of functions. Total FTEs increased by twenty-five FTEs in FY01, from 297 to 322.

- Materiel Department increased by eleven FTEs. This reflects increased support for purchasing activities to buy parts for new buses, acquisition and installation of the new maintenance material management system, receipt of P2000 Car materials, Maintenance-of-Way Projects, 3rd shift storeroom support at Division 6, and storeroom personnel to support the opening of Division 22 Rail Equipment Maintenance
- The additional fourteen FTEs increase are spread throughout other Procurement functions, Executive Office of Procurement, Contracts, and Contract Support Department. Seven of these FTEs are contract administrators positions, currently employed as temporary staff through a professional services contract, that will be converted to temporary regular employees status
- Acquisitions and Services decreased by \$5.2 million. \$4.2 million of the reduction is for inventory management capital projects in Logistics which were completed in FY00; \$1 million reduction in Professional Services for reorganization costs for the conversion of seven professional contract staff to temporary regular FTEs
- Material & Supplies decreased by \$260K: \$140K of the reduction results from the reconciliation of the differences between the general ledger/Material Management System inventory costing methodology; other changes include \$85K reduction in freight expenses and \$27K reduction in office supplies

Support Services - Procurement Reports

Office Of Procurement

Department FTEs		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Materiel	181	191	202
2	Contracts	64	70	71
3	Executive Office, Procurement	6	5	6
4	Contract Support	40	32	44
5	Total	291	297	322

Expenditures (Amount in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
6	Materiel	11,787	18,415	14,696
7	Contracts	4,695	6,985	6,475
8	Executive Office, Procurement	655	461	1,272
9	Contract Support	4,452	4,313	4,290
10	Sub Total Department	21,589	30,174	26,734
11	Non-Departmental-Materiel	2,564	4,863	4,370
12	Sub Total Non-dept.	2,564	4,863	4,370
13	Total Non-dept & Dept	24,152	35,037	31,103

Expenditure Type (Amount in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
14	Contract Wages	4,424	4,840	5,605
15	Non-Contract Wages	8,412	9,665	9,912
16	Fringe Benefits	7,362	7,689	8,210
17	Professional & Tech Services	591	2,732	1,844
18	Contract Services	17	130	40
19	Fuels & Lubricants/Utilities	6	22	18
20	Material & Supplies	2,828	4,162	3,900
21	Casualty & Liability	0	0	0
22	Acquisitions	314	5,574	1,338
23	Other	198	223	236
24	Sub Total	24,152	35,037	31,103
25	Overhead	0	0	0
26	Total	24,152	35,037	31,103

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Support Services - Procurement Reports, continued

Office Of Procurement Materiel

Expenditure Type (Amount in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Contract Wages	4,227	4,645	5,389
2 Non-Contract Wages	2,488	2,934	2,586
3 Fringe Benefits	4,155	4,452	4,785
4 Professional & Tech Services	93	113	76
5 Contract Services	7	41	39
6 Fuels & Lubricants/Utilities	6	22	18
7 Material & Supplies	461	571	431
8 Acquisitions	314	5,574	1,338
9 Other	36	62	34
10 Sub Total	11,787	18,415	14,696
11 Overhead	0	0	0
12 Total	11,787	18,415	14,696

13 FTEs	181	191	202
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Non-Department Expenditure Type	FY99	FY00	FY01
	Actual	Adopted	Proposed
14 Fringe Benefits	0	0	0
15 Professional & Tech Services	296	1,408	1,055
16 Fuels & Lubricants/Utilities	0	0	0
17 Material & Supplies	2,268	3,455	3,315
18 Sub Total	2,564	4,863	4,370
19 Total	2,564	4,863	4,370

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Support Services - Procurement Reports, continued

Office Of Procurement Contracts

Department Expenditure Type (Amount in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	197	195	0
2 Non-Contract Wages	2,722	3,737	4,220
3 Fringe Benefits	1,561	1,828	1,907
4 Professional & Tech Services	123	991	271
5 Contract Services	0	89	0
6 Fuels & Lubricants/Utilities	0	0	0
7 Material & Supplies	67	93	59
8 Casualty & Liability	0	0	0
9 Acquisitions	0	0	0
10 Other	24	52	17
11 Sub Total	4,695	6,985	6,475
12 Overhead	0	0	0
13 Total	4,695	6,985	6,475
14 FTEs	64	70	71

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Support Services - Procurement Reports, continued

Office Of Procurement Executive Office, Procurement

Department Expenditure Type (Amount in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Non-Contract Wages	362	281	565
2 Fringe Benefits	177	124	254
3 Professional & Tech	6	30	330
4 Material & Supplies	2	1	57
5 Other	108	26	66
6 Sub Total	655	461	1,272
7 Overhead	0	0	0
8 Total	655	461	1,272
9 FTEs	6	5	6

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

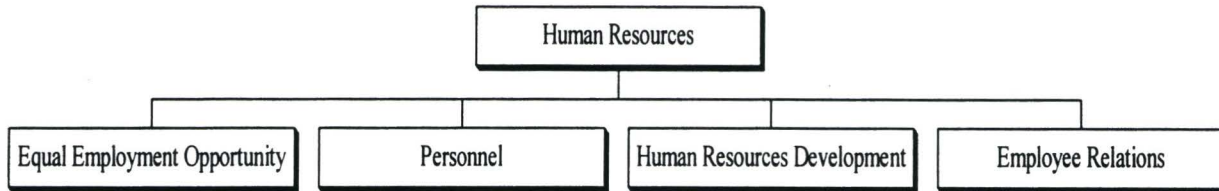
Support Services - Procurement Reports, continued

Office Of Procurement Contract Support

Department Expenditure Type (Amount in thousands)		FY99	FY00	FY01
		Actual	Adopted	Proposed
1	Contract Wages	0	0	216
2	Non-Contract Wages	2,841	2,713	2,541
3	Fringe Benefits	1,469	1,285	1,264
4	Professional & Tech	72	190	112
5	Contract Services	9	0	2
6	Material & Supplies	31	42	37
7	Other	30	83	118
8	Sub Total	4,452	4,313	4,290
9	Overhead	0	0	0
10	Total	4,452	4,313	4,290
11	FTEs	40	32	44

Support Services - Human Resources

Organization Chart



Human Resources

- Human Resources (HR) is responsible for providing overall guidance on human resource matters. It includes the Executive Office, Administration, Employee Activities, Special Programs, Pension and Benefits and Personnel Support Unit.
- Personnel recruits and selects all staff and administers the classification and compensation issues for non-contract employees.
- Human Resources Development provides staff with training and development programs including core business skills and updated policies and procedures
- Employee Relations administers grievances and dispute resolution for non-represented employees
- Equal Employment Opportunity (EEO) provides training on EEO policies and practices and investigates discrimination and complaints
- Non-departmental manages and administers all fringe benefits

Major Budget Variances

- Employee Relations responsibility was revised to only handle disputes and grievances for non-contract employees only. Employee Relations transferred eight FTEs to move Labor Relations function to the Office of the CEO. One new position was created to manage the separate Employee Relations function
- Personnel is adding one FTE to assist in the recruitment of bus operators and all Operation positions, and one FTE to facilitate the task of salary equity reviews by Classification & Compensation. In addition, one FTE was transferred from HR-Administration to Personnel.
- Career Development and Human Resources Training functions were consolidated. There was no net increase in headcount
- Non-Departmental - Human Resources is adding \$6.1 million to Post-Retirement Medical Insurance in order to comply with the Financial Accounting Standard Board's Rule No. 87 that requires employers to charge all retiree medical costs to post retiree medical accounts

Support Services - Human Resources Reports

Human Resources

Department FTE'S	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Equal Employment Opportunity	8	8	8
2 Employee Relations	16	10	3
3 HR Admin	29	41	40
4 Career Development	2	2	0
5 HR Development	11	10	12
6 Personnel	33	28	31
7 Total	99	99	94

Expenditures (Amount in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
8 Equal Employment Opportunity	562	607	680
9 Employee Relations	1888	1,085	276
10 HR Admin	3,458	4,982	5,301
11 Career Development	384	407	370
12 HR Development	1,418	1,482	1,544
13 Personnel	2,416	2,551	2,543
14 Sub Total Department	10,125	11,114	10,714
15 Non-Departmental-Human Resources	41,964	1,007	1100
16 Sub Total Non-dept.	41,964	1,007	1100
17 Total Non-dept & Dept	52,089	12,121	11,814

Expenditure Type (Amount in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
18 Contract Wages	353	374	428
19 Non-Contract Wages	4,473	4,927	4,544
20 Fringe Benefits	44,730	3,984	3,629
21 Professional & Tech Services	1,282	1,731	2,012
22 Contract Services	6	21	23
23 Fuels & Lubricants/Utilities	0	0	0
24 Material & Supplies	183	266	275
25 Acquisitions	59	99	40
26 Subsidies	496	0	0
27 Other	507	720	864
28 Sub Total	52,089	12,121	11,814
29 Overhead	0	0	0
30 Total	52,089	12,121	11,814

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

Support Services - Human Resources Reports, continued

Human Resources Equal Employment Opportunity

Department Expenditure Type (Amount in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Contract Wages	0	0	0
2	Non-Contract Wages	350	386	426
3	Fringe Benefits	201	197	235
4	Professional & Tech	0	15	6
5	Contract Services	0	0	0
6	Material & Supplies	2	2	5
7	Other	8	8	8
8	Sub Total	562	607	680
9	Overhead	0	0	0
10	Total	562	607	680
11	FTEs	8	8	8

Support Services - Human Resources Reports, continued

Human Resources Employee Relations

Department Expenditure Type (Amount in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Contract Wages	0	0	0
2	Non-Contract Wages	823	579	178
3	Fringe Benefits	445	263	77
4	Professional & Tech Services	121	210	14
5	Contract Services	1	1	0
6	Purchased Transportation	0	0	0
7	Material & Supplies	-8	15	3
8	Subsidies	496	0	0
9	Other	10	18	3
10	Sub Total	1,888	1,085	276
11	Overhead	0	0	0
12	Total	1,888	1,085	276
13	FTEs	16	10	3

Support Services - Human Resources Reports, continued

Human Resources HR Administration

Department Expenditure Type (Amount in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	-3	185	216
2 Non-Contract Wages	1,252	1,996	1,947
3 Fringe Benefits	971	1,045	998
4 Professional & Tech Services	790	1,024	1,287
5 Contract Services	2	15	12
6 Fuels & Lubricants/Utilities	0	0	0
7 Material & Supplies	107	138	141
8 Other	338	579	700
9 Sub Total	3,458	4,982	5,301
10 Overhead	0	0	0
11 Total	3,458	4,982	5,301

12 FTEs 29 41 40

Non-Department Expenditure Type (Amount in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	20	0	0
2 Non-Contract Wages	219	0	0
3 Fringe Benefits	41,725	1,007	1,100
4 Contract Services	0	0	0
5 Material & Supplies	0	0	0
6 Other	0	0	0
7 Sub Total	41,964	1,007	1,100
8 Overhead	0	0	0
9 Total	41,964	1,007	1,100

10 FTEs 0 0 0

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Support Services - Human Resources Reports, continued

Human Resources Career Development

Department Expenditure Type (Amount in thousands)		FY99	FY00	FY01
		Actual	Adopted	Proposed
1	Contract Wages	0	0	0
2	Non-Contract Wages	209	177	72
3	Fringe Benefits	111	85	37
4	Professional & Tech Services	57	113	235
5	Contract Services	-7	0	0
6	Fuels & Lubricants/Utilities	0	0	0
7	Material & Supplies	5	24	16
8	Subsidies	0	0	0
9	Other	10	8	10
10	Sub Total	384	407	370
11	Overhead	0	0	0
12	Total	384	407	370
13	FTEs	2	2	0

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

Support Services - Human Resources Reports, continued

Human Resources HR Development

Department Expenditure Type (Amount in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Non-Contract Wages	564	618	706
2	Fringe Benefits	506	499	534
3	Professional & Tech	250	262	207
4	Contract Services	1	2	7
5	Material & Supplies	49	66	70
6	Acquisitions	36	19	0
7	Other	10	17	19
8	Sub Total	1,418	1,482	1,544
9	Overhead	0	0	0
10	Total	1,418	1,482	1,544
11	FTEs	11	10	12

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

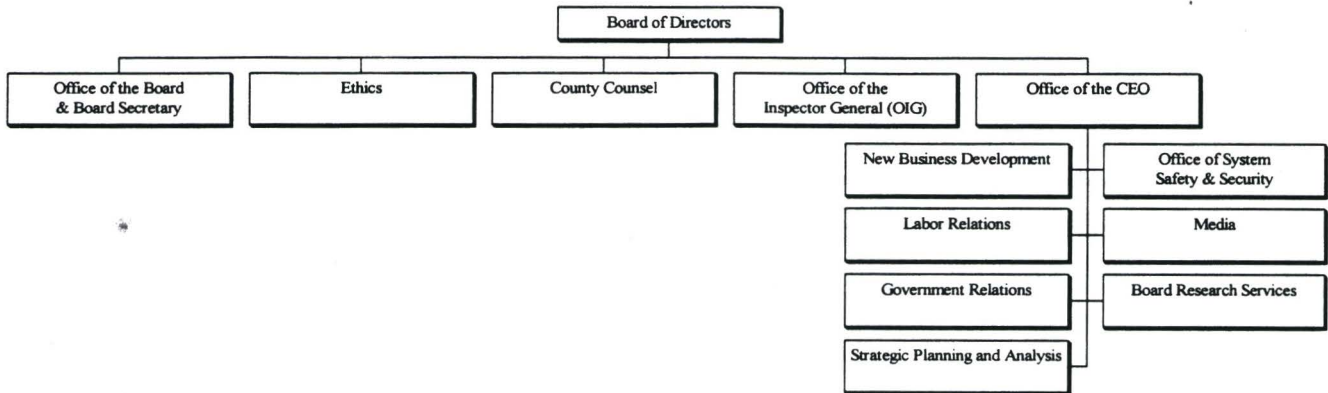
Support Services - Human Resources Reports, continued

Human Resources Personnel

Department Expenditure Type (Amount in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Contract Wages	337	189	211
2 Non-Contract Wages	1,055	1,171	1,214
3 Fringe Benefits	770	888	648
4 Professional & Tech Services	64	106	264
5 Contract Services	10	3	4
6 Fuels & Lubricants/Utilities	0	0	0
7 Material & Supplies	27	22	40
8 Acquisitions	22	80	40
9 Other	131	91	123
10 Sub Total	2,416	2,551	2,543
11 Overhead	0	0	0
12 Total	2,416	2,551	2,543
13 FTEs	33	28	31

Board/CEO/Other

Organization Chart



Board/CEO/Other Narrative

Board Administration/Office of Chief Executive Officer/Other Reporting units has overall management responsibility for the MTA. This unit includes key functional departments that provide support and administer policies of the Board of Directors and CEO.

The Office of CEO (OCEO) is responsible for planning, formulating and implementing the MTA's long and short-term business strategies and objectives. OCEO has responsibility for ensuring that MTA's policies are implemented and that processes are integrated to achieve an efficient and effective organization. OCEO directs the implementation of strategies and monitors the results in conjunction with the Strategic Business Unit Executives.

Other departments in this unit support the enterprise-wide objectives of the MTA. Included in this unit are Government Relations, Labor Relations, Board Research Services, Ethics, Media Relations and The Office of Safety and Security. These units provide linkages to internal and external customers including our business partners, the unions and community stakeholders. This cross-functional team is chartered with supporting policies to improve the efficiency and effectiveness of the transportation system.

This unit also includes Office of Safety and Security, whose role is to protect and support the safety of the public, transit riders, employees and MTA assets.

Board/CEO/Other Reports

Board of Directors

Department FTEs		FY99	FY00	FY01
		Actual	Adopted	Proposed
1	Office of Board Secretary	9	9	9
2	Ethics Office	7	6	6
3	County Counsel	4	4	6
4	Inspector General	42	42	42
5	Total	62	61	63

Expenditures (Amounts in thousands)		FY99	FY00	FY01
		Actual	Adopted	Proposed
6	Board Office	1,404	145	209
7	Office of Board Secretary	494	547	527
8	Ethics Office	476	438	497
9	County Counsel	25,867	19,707	18,217
10	Inspector General	3,196	4,203	4,027
11	Sub Total Department	31,438	25,041	23,477
12	Non-Departmental-County Counsel	2,342	3,547	3,000
13	Sub Total Non-dept.	2,342	3,547	3,000
14	Total Non-dept & Dept	33,779	28,588	26,477

Expenditure Type (Amounts in thousands)		FY99	FY00	FY01
		Actual	Adopted	Proposed
15	Contract Wages	0	0	0
16	Non-Contract Wages	2,732	3,143	3,242
17	Fringe Benefits	1,355	1,423	1,543
18	Professional & Tech Services	1,794	838	806
19	Contract Services	27,600	22,730	20,506
20	Fuels & Lubricants/Utilities	58	85	85
21	Material & Supplies	35	66	72
22	Acquisitions	55	158	49
23	Other	148	146	174
24	Sub Total	33,779	28,588	26,477
25	Overhead	0	0	0
26	Total	33,779	28,588	26,477

Board Office and Office of Board Secretary

Board Office And Office of Board Secretary Narrative

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

Major Budget Variances

- The Board Office increased FY99 actual expenditures for professional services by \$1.307 million to pay for the Yaroslavsky special Sales Tax Los Angeles County Election (passed at June 1999 Board meeting) to stop use of Proposition A and C sales tax revenue for future rail construction. Board Contingency Funds were transferred to the Board Office budget to reimburse Los Angeles County for election costs
- Staffing for the Office of Board Secretary remains stable at nine FTEs or nine positions
- The non-labor budget for the Board Office and the Office of the Board Secretary will increase about \$34K in FY01: the photocopies budget is forecasted to increase about \$26K, based on actual historical usage; the remainder of the increase about \$8K is spread in materials and supplies and miscellaneous expenditure accounts.

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Board Office And Office of Board Secretary Reports

Board of Directors Board Office

Department Expenditure Type (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Non-Contract Wages	0	0	0
2 Fringe Benefits	1	0	0
3 Professional & Tech Services	1,384	117	174
4 Fuels & Lubricants/Utilities	0	0	0
5 Material & Supplies	1	0	5
6 Other	19	29	30
7 Sub Total	1,404	145	209
8 Overhead	0	0	0
9 Total	1404	145	209

Board of Directors Office of Board Secretary

Department Expenditure Type (Amounts in thousands)	FY99 Actual	FY00 Adopted	FY01 Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	316	351	359
3 Fringe Benefits	156	154	154
4 Professional & Tech Services	16	31	1
5 Contract Services	0	0	0
6 Fuels & Lubricants/Utilities	0	0	0
7 Material & Supplies	5	9	9
8 Other	1	3	4
9 Sub Total	494	547	527
10 Overhead	0	0	0
11 Total	494	547	527
12 FTEs	9	9	9

Ethics Office

Ethics Office Narrative

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

Major Budget Variances

- Staffing for the Ethics Department remains stable at six positions
- The Ethics Office realized cost efficiencies due to new technology that reduce paper dependencies. The Ethics Office implemented on-line registration and quarterly reporting for lobbyists which has significantly reduced paper volume and improved management of information
- In FY01, the Ethics Office increased their budget compared to FY00 about \$35K for non-labor expenditures due to: a \$14K increase in travel, seminars, training and memberships; and a \$21K increase in Professional and Technical Services that reflects higher charges for photocopying, printing and graphics for informational materials and program brochures.

Ethics Office Reports

Board of Directors Ethics Office

Department Expenditure Type (Amounts in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Contract Wages	0	0	0
2	Non-Contract Wages	309	300	319
3	Fringe Benefits	156	133	143
4	Professional & Tech	0	0	21
5	Contract Services	0	0	0
6	Material & Supplies	1	2	3
7	Other	10	3	12
8	Sub Total	476	438	497
9	Overhead	0	0	0
10	Total	476	438	497
11	FTEs	7	6	6

County Counsel

County Counsel Narrative

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

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

Major Budget Variances

County Counsel decreased budget in both Non-Departmental and in legal cost centers.

- The decrease in the Non-Departmental Legal cost center is due to reduced contingency for construction litigation and a decrease for unplanned lawsuits and other unanticipated legal services
- The decrease in the Legal cost center is due to an expectation that a number of large cases will be resolved in the early part of FY01

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

County Counsel Reports

Board of Directors County Counsel

Department Expenditure Type (Amounts in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Contract Wages	0	0	0
2	Non-Contract Wages	169	195	265
3	Fringe Benefits	84	90	114
4	Professional & Tech Services	265	270	345
5	Contract Services	25,280	19,102	17,425
6	Material & Supplies	12	12	12
7	Acquisitions	0	0	0
8	Other	58	39	56
9	Sub Total	25,867	19,707	18,217
10	Overhead	0	0	0
11	Total	25867	19707	18217
12	FTEs	4	4	6
Non-Department Expenditure Type		FY99 Actual	FY00 Adopted	FY01 Proposed
13	Professional & Tech Services	0	0	0
14	Contract Services	2,312	3,547	3,000
15	Other	30	0	0
16	Sub Total	2,342	3,547	3,000
17	Total	2342	3547	3000

Office of the Inspector General

Office of the Inspector General Narrative

The mission of the Office of Inspector General is to preserve and enhance on behalf of the MTA Board, the integrity, efficiency, effectiveness, safety and quality of the services provided by the MTA by conducting independent investigations, audits, and inspection analyses in a professional, constructive and cost-effective manner; to provide law enforcement officials with information and evidence regarding possible criminal activities; and to assist the MTA with timely recommendations to improve operations and performance.

Major Budget Variances

- FTEs remain stable at forty-two positions both in FY00 budget and in the FY01 budget
- The OIG FY01 budget represents a reduction of \$176K in non-labor accounts compared to the FY00 budget. The OIG has cut non-labor expenditures by \$265K offset by a Workers' Compensation charge back of \$89K

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Office Of The Inspector General Reports

Board of Directors Inspector General

Department Expenditure Type (Amounts in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Contract Wages	0	0	0
2	Non-Contract Wages	1,938	2,297	2,298
3	Fringe Benefits	959	1,045	1,132
4	Professional & Tech Services	129	420	265
5	Contract Services	9	81	81
6	Fuels & Lubricants/Utilities	58	85	85
7	Material & Supplies	16	44	44
8	Acquisitions	55	158	49
9	Other	31	73	73
10	Sub Total	3,196	4,203	4,027
11	Overhead	0	0	0
12	Total	3,196	4,203	4,027
13	FTEs	42	42	42

Office of the Chief Executive Officer

Office of the CEO Narrative

The Office of the Chief Executive Officer (OCEO) includes the CEO and senior officers to whom he specifically delegates certain of his responsibility and authority. These include the Deputy CEO/Chief Operating Officer, who is responsible for oversight of day-to-day operations and a Chief of Staff who coordinates his schedule and workflow. The OCEO also includes the New Business Department, which manages programs requiring entrepreneurial leadership. The Strategic Planning and Analysis department, which analyses organization alternatives and measures success in achieving goals and objectives, is also part of the OCEO. The following additional departments also are part of the OCEO: Labor Relations, Government Relations, Board Research Services and Public Relations. Internal Audit and EEO have a matrixed relationship directly to the CEO, but are budgeted elsewhere.

Major Budget Variances

- Two new positions were added to the New Business Development department to support expanded activities and this department increased responsibilities for Consent Decree quarterly reports, fleet management planning and other special projects.
- The budget for Professional and Technical Services increased to cover potential consulting and other special services.

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Office of the CEO Reports

Chief Executive Office

Department Expenditure Type (Amounts in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Contract Wages	0	0	0
2 Non-Contract Wages	176	131	133
3 Fringe Benefits	86	58	57
4 Professional & Tech Services	13	0	0
5 Material & Supplies	5	0	0
6 Acquisitions	0	0	0
7 Other	15	18	16
8 Sub Total	294	206	206
9 Overhead	0	0	0
10 Total	294	206	206
11 FTEs	2	1	1

Chief Executive Office Deputy CEO/COO

Department Expenditure Type (Amounts in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
12 Non-Contract Wages	581	207	282
13 Fringe Benefits	220	92	125
14 Professional & Tech	1,172	660	1,209
15 Contract Services	0	0	0
16 Material & Supplies	4	2	15
17 Other	17	20	26
18 Sub Total	1,860	981	1,656
19 Overhead	0	0	0
20 Total	1,995	981	1,656
21 FTEs	7	3	3

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

Chief Executive Office Chief of Staff

Department Expenditure Type (Amounts in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Non-Contract Wages	216	350	193
2 Fringe Benefits	105	154	83
3 Professional & Tech	317	1,000	0
4 Material & Supplies	4	12	0
5 Other	7	19	0
6 Sub Total	649	1,535	276
7 Overhead	0	0	0
8 Total	649	1,535	276
9 FTEs	4	6	3

Chief Executive Office New Business Development

Department Expenditure Type (Amounts in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Non-Contract Wages	0	130	242
2 Fringe Benefits	0	57	104
3 Professional & Tech	0	0	227
4 Material & Supplies	0	0	3
5 Other	0	1	7
6 Sub Total	0	188	583
7 Total	0	188	583
8 FTEs	0	2	4

Chief Executive Office Strategic Planning & Analysis

Department Expenditure Type (Amounts in thousands)	FY99	FY00	FY01
	Actual	Adopted	Proposed
1 Non-Contract Wages	0	0	240
2 Fringe Benefits	0	0	107
3 Professional & Tech	0	0	200
4 Material & Supplies	0	0	7
5 Other	0	0	11
6 Sub Total	0	0	565
7 Overhead	0	0	0
8 Total	0	0	565
9 FTEs	0	0	3

Labor Relations

Labor Relations Narrative

Labor Relations is responsible for interpreting and administering MTA's collective bargaining agreements. Labor Relations was reorganized during the mid-year process to handle all negotiations, grievances and dispute resolutions with MTA's represented employees.

Major Budget Variances

- Labor Relations and Employee Relations functions were reorganized into separate units in mid-year. Staff from Operations, Labor Relations, and eight FTEs were transferred from Employee Relations
- Two additional FTEs are being requested to support AFSCME bargaining unit and arbitration
- Increase in professional and contract services will be used to fund labor negotiations and support activities

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

Labor Relations Reports

Chief Executive Office Labor Relations

Department Expenditure Type (Amount in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Non-Contract Wages	0	78	897
2	Fringe Benefits	0	34	395
3	Professional & Tech Services	0	350	759
4	Contract Services	0	0	1
5	Material & Supplies	0	0	10
6	Other	0	0	16
7	Sub Total	0	463	2,078
8	Overhead	0	0	0
9	Total	0	463	2078
10	FTEs	0	2	16

Board Research Services

Board Research Services Narrative

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

Major Budget Variances

- Board Research Services had no changes to staffing and expense levels in FY01

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

Board Research Services Reports

Chief Executive Office Board Research Services

Department Expenditure Type (Amounts in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Non- Contract Wages	321	299	327
2	Fringe Benefits	157	133	143
3	Fuels & Lubricants/Utilities	0	0	0
4	Material & Supplies	3	3	3
5	Other	3	7	7
6	Sub Total	485	441	479
7	Overhead	0	0	0
8	Total	485	441	479
9	FTEs	5	5	5

Office of System Safety & Security

Office of System Safety & Security Narrative

Office of Safety & Security is responsible for system safety and security programs and are focused on enhanced management and employee accountability for safety, specialized training, improved accident analyses and employee recognition. The department's four major sections are:

- Operations Safety is responsible for Metro Rail, Metro Bus and facility safety programs
- Construction/Systems Safety handles Metro construction safety oversight, capital project safety oversight, CPUC self-certification program and the Metro Blue Line Grade crossing safety program
- Occupational Health & Safety encompasses mandated safety training, education and awareness programs, safety compliance and audit performance, workers' compensation and Transit Operations accident and injury analysis
- Security & Law Enforcement manages direct and contract security services for employees, facilities and revenues as well as provides contractual oversight of the Los Angeles Police Department(LAPD) and Los Angeles County Sheriff's Department (LASD) public safety contracts.

Major Budget Variances

- Eleven positions are added for new Security Guard posts for Regional Rebuild Center (RRC), dispatch center and Gateway building
- The LAPD and LASD security service contracts increase by \$7 million

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

Office Of Safety And Security Reports

Chief Executive Office System Safety & Security

Department Expenditure Type (Amount in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Contract Wages	1,980	2,190	2,812
2	Non-Contract Wages	2,401	3,009	3,155
3	Fringe Benefits	2,361	2,955	2,755
4	Professional & Tech Services	1,468	3,635	1,837
5	Contract Services	44,562	53,139	57,890
6	Purchased Transportation	0	0	0
7	Fuels & Lubricants/Utilities	39	54	69
8	Material & Supplies	158	490	484
9	Acquisitions	77	1,242	1,224
10	Other	223	633	371
11	Sub Total	53,270	67,346	70,595
12	Overhead	0	0	
13	Total	53270	67346	70595
14	FTEs	112	123	140

Media Relations

Media Relations Narrative

Media Relations is responsible for media relations and employee communications. It is the central clearinghouse for all media contacts and handles responses to media inquiries and stages numerous press events. Also, it publishes a variety of employee publications from News-in-a Flash to MTA Report, and also coordinates the “All Hands” staff meetings with the CEO. Its staff is responsible for editing the Intranet content. Media Relations also coordinates an MTA Speakers Bureau. Staff writes many of the executive and Board member speeches and it works closely with Marketing, Customer Relations, executive staff, and virtually every department at the MTA.

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

Media Relations Reports

Chief Executive Office Media Relations

Department Expenditure Type (Amount in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Contract Wages			
2	Non-Contract Wages	363	376	362
3	Fringe Benefits	286	166	156
4	Professional & Tech Services	64	124	105
5	Material & Supplies	12	9	9
6	Other	3	9	10
7	Sub Total	729	684	641
8	Overhead	0	0	0
9	Total	729	684	641
10	FTEs	7	7	7

Government Relations

Government Relations Narrative

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

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

Government Relations Reports

Chief Executive Office Government Relations

Department Expenditure Type (Amount in thousands)		FY99 Actual	FY00 Adopted	FY01 Proposed
1	Contract Wages	0	0	0
2	Non-Contract Wages	322	414	409
3	Fringe Benefits	158	182	175
4	Professional & Tech Services	535	561	607
5	Contract Services	-4	0	0
6	Fuels & Lubricants/Utilities	0	0	0
7	Material & Supplies	2	7	14
8	Other	51	127	99
9	Sub Total	1,063	1,290	1,304
10	Overhead	0	0	
11	Total	1063	1290	1304
12	FTEs	8	8	8

Appendices

Appendix 1: Activity Based Heavy Rail Cost Model

Activity	FY99 Actual		FY00 Budget		FY01 Proposed	
	Dollars	Per RSH	Dollars	Per RSH	Dollars	Per RSH
1 Service Delivery						
2 UTU	\$ 2,454,745	\$ 28.08	\$ 4,078,605	\$ 17.36	\$ 4,360,908	\$ 16.78
3 Service Attd	703,433	8.05	1,138,239	4.84	1,639,487	6.31
4 Propulsion Power	3,193,291	36.53	6,095,000	25.94	6,118,493	23.54
5	6,351,469	72.66	11,311,844	48.14	12,118,889	46.63
6 Equipment Maintenance	3,115,201	35.64	5,930,703	25.24	7,276,700	28.00
7 Maintenance of Way	2,289,330	26.19	3,232,244	13.75	3,515,460	13.53
8 Subtotal	11,756,000	134.49	20,474,790	87.13	22,911,049	88.15
9 Division Administration	2,521,056	28.84	2,680,833	11.41	4,198,886	16.15
10 Central Administration	261,013	2.99	3,729,261	15.87	3,745,779	14.41
11 Transit Security	9,531,199	109.04	11,987,863	51.01	14,286,318	54.96
12 Direct Operations Support	6,157,202	70.44	6,688,210	28.46	8,791,158	33.82
13 Indirect Project Support	737,005	8.43	1,419,598	6.04	1,551,298	5.97
14 Casualty & Liability	1,445,357	16.54	2,353,819	10.02	1,835,231	7.06
15 Overhead	2,732,143	31.26	4,068,902	17.31	4,093,605	15.75
16	23,384,975	267.53	32,928,486	140.12	38,502,275	148.13
17 Transitional Duty Program			280,147	1.19	376,322	1.45
18 Total Expenses	\$ 35,140,975	\$ 402.02	\$ 53,683,423	\$ 228.44	\$ 61,789,645	\$ 237.73
19 Revenue Hours	87,411		235,000		259,919	

Appendix 2: Activity Based Light Rail Cost Model

Activity	FY99 Actual		FY00 Budget		FY01 Proposed	
	Dollars	Per RSH	Dollars	Per RSH	Dollars	Per RSH
1 Service Delivery						
2 UTU	\$ 7,468,215	\$ 38.77	\$ 7,996,200	\$ 39.59	\$ 7,663,025	\$ 31.57
3 Service Attd	1,392,512	7.23	1,765,514	8.74	2,028,502	8.36
4 Propulsion Power	4,763,118	24.73	6,433,004	31.85	7,198,076	29.66
5	13,623,845	70.72	16,194,717	80.17	16,889,603	69.59
6 Equipment Maintenance	10,626,718	55.16	11,574,392	57.30	12,155,379	50.08
7 Maintenance of Way	3,418,117	17.74	3,723,792	18.43	3,637,015	14.99
8 Subtotal	27,668,680	143.63	31,492,901	155.91	32,681,997	134.66
9 Division Administration	3,558,078	18.47	3,504,714	17.35	6,647,898	27.39
10 Central Administration	2,455,110	12.74	3,562,916	17.64	3,238,545	13.34
11 Transit Security	12,573,472	65.27	13,931,776	68.97	14,937,691	61.55
12 Direct Operations Support	7,418,589	38.51	9,307,446	46.08	9,449,403	38.93
13 Indirect Project Support	1,059,869	5.50	2,357,793	11.67	2,730,763	11.25
14 Casualty & Liability	1,272,956	6.61	1,113,655	5.51	1,312,397	5.41
15 Overhead	4,474,766	23.23	5,883,162	29.12	5,629,953	23.20
16	32,812,840	170.34	39,661,462	196.34	43,946,650	181.07
17 Transitional Duty Program			280,147	1.39	376,322	1.55
18 Total Expenses	\$ 60,481,520	\$ 313.97	\$ 71,434,510	\$ 353.64	\$ 77,004,969	\$ 317.27
19 Revenue Hours	192,637		202,000		242,709	

Appendix 3: Activity Based Bus Cost Model

Current Dollars

Activity	FY99 Actual		FY00 Adopted		FY01 BIAS	
	Dollars	Per RSH	Dollars	Per RSH	Dollars	Per RSH
1 Service Delivery						
2 UTU	257,338,451	\$ 42.52	256,440,304	\$ 40.11	263,475,385	\$ 39.45
3 Service Attd	18,596,899	\$ 3.07	19,851,193	\$ 3.10	19,031,192	\$ 2.85
4 Fuel	14,685,923	\$ 2.43	16,810,979	\$ 2.63	20,833,316	\$ 3.12
5	290,621,273	\$ 48.02	293,102,476	\$ 45.84	303,339,893	\$ 45.42
6 Division Maintenance						
7 Scheduled	72,516,080	\$ 11.98	81,607,783	\$ 12.76	10,557,030	\$ 1.58
8 Unscheduled	-	\$ -	-	\$ -	77,418,218	\$ 11.59
9	72,516,080	\$ 11.98	81,607,783	\$ 12.76	87,975,248	\$ 13.17
10 RRC Maintenance						
11 Division Support	42,676,974	\$ 7.05	40,452,417	\$ 6.33	11,667,154	\$ 1.75
12 Accident Repair	-	\$ -	-	\$ -	1,362,330	\$ 0.20
13 PPA	-	\$ -	-	\$ -	19,944,550	\$ 2.99
14	42,676,974	\$ 7.05	40,452,417	\$ 6.33	32,974,034	\$ 4.94
15 Other Costs						
16 Graffiti/Appearance	8,978,510	\$ 1.48	9,726,919	\$ 1.52	11,005,801	\$ 1.65
17 Ethanol Conversion	-	\$ -	4,496,756	\$ 0.70	-	\$ -
18 Wheelchair Lifts	-	\$ -	3,405,570	\$ 0.53	2,405,557	\$ 0.36
19 Equipment Acq.	-	\$ -	-	\$ -	-	\$ -
20 Painting	-	\$ -	4,213,033	\$ 0.66	3,877,573	\$ 0.58
21 Windows	-	\$ -	2,296,173	\$ 0.36	1,044,544	\$ 0.16
22 Subtotal	8,978,510	\$ 1.48	24,138,451	\$ 3.78	18,333,475	\$ 2.74
23 Subtotal	414,792,837	\$ 68.53	439,301,127	\$ 68.71	442,622,650	\$ 66.27
24 Division Mgmt. & Admin.	15,257,223	\$ 2.52	27,957,576	\$ 4.37	22,652,604	\$ 3.39
25 QA & EE Mgmt & Admin	2,523,915	\$ 0.42	1,443,963	\$ 0.23	2,049,533	\$ 0.31
26 RRC Mgmt & Admin	2,144,778	\$ 0.35	74,729	\$ 0.01	890,288	\$ 0.13
27 Central Mgmt. & Admin.	5,052,517	\$ 0.83	10,906,041	\$ 1.71	11,128,228	\$ 1.67
28 Transit Security	22,733,457	\$ 3.76	27,301,185	\$ 4.27	30,043,154	\$ 4.50
29 Training	5,066,414	\$ 0.84	5,304,146	\$ 0.83	6,207,644	\$ 0.93
30 Facilities Maintenance	15,059,723	\$ 2.49	13,635,023	\$ 2.13	14,688,807	\$ 2.20
31 Direct Operations Support	26,225,992	\$ 4.33	31,113,986	\$ 4.87	33,590,471	\$ 5.03
32 Indirect Project Support	20,938,761	\$ 3.46	25,572,443	\$ 4.00	22,695,783	\$ 3.40
33 Casualty & Liability	30,558,612	\$ 5.05	27,048,578	\$ 4.23	24,334,238	\$ 3.64
34 C & L Mgmt & Admin	6,062,936	\$ 1.00	6,060,000	\$ 0.95	4,942,760	\$ 0.74
35 Allocated Overhead	67,767,181	\$ 11.20	68,586,188	\$ 10.73	51,988,247	\$ 7.78
36	228,370,019	\$ 37.73	269,142,309	\$ 42.10	243,545,232	\$ 36.46
37 Transistional Duty Program	-		3,749,653	\$ 0.59	4,903,067	\$ 0.73
38 MTA Operated	634,184,346	\$ 104.78	688,054,638	\$ 107.61	672,737,474	\$ 100.72
39 Total Revenue Hours	6,052,298		6,393,681		6,679,235	
40 Purchased Transportation	26,607,817	\$ 46.47	36,895,912	\$ 55.61	28,601,027	\$ 48.32
41 Purchased Trans Mgt & Admin	381,068	\$ 0.67	612,507	\$ 0.92	638,377	\$ 1.08
	26,988,885	\$ 47.13	37,508,419	\$ 56.53	29,239,404	\$ 49.40
42 Purchased Revenue Hours	572,594		663,522		591,890	
43 Interest & Investment Admin.	17,261,848	\$ 2.61	17,031,587	\$ 2.41	16,081,207	\$ 2.21
44 Total Expenses	678,435,079	\$ 102.41	742,594,644	\$ 105.23	718,058,085	\$ 98.75
45 Total Revenue Hours	6,624,892		7,057,203		7,271,125	

Note: FY99 excludes one time Workers' Comp adjustment of \$52.8 million

Appendix 4: Six Year Operating Statistics

			FY96	FY97	FY98	FY99	FY00	FY01
			Actual	Actual	Actual	Actual	Adopted	Proposed
1	Boardings (000)							
2	Bus							
3		MTA	336,854	351,727	367,913	377,884	366,873	383,339
4		Municipal	87,017	90,199	98,212	100,441	103,454	
5		Total	423,871	441,926	466,125	478,325	470,327	383,339
6	MTA Rail							
7		Light Rail	18,540	22,659	23,884	25,771	23,929	29,191
8		Heavy Rail	7,666	11,628	12,269	13,287	22,507	24,952
9		Total	26,206	34,287	36,153	39,058	46,436	54,143
10	SCRRA		109	126	138	158		
11	Demand-Response ⁽¹⁾		1,441	1,532	1,143	1,571		
12	Countywide Total		451,627	477,871	503,559	519,112	516,763	437,482
13	Vehicle Revenue Hours (000)							
14	Bus							
15		MTA	6,252	6,309	6,429	6,625	7,057	7,271
16		Municipal	2,273	2,382	2,525	2,560	2,593	
17		Total	8,525	8,691	8,954	9,185	9,650	7,271
18	MTA Rail							
19		Light Rail	187	195	192	193	202	243
20		Heavy Rail	53	89	79	87	235	260
21		Total	240	284	271	280	437	503
22	SCRRA		109	126	138	158		
23	Demand-Response ⁽¹⁾		446	491	383	524		
24	Countywide Total		9,320	9,592	9,746	10,147	10,087	7,773.70
25	System Capacity							
26	Bus							
27		MTA	322,621	325,526	317,922	326,808	348,118	358,675
28		Municipal	104,503	109,491	116,025	117,706	118,482	
29		Total	427,124	435,017	433,947	444,514	466,600	358,675
30	MTA Rail							
31		Light Rail	26,976	28,187	27,749	27,817	29,114	34,980
32		Heavy Rail	9,061	15,193	13,544	15,000	40,517	44,828
33		Total	36,037	43,380	41,293	42,817	69,631	79,808
34	SCRRA		13,139	15,150	16,589	18,917		
35	Demand-Response ⁽¹⁾		4,010	4,421	3,445	4,712		
36	Countywide Total		480,310	497,968	495,274	510,960	536,232	438,483
37	Peak Bus Fleet							
38	Bus							
39		MTA	1,700	1,726	1,795	1,851	2,012	2,012
40		Municipal	791	802	-	-		
41		Total	2,491	2,528	1,795	1,851	2,012	2,012
42	HOV miles Completed		0	64	62	28	21	
43	Cost Per Revenue Service Hour							
44		MTA bus	\$110.61	\$105.00	\$99.35	\$102.41	\$105.23	\$98.75
45		MTA light rail	\$460.41	\$389.66	\$288.67	\$313.97	\$353.64	\$317.27
46		MTA heavy rail	\$1,056.87	\$359.85	\$393.80	\$402.02	\$228.44	\$237.73
47	MTA bus procurements		137	119	237	221	418	602

Notes:

(1) Demand-Response is ASI and Others

Appendix 5: FY01 Modal Operating Statistics

Bus	Notes	FY99 Actual	FY00 Adopted	FY00 Forecast	FY01 Proposed	Inc/(Dec) Adopted
1 Fares (\$000)		\$213,782	\$225,269	\$210,215	\$211,534	(\$13,735)
2 Other Revenue (\$000)		\$10,400	\$13,884	\$13,884	\$15,390	\$1,506
3 Expenses (\$000)	1	\$678,435	\$742,596	\$720,631	\$718,058	(\$24,538)
4 Boardings (000)		359,572	366,463	373,030	383,339	16,876
5 Farebox Recovery Ratio		33.04%	32.20%	31.10%	31.60%	-0.60%
6 Vehicle Service Hours (000)		6,625	7,057	7,019	7,271	214
7 Cost per Hour		\$102.41	\$105.23	\$102.67	\$98.75	(\$6.47)
8 Cost per Passenger Mile		\$0.51	\$0.55	\$0.52	\$0.51	(\$0.04)
9 Vehicle Service Miles (000)		81,831	89,750	89,267	90,697	947
10 Passenger Miles (000)		1,330,416	1,355,913	1,380,211	1,418,354	62,441
11 Fare Revenue per Boarding		\$0.59	\$0.61	\$0.56	\$0.55	(\$0.06)
12 Subsidy per Boarding	2	\$1.26	\$1.37	\$1.33	\$1.28	(\$0.09)
13 Subsidy per Passenger Mile	2	\$0.34	\$0.37	\$0.36	\$0.35	(\$0.03)
Light Rail	Notes	FY99 Actual	FY00 Adopted	FY00 Forecast	FY01 Proposed	Inc/(Dec) Adopted
14 Fares (\$000)		\$10,496	\$12,740	\$12,728	\$14,804	\$2,064
15 Other Revenue (\$000)		\$0	\$0	\$0	\$0	\$0
16 Expenses (\$000)	1	\$60,482	\$71,435	\$71,435	\$77,005	\$5,570
17 Boardings (000)		25,771	23,929	24,970	29,191	5,262
18 Farebox Recovery Ratio		17.35%	17.83%	17.82%	19.22%	1.39%
19 Vehicle Service Hours (000)	3	193	202	202	243	41
20 Cost per Hour		\$313.97	\$353.64	\$353.64	\$317.27	(\$36.37)
21 Cost per Passenger Mile		\$0.29	\$0.37	\$0.35	\$0.32	(\$0.04)
22 Vehicle Service Miles (000)	3	4,500	4,706	4,706	6,062	1,356
23 Passenger Miles (000)		209,312	194,351	202,806	237,089	42,738
24 Fare Revenue per Boarding		\$0.41	\$0.53	\$0.51	\$0.51	(\$0.03)
25 Subsidy per Boarding	2	\$1.94	\$2.45	\$2.35	\$2.13	(\$0.32)
26 Subsidy per Passenger Mile	2	\$0.24	\$0.30	\$0.29	\$0.26	(\$0.04)
Heavy Rail	Notes	FY99 Actual	FY00 Adopted	FY00 Forecast	FY01 Proposed	Inc/(Dec) Adopted
27 Fares (\$000)		\$4,630	\$9,412	\$9,335	\$10,146	\$734
28 Other Revenue (\$000)		\$2,000	\$2,000	\$2,000	\$2,003	\$3
29 Expenses (\$000)	1	\$35,141	\$53,683	\$47,684	\$61,790	\$8,107
30 Boardings (000)		13,287	22,507	18,900	24,952	2,445
31 Farebox Recovery Ratio		18.87%	21.26%	23.77%	19.66%	-1.60%
32 Vehicle Service Hours (000)	3	87	235	187	260	25
33 Cost per Hour		\$402.02	\$228.44	\$255.00	\$237.73	\$9.29
34 Cost per Passenger Mile		\$0.84	\$0.76	\$0.80	\$0.80	\$0.04
35 Vehicle Service Miles (000)	3	1,815	3,472	2,763	5,929	2,457
36 Passenger Miles (000)		41,854	70,897	59,535	77,351	6,454
37 Fare Revenue per Boarding		\$0.35	\$0.42	\$0.49	\$0.41	(\$0.01)
38 Subsidy per Boarding	2	\$2.30	\$1.97	\$2.03	\$1.99	\$0.02
39 Subsidy per Passenger Mile	2	\$0.73	\$0.62	\$0.64	\$0.64	\$0.02
40 Notes:						
41 (1)Expenses include Transitional Duty Program						
42 (2)Subsidy excludes all operating revenue						
43 (3)Reflect revenue vehicle hours & miles						

Appendix 6: FY2001 - FY2005 CIP Funds Available

Fund Description	FY01	FY02	FY03	FY04	FY05
1 FTA SECTION 5307	43,728	41,999	19,698	12,516	59,710
2 FTA SECTION 5308	5,700	2,700	2,700	2,700	5,000
3 FTA SECTION 5309	23,846	24,067	14,424	7,066	2,954
4 RTAA- CMAQ	150,666	195,234	72,731	26,552	13,024
5 STATE TRANSIT ASSISTANCE	4,744	5,304	5,140	6,190	10,042
6 REGIONAL IMPROVEMENT FUND	60,273	0	10,000	10,952	5,241
7 TDA ARTICLE 4	9,169	5,298	17,630	7,625	15,220
8 SCAQMD/AB2766	2,000	2,000	2,000	4,000	2,000
9 PROP A 35% BONDS	8,035	6,615	4,527	2,595	703
10 PROP C 25% HIGHWAY	1,266	0	0	0	0
11 PROP C 40% BONDS	12,756	7,980	1,098	3,035	7,902
12 GENERAL REVENUE BONDS	1,122	112	386	374	393
13 PROP C 40% DISCR (CASH)	4,114	0	0	0	0
TOTAL	327,419	291,309	150,334	83,605	122,189

Appendix 7

Public Transportation Services Corporation (PTSC)

In December, 1996, MTA created the Public Transportation Services Corporation (PTSC), a nonprofit public benefit corporation organized under the laws of the State. PTSC was created in order to transfer certain functions, currently performed by the MTA, and the employees related to those functions, to this new corporation. The purpose of the PTSC is to conduct essential public transportation activities including but not limited to the following: (a) to coordinate multi-modal multi-jurisdictional transportation planning; (b) to program Federal, State and Local funds for transportation projects county-wide within Los Angeles County; (c) to oversee construction; (d) to provide certain administrative services to the County's Service Authority for Freeway Emergencies (SAFE) and the Southern California Regional Rail Authority (SCRRA); (e) to provide administrative support and security services for the foregoing and to the operation of the MTA's Metro Bus and Metro Rail system; and (f) such other activities and provide such other services as it deems necessary. One advantage of the PTSC is that it allows the employees of the corporation, including those transferred from the MTA, to participate in the California Public Employees Retirement System (PERS).

Appendix 8

Combined Statement of Revenues, Expenditures and Changes in Fund Balance

PTSC Only	FY99 Actual	FY00 Adopted	FY01 Proposed
Revenue			
Reimbursement for Support Services	\$ 120.2	\$ 143.7	\$ 143.7
Tot revenue	<u>\$ 120.2</u>	<u>\$ 143.7</u>	<u>\$ 143.7</u>
Expenditures/Operating Expenses			
Salaries, Wages & Fringe	\$ 120.0	\$ 142.6	\$ 142.6
Services, Leases, Taxes & Misc	\$ 0.2	\$ 1.0	\$ 1.0
Purchased Transportation			
Fuel, Utilities, Materials & Supplies		\$ 0.1	\$ 0.1
Casualty & Liability			
Acquisitions			
Allocated Overhead			
Debt/Interest Expense			
Total Expenditures	<u>\$ 120.2</u>	<u>\$ 143.7</u>	<u>\$ 143.7</u>
Excess (deficiency) of revenue over expense before transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0.0</u>
Other Financing Sources (Uses)			
Operating Transfer in			
Operating Transfer out			
Total other financing and sources (uses)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (deficiency) of revenues and other financing sources over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 0.0</u>
Fund balances - beginning of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund balances (deficit) - end of year	<u>\$ 0.0</u>	<u>\$ 0.0</u>	<u>\$ 0.0</u>

Appendix 9

PTSC/MTA Risk Management Authority (PRMA)

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

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

Appendix 10

Service Authority For Freeway Emergencies (SAFE)

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

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

Glossary

Terms

ABC	Activity Based Cost. Methodology that measures the cost and performance of activities, resources, and cost objects. Resources are assigned to activities, then activities are assigned to cost objectives based on their use. ABC recognizes the causal relationships of cost drivers to activities.
ABM	Activity Based Management. Focuses on the management of activities as the route to improving cost performance, efficiency, effectiveness, and efficacy in the consumption of public resources.
ADA	Americans with Disabilities Act. A comprehensive civil rights measure signed into law July, 1990 to ensure persons with disabilities receive equal access to transportation and other services.
AFSCME	American Federation of State County and Municipal Employees. The union represents maintenance and transportation supervisors.
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 represents mechanics and other maintenance employees.
BAD	Benefit Assessment District. A limited area around public transportation stations in which non-residential property owners are taxed for benefits derived from proximity to the system.

BALANCED SCORECARD	A management instrument which translates an organization's mission and strategy into a comprehensive set of performance measures that provide a framework for strategic measurement and management. The balanced scorecard has 4 perspectives: financial management, customer, internal processes, and innovation or learning.
BIAS	Budget Information Analysis System. A computerized database application designed to enable departments (cost centers) to enter their budget requests and report those requests.
BOND	An interest-bearing promise to pay a specified sum of money due on a specified date.
BOS	Bus Operations Subcommittee.
BSIP	Bus Service Improvement Program - Additional buses on existing lines for overcrowding relief 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.
CBD	Central Business District.
CCIS	Custom Computerized Information System.
CIP	Capital Improvement Plan.
CNG	Compressed Natural Gas.

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

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.
COTR	Contracting Officer's Technical Representative.
COSO/CSA	Committee of Sponsoring Organization/Control Self-Assessment.
CPD	Countywide Planning & Development.
CPI	Consumer Price Index.
CPUC	California Public Utilities Commission.
CTSA	Consolidated Transportation Services Agency. The LACMTA has been designated as the CTSA for Los Angeles County to coordinate all paratransit services to ensure compliance with the Americans with Disabilities Act (ADA).
CWO	Contract Work Order.
DBE	Disadvantaged Business Enterprise. Businesses owned and operated primarily by minorities and women.
DEBT SERVICE FUND	Fund which accounts for those resources used to repay the principal and interest on long-term debt.
DOJ	United States Department of Justice - The LACMTA has a multi-year grant from the DOJ for community policing.
DOT	United States Department of Transportation.
EEO/AA	Equal Employment Opportunity/Affirmative Action.
EIS	Environmental Impact Statement. Same as EIR, except prepared under the (federal) National Environmental Policy Act.
ELT	Executive Leadership Team.
EMC	Engineering Management Consultant.

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

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 made using audited performance data.
FAU	Federal Aid Urban. Authorized by the enactment of the Federal Highway Act every five years. Cities and the county are eligible for FAU funds for projects such as street reconstruction and widening, and installation of lights and signals.
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 LACMTA which uses roving tow trucks to remove disabled vehicles and debris from freeways.
FTA	Federal Transit Administration. Formerly the Urban Mass Transportation Administration (UMTA).
FTE	Full-Time Equivalent, calculated on 2,080 work hours.
FUNCTION	An activity or a group of related activities for which the Reporting Unit is responsible.

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

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.
GHQ	Gateway Headquarters building.
GOALS	Target that guides an organization's efforts in moving toward a desired future state.
HEAVY RAIL	High-speed passenger rail cars operating singly or in trains of two or more cars on fixed rails in separate rights-of-way from which all other vehicular and foot traffic is excluded.
IMMEDIATE NEEDS PROGRAM	As a response to the Los Angeles uprisings, the LACMTA supports the First African Methodist Episcopal Church (FAME) and the International Institute of Los Angeles to distribute taxi vouchers and bus tokens in South Central Los Angeles.
JOINT DEVELOPMENT	Projects which combine public and private resources to build mixed use development around transit station areas.
KEY PERFORMANCE INDICATOR	Measurable factors of extreme importance to the organization in achieving the strategic goals, objectives, vision, and values that if not implemented properly would likely result in significant decrease in customer satisfaction, employee morale, and financial management.
Los Angeles 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.
LACMTA	Los Angeles County Metropolitan Transportation Authority.

LIGHT RAIL	Lightweight passenger rail cars operating singly on fixed rails in right-of-way that is not separated from other traffic for much of the way. Light rail vehicles are driven electronically with power drawn from an overhead electric line.
LOSSAN	Los Angeles-San Diego Intercity Railway.
LRV	Light Rail Vehicle
MAPs	Management Action Plans.
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. It opened for service July 14, 1990.
METRO GREEN LINE	Norwalk-El Segundo Light Rail Transit Project. A 20-mile electric rail line constructed by the LACMTA on the median of the I-105 freeway. It opened for service August 12, 1995.
METRO RED LINE - SEGMENT I	Segment I of the Metro Rail project constructed by the LACMTA from Union Station to Wilshire/Alvarado (4.4 miles). Operation began in January 1993.
METRO RED LINE - SEGMENT II	Segment II of the Metro Rail project includes Wilshire/Alvarado west to Wilshire-Western, which opened for service in August, 1996. Wilshire/Vermont north to Hollywood/Vine opened for service in June, 1999.
METRO RED LINE - SEGMENT III	Segment III of the Metro Rail project under construction. Segment III includes three branches: Branch 1 will be from Hollywood/Vine to Lankershim Blvd./Chandler Blvd.; Branch 2 will extend from Wilshire-Western to Pico/San Vicente; and Branch 3 is still under study but will serve East Los Angeles. Branch 1 will be completed in the Spring of 2000. Branches 2 & 3 have been suspended.

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

METROLINK	The regional commuter rail system connecting Los Angeles, Orange, Riverside, San Bernardino, and Ventura counties. Service began in October 1992.
MISSION	An enduring statement of purpose, the organization's reason for existence. Describes what the organization does, who it does it for, and how it does it.
MODE	A particular form of transportation identified by the vehicle used i.e., bus, light rail, heavy rail, or automated guideway.
MOU	Memorandum of Understanding. A formal contractual agreement between two or more public agencies.
MOW	Maintenance of Way.
MTA	Metropolitan Transportation Authority. Also known as LACMTA.
MULTIMODAL	Public transportation system which employs a combination of highway, bus, rail, HOV, bikeway, pedestrian land use, and demand management systems.
MUNICIPAL OPERATOR	A city or county (including any non-profit corporation or other legal entity wholly-owned or controlled by the city or county) which operates a public transportation system, or which on July 1, 1972, financially supported in whole or in part a privately-owned public transportation system and which is not included within an existing transit district.
NON-REVENUE VEHICLES	Vehicles which do not carry fare-paying passengers.
OBJECTIVE	Time-phased measurable accomplishment required to realize the successful completion of a strategic goal.
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.

PROP A	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.
PROP C	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.
PTSC	Public Transportation Services Corporation. Created by the LACMTA in December, 1996, the PTSC is a non-profit public benefit corporation organized under the laws of the State. It was created to transfer certain functions currently performed by LACMTA and its employees to this new corporation.
REVENUE SERVICE HOURS	Total number of scheduled hours that a bus or train is in service. This total excludes hours spent traveling to and from storage facilities and during other non-service travel.
REVENUE VEHICLE	Vehicles 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.
RTAA	Regional Transit Alternatives Analysis.

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

SAFE	Service MTA for Freeway Emergencies, a separate legal entity. Funds generated from one dollar from each vehicle registration within Los Angeles County used to provide expanded and improved emergency call box service along the highways.
SB-45	Senate Bill 45. This bill revised the procedures for the development and implementation of the State Transportation Improvement Program.
SBE	Small Business Enterprise. Businesses in which at least 51% of the business is owned and operated primarily by socially or economically disadvantaged individuals.
SBP	Strategic Business Plan.
SBU	Strategic Business Unit.
SCRRA	Southern California Regional Rail Authority. A joint powers agency including Los Angeles, Orange, Riverside, San Bernardino, and Ventura Counties formed to plan, construct, and operate the regional commuter rail system known as Metrolink.
SHORE PROGRAM	Support of the Homeless Re-entry Program. The LACMTA provides bus tokens to Los Angeles County shelters and missions.
SPECIAL REVENUE FUND	Fund used to account for resources which are legally or administratively restricted for specific purposes.
S RTP	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. This program was adopted by the California Transportation Commission (CTC) and serves as the primary vehicle for programming funds for highway projects.

Los Angeles County Metropolitan Transportation Authority
Proposed Budget

TCU	Transportation Communications Union. Union represents clerical workers.
TDA	Transportation Development Act. Created by state law in 1972, the TDA authorized the use of ¼ of 1% of the state sales tax for transportation purposes. 1% of this revenue is allocated to the LACMTA for its transportation planning activities.
TEA-21	Transportation Equity Act for the 21 st Century
TEAMSTERS	Union representing security guards.
TIP	Transportation Improvement Program. The programming document which establishes allocation of funding for Los Angeles County highways and transit.
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	United Transportation Union. Union which represents bus operators, schedule makers, and schedule checkers.
VISION	An idealized view of a desirable and potentially achievable future state - where or what an organization would like to be in the future.

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