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LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
GENERAL PURPOSE FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES
FOR THE YEAR ENDED JUNE 30, 1994



LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
GENERAL PURPOSE FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES

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REPORT OF INDEPENDENT ACCOUNTANTS

Board of Directors
Los Angeles County Metropolitan Transportation Authority

We have audited the accompanying general purpose financial statements of the Los Angeles County Metropolitan Transportation Authority (the "MTA") as of and for the year ended June 30, 1994, as listed in the table of contents. These general purpose financial statements are the responsibility of MTA's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the MTA as of June 30, 1994 and the results of its operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and account group financial statements and schedules listed in the table of contents are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the MTA. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly presented in all material respects in relation to the general purpose financial statements taken as a whole.

Coopers & Lybrand T.L.P.

Los Angeles, California
November 18, 1994



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Los Angeles County Metropolitan Transportation Authority
 Combined Balance Sheet – All Fund Types and Account Groups
 June 30, 1994
 (Amounts expressed in thousands)

	<u>Governmental Fund Types</u>			
	<u>General</u>	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Capital Projects</u>
<u>Assets and Other Debits</u>				
Assets:				
Cash and cash equivalents (Note 3)	\$ 11,279	\$ 665,213	\$ -	\$ 329,066
Receivables:				
Notes	2,191	9,800	-	-
Interest	52	4,641	8,425	7,178
Benefit assessment	-	-	-	2,293
Sales tax	-	26,587	-	-
Intergovernmental	-	53,882	1,968	130,064
Leases and other	538	6	-	689
Interfund (Note 9)	-	12,625	-	125,987
Prepaid and other assets	10	-	-	5,844
Inventory	-	-	-	-
Restricted assets:				
Cash and investments with fiscal agents (Note 3)	-	-	1,263,573	-
Insurance claims fund, net	-	-	-	-
Deferred compensation plans	-	-	-	-
401(k) savings plan	-	-	-	-
Alternate savings plan	-	-	-	-
Interest in property held for resale	150	-	-	700
Fixed assets: (Note 4)				
Facilities, property and equipment, net	-	-	-	-
Metro Blue Line, net	-	-	-	-
Metro Rail, MOS 1, net	-	-	-	-
Land	-	-	-	-
Construction in Progress:				
Metro Green Line, facilities,	-	-	-	-
Metro Rail, MOS 2, facilities,	-	-	-	-
Metro Rail, MOS 3, facilities,	-	-	-	-
Other rail lines	-	-	-	-
Contributed Capital – SCRRRA	-	-	-	-
Other Debits:				
Amount available in debt service fund	-	-	-	-
Amount to be provided for retirement of general long-term debt (Note 6)	-	-	-	-
Total assets and other debits	<u>\$ 14,220</u>	<u>\$ 772,754</u>	<u>\$ 1,273,966</u>	<u>\$ 601,821</u>

The notes to the financial statements are an integral part of this statement.

Exhibit 1

<u>Proprietary Fund Types</u>		<u>Fiduciary Fund Types</u>	<u>Account Groups</u>		<u>Totals</u>
<u>Enterprise</u>	<u>Internal Service</u>	<u>Trust and Agency</u>	<u>General Fixed Assets</u>	<u>General Long-Term Debt</u>	<u>(Memorandum) (Only)</u>
\$ 38,489	\$ 1,738	\$ 281	\$ -	\$ -	\$ 1,046,066
-	-	-	-	-	11,991
-	-	713	-	-	21,009
-	-	-	-	-	2,293
-	-	-	-	-	26,587
53,020	-	-	-	-	238,934
-	-	1,647	-	-	2,880
130,854	90,148	-	-	-	359,614
14,696	-	-	-	-	20,550
41,385	-	-	-	-	41,385
184,675	-	22,255	-	-	1,470,503
-	53,000	-	-	-	53,000
-	-	82,658	-	-	82,658
-	-	18,191	-	-	18,191
315	-	-	-	-	315
-	-	-	-	-	850
536,960	-	-	-	-	536,960
715,602	-	-	-	-	715,602
1,396,986	-	-	-	-	1,396,986
-	-	-	818,928	-	818,928
-	-	-	479,345	-	479,345
-	-	-	688,998	-	688,998
-	-	-	55,616	-	55,616
-	-	-	225,969	-	225,969
-	-	-	99,645	-	99,645
-	-	-	-	1,148,555	1,148,555
-	-	-	-	2,513,705	2,513,705
<u>\$ 3,112,982</u>	<u>\$ 144,886</u>	<u>\$ 125,745</u>	<u>\$ 2,368,501</u>	<u>\$ 3,662,260</u>	<u>\$ 12,077,135</u>

continued

Los Angeles County Metropolitan Transportation Authority
 Combined Balance Sheet – All Fund Types and Account Groups
 June 30, 1994
 (Amounts expressed in thousands)

	Government Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Liabilities, Equity and Other Credits				
Liabilities:				
Accounts payable	\$ 6,273	\$ 32,853	\$ -	\$ 149,611
Accrued liabilities	-	-	-	-
Claims and judgments payable	-	-	-	11,908
Due to other governments	818	17,646	-	8,073
Accrued interest payable	-	-	102,246	-
Revenue anticipation notes	-	-	-	-
Certificates of participation – current	-	-	-	-
Equipment trust certificates – current	-	-	-	-
Bonds and notes payable (Note 6)	-	-	20,665	-
B.A.D. revenue bonds payable (Note 6)	-	-	-	-
Compensated absences payable	494	-	-	-
Post-retirement benefits payable (Note 8)	-	-	-	-
Interfund payables (Note 9)	3,470	119,138	2,500	95,730
Deferred compensation benefits payable (Note 10)	-	-	-	-
401(k) savings plan (Note 10)	-	-	-	-
Insurance claims fund	-	-	-	-
Deferred revenue – Intergovernmental	-	16,000	-	26,584
Other liabilities	124	-	-	262
Total liabilities	11,179	185,637	125,411	292,168
Equity and Other Credits:				
Investment in general fixed assets	-	-	-	-
Retained earnings (Note 12)	-	-	-	-
Capital grants (contributed capital): (Note 12)				
Federal	-	-	-	-
State	-	-	-	-
Local	-	-	-	-
Fund balances: (Note 11)				
Reserved for memoranda of understanding	-	552,208	-	-
Reserved for encumbrances	-	-	-	303,109
Reserved for notes receivable	2,191	-	-	-
Reserved for note receivable (non current portion of loan)	-	9,800	-	-
Reserved for prepaid and other items	160	-	-	6,544
Reserved for debt service	-	-	1,148,555	-
Unreserved, undesignated	690	25,109	-	-
Total equity and other credits	3,041	587,117	1,148,555	309,653
Total liabilities, equity and other credits	\$ 14,220	\$ 772,754	\$ 1,273,966	\$ 601,821

The notes to the financial statements are an integral part of this statement.

Exhibit 1
continued

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	(Memorandum) (Only)
\$ 32,729	\$ -	\$ 1,068	\$ -	\$ -	\$ 222,534
46,136	1,120	3,026	-	-	50,282
-	-	-	-	-	11,908
3,713	-	-	-	-	30,250
-	-	-	-	-	102,246
60,000	-	-	-	-	60,000
9,865	-	-	-	-	9,865
5,830	-	-	-	-	5,830
265,105	-	-	-	3,660,778	3,946,548
-	-	20,521	-	-	20,521
43,000	8,191	-	-	1,482	53,167
23,553	4,486	-	-	-	28,039
138,751	-	25	-	-	359,614
-	-	82,658	-	-	82,658
-	-	18,191	-	-	18,191
-	131,089	-	-	-	131,089
-	-	-	-	-	42,584
-	-	-	-	-	386
628,682	144,886	125,489	-	3,662,260	5,175,712
-	-	-	2,368,501	-	2,368,501
(27,211)	-	-	-	-	(27,211)
948,757	-	-	-	-	948,757
222,719	-	-	-	-	222,719
1,340,035	-	-	-	-	1,340,035
-	-	-	-	-	552,208
-	-	-	-	-	303,109
-	-	-	-	-	2,191
-	-	-	-	-	9,800
-	-	-	-	-	6,704
-	-	-	-	-	1,148,555
-	-	256	-	-	26,055
2,484,300	-	256	2,368,501	-	6,901,423
\$ 3,112,982	\$ 144,886	\$ 125,745	\$ 2,368,501	\$ 3,662,260	\$ 12,077,135



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**Los Angeles County Metropolitan Transportation Authority
 Combined Statement of Revenues, Expenditures and
 Changes in Fund Balances
 All Governmental Fund Types and Expendable Trust Funds
 For the year ended June 30, 1994
 (Amounts expressed in thousands)**

	Governmental Fund Types				Fiduciary Fund Type	Totals
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust Funds	(Memorandum Only)
Revenues:						
Sales taxes	\$ -	\$ 916,398	\$ -	\$ -	\$ -	\$ 916,398
Licenses and fines	142	6,378	-	-	-	6,520
Intergovernmental	87	56,199	3,327	347,063	-	406,676
Interest	316	25,903	20,800	16,964	-	63,983
Lease rentals	-	-	-	7,806	-	7,806
Miscellaneous	221	-	-	916	121	1,258
Total revenues	766	1,004,878	24,127	372,749	121	1,402,641
Expenditures:						
Current:						
Administration and other	17,385	3,421	-	45,453	18	66,277
Transportation subsidies	1,705	397,332	-	-	-	399,037
Capital outlay	-	-	-	787,105	-	787,105
Debt service:						
Interest and fiscal charges	-	-	207,328	-	-	207,328
Bond issuance costs	-	-	9,446	-	-	9,446
Bond principal	-	-	23,639	-	-	23,639
Total expenditures	19,090	400,753	240,413	832,558	18	1,492,832
Excess (deficiency) of revenues over expenditures	(18,324)	604,125	(216,286)	(459,809)	103	(90,191)
Other Financing Sources (Uses):						
Operating transfers in	28,681	400	95,570	139,238	-	263,889
Operating transfers out	(4,679)	(674,619)	(9,591)	(2,596)	-	(691,485)
Proceeds from financing	-	-	75,130	328,462	-	403,592
Total other financing sources (uses)	24,002	(674,219)	161,109	465,104	-	(24,004)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	5,678	(70,094)	(55,177)	5,295	103	(114,195)
Fund balances (deficit), July 1, 1993	(2,637)	657,211	1,203,732	304,358	153	2,162,817
Fund balances, June 30, 1994	\$ 3,041	\$ 587,117	\$ 1,148,555	\$ 309,653	\$ 256	\$ 2,048,622

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
 Combined Statement of Revenues, Expenditures and Changes in Fund Balances –
 Budget and Actual – General, Special Revenue, and Capital Projects Funds
 For the year ended June 30, 1994
 (Amounts expressed in thousands)**

	<u>General Fund</u>		Variance Favorable (Unfavorable)
	<u>Budget</u>	<u>Actual</u>	
Revenues:			
Sales taxes	\$ -	\$ -	\$ -
Licenses and fines	-	142	142
Intergovernmental	-	87	87
Interest	-	316	316
Lease rentals	-	-	-
Miscellaneous	-	221	221
Total revenues	<u>-</u>	<u>766</u>	<u>766</u>
Expenditures:			
Current:			
Administration and other	19,400	17,385	2,015
Transportation subsidies	45,600	1,705	43,895
Capital outlay	-	-	-
Total expenditures	<u>65,000</u>	<u>19,090</u>	<u>45,910</u>
Excess (deficiency) of revenues over expenditures	<u>(65,000)</u>	<u>(18,324)</u>	<u>46,676</u>
Other Financing Sources (Uses):			
Operating transfers in	70,500	28,681	(41,819)
Operating transfers out	-	(4,679)	(4,679)
Proceeds from financing	-	-	-
Total other financing sources (uses)	<u>70,500</u>	<u>24,002</u>	<u>(46,498)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	<u>5,500</u>	<u>5,678</u>	<u>178</u>
Fund balances (deficit), July 1, 1993	<u>(2,637)</u>	<u>(2,637)</u>	<u>-</u>
Fund balances, June 30, 1994	<u>\$ 2,863</u>	<u>\$ 3,041</u>	<u>\$ 178</u>

The notes to the financial statements are an integral part of this statement.

<u>Special Revenue Funds</u>			<u>Capital Projects Funds</u>		
<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
\$ 873,000	\$ 916,398	\$ 43,398	\$ -	\$ -	\$ -
7,000	6,378	(622)	-	-	-
18,900	56,199	37,299	645,500	347,063	(298,437)
10,200	25,903	15,703	-	16,964	16,964
-	-	-	8,600	7,806	(794)
-	-	-	-	916	916
909,100	1,004,878	95,778	654,100	372,749	(281,351)
56,600	3,421	53,179	39,500	45,453	(5,953)
576,300	397,332	178,968	-	-	-
-	-	-	1,099,600	787,105	312,495
632,900	400,753	232,147	1,139,100	832,558	306,542
276,200	604,125	327,925	(485,000)	(459,809)	25,191
-	400	400	147,400	139,238	(8,162)
(649,500)	(674,619)	(25,119)	-	(2,596)	(2,596)
101,600	-	(101,600)	258,400	328,462	70,062
(547,900)	(674,219)	(126,319)	405,800	465,104	59,304
(271,700)	(70,094)	201,606	(79,200)	5,295	84,495
657,211	657,211	-	304,358	304,358	-
\$ 385,511	\$ 587,117	\$ 201,606	\$ 225,158	\$ 309,653	\$ 84,495

Los Angeles County Metropolitan Transportation Authority
 Combined Statement of Revenues, Expenses and
 Changes in Retained Earnings
 Proprietary Fund Types
 For the year ended June 30, 1994
 (Amounts expressed in thousands)

	Enterprise	Internal Service	Totals
Operating revenues:			
Passenger fares	\$ 207,238	\$ —	\$ 207,238
Route subsidies	945	—	945
Auxiliary transportation	4,886	—	4,886
Total operating revenues	213,069	—	213,069
Operating expenses:			
Transportation	339,857	—	339,857
Vehicle maintenance	131,637	—	131,637
Non-vehicle maintenance	30,483	—	30,483
General and administrative	98,206	—	98,206
Depreciation	120,199	—	120,199
Salaries and wages	—	35,722	35,722
Fringe benefits	—	11,846	11,846
Insurance expense	—	42,228	42,228
Administrative overhead	—	4,679	4,679
Other administrative expense	—	12,023	12,023
Total operating expenses	720,382	106,498	826,880
Operating loss	(507,313)	(106,498)	(613,811)
Nonoperating revenues and expenses:			
Local operating transfers in	377,118	—	377,118
Federal operating grants	46,948	—	46,948
State operating transfers in from STA fund	45,800	—	45,800
Interest revenues	3,195	6,371	9,566
Interest expenses	(17,056)	—	(17,056)
Loss on disposition of fixed assets	(478)	—	(478)
Other	14,276	—	14,276
Total nonoperating revenues and expenses	469,803	6,371	476,174
Income (loss) before operating transfers	(37,510)	(100,127)	(137,637)
Depreciation on fixed assets acquired by grants externally restricted for capital acquisition and construction	120,365	—	120,365
Operating transfers in (out):			
Transfer (to) from other funds	(95,448)	100,127	4,679
Contributed capital transferred to retained earnings	1,124	—	1,124
Decrease in retained earnings	(11,469)	—	(11,469)
Retained earnings (deficit), July 1, 1993	(15,742)	—	(15,742)
Retained earnings (deficit), June 30, 1994	\$ (27,211)	\$ —	\$ (27,211)

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
 Combined Statement of Cash Flows – Proprietary Fund
 For the year ended June 30, 1994
 (Amounts expressed in thousands)

	<u>Enterprise</u>	<u>Internal Service</u>	<u>Totals</u>
Cash flow from operating activities:			
Operating loss	\$ (507,313)	\$ (106,498)	\$ (613,811)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation	120,199	-	120,199
Loss on disposition of fixed assets	478	-	478
Net effect of changes in:			
Decrease in revenue receivables	15,866	-	15,866
Increase in interfund receivables	(13,756)	(29,528)	(43,284)
Increase in prepaid and other assets	(1,807)	-	(1,807)
Increase in inventory	(2,419)	-	(2,419)
Decrease in accounts payable	(214)	(1,907)	(2,121)
Decrease in accrued liabilities	(9,005)	232	(8,773)
Decrease in compensated absences payable	(2,496)	1,987	(509)
Increase in interfund payables	78,063	-	78,063
Decrease in alternate savings plan	(1,235)	-	(1,235)
Increase in post retirement benefits payable	2,902	1,670	4,572
Net cash used in operating activities	<u>(320,737)</u>	<u>(134,044)</u>	<u>(454,781)</u>
Cash flow from non-capital financing activities:			
Proceeds from operating grants	442,897	-	442,897
Proceeds from issuance of Revenue Anticipation Notes	60,000	-	60,000
Interfund transfer	(95,448)	100,127	4,679
Repayment of matured Revenue Anticipation Notes	(130,000)	-	(130,000)
Interest paid on Revenue Anticipation Notes	(5,544)	-	(5,544)
Interest received on Revenue Anticipation Notes	1,768	-	1,768
Repayment of insurance reserve fund borrowings	-	(11,941)	(11,941)
Net cash provided by non-capital financing activities	<u>273,673</u>	<u>88,186</u>	<u>361,859</u>
Cash flow from capital and related financing activities:			
Capital grants received	73,477	-	73,477
Purchase of property, plant and equipment	(98,075)	-	(98,075)
Proceeds from sale of retired equipment	21	-	21
Proceeds from offshore lease	5,433	-	5,433
Payment of matured Equipment Trust Certificates	(5,425)	-	(5,425)
Payment of matured Certificate of Participation	(9,865)	-	(9,865)
Interest paid on bonds and notes payable	(17,235)	-	(17,235)
Net cash used in capital and related financing activities	<u>(51,669)</u>	<u>-</u>	<u>(51,669)</u>
Cash flow from investing activities:			
Proceeds from sale and maturity of investments	118,590	454,793	573,383
Purchase of investments	(63,480)	(414,961)	(478,441)
Interest received on investments	1,973	6,420	8,393
Net cash provided by investing activities	<u>57,083</u>	<u>46,252</u>	<u>103,335</u>
Net increase (decrease) in cash and cash equivalents	<u>(41,650)</u>	<u>394</u>	<u>(41,256)</u>
Cash and cash equivalents, July 1, 1993	<u>80,139</u>	<u>1,344</u>	<u>81,483</u>
Cash and cash equivalents, June 30, 1994	<u>\$ 38,489</u>	<u>\$ 1,738</u>	<u>\$ 40,227</u>
Supplemental schedule of noncash investing & financing activities:			
Decrease in Alternate Savings Plan asset and liability	\$ (13,436)		

The notes to the financial statements are an integral part of this statement.



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Leading the Way to Greater Mobility

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

(1) Organization

The Los Angeles County (County) Metropolitan Transportation Authority (MTA) was created as of February 1, 1993, resulting from the merger of the former Los Angeles County Transportation Commission (Commission) and the former Southern California Rapid Transit District (District). The merger was accounted for under the pooling-of-interest method of accounting. The MTA succeeded to all powers, duties, rights, obligations, liabilities, indebtedness, (bonded or otherwise), immunities and exemptions of the Commission and the District.

The MTA is governed by a 14-member Board of Directors (Board). The Board is composed of the five members of the County Board of Supervisors, the Mayor of the City of Los Angeles, two public members and one member of the City Council of the City of Los Angeles, four members who are either a mayor or a member of a city council and have been appointed by the Los Angeles County City Selection Committee and a nonvoting member appointed by the Governor of the State of California. The MTA Board members are permitted to appoint alternate members to the MTA, who can represent a regular member only if the regular member cannot attend a MTA meeting. Some alternate members, however, have only limited power to vote at such meetings.

The MTA is responsible for the programming and administration of all regional surface transportation funds in the County. The MTA coordinates the operation of all public transportation services including managing transit operating policies among the County's 17 municipal bus operators and planning and developing light, heavy and commuter rail projects and programming regional funds for improvement to the County highway system. The MTA is also responsible for constructing a 150-mile urban light and heavy rail system in the County and is participating in the construction and operation of the 450-mile Metrolink commuter rail system in the five-county Metrolink service area.

The MTA also serves as the main source of bus service in all of the County south of the San Gabriel Mountains, except Santa Catalina Island. The MTA operates a vehicle fleet of over 2,200 buses that covers a weekday total of 249,000 revenue service miles over a route system of approximately 3,800 miles carrying approximately 1.2 million weekday passengers. The MTA also operates the Metro Blue Line light rail system, which covers 22 miles between the cities of Los Angeles and Long Beach and the Red Line, which covers 4 miles between Union Station and MacArthur Park in the Los Angeles central business district.

(2) Summary of Significant Accounting Policies

The financial statements of the MTA have been prepared in conformity with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the recognized standard-setting body for establishing governmental accounting and financial reporting principles for governments. The more significant of the MTA's accounting policies are described below:

A. Reporting Entity

In evaluating how to define the entity for financial reporting purposes, management has considered all potential component units by applying criteria set forth in GASB Statement No. 14 which relates to the "Reporting Entity".

The basic--but not the only--criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility including but not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. The second criterion used in evaluating a potential component unit is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens, or whether the activity is conducted within the geographic boundaries of the government, and is generally available to its citizens. The third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government can exercise oversight responsibilities.

In conformity with generally accepted accounting principles, the Benefit Assessment Districts (BAD), the Transportation Foundation, and the Los Angeles County Transportation Land Preservation Corporation, have been included in the accompanying financial statements as blended component units.

B. Fund Accounting

The MTA utilizes fund accounting to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts. Funds are classified into three categories: governmental, proprietary, and fiduciary and are described below.

The MTA also uses account groups for financial reporting which are designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly effect net expendable available financial resources.

Governmental funds are used to account for most of the MTA's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), and the servicing and payment of general long-term debt (debt service fund) principal and interest. The MTA's general fund is used to account for all activities of the MTA not accounted for in another fund.

Proprietary funds are used to account for activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the MTA (internal service funds). Certain MTA self-insurance programs, principally worker's compensation and general liability, are recorded in the internal service fund. See Note 5 for further discussion.

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the MTA. When these assets are held under the terms of a formal trust agreement, either a pension trust fund, a nonexpendable trust fund or an expendable trust is used. The terms "nonexpendable" and "expendable" refer to whether or not the MTA is under an obligation to maintain the trust principal. Agency funds generally are used to account for custodial assets that the MTA holds on behalf of others as their agent and does not involve measurement of results of operations.

Account groups are used to account for and control the MTA's general fixed assets and general long-term debt.

C. Basis of Accounting

The modified accrual basis of accounting is used for all governmental fund types and expendable trust and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they are both measurable (amount can be determined) and available (collectible within the current period or soon enough thereafter) to be used to pay liabilities of the current period.

The accrual basis of accounting is utilized by proprietary fund types. Revenues are recognized when earned and expenses are recorded when they are incurred.

The account groups are self-balancing balance sheet accounts and do not have a specified basis of accounting.

D. Budgetary Accounting

The MTA Board adopts an annual budget for certain governmental and proprietary fund types. Annually, the Board conducts public hearings for discussion of the proposed annual budget. At the conclusion of the public hearings and not later than June 30, the Board adopts the final budget including revisions by resolution. The annual budget is regularly amended for changes in available resources and program objectives, with the approval of the Board.

The MTA employs the following practices and procedures in establishing the budgetary data on a basis consistent with GAAP as reflected in the general purpose financial statements:

- o Annual budgets are adopted on a basis consistent with the modified accrual basis of accounting for governmental fund types.
- o Annual budgets are adopted on the accrual basis for the proprietary fund.
- o Special revenue funds that may be established during a fiscal year are considered for budgetary action in the ensuing fiscal year.

E. Cash and Cash Equivalents

Cash includes amounts in demand deposits as well as short-term investments with an original maturity date of three months or less.

F. Interfund Receivables/Payables

Interfund receivables/payables are amounts owed to a particular fund by another fund for loans, advances, or goods or services rendered.

G. Inventory

Inventory, consisting primarily of bus and rail vehicle parts, is valued at weighted average cost. Inventory items are recorded as expenditures when consumed rather than when purchased.

H. Property, Plant and Equipment (Fixed Assets)

Property, plant and equipment are recorded in both the general fixed asset account group and proprietary fund. Capital acquisitions and construction are reflected as expenditures and assets in the proprietary or governmental funds depending on the use of the asset.

Property, plant and equipment are stated at cost. Donated fixed assets are valued at their estimated fair market value on the date received. Major improvements and betterments to existing plant and equipment are capitalized. Costs for maintenance and repairs which do not extend the useful life of the applicable assets are charged to expense as incurred. Upon disposition, costs and accumulated depreciation are removed from the accounts and resulting gains or losses are included in operations. Certain assets in the general fixed asset account group are not depreciated.

When projects are completed (construction in progress becomes operational), it is the policy of the MTA to transfer the construction cost of rail lines, stations, etc., to the enterprise fund. At June 30, 1994, the enterprise fund includes the costs of the Blue Line and Segment-1 (MOS-1) of the Red Line.

Depreciation is recorded in the proprietary fund using the sum-of-the-years-digits method on all revenue-earning equipment which was acquired before July 2, 1988. Depreciation on revenue-earning equipment acquired after July 2, 1988 and all other property, plant and equipment is computed using the straight-line method. Both methods are based upon the estimated useful lives of individual assets. The estimated useful lives of fixed assets are as follows:

	<u>Years</u>
Buildings	30
Rail Cars	25
Buses	12
Other vehicles	5
Bus maintenance and office equipment, and other furnishings	10

Assets acquired with federal, state and local capital grants are included in property, plant and equipment, and depreciation on these assets is included in the accompanying statements of operations. Federal, state and local grant revenues equivalent to the depreciation amount for the year are recognized in equity.

I. Compensated Absences

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and recorded as a liability of the governmental fund responsible for the payment. Vested or accumulated vacation leave amounts that are not expected to be liquidated with expendable available financial resources are reported in the general long-term debt account group. No expenditure is recognized or recorded for these amounts.

Vested or accumulated vacation and sick pay benefits for the proprietary funds are recorded as a liability and expense of those funds, as the benefits accrue to the employees.

J. Pension Plans

The MTA provides a defined benefit pension plan for former Commission employees through the California Public Employees' Retirement System (PERS).

The MTA has a Single-Employer Public Employees Retirement System which includes four defined benefit pension plans for its former District employees. All employees except noncontract employees contribute a specified percentage, as recommended by the Plans' actuary, of their annual salaries to the plan in which they participate.

K. Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

L. Deferred Revenues

Deferred revenues arise when a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the MTA before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the MTA has a legal claim to the resources, the liability for deferred revenue is removed from the combined balance sheet and revenue is recognized.

M. Total Column

The total column on the combined statements is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Such data is not comparable to a consolidation, since interfund eliminations have not been made.

(3) Cash and Investments

Cash and investments at June 30, 1994 consisted of the following (in thousands):

1) Cash and cash equivalents	\$1,046,066
2) Restricted cash and investments held by fiscal agents	<u>1,624,667</u>
	<u>\$2,670,733</u>

At June 30, 1994, the net book carrying amount of the MTA's deposits comprised of cash in checking and money market accounts totalled \$163,864,000 while the bank balance was \$205,840,000. Of the bank balance, \$200,000 was covered by federal depository insurance and \$205,640,000 was covered by collateral held in the pledging bank's trust department or agent in the MTA's name.

The California Government Code requires California financial institutions to collateralize deposits of public funds by pledging government securities as collateral. Such collateralization of public funds is accomplished by pooling. The market value of pledged securities must be in accordance with Title 5, Division 2, Chapter 4, Article 2 of the Government Code for the State of California. California law also allows financial institutions to secure public fund deposits by pledging first trust deed mortgage notes having a value of 150% of a governmental unit's total deposits. (The MTA may waive collateral requirements for deposits which are fully insured up to \$100,000 by the Federal Deposit Insurance Corporation.)

The MTA invests its temporarily idle cash under the prudent investor rule (Civil Code Section 2261). The prudent investor rule states, in essence, that "in investing...property for the benefit of another, a trustee shall exercise the judgment and care, under the circumstances then prevailing, which people of prudence, discretion, and intelligence exercise in the management of their own affairs..."

This policy affords the MTA a broad spectrum of investment opportunities as long as the investment is deemed prudent and is authorized under the California Government Code Sections 53600, et. seq.

Investments may be made within the following approved instrument guidelines:

- o Securities of the U.S. Government or its agencies
- o Certificates of deposit (or time deposits) placed with commercial banks and/or savings and loans
- o Bankers' acceptances
- o Los Angeles County Treasurer or other authorized pooled investment programs
- o Passbook savings account demand deposits
- o Money market accounts
- o Repurchase and reverse repurchase agreements
- o Commercial paper
 - o Corporate notes
 - o Municipal bonds
 - o Mutual funds

The rules and regulations of the MTA permit borrowing from the self-insurance claims fund to meet the MTA's working capital requirements. Such borrowing is to be repaid as soon as reasonably practical and at interest rates that approximate the rate of return of the fund. The MTA had outstanding borrowings from this fund of \$76,351,000 at June 30, 1994.

Restricted cash and investments are comprised of assets set aside for funding self-insurance claims, the deferred compensation plan, the 401(k) Savings Plan, and for the repayment of Equipment Trust Certificates, Revenue Anticipation Notes, Certificates of Participation and Sales Tax Revenue and Refunding Bonds. Restricted cash for each of these purposes is held separately and is deposited in cash accounts or invested.

As required by GASB Statement No. 3, the MTA has categorized its investments to give an indication of the level of risk assumed. Category 1 includes investments that are insured or collateralized with securities held by the MTA or its agent in the MTA's name. Category 2 includes investments that are collateralized with securities held by the pledging financial institutions' trust department or agent in the MTA's name. Category 3 includes investments that are uncollateralized or collateralized with securities held by the pledging financial institutions or by their trust departments or agent but not in the MTA's name.

Investments at June 30, 1994 consist of the following (in thousands):

	Categories			Book Value	Market Value
	<u>1</u>	<u>2</u>	<u>3</u>		
<u>Investments:</u>					
U.S. Treasury securities	\$1,254,165			\$1,254,165	\$1,290,682
U.S. Agency securities	94,379			94,379	93,224
Bankers' acceptance	5,021			5,021	5,059
Commercial paper	91,050			91,050	91,267
Corporate notes and bonds	142,854			142,854	139,105
State & local gov't securities	10,019			10,019	9,957
Total categorized investments	<u>\$1,597,488</u>			<u>1,597,488</u>	<u>1,629,294</u>
<u>Non-Categorized Investments:</u>					
Certificates of deposit				50,556	50,556
Mutual funds				317,615	317,615
Bond funds				15,000	14,718
Investment Contracts				201,206	200,785
Investment Pool				298,372	298,372
Other (ICMA) (BAD)				26,632	26,632
Total non-categorized investments				<u>909,381</u>	<u>908,678</u>
Total				<u>\$2,506,869</u>	<u>\$2,537,972</u>

(4) Fixed Assets

A summary of changes in the general fixed assets account group during the fiscal year ended June 30, 1994 follows (in thousands):

	<u>July 1, 1993</u>	<u>Additions</u>	<u>June 30, 1994</u>
Administration	\$ 6,556	\$ 491	\$ 7,047
Transportation Facilities/Land	854,533	-	854,533
Equity in JPA/ SCRAA Capital Contribution	82,936	16,709	99,645
Construction in Progress: Metro Green	308,381	170,964	479,345
Metro Rail, MOS 2 Construction	393,102	295,896	688,998
Metro Rail, MOS 3 Construction	30,757	24,859	55,616
Pasadena Line	21,623	66,043	87,666
Other Construction in Progress	<u>45,685</u>	<u>49,966</u>	<u>95,651</u>
Total General Fixed Assets	<u>\$1,743,573</u>	<u>\$624,928</u>	<u>\$2,368,501</u>

The following is a summary of the enterprise fund fixed assets as of June 30, 1994 (in thousands):

	<u>Bus Operations</u>	<u>Rail Operations</u>	<u>Total</u>
Vehicles	\$ 486,799	\$ 166,267	\$ 653,066
Land	88,141	204,294	292,435
Bus maintenance and office equipment, and other furnishings	149,519	172,803	322,322
Building and structures	168,072	1,721,300	1,889,372
Construction in progress	<u>119,873</u>	<u>37,094</u>	<u>156,967</u>
Total Cost	<u>1,012,404</u>	<u>2,301,758</u>	<u>3,314,162</u>
Less: Accumulated depreciation	<u>475,444</u>	<u>189,170</u>	<u>664,614</u>
Net fixed assets	<u>\$ 536,960</u>	<u>\$2,112,588</u>	<u>\$2,649,548</u>

(5) Insurance Reserves

The primary emphasis of risk management activities in the MTA is to prevent or minimize the risk of injury to persons and damage to or loss of property. Where losses cannot be prevented, the MTA endeavors to self-insure or to assume such losses as it may deem advisable and economical, giving due consideration to the frequency and severity of probable losses. Determination of the appropriate level of loss to be retained is made on an annual basis. This consideration of the effect of potential self-insured or assumed losses is part of the MTA's financial planning process. The MTA also makes provision to insure its risk of accidental loss from construction through an owner-controlled insurance program (OCIP). Policies provide property, liability, and workers' compensation insurance and covers many of the risks arising from construction of the Metro Rail segments, the Green Line, and the Southern California Regional Rail Authority (SCRRA) Lines for the interest of the MTA, the contractors and subcontractors in their work on such MTA projects.

The MTA is fully self-insured for workers' compensation claims. The reserve set aside for outstanding liabilities through June 30, 1994 is \$87,384,000. The MTA is partially self-insured for public liability and property damage for non-construction activities up to \$4,500,000 per occurrence. The all-risk property insurance program is divided into two packages: (1) for rail operations including SCRRA rail cars; (2) for bus operations. Each package covers insurable values of \$1 billion. The policies also contain an earthquake sublimit of \$50 million for rail operations, and \$65 million for bus operations, and a 5% value per site deductible.

The self-insurance programs are administered by independent adjusting companies. The liability is based, in part, upon the independent adjustment companies estimate of reserves required for unsettled claims and related administrative costs, and includes claims that are incurred but not reported. The MTA reserves set aside for the incurred and outstanding liabilities through June 30, 1994 is \$43,705,000. Such reserves are actuarially determined and subject to periodic adjustment as conditions warrant. The reserves are discounted using an average rate of return of 5.0%.

The MTA believes that the estimated liability for self-insured claims at June 30, 1994 will be sufficient to cover any costs arising out of claims filed or to be filed for incidents which occurred through that date.

(6) Long-Term Debt

Long-term obligations of the MTA consist of sales tax revenue bonds, refunding bonds, certificates of participation, commercial paper notes, equipment trust certificates, revenue anticipation notes and other liabilities which are payable from general governmental and proprietary activities. Long-term obligations also consist of special assessment bonds which are payable from fiduciary (agency) fund activities.

A summary description of bonds, notes and other liabilities recorded in the General Long-Term Debt Account Group as of June 30, 1994 follows:

Sales Tax Revenue Bonds - Sales Tax Revenue Bonds are primarily Proposition A and C bonds which are issued to provide funds for the acquisition and construction of major capital facilities, such as the Metro Blue Line, the Metro Green Line, the Metro Red Line Segments I, II, and III and the acquisition of rolling stock for the rail system.

Sales Tax Revenue Refunding Bonds - Prior to fiscal year 1992, the MTA issued various Sales Tax Revenue Refunding Bonds (Refunding Bonds) Series 1987-A, 1988-A, and 1989-A to advance refund the MTA's previous issued and outstanding Sales Tax Revenue Bonds (Revenue Bonds) Series 1986-A, 1986-C, and 1986-D, respectively due to favorable interest rates. The net proceeds were placed in irrevocable trusts with escrow agents. The funds in the escrow accounts have been invested in primarily U.S. Treasury securities. The maturities of these investments coincide with the principal and interest payment dates of the defeased bonds and are sufficient to pay all principal and interest on the bonds when due as required by applicable laws. Certain bonds are considered defeased and the liability for those bonds have been removed from the general long-term debt account group. The MTA remains contingently liable for the defeased bonds.

The MTA also issued Refunding Bonds, Series 1991-B, Series 1992-A and 1992-B, to be used to reduce the MTA's debt service requirements related to the Sales Tax Revenue Bond Series 1986-A Bonds, the Series 1987 Bonds and the Series 1988 Bonds prior to fiscal year ending June 30, 1993. The issuances did not result in a defeasance of debt. These three refunding issues produced resources that are being held in the Series 1986-A, Series 1987 and Series 1988 Escrow Fund (Refunding Escrow Fund) created under the terms of an Escrow Agreement. As a result, the bonds are still recognized on the MTA's general long-term debt account group.

During fiscal year 1993, the MTA issued additional Refunding Bonds of \$560,570,000 Proposition A Series 1993-A and \$204,095,000 Proposition C Series 1993-A. The Proposition A bonds will be used to pay the principal and interest due on the various Refunded Bond Series 1986-A, 1987-A, 1988-A, 1989-A, 1991-A and 1991-B. The Proposition C bonds will be used to refund the Proposition C Revenue Second Senior Bonds Series 1992-A. The refunding issues produced resources which are currently held in escrow funds and these transactions did not result in a defeasance of debt. As a result, the bonds are recognized on the MTA's general long-term debt account group.

During the year ended June 30, 1994, the MTA issued additional Proposition C Sales Tax Revenue Bonds in the amount of \$312,350,000. The proceeds provide funding for various capital construction projects.

Leveraged Lease Revenue Bonds - During the 1989-90 fiscal year, the MTA entered into two leverage lease arrangements for the acquisition of thirty-two (32) light rail cars. The financing program provided for the MTA to purchase the light rail cars, sell them to a leasing agent, formed under the laws of Japan, and lease them back. Basic provisions of the financing program called for the purchase price paid by the leasing agent to be paid 80% in U.S. Dollars and 20% in Yen; lease payments are to be paid in a like manner. These two transactions were defeased prior to June 30, 1990 and do not appear in the MTA financial statements.

In December 1990, the MTA entered into a third lease financing arrangement for an additional twenty-two (22) light rail cars at a cost of \$33,000,000. Of this amount, 80% (\$26,400,000) was in U. S. Dollars and 20% (\$6,600,000) was in Yen. In June 1991, the U. S. Dollar portion of the lease was assigned as security for the issuance of \$26,400,000 of Lease Revenue Bonds. The remaining \$6,660,000 represents the obligation payable in Yen with a guaranteed conversion rate of dollars to yen. The lease arrangement has a purchase option equal to 10% of the original financing (\$3,300,000) which is payable at the end of the lease term.

Lease Revenue Bonds and the Yen obligation are collateralized by a subordinate lien pledge of certain sales tax revenues, derived from Proposition A, after satisfaction of debt service on Sales Tax Revenue Bonds.

Certificates of Participation - 1992, Series G - In October 1991, the MTA in association with the California Special Districts Association (CSDA), issued \$19,340,000 of Certificates of Participation for the purpose of providing supplementary financing for the procurement of sixty (60) over-the-road buses and twenty-six (26) local fixed-route buses. The MTA is obligated to make lease payments to CSDA and subsequently subleases the buses to the cities of Los Angeles and Santa Clarita and the County of Los Angeles. These entities are required to make payments that will equal the amount of the MTA'S lease payments to the CSDA. Additional funding for the projects includes a \$2.3 million contribution by the MTA and a \$4.8 million federal grant. In the event that the amounts received by the MTA from the cities of Los Angeles and Santa Clarita, and the County of Los Angeles under the sublease is insufficient to make its lease payment to the CSDA, the MTA is required to use any other available funds to make such lease payments.

Certificates of Participation-1992 Series C - In December 1992, the MTA issued \$3,390,000 of Certificates of Participation for the purpose of providing financing for the procurement of 14 diesel buses and other equipment. The MTA is obligated to make lease payments to CSDA and subsequently subleased the buses to the City of Torrance. The MTA has a memorandum of understanding with the city that holds the City of Torrance liable for the lease payments.

Commercial Paper Notes - The MTA issued \$345,000,000 in Commercial Paper Notes (Notes), Series A, in the fiscal year ending June 30, 1991. During fiscal year 1991-92 the MTA paid off \$152,000,000 of the Notes. In fiscal year 93-94, the MTA issued an additional \$81,142,000 of the tax exempt Commercial Paper Notes leaving an outstanding balance of \$274,142,000 reported in the Long Term Debt Account Group.

The Notes are considered long-term debt because the principal amounts due on this debt can be rolled-over or refinanced through January 28, 1995 and can be extended for one year periods thereafter. The Notes are collateralized by a third lien pledge of certain sales tax revenues derived from Proposition A and by various letters of credit in an aggregate amount of \$350,000,000 to support the payment of principal and interest on the Notes when due. Although the individual Notes are "short-term" with maturities (at June 30, 1994) ranging from seven to two hundred days at interest rates from 3.25% to 4.35% per annum, it is the intention of the MTA to pay the accrued interest and rollover or reissue the principal amounts as they mature through January 28, 1995 and thereafter, on a year by year basis.

Taxable Commercial Paper Notes - The MTA issued \$73,500,000 in Taxable Commercial Paper Notes, Series A, in June 1993. The proceeds of the notes were used to acquire certain real estate parcels needed for the Metrolink Rail project. During the year ended June 30, 1994, the MTA reduced its outstanding balance on the Notes by \$12,780,000. The notes are similar to the other commercial paper notes issued except the interest earnings are taxable for the investors. The total outstanding balance is \$60,720,000.

Community Redevelopment Bonds - On September 15, 1993, the Community Redevelopment Financing Authority (CRFA) of the Community Redevelopment Agency of the City of Los Angeles, California (CRA), issued the following bonds of which the MTA is a partial guarantor: 1) \$22,335,000 Grand Central Square Multifamily Housing Bonds, 1993 Series A, due in installments beginning December 1, 2013 and ending December 1, 2026, and 2) \$21,665,000 Grand Central Square Qualified Redevelopment Bonds, 1993 Series A, due in installments beginning December 1, 2013 and ending December 1, 2026. Both the Housing Bonds and Redevelopment Bonds are special, limited obligations of the CRFA. The sources of payment for the Housing Bonds are different from the sources of payment for the Redevelopment Bonds.

The source of all payments of principal and interest on the Housing Bonds prior to completion and reconveyance of the project (or if the completion and reconveyance never occurs, until all Housing Bonds are paid) will be tax increment revenues received by the CRA's Bunker Hill Urban Renewal Project 1B. After completion and reconveyance of the project (if such event occurs), the source of payment of the Housing Bonds will be (i) in part from the tax increment funds received by the Agency from its Bunker Hill Urban Renewal Project 1B and (ii) in part from a portion of the Proposition A sales tax revenues (as described herein) received by the MTA.

The Qualified Redevelopment Bonds are payable primarily from a portion of the Proposition A sales tax revenues received by the MTA. Accordingly, the liability for these bonds of \$21,665,000 is included in the general long-term debt account group.

Swap Obligation - The MTA is obligated with respect to an Interest Rate Swap Agreement with respect to its Sales Tax Revenue Refunding Bonds, Series 1992-A (Series 1992-A Bonds) issued on June 17, 1992. The Interest Rate Swap Agreement, dated as of June 1, 1992 (Swap Agreement) provides that the counterparty (Swap Provider) pay to the MTA a floating interest rate on the Series 1992-A Bonds and that MTA pay to

the Swap Provider a fixed amount. Under certain circumstances, the MTA may be obligated to make settlement payments to the Swap Provider if the Swap Agreement is terminated and such payments could be substantial. The MTA's obligation under the Swap Agreement is payable by the Senior Lien Trustee from an account created within the subordinate lien obligation fund for the Swap Agreement on a parity with the MTA's obligations under the Pledge Agreements.

Standby Agreement - The MTA's Series 1992-A Bonds described in the preceding paragraph contain provisions under which the owners of the Series 1992-A Bonds can demand purchase by MTA. To provide liquidity for any such purchases, the MTA has entered into a Bond Purchase Agreement with a bank (Liquidity Bank). Under such Standby Agreement, the Liquidity Bank is obligated, with certain exceptions, to purchase bonds which are not otherwise remarketed, and the MTA is obligated to pay fees and expenses of the Liquidity Bank related to the Standby Agreement. Such fees, expenses and interest on amounts advanced to pay accrued interest on the purchase of Series 1992-A Bonds are payable by the Senior Lien Trustee, from an account created within the subordinate lien obligation fund.

At June 30, 1994, the MTA had outstanding debt as shown below in the Long-Term Debt Account Group (in thousands):

\$157,615,000 Sales Tax Revenue Bonds,
1986 Series A, dated July 15, 1986,
serial bond due in annual install-
ments from \$2,410,000 on July 1, 1992
up to \$12,805,000 on July 1, 2016.
Interest at annual rates ranging
from 6.2% to 7.5% is payable semi-
annually on January 1 and July 1. \$149,920

\$271,550,000 Sales Tax Revenue
Refunding Bonds, 1987 Series A, dated
May 1, 1987, due in annual installments
from \$3,790,000 beginning on July 1,
1992 to \$22,995,000 on July 1, 2017.
Interest at annual rates ranging from
6.0% to 7.9% is payable semiannually
on January 1 and July 1. 259,470

\$112,274,000 Sales Tax Revenue Re-funding Bonds, 1988 Series A, dated May 1, 1988, due in annual installments including annual sinking fund payment from \$2,345,000 on July 1, 1992 to \$9,535,000 on July 1, 2018. Interest at annual rates ranging from 5.6% to 8.1% is payable semiannually on January 1 and July 1. Included in this issue are \$7,624,000 of Capital Appreciation Bonds due in annual installments from \$1,578,000 on July 1, 2001 to \$1,105,000 on July 1, 2005, with a final \$956,000 due July 1, 2009. Interest rates ranging from 7.40% to 8.125% are payable only on the bond maturity dates.

104,829

\$174,304,000 Sales Tax Revenue Re-funding Bonds, 1989 Series A, dated January 1, 1989, due in annual installments including annual sinking fund payments from \$3,000,000 on July 1, 1992 to \$14,140,000 on July 1, 2019. Interest at annual rates ranging from 6.2% to 7.4% is payable semiannually on January 1 and July 1. Included in this issue are \$9,559,000 of Capital Appreciation Bonds due in annual installments from \$2,232,000 on July 1, 2000 to \$1,621,000 on July 1, 2004. Interest rates ranging from 7.00% to 7.30% are payable only on the bond maturity dates.

164,714

\$500,000,000 Sales Tax Revenue Bonds, 1991 Series A, dated June 11, 1991, due in annual installments from \$4,050,000 on July 1, 1996 to \$93,730,000 on July 1, 2021. Interest at annual rates from 5.85% to 7.00% is payable semiannually on January 1 and July 1.

500,000

\$281,425,000 Sales Tax Revenue Re-funding Bonds, 1991 Series B, dated December 4, 1991, due in annual installments from \$550,000 on July 1, 1993 to \$9,700,000 on July 1, 2018. Interest at annual rates from 4.9% to 6.5% is payable semiannually on January 1 and July 1.

280,300

\$98,700,000 Sales Tax Revenue Refunding Bonds, 1992 Series A dated June 1, 1992, due in annual installments including annual sinking fund payments from \$16,200,000 on July 1, 2005 to \$10,000,000 on July 1, 2012. Interest at annual rates ranging from 2.2% through June 23, 1992 and variable thereafter, at a weekly interest rate determined by the Municipal Index Market. Interest is payable semiannually on January 1 and July 1.

98,700

\$107,665,000 Sales Tax Revenue Refunding Bonds, 1992 Series B dated June 1, 1992, due in annual installments including annual sinking fund payments from \$3,365,000 on July 1, 1997 to \$15,305,000 due July 1, 2004. Interest at annual rates from 5.0% to 6.0% is payable semiannually on January 1 and July 1.

107,665

\$516,855,000 Sales Tax Revenue Proposition C Second Senior Bonds, 1992 Series A, dated October 15, 1992, due in annual installments of \$6,780,000 beginning on July 1, 1994 to \$104,115,000 on July 1, 2023. Interest at annual rate ranging from 3.7% to 6.5% is payable semiannually on January 1 and July 1.

510,075

\$560,570,000 Sales Tax Revenue Proposition A Refunding Bonds, 1993 Series A, dated April 15, 1993, due in annual installments from \$1,825,000 beginning on July 1, 1995 to \$95,425,000 due July 1, 2021. Interest at annual rates ranging from 3.5% to 5.6% is payable semiannually on January 1 and July 1.

560,570

\$204,095,000 Sales Tax Revenue Proposition C Refunding Bonds, Second Senior Bonds, 1993 Series A, dated June 30, 1993 due in annual installments from \$195,000 on July 1, 1997 to \$31,005,000 on July 1, 2020. Interest at a variable rate determined by the Municipal Index Market.

204,095

\$312,350,000 Sales Tax Revenue Proposition C Second Senior Bonds, Series B, dated November 15, 1993 due in annual installments of \$4,650,000 beginning on July 1, 1997 to \$20,975,000 due July 1, 2023. Interest at annual rates ranging from 4.75 to 8.00% is payable semi-annually on January 1 and July 1. 312,350

\$26,400,000 Lease Revenue Bonds, 1990 Series, dated December 27, 1990, due in semiannual installments from \$22,000 at June 15, 1991 to \$2,332,000 at December 15, 2006. Interest at 7.375% annually is payable semiannually on June 15 and December 15. In addition, there is a \$3,300,000 purchase option which is payable at the end of the lease term. 26,928

\$6,600,000 Yen obligation payable in semiannual installments commencing June 15, 1991 through December 15, 2006. 5,395

Total **\$ 3,285,011**

The following schedule summarizes the changes which occurred during the year ended June 30, 1994, in liabilities reported in the general long-term debt account group (in thousands):

	<u>Balance</u> <u>July 1, 1993</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 1994</u>
Sales Tax Revenue Bonds/Refunding Bonds	\$2,960,708	\$ 312,350	\$ 20,370	\$3,252,688
Leveraged Lease Revenue Bonds	<u>34,021</u>	<u>128</u>	<u>1,826</u>	<u>32,323</u>
Total Bonded Debt	2,994,729	312,478	22,196	3,285,011
Commercial Paper Notes	266,500	91,242	22,880	334,862
Grand Central Square Redevelopment Bonds	-	21,665	-	21,665
Certificates of Participation	22,565	-	3,325	19,240
Compensated Absences Payable	<u>2,523</u>	<u>-</u>	<u>1,041</u>	<u>1,482</u>
Total	<u>\$3,286,317</u>	<u>\$ 425,385</u>	<u>\$ 49,442</u>	<u>\$3,662,260</u>

The annual requirements (principal and interest) to amortize the bonds outstanding at June 30, 1994 are as follows (in thousands):

<u>Year Ending</u> <u>June 30</u>	<u>Proposition A</u> <u>Bonds (Combined)</u>	<u>Proposition C</u> <u>Bonds (Combined)</u>	<u>Total</u>
1995	\$ 95,088	\$ 38,198	\$ 133,286
1996	99,579	38,195	137,774
1997	99,618	53,969	153,587
1998	101,042	59,972	161,014
1999	101,044	59,987	161,031
Thereafter	<u>2,245,238</u>	<u>1,447,045</u>	<u>3,692,283</u>
Total principal and interest	2,741,609	1,697,366	4,438,975
Less: Amount representing interest	<u>493,776</u>	<u>670,846</u>	<u>1,164,622</u>
Total	<u>\$2,247,833</u>	<u>\$1,026,520</u>	<u>\$3,274,353</u>

Note - Included in the repayment of Proposition A Bonds (Combined) is \$21,665,000 of principal and \$30,283,000 of interest due on the Grand Central Square Redevelopment Bonds, as debt service payments may be required from this fund.

Proprietary Fund

The portion of outstanding debt related to enterprise fund operations is included in the accounts of the proprietary fund. A summary of enterprise fund debt and debt service requirements, including interest and principal as of June 30, 1994, are as follows:

Equipment Trust Certificates - The Equipment Trust Certificates were issued to acquire buses and are funded by local capital grants. The respective certificate agreements require that certain funds be deposited to a collateral certificate repayment fund account to satisfy debt service requirements. In addition, the 1986 Certificates agreement requires the MTA to deposit funds into a bus purchase account to pay for future bus acquisitions. The total principal amount outstanding on the equipment trust certificates as of June 30, 1994 is \$12,290,000 at interest rates ranging from 3.5% to 9.1%. Payment dates for principal and interest are as follows (in thousands):

	<u>1984 Issue</u>		<u>1986 Issue</u>		<u>Total</u>	
	<u>Due July 1,</u>	<u>Due July 1,</u>	<u>Due July 1,</u>	<u>Due July 1,</u>	<u>Due July 1,</u>	<u>Due July 1,</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
1994	\$2,875	\$261	\$2,955	\$480	\$ 5,830	\$ 741
1995	-	-	3,140	295	3,140	295
1996	-	-	<u>3,320</u>	<u>116</u>	<u>3,320</u>	<u>116</u>
	<u>\$2,875</u>	<u>\$261</u>	<u>\$ 9,415</u>	<u>\$891</u>	<u>\$12,290</u>	<u>\$1,152</u>

Certificates of Participation (1990 Issue) - In July 1990, the MTA issued \$160,000,000 of Adjustable Rate Demand Certificates of Participation due in annual installments from \$6,100,000 beginning on July 1, 1995 to \$15,100,000 due July 1, 2010. The 1990 certificates were converted in 1991 from an adjustable rate to a fixed rate of interest, rates ranging from 5.2% to 7.7% for the period 1995 to 2010. The purpose of these Certificates are to provide a multiple-year worker's compensation self-insurance fund for the MTA. The total principal amount outstanding as of June 30, 1994 is \$160,000,000 and is payable as follows (in thousands):

<u>Due July 1,</u>	<u>Principal</u>	<u>Interest</u>
1994	\$ -	\$ 10,244
1995	6,100	10,244
1996	6,500	9,927
1997	6,900	9,576
1998	7,400	9,190
Thereafter	<u>133,100</u>	<u>61,082</u>
	<u>\$160,000</u>	<u>\$110,263</u>

Certificates of Participation (C.O.P. 1992 issue) - On June 29, 1992, the MTA participated in a \$118,375,000 issuance of California Transit Finance Corporation Certificates of Participation 1992, Series B (1992 Certificates) to finance the acquisition of 333 buses and related equipment to be operated by the MTA. The MTA is required to make annual lease payments that are funded in part from Federal Transit Administration (FTA) Section 9 Capital Grant funds received by the MTA (80%) and from Transportation Development Act funds (20%). The percentages may change in the future and the FTA grants available for such payments are subject to future Congressional appropriation and authorization. Interest rates range from 3.25% (1993) to 6.25% (2004). The total principal amount outstanding at June 30, 1994 is \$108,510,000 and is payable as follows (in thousands):

<u>Due July 1,</u>	<u>Principal</u>	<u>Interest</u>
1994	\$ 9,865	\$ 6,032
1995	9,865	5,588
1996	9,865	5,119
1997	9,865	4,626
1998	9,865	4,108
Thereafter	<u>59,185</u>	<u>12,667</u>
	<u>\$108,510</u>	<u>\$38,140</u>

Revenue Anticipated Notes - The MTA currently has a total of \$60,000,000 of Revenue Anticipation Notes outstanding as of June 30, 1994. These notes are due in March of 1995. The MTA has put up collateral totaling \$62,250,000 with the Trustee to pay off the principal and interest due on these notes.

Fiduciary Fund

Included in the fiduciary fund are accounts related to the BAD. The BAD has issued revenue bonds as described below:

Benefit Assessment Districts' Revenue Bonds - The special Benefit Assessment District A1 Revenue Bonds, Series 1992-A (A1 Bonds), and Benefit Assessment District A2 Revenue Bonds, Series 1992-A (A2 Bonds), were issued to assist in the financing of the private sector portion of the County-wide Rail Rapid Transit System (Metro Rail Project).

The A1 and A2 Bonds total \$154,055,000 and \$8,115,000, respectively, and are solely payable from assessments paid by owners of assessable property within Districts A1 and A2, respectively, against which assessments have been or will be levied on such property.

The bonds do not constitute an indebtedness of the MTA and are payable solely from payments received on assessments against the levied properties. In the opinion of MTA officials, the total outstanding debt of \$162,170,000 are not payable from any revenues or assets of the MTA. Accordingly, no liability has been recorded in the accompanying financial statements.

(7) Operating Leases

The MTA is committed under various leases for building and office space. These leases are considered for accounting purposes to be operating leases. Lease expenditures for the years ended June 30, 1994 were \$12,651,000. Future minimum lease payments for these leases are as follows (in thousands):

Year Ending <u>June 30,</u>	
1995	\$12,030
1996	1,665
1997	191
1998	133
1999	25
Thereafter	<u>34</u>
Total	<u>\$14,078</u>

The MTA anticipates moving into the new Gateway Building in fiscal year 1995/96; thus, a potential contingent liability may arise related to the termination of the current building leases.

(8) Pensions and Post-Retirement Benefits

The MTA currently has pension plans that cover the former Commission employees and the former District employees. Details related to the plans are noted below.

Former Commission Employees

The MTA contributes to the California Public Employees' Retirement System (PERS), an agent multiple-employer public retirement system that acts as a common investment and administrative agent for participating public entities in California. The MTA's payroll for employees covered by PERS for the year ended June 30, 1994, was \$31,954,000.

Former Commission full-time employees are covered members under PERS and become fully vested in their accrued benefits after 5 years of credited service. Normal retirement is at age 60 with 5 years of credited service. The normal benefit form is a modified straight life annuity equal to 2% (benefit factor) of final average compensation (last consecutive 36 months of employment) times years of credited service. Other optional benefits are available at a reduced amount. Early retirement is available at age 50 with 5 years of credited service. The benefit factor is actuarially reduced for retirement prior to age 60 and actuarially increased after age 60 up to age 63. The plan provides for survivor and disability benefits.

During fiscal year 1994, the MTA's contribution rate was 13.557% of covered payroll. This rate includes the mandatory employee contributions of 7%, which have been assumed by the MTA. Effective July 1, 1994, the rate will be 13.825% of covered payroll. This rate comprises the following:

Employer current normal cost	6.825%
Employee normal cost	<u>7.000</u>
Total	<u>13.825%</u>

PERS invests plan assets in a wide variety of investment vehicles including U.S. Government securities, bonds, stocks, and other types of investment instruments. It is the policy of PERS to avoid third party investments of its plan employer participants. Plan investments conforming to California State laws have been determined to generally comply with MTA policy. Details of the PERS investment portfolio are published annually and may be found in the PERS annual report.

The term "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, as adjusted for the effects of projected salary increases and step-rate benefits estimated to be payable in the future as a result of employee

service to date. The measure is intended to help users assess the funding status of the MTA's pension system on a going-concern basis, assessing progress made in accumulating sufficient assets to pay benefits when due and making comparisons among employers. The measure is the actuarial present value of credited projected benefits and is independent of the funding method used to determine contributions to the MTA's pension system.

The pension benefit obligation has been computed as part of an actuarial valuation performed as of June 30, 1993, and reflects all plan amendments adopted through June 30, 1993. Significant actuarial assumptions used in the valuation include:

- o A rate of return on the investment of present and future assets of 8.75% per year compounded annually.
- o Projected salary increases of 7% per year compounded annually, attributable to inflation of 4.50%, additional projected merit increases of 1.75%, and other across the board increases of .75%.

Total net assets in excess of pension benefit obligation applicable to MTA employees at June 30, 1993 are as follows (in thousands):

Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$ 403
Current Employees: Accumulated employee contributions including allocated investment earnings	7,587
Employer financed vested	3,122
Employer financed non-vested	<u>3,213</u>
Total Pension Benefit Obligation	14,325
Less: Net Assets available for benefits at cost (market value is \$18,701,000)	<u>16,136</u>
Net Assets in Excess of Pension Benefit Obligation	<u>\$ 1,811</u>

For valuation purposes and to determine a basis for funding contributions, PERS uses the Entry Normal Age Actuarial Cost Method. This method is a projected benefit cost method, which takes into account those benefits that are expected to be earned in the future, as well as those already accrued.

According to this cost method, the normal cost for an employee is the level amount that would fund the projected benefit if it were paid annually from date of employment until retirement. PERS uses

a modification of the Entry Age Cost Method in which the MTA's total normal cost is expressed as a level percent of payroll. PERS also uses the level percentage of payroll method to amortize any unfunded actuarial liabilities. The amortization period of the unfunded actuarial liability expires in the year 2006.

The significant actuarial assumptions used to compute the actuarially determined contribution requirements are the same as those used to compute the pension benefit obligation, as previously described. There were no material changes in the basic actuarial assumptions used in this calculation from the prior year.

Total contributions to PERS for the year ended June 30, 1994 were \$4,350,000, all of which was attributable to the MTA. Such contributions were made in accordance with the latest PERS actuarial valuation. These pension contributions for normal costs include the employees' portion of \$2,237,000 for 1994.

Trend information shows the progress made in accumulating sufficient assets to pay benefits when due. Historical information is provided to assist readers of the financial statements in assessing the MTA's progress in accumulating sufficient resources with PERS to pay pension benefits as they become payable. Such information is now being accumulated; however, historical information for periods prior to 1987 is not available.

The following historical trend information for the six years ended June 30, 1993, the only years that such information is available for PERS, is presented below (in thousands):

<u>Fiscal Year</u>	<u>Net Assets Available for Benefits</u>	<u>Pension Benefit Obligation</u>	<u>% Funded</u>	<u>Net Assets in Excess of Pension Benefit Obligation</u>	<u>Annual Covered Payroll</u>	<u>Pension Benefit Obligation as a % of Covered Payroll</u>	<u>Total Contributions</u>	<u>Contributions as a % of Annual Covered Payroll</u>
88	\$ 2,933	\$ 2,036	144.18	\$ 897	\$ 4,637	19.48	\$ 535	11.48
89	3,398	2,802	121.3	596	5,792	10.3	649	11.2
90	4,668	4,029	115.9	639	9,717	6.6	896	9.2
91	6,688	6,055	110.5	633	19,307	3.3	1,885	9.8
92	10,512	9,704	108.3	809	30,199	2.7	3,313	11.0
93	16,136	14,325	112.6	1,811	33,156	5.5	4,571	13.8

Former District and New Employees

The MTA has a Single-Employer Public Employees Retirement System which includes four defined benefit pension plans (Plans) covering substantially all employees, which provide retirement, disability and death benefits. Generally, employees' rights to retirement

benefits vest after five years for non-contract employees and 10 years for contract employees and are based on the individual employee's years of service, age, final compensation and for bargaining units, disability status. The benefit provisions and all other requirements are established by state statute, ordinance, collective bargaining agreements or Board of Directors' actions.

The amount of payroll used for pension coverage under the Plans for the year ended December 31, 1993 was \$348,587,000. The MTA's total payroll for employees covered by these Plans for the year ended June 30, 1994 was \$391,865,000. Generally, the differences between covered and total payrolls are a result of the exclusion of most overtime hours and of part-time employees.

As of December 31, 1993 (the most recent actuarial valuation date), employee membership data related to the pension plans were as follows:

	<u>TCU</u>	<u>UTU</u>	<u>ATU</u>	<u>Non- contract</u>	<u>Total</u>
Retirees and beneficiaries currently receiving benefits and terminated employees entitled to benefits but not yet receiving them	112	1,121	357	334	1,924
Active participants:					
Vested	302	2,141	1,066	850	4,359
Non-vested	<u>355</u>	<u>1,866</u>	<u>904</u>	<u>891</u>	<u>4,016</u>
Total	<u>769</u>	<u>5,128</u>	<u>2,327</u>	<u>2,075</u>	<u>10,299</u>

All employees, except non-contract employees, contribute specified percentages, as recommended by the Plans' actuary, of their annual salaries to the plan in which they participate.

The amount shown below as the "pension benefit obligation" is a standardized disclosure measure of the present value of pension benefits, adjusted for the effects of projected salary increases and any step rate benefits estimated to be payable in the future as a result of employee service to date. This measure is intended to help users assess the funding status of the Plans on a going-concern basis, assess progress made in accumulating sufficient assets to pay benefits when due, and make comparison among employers. The measure is the actuarial present value of credited projected benefits and is independent of the actuarial funding method used.

The pension benefit obligation was computed as part of an actuarial valuation performed as of December 31, 1993. The significant actuarial assumptions used in the valuation to compute the pension benefit obligation was an assumed rate of return on investment assets of 8%, annual salary increases of 5% and no post-retirement benefit increases.

Total underfunded pension benefit obligation applicable to the MTA at December 31, 1993 is as follows (in thousands):

	<u>TCU</u>	<u>UTU</u>	<u>ATU</u>	<u>Non-Contract</u>	<u>Total</u>
Pension benefit obligation: Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$ 8,233	\$ 85,379	\$ 28,984	\$ 37,930	\$160,526
Current employees:					
Accumulated employee contributions, including allocated investment income	4,025	36,504	14,538	3,458	58,525
Employer financed vested	6,659	70,314	32,360	40,719	150,052
Employer financed non-vested	<u>11,391</u>	<u>94,645</u>	<u>43,024</u>	<u>30,065</u>	<u>179,125</u>
Total pension benefit obligation	30,308	286,842	118,906	112,172	548,228
Net assets available for benefits, at cost	<u>29,669</u>	<u>250,044</u>	<u>105,729</u>	<u>110,415</u>	<u>495,857</u>
Underfunded Pension Benefit obligation	<u>\$ 639</u>	<u>\$ 36,798</u>	<u>\$ 13,177</u>	<u>\$ 1,757</u>	<u>\$ 52,371</u>

Net assets available for plan benefits at market value were \$579,420,000 at December 31, 1993.

The funding policy of the Plans provides for actuarially determined periodic contributions by the MTA at rates such that sufficient assets will be available to pay plan benefits when due. The contribution rate for normal cost is determined by using the projected unit credit method. This method is also used to amortize the surplus of net assets available for benefits in excess of the pension benefit obligation over a thirty-year period. The assumptions used to compute the actuarially determined contribution are the same as those used to compute the pension benefit obligation. The MTA's contributions to the Plans for the year ended June 30, 1994 were made in accordance with the actuarially determined requirements computed as of December 31, 1993.

Contributions to the Plans and the rate to covered employees for the year ended June 30, 1994 are summarized as follows (in thousands):

	<u>TCU</u>	<u>UTU</u>	<u>ATU</u>	<u>Non-Contract</u>	<u>Total</u>
MTA's contributions:					
For normal costs	\$1,151	\$ 6,803	\$4,046	\$5,179	\$17,179
For unfunded actuarial accrued surplus	(477)	(2,175)	(498)	(806)	(3,956)
MTA's contribution	674	4,628	3,548	4,373	13,223
Employees' contribution	<u>514</u>	<u>6,948</u>	<u>2,531</u>	<u>15</u>	<u>10,008</u>
Total contributions	<u>\$1,188</u>	<u>\$11,576</u>	<u>\$6,079</u>	<u>\$4,388</u>	<u>\$23,231</u>
Contributions as a percentage of covered payroll:					
MTA's contribution	<u>2.41%</u>	<u>3.04%</u>	<u>4.66</u>	<u>4.84%</u>	
Employees' contribution	<u>3.18%</u>	<u>4.42%</u>	<u>3.18%</u>	<u>0.02%</u>	

The above presentations include the combined funding status and contributions to the "base plan" and the "23 years/50% plan" for union-represented employees. These employees contributed 1% to the base plan, with the balance of base plan funded by MTA contributions. The 23 years/50% plan is to be fully funded only by employee contributions over a 15-year period. The actuarial accrued liability of the 23 years/50% component totaled \$47,153,000 at December 31, 1993. The related fund deficit of the 23 years/50% component totaled \$6,423,000 at December 31, 1993.

Trend information shows the progress made in accumulating sufficient assets to pay benefits when due. Available assets (at cost) were sufficient to fund the following percentage of the pension benefit obligation per plan:

	<u>December 31,</u>		
	<u>1993</u>	<u>1992</u>	<u>1991</u>
TCU	97.9%	92.3%	96.1%
UTU	87.2%	85.4%	89.5%
ATU	88.8%	85.7%	89.2%
Non-contract	98.4%	92.5%	95.2%

The pension benefit obligations (at cost), represented the following percentages of covered payroll by plan:

	<u>December 31,</u>		
	<u>1993</u>	<u>1992</u>	<u>1991</u>
TCU	3.0%	10.0%	4.9%
UTU	23.5%	25.3%	17.1%
ATU	16.5%	20.3%	14.4%
Non-contract	1.9%	8.9%	5.8%

The MTA's contributions to the Plans, which were all made in accordance with actuarially determined requirements, were the following percentage of annual payroll:

	<u>Plan Year Ended December 31,</u>		
	<u>1993</u>	<u>1992</u>	<u>1991</u>
TCU	2.41%	2.37%	2.06%
UTU	3.04%	2.92%	4.06%
ATU	4.66%	4.14%	3.10%
Non-contract	4.84%	4.84%	4.47%

Ten-year trend information is publicly available from the MTA's separate Plan reports. These reports include the following information: net assets available for benefits, pension benefit obligation, unfunded pension benefit obligation and annual covered payroll.

Post-Retirement Benefits

The MTA provides post-retirement benefits which consist of health care and life insurance benefits for retired employees and families. Substantially all retirees of the MTA may become eligible for those benefits if they reach the appropriate eligibility requirements for retirement while working for the MTA. The benefit provisions and all other requirements are established by collective bargaining agreements and/or Board actions. The cost of providing these benefits for approximately 2,300 participants was \$5,572,000 in fiscal year 1994. The liability for these benefits is included in the balance sheet caption, Post Retirement Benefits Payable.

(9) Interfund Accounts

The following is a table summarizing interfund receivables and payables at June 30, 1994 (in thousands):

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Ridesharing Special Revenue	Congestion Mitigation & Air Quality	\$ 608
Prop A - Rail	Debt Service	2,048
Prop A - Rail	Land Bank Corporation	25
Prop C - Commuter Rail	FEMA Earthquake	3,648
Prop C - Streets & Highways	Congestion Mitigation & Air Quality	2,444
Light Rail Capital Projects	Prop C - Discretionary	15,876
Light Rail Capital Projects	Debt Service	452
Heavy Rail Capital Projects	SB - 1995 Rail	49,704
Commuter Rail	FEMA Earthquake	11,352
Commuter Rail	Enterprise Fund	48,603
Enterprise Fund	General Fund	3,469
Enterprise Fund	State Transit Assistance (STA) Bus	10,005
Enterprise Fund	Prop A - Discretionary Bus	3,746
Enterprise Fund	Prop A - Discretionary Interest	1,842
Enterprise Fund	Prop C - Discretionary	49,370
Enterprise Fund	Congestion Mitigation & Air Quality	164
Enterprise Fund	Transportation Development Act-Admin	15,091
Enterprise Fund	FEMA Earthquake	1,142
Enterprise Fund	Light Rail Capital Projects	28,460
Enterprise Fund	Heavy Rail Capital Projects	6,658
Enterprise Fund	Commuter Rail	10,908
Prop C - Commuter Rail	Prop C - Discretionary	3,851
Internal Service	Enterprise	<u>90,148</u>
Total		<u>\$359,614</u>

(10) Deferred Compensation and 401(k) Savings Plans

The MTA offers its employees deferred compensation plans created in accordance with Internal Revenue Code (IRC) Sections 457 and 401(k). At June 30, 1994, the market value of plan assets for the deferred compensation plans and 401(k) savings plan was \$82,658,000 and \$18,191,000, respectively.

Deferred Compensation Plans

The MTA has two deferred compensation plans, established in accordance with IRC Section 457, for its employees. Under the deferred compensation plans, employees may defer on a pre-tax basis a portion of their annual earnings up to the lesser of 25% or \$7,500.

The first plan covers former District employees and MTA employees, hired after April 1, 1993, and is administered by the MTA. Employee deferrals can be allocated between four investment options, as authorized by the California code covering such plans. The market value of the plan assets at June 30, 1994 was \$78,246,000.

The second plan covers former Commission employees and is administered by a third-party administrator. Employee deferrals can be allocated between eight investment funds as managed by the fund administrator. The market value of the plan assets at June 30, 1994 was \$4,412,000.

Since the MTA has a fiduciary responsibility to handle the general plan, such contributions are included in the accompanying general purpose financial statements as part of the fiduciary fund types.

All deferred compensation held or invested under the plan and any income thereon are solely the property of the MTA until paid or made available to the employee or other beneficiary. A legal trust has been established which limits access to the assets by the MTA except for claims filed by the MTA's general creditors under bankruptcy proceedings. Participants' rights under the plan are equal to those of the general creditors of the MTA in an amount equal to the fair market value of the deferred account for each participant.

Benefits under this plan are not available to employees until termination, retirement, death, or unforeseeable emergency. The deferred compensation plan assets and accumulated earnings thereon remain an asset of the MTA until paid or made available to participants and/or beneficiaries.

It is the opinion of the MTA's management that the MTA has no liability for losses but does have the fiduciary responsibility of due professional care that would be required from a prudent investor. The MTA believes that it is unlikely that it will use the plan's assets to satisfy the claims of general creditors in the future.

401(k) Savings Plan

The MTA has a 401(k) Savings Plan for noncontract employees of the former District and new MTA employees created in accordance with IRC Section 401(k). The market value of the 401(k) Savings Plan assets as of June 30, 1994 was \$18,191,000. Under the 401(k) Savings Plan, noncontract employees may contribute from a minimum of \$15 per pay period up to 15% of their earnings (10% for highly compensated employees) not exceeding \$9,240 in calendar year 1994. For taxable years beginning after January 1, 1989, amounts deferred in the deferred compensation plan must be reduced by the deferrals made in the 401(k) Savings Plan. The maximum annual combined contributions per calendar year using both plans is \$7,500. Plan withdrawals are not generally available to employees until termination, retirement, age 59 1/2, death or unforeseeable emergency. Investments held for the 401(k) Savings Plan and the resulting 401(k) Savings Plan liabilities are recorded in the accompanying financial statements as part of the fiduciary fund.

The plan bases benefits solely on amounts contributed by employees to their own accounts. These assets are not subject to claims by creditors in case of bankruptcy.

(11) Reserved and Designated Fund Balances

The following descriptions relate to the MTA's reservations and designations of fund balances:

Reserved for Memoranda of Understanding - Established to segregate a portion of the fund balance for contractual commitments.

Reserved for Encumbrances - Established to segregate part of the fund balance for outstanding commitments related to unperformed contracts.

Reserved for Notes Receivable, Resale Property, and Prepaid Items - Established to set aside a portion of fund balance to indicate that Notes Receivable, Resale Property, and Prepaid Items do not represent available spendable resources even though they are a component of assets.

Reserved for Debt Service - Established to reflect any fund balance legally restricted to the payment of general long-term debt principal and interest maturing in future years.

(12) Changes in Proprietary Fund Equity Balances

The changes in the proprietary fund equity balances are as follows (in thousands):

	<u>Capital Grants (Contributed Capital)</u>				
	<u>Retained Earnings</u>	<u>Federal</u>	<u>State</u>	<u>Local</u>	<u>Total</u>
Balance, July 1, 1993	\$(15,742)	\$975,970	\$226,258	\$1,367,292	\$2,553,778
Net Loss	(137,637)	-	-	-	(137,637)
Operating transfers in (out)	4,679	-	-	-	4,679
Depreciation on fixed assets acquired by grants externally restricted for capital acquisition and construction	120,365	(50,495)	(4,314)	(65,556)	-
Capital grants	-	23,282	775	39,423	63,480
Contributed capital	<u>1,124</u>	<u>-</u>	<u>-</u>	<u>(1,124)</u>	<u>-</u>
Balance, June 30, 1994	<u>\$(27,211)</u>	<u>\$948,757</u>	<u>\$222,719</u>	<u>\$1,340,035</u>	<u>\$2,484,300</u>

(13) Construction in Progress and Other Significant Commitments

The MTA has several major construction projects underway as reported in Construction in Progress in the general fixed asset account group. Four of these major projects are the MOS-2, MOS-3, the Metro Green Line, and the Metro Pasadena Blue Line.

The MOS-2 is a 13.2 mile project. The overall budget for MOS-2 is \$1.4 billion, of which \$689 million has been expended as of June 30, 1994. The MOS-2 Full Funding Grant Agreement between the MTA and the Federal Transit Administration (FTA) was executed in April 1990. Under this agreement, the FTA has committed a total of \$667 million, subject to annual appropriations.

The MOS-3 is a 11.6 mile project with three branches. The three branches include: the North Hollywood branch; the East Los Angeles branch; and the Mid-City branch. The preliminary cost estimate is \$2.4 billion of which \$56 million has been expended

as of June 30, 1994. The planned completion date for this project is in the year 2001. The MOS-3 Full Funding Grant Agreement between the MTA and the FTA was executed in May 1993. Under this agreement, the FTA has committed a total of \$1.4 billion, subject to annual appropriations.

The Metro Green Line is a 19.5 mile line linking the El Segundo employment area near the Los Angeles International Airport to the City of Norwalk and other communities. The Metro Green Line budget is \$717 million. No federal funds will be used to fund this project. The project commitments through June 30, 1994 are \$645 million representing approximately 90% of the total budget, of which \$479 million is reported in construction in progress.

The Metro Pasadena Blue Line is a 13.6 mile line extending from Union Station to the eastern area of Pasadena. The Metro Pasadena Blue Line Project budget is \$841 million. No federal funds will be used to fund this project. The project commitments through June 30, 1994 are \$110 million representing approximately 13% of the total budget, of which \$88 million is reported in construction in progress.

Included in revenue for the year ended June 30, 1994 is \$96,426,000 representing funds advanced by the FTA to assist in the recovery effort after the civil unrest in 1992. In accordance with the memorandum of understanding with the FTA, the advance was used to temporarily replace certain "local match" requirements thereby allowing local funds to be used for other transit projects. The advance is considered part of the total grant from the FTA.

Purchase Commitment

The MTA has entered into a contract to purchase 15 rail cars from the Sumitomo Corporation. The total amount of the purchase is expected to be approximately \$45 million.

The MTA has entered into a contract in December 1993 to procure 74 rail vehicles from the Siemens Corp. (i.e., the L.A. Rail Car Contract) at a total cost of \$215 million.

(14) Earthquake Emergency

On January 17, 1994 a major earthquake occurred in Northridge, California causing extensive damage to the local highway system. The Federal Emergency Management Agency (FEMA) and the Federal Highway Administration (FHWA) responded to the disaster by selecting the MTA to receive the funding and to coordinate the programs providing transportation to commuters.

The MTA, through the SCRRA's Metrolink System, provided additional rail service. The SCRRA constructed temporary stations, replaced and laid new rail lines, increased frequency of trips and extended service to cities affected by the disruption in traffic.

The MTA added buses to handle the ridership increases on existing lines; created new routes where needed in the affected areas and supplied buses as needed when requested by local, state, or Federal agencies. The MTA also coordinated efforts with other organizations to provide either commuter vanpools or organized shuttles to transport commuters between the Metrolink stations and their workplaces.

As of June 30, 1994, the MTA had disbursed a total of \$43.5 million related to the earthquake. FEMA has advanced MTA \$16.0 million which is recorded as deferred revenue in the accompanying financial statements. This amount will be recognized as revenue prior to the final close out audit of the FEMA projects.

(15) Litigation and Other Contingencies

The MTA is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of management, the resolution of these matters will not have a material adverse effect on the financial condition of the MTA.

The MTA receives significant funding from federal, state and other governmental grant funds as reimbursement for costs incurred and advances under deferral "Local Match" provisions in certain programs it administers. Such programs are subject to review and audit by the grantor agencies. Such audits could result in requests for reimbursements to grantor agencies for expenditures disallowed under the terms of the grant or in reductions of future grant monies. Based on prior experience, the MTA management believes that costs ultimately disallowed, if any, would not materially affect the financial condition of the MTA.

(16) Joint Powers of Authority

The MTA is a member of the Southern California Regional Rail Authority (SCRRA), which was created as an exercise of joint powers between the transportation commissions of the counties of Los Angeles (MTA), San Bernardino (SANBAG), Orange (OCTA), Riverside (RCTC), and Ventura (VCTC). The SCRRA has assumed the overall responsibility of providing a regional commuter rail system, Metrolink, linking the participating counties.

The SCRRA consists of an independent governing board of eleven members appointed by the member agencies with voting powers as follows:

MTA	4
OCTA	2
RCTC	2
SANBAG	2
VCTC	1

SCRRA operates the Metrolink Commuter Rail on five lines originating in: Oxnard, Ventura County; Lancaster, Los Angeles County; San Bernardino, San Bernardino County; Riverside, Riverside County; and Oceanside, Orange County and terminating at the Los Angeles Union Station.

Funding for the SCRRA during the initial period has been primarily through capital contributions from member agencies and the State of California.

The MTA has made capital contributions to the SCRRA totaling \$99,645,000 as of June 30, 1994. These capital contributions are recorded in the MTA's Capital Projects Fund and are reported in the general fixed asset account group as contributed capital. The MTA is obligated to fund the majority of the system's operating costs for the year ending June 30, 1995.

Summary financial (unaudited) information for the SCRRA as of and for the year ended June 30, 1994 is as follows (in thousands):

Current assets	\$ 42,900
Property and equipment	<u>591,587</u>
Total assets	<u>\$634,487</u>
Total liabilities	\$ 62,674
Total equity	<u>571,813</u>
Total liabilities and equity	<u>\$634,487</u>
Total revenues	\$ 42,811
Total expenses	(66,104)
Contributed capital adjustment for depreciation	<u>23,620</u>
Net increase in retained earnings	<u>\$ 327</u>

(18) Subsequent Events

Tunneling

On August 18, 1994, MTA suspended tunneling of the Metro Red Line Segment 2 as a result of greater-than-anticipated ground settlement beneath Hollywood Boulevard. On October 5, 1994, the Federal Transit Administration (FTA) suspended funding for the tunneling portion of the project.

A project remediation plan was submitted to the FTA and, on November 11, 1994, the FTA gave the MTA permission to resume tunneling in Hollywood. On December 21, 1994, the Los Angeles City Council approved the plan to allow the tunneling to resume beneath Hollywood Boulevard in January, 1995.

New Fare Structure

The MTA Board of Directors approved a new fare structure effective September 1, 1994, that would have abolished the regular monthly pass and raised fares. MTA's basic cash fare for local bus and train service which had been \$1.10 for the past six years was increased to \$1.35. Under the new fare structure, regular monthly passes will no longer be available. Discount passes will still be sold to seniors, K-12 and vocational students, and the disabled.

On September 1, 1994, the U.S. District Court issued a temporary restraining order enjoining the implementation of the MTA's new fare structure. On September 12, 1994, the court issued a preliminary injunction to the same effect.

On January 25, 1995, the MTA and the court agreed to increase the base cash fare to \$1.35 and the regular monthly pass to \$49.

General Revenue Bonds

On January 20, 1995, the MTA issued \$169,500,000 variable rate General Revenue Bonds (Union Station Gateway Project) Series 1995-A. The net proceeds from this bond issue will be used to finance the cost of a new 26-story headquarters building for the MTA, including parking and related improvements.



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Leading the Way to Greater Mobility



Combining Individual Fund and Account Group
Financial Statements and Schedules

Leading the Way to Greater Mobility

**Los Angeles County Metropolitan Transportation Authority
General Fund
Comparative Balance Sheets
June 30, 1994 and 1993
(Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Assets		
Cash and cash equivalents	\$ 11,279	\$ 1,778
Receivables:		
Notes	2,191	640
Interest	52	108
Intergovernmental	-	4,002
Leases and other	538	229
Prepaid and other assets	10	1
Interest in property held for resale	150	150
Total assets	\$ <u>14,220</u>	\$ <u>6,908</u>
Liabilities and Fund Balances		
Accounts payable	\$ 6,273	\$ 6,760
Due to other governments	818	-
Interfund payables	3,470	2,108
Compensated absences payable	494	673
Other liabilities	124	4
Total liabilities	<u>11,179</u>	<u>9,545</u>
Fund Balances:		
Reserved for notes receivable	2,191	640
Reserved for prepaid and other items	160	150
Unreserved, undesignated	690	(3,427)
Total fund balances	<u>3,041</u>	<u>(2,637)</u>
Total liabilities and fund balances	\$ <u>14,220</u>	\$ <u>6,908</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
General Fund
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balances
For the years ended June 30, 1994 and 1993
(Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Revenues:		
Licenses and fines	\$ 142	\$ 111
Intergovernmental	87	5,851
Interest	316	392
Miscellaneous	<u>221</u>	<u>166</u>
Total revenues	<u>766</u>	<u>6,520</u>
Expenditures:		
Current:		
Administration and other	17,385	12,223
Transportation subsidies	<u>1,705</u>	<u>17,185</u>
Total expenditures	<u>19,090</u>	<u>29,408</u>
(Deficiency) of revenues over expenditures	(18,324)	(22,888)
Other Financing Sources (Uses):		
Operating transfers in	28,681	38,968
Operating transfers out	<u>(4,679)</u>	<u>(18,173)</u>
Total other financing sources	<u>24,002</u>	<u>20,795</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	5,678	(2,093)
Fund balances, July 1, 1993	<u>(2,637)</u>	<u>(544)</u>
Fund balances, June 30, 1994	<u>\$ 3,041</u>	<u>\$ (2,637)</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
General Fund
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balances – Budget and Actual
For the years ended June 30, 1994 and 1993
(Amounts expressed in thousands)**

	1994			1993		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Licenses and fines	\$ -	\$ 142	\$ 142	\$ -	\$ 111	\$ 111
Intergovernmental	-	87	87	5,851	5,851	-
Interest	-	316	316	-	392	392
Miscellaneous	-	221	221	-	166	166
Total revenues	-	766	766	5,851	6,520	669
Expenditures:						
Current:						
Administration and other	19,400	17,385	2,015	32,916	12,223	20,693
Transportation subsidies	45,600	1,705	43,895	-	17,185	(17,185)
Capital outlays	-	-	-	734	-	734
Total expenditures	65,000	19,090	45,910	33,650	29,408	4,242
(Deficiency) of revenues over expenditures	(65,000)	(18,324)	46,676	(27,799)	(22,888)	4,911
Other Financing Sources (Uses):						
Operating transfers in	70,500	28,681	(41,819)	50,799	38,968	(11,831)
Operating transfers out	-	(4,679)	(4,679)	(20,500)	(18,173)	2,327
Total other financing sources (uses)	70,500	24,002	(46,498)	30,299	20,795	(9,504)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	5,500	5,678	178	2,500	(2,093)	(4,593)
Fund balances, July 1, 1993	(2,637)	(2,637)	-	(544)	(544)	-
Fund balances, June 30, 1994	\$ 2,863	\$ 3,041	\$ 178	\$ 1,956	\$ (2,637)	\$ (4,593)

The notes to the financial statements are an integral part of this statement.



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Leading the Way to Greater Mobility

Los Angeles County Metropolitan Transportation Authority
Special Revenue Funds
Combining Balance Sheet
June 30, 1994
(Amounts expressed in thousands)

	<u>Proposition A</u>	<u>Proposition C</u>	<u>State Transit Assistance</u>	<u>Ridesharing and CMAQ</u>	<u>Service Authority for Freeway Emergencies</u>
Assets					
Cash and cash equivalents	\$ 135,140	\$ 327,868	\$ 16,243	\$ 11,549	\$ 14,241
Receivables:					
Notes	9,800	-	-	-	-
Interest	834	2,572	150	97	96
Sales tax	13,209	13,378	-	-	-
Intergovernmental	-	3,753	-	417	-
Leases and other	-	-	-	-	6
Interfund	2,073	9,944	-	608	-
Total assets	<u>\$ 161,056</u>	<u>\$ 357,515</u>	<u>\$ 16,393</u>	<u>\$ 12,671</u>	<u>\$ 14,343</u>
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 4,243	\$ 23,940	\$ -	\$ 1,864	\$ 1,851
Due to other governments	-	3,293	-	-	742
Interfund payable	5,587	69,097	10,005	3,216	-
Deferred revenue - Intergovernmental	-	-	-	-	-
Total liabilities	<u>9,830</u>	<u>96,330</u>	<u>10,005</u>	<u>5,080</u>	<u>2,593</u>
Fund Balances:					
Reserved for memoranda of understanding	141,426	261,185	6,388	239	8,037
Reserved for notes receivable	9,800	-	-	-	-
Unreserved, undesignated	-	-	-	7,352	3,713
Total fund balances	<u>151,226</u>	<u>261,185</u>	<u>6,388</u>	<u>7,591</u>	<u>11,750</u>
Total liabilities and fund balances	<u>\$ 161,056</u>	<u>\$ 357,515</u>	<u>\$ 16,393</u>	<u>\$ 12,671</u>	<u>\$ 14,343</u>

The notes to the financial statements are an integral part of this statement.

<u>Transportation Development Act</u>	<u>PVEA</u>	<u>Federal Aid Urban</u>	<u>Ports Highway Improvements Match</u>	<u>Budget Change Proposal Funds for Freeway Service and State TCI</u>	<u>FEMA and Other Earth- quake Reim- bursements</u>	<u>Total</u>
\$ 124,686	\$ 540	\$ 17,844	\$ 9,183	\$ 5,437	\$ 2,482	\$ 665,213
-	-	-	-	-	-	9,800
687	5	114	78	8	-	4,641
-	-	-	-	-	-	26,587
-	-	5,771	-	247	43,694	53,882
-	-	-	-	-	-	6
-	-	-	-	-	-	12,625
<u>\$ 125,373</u>	<u>\$ 545</u>	<u>\$ 23,729</u>	<u>\$ 9,261</u>	<u>\$ 5,692</u>	<u>\$ 46,176</u>	<u>\$ 772,754</u>
\$ -	\$ -	\$ 2	\$ 1	\$ 908	\$ 44	\$ 32,853
-	-	-	-	-	13,611	17,646
15,091	-	-	-	-	16,142	119,138
-	-	-	-	-	16,000	16,000
<u>15,091</u>	<u>-</u>	<u>2</u>	<u>1</u>	<u>908</u>	<u>45,797</u>	<u>185,637</u>
110,282	545	23,727	-	-	379	552,208
-	-	-	-	-	-	9,800
-	-	-	9,260	4,784	-	25,109
<u>110,282</u>	<u>545</u>	<u>23,727</u>	<u>9,260</u>	<u>4,784</u>	<u>379</u>	<u>587,117</u>
<u>\$ 125,373</u>	<u>\$ 545</u>	<u>\$ 23,729</u>	<u>\$ 9,261</u>	<u>\$ 5,692</u>	<u>\$ 46,176</u>	<u>\$ 772,754</u>

Los Angeles County Metropolitan Transportation Authority
Special Revenue Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the year ended June 30, 1994
(Amounts expressed in thousands)

	Proposition A	Proposition C	State Transit Assistance	Ridesharing and CMAQ	Service Authority for Freeway Emergencies
Revenues:					
Sales taxes	\$ 360,023	\$ 355,094	\$ 12,986	\$ -	\$ -
Licenses and fines	-	-	-	-	6,378
Intergovernmental	872	3,753	-	2,404	-
Interest	6,231	13,156	1,296	438	514
Total revenues	367,126	372,003	14,282	2,842	6,892
Expenditures:					
Current:					
Administration and other	666	1,868	6	557	165
Transportation subsidies	127,825	158,781	1,323	7,477	4,454
Total expenditures	128,491	160,649	1,329	8,034	4,619
Excess (deficiency) of revenues over expenditures	238,635	211,354	12,953	(5,192)	2,273
Other Financing Sources (Uses):					
Operating transfers in	-	-	-	400	-
Operating transfers out	(334,092)	(165,486)	(46,719)	(31)	(2)
Total other financing sources (uses)	(334,092)	(165,486)	(46,719)	369	(2)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(95,457)	45,868	(33,766)	(4,823)	2,271
Fund balances, July 1, 1993	246,683	215,317	40,154	12,414	9,479
Fund balances, June 30, 1994	\$ 151,226	\$ 261,185	\$ 6,388	\$ 7,591	\$ 11,750

The notes to the financial statements are an integral part of this statement.

<u>Transportation Development Act</u>	<u>PVEA</u>	<u>Federal Aid Urban</u>	<u>Ports Highway Improvements Match</u>	<u>Budget Change Proposal Funds for Freeway Service and State TCI</u>	<u>FEMA and Other Earth- quake Reim- bursements</u>	<u>Total</u>
\$ 188,295	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 916,398
-	-	-	-	-	-	6,378
-	286	345	-	4,845	43,694	56,199
3,073	26	613	339	17	200	25,903
<u>191,368</u>	<u>312</u>	<u>958</u>	<u>339</u>	<u>4,862</u>	<u>43,894</u>	<u>1,004,878</u>
131	-	26	2	-	-	3,421
50,273	97	2,678	-	909	43,515	397,332
<u>50,404</u>	<u>97</u>	<u>2,704</u>	<u>2</u>	<u>909</u>	<u>43,515</u>	<u>400,753</u>
<u>140,964</u>	<u>215</u>	<u>(1,746)</u>	<u>337</u>	<u>3,953</u>	<u>379</u>	<u>604,125</u>
-	-	-	-	-	-	400
(128,289)	-	-	-	-	-	(674,619)
<u>(128,289)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(674,219)</u>
12,675	215	(1,746)	337	3,953	379	(70,094)
<u>97,607</u>	<u>330</u>	<u>25,473</u>	<u>8,923</u>	<u>831</u>	<u>-</u>	<u>657,211</u>
<u>\$ 110,282</u>	<u>\$ 545</u>	<u>\$ 23,727</u>	<u>\$ 9,260</u>	<u>\$ 4,784</u>	<u>\$ 379</u>	<u>\$ 587,117</u>

**Los Angeles County Metropolitan Transportation Authority
Proposition A Special Revenue Fund
Comparative Balance Sheets
June 30, 1994 and 1993
(Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Assets		
Cash and cash equivalents	\$ 135,140	\$ 235,823
Receivables:		
Notes	9,800	10,582
Interest	834	1,869
Sales tax	13,209	14,626
Interfund	<u>2,073</u>	<u>25</u>
Total assets	\$ <u>161,056</u>	\$ <u>262,925</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 4,243	\$ 1,742
Interfund payable	<u>5,587</u>	<u>14,500</u>
Total liabilities	<u>9,830</u>	<u>16,242</u>
Fund Balances:		
Reserved for memoranda of understanding	141,426	236,831
Reserved for notes receivable	<u>9,800</u>	<u>9,852</u>
Total fund balances	<u>151,226</u>	<u>246,683</u>
Total liabilities and fund balances	\$ <u>161,056</u>	\$ <u>262,925</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
Proposition A Special Revenue Fund
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balances
For the years ended June 30, 1994 and 1993
(Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Revenues:		
Sales taxes	\$ 360,023	\$ 371,452
Intergovernmental	872	-
Interest and other	<u>6,231</u>	<u>5,832</u>
Total revenues	<u>367,126</u>	<u>377,284</u>
Expenditures:		
Current:		
Allocated salaries and administration	666	690
Transportation subsidies	<u>127,825</u>	<u>302,444</u>
Total expenditures	<u>128,491</u>	<u>303,134</u>
Excess of revenues over expenditures	<u>238,635</u>	<u>74,150</u>
Other Financing Sources (Uses):		
Operating transfers in	-	64,010
Operating transfers out	(334,092)	(143,809)
Contributions from property owners	<u>-</u>	<u>84,770</u>
Total other financing sources (uses)	<u>(334,092)</u>	<u>4,971</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(95,457)	79,121
Fund balances, July 1, 1993	<u>246,683</u>	<u>167,562</u>
Fund balances, June 30, 1994	<u><u>\$ 151,226</u></u>	<u><u>\$ 246,683</u></u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
Proposition A Special Revenue Fund
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balances – Budget and Actual
For the years ended June 30, 1994 and 1993
(Amounts expressed in thousands)**

	1994			1993		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Sales taxes	\$ 347,400	\$ 360,023	\$ 12,623	\$ 364,341	\$ 371,452	\$ 7,111
Intergovernmental	—	872	872	—	—	—
Interest	3,000	6,231	3,231	4,000	5,832	1,832
Total revenues	350,400	367,126	16,726	368,341	377,284	8,943
Expenditures:						
Current:						
Administration and other	10,900	666	10,234	400	690	(290)
Transportation subsidies	136,600	127,825	8,775	231,462	302,444	(70,982)
Total expenditures	147,500	128,491	19,009	231,862	303,134	(71,272)
Excess of revenues over expenditures	202,900	238,635	35,735	136,479	74,150	(62,329)
Other Financing Sources (Uses):						
Operating transfers in	—	—	—	46,600	64,010	17,410
Operating transfers out	(273,200)	(334,092)	(60,892)	(144,505)	(143,809)	696
Contributions from property owners	—	—	—	—	84,770	84,770
Total other financing sources (uses)	(273,200)	(334,092)	(60,892)	(97,905)	4,971	102,876
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(70,300)	(95,457)	(25,157)	38,574	79,121	40,547
Fund balances, July 1, 1993	246,683	246,683	—	167,562	167,562	—
Fund balances, June 30, 1994	\$ 176,383	\$ 151,226	\$ (25,157)	\$ 206,136	\$ 246,683	\$ 40,547

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
Proposition C Special Revenue Fund
Comparative Balance Sheets
June 30, 1994 and 1993
(Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Assets		
Cash and cash equivalents	\$ 327,868	\$ 316,485
Receivables:		
Interest	2,572	2,581
Sales tax	13,378	14,449
Intergovernmental	3,753	30
Interfund	9,944	18
Prepaid and other expenses	<u>—</u>	<u>452</u>
Total assets	\$ <u>357,515</u>	\$ <u>334,015</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 23,940	\$ 26,467
Due to other governments	3,293	—
Interfund payable	<u>69,097</u>	<u>92,231</u>
Total liabilities	<u>96,330</u>	<u>118,698</u>
Fund Balances:		
Reserved for memoranda of understanding	261,185	162,203
Unreserved, undesignated	<u>—</u>	<u>53,114</u>
Total fund balances	<u>261,185</u>	<u>215,317</u>
Total liabilities and fund balances	\$ <u>357,515</u>	\$ <u>334,015</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
Proposition C Special Revenue Fund
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balances
For the years ended June 30, 1994 and 1993
(Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Revenues:		
Sales taxes	\$ 355,094	\$ 368,272
Intergovernmental	3,753	-
Interest and other	<u>13,156</u>	<u>12,565</u>
Total revenues	<u>372,003</u>	<u>380,837</u>
Expenditures:		
Current:		
Administration and other	1,868	921
Transportation subsidies	<u>158,781</u>	<u>333,122</u>
Total expenditures	<u>160,649</u>	<u>334,043</u>
Excess of revenues over expenditures	<u>211,354</u>	<u>46,794</u>
Other Financing (Uses) – Operating transfer out	<u>(165,486)</u>	<u>(231,998)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	45,868	(185,204)
Fund balances, July 1, 1993	<u>215,317</u>	<u>400,521</u>
Fund balances, June 30, 1994	<u>\$ 261,185</u>	<u>\$ 215,317</u>

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
Proposition C Special Revenue Fund
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
For the years ended June 30, 1994 and 1993
(Amounts expressed in thousands)

	1994			1993		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Sales taxes	\$ 340,500	\$ 355,094	\$ 14,594	\$ 346,124	\$ 368,272	\$ 22,148
Intergovernmental	-	3,753	3,753	-	-	-
Interest and other	7,200	13,156	5,956	23,000	12,565	(10,435)
Total revenues	347,700	372,003	24,303	369,124	380,837	11,713
Expenditures:						
Current:						
Administration and other	45,700	1,868	43,832	1,000	921	79
Transportation subsidies	375,400	158,781	216,619	345,000	333,122	11,878
Total expenditures	421,100	160,649	260,451	346,000	334,043	11,957
Excess (deficiency) of revenues over expenditures	(73,400)	211,354	284,754	23,124	46,794	23,670
Other Financing Sources (Uses):						
Operating transfers out	(189,300)	(165,486)	23,814	(278,480)	(231,998)	46,482
Proceeds from Financing	101,600	-	(101,600)	-	-	-
Total other financing (uses)	(87,700)	(165,486)	(77,786)	(278,480)	(231,998)	46,482
Excess (deficiency) of revenues over expenditures and other financing uses	(161,100)	45,868	206,968	(255,356)	(185,204)	70,152
Fund balances, July 1, 1993	215,317	215,317	-	400,521	400,521	-
Fund balances, June 30, 1994	\$ 54,217	\$ 261,185	\$ 206,968	\$ 145,165	\$ 215,317	\$ 70,152

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
 State Transit Assistance Special Revenue Fund
 Comparative Balance Sheets
 June 30, 1994 and 1993
 (Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 16,243	\$ 47,641
Receivables:		
Interest	<u>150</u>	<u>346</u>
Total assets	\$ <u>16,393</u>	\$ <u>47,987</u>
 <u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts Payable	\$ -	\$ 7,833
Interfund Payable	<u>10,005</u>	<u>-</u>
Total liabilities	<u>10,005</u>	<u>7,833</u>
Fund Balances:		
Reserved for memoranda of understanding	<u>6,388</u>	<u>40,154</u>
Total fund balances	<u>6,388</u>	<u>40,154</u>
Total liabilities and fund balances	\$ <u>16,393</u>	\$ <u>47,987</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
 State Transit Assistance Special Revenue Fund
 Comparative Statements of Revenues, Expenditures
 and Changes in Fund Balances
 For the years ended June 30, 1994 and 1993
 (Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Revenues:		
Sales taxes	\$ 12,986	\$ 17,036
Interest	<u>1,296</u>	<u>1,331</u>
Total revenues	<u>14,282</u>	<u>18,367</u>
Expenditures:		
Administration and other	6	30
Transportation subsidies	<u>1,323</u>	<u>8,871</u>
Total expenditures	<u>1,329</u>	<u>8,901</u>
Excess of revenues over expenditures	<u>12,953</u>	<u>9,466</u>
Other Financing Sources (Uses):		
Operating transfers in	-	7
Operating transfers out	<u>(46,719)</u>	<u>-</u>
Total other financing sources (uses)	<u>(46,719)</u>	<u>7</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(33,766)	9,473
Fund balances, July 1, 1993	<u>40,154</u>	<u>30,681</u>
Fund balances, June 30, 1994	<u>\$ 6,388</u>	<u>\$ 40,154</u>

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
 State Transit Assistance Special Revenue Fund
 Comparative Statements of Revenues, Expenditures
 and Changes in Fund Balances - Budget and Actual
 For the years ended June 30, 1994 and 1993
 (Amounts expressed in thousands)

	1994			1993		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Intergovernmental	\$ 17,900	\$ 12,986	\$ (4,914)	\$ 17,450	\$ 17,036	\$ (414)
Interest	-	1,296	1,296	1,555	1,331	(224)
Total revenues	17,900	14,282	(3,618)	19,005	18,367	(638)
Expenditures:						
Current:						
Administration and other	-	6	(6)	-	30	(30)
Transportation subsidies	1,600	1,323	277	7,500	8,871	(1,371)
Total expenditures	1,600	1,329	271	7,500	8,901	(1,401)
Excess of revenues over expenditures	16,300	12,953	(3,347)	11,505	9,466	(2,039)
Other Financing Sources (Uses):						
Operating transfers in	-	-	-	-	7	7
Operating transfers out	(56,300)	(46,719)	9,581	-	-	-
Total other financing sources (uses)	(56,300)	(46,719)	9,581	-	7	7
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(40,000)	(33,766)	6,234	11,505	9,473	(2,032)
Fund balances, July 1, 1993	40,154	40,154	-	30,681	30,681	-
Fund balances, June 30, 1994	\$ 154	\$ 6,388	\$ 6,234	\$ 42,186	\$ 40,154	\$ (2,032)

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
Ridesharing and CMAQ Special Revenue Fund
Comparative Balance Sheets
June 30, 1994 and 1993
(Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Assets		
Cash and cash equivalents	\$ 11,549	\$ 12,835
Receivables:		
Interest	97	106
Intergovernmental	417	426
Interfund	<u>608</u>	<u>1,094</u>
Total assets	\$ <u>12,671</u>	\$ <u>14,461</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 1,864	\$ 1,453
Interfund payable	<u>3,216</u>	<u>594</u>
Total liabilities	<u>5,080</u>	<u>2,047</u>
Fund Balances:		
Reserved for memoranda of understanding	239	4,800
Unreserved, undesignated	<u>7,352</u>	<u>7,614</u>
Total fund balances	<u>7,591</u>	<u>12,414</u>
Total liabilities and fund balances	\$ <u>12,671</u>	\$ <u>14,461</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
Ridesharing and CMAQ Special Revenue Fund
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balances
For the years ended June 30, 1994 and 1993
(Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Revenues:		
Intergovernmental	\$ 2,404	\$ 3,330
Interest	<u>438</u>	<u>608</u>
Total revenues	<u>2,842</u>	<u>3,938</u>
Expenditures:		
Current:		
Administration and other	557	485
Transportation subsidies	<u>7,477</u>	<u>8,692</u>
Total expenditures	<u>8,034</u>	<u>9,177</u>
(Deficiency) of revenues over expenditures	(5,192)	(5,239)
Other Financing Sources (Uses):		
Operating transfers in	400	-
Operating transfers out	<u>(31)</u>	<u>-</u>
Total other financing sources	<u>369</u>	<u>-</u>
(Deficiency) of revenues and other financing sources over expenditures and other financing uses	(4,823)	(5,239)
Fund balances, July 1, 1993	<u>12,414</u>	<u>17,653</u>
Fund balances, June 30, 1994	\$ <u>7,591</u>	\$ <u>12,414</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
Service Authority for Freeway Emergencies
Special Revenue Fund
Comparative Balance Sheets
June 30, 1994 and 1993
(Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Assets		
Cash and cash equivalents	\$ 14,241	\$ 10,071
Receivables:		
Interest	96	97
Leases and other	<u>6</u>	<u>501</u>
Total assets	\$ <u>14,343</u>	\$ <u>10,669</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 1,851	\$ 576
Due to other governments	<u>742</u>	<u>614</u>
Total liabilities	<u>2,593</u>	<u>1,190</u>
Fund Balances:		
Reserved for memoranda of understanding	8,037	3,700
Unreserved, undesignated	<u>3,713</u>	<u>5,779</u>
Total fund balances	<u>11,750</u>	<u>9,479</u>
Total liabilities and fund balances	\$ <u>14,343</u>	\$ <u>10,669</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
Service Authority for Freeway Emergencies
Special Revenue Fund
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balances
For the years ended June 30, 1994 and 1993
(Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Revenues:		
Licenses and fines	\$ 6,378	\$ 6,523
Interest	<u>514</u>	<u>551</u>
Total revenues	<u>6,892</u>	<u>7,074</u>
Expenditures:		
Current:		
Administration and other	165	242
Transportation subsidies	<u>4,454</u>	<u>9,654</u>
Total expenditures	<u>4,619</u>	<u>9,896</u>
Excess (deficiency) of revenues over expenditures	2,273	(2,822)
Other Financing (Uses) – Operating transfers out	<u>(2)</u>	<u>–</u>
Excess (deficiency) of revenues over expenditures and other financing uses	2,271	(2,822)
Fund balances, July 1, 1993	<u>9,479</u>	<u>12,301</u>
Fund balances, June 30, 1994	<u>\$ 11,750</u>	<u>\$ 9,479</u>

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
 Service Authority for Freeway Emergencies
 Special Revenue Fund
 Comparative Statements of Revenues, Expenditures
 and Changes in Fund Balances – Budget and Actual
 For the years ended June 30, 1994 and 1993
 (Amounts expressed in thousands)

	1994			1993		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Licenses and fines	\$ 7,000	\$ 6,378	\$ (622)	\$ 6,630	\$ 6,523	\$ (107)
Interest	-	514	514	758	551	(207)
Total revenues	7,000	6,892	(108)	7,388	7,074	(314)
Expenditures:						
Current:						
Administration and other	-	165	(165)	149	242	(93)
Transportation subsidies	9,100	4,454	4,646	11,753	9,654	2,099
Total expenditures	9,100	4,619	4,481	11,902	9,896	2,006
Excess (deficiency) of revenues over expenditures	(2,100)	2,273	4,373	(4,514)	(2,822)	1,692
Other Financing (Uses) – Operating transfers out	-	(2)	(2)	-	-	-
Excess (deficiency) of revenues over expenditures and other financing uses	(2,100)	2,271	4,371	(4,514)	(2,822)	1,692
Fund balances, July 1, 1993	9,479	9,479	-	12,301	12,301	-
Fund balances June 30, 1994	\$ 7,379	\$ 11,750	\$ 4,371	\$ 7,787	\$ 9,479	\$ 1,692

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
 Transportation Development Act
 Special Revenue Fund
 Comparative Balance Sheets
 June 30, 1994 and 1993
 (Amounts expressed in thousands)

	<u>1994</u>	<u>1993</u>
Assets		
Cash and cash equivalents	\$ 124,686	\$ 97,115
Interest receivable	<u>687</u>	<u>1,354</u>
Total assets	\$ <u>125,373</u>	\$ <u>98,469</u>
 Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ -	\$ 862
Interfund payable	<u>15,091</u>	<u>-</u>
Total liabilities	<u>15,091</u>	<u>862</u>
 Fund Balances:		
Reserved for memoranda of understanding	<u>110,282</u>	<u>97,607</u>
Total fund balances	<u>110,282</u>	<u>97,607</u>
Total liabilities and fund balances	\$ <u>125,373</u>	\$ <u>98,469</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
 Transportation Development Act
 Special Revenue Fund
 Comparative Statements of Revenues, Expenditures
 and Changes in Fund Balances
 For the years ended June 30, 1994 and 1993
 (Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Revenues:		
Sales tax	\$ 188,295	\$ 289,823
Intergovernmental	-	346
Interest	3,073	5,013
Miscellaneous	-	720
Total revenues	<u>191,368</u>	<u>295,902</u>
Expenditures:		
Current:		
Administration and other	131	96
Transportation subsidies	50,273	198,575
Total expenditures	<u>50,404</u>	<u>198,671</u>
Excess of revenues over expenditures	140,964	97,231
Other Financing (Uses) – Operating transfer out	<u>(128,289)</u>	<u>-</u>
Excess of revenues over expenditures and other financing uses	12,675	97,231
Fund balances, July 1, 1993	<u>97,607</u>	<u>376</u>
Fund balances, June 30, 1994	<u>\$ 110,282</u>	<u>\$ 97,607</u>

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
 Transportation Development Act
 Special Revenue Fund
 Comparative Statements of Revenues, Expenditures
 and Changes in Fund Balances – Budget and Actual
 For the years ended June 30, 1994 and 1993
 (Amounts expressed in thousands)

	1994			1993		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Sales tax	\$ 185,100	\$ 188,295	\$ 3,195	\$ –	\$ 289,823	\$ 289,823
Intergovernmental	–	–	–	720	346	(374)
Interest	–	3,073	3,073	30	5,013	4,983
Miscellaneous	–	–	–	–	720	720
Total revenues	185,100	191,368	6,268	750	295,902	295,152
Expenditures:						
Current:						
Administration and other	–	131	(131)	151	96	55
Transportation subsidies	52,200	50,273	1,927	338	198,575	(198,237)
Total expenditures	52,200	50,404	1,796	489	198,671	(198,182)
Excess of revenues over expenditures	132,900	140,964	8,064	261	97,231	96,970
Other Financing (Uses) – Operating transfers out	(130,700)	(128,289)	2,411	–	–	–
Excess of revenues over expenditures and other financing uses	2,200	12,675	10,475	261	97,231	96,970
Fund balances, July 1, 1993	97,607	97,607	–	376	376	–
Fund balances, June 30, 1994	\$ 99,807	\$ 110,282	\$ 10,475	\$ 637	\$ 97,607	\$ 96,970

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
PVEA Special Revenue Fund
Comparative Balance Sheets
June 30, 1994 and 1993
(Amounts expressed in thousands)

	<u>1994</u>	<u>1993</u>
Assets		
Cash and cash equivalents	\$ 540	\$ 659
Interest receivable	<u>5</u>	<u>7</u>
Total assets	\$ <u>545</u>	\$ <u>666</u>
 Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ <u>-</u>	\$ <u>336</u>
Total liabilities	<u>-</u>	<u>336</u>
 Fund Balances:		
Reserved for memoranda of understanding	<u>545</u>	<u>330</u>
Total fund balances	<u>545</u>	<u>330</u>
Total liabilities and fund balances	\$ <u>545</u>	\$ <u>666</u>

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
PVEA Special Revenue Fund
Comparative Statement of Revenues, Expenditures
and Changes in Fund Balances
For the years ended June 30, 1994 and 1993
(Amounts expressed in thousands)

	<u>1994</u>	<u>1993</u>
Revenues:		
Intergovernmental	\$ 286	\$ 3,093
Interest	<u>26</u>	<u>46</u>
Total revenues	<u>312</u>	<u>3,139</u>
Expenditures:		
Current:		
Transportation subsidies	<u>97</u>	<u>3,322</u>
Total expenditures	<u>97</u>	<u>3,322</u>
Excess (deficiency) of revenues over expenditures	215	(183)
Fund balances, July 1, 1993	<u>330</u>	<u>513</u>
Fund balances, June 30, 1994	<u>\$ 545</u>	<u>\$ 330</u>

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
PVEA Special Revenue Fund
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balance – Budget and Actual
For the years ended June 30, 1994 and 1993
(Amounts expressed in thousands)

	1994			1993		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Intergovernmental	\$ 1,000	\$ 286	\$ (714)	\$ -	\$ 3,093	\$ 3,093
Interest	-	26	26	-	46	46
Total revenues	1,000	312	(688)	-	3,139	3,139
Expenditures:						
Current:						
Transportation subsidies	1,400	97	1,303	1,031	3,322	(2,291)
Total expenditures	1,400	97	1,303	1,031	3,322	(2,291)
Excess (deficiency) of revenues over expenditures	(400)	215	615	(1,031)	(183)	848
Fund balances, July 1, 1993	330	330	-	513	513	-
Fund balances, June 30, 1994	\$ (70)	\$ 545	\$ 615	\$ (518)	\$ 330	\$ 848

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
 Federal Aid Urban Special Revenue Fund
 Comparative Balance Sheets
 June 30, 1994 and 1993
 (Amounts expressed in thousands)

	<u>1994</u>	<u>1993</u>
Assets		
Cash and cash equivalents	\$ 17,844	\$ 17,316
Receivables:		
Interest	114	130
Intergovernmental	<u>5,771</u>	<u>9,195</u>
Total assets	\$ <u>23,729</u>	\$ <u>26,641</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ <u>2</u>	\$ <u>1,168</u>
Total liabilities	<u>2</u>	<u>1,168</u>
Fund Balances:		
Reserved for memoranda of understanding	<u>23,727</u>	<u>25,473</u>
Total fund balances	<u>23,727</u>	<u>25,473</u>
Total liabilities and fund balances	\$ <u>23,729</u>	\$ <u>26,641</u>

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
 Federal Aid Urban Special Revenue Fund
 Comparative Statements of Revenues, Expenditures
 and Changes in Fund Balances
 For the years ended June 30, 1994 and 1993
 (Amounts expressed in thousands)

	<u>1994</u>	<u>1993</u>
Revenues:		
Intergovernmental	\$ 345	\$ 18,695
Interest	<u>613</u>	<u>637</u>
Total revenues	<u>958</u>	<u>19,332</u>
Expenditures:		
Current:		
Administration and other	26	19
Transportation subsidies	<u>2,678</u>	<u>11,721</u>
Total expenditures	<u>2,704</u>	<u>11,740</u>
Excess (deficiency) of revenues over expenditures	(1,746)	7,592
Fund balances, July 1, 1993	<u>25,473</u>	<u>17,881</u>
Fund balances, June 30, 1994	<u>\$ 23,727</u>	<u>\$ 25,473</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
Ports Highway Improvements Match Special Revenue Fund
Comparative Balance Sheets
June 30, 1994 and 1993
(Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
<u>Assets</u>		
Cash and cash equivalents	\$ 9,183	\$ 8,849
Interest receivable	<u>78</u>	<u>74</u>
Total assets	\$ <u>9,261</u>	\$ <u>8,923</u>
<u>Liabilities and Fund Balances</u>		
Liabilities:		
Accounts Payable	\$ <u>1</u>	\$ <u>-</u>
Total liabilities	<u>1</u>	<u>-</u>
Fund Balances:		
Unreserved, undesignated	\$ <u>9,260</u>	\$ <u>8,923</u>
Total liabilities and fund balances	\$ <u>9,261</u>	\$ <u>8,923</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
 Ports Highway Improvements Match Special Revenue Fund
 Comparative Statements of Revenues, Expenditures
 and Changes in Fund Balances
 For the years ended June 30, 1994 and 1993
 (Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Revenues:		
Interest	\$ <u>339</u>	\$ <u>329</u>
Total revenues	<u>339</u>	<u>329</u>
Expenditures:		
Current:		
Administration and other	<u>2</u>	<u>-</u>
Total expenditures	<u>2</u>	<u>-</u>
Excess of revenues over expenditures	337	329
Fund balances, July 1, 1993	<u>8,923</u>	<u>8,594</u>
Fund balances, June 30, 1994	<u>\$ 9,260</u>	<u>\$ 8,923</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
 Budget Change Proposal Funds for Freeway Service and State TCI
 Comparative Balance Sheets
 June 30, 1994 and 1993
 (Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Assets		
Cash and cash equivalents	\$ 5,437	\$ -
Interest receivable	8	-
Intergovernmental receivables	<u>247</u>	<u>831</u>
Total assets	\$ <u>5,692</u>	\$ <u>831</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	<u>908</u>	<u>-</u>
Fund Balances:		
Unreserved, undesignated	<u>\$ 4,784</u>	<u>\$ 831</u>
Total liabilities and fund balances	\$ <u>5,692</u>	\$ <u>831</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
 Budget Change Proposal Funds for Freeway Service and State TCI
 Comparative Statements of Revenues, Expenditures
 and Changes in Fund Balances
 For the years ended June 30, 1994 and 1993
 (Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Revenues:		
Intergovernmental	\$ 4,845	\$ 831
Interest	<u>17</u>	<u>-</u>
Total revenues	<u>4,862</u>	<u>831</u>
Expenditures:		
Transportation subsidies	<u>909</u>	<u>-</u>
Total expenditures	<u>909</u>	<u>-</u>
Excess of revenues over expenditures	3,953	831
Fund balances, July 1, 1993	<u>831</u>	<u>-</u>
Fund balances, June 30, 1994	<u>\$ 4,784</u>	<u>\$ 831</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
 FEMA and Other Earthquake Reimbursements
 Balance Sheet
 June 30, 1994
 (Amounts expressed in thousands)**

	<u>1994</u>
<u>Assets</u>	
Cash and cash equivalents	\$ 2,482
Intergovernmental receivables	<u>43,694</u>
Total assets	\$ <u>46,176</u>
<u>Liabilities and Fund Balances</u>	
Liabilities:	
Accounts payable	44
Due to other governments	13,611
Interfund payable	16,142
Deferred revenue – Intergovernmental	<u>16,000</u>
Total liabilities	<u>45,797</u>
Fund Balances:	
Reserved for memoranda of understanding	\$ <u>379</u>
Total liabilities and fund balances	\$ <u>46,176</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
 FEMA and Other Earthquake Reimbursements
 Statement of Revenues, Expenditures
 and Changes in Fund Balances
 For the year ended June 30, 1994
 (Amounts expressed in thousands)**

	<u>1994</u>
Revenues:	
Intergovernmental	\$ 43,694
Interest	<u>200</u>
Total revenues	<u>43,894</u>
Expenditures:	
Current:	
Transportation subsidies	<u>43,515</u>
Total expenditures	<u>43,515</u>
Excess of revenues over expenditures	379
Fund balances, July 1, 1993	<u>—</u>
Fund balances, June 30, 1994	<u><u>\$ 379</u></u>

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
 Debt Service Fund
 Comparative Balance Sheets
 June 30, 1994 and 1993
 (Amounts expressed in thousands)

	<u>1994</u>	<u>1993</u>
Assets		
Cash and investments with fiscal agents	\$ 1,263,573	\$ 1,283,481
Receivables:		
Interest	8,425	10,045
Intergovernmental	<u>1,968</u>	<u>2,159</u>
Total assets	\$ <u>1,273,966</u>	\$ <u>1,295,685</u>
Liabilities and Fund Balances		
Liabilities:		
Accrued interest payable	\$ 102,246	\$ 79,153
Bond and notes payable	20,665	12,800
Interfund payable	<u>2,500</u>	<u>-</u>
Total liabilities	<u>125,411</u>	<u>91,953</u>
Fund Balances:		
Reserved for debt service	<u>1,148,555</u>	<u>1,203,732</u>
Total fund balances	<u>1,148,555</u>	<u>1,203,732</u>
Total liabilities and fund balances	\$ <u>1,273,966</u>	\$ <u>1,295,685</u>

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
Debt Service Fund
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balances
For the years ended June 30, 1994 and 1993
(Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
Revenues:		
Intergovernmental	\$ 3,327	\$ 5,274
Interest	20,800	18,628
Lease rentals	-	3,370
Total revenues	<u>24,127</u>	<u>27,272</u>
Expenditures:		
Interest and fiscal charges	207,328	148,576
Bond issuance costs	9,446	6,760
Bond discount	-	53,517
Bond principal	23,639	14,019
Bond insurance	-	5,550
C.O.P. transit development	-	5,095
Total expenditures	<u>240,413</u>	<u>233,517</u>
(Deficiency) of revenues over expenditures	(216,286)	(206,245)
Other Financing Sources (Uses):		
Operating transfers in	95,570	94,118
Operating transfers out	(9,591)	(106,909)
Proceeds from financing	75,130	852,620
Total other financing sources	<u>161,109</u>	<u>839,829</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(55,177)	633,584
Residual equity – transfer out	-	(109,194)
Fund balances, July 1, 1993	<u>1,203,732</u>	<u>679,342</u>
Fund balances, June 30, 1994	<u>\$ 1,148,555</u>	<u>\$ 1,203,732</u>

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
 Debt Service Fund
 Comparative Statements of Revenues, Expenditures
 and Changes in Fund Balances – Budget and Actual
 For the years ended June 30, 1994 and 1993
 (Amounts expressed in thousands)

	1994			1993		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Intergovernmental	\$ 3,000	\$ 3,327	\$ 327	\$ -	\$ 5,274	\$ 5,274
Interest	-	20,800	20,800	-	18,628	18,628
Lease rentals	-	-	-	-	3,370	3,370
Total revenues	3,000	24,127	21,127	-	27,272	27,272
Expenditures:						
Interest and fiscal charges	229,356	207,328	22,028	-	148,576	(148,576)
Bond issuance costs	-	9,446	(9,446)	-	6,760	(6,760)
Bond discount	-	-	-	-	53,517	(53,517)
Bond principal	23,344	23,639	(295)	-	14,019	(14,019)
Bond insurance	-	-	-	-	5,550	(5,550)
C.O.P. transit development	-	-	-	-	5,095	(5,095)
Total expenditures	252,700	240,413	12,287	-	233,517	(233,517)
(Deficiency) of revenues over expenditures	(249,700)	(216,286)	33,414	-	(206,245)	(206,245)
Other Financing Sources (Uses):						
Operating transfer in	102,000	95,570	(6,430)	-	94,118	94,118
Operating transfers out	-	(9,591)	(9,591)	-	(106,909)	(106,909)
Proceeds from financing	74,500	75,130	630	-	852,620	852,620
Total other financing sources	176,500	161,109	(15,391)	-	839,829	839,829
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(73,200)	(55,177)	18,023	-	633,584	633,584
Residual equity – transfer out	-	-	-	-	(109,194)	(109,194)
Fund balances, July 1, 1993	1,203,732	1,203,732	-	679,342	679,342	-
Fund balances, June 30, 1994	\$ 1,130,532	\$ 1,148,555	\$ 18,023	\$ 679,342	\$ 1,203,732	\$ 524,390

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
Capital Projects Funds
Combining Balance Sheet
June 30, 1994
(Amounts expressed in thousands)**

	<u>Light Rail</u>	<u>Metro Rail</u>	<u>Commuter Rail</u>	<u>SB 1995 Rail</u>	<u>Total</u>
Assets					
Cash and cash equivalents	\$ 187,140	\$ 2,453	\$ 37,423	\$ 102,050	\$ 329,066
Receivables:					
Interest	2,109	2,130	805	2,134	7,178
Benefit assessment	-	2,293	-	-	2,293
Intergovernmental	26,191	98,247	5,626	-	130,064
Leases and other	-	-	689	-	689
Interfund	16,328	49,704	59,955	-	125,987
Prepaid and other assets	512	5,332	-	-	5,844
Interest in property held for resale	700	-	-	-	700
Total assets	\$ 232,980	\$ 160,159	\$ 104,498	\$ 104,184	\$ 601,821
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 71,034	\$ 78,157	\$ 418	\$ 2	\$ 149,611
Claims and judgments payable	546	11,362	-	-	11,908
Due to other governments	7	7,873	193	-	8,073
Interfund payables	28,460	6,658	10,908	49,704	95,730
Deferred revenue - intergovernmental	-	26,584	-	-	26,584
Other liabilities	44	187	31	-	262
Total liabilities	100,091	130,821	11,550	49,706	292,168
Fund balances:					
Reserved for encumbrances	131,677	24,006	92,948	54,478	303,109
Reserved for prepaid and other items	1,212	5,332	-	-	6,544
Total fund balances	132,889	29,338	92,948	54,478	309,653
Total liabilities and fund balances	\$ 232,980	\$ 160,159	\$ 104,498	\$ 104,184	\$ 601,821

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
 Capital Projects Funds
 Combining Statement of Revenues, Expenditures
 and Changes in Fund Balances
 For the year ended June 30, 1994
 (Amounts expressed in thousands)

	<u>Light Rail</u>	<u>Metro Rail</u>	<u>Commuter Rail</u>	<u>SB 1995 Rail</u>	<u>Total</u>
Revenues:					
Intergovernmental	\$ 26,196	\$ 315,906	\$ 4,961	\$ -	\$ 347,063
Interest	6,360	4,514	1,309	4,781	16,964
Lease rentals	651	96	7,059	-	7,806
Miscellaneous	392	436	88	-	916
Total revenues	33,599	320,952	13,417	4,781	372,749
Expenditures:					
Administration and other	18,141	15,056	8,107	4,149	45,453
Capital outlay	304,603	355,898	81,040	45,564	787,105
Total expenditures	322,744	370,954	89,147	49,713	832,558
(Deficiency) of revenues over expenditures	(289,145)	(50,002)	(75,730)	(44,932)	(459,809)
Other Financing Sources (Uses):					
Operating transfers in	23,788	-	16,040	99,410	139,238
Operating transfers out	-	(2,596)	-	-	(2,596)
Proceeds from financing	237,220	-	91,242	-	328,462
Total other financing sources (uses)	261,008	(2,596)	107,282	99,410	465,104
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(28,137)	(52,598)	31,552	54,478	5,295
Fund balances, July 1, 1993	161,026	81,936	61,396	-	304,358
Fund balances, June 30, 1994	\$ 132,889	\$ 29,338	\$ 92,948	\$ 54,478	\$ 309,653

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
Capital Projects Funds
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balances – Budget and Actual
For the years ended June 30, 1994 and 1993
(Amounts expressed in thousands)**

	1994			1993		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Intergovernmental	\$ 645,500	\$ 347,063	\$ (298,437)	\$ 427,763	\$ 325,106	\$ (102,657)
Interest	–	16,964	16,964	–	4,817	4,817
Lease rentals	8,600	7,806	(794)	4,250	5,659	1,409
Miscellaneous	–	916	916	–	490	490
Total revenues	654,100	372,749	(281,351)	432,013	336,072	(95,941)
Expenditures:						
Current:						
Administration and other	39,500	45,453	(5,953)	40,000	46,089	(6,089)
Capital outlay:						
Rail development	1,099,600	787,105	312,495	878,991	963,313	(84,322)
Total expenditures	1,139,100	832,558	306,542	918,991	1,009,402	(90,411)
Excess (deficiency) of revenues over expenditures	(485,000)	(459,809)	25,191	(486,978)	(673,330)	(186,352)
Other Financing Sources (Uses):						
Operating transfers in	147,400	139,238	(8,162)	244,750	285,613	40,863
Operating transfers out	–	(2,596)	(2,596)	–	(107)	(107)
Proceeds from financing	258,400	328,462	70,062	500,000	505,790	5,790
Total other financing sources	405,800	465,104	59,304	744,750	791,296	46,546
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(79,200)	5,295	84,495	257,772	117,966	(139,806)
Fund balances, July 1, 1993	304,358	304,358	–	186,392	186,392	–
Fund balances, June 30, 1994	\$ 225,158	\$ 309,653	\$ 84,495	\$ 444,164	\$ 304,358	\$ (139,806)

The notes to the financial statements are an integral part of this statement.



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Leading the Way to Greater Mobility

Los Angeles County Metropolitan Transportation Authority
 Expendable Trust and Agency Funds
 Combining Balance Sheet
 June 30, 1994
 (Amounts expressed in thousands)

	Expendable Trust		Agency			Total
	Land Preservation Corporation	Transportation Foundation	Deferred Compensation	401(k) Savings Plan	Benefit Assessment District	
Assets						
Cash	\$ 22	\$ 259	-	\$ -	\$ -	\$ 281
Cash and investments						
with fiscal agents	-	-	-	-	22,255	22,255
Deferred compensation plan	-	-	82,658	-	-	82,658
401(k) savings plan	-	-	-	18,191	-	18,191
Assessment receivable	-	-	-	-	1,647	1,647
Interest receivable	-	-	-	-	713	713
Total assets	\$ 22	\$ 259	82,658	\$ 18,191	\$ 24,615	\$ 125,745
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ -	-	-	\$ -	\$ 1,068	\$ 1,068
Accrued liabilities	-	-	-	-	3,026	3,026
Interfund payable	25	-	-	-	-	25
Deferred compensation benefits payable	-	-	82,658	-	-	82,658
401(k) savings plan payable	-	-	-	18,191	-	18,191
B.A.D. revenue bonds payable	-	-	-	-	20,521	20,521
Total liabilities	25	-	82,658	18,191	24,615	125,489
Fund balances:						
Unreserved, undesignated	(3)	259	-	-	-	256
Total fund balances	(3)	259	-	-	-	256
Total liabilities and fund balances	\$ 22	\$ 259	82,658	\$ 18,191	\$ 24,615	\$ 125,745

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
Agency Funds
Combining Statement of Changes in Assets and Liabilities
June 30, 1994
(Amounts expressed in thousands)

	Balance July 1, 1993	Additions	Deletions	Balance June 30, 1994
DEFERRED COMPENSATION – AGENCY FUND				
Assets				
Deferred compensation plan	\$ 3,351	\$ 79,307	\$ –	\$ 82,658
Total assets	\$ 3,351	\$ 79,307	\$ –	\$ 82,658
Liabilities				
Deferred compensation benefits payable	\$ 3,351	\$ 79,307	\$ –	\$ 82,658
Total liabilities	\$ 3,351	\$ 79,307	\$ –	\$ 82,658
401 (k) SAVINGS PLAN – AGENCY FUND				
Assets				
401 (k) savings plan	\$ –	\$ 18,191	\$ –	\$ 18,191
Total assets	\$ –	\$ 18,191	\$ –	\$ 18,191
Liabilities				
401 (k) savings plan payable	\$ –	\$ 18,191	\$ –	\$ 18,191
Total liabilities	\$ –	\$ 18,191	\$ –	\$ 18,191
BENEFIT ASSESSMENT DISTRICTS – AGENCY FUND				
Assets				
Cash and investments with fiscal agents	\$ 20,768	\$ 11,139	\$ 9,652	\$ 22,255
Assessment receivable	–	2,297	650	1,647
Interest receivable	–	713	–	713
Total assets	\$ 20,768	\$ 14,149	\$ 10,302	\$ 24,615
Liabilities				
Accounts payable	\$ 25	\$ 1,068	\$ 25	\$ 1,068
Accrued liabilities	3,039	3,026	3,039	3,026
B.A.D. revenue bonds payable	17,704	13,156	10,339	20,521
Total liabilities	\$ 20,768	\$ 17,250	\$ 13,403	\$ 24,615

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
 Agency Funds
 Combining Statement of Changes in Assets and Liabilities
 June 30, 1994
 (Amounts expressed in thousands)

	Balance July 1, 1993	Additions	Deletions	Balance June 30, 1994
TOTAL AGENCY FUNDS				
Assets				
Cash and investments				
with fiscal agents	\$ 20,768	\$ 11,139	\$ 9,652	\$ 22,255
Deferred compensation plan	3,351	79,307	-	82,658
401(k) savings plan	-	18,191	-	18,191
Assessment receivable	-	2,297	650	1,647
Interest receivable	-	713	-	713
Total assets	\$ 24,119	\$ 111,647	\$ 10,302	\$ 125,464
Liabilities				
Accounts payable	\$ 25	\$ 1,068	\$ 25	\$ 1,068
Accrued liabilities	3,039	3,026	3,039	3,026
401(k) plan payable	-	18,191	-	18,191
Deferred compensation payable	3,351	79,307	-	82,658
B.A.D. revenue bonds payable	17,704	13,156	10,339	20,521
Total liabilities	\$ 24,119	\$ 114,748	\$ 13,403	\$ 125,464

The notes to the financial statements are an integral part of this statement.

**Los Angeles County Metropolitan Transportation Authority
Expendable Trust Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the year ended June 30, 1994
(Amounts expressed in thousands)**

	Land Preservation Corporation	Transportation Foundation	Total
Revenues:			
Donations	\$ <u> -</u>	\$ <u> 121</u>	\$ <u> 121</u>
Total revenues	<u> -</u>	<u> 121</u>	<u> 121</u>
Expenditures:			
Administration and other	<u> 3</u>	<u> 15</u>	<u> 18</u>
Total expenditures	<u> 3</u>	<u> 15</u>	<u> 18</u>
Excess (deficiency) of revenues over expenditures	(3)	106	103
Fund balances, July 1, 1993	<u> -</u>	<u> 153</u>	<u> 153</u>
Fund balances, June 30, 1994	\$ <u> (3)</u>	\$ <u> 259</u>	\$ <u> 256</u>

The notes to the financial statements are an integral part of this statement.



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Leading the Way to Greater Mobility

**Los Angeles County Metropolitan Transportation Authority
Comparative Schedule of General Fixed Assets—By Source
June 30, 1994 and 1993
(Amounts expressed in thousands)**

	<u>1994</u>	<u>1993</u>
<u>General Fixed Assets:</u>		
Contributed Capital – SCRRA	\$ 99,645	\$ 82,936
Land	818,928	818,928
Construction in Progress:		
Light Rail Vehicles	24,982	24,982
Call Boxes	7,750	7,750
Other Equipment	8,175	7,698
Leasehold Improvements	1,746	1,731
Metro Green Line	479,345	308,381
Metro Rail MOS-2	688,998	393,102
Metro Rail MOS-3	55,616	30,757
Pasadena Line	87,666	21,623
Other Construction in Progress	95,650	45,685
Total General Fixed Assets	\$ <u>2,368,501</u>	\$ <u>1,743,573</u>
 <u>Investments in General Fixed Assets by Source:</u>		
General Fund	\$ 6,941	\$ 6,556
Capital Projects Fund	<u>2,361,560</u>	<u>1,737,017</u>
Total Investment in General Fixed Assets	\$ <u>2,368,501</u>	\$ <u>1,743,573</u>

The notes to the financial statements are an integral part of this statement.

Los Angeles County Metropolitan Transportation Authority
 Schedule of General Fixed Assets – By Activity and Function
 June 30, 1994
 (Amounts expressed in thousands)

<u>Activity and Function</u>	<u>Administration</u>	<u>Transportation Facilities</u>	<u>Construction in Progress</u>	<u>Total</u>
Equity in JPA/SCRRA				
Contributed Capital – SCRRA	\$ –	\$ 99,645	\$ –	\$ 99,645
Land	–	818,928	–	818,928
Construction in Progress:	–	–	–	–
Light Rail Vehicles	–	24,982	–	24,982
Call boxes	–	7,750	–	7,750
Other Equipment	5,302	2,873	–	8,175
Leasehold Improvements	1,746	–	–	1,746
Metro Green Line	–	–	479,345	479,345
Metro Rail, MOS 2 Construction	–	–	688,998	688,998
Metro Rail, MOS 3 Construction	–	–	55,616	55,616
Pasadena line	–	–	87,666	87,666
Other Construction in Progress	–	–	95,650	95,650
Total General Fixed Assets	\$ 7,048	\$ 954,178	\$ 1,407,275	\$ 2,368,501

The notes to the financial statements are an integral part of this statement.

