



Coopers & Lybrand L.L.P.

a professional services firm

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
GENERAL PURPOSE FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULES
FOR THE YEAR ENDED JUNE 30, 1995

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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, 1995, 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 and Government Auditing Standards issued by the Comptroller General of the United States. 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, 1995 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.

In accordance with Government Auditing Standards, we have also issued a report dated November 17, 1995 on our consideration of MTA's internal control structure and a report dated November 17, 1995 on its compliance with laws and regulations.

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 L.L.P.

Los Angeles, California
November 17, 1995



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General Purpose Financial Statements

Los Angeles County Metropolitan Transportation Authority
 Combined Balance Sheet - All Fund Types and Account Groups
 June 30, 1995
 (Amounts expressed in thousands)

	Governmental Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Assets and other debits				
Assets:				
Cash and cash equivalents (Note 3)	\$ -	\$ 574,777	\$ -	\$ 258,846
Receivables:				
Accounts	-	-	-	-
Notes	2,997	6,176	-	-
Interest	13	5,402	68	18,651
Benefit assessment	-	-	-	-
Sales tax	-	31,438	-	-
Intergovernmental	-	22,004	1,867	169,558
Leases and other	706	4,500	-	10,540
Interfund (Note 9)	-	38,003	-	191,403
Prepaid and other assets	-	-	-	9,245
Inventory	-	-	-	-
Restricted assets:				
Cash and cash equivalents (Note 3)	-	-	-	-
Investments (Note 3)	-	-	140,999	-
Interest in property held for resale	850	-	-	-
Fixed assets (Note 4)	-	-	-	-
Assets held under deferred compensation plans	-	-	-	-
Assets held under 401(k) savings plan	-	-	-	-
Other Debits:				
Amount available in debt service fund	-	-	-	-
Amount to be provided for retirement of general long-term debt (Note 5)	-	-	-	-
Total assets and other debits	\$ 4,566	\$ 682,300	\$ 142,934	\$ 658,243

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

Proprietary Fund Types		Fiduciary Fund Types	Account Groups		Totals (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	
\$ 9,187	\$ 99,810	\$ 336	\$ -	\$ -	\$ 942,956
21,125	-	-	-	-	21,125
-	-	-	-	-	9,173
256	-	3,867	-	-	28,257
-	-	1,536	-	-	1,536
-	-	-	-	-	31,438
31,264	761	-	-	-	225,454
161	334	2,873	-	-	19,114
252,573	260,434	-	-	-	742,413
5,612	4,267	-	-	-	19,124
40,145	-	-	-	-	40,145
3,369	46,468	14,844	-	-	64,681
122,403	16,757	489,032	-	-	769,191
-	-	-	-	-	850
2,402,060	-	-	3,386,788	-	5,788,848
-	-	92,704	-	-	92,704
-	-	21,649	-	-	21,649
-	-	-	-	56,730	56,730
-	-	-	-	2,653,823	2,653,823
<u>\$ 2,888,155</u>	<u>\$ 428,831</u>	<u>\$ 626,841</u>	<u>\$ 3,386,788</u>	<u>\$ 2,710,553</u>	<u>\$ 11,529,211</u>

continued

Los Angeles County Metropolitan Transportation Authority
 Combined Balance Sheet - All Fund Types and Account Groups
 June 30, 1995
 (Amounts expressed in thousands)

	Government Fund Types			
	General	Special Revenue	Debt Service	Capital Projects
Liabilities, equity and other credits				
Liabilities:				
Accounts payable	\$ 3,174	\$ 18,805	\$ -	\$ 105,066
Accrued liabilities	-	-	-	-
Claims and judgments payable	-	-	-	11,362
Due to other governments	-	19,338	-	6,827
Accrued interest payable	-	-	60,476	-
Revenue anticipation notes	-	-	-	-
Bonds and notes payable - current (Note 5)	-	-	23,630	-
Bonds and notes payable - long-term (Note 5)	-	-	-	-
B.A.D. revenue bonds payable (Note 5)	-	-	-	-
Compensated absences payable	-	-	-	-
Post-retirement benefits payable (Note 8)	-	-	-	-
Interfund payables (Note 9)	141	148,381	2,098	229,993
Liabilities for deferred compensation plan (Note 10)	-	-	-	-
Liabilities for 401(k) savings plan (Note 10)	-	-	-	-
Insurance reserves (Note 11)	-	-	-	-
Deferred revenue	-	-	-	38,166
Other liabilities	-	-	-	142
Total liabilities	3,315	186,524	86,204	391,556
Equity and other credits:				
Investment in general fixed assets	-	-	-	-
Retained earnings (deficit) (Note 12)	-	-	-	-
Capital grants (contributed capital): (Note 12)				
Federal	-	-	-	-
State	-	-	-	-
Local	-	-	-	-
Fund balances: (Note 13)				
Reserved for memoranda of understanding	-	478,876	-	-
Reserved for encumbrances	-	-	-	257,442
Reserved for notes receivable	1,251	6,176	-	-
Reserved for prepaid and other items	-	-	-	9,245
Reserved for debt service	-	-	56,730	-
Reserved for employee retirements	-	-	-	-
Unreserved	-	10,724	-	-
Total equity and other credits	1,251	495,776	56,730	266,687
Total liabilities, equity and other credits	\$ 4,566	\$ 682,300	\$ 142,934	\$ 658,243

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 (Memorandum Only)
Enterprise	Internal Service	Trust and Agency	General Fixed Assets	General Long-Term Debt	
\$ 50,922	\$ 1,483	\$ 6,764	\$ -	\$ -	\$ 186,214
17,968	18,349	9,822	-	-	46,139
-	-	-	-	-	11,362
1,027	2	-	-	-	27,194
3,525	-	-	-	-	64,001
70,000	-	-	-	-	70,000
13,005	6,100	-	-	-	42,735
92,100	153,900	-	-	2,710,553	2,956,553
-	-	1,160	-	-	1,160
-	53,143	-	-	-	53,143
-	30,930	-	-	-	30,930
322,538	39,237	25	-	-	742,413
-	-	92,704	-	-	92,704
-	-	21,649	-	-	21,649
-	125,997	-	-	-	125,997
9,777	-	-	-	-	47,943
-	74	-	-	-	216
<u>580,862</u>	<u>429,215</u>	<u>132,124</u>	<u>-</u>	<u>2,710,553</u>	<u>4,520,353</u>
-	-	-	3,386,788	-	3,386,788
(25,292)	(384)	-	-	-	(25,676)
892,113	-	-	-	-	892,113
217,911	-	-	-	-	217,911
1,222,561	-	-	-	-	1,222,561
-	-	-	-	-	478,876
-	-	-	-	-	257,442
-	-	-	-	-	7,427
-	-	-	-	-	9,245
-	-	-	-	-	56,730
-	-	494,414	-	-	494,414
-	-	303	-	-	11,027
<u>2,307,293</u>	<u>(384)</u>	<u>494,717</u>	<u>3,386,788</u>	<u>-</u>	<u>7,008,858</u>
<u>\$ 2,888,155</u>	<u>\$ 428,831</u>	<u>\$ 626,841</u>	<u>\$ 3,386,788</u>	<u>\$ 2,710,553</u>	<u>\$ 11,529,211</u>



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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, 1995
 (Amounts expressed in thousands)

	Governmental Fund Types				Fiduciary Fund Type	Totals (Memorandum Only)
	General	Special Revenue	Debt Service	Capital Projects	Expendable Trust Funds	
Revenues:						
Sales tax	\$ -	\$ 989,066	\$ -	\$ -	\$ -	\$ 989,066
Licenses and fines	191	7,104	-	-	-	7,295
Intergovernmental	26	9,860	3,040	520,262	-	533,188
Investment income	380	26,984	7,789	37,637	-	72,790
Lease rentals	-	-	-	8,648	-	8,648
Miscellaneous	401	-	-	15,994	163	16,558
Total revenues	998	1,033,014	10,829	582,541	163	1,627,545
Expenditures:						
Current:						
Administration and other	31,826	7,857	-	56,192	116	95,991
Transportation subsidies	30	436,470	-	-	-	436,500
Capital outlay	-	-	-	886,345	-	886,345
Debt service:						
Interest and fiscal charges	-	-	149,630	-	-	149,630
Bond principal	-	-	26,345	-	-	26,345
Joint development expense	-	-	941	-	-	941
Total expenditures	31,856	444,327	176,916	942,537	116	1,595,752
Excess (deficiency) of revenues over expenditures	(30,858)	588,687	(166,087)	(359,996)	47	31,793
Other Financing Sources (Uses):						
Operating transfers in	29,068	32,949	151,636	157,701	-	371,354
Operating transfers out	-	(712,977)	(10,556)	(12,116)	-	(735,649)
Proceeds from financing	-	-	16,528	220,652	-	237,180
Total other financing sources (uses)	29,068	(680,028)	157,608	366,237	-	(127,115)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(1,790)	(91,341)	(8,479)	6,241	47	(95,322)
Fund balances beginning of year	3,041	587,117	65,209	309,653	256	965,276
Transfer of liability related to residual equity transfer	-	-	-	(49,207)	-	(49,207)
Fund balances end of year	\$ 1,251	\$ 495,776	\$ 56,730	\$ 266,687	\$ 303	\$ 820,747

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 - All Governmental Fund Types
 For the year ended June 30, 1995
 (Amounts expressed in thousands)

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable Unfavorable)
Revenues:						
Sales tax	\$ -	\$ -	\$ -	\$ 968,200	\$ 989,066	\$ 20,866
Licenses and fines	-	191	191	6,400	7,104	704
Intergovernmental	-	26	26	1,000	9,860	8,860
Investment income	-	380	380	6,000	26,984	20,984
Lease rentals	-	-	-	-	-	-
Miscellaneous	-	401	401	-	-	-
Total revenues	-	998	998	981,600	1,033,014	51,414
Expenditures:						
Current:						
Administration and other	23,500	31,826	(8,326)	69,500	7,857	61,643
Transportation subsidies	-	30	(30)	421,900	436,470	(14,570)
Capital outlay	-	-	-	-	-	-
Debt service:						
Interest and fiscal charges	-	-	-	-	-	-
Bond Principal	-	-	-	-	-	-
Joint development expense	-	-	-	-	-	-
Total expenditures	23,500	31,856	(8,356)	491,400	444,327	47,073
Excess (deficiency) of revenues over expenditures	(23,500)	(30,858)	(7,358)	490,200	588,687	98,487
Other Financing Sources (Uses):						
Operating transfers in	25,800	29,068	3,268	5,900	32,949	27,049
Operating transfers out	-	-	-	(788,600)	(712,977)	75,623
Proceeds from financing	-	-	-	-	-	-
Total other financing sources (uses)	25,800	29,068	3,268	(782,700)	(680,028)	102,672
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	2,300	(1,790)	(4,090)	(292,500)	(91,341)	201,159
Fund balances beginning of year	3,041	3,041	-	587,117	587,117	-
Transfer of liability related to residual equity transfer	-	-	-	-	-	-
Fund balances end of year	\$ 5,341	\$ 1,251	\$ (4,090)	\$ 294,617	\$ 495,776	\$ 201,159

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

Debt Service Fund			Capital Projects Funds		
Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	3,040	3,040	534,300	520,262	(14,038)
-	7,789	7,789	-	37,637	37,637
-	-	-	7,000	8,648	1,648
-	-	-	-	15,994	15,994
-	10,829	10,829	541,300	582,541	41,241
-	-	-	140,600	56,192	84,408
-	-	-	-	-	-
-	-	-	1,051,800	886,345	165,455
195,000	149,630	45,370	-	-	-
-	26,345	(26,345)	-	-	-
-	941	(941)	-	-	-
195,000	176,916	18,084	1,192,400	942,537	249,863
(195,000)	(166,087)	28,913	(651,100)	(359,996)	291,104
141,800	151,636	9,836	492,500	157,701	(334,799)
-	(10,556)	(10,556)	-	(12,116)	(12,116)
38,400	16,528	(21,872)	135,700	220,652	84,952
180,200	157,608	(22,592)	628,200	366,237	(261,963)
(14,800)	(8,479)	6,321	(22,900)	6,241	29,141
65,209	65,209	-	309,653	309,653	-
-	-	-	-	(49,207)	(49,207)
\$ 50,409	\$ 56,730	\$ 6,321	\$ 286,753	\$ 266,687	\$ (20,066)

Los Angeles County Metropolitan Transportation Authority
 Combined Statement of Revenues, Expenses and
 Changes in Retained Earnings
 All Proprietary Fund Types and Pension Trust Funds
 For the year ended June 30, 1995
 (Amounts expressed in thousands)

	Proprietary Fund Types		Fiduciary Fund Type	Totals
	Enterprise	Internal Service	Pension Trusts	(Memorandum Only)
Operating revenues:				
Passenger fares	\$ 198,349	\$ -	\$ -	\$ 198,349
Route subsidies	869	-	-	869
Auxiliary transportation	5,034	-	-	5,034
Charges for services	-	304,200	-	304,200
Investment income	-	-	31,775	31,775
Employer contributions	-	-	16,517	16,517
Employee contributions	-	-	11,036	11,036
Total operating revenues	204,252	304,200	59,328	567,780
Operating expenses:				
Transportation	349,593	-	-	349,593
Vehicle maintenance	123,325	-	-	123,325
Non-vehicle maintenance	35,530	-	-	35,530
General and administrative	109,457	46,151	2,974	158,582
Depreciation	113,269	-	-	113,269
Salaries and wages	-	50,952	-	50,952
Fringe benefits	-	207,481	-	207,481
Benefits and contribution refunds paid to participants and beneficiaries	-	-	48,877	48,877
Total operating expenses	731,174	304,584	51,851	1,087,609
Operating income (loss)	(526,922)	(384)	7,477	(519,829)
Nonoperating revenues and (expenses):				
Local operating grants	6,553	-	-	6,553
Federal operating grants	48,020	-	-	48,020
Investment income	9,812	-	-	9,812
Interest expense	(21,060)	-	-	(21,060)
Loss on disposition of fixed assets	(598)	-	-	(598)
Other	1,599	-	-	1,599
Total nonoperating revenues and expenses	44,326	-	-	44,326
Income (loss) before operating transfers in	(482,596)	(384)	7,477	(475,503)
Operating transfers in	364,295	-	-	364,295
Net income (loss) for the year	(118,301)	(384)	7,477	(111,208)
Add back depreciation on assets acquired with capital grants	113,699	-	-	113,699
Decrease in retained earnings	(4,602)	(384)	7,477	2,491
Retained earnings (deficit)/fund balance beginning of year	(27,211)	-	486,937	459,726
Contributed capital transferred to retained earnings	6,521	-	-	6,521
Retained earnings (deficit)/fund balance end of year	\$ (25,292)	\$ (384)	\$ 494,414	\$ 468,738

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

Los Angeles County Metropolitan Transportation Authority
 Combined Statement of Cash Flows - All Proprietary Fund Types
 For the year ended June 30, 1995
 (Amounts expressed in thousands)

	Enterprise	Internal Service	Totals (Memorandum Only)
Cash flow from operating activities:			
Operating loss	\$ (526,922)	\$ (384)	\$ (527,306)
Adjustments to reconcile operating loss to net cash used in operating activities:			
Depreciation	113,269	-	113,269
Net effect of changes in:			
Accounts receivables	(6,885)	(761)	(7,646)
Lease and other receivables	389	(334)	55
Interfund receivables	(82,658)	56,267	(26,391)
Prepaid and other assets	9,399	(4,267)	5,132
Inventory	1,240	-	1,240
Accounts payable	18,193	1,483	19,676
Accrued liabilities	(6,225)	17,305	11,080
Due to other governments	(15,370)	-	(15,370)
Compensated absences payable	-	1,952	1,952
Post retirement benefits payable	-	2,891	2,891
Interfund payables	(235)	39,237	39,002
Insurance reserves	-	(5,092)	(5,092)
Deferred revenue	9,777	-	9,777
Net cash used in operating activities	<u>(486,028)</u>	<u>108,297</u>	<u>(377,731)</u>
Cash flow from non-capital financing activities:			
Proceeds from operating grants	54,726	-	54,726
Proceeds from issuance of Revenue Anticipation Notes	70,000	-	70,000
Operating transfers in from other funds	364,295	-	364,295
Repayment of matured Revenue Anticipation Notes	(60,000)	-	(60,000)
Interest paid on Revenue Anticipation Notes	(4,909)	-	(4,909)
Interest received on Revenue Anticipation Notes	5,189	-	5,189
Net cash provided by non-capital financing activities	<u>429,301</u>	<u>-</u>	<u>429,301</u>
Cash flow from capital and related financing activities:			
Proceeds from capital grants received	36,179	-	36,179
Purchase of property, plant and equipment	(37,785)	-	(37,785)
Proceeds from sale of retired equipment	149	-	149
Payment of matured bonds and notes payable	(15,695)	-	(15,695)
Interest paid on bonds and notes payable	(21,885)	-	(21,885)
Net cash used in capital and related financing activities	<u>(39,037)</u>	<u>-</u>	<u>(39,037)</u>
Cash flow from investing activities:			
Proceeds from sale and maturity of investments	138,194	36,243	174,437
Purchase of investments	(75,922)	-	(75,922)
Interest received on investments	7,559	-	7,559
Net cash provided by investing activities	<u>69,831</u>	<u>36,243</u>	<u>106,074</u>
Net increase (decrease) in cash and cash equivalents	(25,933)	144,540	118,607
Cash and cash equivalents beginning of year	<u>38,489</u>	<u>1,738</u>	<u>40,227</u>
Cash and cash equivalents end of year	<u>\$ 12,556</u>	<u>\$ 146,278</u>	<u>\$ 158,834</u>
Supplemental schedule of noncash investing & financing activities:			
Transfer of construction in progress to the general fixed asset account group		\$	171,256
Transfer of liability related to residual equity transfer			49,207
Residual equity transfer to general fixed asset account group			122,049
Transfer of bonds and notes payable to Internal Service Fund			160,000
Transfer of compensated absences payable to Internal Service Fund			43,000
Transfer of post retirement benefits payable to Internal Service Fund			23,553

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



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LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements

June 30, 1995

(1) Organization

General

The Los Angeles County (County) Metropolitan Transportation Authority (MTA) was created as a result of the merger of the former Los Angeles County Transportation Commission (Commission) and the former Southern California Rapid Transit District (District). 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 non-voting member appointed by the Governor of the State of California. The MTA Board members are permitted to appoint alternate members 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.

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 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 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.

The four Defined Benefit Pension Plans that the MTA administers, the Benefit Assessment Districts (BAD), the Transportation Foundation, and the Los Angeles County Transportation Land Preservation Corporation are included in the accompanying financial statements as blended component units, and reported in the Fiduciary Fund Type. Additional detailed financial information for each of these entities can be obtained from the MTA Treasury Department, One Gateway Plaza, Los Angeles, CA 90012.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued) June 30, 1995

Bus and Rail Operations

The MTA 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 240,000 revenue service miles over a route system of approximately 3,800 miles carrying approximately 1.2 million weekday passengers.

The MTA also operates two metro rail lines. The Blue Line is a light rail system, which covers 22 miles between the cities of Los Angeles and Long Beach. The other rail line is the Metro Red Line which covers 4 miles between the Union Station and MacArthur Park in Los Angeles.

Planning and Programming

The MTA is responsible for the programming and administration of all regional surface transportation funds in the County. In accordance with State regulations and Memoranda of Understanding with bus operators and local municipalities, the MTA is responsible for disbursement of monies derived from the State Transportation Act (STA), the Transportation Development Act (TDA), and Sales Tax. The MTA coordinates the operation of all public transportation services including managing transit operating policies among the County's 17 municipal bus operators, developing light, heavy and commuter rail projects and programming regional funds for improvement to the County highway system.

Construction

The MTA is constructing an additional 57.9 miles of urban light and heavy rail system in the County. Included in this construction is the Green Line, consisting of 19.5 miles, which began operations between the cities of Norwalk and El Segundo in August, 1995. Resources for this construction are derived from State grants on a cost reimbursement basis, in addition to matching funds derived from local funds such as sales tax revenue bonds. Completing the rail construction is a 24.8 miles extension of the Red Line and 13.6 miles for the Pasadena Blue Line.

Joint Development

California statutes authorize the MTA to enter into agreements with public or private entities to plan, finance, and construct projects that are adjacent, or physically or functionally related to rail transit facilities or major bus plazas. The goal of these joint development projects is to secure the most appropriate private and public sector development which will enhance the design, construction and operation of a comprehensive transit system while achieving appropriate returns for the MTA on its investment. Such projects are compatible with, and supportive of plans and economic development objectives of local jurisdictions.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued) June 30, 1995

(2) Summary of Significant Accounting Policies

The financial statements of the MTA have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) 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. Fund Accounting

The MTA utilizes fund accounting to report 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, as described below.

Governmental Funds are used to account for most of MTA's general activities. The measurement focus is determination of changes in financial position, rather than net income determination. The MTA uses the following governmental fund types:

General Fund - The General Fund is used to account for those financial resources which are not required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs.

Capital Projects Funds - Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital assets.

Proprietary Funds are used to account for the MTA's ongoing operations and activities similar to those found in the private sector, where the determination of net income is necessary or useful to sound financial administration. Proprietary funds include the following fund types:

Enterprise Fund - The Enterprise Fund is used to account for operations which are financed and operated in a manner similar to private businesses where the intent is that costs (including depreciation) of providing goods or services to the general public on a continuing basis be recovered primarily through user charges.

Internal Service Fund - The Internal Service Fund is used to account for the goods and services provided to MTA projects and funds on a cost reimbursement basis.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued) June 30, 1995

Fiduciary Funds are used to account for assets held by the MTA in a trustee capacity or as an agent for individuals, private organizations, other governmental units, or other funds. Fiduciary Funds include the following fund types:

Expendable Trust Funds - Expendable trust funds are used to account for assets held by the MTA in a trustee capacity and are accounted for in essentially the same manner as the governmental fund types.

Pension Trust Funds - Pension trust funds account for the assets of the four Defined Benefit Pension Plans that the MTA administers, and are accounted for in essentially the same manner as the Proprietary Funds.

Agency Funds - Agency Funds are custodial in nature and do not present results of operations or have a measurement focus.

Account Groups are used to establish accountability for certain assets and liabilities that are not recorded in specific funds because they do not directly affect net expendable available financial resources. The MTA uses the following account groups:

General Fixed Assets Account Group - This group is established to account for all fixed assets of the MTA, other than those accounted for in the Proprietary Funds.

General Long-Term Debt Account Group - The group is established to account for all long-term debt of the MTA except that which is a direct obligation of the Proprietary Funds.

B. Basis of Accounting

The modified accrual basis of accounting is used for all governmental and agency funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, which means 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 all proprietary funds. Under this basis, 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.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued) June 30, 1995

C. 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:

- Annual budgets are adopted on a basis consistent with the modified accrual basis of accounting for governmental fund types.
- Annual budgets are adopted on the accrual basis for the Enterprise Fund.

D. Cash and Cash Equivalents

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with an original maturity date of 90 days or less. For statement of cash flows, the Proprietary Funds considers all highly liquid investments, including restricted assets with an original maturity date of 90 days or less, to be cash and cash equivalents.

E. Interfund Receivables/Payables

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

F. Inventories

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

G. Pension Plans

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

The MTA has a Single-Employer Public Employees Retirement System which includes four defined benefit pension plans for its former District employees and all new employees. All employees except non-contract employees contribute a specified percentage (as recommended by the Plans' actuary) of their annual salaries to the plan in which they participate. The financial statements for these pension plans are included in the Fiduciary Fund Type.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

H. Property, Plant and Equipment (Fixed Assets)

Fixed assets used in governmental fund types of the MTA are recorded in the General Fixed Asset Account Group at cost or estimated historical cost if purchased or constructed. Assets in the General Fixed Asset Account Group are not depreciated. Interest incurred during construction is not capitalized in the General Fixed Assets Account Group.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not included in the General Fixed Asset Account Group or capitalized in the Proprietary Funds.

Property, plant and equipment in the Proprietary Funds are recorded at cost. Major outlays for capital assets and improvements are reflected as expenditures in the Capital Projects Funds.

Depreciation is recorded in the Enterprise Fund using the sum-of-the-years-digits method on all revenue-earning equipment which was acquired before 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 furnishing	10

Enterprise Fund 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, and added back to retained earnings.

I. Compensated Absences

MTA union represented (contract) employees, which are made up of employees represented by the United Transportation Union (UTU), the Amalgamated Transportation Union (ATU) and the Transportation Communications Union (TCU), accumulate vacation pay and sick leave pay in varying amounts as services are provided based on memoranda of understanding with the various unions. All outstanding vacation is payable upon termination of employment. TCU employees may request payment of a limited amount of unused sick leave each year. Unused sick leave for contract employees is payable upon retirement or death.

On January 1, 1995, the MTA implemented a combined sick leave/vacation program for non-contract employees. Under this program, sick and vacation leave are combined as time off with pay (TOWP) which accrues at varying rates throughout the year. Previously accumulated

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

vacation and sick leave were considered frozen and remain on the books as a liability of the Internal Service Fund. Frozen vacation is payable upon termination of employment while frozen sick leave is payable (at 75%) upon retirement or death.

The following is a summary of the compensated absences payable at June 30, 1995 (in thousands):

	<u>Contract</u>	<u>Non-Contract</u>	<u>Total</u>
Vacation	\$19,128	\$11,274	\$30,402
Sick Leave	12,763	5,412	18,175
TOWP	-	4,566	4,566
Total	<u>\$31,891</u>	<u>\$21,252</u>	<u>\$53,143</u>

J. Long-Term Obligations

The portion of long-term debt expected to be financed from expendable available financial resources is reported as a fund liability of the Debt Service 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.

K. 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.

L. 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 GAAP. Such data is not comparable to a consolidation, since interfund eliminations have not been made.

M. Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

(3) Cash and Investments

At June 30, 1995, the MTA's carrying amount of cash in checking and money market accounts was \$363,427,000 while the bank balance was \$387,880,000, with the difference represented primarily by outstanding checks. Two bank accounts were covered by Federal Depository Insurance for up to \$100,000 each and \$387,680,000 was covered by collateral held in the pledging bank's trust department or agent, but not 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 circumstance 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.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

Investments may be made within the following approved instrument guidelines:

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

During the year ended June 30, 1995, MTA reported net interest income of \$42,000 on investments in fully collateralized reverse repurchase agreements. There were no reverse repurchase agreements in the investment accounts at June 30, 1995.

At June 30, 1995, MTA owned \$1,000,000 par value notes of the International Bank for Reconstruction and Development (World Bank) with a cost of \$1,005,000. This investment was sold on October 27, 1995 at \$941,000, bringing the portfolio in compliance with the MTA's Statement of Investment Policy and the California Government Code.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

At June 30, 1995, the MTA included in their investment holdings the following derivative securities, which are investments whose value depend on an index or another broad measure (in thousands):

<u>Security</u>	<u>Cost</u>	<u>Market Value</u>
International Bank for Reconstruction and Development	\$1,005	\$1,052
FHLMC CMO Series 1530-G	<u>3,026</u>	<u>2,931</u>
Total	<u>\$4,031</u>	<u>\$3,983</u>

Restricted cash and investments are comprised of assets set aside for funding self-insurance claims, 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.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

Investments at June 30, 1995 consisted of the following (in thousands):

	Categories			Book Value	Market Value
	1	2	3		
<u>Investments:</u>					
U.S. Treasury Securities			\$ 140,182	\$ 140,182	\$ 140,757
U.S. Agency Securities			65,523	65,523	65,856
Commercial Paper			64,869	64,869	65,435
Corporate Notes & Bonds			101,621	101,621	100,789
State and Local Gov't Securities			<u>33,446</u>	<u>33,446</u>	<u>33,850</u>
Total Categorized Investments			<u>\$ 405,641</u>	<u>405,641</u>	<u>406,687</u>

Investments in:

Certificates of Deposits		33,687	33,687
Mutual Funds		118,955	118,955
Bond Funds		15,000	14,799
Investment Contracts		150,851	150,851
Investment Pool		308,850	308,850
Pension Plan Investments		485,865	595,690
Others		<u>8,905</u>	<u>8,905</u>
Total		<u>1,122,113</u>	<u>1,231,737</u>
Total Investments		<u>\$1,527,754</u>	<u>\$1,638,424</u>

At June 30, 1995, the MTA's cash and investments consisted of the following (in thousands):

Cash	\$ 363,427
Investments	<u>1,527,754</u>
Total	<u>\$1,891,181</u>

Reported as:

Cash and cash equivalents	\$ 942,956
Restricted cash and equivalents	64,681
Restricted investments	769,191
Deferred compensation plans investments	92,704
401K plan investments	<u>21,649</u>
Total	<u>\$1,891,181</u>

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

(4) Fixed Assets

In an effort to report capital projects consistent with governmental entities, effective July 1, 1994, the MTA transferred construction in progress from the Enterprise Fund to the General Fixed Asset Account Group. The transfer included amounts related to the Gateway Project and other capital expenditures not financed through the Enterprise Fund. The total amount of such assets transferred to the General Fixed Asset Account Group was \$171,256,000, of which \$122,049,000 was accounted for as a residual equity transfer, with the difference representing a transfer of the related liability to the Capital Projects Funds. For the year ended June 30, 1995, expenditures related to these projects are included as capital outlays in the Capital Projects Funds and additions in the General Fixed Asset Account Group.

A summary of changes in the General Fixed Asset Account Group for the year ended June 30, 1995 follows (in thousands):

	<u>Balance</u> <u>July 1, 1994</u>	<u>Reclassification</u> <u>and Residual</u> <u>Equity Transfer</u>	<u>Additions</u>	<u>Deletion</u>	<u>Balance</u> <u>June 30, 1995</u>
Land	\$ 818,928	\$ 292	\$ 47,442	\$347	\$ 866,315
Contributed Capital - SCRRRA	99,645	-	19,258	-	118,903
Construction in Progress:					
Metro Green Line, facilities	479,345	-	77,088	-	556,433
Metro Rail, MOS 2 facilities	688,998	-	236,581	-	925,579
Metro Rail, MOS 3 facilities	55,616	-	165,613	-	221,229
Pasadena Line	87,666	-	41,061	-	128,727
Gateway Project	-	82,718	151,841	-	234,559
Other construction in progress	<u>138,303</u>	<u>88,246</u>	<u>108,494</u>	<u>-</u>	<u>335,043</u>
Total	<u>\$ 2,368,501</u>	<u>\$ 171,256</u>	<u>\$ 847,378</u>	<u>\$347</u>	<u>\$ 3,386,788</u>

The following is a summary of Enterprise Fund fixed assets at June 30, 1995 (in thousands):

	<u>Balance</u>
Vehicles	\$ 660,408
Land	290,733
Bus Maintenance and Office Equipment	332,513
Building and Structures	<u>1,882,101</u>
Total Cost	3,165,755
Less: Accumulated Depreciation	<u>(763,695)</u>
Net Fixed Assets	<u>\$2,402,060</u>

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued) June 30, 1995

(5) 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 payable from governmental and proprietary activities. Long-term obligations also consist of special assessment bonds which are payable from fiduciary (agency) fund activities.

General Long-Term Debt Account Group

A summary description of bonds, notes and other liabilities recorded in the General Long-Term Debt Account Group as of June 30, 1995 follows (see note 6):

Sales Tax Revenue Bonds - Sales Tax Revenue Bonds are primarily Proposition A and C bonds which were issued to provide funds for the acquisition and construction of major capital facilities.

Sales Tax Revenue Refunding Bonds - Sales tax revenue refunding bonds (refunding bonds) were issued to provide funds for retiring previously issued sales tax revenue bonds. Generally, refunding bonds are issued to reduce debt service costs of the MTA as a result of more favorable interest rates being available.

Leveraged Lease Revenue Bonds - Leveraged lease revenue bonds were issued to finance the purchase of light rail cars. Basic provision of the financing program called for the purchase price paid by the leasing agent to be paid 80% in U.S. Dollars and 20% in 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.

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

Commercial Paper Notes - The MTA issued commercial paper notes (CPN), taxable and tax exempt, with original maturity dates ranging from seven to 200 days at various interest rates. Under the terms of the notes, after January 28, 1995, the term of the notes can be extended for one year periods thereafter. It is the intention of the MTA to pay the accrued interest and roll over or reissue the principal amounts as they mature, on a year by year basis. The proceeds from the CPNs were used to finance operating activities including rail construction and land acquisition.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

Redevelopment and Housing Bonds - As part of the MTA's commitment to assist in the revitalization of certain areas in the County, the MTA entered into an agreement with the Community Redevelopment Financing Authority (CRFA) of the Community Redevelopment Agency of the City of Los Angeles (CRA) for financing the Grand Central Square Multi-family Housing and Redevelopment Project. Under this agreement, a housing bond and a redevelopment bond were issued, secured by real property of the Grand Central Square Project. The project is completed and MTA is currently making payments for the debt service related to these bonds.

General Revenue Bonds - These bonds were issued to finance the cost of the new 26-story headquarters building for the MTA, including parking and related improvements.

The following schedule summarizes the changes, which occurred during the year ended June 30, 1995, in the liabilities reported in the General Long-Term Debt Account Group (in thousands):

	Balance July 1, 1994	Additions	Payments	Reduction For Bonds Defeased in Prior Years	Balance June 30, 1995
Sales Tax Revenue Bonds and Refunding Bonds	\$3,252,688	\$ 5,451	\$ 23,335	\$1,077,129	\$2,157,675
Grand Central Square Bonds					
Redevelopment Bonds	21,665	-	-	-	21,665
Lease Revenue Bonds	-	9,448	-	-	9,448
General Revenue Bonds	-	169,500	-	-	169,500
Lease Revenue Bonds	<u>32,323</u>	<u>250</u>	<u>1,430</u>	<u>-</u>	<u>31,143</u>
Total Bonded Debt	3,306,676	184,649	24,765	\$1,077,129	2,389,431
Commercial Paper Notes	334,862	67,680	98,830	-	303,712
Certificates of Participation	<u>19,240</u>	<u>-</u>	<u>1,830</u>	<u>-</u>	<u>17,410</u>
Total	<u>\$3,660,778</u>	<u>\$252,329</u>	<u>\$125,425</u>	<u>\$1,077,129</u>	<u>\$2,710,553</u>

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

**Notes to Combined Financial Statements (continued)
June 30, 1995**

At June 30, 1995, the MTA has outstanding debt as show below in the General Long-Term Account Group (in thousands):

Description	Date of Issue	Final Maturity	Interest Rate	Original Amount	Balance Outstanding
Sales Tax Revenue Bond, Series 1986-A	1986	2016	6.2%-7.6%	\$ 157,615	\$ 49,985
Sales Tax Revenue Refunding Bonds, Series 1987-A	1987	2017	6.0%-8.0%	271,550	10,035
Sales Tax Revenue Refunding Bonds, Series 1988-A	1988	2018	5.6%-8.125%	112,274	13,010
Sales Tax Revenue Refunding Bonds, Series 1989-A	1989	2019	6.2%-7.4%	174,304	166,540
Sales Tax Revenue Bonds, Series 1991-A	1991	2003	5.85%-6.9%	500,000	40,620
Sales Tax Revenue Refunding Bonds, Series 1991-B	1991	2018	4.9%-6.5%	281,425	271,095
Sales Tax Revenue Refunding Bonds, Series 1992-A	1992	2012	5.86%	98,700	98,700
Sales Tax Revenue Refunding Bonds, Series 1992-B	1992	2004	5.0%-6.0%	107,665	107,665
Sales Tax Revenue Proposition C Second Sr. Bonds, Series 1992-A	1992	2023	3.75%-6.75%	516,885	324,835
Sales Tax Revenue Proposition A Refunding Bonds, Series 1993-A	1993	2021	3.5%-6.25%	560,570	558,745
Sales Tax Revenue Proposition C Refunding Bonds, Second Sr. Bonds, Series 1993-A	1993	2020	Variable	204,095	204,095
Sales Tax Revenue Proposition C Second Sr. Bonds, Series 1993-B	1993	2023	4.75%-8.0%	312,350	312,350
Grand Central Square Redevelopment Bonds, Series 1993-A	1993	2027	5.9%	21,665	21,665
Grand Central Square Housing Bonds, Series 1993-A	1993	2027	5.75%-5.85%	9,448	9,448
General Revenue Bonds, Series 1995-A	1995	2025	Variable	169,500	169,500
Lease Revenue Bonds	1990	2006	7.375%	26,400	22,198
Yen Obligation	1991	2006	4.940%	6,600	8,945
Certificates of Participation, Series 1991-G	1991	2004	4.9%-6.5%	19,340	14,775
Certificates of Participation, Series 1992-C	1992	2004	2.9%-6.0%	3,390	2,635
Commercial Paper Notes	1991		Various	345,000	<u>303,712</u>
Total					<u>\$2,710,553</u>

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Notes to Combined Financial Statements (continued)
June 30, 1995

The annual funding requirements (principal and interest) for the General Long-Term Debt Account Group liability at June 30, 1995 are as follows (in thousands):

Year Ending <u>June 30</u>	<u>Bonded Debt</u>	<u>Other Debt</u>	<u>Governmental Funds Debt</u>
1996	\$ 167,735	\$ 14,385	\$ 182,120
1997	172,591	14,304	186,895
1998	174,866	14,218	189,084
1999	175,367	14,132	189,499
2000	175,840	14,038	189,878
Thereafter	<u>3,924,211</u>	<u>318,513</u>	<u>4,242,724</u>
Total principal and interest	4,790,610	389,590	5,180,200
Less: Amount representing interest and accreted value	<u>2,401,179</u>	<u>68,468</u>	<u>2,469,647</u>
Total	<u>\$2,389,431</u>	<u>\$321,122</u>	<u>\$2,710,553</u>

Proprietary Fund Types

The portion of outstanding debt related to operations of the Enterprise Fund and the Internal Service Fund are included in the accounts of the Proprietary Fund Types. A summary of debt service requirements, including principal and interest as of June 30, 1995, 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 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, 1995 is \$3,320,000 at interest rates ranging from 3.5% to 6.25%.

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. The fixed interest rates range 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, 1995 is \$153,900,000.

Certificates of Participation (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 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.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

(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, 1995 is \$88,780,000.

The annual funding requirements (principal and interest) for the Long-term Debt outstanding of the Proprietary Fund Type at June 30, 1995 are as follows (in thousands):

Year Ending June 30	Certificates of Participation	Equipment Trust Certificates	Total
1996	\$ 31,412	\$ 3,436	\$ 34,848
1997	30,968	-	30,968
1998	30,563	-	30,563
1999	29,992	-	29,992
2000	29,352	-	29,352
Thereafter	<u>206,686</u>	<u>-</u>	<u>206,686</u>
Total Principal and Interest	358,973	3,436	362,409
Less: Amount representing interest	<u>116,293</u>	<u>116</u>	<u>116,409</u>
Total	<u>\$ 242,680</u>	<u>\$ 3,320</u>	<u>\$246,000</u>
Enterprise Fund	\$ 88,780	\$3,320	\$ 92,100
Internal Fund	<u>153,900</u>	<u>-</u>	<u>153,900</u>
Total	<u>\$242,680</u>	<u>\$3,320</u>	<u>\$246,000</u>

Fiduciary Fund Type

Included in the Fiduciary Fund Type are accounts related to the BADs. The BADs have issued revenue bonds as described below:

Benefit Assessment District's 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).

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

The A1 and A2 Bonds total \$152,985,000 and \$8,065,000, 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 \$161,050,000 is not payable from any revenue or asset of the MTA. Accordingly, no liability has been recorded in the accompanying financial statements.

(6) Advance Refunding of Debt

In prior years, the MTA advance refunded various bond issues by issuing refunding bonds and depositing the proceeds into separate irrevocable escrow accounts to purchase U.S. Government securities. The following schedule presents the cash flow savings and the economic gain at the date of refunding (in thousands):

	<u>Refunding Issue</u>	<u>Defeased Debt</u>	<u>Cash Flow Savings</u>	<u>Economic Gain</u>
Prop A, Sales Tax Revenue Refunding Bonds, Series 1991-B	\$ 281,425	\$ 246,697	\$14,689	\$14,233
Prop A, Sales Tax Revenue Refunding Bonds, Series 1992-A&B	206,365	186,047	11,636	10,368
Prop A, Sales Tax Revenue Refunding Bonds, Series 1993-A	560,570	490,970	19,457	18,955
Prop C, Sales Tax Revenue Refunding Bonds, Series 1993-A	<u>204,095</u>	<u>178,205</u>	<u>8,275</u>	<u>7,871</u>
Total	<u>\$1,252,455</u>	<u>\$1,101,919</u>	<u>\$54,057</u>	<u>\$51,427</u>

To reflect the MTA's obligation for tax revenue bonds currently outstanding, the MTA restated the fund balance of the Debt Service Fund at June 30, 1994 and eliminated \$1,077,129,000 from the General Long-Term Debt Account Group to reflect this defeasance of certain bonds.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

The following is a reconciliation of the Debt Service Fund balance at June 30, 1994 as restated for the prior years' bond defeasance (in thousands):

	<u>Debt Service Fund Balance</u>
June 30, 1994 as previously reported	\$1,148,555
Restatement for prior years' defeased debt	<u>(1,083,346)</u>
June 30, 1994 as restated	<u>\$ 65,209</u>

The trust account assets and corresponding liabilities for these defeased bonds are not reflected on the accompanying financial statements. On June 30, 1995, \$1,077,129,000 of bonds outstanding was considered defeased.

(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 year ended June 30, 1995 were \$10,733,000. Future minimum lease payments for these leases are as follows (in thousands):

Year Ending <u>June 30,</u>	
1996	\$ 4,339
1997	1,843
1998	431
1999	194
2000	104
Thereafter	<u>37</u>
Total	<u>\$ 6,948</u>

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

(8) Pensions and Post-Retirement Benefits

The MTA currently has pension plans that cover the former Commission employees and the former District employees and new 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, 1995 was \$27,213,000 out of a total payroll of \$27,814,000.

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 line 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.

For the year ended June 30, 1995, the MTA's contribution rate was 13.825% of covered payroll. This rate included the mandatory employee contributions of 7.0%, which have been assumed by the MTA. Effective July 1, 1995, the rate will be 13.796% of covered payroll. This rate comprises the following:

Employer current normal cost	6.796 %
Employee normal cost	<u>7.000 %</u>
Total	<u>13.796 %</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. 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.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

The pension benefit obligation has been computed as part of an actuarial valuation performed as of June 30, 1994, and reflects all plan amendments adopted through June 30, 1994. Significant actuarial assumptions used in the valuation include:

- A rate of return on the investment of present and future assets of 8.5% per year compounded annually.
- Projected salary increases of 4.5% per year compounded annually, attributable to inflation.

Net assets in excess of pension benefit obligation applicable to MTA employees at June 30, 1994 are as follows (in thousands):

Retirees and beneficiaries currently receiving benefits and terminated employees not yet receiving benefits	\$ 749
Current employees: Accumulated employee contributions including allocated investment earnings	9,743
Employer financed vested	3,274
Employer financed non-vested	<u>3,450</u>
Total Pension Benefit Obligation	17,216
Less: Net Assets available for benefits at cost (market value is \$24,128,000)	<u>24,201</u>
Net Assets in Excess of Pension Benefit Obligation	<u>\$ 6,985</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 the Entry Normal Age Actuarial 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 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.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

Total contributions to PERS for the year ended June 30, 1995 were \$3,786,000, 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 \$1,929,000 for the year ended June 30, 1995.

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 fiscal year 1987, is not available.

The following historical trend information for the seven years ended June 30, 1994, the only years that such information is available for PERS, is presented below (in thousands):

Fiscal Year	Net Assets Available for Benefits	Pension Benefit Obligation	% Funded	Net Assets in Excess of Pension Benefit Obligation	Annual Covered Payroll	Net Assets in Excess of Pension Benefit Obligation as a % of Covered Payroll	Total Contributions	Contributions as a % of Annual Covered Payroll
1987	\$ 2,184	\$ 1,425	153.3	\$ 759	\$ 3,843	19.8	\$ 471	12.3
1988	2,933	2,036	144.1	897	4,637	19.4	535	11.5
1989	3,398	2,802	121.3	596	5,792	10.3	649	11.2
1990	4,668	4,029	115.9	639	9,717	6.6	896	9.2
1991	6,688	6,055	110.5	633	19,307	3.3	1,885	9.8
1992	10,512	9,704	108.3	808	30,199	2.7	3,313	11.0
1993	16,136	14,325	112.6	1,811	37,199	4.9	4,571	12.3
1994	24,201	17,215	140.6	6,986	33,271	21.0	4,350	13.1

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 provides 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, 1994 was \$332,858,000. The MTA's total payroll for employees covered by these Plans for the

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

year ended June 30, 1995 was \$372,521,000. Generally, the differences between covered and total payrolls are a result of the exclusion of most overtime hours and of part-time employees.

At December 31, 1994 (the most recent actuarial valuation date), employee membership data related to the plans was 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	117	1,161	362	351	1,991
Active participants:					
Vested	355	1,728	834	845	3,762
Non Vested	<u>327</u>	<u>2,091</u>	<u>1,135</u>	<u>888</u>	<u>4,441</u>
Total	<u>799</u>	<u>4,980</u>	<u>2,331</u>	<u>2,084</u>	<u>10,194</u>

All employees, except non-contract employees, contribute specified percentages, as recommended by the Plan's actuary, of their annual compensation 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 credit 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, 1994. 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 increase of 5% and no post-retirement benefit increases.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

Total unfunded pension benefit obligation applicable to the MTA at December 31, 1994 was 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	\$ 9,252	\$ 91,997	\$ 31,438	\$ 43,267	\$ 175,954
Current employees: Accumulated employee contributions, including allocated investment income	4,568	41,821	16,841	7,471	70,701
Employer financed vested	6,662	63,205	32,999	34,889	137,755
Employer financed non-vested	<u>11,900</u>	<u>102,168</u>	<u>44,434</u>	<u>30,083</u>	<u>188,585</u>
Total pension benefit obligation	32,382	299,191	125,712	115,710	572,995
Net assets available for benefits, at cost	<u>30,356</u>	<u>244,861</u>	<u>111,714</u>	<u>108,988</u>	<u>495,919</u>
Unfunded Pension Benefit Obligation	<u>\$ 2,026</u>	<u>\$ 54,330</u>	<u>\$ 13,998</u>	<u>\$ 6,722</u>	<u>\$ 77,076</u>

Net assets available for plan benefits at market value were \$534,844,000 at December 31, 1994.

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, 1995 were made in accordance with the actuarially determined requirements computed as of December 31, 1993.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

Contributions to the Plans and the rate to covered employees for the year ended June 30, 1995 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:					
Normal costs	\$ 957	\$ 9,644	\$ 4,702	\$ 2,970	\$18,273
Unfunded Liability (Surplus)	<u>(211)</u>	<u>(1,954)</u>	<u>146</u>	<u>263</u>	<u>(1,756)</u>
MTA's contribution	746	7,690	4,848	3,233	16,517
Employees' contribution	<u>741</u>	<u>7,657</u>	<u>2,623</u>	<u>15</u>	<u>11,036</u>
Total contributions	<u>\$1,487</u>	<u>\$15,347</u>	<u>\$7,471</u>	<u>\$3,248</u>	<u>\$27,553</u>

Contributions as a percentage of covered payroll:

MTA's contribution	2.17%	3.80%	5.78%	6.23%
Employees' contribution	3.44%	5.48%	3.22%	0.02%

The above presentations include the combined funding status and contributions to the "base plan" and the "23 years/50% plan" for contract 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 \$47,400,000 at December 31, 1994. The related fund deficit of the 23 years/50% component totaled \$3,796,000 at December 31, 1994.

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>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>
TCU	93.7%	97.9%	92.3%	96.1%
UTU	81.8%	87.2%	85.4%	89.5%
ATU	88.9%	88.9%	85.7%	89.2%
Non-Contract	94.2%	98.4%	92.5%	95.2%

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

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

	December 31,			
	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>
TCU	10.5%	3.0%	10.0%	4.9%
UTU	33.1%	23.5%	25.3%	17.1%
ATU	19.3%	16.5%	20.3%	14.4%
Non-Contract	8.7%	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:

	Plan Year Ended December 31,			
	<u>1994</u>	<u>1993</u>	<u>1992</u>	<u>1991</u>
TCU	3.88%	2.41%	2.37%	2.06%
UTU	4.68%	3.04%	2.92%	4.06%
ATU	6.69%	4.66%	4.14%	3.10%
Non-Contract	4.20%	4.84%	4.84%	4.47%

Ten-year 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 2,350 participants was \$3,891,000 for the year ended June 30, 1995. The liability for these benefits is included in the balance sheet as Post Retirement Benefits Payable.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

(9) Interfund Accounts

The following is a table summarizing interfund receivables and payables at June 30, 1995 (in thousands):

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Internal Service	FEMA Earthquake	\$ 441
Internal Service	Enterprise Fund	259,993
Rideshare Special Revenue Fund	Congestion Mitigation & Air Quality	608
Proposition A	Debt Service	2,048
Proposition A	Land Bank Corporation	25
Proposition C	Transportation Development Act-ART 4	16,674
Proposition C	FEMA Earthquake	319
Proposition C	Congestion Mitigation & Air Quality	4,486
Proposition C	Transportation Development Act-ART 4	226
Transportation Development Act-ART 4	Enterprise Fund	11,842
FHWA Earthquake	FEMA Earthquake	1,779
Light Rail Capital Projects	Proposition C	15,876
Metro Rail Capital Projects	Proposition C	11,497
Metro Rail Capital Projects	SB - 1995 Rail	25,869
Commuter Rail	Other Capital	49,344
Other Capital	Enterprise Fund	50,703
Other Capital	Proposition C	14,091
Other Capital	Transportation Development Act-ART 4	24,023
Enterprise Fund	Internal Service Fund	39,377
Enterprise Fund	State Transit Assistance	10,011
Enterprise Fund	Proposition A	3,836
Enterprise Fund	Proposition C	35,810
Enterprise Fund	Congestion Mitigation & Air Quality	593
Enterprise Fund	Transportation Development Act-ART 4	6,820
Enterprise Fund	FEMA Earthquake	1,291
Enterprise Fund	Debt Service	51
Enterprise Fund	Light Rail Capital Projects	23,264
Enterprise Fund	Metro Capital Projects	20,764
Enterprise Fund	Commuter Rail	3,255
Enterprise Fund	Other Capital	<u>107,497</u>
	TOTAL	<u>\$742,413</u>

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

The following is a summary of operating transfers:

Transfer From	Transfer to					Total
	General	Special Revenue	Debt Service	Capital Project	Proprietary	
Special Revenue	\$24,568	\$32,949	\$135,751	\$155,414	\$364,295	\$712,977
Capital Project	4,500	-	7,473	143	-	12,116
Debt Service	-	-	8,412	2,144	-	10,556
Total	<u>\$29,068</u>	<u>\$32,949</u>	<u>\$151,636</u>	<u>\$157,701</u>	<u>\$364,295</u>	<u>\$735,649</u>

(10) Deferred Compensation and Savings Plan

Deferred Compensation Plans

The MTA has two deferred compensation plans established in accordance with IRC Section 457 which permits employees to defer a portion of their current salary to future years. The first plan is self administered and covers former District employees and MTA employees hired after April 1, 1993. Employee deferrals can be allocated between several investment options as directed by the employee. The second plan is administered by a third party administrator and covers former commission employees. Employee deferrals can be allocated between eight investment funds as directed by the employee and managed by the plan administrator. It is the intention of the MTA to combine these plans and use a third party administrator to facilitate management of these plans in the future.

All deferred compensation held or invested under the deferred compensation plans and any income thereon are solely the property of the MTA until paid or made available to the employee or other beneficiary. Deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. Participants rights are equal to those of general creditors of the MTA in an amount equal to the fair market value of the deferred account for each participant. The MTA believes that it is unlikely that it will use the assets to satisfy the claims of general creditors in the future.

In the opinion of management, the MTA has no liability for losses under the plans, but does have the fiduciary responsibility of due professional care that would be required from a prudent investor. Accordingly, assets of the deferred compensation plans and the related liability to employees are recorded in the fiduciary fund.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

At June 30, 1995, the deferred compensation plans included the following assets (in thousands):

Cash and cash equivalents	\$ 30,109
Mutual funds at market value	<u>62,595</u>
Total	<u>\$ 92,704</u>

401 (k) Savings Plan

The MTA also offers a deferred savings plan to non-contract employees created in accordance with IRC Section 401(k). Under this plan, employees may contribute up to 15% of their earnings (10% for highly compensated employees) not to exceed \$9,240 in calendar year 1995.

The savings plan is self administered with participants directing the MTA to invest funds based on several investment options. Plan benefits are based solely on amounts contributed by employees to their own accounts. Withdrawals are not available to employees until termination, retirement, age 59 1/2, death or unforeseen emergency.

Unlike assets of the deferred compensation plans, assets of the 401(k) savings plan are not the property of the MTA, and therefore, are not subject to the claims by creditors in case of bankruptcy. 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.

At June 30, 1995, the 401(k) Savings Plan included the following assets (in thousands):

Cash and cash equivalents	\$ 8,590
Mutual funds at market value	<u>13,059</u>
Total	<u>\$ 21,649</u>

Employees may participate in both the 401(k) savings plan and the deferred compensation plans; however, amounts placed in the deferred compensation plans must be reduced by deferrals made in the savings plan. The maximum annual combined contribution per calendar year using both plans is \$7,500.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued) June 30, 1995

(11) 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 assumed 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 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 damages that have been incurred, but have no claims reported.

The MTA is fully self-insured for workers' compensation claims. The reserve set aside for outstanding liabilities through June 30, 1995 is \$69,551,000.

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 and (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, \$65 million for bus operations, and a 5% value per site deductible. The MTA reserves set aside for the incurred and outstanding liabilities through June 30, 1995 is \$56,446,000.

The reserves for the workers' compensation and the public liability and property damage claims are actuarially determined and subject to periodic adjustment as conditions warrant. The reserves are discounted using an average rate of return of 6.0%. The MTA believes that the estimated liability for self-insured claims at June 30, 1995 will be sufficient to cover any costs arising out of claims filed or to be filed for incidents which occurred through that date.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

The following table summarizes changes in the insurance reserves for the years ended June 30, 1995 and 1994 (in thousands):

	Property and Casualty		Workers' Compensation		Total	
	1995	1994	1995	1994	1995	1994
Unpaid claims and claim adjustment expenses at beginning of the fiscal year	\$46,227	\$53,326	\$84,862	\$89,705	\$131,089	\$143,031
Incurred claims and claim adjustment expenses:						
Provisions for insured events of the current fiscal year	22,444	22,751	19,783	26,663	42,227	49,414
Increases(decreases) in provision for insured events of prior fiscal years	8,985	(2,225)	(5,031)	(7,482)	3,954	(9,707)
Total incurred claims and claims adjustment expenses	77,656	73,852	99,614	108,886	177,270	182,738
Payments:						
Claims and claim adjustment expenses attributable to insured events of the current fiscal year	(1,219)	(1,242)	(5,022)	(3,964)	(6,241)	(5,206)
Claims and claim adjustment expenses attributable to insured events of prior fiscal years	(19,991)	(26,383)	(25,041)	(20,060)	(45,032)	(46,443)
Total Payments	(21,210)	(27,625)	(30,063)	(24,024)	(51,273)	(51,649)
Total unpaid claims and claim adjustment expenses at the end of the fiscal year	\$56,446	\$46,227	\$69,551	\$84,862	\$125,997	\$131,089

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

(12) Changes in Proprietary Fund Equity Balances

The changes in the Enterprise Fund equity balances for the year ended June 30, 1995 are as follows (in thousands):

	Retained Earnings	Contributed Capital			Total
		Federal	State	Local	
Balance, July 1, 1994	(\$27,211)	\$948,757	\$222,719	\$1,340,035	\$2,484,300
Residual equity transferred out to General Fixed Assets Account Group	-	(40,431)	264	(81,882)	(122,049)
Adjusted Balance for Residual Equity Transfers	(27,211)	908,326	222,983	1,258,153	2,362,251
Decrease in Retained Earnings	(4,602)	-	-	-	(4,602)
Depreciation on fixed assets acquired by grants externally restricted for capital	-	(49,863)	(5,054)	(58,782)	(113,699)
Capital grants	-	33,650	(18)	29,711	63,343
Contributed capital	6,521	-	-	(6,521)	-
Balance, June 30, 1995	<u>(\$25,292)</u>	<u>\$892,113</u>	<u>\$217,911</u>	<u>\$1,222,561</u>	<u>\$2,307,293</u>

(13) Reserved and Designated Fund Balances

The following descriptions relate to the MTA's reserved and designated 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 certain non-current assets such as 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.

Reserved for Employees Retirement System - Established to reflect fund balances restricted to provide retirement benefits in future years.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

(14) Deficit Fund/Retained Earnings Balances

As of June 30, 1995, the Ridesharing Fund and the Internal Service Fund had deficit balances of \$2,228,000 and \$384,000, respectively. Management believes these deficits are temporary and will be recovered from future operating transfers.

(15) Individual Funds With Excess of Expenditures Over Appropriations

The following individual fund expenditures exceeded appropriations during the year (in thousands):

<u>Fund</u>	<u>Amount of Expenditures Over Appropriations</u>
General Fund	<u>\$4,090</u>

(16) 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. Five of these major projects are the Red Line segments MOS-2 and MOS-3, the Metro Green Line, Metro Pasadena Blue Line, and the Gateway Project.

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, 1995. 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, 1995. 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 were used to fund this project. The project commitments through June 30, 1995 are \$645 million representing approximately 90% of the total budget.

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

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued) June 30, 1995

be used to fund this project. The project commitments through June 30, 1995 are \$110 million representing approximately 13% of the total budget.

The Gateway Project is a Public Transit Plaza and a 26-story office building being constructed for the principal offices of the MTA. The office building includes over 628,000 gross square feet of office space and approximately 800 parking spaces designed to accommodate 1,900 employees. The Project, scheduled for completion in September 1995, is located in the northeast portion of downtown Los Angeles near the Union Station depot. MTA anticipates that the Project, together with adjacent public transit improvements, will become a transportation hub for the region, with five Metrolink lines, the Metro Red Line, the Metro Blue Line and Amtrak all using the facilities.

Purchase Commitment

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.

(17) Earthquake

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 SCRRRA's Metrolink System, provided additional rail service. The SCRRRA 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, 1995, the MTA had disbursed a total of \$61.7 million related to the earthquake. FEMA advanced MTA \$16.1 million which is recorded as a liability in the accompanying financial statements. Amounts that have been billed to FEMA, but not paid, and amounts to be billed will be offset against this balance during the final audit of these projects and the balance remaining, if any, will be returned to FEMA.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

(18) Litigation and Other Contingencies

The MTA is 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 materially 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 deferred "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.

(19) Joint Powers

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 \$107,707,000 as of June 30, 1995. 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, 1996.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued) June 30, 1995

Summary financial (unaudited) information for the SCRRRA as of and for the year ended June 30, 1995 is as follows (in thousands):

Current Assets	\$ 53,127
Property and equipment	<u>676,466</u>
Total Assets	<u>\$729,593</u>
Total Liabilities	\$ 64,651
Total Equity	<u>664,942</u>
Total Liabilities and Equity	<u>\$729,593</u>
Total Revenues	\$ 53,627
Total Expenses	(80,356)
Contributed Capital Adjustment for Depreciation	<u>27,786</u>
Net Increase in Retained Earnings	<u>\$ 1,057</u>

(20) Subsequent Events

Sales Tax Revenue Bonds

On July 26, 1995 the MTA issued Proposition C Sales Tax Revenue Bonds, Second Senior Bonds, Series 1995-A in the amount of \$250,000,000. The proceeds of the Series 1995-A Bonds will be used to finance the cost of various transit projects, to fund a reserve with respect to the Series 1995-A Bonds, to fund capitalized interest on the Series 1995-A Bonds, and to pay the costs associated with issuing the Series 1995-A Bonds. The Bonds are secured by and payable from pledged revenues as second bonds on a parity with the MTA's Proposition C Sales Tax Revenue Bonds.

Green Line

The third light rail line, the Green Line, consisting of 19.5 miles between Norwalk and El Segundo, began operating in August 1995. The Green Line connects with the Blue Line, allowing commuters an efficient and convenient commute to downtown Los Angeles.

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Notes to Combined Financial Statements (continued)
June 30, 1995

State Legislation

On September 15, 1995, the State legislature approved a plan to have the MTA make available to the County \$150 million. This was to take the form of a grant of \$50 million to the County and a 5-year, non-interest bearing loan of \$100 million. The County had until October 1, 1995 to request the loan but did not exercise this option.

The Gateway Project

As of December 18, 1995, the MTA completed the move of employees to the 26-story Gateway Office Building.



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General Fund

Los Angeles County Metropolitan Transportation Authority
 General Fund
 Comparative Balance Sheets
 June 30, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Assets		
Cash and cash equivalents	\$ -	\$ 11,279
Receivables:		
Notes	2,997	2,191
Interest	13	52
Leases and other	706	538
Prepaid and other assets	-	10
Restricted assets:		
Interest in property held for resale	850	150
Total assets	\$ 4,566	\$ 14,220
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 3,174	\$ 6,273
Due to other governments	-	818
Interfund payables	141	3,470
Compensated absences payable	-	494
Other liabilities	-	124
Total liabilities	3,315	11,179
Fund Balances:		
Reserved for notes receivable	1,251	2,191
Reserved for prepaid and other items	-	160
Unreserved	-	690
Total fund balances	1,251	3,041
Total liabilities and fund balances	\$ 4,566	\$ 14,220

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

Los Angeles County Metropolitan Transportation Authority
 General Fund
 Comparative Statement of Revenues, Expenditures
 and Changes in Fund Balances
 For the years ended June 30, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Revenues:		
Licenses and Fines	\$ 191	\$ 142
Intergovernmental	26	87
Investment income	380	316
Miscellaneous	<u>401</u>	<u>221</u>
Total revenues	<u>998</u>	<u>766</u>
Expenditures:		
Current:		
Administration and other	31,826	17,385
Transportation subsidies	<u>30</u>	<u>1,705</u>
Total expenditures	<u>31,856</u>	<u>19,090</u>
(Deficiency) of revenues over expenditures	<u>(30,858)</u>	<u>(18,324)</u>
Other Financing Sources (Uses):		
Operating transfers in	29,068	28,681
Operating transfers out	<u>-</u>	<u>(4,679)</u>
Total other financing sources (uses)	<u>29,068</u>	<u>24,002</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(1,790)	5,678
Fund balances beginning of year	<u>3,041</u>	<u>(2,637)</u>
Fund balances end of year	<u>\$ 1,251</u>	<u>\$ 3,041</u>

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

Los Angeles County Metropolitan Transportation Authority
 General Fund
 Comparative Statement of Revenues, Expenditures
 and Changes in Fund Balances - Budget and Actual
 For the years ended June 30, 1995 and 1994
 (Amounts expressed in thousands)

	1995			1994		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Licenses and fines	\$ -	\$ 191	\$ 191	\$ -	\$ 142	\$ 142
Intergovernmental	-	26	26	-	87	87
Lease termination revenue	-	-	-	-	-	-
Investment income	-	380	380	-	316	316
Miscellaneous	-	401	401	-	221	221
Total revenues	-	998	998	-	766	766
Expenditures:						
Current:						
Administration and other	23,500	31,826	(8,326)	19,400	17,385	2,015
Transportation subsidies	-	30	(30)	45,600	1,705	43,895
Capital outlays	-	-	-	-	-	-
Total expenditures	23,500	31,856	(8,356)	65,000	19,090	45,910
(Deficiency) of revenues over expenditures	(23,500)	(30,858)	(7,358)	(65,000)	(18,324)	46,676
Other Financing Sources (Uses):						
Operating transfers in	25,800	29,068	3,268	70,500	28,681	(41,819)
Operating transfers out	-	-	-	-	(4,679)	(4,679)
Total other financing sources (uses)	25,800	29,068	3,268	70,500	24,002	(46,498)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	2,300	(1,790)	(4,090)	5,500	5,678	178
Fund balances beginning of year	3,041	3,041	-	(2,637)	(2,637)	-
Fund balances end of year	\$ 5,341	\$ 1,251	\$ (4,090)	\$ 2,863	\$ 3,041	\$ 178

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



Special Revenue Funds

Los Angeles County Metropolitan Transportation Authority
Special Revenue Fund
Combining Balance Sheet
June 30, 1995
(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 State Freeway Emergencies</u>
Assets					
Cash and cash equivalents	\$ 94,083	\$ 260,518	\$ 17,620	\$ 3,092	\$ 17,057
Receivables:					
Notes	2,156	-	-	-	-
Interest	584	1,733	263	22	136
Sales tax	14,159	14,160	3,119	-	-
Intergovernmental	-	937	-	-	-
Lease and other	4,500	-	-	-	-
Interfund	2,073	21,701	-	608	-
Total assets	\$ 117,555	\$ 299,049	\$ 21,002	\$ 3,722	\$ 17,193
Liabilities and Fund Balances					
Liabilities:					
Accounts payable	\$ 1,875	\$ 9,791	\$ 946	\$ 263	\$ 986
Due to other governments	1,550	1,550	-	-	-
Interfund payable	3,836	77,274	10,012	5,687	-
Total liabilities	7,261	88,615	10,958	5,950	986
Fund Balances:					
Reserved for memoranda of understanding	108,138	210,434	10,044	-	16,207
Reserved for notes receivable	2,156	-	-	-	-
Unreserved	-	-	-	(2,228)	-
Total fund balances	110,294	210,434	10,044	(2,228)	16,207
Total liabilities and fund balances	\$ 117,555	\$ 299,049	\$ 21,002	\$ 3,722	\$ 17,193

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

Transportation Development Act	PVEA	Federal Aid Urban	Ports Highway Improvements Match	Budget Change Proposal Funds for Freeway Service and State TCI	FEMA and Other Earthquake Reimbursements	Federal Board of Education	Total
143,561	\$ 132	\$ 22,026	\$ 9,521	\$ 5,583	\$ 1,115	\$ 469	\$ 574,777
4,020	-	-	-	-	-	-	6,176
2,516	3	76	45	24	-	-	5,402
-	-	-	-	-	-	-	31,438
777	-	1,074	-	189	18,656	371	22,004
-	-	-	-	-	-	-	4,500
11,842	-	-	-	-	1,779	-	38,003
<u>162,716</u>	<u>\$ 135</u>	<u>\$ 23,176</u>	<u>\$ 9,566</u>	<u>\$ 5,796</u>	<u>\$ 21,550</u>	<u>\$ 840</u>	<u>\$ 682,300</u>
-	\$ -	\$ -	\$ -	\$ 2,545	\$ 1,720	\$ 679	\$ 18,805
-	-	238	-	-	16,000	-	19,338
47,742	-	-	-	-	3,830	-	148,381
47,742	-	238	-	2,545	21,550	679	186,524
110,954	-	22,938	-	-	-	161	478,876
4,020	-	-	-	-	-	-	6,176
-	135	-	9,566	3,251	-	-	10,724
114,974	135	22,938	9,566	3,251	-	161	495,776
<u>162,716</u>	<u>\$ 135</u>	<u>\$ 23,176</u>	<u>\$ 9,566</u>	<u>\$ 5,796</u>	<u>\$ 21,550</u>	<u>\$ 840</u>	<u>\$ 682,300</u>

Los Angeles County Metropolitan Transportation Authority
Special Revenue Fund
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the year ended June 30, 1995
(Amounts expressed in thousands)

	Proposition A	Proposition C	State Transit Assistance	Ridesharing and CMAQ	Service Authority State Freeway Emergencies
Revenues:					
Sales tax	\$ 384,139	\$ 384,029	\$ 22,088	\$ -	\$ -
Licenses and fines	-	-	-	-	7,104
Intergovernmental	-	734	-	1,270	-
Investment and other	2,781	12,972	1,117	422	752
Total revenues	386,920	397,735	23,205	1,692	7,856
Expenditures:					
Current:					
Administration and other	689	6,812	-	132	45
Transportation subsidies	128,498	209,274	2,193	2,379	3,354
Total expenditures	129,187	216,086	2,193	2,511	3,399
Excess of revenues over expenditures	257,733	181,649	21,012	(819)	4,457
Other Financing Sources (Uses):					
Operating transfers in	8,210	4,922	5,000	-	-
Operating transfers out	(306,875)	(237,322)	(22,356)	(9,000)	-
Total other financing sources (uses)	(298,665)	(232,400)	(17,356)	(9,000)	-
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(40,932)	(50,751)	3,656	(9,819)	4,457
Fund balances beginning of year	151,226	261,185	6,388	7,591	11,750
Fund balances end of year	\$ 110,294	\$ 210,434	10,044	\$ (2,228)	\$ 16,207

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

Transportation Development Act	PVEA	Federal Aid Urban	Ports Highway Improvements Match	Budget Change Proposal Funds for Freeway Service and State TCI	FEMA and Other Earthquake Reimbursements	Federal Board of Education	Total
198,810	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	989,066
-	-	-	-	-	-	-	7,104
-	15	-	-	4,260	3,121	460	9,860
7,743	25	666	415	91	-	-	26,984
206,553	40	666	415	4,351	3,121	460	1,033,014
65	-	5	109	-	-	-	7,857
78,386	450	1,450	-	5,884	3,500	1,102	436,470
78,451	450	1,455	109	5,884	3,500	1,102	444,327
128,102	(410)	(789)	306	(1,533)	(379)	(642)	588,687
14,014	-	-	-	-	-	803	32,949
(137,424)	-	-	-	-	-	-	(712,977)
(123,410)	-	-	-	-	-	803	(680,028)
4,692	(410)	(789)	306	(1,533)	(379)	161	(91,341)
110,282	545	23,727	9,260	4,784	379	-	587,117
114,974	135	22,938	9,566	3,251	-	161	495,776

Los Angeles County Metropolitan Transportation Authority
Proposition A Special Revenue Fund
Comparative Balance Sheets
June 30, 1995 and 1994
(Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Assets		
Cash and cash equivalents	\$ 94,083	\$ 135,140
Receivables:		
Notes	2,156	9,800
Interest	584	834
Sales tax	14,159	13,209
Leases & others	4,500	-
Interfund	2,073	2,073
Total assets	\$ <u>117,555</u>	\$ <u>161,056</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 1,875	\$ 4,243
Due to other governments	1,550	-
Interfund payable	3,836	5,587
Total liabilities	<u>7,261</u>	<u>9,830</u>
Fund Balances:		
Reserved for memoranda of understanding	108,138	141,426
Reserved for notes receivable	2,156	9,800
Total fund balances	<u>110,294</u>	<u>151,226</u>
Total liabilities and fund balances	\$ <u>117,555</u>	\$ <u>161,056</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, 1995 and 1994
(Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Revenues:		
Sales tax	\$ 384,139	\$ 360,023
Intergovernmental	-	872
Investment income	<u>2,781</u>	<u>6,231</u>
Total revenues	<u>386,920</u>	<u>367,126</u>
Expenditures:		
Current:		
Administration and other	689	666
Transportation subsidies	<u>128,498</u>	<u>127,825</u>
Total expenditures	<u>129,187</u>	<u>128,491</u>
Excess of revenues over expenditures	<u>257,733</u>	<u>238,635</u>
Other Financing Sources (Uses):		
Operating transfers in	8,210	-
Operating transfers out	(306,875)	(334,092)
Contributions from property owners	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>(298,665)</u>	<u>(334,092)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(40,932)	(95,457)
Fund balances beginning of year	<u>151,226</u>	<u>246,683</u>
Fund balances end of year	<u>\$ 110,294</u>	<u>\$ 151,226</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, 1995 and 1994
(Amounts expressed in thousands)

	1995			1994		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Sales tax	\$ 379,000	\$ 384,139	\$ 5,139	\$ 347,400	\$ 360,023	\$ 12,623
Intergovernmental	-	-	-	-	872	872
Investment income	3,000	2,781	(219)	3,000	6,231	3,231
Total revenues	382,000	386,920	4,920	350,400	367,126	16,726
Expenditures:						
Current:						
Administration and other	11,000	689	10,311	10,900	666	10,234
Transportation subsidies	137,200	128,498	8,702	136,600	127,825	8,775
Total expenditures	148,200	129,187	19,013	147,500	128,491	19,009
Excess of revenues over expenditures	233,800	257,733	23,933	202,900	238,635	35,735
Other Financing Sources (Uses):						
Operating transfers in	-	8,210	8,210	-	-	-
Operating transfers out	(359,700)	(306,875)	52,825	(273,200)	(334,092)	(60,892)
Contributions from property owners	-	-	-	-	-	-
Total other financing sources (uses)	(359,700)	(298,665)	61,035	(273,200)	(334,092)	(60,892)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(125,900)	(40,932)	84,968	(70,300)	(95,457)	(25,157)
Fund balances beginning of year	151,226	151,226	-	246,683	246,683	-
Fund balances end of year	\$ 25,326	\$ 110,294	\$ 84,968	\$ 176,383	\$ 151,226	\$ (25,157)

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

Los Angeles County Metropolitan Transportation Authority
Proposition C Special Revenue Fund
Comparative Balance Sheets
June 30, 1995 and 1994
(Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Assets		
Cash and cash equivalents	\$ 260,518	\$ 327,868
Receivables:		
Sales tax	14,160	13,378
Investment income	1,733	2,572
Intergovernmental	937	3,753
Interfund	<u>21,701</u>	<u>9,944</u>
Total assets	\$ <u>299,049</u>	\$ <u>357,515</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 9,791	\$ 23,940
Due to other governments	1,550	3,293
Interfund payable	<u>77,274</u>	<u>69,097</u>
Total liabilities	<u>88,615</u>	<u>96,330</u>
Fund Balances:		
Reserved for memoranda of understanding	<u>210,434</u>	<u>261,185</u>
Total fund balances	<u>210,434</u>	<u>261,185</u>
Total liabilities and fund balances	\$ <u>299,049</u>	\$ <u>357,515</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, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Revenues:		
Sales tax	\$ 384,029	\$ 355,094
Intergovernmental	734	3,753
Investment income	12,972	13,156
	<u>397,735</u>	<u>372,003</u>
Total revenues		
Expenditures:		
Current:		
Administration and other	6,812	1,868
Transportation subsidies	209,274	158,781
	<u>216,086</u>	<u>160,649</u>
Total expenditures		
Excess of revenues over expenditures	<u>181,649</u>	<u>211,354</u>
Other Financing Sources (Uses):		
Operating transfers in	4,922	-
Operating transfers out	(237,322)	(165,486)
	<u>(232,400)</u>	<u>(165,486)</u>
Total other financing sources (uses)		
Excess (deficiency) of revenues over expenditures and other financing uses	(50,751)	45,868
Fund balances beginning of year	<u>261,185</u>	<u>215,317</u>
Fund balances end of year	<u>\$ 210,434</u>	<u>\$ 261,185</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, 1995 and 1994
(Amounts expressed in thousands)

	1995			1994		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Sales tax	\$ 373,300	\$ 384,029	\$ 10,729	\$ 340,500	\$ 355,094	\$ 14,594
Intergovernmental	-	734	734	-	3,753	3,753
Investment income	3,000	12,972	9,972	7,200	13,156	5,956
Total revenues	<u>376,300</u>	<u>397,735</u>	<u>21,435</u>	<u>347,700</u>	<u>372,003</u>	<u>24,303</u>
Expenditures:						
Current:						
Administration and other	58,500	6,812	51,688	45,700	1,868	43,832
Transportation subsidies	284,700	209,274	75,426	375,400	158,781	216,619
Total expenditures	<u>343,200</u>	<u>216,086</u>	<u>127,114</u>	<u>421,100</u>	<u>160,649</u>	<u>260,451</u>
Excess (deficiency) of revenues over expenditures	<u>33,100</u>	<u>181,649</u>	<u>148,549</u>	<u>(73,400)</u>	<u>211,354</u>	<u>284,754</u>
Other Financing Sources (Uses):						
Operating transfers in	5,900	4,922	(978)	101,600	-	(101,600)
Operating transfers out	<u>(245,700)</u>	<u>(237,322)</u>	<u>8,378</u>	<u>(189,300)</u>	<u>(165,485)</u>	<u>23,814</u>
Total other financing (uses)	<u>(239,800)</u>	<u>(232,400)</u>	<u>7,400</u>	<u>(87,700)</u>	<u>(165,485)</u>	<u>(77,786)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	<u>(206,700)</u>	<u>(50,751)</u>	<u>155,949</u>	<u>(161,100)</u>	<u>45,868</u>	<u>206,968</u>
Fund balances beginning of year	<u>261,185</u>	<u>261,185</u>	<u>-</u>	<u>215,317</u>	<u>215,317</u>	<u>-</u>
Fund balances end of year	<u>\$ 54,485</u>	<u>\$ 210,434</u>	<u>\$ 155,949</u>	<u>\$ 54,217</u>	<u>\$ 261,185</u>	<u>\$ 206,968</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 Balance Sheets
 For the years ended June 30, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Assets		
Cash and cash equivalents	\$ 17,620	\$ 16,243
Receivables:		
Interest	263	150
Sales tax	<u>3,119</u>	<u>-</u>
Total assets	<u>\$ 21,002</u>	<u>\$ 16,393</u>
 Liabilities and Fund Balances		
Liabilities:		
Accounts Payable	\$ 946	\$ -
Interfund Payable	<u>10,012</u>	<u>10,005</u>
Total liabilities	<u>10,958</u>	<u>10,005</u>
Fund Balances:		
Reserved for memoranda of understanding	<u>10,044</u>	<u>6,388</u>
Total fund balances	<u>10,044</u>	<u>6,388</u>
Total liabilities and fund balances	<u>\$ 21,002</u>	<u>\$ 16,393</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, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Revenues:		
Sales tax	\$ 22,088	\$ 12,986
Investment income	1,117	1,296
Total revenues	<u>23,205</u>	<u>14,282</u>
Expenditures:		
Administration and other	-	6
Transportation subsidies	2,193	1,323
Total expenditures	<u>2,193</u>	<u>1,329</u>
Excess of revenues over expenditures	<u>21,012</u>	<u>12,953</u>
Other Financing Sources (Uses):		
Operating transfers in	5,000	-
Operating transfers out	(22,356)	(46,719)
Total other financing sources (uses)	<u>(17,356)</u>	<u>(46,719)</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	3,656	(33,766)
Fund balances beginning of year	<u>6,388</u>	<u>40,154</u>
Fund balances end of year	<u>\$ 10,044</u>	<u>\$ 6,388</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, 1995 and 1994
 (Amounts expressed in thousands)

	1995			1994		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Sales tax	\$ 17,800	\$ 22,088	\$ 4,288	\$ 17,900	\$ 12,986	\$ (4,914)
Investment income	-	1,117	1,117	-	1,296	1,296
Total revenues	17,800	23,205	5,405	17,900	14,282	(3,618)
Expenditures:						
Current:						
Administration and other	-	-	-	-	6	(6)
Transportation subsidies	-	2,193	(2,193)	1,600	1,323	277
Total expenditures	-	2,193	(2,193)	1,600	1,329	271
Excess of revenues over expenditures	17,800	21,012	3,212	16,300	12,953	(3,347)
Other Financing Sources (Uses):						
Operating transfers in	-	5,000	5,000	-	-	-
Operating transfers out	(16,400)	(22,356)	(5,956)	(56,300)	(46,719)	9,581
Total other financing sources (uses)	(16,400)	(17,356)	(956)	(56,300)	(46,719)	9,581
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	1,400	3,656	2,256	(40,000)	(33,766)	6,234
Fund balances beginning of year	6,388	6,388	-	40,154	40,154	-
Fund balances end of year	\$ 7,788	\$ 10,044	\$ 2,256	\$ 154	\$ 6,388	\$ 6,234

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

Los Angeles County Metropolitan Transportation Authority
 Ridesharing and CMAQ Special Revenue Fund
 Comparative Balance Sheets
 June 30, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Assets		
Cash and cash equivalents	\$ 3,092	\$ 11,549
Receivables:		
Interest	22	97
Intergovernmental	-	417
Interfund	608	608
Total assets	\$ <u>3,722</u>	\$ <u>12,671</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 263	\$ 1,864
Interfund payable	5,687	3,216
Total liabilities	<u>5,950</u>	<u>5,080</u>
Fund Balances:		
Reserved for memoranda of understanding	-	239
Unreserved	(2,228)	7,352
Total fund balances	<u>(2,228)</u>	<u>7,591</u>
Total liabilities and fund balances	\$ <u>3,722</u>	\$ <u>12,671</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, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Revenues:		
Intergovernmental	\$ 1,270	\$ 2,404
Investment income	422	438
Total revenues	<u>1,692</u>	<u>2,842</u>
Expenditures:		
Current:		
Administration and other	132	557
Transportation subsidies	2,379	7,477
Total expenditures	<u>2,511</u>	<u>8,034</u>
(Deficiency) of revenues over expenditures	<u>(819)</u>	<u>(5,192)</u>
Other Financing Sources (Uses):		
Operating transfers in	-	400
Operating transfers out	(9,000)	(31)
Total other financing sources	(9,000)	369
(Deficiency) of revenues and other financing sources over expenditures and other financing uses	(9,819)	(4,823)
Fund balances beginning of year	<u>7,591</u>	<u>12,414</u>
Fund balances end of year	<u>\$ (2,228)</u>	<u>\$ 7,591</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, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Assets		
Cash and cash equivalents	\$ 17,057	\$ 14,241
Receivables:		
Interest	136	96
Leases and other	-	6
	<u> </u>	<u> </u>
Total assets	<u>\$ 17,193</u>	<u>\$ 14,343</u>
 Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ 986	\$ 1,851
Due to other governments	-	742
	<u> </u>	<u> </u>
Total liabilities	<u>986</u>	<u>2,593</u>
 Fund Balances:		
Reserved for memoranda of understanding	16,207	8,037
Unreserved	-	3,713
	<u> </u>	<u> </u>
Total fund balances	<u>16,207</u>	<u>11,750</u>
Total liabilities and fund balances	<u>\$ 17,193</u>	<u>\$ 14,343</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, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Revenues:		
Licenses and fines	\$ 7,104	\$ 6,378
Investment income	<u>752</u>	<u>514</u>
Total revenues	<u>7,856</u>	<u>6,892</u>
Expenditures:		
Current:		
Administration and other	45	165
Transportation subsidies	<u>3,354</u>	<u>4,454</u>
Total expenditures	<u>3,399</u>	<u>4,619</u>
Excess (deficiency) of revenues over expenditures	<u>4,457</u>	<u>2,273</u>
Other Financing (Uses) - Operating transfers out	<u>-</u>	<u>(2)</u>
Excess (deficiency) of revenues over expenditures and other financing uses	4,457	2,271
Fund balances beginning of year	<u>11,750</u>	<u>9,479</u>
Fund balances end of year	<u>\$ 16,207</u>	<u>\$ 11,750</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, 1995 and 1994
 (Amounts expressed in thousands)

	1995			1994		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Licenses and fines	\$ 6,400	\$ 7,104	\$ 704	\$ 7,000	\$ 6,378	\$ (622)
Investment income	-	752	752	-	514	514
Miscellaneous	-	-	-	-	-	-
Total revenues	6,400	7,856	1,456	7,000	6,892	(108)
Expenditures:						
Current:						
Administration and other	-	45	(45)	-	165	(165)
Transportation subsidies	-	3,354	(3,354)	9,100	4,454	4,646
Total expenditures	-	3,399	(3,399)	9,100	4,619	4,481
Excess (deficiency) of revenues over expenditures	6,400	4,457	(1,943)	(2,100)	2,273	4,373
Other Financing (Uses) - Operating transfers out	-	-	-	-	(2)	(2)
Excess (deficiency) of revenues over expenditures and other financing uses	6,400	4,457	(1,943)	(2,100)	2,271	4,371
Fund balances beginning of year	11,750	11,750	-	9,479	9,479	-
Fund balances end of year	\$ 18,150	\$ 16,207	\$ (1,943)	\$ 7,379	\$ 11,750	\$ 4,371

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

Los Angeles County Metropolitan Transportation Authority
 Transportation Development Act
 Special Revenue Fund
 Comparative Balance Sheets
 June 30, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Assets		
Cash and cash equivalents	\$ 143,561	\$ 124,686
Receivables:		
Notes	4,020	-
Interest	2,516	687
Intergovernmental	777	-
Interfund	<u>11,842</u>	<u>-</u>
Total assets	\$ <u>162,716</u>	\$ <u>125,373</u>
Liabilities and Fund Balances		
Liabilities:		
Interfund payable	<u>\$ 47,742</u>	<u>\$ 15,091</u>
Total liabilities	<u>47,742</u>	<u>15,091</u>
Fund Balances:		
Reserved for memoranda of understanding	110,954	110,282
Reserved for memoranda of notes receivable	<u>4,020</u>	<u>-</u>
Total fund balances	<u>114,974</u>	<u>110,282</u>
Total liabilities and fund balances	\$ <u>162,716</u>	\$ <u>125,373</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, 1995 and 1994
(Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Revenues:		
Sales tax	\$ 198,810	\$ 188,295
Investment income	7,743	3,073
Total revenues	<u>206,553</u>	<u>191,368</u>
Expenditures:		
Current:		
Administration and other	65	131
Transportation subsidies	78,386	50,273
Total expenditures	<u>78,451</u>	<u>50,404</u>
Excess of revenues over expenditures	<u>128,102</u>	<u>140,964</u>
Other Financing Sources (Uses):		
Operating transfers in	14,014	-
Operating transfers out	(137,424)	(128,289)
Total other financing (uses)	<u>(123,410)</u>	<u>(128,289)</u>
Excess of revenues over expenditures and other financing uses	4,692	12,675
Fund balances beginning of year	<u>110,282</u>	<u>97,607</u>
Fund balances end of year	<u>\$ 114,974</u>	<u>\$ 110,282</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, 1995 and 1994
 (Amounts expressed in thousands)

	1995			1994		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Sales tax	198,100	\$ 198,810	\$ 710	\$ 185,100	\$ 188,295	3,195
Investment income	-	7,743	7,743	-	3,073	3,073
Total revenues	198,100	206,553	8,453	185,100	191,368	6,268
Expenditures:						
Current:						
Administration and other	-	65	(65)	-	131	(131)
Transportation subsidies	-	78,386	(78,386)	52,200	50,273	1,927
Total expenditures	-	78,451	(78,451)	52,200	50,404	1,796
Excess of revenues over expenditures	198,100	128,102	(69,998)	132,900	140,964	8,064
Other Financing Sources (Uses):						
Operating transfers in	-	14,014	14,014	-	-	-
Operating transfers out	(166,800)	(137,424)	29,376	(130,700)	(128,289)	2,411
Total other financing (uses)	(166,800)	(123,410)	43,390	(130,700)	(128,289)	2,411
Excess of revenues over expenditures and other financing uses	31,300	4,692	(26,608)	2,200	12,675	10,475
Fund balances beginning of year	110,282	110,282	-	97,607	97,607	-
Fund balances end of year	141,582	\$ 114,974	\$ (26,608)	\$ 99,807	\$ 110,282	10,475

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, 1995 and 1994
(Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Assets		
Cash and cash equivalents	\$ 132	\$ 540
Receivables:		
Interest	<u>3</u>	<u>5</u>
Total assets	<u>\$ 135</u>	<u>\$ 545</u>
Total fund balances	<u>\$ 135</u>	<u>\$ 545</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 Balances
For the years ended June 30, 1995 and 1994
(Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Revenues:		
Intergovernmental	\$ 15	\$ 286
Investment income	<u>25</u>	<u>26</u>
Total revenues	<u>40</u>	<u>312</u>
Expenditures:		
Current:		
Transportation subsidies	<u>450</u>	<u>97</u>
Total expenditures	<u>450</u>	<u>97</u>
Excess (deficiency) of revenues over expenditures	(410)	215
Fund balances beginning of year	<u>545</u>	<u>330</u>
Fund balances end of year	<u>\$ 135</u>	<u>\$ 545</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 Balances - Budget and Actual
For the years ended June 30, 1995 and 1994
(Amounts expressed in thousands)

	1995			1994		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:						
Intergovernmental	\$ 1,000	\$ 15	\$ (985)	\$ 1,000	\$ 286	\$ (714)
Investment income	-	25	25	-	26	26
Total revenues	<u>1,000</u>	<u>40</u>	<u>(960)</u>	<u>1,000</u>	<u>312</u>	<u>(688)</u>
Expenditures:						
Current:						
Transportation subsidies	-	450	(450)	1,400	97	1,303
Total expenditures	<u>-</u>	<u>450</u>	<u>(450)</u>	<u>1,400</u>	<u>97</u>	<u>1,303</u>
Excess (deficiency) of revenues over expenditures	1,000	(410)	(1,410)	(400)	215	615
Fund balances beginning of year	<u>545</u>	<u>545</u>	<u>-</u>	<u>330</u>	<u>330</u>	<u>-</u>
Fund balances end of year	<u>\$ 1,545</u>	<u>\$ 135</u>	<u>\$ (1,410)</u>	<u>\$ (70)</u>	<u>\$ 545</u>	<u>\$ 615</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 Balance Sheets
 June 30, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Assets		
Cash and cash equivalents	\$ 22,026	\$ 17,844
Receivables:		
Interest	76	114
Intergovernmental	<u>1,074</u>	<u>5,771</u>
Total assets	<u>\$ 23,176</u>	<u>\$ 23,729</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	\$ -	\$ 2
Due to other governments	<u>238</u>	<u>-</u>
Total liabilities	<u>238</u>	<u>2</u>
Fund Balances:		
Reserved for memoranda of understanding	<u>22,938</u>	<u>23,727</u>
Total fund balances	<u>22,938</u>	<u>23,727</u>
Total liabilities and fund balances	<u>\$ 23,176</u>	<u>\$ 23,729</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, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Revenues:		
Intergovernmental	\$ -	\$ 345
Investment income	<u>666</u>	<u>613</u>
Total revenues	<u>666</u>	<u>958</u>
Expenditures:		
Current:		
Administration and other	5	26
Transportation subsidies	<u>1,450</u>	<u>2,678</u>
Total expenditures	<u>1,455</u>	<u>2,704</u>
Excess (deficiency) of revenues over expenditures	(789)	(1,746)
Fund balances beginning of year	<u>23,727</u>	<u>25,473</u>
Fund balances end of year	<u>\$ 22,938</u>	<u>\$ 23,727</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, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Assets		
Cash and cash equivalents	\$ 9,521	\$ 9,183
Receivables:		
Interest	<u>45</u>	<u>78</u>
Total assets	<u>\$ 9,566</u>	<u>\$ 9,261</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts Payable	<u>\$ -</u>	<u>\$ 1</u>
Total liabilities	<u>-</u>	<u>1</u>
Fund Balances:		
Unreserved	<u>\$ 9,566</u>	<u>\$ 9,260</u>
Total liabilities and fund balances	<u>\$ 9,566</u>	<u>\$ 9,261</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, 1995 and 1994
 (Amounts expressed in thousands)**

	<u>1995</u>	<u>1994</u>
Revenues:		
Investment income	\$ 415	\$ 339
Total revenues	<u>415</u>	<u>339</u>
Expenditures:		
Current:		
Administration and other	<u>109</u>	<u>2</u>
Total expenditures	<u>109</u>	<u>2</u>
Excess of revenues over expenditures	306	337
Fund balances beginning of year	<u>9,260</u>	<u>8,923</u>
Fund balances end of year	<u>\$ 9,566</u>	<u>\$ 9,260</u>

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

Los Angeles Metropolitan Transportation Authority
Budget Change Proposal Funds for Freeway Service and State TCI
Comparative Balance Sheets
June 30, 1995 and 1994
(Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Assets		
Cash and cash equivalents	\$ 5,583	\$ 5,437
Receivables:		
Interest	24	8
Intergovernmental	<u>189</u>	<u>247</u>
Total assets	\$ <u>5,796</u>	\$ <u>5,692</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	2,545	908
Fund Balances:		
Unreserved	<u>\$ 3,251</u>	<u>\$ 4,784</u>
Total liabilities and fund balances	\$ <u>5,796</u>	\$ <u>5,692</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, 1995 and 1994
(Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Revenues:		
Intergovernmental	\$ 4,260	\$ 4,845
Investment income	91	17
	<u>4,351</u>	<u>4,862</u>
Total revenues		
Expenditures:		
Transportation subsidies	5,884	909
	<u>5,884</u>	<u>909</u>
Total expenditures		
Excess of revenues over expenditures	(1,533)	3,953
Fund balances beginning of year	4,784	831
	<u>4,784</u>	<u>831</u>
Fund balances end of year	\$ <u>3,251</u>	\$ <u>4,784</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
 Comparative Balance Sheets
 June 30, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Assets		
Cash and cash equivalents	\$ 1,115	\$ 2,482
Receivables:		
Intergovernmental	18,656	43,694
Interfund	<u>1,779</u>	<u>-</u>
Total assets	\$ <u>21,550</u>	\$ <u>46,176</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	1,720	44
Due to other governments	16,000	13,611
Interfund payable	3,830	16,142
Deferred revenue - Intergovernmental	<u>-</u>	<u>16,000</u>
Total liabilities	<u>21,550</u>	<u>45,797</u>
Fund Balances:		
Reserved for memoranda of understanding	<u>\$ -</u>	<u>\$ 379</u>
Total liabilities and fund balances	\$ <u>21,550</u>	\$ <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
 Comparative Statements of Revenues, Expenditures
 and Changes in Fund Balances
 For the years ended June 30, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Revenues:		
Intergovernmental	\$ 3,121	\$ 43,694
Investment income	-	200
	<u>3,121</u>	<u>43,894</u>
Total revenues	<u>3,121</u>	<u>43,894</u>
Expenditures:		
Current:		
Transportation subsidies	<u>3,500</u>	<u>43,515</u>
Total expenditures	<u>3,500</u>	<u>43,515</u>
Excess (deficiency) of revenues over expenditures	(379)	379
Fund balances beginning of year	<u>379</u>	<u>-</u>
Fund balances end of year	<u>\$ -</u>	<u>\$ 379</u>

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

Los Angeles County Metropolitan Transportation Authority
 Federal Board of Education
 Comparative Balance Sheets
 June 30, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Assets		
Cash and cash equivalents	\$ 469	\$ -
Receivables:		
Intergovernmental	<u>371</u>	<u>-</u>
Total assets	<u>\$ 840</u>	<u>\$ -</u>
Liabilities and Fund Balances		
Liabilities:		
Accounts payable	<u>679</u>	<u>-</u>
Total liabilities	<u>679</u>	<u>-</u>
Fund Balances:		
Reserved for memoranda of understanding	<u>\$ 161</u>	<u>\$ -</u>
Total liabilities and fund balances	<u>\$ 840</u>	<u>\$ -</u>

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

**Los Angeles County Metropolitan Transportation Authority
Federal Board of Education
Comparative Statements of Revenues, Expenditures
and Changes in Fund Balances
For the years ended June 30, 1995 and 1994
(Amounts expressed in thousands)**

	<u>1995</u>	<u>1994</u>
Revenues:		
Intergovernmental	\$ 460	\$ -
 Total revenues	 <u>460</u>	 <u>-</u>
Expenditures:		
Current:		
Transportation subsidies	1,102	-
 Total expenditures	 <u>1,102</u>	 <u>-</u>
 Excess (deficiency) of revenues over expenditures	 <u>(642)</u>	 <u>-</u>
Other Financing Sources:		
Operating transfers in	803	-
 Total other financing sources (uses)	 <u>803</u>	 <u>-</u>
 Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	 <u>161</u>	 <u>-</u>
 Fund balances beginning of year	 <u>-</u>	 <u>-</u>
 Fund balances end of year	 <u>\$ 161</u>	 <u>\$ -</u>

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



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Debt Service Fund

Los Angeles County Metropolitan Transportation Authority
 Debt Service Fund
 Comparative Balance Sheets
 June 30, 1995 and 1994
 (Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Assets		
Receivables:		
Interest	\$ 68	\$ 1,052
Intergovernmental	1,867	1,968
Restricted cash and investments with fiscal agents	<u>140,999</u>	<u>139,215</u>
Total assets	<u>\$ 142,934</u>	<u>\$ 142,235</u>
 Liabilities and Fund Balances		
Liabilities:		
Accrued interest payable	\$ 60,476	\$ 64,051
Bond and notes payable	23,630	10,475
Interfund payable	<u>2,098</u>	<u>2,500</u>
Total liabilities	<u>86,204</u>	<u>77,026</u>
Fund Balances:		
Reserved for debt service	<u>56,730</u>	<u>65,209</u>
Total fund balances	<u>56,730</u>	<u>65,209</u>
Total liabilities and fund balances	<u>\$ 142,934</u>	<u>\$ 142,235</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, 1995 and 1994
(Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
Revenues:		
Intergovernmental	\$ 3,040	\$ 3,327
Investment income	7,789	1,984
Total revenues	<u>10,829</u>	<u>5,311</u>
Expenditures:		
Interest and fiscal charges	149,630	130,938
Bond issuance costs	-	9,447
Bond principal	26,345	13,449
Joint development expense	941	-
Total expenditures	<u>176,916</u>	<u>153,834</u>
(Deficiency) of revenues over expenditures	<u>(166,087)</u>	<u>(148,523)</u>
Other Financing Sources (Uses):		
Operating transfers in	151,636	95,570
Operating transfers out	(10,556)	(9,591)
Proceeds from financing	16,528	75,130
Total other financing sources (uses)	<u>157,608</u>	<u>161,109</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(8,479)	12,586
Fund balances beginning of year	<u>65,209</u>	<u>52,623</u>
Fund balances end of year	<u>\$ 56,730</u>	<u>\$ 65,209</u>

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

Los Angeles County Metropolitan Transportation Authority
Debt Service Fund
Statements of Revenues, Expenditures
and Changes in Fund Balances - Budget and Actual
For the years ended June 30, 1995 and 1994
(Amounts expressed in thousands)

	1995			1994		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Intergovernmental	\$ -	\$ 3,040	\$ 3,040	3,000	\$ 3,327	\$ 327
Investment income	-	7,789	7,789	-	1,984	1,984
Total revenues	-	10,829	10,829	3,000	5,311	2,311
Expenditures:						
Interest and fiscal charges	195,000	149,630	45,370	229,356	130,938	98,418
Bond issuance costs	-	-	-	-	9,447	(9,447)
Bond principal	-	26,345	(26,345)	23,344	13,449	9,895
Joint development expense	-	941	(941)	-	-	-
Total expenditures	195,000	176,916	18,084	252,700	153,834	98,866
(Deficiency) of revenues over expenditures	(195,000)	(166,087)	28,913	(249,700)	(148,523)	101,177
Other Financing Sources (Uses):						
Operating transfer in	141,800	151,636	9,836	102,000	95,570	(6,430)
Operating transfers out	-	(10,556)	(10,556)	-	(9,591)	(9,591)
Proceeds from financing	38,400	16,528	(21,872)	74,500	75,130	630
Total other financing sources	180,200	157,608	(22,592)	176,500	161,109	(15,391)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(14,800)	(8,479)	6,321	(73,200)	12,586	85,786
Fund balances beginning of year	65,209	65,209	-	52,623	52,623	-
Fund balances end of year	\$ 50,409	\$ 56,730	\$ 6,321	(20,577)	\$ 65,209	\$ 85,786

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



Capital Projects Funds

Los Angeles County Metropolitan Transportation Authority
 Capital Projects Funds
 Combining Balance Sheet
 June 30, 1995
 (Amounts expressed in thousands)

	<u>Light Rail</u>	<u>Metro Rail</u>	<u>Commuter Rail</u>	<u>SB 1995 Rail</u>	<u>Other Capital</u>	<u>Total</u>
Assets						
Cash and cash equivalents	\$ 130,547	\$ -	\$ 27,221	\$ 54,775	\$ 46,303	\$ 258,846
Receivables:						
Interest	387	17,471	327	466	-	18,651
Intergovernmental	36,145	84,367	6,375	-	42,671	169,558
Leases and other	-	9,878	662	-	-	10,540
Interfund	15,876	37,365	49,344	-	88,818	191,403
Prepaid and other assets	2,091	7,154	-	-	-	9,245
Total assets	\$ 185,046	\$ 156,235	\$ 83,929	\$ 55,241	\$ 177,792	\$ 658,243
Liabilities and Fund Balances						
Liabilities:						
Accounts payable	\$ 28,655	\$ 75,923	\$ 488	\$ -	\$ -	\$ 105,066
Claims and judgments payable	-	11,362	-	-	-	11,362
Due to other governments	7	-	6,820	-	-	6,827
Interfund payables	23,264	20,764	3,255	25,869	156,841	229,993
Deferred revenue	-	38,166	-	-	-	38,166
Other liabilities	44	9	89	-	-	142
Total liabilities	51,970	146,224	10,652	25,869	156,841	391,556
Fund balances:						
Reserved for encumbrances	130,985	2,857	73,277	29,372	20,951	257,442
Reserved for prepaid and other items	2,091	7,154	-	-	-	9,245
Total fund balances	133,076	10,011	73,277	29,372	20,951	266,687
Total liabilities and fund balances	\$ 185,046	\$ 156,235	\$ 83,929	\$ 55,241	\$ 177,792	\$ 658,243

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, 1995
 (Amounts expressed in thousands)

	<u>Light Rail</u>	<u>Metro Rail</u>	<u>Commuter Rail</u>	<u>SB 1995 Rail</u>	<u>Other Capital</u>	<u>Total</u>
Revenues:						
Intergovernmental	\$ 100,994	\$ 298,072	\$ 12,102	\$ -	\$ 109,094	\$ 520,262
Investment income	11,126	19,244	2,947	788	3,532	37,637
Lease rentals	-	1,219	7,429	-	-	8,648
Miscellaneous	6,319	9,202	473	-	-	15,994
Total revenues	<u>118,439</u>	<u>327,737</u>	<u>22,951</u>	<u>788</u>	<u>112,626</u>	<u>582,541</u>
Expenditures:						
Current:						
Administration and other	21,491	28,130	6,571	-	-	56,192
Capital outlay	175,605	371,901	128,876	25,894	184,069	886,345
Total expenditures	<u>197,096</u>	<u>400,031</u>	<u>135,447</u>	<u>25,894</u>	<u>184,069</u>	<u>942,537</u>
(Deficiency) of revenues over expenditures	<u>(78,657)</u>	<u>(72,294)</u>	<u>(112,496)</u>	<u>(25,106)</u>	<u>(71,443)</u>	<u>(359,996)</u>
Other Financing Sources (Uses):						
Operating transfers in	78,844	53,023	25,233	-	601	157,701
Operating transfers out	-	(56)	(88)	-	(11,972)	(12,116)
Proceeds from financing	-	-	67,680	-	152,972	220,652
Total other financing sources (uses)	<u>78,844</u>	<u>52,967</u>	<u>92,825</u>	<u>-</u>	<u>141,601</u>	<u>366,237</u>
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	187	(19,327)	(19,671)	(25,106)	70,158	6,241
Fund balances beginning of year	132,889	29,338	92,948	54,478	-	309,653
Transfer of liability related to residual equity transfer	-	-	-	-	(49,207)	(49,207)
Fund balances end of year	<u>\$ 133,076</u>	<u>\$ 10,011</u>	<u>\$ 73,277</u>	<u>\$ 29,372</u>	<u>\$ 20,951</u>	<u>\$ 266,687</u>

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, 1995 and 1994
(Amounts expressed in thousands)

	1995			1994		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
Revenues:						
Intergovernmental	\$ 534,300	\$ 520,262	\$ (14,038)	\$ 645,500	\$ 347,063	\$ (298,437)
Investment income	-	37,637	37,637	-	16,964	16,964
Lease rentals	7,000	8,648	1,648	8,600	7,806	(794)
Miscellaneous	-	15,994	15,994	-	916	916
Total revenues	541,300	582,541	41,241	654,100	372,749	(281,351)
Expenditures:						
Current:						
Administration and other	140,600	56,192	84,408	39,500	45,453	(5,953)
Capital outlay:						
Rail development	1,051,800	886,345	165,455	1,099,600	787,105	312,495
Total expenditures	1,192,400	942,537	249,863	1,139,100	832,558	306,542
Excess (deficiency) of revenues over expenditures	(651,100)	(359,996)	291,104	(485,000)	(459,809)	25,191
Other Financing Sources (Uses):						
Operating transfers in	492,500	157,701	(334,799)	147,400	139,238	(8,162)
Operating transfers out	-	(12,116)	(12,116)	-	(2,596)	(2,596)
Proceeds from financing	135,700	220,652	84,952	258,400	328,462	70,062
Total other financing sources (uses)	628,200	366,237	(261,963)	405,800	465,104	59,304
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(22,900)	6,241	29,141	(79,200)	5,295	84,495
Fund balances beginning of year	309,653	309,653	-	304,358	304,358	-
Transfer of liability related to residual equity transfer	-	(49,207)	(49,207)	-	-	-
Fund balances end of year	\$ 286,753	\$ 266,687	\$ (20,066)	\$ 225,158	\$ 309,653	\$ 84,495

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



Trust and Agency Funds

Los Angeles County Metropolitan Transportation Authority
Trust and Agency Funds
Combining Balance Sheet
June 30, 1995
(Amounts expressed in thousands)

	Expendable Trust		Pension Trust	
	Land	Transportion Foundation	Transporation Communication	United Transporation
	Preservation Corporation		Union Retirement Trust	Union Retirement Trust
Assets				
Cash and cash equivalents	\$ 22	\$ 314	\$ -	\$ -
Receivables:				
Interest	-	-	223	1,776
Benefit assessment	-	-	-	-
Leases and other	-	-	72	561
Restricted assets:				
Cash and cash equivalents	-	-	930	7,417
Investments	-	-	30,446	242,772
Assets held under deferred compensation plan	-	-	-	-
Assets held under 401(k) savings plan	-	-	-	-
Total assets	\$ 22	\$ 314	\$ 31,671	\$ 252,526
Liabilities and Fund Balances				
Liabilities:				
Accounts payable	\$ -	\$ 8	\$ 136	\$ 4,270
Accrued liabilities	-	-	426	3,396
B.A.D. revenue bonds payable	-	-	-	-
Interfund payable	25	-	-	-
Liabilities for deferred compensation plan	-	-	-	-
Liabilities for 401(k) savings plan	-	-	-	-
Total liabilities	25	8	562	7,666
Fund balances:				
Reserved for employee retirements	-	-	31,109	244,860
Unreserved	(3)	306	-	-
Total fund balances	(3)	306	31,109	244,860
Total liabilities and fund balances	\$ 22	\$ 314	\$ 31,671	\$ 252,526

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

Pension Trust		Agency			Total
Amalgamated Tranporation Union Retirement Trust	Non-Contract Employee's Retirement Trust	Deferred Compensation	401(k) Savings Plan	Benefit Assessment District	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 336
816	739	-	-	313	3,867
-	-	-	-	1,536	1,536
217	2,023	-	-	-	2,873
3,408	3,089	-	-	-	14,844
111,543	101,104	-	-	3,167	489,032
-	-	92,704	-	-	92,704
-	-	-	21,649	-	21,649
<u>\$ 115,984</u>	<u>\$ 106,955</u>	<u>\$ 92,704</u>	<u>\$ 21,649</u>	<u>\$ 5,016</u>	<u>\$ 626,841</u>
\$ 1,338	\$ 182	\$ -	\$ -	\$ 830	\$ 6,764
1,560	1,414	-	-	3,026	9,822
-	-	-	-	1,160	1,160
-	-	-	-	-	25
-	-	92,704	-	-	92,704
-	-	-	21,649	-	21,649
<u>2,898</u>	<u>1,596</u>	<u>92,704</u>	<u>21,649</u>	<u>5,016</u>	<u>132,124</u>
113,086	105,359	-	-	-	494,414
-	-	-	-	-	303
<u>113,086</u>	<u>105,359</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>494,717</u>
<u>\$ 115,984</u>	<u>\$ 106,955</u>	<u>\$ 92,704</u>	<u>\$ 21,649</u>	<u>\$ 5,016</u>	<u>\$ 626,841</u>

Los Angeles County Metropolitan Transportation Authority
 Agency Funds
 Combining Statement of Changes in Assets and Liabilities
 June 30, 1995
 (Amounts expressed in thousands)

	Balance July 1, 1994	Additions	Deletions	Balance June 30, 1995
DEFERRED COMPENSATION - AGENCY FUND				
Restricted assets				
Deferred compensation plans	\$ 82,658	\$ 10,046	\$ -	\$ 92,704
Total assets	<u>\$ 82,658</u>	<u>\$ 10,046</u>	<u>\$ -</u>	<u>\$ 92,704</u>
Liabilities				
Deferred compensation benefits payable	\$ 82,658	\$ 10,046	\$ -	\$ 92,704
Total liabilities	<u>\$ 82,658</u>	<u>\$ 10,046</u>	<u>\$ -</u>	<u>\$ 92,704</u>
401(k) SAVINGS PLAN - AGENCY FUND				
Restricted assets				
401(k) savings plan	\$ 18,191	\$ 3,458	\$ -	\$ 21,649
Total assets	<u>\$ 18,191</u>	<u>\$ 3,458</u>	<u>\$ -</u>	<u>\$ 21,649</u>
Liabilities				
401(k) savings plan payable	\$ 18,191	\$ 3,458	\$ -	\$ 21,649
Total liabilities	<u>\$ 18,191</u>	<u>\$ 3,458</u>	<u>\$ -</u>	<u>\$ 21,649</u>
BENEFIT ASSESSMENT DISTRICTS - AGENCY FUND				
Assets				
Assessment receivable	\$ 1,647	\$ 12,768	\$ 12,879	\$ 1,536
Interest receivable	713	313	713	313
Restricted assets:				
Cash and investments with fiscal agents	2,854	313	-	3,167
Total assets	<u>\$ 5,214</u>	<u>\$ 13,394</u>	<u>\$ 13,592</u>	<u>\$ 5,016</u>
Liabilities				
Accounts payable	\$ 1,068	\$ 738	\$ 976	\$ 830
Accrued liabilities	3,026	3,026	3,026	3,026
B.A.D. revenue bonds payable	1,120	1,160	1,120	1,160
Total liabilities	<u>\$ 5,214</u>	<u>\$ 4,924</u>	<u>\$ 5,122</u>	<u>\$ 5,016</u>

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, 1995
(Amounts expressed in thousands)**

	Balance July 1, 1994	Additions	Deletions	Balance June 30, 1995
TOTAL AGENCY FUNDS				
Assets				
Interest receivable	\$ 713	\$ 313	\$ 713	\$ 313
Assessment receivable	1,647	12,768	12,879	1,536
Restricted assets:				
Cash and investments				
with fiscal agents	2,854	313	-	3,167
Deferred compensation plan	82,658	10,046	-	92,704
401(k) savings plan	18,191	3,458	-	21,649
Total assets	\$ 106,063	\$ 26,898	\$ 13,592	\$ 119,369
Liabilities				
Accounts payable	\$ 1,068	\$ 738	\$ 976	\$ 830
Accrued liabilities	3,026	3,026	3,026	3,026
B.A.D. revenue bonds payable	1,120	1,160	1,120	1,160
Deferred compensation payable	82,658	10,046	-	92,704
401(k) plan payable	18,191	3,458	-	21,649
Total liabilities	\$ 106,063	\$ 18,428	\$ 5,122	\$ 119,369

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, 1995
 (Amounts expressed in thousands)

	<u>Land Preservation Corporation</u>	<u>Transportation Foundation</u>	<u>Total</u>
Revenues:			
Donations	\$ -	\$ 163	\$ 163
Total revenues	<u>-</u>	<u>163</u>	<u>163</u>
Expenditures:			
Administration and other	<u>-</u>	<u>116</u>	<u>116</u>
Total expenditures	<u>-</u>	<u>116</u>	<u>116</u>
Excess (deficiency) of revenues over expenditures	-	47	47
Fund balances beginning of year	<u>(3)</u>	<u>259</u>	<u>256</u>
Fund balances end of year	<u>\$ (3)</u>	<u>\$ 306</u>	<u>\$ 303</u>

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

Los Angeles County Metropolitan Transportation Authority
Pension Trust Funds
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
For the year ended June 30, 1995
(Amounts expressed in thousands)

	Transporation Communication Union Retirement Trust	United Transportion Union Retirement Trust	Amalgamated Tranporation Union Retirement Trust	Non-Contract Employee's Retirement Trust	Total
Operating revenues:					
Investment income	\$ 2,932	\$ 15,851	\$ 7,056	\$ 5,936	\$ 31,775
Employer contributions	746	7,690	4,848	3,233	16,517
Employee contributions	741	7,657	2,623	15	11,036
Total operating revenues	4,419	31,198	14,527	9,184	59,328
Operating expenditures:					
Administration and other	195	1,465	668	646	2,974
Benefits and contribution refunds paid to participants and beneficiaries	1,982	22,920	8,762	15,213	48,877
Total operating expenditures	2,177	24,385	9,430	15,859	51,851
Net income	2,242	6,813	5,097	(6,675)	7,477
Fund balances beginning of year	28,867	238,048	107,988	112,034	486,937
Fund balances end of year	\$ 31,109	\$ 244,861	\$ 113,085	\$ 105,359	\$ 494,414

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



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General Fixed Assets Account Group

Los Angeles County Metropolitan Transportation Authority
Comparative Schedules of General Fixed Assets-By Source
June 30, 1995 and 1994
(Amounts expressed in thousands)

	<u>1995</u>	<u>1994</u>
General Fixed Assets:		
Contributed Capital - SCRRA	\$ 118,903	\$ 99,645
Land	866,315	818,928
Construction in Progress:		
Light Rail Vehicles	24,982	24,982
Call Boxes	7,750	7,750
Other Equipment	9,226	8,175
Leasehold Improvements	1,746	1,746
Metro Green Line	556,433	479,345
Metro Rail MOS-2	925,579	688,998
Metro Rail MOS-3 (North Hollywood)	215,246	55,616
Metro Rail MOS-3 (East Side)	3,397	-
Metro Rail MOS-3 (Mid-City)	2,068	-
Metro Rail MOS-3 (Eastern Ext.)	518	-
Pasadena Line	128,727	87,666
L.A. Car	32,040	-
Systemwide	18,693	-
Rail Development	8,701	-
Gateway Headquarters and Transit Facilities	234,559	-
FIS Project	8,358	-
Other Operations Capital Projects	116,339	-
Other Construction in Progress	107,208	95,650
Total General Fixed Assets	\$ 3,386,788	\$ 2,368,501
Investments in General Fixed Assets by Source:		
General Fund	\$ 7,640	\$ 6,941
Capital Projects Fund	3,379,148	2,361,560
Total Investment in General Fixed Assets	\$ 3,386,788	\$ 2,368,501

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, 1995
(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/SCRRRA				
Contributed Capital - SCRRRA	\$ -	\$ 118,903	\$ -	\$ 118,903
Land	-	866,315	-	866,315
Construction in Progress:				
Light Rail Vehicles	-	24,982	-	24,982
Call boxes	-	7,750	-	7,750
Other Equipment	6,001	3,225	-	9,226
Leasehold Improvements	1,746	-	-	1,746
Metro Green Line	-	-	556,433	556,433
Metro Rail MOS 2	-	-	925,579	925,579
Metro Rail MOS 3 (North Hollywood)	-	-	215,246	215,246
Metro Rail MOS 3 (East Side)	-	-	3,397	3,397
Metro Rail MOS 3 (Mid-City)	-	-	2,068	2,068
Metro Rail MOS 3 (Eastern Ext.)	-	-	518	518
Pasadena line	-	-	128,727	128,727
L.A. Car	-	-	32,040	32,040
Systemwide	-	-	18,693	18,693
Rail Development	-	-	8,701	8,701
Gateway Headquarters and Transit Facilities	234,559	-	-	234,559
FIS Project	8,358	-	-	8,358
Other Operations Capital Projects	-	-	116,339	116,339
Other Construction in Progress	-	-	107,208	107,208
Total General Fixed Assets	\$ 250,664	\$ 1,021,175	\$ 2,114,949	\$ 3,386,788

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

