



**FINANCE AND BUDGET COMMITTEE  
OCTOBER 20, 2005**

**SUBJECT: FY05 FOURTH QUARTER FINANCIAL PERFORMANCE**

**ACTION: RECEIVE AND FILE**

**RECOMMENDATION**

Receive and file FY05 Fourth Quarter Financial Performance Report.

**ISSUE**

This report discusses the financial performance of major programs for FY05.

**DISCUSSION**

**SUMMARY OF SALES TAX REVENUES**

For the Year Ended June 30<sup>th</sup>

(Dollars in Millions)	2005 Unaudited	2005 Budget	2005 Variance Over/(Under)	2004 Actual	2003 Actual
Sales Tax Revenue	\$1,587.5	\$1,521.8	\$65.7	\$1,478.4	\$1,403.7

**Discussion**

The largest source of funds are Proposition A, Proposition C, Transportation Development Act (TDA), and State Transit Assistance (STA) sales taxes representing over 50% or \$1.5 billion of the total budgeted revenues. For the year ended June 30, 2005, sales tax revenues were \$1,587.5 million. This is \$65.7 million or 4.3% greater than the budget and \$109.1 million or 7.4% greater than the previous year.

According to MBIA MuniServices Company, our business consultant who provides sales tax analysis and forecasts, the growth in the sales taxes was due primarily to increases in service stations, wholesale building materials, miscellaneous vehicle sales, heavy industry, and energy sales. The additional sales tax revenues will be distributed through their various ordinance designations as part of the FY07 budget process.

## SUMMARY OF ENTERPRISE FUND

The Enterprise Fund presentation complies with Governmental Accounting Standards Board Statement No. 34, *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments*. Statement 34 requires that financial information be consolidated into either governmental activities or business-type activities. The business-type activities, or Enterprise Fund, include transit operating and capital costs, infrastructure construction and related debt service. Governmental activities are comprised of subsidies provided to transit operators, the regional planning and programming of funds and functions of the Board of Directors. The budget includes Board approved amendments to the budget throughout the fiscal year.

## SUMMARY OF ENTERPRISE FUND

For the Year Ended June 30  
(Dollars in millions)

	2005 Unaudited Actual	2005 Budget	2005 Variance Over/(Under)	2004 Actual*	2003 Actual
Operating revenues:					
Passenger fares	\$269	\$265	\$4	\$221	\$247
Advertising & Miscellaneous	16	14	2	13	14
Total operating revenues	285	279	6	234	261
Operating expenses:					
Expenses	987	1,008	(21)	905	910
Depreciation	336	336	-	348	331
Total operating expenses	1,323	1,344	(21)	1,253	1,241
Operating income (loss)	(1,038)	(1,065)	27	(1,019)	(980)
Operating subsidies and grants (other expenses):					
Local operating grants	481	509	(28)	549	560
State operating grants	-	1	(1)	-	-
Federal operating grants	218	218	-	115	94
Interest income	1	1	-	4	3
Appreciation in Value of Investments	-	-	-	(6)	-
Interest expense	(3)	(3)	-	(7)	(8)
Gain (loss) on disposition of fixed assets	-	-	-	-	(3)
Other revenue	5	3	2	2	3
Total operating subsidies and grants (other expenses)	702	729	(27)	657	649
Gain (Loss) before debt and capital items	(336)	(336)	0	(362)	(331)
Debt service & capital grants / contributions:					
Local (net of interest expense)	253	521	(268)	458	231
State	19	34	(15)	11	52
Federal	222	315	(93)	180	123
Total debt service & capital grants / contributions	494	870	(376)	649	406
Change in net assets	\$158	\$534	(\$376)	\$287	\$75

## Discussion

Passenger fares were \$4 million over the amended budget. The fare per boarding was slightly under budget at \$.59 per boarding but boardings were ahead of budget in the last four months of the fiscal year resulting in the increased revenues. Transit Operations attributes the increase in boardings to the rising price of gasoline.

Overall, operating expenses were \$21 million less than the amended budget. Non-contract salaries, contract wages and associated fringe benefits were \$4.3 million under the amended budget. This is due primarily to savings in UTU unscheduled overtime. Another area that was substantially under budget was professional services. Professional services includes contracts for outside contractors such as transit police and security, ticket vending machine maintenance, landscaping maintenance, escalator and elevator maintenance and contracts with transit professionals for studies or other advice.

The police and security contract was under budget in FY05 because the budget included an overtime contingency for major events that was not required in FY05 and due to delays in hiring fare inspectors for the Blue and Green Lines. Other services that were under budget include Orange Line ticket vending machines maintenance contract mobilization due to delay in Orange Line start-up, and less than planned payments to fare media vendors for commissions due to increased use of day pass (cash) and decreased sales of monthly passes.

The Board amended the budget in January 2005 to increase expenditure authority for fuel, workers' compensation and casualty and liability expenses. Workers' compensation expense ended the year on budget while fuel and casualty and liability ended the year over the amended budget by \$1.1 million and \$4.1 million, respectively. The average price for CNG was approximately 3% higher than the budget of \$0.73 per therm.

The capital program expended 74% of the amended budget during FY05. The major underruns in the capital program were due to cancellation of two large projects, the expansion of Division 10 and development of a new multi-modal control center for bus and rail. Both of these projects are being re-scoped for proposal at a future date.

## SUMMARY OF PERFORMANCE MEASUREMENTS FOR BUS

For the Year Ended June 30

Performance Measurement - Bus	2005			2004 Actual*	2003 Actual
	2005 Unaudited Actual	2005 Budget	Variance Over/ (Under)		
Cost/Revenue Service Hour	\$102.80	\$104.18	(\$1.38)	\$109.44	\$101.52
Revenue Service Hours	7,561,449	7,567,118	(5,669)	6,622,011	7,453,531
Cost/Passenger Mile	\$0.53	\$0.55	(\$0.02)	\$0.57	\$0.52
Subsidy/Passenger Mile	\$0.36	\$0.39	(\$0.03)	\$0.41	\$0.37
Mean Miles Between Mechanical Failures	7,146	7,500	(354)	8,317	6,848
Traffic Accidents/100,000 Miles	3.50	3.50	0.0	3.31	3.88
New Workers Comp Claims per 200,000 Hours	13.61	16.76	(2.90)	17.65	22.31
Maintenance Monthly Lost Time Claims/100 Employees	0.73	1.41	(0.68)	0.98	1.51
Mean Fleet Age in Years	6.60	6.40	0.20	6.30	5.60
Peak Bus/Base Bus	1.90	1.86	0.04	1.89	1.46

\* Includes 35-day work stoppage

### Discussion

The FY05 costs per revenue service hour (RSH) are under budget due to lower than planned services expenditures as described above. The delivery of RSH is 0.07% under the target. These two measures indicate that we are providing nearly all the planned service at \$1.38 per hour less cost than budgeted. The FY05 cost per RSH compared with the FY03 cost per RSH (the last year without strike interruption) shows that the growth over those two years is 1.3%, which is less than inflation over the same period.

Mean miles between mechanical failures were 5% under the FY05 target but is significantly better than FY03. The low fleet age may also contribute to the performance in this area and has vastly improved the reliability of the fleet.

Traffic accidents per 100,000 miles were equal to the target. Transit Operations continues to offer enhanced safety training and retraining programs for operators with high frequency of traffic accidents.

New workers' compensation claims per 200,000 hours were substantially lower than budget due to the ongoing safety program and safety meetings that focus on safety awareness and accident prevention. Divisions are also conducting line sweeps to identify road hazards that contribute to new workers' compensation claims. Although the number of claims were lower than the target, the workers' compensation costs for the year were on budget. This is due to the rising costs for medical care.

## SUMMARY OF PERFORMANCE MEASUREMENTS FOR RAIL

For the Year Ended June 30

Performance Measurement - Rail	2005			2004 Actual*	2003 Actual
	2005 Unaudited Actual	2005 Budget	Variance Over/ (Under)		
Heavy Rail Cost/Vehicle Service Hour	\$289.91	\$276.14	\$13.77	\$277.69	\$244.39
Light Rail Cost/Vehicle Service Hour	\$372.13	\$386.60	\$(14.47)	\$333.71	\$300.25
Heavy Rail Cost/Passenger Mile	\$0.45	\$0.45	0.00	\$0.43	\$0.42
Light Rail Cost/Passenger Mile	\$0.67	\$0.66	\$0.01	\$0.47	\$0.38
Heavy Rail Subsidy/Passenger Mile	\$0.37	\$0.31	\$0.06	\$0.33	\$0.32
Light Rail Subsidy/Passenger Mile	\$0.57	\$0.56	\$0.01	\$0.38	\$0.30
New Workers' Comp. Claims per 200,000 hours	9.26	11.01	(1.75)	11.59	11.25
Light Rail Vehicle Accident Rate/100,000 Miles	0.32	0.40	(0.08)	0.49	0.38

\* Includes 35-day work stoppage

### Discussion

The cost per vehicle service hour is virtually on budget since the light rail underrun is almost completely offset by the heavy rail overrun. Since a substantial percentage of rail costs are fixed, the cost per hour did not decline as much as service hours. Rail expenses are under budget by nearly \$10 million due mainly to service hour reductions implemented as part of the FY05 budget amendment and other management actions to reduce costs. Professional services and propulsion costs were both below budget. Subsidy per passenger mile was impacted by less than anticipated boardings, and consequently resulted in lower fare revenue and passenger miles.

New workers' compensation claims reported/filed are below target. This represents an 17.6% improvement since 2003 and can be attributed to safety training, and improved follow-up by division management.

## **SUMMARY OF CAPITAL PROGRAM**

The attached capital program status report for the year ended June 30, 2005, shows the status of adopted life-of-project budgets and projected total costs to complete for each project. The projected costs to complete are provided by the project managers for each project and are updated quarterly.

The report identifies the projected life-of-project (LOP) budget status for each project. If the project exceeds the LOP but is under \$1 million, it is within the board-approved limit for transferring contingency to the project. If the LOP change causes the project to exceed \$1 million, the project manager is required to return to the board for approval.

### **Major Construction**

Major construction projects include construction of new fixed guideway corridors, new rail car purchases, and other major infrastructure improvements. For the period ended June 2005, all adopted major construction projects are estimated to be completed within the board approved life-of-project budgets.

The Orange Line project schedule was modified to extend the revenue operations date to October 29, 2005. This extension may impact the Orange Line Pre-revenue Operations project budgeted in FY06.

Detailed information on the major construction projects is available through the individual project reports.

### **Bus Acquisition, Universal Fare System, Advanced Transportation Management System**

There are 3 active bus procurements in this element. The procurement for 75 40' buses was completed in FY05 and all buses delivered. The project is in final close-out and is forecast to complete under the approved LOP budget. The procurement for 100 45' buses is nearly complete with only 4 buses remaining to be delivered. The procurement for 178 articulated buses is slightly ahead of schedule with 32 buses delivered to date.

The Advanced Transportation Management System (ATMS) project manager is reporting substantial completion of this project, on schedule and on budget. The project included installation of a new bus radio system and infrastructure, including antenna sites, over Metro's 1,500 square mile service area, completely modernized and upgraded equipment at every console in the bus operations control dispatch center, and installation of radios, voice annunciators, automatic passenger counters and GPS tracking on over 2,400 buses. The total cost for the project was \$105 million.

The project manager for the Universal Fare System (UFS) project has reported that the UFS schedule is at risk, but can be recovered. If the project schedule is delayed, it could result in a project cost increase for extended overhead costs. Executive management has formed a "tiger team" to monitor the progress on this project.

## **Bus Maintenance and Facilities**

The largest bus maintenance project is the annual bus mid-life program. The project manager reports that the goal of 190 bus overhauls and 145 engine rebuilds was achieved and the project was completed under budget because the cost to rebuild the engines was less than anticipated. One project in the Bus Facilities element, the Digital Video Recorders and Division Equipment project, is projecting a need for a life-of-project budget increase due to increased homeland security requirements. This was approved in September. Construction is progressing as planned on all other bus facilities projects.

## **Rail Capital Projects**

One project, the Metro Green Line Elevator and Escalator Sumps and Clarifiers project (#204005), received Board approval for a life-of-project increase during the quarter.

The Metro Red Line Station Canopies project was deferred until FY07, creating a cost underrun of \$6.5 million in the FY05 budget. Improvements to light rail Divisions 11 and 22 are proceeding on schedule.

## **Other Capital Projects**

The Board approved an increase to the Maintenance and Material Management System Replacement project of \$3.9 million during the third quarter. The project is currently planned to be completed by December 2005. The Tiger Team is reporting progress on project completion at each month's Executive Management Committee meeting.

## GOVERNMENTAL FUNDS (SPECIAL REVENUE AND GENERAL FUNDS)

For the Year Ended June 30  
(Dollars in millions)

	2005 Unaudited Actual	2005 Budget	2005 Variance	2004 Actual	2003 Actual
<b>Revenues</b>					
Sales Tax	\$ 1,588	\$ 1,522	\$ 66	\$ 1,478	\$ 1,404
Intergovernmental Grants	79	142	(63)	112	129
Investment Income	21	18	3	10	26
Decline in Value of Investments	(7)	-	(7)	(4)	-
Lease & Rental	11	11	-	11	12
Lease/leaseback Proceeds				8	14
Licenses & Fines	9	8	1	9	8
Other	1	2	(1)	9	2
<b>Total Revenues</b>	<b>1,702</b>	<b>1,703</b>	<b>(1)</b>	<b>1,633</b>	<b>1,595</b>
<b>Expenditures</b>					
<b>Current</b>					
Subsidies	1,603	1,721	(118)	1,562	1,553
Services	36	55	(19)	40	50
<b>Debt &amp; Interest Expenditures</b>					
Interest & Fiscal Charges	1	1		1	
Bond Principal & CP Retirement	2	2		1	
General & Administrative	54	59	(5)	53	64
<b>Total Expenditures</b>	<b>1,696</b>	<b>1,838</b>	<b>(142)</b>	<b>1,657</b>	<b>1,667</b>
Net Change in Fund Balance	6	(135)	141	(24)	(72)
Fund Balance - Beginning	746	746	-	770	842
Fund Balance - Ending	\$ 752	\$ 611	\$ 141	\$ 746	\$ 770

### Discussion

While revenues overall performed as expected, expenditures were \$142 million, or 8%, under budget. Most of this was attributable to the Special Revenue fund.

The Call for Projects programs spent \$49 million, which is \$89 million, or 64%, less than budgeted. This was the result of the projects experiencing one or more of the following: construction delays due to heavy rains, slow invoicing, delays in contract awards, complications with funding arrangements, schedule and/or scope changes, and a cancelled procurement. These funds remain programmed to the various projects and will be paid as the projects progress. More details are provided below.

The ongoing contract negotiations with the City of Los Angeles concerning Metro Rapid Bus resulted in \$17 million of its budget being unspent. \$5 million of bus subsidies were not drawn by the municipal operators. In addition, \$10 million of the Regional Grantee budget was not spent due to project delays.



The following sections provide details on programs provided in the Governmental funds.

## SUMMARY OF CALL FOR PROJECTS AND RELATED INFORMATION

For the Year Ended June 30

(Dollars in millions except for performance data)	2005 Unaudited Actual	2005 Budget	2005 Variance Over/(Under)	2004 Actual	2003 Actual
Revenues:					
Grant subsidies	\$49	\$138	(\$89)	\$60	\$33
Total revenue	49	\$138	(89)	\$60	\$33
Expenditures:					
Freeway programs	12	19	(7)	17	3
Regional surface trans. improvement	12	43	(31)	16	10
Local traffic system	19	46	(27)	22	18
Commuter rail	1	13	(12)	2	-
Bus capital	5	17	(12)	3	2
Total call expenditures	49	138	(89)	60	33
Excess of revenues over expenditure	\$0	\$0	\$0	\$0	\$0
Performance Measurement					
Call Expenditures as a % of Budget					
Freeway programs	63%	100%	-37%	138%	18%
Regional Surface Trans. Improvement	28%	100%	-72%	87%	47%
Local Traffic System	41%	100%	-59%	78%	51%
Commuter Rail	8%	100%	-92%	18%	0%
Bus Capital	29%	100%	-71%	21%	14%

### Discussion

Call for Projects revenue and expenditures ended the year under budget by \$89 million. Total revenues and expenditures are 18% less than FY04.

In the regional programs categories of Call for Projects, Commuter Rail, Freeway Service Patrol and SAFE, Metro budgets the cash flow payments expected to be paid to the regional partners or the contractors for services rendered. Historical experience has shown that, although work on the projects is progressing, the fund recipients frequently delay invoicing Metro for 30 days or longer depending on their internal processes.

The Freeway program projects expended approximately 63% of the annual budget. Reasons for the variance include: slow invoicing and payment delays for HOV Lane Rte. 605, HOV Lane Rte. 405, and other Caltrans projects; delays in the award of the contract for Route 101; and finalizing funding agreements for various freeway projects including the Carmenita Road Interchange on Rte. 5.

Regional Surface Transportation spent approximately 28% of its annual budget. This was due to invoicing delays for Centinela Ave., Mission Blvd./State Rte. 71 Interchange, and First St. Approach Widening & Historical Railing Replacement. The need to find additional funding delayed Playa Vista Area Congestion Improvement (on Culver and Lincoln Boulevards), and La Tijera to LMU. Schedule and/or scope changes delayed Pasadena SR 710 Mitigation, Terminal Island Freeway/Ocean Blvd, and Arterial HOV.

The Local Traffic System program spent 41% of budget. There was slow invoicing on Santa Monica Blvd. Transit Parkway, PCH Traffic Management System, San Fernando Corridor ITS, Exposition Park Traffic Management Plan, and South Bay Synchronization and Bus Speed Improvements. There were design changes or schedule and/or scope changes on Pomona Valley Traffic Signal Forum Improvement Project, Harbor Transitway Arterial HOV Connection, Gateway Cities Traffic Signal Signal Corridors Project, and South East LA County Traffic Signal Synchronization Corridors. Priority was lowered for San Diego Freeway Corridor Phase II ATSAC and Golden State Freeway Corridor ATSAC.

Only 1% of the Commuter Rail capital grant was spent because the procurement for Metrolink rolling stock was contested and cancelled requiring another round of bidding.

Bus Capital Projects experienced delays in land acquisition for the First Street Parking Structure and the Rolling Stock Maintenance Facility in San Bernardino, and slow invoicing for other projects such as Mitigate Parking Deficiency for Covina Metrolink Station and Siding in the I-10 Corridor & East LA River Sidings. The Wilshire/Western Transit Center project was re-scoped and funding was no longer needed.

## SUMMARY OF OTHER TRANSPORTATION PROGRAMS AND RELATED INFORMATION

For the Year Ended June 30

(Dollars in millions except for performance data)	2005 Unaudited Actual	2005 Budget	2005 Variance	2004 Actual	2003 Actual
<b>Revenues:</b>					
Sales tax subsidy	\$27	\$34	(\$7)	\$25	\$ 27
Intergovernmental grants	15	15	0	61	62
Investment income and other	1	1	0	1	1
<b>Total revenues</b>	<b>\$43</b>	<b>\$50</b>	<b>(\$7)</b>	<b>\$87</b>	<b>\$90</b>
<b>Expenditures:</b>					
Freeway Service Patrol - FSP	17	24	7	17	18
SAFE*	6	9	3	8	8
Access Service Incorporated - ASI ***	17	17	-	62	64
<b>Total expenditures</b>	<b>\$40</b>	<b>\$50</b>	<b>\$10</b>	<b>\$87</b>	<b>\$90</b>
<b>Excess of revenues over expenditures</b>	<b>\$3</b>	<b>\$0</b>	<b>\$3</b>	<b>\$0</b>	<b>\$0</b>
<b>Performance Measurement</b>					
FSP - Cost per Assist	\$58.47	N/A	N/A	\$49.53	\$49.33
SAFE - Cost Per Call Answered**	\$26.26	N/A	N/A	\$43.55	\$38.44
ASI operating subsidy per passenger	\$27.33	N/A	N/A	\$27.22	\$27.56

\* The SAFE is not an MTA function but is included in this chart as it performs motorist aid services similar to FSP and ASI

\*\* FY03 cost per call based upon operating costs and excludes a one-time expenditure of \$3.5 million used to cover the cost of modifying callbox sites in compliance with the Thalheimer ADA Settlement Agreement.

\*\*\* FY03, FY04 budget includes Federal passthroughs of \$45.8 million, \$47.0, respectively

### Discussion


Although revenues were under budget by \$7 million, expenditures were under budget by \$10 million, resulting in a surplus of \$3 million. The revenue surplus is because the SAFE program revenues are from DMV registrations earned throughout the year.


Freeway Service Patrol consumed approximately 71% of its budget. The start-up delays of the FSP Communications System Upgrade and Big Rig Tow Demonstration projects are the largest reason for the program variance. The operating budget also includes a Board authorized 7% contingency for unanticipated service increases needed for long term freeway incidents, fires, earthquakes, seasonal holiday traffic, etc., which was underexpended.

Call Box Programs/SAFE utilized approximately 67% of its budget. This program variance is mainly attributable a reduction in maintenance expenses, fewer required ADA upgrades, as well as delays in implementation of the mobile call box initiative.

Attachment: Capital Program Status Report

Prepared by: Office of Management & Budget

  
\_\_\_\_\_  
RICHARD BRUMBAUGH  
Chief Financial Officer

  
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ROGER SNOBLE  
Chief Executive Officer



**Los Angeles County Metropolitan Transportation Authority**  
**Capital Program Variance Report - Life of Project**  
*For the period ended June 30, 2005*

Line Item	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
				Encumbrance	Balance of Project Costs				
<b>Bus Acquisition</b>									
1	Advanced Transportation Management System (ATMS)	200053	105,141,039	310,106	-	105,451,145	105,451,145	-	Project manager reports project substantially complete. Project staff reviewing encumbrances and past labor charges to evaluate final project cost.
2	Universal Fare Collection System	200225	53,799,343	17,290,954	22,516,702	93,607,000	93,607,000	-	
3	Regional Service Center and Clearinghouse	200351	2,088,642	897,572	7,013,785	10,000,000	10,000,000	-	
4	100 QTY 45' NABI Compo Buses	201004	40,178,052	3,344,135	4,707,813	48,230,000	48,230,000	-	
5	178 CNG Articulated Bus Purchase Base Order	201005	37,029,332	1,550,656	88,194,012	126,774,000	126,774,000	-	
6	75 Quantity 40' Bus Option FY05	201027	27,667,760	109,333	2,222,906	30,000,000	30,000,000	-	
7	<b>Subtotal for Bus Acquisition</b>		<b>265,904,169</b>	<b>23,502,756</b>	<b>124,655,219</b>	<b>414,062,145</b>	<b>414,062,145</b>	<b>-</b>	



**Los Angeles County Metropolitan Transportation Authority**  
**Capital Program Variance Report - Life of Project**  
*For the period ended June 30, 2005*

	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
				Encumbrance	Balance of Project Costs				
<b>Bus Facilities Improvements</b>									
1	Replacement Automated Guideway Vehicles	202000	5,381	-	1,779,325	1,784,706	1,784,706	-	
2	Digital Video Recorders and Division Equipment	202003	221,859	1,727	1,955,711	2,179,297	1,031,000	1,148,297	Board report being prepared for LOP increase approval.
3	RRC General Building Modifications	202006	308,399	-	809,505	1,117,904	1,117,904	-	
4	In-Ground Bus Hoist Replacement	202007	4,135,962	943,702	3,201,337	8,281,000	8,281,000	-	
5	Upgrade Underground Storage Tanks and Remediate Soil	202008	3,126,609	-	-	3,126,609	4,218,273	(1,091,664)	Project complete. Funds reprogrammed to FY06.
6	Division Lighting Program	202009	363,753	-	834,292	1,198,045	1,198,045	-	
7	Permanent Restroom Facilities at Selected Locations.	202010	822,400	-	757,600	1,580,000	1,580,000	-	
8	Cal State - L.A. County USC Busway Sta. Enhancement	202011	452,207	-	1,799,240	2,251,447	2,251,447	-	
9	Bus Division Amenity Improvement Project	202012	940,980	15,525	263	956,768	956,768	-	
10	Bus Facility Contingency Projects	202013	-	-	117,012	117,012	1,485,194	(1,368,182)	Original LOP approved at \$8,761,000. Contingency reduced by \$3,709,000 by Board deferral in January 2005, \$3,157,738 transferred to other capital projects, and \$409,068 in previously identified cost overruns on projects with a LOP under \$1.0 mil.
11	New Div. 9 Transportation Bldg. and Facilities Improvements	202014	1,464,631	-	15,035,369	16,500,000	16,500,000	-	
12	Repave LAX & Other Terminals	202015	769,168	15,956	199,876	985,000	935,000	50,000	Overrun covered by contingency.
13	Temple & Beauty Layover Facility	202016	1,638	-	1,690,362	1,692,000	1,692,000	-	
14	Division 7 Facility Improvements	202017	2,692,709	334,262	534,029	3,561,000	3,561,000	-	
15	Division 2 Maintenance - Maintenance Bldg. Modernization	202018	1,138,861	-	511,139	1,650,000	1,650,000	-	



**Los Angeles County Metropolitan Transportation Authority**  
**Capital Program Variance Report - Life of Project**  
*For the period ended June 30, 2005*

Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
			Encumbrance	Balance of Project Costs				
<b>Bus Facilities Improvements</b>								
1 Division 6 Soundwall	202019	114,909	-	213,091	328,000	328,000	-	
2 LAX Terminal Improvements	202020	141,009	-	260,991	402,000	384,000	18,000	Overrun covered by contingency.
3 El Monte Transit Station Enhancements	202021	-	-	114,000	114,000	114,000	-	
4 Articulated Bus Facility Modifications	202065	2,400,370	63,988	4,176,642	6,641,000	6,641,000	-	
5 Division 1 Expansion	202066	10,090,540	-	1,483,460	11,574,000	11,574,000	-	
6 Division 8 & 15 Renewable Solar Energy Generation Project	202067	3,580,569	17,700	-	3,598,269	3,500,000	98,269	Project staff will seek to reduce costs during final payment negotiations.
7 Division 6 Relocation	202076	441,166	-	12,055,834	12,497,000	12,497,000	-	
8 Division 4 Expansion & Pavement Project	202092	1,314,663	189,300	1,017,037	2,521,000	2,521,000	-	
9 Division Lighting Program	202159	312,438	-	-	312,438	500,000	(187,562)	Project created from FY04 contingency project and now complete.
10 Install New A/C @ Div. 7 & 18	202164	660,843	145,960	-	806,803	750,000	56,803	Encumbrance canceled. Project will be completed within LOP.
11 Metro Art Enhancements	202166	297,062	339,500	-	636,562	634,729	1,833	Labor costs resulted in an increase to the project LOP. Cost overrun covered by contingency.
12 Wayfinding and Customer Information Improvements at Major Transfer	202167	221,413	-	190,587	412,000	412,000	-	
13 Bus Underchassis Washing System - Div. 8	202175	158,427	-	41,573	200,000	200,000	-	Project created from Bus Facilities Contingency project.
14 Metro Rapid Program (Vans and BOCC mods)	210002	4,470,013	-	-	4,470,013	8,301,000	(3,830,987)	Project scope reduced. Funds reprogrammed in FY06 budget.
15 <b>Subtotal for Bus Facilities Improvements</b>		<b>40,647,977</b>	<b>2,067,619</b>	<b>48,778,276</b>	<b>91,493,872</b>	<b>96,599,066</b>	<b>(5,105,194)</b>	

**Metro** **Los Angeles County Metropolitan Transportation Authority**  
**Capital Program Variance Report - Life of Project**  
*For the period ended June 30, 2005*

Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
			Encumbrance	Balance of Project Costs				
<b>Bus Maintenance</b>								
1 Replace Regional Rebuild Center Shop Equipment	203001	223,430	400	26,170	250,000	250,000	-	
2 Refurbish 4 Diesel Buses for Contract Service	203002	174,946	713	-	175,659	320,000	(144,341)	Scope change resulted in reduced project cost.
3 Bus Midlife Program	203008	14,613,758	-	-	14,613,758	17,366,000	(2,752,242)	Scope change resulted in reduced project cost. Funds reprogrammed in FY06 budget. 190 bus overhauls and 145 engine package rebuilds were programmed and completed. Engine package costs were lower than anticipated.
<b>Subtotal for Bus Maintenance</b>		<b>15,012,134</b>	<b>1,113</b>	<b>26,170</b>	<b>15,039,417</b>	<b>17,936,000</b>	<b>(2,896,583)</b>	
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**Los Angeles County Metropolitan Transportation Authority**  
**Capital Program Variance Report - Life of Project**  
*For the period ended June 30, 2005*

	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/Decrease	Comment
				Encumbrance	Balance of Project Costs				
<b>IT/Communications</b>									
1	HR/Payroll System Upgrades	207001	296,105	-	-	296,105	282,203	13,902	Overrun covered by contingency.
2	Application Enhancement / Replacement	207002	317,692	-	-	317,692	429,000	(111,308)	FY05 increment complete.
3	Maintenance and Material Management System Replacement	207003	31,112,543	1,185,615	401,842	32,700,000	32,700,000	-	
4	Workstation and Network Technology Refresh Program	207004	992,536	-	-	992,536	1,144,000	(151,464)	FY05 increment complete.
5	Computer Kiosks Bus and Rail Facilities.	207006	133,348	-	647,652	781,000	781,000	-	
6	Financial System Upgrades	207007	40,058	-	-	40,058	4,086,000	(4,045,942)	Project suspended. Additional increment will be submitted in FY07.
7	Upgrade of the Customer Information System (CIS)	207008	943,395	6,830	-	950,225	956,000	(5,775)	Project Complete.
8	HASTUS Scheduling Software System Upgrade	207009	202,236	2,917	354,847	560,000	560,000	-	
9	ECMS Update	207027	234,819	-	-	234,819	221,184	13,635	Overrun covered by contingency.
10	Storage Network for Disaster Recovery	207028	479,395	-	-	479,395	564,000	(84,605)	Project complete.
11	LTO Tape Management	207029	53,673	-	-	53,673	94,000	(40,327)	Project complete.
12	<b>Subtotal for IT/Communications</b>		<b>34,805,800</b>	<b>1,195,362</b>	<b>1,404,342</b>	<b>37,405,504</b>	<b>41,817,387</b>	<b>(4,411,883)</b>	

**Los Angeles County Metropolitan Transportation Authority**  
**Capital Program Variance Report - Life of Project**  
*For the period ended June 30, 2005*



	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/Decrease	Comment
				Encumbrance	Balance of Project Costs				
<b>Major Construction</b>									
1	Metro Gold Line Eastside Extension	800088	295,225,651	186,996,442	416,590,907	898,813,000	898,813,000	-	
2	Project Administration		43,201	-	(43,201)	-	-	-	
3	Special Conditions		27,212,551	190,228	(7,073,779)	20,328,999	19,493,800	835,199	
4	Project Revenue		(16,120)	-	(4,617,860)	(4,634,000)	(4,617,000)	(17,000)	
5	Interest Cost		-	-	14,800,000	14,800,000	14,800,000	-	
6	Contingency		-	-	28,249,000	28,249,000	60,253,800	(32,004,800)	
7	Construction		152,769,245	174,725,932	334,885,501	662,380,678	633,220,800	29,159,878	
8	Professional Services		79,856,295	12,080,283	44,009,745	135,946,323	135,303,800	642,523	
9	Right of Way / Land Acquisition		35,360,480	-	6,381,520	41,742,001	40,357,800	1,384,201	
10	Orange Line	800112	236,776,616	26,907,645	49,315,739	313,000,000	313,000,000	-	
11	Park & Ride Facility		8,225,132	2	(8,225,134)	-	-	-	
12	Yards & Shops		742,939	400,553	307,508	1,451,000	1,215,000	236,000	
13	Systems / Equipment		5,144,113	3,554,321	647,566	9,346,000	12,674,000	(3,328,000)	
14	Stations		25,262,626	3,014,368	2,396,006	30,673,000	30,394,000	279,000	
15	Special Conditions		22,620,763	4,266,242	9,856,995	36,743,999	24,180,000	12,563,999	
16	Right of Way / Land Acquisition		12,457,554	9,324	906,122	13,373,000	24,935,000	(11,562,000)	
17	Professional Services		47,650,251	1,706,349	(1,032,600)	48,324,000	45,701,000	2,623,000	
18	Guideways		99,370,818	13,956,486	30,410,696	143,738,001	124,217,000	19,521,001	

**Los Angeles County Metropolitan Transportation Authority**  
**Capital Program Variance Report - Life of Project**  
*For the period ended June 30, 2005*



Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
			Encumbrance	Balance of Project Costs				
<b>Major Construction</b>								
1 Contingency		-	-	14,066,000	14,066,000	32,184,000	(18,118,000)	
2 Construction		14,316	-	(14,316)	-	-	-	
3 22 Vehicles		15,356,969	-	(6,969)	15,350,000	17,500,000	(2,150,000)	
4 Project Revenue		(68,866)	-	3,866	(65,000)	-	(65,000)	
5 Mid-City/Exposition Light Rail Corridor	800113	17,733,059	628,767	43,688,174	62,050,000	62,050,000	-	
6 Special Conditions		828,027	350,186	3,296,536	4,474,749	4,474,749	-	
7 Construction		2,335	-	14,968,772	14,971,107	14,971,107	-	
8 Professional Services		16,902,698	278,581	10,160,185	27,341,464	27,341,464	-	
9 Right of Way / Land Acquisition		-	-	15,262,680	15,262,680	15,262,680	-	
10 SFV East-West Bikeway Project	800114	7,225,398	872,034	2,540,428	10,637,860	10,637,860	-	
11 Universal City Station Site Enhancement (800115)	800115	5,195,126	7,966	636,908	5,840,000	5,840,000	-	
12 Canoga Station Park and Ride Project	800117	8,568,000	-	17,432,000	26,000,000	26,000,000	-	
13 Light Rail Vehicle Fleet Enhancement	800151	46,815,567	19,285,346	86,818,086	152,919,000	152,919,000	-	
14 Contingency		-	-	13,428,000	13,428,000	13,428,000	-	
15 Professional Services		3,795,895	730,198	5,312,907	9,839,000	9,839,000	-	
16 Vehicles		43,019,672	18,555,148	68,077,180	129,652,000	129,652,000	-	
17 MGL Eastside Extension Enhancements	800288	-	2,310,000	15,690,000	18,000,000	18,000,000	-	
18 <b>Subtotal for Major Construction</b>		<b>617,539,419</b>	<b>237,008,200</b>	<b>632,712,241</b>	<b>1,487,259,860</b>	<b>1,487,259,860</b>	<b>-</b>	



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*For the period ended June 30, 2005*

	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/(Decrease)	Comment
				Encumbrance	Balance of Project Costs				
<b>Non-Revenue Vehicles</b>									
1	Bus System Support Replacement Non-Revenue Vehicles	208002	1,104,577	1,492,285	3,369,138	5,966,000	5,966,000	-	
2	Bus System Expansion Non Revenue Vehicles	208003	57,963	66,000	103,037	227,000	227,000	-	
3	Rail Support Replacement Non Revenue Vehicles	208004	148,382	1,194,089	498,530	1,841,000	1,841,000	-	
4	<b>Subtotal for Non-Revenue Vehicles</b>		<b>1,310,921</b>	<b>2,752,374</b>	<b>3,970,705</b>	<b>8,034,000</b>	<b>8,034,000</b>	<b>-</b>	



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*For the period ended June 30, 2005*

	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
				Encumbrance	Balance of Project Costs				
<b>Other Capital Projects</b>									
1	Homeland Security Project	200018	277,838	1,413,219	1,487,943	3,179,000	3,179,000	-	
2	Gateway Headquarters Improvement Projects	210008	2,514,023	8,722	311,255	2,834,000	2,834,000	-	
3	Replace Two Color Printing Press	210014	11,616	-	-	11,616	13,622	(2,006)	Project deferred in January 2005; not reprogrammed in FY06 budget.
4	Gibson Environmental Clean-up	210015	1,350	-	-	1,350	11,887	(10,537)	Project deferred, not reprogrammed in FY06 budget.
5	Transit Plaza East Portal Improvements	210016	807,227	-	-	807,227	800,000	7,227	Overrun covered by contingency.
6	Cooling Tower Vacuum	210025	4,955	-	41,045	46,000	46,000	-	
7	Bus Operator Safety Monitoring System	210026	225,845	-	-	225,845	256,000	(30,155)	Project complete.
8	Gateway Security Improvements	210050	-	-	-	-	-	-	
9	<b>Subtotal for Other Capital Projects</b>		<b>3,842,854</b>	<b>1,421,941</b>	<b>1,840,244</b>	<b>7,105,038</b>	<b>7,140,509</b>	<b>(35,471)</b>	



**Los Angeles County Metropolitan Transportation Authority**  
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*For the period ended June 30, 2005*

	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
				Encumbrance	Balance of Project Costs				
<b>Rail Facilities Improvements</b>									
1	Between-Car Platform Barriers - Metro Rail	204002	90,493	-	2,866,507	2,957,000	2,957,000	-	
2	ROC Reconfiguration	204004	1,257,505	162,150	3,967,345	5,387,000	5,387,000	-	
3	MGL Elevator and Escalator Sumps and Clarifiers	204005	1,145,248	-	-	1,145,248	1,136,123	9,125	LOP increase approved in June 2005.
4	MRL Station Canopies	204006	87,292	-	-	87,292	6,586,000	(6,498,708)	Project suspended, will be resubmitted in FY07.
5	Install Outside Paving at Division 20 Warehouse	204007	70,065	-	-	70,065	131,643	(61,578)	Project complete.
6	Division 22 Improvements	204008	2,901,024	300,344	209,209	3,410,576	3,410,576	-	
7	Division 11 Improvements	204009	5,831,456	-	11,564,044	17,395,500	17,395,500	-	
8	MBL Long Beach Transit Mall Station Redesign	204010	139,105	-	1,386,895	1,526,000	1,526,000	-	
9	Rail Facilities Contingency Projects	204011	-	-	18,978	18,978	723,971	(704,993)	Original LOP approved at \$2,041,000. Contingency reduced by \$400,000 by Board deferral in January 2005 and \$917,029 in previously identified cost overruns on projects with an LOP under \$1.0 million.
10	Rail Systemwide Safety Improvements	204012	288,293	-	1,784,707	2,073,000	2,073,000	-	
11	Multi-Modal Control Center	204013	5,656	-	-	5,656	31,205,000	(31,199,344)	Project suspended, will be resubmitted in FY07 capital program.
12	Vermont/Santa Monica Sta. Underground Water Mitigation	204016	42,353	-	1,240,647	1,283,000	1,283,000	-	
13	Division 21 Improvements	204017	2,828,978	374,657	1,296,365	4,500,000	4,500,000	-	
14	Rail Central Warehouse Acquisition - Vernon Yard	204018	1,956	-	-	1,956	1,956	-	
15	MRL Tactile Pad and Strip Installation	204041	191,235	-	258,765	450,000	450,000	-	



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	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
				Encumbrance	Balance of Project Costs				
<b>Rail Facilities Improvements</b>									
1	Completion of Metro Blue Line Art Program	204042	372,243	142,514	419,242	934,000	934,000	-	
2	Completion of Metro Green Line Art Program	204043	28,527	-	141,473	170,000	170,000	-	
3	Baker Street Lot Improvement - Div. 21 Midway Yard	204044	41,330	2,350	226,320	270,000	270,000	-	
4	Completion of Metro Red Line Art Program	204045	440,758	-	-	440,758	421,780	18,978	Labor costs resulted in an increase to project LOP. Overrun covered by contingency.
5	<b>Subtotal for Rail Facilities Improvements</b>		<b>15,763,517</b>	<b>982,015</b>	<b>25,380,497</b>	<b>42,126,029</b>	<b>80,562,549</b>	<b>(38,436,520)</b>	

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	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/ (Decrease)	Comment
				Encumbrance	Balance of Project Costs				
<b>Rail Vehicle Maintenance</b>									
1	Metro Blue Line Rail Vehicle Midlife Overhaul	206001	21,362	-	-	21,362	762,000	(740,638)	
2	Metro Green Line Vehicle Midlife Overhaul	206002	13,254	-	-	13,254	102,000	(88,746)	
3	Metro Red Line Vehicle Midlife Overhaul	206003	16,998	-	-	16,998	122,000	(105,002)	
4	Breda Rail Car Retrofit	206004	89,563	1,834,471	2,386,966	4,311,000	4,311,000	-	
5	<b>Subtotal for Rail Vehicle Maintenance</b>		<b>141,177</b>	<b>1,834,471</b>	<b>2,386,966</b>	<b>4,362,614</b>	<b>5,297,000</b>	<b>(934,386)</b>	





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				Encumbrance	Balance of Project Costs				
<b>Warehouse</b>									
1	Upgrade Miniload System	209002	14,472	-	88,528	103,000	103,000	-	
2	PGL Midway Warehouse - Equipment and Storage	209003	1,013,395	-	753,605	1,767,000	1,767,000	-	
3	Metro Red Line Storage Building	209004	207,260	-	620,740	828,000	828,000	-	
4	Covered Awning for Blue Line	209005	349,564	-	-	349,564	351,074	(1,510)	Project complete.
5	Covered Awning for Green Line	209006	309,274	-	-	309,274	309,274	-	
6	Automate Bulk Storage Area	209007	-	-	1,029,000	1,029,000	1,029,000	-	
7	Security Camera for All Rail Warehouses	209008	191,245	-	211,755	403,000	403,000	-	
8	Dock Leveler for RRC	209009	12,068	98,346	-	110,415	98,000	12,415	Overrun to be covered from cointinency.
9	Purchase EZ Tilter.	209010	-	-	80,281	80,281	80,281	-	
10	New Pallet Racking for Bus Divisions	209011	-	-	185,000	185,000	185,000	-	
11	Install Dock Leveler Stationery Storeroom	209012	-	-	102,000	102,000	102,000	-	
12	New Expansion Pallet Racking at Central Warehouse	209013	-	-	35,000	35,000	35,000	-	
13	Equipment Safety Modification for Central Warehouse	209014	-	-	43,000	43,000	43,000	-	
14	Install Shipping Awning	209015	-	-	250,000	250,000	250,000	-	
15	<b>Subtotal for Warehouse</b>		<b>2,097,277</b>	<b>98,346</b>	<b>3,398,910</b>	<b>5,594,533</b>	<b>5,583,629</b>	<b>10,904</b>	

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	Project Title	CP/FIS Project No.	Inception-to-Date Expenditures	Cost to Complete Estimate		Total Forecasted Expenditures	Board Approved Life of Project	Increase/Decrease	Comment
				Encumbrance	Balance of Project Costs				
<b>Wayside Systems</b>									
1	Fiber Optic Rail Communication System	205001	656,845	-	2,354,155	3,011,000	3,011,000	-	
2	SCADA Equipment Replacement	205002	7,734,570	7,876	2,820,554	10,563,000	10,563,000	-	
3	MRL Uninterruptable Power Supply Replacement Project	205003	4,435,382	-	-	4,435,382	4,643,000	(207,618)	Project complete.
4	Rail Security Improvements	205004	260,084	-	6,208,916	6,469,000	6,469,000	-	
5	Rail Communications Systems Upgrade	205005	564,413	-	1,767,587	2,332,000	2,332,000	-	
6	MBL Grade Crossing Improvements	205006	2,130,988	-	1,991,012	4,122,000	4,122,000	-	
7	Wayside Systems Tools and Equipment	205007	286,143	-	71,857	358,000	358,000	-	
8	Wayside Systems Battery Replacement/Refurbishment	205008	499,872	5,510	-	505,382	616,769	(111,387)	Project complete.
9	Crossing Gate Equipment Replacement	205009	466,711	522,000	249,417	1,238,128	1,238,128	-	
10	Replace Guarded Rail Crossings	205010	267,089	-	42,911	310,000	310,000	-	
11	MBL Long Beach Photo Enforcement Program	205011	236,155	-	-	236,155	782,000	(545,845)	Project deferred until FY07, pending availability of better and lower cost technology.
12	MBL Four Quadrant Gate Program Expansion	205012	985,176	-	4,669,824	5,655,000	5,655,000	-	
13	MBL Fiber Optic "TRAIN" Sign Program in Long Beach	205013	410,998	129,836	469,166	1,010,000	1,010,000	-	
14	Light Rail Train Tracking Improvements	205014	139,358	700,000	116,443	955,801	955,801	-	
15	Mobile Rail Safety Educational Program	205015	1,631,788	-	-	1,631,788	1,747,000	(115,212)	Project complete.
16	Seg-1 Remote Terminal Unit (RTU) Upgrade	205017	313,835	100,000	2,231,165	2,645,000	2,645,000	-	
17	Wayside Systems Contingency Projects	205018	-	-	-	-	1,277,000	(1,277,000)	Project complete.
18	Four PGL Traction Power Substations	205034	4,694,320	17,991	3,988,688	8,701,000	8,701,000	-	



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			Encumbrance	Balance of Project Costs				
<b>Wayside Systems</b>								
MRL Signal System Upgrade	205037	19,133	-	718,867	738,000	738,000	-	
<b>Subtotal for Wayside Systems</b>		<b>25,732,859</b>	<b>1,483,213</b>	<b>27,700,564</b>	<b>54,916,636</b>	<b>57,173,698</b>	<b>(2,257,062)</b>	

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