



**Metro**

Los Angeles County  
Metropolitan Transportation Authority

One Gateway Plaza  
Los Angeles, CA 90012-2952

213.922.2000 Tel  
metro.net

**21**

**EXECUTIVE MANAGEMENT AND AUDIT COMMITTEE  
SEPTEMBER 20, 2007**

**SUBJECT: EMPLOYEE ACTIVITIES DEPARTMENT BUDGET**

**ACTION: AMEND THE FY08 BUDGET**

**RECOMMENDATION**

Amend the FY08 budget to add \$184,000 to cost center #7110 Public Relations which includes Employee Activities and fund with balances generated from prior year employee activities and retail sales.

**RATIONALE**

Each year, Metro generates revenue from its employees through vending machines, pay phones, video games and merchandise sales. Historically, this revenue has been used to support employee activities, events, clubs and retail inventory. For the past two years, revenues have exceeded expenditures creating a fund balance. Access to this fund balance is requested to cover current year employee activity obligations and to replenish inventories for resale.

The funds were not included during the FY08 budget process because all expenses were budgeted at the FY07 level in compliance with the budget targets. Subsequent to the final budget approval, the department identified a need for the revenues and a potential opportunity to increase the fund balance by increasing retail inventory.

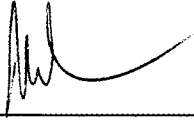
**FINANCIAL IMPACT**

Approval of this request will add \$184,000 to the FY08 budget to cost center 7110, project numbers 100011 Metro Store and 100017 Employee Activities in the FY08 budget. The current fund balance is \$184,821.73.

## **ALTERNATIVES CONSIDERED**

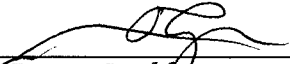
One alternative is maintaining the status quo and keeping employee funds for purposes other than employee use. This is not recommended because then the department would not have an opportunity to increase the retail sales revenue.

Prepared by: Danielle Boutier, Director, Communications Services  
Ron Jue, Financial & Admin., Communications Executive Office



---

Matt Raymond  
Chief Communications Officer



---

Roger Snoble  
Chief Executive Officer

