

June 3, 1998



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Transportation
Authority

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TO: BOARD OF DIRECTORS

FROM: TERRY MATSUMOTO, *BL For TM*
EXECUTIVE OFFICER, FINANCE

SUBJECT: FISCAL 1998 YEAR-TO-DATE APRIL FINANCIAL
UPDATE

ISSUE

This report, presenting highlights of the MTA's budget performance, compares FY98 April year-to-date (YTD) revenues and expenditures to the re-forecast budgets presented to the Board of Directors in November and December, 1997.

SUMMARY

Revenues are in line with the budget re-forecast. Fares and Proposition A and C revenues are at budget. The receipt of state and federal funds reflects reduced construction activity as these revenues are on a reimbursement basis. Revenue from financing proceeds exceeds budget but is offset by expenditures. A summary of YTD revenues are presented in Attachment A, Revenues. A further breakdown of FY98 projected revenues is contained in the Fiscal 1998-99 Proposed Budget on pages 10 and 11.

In total, expenditures are at 78% of the annual re-forecast budget. Year-to-date (YTD) comparisons are difficult as expenditures are budgeted on an annual basis. YTD April represents 10/12, or 83%, of the fiscal year. This percentage may be used as a comparative guideline. The year-end accrual process may also change expenditures significantly from YTD April results. Included in the attachments are a series of schedules detailing YTD expenditures.

(\$000)	Re-forecast	YTD April	% of Re-forecast
Revenues	2,879,720	2,515,450	87%
Expenditures			
Operating Budget	815,147	643,621	79%
Debt Budget*	272,571	269,484	99%
Timing of FY97 Refunding cash flow		223,297	
Capital Budget	820,357	421,896	51%
Regional Programs	540,056	360,137	67%
Total	2,448,131	1,918,435	78%

- * Year-to-date debt service is over budget as a result of a timing issue: the FY97 results included the cash receipt from refunding Series 1997-Prop A bonds while FY98 reflects the cash outlay associated with this transaction.

Prepared by: Barbara Long, Deputy Executive Officer, Budget
M.J. West, Director of Budget

ATTACHMENTS

- A. Revenues April FY98
- B. Summary of FY98 Expenditures by Program
- C. Summary of FY98 Expenditures by Department
- D. Enterprise Fund FY98 Budget, Bus & Rail Operations
- E. Bus and Rail Divisions April YTD Report

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REVENUES
APRIL YEAR-TO-DATE FY98
(\$000)

Revenue Category	Annual FY97 Results	Annual Re-forecast Budget	April YTD Actual	% of Re-forecast Budget	Remarks
Fares	\$ 214,519	\$ 220,588	\$ 183,324	83.1%	
Fees & Other System	27,449	36,854	29,400	79.8%	Includes \$6.6m in Advertising, \$7.6m in Lease Revenues, \$5.1m in SAFE funds, \$2.1m in SBoE payback, and \$10.1m in various revenue sources.
Sales Tax :					
Proposition A	411,528	427,459	352,064	82.4%	
Proposition C	411,224	429,735	354,099	82.4%	
Benefit Assessment District	12,791	10,658	11,079	104.0%	
Local	18,262	69,141	78,729	113.9%	Received \$57.8m for N. Hollywood Project, and \$4.7m for Red Line Seg I & II from City of L.A; \$16.2m from SCAQMD, OCTA and other agencies for various projects.
State TDA	209,000	217,360	166,764	76.7%	Represents actual receipts through March 1998.
State STA	18,743	23,700	19,272	81.3%	
State - Other	38,904	129,337	74,280	57.4%	Includes \$50m in Section 9 funds for N. Hollywood project, \$10.8m in State Hwys funds for Pasadena Line project, \$2.8m in TSM Match funds for N. Hollywood, and \$2.7m in BCP funds for Freeway Service Patrol. \$20m in State Highway, \$21.1m in STP, and \$10.5 in TSM Match for N. Hollywood project is pending invoicing.
Federal	377,862	206,615	121,811	59.0%	Includes \$18.6m in Section 9 for operations, \$73.5m in Section 9 for North Hollywood and Bus & Rail capital. \$24m in Federal Section 3 funds for N. Hollywood project.
Proceeds from Financing & Interest Revenue	733,877	250,717	266,982	106.5%	Includes \$219.7m of Prop C debt refinancing, and \$44.3m in interest earned on carryover balances.
Prior Year Carry-over	650,400	857,555	857,555	100.0%	\$28.8m in carryover Proposition C Proceeds from Financing was used for East Side Extension, (\$25m) and Mid-Cities, (\$3.8m).
Total	\$ 3,124,559	\$ 2,879,720	\$ 2,515,360	87.3%	

Note: FY97 prior year carryover balance previously reported was based on FY96 CAFR Special Revenue Funds balance only. The \$650.4m includes grant balances and and capital fund balances.

ATTACHMENT B: EXPENDITURES BY PROGRAM

The Summary of Expenditures by Program details the agency's YTD expenditures. Total expenditures are \$1,918,435,000 compared to the re-forecast budget of \$2,448,131,000 -- 78% of the annual re-forecasted expenditures.

- The Enterprise Fund has project expenditures of \$581 million, which are in line with revenue expectations. These expenditures are discussed below in the Enterprise Fund section.
- The General Fund projects consists of transit and other planning projects, property management, and agency administration.
- The Special Revenue Fund includes commuter service programs, i.e., Freeway Service Patrol and SAFE, and planning projects which are funded with dedicated sales tax funds. Commuter Services programs have expensed only 42% of their total budget in the first ten months of the fiscal year. The programs are projected to be under budget in FY98 due to delays caused by pending lawsuits related to ADA compliance. Planning projects are under budget, expending 54% of the fiscal year budget. Delays due to interagency discussions have reduced expenditures on major projects, such as the Fuel Cell Buyers Consortium, I-5 Interim HOV, I-5 Corridor MIS, IMAJINE and the Santa Monica Freeway Smart Corridor. Although expenditures on these major projects are increasing now that the projects are underway, it is anticipated that planning projects, in total, may be under budget at fiscal year-end due to delays in implementing two major contracts for HOV and signal synchronization projects, worth approximately \$8 million.
- Year-to-date debt service is over budget as a result of a timing issue: the FY97 results included the cash receipt from refunding Series 1997-Prop A bonds while FY98 reflects the cash outlay associated with this transaction. The refunding was approved by the Board in April, 1997. Debt service payments scheduled for July will be within budgeted amounts.
- Capital expenditures, which historically do not follow a smooth pattern, are at 51% of the re-forecasted dollars. Bus capital expenditures are at 63% of the total budget. Bus acquisition expenditures are at 71% of the re-forecast; staff estimate delivery of 40 to 45 buses through June, bringing expenditures closer to total budget. Capitalized maintenance is below expected levels. Expenditures for major rail construction activities will continue to be under budget due to the demobilization of the Pasadena, Red Line Segment 3 - Eastern Extension and Mid-City projects.
- Subsidies are also under budget. Memorandums of Understanding (MOU's), for the municipal operators are being implemented based on the March Board-approved mid-year allocation. These expenditures will be reflected in the second half of FY98. Additionally, projects awarded funds through the Call-for-Projects are drawing funds at a slower rate than anticipated.

Summary of FY98 Budgeted Expenditures by Program (\$000)
April 1998

	FY97 Actual	FY98 Reforecast	FY98 YTD	FY98 % Var
Operating Expenses				
Enterprise Fund				
Bus	612,678	609,796	507,844	83.3%
Blue Line	52,806	35,671	29,737	83.4%
Green Line	18,692	22,314	12,946	58.0%
Red Line	31,164	29,894	23,863	79.8%
MTA Lite & Bus Debt	5,159	5,349	7,097	132.7%
Enterprise Fund Total	720,499	703,023	581,487	82.7%
General Fund				
Transit & Other Planning	19,367	26,869	13,761	51.2%
Property Management	2,279	2,734	1,958	71.6%
Agency Administration	31,349	24,612	18,834	76.5%
General Fund Total	52,995	54,216	34,553	63.7%
Special Revenue Fund				
Freeway Service Patrol	18,640	25,284	12,819	50.7%
SAFE	4,430	13,859	3,922	28.3%
Highway Planning	7,198	13,070	8,481	64.9%
Commuter Rail & Metrolink Support	3,418	1,085	313	28.9%
Mobility & Air Quality Program	2,520	4,610	2,045	44.4%
RTP&D-CFP Management	-	-	-	..
Special Revenue Fund Total	36,207	57,908	27,580	47.6%
Debt Service	609,830	261,906	492,426	188.0%
Benefit Assessment Management	9,476	10,665	355	3.3%
Operating Expenses & Debt Total	1,429,007	1,087,718	1,136,402	104.5%
Capital Expenses				
Bus Capital				
Bus Acquisition	58,635	109,324	77,529	70.9%
Bus Maintenance & Equipment	45,153	50,855	31,126	61.2%
Bus Facilities Maintenance	5,327	20,854	5,562	26.7%
Bus Capital Total	109,115	181,033	114,217	63.1%
Rail Capital				
Rail Vehicle Maintenance	5,349	9,124	2,268	24.9%
Rail Facilities Maintenance	10,945	17,829	5,652	31.7%
Maintenance-of-Way Facilities	3,598	16,006	4,389	27.4%
LA Rail Car	14,917	30,066	10,890	36.2%
Rail Capital Total	34,809	73,025	23,199	31.8%
Rail Construction Projects				
Rail Planning	9,761	906	(1)	-0.1%
Red Line Segment 2	226,790	166,150	93,975	56.6%
Red Line Segment 3-North Hollywood	211,369	245,896	143,426	58.3%
Red Line Segment 3-Eastside	63,994	34,660	19,625	56.6%
Red Line Segment 3-Mid City	250	2,049	170	8.3%
Pasadena Blue Line	40,275	44,943	15,133	33.7%
Other Rail Construction Projects	26,034	42,419	8,456	19.9%
Rail Construction Projects Total	578,474	537,023	280,784	52.3%
Other Capital Projects				
Intermodal Transit Center	7,637	4,267	1,349	31.6%
Gateway Headquarters	(1,028)	3,219	1,105	34.3%
Non-Revenue Vehicles & Equipment	3,222	8,486	358	4.2%
Information Technology & Systems	8,619	13,305	885	6.7%
Freeway Service Patrol/MIR	-	-	-	..
SAFE	-	-	-	..
Other Capital Projects Total	18,449	29,276	3,697	12.6%
Capital Expenses Total	740,847	820,357	421,896	51.4%
Regional Programs				
Municipal Operator Programs	150,369	125,864	64,316	51.1%
ADA/Accessibility Funding Programs	3,279	37,620	24,666	65.6%
Local Projects and Programs	248,187	337,245	249,244	73.9%
Other Local Projects	1,048	3,140	149	1.8%
Commuter Rail & Intercity Rail	39,614	31,187	21,762	69.8%
Regional Programs Total	442,497	540,056	360,137	66.7%
MTA Total	2,612,351	2,448,131	1,918,435	78.4%

Summary of FY98 Budgeted Expenditures by Program (\$000)
 April 1998

	FY98 Refcst Salary & FB	FY98 Refcst Non Payroll	FY98 Refcst Overhead	FY98 YTD Salary & FB	FY98 YTD Non Payroll	FY98 YTD Overhead
Operating Budget						
Enterprise Fund						
Bus	387,367	153,796	68,633	337,569	109,177	61,098
Blue Line	17,560	15,071	3,040	17,868	9,633	2,237
Green Line	10,687	9,644	2,003	5,868	6,384	693
Red Line	14,133	12,957	2,804	13,656	8,403	1,803
MTA Lite & Bus Debt	808	4,371	170	658	6,310	129
Enterprise Fund Total	430,535	195,838	76,650	375,619	139,907	65,961
General Fund						
Transit & Other Planning	5,310	16,972	4,586	4,163	5,827	3,771
Property Management	681	1,727	327	777	997	184
Agency Administration	74,936	67,923	(118,247)	67,538	93,677	(142,381)
General Fund Total	80,928	86,621	(113,334)	72,479	100,501	(138,427)
Special Revenue Fund						
Freeway Service Patrol	123	25,104	56	101	12,632	87
SAFE	895	12,794	170	557	3,180	185
Highway Planning	2,706	7,760	2,605	1,956	4,631	1,893
Commuter Rail & Metrolink Support	326	613	146	136	81	96
Mobility & Air Quality Program	1,046	2,750	813	700	629	717
RTP&D-CFP Management	-	-	-	-	-	-
Special Revenue Fund Total	5,097	49,021	3,789	3,450	21,154	2,977
Debt Service Total	-	261,906	-	-	492,426	-
Benefit Assessment	177	10,330	159	128	103	123
Operating Budget & Debt Total	516,737	603,717	(32,736)	451,677	754,091	(69,365)
Capital Budget						
Bus Capital						
Bus Acquisition	742	108,420	162	207	77,277	45
Bus Maintenance & Equipment	11,703	36,835	2,317	10,604	18,237	2,285
Bus Facilities Maintenance	518	20,216	119	451	5,008	102
Bus Capital Total	12,963	165,472	2,598	11,262	100,522	2,433
Rail Capital						
Rail Vehicle Maintenance	62	9,048	14	111	2,137	20
Rail Facilities Maintenance	1,540	14,499	1,791	823	3,913	916
Maintenance-of-Way Facilities	522	15,205	279	522	3,561	306
LA Rail Car	240	29,588	238	137	10,592	161
Rail Capital Total	2,364	68,340	2,321	1,593	20,204	1,403
Rail Construction Projects						
Rail Planning	164	585	158	28	(55)	26
Red Line Segment 2	7,248	153,073	5,830	5,431	83,375	5,170
Red Line Segment 3-North Hollywood	6,409	232,889	6,598	4,424	134,190	4,811
Red Line Segment 3-Eastside	4,352	25,950	4,358	2,473	14,496	2,656
Red Line Segment 3-Mid City	354	1,314	381	53	61	56
Pasadena Blue Line	4,068	36,772	4,103	2,521	10,196	2,416
Other Rail Construction Projects	3,973	34,627	3,818	2,464	4,851	1,141
Rail Construction Projects Total	26,568	485,210	25,245	17,394	247,113	16,277
Other Capital Projects						
Intermodal Transit Center	122	4,102	43	83	1,231	35
Gateway Headquarters	50	3,139	30	33	1,053	18
Non-Revenue Vehicles & Equipment	-	8,486	-	1	357	0
Information Technology & Systems	174	12,781	349	29	848	8
Freeway Service Patrol/MIR	-	-	-	-	-	-
SAFE	-	-	-	-	-	-
Other Capital Projects Total	346	28,508	423	146	3,489	61
Capital Budget Total	42,241	747,529	30,587	30,395	371,328	20,174
Regional Program						
Municipal Operator Programs	-	125,864	-	6	64,306	4
ADA/Accessibility Funding Programs	-	37,620	-	-	24,666	-
Local Projects and Programs	-	337,245	-	9	203,739	45,496
Other Local Projects	140	8,000	-	11	128	11
Commuter Rail & Intercity Rail	-	31,187	-	-	21,762	-
Regional Program Total	140	539,916	-	25	314,601	45,511
MTA Total	559,118	1,891,162	(2,149)	482,096	1,440,019	(3,681)

ATTACHMENT C: EXPENDITURES BY DEPARTMENT

The Summary of Expenditures by Department details the agency's YTD expenditures at the department and Executive Officer levels. The expenditures include both operating and capital expenditures. Reduced expenditures in capital projects would be reflected in the YTD figures. The report follows the same organization structure as the FY99 proposed budget.

- The Board departments, which consist of the Board Office, Board Secretary, Ethics, County Counsel, and Inspector General departments, and the Chief Executive Office departments, which include the Office of the CEO, Board Research Services, Management Audit, Safety and Government Relations have expended 68% and 55% of the re-forecast budget, respectively, and are projected to be under budget at fiscal year-end.
- Transit Operations has expended 77% of the re-forecast budget through April. It is anticipated that Transit Operations will be at, or slightly above, budget at year-end.
- RTP&D, excluding subsidies, has expended 39% of the total budget through April. Even though RTP&D's FY98 Budget was reduced in November to reflect cash flow requirements for its many projects, RTP&D will remain under budget through the fiscal year due to delays in project implementation. Subsidies should also be under budget at fiscal year-end due to slower than anticipated drawdowns for projects awarded funding through the Call-for-Projects process.
- The Finance unit is over budget due to the debt transaction described in the Expenditures by Program section. Year-to date debt service is over budget as a result of a timing issue: the FY97 results included the cash receipt from refunding Prop A bonds while FY98 reflects the cash outlay associated with this transaction.
- Administration has expended only 61% of the annual budget through April. This is due to reduced expenditures in non-labor expenses in the Transit Security, Real Estate, and Information and Technology Services departments. It is anticipated expenditures will increase significantly during the year-end accrual process, based on historical results.
- The Office of Procurement is tracking below budget. Expenditures will increase through fiscal year-end as bus deliveries increase.
- Communications is also tracking slightly below budget. The Marketing department has only expended 57% of the FY98 Re-forecast and should be under budget at fiscal year-end due to reprioritizing of planned work.
- The Construction unit is under budget, expending only 51% of the re-forecast. Construction will be under budget at fiscal year-end because of the demobilization of the Pasadena Blue Line and the Mid-City and Eastside construction projects.

Summary of FY98 Expenditures by Department (\$000)
April 98

		FY97 Actual	FY98 Reforecast	FY98 YTD	FY98 % Var	
Board Of Directors	Board Office	423	255	137	53.6%	
	Office Of Board Secretary	615	581	455	78.4%	
	Ethics Office	264	560	515	92.0%	
	County Counsel	12,950	11,677	10,549	90.3%	
	Legal Contingency	2	4,500	103	2.3%	
	Inspector General	3,841	3,821	2,697	70.6%	
	Board Of Directors Total	18,095	21,393	14,457	67.6%	
	Chief Executive Office	Chief Executive Office	3,642	3,791	1,583	41.7%
		Board Research Services	422	407	410	100.7%
Management Audit Services		3,328	6,670	3,729	55.9%	
Office Of Safety		3,192	4,364	2,674	61.3%	
Government Relations		1,252	1,685	870	51.6%	
Chief Executive Office Total		11,837	16,917	9,265	54.8%	
Transit Operations		Executive Office, Transit Operations	714	521	465	89.4%
	Transit Operations Support	9,253	4,821	6,216	128.9%	
	Transit Operations Support Non Dep	69	34,573	21,160	61.2%	
	Service Delivery Support	39,040	58,149	31,434	54.1%	
	Maintenance Support	82,015	92,592	62,104	67.1%	
	Northern Bus Region	177,435	175,384	148,187	84.5%	
	Southern Bus Region	202,119	199,578	170,175	85.3%	
	Transit Rail Operations	37,662	40,564	28,914	71.3%	
	Transit Operations Total	548,308	606,182	468,654	77.3%	
	R T P & D	Executive Office, Reg Transp Plan & Operations Planning	863	661	332	50.2%
		Countywide Planning	5,160	12,395	3,929	31.7%
		Transp Dev & Implementation	4,459	4,542	2,647	58.3%
		Transp Dev & Implementation	19,436	32,043	11,369	35.5%
Capital Planning		2,662	2,239	1,823	81.4%	
R T P & D Total		32,580	51,881	20,099	38.7%	
Subsidies		2,549	539,564	368,535	68.3%	
R T P & D & Subsidies Total		35,129	591,445	388,634	65.7%	
Finance	Executive Office, Finance	796	815	412	50.5%	
	Accounting	5,701	5,806	4,381	75.4%	
	Treasury	155	2,027	1,101	54.3%	
	Treasury Non Dept	76	284,697	512,042	179.9%	
	Risk Management	26,364	83,948	49,062	58.4%	
	Revenue Administration	12,716	18,337	13,478	73.5%	
	Office Of Management & Budget	1,332	1,971	1,425	72.3%	
	Finance Total	47,141	397,602	581,900	146.4%	
	Administration	Transit Security	39,271	50,306	32,245	64.1%
		Executive Office, Administration	444	217	165	76.0%
Employee & Labor Relations		3,139	2,011	1,625	80.8%	
Human Resources		12,083	15,520	15,294	98.5%	
General Services		13,148	16,187	11,087	68.5%	
Real Estate		23,197	15,680	8,202	52.3%	
Information & Technology Services		43,908	39,555	16,541	41.8%	
Administration Total		135,189	139,476	85,159	61.1%	
Office Of Procurement		Executive Office, Procurement	-	-	-	..
		Material Management	8,331	12,392	9,826	79.3%
	Proc/Contract Admin	4,023	3,913	2,740	70.0%	
	Acquisition Warranty	64,577	114,151	81,157	71.1%	
	Construction Procurement	4,602	6,262	4,471	71.4%	
	Office Of Procurement Total	81,532	136,718	98,194	71.8%	
Communications	Executive Office, Communications	657	438	525	119.7%	
	Media Relations	1,102	1,036	848	81.9%	
	Marketing	4,778	3,801	2,147	56.5%	
	Customer Relations	6,584	6,499	5,414	83.3%	
	Communications Total	13,121	11,775	8,934	75.9%	
	Construction	Executive Office, Construction	6,123	2,657	2,324	87.5%
Quality Management		1,799	1,571	1,386	88.2%	
Engineering		16,937	31,153	12,344	39.6%	
Construction		3,051	2,834	2,323	82.0%	
Construction Contracts		494,854	479,910	241,909	50.4%	
Program Management		4,749	3,918	2,837	72.4%	
Metro Art		604	852	369	43.3%	
Public Affairs		8,483	5,090	3,217	63.2%	
Construction Total		536,601	527,985	266,708	50.5%	
Non-Departmental Total		1,185,399	(1,362)	(3,470)	254.8%	
MTA Total	2,612,351	2,448,131	1,918,435	78.4%		

Summary of FY98 Expenditures by Department (\$000)
 April 98

		FY 1998 Reforecast			FY 1998 YTD			
		Salary & Fringe	Non Payroll	Overhead	Salary & Fringe	Non Payroll	Overhead	
Board Of Directors	Board Office	-	255	-	(0)	137	-	
	Office Of Board Secretary	527	53	-	426	29	-	
	Ethics Office	488	72	-	452	63	-	
	County Counsel	333	11,344	-	173	10,376	-	
	Legal Contingency	-	4,500	-	-	103	-	
	Inspector General	2,876	945	-	2,372	325	-	
	Board Of Directors Total	4,224	17,169	-	3,423	11,034	-	
Chief Executive Office	Chief Executive Office	1,165	2,626	-	1,191	391	-	
	Board Research Services	395	12	-	409	0	-	
	Management Audit Services	4,725	1,944	-	2,866	862	-	
	Office Of Safety	2,973	1,391	-	2,408	267	-	
	Government Relations	540	845	-	475	395	-	
	Chief Executive Office Total	10,098	6,819	-	7,350	1,915	-	
	Transit Operations	Executive Office, Transit Operations	447	73	-	407	58	-
Transit Operations Support		3,794	1,117	-	6,119	97	-	
Transit Operations Supp Non Dept		4,172	30,401	-	-	21,160	-	
Service Delivery Support		13,073	45,076	-	11,246	20,187	-	
Maintenance Support		41,644	50,949	-	33,819	28,285	-	
Northern Bus Region		151,776	23,608	-	131,480	16,704	2	
Southern Bus Region		175,847	23,731	-	152,364	17,811	-	
Transit Rail Operations		26,371	14,193	-	24,190	4,724	-	
Transit Operations Total		417,034	189,148	-	359,626	109,026	2	
R T P & D		Executive Office, Reg Transp Plan	553	104	-	313	19	-
		Operations Planning	4,245	8,151	-	3,597	331	-
	Countywide Planning	2,133	2,360	-	1,766	881	-	
	Transp Dev & Implementation	5,517	26,526	-	4,645	6,724	-	
	Capital Planning	1,919	319	-	1,634	189	-	
	R T P & D Total	14,421	37,459	-	11,954	8,144	-	
	Programmed Funds/Subsidies	-	539,564	-	-	368,535	-	
R T P & D Total	14,421	577,023	-	11,954	376,680	-		
Finance	Executive Office, Finance	459	357	-	281	131	-	
	Accounting	4,531	1,226	-	3,819	561	-	
	Treasury	1,089	938	-	665	436	-	
	Treasury Non Dept/Debt	-	284,697	-	-	512,042	-	
	Risk Management	1,223	82,720	-	545	48,517	-	
	Revenue Administration	6,909	11,428	-	6,225	7,256	-	
	Office Of Management & Budget	1,799	172	-	1,359	65	-	
	Finance Total	16,066	381,537	-	12,894	569,009	-	
	Administration	Transit Security	14,035	36,271	-	13,792	18,453	-
		Executive Office, Administration	167	50	-	157	7	-
		Employee & Labor Relations	1,484	528	-	1,334	290	-
Human Resources		11,508	4,012	-	13,880	1,415	-	
General Services		5,743	10,443	-	4,969	6,117	-	
Real Estate		2,315	13,366	-	1,905	6,297	-	
Information & Technology Services		12,731	26,824	-	10,657	5,884	-	
Administration Total		47,981	91,495	-	46,695	38,464	-	
Office Of Procurement	Executive Office, Procurement	-	-	-	-	-	-	
	Material Management	7,838	4,554	-	6,585	3,241	-	
	Proc/Contract Admin	3,772	141	-	2,638	102	-	
	Acquisition Warranty	4,389	109,761	-	3,068	78,089	-	
	Construction Procurement	4,858	1,404	-	3,427	1,043	-	
	Office Of Procurement Total	20,858	115,861	-	15,718	82,476	-	
Communications	Executive Office, Communications	368	71	-	496	28	-	
	Media Relations	835	201	-	721	127	-	
	Marketing	1,625	2,177	-	1,240	907	-	
	Customer Relations	6,198	301	-	5,318	96	-	
	Communications Total	9,026	2,750	-	7,776	1,158	-	
Construction	Executive Office, Construction	2,096	562	-	1,431	893	-	
	Quality Management	1,455	86	-	1,350	36	-	
	Engineering	8,090	23,063	-	6,801	5,543	-	
	Construction	2,327	507	-	2,101	221	-	
	Construction Contracts	-	479,910	-	-	241,909	-	
	Program Management	3,367	551	-	2,651	185	-	
	Metro Art	427	425	-	333	36	-	
	Public Affairs	1,613	3,471	-	1,379	1,839	-	
	Construction Total	19,410	508,575	-	16,046	250,662	-	
Non-Departmental Total	-	787	(2,149)	613	(400)	(3,683)		
MTA Total	559,118	1,891,162	(2,149)	482,096	1,440,022	(3,681)		

ATTACHMENT D: ENTERPRISE FUND

The Enterprise Fund (Bus and Rail Operations ends April balanced with \$581 million of revenues and \$581 million in expenses. YTD revenues are tracking to the Re-forecast budget. However, there were changes to the expenses reflecting fund transfers that resulted in a net impact of \$5 million to expenses.

Major expenditure budget variances are summarized below.

Labor costs are over budget for the first ten months of FY98:

- The UTU operator/assignment ratio through April 1998 averaged 1.14, versus a budget of 1.16. This represents an improvement since the beginning of the year, when the operator/assignment ratio was 1.12 through the first quarter. Lower assignment ratios cause higher overtime usage to cover regular assignments. The accelerated hiring of both part-time and full-time operators reduced the overtime usage, thus improving the ratio.
- ATU overtime expenses in Operations and Revenue Administration maintenance areas are over budget.
- Bus service, added for the Consent Decree and implemented in June, 1997, is budgeted as services. Instead, MTA is operating this service, thus increasing wages and benefits over budget.
- The transit police merger was delayed, causing a negative budget variance in labor costs offset by savings in services.
- Workers' Compensation COP debt expenses are over budget.

Labor cost variances are offset by reduced services and fuel expenses.

- Services are under budget primarily due to the aforementioned transit police merger delay and budgeted bus service operated by MTA Operations. Additionally, Operations is running below budget in other service accounts.
- Fuel is under budget, at 68% of the re-forecast budget, as a result of reduced diesel prices. Fuel prices were budgeted at \$0.84 per gallon and are currently at \$0.54 per gallon.
- Purchased transportation is under budget in line with the current implementation schedule for the demonstration lines.

LACMTA
Enterprise Fund FY98 Budget
Bus & Rail Operations (1)

\$ millions

	Annual FY97 Results	Annual Adopted Budget	Revised Reforecast Budget	Projected April YTD	% Rfcst Budget	Comments (2)
Revenue						
Fares	214	219	221	184	83%	
Other System	10	14	16	10	63%	
Prop A	159	134	138	115	83%	
Prop C	102	91	94	78	83%	
TDA	143	151	158	136	86%	
Other State	20	21	21	20	93%	
Federal	62	39	39	33	83%	
Local	4	4	7	3	43%	One time revenue to be transferred from other funds
Debt/Interest	4	5	4	3	75%	
Total	718	678	698	581	83%	
Expenditures						
Salaries & Wages	303	246	274	237	86%	UTU +2, ATU +1, Teamsters +1 & Non-Contract wages +2.
Fringe (3)	180	132	156	137	88%	Workers' Comp +4 & salary projections +3.
Services	34	79	62	38	61%	Delay Transit Police merger -4, delay other service expenses until June -5, and -5 delay until FY99
Fuels & Utilities	38	34	37	25	68%	Reduced fuel prices.
Supplies	35	35	35	28	80%	Revenue vehicle parts
Purchased Transportation	15	25	25	15	60%	Delay implementing new service.
Non-operating expenses(4)	46	34	35	29	83%	
General Overhead (3)	75	91	77	67	86%	Based on salary projections.
Interest	5	2	2	5	250%	Workers' Comp COP interest
Total	731	678	703	581	83%	
Net Revenue/(Expenditures)	(13)	-	(5)	0	N.A.	

Notes:

- (1) Includes Enterprise Fund Debt and MTA LiTE projects
- (2) Numbers are detail of variance between April YTD and 83% of Revised Reforecasted Budget
- (3) YTD General Overhead adjusted to reflect impact of eliminating Internal Service Fund over allocation
- (4) Non-operating expenses include public liability & property damage insurance, rent, leases and taxes

LACMIA
Enterprise Fund FY98 Budget
Bus Operations (1)

\$ millions

	Annual FY97 Results	Annual Adopted Budget	Revised Reforecast Budget	Projected April YTD	% Refcst Budget	Comments (2)
Revenue						
Fares/System	199	204	206	172	83%	
Other System	10	14	16	10	63%	
Prop A	118	115	118	98	83%	
Prop C	83	71	79	66	83%	
TDA	143	142	148	127	86%	
Other State	20	10	11	11	101%	
Federal	20	22	22	18	83%	
Local	4	4	7	3	43%	One time revenue to be transferred from other funds
Debt/Interest	4	5	4	3	75%	
Total	601	587	611	508	83%	
Expenditures						
Salaries & Wages	261	223	246	214	87%	UTU +6, NC +2 & Transit Police merger +1.
Fringe (3)	155	118	142	125	88%	Workers' Comp +3 & salary projections +3.
Services	26	53	43	27	63%	Delay Transit Police merger -3, delay other service expenses until June -3, and -3delay until FY99
Fuels & Utilities	29	26	27	19	70%	Reduced fuel prices.
Supplies	33	31	31	25	81%	Revenue vehicle parts
Purchased Transportation	15	25	25	15	60%	Delay implementing new service.
Non-operating expenses (4)	40	29	30	25	83%	
General Overhead (3)	63	80	69	60	87%	Based on salary projections.
Interest	5	2	2	5	250%	
Total	627	587	615	515	84%	
Net Revenue/(Expenditures)	(26)	(0)	(4)	(7)	N.A.	

Notes:

- (1) Bus includes Enterprise Fund Debt and MTA LITE projects
- (2) Numbers are detail of variance between April YTD and 83% of Revised Reforecasted Budget
- (3) YTD General Overhead adjusted to reflect impact of eliminating Internal Service Fund over allocation
- (4) Non-operating expenses include public liability & property damage insurance, rent, leases and taxes

LACMTA
Enterprise Fund FY98 Budget
Rail Operations
\$ millions

	Annual FY97 Results	Annual Adopted Budget	Revised Reforecast Budget	Projected April YTD	% Refcst Budget	Comments (1)
Revenue						
Fares/System	15	15	15	12	81%	
Other System	-	-	-	-	N.A.	
Prop A	41	19	20	17	84%	
Prop C	19	20	15	13	84%	
TDA	-	9	10	8	84%	
Other State	-	11	10	8	83%	
Federal	42	17	17	14	83%	
Local	-	-	-	-	N.A.	
Debt/Interest	-	-	-	-	N.A.	
Total	117	91	87	73	83%	
Expenditures						
Salaries & Wages	42	23	28	23	82%	
Fringe (2)	25	14	14	12	86%	salary projections.
Services	8	26	19	11	58%	Delay Transit Police merger -1, delay other service expenses until June -2, and -2delay until FY99
Fuels & Utilities	9	8	10	6	60%	Reduced light rail propulsion power
Supplies	2	4	4	3	75%	
Purchased Transportation	-	-	-	-	N.A.	
Non-operating expenses (3)	6	5	5	4	80%	
General Overhead (2)	12	11	8	7	83%	Based on salary projections.
Interest	-	-	-	-	N.A.	
Total	104	91	88	66	75%	
Net Revenue/(Expenditures)	13	0	(1)	7	N.A.	

Notes:

- (1) Numbers are detail of variance between April YTD and 83% of Revised Reforecasted Budget
- (2) YTD General Overhead adjusted to reflect impact of eliminating Internal Service Fund over allocation
- (3) Non-operating expenses include public liability & property damage insurance, rent, leases and taxes

ATTACHMENT E: BUS AND RAIL DIVISIONS

This schedule details YTD total expenditures for bus and rail divisions. Expenditures include both operating and capital expenses, but exclude overhead allocations, since overhead is allocated to projects, not cost centers. The bus regions, in total, have expended slightly more than the prorated budget through April, although capital expenditures are under budget. The factors causing this were discussed in the Enterprise Fund section.

**Bus and Rail Divisions
April YTD Report
\$000**

	FY98 Adopted Budget	FY98 Reforecast Budget	April YTD Actual	% of Reforecast Budget
Northern Region				
Division 1	31,515	34,365	28,622	83.3%
Division 3	31,898	35,232	28,236	80.1%
Division 8	24,332	26,600	22,052	82.9%
Division 9	34,108	38,499	34,724	90.2%
Division 15	36,800	39,475	33,829	85.7%
Regional Office	1,081	1,212	724	59.7%
Region Total	159,734	175,383	148,187	84.5%
Southern Region				
Division 2	26,217	29,487	25,218	85.5%
Division 5	31,622	36,181	32,218	89.0%
Division 6	5,699	7,148	6,109	85.5%
Division 7	37,418	41,742	33,915	81.2%
Division 10	31,725	37,437	32,786	87.6%
Division 12	4,453	30	29	96.7%
Division 18	40,640	47,030	39,888	84.8%
Regional Office	1,175	523	12	2.3%
Region Total	178,949	199,578	170,175	85.3%
Non Departmental	(5,667)	4,606	0	0.0%
Total Bus	333,016	379,567	318,362	83.9%
Rail				
Operations	27,668	27,450	21,216	77.3%
Rail Office	4,572	5,054	1,092	21.6%
Total Rail	32,240	32,504	22,308	68.6%
Total Bus and Rail	365,256	412,071	340,670	82.7%

Note: The figures shown for the Southern Region Office are a consolidation of the Southern and Central Offices due to regional restructuring. Credits due to anticipated labor savings from new union contracts are reflected in the Non Departmental Adopted Budget. Overhead Allocation is not included. These figures represent total division budgets including all operating and capital projects. These figures do not include \$2 million in ATU Mechanic overtime in Non-Departmental accounts. Rail excludes maintenance of way and central control facility cost centers.