

**for Board Consideration
&
Public Comment**

Proposed Budget Fiscal Year 2017

July 1, 2016 - June 30, 2017

Final Adopted Budget will be available 90 days after Board adoption.



Metro

**Los Angeles County Metropolitan Transportation Authority
Office of Management and Budget
One Gateway Plaza
Los Angeles, CA 90012**

May 3, 2016

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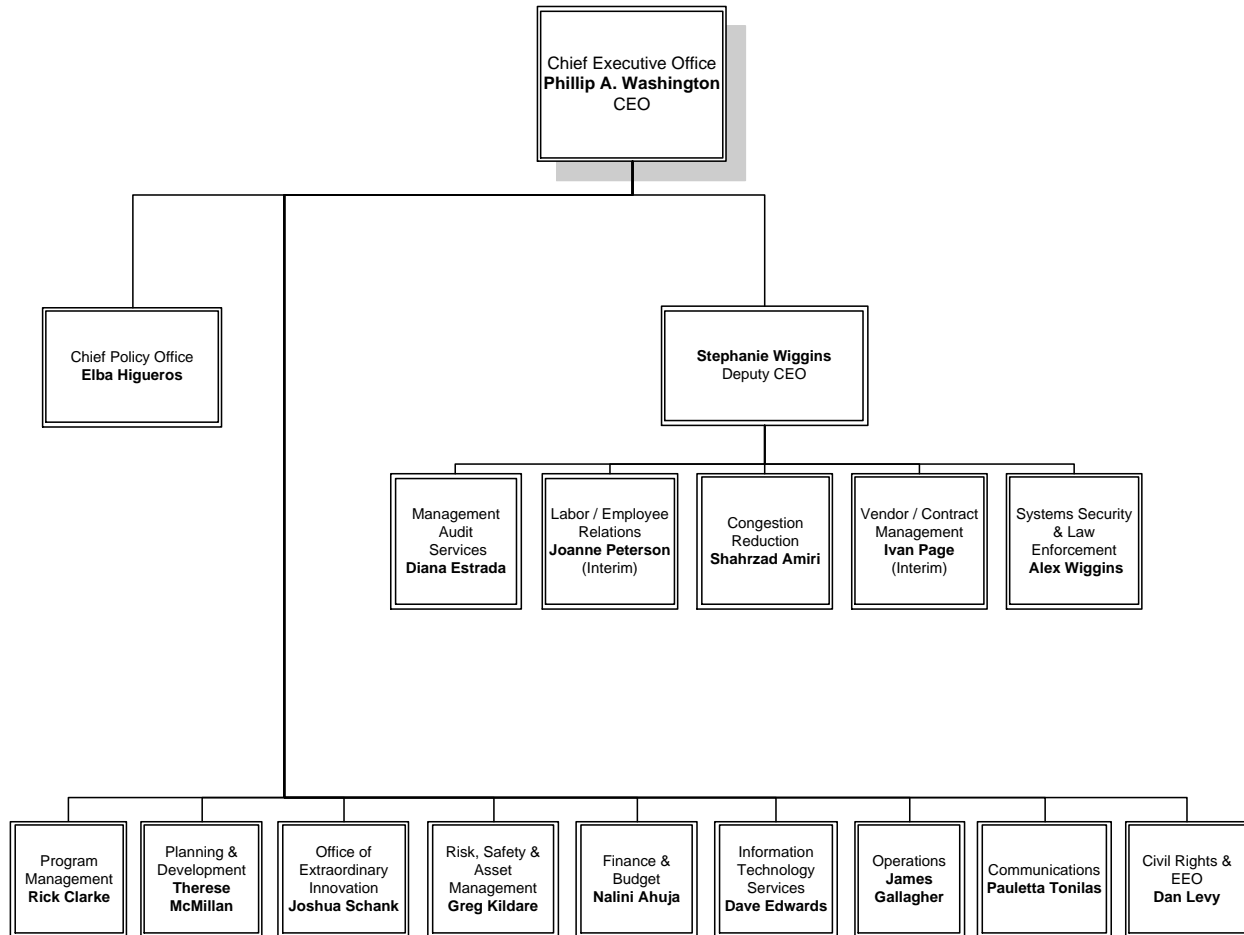
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Introduction

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FY17 Organization Chart



Budget Message

Metro's Fiscal Year 2017 (FY17) budget includes operation of one full year for two new rail lines, Gold Line Foothill Phase 2A extension to Azusa and the Expo Line extension to Santa Monica. Also in FY17, three major rail lines are in construction, the Regional Connector, Crenshaw/LAX, and Westside Purple Line extension Section 1 to La Cienega. Even with the addition of these new rail services, with rising costs, and with many new projects and programs, the proposed FY17 budget, at \$5.6 billion, is balanced and represents over a two percent decrease from the FY16 budget, proving that Metro is resolute in controlling costs and ensuring long term financial stability for the agency.

As our transit network grows, it is important to remember Metro is about more than just buses and trains. We also work toward improving available options for first/last mile connections (accessibility to transit systems) and cultivating a more walkable and bikeable environment. In addition, Metro works to improve highways, which our sprawling region relies heavily on as part of an integrated and multi-faceted transportation network. With all modes combined, we are clearly making strides towards achieving our goal of building the best, most innovative, balanced and customer-focused transportation system in the world.

In FY17, \$1.3 billion in subsidies is going right back into local communities. As the regional transportation planning agency for Los Angeles County, Metro allocates transit funds to Metrolink, Access Services Incorporated (ASI) and all of the municipal transit operators. In addition, a portion of sales taxes collected is provided to Los Angeles County's 88 cities and unincorporated areas. These funds pay for a myriad of transportation projects, such as public transit, streets, roads and active transportation, allowing local governments to provide and maintain the basic building blocks of transportation at the local level.

As transportation needs change, so does our agency. Innovation, goods movement and asset management are three new areas of focus for the agency. With focus on innovation, this team will champion new ideas to improve mobility in Los Angeles County by piloting new experimental programs and developing partnerships with private sectors to deliver innovative ideas the transportation industry has never seen in this country. With a growing interest in goods movement by our federal and state partners and with Los Angeles' position as a key import and export transfer point, we want to ensure a plan is in place to alleviate the congestion and ease the traffic on high goods movement corridors. With the aging infrastructure, a robust asset management plan is necessary to keep our system in top form.

As the custodians of valuable taxpayer dollars, we continue to be frugal, responsible, practical and accountable. With our continued expansion, our transportation network will connect neighborhoods as never before. As Metro continues to build new rail lines, expand services and enhance service quality, projections show that we will face financial challenges. In order to mitigate future budget shortfalls, we are taking small steps now to avoid drastic measures in the future. Over the past year, we have emphasized the importance of tightened financial controls with new tools such as increased performance monitoring, annual project evaluations and mid-year budget assessments. As we strive to maintain our financial stability over the long term, we are working tirelessly to improve transportation infrastructure in Los Angeles County for future generations.

FY17 Budget Highlights

Increased Fiscal Discipline & Accountability

Metro is in the midst of multiple efforts to increase fiscal discipline and accountability throughout the agency. In developing the FY17 budget, a zero-based budgeting technique was used, requiring all departments to justify every expense from the ground up. Zero-based budgeting means that every single project included in the FY17 budget has been reassessed with focus on actual deliverables for this year, in an effort to spend taxpayer dollars as efficiently and responsibly as possible.

In January 2016, the Risk Allocation Matrix (RAM) was approved and the Internal Savings Account was established by an action of the Metro Board of Directors. These two new tools will work in tandem: RAM is an ongoing agencywide collaborative process to identify a strategic mix of cost saving and revenue generating new initiatives, while the Internal Savings Account will capture new savings and revenues realized as a result of the RAM process and ensure prudent use of these monies. Ensuring financial stability is an ongoing agencywide responsibility, and each department throughout Metro will continue to identify new and innovative ways to increase revenues or decrease expenses.

In FY16, we also introduced a budget-to-actual reconciliation (“truing up”) and a mid-year budget assessment as additional tools to complement the RAM process. These new strategies will continue to be utilized in the coming fiscal years, resulting in additional deposits to the Internal Savings Account, which is aimed at addressing future financial issues. In addition, new Key Performance Indicators (KPIs) have been developed to help monitor and assess departmental performance. The status of the KPIs will be reported on a quarterly basis along with monitoring of the achievement of RAM savings or revenues. In addition to overall performance monitoring, a new effort for regular assessment of existing projects will be launched in FY17, upon which the status and accomplishments of every program will be evaluated annually.

By asking each department to find new ways to save costs and generate revenues, and by holding each department accountable for performance measures and budget-to-actual variances, we are essentially reassessing the way Metro operates. With every efficiency improvement, we continue working toward a more secure financial future.

Improved Bus & Rail Service

FY16 marked the highly anticipated openings of the Gold Line Foothill Phase 2A extension to Azusa and the Expo Line extension to Santa Monica. These extensions added thirteen new rail stations and expanded the Metro Rail system by 20%. To improve system infrastructure and ensure smooth operation of our expanded Gold Line and Expo Line, two new operating and maintenance facilities were opened concurrently with the extensions: the Monrovia Division and the Santa Monica Division.

In FY17, the number one budget priority related to transit service is to provide clean, safe, and on-time transit services to the public. We are also focusing our resources on inspecting, cleaning, maintaining and performing corrective maintenance on our vehicle fleets and transit stations to ensure our assets meet Metro and industry standards. New light rail vehicles are being procured to support the operation of our expanded Metro Rail system, and the final 75 buses to complete the 900 40' CNG bus buy are being purchased and delivered. With the completion of this most recent bus procurement, one third of the Metro bus fleet is now new.

We continue to launch new programs designed to improve on-time performance and the rider experience. Following the successful FY16 pilot all-door boarding (ADB) effort, the program is being extended to the Silver Line in FY17. By expanding to other lines, we can better measure the impact of allowing rear door boarding has on transit service. Based on the pilot program, implementation of ADB is estimated to reduce dwell time by 30-60%. By testing new approaches to providing more efficient transit service, we are working to reduce operating expenses while improving the customer experience.

FY17 Budget Highlights (continued)

State of Good Repair

The State of Good Repair (SGR) program continues to be a top priority within the FY17 capital plan. This year, SGR efforts will be focused on a wide array of asset improvement and maintenance projects, including bus and rail system reliability improvements and technology improvements. We are also concluding our recent procurement of 40' bus acquisitions while completing bus midlife maintenance and engine replacements. In FY17, we will initiate new light rail and heavy rail vehicle acquisitions in addition to conducting component and midlife overhauls.

While we improve the assets of our bus and rail system, we will also place an emphasis on infrastructure improvements. Union Station renovations for Fire and Life Safety improvements and ADA requirements are underway, while various improvements will be made to Metro's headquarters at the Gateway Building.

Safety & Security

In FY17, important law enforcement and security changes are being made to improve the safety and security of our customers, Metro employees and the general public. These changes will help us reach our goals of decreasing response times, increasing visibility, reducing crime, enforcing Metro's code of conduct and growing revenue by reducing fare evasion and increasing ridership.

These changes will be implemented simultaneously with the new law enforcement contract that is currently out for proposals. The new contract will tighten contract compliance requirements to ensure that we maximize our investment in safety and security as we aim for increased system-wide visibility of security and law enforcement personnel. Metro Security will take on new responsibilities that will result in direct safety improvements for our customers, such as real-time CCTV monitoring and management of Metro's "TransitWatch" smartphone app.

Workforce Development

Planning for the future of transportation in Los Angeles County includes developing our future workforce, and fulfillment of Metro's full potential requires leadership at all levels of the organization. Accordingly, professional development is being emphasized and more training classes are offered than ever before. Metro continues its participation in the Multi-Agency Exchange (MAX), an annual program for cross-agency leadership development and learning. Through the MAX Program, transit professionals and union workforce from Metro, Dallas Area Rapid Transit (DART), Denver Regional Transportation District (RTD) and Metropolitan Atlanta Rapid Transit Authority (MARTA) attend study and learning exchange sessions hosted by each agency. The MAX program provides a platform for candid interactions regarding technical and operating issues, giving participants an opportunity to obtain a better understanding of transit industry best practices through direct experience at each partner agency.

To further enhance available professional development opportunities for Metro staff, the Leadership Academy was launched in FY16, thanks to Metro's partnership with Sol Price School at the University of Southern California (USC). The Leadership Academy is a nine-month program designed to help participants gain new skills in leadership and business management. Through classes, coaching and a team project, the program will create a leadership network across our agency for participants to leverage their key findings and implement them into their strategic business units.

FY17 Budget Highlights (continued)

Transit & Highway Delivery

Metro continues construction of one of the largest public works programs in America, thanks to Measure R and other funding partners. These transit and highway construction projects will improve mobility and increase vehicle capacity, allowing for smoother traffic flow, better system connectivity and seamless travel for everyone in Los Angeles County. The following table includes a list of all major projects and programs underway in FY17.

Transit Projects

- Crenshaw/LAX will complete design efforts and continue construction
- Southwestern Yard for Metro Light Rail design/build contract will continue final design
- Regional Connector ongoing design and construction
- Westside Purple Line Extension Section 1 ongoing design and construction plus continued pursuit of a Full Funding Grant Agreement (FFGA) for Section 2
 - Alternatives Analysis, Environmental Impact and/or Refinement Studies ongoing for:
 - > Airport Metro Connector
 - > Eastside Extension Phase II
 - > Sepulveda Pass Corridor
 - > East San Fernando Rapidways North/South
 - > South Bay Metro Green Line Extension
 - > West Santa Ana Branch

Highway Projects & Programs

- Continuation of Countywide Soundwall Projects
- Construction is underway for:
 - > I-5 North & South Capacity Enhancements
 - I-5 Carmenita Road Interchange Improvement
 - > Alameda Corridor East Grade Separation
 - > I-405 Enhancements
 - > SR-60 HOV Lane
- Environmental, Planning and Engineering Studies:
 - > I-605 Hot Spots
 - > SR-710 North Gap Closure
 - > SR-710 South and Early Action Projects
 - > SR-138 Capacity Enhancements
- Subregional Projects
 - > Las Virgenes/Malibu Highway Operational Improvements
 - > I-405, I-110, I-105, SR-91 Ramp & Interchange

Other Projects and Programs

Metro is seeking to improve access to transit through a variety of ways. The First/Last Mile Strategic Plan includes facilitating private sector involvement for bike, car and rideshare services, as well as planning on existing transit lines. Active Transportation projects and programs are underway to encourage walking, biking and other non-motorized modes of transportation. Other projects include Complete Streets, protected bike lanes that connect the transportation network and countywide bike share program.

In FY17, over \$28 million is dedicated to fund projects for first/last mile (accessibility initiatives), active transportation, and bike programs. This year, Phase 1 of the Bikeshare pilot program will be implemented, with over a thousand bikes at over 65 bikeshare stations throughout Downtown Los Angeles

FY17 Budget Assumptions

Resource Assumptions:

- Sales tax and TDA revenues are expected to grow at 3.3% over the FY16 forecast. This represents a growth consistent with actual and projected receipts for FY16 and is in line with nationally recognized economic forecasting sources.
- Measure R funds will continue to be budgeted and expended in accordance with the ordinance, project delivery schedules and cash flow needs.
- Fare revenues will increase by 1.8% over the FY16 budget reflecting a full year operations of Gold Line Foothill Phase 2A extension to Azusa, the Expo Line extension to Santa Monica.
- State Transit Assistance (STA) revenues for bus and rail operations and capital in FY17 are expected to be \$52.9 million regionwide representing a 49.9% decrease over the FY16 budget due to continued statewide decline in diesel fuel prices and demand.
- Grant reimbursements, sales tax carryover, and Transportation Infrastructure Finance and Innovation Act (TIFIA) loan drawdowns will total \$2.3 billion in FY17 and is in line with planned expenditure activities. Among which, Cap and Trade funding for Metro totals \$17 million and Federal CNG fuel credits of \$18 million are expected to fund operations.
- ExpressLanes toll revenues are expected to come in at \$60 million in FY17 which equates to a 3.5% decrease from the FY16 budget based on actuals year to date.
- Advertising revenues of \$25 million (based on a fixed guaranteed amount).

Service Assumptions:

- The FY17 budget assumes a slight decrease in Bus Revenue Service Hours of 41,828 hours or 0.6% decrease primarily due to increase speed and optimizing service levels. This also includes implementation of Line 501 (North Hollywood to Pasadena Express for a full year) and other anticipated special event coverage and bus bridges.
- Rail Revenue Service Hours will increase by 168,584 hours or 15.4% reflecting a full year operations of the Gold Line Foothill Phase 2A extension to Azusa and Expo Line extension to Santa Monica. Budgeted headways will match current actual headways for night service and weekend mid-day/PM headways on Gold Line will align with other rail lines.
- A breakdown of Bus and Rail Revenue Service Hours is shown on the next page. Additional service statistics are found under Service Level Details (see page 45).

FY17 Budget Assumptions (continued)

BUS FY17 Bus Revenue Service Hours (RSH)		RAIL FY17 Rail Revenue Service Hours (RSH)	
Changes	RSH	Changes	RSH
FY16 Budget	7,061,735	FY16 Budget	1,094,499
<u>Changes</u>		<u>Changes</u>	
System Optimization Initiatives	(49,112)	System Optimization Initiatives	(86,106)
Line & Segment Cancellations (190/194, 270)	(77,787)	Rail Extensions	229,790
New Line 501 (NoHo - Pasadena)	30,000	Anticipated Special Event Coverage	24,900
Anticipated Special Event Coverage and Bus Bridges	55,071		
TOTAL CHANGES	(41,828)	TOTAL CHANGES	168,584
FY17 Budget	7,019,907	FY17 Budget	1,263,083
% Increase	-0.6%	% Increase	15.4%

Labor Assumptions:

- The budget reflects negotiated wage and salary provisions for represented employees (SMART, Teamsters, ATU, AFSCME, and TCU). The wage increase by these provisions is at least 3.0% for annual wage increase and an additional amount for step increase to reach the maximum pay rate. In line with these negotiated wage rates, an average 3.0% merit increase is also included for non-represented employees.
- Health and welfare rates include an annualized average increase of approximately 10% for represented employees and 5% for non-represented employees.

Capital Assumptions:

- Expand Measure R transit and highway project activities.
- Increase emphasis on safety and security projects benefiting customers and employees.
- Enhance Bus, Light Rail vehicle and Heavy Rail vehicle midlife maintenance projects.
- Continue efforts on bus and rail asset improvement and maintenance.
- Complete delivery of 900 40' buses and initiate a Request for Proposal to purchase 850 buses comprising a combination of 40' and 60' buses to begin delivery in FY18.
- Continue refinement, testing, and advancement of zero emission bus technology to ensure compliance with post 2015 emission standards.

Areas of Risk:

- Sales tax growth less than 3.3% over FY16 reforecasted budget.
- STA funding and Cap and Trade lower than State Controller's Office estimate and federal funding delays.
- Lower than expected passenger boardings and/or increased fare evasion.
- Increased operating service levels.
- Composite rate for Compressed Natural Gas (CNG) is greater than 53¢ per therm.
- Other non-labor cost inflation increases above our projected CPI of 1.85%.
- Timely issuance of Prop 1B bonds by the State. If not, funding is at risk for Regional Rail's Van Nuys Platform project as well as the Emergency Operations Control Center project.
- Changes in market conditions affecting debt borrowing ability.

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Resources

Summary of Resources

	FY16 Budget	FY17 Proposed	% change
Resources and Expenditures (\$ in millions)			
1 <u>Sales Tax, TDA and STA Revenues</u> ⁽¹⁾			
2 Proposition A	\$ 770.3	\$ 795.7	3.3%
3 Proposition C	770.3	795.7	3.3%
4 Measure R	770.3	795.7	3.3%
5 Transportation Development Act (TDA)	385.2	397.9	3.3%
6 State Transit Assistance (STA)	105.7	52.9	-49.9%
7 Total Sales Tax, TDA, & STA	\$ 2,801.7	\$ 2,837.9	1.3%
8 <u>Operating & Other Revenues</u>			
9 Passenger Fares	\$ 339.9	\$ 346.2	1.8%
10 ExpressLanes Tolls	62.2	60.0	-3.5%
11 Advertising	22.5	25.0	11.1%
12 Other Revenues ⁽²⁾	62.3	67.6	8.5%
13 Subtotal Operating & Other Revenues	\$ 486.9	\$ 498.8	2.5%
14 <u>Capital and Bond Resources</u>			
15 Grants Reimbursements ⁽³⁾	\$ 1,013.3	\$ 910.7	-10.1%
16 Prior Year Carryover Resources ⁽⁴⁾	1,498.3	1,415.8	-5.5%
17 Subtotal Capital and Bond Resources	\$ 2,511.6	\$ 2,326.5	-7.4%
18 Total Resources	\$ 5,800.2	\$ 5,663.2	-2.4%
19 Agencywide Expenditures	\$ 5,800.2	\$ 5,663.2	-2.4%
20 (Deficit) / Surplus	\$ -	\$ -	0.0%

Note: Totals may not add due to rounding.

⁽¹⁾ Sales tax and TDA revenues for FY16 Budget represent reforecasted levels based on Q2 actual data from the State Board of Equalization (SBE).

⁽²⁾ Other Revenues includes bike program revenues, park and ride revenues, lease revenues, vending revenues, film revenues, county buy down, auto registration fees, transit court fees, CNG credits, investment income and other miscellaneous revenues.

⁽³⁾ Includes grant reimbursement of preventative maintenance, operating capital, highway capital and construction costs.

⁽⁴⁾ Represents use of bond proceeds and sales tax revenue received and unspent in prior years.

Sales Tax, TDA and STA Revenues

Type of Revenue (\$ in millions)	FY16 Budget ⁽¹⁾	FY17 Proposed	\$ change	% change	Eligible for Operations
1 Proposition A					
2 5% Administration	\$ 38.5	\$ 39.8	\$ 1.3	3.3%	
3 25% Local Return	182.9	189.0	6.0	3.3%	
4 35% Rail Development	256.1	264.6	8.4	3.3%	Eligible
5 40% Discretionary					
6 Transit (95% of 40%)	278.1	287.2	9.2	3.3%	Eligible
7 Incentive (5% of 40%)	14.6	15.1	0.5	3.3%	
8 Estimated Tax Revenue from Proposition A	\$ 770.3	\$ 795.7	\$ 25.4	3.3%	
9 Proposition C					
10 1.5% Administration	\$ 11.6	\$ 11.9	\$ 0.4	3.3%	
11 5% Rail/Bus Security	37.9	39.2	1.3	3.3%	Eligible
12 10% Commuter Rail	75.9	78.4	2.5	3.3%	
13 20% Local Return	151.7	156.8	5.0	3.3%	
14 25% Freeways/Highways	189.7	195.9	6.3	3.3%	
15 40% Discretionary	303.5	313.5	10.0	3.3%	Eligible
16 Estimated Tax Revenue from Proposition C	\$ 770.3	\$ 795.7	\$ 25.4	3.3%	
17 Measure R					
18 1.5% Administration	\$ 11.6	\$ 11.9	\$ 0.4	3.3%	
19 2% Transportation Capital Metro Rail	15.2	15.7	0.5	3.3%	
20 3% Transportation Capital Metrolink	22.8	23.5	0.8	3.3%	
21 5% Operations - New Rail ⁽²⁾	37.9	39.2	1.3	3.3%	Eligible
22 15% Local Return	113.8	117.6	3.8	3.3%	
23 20% Operations - Bus	151.7	156.8	5.0	3.3%	Eligible
24 20% Highway Capital	151.7	156.8	5.0	3.3%	
25 35% Transportation Capital New Rail/BRT	265.6	274.3	8.8	3.3%	
26 Estimated Tax Revenue from Measure R	\$ 770.3	\$ 795.7	\$ 25.4	3.3%	
27 Transportation Development Act (TDA)					
28 Administration	\$ 8.5	\$ 8.5	\$ -	0.0%	
29 2.0% Article 3 (Pedestrians & Bikeways)	7.5	7.8	0.3	3.4%	
30 91.7% Article 4 (Bus Transit)	345.2	356.9	11.7	3.4%	Eligible
31 6.3% Article 8 (Transit/Streets & Highways)	23.9	24.7	0.8	3.4%	
32 Estimated Tax Revenue from TDA	\$ 385.2	\$ 397.9	\$ 12.8	3.3%	
33 State Transit Assistance (STA)					
34 STA Bus	\$ 54.9	\$ 24.6	\$ (30.3)	-55.2%	Eligible
35 STA Rail	50.8	28.3	(22.5)	-44.4%	Eligible
36 Estimated Tax Revenue from STA	\$ 105.7	\$ 52.9	\$ (52.8)	-50.0%	
37 Total Sales Tax, TDA and STA Revenues	\$ 2,801.7	\$ 2,837.9	\$ 36.1	1.3%	
38 Revenues Eligible for Bus & Rail Operating	FY16 Budget ⁽¹⁾	FY17 Proposed	\$ change	% change	
39 Proposition A	\$ 534.2	\$ 551.8	\$ 17.6	3.3%	
40 Proposition C	341.4	352.7	\$ 11.3	3.3%	
41 Measure R	189.7	195.9	\$ 6.3	3.3%	
42 TDA	345.2	356.9	\$ 11.7	3.4%	
43 STA	105.7	52.9	\$ (52.8)	-50.0%	
44 Total Bus & Rail Eligible Revenues	\$ 1,516.2	\$ 1,510.2	\$ (6.0)	-0.4%	

Note: Totals may not add due to rounding.

⁽¹⁾ Sales tax and TDA revenues for FY16 Budget represent reforecasted levels based on 2nd Quarter actual data from the State Board of Equalization (SBE).

⁽²⁾ Measure R Rail Operating funding is restricted to projects beginning rail operations after Measure R passage.

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Expenditures

Summary of Expenditures by Department

Expenditures By Department (\$ in millions)	FY16 Budget	FY17 Proposed	\$ change	% change
1 Board of Directors	\$ 42.5	\$ 41.2	\$ (1.3)	-3.0%
2 Chief Executive Office	233.2	225.7	(7.5)	-3.2%
3 Communications	60.5	58.9	(1.6)	-2.6%
4 Congestion Reduction	110.1	115.4	5.3	4.8%
5 Finance and Budget	1,149.6	1,152.3	2.7	0.2%
6 Information Technology	56.4	62.7	6.2	11.1%
7 Operations	1,727.5	1,680.6	(46.9)	-2.7%
8 Planning and Development	302.4	278.6	(23.8)	-7.9%
9 Program Management	2,045.9	1,980.0	(65.9)	-3.2%
10 Vendor/Contract Management	72.2	67.8	(4.4)	-6.1%
11 Grand Total	\$ 5,800.2	\$ 5,663.2	\$ (137.0)	-2.4%

Note: Totals may not add due to rounding.

Summary of Expenditures by Type

Expenditures by Type (\$ in millions)	FY16 Budget	FY17 Proposed	\$ change	% change
1 Salaries & Benefits	\$ 1,091.7	\$ 1,140.3	\$ 48.6	4.5%
2 Asset Acquisitions for Transit & Highway Projects	1,718.5	1,602.3	(116.2)	-6.8%
3 Professional Services & Advertising	539.3	495.1	(44.2)	-8.2%
4 Regional Transit / Highway Subsidies	1,379.0	1,306.2	(72.8)	-5.3%
5 Maintenance & Security Contracts	378.2	410.8	32.6	8.6%
6 Materials & Supplies	229.8	248.1	18.3	8.0%
7 Insurance / Taxes / PL/PD / Workers' Comp	114.4	120.1	5.7	4.9%
8 Training & Travel	5.1	6.2	1.1	21.0%
9 As-Needed / Interns / ELTPs	15.4	13.9	(1.5)	-10.0%
10 Debt	328.7	320.1	(8.6)	-2.6%
11 Total Expenditures	\$ 5,800.2	\$ 5,663.2	\$ (137.0)	-2.4%

Note: Totals may not add due to rounding.

Summary of Expenditures by Program

Program ⁽¹⁾ Type (\$ in millions)	FY16 Budget	FY17 Proposed	\$ change	% change
Metro Operations:				
Bus	\$ 1,056.6	\$ 1,121.2	\$ 64.6	6.1%
Rail	425.2	455.4	30.2	7.1%
Subtotal	\$ 1,481.8	\$ 1,576.6	\$ 94.8	6.4%
Regional Activities and Other	18.5	16.9	(1.7)	-9.0%
Metro Operations Total	\$ 1,500.4	\$ 1,593.5	\$ 93.1	6.2%
Metro Capital:				
Transit Capital Expansion	1,533.1	1,717.4	\$ 184.3	12.0%
Operating Capital	538.6	330.4	(208.2)	-38.7%
Subtotal	\$ 2,071.7	\$ 2,047.8	\$ (23.9)	-1.2%
Regional Rail Capital	46.2	41.7	(4.5)	-9.8%
Highway Capital	194.2	84.3	(109.9)	-56.6%
Metro Capital Total	\$ 2,312.2	\$ 2,173.8	\$ (138.3)	-6.0%
Total Metro Operations and Capital	\$ 3,812.5	\$ 3,767.3	\$ (45.2)	-1.2%
Subsidy Funding Programs:				
Regional Transit ⁽²⁾	537.6	532.3	\$ (5.3)	-1.0%
Local Agencies	584.6	598.6	14.0	2.4%
Wilshire BRT	16.1	9.9	(6.1)	-38.1%
Federal Pass Throughs	27.9	37.1	9.2	33.0%
Fare Assistance	10.5	10.5	0.0	0.0%
Highway Subsidy	202.2	117.7	(84.5)	-41.8%
Subsidy Funding Programs Total	\$ 1,379.0	\$ 1,306.2	\$ (72.8)	-5.3%
Congestion Management:				
Freeway Service Patrol	28.3	30.1	\$ 1.8	6.4%
ExpressLanes	48.0	52.4	4.3	9.0%
Kenneth Hahn Call Box Program	10.3	13.1	2.7	26.6%
Regional Integration of Intelligent Transportation System	2.2	6.0	3.8	173.8%
Rideshare Services	10.4	9.5	(0.9)	-8.6%
Congestion Management Total	\$ 99.3	\$ 111.0	\$ 11.8	11.9%
General Planning and Programs:				
Programs and Studies	\$ 40.6	32.6	\$ (8.0)	-19.7%
General Planning and Programming	61.4	44.5	(16.9)	-27.5%
Legal, Audit, Transit Court, Oversight and Other	38.8	42.2	3.4	8.8%
Property Management/Union Station and Development	40.0	39.3	(0.7)	-1.8%
General Planning and Programs Total	\$ 180.7	\$ 158.5	\$ (22.2)	-12.3%
Debt Service Total	\$ 328.7	\$ 320.1	\$ (8.6)	-2.6%
Total Expenditures	\$ 5,800.2	\$ 5,663.2	\$ (137.0)	-2.4%

Note: Totals may not add due to rounding.

⁽¹⁾ Combines related program costs regardless of Generally Accepted Accounting Principles (GAAP) reporting criteria used for fund financial presentation on pages 32-41.

⁽²⁾ Represents subsidies to Municipal Operators, Metrolink and Access Services Incorporated (ASI).

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Full-Time Equivalents (FTEs)

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Summary of FTEs by Department

	FY16 Budget	FY17 Proposed	change
1 Board of Directors	38	38	-
2 Chief Executive Office	455	532	77
3 Communications	284	285	1
4 Congestion Reduction	20	20	-
5 Finance and Budget	234	234	-
6 Information Technology	143	143	-
7 Operations	7,856	7,807	(49)
8 Planning and Development	163	163	-
9 Program Management	234	234	-
10 Vendor/Contract Management	320	320	-
11 Total FTEs	9,747	9,776	30
12 Subtotal Agencywide Non-Represented	1,483	1,483	-
13 Subtotal Agencywide Represented	8,264	8,293	30
14 Total FTEs	9,746	9,776	30

Note: Totals may not add due to rounding.

FTEs by Department Detail

Department	FY16 Budget	FY17 Proposed	change
1 Board Of Directors			
2 Board of Directors	17	17	-
3 Inspector General	21	21	-
4 Board Of Directors Total	38	38	-
5 Non-Represented	38	38	-
6 Board Of Directors Total by Representation	38	38	-
7 Chief Executive Office			
8 Chief Executive Office	41	41	-
9 Chief Policy Office	5	5	-
10 Labor/Employee Relations	183	183	-
11 Risk/Safety and Asset Management	101	101	-
12 System Security and Law Enforcement	125	202	77
13 Chief Executive Office Total	455	532	77
14 Non-Represented	236	236	-
15 Represented	219	296	77
16 Chief Executive Office Total by Representation	455	532	77
17 Communications			
18 Community Relations	34	34	-
19 Customer Programs & Services	54	54	-
20 Customer Relations	126	127	1
21 Executive Office, Communications	4	4	-
22 Government Relations	6	6	-
23 Marketing	47	47	-
24 Public Relations	13	13	-
25 Communications Total	284	285	1
26 Non-Represented	101	101	-
27 Represented	183	184	1
28 Communications Total by Representation	284	285	1
29 Congestion Reduction			
30 Congestion Reduction Demonstration Project	10	10	-
31 Motorist Services	10	10	-
32 Congestion Reduction Total	20	20	-
33 Non-Represented	20	20	-
34 Congestion Reduction Total by Representation	20	20	-
35 Finance And Budget			
36 Accounting	76	76	-
37 Executive Office, Finance	6	6	-
39 Office of Management & Budget	51	51	-
40 TAP Operations	77	77	-
41 Treasury	24	24	-
42 Finance And Budget Total	234	234	-
43 Non-Represented	166	166	-
44 Represented	68	68	-
45 Finance And Budget Total by Representation	234	234	-

FTEs by Department Detail (continued)

Department	FY16 Budget	FY17 Proposed	change
Information Technology			
Information Technology Services	143	143	-
Information Technology Total	143	143	-
Non-Represented	92	92	-
Represented	51	51	-
Information Technology Total by Representation	143	143	-
Operations			
Maintenance	2,873	2,967	94
Rail Transportation	607	641	34
Service Development	91	91	-
Strategic Planning Rail	172	19	(153)
Transit Operations - Bus	17	8	(9)
Transportation	4,054	4,036	(18)
Vehicle Engineering & Acquisition	42	45	4
Operations Total	7,856	7,807	(49)
Non-Represented	275	275	-
Represented	7,581	7,532	(49)
Operations Total by Representation	7,856	7,807	(49)
Planning And Development			
Countywide Planning & Development	4	4	-
Planning/Strategic Financial Planning/Grants Mgmt	50	50	-
Strategic Initiatives & Real Property Management	64	64	-
Transit Corridors & Systemwide Planning	45	45	-
Planning And Development Total	163	163	-
Non-Represented	163	163	-
Planning And Development Total by Representation	163	163	-
Program Management			
Highway Project Delivery	25	25	-
Program Control	45	45	-
Program Management, Transit	157	157	-
Regional Rail	7	7	-
Program Management Total	234	234	-
Non-Represented	234	234	-
Program Management Total by Representation	234	234	-
Vendor/Contract Management			
Administrative Services	6	6	-
Contract Support/Client Services	14	14	-
Diversity & Economic Opportunity	26	26	-
Procurement	66	66	-
Supply Chain Management	208	208	-
Vendor/Contract Management Total	320	320	-
Non-Represented	158	158	-
Represented	162	162	-
Vendor/Contract Management Total by Representation	320	320	-
Total Agencywide Non-Represented	1,483	1,483	-
Total Agencywide Represented	8,264	8,293	30
Grand Total Agency	9,746	9,776	30

Note: Totals may not add due to rounding.

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Capital Program

Capital Program

Capital Project Category (\$ in thousands)	Forecasted Expenditures thru FY16	FY17 Proposed	Life of Project	Note
Capital Expansion - Measure R funded				
Measure R Transit Construction Projects:				
Rail				
Crenshaw/LAX Light Rail Transit	\$ 1,079,385	\$ 388,273	\$ 2,223,734	
Expo Blvd Light Rail Transit Phase 1	989,168	452	978,900	4
Expo Blvd Light Rail Transit Phase 2	1,292,509	195,731	1,517,642	4
Gold Line Foothill Extension to Azusa	915,290	15,059	950,619	
Regional Connector	671,217	234,993	1,599,044	
Westside Purple Line Extension	1,043,938	850,034	3,492,611	
Bus				
Acquisition 30 Zero Emission/Super Low Emission	4,510	6,663	30,000	
Bike				
Expo Phase 2 Bikeway	16,102	-	16,102	
Measure R Transit Planning Projects:				
Airport Metro Connector	\$ 13,922	\$ 10,763	\$ 24,686	1
Eastside Extension Phase 1 & 2	23,576	3,241	26,817	1
Eastside Light Rail Access	16,164	5,295	21,458	1
Gold Line Foothill Extension	-	-	-	2
Green Line Ext: Redondo to South Bay	6,329	676	7,006	1
San Fernando Valley East N/S Rapidways	10,562	1,354	11,916	1
Sepulveda Pass Corridor	6,194	3,332	9,527	1
West Santa Ana Branch Corridor	3,872	1,567	5,670	3
Subtotal Capital Expansion - Measure R funded	\$ 6,092,739	\$ 1,717,434	\$ 10,915,732	

Note: Totals may not add due to rounding.

Note 1: No Board Adopted Life of Project (LOP) during planning phase; project is funded on an annual basis.

Note 2: FY17 budget of \$8 million is captured in subsidies.

Note 3: Total FY17 budget is \$1,797 thousand; \$230 thousand is captured in subsidies.

Note 4: Expo budget will be adjusted according to Expo Authority's FY17 Adopted Budget.

Capital Program (continued)

Capital Project Category (\$ in thousands)	Forecasted Expenditures thru FY16	FY17 Proposed	Life of Project	Note
Operating Component of Capital Program:				
Safety & Security Projects				
Bus	\$ 25	\$ 112	\$ 5,038	
Rail				
Blue Line	99,706	19,276	184,075	
Green Line	6,489	770	7,800	
Red/Purple Line	38,120	7,343	54,784	
Multiple Rail Lines	17,974	1,506	20,594	
Mixed Mode	34,046	12,205	67,054	
Other - Technologies / Regional, etc.	10,897	12,537	50,931	
State of Good Repair - Capital Improvement				
Bus	\$ 601,137	\$ 96,975	\$ 1,153,358	
Rail				
Blue Line	70,636	15,950	112,194	
Gold Line	2,278	4,316	25,507	
Green Line	2,229	2,273	37,051	
Red Line	65,400	31,512	275,155	
Multiple Rail Lines	298,316	60,795	875,794	
Mixed Mode	12,320	14,523	30,570	
Bike	3,979	1,821	5,800	
Other - Technologies / Regional, etc.	175,556	21,628	249,347	
Capital Infrastructure				
Bus	\$ 185,830	\$ 4,056	\$ 191,774	
Rail				
Gold Line	890,247	1,761	900,688	
Red/Purple Line	40,571	1,343	45,859	
Multiple Rail Lines	3,417	992	10,418	
Mixed Mode	1,985	14,192	78,978	
Bike	2,311	2,050	4,513	
Other - Technologies / Regional, etc.	402	2,452	3,723	
Subtotal Operating Component of Capital Program	\$ 2,563,871	\$ 330,388	\$ 4,391,003	
Total Capital Program	\$ 8,656,610	\$ 2,047,822	\$ 15,306,735	

Note: Totals may not add due to rounding.

FY17 PROPOSED OPERATING CAPITAL SUMMARY BY MODE

Operating Component of Capital Program by Mode (\$ in thousands)	Safety & Security	State of Good Repair - Capital Improvement	Capital Infrastructure	Mode Total
Mode:				
Bus	\$ 112	\$ 96,975	\$ 4,056	\$ 101,143
Rail				
Blue Line	19,276	15,950	-	35,226
Gold Line	-	4,316	1,761	6,077
Green Line	770	2,273	-	3,043
Red/Purple Line	7,343	31,512	1,343	40,199
Multiple Rail Lines	1,506	60,795	992	63,294
Mixed Mode	12,205	14,523	14,192	40,919
Bike	-	1,821	2,050	3,871
Other - Technologies / Regional, etc.	12,537	21,628	2,452	36,617
Total Operating Capital	\$ 53,749	\$ 249,794	\$ 26,846	\$ 330,388

Note: Totals may not add due to rounding.

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Regional Subsidy Funding Programs

Summary of Regional Subsidy Funding Programs

Regional Subsidy Funding Programs (\$ in millions)	FY16 Budget	FY17 Proposed	\$ change	% change
1 Regional and Local Transit:				
2 Municipal and Local Operators	\$ 353.6	\$ 355.4	\$ 1.7	0.5%
3 Access Services	85.0	75.0	(10.0)	-11.8%
4 Metrolink	99.0	102.0	3.0	3.0%
5 Wilshire Bus Rapid Transit	16.1	9.9	(6.1)	-38.1%
6 Fare Assistance Programs (INTP, RRTP, SHORE) ⁽¹⁾	10.5	10.5	-	0.0%
7 Total Regional and Local Transit	\$ 564.2	\$ 552.8	\$ (11.4)	-2.0%
8 Local Agencies:				
9 Allocation by Population:				
10 Local Returns (Prop A, Prop C and Measure R)	\$ 444.5	\$ 463.3	\$ 18.7	4.2%
11 Transportation Development Act Articles 3 & 8	31.5	33.1	1.6	5.2%
12 Subtotal Allocation by Population	\$ 476.0	\$ 496.4	\$ 20.4	4.3%
13 Call for Projects:				
14 Regional Surface Transportation Improvements	\$ 61.5	\$ 59.4	\$ (2.1)	-3.4%
15 Local Traffic Systems	14.2	18.2	4.0	28.1%
16 Regional Bikeways	1.3	0.5	(0.8)	-62.2%
17 Transportation Demand Management	5.7	3.9	(1.8)	-32.0%
18 Transportation Enhancements	0.1	0.3	0.2	137.5%
19 Bus Capital	6.8	6.1	(0.7)	-9.9%
20 Subtotal Call for Projects	\$ 89.6	\$ 88.4	\$ (1.3)	-1.4%
21 Federal Pass Throughs:				
22 Regional Grantee - FTA	\$ 12.7	\$ 16.2	\$ 3.5	28.0%
23 Job Access and Reverse Commute Program (JARC)	6.1	7.9	1.8	28.5%
24 New Freedom Capital & Operating	3.9	2.9	(1.0)	-24.7%
25 Highway Pass Through Program	0.2	-	(0.2)	-100.0%
26 Enhanced Mobility of Seniors/Disabled	5.0	10.1	5.1	101.8%
27 Subtotal Federal Pass Throughs	\$ 27.9	\$ 37.1	\$ 9.2	33.0%
28 Other:				
29 Toll Revenue Reinvestment Program	\$ 10.6	\$ 7.0	\$ (3.6)	-33.7%
30 Open Street Grant Program	2.2	0.5	(1.7)	-77.3%
31 Transit Oriented Development and Other Sustainability Programs	5.5	5.9	0.4	6.8%
26 Demo Projects-Highway	0.7	0.4	(0.3)	-40.0%
27 Subtotal Other	\$ 19.0	\$ 13.8	\$ (5.1)	-27.1%
32 Total Local Agencies	\$ 612.6	\$ 635.7	\$ 23.2	3.8%
33 Highway Subsidies:				
34 I-5 North HOV and Truck Lanes	\$ 25.2	\$ 21.2	\$ (4.0)	-15.9%
35 I-5 South Capacity Enhancements	60.4	17.4	(42.9)	-71.1%
36 SR-60 HOV Lane from I-605 to Brea Canyon Rd	1.6	-	(1.6)	-100.0%
37 Alameda Corridor East Grade Separation	14.0	35.0	21.0	150.0%
38 Highway Operational Improvements - Arroyo Verdugo	10.5	3.8	(6.8)	-64.3%
39 Highway Operational Improvements - Virgenes/Malibu	28.3	16.7	(11.6)	-40.9%
40 I-405 / I-110 / I-105 / SR-91 Ramp & Interchange	26.2	7.9	(18.3)	-69.8%
41 I-605 Corridor "Hot Spot"	5.2	5.1	(0.1)	-1.9%
42 SR-710 North Gap Closure	0.4	-	(0.4)	-100.0%
43 SR-710 South Early Action Projects	19.0	6.2	(12.9)	-67.6%
44 SR-138 Capacity Enhancements	9.4	4.3	(5.0)	-53.6%
45 High Desert Corridor	2.0	-	(2.0)	-100.0%
46 Total Highway Subsidies	\$ 202.2	\$ 117.7	\$ (84.5)	-41.8%
47 Total Regional Subsidy Funding Programs	\$ 1,379.0	\$ 1,306.2	\$ (72.8)	-5.3%

Note: Totals may not add due to rounding.

- (1) INTP stands for Immediate Needs Transportation Program, RRTP stands for Rider Relief Transportation Program, and SHORE stands for Support for Homeless Re-Entry.

Debt

Current Year Debt Service Expense

	FY16 Budget				FY17 Proposed			
	Bus	Rail	Highway	Total	Bus	Rail	Highway	Total
(Annual budget figures - \$ in thousands)								
1 Funding Demand of Debt Service								
2 Resources								
3 Proposition A 35% Rail Set Aside ⁽¹⁾	\$ -	\$ 143,296.4	\$ -	\$ 143,296.4	\$ -	\$ 139,035.7	\$ -	\$ 139,035.7
4 Proposition A 40% Discretionary	1,913.3		-	1,913.3	1,852.6		-	1,852.6
5 Proposition C 40% Discretionary	9,881.4	62,874.1	-	72,755.6	5,042.1	67,356.2	-	72,398.3
6 Proposition C 10% Commuter Rail		13,504.4	-	13,504.4		13,532.9	-	13,532.9
7 Proposition C 25% Street & Highways		27,021.8	28,098.2	55,120.0		27,650.5	28,172.6	55,823.1
8 Trans. Development Act Article 4	1,534.5	-	-	1,534.5	1,544.5	-	-	1,544.5
9 Measure R Transit Capital - New Rail 35%	-	43,897.6	-	43,897.6	-	46,473.6	-	46,473.6
10 Measure R Transit Capital - Metrolink 3%	-	-	-	-	-	-	-	-
11 Measure R Transit Capital - Metro Rail 2%	-	7,163.1	-	7,163.1	-	2,902.1	-	2,902.1
12 Measure R Highway Capital 20%	-	-	-	-	-	-	-	-
13 Measure R BAB Federal Subsidy	-	10,301.6	-	10,301.6	-	10,357.1	-	10,357.1
14 Proposition A 35% Rail Set Aside (CRA Debt)	2,178.8		-	2,178.8	2,184.5		-	2,184.5
15 Total Funding Demand Debt Service	15,508.0	308,059.0	28,098.2	351,665.2	10,623.6	307,308.2	28,172.6	346,104.4
16 (Premium)/Discount Amortization ⁽²⁾	(1,011.1)	(20,085.6)	(1,832.0)	(22,928.7)	(797.7)	(23,074.5)	(2,115.4)	(25,987.5)
17 Total Debt Service Expense	14,496.9	287,973.4	26,266.2	328,736.5	9,826.0	284,233.7	26,057.2	320,116.9
18 Debt Service (Deficit) / Surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Long-Term Enterprise Fund Debt Principal Obligations

	Beginning FY16 Balance				Beginning FY17 Balance			
	Bus	Rail	Highway	Total	Bus	Rail	Highway	Total
(\$ in thousands)								
19 Outstanding Debt Principal Balance								
20 Proposition A	\$ 14,767.8	\$ 1,106,032.2	\$ -	\$ 1,120,800.0	\$ 14,598.2	\$ 1,095,571.8	\$ -	\$ 1,110,170.0
21 Proposition C	87,739.7	914,999.5	250,684.8	1,253,424.0	85,728.1	900,580.0	244,641.9	1,230,950.0
22 Measure R ⁽³⁾	-	869,420.0	-	869,420.0	-	1,570,121.7	-	1,570,121.7
23 Transportation Development Act - Article 4	3,758.2	-	-	3,758.2	2,349.7	-	-	2,349.7
24 Proposition A 35% Rail Set Aside (CRA Debt)	19,360.0	-	-	19,360.0	18,145.0	-	-	18,145.0
25 Total Outstanding Debt Principal Balance ⁽⁴⁾	\$ 125,625.7	\$ 2,890,451.7	\$ 250,684.8	\$ 3,266,762.2	\$ 120,820.9	\$ 3,566,273.6	\$ 244,641.9	\$ 3,931,736.4

⁽¹⁾ Proposition A 35% Rail Set Aside includes Union Station Purchase debt funding: \$4.3 million in FY16 and \$3.7 million in FY17.

⁽²⁾ Amortizing the difference between the market value of the debt instrument and the face value of the debt instrument over the life of the debt.

⁽³⁾ Measure R Bond was issued in November 2010. Also included are \$300 million Measure R revolving credit and \$618 million TIFIA (Transportation Infrastructure Finance and Innovation Act) loan draw down in FY16.

⁽⁴⁾ The Debt Service Expense and Outstanding Principal Balance excludes USG Building General Revenue Bonds of \$13.5 million Debt Service and \$105.8 million Outstanding Principal. It is treated as rent and reimbursed to the Enterprise Fund through the overhead allocation process. Also included \$618.1 million of planned federal TIFIA loan drawdowns during FY16 to fund Crenshaw and Regional Connector Transit Construction. Repayment of these loans will come from Measure R Transit Capital - New Rail 35% contingency fund and commence in FY21.

Measure R

FY17 Measure R Ordinance
Summary of Sales Tax Revenues, Expenditures and Fund Balances
(by subfund)

(\$ in millions)		A	B	C	D=A+B-C		
Subfund	Expenditure Program	% of Sales Tax	FY17 Estimated Beginning Fund Balance	FY17 Revenue Budget	FY17 Expenditure Budget	FY17 Estimated Ending Fund Balance	
1	Transit Capital	New Rail and/or Bus Rapid Transit Capital Projects ⁽²⁾	35.0%	\$ (60.5)	\$ 274.3	\$ 213.8 ⁽¹⁾	\$ -
2	Highway Capital	Carpool Lanes, Highways, Goods Movement, Grade Separations, and Soundwalls	20.0%	164.7	156.8	172.3	149.3
3	Transit Capital	Metro Rail Capital - System Improvements, Rail Yards, and Rail Cars ⁽²⁾	2.0%	(4.4)	15.7	11.2	-
4	Operations	Bus Operations - Countywide Bus Service Operations, Maintenance, and Expansion	20.0%	4.4	156.8	159.0	2.2
5	Operations	Rail Operations (New Transit Projects Operations and Maintenance)	5.0%	40.7	39.2	70.2	9.7
6	Administration	Administration	1.5%	30.6	11.9	13.9	28.7
7	Transit Capital	Metrolink Capital Improvement Projects within LA County (Operations, Maintenance and Expansion)	3.0%	36.3	23.5	51.1	8.7
8	Local Return	See footnote ⁽³⁾	15.0%	-	117.6	117.6	-
9	Subtotal Measure R Projects Funding Plan from Sales Tax Revenues			\$ 212.0	\$ 795.7	\$ 809.1	\$ 198.5
10	Measure R Transit Capital 2% Bond Proceeds ⁽⁴⁾			-	-	-	-
11	Measure R Transit Capital 35% Commercial Paper ⁽⁴⁾			-	413.9	413.9	-
12	Measure R Transit Capital 35% TIFIA Loan Proceeds ⁽⁴⁾			-	435.0	435.0	-
13	Subtotal Measure R Projects Funding Plan from Bond Proceeds and TIFIA Loan Proceeds			\$ -	\$ 848.9	\$ 848.9	\$ -
14	Subtotal Measure R Projects Funding Plan from Measure R Sources			\$ 212.0	\$ 1,644.6	\$ 1,658.0	\$ 198.5
15	Subtotal Measure R Projects Funding Plan from Non-Measure R Sources ⁽⁵⁾			\$ -	\$ 793.2	\$ 793.2	\$ -
16	Total Measure R Projects Funding Plan			\$ 212.0	\$ 2,437.7	\$ 2,451.1	\$ 198.5

Note: Totals may not add due to rounding.

- (1) Excludes \$2.3 million amortization cost of bond premium to reflect the total Measure R funding.
- (2) The deficit in the Beginning Fund Balance of Measure R Transit Capital 35% and Measure R Metro Rail Capital 2% is due to cash flow issue. Metro will resolve the deficit in FY17.
- (3) To the incorporated Cities within Los Angeles County and to Los Angeles County for the Unincorporated Area on a per capita basis for major street resurfacing, rehabilitation and reconstruction; pothole repair; left turn signals; bikeways; pedestrian improvements; streetscapes; signal synchronization; and transit.
- (4) Metro plans to draw down \$435.0 million TIFIA (Transportation Infrastructure Finance and Innovation Act) loan in FY17 to fund Measure R Transit Capital 35% activities (including \$381.6 million for Westside Subway Extension project, and \$53.4 million for Regional Connector). Metro plans to use Measure R Transit Capital - New Rail 35% Bond proceeds of \$284.6 million for Crenshaw project and \$129.3 million for Westside Subway Extension project.
- (5) Funding from non-Measure R funding sources for Measure R projects: Federal Subsidies \$470.0 million; State Subsidies \$37.7 million; Local Subsidies \$285.5 million.

FY17 Measure R Projects/Funding

	FY17 Measure R Project Expenses		
	Measure R Funds (1)	Non-Measure R Funds (2)	Total Expenses
Measure R Funding / Projects (\$ in millions)			
Measure R Transit Capital - New Rail (35%)			
1			
2	\$ 1.6	\$ 3.7	\$ 5.3
3	-	0.7	0.7
4	53.4	179.8	233.1
5	-	3.3	3.3
6	9.7	-	9.7
7	10.8	-	10.8
8	23.1	-	23.1
9	630.0	217.6	847.5
10	1.4	-	1.4
11	1.8	-	1.8
12	284.6	66.6	351.2
13	-	102.3	102.3
14	-	0.5	0.5
15	-	89.8	89.8
16	-	3.2	3.2
17	\$ 1,016.2	\$ 667.4	\$ 1,683.6
Measure R Highway Capital (20%)			
18			
19	\$ 12.7	\$ -	\$ 12.7
20	0.8	-	0.8
21	7.7	-	7.7
22	3.9	-	3.9
23	11.1	-	11.1
24	35.0	-	35.0
25	7.2	-	7.2
26	8.2	-	8.2
27	16.7	-	16.7
28	3.8	-	3.8
29	8.6	-	8.6
30	28.5	-	28.5
31	7.2	-	7.2
32	11.7	-	11.7
33	9.6	-	9.6
34	\$ 172.9	\$ -	\$ 172.9
Measure R Transit Capital - Metro Rail (2%)			
35			
36	\$ -	\$ 0.7	\$ 0.7
37	0.4	-	0.4
38	-	32.5	32.5
39	-	1.9	1.9
40	5.5	-	5.5
41	2.5	-	2.5
42	-	40.5	40.5
43	-	3.2	3.2
44	-	13.4	13.4
45	-	1.5	1.5
46	-	7.6	7.6
47	\$ 8.3	\$ 101.4	\$ 109.7
Measure R Transit Capital - Metrolink (3%)			
48			
49	\$ 25.1	\$ -	\$ 25.1
50	2.6	-	2.6
51	6.1	-	6.1
52	5.1	5.1	10.2
53	8.9	-	8.9
54	0.1	4.1	4.3
55	-	6.7	6.7
56	0.7	-	0.7
57	0.6	-	0.6
58	0.6	-	0.6
59	1.2	-	1.2
60	\$ 51.1	\$ 15.9	\$ 67.0
Measure R Operations - Bus (20%)			
61			
62	\$ 106.0	\$ -	\$ 106.0
63	4.1	-	4.1
64	48.8	-	48.8
65	\$ 159.0	\$ -	\$ 159.0
Measure R Operations - New Rail (5%)			
66	\$ 70.2	\$ -	\$ 70.2
Measure R Administration (1.5%)			
67	\$ 13.3	\$ 0.3	\$ 13.7
Measure R Local Return (15%)			
68	\$ 117.6	\$ -	\$ 117.6
Measure R Debt Service Expenses⁽³⁾			
69	\$ 49.4	\$ 8.1	\$ 57.5
70	\$ 1,658.0	\$ 793.2	\$ 2,451.1

Note: Totals may not add due to rounding.

(1) Measure R funding sources include Measure R Bond Proceeds, Measure R cash and TIFIA loan.

(2) Funding from non-Measure R funding sources for Measure R projects: Federal Subsidies \$470.0 million; State Subsidies \$37.7 million; Local Subsidies \$285.5 million. Local Subsidies sources include Prop A 35 bond proceeds, Prop C 25 bond proceeds, Prop A cash, Prop C cash, TDA, and local grants from cities.

(3) \$2.3 million amortization cost of bond premium is included as non-Measure R funding source. Current debt service expenses are funded by Measure R Transit Capital - New Rail 35% and Measure R Transit Capital - Metro Rail 2%.

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Funds

Governmental Funds
Estimated Fund Balances
for the Year Ending June 30, 2017

Fund Type	(\$ in millions)	FY17 Estimated Ending Fund Balance
1 Proposition A:		
2 Discretionary Transit (95% of 40%)	\$	6.5 ⁽¹⁾
3 Discretionary Incentive (5% of 40%)		14.1
4 Rail (35%)		- ⁽²⁾
5 Interest		7.4
6 Total Proposition A	\$	28.0
7 Proposition C:		
8 Discretionary (40%)	\$	214.1 ⁽¹⁾
9 Security (5%)		21.4 ⁽¹⁾
10 Commuter Rail (10%)		- ⁽²⁾
11 Street & Highway (25%)		77.2
12 Interest		20.0
13 Total Proposition C	\$	332.6
14 Measure R:		
15 Administration (1.5%)	\$	28.7
16 Transit Capital - Metrolink (3%)		8.7
17 Transit Capital - Metro Rail (2%)		-
18 Transit Capital - New Rail (35%)		-
19 Highway Capital (20%)		149.3
20 New Rail Operations (5%)		9.7
21 Bus Operations (20%)		2.2 ⁽¹⁾
22 Total Measure R	\$	198.5
23 Transportation Development Act (TDA):		
24 Article 3	\$	17.7 ⁽¹⁾
25 Article 4		59.2 ⁽¹⁾
26 Article 8		1.3 ⁽¹⁾
27 Total TDA	\$	78.2
28 State Transit Assistance (STA):		
29 Revenue Share	\$	2.9 ⁽¹⁾
30 Population Share		-
31 Total STA	\$	2.9
32 Total PTMISEA ⁽³⁾	\$	82.4
33 Total SAFE Fund	\$	13.3 ⁽²⁾
34 Total Other Special Revenue Funds	\$	43.6 ⁽¹⁾
35 General Fund:		
36 Administration - Propositions A and C, and TDA	\$	-
37 Mandatory Operating Reserve		127.8
38 General Fund / Other		251.5 ⁽²⁾
39 Total General Fund	\$	379.3
40 Total of Estimated FY17 Ending Fund Balances	\$	1,158.8

Note: Totals may not add due to rounding.

⁽¹⁾ Previously allocated to Metro, Municipal Operators and cities.

⁽²⁾ Committed to Board approved projects and programs.

⁽³⁾ PTMISEA stands for Public Transportation Modernization, Improvement, and Service Enhancement Account. Committed for capital projects.

Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Years Ending June 30, 2016 and 2017

Governmental Funds (\$ in millions)	Special Revenue Fund (1)		General Fund		Total	
	FY16 Budget	FY17 Proposed	FY16 Budget	FY17 Proposed	FY16 Budget	FY17 Proposed
Revenues						
Sales Tax ⁽²⁾	\$ 2,809.2	\$ 2,845.3	\$ -	\$ -	\$ 2,809.2	\$ 2,845.3
Intergovernmental Grants ⁽³⁾	105.1	58.6	49.3	51.0	154.4	109.6
Investment Income	0.1	0.1	4.1	1.1	4.2	1.2
Lease and Rental	-	-	14.2	15.2	14.2	15.2
Licenses and Fines	-	-	0.5	0.5	0.5	0.5
Federal Fuel Credits & Other	-	-	19.6	18.9	19.6	18.9
Total Revenues	\$ 2,914.4	\$ 2,904.0	\$ 87.7	\$ 86.7	\$ 3,002.1	\$ 2,990.7
Expenditures						
Subsidies	\$ 1,315.8	\$ 1,240.0	\$ 48.3	\$ 52.2	\$ 1,364.1	\$ 1,292.1
Operating Expenditures	305.3	186.8	144.3	135.1	449.5	322.0
Debt & Interest Expenditures	-	-	0.9	0.9	0.9	0.9
Debt Principal Retirement	-	-	1.3	1.3	1.3	1.3
Total Expenditures	\$ 1,621.1	\$ 1,426.8	\$ 194.7	\$ 189.5	\$ 1,815.8	\$ 1,616.2
Transfers						
Transfers In	\$ 21.5	\$ 31.0	\$ 96.5	\$ 90.7	\$ 118.0	\$ 121.7
Transfers (Out)	(1,937.3)	(1,685.5)	(54.9)	(140.3)	(1,992.2)	(1,825.9)
Proceeds from Financing	106.2	102.4	-	-	106.2	102.4
Total Transfers	\$ (1,809.5)	\$ (1,552.1)	\$ 41.5	\$ (49.6)	\$ (1,768.0)	\$ (1,601.7)
Net Change in Fund Balances	\$ (516.2)	\$ (74.9)	\$ (65.5)	\$ (152.3)	\$ (581.7)	\$ (227.3)
Fund Balances - beginning of year ⁽⁴⁾	\$ 1,103.5	\$ 854.5	\$ 555.4	\$ 531.6	\$ 1,658.9	\$ 1,386.1
Fund Balances - End of Year	\$ 587.3	\$ 779.5	\$ 489.9	\$ 379.3	\$ 1,077.2	\$ 1,158.8

Note: Totals may not add due to rounding.

(1) Special Revenue Fund includes Measure R fund which is presented separately on pages 34 and 35.

(2) Includes TDA, STA, and SAFE revenues in addition to Propositions A and C, and Measure R sales tax revenues.

(3) Includes grant revenues from Federal, State and Local sources including tolls.

(4) Beginning FY17 Fund Balances reflect anticipated unspent FY16 budgeted expenditures.

Enterprise Fund Bus & Rail Operations

Resources and Expenses (\$ in millions)	FY16 Budget	FY17 Proposed				
		Total	Bus	Rail	Transit Court	Regional Activities
Transit Operations Resources						
Transit Fares and Other Revenues						
Fares	\$ 339.9	\$ 346.2	\$ 258.1	\$ 88.2	\$ -	\$ -
Advertising	22.5	25.0	21.6	3.4	-	-
Other Revenues ⁽¹⁾	5.3	9.3	7.8	-	1.4	-
Total Fare and Other Revenues	\$ 367.7	\$ 380.5	\$ 287.5	\$ 91.6	\$ 1.4	\$ -
Federal & State Grants						
Federal Preventive Maintenance	\$ 195.7	\$ 231.0	\$ 144.5	\$ 86.5	\$ -	\$ -
Federal CMAQ	9.6	41.2	-	41.2	-	-
Federal and States Grants	17.0	26.9	-	24.8	-	2.1
Total Federal and State Grants	\$ 222.3	\$ 299.1	\$ 144.5	\$ 152.4	\$ -	\$ 2.1
Local Subsidies						
Prop A - (40% Bus) & (35% Rail)	\$ 483.7	\$ 269.6	\$ 161.1	\$ 108.5	\$ -	\$ -
Prop C - (40% Bus/Rail) & (5% Security)	58.9	105.6	100.9	-	-	4.7
Measure R - (20% Bus) & (5% Rail)	180.7	180.4	110.2	70.2	-	-
TDA Article 4	80.5	266.0	254.4	-	-	11.6
STA	92.7	50.0	21.7	28.3	-	-
Toll Revenue Grant	4.2	3.8	3.8	-	-	-
General Fund & Other Funds	24.9	46.0	41.7	4.4	-	-
Total Local Subsidies	\$ 925.6	\$ 921.4	\$ 693.7	\$ 211.4	\$ -	\$ 16.3
Total Transit Operations Resources	\$ 1,515.6	\$ 1,601.0	\$ 1,125.7	\$ 455.4	\$ 1.4	\$ 18.4
Transit Capital Resources						
Federal, State & Local Grants	\$ 649.0	\$ 534.4	\$ 34.8	\$ 499.6	\$ -	\$ -
Local and State Sales Tax ⁽²⁾	568.6	425.3	126.8	298.5	-	-
Other Capital Financing	854.9	1,088.7	10.1	1,078.6	-	-
Total Transit Capital Resources	\$ 2,072.5	\$ 2,048.3	\$ 171.6	\$ 1,876.7	\$ -	\$ -
Total Transit Operations & Capital Resources	\$ 3,588.1	\$ 3,649.3	\$ 1,297.3	\$ 2,332.1	\$ 1.4	\$ 18.4
Transit Operations Expenses						
Labor & Benefits	\$ 941.4	\$ 1,005.5	\$ 740.1	\$ 243.9	\$ 0.5	\$ 21.0
Fuel & Propulsion Power	62.0	77.5	27.0	50.5	-	-
Materials & Supplies	95.0	100.2	76.0	19.8	-	4.3
Contract and Professional Services	222.4	213.7	95.2	104.4	0.7	13.4
PL/PD and Other Insurance	50.0	53.1	48.4	4.7	-	-
Purchased Transportation	47.0	50.5	50.5	-	-	-
Allocated Overhead ⁽³⁾	65.2	67.4	44.8	17.5	0.2	5.0
Regional Chargeback	-	-	21.6	7.3	-	(29.0)
Other Expenses ⁽⁴⁾	32.9	33.1	22.1	7.4	-	3.6
Total Transit Operations Expenses	\$ 1,516.0	\$ 1,600.9	\$ 1,125.7	\$ 455.4	\$ 1.4	\$ 18.4
Transit Capital Expenses Operating	2,051.5	2,021.0	171.6	1,849.4	-	-
Transit Capital Expenses Planning	20.6	27.3	-	27.3	-	-
Total Capital Expenses ⁽⁵⁾	\$ 2,072.1	\$ 2,048.3	\$ 171.6	\$ 1,876.7	\$ -	\$ -
Total Transit Operations & Capital Expenses	\$ 3,588.1	\$ 3,649.3	\$ 1,297.3	\$ 2,332.1	\$ 1.4	\$ 18.4
Transit Operations & Capital (Deficit)/Surplus	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note: Totals may not add due to rounding.

(1) Other Revenues includes Interest income, parking charges, vending revenues, county buy down, transit court and other miscellaneous revenues.

(2) Includes funding from Sales Tax, General Fund, State Repayment of Capital Project Loans, and State Proposition 1B cash funds.

(3) Year-to-year changes in overhead distribution reflect changes in overhead allocation approved by Federal funding partners.

(4) Other Expenses includes utilities and credits, taxes, advertisement/settlement, travel/mileage/meals and training/seminars/periodicals.

(5) Capital expenses for operations and construction project planning are combined for reporting purposes.

Enterprise Fund Other Operations

Summary of Resources, Expenses and Resulting (Deficit) / Surplus

	FY16 Budget	FY17 Proposed				
		Total	Union Station	Express Lanes	Bike Share	Park & Ride
Resources and Expenses (\$ in millions)						
1 Other Transit Operations Resources						
2 <u>Toll Fares and Other Revenues</u>						
3 Tolls & Violation Fines	\$ 62.2	\$ 60.0	\$ -	\$ 60.0	\$ -	\$ -
4 Rental & Lease Income	0.8	4.9	1.1	-	2.7	1.1
5 Total Toll Fares and Other Revenues	\$ 62.9	\$ 64.9	\$ 1.1	\$ 60.0	\$ 2.7	\$ 1.1
6 <u>Local Subsidies</u>						
7 Prop A	\$ 0.7	\$ 0.3	\$ -	\$ -	\$ -	\$ 0.3
8 Prop C Commuter Rail & Local	2.6	4.7	-	-	1.3	3.4
9 Total Local Subsidies	\$ 3.3	\$ 5.0	\$ -	\$ -	\$ 1.3	\$ 3.7
10 Total Other Transit Operations Resources	\$ 66.2	\$ 69.9	\$ 1.1	\$ 60.0	\$ 4.0	\$ 4.8
11 <u>Transit Other Operations Expenses</u>						
12 Labor & Benefits	\$ 2.7	\$ 3.7	\$ 0.5	\$ 2.1	\$ 0.2	\$ 0.8
13 Fuel & Propulsion Power	-	-	-	-	-	-
14 Materials & Supplies	0.1	0.2	-	-	-	0.2
15 Contract and Professional Services	44.1	56.3	0.2	49.6	3.4	3.1
16 PL/PD and Other Insurance	0.2	0.2	0.2	-	-	-
17 Purchased Transportation	-	-	-	-	-	-
18 Allocated Overhead	0.9	1.2	0.2	0.6	0.1	0.3
19 Regional Chargeback	-	-	-	-	-	-
20 Other Expenses	5.9	0.3	-	-	-	0.3
21 Total Other Transit Operations Expenses	\$ 54.0	\$ 61.8	\$ 1.1	\$ 52.3	\$ 3.7	\$ 4.6
22 <u>Other Operations Non-Operating Expenses</u>						
23 Congestion Relief Reserve	\$ 0.1	\$ -	\$ -	\$ -	\$ -	\$ -
24 Silver Line Service	-	-	-	-	-	-
25 Congestion Relief Transit Operating Subsidy	6.2	6.6	-	6.6	-	-
26 Congestion Relief Toll Revenue Grant Program ⁽¹⁾	6.6	7.0	-	7.0	-	-
27 Union Station	-	-	-	-	-	-
28 Bicycle Program	-	0.3	-	-	0.3	-
29 Total Other Operations Non-Operating Expenses	\$ 12.9	\$ 13.9	\$ -	\$ 13.6	\$ 0.3	\$ -
30 Other Transit Operations Resources (Deficit)/Surplus ⁽²⁾	\$ (0.7)	\$ (5.8)	\$ -	\$ (5.9)	\$ -	\$ 0.2

Note: Totals may not add due to rounding.

⁽¹⁾ Net Tolls are designated for the Metro ExpressLanes Net Toll Revenue Reinvestment Program.

⁽²⁾ Current year deficit is funded with equity earned from prior years.

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Service Statistics

Bus and Rail Operating Statistics

Statistic	Bus			Rail			Total		
	FY16 Budget	FY17 Proposed	% Inc	FY16 Budget	FY17 Proposed	% Inc	FY16 Budget	FY17 Proposed	% Inc
Service Provided (000)									
Revenue Service Hours (RSH)	7,062	7,020	-0.6%	1,094	1,263	15.4%	8,156	8,283	1.6%
Revenue Service Miles (RSM)	78,950	79,296	0.4%	22,844	25,950	13.6%	101,794	105,246	3.4%
Service Consumed (000) ⁽³⁾									
Unlinked Boardings	326,790	324,271	-0.8%	108,995	119,630	9.8%	435,785	443,901	1.9%
Passenger Miles	1,351,395	1,340,998	-0.8%	614,235	663,893	8.1%	1,965,630	2,004,891	2.0%
Operating Revenue (000) ⁽³⁾									
Fare Revenue	\$ 254,896	\$ 252,931	-0.8%	\$ 85,016	\$ 93,311	9.8%	\$ 339,912	\$ 346,242	1.8%
Advertising/Other	\$ 24,130	\$ 29,426	21.9%	\$ 2,297	\$ 3,412	48.5%	\$ 26,427	\$ 32,838	24.3%
Total	\$ 279,026	\$ 282,357	1.2%	\$ 87,313	\$ 96,723	10.8%	\$ 366,339	\$ 379,080	3.5%
Operating Cost Data (000)									
Transportation	\$ 378,661	\$ 394,973	4.3%	\$ 61,081	\$ 71,606	17.2%	\$ 439,742	\$ 466,579	6.1%
Maintenance	\$ 316,203	\$ 330,465	4.5%	\$ 183,714	\$ 222,253	21.0%	\$ 499,917	\$ 552,718	10.6%
Other & Support Cost	\$ 366,951	\$ 400,251	9.1%	\$ 180,431	\$ 161,685	-10.4%	\$ 547,382	\$ 561,936	2.7%
Total	\$ 1,061,815	\$ 1,125,689	6.0%	\$ 425,226	\$ 455,544	7.1%	\$ 1,487,041	\$ 1,581,233	6.3%
Subsidy Data (000):	\$ 782,789	\$ 843,332	7.7%	\$ 337,913	\$ 358,821	6.2%	\$ 1,120,702	\$ 1,202,153	7.3%
Per Boarding Statistics									
Fare Revenue	\$ 0.78	\$ 0.78	0.0%	\$ 0.78	\$ 0.78	0.0%	\$ 0.78	\$ 0.78	0.0%
Operating Cost	\$ 3.25	\$ 3.47	6.8%	\$ 3.90	\$ 3.81	-2.4%	\$ 3.41	\$ 3.56	4.4%
Subsidy	\$ 2.40	\$ 2.60	8.6%	\$ 3.10	\$ 3.00	-3.3%	\$ 2.57	\$ 2.71	5.7%
Passenger Miles	4.14	4.14	0.0%	5.64	5.55	-1.5%	4.51	4.52	0.1%
Fare Recovery %	24.0%	22.5%	-6.2%	20.0%	20.5%	2.5%	22.9%	21.9%	-4.3%
Per RSH Statistics									
Revenue	\$ 39.51	\$ 40.22	1.8%	\$ 79.81	\$ 76.58	-4.0%	\$ 44.92	\$ 45.77	1.9%
Boardings	46.28	46.19	-0.2%	99.63	94.72	-4.9%	53.43	53.16	-0.5%
Passenger Miles	191.37	191.03	-0.2%	561.46	525.65	-6.4%	241.01	242.05	0.4%
Transportation Cost	\$ 53.62	\$ 56.26	4.9%	\$ 55.83	\$ 56.70	1.5%	\$ 53.92	\$ 56.33	4.4%
Maintenance Cost	\$ 44.78	\$ 47.07	5.1%	\$ 167.93	\$ 175.97	4.8%	\$ 61.30	\$ 66.73	8.9%
Other & Support Cost	\$ 51.96	\$ 57.02	9.7%	\$ 164.93	\$ 128.02	-22.4%	\$ 67.12	\$ 67.84	1.1%
Total Cost	\$ 150.36	\$ 160.35	6.6%	\$ 388.69	\$ 360.68	-7.2%	\$ 182.33	\$ 190.90	4.1%
Subsidy	\$ 110.85	\$ 120.13	8.4%	\$ 308.88	\$ 284.10	-8.0%	\$ 137.41	\$ 145.13	5.6%
Per Passenger Mile Statistics									
Revenue	\$ 0.21	\$ 0.21	0.0%	\$ 0.14	\$ 0.15	7.5%	\$ 0.19	\$ 0.19	0.0%
Transportation Cost	\$ 0.28	\$ 0.29	3.1%	\$ 0.10	\$ 0.11	10.0%	\$ 0.22	\$ 0.23	4.0%
Maintenance Cost	\$ 0.23	\$ 0.25	8.5%	\$ 0.30	\$ 0.33	10.6%	\$ 0.25	\$ 0.28	12.4%
Other & Support Cost	\$ 0.27	\$ 0.30	11.9%	\$ 0.29	\$ 0.24	-17.1%	\$ 0.28	\$ 0.28	0.0%
Total Cost	\$ 0.79	\$ 0.84	6.8%	\$ 0.69	\$ 0.69	0.0%	\$ 0.76	\$ 0.79	3.9%
Subsidy	\$ 0.58	\$ 0.63	8.6%	\$ 0.55	\$ 0.54	-1.8%	\$ 0.57	\$ 0.60	5.2%
FTE's per Hundred ⁽¹⁾									
Operators per RSH	5.58	5.60	0.1%	4.03	3.34	-17.1%	5.02	4.92	-2.0%
Mechanics per RSM	0.12	0.12	0.0%	0.10	0.10	0.0%	0.11	0.11	0.0%
Service Attendants RSM	0.06	0.05	-1.0%	0.05	0.05	0.0%	0.05	0.05	0.0%
Maintenance of Way (MOW)	-	-	-	24.43	24.81	1.5%	24.43	24.81	1.5%
Inspectors per RM ⁽²⁾									
Transit Operations Supervisors per RSH	0.47	0.48	2.0%	1.39	1.20	-13.4%	0.60	0.60	0.0%

⁽¹⁾ Does not include purchased transportation miles/hours.

⁽²⁾ Per route mile

⁽³⁾ FY16 boardings, passenger miles, & fare revenue reflect FY16 year-end projections

Service Level Details

Revenue Service Hours

		FY16	FY17	
	Mode	Budget	Proposed	change
1	Bus			
2	Local & Rapid	6,327,663	6,248,575	(79,088)
3	Silver Line	84,380	115,368	30,988
4	Orange Line	130,516	130,516	-
5	Purchased Transportation	519,176	525,448	6,272
6	Subtotal Bus	7,061,735	7,019,907	(41,828)
7	Rail			
8	Blue Line	294,483	277,622	(16,861)
9	Green Line	93,589	93,589	-
10	Gold Line	214,069	248,141	34,072
11	Expo Line	166,848	328,879	162,031
12	Red Line	325,510	314,852	(10,658)
13	Subtotal Rail	1,094,499	1,263,083	168,584
14	Total	8,156,234	8,282,990	126,756

Boardings (000)

	Mode	FY16	FY17	
	Mode	Projection	Proposed	change
	Bus			
	Local & Rapid	298,983	296,414	(2,569)
	Silver Line	4,472	4,572	100
	Orange Line	8,194	8,094	(100)
	Purchased Transportation	15,141	15,191	50
	Subtotal Bus	326,790	324,271	(2,519)
	Rail			
	Blue Line	25,387	25,387	-
	Green Line	12,083	12,083	-
	Gold Line	14,933	18,251	3,318
	Expo Line	9,833	17,150	7,317
	Red Line	46,759	46,759	-
	Subtotal Rail	108,995	119,630	10,635
	Total	435,785	443,901	8,116

Revenue Service Miles

		FY16	FY17	
	Mode	Budget	Proposed	change
1	Bus			
2	Local & Rapid	68,701,920	67,843,231	(858,689)
3	Silver Line	1,831,046	2,849,590	1,018,544
4	Orange Line	2,140,454	2,140,454	-
5	Purchased Transportation	6,276,209	6,463,010	186,801
6	Subtotal Bus	78,949,629	79,296,285	346,656
7	Rail			
8	Blue Line	5,427,387	5,116,635	(310,752)
9	Green Line	2,730,794	2,730,794	-
10	Gold Line	4,224,326	4,896,685	672,359
11	Expo Line	3,075,049	6,061,320	2,986,271
12	Red Line	7,386,643	7,144,785	(241,858)
13	Subtotal Rail	22,844,199	25,950,219	3,106,020
14	Total	101,793,828	105,246,503	3,452,675

Passenger Miles (000)

		FY16	FY17	
	Mode	Projection	Proposed	change
	Bus			
	Local & Rapid	1,209,733	1,199,338	(10,395)
	Silver Line	17,618	18,012	394
	Orange Line	51,999	51,364	(635)
	Purchased Transportation	72,046	72,283	238
	Subtotal Bus	1,351,395	1,340,998	(10,397)
	Rail			
	Blue Line	181,725	181,725	-
	Green Line	77,850	77,850	-
	Gold Line	90,366	110,444	20,079
	Expo Line	39,751	69,331	29,580
	Red Line	224,542	224,542	-
	Subtotal Rail	614,235	663,893	49,658
	Total	1,965,630	2,004,891	39,261

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Activity Based Cost Models

Activity Based Bus Cost Model

Activities	FY16 Budget		FY17 Proposed		Inc/(Dec)	
	\$000	\$/RSH	\$000	\$/RSH	\$000	\$/RSH
Transportation						
Wages & Benefits	\$ 347,905	\$ 53.18	\$ 362,127	\$ 55.75	\$ 14,222	\$ 2.58
Services	55	0.01	44	0.01	(11)	-
Materials & Supplies	378	0.06	337	0.05	(41)	(0.01)
Training	7,049	1.08	7,261	1.12	211	0.04
Control Center	8,166	1.25	8,606	1.32	440	0.08
Scheduling & Planning	4,579	0.70	4,506	0.69	(73)	(0.01)
Field Supervision	10,529	1.61	12,093	1.86	1,564	0.25
Total Transportation	\$ 378,661	\$ 57.88	\$ 394,973	\$ 60.81	\$ 16,312	\$ 2.93
Maintenance						
Division Maintenance						
Wages & Benefits	\$ 148,965	\$ 22.77	\$ 149,136	\$ 22.96	\$ 171	\$ 0.19
Fuel	28,376	4.34	30,326	4.67	1,949	0.33
Materials & Supplies	39,916	6.10	43,394	6.68	3,479	0.58
Fueling Contractor Reimbursement	(1,000)	(0.15)	(1,000)	(0.15)	0	-
Services	216	0.03	209	0.03	(7)	-
Subtotal Division Maintenance	\$ 216,473	\$ 33.09	\$ 222,065	\$ 34.19	\$ 5,592	\$ 1.10
Central Maintenance						
Wages & Benefits	\$ 20,829	\$ 3.18	\$ 21,198	\$ 3.26	\$ 369	\$ 0.08
Materials & Supplies	6,229	0.95	11,696	1.80	5,467	0.85
Maintenance Services	196	0.03	196	0.03	-	-
Subtotal Central Maintenance	\$ 27,254	\$ 4.17	\$ 33,090	\$ 5.09	\$ 5,836	\$ 0.93
Other Maintenance						
Maintenance Support	\$ 19,836	\$ 3.03	\$ 16,493	\$ 2.54	\$ (3,344)	\$ (0.49)
Non-Revenue Vehicles	8,048	1.23	7,470	1.15	(578)	(0.08)
Facilities Maintenance	42,208	6.45	48,943	7.54	6,736	1.08
Training	2,383	0.36	2,403	0.37	20	0.01
Subtotal Other Maintenance	\$ 72,475	\$ 11.08	\$ 75,310	\$ 11.59	\$ 2,835	\$ 0.52
Total Maintenance	\$ 316,203	\$ 48.33	\$ 330,465	\$ 50.88	\$ 14,262	\$ 2.55

Note: Totals may not add due to rounding.

- RSH = Revenue Service Hour

Activity Based Bus Cost Model (continued)

Activities	FY16 Budget		FY17 Proposed		Inc/(Dec)	
	\$000	\$/RSH	\$000	\$/RSH	\$000	\$/RSH
Other Operating						
Transit Security	\$ 36,993	\$ 5.65	\$ 53,621	\$ 8.26	\$ 16,628	\$ 2.60
Revenue	33,956	5.19	29,472	4.54	(4,484)	(0.65)
Service Development	12,261	1.87	11,494	1.77	(767)	(0.11)
Safety	3,760	0.57	4,761	0.73	1,001	0.16
Casualty & Liability	46,576	7.12	48,657	7.49	2,081	0.37
Workers' Comp	49,360	7.54	56,252	8.66	6,893	1.12
Transitional Duty Program	1,129	0.17	1,085	0.17	(44)	(0.01)
Utilities	15,035	2.30	17,773	2.74	2,738	0.44
Other Metro Operations	12,017	1.84	9,163	1.41	(2,854)	(0.43)
Building Costs	11,418	1.75	10,847	1.67	(570)	(0.08)
Copy Services	906	0.14	972	0.15	66	0.01
Total Other Operating	\$ 223,410	\$ 34.15	\$ 244,098	\$ 37.58	\$ 20,688	\$ 3.43
Support Departments						
Board Oversight	\$ 2,047	\$ 0.31	\$ 750	\$ 0.12	\$ (1,298)	\$ (0.20)
CEO	3,608	0.55	11,454	1.76	7,846	1.21
Management Audit Services	1,998	0.31	2,015	0.31	17	0.00
Procurement	22,707	3.47	26,239	4.04	3,532	0.57
Communications	14,072	2.15	16,943	2.61	2,871	0.46
Finance	13,431	2.05	8,788	1.35	(4,644)	(0.70)
Human Resources	2,666	0.41	4,733	0.73	2,067	0.32
Real Estate	4,214	0.64	2,934	0.45	(1,280)	(0.19)
ITS	21,906	3.35	23,492	3.62	1,586	0.27
Administration	5,687	0.87	2,267	0.35	(3,420)	(0.52)
Construction	810	0.12	1,053	0.16	243	0.04
Total Support Departments	\$ 93,147	\$ 14.24	\$ 100,667	\$ 15.50	\$ 7,520	\$ 1.26
Total Local & Rapid Bus Costs	\$ 1,011,421	\$ 154.59	\$ 1,070,203	\$ 164.77	\$ 58,782	\$ 10.17
Directly Operated RSH	6,543		6,495		(47)	
Purchased Transportation						
Contracted Service	\$ 46,980	\$ 90.49	\$ 50,500	\$ 96.19	\$ 3,520	\$ 5.70
Security	2,965	\$ 5.71	4,334	8.26	1,369	2.54
Administration	450	\$ 0.87	653	1.24	203	0.38
Total Purchased Transportation	\$ 50,394	\$ 97.07	\$ 55,487	\$ 105.69	\$ 5,092	\$ 8.62
Purchased Transportation RSH	519		525		6	
Grand Total Bus Costs	\$ 1,061,815	\$ 150.36	\$ 1,125,689	\$ 160.35	\$ 63,874	\$ 9.99
Total Bus RSH (in 000s)	7,062		7,020		(41)	

Note: Totals may not add due to rounding.

Activity Based Rail Cost Model

Activities	FY16 Adopted		FY17 Proposed		Inc/(Dec)	
	\$000	\$/RSH	\$000	\$/RSH	\$	\$/RSH
Transportation						
Wages & Benefits	\$ 46,659	\$ 42.63	\$ 56,589	\$ 44.80	\$ 9,929	\$ 2.17
Materials & Supplies	132	0.12	141	0.11	9	(0.01)
Other	31	0.03	26	0.02	(5)	-
Control Center	12,331	11.27	11,494	9.10	(838)	(2.17)
Training	1,927	1.76	3,356	2.66	1,429	0.90
Total Transportation	\$ 61,081	\$ 55.81	\$ 71,606	\$ 56.69	\$ 10,525	\$ 0.88
Maintenance						
Vehicle Maintenance						
Wages & Benefits	\$ 45,376	\$ 41.46	\$ 60,571	\$ 47.96	\$ 15,195	\$ 6.50
Materials & Supplies	12,632	11.54	13,078	10.35	446	(1.19)
Services	102	0.09	89	0.07	(13)	(0.02)
Other	1	-	1	-	-	-
Subtotal Vehicle Maintenance	\$ 58,111	\$ 53.09	\$ 73,739	\$ 58.38	\$ 15,627	\$ 5.29
Wayside Maintenance						
Wages & Benefits	\$ 29,085	\$ 26.57	\$ 37,093	\$ 29.37	\$ 8,008	\$ 2.79
Materials & Supplies	4,399	4.02	3,761	2.98	(638)	(1.04)
Services	1,139	1.04	1,363	1.08	224	0.04
Propulsion Power	36,696	33.53	50,064	39.64	13,368	6.11
Other	84	0.08	968	0.77	884	0.69
Subtotal Wayside Maintenance	\$ 71,402	\$ 65.24	\$ 93,249	\$ 73.83	\$ 21,847	\$ 8.59
Other Maintenance						
Maintenance Support	\$ 5,044	\$ 4.61	\$ 937	\$ 0.74	\$ (4,107)	\$ (3.87)
Non-Revenue Vehicles	1,868	1.71	3,038	2.41	1,170	0.70
Facilities Maintenance	47,288	43.20	51,289	40.61	4,002	(2.60)
Subtotal Other Maintenance	\$ 54,200	\$ 49.52	\$ 55,265	\$ 43.75	\$ 1,064	\$ (5.77)
Total Maintenance	\$ 183,714	\$ 167.85	\$ 222,253	\$ 175.96	\$ 38,539	\$ 8.11
Other Operating						
Transit Security	\$ 82,245	\$ 75.14	\$ 61,026	\$ 48.32	\$ (21,218)	\$ (26.83)
Revenue	18,481	16.89	21,239	16.82	2,758	(0.07)
Service Development	-	-	91	0.07	91	0.07
Safety	5,216	4.77	5,267	4.17	51	(0.60)
Casualty & Liability	4,530	4.14	4,770	3.78	240	(0.36)
Workers' Comp	8,846	8.08	11,094	8.78	2,248	0.70
Transitional Duty Program	60	0.05	60	0.05	-	(0.01)
Utilities	2,356	2.15	2,983	2.36	627	0.21
Other Metro Operations	17,391	15.89	6,219	4.92	(11,171)	(10.97)
Building Costs	4,292	3.92	4,132	3.27	(159)	(0.65)
Copy Services	341	0.31	370	0.29	30	(0.02)
Total Other Operating	\$ 143,757	\$ 131.35	\$ 117,252	\$ 92.83	\$ (26,505)	\$ (38.51)
Support Departments						
Board Oversight	\$ 150	\$ 0.14	\$ 194	\$ 0.15	\$ 44	\$ 0.02
CEO	2,064	1.89	2,742	2.17	678	0.28
Management Audit Services	751	0.69	767	0.61	16	(0.08)
Procurement	7,349	6.71	10,712	8.48	3,363	1.77
Communication	5,736	5.24	9,150	7.24	3,414	2.00
Real Estate	6,304	5.76	5,880	4.66	(424)	(1.10)
Finance	4,582	4.19	2,516	1.99	(2,067)	(2.19)
Human Resources	1,002	0.92	1,803	1.43	801	0.51
ITS	6,350	5.80	8,787	6.96	2,437	1.16
Administration	2,137	1.95	1,431	1.13	(707)	(0.82)
Construction	247	0.23	449	0.36	201	0.13
Total Support Departments	\$ 36,675	\$ 33.51	\$ 44,432	\$ 35.18	\$ 7,758	\$ 1.67
Grand Total Rail Costs	\$ 425,226	\$ 388.51	\$ 455,544	\$ 360.66	\$ 30,317	\$ (27.85)
Total Rail Revenue Service Hours (in 000s)	1,094		1,263		169	

Note: Totals may not add due to rounding.

Appendix I

Legally Separate Entities

Public Transportation Services Corporation

Public Transportation Services Corporation (PTSC) is a nonprofit public benefit corporation. PTSC was created in December 1996 in order to transfer certain functions performed by the LACMTA and the employees related to those functions to this new corporation. The PTSC conducts essential public transportation activities including: planning, programming funds for transportation projects within Los Angeles County, construction, providing certain business services to the County's Service Authority for Freeway Emergencies (SAFE) and the Southern California Regional Rail Authority (SCRRA), and providing security services to the operation of the Metro Bus and Rail systems. PTSC allows the employees of the corporation to participate in the California Public Employees Retirement System (PERS).

Statement of Revenues, Expenses and Changes in Retained Earnings For the Years Ending June 30, 2016 and 2017

PTSC	(\$ in millions)	FY16 Budget	FY17 Proposed
1	Revenue	\$ 332.7	\$ 357.0
2	Expenses	332.7	357.0
3	Increase (decrease) in retained earnings	-	-
4	Retained earnings - beginning of year	-	-
5	Retained earnings - end of year	\$ -	\$ -

Note: Totals may not add due to rounding.

Exposition Metro Line Construction Authority

The Exposition Metro Line Construction Authority (Expo) was created by the State Legislature under Public Utilities Code Section 132600, et seq. for the purpose of awarding and overseeing final design and construction contracts for completion of the Los Angeles-Exposition Metro Light Rail project from the Metro Rail Station at 7th Street and Flower Street in the City of Los Angeles to downtown Santa Monica.

Statement of Revenues, Expenditures and Changes in Fund Balances For the Years Ending June 30, 2016 and 2017

EXPO	(\$ in millions)	FY16 Budget	FY17 Proposed
1	Revenue	\$ 310.3	\$ 196.2
2	Expenditures	310.3	196.2
3	Net change in fund balance	-	-
4	Fund balance - beginning of year	-	-
5	Fund balance - end of year	\$ -	\$ -

Note: Totals may not add due to rounding.

Notes:

- FY17 Budget is composed of Phase 1, \$0.5 million, and Phase 2, \$195.7 million.
- Funding for all Expo projects LOP is provided by Metro. Additional funding outside the LOP is provided by municipalities for improvements within their city limits.
- Expo Phase 2 begins revenue service in May 2016. The FY17 Proposed Budget is for close-out cost.

Service Authority for Freeway Emergencies

The Los Angeles County Service Authority for Freeway Emergencies (SAFE) was established in Los Angeles County in 1988. SAFE is a separate legal authority created under state law and is responsible for providing motorist aid services in Los Angeles County. SAFE currently operates, manages and/or funds:

- The Los Angeles County Kenneth Hahn Call Box System
- 511 – Mobile Call Box program
- The Metro Freeway Service Patrol
- The Motorist Aid and Traveler Information System (MATIS)

SAFE receives its funding from a dedicated \$1 surcharge assessed on each vehicle registered within Los Angeles County.

Statement of Revenues, Expenditures and Changes in Fund Balances For the Years Ending June 30, 2016 and 2017

	SAFE (\$ in millions)	FY16 Budget	FY17 Proposed
1	Revenues	\$ 7.6	\$ 7.6
2	Expenditures	10.3	13.1
3	Excess (deficiency) of revenue over expenditures	(2.7)	(5.5)
4	Other financing and sources (uses) - transfer out	(2.0)	(1.0)
5	Fund balances - beginning of year	24.6	19.8
6	Fund balances - end of year	\$ 19.8	\$ 13.3

Note: Totals may not add due to rounding.

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Appendix II

Capital Program Project Listing

Capital Program Project Listing

Project Description (\$ in thousands)	Forecasted Expenditures thru FY16	FY17 Proposed	Life of Project	Note
Measure R Transit Capital Expansion				
Measure R Transit Construction Projects				
Rail				
Crenshaw				
Crenshaw/LAX Business Interruption Fund	\$ 400	\$ 2,800	\$ 3,200	
Crenshaw/LAX Insurance Betterment	5,276	-	5,534	
Crenshaw/LAX Light Rail Transit: Construction	994,620	344,992	2,058,000	
Crenshaw/LAX Light Rail Transit: Planning Phase 1	5,526	-	-	
Crenshaw/LAX Light Rail Transit: Planning Phase 2	20,025	-	-	
Southwestern Maintenance Yard	53,539	40,481	157,000	
Crenshaw Total	\$ 1,079,385	\$ 388,273	\$ 2,223,734	
Expo I				
Expo Blvd Light Rail Transit Phase 1: Expo Authority Incurred	\$ 851,074	\$ -	\$ 978,900	
Expo Blvd Light Rail Transit Phase 1: Metro Incurred	76,585	452	-	4
Light Rail Vehicle	61,509	-	-	
Expo I Total	\$ 989,168	\$ 452	\$ 978,900	
Expo II				
Division 22 Paint And Body Shop	\$ 2,490	\$ 3,412	\$ 11,000	
Expo Blvd Light Rail Transit Phase 2: Holdback	43,891	656	-	
Expo Blvd Light Rail Transit Phase 2: Non-Holdback	154,152	-	-	
Expo Blvd Light Rail Transit Phase 2: Construction	949,808	89,110	1,500,158	4
Expo Blvd Light Rail Transit Phase 2: Planning	392	-	-	
Expo 2 Insurance Betterment	2,463	-	2,584	
Expo Phase 2 Betterments	2,400	1,500	3,900	
Light Rail Vehicle	136,912	101,053	-	4
Expo II Total	\$ 1,292,509	\$ 195,731	\$ 1,517,642	
Gold Line Foothill				
Foothill Extension Insurance Betterment	\$ 2,080	\$ -	\$ 2,182	
Gold Line Foothill Extension to Azusa: Construction	640,191	15,059	741,000	
Gold Line Foothill Extension to Azusa: Planning	425	-	-	
Gold Line Foothill Maintenance Facility - Metro 75%	206,160	-	207,437	
Light Rail Vehicle	66,433	-	-	
Gold Line Foothill Total	\$ 915,290	\$ 15,059	\$ 950,619	
Regional Connector				
Regional Connector: Business Interruption Fund	\$ 1,350	\$ 1,850	\$ 3,200	
Regional Connector: Insurance Betterment	4,036	-	4,036	
Regional Connector: Construction	608,653	222,393	1,551,817	
Regional Connector: Construction -Non-FFGA	29,251	10,740	39,991	
Regional Connector: Planning	27,926	10	-	
Regional Connector Total	\$ 671,217	\$ 234,993	\$ 1,599,044	
Westside Purple				
Non-Revenue Vehicle for Transit Project Delivery Department	\$ 854	\$ -	\$ 950	
Westside Extension I Business Interruption Fund	650	2,500	3,150	
Westside Insurance Betterment	6,553	-	6,553	
Westside Subway Extension Section 1	761,663	367,323	2,773,880	
Westside Subway Extension Section 2	210,591	231,320	441,911	
Westside Subway Extension Section 3	17,839	248,328	266,167	
Westside Subway Extension: Planning Phase 1	8,505	-	-	
Westside Subway Extension: Planning Phase 2	37,283	563	-	
Westside Purple Total	\$ 1,043,938	\$ 850,034	\$ 3,492,611	
Rail Total	\$ 5,991,506	\$ 1,684,542	\$ 10,762,551	
Bus				
Zero/Super Low Emission				
Bus Acquisition 30 Zero Emission/Super Low Emission	\$ 4,510	\$ 6,663	\$ 30,000	
Bus Total	\$ 4,510	\$ 6,663	\$ 30,000	
Bike				
Expo 2				
Expo Phase 2 Bikeway	16,102	-	16,102	
Bike Total	\$ 16,102	\$ -	\$ 16,102	
Measure R Transit Construction Projects Total	\$ 6,012,118	\$ 1,691,205	\$ 10,808,653	
Measure R Transit Planning				
Airport Metro Connector	\$ 13,922	\$ 10,763	\$ 24,686	1
Eastside Extension Phase II: Planning Phase I & II	23,576	3,241	26,817	1
Eastside Light Rail Access	16,164	5,295	21,458	1
Gold Line Foothill Extension	-	-	-	2
Green Line Extension: Redondo to South Bay	6,329	676	7,006	1
San Fernando Valley East North/South Rapidways	10,562	1,354	11,916	1
Sepulveda Pass Transit Corridor	6,194	3,332	9,527	1
West Santa Ana Branch Corridor	3,872	1,567	5,670	3
Measure R Transit Planning Total	\$ 80,621	\$ 26,229	\$ 107,079	
Measure R Transit Capital Expansion Total	\$ 6,092,739	\$ 1,717,434	\$ 10,915,732	

Note: Totals may not add due to rounding.

Note 1: No Board Adopted Life of Project (LOP) during planning phase; project is funded on an annual base.

Note 2: FY17 budget of \$8M is reported in Summary of Expenditures by Program, pg 17, line 19.

Note 3: Total FY17 budget is \$1,797K; \$230K is captured in subsidies.

Note 4: Expo budget will be adjusted according to Expo Authority's FY17 Adopted Budget.

Capital Program Project Listing (continued)

Project Description (\$ in thousands)	Forecasted Expenditures thru FY16	FY17 Proposed	Life of Project	Note
Safety / Security				
Rail				
Blue				
Metro Blue Line Pedestrian & Swing Gate Installations	\$ 3,730	\$ -	\$ 7,700	
Metro Blue Line Pedestrian Safety Enhancement at Grade Crossings	12,897	10,696	30,175	
Metro Blue Line Signal System Rehabilitation	11,010	8,580	64,000	
Metro Blue Line Traction Power Sub-Stations Rehabilitation	72,069	-	82,200	
Blue Total	\$ 99,706	\$ 19,276	\$ 184,075	
Green				
Metro Green Line Signal System Rehabilitation - Phase II	6,489	770	7,800	
Green Total	\$ 6,489	\$ 770	\$ 7,800	
Red/Purple				
Metro Red Line Electronic Access Control/Alarm Monitoring System Replacement	\$ -	\$ 453	\$ 2,319	New
Metro Red Line Gas Analyzer Upgrade	1,514	1,459	4,000	
Metro Red Line Operator Cab Camera Installation	5,849	298	6,380	
Metro Red Line Tunnel Lighting Rehabilitation	3,713	1,048	9,000	
Metro Red Line Universal City Pedestrian Bridge	26,861	2,724	29,585	
Metro Red/Purple Lines Platform Gates Replacement	183	1,361	3,500	
Red/Purple Total	\$ 38,120	\$ 7,343	\$ 54,784	
Multiple Lines				
Metro Blue Line and Metro Green Line Transit Passenger Info System	\$ 9,464	\$ 366	\$ 9,830	
Metro Security Kiosks at Rail Stations	4,889	162	5,150	
Platform Track Intrusion Detection System	1,421	979	2,400	
SCADA System Security Enhancement	948	-	1,365	
Union Station Smart High Definition CCTV	1,252	-	1,849	
Multiple Lines Total	\$ 17,974	\$ 1,506	\$ 20,594	
Rail Total	\$ 162,290	\$ 28,895	\$ 267,252	
Bus				
CNG Detection and Alarm Systems	\$ -	\$ 112	\$ 4,586	New
Emergency Operations Booth at Divisions	25	-	452	
Bus Total	\$ 25	\$ 112	\$ 5,038	
Mixed Mode				
Fare Gate Project	\$ 7,568	\$ 3,231	\$ 14,987	New
Fire Alarm Panel Replacement Program	-	63	1,624	
Metro Emergency Operations Center	9,547	5,875	16,103	
Metro Red Line to Orange Line Underpass at North Hollywood Station	16,931	1,483	23,077	
Reduce Risk of Catastrophic Events to Union Station Gateway Complex	-	92	6,983	
UFS Fare Box Upgrade	-	1,461	4,279	
Mixed Mode Total	\$ 34,046	\$ 12,205	\$ 67,054	
Other				
Agency Information Security and Compliance Program	\$ 710	\$ 1,230	\$ 7,814	
Automated License Plate Recognition Network Phase I	1,854	202	2,069	
Automated License Plate Recognition Network Phase II	1,204	376	1,602	
UFS Security Upgrade	7,129	4,054	19,500	
Union Station Fire Life Safety System, ADA Site Improvements and LED Lighting	-	6,674	19,946	
Other Total	\$ 10,897	\$ 12,537	\$ 50,931	
Safety / Security Total	\$ 207,258	\$ 53,749	\$ 390,275	
State of Good Repair - Capital Improvement				
Rail				
Blue				
Blue Line Artwork Renovations and Replacement	\$ -	\$ 293	\$ 477	
Division 11 Body Shop Ventilation	1,789	135	2,200	
Light Rail Vehicle (P865/P2020) Midlife Overhaul	19,823	3,070	30,000	
Long Beach Duct Bank Upgrade Phase II	2,672	2,128	8,000	
Metro Blue Line Communication & Signal Building Rehabilitation	897	324	1,800	
Metro Blue Line Overhead Catenary System Rehabilitation	3,370	1,603	13,000	
Metro Blue Line Rail Replacement & Booting	3,922	4,112	13,000	
Metro Blue Line Station Refurbishments	32,246	706	32,953	
Metro Blue Line Turnout Replacement	3,000	-	3,000	
Metro Blue Line Wheel True Machine	1,400	800	2,200	
Metro Blue Line Yard Signal System Rehabilitation	1,517	2,315	4,600	
Metro Blue Line High Density Storage Equipment	-	462	964	New
Blue Total	\$ 70,636	\$ 15,950	\$ 112,194	

Note: Totals may not add due to rounding.

Separate Board approval of LOP budget is required for new project with a proposed LOP over \$5 million.

Capital Program Project Listing (continued)

Project Description (\$ in thousands)	Forecasted Expenditures thru FY16	FY17 Proposed	Life of Project	Note
Gold				
135 Car Cleaning Platform Canopy	\$ 196	\$ -	\$ 505	
136 Division 21 Car Wash Improvement	263	-	670	
137 Division 21 Midway Yard Improvements	50	974	1,024	
138 P2550 Light Rail Vehicle Component Overhaul	-	2,774	20,008	New
139 Pasadena Gold Line Headway Improvements	1,301	80	1,400	
140 Pasadena Gold Line Vehicle Loop Detector Replacement	200	201	750	
141 Pasadena Gold Line Yard Train Loop Detector Replacement	254	83	600	
142 PGL South Pasadena Station Northbound Platform ADA Ramp	15	203	550	
143 Gold Total	\$ 2,278	\$ 4,316	\$ 25,507	
Green				
144 Metro Green Line UPS for Train Control & Communication Building	\$ 556	\$ 313	\$ 1,200	
145 Metro Green Line Emergency Trip System	1,290	1,144	5,500	
146 Metro Green Line Negative Grounding Devices	384	734	1,500	
147 Metro Green Line Train Control Track Circuits and TWC Replacement	-	83	28,851	New
148 Green Total	\$ 2,229	\$ 2,273	\$ 37,051	
Red/Purple				
149 Division 20 Wheel Press Machine	\$ 82	\$ 1,362	\$ 4,000	
150 Division 20 Carwash & Cleaning Platform	14,578	-	15,400	
151 Division 20 Switch Machine Replacement	179	1,721	1,900	
152 Heavy Rail Vehicle Midlife Overhaul	5,934	9,906	52,000	
153 Heavy Rail Vehicle Procurement	6,772	7,630	130,910	
154 Metro Red Line 7th/Metro Station Turnback Upgrade	128	130	675	
155 Metro Red Line Civic Center Station Escalator/Elevator Modernization	7,276	578	12,000	
156 Metro Red Line Escalator Replacement/Modernization	6,352	4,083	20,756	
157 Metro Red Line North Hollywood Parking Lot Demo	894	32	1,400	
158 Metro Red Line Segment I Power Supply Replacement	179	-	300	
159 Metro Red Line Train-to-Wayside Communication Rehabilitation	204	-	1,800	
160 Replacement of Uninterruptible Power Supplies/ Batteries Red Line FY17 - FY22	-	2,391	3,684	New
161 Subway Railcar Component Replacement	22,813	3,532	30,000	
162 Universal City Station North Entrance Knock-out Panel	8	147	330	
163 Red/Purple Total	\$ 65,400	\$ 31,512	\$ 275,155	
Multiple Lines				
164 Automatic Wheel Profile Measuring Device	\$ 1,150	\$ -	\$ 4,000	
165 Digital Rail Radio System	15,712	2,755	25,000	
166 Fiber Optic Main Loop Upgrade	1,580	1,038	4,250	
167 Fire Control Panel Upgrade	1,037	928	3,600	
168 FY16- FY17 Rail Non-Revenue Vehicle and Equipment Replacement	111	272	383	
169 Heavy Rail SCADA System Replacement	7,573	3,867	15,883	
170 Light Rail Vehicle (P2000) Midlife Overhaul	10,906	29,462	130,800	
171 Light Rail Vehicle Fleet Replacement	207,811	1,275	589,659	
172 Metro Green and Red Line Rail Station Refurbishments	3,714	-	4,500	
173 MOW Tools & Equipment Procurement thru FY16	363	1,637	2,000	
174 Non-Revenue Vehicle & Equipment - Rail	6,591	3,734	11,803	
175 P2000 Vehicle Component Replacement	15,512	4,334	26,360	
176 Professional Services to Support P3010 LRV Procurement Project	12,779	5,200	30,000	
177 Rail Facilities Lighting Retrofit	1,574	2,631	4,205	
178 Regional Rail Signage System Improvements	1,663	369	2,231	
179 Systemwide Corrosion Protection System Replacement	7,118	2,681	13,000	
180 Systemwide Elevator Installations (Vertical Systems)	3,036	579	8,000	
181 Warehouse Pallet Racking for Rail	87	34	120	
182 Multiple Lines Total	\$ 298,316	\$ 60,795	\$ 875,794	
183 Rail Total	\$ 438,860	\$ 114,847	\$ 1,325,700	

Note: Totals may not add due to rounding.

Separate Board approval of LOP budget is required for new project with a proposed LOP over \$5 million.

Capital Program Project Listing (continued)

Project Description (\$ in thousands)	Forecasted Expenditures thru FY16	FY17 Proposed	Life of Project	Note
Bus				
188 490 Bauchet Environmental Canopy Structure	\$ -	\$ 109	\$ 110	New
189 ADA Equipment Installation	-	1,199	10,868	New
190 Articulated Bus Replacement	197	5,311	5,507	
191 Bus Acquisition 550 & 350 40-Foot	444,168	40,621	507,060	
192 Bus Facilities Lighting Retrofit	3,747	74	4,250	
193 Bus Facilities Maintenance & Improvement - Phase III	1,425	1,970	21,650	
194 Bus Facility Maintenance Improvements & Enhancements Phase I	20,503	728	21,231	
195 Bus Facility Maintenance Improvements & Enhancements Phase II	18,675	1,254	20,896	
196 Bus Midlife Program	10,262	19,563	68,669	
197 Central Maintenance Bus Engine Replacement Program	3,994	5,836	24,690	
198 Central Maintenance Equipment Acquisition	-	600	3,000	New
199 Central Maintenance Shop Engine Replacement Program thru FY14	27,385	-	32,112	
200 Central Maintenance Shop Equipment Replacement	2,268	-	2,928	
201 Central Maintenance Facility Building 5 Ventilation & Air	365	211	785	
202 Division 1 Improvements	2,933	2,260	20,866	
203 Division 13 ITS Infrastructure	797	115	974	
204 Division 13 Tenant Improvement	722	55	784	
205 Division 3 Master Plan Phases II-IV	12,652	549	13,200	
206 Division 4 Concrete Pavement	125	730	940	
207 DVR Equipment Refurbishment	524	545	3,102	
208 El Monte Busway Access Road Repair	450	767	1,426	
209 Emergency Generators for Communications Network	294	157	500	
210 Facility Equipment & Upgrades	2,253	-	2,254	
211 Fuel Storage Tank System Enhancements (FY15 - FY17)	3,216	2,284	6,500	
212 Metro Art Enhancement	503	112	615	
213 Metro Silver Line Improvements & Upgrades	6,386	1,459	7,845	
214 Non-Revenue Vehicles & Equipment -Bus	5,867	-	6,923	
215 Non-Revenue Vehicles & Equipment Replacement -Bus (FY17-FY18)	-	1,383	4,975	New
216 Patsaouras Bus Plaza Paver Retrofit	5,768	1,559	9,093	
217 Patsaouras Plaza Bus Station Construction	21,929	214	39,793	
218 Pavement Repairs at CMF, Division 7, and Division 8	495	1,815	4,249	
219 Replacement 40' Buses	-	5,350	302,091	New
220 Revenue Collection Equipment Midlife Refurbishment	1,521	-	1,521	
221 Sylmar Child Center Rehabilitation	967	-	987	
222 Terminals 47 and 48 Corrosion	746	145	965	
Bus Total	\$ 601,137	\$ 96,975	\$ 1,153,358	
Mixed Mode				
225 ASRS Unit Upgrade for Mini-Load	\$ 1,337	\$ -	\$ 1,659	
226 Bulk Storage & Fire Sprinkler Enhancement	112	73	185	
227 Call Center Telephone Replacement	1,099	401	1,500	
228 Cash Room Equipment Request	-	383	383	New
229 Customer Center Relocation Improvements	433	324	761	
230 GIRO HASTUS Upgrade & Enhancement	2,582	1,428	4,010	
231 HASTUS Infrastructure Upgrade	243	394	1,687	
232 High Density Storage Equipment for Bus & Rail	1,964	325	2,288	
233 Installation of Signage & Posters	655	243	897	
234 Non-Revenue Heavy Duty	251	-	270	
235 Non-Revenue Maintenance Shop Improvements	590	2,637	3,227	
236 Non-Revenue Step Van	110	185	296	
237 Non-Revenue Vehicles Procurement for Rail thru FY15	1,504	1,850	5,643	
238 Sustainability Implementation Plan	-	2,000	2,000	New
239 System Projects	-	4,279	4,279	
240 TAP Customer Relationship Management System	985	-	985	
241 TAP Mobile Phone Validators	455	-	500	
Mixed Mode Total	\$ 12,320	\$ 14,523	\$ 30,570	
Bike				
244 Bikeshare Phase I Implementation	\$ 3,979	\$ 1,821	\$ 5,800	
Bike Total	\$ 3,979	\$ 1,821	\$ 5,800	

Note: Totals may not add due to rounding.

Separate Board approval of LOP budget is required for new project with a proposed LOP over \$5 million.

Capital Program Project Listing (continued)

Project Description (\$ in thousands)	Forecasted Expenditures thru FY16	FY17 Proposed	Life of Project	Note
Other				
247				
248	\$ 980	\$ -	\$ 1,500	
249	-	591	1,685	New
250	3,473	-	3,800	
251	7,561	-	7,561	
252	-	400	1,400	New
253	856	674	2,064	
254	-	500	3,800	New
255	-	366	10,146	New
256	2,626	779	4,200	
257	8,771	821	12,900	
258	1,863	-	1,895	
259	17,813	4,603	42,842	
260	239	1,451	2,589	
261	-	544	803	New
262	261	611	978	
263	1	507	508	
264	-	457	924	New
265	404	1,055	1,921	
266	-	1,387	2,227	New
267	486	1,067	1,750	
268	2,095	1,912	8,085	
269	5,368	-	5,376	
270	14,349	2,962	17,311	
271	7,056	-	7,080	
272	96,032	-	97,607	
273	3,096	-	3,096	
274	-	940	2,700	New
275	2,227	-	2,600	
276	\$ 175,556	\$ 21,628	\$ 249,347	
277	\$ 1,231,852	\$ 249,794	\$ 2,764,775	
278	Capital Expansion - Infrastructure			
279	Rail			
280	Gold			
281	\$ 888,792	\$ 1,380	\$ 898,814	
282	1,455	381	1,874	
283	\$ 890,247	\$ 1,761	\$ 900,688	
284	Red/Purple			
285	\$ 679	\$ 668	\$ 4,650	
286	31,185	550	31,847	
287	4,049	125	4,196	
288	4,659	-	5,166	
289	\$ 40,571	\$ 1,343	\$ 45,859	
290	Multiple Lines			
291	\$ 59	\$ 117	\$ 175	
292	155	85	240	
293	129	73	421	
294	2,493	528	8,609	
295	581	189	973	
296	\$ 3,417	\$ 992	\$ 10,418	
297	\$ 934,235	\$ 4,096	\$ 956,965	
298	Bus			
299	\$ 4,163	\$ 1,206	\$ 5,838	
300	1,017	133	1,150	
301	612	561	2,100	
302	259	741	1,000	
303	119,183	1,159	120,342	
304	59,701	150	60,106	
305	391	74	465	
306	372	-	373	
307	131	32	400	
308	\$ 185,830	\$ 4,056	\$ 191,774	

Note: Totals may not add due to rounding.

Separate Board approval of LOP budget is required for new project with a proposed LOP over \$5 million.

Capital Program Project Listing (continued)

Project Description (\$ in thousands)	Forecasted Expenditures thru FY16	FY17 Proposed	Life of Project	Note
309 Mixed Mode				
310 Internet-based Customer Help Desk	\$ 298	\$ 535	\$ 1,142	
311 Nextrip Electronic Signage	162	1,641	4,400	
312 Rosa Park / Willowbrook Station	-	9,353	66,700	New
313 Ticket Vending Machine Installations	1,525	2,664	6,736	
Mixed Mode Total	\$ 1,985	\$ 14,192	\$ 78,978	
315 Bike				
316 Bicycle Access Improvements - Rail	\$ 724	\$ 967	\$ 1,843	
317 Bicycle Lockers & Racks for Metro Rail Stations	1,231	119	1,350	
318 Union Station Metro Bike Hub	356	965	1,320	
Bike Total	\$ 2,311	\$ 2,050	\$ 4,513	
320 Other				
321 Parking Guidance System (at Metro Owned Park & Ride Properties)	\$ 162	\$ 1,994	\$ 3,025	
322 TAP NFC Mobile App Development	166	459	625	
323 USG Domestic Hot Water System Modification	73	-	73	
Other Total	\$ 402	\$ 2,452	\$ 3,723	
Capital Expansion - Infrastructure Total	\$ 1,124,762	\$ 26,846	\$ 1,235,953	
Operating Capital Total	\$ 2,563,871	\$ 330,388	\$ 4,391,003	

Note: Totals may not add due to rounding.

Separate Board approval of LOP budget is required for new project with a proposed LOP over \$5 million.

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Appendix III

Regional Transit Allocations

Regional Transit Allocations

STATE AND LOCAL FUNDS	A FY17 Estimated Revenue	B Carry-Over FY15 Budget vs Actual	C Interest FY15 Actual	D=A+B+C FY17 Total Funds Available	N O T E	FY16 Total Funds Available
Transportation Development Act:						
Planning & Administration:						
1 Planning - Metro	\$ 2,000,000	\$ -	\$ -	\$ 2,000,000		\$ 2,000,000
2 Planning - SCAG	2,983,875	51,684		3,035,559		2,895,529
3 Administration - Metro	3,516,125	(51,684)		3,464,441		3,604,471
4 Sub-total	\$ 8,500,000	\$ -	\$ -	\$ 8,500,000		\$ 8,500,000
5 Article 3 Pedestrian & Bikeways 2.0000%	\$ 7,787,000	\$ 137,824		\$ 7,924,824		\$ 7,551,412
6 Article 4 Bus Transit 91.6467%	356,812,522	6,315,314	1,539,596	364,667,432		347,794,161
7 Article 8 Streets & Highways 6.3533%	24,750,478	438,065		25,188,543		23,988,324
8 Total	\$ 397,850,000	\$ 6,891,203	\$ 1,539,596	\$ 406,280,799	a	\$ 387,833,897
Proposition A:						
9 Administration 5.0000%	\$ 39,785,000	\$ 572,732		\$ 40,357,732		\$ 38,608,497
10 Local Return 25.0000%	188,978,750	n/a		188,978,750	c	181,331,250
11 Rail Development 35.0000%	264,570,250	3,808,667		268,378,917		256,746,505
12 Bus Transit: 40.0000%						
13 95% of 40% Capped at CPI (1.85%)	234,828,073	n/a		234,828,073	b	230,562,663
14 95% of 40% Over CPI	52,419,627	-		52,419,627	d	45,060,837
15 Sub-total	\$ 287,247,700	\$ -		\$ 287,247,700		\$ 275,623,500
16 5% of 40% Incentive	15,118,300	217,638		15,335,938		14,671,229
17 Total	\$ 795,700,000	\$ 4,599,037		\$ 800,299,037	a	\$ 766,980,981
Proposition C:						
18 Administration 1.5000%	\$ 11,935,500	\$ 171,482		\$ 12,106,982		\$ 11,583,923
19 Rail/Bus Security 5.0000%	39,188,225	563,032		39,751,257		38,033,880
20 Commuter Rail 10.0000%	78,376,450	1,126,064		79,502,514		76,067,760
21 Local Return 20.0000%	156,752,900	n/a		156,752,900	c	150,409,500
22 Freeways and Highways 25.0000%	195,941,125	2,815,160		198,756,285		190,169,401
23 Discretionary 40.0000%	313,505,800	4,504,255		318,010,055		304,271,041
24 Total	\$ 795,700,000	\$ 9,179,992		\$ 804,879,992	a	\$ 770,535,505
State Transit Assistance:						
25 Bus (PUC 99314 Rev Base Share)	\$ 24,595,469	\$ 4,575,497	\$ 106,362	\$ 29,277,328	e	\$ 54,516,125
26 Rail (PUC 99313 Population Share)	28,259,873	1,347,912	57,363	29,665,148		52,965,044
27 Total	\$ 52,855,342	\$ 5,923,409	\$ 163,725	\$ 58,942,476		\$ 107,481,169
Measure R:						
28 Administration 1.5000%	\$ 11,935,500	\$ 175,782	\$ 290,489	\$ 12,401,771		\$ 11,682,630
29 Transit Capital - "New Rail" 35.0000%	274,317,575	4,040,063	231,302	278,588,940		269,249,002
30 Transit Capital - Metrolink 3.0000%	23,512,935	346,291	1,204,110	25,063,336		23,667,510
31 Transit Capital - Metro Rail 2.0000%	15,675,290	230,861	193,645	16,099,796		15,420,063
32 Highway Capital 20.0000%	156,752,900	2,308,608	2,951,123	162,012,631		153,620,868
33 Operations "New Rail" 5.0000%	39,188,225	577,152	619,352	40,384,729		38,481,287
34 Operations Bus 20.0000%	156,752,900	2,308,608	(103,014)	158,958,494		151,622,137
35 Local Return 15.0000%	117,564,675	n/a	(9,927)	117,554,748	c	112,807,125
36 Total	\$ 795,700,000	\$ 9,987,364	\$ 5,377,080	\$ 811,064,444	a	\$ 776,550,622
37 Total Funds Available for Allocation	\$ 2,837,805,342	\$ 36,581,006	\$ 7,080,401	\$ 2,881,466,749		\$ 2,809,382,173
38 Total Planning & Admin Allocations: (Lines 4, 9, 18 and 28)	\$ 72,156,000	\$ 919,996	\$ 290,489	\$ 73,366,485		\$ 70,375,050

Notes:

- a) The revenue estimate is 3.3% over the FY2016 revenue estimate based on several economic forecasts evaluated by Metro.
- b) CPI of 1.85% represents the average estimated growth rate provided by Beacon Economics applied to Prop A discretionary allocated to included operators.
- c) Local Return Subfunds do not show carryover balances. These funds are distributed in the same period received.
- d) Proposition A 95% of 40% Bus Transit current year estimate will be used to fund eligible and Tier 2 operators. The carry-over is not shown since it has been converted into Proposition C 40% discretionary to fund various Board-approved discretionary programs.
- e) STA Revenue estimate from the State Controller's office is reduced by \$18 million for the revenue based share and \$13 million for the population based share due to anticipated shortfall of FY16 revenue.

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