



**Item # 12**

# **Metro Fiscal Year 2024 Proposed Budget**

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**Board Meeting  
May 25, 2023**

# FY24 Proposed Budget – \$9.0B



## Revenues vs Expenditures

Sales Tax, TDA and STA/SB1: \$5.6B

Capital & Bond Resources: \$3.1BM

Operating & Other Revenues: \$330.8M



Metro Transit - Operations: \$2.3B

Transportation Infrastructure Development (TID): \$2.2B

Regional Allocations & Pass-Throughs: \$2.1B

Highway Multimodal Development: \$602.3M

Metro Transit – Capital Improvement Program (CIP): \$541.4M

Debt Program: \$489.8M

Regional Rail: \$302.9M

General Planning & Programs: \$233.7M

Congestion Management: \$131.9M

Oversight and Administration: \$84.3M

Budget Summary		FY24 Proposed	
1	Operating	\$	3,037.0
2	Capital		3,115.5
3	Subsidy		2,057.7
4	Planning & Admin		807.7
5	<b>Total Proposed Budget</b>	<b>\$</b>	<b>9,017.9</b>





# Key Initiatives



## Fare Programs

- LIFE

Save on fares with LIFE.

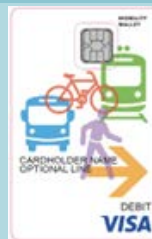
- GoPass



- Mobility Wallet Pilot



- Fare Capping



## NextGen - \$52.9M

- Transit signal priority



- Bus mobile validators



- Camera bus lane enforcement



- NSFV BRT network improvements



# Key Initiatives (continued)

## Reimagining Public Safety: Multi-layered Strategy \$290.5M

- Transit Ambassadors



- Homeless & Mental Health Outreach



- Transit Security Officers



- Law Enforcement Contracts

## Other Initiatives

- Room To Work

- Westlake/MacArthur Park Program



## Cleaning - \$201.0M

- 13 Hot Spots

- Station & Facilities Cleaning

- Bus & Rail Vehicles Cleaning

- Vinyl Seat Replacements





# Law Enforcement Negotiations Update

- Negotiations are in progress with all three law enforcement agencies
- All three agencies have conceptually agreed to the following additional terms:
  - Compliance with the principles of Metro's Bias-Free Policing and Public Safety Data Policy
  - Reporting Requirements requiring Metro the ability to identify, track and log mobile assets in real time
  - Shall not assign personnel with sustained misconduct complaints to the Metro contract
  - Resources may be adjusted (reduced or increased) at any time as Metro approaches and implements new public safety programs
  - Shall provide needed support in the transition from a multi-agency law enforcement approach to an independent Metro Public Safety Department and assist in the assimilation of new personnel, in a manner to be mutually agreed upon



# Transit Infrastructure Development (TID) – \$2.2B

Life of a Project

Initiation

Planning

Engineering

Procurement

Construction / Integration

Operations / Activation / Integration

## Transit Planning - \$291M (69% over FY23)

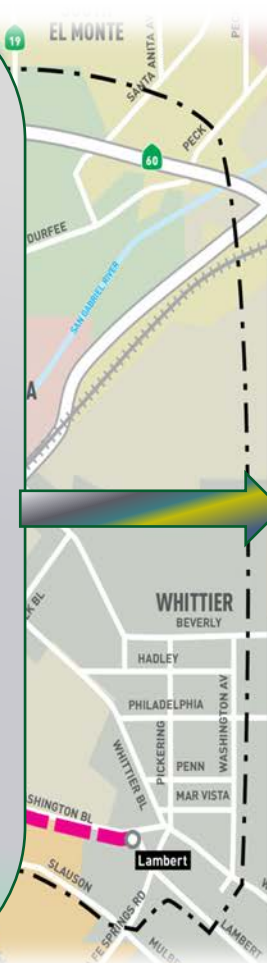
Broadway BRT	\$ 4.0
BRT Connector B/G Line to L Line	59.7
C (Green) Line South Bay	43.8
Crenshaw Northern	18.5
Eastside Access	5.3
Eastside Extension	22.1
North San Fernando Valley BRT	20.9
Sepulveda Corridor	71.2
SGV Feasibility Study	1.9
Vermont Transit Corridor	6.4
West Santa Ana Branch Corridor	37.4

- Increased funding for planning projects in the environmental and design phase

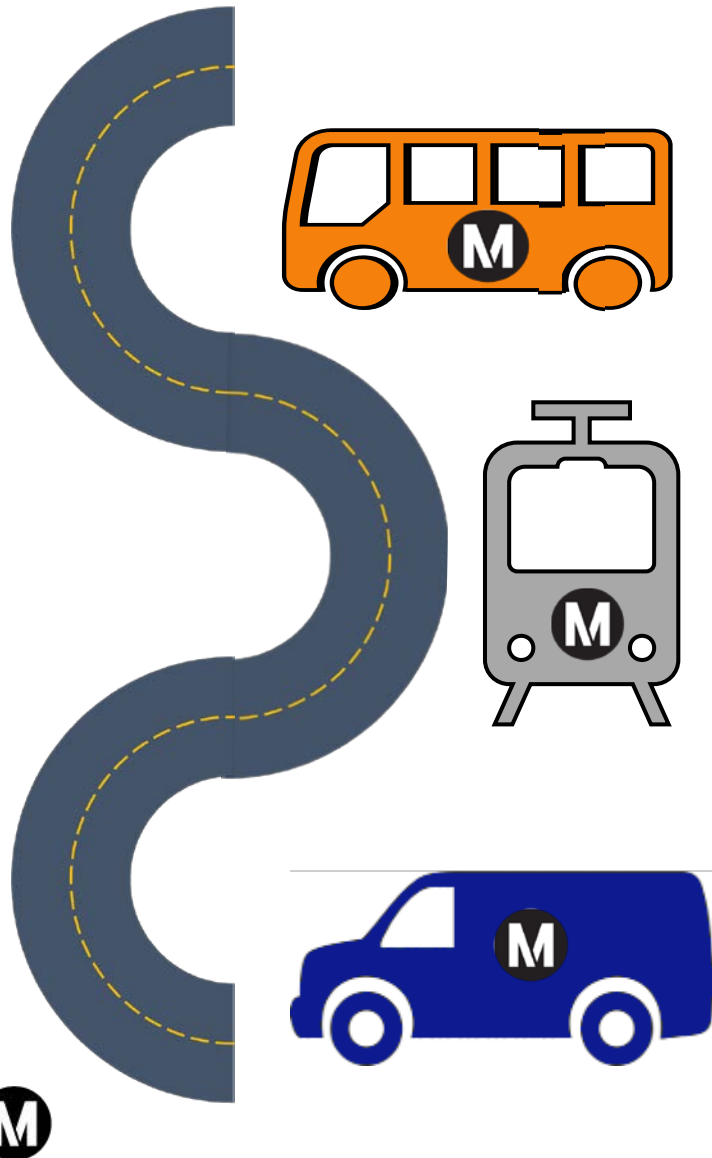
## Transit Construction - \$1,919M (11% under FY23)

Airport Metro Connector	\$ 174.7
D (Purple) Line Extension	1,059.3
East San Ferando	285.7
Expo Closeout	3.0
G (Orange) Line BRT	74.5
K Line (Crenshaw/LAX) Light Rail Transit	43.0
L (Gold) Line Foothill Ext 2A & 2B	214.8
Regional Connector	18.8
Systemwide / Program Support	45.4

- Continue to progress all major construction projects
- Substantial completion of Regional Connector in FY23



# Metro Transit - Operations – \$2.4B



## **Bus Service - \$1.5B**

.4% planned increase in RSHs (7.12M)

## **NextGen Bus Plan**

- Traffic signal sync
- Bus priority lanes
- All-door-boarding
- Speed & reliability improvements



## **Rail Service - \$795M**

12.3% planned increase in RSHs  
Improved headways  
(1.51M)

## **New Lines**

- Full operation of Crenshaw/LAX
- K Line & Regional Connector



## **Metro Micro - \$40M**

- 2.1% planned increase in RSHs (272,000)
- Pilot program extended through September 2023



# Metro Transit - CIP – \$541.4M

## Bus

**Total: \$136.2M**



Procurement of Electric buses and charging infrastructure



Refurbishments & overhauls to improve reliability and CX



NextGen bus mobile validators for all-door-boarding and transit signal priority technologies

## Rail

**Total: \$229.9M**



Heavy and light rail vehicle procurements



Refurbishments and overhauls to improve reliability and CX



Facilities and wayside improvements: rail fasteners, resignaling, roof repairs, etc.

## Other Asset Improvements

**Total: \$175.3M**



Rail to Rail Segment A

Connects A Line & Crenshaw/LAX Line via bike path & walkway



Metro Center Street Project

Centralize security, dispatch, and emergency ops



Technology

Payroll system replacement, software, computer equipment, etc.

- \$541.4M is allocated for maintaining the capital assets in a state of good repair, for improvements, and modernization
  - \$72.3M in investments in electric buses and charging station infrastructure
  - \$169.0M for a major investment in new rail vehicles and refurbishment of existing vehicles
  - \$64.9M will be invested in safety, NextGen and Customer Experience (CX) related projects



# Regional Allocations & Pass-throughs – \$2.1B

Local Return,  
TDA 3 & 8:  
**\$962.2M**



Local Return -  
88 cities &  
LA County for  
transit & mobility  
improvements.  
Prop A & C,  
Measure R & M,  
TDA 3&8

Regional Transit  
**\$781.2**



Municipal & Local  
Operators, and  
Access Services



Major Projects  
**\$164.3M**



Alameda Corridor  
East Phase II,  
(New) AV Line-  
Metrolink,  
Inglewood Transit  
Connector, Sankofa  
Park Project

Other Local  
Programs  
**\$87.1M**



Call For Projects,  
ATP, Transit Projects  
& Programs,  
Congestion  
Reduction Demo Toll  
Revs, Federal Pass-  
Throughs, TOD  
Planning Grants

Fare Assistance  
(LIFE Program)  
**\$32.5**



LIFE Program  
provides  
transportation  
assistance to low-  
income  
individuals of LA  
County

Regional  
Federal Grants  
**\$30.4M**



JARC, New  
Freedom  
Program, Senior  
and Disability  
Activities

- 91% of funding passed through to transit operators & local jurisdictions per formula, federal guidelines, State law & Board policy
- Estimated 8% increase due to higher projected sales tax
- Greatest increase within Local Agency Programs (17%) & Regional Transit (14%) - represents 85% of program budget

# Other Programs – \$1.8B



## Highway Multimodal Development

- Increase in ExpressLanes investments driven by I-105 ExpressLanes project
- Increase in dedicated bus lane and noise reduction investments
- Mobility Improvement Projects

**\$602.3M**

+\$26.7m (4.6%)



## Regional Rail

- LINK Union Station
- Grade Separation
- Double Tracking
- High Desert Corridor Rail Service Plan and Other Metro Regional Rail Projects
- Metrolink

**\$302.9M**

+\$10.6m (3.6%)



## General Planning & Programs

- Active Transportation Bike, Other
- Property Management
- Financial, Grants Mgmt, & Admin
- Unsolicited Proposals, P3, & Other

**\$233.7M**

+\$13.1m (5.9%)



## Congestion Management

- ExpressLanes
- Freeway Service Patrol
- Motorist Services
- Rideshare Services

**\$131.9M**

-\$5.1m (-3.7%)



## Oversight and Administration & Debt Program

- Recurring Activities
- Valuing Workforce
- Improved Performance Management
- Customer Experience
- Diversity, Inclusion, & Equity
- Bus & Rail Infrastructure and Replacement
- East San Fernando Rapid Way & Airport Connector Construction

**\$574.1M**

+\$3.1m (0.5%)



- These six (6) programs make up 20% of the FY24 Proposed Budget



# Public Outreach & Stakeholder Engagement



October 2022



- **Telephone Town Hall**
- Launch My Budget Tool: distributed via social media, e-blast, QR codes, flyers

November 2022

- Social Media launch My Metro Budget Marketing



December 2022

- **EFC engagement** for My Metro Budget – physical marketing cards



January 2023

- **Telephone Town Hall**
- Regional Service Council Budget Briefing



February 2023

- Finalization of My Metro Budget data, feedback solicited from departments



March 2023

- Community Advisory Council
- **Telephone Town Hall – Mar 28**



April 2023

- San Gabriel Valley COG
- Gateway COG
- Policy Advisory Council
- Bus Operators Subcommittee
- Regional Service Council, Budget Briefing
- Streets & Freeways
- Community Advisory Council – General

May 2022



- Technical Advisory Committee
- Valley Industry and Commerce Association
- Local Transit Systems Subcommittee
- San Gabriel Valley COG
- **South Bay COG (added)**
- Bus Operators Subcommittee
- Accessibility Advisory Committee
- **Budget Public Hearing**
- **Board Adoption**



Note: Updated as additional meetings are scheduled.



ONGOING PUBLIC PARTICIPATION

# MAY BOARD REPORT FY24 BUDGET ADOPTION

- A. ADOPTING the proposed FY24 Budget as presented in the budget document (provided in a separate transmittal and posted on [metro.net](https://metro.net));
1. AUTHORIZING \$9.0 billion annual consolidated expenditures to achieve goals and objectives set forth by the Board adopted mission and goals; and
  2. AUTHORIZING a total of 10,842 FTEs with 8,943 Represented FTEs and 1,899 Non-Represented FTEs; and
  3. AUTHORIZING an average 3.5% performance-based merit increase and a cost-of-living adjustment (COLA) of 2.5% on July 1st, 2023, and 2.5% on January 1st, 2024, for Non-Represented employees. The COLA will adjust the Non-Represented salary pay grade bands accordingly. The wage increases for Represented employees, in accordance with the pre-negotiated Collective Bargaining Agreements, is 3.5% plus step progression increases; and
  4. APPROVING the Life of Project (LOP) budgets for new capital projects; new capital projects with LOP exceeding \$5.0 million are presented in Attachment B; and
  5. AMENDING the proposed budget to include any Board approved actions currently under consideration, from now to the end of the fiscal year (June 30, 2023); and
- B. AMENDING FY24 Proposed Budget document by including 40 additional Transit Security Officers (TSOs) to support rail expansion and increase safety on our transit system; and
- C. AMENDING FY24 Proposed Budget document by including 2 Non-Represented positions to support alternative delivery procurements on mega-projects; and
- D. APPROVING the Reimbursement Resolution declaring Metro's intention to issue debt in FY24 for capital projects, as shown in Attachment C, with the provision that actual debt issuance will require separate Board approval.