

**Attachment A : Metro Transit O&M - (Budget and Service Plan)****Metro Transit : Operations & Maintenance Program Budget**

The FY24 preliminary budget for Metro Transit program for bus, rail and Metro Micro is \$2.36 billion, an increase of 5% or \$112.7 million over FY23 budget. The budget includes funds to support delivery of 8.9 million RSHs to operate bus, rail, and Metro Micro services.

	<b>Operations &amp; Maintenance (\$ in Millions)</b>	<b>FY23 Budget</b>	<b>FY24 Prelim</b>	<b>\$ Change</b>	<b>% Change</b>	<b>% of Total</b>
1	Bus Total	\$ 1,473.9	\$ 1,528.4	\$ 54.5	3.7%	64.7%
2	Rail Total	737.8	795.1	57.2	7.8%	33.6%
3	Metro Micro	39.2	40.1	0.9	2.4%	1.7%
4	<b>Operations &amp; Maintenance Total</b>	<b>\$ 2,251.0</b>	<b>\$ 2,363.7</b>	<b>\$ 112.7</b>	<b>5.0%</b>	<b>100.0%</b>
5	<b>Cost per RSH</b>					
6	<b>Bus</b>	<b>\$ 207.9</b>	<b>\$ 214.7</b>	<b>\$ 6.8</b>	<b>3.3%</b>	
7	<b>Rail</b>	<b>\$ 550.3</b>	<b>\$ 528.0</b>	<b>\$ (22.2)</b>	<b>-4.0%</b>	
8	<b>Metro Micro</b>	<b>\$ 144.4</b>	<b>\$ 147.4</b>	<b>\$ 3.0</b>	<b>2.1%</b>	

Expenditures are based on operating-eligible funding for Metro Transit program to provide equitable, accessible, clean, safe, and reliable service for all customers. Expenditures include allowances for additional staffing and other support to ensure delivery of increased service and addressing Customer Experience initiatives including enhanced bus and rail cleaning, Room to Work program, public safety, transit ambassador program, various pilots to enhance customer experience and safety such as Westlake MacArthur Park program and Mobile Restrooms, homeless outreach, supporting Fare Subsidy Programs including LIFE and GoPass, Fare Capping, Mobility Wallet Pilot Program and improving real-time information as part of Metro's equity focus.

**Metro Transit Bus Budget**

	<b>Bus Operations &amp; Maintenance (\$ in Millions)</b>	<b>FY23 Budget</b>	<b>FY24 Prelim</b>	<b>\$ Change</b>	<b>% Change</b>	<b>% of Total</b>
1	Labor	958.7	1,007.1	48.3	5.0%	65.9%
2	Parts & Supplies	83.6	76.7	(7.0)	-8.3%	5.0%
3	CNG	42.2	45.2	3.0	7.0%	3.0%
4	Service Contracts	183.5	186.1	2.7	1.5%	12.2%
5	Other Operating Expenses	205.9	213.5	7.5	3.7%	14.0%
6	<b>Grand Total</b>	<b>1,473.9</b>	<b>1,528.4</b>	<b>54.5</b>	<b>3.7%</b>	<b>100.0%</b>
7	<b>Bus Cost per RSH</b>	<b>\$ 207.9</b>	<b>\$ 214.7</b>	<b>\$ 6.8</b>	<b>3.3%</b>	

Metro Bus program consists of several enhancements in FY24 including increasing service, NextGen service improvements, staffing and resources to support daily bus cleaning at 4 terminals 7 days a week as well and enhanced public safety.

### Labor Expenses

Included in the budget is additional staffing to support bus operator hiring activities as well as staffing for cleaning buses, bus stops, and bus layover zones for an increase of \$48.3 million (5%) in total labor expenses in budget over FY23.

### Non-Labor Expenses

Preliminary budget includes \$186.1 million for Service Contracts to support delivery of 7.1 million RSH as well as funding for security, Transit Ambassador program and Homeless Outreach efforts which is an increase of \$2.7 million over FY23 budget. CNG fuel expense increase of 7% is primarily due to the CNG fuel market cost per therm increase caused by inventory availability, transportation cost and increased service. Other Operating Expenses are \$213.5 million, a 3.7% or \$7.5 million over FY23 budget and include funds for Purchased Transportation (contracted bus) service, maintenance expenses of rail divisions and facilities, utilities, insurance, and workers compensation expenses.

In addition, NextGen bus improvement projects included in Capital Improvement Plan (CIP), such as Bus Mobile Validators for All Door Boarding, Transit Signal Priority, and Camera Bus Lane Enforcement, improve system speed allowing more trips for the planned service hours, increasing service efficiency.

### Metro Transit Rail Budget

	<b>Rail Operations &amp; Maintenance (\$ in Millions)</b>	<b>FY23 Budget</b>	<b>FY24 Prelim</b>	<b>\$ Change</b>	<b>% Change</b>	<b>% of Total</b>
1	Labor	355.8	392.7	36.9	10.4%	49.4%
2	Parts & Supplies	26.1	30.9	4.7	18.0%	3.9%
3	Propulsion Power	40.4	47.2	6.9	17.0%	5.9%
4	Service Contracts	239.8	233.6	(6.2)	-2.6%	29.4%
5	Other Operating Expenses	75.7	90.7	15.0	19.8%	11.4%
6	<b>Grand Total</b>	<b>737.8</b>	<b>795.1</b>	<b>57.2</b>	<b>7.8%</b>	<b>100.0%</b>
7	<b>Rail Cost per RSH</b>	<b>\$ 550.3</b>	<b>\$ 528.0</b>	<b>\$ (22.2)</b>	<b>-4.0%</b>	

Metro Rail program consists of several enhancements in FY24 including service increases for full operation of K Line (Crenshaw/LAX Line) and Regional Connector, increased service frequency (service restoration) and enhanced cleaning and safety improvements as part of our Customer Experience initiatives. To deliver this service, the estimated budget is \$795.1 million which is \$57.2 million (7.8%) increase over FY23.

Labor Expenses

Included in the budget is additional custodial staffing deployment for daily division cleaning, “end of line” cleaning, and 7 day a week cleaning surge. Funds are included to support additional staffing for security and temporary part-time Room to Work participants. The preliminary budget also includes funds to support a full year of K line and Regional Connector service. The labor cost increase to support these services is \$36.9 million (10.4%) over FY23.

Non-Labor Expenses

To keep our new and existing fleets in excellent working condition, funds are added in Parts and Supplies for \$4.7 million (18%) for cleaning and corrective and preventative maintenance. Propulsion power expenses are increasing by \$6.9 million due to service and rate increases. Service Contracts preliminary budget is \$233.6 million and includes enhanced cleaning and safety improvements, enhanced security, Transit Ambassador program, and homeless outreach program. Other operating costs are \$90.7 million which include utilities, insurance, workers compensation, maintenance and upkeep expenses for rail divisions and facilities and rent which are increasing by \$15 million over FY23 budget.

Metro Micro

Metro Micro is a multi-year pilot program designed to augment ridership by giving a ride-hail option for customers when traveling in the lower density areas of the region as intended by NextGen. The pilot program is extended until September 2023, however, the preliminary budget includes \$40.1 million to support full year extension of the pilot to support delivery of 272.2 thousand revenue service hours.

	<b>Metro Micro (\$ in Millions)</b>	<b>FY23 Budget</b>	<b>FY24 Prelim</b>	<b>\$ Change</b>	<b>% Change</b>	<b>% of Total</b>
1	Metro Labor	19.3	20.2	0.9	4.6%	50.4%
2	RideCo Contract and Vehicle Lease	14.8	15.1	0.3	2.0%	37.5%
3	Other Metro Operating Expenses	5.1	4.9	(0.1)	-2.6%	12.1%
4	<b>Micro Total</b>	<b>39.2</b>	<b>40.1</b>	<b>0.9</b>	<b>2.4%</b>	<b>100.0%</b>
5	<b>Micro Cost per RSH</b>	<b>\$ 144.4</b>	<b>\$ 147.4</b>	<b>\$ 3.0</b>	<b>2.1%</b>	

**Service Levels (Service Hours)**

The table below illustrates service hour breakdown by mode and line:

**Revenue Service Hours**

	<b>Mode</b>	<b>FY23 Budget</b>	<b>FY24 Prelim</b>	<b>Change</b>
1	<b>Bus</b>			
2	Local & Rapid	6,360,171	6,380,701	20,530
3	J Line (Silver)	125,287	121,890	(3,397)
4	G Line (Orange)	104,921	100,760	(4,161)
5	Purchased Transportation	498,656	515,864	17,208
6	Metro Micro	271,440	272,239	799
7	<b>Subtotal Bus</b>	<b>7,360,475</b>	<b>7,391,454</b>	<b>30,979</b>
8	<b>Rail</b>			
9	A Line (Blue)	447,224	516,741	69,517
10	C Line (Green)	109,706	129,129	19,423
11	K Line (Crenshaw/LAX)	47,509	87,210	39,701
12	L Line (Gold)	61,641	-	(61,641)
13	E Line (Expo)	318,474	351,729	33,255
14	B Line (Red) / D Line (Purple)	356,353	420,968	64,615
15	<b>Subtotal Rail</b>	<b>1,340,907</b>	<b>1,505,777</b>	<b>164,870</b>
16	<b>Total</b>	<b>8,701,382</b>	<b>8,897,231</b>	<b>195,849</b>

**Pre - Revenue Service Hours**

	<b>Mode</b>	<b>FY23 Budget</b>	<b>FY24 Prelim</b>	<b>Change</b>
17	Crenshaw Line	10,513	1,925	(8,588)
18	Regional Connector	22,798	-	(22,798)
19	Purple Line Extension (Phase 1)	-	7,665	7,665
20	<b>Total Pre-Revenue Service Hours</b>	<b>33,311</b>	<b>9,590</b>	<b>(23,721)</b>
21	<b>Total Service Hours</b>	<b>8,734,693</b>	<b>8,906,821</b>	<b>172,128</b>