

PAVEMENT PRESERVATION PROGRAM (Estimated Direct Costs)
 BUDGET OUTLOOK FOR SOSLA REPORT
 (As of February 2014)

FISCAL YEAR	Planning			Implementation															Total		
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18			
2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32			
ESTIMATED AVAILABLE FUNDING																					
Special Gas Tax	\$ 51,787,709	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 51,800,000	\$ 984,187,709
Proposition C	\$ 23,772,086	\$ 15,700,000	\$ 15,700,000	\$ 15,700,000	\$ 15,700,000	\$ 16,000,000	\$ 16,300,000	\$ 16,800,000	\$ 17,300,000	\$ 17,800,000	\$ 18,300,000	\$ 18,800,000	\$ 19,400,000	\$ 20,000,000	\$ 20,600,000	\$ 21,200,000	\$ 21,800,000	\$ 22,500,000	\$ 23,200,000	\$ 23,200,000	\$ 356,572,086
Street Damage Restoration Fee	\$ 5,745,276	\$ 7,200,000	\$ 9,200,000	\$ 9,200,000	\$ 8,200,000	\$ 8,200,000	\$ 8,300,000	\$ 8,400,000	\$ 8,400,000	\$ 7,500,000	\$ 8,900,000	\$ 8,900,000	\$ 8,900,000	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ 7,100,000	\$ 8,500,000	\$ 154,645,276
Measure R	\$ 33,215,573	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 20,000,000	\$ 393,215,573
Traffic Safety Fund	\$ 526,988	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 9,526,988
General Fund	\$ 17,721,105	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 17,700,000	\$ 336,321,105
Total Funding	\$ 132,768,737	\$ 112,900,000	\$ 114,900,000	\$ 114,900,000	\$ 113,900,000	\$ 114,200,000	\$ 114,600,000	\$ 115,200,000	\$ 115,700,000	\$ 115,300,000	\$ 117,200,000	\$ 117,700,000	\$ 118,300,000	\$ 118,000,000	\$ 118,600,000	\$ 119,200,000	\$ 119,800,000	\$ 119,600,000	\$ 121,700,000	\$ 121,700,000	\$2,234,468,737
<i>Available Funding Decrease %</i>		-15.0%	1.8%	0.0%	-0.9%	0.3%	0.4%	0.5%	0.4%	-0.3%	1.6%	0.4%	0.5%	-0.3%	0.5%	1.6%	0.5%	0.5%	-0.2%	1.8%	
<i>Available Funding Decrease \$</i>		(\$19,868,737)	\$2,000,000	\$0	(\$1,000,000)	\$300,000	\$400,000	\$600,000	\$500,000	(\$400,000)	\$1,900,000	\$500,000	\$600,000	(\$300,000)	\$600,000	\$600,000	\$600,000	\$600,000	(\$200,000)	\$2,100,000	
ESTIMATED EXPENDITURES																					
PW Street Services	\$ 112,755,538	\$ 111,300,000	\$ 111,300,000	\$ 111,300,000	\$ 111,300,000	\$ 113,500,000	\$ 115,800,000	\$ 119,200,000	\$ 122,800,000	\$ 126,500,000	\$ 134,000,000	\$ 140,300,000	\$ 146,900,000	\$ 153,700,000	\$ 160,800,000	\$ 166,500,000	\$ 171,500,000	\$ 176,700,000	\$ 182,000,000	\$ 182,000,000	\$2,588,155,538
PW Engineering	\$ 1,246,065	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,100,000	\$ 1,200,000	\$ 1,200,000	\$ 1,200,000	\$ 1,300,000	\$ 1,300,000	\$ 1,300,000	\$ 1,400,000	\$ 1,400,000	\$ 1,500,000	\$ 1,500,000	\$ 1,600,000	\$ 1,600,000	\$ 1,600,000	\$ 23,846,065
Transportation	\$ 8,294,325	\$ 7,900,000	\$ 7,900,000	\$ 7,900,000	\$ 7,900,000	\$ 8,100,000	\$ 8,200,000	\$ 8,500,000	\$ 8,700,000	\$ 9,000,000	\$ 9,300,000	\$ 9,500,000	\$ 9,800,000	\$ 10,100,000	\$ 10,400,000	\$ 10,700,000	\$ 11,000,000	\$ 11,400,000	\$ 11,700,000	\$ 11,700,000	\$ 176,294,325
General Services	\$ 10,472,809	\$ 10,400,000	\$ 10,400,000	\$ 10,400,000	\$ 10,400,000	\$ 10,600,000	\$ 10,800,000	\$ 11,100,000	\$ 11,500,000	\$ 11,800,000	\$ 12,200,000	\$ 12,500,000	\$ 12,900,000	\$ 13,300,000	\$ 13,700,000	\$ 14,100,000	\$ 14,500,000	\$ 15,000,000	\$ 15,400,000	\$ 15,400,000	\$ 231,472,809
Total Expenditures	\$ 132,768,737	\$ 130,700,000	\$ 130,700,000	\$ 130,700,000	\$ 130,700,000	\$ 133,300,000	\$ 135,900,000	\$ 139,900,000	\$ 144,200,000	\$ 148,500,000	\$ 156,700,000	\$ 163,600,000	\$ 170,900,000	\$ 178,400,000	\$ 186,300,000	\$ 192,700,000	\$ 198,500,000	\$ 204,600,000	\$ 210,700,000	\$ 210,700,000	\$3,019,768,737
<i>Expenditure Growth %</i>		-1.6%	0.0%	0.0%	0.0%	2.0%	2.0%	2.9%	3.1%	3.0%	5.5%	4.4%	4.5%	4.4%	4.4%	5.5%	3.4%	3.0%	3.1%	3.0%	
<i>Expenditure Growth \$</i>		(\$ 2,069,000)	\$ -	\$ -	\$ -	\$ 2,600,000	\$ 2,600,000	\$ 4,000,000	\$ 4,300,000	\$ 4,300,000	\$ 8,200,000	\$ 6,900,000	\$ 7,300,000	\$ 7,500,000	\$ 7,900,000	\$ 6,400,000	\$ 5,800,000	\$ 6,100,000	\$ 6,100,000	\$ 6,100,000	
TOTAL BUDGET GAP (DEFICIT)	-	(17,800,000)	(15,800,000)	(15,800,000)	(16,800,000)	(19,100,000)	(21,300,000)	(24,700,000)	(28,500,000)	(33,200,000)	(39,500,000)	(45,900,000)	(52,600,000)	(60,400,000)	(67,700,000)	(73,500,000)	(78,700,000)	(85,000,000)	(89,000,000)	(89,000,000)	(785,300,000)
<i>Incremental Increase %</i>			-11%	0%	6%	14%	12%	16%	15%	16%	19%	16%	15%	15%	12%	9%	7%	8%	5%		
<i>Incremental Increase \$</i>			\$ 2,000,000	\$ -	(\$ 1,000,000)	(\$ 2,300,000)	(\$ 2,200,000)	(\$ 3,400,000)	(\$ 3,800,000)	(\$ 4,700,000)	(\$ 6,300,000)	(\$ 6,400,000)	(\$ 6,700,000)	(\$ 7,800,000)	(\$ 7,300,000)	(\$ 5,800,000)	(\$ 5,200,000)	(\$ 6,300,000)	(\$ 4,000,000)	(\$ 4,000,000)	
TOTAL PAVEMENT PLAN CENTERLINE MILES	800	735	735	735	735	735	735	735	735	735	799	837	875	914	952	965	965	965	965	965	15,652
Resurfacing & Reconstruction Miles	245	235	235	235	235	235	235	235	235	235	235	235	235	235	235	235	235	235	235	235	4,475
Slurry Seal Miles	455	400	400	400	400	400	400	400	400	400	464	502	540	579	617	630	630	630	630	630	9,277
Crack Sealing Miles	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	1,900
TOTAL POTHOLES TO BE REPAIRED	350,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	5,750,000

Gas Tax

Legal Basis for the Revenue

The Special Gas Tax Street Improvement Fund receives monies from the State's Excise Tax on the sale of gasoline and from federal reimbursements through the Surface Transportation Program - Local (STP). These monies provide funding to various departments and to the CIEP – Physical Plant for eligible activities and projects.

A sum equal to 1.315 cents per gallon of the net revenue derived from the State gasoline tax and 2.590 cents per gallon from the diesel fuel tax is apportioned monthly to cities in the proportion that the population of each city bears to the total population of all cities in the State in accordance with Section 2107 of the Streets and Highways Code.

A sum equal to 1.04 cents per gallon derived from the State gasoline tax is apportioned among counties by vehicle registration, among cities and unincorporated areas of counties by assessed valuation, and among cities within counties by population in accordance with Section 2106 of the Streets and Highways Code.

As a result of the passage of Proposition 111 in June of 1990, the 9 cents per gallon gas and diesel taxes were increased to 14 cents on August 1, 1990 and 1 cent per gallon each January 1 until January 1, 1994. A sum equal to the net revenues derived from 11.5 percent of taxes in excess of 9 cents per gallon is allocated to cities in the proportion that the population of each city bears to the total population of all cities in the State in accordance with Section 2105 of the Streets and Highways Code.

The sales tax on gasoline allocated as Traffic Congestion Relief Fund (TCRF) was repealed on March 22, 2010 with ABx8 6 and ABx8 9. Included in the legislative bills was a new excise tax of 17.3 cents per gallon effective July 1, 2010 and allocated in accordance with Section 2103 of the Streets and Highways Code. AB 105 signed on March 24, 2011 clarified that funds apportioned to Section 2103 are not subject to the requirements and restrictions applicable to the former TCRF.

The STP provides federal grants to finance the upgrading of the most heavily traveled highways. Funding is authorized through federal legislation every six years. The last legislation that would have expired in September 2009 was extended.

Eligible Use of Gas Tax Funds

Generally, construction and maintenance of public roads.

Specific limitations are listed in the “Guidelines Relating to Gas Tax Expenditures for Cities and Counties” issued by the California State Controller.

Current City Use of Gas Tax Funds

The Pavement Preservation Program

Street pothole repair, street crack and slurry sealing, street resurfacing and street reconstruction.

Costs for the Department of Public Works Bureau of Street Services (repair and maintenance) and Bureau of Engineering (survey and monument preservation), Department of Transportation (striping, traffic loops, floppies) and Department of General Services (materials testing) are included.

The General Benefit Light Program

Maintenance and repair of General Benefit Lights that can't be supported by Street Light Assessments.

These lights would otherwise be supported by general taxes. These are generally lights in roadway tunnels and bridges. The Department of Public Works, Bureau of Street Lighting performs the work.

The Street Sweeping Program

Cleaning streets.

The Department of Public Works, Bureau of Street Services performs the work. The Stormwater Pollution Abatement Fund and the General Fund also support Street Sweeping.

The Capital Improvement Expenditure Program

Repair and Improvement of City Streets.

Costs for the repair and improvement of City streets, tunnels and bridges are funded here. Design is generally performed with City staff and construction work is generally performed through the use of contractors. Typical costs include creating bulkheads for hillside streets, the repair of sinkholes, stabilizing land underneath and above roadways with retaining walls, and general repair work.

Reimbursement of General Fund Costs

These are related costs associated with the direct costs of each of the above uses of Gas Tax revenues. These costs include health, dental, pension, utilities, office space, yard space, management oversight and administrative support.

Historical Revenue

Please see following pages.

Projection (18 Years)

Please see following pages.

STATE GAS TAXES
SECTIONS 2103, 2105, 2106 AND 2107
(Million Dollars)

	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13		2013-14
	Actual	Actual	Actual	Actual	Actual	Budget	Revised	Proposed
Section 21103				\$32.7	\$54.6	\$45.6	40.5	\$38.5
<i>% change</i>					66.8%	-16.4%	-25.8%	-5.0%
Section 21105	\$23.9	\$22.0	\$21.9	21.1	18.8	18.4	17.4	16.5
<i>% change</i>	-0.8%	-7.9%	-0.5%	-3.7%	-10.8%	-2.1%	-7.6%	-5.0%
Section 21106	13.8	12.8	12.8	12.3	12.0	11.7	12.0	11.4
<i>% change</i>	-2.1%	-7.2%	0.0%	-3.9%	-2.5%	-2.5%	0.1%	-5.0%
Section 21107	32.1	29.3	29.2	28.1	27.8	26.8	27.0	25.7
<i>% change</i>	-0.6%	-8.7%	-0.3%	-3.8%	-1.0%	-3.7%	-2.9%	-5.0%
	<u>\$69.8</u>	<u>\$64.1</u>	<u>\$63.9</u>	<u>\$94.2</u>	<u>\$113.2</u>	<u>\$102.5</u>	<u>\$96.9</u>	<u>\$92.1</u>
	-1.0%	-8.2%						
Shift of Cash between fiscal years by State	(17.0)	17.0						
Total (Base)*	<u>\$52.8</u>	<u>\$81.1</u>						

GAS TAX PROJECTIONS

FOR SOSLA REPORT - FEBRUARY 2014

\$ in Millions	Pre-Implementation		Planning					Implementation													Total		
	Year 1	Year 2	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18			
	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33			
Cash Balance	\$ 71.22	\$ 19.00																					
PY Approp	\$ 58.22																						
Avail Balance	\$ 13.00	\$ 19.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 122.00
Revenue																							
State GT	\$ 114.06	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00	\$ 2,223.11
Fed STP	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 10.00	\$ 210.00
Interest	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 0.50	\$ 10.50
<i>Ttl Revenue</i>	\$ 124.56	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 115.50	\$ 2,443.61
available for Approp	\$ 137.55	\$ 134.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 120.50	\$ 2,565.61
Appropriations																							
General Svcs	\$ 2.07	\$ 2.18	\$ 2.18	\$ 2.18	\$ 2.18	\$ 2.22	\$ 2.27	\$ 2.34	\$ 2.41	\$ 2.48	\$ 2.55	\$ 2.63	\$ 2.71	\$ 2.79	\$ 2.87	\$ 2.96	\$ 3.05	\$ 3.14	\$ 3.23	\$ 3.33	\$ 3.33	\$ 3.33	\$ 51.78
PW - Board	\$ 0.30	\$ 0.31	\$ 0.31	\$ 0.31	\$ 0.31	\$ 0.32	\$ 0.33	\$ 0.33	\$ 0.34	\$ 0.36	\$ 0.37	\$ 0.38	\$ 0.39	\$ 0.40	\$ 0.41	\$ 0.42	\$ 0.44	\$ 0.45	\$ 0.46	\$ 0.48	\$ 0.48	\$ 0.48	\$ 7.42
PW - BCA	\$ 0.72	\$ 0.76	\$ 0.76	\$ 0.76	\$ 0.76	\$ 0.77	\$ 0.79	\$ 0.81	\$ 0.83	\$ 0.86	\$ 0.89	\$ 0.91	\$ 0.94	\$ 0.97	\$ 1.00	\$ 1.03	\$ 1.06	\$ 1.09	\$ 1.12	\$ 1.16	\$ 1.16	\$ 1.16	\$ 17.96
PW - BOE	\$ 4.56	\$ 4.82	\$ 4.82	\$ 4.82	\$ 4.82	\$ 4.91	\$ 5.01	\$ 5.16	\$ 5.32	\$ 5.47	\$ 5.64	\$ 5.81	\$ 5.98	\$ 6.16	\$ 6.35	\$ 6.54	\$ 6.73	\$ 6.93	\$ 7.14	\$ 7.36	\$ 7.36	\$ 7.36	\$ 114.34
PW - BSL	\$ 1.20	\$ 1.27	\$ 1.27	\$ 1.27	\$ 1.27	\$ 1.29	\$ 1.32	\$ 1.36	\$ 1.40	\$ 1.44	\$ 1.48	\$ 1.53	\$ 1.57	\$ 1.62	\$ 1.67	\$ 1.72	\$ 1.77	\$ 1.82	\$ 1.88	\$ 1.93	\$ 1.93	\$ 1.93	\$ 30.04
PW - BSS	\$ 65.39	\$ 68.99	\$ 68.99	\$ 68.99	\$ 68.99	\$ 70.37	\$ 71.78	\$ 73.93	\$ 76.15	\$ 78.43	\$ 80.79	\$ 83.21	\$ 85.71	\$ 88.28	\$ 90.93	\$ 93.65	\$ 96.46	\$ 99.36	\$ 102.34	\$ 105.41	\$ 105.41	\$ 105.41	\$ 1,638.15
Transportation	\$ 4.64	\$ 4.89	\$ 4.89	\$ 4.89	\$ 4.89	\$ 4.99	\$ 5.09	\$ 5.24	\$ 5.40	\$ 5.56	\$ 5.73	\$ 5.90	\$ 6.08	\$ 6.26	\$ 6.45	\$ 6.64	\$ 6.84	\$ 7.04	\$ 7.25	\$ 7.47	\$ 7.47	\$ 7.47	\$ 116.13
CIEP	\$ 4.17	\$ 8.00	\$ 8.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 3.00	\$ 71.17
Cont/Obligatory	\$ 0.65																						\$ 0.65
Reimb GF Costs	\$ 34.86	\$ 36.78	\$ 36.78	\$ 36.78	\$ 36.78	\$ 37.51	\$ 38.26	\$ 39.41	\$ 40.59	\$ 41.81	\$ 43.06	\$ 44.36	\$ 45.69	\$ 47.06	\$ 48.47	\$ 49.92	\$ 51.42	\$ 52.96	\$ 54.55	\$ 56.19	\$ 56.19	\$ 56.19	\$ 873.23
<i>Ttl Approp.</i>	\$ 118.55	\$ 127.99	\$ 127.99	\$ 122.99	\$ 122.99	\$ 125.39	\$ 127.84	\$ 131.58	\$ 135.44	\$ 139.41	\$ 143.50	\$ 147.72	\$ 152.06	\$ 156.53	\$ 161.14	\$ 165.88	\$ 170.77	\$ 175.80	\$ 180.99	\$ 186.32	\$ 186.32	\$ 186.32	\$ 2,920.86
Ttl Available	\$ 19.00	\$ 6.51	\$ (7.49)	\$ (2.49)	\$ (2.49)	\$ (4.89)	\$ (7.34)	\$ (11.08)	\$ (14.94)	\$ (18.91)	\$ (23.00)	\$ (27.22)	\$ (31.56)	\$ (36.03)	\$ (40.64)	\$ (45.38)	\$ (50.27)	\$ (55.30)	\$ (60.49)	\$ (65.82)	\$ (65.82)	\$ (65.82)	\$ (479.81)

Proposition C Anti-Gridlock Transit Improvement Fund

Legal Basis for the Revenue

Public Utilities Code Section 130350 provides that the Los Angeles County Metropolitan Transportation Commission (Metro) may adopt a sales tax within the County, provided that it is approved by a majority of the electors.

In 1990, the voters in Los Angeles County approved the imposition of an additional one-half cent sales tax to:

- Improve transit services and operations;
- Reduce traffic congestion;
- Improve air quality;
- Efficiently operate and improve the condition of streets and freeways, utilized by public transit;
- Reduce foreign fuel dependence.

The City receives funds from a 20 percent share of the revenues collected based on a per capita allocation.

Eligible Use of Proposition C Funds

Funds are to be used to benefit public transit, paratransit, the repairing and maintaining of streets used by public transit. and for multi-jurisdictional cooperation of arterial traffic signal control systems.

Eligible project expenditures include pavement management system projects, street improvements for streets supporting public transit service, bikeways and bikelanes, and Congestion Management programs.

Current City Use of Proposition C Funds

Transit Capital Projects

Delivery of Transit Projects

The Transportation Grant Fund Annual Work Program and the Metro/Expo Annual Work Program support the salaries, expenses and overtime of positions in the Department of Engineering, Bureau of Contract Administration, Bureau of Street Services, Bureau of Street Lighting and Department of Transportation for work related to the Metro Call for projects, SAFETEA-LU, Safe routes, HSIP or other grants. Workload involves survey, design, and engineering services related to streetscape and transit enhancements, street widening, the design of bikeways and pedestrian facilities and inspection services for construction projects and engineering work related to the construction of various bike paths and Metro Rail projects.

Pavement Preservation Program

Maintenance and repair of streets which provide a public transit benefit, including striping and pavement markings.

Funds are provided for salaries, expenses and overtime to General Services, the Department of Street Services, and Department of Transportation to support the workload related to Street Resurfacing and Reconstruction. Funds also provided to support the expenses relative to striping and pavement markings for City streets and to purchase of replacement equipment used in street striping

Bicycle Program

Maintenance and repair of bike paths and bike lanes.

Funds are provided to support maintenance for existing bike paths and bike lanes installed as part of the City's Bicycle Plan and to further support public education and outreach that focuses on alternative modes of transportation such as transit and bicycles and how they impact air quality.

Traffic Controls, Signals and Safety

Maintenance of traffic control devices and signal components and signal synchronization.

Funds are provided to support the salaries, expenses and overtime of staff in the Department of Transportation to support the infrastructure maintenance of signs and traffic control devices to maintain safety on public streets. In addition funding also supports the overall maintenance of ATSC and the Adaptive Traffic Control System (ATCS) including supplies and repair expenses for traffic signals. Funds also support the replacement of LED modules installed in traffic control lights and pedestrian crosswalks. Annual funding will be required through FY 2019 as the lights will need to be replaced every six years.

Railroad Crossing Program

Maintenance of Railroad crossings.

Funds are provided as match to support scheduled annual maintenance at grade railroad crossings throughout the City.

Congestion Management Program

Funds are provided for salaries with the Planning Department for programs associated with the Congestion Management Plan. These programs work on transit related issues relative to land use.

Los Angeles Neighborhood Initiative

Funds are provided to assist with the revitalization of transit oriented neighborhoods through public and private partnerships.

Caltrans Maintenance

Funds are provided for payment to Caltrans for the maintenance of bus stops.

General City Purposes

Funds are provided to support a portion of the City's Southern California Association of Governments (SCAG) annual membership.

Administration Support

Funds provided to support salaries within the City Administrative Office, City Attorney, Mayor's Office and Public Works Board for administrative support functions.

Support Services

Funds are provided for as-needed expert financial consultant assistance, including potential environmental, archaeological and historical impact studies as required by federal mandates. Funds also provided for contractual services tied to administrative support and for as-needed consultants for new project management initiatives connected to Proposition C projects.

Support Programs

Funds are provided for replacement computers, computer and server related costs, equipment and routine communication service requests and for travel and training as needed.

Reimbursement of General Fund Costs

These are related costs associated with the direct costs of each of each of the above uses of Proposition C revenues. These costs include health, dental, and pension benefits.

The following are Transportation's programming priorities for the use of Proposition C funds for future years as follows:

1. Metro Expo Annual Work Program
2. Transportation Grant Fund Annual Work Program
3. Traffic Signals
4. DOT General Administration
5. Administration in other Departments
6. Bikeways, Highways and Pedestrian Programs
7. Pavement Preservation Program
8. Planning and Land Use Program
9. Transportation Design and ATSAC
10. Traffic Safety
11. District Operations
12. City Planning Services
13. General Fund Reimbursement of Related Costs
14. General City Purposes

Historical Revenue

	Budgeted				Actual			
	Receipts	Interest	Misc	Total	Receipts	Interest	Misc	Total
2009-10	47,272,600	544,000	21,299,182	69,115,782	46,359,552	449,340	37,231,043	84,039,935
2010-11	47,000,000	544,000	20,854,414	68,398,414	45,703,812	508,998	12,520,089	58,732,899
2011-12	43,000,000	295,000	30,555,907	73,850,907	49,597,868	335,413	8,527,861	58,461,142
2012-13	46,614,000	187,877	45,534,212	92,336,089	52,886,186	2,458,847	8,848,079	64,193,111
Total	183,886,600	1,570,877	118,243,715	303,701,192	194,547,418	3,752,598	67,127,072	265,427,087

Projection (15 Years)

Please see Attachment A.

Measure R

Legal Basis for the Revenue

Public Utilities Code Section 130350 provides that the Los Angeles County Metropolitan Transportation Commission (Metro) may adopt a sales tax within the County, provided that it is approved by a majority of the electors.

In 2008, the voters in Los Angeles County approved the imposition of an additional one-half cent sales tax for a period of 30 years (expiring 2039) to:

- Expand the County Metro rail system, including providing a direct airport connection;
- Make local street improvements, such as signal synchronization, filling potholes, repairing streets and making neighborhood streets and intersections safer for drivers, bicyclists and pedestrians in each community;
- Enhance safety and improve the flow of traffic on freeways and highways;
- Make public transportation more convenient and affordable (especially for seniors, students, the disabled and commuters); and,
- Provide alternatives to high gas prices, stimulate the local economy, create jobs, reduce pollution and decrease dependency on foreign oil.

All transit projects funded by Metro through the Measure R transit capital fund will require a three percent local match. Matching funds identified will allow Metro to deliver transit projects within the City more quickly.

Eligible Use of Measure R Funds

Funds were provided for Countywide uses, including projects of regional benefit. Local return funds were provided for transportation uses in general, including major street resurfacing, rehabilitation and construction. Local return funds are also expected to provide a three percent match for regional projects approved on the Measure R ballot. The regional projects that the City of Los Angeles is expected to provide a three percent match are as follows:

<u>Project</u>	<u>Three Percent Match</u>
Exposition Line Phase 2	\$ 28,840,000
Crenshaw-LAX	\$ 34,710,000
Van Nuys Busway	\$ 5,000,000
Regional Connector	\$ 42,000,000
Westside Extension	\$ 173,390,000
Green Line-LAX	\$ 9,900,000
I-405 Corridor	\$ 74,000,000
	Total \$ 367,840,000

Current City Use of Measure R Funds

On May 1, 2013, the City Council and Mayor approved Programming Priorities for the use of Measure R Funds (C.F. 13-0337) as follows:

Priority	Funding Category	2013-14	Notes
A	Debt Service	\$ -	None Required. No debt issued against Measure R.
B	Transit Capital Funding (also known as the Three Percent Local Match) - \$367.8 million	\$ 6,000,000	Mayor Proposed \$9 million. Council reduced to \$6 million.
C	Streetcar Operations (if needed)	\$ -	None Required. Streetcar not built yet.
D	Bicycle and Pedestrian Funding and sidewalk access ramp construction	\$ 7,593,523	\$2,050,000 each for bicycle and pedestrian set asides. \$3,381,000 for access ramp construction. \$112,523 for Ped Coord/Asst Coord.
E	Pavement Preservation Program - Road resurfacing, reconstruction, slurry sealing, crack sealing and pothole repair	\$ 31,362,836	Used a \$19 million set aside from 2012-13
F	Median Island Maintenance	\$ 2,100,000	Citywide full funding requirement
G	Administrative Costs required to support Measure R	\$ 498,102	
H	A capital program for road repair (other than pavement preservation) such as, but not limited to: guardrail repair, retaining walls, tunnel ventilation; berm repair; bulkead construction; sinkhole repair; sidewalk improvements; seismic bridge strengthening; and alley improvement, repair or construction	\$ 6,289,000	Projects include: Guardrail Construction; Echo Park/Sunset Streetscape Beautification; Wilshire BRT; Wilshire Middle Lanes; East Rose Hill@Galena Stairway; Bus Stop Security Lighting Unit 19; Stairway and Walkway Lighting Unit 7
I	Transportation planning	\$ 308,795	Provided to the City Planning Department
J	Front funding for signal synchronization construction	\$ -	None Required. Program fully funded.

Historical Revenue

	Budgeted				Actual			
	Receipts	Interest	Misc	Total	Receipts	Interest	Misc	Total
2009-10	\$ 20,836,485	\$ 200,000		\$ 21,036,485	\$ 25,691,755	\$ 85,224		\$ 25,776,979
2010-11	\$ 32,656,500	\$ 300,000		\$ 32,956,500	\$ 34,091,763	\$ 597,947		\$ 34,689,710
2011-12	\$ 35,000,000	\$ 300,000		\$ 35,300,000	\$ 33,352,726	\$ 717,654	\$ 71,098	\$ 34,141,478
2012-13	\$ 35,000,000	\$ 700,000	\$ 27,351,700	\$ 63,051,700	\$ 38,900,000	\$ 533,587	\$27,352,000	\$ 66,785,587
								\$ -
Total	\$ 123,492,985	\$ 1,500,000		\$ 152,344,685	\$132,036,244	\$ 1,934,412		\$ 161,393,754

Projection (18 Years)

Please see following page.

Street Damage Restoration Fee Fund

Legal Basis for the Revenue

The Street Damage Restoration Fee Special Fund was created by Council action to receive revenues from the Street Damage Restoration Fee (Ordinance Number 171922). The Fee was established to compensate the City for damage to City streets caused by excavations or other work performed by any entity, including City agencies, required to obtain a permit for the performance of said excavations or other work.

Eligible Use of Street Damage Restoration Fee Funds

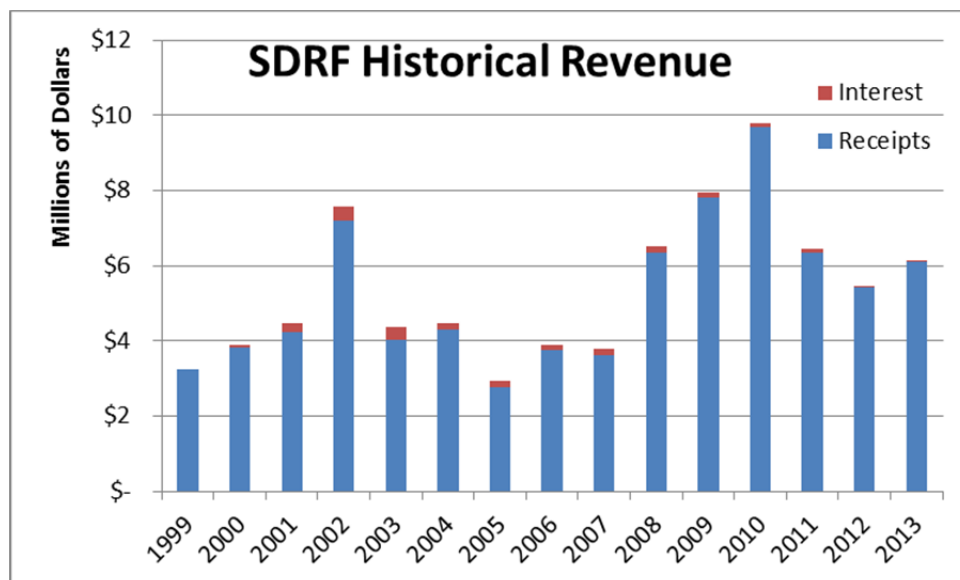
Funds can be used for street surfacing, resurfacing, repair and reconstruction, and laboratory fees, testing, materials, engineering, salaries, and overhead associated therewith.

Current City Use of Street Damage Restoration Fee Funds

In 2010-11, the City's Pavement Preservation Program threatened to come to a halt due to General Fund reductions in the General Services Department (GSD). Therefore, emergency adjustments were made to reprogram special fund money to GSD to keep the 2010-11 Pavement Preservation Program viable. This funding level was continued in 2011-12, 2012-13, and 2013-14 to support GSD's Fleet and Fuel Services Division. The 2013-14 Adopted Budget provides \$5.7 million to GSD for salaries and expenses to maintain the vehicles and equipment used for the Pavement Preservation Program.

Historical Revenue

Annual receipts to the fund have ranged between \$2.8 million (2005) and \$9.7 million (2010), although the initial report prepared when the fee was developed had estimated annual receipts of \$16.4 million.



Projection (18 Years)

Please see the following page.

The 18 year projection of revenue assumes the following: 1) 18% fee increase in 2015-16, 2) Establishment of a new franchise agreement with the Gas Company will automatically remove the Gas Company exemption and will subject them to the SDRF (approximately \$500,000 in additional revenue); and, 3) Additional fee increases in 2023-24 and 2031-32.

STREET DAMAGE RESTORATION FEE SPECIAL FUND PROJECTIONS

FOR SOSLA REPORT - FEBRUARY 2014

	Planning				Implementation														Total	
	Year 1 2014-15	Year 2 2015-16	Year 3 2016-17	Year 4 2017-18	Year 5 2018-19	Year 6 2019-20	Year 7 2020-21	Year 8 2021-22	Year 9 2022-23	Year 10 2023-24	Year 11 2024-25	Year 12 2025-26	Year 13 2026-27	Year 14 2027-28	Year 15 2028-29	Year 16 2029-30	Year 17 2030-31	Year 18 2031-32		
Cash Balance	\$ 263,004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 263,004
Avail Balance	\$ 263,004	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 263,004
Revenue																				
Receipts	\$ 5,535,000	\$ 7,484,000	\$ 9,421,000	\$ 9,430,000	\$ 8,487,000	\$ 8,496,000	\$ 8,581,000	\$ 8,666,000	\$ 8,675,000	\$ 7,808,000	\$ 9,213,000	\$ 9,222,000	\$ 9,231,000	\$ 8,308,000	\$ 8,317,000	\$ 8,325,000	\$ 8,333,000	\$ 7,500,000	\$ 8,850,000	\$ 159,882,000
Interest	\$ 7,460	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 7,000	\$ 133,460
<i>Ttl Revenue</i>	\$ 5,542,460	\$ 7,491,000	\$ 9,428,000	\$ 9,437,000	\$ 8,494,000	\$ 8,503,000	\$ 8,588,000	\$ 8,673,000	\$ 8,682,000	\$ 7,815,000	\$ 9,220,000	\$ 9,229,000	\$ 9,238,000	\$ 8,315,000	\$ 8,324,000	\$ 8,332,000	\$ 8,340,000	\$ 7,507,000	\$ 8,857,000	\$ 160,015,460
able for Approp	\$ 5,805,464	\$ 7,491,000	\$ 9,428,000	\$ 9,437,000	\$ 8,494,000	\$ 8,503,000	\$ 8,588,000	\$ 8,673,000	\$ 8,682,000	\$ 7,815,000	\$ 9,220,000	\$ 9,229,000	\$ 9,238,000	\$ 8,315,000	\$ 8,324,000	\$ 8,332,000	\$ 8,340,000	\$ 7,507,000	\$ 8,857,000	\$ 160,278,464
Appropriations																				
General Svcs	\$ 5,745,276	\$ 6,061,000	\$ 6,061,000	\$ 6,061,000	\$ 6,061,000	\$ 6,182,000	\$ 6,306,000	\$ 6,495,000	\$ 6,690,000	\$ 6,891,000	\$ 7,098,000	\$ 7,311,000	\$ 7,530,000	\$ 7,756,000	\$ 7,989,000	\$ 8,229,000	\$ 8,476,000	\$ 8,730,000	\$ 8,992,000	\$ 134,664,276
PW - BSS	\$ -	\$ 1,157,000	\$ 3,094,000	\$ 3,103,000	\$ 3,103,000	\$ 3,165,000	\$ 3,228,000	\$ 3,325,000	\$ 3,425,000	\$ 3,528,000	\$ 3,634,000	\$ 3,743,000	\$ 3,855,000	\$ 3,971,000	\$ 4,090,000	\$ 4,213,000	\$ 4,339,000	\$ 4,469,000	\$ 4,603,000	\$ 64,045,000
Cont/Obligatory	\$ 27,851	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,851
Reimb. GF Costs	\$ 32,337	\$ 273,000	\$ 273,000	\$ 273,000	\$ 273,000	\$ 278,000	\$ 284,000	\$ 293,000	\$ 302,000	\$ 311,000	\$ 320,000	\$ 330,000	\$ 340,000	\$ 350,000	\$ 361,000	\$ 372,000	\$ 383,000	\$ 394,000	\$ 406,000	\$ 5,848,337
<i>Ttl Approp.</i>	\$ 5,805,464	\$ 7,491,000	\$ 9,428,000	\$ 9,437,000	\$ 9,437,000	\$ 9,625,000	\$ 9,818,000	\$ 10,113,000	\$ 10,417,000	\$ 10,730,000	\$ 11,052,000	\$ 11,384,000	\$ 11,725,000	\$ 12,077,000	\$ 12,440,000	\$ 12,814,000	\$ 13,198,000	\$ 13,593,000	\$ 14,001,000	\$ 204,585,464
Ttl Available	\$ -	\$ -	\$ -	\$ -	\$ (943,000)	\$ (1,122,000)	\$ (1,230,000)	\$ (1,440,000)	\$ (1,735,000)	\$ (2,915,000)	\$ (1,832,000)	\$ (2,155,000)	\$ (2,487,000)	\$ (3,762,000)	\$ (4,116,000)	\$ (4,482,000)	\$ (4,858,000)	\$ (6,086,000)	\$ (5,144,000)	\$ (44,307,000)

Traffic Safety Fund

Legal Basis for the Revenue

The City's share of fines and forfeitures collected under Section 42200 et. al from any person charged with a misdemeanor or an infraction under the Vehicle Code of the State of California.

Eligible Use of Traffic Safety Funds

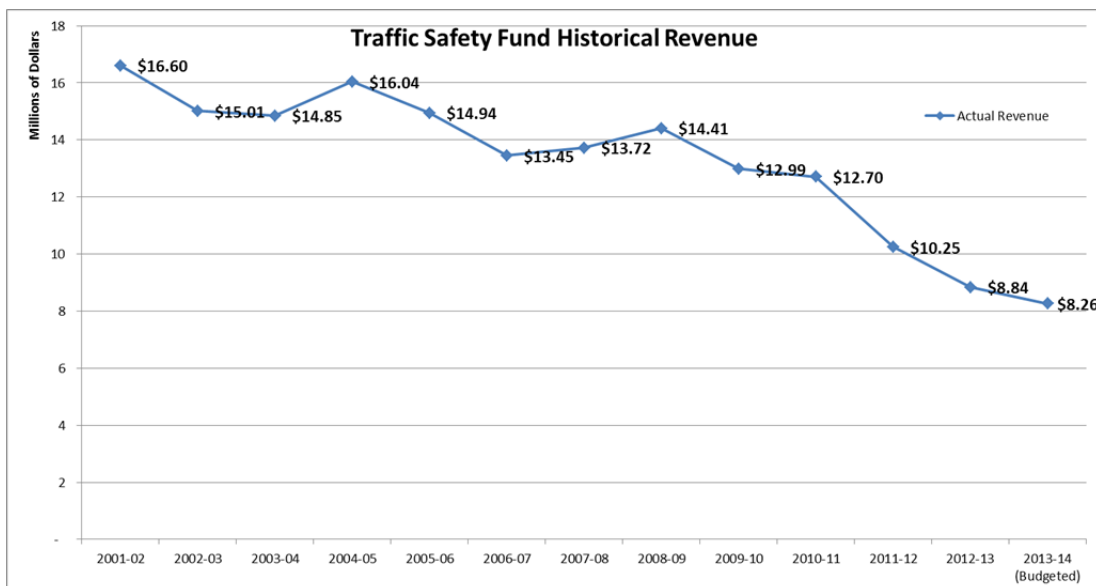
Funds can be used for traffic signs, signals, and other traffic control and safety devices; traffic law enforcement and accident prevention; and for the maintenance, improvement or construction of public streets, bridges and culverts within the City.

Current City Use of Traffic Safety Funds

- Department of Transportation - Crossing Guards
- Bureau of Street Services –
 - Street Sweeping Program
 - Street Tree and Parkway Maintenance
 - Street Maintenance Asphalt Repairs
 - Street Improvement Program (concrete and asphalt work for various safety-related items in the public right-of-way)

Historical Revenue

Traffic Safety Fund revenue has declined since 2001-02. Additionally, Council approved the phase out of the City's Photo Red Light Traffic Citation Program in 2011, which further reduced the number of traffic citations issued and receipts to the Fund. Declining receipts are a factor of declining traffic citations.



Projection (18 Years)

Please see the following page.

TRAFFIC SAFETY FUND PROJECTIONS

FOR SOSLA REPORT - FEBRUARY 2014

	Planning				Implementation															Total
	Year 1 2014-15	Year 2 2015-16	Year 3 2016-17	Year 4 2017-18	Year 5 2018-19	Year 6 2019-20	Year 7 2020-21	Year 8 2021-22	Year 9 2022-23	Year 10 2023-24	Year 11 2024-25	Year 12 2025-26	Year 13 2026-27	Year 14 2027-28	Year 15 2028-29	Year 16 2029-30	Year 17 2030-31	Year 18 2031-32		
Revenue																				
Receipts	\$ 8,263,551	\$ 8,200,000	\$ 8,200,000	\$ 8,200,000	\$ 8,200,000	\$ 8,200,000	\$ 8,300,000	\$ 8,300,000	\$ 8,200,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 157,063,551
<i>Ttl Revenue</i>	\$ 8,263,551	\$ 8,200,000	\$ 8,200,000	\$ 8,200,000	\$ 8,200,000	\$ 8,200,000	\$ 8,300,000	\$ 8,300,000	\$ 8,200,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 157,063,551
Available for Approp	\$ 8,263,551	\$ 8,200,000	\$ 8,200,000	\$ 8,200,000	\$ 8,200,000	\$ 8,200,000	\$ 8,300,000	\$ 8,300,000	\$ 8,200,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 8,300,000	\$ 157,063,551
Appropriations																				
PW - BSS	\$ 2,746,129	\$ 2,900,000	\$ 2,900,000	\$ 2,900,000	\$ 2,900,000	\$ 3,000,000	\$ 3,100,000	\$ 3,200,000	\$ 3,300,000	\$ 3,400,000	\$ 3,500,000	\$ 3,600,000	\$ 3,700,000	\$ 3,800,000	\$ 3,900,000	\$ 4,000,000	\$ 4,100,000	\$ 4,200,000	\$ 4,300,000	\$ 65,446,129
Transportation	\$ 5,473,805	\$ 5,800,000	\$ 5,800,000	\$ 5,800,000	\$ 5,800,000	\$ 5,900,000	\$ 6,000,000	\$ 6,200,000	\$ 6,400,000	\$ 6,600,000	\$ 6,800,000	\$ 7,000,000	\$ 7,200,000	\$ 7,400,000	\$ 7,600,000	\$ 7,800,000	\$ 8,000,000	\$ 8,200,000	\$ 8,400,000	\$ 128,173,805
Cont/Obligatory	\$ 43,617	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,617
<i>Ttl Approp.</i>	\$ 8,263,551	\$ 8,700,000	\$ 8,700,000	\$ 8,700,000	\$ 8,700,000	\$ 8,900,000	\$ 9,100,000	\$ 9,400,000	\$ 9,700,000	\$ 10,000,000	\$ 10,300,000	\$ 10,600,000	\$ 10,900,000	\$ 11,200,000	\$ 11,500,000	\$ 11,800,000	\$ 12,100,000	\$ 12,400,000	\$ 12,700,000	\$ 193,663,551
Ttl Available	\$ -	\$ (500,000)	\$ (500,000)	\$ (500,000)	\$ (500,000)	\$ (700,000)	\$ (800,000)	\$ (1,100,000)	\$ (1,500,000)	\$ (1,700,000)	\$ (2,000,000)	\$ (2,300,000)	\$ (2,600,000)	\$ (2,900,000)	\$ (3,200,000)	\$ (3,500,000)	\$ (3,800,000)	\$ (4,100,000)	\$ (4,400,000)	\$ (36,600,000)