

**Valley Metro**  
**Regional Public Transportation Authority (RPTA)**  
*FY 2009/10 Proposed Operating & Capital Budget Overview*

Note	Explanation															
	<b><u>Uses of Funds by Category:</u></b>															
(7)	<p>The \$66.2 million in lead agency PTF disbursements represents the passing through of PTF to “lead agencies” that will directly oversee certain projects. For FY 09/10, PTF will be passed through to Valley METRO Rail, Inc. for rail capital projects, and will also be passed through to various local jurisdictions to fund vehicle purchases, transit centers, park and rides, bus stop passenger amenities and locally operated ADA services.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Description</u></th> <th style="text-align: right;"><u>FY 2008/09</u></th> <th style="text-align: right;"><u>FY 2009/10</u></th> </tr> </thead> <tbody> <tr> <td>Valley METRO Rail, Inc. capital program</td> <td style="text-align: right;">\$57,725,400</td> <td style="text-align: right;">\$46,453,666</td> </tr> <tr> <td>ADA reimbursements**</td> <td style="text-align: right;">2,329,414</td> <td style="text-align: right;">1,287,275</td> </tr> <tr> <td>Capital reimbursements</td> <td style="text-align: right;">59,595,119</td> <td style="text-align: right;">18,442,016</td> </tr> <tr> <td style="padding-left: 20px;">Total Lead Agency Disbursements</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$119,649,933</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$66,182,957</td> </tr> </tbody> </table> <p>** Eligibility requirements must be met to draw full amount; funds not drawn at year end will be carried forward to subsequent years.</p>	<u>Description</u>	<u>FY 2008/09</u>	<u>FY 2009/10</u>	Valley METRO Rail, Inc. capital program	\$57,725,400	\$46,453,666	ADA reimbursements**	2,329,414	1,287,275	Capital reimbursements	59,595,119	18,442,016	Total Lead Agency Disbursements	\$119,649,933	\$66,182,957
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(8)	Transit service contracts increased 13% (\$7.5 million) over the prior year, primarily due to the increase in service rates as express and local rates are no longer averaged by each bus contracting agency. Route 136 Gilbert Road will be funded with PTF at its current service levels beginning in FY 09/10.															
(9)	Capital outlay increased 11% (\$4.1 million) over the prior year; largely due to the Mesa Main Street & Arizona Ave. Bus Rapid Transit (BRT) construction projects.															
(10)	Bond interest expense of \$6.5 million. This is the interest expense that will be incurred for RPTA and METRO Rail for the bond proceeds as explained in Note 5 above.															
(11)	Consultant & contracts in the Operating Budget decreased 25% (\$1.0 million) over the prior year. The decrease is attributable to the decrease in planning studies and a decrease in consultants in the Finance & Management Services. The Consultant & contracts in the Capital Budget increased \$2.3 million mainly due to the TLCP approved BRT projects.															
(12)	Rent and Utilities increased 21% (\$513,000) from the previous year mainly due to additional maintenance on the East Valley Operations & Maintenance facility.															
(13)	Advertising decreased 19% (\$329,000) from the prior year because of the decrease in marketing campaigns for FY 09/10.															
(14)	Bus Book, outreach materials, and website expenses decreased by 14% (\$148,000) mainly due to a decrease in the quantity of bus books printed for FY 09/10.															
(15)	Insurance & risk management decreased by 8% (\$40,000) mainly due to lower liability insurance rates.															
(16)	Safety and Security is a TLCP allocation based on the FY 09/10 TLCP operating program, and this item increased 27% (\$257,000). The allocation percentage increased with the FY 09/10 TLCP update.															
(17)	Other Administrative costs decreased 13% (\$268,000). Costs included in this category include legal fees, audit fees, printing, copies, postage, delivery service fees, telephones, payroll outsourcing fees, staff development, travel, training, equipment rental and maintenance.															
(18)	Lead agency bond proceeds disbursement to Valley METRO Rail. See Note 5 above for explanation of bonding requirements for FY 08/09 & FY 09/10.															