

News Release



Controller of the State of California - Kathleen Connell

300 Capitol Mall, Suite 1850
Sacramento, California 95814

Contact: Lisa Casalegno, Stacey Ragland (916) 445-2636

For Immediate Release

STATE CONTROLLER KATHLEEN CONNELL RELEASES AUDIT OF L.A. COUNTY METROPOLITAN TRANSPORTATION AUTHORITY

Audit Discloses Compliance in Major Areas With Minimal Findings

SACRAMENTO, August 21, 2001 — State Controller Kathleen Connell today released her office's audit of the Los Angeles County Metropolitan Transportation Authority (MTA). The audit covered the period of July 1, 1998, through June 30, 2000.

"The purpose of the audit," stated Connell, "was to determine whether the MTA was in compliance with the requirements of a court-ordered Consent Decree and whether restricted funds were accounted for and expended in accordance with voter-approved requirements."

The audit disclosed that the MTA complied with the court-ordered Consent Decree, except for one factor which has been appealed and is pending a decision by the Ninth Circuit Court.

"This is good news for the riders of the MTA because the terms of the Consent Decree were directed at improving service and working conditions and keeping fares reasonable," said Connell.

The audit report also noted that the MTA's long-range plans do not address the potential fiscal impact resulting from a denial of the MTA's appeal of the Consent Decree, or to otherwise accommodate projected increases in rail and bus service operating costs.

"These two factors could increase projected expenditures by over \$350 million through 2010," said Connell. "The MTA should take action to address them now in its long-range plans."

Finally, Connell noted that the MTA allocated and expended Proposition A and Proposition C funds in accordance with voter-approved requirements.

"The MTA has been the subject of many audits over the past several years by various offices," explained Connell. "I am pleased to find that the MTA was in compliance with the major aspects of the audit and that the findings can be readily remedied by the agency."

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Copies of the audit report may be obtained by contacting Lisa Casalegno at (916) 445-2636