

## OVERVIEW

### FY 2022-23 Approved Budget (In Millions)

Operating budget	\$917.2
Capital budget	635.2
Long Term commitments	97.8
<b>TOTAL</b>	<b>\$1,650.2</b>

### FY 2023-24 Approved Budget (In Millions)

Operating budget	\$947.7
Capital budget	673.0
Long Term commitments	77.8
<b>TOTAL</b>	<b>\$1,698.5</b>

### FY 2022-23 Accomplishments

- The first quarter marked the start of the construction of State Route 55 between I-405 and SR-55 to link central Orange County and beyond the coastal region with several improvements in both directions. The project will improve mobility and reduce congestion on the freeway.
- In September 2022, Measure M2 Streets and Roads program surpassed \$1 billion in funding allocations and distributions to help improve streets and roads network in addition to local transportation priorities.
- Construction of the OC Streetcar reached a major milestone as construction crews have completed Fairview Street and Fifth Street at-grade crossings, installed an embedded track on Santa Ana Boulevard between Santiago Street and Minter Street and completed several key intersections in Downtown Santa Ana.
- Continued implementation of Battery Electric Bus (BEB) and Fuel Cell Electric Bus (FCEB) programs.
- Completed emergency work to stabilize the train tracks between the Mission Viejo/Laguna Niguel and Oceanside stations which occurred due to erosion.
- Traffic volumes and toll revenues on the 91 Express Lanes reached an all-time high prior to Coronavirus (COVID-19) pandemic.
- The 405 Express Lanes project is more than 85 percent complete, and 11 of 18 bridges scheduled for replacement are now complete and open to traffic.
- Successfully procured new service agreements for four Freeway Service Patrol (FSP) service areas.
- The California Association of Public Information Officers (CAPIO) honored OCTA with two Excellence in Public Information and Communications (EPIC) awards for the I-405 Improvement Project.

### FY 2023-24 Board Strategic Initiatives

- Equitable, Reliable, and Balanced Transportation
- Financial and Environmental Sustainability and Resilience
- Organizational Excellence, Leadership, and Accountability

To provide Orange County residents with the highest quality transportation programs and services, OCTA is committed to its organizational vision and mission statement. The Strategic Plan is also consistent with the framework of goals and values developed by the Board of Directors.

## STRATEGIC PLAN FRAMEWORK

### OCTA Vision

An integrated and balanced transportation system that supports the diverse travel needs and reflects the character of Orange County.

### Mission Statement

Develop and deliver transportation solutions to enhance quality of life and keep Orange County moving.

### OCTA Goals

- Mobility - Deliver programs, projects, and services to improve the movement of people and goods throughout Orange County and the region.
- Public Service - Enhance customer satisfaction by understanding, connecting with, and serving our diverse communities and partners.
- Fiscal Sustainability - Ensure fiscal health through prudent financial management and by protecting and leveraging available revenue sources.
- Stewardship - Embrace responsible policies and practices designed to promote environmental sustainability and enhance the safety and quality of life in Orange County.
- Organizational Excellence - Continue the tradition of being a high-performing organization through employee development and efficient business practices.

### OCTA Values

- Integrity - We deliver as promised and do so ethically, fairly, and with transparency.
- Customer Focus - We treat our customers with care, consideration, and respect, providing friendly and reliable professional service responsive to their needs.
- Teamwork/ Partnership - We work well together from a sense of shared purpose and mutual respect.
- Communication - We provide consistent, timely, and reliable information in an open, honest, and straightforward manner.
- Can-Do-Spirit - We tackle challenges with innovation, vision, and strategic thinking.
- Safety - We work to ensure the ongoing safety of the traveling public and our employees.



## APPROVED BUDGET

### ORANGE COUNTY TRANSPORTATION AUTHORITY FISCAL YEAR 2023-24



## CEO MESSAGE

Dear Orange County Residents:

Consistent with the Orange County Transportation Authority's (OCTA) vision, mission, values, and in accordance with the Board of Directors' (Board) Strategic Initiatives, I present to you the fiscal year (FY) 2023-24 budget for OCTA. The FY 2023-24 budget is balanced at \$1.7 billion, and ensures OCTA commits the necessary resources to deliver innovative, equitable, and sustainable transportation solutions to Orange County residents and visitors.

OCTA anticipates growth for both local and state sales taxes in the coming year. In FY 2023-24, the growth rate for the Measure M2 (M2) sales tax is forecasted to be 2.6 percent. The growth rate for the Transportation Development Act sales tax, which supports bus operations, is forecasted to be 1.9 percent.

Under the voter approved M2 Program, improvements to freeways, transit, streets and roads, and environmental programs will continue. Included in the M2 Program budget is \$367 million to fund freeway improvement projects and \$185 million is budgeted to improve streets and roads. The budget also includes \$120 million for M2 Transit Programs with \$49 million for construction of the OC Streetcar project and \$45 million to support regional rail.

In FY 2023-24, the budget to support the Bus Program is \$625 million. The budget has the capacity to support bus service levels of up to 1.47 million service hours and includes a capital budget of \$212 million. A portion of the capital budget includes the purchase of 60 zero-emission vehicles which furthers OCTA's efforts to test zero-emission technology.

The budget includes continued support for regional rail service and provides the funding necessary to return to 90 percent of pre-pandemic levels of Metrolink service. Usage of the 91 Express Lanes is expected to dip slightly in FY 2023-24 because of an anticipated decrease in trips due to a softening in the economy, high inflation, and high gas prices.

Construction will advance on the OC Streetcar project in the coming year, and the budget also anticipates completion of the I-405 Improvement Project and operations beginning on the 405 Express Lanes in late 2023.

The FY 2023-24 budget delivers on the Board's Strategic Initiatives and demonstrates OCTA's responsibility to the community in providing a balanced and sustainable multimodal transportation network, which keeps the residents of Orange County moving safely.

Sincerely,

Darrell E. Johnson  
Chief Executive Officer



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EQUITABLE, RELIABLE, AND BALANCED TRANSPORTATION  
FINANCIAL AND ENVIRONMENTAL SUSTAINABILITY AND RESILIENCE  
ORGANIZATIONAL EXCELLENCE, LEADERSHIP, AND ACCOUNTABILITY



## PROGRAMS

### Measure M2 (M2)

On November 7, 2006, the voters of Orange County chose to extend the Measure M1 half cent sales tax for another 30 years from 2011 through 2041. Measure M2 (M2), administered by the Orange County Transportation Authority (OCTA), will generate billions of dollars to improve transportation in Orange County. M2 is designed to reduce traffic congestion and enhance overall mobility. Improvements in the plan include improving key freeways, upgrading major interchanges, adding capacity, and maintaining streets and roads.

### Regional Rail

Regional rail service for Orange County Transportation Authority centers on Metrolink, Southern California's commuter rail system linking residential communities to employment and activity centers. Formed in 1991, Metrolink is operated by the Southern California Regional Rail Authority (SCRRA) — a Joint Powers Authority of five member agencies representing the Counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura.

### Local Rail

The OC Streetcar will link the Santa Ana Regional Transportation Center (SARTC), which provides regional rail, OCTA bus, and intercity and international bus services, to a new multimodal hub at Harbor Boulevard/Westminster Avenue in Garden Grove. The OC Streetcar will serve the historic downtown Santa Ana and Civic Center which includes government offices, federal, state and local courthouses, unique restaurants and shops, an artists' village, several colleges, and a variety of community enrichment organizations.

### Express Lanes

Express Lanes provide commuters with a reliable travel option compared to the adjacent general-purpose lanes. They have a variable toll rate depending on traffic demand, with the purpose of maximizing throughput in the corridor and keeping the lanes free flowing. The 91 Express Lanes is a four-lane, 18-mile toll road in Orange and Riverside counties. Located in the median of SR-91 between the State Route 55 (SR-55)/SR-91 interchange and the SR-91/I-15 interchange, the toll road is jointly managed by OCTA and the RCTC. The I-405 Express Lanes is anticipated to open by the end of the calendar year 2023. The I-405 Express Lanes will be a four-lane, High-Occupancy Toll (HOT) corridor on I-405, stretching from SR-55 to I-605.

### Motorist Services

Motorist Services includes the Service Authority for Freeway Emergencies Program (SAFE). The SAFE Program is comprised of Freeway Services Patrol (FSP), Call Box Network, and Orange County 511 Service, all designed and operated to assist motorists on Orange County's network of freeways.

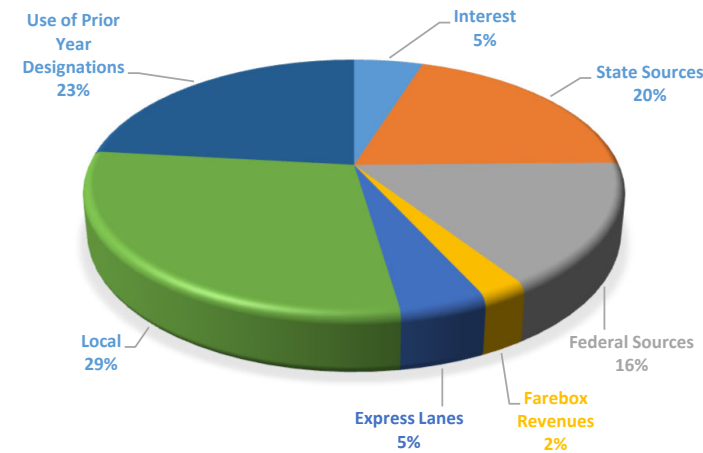
### Bus Operations

The Bus Operations program delivers fixed-route, express, StationLink rail feeder, and complementary paratransit bus services for Orange County residents. The fixed-route network provides bus service on 36 local lines, eight community lines, four limited-stop lines, and four Stationlink rail feeder lines. OCTA paratransit services provide demand response bus service to persons with developmental and physical disabilities as required by the federal Americans with Disabilities Act, as well as bus service to transport elderly persons.

## SOURCES OF FUNDS

In FY 2023-24, OCTA anticipates receiving \$1,303.7 million in revenue and \$394.8 million in use of prior year designations for a total of \$1,698.5 million in available funding for all programs and projects. A large portion of the revenue is derived from the M2 ½ cent sales tax (Local Transportation Authority) and Transportation Development Act ¼ cent sales tax.

### Total Revenues & Reserves: \$1.69 billion



Sources of Funds for Fiscal Years 2021-22 through 2023-24 (In Millions)

### Revenue by Category

	FY 2021-22 Actuals	FY 2022-23 Approved	FY 2023-24 Approved
Interest	(61.8)	30.2	83.4
State Sources	298.9	302.7	336.3
Federal Sources	331.0	361.6	271.6
Farebox Revenues	27.7	37.7	40.7
Express Lanes	64.8	54.6	77.2
Local	466.2	447.9	494.5
Use of Prior Year Designations	170.0	415.5	394.8
<b>TOTAL REVENUES BY TYPE</b>	<b>1,296.8</b>	<b>1,650.2</b>	<b>1,698.5</b>

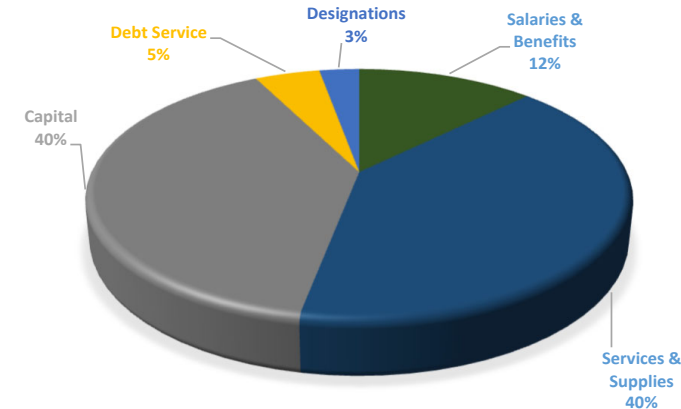
### Revenue by Fund

	FY 2021-22 Actuals	FY 2022-23 Approved	FY 2023-24 Approved
405 Express Lanes	161.4	88.7	84.8
91 Express Lanes	58.6	96.7	96.9
ARBA Trust Fund	1.5	2.7	1.8
Commuter and Urban Rail Endowment	2.7	-	-
General Fund	15.9	14.8	18.2
Internal Service Fund-PL and PD	0.7	0.5	0.9
Internal Service Fund-Workers' Compensation	(1.0)	0.4	0.8
Local Rail	0.5	-	0.4
Local Transportation Authority Measure M2	422.6	718.6	796.0
Local Transportation Fund	210.8	212.6	231.1
Measure M2 Bond Debt Service	3.6	5.9	6.2
Orange County Transit District	303.0	417.7	337.2
Orange County Unified Transportation Trust	0.0	0.1	1.2
Regional Rail	3.6	7.2	22.5
Scholarship Fund	0.0	0.0	0.0
Service Authority for Freeway Emergencies	9.7	6.7	7.1
State Transit Assistance Fund	45.1	46.6	58.3
Transit Development Capital Project	58.1	31.0	35.1
<b>TOTAL REVENUES BY FUND</b>	<b>1,296.8</b>	<b>1,650.2</b>	<b>1,698.5</b>

## USES OF FUNDS

The FY 2023-24 budget is built upon the program and service objectives set by the Board of Directors. OCTA's combined staffing, operating and capital budgets total \$1,698.5 million. The approved appropriation plan includes \$1,650.7 million in expenditures and \$47.8 million in designations. The budget represents the Authority's ongoing commitment to deliver a quality set of transportation solutions for residents of Orange County within the revenues available.

### Total Expenses & Designations: \$1.69 billion



Uses of Funds for Fiscal Years 2021-22 through 2023-24 (In Millions)

### Expense by Category

	FY 2021-22 Actuals	FY 2022-23 Approved	FY 2023-24 Approved
Salaries & Benefits	147.7	191.2	212.6
Services & Supplies	382.5	520.9	687.3
Capital	202.1	635.2	673.0
Debt Service	51.6	97.8	77.8
Designations	512.9	205.1	47.8
<b>TOTAL EXPENSES BY TYPE</b>	<b>1,296.8</b>	<b>1,650.2</b>	<b>1,698.5</b>

### Expense by Fund

	FY 2021-22 Actuals	FY 2022-23 Approved	FY 2023-24 Approved
405 Express Lanes	27.0	83.1	81.1
91 Express Lanes	41.5	57.2	61.0
ARBA Trust Fund	1.5	2.7	1.8
Commuter and Urban Rail Endowment	2.7	-	-
General Fund	100.6	117.5	134.4
Internal Service Fund-PL and PD	7.8	5.9	4.8
Internal Service Fund-Workers' Compensation	7.3	7.2	7.4
Local Rail	0.5	0.1	3.6
Local Transportation Authority Measure M2	375.3	590.6	624.5
Local Transportation Fund	205.9	5.1	5.8
Measure M2 Bond Debt Service	47.6	54.9	54.9
Orange County Transit District	283.2	616.4	564.7
Orange County Unified Transportation Trust	0.0	0.1	1.2
Regional Rail	103.6	37.1	66.0
Scholarship Fund	0.0	0.0	0.0
Service Authority for Freeway Emergencies	8.3	9.4	11.0
State Transit Assistance Fund	16.2	-	-
Transit Development Capital Project	67.7	62.8	76.3
<b>TOTAL EXPENSES BY FUND</b>	<b>1,296.8</b>	<b>1,650.2</b>	<b>1,698.5</b>

## HISTORY

OCTA is responsible for providing coordinated, effective and accountable transportation planning and public transportation services within Orange County. OCTA was established by state law and created from the consolidation of seven transportation agencies, which include:

- Orange County Transportation Commission
- Orange County Transit District
- Orange County Consolidated Transportation Services Agency
- Orange County Local Transportation Authority
- Service Authority for Freeway Emergencies
- Orange County Congestion Management Agency

OCTA began serving the public on June 20, 1991. The establishment of a consolidated transportation authority has saved county taxpayers tens of millions of dollars through increased efficiency and the elimination of duplication of efforts. Concurrent with these efforts, however, services and investment in transportation has increased, providing the county with a progressive, effective, and comprehensive transportation system.

### Governing Board

The Orange County Transportation Authority is governed by an 18-member Board of Directors consisting of five members of the Orange County Board of Supervisors, ten city council members selected by the cities in the supervisorial district in which they represent, two public members selected by the other 15 board members, and serving in a non-voting capacity is a representative appointed by the Governor of California. OCTA is managed by a Chief Executive Officer, who acts in accordance with the direction, goals, and policies articulated by the Board of Directors.

### Organization

OCTA's organizational structure is comprised of seven divisions:

- Executive Office
- Finance and Administration
- People and Community Engagement
- Operations
- Government Relations
- Planning
- Capital Programs

### Employees

	FY 2021-22 Approved	FY 2022-23 Approved	FY 2023-24 Approved
Executive Office	36.0	36.0	37.0
Finance and Administration	162.5	169.5	175.0
People and Community Engagement	85.0	88.0	88.0
Operations	942.5	978.5	979.0
Government Relations	9.5	9.0	9.0
Planning	43.5	46.5	47.5
Capital Programs	34.0	34.0	34.0
<b>TOTAL</b>	<b>1,313.0</b>	<b>1,361.5</b>	<b>1,369.5</b>