



# Moving into the Future

OCTA 2007 Annual Report





Dear Friend,

We have taken action today to keep Orange County moving into the future. I am pleased to share this annual report that features Orange County Transportation Authority's (OCTA) significant accomplishments of fiscal year 2006-2007.

One of the most significant achievement was the development of an Early Action Plan for Renewed Measure M. Our five-year plan serves as a blueprint for accelerating delivery of major freeways and transit improvements promised to voters by Renewed Measure M.

Drivers on the new 12-mile Garden Grove Freeway (SR-22) are experiencing faster travel times thanks to an innovative design-build method. After successfully competing on behalf of Orange County, OCTA won approval of \$383.5 million in Proposition 1B funds from the California Transportation Commission to improve five Orange County freeways, including \$200 million to accelerate work on the West County Connectors Project. This project will create a seamless connection among the San Diego Freeway (I-405), the San Gabriel River Freeway (I-605), and the SR-22.

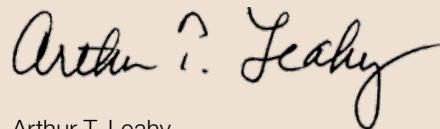
The success of a pilot study on continuous access carpool lanes for the SR-22 has led to possibly expanding it to other freeways in Orange County. A study conducted by the University of California, Berkeley confirmed OCTA's observations that the continuous access carpool lanes present no inherent safety issue.

The OCTA Board of Directors approved a \$60-million Grade Crossing Improvement Program that will deliver safety enhancements and "quiet zone" improvements at 53 rail-highway grade crossings in Orange County, which likely will lead to federal approval to reduce train horns. With more freight moving through Orange County, OCTA approved a policy on goods movement that promotes the economic well being of the County while mitigating the impact of congestion and air quality on local communities.

During the year, OCTA collaborated with transportation officials in neighboring counties to explore joint solutions to transportation issues. In cooperation with Caltrans, OCTA initiated action to study the coordination and improvement of passenger rail service along the Los Angeles to San Diego Rail Corridor. OCTA and the Los Angeles County Metropolitan Transportation Authority began a landmark study to explore opportunities to improve transportation between our two counties. Orange and Riverside counties continued working to relieve congestion along the Riverside Freeway (SR-91).

These accomplishments would not have been possible without the support of forward-thinking Orange County voters. Thank you for your continued support. We look forward to working together with you to deliver safer, faster, and more efficient transportation solutions in the years ahead.

Sincerely,

A handwritten signature in black ink that reads "Arthur T. Leahy". The signature is written in a cursive style with a large, stylized initial "A".

Arthur T. Leahy  
Chief Executive Officer



By 2030, Orange County's population will increase 24 percent. It doesn't take much to understand the impact that growth will have on our mobility and quality of life. It means more people, more cars and more congestion. That's why the Orange County Transportation Authority is doing all we can today to ensure mobility tomorrow. As the projects promised in 1991 and funded by Measure M are





nearing completion, Renewed Measure M allows us to begin a new chapter of improvements – including plans for widening and upgrading existing freeways; helping cities and the county keep up with the rising cost of repairing aging streets; expanding Metrolink train service; and broadening the reach and frequency of our countywide transit system.



What happens when you have 3 million people on the move – going to work, to school or to who knows where? Welcome to a day in Orange County. With our area's anticipated growth, keeping all those people moving takes more than wishful thinking. It takes a plan. At OCTA, we're charting a course that not only addresses today's needs, but also extends well into the future.

# A Roadmap for Growth

With Orange County Metrolink ridership increasing 8.3 percent to 3.8 million during the past year, OCTA moved forward with a Metrolink expansion plan. One of the plan's major goals is to have trains running every 30 minutes in both directions between Laguna Niguel/Mission Viejo and Fullerton.



With the last of the original Measure M freeway projects under way, OCTA spearheaded an amendment to Measure M. This action enabled remaining funds to be used for additional connectors to I-405 and I-605 from the SR-22, and a new northbound lane on the SR-57. After Orange County voters approved Renewed Measure M, OCTA developed an Early Action Plan to accelerate major freeway projects to keep traffic flowing.

The freeway projects in the Early Action Plan include:

- Adding one lane in each direction on the San Diego Freeway (I-5) between Pacific Coast Highway and Avenida Pico in San Clemente.
- Improving ramp configuration and widening overcrossings on the I-5 at the Ortega Interchange in San Juan Capistrano.
- Adding one northbound lane on the Orange Freeway (SR-57) from Katella Avenue to Lincoln Avenue and from Orangethorpe Avenue to Lambert Road.
- Adding a westbound lane on the Riverside Freeway (SR-91) between I-5 and SR-57 in Anaheim and Fullerton.
- Adding a lane in each direction on the SR-91 from the Costa Mesa Freeway (SR-55) to SR-241 and adding an eastbound lane from SR-241 to SR-71 in Anaheim and Yorba Linda.
- Adding one or two general purpose lanes in each direction on the San Diego Freeway (I-405) from SR-55 to the San Gabriel Freeway (I-605).



OCTA's public ownership of the 91 Express Lanes toll road reached its fifth year. OCTA is continuing to use revenues for ongoing operations, maintenance and debt payments, as well as to make improvements to the Riverside Freeway (SR-91), benefiting all commuters traveling between Orange and Riverside counties.

- The 11th Orange County Metrolink station opened in Buena Park, offering an alternative commute to residents in northern Orange County.
- In anticipation of the Metrolink service expansion in 2010, OCTA and the city of Irvine are building a parking structure at the Irvine Metrolink station. The structure will have space for 1,500 cars and will be completed in the fall of 2008.
- A new pedestrian overcrossing was dedicated at The Depot at Santa Ana. Now passengers have a safer path to and from trains.
- OCTA began a \$60-million safety enhancement Quiet Zone project at more than 50 rail crossings in the county. This project also will help reduce the need for trains to sound their horns when approaching crossings in residential areas.

Along with the city of Anaheim, OCTA is helping develop the Anaheim Regional Transportation Intermodal Center (ARTIC), a world-class transportation gateway for Orange County. Located on 16 acres, ARTIC will be a dynamic transportation and activity center, connecting Orange County to state, national and international destinations.

- Now in the early planning stage, ARTIC will answer the ever-increasing transit demand, serving as a hub linking freeways, major streets, bus routes and rail.
- Anaheim's vision for ARTIC includes a transportation facility and a high-density, mixed-use area offering a 24/7 urban lifestyle, with a variety of services and amenities.
- OCTA and the city of Anaheim began the process of soliciting interested partners for the project.



BRT service will operate on three heavily traveled routes. The first pilot project will implement BRT service on Harbor Boulevard in mid-2009.

BRT service will feature limited stops, enhanced bus shelters and real-time displays with bus schedule information.

OCTA moved forward with the development of Bus Rapid Transit (BRT), a new approach to traditional bus service. BRT buses will provide faster travel times by stopping at fewer designated locations. OCTA's BRT service will utilize distinctively branded buses, which will run on compressed natural gas to reduce emissions for cleaner air.



- Vehicle volume on the 91 Express Lanes increased three percent over fiscal year 2006 to 14,639,848.
- During summer 2007, the SR-91 Implementation Plan was approved by the OCTA Board of Directors. The plan includes priorities for short- and long-term improvements to the SR-91.

When traffic slows down, so do profits. Employees show up late, supplies don't arrive, products can't ship, and customers stay away. During the past fiscal year, OCTA launched several innovative services to help keep people and goods moving through Orange County.

# Business Grows When Traffic Flows

Within 6 months of operation, OC Express exceeded the initial ridership goal by seven percent.  
79 percent of OC Express passengers have chosen this bus service as their primary transportation to and from work.

Operating on three intercounty routes during the year, OC Express buses transported more than 66,000 business travelers from neighboring counties to their work sites in Orange County.



OCTA launched its new Vanpool Program last July to give commuters another transportation option. Thanks to the program, groups of commuters can form vanpools for travel to work sites in Orange County and receive a \$400 monthly reduction in the lease cost of their vanpool service.



- In the first six months, 154 vanpools were operating under the new Vanpool Program.
- Vanpools registered in the program provided nearly 10,000 passenger trips and traveled approximately 1 million vehicle miles from July 1 to December 31, 2007.
- On average, each vanpool carried seven passengers, reducing single occupant vehicle travel to help reduce congestion and improve our air quality.

Measure M freeway improvement projects were completed or under construction, adding more lanes to keep traffic flowing across the heart of the county. Major interchanges also were improved to help motorists transition easily and safely from one Orange County freeway to another without weaving and congestion.



All 12 miles of the Garden Grove Freeway (SR-22) continuous access carpool lanes were opened. Operating much like a general-purpose lane, these lanes offer carpoolers the freedom to safely enter and exit at any point.

The SR-22 Improvement Project was chosen Outstanding Civil Engineering Project of the Year by the American Society of Civil Engineers as a successful design-build project on an operating California freeway.

On the Santa Ana Freeway (I-5) Gateway Project, the rebuilt Western Avenue Bridge opened, providing a safer and more convenient route for motorists and pedestrians. More lanes are being added and bridges widened to eliminate the bottleneck on the I-5 through Buena Park.



More than 2,000 commuters used E-Pass, OCTA's discounted annual bus pass, to get to and from work, resulting in 732,000 E-Pass boardings for the year.

OCTA's Commuter Solutions provided ridematching to more than 38,000 Orange County commuters.

OCTA's Commuter Solutions program kept Orange County employees and businesses moving, making our roads less crowded and keeping our air a little cleaner. Commuter Solutions offered employers and individuals a variety of commuting options, including Employer Pass (E-Pass), Metrolink Corporate Pass, 91 Express Lanes Corporate Pass, vanpools and carpool ridematching.

With more trucks and trains passing through the county, OCTA adopted a goods movement policy to protect Orange County's quality of life while promoting economic growth in the region. OCTA is working to secure funding to mitigate the impacts of goods movement, by addressing traffic delays at rail crossings, noise and health effects on communities along freight movement corridors.

- OCTA adopted a Goods Movement Policy that strongly advocates mitigation and private-sector participation in financing goods movement projects.
- OCTA competed to secure funding from the Transportation Corridor Improvement Fund for seven rail grade separations along the Alameda Corridor East and for two freeway-related projects, one on the SR-57 northbound and one on the SR-91 westbound.
- Along with six neighboring counties, OCTA participated in the Multi-County Goods Movement Action Plan. The plan's goal is to support efficient freight movement, maximize economic opportunities and reduce environmental and community impacts.



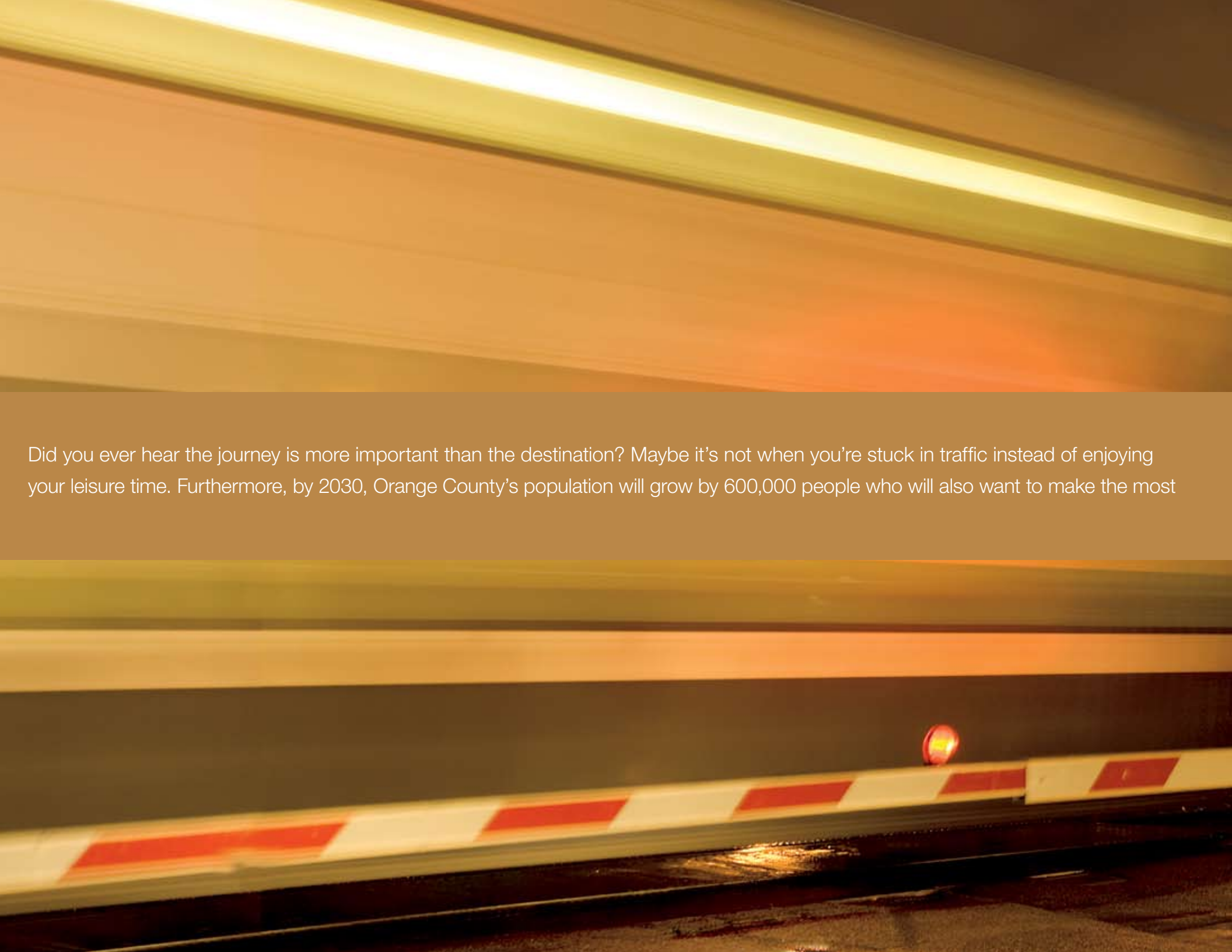
The 91 Express Lanes entered its fifth year of ownership by OCTA. A recent survey indicated that 81 percent of respondents were satisfied with the toll road, most citing time savings as the reason. In fact, commuters traveling between the Inland Empire and Orange County indicated that they saved about 30 minutes or more on their commutes to and from work.

- Over 3 million trips were taken in the HOV3+ lanes this past year, representing a 6.6 percent increase in carpools on the 91 Express Lanes.
- During the past year, OCTA completed a major repavement of the 91 Express Lanes, replaced the yellow channelizers and restriped the lanes to make trips faster and safer.
- To keep motorists moving, OCTA upgraded the existing surveillance cameras with 35 new all-weather cameras with powerful zoom lenses to identify incidents and quickly resolve them.



To foster business development within Orange County, OCTA helped small businesses work with public agencies. OCTA staff offered training sessions and advice on participating in the contract bidding process.

- At the 2007 Annual Small Business Conference and Vendor Fair in October, OCTA brought 404 people together to learn how to do business with government agencies.
- During fiscal year 2007, OCTA awarded more than \$14 million in contracts to minority- and women-owned businesses, helping foster economic growth within the region.

A blurred photograph of a highway at night. In the foreground, a white guardrail with red diagonal stripes runs across the frame. A single red circular light fixture is mounted on the guardrail. The background shows a highway with multiple lanes, blurred by motion, with a bright light fixture visible on the overpass above. The overall scene is dimly lit, with the primary light source being the guardrail light and the overpass light.

Did you ever hear the journey is more important than the destination? Maybe it's not when you're stuck in traffic instead of enjoying your leisure time. Furthermore, by 2030, Orange County's population will grow by 600,000 people who will also want to make the most



of their leisure time. OCTA is at work now, improving the streets and freeways you travel, expanding Metrolink service on weekends, and introducing youths and seniors to the many benefits of riding the bus. Life is better when you can get where you're going.



Spending your weekend in traffic is no fun. Whether you travel by car, bus or train, OCTA is expanding services to help you have more time for the things that matter most – like roller coaster rides, 7th inning stretches and feeling sand between your toes.

# Saving Time for Leisure Time

In a recent customer satisfaction survey, one-third of respondents indicated that they are frequent weekend users of the 91 Express Lanes.

During fiscal year 2007, 1.3 million full toll and 543,000 carpoolers with three or more used the 91 Express Lanes on Saturdays.

On Sundays during the past fiscal year, total volume on the 91 Express Lanes exceeded 1.3 million vehicles.



Metrolink celebrated its first year of providing weekend service on two of Orange County's three lines. With this new service, people were able to take the train to their favorite destinations, including Los Angeles, Oceanside and many Orange County locations. In addition, weekend service was expanded, adding more trips on Saturdays and Sundays to let people enjoy more time at their destinations.

- During the year, OCTA introduced 4,800 people to the convenience of Metrolink Weekends service with eight "Free Ride" promotions at Orange County Metrolink stations.
- Almost 100,000 people enjoyed the ease and convenience of Metrolink Weekends service in fiscal year 2007.
- The approved Metrolink expansion plan will double rail service in Orange County, providing more frequent trains for your weekday and weekend travel needs.



Summertime means more fun time, and OCTA provided 81 bus routes throughout Orange County to help people enjoy summer activities, including popular entertainment destinations, parks and recreation areas, and major shopping centers.

ocflyer

OCTA continued its summer weekend bus service, the OC Flyer, with direct bus service to the Orange County Fair every 30 minutes from morning until late in the evening. The OC Flyer helped reduce traffic in the areas around the fairgrounds and made it easy and affordable for families to attend the fair.

- OC Flyer ridership increased 48 percent over the same three-week period in 2006.
- OC Flyer buses made it very convenient for people throughout Orange County to enjoy the fair with trips from park-and-ride lots in Fullerton, San Juan Capistrano and Huntington Beach.
- A fourth OC Flyer route from the Depot at Santa Ana made it easy for people traveling from the Inland Empire to get to the Orange County Fair, eliminating both traffic and parking hassles.

Weekends are for fun, and the 91 Express Lanes helped people get to the fun faster. Instead of sitting in traffic, many people used the 91 Express Lanes and spent the time they saved enjoying their favorite activities.

91

Express Lanes



- OCTA launched Route 693 serving the new Talega community in San Clemente. Besides offering local residents an easy, affordable trip into town, this innovative route also deviated up to three-fourths of a mile off the regular route to pick up and drop off ACCESS-eligible riders.
- OCTA added more scheduled trips to routes 1 and 89, both popular beach routes, to let people enjoy longer summer days at the beach.
- To encourage youth bus ridership, OCTA's Summer Youth Bus Pass offered a discounted fare for unlimited rides during the entire summer for one low price. Sales of Summer Youth Bus Passes increased 21 percent over the previous year.
- OCTA launched a new and improved "Just Click" online trip planner with Metrolink train connections. OCTA also partnered with Google to give bus customers a second trip planning option.

The southern section of the county's population is projected to increase 343,500 by 2030. In anticipation of the impact this growth will have on mobility, OCTA began the South Orange County Major Investment Study (MIS) to evaluate the area's transportation needs.

- The South Orange County MIS will offer alternatives to improve freeway traffic flow, optimize surface street options and efficiently utilize public transit options.
- A Weekend Origin and Destination Study found that 90 percent of the traffic entering freeway on-ramps within the study area was local traffic.

OCTA is helping cities maintain local streets and synchronize traffic signals along major arteries. Through the Go Local program, we're helping cities explore connections to Metrolink rail stations. We're also introducing youths and seniors to the many benefits of bus travel so they can enjoy that same mobility.

# Improving Mobility Closer to Home



OCTA's Go Local Program is helping Orange County cities initiate transit extensions to Metrolink rail lines. With funding from Measure M, each city can apply for a \$100,000 grant to study how major activity and business centers can be linked to a Metrolink station.

As part of the Go Local program, cities studied how transit extensions could work within their communities and benefit the most residents. Along the way, OCTA assisted each city as needed.

All 34 Orange County cities participated in the Go Local program phase 1.



Since the passage of Measure M in 1990, local cities and the county have received more than \$453 million in Measure M turnback revenues. These funds helped maintain local streets and roads, making the drive smoother and safer.

- During fiscal year 2006-2007, Orange County's 34 cities and the unincorporated areas of the county received a combined total of \$81 million in Measure M turnback and competitive funds for local street and road improvement projects.
- In Lake Forest, El Toro Road was improved to keep traffic moving with additional lanes, improved intersections and bus turnouts.
- Construction began on the Imperial Highway Smart Street Project to improve three segments of the road in Anaheim, Brea and Fullerton.
- The Laguna Canyon Road Improvement Project was completed with \$3.5 million in Measure M funds to relieve traffic congestion into and out of Laguna Beach.

Plans are under way to synchronize more than 2,000 traffic intersections across the county. When completed, drivers will see more green lights, increased traffic flow and fewer delays on major streets.

- OCTA completed a traffic signal synchronization project along a 15-mile stretch of Euclid Street in northern Orange County. The project involved synchronizing 62 traffic signals spanning six cities with daily traffic volume exceeding 50,000 vehicles during peak travel times.
- Renewed Measure M will continue to provide funds to help cities synchronize traffic signals to minimize delays and improve traffic flow.
- A second signal synchronization project began along the eight-mile Oso Parkway/Pacific Park Drive corridor in South Orange County. Plans include 34 traffic signals.

OCTA's Freeway Service Patrol tow trucks helped remove 70,935 disabled vehicles from freeways during peak hours to reduce traffic congestion.

Approximately 585 solar-powered cellular call boxes were maintained under the Service Authority for Freeway Emergencies.

OCTAP permitted 20 taxi companies, 786 taxicabs and 1,167 taxi drivers to improve customer service and industry standards.

OCTA provided special services to help motorists in need. These services included solar-powered cellular emergency call boxes, the Freeway Service Patrol and the Orange County Tax Administration Program.



OCTA's senior outreach program demonstrated to Orange County seniors how safe, easy and economical riding an OCTA bus could be. Seniors across the county took a trial bus ride and learned how to travel to their favorite destinations.



- OCTA's outreach program introduced more than 12,000 seniors to the convenience of bus travel during the past year.
- Measure M, Orange County's half-cent transportation improvement sales tax, provided \$1 million during the past year to fund discounted bus fares for seniors and persons with disabilities.
- ACCESS service, OCTA's paratransit bus service, made 1.1 million scheduled trips, transporting persons with disabilities to work, classes and appointments throughout Orange County.



Bus boardings reached 68 million, a 61 percent increase since 1996. OCTA instituted new measures to increase the safety and security of bus passengers throughout Orange County.

- OCTA received the American Public Transportation Association 2007 Bus Safety Gold Award, the highest honor given to the organization with the best overall safety program.
- To increase safety, OCTA installed more than 300 solar lighting units at bus stops to illuminate the areas.
- OCTA received a grant from the Department of Homeland Security to install state-of-the-art, on-board security cameras on 171 new CNG buses for increased passenger protection.
- Through the Bus Stop Accessibility Program, OCTA continued upgrading its bus stops by adding wheelchair ramps at intersections, adding sidewalks and removing obstructions to passenger access.
- OCTA buses and resources are activated during emergencies to provide needed transportation. OCTA buses provided emergency transportation for firefighters and helped evacuate the James A. Musick detention facility in Irvine when wildfires threatened populated Southern California areas this fall.

OCTA continued its popular youth outreach program to help youths ages 11 to 16 discover how easy it is to ride the bus. Through hands-on presentations to schools and youth groups, OCTA staff encouraged youths to use the bus for safe, efficient travel around the county.

- A total of 18,967 youths participated in the youthNmotion program during the past year. These youths learned how to plan a bus trip and received first-hand experience with a trial OCTA bus ride.
- Sales of youth 30-day bus passes increased 34 percent during the past year.
- In addition to information on how to ride the bus, OCTA's outreach program provided education on how to use Metrolink trains, rail safety and environmental concerns.



Without careful planning, as Orange County's population grows, our quality of life could be affected. OCTA is helping people leave their cars at home and find alternative ways to work. New Compressed Natural Gas buses are replacing older diesel-powered buses to help reduce emissions. And environmental protection and clean up of highway and street runoff programs are major components of Renewed Measure M. All to keep you moving toward a greener Orange County today and into tomorrow.





A smog-free day is a beautiful day. We all want cleaner air. OCTA is working to make it happen by providing and using cleaner, more efficient transportation options.

# Toward a Greener Orange County



OCTA's mission is to enhance the quality of life in Orange County by delivering safer, faster and more efficient transportation solutions. In keeping with that mission, OCTA took action to help reduce emissions from its bus fleet and support vehicles.

- OCTA won grants from the Air Quality Management District and the Mobile Source Air Pollution Review Committee to purchase 80 new Compressed Natural Gas buses with advanced low emissions engines. The engines are certified by the California Air Resources Board to meet 2010 nitrogen oxides emissions.
- The grant funds will contribute to repowering 188 existing OCTA buses with the same advanced low emissions engines that are in the new CNG buses, reducing tailpipe emissions by between 600 to 700 pounds per year per bus.
- OCTA field supervisors used a fleet of 99 hybrid automobiles during the past year to further reduce emissions.



With its Commuter Solutions Program and through links to regional ridesharing sites, OCTA offered employers and their employees assistance in finding carpool and vanpool partners. OCTA challenged people to try an alternative to driving alone and offered viable suggestions for commuting to work by bus, train or bike.

- OCTA's Commuter Solutions produced 108 Average Vehicle Ridership surveys this past year. The surveys helped Orange County employers meet their Air Quality Management District requirements.
- OCTA provided customized rideshare match lists to 38,015 people.
- To raise awareness of how commuting choices affect the environment, OCTA hosted two week-long events during the year, resulting in 10,000 solo vehicle trips being replaced with trips by bus, train, carpool, vanpool, bike, foot or telecommuting.

Looking forward, Renewed Measure M will provide funding for two environmental programs, the Mitigation and Resource Protection Program and the Environmental Cleanup Program. Both programs were launched in fall 2007 with the creation of two environmental oversight committees.

- The Mitigation and Resource Protection Program will provide \$243.5 million for environmental benefits such as habitat protection and resource preservation in exchange for streamlined project approvals for the freeway program as a whole.
- The Environmental Cleanup Program will provide \$237.2 million to help local agencies clean up highway and street runoff and meet Clean Water Act standards.



# 2007 Financials

## Statement of Net Assets (thousands)

June 30, 2007

### Assets

	Governmental Activities	Business-type Activities	Total
Cash and investments	\$ 608,399	\$ 265,630	\$ 874,029
Receivables:			
Interest	5,212	2,992	8,204
Operating grants	47	23,221	23,268
Capital grants	7,163	7,682	14,845
Other	138	8,400	8,538
Internal balances	38,798	(38,798)	-
Due from other governments	45,919	10,024	55,943
Condemnation deposits	5,764	-	5,764
Note receivable	6,440	-	6,440
Inventory	-	5,953	5,953
Restricted cash and investments:			
Cash equivalents	614	13,168	13,782
Investments	69,791	18,635	88,426
Other assets	5,513	27,726	33,239
Land held for resale	3,239	-	3,239
Capital assets, net:			
Nondepreciable	648,429	55,788	704,217
Depreciable and amortizable	3,978	363,943	367,921
<b>Total Assets</b>	<b>1,449,444</b>	<b>764,364</b>	<b>2,213,808</b>

### Liabilities

Accounts payable	22,956	22,769	45,725
Accrued payroll and related items	1,246	4,338	5,584
Accrued interest payable	6,356	3,064	9,420
Due to other governments	22,083	1,557	23,640
Unearned revenue	1,249	5,387	6,636
Other liabilities	544	485	1,029
Commercial paper notes	29,100	-	29,100
Noncurrent liabilities:			
Due within one year	73,415	16,965	90,380
Due in more than one year	236,761	188,507	425,268
<b>Total Liabilities</b>	<b>393,710</b>	<b>243,072</b>	<b>636,782</b>

### Net Assets

Invested in capital assets, net of related debt	652,407	259,930	912,337
Restricted for:			
Measure M program	414,568	-	414,568
Debt service	110,232	13,168	123,400
Motorist services	6,838	-	6,838
Unrestricted (deficit)	(128,311)	248,194	119,883
<b>Total Net Assets</b>	<b>\$ 1,055,734</b>	<b>\$ 521,292</b>	<b>\$ 1,577,026</b>

Statement of Activities (thousands)

For the year ended June 30, 2007	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<b>Functions/Programs</b>							
<b>Primary Government</b>							
<b>Governmental Activities:</b>							
General government	\$ 125,160	\$ 43,840	\$ 23,717	\$ 8,924	\$ (48,679)	\$ -	\$ (48,679)
Measure M program	174,314	258	-	27,692	(146,364)	-	(146,364)
Motorist services	6,717	-	8,186	-	1,469	-	1,469
Commuter rail	49,791	622	60	26,214	(22,895)	-	(22,895)
<b>Total Governmental Activities</b>	<b>355,982</b>	<b>44,720</b>	<b>31,963</b>	<b>62,830</b>	<b>(216,469)</b>	<b>-</b>	<b>(216,469)</b>
<b>Business-type Activities:</b>							
Fixed route	233,827	48,562	41,630	15,935	-	(127,700)	(127,700)
Paratransit	28,002	5,629	4,863	13	-	(17,497)	(17,497)
Tollroad	34,430	49,838	-	-	-	15,408	15,408
Taxicab administration	366	434	-	-	-	68	68
<b>Total Business-type Activities</b>	<b>296,625</b>	<b>104,463</b>	<b>46,493</b>	<b>15,948</b>	<b>-</b>	<b>(129,721)</b>	<b>(129,721)</b>
<b>Total Primary Government</b>	<b>\$ 652,607</b>	<b>\$ 149,183</b>	<b>\$ 78,456</b>	<b>\$ 78,778</b>	<b>(216,469)</b>	<b>(129,721)</b>	<b>(346,190)</b>
<b>General Revenues:</b>							
Property taxes					-	10,338	10,338
Sales taxes					421,067	-	421,067
Unrestricted investment earnings					37,322	18,117	55,439
Other miscellaneous revenue					668	495	1,163
<b>Transfers</b>					(102,981)	102,981	-
<b>Total General Revenues and Transfers</b>					<b>356,076</b>	<b>131,931</b>	<b>488,007</b>
Change in net assets					139,607	2,210	141,817
Net assets - beginning, as restated					916,127	519,082	1,435,209
<b>Net Assets - Ending</b>					<b>\$ 1,055,734</b>	<b>\$ 521,292</b>	<b>\$ 1,577,026</b>

Statement of Cash Flows - Proprietary Funds (thousands)

	Enterprise Funds					Internal Service Funds
	OCTD	91 Express Lanes	Bus Operations	Nonmajor Enterprise Fund OCTAP	Totals	
<b>For the year ended June 30, 2007</b>						
<b>Cash Flows from Operating Activities:</b>						
Receipts from customers and users	\$ 47,560	\$ 47,542	\$ -	\$ 435	\$ 95,537	\$ -
Receipts from interfund services provided	-	-	-	-	-	28,021
Receipts from third party administrators	-	-	-	-	-	250
Payments to suppliers	(78,699)	(10,925)	(98)	(21)	(89,743)	(1,223)
Payments to claimants	(3)	-	-	-	(3)	(22,930)
Payments to employees	(124,891)	-	-	(210)	(125,101)	-
Payments for interfund services used	(32,564)	(1,604)	-	(134)	(34,302)	(215)
Advertising revenue	4,191	-	-	-	4,191	-
Miscellaneous	943	50	-	3	996	-
<b>Net Cash Provided by (used for) Operating Activities</b>	<b>(183,463)</b>	<b>35,063</b>	<b>(98)</b>	<b>73</b>	<b>(148,425)</b>	<b>3,903</b>
<b>Cash Flows from Noncapital Financing Activities:</b>						
Gas tax exchange received	23,000	-	-	-	23,000	-
Federal operating assistance grants received	21,312	-	-	-	21,312	-
Property taxes received	10,338	-	-	-	10,338	-
Transfers in	168,695	-	-	-	168,695	-
Transfers out	(40,773)	-	(27,000)	-	(67,773)	(5,566)
<b>Net Cash Provided by (used for) Noncapital Financing Activities</b>	<b>182,572</b>	<b>-</b>	<b>(27,000)</b>	<b>-</b>	<b>155,572</b>	<b>(5,566)</b>
<b>Cash Flows from Capital and Related Financing Activities:</b>						
Federal capital grants for acquisition and construction of capital assets	12,636	-	-	-	12,636	-
Proceeds from sale of capital assets	802	1	-	-	803	-
Payment of capital lease	(1,200)	-	-	-	(1,200)	-
Payment of long-term debt	(1,235)	(4,115)	-	-	(5,350)	-
Payment on advances from other funds	-	(12,000)	-	-	(12,000)	-
Interest paid	(353)	(8,064)	-	-	(8,417)	-
Acquisition and construction of capital assets	(40,321)	(3,651)	-	-	(43,972)	-
<b>Net Cash (used for) Capital and Related Financing Activities</b>	<b>(29,671)</b>	<b>(27,829)</b>	<b>-</b>	<b>-</b>	<b>(57,500)</b>	<b>-</b>
<b>Cash Flows from Investing Activities:</b>						
Proceeds from sales and maturities of investments	793	-	-	-	793	-
Investment earnings	8,309	3,352	3,462	9	15,132	2,816
<b>Net Cash Provided by (used for) Investing Activities</b>	<b>9,102</b>	<b>3,352</b>	<b>3,462</b>	<b>9</b>	<b>15,925</b>	<b>2,816</b>
Net increase (decrease) in cash and cash equivalents	(21,460)	10,586	(23,636)	82	(34,428)	1,153
Cash and cash equivalents at beginning of year	149,754	37,247	73,802	61	260,864	51,209
<b>Cash and Cash Equivalents at End of Year</b>	<b>\$ 128,294</b>	<b>\$ 47,833</b>	<b>\$ 50,166</b>	<b>\$ 143</b>	<b>\$ 226,436</b>	<b>\$ 52,362</b>

Statement of Cash Flows - Proprietary Funds, continued (thousands)

	Enterprise Funds					Internal Service Funds
	OCTD	91 Express Lanes	Bus Operations	Nonmajor Enterprise Fund OCTAP	Totals	
<b>For the year ended June 30, 2007</b>						
<b>Reconciliation of Operating Income (loss) to Net Cash Provided by (used for) Operating Activities:</b>						
Operating income (loss)	\$ (216,805)	\$ 26,071	\$ (90)	\$ 66	\$ (190,758)	\$ 7,231
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:						
Depreciation expense	27,676	1,956	-	-	29,632	-
Amortization of franchise agreement	-	7,331	-	-	7,331	-
Amortization of cost of issuance	30	142	-	-	172	-
Advertising revenue	4,191	-	-	-	4,191	-
Miscellaneous	943	50	-	3	996	-
Insurance recoveries	-	-	-	-	-	125
Change in assets and liabilities:						
Receivables	86	(2,447)	-	-	(2,361)	264
Due from other governments	(5,961)	-	-	-	(5,961)	-
Inventory	254	-	-	-	254	-
Other assets	(3,208)	(7)	-	(4)	(3,219)	52
Accounts payable	4,996	1,816	(8)	3	6,807	(55)
Accrued payroll and related items	1,613	-	-	2	1,615	-
Compensated absences	132	-	-	2	134	-
Claims payable	-	-	-	-	-	(3,714)
Due to other funds	1,650	-	-	-	1,650	-
Due to other governments	940	483	-	-	1,423	-
Unearned revenue	-	(321)	-	1	(320)	-
Other liabilities	-	(11)	-	-	(11)	-
Total adjustments	33,342	8,992	(8)	7	42,333	(3,328)
<b>Net Cash Provided by (used for) Operating Activities</b>	<b>\$ (183,463)</b>	<b>\$ 35,063</b>	<b>\$ (98)</b>	<b>\$ 73</b>	<b>\$ (148,425)</b>	<b>\$ 3,903</b>
<b>Reconciliation of Cash and Cash Equivalents to Statement of Net Assets</b>						
Cash and investments	\$ 126,093	\$ 36,866	\$ 50,166	\$ 143	\$ 213,268	\$ 52,362
Restricted cash and cash equivalents	2,201	10,967	-	-	13,168	-
Total cash and cash equivalents	\$ 128,294	\$ 47,833	\$ 50,166	\$ 143	\$ 226,436	\$ 52,362
<b>Schedule of Noncash Activities:</b>						
Capital lease	\$ 10,407	\$ -	\$ -	\$ -	\$ 10,407	\$ -

## Measure M Turnback

### Fiscal Year 2006-2007

Anaheim	\$ 4,474,361.48
Aliso Viejo	479,922.84
Brea	712,271.21
Buena Park	1,070,207.62
Costa Mesa	1,884,000.60
Cypress	720,389.89
Dana Point	436,346.15
Fountain Valley	834,107.03
Fullerton	1,688,169.96
Garden Grove	1,960,089.56
Huntington Beach	2,502,465.72
Irvine	3,142,392.15
Laguna Beach	342,939.40
Laguna Hills	487,683.98
Laguna Niguel	903,004.23
Laguna Woods	185,837.68
La Habra	697,086.43
Lake Forest	1,034,059.75
La Palma	246,980.48
Los Alamitos	173,796.72
Mission Viejo	1,281,511.36
Newport Beach	1,361,086.81
Orange	2,128,349.17
Placentia	625,942.00
Rancho Santa Margarita	569,450.29
San Clemente	727,857.28
San Juan Capistrano	522,646.20
Santa Ana	3,836,828.76
Seal Beach	317,945.67
Stanton	400,458.73
Tustin	1,075,806.26
Villa Park	70,380.44
Westminster	1,172,559.95
Yorba Linda	764,564.41
County of Orange	2,294,738.60

**Total** \$ 41,126,238.81

## 2008 Orange County Transportation Authority Board of Directors

Chris Norby	Chairman
Peter Buffa	Vice Chairman
Jerry Amante	Director
Patricia Bates	Director
Art Brown	Director
Bill Campbell	Director
Carolyn V. Cavecche	Director
Richard Dixon	Director
Paul G. Glaab	Director
Cathy Green	Director
Allan Mansoor	Director
John Moorlach	Director
Janet Nguyen	Director
Curt Pringle	Director
Miguel Pulido	Director
Mark Rosen	Director
Gregory T. Winterbottom	Director
Cindy Quon	Governor's Ex-Officio Member

### Executive Office

Arthur T. Leahy	Chief Executive Officer
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### Orange County Transportation Authority

550 S. Main Street, P.O. Box 14184

Orange, CA 92863-1584

714-560-OCTA (6282)

[www.octa.net](http://www.octa.net)



