



# Proposed Fiscal Year 2014-15 Comprehensive Business Plan



# Comprehensive Business Plan

- Financially constrained business planning tool
- Ensure long-term financial viability of Orange County Transportation Authority programs and services
- Approved by Board of Directors on a biennial basis
- Serves as baseline for development of annual budget
- Does not authorize staff to enter into contracts or appropriate any funds
  - Specific decisions on programs and projects and associated funding appropriations are subject to future approval by the Board of Directors

# Bus Program

## ■ Revenue

- Transportation Development Act sales tax revenue based on three university forecast
- Assumed fare adjustment of 25 percent every 4 years beginning in fiscal year (FY) 2016-17
- Receipt of Federal Transit Administration (FTA) Section 5307 and 5339 funds based on Moving Ahead for Progress in the 21<sup>st</sup> Century (MAP-21) Program
- State Transit Assistance funds for capital expenditures

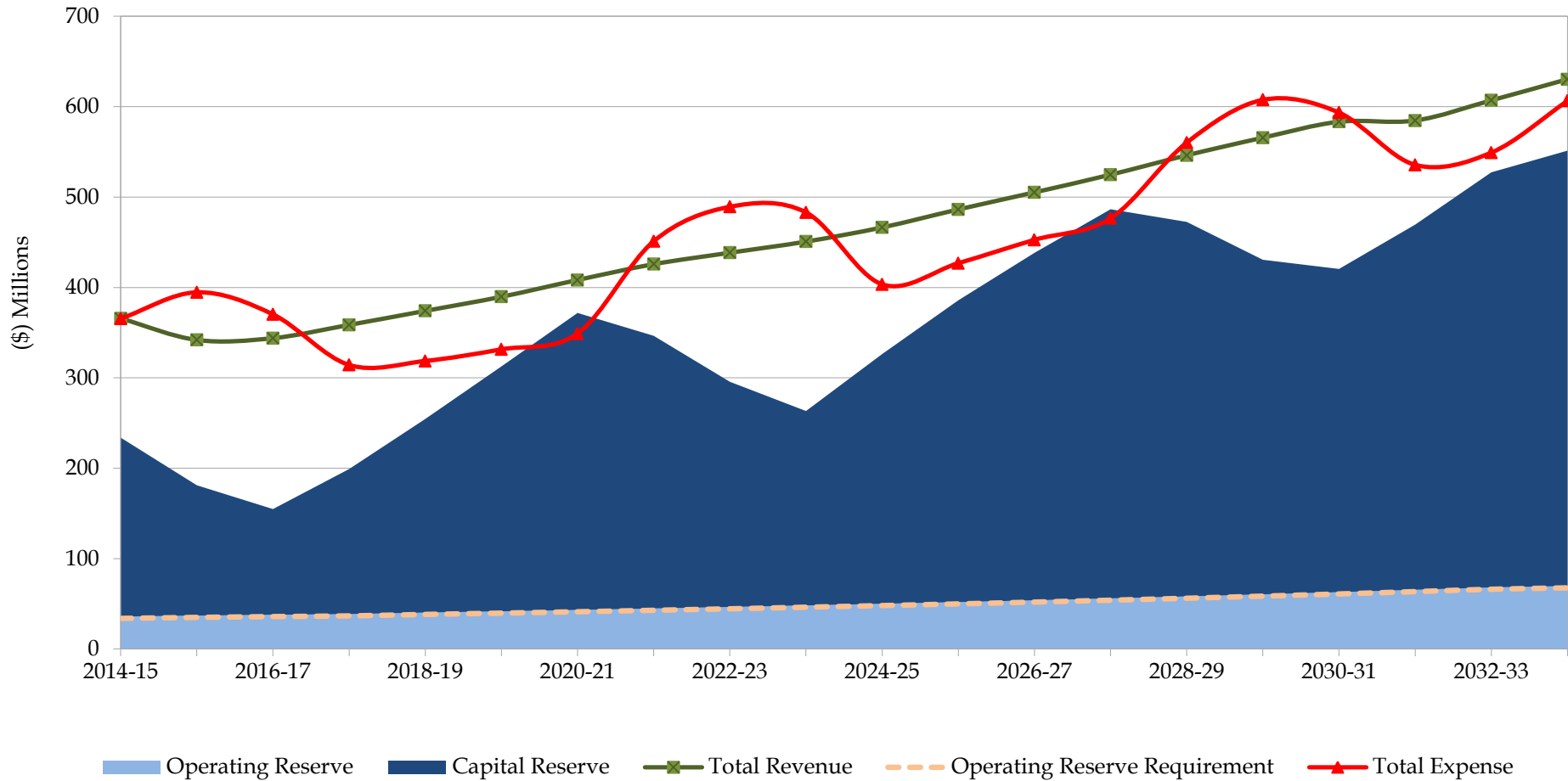
## ■ Expenditures

- Fixed-route
  - Base revenue hours of 1.608 million
  - Increase service by 34 thousand revenue hours
  - 40 percent contracted service by the end of FY 2015-16
  - Useful life of 14 years for 40' and 60' buses
- Paratransit
  - ACCESS revenue hour growth of 3 percent per year
  - Continued use of taxi services and cost sharing agreements
  - Costs increased based on Consumer Price Index

# Bus Program

- Salary and Benefit Expenditures
  - Pension rates provided by Orange County Employees Retirement System
    - All employees to pay 100 percent of employee share of pension costs by January 1, 2017
  - Administrative personnel
    - Merit pool of 4 percent and special performance award pool of 3 percent
  - Union contract renewals assume annual salary increases of Consumer Price Index + 0.25 percent

# Bus Program (cont'd)



# Rail Program

## ■ Revenue

- Measure M2 (M2) High-Frequency Metrolink Service funds are the primary source of revenue
- Transfer remaining Measure M1 rail funds to the Commuter and Urban Rail Endowment (CURE) for future operations
- Receipt of FTA Section 5337 and 5307 funds based on MAP-21
  - Locomotive and railcar rehabilitation and replacement and other capital expenditures
- Proceeds from sale of Anaheim Regional Transportation Intermodal Center land of \$36.3 million used for future operations
- Railcar reimbursement of \$33.6 million between FY 2012-13 through FY 2018-19

## ■ Expenditures

- Increase in weekday trains from 54 to 56 trains in FY 2015-16
- Limited funding available for capital improvements outside of costs for rehabilitation and replacement of railcars and locomotives
- Repayment of Proposition 116 funded by CURE

# Measure M2 Program

- Revenue
  - M2 Program sales tax forecast of \$15.8 billion
  - Assumes future federal and state funding
  - Debt issuances based on project schedules
- Expenditures
  - Freeway mode
    - Consistent with the M2020 Plan
    - Project K – Alternative 1
  - Streets & Roads
    - Consistent with the M2020 Plan
  - Transit:
    - Project R – sustainable through FY 2040-41
    - Project S – consistent with Board approved New Starts scenario
    - Project T – unprogrammed balance of approximately \$230 million
    - Project U – the Fare Stabilization Program is projected to have a shortfall of approximately \$95 million through FY 2040-41
    - Projects V and W – pay as you go

# Other Programs

- Other programs meeting objectives
  - 91 Express Lanes
  - Motorist and Taxicab Services
    - Orange County Taxi Administration Program
    - Service Authority for Freeway Emergencies
  
- Non-Program Specific Expenditures
  - Bristol Street widening project
  - Continuous access striping for high-occupancy vehicle lanes
  - Vanpool and Rideshare Programs
  - Bicycle Safety Program



# Next Steps

- Approve Comprehensive Business Plan
- Incorporate feedback and distribute final document
- Develop FY 2015-16 budget