

Orange County Transportation Authority *Fiscal Year 2008 – 09 Budget Amendment*



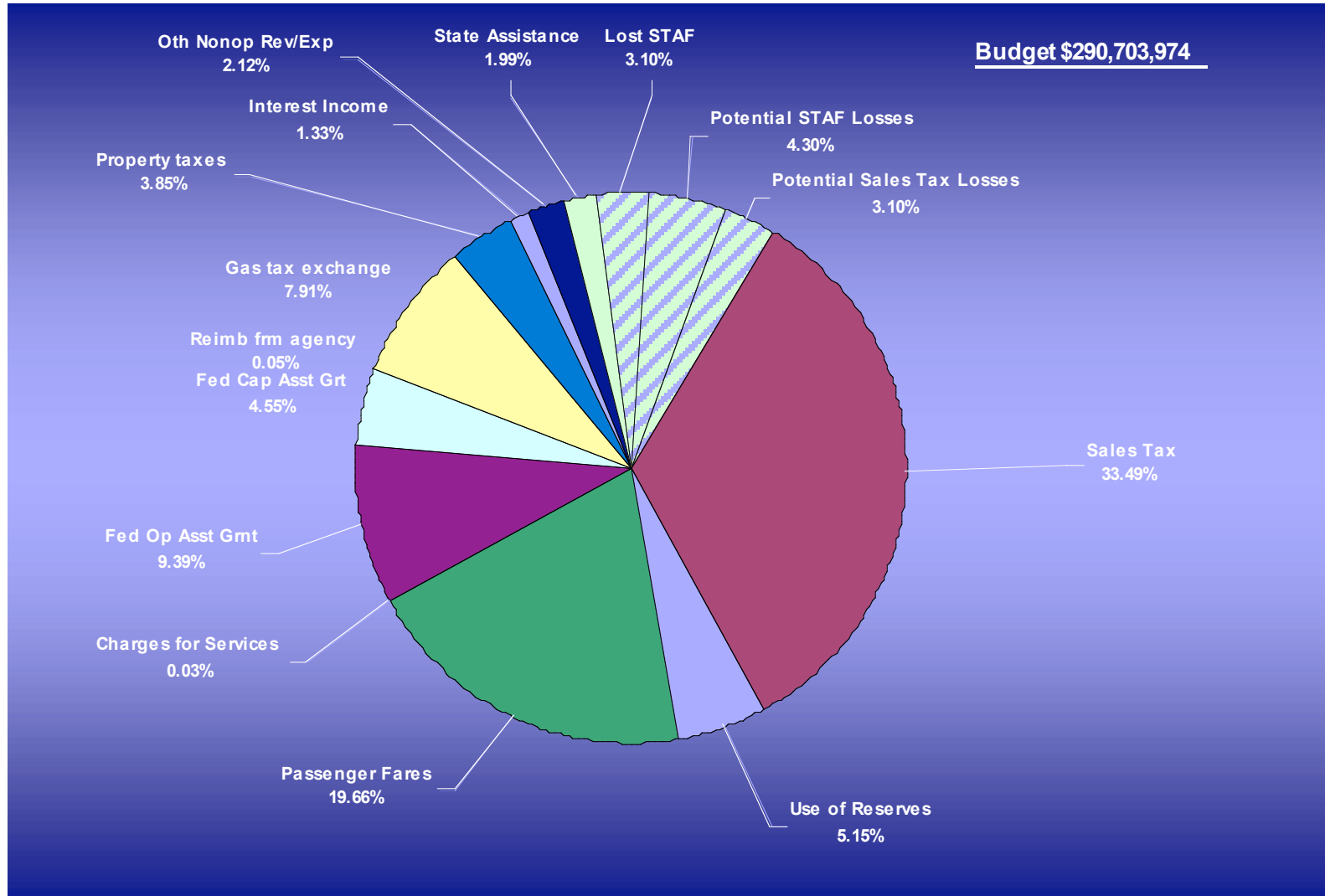
**Board of Directors Meeting
November 24, 2008**

Bus Transit Revenue shortfall

- Decline in Local Transportation Fund
 - Due to downturn in economy
 - Sales tax growth rate revised from 3.39 to 1.56 percent
 - Current projection \$9 million less by year end
 - Expect new rate in December 2008
- Reduced State Transit Assistance Fund
 - State cut \$9 million from appropriation
 - State may borrow Proposition 42 ~ \$12.5 million

FY 2008-09 Budget

Bus Transit Sources



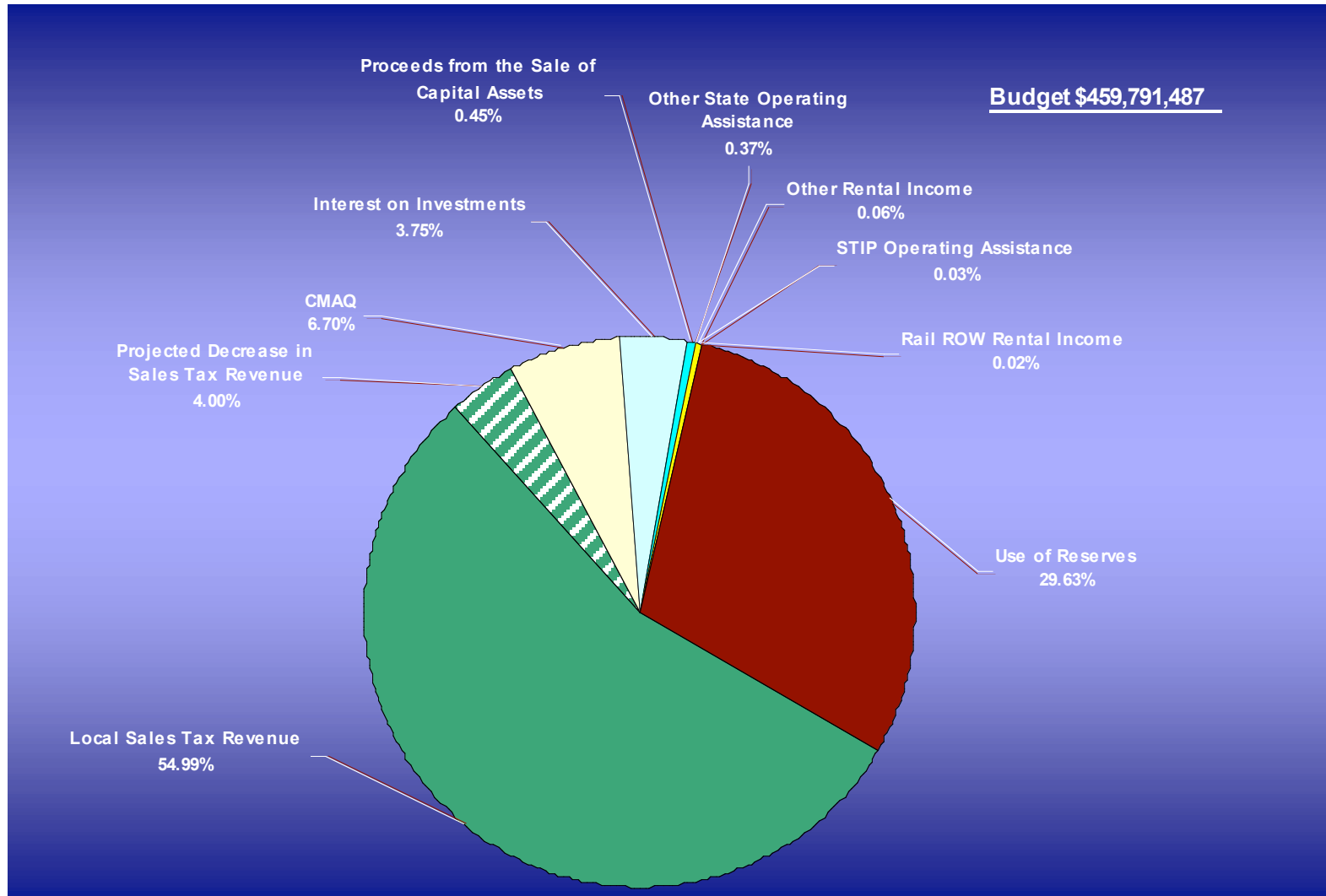
Short-Term Action Plans for Bus Transit Service

- Eliminate various indirect services and supplies, capital and fixed assets
- Re-prioritize capital projects that are not required by State or Federal mandate
- Implement a modest service reduction
- Implement a hiring limit
- Internal transfer of transit-eligible funds from rail transit operating to the Bus Operating Fund
- Implement proposed fare adjustment scheduled for January 2009

Guiding Principles for Making Service Reductions

- Minimize overall impacts on customers
- Balance expenses with available revenues
- Try to Avoid layoffs
- Maintain geographic equity
- Maintain overall access to transit
- Consider route performance and productivity

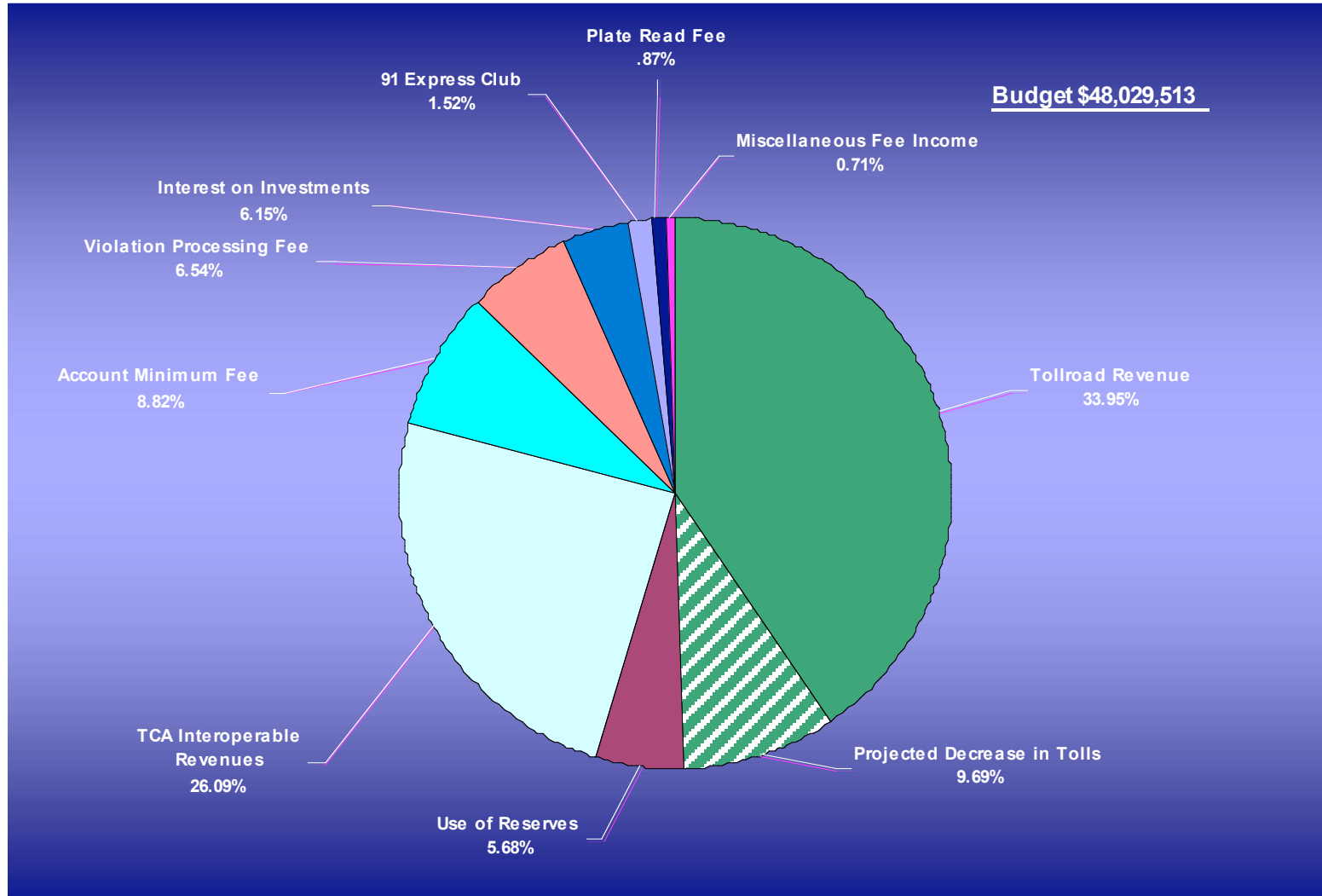
Measure M Program Sources



Short-Term Action Plans for Measure M

- No immediate impact to freeway projects
- Less funding available for Turnback and Competitive and Rail Transit programs
- Anticipate reduction in freeway project contingency

91 Express Lanes Sources



Short-Term Action Plans for the 91 Express Lanes

- Eliminate services and supplies line items
- Defer some capital projects
- Reduce designation for future capital projects

OCTA Fiscal Year 2008-09

Expense Line Item Summary

Description	Amount (in millions)
Proposed Mid-Year Line Item Reductions:	
General Fund:	
Services and Supplies Line Items	(0.8)
Capital and Fixed Assets Line Items	(21.6)
	\$ (22.4)
Bus Transit Service:	
Services and Supplies Line Items	\$ (0.5)
Capital and Fixed Assets Line Items	(35.5)
	\$ (36.0)
Measure M:	
Services and Supplies Line Items	\$ (3.9)
91 Express Lanes:	
Services and Supplies Line Items	\$ 2.0
Capital and Fixed Assets Line Items	(1.0)
	\$ 1.0
Total Authority Services and Supplies	\$ (3.2)
Total Authority Capital	\$ (58.1)

Next Steps

- Staff to monitor future State actions
 - Update Sales Tax projections
 - Report to F&A Committee