

Fiscal Year 2009-10 Budget Workshop

Board of Directors' Meeting
May 11, 2009

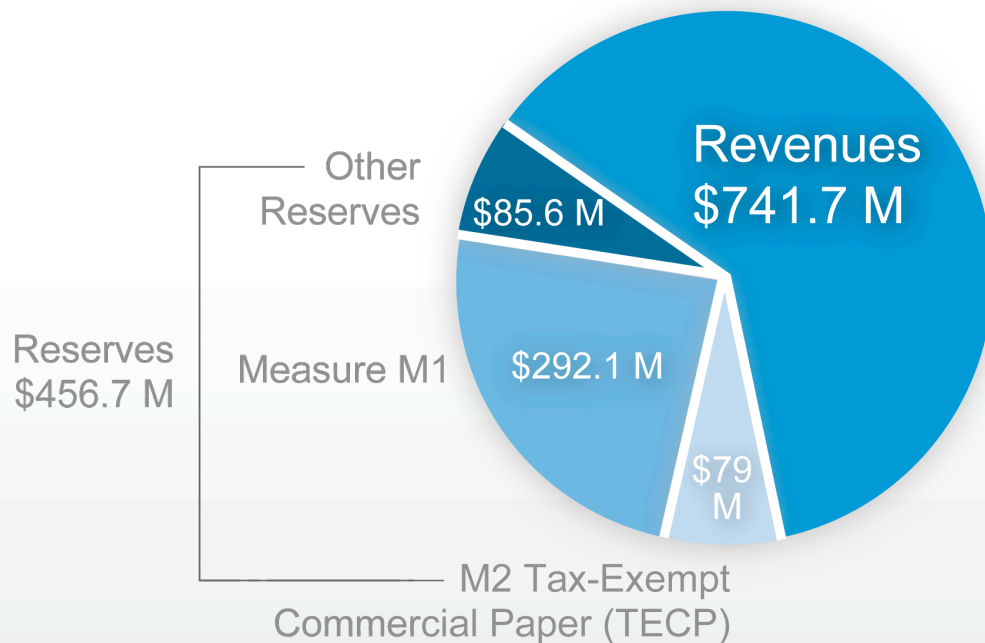


FY 2009-10 Budget Overview



Source of Funds \$1,198.4 million

Use of Funds \$1,198.4 million



Budget Sources & Uses



In Millions Sources	FY 2008-09	FY 2009-10	Change	
	Approved	Proposed	\$	%
Revenues	\$768.0	\$741.7	(\$26.3)	-3%
Reserve Utilization	289.8	456.7	166.8	58%
Total Revenue/Reserves	\$1,057.8	\$1,198.4	\$140.5	13%

Uses

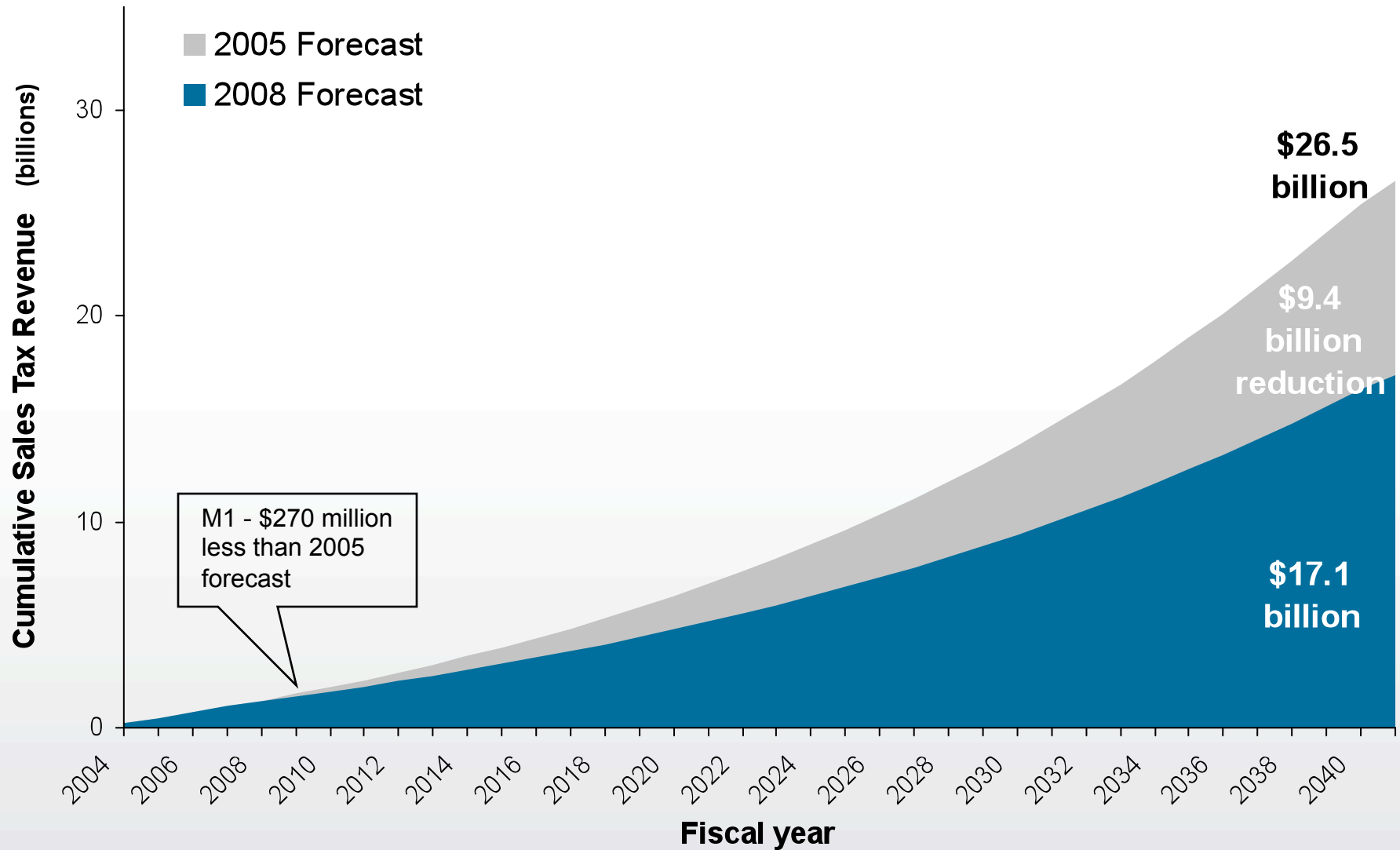
Services and Supplies	\$662.3	\$749.6	\$87.3	13%
Capital Expenditures	199.5	273.7	74.2	37%
Salaries and Benefits	169.7	153.2	(16.5)	-10%
Designations	26.3	21.9	(4.4)	-17%
Total Expenditures / Designations	\$1,057.8	\$1,198.4	\$140.5	13%

Revenue Sources



In Millions Revenue By Source	FY 2008-09	FY 2009-10	Change	
	Approved	Proposed	\$	%
Measure M Local Transportation Authority 1/2 Cent Sales Tax	\$282.5	\$234.7	(\$47.8)	-17%
Federal Grants	87.4	157.3	69.9	80%
Local Transportation Fund 1/4 Cent Sales Tax	112.7	89.6	(23.0)	-20%
State Grants	50.0	65.7	15.7	31%
Passenger Fares	57.2	63.4	6.3	11%
91 Express Lanes Revenues	47.0	41.9	(5.1)	-11%
Gas Tax Exchange	23.0	23.0	-	0%
Gas Tax	23.0	23.0	-	0%
Interest	32.3	17.0	(15.3)	-47%
Other	10.5	12.3	1.8	17%
Property Tax	11.5	11.4	(0.1)	-1%
Advertising	5.2	2.4	(2.8)	-54%
State Transit Assistance Fund	25.8	-	(25.8)	-100%
Subtotal Sources	\$768.0	\$741.7	(\$26.3)	-3%
Reserve Utilization	289.8	456.7	166.8	58%
Total Revenues / Reserves	\$1,057.8	\$1,198.4	\$140.5	13%

Measure M1 and M2 Sales Tax



Planned Use of Reserves



In Millions	FY 2008-09	FY2009-10
Reserves By Fund	Approved Budget	Proposed Budget
M1 & M2 Local Transportation Authority	\$201.1	\$371.1
Metrolink Capital / Senior Fare Stabilization / TECP		
Commuter and Urban Rail Endowment	33.7	34.6
Metrolink Operations and Capital		
Orange County Transit District	31.7	31.3
Bristol Street Widening / Fixed Asset Reserve		
Bus Operations Fund	12.8	13.7
TDA Diversion Backfill		
Internal Service Funds	4.0	-
Local Transportation Fund	3.1	5.3
Bikeway & Pedestrian Facilities		
91 Express Lanes	2.3	-
Service Authority for Freeway Emergencies	1.2	0.7
Total Use of Reserves	\$289.8	\$456.7

TDA – Transportation Development Act

Expenditures



In Millions Expenditures	FY 2008-09	FY 2009-10	Change	
	Approved Budget	Proposed Budget	\$	%
Contributions to Other Agencies	\$205.4	\$287.4	\$82.1	40%
Capital Expenditures	199.5	273.7	74.2	37%
Salaries & Benefits	169.7	153.2	(16.5)	-10%
Professional & Outside Services	154.7	130.7	(24.0)	-16%
Measure M Turnback / Competitive	76.2	99.2	22.9	30%
Long Term Debt Principal Payments	75.4	78.4	3.1	4%
Contract Transportation Services	44.0	59.1	15.1	34%
Maintenance Parts & Fuel	29.8	24.4	(5.4)	-18%
Gas Tax Exchange	23.0	23.0	-	0%
Interest Expense	26.2	20.9	(5.2)	-20%
General & Administration	16.0	14.7	(1.3)	-8%
Insurance Claims / Premiums	10.8	10.9	0.1	1%
Other Operating Expense	0.8	0.9	0.0	5%
Subtotal Sources	\$1,031.5	\$1,176.5	\$145.0	14%
Designations	26.3	21.9	(4.4)	-17%
Total Expenditures / Designations	\$1,057.8	\$1,198.4	\$140.5	13%

Designations



In Millions	FY 2008-09	FY 2009-10
Designation of Funds	Approved	Proposed
	Budget	Budget
91 Express Lanes - Repayment of Internal Borrowing / Capital Reserves	\$15.4	\$12.1
Orange County Transit District - Fixed Asset Reserves	\$7.1	\$4.9
Measure M Bond Debt Service	\$1.6	\$1.9
M1 Local Transportation Authority - Senior and Disabled Fare Stabilization	\$1.0	\$1.0
ARBA Trust Fund - Contributions	-	\$1.0
Service Authority for Abandoned Vehicles - Operational Support	\$0.5	\$0.6
OCUTT & Miscellaneous Other Funds - Future Projects	\$0.4	\$0.2
Transit Development Capital Projects - Future Projects	\$0.1	-
Commuter and Urban Rail Endowment	\$0.0	\$0.0
Local Transportation Fund	\$0.0	\$0.1
Orange County Taxi Cab Administration Program	-	\$0.0
Total Designations	\$26.3	\$21.9

ARBA – Additional Retiree Benefit Account

OCUTT – Orange County Unified Transportation Trust

Capital & Services

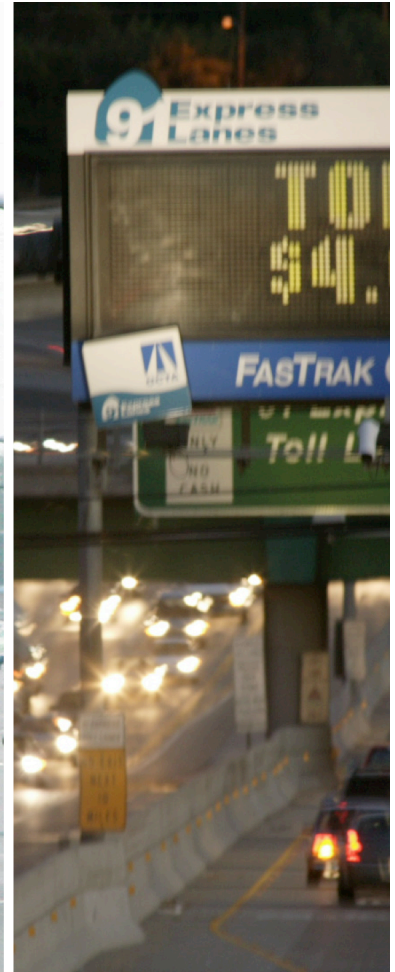
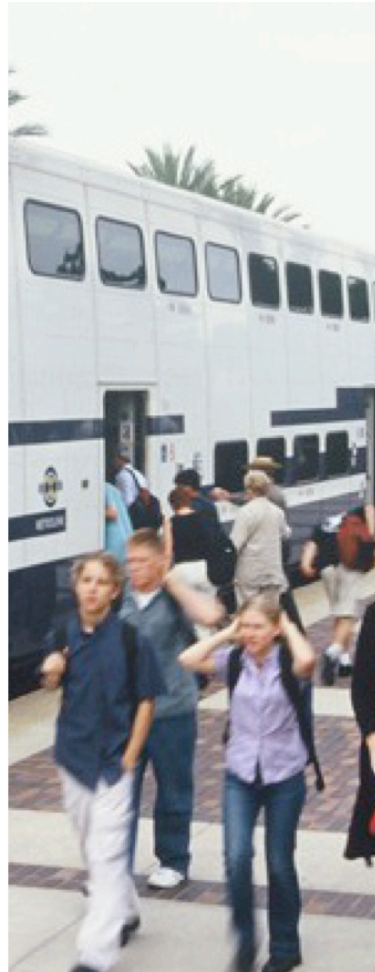
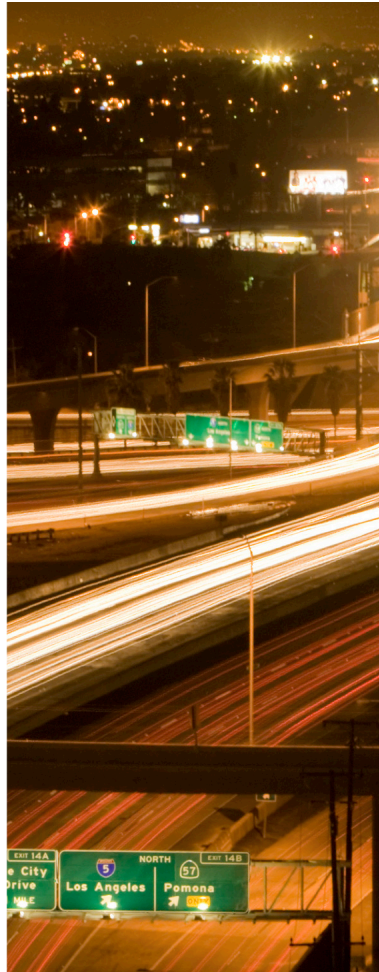


Division	Item	Cost	Description
Development	General Fund		
	Bristol Street Widening Project	\$ 30,750,000	Between 17th Street and Warner Avenue
	Local Transportation Authority I & II		
	I-5 Gateway	76,197,530	Details on Slide 34
	West County Connectors	72,680,000	Details on Slide 34
	Measure M1 Competitive Grants	63,600,000	Funding for local agency projects
	Measure M1 Turnback	36,206,777	Annual turnback of 14.6% Local Trans. Auth. sales tax
	Measure M2 Freeway projects	34,072,740	In various environmental, planning, & const. phases
	Railroad Separations	30,260,000	Orangethorpe, Tustin, Lakeview, Placentia & Kraemer
	State Route 22	7,100,000	Construction services and ROW related to soundwalls
	On-Call Traffic Engineering Services	6,859,250	Signal Synchronization
Interest on Tax-Exempt Commercial Paper	2,251,975	Interest on Debt and associated Financial Fees	
Local Transportation Fund			
Bikeway and Pedestrian Facilities	5,316,729	Comprised of nine cities and the County of Orange	
Rail	Commuter and Urban Rail Endowment		
	Metrolink On-going Operations	31,619,212	Details on Slide 27
	Local Transportation Authority I & II		
	Metrolink Expansion Plan	262,265,779	Details on Slide 28
	Go Local	18,247,840	Details on Slide 30
	ARTIC Phase I	13,912,400	Details on Slide 29
Railroad Separations	2,434,000	5 Project Study Reports for at-grade crossings	
Executive Office	General Fund		
	5317 New Freedoms Initiative	1,472,118	Local agency transportation projects
	Motorist Services Funds		
Motorist Services	8,207,072	Taxi, FSP, callbox, and abandoned vehicle programs	
External Affairs	Orange County Transit District		
	Vanpool Program	2,081,800	Subsidy for Employer Commuter Program
	Customer Information Center	1,517,500	Provide transit information to public via Call Center
Finance & Administration	General Fund / Orange County Transit District		
	Office Space Leases	4,542,663	Lease for all OCTA locations
	Software/Hardware Maintenance & Support	2,150,000	Annual maintenance cost of software and hardware
	Utilities	1,926,400	Utilities for all locations except headquarters
	General Counsel	1,000,000	Annual legal fees paid to general counsel

Capital & Services, continued



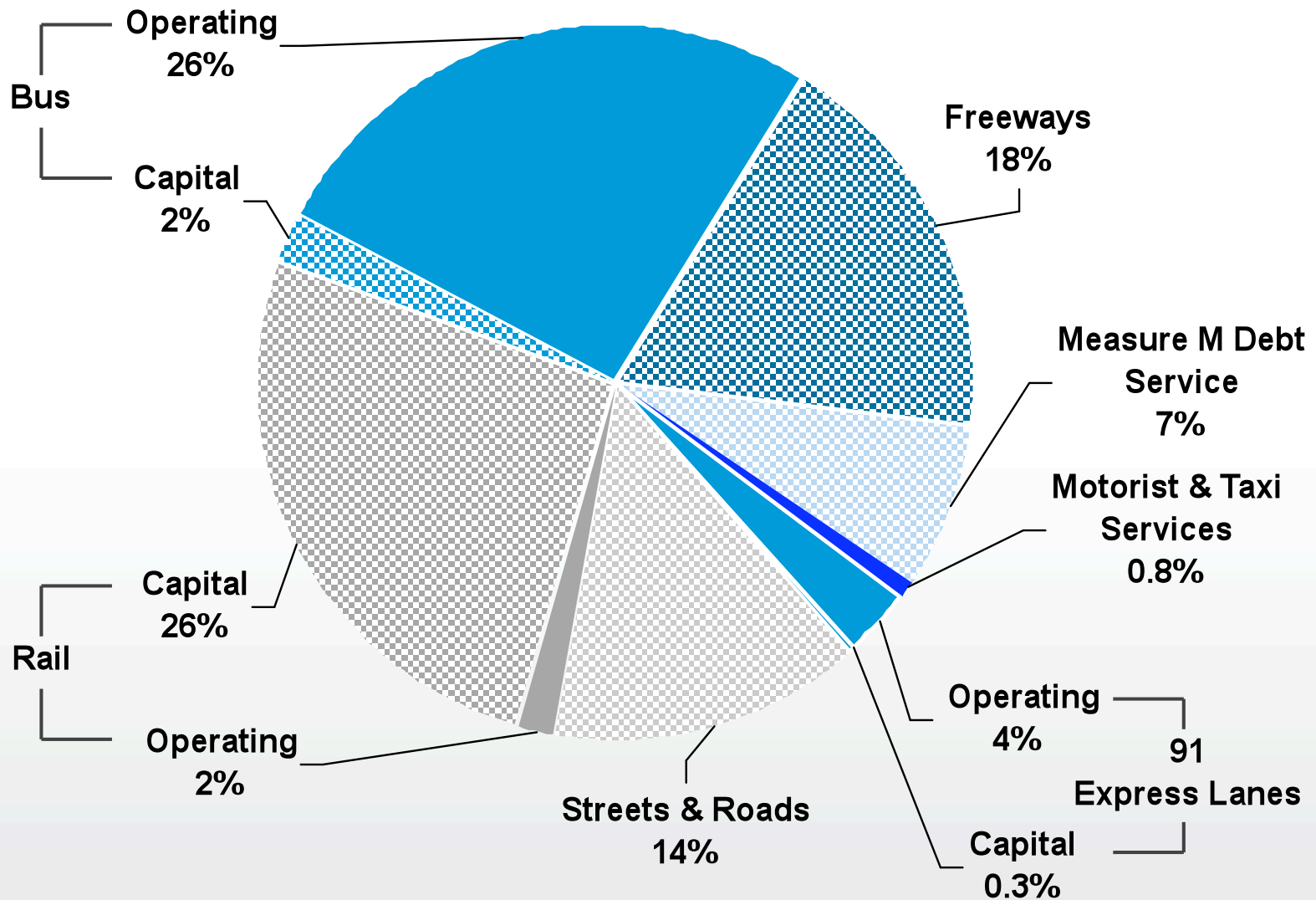
Division	Item	Cost	Description
Finance & Administration (continued)	Local Transportation Authority Debt Service		
	Principal Payments	\$ 78,405,000	Reduce outstanding debt
	Interest Expense	8,999,731	Interest payments on outstanding debt
	Gas Tax		
	Gas Tax Revenue Exchange	23,000,004	Continue gas tax exchange program
	91 Express Lanes		
	91 Express Lanes Expenses	17,924,100	Operations, Capital and Traffic Management
	Interest Expense	10,434,839	Interest payments on outstanding debt and internal borrowing
Entrance and Exit Readers	1,000,000	Entrance and Exit Readers for SR-91 Toll Road	
Transit	Orange County Transit District		
	ACCESS	39,685,936	613k revenue hours and 110k taxi service trips
	Contracted Fixed Route Service	8,647,679	90.3K RVH fixed route; 18.7K StationLink, 8.5K Express
	Liquefied Natural Gas	6,091,015	Based on an average cost of \$1.17 per gallon equivalent
	Maintenance Parts	4,723,311	Parts for general maintenance
	Transit Security Services	3,911,512	Security services for Orange County Transit District
	Gasoline Fuel Product	2,777,668	Based on an average cost of \$2.45 per gallon
	Diesel Fuel	2,622,115	Based on an average cost of \$2.72 per gallon
	Compressed Natural Gas	2,172,130	Based on an average cost of \$0.76 per Therm
	CNG Equipment Operations & Maintenance	1,700,000	Operating and Maint. costs for CNG equipment at all bases
	Short-Term Lease for CNG Fueling Station	1,429,224	Associated w/the CNG Fueling Station, Irvine Sand Canyon
	Custodial Services	1,230,000	General custodial services for all bases
	Bus Rapid Transit (BRT) - Consultant	1,143,000	Management support for BRT
	Local Transportation Fund		
Senior Mobility Program	1,985,674	Provide local transit options for seniors	
Total		\$934,554,723	These items collectively represent 78% of total budget



Fiscal Year 2009-10 Budget Overview By Program



Expenditures by Program



Bus Program



Bus: Challenges & Assumptions



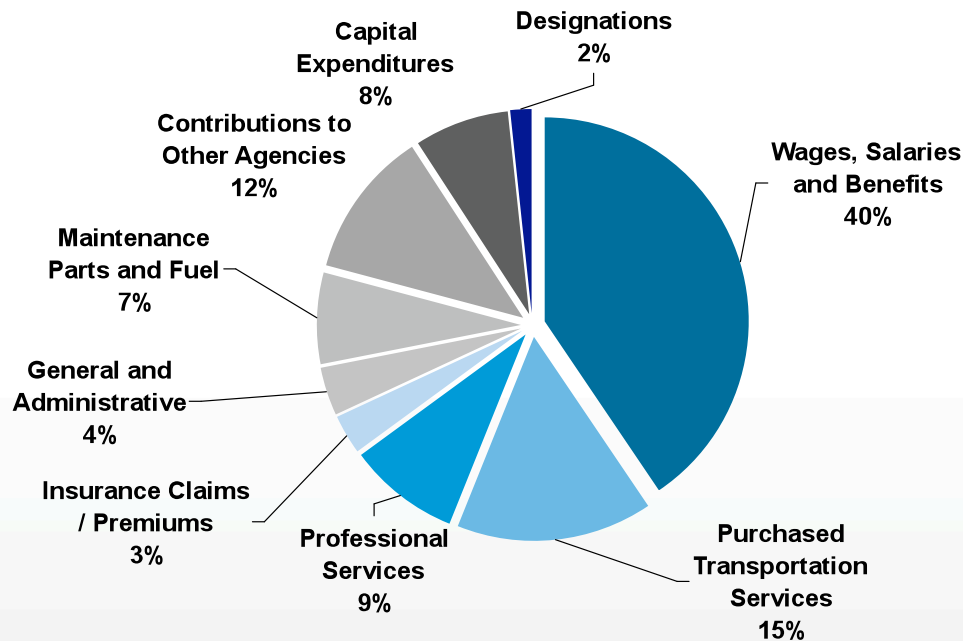
Challenges

- Elimination of State Transit Assistance Fund
- Decrease in sales tax by 4.3% (Budget-to-budget reduction of 20%)
- Alternative Fuel Credit expires December 2009
- ACCESS paratransit contract cost increase

Assumptions

- Federal Stimulus funding applied
- Increased flexibility of federal funds for both capital and operating
- Service reductions
 - 133 K revenue hours in Fiscal Year 2009 (Represents 7% reduction)
 - Equivalent of 400 K revenue hours planned in Fiscal Year 2010 (Represents 22% reduction)
- Bus rapid transit to be launched June 2010
- Fuel price assumptions (Diesel \$2.72/gallon, LNG \$1.17/gallon & CNG \$0.76/gallon)
- Reduced Divisional budgets; administrative hiring / wage freezes
- Reprogrammed Bikeway & Pedestrian Facilities for bus operations

Bus: Program Overview



In Thousands

Bus Uses	FY2008-09 Budget	FY2009-10 Budget	Proposed Change
Wages, Salaries and Benefits	\$153,281	\$137,175	(\$16,106)
Purchased Transportation Services	37,691	52,566	14,876
Professional Services	34,660	30,585	(4,076)
Capital Expenditures	66,222	25,944	(40,278)
Maintenance Parts and Fuel	29,774	24,384	(5,390)
Gas Tax Exchange	23,000	23,000	-
Contributions to Other Agencies	8,968	16,220	7,252
General and Administrative	12,445	13,114	669
Insurance Claims / Premiums	9,724	10,110	387
Designations	8,292	5,331	(2,961)
Bus Total	\$384,058	\$338,431	(\$45,627)

Five Year Shortfall - \$272 million

Despite \$76.1 million in federal stimulus funds, bus operating revenues fall short of projections.

Change in Millions

Funding Source	FY 09	FY 10	FY 11	FY 12	FY 13	Total
Local Transportation Fund	(\$28.6)	(\$41.6)	(\$46.0)	(\$47.8)	(\$50.5)	(\$214.4)
State Transit Assistance	(17.0)	(20.0)	(20.8)	(21.2)	(20.2)	(99.2)
Other	(10.7)	(16.5)	(18.9)	(6.1)	(4.8)	(57.0)
Federal Formula Grants	(3.3)	14.2	(2.9)	8.5	9.2	25.7
Bus Fares	(1.7)	(0.7)	1.0	4.1	3.6	6.3
Property Taxes	(0.4)	(1.1)	(1.9)	(2.7)	(3.4)	(9.5)
Federal Economic Stimulus	28.0	37.5	10.5	-	-	76.1
Total	(\$33.7)	(\$28.2)	(\$78.9)	(\$65.1)	(\$66.0)	(\$272.0)

As compared to the 2008 Comprehensive Business Plan

Bus: Eligible Revenues



In Millions Revenues by Source	FY 2009-10 Revenues	Available for Bus	Utilized for OCTD Bus Service	
			\$	%
M1 Local Transportation Authority 1/2 Cent Sales Tax	\$234.7	\$1.0	\$1.0	100%
Federal Grants	157.3	73.9	71.2	96%
Local Transportation Fund 1/4 Cent Sales Tax	89.6	88.7	83.6	94%
State Grants	65.7	18.8	18.1	97%
Passenger Fares	63.4	63.4	63.4	100%
91 Express Lanes Revenues	41.9	0.3	-	0%
Gas Tax Exchange	23.0	23.0	23.0	100%
Gas Tax	23.0	-	-	0%
Interest	17.0	2.2	2.0	91%
Other	12.3	3.6	3.6	100%
Property Tax	11.4	11.4	11.4	100%
Advertising	2.4	2.4	2.4	100%
Subtotal Sources	\$741.7	\$288.6	\$279.8	97%

Balancing the Budget: Staffing Reductions



OCTA Staffing	FY 2009 Headcount	FY 2010 Headcount	Difference
Administrative (Funded)	508	489	(19)
Coach Operator*	1,164	1,059	(105)
Maintenance*	264	242	(22)
TCU* (Funded)	49	47	(2)
Full-Time Employees	1,985	1,837	(148)

*Anticipated year-end levels are as follows: 831 Coach Operators and 189 Maintenance

Balancing the Budget: Administrative Savings



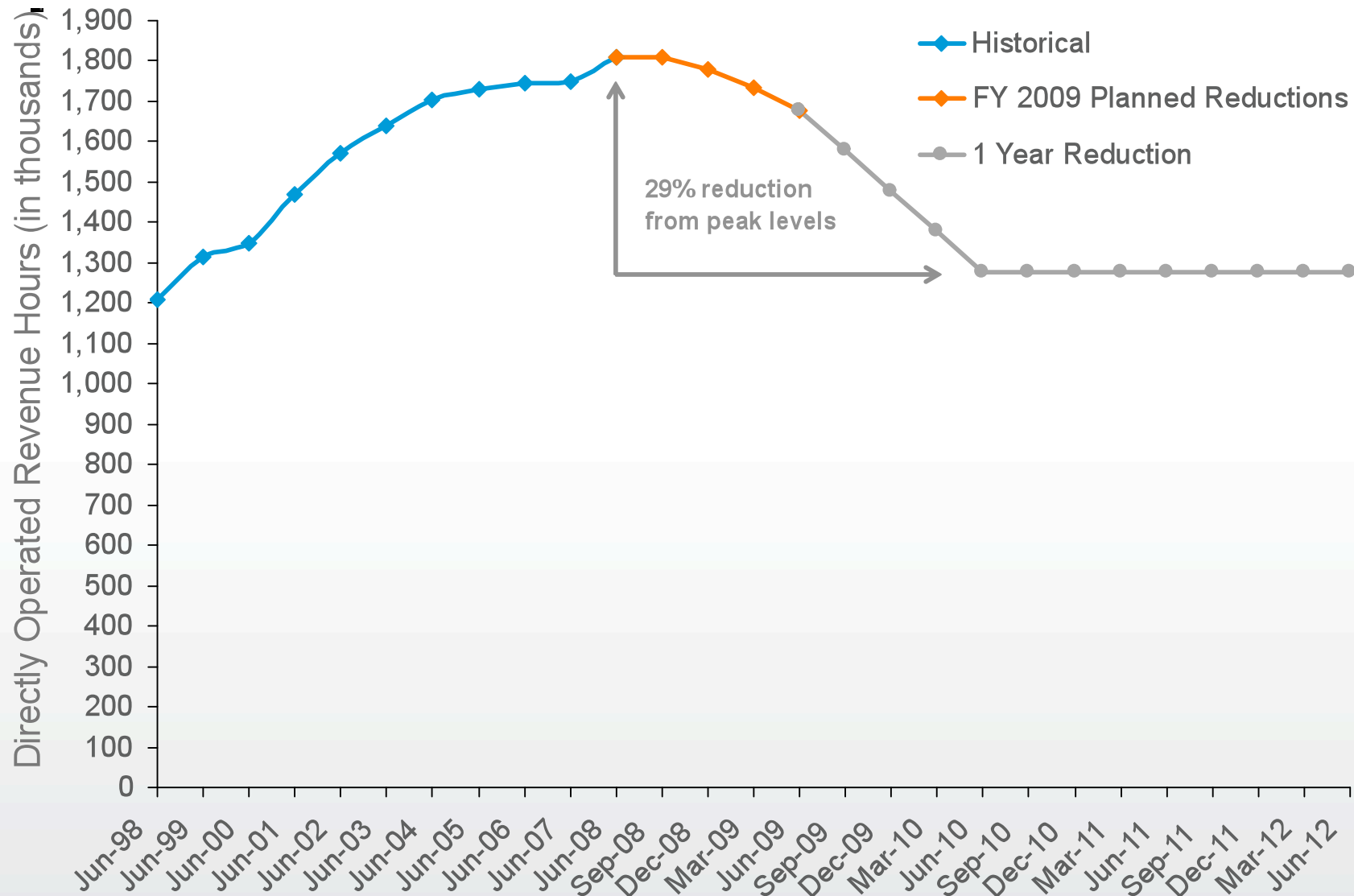
Budget Savings	# of Position Equivalents	Cost
Frozen Positions	19	\$ 2,001,326
Wage Freeze	31	\$ 3,494,259
Contracted Staff / Temporary Help / Interns	3	\$ 387,068
Administrative Benefits		
Eliminate one Personal Paid Holiday		\$ 180,000
Suspend Computer Reimbursement		102,000
Revise Metrolink / Rideshare Benefits		59,113
Furlough Day for Management		56,000
Suspend Management Physicals		37,500
Subtotal Administrative Benefits	4	\$ 434,613
Total Savings	57	\$ 6,317,266

Balancing the Budget: Divisional Reductions

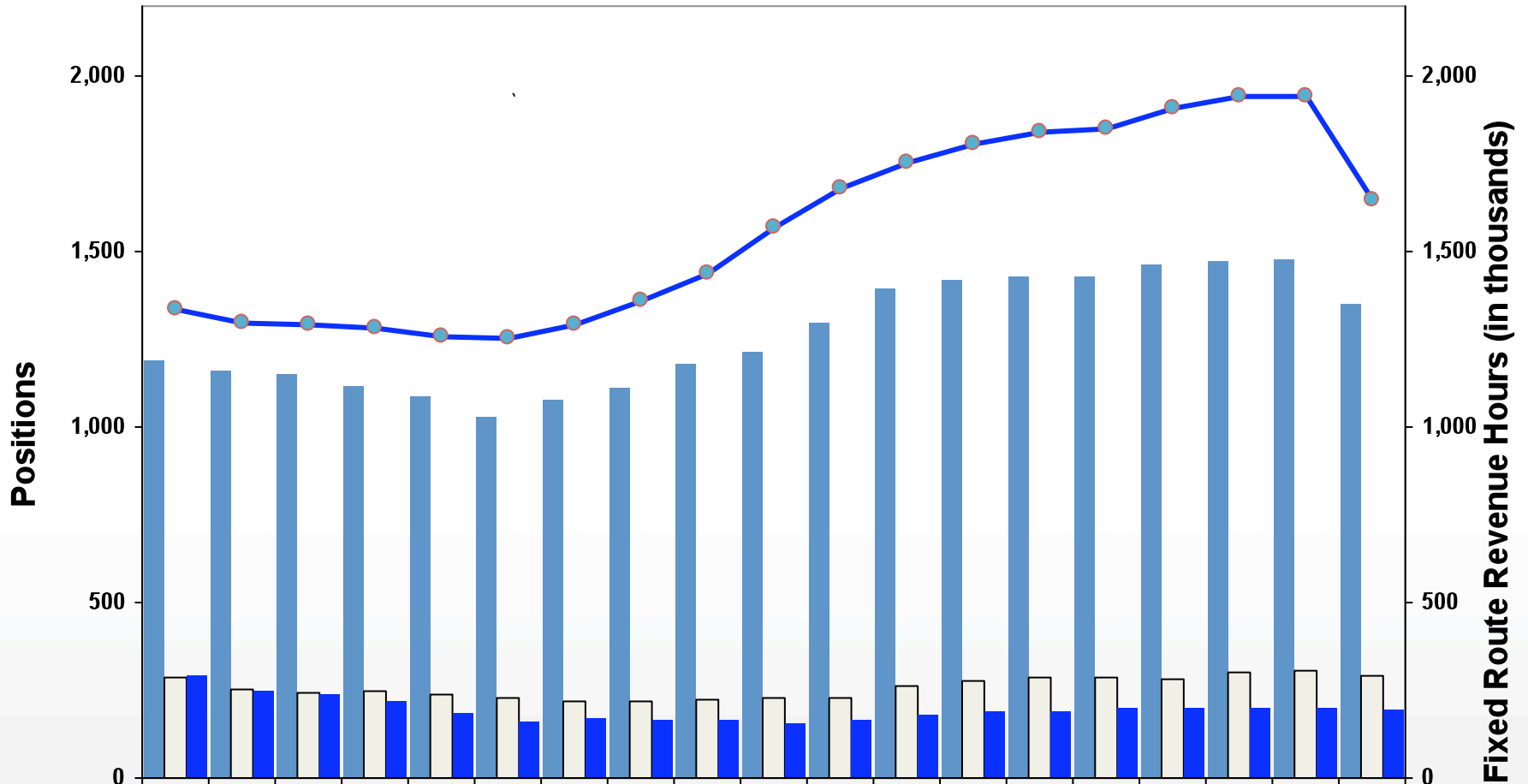


Division	Major Reductions	Amount
Transit	Service Reductions (Fiscal Year 2009)	\$ 10,654,545
	Service Reductions (Fiscal Year 2010)	22,044,990
	Bus Stop Cleaning	430,000
	In-house Maintenance of Contingency Fleet	350,000
	Mobility Training Services	247,000
	Sheriff Contract related to Revenue Counting Service	200,000
	Bus Stop Improvement Project	150,000
	Janitorial Services	120,000
External Affairs	Customer Information Center / Pass Processing	446,400
	Transit Marketing Services	347,000
	Bus Cassette Program	130,000
	Orange County Fair	50,000
Finance and Administration	Legal Services	231,149
	Hardware/Software Annual Maintenance	145,800
	Outsourced Desktop Support	107,000
Human Resources & Org. Dev.	Employment Advertising	100,000
Total		\$35,753,884

Fixed Route Service Levels



Staffing / Service Trends



	FY92	FY93	FY94	FY95	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10
Union	1,192	1,163	1,150	1,118	1,089	1,030	1,079	1,111	1,180	1,215	1,296	1,394	1,416	1,426	1,426	1,463	1,473	1,477	1,348
Admin.	285	254	241	247	238	230	218	220	221	227	229	262	279	286	285	284	299	307	293
Ops. Support	289	249	240	219	185	160	168	165	166	157	167	181	187	188	198	198	200	201	196
Total	1,766	1,666	1,631	1,584	1,512	1,420	1,465	1,496	1,567	1,599	1,692	1,837	1,882	1,900	1,909	1,945	1,972	1,985	1,837
Revenue Hours	1,334	1,295	1,294	1,282	1,257	1,251	1,293	1,359	1,436	1,567	1,679	1,752	1,805	1,843	1,850	1,908	1,942	1,944	1,646

Performance Indicators FY 2009-10



	Performance Indicators	Contract			System Total
		Fixed Route	Paratransit	Fixed Route	
Service Provided	Vehicle Hours (VH)	1,682,019	752,783	153,085	2,587,887
	Vehicle Miles (VM)	22,773,539	12,185,749	2,714,682	37,673,970
	Revenue Hours (RVH)	1,529,241	647,834	117,450	2,294,525
	Revenue Miles (RVM)	18,901,872	9,910,557	1,711,401	30,523,831
Passenger Usage	Boardings	62,481,960	1,452,443	1,225,881	65,160,283
	Boardings per VH	37.15	1.93	8.01	25.18
	Boardings per VM	2.74	0.12	0.45	1.73
	Boardings per RVH	40.86	2.24	10.44	28.40
	Boardings per RVM	3.31	0.15	0.72	2.13
Operating Costs	Costs	\$200,471,339	\$49,848,489	\$9,460,273	\$259,780,101
	Cost per VH	119.18	66.22	61.80	100.38
	Cost per VM	8.80	4.09	3.48	6.90
	Cost per RVH	131.09	76.95	80.55	113.22
	Cost per RVM	10.61	5.03	5.53	8.51
	Cost per Boarding	3.21	34.32	7.72	3.99
Fare Revenues	Revenue	\$57,147,793	\$5,147,974	\$1,121,226	\$63,416,993
	Revenue per VH	33.98	6.84	7.32	24.51
	Revenue per VM	2.51	0.42	0.41	1.68
	Revenue per RVH	37.37	7.95	9.55	27.64
	Revenue per RVM	3.02	0.52	0.66	2.08
	Revenue per Boarding	0.91	3.54	0.91	0.97
Farebox Recovery Ratio		28.5%	10.3%	11.9%	24.4%

Rail Program



Rail: Challenges & Assumptions



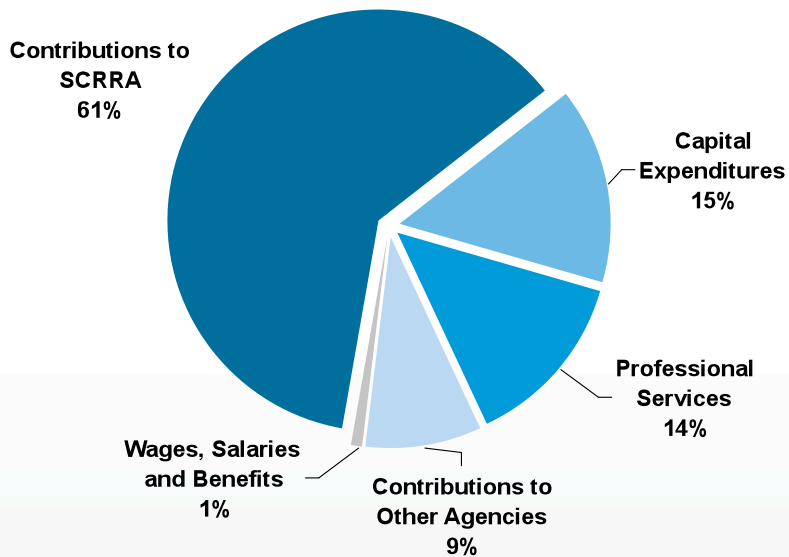
Challenges

- Measure M funds down
 - M1 - \$54 million less than projected
 - M2 - 38% less than originally anticipated over 30 years
 - Service expansion plans need revisiting
- Deferred Metrolink fare increase means pressure to increase subsidies
- Construction challenges for grade crossings, quiet zones, track projects

Assumptions

- Prop 116 for ARTIC, Fullerton & Tustin parking, track expansion, Sand Canyon grade crossing
- ARTIC environmental & design continuing
- High speed rail corridor development activities increase
- Go Local Phase 2 work continues

Rail: Program Overview



In Thousands

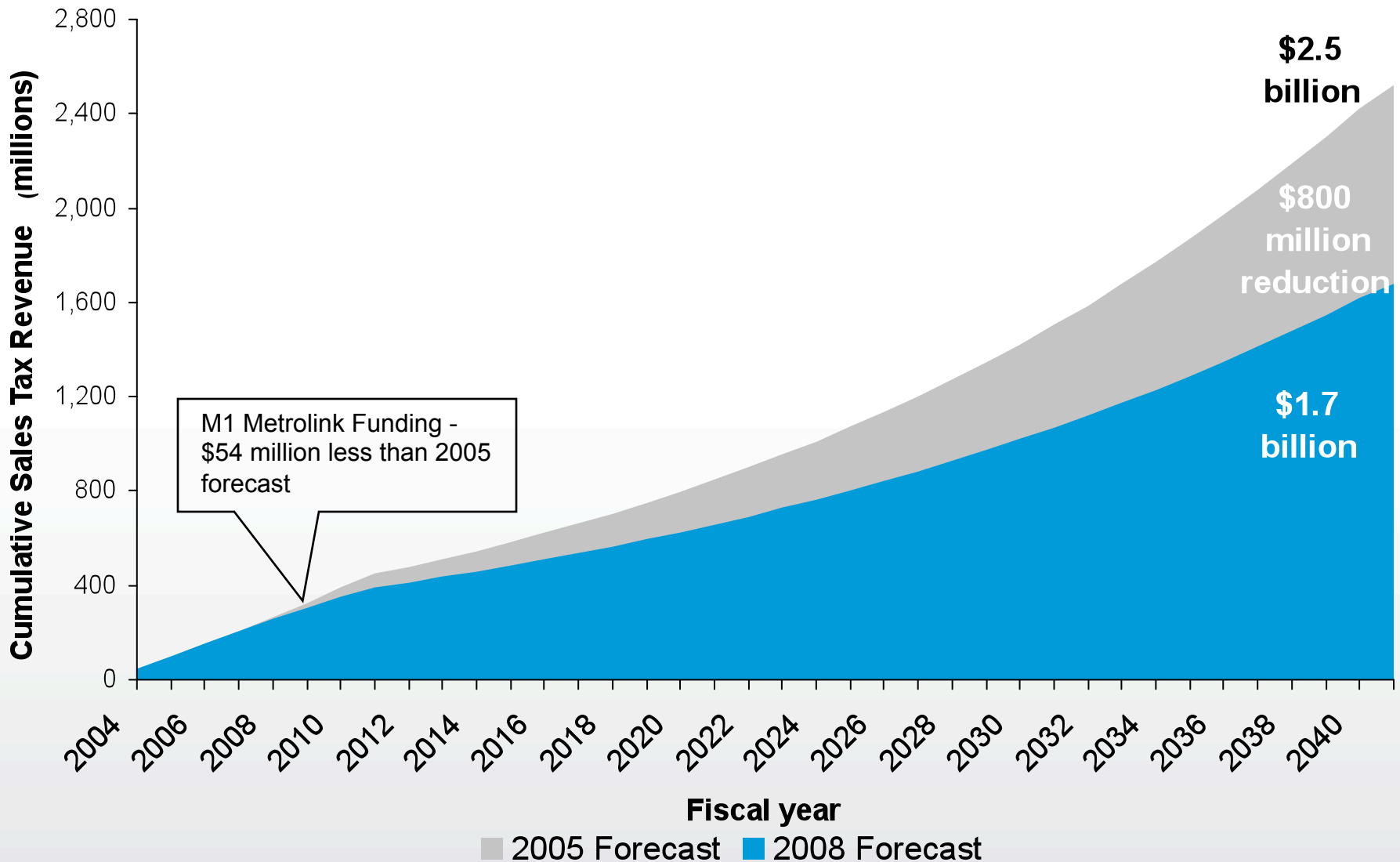
Rail Program	FY2008-09 Budget	FY2009-10 Budget	Proposed Change
Contributions to SCRRRA	\$129,971	\$205,500	\$75,529
Capital Expenditures	35,422	50,579	15,158
Professional Services	36,758	45,252	8,495
Contributions to Other Agencies	43,350	29,593	(13,757)
Wages, Salaries and Benefits	3,279	2,413	(866)
Designations	38	301	262
General and Administrative	492	100	(392)
Insurance Claims / Premiums	4	-	(4)
Rail Total	\$249,314	\$333,738	\$84,425

Metrolink Revenue



Metrolink Related Measure M Sales Tax Forecast Comparison

Forecasts: 2005 vs 2008



Metrolink Ongoing Operations



Operating:	Amount
Operations Cost	\$17,008,000
Transit Police Services	1,220,000
Santa Ana Second Main Track - Follow on projects	700,000
Miscellaneous	601,212
Marketing / Media	190,000
Sub-Total Operating	\$19,719,212

Capital:	
Fiber Optics for Metrolink	\$5,000,000
Metrolink Rehab/Renovation/Fencing	2,500,000
Relocate LA Union Station Mail Dock	2,000,000
Keller Street Yard Storage Facility	1,400,000
Eastern Area Maintenance Facility	1,000,000
Sub-Total Capital	\$11,900,000
Total	\$31,619,212

Metrolink Service Expansion Program



Measure M1 Funded	Amount
MSEP Rail Cars and Locomotives	\$101,000,000
MSEP Infrastructure Improvements	60,000,000
Right-of-Way Acquisition for Metrolink Expansion & Utility Relocation	22,147,689
Laguna Niguel/Mission Viejo Parking Expansion	7,550,000
Orange Transportation Center Parking Expansion	2,000,000
Project Management Consultant Services	1,600,000
Marketing	560,000
Sub-Total	\$194,857,689
Measure M2 Funded	
Grade Crossing Safety and Quiet Zone Program	\$41,465,000
Railroad Separations	2,434,000
Sub-Total	\$43,899,000
Federal and State Funded	
Tustin Station, East Pedestrian Access / Parking Expansion	\$16,165,000
Video Surveillance System (VSS) for Metrolink Stations	2,400,000
Parking Structure - Irvine (VSS)	700,000
Station Improvement - Placentia (Design)	700,000
Sub-Total	\$19,965,000
CURE Funded	
Metrolink Operations Cost - MSEP Startup	\$3,544,090
Total	\$262,265,779

Anaheim Regional Transportation Intermodal Center



Phase	FY 09/10
Phase 1 Development	\$8,500,000
Consultant Support Services	4,800,000
Miscellaneous	612,400
Total	\$13,912,400



Project Partners

The logo for OCTA (Orange County Transportation Authority), featuring a stylized blue arrow pointing upwards and the letters "OCTA" below it.The official logo for the City of Anaheim, which includes the word "ANAHEIM" in a stylized font above a circular seal depicting a landscape scene.

Go Local Rail Connectivity



- Improve Metrolink connectivity
- Step 2 of four-step process
- 27 bus and 2 fixed-guideway proposals

Step 2 - Project Development

FY 09/10 Budget

27 Bus & Shuttle Services Projects

\$10,198,640

2 Fixed Guideway Projects

5,800,000

Consultant Support Services

2,249,200

Total

\$18,247,840

Freeways Program





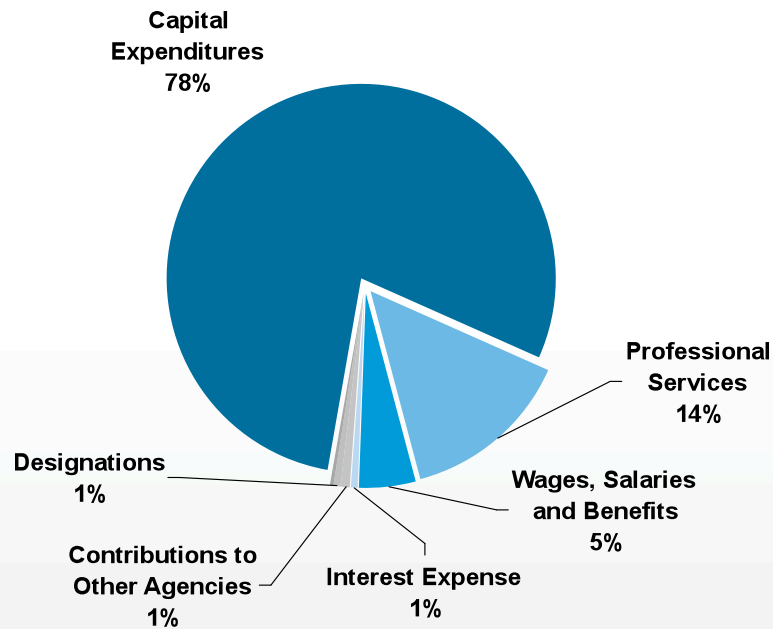
Challenges

- Measure M1 and M2 sales tax projections down
- M1 un-programmed balance down to \$700,000
- M1 funds for ROW and engineering on SR-57 at risk (\$22 million)
- Proposition 1B Corridor Mobility Improvement Account (CMIA) availability uncertain

Assumptions

- I-5 Gateway project nearing completion
- 5 other projects in construction in fiscal year 2009-10
 - SR-57 northbound lanes (2 projects)
 - SR-22/I-405/I-605 West County Connectors (2 projects)
 - SR-91 eastbound lane (1 project)
- Budget supports close to \$200 million of externally funded freeway projects
- M2 Early Action Plan needs revisiting

Freeways: Program Overview



In Thousands

Freeway Program	FY2008-09 Budget	FY2009-10 Budget	Proposed Change
Capital Expenditures	\$86,801	\$170,269	\$83,468
Professional Services	40,755	30,674	(10,081)
Wages, Salaries and Benefits	9,660	10,014	354
Interest Expense	2,337	1,500	(837)
Contributions to Other Agencies	4,446	1,448	(2,999)
Designations	413	1,374	961
General and Administrative	1,640	621	(1,019)
Miscellaneous Expenses	14	1	(13)
Freeway Total	\$146,067	\$215,900	\$69,833

Freeways: Major Projects



I-5 Gateway

Widening from SR-91 to LA County line

FY 09/10 Budget

Construction	\$55,050,000
Utility Relocation	9,917,000
Engineering Services	4,200,000
Right of Way	6,620,000
Other	410,530
Total	\$76,197,530

West County Connectors

Carpool direct ramps from SR-22/I-405/I-605

FY 09/10 Budget

Construction	\$56,550,000
Right of Way	13,750,000
Design	2,080,000
Outreach	300,000
Total	\$72,680,000



Freeways: Major Projects



SR-91

New Eastbound lane from SR-241 to SR-71

FY 09/10 Budget

Project Costs

Construction	\$0	\$67,852,000
Engineering Services	1,220,000	8,100,000
Right-of-Way and Utility Relocation	0	1,324,000
Outreach	2,000	125,000
Total	\$1,222,000	\$74,401,000

SR-57

Orangethorpe to Lambert & Katella to Lincoln Widening

FY 09/10 Budget

Project Costs

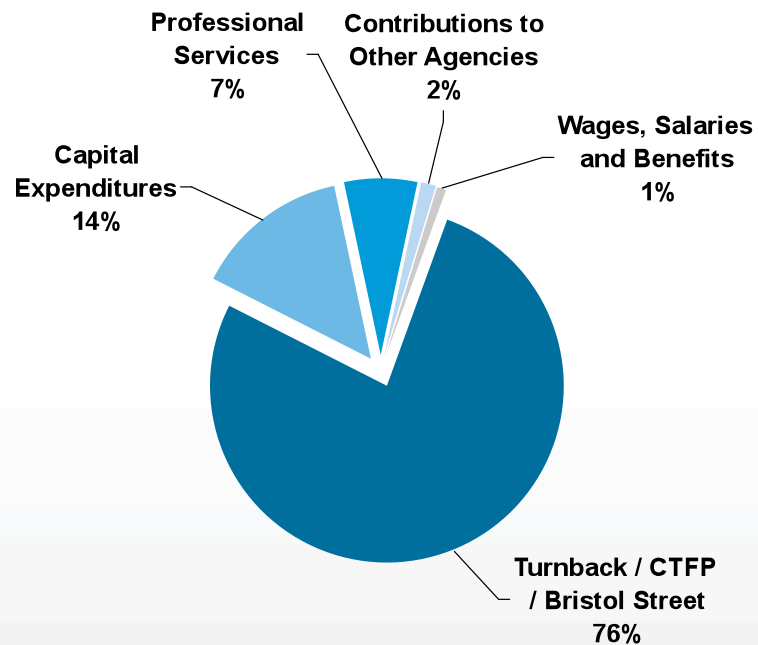


Construction	\$12,000,000	\$56,550,000
Right of Way	7,035,000	13,750,000
Design	1,350,000	2,080,000
Outreach	2,000	300,000
Total	\$20,387,000	\$72,680,000

Streets & Roads Program



Streets & Roads: Program Overview



In Thousands

Streets & Roads Program	FY2008-09 Budget	FY2009-10 Budget	Proposed Change
Turnback / CTFP / Bristol Street	\$91,762	\$129,911	\$38,149
Capital Expenditures	5,300	23,650	18,350
Professional Services	26,897	11,417	(15,480)
Contributions to Other Agencies	1,625	2,600	975
Wages, Salaries and Benefits	1,013	1,032	20
Designations	-	142	142
General and Administrative	40	1	(39)
Streets & Roads Total	\$126,636	\$168,753	\$42,117

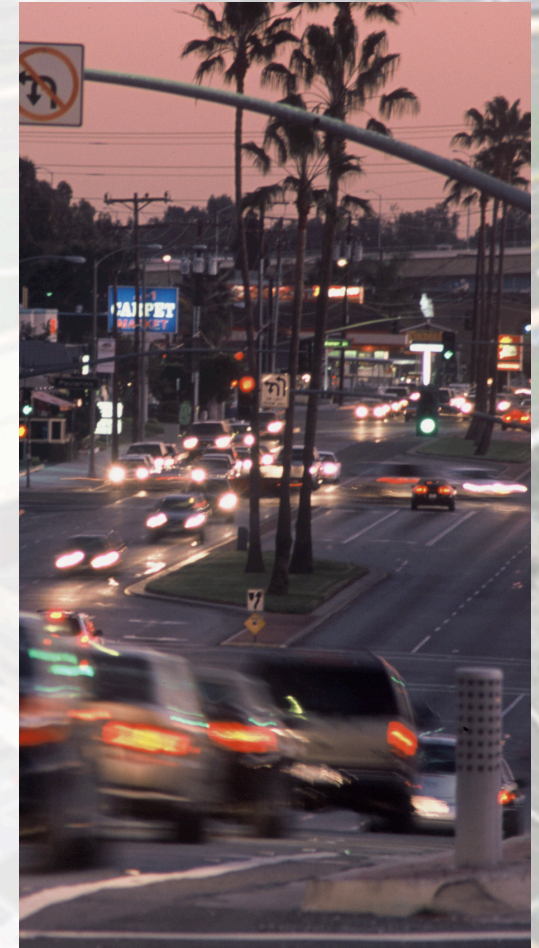
Street & Roads: Major Projects



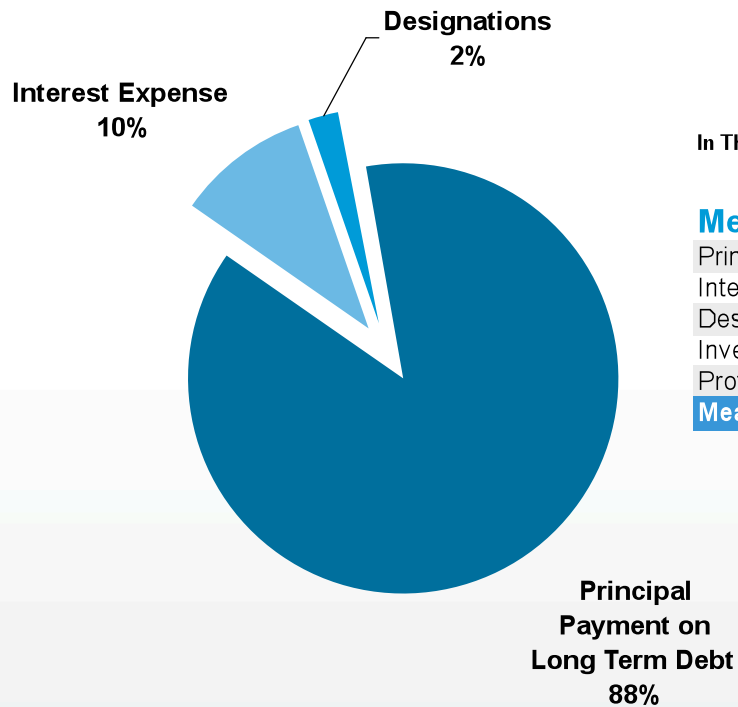
Major Projects

FY 09/10 Budget

Combined Transportation Funding Program	\$63,600,000
Turnback	35,560,868
Railroad Separations	30,260,200
Bristol Street Widening Project	30,075,000
Total	\$159,496,068



Measure M Debt Service



In Thousands

Measure M Debt Service Program	FY2008-09 Budget	FY2009-10 Budget	Proposed Change
Principal Payment on Long Term Debt	\$75,355	\$78,405	\$3,050
Interest Expense	13,202	9,000	(4,202)
Designations	1,586	1,980	393
Investment Expense	152	152	(1)
Professional Services	153	146	(7)
Measure M Debt Service Total	\$90,448	\$89,682	(\$766)

91 Express Lanes



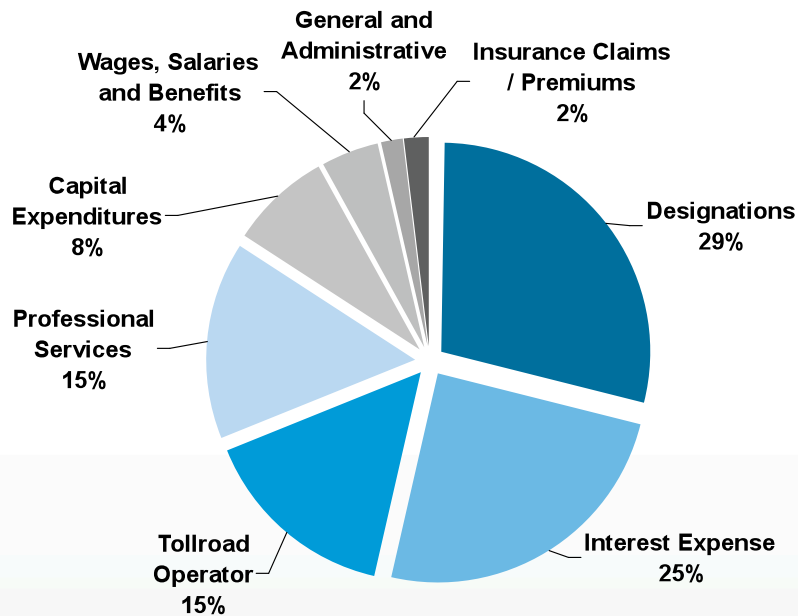
Challenges

- Decrease in traffic volumes and toll revenues
- Potential internal borrowing repayment delay
- Impacts to operations from 91 construction
- 91 Express Lanes extension into Riverside County
- Lehman swap termination uncertainty

Assumptions

- Revenues
 - Toll and non-toll revenues represent annualized amount using first six months of actuals for fiscal year 2008-09
- Expenditures
 - Operations
 - » Tollroad Operator
 - Capital
 - » Entrance and Exit Readers
 - » Variable Message Signs

91 Express Lanes: Program Overview



In Thousands

91 Express Lanes Program	FY2008-09 Budget	FY2009-10 Budget	Proposed Change
Designations	\$15,446	\$12,128	(\$3,318)
Interest Expense	10,618	10,435	(184)
Tollroad Operator	6,318	6,540	222
Professional Services	8,204	6,409	(1,795)
Capital Expenditures	5,800	3,284	(2,516)
Wages, Salaries and Benefits	1,813	1,890	77
General and Administrative	1,208	771	(437)
Insurance Claims / Premiums	1,053	750	(303)
Amortization of Debt	214	169	(45)
Miscellaneous Expenses	0	0	0
91 Express Lanes Total	\$50,675	\$42,377	(\$8,298)

Motorist & Taxi Cab Program



Motorist & Taxi Cab Program: Challenges & Assumptions



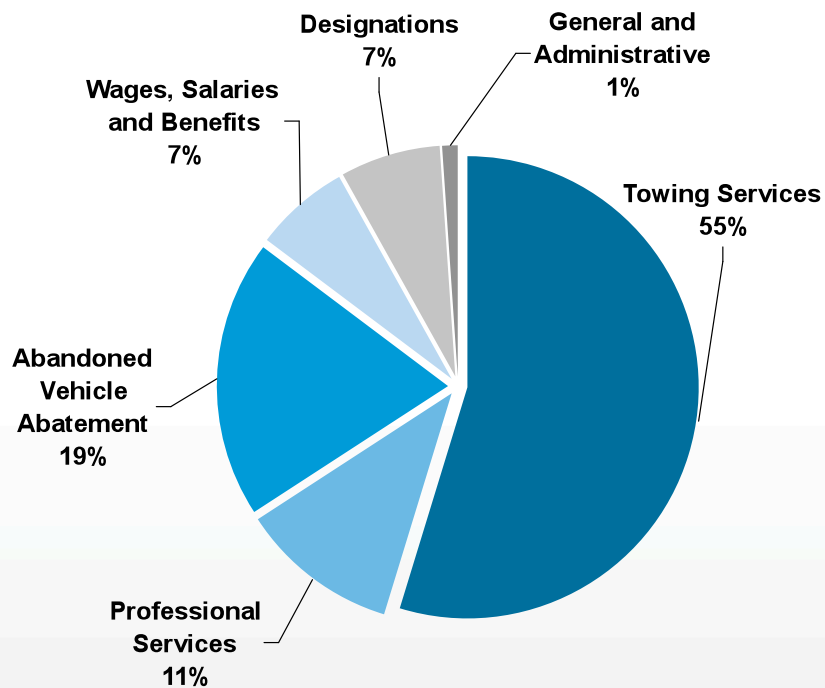
Challenges

- Flat revenue for freeway service patrol and abandoned vehicle program

Assumptions

- \$1.00 fee on vehicle registrations grow 1.2%-1.5%
- Service Authority for Freeway Emergencies revenues \$2.6 million
- Service Authority for Abandoned Vehicles revenues \$2.6 million
 - Distributed 50% population, 50% abatement
- Freeway Service Patrol revenues \$3 million
 - Freeway service patrol levels constant
- 511 to be implemented in fiscal year 2009-10
- Taxi program revenues recover 100% of expenses

Motorist & Taxi Cab: Program Overview



In Thousands

Motorist & Taxi Cab Program	FY2008-09 Budget	FY2009-10 Budget	Proposed Change
Towing Services	\$6,164	\$5,193	(\$971)
Professional Services	1,131	1,056	(75)
Abandoned Vehicle Abatement	2,015	1,845	(170)
Wages, Salaries and Benefits	622	637	15
Designations	527	645	119
General and Administrative	185	113	(71)
Miscellaneous Expenses	4	0	(4)
Motorist & Taxi Cab Total	\$10,647	\$9,490	(\$1,157)

Next Steps



One on One Review with Directors (upon request) May 12 - June 5

Committee Follow-Up:

Finance and Administration Committee May 13

Transit Committee May 14

Highways Committee May 18

Legislative and Communications Committee May 21

Finance and Administration Committee May 27

Transit Committee May 28

Executive Committee June 1

Highways Committee June 1

Legislative and Communications Committee June 4

Conduct Public Hearing June 8

Adopt Budget Before July 1