

Orange County Transportation
Authority
Fiscal Year 2017-18
Budget Workshop

OCTA

Budget Themes



- Budget in accordance with the Chair and CEO goals
- Sales tax revenue assumption consistent with Board-approved sales tax forecasting methodology
- Incorporate impacts of transportation Senate Bill 1 (SB-1)
- Budget in accordance with the objectives of Next 10 Plan
- Bus program budget is consistent with objectives of OC Bus 360°
- OCTAP model is unsustainable
- Budget is balanced

Budget Initiatives & Challenges



Initiatives

- Measure M2
 - Continued funding for project delivery of the freeway, streets and roads, and transit modes
 - Major Capital projects include
 - OC Streetcar
 - 405 Improvement Project
 - I-5 Improvement Project
 - SR-55 Improvement Project
- Bus Program
 - OC Bus 360° is ongoing
 - Bus system productivity improvements
 - Transit Master Plan

Challenges

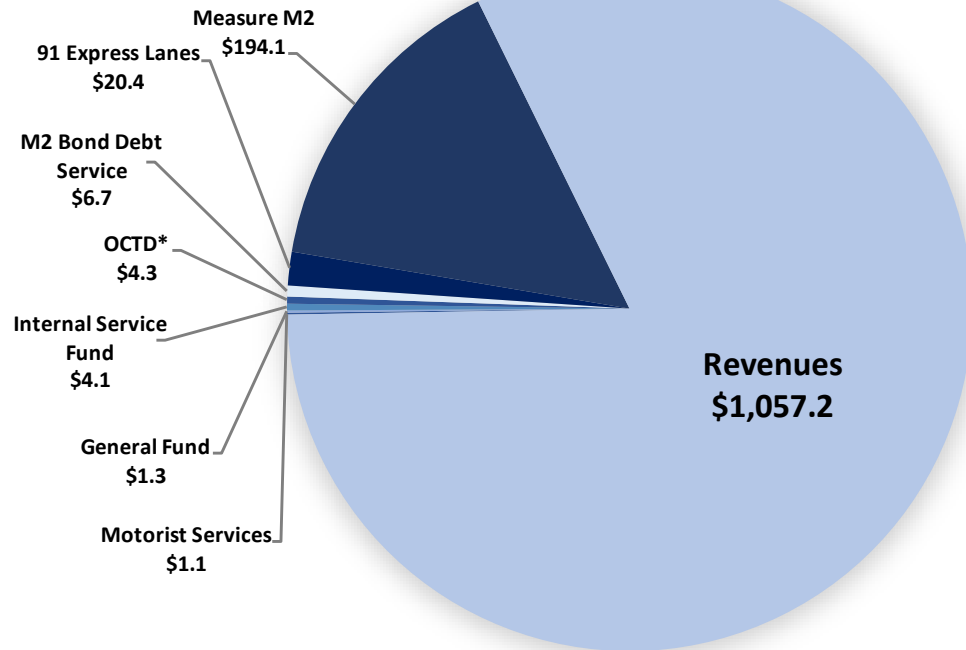
- Measure M2
 - External funding uncertainties
 - Continued pressure on costs
 - LTA not meeting projections
- Bus Program
 - \$20 million funding gap erased by the impacts of SB-1
 - Assumes current ridership trends and a corresponding decrease in fare revenues
 - LTF not meeting projections

Budget Overview



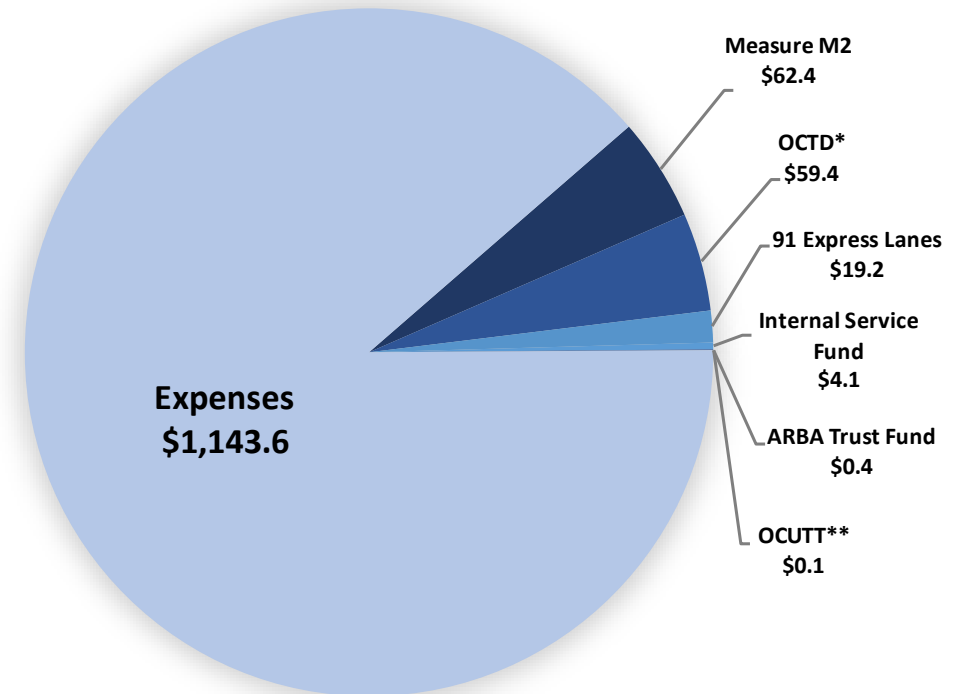
Source of Funds \$1,289.2 million

Use of Prior Year
Designations
\$232.0 million



Use of Funds \$1,289.2 million

Designations
\$145.6 million



*Orange County Transit District

**Orange County Unified Transportation Trust

Budget Sources & Uses



In Millions Sources	FY 2016-17	FY 2017-18	Change	
	Approved Budget	Proposed Budget	\$	%
Revenues	\$ 972.2	\$ 1,057.2	\$ 85.0	8.7%
Use of Prior Year Designations	189.3	232.0	42.7	22.6%
Total Revenue / Use of Designations	\$ 1,161.5	\$ 1,289.2	\$ 127.7	11.0%
Uses				
Salaries and Benefits	\$ 157.1	\$ 158.8	\$ 1.7	1.1%
LOSSAN Salaries and Benefits	1.5	1.4	(0.1)	-6.7%
Services and Supplies	330.9	306.8	(24.1)	-7.3%
Contributions to Other Agencies	203.4	185.9	(17.5)	-8.6%
Interest/Debt Service	34.3	34.6	0.3	0.9%
Capital	365.5	456.1	90.6	24.8%
Designations	68.8	145.6	76.8	111.6%
Total Expenditures / Designations	\$ 1,161.5	\$ 1,289.2	\$ 127.7	11.0%

Revenues



In Millions Sources	FY 2016-17	FY 2017-18	Change	
	Approved Budget	Proposed Budget	\$	%
Federal Grants	\$272.2	\$338.1	\$65.9	24.2%
M2 Local Transportation Authority 1/2 Cent Sales Tax	314.3	317.4	3.1	1.0%
Local Transportation Fund 1/4 Cent Sales Tax	161.0	162.2	1.2	0.7%
State Grants	63.6	67.2	3.6	5.7%
Passenger Fares	53.6	47.9	(5.7)	-10.6%
91 Express Lanes (Toll & Non-Toll)	43.5	46.7	3.2	7.4%
State Transit Assistance	17.2	28.9	11.7	68.0%
Interest	21.9	21.6	(0.3)	-1.4%
Property Tax	13.4	15.2	1.8	13.4%
Other	6.8	8.0	1.1	16.6%
Advertising	4.7	4.0	(0.7)	-14.9%
Subtotal Sources	\$ 972.2	\$ 1,057.2	\$ 85.0	8.7%
Use of Prior Year Designations	189.3	232.0	42.7	22.6%
Total Revenues / Use of Designations	\$ 1,161.5	\$ 1,289.2	\$ 127.7	11.0%

Planned Use of Prior Year Designations



In Millions		FY 2016-17	FY 2017-18
Planned Use of Prior Year Designations By Fund		Approved Budget	Proposed Budget
Local Transportation Authority Measure M2	<i>Freeway Projects, OC Streetcar and Grade Separation Projects</i>	\$ 87.4	\$ 163.3
Commuter Rail	<i>Metrolink Operations and Rail Capital</i>	37.9	30.8
91 Express Lanes	<i>Placentia Metrolink Station and ETTM System</i>	32.0	20.4
Measure M2 Bond Debt Service	<i>Build America Bonds Subsidy</i>	7.0	6.7
Orange County Transit District	<i>Capital Improvements and Bristol Street Widening Project</i>	18.3	4.3
Internal Service Fund - Public Liability and Property Damage	<i>PL & PD Claim Expense Budget</i>	4.2	4.1
General Fund	<i>West County Connectors</i>	1.7	1.3
Service Authority for Freeway Emergencies	<i>Freeway Service Patrol</i>	0.5	0.9
Orange County Taxi Administration Program	<i>Ongoing Operations</i>	0.3	0.2
Total Use of Prior Year Designations		\$ 189.3	\$ 232.0

Expenditures



In Millions Uses	FY 2016-17 Approved Budget	FY 2017-18 Proposed Budget	Change	
			\$	%
Salaries and Benefits	\$ 158.6	\$ 160.2	\$ 1.6	1.0%
OCTA Salaries and Benefits	157.1	158.8	1.7	1.1%
LOSSAN Salaries and Benefits	1.5	1.4	(0.1)	-6.7%
Services and Supplies	\$ 330.9	\$ 306.8	\$ (24.1)	-7.3%
Professional and Outside Services	204.0	171.1	(32.9)	-16.1%
Contract Transportation Services	90.4	97.1	6.7	7.4%
Maintenance Parts & Fuel	15.6	16.8	1.2	7.7%
General & Administration	11.7	13.2	1.5	12.8%
Insurance Claims/Premiums	9.2	8.6	(0.6)	-6.5%
Contributions to Other Agencies	\$ 203.4	\$ 185.9	\$ (17.5)	-8.6%
Contributions to Other Agencies	98.6	80.1	(18.5)	-18.8%
Measure M2 Local Fair Share	52.8	53.8	1.0	1.9%
Measure M2 Regional Capacity	52.0	52.0	-	0.0%
Interest / Debt Service	\$ 34.3	\$ 34.6	\$ 0.3	0.9%
Long-Term Debt Principal Payments	7.5	7.8	0.3	4.0%
Interest Expense	26.8	26.8	-	0.0%
Capital	\$ 365.5	\$ 456.1	\$ 90.6	24.8%
Subtotal Uses	\$ 1,092.7	\$ 1,143.6	\$ 50.9	4.7%
Designations	68.8	145.6	76.8	111.6%
Total Expenditures / Designations	\$ 1,161.5	\$ 1,289.2	\$ 127.7	11.0%

Key Expenditures by Fund



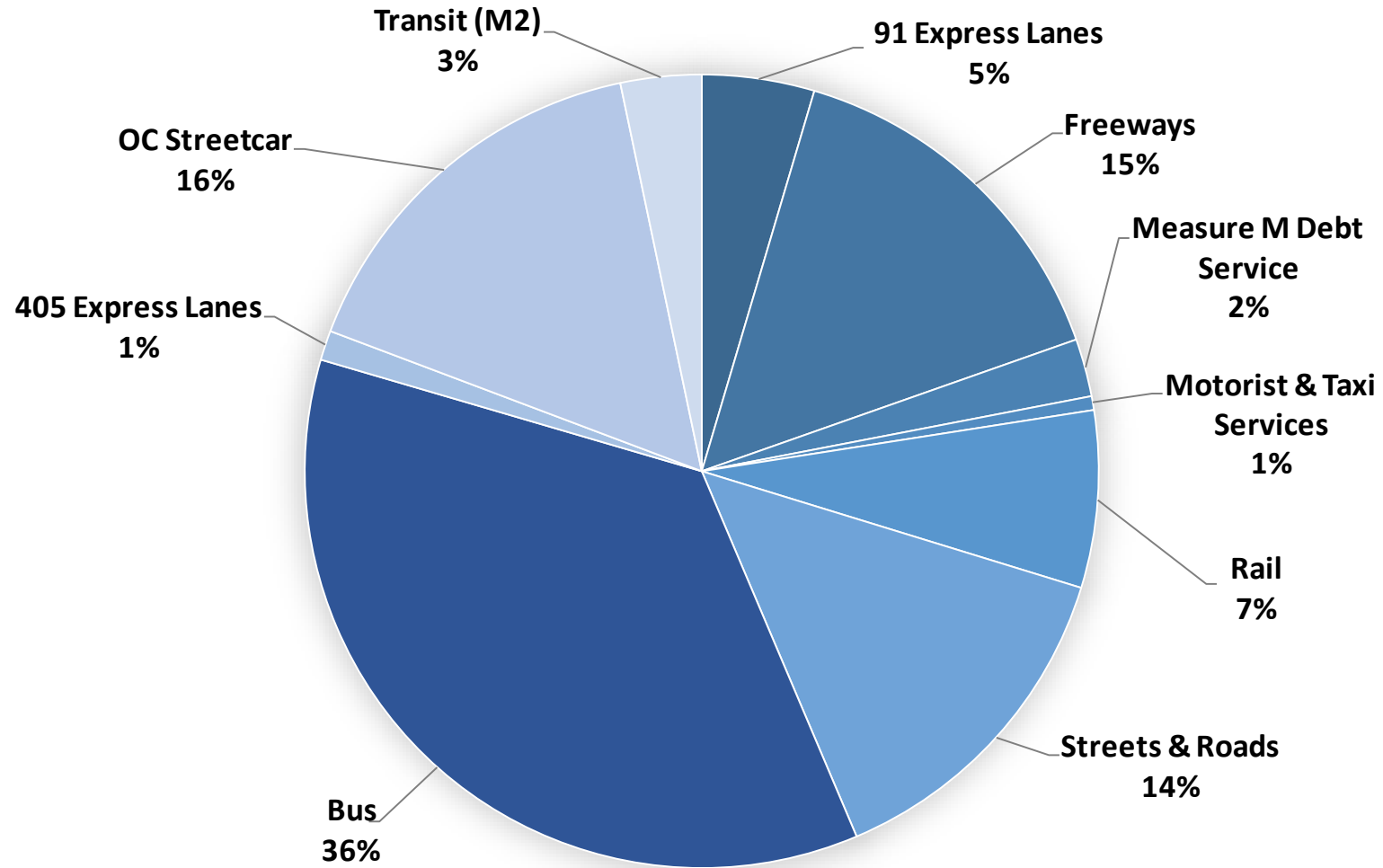
Measure M2	I-405, San Diego Freeway from I-605 to SR-55 (Project K)	\$	90,335,827	ROW support & capital, utilities, PMC services and CMC support
	Local Fair Share (Project Q)		54,014,941	Local Fair Share - 18% of net revenues from M2 sales tax for streets and roads
	Regional Capacity Program (Project O)		52,470,000	Competitive funding for local agency streets and roads projects
	I-5, Santa Ana Freeway (Project C)		43,594,903	ROW capital, construction, construction management, and property acquisition
	O.C. Bridges (Project O)		22,213,900	Grade separation COOP agreements, ROW acquisition, and relocation assistance
	Grade Crossings & Other Rail Capital Projects (Project R)		19,192,500	Construction, construction management, ROW, and design services
	Regional Traffic Signal Synchronization (Project P)		17,129,643	Signal synchronization implementation along OC Corridors and M2 Project P payments
	Costa Mesa Freeway (SR-55) Improvements (Project F)		15,222,500	PS&E, PAED, ROW utilities and ROW support
	Clean-up Highway/Street Runoff (Project X)		10,565,500	M2 environmental cleanup program and M2 Project X payments
	Community Based Transit Circulator (Project V)		8,393,698	M2 Project V payments and community transit circulator for Mission Viejo, Westminster & La Habra
	Freeway Environmental Mitigation		7,124,700	M2 mitigation program endowment, property acquisition and restoration projects
	Senior Mobility and Non-Emergency Medical Programs (Project U)		6,298,036	Senior Non-Emergency Medical Transportation and SMP for cities in Orange County
	Orange Freeway (SR-57) Improvements (Project G)		6,017,500	Landscape and PS&E
	SR-91, Riverside Freeway Improvements from I-5 to SR-57 (Project H)		2,535,000	Landscape, construction management, ROW capital and PS&E
I-5, SR-55 to SR-57 (Project A)		2,470,000	Construction management and PS&E	
405 Express Lanes	405 Express Lanes	\$	18,197,976	Project management, ROW capital & utilities and design/build expenses
Transit Development Capital Project	OC Streetcar	\$	239,911,080	OC Streetcar construction, vehicle manufacturing, ROW acquisition and utility relocation
Measure M2 Debt	Taxable/Tax-Exempt Bonds	\$	28,793,588	Interest and principal payment for Measure M2 bonds
Commuter Rail	Placentia Metrolink Rail Station	\$	24,209,800	Placentia Metrolink Station construction, construction management and engineering support
	Laguna Niguel to San Juan Capistrano Passing Siding		23,490,500	Construction, construction management services and SCRRA COOP construction support
	Southern California Regional Rail Authority (SCRRA) Budget		21,654,000	SCRRA operating subsidy
	Orange Transportation Center Parking Expansion		20,918,108	Construction and construction management services
	Rail Station Improvements		4,830,500	PS&E, construction, SCRRA Coop construction and ROW services
	Orange Subdivision Slope Stabilization		3,330,000	Construction and SCRRA cooperative agreement
	OCTA Rail Support Services		3,094,049	Rail ROW maintenance services and outreach
	Transit Police Services		2,086,632	Orange County Sheriff's contract for railroad ROW transit police services
Positive Train Control		1,700,000	Monitoring and controlling train movements to provide increased safety and avoid accidents	

Key Expenditures by Fund (Continued)



OCTD	Paratransit	\$	44,894,747	Primary ACCESS service RVH, ADA supplemental taxi, same-day taxi, and special agency services
	Contracted Fixed Route Services		37,189,171	Contracted fixed route variable & fixed costs
	Fuels		10,745,268	CNG, LNG, diesel & gasoline and CNG electricity costs
	Directly Operated Fixed Route Services and Supplies		9,675,858	Miscellaneous shop and repair equipment at directly operated facilities
	Bus Base and Transit Center Projects		8,087,380	Storage tank, security system, and fueling station updates at bus bases and transit centers
	Transit Security Services		5,330,030	Orange County sheriffs transit police services
	Contracted Special Agency Services		4,987,333	OCTA subsidy of transportation services provided by agencies for senior and disabled passengers
	Maintenance Parts		3,722,767	Maintenance, parts and safety system upgrades for buses
	Vanpool Program		2,819,482	OCTA Vanpool program subsidy and outreach for vanpools
	CNG Equipment Operations & Maintenance		2,770,559	Operations and maintenance of CNG equipment at all bases
	Utilities		2,164,004	Gas, electric, water, waste management for all locations
	Tires		2,035,843	Tire replacement and leasing for OCTA owned fleet
	Transit Security & Operations Center		1,831,652	Transit security & operations center design
	OCTA Vocational Visions Transportation Program		1,373,839	Program to provide persons with disabilities access to employment programs beyond ADA requirements
	New Freedoms & Job Access and Reverse Commute Programs		1,219,131	Transportation services for persons of low income, seniors, and persons with disabilities
Radio Communications		1,132,168	Integrated transportation management system for radio communication and administration of the OBVSS	
Customer Information Center		1,066,300	Operation of a call center to provide information on OCTA's bus program	
General Fund	Technical Infrastructure and Business Systems Support	\$	8,397,529	Software and hardware acquisition, maintenance, and licensing
	Office Space Leases		3,609,398	Leases for headquarters and storage facility
	Transportation Planning and Studies		1,500,000	Transit corridor study, long range transportation plan and air quality planning
	iShuttle		1,206,554	Contribution to the Irvine iShuttle as part of the repayment of Proposition 116 funds
	General Counsel		1,200,000	Legal costs for general counsel expenses
Bikeway and Pedestrian Facilities		1,000,000	Externally funded OCTA awards to local agencies	
Motorist Services	Motorist Services	\$	8,064,678	FSP tow service, CHP, 511 program and call box maintenance
91 Express Lanes	91 Express Lanes Operating Expense	\$	23,878,605	Contract to operate toll road and direct administration of the 91 Express Lanes
	91 Express Lanes Capital Expense		11,515,300	Replacement of electronic toll & traffic management system, transponders and leasehold improvements
ARBA	Additional Retiree Benefit Account (ARBA) Payments	\$	1,035,469	ARBA benefit payment and investment expenses
Internal Service Funds	Workers' Compensation	\$	6,326,843	Claims expense and liability insurance related to workers' compensation
	PL & PD Legal, Insurance and Claims Expense		4,077,852	Legal fees, liability & property insurance and broker services
		\$	962,652,640	These items represent 84% of the proposed budget expenditures

Total Budget by Program



M2 Program Summary



- Budget consistent with Next 10 delivery plan adopted by Board on November 14, 2016
 - Fiscal Year 2017-18 Budget
 - Freeway Programs - \$170 million
 - Streets & Roads - \$157 million
 - M2 Transit - \$92 million

Freeway Program Summary



In Millions

FY 2017-18

Freeways

Proposed

I-405, San Diego Freeway from I-605 to SR-55 (Project K)	\$ 90.3
I-5, Santa Ana Freeway (Project C)	43.6
Costa Mesa Freeway (SR-55) Improvements (Project F)	15.2
Freeway Environmental Mitigation	7.1
Orange Freeway (SR-57) Improvements (Project G)	6.0
SR-91, Riverside Freeway Improvements from I-5 to SR-57 (Project H)	2.5
I-5, SR-55 to SR-57 (Project A)	2.5
West County Connectors (Measure M1)	1.0
I-5, I-405 to SR-55 (Project B)	0.7
I-405, San Diego Freeway from SR-55 to I-5 (Project L)	0.6
SR-91, Riverside Freeway Improvements from SR-57 to SR-55 (Project I)	0.6
San Gabriel (I-605) Freeway Improvements (Project M)	0.2
I-5, Santa Ana Freeway Interchange Improvements (Project D)	0.1
Total	\$ 170.4

Streets & Roads



In Millions

Streets & Roads

FY 2017-18

Proposed

Local Fair Share (Project Q)	\$	54.0
Regional Capacity Program (Project O)		52.5
O.C. Bridges (Project O)		22.2
Regional Traffic Signal Synchronization (Project P)		17.1
Clean-up Highway/Street Runoff (Project X)		10.6
Bristol Street Widening Project		0.4
Total	\$	156.8

Rail Program Summary



- 60 daily weekday trains sustained through M2
- Revenue
 - Operating
 - M2 high frequency Metrolink service
 - Capital
 - Federal Transportation Administration consistent with the Fixing America's Surface Transportation Act
- Expenditures
 - Operating subsidy of \$27.7 million including authorization of Federal Transit Administration (FTA) funds, in the amount of approximately \$6 million to be drawn down directly by Metrolink
 - Metrolink capital rehabilitation budget of \$7.3 million, offset by \$6 million in Rotem repayment
 - The balance of \$1.3 million of FTA funds to be drawn down directly by Metrolink
 - Major capital projects
 - Placentia Metrolink Station construction
 - Laguna Niguel to San Juan Capistrano passing siding
 - Orange Transportation Center parking expansion

Rail Program – Operating



In Millions

Rail Program Operating

FY 2017-18

Proposed

Southern California Regional Rail Authority (SCRRA) Budget	\$	21.7
OCTA Rail Support Services		3.1
Transit Police Services		2.1
Transit Extensions to Metrolink (Project S)		1.4
iShuttle (Proposition 116)		1.2
Metrolink Angels Express Operations		0.3
Total	\$	29.8

Rail Program – Capital



In Millions

FY 2017-18

Rail Program Capital

Proposed

Placentia Metrolink Rail Station	\$	24.2
Laguna Niguel to San Juan Capistrano Passing Siding		23.5
Orange Transportation Center Parking Expansion		20.9
San Juan Creek Bridge Replacement		15.4
Rail Station Improvements		4.8
Orange Subdivision Slope Stabilization		3.3
Control Point at 4th Street		2.7
Positive Train Control		1.7
Grade Crossings & Other Rail Capital Projects (Project R)		1.2
Total	\$	97.7

OC Streetcar Summary



In Millions	FY 2016-17 Approved Budget	FY 2017-18 Proposed Budget	Change	
Sources			\$	%
Federal Capital Assistance	26.0	194.1	168.1	646.3%
Measure M2	41.3	45.8	4.5	11.0%
Use of Prior Year Designations	-	-	-	0.0%
Total Revenue / Use of Designations	\$ 67.3	\$ 239.9	\$ 172.6	256.5%
Uses				
Overhead Allocation	\$ 6.2	\$ 6.3	\$ 0.1	1.6%
Professional Services	6.9	7.2	0.3	4.8%
Contributions to Other Agencies	0.7	1.5	0.8	116.2%
Capital	53.5	224.9	171.4	320.5%
Total Expenditures / Designations	\$ 67.3	\$ 239.9	\$ 172.6	256.5%

91 Express Lanes Summary



In Millions Sources	FY 2016-17	FY 2017-18	Change	
	Approved Budget	Proposed Budget	\$	%
Toll Revenue	\$ 35.9	\$ 40.1	\$ 4.2	11.7%
Non-Toll Revenue	7.6	6.6	(1.0)	-13.2%
Reimbursement from Other Agencies	0.2	0.9	0.7	466.7%
Interest Income	0.9	0.9	(0.0)	-2.9%
Use of Prior Year Designations	32.0	20.4	(11.6)	-36.3%
Total Revenue / Use of Designations	\$ 76.6	\$ 68.9	\$ (7.7)	-10.0%
Uses				
Tollroad Management Contract	\$ 8.3	\$ 7.2	\$ (1.1)	-13.3%
Overhead Allocation	2.4	2.8	0.4	15.2%
Pavement Rehabilitation and Other Technical Support	26.7	7.2	(19.5)	-73.1%
Insurance Claims/Premiums	0.8	0.8	-	0.0%
Leases & Other Office Expenses	0.5	0.7	0.2	33.5%
Interest Expense	5.5	5.3	(0.2)	-4.4%
Operating Transfers Out	8.3	14.3	6.0	72.3%
Capital	2.4	11.5	9.1	385.7%
Designations	21.8	19.2	(2.6)	-11.8%
Total Expenditures / Designations	\$ 76.6	\$ 68.9	\$ (7.7)	-10.0%

Motorist Services Program Summary



Service Authority for Freeway Emergencies (SAFE)

- Freeway Service Patrol contracted service costs
- Call Box equipment maintenance
- Call Box call center
- 511 Program

Orange County Taxi Administration Program (OCTAP)

- Expenditures out-pacing revenues
- Drastic revenue decline due to shift in market demand
- Reduction of 1.4 FTEs
- Program dependent on external revenues
- Without additional changes, the program will exhaust operating reserves by mid fiscal year 2017-18

Orange County Taxi Administration Program



In Thousands Sources	FY 2016-17	FY 2017-18	Change	
	Approved Budget	Proposed Budget	\$	%
License Fees	\$ 520.3	\$ 368.2	\$ (152.1)	-29.2%
Reimbursements from Other Agencies	-	148.7	148.7	0.0%
Interest Income	7.7	3.6	(4.1)	-53.8%
Other Non-Operating Revenue	13.3	1.2	(12.1)	-91.0%
Use of Prior Year Designations	254.5	168.7	(85.8)	-33.7%
Total Revenue / Use of Designations	\$ 795.8	\$ 690.4	\$ (105.4)	-13.2%

Uses	FY 2016-17	FY 2017-18	Change	
			\$	%
Salaries and Benefits	\$ 475.6	\$ 405.9	\$ (69.7)	-14.6%
Overhead Allocation	251.3	251.3	0.0	0.0%
Leases & Other Office Expenses	69.0	33.2	(35.8)	-51.9%
Total Expenditures / Designations	\$ 795.8	\$ 690.4	\$ (105.4)	-13.2%

Bus Program Assumptions



- OC Bus 360° ongoing – No change in level of service
- \$20 million funding gap erased by the impacts of Senate Bill 1 (SB-1)
- Decrease in fare revenues
- No fare increase in fiscal year 2017-18
 - No fare increase since 2013
- \$14.5 million one-time revenue source
- Anticipated paratransit trip growth

Bus Service Levels



- Fixed-route service

- Base revenue hours

- FY 2017-18 budget – 1,603,817
 - No change in service hours
 - Directly operated service revenue hours
 - 60 percent
 - Contracted services revenue hours
 - 40 percent

- Paratransit service

- Primary service revenue hours

- FY 2017-18 budget – 527,440
 - Increase of 24,035 revenue hours

- Supplemental service trips

- FY 2017-18 budget – 333,295
 - Increase of 62,097 trips

- Same-day taxi trips

- FY 2017-18 budget – 147,697
 - Decrease of 10,204 trips

- Special agency trips

- FY 2017-18 budget – 279,000
 - Increase of 45,800 trips

Cost Summary



FY 2017-18 Proposed Budget

	Performance Indicators	Directly Operated Fixed Route	Contracted Fixed Route	ACCESS	ADA Taxi Service	Same Day Taxi Service	Special Agency Services	System Total
Service Provided	Vehicle Hours (VH)	1,056,965	730,050	705,929				2,492,943
	Vehicle Miles (VM)	13,482,888	10,662,346	9,501,571				33,646,805
	Revenue Hours (RVH)	969,944	633,873	527,440				2,131,257
	Revenue Miles (RVM)	11,392,003	8,200,874	7,899,806				27,492,684
Passenger Usage	Boardings	25,730,412	11,218,605	972,377	333,295	147,697	279,000	38,681,386
	Boardings per VH	24.34	15.37	1.38				15.52
	Boardings per VM	1.91	1.05	0.10				1.15
	Boardings per RVH	26.53	17.70	1.84				18.15
	Boardings per RVM	2.26	1.37	0.12				1.41
Operating Costs	Costs	\$133,736,764	\$66,373,992	\$47,812,850	\$16,990,715	\$1,849,239	\$7,309,261	\$274,072,821
	Cost per VH	\$126.53	\$90.92	\$67.73				\$109.94
	Cost per VM	\$9.92	\$6.23	\$5.03				\$8.15
	Cost per RVH	\$137.88	\$104.71	\$90.65				\$128.60
	Cost per RVM	\$11.74	\$8.09	\$6.05				\$9.97
	Cost per Boarding	\$5.20	\$5.92	\$49.17				\$7.09
Fare Revenues	Revenue	\$28,721,567	\$12,590,450	\$5,266,429	\$1,295,554			\$47,874,000
	Revenue per VH	\$27.17	\$17.25	\$8.61				\$19.20
	Revenue per VM	\$2.13	\$1.18	\$0.64				\$1.42
	Revenue per RVH	\$29.61	\$19.86	\$11.52				\$22.46
	Revenue per RVM	\$2.52	\$1.54	\$0.77				\$1.74
	Revenue per Boarding	\$1.12	\$1.12	\$6.25				\$1.24
Farebox Recovery Ratio		21.48%	18.97%	11.01%				17.47%
Farebox Recovery Ratio (Per Senate Bill 508: Revisions to the Transportation Development Act)								24.49%
* All paratransit boardings are reported in terms of trips.								

OCTD Sources & Uses

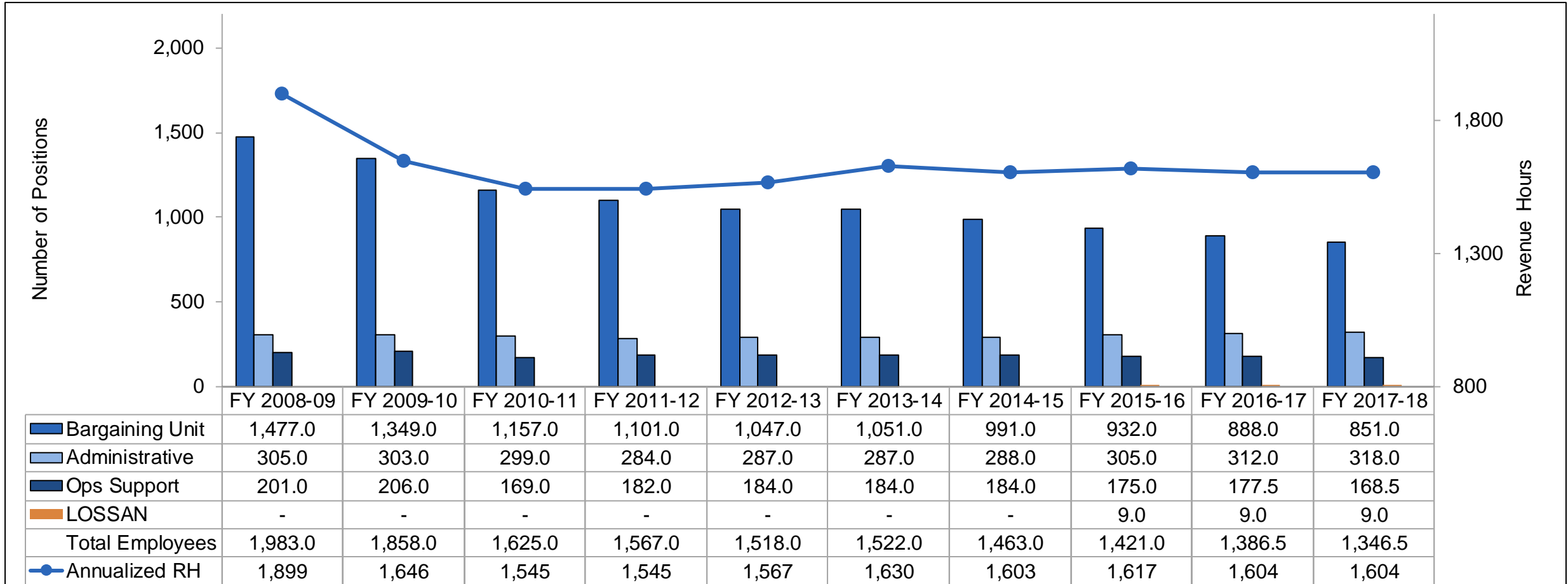


In Millions Sources	FY 2016-17	FY 2017-18	Change	
	Approved Budget	Proposed Budget	\$	%
Local Transportation Fund (LTF)	\$ 153.3	\$ 154.4	\$ 1.1	0.7%
Federal Operating Assistance Grants	54.2	56.1	1.9	3.5%
Passenger Fares	53.6	47.9	(5.7)	-10.6%
State Transit Assistance Fund (STAF)	17.2	28.9	11.7	67.8%
Property Taxes	13.4	15.2	1.8	13.6%
Grant Revenue (One Time)	-	14.5	14.5	0.0%
Other Non-Operating Revenue	5.3	6.1	0.8	15.3%
Measure M2	1.1	6.0	4.9	448.3%
Interest Income	4.3	4.9	0.6	13.2%
Federal Capital Assistance Grants	14.2	4.6	(9.6)	-67.6%
Reimbursements from Other Agencies	3.2	3.4	0.2	6.6%
Vanpool Revenue	2.6	2.8	0.2	7.1%
Proposition 1B	1.2	0.2	(1.0)	-80.0%
Commuter Urban Rail Endowment (CURE)	3.2	-	(3.2)	-100.0%
Use of Prior Year Designations	18.3	4.3	(14.0)	-76.6%
Total Revenue / Use of Designations	\$ 345.1	\$ 349.4	\$ 4.3	1.2%

Uses

Salary and Benefits	\$ 111.6	\$ 110.1	\$ (1.5)	-1.3%
Operating Services & Supplies	123.1	133.2	10.1	8.2%
Overhead Allocation	31.7	30.8	(0.9)	-2.8%
Bus Capital Projects	18.7	8.6	(10.1)	-54.1%
Special Programs	4.9	4.2	(0.7)	-13.8%
Rail, M2 Transit and Streets & Roads Programs	13.0	3.1	(9.9)	-75.9%
Designations	42.1	59.4	17.3	41.0%
Total Expenditures / Designations	\$ 345.1	\$ 349.4	\$ 4.3	1.2%

Historical Staffing Levels Comparison



Staffing Levels



OCTA Staffing	FY 2016-17 FTE	FY 2017-18 FTE	FY 2017-18 New Hires	FY 2017-18 Reductions	Difference
Administrative	489.5	486.5	1.0	(4.0)	(3.0)
Union	888.0	851.0	-	(37.0)	(37.0)
Coach Operators	680.0	643.0	-	(37.0)	(37.0)
Maintenance	171.0	171.0	-	-	-
Facility Technicians and Parts Clerks	37.0	37.0	-	-	-
OCTA Positions	1,377.5	1,337.5	1.0	(41.0)	(40.0)
LOSSAN	9.0	9.0			-
Total Authority Positions	1,386.5	1,346.5	1.0	(41.0)	(40.0)

Employee Compensation Assumptions



- Employees Subject to Collective Bargaining Agreement
 - Coach operators
 - Collective bargaining agreement effective through April 30, 2017
 - Maintenance
 - Collective bargaining agreement effective through September 30, 2019
 - Facilities technicians and parts clerks
 - Collective bargaining agreement effective through May 31, 2020
- Administrative Employees
 - Continue pay-for-performance program
 - Employees governed by the Personnel and Salary Resolution, which is approved annually as part of the budget

Personnel and Salary Resolution



- Board-approved action for administrative employees to pay 100 percent of employee share of OCERS began January 1, 2017
 - This provides an estimated savings of \$5 million per year
- Salary range adjustment of 2 percent
 - 3 employees would receive salary increases
- Position reclassifications based on market analysis
- Deferred compensation employer-paid matching contribution adjustments
- Personal paid holidays to change from 5 days to 6 days, with no change to fixed holidays
- Special performance award pool of 3 percent
- Merit pool of 3.5 percent

Next Steps



- Committee meetings and one-on-one meetings with Board Members May 9 - June 9
- Public Hearing Preview – Finance and Administration Committee May 24
- Public Hearing – Board (Public Hearing and approval) June 12
- Back-up Public Hearing – Board (Public Hearing and approval) June 26