

## OVERVIEW

### FY 2013-14 Approved Budget

Operating budget	\$939,666
Capital budget	285,097
Long-term commitments	36,152
<b>TOTAL</b>	<b>\$1,260,915</b>

### FY 2013-14 Accomplishments

- Completed construction of the two projects to widen northbound State Route 57 (SR-57) between Orangethorpe Avenue and Lambert Road.
- Completed design and right-of-way certification on the carpool lane extension project on Interstate 5 (I-5) from Avenida Vista Hermosa to Avenida Pico.
- Completed the environmental approval process for the widening of I-5 from State Route 73 (SR-73) to El Toro Road.
- Delivered seven signal synchronization projects on behalf of multiple cities that resulted in significant travel time improvements approximately 90 miles of arterials and 300 signalized intersections.
- Completed the environmental approval process on the Laguna Niguel/San Juan Capistrano railroad passing siding project.
- Completed development of Bikeway Strategy and Feasibility Studies for Districts 1 and 2, and provided \$6.7 million in grants for bike trail improvement projects across the county.
- Successfully developed over \$238 million in grant requests from a variety of federal, state, and local sources. Of these requests \$9 million were pursued through competitive grant programs. Over \$124 million in grants have been awarded for fiscal year 2013-14.
- Successfully transitioned an additional 5.5 percent of fixed-route service reaching 27.7 percent of total bus service to be contracted to maintain financial sustainability.
- Completed the transition of the ACCESS paratransit service to a new contractor resulting in a cost-savings of \$4.6 million annually.
- Executed a fifteen-year lease amendment for OCTA's headquarter facilities for an estimated savings of \$39.4 million over the next 30 years.

### FY 2014-15 Approved Budget

Operating budget	\$788,244
Capital budget	301,387
Long Term commitments	34,814
<b>TOTAL</b>	<b>\$1,124,445</b>

### FY 2014-15 Board Strategic Initiatives

- Deliver freeway improvements
- Provide efficient, customer-friendly bus service
- Optimize the street system
- Enhance rail transportation
- Advance active transportation
- Maximize funding and regional opportunities
- Develop sustainable transportation plans
- Cultivate organizational excellence

## STRATEGIC PLAN FRAMEWORK

To provide Orange County residents with the highest quality transportation programs and services, OCTA is committed to its organizational vision and mission statement. The Strategic Plan is also consistent with the framework of goals and values developed by the Board of Directors.

### OCTA Vision

Provide an integrated and balanced transportation system that supports the diverse travel needs and reflects the character of Orange County.

### Mission Statement

Develop and deliver transportation solutions to enhance quality of life and keep Orange County moving.

### OCTA Goals

- Mobility - Deliver programs, projects, and services to improve the movement of people and goods throughout Orange County and the region.
- Public Service - Enhance customer satisfaction by understanding, connecting with and serving our diverse communities and partners.
- Fiscal Sustainability - Ensure fiscal health through prudent financial management and by protecting and leveraging available revenue sources.
- Stewardship - Embrace responsible policies and practices designed to promote environmental sustainability and enhance the safety and quality of life in Orange County.
- Organizational Excellence - Continue the tradition of being a high-performing organization through employee development and efficient business practices.

### OCTA Values

- Integrity - We deliver as promised and do so ethically, fairly and with transparency.
- Customer Focus - We treat our customers with care, consideration and respect, providing friendly and reliable professional service responsive to their needs.
- Can-Do-Spirit - We tackle challenges with innovation, vision and strategic thinking.
- Communication - We provide consistent, timely and reliable information in an open, honest and straightforward manner.
- Teamwork - We work well together from a sense of shared purpose and mutual respect.



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## CEO MESSAGE

### Dear Orange County Residents:

I present to you the fiscal year (FY) 2014-15 proposed budget for the Orange County Transportation Authority (OCTA). This \$1.12 billion proposed budget has been developed in accordance with the goals of the Board of Directors and the Chief Executive Officer. This balanced budget is a result of OCTA's ongoing effort to deliver long-term sustainable transportation solutions for the residents of Orange County.

OCTA will continue to honor the commitment made to the residents of Orange County when they passed Measure M. Approximately \$533 million in combined Measure M1 and Measure M2 funds are budgeted to improve transportation within Orange County. These funds will provide improvements to freeways and streets and roads throughout Orange County, as well as fund rail and bus transit programs. These funds include \$157 million to make improvements primarily along Interstate 5, Interstate 405, State Route 91, State Route 55, and State Route 57. Approximately \$246 million is budgeted to improve streets and roads, including \$111 million to continue the OC Bridges project. An additional \$57 million is included to fund rail and bus transit programs. The budget includes the balance of funds programmed for the Anaheim Regional Transportation Intermodal Center, as well as funding for grade separation projects and expanding mobility choices for seniors and person with disabilities.

The proposed budget sustains existing fixed-route service levels with approximately 1.6 million service hours for bus operations. The proposed budget also includes continuing to convert a portion of directly-operated fixed-route service to a contracted service provider commensurate with coach operator attrition. It is anticipated that approximately 90,000 revenue hours will be converted during the fiscal year, which would result in approximately 34 percent of fixed-route service being operated by the contracted service provider by the end of FY 2014-15. Approximately \$133 million is included for major capital expenditures necessary to support bus operations. These funds will be used primarily to procure new buses as well as provide ongoing maintenance for buses requiring mid-life engine replacements.

The FY 2014-15 budget demonstrates OCTA's continued commitment to developing and delivering transportation solutions to enhance the quality of life and keep Orange County moving, while remaining a responsible steward of taxpayer dollars.

Sincerely,

Darrell Johnson  
Chief Executive Officer

OCTA  
2014 - 15  
Approved Budget  
Orange County  
Transportation  
Authority

## PROGRAMS

### Measure M (M1) & Measure M2 (M2)

M1, the half-cent sales tax has delivered on the promises made to the voters of Orange County in 1990, with over \$4 billion invested in improvements to all freeways, streets and roads, and transit services. M1 sales tax collections expired on March 31, 2011 and M2 sales tax collections began on April 1, 2011. Though sales tax collections for M1 ended, expenditures are anticipated in the next budget year as drawdowns continue on use of prior year designations. In September 2012, the OCTA Board of Directors approved the M2020 Plan which provides strategies to accelerate M2 improvements by delivering early on promises made to the voters. This fiscal year will mark the fourth full year of sales tax collections for the approximately \$15.5 billion M2 program. Projects in this fiscal year include: O.C. Bridges, Local Fair Share Program, Regional Capacity Program, and numerous freeway projects.

### Bus Operations

The Bus Operations program represents OCTA's core business unit, which delivers fixed route, express, StationLink rail feeder and complementary paratransit bus services for Orange County residents. The fixed route network provides bus service on 40 local lines, 14 community lines, 10 inter/intracounty express lines, 12 StationLink rail feeder lines and one BRT line. OCTA paratransit services provide demand response bus service to persons with developmental and physical disabilities as required by the federal Americans with Disabilities Act, as well as bus service to transport elderly persons. OCTA staff recommends sustaining existing service levels of 1.60 million revenue hours during FY 2014-15. The plan to convert a portion of directly operated fixed route service commensurate with coach operator attrition will continue with approximately 90,000 revenue hours being converted during the year. By the end of the year, approximately 34% of fixed-route service will be operated by the contracted service provider.

### 91 Express Lanes

The 91 Express Lanes is a four-lane, 10-mile toll road built in the median of the Riverside Freeway (SR-91) between the Orange/Riverside County line and the Costa Mesa Freeway (SR-55). This unique toll road is an important element in ensuring that traffic flows more smoothly between the two counties. Toll road revenues generated fund annual operating costs, debt service, and capital expenditures. This fiscal year, revenues will also be used for new cameras along the SR-91 corridor and a new phone system. These infrastructure investments will enhance safety for SR-91 commuters and provide superior service to our customers.

### Rail

Rail service for OCTA centers on Metrolink, Southern California's commuter rail system linking residential communities to employment and activity centers. Formed in 1991, Metrolink is operated by the Southern California Regional Rail Authority (SCRRA) – a joint powers authority of five member agencies representing the counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura. OCTA is one of the five member agencies that administers Orange County Metrolink activities. Programs within rail service include the Go Local Program and improvements to rail facilities.

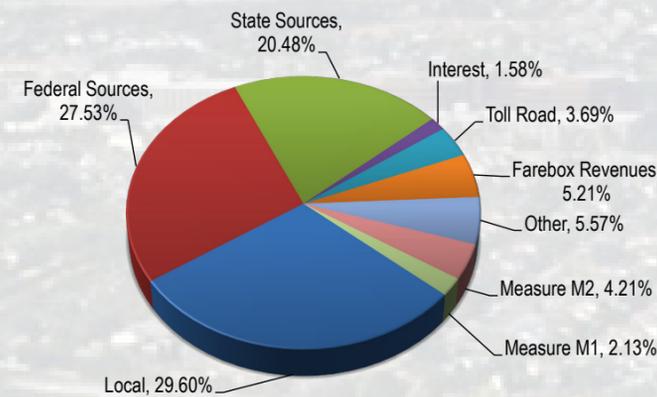
### Motorist Services Program

The Motorist Services program consists of three business units: the Service Authority for Freeway Emergencies (SAFE), the Service Authority for Abandoned Vehicles (SAAV), and the Orange County Taxicab Program (OCTAP). SAFE provides the Freeway Callbox System and Freeway Service Patrol services. SAAV assists the cities and county in removing potentially hazardous and unsightly abandoned vehicles from Orange County's streets and roads. OCTAP provides a regulatory function for taxicab services for 34 local cities and has established a uniform regional approach for this program in Orange County.

## SOURCES OF FUNDS

In FY 2014-15, OCTA anticipates receiving \$990.4 million in revenue and \$134.0 million in use of prior year designations for a total of \$1.12 billion in available funding for all programs and projects. The majority of the revenue is derived from the M2 ½ cent sales tax (Local Transportation Authority) and Transportation Development Act ¼ cent sales tax shown in the pie-chart below as Local funding.

### Total Revenues & Reserves: \$1.12 billion



Sources of Funds for Fiscal Years 2012-13 through 2014-15 (In Thousands)

### Revenues by Fund

	Actuals FY 2012-13	Approved FY 2013-14	Approved FY 2014-15
ARBA Trust Fund	2,107	912	1,187
Commuter and Urban Rail Endowment 1	41,202	41,592	52,142
Gas Tax Fund	23,000	-	-
General Fund	12,707	25,450	15,147
Internal Service Fund - Workers Compensation	505	673	478
Internal Service Fund- PL & PD	6,267	501	382
Local Transportation Authority Measure M1	59,290	66,703	31,603
Local Transportation Authority Measure M2	363,119	661,857	502,316
Local Transportation Fund	142,176	153,205	159,885
Measure M Bond Debt Service	-	-	-
Measure M2 Bond Debt Service	6,973	6,514	6,559
Orange County Taxi Administration Program	842	745	932
Orange County Transit District	198,610	234,464	284,988
Orange County Unified Transportation Trust	446	1,017	319
Scholarship Fund	14	17	17
Service Authority for Abandoned Vehicles	761	10	10
Service Authority for Freeway Emergencies	6,610	5,732	6,248
State Route 91 Toll Road	40,852	39,436	42,461
State Transit Assistance Fund	21,721	22,087	19,771
Transit Development Capital Project	10	-	-
<b>TOTAL REVENUES BY FUND</b>	<b>927,212</b>	<b>1,260,915</b>	<b>1,124,445</b>

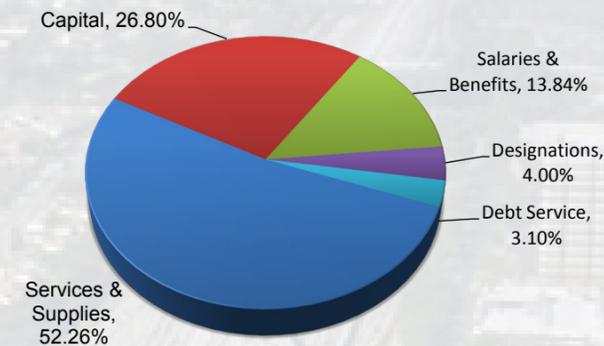
### Revenues By Category

	Actuals FY 2012-13	Approved FY 2013-14	Approved FY 2014-15
Interest	21,884	21,922	17,719
State Sources	229,435	278,099	230,280
Federal Sources	116,287	247,094	309,600
Farebox Revenues	54,236	61,117	58,636
Toll Road	39,303	38,199	41,459
Local	289,641	307,666	332,791
Use of Prior Year Designations	176,426	306,818	133,960
<b>TOTAL REVENUES BY TYPE</b>	<b>927,212</b>	<b>1,260,915</b>	<b>1,124,445</b>

## USES OF FUNDS

The FY 2014-15 budget is built upon the program and service objectives set by the Board of Directors. OCTA's combined staffing, operating and capital budgets total \$1.12 billion. The approved appropriation plan includes \$1.08 billion in expenditures and \$45.0 million in designations. The budget represents the Authority's ongoing commitment to deliver a quality set of transportation solutions for residents of Orange County within the revenues available

### Total Expenses & Designations: \$1.12 billion



Uses of Funds for Fiscal Years 2012-13 through 2014-15 (In Thousands)

### Expenses by Fund

	Actuals FY 2012-13	Approved FY 2013-14	Approved FY 2014-15
ARBA Trust Fund	2,107	912	1,187
Commuter and Urban Rail Endowment 1	35,916	36,424	45,507
Gas Tax Fund	23,000	-	-
General Fund	72,256	105,474	98,110
Internal Service Fund - Workers Compensation	6,658	6,598	7,094
Internal Service Fund- PL & PD	7,233	9,959	9,081
Local Transportation Authority Measure M1	51,605	62,059	28,987
Local Transportation Authority Measure M2	324,416	621,926	448,702
Local Transportation Fund	5,462	4,653	3,866
Measure M2 Bond Debt Service	35,765	28,791	28,792
Orange County Taxi Administration Program	603	580	656
Orange County Transit District	316,782	339,628	406,366
Orange County Unified Transportation Trust	110	217	69
Scholarship Fund	14	17	17
Service Authority for Abandoned Vehicles	760	10	10
Service Authority for Freeway Emergencies	5,838	6,398	6,044
State Route 91 Toll Road	38,683	37,269	39,957
State Transit Assistance Fund	4	-	-
<b>TOTAL EXPENSES BY FUND</b>	<b>927,212</b>	<b>1,260,915</b>	<b>1,124,445</b>

### Expenses by Category

	Actuals FY 2012-13	Approved FY 2013-14	Approved FY 2014-15
Salaries & Benefits	144,161	155,058	155,652
Services & Supplies	213,375	344,555	344,133
Contributions to Other Agencies	169,093	392,222	243,456
Capital	206,352	285,097	301,387
Debt Service	34,689	36,152	34,814
Designations	159,542	47,831	45,003
<b>TOTAL EXPENSES BY TYPE</b>	<b>927,212</b>	<b>1,260,915</b>	<b>1,124,445</b>

## HISTORY

OCTA is responsible for providing coordinated, effective and accountable transportation planning and public transportation services within Orange County. OCTA was established by state law and created from the consolidation of seven transportation agencies, which include:

- Orange County Transportation Commission
- Orange County Transit District
- Orange County Consolidated Transportation Services Agency
- Orange County Local Transportation Authority
- Service Authority for Freeway Emergencies
- Orange County Congestion Management Agency
- Service Authority for Abandoned Vehicles

OCTA began serving the public on June 20, 1991. The establishment of a consolidated transportation authority has saved county taxpayers tens of millions of dollars through increased efficiency and the elimination of duplication of efforts. Concurrent with these efforts, however, services and investment in transportation has increased, providing the county with a progressive, effective and comprehensive transportation system.

### Governing Board

The Orange County Transportation Authority is governed by an 18-member Board of Directors consisting of five members of the Orange County Board of Supervisors, ten city council members selected by the cities in the supervisorial district in which they represent, two public members selected by the other 15 board members, and serving in a non-voting capacity is a representative appointed by the Governor of California. OCTA is managed by a Chief Executive Officer, who acts in accordance with the direction, goals, and policies articulated by the Board of Directors.

### Organization

OCTA's organizational structure is comprised of eight divisions:

- Executive Office
- Finance and Administration
- Human Resources & Organizational Development
- Government Relations
- Planning
- Capital Programs
- External Affairs
- Transit

The table below provides a look at staffing by division.

### Employees

Divisions	Approved FY 2012-13	Approved FY 2013-14	Approved FY 2014-15
Executive Office	15	15	15
Finance and Administration	159	159	159
Human Resources & Org. Dev.	44	44	46
Government Relations	9	9	9
Planning	37	37	38
Capital Programs	37	37	37
External Affairs	40	40	40
Transit	1,177	1,181	1,119
<b>TOTAL</b>	<b>1,518</b>	<b>1,522</b>	<b>1,463</b>