

OVERVIEW

FY 2012-13 Approved Budget

Operating budget	\$850,422
Capital budget	189,115
Long-term commitments	35,245
TOTAL	\$1,074,782

FY 2012-13 Accomplishments

- Completed construction of the SR-91 widening from SR-55 to SR-241.
- Completed final design of three grade separation projects along the Orangethorpe railroad corridor.
- Completed final design of three projects to extend the carpool lane on I-5 from San Juan Creek Road to Avenida Pico.
- Completed final design of the westbound SR-91 widening from SR-55 to Tustin Avenue.
- Awarded \$21 million in funds for 50 projects related to street rehabilitation, street widening, bicycle trails, and transit projects to help protect the County's transportation infrastructure. Awarded \$9.4 million for 21 bicycle projects. Competitively awarded \$35 million in Regional Capacity funds for seven projects, \$9.6 million in Signal Synchronization funds for 24 projects, \$732,613 for four shuttle and station van connections to Metrolink stations, and over \$15 million in Environmental Water Quality Cleanup grants for 41 projects to improve mobility and quality of life in Orange County.
- Successfully extended the alternative fuel tax credit, saving OCTA approximately \$4 million annually.
- Successfully developed over \$248 million in grant requests from a variety of federal, state, and local sources.
- Delivered eight traffic light synchronization projects that resulted in significant travel time improvements along 153 miles of arterials and 533 signalized intersections.
- Coordinated regional efforts that led to the successful adoption of the 2012-35 Regional Transportation Plan/Sustainable Communities Strategy.

FY 2013-14 Approved Budget

Operating budget	\$939,666
Capital budget	285,097
Long Term commitments	36,152
TOTAL	\$1,260,915

FY 2013-14 Chairman's Strategic Initiatives

- Advance delivery of the M2020 projects.
- Explore new and enhanced transit services.
- Improve passenger rail services.
- Enhance regional bicycle programs.
- Emphasize community outreach and involvement in delivery of M2020 projects.
- Strengthen regional partnerships.
- Develop effective funding strategies and programs.
- Maintain M2 ordinance promise to voters.
- Continue to support environmental stewardship and sustainability initiatives.
- Refine and update the strategic plan.
- Ensure accountability and efficiency in operations.
- Advance workforce development and maximize human capital potential.

OCTA's 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) 2013-14 Budget for the Orange County Transportation Authority (OCTA). This \$1.26 billion dollar budget has been developed in accordance with the goals of the Chairman and Chief Executive Officer and is consistent with direction provided by the Board of Directors. 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 \$726 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 transit programs.

I am pleased to report that this budget also includes 61,000 additional service hours for bus operations, which represents a 3.9 percent increase in service from FY 2012-13. Approximately 30,000 hours will be used to improve on-time performance and overcrowding on existing OCTA bus routes. The balance of 31,000 hours will be used to implement Board of Directors-approved pilot projects from the Transit System Study completed in 2011. The pilot projects include limited stop service on Harbor Boulevard, as well as express service on State Route 22 and State Route 73.

OCTA remains committed to controlling costs. Growth in General Fund related expenditures remained tightly controlled by executive management, and the plan to contract additional fixed-route service commensurate with coach operator attrition will continue, with approximately 90,000 revenue hours to be converted during the fiscal year. Additionally, reductions in ACCESS costs were reinvested in fixed-route service as well as areas that will improve the transit experience for ACCESS customers.

The FY 2013-14 budget demonstrates OCTA's continued commitment to developing and delivering transportation solutions to enhance quality of life and keep Orange County moving, while remaining a responsible steward of taxpayer dollars.

Sincerely,

Darrell Johnson
Chief Executive Officer

Orange County Transportation Authority
APPROVED BUDGET
2013-14

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 reserve balances. 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 third full year of sales tax collections for the approximately \$15 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 1 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. During this fiscal year 30,000 revenue hours are anticipated to be added to increase bus service frequency in high-demand corridors to begin to address passenger demand and on-time performance. In addition, 31,000 hours will be added to introduce new Express and BRT routes. The plan to contract additional fixed route service commensurate with coach operator attrition will continue. Approximately 90,000 revenue hours are anticipated to be converted in the fiscal year.

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). OCTA continues its effort to enhance the corridor to increase capacity and improve traffic flow along the SR-91. The most recent enhancement is the completion of the \$75 million SR-91 Westbound and Eastbound Lane Addition between the State Route 55 and Foothill Toll Road (SR-241). In FY 2013-14, planning, specifications and estimates will be initiated to construct an HOV connector between the SR-241 and the 91 Express Lanes.

Rail

The Metrolink program is a premier regional rail system operated as a Joint Power Authority (JPA) by the Southern California Regional Rail Authority. OCTA is a member of a five-member agency that participates in the JPA serving the surrounding counties. OCTA provides the funding necessary to operate the three lines that cross Orange County, which include: the Orange County Line, the Inland Empire-Orange County (IEOC) Line, and the 91 Line. This fiscal year, OCTA continues to invest in station, parking and track improvements in Orange County.

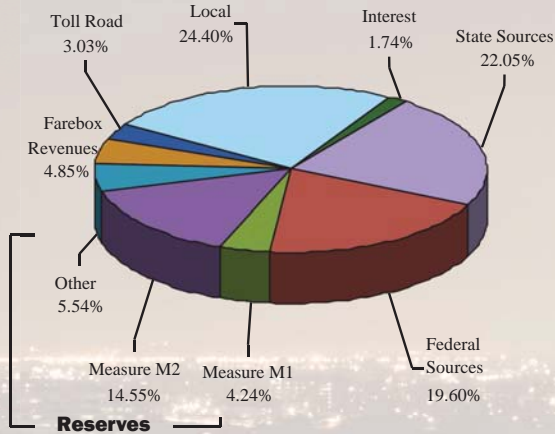
Motorist Services Program

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 2013-14, OCTA anticipates receiving \$954.1 million in revenue and \$306.8 million in planned use of reserves for a total of \$1.26 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: \$1.26 billion



Sources of Funds for Fiscal Years 2011-12 through 2013-14 (In Thousands)

Revenues by Fund

	Actuals FY 2011-12	Approved FY 2012-13	Approved FY 2013-14
ARBA Trust Fund	1,022	1,123	912
Commuter and Urban Rail Endowment 1	34,686	43,168	41,592
Gas Tax Fund	23,447	23,000	-
General Fund	10,293	26,742	25,450
Internal Service Fund - Workers Compensation	317	159	673
Internal Service Fund- PL & PD	2,578	694	501
Local Transportation Authority Measure M1	129,158	111,641	66,703
Local Transportation Authority Measure M2	297,863	469,641	661,857
Local Transportation Fund	139,067	144,926	153,205
Measure M Bond Debt Service	-	-	-
Measure M2 Bond Debt Service	6,967	7,087	6,514
Orange County Taxi Administration Program	819	690	745
Orange County Transit District	172,456	179,271	234,464
Orange County Unified Transportation Trust	2,433	647	1,017
Scholarship Fund	18	20	17
Service Authority for Abandoned Vehicles	2,292	803	10
Service Authority for Freeway Emergencies	5,466	5,137	5,732
State Route 91 Toll Road	34,789	38,215	39,436
State Transit Assistance Fund	22,316	21,818	22,087
Transit Development Capital Project	14	-	-
TOTAL REVENUES BY FUND	886,001	1,074,782	1,260,915

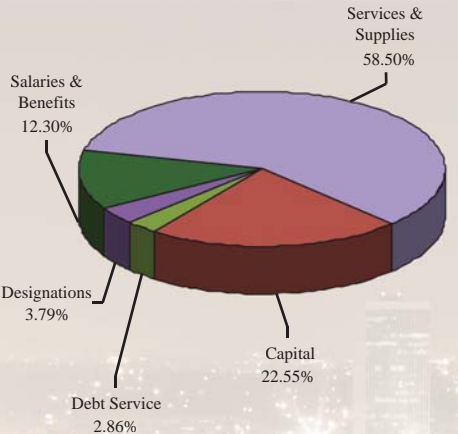
Revenues By Category

	Actuals FY 2011-12	Approved FY 2012-13	Approved FY 2013-14
Interest	16,430	19,968	21,922
State Sources	286,635	261,649	278,099
Federal Sources	118,279	179,622	247,094
Farebox Revenues	50,611	55,855	61,117
Toll Road	37,814	37,080	38,199
Local	309,008	316,484	307,666
Reserves	67,224	204,124	306,818
TOTAL REVENUES BY TYPE	886,001	1,074,782	1,260,915

USES OF FUNDS

The FY 2013-14 budget is built upon the program and service objectives set by the Board of Directors. OCTA's combined staffing, operating and capital budgets total \$1.26 billion. The approved appropriation plan includes \$1.21 billion in expenditures and \$47.8 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: \$1.26 billion



Uses of Funds for Fiscal Years 2011-12 through 2013-14 (In Thousands)

Expenses by Fund

	Actuals FY 2011-12	Approved FY 2012-13	Approved FY 2013-14
ARBA Trust Fund	1,022	1,123	912
Commuter and Urban Rail Endowment 1	26,738	37,802	36,424
Gas Tax Fund	23,447	23,000	-
General Fund	64,562	102,208	105,474
Internal Service Fund - Workers Compensation	6,249	5,748	6,598
Internal Service Fund- PL & PD	3,045	8,850	9,959
Local Transportation Authority Measure M1	124,834	101,839	62,059
Local Transportation Authority Measure M2	269,408	434,212	621,926
Local Transportation Fund	8,653	2,930	4,653
Measure M2 Bond Debt Service	24,190	28,793	28,791
Orange County Taxi Administration Program	677	534	580
Orange County Transit District	290,696	282,906	339,628
Orange County Unified Transportation Trust	2,371	197	217
Scholarship Fund	18	20	17
Service Authority for Abandoned Vehicles	2,293	803	10
Service Authority for Freeway Emergencies	4,955	7,791	6,398
State Route 91 Toll Road	32,839	36,026	37,269
State Transit Assistance Fund	4	-	-
TOTAL EXPENSES BY FUND	886,001	1,074,782	1,260,915

Expenses by Category

	Actuals FY 2011-12	Approved FY 2012-13	Approved FY 2013-14
Salaries & Benefits	147,250	147,956	155,058
Services & Supplies	200,172	286,145	344,555
Contributions to Other Agencies	227,225	299,978	392,222
Capital	124,050	189,115	285,097
Debt Service	28,957	35,245	36,152
Designations	158,347	116,343	47,831
TOTAL EXPENSES BY TYPE	886,001	1,074,782	1,260,915

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 2011-12	Approved FY 2012-13	Approved FY 2013-14
Executive Office	15	15	15
Finance and Administration	157	159	159
Human Resources & Org. Dev.	44	44	44
Government Relations	9	9	9
Planning	37	37	37
Capital Programs	36	37	37
External Affairs	40	40	40
Transit	1,229	1,177	1,181
TOTAL	1,567	1,518	1,522