



Orange County Transportation Authority Bus Service Scenarios



Board Meeting
November 9, 2009

General Assumptions

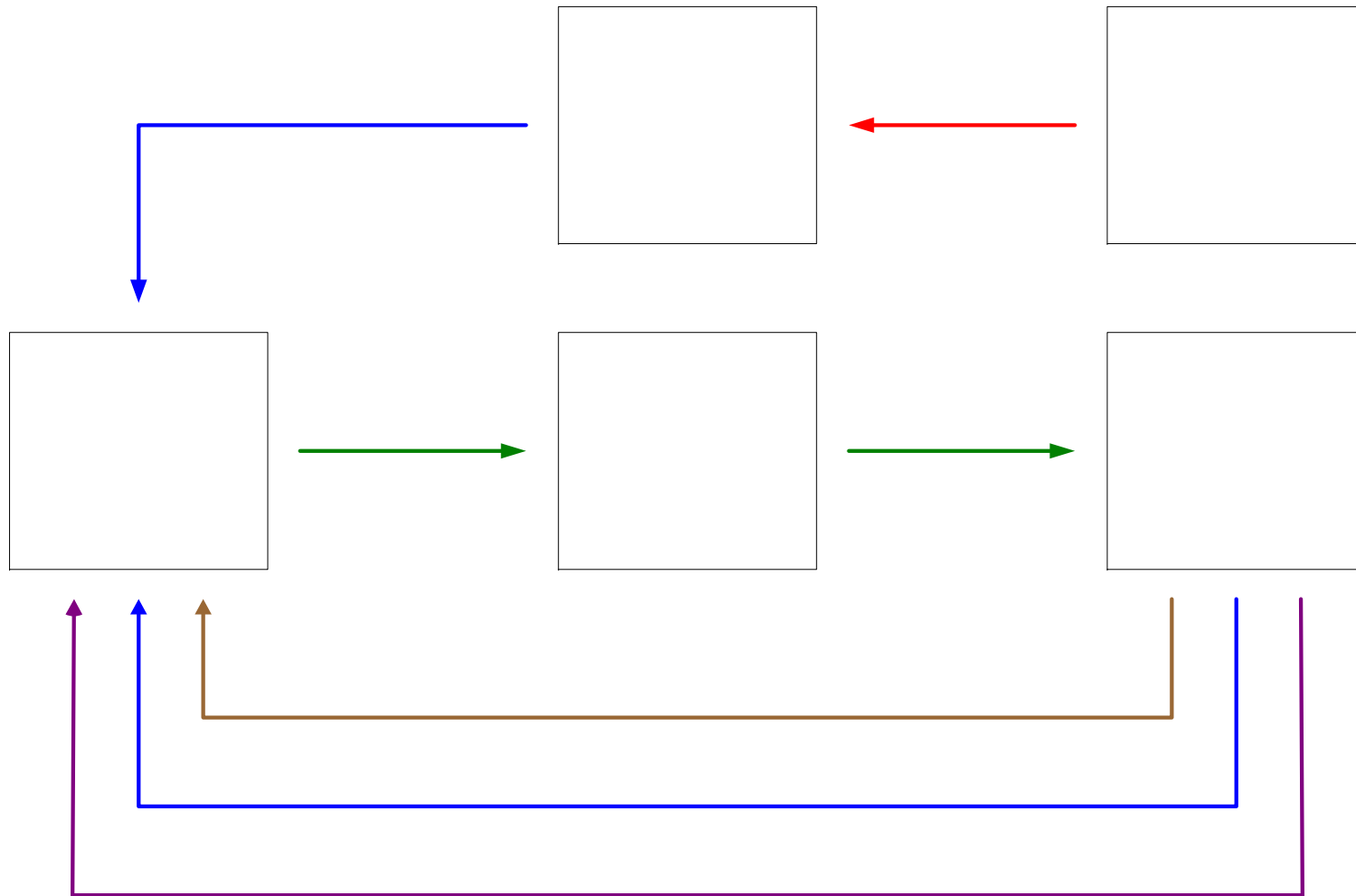
- Revenue
 - Restoration of State Transit Assistance Program
 - Sales tax revenue growth rates
 - FY 2010 @ - 7.5%, FY 2011 @ 1.1%, FY 2012 @ 6.2%
 - FY 2010 actual sales tax \$5.2 million less than budgeted through October
 - Fare revenue
 - Fare increases in FY 2011 and FY 2013 then every four years thereafter
 - FY 2010 actual fare revenue \$1.2 million less than budgeted through September
 - Alternative fuel tax credit expires in December 2009
 - CURE funds transferred for bus operations

- Restructure bus service delivery model
 - Develop a delivery model to suit affordable levels of service
 - Determine proper mix of contracted and directly operated service
 - Match administrative costs and staffing levels to service levels
 - Incorporate impacts of new transit services allowable through Renewed Measure M (M2)

- Labor
 - Upcoming collective bargaining process will aim to control costs
 - Administrative reductions to match with service reductions

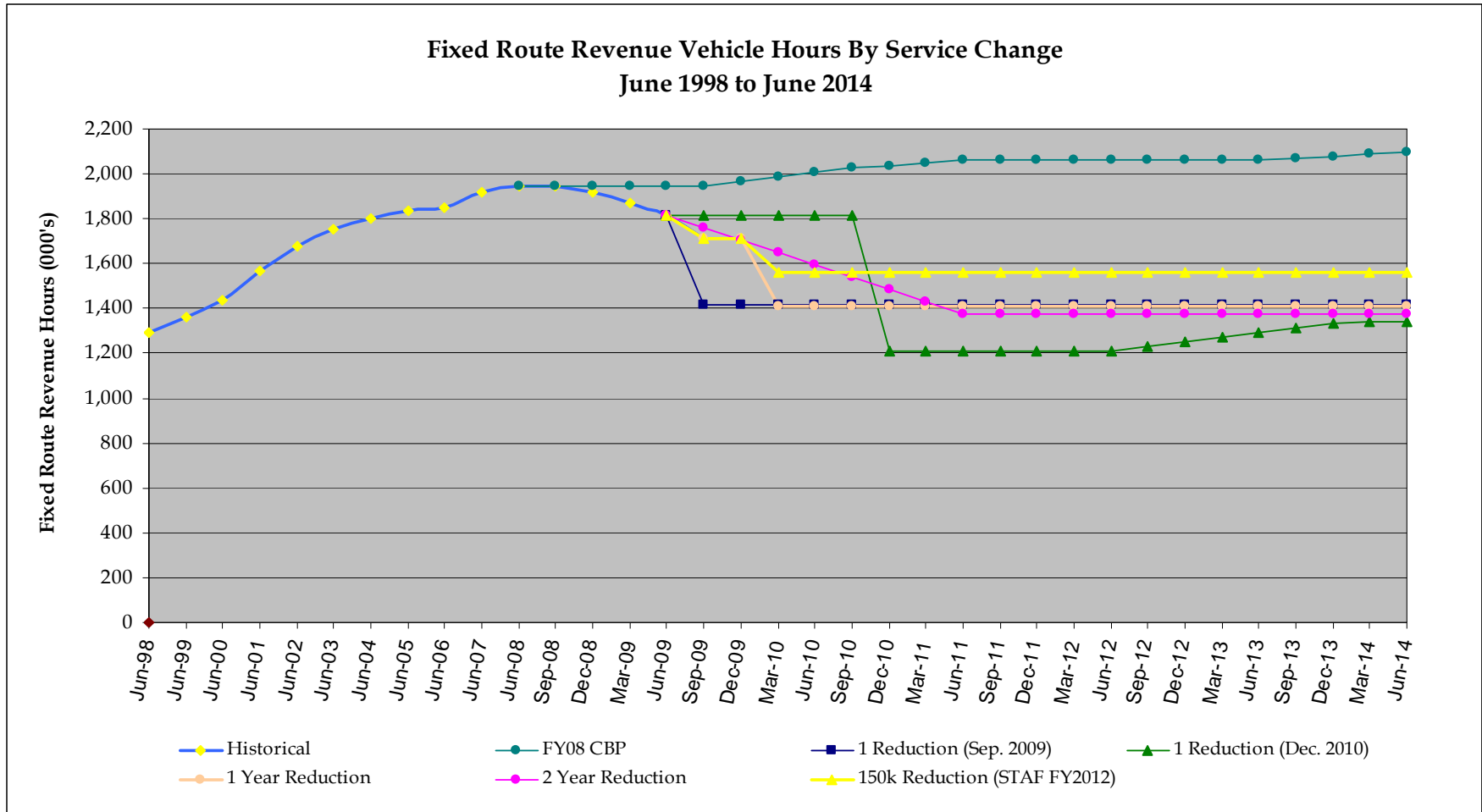


Flow of funds: CURE \leftrightarrow OCTD



\$18
(CMA

Scenario Overviews



Cash Flow & Use of Reserves

Fiscal Year	09/10	10/11	11/12	12/13	13/14
Cash balance - beginning	\$ 81	27	12	36	54
Revenue					
Ongoing revenue	221	239	268	287	316
State Transit Assistance Funds	-	-	18	19	20
American Recovery and Reinvestment Act (ARRA) funds	50	3	-	-	-
Commuter & Urban Rail Endowment (CURE) transfer	-	30	25	13	-
	<u>271</u>	<u>272</u>	<u>311</u>	<u>319</u>	<u>336</u>
Expenses					
Total operating expense	257	253	258	267	276
Capital expenditures	38	24	10	17	68
Bristol Street Widening Project	31	10	19	17	-
	<u>326</u>	<u>287</u>	<u>286</u>	<u>301</u>	<u>345</u>
Cash balance - ending	27	12	36	54	45

* Dollars in millions

What time buys...

- Preserves most service for customer today
- Allows OCTA to plan a multi-faceted campaign to make the bus system more efficient
- Allows OCTA to assess impacts of new transit services allowable through M2
- When/if resumption of STA program will occur
- When/if repayment of lost STA program funds will occur
- Whether the Alternative Fuel Tax Credit will be continued
- Impacts of service reductions on both ACCESS and fixed route services
- Assess the direction of the economy and its impact on sales tax receipts

Next Steps

- Approve service levels for March 2010 November 9, 2009
- Transit Committee to recommend specific service scenario November 12, 2009
- Board approves specific service scenario November 23, 2009
- Staff to monitor financial assumptions Ongoing

