

OVERVIEW

FY 2024-25 Approved Budget (In Millions)

Operating budget	\$912.7
Capital budget	672.1
Designations	96.5
Long-term commitments	75.3
TOTAL	\$1,756.6

FY 2025-26 Approved Budget (In Millions)

Operating budget	\$929.6
Capital budget	650.2
Designations	93.5
Long-term commitments	65.9
TOTAL	\$1,739.2

FY 2024-25 Accomplishments

- In October 2024, OCTA's I-405 Improvement Project won the Southern California region Best Highway/Best Bridge category in Engineering News Record California's 2024 Regional Best Projects competition. The project was selected from among ninety entries across California and Hawaii.
- The Regional Capacity Program (Project O) enabled OCTA to release the 2024 Call for Projects for \$18.7 million via a competitive grant program. This funding is available to local agencies for additional road improvements throughout Orange County. Since 2011, over 186 projects totaling more than \$406 million have been awarded by OCTA.
- The OCTA Board approved programming of \$3.3 million in competitive funds for 12 projects focused on removing visible pollutants, such as litter and debris, from roads before they reach waterways and the ocean.
- Achieved an average weekday boarding amount of over 127,000 for fixed route bus operations.
- Approved the implementation of a new Rider Validation System (RVS) to support the OCTA bus system.
- Partially funded by OCTA, Metrolink launched a new system-wide train schedule on October 21, 2024 featuring increased frequency, better connections, and more weekday service. Metrolink riders in Orange County saw an increase in the number of weekday trains from 45 to 58.
- Secured a total of \$305 million from state and federal sources to advance immediate coastal stabilization efforts on the rail corridor where it runs along the vulnerable coastline through San Clemente.
- Achieved 93% completion on construction for the OC Streetcar, with bridges, track installation, and Overhead Catenary System (OCS) pole placement finished. Sidewalks, driveways, curbs, and gutter reconstruction are complete, along with most landscaping.
- Traffic volumes and toll revenues for the 91 Express Lanes reached record levels, reflecting increased demand and efficiency in corridor management.
- Closed out the installation phase of the 405 Express Lanes Electronic Toll and Traffic Management systems.
- Executed a new cooperative agreement for California Highway Patrol (CHP) support to ensure adequate supervision, training, and other assistance for the Freeway Service Patrol (FSP) program.

STRATEGIC PLAN
FRAMEWORK

FY 2025-26 Board Strategic Initiatives

- Deliver the Public a Balanced, Sustainable, and Equitable Transportation System
- Ensure Organizational Resiliency through Fiscal and Environmental Responsibility
- Uphold Continued Excellence, Diversity, and Collaboration

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

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.
- Teamwork/ Partnership - We work well together from a sense of shared purpose and mutual respect.
- Communication - We provide consistent, timely, and reliable information in an open, honest, and straightforward manner.
- Can-Do-Spirit - We tackle challenges with innovation, vision, and strategic thinking.
- Safety - We work to ensure the ongoing safety of the traveling public and our employees.

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CEO MESSAGE

Dear Orange County Residents:

Chair Doug Chaffee and Members of the Board of Directors:

In alignment with the vision, mission, and values of the Orange County Transportation Authority (OCTA), and pursuant to the Board of Directors' Strategic Initiatives, it is my privilege to submit the fiscal year (FY) 2025-26 budget. This balanced budget, totaling \$1,739.2 million, commits the necessary resources to provide innovative and sustainable transportation solutions for the residents and visitors of Orange County (County).

For the FY 2025-26 budget, OCTA is taking a conservative approach to sales tax assumptions and assuming no growth in the coming year. Sales tax for the Measure M2 (M2) Program is forecasted to be \$432.1 million. Similarly, the quarter-cent Local Transportation Fund sales tax revenue, primarily supporting the bus program, is anticipated to be \$220.2 million.

The M2 Program budget provides a clear path to enhance transportation across our cities and County. The M2 Program supports a balanced system across freeways, transit, streets, roads, and environmental initiatives. The FY 2025-26 budget for the M2 Program includes \$464 million for freeway improvement projects and \$166 million for the maintenance and enhancement of streets and roads. The budget also allocates \$100 million for M2 Transit Programs, which comprises \$38 million to support regional rail services and \$37 million to support local rail.

The FY 2025-26 budget outlines a robust plan for transit services, with a clear focus on enhancements, sustainability, and resilient operations. The budget allocates \$574 million to support the OC Bus Program, supporting up to 1.62 million service hours. Sustainability and resiliency focus is also a cornerstone of the budget, with ongoing investments in zero-emission buses and infrastructure. A capital budget of \$110 million is included for the procurement of seven zero-emission 60-foot buses, bus base and transit center improvements, as well as a communications system upgrade. Additionally, the budget supports ongoing Metrolink service and the launch of the OC Streetcar.

OCTA's express lanes continue to demonstrate solid performance with the 91 Express Lanes effectively moving traffic through the corridor. The budget anticipates traffic volumes to increase by three million trips in FY 2025-26, reaching 23 million trips based on demand. In addition, the 405 Express Lanes are forecasted to reach 67.8 million transactions over the five ingress/egress points in the 405 corridor.

The FY 2025-26 budget is a testament to the Board's Strategic Initiatives and OCTA's dedication to delivering a balanced and sustainable transportation network, ensuring Orange County keeps moving safely and efficiently.



Sincerely,



Darrell E. Johnson
Chief Executive Officer

Fiscal Year 2025-26 Approved Budget

Orange County Transportation Authority



PROGRAMS

Measure M2 (M2)

On November 7, 2006, the voters of Orange County chose to extend the Measure M1 half cent sales tax for another 30 years from 2011 through 2041. M2, administered by the Orange County Transportation Authority (OCTA), will generate billions of dollars to improve transportation in Orange County. M2 is designed to reduce traffic congestion and enhance overall mobility. Improvements in the plan include improving key freeways, upgrading major interchanges, adding capacity, and maintaining streets and roads.

Regional Rail

Regional rail service for Orange County Transportation Authority 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.

Local Rail

The OC Streetcar links the Santa Ana Regional Transportation Center (SARTC), which provides regional rail, OCTA bus, and intercity and interstate bus services, to the multi-modal hub at Harbor Boulevard and Westminster Avenue in Garden Grove. The OC Streetcar will serve the historic downtown Santa Ana and Civic Center which includes government offices, federal, state and local courthouses, unique restaurants and shops, an artists' village, several colleges, and a variety of community enrichment organizations.

Express Lanes

The Express Lanes provide commuters with reliable travel options compared to the adjacent general-purpose lanes. They have a variable toll rate depending on traffic demand, with the purpose of maximizing throughput in the corridor and keeping the lanes free flowing. The 91 Express Lanes is a four-lane, 18-mile toll road in Orange and Riverside counties. Located in the median of State Route 91 (SR-91) between the State Route 55 (SR-55)/SR-91 interchange and the SR-91 / Interstate 15 (I-15) interchange, the 91 Express Lanes is jointly managed by OCTA and the Riverside County Transportation Commission (RCTC). The 405 Express Lanes is a four-lane, High-Occupancy Toll (HOT) corridor along Interstate 405 (I-405), stretching from State Route 73 (SR-73) to Interstate 605 (I-605).

Motorist Services

Motorist Services includes the Service Authority for Freeway Emergencies Program (SAFE). The SAFE Program is comprised of Freeway Services Patrol (FSP), Call Box Network, and Orange County 511 Service, all designed and operated to assist motorists on Orange County's network of freeways.

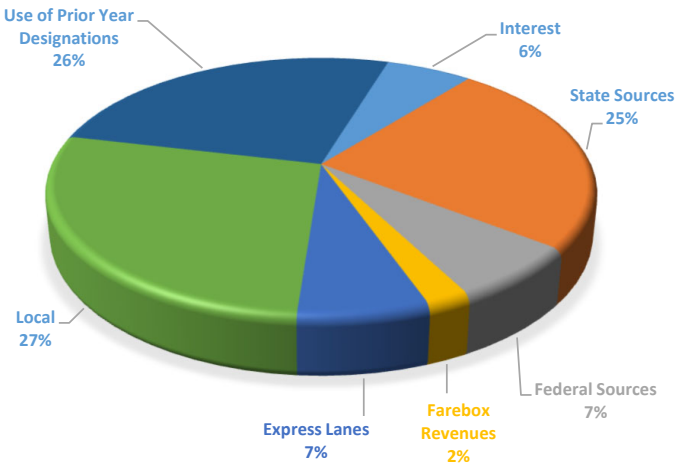
Bus Operations

The Bus Operations program delivers fixed-route, express, StationLink rail feeder, and complementary paratransit bus services for Orange County residents. The fixed-route network provides bus service on 34 local lines, eight community lines, four limited-stop lines, and four Stationlink rail feeder lines. 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.

SOURCES OF FUNDS

In FY 2025-26, OCTA anticipates receiving \$1,285.7 million in revenue and \$453.5 million in use of prior year designations for a total of \$1,739.2 million in available funding for all programs and projects. A large portion of the revenue is derived from the M2 ½ cent sales tax (Local Transportation Authority) and Transportation Development Act ¼ cent sales tax.

Total Revenues & Reserves: \$1.74 billion



Sources of Funds for Fiscal Years
2023-24 through 2025-26 (In Millions)

Revenue by Category

	FY 2023-24 Actuals	FY 2024-25 Approved	FY 2025-26 Approved
Interest	137.1	91.7	105.2
State Sources	304.8	506.9	428.9
Federal Sources	149.2	188.6	119.6
Farebox Revenues	37.2	33.1	38.6
Express Lanes	93.3	103.1	116.1
Local	474.9	480.3	477.3
Use of Prior Year Designations	97.6	352.8	453.5
TOTAL REVENUES BY TYPE	1,294.0	1,756.6	1,739.2

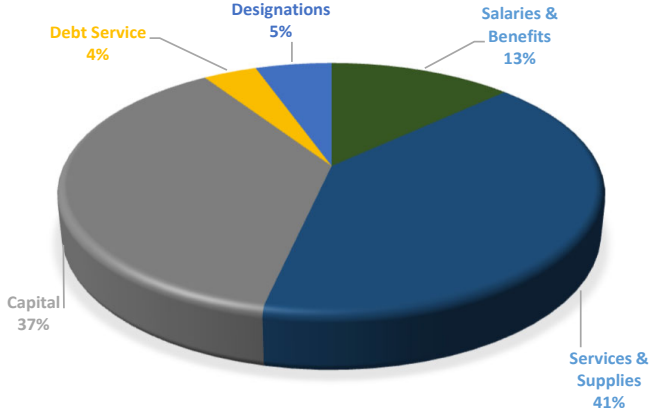
Revenue by Fund

	FY 2023-24 Actuals	FY 2024-25 Approved	FY 2025-26 Approved
405 Express Lanes	24.1	75.1	68.1
91 Express Lanes	89.3	125.4	214.7
ARBA Trust Fund	3.6	1.8	1.9
General Fund	15.2	13.4	16.7
Internal Service Fund-PL and PD	1.3	0.8	1.0
Internal Service Fund-Workers' Compensation	1.9	1.0	1.5
Local Rail	(0.0)	-	1.1
Local Transportation Authority Measure M2	572.7	793.5	723.3
Local Transportation Fund	242.3	224.0	236.7
Measure M2 Bond Debt Service	14.8	6.7	0.9
Orange County Transit District	210.8	375.7	286.1
Orange County Unified Transportation Trust	0.2	1.1	0.4
Regional Rail	20.5	47.9	103.4
Scholarship Fund	0.0	0.0	0.0
Service Authority for Freeway Emergencies	7.5	7.1	7.2
State Transit Assistance Fund	59.0	58.7	52.6
Transit Development Capital Project	30.7	24.2	23.7
TOTAL REVENUES BY FUND	1,294.0	1,756.6	1,739.2

USES OF FUNDS

The FY 2025-26 budget is built upon the program and service objectives set by the Board of Directors. OCTA's combined staffing, operating and capital budgets total \$1,739.2 million. The approved appropriation plan includes \$1,645.7 million in expenditures and \$93.5 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: \$1.74 billion



Uses of Funds for Fiscal Years
2023-24 through 2025-26 (In Millions)

Expense by Category

	FY 2023-24 Actuals	FY 2024-25 Approved	FY 2025-26 Approved
Salaries & Benefits	183.4	216.5	225.9
Services & Supplies	437.3	696.2	703.6
Capital	279.1	672.1	650.2
Debt Service	44.9	75.3	65.9
Designations	349.3	96.5	93.5
TOTAL EXPENSES BY TYPE	1,294.0	1,756.6	1,739.2

Expense by Fund

	FY 2023-24 Actuals	FY 2024-25 Approved	FY 2025-26 Approved
405 Express Lanes	145.9	71.0	64.0
91 Express Lanes	70.4	66.2	72.7
ARBA Trust Fund	3.6	1.8	1.9
General Fund	114.4	133.5	134.1
Internal Service Fund-PL and PD	4.1	5.5	4.5
Internal Service Fund-Workers' Compensation	9.9	6.6	9.1
Local Rail	0.1	2.8	10.6
Local Transportation Authority Measure M2	282.7	643.0	694.2
Local Transportation Fund	43.0	5.6	5.6
Measure M2 Bond Debt Service	54.9	54.9	45.2
Orange County Transit District	403.6	592.6	502.9
Orange County Unified Transportation Trust	0.2	1.1	0.4
Regional Rail	44.8	82.3	135.3
Scholarship Fund	0.0	0.0	0.0
Service Authority for Freeway Emergencies	11.8	11.3	11.5
State Transit Assistance Fund	2.1	0.0	0.0
Transit Development Capital Project	102.6	78.3	47.0
TOTAL EXPENSES BY FUND	1,294.0	1,756.6	1,739.2

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 multiple 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

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 seven divisions:

- Executive Office
- Finance and Administration
- People and Community Engagement
- Operations
- Government Relations
- Planning
- Capital Programs

Employees

	FY 2023-24 Approved	FY 2024-25 Approved	FY 2025-26 Approved
Executive Office	37.0	37.0	37.0
Finance and Administration	175.0	175.0	175.0
People and Community Engagement	88.0	88.0	89.0
Operations	979.0	958.0	988.0
Government Relations	9.0	9.0	10.0
Planning	47.5	47.5	49.5
Capital Programs	34.0	34.0	31.0
TOTAL	1,369.5	1,348.5	1,379.5