

OVERVIEW

FY 2021-22 Approved Budget (In Millions)

Operating budget	\$785.4
Capital budget	416.0
Long Term commitments	65.7
TOTAL	\$1,267.1

FY 2022-23 Approved Budget (In Millions)

Operating budget	\$917.2
Capital budget	635.2
Long Term commitments	97.8
TOTAL	\$1,650.2

FY 2021-22 Accomplishments

- A design contract was awarded for the State Route 57 (SR-57) improvements from Orangewood Avenue to Katella Avenue (Project G). After design work is complete, construction will add one general-purpose lane in the northbound direction.
- The Regional Capacity Program (Project O) enabled OCTA to release the 2022 Call for Projects for \$22 million via a competitive grant program. This funding is available to local agencies for additional road improvements throughout Orange County. Since 2011, over 140 projects totaling more than \$339 million have been awarded by OCTA.
- Construction of the OC Streetcar reached a major milestone as construction crews have completed two westbound tracks on Santa Ana Boulevard between French Street and Bristol Street and also between Flower Street and Parton Street.
- Reached new three-year collective bargaining agreement with Teamsters 952 for the Coach Operators.
- Approved indefinite extension for the Youth Ride Free program following a successful six-month promotion, ages 6 to 18 will be able to ride the OCTA fixed-route bus system for free.
- Achieved new three-year agreement with the TCU/IAM for parts clerks and facility workers.
- Completed emergency work to stabilize the train tracks between the Mission Viejo/Laguna Niguel and Oceanside stations.
- Successfully implemented new technology of smaller sticker transponders that streamlines the tolling process. These new transponders are more economical to produce, and along with the simplified account plans, allow for the savings to be passed on to customers.
- OCTA reset the interest rate to 1.95 percent on its \$629 million federal loan for the I-405 Improvement Project. This first-of-its-kind reset will help save an additional \$158 million over the life of the loan.

FY 2022-23 Board Strategic Initiatives

- Balanced and Equitable Transportation
- Fiscal and Environmental Responsibility and Adaptability
- Organizational Excellence, Partnership, and Transparency

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.

STRATEGIC PLAN FRAMEWORK

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.

FISCAL YEAR 2022-23



CEO MESSAGE

Dear Orange County Residents:

Consistent with the Orange County Transportation Authority's (OCTA) vision, mission, values, and in accordance with the Board of Directors' (Board) Strategic Initiatives, I present to you the fiscal year (FY) 2022-23 budget for OCTA. The FY 2022-23 budget is balanced at \$1.65 billion and it ensures we commit the necessary resources to deliver innovative, equitable, and sustainable transportation solutions to Orange County residents and visitors.

As we continue to emerge from the pandemic, OCTA anticipates growth for both local and State sales taxes in the coming year. In FY 2022-23, the growth rate for the Measure M2 (M2) sales tax is forecasted to be 3.9 percent. The growth rate for the Transportation Development Act sales tax, which supports bus operations, is forecasted to be 3.5 percent.

Under the voter-approved M2 Program, improvements to freeways, transit, streets and roads, and environmental programs will continue. Included in the M2 Program budget is \$385 million to fund freeway improvement projects and \$165 million is budgeted to improve streets and roads. The budget also includes \$59 million for M2 Transit programs with \$38 million for construction of the OC Streetcar, the county's first modern electric streetcar.

In FY 2022-23, the budget to support the Bus Program is \$677 million. The budget includes bus purchases of up to 134, near zero-emission 40-foot buses, 131 22-foot buses, and ten 22-foot electric buses. As ridership continues to rebound, the budget has the capacity to support bus service levels of up to 1.6 million service hours.

Federal supplemental revenue will continue to provide OCTA the ability to sustain Metrolink service levels, which includes 55 weekday trips and 16 weekend trips within Orange County. And, with employment and economic activity rebounding, usage of the 91 Express Lanes is expected to increase to 19.7 million trips in FY 2022-23.

The FY 2022-23 budget delivers on the Board's Strategic Initiatives and demonstrates OCTA's responsibility to the community in providing a balanced and sustainable multimodal transportation network, which keeps the residents of Orange County moving safely.

Sincerely,

Darrell E. Johnson
Chief Executive Officer

APPROVED BUDGET

ORANGE COUNTY
TRANSPORTATION AUTHORITY



ORANGE COUNTY TRANSPORTATION AUTHORITY
550 S. MAIN STREET, P.O. BOX 14184,
ORANGE, CA 92863-1584
(714) 560-OCTA (6282) • WWW.OCTA.NET

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. Measure M2 (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.

OC Streetcar

Expected to begin operations in 2024, OC Streetcar will link the Santa Ana Regional Transportation Center (SARTC), which provides regional rail, OCTA bus, and intercity and international bus services, to a new multimodal hub at Harbor Boulevard/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

Express Lanes provide commuters with a reliable travel option 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 SR-91 between the State Route 55 (SR-55)/SR-91 interchange and the SR-91/I-15 interchange, the toll road is jointly managed by OCTA and the RCTC. The I-405 Express Lanes stretches from SR-55 to I-605 and is anticipated to open in 2023.

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.

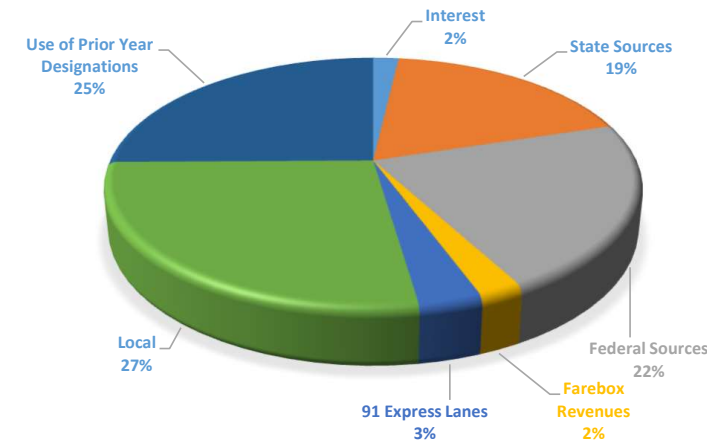
Bus Operations

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 36 local lines, eight community lines, five Stationlink rail feeder lines, and one temporary city shuttles 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.

SOURCES OF FUNDS

In FY 2022-23, OCTA anticipates receiving \$1,234.7 million in revenue and \$415.5 million in use of prior year designations for a total of \$1,650.2 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: \$1.65 billion



Sources of Funds for Fiscal Years 2020-21 through 2022-23 (In Millions)

Revenue by Category	FY 2020-21 Actuals	FY 2021-22 Approved	FY 2022-23 Approved
Interest	28.7	26.6	30.2
State Sources	283.3	275.7	302.7
Federal Sources	234.0	250.7	361.6
Farebox Revenues	14.6	26.2	37.7
91 Express Lanes	45.4	46.1	54.6
Local	385.5	345.8	447.9
Use of Prior Year Designations	278.3	296.0	415.5
TOTAL REVENUES BY TYPE	1,269.7	1,267.1	1,650.2

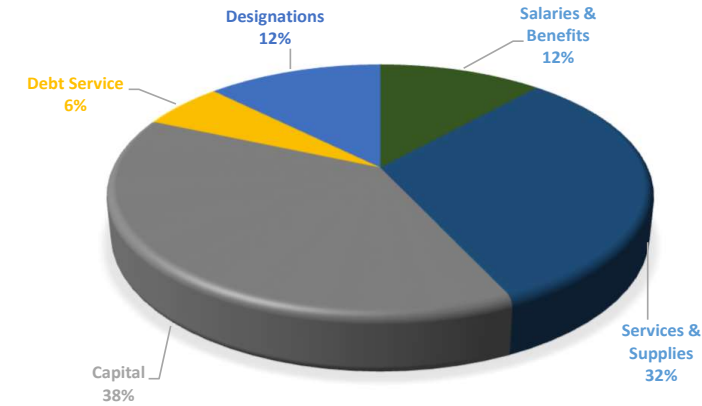
Revenue by Fund

Revenue by Fund	FY 2020-21 Actuals	FY 2021-22 Approved	FY 2022-23 Approved
405 Express Lanes	195.1	63.0	88.7
91 Express Lanes	47.4	80.3	96.7
APTA	-	-	-
ARBA Trust Fund	4.8	1.4	2.7
Commuter and Urban Rail Endowment	3.7	-	-
General Fund	14.8	20.0	14.8
Internal Service Fund-PL and PD	0.4	0.7	0.5
Internal Service Fund-Workers' Compensation	0.4	0.4	0.4
Local Rail	0.0	-	-
Local Transportation Authority Measure M2	400.9	650.6	718.6
Local Transportation Fund	179.1	162.7	212.6
Measure M2 Bond Debt Service	7.9	5.5	5.9
Orange County Taxi Administration Program	0.0	-	-
Orange County Transit District	286.3	182.4	417.7
Orange County Unified Transportation Trust	0.6	0.9	0.1
Regional Rail	24.4	37.6	7.2
Scholarship Fund	0.0	0.0	0.0
Service Authority for Abandoned Vehicles	0.0	-	-
Service Authority for Freeway Emergencies	9.1	6.8	6.7
State Transit Assistance Fund	36.0	36.4	46.6
Transit Development Capital Project	58.6	18.4	31.0
TOTAL REVENUES BY FUND	1,269.7	1,267.1	1,650.2

USES OF FUNDS

The FY 2022-23 budget is built upon the program and service objectives set by the Board of Directors. OCTA's combined staffing, operating and capital budgets total \$1,650.2 million. The approved appropriation plan includes \$1,445.1 million in expenditures and \$205.1 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: \$1.65 billion



Uses of Funds for Fiscal Years 2020-21 through 2022-23 (In Millions)

Expense by Category	FY 2020-21 Actuals	FY 2021-22 Approved	FY 2022-23 Approved
Salaries & Benefits	151.6	177.9	191.2
Services & Supplies	377.7	540.0	520.9
Capital	432.9	416.0	635.2
Debt Service	57.0	65.7	97.8
Designations	250.4	67.5	205.1
TOTAL EXPENSES BY TYPE	1,269.7	1,267.1	1,650.2

Expense by Fund

Expense by Fund	FY 2020-21 Actuals	FY 2021-22 Approved	FY 2022-23 Approved
405 Express Lanes	193.6	59.7	83.1
91 Express Lanes	29.1	53.3	57.2
APTA	-	0.0	-
ARBA Trust Fund	4.8	1.4	2.7
Commuter and Urban Rail Endowment	3.7	-	-
General Fund	94.4	112.0	117.5
Internal Service Fund-PL and PD	2.0	5.9	5.9
Internal Service Fund-Workers' Compensation	8.9	7.9	7.2
Local Rail	0.0	0.1	0.1
Local Transportation Authority Measure M2	302.6	527.1	590.6
Local Transportation Fund	81.3	4.0	5.1
Measure M2 Bond Debt Service	45.9	43.8	54.9
Orange County Taxi Administration Program	0.5	-	-
Orange County Transit District	365.1	320.5	616.4
Orange County Unified Transportation Trust	0.6	0.9	0.1
Regional Rail	44.6	71.6	37.1
Scholarship Fund	0.0	0.0	0.0
Service Authority for Abandoned Vehicles	0.0	-	-
Service Authority for Freeway Emergencies	8.3	8.5	9.4
State Transit Assistance Fund	0.0	-	-
Transit Development Capital Project	84.1	50.2	62.8
TOTAL EXPENSES BY FUND	1,269.7	1,267.1	1,650.2

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 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

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 2020-21 Approved	FY 2021-22 Approved	FY 2022-23 Approved
Executive Office	35.0	36.0	36.0
Finance and Administration	161.5	162.5	169.5
People and Community Engagement	85.0	85.0	88.0
Operations	978.5	942.5	978.5
Government Relations	9.5	9.5	9.0
Planning	43.0	43.5	46.5
Capital Programs	34.0	34.0	34.0
TOTAL	1,346.5	1,313.0	1,361.5