



Fiscal Year 2024-25 Budget Workshop



Orange County Transportation Authority

2024 Board & CEO Initiatives



Tam T. Nguyen
Chair



Darrell E. Johnson
Chief Executive Officer



Budget Themes



Cautious Economic Climate

- Softening sales tax receipts
- State budget deficit
- Strong reserve levels



Sustainability & Resiliency Focus

- Ongoing zero-emission bus and infrastructure investment
- Continuing coastal rail resiliency planning



Stable Express Lanes Operations

- 91 Express Lanes continues meeting commitments
- 405 Express Lanes performing as forecasted heading into first full year of operations



Enhanced Transit Services

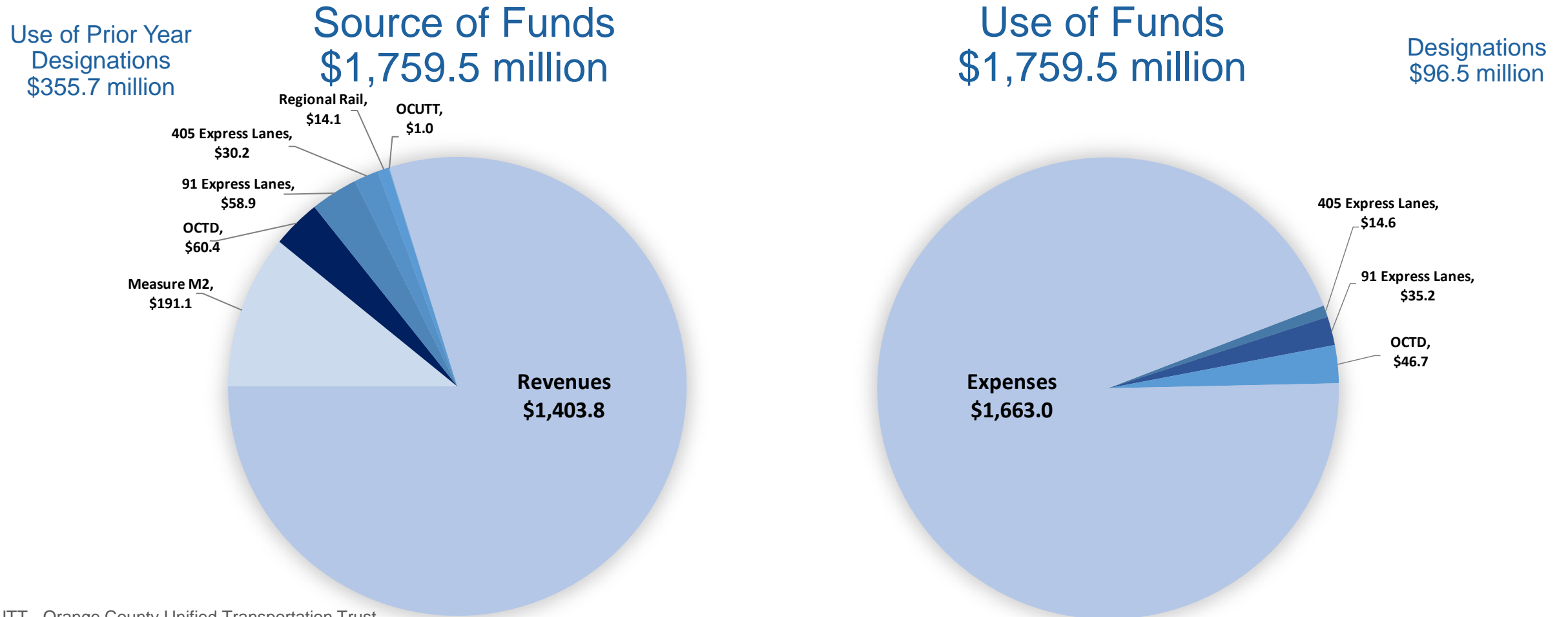
- Enhancing OC Bus through additional service
- Implementing Metrolink rail service optimization model
- Commencing OC Streetcar pre-revenue service activities



Measure M2 Commitment

- Delivering M2 Next 10 Plan as promised
- Funding for cities and County on track through formula and competitive programs

Budget Overview



OCUTT - Orange County Unified Transportation Trust
OCTD - Orange County Transit District

Planned Use of Prior Year Designations

In Millions Fund	Program	FY 2023-24 Approved Budget	FY 2024-25 Proposed Budget
Local Transportation Authority Measure M2	<i>Freeways, Streets & Roads, and M2 Transit</i>	\$ 210.8	\$ 191.1
Orange County Transit District	<i>Bus Capital</i>	75.7	60.4
91 Express Lanes	<i>SR-91 Corridor Improvements</i>	36.0	58.9
405 Express Lanes	<i>Express Lanes</i>	61.2	30.2
Regional Rail	<i>Regional Rail Capital</i>	9.8	14.1
Orange County Unified Transportation Trust	<i>Freeways</i>	1.0	1.0
Additional Retiree Benefit Account (ARBA) Fund	<i>ARBA Contributions</i>	0.3	-
Total Use of Prior Year Designations		\$ 394.8	\$ 355.7

FY – Fiscal Year

Budget Sources & Uses

In Millions	FY 2023-24	FY 2024-25	
Sources	Approved Budget	Proposed Budget	Change \$
Revenues	\$ 1,303.7	\$ 1,403.8	\$ 100.1
Use of Prior Year Designations	394.8	355.7	(39.1)
Total Revenue / Use of Designations	\$ 1,698.5	\$ 1,759.5	\$ 61.0
Uses			
Salaries and Benefits	\$ 208.5	\$ 212.0	\$ 3.5
LOSSAN Funded Salaries and Benefits	4.1	4.5	0.4
Services and Supplies	475.6	471.9	(3.7)
Contributions to Other Agencies	211.7	227.2	15.5
Interest/Debt Service	77.8	75.3	(2.5)
Capital	673.0	672.1	(0.9)
Designations	47.8	96.5	48.7
Total Expenditures / Designations	\$ 1,698.5	\$ 1,759.5	\$ 61.0

Revenues

In Millions Sources	FY 2023-24	FY 2024-25	Change \$
	Approved Budget	Proposed Budget	
M2 Local Transportation Authority 1/2 Cent Sales Tax	\$461.6	\$441.9	(\$19.7)
State Grants	52.0	233.8	181.8
Local Transportation Fund 1/4 Cent Sales Tax	230.7	222.2	(8.5)
Federal Grants	271.6	188.6	(83.0)
Express Lanes (Toll and Non-Toll)	77.3	103.1	25.8
Interest	83.4	91.7	8.3
State Transit Assistance	51.3	51.0	(0.3)
Passenger Fares	40.5	36.5	(4.0)
Property Tax	18.4	18.8	0.4
Other	12.8	12.9	0.1
Advertising	4.1	3.3	(0.8)
Subtotal Sources	\$ 1,303.7	\$ 1,403.8	\$ 100.1
Use of Prior Year Designations	394.8	355.7	(39.1)
Total Revenues / Use of Designations	\$ 1,698.5	\$ 1,759.5	\$ 61.0

SB 125 Funding

In Millions Projects	SB 125 Total Allocated Funds	FY 2024-25 SB 125 Funding	Alternative Funding	Project Impact
Bus Operations	\$ 11.2	\$ 1.4	OCTD capital replacement fund	Slight impact to long-term service levels
Bus Capital	65.3	37.8	OCTD capital replacement fund	Delay in procurement of ZEB buses
Total OC Bus	\$ 76.5	\$ 39.2		
Regional Rail Operations	\$ 135.7	\$ 26.0	M2 Project R	Major impact to long-term service levels
Regional Rail Capital	109.3	-	M2 Project R	Major impact to long-term service levels
Total Regional Rail	\$ 245.0	\$ 26.0		
Local Rail Operations	\$ 59.4	\$ -	M2 Project S	Less funds for future projects
Total Local Rail	\$ 59.4	\$ -		
Total	\$ 380.9	\$ 65.2		

SB 125 – Chapter 54, Statutes of 2023
ZEB – Zero-Emission Bus

Sales Tax Revenues

In Millions

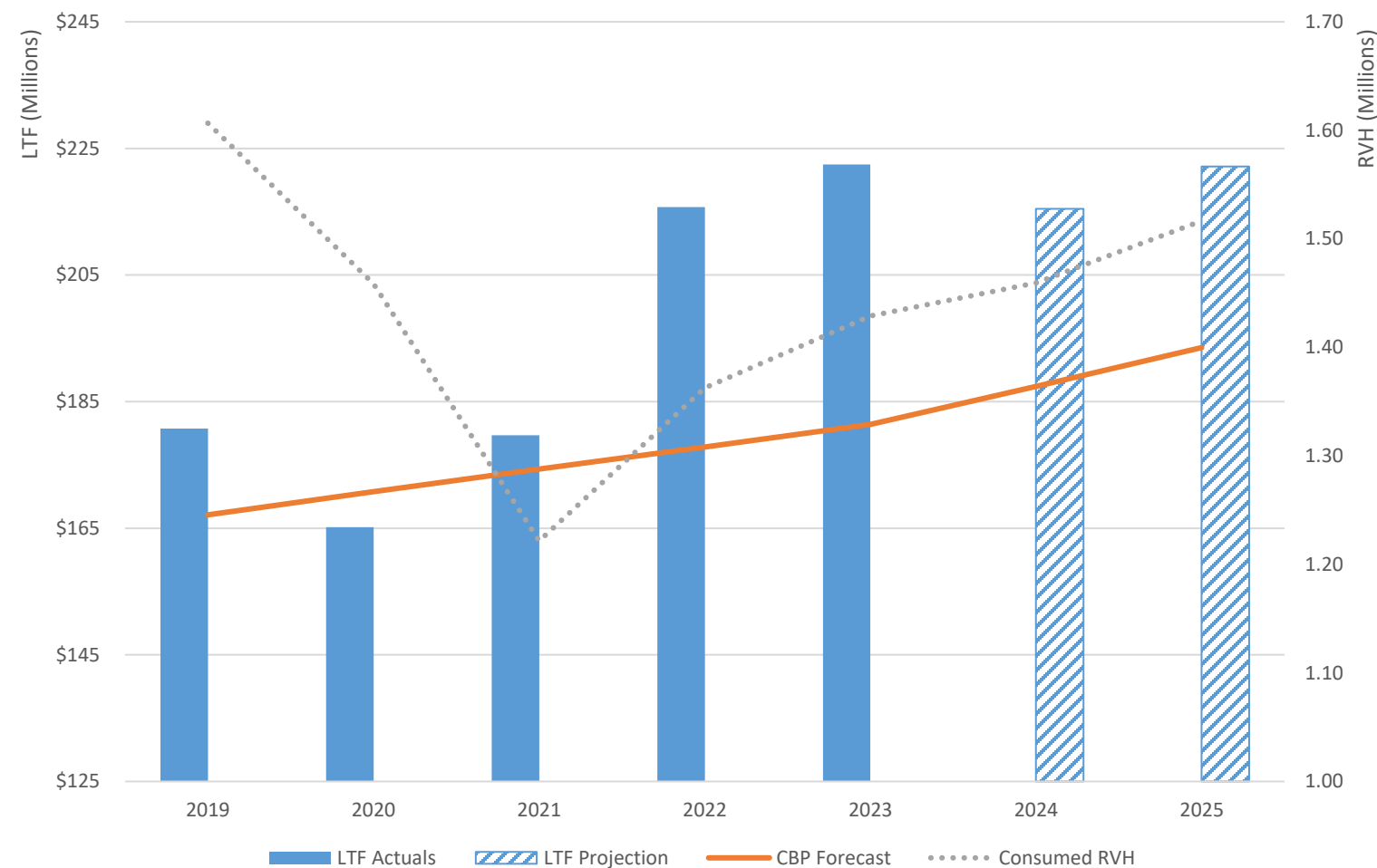
Sales Tax

		LTA		LTF
FY 2023-24 Approved Budget	\$	461.6	\$	230.7
FY 2023-24 Year-End Estimate		427.8		215.5
FY 2024-25 Sales Tax Growth Rate		3.3%		3.1%
FY 2024-25 Proposed Budget	\$	441.9	\$	222.2

LTA - Local Transportation Authority

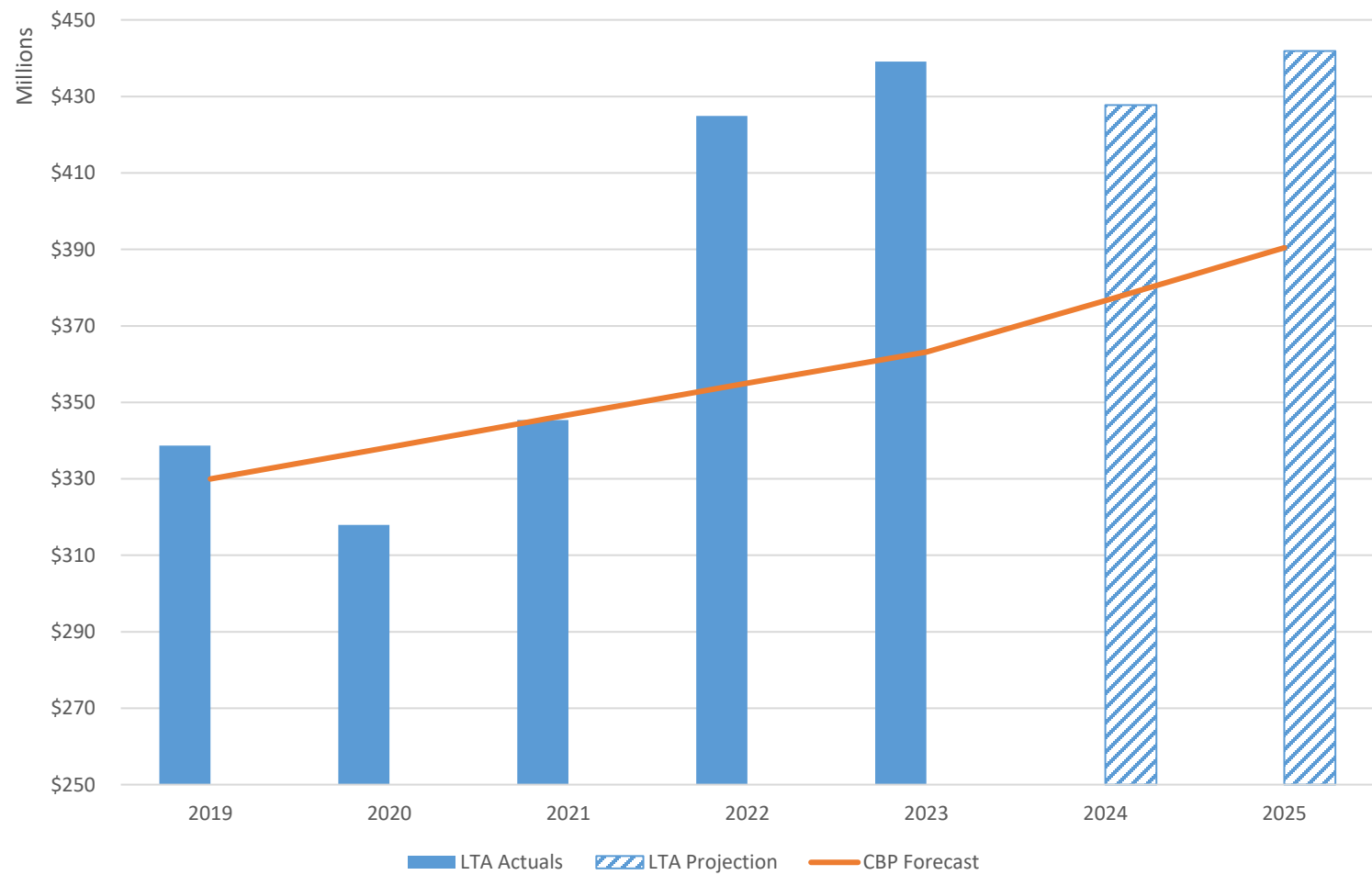
LTF – Local Transportation Fund

Local Transportation Fund Sales Tax Revenue History



LTF – Local Transportation Fund
CBP – Comprehensive Business Plan
RVH – Revenue Vehicle Hours

Local Transportation Authority Sales Tax Revenue History



LTA – Local Transportation Authority

Reserves

- **Bus Program**

- 60-day working capital
- Capital replacement fund
- Long-term operating reserve

- **Measure M2 Program**

- Economic uncertainty of \$2.4 billion assumed

- **91 Express Lanes Program**

- Fully funded reserves

- **405 Express Lanes Program**

- Establishing reserves based on current operations

Expenditures

In Millions Uses	FY 2023-24 Approved Budget	FY 2024-25 Proposed Budget	Change \$
Salaries and Benefits	\$ 212.6	\$ 216.5	\$ 3.9
OCTA Salaries and Benefits	208.5	212.0	3.5
LOSSAN Funded Salaries and Benefits	4.1	4.5	0.4
Services and Supplies	\$ 475.6	\$ 471.9	\$ (3.7)
Professional and Outside Services	258.1	247.1	(11.0)
Contract Transportation Services	153.5	151.2	(2.3)
Maintenance Parts & Fuel	32.7	28.0	(4.7)
General & Administration	18.8	32.7	13.9
Insurance Claims/Premiums	12.5	12.9	0.4
Contributions to Other Agencies	\$ 211.7	\$ 227.2	\$ 15.5
Contributions to Other Agencies	74.6	102.0	27.4
Measure M2 Local Fair Share	81.0	80.2	(0.8)
Measure M2 Regional Capacity	56.1	45.0	(11.1)
Interest / Debt Service	\$ 77.8	\$ 75.3	\$ (2.5)
Interest Expense	49.4	47.5	(1.9)
Long-Term Debt Principal Payments	28.4	27.8	(0.6)
Capital	\$ 673.0	\$ 672.1	\$ (0.9)
Subtotal Uses	\$ 1,650.7	\$ 1,663.0	\$ 12.3
Designations	47.8	96.5	48.7
Total Expenditures / Designations	\$ 1,698.5	\$ 1,759.5	\$ 61.0

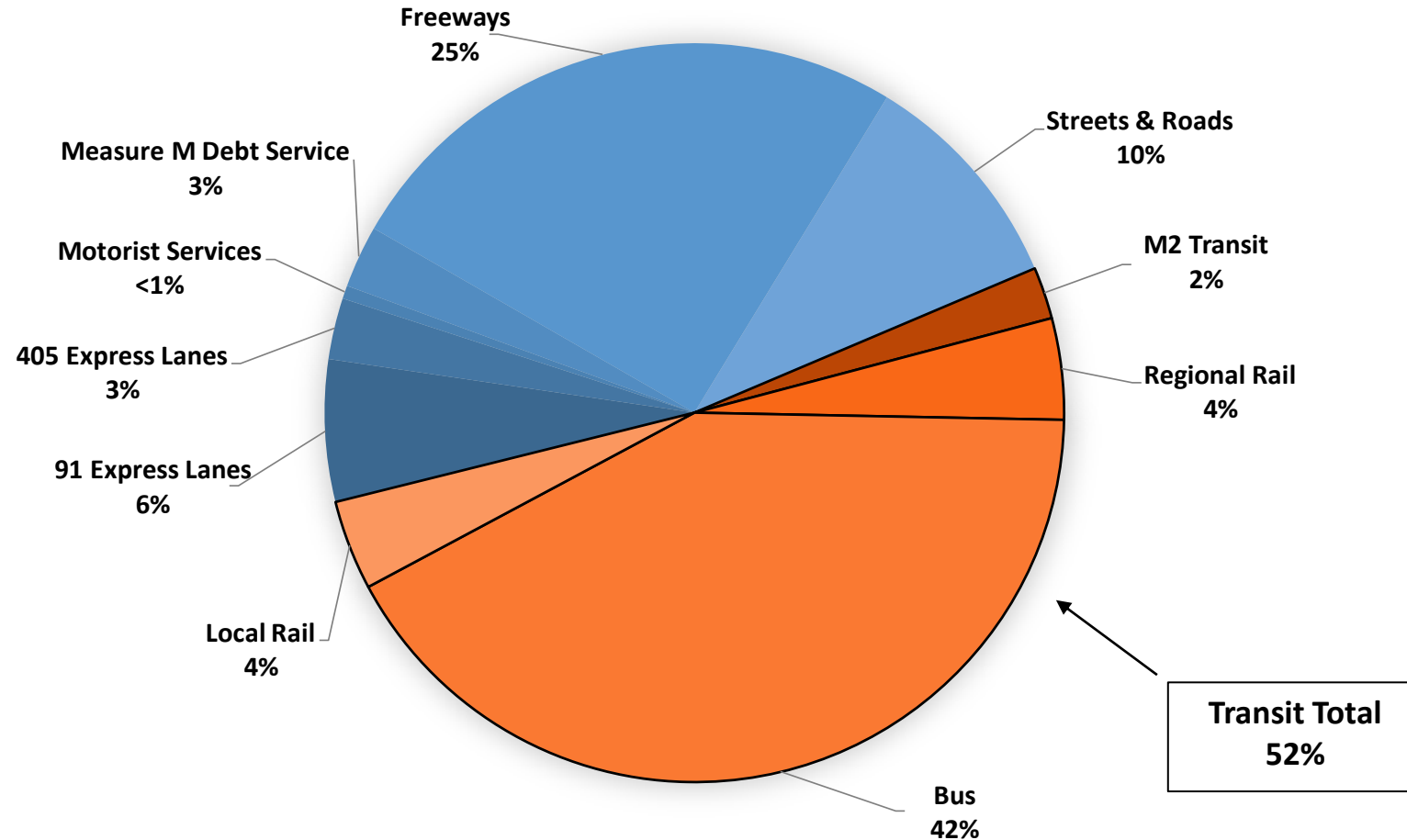
Key Expenditures by Fund

General Fund	Technical Infrastructure and Business Systems Support	\$	24,758,756	Software and hardware acquisition, maintenance, and licensing
	Transportation Planning and Studies	\$	2,700,250	Transit corridor and regional mobility studies
	Anaheim Transportation Network	\$	1,069,088	Anaheim Transportation Network federal grant pass-through
Measure M2	I-5, SR-73 to El Toro Road (Project C)	\$	115,648,700	Construction capital, right-of-way capital, and construction management services
	SR-55, I-405 to SR-91 (Project F)	\$	115,570,208	Right-of-way capital, utilities, and support services
	SR-91, SR-55 to SR-57 (Project I)	\$	94,605,064	Construction, right-of-way capital, and utilities funded by 91 Express Lanes
	Local Fair Share (Project Q)	\$	80,693,815	18 percent of M2 net revenues to local agencies for streets and roads
	Regional Capacity Program (Project O)	\$	45,604,000	Competitive funding for local agency streets and roads projects
	I-405, SR-73 to I-605 (Project K)	\$	41,876,268	Right-of-way capital and utilities
	Regional Traffic Signal Synchronization (Project P)	\$	31,199,700	Signal synchronization projects to be implemented along OC Corridors
	I-5, I-405 to SR-55 (Project B)	\$	30,428,075	Right-of-way capital, utilities, and construction management
	Community-Based Transit Circulator (Project V)	\$	23,325,000	Payments to local jurisdictions to operate community transit circulators
	Clean-up Highway/Street Runoff (Project X)	\$	22,303,150	Payments for M2 environmental cleanup program projects
	Senior Mobility and Non-Emergency Medical Programs (Project U)	\$	8,694,196	Senior Non-Emergency Medical Transportation and Senior Mobility Program payments to local agencies
	Freeway Environmental Mitigation	\$	5,303,747	M2 mitigation program endowment, property acquisition, and restoration projects
	Local Transportation Authority (LTA) - California Department of Tax and Fee Administration (CDTFA)	\$	4,375,001	LTA CDTFA fees for the collection and distribution of the local sales tax
	SR-57, Orangewood Ave. to Katella Ave. (Project G)	\$	3,832,679	Right-of-way capital and and construction management
	I-605, Katella Ave. Interchange (Project M)	\$	3,110,000	Construction management and right-of-way utilities
	Safe Transit Stops (Project W)	\$	1,208,000	Grants to cities for previously approved bus stop improvement projects
Measure M2 Debt	Tax-Exempt Bonds	\$	54,873,900	Interest and principal payment for Measure M2 bonds
Local Rail	OC Streetcar	\$	81,773,984	Construction, construction management, right-of-way, site work, and pre-revenue
91 Express Lanes	91 Express Lanes	\$	31,002,055	Contracted operations and express lanes toll management system
405 Express Lanes	405 Express Lanes	\$	56,325,395	Contracted operations, right-of-way capital, toll management, and back office system
Internal Service Funds	Workers' Compensation	\$	6,607,000	Claims expense and liability insurance related to workers' compensation
	Personal Liability and Property Damage Legal, Insurance, and Claims	\$	5,485,333	Legal fees, liability and property insurance, and broker services
Motorist Services	Motorist Services	\$	11,277,247	Freeway Service Patrol (FSP) tow service, 511 program, and call box maintenance

Key Expenditures by Fund (Continued)

Regional Rail	Southern California Regional Rail Authority (SCRRA) Budget	\$	53,207,206	Metrolink operating subsidy and special train services
	Cyprus Shore Slope Stabilization	\$	16,770,000	Required regulatory mitigation, right-of-way capital, and project closeout
	Mission Viejo/Laguna Niguel Slope Stabilization	\$	5,970,000	Construction and construction management
	San Juan Creek Bridge Replacement	\$	5,150,000	Right-of-way capital, utility, and support services
	Regional Rail Transit Police Services	\$	3,250,247	Orange County Sheriff's contract for railroad transit police services
	Regional Rail Project Support (Project R)	\$	2,575,250	Project management support for rail capital projects
	Orange County Maintenance Facility	\$	1,170,000	Right-of-way support services and cooperative agreements
OCTD	Bus Purchases	\$	92,986,000	Fixed-route revenue vehicle purchases
	Contracted Fixed-Route Services	\$	61,928,003	Contracted fixed-route fixed and variable costs
	Transit Security & Operations Center	\$	58,869,000	Construction and construction management
	Paratransit Services	\$	56,848,913	Americans with Disabilities Act (ADA) ACCESS service and ADA supplemental taxi services
	Bus Base and Transit Center Projects	\$	42,580,300	Facility maintenance and upgrades at bus bases and transit centers
	Directly Operated Fixed Route Services and Supplies	\$	19,813,758	General services and supplies for directly operated facilities
	Fuels	\$	19,565,238	Compressed natural gas (CNG), gasoline, hydrogen fuel, and electricity costs
	Farebox Replacement	\$	12,717,712	Replacement of fareboxes for fixed-route fleet
	Bus Transit Police Services	\$	10,806,952	Orange County Sheriff's transit police services
	Maintenance Parts	\$	5,347,852	Maintenance parts for revenue vehicles
	Utilities	\$	3,611,352	Gas, electric, water, and waste management for all OCTA owned locations
	Local Transportation Fund (LTF) - External Contributions	\$	3,473,821	Southern California Association of Governments (SCAG) and Laguna Beach Municipal Transit Lines
	Transit Technology and Communications	\$	2,768,000	On-board video surveillance system administration and Integrated transportation management system services
	Contracted Special Agency Services	\$	2,635,500	OCTA subsidy of transportation services provided by agencies for senior and disabled passengers
	Tires	\$	2,025,394	Tire replacement and leasing for OCTA owned revenue vehicles
	Bus Operations Support Vehicles	\$	1,938,500	OCTA non-revenue vehicles to support bus operations
	iShuttle Operations	\$	1,302,199	Contribution to the Irvine iShuttle service as part of funding exchange
	Vanpool Program	\$	1,285,591	OCTA Vanpool program subsidy and outreach for vanpools
	Customer Information Center	\$	1,235,880	Operating costs for call center to provide information on OCTA's bus program
	OC Flex Service	\$	1,153,442	Operating costs for contract transportation on-demand bus services
	CNG Equipment Operations & Maintenance	\$	1,102,552	Operations and maintenance of compressed natural gas (CNG) equipment at all bases
ARBA	Additional Retiree Benefit Account (ARBA) Payments	\$	1,856,804	ARBA benefit payment
OCUTT	Orange County Unified Transportation Trust (OCUTT)	\$	1,135,000	Freeway project study report and project initiation documents
		\$	1,398,731,076	These items represent 85 percent of the proposed budget expenditures

Total Budget by Program



Bus Assumptions

- Fixed-Route OC Bus Service
 - Budgeted service hours anticipated to increase by 3.4 percent, from 1.47 million to 1.52 million
- Paratransit Service Demand
 - Total trips projected to decrease from 1.48 million to 1.42 million
- Major Transit Capital Initiatives
 - Fixed-route bus purchases
 - Transit Security and Operations Center construction
 - Second hydrogen fueling station

OCTD Sources & Uses

In Millions	FY 2023-24		FY 2024-25	
	Approved	Proposed	Change	
Operating Sources	Budget	Budget		\$
Local Transportation Fund Sales Tax	\$ 220.0	\$ 213.3	\$ (6.7)	
Federal Operating Grants	43.6	73.1	29.5	
Passenger Fares	40.5	36.5	(4.0)	
Interest Income	26.5	27.4	0.9	
Property Taxes	18.4	18.8	0.4	
State Transit Assistance	26.2	12.6	(13.6)	
Other OCTD Revenue	11.4	10.2	(1.2)	
Regional Rail Funds	6.4	6.1	(0.3)	
State Operating Grants	0.2	2.0	1.8	
Vanpool Revenue	1.1	1.2	0.1	
Reimbursements from Other Agencies	0.1	0.2	0.1	
Total Revenue / Use of Designations	\$ 394.4	\$ 401.4	\$ 7.0	

Operating Uses

Salary and Benefits	\$ 140.7	\$ 141.5	\$ 0.8
Contracted Fixed-Route Services	63.4	61.9	(1.5)
Paratransit Services	58.8	59.4	0.6
Overhead Allocation	49.9	54.5	4.6
Operating Services & Supplies	19.1	24.4	5.3
Directly Operated Fixed Route Services and Supplies	12.9	19.8	6.9
Fuels	22.0	19.6	(2.4)
Bus Transit Police Services	9.7	10.8	1.1
Maintenance Parts	8.0	5.3	(2.7)
Special Programs	5.0	2.9	(2.1)
Rail and M2 Transit Extensions	1.7	1.3	(0.4)
Long-term Operating Designation	3.1	-	(3.1)
Total Expenditures / Designations	\$ 394.4	\$ 401.4	\$ 7.0

In Millions	FY 2023-24		FY 2024-25	
	Approved	Proposed	Change	
Capital Sources	Budget	Budget		\$
State Capital Grants	\$ 34.4	\$ 126.5	\$ 92.1	
State Transit Assistance	25.1	39.0	13.9	
Federal Capital Grants	95.2	29.9	(65.3)	
Use of Prior Year Designations	75.7	60.4	(15.3)	
Total Revenue / Use of Designations	\$ 230.4	\$ 255.8	\$ 25.4	

Capital Uses

Capital Projects	\$ 212.0	\$ 209.1	\$ (2.9)
Capital Designation	18.4	46.7	28.3
Total Expenditures / Designations	\$ 230.4	\$ 255.8	\$ 25.4

Zero-Emissions Bus Pilot Program

FY 2024-25	
In Millions	Proposed
Zero Emission Bus Capital	Budget
Vehicles	
(40) Fixed-Route Bus, 40-foot Fuel Cell Electric	\$ 62.0
(6) Fixed-Route Bus, 60-foot Fuel Cell Electric	15.0
(10) Fixed-Route Bus, 40-foot Battery Electric	12.5
(10) Paratransit Vehicle, 22-foot Battery Electric	3.3
Infrastructure	
Hydrogen Fueling Station	13.5
Electric Vehicle Battery Chargers	6.1
Hydrogen Fueling Tank	5.7
Metered Electrical Switchgear	4.3
Total	\$ 122.4

Regional Rail Assumptions

- Metrolink Operations
 - Metrolink implementing rail service optimization model
 - Operations primarily funded by M2 High Frequency Metrolink Service funds and state operating grants
- Metrolink Capital
 - Capital budget includes Cyprus Shore slope stabilization, Mission Viejo/Laguna Niguel slope stabilization, and the San Juan Creek Bridge replacement project
 - Capital funded by M2 High Frequency Metrolink Service funds, use of prior year designations, and Federal capital grants

Regional Rail Sources & Uses

In Millions	FY 2023-24	FY 2024-25	
Operating Sources	Approved Budget	Proposed Budget	Change \$
Measure M2 Sales Tax	\$ 48.8	\$ 39.7	\$ (9.1)
State Operating Grants	-	26.0	26.0
Interest Income	6.0	6.1	0.1
Proceeds Sale of Capital Asset	1.9	1.9	-
Other Commuter Rail Revenue	0.0	1.4	1.4
Federal Operating Grants	-	0.1	0.1
Use of Prior Year Designations	5.9	-	(5.9)
Total Revenue / Use of Designations	\$ 62.6	\$ 75.2	\$ 12.6

In Millions	FY 2023-24	FY 2024-25	
Operating Uses	Approved Budget	Proposed Budget	Change \$
SCRRA Operating Subsidy	\$ 41.1	\$ 53.2	\$ 12.1
Operating Expenses	10.2	10.5	0.3
Contributions to Operating Services	6.4	6.2	(0.2)
Overhead Allocation	4.9	5.3	0.4
Designations	-	-	-
Total Expenditures / Designations	\$ 62.6	\$ 75.2	\$ 12.6

In Millions	FY 2023-24	FY 2024-25	
Capital Sources	Approved Budget	Proposed Budget	Change \$
Measure M2 Sales Tax	\$ 5.0	\$ 14.7	\$ 9.7
Federal Capital Grants	4.2	1.2	(3.0)
91 Express Lanes	10.0	-	(10.0)
State Capital Grants	0.6	-	(0.6)
Use of Prior Year Designations	3.9	14.1	10.2
Total Revenue / Use of Designations	\$ 23.7	\$ 30.0	\$ 6.3

In Millions	FY 2023-24	FY 2024-25	
Capital Uses	Approved Budget	Proposed Budget	Change \$
Capital Projects	\$ 23.7	\$ 30.0	\$ 6.3
Total Expenditures / Designations	\$ 23.7	\$ 30.0	\$ 6.3

Regional Rail Capital Summary

In Millions	FY 2024-25 Proposed Budget	
Regional Rail Capital		
Cyprus Shore Slope Stabilization	\$	16.8
Mission Viejo/Laguna Niguel Slope Stabilization		6.0
San Juan Creek Bridge Replacement		5.2
Orange County Maintenance Facility		1.1
Irvine Station Improvements		0.8
Anaheim Canyon Metrolink Station		0.1
Total	\$	30.0

Local Rail Assumptions

- Capital Assumptions
 - Continued construction to be funded by the federal full funding grant agreement, state funds, and M2 revenue
- Operating Assumptions
 - Implementation of pre-revenue service

M2 Freeways Summary

In Millions

Freeways

FY 2024-25 Proposed Budget

State Route 55, Interstate 405 to State Route 91 (Project F)	\$	115.6
Interstate 5, State Route 73 to El Toro Road (Project C)		115.6
State Route 91, State Route 55 to State Route 57 (Project I)		94.6
Interstate 405, State Route 73 to Interstate 605 (Project K)		41.9
Interstate 5, Interstate 405 to State Route 55 (Project B)		30.4
State Route 57, Orangewood Avenue to Katella Avenue (Project G)		3.8
Interstate 605, Katella Avenue Interchange (Project M)		3.1
Interstate 5, El Toro Road Interchange (Project D)		0.1
Total	\$	405.1

M2 City/County Contributions

		FY 2024-25 Proposed Budget
In Millions		
Measure M2 Streets & Roads		
Local Fair Share (Project Q)	\$	80.7
Regional Capacity Program (Project O)		45.8
Regional Traffic Signal Synchronization (Project P)		31.2
Subtotal	\$	157.7
In Millions		
Measure M2 Transit		
Community-Based Transit Circulator (Project V)	\$	23.3
Senior Mobility and Non-Emergency Medical Programs (Project U)		8.7
Safe Transit Stops (Project W)		1.2
Subtotal	\$	33.2
In Millions		
Measure M2 Environmental		
Clean-up Highway/Street Runoff (Project X)	\$	22.3
Freeway Environmental Mitigation		5.3
Subtotal	\$	27.6
Grand Total	\$	218.5

91 Express Lanes Sources & Uses

In Millions	FY 2023-24	FY 2024-25	
Operating Sources	Approved Budget	Proposed Budget	Change \$
Toll Revenue	\$ 48.7	\$ 53.0	\$ 4.3
Interest Income	6.9	7.6	0.7
Non-Toll Revenue	5.0	5.3	0.3
Reimbursement from Other Agencies	0.4	0.6	0.2
Use of Prior Year Designations	0.4	-	(0.4)
Total Revenue / Use of Designations	\$ 61.4	\$ 66.5	\$ 5.1

Operating Uses

Professional Services	\$ 10.7	\$ 9.3	\$ (1.4)
Tollroad Management Contract	8.0	7.8	(0.2)
Overhead Allocation	4.6	4.2	(0.4)
Leases & Other Office Expenses	0.9	1.0	0.1
Insurance Claims/Premiums	0.4	0.9	0.5
Debt & Interest Expense	10.8	8.1	(2.7)
Designations	26.0	35.2	9.2
Total Expenditures / Designations	\$ 61.4	\$ 66.5	\$ 5.1

In Millions	FY 2023-24	FY 2024-25	
Capital Sources	Approved Budget	Proposed Budget	Change \$
Use of Prior Year Designations	\$ 35.5	\$ 58.9	\$ 23.4
Total Revenue / Use of Designations	\$ 35.5	\$ 58.9	\$ 23.4

Capital Uses

SR-91 Corridor Contributions	\$ 31.3	\$ 55.0	\$ 23.7
Capital	4.2	3.9	(0.3)
Total Expenditures / Designations	\$ 35.5	\$ 58.9	\$ 23.4

405 Express Lanes Sources & Uses

In Millions	FY 2023-24 Approved Budget	FY 2024-25 Proposed Budget	Change \$
Operating Sources			
Toll Revenue	\$ 23.0	\$ 43.3	\$ 20.3
Non-Toll Revenue	0.6	1.6	1.0
Use of Prior Year Designations	4.2	-	(4.2)
Total Revenue / Use of Designations	\$ 27.8	\$ 44.9	\$ 17.1
Operating Uses			
Tollroad Management Contract	\$ 12.4	\$ 15.5	\$ 3.1
Professional Services	11.8	10.6	(1.2)
Overhead Allocation	3.6	4.2	0.6
Designations	-	14.6	14.6
Total Expenditures / Designations	\$ 27.8	\$ 44.9	\$ 17.1

In Millions	FY 2023-24 Approved Budget	FY 2024-25 Proposed Budget	Change \$
Capital Sources			
Use of Prior Year Designations	\$ 57.0	\$ 30.2	\$ (26.8)
Total Revenue / Use of Designations	\$ 57.0	\$ 30.2	\$ (26.8)
Capital Uses			
Capital	\$ 44.9	\$ 17.9	\$ (27.0)
Interest Expense	12.1	12.3	0.2
Total Expenditures / Designations	\$ 57.0	\$ 30.2	\$ (26.8)

Motorist Services Assumptions

- Motorist Services budget of \$13 million consistent with current fiscal year
- Motorist Services programs include:
 - Freeway Service Patrol
 - Call Box
 - 511 Program

Motorist Services Sources & Uses

In Millions	FY 2023-24 Approved Budget	FY 2024-25 Proposed Budget	Change \$
Operating Sources			
Measure M2 Sales Tax	\$ 5.7	\$ 5.8	\$ 0.1
Department of Motor Vehicles Fees	2.9	2.9	-
Senate Bill 1 (SB-1) Revenue	1.9	1.9	-
State Highway Account Revenue	1.6	1.5	(0.1)
Interest Income	0.1	0.1	-
Total Revenue / Use of Designations	\$ 12.2	\$ 12.2	\$ -

Operating Uses

Freeway Service Patrol Services	\$ 9.5	\$ 9.5	\$ -
Overhead Allocation	1.8	1.7	(0.1)
511 Program & Other Office Expenses	0.5	0.6	0.1
Call Box Maintenance Services & Support	0.4	0.4	-
Total Expenditures / Designations	\$ 12.2	\$ 12.2	\$ -

In Millions	FY 2023-24 Approved Budget	FY 2024-25 Proposed Budget	Change \$
Capital Sources			
State Highway Account Revenue	\$ 0.7	\$ 0.8	\$ 0.1
Total Revenue / Use of Designations	\$ 0.7	\$ 0.8	\$ 0.1
Capital Uses			
Capital	\$ 0.7	\$ 0.8	\$ 0.1
Total Expenditures / Designations	\$ 0.7	\$ 0.8	\$ 0.1

Staffing Levels

OCTA Staffing	FY 2023-24 Full-time Equivalent	FY 2024-25 Full-time Equivalent	FY 2024-25 New Hires	FY 2024-25 Reductions	Difference
Administrative	532.5	532.5	-	-	-
Union	819.0	798.0	3.0	(24.0)	(21.0)
Coach Operators	623.0	599.0	-	(24.0)	(24.0)
Maintenance	155.0	158.0	3.0	-	3.0
Facility Technicians and Parts Clerks	41.0	41.0	-	-	-
OCTA Positions	1,351.5	1,330.5	3.0	(24.0)	(21.0)
LOSSAN Funded OCTA Positions	18.0	18.0	-	-	-
Total Authority Positions	1,369.5	1,348.5	3.0	(24.0)	(21.0)

*15 administrative positions identified to potentially be added at a future date

Employee Compensation Assumptions

- Employees Subject to Collective Bargaining Agreement
 - Coach Operators (599 employees)
 - Collective bargaining agreement effective through April 30, 2024
 - Maintenance (158 employees)
 - Collective bargaining agreement effective through September 30, 2025
 - Facilities technicians and parts clerks (41 employees)
 - Collective bargaining agreement effective through March 31, 2027
- Administrative Employees (532.5 + 18 LOSSAN employees)
 - Employees are not represented
 - Compensation governed by the Personnel and Salary Resolution, which is approved annually as part of the budget
 - Salary grade ranges are developed based upon scope, level of work performed, and external market data
 - Recommended salary modernization grade plan

Personnel and Salary Resolutions

- Pertaining to Administrative employees
 - Employees are at-will
 - Administrative employees do not receive cost-of-living adjustments, step increases, or automatic increases of any type
- Merit Pool of 4 percent
 - Salary increases are based on a pay-for-performance program
 - Every employee has a performance plan and receives an annual performance review
 - Base-building adjustment to annual salary
- Bonus Pool of 4 percent
 - Non-base building – does not increase annual salary
 - Bonuses are given throughout the year for specific, exceptional performance in a defined goal area
 - Part of employee rewards and recognition strategy

Next Steps

- Committee meetings and one-on-one meetings with Board Members May 13 - June 9
- Public Hearing Preview – Finance & Administration Committee May 22
- Public Hearing – Board (Public Hearing and approval) June 10
- Back-up Public Hearing – Board (Public Hearing and approval) June 24