Fiscal Year 2020-21 Revised Budget Assumptions OCTA



FY 2020-21 Budget Timeline



Major Programs

- Measure M2
 - Freeway
 - Streets and Roads
 - Transit

- Transit
 - Bus Program
 - Rail Program
 - Metrolink
 - OC Streetcar

• 91 Express Lanes

Measure M2 Program Assumptions

- Sales Tax Revenue
 - Pre-Coronavirus (COVID-19) forecast of \$345 million based on MuniServices forecasted growth rate of 2.4 percent
 - Revised forecast of \$290 million based on MuniServices revised rate of negative 4.3 percent
- Expenditures No changes
 - Freeway Mode expenditures primarily driven by right-of-way, design, and construction efforts for the I-405 Improvement, South County I-5 Improvement, and SR-55 Improvement projects
 - Streets and Roads Mode expenditures driven by contributions to the cities to support the Local Fair Share, Regional Capacity, and Traffic Signal Synchronization programs
 - Transit Mode expenditures primarily to support Metrolink operations and construction of the OC Streetcar

Bus Program Revenue Assumptions

- Operating Revenue
 - Pre-COVID-19 forecast of \$179 million based on MuniServices forecasted growth rate of 2.5 percent
 - Revised forecast of \$154 million based on MuniServices revised rate of negative 4.3 percent
 - Pre-COVID-19 fare revenue projected at \$47 million
 - Revised fare revenue projection \$40 million
 - Coronavirus Aid Relief and Economic Security (CARES) Act to offset change in revenues
- Capital Revenue No changes
 - Federal grants for bus purchases \$135 million
 - Road Repair and Accountability Act to support rehabilitation and replacement of capital estimated to increase by \$0.2 million from the current year to \$5.9 million

Bus Operations Expenditure Assumptions

- Fixed-Route Service
 - Revenue hours consistent with current year budget of 1.6 million revenue hours
- Paratransit Service
 - Total trips forecasted to decrease by 2 percent to 1.7 million driven by demand
 - Trips comprised of ACCESS primary and supplemental service, same-day taxi service, and special agency service
- Microtransit Service
 - Continuation of OC Flex service with 23,640 revenue hours

Rail Program Revenue Assumptions

- Metrolink Operating Revenue
 - Measure M2 High Frequency Metrolink Service
 - Pre- COVID-19 estimated at \$23 million; revised \$19 million
 - Federal Transportation Administration (FTA) grants estimated at \$8.5 million
 - CARES Act to offset change in revenues
- Metrolink Capital Revenue
 - FTA grants providing approximately \$13 million to support rehabilitation and replacement of capital

Rail Program Expenditure Assumptions

- Metrolink Operating Expenditures
 - Sustain current service levels of 74 trip
 - Operating subsidy to increase by 3.9 percent to \$31.6 million
 - Metrolink will directly draw down \$8.5 million in OCTA FTA Section 5307 grants
 - OCTA operating budget subsidy of \$19 million
 - CARES Act to offset change in revenues
- Metrolink Capital Expenditures
 - Anaheim Canyon Metrolink Station
 - Irvine Station

91 Express Lanes Program Assumptions

• Revenue

- Toll revenue: Decrease from \$54.4 million in current year budget to \$32.7 million driven by 10.9 million trips
- Non-toll revenue: Decrease from \$6.1 million in current year budget to \$2.3 million
- Expenditure
 - Primary operating cost consists of the Cofiroute contract estimated at \$7 million
 - Contribution to SR-91 Riverside Freeway improvements between SR-55 and SR-57 (M2 Program Project I) of \$29.7 million and SR-91, SR-241 to SR-71 (Project J) \$12.1 million

Next Steps

- Preview Budget Workshop Presentation Finance and Administration Committee April 22
- Budget Workshop Presentation Board of Directors
 May 11
- Committee meetings and one-on-one meetings with Board Members May 11-June 7
- Public Hearing Preview Finance and Administration Committee May 27
- Public Hearing Board (public hearing and approval)
 June 8
- Back-up Public Hearing Board (public hearing and approval) June 22