1. **Question: Are there staffing level changes being proposed in the proposed fiscal year (FY) 2025-26 budget for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency (LOSSAN)?**

   **Answer:** The proposed budget does not include any increases or reductions to LOSSAN-funded Orange County Transportation Authority (OCTA) budgeted positions. The 18 full-time equivalent (FTE) positions included in the FY 2024-25 budget are also included in the proposed FY 2025-26 budget.

2. **Question: Can you please provide additional context regarding the proposed addition of three FTE positions for Bus Operations Supervisors and the corresponding reduction in administrative overtime?**

   **Answer:** In recent years, the Bus Operations Supervisors assigned to Bus Operations Central Communications have regularly worked one to two overtime shifts per pay period to maintain adequate coverage. This continued reliance on overtime has led to concerns about staff fatigue and operational sustainability, particularly as workload demands remain high and consistent coverage is required.

   To address these challenges, staff is proposing the addition of three budgeted Bus Operations Supervisor FTEs. The intent is to enhance operational efficiency, reduce dependence on overtime, and support workforce well-being by ensuring more balanced scheduling. The cost associated with these new positions would be offset by a reduction in budgeted overtime, resulting in a more sustainable staffing model while maintaining the necessary level of service coverage.

3. **Question: What steps could OCTA take to further strengthen its reserves for self-insured liability?**

   **Answer:** OCTA currently maintains reserves in excess of the Board-approved reserve policy to cover potential liability claims. The current Board-approved reserve policy requires the minimum reserve level to be based on an annual actuarial review of OCTA's liability self-insurance program. For the FY ending June 30, 2024, the requirement based on the actuarial review (at the highest confidence level of 90 percent) was $7.1 million. Staff has taken a conservative approach and maintained a reserve balance in excess of that amount with a current reserve balance of $20.8 million.

   OCTA could consider strengthening its position related to liability claims by formally updating OCTA's reserve policy to maintain a balance that is much greater than the current policy would dictate. At the current level, OCTA is funded at approximately three times the required amount and could make that part of an updated reserve policy. OCTA also could make substantial additional deposits to the liability fund today without impacting any existing services or programs.