



Fiscal Year 2021-22 Budget Workshop



ATTACHMENT A

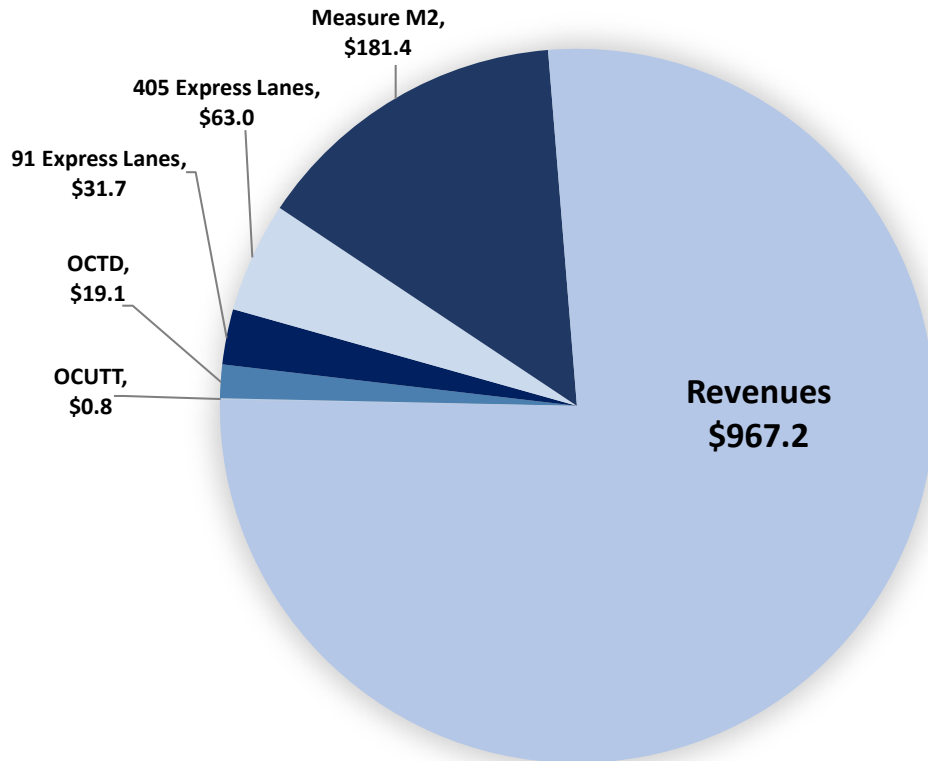
Budget Themes

- Emerging from the pandemic: Conservative fiscal planning and decisive action allow for uninterrupted delivery of balanced and sustainable transportation
- Consistent with the Board-approved FY 2020-21 Comprehensive Business Plan
- Federal supplemental funding to support ongoing transit programs
- Measure M2 budget consistent with the Board-approved 2020 Next 10 Delivery Plan
- 91 Express Lanes anticipated to increase from 10.9 million to 14 million trips
- Use of reserves per Board-approved reserve policy
 - No unplanned use of reserves

Budget Overview

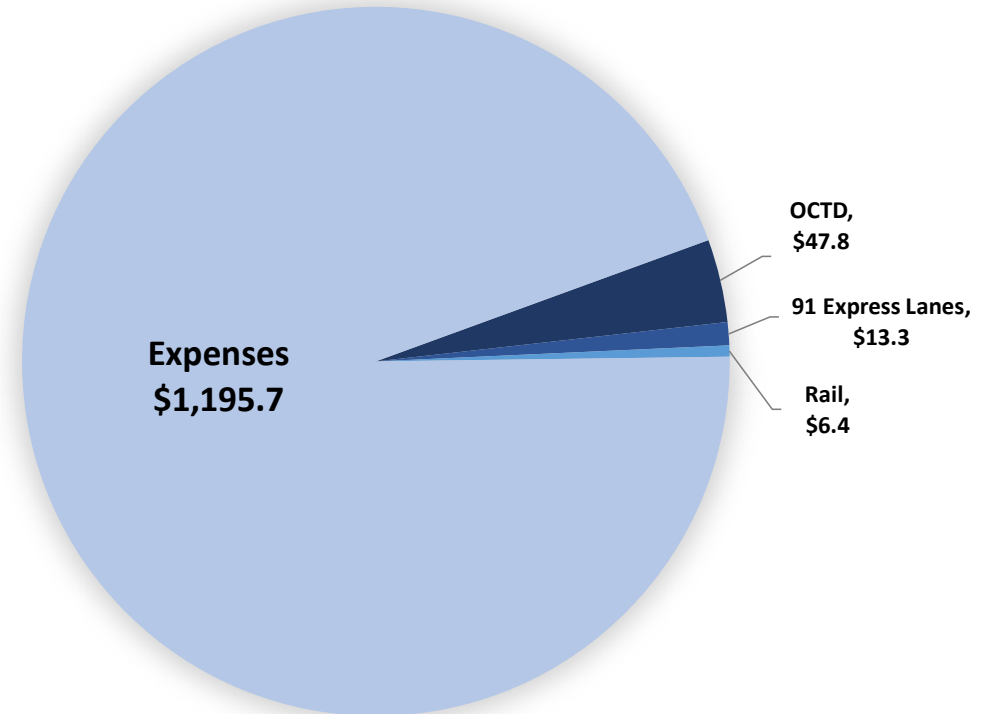
Use of Prior Year
Designations
\$296.0 million

Source of Funds
\$1,263.2 million



Use of Funds
\$1,263.2 million

Designations
\$67.5 million



Planned Use of Prior Year Designations

In Millions		FY 2020-21	FY 2021-22
Fund	Program	Amended Budget	Proposed Budget
Local Transportation Authority Measure M2	<i>Freeways, Streets & Roads, and M2 Transit</i>	\$ 393.4	\$ 181.4
405 Express Lanes	<i>Freeways</i>	99.1	63.0
91 Express Lanes	<i>Freeways and Rail Capital</i>	53.4	31.7
Orange County Transit District	<i>Bus Capital</i>	7.7	19.1
Orange County Unified Transportation Trust	<i>Studies</i>	0.8	0.8
Commuter Rail	<i>Rail Capital</i>	18.9	-
General Fund	<i>Measure M1</i>	2.4	-
Total Use of Prior Year Designations		\$ 575.7	\$ 296.0

Budget Sources & Uses

In Millions	FY 2020-21	FY 2021-22	Change	Change
Sources	Amended Budget	Proposed Budget	\$	%
Revenues	\$ 973.4	\$ 967.2	\$ (6.2)	-0.6%
Use of Prior Year Designations	575.7	296.0	(279.7)	-48.6%
Total Revenue / Use of Designations	\$ 1,549.1	\$ 1,263.2	\$ (285.9)	-18.5%
Uses				
Salaries and Benefits	\$ 169.0	\$ 174.1	\$ 5.1	3.0%
LOSSAN Salaries and Benefits	3.2	3.8	0.6	18.8%
Services and Supplies	393.3	368.9	(24.4)	-6.2%
Contributions to Other Agencies	173.1	167.1	(6.0)	-3.5%
Interest/Debt Service	66.2	65.7	(0.5)	-0.8%
Capital	685.5	416.1	(269.4)	-39.3%
Designations	58.8	67.5	8.7	14.8%
Total Expenditures / Designations	\$ 1,549.1	\$ 1,263.2	\$ (285.9)	-18.5%

Revenues

In Millions Sources	FY 2020-21 Amended Budget	FY 2021-22 Proposed Budget	Change \$	Change %
M2 Local Transportation Authority 1/2 Cent Sales Tax	\$282.9	\$313.0	\$30.1	10.6%
Federal Grants	315.6	207.8	(107.8)	-34.2%
Local Transportation Fund 1/4 Cent Sales Tax	145.8	162.6	16.8	11.5%
State Grants	40.7	52.0	11.3	27.8%
91 Express Lanes (Toll and Non-Toll)	35.0	46.1	11.1	31.7%
Federal Supplemental Revenue	36.3	39.0	2.7	7.4%
Interest	24.2	26.6	2.4	9.9%
Passenger Fares	19.5	26.1	6.6	33.8%
Road Repair and Accountability Act (Senate Bill 1)	6.2	21.5	15.3	246.8%
Road Repair and Accountability Act - State Transit (Senate Bill 1)	17.8	19.9	2.1	11.8%
Property Tax	17.0	17.4	0.4	2.4%
State Transit Assistance	12.3	16.5	4.2	34.1%
Other	17.1	15.7	(1.4)	-8.2%
Advertising	3.0	3.0	-	0.0%
Subtotal Sources	\$ 973.4	\$ 967.2	\$ (6.2)	-0.6%
Use of Prior Year Designations	575.7	296.0	(279.7)	-48.6%
Total Revenues / Use of Designations	\$ 1,549.1	\$ 1,263.2	\$ (285.9)	-18.5%

Sales Tax Summary

In Millions

Sales Tax

		LTA		LTF
FY 2020-21 Budget	\$	292.0	\$	145.8
FY 2020-21 Year-End Estimate		302.2		157.6
FY 2020-21 Estimated Overrun	\$	10.2	\$	11.8
FY 2021-22 Sales Tax Growth Rate		3.6%		3.2%
FY 2021-22 Budget	\$	313.0	\$	162.6

Expenditures

In Millions Uses	FY 2020-21 Amended Budget	FY 2021-22 Proposed Budget	Change \$	Change %
Salaries and Benefits	\$ 172.2	\$ 177.9	\$ 5.7	3.3%
OCTA Salaries and Benefits	169.0	174.1	5.1	3.0%
LOSSAN Salaries and Benefits	3.2	3.8	0.6	18.8%
Services and Supplies	\$ 393.3	\$ 368.9	\$ (24.4)	-6.2%
Professional and Outside Services	266.8	220.5	(46.3)	-17.4%
Contract Transportation Services	86.9	97.7	10.8	12.4%
Maintenance Parts & Fuel	14.0	20.2	6.2	44.3%
General & Administration	14.0	17.9	3.9	27.9%
Insurance Claims/Premiums	11.6	12.6	1.0	8.6%
Contributions to Other Agencies	\$ 173.1	\$ 167.1	\$ (6.0)	-3.5%
Contributions to Other Agencies	69.8	69.4	(0.4)	-0.6%
Measure M2 Local Fair Share	48.3	53.7	5.4	11.2%
Measure M2 Regional Capacity	55.0	44.0	(11.0)	-20.0%
Interest / Debt Service	\$ 66.2	\$ 65.7	\$ (0.5)	-0.8%
Interest Expense	51.7	50.5	(1.2)	-2.3%
Long-Term Debt Principal Payments	14.5	15.2	0.7	4.8%
Capital	\$ 685.5	\$ 416.1	\$ (269.4)	-39.3%
Subtotal Uses	\$ 1,490.3	\$ 1,195.7	\$ (294.6)	-19.8%
Designations	58.8	67.5	8.7	14.8%
Total Expenditures / Designations	\$ 1,549.1	\$ 1,263.2	\$ (285.9)	-18.5%

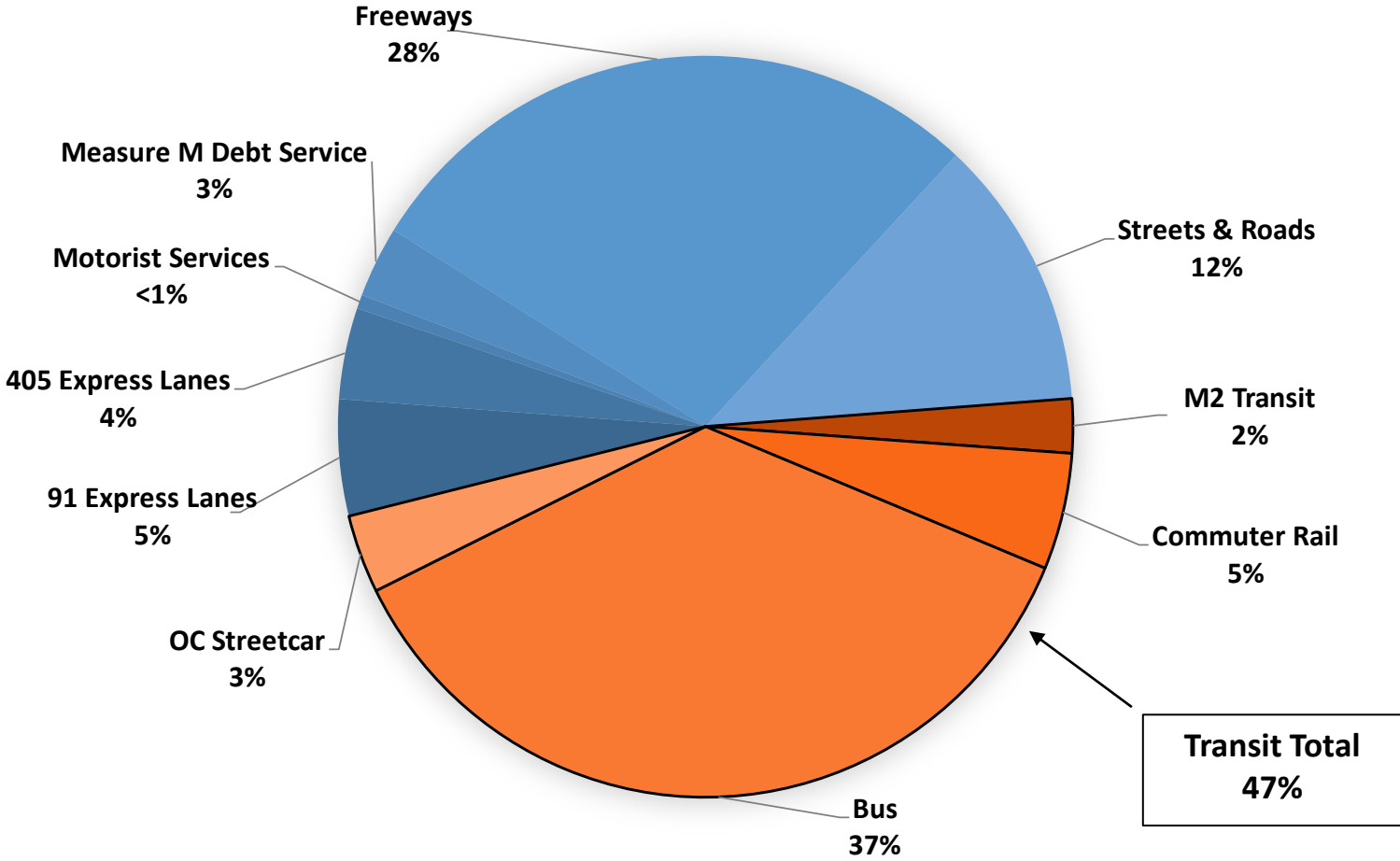
Key Expenditures by Fund

Measure M2	SR-55, I-405 to I-5 (Project F)	\$ 117,283,919	Right-of-way capital, utilities, and support services
	I-405, SR-73 to I-605 (Project K)	\$ 98,021,750	Right-of-way capital, utilities, and project management consultant services
	I-5, SR-73 to El Toro Road (Project C)	\$ 85,775,292	Construction capital, right-of-way capital, and construction management services
	Local Fair Share (Project Q)	\$ 54,007,213	18 percent of M2 net revenues to local agencies for streets and roads
	Regional Capacity Program (Project O)	\$ 44,142,800	Competitive funding for local agency streets and roads projects
	Regional Traffic Signal Synchronization (Project P)	\$ 43,387,362	Signal synchronization projects to be implemented along OC Corridors
	I-5, I-405 to SR-55 (Project B)	\$ 15,632,000	Engineering services
	Community-Based Transit Circulator (Project V)	\$ 12,820,949	M2 Project V payments and community transit circulators
	Clean-up Highway/Street Runoff (Project X)	\$ 11,611,400	Payments for M2 environmental cleanup program projects
	SR-57, Orangewood Ave. to Katella Ave. (Project G)	\$ 7,355,000	Design services and project study
	SR-91, SR-241 to SR-71 (Project J)	\$ 6,233,779	OCTA contribution to Riverside County Transportation Commission (RCTC) for design and construction
	Senior Mobility and Non-Emergency Medical Programs (Project U)	\$ 6,185,865	Senior Non-Emergency Medical Transportation and Senior Mobility Program for local agencies
	Freeway Environmental Mitigation	\$ 5,852,160	M2 mitigation program endowment, property acquisition, and restoration projects
	LTA - California Department of Tax and Fee Administration (CDTFA)	\$ 3,656,702	Local Transportation Authority (LTA) CDTFA fees for the collection and distribution of the local sales tax (1.1%)
	SR-91, SR-55 to SR-57 (Project I)	\$ 3,432,500	Design services and right-of-way support
Safe Transit Stops (Project W)	\$ 2,005,000	Enhancements for lighting, information systems, and easier access to transit stops	
405 Express Lanes	405 Express Lanes	\$ 59,729,187	Back office system implementation, right-of-way capital and utilities, and TIFIA loan interest
OC Streetcar	OC Streetcar	\$ 50,175,923	Construction, construction management, and right-of-way utilities
91 Express Lanes	91 Express Lanes	\$ 40,008,385	Annual operating, debt repayment, and roadway operations contractor
Measure M2 Debt	Tax-Exempt Bonds	\$ 43,826,400	Interest and principal payment for Measure M2 bonds
Commuter Rail	Placentia Metrolink Rail Station	\$ 27,451,000	Construction, construction management, and design services
	Orange County Maintenance Facility	\$ 19,140,000	Preliminary design and environmental support
	Irvine Station Improvements	\$ 5,727,000	Design and environmental support services
	Anaheim Canyon Metrolink Station	\$ 3,651,000	Construction, construction management, and design revisions
	Rail Transit Police Services	\$ 2,811,928	Orange County Sheriff's contract for railroad transit police services
	OCTA Rail Support Services	\$ 2,557,764	Rail right-of-way maintenance services and outreach
	San Juan Creek Bridge Replacement	\$ 2,180,000	Right-of-way acquisition, utility, and support services
	Rail Project Support (Project R)	\$ 2,156,000	M2 rail programs project management support
	Laguna Niguel to San Juan Capistrano Passing Siding	\$ 1,760,000	Construction, construction management, and SCRRRA cooperative agreement for construction support
Serra Siding Project	\$ 1,252,000	Right-of-way, legal, and utility relocation services	

Key Expenditures by Fund (Continued)

Internal Service Funds	Workers' Compensation	\$ 7,900,000	Claims expense and liability insurance related to workers' compensation
	Personal Liability and Property Damage Legal, Insurance, and Claims	\$ 5,851,102	Legal fees, liability and property insurance, and broker services
OCTD	Paratransit Services	\$ 42,131,396	Americans with Disabilities Act (ADA) ACCESS service and ADA supplemental taxi services
	Contracted Fixed-Route Services	\$ 39,500,270	Contracted fixed-route fixed and variable costs
	Near Zero Engine Repower	\$ 12,661,960	Engine repower for 40' and 60' OCTA buses
	Fuels	\$ 12,506,596	Compressed natural gas (CNG), gasoline, and hydrogen fuel costs
	Transit Security Sheriff Services	\$ 7,868,411	Orange County Sheriff's transit police services
	Maintenance Parts	\$ 5,635,936	Maintenance parts for buses
	Bus Base and Transit Center Projects	\$ 5,563,400	Facility maintenance and upgrades at bus bases and transit centers
	Contracted Special Agency Services	\$ 4,223,771	OCTA subsidy of transportation services provided by agencies for senior and disabled passengers
	LTF - External Contributions	\$ 2,247,744	Southern California Association of Governments (SCAG) and Laguna Beach Municipal Transit Lines
	Transit Technology and Communications	\$ 2,240,999	On-board video surveillance system administration and Integrated transportation management system services
	Utilities	\$ 2,215,402	Gas, electric, water, and waste management for all OCTA owned locations
	CNG Equipment Operations & Maintenance	\$ 2,125,277	Operations and maintenance of compressed natural gas (CNG) equipment at all bases
	LTF - California Department of Tax and Fee Administration (CDTFA)	\$ 1,769,403	Local Transportation Fund (LTF) CDTFA fees for the collection and distribution of the local sales tax (1.3%)
	Tires	\$ 1,582,985	Tire replacement and leasing for OCTA owned fleet
	iShuttle Operations (Project R)	\$ 1,403,993	Contribution to the Irvine iShuttle service as part of funding exchange
	OCTA Vocational Visions Transportation Program	\$ 1,399,209	Program to provide persons with disabilities access to employment programs
Customer Information Center	\$ 1,060,880	Operating costs for call center to provide information on OCTA's bus program	
General Fund	Technical Infrastructure and Business Systems Support	\$ 15,102,737	Software and hardware acquisition, maintenance, and licensing
	Transportation Planning and Studies	\$ 4,744,000	Regional mobility studies and climate resiliency and sustainability plan
	Bicycle and Pedestrian Facilities	\$ 3,878,460	OCTA awards to local agencies for bicycle and pedestrian facilities
Motorist Services	Motorist Services	\$ 8,526,758	Freeway Service Patrol (FSP) tow service, 511 program, and call box maintenance
ARBA	Additional Retiree Benefit Account (ARBA) Payments	\$ 1,446,346	ARBA benefit payment
		\$ 973,417,315	These items represent 81 percent of the proposed budget expenditures

Total Budget by Program



Freeways Summary

In Millions

Freeways

**FY 2021-22
Proposed
Budget**

SR-55, I-405 to I-5 (Project F)	\$ 117.3
I-405, SR-73 to I-605 (Project K)	98.0
I-5, SR-73 to El Toro Road (Project C)	85.8
I-405 Express Lanes	63.0
I-5, I-405 to SR-55 (Project B)	15.6
SR-57, Orangewood Ave. to Katella Ave. (Project G)	7.4
SR-91, SR-241 to SR-71 (Project J)	6.2
SR-91, SR-55 to SR-57 (Project I)	3.4
I-605, Katella Ave. Interchange (Project M)	0.8
I-5, Avenida Pico to Orange County Line	0.4
I-5, El Toro Road Interchange (Project D)	0.1
Total	\$ 398.0

Streets & Roads Summary

In Millions

**FY 2021-22
Proposed
Budget**

Streets & Roads

Local Fair Share (Project Q)	\$	54.0
Regional Capacity Program (Project O)		44.1
Regional Traffic Signal Synchronization (Project P)		43.4
Total	\$	141.5

91 Express Lanes Sources & Uses

In Thousands

	FY 2020-21 Amended Budget	FY 2021-22 Proposed Budget	Change \$	Change %
Sources				
Toll Revenue	\$ 32.7	\$ 42.3	\$ 9.6	29.4%
Non-Toll Revenue	2.3	3.9	1.6	69.0%
Interest Income	1.5	1.7	0.2	13.6%
Reimbursement from Other Agencies	1.3	0.7	(0.6)	-48.0%
Use of Prior Year Designations	53.4	31.7	(21.7)	-40.6%
Total Revenue / Use of Designations	\$ 91.1	\$ 80.3	\$ (10.8)	-11.8%

Uses

Tollroad Management Contract	\$ 7.2	\$ 7.7	\$ 0.5	6.9%
Professional Services	10.5	11.7	1.2	11.4%
Leases & Other Office Expenses	0.8	1.2	0.4	48.5%
Debt & Interest Expense	10.8	10.8	-	0.0%
Insurance Claims/Premiums	0.8	0.8	-	0.0%
Overhead Allocation	3.1	3.1	-	0.0%
Capital	9.1	7.8	(1.3)	-14.2%
Contributions to Capital Improvements	41.7	23.9	(17.8)	-42.7%
Designations	6.9	13.3	6.4	92.9%
Total Expenditures / Designations	\$ 91.1	\$ 80.3	\$ (10.8)	-11.8%

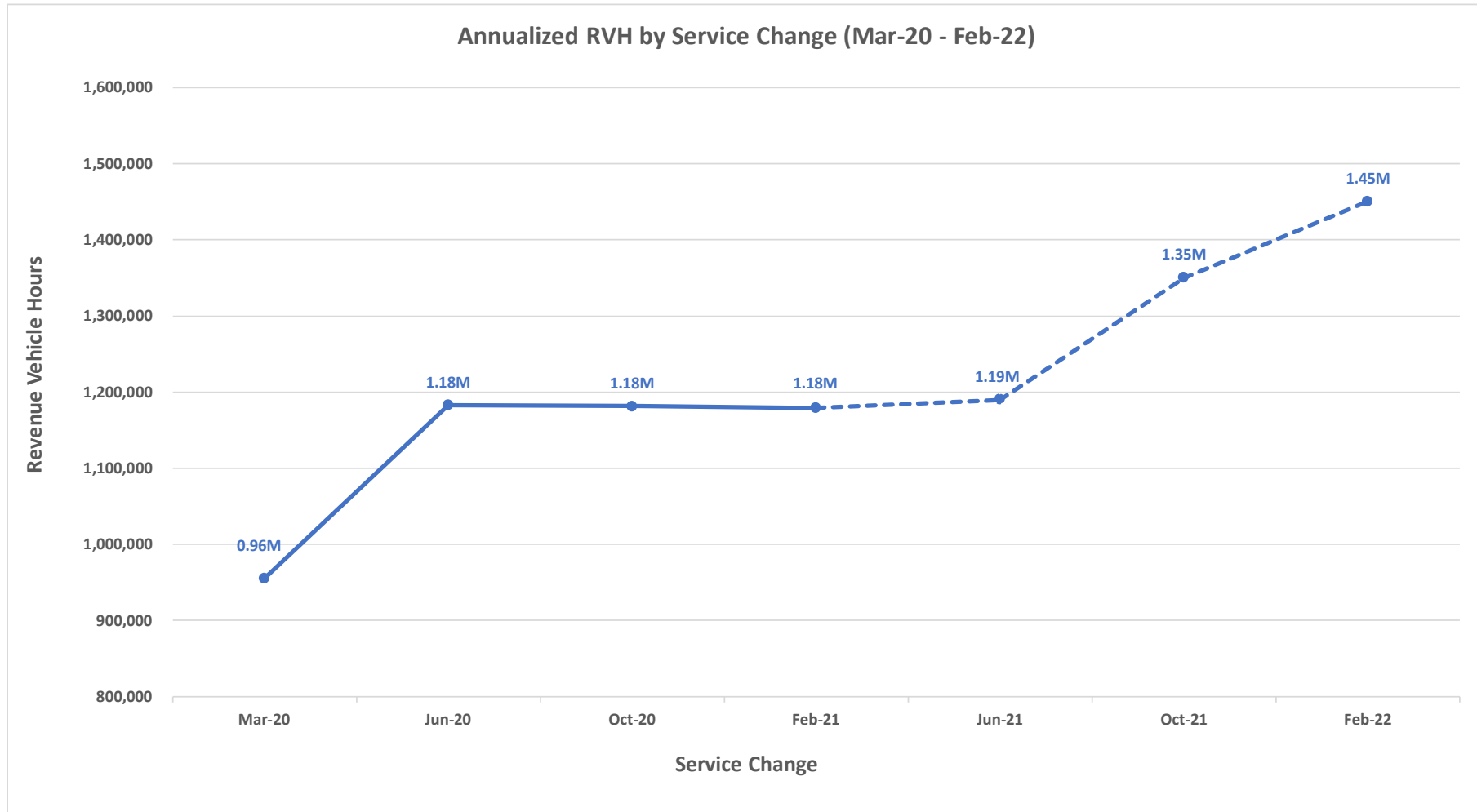
Transit Assumptions

- Bus Program
 - Higher level of fixed-route service hours can be supported
 - Increased ridership for fixed-route and paratransit services
 - Improved farebox recovery
 - Subsidy per boarding will remain much higher than pre-pandemic
- Rail Program
 - Metrolink service levels will remain the same
 - Metrolink operating subsidy will be paid through CARES Act funding
 - Advances OC Streetcar construction, vehicle delivery, and operations and maintenance contract

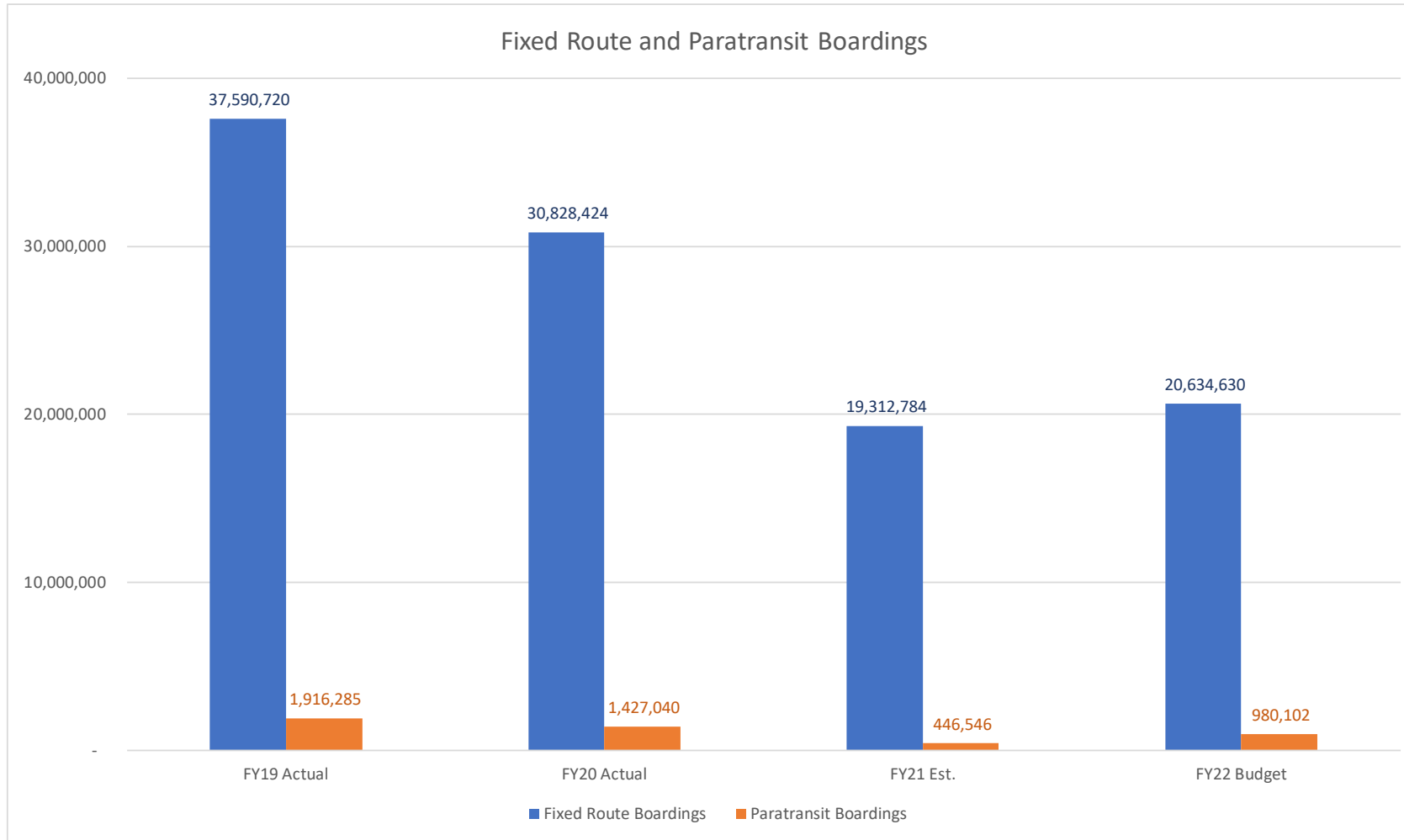
Bus Operations Service Assumptions

- Fixed-route service
 - Can support up to 1.45 million service hours
 - Flexibility to increase from the current level of 1.2 million based on demand and public health considerations
- Paratransit service
 - Total trips are forecasted at 980 thousand
 - Trips comprised of ACCESS primary and supplemental service, same-day taxi service, and special agency service
- Microtransit service
 - OC Flex service hours are estimated 58 thousand

Bus Operations Service Levels



Bus Operations Boardings



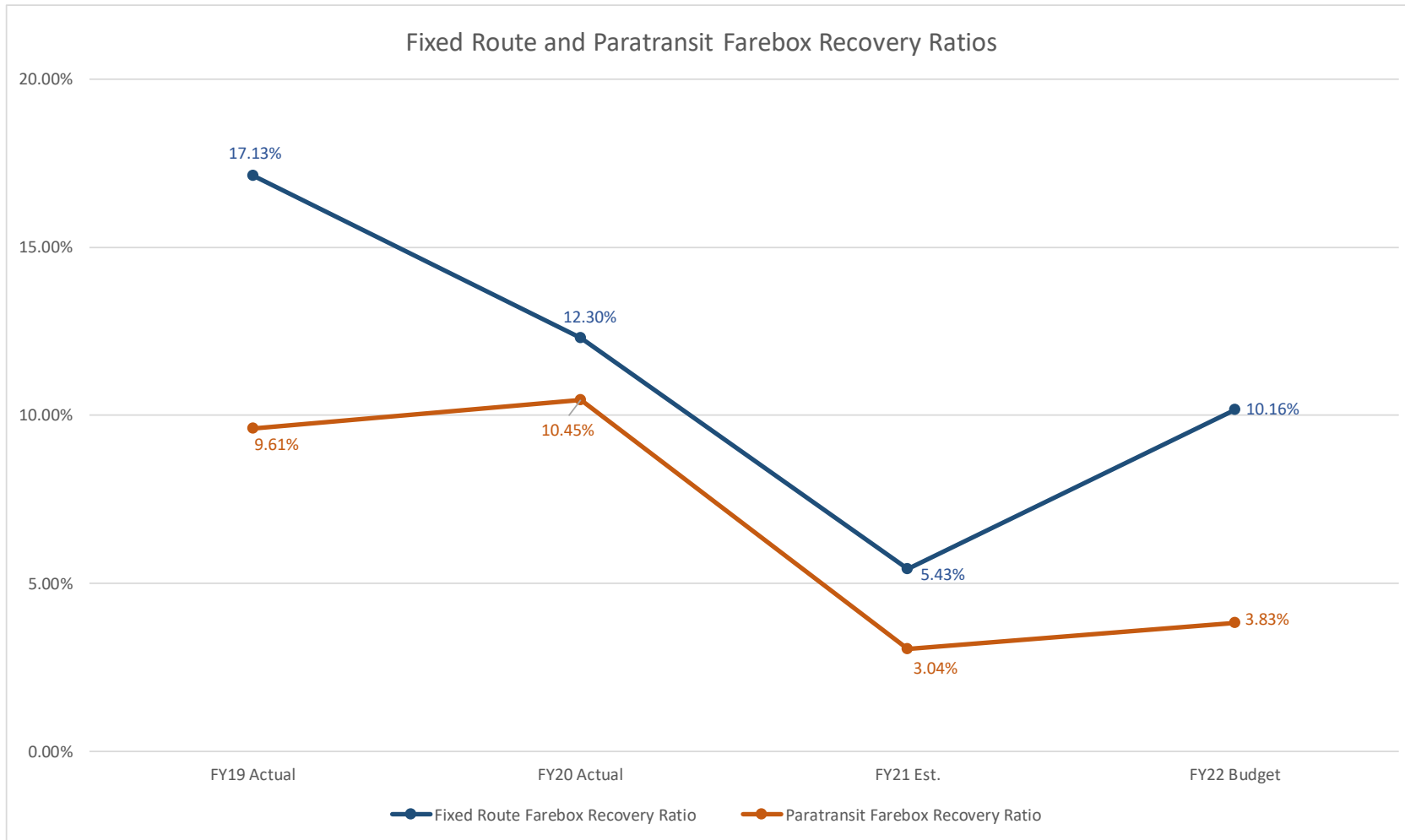
Cost Summary

FY 2021-22 Proposed Budget

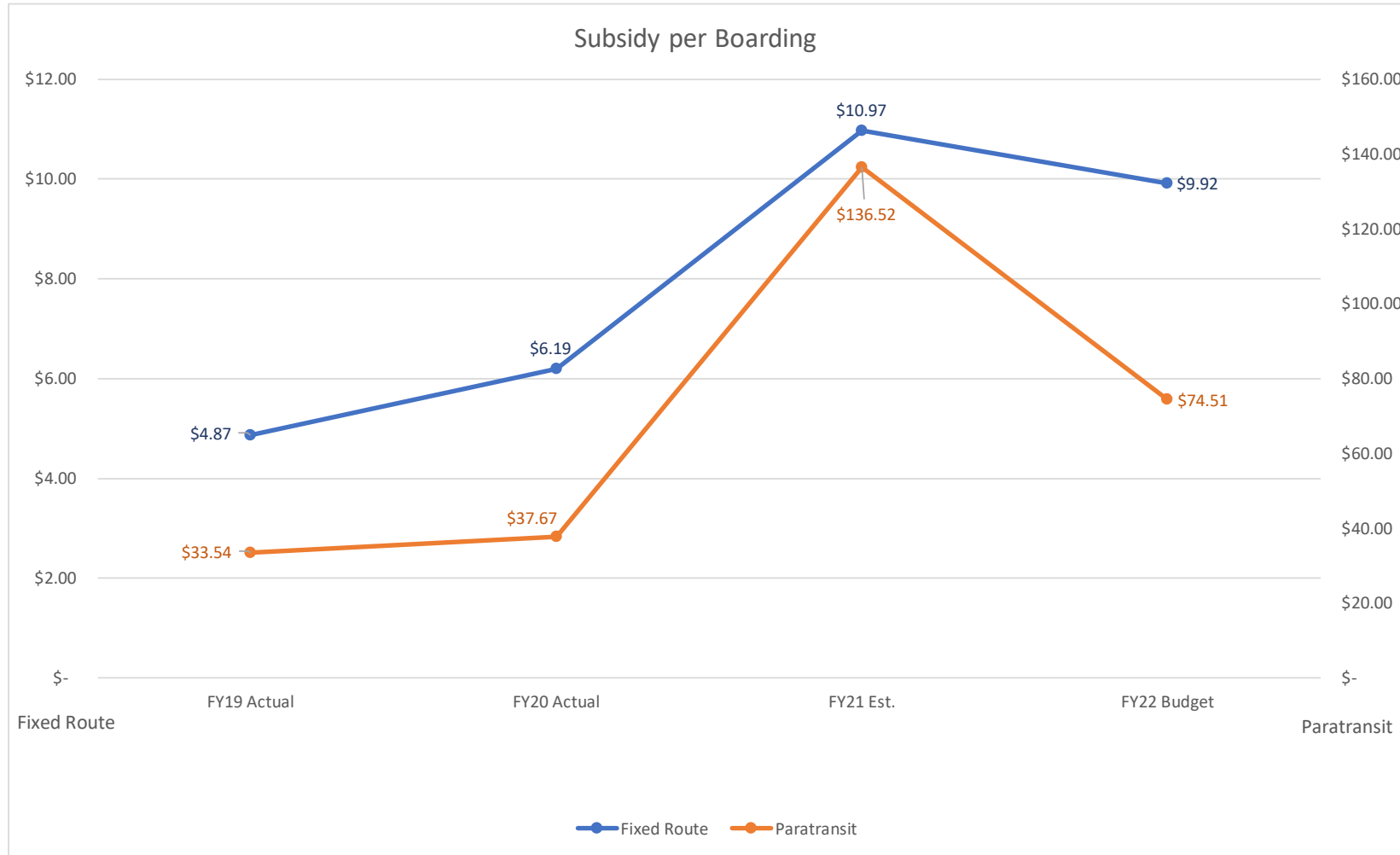
	Performance Indicators	Directly Operated Fixed-Route	Contracted Fixed-Route	ACCESS	ADA Taxi Service	Same Day Taxi Service	Special Agency Services	Flex	System Total
Service Provided	Vehicle Hours (VH)	932,454	542,041	511,356					1,985,852
	Vehicle Miles (VM)	11,412,714	7,254,277	7,209,057					25,876,049
	Revenue Hours (RVH)	860,616	492,742	422,440				13,974	1,789,772
	Revenue Miles (RVM)	9,771,629	6,027,561	5,877,724					21,676,915
Passenger Usage	Boardings	15,400,226	5,234,404	406,307	167,184	149,778	256,833	23,730	21,638,462
	Boardings per VH	16.52	9.66	0.79					10.90
	Boardings per VM	1.35	0.72	0.06					0.84
	Boardings per RVH	17.89	10.62	0.96					12.09
	Boardings per RVM	1.58	0.87	0.07					1.00
Operating Costs	Costs	\$151,857,096	\$76,048,575	\$55,881,990	\$10,635,162	\$2,697,088	\$6,716,290	\$1,663,931	\$305,500,132
	Cost per VH	\$162.86	\$140.30	\$109.28					\$153.84
	Cost per VM	\$13.31	\$10.48	\$7.75					\$11.81
	Cost per RVH	\$176.45	\$154.34	\$132.28				\$119.08	\$170.69
	Cost per RVM	\$15.54	\$12.62	\$9.51					\$14.09
	Cost per Boarding	\$9.86	\$14.53	\$137.54	\$63.61	\$18.01	\$26.15	\$70.12	\$14.12
Fare Revenues	Revenue	\$16,594,651	\$6,571,874	\$2,224,876	\$681,319			\$42,064	\$26,114,784
	Revenue per VH	\$17.80	\$12.12	\$5.15					\$13.15
	Revenue per VM	\$1.45	\$0.91	\$0.37					\$1.01
	Revenue per RVH	\$19.28	\$13.34	\$6.23				\$3.01	\$14.59
	Revenue per RVM	\$1.70	\$1.09	\$0.45					\$1.20
	Revenue per Boarding	\$1.08	\$1.26	\$5.48				\$1.77	\$1.21
Subsidy	Subsidy per Boarding	\$8.78	\$13.27	\$132.06				\$68.35	\$11.70
Farebox Recovery Ratio		10.93%	8.64%	3.98%					8.55%
Farebox Recovery Ratio (Per Senate Bill 508: Revisions to the Transportation Development Act)									15.22%

* All paratransit boardings are reported in terms of trips.

Bus Operations Farebox Recovery Ratio



Bus Operations Subsidy per Boarding



OCTD Sources & Uses

In Millions	FY 2020-21	FY 2021-22	Change	Change
Sources	Amended	Proposed	\$	%
	Budget	Budget		
Local Transportation Fund Sales Tax	\$ 138.8	\$ 154.9	\$ 16.1	11.6%
Federal Operating Assistance Grants	72.0	62.0	(10.0)	-13.9%
Federal Supplemental Funding	36.3	34.7	(1.6)	-4.4%
Passenger Fares	17.9	26.1	8.2	45.8%
Road Repair and Accountability Act (Senate Bill 1)	22.1	20.1	(2.0)	-9.0%
Property Taxes	17.0	17.3	0.3	1.8%
State Transit Assistance	12.3	16.6	4.3	35.0%
Other OCTD Revenue	9.7	8.2	(1.5)	-15.5%
Interest Income	4.1	7.4	3.3	80.4%
Commuter Rail	5.7	6.1	0.4	7.1%
Federal Capital Assistance Grants	116.1	4.3	(111.8)	-96.3%
Vanpool Revenue	2.5	0.7	(1.8)	-71.0%
Measure M2	0.6	0.6	-	0.0%
Reimbursements from Other Agencies	0.3	0.2	(0.1)	-39.0%
State Grant Assistance	7.0	0.2	(6.8)	-97.0%
Use of Prior Year Designations	7.7	19.1	11.4	147.9%
Total Revenue / Use of Designations	\$ 470.1	\$ 378.5	\$ (91.6)	-19.5%

Uses

Operating Services & Supplies	\$ 123.7	\$ 142.8	\$ 19.1	15.4%
Salary and Benefits	119.2	118.3	(0.9)	-0.8%
Overhead Allocation	46.0	44.9	(1.1)	-2.4%
Bus Capital Projects	130.8	19.1	(111.7)	-85.4%
Special Programs	4.7	3.3	(1.4)	-29.8%
Rail, M2 Transit Extensions and Streets & Roads Programs	2.2	2.3	0.1	4.5%
Designations	43.5	47.8	4.3	9.9%
Total Expenditures / Designations	\$ 470.1	\$ 378.5	\$ (91.6)	-19.5%

Metrolink Assumptions

- Metrolink Primary Operating Expenditures
 - Sustain current service levels of 57 trips
 - Includes 41 weekday and 16 weekend trips
 - Operating subsidy proposed at \$39.2 million
 - Federal supplemental funding of \$44.6 million available to be used towards the operating subsidy
- Metrolink Primary Capital Expenditures
 - Placentia Metrolink Station estimated at \$27.5 million
 - Orange County Maintenance Facility at \$19.1 million

Metrolink Sources & Uses

In Millions Sources	FY 2020-21 Amended Budget	FY 2021-22 Proposed Budget	Change \$	Change %
Measure M2	\$ 30.4	\$ 34.1	\$ 3.7	12.2%
State Assistance	17.7	24.8	7.1	40.1%
91 Express Lanes	-	14.3	14.3	100.0%
Federal Assistance	21.0	5.9	(15.1)	-71.8%
Proceeds Sale of Capital Asset	3.5	4.0	0.5	14.3%
Interest Income	1.5	1.8	0.3	20.7%
Other Commuter Rail Revenue	0.0	1.1	1.1	100.0%
Use of Prior Year Designations	18.9	-	(18.9)	-100.0%
Total Revenue / Use of Designations	\$ 93.0	\$ 86.0	\$ (7.0)	-7.5%

Uses

SCRRA Operating Subsidy	\$ 22.9	\$ -	\$ (22.9)	-100.0%
Rail Operating Expenses	7.3	7.6	0.3	4.1%
Contributions to Operating Services	5.7	6.1	0.4	7.1%
Overhead Allocation	3.4	3.9	0.5	14.6%
Rail Capital Projects	45.3	62.0	16.7	36.9%
Designations	8.4	6.4	(2.0)	-23.7%
Total Expenditures / Designations	\$ 93.0	\$ 86.0	\$ (7.0)	-7.5%

Metrolink Capital Summary

In Millions

Metrolink Capital

**FY 2021-22
Proposed
Budget**

Placentia Metrolink Rail Station	\$ 27.5
Orange County Maintenance Facility	19.1
Irvine Station Improvements	5.7
Anaheim Canyon Metrolink Station	3.7
San Juan Creek Bridge Replacement	2.2
Laguna Niguel to San Juan Capistrano Passing Siding	1.8
Serra Siding Project	1.2
Slope Stabilization	0.4
Miscellaneous Metrolink Rail Station Improvements	0.3
Signal Respacing and Control Point	0.1
Total	\$ 62.0

SAFE Assumptions

- Freeway Service Patrol
 - Tow service operating budget of \$7.2 million is consistent with the current year
- Call Box Program
 - Proposed budget of \$511 thousand is a decrease of \$287 thousand
 - The decrease is due to the call box radio upgrade project, taking place in the current year
- 511 Program
 - Proposed budget of \$348 thousand is an increase of \$261 thousand
 - The increase is due to the planned requirement for OCTA to contribute to cost sharing of the Motorist Assistance and Traveler Information System (MATIS)

Staffing Levels

OCTA Staffing	FY 2020-21 Full-time Equivalent	FY 2021-22 Full-time Equivalent	FY 2021-22 New Hires	FY 2021-22 Reductions	Difference
Administrative	498.5	504.0	6.0	(0.5)	5.5
Union	834.0	791.0	1.0	(44.0)	(43.0)
Coach Operators	634.0	600.0	-	(34.0)	(34.0)
Maintenance	163.0	153.0	-	(10.0)	(10.0)
Facility Technicians and Parts Clerks	37.0	38.0	1.0	-	1.0
OCTA Positions	1,332.5	1,295.0	7.0	(44.5)	(37.5)
LOSSAN	18.0	18.0	-	-	-
Total Authority Positions	1,350.5	1,313.0	7.0	(44.5)	(37.5)

Employee Compensation Assumptions

- Employees Subject to Collective Bargaining Agreement
 - Coach Operators (600 employees)
 - Collective bargaining agreement effective through April 30, 2021 (Negotiation in progress)
 - Maintenance (153 employees)
 - Collective bargaining agreement effective through September 30, 2022
 - Facilities technicians and parts clerks (38 employees)
 - Collective bargaining agreement effective through March 31, 2021 (Negotiation in progress)
- Administrative Employees (504 + 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
 - Recommend 3 percent adjustment to grade ranges

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
 - Due to COVID-19 merit increases and bonuses were suspended in fiscal year 2020-21
 - Merit and Bonus pool resumes as part of comprehensive recruitment and retention strategy
- 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 3 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 10-June 13
- Public Hearing Preview – Finance and Administration Committee May 26
- Public Hearing – Board (public hearing and approval) June 14
- Back-up Public Hearing – Board (public hearing and approval) June 28