

Preview to the Public Hearing on
Orange County Transportation
Authority's Fiscal Year 2023-24
Budget and Personnel and Salary
Resolution

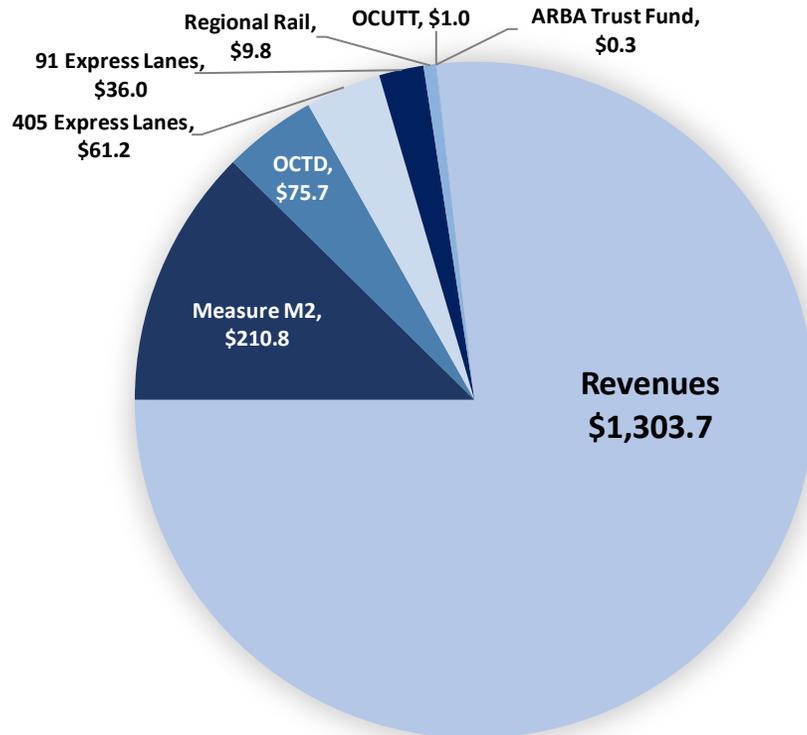
Budget Themes

- Anticipate moderate increase in sales tax receipts
- Sustaining bus operations despite exhausting federal relief funds
- Ongoing investment in zero-emission buses and infrastructure
- 91 Express Lanes continues to meet commitments
- Opening of 405 Express Lanes in late 2023 with I-405 Improvement Project completion
- Delivering Measure M2 Next 10 Plan as promised
- Metrolink service at 90 percent of pre-pandemic service levels
- Advancing coastal rail resiliency planning
- OC Streetcar Project construction continues

Budget Overview

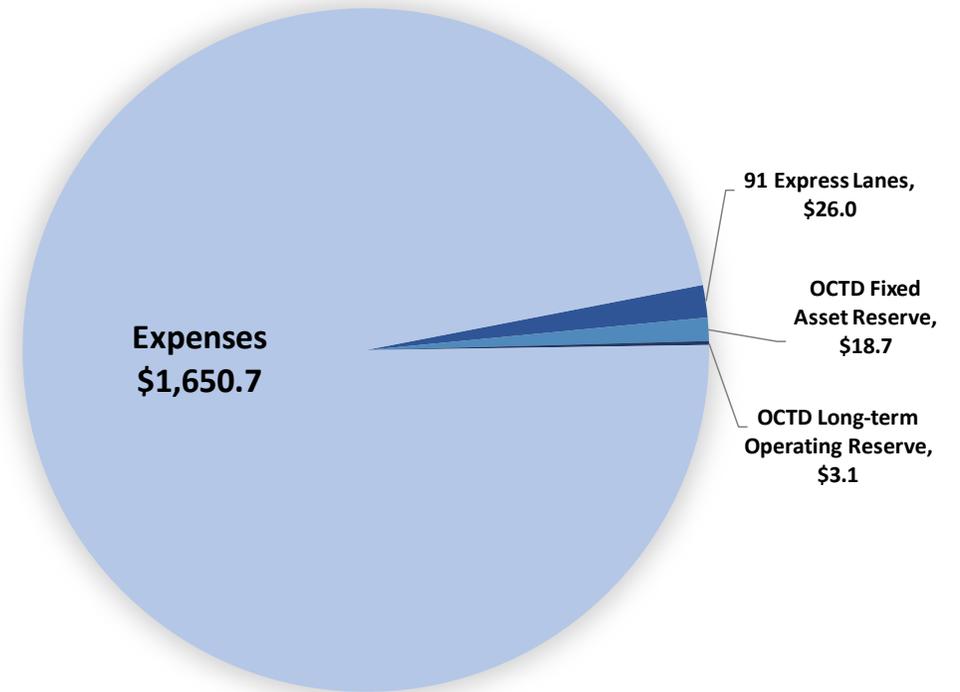
Use of Prior Year Designations
\$394.8 million

Source of Funds \$1,698.5 million



Use of Funds \$1,698.5 million

Designations
\$47.8 million



ARBA - Additional Retiree Benefit Account
OCUTT - Orange County Unified Transportation Trust
OCTD - Orange County Transit District

Budget Sources and Uses

In Millions	FY 2022-23	FY 2023-24	Change
	Approved Budget	Proposed Budget	
Sources			
Revenues	\$ 1,234.7	\$ 1,303.7	\$ 69.0
Use of Prior Year Designations	415.5	394.8	(20.7)
Total Revenue / Use of Designations	\$ 1,650.2	\$ 1,698.5	\$ 48.3
Uses			
Salaries and Benefits	\$ 187.3	\$ 200.5	\$ 13.2
Deferred Compensation Payment	-	8.0	8.0
LOSSAN Funded Salaries and Benefits	3.9	4.1	0.2
Services and Supplies	339.6	475.6	136.0
Contributions to Other Agencies	181.3	211.7	30.4
Interest/Debt Service	97.8	77.8	(20.0)
Capital	635.2	673.0	37.8
Designations	205.1	47.8	(157.3)
Total Expenditures / Designations	\$ 1,650.2	\$ 1,698.5	\$ 48.3

FY – Fiscal Year
LOSSAN - Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency

Staffing Levels

OCTA Staffing	FY 2022-23 Full-time Equivalent	FY 2023-24 Full-time Equivalent	FY 2023-24 New Hires	FY 2023-24 Reductions	Difference
Administrative	520.5	532.5	13.0	(1.0)	12.0
Union	823.0	819.0	4.0	(8.0)	(4.0)
Coach Operators	631.0	623.0	-	(8.0)	(8.0)
Maintenance	153.0	155.0	2.0	-	2.0
Facility Technicians and Parts Clerks	39.0	41.0	2.0	-	2.0
OCTA Positions	1,343.5	1,351.5	17.0	(9.0)	8.0
LOSSAN Funded OCTA Positions	18.0	18.0	-	-	-
Total Authority Positions	1,361.5	1,369.5	17.0	(9.0)	8.0

Employee Compensation Assumptions

- Employees Subject to Collective Bargaining Agreement
 - Coach Operators (623 employees)
 - Collective Bargaining Agreement effective through April 30, 2024
 - Maintenance (155 employees)
 - Collective Bargaining Agreement effective through September 30, 2025
 - Facilities technicians and parts clerks (41 employees)
 - Collective Bargaining Agreement effective through March 31, 2024
- 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
 - Recommend 4 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
- Merit Pool of 4.5 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

Recommendations

- Approve by Resolution OCTA's FY 2023-24 budget
- Approve the Personnel and Salary Resolution for FY 2023-24
- Authorize the Chief Executive Officer, or his designee, to negotiate and execute the software and hardware licensing, maintenance, and emergency support purchase orders and/or agreements
- Approve FY 2023-24 Orange County Transportation Authority member agency contribution to the Southern California Regional Rail Authority (SCRRA), operating subsidy, in an amount up to \$50,750,849, including authorization of federal funding to be drawn down directly by the SCRRA, in an amount up to \$9,534,777. In addition, approve the capital and rehabilitation expenditure budget contingent upon all member agencies' approval of their respective capital and rehabilitation budgets. OCTA's portion of the costs for capital is \$4,129,290 and \$25,543,785 for rehabilitation. Also, authorize a working capital reserve contribution of up to \$7,150,000 to facilitate the funding of capital expenditures and lessen the necessity of using operating funds to front capital expenditures.

Next Steps

- Public Hearing – Board (public hearing and approval) June 12
- Back-up Public Hearing – Board (public hearing and approval) June 26