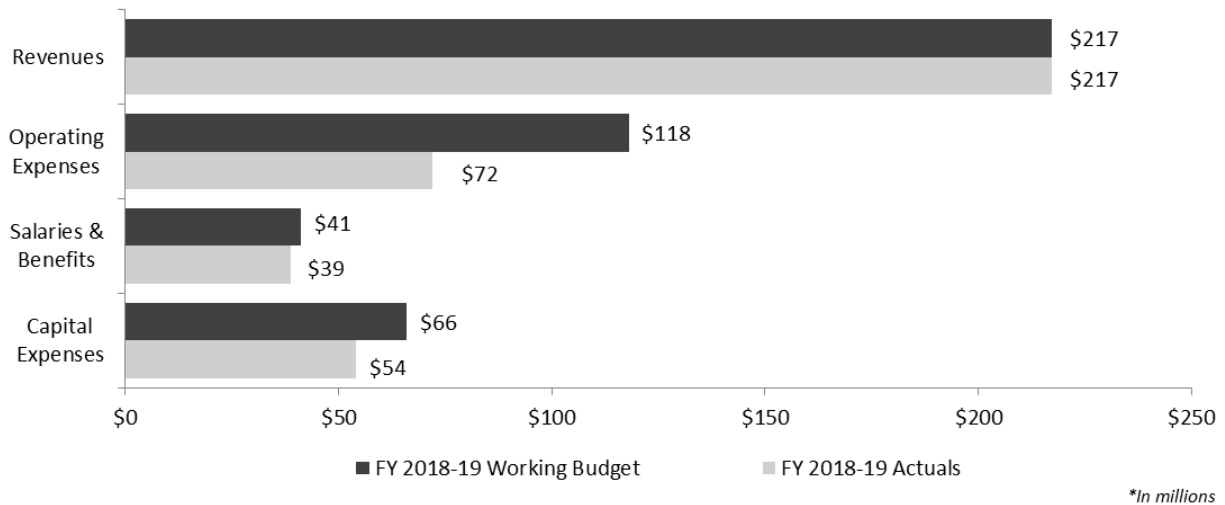




Quarterly Budget Status Report

First Quarter of Fiscal Year 2018-19



STAFFING

A staffing plan of 1,353 full-time equivalent positions was approved by the Board of Directors (Board) for fiscal year (FY) 2018-19. At the end of the first quarter, 1,225 of these positions were filled, representing a vacancy rate of 9.5 percent.

Staffing Description	Budget	Filled	Vacant	% Vacancy
Coach Operators	639.0	577.0	62.0	9.7%
Maintenance	171.0	146.0	25.0	14.6%
TCU	37.0	36.0	1.0	2.7%
<i>Union Subtotal</i>	<i>847.0</i>	<i>759.0</i>	<i>88.0</i>	<i>10.4%</i>
Bus Operations Support	164.5	153.0	11.5	7.0%
Other Administrative	341.5	313.0	28.5	8.3%
<i>Administrative Subtotal</i>	<i>506.0</i>	<i>466.0</i>	<i>40.0</i>	<i>7.9%</i>
Total OCTA	1,353.0	1,225.0	128.0	9.5%

TOTAL SALARIES AND BENEFITS

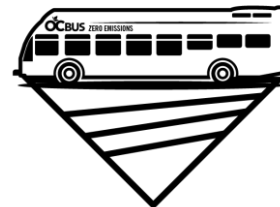
Total salaries and benefits of \$38.8 million were \$2.3 million lower than the budget of \$41.2 million. This variance is comprised of a \$1.2 million underrun in Bus Program salaries and benefits, as well as a \$1.1 million underrun in General Fund salaries and benefits. In both groups, the underruns are the result of vacant positions.

	Budget	Actual	\$ Variance	% Variance
Bus Program	\$ 26,935	\$ 25,686	\$ 1,249	4.6%
General Fund	14,257	13,159	1,098	7.7%
Total	\$ 41,192	\$ 38,845	\$ 2,347	5.7%

PROGRAM VARIANCES

Year-to-date material variances are listed below by program. All dollar amounts in tables are shown in thousands.

Bus Program



	Budget	Actual	\$ Variance	% Variance
Operating				
Revenue	\$ 57,494	\$ 57,325	\$ (169)	-0.3%
Expenses	57,494	55,178	2,317	4.0%
Net Operating	\$ -	\$ 2,147		
Capital				
Revenue	396	350	(46)	-11.7%
Expenses	17	24	(7)	-37.9%
Net Capital	\$ 379	\$ 326		

Operating Revenue: Operating revenue for the Bus Program underran by \$0.2 million. This underrun is the net result of two factors. The first is tied to the receipt of grant revenues for expenditures incurred in the last FY. The second factor is sales tax revenue. Sales tax

receipts through the first quarter underran the budget by \$2.4 million, which is 2.4 percent less than the same period last year. However, it is anticipated that sales tax for the first quarter will continue to be received over the next few months as the California Department of Tax and Fee Administration (CDTFA) continues to process sales tax allocations. Staff is continuing to work with the CDTFA to ensure all sales tax receipts are accounted for and posted against the appropriate quarter.

Operating Expenses: The \$2.3 million underrun in Bus Program operating expenses can be attributed to salaries and benefits (\$1.2 million), contracted fixed-route services (\$0.6 million), and Bus Program as-needed expenditures (\$0.5 million).

Salaries and benefits underran the budget by \$1.2 million. This is primarily due to vacant positions. The vacancy rate at the end of the first quarter was 10.4 percent for Bus Program union employees and 7 percent for Bus Program administrative employees.

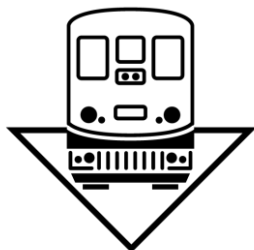
The underrun of \$0.6 million for contracted fixed-route services is due to less revenue hours being operated than anticipated during the development of the budget.

The underrun of \$0.5 million for Bus Program as-needed expenditures includes items such as bus pass printing, oil filters, shop supplies, and other consumables for the fleet of buses. Actual expenses for these items were less than anticipated in the first quarter.

Capital Revenue: Capital revenue underran the budget by less than \$0.1 million due to a reimbursement from Anaheim Transportation Network that was received after the quarter closed.

Capital Expenses: Capital expenses were in alignment with the budget for the first quarter, within \$0.1 million of the budgeted amount.

Rail Program



	Budget	Actual	\$ Variance	% Variance
Operating				
Revenue	\$ 14,203	\$ 14,180	\$ (23)	-0.2%
Expenses	14,203	1,012	13,190	92.9%
Net Operating	\$ -	\$ 13,167		
Capital				
Revenue	-	5,332	5,332	100.0%
Expenses	-	19	(19)	100.0%
Net Capital	\$ -	\$ 5,313		

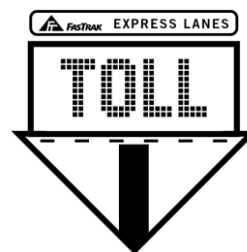
Operating Revenue: Rail Program operating revenue was in alignment with the budget, coming within one percent of the budgeted amount for the first quarter.

Operating Expenses: Rail Program operating expenses underran the budget by \$13.2 million. The underrun is primarily associated with a \$12.8 million underrun caused by contract execution timing with Southern California Regional Rail Authority (SCRRA) for the Metrolink operating subsidy payment. The funding agreement between OCTA and SCRRA for FY 2018-19 annual operating subsidy was not finalized and signed until after the close of the first quarter.

Capital Revenue: The \$5.3 million overrun in Rail Program capital revenue can be attributed to the Orange Transportation Center parking structure project. State capital grant funds for the construction phase of the project were budgeted in a prior FY, but not invoiced and received until the first quarter based on eligible expenses.

Capital Expenses: Rail Program capital expenses overran the budget by less than \$0.1 million due to timing of contract contingency expenses for construction of the Orange Transportation Center parking structure project. A portion of the contingency was utilized in the first quarter, earlier than anticipated.

91 Express Lanes Program



	Budget	Actual	\$ Variance	% Variance
Operating				
Revenue	\$ 14,063	\$ 14,233	\$ 170	1.2%
Expenses	4,576	4,102	474	10.3%
Net Operating	\$ 9,487	\$ 10,131		
Capital				
Revenue	283	77	(206)	-72.7%
Expenses	283	77	206	72.7%
Net Capital	\$ -	\$ -		

Operating Revenue: The 91 Express Lanes operating revenue was aligned with the budget for the first quarter, coming within 1.2 percent of the budgeted amount.

Operating Expenses: The 91 Express Lanes operating expenses underran the budget by \$0.5 million. The underrun is primarily due to the toll road operating contract (\$0.2 million), and project management consultant services (\$0.2 million).

The underrun of \$0.2 million for the toll road operations contract is due to the as-needed portion of the contract coming in less than allotted for the first quarter.

The underrun of \$0.2 million for project management consultant services is associated with the back-office system procurement. Consultant services are utilized as needed and through the first quarter, less of these services were needed than the budgeted amount.

Capital Revenue: Capital revenue for the 91 Express Lanes Program underran the budget by \$0.2 million. Capital revenue is directly tied to capital expenses.

Capital Expenses: Capital expenses for the 91 Express Lanes Program underran the budget by \$0.2 million due to as-needed contract contingency for the Electronic Toll and Traffic Management system implementation project which was not utilized.

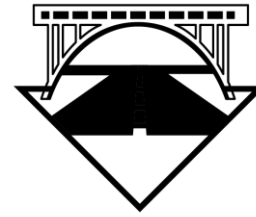
Motorist Services Program



	Budget	Actual	\$ Variance	% Variance
Operating				
Revenue	\$ 1,022	\$ 1,031	\$ 9	0.9%
Expenses	1,022	1,035	(13)	-1.3%
Net Operating	\$ -	\$ (4)		

Operating Revenue and Expenses: Operating revenue and expenses for the Motorist Services Program were aligned with the budget for the first quarter, both coming within two percent of the budgeted amounts.

Measure M2 (M2) Program



Revenue: Local Transportation Authority M2 Program sales tax revenue underran the budget by \$5.8 million. However, it is anticipated that sales tax for the first quarter will continue to be received over the next few months as the California Department of Tax and Fee Administration (CDTFA) continues to process sales tax allocations. Staff is continuing to work with the CDTFA to ensure all sales tax receipts are accounted for and posted against the appropriate quarter.

Mode	Budget	Actual	\$ Variance	% Variance
Streets & Roads	33,652	15,642	18,010	53.5%
Freeways	13,333	4,390	8,943	67.1%
Debt Service	10,315	10,315	0	0.0%
Administration	2,224	1,825	399	17.9%
Transit	2,209	1,587	622	28.2%
Total	\$ 61,733	\$ 33,759	\$ 27,974	45.3%

Expenses: The M2 Program expenditures underran the budget by \$28 million. Streets and Roads contributed \$18 million to the underrun due to lower than anticipated project payment requests from the cities and county for the Regional Capacity and Regional Traffic Signal Synchronization programs. Freeways contributed \$8.9 million to the underrun, primarily due to right-of-way acquisition and support services for the I-405 Improvement project. Transit contributed \$0.6 million to the underrun, primarily due to less than anticipated rail program support services.