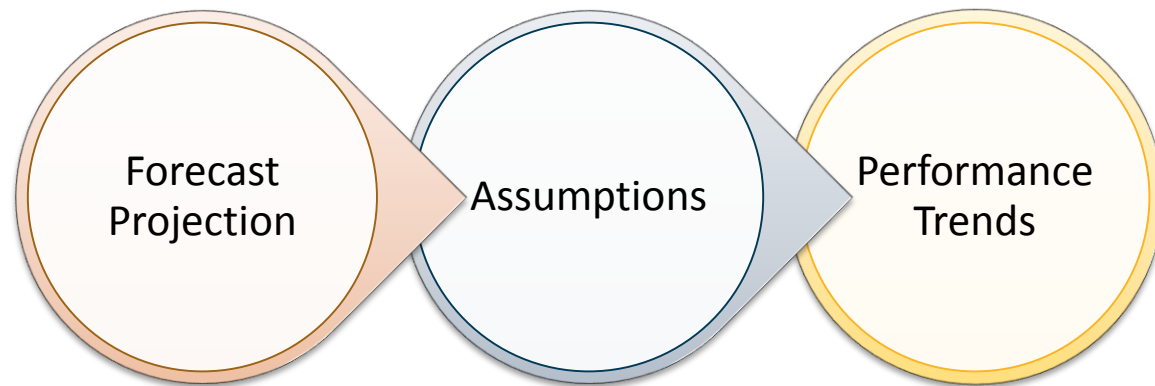


Orange County Transportation Authority

TDA & Measure M2 Forecast Overview

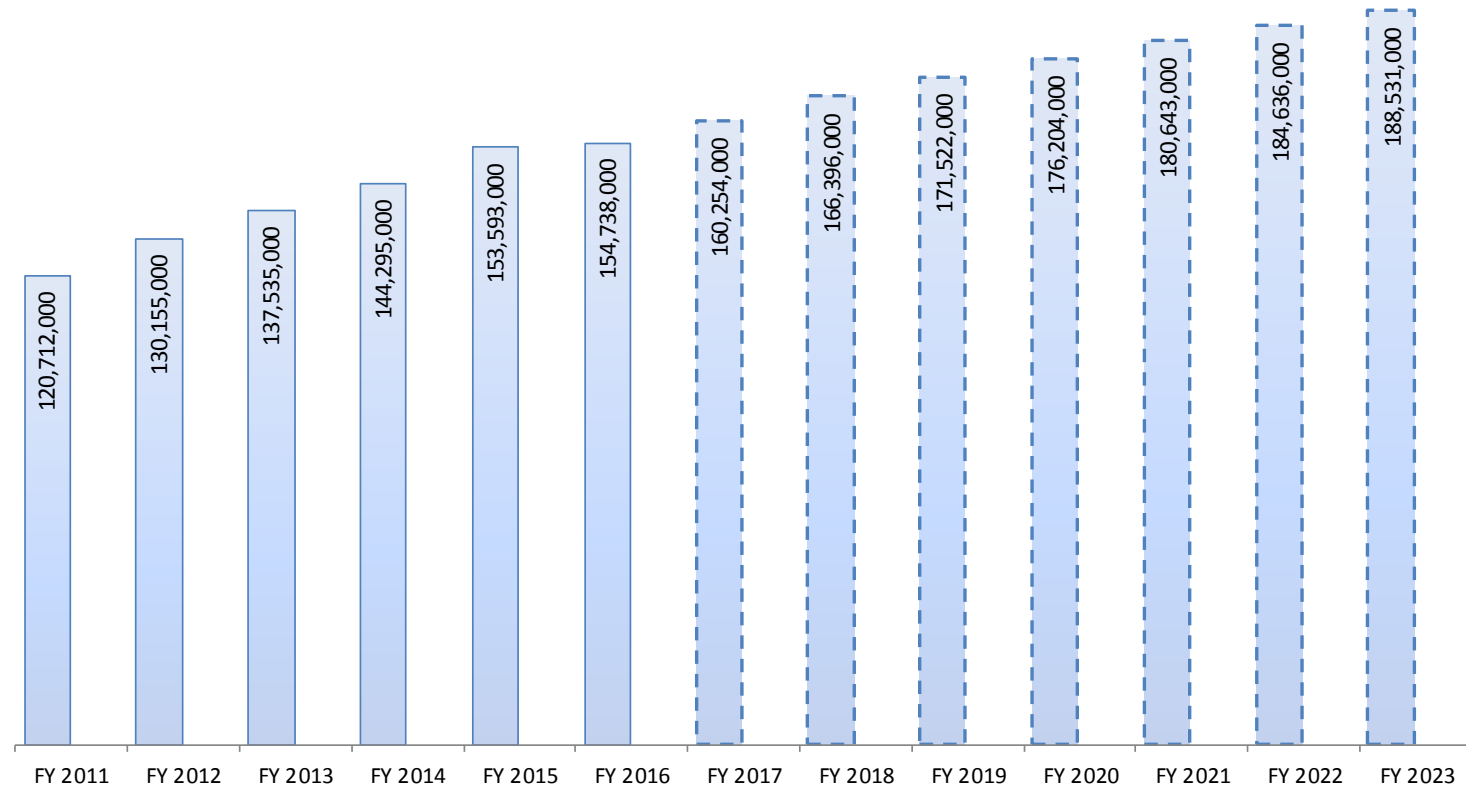
May 2017





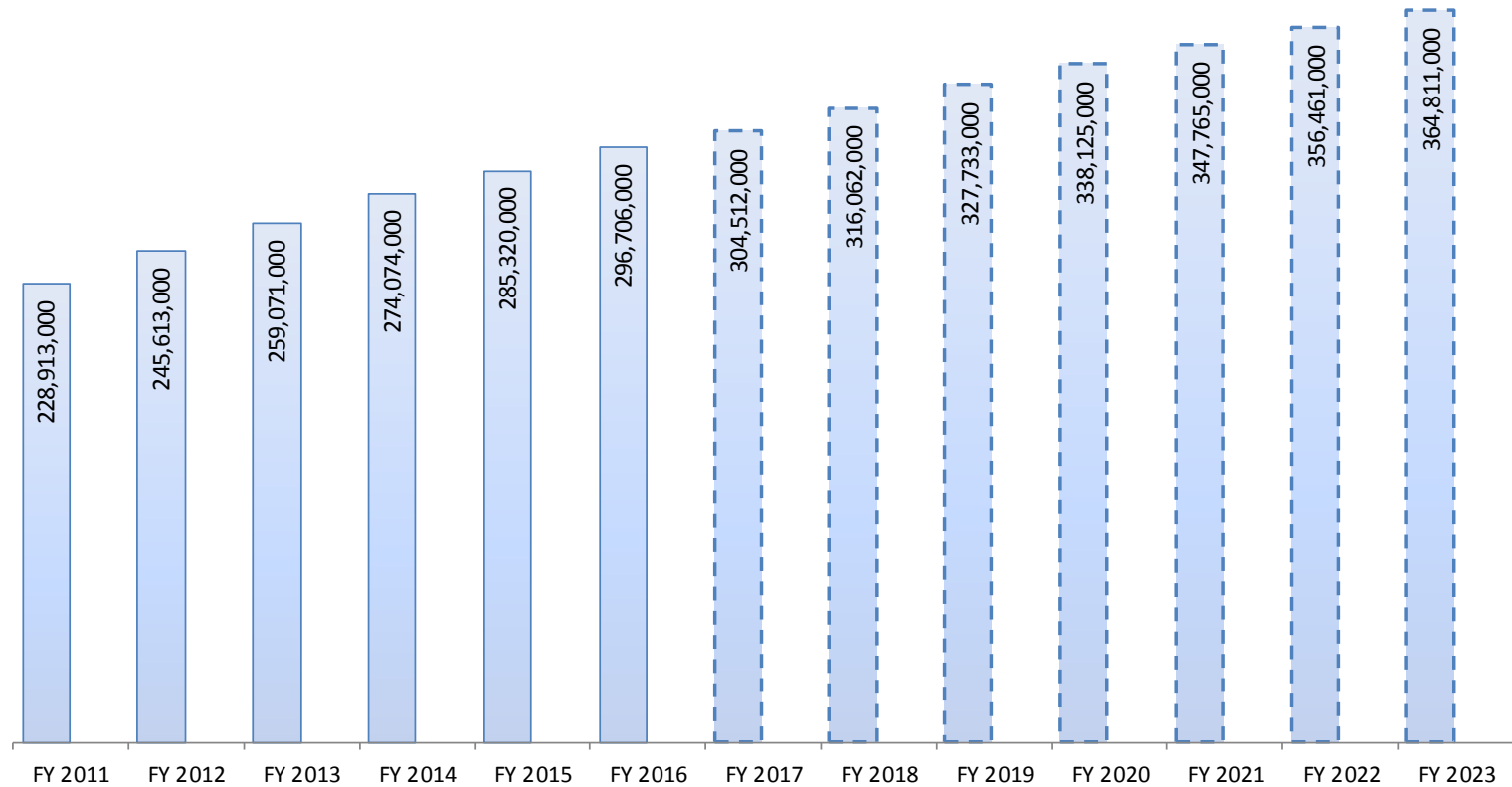
TDA (LTF) Forecast Projection

Voter Approved	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Projection	154,738,000	160,254,000	166,396,000	171,522,000	176,204,000	180,643,000	184,636,000	188,531,000
Percent Change	0.7%	3.6%	3.8%	3.1%	2.7%	2.5%	2.2%	2.1%



Measure M2 Forecast Projection

Voter Approved	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Projection	296,706,000	304,512,000	316,062,000	327,733,000	338,125,000	347,765,000	356,461,000	364,811,000
Percent Change	4.0%	2.6%	3.8%	3.7%	3.2%	2.9%	2.5%	2.3%

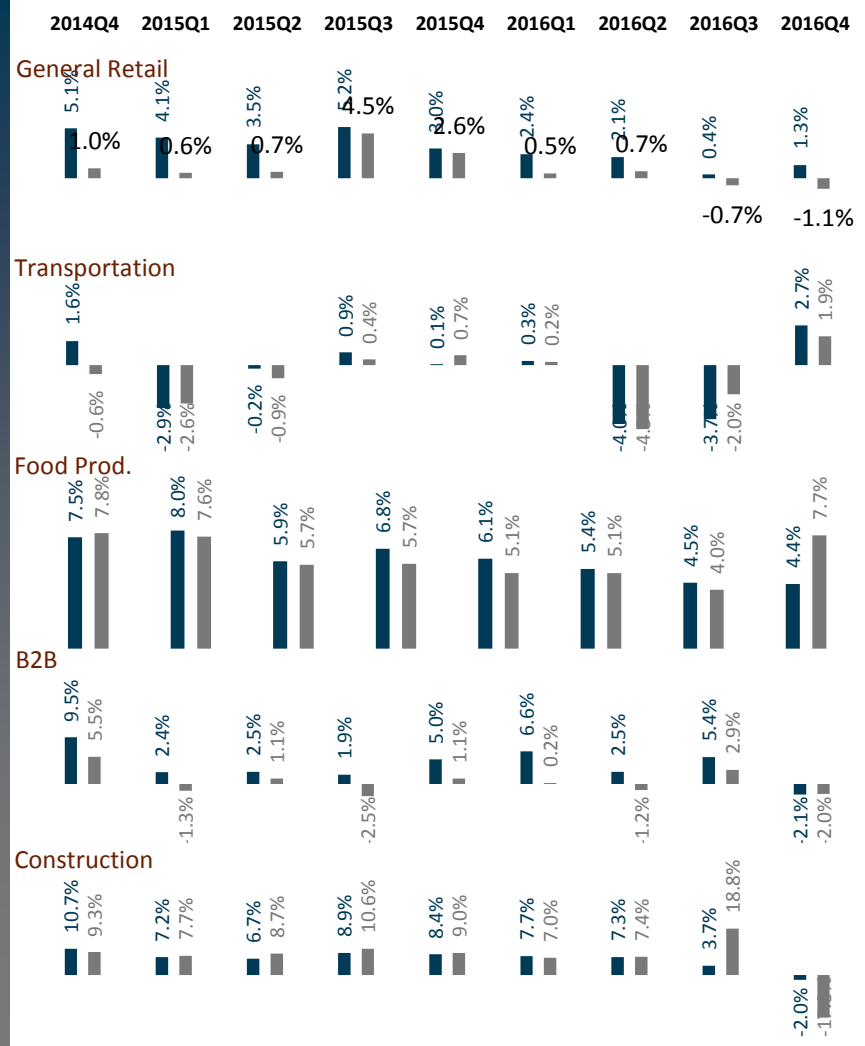
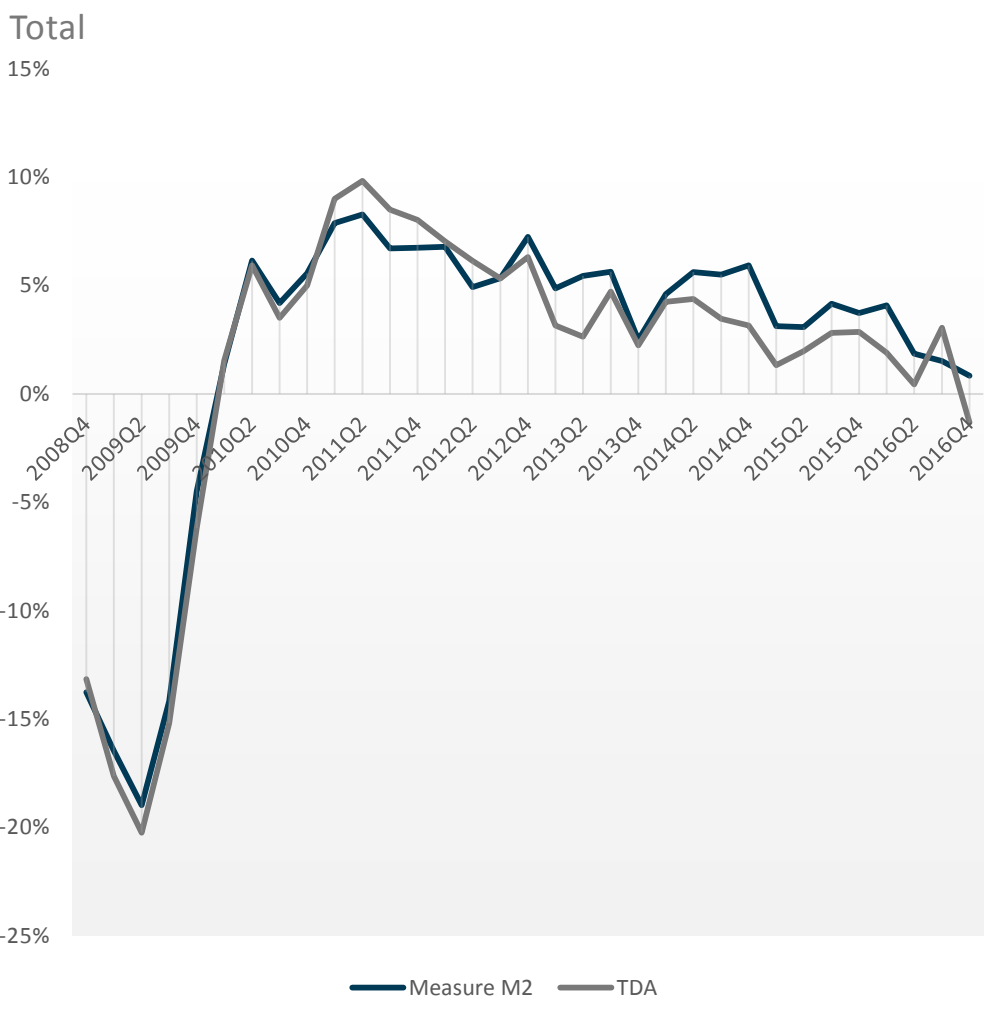


Assumptions

TDA	M2
<ul style="list-style-type: none"> General Retail expected to have lower growth overall as online retail grows 	<ul style="list-style-type: none"> While brick and mortar stores see higher competition from internet, direct allocation of district tax offsets
<ul style="list-style-type: none"> Food Products (markets & restaurants) continue to have robust growth 	<ul style="list-style-type: none"> Food Products for district tax will also see same robust growth
<ul style="list-style-type: none"> Transportation: fuel prices return higher sales tax revenue while new auto sales taper off from 5% to 2.5% overall 	<ul style="list-style-type: none"> Transportation: same results in fuel prices leading to higher sales tax revenue. Auto sales should have slightly higher growth as OCTA captures revenue from all residents.
<ul style="list-style-type: none"> Construction: New construction to slow into 2019-2020 with tapering growth. Retail construction expected to maintain 3% growth as consumers benefit from strong employment growth. 	<ul style="list-style-type: none"> Construction: While new construction slows in the region, construction specific to Orange county jobsites should see slightly higher growth.
<ul style="list-style-type: none"> Business to Business: trend toward cloud as well as software applications replacing hardware, IT infrastructure spending is expected to decline – in particular from a taxable sales perspective. 	<ul style="list-style-type: none"> Business to Business: same trend will impact M2 revenues in a similar manner

Historical and Recent Trends in Total and by Category

Change from Prior Year Same Quarter



Questions