

Public Hearing on Orange County  
Transportation Authority's Fiscal  
Year 2018-19  
Budget and Personnel and Salary  
Resolution

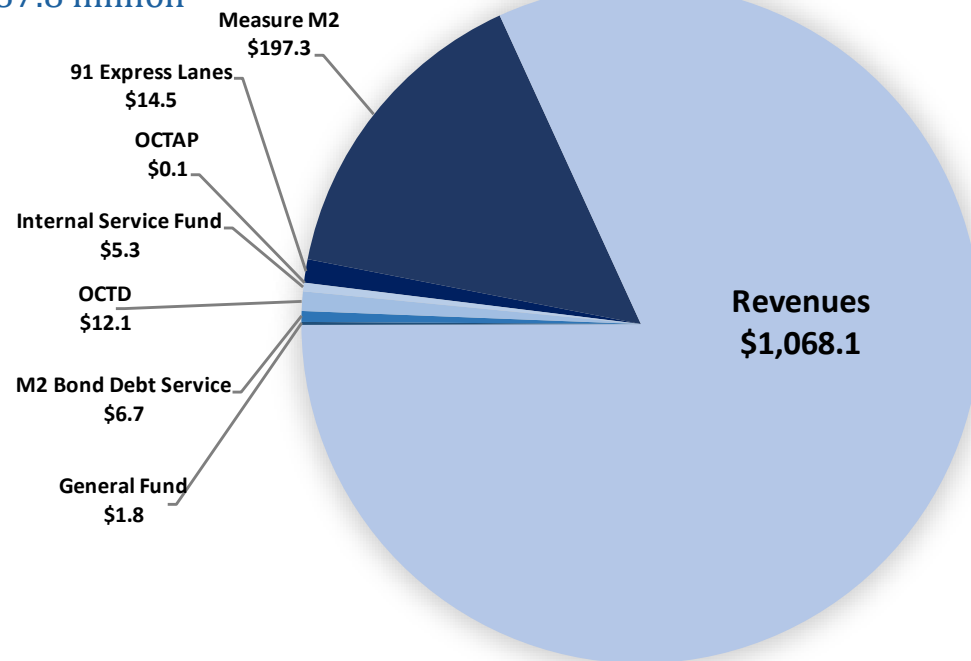
# Budget Themes

- Budget delivers on Board initiatives and CEO goals
- Budget is balanced
- Implementation of Next 10 Plan
  - I-405 project moving forward with utilization of M2 and TIFIA funds
  - OC Streetcar project advancing in anticipation of New Starts grant
- Continuation of OC Bus 360°
  - OC Flex pilot launch and additional Bravo! service
  - No fare increase
  - SB-1 funds sustaining service levels
- OCTAP sunsets

# Budget Overview

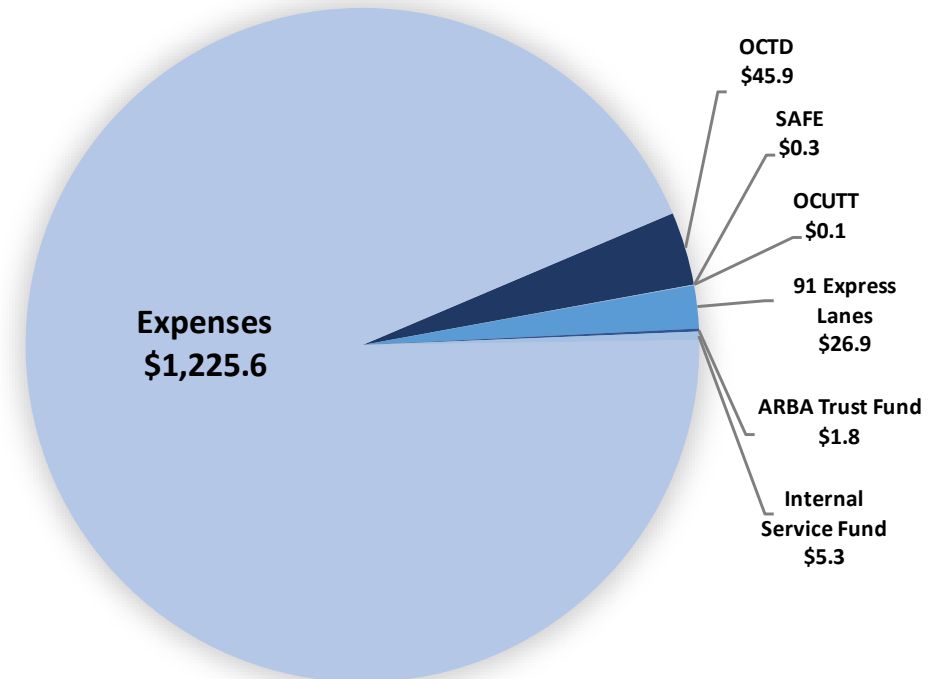
## Source of Funds \$1,305.9 million

Use of Prior Year  
Designations  
\$237.8 million



## Use of Funds \$1,305.9 million

Designations  
\$80.3 million



\*Orange County Transit District  
\*\*Service Authority for Freeway Emergencies  
\*\*\*Orange County Unified Transportation Trust  
\*\*\*\*Additional Retiree Benefit Account

# Budget Adjustments - Uses

In Millions

## Uses

Amount

### Services and Supplies

Fuel Costs	\$ 2.0
Anaheim Transportation Network	0.9
Annual Audit	0.7

### Capital

iShuttle Buses	5.5
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### Designations

Orange County Transit District	(2.0)
91 Express Lanes	(0.3)

### Total Expenditures

\$ 6.8

# Budget Sources & Uses

In Millions Sources	FY 2017-18 Approved Budget	FY 2018-19 Proposed Budget	Change \$	Change %
Revenues	\$ 1,057.2	\$ 1,068.1	\$ 10.9	1.0%
Use of Prior Year Designations	232.6	237.8	5.2	2.2%
<b>Total Revenue / Use of Designations</b>	<b>\$ 1,289.8</b>	<b>\$ 1,305.9</b>	<b>\$ 16.1</b>	<b>1.2%</b>
Uses				
Salaries and Benefits	\$ 158.8	\$ 163.6	\$ 4.8	3.0%
LOSSAN Salaries and Benefits	1.4	2.4	1.0	71.4%
Services and Supplies	294.7	328.3	33.6	11.4%
Contributions to Other Agencies	185.9	189.9	4.0	2.2%
Interest/Debt Service	34.6	56.6	22.0	63.6%
Capital	471.7	484.8	13.1	2.8%
Designations	142.7	80.3	(62.4)	-43.7%
<b>Total Expenditures / Designations</b>	<b>\$ 1,289.8</b>	<b>\$ 1,305.9</b>	<b>\$ 16.1</b>	<b>1.2%</b>

# Staffing Levels

OCTA Staffing	FY 2017-18 FTE	FY 2018-19 FTE	FY 2018-19 New Hires*	FY 2018-19 Reductions	Difference
<b>Administrative</b>	<b>486.5</b>	<b>493.0</b>	<b>8.0</b>	<b>(1.5)</b>	<b>6.5</b>
<b>Union</b>	<b>851.0</b>	<b>847.0</b>	<b>-</b>	<b>(4.0)</b>	<b>(4.0)</b>
Coach Operators	643.0	639.0	-	(4.0)	(4.0)
Maintenance	171.0	171.0	-	-	-
Facility Technicians and Parts Clerks	37.0	37.0	-	-	-
<b>OCTA Positions</b>	<b>1,337.5</b>	<b>1,340.0</b>	<b>8.0</b>	<b>(5.5)</b>	<b>2.5</b>
<b>LOSSAN</b>	<b>9.0</b>	<b>13.0</b>	<b>4.0</b>	<b>-</b>	<b>4.0</b>
<b>Total Authority Positions</b>	<b>1,346.5</b>	<b>1,353.0</b>	<b>12.0</b>	<b>(5.5)</b>	<b>6.5</b>

\*Establishing proper structure for Express Lanes Program

# Employee Compensation Assumptions

- Employees Subject to Collective Bargaining Agreement
  - Coach operators
    - Collective bargaining agreement effective through April 30, 2020
  - Maintenance
    - Collective bargaining agreement effective through September 30, 2019
  - Facilities technicians and parts clerks
    - Collective bargaining agreement effective through May 31, 2020
- Administrative Employees
  - Continue pay-for-performance program
  - Employees governed by the Personnel and Salary Resolution, which is approved annually as part of the budget

# Personnel and Salary Resolution

- Incorporates legal recommendations
- Minor clarifications
- Adjust the maximum of the salary grade range by 2%
  - Minimum and mid salary grade ranges adjusted accordingly
  - No automatic increases for any employees
- Recommendation to add salary grade W
  - Created to address market issues with the Program Manager position in the Capital Programs Division
  - Adjusted salary grade V to maintain appropriate differential between salary grades U and W

# Pay for Performance

- Recommendation of 4% for merit pool
  - Base building
- Recommendation of 3% for special performance award pool
  - Non-base building

# Recommendations

- Approve by Resolution the Orange County Transportation Authority's Fiscal Year 2018-19 budget
- Approve the Personnel and Salary Resolution for Fiscal Year 2018-19
- Authorize the Chief Executive Officer to negotiate and execute the software and hardware licensing, maintenance, and emergency support purchase orders and/or agreements
- Approve fiscal year 2018-19 Orange County Transportation Authority member agency contribution to the Southern California Regional Rail Authority, in an amount up to \$29,403,103, including authorization of Federal Transit Administration funds, in the amount up to \$8,374,341, to be drawn down directly by Southern California Regional Rail Authority. In addition, approve capital and rehabilitation expenditure budget contingent upon all member agencies approval of their respective capital and rehabilitation expenditure budget. Orange County Transportation Authority's portion of the costs for capital is \$2,378,558 and \$56,369,426 for rehabilitation.
- Authorize the Chief Executive Officer, or designee, to accept the grant award of \$1,206,518 in Federal Transit Administration 5339b Bus and Facilities Infrastructure Investment Program funds, execute grant-related agreements with the Federal Transit Administration, and authorize staff to amend the Federal Transportation Improvement Program for rehabilitation activities at OCTA bus buses and transit facilities already included in the proposed FY 2018-19 budget.

# Next Steps

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

June 25