

Preview to the Public Hearing on Orange County Transportation Authority's Fiscal Year 2020-21 Budget and Personnel and Salary Resolution

Budget Themes

- Conservative budget planning due to novel coronavirus (COVID-19) economic uncertainty
- CARES* Act funds available for transit operations programs
- Demand-based approach to restore up to 1.6 million hours of OC Bus Service
- Continuation of Measure M2 Next 10 Plan
- Three-month extension for Metrolink Service
- 91 Express Lanes anticipate a reduction in trips to 10.9 million
- No new positions or new initiatives added to budget

*Coronavirus Aid, Relief, and Economic Security Act

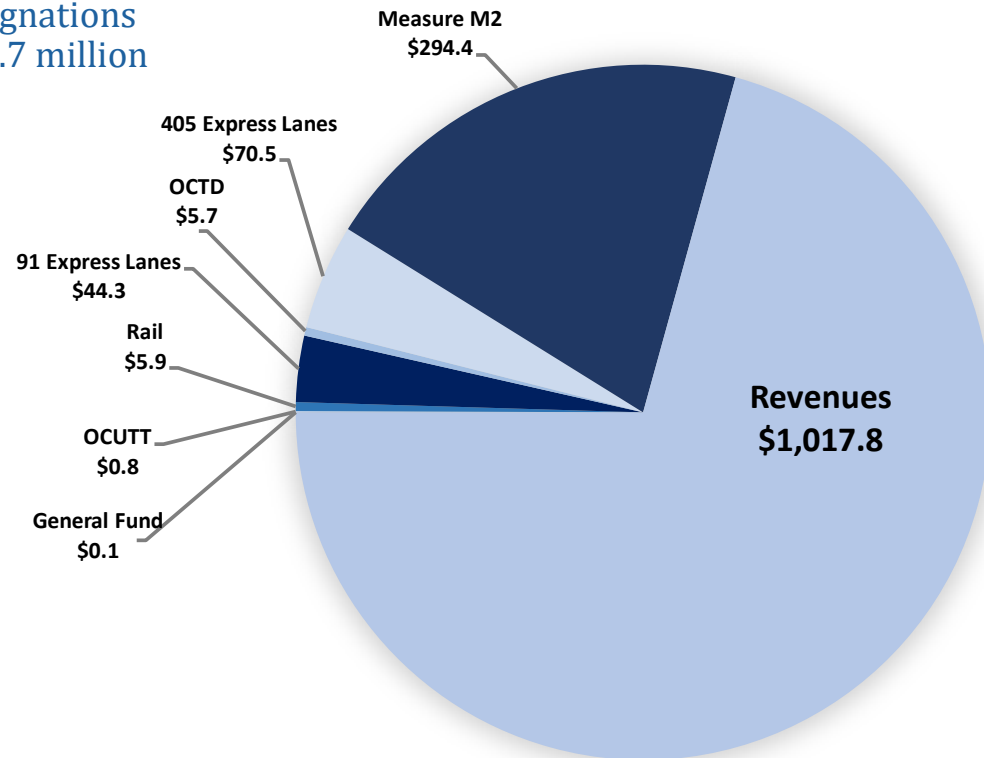
COVID-19 Impacts

- Response and planning for short-term and long-term impacts
- Long-standing conservative fiscal policies and reserves beneficial to weather volatility
- Severe declines expected in top sales-tax generators, recovery time unknown
- Additional economic recovery packages possible: federal and state
- Closely monitor financial markets for potential impacts
- Continuous analysis and flexibility key, with amendments likely

Budget Overview – *Budget Workshop Proposed*

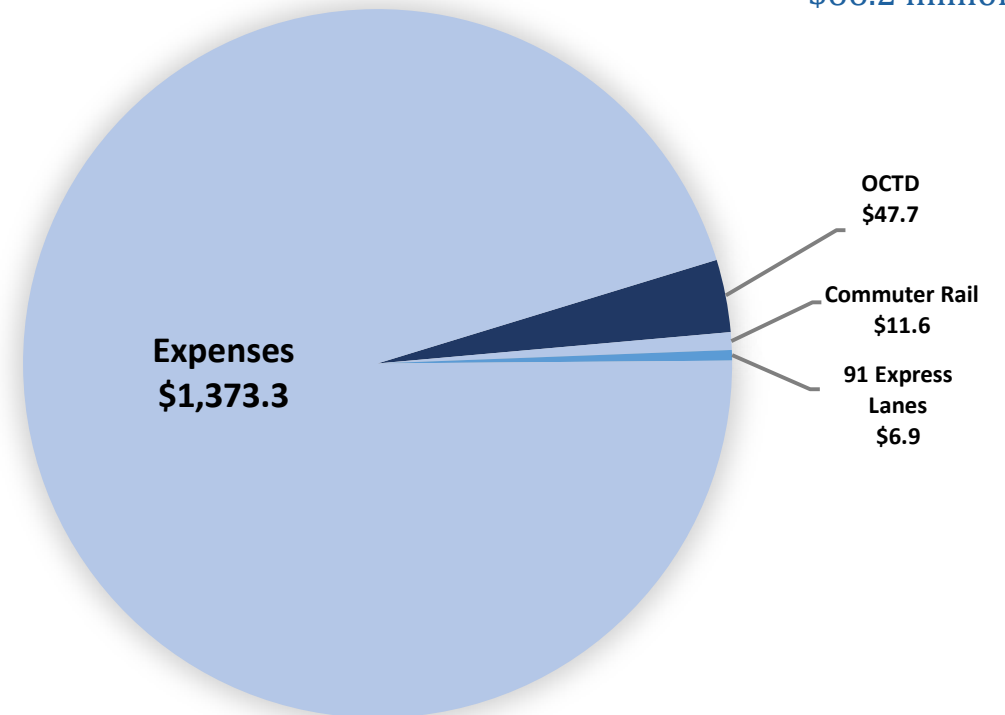
Source of Funds \$1,439.5 million

Use of Prior Year
Designations
\$421.7 million



Use of Funds \$1,439.5 million

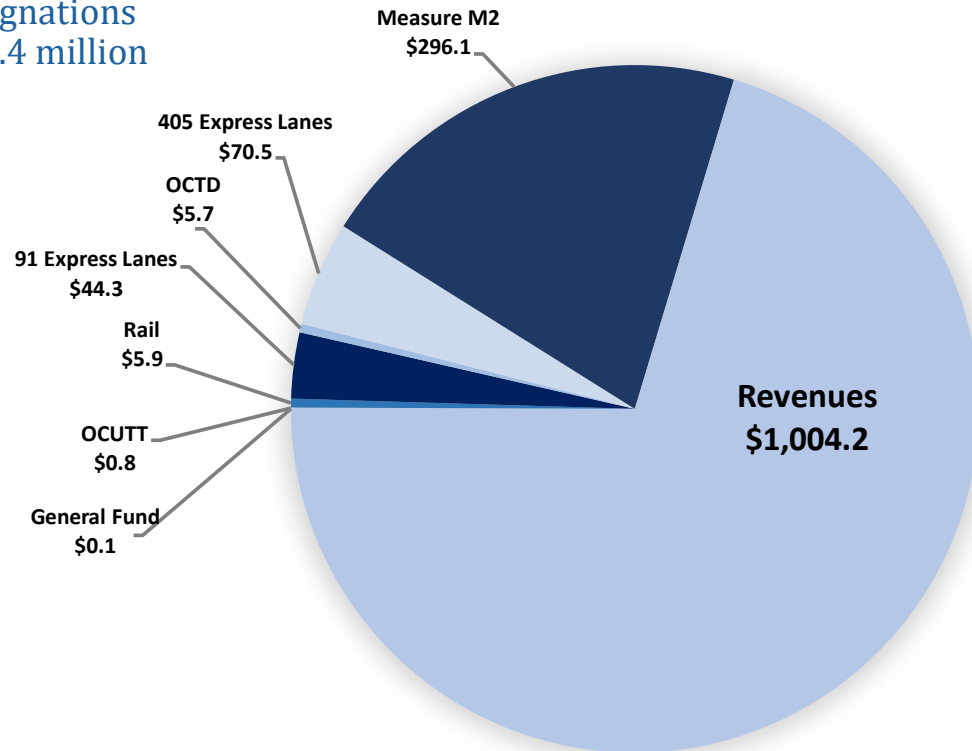
Designations
\$66.2 million



Budget Overview – *Current Proposed*

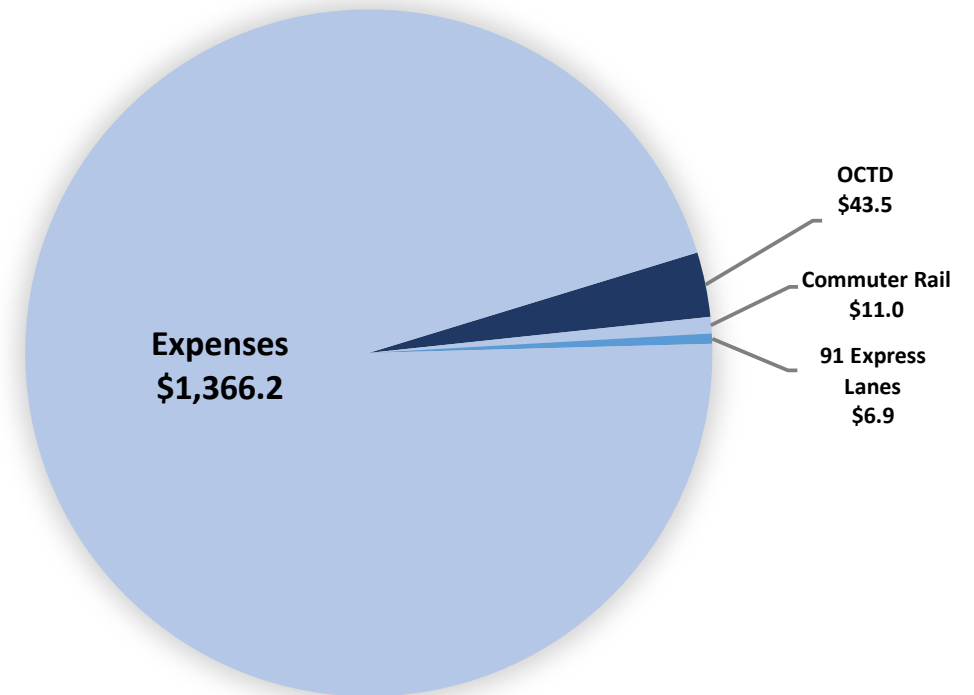
Sources of Funds
\$1,427.6 million

Use of Prior Year
Designations
\$423.4 million



Uses of Funds
\$1,427.6 million

Designations
\$61.4 million



Budget Adjustments – Sources and Uses

In Millions

Sources

Adjustment

Revenue

Local Transportation Fund (LTF) Sales Tax	\$	(7.8)
Local Transportation Authority (LTA) Sales Tax		(7.3)
State Transit Assistance Fund (STAF)		(5.6)
Road Repair and Accountability Act Operating		(4.8)
Road Repair and Accountability Act Capital		0.7
Use of Prior Year Designations		1.6
Coronavirus Aid, Relief, and Economic Security (CARES) Act		11.3
Total Revenues	\$	(11.9)

In Millions

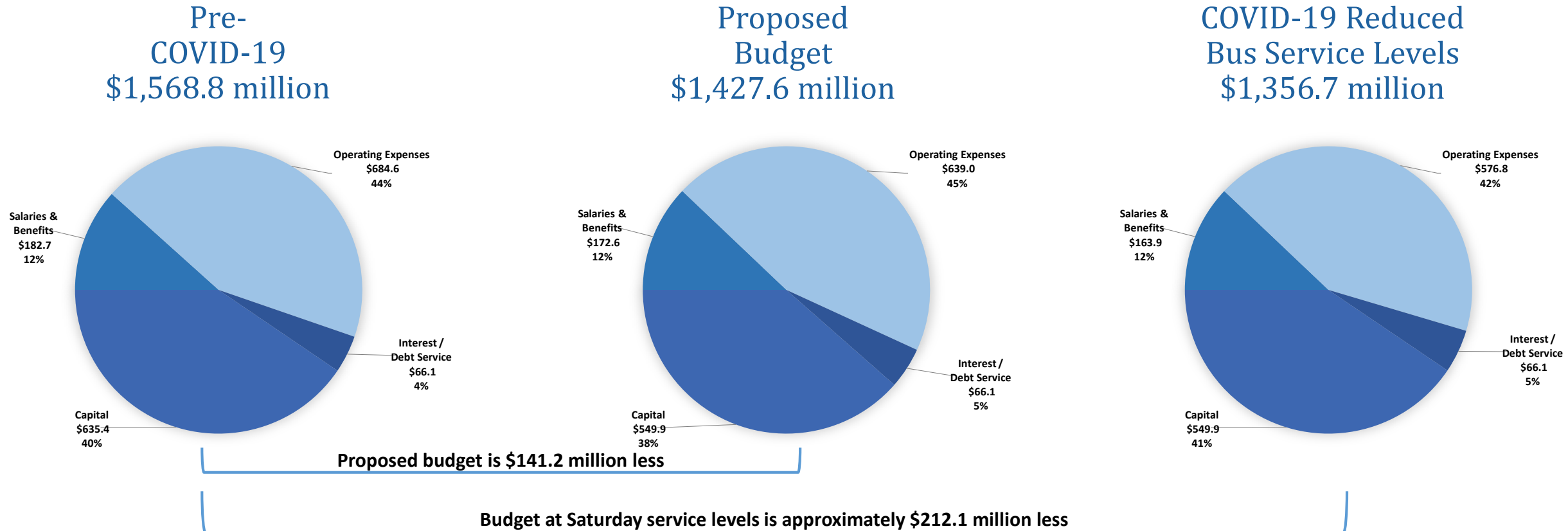
Uses

Adjustment

Expenses

Designations	\$	(4.8)
Salaries and Benefits		(4.6)
Local Fair Share		(1.2)
Local Transportation Fund (LTF) Administration Fees and Contributions		(0.5)
Travel and Training		(0.4)
Local Transportation Authority (LTA) Administration Fees		(0.3)
Senior Mobility Program and Senior Non-Emergency Medical Transportation		(0.1)
Total Expenses	\$	(11.9)

COVID-19 Budget Reductions



Budget Sources & Uses

In Millions Sources	FY 2019-20 Approved Budget	FY 2020-21 Proposed Budget	Change \$	Change %
Revenues	\$ 1,159.8	\$ 1,004.2	\$ (155.6)	-13.4%
Use of Prior Year Designations	365.4	423.4	58.0	15.9%
Total Revenue / Use of Designations	\$ 1,525.2	\$ 1,427.6	\$ (97.6)	-6.4%
Uses				
Salaries and Benefits	\$ 169.7	\$ 169.9	\$ 0.2	0.1%
LOSSAN Salaries and Benefits	2.7	2.7	-	0.0%
Services and Supplies	373.6	405.3	31.7	8.5%
Contributions to Other Agencies	169.7	172.3	2.6	1.5%
Interest/Debt Service	59.0	66.1	7.1	12.0%
Capital	667.8	549.9	(117.9)	-17.7%
Designations	82.7	61.4	(21.3)	-25.8%
Total Expenditures / Designations	\$ 1,525.2	\$ 1,427.6	\$ (97.6)	-6.4%

Staffing Levels

	FY 2019-20 Full-time Equivalent	FY 2020-21 Full-time Equivalent
OCTA Staffing		
Administrative	498.5	498.5
Union	834.0	834.0
Coach Operators	634.0	634.0
Maintenance	163.0	163.0
Facility Technicians and Parts Clerks	37.0	37.0
OCTA Positions	1,332.5	1,332.5
LOSSAN	14.0	14.0
Total Authority Positions	1,346.5	1,346.5

Recommendations

- Approve by Resolution the Orange County Transportation Authority's Fiscal Year 2020-21 budget
- Approve the Personnel and Salary Resolution for Fiscal Year 2020-21
- Authorize the Chief Executive Officer to negotiate and execute the software and hardware licensing, maintenance, and emergency support purchase orders and/or agreements
- Approval of fiscal year 2020-21 Orange County Transportation Authority member agency contribution to the Southern California Regional Rail Authority, first quarter operating subsidy, in an amount up to \$7,274,000

Next Steps

- Public Hearing – Board of Directors (public hearing and approval) June 8
- Back-up Public Hearing – Board of Directors (public hearing and approval) June 22