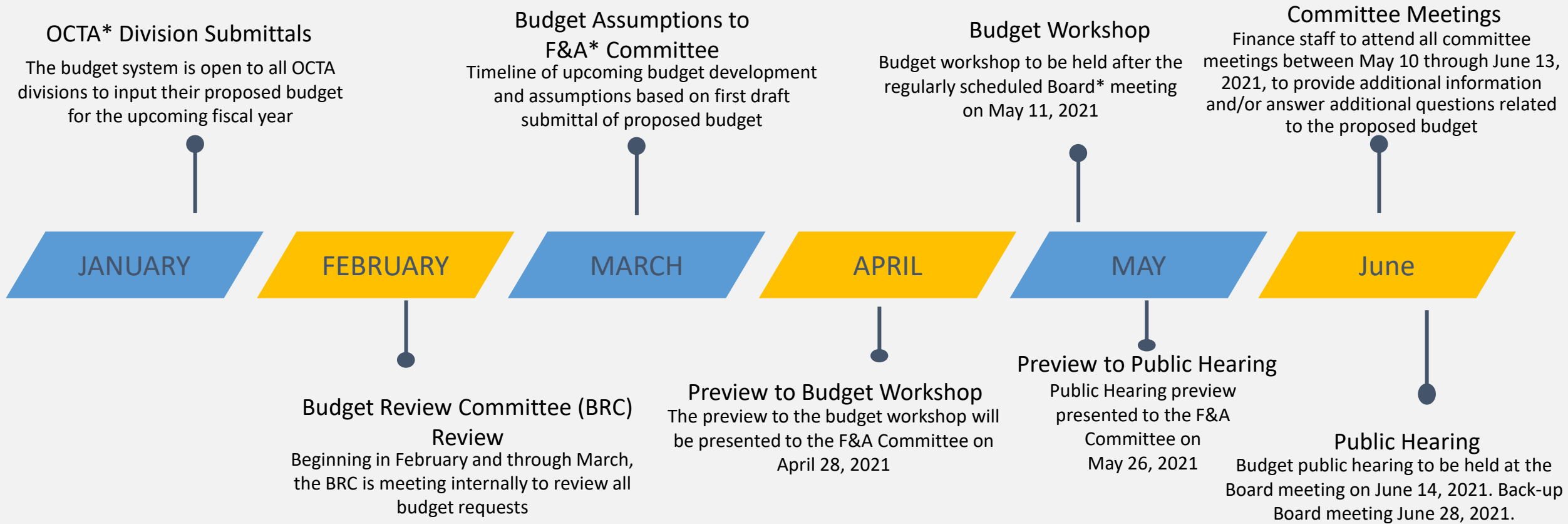




Fiscal Year 2021-22 Budget Assumptions



Fiscal Year (FY) 2021-22 Budget Timeline



*Orange County Transportation Authority (OCTA), Finance and Administration (F&A), Board of Directors (Board)

Major Programs

- Measure M2 (M2)
 - Freeway
 - Streets and Roads
 - Transit
- 91 Express Lanes
- Transit
 - Bus Program
 - Rail Program
 - Metrolink
 - OC Streetcar

M2 Program Assumptions

- Sales Tax Revenue
 - Forecast of \$313 million based on MuniServices forecasted growth rate of 3.6 percent
- Expenditures
 - Freeway Mode – expenditures primarily driven by right-of-way, design, and construction efforts for State Route 55 (SR-55) Improvement, Interstate 405 Improvement and South County Interstate 5 Improvement Projects
 - Streets and Roads Mode – expenditures driven by contributions to the cities to support the Local Fair Share, Regional Capacity and Traffic Signal Synchronization Programs
 - Transit Mode – expenditures primarily to support Metrolink operations and construction of the OC Streetcar

Bus Operations Service Assumptions

- Fixed-route service
 - Revenue hours increased from 1.2 million to 1.35 million to accommodate increased ridership if needed
 - Revenue hours could increase up to 1.45 million based on American Relief Plan funding of approximately \$155 million
- Paratransit service
 - Trips comprised of ACCESS primary and supplemental service, same-day taxi service, and special agency service
 - Total trips increase from the current budget of 446,000 to 980,000 to accommodate potential increases in demand
- Microtransit service
 - OC Flex service hours remain consistent at approximately 58,000

Bus Program Revenue Assumptions

- Operating Revenue

- Sales tax revenue estimated at \$163 million based on MuniServices forecasted growth rate of 3.2 percent
- Coronavirus Aid, Relief, and Economic Security (CARES) Act revenue reimbursements projected at \$28.7 million
- Fare revenue projected at \$29.8 million
- Road Repair and Accountability Act estimated to be \$13.5 million
- Federal grants for preventative maintenance estimated to be \$20.1 million and capital cost of contracting estimated to be \$21.2 million

- Capital Revenue

- State Transportation Assistance and Road Repair and Accountability Act estimated at \$22.9 million to support rehabilitation and replacement of capital

Rail Program Expenditure Assumptions

- Metrolink Operating Expenditures
 - Sustain current service levels of 57 trips
 - Assumes federal stimulus funding
- Metrolink Capital Expenditures
 - Placentia Metrolink Station estimated at \$27.5 million
 - Orange Maintenance Facility at \$19.1 million

Rail Program Revenue Assumptions

- Metrolink Operating Revenue

- M2 High Frequency Metrolink Service funds
- Direct draw by Metrolink
 - CARES Act
 - Federal Transit Administration grants

- Metrolink Capital Revenue

- Grants providing approximately \$30.7 million to support rehabilitation and replacement of capital
- Transfers in from 91 Express Lanes estimated at \$14.3 million to support Placentia Metrolink Station

91 Express Lanes Program Assumptions

- Revenue Assumptions

- Toll revenue: Increase from \$32.7 million in current year budget to \$37.2 million driven by 13.9 million trips
- Non-toll revenue: Increase from \$5 million in current year budget to \$6.1 million

- Expenditure Assumptions

- Primary operating cost consists of the operations contracts estimated at \$7.7 million.
- Contribution to construction of the Placentia Metrolink Station of \$14.3 million
- Contribution to State Route 91 (SR-91) Riverside Freeway improvements between SR-91, State Route 241 to State Route 71 (Project J) \$6.1 million and SR-55 and State Route 57 (M2 Program Project I) of \$3.4 million

Next Steps

- Internal review will continue with OCTA finance staff and the Budget Review Committee
- Staff will return to the Finance and Administration Committee on April 28th with a presentation providing a preview of the Budget Workshop