

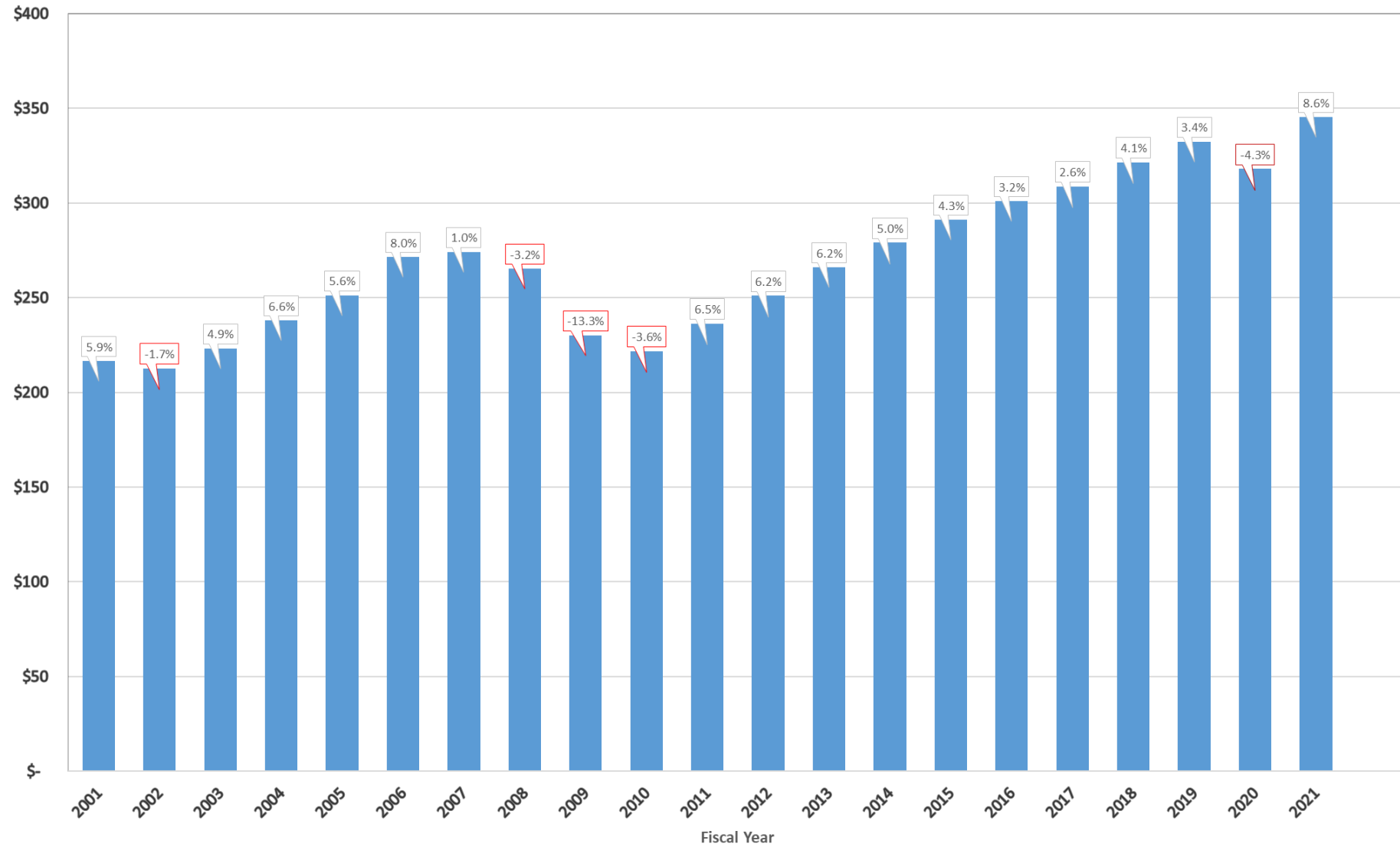
# 2021 Measure M2 Sales Tax Forecast

# Background

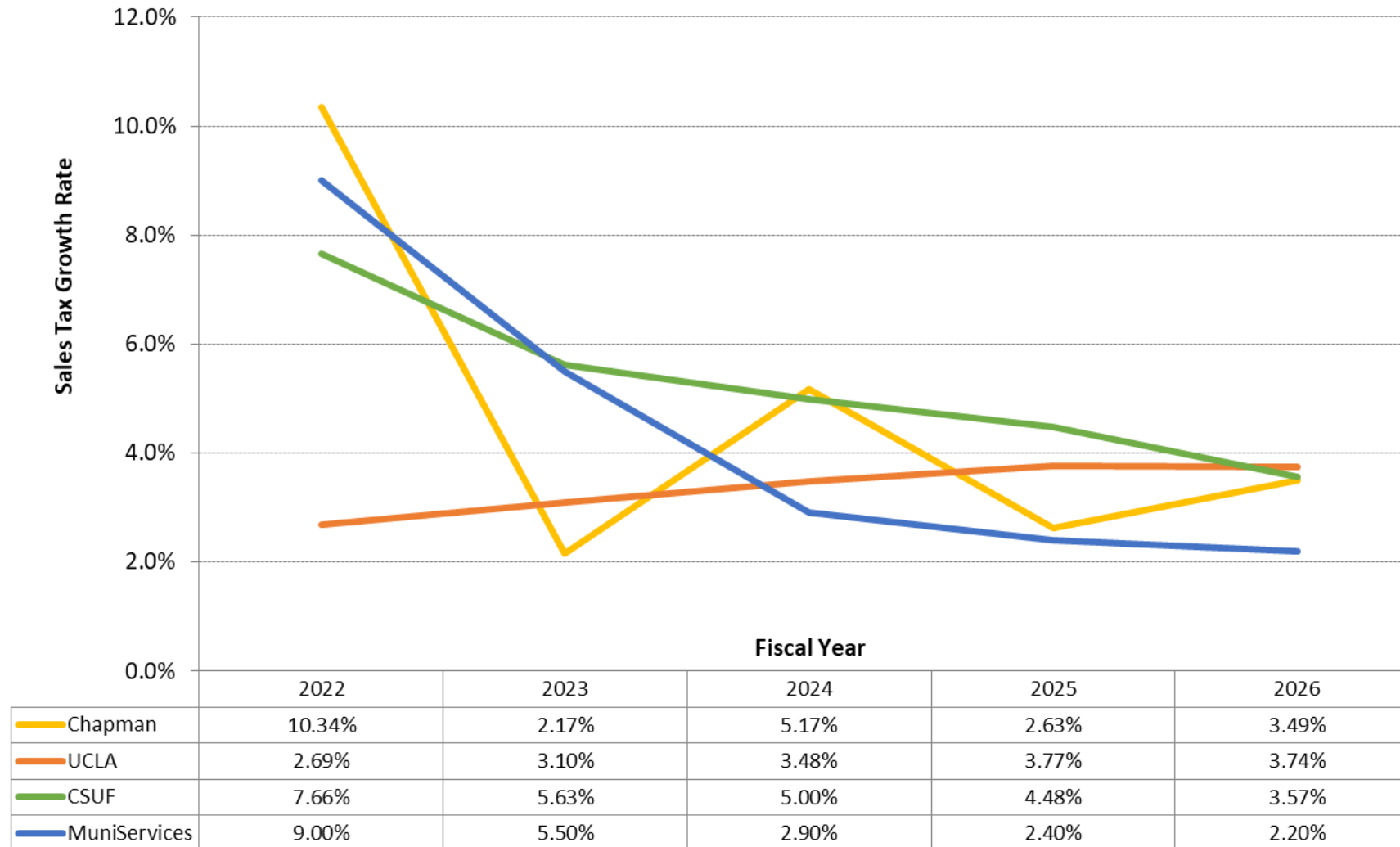
- Methodology uses MuniServices, LLC (Muniservices) forecast for the first five years and the three-university average for the remaining years
  - MuniServices forecasts for fiscal years (FY) 2022 – 2026
  - Three universities' forecasts for FYs 2027 - 2041

# Historical Measure M Sales Tax Revenues

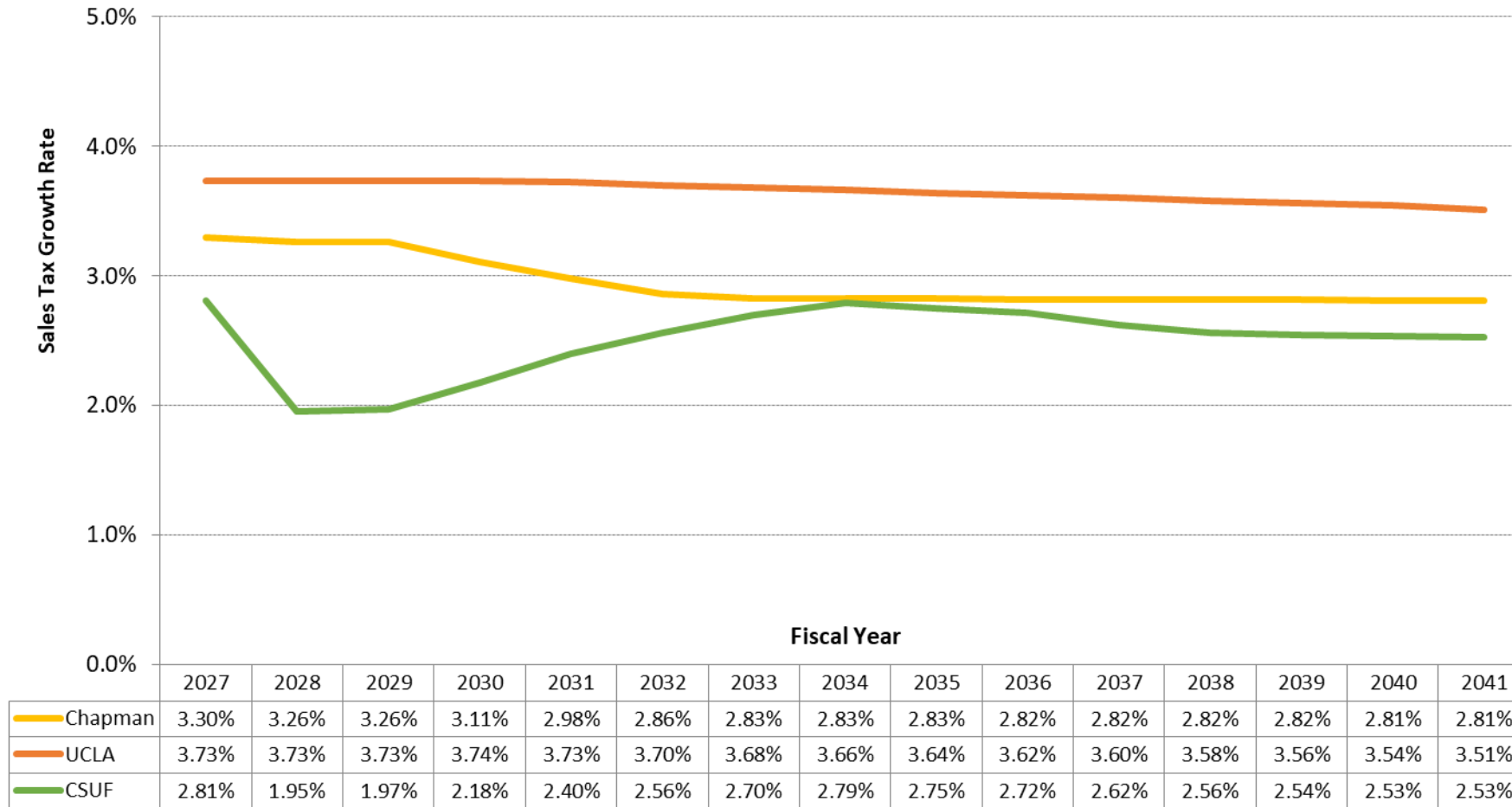
Millions



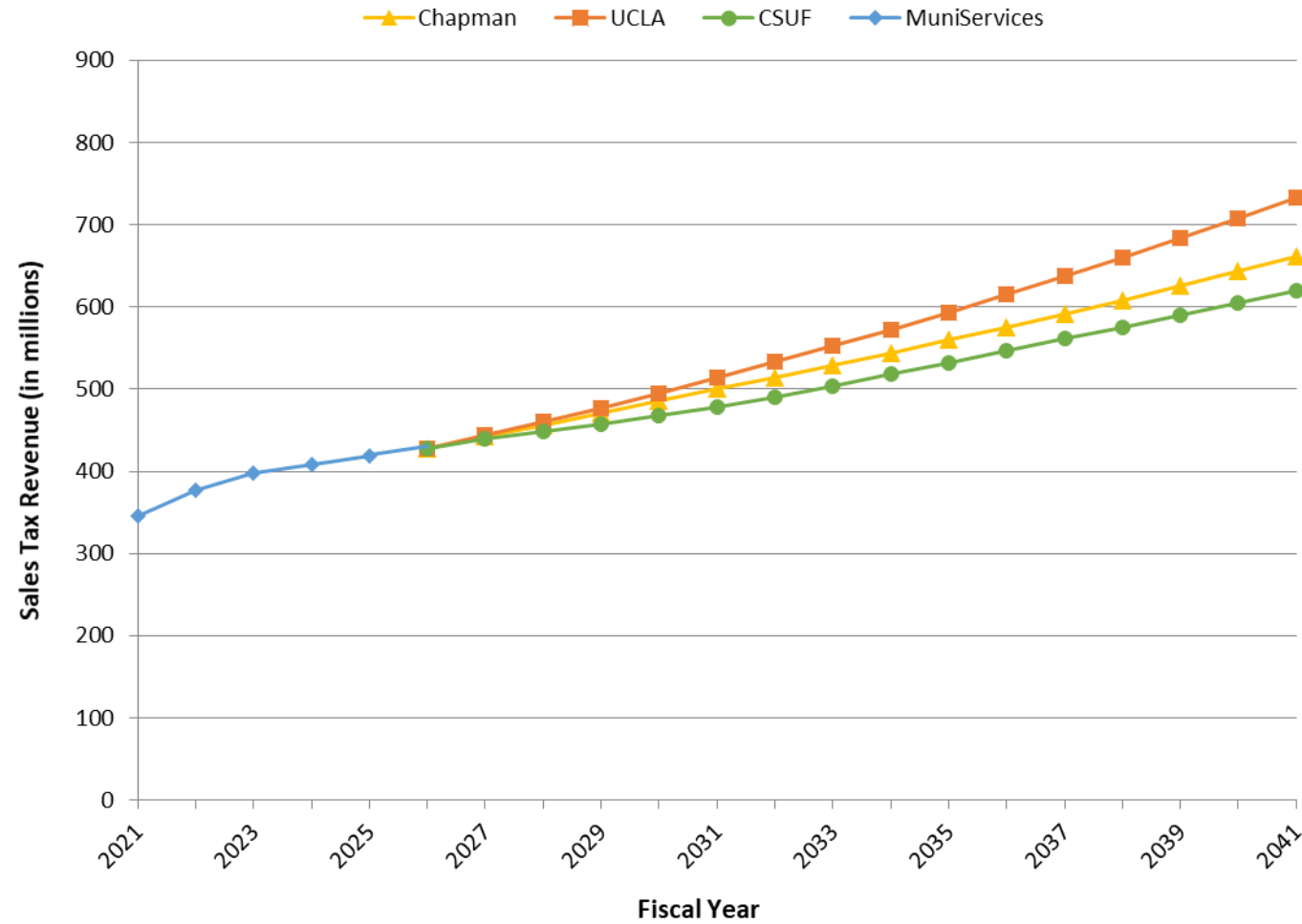
# Short-Term Growth Rate Forecasts



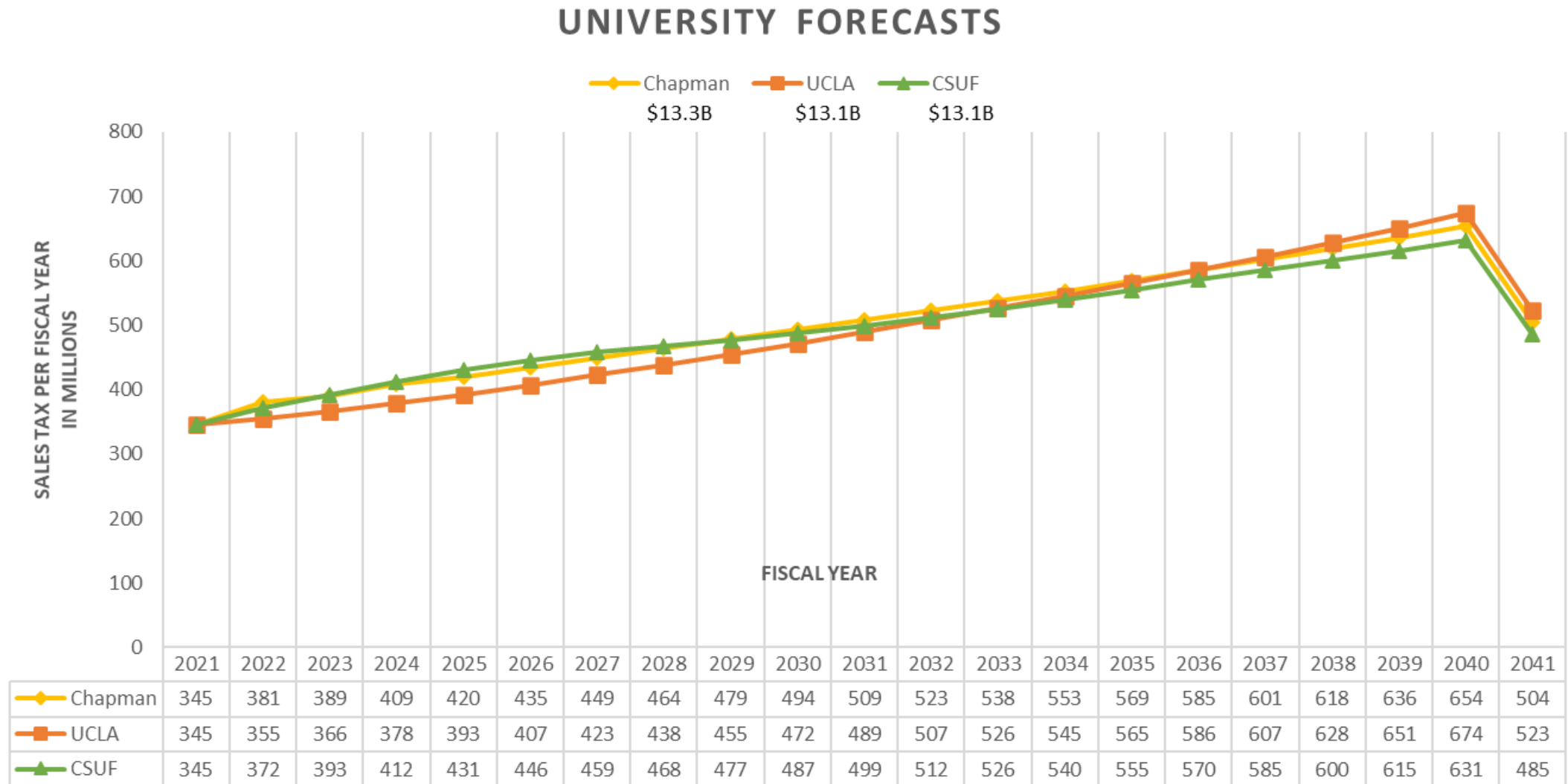
# Long-Term Growth Rate Forecasts



# Annual Measure M2 (M2) Sales Tax Revenue Forecast



# University Forecasts



# Results of Updated Forecasts



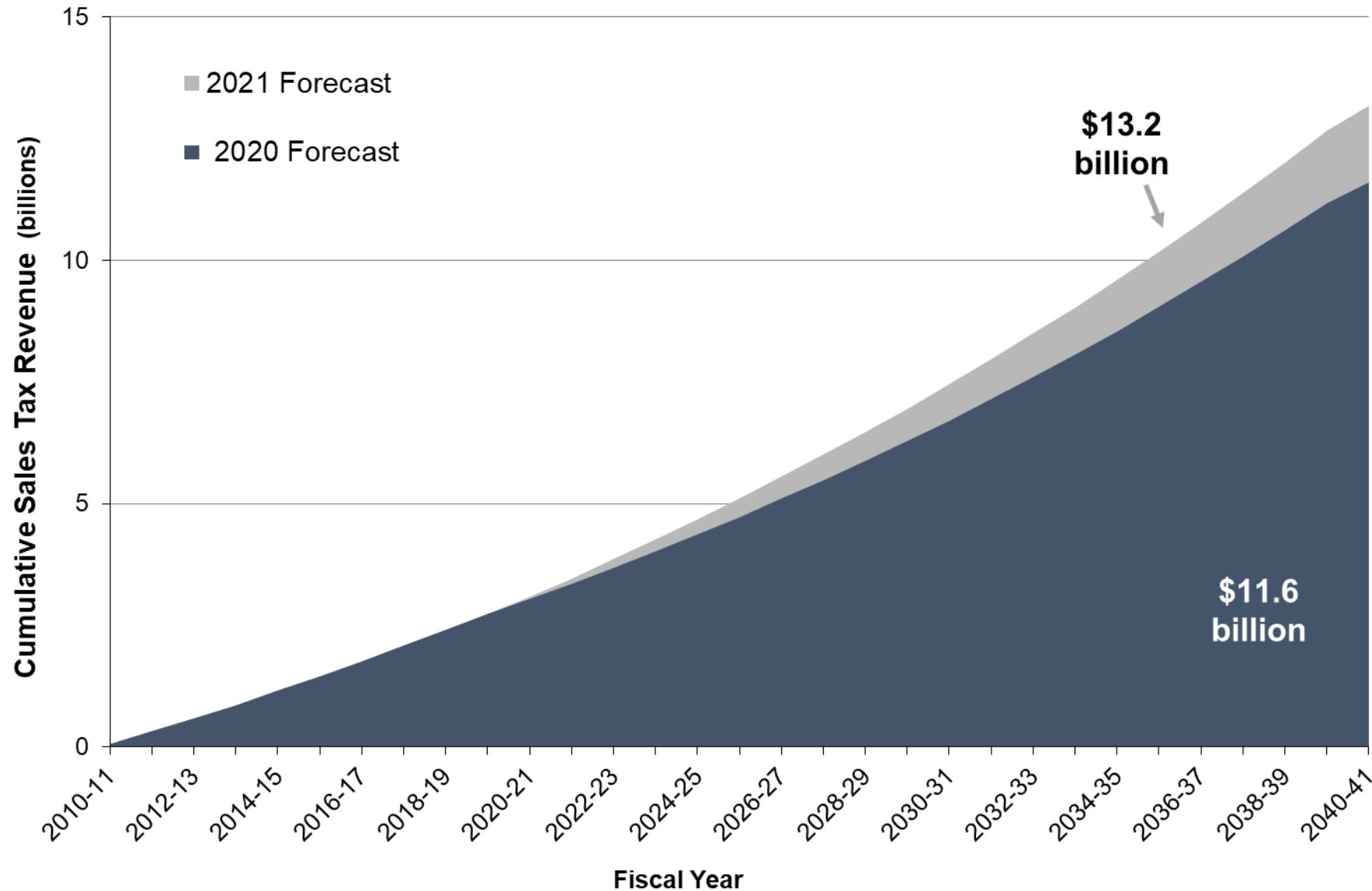
## Orange County Transportation Authority M2 Sales Tax Revenue Forecast - 2021 *In Nominal Dollars*

	Fiscal Year	Actual Growth	Chapman		UCLA		CSUF		MuniServices		Board Approved Forecast	
			Gross Sales Tax*	Growth Rate	Gross Sales Tax	Growth Rate	Gross Sales Tax	Growth Rate	Gross Sales Tax	Growth Rate	Gross Sales Tax	Blended Growth Rate
Actuals	2011 **	6.50%	61,756,868	-	61,756,868	-	61,756,868	-	61,756,868	-	61,756,868	-
	2012	6.20%	250,892,931	-	250,892,931	-	250,892,931	-	250,892,931	-	250,892,931	-
	2013	6.17%	266,384,076	-	266,384,076	-	266,384,076	-	266,384,076	-	266,384,076	-
	2014	4.96%	279,599,946	-	279,599,946	-	279,599,946	-	279,599,946	-	279,599,946	-
	2015	4.30%	291,615,675	-	291,615,675	-	291,615,675	-	291,615,675	-	291,615,675	-
	2016	3.20%	300,944,523	-	300,944,523	-	300,944,523	-	300,944,523	-	300,944,523	-
	2017	2.60%	308,768,664	-	308,768,664	-	308,768,664	-	308,768,664	-	308,768,664	-
	2018	4.12%	321,480,529	-	321,480,529	-	321,480,529	-	321,480,529	-	321,480,529	-
	2019	3.38%	332,358,188	-	332,358,188	-	332,358,188	-	332,358,188	-	332,358,188	-
	2020	-4.33%	317,963,821	-	317,963,821	-	317,963,821	-	317,963,821	-	317,963,821	-
	2021	8.61%	345,345,181	-	345,345,181	-	345,345,181	-	345,345,181	-	345,345,181	-
Short-Term	2022		381,047,413	10.34%	354,645,041	2.69%	371,781,772	7.66%	376,426,247	9.00%	376,426,247	9.00%
	2023		389,298,297	2.17%	365,635,915	3.10%	392,696,031	5.63%	397,129,690	5.50%	397,129,690	5.50%
	2024		409,417,246	5.17%	378,357,437	3.48%	412,311,270	5.00%	408,646,452	2.90%	408,646,452	2.90%
	2025		420,186,224	2.63%	392,632,744	3.77%	430,769,717	4.48%	418,453,966	2.40%	418,453,966	2.40%
	2026		434,861,343	3.49%	407,309,356	3.74%	446,136,555	3.57%	427,659,954	2.20%	427,659,954	2.20%
Long-Term	2027		449,201,060	3.30%	422,516,417	3.73%	458,688,325	2.81%			441,693,637	3.28%
	2028		463,865,859	3.26%	438,293,183	3.73%	467,652,027	1.95%			454,875,018	2.98%
	2029		479,000,221	3.26%	454,659,047	3.73%	476,862,012	1.97%			468,469,820	2.99%
	2030		493,912,701	3.11%	471,642,123	3.74%	487,241,230	2.18%			482,563,204	3.01%
	2031		508,639,420	2.98%	489,210,947	3.73%	498,950,642	2.40%			497,216,853	3.04%
	2032		523,201,019	2.86%	507,328,832	3.70%	511,739,904	2.56%			512,348,116	3.04%
	2033		538,005,139	2.83%	526,014,511	3.68%	525,559,589	2.70%			528,082,680	3.07%
	2034		553,232,381	2.83%	545,281,421	3.66%	540,216,230	2.79%			544,421,371	3.09%
	2035		568,862,105	2.83%	565,143,134	3.64%	555,092,920	2.75%			561,155,930	3.07%
	2036		584,904,631	2.82%	585,613,348	3.62%	570,187,114	2.72%			578,292,615	3.05%
	2037		601,396,080	2.82%	606,705,915	3.60%	585,126,555	2.62%			595,721,190	3.01%
	2038		618,357,092	2.82%	628,434,784	3.58%	600,117,398	2.56%			613,520,756	2.99%
	2039		635,792,826	2.82%	650,814,039	3.56%	615,376,300	2.54%			631,769,828	2.97%
	2040		653,662,002	2.81%	673,866,585	3.54%	630,972,413	2.53%			650,485,054	2.96%
	2041 **		504,019,906	2.81%	523,146,882	3.51%	485,203,587	2.53%			502,257,860	2.95%
Total			\$ 13,287,973,365	3.40%	\$ 13,064,362,061	3.58%	\$ 13,139,791,993	3.20%			\$ 13,168,300,643	3.38%

\*Fiscal years 2011 through 2017, 2020 and 2021 represent actual sales tax receipts. Fiscal Year 2018 is based on estimated sales tax revenues from MuniServices, LLC. Fiscal Year 2019 represent actual sales tax receipts plus \$1.58 million additional revenues received for Fiscal Year 2018 above MuniServices Fiscal Year 2018 estimate.

\*\* Fiscal year 2011 includes sales tax receipts for one quarter and fiscal year 2041 represents forecasted sales tax receipts for three quarters.

# Forecast Comparison – 2021 vs 2020



# Actual vs Projected Growth Rates

Fiscal Year	Actual	Projected				Three-University Average
		MuniServices	Chapman	UCLA	CSUF	
2012-13	6.17%	N/A	6.09%	7.36%	5.47%	6.31%
2013-14	4.96%	N/A	6.65%	6.52%	4.77%	5.98%
2014-15	4.30%	N/A	6.06%	8.15%	5.89%	6.70%
2015-16	3.20%	N/A	5.95%	6.63%	8.32%	6.97%
2016-17	2.60%	N/A	5.66%	4.42%	7.34%	5.81%
2017-18	4.12%	3.30%	4.36%	4.89%	6.30%	5.18%
2018-19	3.38%	3.70%	3.44%	6.09%	6.61%	5.38%
2019-20	-4.33%	2.50%	3.03%	4.15%	6.58%	4.59%
2020-21	8.61%	2.40%	3.05%	1.76%	4.88%	3.23%
2021-22	TBD	3.60%	9.59%	9.41%	4.79%	7.93%
2022-23	TBD	5.50%	2.17%	3.10%	5.63%	3.63%

N/A – Not Applicable

# Reasons for Anticipated Increase in Short-term

- Recovery Assumptions

- Decrease in unemployment and employees are returning to work
- Public health (vaccine and testing availability)
- Increase in consumer consumption due to pent-up demand and record levels of savings
- Recovery begins in accommodation and food services, recreation, and tourism industries

- Potential offsets

- Uncertainty due to coronavirus (COVID-19) delta/other virus variants and enforcement of future stay-at-home orders or social distancing requirements

# Next Steps



Incorporate forecast into Orange County Transportation Authority's (OCTA) planning documents



Comprehensive Business Plan  
M2 Next 10 Delivery Plan



OCTA staff will continue to monitor the short-term and long-term impacts of COVID-19 on M2 sales tax revenues



Determine impacts of the updated forecast to M2 programs and projects