





Thank you
for making OCTA Number One.



Dear Friend:

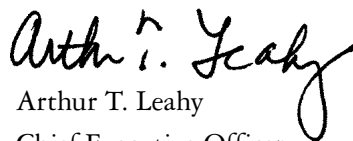
What does it take to keep the nation's fifth largest county with more than 3 million residents moving? It takes the combined efforts of dedicated employees, a visionary Board of Directors and the support of loyal customers.

During fiscal year 2004-2005, this winning combination helped the Orange County Transportation Authority (OCTA) deliver safer, faster, and more efficient transportation solutions — with bus transit, commuter rail, freeway and street and road improvements, the 91 Express Lanes toll road, and motorist services. This combination also helped OCTA earn the American Public Transportation Association's highest honor, the 2005 Outstanding Public Transportation System Achievement Award.

What did OCTA accomplish? The Garden Grove Freeway (SR-22) improvements reached the halfway point in just 400 days. Design work was completed on the Santa Ana Freeway (I-5) Gateway Project with construction scheduled for mid 2006. Our cities received more than \$36 million in Measure M funds to repair and upgrade local streets, and an additional \$208 million was allocated for future road improvement projects — the largest one-time allocation of its kind in Measure M history. OCTA buses had more than 67 million boardings. Ridership on Orange County's three Metrolink commuter rail lines grew to more than 3 million and expanded services are on the way. Vehicle volume on the 91 Express Lanes toll road increased 13 percent over the prior fiscal year.

Many of these accomplishments would not have been possible without Measure M, the half-cent sales tax for transportation improvements approved by Orange County voters in 1990. We owe a round of thanks to those forward-thinking voters who made Measure M a reality 16 years ago and who made it a top priority to improve Orange County's transportation system. We also thank you for your support throughout the year. We are proud of what we have accomplished together and look forward to providing additional transportation solutions that enhance the quality of life for Orange County residents and commuters.

Sincerely,

A handwritten signature in black ink that reads "Arthur T. Leahy". The signature is written in a cursive style with a large, stylized "L" at the end.

Arthur T. Leahy
Chief Executive Officer



**2 freeway projects
+ 3 Major Investment Studies**
Safer, faster travel

**2005
Freeway
Highlights**

- Completed design work on the I-5 Gateway Project through Buena Park (construction to begin in 2006)
- Finalized San Diego Freeway (I-405) Major Investment Study (MIS)
- Used innovative design-build method to reach the halfway point on the SR-22 project
- Developed conceptual alternatives as part of the Central County Corridor Study
- Selected a Locally Preferred Strategy for the Riverside County to Orange County MIS
- Completed direct carpool connectors between the I-405 and SR-55 freeways

Freeways and Measure M. It's a combination that launched an aggressive freeway improvement program in 1991. Today, five of Orange County's six major freeways are wider, safer and more efficient. And improvements are underway on the sixth, the Garden Grove Freeway (SR-22).

Garden Grove Freeway improvement hits the halfway mark in just 400 days.

OCTA's aggressive program to minimize congestion on our freeways started years ago. OCTA, with funding from Measure M, widened five of Orange County's six major freeways. Bottlenecks disappeared. And your travel became faster, easier and more efficient.

In September 2004, OCTA began construction on the Garden Grove Freeway (SR-22) using an innovative project delivery method called design-build. This method awards a single contract to a firm for final engineering and construction. Utilizing design-build, construction can

begin on initial segments while others are still being designed.

As a result, the project will take just 800 days, cutting three years off the original completion date. By the end of fiscal year 2004-2005, "The New 22" was nearly halfway done.

OCTA completed final design work on the Santa Ana Freeway (I-5) during the year. Known as The I-5 Gateway Project, this two-mile segment from the Riverside Freeway (SR-91) to the Los Angeles County line will alleviate congestion and improve traffic flow. Construction begins in mid 2006.

During the year, OCTA completed the San Diego Freeway (I-405) Major Investment Study (MIS) to determine long-term solutions for West Orange County. The Riverside County to Orange County Corridor MIS also was completed, and a Locally Preferred Strategy adopted for easing traffic congestion along this heavily traveled corridor. Progress was made on the Central County Corridor Study toward proposed traffic congestion relief in the heart of the county.

Rail transit and stress-free riders. Metrolink provided more than 3.2 million commuters a stress-free ride to work last year. In doing so, the service helped clear our roadways, as well as the air we breathe. Better still, the OCTA Board approved expanded service in coming years.

Ridership grows to 3.2 million — another record-breaking year.

As gasoline prices rose to record highs and remained above the previous year's levels, more commuters opted for an alternative to the daily drive. They joined a growing number of Orange County residents and took the train instead.

Orange County's three Metrolink lines had a combined total ridership of 3.2 million during fiscal year 2004-2005. The Orange County (OC) Line, which provides service from Oceanside to Los Angeles Downtown Union Station, had a ridership increase of 8.4 percent over fiscal year 2003-2004. Average yearly ridership on the Inland Empire-Orange County (IEOC) Line, with service from San Bernardino

to Oceanside, remained constant during the year, but showed a 15.4 percent increase in the first six months of fiscal year 2005-2006. On the 91 Line, with service from Riverside to Los Angeles via Fullerton, ridership increased 10.5 percent when compared to the previous year.

The OCTA Board of Directors unanimously approved a \$382.5 million plan to expand Metrolink commuter rail service in Orange County. The five-year program includes increased weekday and weekend Metrolink service within Orange County. Under the new plan, service will be increased on the most heavily traveled section of Orange County Metrolink — between Laguna Niguel/Mission

Viejo and Fullerton — with trains running every 30 minutes in both directions, seven days a week. The number of weekday trips will increase to 76 by 2009.

Starting as early as spring 2006, weekend service will begin in Orange County. The service will offer new and regular Metrolink riders a hassle-free alternative to reach many popular entertainment and shopping destinations within Orange County.

Seven locomotives and 59 passenger cars are slated for purchase to accommodate the new expanded service. The service expansion plan also includes provisions for additional parking at existing Metrolink stations.


2005 Metrolink Highlights

- Ridership on Orange County's three lines reached 3.2 million (including Metrolink riders on Amtrak)
- OCTA Board of Directors approved high frequency weekday and weekend Metrolink service
- Expanded the Rail 2 Rail program with new Amtrak stops at Laguna Niguel/Mission Viejo and Orange stations
- Broke ground in Buena Park for Orange County's 11th Metrolink station
- Continued providing Metrolink monthly pass holders with free OCTA Stationlink bus service between stations and major employment centers

68 route miles
10 stations
+ Vision for the future

More stress-free commuters





10 miles of free-flowing traffic
+ 172,000 users and growing
Getting home faster

2005 91 Express Lanes Highlights

- Total vehicle trips exceeded 12.7 million — up 13% over the previous fiscal year
- Increased revenue to \$39.6 million — a 27% rise above fiscal year 2003-2004
- Began joint marketing efforts with the Transportation Corridor Agencies
- 172,220 transponders in use — up 9.25% over the prior fiscal year
- Average number of riders per vehicle was 1.52 — a 2% increase over the previous fiscal year
- Representatives answered 393,000 calls to the 91 Express Lanes Customer Service Center
- The 91 Express Lanes website received 460,000 visits

91 Express Lanes and weary commuters. Time spent bogged down in traffic is time you can't spend at home or work. Last year people who took the 91 Express Lanes cut half an hour off their daily trips. That's more time to spend with the kids, run an errand or simply unwind.

12.7 million users save time on the 91 Express Lanes.

In its first year of operation 10 years ago, nearly 8 million drivers found the 91 Express Lanes an indispensable part of their daily commute. Last year, vehicle volume soared to 12.7 million — that's a 13 percent increase over the previous fiscal year.

Busy commuters have come to depend on the 91 Express Lanes. Whether driving alone or riding for free in a carpool, all seem to agree on one thing, using the 91 Express Lanes is money well spent. According to a 2005 Customer Satisfaction Survey, cost concerns diminished when compared to the amount of time saved. 91 Express Lanes drivers

reported shaving an average of 30 minutes off their daily trips — even during morning and evening rush hours. And that's more time to spend at work or relax at home with the family.

OCTA's management of the 91 Express Lanes has placed the toll road on a smooth financial track. Since the agency purchased the lanes in 2003, while peak tolls have been adjusted to manage congestion in the lanes, the average toll has remained the same. Overall revenues have also increased. In fact, last year's revenue of \$39.6 million was a 27% increase over the previous fiscal year.

The 91 Express Lanes are a critical link in easing the traffic between Orange and Riverside counties. OCTA and its partner agencies are always searching for ways to improve that commute, such as express bus service between the two counties.

Measure M and our streets and roads. Orange County has more than 7,200 miles of local streets and roads. During fiscal year 2004-2005, OCTA invested \$244 million in Measure M and federal funds for street improvements and maintenance.

OCTA invests \$244 million in city street improvements.

Local streets and roads are the foundation of Orange County's transportation system. In fiscal year 2004-2005, OCTA conducted a countywide assessment of street and road conditions. Using the results of the assessment, OCTA developed an action plan to improve project delivery and to ensure timely use of Measure M funds allocated to the cities.

With the action plan in place, \$244 million of Measure M and federal funds was invested to make streets and roads smoother throughout Orange County. Included in the total amount was the largest one-time allocation for road improvement projects since Orange County voters approved Measure M in 1990.

During the year, Measure M helped fund intersection improvements in Brea, Huntington Beach, Orange and Aliso Viejo. Regional interchanges were improved at Gene Autry Way and the Santa Ana Freeway (I-5) in Anaheim, the Garden Grove Freeway (SR-22) and The City Drive in Orange and at the Orange Freeway (SR-57) and Lambert Road in Brea. Measure M funds also helped turn major arteries into "Smart Streets" to improve traffic flow with additional travel lanes, bus turnouts and coordinated signals on Katella Avenue in Anaheim and along Imperial Highway in La Habra.

2005 Streets and Roads Highlights

- Conducted a countywide assessment of street conditions
- Developed an action plan to improve project delivery and to ensure timely use of allocated Measure M funds
- Invested \$244 million in Measure M and federal funds for street improvements (this includes the largest one-time allocation for road projects since Measure M began)
- Continued converting Imperial Highway, Katella Avenue and Moulton Parkway into "Smart Streets" with more travel lanes, dedicated turn lanes, bus turnouts and coordinated signals to increase traffic flow



Campus

**Project
funded by
MEASURE M**

**34 cities
7,200 miles of roadways
+ Measure M
Better quality of life**

A group of cheerleaders and a mascot are posing on the interior of a bus. The mascot is wearing a white jersey with "IRVINE 40" and a grey and white animal head. The cheerleaders are wearing blue and white uniforms, with one holding gold pom-poms. They are all smiling and looking towards the camera. The bus interior has overhead handrails and a blue sign with a wheelchair icon.

77 routes
+ Over 600 buses
Putting customers first
Happy passengers

2005 Bus Transit Highlights

- Received APTA's 2005 Outstanding Public Transportation System Achievement Award
- Logged 67.1 million boardings, the second highest ridership in agency history
- Ranked 12th in the nation for highest ridership during the first half of fiscal year 2004-2005
- Added 35,000 service hours to offer more passengers more frequent service
- Opened OCTA's fourth major bus facility in Santa Ana
- The "Be There" program for seniors and youthNmotion program for youths taught thousands how easy riding the bus can be
- The Employer Pass Program generated a total of 464,223 boardings
- University Pass helped ease on-campus parking with 454,484 boardings
- Provided more than one million ACCESS paratransit service one-way trips

Dependable buses and satisfied passengers. When you help more than 67 million people with their daily commute, you're bound to break a few records. During this past fiscal year, OCTA experienced the second highest bus ridership in its history, and more than 90 percent of our riders were satisfied with the service¹. From young kids and college students to corporate employees and senior citizens, OCTA's bus programs gave residents and commuters a dependable ride — day in and day out.

OCTA bus service hits 90 percent in rider satisfaction.

In fiscal year 2004-2005, OCTA buses logged 67.1 million boardings, despite a fare increase in January 2005 — the first increase in 13 years. That's the second highest ridership in the history of the agency. It's also one of a combination of reasons why OCTA received the American Public Transportation Association's (APTA) 2005 Outstanding Public Transportation System Achievement Award.

Customers asked for more service and they got it. OCTA added 35,000 service hours to provide more frequent service for passengers. System-wide, OCTA achieved 85 percent on time

performance. The total number of routes in Orange County increased to 77 with the addition of a new route in San Clemente, Route 193. To better serve the needs of customers in the central county area, OCTA opened its fourth major bus facility, the Santa Ana Maintenance and Operations Center. Since May 2005, the facility has been dispatching and maintaining OCTA's bus fleet with up-to-the-minute technology.

Orange County's disabled population had a variety of transportation options during the year. OCTA's ACCESS paratransit service provided more than 1 million one-way trips

during fiscal year 2004-2005 for its ADA-certified customers. OCTA began offering late night ACCESS taxi service so that certified customers would have transportation available after normal ACCESS service hours end.

And once again, thanks to a subsidy from Measure M, bus fares remained low for senior citizens and disabled people.

1. Bus Customer Satisfaction Survey, November 2005

Motorist services and traffic flow. In 2005, more than 69,000 motorists were stranded on Orange County freeways. And the Freeway Service Patrol was right there to help — with 35 tow trucks to move vehicles out of traffic lanes, improve driver safety and keep the freeways flowing.

Freeway Service Patrol tow trucks help 69,000 stranded motorists.

Although OCTA does its best to keep our freeways and streets moving briskly, sometimes circumstances can ground the heartiest of commuters. To help alleviate the aches and pains, OCTA and its partners provide three distinct motorist services programs: Freeway Service Patrol (FSP), Service Authority for Freeway Emergencies (SAFE) and the Service Authority for Abandoned Vehicles (SAAV).

Whether it's a flat tire, stalled engine or an empty gas tank, being stopped on the side of the freeway can be a challenging and sometimes scary experience. For those who have found themselves in this predicament, the FSP

(a joint effort between OCTA, Caltrans and the CHP) and its roving band of 35 tow trucks during peak hours and five tow trucks during mid-day, assisted more than 69,000 drivers by fixing a flat, filling a tank or towing a vehicle to safety.

Funded by a \$1 surcharge on vehicle registrations, the SAFE program provides roadside callboxes that were used 17,232 times last year to summon help.

The SAAV program also contributed by funding the removal of more than 13,000 unsafe and abandoned vehicles from our cities' streets.

In addition to FSP, SAFE and SAAV, OCTA inspected and issued permits for 698 taxicabs and 952 drivers through the Orange County Taxi Administration Program (OCTAP). OCTAP relieved each of Orange County's 34 cities from regulating taxi operations. Thanks to OCTAP taxi industry standards and customer service have improved.

2005 Motorist Services Highlights

- Maintained 1,250 call boxes throughout the county
- Fielded an estimated 17,232 calls from motorists
- Provided a fleet of 35 FSP tow trucks during peak commute hours and five tow trucks during mid-day
- FSP assisted an estimated 69,052 stranded motorists
- Removed 13,413 abandoned vehicles from local streets
- OCTAP inspected and issued permits for 698 taxicabs and 952 taxi drivers

**35 tow trucks
+ 69,000 motorist assists**

Safer freeways





2005 Community Outreach Highlights

- Conducted numerous outreach events including open houses, workshops, roundtable discussions and Speaker's Bureau presentations on timely transportation issues
- Provided retired ACCESS buses and operating funds to 17 cities and 2 non-profit agencies for local senior transportation
- Awarded \$10 million in contracts to minority- and women-owned businesses
- Launched the "Be There" outreach program demonstrating to over 10,000 seniors how easy, safe and economical it is to ride the bus
- Encouraged 18,000 youths to ride the bus with OCTA's youthNmotion Program at local schools and youth organizations
- 232 buses powered by low-emission LNG fuel — 43 percent of OCTA's active fleet

**Community outreach
+ Listening to the public
Better transportation solutions**

Community outreach and mobility. Every community has a variety of transportation needs. People who drive. Those who aren't old enough to drive. And those who are no longer able to drive. During 2005, OCTA continued to improve transportation and the quality of life for all Orange County communities.

Through outreach and public input, transportation solutions emerge.

Throughout the year, OCTA took part in several outreach programs designed to get feedback from the community regarding future transportation improvements and to educate the public, elected officials and administrators, neighborhood associations, civic organizations and school districts about existing programs and construction projects.

Many open houses, workshops, neighborhood meetings, one-on-ones, roundtables and speakers bureau presentations were conducted as part of the effort to gain input for three major studies — The Riverside County to Orange County Major Investment Study (MIS), the San Diego Freeway (I-405) MIS and the Central County Corridor Study. In addition, OCTA staff conducted meetings

and distributed alerts and media press releases to notify affected residents, businesses and commuters about the construction activities on the Garden Grove Freeway Project (SR-22).

Outreach and education go hand in hand. OCTA's "Be There" Program, with hands-on training sessions held at senior facilities, taught more than 4,000 seniors how to plan a bus trip, board the bus, use the farebox and get to their correct destination. Through the youthNmotion Program, OCTA partnered with local schools and youth organizations, instructing more than 18,000 youths in bus riding basics.

During fiscal year 2004-2005, OCTA awarded more than \$10 million in contracts to

minority- and women-owned businesses. OCTA also hosted the Small Business Conference and Vendor Fair, which provided an opportunity for businesses to network and learn about contracting opportunities.

OCTA's commitment to improving Orange County's quality of life encompasses improving our environment. To help reduce emissions, OCTA maintains a fleet of 98 Toyota Prius Hybrids to keep field supervisors and coach operators moving when they are starting and ending shifts en route. And 232 of our buses are now powered by low-emission LNG fuel — that's 43 percent of the active fleet.

Statement of Net Assets (thousands)

for the year ended June 30, 2005	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	\$ 643,458	\$ 322,729	\$ 966,187
Receivables:			
Interest	5,004	2,973	7,977
Operating grants	-	19,067	19,067
Capital grants	22,268	3,437	25,705
Other	370	6,630	7,000
Internal balances	55,473	(55,473)	-
Due from other governments	112,873	4,086	116,959
Condemnation deposits	23,469	-	23,469
Inventory	-	5,101	5,101
Restricted cash and investments:			
Cash equivalents	25,590	6,343	31,933
Investments	47,083	19,428	66,511
Other assets	3,741	5,666	9,407
Land held for resale	19,558	-	19,558
Capital assets, net:			
Nondepreciable	256,840	50,089	306,929
Depreciable and amortizable	3,494	377,545	381,039
Total Assets	1,219,221	767,621	1,986,842
Liabilities			
Accounts payable	44,114	17,023	61,137
Accrued payroll and related items	1,849	6,637	8,486
Accrued interest payable	9,124	3,213	12,337
Claims payable	674	-	674
Due to other governments	14,522	580	15,102
Unearned revenue	-	4,285	4,285
Other liabilities	52	405	457
Commercial paper notes	40,900	-	40,900
Noncurrent liabilities:			
Due within one year	65,580	21,528	87,108
Due in more than one year	375,372	189,033	564,405
Total Liabilities	552,187	242,704	794,891
Net Assets			
Invested in capital assets, net of related debt	260,334	249,263	509,597
Restricted for:			
Measure M program	510,068	-	510,068
Debt service	110,433	25,771	136,204
Motorist services	8,619	-	8,619
Other	8,700	-	8,700
Unrestricted (deficit)	(231,120)	249,883	18,763
Total Net Assets	\$ 667,034	\$ 524,917	\$ 1,191,951

Statement of Activities (thousands)

for the year ended June 30, 2005	Program Revenues				Net (Expense) Revenue and Changes in New Assets		Total
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	
Functions/Programs							
Primary government							
Governmental activities:							
General government	\$ 79,777	\$ 39,429	\$ 26,167	\$ 841	\$ (13,340)	\$ -	\$ (13,340)
Measure M program	126,042	182	-	148,577	22,717	-	22,717
Motorist services	7,672	-	9,096	-	1,424	-	1,424
Commuter rail	20,505	553	-	-	(19,952)	-	(19,952)
Urban rail	10,115	-	-	5,147	(4,968)	-	(4,968)
Total governmental activities	244,111	40,164	35,263	154,565	(14,119)	-	(14,119)
Business-type activities:							
Fixed route	220,037	52,636	37,339	25,205	-	(104,857)	(104,857)
Paratransit	32,558	4,385	5,342	13	-	(22,818)	(22,818)
Tollroad	33,886	39,598	-	-	-	5,712	5,712
Taxicab administration	245	275	-	-	-	30	30
Total business-type activities	286,726	96,894	42,681	25,218	-	(121,933)	(121,933)
Total primary government	\$ 530,837	\$ 137,058	\$ 77,944	\$ 179,783	(14,119)	(121,933)	(136,052)

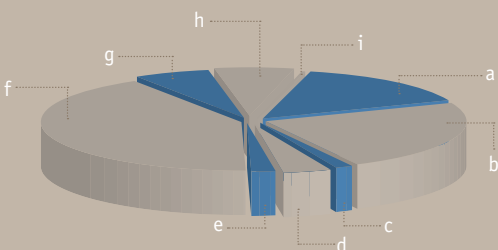
General revenues:

Property taxes	-	8,473	8,473
Sales taxes	351,185	-	351,185
Unrestricted investment earnings	20,496	8,506	29,002
Other miscellaneous revenue	310	443	753
Transfers	(91,273)	91,273	-
Total general revenues and transfers	280,718	108,695	389,413
Change in net assets	266,599	(13,238)	253,361
Net assets - beginning, as restated	400,435	538,155	938,590
Net assets - ending	\$ 667,034	\$ 524,917	\$ 1,191,951

Revenues & Expenses Charts

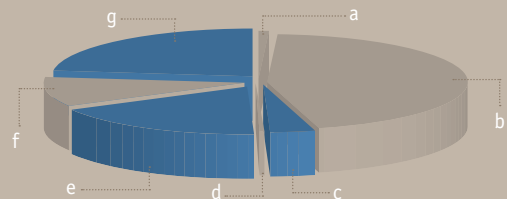
OCTA Fiscal Year 2005 Expenses (thousands):

Governmental activities:		
a. General government	\$ 79,777	15.03%
b. Measure M program	\$ 126,042	23.74%
c. Motorist services	\$ 7,672	1.45%
d. Commuter rail	\$ 20,505	3.86%
e. Urban rail	\$ 10,115	1.91%
Business-type activities:		
f. Fixed route	\$ 220,037	41.45%
g. Paratransit	\$ 32,558	6.13%
h. Tollroad	\$ 33,886	6.38%
i. Taxicab administration	\$ 245	.05%



OCTA Fiscal Year 2005 Revenues (thousands):

General revenues:		
a. Property taxes	\$ 8,473	1.08%
b. Sales taxes	\$ 351,185	44.78%
c. Investment earnings	\$ 29,002	3.70%
d. Miscellaneous	\$ 753	.09%
Program revenues:		
e. Charges for services	\$ 137,058	17.48%
f. Operating grants and contributions	\$ 77,944	9.94%
g. Capital grants and contributions	\$ 179,783	22.93%



Statement of Cash Flows - Proprietary Funds (thousands)

for the year ended June 30, 2005	Enterprise Funds					
	OCTD	91 Express Lanes	Bus Operations	Nonmajor Enterprise Fund OCTAP	Totals	Internal Service Funds
Cash flows from operating activities:						
Receipts from customers and users	\$ 47,048	\$ 38,677	\$ -	\$ 266	\$ 85,991	\$ -
Receipts from interfund services provided	-	-	-	-	-	25,559
Payments to suppliers	(77,440)	(10,957)	(108)	(18)	(88,523)	-
Payments to claimants	-	-	-	-	-	(26,187)
Payments to employees	(108,453)	-	-	(202)	(108,655)	-
Payments for interfund services used	(27,160)	(1,675)	-	(40)	(28,875)	(740)
Advertising revenue	9,400	-	-	-	9,400	-
Miscellaneous	1,049	149	-	-	1,198	-
Net cash provided by (used for) operating activities	(155,556)	26,194	(108)	6	(129,464)	(1,368)
Cash flows from noncapital financing activities:						
Gas tax exchange received	23,000	-	-	-	23,000	-
Federal operating assistance grants received	21,248	-	-	-	21,248	-
Property taxes received	8,473	-	-	-	8,473	-
Transfers in	110,876	-	-	-	110,876	284
Transfers out	(6,080)	-	(14,000)	-	(20,080)	-
Net cash provided by (used for) noncapital financing activities	157,517	-	(14,000)	-	143,517	284
Cash flows from capital and related financing activities:						
Federal capital grants for acquisition and construction of capital assets	25,573	-	-	-	25,573	-
Proceeds from sale of fixed assets	97	143	-	-	240	-
Payment of long-term debt	(2,445)	(3,635)	-	-	(6,080)	-
Interest paid	(301)	(8,281)	-	-	(8,582)	-
Acquisition and construction of capital assets	(34,784)	(1,618)	-	-	(36,402)	-
Net cash (used for) capital and related financing activities	(11,860)	(13,391)	-	-	(25,251)	-
Cash flows from investing activities:						
Purchase of investments	-	(12,635)	-	-	(12,635)	-
Investment earnings	4,082	1,330	2,042	-	7,454	1,040
Net cash provided by (used for) investing activities	4,082	(11,305)	2,042	-	(5,181)	1,040
Net increase (decrease) in cash and cash equivalents	(5,817)	1,498	(12,066)	6	(16,379)	(44)
Cash and cash equivalents at beginning of year	175,305	27,890	98,171	2	301,368	46,778
Cash and cash equivalents at end of year	\$ 169,488	\$ 29,388	\$ 86,105	\$ 8	\$ 284,989	\$ 46,734

Statement of Cash Flows - Proprietary Funds, continued (thousands)

for the year ended June 30, 2005	Enterprise Funds					
	OCTD	91 Express Lanes	Bus Operations	Nonmajor Enterprise Fund OCTAP	Totals	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:						
Operating income (loss)	\$ (193,412)	\$ 15,970	\$ (112)	\$ 30	\$ (177,524)	\$ (11,729)
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:						
Depreciation expense	25,369	1,777	-	-	27,146	-
Amortization of franchise agreement	-	7,331	-	-	7,331	-
Amortization of cost of issuance	57	142	-	-	199	-
Advertising revenue	9,400	-	-	-	9,400	-
Miscellaneous	1,049	149	-	-	1,198	-
Insurance recoveries	-	-	-	-	-	350
Change in assets and liabilities:						
Receivables	(871)	(1,969)	-	(9)	(2,849)	(894)
Due from other governments	1,040	-	-	-	1,040	-
Inventory	(213)	-	-	-	(213)	-
Other assets	-	39	-	-	39	371
Accounts payable	64	1,693	4	2	1,763	57
Accrued payroll and related items	1,029	-	-	(4)	1,025	-
Compensated absences	698	-	-	(13)	685	-
Claims payable	-	-	-	-	-	10,477
Due to other governments	234	189	-	-	423	-
Unearned revenue	-	990	-	-	990	-
Other liabilities	-	(117)	-	-	(117)	-
Total adjustments	37,856	10,224	4	(24)	48,060	10,361
Net cash provided by (used for) operating activities	\$ (155,556)	\$ 26,194	\$ (108)	\$ 6	\$ (129,464)	\$ (1,368)
Reconciliation of cash and cash equivalents to Statements of Net Assets						
Cash and investments	\$ 167,406	\$ 25,127	\$ 86,105	\$ 8	\$ 278,646	\$ 46,734
Restricted cash and cash equivalents	2,082	4,261	-	-	6,343	-
Total cash and cash equivalents	\$ 169,488	\$ 29,388	\$ 86,105	\$ 8	\$ 284,989	\$ 46,734
Schedule of Noncash activities:						
Purchase of capital on account	\$ 320	\$ -	\$ -	\$ -	\$ 320	\$ -



Measure M turnback fiscal year 2004-2005

Aliso Viejo	\$ 425,208.63	Laguna Beach	\$ 314,293.65	Rancho Santa Margarita	\$ 511,299.82
Anaheim	3,956,356.90	Laguna Hills	440,099.68	San Clemente	624,712.75
Brea	620,039.01	Laguna Niguel	814,739.33	San Juan Capistrano	478,738.66
Buena Park	954,634.21	Laguna Woods	154,735.79	Santa Ana	3,449,016.45
Costa Mesa	1,667,257.94	La Habra	621,508.27	Seal Beach	281,464.66
Cypress	635,394.18	Lake Forest	915,417.61	Stanton	353,085.90
Dana Point	391,785.14	La Palma	213,702.36	Tustin	964,435.85
Fountain Valley	731,568.23	Los Alamitos	155,221.68	Villa Park	63,041.17
Fullerton	1,494,861.19	Mission Viejo	1,135,458.64	Westminster	1,051,380.30
Garden Grove	1,761,741.83	Newport Beach	1,150,560.48	Yorba Linda	685,510.55
Huntington Beach	2,236,348.46	Orange	1,865,882.58	County Unincorporated	1,960,542.12
Irvine	2,672,313.32	Placentia	560,758.65	Total	\$36,313,115.99

Orange County Transportation Authority Board of Directors 2006.

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Arthur T. Leahy Chief Executive Officer



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