



Draft 2023 Regional ORCA Operating Budget

ORCA Joint Board

May 9, 2022

Agenda

- Assumptions
- Summary
- ORCA
 - Regional Services
 - Professional Services
 - Materials and Software
- Contingency

2023 Budget Assumptions



- 2023 will be the first full year of operations of the new system
- Ridership recovery from COVID is still in process
- New system operating cost estimates carry a higher degree of uncertainty surrounding:
 - customer channel usage
 - anticipated support services required

2023 Budget Summary



	2023 Proposed Budget	2022 Adopted Budget	2022 Adopted Compared to 2023	% Change
New ORCA Operations	\$ 13,631,894	\$ 11,657,508	\$ 1,974,386	14.5%
Legacy ORCA Operations	-	8,742,906	(8,742,906)	
Total ORCA Operations	13,631,894	20,400,414	(6,768,520)	-49.7%
Contingency	1,363,189	1,165,751	197,438	14.5%
Total	\$ 14,995,083	\$ 21,566,165	\$ (6,571,082)	-43.8%

2023 Budget Detail



	2023 Proposed Budget	2022 Adopted Budget	Change
New ORCA Operations			
Regional Services			
ROOT Operations	2,957,033	2,575,618	381,415
ST Admin Host	1,027,612	895,335	132,277
KCM Admin Card Mgmt	667,439	409,061	258,378
ST VM O&M	1,685,820	1,402,629	283,192
Professional Services			
SI O&M	2,181,809	963,921	1,217,888
DARe O&M	657,600	848,070	(190,470)
Financial Services	1,712,648	1,936,407	(223,759)
Other Services	874,500	778,500	96,000
Retail Network	467,423	356,467	110,956
			-
Materials and Software			
Fare Media	1,235,990	1,323,481	(87,490)
Other Materials and Software	164,020	168,020	(4,000)
			-
NEW ORCA OPERATIONS	13,631,894	11,657,508	1,974,386
LEGACY ORCA COSTS	-	8,742,906	(8,742,906)
CONTINGENCY	1,363,189	1,165,751	197,438
TOTAL ORCA	14,995,083	21,566,165	(6,571,082)



What's included in Regional Services?

- ROOT Operations
 - Salaries, benefits, and training for operations-focused staff
- ST Admin Host
 - Administrative services such as Rent, Facilities, Finance, Human Resources, Procurement and Contracts, Legal, and Information Technology
- KCM Admin Card Management
 - Regional Mail Center and Regional Inventory Distribution Center services
- ST Vending Machine O&M
 - Vending machine maintenance services provided by Sound Transit, vandalism mitigation, paper stock, and armored car revenue services

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Regional Services			
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KCM Admin Card M	667,439	409,061	258,378
ST VM O&M	1,685,820	1,402,629	283,192



What's included in Professional Services?

- SI O&M
 - System operations and maintenance provided by the Systems Integrator, INIT
- DARE O&M
 - Expenses of operating the Data Access and Reporting platform housing all legacy and next gen ORCA data
- Financial Services
 - Credit card transaction fees, banking fees, and financial audit fees
- Other Services
 - InfoSec, marketing, legal, and consulting services
- Retail Network
 - Includes commissions and card fees payable to retail network through Ready Credit Corporation

Professional Services

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SI O&M	2,181,809	963,921	1,217,888
DARE O&M	657,600	848,070	(190,470)
Financial Services	1,712,648	1,936,407	(223,759)
Other Services	874,500	778,500	96,000
Retail Network	467,423	356,467	110,956



What's included in Materials and Software?

- Fare Media
 - Physical fare media including bulk and retailer cards
 - Estimated virtual card fees
- Other Materials and Software
 - SysOps monitoring and admin software
 - Inspection device software
 - Marketing software
 - Electronic agreements software
 - Telephone charges
 - Supplies

Materials and Software

Fare Media
Other Materials and Software

	2023 Proposed Budget	2022 Adopted Budget	Change
			-
Fare Media	1,235,990	1,323,481	(87,490)
Other Materials and Software	164,020	168,020	(4,000)

Contingency



	2023 Proposed Budget	2022 Adopted Budget	Change
CONTINGENCY	1,363,189	1,165,751	197,438

Contingency is based on 10% of budget due to numerous unknowns related to launch of new system

Thank you.



Friendly. Practical. Trustworthy.