

County Connection

INTER OFFICE MEMO

To: Administration & Finance Committee
From: Erick Cheung, Chief Finance Officer

Date: December 3, 2019

SUBJECT: Income Statements for the Three Months Ended September 30, 2019

The attached unaudited County Connection Income Statements for the first three months of Fiscal Year (FY) 2020 are presented for your review. The combined expenses of \$9,371,663 for Fixed Route and Paratransit, (Schedule 1), **are under budget by 5.5% or \$547,395**. The expense categories with the most significant variances are:

Wages	\$(96,374)	(2.8)%	Operator wages are slightly over budget due to training of new drivers due to vacancies and the additional bus bridges for BART. These routes are covered by higher guarantees and overtime by \$17K. Other wages are lower by \$114K due to the Manager of Planning and a couple of Transit Supervisors positions being vacant during the first quarter.
Fringe Benefits	\$(263,070)	(9.5)%	Fringe Benefits are under budget due to vacancies and since medical & cafeteria premiums don't rise till January 2020.
Services	\$(83,086)	(14.0)%	Services are under budget due to lower promotions expense for \$32K, service vehicle repair for \$25K, and legal services of \$34K.
Materials & Supplies	\$(44,965)	(6.3)%	Materials and supplies are lower due to lower diesel fuel costs of \$57K and higher electricity use for trolleys of \$3K. Offset by higher repair parts expenses of \$39K.
Insurance	\$(36,918)	(15.1)%	Liability losses were under budget.
Special Trip Services	\$262,843	16.3%	Special Trip Services are over budget as Paratransit revenue hours are up 3.0% and fuel costs were not budgeted.
Contingency	\$(225,000)	(100.0)%	Not needed based on expenses being under budget, may be used in the future based on the trend for Special Trip Services.

Fixed route and Paratransit revenues and expenses are presented on **Schedules 2 and 3**. Actual expenses are compared to the year-to-date approved budget. Fixed route expenses are -9.7% under budget and Paratransit expenses are 15.5% over budget.

The combined revenues are also under budget. The most significant variances:

Passenger fares/special fares	\$125,815	9.8%	Fixed route passenger fares/special fares are \$156K over budget. Special fares are higher in the first quarter as County Connection assisted BART with bus bridges for additional revenue of \$153K. Paratransit fares have decreased but could be timing as we are still transitioning to new provider Transdev. Compared to the same period in the prior year, fixed route is 16.3% higher; paratransit is 11.7% lower than prior year.
TDA revenue earned	\$(656,610)	(15.5)%	TDA revenue is lower due to lower than expected expenses and higher special fare revenues as noted above.

Fixed Route Operator Wages (Schedule 4)

Schedule 4 compares various components of operator wages with the budget.

- Platform (work time) is \$784 or 0.1% under budget.
- Guarantees and Overtime are \$21,778 or 12.8% over budget due to vacancies and trainees.
- Protection is \$25,841 or 30.7% under budget.
- Overall wages for operators are \$17,314 or 0.9% over budget.

Statistics (Schedule 6)

Schedule 6 provides selected statistical information for the current year compared to the last two years:

Fixed route:

- Passenger fares/special fares are 23.4% more than FY 2019 and 24.5% more than FY 2018. County Connection did raise fares in March of 2019 and LCTOP is funding the free fares on Routes 11,14 & 16 and performed a couple of Bus Bridges for BART.
- The farebox recovery ratio is 19.0% more than FY 2019 and 11.5% more than FY 2018. The ratio is 17.3% in FY 2020; 14.6% in FY 2019 and 15.6% in FY 2018.
- Operating expenses are 3.7% more than in FY 2019 and 11.7% more than in FY 2018.
- Fixed route revenue hours are 0.6% more than FY 2019 and 1.4% more than FY 2018.
- The cost per revenue hour has increased 3.0% compared to FY 2019 and 10.2% compared to FY 2018.
- Passengers have increased 14.5% compared to FY 2019 and 12.0% compared to FY 2018.
- The cost per passenger has decreased 9.5% compared to FY 2019 and 0.3% compared to FY 2018.
- Passengers per revenue hour has increased 13.8% compared to FY 2019 and 10.5% compared to FY 2018.

Paratransit (*):

- Passenger fares have decreased 11.7% compared to FY 2019 and increased 2.4% compared to FY 2018.
- The farebox ratio is less than FY 2019 and FY 2018. The ratio is 5.7% in FY 2020; 8.2% in FY 2019; and 7.6% in FY 2018.

- Expenses have increased 27.0% compared to FY 2019 and 36.2% compared to FY 2018.
- Revenue hours are 3.8% more than FY 2019 and 12.2% in FY 2018.
- Passengers have decreased 2.8% compared to FY 2019 and 1.4% compared to FY 2018.
- The cost per passenger has increased 30.7% since FY 2019 and 38.2% compared to FY 2018.
- Paratransit passengers per revenue hour have decreased 6.8% compared to FY 2019 and 12.2% compared to FY 2018.

* Transdev and Choice in Aging began paratransit services this fiscal year, there are still some transitioning and timing issues that staff is working through.

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2020 Year to Date Comparison of Actual vs Budget
Combined Fixed Route and Paratransit Income Statement
For the Three Months Ended September 30, 2019

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 875,499	\$ 891,722	\$ (16,223)	-1.8%
Special fares	527,798	385,760	142,039	36.8%
	1,403,297	1,277,482	125,815	9.8%
Advertising	148,749	148,125	624	0.4%
Safe Harbor lease	9,358	8,426	932	11.1%
Other revenue	51,380	61,213	(9,833)	-16.1%
Federal operating	345,000	345,000	-	0.0%
TDA earned revenue	3,591,777	4,248,387	(656,610)	-15.5%
STA revenue	1,634,159	1,634,159	-	0.0%
Measure J	1,693,582	1,693,582	-	0.0%
Other operating assistance	494,361	502,684	(8,323)	-1.7%
	7,968,366	8,641,577	(673,211)	-7.8%
Total Revenue	\$ 9,371,663	\$ 9,919,058	\$ (547,395)	-5.5%
Expenses				
Wages- Operators	\$ 1,972,485	\$ 1,955,171	\$ 17,314	0.9%
Wages-Other	1,447,365	1,561,413	(114,048)	-7.3%
	3,419,850	3,516,584	(96,734)	-2.8%
Fringe Benefits	2,503,015	2,766,085	(263,070)	-9.5%
Services	512,474	595,560	(83,086)	-14.0%
Materials & Supplies	673,892	718,857	(44,965)	-6.3%
Utilities	99,384	101,413	(2,029)	-2.0%
Insurance	208,294	245,212	(36,918)	-15.1%
Taxes	37,464	62,954	(25,490)	-40.5%
Leases and Rentals	13,122	13,375	(253)	-1.9%
Miscellaneous	27,307	60,000	(32,693)	-54.5%
Special Trip Services	1,876,861	1,614,018	262,843	16.3%
Operations	9,371,663	9,694,058	(322,395)	-3.3%
Contingency Reserve	-	225,000	(225,000)	-100.0%
Total Expenses	\$ 9,371,663	\$ 9,919,058	\$ (547,395)	-5.5%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	75,866	71,403	4,463	6.3%
Cost per Rev Hr	\$ 123.36	\$ 138.73	\$ (15.37)	-11.1%
Passengers	978,306	899,953	78,353	8.7%
Cost per Passenger	\$ 9.58	\$ 11.02	\$ (1.44)	-13.1%
Farebox ratio	15.0%	12.9%	2.1%	16.3%
<i>(fares,spec fares/Oper exp-w/o contingency-leases)</i>				

Schedule 1-Combined Fixed Route & Paratransit

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2020 Year to Date Comparison of Actual vs Budget
Fixed Route Income Statement
For the Three Months Ended September 30, 2019

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 768,115	\$ 754,222	\$ 13,893	1.8%
Special fares	527,798	385,760	142,039	36.8%
	1,295,913	1,139,982	155,931	13.7%
Advertising	148,749	148,125	624	0.4%
Safe Harbor lease	9,358	8,426	932	11.1%
Other revenue	51,380	61,213	(9,833)	-16.1%
TDA earned revenue	2,841,290	3,809,923	(968,633)	-25.4%
STA revenue	1,422,037	1,422,037	-	0.0%
Measure J	1,240,021	1,240,021	-	0.0%
Other operating assistance	477,673	457,704	19,969	4.4%
	6,190,508	7,147,450	(956,942)	-13.4%
Total Revenue	\$ 7,486,421	\$ 8,287,431	\$ (801,010)	-9.7%
Expenses				
Wages- Operators	\$ 1,972,485	\$ 1,955,171	\$ 17,314	0.9%
Wages-Other	1,404,577	1,515,858	(111,281)	-7.3%
	3,377,062	3,471,029	(93,967)	-2.7%
Fringe Benefits	2,477,415	2,743,128	(265,713)	-9.7%
Services	511,635	584,910	(73,275)	-12.5%
Materials & Supplies	670,172	718,357	(48,185)	-6.7%
Utilities	93,535	89,538	3,997	4.5%
Insurance	208,294	245,212	(36,918)	-15.1%
Taxes	37,464	62,879	(25,415)	-40.4%
Leases and Rentals	13,122	13,375	(253)	-1.9%
Miscellaneous	27,110	59,125	(32,015)	-54.1%
Purchased Transportation	70,612	74,878	(4,266)	-5.7%
Operations	7,486,421	8,062,431	(576,010)	-7.1%
Contingency Reserve	-	225,000	(225,000)	
Total Expenses	\$ 7,486,421	\$ 8,287,431	\$ (801,010)	-9.7%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	56,484	53,894	2,590	4.8%
Cost per Rev Hr	\$ 132.31	\$ 153.52	\$ (21.22)	-13.8%
Passengers	944,253	865,608	78,645	9.1%
Cost per Passenger	\$ 7.93	\$ 9.57	\$ (1.65)	-17.2%
Passengers per Rev Hr	16.72	16.06	0.66	4.1%
Farebox recovery ratio	17.3%	14.2%	3.2%	22.4%
<i>(fares, spec fares/Oper exp-w/o contingency-leases)</i>				

Schedule 2-Fixed Route

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Paratransit Income Statement
FY 2020 Year to Date Comparison of Actual vs Budget
For the Three Months Ended September 30, 2019

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares (a)	\$ 107,384	\$ 137,500	\$ (30,116)	-21.9%
	107,384	137,500	(30,116)	-21.9%
Federal operating	345,000	345,000	-	0.0%
TDA earned revenue	750,487	438,464	312,023	71.2%
STA revenue	212,122	212,122	-	0.0%
Measure J	453,561	453,561	-	0.0%
Other operating assistance	16,688	44,980	(28,292)	-62.9%
	1,777,858	1,494,127	283,731	19.0%
Total Revenue	\$ 1,885,242	\$ 1,631,627	\$ 253,615	15.5%
Expenses				
Wages-Other	42,788	\$ 45,555	\$ (2,767)	-6.1%
	42,788	45,555	(2,767)	-6.1%
Fringe Benefits	25,600	22,957	2,643	11.5%
Services	839	10,650	(9,811)	-92.1%
Materials & Supplies	3,720	500	3,220	644.0%
Utilities	5,849	11,875	(6,026)	-50.7%
Taxes	-	75	(75)	-100.0%
Miscellaneous	197	875	(678)	-77.5%
Special Trip Services	1,806,249	1,539,140	267,109	17.4%
Total Expenses	\$ 1,885,242	\$ 1,631,627	\$ 253,615	15.5%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	19,382	17,509	1,873	10.7%
Cost per Rev Hr	\$ 97.27	\$ 93.19	\$ 4.08	4.4%
Passengers	34,053	34,345	(292)	-0.9%
Cost per Passenger	\$ 55.36	\$ 47.51	\$ 7.86	16.5%
Passengers per Rev Hr	1.76	1.96	(0.20)	-10.4%
Farebox ratio	5.7%	8.4%	-2.7%	-32.4%
<i>(fares,spec fares/Oper exp-leases)</i>				

Schedule 3- Paratransit

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Operator Wages
For the Three Months Ended September 30, 2019

	Actual		Budget		Variance	% Variance
Platform/report/turn in	\$ 1,556,173	\$	1,556,957	\$	(784)	-0.1%
Guarantees	70,773		67,912		2,861	4.2%
Overtime	120,654		101,737		18,917	18.6%
Spread	63,775		54,764		9,010	16.5%
Protection	58,224		84,065		(25,841)	-30.7%
Travel	47,638		48,490		(852)	-1.8%
Training	49,463		34,610		14,854	42.9%
Other Misc	5,784		6,636		(852)	-12.8%
	\$ 1,972,485	\$	1,955,171	\$	17,314	0.9%

Schedule 4- Operator Wages

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Other Revenue; Other Operating Assistance; Miscellaneous Expenses
For the Three Months Ended September 30, 2019

Other Revenue	
Investment income (interest)	\$ 50,675
RTC card revenue	247
Various	458
	\$ 51,380
 Other Operating Assistance	
RM2	\$ 36,335
BART feeder revenue	215,474
LCTOP	225,864
	\$ 477,673
 Miscellaneous Expenses	
Board Travel Expense	\$ 3,887
Staff Travel Expense	8,686
APTA Dues	8,874
Employee Awards/pins	617
Paypal fees	79
Training	1,429
Various other	3,538
	\$ 27,110

Schedule 5- Other Revenues/Other Expenses

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2020 Year to Date Comparison of FY 2019 Actual & FY 2018 Actual
Statistics
For the Three Months Ended September 30, 2019

Actual	Actual	Variance	Actual	Variance
FY2020	FY2019	Actual 2019 to Actual 2018	FY2018	Actual 2019 to Actual 2018

Fixed Route

Fares	\$ 768,115	\$ 660,323	16.3%	\$ 661,480	16.1%
Special Fares	527,798	390,260	35.2%	379,137	39.2%
Total Fares	\$ 1,295,913	\$ 1,050,583	23.4%	\$ 1,040,617	24.5%
<i>Fares box recovery ratio</i>	17.3%	14.6%	19.0%	15.6%	11.5%
Operating Exp (Less leases)	\$ 7,473,299	\$ 7,207,279	3.7%	\$ 6,690,663	11.7%
<i>Revenue Hours</i>	56,484	56,129	0.6%	55,729	1.4%
<i>Cost per Rev Hour</i>	\$ 132.31	\$ 128.41	3.0%	\$ 120.06	10.2%
<i>Passengers</i>	944,253	824,423	14.5%	843,155	12.0%
<i>Cost per Passenger</i>	\$ 7.91	\$ 8.74	-9.5%	\$ 7.94	-0.3%
<i>Passengers per Rev Hr</i>	16.72	14.69	13.8%	15.13	10.5%

Paratransit

Fares	\$ 107,384	\$ 121,545	-11.7%	\$ 104,890	2.4%
<i>Fares box recovery ratio</i>	5.7%	8.2%	-30.4%	7.6%	-24.8%
Operating Exp (Less leases)	\$ 1,885,242	\$ 1,485,009	27.0%	\$ 1,384,595	36.2%
<i>Revenue Hours</i>	19,382	18,674	3.8%	17,268	12.2%
<i>Cost per Rev Hour</i>	\$ 97.27	\$ 79.52	22.3%	\$ 80.18	21.3%
<i>Passengers</i>	34,053	35,049	-2.8%	34,552	-1.4%
<i>Cost per Passenger</i>	\$ 55.36	\$ 42.37	30.7%	\$ 40.07	38.2%
<i>Passengers per Rev Hr</i>	1.76	1.88	-6.8%	2.00	-12.2%