

# County Connection

## INTER OFFICE MEMO

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

Date: March 4, 2020

**SUBJECT: Income Statements for the Six Months Ended December 31, 2019**

The attached unaudited County Connection Income Statements for the first six months of Fiscal Year (FY) 2020 are presented for your review. The combined expenses of \$19,572,034 for Fixed Route and Paratransit, (Schedule 1), **are under budget by 7.4% or \$1,547,506**. The expense categories with the most significant variances are:

Wages	\$(253,261)	(3.3)%	Operator wages are slightly over budget due to service provided to BART for Bus Bridges and Early Bird Service. Other wages are lower by \$291K due to a couple of vacancies in the planning and maintenance departments.
Fringe Benefits	\$(368,260)	(6.4)%	Fringe Benefits are under budget due to vacancies and since medical & cafeteria premiums don't rise till January 2020.
Services	\$(273,075)	(22.9)%	Services are under budget due to lower promotions expense for \$58K, schedules/graphics expense for \$45K, and service vehicle repair for \$85K.
Materials & Supplies	\$(6,385)	(0.4)%	Materials and supplies are lower due to lower diesel fuel costs of \$91K and building supplies of \$18K. Offset by higher electricity use for trolleys of \$17K and coach repair parts of 94K.
Insurance	\$(61,568)	(12.6)%	Liability premium and losses are currently under budget.
Special Trip Services	\$(142,641)	(3.8)%	Special Trip Services are under budget after amendment in December for Paratransit fuel costs.
Contingency	\$(450,000)	(100.0)%	Not needed based on expenses being under budget.

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 -8.2% under budget and Paratransit expenses are 3.9% under budget.

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

Passenger fares/special fares	\$486,073	18.5%	Fixed route passenger fares/special fares are \$502K over budget. Fixed route fare is higher due to a combination of fare increase last March and grant funding for fare subsidy. Special fares are higher as we assisted BART with bus bridges and continue with early bird service for additional revenue of \$345K. Paratransit fares have decreased but could be timing as we are still transitioning to new provider Transdev.
Other revenue	\$21,357	17.4%	Investment income from LAIF is higher than budget amount by \$21K with LAIF rates averaging 2.37% compared to 2.28% in prior year.
STA revenue	\$(264,006)	(8.1)%	STA revenue is lower due to State lowering revenue estimate by 10% and MTC reduced our allocation accordingly.
TDA revenue earned	\$(2,029,478)	(20.9)%	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 \$50,184 or 1.5% over budget.
- Overtime and Spread are \$20,817 or 6% over budget due to vacancies and special BART services.
- Protection is \$40,905 or 22.3% under budget.
- Overall wages for operators are \$38,311 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 23.1% more than FY 2019 and 22.7% more than FY 2018. County Connection raised fares in March of 2019, added LCTOP grant funds for free fares on Routes 11,14 & 16, and performed BART Bus Bridges and Early Bird service.
- The farebox recovery ratio is 27.1% more than FY 2019 and 20.6% more than FY 2018. The ratio is 17.9% in FY 2020; 14.1% in FY 2019 and 14.9% in FY 2018.
- Operating expenses are 3.2% more than in FY 2019 and 9.1% more than in FY 2018.
- Fixed route revenue hours are 1.8% less than FY 2019 and 0.8% less than FY 2018 as the Board approved a service change last March to make Routes more efficient and eliminated some as well.
- The cost per revenue hour has increased 5.1% compared to FY 2019 and 10.0% compared to FY 2018.
- Passengers have increased 12.8% compared to FY 2019 and 9.6% compared to FY 2018.
- The cost per passenger has decreased 8.5% compared to FY 2019 and 0.4% compared to FY 2018.
- Passengers per revenue hour has increased 14.9% compared to FY 2019 and 10.4% compared to FY 2018.

Paratransit (\*):

- Passenger fares have increased 7.7% compared to FY 2019 and increased 4.8% compared to FY 2018.
- The farebox ratio is less than FY 2019 and FY 2018. The ratio is 7.2% in FY 2020; 7.8% in FY 2019; and 9.1% in FY 2018.
- Expenses have increased 16.7% compared to FY 2019 and 33.1% compared to FY 2018.
- Revenue hours are 4.6% less than FY 2019 and 7.0% more than FY 2018. (\*)
- Passengers have increased 0.7% compared to FY 2019 and 2.4% compared to FY 2018.
- The cost per passenger has increased 15.9% since FY 2019 and 30.0% compared to FY 2018.
- Paratransit passengers per revenue hour have increased 5.5% compared to FY 2019 and decreased 4.2% 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. Also, Choice in Aging provides County Connection the ridership information on a monthly basis but does not include revenue hours.

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**FY 2020 Year to Date Comparison of Actual vs Budget**  
**Combined Fixed Route and Paratransit Income Statement**  
**For the Six Months Ended December 31, 2019**

	Actual	Budget	Variance	% Variance
<b>Revenues</b>				
Passenger fares	\$ 1,958,207	\$ 1,850,533	\$ 107,674	5.8%
Special fares	1,154,918	776,519	378,399	48.7%
	<u>3,113,125</u>	<u>2,627,052</u>	<u>486,073</u>	<u>18.5%</u>
Advertising	323,422	296,250	27,172	9.2%
Safe Harbor lease	18,140	16,852	1,288	7.6%
Other revenue	143,782	122,425	21,357	17.4%
Federal operating	690,000	690,000	-	0.0%
TDA earned revenue	7,703,632	9,733,110	(2,029,478)	-20.9%
STA revenue	3,004,312	3,268,318	(264,006)	-8.1%
Measure J	3,387,164	3,387,165	(1)	0.0%
Other operating assistance	1,188,457	1,005,369	183,089	18.2%
	<u>16,458,909</u>	<u>18,519,489</u>	<u>(2,060,580)</u>	<u>-11.1%</u>
<b>Total Revenue</b>	<b>\$ 19,572,034</b>	<b>\$ 21,146,540</b>	<b>\$ (1,574,506)</b>	<b>-7.4%</b>
<b>Expenses</b>				
Wages- Operators	\$ 4,306,534	\$ 4,268,223	\$ 38,311	0.9%
Wages-Other	3,083,895	3,375,468	(291,573)	-8.6%
	<u>7,390,429</u>	<u>7,643,690</u>	<u>(253,261)</u>	<u>-3.3%</u>
Fringe Benefits	5,348,041	5,716,301	(368,260)	-6.4%
Services	918,045	1,191,120	(273,075)	-22.9%
Materials & Supplies	1,445,100	1,451,485	(6,385)	-0.4%
Utilities	189,889	202,825	(12,936)	-6.4%
Insurance	428,857	490,425	(61,568)	-12.6%
Taxes	133,900	125,908	7,992	6.3%
Leases and Rentals	29,983	26,750	3,233	12.1%
Miscellaneous	102,395	120,000	(17,605)	-14.7%
Special Trip Services	3,585,395	3,728,036	(142,641)	-3.8%
<b>Operations</b>	<b>19,572,034</b>	<b>20,696,540</b>	<b>(1,124,506)</b>	<b>-5.4%</b>
Contingency Reserve	-	450,000	(450,000)	-100.0%
<b>Total Expenses</b>	<b>\$ 19,572,034</b>	<b>\$ 21,146,540</b>	<b>\$ (1,574,506)</b>	<b>-7.4%</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Revenue Hours</b>	<b>149,307</b>	<b>153,243</b>	<b>(3,936)</b>	<b>-2.6%</b>
<b>Cost per Rev Hr</b>	<b>\$ 130.89</b>	<b>\$ 137.82</b>	<b>\$ (6.93)</b>	<b>-5.0%</b>
<b>Passengers</b>	<b>1,937,695</b>	<b>1,725,646</b>	<b>212,049</b>	<b>12.3%</b>
<b>Cost per Passenger</b>	<b>\$ 10.10</b>	<b>\$ 12.25</b>	<b>\$ (2.15)</b>	<b>-17.6%</b>
<b>Farebox ratio</b>	<b>15.9%</b>	<b>12.4%</b>	<b>3.5%</b>	<b>28.1%</b>
<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 Six Months Ended December 31, 2019**

	Actual	Budget	Variance	% Variance
<b>Revenues</b>				
Passenger fares	\$ 1,698,626	\$ 1,575,533	\$ 123,093	7.8%
Special fares	1,154,918	776,519	378,399	48.7%
	2,853,544	2,352,052	501,492	21.3%
Advertising	323,422	296,250	27,172	9.2%
Safe Harbor lease	18,140	16,852	1,288	7.6%
Other revenue	143,782	122,425	21,357	17.4%
TDA earned revenue	6,471,062	8,356,182	(1,885,120)	-22.6%
STA revenue	2,580,068	2,844,074	(264,006)	-9.3%
Measure J	2,480,042	2,480,043	(1)	0.0%
Other operating assistance	1,086,457	915,409	171,049	18.7%
	13,102,973	15,031,235	(1,928,262)	-12.8%
<b>Total Revenue</b>	<b>\$ 15,956,517</b>	<b>\$ 17,383,286</b>	<b>\$ (1,426,769)</b>	<b>-8.2%</b>
<b>Expenses</b>				
Wages- Operators	\$ 4,306,534	\$ 4,268,223	\$ 38,311	0.9%
Wages-Other	\$ 2,987,116	3,284,359	(297,243)	-9.1%
	7,293,650	7,552,581	(258,931)	-3.4%
Fringe Benefits	\$ 5,298,539	5,670,387	(371,848)	-6.6%
Services	\$ 913,602	1,169,820	(256,218)	-21.9%
Materials & Supplies	\$ 1,441,170	1,450,485	(9,315)	-0.6%
Utilities	\$ 177,472	179,075	(1,603)	-0.9%
Insurance	\$ 428,857	490,425	(61,568)	-12.6%
Taxes	\$ 133,900	125,758	8,142	6.5%
Leases and Rentals	\$ 29,983	26,750	3,233	12.1%
Miscellaneous	\$ 101,984	118,250	(16,266)	-13.8%
Purchased Transportation	\$ 137,360	149,755	(12,395)	-8.3%
<b>Operations</b>	<b>15,956,517</b>	<b>16,933,286</b>	<b>(976,769)</b>	<b>-5.8%</b>
Contingency Reserve	-	450,000	(450,000)	
<b>Total Expenses</b>	<b>\$ 15,956,517</b>	<b>\$ 17,383,286</b>	<b>\$ (1,426,769)</b>	<b>-8.2%</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (0.0)</b>	
<b>Revenue Hours</b>	<b>111,923</b>	<b>113,990</b>	<b>(2,067)</b>	<b>-1.8%</b>
<b>Cost per Rev Hr</b>	<b>\$ 142.30</b>	<b>\$ 152.26</b>	<b>\$ (9.96)</b>	<b>-6.5%</b>
<b>Passengers</b>	<b>1,868,155</b>	<b>1,656,571</b>	<b>211,584</b>	<b>12.8%</b>
<b>Cost per Passenger</b>	<b>\$ 8.54</b>	<b>\$ 10.49</b>	<b>\$ (1.95)</b>	<b>-18.6%</b>
<b>Passengers per Rev Hr</b>	<b>16.69</b>	<b>14.53</b>	<b>2.16</b>	<b>14.9%</b>
<b>Farebox recovery ratio</b>	<b>17.9%</b>	<b>13.9%</b>	<b>4.0%</b>	<b>28.8%</b>
<i>(fares,spec fares/Oper exp-w/o contingency-leases)</i>				

**Schedule 2-Fixed Route**

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**FY 2020 Year to Date Comparison of Actual vs Budget**  
**Paratransit Income Statement**  
**For the Six Months Ended December 31, 2019**

	Actual	Budget	Variance	% Variance
<b>Revenues</b>				
Passenger fares	\$ 259,581	\$ 275,000	\$ (15,419)	-5.6%
	259,581	275,000	(15,419)	-5.6%
Federal operating	\$ 690,000	690,000	-	0.0%
TDA earned revenue	\$ 1,232,570	1,376,928	(144,358)	-10.5%
STA revenue	\$ 424,244	424,244	-	0.0%
Measure J	\$ 907,122	907,122	-	0.0%
Other operating assistance	\$ 102,000	89,960	12,040	13.4%
	3,355,936	3,488,254	(132,318)	-3.8%
<b>Total Revenue</b>	<b>\$ 3,615,517</b>	<b>\$ 3,763,254</b>	<b>\$ (147,737)</b>	<b>-3.9%</b>
<b>Expenses</b>				
Wages-Other	\$ 96,779	\$ 91,109	\$ 5,670	6.2%
	96,779	91,109	5,670	6.2%
Fringe Benefits	\$ 49,502	45,914	3,588	7.8%
Services	\$ 4,443	21,300	(16,857)	-79.1%
Materials & Supplies	\$ 3,930	1,000	2,930	293.0%
Utilities	\$ 12,417	23,750	(11,333)	-47.7%
Taxes	\$ -	150	(150)	-100.0%
Miscellaneous	\$ 411	1,750	(1,339)	-76.5%
Special Trip Services	\$ 3,448,035	3,578,281	(130,246)	-3.6%
<b>Total Expenses</b>	<b>\$ 3,615,517</b>	<b>\$ 3,763,254</b>	<b>\$ (147,737)</b>	<b>-3.9%</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Revenue Hours</b>	<b>37,384</b>	<b>39,253</b>	<b>(1,869)</b>	<b>-4.8%</b>
<b>Cost per Rev Hr</b>	<b>\$ 96.71</b>	<b>\$ 95.87</b>	<b>\$ 0.84</b>	<b>0.9%</b>
<b>Passengers</b>	<b>69,540</b>	<b>69,075</b>	<b>465</b>	<b>0.7%</b>
<b>Cost per Passenger</b>	<b>\$ 51.99</b>	<b>\$ 54.48</b>	<b>(2.49)</b>	<b>-4.6%</b>
<b>Passengers per Rev Hr</b>	<b>1.86</b>	<b>1.76</b>	<b>0.10</b>	<b>5.7%</b>
<b>Farebox ratio</b>	<b>7.2%</b>	<b>7.3%</b>	<b>-0.1%</b>	<b>-1.7%</b>
<i>(fares, spec fares/Oper exp-leases)</i>				

**Schedule 3- Paratransit**

# CENTRAL CONTRA COSTA TRANSIT AUTHORITY

## Operator Wages

*For the Six Months Ended December 31, 2019*

	Year to Date		Variance	% Variance
	Actual	Budget		
Platform/report/turn in	3,449,089 \$	3,398,905 \$	50,184	1.5%
Guarantees	147,150 \$	148,255	(1,104)	-0.7%
Overtime	232,390 \$	222,097	10,293	4.6%
Spread	130,077 \$	119,552	10,524	8.8%
Protection	142,613 \$	183,518	(40,905)	-22.3%
Travel	102,909 \$	105,855	(2,946)	-2.8%
Training	89,312 \$	75,554	13,758	18.2%
Other Misc	12,994 \$	14,487	(1,493)	-10.3%
	<b>\$ 4,306,534</b>	<b>\$ 4,268,223</b>	<b>\$ 38,311</b>	<b>0.9%</b>

Schedule 4- Operator Wages

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Other Revenue; Other Operating Assistance; Miscellaneous Expenses**  
*For the Six Months Ended December 31, 2019*

**Other Revenue**

Investment income (interest)	\$ 103,483
ADA Database Management revenue	37,500
RTC card revenue	1,823
Various	976
	\$ 143,782

**Other Operating Assistance**

RM2	\$ 72,670
BART feeder revenue	430,948
LCTOP	200,745
Dougherty Valley Developer Fees	152,094
Lifeline grant	230,000
	\$ 1,086,457

**Miscellaneous Expenses**

Staff Travel Expense	\$ 32,254
CTA Conference	13,000
APTA Dues	17,748
Employee functions	24,164
Business Expense, GM	1,210
Employee Awards/Pins	1,069
Paypal fees	79
Training	3,798
Various other	2,557
	\$ 101,984

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**FY 2020 Year to Date Comparison of FY 2019 Actual & FY 2018 Actual**  
**Statistics**  
**For the Six Months Ended December 31, 2019**

	Actual FY2020	Actual FY2019	Variance Actual 2019 to Actual 2018	Actual FY2018	Variance Actual 2019 to Actual 2018
<b>Fixed Route</b>					
Fares	\$ 1,698,626	\$ 1,379,382	23.1%	\$ 1,384,181	22.7%
Special Fares	1,154,918	795,002	45.3%	784,988	47.1%
<b>Total Fares</b>	<b>\$ 2,853,544</b>	<b>\$ 2,174,384</b>	31.2%	<b>\$ 2,169,169</b>	31.6%
<i>Fares box recovery ratio</i>	<i>17.9%</i>	<i>14.1%</i>	27.1%	<i>14.9%</i>	20.6%
Operating Exp (Less leases)	\$ 15,926,534	\$ 15,427,516	3.2%	\$ 14,595,697	9.1%
<i>Revenue Hours</i>	<i>111,923</i>	<i>113,990</i>	-1.8%	<i>112,804</i>	-0.8%
<i>Cost per Rev Hour</i>	<i>\$ 142.30</i>	<i>\$ 135.34</i>	5.1%	<i>\$ 129.39</i>	10.0%
<i>Passengers</i>	<i>1,868,155</i>	<i>1,656,571</i>	12.8%	<i>1,704,772</i>	9.6%
<i>Cost per Passenger</i>	<i>\$ 8.53</i>	<i>\$ 9.31</i>	-8.5%	<i>\$ 8.56</i>	-0.4%
<i>Passengers per Rev Hr</i>	<i>16.69</i>	<i>14.53</i>	14.9%	<i>15.11</i>	10.4%

**Paratransit**

Fares	\$ 259,581	\$ 240,964	7.7%	\$ 247,754	4.8%
<i>Fares box recovery ratio</i>	<i>7.2%</i>	<i>7.8%</i>	-7.7%	<i>9.1%</i>	-21.3%
Operating Exp (Less leases)	\$ 3,615,517	\$ 3,098,948	16.7%	\$ 2,715,731	33.1%
<i>Revenue Hours (a)</i>	<i>37,384</i>	<i>39,185</i>	-4.6%	<i>34,950</i>	7.0%
<i>Cost per Rev Hour</i>	<i>\$ 96.71</i>	<i>\$ 79.09</i>	22.3%	<i>\$ 77.70</i>	24.5%
<i>Passengers</i>	<i>69,540</i>	<i>69,075</i>	0.7%	<i>67,895</i>	2.4%
<i>Cost per Passenger</i>	<i>\$ 51.99</i>	<i>\$ 44.86</i>	15.9%	<i>\$ 40.00</i>	30.0%
<i>Passengers per Rev Hr (a)</i>	<i>1.86</i>	<i>1.76</i>	5.5%	<i>1.94</i>	-4.2%

*(a) Beginning June 2019, a demonstration project with Choice in Aging to provide rides to 12 ADA participants from the Mount Diablo Rehab. The information provided by the Transportation Network Company includes ridership information but not revenue hours.*