

# County Connection

## INTER OFFICE MEMO

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

Date: June 3, 2020

**SUBJECT: Income Statements for the Nine Months Ended March 31, 2020**

The attached unaudited County Connection Income Statements for nine months of Fiscal Year (FY) 2020 are presented for your review. The combined expenses of \$29,041,361 for Fixed Route and Paratransit, (Schedule 1), **are under budget by 7.9% or \$2,494,112**. The expense categories with the most significant variances are:

Wages	\$(368,506)	(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 \$354K due to vacancies in the planning and maintenance departments.
Fringe Benefits	\$(544,718)	(6.4)%	Fringe Benefits are under budget due to vacancies.
Services	\$(442,392)	(24.8)%	Services are under budget due to lower promotions expense for \$66K, schedules/graphics expense for \$121K, and service vehicle repair for \$131K.
Materials & Supplies	\$(97,621)	(4.5)%	Materials and supplies are lower due to lower diesel fuel costs of \$176K, offset by higher electricity use for trolleys of \$11K and coach repair parts of \$124K.
Insurance	\$(70,594)	(9.6)%	Liability premium and losses are currently under budget.
Special Trip Services	\$(224,673)	(4.0)%	Special Trip Services are under budget after amendment in December for Paratransit service costs.
Contingency	\$(675,000)	(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 8.8% 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	\$425,486	11.0%	Fixed route passenger fares/special fares are \$469K over budget. Fixed route fare is higher due to a combination of fare increase in March 2019 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 \$353K. Paratransit fares have decreased as we transition to Transdev and providing service through a demonstration project with Choice in Aging. Also, COVID-19 shelter-in-place order began mid-March which decreased ridership 80% to 90%.
Other revenue	\$51,472	28.0%	Investment income from LAIF is higher than budget but COVID-19 will impact this in the months ahead.
STA revenue	\$(396,010)	(8.1)%	STA revenue is lower due to State lowering revenue estimate by 10% and MTC reduced our allocation accordingly.
TDA revenue earned	\$(2,605,501)	(33.8)%	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 \$22,614 or 0.4% over budget.
- Overtime and Spread are \$39,366 or 7.8% over budget due to vacancies and special BART services.
- Protection is \$67,742 or 24.8% under budget.
- Overall wages for operators are \$14,898 or 0.2% under 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 22.2% more than FY 2019 and 23.4% 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 19.6% more than FY 2019 and 14.6% more than FY 2018. The ratio is 16.7% in FY 2020; 14.0% in FY 2019 and 14.6% in FY 2018.
- Operating expenses are 2.2% more than in FY 2019 and 7.7% more than in FY 2018.
- Fixed route revenue hours are 3.5% less than FY 2019 and 2.3% less than FY 2018 as the Board approved a service change March 2019 to make Routes more efficient and eliminated some as well.
- The cost per revenue hour has increased 5.9% compared to FY 2019 and 10.2% compared to FY 2018.
- Passengers have increased 9.0% compared to FY 2019 and 4.6% compared to FY 2018.
- The cost per passenger has decreased 6.2% compared to FY 2019 and increased 3.0% compared to FY 2018.

- Passengers per revenue hour has increased 13.0% compared to FY 2019 and 7.1% compared to FY 2018.

Paratransit (\*):

- Passenger fares have decreased 3.5% compared to FY 2019 and 4.2% compared to FY 2018.
- The farebox ratio is less than FY 2019 and FY 2018. The ratio is 6.8% in FY 2020; 8.1% in FY 2019; and 9.4% in FY 2018.
- Expenses have increased 14.3% compared to FY 2019 and 32.2% compared to FY 2018.
- Revenue hours are 13.8% less than FY 2019 and 0.9% than FY 2018.
- Passengers have decreased 4.0% compared to FY 2019 and 1.7% compared to FY 2018.
- The cost per passenger has increased 19.1% since FY 2019 and 34.5% compared to FY 2018.
- Paratransit passengers per revenue hour have increased 11.4% compared to FY 2019 and decreased 0.9% 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 monthly but does not include revenue hours. Finally, due to COVID-19 the February and March data are based on estimates.*

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

	Actual	Budget	Variance	% Variance
<b>Revenues</b>				
Passenger fares	\$ 2,810,597	\$ 2,723,071	\$ 87,526	3.2%
Special fares	1,500,238	1,162,279	337,960	29.1%
	<u>4,310,835</u>	<u>3,885,349</u>	<u>425,486</u>	<u>11.0%</u>
Advertising	410,922	444,375	(33,453)	-7.5%
Safe Harbor lease	25,875	25,277	598	2.4%
Other revenue	235,110	183,638	51,472	28.0%
Federal operating	1,035,000	1,035,000	-	0.0%
TDA earned revenue	11,867,057	14,470,558	(2,603,501)	-18.0%
STA revenue	4,506,467	4,902,477	(396,010)	-8.1%
Measure J	5,080,746	5,080,746	-	0.0%
Other operating assistance	1,569,349	1,508,053	61,296	4.1%
	<u>24,730,526</u>	<u>27,650,124</u>	<u>(2,919,598)</u>	<u>-10.6%</u>
<b>Total Revenue</b>	<b>\$ 29,041,361</b>	<b>\$ 31,535,473</b>	<b>\$ (2,494,112)</b>	<b>-7.9%</b>
<b>Expenses</b>				
Wages- Operators	\$ 6,328,740	\$ 6,343,638	\$ (14,898)	-0.2%
Wages-Other	4,583,272	4,936,880	(353,608)	-7.2%
	<u>10,912,012</u>	<u>11,280,518</u>	<u>(368,506)</u>	<u>-3.3%</u>
Fringe Benefits	8,019,752	8,564,470	(544,718)	-6.4%
Services	1,344,288	1,786,680	(442,392)	-24.8%
Materials & Supplies	2,090,269	2,187,890	(97,621)	-4.5%
Utilities	253,447	304,238	(50,791)	-16.7%
Insurance	665,043	735,637	(70,594)	-9.6%
Taxes	192,173	188,861	3,312	1.8%
Leases and Rentals	50,743	40,125	10,618	26.5%
Miscellaneous	146,253	180,000	(33,747)	-18.7%
Special Trip Services	5,367,381	5,592,054	(224,673)	-4.0%
<b>Operations</b>	<b>29,041,361</b>	<b>30,860,473</b>	<b>(1,819,112)</b>	<b>-5.9%</b>
Contingency Reserve	-	675,000	(675,000)	-100.0%
<b>Total Expenses</b>	<b>\$ 29,041,361</b>	<b>\$ 31,535,473</b>	<b>\$ (2,494,112)</b>	<b>-7.9%</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Revenue Hours</b>	<b>218,175</b>	<b>232,696</b>	<b>(14,521)</b>	<b>-6.2%</b>
<b>Cost per Rev Hr</b>	<b>\$ 132.88</b>	<b>\$ 135.35</b>	<b>\$ (2.47)</b>	<b>-1.8%</b>
<b>Passengers</b>	<b>2,759,287</b>	<b>2,544,811</b>	<b>214,476</b>	<b>8.4%</b>
<b>Cost per Passenger</b>	<b>\$ 10.52</b>	<b>\$ 12.39</b>	<b>\$ (1.87)</b>	<b>-15.1%</b>
<b>Farebox ratio</b>	<b>14.9%</b>	<b>12.3%</b>	<b>2.5%</b>	<b>20.5%</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 Nine Months Ended March 31, 2020**

	Actual	Budget	Variance	% Variance
<b>Revenues</b>				
Passenger fares	\$ 2,441,882	\$ 2,310,571	\$ 131,311	5.7%
Special fares	1,500,238	1,162,279	337,960	29.1%
	3,942,120	3,472,849	469,271	13.5%
Advertising	410,922	444,375	(33,453)	-7.5%
Safe Harbor lease	25,875	25,277	598	2.4%
Other revenue	235,110	183,638	51,472	28.0%
TDA earned revenue	9,979,913	12,316,512	(2,336,599)	-19.0%
STA revenue	3,870,102	4,354,765	(484,663)	-11.1%
Measure J	3,720,064	3,720,064	-	0.0%
Other operating assistance	1,432,748	1,373,113	59,635	4.3%
	19,674,734	22,417,744	(2,743,010)	-12.2%
<b>Total Revenue</b>	<b>\$ 23,616,854</b>	<b>\$ 25,890,593</b>	<b>\$ (2,273,739)</b>	<b>-8.8%</b>
<b>Expenses</b>				
Wages- Operators	\$ 6,328,740	\$ 6,343,638	\$ (14,898)	-0.2%
Wages-Other	4,447,924	4,800,216	(352,292)	-7.3%
	10,776,664	11,143,854	(367,190)	-3.3%
Fringe Benefits	7,939,159	8,495,600	(556,441)	-6.5%
Services	1,327,816	1,754,730	(426,914)	-24.3%
Materials & Supplies	2,085,904	2,186,390	(100,486)	-4.6%
Utilities	235,200	268,613	(33,413)	-12.4%
Insurance	658,450	735,637	(77,187)	-10.5%
Taxes	192,173	188,636	3,537	1.9%
Leases and Rentals	50,743	40,125	10,618	26.5%
Miscellaneous	145,842	177,375	(31,533)	-17.8%
Purchased Transportation	204,903	224,633	(19,730)	-8.8%
<b>Operations</b>	<b>23,616,854</b>	<b>25,215,593</b>	<b>(1,598,739)</b>	<b>-6.3%</b>
Contingency Reserve	-	675,000	(675,000)	-
<b>Total Expenses</b>	<b>\$ 23,616,854</b>	<b>\$ 25,890,593</b>	<b>\$ (2,273,739)</b>	<b>-8.8%</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>
<b>Revenue Hours</b>	<b>166,219</b>	<b>172,326</b>	<b>(6,107)</b>	<b>-3.5%</b>
<b>Cost per Rev Hr</b>	<b>\$ 141.78</b>	<b>\$ 150.01</b>	<b>\$ (8.23)</b>	<b>-5.5%</b>
<b>Passengers</b>	<b>2,659,660</b>	<b>2,440,990</b>	<b>218,670</b>	<b>9.0%</b>
<b>Cost per Passenger</b>	<b>\$ 8.88</b>	<b>\$ 10.61</b>	<b>\$ (1.73)</b>	<b>-16.3%</b>
<b>Passengers per Rev Hr</b>	<b>16.00</b>	<b>14.16</b>	<b>1.84</b>	<b>13.0%</b>
<b>Farebox recovery ratio</b>	<b>16.7%</b>	<b>13.8%</b>	<b>2.9%</b>	<b>21.3%</b>
<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 Nine Months Ended March 31, 2020**

	Actual	Budget	Variance	% Variance
<b>Revenues</b>				
Passenger fares	\$ 368,715	\$ 412,500	\$ (43,785)	-10.6%
	368,715	412,500	(43,785)	-10.6%
Other revenue	-	-	-	#DIV/0!
Federal operating	1,035,000	1,035,000	-	0.0%
TDA earned revenue	1,887,144	2,154,046	(266,902)	-12.4%
STA revenue	636,365	547,712	88,653	16.2%
Measure J	1,360,682	1,360,682	-	0.0%
Other operating assistance	136,601	134,940	1,661	1.2%
	5,055,792	5,232,380	(176,588)	-3.4%
<b>Total Revenue</b>	<b>\$ 5,424,507</b>	<b>\$ 5,644,880</b>	<b>\$ (220,373)</b>	<b>-3.9%</b>
<b>Expenses</b>				
Wages-Other	\$ 135,348	\$ 136,664	\$ (1,316)	-1.0%
	135,348	136,664	(1,316)	-1.0%
Fringe Benefits	80,593	68,870	11,723	17.0%
Services	16,472	31,950	(15,478)	-48.4%
Materials & Supplies	4,365	1,500	2,865	191.0%
Utilities	18,247	35,625	(17,378)	-48.8%
Insurance	6,593	-	6,593	0.0%
Taxes	-	225	(225)	-100.0%
Miscellaneous	411	2,625	(2,214)	-84.3%
Special Trip Services	5,162,478	5,367,421	(204,943)	-3.8%
<b>Total Expenses</b>	<b>\$ 5,424,507</b>	<b>\$ 5,644,880</b>	<b>\$ (220,373)</b>	<b>-3.9%</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Revenue Hours</b>	<b>51,956</b>	<b>60,370</b>	<b>(8,414)</b>	<b>-13.9%</b>
<b>Cost per Rev Hr</b>	<b>\$ 104.41</b>	<b>\$ 93.50</b>	<b>\$ 10.90</b>	<b>11.7%</b>
<b>Passengers</b>	<b>99,627</b>	<b>103,821</b>	<b>(4,194)</b>	<b>-4.0%</b>
<b>Cost per Passenger</b>	<b>\$ 54.45</b>	<b>\$ 54.37</b>	<b>\$ 0.08</b>	<b>0.1%</b>
<b>Passengers per Rev Hr</b>	<b>1.92</b>	<b>1.72</b>	<b>0.20</b>	<b>11.5%</b>
<b>Farebox ratio</b>	<b>6.8%</b>	<b>7.3%</b>	<b>-0.5%</b>	<b>-7.0%</b>
<i>(fares,spec fares/Oper exp-leases)</i>				

Schedule 3- Paratransit

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Operator Wages**  
*For the Nine Months Ended March 31, 2020*

	Year to Date		Variance	% Variance
	Actual	Budget		
Platform/report/turn in	\$ 5,074,230	\$ 5,051,616	\$ 22,614	0.4%
Guarantees	205,666	220,343	(14,678)	-6.7%
Overtime	351,806	330,091	21,716	6.6%
Spread	195,334	177,685	17,650	9.9%
Protection	205,010	272,753	(67,742)	-24.8%
Travel	152,384	157,327	(4,943)	-3.1%
Training	123,878	112,293	11,585	10.3%
Other Misc	20,431	21,531	(1,100)	-5.1%
	<b>\$ 6,328,740</b>	<b>\$ 6,343,638</b>	<b>\$ (14,898)</b>	<b>-0.2%</b>

**Schedule 4- Operator Wages**

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Other Revenue; Other Operating Assistance; Miscellaneous Expenses**  
*For the Nine Months Ended March 31, 2020*

**Other Revenue**

Investment income (interest)	\$ 156,393
ADA Database Management revenue	75,000
Paypal Shipping revenue	-
RTC card revenue	2,256
Various	1,461
	\$ 235,110

**Other Operating Assistance**

RM2	\$ 109,004
BART feeder revenue	646,421
LCTOP	295,229
Lifeline grant	230,000
Dougherty Valley Developer Fees	152,095
	\$ 1,432,749

**Miscellaneous Expenses**

Board Travel Expense	\$ 9,803
Staff Travel Expense	51,701
CTA Conference	13,000
APTA Dues	26,622
Employee functions	33,225
Business Expense, GM	1,590
Employee Awards/Pins	2,240
Paypal fees	79
Training	3,798
Various other	3,784
	\$ 145,842



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

	Actual FY2020	Actual FY2019	Variance Actual 2019 to Actual 2018	Actual FY2018	Variance Actual 2019 to Actual 2018
<b>Fixed Route</b>					
Fares	\$ 2,441,882	\$ 2,022,909	20.7%	\$ 2,025,831	20.5%
Special Fares	1,500,238	1,203,782	24.6%	1,169,629	28.3%
<b>Total Fares</b>	<b>\$ 3,942,120</b>	<b>\$ 3,226,691</b>	22.2%	<b>\$ 3,195,460</b>	23.4%
<i>Fares box recovery ratio</i>	16.7%	14.0%	19.6%	14.6%	14.6%
Operating Exp (Less leases)	\$ 23,566,111	\$ 23,065,464	2.2%	\$ 21,882,788	7.7%
Revenue Hours	166,219	172,326	-3.5%	170,156	-2.3%
Cost per Rev Hour	\$ 141.78	\$ 133.85	5.9%	\$ 128.60	10.2%
Passengers	2,659,660	2,440,990	9.0%	2,543,090	4.6%
Cost per Passenger	\$ 8.86	\$ 9.45	-6.2%	\$ 8.60	3.0%
Passengers per Rev Hr	16.00	14.16	13.0%	14.95	7.1%

**Paratransit (\*)**

Fares	\$ 368,715	\$ 382,018	-3.5%	\$ 384,776	-4.2%
<i>Fares box recovery ratio</i>	6.8%	8.1%	-15.6%	9.4%	-27.5%
Operating Exp (Less leases)	\$ 5,424,507	\$ 4,744,381	14.3%	\$ 4,104,075	32.2%
Revenue Hours	51,956	60,302	-13.8%	52,406	-0.9%
Cost per Rev Hour	\$ 104.41	\$ 78.68	32.7%	\$ 78.31	33.3%
Passengers	99,627	103,821	-4.0%	101,383	-1.7%
Cost per Passenger	\$ 54.45	\$ 45.70	19.1%	\$ 40.48	34.5%
Passengers per Rev Hr	1.92	1.72	11.4%	1.93	-0.9%

(\*) Due to COVID-19, the February and March data are estimates