

County Connection

INTER OFFICE MEMO

To: Administration & Finance Committee

Date: April 13, 2016

From: Erick Cheung, Director of Finance

SUBJECT: Income Statements for the Six Months Ended December 31, 2015

The attached unaudited Income Statements for the six months of FY 2016 are presented for your review. The combined actual expenses, Fixed Route and Paratransit, (Schedule 1), **are 11.0% under the year-to-date budget (\$2,013,370). The expense categories with the most significant variances are:**

Wages	\$(282,227)	(4.3)%	Wages are less than budget due to timing of salaries paid on January 1 st which amounted to \$448K. Adjusting for this would have brought salaries over budget, which is due to salaries increases for FY 2016 were not included in this category. Appears sufficient operating savings in services and supplies to cover overage.
Services	\$(322,713)	(28.4)%	Services are under mainly due to outside service repairs (\$83K), legal (\$81K), promotions (\$60K) and IT contracts (\$48K).
Materials & Supplies	\$(661,216)	(36.7)%	Materials and supplies are lower mainly due to diesel fuel (\$480K) and various other maintenance expenses.

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 13.1% under budget and Paratransit expenses are 0.8% over budget.

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

Passenger fares/special fares	\$(153,052)	(5.9)%	Fixed route passenger fares/special fares are (\$81K) lower than projected and Paratransit fares are (\$72K) lower than projected. Compared to the same period in the prior year, Fixed route is (\$97K) lower and Paratransit is (\$20K) lower. Fare revenues will probably come under the budget amount for FY 2016.
Federal operating	\$ 390,161	52.3%	Federal operating is more than budgeted due to using unspent grant funds.
TDA revenue earned	\$(2 million)	(21.4)%	TDA revenue is lower due to lower than expected expenses.

STA revenue \$(264,189) (18.3)% STA revenue is lower than originally budgeted based on final grant allocations from MTC.

Fixed Route Operator Wages (Schedule 4)

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

- Platform (work time) is 4.0% under budget.
- Overtime is 15.8% under budget.
- Training is 22.8% over budget.
- Overall wages for operators are 4.3% under budget, but as noted above, expenses will be higher by year end with agreed upon salary increases.

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 -0.2% less than FY 2015 and 3.3% higher than FY 2014.
- The farebox recovery ratio is more compared to FY 2015 and higher than FY 2014. The ratio is 16.3% in FY 2016; 16.4% in FY 2015 and 15.8% in FY 2014.
- Operating expenses are 4.0% less than in FY 2015 and 1.5% less than in FY 2014.
- Fixed route revenue hours are 2.0% more than FY 2015 and 3.4% more than FY 2014.
- The cost per revenue hour has decreased 5.8% compared to FY 2015 and 4.8% compared to FY 2014.
- Passengers have increase 2.5% compared to FY 2015 and 11.4% compared to FY 2014. Much of the large increase from FY 2014 is attributable to a change in the factor applied to raw data produced from the Ridecheck software. The factor is calculated based on passenger surveys. The Planning Dept. believes the new factor is more accurate because the surveys are compared to bus videos. The factor for FY 2016 passenger raw data increased only slightly- from .9399 in FY 2015 to .9654 in FY 2016
- The cost per passenger has decreased 6.4% compared to FY 2015 and 11.6% compared to FY 2014.
- Passengers per revenue hour have increased 0.5% compared to FY 2015 and 7.7% compared to FY 2014.

Paratransit:

- Passenger fares have decreased 7.3% compared to FY 2015 and 1.8% compared to FY 2014.
- The farebox ratio is less than FY 2015 and more than FY 2014. The ratio is 9.1% in FY 2016; 10.5% in FY 2015; and 10.0% in FY 2014.
- Expenses have increased 7.0% compared to the prior year and 7.4% compared to FY 2014.
- Revenue hours are 3.0% more than FY 2015 and 2.9% more than FY 2014.
- Passengers have decreased 1.8% compared to FY 2015 and 2.7% compared to FY 2014.
- The cost per passenger has increased 9.0% since FY 2015 and 10.4% compared to FY 2014.
- Paratransit passengers per revenue hour have decreased 4.7% compared to FY 2015 and decreased 5.4% compared to FY 2014.

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2016 Year to Date Comparison of Actual vs Budget
Combined Fixed Route and Paratransit Income Statement
For the Six Months Ended December 31, 2015

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 1,715,036	\$ 1,899,267	\$ (184,231)	-9.7%
Special fares	\$ 738,174	\$ 706,996	\$ 31,178	4.4%
	<u>\$ 2,453,210</u>	<u>\$ 2,606,262</u>	<u>\$ (153,052)</u>	<u>-5.9%</u>
Advertising	\$ 309,100	\$ 308,550	\$ 550	0.2%
Safe Harbor lease	\$ 2,503	\$ 2,500	\$ 3	0.1%
Other revenue	\$ 87,083	\$ 52,550	\$ 34,533	65.7%
Federal operating	\$ 1,136,424	\$ 746,264	\$ 390,161	52.3%
TDA earned revenue	\$ 7,342,541	\$ 9,344,408	\$ (2,001,867)	-21.4%
STA revenue	\$ 1,177,636	\$ 1,441,825	\$ (264,189)	-18.3%
Measure J	\$ 2,860,305	\$ 2,820,060	\$ 40,245	1.4%
Other operating assistance	\$ 880,427	\$ 941,702	\$ (61,275)	-6.5%
	<u>\$ 13,796,019</u>	<u>\$ 15,657,858</u>	<u>\$ (1,861,839)</u>	<u>-11.9%</u>
Total Revenue	\$ 16,249,229	\$ 18,264,120	\$ (2,014,891)	-11.0%
Expenses				
Wages- Operators	\$ 3,682,433	\$ 3,846,729	\$ (164,296)	-4.3%
Wages-Other	\$ 2,635,778	\$ 2,753,709	\$ (117,931)	-4.3%
	<u>\$ 6,318,211</u>	<u>\$ 6,600,438</u>	<u>\$ (282,227)</u>	<u>-4.3%</u>
Fringe Benefits	\$ 4,716,210	\$ 4,657,349	\$ 58,861	1.3%
Services	\$ 814,932	\$ 1,137,645	\$ (322,713)	-28.4%
Materials & Supplies	\$ 1,138,069	\$ 1,799,285	\$ (661,216)	-36.7%
Utilities	\$ 143,964	\$ 171,650	\$ (27,686)	-16.1%
Insurance	\$ 192,217	\$ 283,931	\$ (91,714)	-32.3%
Taxes	\$ 89,384	\$ 142,700	\$ (53,316)	-37.4%
Interest	\$ -	\$ -	\$ -	0.0%
Leases and Rentals	\$ 21,670	\$ 21,000	\$ 670	3.2%
Miscellaneous	\$ 91,160	\$ 92,171	\$ (1,011)	-1.1%
Special Trip Services	\$ 2,723,412	\$ 2,694,754	\$ 28,659	1.1%
Operations	\$ 16,249,229	\$ 17,600,922	\$ (1,351,694)	-7.7%
Contingency Reserve	\$ -	\$ 663,198	\$ (663,198)	-100.0%
Total Expenses	\$ 16,249,229	\$ 18,264,120	\$ (2,014,891)	-11.0%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	150,728	150,317	411	0.3%
Cost per Rev Hr	\$ 107.66	\$ 121.36	\$ (13.70)	-11.3%
Passengers	1,908,217	1,800,107	108,110	6.0%
Cost per Passenger	\$ 8.52	\$ 10.15	\$ (1.63)	-16.1%
Farebox ratio	15.1%	14.3%	0.8%	5.8%

(fares,spec fares/Oper exp-w/o contingency-leases)

Schedule 1-Combined

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2016 Year to Date Comparison of Actual vs Budget
Fixed Route Income Statement
For the Six Months Ended December 31, 2015

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 1,467,000	\$ 1,579,406	\$ (112,406)	-7.1%
Special fares	\$ 738,174	\$ 706,996	\$ 31,178	4.4%
	\$ 2,205,174	\$ 2,286,402	\$ (81,228)	-3.6%
Advertising	\$ 309,100	\$ 308,550	\$ 550	0.2%
Safe Harbor lease	\$ 2,503	\$ 2,500	\$ 3	0.1%
Other revenue	\$ 87,083	\$ 52,500	\$ 34,583	65.9%
Federal operating	\$ 34,863	\$ 26,600	\$ 8,263	
TDA earned revenue	\$ 6,927,701	\$ 8,929,568	\$ (2,001,867)	-22.4%
STA revenue	\$ 1,002,381	\$ 1,002,381	\$ 0.5	0.0%
Measure J	\$ 2,150,720	\$ 2,106,060	\$ 44,660	2.1%
Other operating assistance	\$ 812,685	\$ 852,961	\$ (40,276)	-4.7%
	\$ 11,327,036	\$ 13,281,120	\$ (1,954,084)	-14.7%
Total Revenue	\$ 13,532,210	\$ 15,567,521	\$ (2,035,311)	-13.1%
Expenses				
Wages- Operators	\$ 3,682,433	\$ 3,846,729	\$ (164,296)	-4.3%
Wages-Other	\$ 2,584,430	\$ 2,707,493	\$ (123,063)	-4.5%
	\$ 6,266,863	\$ 6,554,222	\$ (287,359)	-4.4%
Fringe Benefits	\$ 4,689,595	\$ 4,626,253	\$ 63,342	1.4%
Services	\$ 811,044	\$ 1,131,985	\$ (320,941)	-28.4%
Materials & Supplies	\$ 1,137,918	\$ 1,797,585	\$ (659,667)	-36.7%
Utilities	\$ 132,027	\$ 161,250	\$ (29,223)	-18.1%
Insurance	\$ 192,217	\$ 283,931	\$ (91,714)	-32.3%
Taxes	\$ 89,370	\$ 142,500	\$ (53,130)	-37.3%
Leases and Rentals	\$ 21,670	\$ 21,000	\$ 670	3.2%
Miscellaneous	\$ 91,121	\$ 91,700	\$ (579)	-0.6%
Special Trip Services	\$ 100,385	\$ 93,898	\$ 6,488	6.9%
Operations	\$ 13,532,210	\$ 14,904,323	\$ (1,372,113)	-9.2%
Contingency Reserve		\$ 663,198	\$ (663,198)	-100.0%
Total Expenses	\$ 13,532,210	\$ 15,567,521	\$ (2,035,311)	-13.1%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	112,517	111,820	697	0.6%
Cost per Rev Hr	\$ 120.08	\$ 139.03	\$ (18.96)	-13.6%
Passengers	1,836,579	1,724,421	112,158	6.5%
Cost per Passenger	\$ 7.37	\$ 9.03	\$ (1.66)	-18.4%
Passengers per Rev Hr	16.32	15.42	0.90	5.8%
Farebox recovery ratio	16.3%	14.7%	1.6%	11.0%

(fares,spec fares/Oper exp-w/o contingency-leases)

Schedule 2-Fixed Route

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2016 Year to Date Comparison of Actual vs Budget
Paratransit Income Statement
For the Six Months Ended December 31, 2015

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 248,036	\$ 319,861	\$ (71,825)	-22.5%
Special fares	\$ -			0.0%
	\$ 248,036	\$ 319,861	\$ (71,825)	-22.5%
Interest		\$ -	\$ -	100.0%
Other revenue		\$ 50	\$ (50)	-100.0%
Federal operating	\$ 1,101,561	\$ 719,664	\$ 381,898	53.1%
TDA earned revenue	\$ 414,840	\$ 414,840	\$ -	0.0%
STA revenue	\$ 175,255	\$ 439,444	\$ (264,189)	-60.1%
Measure J	\$ 709,585	\$ 714,000	\$ (4,415)	-0.6%
Other operating assistance	\$ 67,742	\$ 88,741	\$ (20,999)	-23.7%
	\$ 2,468,983	\$ 2,376,738	\$ 92,245	3.9%
Total Revenue	\$ 2,717,019	\$ 2,696,599	\$ 20,421	0.8%
Expenses				
Wages- Operators			\$ -	0.0%
Wages-Other	\$ 51,348	\$ 46,216	\$ 5,132	11.1%
	\$ 51,348	\$ 46,216	\$ 5,132	11.1%
Fringe Benefits	\$ 26,615	\$ 31,096	\$ (4,481)	-14.4%
Services	\$ 3,888	\$ 5,660	\$ (1,772)	-31.3%
Materials & Supplies	\$ 151	\$ 1,700	\$ (1,549)	-91.1%
Utilities	\$ 11,937	\$ 10,400	\$ 1,537	14.8%
Insurance	\$ -	\$ -	\$ -	0.0%
Taxes	\$ 14	\$ 200	\$ (186)	-93.0%
Interest	\$ -	\$ -	\$ -	0.0%
Leases and Rentals	\$ -	\$ -	\$ -	100.0%
Miscellaneous	\$ 39	\$ 471	\$ (432)	-91.7%
Special Trip Services	\$ 2,623,027	\$ 2,600,856	\$ 22,171	0.9%
Total Expenses	\$ 2,717,019	\$ 2,696,599	\$ 20,421	0.8%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	38,211	38,496	(285)	-0.7%
Cost per Rev Hr	\$ 71.11	\$ 70.05	\$ 1.06	1.5%
Passengers	71,638	75,686	(4,048)	-5.3%
Cost per Passenger	\$ 37.93	\$ 35.63	\$ 2.30	6.5%
Passengers per Rev Hr	1.87	1.97	(0.09)	-4.6%
Farebox ratio	9.1%	11.9%	-2.7%	-23.0%
<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, 2015

Year to Date

	Actual		Budget		Variance	% Variance
Platform/report/turn in	\$ 2,928,471	\$	3,049,862	\$	(121,390)	-4.0%
Guarantees	\$ 164,168	\$	186,118		(21,949)	-11.8%
Overtime	\$ 125,247	\$	148,736		(23,488)	-15.8%
Spread	\$ 79,817	\$	80,023		(206)	-0.3%
Protection	\$ 138,867	\$	150,240		(11,373)	-7.6%
Travel	\$ 103,456	\$	109,680		(6,224)	-5.7%
Training	\$ 121,268	\$	98,732		22,536	22.8%
Other Misc	\$ 21,139	\$	23,339		(2,200)	-9.4%
	\$ 3,682,433	\$	3,846,729	\$	(164,296)	-4.3%

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Other Revenue; Other Operating Assistance; Miscellaneous Expenses
For the Six Months Ended December 31, 2015

Other Revenue

Investment income (interest)	\$ 8,037
ADA Database Management revenue	75,000
Paypal Shipping revenue	964
RTC Card revenue	1,115
Warranty reimbursement	171
Various	1,796
	\$ 87,083

Other Operating Assistance

RM2	145,339
Caltrans planning grant	29,995
BART feeder revenue	369,851
Lifeline	267,500
	\$ 812,685

Miscellaneous Expenses

Board Travel Expense	\$ 900
Staff Travel Expense	\$ 20,824
CTA Dues	\$ 13,558
APTA Dues	\$ 17,329
Employee functions	\$ 33,370
Employee Awards/pins	\$ 2,115
Paypal fees	\$ 2,002
Training	\$ 604
Various other	\$ 419
	\$ 91,121

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2016 Year to Date Comparison of FY 2015 Actual & FY 2014 Actual
Statistics
For the Six Months Ended December 31, 2015

	Actual FY2016	Actual FY2015	Variance Actual 2016 to Actual 2015	Actual FY2014	Variance Actual 2016 to Actual 2014
Fixed Route					
Fares	\$ 1,467,000	\$ 1,609,675	-8.9%	\$ 1,638,762	-10.5%
Special Fares	738,174	692,260	6.6%	528,466	39.7%
Total Fares	\$ 2,205,174	\$ 2,301,935	-4.2%	\$ 2,167,228	1.8%
Fares box recovery ratio	16.3%	16.4%	-0.2%	15.8%	3.3%
Operating Exp (Less leases)	\$ 13,510,540	\$ 14,071,374	-4.0%	\$ 13,719,828	-1.5%
Revenue Hours	112,517	110,323	2.0%	108,791	3.4%
Cost per Rev Hour	\$ 120.08	\$ 127.55	-5.9%	\$ 126.11	-4.8%
Passengers	1,836,579	1,791,157	2.5%	1,648,601	11.4%
Cost per Passenger	\$ 7.36	\$ 7.86	-6.4%	\$ 8.32	-11.6%
Passengers per Rev Hr	16.32	16.24	0.5%	15.15	7.7%

Paratransit

Fares	\$ 248,036	\$ 267,644	-7.3%	\$ 252,486	-1.8%
Fares box recovery ratio	9.1%	10.5%	-13.4%	10.0%	-8.5%
Operating Exp (Less leases)	\$ 2,717,019	\$ 2,539,696	7.0%	\$ 2,529,921	7.4%
Revenue Hours	38,211	37,096	3.0%	37,130	2.9%
Cost per Rev Hour	\$ 71.11	\$ 68.46	3.9%	\$ 68.14	4.4%
Passengers	71,638	72,963	-1.8%	73,623	-2.7%
Cost per Passenger	\$ 37.93	\$ 34.81	9.0%	\$ 34.36	10.4%
Passengers per Rev Hr	1.87	1.97	-4.7%	1.98	-5.4%