

# County Connection

## INTER OFFICE MEMO

To: Administration & Finance Committee  
From: Erick Cheung, Director of Finance

Date: July 7, 2016

**SUBJECT: Income Statements for the Nine Months Ended March 31, 2016**

The attached unaudited Income Statements for the nine months of FY 2016 are presented for your review. The combined actual expenses, Fixed Route and Paratransit, (Schedule 1), **are 8.6% under the year-to-date budget (\$2,327,603). The expense categories with the most significant variances are:**

Wages	\$ 332,277	3.4%	Wages are higher than budget due to agreed upon salaries increases for FY 2016. Appears sufficient operating savings in services and supplies to cover overage.
Services	\$( 457,096)	( 26.8)%	Services are under mainly due to outside service repairs (\$207K), legal (\$80K), promotions (\$53K), and IT contracts (\$63K).
Materials & Supplies	\$( 1,072,742)	( 39.7)%	Materials and supplies are lower mainly due to diesel fuel (\$815K) and repair parts (\$75K) expenses.
Contingency	\$( 994,797)	(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 10.0% under budget and Paratransit expenses are at budget.

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

Passenger fares/special fares	\$( 84,564)	( 2.2)%	Fixed route passenger fares/special fares are (\$12K) lower than projected and Paratransit fares are (\$73K) lower than budgeted. Compared to the same period in the prior year, Fixed route is (\$27K) lower and Paratransit is (\$6K) lower. Fare revenues will probably come under the budget amount for FY 2016.
Federal operating	\$ 601,092	55.7%	Federal operating is more than budgeted due to using unspent grant allocations.
TDA revenue earned	\$( 2.6 million)	( 18.5)%	TDA revenue is lower due to lower than expected expenses.
STA revenue earned	\$( 329,999)	( 15.3)%	STA revenue is lower than originally budgeted due to lower diesel fuel revenue.

## **Fixed Route Operator Wages (Schedule 4)**

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

- Platform (work time) is 3.5% over budget.
- Overtime is 3.9% over budget.
- Training is 14.4% over budget.
- Overall wages for operators are 3.1% over budget, 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 -0.9% less than FY 2015 and 0.3% more than FY 2014.
- The farebox recovery ratio is less compared to FY 2015 and FY 2014. The ratio is 16.2% in FY 2016; 16.6% in FY 2015 and FY 2014.
- Operating expenses are 1.6% more than in FY 2015 and 2.6% more than in FY 2014.
- Fixed route revenue hours are 3.2% more than FY 2015 and 3.0% more than FY 2014.
- The cost per revenue hour has decreased -1.5% compared to FY 2015 and -0.4% compared to FY 2014.
- Passengers have increase 2.9% compared to FY 2015 and 11.3% compared to FY 2014. The increase in ridership and lower revenue is due to a change in the factor applied to raw data produced from the Ridecheck software and additional free ride routes described by Director Muzzini in her April report to the A&F Committee.
- The cost per passenger has decreased -1.2% compared to FY 2015 and -7.8% compared to FY 2014.
- Passengers per revenue hour have decreased -0.3% compared to FY 2015 and increased 8.1% compared to FY 2014.

Paratransit:

- Passenger fares have decreased -1.5% compared to FY 2015 and -13.4% compared to FY 2014.
- The farebox ratio is less than FY 2015 and FY 2014. The ratio is 10.1% in FY 2016; 11.1% in FY 2015; and 12.1% in FY 2014.
- Expenses have increased 9.2% compared to the prior year and 3.9% compared to FY 2014.
- Revenue hours are 4.0% more than FY 2015 and 3.7% more than FY 2014.
- Passengers have decreased -1.5% compared to FY 2015 and -3.0% compared to FY 2014.
- The cost per passenger has increased 10.8% since FY 2015 and 7.0% compared to FY 2014.
- Paratransit passengers per revenue hour have decreased -5.3% compared to FY 2015 and decreased -6.4% compared to FY 2014.

# CENTRAL CONTRA COSTA TRANSIT AUTHORITY

FY 2016 Year to Date Comparison of Actual vs Budget

For the Nine Months Ended March 31, 2016

## Combined Fixed Route and Paratransit Income Statement

	Actual	Budget	Variance	% Variance
<b>Revenues</b>				
Passenger fares	\$ 2,672,442	\$ 2,812,449	\$ (140,007)	-5.0%
Special fares	\$ 1,110,837	\$ 1,055,393	\$ 55,444	5.3%
	<u>\$ 3,783,279</u>	<u>\$ 3,867,843</u>	<u>\$ (84,564)</u>	<u>-2.2%</u>
Advertising	\$ 454,100	\$ 462,825	\$ (8,725)	-1.9%
Safe Harbor lease	\$ 4,174	\$ 3,750	\$ 424	11.3%
Other revenue	\$ 101,664	\$ 78,825	\$ 22,839	29.0%
Federal operating	\$ 1,680,587	\$ 1,079,495	\$ 601,092	55.7%
TDA earned revenue	\$ 11,224,740	\$ 13,922,183	\$ (2,697,443)	-19.4%
STA revenue	\$ 1,832,737	\$ 2,162,736	\$ (329,999)	-15.3%
Measure J	\$ 4,253,707	\$ 4,230,090	\$ 23,617	0.6%
Other operating assistance	\$ 1,557,709	\$ 1,412,553	\$ 145,156	10.3%
	<u>\$ 21,109,418</u>	<u>\$ 23,352,458</u>	<u>\$ (2,243,040)</u>	<u>-9.6%</u>
<b>Total Revenue</b>	<b>\$ 24,892,697</b>	<b>\$ 27,220,300</b>	<b>\$ (2,327,603)</b>	<b>-8.6%</b>
<b>Expenses</b>				
Wages- Operators	\$ 5,852,735	\$ 5,638,593	\$ 214,142	3.8%
Wages-Other	\$ 4,144,564	\$ 4,026,429	\$ 118,135	2.9%
	<u>\$ 9,997,299</u>	<u>\$ 9,665,022</u>	<u>\$ 332,277</u>	<u>3.4%</u>
Fringe Benefits	\$ 7,106,574	\$ 7,044,890	\$ 61,684	0.9%
Services	\$ 1,249,372	\$ 1,706,468	\$ (457,096)	-26.8%
Materials & Supplies	\$ 1,627,074	\$ 2,699,816	\$ (1,072,742)	-39.7%
Utilities	\$ 227,295	\$ 257,475	\$ (30,180)	-11.7%
Insurance	\$ 330,420	\$ 425,896	\$ (95,476)	-22.4%
Taxes	\$ 131,822	\$ 214,050	\$ (82,228)	-38.4%
Interest	\$ -	\$ -	\$ -	0.0%
Leases and Rentals	\$ 33,898	\$ 31,500	\$ 2,398	7.6%
Miscellaneous	\$ 126,698	\$ 138,256	\$ (11,558)	-8.4%
Special Trip Services	\$ 4,062,245	\$ 4,042,130	\$ 20,115	0.5%
<b>Operations</b>	<b>\$ 24,892,697</b>	<b>\$ 26,225,503</b>	<b>\$ (1,332,807)</b>	<b>-5.1%</b>
Contingency Reserve	\$ -	\$ 994,797	\$ (994,797)	-100.0%
<b>Total Expenses</b>	<b>\$ 24,892,697</b>	<b>\$ 27,220,300</b>	<b>\$ (2,327,603)</b>	<b>-8.6%</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	

Schedule 1-Combined

# CENTRAL CONTRA COSTA TRANSIT AUTHORITY

## FY 2016 Year to Date Comparison of Actual vs Budget For the Nine Months Ended March 31, 2016 *Fixed Route Income Statement*

	Actual	Budget	Variance	% Variance
<b>Revenues</b>				
Passenger fares	\$ 2,265,704	\$ 2,332,658	\$ (66,954)	-2.9%
Special fares	\$ 1,110,837	\$ 1,055,393	\$ 55,444	5.3%
	\$ 3,376,541	\$ 3,388,052	\$ (11,511)	-0.3%
Advertising	\$ 454,100	\$ 462,825	\$ (8,725)	-1.9%
Safe Harbor lease	\$ 4,174	\$ 3,750	\$ 424	11.3%
Other revenue	\$ 101,664	\$ 78,750	\$ 22,914	29.1%
Federal operating	\$ 48,480	\$	\$ 48,480	
TDA earned revenue	\$ 10,602,480	\$ 13,299,924	\$ (2,697,444)	-20.3%
STA revenue	\$ 1,620,854	\$ 1,503,570	\$ 117,284	7.8%
Measure J	\$ 3,189,330	\$ 3,159,090	\$ 30,240	1.0%
Other operating assistance	\$ 1,450,758	\$ 1,279,442	\$ 171,317	13.4%
	\$ 17,471,840	\$ 19,787,351	\$ (2,315,511)	-11.7%
<b>Total Revenue</b>	<b>\$ 20,848,381</b>	<b>\$ 23,175,402</b>	<b>\$ (2,327,021)</b>	<b>-10.0%</b>
<b>Expenses</b>				
Wages- Operators	\$ 5,852,735	\$ 5,638,593	\$ 214,142	3.8%
Wages-Other	\$ 4,065,658	\$ 3,957,105	\$ 108,553	2.7%
	\$ 9,918,393	\$ 9,595,698	\$ 322,695	3.4%
Fringe Benefits	\$ 7,067,856	\$ 6,998,246	\$ 69,610	1.0%
Services	\$ 1,241,494	\$ 1,697,978	\$ (456,484)	-26.9%
Materials & Supplies	\$ 1,625,729	\$ 2,697,266	\$ (1,071,537)	-39.7%
Utilities	\$ 211,182	\$ 241,875	\$ (30,693)	-12.7%
Insurance	\$ 330,420	\$ 425,896	\$ (95,476)	-22.4%
Taxes	\$ 131,821	\$ 213,750	\$ (81,929)	-38.3%
Leases and Rentals	\$ 33,898	\$ 31,500	\$ 2,398	7.6%
Miscellaneous	\$ 126,698	\$ 137,550	\$ (10,852)	-7.9%
Special Trip Services	\$ 160,890	\$ 140,846	\$ 20,044	14.2%
<b>Operations</b>	<b>\$ 20,848,381</b>	<b>\$ 22,180,605</b>	<b>\$ (1,332,224)</b>	<b>-6.0%</b>
Contingency Reserve		\$ 994,797	\$ (994,797)	-100.0%
<b>Total Expenses</b>	<b>\$ 20,848,381</b>	<b>\$ 23,175,402</b>	<b>\$ (2,327,021)</b>	<b>-10.0%</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Revenue Hours</b>	<b>170,801</b>	<b>167,812</b>	<b>2,989</b>	<b>1.8%</b>
<b>Cost per Rev Hr</b>	<b>\$ 121.86</b>	<b>\$ 137.92</b>	<b>\$ (16.05)</b>	<b>-11.6%</b>
<b>Passengers</b>	<b>2,772,011</b>	<b>2,594,191</b>	<b>177,820</b>	<b>6.9%</b>
<b>Cost per Passenger</b>	<b>\$ 7.51</b>	<b>\$ 8.92</b>	<b>\$ (1.41)</b>	<b>-15.8%</b>
<b>Passengers per Rev Hr</b>	<b>16.23</b>	<b>15.46</b>	<b>0.77</b>	<b>5.0%</b>
<b>Farebox recovery ratio</b>	<b>16.2%</b>	<b>14.6%</b>	<b>1.6%</b>	<b>10.8%</b>

*(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

For the Nine Months Ended March 31, 2016

### *Paratransit Income Statement*

	Actual	Budget	Variance	% Variance
<b>Revenues</b>				
Passenger fares	\$ 406,738	\$ 479,791	\$ (73,053)	-15.2%
Special fares				0.0%
	\$ 406,738	479,791	(73,053)	-15.2%
Other revenue		75	(75)	-100.0%
Federal operating	\$ 1,632,107	1,079,495	552,612	51.2%
TDA earned revenue	\$ 622,260	622,259	1	0.0%
STA revenue	\$ 211,883	659,166	(447,283)	-67.9%
Measure J	\$ 1,064,377	1,071,000	(6,623)	-0.6%
Other operating assistance	\$ 106,951	133,112	(26,161)	-19.7%
	\$ 3,637,578	3,565,107	72,471	2.0%
<b>Total Revenue</b>	<b>\$ 4,044,316</b>	<b>4,044,898</b>	<b>(582)</b>	<b>0.0%</b>
<b>Expenses</b>				
Wages- Operators			-	0.0%
Wages-Other	\$ 78,906	69,324	9,582	13.8%
	\$ 78,906	69,324	9,582	13.8%
Fringe Benefits	\$ 38,718	46,644	(7,926)	-17.0%
Services	\$ 7,878	8,490	(612)	-7.2%
Materials & Supplies	\$ 1,345	2,550	(1,205)	-47.3%
Utilities	\$ 16,113	15,600	513	3.3%
Taxes	\$ 1	300	(299)	-99.7%
Miscellaneous	\$ -	706	(706)	-100.0%
Special Trip Services	\$ 3,901,355	3,901,284	71	0.0%
<b>Total Expenses</b>	<b>\$ 4,044,316</b>	<b>4,044,898</b>	<b>(582)</b>	<b>0.0%</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Revenue Hours</b>	<b>57,274</b>	<b>57,164</b>	<b>110</b>	<b>0.2%</b>
<b>Cost per Rev Hr</b>	<b>\$ 70.61</b>	<b>\$ 70.76</b>	<b>\$ (0.15)</b>	<b>-0.2%</b>
<b>Passengers</b>	<b>108,012</b>	<b>113,730</b>	<b>(5,718)</b>	<b>-5.0%</b>
<b>Cost per Passenger</b>	<b>\$ 37.44</b>	<b>\$ 35.57</b>	<b>\$ 1.88</b>	<b>5.3%</b>
<b>Passengers per Rev Hr</b>	<b>1.89</b>	<b>1.99</b>	<b>(0.10)</b>	<b>-5.2%</b>
<b>Farebox ratio</b>	<b>10.1%</b>	<b>11.9%</b>	<b>-1.8%</b>	<b>-15.2%</b>

(fares,spec fares/Oper exp-leases)

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Operator Wages**  
**For the Nine Months Ended March 31, 2016**

	Year to Date			
	Actual	Budget	Variance	% Variance
Platform/report/turn in	\$ 4,627,727	\$ 4,470,533	\$ 157,194	3.5%
Guarantees	257,736	\$ 272,814	(15,078)	-5.5%
Overtime	226,443	\$ 218,019	8,424	3.9%
Spread	124,581	\$ 117,299	7,282	6.2%
Protection	225,524	\$ 220,225	5,299	2.4%
Travel	159,870	\$ 160,771	(901)	-0.6%
Training	165,552	\$ 144,723	20,829	14.4%
Other Misc	26,479	\$ 34,211	(7,732)	-22.6%
	<b>\$ 5,813,912</b>	<b>\$ 5,638,593</b>	<b>\$ 175,319</b>	<b>3.1%</b>

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
*Other Revenue; Other Operating Assistance; Miscellaneous Expenses*  
**For the Nine Months Ended March 31, 2016**

**Other Revenue**

Investment income (interest)	\$ 18,779
ADA Database Management revenue	\$ 75,000
Paypal Shipping revenue	\$ 1,378
RTC Card revenue	\$ 1,616
Warranty repairs reimbursement	\$ 171
Various	\$ 4,720
	<u>\$ 101,664</u>

**Other Operating Assistance**

RM2	\$ 145,339
Caltrans planning grant	\$ 29,995
BART feeder revenue	\$ 554,777
Lifeline	\$ 401,250
Homeland security	\$ 201,304
	<u>\$ 1,332,665</u>

**Miscellaneous Expenses**

Board Travel Expense	\$ 7,203
Staff Travel Expense	\$ 38,671
CTA Dues	\$ 13,558
APTA Dues	\$ 26,179
Employee functions	\$ 33,370
Employee Awards/pins	\$ 3,105
Paypal fees	\$ 2,561
Training	\$ 1,469
Various other	\$ 582
	<u>\$ 126,698</u>

**Schedule 5- Other Revenues/Other Expenses**

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

Actual	Actual	Variance	Actual	Variance
FY2016	FY2015	Actual 2016 to Actual 2015	FY2014	Actual 2016 to Actual 2014

**Fixed Route**

Fares	\$ 2,265,704	\$ 2,377,363	-4.7%	\$ 2,503,257	-9.5%
Special Fares	1,110,837	\$ 1,028,768	8.0%	\$ 863,250	28.7%
<b>Total Fares</b>	<b>\$ 3,376,541</b>	<b>\$ 3,406,131</b>	-0.9%	<b>\$ 3,366,507</b>	0.3%
<i>Fares box recovery ratio</i>	16.2%	16.6%	-2.4%	16.6%	-2.3%
Operating Exp (Less leases)	\$ 20,814,483	\$ 20,488,519	1.6%	\$ 20,279,321	2.6%
Revenue Hours	170,801	165,565	3.2%	165,767	3.0%
Cost per Rev Hour	\$ 121.86	\$ 123.75	-1.5%	\$ 122.34	-0.4%
Passengers	2,772,011	2,694,588	2.9%	2,489,706	11.3%
Cost per Passenger	\$ 7.51	\$ 7.60	-1.2%	\$ 8.15	-7.8%
Passengers per Rev Hr	16.23	16.28	-0.3%	15.02	8.1%

**Paratransit**

Fares	\$ 406,738	\$ 412,832	-1.5%	\$ 469,527	-13.4%
<i>Fares box recovery ratio</i>	10.1%	11.1%	-9.8%	12.1%	-16.6%
Operating Exp (Less leases)	\$ 4,044,316	\$ 3,704,294	9.2%	\$ 3,892,959	3.9%
Revenue Hours	57,274	55,084	4.0%	55,254	3.7%
Cost per Rev Hour	\$ 70.61	\$ 67.25	5.0%	\$ 70.46	0.2%
Passengers	108,012	109,638	-1.5%	111,297	-3.0%
Cost per Passenger	\$ 37.44	\$ 33.79	10.8%	\$ 34.98	7.0%
Passengers per Rev Hr	1.89	1.99	-5.3%	2.01	-6.4%