

County Connection

INTER OFFICE MEMO

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

Date: April 10, 2017

SUBJECT: Income Statements for the Six Months Ended December 31, 2016

The attached unaudited County Connection Income Statements for the first six months of FY 2017 are presented for your review. The combined expenses of \$16,840,269 for Fixed Route and Paratransit, (Schedule 1), are **8.9% under the budget or -\$1,650,498**. The expense categories with the most significant variances are:

Wages	\$(289,284)	(4.1)%	Operators' wages are lower by -\$108K and Other wages are lower by -\$181K due to vacancies.
Fringe Benefits	\$(102,743)	(2.1)%	Fringe Benefits for pension are -\$96K under due to vacancies.
Services	\$(147,344)	(13.6)%	Services are under mainly due to lower service repairs of -\$100K and IT contracts of -\$51K, but Clever Device annual maintenance fee was over \$14K.
Materials & Supplies	\$(349,661)	(25.5)%	Materials and supplies are lower due to lower diesel fuel costs of -\$165K and fewer repair parts expenses of -\$129K.
Special Trip Services	\$(182,342)	(6.4)%	Lower ridership results in fewer trips.
Contingency	\$(400,000)	(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 -9.5% under budget and Paratransit expenses are -5.5% under budget.

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

Passenger fares/special fares	\$(172,697)	(6.8)%	Fixed route passenger fares/special fares are -\$147K lower than budget and Paratransit fares are -\$26K lower than budget. Compared to the same period in the prior year, Fixed route and Paratransit are lower by -\$20K or -4.7% and -\$15K or -3.9%, respectively.
TDA revenue earned	\$(1,325,396)	(13.6)%	TDA revenue is lower due to lower than expected expenses.
Other operating assistance	\$(213,810)	(18.7)%	LCTOP funds received award of \$615K with \$308K for Martinez Shuttle and \$307K for Electric Trolley Capital. Budget originally assumed \$573K for operations.

Fixed Route Operator Wages (Schedule 4)

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

- Platform (work time) is -2.4% under budget.
- Overtime is 1.1% over budget.
- Training is 22.9% over budget.
- Overall wages for operators are -2.7% 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 -2.3% less than FY 2016 and -9.2% less than FY 2015.
- The farebox recovery ratio is similar to FY 2016 but lower than FY 2015. The ratio is 14.9% in FY 2017; 15.0% in FY 2016 and 16.1% in FY 2015.
- Operating expenses are -0.7% less than in FY 2016 and 0.6% more than in FY 2015.
- Fixed route revenue hours are -0.3% less than FY 2016 and 1.7% more than FY 2015.
- The cost per revenue hour has decreased -0.4% compared to FY 2016 and -1.1% compared to FY 2015.
- Passengers have decreased -4.7% compared to FY 2016 and -2.2% compared to FY 2015.
- The cost per passenger has increased 4.2% compared to FY 2016 and 2.9% compared to FY 2015.
- Passengers per revenue hour has decreased -4.4% compared to FY 2016 and -3.9% compared to FY 2015.

Paratransit:

- Passenger fares have decreased -5.6% compared to FY 2016 and -2.9% compared to FY 2015.
- The farebox ratio is less than FY 2016 and FY 2015. The ratio is 9.8% in FY 2017; 10.1% in FY 2016; and 10.5% in FY 2015.
- Expenses have decreased -2.0% compared to FY 2016 and increased 4.9% compared to FY 2015.
- Revenue hours are -7.0% less than FY 2016 and -4.2% in FY 2015.
- Passengers have decreased -3.9% compared to FY 2016 and -5.6% compared to FY 2015.
- The cost per passenger has increased 2.0% since FY 2016 and 11.1% compared to FY 2015.
- Paratransit passengers per revenue hour have increased 3.3% compared to FY 2016 and decreased -1.5% compared to FY 2015.

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2017 Year to Date Comparison of Actual vs Budget
Combined Fixed Route and Paratransit Income Statement
For the Six Months Ended December 31, 2016

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 1,693,801	\$ 1,831,651	\$ (137,850)	-7.5%
Special fares	679,903	714,750	(34,847)	-4.9%
	<u>2,373,704</u>	<u>2,546,401</u>	<u>(172,697)</u>	<u>-6.8%</u>
Advertising	315,920	304,561	11,359	3.7%
Safe Harbor lease	4,684	2,040	2,644	129.6%
Other revenue	73,265	50,310	22,955	45.6%
Federal operating	689,451	675,000	14,451	2.1%
TDA earned revenue	8,394,736	9,720,132	(1,325,396)	-13.6%
STA revenue	1,052,444	1,059,513	(7,069)	-0.7%
Measure J	3,006,782	2,989,718	17,064	0.6%
Other operating assistance	929,283	1,143,093	(213,810)	-18.7%
	<u>14,466,565</u>	<u>15,944,366</u>	<u>(1,477,801)</u>	<u>-9.3%</u>
Total Revenue	\$ 16,840,269	\$ 18,490,767	\$ (1,650,498)	-8.9%
Expenses				
Wages- Operators	\$ 3,939,051	\$ 4,047,250	\$ (108,199)	-2.7%
Wages-Other	2,859,422	3,040,507	(181,085)	-6.0%
	<u>6,798,473</u>	<u>7,087,757</u>	<u>(289,284)</u>	<u>-4.1%</u>
Fringe Benefits	4,728,340	4,831,083	(102,743)	-2.1%
Services	937,332	1,084,676	(147,344)	-13.6%
Materials & Supplies	1,023,818	1,373,479	(349,661)	-25.5%
Utilities	147,294	223,200	(75,906)	-34.0%
Insurance	347,450	355,673	(8,223)	-2.3%
Taxes	77,316	142,950	(65,634)	-45.9%
Leases and Rentals	25,468	23,000	2,468	10.7%
Miscellaneous	68,400	100,230	(31,830)	-31.8%
Special Trip Services	2,686,378	2,868,720	(182,342)	-6.4%
	<u>16,840,269</u>	<u>18,090,767</u>	<u>(1,250,498)</u>	<u>-6.9%</u>
Operations	16,840,269	18,090,767	(1,250,498)	-6.9%
Contingency Reserve	-	400,000	(400,000)	-100.0%
Total Expenses	\$ 16,840,269	\$ 18,490,767	\$ (1,650,498)	-8.9%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	147,739	150,732	(2,993)	-2.0%
Cost per Rev Hr	\$ 113.81	\$ 122.52	\$ (8.71)	-7.1%
Passengers	1,820,013	1,908,217	(88,204)	-4.6%
Cost per Passenger	\$ 9.25	\$ 9.69	\$ (0.44)	-4.5%
Farebox ratio	14.1%	13.8%	0.3%	2.4%
<i>(fares,spec fares/Oper exp-w/o contingency-leases)</i>				

Schedule 1-Combined Fixed Route & Paratransit

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2017 Year to Date Comparison of Actual vs Budget
Fixed Route Income Statement
For the Six Months Ended December 31, 2016

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 1,433,789	\$ 1,546,051	\$ (112,262)	-7.3%
Special fares	679,903	714,750	(34,847)	-4.9%
	2,113,692	2,260,801	(147,109)	-6.5%
Advertising	315,920	304,561	11,359	3.7%
Safe Harbor lease	4,684	2,040	2,644	129.6%
Other revenue	73,265	50,260	23,005	45.8%
TDA earned revenue	7,824,545	9,016,858	(1,192,313)	-13.2%
STA revenue	728,440	728,440	-	0.0%
Measure J	2,253,591	2,236,527	17,064	0.8%
Other operating assistance	862,523	1,073,093	(210,570)	-19.6%
	12,062,968	13,411,778	(1,348,810)	-10.1%
Total Revenue	\$ 14,176,660	\$ 15,672,579	\$ (1,495,919)	-9.5%
Expenses				
Wages- Operators	\$ 3,939,051	\$ 4,047,250	\$ (108,199)	-2.7%
Wages-Other	\$ 2,818,281	2,991,262	(172,981)	-5.8%
	6,757,332	7,038,512	(281,180)	-4.0%
Fringe Benefits	\$ 4,704,421	4,803,240	(98,819)	-2.1%
Services	\$ 917,317	1,076,626	(159,309)	-14.8%
Materials & Supplies	\$ 1,021,872	1,371,779	(349,907)	-25.5%
Utilities	\$ 135,290	210,500	(75,210)	-35.7%
Insurance	\$ 347,450	355,673	(8,223)	-2.3%
Taxes	\$ 77,316	142,750	(65,434)	-45.8%
Leases and Rentals	\$ 25,468	23,000	2,468	10.7%
Miscellaneous	\$ 68,400	99,780	(31,380)	-31.4%
Purchased Transportation	\$ 121,794	150,720	(28,926)	-19.2%
Operations	14,176,660	15,272,579	(1,095,919)	-7.2%
Contingency Reserve	-	400,000	(400,000)	
Total Expenses	\$ 14,176,660	\$ 15,672,579	\$ (1,495,919)	-9.5%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	112,187	112,518	(331)	-0.3%
Cost per Rev Hr	\$ 126.14	\$ 139.09	(12.95)	-9.3%
Passengers	1,751,146	1,836,579	(85,433)	-4.7%
Cost per Passenger	\$ 8.10	\$ 8.53	(0.44)	-5.1%
Passengers per Rev Hr	15.61	16.32	(0.71)	-4.4%
Farebox recovery ratio	14.9%	14.8%	0.1%	0.7%
<i>(fares,spec fares/Oper exp-w/o contingency-leases)</i>				

Schedule 2-Fixed Route

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Paratransit Income Statement
FY 2017 Year to Date Comparison of Actual vs Budget
For the Six Months Ended December 31, 2016

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 260,012	\$ 285,600	\$ (25,588)	-9.0%
	260,012	285,600	(25,588)	-9.0%
Other revenue		50	(50)	-100.0%
Federal operating	\$ 689,451	675,000	14,451	2.1%
TDA earned revenue	\$ 570,191	703,274	(133,083)	-18.9%
STA revenue	\$ 324,004	331,073	(7,069)	-2.1%
Measure J	\$ 753,191	753,191	-	0.0%
Other operating assistance	\$ 66,760	70,000	(3,240)	-4.6%
	2,403,597	2,532,588	(128,991)	-5.1%
Total Revenue	\$ 2,663,609	\$ 2,818,188	\$ (154,579)	-5.5%
Expenses				
Wages-Other	\$ 41,141	\$ 49,245	\$ (8,104)	-16.5%
	41,141	49,245	(8,104)	-16.5%
Fringe Benefits	\$ 23,919	27,843	(3,924)	-14.1%
Services	\$ 20,015	8,050	11,965	148.6%
Materials & Supplies	\$ 1,946	1,700	246	14.5%
Utilities	\$ 12,004	12,700	(696)	-5.5%
Taxes	\$ -	200	(200)	-100.0%
Miscellaneous	\$ -	450	(450)	-100.0%
Special Trip Services	\$ 2,564,584	2,718,000	(153,416)	-5.6%
Total Expenses	\$ 2,663,609	\$ 2,818,188	\$ (154,579)	-5.5%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	35,552	38,214	(2,662)	-7.0%
Cost per Rev Hr	\$ 74.92	\$ 73.75	\$ 1.17	1.6%
Passengers	68,867	71,638	(2,771)	-3.9%
Cost per Passenger	\$ 38.68	\$ 39.34	\$ (0.66)	-1.7%
Passengers per Rev Hr	1.94	1.87	0.06	3.3%
Farebox ratio	9.8%	10.1%	-0.4%	-3.7%
<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, 2016

	Year to Date		Variance	% Variance
	Actual	Budget		
Platform/report/turn in	3,148,574 \$	3,226,186 \$	(77,612)	-2.4%
Guarantees	144,860 \$	174,617	(29,757)	-17.0%
Overtime	154,612 \$	152,916	1,696	1.1%
Spread	83,523 \$	86,058	(2,535)	-2.9%
Protection	154,997 \$	159,242	(4,245)	-2.7%
Travel	114,304 \$	111,925	2,379	2.1%
Training	122,341 \$	99,575	22,766	22.9%
Other Misc	15,840 \$	36,730	(20,891)	-56.9%
	\$ 3,939,051	\$ 4,047,250	(108,199)	-2.7%

Schedule 4- Operator Wages

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Other Revenue; Other Operating Assistance; Miscellaneous Expenses
For the Six Months Ended December 31, 2016

Other Revenue	
Investment income (interest)	\$ 16,362
ADA Database Management revenue	37,500
Paypal Shipping revenue	627
RTC card revenue	1,041
Accounts payable discount	1
Various	17,734
	\$ 73,265
Other Operating Assistance	
RM2	\$ 72,670
BART feeder revenue	388,880
LCTOP	150,973
Lifeline grant	250,000
	\$ 862,523
Miscellaneous Expenses	
Board Travel Expense	\$ 1,719
Staff Travel Expense	9,909
CTA Conference	14,236
APTA Dues	17,514
Employee functions	15,784
Business Expense, GM	1,822
Employee Awards/Pins	2,139
Paypal fees	1,673
Training	1,738
Various other	1,866
	\$ 68,400

Schedule 5- Other Revenues/Other Expenses

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2017 Year to Date Comparison of FY 2016 Actual & FY 2015 Actual
Statistics
For the Six Months Ended December 31, 2016

	Actual FY2017	Actual FY2016	Variance Actual 2017 to Actual 2016	Actual FY2015	Variance Actual 2017 to Actual 2015
Fixed Route					
Fares	\$ 1,433,789	\$ 1,467,000	-2.3%	\$ 1,579,175	-9.2%
Special Fares	679,903	666,735	2.0%	692,260	-1.8%
Total Fares	\$ 2,113,692	\$ 2,133,735	-0.9%	\$ 2,271,435	-6.9%
Fares box recovery ratio	14.9%	15.0%	-0.3%	16.1%	-7.5%
Operating Exp (Less leases)	\$ 14,151,192	\$ 14,245,189	-0.7%	\$ 14,071,374	0.6%
Revenue Hours	112,187	112,518	-0.3%	110,323	1.7%
Cost per Rev Hour	\$ 126.14	\$ 126.60	-0.4%	\$ 127.55	-1.1%
Passengers	1,751,146	1,836,579	-4.7%	1,791,157	-2.2%
Cost per Passenger	\$ 8.08	\$ 7.76	4.2%	\$ 7.86	2.9%
Passengers per Rev Hr	15.61	16.32	-4.4%	16.24	-3.9%

Paratransit

Fares	\$ 260,012	\$ 275,421	-5.6%	\$ 267,644	-2.9%
Fares box recovery ratio	9.8%	10.1%	-3.7%	10.5%	-7.4%
Operating Exp (Less leases)	\$ 2,663,609	\$ 2,717,019	-2.0%	\$ 2,539,696	4.9%
Revenue Hours	35,552	38,214	-7.0%	37,096	-4.2%
Cost per Rev Hour	\$ 74.92	\$ 71.10	5.4%	\$ 68.46	9.4%
Passengers	68,867	71,638	-3.9%	72,963	-5.6%
Cost per Passenger	\$ 38.68	\$ 37.93	2.0%	\$ 34.81	11.1%
Passengers per Rev Hr	1.94	1.87	3.3%	1.97	-1.5%