

County Connection

INTER OFFICE MEMO

To: Administration & Finance Committee

Date: August 16, 2017

From: Erick Cheung, Director of Finance

SUBJECT: Income Statements for the Nine Months Ended March 31, 2017

The attached unaudited County Connection Income Statements for nine months of FY 2017 are presented for your review. The combined expenses of \$25,163,625 for Fixed Route and Paratransit, (Schedule 1), are 8.5% under the budget or -\$2,331,785. The expense categories with the most significant variances are:

Wages	\$(326,937)	(3.2)%	Operators' wages are lower by -\$87K and Other wages are lower by -\$240K due to vacancies.
Fringe Benefits	\$(46,691)	(0.6)%	Fringe Benefits for pension and medical are under by -\$178K and -\$127K, respectively, but offset by workers compensation settlements for \$288K.
Services	\$(292,691)	(18.0)%	Services are under budget due to lower promotions expense of -\$100K, legal services of -\$62K, service repairs of -\$99K, and IT contracts of -\$22K. Clever Device annual maintenance fee was over \$14K.
Materials & Supplies	\$(500,199)	(24.1)%	Materials and supplies are lower due to lower diesel fuel costs of -\$232K and fewer repair parts expenses of -\$159K.
Special Trip Services	\$(328,905)	(16.0)%	Lower paratransit ridership results in fewer trips.
Contingency	\$(600,000)	(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	\$(348,836)	(9.0)%	Fixed route passenger fares/special fares are -\$300K lower than budget and Paratransit fares are -\$49K lower than budget. Compared to the same period in the prior year, Fixed route and Paratransit are lower by -\$223K or -6.6% and -\$27K or -6.6%, respectively.
TDA revenue earned	\$(1,905,638)	(13.3)%	TDA revenue is lower due to lower than expected expenses.
Other operating assistance	\$(167,812)	(9.8)%	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 -0.3% under budget.
- Overtime is 4.8% over budget.
- Training is -2.3% under budget.
- Overall wages for operators are -1.5% 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 -6.6% less than FY 2016 and -7.4% less than FY 2015.
- The farebox recovery ratio is less than FY 2016 and FY 2015. The ratio is 14.9% in FY 2017; 16.2% in FY 2016 and 16.6% in FY 2015.
- Operating expenses are 1.9% more than in FY 2016 and 3.5% 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 increased 4.5% compared to FY 2016 and 2.9% compared to FY 2015.
- Passengers have decreased -5.5% compared to FY 2016 and -2.8% compared to FY 2015.
- The cost per passenger has increased 7.8% compared to FY 2016 and 6.5% compared to FY 2015.
- Passengers per revenue hour has decreased -3.1% compared to FY 2016 and -3.3% compared to FY 2015.

Paratransit:

- Passenger fares have decreased -6.6% compared to FY 2016 and -8.0% compared to FY 2015.
- The farebox ratio is less than FY 2016 and FY 2015. The ratio is 9.7% in FY 2017; 10.1% in FY 2016; and 12.1% in FY 2015.
- Expenses have decreased -2.9% compared to FY 2016 and increased 6.0% compared to FY 2015.
- Revenue hours are -8.0% less than FY 2016 and -4.4% in FY 2015.
- Passengers have decreased -5.0% compared to FY 2016 and -6.4% compared to FY 2015.
- The cost per passenger has increased 2.2% since FY 2016 and 13.2% compared to FY 2015.
- Paratransit passengers per revenue hour have increased 3.3% compared to FY 2016 and decreased -2.1% 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 Nine Months Ended March 31, 2017

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 2,510,610	\$ 2,816,193	\$ (305,583)	-10.9%
Special fares	1,023,372	1,066,625	(43,253)	-4.1%
	<u>3,533,982</u>	<u>3,882,818</u>	<u>(348,836)</u>	<u>-9.0%</u>
Advertising	462,170	456,842	5,328	1.2%
Safe Harbor lease	7,467	3,060	4,407	144.0%
Other revenue	126,789	75,465	51,324	68.0%
Federal operating	1,026,951	1,012,500	14,451	1.4%
TDA earned revenue	12,370,601	14,276,239	(1,905,638)	-13.3%
STA revenue	1,578,666	1,589,270	(10,604)	-0.7%
Measure J	4,510,172	4,484,578	25,594	0.6%
Other operating assistance	1,546,827	1,714,639	(167,812)	-9.8%
	<u>21,629,643</u>	<u>23,612,592</u>	<u>(1,982,949)</u>	<u>-8.4%</u>
Total Revenue	\$ 25,163,625	\$ 27,495,410	\$ (2,331,785)	-8.5%
Expenses				
Wages- Operators	\$ 5,803,296	\$ 5,889,850	\$ (86,554)	-1.5%
Wages-Other	4,205,328	4,445,711	(240,383)	-5.4%
	<u>10,008,624</u>	<u>10,335,561</u>	<u>(326,937)</u>	<u>-3.2%</u>
Fringe Benefits	7,239,391	7,286,082	(46,691)	-0.6%
Services	1,334,322	1,627,013	(292,691)	-18.0%
Materials & Supplies	1,575,897	2,076,096	(500,199)	-24.1%
Utilities	225,832	334,800	(108,968)	-32.5%
Insurance	516,684	533,509	(16,825)	-3.2%
Taxes	124,216	214,425	(90,209)	-42.1%
Leases and Rentals	38,159	34,500	3,659	10.6%
Miscellaneous	126,325	150,345	(24,020)	-16.0%
Special Trip Services	3,974,175	4,303,080	(328,905)	-7.6%
Operations	25,163,625	26,895,410	(1,731,785)	-6.4%
Contingency Reserve	-	600,000	(600,000)	-100.0%
Total Expenses	\$ 25,163,625	\$ 27,495,410	\$ (2,331,785)	-8.5%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	219,113	228,075	(8,962)	-3.9%
Cost per Rev Hr	\$ 114.67	\$ 120.40	\$ (5.73)	-4.8%
Passengers	2,721,034	2,880,123	(159,089)	-5.5%
Cost per Passenger	\$ 9.25	\$ 9.55	\$ (0.30)	-3.1%
Farebox ratio	14.1%	14.1%	-0.1%	-0.5%
<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 Nine Months Ended March 31, 2017

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 2,130,717	\$ 2,387,793	\$ (257,076)	-10.8%
Special fares	1,023,372	1,066,625	(43,253)	-4.1%
	3,154,089	3,454,418	(300,329)	-8.7%
Advertising	462,170	456,842	5,328	1.2%
Safe Harbor lease	7,467	3,060	4,407	144.0%
Other revenue	126,789	75,390	51,399	68.2%
TDA earned revenue	11,569,620	13,221,330	(1,651,710)	-12.5%
STA revenue	1,092,660	1,092,660	-	0.0%
Measure J	3,380,386	3,354,791	25,595	0.8%
Other operating assistance	1,445,279	1,609,639	(164,360)	-10.2%
	18,084,371	19,813,711	(1,729,340)	-8.7%
Total Revenue	\$ 21,238,460	\$ 23,268,129	\$ (2,029,669)	-8.7%
Expenses				
Wages- Operators	\$ 5,803,296	\$ 5,889,850	\$ (86,554)	-1.5%
Wages-Other	\$ 4,146,886	4,371,844	(224,958)	-5.1%
	9,950,182	10,261,694	(311,512)	-3.0%
Fringe Benefits	\$ 7,196,881	7,244,318	(47,437)	-0.7%
Services	\$ 1,313,067	1,614,938	(301,871)	-18.7%
Materials & Supplies	\$ 1,573,787	2,073,546	(499,759)	-24.1%
Utilities	\$ 210,020	315,750	(105,730)	-33.5%
Insurance	\$ 516,684	533,509	(16,825)	-3.2%
Taxes	\$ 124,216	214,125	(89,909)	-42.0%
Leases and Rentals	\$ 38,159	34,500	3,659	10.6%
Miscellaneous	\$ 125,943	149,670	(23,727)	-15.9%
Purchased Transportation	\$ 189,521	226,080	(36,559)	-16.2%
Operations	21,238,460	22,668,129	(1,429,669)	-6.3%
Contingency Reserve	-	600,000	(600,000)	
Total Expenses	\$ 21,238,460	\$ 23,268,129	\$ (2,029,669)	-8.7%
Net Income (Loss)	\$ -	\$ -	\$ (0.0)	
Revenue Hours	166,443	170,801	(4,358)	-2.6%
Cost per Rev Hr	\$ 127.37	\$ 136.03	(8.65)	-6.4%
Passengers	2,618,435	2,772,111	(153,676)	-5.5%
Cost per Passenger	\$ 8.11	\$ 8.39	(0.28)	-3.4%
Passengers per Rev Hr	15.73	16.23	(0.50)	-3.1%
Farebox recovery ratio	14.9%	15.3%	-0.4%	-2.5%
<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 Nine Months Ended March 31, 2017

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 379,893	\$ 428,400	\$ (48,507)	-11.3%
	379,893	428,400	(48,507)	-11.3%
Other revenue	-	75	(75)	-100.0%
Federal operating	\$ 1,026,951	1,012,500	14,451	1.4%
TDA earned revenue	\$ 800,981	1,054,909	(253,928)	-24.1%
STA revenue	\$ 486,006	496,610	(10,604)	-2.1%
Measure J	\$ 1,129,786	1,129,787	(1)	0.0%
Other operating assistance	\$ 101,548	105,000	(3,452)	-3.3%
	3,545,272	3,798,881	(253,609)	-6.7%
Total Revenue	\$ 3,925,165	\$ 4,227,281	\$ (302,116)	-7.1%
Expenses				
Wages-Other	\$ 58,442	\$ 73,867	\$ (15,425)	-20.9%
	58,442	73,867	(15,425)	-20.9%
Fringe Benefits	\$ 42,510	41,764	746	1.8%
Services	\$ 21,255	12,075	9,180	76.0%
Materials & Supplies	\$ 2,110	2,550	(440)	-17.3%
Utilities	\$ 15,812	19,050	(3,238)	-17.0%
Taxes	\$ -	300	(300)	-100.0%
Miscellaneous	\$ 382	675	(293)	-43.4%
Special Trip Services	\$ 3,784,654	4,077,000	(292,346)	-7.2%
Total Expenses	\$ 3,925,165	\$ 4,227,281	\$ (302,116)	-7.1%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	52,670	57,274	(4,604)	-8.0%
Cost per Rev Hr	\$ 74.52	\$ 73.81	\$ 0.72	1.0%
Passengers	102,599	108,012	(5,413)	-5.0%
Cost per Passenger	\$ 38.26	\$ 39.14	(0.88)	-2.2%
Passengers per Rev Hr	1.95	1.89	0.06	3.3%
Farebox ratio	9.7%	10.1%	-0.5%	-4.5%
<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, 2017

	Year to Date		Variance	% Variance
	Actual	Budget		
Platform/report/turn in	4,680,097	\$ 4,694,979	\$ (14,883)	-0.3%
Guarantees	201,253	\$ 254,115	(52,862)	-20.8%
Overtime	233,117	\$ 222,534	10,583	4.8%
Spread	121,519	\$ 125,238	(3,719)	-3.0%
Protection	239,779	\$ 231,741	8,038	3.5%
Travel	164,548	\$ 162,882	1,667	1.0%
Training	141,565	\$ 144,909	(3,344)	-2.3%
Other Misc	21,418	\$ 53,453	(32,035)	-59.9%
	\$ 5,803,296	\$ 5,889,850	\$ (86,554)	-1.5%

Schedule 4- Operator Wages

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Other Revenue; Other Operating Assistance; Miscellaneous Expenses
For the Nine Months Ended March 31, 2017

Other Revenue	
Investment income (interest)	\$ 30,481
ADA Database Management revenue	75,000
Paypal Shipping revenue	873
RTC card revenue	1,608
Accounts payable discount	1
Various	18,826
	\$ 126,789
Other Operating Assistance	
RM2	\$ 109,004
BART feeder revenue	583,319
LCTOP	228,278
Lifeline grant	375,000
Homeland Security ITS	149,678
	\$ 1,445,279
Miscellaneous Expenses	
Board Travel Expense	\$ 5,981
Staff Travel Expense	38,959
CTA Conference	14,236
APTA Dues	26,272
Employee functions	21,579
Business Expense, GM	2,263
Employee Awards/Pins	2,858
Paypal fees	2,392
Training	7,824
Various other	3,579
	\$ 125,943

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 Nine Months Ended March 31, 2017

	Actual FY2017	Actual FY2016	Variance Actual 2017 to Actual 2016	Actual FY2015	Variance Actual 2017 to Actual 2015
Fixed Route					
Fares	\$ 2,130,717	\$ 2,265,704	-6.0%	\$ 2,377,363	-10.4%
Special Fares	1,023,372	1,110,837	-7.9%	1,028,768	-0.5%
Total Fares	\$ 3,154,089	\$ 3,376,541	-6.6%	\$ 3,406,131	-7.4%
<i>Fares box recovery ratio</i>	14.9%	16.2%	-8.3%	16.6%	-10.5%
Operating Exp (Less leases)	\$ 21,200,301	\$ 20,814,483	1.9%	\$ 20,488,519	3.5%
Revenue Hours	166,443	170,801	-2.6%	165,565	0.5%
Cost per Rev Hour	\$ 127.37	\$ 121.86	4.5%	\$ 123.75	2.9%
Passengers	2,618,435	2,772,111	-5.5%	2,694,588	-2.8%
Cost per Passenger	\$ 8.10	\$ 7.51	7.8%	\$ 7.60	6.5%
Passengers per Rev Hr	15.73	16.23	-3.1%	16.28	-3.3%

Paratransit

Fares	\$ 379,893	\$ 406,738	-6.6%	\$ 412,832	-8.0%
<i>Fares box recovery ratio</i>	9.7%	10.1%	-3.8%	12.1%	-19.8%
Operating Exp (Less leases)	\$ 3,925,165	\$ 4,044,316	-2.9%	\$ 3,704,294	6.0%
Revenue Hours	52,670	57,274	-8.0%	55,084	-4.4%
Cost per Rev Hour	\$ 74.52	\$ 70.61	5.5%	\$ 67.25	10.8%
Passengers	102,599	108,012	-5.0%	109,638	-6.4%
Cost per Passenger	\$ 38.26	\$ 37.44	2.2%	\$ 33.79	13.2%
Passengers per Rev Hr	1.95	1.89	3.3%	1.99	-2.1%

Schedule 6- Statistics