

County Connection

INTER OFFICE MEMO

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

Date: January 6, 2018

SUBJECT: Income Statements for the Three Months Ended September 30, 2017

The attached unaudited County Connection Income Statements for the first three months of FY 2018 are presented for your review. The combined expenses of \$8,085,577 for Fixed Route and Paratransit, (Schedule 1), are **10.8% under the budget (\$982,693)**. The expense categories with the most significant variances are:

Wages	\$(197,595)	(6.0)%	Operators' wages are lower by \$43K and Other wages are lower by \$154K. The Manager of Marketing, a mechanic and assistant trainer are vacant.
Fringe Benefits	\$(51,977)	(2.1)%	Fringe Benefits are under due to vacancies.
Services	\$(251,877)	(48.0)%	Services are under mainly due to lower promotions expense (\$36K), service repairs (\$49K), legal (\$58K) and IT contracts (\$67K).
Materials & Supplies	\$(230,076)	(31.6)%	Materials and supplies are lower due to lower diesel fuel costs (\$116K), tires (\$38K) and fewer repair parts and building supplies expenses (\$40K).
Contingency	\$(125,000)	(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 -12.0% under budget and Paratransit expenses are -4.6% under budget.

The combined revenues are also over/(under) budget. The most significant variances:

Passenger fares/special fares	\$(95,435)	(7.7)%	Fixed route passenger fares/special fares are (\$73.5K) lower than budget and Paratransit fares are (\$21.9K) lower than budget. Compared to the same period in the prior year, Fixed route is (\$12K) lower and Paratransit is (\$16K) lower.
TDA revenue earned	\$(1,062,740)	(22.6)%	TDA revenue is lower due to lower than expected expenses.
Other revenue	\$ 147,494	582.8%	The gain on sale of busses for \$135K.

Fixed Route Operator Wages (Schedule 4)

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

- Platform (work time) is -2.7% under budget.
- Overtime is -8.7% under budget.
- Training is -3.3% under budget.
- Overall wages for operators are -2.3% 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 -1.1% less than FY 2017 and -0.1% less than FY 2016.
- The farebox recovery ratio is lower compared to FY 2017 and FY 2016. The ratio is 15.6% in FY 2018; 16.1% in FY 2017 and 15.9% in FY 2016.
- Operating expenses are 2.2% more than in FY 2017 and FY 2016.
- Fixed route revenue hours are -1.0% less than FY 2017 and -0.9% less than FY 2016.
- The cost per revenue hour has increased 3.3% compared to FY 2017 and 1.4% compared to FY 2016.
- Passengers have decreased -5.0% compared to FY 2017 and -6.9% compared to FY 2016.
- The cost per passenger has increased 7.5% compared to FY 2017 and 9.8% compared to FY 2016.
- Passengers per revenue hour has decreased -4.0% compared to FY 2017 and -7.6% compared to FY 2016.

Paratransit:

- Passenger fares have decreased -13.5% compared to FY 2017 and -24.3% compared to FY 2016.
- The farebox ratio is less than FY 2017 and FY 2016. The ratio is 7.6% in FY 2018; 9.2% in FY 2017; and 10.4% in FY 2016.
- Expenses have increased 4.7% compared to FY 2017 and 4.2% compared to FY 2016.
- Revenue hours are -2.8% less than FY 2017 and -9.5% in FY 2016.
- Passengers have decreased -2.2% compared to FY 2017 and -5.7% compared to FY 2016.
- The cost per passenger has increased 7.0% since FY 2017 and 10.5% compared to FY 2016.
- Paratransit passengers per revenue hour have increased 1.2% compared to FY 2017 and 4.2% compared to FY 2016.

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2018 Year to Date Comparison of Actual vs Budget
Combined Fixed Route and Paratransit Income Statement
For the Three Months Ended September 30, 2017

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 766,370	\$ 857,434	\$ (91,064)	-10.6%
Special fares	379,137	383,507	(4,370)	-1.1%
	1,145,507	1,240,942	(95,435)	-7.7%
Advertising	146,250	153,985	(7,735)	-5.0%
Safe Harbor lease	3,959	2,218	1,741	78.5%
Other revenue	172,801	25,307	147,494	582.8%
Federal operating	351,211	343,750	7,461	2.2%
TDA earned revenue	3,648,458	4,711,198	(1,062,740)	-22.6%
STA revenue	591,456	591,456	-	0.0%
Measure J	1,539,449	1,517,454	21,995	1.4%
Other operating assistance	486,486	481,961	4,525	0.9%
	6,940,070	7,827,328	(887,258)	-11.3%
Total Revenue	\$ 8,085,577	\$ 9,068,270	\$ (982,693)	-10.8%
Expenses				
Wages- Operators	\$ 1,826,604	\$ 1,870,541	\$ (43,937)	-2.3%
Wages-Other	1,291,171	1,444,829	(153,658)	-10.6%
	3,117,775	3,315,370	(197,595)	-6.0%
Fringe Benefits	2,415,145	2,467,122	(51,977)	-2.1%
Services	273,206	525,083	(251,877)	-48.0%
Materials & Supplies	499,160	729,236	(230,076)	-31.6%
Utilities	82,866	104,363	(21,497)	-20.6%
Insurance	197,769	212,716	(14,947)	-7.0%
Taxes	34,879	57,079	(22,200)	-38.9%
Leases and Rentals	10,319	12,875	(2,556)	-19.9%
Miscellaneous	45,479	52,888	(7,409)	-14.0%
Special Trip Services	1,408,979	1,466,538	(57,559)	-3.9%
Operations	8,085,577	8,943,270	(857,693)	-9.6%
Contingency Reserve	-	125,000	(125,000)	-100.0%
Total Expenses	\$ 8,085,577	\$ 9,068,270	\$ (982,693)	-10.8%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	72,997	76,114	(3,117)	-4.1%
Cost per Rev Hr	\$ 110.62	\$ 118.97	(8.35)	-7.0%
Passengers	887,707	936,841	(49,134)	-5.2%
Cost per Passenger	\$ 9.11	\$ 9.68	(0.57)	-5.9%
Farebox ratio	14.2%	13.7%	0.5%	3.5%
<i>(fares, spec fares/Oper exp-w/o contingency-leases)</i>				

Schedule 1-Combined Fixed Route & Paratransit

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2018 Year to Date Comparison of Actual vs Budget
Fixed Route Income Statement
For the Three Months Ended September 30, 2017

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 661,480	\$ 730,559	\$ (69,079)	-9.5%
Special fares	379,137	383,507	(4,370)	-1.1%
	1,040,617	1,114,067	(73,450)	-6.6%
Advertising	146,250	153,985	(7,735)	-5.0%
Safe Harbor lease	3,959	2,218	1,741	78.5%
Other revenue	172,801	25,282	147,519	583.5%
TDA earned revenue	3,323,491	4,335,978	(1,012,487)	-23.4%
STA revenue	403,190	403,190	-	0.0%
Measure J	1,157,873	1,135,878	21,995	1.9%
Other operating assistance	452,801	446,961	5,840	1.3%
	5,660,365	6,503,491	(843,126)	-13.0%
Total Revenue	\$ 6,700,982	\$ 7,617,558	\$ (916,576)	-12.0%
Expenses				
Wages- Operators	\$ 1,826,604	\$ 1,870,541	\$ (43,937)	-2.3%
Wages-Other	1,277,561	1,419,757	(142,196)	-10.0%
	3,104,165	3,290,298	(186,133)	-5.7%
Fringe Benefits	2,403,589	2,452,858	(49,269)	-2.0%
Services	263,506	521,183	(257,677)	-49.4%
Materials & Supplies	499,040	728,386	(229,346)	-31.5%
Utilities	76,757	97,750	(20,993)	-21.5%
Insurance	197,769	212,716	(14,947)	-7.0%
Taxes	34,879	57,004	(22,125)	-38.8%
Leases and Rentals	10,319	12,875	(2,556)	-19.9%
Miscellaneous	45,479	52,713	(7,234)	-13.7%
Purchased Transportation	65,479	66,775	(1,296)	-1.9%
Operations	6,700,982	7,492,558	(791,576)	-10.6%
Contingency Reserve	-	125,000	(125,000)	
Total Expenses	\$ 6,700,982	\$ 7,617,558	\$ (916,576)	-12.0%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	55,729	57,185	(1,456)	-2.5%
Cost per Rev Hr	\$ 120.06	\$ 132.98	(12.93)	-9.7%
Passengers	853,155	898,009	(44,854)	-5.0%
Cost per Passenger	\$ 7.85	\$ 8.48	(0.63)	-7.4%
Passengers per Rev Hr	15.31	15.70	(0.39)	-2.5%
Farebox recovery ratio	15.6%	14.9%	0.7%	4.4%

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

Schedule 2-Fixed Route

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Paratransit Income Statement
FY 2018 Year to Date Comparison of Actual vs Budget
For the Three Months Ended September 30, 2017

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares (a)	\$ 104,890	\$ 126,875	\$ (21,985)	-17.3%
	104,890	126,875	(21,985)	-17.3%
Other revenue		25	(25)	-100.0%
Federal operating	351,211	343,750	7,461	2.2%
TDA earned revenue	324,967	375,220	(50,253)	-13.4%
STA revenue	188,266	188,266	-	0.0%
Measure J	381,576	381,576	-	0.0%
Other operating assistance	33,685	35,000	(1,315)	-3.8%
	1,279,705	1,323,837	(44,132)	-3.3%
Total Revenue	\$ 1,384,595	\$ 1,450,712	\$ (66,117)	-4.6%
Expenses				
Wages-Other	13,610	\$ 25,072	\$ (11,462)	-45.7%
	13,610	25,072	(11,462)	-45.7%
Fringe Benefits	11,556	14,264	(2,708)	-19.0%
Services	9,700	3,900	5,800	148.7%
Materials & Supplies	120	850	(730)	-85.9%
Utilities	6,109	6,613	(504)	-7.6%
Taxes	-	75	(75)	-100.0%
Miscellaneous	-	175	(175)	-100.0%
Special Trip Services	1,343,500	1,399,763	(56,263)	-4.0%
Total Expenses	\$ 1,384,595	\$ 1,450,712	\$ (66,117)	-4.6%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	17,268	18,929	(1,661)	-8.8%
Cost per Rev Hr	\$ 80.18	\$ 76.64	\$ 3.54	4.6%
Passengers	34,552	38,832	(4,280)	-11.0%
Cost per Passenger	\$ 40.07	\$ 37.36	\$ 2.71	7.3%
Passengers per Rev Hr	2.00	2.05	(0.05)	-2.5%
Farebox ratio	7.6%	8.7%	-1.2%	-13.4%
<i>(fares,spec fares/Oper exp-leases)</i>				

Schedule 3- Paratransit

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Operator Wages
For the Three Months Ended September 30, 2017

	Actual		Budget		Variance	% Variance
Platform/report/turn in	\$ 1,476,365	\$	1,516,578	\$	(40,214)	-2.7%
Guarantees	55,934		61,239		(5,305)	-8.7%
Overtime	75,282		74,610		672	0.9%
Spread	42,912		40,826		2,085	5.1%
Protection	77,161		76,505		656	0.9%
Travel	54,428		53,972		456	0.8%
Training	37,937		39,243		(1,306)	-3.3%
Other Misc	6,586		7,568		(982)	-13.0%
	\$ 1,826,604	\$	1,870,541	\$	(43,937)	-2.3%

Schedule 4- Operator Wages

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Other Revenue; Other Operating Assistance; Miscellaneous Expenses
For the Three Months Ended September 30, 2017

Other Revenue

Investment income (interest)	\$ 17,885
ADA Database Management revenue	18,750
Paypal Shipping revenue	256
RTC card revenue	561
Various	135,349
	\$ 172,801

Other Operating Assistance

RM2	\$ 36,335
BART feeder revenue	194,440
LCTOP	73,643
Homeland Security ITS	148,383
	\$ 452,801

Miscellaneous Expenses

Board Travel Expense	\$ 11,248
Staff Travel Expense	13,782
APTA Dues	8,757
Employee functions	5,929
Employee Awards/pins	549
Paypal fees	750
Training	642
Various other	3,822
	\$ 45,479

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2018 Year to Date Comparison of FY 2017 Actual & FY 2016 Actual
Statistics
For the Three Months Ended September 30, 2017

Actual	Actual	Variance	Actual	Variance
FY2018	FY2017	Actual 2018 to Actual 2017	FY2016	Actual 2018 to Actual 2016

Fixed Route

Fares	\$ 661,480	\$ 707,168	-6.5%	\$ 694,596	-4.8%
Special Fares	379,137	345,396	9.8%	346,575	9.4%
Total Fares	\$ 1,040,617	\$ 1,052,564	-1.1%	\$ 1,041,171	-0.1%
<i>Fares box recovery ratio</i>	15.6%	16.1%	-3.2%	15.9%	-2.2%
Operating Exp (Less leases)	\$ 6,690,663	\$ 6,548,200	2.2%	\$ 6,544,082	2.2%
<i>Revenue Hours</i>	55,729	56,320	-1.0%	55,255	0.9%
<i>Cost per Rev Hour</i>	\$ 120.06	\$ 116.27	3.3%	\$ 118.43	1.4%
<i>Passengers</i>	853,155	898,009	-5.0%	915,922	-6.9%
<i>Cost per Passenger</i>	\$ 7.84	\$ 7.29	7.5%	\$ 7.14	9.8%
<i>Passengers per Rev Hr</i>	15.31	15.94	-4.0%	16.58	-7.6%

Paratransit (a)

Fares	\$ 104,890	\$ 121,235	-13.5%	\$ 138,512	-24.3%
<i>Fares box recovery ratio</i>	7.6%	9.2%	-17.3%	10.4%	-27.3%
Operating Exp (Less leases)	\$ 1,384,595	\$ 1,323,043	4.7%	\$ 1,328,362	4.2%
<i>Revenue Hours</i>	17,268	17,759	-2.8%	19,087	-9.5%
<i>Cost per Rev Hour</i>	\$ 80.18	\$ 74.50	7.6%	\$ 69.60	15.2%
<i>Passengers</i>	34,552	35,316	-2.2%	36,643	-5.7%
<i>Cost per Passenger</i>	\$ 40.07	\$ 37.46	7.0%	\$ 36.25	10.5%
<i>Passengers per Rev Hr</i>	2.00	1.99	1.2%	1.92	4.2%

(a) Information on fare revenues and revenue hours are based on estimates from First Transit.