

# County Connection

## INTER OFFICE MEMO

To: Administration & Finance Committee  
From: Erick Cheung, Chief Finance Officer

Date: October 7, 2020

**SUBJECT: Income Statements for the Fiscal Year Ended June 30, 2020**

The attached unaudited County Connection Income Statements for Fiscal Year (FY) 2020 are presented for your review. The combined expenses of \$37,805,701 for Fixed Route and Paratransit, (Schedule 1), **are under budget by 11.2% or \$4,776,386**. The expense categories with the most significant variances are:

Wages	\$(943,396)	(6.1)%	Operator wages are under budget because of COVID-19 which reduced drivers and service. Other wages are lower by \$515K due to vacancies in the planning and maintenance departments.
Fringe Benefits	\$(735,634)	(6.4)%	Fringe Benefits are under budget due to vacancies and workers compensation expense.
Services	\$(512,861)	(21.5)%	Services are under budget due to lower promotions expense for \$92K, schedules/graphics expense for \$96K, service development expense for \$72K and service vehicle repair for \$130K.
Materials & Supplies	\$(441,482)	(15.2)%	Materials and supplies are lower due to lower diesel fuel costs of \$452K, offset by COVID protective equipment for \$43K and coach repair parts of \$47K.
Insurance	\$(190,562)	(19.4)%	Liability premium and losses are under budget.
Special Trip Services	\$(911,847)	(12.2)%	Special Trip Services are under budget due to COVID-19 which decreased Paratransit Ridership over 80% but offset by COVID/food delivery trips for \$386K.
Miscellaneous	\$(92,407)	(38.5)%	Due to COVID-19, travel and training expense was under budget by \$35K and \$20K, respectively.
Contingency	\$(900,000)	(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 10.1% under budget and Paratransit expenses are 16.5% under budget.

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

Passenger fares/special fares	\$(467,838)	(9.1)%	Fixed route passenger fares/special fares are \$572K under budget. Fixed route and Paratransit fares are lower due to COVID-19 as we stopped collecting for safety and health reasons in mid-March. Special fares are slightly higher as we assisted BART with bus bridges even during COVID-19.
Advertising	\$(139,012)	(23.5)%	Advertising revenue decreased due to COVID-19 and reduced service.
Other revenue	\$97,133	39.7%	Investment income from LAIF is higher than budget and includes an increase of \$48K to record LAIF at fair market value at June 30 <sup>th</sup> .
FTA CARES Act	\$6,911,064	N/A	Due to COVID-19 the Federal Cares Act was allocated by MTC for \$11.8 million to County Connection. As of June 30 <sup>th</sup> , we have received \$6.9 million.
STA revenue	\$(597,386)	(9.1)%	STA revenue is lower due to State lowering estimate by 10% and MTC reduced our allocations accordingly. Afterwards, MTC again reduced our allocations due to COVID-19.
TDA revenue earned	\$(10,536,948)	(53.1)%	TDA revenue is lower due to lower than expected expenses and FTA Cares Act revenue as noted above.

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

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

- Platform (work time) is \$372,915 or 5.4% under budget.
- Overtime and Spread are \$3,130 or 0.05% over budget due to vacancies and special BART services but offset by reduced service due to COVID-19.
- Protection is \$23,010 or 6.1% over budget due to COVID-19.
- Overall wages for operators are \$428,655 or 4.9% under budget.

#### **Statistics (Schedule 6)**

**Schedule 6** provides selected statistical information for the current year compared to the last two years but data will be skewed due to impact of COVID-19 with decreased ridership and collection of fares stopped in mid-March for health and safety of passengers and employees:

Fixed route:

- Passenger fares/special fares are 4.9% less than FY 2019 and 1.3% less than FY 2018.
- The farebox recovery ratio is 4.4% less than FY 2019 and 6.1% less than FY 2018. The ratio is 13.7% in FY 2020; 14.3% in FY 2019 and 14.5% in FY 2018.
- Operating expenses are 0.4% less than in FY 2019 and 5.1% more than in FY 2018.
- Fixed route revenue hours are 9.7% less than FY 2019 and 9.4% than FY 2018.
- The cost per revenue hour has increased 13.3% compared to FY 2019 and 25.6% compared to FY 2018.

- Passengers have decreased 12.1% compared to FY 2019 and 16.3% compared to FY 2018.
- The cost per passenger has increased 13.3% compared to FY 2019 and 25.6% compared to FY 2018.
- Passengers per revenue hour has decreased 2.7% compared to FY 2019 and 7.6% compared to FY 2018.

Paratransit (\*):

- Passenger fares have decreased 25.3% compared to FY 2019 and 21.1% compared to FY 2018.
- The farebox ratio is less than FY 2019 and FY 2018. The ratio is 6.3% in FY 2020; 8.4% in FY 2019; and 9.1% in FY 2018.
- Expenses have decreased 0.6% compared to FY 2019 and increased 14.0% compared to FY 2018.
- Revenue hours are 27.4% less than FY 2019 and 17.7% than FY 2018.
- Passengers have decreased 24.9% compared to FY 2019 and 23.3% compared to FY 2018.
- The cost per passenger has increased 32.3% since FY 2019 and 48.7% compared to FY 2018.
- Paratransit passengers per revenue hour have increased 3.4% compared to FY 2019 and decreased 6.8% compared to FY 2018.

*\* Choice in Aging provides County Connection the ridership information monthly but did not include revenue hours which will skew some of the ratios.*

## CENTRAL CONTRA COSTA TRANSIT AUTHORITY

### FY 2020 Year to Date Comparison of Actual vs Budget Combined Fixed Route and Paratransit Income Statement For the Fiscal Year Ended June 30, 2020

	Actual	Budget	Variance	% Variance
<b>Revenues</b>				
Passenger fares	\$ 3,043,711	\$ 3,615,628	\$ (571,917)	-15.8%
Special fares	1,652,117	1,548,038	104,079	6.7%
	<u>4,695,828</u>	<u>5,163,666</u>	<u>(467,838)</u>	<u>-9.1%</u>
Advertising	453,488	592,500	(139,012)	-23.5%
Safe Harbor lease	31,511	33,703	(2,192)	-6.5%
Other revenue	341,983	244,850	97,133	39.7%
Federal CARES Act	6,911,064	-	6,911,064	N/A
FEMA	33,478	-	33,478	N/A
Federal operating	1,395,000	1,380,000	15,000	1.1%
TDA earned revenue	9,308,720	19,845,668	(10,536,948)	-53.1%
STA revenue	5,939,249	6,536,635	(597,386)	-9.1%
Measure J	6,774,325	6,774,328	(3)	0.0%
Other operating assistance	1,921,055	2,010,737	(89,682)	-4.5%
	<u>33,109,873</u>	<u>37,418,421</u>	<u>(4,308,548)</u>	<u>-11.5%</u>
<b>Total Revenue</b>	<b>\$ 37,805,701</b>	<b>\$ 42,582,087</b>	<b>\$ (4,776,386)</b>	<b>-11.2%</b>
<b>Expenses</b>				
Wages- Operators	\$ 8,316,345	\$ 8,745,000	\$ (428,655)	-4.9%
Wages-Other	6,236,194	6,750,935	(514,741)	-7.6%
	<u>14,552,539</u>	<u>15,495,935</u>	<u>(943,396)</u>	<u>-6.1%</u>
Fringe Benefits	10,770,052	11,505,686	(735,634)	-6.4%
Services	1,869,379	2,382,240	(512,861)	-21.5%
Materials & Supplies	2,468,859	2,910,341	(441,482)	-15.2%
Utilities	365,132	405,650	(40,518)	-10.0%
Insurance	790,287	980,849	(190,562)	-19.4%
Taxes	237,192	251,815	(14,623)	-5.8%
Leases and Rentals	60,444	53,500	6,944	13.0%
Miscellaneous	147,593	240,000	(92,407)	-38.5%
Special Trip Services	6,544,224	7,456,071	(911,847)	-12.2%
<b>Operations</b>	<b>37,805,701</b>	<b>41,682,087</b>	<b>(3,876,386)</b>	<b>-9.3%</b>
Contingency Reserve	-	900,000	(900,000)	-100.0%
<b>Total Expenses</b>	<b>\$ 37,805,701</b>	<b>\$ 42,582,087</b>	<b>\$ (4,776,386)</b>	<b>-11.2%</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Revenue Hours</b>	<b>264,545</b>	<b>308,541</b>	<b>(43,996)</b>	<b>-14.3%</b>
<b>Cost per Rev Hr.</b>	<b>\$ 142.68</b>	<b>\$ 137.84</b>	<b>\$ 4.84</b>	<b>3.5%</b>
<b>Passengers</b>	<b>2,962,634</b>	<b>3,390,882</b>	<b>(428,248)</b>	<b>-12.6%</b>
<b>Cost per Passenger</b>	<b>\$ 12.76</b>	<b>\$ 12.56</b>	<b>\$ 0.20</b>	<b>1.6%</b>
<b>Farebox ratio</b>	<b>12.4%</b>	<b>12.1%</b>	<b>0.3%</b>	<b>2.5%</b>

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

#### Schedule 1-Combined Fixed Route & Paratransit

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**FY 2020 Year to Date Comparison of Actual vs Budget**  
**Fixed Route Income Statement**  
**For the Fiscal Year Ended June 30, 2020**

	Actual	Budget	Variance	% Variance
<b>Revenues</b>				
Passenger fares	\$ 2,646,161	\$ 3,065,628	\$ (419,467)	-13.7%
Special fares	1,652,117	1,548,038	104,079	6.7%
	4,298,278	4,613,666	(315,388)	-6.8%
Advertising	453,488	592,500	(139,012)	-23.5%
Safe Harbor lease	31,511	33,703	(2,192)	-6.5%
Other revenue	341,983	244,850	97,133	39.7%
Federal CARES Act	5,540,656	-	5,540,656	N/A
FEMA	33,478	-	33,478	N/A
TDA earned revenue	8,986,474	17,091,812	(8,105,338)	-47.4%
STA revenue	5,155,965	5,688,148	(532,183)	-9.4%
Measure J	4,960,083	4,960,085	(2)	0.0%
Other operating assistance	1,716,541	1,830,817	(114,276)	-6.2%
	27,220,179	30,441,915	(3,221,736)	-10.6%
<b>Total Revenue</b>	<b>\$ 31,518,457</b>	<b>\$ 35,055,581</b>	<b>\$ (3,537,124)</b>	<b>-10.1%</b>
<b>Expenses</b>				
Wages- Operators	\$ 8,316,345	\$ 8,745,000	\$ (428,655)	-4.9%
Wages-Other	6,045,029	6,568,717	(523,688)	-8.0%
	14,361,374	15,313,717	(952,343)	-6.2%
Fringe Benefits	10,667,149	11,413,859	(746,710)	-6.5%
Services	1,839,924	2,339,640	(499,716)	-21.4%
Materials & Supplies	2,421,579	2,908,341	(486,762)	-16.7%
Utilities	333,315	358,150	(24,835)	-6.9%
Insurance	777,102	980,849	(203,747)	-20.8%
Taxes	237,192	251,515	(14,323)	-5.7%
Leases and Rentals	60,444	53,500	6,944	13.0%
Miscellaneous	147,182	236,500	(89,318)	-37.8%
Purchased Transportation	235,276	299,510	(64,234)	-21.4%
Services - COVID	9,732	-	9,732	N/A
Materials & Supplies - COVID	42,726	-	42,726	N/A
Purchased Transp. - COVID	385,462	-	385,462	N/A
<b>Operations</b>	<b>31,518,457</b>	<b>34,155,581</b>	<b>(2,637,124)</b>	<b>-7.7%</b>
Contingency Reserve	-	900,000	(900,000)	
<b>Total Expenses</b>	<b>\$ 31,518,457</b>	<b>\$ 35,055,581</b>	<b>\$ (3,537,124)</b>	<b>-10.1%</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Revenue Hours</b>	<b>206,764</b>	<b>228,907</b>	<b>(22,143)</b>	<b>-9.7%</b>
<b>Cost per Rev Hr.</b>	<b>\$ 152.14</b>	<b>\$ 152.91</b>	<b>\$ (0.77)</b>	<b>-0.5%</b>
<b>Passengers</b>	<b>2,858,422</b>	<b>3,252,148</b>	<b>(393,726)</b>	<b>-12.1%</b>
<b>Cost per Passenger</b>	<b>\$ 11.03</b>	<b>\$ 10.78</b>	<b>\$ 0.25</b>	<b>2.3%</b>
<b>Passengers per Rev Hr.</b>	<b>13.82</b>	<b>14.21</b>	<b>(0.38)</b>	<b>-2.7%</b>
<b>Farebox recovery ratio</b>	<b>13.7%</b>	<b>13.5%</b>	<b>0.1%</b>	<b>1.0%</b>

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

**Schedule 2-Fixed Route**

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Paratransit Income Statement**  
**FY 2020 Year to Date Comparison of Actual vs Budget**  
**For the Fiscal Year Ended June 30, 2020**

	Actual	Budget	Variance	% Variance
<b>Revenues</b>				
Passenger fares	\$ 397,550	\$ 550,000	\$ (152,450)	-27.7%
	397,550	550,000	(152,450)	-27.7%
Federal CARES Act	1,370,408	-	1,370,408	N/A
Federal operating	1,395,000	1,380,000	15,000	1.1%
TDA earned revenue	322,246	2,753,856	(2,431,610)	-88.3%
STA revenue	783,284	848,487	(65,203)	-7.7%
Measure J	1,814,242	1,814,243	(1)	0.0%
Other operating assistance	204,514	179,920	24,594	13.7%
	5,889,694	6,976,506	(1,086,812)	-15.6%
<b>Total Revenue</b>	<b>\$ 6,287,244</b>	<b>\$ 7,526,506</b>	<b>\$ (1,239,262)</b>	<b>-16.5%</b>
<b>Expenses</b>				
Wages-Other	\$ 191,165	\$ 182,218	\$ 8,947	4.9%
	191,165	182,218	8,947	4.9%
Fringe Benefits	102,903	91,827	11,076	12.1%
Services	19,723	42,600	(22,877)	-53.7%
Materials & Supplies	4,554	2,000	2,554	127.7%
Utilities	31,817	47,500	(15,683)	-33.0%
Insurance	13,185	-	13,185	0.0%
Taxes	-	300	(300)	-100.0%
Miscellaneous	411	3,500	(3,089)	-88.3%
Special Trip Services	5,923,486	7,156,561	(1,233,075)	-17.2%
<b>Total Expenses</b>	<b>\$ 6,287,244</b>	<b>\$ 7,526,506</b>	<b>\$ (1,239,262)</b>	<b>-16.5%</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Revenue Hours</b>	<b>57,781</b>	<b>79,634</b>	<b>(21,853)</b>	<b>-27.4%</b>
<b>Cost per Rev Hr.</b>	<b>\$ 108.81</b>	<b>\$ 94.51</b>	<b>\$ 14.30</b>	<b>15.1%</b>
<b>Passengers</b>	<b>104,212</b>	<b>138,734</b>	<b>(34,522)</b>	<b>-24.9%</b>
<b>Cost per Passenger</b>	<b>\$ 60.33</b>	<b>\$ 54.25</b>	<b>\$ 6.08</b>	<b>11.2%</b>
<b>Passengers per Rev Hr.</b>	<b>1.80</b>	<b>1.74</b>	<b>0.06</b>	<b>3.5%</b>
<b>Farebox ratio</b>	<b>6.3%</b>	<b>7.3%</b>	<b>-1.0%</b>	<b>-13.5%</b>
<i>(fares, spec fares/Oper exp-leases)</i>				

Schedule 3- Paratransit

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Operator Wages**  
*For the Fiscal Year Ended June 30, 2020*

	Year to Date		Variance	% Variance
	Actual	Budget		
Platform/report/turn in	\$ 6,590,973	\$ 6,963,888	\$ (372,915)	-5.4%
Guarantees	268,168	303,753	(35,585)	-11.7%
Overtime	472,280	455,045	17,235	3.8%
Spread	230,841	244,946	(14,105)	-5.8%
Protection	399,012	376,002	23,010	6.1%
Travel	200,004	216,883	(16,879)	-7.8%
Training	131,446	154,801	(23,354)	-15.1%
Other Misc.	23,619	29,681	(6,062)	-20.4%
	<b>\$ 8,316,345</b>	<b>\$ 8,745,000</b>	<b>\$ (428,655)</b>	<b>-4.9%</b>

**Schedule 4- Operator Wages**

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Other Revenue; Other Operating Assistance; Miscellaneous Expenses**  
*For the Fiscal Year Ended June 30, 2020*

**Other Revenue**

Investment income (interest)	\$ 237,096
ADA Database Management revenue	75,000
RTC card revenue	2,262
Sprint rental income	25,920
Various	1,705
	\$ 341,983

**Other Operating Assistance**

RM2	\$ 84,153
BART feeder revenue	861,895
LCTOP	388,398
Lifeline grant	230,000
Dougherty Valley Fees	152,095
	\$ 1,716,541

**Miscellaneous Expenses**

Board Travel Expense	\$ 5,533
Staff Travel Expense	45,489
CTA Dues	13,000
APTA Dues	35,500
Employee functions	27,099
Business Expense, GM	1,815
Business Expense, Finance	955
Employee Awards/Pins	2,881
Paypal fees	79
Training	11,643
Various other	3,188
	\$ 147,182



**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**FY 2020 Year to Date Comparison of FY 2019 Actual & FY 2018 Actual**  
**Statistics**  
**For the Fiscal Year Ended June 30, 2020**

Actual FY2020	Actual FY2019	Variance Actual 2020 to Actual 2019	Actual FY2018	Variance Actual 2020 to Actual 2018
------------------	------------------	---	------------------	---

**Fixed Route**

Fares	\$ 2,646,161	\$ 2,683,963	-1.4%	\$ 2,717,552	-2.6%
Special Fares	1,652,117	1,833,494	-9.9%	1,635,867	1.0%
<b>Total Fares</b>	<b>\$ 4,298,278</b>	<b>\$ 4,517,457</b>	-4.9%	<b>\$ 4,353,419</b>	-1.3%
<b>Fares box recovery ratio</b>	<b>13.7%</b>	<b>14.3%</b>	-4.4%	<b>14.5%</b>	-6.1%
Operating Exp (Less leases & adjust for GASB 68 & 75)	\$ 31,458,013	\$ 31,595,189	-0.4%	\$ 29,926,280	5.1%
<b>Revenue Hours</b>	<b>206,764</b>	<b>228,907</b>	-9.7%	<b>228,293</b>	-9.4%
<b>Cost per Rev Hour</b>	<b>\$ 152.14</b>	<b>\$ 138.03</b>	10.2%	<b>\$ 131.09</b>	16.1%
<b>Passengers</b>	<b>2,858,422</b>	<b>3,252,148</b>	-12.1%	<b>3,414,611</b>	-16.3%
<b>Cost per Passenger</b>	<b>\$ 11.01</b>	<b>\$ 9.72</b>	13.3%	<b>\$ 8.76</b>	25.6%
<b>Passengers per Rev Hr.</b>	<b>13.82</b>	<b>14.21</b>	-2.7%	<b>14.96</b>	-7.6%

**Paratransit**

Fares	\$ 397,550	\$ 532,081	-25.3%	\$ 504,028	-21.1%
<b>Fares box recovery ratio</b>	<b>6.3%</b>	<b>8.4%</b>	-24.8%	<b>9.1%</b>	-30.8%
Operating Exp (Less leases)	\$ 6,287,244	\$ 6,325,971	-0.6%	\$ 5,517,364	14.0%
<b>Revenue Hours</b>	<b>57,781</b>	<b>79,566</b>	-27.4%	<b>70,223</b>	-17.7%
<b>Cost per Rev Hour</b>	<b>\$ 108.81</b>	<b>\$ 79.51</b>	36.9%	<b>\$ 78.57</b>	38.5%
<b>Passengers</b>	<b>104,212</b>	<b>138,734</b>	-24.9%	<b>135,948</b>	-23.3%
<b>Cost per Passenger</b>	<b>\$ 60.33</b>	<b>\$ 45.60</b>	32.3%	<b>\$ 40.58</b>	48.7%
<b>Passengers per Rev Hr.</b>	<b>1.80</b>	<b>1.74</b>	3.4%	<b>1.94</b>	-6.8%