

County Connection

INTER OFFICE MEMO

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

Date: February 3, 2021

SUBJECT: Income Statements for the Six Months Ended December 31, 2020

The attached unaudited County Connection Income Statements for the first six months of Fiscal Year (FY) 2021 are presented for your review. The combined expenses of \$17,553,495 for Fixed Route and Paratransit, (Schedule 1), **are under budget by 20.8% or \$4,612,326**. The expense categories with the most significant variances are:

Expenses:

Wages	\$(1,457,128)	(18.3)%	Operator wages are under budget for \$971K because of vacancies and reduction in service (i.e. currently not running school trippers). Other wages are lower by \$486K due to vacancies in the planning, safety and training, and maintenance departments.
Fringe Benefits	\$(599,701)	(10.0)%	Fringe Benefits are under budget due to vacancies and premiums for medical & cafeteria do not increase until January 2021.
Services	\$(334,010)	(26.0)%	Services are under budget due to lower promotions expense for \$69K, service development for \$40K, Clipper fees for \$70K, and service vehicle repair for \$122K.
Materials & Supplies	\$(648,709)	(39.9)%	Materials and supplies are lower due to lower diesel fuel costs and reduced service of \$359K and electricity use for trolleys of \$41K. Also, lower repair parts and clipper relief costs of \$88K.
Miscellaneous	\$(71,492)	(58.9)%	Miscellaneous expenses are under budget due to minimal travel and training expenses in FY 2021 and under budget for \$61K,
Special Trip Services	\$(1,106,338)	(27.6)%	Special Trip Services overall is under budget due to COVID-19, which decreased Paratransit Ridership and costs. For Fixed Route, costs are higher due to COVID/food delivery trips but offset by eliminated trips for Cal State East Bay and Saint Mary's College.
Contingency	\$(300,000)	(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 15.6% under budget and Paratransit expenses are 44.2% under budget.

Revenues:

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

Passenger fares/special fares	\$(2,094,665)	(74.1)%	Passenger fares are \$1.4M 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 through October. Special fares are lower by \$663K due to COVID-19 reduced service or the service is not currently needed such as Bishop Ranch, City of Walnut Creek, Cal State East Bay and Saint Mary's College.
Advertising	\$(167,277)	(79.9)%	Due to COVID-19, our provider saw a decrease in advertising revenue. The provider requested and the Board approved modifying the revenue structure based on actual receipts instead of the minim agreed upon amounts.
Federal operating	\$(4,518,681)	(88.2)%	Staff has not drawn down CARES Act Funds due to the approval of the Federal Coronavirus Response and Relief Supplemental and Appropriations Act of 2021 (CRRSAA) due to the uncertainty of any allocations to County Connection and when these funds must be spent. Also, we received positive signs on sales tax which possibly means revenue loss is not as severe as assumed last summer.
TDA revenue earned	\$2,164,355	24.7%	TDA revenue is higher to offset expenses due to lower fare revenues and not drawing down of the CARES Act Funds.

Fixed Route Operator Wages (Schedule 4)

Schedule 4 compares various components of operator wages with the budget. Almost all categories are under budget due to COVID-19 as service was reduced.

- Platform (work time) is \$746,639 or 20.8% under budget.
- Overtime and Spread are \$181,053 or 47.2% under budget.
- Protection is \$71,493 or 32.9% over budget.
- Overall wages for operators are \$971,357 or 21.4% 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 74.7% less than FY 2020 and 66.8% less than FY 2019. County Connection stopped collecting fares in mid-March 2020 through October due to COVID-19.
- The farebox recovery ratio is 73.6% less than FY 2020 and 66.4% less than FY 2019. The ratio is 4.7% in FY 2021; 17.9% in FY 2020; and 14.1% in FY 2019.
- Operating expenses are 4.1% less than in FY 2020 and 1.0% less than in FY 2019.

- Fixed route revenue hours are 17.7% less than FY 2020 and 19.2% less than FY 2019.
- The cost per revenue hour has increased 16.6% compared to FY 2020 and 22.6% compared to FY 2019.
- Passengers have decreased 69.4% compared to FY 2020 and 65.4% compared to FY 2019.
- The cost per passenger has increased 212.9% compared to FY 2020 and 186.5% compared to FY 2019.
- Passengers per revenue hour has decreased 62.7% compared to FY 2020 and 57.2% compared to FY 2019.

Paratransit (December data not currently available and are estimates):

- Passenger fares have decreased 96.3% compared to FY 2020 and increased 96.0% compared to FY 2019.
- The farebox ratio is less than FY 2020 and FY 2019. The ratio is 0.4% in FY 2021; 7.2% in FY 2020; and 7.8% in FY 2019.
- Expenses have decreased 37.4% compared to FY 2020 and 26.9% compared to FY 2019.
- Revenue hours are 66.4% less than FY 2020 and 68.0% in FY 2019.
- Passengers have decreased 77.0% compared to FY 2020 and 76.9% compared to FY 2019.
- The cost per passenger has increased 172.3% since FY 2020 and 215.6% compared to FY 2019.
- Paratransit passengers per revenue hour have decreased 31.5% compared to FY 2020 and 27.7% compared to FY 2019.

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2021 Year to Date Comparison of Actual vs Budget
Combined Fixed Route and Paratransit Income Statement
For the Six Months Ended December 31, 2020

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 589,402	\$ 2,021,558	\$ (1,432,156)	-70.8%
Special fares	142,780	805,289	(662,509)	-82.3%
	732,182	2,826,847	(2,094,665)	-74.1%
Advertising	42,098	209,375	(167,277)	-79.9%
Safe Harbor lease	5,750	15,700	(9,950)	-63.4%
Other revenue	156,943	86,973	69,970	80.5%
Federal operating	607,200	5,125,881	(4,518,681)	-88.2%
TDA earned revenue	10,918,314	8,753,959	2,164,355	24.7%
STA revenue	1,725,147	1,725,147	-	0.0%
Measure J	2,664,489	2,664,489	-	0.0%
Other operating assistance	701,372	757,450	(56,078)	-7.4%
	16,821,313	19,338,974	(2,517,661)	-13.0%
Total Revenue	\$ 17,553,495	\$ 22,165,821	\$ (4,612,326)	-20.8%
Expenses				
Wages- Operators	\$ 3,564,323	\$ 4,535,680	\$ (971,357)	-21.4%
Wages-Other	2,946,394	3,432,166	(485,772)	-14.2%
	6,510,717	7,967,845	(1,457,128)	-18.3%
Fringe Benefits	5,397,468	5,997,169	(599,701)	-10.0%
Services	952,355	1,286,365	(334,010)	-26.0%
Materials & Supplies	976,093	1,624,802	(648,709)	-39.9%
Utilities	170,665	196,800	(26,135)	-13.3%
Insurance	478,733	506,500	(27,767)	-5.5%
Taxes	100,120	128,508	(28,388)	-22.1%
Leases and Rentals	15,842	28,500	(12,658)	-44.4%
Miscellaneous	49,853	121,345	(71,492)	-58.9%
Special Trip Services	2,901,649	4,007,987	(1,106,338)	-27.6%
Operations	17,553,495	21,865,821	(4,312,326)	-19.7%
Contingency Reserve	-	300,000	(300,000)	-100.0%
Total Expenses	\$ 17,553,495	\$ 22,165,821	\$ (4,612,326)	-20.8%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	104,614	149,307	(44,693)	-29.9%
Cost per Rev Hr	\$ 167.64	\$ 148.27	\$ 19.37	13.1%
Passengers	588,491	1,937,695	(1,349,204)	-69.6%
Cost per Passenger	\$ 29.83	\$ 11.44	\$ 18.39	160.8%
Farebox ratio	4.2%	12.8%	-8.6%	-67.3%
<i>(fares,spec fares/Oper exp-w/o contingency-leases)</i>				

Schedule 1-Combined Fixed Route & Paratransit

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2021 Year to Date Comparison of Actual vs Budget
Fixed Route Income Statement
For the Six Months Ended December 31, 2020

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 579,696	\$ 1,798,433	\$ (1,218,737)	-67.8%
Special fares	142,780	805,289	(662,509)	-82.3%
	722,476	2,603,722	(1,881,246)	-72.3%
Advertising	42,098	209,375	(167,277)	-79.9%
Safe Harbor lease	5,750	15,700	(9,950)	-63.4%
Other revenue	156,943	86,973	69,970	80.5%
Federal operating	-	4,518,681	(4,518,681)	-100.0%
TDA earned revenue	10,312,546	6,581,676	3,730,870	56.7%
STA revenue	1,478,472	1,478,472	-	0.0%
Measure J	1,954,610	1,954,610	-	0.0%
Other operating assistance	616,504	659,100	(42,596)	-6.5%
	14,566,923	15,504,587	(937,664)	-6.0%
Total Revenue	\$ 15,289,399	\$ 18,108,309	\$ (2,818,910)	-15.6%
Expenses				
Wages- Operators	\$ 3,564,323	\$ 4,535,680	\$ (971,357)	-21.4%
Wages-Other	2,838,725	3,336,080	(497,355)	-14.9%
	6,403,048	7,871,759	(1,468,711)	-18.7%
Fringe Benefits	5,346,297	5,940,273	(593,976)	-10.0%
Services	916,317	1,272,365	(356,048)	-28.0%
Materials & Supplies	975,749	1,622,302	(646,553)	-39.9%
Utilities	154,196	176,300	(22,104)	-12.5%
Insurance	471,950	498,970	(27,020)	-5.4%
Taxes	100,120	128,508	(28,388)	-22.1%
Leases and Rentals	15,842	28,500	(12,658)	-44.4%
Miscellaneous	49,053	116,845	(67,792)	-58.0%
Purchased Transportation	856,827	152,487	704,340	461.9%
Operations	15,289,399	17,808,309	(2,518,910)	-14.1%
Contingency Reserve	-	300,000	(300,000)	
Total Expenses	\$ 15,289,399	\$ 18,108,309	\$ (2,818,910)	-15.6%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	92,063	111,923	(19,860)	-17.7%
Cost per Rev Hr	\$ 165.90	\$ 161.54	\$ 4.37	2.7%
Passengers	572,501	1,868,155	(1,295,654)	-69.4%
Cost per Passenger	\$ 26.71	\$ 9.69	\$ 17.01	175.5%
Passengers per Rev Hr	6.22	16.69	(10.47)	-62.7%
Farebox recovery ratio	4.7%	14.6%	-9.9%	-67.7%

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

Schedule 2-Fixed Route

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2021 Year to Date Comparison of Actual vs Budget
Paratransit Income Statement
For the Six Months Ended December 31, 2020

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	\$ 9,706	\$ 223,125	\$ (213,419)	-95.6%
	9,706	223,125	(213,419)	-95.6%
Federal operating	607,200	607,200	-	0.0%
TDA earned revenue	605,768	2,172,283	(1,566,515)	-72.1%
STA revenue	246,675	246,675	-	0.0%
Measure J	709,879	709,879	-	0.0%
Other operating assistance	84,868	98,350	(13,482)	-13.7%
	2,254,390	3,834,387	(1,579,997)	-41.2%
Total Revenue	\$ 2,264,096	\$ 4,057,512	\$ (1,793,416)	-44.2%
Expenses				
Wages-Other	\$ 107,669	\$ 96,086	\$ 11,583	12.1%
	107,669	96,086	11,583	12.1%
Fringe Benefits	51,171	56,896	(5,725)	-10.1%
Services	36,038	14,000	22,038	157.4%
Materials & Supplies	344	2,500	(2,156)	-86.2%
Utilities	16,469	20,500	(4,031)	-19.7%
Insurance	6,783	7,530	(747)	0.0%
Miscellaneous	800	4,500	(3,700)	-82.2%
Special Trip Services	2,044,822	3,855,500	(1,810,678)	-47.0%
Total Expenses	\$ 2,264,096	\$ 4,057,512	\$ (1,793,416)	-44.2%
Net Income (Loss)	\$ -	\$ -	\$ -	
Revenue Hours	12,551	37,384	(24,833)	-66.4%
Cost per Rev Hr	\$ 180.39	\$ 108.54	\$ 71.86	66.2%
Passengers	15,990	69,540	(53,550)	-77.0%
Cost per Passenger	\$ 141.59	\$ 58.35	\$ 83.25	142.7%
Passengers per Rev Hr	1.27	1.86	(0.59)	-31.5%
Farebox ratio	0.4%	5.5%	-5.1%	-92.2%
<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, 2020

	Year to Date		Variance	% Variance
	Actual	Budget		
Platform/report/turn in	\$ 2,848,035	\$ 3,594,673	\$ (746,639)	-20.8%
Guarantees	134,176	146,257	(12,081)	-8.3%
Overtime	144,130	257,579	(113,449)	-44.0%
Spread	58,295	125,899	(67,604)	-53.7%
Protection	289,112	217,619	71,493	32.9%
Travel	48,654	109,081	(60,427)	-55.4%
Training	14,411	71,690	(57,279)	-79.9%
Other Misc	27,511	12,882	14,629	113.6%
	\$ 3,564,323	\$ 4,535,680	\$ (971,357)	-21.4%

Schedule 4- Operator Wages

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Other Revenue; Other Operating Assistance; Miscellaneous Expenses
For the Six Months Ended December 31, 2020

Other Revenue

Investment income (interest)	\$ 62,883
ADA Database Management revenue	75,000
Gain on sale of assets	13,500
RTC card revenue	48
Various	5,512
	\$ 156,943

Other Operating Assistance

RM2	\$ 50,869
BART feeder revenue	280,471
LCTOP	62,498
Lifeline grant	222,666
	\$ 616,504

Miscellaneous Expenses

Staff Travel Expense	\$ 416
CTA Conference	16,000
APTA Dues	17,748
Employee functions	7,050
Business Expense, GM	115
Employee Awards/Pins	308
Training	2,415
Various other	5,001
	\$ 49,053

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2021 Year to Date Comparison of FY 2020 Actual & FY 2019 Actual
Statistics
For the Six Months Ended December 31, 2020

	Actual FY2021	Actual FY2020	Variance Actual 2021 to Actual 2020	Actual FY2019	Variance Actual 2021 to Actual 2019
Fixed Route					
Fares	\$ 579,696	\$ 1,698,626	-65.9%	\$ 1,379,382	-58.0%
Special Fares	142,780	1,154,918	-87.6%	795,002	-82.0%
Total Fares	\$ 722,476	\$ 2,853,544	-74.7%	\$ 2,174,384	-66.8%
<i>Fares box recovery ratio</i>	<i>4.7%</i>	<i>17.9%</i>	<i>-73.6%</i>	<i>14.1%</i>	<i>-66.4%</i>
Operating Exp (Less leases)	\$ 15,273,557	\$ 15,926,534	-4.1%	\$ 15,427,516	-1.0%
<i>Revenue Hours</i>	<i>92,063</i>	<i>111,923</i>	<i>-17.7%</i>	<i>113,990</i>	<i>-19.2%</i>
<i>Cost per Rev Hour</i>	<i>\$ 165.90</i>	<i>\$ 142.30</i>	<i>16.6%</i>	<i>\$ 135.34</i>	<i>22.6%</i>
<i>Passengers</i>	<i>572,501</i>	<i>1,868,155</i>	<i>-69.4%</i>	<i>1,656,571</i>	<i>-65.4%</i>
<i>Cost per Passenger</i>	<i>\$ 26.68</i>	<i>\$ 8.53</i>	<i>212.9%</i>	<i>\$ 9.31</i>	<i>186.5%</i>
<i>Passengers per Rev Hr</i>	<i>6.22</i>	<i>16.69</i>	<i>-62.7%</i>	<i>14.53</i>	<i>-57.2%</i>

Paratransit (*)

Fares	\$ 9,706	\$ 259,581	-96.3%	\$ 240,964	-96.0%
<i>Fares box recovery ratio</i>	<i>0.4%</i>	<i>7.2%</i>	<i>-94.0%</i>	<i>7.8%</i>	<i>-94.5%</i>
Operating Exp (Less leases)	\$ 2,264,096	\$ 3,615,517	-37.4%	\$ 3,098,948	-26.9%
<i>Revenue Hours (a)</i>	<i>12,551</i>	<i>37,384</i>	<i>-66.4%</i>	<i>39,185</i>	<i>-68.0%</i>
<i>Cost per Rev Hour</i>	<i>\$ 180.39</i>	<i>\$ 96.71</i>	<i>86.5%</i>	<i>\$ 79.09</i>	<i>128.1%</i>
<i>Passengers</i>	<i>15,990</i>	<i>69,540</i>	<i>-77.0%</i>	<i>69,075</i>	<i>-76.9%</i>
<i>Cost per Passenger</i>	<i>\$ 141.59</i>	<i>\$ 51.99</i>	<i>172.3%</i>	<i>\$ 44.86</i>	<i>215.6%</i>
<i>Passengers per Rev Hr (a)</i>	<i>1.27</i>	<i>1.86</i>	<i>-31.5%</i>	<i>1.76</i>	<i>-27.7%</i>

(*) County Connection has not received invoice/data for December and used estimates based on November.