County Connection

INTER OFFICE MEMO

To: **Administration & Finance Committee** **Date: June 2, 2021**

From: **Erick Cheung, Chief Finance Officer**

SUBJECT: Income Statements for the Nine Months Ended March 31, 2021

The attached unaudited County Connection Income Statements for nine months of Fiscal Year (FY) 2021 are presented for your review. The combined expenses of $26,017,320 for Fixed Route and Paratransit, (Schedule 1), **are under budget by 21.2% or $6,989,581.** The expense categories with the most significant variances are:

Expenses:

Wages	$(2,058,150)	(17.5)%	Operator wages are under budget for $1.5M because of vacancies and reduction in service. Other wages are lower by $555K due to vacancies in the planning, safety and training, and maintenance departments.
Fringe Benefits	$(856,951)	(9.5)%	Fringe Benefits are under budget due to vacancies.
Services	$(651,609)	(33.8)%	Services are under budget due to lower promotions expense for $104K, service development for $60K, Clipper fees for $130K, and service vehicle repair for $214K.
Materials & Supplies	$(858,355)	(35.5)%	Materials and supplies are lower due to lower diesel fuel costs and reduced service of $514K and electricity use for trolleys of $65K. Also, lower repair parts and clipper relief costs of $148K.
Miscellaneous	$(119,009)	(65.4)%	Miscellaneous expenses are under budget due to minimal travel and training expenses in FY 2021 and under budget for $76K,
Special Trip Services	$(1,896,036)	(31.5)%	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	$(450,000)	(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 46.0% under budget.

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

Passenger fares/special fares	$(3,023,866)	(74.3)%	Passenger fares are $2.1M 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. Passengers are slowly returning but are only around 25% of normal compared to pre-COVID-19. Special fares are lower by $904K 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	$(261,068)	(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 through the end of the fiscal year.
Federal operating	$(4,518,681)	(83.2)%	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 will be drawing down CARES Act Funds for the trips related to meal deliveries for Meals on Wheels and schools in the fourth quarter.
Measure J	$1,704,994	42.7%	Measure J is higher due to higher sales tax revenues from CCTA.
TDA revenue earned	($1,424,794)	(9.4)%	TDA revenue is lower due to improved Measure J sales tax revenues.

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 $1,102,221 or 20.7% under budget.
- Overtime and Spread are $300,238 or 52.8% under budget.
- Protection is $83,133 or 25.8% over budget.
- Overall wages for operators are $1,503,128 or 22.3% 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 75.1% less than FY 2020 and 69.5% less than FY 2019. County Connection stopped collecting fares in mid-March 2020 through October due to COVID-19.

- The farebox recovery ratio is 74.1% less than FY 2020 and 69.0% less than FY 2019. The ratio is 4.7% in FY 2021; 16.7% in FY 2020; and 14.0% in FY 2019.
- Operating expenses are 3.8% less than in FY 2020 and 1.7% less than in FY 2019.
- Fixed route revenue hours are 19.6% less than FY 2020 and 22.5% less than FY 2019.
- The cost per revenue hour has increased 19.7% compared to FY 2020 and 26.8% compared to FY 2019.
- Passengers have decreased 69.1% compared to FY 2020 and 66.3% compared to FY 2019.
- The cost per passenger has increased 211.6% compared to FY 2020 and 192.2% compared to FY 2019.
- Passengers per revenue hour has decreased 61.6% compared to FY 2020 and 56.6% compared to FY 2019.

Paratransit:

- Passenger fares have decreased 83.6% compared to FY 2020 and 84.1% compared to FY 2019.
- The farebox ratio is less than FY 2020 and FY 2019. The ratio is 1.8% in FY 2021; 6.8% in FY 2020; and 8.1% in FY 2019.
- Expenses have decreased 39.4% compared to FY 2020 and 30.7% compared to FY 2019.
- Revenue hours are 62.8% less than FY 2020 and 68.1% in FY 2019.
- Passengers have decreased 75.4% compared to FY 2020 and 76.8% compared to FY 2019.
- The cost per passenger has increased 146.4% since FY 2020 and 198.3% compared to FY 2019.
- Paratransit passengers per revenue hour have decreased 33.9% compared to FY 2020 and 27.3% 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 Nine Months Ended March 31, 2021

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	$ 800,459	$ 2,920,049	$ (2,119,590)	-72.6%
Special fares	243,241	1,147,517	(904,276)	-78.8%
	1,043,700	4,067,566	(3,023,866)	-74.3%
Advertising	52,995	314,063	(261,068)	-83.1%
Safe Harbor lease	7,453	23,550	(16,097)	-68.4%
Other revenue	181,023	130,460	50,563	38.8%
Federal operating	910,800	5,429,481	(4,518,681)	-83.2%
TDA earned revenue	13,802,610	15,227,404	(1,424,794)	-9.4%
STA revenue	2,587,720	2,681,470	(93,750)	-3.5%
Measure J	5,701,727	3,996,733	1,704,994	42.7%
Other operating assistance	1,729,292	1,136,174	593,118	52.2%
	24,973,620	28,939,335	(3,965,715)	-13.7%
Total Revenue	**$ 26,017,320**	**$ 33,006,901**	**$ (6,989,581)**	**-21.2%**
Expenses				
Wages- Operators	$ 5,224,367	$ 6,727,495	$ (1,503,128)	-22.3%
Wages-Other	4,464,915	5,019,937	(555,022)	-11.1%
	9,689,282	11,747,432	(2,058,150)	-17.5%
Fringe Benefits	8,118,356	8,975,307	(856,951)	-9.5%
Services	1,277,939	1,929,548	(651,609)	-33.8%
Materials & Supplies	1,561,799	2,420,154	(858,355)	-35.5%
Utilities	269,537	295,200	(25,663)	-8.7%
Insurance	718,099	759,750	(41,651)	-5.5%
Taxes	152,492	192,761	(40,269)	-20.9%
Leases and Rentals	50,862	42,750	8,112	19.0%
Miscellaneous	63,009	182,018	(119,009)	-65.4%
Special Trip Services	4,115,945	6,011,981	(1,896,036)	-31.5%
Operations	**26,017,320**	**32,556,901**	**(6,539,581)**	**-20.1%**
Contingency Reserve	-	450,000	(450,000)	-100.0%
Total Expenses	**$ 26,017,320**	**$ 33,006,901**	**$ (6,989,581)**	**-21.2%**
Net Income (Loss)	**$ -**	**$ -**	**$ -**	
Revenue Hours	***152,846***	***217,990***	***(65,144)***	***-29.9%***
Cost per Rev Hr	***$ 169.89***	***$ 151.22***	***$ 18.67***	***12.3%***
Passengers	***845,673***	***2,757,689***	***(1,912,016)***	***-69.3%***
Cost per Passenger	***$ 30.77***	***$ 11.97***	***$ 18.80***	***157.0%***
Farebox ratio	***4.0%***	***12.3%***	***-8.3%***	***-67.4%***

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

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 Nine Months Ended March 31, 2021

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	$ 739,810	$ 2,585,361	$ (1,845,551)	-71.4%
Special fares	243,241	1,147,517	(904,276)	-78.8%
	983,051	3,732,878	(2,749,827)	-73.7%
Advertising	52,995	314,063	(261,068)	-83.1%
Safe Harbor lease	7,453	23,550	(16,097)	-68.4%
Other revenue	181,023	130,460	50,563	38.8%
Federal operating	-	4,518,681	(4,518,681)	
TDA earned revenue	13,163,762	11,968,981	1,194,781	10.0%
STA revenue	2,217,707	2,311,457	(93,750)	-4.1%
Measure J	4,531,720	2,931,915	1,599,805	54.6%
Other operating assistance	1,593,800	988,649	605,151	61.2%
	21,748,460	23,187,756	(1,439,296)	-6.2%
Total Revenue	**$ 22,731,511**	**$ 26,920,634**	**$ (4,189,123)**	**-15.6%**
Expenses				
Wages- Operators	$ 5,224,367	$ 6,727,495	$ (1,503,128)	-22.3%
Wages-Other	4,304,302	4,875,809	(571,507)	-11.7%
	9,528,669	11,603,304	(2,074,635)	-17.9%
Fringe Benefits	8,044,179	8,889,963	(845,784)	-9.5%
Services	1,234,562	1,908,548	(673,986)	-35.3%
Materials & Supplies	1,561,200	2,416,404	(855,204)	-35.4%
Utilities	244,456	264,450	(19,994)	-7.6%
Insurance	711,316	748,455	(37,139)	-5.0%
Taxes	152,492	192,761	(40,269)	-20.9%
Leases and Rentals	50,862	42,750	8,112	19.0%
Miscellaneous	62,209	175,268	(113,059)	-64.5%
Purchased Transportation	1,141,566	228,731	912,835	399.1%
Operations	**22,731,511**	**26,470,634**	**(3,739,123)**	**-14.1%**
Contingency Reserve	-	450,000	**(450,000)**	-100.0%
Total Expenses	**$ 22,731,511**	**$ 26,920,634**	**$ (4,189,123)**	**-15.6%**
Net Income (Loss)	**$ -**	**$ -**	**$ -**	
Revenue Hours	***133,591***	***166,219***	***(32,628)***	***-19.6%***
Cost per Rev Hr	***$ 169.78***	***$ 161.70***	***$ 8.08***	***5.0%***
Passengers	***821,570***	***2,659,660***	***(1,838,090)***	***-69.1%***
Cost per Passenger	***$ 27.67***	***$ 10.12***	***$ 17.55***	**173.4%**
Passengers per Rev Hr	***6.15***	***16.00***	***(9.85)***	***-61.6%***
Farebox recovery ratio	***4.3%***	***14.1%***	***-9.8%***	***-69.3%***

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

Schedule 2-Fixed Route

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

Paratransit Income Statement

FY 2021 Year to Date Comparison of Actual vs Budget

For the Nine Months Ended March 31, 2021

	Actual	Budget	Variance	% Variance
Revenues				
Passenger fares	$ 60,649	$ 334,688	$ (274,039)	-81.9%
	60,649	334,688	(274,039)	-81.9%
Federal operating	910,800	910,800	-	0.0%
TDA earned revenue	638,848	3,258,423	(2,619,575)	-80.4%
STA revenue	370,013	370,013	-	0.0%
Measure J	1,170,007	1,064,818	105,189	9.9%
Other operating assistance	135,492	147,525	(12,033)	-8.2%
	3,225,160	5,751,579	(2,526,419)	-43.9%
Total Revenue	**$ 3,285,809**	**$ 6,086,267**	**$ (2,800,458)**	**-46.0%**
Expenses				
Wages-Other	$ 160,613	$ 144,128	$ 16,485	11.4%
	160,613	144,128	16,485	11.4%
Fringe Benefits	74,177	85,344	(11,167)	-13.1%
Services	43,377	21,000	22,377	106.6%
Materials & Supplies	599	3,750	(3,151)	-84.0%
Utilities	25,081	30,750	(5,669)	-18.4%
Insurance	6,783	11,295	(4,512)	-39.9%
Miscellaneous	800	6,750	(5,950)	-88.1%
Special Trip Services	2,974,379	5,783,250	(2,808,871)	-48.6%
Total Expenses	**$ 3,285,809**	**$ 6,086,267**	**$ (2,800,458)**	**-46.0%**
Net Income (Loss)	**$ -**	**$ -**	**$ -**	
Revenue Hours	***19,255***	***51,771***	***(32,516)***	***-62.8%***
Cost per Rev Hr	***$ 170.65***	***$ 117.56***	***$ 53.09***	***45.2%***
Passengers	***24,103***	***98,029***	***(73,926)***	***-75.4%***
Cost per Passenger	***$ 136.32***	***$ 62.09***	***$ 74.24***	***119.6%***
Passengers per Rev Hr	***1.25***	***1.89***	***(0.64)***	***-33.9%***
Farebox ratio	***1.8%***	***5.5%***	***-3.7%***	***-66.4%***
(fares,spec fares/Oper exp-leases)				

Schedule 3- Paratransit

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

Operator Wages

For the Nine Months Ended March 31, 2021

	Year to Date			
	Actual	**Budget**	**Variance**	**% Variance**
Platform/report/turn in	$ 4,229,537	$ 5,331,758	$ (1,102,221)	-20.7%
Guarantees	214,095	216,934	(2,839)	-1.3%
Overtime	187,636	382,051	(194,414)	-50.9%
Spread	80,914	186,739	(105,824)	-56.7%
Protection	405,913	322,780	83,133	25.8%
Travel	49,384	161,793	(112,409)	-69.5%
Training	22,293	106,333	(84,040)	-79.0%
Other Misc	34,594	19,107	15,487	81.1%
	$ 5,224,367	**$ 6,727,495**	**$ (1,503,128)**	**-22.3%**

Schedule 4- Operator Wages

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

Other Revenue; Other Operating Assistance; Miscellaneous Expenses

For the Nine Months Ended March 31, 2021

Other Revenue		
Investment income (interest)	$	82,704
ADA Database Management revenue		75,000
RTC card revenue		81
Various		23,238
	$	181,023
Other Operating Assistance		
RM2	$	76,303
BART feeder revenue		703,520
Contra Costa County - COVID Transports		330,054
John Muir - COVID Transports		2,124
LCTOP		93,750
Lifeline grant		222,666
Dougherty Valley Developer Fees		125,730
SB1		31,650
Go San Ramon On-Demand Pilot		8,003
	$	1,593,800
Miscellaneous Expenses		
Board Travel Expense	$	-
Staff Travel Expense		(693)
CTA Conference		16,000
APTA Dues		26,622
Employee functions		11,191
Business Expense, GM		227
Employee Awards/Pins		308
Training		3,020
Various other		5,534
	$	62,209

CENTRAL CONTRA COSTA TRANSIT AUTHORITY

FY 2021 Year to Date Comparison of FY 2020 Actual & FY 2019 Actual Statistics

For the Nine Months Ended March 31, 2021

	Actual FY2021	Actual FY2020	Variance Actual 2021 to Actual 2020	Actual FY2019	Variance Actual 2021 to Actual 2019
Fixed Route					
Fares	$ 739,810	$ 2,441,882	-69.7%	$ 2,022,909	-63.4%
Special Fares	243,241	1,500,238	-83.8%	1,203,782	-79.8%
Total Fares	**$ 983,051**	**$ 3,942,120**	-75.1%	**$ 3,226,691**	-69.5%
Fares box recovery ratio	***4.3%***	***16.7%***	-74.1%	***14.0%***	-69.0%
Operating Exp (Less leases)	**$ 22,680,649**	**$ 23,566,111**	-3.8%	**$ 23,065,464**	-1.7%
Revenue Hours	***133,591***	***166,219***	-19.6%	***172,326***	-22.5%
Cost per Rev Hour	***$ 169.78***	***$ 141.78***	19.7%	***$ 133.85***	26.8%
Passengers	***821,570***	***2,659,660***	-69.1%	***2,440,990***	-66.3%
Cost per Passenger	***$ 27.61***	***$ 8.86***	211.6%	***$ 9.45***	192.2%
Passengers per Rev Hr	***6.15***	***16.00***	-61.6%	***14.16***	-56.6%
Paratransit					
Fares	$ 60,649	$ 368,715	-83.6%	$ 382,018	-84.1%
Fares box recovery ratio	***1.8%***	***6.8%***	-72.8%	***8.1%***	-77.1%
Operating Exp (Less leases)	**$ 3,285,809**	**$ 5,424,507**	-39.4%	**$ 4,744,381**	-30.7%
Revenue Hours	***19,255***	***51,771***	-62.8%	***60,302***	-68.1%
Cost per Rev Hour	***$ 170.65***	***$ 104.78***	62.9%	***$ 78.68***	116.9%
Passengers	***24,103***	***98,029***	-75.4%	***103,821***	-76.8%
Cost per Passenger	***$ 136.32***	***$ 55.34***	146.4%	***$ 45.70***	198.3%
Passengers per Rev Hr	***1.25***	***1.89***	-33.9%	***1.72***	-27.3%