

**To:** Administration & Finance Committee

**Date:** 03/31/2022

**From:** Amber Johnson, Chief Financial Officer

**Reviewed by:** WC.

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**SUBJECT: Income Statements for the Six Months Ended December 31, 2021**

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### **Background:**

The quarterly income statement report is an opportunity for the Committee to review the Authority's financial status and to provide fiscal and operational accountability.

### **Summary:**

The unaudited County Connection Income Statements for the first six months of Fiscal Year (FY) 2022 are presented for review. Actual revenues and expenses are compared to the *total* approved budget. The combined expenses of Fixed Route and Paratransit for the period are \$17.9 million (*Schedule 1*), which is 39.7% of the annual budget of \$45.3 million.

### **Fixed Route:**

Fixed Route overall revenues and expenses are presented on *Schedule 2*. Expenses for the period are \$15 million, representing 41.8% of the total budget. Since Transportation Development Act (TDA) revenue is utilized as needed, revenues are equivalent to expenses.

Expenses in most categories are tracking at about 40% of the total budget, which is slightly lower than anticipated at the second quarter reporting milestone. The primary driver of the expense budget is Salaries and Wages, which are under budget due to staffing vacancies. *Schedule 4* provides additional detail of various components of operator wages within the budget. Overtime and Training continue to track a little higher than anticipated, but with overall Salaries and Wages under budget, these variances are not a cause for concern.

Materials and supplies expenses have utilized 55% of the budget, which is slightly higher than anticipated at the mid-way point of the year. The primary driver for this variance is the increasing costs of diesel fuel as compared to pricing when the budget was developed.

Purchased transportation continue to be significantly under budget at 3.4% utilization. The budget anticipated certain extra COVID-related services for transporting passengers to COVID testing sites and for distributing food for the Meals on Wheels program. These services have not been as robust as anticipated this year to date, resulting in underspending in this category.

*Schedule 5* provides additional detail of other revenues, other operating assistance, and miscellaneous expenses. In general, each of these categories are tracking well under budget. On the revenue side,

grant revenues are tied to eligible expenses, which have not yet been spent. On the expense side, larger budgeted items such as travel and training have not seen any activity in the first quarter.

At this point in the fiscal year it seems unlikely that the contingency reserve of \$900 thousand will be utilized, thanks to stronger than anticipated revenues and overall conservative spending.

**Paratransit:**

Paratransit revenues and expenses are presented on *Schedule 3*. Expenses for the period are \$2.9 million, representing 31.3% of the total budget. TDA revenue is also utilized as needed for Paratransit expenses, resulting in revenues that are equivalent to expenses.

Salaries and benefits for the period are slightly outpacing the budget at 60% utilization, as an additional staff member was added in December 2021 that was included in the budget projections. Special Trip Services (purchased transportation) represent most of the Paratransit budget, and these services continue to track under budget due to COVID-related impacts on ridership.

**Statistics:**

*Schedule 6* provides select statistical information through Q2 of FY 2022 as compared to this same period in FY 2021 and FY 2020.

Statistics shown for the first half of FY 2020 represent pre-pandemic activities (July 2019-December 2019). At this point in time, the fixed route farebox recovery ratio was 17.9%, and the cost of service per passenger was \$8.53. In the first half of FY 2021, the farebox recovery ratio dropped to 4.7%, and the cost per passenger increased to \$26.68, due to unprecedented COVID-related drops in ridership and service. In FY 2022, we see a rebound over FY 2021, with a farebox recovery ratio of 6.9% and cost per passenger of \$16.62.

The statistics for Paratransit services tell a similar story. The farebox recovery ratio of 7.2% in FY 2020 dropped to 0.4% in FY 2021 but has rebounded to 3.8% in the current year. Likewise, the cost of service per passenger of \$51.99 in FY 2020 nearly tripled to \$141.59 in FY 2021 and has decreased to \$98.15 in the current year.

Overall, the statistics reveal improvements to efficiencies in service delivery, as pandemic-related impacts to ridership begin to subside.

**Financial Implications:**

There are no financial implications associated with this report.

**Action Requested:**

Staff requests that the A&F Committee accept the report and provide the update to the Board.

**Attachments:**

Attachment 1: CCCTA Income Statements for FY 2022 Q2 (Schedules 1 through 6)

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

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Combined Fixed Route and Paratransit Income Statement**  
**FY 2022 Year to Date - Comparison of Actual vs. Budget**  
**For the Six Months Ended December 31, 2021**

	Actual	Total Budget	Variance	% Budget Used
<b>Revenues</b>				
Passenger fares	\$ 911,019	\$ 2,210,813	\$ (1,299,794)	41.2%
Special fares	230,161	641,820	(411,659)	35.9%
	<u>1,141,180</u>	<u>2,852,633</u>	<u>(1,711,453)</u>	<u>40.0%</u>
Advertising	108,372	212,195	(103,823)	51.1%
Safe Harbor lease	1,900	3,000	(1,100)	63.3%
Other revenue	18,908	108,700	(89,792)	17.4%
Federal operating	7,705,902	8,815,590	(1,109,688)	87.4%
TDA earned revenue	2,291,316	18,487,803	(16,196,487)	12.4%
STA revenue	1,525,900	4,533,634	(3,007,734)	33.7%
Measure J	3,453,475	6,711,000	(3,257,525)	51.5%
LAVTA Fees	622,606	1,900,766	(1,278,160)	32.8%
Other operating assistance	1,094,803	1,678,113	(583,310)	65.2%
	<u>16,823,182</u>	<u>42,450,801</u>	<u>(25,627,619)</u>	<u>39.6%</u>
<b>Total Revenue</b>	<b>\$ 17,964,362</b>	<b>\$ 45,303,434</b>	<b>\$ (27,339,072)</b>	<b>39.7%</b>
<b>Expenses</b>				
Wages- Operators	\$ 3,695,137	\$ 8,000,000	\$ (4,304,863)	46.2%
Wages-Other	3,030,444	6,896,271	(3,865,827)	43.9%
	<u>6,725,581</u>	<u>14,896,271</u>	<u>(8,170,690)</u>	<u>45.1%</u>
Fringe Benefits	5,218,001	12,181,667	(6,963,666)	42.8%
Services	949,031	2,573,650	(1,624,619)	36.9%
Materials & Supplies	1,447,202	2,599,800	(1,152,598)	55.7%
Utilities	153,573	395,000	(241,427)	38.9%
Insurance	489,735	1,113,600	(623,865)	44.0%
Taxes	169,352	255,015	(85,663)	66.4%
Leases and Rentals	28,191	58,000	(29,809)	48.6%
Miscellaneous	60,930	218,590	(157,660)	27.9%
Special Trip Services	2,722,766	10,111,841	(7,389,075)	26.9%
	<u>17,964,362</u>	<u>44,403,434</u>	<u>(26,439,072)</u>	<u>40.5%</u>
Contingency Reserve	-	900,000	(900,000)	0.0%
<b>Total Expenses</b>	<b>\$ 17,964,362</b>	<b>\$ 45,303,434</b>	<b>\$ (27,339,072)</b>	<b>39.7%</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	

## Schedule 2-Fixed Route

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Fixed Route Income Statement**  
**FY 2022 Year to Date - Comparison of Actual vs. Budget**  
**For the Six Months Ended December 31, 2021**

	Actual	Total Budget	Variance	% Budget Used
<b>Revenues</b>				
Passenger fares	\$ 798,920	\$ 1,611,500	\$ (812,580)	49.6%
Special fares	230,161	641,820	(411,659)	35.9%
	<u>1,029,081</u>	<u>2,253,320</u>	<u>(1,224,239)</u>	<u>45.7%</u>
Advertising	108,372	212,195	(103,823)	51.1%
Safe Harbor lease	1,900	3,000	(1,100)	63.3%
Other revenue <sup>2</sup>	18,908	108,700	(89,792)	17.4%
Federal operating	7,085,904	7,575,590	(489,686)	93.5%
TDA earned revenue	2,102,164	15,469,409	(13,367,245)	13.6%
STA revenue	1,106,300	3,921,634	(2,815,334)	28.2%
Measure J	2,551,751	4,911,000	(2,359,249)	52.0%
Other operating assistance <sup>2</sup>	1,025,026	1,478,113	(453,087)	69.3%
	<u>14,000,325</u>	<u>33,679,641</u>	<u>(19,679,316)</u>	<u>41.6%</u>
<b>Total Revenue</b>	<b>\$ 15,029,406</b>	<b>\$ 35,932,961</b>	<b>\$ (20,903,555)</b>	<b>41.8%</b>
<b>Expenses</b>				
Wages- Operators <sup>1</sup>	\$ 3,695,137	8,000,000	\$ (4,304,863)	46.2%
Wages-Other	2,894,701	6,671,029	(3,776,328)	43.4%
	<u>6,589,838</u>	<u>14,671,029</u>	<u>(8,081,191)</u>	<u>44.9%</u>
Fringe Benefits	5,153,980	12,048,415	(6,894,435)	42.8%
Services	915,404	2,480,350	(1,564,946)	36.9%
Materials & Supplies	1,447,112	2,596,800	(1,149,688)	55.7%
Utilities	137,205	354,000	(216,795)	38.8%
Insurance	489,735	1,097,500	(607,765)	44.6%
Taxes	169,352	255,015	(85,663)	66.4%
Interest	-	-	-	
Leases and Rentals	28,191	58,000	(29,809)	48.6%
Miscellaneous <sup>2</sup>	55,732	207,590	(151,858)	26.8%
Purchased Transportation	42,857	1,264,262	(1,221,405)	3.4%
<b>Operations</b>	<b>15,029,406</b>	<b>35,032,961</b>	<b>(20,003,555)</b>	<b>42.9%</b>
Contingency Reserve	-	900,000	(900,000)	0.0%
<b>Total Expenses</b>	<b>\$ 15,029,406</b>	<b>\$ 35,932,961</b>	<b>\$ (20,903,555)</b>	<b>41.8%</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	

<sup>1</sup> See additional detail at Schedule 4.<sup>2</sup> See additional detail at Schedule 5.

## Schedule 3- Paratransit

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Paratransit Income Statement**  
**FY 2022 Year to Date - Comparison of Actual vs. Budget**  
**For the Six Months Ended December 31, 2021**

	Actual	Total Budget	Variance	% Budget Used
<b>Revenues</b>				
Passenger fares	\$ 112,099	\$ 599,313	\$ (487,214)	18.7%
Federal operating	619,998	1,240,000	(620,002)	50.0%
TDA earned revenue	189,152	3,018,394	(2,829,242)	6.3%
STA revenue	419,600	612,000	(192,400)	68.6%
Measure J	901,724	1,800,000	(898,276)	50.1%
LAVTA Fees	622,606	1,900,766	(1,278,160)	32.8%
Other operating assistance	69,777	200,000	(130,223)	34.9%
	<u>2,822,857</u>	<u>8,771,160</u>	<u>(5,948,303)</u>	<u>32.2%</u>
<b>Total Revenue</b>	<b>\$ 2,934,956</b>	<b>\$ 9,370,473</b>	<b>\$ (6,435,517)</b>	<b>31.3%</b>
<b>Expenses</b>				
Wages-Other	135,743	\$ 225,242	\$ (89,499)	60.3%
Fringe Benefits	64,021	\$ 133,252	(69,231)	48.0%
Services	33,627	\$ 93,300	(59,673)	36.0%
Materials & Supplies	90	\$ 3,000	(2,910)	3.0%
Utilities	16,368	\$ 41,000	(24,632)	39.9%
Insurance	-	\$ 16,100	(16,100)	0.0%
Miscellaneous	5,198	\$ 11,000	(5,802)	47.3%
Special Trip Services	2,679,909	\$ 8,847,579	(6,167,670)	30.3%
	<u>2,934,956</u>	<u>9,370,473</u>	<u>(6,435,517)</u>	<u>31.3%</u>
<b>Total Expenses</b>	<b>\$ 2,934,956</b>	<b>\$ 9,370,473</b>	<b>\$ (6,435,517)</b>	<b>31.3%</b>
<b>Net Income (Loss)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	

Schedule 4- Operator Wages

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Operator Wages**  
**For the Six Months Ended December 31, 2021**

	Actual	Total Budget	Variance	% Budget Used
Platform/report/turn in	\$ 3,151,890	\$ 6,569,600	\$ (3,417,710)	48.0%
Guarantees	121,868	\$ 323,200	(201,332)	37.7%
Overtime	184,466	\$ 270,400	(85,934)	68.2%
Spread	56,843	\$ 123,200	(66,357)	46.1%
Protection	117,325	\$ 575,200	(457,875)	20.4%
Travel	2,916	\$ 56,000	(53,084)	5.2%
Training	49,742	\$ 36,800	12,942	135.2%
Other Misc	10,088	\$ 45,600	(35,512)	22.1%
	<b>\$ 3,695,137</b>	<b>\$ 8,000,000</b>	<b>\$ (4,304,863)</b>	<b>46.2%</b>

## Schedule 5- Other Revenues/Other Expenses

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Other Revenue; Other Operating Assistance; Miscellaneous Expenses (Fixed Route)**  
**For the Six Months Ended December 31, 2021**

	Actual	Total Budget	Variance	% Budget Used
<b>Other Revenue</b>				
Investment income (interest)	\$ 17,739	\$ 30,600	(12,861)	58.0%
RTC card revenue	47	500	(453)	9.4%
Various	1,122	77,600	(76,478)	1.4%
	<b>\$ 18,908</b>	<b>\$ 108,700</b>	<b>\$ (89,792)</b>	<b>17.4%</b>
<b>Other Operating Assistance</b>				
RM2	-	102,464	(102,464)	0.0%
BART feeder revenue	891,994	891,994	-	100.0%
Dougherty Valley	-	150,000	(150,000)	0.0%
LCTOP	108,269	-	108,269	
Lifeline grant	-	-	-	
SB1 State of Good Repair Funds	21,511	130,800	(109,289)	16.4%
Go San Ramon On-Demand Pilot	3,252	-	3,252	
Other Grant Revenue	-	202,855	(202,855)	0.0%
	<b>\$ 1,025,026</b>	<b>\$ 1,478,113</b>	<b>\$ (453,087)</b>	<b>69.3%</b>
<b>Miscellaneous Expenses</b>				
Board Travel Expense	1,950	25,000	(23,050)	7.8%
Staff Travel Expense	14,781	75,000	(60,219)	19.7%
CTA Dues	1,014	1,000	14	101.4%
APTA Dues	17,748	35,500	(17,752)	50.0%
Employee functions	10,528	16,000	(5,472)	65.8%
Employee Christmas gift cards	-	16,500	(16,500)	0.0%
Employee Awards/pins	109	4,000	(3,891)	2.7%
Training	8,430	20,000	(11,570)	42.2%
Various other	1,172	14,590	(13,418)	8.0%
	<b>\$ 55,731</b>	<b>\$ 207,590</b>	<b>\$ (151,858)</b>	<b>26.8%</b>

## Schedule 6- Statistics

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**FY 2022 Year to Date - Statistical Comparisons**  
**For the Six Months Ended December 31, 2021**

	Actual FY 2022 through Q2	Actual FY 2021 through Q2	Variance FY 2022 to FY 2021	Actual FY 2020 through Q2	Variance FY 2022 to FY 2020
<b>Fixed Route</b>					
Fares	\$ 798,920	\$ 579,696	37.8%	\$ 1,698,626	-53.0%
Special Fares	230,161	142,780	61.2%	1,154,918	-80.1%
<b>Total Fares</b>	<b>\$ 1,029,081</b>	<b>\$ 722,476</b>	<b>42.4%</b>	<b>\$ 2,853,544</b>	<b>-63.9%</b>
<i>Farebox recovery ratio</i>	<b>6.9%</b>	<b>4.7%</b>	<b>45.0%</b>	<b>17.9%</b>	<b>-61.7%</b>
Operating Exp (Less leases)	\$ 15,001,215	\$ 15,273,557	-1.8%	\$ 15,926,534	-5.8%
<i>Revenue Hours</i>	<b>94,039</b>	<b>92,063</b>	<b>2.1%</b>	<b>111,923</b>	<b>-16.0%</b>
<i>Cost per Rev Hour</i>	<b>\$ 159.52</b>	<b>\$ 165.90</b>	<b>-3.8%</b>	<b>\$ 142.30</b>	<b>12.1%</b>
<i>Passengers</i>	<b>902,509</b>	<b>572,501</b>	<b>57.6%</b>	<b>1,868,155</b>	<b>-51.7%</b>
<i>Cost per Passenger</i>	<b>\$ 16.62</b>	<b>\$ 26.68</b>	<b>-37.7%</b>	<b>\$ 8.53</b>	<b>95.0%</b>
<i>Passengers per Rev Hr</i>	<b>9.60</b>	<b>6.22</b>	<b>54.3%</b>	<b>16.69</b>	<b>-42.5%</b>
<b>Paratransit</b>					
Fares	\$ 112,099	\$ 9,706	1054.9%	\$ 259,581	-56.8%
<i>Farebox recovery ratio</i>	<b>3.8%</b>	<b>0.4%</b>	<b>791.0%</b>	<b>7.2%</b>	<b>-46.8%</b>
Operating Exp (Less leases)	\$ 2,934,956	\$ 2,264,096	29.6%	\$ 3,615,517	-18.8%
<i>Revenue Hours</i>	<b>24,140</b>	<b>12,551</b>	<b>92.3%</b>	<b>37,384</b>	<b>-35.4%</b>
<i>Cost per Rev Hour</i>	<b>\$ 121.58</b>	<b>\$ 180.39</b>	<b>-32.6%</b>	<b>\$ 96.71</b>	<b>25.7%</b>
<i>Passengers</i>	<b>29,904</b>	<b>15,990</b>	<b>87.0%</b>	<b>69,540</b>	<b>-57.0%</b>
<i>Cost per Passenger</i>	<b>\$ 98.15</b>	<b>\$ 141.59</b>	<b>-30.7%</b>	<b>\$ 51.99</b>	<b>88.8%</b>
<i>Passengers per Rev Hr</i>	<b>1.24</b>	<b>1.27</b>	<b>-2.8%</b>	<b>1.86</b>	<b>-33.4%</b>