

INTER OFFICE MEMO

To: Administration & Finance Committee

Date: 01/26/2023

From: Amber Johnson, Chief Financial Officer

Reviewed by: WC.

SUBJECT: Income Statements for Fiscal Year Ended September 30, 2022

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 quarter of Fiscal Year (FY) 2023 are presented for review. Actual revenues and expenses are presented as compared to the adopted budget. The combined expenses of Fixed Route and Paratransit for the period were \$9.4 million (*Schedule 1*), which represents 20% of the budget of \$47.3 million.

Fixed Route:

Overall Fixed Route revenues and expenses are presented on *Schedule 2*. Expenses for the period were \$7.8 million, representing 20.7% of the total budget. Since Transportation Development Act (TDA) revenue is utilized as needed, revenues are always equivalent to expenses.

The primary driver of the expense budget is salaries and wages. Actual expenditures on salaries and wages utilized 20.4% of the annual budget. *Schedule 4* provides additional details of various components specific to *operator wages* only. All other Fixed Route expenditures are tracking as expected at this point in the year.

Paratransit:

Paratransit revenues and expenses are presented on *Schedule 3*. Expenses for the period were \$1.6 million, representing 16.6% of the total budget. TDA revenue is also utilized as needed for Paratransit expenses, resulting in revenues that are equivalent to expenses.

Paratransit fare revenues for the quarter have already exceeded the modest projection in the budget, which is a good indicator of improving ridership on the paratransit service.

Purchased transportation expenses for the Authority's paratransit service has utilized 18.3% of the total budget for the year under the new paratransit contract, which is less than the 25% utilization expected at this point in the year. All other paratransit expenditures are tracking as expected.

Statistics:

Schedule 5 provides select statistical information for FY 2023 as compared to this same period in FY 2022 and FY 2021.

Statistics shown for FY 2021 represent the heart of pandemic activities (July 2020-June 2021). At this point in time, the fixed route farebox recovery ratio was 1.9%, and the cost of service per passenger was \$25.47. In FY 2022, the farebox recovery ratio improved to 4.5%, and the cost per passenger decreased to \$16.24, due to modest improvements ridership. In FY 2023, we see continued improvements as compared to FY 2022, with a farebox recovery ratio of 10.9% and cost per passenger of \$14.26.

Paratransit has also experienced recovery at the farebox, and in the cost per passenger. The farebox recovery ratio of 0.1% in FY 2021 improved to 1.3% in FY 2022 and jumped to 6.4% in FY 2023. The cost of service per passenger of \$144.15 in FY 2021 decreased to \$82.13 in FY 2022 and has decreased to \$69.84 in the current year.

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 FY2023 Q1 (Schedules 1 through 5)

Schedule 1-Combined Fixed Route & Paratransit

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Combined Fixed Route and Paratransit Income Statement
FY 2023 Year to Date - Comparison of Actual vs. Budget
For the Three Months Ended September 30, 2022

	Actual	Total Budget	Variance	% Budget Used
Revenues				
Passenger fares	692,633	1,833,181	(1,140,548)	37.8%
Special fares	267,405	491,014	(223,609)	54.5%
Total Fare Revenue	960,038	2,324,195	(1,364,157)	41.3%
Advertising	42,462	300,000	(257,538)	14.2%
Other revenue	237,830	100,100	137,730	237.6%
Federal operating	3,274,171	7,675,630	(4,401,459)	42.7%
TDA earned revenue	1,545,041	20,358,064	(18,813,023)	7.6%
STA revenue	966,506	5,524,029	(4,557,523)	17.5%
Measure J	1,776,918	7,009,369	(5,232,451)	25.4%
Fees to LAVTA and One Seat partners	259,984	1,933,540	(1,673,556)	13.4%
Other operating assistance	355,056	2,090,567	(1,735,511)	17.0%
Total Other Revenue	8,457,967	44,991,299	(36,533,331)	18.8%
Total Revenue	9,418,005	47,315,494	(37,897,488)	19.9%
Expenses				
Wages	3,293,471	15,874,426	(12,580,955)	20.7%
Fringe Benefits	2,586,422	12,859,148	(10,272,726)	20.1%
Total Wages and benefits	5,879,893	28,733,574	(22,853,681)	20.5%
Services	666,524	2,756,800	(2,090,276)	24.2%
Materials & Supplies	935,632	3,916,400	(2,980,768)	23.9%
Utilities	72,377	383,500	(311,123)	18.9%
Insurance	268,737	1,169,280	(900,543)	23.0%
Taxes	89,047	309,015	(219,968)	28.8%
Leases and Rentals	8,324	60,000	(51,676)	13.9%
Miscellaneous	33,863	257,500	(223,637)	13.2%
Purchased Transportation	1,287,228	7,277,906	(5,990,678)	17.7%
Purchased Transportation - for partners	176,381	1,951,519	(1,775,138)	9.0%
Operations Expenses	3,538,112	18,081,920	(14,543,808)	19.6%
Contingency	-	500,000	(500,000)	0.0%
Total Expenses	9,418,005	47,315,494	(48,170,215)	19.9%
Net Income (Loss)	-	-		

Schedule 2-Fixed Route

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Fixed Route Income Statement
FY 2023 Year to Date - Comparison of Actual vs. Budget
For the Three Months Ended September 30, 2022

	Actual	Total Budget	Variance	% Budget Used
Revenues				
Fare revenue	584,395	1,735,000	(1,150,605)	33.7%
Special service revenue	267,405	491,014	(223,609)	54.5%
Total Fare Revenue	851,800	2,226,014	(1,374,214)	38.3%
Advertising revenue	42,462	300,000	(257,538)	14.2%
Non-Operating rev	237,830	100,100	137,730	237.6%
STA Population and Revenue	966,506	4,778,335	(3,811,829)	20.2%
Measure J	1,333,853	5,237,111	(3,903,258)	25.5%
TDA 4.0	1,251,987	17,333,307	(16,081,320)	7.2%
Federal Stimulus Funds	2,824,171	5,875,630	(3,051,459)	48.1%
Low Carbon Transit Ops Prog	120,508	600,000	(479,492)	20.1%
BART Express Funds	-	864,033	(864,033)	0.0%
Other State Grants	-	134,731	(134,731)	0.0%
Dougherty Valley Dev Fees	101,045	150,000	(48,955)	67.4%
Other Local Grants/Contributions	1,341	-	1,341	--
RM 2/Other- Express	90,263	117,538	(27,275)	76.8%
Total Other Revenue	6,969,966	35,490,785	(28,520,819)	19.6%
Total Revenue	7,821,766	37,716,799	(29,895,033)	20.7%
Expenses				
Wages	3,220,179	15,587,804	(12,367,625)	20.7%
Fringe benefits	2,554,919	12,727,405	(10,172,486)	20.1%
Total Wages and benefits	5,775,097	28,315,209	(22,540,112)	20.4%
Services	647,467	2,660,800	(2,013,333)	24.3%
Materials and supplies	935,632	3,912,400	(2,976,768)	23.9%
Utilities	64,893	344,500	(279,607)	18.8%
Casualty and liability	268,737	1,152,375	(883,638)	23.3%
Taxes	89,047	309,015	(219,968)	28.8%
Leases and rentals	8,324	60,000	(51,676)	13.9%
Miscellaneous	32,570	237,500	(204,930)	13.7%
Purchased transportation	-	225,000	(225,000)	0.0%
Total Other Expenses (non-wages)	2,046,669	8,901,590	(6,854,921)	23.0%
Contingency	-	500,000	(500,000)	0.0%
Total Expenses	7,821,766	37,716,799	(29,895,033)	20.7%
Net Income (Loss)	-	-	-	

Schedule 3- Paratransit

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Paratransit Income Statement
FY 2023 Year to Date - Comparison of Actual vs. Budget
For the Three Months Ended September 30, 2022

	Actual	Total Budget	Variance	% Budget Used
Revenues				
Fare revenue	102,323	98,181	4,142	104.2%
Fare revenue - LAVTA	5,915	-	5,915	--
Total Fare Revenue	108,238	98,181	10,057	110.2%
Special service - One Seat Ride	89,518	162,906	(73,388)	55.0%
LAVTA Fees	170,466	1,770,634	(1,600,168)	9.6%
FTA Section 5307	450,000	1,800,000	(1,350,000)	25.0%
TDA 4.5	-	1,332,243	(1,332,243)	0.0%
TDA 4.0	293,054	1,692,514	(1,399,460)	17.3%
Measure J	443,065	1,772,258	(1,329,194)	25.0%
STA Paratransit & Rev based	-	745,694	(745,694)	0.0%
BART ADA Service/Other	41,898	224,265	(182,367)	18.7%
Total Other Revenue	1,488,000	9,500,514	(8,012,514)	15.7%
Total Revenue	1,596,239	9,598,695	(8,002,456)	16.6%
Expenses				
Wages	73,292	286,622	(213,330)	25.6%
Fringe benefits	31,504	131,743	(100,239)	23.9%
Total Wages and benefits	104,796	418,365	(313,569)	25.0%
Services	19,057	96,000	(76,943)	19.9%
Materials and supplies	-	4,000	(4,000)	0.0%
Utilities	7,484	39,000	(31,516)	19.2%
Liability	-	16,905	(16,905)	0.0%
Miscellaneous	1,294	20,000	(18,706)	6.5%
Purchased transportation	1,287,228	7,052,906	(5,765,678)	18.3%
Purchased transp - for partners	176,381	1,951,519	(1,775,138)	9.0%
Total Other Expenses (non-wages)	1,491,443	9,180,330	(7,688,887)	16.2%
Total Expenses	1,596,239	9,598,695	(8,002,456)	16.6%
Net Income (Loss)	-	-	-	

Schedule 4- Operator Wages

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
Operator Wages
For the Three Months Ended September 30, 2022

	Actual	Total Budget	Variance	% Budget Used
Platform/report/turn in	1,521,895	7,100,307	(5,578,412)	21.4%
Guarantees	41,573	246,070	(204,497)	16.9%
Overtime	73,532	405,139	(331,607)	18.1%
Spread	28,227	127,540	(99,312)	22.1%
Protection	49,213	281,874	(232,661)	17.5%
Travel	1,651	6,128	(4,477)	26.9%
Training	39,366	99,426	(60,060)	39.6%
Other Misc	5,987	22,876	(16,889)	26.2%
	1,761,444	8,289,360	(6,527,916)	21.2%

Schedule 5 - Statistics

CENTRAL CONTRA COSTA TRANSIT AUTHORITY
FY 2023 Year to Date - Statistical Comparisons
For the Three Months Ended September 30, 2022

	Actual FY 2023 through Q1	Actual FY 2022 through Q1	Variance FY 2023 to FY 2022	Actual FY 2021 through Q1	Variance FY 2023 to FY 2021
Fixed Route					
Fares	\$ 584,395	\$ 195,793	198.5%	\$ 76,151	667.4%
Special Fares	267,405	121,223	120.6%	63,994	317.9%
Total Fares	\$ 851,800	\$ 317,016	168.7%	\$ 140,145	507.8%
Farebox recovery ratio	10.9%	4.5%	143.4%	1.9%	478.2%
Operating Exp (Less leases)	\$ 7,821,766	\$ 7,084,108	10.4%	\$ 7,440,913	5.1%
Revenue Hours	46,557	46,811	-0.5%	47,141	-1.2%
Cost per Rev Hour	\$ 168.00	\$ 151.33	11.0%	\$ 157.84	6.4%
Passengers	548,437	436,229	25.7%	292,177	87.7%
Cost per Passenger	\$ 14.26	\$ 16.24	-12.2%	\$ 25.47	-44.0%
Passengers per Rev Hr	11.78	9.32	26.4%	6.20	90.1%
Paratransit					
Fares	\$ 102,323	\$ 18,185	462.7%	\$ 1,099	9210.6%
Farebox recovery ratio	6.4%	1.3%	399.7%	0.1%	6473.6%
Operating Exp (Less Partners)	\$ 1,596,239	\$ 1,417,672	12.6%	\$ 1,126,999	41.6%
Revenue Hours	11,462	8,285	38.3%	6,047	89.5%
Cost per Rev Hour	\$ 139.26	\$ 171.11	-18.6%	\$ 186.37	-25.3%
Passengers	22,855	17,262	32.4%	7,818	192.3%
Cost per Passenger	\$ 69.84	\$ 82.13	-15.0%	\$ 144.15	-51.6%
Passengers per Rev Hr	1.99	2.08	-4.5%	1.29	54.2%