

## INTER OFFICE MEMO

**To:** Administration & Finance Committee

**Date:** 02/28/2024

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

**Reviewed by:** WC.

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**SUBJECT: Income Statements for the Six Months Ended December 30, 2023**

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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 second quarter of Fiscal Year (FY) 2024 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 \$21.2 million (*Schedule 1*), which represents 42.6% of the budget of \$49.7 million.

### **Fixed Route:**

Overall Fixed Route revenues and expenses are presented on *Schedule 2*. Expenses for the period were \$16.4 million, representing 40.8% of the total budget. Since Transportation Development Act (TDA) revenue is utilized as needed, revenues are always equivalent to expenses.

Fare revenues are coming in slightly higher than anticipated, with actual receipts representing 58.7% of the fare amounts anticipated for the year. Receipts of non-operating revenues, such as investment income (\$703k) and metal recycling (\$200k), have far exceeded what was anticipated to come in for the year, representing 692.8% of the budget for this category.

The primary driver of the expense budget is salaries and wages. Actual expenditures on salaries and wages utilized 41.7% of the annual budget for this category. *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 \$4.7 million, representing 50.1% of the total budget. TDA revenue is also utilized as needed for Paratransit expenses, resulting in revenues that are equivalent to expenses.

Purchased transportation expenses are the primary driver of the paratransit budget. Actual expenditures on purchased transportation for the Authority's paratransit service has utilized 52.2% of the budget. Purchased transportation expenses related to paratransit services operated on behalf of our partners have been budgeted to a separate line, and these expenditures have utilized 47.4% of the budget.

**Statistics:**

*Schedule 5* provides select statistical information for FY 2024 as compared to this same period in FY 2023 and FY 2022.

In the second quarter of FY 2022, the fixed route farebox recovery ratio was 6.8%, and the cost of service per passenger was \$16.62. This improved to a farebox recovery ratio of 8.9% and cost per passenger of \$14.49 in FY 2023 as ridership improved post-pandemic. In the most recent Q2 of FY 2024, the farebox recovery ratio continues to show modest improvement to 10.1%, cost per passenger of \$12.71.

Paratransit has also experienced recovery at the farebox, and in the cost per passenger. The farebox recovery ratio of 3.8% in FY 2022 improved to 5.2% in FY 2023 and 6.4% in FY 2024. The cost of service per passenger of \$98.15 in FY 2022 decreased to \$85.48 in FY 2023 and has remained about the same at \$86.55 in FY 2024.

**Financial Implications:**

There are no financial implications associated with this report.

**Recommendation:**

Staff recommends that the A&F Committee review the report for approval.

**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 FY2024 Q2 (Schedules 1 through 5)

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

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Combined Fixed Route and Paratransit Income Statement**  
**FY 2024 Year to Date - Comparison of Actual vs. Budget**  
**For the Six Months Ended December 31, 2023**

	Actual	Total Budget	Variance	% Budget
<b>Revenues</b>				
Passenger fares	1,411,092	2,331,000	(919,908)	60.5%
Special fares	513,295	586,014	(72,719)	87.6%
<b>Total Fare Revenue</b>	<b>1,924,387</b>	<b>2,917,014</b>	<b>(992,627)</b>	<b>66.0%</b>
Advertising	168,750	340,000	(171,250)	49.6%
Other revenue	908,948	131,200	777,748	692.8%
Federal operating	939,518	5,888,000	(4,948,482)	16.0%
TDA earned revenue	8,661,880	21,757,021	(13,095,141)	39.8%
STA revenue	1,652,543	7,316,145	(5,663,602)	22.6%
Measure J	5,284,778	7,480,709	(2,195,931)	70.6%
Fees from LAVTA and One Seat partners	1,045,258	1,900,000	(854,742)	55.0%
Other operating assistance	567,064	1,947,800	(1,380,736)	29.1%
<b>Total Other Revenue</b>	<b>19,228,740</b>	<b>46,760,875</b>	<b>(27,532,135)</b>	<b>41.1%</b>
<b>Total Revenue</b>	<b>21,153,127</b>	<b>49,677,889</b>	<b>(28,524,762)</b>	<b>42.6%</b>
<b>Expenses</b>				
Wages	7,579,900	16,845,204	(9,265,304)	45.0%
Fringe Benefits	5,164,608	13,773,608	(8,609,000)	37.5%
<b>Total Wages and benefits</b>	<b>12,744,507</b>	<b>30,618,812</b>	<b>(17,874,304)</b>	<b>41.6%</b>
Services	1,147,945	3,482,880	(2,334,935)	33.0%
Materials & Supplies	1,676,477	3,656,900	(1,980,423)	45.8%
Utilities	198,291	439,000	(240,709)	45.2%
Insurance	580,397	1,343,231	(762,834)	43.2%
Taxes	171,700	368,015	(196,315)	46.7%
Leases and Rentals	27,298	68,500	(41,202)	39.9%
Miscellaneous	92,165	283,000	(190,835)	32.6%
Purchased Transportation	3,603,731	6,997,551	(3,393,820)	51.5%
Purchased Transportation - for partners	910,614	1,920,000	(1,009,386)	47.4%
<b>Operations Expenses</b>	<b>8,408,619</b>	<b>18,559,077</b>	<b>(10,150,458)</b>	<b>45.3%</b>
Contingency	-	500,000	(500,000)	0.0%
<b>Total Expenses</b>	<b>21,153,127</b>	<b>49,677,889</b>	<b>(28,524,762)</b>	<b>42.6%</b>
<b>Net Income (Loss)</b>	<b>-</b>	<b>-</b>		

## Schedule 2-Fixed Route

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Fixed Route Income Statement**  
**FY 2024 Year to Date - Comparison of Actual vs. Budget**  
**For the Six Months Ended December 31, 2023**

	Actual	Total Budget	Variance	% Budget
<b>Revenues</b>				
Fare revenue	1,151,413	1,961,000	(809,587)	58.7%
Special service revenue	513,295	586,014	(72,719)	87.6%
<b>Total Fare Revenue</b>	<b>1,664,708</b>	<b>2,547,014</b>	<b>(882,306)</b>	<b>65.4%</b>
Advertising revenue	168,750	340,000	(171,250)	49.6%
Non-Operating rev	908,948	131,200	777,748	692.8%
STA Population and Revenue Measure J	1,504,705	6,275,000	(4,770,295)	24.0%
TDA 4.0	7,935,717	19,420,757	(11,485,041)	40.9%
Federal Operating Funds	20,000	4,088,000	(4,068,000)	0.5%
Low Carbon Transit Ops Prog	310,438	600,000	(289,562)	51.7%
BART Express Funds	90,953	640,531	(549,578)	14.2%
Other State Grants	-	134,731	(134,731)	0.0%
Dougherty Valley Dev Fees	69,637	200,000	(130,363)	34.8%
Other Local Grants/Contributions	2,852	5,000	(2,148)	57.0%
RM 2/Other- Express	-	117,538	(117,538)	0.0%
<b>Total Other Revenue</b>	<b>14,746,118</b>	<b>37,661,208</b>	<b>(22,915,090)</b>	<b>39.2%</b>
<b>Total Revenue</b>	<b>16,410,826</b>	<b>40,208,222</b>	<b>(23,797,396)</b>	<b>40.8%</b>
<b>Expenses</b>				
Wages	7,432,851	16,525,369	(9,092,518)	45.0%
Fringe benefits	5,108,143	13,542,777	(8,434,634)	37.7%
<b>Total Wages and benefits</b>	<b>12,540,994</b>	<b>30,068,145</b>	<b>(17,527,152)</b>	<b>41.7%</b>
Services	1,091,598	3,373,880	(2,282,282)	32.4%
Materials and supplies	1,675,260	3,652,900	(1,977,640)	45.9%
Utilities	173,273	382,000	(208,727)	45.4%
Casualty and liability	580,397	1,325,231	(744,834)	43.8%
Taxes	171,700	368,015	(196,315)	46.7%
Leases and rentals	27,298	68,500	(41,202)	39.9%
Miscellaneous	92,165	263,000	(170,835)	35.0%
Purchased transportation	58,141	206,551	(148,410)	28.1%
<b>Total Other Expenses (non-wages)</b>	<b>3,869,832</b>	<b>9,640,077</b>	<b>(5,770,245)</b>	<b>40.1%</b>
Contingency	-	500,000	(500,000)	0.0%
<b>Total Expenses</b>	<b>16,410,826</b>	<b>40,208,223</b>	<b>(23,797,397)</b>	<b>40.8%</b>
<b>Net Income (Loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	

## Schedule 3- Paratransit

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY****Paratransit Income Statement****FY 2024 Year to Date - Comparison of Actual vs. Budget****For the Six Months Ended December 31, 2023**

	Actual	Total Budget	Variance	% Budget
<b>Revenues</b>				
Fare revenue	246,232	350,000	(103,768)	70.4%
Fare revenue - LAVTA	13,448	20,000	(6,553)	67.2%
<b>Total Fare Revenue</b>	<b>259,679</b>	<b>370,000</b>	<b>(110,321)</b>	<b>70.2%</b>
Special service - One Seat Ride	145,788	600,000	(454,212)	24.3%
LAVTA Fees	899,470	1,300,000	(400,530)	69.2%
FTA Section 5307	919,518	1,800,000	(880,482)	51.1%
TDA 4.5	515,311	1,161,778	(646,467)	44.4%
TDA 4.0	210,853	1,174,486	(963,632)	18.0%
Measure J	1,550,660	1,772,258	(221,598)	87.5%
STA Paratransit & Rev based	147,838	1,041,145	(893,307)	14.2%
BART ADA Service/Other	93,185	250,000	(156,815)	37.3%
<b>Total Other Revenue</b>	<b>4,482,622</b>	<b>9,099,667</b>	<b>(4,617,045)</b>	<b>49.3%</b>
<b>Total Revenue</b>	<b>4,742,301</b>	<b>9,469,667</b>	<b>(4,727,365)</b>	<b>50.1%</b>
<b>Expenses</b>				
Wages	147,049	319,835	(172,786)	46.0%
Fringe benefits	56,465	230,831	(174,367)	24.5%
<b>Total Wages and benefits</b>	<b>203,514</b>	<b>550,667</b>	<b>(347,153)</b>	<b>37.0%</b>
Services	56,347	109,000	(52,653)	51.7%
Materials and supplies	1,218	4,000	(2,782)	30.4%
Utilities	25,019	57,000	(31,981)	43.9%
Liability	-	18,000	(18,000)	0.0%
Miscellaneous	-	20,000	(20,000)	0.0%
Purchased transportation	3,545,590	6,791,000	(3,245,410)	52.2%
Purchased transp - for partners	910,614	1,920,000	(1,009,386)	47.4%
<b>Total Other Expenses (non-wages)</b>	<b>4,538,787</b>	<b>8,919,000</b>	<b>(4,380,213)</b>	<b>50.9%</b>
<b>Total Expenses</b>	<b>4,742,301</b>	<b>9,469,667</b>	<b>(4,727,365)</b>	<b>50.1%</b>
<b>Net Income (Loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	

Schedule 4- Operator Wages

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Breakdown of Operator Wages**  
***For the Six Months Ended December 31, 2023***

	<b>Amount</b>	<b>% of Total Operator Wages</b>
Platform/report/turn in	1,795,840	85.6%
Guarantees	67,539	3.2%
Overtime	83,739	4.0%
Spread	32,980	1.6%
Protection	73,694	3.5%
Travel	2,659	0.1%
Training	34,975	1.7%
Other Misc	6,930	0.3%
	<hr/> <b>2,098,356</b>	

## Schedule 5 - Statistics

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**FY 2024 Year to Date - Statistical Comparisons**  
**For the Six Months Ended December 31, 2023**

	Actual FY 2024 through Q2	Actual FY 2023 through Q2	Variance FY 2024 to FY 2023	Actual FY 2022 through Q2	Variance FY 2024 to FY 2022
<b>Fixed Route</b>					
Fares	\$ 1,151,413	\$ 1,059,552	8.7%	\$ 789,920	45.8%
Special Fares	513,295	489,835	4.8%	230,161	123.0%
<b>Total Fares</b>	<b>\$ 1,664,708</b>	<b>\$ 851,800</b>	<b>95.4%</b>	<b>\$ 1,020,081</b>	<b>63.2%</b>
<b>Farebox recovery ratio</b>	<b>10.1%</b>	<b>8.9%</b>	<b>13.6%</b>	<b>6.8%</b>	<b>49.2%</b>
Operating Exp (Less leases)	\$ 16,410,826	\$ 17,350,043	-5.4%	\$ 15,001,215	9.4%
<b>Revenue Hours</b>	<b>94,240</b>	<b>94,083</b>	<b>0.2%</b>	<b>94,039</b>	<b>0.2%</b>
<b>Cost per Rev Hour</b>	<b>\$ 174.14</b>	<b>\$ 184.41</b>	<b>-5.6%</b>	<b>\$ 159.52</b>	<b>9.2%</b>
<b>Passengers</b>	<b>1,290,930</b>	<b>1,197,239</b>	<b>7.8%</b>	<b>902,509</b>	<b>43.0%</b>
<b>Cost per Passenger</b>	<b>\$ 12.71</b>	<b>\$ 14.49</b>	<b>-12.3%</b>	<b>\$ 16.62</b>	<b>-23.5%</b>
<b>Passengers per Rev Hr</b>	<b>13.70</b>	<b>12.73</b>	<b>7.6%</b>	<b>9.60</b>	<b>42.7%</b>
<b>Paratransit</b>					
Fares	\$ 246,232	\$ 164,050	50.1%	\$ 112,099	119.7%
<b>Farebox recovery ratio</b>	<b>6.4%</b>	<b>5.2%</b>	<b>23.6%</b>	<b>3.8%</b>	<b>68.2%</b>
Operating Exp (Less Partners)	\$ 3,831,687	\$ 3,155,907	21.4%	\$ 2,934,956	30.6%
<b>Revenue Hours</b>	<b>30,447</b>	<b>18,736</b>	<b>62.5%</b>	<b>24,140</b>	<b>26.1%</b>
<b>Cost per Rev Hour</b>	<b>\$ 125.85</b>	<b>\$ 168.44</b>	<b>-25.3%</b>	<b>\$ 121.58</b>	<b>3.5%</b>
<b>Passengers</b>	<b>44,271</b>	<b>36,920</b>	<b>19.9%</b>	<b>29,904</b>	<b>48.0%</b>
<b>Cost per Passenger</b>	<b>\$ 86.55</b>	<b>\$ 85.48</b>	<b>1.3%</b>	<b>\$ 98.15</b>	<b>-11.8%</b>
<b>Passengers per Rev Hr</b>	<b>1.45</b>	<b>1.97</b>	<b>-35.5%</b>	<b>1.24</b>	<b>17.4%</b>