

## INTER OFFICE MEMO

**To:** Administration & Finance Committee

**Date:** 06/28/2024

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

**Reviewed by:** WC.

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**SUBJECT: Income Statements for the Nine Months Ended March 31, 2024**

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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 third 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 \$34.6 million (*Schedule 1*), which represents 69.6% of the budget of \$49.7 million.

### **Fixed Route:**

Overall Fixed Route revenues and expenses are presented on *Schedule 2*. Expenses and revenues for the period were \$26.9 million, representing 66.9% of the total budget.

Fare revenues have exceeded budgetary estimates, with actual receipts representing 101.7% of the fare amounts anticipated for the year. Receipts of non-operating revenues, such as investment income (\$942k) and asset disposal (\$200k), have far exceeded what was anticipated to come in for the year, representing 932.5% of the budget for this category. Most of these non-operating revenues are considered discretionary and will be transferred to the Operating and Capital Reserve at fiscal year-end.

The primary driver of the expense budget is salaries and wages. Actual expenditures on salaries and wages utilized 69.3% 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 and revenues for the period were \$7.7 million, representing 81.0% of the total budget.

Purchased transportation expenses are the primary driver of the paratransit budget. Actual expenditures on purchased transportation for the Authority's paratransit service has utilized 81.6% of the budget. Purchased transportation expenses for paratransit services operated on behalf of our partners have been budgeted to a separate line, and these expenditures have utilized 85.6% of the budget. It is expected that purchased transportation costs will cause the paratransit expenses to exceed the budget for the fiscal year, but this amount can be absorbed by savings on the fixed route side.

**Statistics:**

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

In the third quarter of FY 2022, the fixed route farebox recovery ratio was 7.6%, and the cost of service per passenger was \$16.98. This improved to a farebox recovery ratio of 9.4% and cost per passenger of \$14.20 in FY 2023 as ridership improved post-pandemic. In the most recent Q3 of FY 2024, the farebox recovery ratio continues to show modest improvement to 9.6%, with a cost per passenger of \$13.88.

Paratransit has also experienced recovery at the farebox, and in the cost per passenger. The farebox recovery ratio of 3.3% in FY 2022 improved to 4.4% in FY 2023 and 6.2% in FY 2024. The cost of service per passenger of \$124.19 in FY 2022 decreased to \$70.10 in FY 2023 and has come up slightly to \$89.45 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 Q3 (Schedules 1 through 5)

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

	Actual	Total Budget	Variance	% Budget
<b>Revenues</b>				
Passenger fares	2,267,133	2,331,000	(63,867)	97.3%
Special fares	719,618	586,014	133,604	122.8%
<b>Total Fare Revenue</b>	<b>2,986,751</b>	<b>2,917,014</b>	<b>69,737</b>	<b>102.4%</b>
Advertising	227,083	340,000	(112,917)	66.8%
Other revenue	1,223,458	131,200	1,092,258	932.5%
Federal operating	4,455,621	5,888,000	(1,432,379)	75.7%
TDA earned revenue	10,685,817	21,757,021	(11,071,204)	49.1%
STA revenue	3,412,803	7,316,145	(3,903,342)	46.6%
Measure J	9,104,974	7,480,709	1,624,265	121.7%
Fees from LAVTA and One Seat partners	1,618,797	1,900,000	(281,203)	85.2%
Other operating assistance	874,263	1,947,800	(1,073,537)	44.9%
<b>Total Other Revenue</b>	<b>31,602,816</b>	<b>46,760,875</b>	<b>(15,158,059)</b>	<b>67.6%</b>
<b>Total Revenue</b>	<b>34,589,567</b>	<b>49,677,889</b>	<b>(15,088,322)</b>	<b>69.6%</b>
<b>Expenses</b>				
Wages	12,021,466	16,845,204	(4,823,738)	71.4%
Fringe Benefits	9,172,131	13,773,608	(4,601,477)	66.6%
<b>Total Wages and benefits</b>	<b>21,193,597</b>	<b>30,618,812</b>	<b>(9,425,215)</b>	<b>69.2%</b>
Services	1,879,093	3,482,880	(1,603,787)	54.0%
Materials & Supplies	2,532,320	3,656,900	(1,124,580)	69.2%
Utilities	316,872	439,000	(122,128)	72.2%
Insurance	867,243	1,343,231	(475,989)	64.6%
Taxes	274,691	368,015	(93,324)	74.6%
Leases and Rentals	50,430	68,500	(18,070)	73.6%
Miscellaneous	187,236	283,000	(95,764)	66.2%
Purchased Transportation	5,645,449	6,997,551	(1,352,102)	80.7%
Purchased Transportation - for partners	1,642,636	1,920,000	(277,364)	85.6%
<b>Operations Expenses</b>	<b>13,395,971</b>	<b>18,559,077</b>	<b>(5,163,107)</b>	<b>72.2%</b>
Contingency	-	500,000	(500,000)	0.0%
<b>Total Expenses</b>	<b>34,589,567</b>	<b>49,677,889</b>	<b>(15,088,322)</b>	<b>69.6%</b>
<b>Net Income (Loss)</b>	<b>-</b>	<b>-</b>		

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

	Actual	Total Budget	Variance	% Budget
<b>Revenues</b>				
Fare revenue	1,871,198	1,961,000	(89,802)	95.4%
Special service revenue	719,618	586,014	133,604	122.8%
<b>Total Fare Revenue</b>	<b>2,590,816</b>	<b>2,547,014</b>	<b>43,802</b>	<b>101.7%</b>
Advertising revenue	227,083	340,000	(112,917)	66.8%
Non-Operating rev	1,223,458	131,200	1,092,258	932.5%
STA Population and Revenue Measure J	3,026,468	6,275,000	(3,248,532)	48.2%
TDA 4.0	6,457,781	5,708,451	749,330	113.1%
Federal Operating Funds	9,610,988	19,420,757	(9,809,769)	49.5%
Low Carbon Transit Ops Prog	3,076,344	4,088,000	(1,011,656)	75.3%
BART Express Funds	461,605	600,000	(138,395)	76.9%
Other State Grants	90,953	640,531	(549,578)	14.2%
Dougherty Valley Dev Fees	69,153	134,731	(65,578)	51.3%
Other Local Grants/Contributions	69,637	200,000	(130,363)	34.8%
RM 2/Other- Express	24,533	5,000	19,533	490.7%
	(9,679)	117,538	(127,217)	-8.2%
<b>Total Other Revenue</b>	<b>24,328,324</b>	<b>37,661,208</b>	<b>(13,332,884)</b>	<b>64.6%</b>
<b>Total Revenue</b>	<b>26,919,141</b>	<b>40,208,222</b>	<b>(13,289,082)</b>	<b>66.9%</b>
<b>Expenses</b>				
Wages	11,779,190	16,525,369	(4,746,178)	71.3%
Fringe benefits	9,053,543	13,542,777	(4,489,233)	66.9%
<b>Total Wages and benefits</b>	<b>20,832,734</b>	<b>30,068,145</b>	<b>(9,235,411)</b>	<b>69.3%</b>
Services	1,793,217	3,373,880	(1,580,663)	53.2%
Materials and supplies	2,531,102	3,652,900	(1,121,798)	69.3%
Utilities	279,169	382,000	(102,831)	73.1%
Casualty and liability	867,243	1,325,231	(457,989)	65.4%
Taxes	274,691	368,015	(93,324)	74.6%
Leases and rentals	50,430	68,500	(18,070)	73.6%
Miscellaneous	186,339	263,000	(76,661)	70.9%
Purchased transportation	104,215	206,551	(102,336)	50.5%
<b>Total Other Expenses (non-wages)</b>	<b>6,086,407</b>	<b>9,640,077</b>	<b>(3,553,670)</b>	<b>63.1%</b>
Contingency	-	500,000	(500,000)	0.0%
<b>Total Expenses</b>	<b>26,919,141</b>	<b>40,208,223</b>	<b>(13,289,082)</b>	<b>66.9%</b>
<b>Net Income (Loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	

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

	Actual	Total Budget	Variance	% Budget
<b>Revenues</b>				
Fare revenue	372,096	350,000	22,096	106.3%
Fare revenue - LAVTA	23,839	20,000	3,839	119.2%
<b>Total Fare Revenue</b>	<b>395,935</b>	<b>370,000</b>	<b>25,935</b>	<b>107.0%</b>
Special service - One Seat Ride	278,307	600,000	(321,693)	46.4%
LAVTA Fees	1,340,490	1,300,000	40,490	103.1%
FTA Section 5307	1,379,277	1,800,000	(420,723)	76.6%
TDA 4.5	753,594	1,161,778	(408,184)	64.9%
TDA 4.0	321,234	1,174,486	(853,251)	27.4%
Measure J	2,647,192	1,772,258	874,934	149.4%
STA Paratransit & Rev based	386,335	1,041,145	(654,810)	37.1%
BART ADA Service/Other	168,061	250,000	(81,939)	67.2%
<b>Total Other Revenue</b>	<b>7,274,492</b>	<b>9,099,667</b>	<b>(1,825,175)</b>	<b>79.9%</b>
<b>Total Revenue</b>	<b>7,670,426</b>	<b>9,469,667</b>	<b>(1,799,240)</b>	<b>81.0%</b>
<b>Expenses</b>				
Wages	242,275	319,835	(77,560)	75.8%
Fringe benefits	118,588	230,831	(112,244)	51.4%
<b>Total Wages and benefits</b>	<b>360,863</b>	<b>550,667</b>	<b>(189,804)</b>	<b>65.5%</b>
Services	85,876	109,000	(23,124)	78.8%
Materials and supplies	1,218	4,000	(2,782)	30.4%
Utilities	37,703	57,000	(19,297)	66.1%
Liability	-	18,000	(18,000)	0.0%
Miscellaneous	897	20,000	(19,103)	4.5%
Purchased transportation	5,541,234	6,791,000	(1,249,766)	81.6%
Purchased transp - for partners	1,642,636	1,920,000	(277,364)	85.6%
<b>Total Other Expenses (non-wages)</b>	<b>7,309,564</b>	<b>8,919,000</b>	<b>(1,609,436)</b>	<b>82.0%</b>
<b>Total Expenses</b>	<b>7,670,426</b>	<b>9,469,667</b>	<b>(1,799,240)</b>	<b>81.0%</b>
<b>Net Income (Loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Breakdown of Operator Wages**  
***For the Nine Months Ended March 31, 2024***

	<b>Amount</b>	<b>% of Total Operator Wages</b>
Platform/report/turn in	5,614,831	84.7%
Guarantees	211,165	3.5%
Overtime	261,818	4.3%
Spread	103,114	1.5%
Protection	230,409	3.8%
Travel	8,312	0.1%
Training	109,353	1.7%
Other Misc	21,669	0.3%
	<hr/> <b>6,560,670</b>	

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

	Actual FY 2024 through Q3	Actual FY 2023 through Q3	Variance FY 2024 to FY 2023	Actual FY 2022 through Q3	Variance FY 2024 to FY 2022
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**Fixed Route**

Fares	\$ 1,871,198	\$ 1,763,835	6.1%	\$ 1,383,177	35.3%
Special Fares	719,618	618,161	16.4%	363,678	97.9%
<b>Total Fares</b>	<b>\$ 2,590,816</b>	<b>\$ 2,381,996</b>	<b>8.8%</b>	<b>\$ 1,746,855</b>	<b>48.3%</b>
<b>Farebox recovery ratio</b>	<b>9.6%</b>	<b>9.4%</b>	<b>2.9%</b>	<b>7.6%</b>	<b>26.8%</b>
Operating Exp (Less leases)	\$ 26,919,141	\$ 25,455,474	5.7%	\$ 23,019,223	16.9%
<b>Revenue Hours</b>	<b>142,012</b>	<b>141,925</b>	<b>0.1%</b>	<b>141,765</b>	<b>0.2%</b>
<b>Cost per Rev Hour</b>	<b>\$ 189.55</b>	<b>\$ 179.36</b>	<b>5.7%</b>	<b>\$ 162.38</b>	<b>16.7%</b>
<b>Passengers</b>	<b>1,940,012</b>	<b>1,792,909</b>	<b>8.2%</b>	<b>1,355,377</b>	<b>43.1%</b>
<b>Cost per Passenger</b>	<b>\$ 13.88</b>	<b>\$ 14.20</b>	<b>-2.3%</b>	<b>\$ 16.98</b>	<b>-18.3%</b>
<b>Passengers per Rev Hr</b>	<b>13.66</b>	<b>12.63</b>	<b>8.1%</b>	<b>9.56</b>	<b>42.9%</b>

**Paratransit**

Fares	\$ 372,096	\$ 207,105	79.7%	\$ 186,115	99.9%
<b>Farebox recovery ratio</b>	<b>6.2%</b>	<b>4.4%</b>	<b>41.4%</b>	<b>3.3%</b>	<b>86.6%</b>
Operating Exp (Less Partners)	\$ 6,027,790	\$ 4,745,637	27.0%	\$ 5,625,767	7.1%
<b>Revenue Hours</b>	<b>46,292</b>	<b>35,281</b>	<b>31.2%</b>	<b>35,162</b>	<b>31.7%</b>
<b>Cost per Rev Hour</b>	<b>\$ 130.21</b>	<b>\$ 134.51</b>	<b>-3.2%</b>	<b>\$ 160.00</b>	<b>-18.6%</b>
<b>Passengers</b>	<b>67,386</b>	<b>67,694</b>	<b>-0.5%</b>	<b>45,300</b>	<b>48.8%</b>
<b>Cost per Passenger</b>	<b>\$ 89.45</b>	<b>\$ 70.10</b>	<b>27.6%</b>	<b>\$ 124.19</b>	<b>-28.0%</b>
<b>Passengers per Rev Hr</b>	<b>1.46</b>	<b>1.92</b>	<b>-31.8%</b>	<b>1.29</b>	<b>13.0%</b>