

## INTER OFFICE MEMO

**To:** Administration & Finance Committee

**Date:** 9/25/2024

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

**Reviewed by:** WC.

---

**SUBJECT: Income Statements for the Fiscal Year Ended June 30, 2024**

---

**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 Fiscal Year (FY) 2024 are presented for review. Although staff are still making final year-end adjustments in conjunction with the annual financial audit, there is sufficient information available at this time to provide the Committee with a preliminary year-end report.

Actual revenues and expenses are presented as compared to the adopted budget. The combined expenses of fixed route and paratransit for the period were \$47.3 million (*Schedule 1*), which represents 95.1% of the budget of \$49.7 million. The combined revenues were \$48.7 million, representing 97.9% of the budget of \$49.7 million, and allows for the transfer of \$1.4 million to the Authority's newly created discretionary reserve fund.

**Fixed Route:**

Overall Fixed Route revenues and expenses are presented on *Schedule 2*. Revenues for the period were \$38.2 million, representing 95.0% of the total budget. Expenses for the period were \$36.8 million, representing 91.5% of the total budget.

Receipts of non-operating revenues, such as investment income (\$1.1m) and asset disposal (\$200k), have far exceeded what was anticipated to come in for the year. Most of these non-operating revenues, plus advertising revenue (\$344k) are considered discretionary and have been transferred to the discretionary reserve fund.

Fare revenues exceeded estimates, with actual receipts exceeding budgeted amounts by \$950k. Measure J receipts also outpaced budgetary estimates by \$1.5m due to conservative budgeting and the final year of Measure J true-up payments (\$900k from FY22 received in FY24). True up payments will no longer be distributed to operators in accordance with Contra Costa Transportation Authority's new reserve policy. These excess revenues, in conjunction with budgetary savings in fixed route expenditures, resulted in a \$5.6m reduction in TDA revenue utilization as compared to the budget.

The primary driver of the expense budget is salaries and wages. Actual expenditures on salaries and wages utilized 93.7% of the annual budget for this category. *Schedule 4* provides additional details of various components specific to operator wages only. Expenditures on services, insurance and purchased transportation are under budget, and the \$500k contingency reserve was not utilized this period.

**Paratransit:**

Paratransit revenues and expenses are presented on *Schedule 3*. Expenses and revenues for the period were \$10.5 million, representing 110.5% of the total budget.

Like the fixed route program, paratransit fare revenues also exceeded budgetary estimates, with actual receipts exceeding fare amounts anticipated by \$141k. Measure J receipts also outpaced budgetary estimates by \$1.1m due to conservative budgeting and the final year of Measure J true-up payments (\$440k from FY22 received in FY24). These excess revenues were somewhat offset by budget overages in paratransit expenses, resulting in a \$486k reduction in TDA revenue utilization as compared to the budget.

Purchased transportation expenses are the primary driver of the paratransit budget. Actual expenditures on purchased transportation for the Authority's paratransit service utilized 111.8% of the budget. The Authority saw a rapid return in demand for paratransit services during the fiscal year. The confluence of more riders taking longer, slower trips, combined with substantial increases in deadhead hours and miles resulted in an higher cost to run the paratransit service than was anticipated when the budget was adopted.

Purchased transportation expenses for paratransit services operated on behalf of partner agencies have been budgeted to a separate line, and these expenditures have utilized 113.6% of the budget. These costs are neutral to the Authority as reimbursement in full is collected from the partners.

**Statistics:**

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

In FY 2022, the fixed route farebox recovery ratio was 7.6%, and the cost of service per passenger was \$17.46. This improved to a farebox recovery ratio of 9.9% and cost per passenger of \$13.85 in FY 2023 as ridership improved post-pandemic. In FY 2024, the farebox recovery ratio shows stabilization at 9.5%, with a cost per passenger of \$13.95.

Paratransit has also experienced recovery at the farebox, and in the cost per passenger. The farebox recovery ratio of 1.7% in FY 2022 improved to 5.5% in FY 2023 and 5.9% in FY 2024. The cost of service per passenger of \$103.02 in FY 2022 decreased to \$70.14 in FY 2023 and has come up slightly to \$86.88 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 (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 Twelve Months Ended June 30, 2024**

	Actual	Total Budget	Variance	% Budget
<b>Revenues</b>				
Passenger fares	3,094,354	2,331,000	763,354	132.7%
Special fares	925,309	586,014	339,295	157.9%
<b>Total Fare Revenue</b>	<b>4,019,664</b>	<b>2,917,014</b>	<b>1,102,650</b>	<b>137.8%</b>
Advertising	343,750	340,000	3,750	101.1%
Other revenue	1,382,787	131,200	1,251,587	1054.0%
Federal operating	5,582,329	5,888,000	(305,671)	94.8%
TDA earned revenue	15,568,190	21,757,021	(6,188,831)	71.6%
STA revenue	7,699,464	7,316,145	383,319	105.2%
Measure J	10,056,041	7,480,709	2,575,332	134.4%
Fees from LAVTA and One Seat partners	2,148,953	1,900,000	248,953	113.1%
Other operating assistance	1,844,950	1,947,800	(102,850)	94.7%
<b>Total Other Revenue</b>	<b>44,626,464</b>	<b>46,760,875</b>	<b>(2,134,411)</b>	<b>95.4%</b>
<b>Total Revenue</b>	<b>48,646,128</b>	<b>49,677,889</b>	<b>(1,031,761)</b>	<b>97.9%</b>
<b>Expenses</b>				
Wages	16,212,469	16,845,204	(632,735)	96.2%
Fringe Benefits	12,467,030	13,773,608	(1,306,578)	90.5%
<b>Total Wages and benefits</b>	<b>28,679,499</b>	<b>30,618,812</b>	<b>(1,939,313)</b>	<b>93.7%</b>
Services	2,936,307	3,482,880	(546,573)	84.3%
Materials & Supplies	3,414,797	3,656,900	(242,103)	93.4%
Utilities	466,091	439,000	27,091	106.2%
Insurance	1,154,391	1,343,231	(188,840)	85.9%
Taxes	379,051	368,015	11,036	103.0%
Leases and Rentals	72,266	68,500	3,766	105.5%
Miscellaneous	247,707	283,000	(35,293)	87.5%
Purchased Transportation	7,730,502	6,997,551	732,951	110.5%
Purchased Transportation - for partners	2,180,363	1,920,000	260,363	113.6%
<b>Operations Expenses</b>	<b>18,581,474</b>	<b>18,559,077</b>	<b>22,397</b>	<b>100.1%</b>
Contingency	-	500,000	(500,000)	0.0%
<b>Total Expenses</b>	<b>47,260,973</b>	<b>49,677,889</b>	<b>(2,416,916)</b>	<b>95.1%</b>
<b>Net Income (Loss)</b>	<b>1,385,154</b>	<b>-</b>		

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Fixed Route Income Statement**  
**FY 2024 Year to Date - Comparison of Actual vs. Budget**  
**For the Twelve Months Ended June 30, 2024**

	Actual	Total Budget	Variance	% Budget
<b>Revenues</b>				
Fare revenue	2,572,287	1,961,000	611,287	131.2%
Special service revenue	925,309	586,014	339,295	157.9%
<b>Total Fare Revenue</b>	<b>3,497,596</b>	<b>2,547,014</b>	<b>950,582</b>	<b>137.3%</b>
Advertising revenue	343,750	340,000	3,750	101.1%
Non-Operating rev	1,382,787	131,200	1,251,587	1054.0%
STA Population and Revenue Measure J	6,658,319	6,275,000	383,319	106.1%
TDA 4.0	7,156,017	5,708,451	1,447,566	125.4%
Federal Operating Funds	13,779,680	19,420,757	(5,641,077)	71.0%
Low Carbon Transit Ops Prog	3,743,296	4,088,000	(344,704)	91.6%
BART Express Funds	637,572	600,000	37,572	106.3%
Other State Grants	640,531	640,531	-	100.0%
Dougherty Valley Dev Fees	139,859	134,731	5,128	103.8%
Other Local Grants/Contributions	69,637	200,000	(130,363)	34.8%
RM 2/Other- Express	26,519	5,000	21,519	530.4%
<b>Total Other Revenue</b>	<b>107,363</b>	<b>117,538</b>	<b>(10,175)</b>	<b>91.3%</b>
<b>Total Revenue</b>	<b>38,182,926</b>	<b>40,208,222</b>	<b>(2,025,296)</b>	<b>95.0%</b>
<b>Expenses</b>				
Wages	15,881,332	16,525,369	(644,037)	96.1%
Fringe benefits	12,307,136	13,542,777	(1,235,640)	90.9%
<b>Total Wages and benefits</b>	<b>28,188,468</b>	<b>30,068,145</b>	<b>(1,879,677)</b>	<b>93.7%</b>
Services	2,809,664	3,373,880	(564,216)	83.3%
Materials and supplies	3,413,548	3,652,900	(239,352)	93.4%
Utilities	410,233	382,000	28,233	107.4%
Casualty and liability	1,138,413	1,325,231	(186,818)	85.9%
Taxes	379,051	368,015	11,036	103.0%
Leases and rentals	72,266	68,500	3,766	105.5%
Miscellaneous	246,810	263,000	(16,190)	93.8%
Purchased transportation	139,319	206,551	(67,232)	67.5%
<b>Total Other Expenses (non-wages)</b>	<b>8,609,304</b>	<b>9,640,077</b>	<b>(1,030,774)</b>	<b>89.3%</b>
Contingency	-	500,000	(500,000)	0.0%
<b>Total Expenses</b>	<b>36,797,772</b>	<b>40,208,223</b>	<b>(3,410,451)</b>	<b>91.5%</b>
<b>Net Income (Loss)</b>	<b>1,385,154</b>	<b>-</b>	<b>1,385,154</b>	

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Paratransit Income Statement**  
**FY 2024 Year to Date - Comparison of Actual vs. Budget**  
**For the Twelve Months Ended June 30, 2024**

	Actual	Total Budget	Variance	% Budget
<b>Revenues</b>				
Fare revenue	490,658	350,000	140,658	140.2%
Fare revenue - LAVTA	31,410	20,000	11,410	157.1%
<b>Total Fare Revenue</b>	<b>522,068</b>	<b>370,000</b>	<b>152,068</b>	<b>141.1%</b>
Special service - One Seat Ride	395,091	600,000	(204,909)	65.8%
LAVTA Fees	1,753,862	1,300,000	453,862	134.9%
FTA Section 5307	1,839,033	1,800,000	39,033	102.2%
TDA 4.5	1,099,830	1,161,778	(61,948)	94.7%
TDA 4.0	688,680	1,174,486	(485,806)	58.6%
Measure J	2,900,024	1,772,258	1,127,766	163.6%
STA Paratransit & Rev based	1,041,145	1,041,145	-	100.0%
BART ADA Service/Other	223,469	250,000	(26,531)	89.4%
<b>Total Other Revenue</b>	<b>9,941,134</b>	<b>9,099,667</b>	<b>841,467</b>	<b>109.2%</b>
<b>Total Revenue</b>	<b>10,463,201</b>	<b>9,469,667</b>	<b>993,535</b>	<b>110.5%</b>
<b>Expenses</b>				
Wages	331,137	319,835	11,302	103.5%
Fringe benefits	159,893	230,831	(70,938)	69.3%
<b>Total Wages and benefits</b>	<b>491,030</b>	<b>550,667</b>	<b>(59,636)</b>	<b>89.2%</b>
Services	126,643	109,000	17,643	116.2%
Materials and supplies	1,249	4,000	(2,751)	31.2%
Utilities	55,858	57,000	(1,142)	98.0%
Liability	15,978	18,000	(2,022)	88.8%
Miscellaneous	897	20,000	(19,103)	4.5%
Purchased transportation	7,591,183	6,791,000	800,183	111.8%
Purchased transp - for partners	2,180,363	1,920,000	260,363	113.6%
<b>Total Other Expenses (non-wages)</b>	<b>9,972,171</b>	<b>8,919,000</b>	<b>1,053,171</b>	<b>111.8%</b>
<b>Total Expenses</b>	<b>10,463,201</b>	<b>9,469,667</b>	<b>993,535</b>	<b>110.5%</b>
<b>Net Income (Loss)</b>	<b>-</b>	<b>-</b>	<b>-</b>	

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**Breakdown of Operator Wages**  
***For the Twelve Months Ended June 30, 2024***

	<b>Amount</b>	<b>% of Total Operator Wages</b>
Platform/report/turn in	7,416,948	84.7%
Guarantees	312,025	3.5%
Overtime	392,888	4.3%
Spread	133,311	1.5%
Protection	369,594	3.8%
Travel	10,887	0.1%
Training	152,289	1.7%
Other Misc	39,634	0.3%
	<hr/> <b>8,827,576</b>	

**CENTRAL CONTRA COSTA TRANSIT AUTHORITY**  
**FY 2024 Year to Date - Statistical Comparisons**  
**For the Twelve Months Ended June 30, 2024**

	<b>Actual FY 2024 through Q4</b>	<b>Actual FY 2023 through Q4</b>	<b>Variance FY 2024 to FY 2023</b>	<b>Actual FY 2022 through Q4</b>	<b>Variance FY 2024 to FY 2022</b>
<b>Fixed Route</b>					
Fares	\$ 2,572,287	\$ 2,440,019	5.4%	\$ 1,936,353	32.8%
Special Fares	925,309	884,030	4.7%	499,941	85.1%
<b>Total Fares</b>	<b>\$ 3,497,596</b>	<b>\$ 3,324,049</b>	<b>5.2%</b>	<b>\$ 2,436,294</b>	<b>43.6%</b>
<b>Farebox recovery ratio</b>	<b>9.5%</b>	<b>9.9%</b>	<b>-3.8%</b>	<b>7.6%</b>	<b>25.2%</b>
Operating Exp (Less leases)	\$ 36,725,505	\$ 33,589,180	9.3%	\$ 32,032,269	14.7%
<b>Revenue Hours</b>	<b>186,787</b>	<b>189,474</b>	<b>-1.4%</b>	<b>188,523</b>	<b>-0.9%</b>
<b>Cost per Rev Hour</b>	<b>\$ 196.62</b>	<b>\$ 177.28</b>	<b>10.9%</b>	<b>\$ 169.91</b>	<b>15.7%</b>
<b>Passengers</b>	<b>2,633,223</b>	<b>2,424,578</b>	<b>8.6%</b>	<b>1,834,108</b>	<b>43.6%</b>
<b>Cost per Passenger</b>	<b>\$ 13.95</b>	<b>\$ 13.85</b>	<b>0.7%</b>	<b>\$ 17.46</b>	<b>-20.1%</b>
<b>Passengers per Rev Hr</b>	<b>14.10</b>	<b>12.80</b>	<b>10.2%</b>	<b>9.73</b>	<b>44.9%</b>

**Paratransit**

Fares	\$ 490,658	\$ 359,247	36.6%	\$ 107,206	357.7%
<b>Farebox recovery ratio</b>	<b>5.9%</b>	<b>5.5%</b>	<b>8.4%</b>	<b>1.7%</b>	<b>254.0%</b>
Operating Exp (Less Partners)	\$ 8,282,839	\$ 6,571,936	26.0%	\$ 6,405,709	29.3%
<b>Revenue Hours</b>	<b>69,689</b>	<b>47,690</b>	<b>46.1%</b>	<b>46,120</b>	<b>51.1%</b>
<b>Cost per Rev Hour</b>	<b>\$ 118.85</b>	<b>\$ 137.81</b>	<b>-13.8%</b>	<b>\$ 138.89</b>	<b>-14.4%</b>
<b>Passengers</b>	<b>95,341</b>	<b>93,702</b>	<b>1.7%</b>	<b>62,179</b>	<b>53.3%</b>
<b>Cost per Passenger</b>	<b>\$ 86.88</b>	<b>\$ 70.14</b>	<b>23.9%</b>	<b>\$ 103.02</b>	<b>-15.7%</b>
<b>Passengers per Rev Hr</b>	<b>1.37</b>	<b>1.96</b>	<b>-43.6%</b>	<b>1.35</b>	<b>1.5%</b>