



Victoria Regional Transit Commission Financial and Performance Report

Period Ending December 31, 2020

Financial Presentation

This Financial Summary is presented on the following basis:

- Effective March 31, 2020, upon instruction from the Ministry, the operating reserve for the Victoria Regional Transit Commission is to be fully drawn down by March 31, 2020 and;
- Effective April 1, 2020 Provincial Operating Contributions are based on actual operating expenses at traditional cost sharing ratios for Conventional and Custom.

Financial Summary

<i>(figures in thousands)</i>	Dec 2020 Year to Date				Revised 2020/21			
	Budget	Actual	Variance (Un) Favourable		Budget	Forecast	Variance (Un) Favourable	
Revenues								
Passenger & Advert. Revenue	\$18,695	\$16,981	(\$1,714)	(9.2%)	\$24,738	\$22,470	(\$2,268)	(9.2%)
Safe Restart Funding	21,323	21,323	-	0.0%	21,323	21,323	-	0.0%
Provincial Operating Contribution	32,460	29,762	(2,698)	(8.3%)	43,164	40,506	(2,658)	(6.2%)
Fuel Tax Revenue	13,679	12,351	(1,328)	(9.7%)	18,360	16,850	(1,510)	(8.2%)
Local Contribution	14,552	12,790	(1,762)	(12.1%)	29,923	28,752	(1,171)	(3.9%)
Total Revenue	\$100,709	\$93,207	(\$7,502)	(7.4%)	\$137,508	\$129,901	(\$7,607)	(5.5%)
Expenses								
Operations	\$59,872	\$54,656	\$5,216	8.7%	\$79,951	\$74,042	\$5,909	7.4%
Maintenance	22,668	21,644	1,024	4.5%	30,118	29,643	475	1.6%
Administration	10,706	10,313	393	3.7%	14,530	14,246	284	2.0%
<i>Total Operating Expenses</i>	93,246	86,613	6,633	7.1%	124,599	117,931	6,668	5.4%
Lease Fees	7,463	6,594	869	11.6%	12,909	11,970	939	7.3%
Total Expenses	\$100,709	\$93,207	\$7,502	7.4%	\$137,508	\$129,901	\$7,607	5.5%

Revenue and Passenger Trips

(figures in thousands, except ratios)

	Dec 2020 Year to Date				Revised 2020/21			
	Budget	Actual	Variance (Un) Favourable		Budget	Forecast	Variance (Un) Favourable	
Passenger	\$18,185	\$16,473	(\$1,712)	(9.4%)	\$24,058	\$21,790	(\$2,268)	(9.4%)
Advertising	510	508	(2)	(0.4%)	680	680	-	0.0%
Total Passenger & Advertising	\$18,695	\$16,981	(\$1,714)	(9.2%)	\$24,738	\$22,470	(\$2,268)	(9.2%)
<i>Passenger Trips (Total)</i>	10,489	8,461	(2,028)	(19.3%)	13,729	11,397	(2,332)	(17.0%)
<i>Passenger Trips (excluding Taxi)</i>	10,468	8,445	(2,023)	(19.3%)	13,701	11,376	(2,325)	(17.0%)
<i>Average Fare</i>	\$1.74	\$1.95	\$0.21	12.1%	\$1.76	\$1.92	\$0.16	9.1%

Year to Date

- Passenger revenue is \$1.7M below budget due to lower ridership and no collection of fares in April and May offset by receipt of 100% of BC Bus Pass revenue.
- Passenger trips are 2.0M below budget or an average of 59% below prior year's YTD actuals.

Forecast

- Passenger revenue is forecast to be \$2.3M below budget at year end. All passenger fare types (cash, tickets, passes, UPASS) are impacted by lower ridership except for BC Bus Pass which is forecasted to be slightly above budget.
- Passenger trips are forecasted to be 2.3M below budget with ridership for the remainder of the year projected at 50% of prior year actuals.

Provincial Operating Contribution, Fuel Tax and Local Contribution

(figures in thousands, except ratios)

	Dec 2020 Year to Date				Revised 2020/21			
	Budget	Actual	Variance (Un) Favourable		Budget	Forecast	Variance (Un) Favourable	
Safe Restart Funding	\$21,323	\$21,323	\$0	0.0%	\$21,323	\$21,323	\$0	0.0%
Provincial Operating Contribution	32,460	29,762	(2,698)	(8.3%)	43,164	40,506	(2,658)	(6.2%)
Fuel Tax Revenue	13,679	12,351	(1,328)	(9.7%)	18,360	16,850	(1,510)	(8.2%)
Local Contribution	14,552	12,790	(1,762)	(12.1%)	29,923	28,752	(1,171)	(3.9%)

Safe Restart Funding is recognized as of November 2020 with half of the total allocation of \$42.6M to be used by March 31.

Provincial Operating Contribution is \$2.7M below budget year to date and is forecast to be below budget by \$2.7M by year end due to lower operating costs. Effective April 1, 2020, Provincial operating contribution is based on actual operating expenditures.

Fuel Tax Revenue generated from a 5.5 cent per litre fuel tax is \$1.3M below budget year to date. The full year forecast reflects a 17% drop in fuel sales over the prior year.

Local Contribution is \$1.8M below budget year to date due to lower operating expenses and lease fees. By year-end, local contribution will be below budget due lower operating costs and lease fees offset by lower passenger and fuel tax revenues.

Operations

<i>(figures in thousands, except ratios)</i>	Dec 2020 Year to Date				Revised 2020/21			
	Budget	Actual	Variance (Un) Favourable		Budget	Forecast	Variance (Un) Favourable	
Operations (excl. Fuel)	\$52,245	\$49,698	\$2,547	4.9%	\$69,794	\$67,228	\$2,566	3.7%
Fuel	7,627	4,958	2,669	35.0%	10,157	6,814	3,343	32.9%
Total Operations	\$59,872	\$54,656	\$5,216	8.7%	\$79,951	\$74,042	\$5,909	7.4%
<i>Service Hours</i>	741	681	(60)	(8.1%)	991	927	(64)	(6.5%)
<i>Operations Cost/Service Hour</i>	\$80.80	\$80.26	\$0.54	0.7%	\$80.68	\$79.87	\$0.80	1.0%

Year to Date

- Operations expenses excluding fuel are \$2.5M below budget due to fewer service hours delivered, lower labour and taxi costs offset by unbudgeted Covid-19 related expenses and higher insurance costs.
- Fuel is \$2.7M below budget with the average litre price of \$0.88 compared to a budget of \$1.18 and lower service hours.
- Service hours are 60,000 (52,000 Conventional and 8,000 Custom) below budget.

Forecast

- Operations expenses excluding fuel are forecasted to be \$2.6M below budget due to fewer service hours delivered, lower labour and taxi costs partially offset by unbudgeted Covid-19 related expenses and insurance costs.
- Fuel is forecasted to be \$3.3M below budget based on an average annual diesel price of \$0.90/litre, compared to a budget of \$1.18/litre.
- Service hours are forecast to be 64,000 hours below budget reduced service hours due to Covid-19 (54,000 Conventional and 10,000 Custom).

Maintenance

(figures in thousands, except ratios)

	Dec 2020 Year to Date				Revised 2020/21			
	Budget	Actual	Variance (Un) Favourable		Budget	Forecast	Variance (Un) Favourable	
Fleet Maintenance	\$18,883	\$18,022	\$861	4.6%	\$24,924	\$24,415	\$509	2.0%
Facilities Maintenance	3,785	3,622	163	4.3%	5,194	5,228	(34)	(0.7%)
Total Maintenance	\$22,668	\$21,644	\$1,024	4.5%	\$30,118	\$29,643	\$475	1.6%
<i>Service Hours</i>	741	681	(60)	(8.1%)	991	927	(64)	(6.5%)
<i>Fleet Maintenance Cost/Service Hour</i>	\$25.48	\$26.46	(\$0.98)	(3.8%)	\$25.15	\$26.34	(\$1.19)	(4.7%)

Year to Date

- Fleet maintenance is \$0.9M under budget due to vacancies and lower labour costs offset by Covid-19 related costs.
- Facilities maintenance is \$0.2M below budget due to the capitalization of CNG fueling equipment.

Forecast

- Fleet maintenance is forecasted to be \$0.5M above budget due lower labour costs offset by one-time to inventory write-off scheduled for year-end, lower than budgeted warranty recoveries and Covid-19 related costs.
- Facility maintenance is forecasted to be on budget with higher expenses for Victoria Facilities Master Plan and Covid-19 costs offset by savings by capitalization of the CNG equipment lease.

Administration

<i>(figures in thousands)</i>	Dec 2020 Year to Date			Revised 2020/21		
	Budget	Actual	Variance (Un) Favourable	Budget	Forecast	Variance (Un) Favourable
Administration	\$10,706	\$10,313	\$393 3.7%	\$14,530	\$14,246	\$284 2.0%

Year to Date

- Administration expenses are below budget by \$0.4M due to vacancies, lower marketing and information system costs.

Forecast

- Administration expenses are forecast to be below budget \$0.3M.

Lease Fees

(figures in thousands)

	Dec 2020 Year to Date			Revised 2020/21		
	Budget	Actual	Variance (Un) Favourable	Budget	Forecast	Variance (Un) Favourable
Lease Fees	\$7,463	\$6,594	\$869 11.6%	\$12,909	\$11,970	\$939 7.3%

Lease Fees are \$0.9M below budget year to date due to in-service timing for equipment, information system and building projects.

The year-end debt service forecast is \$0.9M under budget due to in-service timing of capital projects.

Transit Fund

VICTORIA REGIONAL TRANSIT COMMISSION <i>(figures in thousands)</i>	2020/21 Original Budget	2020/21 Revised Budget	2020/21 Forecast
LOCAL CONTRIBUTION			
Total Local Contribution Required	\$39,619	\$29,923	\$28,752
Funds generated from Transit Levy	\$34,528	\$34,528	\$34,528
Balance from / (to) Transit Fund	\$5,091	(\$4,605)	(\$5,776)
TRANSIT FUND			
Final Balance, March 31, 2020	\$17,051	\$17,080	\$17,080
Victoria Regional Transit System			
Budgeted Contribution	(5,091)	4,605	4,605
Lower lease fees			939
Lower operating costs (Commission share)			4,010
Lower fuel tax revenue			(1,510)
Lower passenger revenue			(2,268)
Cowichan Valley Commuter			
Budgeted Contribution	(96)	(62)	(62)
Other			
Safe Restart funding contribution		42,646	42,646
Safe Restart funding usage (2020/21)		(21,323)	(21,323)
Interest & Other	100	100	100
Balance, March 31, 2021	\$11,964	\$43,046	\$44,217

Victoria Regional Transit Commission

Performance and Benchmarking



Conventional Transit Performance

<i>(figures in thousands, except ratios)</i>	Dec 2020 Year to Date				Revised 2020/21			
	Budget	Actual	Variance (Un) Favourable		Budget	Forecast	Variance (Un) Favourable	
Passenger Trips ('000)	10,376	8,362	(2,014)	(19.4%)	13,580	11,255	(2,325)	(17.1%)
Service Hours ('000)	646	594	(52)	(8.0%)	864	810	(54)	(6.3%)
Total Operating Cost ('000)	\$84,473	\$79,246	\$5,227	6.2%	\$112,884	\$107,957	\$4,927	4.4%
Passenger Trips per Service Hour	16.1	14.1	(2.0)	(12.4%)	15.7	13.9	(1.8)	(11.6%)
Operating Cost per Service Hour	\$130.76	\$133.41	(\$2.65)	(2.0%)	\$130.65	\$133.28	(\$2.63)	(2.0%)
Operating Cost per Passenger Trip	\$8.14	\$9.48	(\$1.34)	(16.5%)	\$8.31	\$9.59	(\$1.28)	(15.4%)
Operating Cost Recovery	22.1%	21.4%	(0.7%)	(3.2%)	21.9%	20.8%	(1.1%)	(5.0%)
Service Hours per Capita	n/a	n/a	n/a	n/a	2.5	2.4	(0.1)	(4.0%)
Passenger Trips per Capita	n/a	n/a	n/a	n/a	40.1	33.2	(6.9)	(17.2%)

Conventional Service Area Population of 339,026 used in per capita calculations

Custom Transit Performance

<i>(figures in thousands, except ratios)</i>	Dec 2020 Year to Date				Revised 2020/21			
	Budget	Actual	Variance (Un) Favourable		Budget	Forecast	Variance (Un) Favourable	
Passenger Trips ('000) (Total)	113	99	(14)	(12.4%)	149	142	(7)	(4.7%)
Passenger Trips ('000) (excluding Taxi)	92	83	(9)	(9.8%)	121	121	-	0.0%
Service Hours ('000)	95	87	(8)	(8.4%)	127	117	(10)	(7.9%)
Total Operating Cost ('000)	\$8,773	\$7,367	\$1,406	16.0%	\$11,715	\$9,974	\$1,741	14.9%
Passenger Trips per Service Hour (excl. Taxi)	1.0	1.0	0.0	0.0%	1.0	1.0	0.0	0.0%
Operating Cost per Service Hour (excl. Taxi)	\$85.81	\$85.70	\$0.11	0.1%	\$85.72	\$85.68	\$0.04	0.0%
Operating Cost per Passenger Trip	\$77.64	\$74.41	\$3.23	4.2%	\$78.62	\$70.24	\$8.38	10.7%
Operating Cost Recovery (excl. Taxi)	0.60%	0.60%	0.00%	0.4%	0.59%	0.64%	0.05%	8.6%
Service Hours per Capita	n/a	n/a	n/a	n/a	0.34	0.31	(0.0)	(8.8%)
Passenger Trips per Capita	n/a	n/a	n/a	n/a	0.4	0.4	0.0	0.0%

Custom Service Area Population of 379,088 used in per capita calculations