

#8 - Financial & Performance Report

Period Ending December 31, 2023

March 19, 2024

Financial Summary

| <i>(figures in thousands)</i> | December 2023 Year to Date | | | | 2023/24 | | | |
|-----------------------------------|----------------------------|------------------|-----------------------------|---------------|------------------|------------------|-----------------------------|---------------|
| | Budget | Actual | Variance (Un) Favourable | | Budget | Forecast | Variance (Un) Favourable | |
| Revenues | | | | | | | | |
| Passenger & Advert. Revenue | \$28,959 | \$30,804 | \$1,845 | 6.4% | \$39,019 | \$41,531 | \$2,512 | 6.4% |
| Use of Safe Restart Funding | 5,900 | 5,900 | - | 0.0% | 7,866 | 7,866 | - | 0.0% |
| Provincial Operating Contribution | 40,108 | 40,010 | (98) | (0.2%) | 53,881 | 54,566 | 685 | 1.3% |
| Fuel Tax Revenue | 14,160 | 13,649 | (511) | (3.6%) | 18,360 | 17,849 | (511) | (2.8%) |
| Local Contribution | 39,701 | 38,011 | (1,689) | (4.3%) | 53,886 | 53,288 | (598) | (1.1%) |
| Total Revenue | \$128,827 | \$128,374 | (\$453) | (0.4%) | \$173,012 | \$175,100 | \$2,088 | 1.2% |
| Expenses | | | | | | | | |
| Operations | \$75,976 | \$73,769 | \$2,207 | 2.9% | \$102,110 | \$100,614 | \$1,496 | 1.5% |
| Maintenance | 26,158 | 27,849 | (1,691) | (6.5%) | 34,973 | 37,843 | (2,870) | (8.2%) |
| Administration | 14,184 | 14,621 | (437) | (3.1%) | 19,189 | 20,120 | (931) | (4.9%) |
| <i>Total Operating Expenses</i> | 116,318 | 116,239 | 79 | 0.1% | 156,272 | 158,577 | (2,305) | (1.5%) |
| Lease Fees | 12,509 | 12,135 | 374 | 3.0% | 16,740 | 16,523 | 217 | 1.3% |
| Total Expenses | \$128,827 | \$128,374 | \$453 | 0.4% | \$173,012 | \$175,100 | (\$2,088) | (1.2%) |

Revenue and Passenger Trips

(figures in thousands, except ratios)

| | December 2023 Year to Date | | | | 2023/24 | | | |
|--|----------------------------|-----------------|-----------------------------|-------------|-----------------|-----------------|-----------------------------|-------------|
| | Budget | Actual | Variance (Un) Favourable | | Budget | Forecast | Variance (Un) Favourable | |
| Passenger | \$28,437 | \$30,282 | \$1,845 | 6.5% | \$38,323 | \$40,835 | \$2,512 | 6.6% |
| Advertising | 522 | 522 | - | 0.0% | 696 | 696 | - | 0.0% |
| Total Passenger & Advertising | \$28,959 | \$30,804 | \$1,845 | 6.4% | \$39,019 | \$41,531 | \$2,512 | 6.4% |
| <i>Passenger Trips (Total)</i> | 17,828 | 18,825 | 997 | 5.6% | 23,927 | 25,546 | 1,619 | 6.8% |
| <i>Passenger Trips (excluding Taxi)</i> | 17,793 | 18,782 | 989 | 5.6% | 23,880 | 25,486 | 1,606 | 6.7% |
| <i>Average Fare</i> | \$1.60 | \$1.61 | \$0.01 | 0.6% | \$1.60 | \$1.60 | \$0.00 | 0.0% |

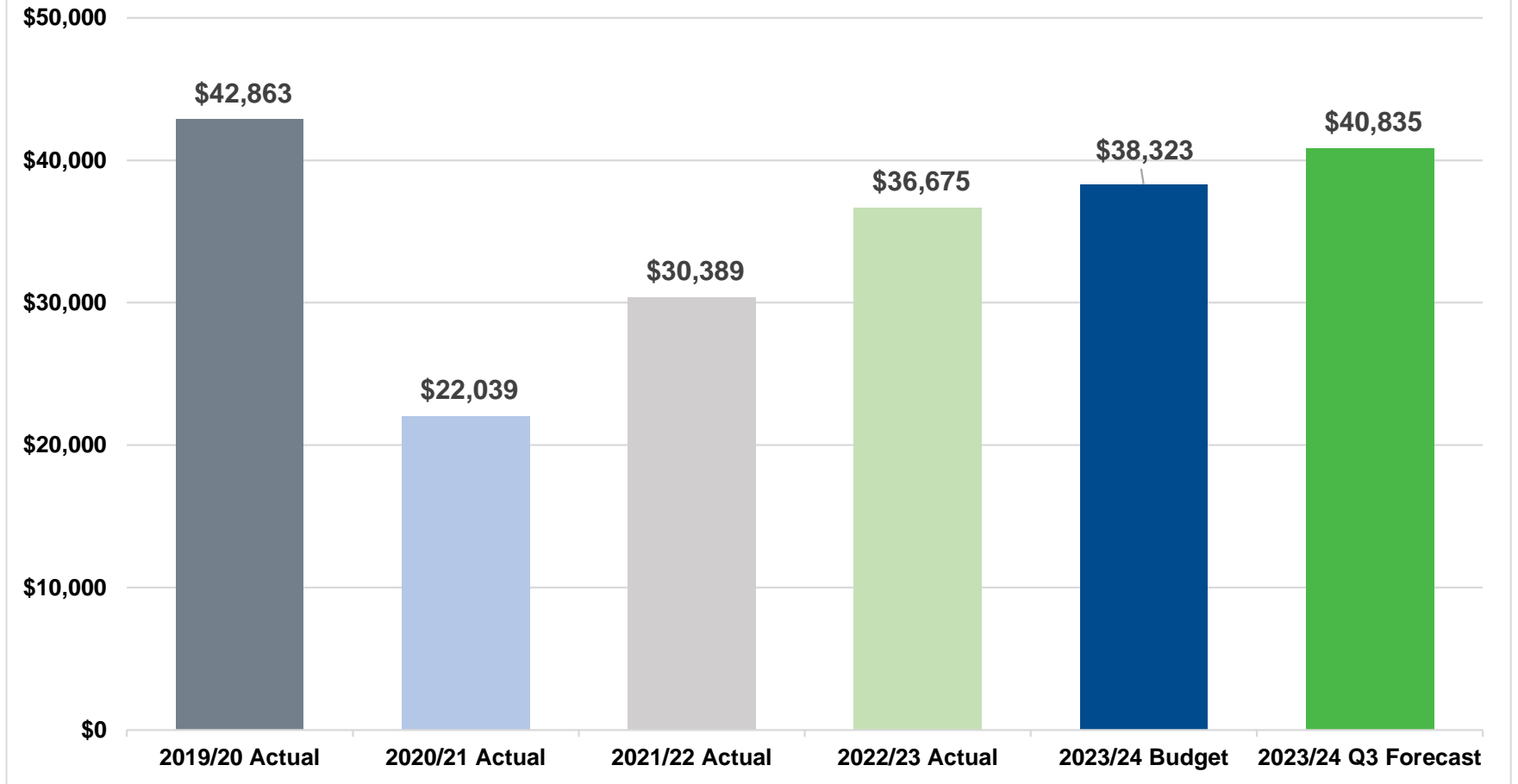
Year to Date

- Passenger Revenue is \$1.8M (6.5%) above budget due to higher than budgeted passenger trips, farebox revenue, and monthly pass sales.
- Passenger trips are \$1.0M (5.6%) above budget.

Forecast

- Passenger revenue is \$2.5M (6.6%) above budget due to higher farebox revenue and monthly pass sales.
- Passenger trips are \$1.6M (6.8%) above budget.

VRTS Passenger Revenue (000's)



Provincial Operating and Local Contribution

(figures in thousands, except ratios)

| | December 2023 Year to Date | | | | 2023/24 | | | |
|-----------------------------------|----------------------------|----------------|-----------------------------|--------|---------|----------------|-----------------------------|--------|
| | Budget | Actual | Variance (Un) Favourable | | Budget | Forecast | Variance (Un) Favourable | |
| Safe Restart Funding | \$5,900 | \$5,900 | \$0 | 0.0% | \$7,866 | \$7,866 | \$0 | 0.0% |
| Provincial Operating Contribution | 40,108 | 40,010 | (98) | (0.2%) | 53,881 | 54,566 | 685 | 1.3% |
| Fuel Tax Revenue | 14,160 | 13,649 | (511) | (3.6%) | 18,360 | 17,849 | (511) | (2.8%) |
| Local Contribution | 39,701 | 38,011 | (1,689) | (4.3%) | 53,886 | 53,288 | (598) | (1.1%) |

Safe Restart Funding in the amount of \$7.9M will be used in fiscal 2023/24.

Provincial Operating Contribution is forecasted to be \$0.7M (1.3%) above budget due to higher than budgeted Victoria Conventional operating costs.

Fuel Tax Revenue generated from the 5.5 cent per litre Fuel Tax levy is \$0.5M (3.6%) below budget year to date and forecasted to be \$0.5M (2.8%) below budget at year end.

Local Contribution is \$1.7M (4.3%) below budget year to date and forecasted to be \$0.6M (1.1%) below budget at year end due to higher than budgeted passenger revenue.

Operations

(figures in thousands, except ratios)

| | December 2023 Year to Date | | | | 2023/24 | | | |
|------------------------------|----------------------------|-----------------|-----------------------------|-------------|------------------|------------------|-----------------------------|-------------|
| | Budget | Actual | Variance (Un) Favourable | | Budget | Forecast | Variance (Un) Favourable | |
| Operations (excl. Fuel) | \$64,837 | \$64,676 | \$161 | 0.2% | \$87,053 | \$88,073 | (1,020) | (1.2%) |
| Fuel | 11,139 | 9,093 | 2,046 | 18.4% | 15,057 | 12,541 | 2,516 | 16.7% |
| Total Operations | \$75,976 | \$73,769 | \$2,207 | 2.9% | \$102,110 | \$100,614 | \$1,496 | 1.5% |
| Service Hours | 755 | 701 | (54) | (7.2%) | 1,011 | 950 | (61) | (6.0%) |
| Operations Cost/Service Hour | \$100.63 | \$105.23 | (\$4.60) | (4.6%) | \$101.00 | \$105.91 | (\$4.91) | (4.9%) |

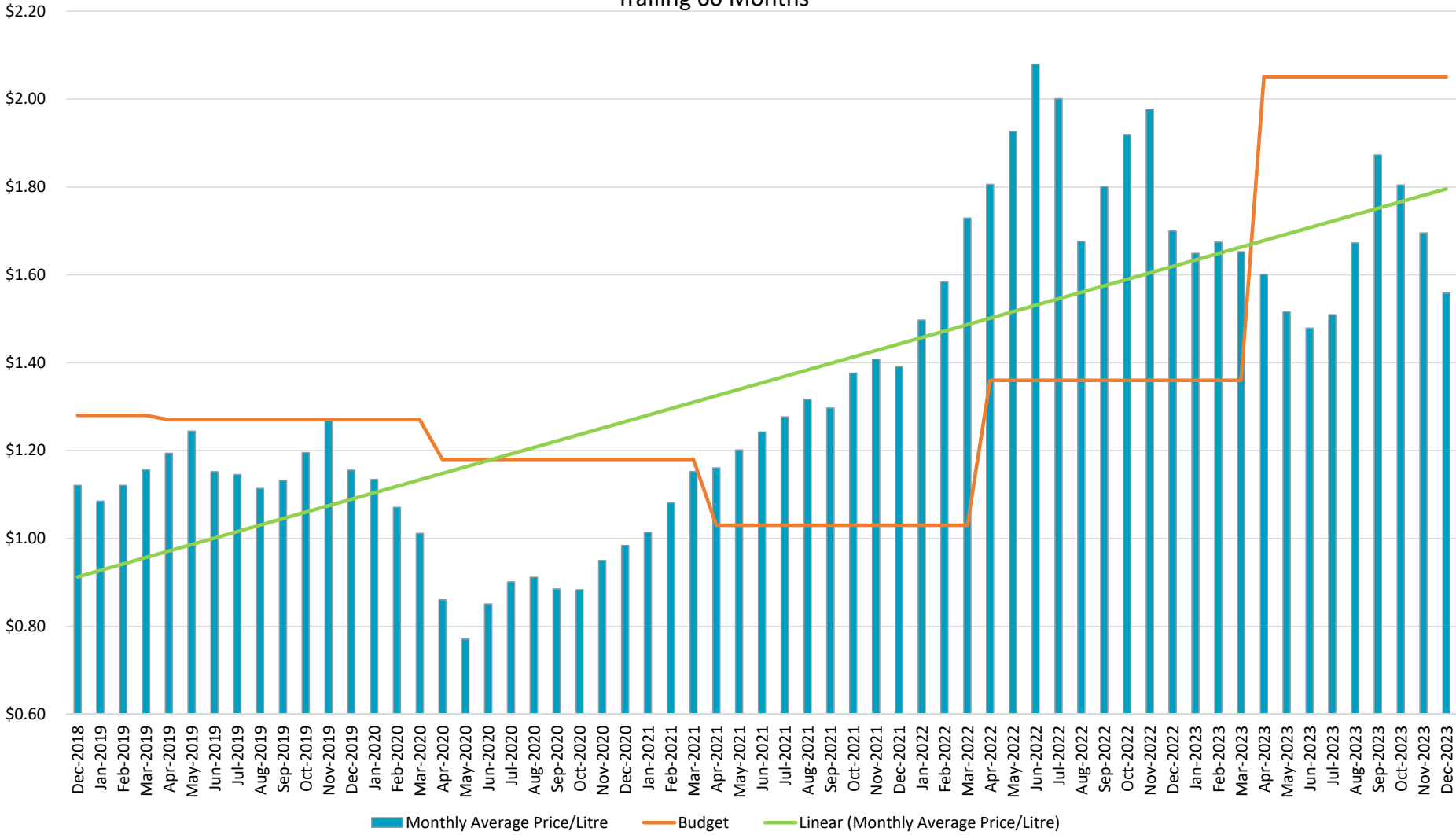
Year to Date

- Operations expenses excluding fuel are on budget due to operator labour savings offset by higher overtime costs.
- Fuel is \$2.0M (18.4%) below budget with an average diesel price/litre of \$1.63 compared to a budget of \$2.05.
- Service hours are \$54K below budget primarily due to labour shortages and fleet constraints.

Forecast

- Operations expenses excluding fuel are forecasted to be \$1.0M (1.2%) above budget due to higher labour costs (overtime, benefits).
- Fuel is forecasted to be \$2.5M (16.7%) below budget based on an average diesel price/litre of \$1.70/litre for December and \$1.80/litre for the remainder of the fiscal year.
- Service hours are forecasted to be \$61K below budget due to labour shortages and fleet constraints.

Victoria Conventional Average Monthly Diesel Price Trailing 60 Months



■ Monthly Average Price/Litre
 — Budget
 — Linear (Monthly Average Price/Litre)

Maintenance

| <i>(figures in thousands, except ratios)</i> | December 2023 Year to Date | | | | 2023/24 | | | |
|--|----------------------------|-----------------|-----------------------------|---------------|-----------------|-----------------|-----------------------------|---------------|
| | Budget | Actual | Variance (Un) Favourable | | Budget | Forecast | Variance (Un) Favourable | |
| Fleet Maintenance | \$22,329 | \$23,632 | (\$1,303) | (5.8%) | \$29,791 | \$31,768 | (\$1,977) | (6.6%) |
| Facilities Maintenance | 3,829 | 4,217 | (388) | (10.1%) | 5,182 | 6,075 | (893) | (17.2%) |
| Total Maintenance | \$26,158 | \$27,849 | (\$1,691) | (6.5%) | \$34,973 | \$37,843 | (\$2,870) | (8.2%) |
| <i>Service Hours</i> | 755 | 701 | (54) | (7.2%) | 1,011 | 950 | (61) | (6.0%) |
| <i>Fleet Maintenance Cost/Service Hour</i> | \$29.57 | \$33.71 | (\$4.14) | (14.0%) | \$29.47 | \$33.44 | (\$3.97) | (13.5%) |

Year to Date

- Fleet maintenance is \$1.3M (5.8%) above budget due to higher parts and materials and overtime expenses.
- Facilities maintenance is \$0.4M (10.1%) above budget due to higher outside services (emergency repairs, HVAC, and CNG maintenance expenses).

Forecast

- Fleet maintenance is forecasted to be \$2.0M (6.6%) above budget due to higher parts and materials and overtime expenses.
- Facility maintenance is forecasted to be \$0.9M (17.2%) above budget due to higher emergency repairs, snow/ice removal, CNG maintenance, plumbing and electrical costs.

Administration

| <i>(figures in thousands)</i> | December 2023 Year to Date | | | 2023/24 | | |
|-------------------------------|----------------------------|----------|-----------------------------|----------|----------|-----------------------------|
| | Budget | Actual | Variance (Un) Favourable | Budget | Forecast | Variance (Un) Favourable |
| Administration | \$14,184 | \$14,621 | (\$437) (3.1%) | \$19,189 | \$20,120 | (\$931) (4.9%) |

Year to Date

- Administration expenses are above budget by \$0.4M (3.1%) with higher than budgeted marketing costs due to the launch of Blink and Umo and IT expenses.

Forecast

- Administration expenses are forecasted to be \$0.9M (4.9%) above budget due to marketing expenses to support Blink and Umo, and IT expenses.

Lease Fees

| <i>(figures in thousands)</i> | December 2023 Year to Date | | | | 2023/24 | | | |
|-------------------------------|----------------------------|----------|-----------------------------|------|----------|----------|-----------------------------|------|
| | Budget | Actual | Variance (Un) Favourable | | Budget | Forecast | Variance (Un) Favourable | |
| Lease Fees | \$12,509 | \$12,135 | \$374 | 3.0% | \$16,740 | \$16,523 | \$217 | 1.3% |

Year to Date

- Lease Fees are \$0.4M (3.0%) below budget year to date.

Forecast

- Lease fees are forecasted to be \$0.2M (1.3%) below budget.

Transit Fund

| VICTORIA REGIONAL TRANSIT COMMISSION | 2023/24 Budget | 2023/24 Forecast |
|---|-----------------------|-------------------------|
| <i>(figures in thousands)</i> | | |
| LOCAL CONTRIBUTION | | |
| Total Local Contribution Required | \$53,886 | \$53,288 |
| Funds generated from Transit Levy | \$43,621 | \$43,744 |
| Balance from / (to) Transit Fund | \$10,265 | \$9,544 |
| TRANSIT FUND | | |
| Final Balance, March 31, 2023 | \$32,266 | \$32,266 |
| Victoria Regional Transit System | | |
| Budgeted Contribution | (10,265) | (10,265) |
| Lower lease fees | | 217 |
| Higher operating costs (Commission share) | | (1,620) |
| Higher property tax revenue | | 123 |
| Lower fuel tax revenue | | (511) |
| Higher passenger revenue | | 2,512 |
| Cowichan Valley Commuter | | |
| Budgeted Contribution | (114) | (87) |
| Other | | |
| Safe Restart funding usage (2023/24) | (7,866) | (7,866) |
| Interest & Other | 200 | 200 |
| Balance, March 31, 2024 | \$14,221 | \$14,969 |

Victoria Regional Transit Commission

Performance and Benchmarking

Conventional Transit Performance

| <i>(figures in thousands, except ratios)</i> | December 2023 Year to Date | | | | 2023/24 | | | |
|--|----------------------------|-----------|-----------------------------|--------|-----------|-----------|-----------------------------|--------|
| | Budget | Actual | Variance (Un) Favourable | | Budget | Forecast | Variance (Un) Favourable | |
| Passenger Trips ('000) | 17,621 | 18,603 | 982 | 5.6% | 23,650 | 25,250 | 1,600 | 6.8% |
| Service Hours ('000) | 659 | 614 | (45) | (6.8%) | 884 | 833 | (51) | (5.8%) |
| Total Operating Cost ('000) | \$105,985 | \$106,136 | (\$151) | (0.1%) | \$142,395 | \$144,847 | (\$2,452) | (1.7%) |
| Passenger Trips per Service Hour | 26.7 | 30.3 | 3.6 | 13.3% | 26.8 | 30.3 | 3.6 | 13.3% |
| Operating Cost per Service Hour | \$160.83 | \$172.86 | (\$12.03) | (7.5%) | \$161.08 | \$173.89 | (\$12.81) | (8.0%) |
| Operating Cost per Passenger Trip | \$6.01 | \$5.71 | \$0.30 | 5.0% | \$6.02 | \$5.74 | \$0.28 | 4.7% |
| Operating Cost Recovery | 27.2% | 28.9% | 1.7% | 6.3% | 27.3% | 28.6% | 1.3% | 4.7% |
| 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 | 66.9 | 71.4 | 4.5 | 6.7% |

Conventional Service Area Population of 353,717 used in per capita calculations

Custom Transit Performance

| <i>(figures in thousands, except ratios)</i> | December 2023 Year to Date | | | | 2023/24 | | | |
|---|----------------------------|----------|-----------------------------|--------|----------|----------|-----------------------------|--------|
| | Budget | Actual | Variance (Un) Favourable | | Budget | Forecast | Variance (Un) Favourable | |
| Passenger Trips ('000) (Total) | 207 | 222 | 15 | 7.2% | 277 | 296 | 19 | 6.9% |
| Passenger Trips ('000) (excluding Taxi) | 172 | 179 | 7 | 4.1% | 230 | 236 | 6 | 2.6% |
| Service Hours ('000) | 96 | 87 | (9) | (9.4%) | 127 | 117 | (10) | (7.9%) |
| Total Operating Cost ('000) | \$10,333 | \$10,103 | \$230 | 2.2% | \$13,877 | \$13,730 | \$147 | 1.1% |
| Passenger Trips per Service Hour (excl. Taxi) | 1.8 | 2.1 | 0.3 | 16.7% | 1.8 | 2.0 | 0.2 | 11.1% |
| Operating Cost per Service Hour (excl. Taxi) | \$102.44 | \$106.95 | (\$4.51) | (4.4%) | \$103.65 | \$107.86 | (\$4.21) | (4.1%) |
| Operating Cost per Passenger Trip | \$49.92 | \$45.51 | \$4.41 | 8.8% | \$50.10 | \$46.39 | \$3.71 | 7.4% |
| Operating Cost Recovery (excl. Taxi) | 0.99% | 1.00% | 0.01% | 1.3% | 0.99% | 0.97% | (0.01%) | (1.3%) |
| Service Hours per Capita | n/a | n/a | n/a | n/a | 0.32 | 0.29 | (0.0) | (9.4%) |
| Passenger Trips per Capita | n/a | n/a | n/a | n/a | 0.7 | 0.7 | 0.0 | 0.0% |