

#4 - Financial & Performance Report

Period Ending March 31, 2023

June 13, 2023

Financial Summary

<i>(figures in thousands)</i>	2022/23	2022/23	2021/22	Variance		Variance	
	Budget	Final	Actual	to Budget		Year over Year	
				(Un) Favourable		(Un) Favourable	
Revenues							
Passenger & Advert. Revenue	\$33,598	\$37,365	\$31,076	\$3,767	11.2%	\$6,289	20.2%
Use of Safe Restart Funding	10,882	10,882	21,323	-	0.0%	(10,441)	(49.0%)
Provincial Operating Contribution	48,794	49,752	44,992	958	2.0%	4,760	10.6%
Fuel Tax Revenue	18,360	17,821	17,945	(539)	(2.9%)	(124)	(0.7%)
Local Contribution	46,361	44,477	31,677	(1,883)	(4.1%)	12,801	40.4%
Total Revenue	\$157,995	\$160,298	\$147,013	\$2,303	1.5%	\$13,285	9.0%
Expenses							
Operations	\$89,884	\$90,197	\$82,533	(\$313)	(0.3%)	(\$7,664)	(9.3%)
Maintenance	32,657	34,245	30,730	(1,588)	(4.9%)	(3,515)	(11.4%)
Administration	18,778	19,787	17,228	(1,009)	(5.4%)	(2,559)	(14.9%)
<i>Total Operating Expenses</i>	141,319	144,229	130,491	(2,910)	(2.1%)	(13,738)	(10.5%)
Lease Fees	16,676	16,069	16,522	607	3.6%	453	2.7%
Total Expenses	\$157,995	\$160,298	\$147,013	(\$2,303)	(1.5%)	(\$13,285)	(9.0%)

Revenue and Passenger Trips

<i>(figures in thousands, except ratios)</i>	2022/23	2022/23	2021/22	Variance		Variance	
	Budget	Final	Actual	to Budget (Un) Favourable		Year over Year (Un) Favourable	
Passenger	\$32,918	\$36,675	\$30,389	\$3,757	11.4%	\$6,286	20.7%
Advertising	680	690	687	10	1.5%	3	0.4%
Total Passenger & Advertising	\$33,598	\$37,365	\$31,076	\$3,767	11.2%	\$6,289	20.2%
<i>Passenger Trips (Total)</i>	19,758	22,394	16,809	2,636	13.3%	5,585	33.2%
<i>Passenger Trips (excluding Taxi)</i>	19,723	22,344	16,771	2,621	13.3%	5,573	33.2%
<i>Average Fare</i>	\$1.67	\$1.64	\$1.81	(\$0.03)	(1.8%)	(\$0.17)	(9.4%)

Passenger revenue was \$3.8M (11.4%) above budget due to higher than budgeted passenger trips and higher UPass enrollment. Passenger revenue increased \$6.3M (20.7%) from last year and averaged 86% of pre-pandemic levels.

Advertising revenue was 1.5% above budget.

Passenger trips were 13.3% above budget, an increase of 33.2% from last year and averaged 81% of pre-pandemic levels.

Provincial Operating and Local Contribution

<i>(figures in thousands, except ratios)</i>	2022/23		2021/22	Variance		Variance	
	Budget	Final	Actual	to Budget (Un) Favourable		Year over Year (Un) Favourable	
Use of Safe Restart Funding	\$10,882	\$10,882	\$21,323	\$0	0.0%	(\$10,441)	(49.0%)
Provincial Operating Contribution	\$48,794	\$49,752	\$44,992	\$958	2.0%	\$4,760	10.6%
Fuel Tax Revenue	\$18,360	\$17,821	\$17,945	(\$539)	(2.9%)	(\$124)	(0.7%)
Local Contribution	\$46,361	\$44,477	\$31,677	(\$1,883)	(4.1%)	\$12,801	40.4%

Safe Restart Funding in the amount of \$10.9M was used in fiscal 2022/23. \$21.3M was used in 2021/22.

Provincial Operating Contribution was \$1.0M (2.0%) above budget due to higher operating costs for both the conventional and custom systems.

Fuel Tax Revenue generated from the 5.5 cent per litre Fuel Tax levy was \$0.5M (2.9%) below budget and down 0.7% from last year.

Local Contribution was \$1.9M (4.1%) below budget due to higher passenger revenues partly offset by higher operating costs for both the conventional and custom systems.

Operations

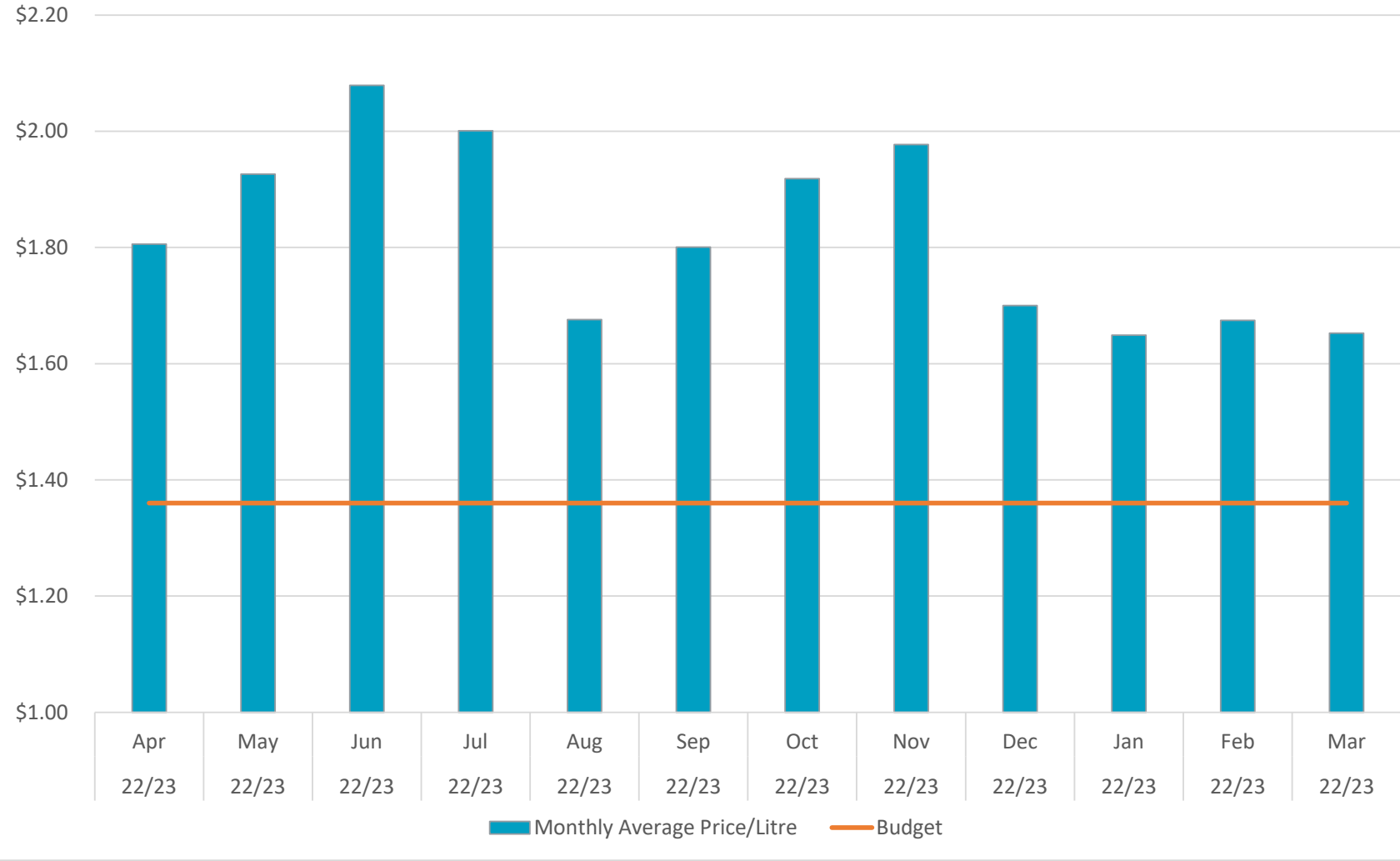
<i>(figures in thousands, except ratios)</i>	2022/23	2022/23	2021/22	Variance		Variance	
	Budget	Final	Actual	to Budget (Un) Favourable		Year over Year (Un) Favourable	
Operations (excl. Fuel)	\$79,761	\$77,250	\$71,945	\$2,511	3.1%	(\$5,305)	(7.4%)
Fuel	10,123	12,947	10,588	(2,824)	(27.9%)	(2,359)	(22.3%)
Total Operations	\$89,884	\$90,197	\$82,533	-\$313	(0.3%)	(\$7,664)	(9.3%)
<i>Service Hours</i>	1,003	901	932	(102)	(10.2%)	(31)	(3.3%)
<i>Operations Cost/Service Hour</i>	\$89.62	\$100.11	\$88.55	(\$10.49)	(11.7%)	(\$11.55)	(13.0%)

Operations expenses (excluding fuel) were \$2.5M (3.1%) below budget, mainly due to labour savings from operator shortages, insurance savings, and savings due to delay in Electronic Fare Collection System (EFCS) timelines. These savings were partly offset by general wage increases under the Shared Recovery Mandate and higher overtime costs.

Fuel was \$2.8M (27.9%) above budget with an average diesel price/litre of \$1.82 compared to a budget of \$1.36. The average fuel price for the prior year was \$1.38/litre. CNG price per diesel litre equivalent (DLE) was \$0.37 compared to a budget of \$0.34, and a prior year average price of \$0.34/DLE.

Service hours were 102,000 below budget due to ongoing labour shortages.

Victoria Conventional Average Monthly Diesel Price 2022/23



Maintenance

<i>(figures in thousands, except ratios)</i>	2022/23	2022/23	2021/22	Variance		Variance	
	Budget	Final	Actual	to Budget (Un) Favourable		Year over Year (Un) Favourable	
Fleet Maintenance	\$27,574	\$28,277	\$25,800	(\$703)	(2.5%)	(\$2,477)	(9.6%)
Facilities Maintenance	5,083	5,968	4,930	(885)	(17.4%)	(1,038)	(21.1%)
Total Maintenance	\$32,657	\$34,245	\$30,730	(\$1,588)	(4.9%)	(\$3,515)	(11.4%)
<i>Service Hours</i>	1,003	901	932	(102)	(10.2%)	(31)	(3.3%)
<i>Fleet Maintenance Cost/Service Hour</i>	\$27.49	\$31.38	\$27.68	(\$3.89)	(14.2%)	(\$3.70)	(13.4%)

Fleet maintenance was \$0.7M (2.5%) above budget due to higher overtime and parts expenses, partly offset by lower labour costs due to ongoing labour shortages. Year-over-year increases were due to higher labour as a result of the general wage increases and increased parts and material expenses.

Facilities maintenance was \$0.9M (17.4%) above budget primarily due to higher outside services (electrical and snow removal costs), in addition to expenses from CNG facility maintenance, the LTC garage flood and other emergency repairs.

Administration

<i>(figures in thousands)</i>	2022/23	2022/23	2021/22	Variance		Variance	
	Budget	Final	Actual	to Budget (Un) Favourable		Year over Year (Un) Favourable	
Administration	\$18,778	\$19,787	\$17,228	(\$1,009)	(5.4%)	(\$2,559)	(14.9%)

Administration expenses were above budget by \$1.0M (5.4%) due to increased expenses related to information technology (hardware and software upgrades), recruitment, marketing and labour expenses. The year-over-year increase of \$2.6M (14.9%) was due to information technology and labour expenses as a result of the general wage increases and additional employees to support initiatives.

Lease Fees

<i>(figures in thousands)</i>	2022/23	2022/23	2021/22	Variance		Variance	
	Budget	Final	Actual	to Budget (Un) Favourable		Year over Year (Un) Favourable	
Lease Fees	\$16,676	\$16,069	\$16,522	\$607	3.6%	\$453	2.7%

Lease Fees were \$0.6M (3.6%) below budget due to a delay in additional high-capacity buses going into service.

Transit Fund

VICTORIA REGIONAL TRANSIT SYSTEM <i>(figures in thousands)</i>	2022/23 Budget	2022/23 Final
LOCAL CONTRIBUTION		
Total Local Contribution Required	\$46,361	\$44,477
Funds generated from Transit Levy	\$36,424	\$36,720
Balance from / (to) Transit Fund	\$9,937	\$7,757
TRANSIT FUND		
Final Balance, March 31, 2021	\$49,382	\$49,382
Victoria Regional Transit System		
Budgeted Contribution	(9,937)	(9,937)
Higher property tax revenue		297
Higher operating costs (Commission share)		(1,952)
Lower lease fees		607
Lower fuel tax revenue		(539)
Higher passenger revenue		3,767
Contribution to Cowichan Valley Commuter	(180)	(87)
Other		
Safe Restart funding usage	(10,882)	(10,882)
Interest & Other	200	1,609
Balance, March 31, 2022	\$28,583	\$32,266

Victoria Regional Transit Commission

Performance and Benchmarking

Conventional Transit Performance

<i>(figures in thousands, except ratios)</i>	2022/23	2022/23	2021/22	Variance		Variance	
	Budget	Final	Actual	to Budget		Year over Year	
				<i>(Un) Favourable</i>		<i>(Un) Favourable</i>	
Passenger Trips ('000)	19,568	22,117	16,564	2,549	13.0%	5,553	33.5%
Service Hours ('000)	876	783	810	(93)	(10.6%)	(27)	(3.3%)
Total Operating Cost ('000)	\$128,555	\$131,347	\$118,903	(\$2,792)	(2.2%)	(\$12,444)	(10.5%)
Passenger Trips per Service Hour	22.3	28.2	20.4	5.9	26.5%	7.8	38.1%
Operating Cost per Service Hour	\$146.75	\$167.75	\$146.79	(\$21.00)	(14.3%)	(\$20.96)	(14.3%)
Operating Cost per Passenger Trip	\$6.57	\$5.94	\$7.18	\$0.63	9.6%	\$1.24	17.3%
Operating Cost Recovery	26.1%	28.4%	26.0%	2.3%	9.0%	2.4%	9.2%
Service Hours per Capita	2.50	2.24	2.34	(0.26)	(10.4%)	(0.10)	(4.3%)
Passenger Trips per Capita	55.90	63.14	47.78	7.24	12.9%	15.36	32.1%

Conventional Service Area Population of 350,300 used in per capita calculations

Custom Transit Performance

<i>(figures in thousands, except ratios)</i>	2022/23	2022/23	2021/22	Variance		Variance	
	Budget	Final	Actual	to Budget (Un) Favourable		Year over Year (Un) Favourable	
Passenger Trips ('000) (Total)	190	277	245	87	45.8%	32	13.1%
Passenger Trips ('000) (excluding Taxi)	155	227	207	72	46.5%	20	9.7%
Service Hours ('000)	127	118	122	(9)	(7.1%)	(4)	(3.3%)
Total Operating Cost ('000)	\$12,764	\$12,882	\$11,588	(\$118)	(0.9%)	(\$1,294)	(11.2%)
Passenger Trips per Service Hour (excl. Taxi)	1.2	1.9	1.7	0.7	58.3%	0.2	11.8%
Operating Cost per Service Hour (excl. Taxi)	\$96.27	\$102.47	\$91.90	(\$6.20)	(6.4%)	(\$10.57)	(11.5%)
Operating Cost per Passenger Trip	\$67.18	\$46.51	\$47.30	\$20.67	30.8%	\$0.79	1.7%
Operating Cost Recovery (excl. Taxi)	0.82%	1.06%	1.14%	0.24%	29.6%	(0.1%)	(7.0%)
Service Hours per Capita	0.32	0.34	0.35	0.02	6.3%	(0.01)	(2.9%)
Passenger Trips per Capita	0.50	0.70	0.60	0.20	40.0%	0.10	16.7%

Custom Service Area Population of 393,676 used in per capita calculations