



Victoria Regional Transit #7: Financial and Performance Report

Victoria Regional Transit Commission

July 2014 Year to Date Financial Results



Financial Summary

July Year to Date		<i>(figures in thousands)</i>		2014/15	2014/15	Variance		
Budget	Actual	Variance		Budget	July Fcst	to Budget		
		(Un) Favourable				(Un) Favourable		
Revenues								
\$12,539	\$12,228	(\$311)	(2%)	Passenger & Advert. Revenue	\$38,213	\$37,489	(\$724)	(2%)
11,252	10,857	(395)	(4%)	Provincial Operating Contribution	34,528	34,442	(86)	(0%)
4,065	3,772	(293)	(7%)	Fuel Tax Revenue	11,650	11,357	(293)	(3%)
9,753	9,035	(718)	(7%)	Local Contribution	31,135	31,419	284	1%
\$37,609	\$35,892	(\$1,717)	(5%)	Total	\$115,526	\$114,707	(\$819)	(1%)
Expenses								
\$22,300	\$21,621	\$679	3%	Operations	\$68,017	\$67,971	\$46	0%
6,950	6,737	213	3%	Maintenance	21,566	21,561	5	0%
3,334	3,053	281	8%	Administration	10,590	10,458	132	1%
5,025	4,481	544	11%	Lease Fees	15,353	14,717	636	4%
\$37,609	\$35,892	\$1,717	5%	Total	\$115,526	\$114,707	\$819	1%



Revenue and Passenger Trips

July Year to Date		<i>(figures in thousands, except ratios)</i>		2014/15	2014/15	Variance	
Budget	Actual	Variance		Budget	July Fcst	to Budget	
		(Un) Favourable				(Un) Favourable	
\$12,334	\$12,020	(\$314)	(3%) Passenger	\$37,598	\$36,864	(\$734)	(2%)
205	208	3	1% Advertising	615	625	10	2%
\$12,539	\$12,228	(\$311)	(2%) Total Passenger & Advertising	\$38,213	\$37,489	(\$724)	(2%)
8,069	8,415	346	4% Passenger Trips (Total)	25,734	26,459	725	3%
8,036	8,382	346	4% Passenger Trips (excluding Taxi)	25,636	26,361	725	3%
\$1.53	\$1.43	(\$0.10)	(6%) Average Fare	\$1.47	\$1.40	(\$0.07)	(5%)

Passenger revenue is \$0.31M or 3 per cent unfavourable year to date and forecast to be \$.73M or 2 percent unfavourable by year end. This reflects a lower average fare associated with higher than anticipated conversion from cash to discounted prepaid products.

Advertising revenue is \$3,000 or 1 per cent favourable year to date and is forecast to be favourable by \$10,000 or 2 per cent by year end.

Passenger trips are 0.35M or 4 per cent favourable year to date and are forecast to be favourable by 0.73M or 3 per cent by year end. The forecast is 1.03M passengers or 4 percent over 2013/14 levels.



Provincial Operating Contribution, Fuel Tax and Local Taxation

July Year to Date		<i>(figures in thousands)</i>		2014/15	2014/15	Variance		
Budget	Actual	Variance		Budget	July Fcst	to Budget		
		(Un) Favourable				(Un) Favourable		
\$11,252	\$10,857	(\$395)	(4%)	Provincial Operating Contribution	\$34,528	\$34,442	(\$86)	(0%)
4,065	3,772	(293)	(7%)	Fuel Tax Revenue	11,650	11,357	(\$293)	(3%)
9,753	9,035	(718)	(7%)	Local Contribution	31,135	31,419	284	1%

Provincial operating contribution is \$0.40M or 4 per cent lower than budget year to date and is forecast to be \$0.09M lower than budget at year end due to operating efficiencies.

Fuel Tax Revenue is \$0.29M or 7 per cent lower than budget year to date as a result of lower fuel sales in the Victoria Region. The year end forecast recognizes only the reduction realized to date due to the unpredictable nature of fuel sales in the region.

Local Contribution is \$0.72M or 7 per cent lower than budget year to date due to operating efficiencies achieved to date. The year end forecast is \$.28M or 1 percent higher than budget primarily as a result of lower passenger revenue. Local contribution reflects the remaining local government contributions after provincial funding, passenger revenues and fuel tax revenues are applied against expenses.



Operations

July Year to Date		<i>(figures in thousands, except ratios)</i>		2014/15	2014/15	Variance	
Budget	Actual	Variance		Budget	July Fcst	to Budget	
		(Un) Favourable				(Un) Favourable	
\$18,323	\$17,842	\$481	3% Operations (excl. Fuel)	\$55,965	\$56,117	(\$152)	(0%)
3,977	3,779	198	5% Fuel	12,052	11,854	198	2%
\$22,300	\$21,621	\$679	3% Operations	\$68,017	\$67,971	\$46	0%
308	306	(2)	(1%) Service Hours	929	930	1	0%
\$72.40	\$70.66	\$1.74	2% Operations Cost/Service Hour	\$73.22	\$73.09	\$0.13	0%

Operations (excluding fuel) is favourable year to date \$0.48M or 3 per cent primarily due to lower service hours achieved from scheduling efficiencies, the timing of a Worksafe safety rebate, and timing of expenditures. The forecast is \$0.15M or less than 1 per cent unfavourable to budget due to the earlier accommodation of expansion in September against the planned commencement in January.

Fuel is \$0.20M or 5 per cent favourable year to date due to BC Transit's fuel management strategy realizing an average price of \$1.23 per litre. The year end forecast recognizes only savings achieved to date due to the potential volatility of the commodity.

Service hours are 2,000 hours below budget year to date due primarily to scheduling efficiencies and are forecast to be 1,000 hours higher than budget at year end due to early expansion.



Maintenance

July Year to Date		<i>(figures in thousands, except ratios)</i>		2014/15	2014/15	Variance	
Budget	Actual	Variance		Budget	July Fcst	to Budget	
		(Un) Favourable				(Un) Favourable	
\$5,777	\$5,614	\$163	3% Fleet Maintenance	\$17,914	\$17,895	\$19	0%
1,173	1,123	50	4% Facilities Maintenance	3,652	3,666	(14)	(0%)
\$6,950	\$6,737	\$213	3% Maintenance	\$21,566	\$21,561	\$5	0%
\$18.76	\$18.35	\$0.41	2% Fleet Maintenance Cost/Service Hour	\$19.28	\$19.24	\$0.04	0%

Fleet Maintenance is \$0.16M or 3 per cent favourable year to date primarily due to timing of expenditures and is forecast to be on budget at year end.

Facilities Maintenance is \$0.05M or 4 per cent favourable year to date due primarily to lower property taxes and is forecast to be on budget by year end.



Administration

July Year to Date		<i>(figures in thousands)</i>		2014/15	2014/15	Variance	
Budget	Actual	Variance		Budget	July Fcst	to Budget	
		(Un) Favourable				(Un) Favourable	
\$3,334	\$3,053	\$281	8% Administration	\$10,590	\$10,458	\$132	1%

Administration is \$.28M or 8 per cent favourable year to date due to timing of expenditures and is forecast to be \$.13M or 1 per cent favourable due to ongoing efficiency measures.



Lease Fees

July Year to Date		<i>(figures in thousands)</i>		2014/15	2014/15	Variance	
Budget	Actual	Variance		Budget	July Fcst	to Budget	
		(Un) Favourable				(Un) Favourable	
\$5,025	\$4,481	\$544	11% Lease Fees	\$15,353	\$14,717	\$636	4%

Lease fees are \$0.54M or 11 per cent favourable year to date due to timing of vehicle deliveries and lower than expected major capital repairs.

Included in lease fees for 2014/15 is PTIP funding (\$2.03M) which is being amortized to March 31, 2018. Total proceeds received are \$15.8M of which \$6.6M remained unamortized. This balance is amortized over the life of the related assets (acquisition cost and major capital maintenance).



Transit Fund

VICTORIA REGIONAL TRANSIT SYSTEM TRANSIT FUND FOR MARCH 31, 2015

(figures in thousands)

	2014/15 Budget	July Forecast	Variance
Fund Beginning Balance	\$10,394	\$10,394	\$0
Commission Sources of Revenue:			
Conventional Revenue	37,265	36,531	(734)
Custom Revenue	333	333	0
Advertising	615	625	10
Fuel Tax	11,650	11,357	(293)
Property Tax	29,269	29,294	25
Interest	100	100	-
Total available funds	\$89,626	\$88,634	(\$992)
Commission Share of Expenses	(\$81,040)	(\$80,465)	\$575
Total Fund Ending Balance, March 31, 2015	\$8,586	\$8,169	(\$417)
Contingency Fund Balance (2.5% of Total Costs)	\$2,888	\$2,868	(\$20)
Remaining Fund Balance	\$5,698	\$5,301	(\$397)



Victoria Regional Transit Commission

Performance and Benchmarking



Conventional Performance

July Year to Date			Victoria Conventional Transit	2014/15	2014/15	Variance
Budget	Actual	Variance (Un) Favourable		Budget	July Fcst	to Budget (Un) Favourable
7,932	8,278	346	Passenger Trips ('000)	25,323	26,048	725
267	267	-	Service Hours ('000)	807	808	1
\$29,636	\$28,536	\$1,100	Total Operating Cost ('000)	\$91,313	\$91,218	\$95
29.7	31.0	1.3	Passenger Trips per Service Hour	31.4	32.2	0.8
\$111.00	\$106.88	\$4.12	Operating Cost per Service Hour	\$113.15	\$112.89	\$0.26
\$3.74	\$3.45	\$0.29	Operating Cost per Passenger Trip	\$3.61	\$3.50	\$0.11
41.9%	42.5%	0.6%	Operating Cost Recovery	41.5%	40.7%	(0.8%)
n/a	n/a	n/a	Service Hours per Capita	2.2	2.2	-
n/a	n/a	n/a	Passenger Trips per Capita	70.4	72.4	2.0

Population of 359,802 used in per capita calculations - CRD 2013 estimate



Custom Performance

July Year to Date			Victoria Custom Transit	2014/15	2014/15	Variance
Budget	Actual	Variance (Un) Favourable		Budget	July Fcst	to Budget (Un) Favourable
137	137	-	Passenger Trips - Total ('000)	411	411	-
104	104	-	Passenger Trips - excl. Taxi ('000)	313	313	-
41	39	(2)	Service Hours ('000)	122	122	-
\$2,948	\$2,875	\$73	Total Operating Cost ('000)	\$8,860	\$8,772	\$88
\$2,760	\$2,672	\$88	Total Operating Cost - excl. Taxi ('000)	\$8,295	\$8,207	\$88
2.5	2.7	0.2	Passenger Trips per Service Hour (excl. Taxi)	2.6	2.6	-
\$67.31	\$68.50	(\$1.19)	Operating Cost per Service Hour (excl. Taxi)	\$67.99	\$67.27	\$0.72
\$26.54	\$25.69	\$0.85	Operating Cost per Passenger Trip (excl. Taxi)	\$26.50	\$26.22	\$0.28
9.6%	9.1%	(0.5%)	Operating Cost Recovery	9.6%	9.7%	0.1%
n/a	n/a	n/a	Service Hours per Capita	0.3	0.3	-
n/a	n/a	n/a	Passenger Trips per Capita	1.1	1.1	-

Population of 359,802 used in per capita calculations - CRD 2013 estimate

