



Victoria Regional Transit Commission
June 12, 2012

#5 - 2011/12 Financial & Performance Report

Victoria Regional Transit Commission

2011/12 Final Financial Results



Financial Summary

(figures in thousands)

	2011/12 Budget	2011/12 Jan Fcst	2011/12 Final	Variance to Budget (Un) Favourable		Variance to Fcst (Un) Favourable	
Revenues							
Passenger & Advert. Revenue	\$35,594	\$36,993	\$37,075	\$1,481	4%	\$82	0%
Provincial Operating Contribution	30,011	30,077	30,335	324	1%	258	1%
Fuel Tax Revenue	11,300	11,600	11,853	553	5%	253	2%
Local Contribution	24,254	22,550	22,390	(1,864)	(8%)	(160)	(1%)
Total	\$101,159	\$101,220	\$101,653	\$494	0%	\$433	0%
Expenses							
Operations	\$59,175	\$59,860	\$61,148	(\$1,973)	(3%)	(\$1,288)	(2%)
Maintenance	18,454	18,112	17,904	550	3%	208	1%
Administration	9,238	9,173	9,110	128	1%	63	1%
Lease Fees	14,292	14,075	13,491	801	6%	584	4%
Total	\$101,159	\$101,220	\$101,653	(\$494)	(0%)	(\$433)	0%



Passenger Revenue and Ridership

<i>(figures in thousands, except ratios)</i>	2011/12	2011/12	2011/12	Variance		Variance	
	Budget	Jan Fcst	Final	to Budget		to Fcst	
				(Un) Favourable		(Un) Favourable	
Passenger	\$35,044	\$36,427	\$36,497	\$1,453	4%	70	0%
Advertising	550	566	578	28	5%	12	2%
Total Passenger & Advertising	\$35,594	\$36,993	\$37,075	\$1,481	4%	\$82	0%
<i>Passenger Trips (Total)</i>	24,746	24,852	25,353	607	2%	501	2%
<i>Passenger Trips (excluding Taxi)</i>	24,647	24,751	25,252	605	2%	501	2%
<i>Average Fare</i>	\$1.42	\$1.47	\$1.45	\$0.03	2%	(\$0.02)	(1%)
<i>(Psgr Revenue / Psgr Trips - excl. Taxi)</i>							

Revenue:

Passenger revenue is \$1.5M or 4% favourable to budget and is attributed to the change in the transfer policy, higher Upass, monthly passes and ticket revenues in addition to higher ridership in the last quarter.

Average fare was eroded by 2% from forecast due to the increase in passengers using prepaid fares.

Advertising revenue is \$28,000 or 5% favourable to budget.

Passenger trips:

Total passenger trips are 607,000 or 2% favourable to budget. Ridership growth occurred in late December during the heavy snowfall and remained above budget for the remaining months. Although there was a 7,000 reduction in hours, ridership was 0.4% higher than prior year.



Taxation Sources

<i>(figures in thousands)</i>	2011/12	2011/12	2011/12	Variance		Variance	
	Budget	Jan Fcst	Final	to Budget		to Fcst	
				(Un) Favourable		(Un) Favourable	
Provincial Operating Contribution	\$30,011	\$30,077	\$30,335	\$324	1%	\$258	1%
Local Contribution	\$24,254	\$22,550	\$22,390	(\$1,864)	(8%)	(\$160)	(1%)
Fuel Tax Revenue	\$11,300	\$11,600	\$11,853	\$553	5%	\$253	2%

Provincial Operating Contribution:

Provincial operating contribution reflects the provincial share of operating expenditures cost shared.

Local Contribution:

Funding required from property taxes is lower than budget by \$1.9M (8%) due to higher passenger and fuel tax revenues offset in part by higher operating expenditures.

Fuel Tax Revenue:

Fuel tax revenue is \$553,000 or 5% favorable to budget. Fuel tax revenues are based on a 3.5 cent per litre of fuel consumed in the Victoria region.



Operations

<i>(figures in thousands, except ratios)</i>	2011/12	2011/12	2011/12	Variance		Variance	
	Budget	Jan Fcst	Final	to Budget		to Fcst	
				(Un) Favourable		(Un) Favourable	
Operations	\$59,175	\$59,860	\$61,148	(\$1,973)	(3%)	(\$1,288)	(2%)
<i>Hours</i>	<i>913</i>	<i>914</i>	<i>914</i>	<i>(1)</i>	<i>(0%)</i>	<i>-</i>	<i>0%</i>
<i>Operations Cost/Hour</i>	<i>\$64.81</i>	<i>\$65.49</i>	<i>\$66.90</i>	<i>(\$2.09)</i>	<i>(3%)</i>	<i>(\$1.41)</i>	<i>(2%)</i>

Operations: Unfavourable to budget - \$2.0M (3%)

Operations expenditures are above budget by \$2.0M or 3% primarily due to higher fuel costs.

For most of fiscal 2011/12 fuel costs trended at \$1.18 per litre compared to a budget of \$1.10 per litre.



Maintenance & Administration

<i>(figures in thousands)</i>	2011/12	2011/12	2011/12	Variance		Variance	
	Budget	Jan Fcst	Final	to Budget		to Fcst	
				(Un) Favourable		(Un) Favourable	
Fleet Maintenance	\$15,118	\$14,864	\$14,735	\$383	3%	\$129	1%
Facilities Maintenance	\$3,336	\$3,248	\$3,169	\$167	5%	\$79	2%
Maintenance	\$18,454	\$18,112	\$17,904	\$550	3%	\$208	1%
<i>Fleet Maintenance Cost/Hour</i>	<i>\$16.56</i>	<i>\$16.26</i>	<i>\$16.12</i>	<i>\$0.44</i>	<i>3%</i>	<i>\$0.14</i>	<i>1%</i>
Administration	\$9,238	\$9,173	\$9,110	\$128	1%	\$63	1%

Maintenance: Favourable to budget - \$550,000 (3%)

Fleet maintenance is \$383,000 or 3% favourable to budget due to lower expenditures for staff vacancies, tire and body work costs.

Facility maintenance is \$167,000 or 5% favourable to budget due to lower expenditures on utilities, property leases and maintenance of bus stops and exchanges.

Administration: Favourable to budget - \$128,000 (1%)

Administration is \$128,000 or 1% favourable to budget due primarily to FTE savings related to the internal restructuring.



Lease Fees

<i>(figures in thousands)</i>	2011/12	2011/12	2011/12	Variance		Variance	
	Budget	Jan Fcst	Final	to Budget		to Fcst	
				(Un) Favourable		(Un) Favourable	
Lease Fees	\$14,292	\$14,075	\$13,491	\$801	6%	\$584	4%

Lease Fees: Favourable to budget - \$801,000 (6%)

Lease fees reflect the fee charged to the Victoria Regional Transit Commission, after Provincial capital contributions, to recover all of the asset costs used in service.

Lease fees are \$801,000 or 6% favourable to budget due primarily to the timing of custom replacement vehicles and major capital maintenance.

Included in Lease fees for 2011/12 is Public Transit Infrastructure Program (PTIP) funding which is being amortized over the life of the related assets (acquisition cost and major capital maintenance). Total proceeds received are \$15.9M of which \$11.22M remains unamortized. This fund will be amortized to March 31, 2018.



Transit Fund

(figures in thousands)

	2011/12 Budget	2011/12 Actuals	Variance
Fund Beginning Balance	\$2,386	\$2,386	\$0
Commission Sources of Revenue:			
Conventional Revenue	34,690	36,153	1,463
Custom Revenue	354	344	(10)
Advertising	550	578	28
Fuel Tax	11,300	11,853	553
Property Tax	24,260	24,668	408
Interest	100	126	26
Total available funds	\$73,640	\$76,108	\$2,468
Commission Share of Expenses	(71,254)	(71,347)	(93)
Fund Ending Balance, March 31, 2012	\$2,386	\$4,761	\$2,375

* January forecast fund ending balance was \$4,225 K and finished the year higher than anticipated due to higher passenger revenue and fuel tax.



Victoria Regional Transit Commission

Performance and Benchmarking



Conventional Performance

Victoria Conventional Transit	2011/12 Budget	2011/12 Jan Fcst	2011/12 Final
Passenger Trips ('000)	24,341	24,450	24,952
Service Hours ('000)	795	796	797
<i>Passenger Trips per Service Hour</i>	30.6	30.7	31.3
<i>Operating Cost per Service Hour</i>	\$99.27	\$99.58	\$101.05

Passenger trips per service hour:

Passenger trips per service hour were 31.3 or 2% higher than budget and 2% higher than the January forecast due to higher sustained ridership in the fourth quarter.

Operating cost per service hour:

Operating cost per service hour was \$101.05 or 2% higher than budget due primarily to higher fuel costs, offset by lower expenditures in maintenance and administration.



Custom Performance

Victoria Custom Transit	2011/12 Budget	2011/12 Jan Fcst	2011/12 Final
Passengers Trips - Total ('000)	405	402	401
Passenger Trips - excl. Taxi ('000)	306	301	300
Service Hours ('000)	118	118	117
<i>Passenger Trips per Service Hour (excl. Taxi)</i>	2.6	2.6	2.6
<i>Operating Cost per Service Hour (excl. Taxi)</i>	\$61.77	\$61.78	\$60.80

Passenger trips per service hour:

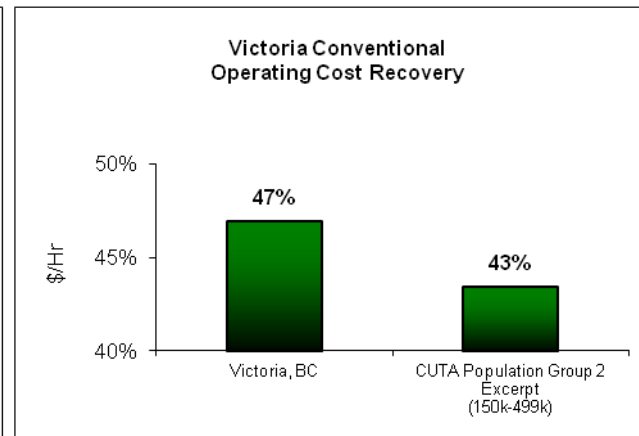
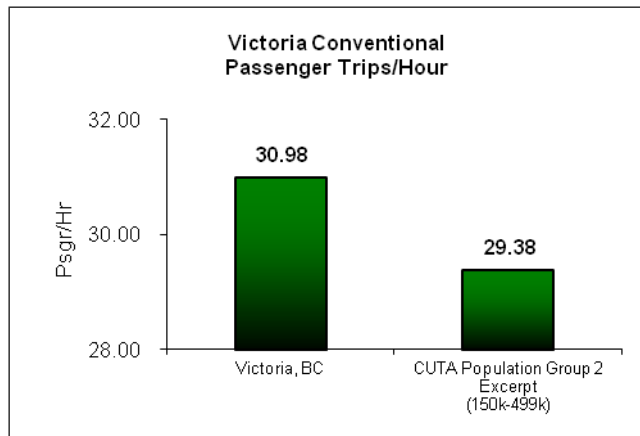
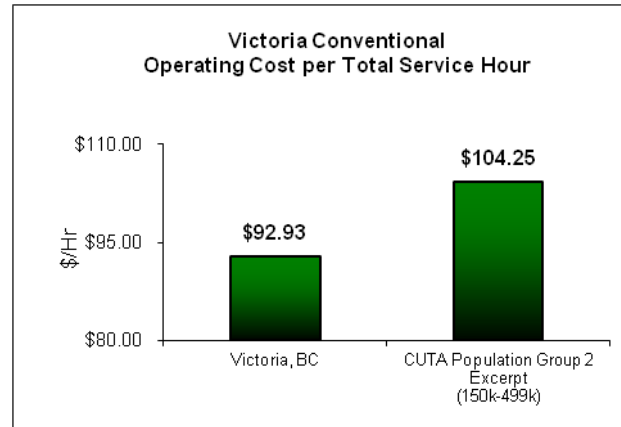
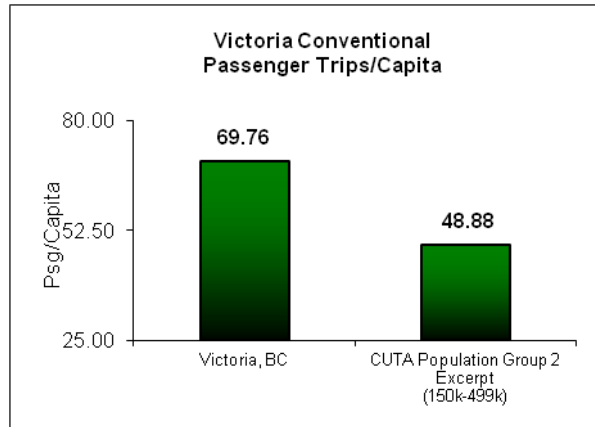
Passenger trips per service hour were 2.6 which is on budget and consistent with January forecast. Service hours were under budget by 636 hours primarily due to fuel injector failures in January.

Operating cost per service hour:

Operating cost per service hour was \$60.80 or 2% lower than budget due to lower expenditures for vehicle and property maintenance, insurance, marketing and information systems.



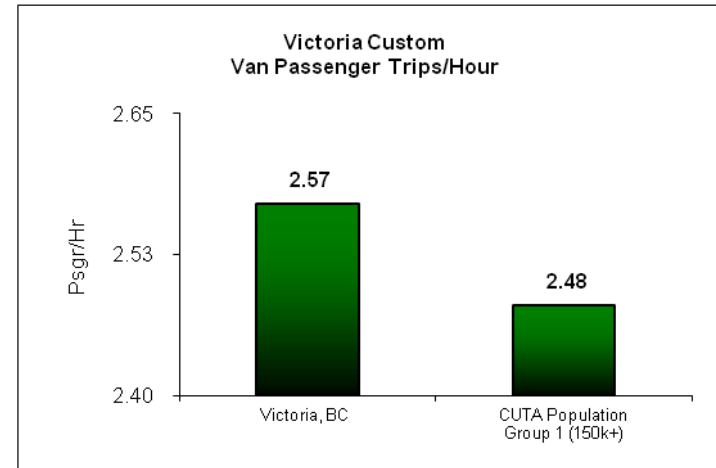
CUTA Benchmarks – Conventional Transit Performance



Source: 2010 Canadian Urban Transportation Association Fact Book



CUTA Benchmarks – Custom Transit Performance



Source: 2010 Canadian Urban Transportation Association Fact Book

