



***Solano County Transit***

**TO:** BOARD OF DIRECTORS  
**PRESENTER:** KRISTINA BOTSFORD, DEPUTY DIRECTOR  
**SUBJECT:** OPERATING REVENUE AND EXPENSES FOR THREE MONTHS ENDED  
SEPTEMBER 30, 2019  
**ACTION:** INFORMATIONAL

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**ISSUE:**

Staff is required under the budget policy to give the Board an update on the budget at least quarterly.

**DISCUSSION:**

SolTrans is over budget the first quarter primarily due to fare revenue coming in lower than budgeted and due to certain annual expenses that were paid in the first quarter. SolTrans prepares an annual budget and spreads the budget evenly over 12 months since 85% of the budgeted expenses occur evenly throughout the year.

Farebox Revenue is under budget by \$60,000. The decrease in revenue in the first quarter was to be expected after major service changes and a fare increase. Staff believes that ridership and fare revenue will increase for the remainder of the year. Parking revenue is also under budget by \$4,600, primarily due to timing of the summer months.

Expenses are over budget by \$60,000, primarily due to general and administrative expenses being over budget by \$109,000, because of the timing of expenses that were incurred in the first quarter such as audit fees, professional memberships and insurance premiums. Contracted transit services are over budget by \$71,000 due to actual revenue service hours coming in higher than budgeted. The budget was prepared based on the estimated hours known at the time, and the final schedule required more revenue hours. These overages are offset by fuel being under budget by \$84,000.

The next schedule change in December adds additional hours of service but also reduces paid layover time in the schedule for the existing service. Staff will be monitoring the revenue hours and the budget closely and will bring a report back to the Board in January, with a possible budget adjustment. The 10-year budget projection will be completed at this time, giving a long-range view of sustainability.

Attached is the Statement of Revenue & Expenditures report (Attachment A) that shows the three-month actuals for the current year, the budget and the current budget variance. Farebox recovery at September 30, 2019 is 23.3%, excluding parking revenue, compared to the budgeted recovery of 25%.

**FISCAL IMPACT:**

There is no fiscal impact associated with this informational item.

**PERFORMANCE GOAL:**

**Goal 2: Financial Performance** – Optimize fiscal health and sustainability; **Objective B: Budgets** – Prepare budget vs. actual revenue and expenses and farebox recovery ratios quarterly.

**RECOMMENDATION:**

Informational.

Attachment:

- A. SolTrans Statement of Revenue and Expenditures for 7/1/2019 through 9/30/2019  
(Unaudited)

SoITrans

Statement of Revenue & Expenditures - Budget vs Actual Op Exp - Board Report - Unposted Transactions Included In Report  
From 7/1/2019 Through 9/30/2019

	<u>Current Year Actual</u>	<u>YTD Budget - Original</u>	<u>YTD Budget Variance - Original</u>
Revenue			
Operating Revenue	900,355.63	960,500.01	(60,144.38)
Non-operating Revenue	20,389.23	24,999.99	(4,610.76)
Grant Revenue	<u>5,567,651.00</u>	<u>2,824,500.00</u>	<u>2,743,151.00</u>
Total Revenue	<u>6,488,395.86</u>	<u>3,810,000.00</u>	<u>2,678,395.86</u>
Expenses			
Contracted Transit Expenses	2,580,462.12	2,509,375.05	(71,087.07)
Salaries and Benefits	465,060.22	445,000.02	(20,060.20)
Fuel	246,624.08	332,499.99	85,875.91
Professional services	100,325.20	135,549.99	35,224.79
Other Operating Expenses	104,763.30	119,749.98	14,986.68
Advertising and Marketing	26,114.12	31,875.00	5,760.88
General & Administrative	<u>345,023.51</u>	<u>235,950.00</u>	<u>(109,073.51)</u>
Total Expenses	<u>3,868,372.55</u>	<u>3,810,000.03</u>	<u>(58,372.52)</u>
Net Income	<u>2,620,023.31</u>	<u>(0.03)</u>	<u>2,620,023.34</u>

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