

Whatcom County Public Works Ferry Operations Report

November 22, 2011

Presentation Content

- Summary of past and current financial status
- Recommendations from Public Works
- BRIEF review of Task Force Recommendations

Summary of Past and Current Financial Status

- Current Ferry Operating Cost distribution
- Deduct Ferry Deficit Reimbursement-State
- Deduct Interest Income on Ferry Fund-County
- *Adjusted Total* = 55% Fares + 45% Road Fund

2010 Ferry Operating Cost

- Total Cost = \$ 2,593,833
- Deduct Ferry Deficit Reimb. - \$ 119,890
- Deduct Interest Income - \$ 7,924
- *Adjusted* Total Cost = \$ 2,466,019

2010 Ferry Operating Cost-Continued

- *Adjusted* Total Cost = \$ 2,466,019
- Road Fund 45% Contribution = \$ 1,162,727*
- Fare Goal 55% (actual 52.9%) = \$ 1,303,292*

- Actual Fares Collected (41.4%) = \$ 1,021,866
- Operating Loss from Fares = \$ (281,426)

- *Calculation Discussion, +\$53,000 Road Fund

2010 Ferry Operating Cost-Continued

- Ferry Fund Balance 12/31/09 = \$ 939,711
- Deduct 2010 Operating Loss - \$ 281,426

Ferry Fund Balance 12/31/10 = \$ 658,285

2011 Ferry Operating Costs/Actions

- Council recognized revenue need and approved \$3/round-trip Surcharge effective January 23, 2011
- Council organizes Ferry Task Force to review and recommend
- Ferry Task Force submits report and recommendations in August 2011

2011 Ferry Operating Cost/Actions- Continued

- 2011 Total Cost (Projected) = \$ 2,620,643
- Deduct Ferry Deficit Reimb. - \$ 165,174
- Deduct Interest Income - \$ 1,995
- *Adjusted* Total Cost (Projected) = \$2,453,474

2011 Ferry Operating Cost/Actions

Continued

- *Adjusted* Total Cost = \$ 2,453,474
 - Road Fund 45% Contribution = \$ 1,179,289*
 - Fare Goal 55% (actual 51.9%) = \$ 1,274,185*

 - Actual Fares Collected (59.4%) = \$ 1,457,383
 - Operating Gain from Fares = \$ 183,198
- (All Projected Estimates)
- *Calculation Discussion, +\$75,226 Road Fund

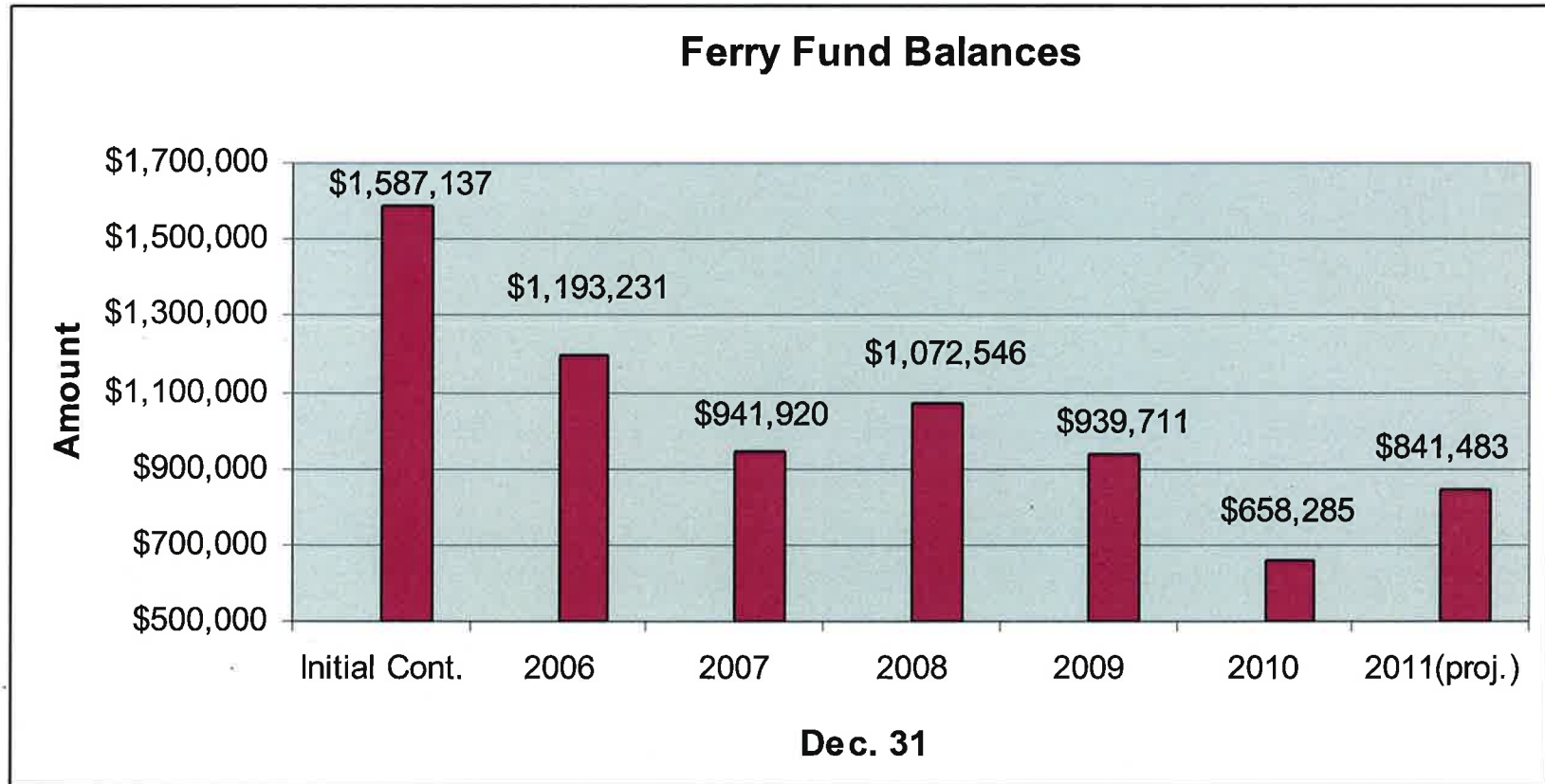
2011 Ferry Operating Cost/Actions- Continued

- Ferry Fund Balance 12/31/10 = \$ 658,285
- Add 2011 Operating Gain + \$ 183,198

Ferry Fund Balance 12/31/11 = \$ 841,483

(All Projected Estimates)

Historical Fund Balances



Recommendations From Public Works

- Do not alter current Fares or structure unless clearly reducing costs
- Target Ferry Sailing Schedule reduction in 2012 – Task Force schedule or other
- Prioritize and determine resources available to review and pursue the recommendations from the Task Force. This will cost the Ferry Fund.

General Information/Comments

- Comment: Public Works will be phasing Operation/Management of Ferry and Lummi Lease toward more staff involvement as deemed appropriate. Cost implications are unknown at this time. Actual Director time will be reduced to 20% in 2012.

General Information/Comments

- Road Fund:
 - Pays 100% Capital Costs of docks & Ferry
 - Pays 45% (in theory) of Operation Costs
 - Pays 100% of Lummi Nation lease expenses related to improvements – actual costs as yet to be determined. \$2,000,000 in 2011.
 - Pays several indirect costs not captured
 - Pays for maintenance of 19.90 miles of roads on Lummi Island

General Information/Comments

- Road Fund collections from Lummi Island:
Actual collected as of 10/31/2011 = \$319,993
Actual collected in 2010 = \$337,730
- Total anticipated Road Fund expenditures that are Ferry related in 2011 = \$3,179,289*
*Does not include any road related expenses on Lummi Island

Conclusion of Power Point

Questions and Discussion before proceeding

Next and final topic:

BRIEF review of Ferry Task Force Recommendations