

Casco Bay Lines Finance Committee

Remarks and Presentation by incoming
Finance Committee Chair./Treasurer

1/15/2025

Then to Now: Much to Celebrate

- ✓ **Monthly financials delivered on time by Laurie and team every month**
 - 9 mos without financial statements in 2022
- ✓ **Transition to BerryDunn**
 - Audit completed on time, FY 23 presented to Finance Comm 6/12/24
 - RHR Smith audits submitted by staff to FTA by 7/1 without FinComm/Board review
 - Audit work for FY 24 being done earlier than prior years
- ✓ **Passenger fare change 6/1/24**
 - Fares had not been increased in 15 years
 - Strong support amongst islanders, Positive PUC findings
- ✓ **FY 2024 deficit reduced to \$2.6m**
 - Finance Comm challenge to reduce budgeted deficit by 25%; 2023 deficit \$3.5m

Good Momentum, More Work to be Done

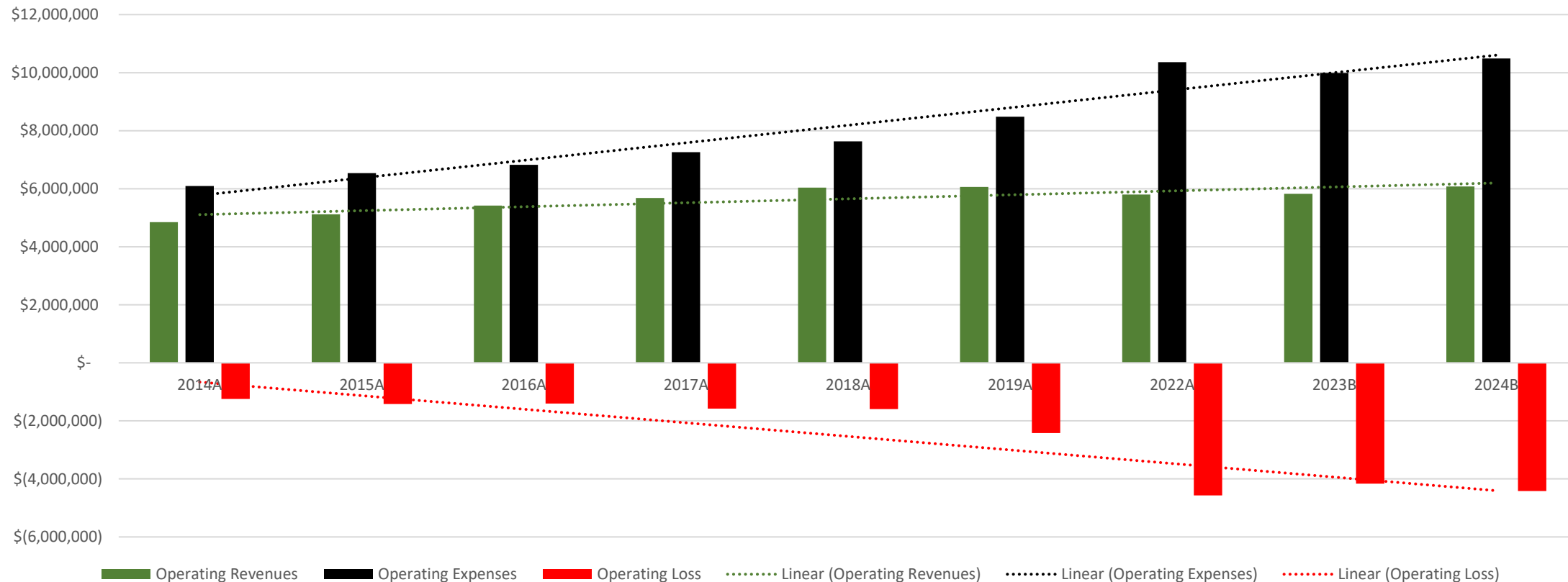
. . . by Mgmt, and Finance Comm and Board

- **Audit CAPAs, insure compliance, balance sheet**
- **Hire VP Finance**
- **Budget for full year 2025, draft FY 26 budget by August 2025**
- **Continue to responsibly reduce deficit**
 - Expenses continue to rise, efficiencies need to be found
 - Regular cadence of analysis and adjustments to fares rather than large shocks
 - Vehicle tariff - 26% of 2024 revenues (passengers 48%, freight 13%)
 - Started, support Jen decision to await vehicle reservations and db scheduling work; also address commercial vehicles

Then:

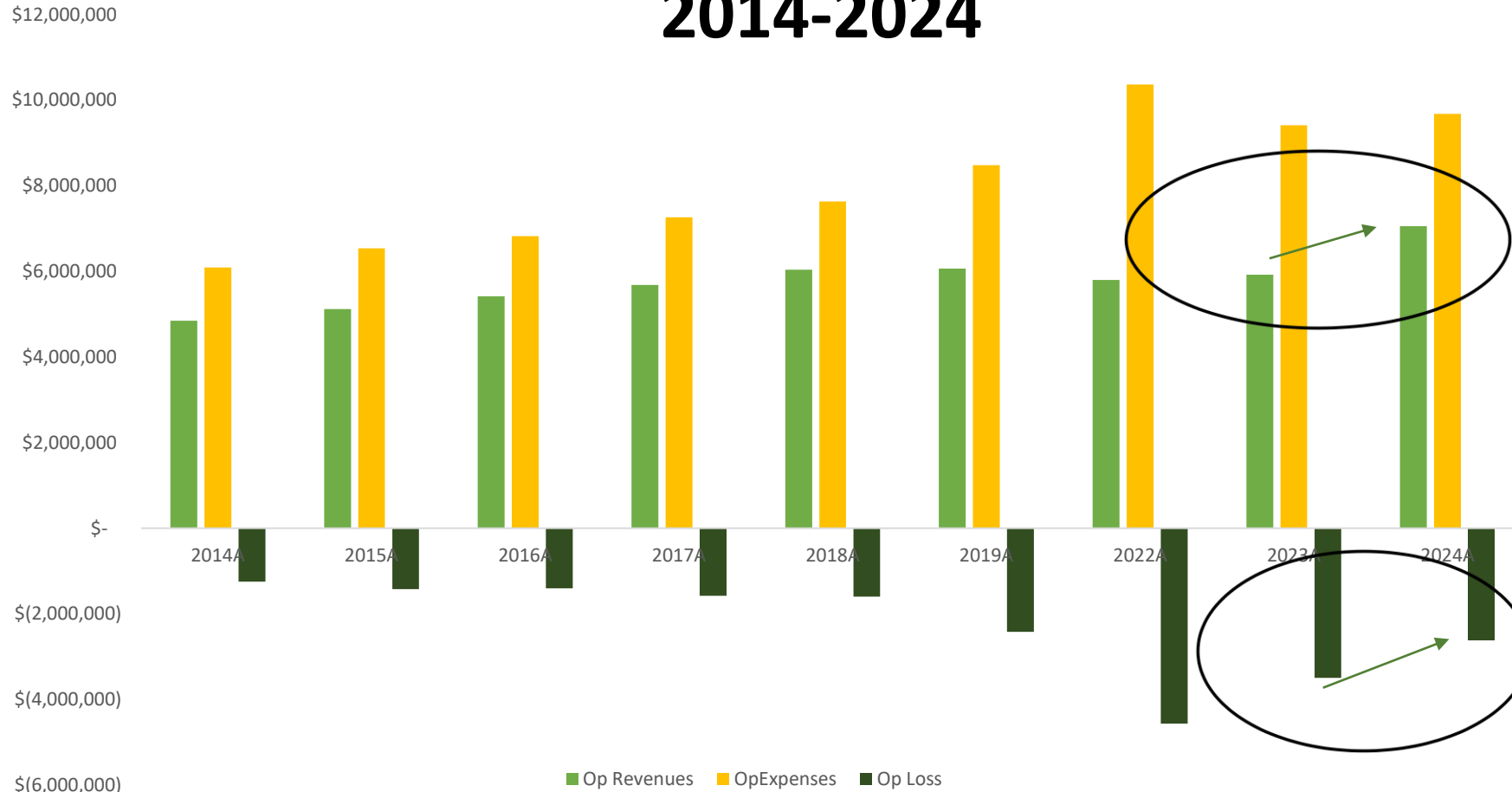
CBL Expense/Loss Trend 2014A-2024B

(removed covid years 2020-21)



Flat operating revenues + growing expenses = growing operating loss
 Issue: Expenses keep rising, fares haven't risen in >10 years

Now: CBL Expense Loss Trend 2014-2024



Operating revenues +\$987,070 in FY 24 vs 23, due to passenger fare increase ↑

Expenses still grew, +\$265k or 3% ↓

Deficit reduced from \$3.5m in 2023 to \$2.6m in 2024 ↑

Passenger Rate Review

Initial period from 6/1/2024 inception to 12/31/2024

Summary: Fare Change Period June-Dec 2024

Revenues in dollars

6/1 - 12/31/2023 Actuals	dollars	% of total		6/1 - 12/31/2024 Actuals	dollars	% of total		increase	% +/-
Peaks	\$ 1,383,049	67%		Peaks	\$ 2,269,805	75%		\$ 886,756	90%
Long	\$ 257,484	13%		Long	\$ 299,752	10%		\$ 42,268	4%
GD & DC	\$ 277,579	13%		GD & DC	\$ 300,194	10%		\$ 22,615	2%
Peaks, Long, GD/DC	\$ 1,918,112	93%		Peaks, Long, GD/DC	\$ 2,869,751	94%		\$ 951,639	97%
Other islands	\$ 138,445	7%		Other islands	\$ 167,395	6%		\$ 28,950	3%
Total	\$ 2,056,557	100%		Total	\$ 3,037,146	100%		\$ 980,589	48%
								Net increase for 7 mo period after off-peak decline of (\$38,990)	

Units declined overall (21%) and (18%) to Peaks

Ridership data to Peaks up 1% overall for same period

Conclusion: fare increased passenger revenues by 48% in period vs 2023, did not materially reduce ridership

Many people switched to and benefitted from passes. Off-peak switching negative to revenues

Off-peak Summary: Fare Change Period June-Dec 24

Revenues in dollars

10/10 - 12/31/2023 Off- peak Actuals	dollars	% of total		10/15 - 12/31/2024 Actuals	dollars	% of total		decrease	% +/-	
Peaks	\$ 152,409	63%		Peaks	\$ 150,330	75%		\$ (2,079)	-1%	Peaks ~flat
Long	\$ 45,186	19%		Long	\$ 25,298	13%		\$ (19,888)	-44%	Long declined the most in \$
GD & DC	\$ 28,921	12%		GD & DC	\$ 15,847	8%		\$ (13,074)	-45%	GD/DC greatest % decline
Peaks, Long, GD/DC	\$ 226,516	94%		Peaks, Long, GD/DC	\$ 191,475	95%		\$ (35,041)	-15%	
Other islands	\$ 13,506	6%		Other islands	\$ 9,557	5%		\$ (3,949)	-29%	Cliff > than LD & Chebeague off-peak
Total	\$ 240,022	100%		Total	\$ 201,032	100%		\$ (38,990)	-16%	

Revenue decrease for 2.5 mo
portion of off-peak period

Long, GD/DC and other islands declined in off-peak compared to 2023
Peaks revenue was flat in 2024 period compared to 2023

Only 2.5 mos of off-peak period so far, further declines compared to 2023 in off-peak likely. Important to monitor and assess for full year as part of overall revenue mix

Peak Summary: Fare Change Period June-Dec 24

Revenues in dollars

6/1 - 12/31/2023 Peak Actuals	dollars	% of total		6/1 - 12/31/2024 Peak Actuals	dollars	% of total		increase	% +/-
Peaks	\$ 1,230,640	68%		Peaks	\$ 2,119,475	75%		\$ 888,835	87%
Long	\$ 212,298	12%		Long	\$ 274,454	10%		\$ 62,156	6%
GD & DC	\$ 248,658	14%		GD & DC	\$ 284,347	10%		\$ 35,689	4%
Peaks, Long, GD/DC	\$ 1,691,596	93%		Peaks, Long, GD/DC	\$ 2,678,276	94%		\$ 986,680	97%
Other islands	\$ 124,939	7%		Other islands	\$ 157,838	6%		\$ 32,899	3%
Total	\$ 1,816,535	100%		Total	\$ 2,836,114	100%		\$ 1,019,579	

Increase for peak period

Peaks accounted for 87% of the revenue increase from fare change in Peak season

Peaks ridership data up 4% for peak period, total 470,683 riders

Have heard no reports from Peaks businesses of decline in visitors for summer of 2024

Laurie did a lot of work, ran out of time for to analyze ridership data for all islands