



# Transit 2019/2020 Annual Operating Agreement

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- ▶ Effective April 1<sup>st</sup> to March 31<sup>st</sup> 2020
- ▶ Largest Tier 1 system among municipal systems
  - ▶ Provides 242,000 hours of service annually
  - ▶ BC Transit covers 46.7% of costs
  - ▶ Municipal partners cover 53.3% of costs

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- ▶ Municipal partners pay based on number of services hours
- ▶ Revenues are 100% retained by the municipal partners
  - ▶ Based on 75% passenger counts and 25% services hours
  - ▶ City of Kelowna receives 83.3% of total revenues

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- ▶ Cost impacts were included in the 2019 budget
- ▶ Main areas of increased costs:
  - ▶ Operating company's fixed costs
  - ▶ Increased hourly costs due to rate increases
  - ▶ Increases in fleet maintenance
  - ▶ Safety and security

## Appendix 1

	2018/2019	2019/2020					
CONVENTIONAL TRANSIT	Amended AOA	AOA	Total Difference	Percentage Change	Local Gov't Portion	City of Kelowna Portion	
					53.31%		
REVENUE	\$6,459,874	\$6,884,108	\$424,234	6.60%	\$424,234	\$353,387	
Expenditures							
Total Operating Costs	\$19,323,021	\$19,852,355	\$529,334		\$282,188	\$234,052	
Total Lease Fees - Local Share	\$2,884,730	\$2,642,567	-\$242,163		-\$242,163	-\$200,855	
TOTAL COSTS	\$22,207,751	\$22,494,922	\$287,171	1.30%	\$40,025	\$33,197	
TOTAL NET COSTS						-\$320,190	1

	2018/2019	2019/2020					
COMMUNITY TRANSIT	Amended AOA	AOA	Total Difference	Percentage Change	Local Gov't Portion	City of Kelowna Portion	
					53.31%		
Expenditures							
Total Operating Costs	\$2,561,214	\$2,721,309	\$160,095		\$85,347	\$35,891	
Total Lease Fees - Local Share	\$343,212	\$353,377	\$10,165		\$10,165	\$4,275	
TOTAL COSTS	\$2,904,426	\$3,074,686	\$170,260	5.87%	\$95,512	\$40,166	1

	2018/2019	2019/2020					
CUSTOM TRANSIT	AOA	AOA	Total Difference	Percentage Change	Local Gov't Portion	City of Kelowna Portion	
					33.31%		
Expenditures							
Total Operating Costs	\$3,409,495	\$3,469,684	\$60,189		\$20,049	\$14,776	
Total Lease Fees - Local Share	\$172,977	\$222,575	\$49,598		\$49,598	\$36,554	
TOTAL COSTS	\$3,582,472	\$3,692,259	\$109,787	3.07%	\$69,647	\$51,330	1

Total Net Costs	1	-\$228,694
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*Questions?*