



Transit Budget Forecast 2021-2024

January 25, 2021

Purpose

To provide, for Council's information:

- ▶ proposed transit budgets from 2021-2024,
- ▶ information on Restart and Reserve funding balances and their application.

Transit Budget Forecast 2021-2024

- ▶ Safe Restart Funding will allow the continued provision of transit service during recovery from the COVID-19 pandemic.
- ▶ This funding, along with a Reserve allocation will be applied to the 2020/21 transit fiscal year.
- ▶ The Local Transit Fund, which includes remaining Safe Restart Funding may be utilized at the City's sole discretion in future years - to be detailed in future City budgets.

Transit Budget Forecast 2021-2024

- ▶ BC Transit has provided 3 year budget forecasts covering the fiscal years 2021/22; 2022/23; and 2023/24.
- ▶ Federal/Provincial Restart funding has an impact upon these budget years in two ways:
 - 1) Annual fare increases capped at 2.3%.
 - 2) Maintenance of service hours at an essential transit service level as established in the contribution agreement.

Transit Budget Forecast 2021-2024

Proposed Conventional/Community Budget						
AOA Period	Annual Hours	Estimated Annual Revenue *	Estimated Annual Total Costs **	Estimated Net Kelowna Cost ***	Benchmark year 2019/20 ***	Difference from benchmark year 2019/20
2021/22	208,277	\$4,749,203	\$26,585,077	\$6,594,671	\$4,596,313	\$1,998,358
2022/23	208,277	\$5,395,450	\$27,878,908	\$6,870,454	\$4,596,313	\$2,274,141
2023/24	208,277	\$6,687,949	\$28,364,164	\$5,831,000	\$4,596,313	\$1,234,687
* recovery assumption based on 2019/20 actuals (55%, 65%, 85%)						\$5,507,186
** all local government partner						
*** before application of Restart/Reserve funding						

Proposed Custom Transit (handyDART) Budget *						
AOA Period	Annual Hours	Estimated Annual Revenue **	Estimated Annual Total Costs	Estimated Net Local Govt. Cost ***	Benchmark year 2019/20 ***	Difference from benchmark year 2019/20
2021/22	36,599	\$108,873	\$3,926,060	\$1,181,280	\$1,165,487	\$15,793
2022/23	36,599	\$128,668	\$4,091,417	\$1,273,689	\$1,165,487	\$108,202
2023/24	36,599	\$168,257	\$4,107,117	\$1,271,905	\$1,165,487	\$106,418
* all local government partner						\$230,413
** recovery assumption based on 2019/20 actuals (55%, 65%, 85%)						
*** before application of Restart/Reserve funding						

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- ▶ In comparison with the pre-COVID 2019/20 fiscal year, before application of Reserve funding, the net additional cost over the 3 year forecast period is estimated at \$5,737,599.
- ▶ Combined remaining Restart funding, Shared and Local Reserve funding available for these years is \$5,543,436.

Conclusion:

- ▶ Reliable, safe and equitable transit service will play a critical role in recovery from the impact of the COVID-19 pandemic.
- ▶ Stable, ongoing investment in service levels will ensure that transit is a key part of a diverse transportation landscape available to all residents of Kelowna.





Questions?