



Transit 2017/2018 Annual Operating Agreement



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- ▶ Effective April 1st to March 31st 2018
- ▶ Largest Tier 1 system among municipal systems
 - ▶ Provides 230,000 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 82.9% of total revenues

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- ▶ Cost impacts were included in the 2017 budget
- ▶ Main areas of increased costs:
 - ▶ Operating company's fixed costs
 - ▶ Increased hourly costs due to rate increases
 - ▶ Increases in fleet maintenance
 - ▶ Increased lease fees

CONVENTIONAL TRANSIT	2016/2017 AOA	2017/2018 AOA	Total Difference	Percentage Change	Local Gov't Portion 53.31%	City of Kelowna Portion
Expenditures						
Total Operating Costs	\$18,332,603	\$18,447,958	\$115,355		\$61,496	\$51,380
Total Lease Fees - Local Share	\$2,499,805	\$2,871,014	\$371,209		\$371,209	\$310,145
TOTAL COSTS	\$20,832,408	\$21,318,972	\$486,564	2.34%	\$432,705	\$361,525

COMMUNITY TRANSIT	2016/2017 AOA	2017/2018 AOA	Total Difference	Percentage Change	Local Gov't Portion 53.31%	City of Kelowna Portion
Expenditures						
Total Operating Costs	\$2,317,550	\$2,431,554	\$114,004		\$60,776	\$22,870
Total Lease Fees - Local Share	\$84,049	\$105,675	\$21,626		\$21,626	\$8,138
TOTAL COSTS	\$2,401,599	\$2,537,229	\$135,630	5.65%	\$82,402	\$31,008

CUSTOM TRANSIT	2016/2017 Amended AOA	2017/2018 AOA	Total Difference	Percentage Change	Local Gov't Portion 33.31%	City of Kelowna Portion
Expenditures						
Total Operating Costs	\$3,131,200	\$3,262,923	\$131,723		\$43,877	\$32,337
Total Lease Fees - Local Share	\$107,717	\$126,808	\$19,091		\$19,091	\$14,070
TOTAL COSTS	\$3,238,917	\$3,389,731	\$150,814	4.66%	\$62,968	\$46,407



Questions?