
The first half of 2019 has been busy and steady for SMART.

Overall ridership is down 1.37% to 16179 rides compared to 16407 rides in 2018, 15735 rides in 2017 and 16280 rides in 2016. Average revenue per ride has been $12.51, essentially unchanged from $12.53 in 2018.

Ridership in the member areas is up 3.77%. The lower ridership is all in the group rides provided outside the membership area.

Individual ridership is up 5.12% to 13044 rides compared to 12409 rides a year ago (and 12620 rides in 2017) with user fee revenue up 4.04% to $185,386 compared to $180,169 and $162,981 in 2017. Average revenue per individual ride has been $16.05 compared to $16.44. This would indicate shorter rides on average.

Group excursion rides are down 21.59% to 3135 versus 3998 in the first half of 2017 with group user fees down 37.93% to $16,975 compared to $25,362 in 2018 and $17,359 in 2017. The higher numbers in 2018 were almost entirely due to SMART providing rides for Home and Community Support Services for their Owen Sound Adult Day program in April 2018 while their building underwent renovations. This was an outlier and will not be a regular occurrence.

The MTO Baseline Local Revenue requirement is now exceeded by municipal contributions. As of June 30, all municipal partners have paid their 2019 contributions.

Total expenses are down 3.29% year over year and have come in at 47.33% of budget for January to June compared to 57.42% in 2018 and 54.53% in 2017. The gross operational deficit for the first half of 2019 is $630,658 compared to $655,815 in 2018 and $576,949 in 2017.

The Gas Tax Reserve account balance at June 30 was just over $550,000 with the MTO having finally (after a frustrating delay) completed its 2019 payment of $718,815 (based on 2017 population and ridership) in late April.
SMART purchased a new computer server this spring for about $16,000 and installed a new telephone system to improve client service.

SMART has not yet needed to draw on the Gas Tax account for operational expenses but will in early August and will use all the remaining funds in the account for operational expenses over the remainder of the year.

There will be no new vehicles purchased in 2019 despite the existing fleet’s age and high kilometers. SMART has submitted capital projects under the federal-provincial ICI program. These projects have not yet been approved. It is hoped these projects will be approved soon so vehicles can be ordered for delivery in the first quarter of 2020.

SMART is functioning well with efficient dispatching of rides. Clients continue to enjoy a safe and dependable service. However, the issue of SMART’s prolonged underfunding (as compared to its peers) by its member municipalities remains a significant barrier to the continued success of this vital service. Years of directing increasing amounts MTO Gas Tax funding for operations while delaying capital purchases may require significant contribution increases by the member municipalities over the next few years to maintain current service levels.

A Strategic Planning committee is reviewing SMART’s current operations and future direction.

RECOMMENDATION:

I recommend this report be approved and be sent to member councils.

Respectfully submitted,

Roger Cook
Manager
<table>
<thead>
<tr>
<th>JAN</th>
<th>FEB</th>
<th>MAR</th>
<th>APR</th>
<th>MAY</th>
<th>JUN</th>
<th>JUL</th>
<th>AUG</th>
<th>SEP</th>
<th>OCT</th>
<th>NOV</th>
<th>DEC</th>
<th>TOTAL</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arran-Elderslie</td>
<td>128</td>
<td>172</td>
<td>211</td>
<td>220</td>
<td>207</td>
<td>214</td>
<td>175</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brockton</td>
<td>215</td>
<td>231</td>
<td>344</td>
<td>358</td>
<td>416</td>
<td>412</td>
<td>2062</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Chatsworth</td>
<td>113</td>
<td>146</td>
<td>178</td>
<td>178</td>
<td>207</td>
<td>184</td>
<td>819</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hanover</td>
<td>659</td>
<td>572</td>
<td>691</td>
<td>691</td>
<td>948</td>
<td>948</td>
<td>15.75%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Huron-Kinloss</td>
<td>125</td>
<td>127</td>
<td>209</td>
<td>206</td>
<td>190</td>
<td>190</td>
<td>-12.24%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kincardine</td>
<td>225</td>
<td>263</td>
<td>263</td>
<td>263</td>
<td>263</td>
<td>263</td>
<td>1672</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saugeen Shores</td>
<td>474</td>
<td>472</td>
<td>472</td>
<td>472</td>
<td>472</td>
<td>472</td>
<td>11.30%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Southgate</td>
<td>20</td>
<td>63</td>
<td>58</td>
<td>58</td>
<td>66</td>
<td>59</td>
<td>16.01%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West Grey</td>
<td>206</td>
<td>208</td>
<td>246</td>
<td>293</td>
<td>232</td>
<td>255</td>
<td>1540</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SUB-TOTALS</strong></td>
<td><strong>2165</strong></td>
<td><strong>2146</strong></td>
<td><strong>2814</strong></td>
<td><strong>2822</strong></td>
<td><strong>3120</strong></td>
<td><strong>2804</strong></td>
<td>15871</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>HCSS - out of area</strong></td>
<td><strong>22</strong></td>
<td><strong>22</strong></td>
<td><strong>22</strong></td>
<td><strong>22</strong></td>
<td><strong>22</strong></td>
<td><strong>22</strong></td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>OTHER</strong></td>
<td><strong>132</strong></td>
<td><strong>132</strong></td>
<td><strong>132</strong></td>
<td><strong>132</strong></td>
<td><strong>132</strong></td>
<td><strong>132</strong></td>
<td>-84.46%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>2185</strong></td>
<td><strong>2166</strong></td>
<td><strong>2838</strong></td>
<td><strong>2842</strong></td>
<td><strong>3257</strong></td>
<td><strong>2891</strong></td>
<td>16179</td>
<td>-1.37%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Saugeen Mobility and Regional Transit

### 2019 Operational Budget vs Actual as at June 30, 2019

<table>
<thead>
<tr>
<th>Category</th>
<th>2018 Unaudited</th>
<th>2019 Budget</th>
<th>2019 Actual vs Budget</th>
<th>2018 Unaudited</th>
<th>2019 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Individual Rides</strong></td>
<td>12409</td>
<td>25300</td>
<td>13044</td>
<td>51.56%</td>
<td>105.12%</td>
</tr>
<tr>
<td><strong>Group Rides</strong></td>
<td>3998</td>
<td>7200</td>
<td>3135</td>
<td>43.54%</td>
<td>78.41%</td>
</tr>
</tbody>
</table>

### Revenue

- Municipal funding:
  - Arran-Elderslie: $44,306
  - Brockton: $74,293
  - Chatsworth: $35,265
  - Hanover: $130,921
  - Huron-Kinloss: $43,042
  - Kincardine: $74,482
  - Saugeen Shores: $129,512
  - Southgate: $26,348
  - West Grey: $71,145

- Sub-total: $630,000

### Expenses

- Municipal contracts:
  - User fees - Individuals: $178,184
  - User fees - Group Excursions: $27,347
  - User fees - School Transportation: $939
  - Donations: $2,450

- Sub-total: $838,920

### MTO Baseline ‘Expenditure’

- $486,278

### Net Expenses

- $861,346

### Net Operating Surplus (Deficit)

- $22,426

### Provincial Gas Tax Funding - operating

- $700,000

### Net Surplus (Deficit)

- $22,426

---

2019 Amortization of Capital Assets will be approximately $200,000