

SAUGEEN MOBILITY

and REGIONAL TRANSIT

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GENERAL BOARD MEETING MINUTES

Friday September 27, 2019 1:30 PM

Board Members Present: Councillor Doug Bell, Municipality of Arran-Elderslie
Mayor Scott Mackey, Township of Chatsworth
Councillor Warren Dickert, Town of Hanover
Councillor Dave Cuyler, Municipality of Kincardine
Vice-Deputy Mayor Mike Myatt, Town of Saugeen Shores
Mayor John Woodbury, Township of Southgate
Councillor Beth Hamilton, Municipality of West Grey

Staff Members Present: Roger Cook, Manager

President John Woodbury called the meeting to order at 1:37 pm.

- 1. Disclosure of Pecuniary Interest:** nil
- 2. Minutes of the July 26, 2019 General Board Meeting**
- 3. Business Arising from the Minutes:** nil
- 4. Follow-up on Reports and Resolutions:** Letter to member councils
- 5. Correspondence:** nil
- 6. Manager's Reports and Recommendations:**
 - a) Report RAC2019-20 – July 2019 Operational**
 - b) Report RAC2019-21 – August 2019 1st Operational**

ORIGINAL

7. Resolutions:

Resolution #2019-48

Moved by Mike Myatt; Seconded by Scott Mackey

That the Board of Directors approves and adopts the minutes of the July 26, 2019 General Board Meeting as circulated.

CARRIED

Resolution #2019-49

Moved by Scott Mackey; Seconded by Mike Myatt

That the Saugeen Mobility strategic plan be approved as presented.

CARRIED

Resolution #2019-50

Moved by Doug Bell; Seconded by Dave Cuyler

That the July 2019 Operational Report RAC2019-20 be approved.

CARRIED

Resolution #2019-51

Moved by Beth Hamilton; Seconded by Dave Cuyler

That the August 2019 Operational Report RAC2019-21 be approved.

CARRIED

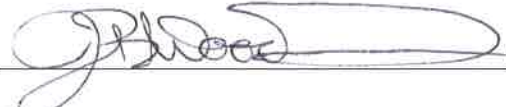
8. Director's Recommendations and Directives: nil

9. Other Business: nil

10. Next Meeting Date: Friday October 25, 2019 at 1:30 pm.

11. Meeting Adjournment: Motion to Adjourn by Scott Mackey.

The meeting Adjourned at 3:29 p.m.

 Chair



Secretary

Please note that these minutes are considered DRAFT ONLY until approved and signed by the Chair and Secretary.

ORIGINAL

**REPORT TO: SAUGEEEN MOBILITY & REGIONAL TRANSIT BOARD OF DIRECTORS,
MEMBER CAOs, CLERKS AND COUNCILLORS**

FROM: ROGER COOK, MANAGER

DATE: OCTOBER 22, 2019

REPORT: RAC2019-23

SUBJECT: 2019 3rd QUARTER OPERATIONAL REPORT

REPORT:

Please find attached 2019 vs 2018 ridership statistics and 'actual versus budget' financial statistics to September 30, 2019.

2019 has been busy and steady for SMART.

Overall ridership is up 1.01% to 25942 rides compared to 25683 rides in 2018 and 24041 rides in 2017. Average revenue per ride has been \$12.11, essentially unchanged from \$12.23 in 2018.

Overall member area ridership is up 4.63%.

Individual ridership is up 4.29% to 19675 rides compared to 18865 rides a year ago (and 18256 rides in 2017) with user fee revenue up 3.8% to \$281,176 compared to \$270,946. Average revenue per individual ride has been \$17.30 compared to \$17.56. This would indicate shorter rides on average.

Group excursion rides are down 8.1% to 6267 versus 6819 in 2018 with group user fees down 19.62% to \$33,008 compared to \$401,065 in 2018. 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.

Financially, SMART remains in a precarious spot. The MTO Gas Tax reserve account does not have sufficient funds to cover operational costs for the remainder of 2019 and will likely be \$100,000 short by the end of the year.

Municipal contributions remain far below where they need to be to keep SMART on a stable financial footing and must increase over the next 3 years in order for there to be capital funds available after ICIP funding has ended.

Municipal funding needs to rise by about \$1.60 per capita (on average) in each of the next 3 years to rebuild SMART's reserve account and stabilize its finances. A failure to address this challenge will have to result in service cuts to our clients.

Total expenses are essentially the same as 2018 and have come in at 73.63% of budget for January to September compared to 85.70% in 2018. The gross operational deficit for the first nine months of 2019 is \$981,675 compared to \$971,143 in 2018.

The Gas Tax Reserve account balance at September 30 was just under \$344,014. After paying September's operational deficit the balance is \$241,305. The final 3 month's deficits will likely exceed \$300,000.

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 been approved by the MTO and are now waiting for federal approval. It is hoped these projects will be approved soon so vehicles can be ordered for delivery in the first quarter of 2020.

One of the 2007 minivans was sold for scrap as it was no longer safe or roadworthy.

SMART is functioning well with efficient dispatching of rides. Clients continue to enjoy a safe and dependable service. However, the issue of SMART's long-term underfunding by its member municipalities remains a significant barrier to the continued success of this vital service.

RECOMMENDATION:

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

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Roger Cook', with a stylized flourish at the end.

Roger Cook
Manager

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2019 OPERATIONAL BUDGET vs ACTUAL as at September 30, 2019

	UNAUDITED 2018 at Sep 30	BUDGET 2019	UNAUDITED 2019 at Sep 30	ACTUAL vs BUDGET 75%	2019 vs 2018
Individual Rides	18865	25300	19675	77.77%	104.29%
Group Rides	6819	7200	6267	87.04%	91.90%
REVENUE					
Municipal funding					
Arran-Elderslie	\$ 44,306	\$ 48,466.48	\$ 48,466	100.00%	109.39%
Brockton	\$ 74,593	\$ 86,385.28	\$ 86,385	100.00%	115.81%
Chatsworth	\$ 35,651	\$ 40,028.70	\$ 40,029	100.00%	112.28%
Hanover	\$ 130,921	\$ 137,054.90	\$ 137,055	100.00%	104.69%
Huron-Kinloss	\$ 43,042	\$ 52,893.83	\$ 52,895	100.00%	122.89%
Kincardine	\$ 74,482	\$ 78,891.88	\$ 78,892	100.00%	105.92%
Saugeen Shores	\$ 129,512	\$ 113,984.28	\$ 113,984	100.00%	88.01%
Southgate	\$ 26,348	\$ 26,332.17	\$ 26,332	100.00%	99.94%
West Grey	\$ 71,145	\$ 75,962.48	\$ 75,962	100.00%	106.77%
Sub-total	\$ 630,000	\$ 660,000.00	\$ 660,000	100.00%	104.76%
Municipal contracts					
User fees - Individuals	\$ 271,356	\$ 350,000.00	\$ 281,176	80.34%	103.62%
User fees - Group Excursions	\$ 43,050	\$ 44,000.00	\$ 33,123	75.28%	76.94%
User fees - School Transportation	\$ -	\$ -	\$ -		
Donations	\$ 6,014	\$ 4,000.00	\$ 3,174	79.35%	52.78%
Other	\$ 1,287	\$ 2,000.00	\$ 864	43.20%	67.13%
NET LOCAL REVENUE	\$ 951,707	\$ 1,060,000.00	\$ 978,337	92.30%	102.80%
MTO BASELINE 'EXPENDITURE'	\$ 486,278	\$ 496,004.00			
EXPENSES					
Audit - not an eligible MTO expense	\$ 14,023	\$ 14,000.00	\$ 17,258	123.27%	123.07%
Advertising & Website	\$ 15,534	\$ 10,000.00	\$ 8,781	87.81%	56.53%
Bad debts & Collection	\$ 445	\$ 4,000.00	\$ 1,016	25.40%	228.31%
Bank charges	\$ 1,525	\$ 2,000.00	\$ 1,692	84.60%	110.95%
Credit/Debit Card charges	\$ 1,261	\$ 2,000.00	\$ 1,526	76.30%	121.02%
Interest	\$ 1,062	\$ 1,500.00	\$ 2,249	149.93%	211.77%
Insurance - liability & property	\$ 4,867	\$ 5,000.00	\$ 3,866	77.32%	79.43%
Legal	\$ -	\$ 3,000.00	\$ -		
Membership fees	\$ 2,384	\$ 2,500.00	\$ 2,523	100.92%	105.83%
Driver Miscellaneous	\$ 2,023	\$ 6,000.00	\$ 2,157	35.95%	106.62%
MTO Liason	\$ -	\$ 8,000.00	\$ -		
Office Supplies & Postage	\$ 11,679	\$ 15,000.00	\$ 12,730	84.87%	109.00%
Computer System	\$ 22,441	\$ 20,000.00	\$ 27,472	137.36%	122.42%
Office Rent	\$ 4,619	\$ 7,000.00	\$ 4,692	67.03%	101.58%
Telephones	\$ 21,455	\$ 27,000.00	\$ 23,853	88.34%	111.18%
Travel, Meals, Parking, etc	\$ 2,176	\$ 2,000.00	\$ 2,162	108.10%	99.36%
Vehicles					
Fuel - cost less federal rebate	\$ 159,070	\$ 200,000.00	\$ 132,679	66.34%	83.41%
Insurance	\$ 32,384	\$ 50,000.00	\$ 32,351	64.70%	99.90%
Licenses	\$ 50	\$ 5,000.00	\$ 204		
Maintenance	\$ 83,104	\$ 110,000.00	\$ 75,121	68.29%	90.39%
Wages & Benefits					
Group Benefit Plan	\$ 18,574	\$ 40,000.00	\$ 26,733	66.83%	143.93%
Drivers	\$ 647,055	\$ 886,000.00	\$ 639,644	72.19%	98.85%
Office	\$ 139,949	\$ 200,000.00	\$ 182,869	91.43%	130.67%
Statutory Benefits & EHT	\$ 99,872	\$ 140,000.00	\$ 94,396	67.43%	94.52%
NET EXPENSES	\$ 1,285,552	\$ 1,760,000.00	\$ 1,295,974	73.63%	100.81%
NET OPERATING SURPLUS (DEFICIT)	\$ (333,845)	-\$ 700,000.00	-\$ 317,637	45.38%	95.15%
Provincial Gas Tax Funding - operating	\$ 224,826	\$ 700,000.00	214,611		
NET SURPLUS (DEFICIT)	\$ (109,019)	\$ -	-\$ 103,026		

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

RIDERSHIP STATISTICS SUMMARY - 2019 versus 2018 to Sep 30

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	CHANGE
Arran-Elderslie	128 172	115 156	138 190	220 211	207 220	214 175	235 135	244 212	192 160				1693 1631	3.80%
Brockton	215 187	231 285	344 355	358 339	416 419	412 477	541 456	497 517	499 441				3513 3476	1.06%
Chatsworth	113 91	110 146	160 140	174 118	207 178	184 146	194 160	241 175	214 144				1597 1298	23.04%
Hanover	659 620	572 561	691 641	636 569	674 691	626 699	704 770	688 757	686 722				5936 6030	-1.56%
Huron-Kinloss	125 187	121 147	237 215	211 207	206 259	190 227	209 228	220 210	213 260				1732 1940	-10.72%
Kincardine	225 184	263 257	263 260	300 331	509 262	371 378	420 346	362 380	492 319				3205 2717	17.96%
Saugeen Shores	474 472	463 478	577 469	572 432	579 462	486 518	438 430	390 479	473 501				4452 4241	4.98%
Southgate	20 61	63 33	58 60	58 58	90 49	66 45	131 51	104 40	106 41				696 438	58.90%
West Grey	206 241	208 219	346 239	293 220	232 271	255 268	270 286	306 269	215 258				2331 2271	2.64%
SUB-TOTALS	2165 2215	2146 2282	2814 2569	2822 2485	3120 2811	2804 2933	3142 2862	3052 3039	3090 2846	0 0	0 0	0 0	25155 24042	4.63%
Grey-Bruce STS	0 0	0 0	0 0	0 0	0 0	22 0			0 0				22 0	
HCSS - out of area	20 12	20 20	24 27	20 14	23 24	25 20	23 28	16 29	0 18				171 192	
OTHER	0 0	0 0	0 123	0 586	114 122	40 160	210 206	108 130	122 122				594 1449	-59.01%
TOTALS	2185 2227	2166 2302	2838 2719	2842 3085	3257 2957	2891 3113	3375 3096	3176 3198	3212 2986	0 0	0 0	0 0	25942 25683	1.01%

Jan to Sep RIDERSHIP since 2013

