

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

FROM: ROGER COOK, MANAGER

DATE: JULY 18, 2019

REPORT: RAC2020-33

SUBJECT: 2020 1st HALF OPERATIONAL REPORT

REPORT:

Please find attached 2020 vs 2019 ridership statistics and 'actual versus budget' financial statistics to June 30, 2020.

The first half of 2020 has been unlike any previous year. Like all transit services, SMART was significantly affected by the Covid-19 pandemic with April and May ridership down nearly 90%. Ridership has begun to recover but is still down 75% most days. Sunday service and weekend dispatch was eliminated in May.

After a strong start to 2020, overall ridership to June 30 is down 51.88% to 7786 rides compared to 16179 rides in 2019, 16407 rides in 2018, 15735 rides in 2017 and 16280 rides in 2016. Average revenue per ride has been \$13.18, up 5.4% from \$12.51 in 2019. All of that decline occurred after March 15.

Ridership in the member areas is down 50.95%.

Individual ridership is down 46.0% to 7043 rides compared to 13044 rides a year ago and 12409 rides in 2018 with user fee revenue down 46.72% to \$98,769 compared to \$185,386 in 2019 and \$180,169 in 2018. Average revenue per individual ride has been \$15.68 compared to \$16.05 in 2019 and \$16.44 in 2018. This would indicate shorter rides on average in keeping with clients staying closer to home.

Group excursion rides have been affected even more and are down 76.3% to 743 versus 3135 in the first half of 2019 with group user fees down 77.21% to \$3,870 compared to \$16,975 in 2019.

The MTO Baseline Local Revenue requirement is now exceeded by municipal contributions. As of June 30, eight of nine municipal partners have paid their 2020 contributions.

Total expenses January to June are down 26% year over year and have come in at 35.62% of total budget compared to 47.33% of budget in 2019, 57.42% in 2018 and 54.53% in 2017.

The gross operational deficit (expenses less user fees) for the first half of 2020 is \$515,769 compared to \$630,658 in 2019, \$655,815 in 2018 and \$576,949 in 2017.

At June 30, the Gas Tax account balance is \$427,503 after paying out the remainder of the 2019 operating deficit. On May 22, the MTO paid out 75% of the 2020 Gas Tax payment of \$710,540 (based on 2018 population and ridership). It is unknown when the remaining 25% will be paid. This funding is down from \$718,815 received in 2019 even though SMART had higher ridership.

SMART has not yet needed to draw on the Gas Tax account for 2020 operational expenses. It is unclear at this time when that will need to happen given the uncertainty of ridership.

SMART has 5 Dodge Caravans ordered and undergoing conversion. These vans were purchased under the Investing in Canadian Infrastructure Program with federal and provincial funding and are expected to be delivered by the end of August. SMART's contribution to this purchase will come from the Gas Tax Reserve account.

While the Covid-19 has seriously affected ridership and operations at SMART it has also allowed SMART to save on operational expenses and stabilize its finances. New vehicles will improve SMART's fleet and some of the older vehicles are being treated to some long needed paint and other improvements.

Clients who are venturing out continue to enjoy a safe and dependable service. There have been no complaints made or concerns raised about the cleanliness of SMART's vehicles. All drivers wear masks when interacting with clients. Clients are required to wear masks unless they cannot for medical reasons and sanitize their hands before boarding a vehicle. Vehicles are sanitized between clients and at the end of each day. Clear barriers are being installed in the Dodge Caravans.

I would like to acknowledge the co-operation and professionalism of all staff members at SMART during this very difficult time. It has been a steep learning curve for everyone and all staff have responded with concern for client safety.

RECOMMENDATION:

I recommend Report RAC2020-33 be approved as presented and be sent to member councils.

Respectfully submitted,



Roger Cook
Manager

RIDERSHIP STATISTICS SUMMARY - 2020 to June 30

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	CHANGE
Arran-Elderslie	234	195	127	10	19	37							622	-39.14%
	128	115	138	220	207	214							1022	
Brockton	320	337	235	99	97	102							1190	-39.72%
	215	231	344	356	416	412							1974	
Chatsworth	157	184	111	58	54	70							634	-33.12%
	113	110	160	174	207	184							948	
Hanover	640	499	308	52	78	92							1669	-56.74%
	659	572	691	636	674	626							3858	
Huron-Kinloss	189	167	81	13	10	16							476	-56.33%
	125	121	237	211	206	190							1090	
Kincardine	265	192	122	20	23	54							676	-64.99%
	225	263	263	300	509	371							1931	
Saugeen Shores	457	480	295	26	40	86							1384	-56.08%
	474	463	577	572	579	486							3151	
Southgate	120	88	69	27	26	40							370	4.23%
	20	63	58	58	90	66							355	
West Grey	218	196	141	49	48	111							763	-50.45%
	206	208	346	293	232	255							1540	
SUB-TOTALS	2600	2338	1489	354	395	608	0	0	0	0	0	0	7784	-50.95%
	2165	2146	2814	2820	3120	2804	0	0	0	0	0	0	15869	
OTHER	0	2	0	0	0	0							2	
	0	0	0	0	0	0							0	
HCSS - out of area	0	0	0	0	0	0							0	
	20	20	24	20	23	25							132	
Grey-Bruce STS	0	0	0	0	0	0							0	
	0	0	0	2	114	62							178	
TOTALS	2600	2340	1489	354	395	608	0	0	0	0	0	0	7786	-51.88%
	2185	2166	2838	2842	3257	2891	0	0	0	0	0	0	16179	

SAUGEEN MOBILITY

and REGIONAL TRANSIT

2020 OPERATIONAL BUDGET vs ACTUAL as at June 30, 2020

	2019 at Jun 30	2020 at Jun 30	2020 vs 2019	BUDGET 2020	ACTUAL vs BUDGET 50.00%
Individual Rides	13044	7043	53.99%	24000	29.35%
Group Rides	3135	743	23.70%	7450	9.97%
REVENUE					
Municipal funding					
Arran-Elderslie	\$ 48,466.48	\$ 51,155.61	105.55%	\$ 51,155.61	100.00%
Brockton	\$ 86,385.28	\$ 98,535.79	114.07%	\$ 98,535.79	100.00%
Chatsworth	\$ 40,028.70	\$ 30,000.00	74.95%	\$ 50,221.57	59.74%
Hanover	\$ 137,054.90	\$ 150,546.05	109.84%	\$ 150,546.05	100.00%
Huron-Kinloss	\$ 52,893.83	\$ 54,836.86	103.67%	\$ 54,836.86	100.00%
Kincardine	\$ 78,891.88	\$ 98,364.90	124.68%	\$ 98,364.90	100.00%
Saugeen Shores	\$ 113,984.28	\$ 131,833.61	115.66%	\$ 131,833.61	100.00%
Southgate	\$ 26,332.17	\$ 32,838.79	124.71%	\$ 32,838.79	100.00%
West Grey	\$ 75,962.48	\$ 81,666.82	107.51%	\$ 81,666.82	100.00%
Sub-total	\$ 660,000.00	\$ 729,778.43	110.57%	\$ 750,000.00	97.30%
Municipal contracts					
User fees - Individuals	\$ 185,373.15	\$ 98,769.25	53.28%	\$ 342,500.00	28.84%
User fees - Group Excursions	\$ 16,975.50	\$ 3,870.00	22.80%	\$ 37,500.00	10.32%
User fees - School Transportation	\$ -	\$ -		\$ -	
Donations	\$ 2,043.80	\$ 1,900.00	92.96%	\$ 4,000.00	47.50%
Other	\$ 642.09	\$ 280.04	43.61%	\$ 2,000.00	14.00%
NET LOCAL REVENUE	\$ 865,034.54	\$ 834,597.72	96.48%	\$ 1,136,000.00	73.47%
MTO BASELINE 'EXPENDITURE'	\$ 496,004.00	\$ 505,924.00	102.00%	\$ 505,924.00	
EXPENSES - net of HST					
Audit - not an eligible MTO expense	\$ -	\$ -		\$ 19,000.00	
Advertising & Website	\$ 5,264.07	\$ 160.52	3.05%	\$ 4,000.00	4.01%
Bad debts & Collection	\$ 997.35	\$ 105.22	10.55%	\$ 4,000.00	2.63%
Bank charges	\$ 1,266.42	\$ 907.25	71.64%	\$ 2,000.00	45.36%
Credit/Debit Card charges	\$ 1,006.67	\$ 922.28	91.62%	\$ 2,000.00	46.11%
Interest	\$ 1,512.07	\$ 101.77	-6.73%	\$ 2,000.00	-5.09%
Insurance - liability & property	\$ 3,260.34	\$ 3,634.18	111.47%	\$ 6,000.00	60.57%
Legal	\$ -	\$ -		\$ 3,000.00	
Membership fees	\$ 2,522.63	\$ -		\$ 2,500.00	
Driver Training, Apparel, Misc	\$ 1,781.73	\$ 709.21	39.80%	\$ 7,000.00	10.13%
Covid-19 Pandemic Supplies	\$ -	\$ 3,721.04			
MTO Liason	\$ -	\$ -		\$ 8,000.00	
Office Supplies & Postage	\$ 10,184.27	\$ 5,228.12	51.34%	\$ 16,500.00	31.69%
Office Rent	\$ 3,127.74	\$ 6,965.40	222.70%	\$ 15,000.00	46.44%
Telephones	\$ 15,930.65	\$ 15,760.75	98.93%	\$ 30,000.00	52.54%
Computer System	\$ 6,576.65	\$ 6,605.41	100.44%	\$ 30,000.00	22.02%
Travel, Meals, Parking, etc	\$ 1,452.71	\$ 797.56	54.90%	\$ 3,000.00	26.59%
Vehicles					
Fuel - cost less federal rebate	\$ 85,468.63	\$ 56,445.06	66.04%	\$ 168,000.00	33.60%
Insurance	\$ 27,202.78	\$ 30,890.50	113.56%	\$ 53,000.00	58.28%
Licenses	\$ 50.00	\$ 51.00		\$ 6,000.00	
Maintenance	\$ 54,629.14	\$ 54,829.03	100.37%	\$ 106,000.00	51.73%
Wages & Benefits					
Group Benefit Plan	\$ 15,974.46	\$ 27,508.89	172.21%	\$ 48,000.00	57.31%
Drivers	\$ 415,639.63	\$ 261,490.97	62.91%	\$ 825,000.00	31.70%
Office	\$ 118,978.22	\$ 102,684.36	86.31%	\$ 250,000.00	41.07%
Statutory Benefits & EHT	\$ 63,037.38	\$ 39,093.40	62.02%	\$ 126,000.00	31.03%
NET EXPENSES	\$ 835,863.54	\$ 618,408.38	73.98%	\$ 1,736,000.00	35.62%
NET OPERATING SURPLUS (DEFICIT)	\$ 29,171.00	\$ 216,189.34		-\$ 600,000.00	
Provincial Gas Tax Funding - operating	\$ -	\$ -		\$ 600,000.00	
NET SURPLUS (DEFICIT)	\$ 29,171	\$ 216,189		\$ -	

2020 Amortization of Capital Assets will be approximately \$200,000