Appendix C - Operating and Capital Budget Impact - Bus Model

Assumption: Buses delivered February 2026; implementation in Sept 2026

	Multi-Year Budget Period				
	2024	2025	2026	2027	NOTES
Operating Budget Impact					
Initial Set Up Costs	$ 48,762	$ 563,834	$ 359,947	$ 32,632	
Salaries and Benefits	51,895	2,248,327	3,949,945	4,445,606	
Fleet	-	-	304,335	884,295	
Other Operating	-	53,996	121,087	146,990	
Total Operating Cost	$ 100,658	$ 2,866,157	$ 4,735,313	$ 5,509,524	1
Plus: Debt and Financing Payments					
Interest on Long Term Debt	-	186,300	295,998	289,087	
Principal on Long Term Debt	-	135,271	277,187	284,098	
Total Financing Costs	$ -	$ 321,571	$ 655,765	$ 573,185	
Total Additional Operating Budget Impact	**$ 100,658**	**$ 3,187,728**	**$ 5,391,077**	**$ 6,082,709**	
Less: Existing Budget - Contractor Costs based on Contract Expiry	**$ -**	**$ -**	**$ (850,535)**	**$ (4,835,327)**	2
Total Net Operating Impact	**$ 100,658**	**$ 3,187,728**	**$ 4,540,542**	**$ 1,247,382**	3

	Capital Budget Year			NOTES
Capital Budget Impact	2023	2024	Total	
Bus Purchase	$ 8,200,000	$ -	$ 8,200,000	
Bus Storage Space	-	4,580,000	4,580,000	
Total Capital Budget Required	**$ 8,200,000**	**$ 4,580,000**	**$ 12,780,000**	
Funding Approved To Date:				
Canada Community-Building Fund	$ 6,442,000	$ -	$ 6,442,000	
External Debt	2,808,000	-	2,808,000	
Total Funding Approved to Date	9,250,000	-	9,250,000	
Funding Surplus (Shortfall)	**$ 1,050,000**	**$ (4,580,000)**	**$ (3,530,000)**	4

NOTES

1 See Appendix A for notes on the components of the operating expenses. The operating budget impact is determined by annual cash flow requirements.

2 Contractor savings reflect estimated budget savings from the expiry of the specific contracts identified for replacement in each year. Two bus contracts will expire shortly before the planned implementation of the City provided service with the third contract expiring in early 2027. The contracts will continue service through their established expiration dates, the next result will be 1 extra bus contract in service for 6 months. Assumptions reflect contractor costs on new bid opportunities will likely be at rates exceeding typical inflationary levels.

3 Net operating impact will need to be funded by transfer from general revenue with the portion of financing related to bus storage possibly funded from the Transit Infrastructure Reserve.

4 There is $9.25M in funding included in the 2023 capital budget that was approved in 2022 for the purchase of buses. As a result of the reduction in scope there is a surplus of funding that can be put towards the unfunded capital needed for bus storage. The net unfunded capital amount is $3.53 million which is assumed will be funded through external debt.