Appendix D - Operating and Capital Budget Impact - Car Model

Assumption: Cars delivered October 2024; implementation in December 2024

	2023 and MultiYear Budget Period 2024-2027					
	2023	2024	2025	2026	2027	NOTES
Operating Budget Impact						
Initial Set Up Costs	$ 214,850	$ 548,097	$ 169,035	$ -	$ -	
Salaries and Benefits	134,374	2,956,238	4,060,221	4,389,157	4,789,453	
Fleet	-	30,935	334,075	351,891	370,349	
Other Operating	-	86,941	140,826	143,643	149,017	
Total Operating Cost	$ 349,224	$ 3,622,211	$ 4,704,157	$ 4,884,690	$ 5,308,819	1
Plus: Debt and Financing Payments						
Interest on Long Term Debt	-	-	107,250	162,500	162,500	
Principal on Long Term Debt	-	-	37,050	74,100	74,100	
Total Financing Costs	$ -	$ -	$ 144,300	$ 236,600	$ 236,600	
Total Additional Operating Budget Impact	**$ 349,224**	**$ 3,622,211**	**$ 4,848,457**	**$ 5,121,290**	**$ 5,545,419**	
Less: Existing Budget - Contractor Costs based on Contract Expiry	**$ -**	**$ -**	**$ (1,946,398)**	**$ (2,043,718)**	**$ (2,145,903)**	2
Total Net Operating Impact	**$ 349,224**	**$ 3,622,211**	**$ 2,902,059**	**$ 3,077,573**	**$ 3,399,516**	3

	Capital Budget Year			NOTES
Capital Budget Impact	**2023**	**2024**	**Total**	
Car Purchase	2,400,000	-	2,400,000	
Car Storage Space	-	3,250,000	3,250,000	
Total Capital Budget Required	**$ 2,400,000**	**$ 3,250,000**	**$ 5,650,000**	
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)	**6,850,000**	**(3,250,000)**	**3,600,000**	4

NOTES

1 See Appendix B 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. 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 car storage possibly funded from the Transit Infrastructure Reserve.

4 There is $9.25M in funding included in the 2023 capital budget for the purchase of vehicles. The model assumes the Canada Community-Building Fund funding would be used for the vehicles and the storage space would need to funded through external debt as the related North Garage capital project is already utilitizing the maximum amount of Federal funding. The net result is a surplus of gas tax funding of $4.04 million and a deficit of external debt funding of $0.44 million.