

# Saint John Transit Financial Update

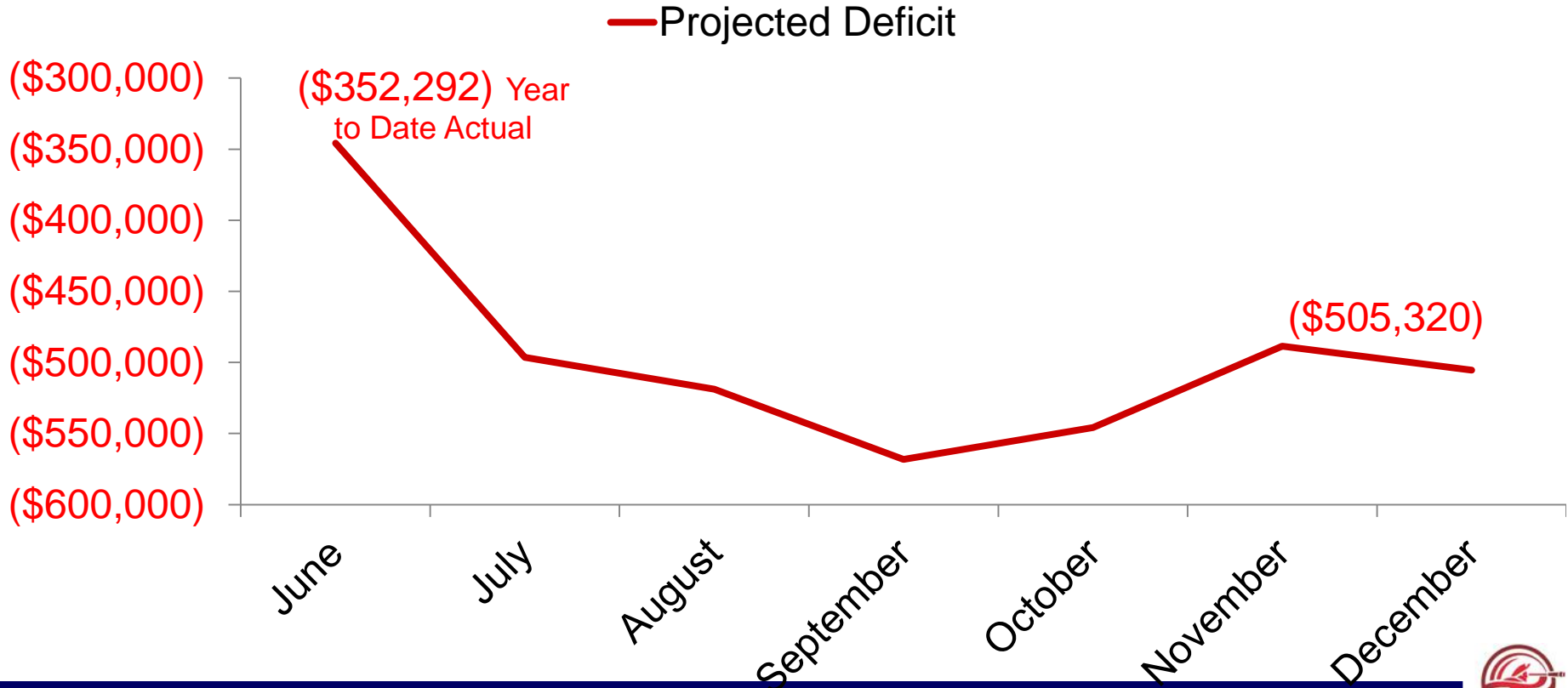


# Saint John Transit – Financial Update

- Reduced operating budget by more than 25%
  - Achieved through layoffs and reduction in fuel consumption
- Continued reduced service hours from 97,000 hours to 71,200 hours (26.6%)
- Installed plexiglass shields to enable the resumption of fare collection. (April 16, 2020)
- Effective June 29, 2020
  - Masks will be required. Children under the age of two and those with medical conditions (as per the Chief Medical Officer of Health of New Brunswick) will be exempt.
  - Seating capacity will be increased to up to 50% regular capacity and seats will be marked accordingly. (Approx. max 20 Passengers)

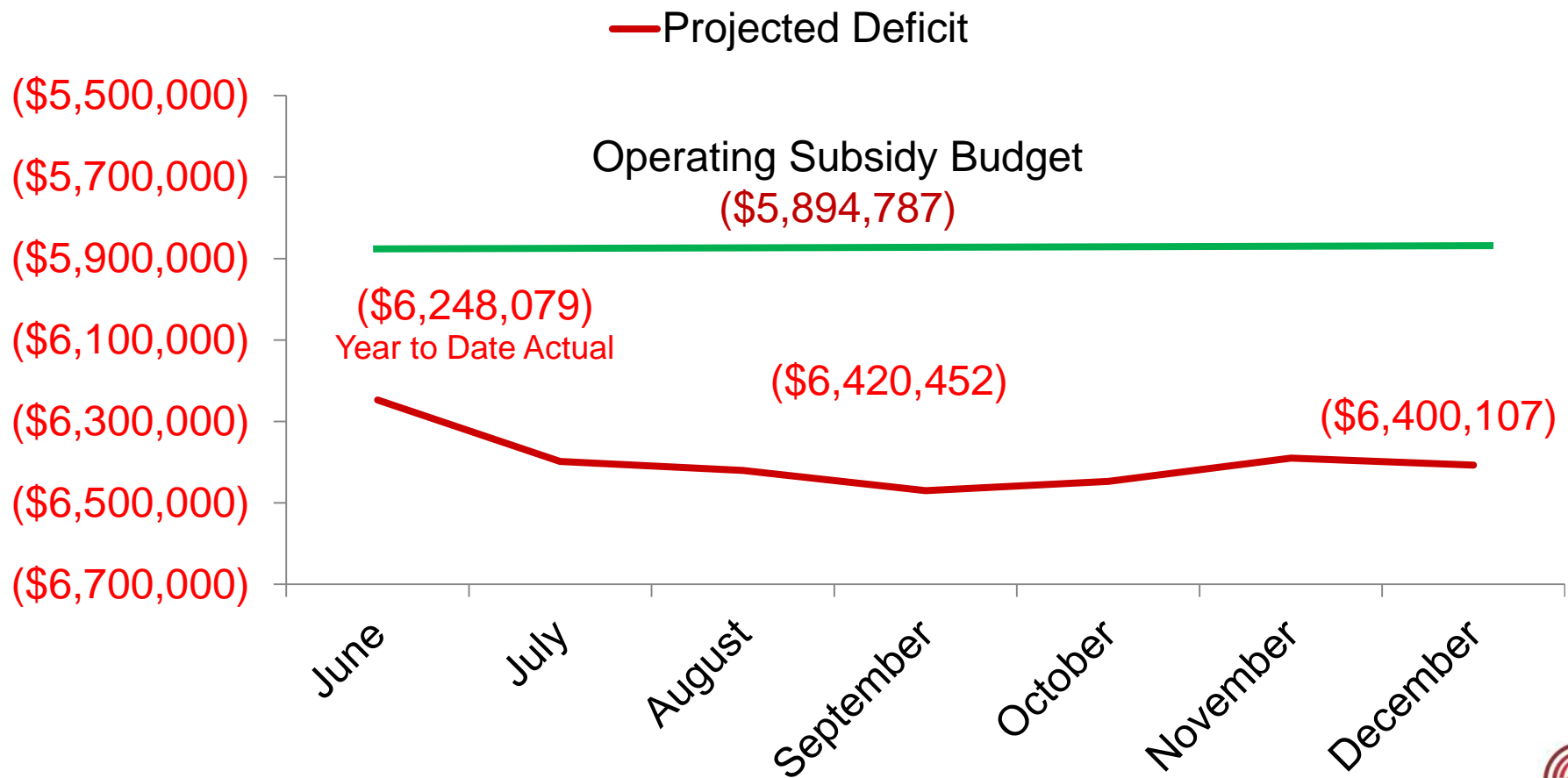
# Saint John Transit – Financial Update

- Expenditures - Reduced Service for Balance of Year
- Revenue - Passenger Limit – 20 for Balance of Year
- Cash Flow – Positive (Requires continued monitoring)



# Saint John Transit – Financial Update

- 2020 City Funded Transit Operating Budgeted Deficit - \$5,894,787



# Saint John Transit – Financial Update

- Provincial Funding under the three year commitment will not cannot be used for Transit deficits. (Province clawed back Transits 2019 deficit)
- Safe Restart Agreement announced July 16<sup>th</sup> between Federal and Provincial Governments – Key Highlight
  - joint funding with the provinces and territories to support municipalities on the front lines of restarting the economy, including by putting in place precautions for public spaces and essential services to reduce the spread of the virus, **as well as a dedicated stream of funding for public transit.**
  - *However no details made available yet!*

# Recommendations – Finance Department

- Recommend Saint John Transit Commission report back to Finance Committee at its next meeting with plan to reduce additional deficit of \$505,320 to a maximum of \$250,000 deficit and provide a description of the impacts due to reducing the deficit;
- Finance Committee direct the City Manager to advise the Board of the Transit Commission that the additional deficit must be no more than \$250,000 regardless of future events that may impact operations of the Transit Commission;
- Finance Committee direct staff from Finance to report back to Finance Committee monthly on the financial results and estimated deficit of the Transit Commission for the balance of 2020.



# Questions ?