

## Supplementary Budget – Briefing Note

## 2022 Budget

## Transit Revenue Impacts

**Briefing Note required for:**

- items +/- \$50,000 or more
- changes in FTE
- Council Priority requests

Dept	Division	Item	Base Supp	Amount	FTE Impact
IES	Eng & Trans	Revenue Impacts on User Fee/Product Changes – All Services	Base	500	
IES	Eng & Trans	Revenue Impacts on User Fee/Product Changes – Taking effect July 1st	Supp	(251)	
IES	Eng & Trans	Revenue volume adjustment	Base	(24,138)	

**Background:**

The Driving Forward Strategy approved by Council on July 20, 2020 recommended the adoption of Fare Parity between Conventional and Specialized Transit Services. Further changes to fare products were outlined in the Strategy in order to simplify product usage for ridership, enable expansion of sales to kiosks and partner vendors, and target fare concessions towards low-income riders.

**Comment:**Revenue Impacts on User Fee/Product Changes:

Proposed new transit products and price points, outlined in September 27, 2021 Report to Council, will result in a base budget impact of \$500 (offset by half due to introduction on July 1, 2022). Approximately ~\$17,000 in losses due to adoption of fare parity between Chatham Conventional and Specialized Transit Services – Chatham Accessible and Wallaceburg Accessible. Losses mostly offset through increases to Off-Peak and On-Peak Conventional Fares.

Volume Adjustment

An average 3.5% ridership growth across services is targeted in 2022 to offset rising operational costs.

