

#10 – 2024/25 Budget and Tax Regulation

March 19, 2024

Basis of 2024/25 Budget Presentation

- Budgeted passenger revenues for 2024/25 reflect updated growth projections of 100% compared to 2019/20 passenger revenues.
- No fare increases reflected for 2024/25 passenger revenues.
- Use of remaining Safe Restart funding of \$5.4M in 2024/25.
- 2024/25 prorated expansion included in 2024/25 budget.
- Revenue from the Province of \$957K annually for Free Transit 12 & Under.
- Includes operating expenses for RapidBus, on street infrastructure and the VRTS Facility Master Plan.

2024/25 Budget

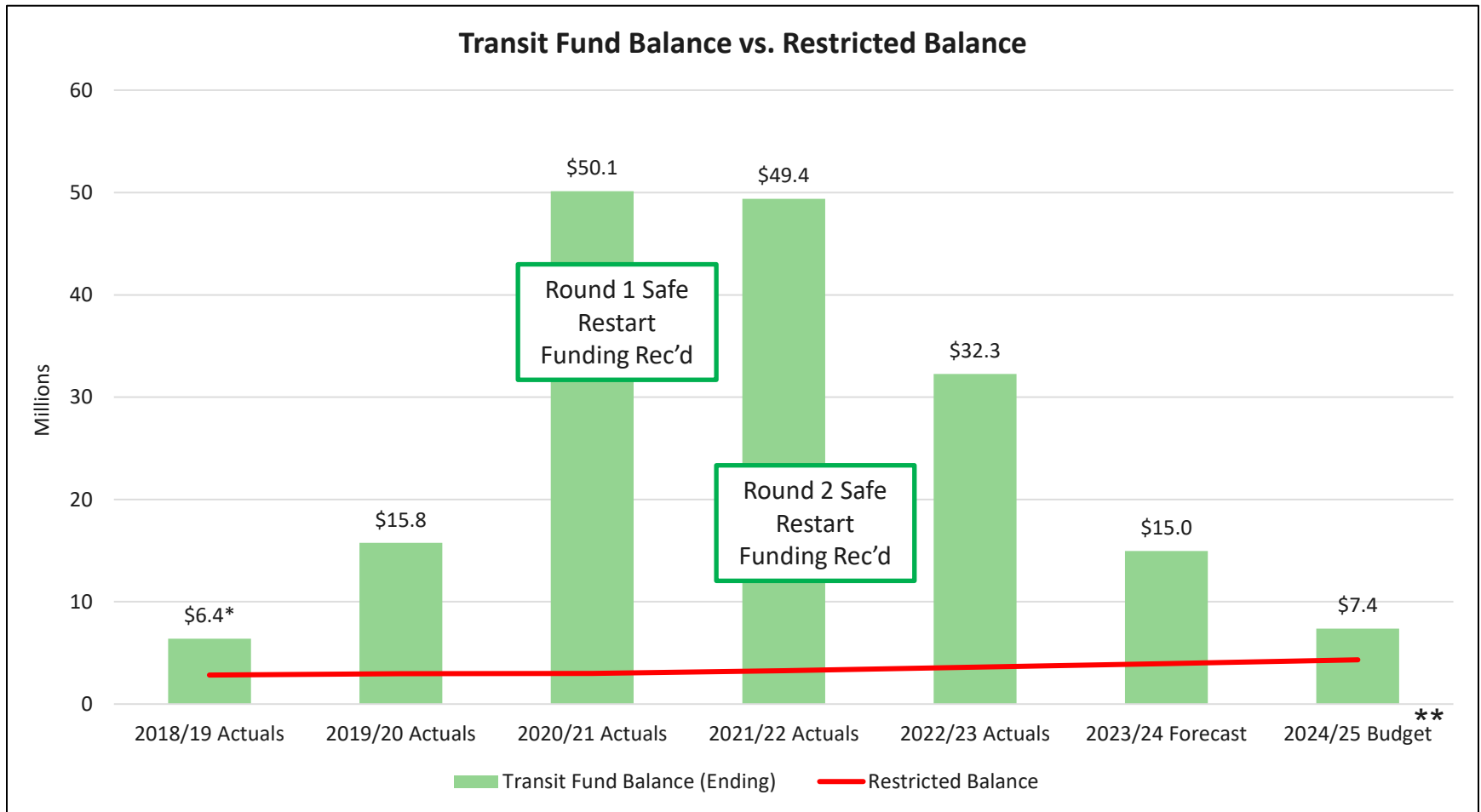
<i>(figures in thousands)</i>		Q3	
Revenues	Budget 2023/24	Forecast 2023/24	Budget 2024/25
Passenger & Adv Revenue	\$39,019	\$41,531	\$43,271
Safe Restart Funding	7,866	7,866	\$5,431
Provincial Oper Contribution	53,881	54,566	\$59,401
Fuel Tax Revenue	18,360	17,849	\$17,850
Local Contribution	53,886	53,288	\$64,395
Total	\$173,012	\$175,100	\$190,348
Expenses			
Operating Costs	\$156,272	\$158,577	\$172,435
Lease Fees (local share)	\$16,740	\$16,523	\$17,913
Total	\$173,012	\$175,100	\$190,348
Service Hours	1,011	950	1,023
Passengers	23,927	25,546	26,986

Property Tax Options

VICTORIA REGIONAL TRANSIT SYSTEM TRANSIT FUND

	2023/24	2023/24	Option 1	Option 2	Option 3
<i>(figures in thousands)</i>	Budget	Forecast	2024/25 Budget	2024/25 Budget	2024/25 Budget
FUNDS GENERATED FROM PROPERTY TAXATION					
Estimated Transit Levy per Average Household	\$195.95	\$196.73	\$265.50	\$275.42	\$285.22
(\$ Increase)			\$68.77	\$78.68	\$88.49
(% increase)			35.0%	40.0%	45.0%
Current funds generated from Transit Levy	\$43,621	\$43,744	\$60,132	\$62,334	\$64,510
Balance from/(to) Transit Fund	\$10,265	\$9,544	\$4,263	\$2,061	(\$115)
Total Local Contribution	\$53,886	\$53,288	\$64,395	\$64,395	\$64,395
TRANSIT FUND					
Opening Balance	\$32,266	\$32,266	\$14,969	\$14,969	\$14,969
Contribution to expenses	(10,265)	(9,544)	(4,263)	(2,061)	115
Cowichan Valley Commuter					
Contribution to expenses	(114)	(87)	(198)	(198)	(198)
Other					
Safe Restart Funding and Interest	(7,666)	(7,666)	(5,331)	(5,331)	(5,331)
Ending Balance	\$14,221	\$14,969	\$5,177	\$7,379	\$9,555
Restricted Balance (2.5% of Operating Costs)			\$4,311	\$4,311	\$4,311
Unrestricted Balance			\$866	\$3,068	\$5,244

Year Over Year Transit Fund Balance



*Numbers in millions

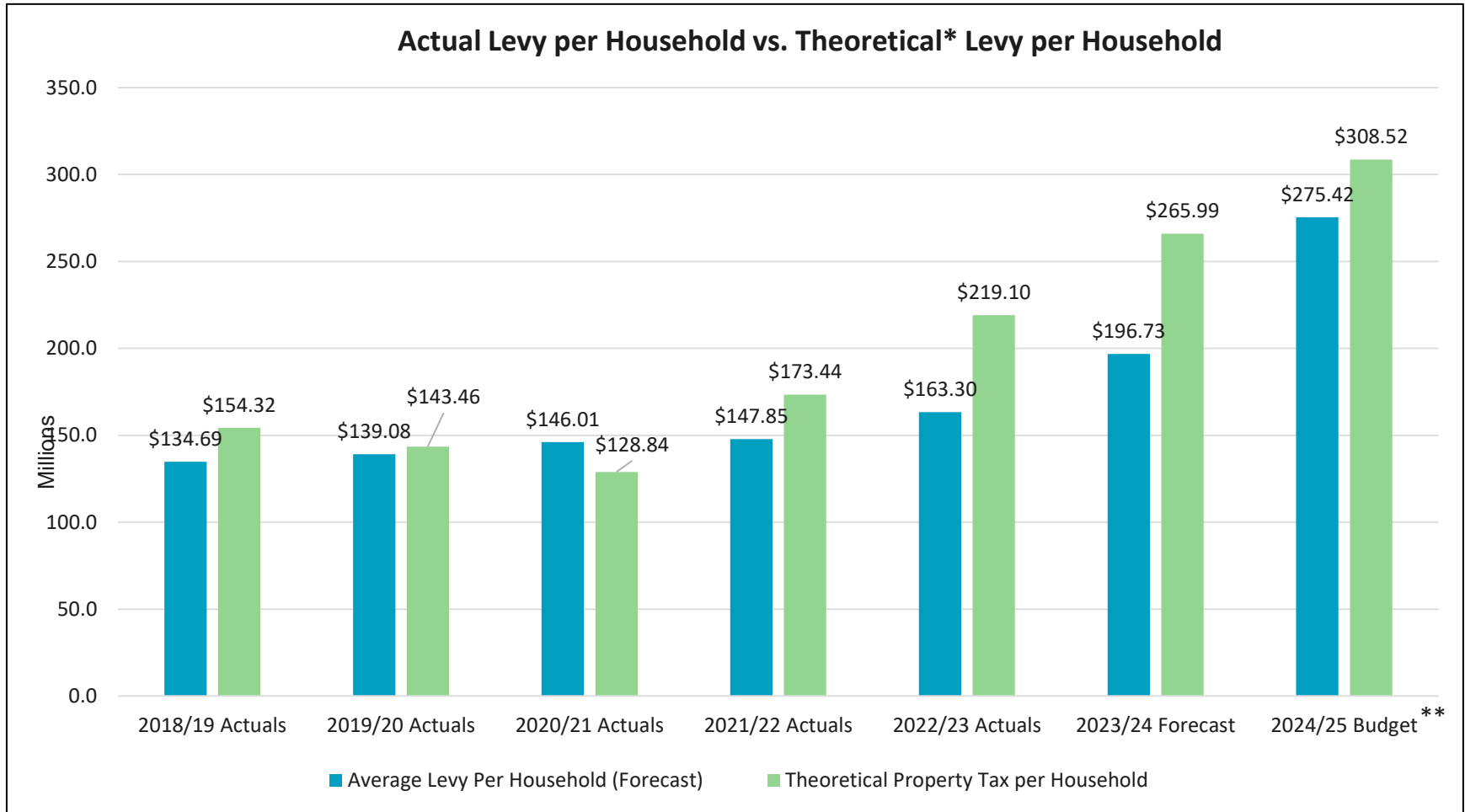
** Option 2

Transit Fund and Safe Restart Funding Usage

Year	Safe Restart Used	Transit Fund Used	Total
2018/19 (actual)	-	3,830	3,830
2019/20 (actual)	7,119	970	8,089
2020/21 (actual)	21,323	(4,580)	16,743
2021/22 (actual)	21,323	(2,861)	18,462
2022/23 (actual)	10,882	7,843	18,725
2023/24 (forecast)	7,866	9,630	17,496
2024/25 (budget)	5,431	2,259	7,690

Numbers in \$000s

Year Over Year Levy per Household



*Theoretical = No Safe Restart Funding or Transit Fund usage

**Option 2

Recommendation

It is recommended that the Commission:

- **APPROVE** the 2024/25 Budget
- **APPROVE** Option 2 for a tax regulation to maintain a sufficient Transit Fund balance.