



MEMORANDUM

May 30, 2023
Regular Board Meeting

TO	Board of Trustees
FROM	Shauna Boyce, Superintendent
ORIGINATOR	Scott McFadyen, Associate Superintendent
RESOURCE	John Blood, Director, Transportation Services
GOVERNANCE POLICY	Board Policy 2: Role of the Board
ADDITIONAL REFERENCE	BP 2: Resource Stewardship S 36 <i>Education Act</i> <i>School Fees Regulation</i> <i>School Transportation Regulation</i>
SUBJECT	2023-2024 REVISED TRANSPORTATION FEES

PURPOSE

For approval. Recommendation required.

RECOMMENDATION

That the Board of Trustees approves the 2023-2024 Revised Transportation Fees as presented at the Regular Meeting of May 30, 2023.

BACKGROUND

The Board of Trustees is responsible for reviewing and approving the annual fees and allowances. The attached report is in support of these responsibilities.

REPORT SUMMARY

The 2023-2024 Revised Transportation Fees are being presented for approval. Fee increases are required to operate the regional transportation system on a break-even basis. The fee increases are being proposed to offset Transportation's anticipated increases in contractor rates due to inflation along with accommodating the recently announced changes in the student eligibility distances.

With the changes to the eligibility distances (1 KM for K-6 students & 2 KMS for 7-12 students) ridership is expected to increase. In order to help accommodate the increased ridership demands we are adding ten (10) new routes to the system.

The transportation fees proposed in the fee schedule 522A are from scenario 2 attachment B as recommended by administration. The largest increase is for eligible riders, at \$130 or 86%, as the majority of riders now become eligible for Government of Alberta (GOA) funding and as such we cannot charge the previous fee amounts. All other transportation fees remain the same (alternate seat, ineligible) or decrease due to riders becoming eligible for some funding under the new changes.

The fee increases are anticipated to generate \$1,045,851 in revenue. This revenue is required to offset increases in operating costs and the difference in GOA funding to enable transportation to maintain its service levels.

Administration would be pleased to respond to any questions.

SM:rg

Schedule 522A: REVISED FEE ALLOWANCES FOR 2023-2024

	2023-2024	2023-2024 REVISED FEES
1.0 TRANSPORTATION FEES FOR		
Ineligible Urban students attending their designated school who reside less than 1 km (grades K-6) & 2 kms (grades 7-12) away		
1.1	Kindergarten (<i>full-day/half-time</i>) *	\$287
1.2	Grades 1 to 12 and Full Time Kindergarten	\$575
1.3	Maximum Rate Per Family	\$1,438
Ineligible Rural students attending their designated school who reside less than 1 km (grades K-6) & 2 kms (grades 7-12) away km away		
1.4	Kindergarten (<i>full-day/half-time</i>) *	\$287
1.5	Grades 1 to 12 and Full Time Kindergarten	\$575
1.6	Maximum Rate Per Family	\$1,438
Students attending a school other than their designated school		
1.7	Kindergarten (<i>full-day/half-time</i>) *	\$347
1.8	Grades 1 to 12 and Full Time Kindergarten	\$695
1.9	Maximum Rate Per Family	\$1,738
Eligible students attending their designated school who reside more than 1 km (grades K-6) & 2 kms (grades 7-12) away		
1.10	Kindergarten (<i>full-day/half-time</i>) *	\$35
1.11	Grades 1 to 12 and Full Time Kindergarten	\$70
1.12	Maximum Rate Per Family	\$175
Students attending a private school		
1.13	Private School Grades Kindergarten (<i>full-day/half-time, over 1 Km</i>) *	\$550
1.14	Private School Grades 1 to 12 and full-time kindergarten	\$1,100
Students requiring an additional drop off/pickup location		
1.15	Alternate Seat Fee Kindergarten (<i>full-day/half-time</i>) *	\$287
1.16	Alternate Seat Fee Grades 1-12 and full-time kindergarten	\$575
1.17	Alternate Seat Fee (<i>max. per family</i>)	\$1,438
Other Transportation fees		
1.18	Administrative Fee (Replacement bus pass, NSF payments, Cancellation before School Starts)	\$20
1.19	Change Fee (Major Route Change)	\$50

Revenues Generated from fees under each scenario	Scenario 1 No Increases, status Quo	Scenario 2 Increase Eligible rider fee to address increased ridership
Ineligible Riders are expected to be low due to eligibility distance changes	\$51,750	\$57,500
Eligible Rider numbers are going to increase significantly due to the eligibility distance changes	501,620	931,580
Alternate Seats	36,796	36,796
School of Choice	0	0
Private Schools	0	19,975
Total Incremental Fee Revenues	\$590,166	\$1,045,851

Additional cost increases to be factored related to fees:

Fees required to balance	1,046,575	1,046,575
Net Increase in Expenses	\$1,046,575	\$1,046,575
Surplus / (Deficit)	-\$456,409	-\$724

Assumptions:

- 1) Grant funding for 2023-2024 year is currently coming in lower than advised by GOA.
- 2) Transportation is required to stay within it's budget envelope
- 3) Ridership numbers are based on the current years projections along with an assumed increase due to eligibility distance changes.
- 4) Loss of fee revenue from ineligible, private & cross attendance students that now become eligible riders
- 5) PSD will not be able to meet the increased capacity due to more eligible riders, therefore more alternate seats and school of choice riders will be denied busing
- 6) PSD walk limits will be changed to match the eligibility criteria so more requests can be approved for students living further from school can be accommodated

Pro & Cons

	Pros	Cons
Scenario 1	No change in fees	*Routes will need to be eliminated increasing ride times *Charges private and school of choice riders significantly higher costs than the cost of the ride * Treats funded riders differently but not mandated riders *Insufficient capacity to meet the expected mandatory ridership numbers for 24-25
Scenario 2	* Service levels increase to take into account increased student ridership * Decrease fees for school of choice and private school riders * Treats funded PSD riders the same	*Eligible riders (the largest group of riders) would have a 86% increase in rate. *Collection of Eligible rider fees is more difficult as service can't be refused due to non-payment, therefore uncollected fees may increase. *Longer ride times may be incurred due to the increase ridership and increase utilization capacity on buses.

Scenario 1

No Increase to fees, fees stay at the 2023-2024 level approved in March 2023 (status Quo).

		Estimated Decrease in	Current Rate	Proposed Rate	Increase in \$	% Increase	Estimated Collection Rate	Revenues
Ineligible Riders <2.4KM	22/23 Riders	Riders						
Urban ECS	20	0%	\$288	\$288	\$0	0%	100%	\$0
Rural ECS	0	0%	\$288	\$288	\$0	0%	100%	\$0
Urban Gr 1-12	90	0%	\$575	\$575	\$0	0%	100%	\$51,750
Rural Gr 1-12	0	0%	\$575	\$575	\$0	0%	100%	\$0
								\$51,750
Eligible Riders								
ECS	360	0%	\$35	\$35	\$0.0	0%	100%	\$12,600
Gr 1-12	6986	0%	\$70	\$70	\$0	0%	100%	\$489,020
								\$501,620
Alternate Seats								
ECS	8	0%	\$287	\$287	\$0	0%	100%	\$2,296
Gr 1-12	60	0%	\$575	\$575	\$0	0%	100%	\$34,500
								\$36,796
Cross Attendance Riders								
ECS	0	0%	\$347	\$347	\$0	0%	100%	\$0
Gr 1-12	0	0%	\$695	\$695	\$0	0%	100%	\$0
								\$0
Private Schools								
Gr 1-12	47	0%	\$1,100	\$1,100	\$0	0%	100%	\$0
	7,571							
							Total Increase in Revenues	\$590,166

Scenario 2

Increase Eligible rider fee to address increased ridership

Ineligible Riders * <2KM (Gr 7-12),1KM (K-6)	Estimated Decrease in		Current Rate	Proposed Rate	Increase in \$	% Increase	Estimated Collection Rate	Increase in Revenues	
	22/23 Riders	Riders							
Urban ECS	20	0%	\$288	\$288	\$0	0%	100%	\$5,750	
Rural ECS	0	0%	\$288	\$288	\$0	0%	100%	\$0	
Urban Gr 1-12	90	0%	\$575	\$575	\$0	0%	100%	\$51,750	
Rural Gr 1-12	0	0%	\$575	\$575	\$0	0%	100%	\$0	
								\$57,500	
Eligible Riders**									
ECS	360	0%	\$35	\$65	\$30.0	86%	100%	\$23,400	
Gr 1-12	6986	0%	\$70	\$130	\$60	86%	100%	\$908,180	
								\$931,580	
Alternate Seats, 2 seats***									
ECS	8	0%	\$287	\$287	\$0	0%	100%	\$2,296	
Gr 1-12	60	0%	\$575	\$575	\$0	0%	100%	\$34,500	
								\$36,796	
School of choice ****									
ECS	0	0%	\$347	\$65	-\$282	-81%	100%	\$0	
Gr 1-12	0	0%	\$695	\$130	-\$565	-81%	100%	\$0	
								\$0	
Private Schools									
Gr 1-12	47	0%	\$1,100	\$425	-\$675	-61%	100%	\$19,975	
7,571 match to actual cost page								Total Increase in Revenues	\$1,045,851

Notes

*These students are alternate locations, below the new distance criteria and awarded a space only on an exception basis.

** Eligible riders under the new distance criteria become mandatory for transport on September 1, 2024. PSD is not expected to be able to offer every eligible rider under the new criteria a seat on September 1, 2023

*** Students requiring two seats, one each on a different bus route. Students in this category pay both the eligible & alternate seat fee. Currently, there are 213 students currently riding in 2022-2023

****Eligible for transportation funding, but PSD is not mandated to transport