

TRANSPORTATION SERVICES 2021 TO 2022 BUDGET

PRESENTATION TO
COMMITTEE OF THE WHOLE

Paul Jankowski, Commissioner
March 4, 2021
12521600



TRANSPORTATION SERVICES 2020 IN REVIEW



THE BUDGET SUPPORTS THE 2019 TO 2023 STRATEGIC PLAN



ECONOMIC VITALITY

PRIORITY:

Increase economic prosperity

OBJECTIVES:

1. Fostering an environment that attracts businesses, grows employment opportunities and attracts people
2. Increasing access to efficient transportation options



HEALTHY COMMUNITIES

PRIORITY:

Support community health, safety and well-being

OBJECTIVES:

1. Supporting safe communities
2. Delivering and promoting affordable housing
3. Improving access to health and social support services



SUSTAINABLE ENVIRONMENT

PRIORITY:

Build sustainable communities and protect the environment

OBJECTIVES:

1. Delivering and promoting environmentally sustainable services
2. Encouraging growth in the Region's centres, corridors and built-up urban areas
3. Enhancing and preserving green space



GOOD GOVERNMENT

PRIORITY:

Deliver trusted and efficient services

OBJECTIVES:

1. Ensuring reliable, responsive, effective, efficient and fiscally responsible service delivery
2. Managing the Region's assets for current and future generations
3. Maintaining public confidence in Regional Government

BUDGET HIGHLIGHTS



ECONOMIC
VITALITY

PRIORITY: INCREASE ECONOMIC PROSPERITY

We will continue to focus on:

- Working with the Province to advance Yonge North Subway Extension
- Maintaining the road transportation network
- Delivering the approved 10-year capital program



BUDGET HIGHLIGHTS



GOOD
GOVERNMENT

PRIORITY: DELIVER TRUSTED AND EFFICIENT SERVICES

- Keeping buses and transit safe
- Reducing operating costs to reflect lower transit fare revenue
- Ensuring essential workers get where they need to
- Meeting transportation needs of today and the future



BUDGET HIGHLIGHTS



ECONOMIC
VITALITY

PRIORITY: SUSTAINABLE ENVIRONMENT

- Purchasing electric buses
- Reducing GHG emissions
- Providing walking and cycling options



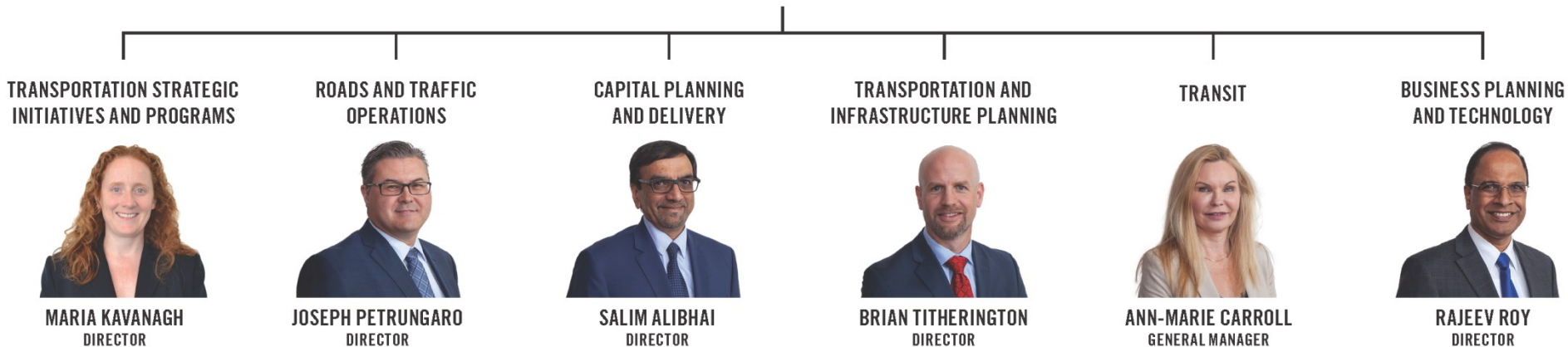
TRANSPORTATION SERVICES DEPARTMENT



GRACE WEENING
ADMINISTRATIVE ASSISTANT



PAUL JANKOWSKI
COMMISSIONER

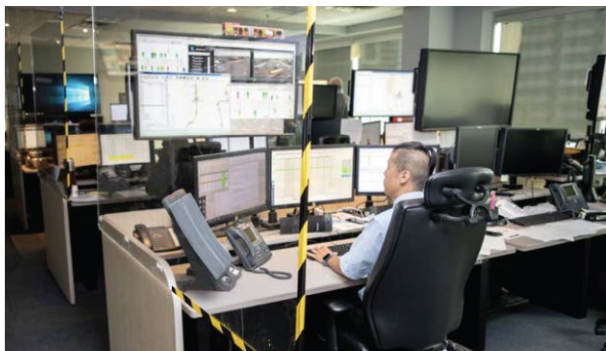


DRIVERS IMPACTING TRANSPORTATION SERVICES

Traveller Behaviour and Perception



Population and Employment Impacts







Economic Pressures / Fiscal Stability







INTEGRATED TRANSPORTATION NETWORK IN YORK REGION





Provincial Road Network

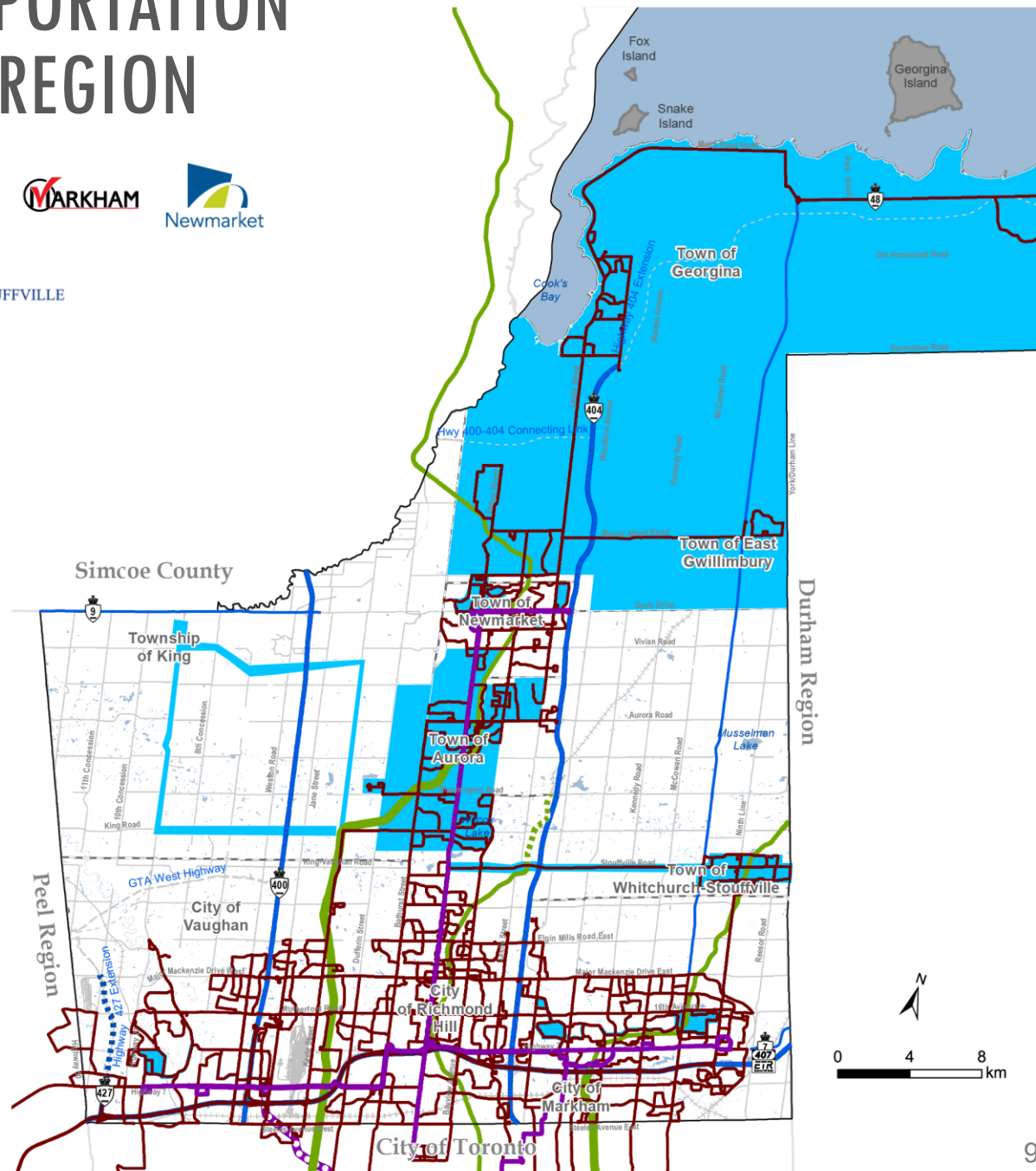
-  400 Series Highway
-  Highway
-  Highway Under Construction
-  Future Highway

York Region Transit Network

-  TTC Line 1 (Spadina Subway)
-  Bus Rapid Transit (BRT)
-  Conventional Transit Route (2019)
-  Mobility On-Request (2019)

GO Rail Service

-  Two-way All-Day Service
-  Peak Period Service



INTEGRATED TRANSPORTATION NETWORK IN YORK REGION



Provincial Road Network

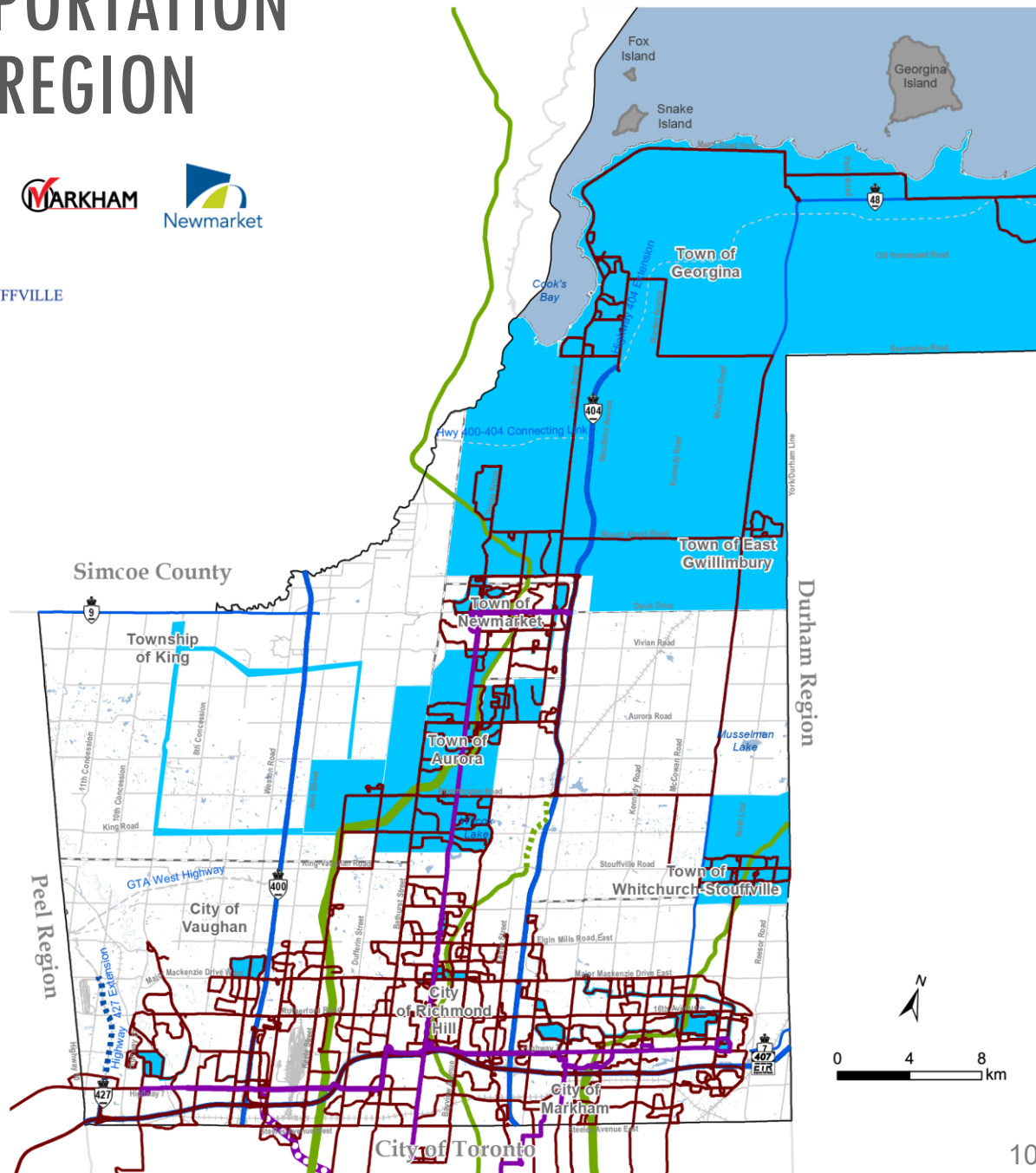
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York Region Transit Network

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GO Rail Service

- Two-way All-Day Service
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OPERATING BUDGET

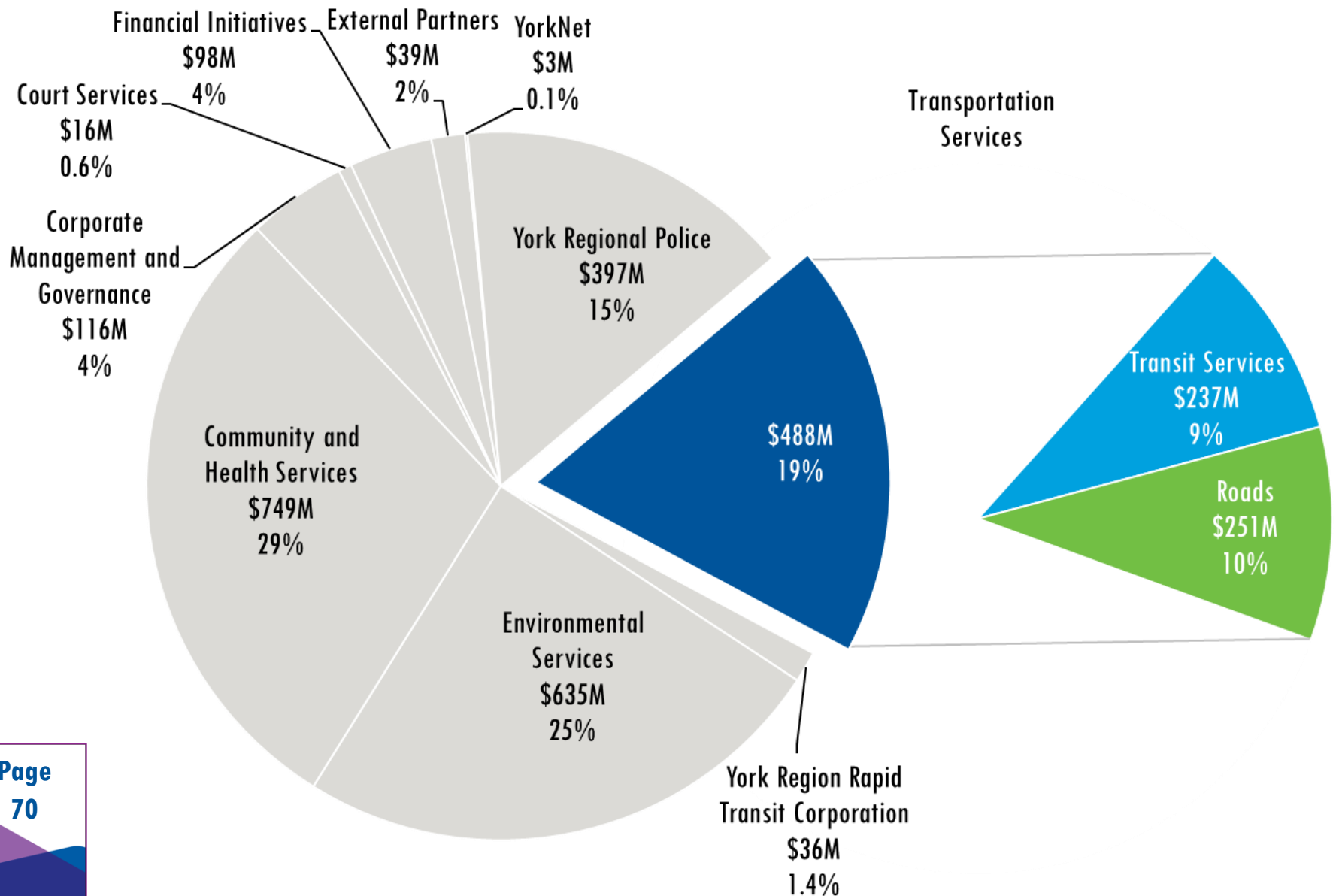
2021 OPERATING BUDGET

- Continue to provide residents, businesses and essential workers with integrated transit options
- Minimizing transit operating costs
- Operating the road network to meet traveller demands

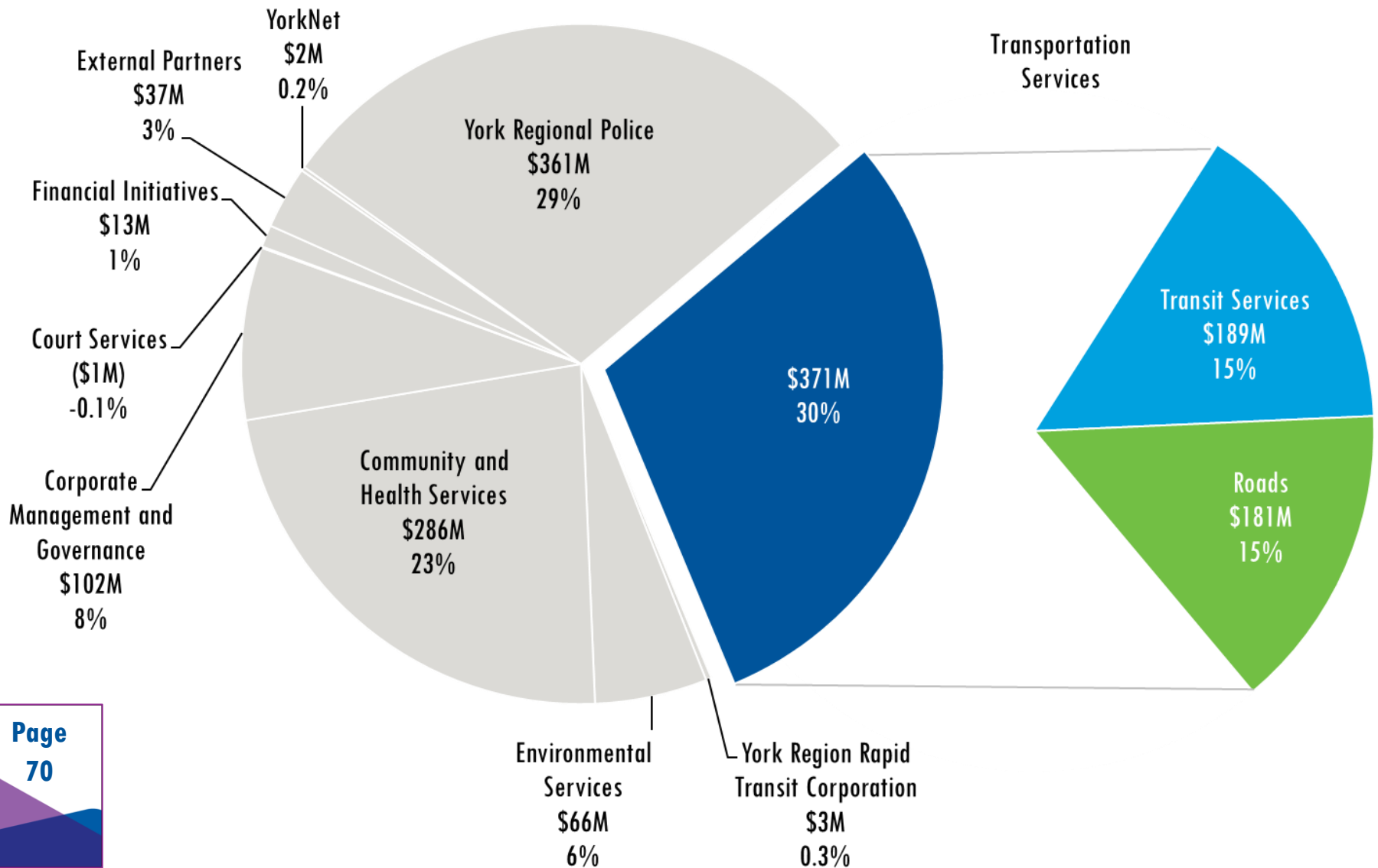
On-going financial assistance needed to offset transit revenue loss



2021 DEPARTMENTAL SHARE OF GROSS EXPENDITURES



2021 DEPARTMENTAL SHARE OF NET TAX LEVY

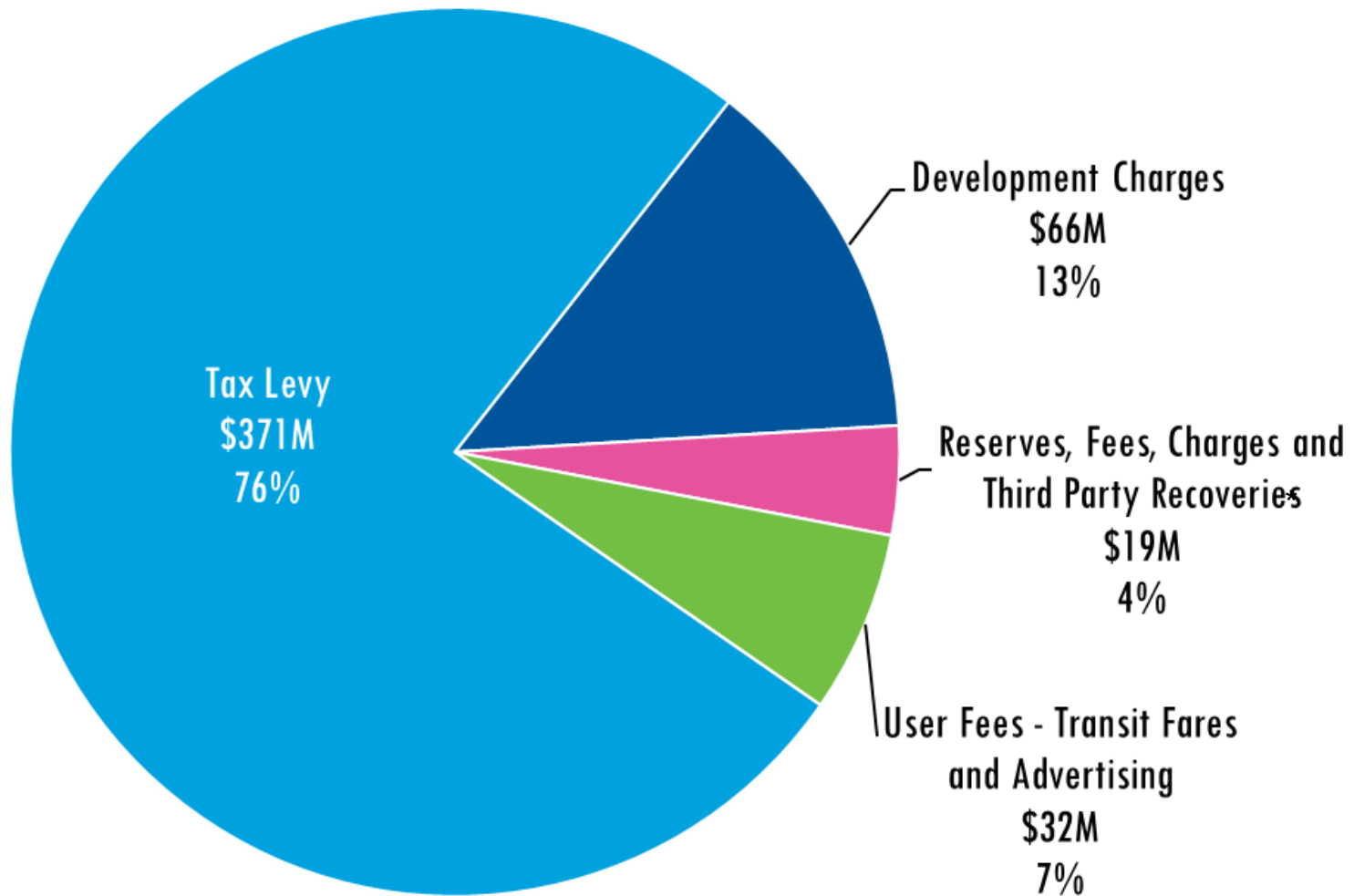


FOUR-YEAR OPERATING BUDGET OVERVIEW

	APPROVED		PROPOSED	OUTLOOK
	2019	2020	2021	2022
Gross Expenditures (\$M):				
Transit Services	246.4	253.3	237.2	251.8
Roads	214.3	227.9	250.9	271.4
	460.7	481.2	488.1	523.2
Non-Tax Revenues (\$M)	(137.2)	(149.1)	(117.6)	(134.7)
Net Expenditures (\$M)	323.5	332.1	370.6	388.5
Increase/(Decrease) - Year over Year			11.6%	4.8%
2020 Outlook (\$M)			348.6	367.9
Increase / (Decrease) - Year Over Year Outlook			16.6	19.3
2020 Outlook			5.0%	5.5%
- New			5.0	13.5
FTEs - Total	509.7	530.2	535.2	548.7
2020 Outlook (new FTEs)			15.5	6.0

MAJORITY OF 2021 EXPENDITURE IS FUNDED BY TAX LEVY

Transportation Services' gross spending of \$488M in 2021 is funded through tax and non-tax revenues



2021-2022 INCREMENTAL ANNUAL BUDGET CHANGES

\$M		PROPOSED 2021	OUTLOOK 2022
Opening Budget (Net)		332.1	370.6
Status Quo		2.1	7.1
Revenues		(1.0)	(2.1)
Efficiencies, Reductions & Other Adjustments		(2.6)	-
Fiscal Strategy		7.7	12.0
Maintaining Service Levels for Growth		3.4	5.7
Impacts of COVID-19		29.0	(4.8)
Proposed Budget (Net)		370.6	388.5
Total Budget Change	\$	38.5	18.0
	%	11.59%	4.85%
Restated Outlook		348.6	367.9
Increase / (Decrease) from Outlook		6.3%	5.6%

2021 INCREMENTAL BUDGET CHANGE HIGHLIGHTS

Status quo \$2.1M ↑

- Contractor costs
- PRESTO commissions
- Offset by savings

Maintaining service levels for growth \$3.4M ↑

- Roads – new rapidways, additional lane kilometres, automated speed enforcement
- Transit – new terminals, rapidway stations

2021 INCREMENTAL BUDGET CHANGE HIGHLIGHTS

Impacts of COVID-19 \$29.0M ↑

- Transit fare revenue loss
- Bus advertising revenue loss
- Additional cleaning on buses and at transit facilities
- Offset by transit service reductions

SAVINGS INITIATIVES — 2020-2022

Category 1: Efficiencies

\$1.4M in 2021
\$4.2M over 2020-2022

- Permanent budget rationalization to better reflect expected spending

Category 2: Service Level Adjustment

\$22.7M in 2021
\$48.5M over 2020-2022

- COVID related adjustments
- Adjust Transit service on low performing routes; 43 in 2021
- Permanent budget rationalization
- Planned 2021 Transit service adjustments included in 2020 budget implemented in 2020

Category 3: Risk Tolerance and Other

\$7.1M in 2021
\$15.2M over 2020-2022

- Common expenditures savings and salary gapping targets

CAPITAL BUDGET

2021 CAPITAL BUDGET

- Maintains consistency
- Delivers key roads projects
- Accelerates fleet electrification
- Right-sizes transit fleet expectations
- Continues a sustainable approach to asset management

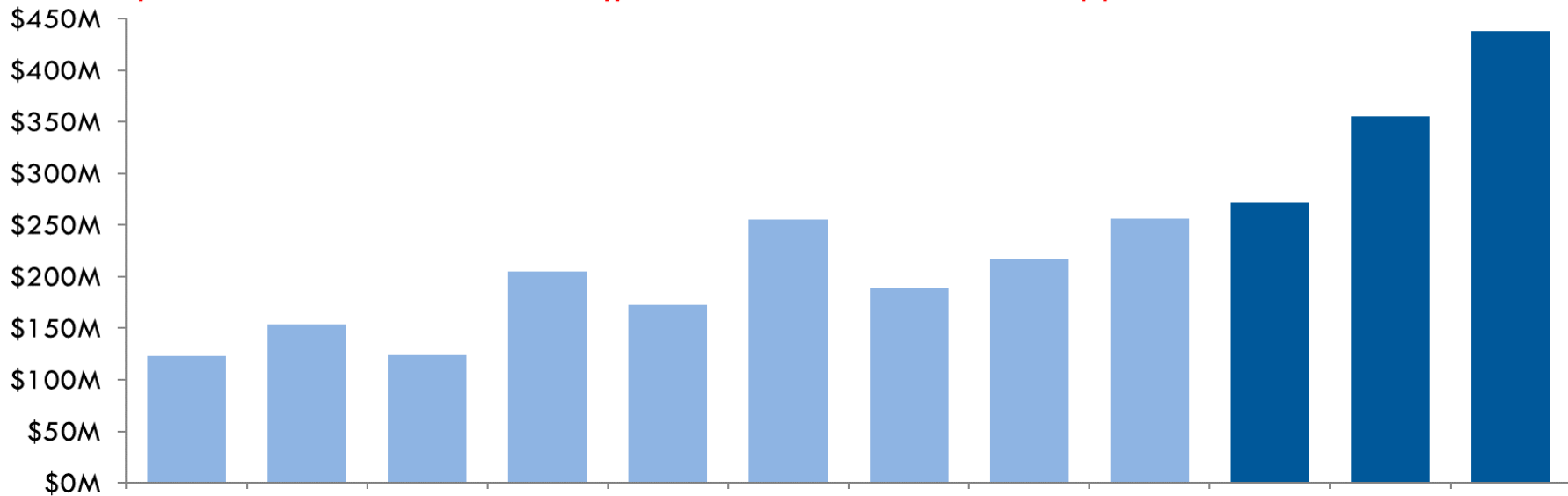
*Funding for Yonge North
Subway Extension is not
included*

TRANSPORTATION CAPITAL INVESTMENT

\$606 Million

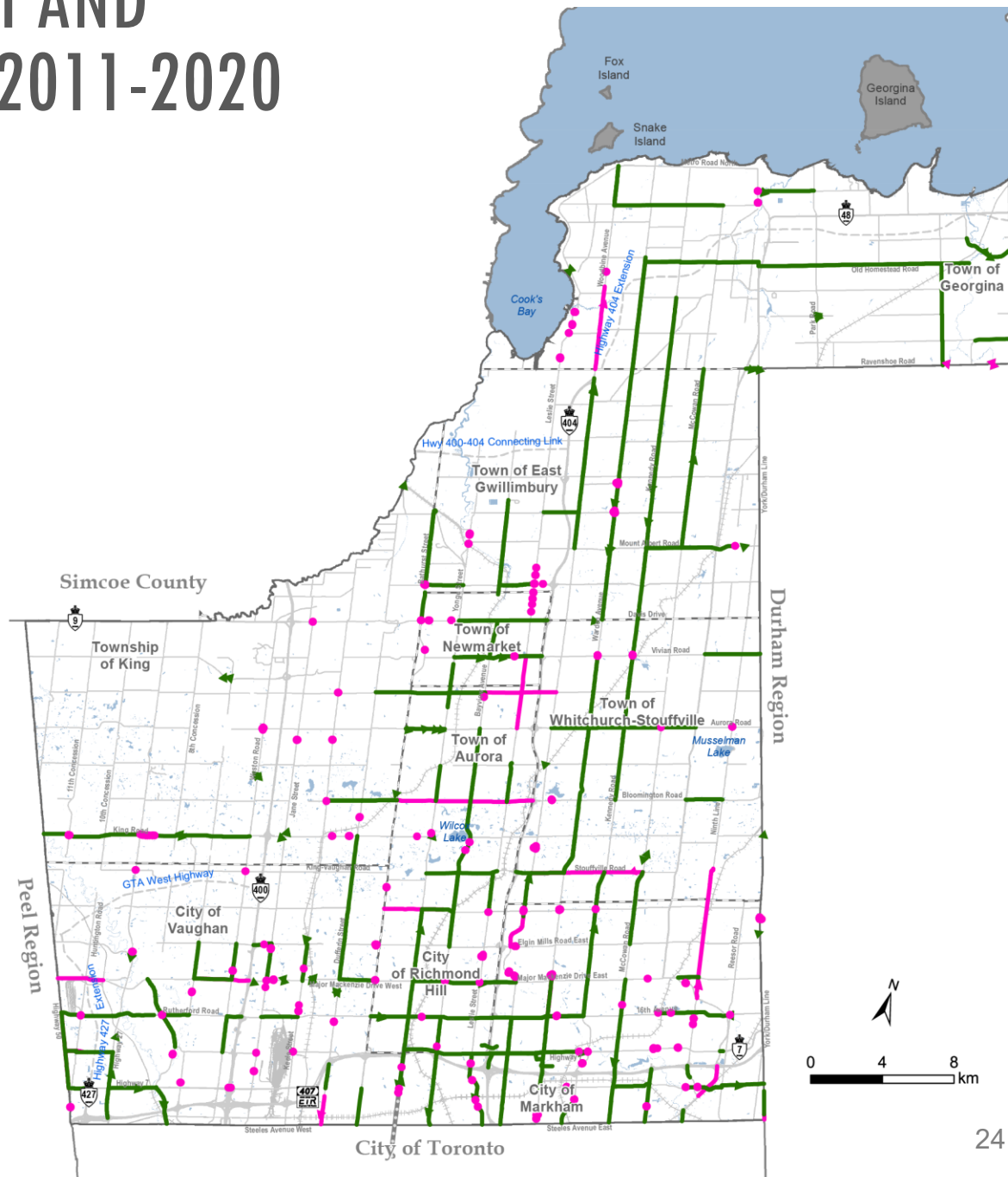
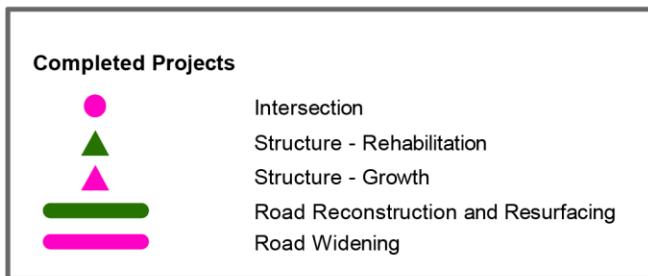
\$834 Million

\$1.3 Billion

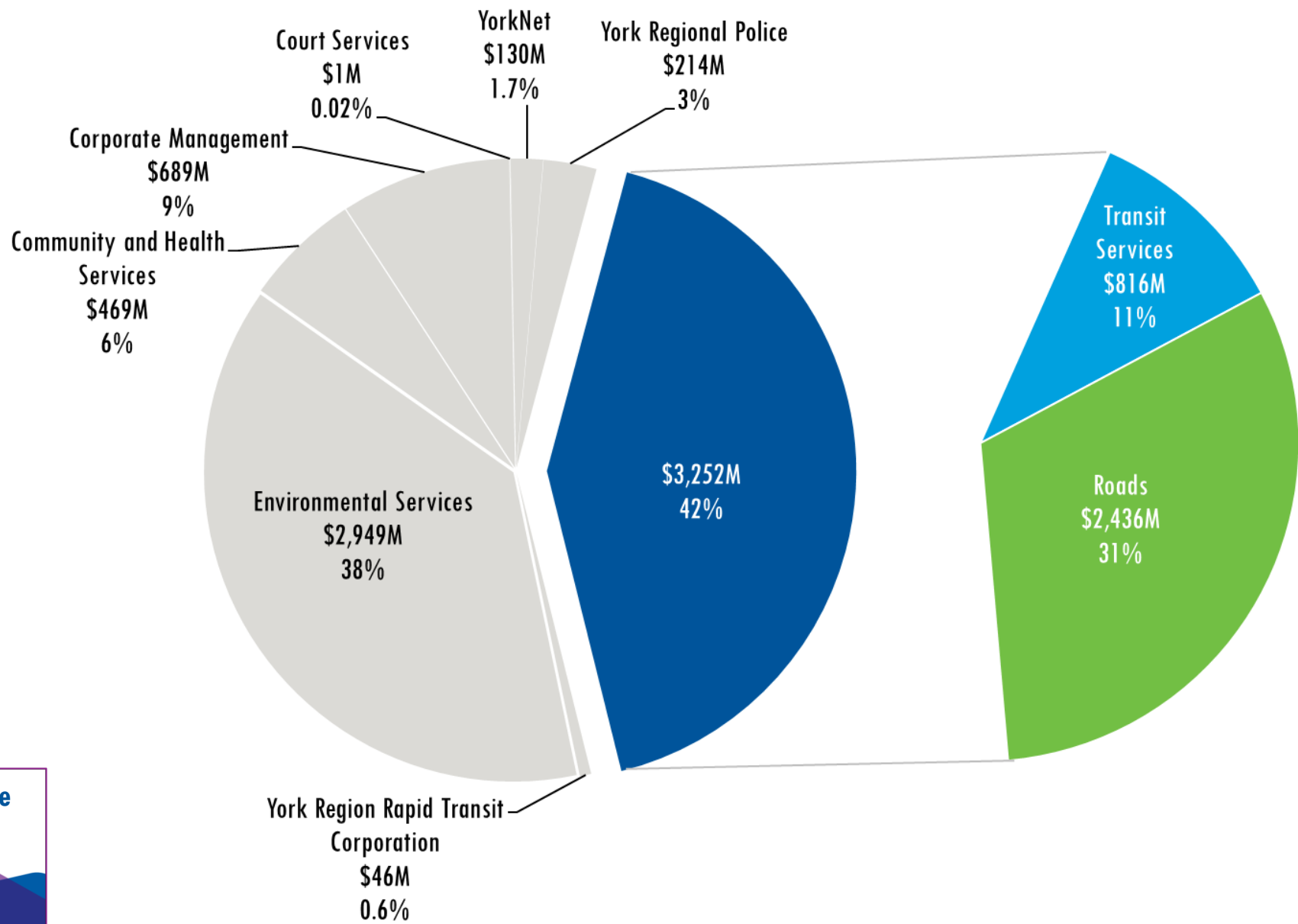


	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Forecast	2021 Budget	2022 Budget
Actual/Budget	\$123M	\$154M	\$124M	\$205M	\$173M	\$256M	\$188M	\$217M	\$256M	\$404M	\$355M	\$438M
Forecast										\$272M		

COMPLETED GROWTH AND RENEWAL PROJECTS 2011-2020



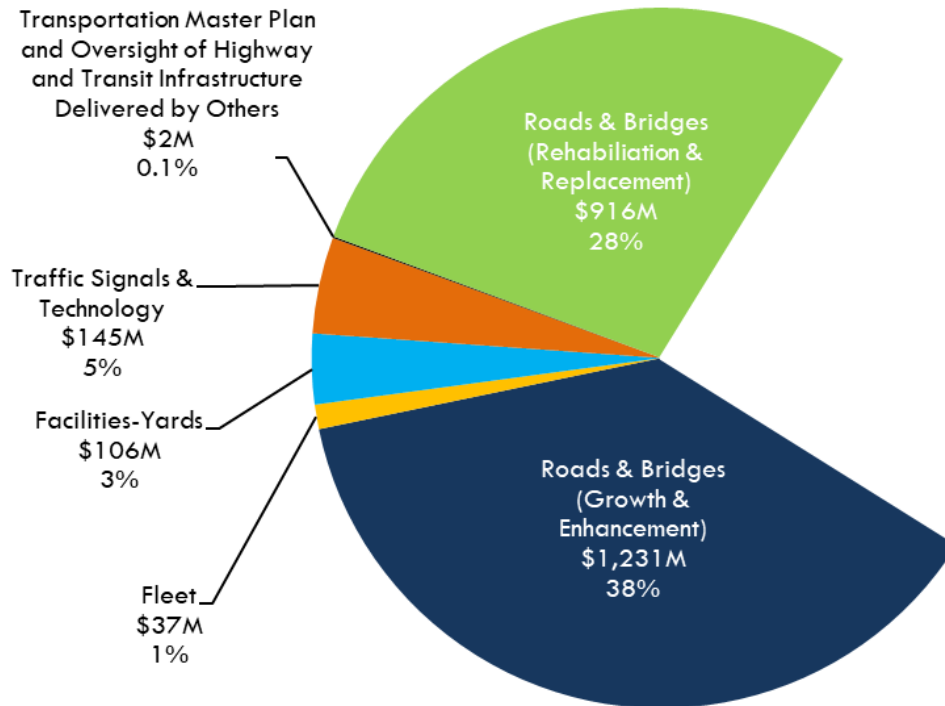
10-YEAR CAPITAL IS 42% OF THE REGION'S CAPITAL INVESTMENT



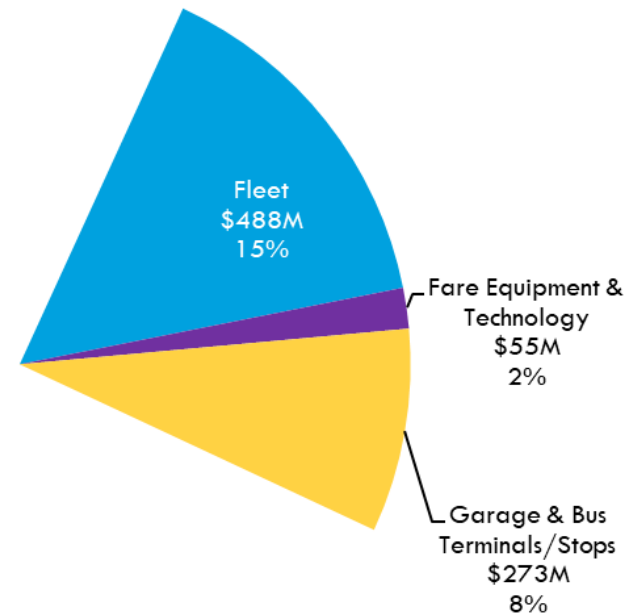
2021 PROPOSED 10-YEAR CAPITAL PROGRAM

Total Transportation - \$3,252M

Total Roads - \$2,436M



Total Transit - \$816M



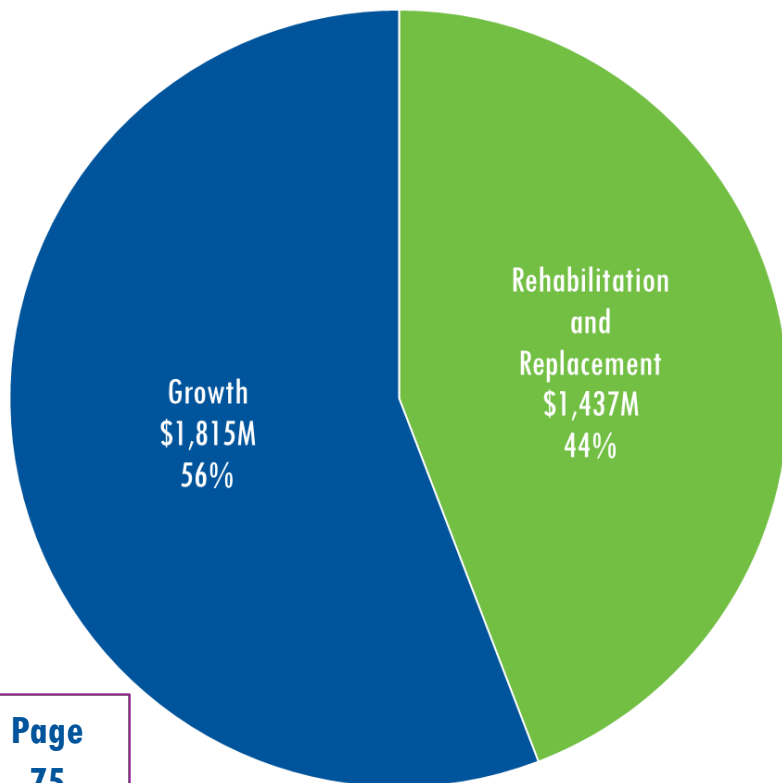
2021 PROPOSED 10-YEAR CAPITAL PROGRAM

- 3,130 lane-km and 55 structures rehabilitated
- 145 new lane-km, 3 new grade separations and 3 new mid-block crossings
- 135 intersection improvements
- 546 bus replacement and growth
- 347 bus rehabilitation and refresh
- 5 facilities projects

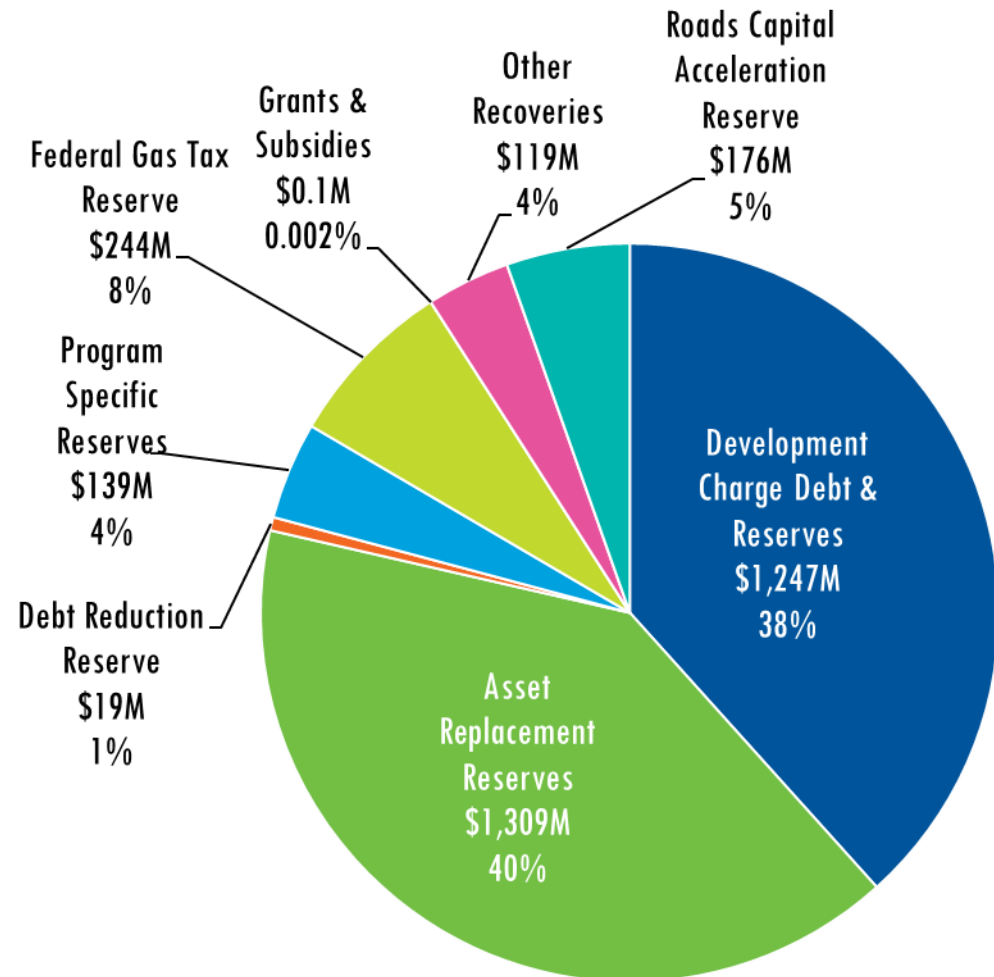


CAPITAL EXPENDITURES AND FUNDING

Gross Expenditures
\$3,252M



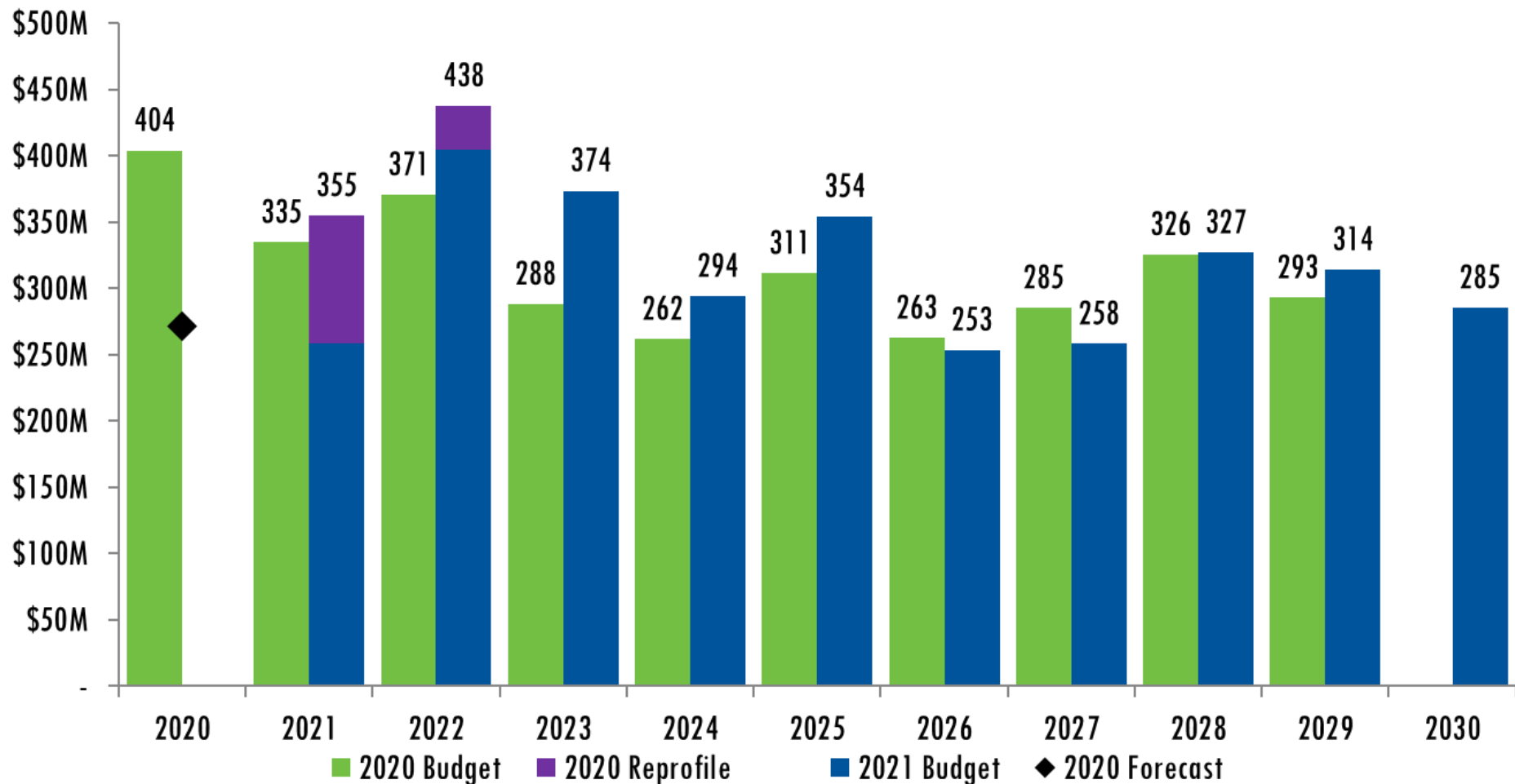
Funding Sources
\$3,252M



2021 PROPOSED 10-YEAR CAPITAL COMPARED TO 2020 PLAN

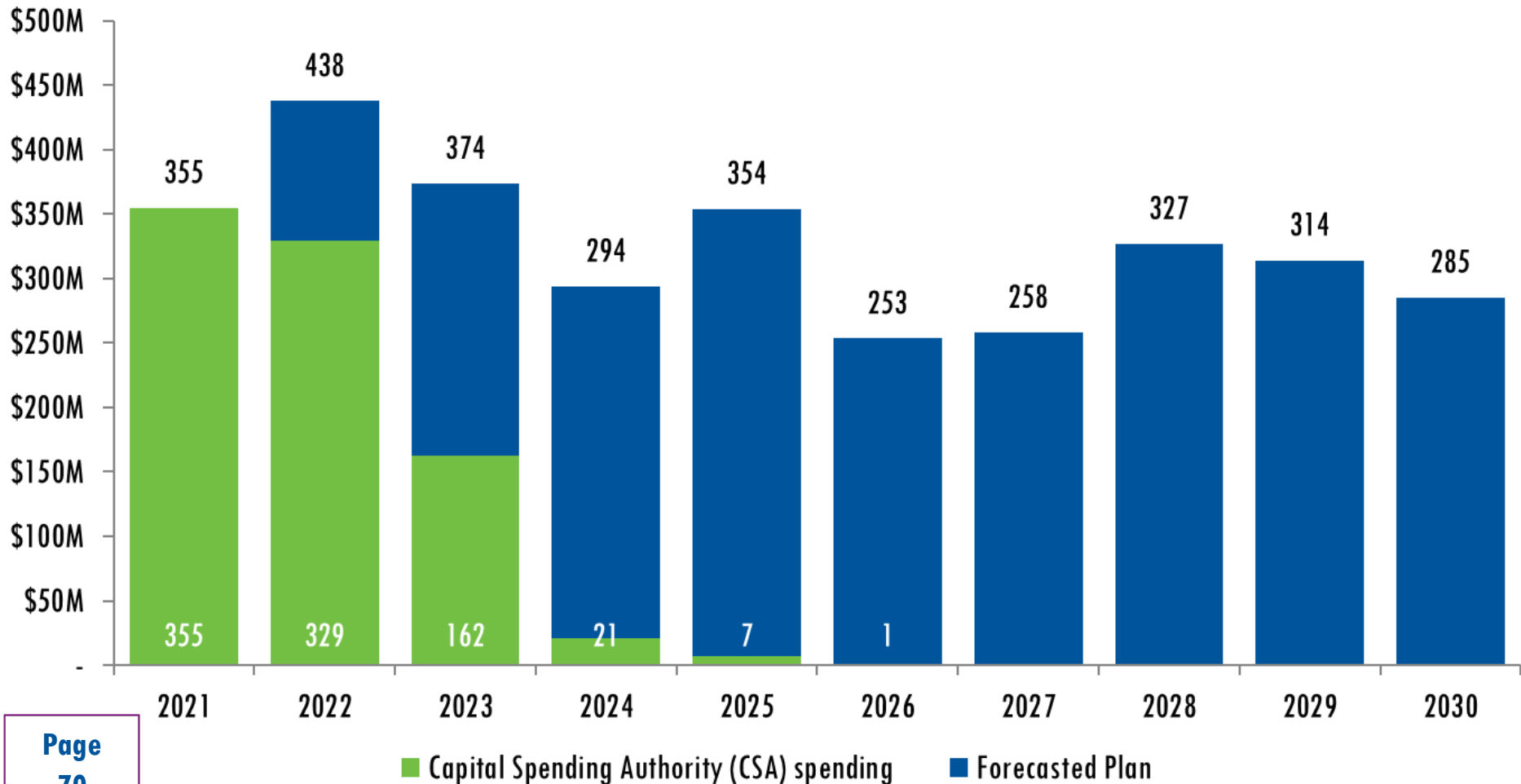
Transportation Services' 2021 10-year capital program is \$3,252M:

- \$116M more than the 2020 10-year capital program
- Integrates \$251M Roads Capital Acceleration program approved by Council in 2020



2021 PROPOSED CAPITAL SPENDING AUTHORITY (CSA)

Capital Spending Authority \$875M
10-Year Capital Expenditures \$3,252M



2021 PROPOSED 10-YEAR MAJOR CAPITAL INVESTMENTS

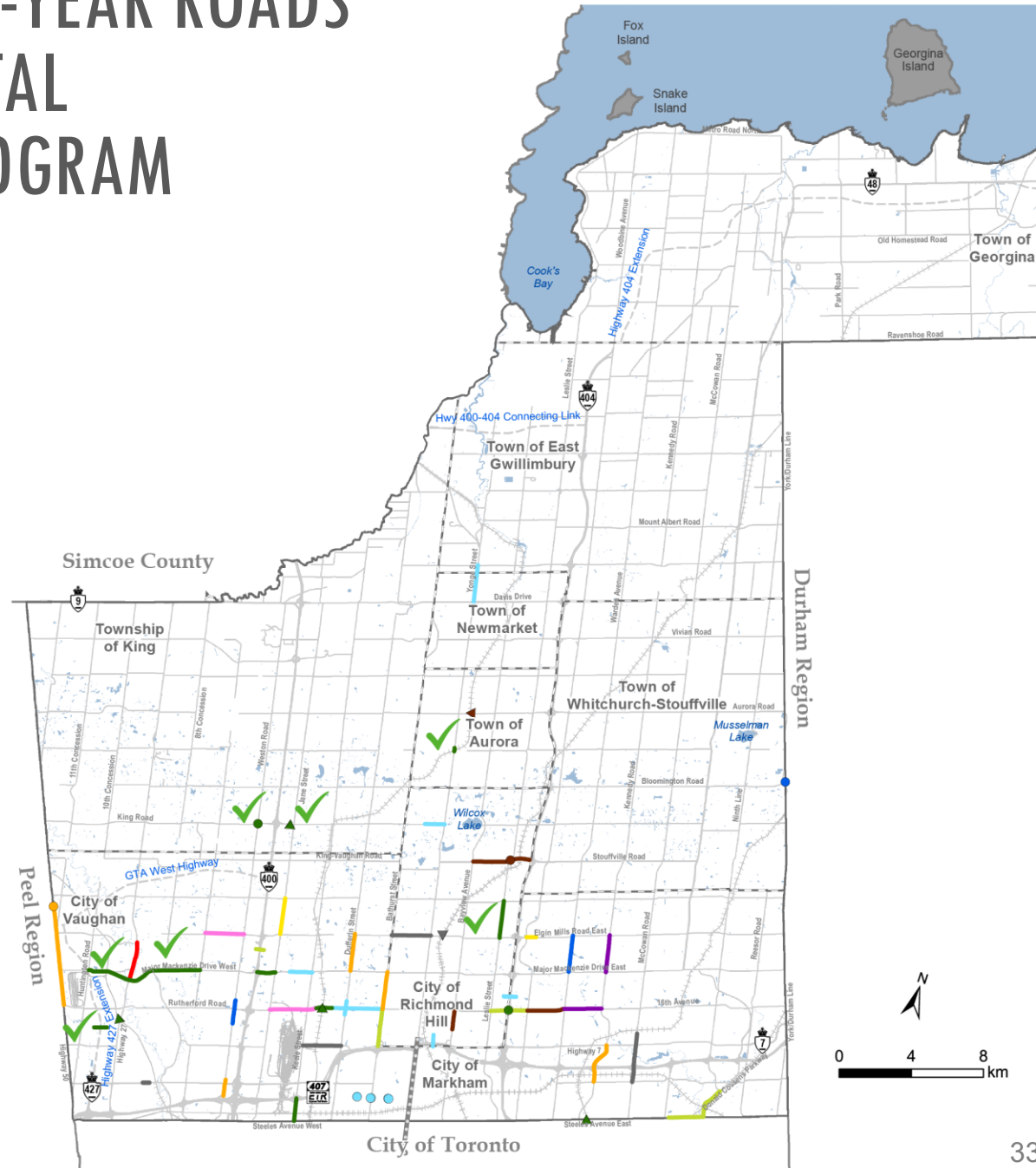
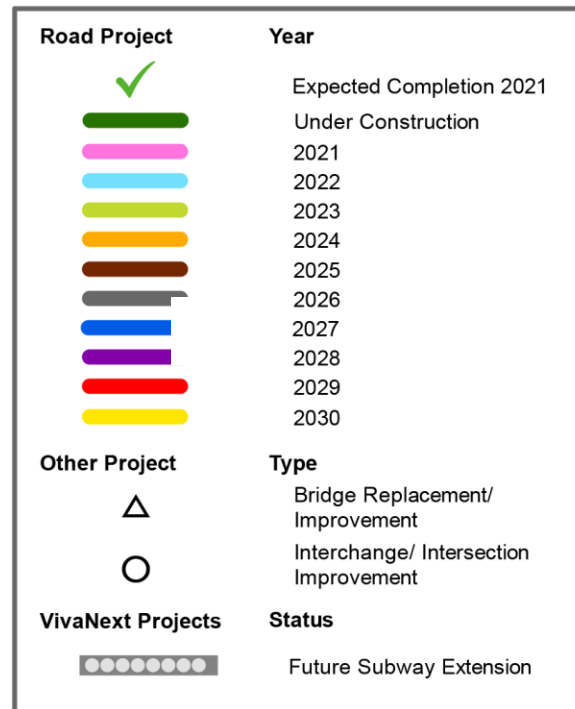
Project Description	Timeframe	Budget (\$M)
ROADS Growth (\$1,480M)		
Road Expansions (\$969M)		
16 th Avenue: Yonge Street to Kennedy Road	2021-2030	141
Rutherford Road: Jane Street to Westburne Drive and Peter Rupert Avenue to Bathurst Street	2021-2026	89
Bathurst Street: North of Highway 7 to Elgin Mills Road	2021-2030	70
Kennedy Road: Steeles Avenue to Major Mackenzie Drive	2021-2029	51
Stouffville Road: Yonge Street to Highway 404	2021-2030	47
New Road Links and Structures (\$157M)		
Mid Block Crossing: Highway 404 North of 16th Avenue	2021-2025	64
TRANSIT Growth (\$335M)		
Facilities (\$208M)		
Expansion of Transit Southwest Garage, Property in 2029	2022-2029	61
55 Orlando Garage Expansion (Interim measure for Southeast Garage)	2021-2022	61
Fleet (\$115M)		
Bus Expansion - 130 Buses	2022-2030	112

2021 PROPOSED 10-YEAR MAJOR CAPITAL INVESTMENTS (continued)

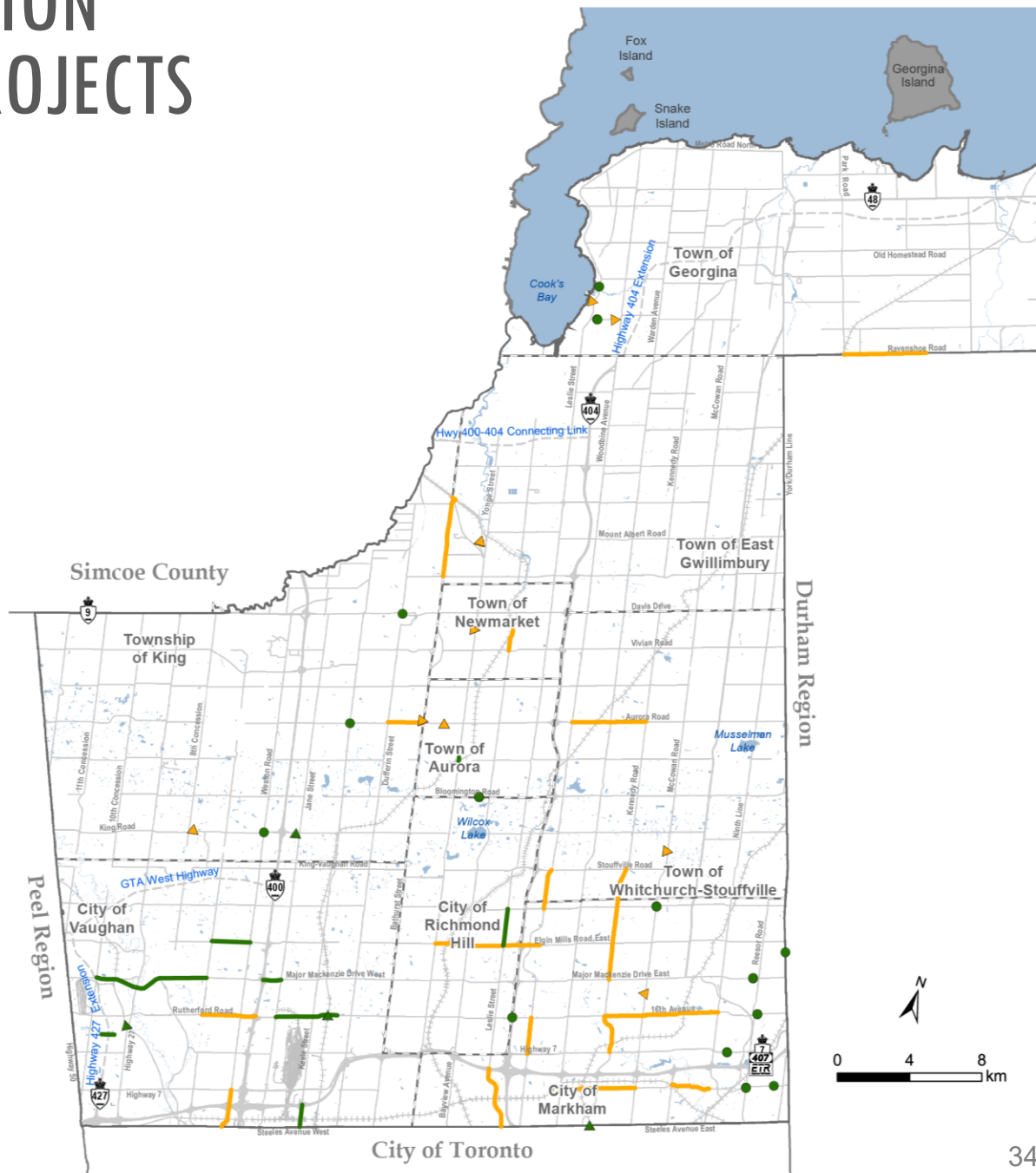
Project Description	Timeframe	Budget (\$M)
ROADS Rehabilitation and Replacement (\$956M)		
Pavement (\$797M)		
Roadway Preservation, Renewal and Replacement	2021-2030	742
Structures (\$62M)		
Structure Renewal and Replacement	2021-2030	52
TRANSIT Rehabilitation and Replacement (\$481M)		
Fleet (\$373M)		
Bus Replacement – 416 Buses	2021-2030	300
Bus Rehabilitation and Refresh – 347 Buses	2021-2030	73

2021 PROPOSED 10-YEAR ROADS AND TRANSIT CAPITAL CONSTRUCTION PROGRAM

MAP 1

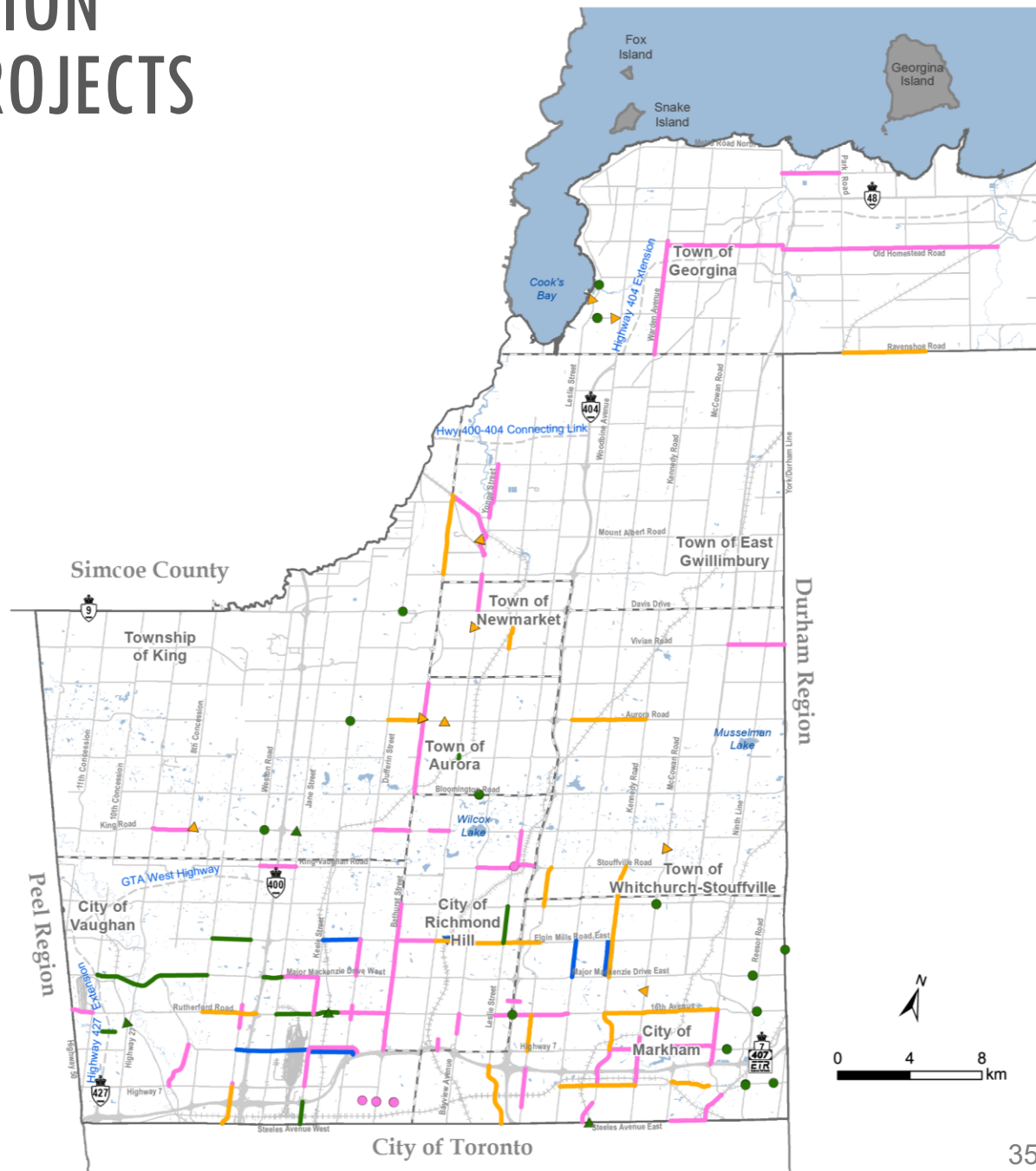
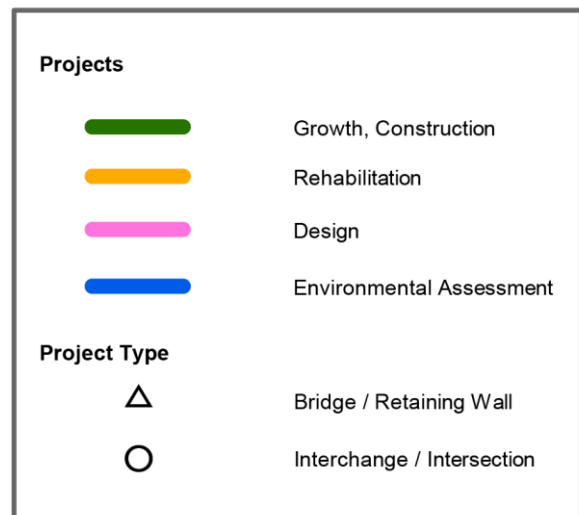


MAP 2



2021 TRANSPORTATION CAPITAL BUDGET PROJECTS

MAP 2



The background is a solid light blue color. Overlaid on this are several large, semi-transparent shapes in a slightly darker shade of blue. These shapes include a large circle on the left side, a large triangle pointing upwards in the center, and a large circle on the right side. The shapes overlap each other, creating a layered effect.

WRAP-UP

THE BUDGET SUPPORTS THE 2019 TO 2023 STRATEGIC PLAN



**ECONOMIC
VITALITY**

**PRIORITY:
INCREASE ECONOMIC
PROSPERITY**

Consistently
growing roads
and transit
options



**GOOD
GOVERNMENT**

**PRIORITY:
DELIVER TRUSTED AND
EFFICIENT SERVICES**

Serving drivers,
transit riders,
pedestrians and
cyclists, keeping
operating costs
low



**SUSTAINABLE
ENVIRONMENT**

**PRIORITY:
SUSTAINABLE
ENVIRONMENT**

Supporting the
Region's zero
emissions goal in
Vision 2051

MULTI-YEAR BUDGET OVERVIEW

OPERATING BUDGET

	APPROVED		PROPOSED	OUTLOOK
	2019	2020	2021	2022
Gross Expenditures (\$M)	460.7	481.2	488.1	523.2
Non-Tax Revenues (\$M)	(137.2)	(149.1)	(117.6)	(134.7)
Net Tax Levy (\$M)	323.5	332.1	370.6	388.5
FTEs - New			5.0	13.5
- Total	509.7	530.2	535.2	548.7

CAPITAL BUDGET

2021 Capital Expenditures (\$M)	355
Total Capital Spending Authority (\$M)	875
2021 10-Year Capital Expenditures (\$M)	3,252

BUDGET WRAP-UP

In 2020:

- Transit ridership dropped and is recovering slowly
- Daily traffic volumes have largely rebounded
- More people worked from home and the Region continued to grow

2021 Focus:

- Minimizing transit costs
- Optimizing road operations
- Building major road projects

On-going financial assistance needed to offset transit revenue loss

BUDGET RECOMMENDATIONS

1. Committee of the Whole recommends the budget as submitted for Transportation Services as follows:
 - a) The 2021 operating budget and the 2022 operating outlook, as summarized in Attachment 1.
 - b) The 2021 capital expenditures and the 2021 Capital Spending Authority, as summarized in Attachment 2.
2. The recommended budget be consolidated by the Commissioner of Finance and Regional Treasurer for consideration by Council on March 25, 2021.