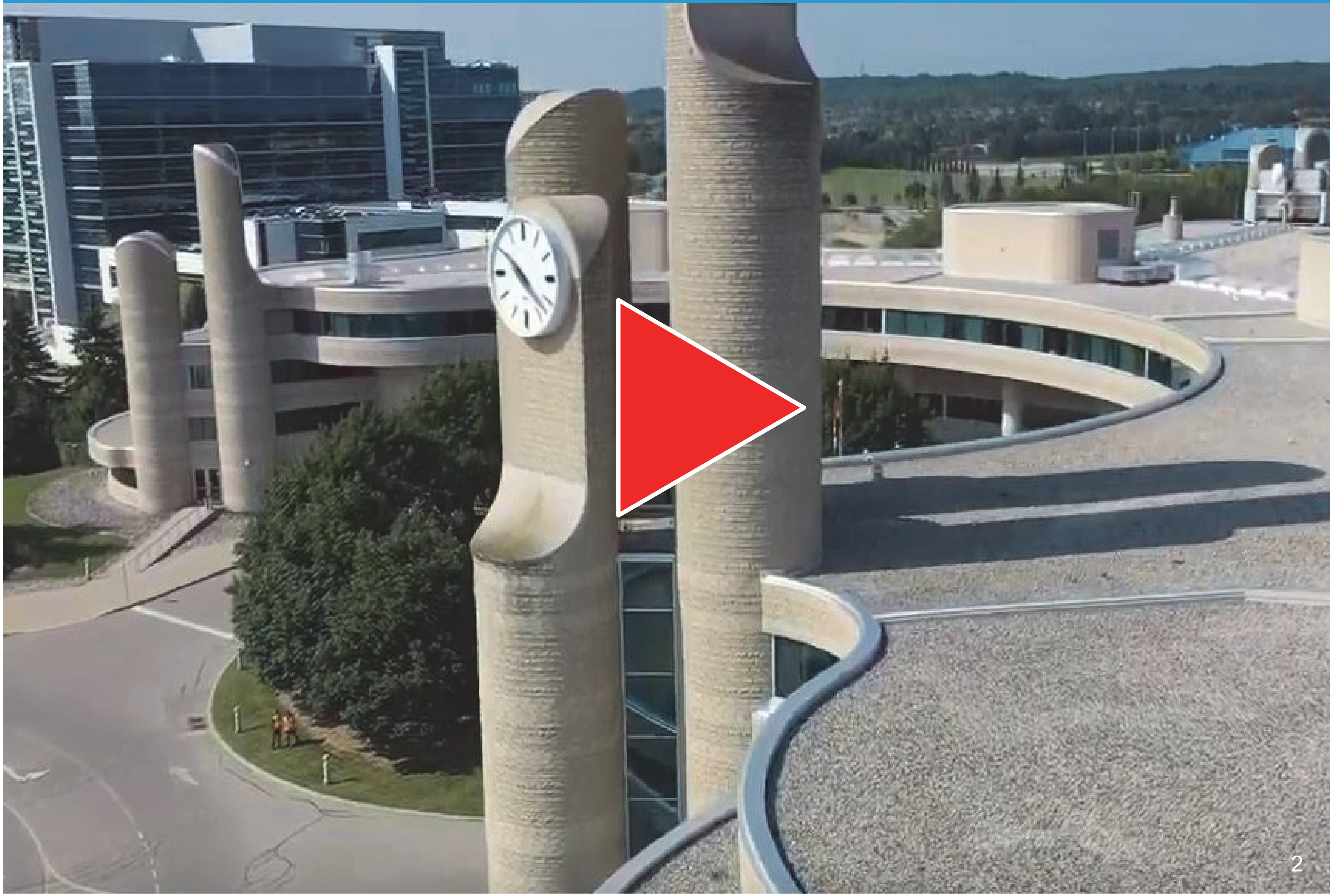
TRANSPORTATION SERVICES 2020 TO 2022 BUDGET

PRESENTATION TO
COMMITTEE OF THE WHOLE

Paul Jankowski, Commissioner
December 5, 2019

York Region

TRANSPORTATION SERVICES 2019 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

- Managing and maintaining the road transportation network for 600,000 daily travellers
- Matching transit services to meet the demands of 35,000 daily travellers
- Continuing to deliver on the approved 10-year capital program
- Accelerating 14 roads capital projects to address transportation needs in the busiest areas of the Region

BUDGET HIGHLIGHTS

GOOD GOVERNMENT

PRIORITY:
DELIVER TRUSTED AND EFFICIENT SERVICES

- Achieving financial and operational efficiencies through contracted services
- Enhancing customer service by providing a variety of communications tools travellers want and need
- Investing in transportation infrastructure to improve its reliability and longevity
- Proposing efficiencies and service level adjustments of $6.5M over the next three years

TRANSPORTATION SERVICES DEPARTMENT

GRACE WEENING
ADMINISTRATIVE ASSISTANT

PAUL JANKOWSKI
COMMISSIONER

TRANSPORTATION STRATEGIC INITIATIVES AND PROGRAMS

MARIA KAVANAGH
DIRECTOR

ROADS AND TRAFFIC OPERATIONS

JOSEPH PETRUNGARO
DIRECTOR

CAPITAL PLANNING AND DELIVERY

SALIM ALIBHAI
DIRECTOR

TRANSPORTATION AND INFRASTRUCTURE PLANNING

BRIAN TITHERINGTON
DIRECTOR

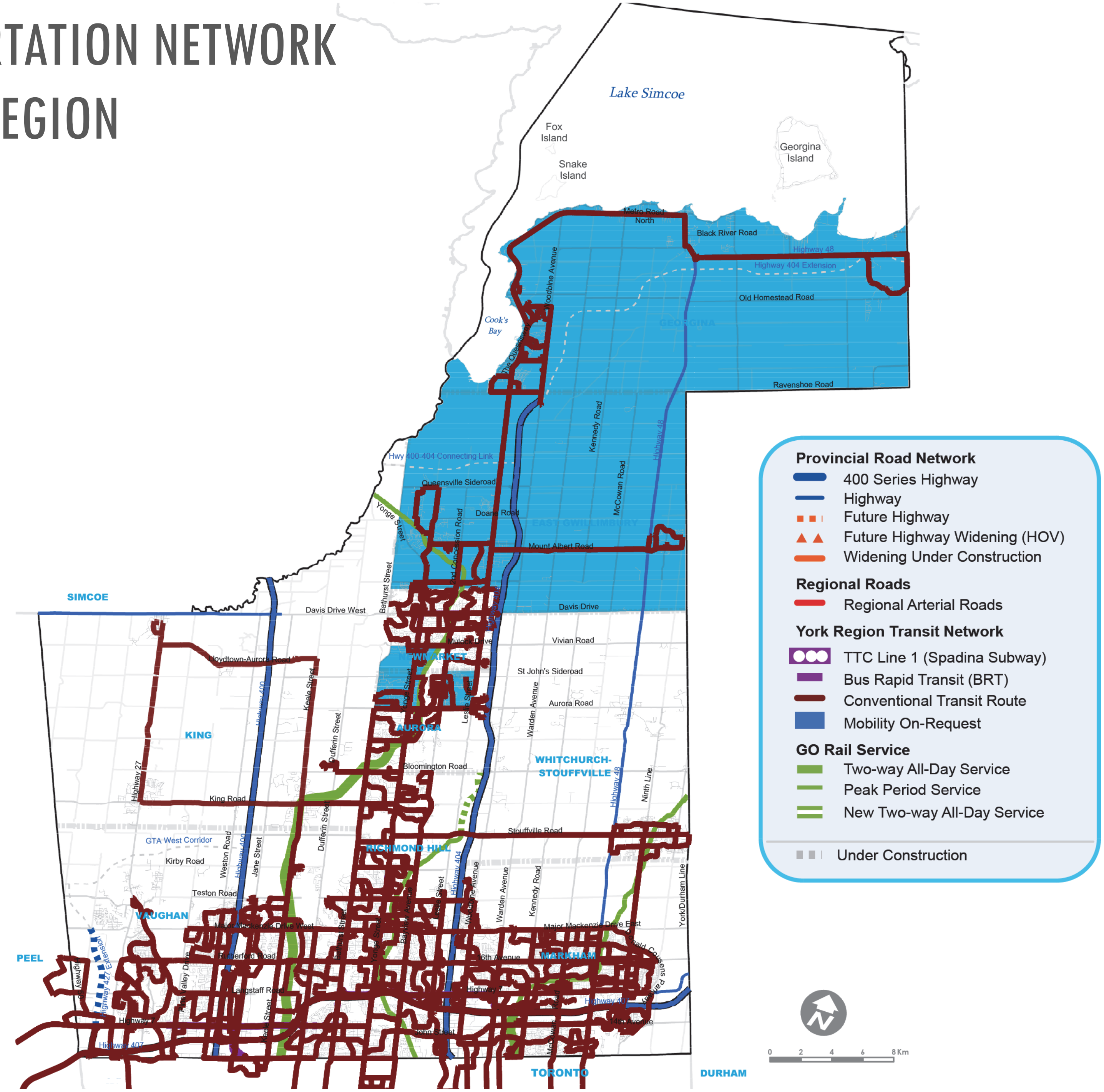
TRANSIT

ANN-MARIE CARROLL
GENERAL MANAGER

BUSINESS PLANNING AND TECHNOLOGY

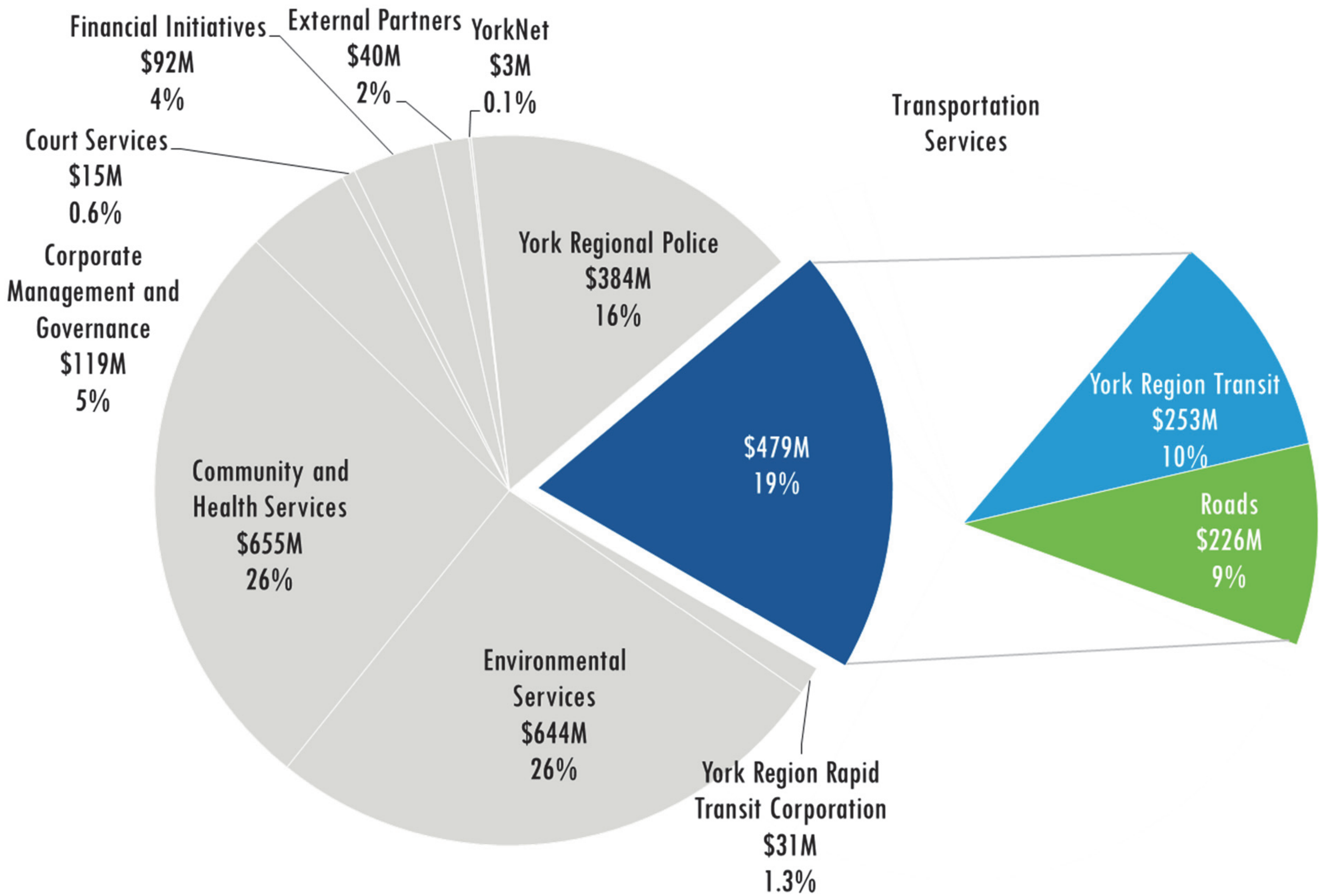
RAJEEV ROY
DIRECTOR

TRANSPORTATION NETWORK IN YORK REGION



OPERATING BUDGET

2020 DEPARTMENTAL SHARE OF GROSS OPERATING EXPENDITURES



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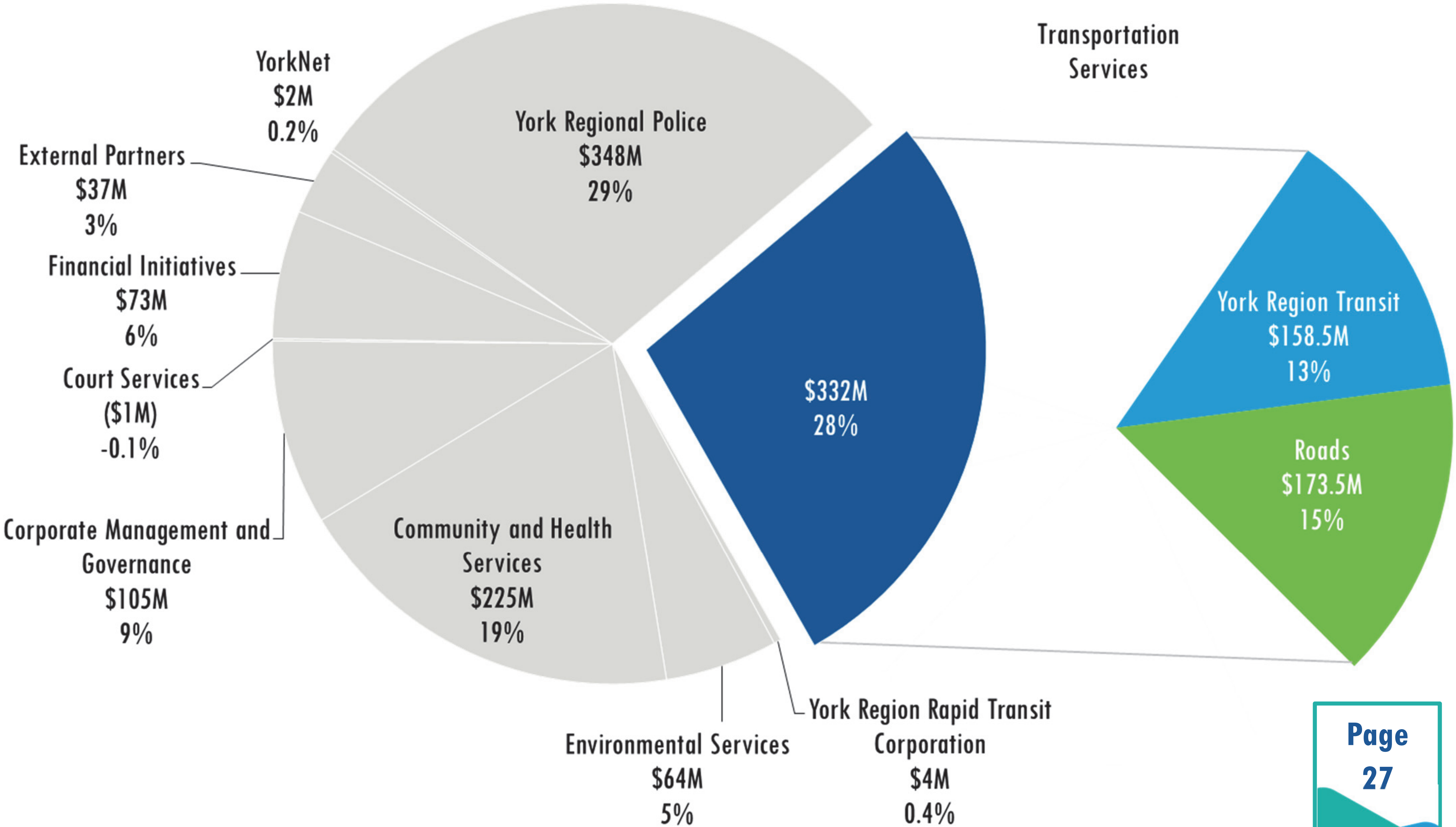
2020 DEPARTMENTAL SHARE OF NET TAX LEVY



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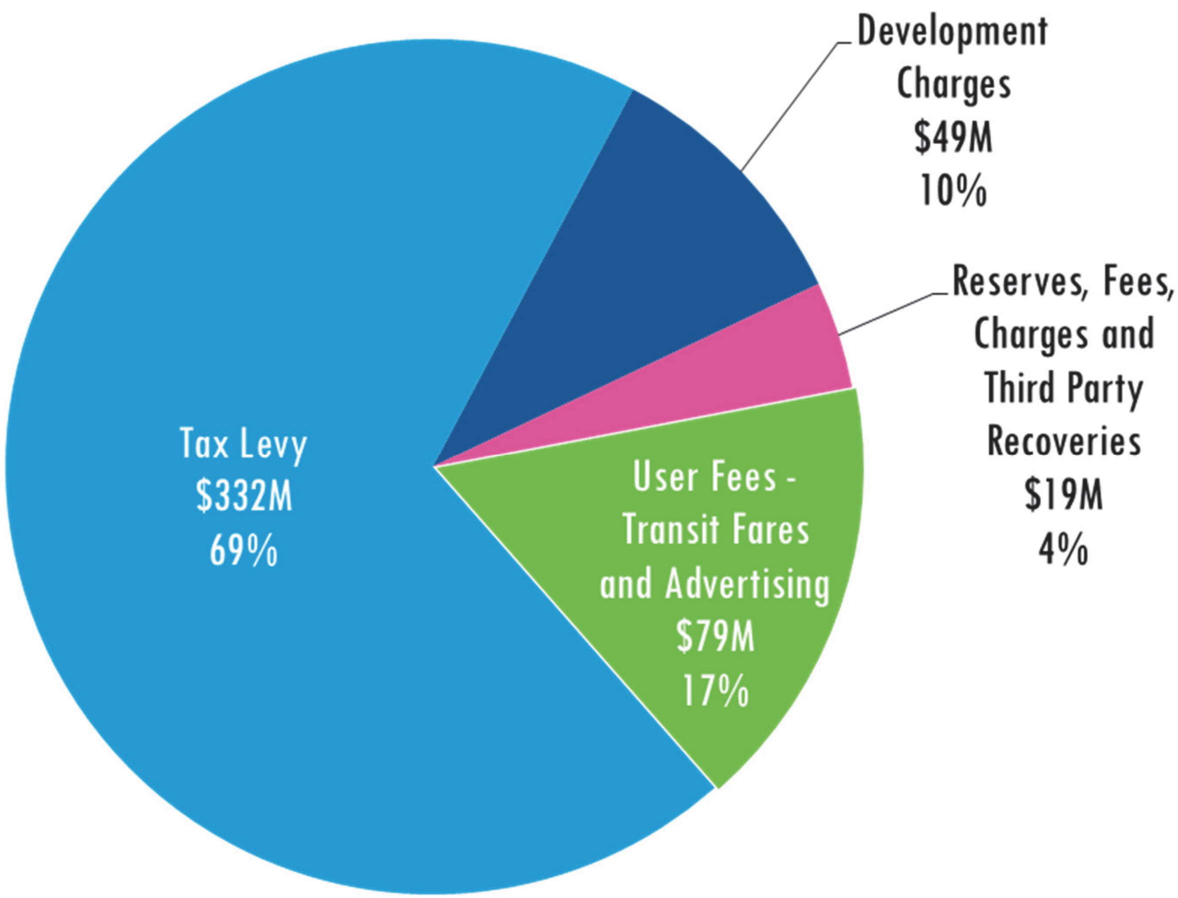
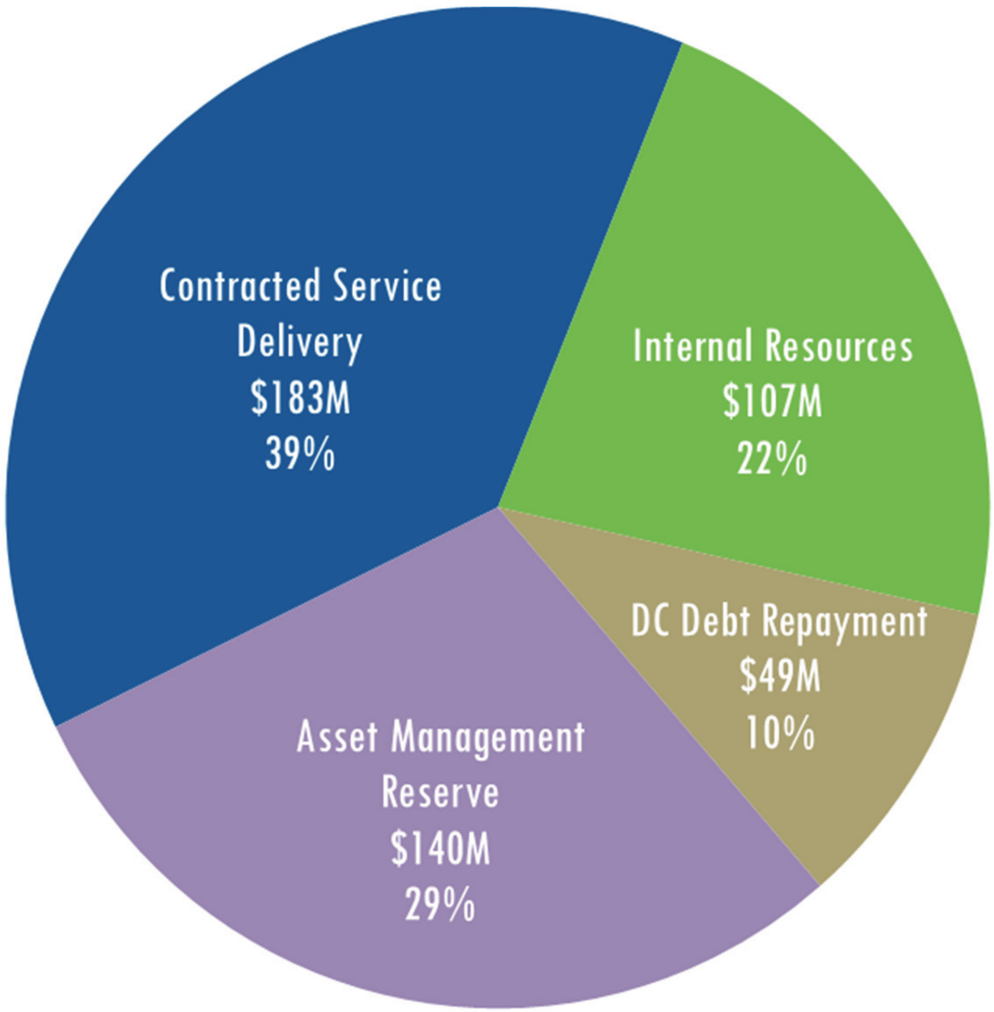
MAJORITY OF 2020 EXPENDITURE IS FUNDED BY TAX LEVY

Transportation Services' gross spending of $479M in 2020 is funded through tax and non-tax revenues



2020 OPERATING BUDGET EXPENDITURE CATEGORIES

2020 Gross Spending $479M



FOUR-YEAR OPERATING BUDGET OVERVIEW

	APPROVED	PROPOSED	OUTLOOK	
	2019	2020	2021	2022
Gross Expenditures ($M):				
York Region Transit	246.4	253.3	262.1	274.1
Roads	214.3	226.1	247.1	268.4
	460.7	479.4	509.2	542.5
Non-Tax Revenues ($M)	(137.2)	(147.4)	(160.6)	(174.6)
Net Expenditures ($M)	323.5	332.1	348.6	367.9
Increase/(Decrease) - Year over Year		2.64%	4.99%	5.53%
2019 Outlook		*3.88%*	*5.54%*	*5.39%*
FTEs - New		20.5	15.5	6.0
- Total	509.7	530.2	545.7	551.7
2019 Outlook (new FTEs)		24.0	14.0	6.0

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2020 OPERATING BUDGET PROVIDES THE FOLLOWING SERVICES

Serving 1.2M residents and 52,000 businesses:

- Maximizing road networks for over 600,000 daily travellers
- Maintaining over 4,300 lane kilometres

- Providing 1.3M transit service hours
- Carrying 35,000 daily conventional / BRT travellers
- Serving 1,900 daily Mobility On-Request clients

2020-2022 INCREMENTAL ANNUAL BUDGET CHANGES

$M		PROPOSED	OUTLOOK	
		2020	2021	2022
Opening Budget (Net)		**323.5**	**332.1**	**348.6**
Status Quo		7.6	7.1	5.5
Revenues*		(1.0)	(2.1)	(2.2)
Efficiencies, Reductions & Other Adjustments		(4.8)	(1.7)	0.0
Debt Servicing Net of Development Charges		(0.6)	0.0	0.0
Fiscal Strategy		(0.1)	8.2	12.0
Maintaining Service Levels for Growth		7.5	5.0	3.9
Proposed Budget (Net)		**332.1**	**348.6**	**367.9**
Total Budget Change	$	8.5	16.6	19.3
	%	2.64%	4.99%	5.53%
Restated Outlook		336.1	354.7	373.8
Increase / (Decrease) from Outlook		(1.20%)	(1.72%)	(1.58%)

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* Potential impact of fare integration with other transit agencies unknown at this time

2020 INCREMENTAL BUDGET CHANGE HIGHLIGHTS

Status quo $7.6M

- Contractor costs
- Cost of living adjustment
- PRESTO commissions

Maintaining service levels for growth $7.5M

- Roads - new rapidways, additional lane kilometres
- Transit - new terminals, rapidway stations

SAVINGS FROM OUTLOOK WERE IDENTIFIED

Category 1:
Efficiencies

$1.3M in 2020
$3.9M over three years

- Budget rationalization to better reflect expected spending

Category 2:
Service Level Adjustment

$3.5M in 2020
$14.0M over three years

- Adjust Transit service on low performing routes; 5 in 2020 and 13 in 2021
- Reduce rapidway station cleaning from bi-weekly to monthly
- Discontinue grant funding to external partner
- Reduce boulevard grass cutting / debris pick-up from 14 to 12 cuts
- Reduce roadway sweeping by $100K

Category 3:
Risk Tolerance and Other

$2.1M in 2020
$8.0M over three years

- Remove PRESTO commissions contingency
- Attempt managing transit service growth within approved budget

SERVICE LEVEL ADJUSTMENTS INCLUDED IN THE BUDGET

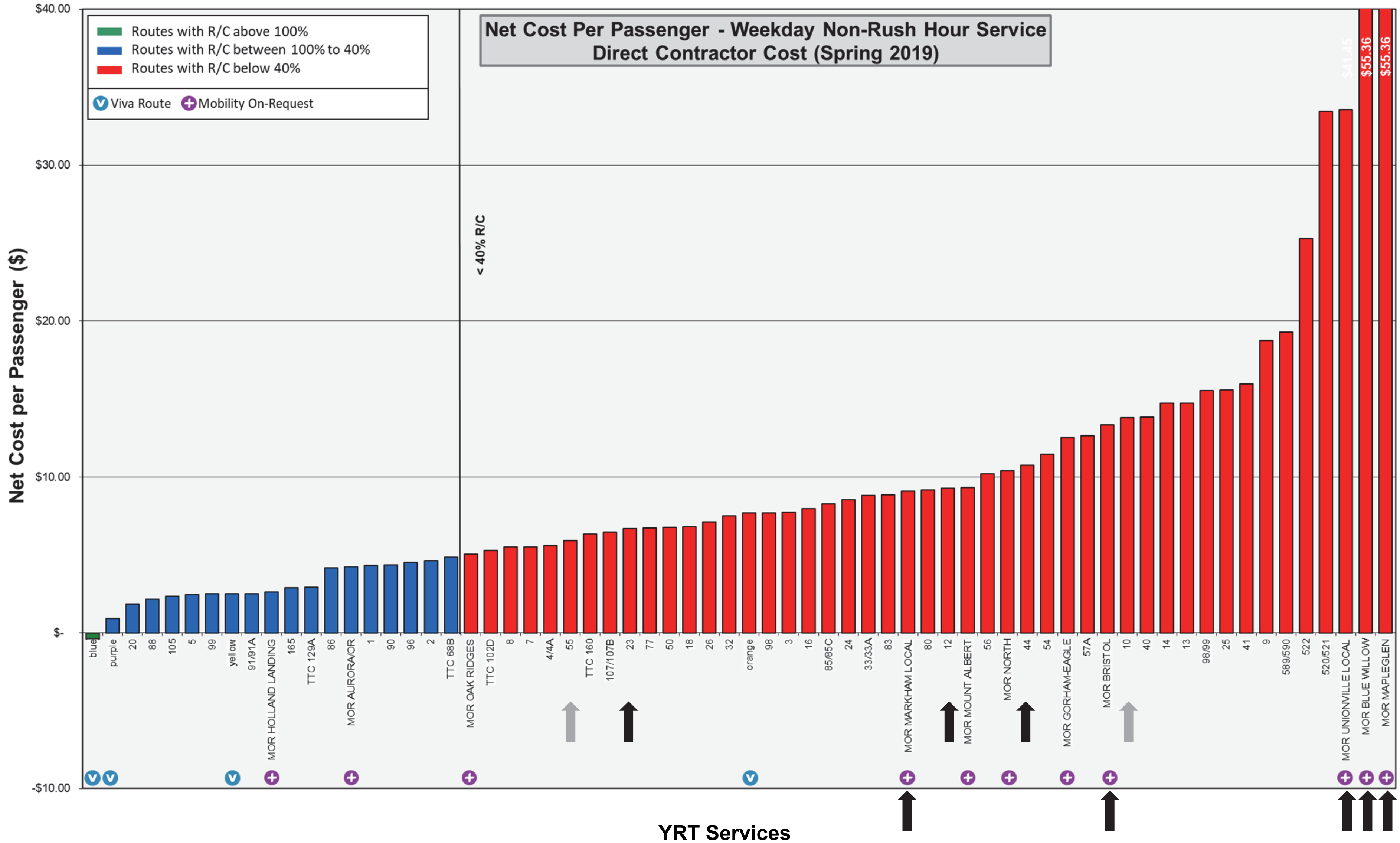
Transit service adjustment principles:

- Routes with the highest subsidy per rider
- Routes having other transit options (On-Request or other conventional transit routes within walking distance standards)

While

- Maintaining the safety of travellers
- Meeting legislative and regulatory requirements
- Minimizing operational impacts

TRANSIT NET COST PER PASSENGER – SPRING 2019 (NON-RUSH HOUR)



2020 Proposed Service Adjustments

2021 Proposed Service Adjustments

Notes:
†Viva orange ridership includes Route 501 - Queen Züm ridership
'MOR' represents Mobility On-Request services

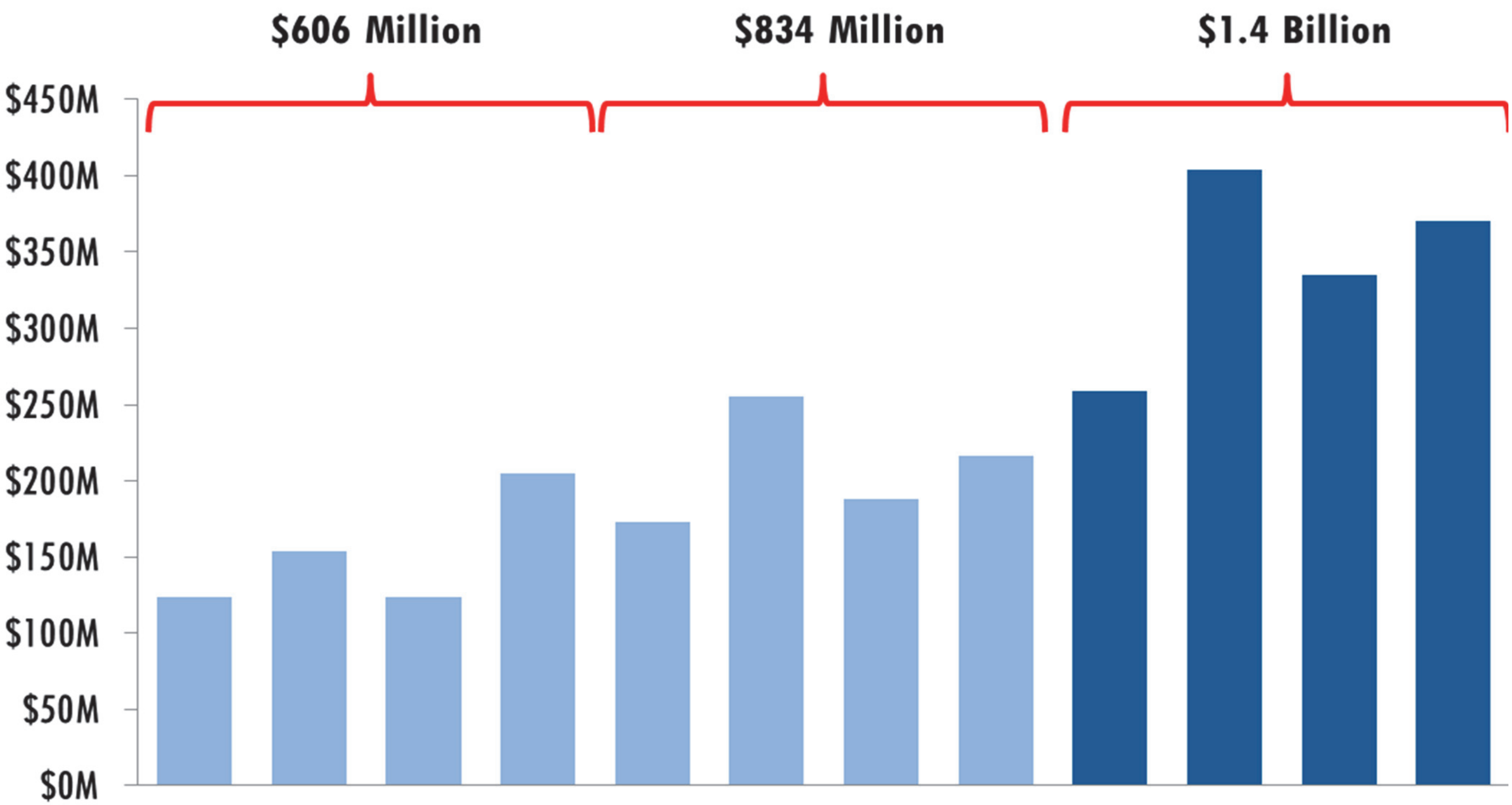
CAPITAL BUDGET

CAPITAL PROGRAM CONSISTENCY

Continuing record investment aligned with approved fiscal strategy by:

- Continuing to deliver on the approved 10-year capital program
- Providing improvements that benefit the most travellers, in the busiest corridors across the Region
- Adding 14 new growth projects using the Roads Capital Acceleration Reserve Fund ($251M)
- Investing in transportation infrastructure to improve its reliability and longevity

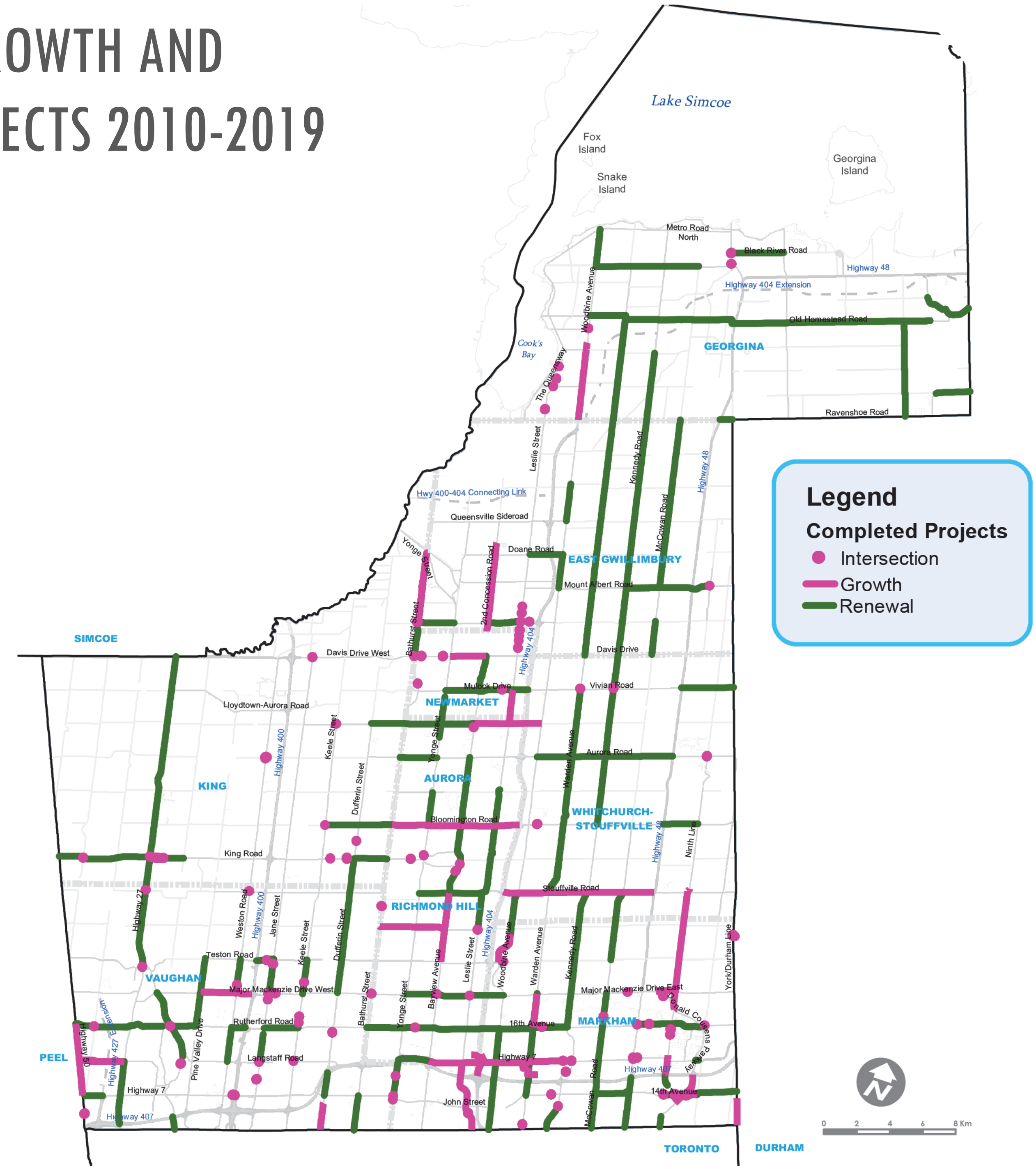
TRANSPORTATION CAPITAL INVESTMENT



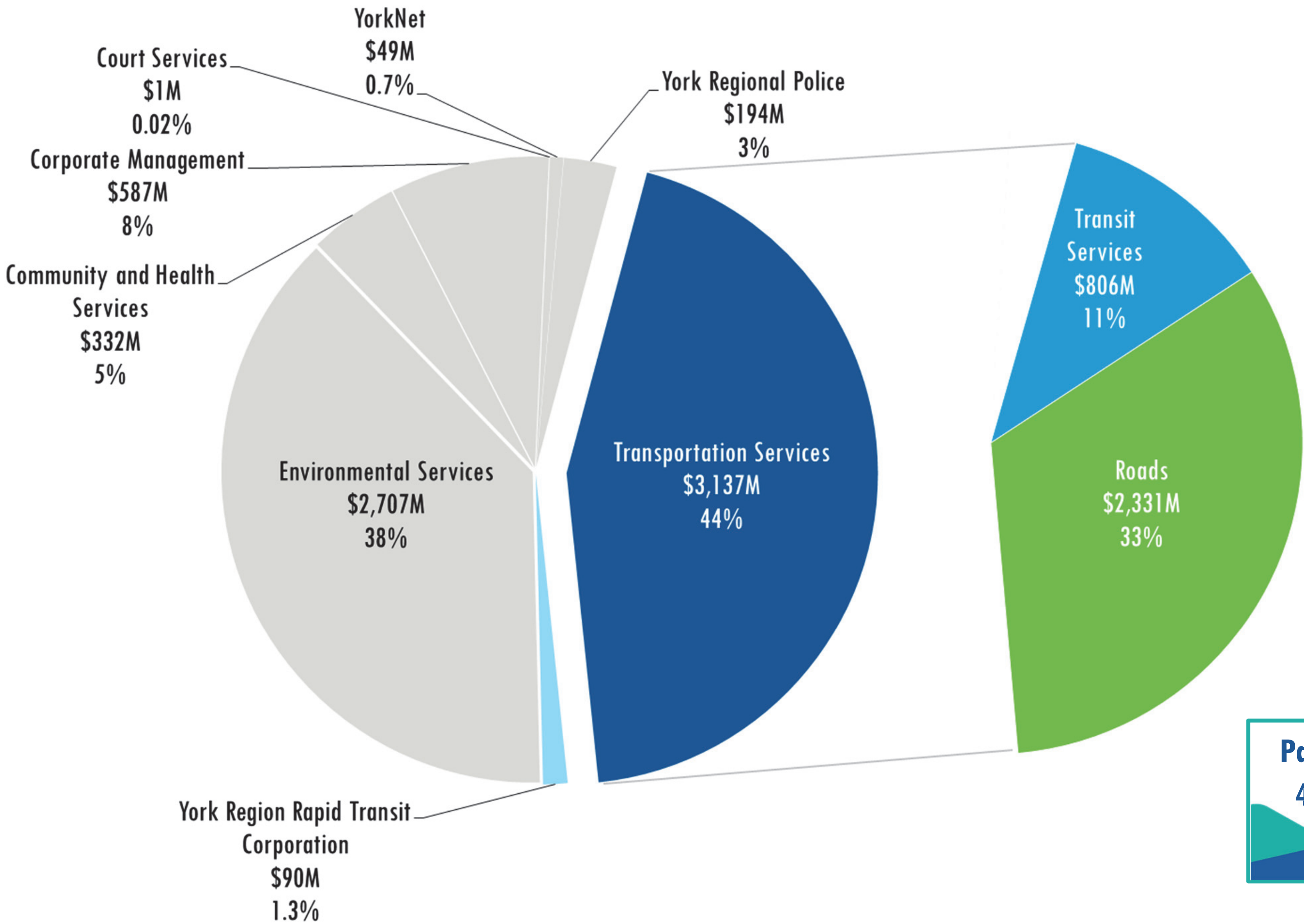
	2011 Actual	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Forecast	2020 Budget	2021 Budget	2022 Budget
Actual/Budget	$123M	$154M	$124M	$205M	$173M	$256M	$188M	$217M	$351M	$404M	$335M	$371M
Forecast									$258M			

Actual Budget/Forecast

COMPLETED GROWTH AND RENEWAL PROJECTS 2010-2019



10-YEAR CAPITAL IS 44% OF THE REGION'S CAPITAL INVESTMENT



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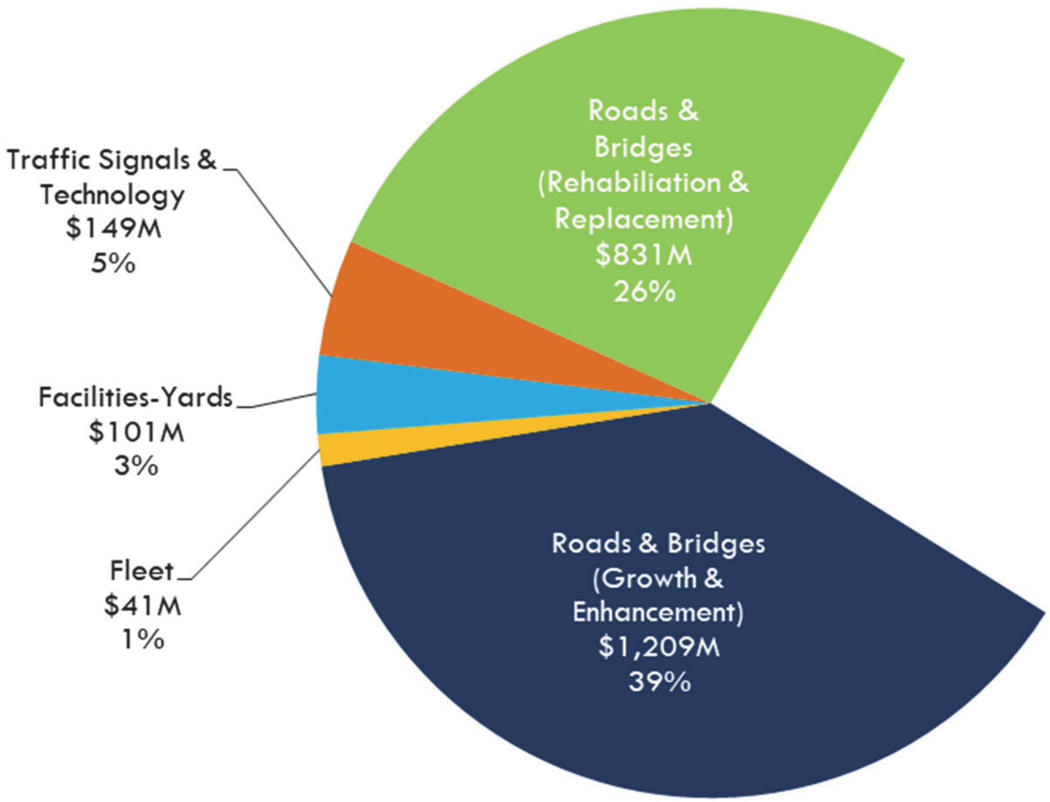
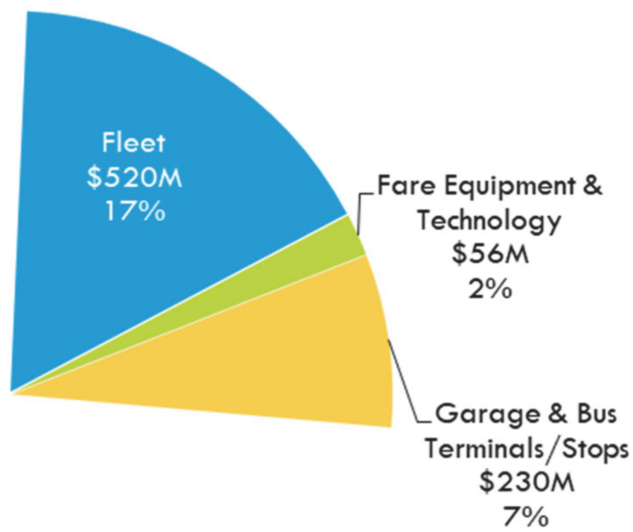
2020 PROPOSED 10-YEAR CAPITAL PLAN

Total Transportation - $3,137M

Total Roads - $2,331M



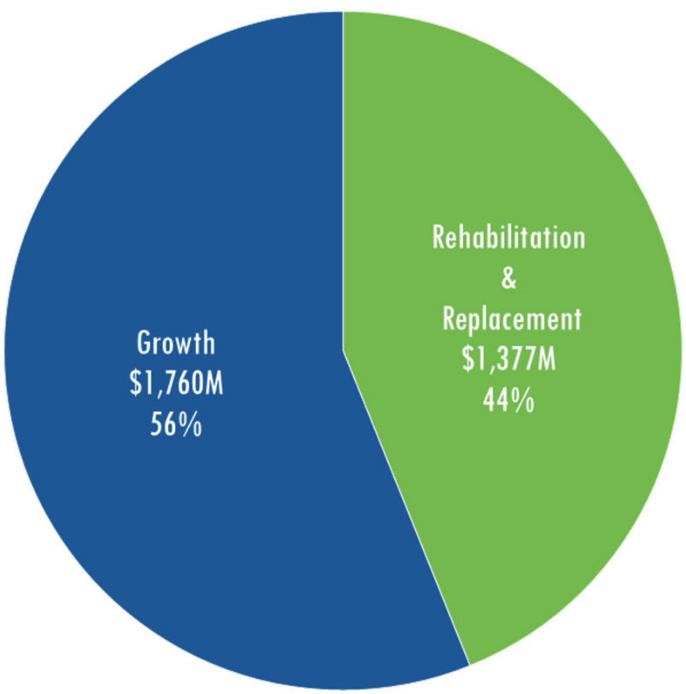
Total Transit - $806M



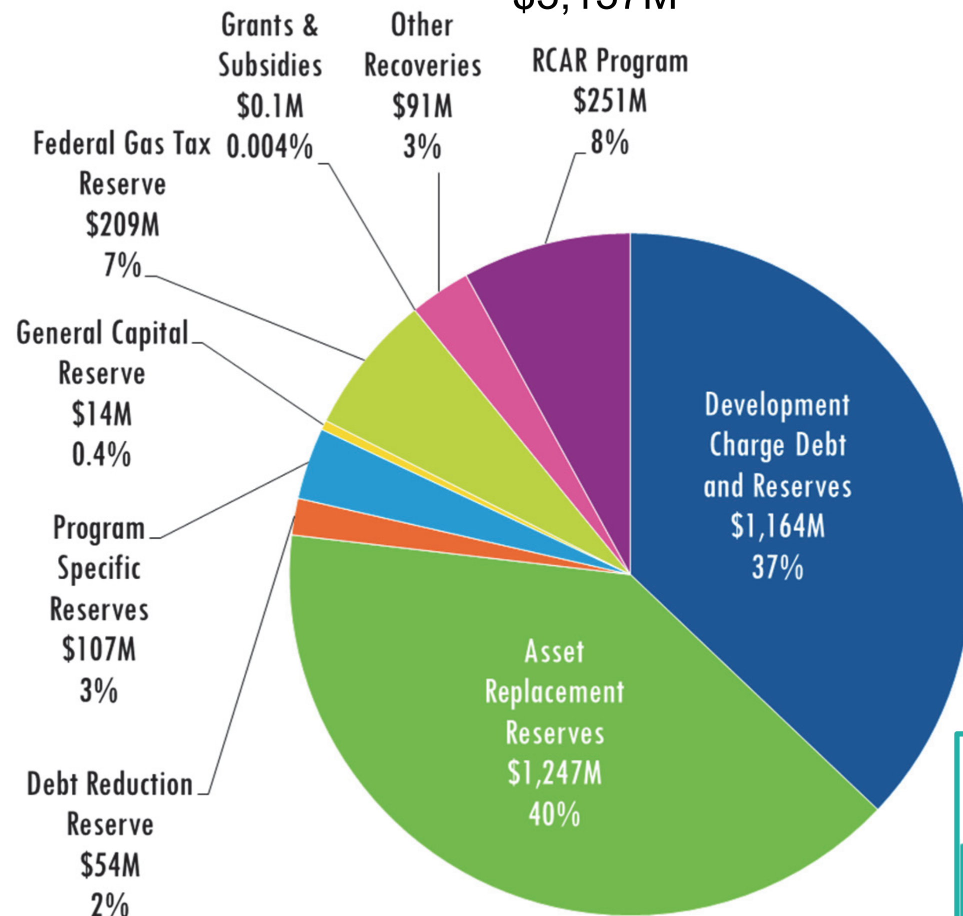
Includes Roads Capital Acceleration Reserve projects

2020 PROPOSED 10-YEAR CAPITAL EXPENDITURES AND FUNDING INCLUDING ROADS CAPITAL ACCELERATION PROJECTS

Gross Expenditures
$3,137M



Funding Sources
$3,137M



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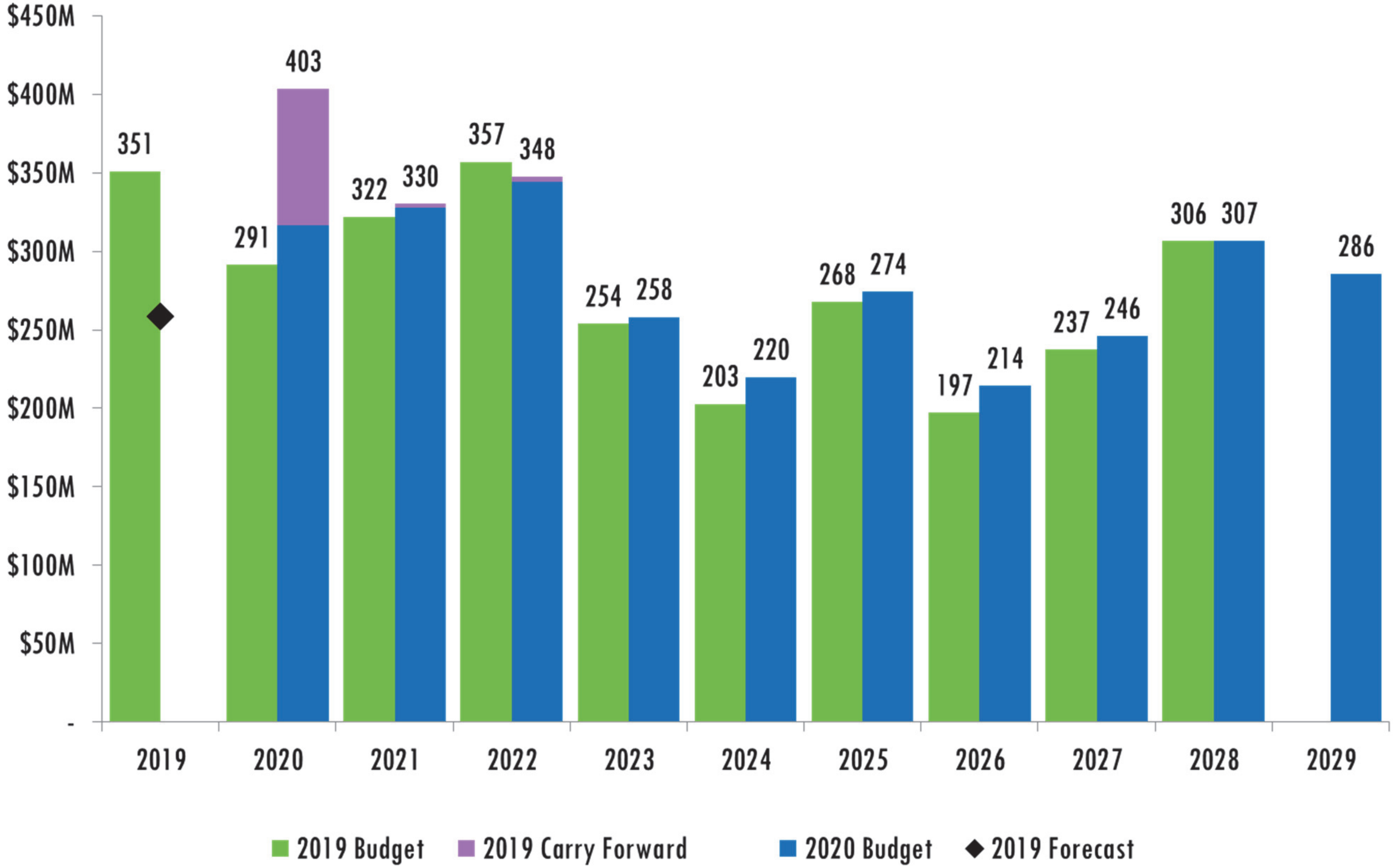
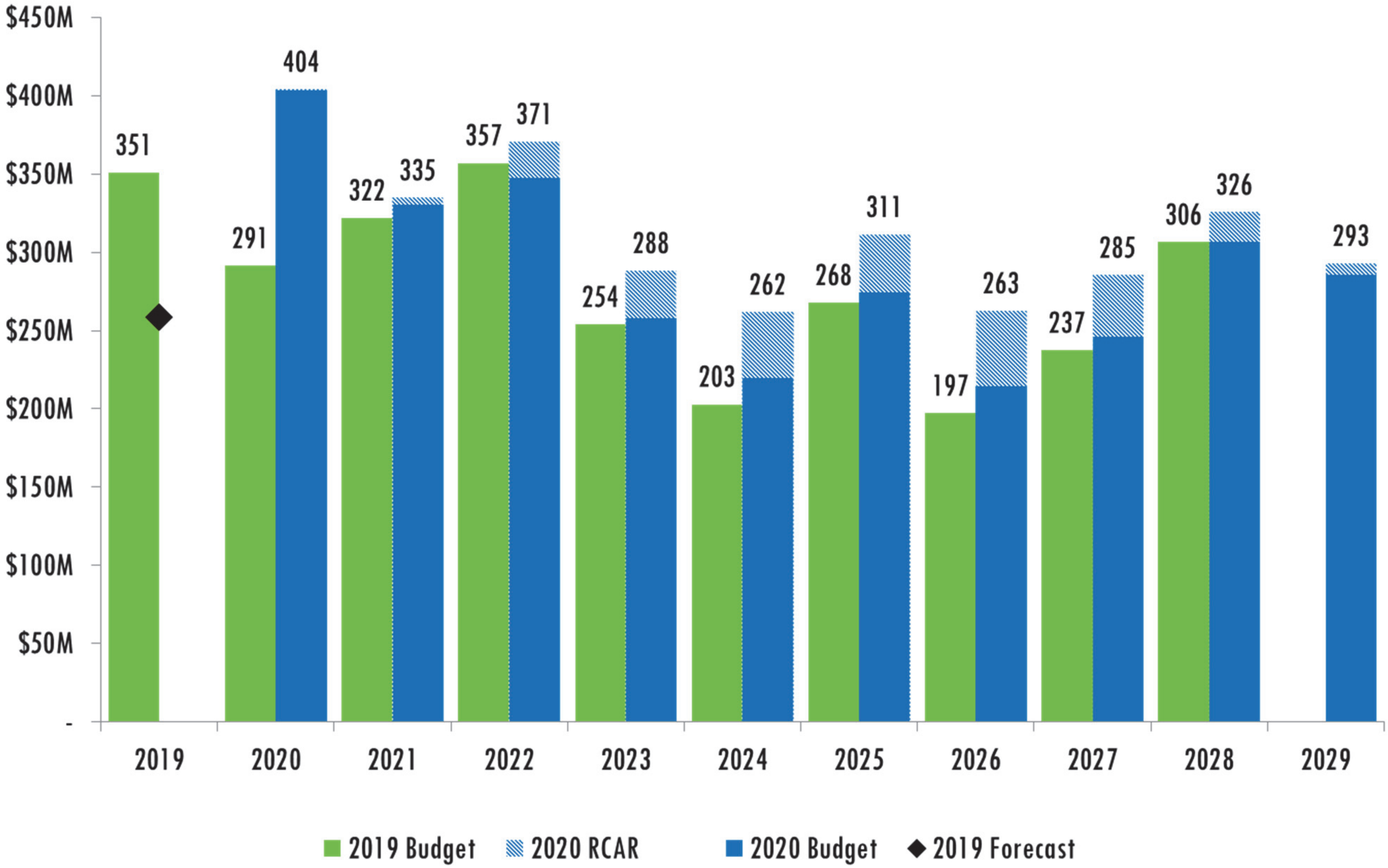
2020 PROPOSED **BASE** 10-YEAR CAPITAL COMPARED TO 2019 PLAN

Transportation Services' 2020 **base** 10-Year capital budget is $2,886M which is $99M more than the 2019 10-Year capital budget.



2020 PROPOSED 10-YEAR CAPITAL COMPONENTS INCLUDING ROADS CAPITAL ACCELERATION PROJECTS COMPARED TO 2019 PLAN



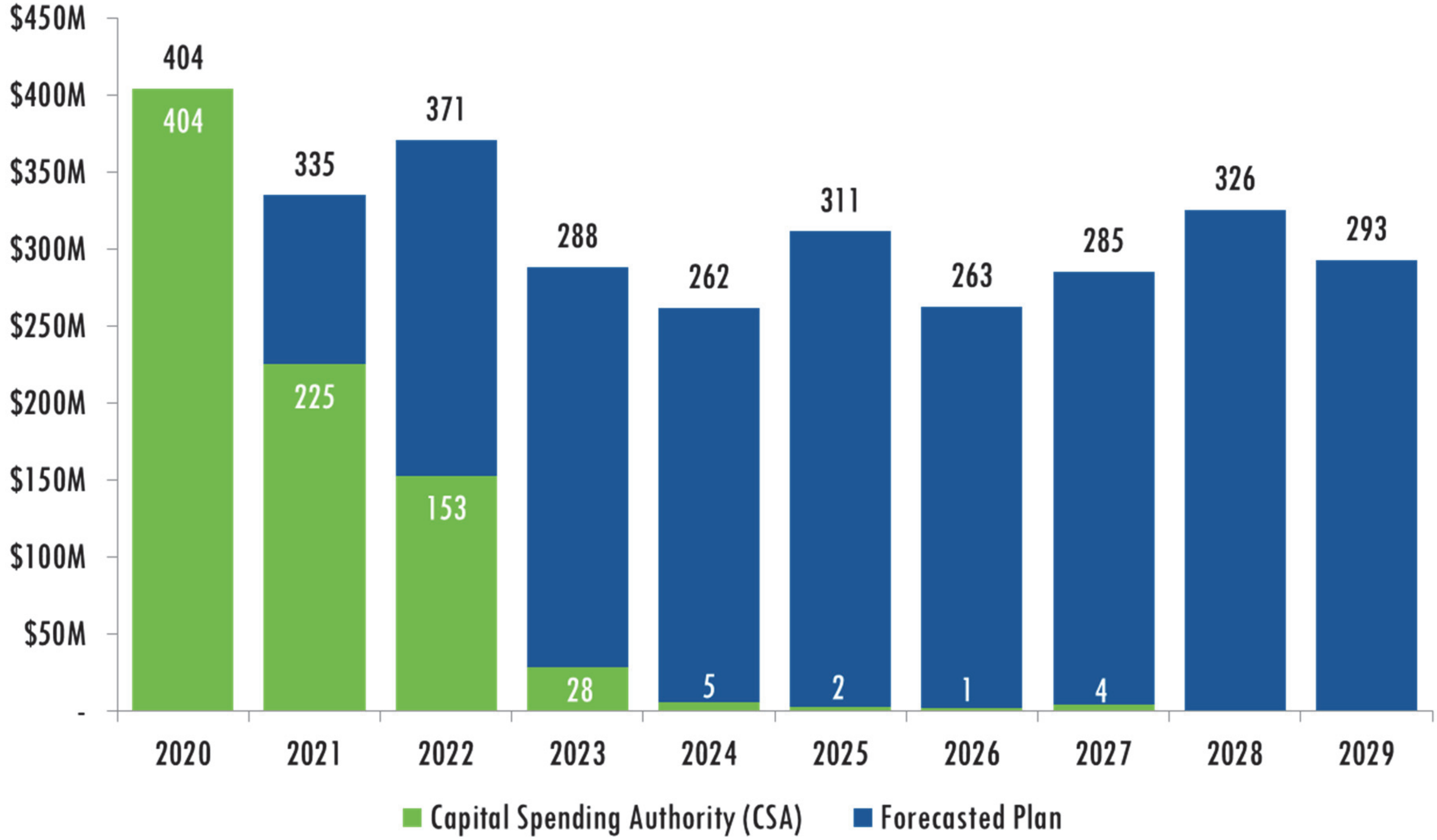
GROWTH PROJECT PHASES AND TIMELINES

Growth projects on average take eight to ten years from start to finish

2020 PROPOSED CAPITAL SPENDING AUTHORITY (CSA) INCLUDING ROADS CAPITAL ACCELERATION PROJECTS

Capital spending authority $822M

10-Year capital expenditures $3,137M



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2020 PROPOSED 10-YEAR MAJOR CAPITAL INVESTMENTS

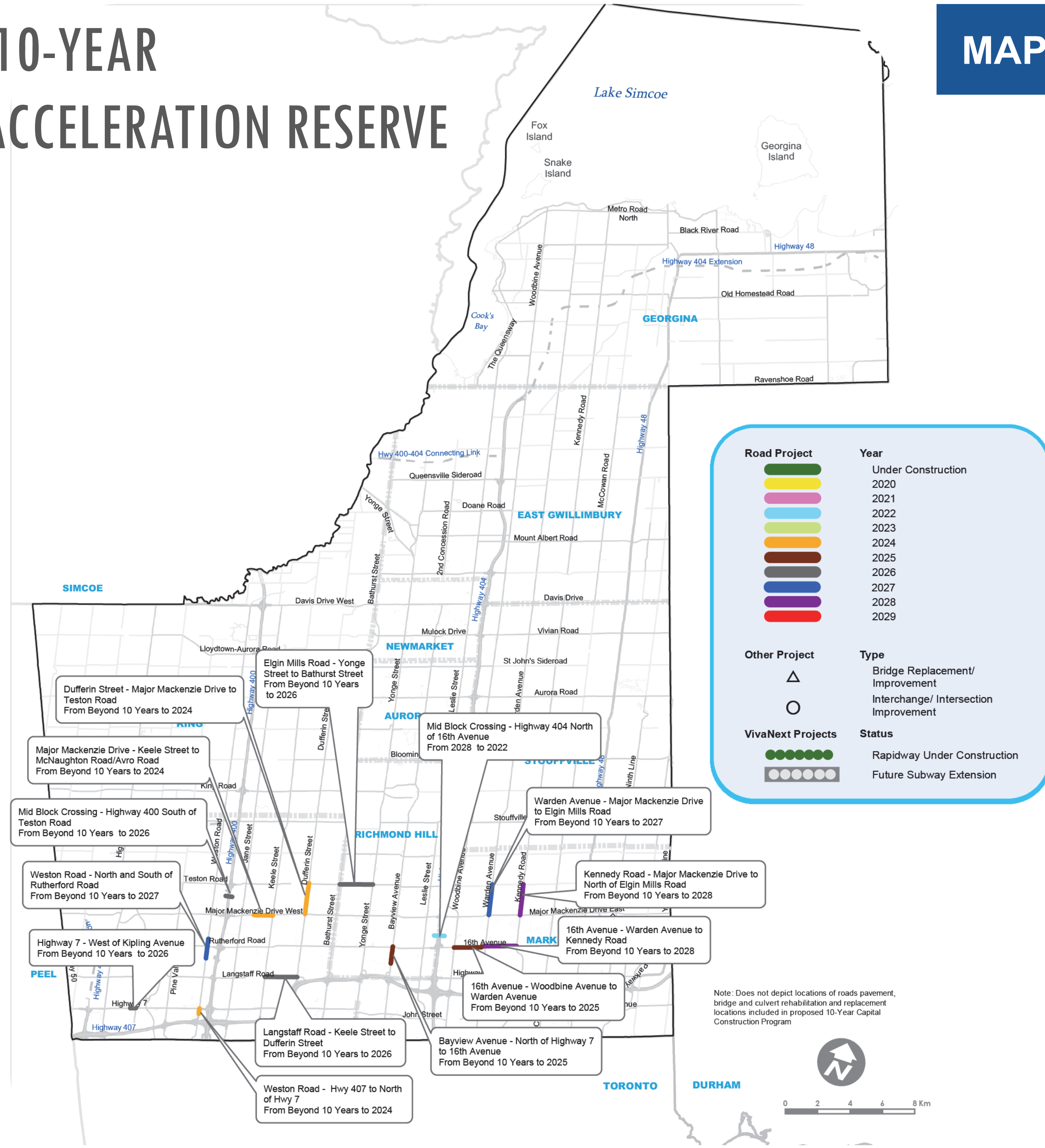
Project Description	Timeframe	Budget ($M)
Roads pavement, bridge and culvert rehabilitation and replacement	2020-2029	799
Bus replacement and growth – 593 Buses	2020-2029	441
Rutherford Road – Bathurst Street to Jane Street	2020-2026	86
Major Mackenzie Drive – CP Railway to Pine Valley Drive	2020-2024	78
Bus rehabilitation and refresh – 311 Buses	2020-2029	74
Bathurst Street – North of Highway 7 to Elgin Mills Road	2020-2027	64
55 Orlando garage expansion	2020-2029	63
Southwest roads maintenance facility	2020-2028	58
Southwest transit garage expansion	2022-2029	50
Elgin Mills East of Yonge Street railway crossing grade separation	2020-2028	47
Yonge Street – Davis Drive to Green Lane	2020-2026	46
Intersection improvements	2020-2029	43
16^{th} Avenue – Leslie Street to Woodbine Ave	2020-2024	42
Road fleet rehabilitation and replacement – 445 vehicles	2020-2029	41
Kennedy Road – Steeles Avenue to Donald Cousens Parkway	2022-2029	40

ROADS CAPITAL ACCELERATION RESERVE RECOMMENDED PROJECTS

Project	From	To
Mid-block Crossing – Highway 404 North of 16th Avenue	2028	2022
Major Mackenzie Drive – Keele Street to McNaughton/Avro Road	Beyond 10 Years	2024
Dufferin Street – Major Mackenzie Drive to Teston Road	Beyond 10 Years	2024
Weston Road – Highway 407 to North of Highway 7	Beyond 10 Years	2024
16th Avenue – Woodbine Avenue to Warden Avenue	Beyond 10 Years	2025
Bayview Avenue – North of Highway 7 to 16th Avenue	Beyond 10 Years	2025
Elgin Mills Road – Yonge Street to Bathurst Street	Beyond 10 Years	2026
Langstaff Road – Keele Street to Dufferin Street	Beyond 10 Years	2026
Mid-block Crossing – Highway 400 South of Teston Road	Beyond 10 Years	2026
Highway 7 West of Kipling Avenue	Beyond 10 Years	2026
Warden Avenue – Major Mackenzie Drive to Elgin Mills Road	Beyond 10 Years	2027
Weston Road – North and South of Rutherford Road	Beyond 10 Years	2027
16th Avenue – Warden Avenue to Kennedy Road	Beyond 10 Years	2028
Kennedy Road – Major Mackenzie Drive to North of Elgin Mills Road	Beyond 10 Years	2028

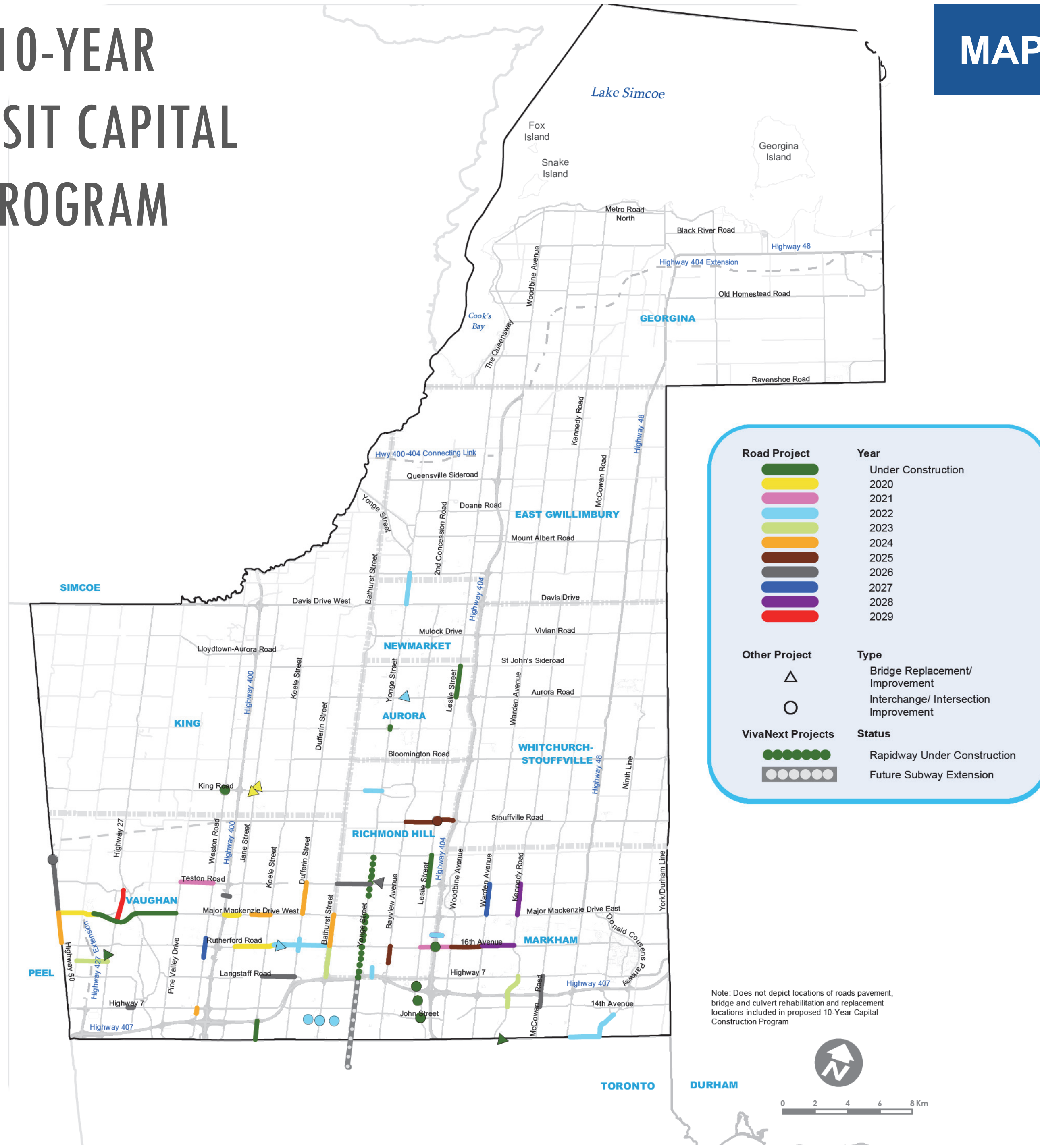
2020 PROPOSED 10-YEAR ROADS CAPITAL ACCELERATION RESERVE

MAP 1



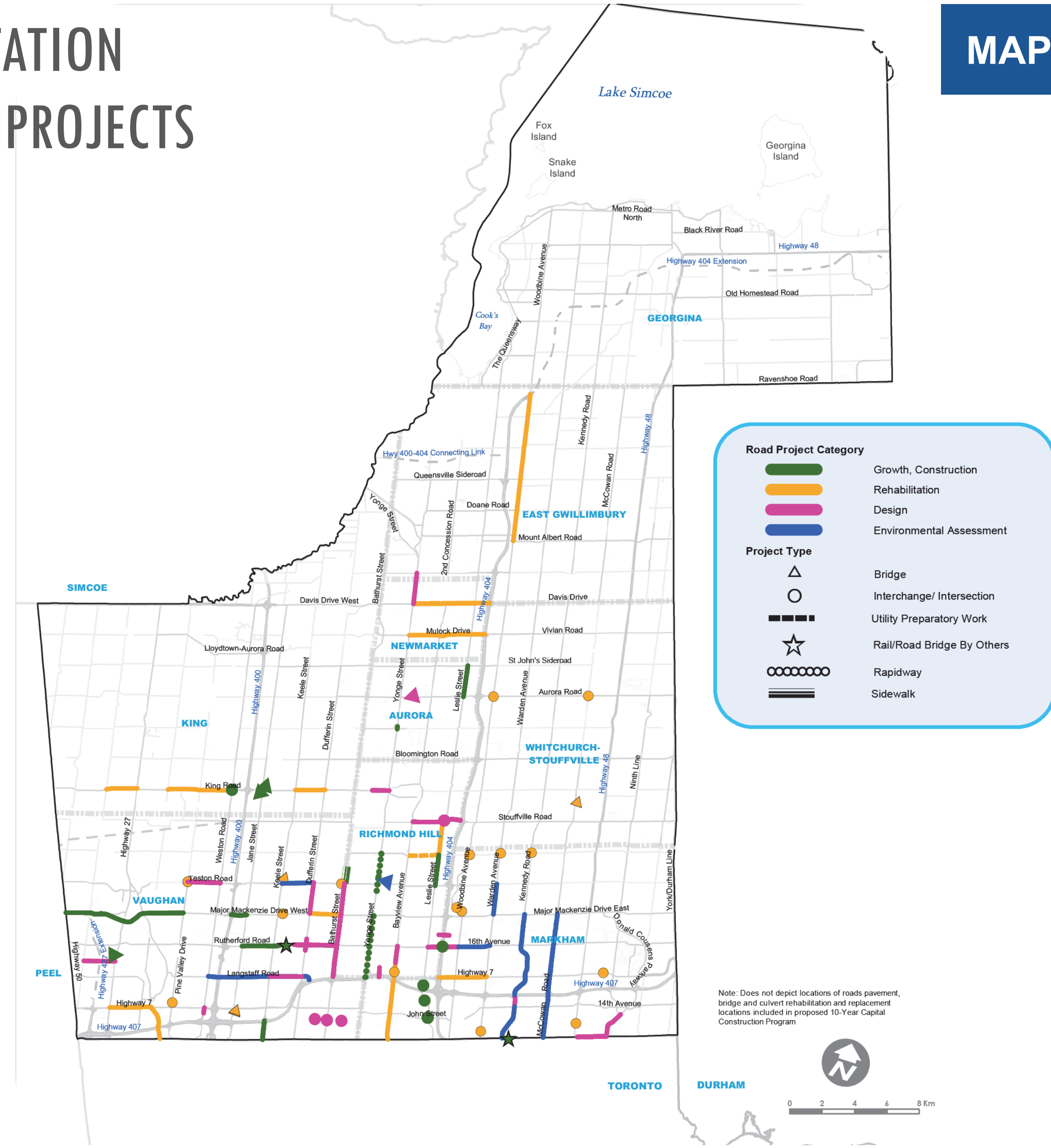
2020 PROPOSED 10-YEAR ROADS AND TRANSIT CAPITAL CONSTRUCTION PROGRAM INCLUDING RCAR

MAP 2



2020 TRANSPORTATION CAPITAL BUDGET PROJECTS

MAP 3



WRAP-UP

THE BUDGET SUPPORTS THE 2019 TO 2023 STRATEGIC PLAN

ECONOMIC VITALITY

PRIORITY:
INCREASE ECONOMIC PROSPERITY

GOOD GOVERNMENT

PRIORITY:
DELIVER TRUSTED AND EFFICIENT SERVICES

MULTI-YEAR BUDGET OVERVIEW

OPERATING BUDGET

	APPROVED	PROPOSED	OUTLOOK	
	2019	2020	2021	2022
Gross Expenditures ($M)	460.7	479.4	509.2	542.5
Non-Tax Revenues ($M)	(137.2)	(147.4)	(160.6)	(174.6)
Net Tax Levy ($M)	323.5	332.1	348.6	367.9
FTEs - New		20.5	15.5	6.0
- Total	509.7	530.2	545.7	551.7

CAPITAL BUDGET

2020 Capital Expenditures ($M)	404
Total Capital Spending Authority ($M)	822
2020 10-Year Capital Expenditures ($M)	3,137

BUDGET RECOMMENDATIONS

1. Committee of the Whole recommends the budget as submitted for Transportation Services as follows:
   a) The 2020 operating budget and the 2021 to 2022 operating outlook, as summarized in Attachment 1.
   b) Savings initiatives as summarized in Attachment 2.
   c) The 2020 capital expenditures and the 2020 Capital Spending Authority, as summarized in Attachment 3.
2. The recommended budget be consolidated by the Commissioner of Finance and Regional Treasurer for consideration by Council on December 19, 2019.