

Clause 2 in Report No. 20 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on December 17, 2015.

2

2016-2018 Budget – Transportation Services

Committee of the Whole recommends:

1. Receipt of the presentation by Daniel Kostopoulos, Commissioner of Transportation Services.
2. Adoption of the following recommendations contained in the report dated November 17, 2015 from the Commissioner of Finance:

1. Recommendations

It is recommended that:

1. The Committee of the Whole recommends the budget as submitted for Transportation Services as follows:
 - a) The 2016 operating budget and the outlook for 2017 to 2018, as summarized in Attachment 1.
 - b) Capital Spending Authority, as summarized in Attachment 2.
2. That the recommended budget be consolidated by the Treasurer for consideration by Council on December 17, 2015.

2. Purpose

This report provides a summary of the 2016-2018 Operating and Capital Budget for Transportation Services for consideration by Committee.

3. Background

In February 2015 Council approved an outlook for 2016, 2017 and 2018

As part of the 2015-2018 Budget, Council approved an outlook for the operating budget for 2016, 2017 and 2018. This approved outlook formed the starting point for this year's budget. While adjustments to the outlook are a natural part of a multi-year budget process, departments were expected to live within their outlook. The 2016-2018 operating budget reflects any revisions that have been made to the previously approved outlook.

The 2016 Budget was tabled on November 19, 2015

The consolidated 2016-2018 Operating and Capital Budget was tabled with Council on November 19, 2015. It was received and referred to the December meetings of Committee of the Whole for consideration and recommendation.

The 2016 Budget Directions report, approved by Council on May 21, 2015, outlined the proposed timelines and indicated that the 2016 to 2018 budget would be approved in December 2015, as long as Council is satisfied with it through the review process.

A three-year operating budget was tabled for Council's consideration

The operating budget presented is a three-year budget that spans the remaining years of Council's term. Council is asked to approve the budget for 2016 and the outlook for 2017 to 2018. The approved outlook will then form the basis for the budget process in subsequent years. Council can still change the budget each year in response to changing circumstances and new information.

Multi-year commitments for capital projects are proposed as part of the budget process

Many complex capital projects span several years of planning, design and construction, requiring multi-year spending authority.

Capital Spending Authority is requested for projects with contractual and other clear or certain multi-year commitments. As in previous years, Council is asked to approve multi-year Capital Spending Authority for capital projects.

4. Analysis and Options

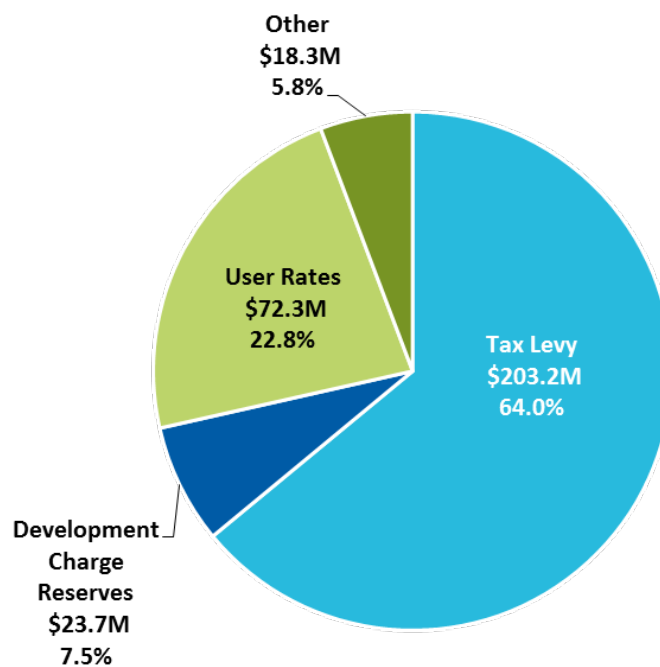
Operating Budget (page 69)

Transportation Services is largely funded through tax levy

The budget shows both the gross expenditures (total spending) and the net tax levy (the portion of the budget paid for by the tax levy).

Transportation Services' total gross spending for 2016 is \$317.5 million. As shown in Graph 1 below, the tax levy pays for 64% of the services provided by the department. The rest of the funding comes from transit fares, provincial gas tax and draws from the development charge reserve.

Graph 1
Gross expenditures of \$317.5 million are primarily funded by tax levy



Note: Percentages may not add due to rounding.

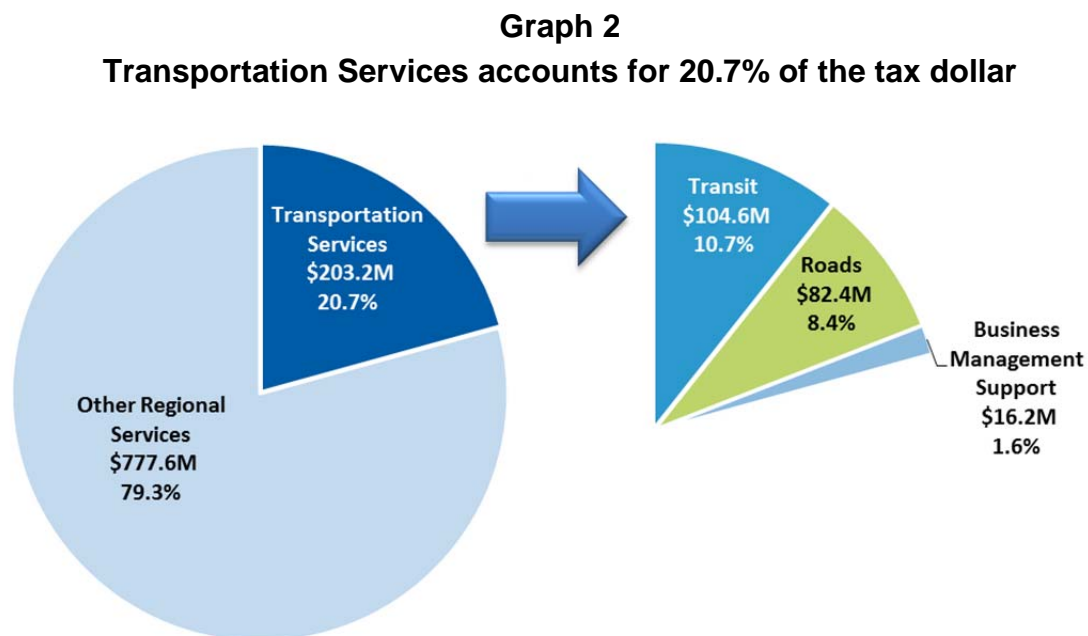
The proposed budget for Transportation Services reflects net operating expenditures of \$203.2 million in 2016

The 2016-2018 Operating Budget includes the cost of providing:

2016-2018 Budget – Transportation Services

- Base services
- Legislated and contractual requirements
- Fiscal strategy requirements
- Impact of capital
- Growth
- Service enhancements

The proposed budget for Transportation Services is \$203.2 million, or 20.7% of the total 2016 proposed Regional net operating expenditures as shown in Graph 2 below.



The proposed budget also includes a proposed outlook for 2017 and 2018.

Table 1 in Attachment 1 summarizes the proposed gross and net operating budgets for 2016 and the outlook for 2017 to 2018.

Transportation Services is within the approved outlook for all years

Transportation Services' proposed 2016 budget and outlook for 2017 and 2018 is below the outlook approved as part of the 2015 to 2018 Budget.

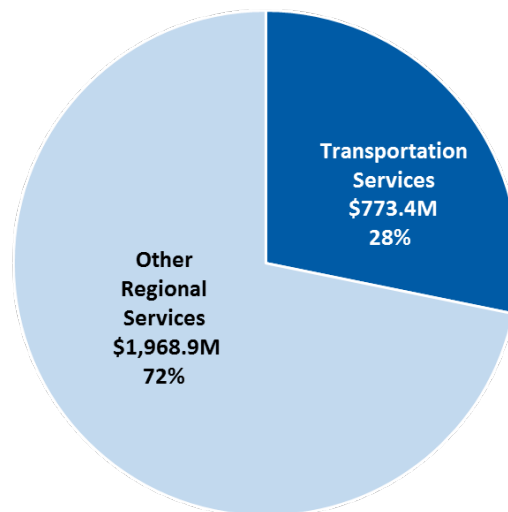
Capital Budget (page 74)

Approval of Capital Spending Authority of \$773.4 million in 2016 is requested for Transportation Services

The capital budget includes new infrastructure projects in support of growth, rehabilitation and replacement of existing infrastructure and service enhancement.

The proposed Capital Spending Authority for Transportation Services is \$773.4 million, or 28.2% of the total Regional 2016 Capital Spending Authority, as shown below in Graph 3.

Graph 3
Transportation Services accounts for 28% of 2016 Capital Spending Authority



Attachment 2 summarizes the 2016 Capital Spending Authority by program and shows the associated financing sources for Transportation Services. Details on the individual projects included in the program groups are available in the 2016 to 2018 Budget book.

[Link to key Council-approved plans](#)

The 2016 to 2018 budget for Transportation Services reflects the directions and strategies set out in Vision 2051, the York Region Official Plan and the Transportation Master Plan. The budget is also supportive of the objectives outlined in the 2015 to 2019 Strategic Plan.

5. Financial Implications

The net operating budget for Transportation Services totals \$203.2 million in 2016 and includes an outlook for 2017 to 2018, as summarized in Attachment 1. Council will have an opportunity to make adjustments to the outlook in subsequent years.

The proposed 2016 Capital Spending Authority reflects a multi-year commitment of \$773.4 million, as summarized in Attachment 2. Expenditures not identified as part of Capital Spending Authority but contained within the Ten-Year Capital Plan are provided for planning purposes and will be brought forward for formal approval in subsequent budget years.

6. Local Municipal Impact

The Region provides essential services to the residents and businesses in York Region. The challenge of meeting growing demands for service and improving service delivery is addressed through the Region's business planning process. The Region's investments support local municipalities.

7. Conclusion

This report sets out the proposed 2016-2018 budget for Transportation Services. To facilitate the completion of the budget process, it is recommended that the Committee's recommendations be forwarded to Council for consideration on December 17, 2015.

For more information on this report, please contact Kelly Strueby, Director, Office of the Budget, at ext. 71611.

The Senior Management Group has reviewed this report.

November 17, 2015

Attachments (2)

6468763

Accessible formats or communication supports are available upon request.

2016 to 2018 Budget Summary for Transportation Services

Proposed Operating Budget Expenditures

(in \$000s)

Department	Page No.	2016 Proposed		2017 Outlook		2018 Outlook	
		Gross	Net	Gross	Net	Gross	Net
Transit- YRT/Viva ¹	70	192,624	104,615	196,233	104,928	201,762	106,832
Roads & Traffic ¹	70	108,667	82,415	112,481	81,706	120,957	83,646
Business Management Support	70	16,191	16,176	18,346	18,331	19,469	19,439
Total²		317,482	203,206	327,060	204,965	342,188	209,916

¹ Includes Contributions to Capital

² Numbers may not add due to rounding

Note: Net operating expenditures = tax levy

**2016 Capital Spending Authority (CSA)
Transportation Services**

York Region Transit/ Viva	Page No.	2016 CSA \$000s
Program Expenditures:		
Rehabilitation & Replacement	74	19,964
Growth	74	183,195
Total 2016 Capital Spending Authority		203,159
Financing Sources:		
Current Tax Levy – Reserves	74	9,100
Debt Reduction Reserve	74	26,136
Reserves	74	10,767
Debenture Proceeds	74	4,000
Development Charge Reserve Draws	74	38,374
Grants and Subsidies	74	114,782
Total Financing Sources		203,159

Roads	Page No.	2016 CSA \$000s
Program Expenditures:		
Rehabilitation & Replacement	74	46,415
Growth	74	523,834
Total 2016 Capital Spending Authority		570,249
Financing Sources:		
Current Tax Levy – Reserves	74	67,836
Debt Reduction Reserve	74	34,312
Reserves	74	14,530
Debenture Proceeds	74	202,395
Development Charge Reserve Draws	74	176,205
Grants and Subsidies	74	1,100
Other Recoveries	74	73,871
Total Financing Sources		570,249

2016 Multi-Year Business Plan/Budget

Transportation Services Presentation to
Committee of the Whole

Daniel Kostopoulos

December 3, 2015



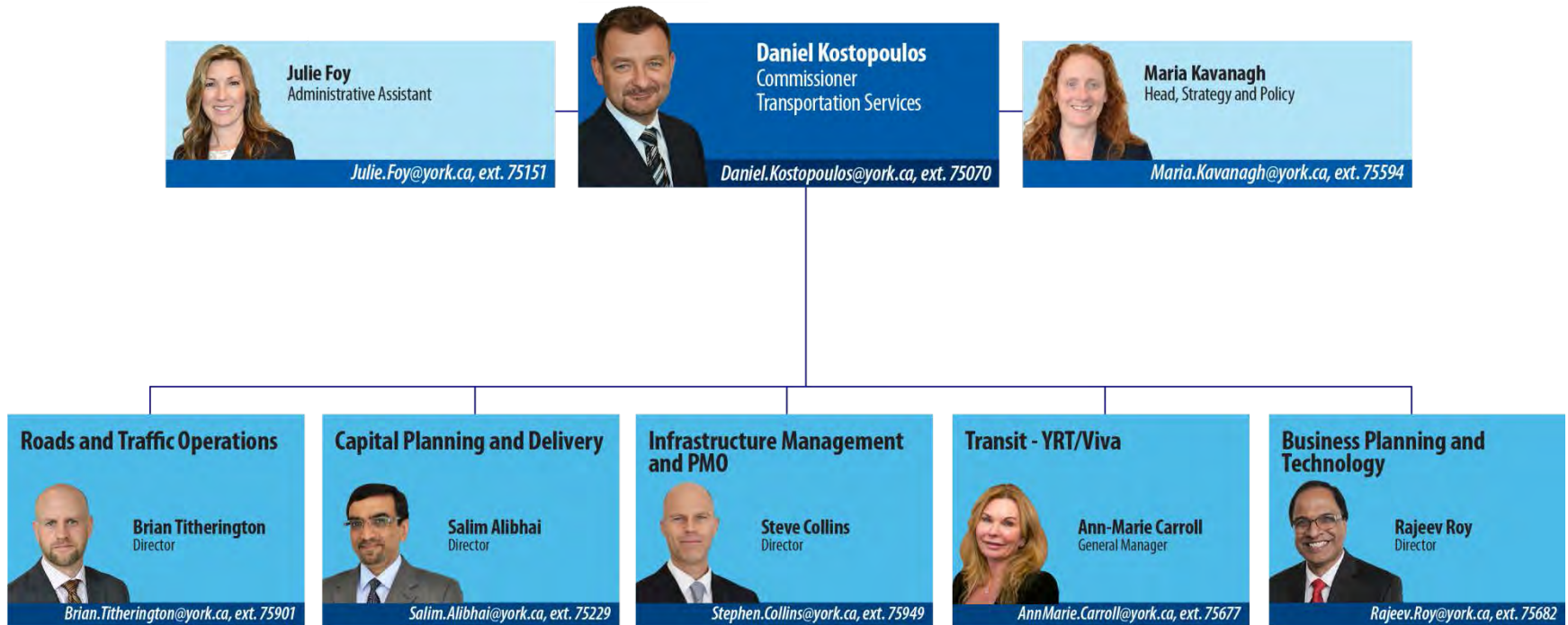
Vision and Mission



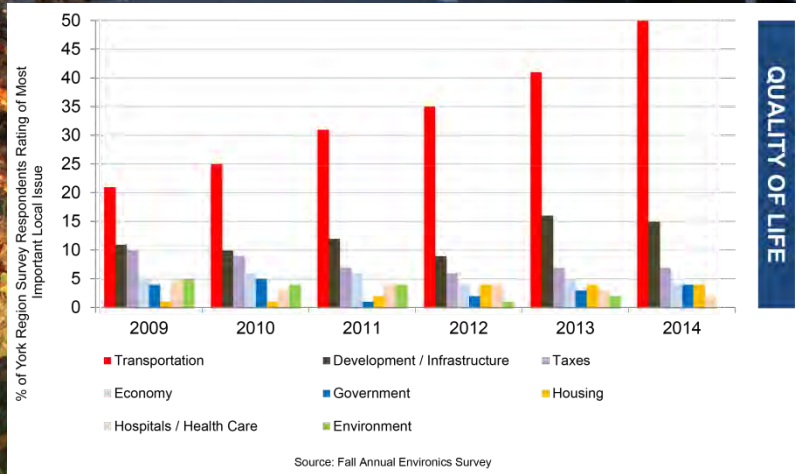
Connecting strong, caring, safe communities

Transportation Services plan, build and operate roads and transit services that respond to the needs of our growing communities

Transportation Services Department







Transportation: Most Important Issue



2015-2019 Strategic Plan Activities

Transportation Services

Strategic Priority Area	Key Planned Regional Activities
 <p>ECONOMIC VITALITY</p>	<p>Strengthen the Region's economy</p> <ul style="list-style-type: none"> • Complete and implement Transportation Master Plan • Focus on Networks and Systems that connect people, goods and services
 <p>HEALTHY COMMUNITIES</p>	<p>Support community health and well-being</p> <ul style="list-style-type: none"> • Implement Active Transportation Network • Make our communities more welcoming and inclusive
 <p>SUSTAINABLE ENVIRONMENT</p>	<p>Manage environmentally sustainable growth</p> <ul style="list-style-type: none"> • Implement Rapid Transit Network • Increase capacity of road network • Manage Traffic Congestion • Optimize Critical Infrastructure Systems Capacity
 <p>GOOD GOVERNMENT</p>	<p>Provide responsive and efficient public service</p> <ul style="list-style-type: none"> • Implement Infrastructure Asset Management Framework • Complete Bi-annual Corporate State of Infrastructure Reports • Stewardship of the Region's Assets

Agenda

- 2015 Budget Recap
- 2016 Operating Budget
- 2016 10-year Capital Budget
- Summary



2015 Budget at a Glance

10-year Capital Plan

\$2.1B

Capital Budget for 2015

\$167M

Capital Spending Authority

\$450M

Restated Net
Operating Budget

2015

2016

2017

2018

8.2%

0.8%

0.9%

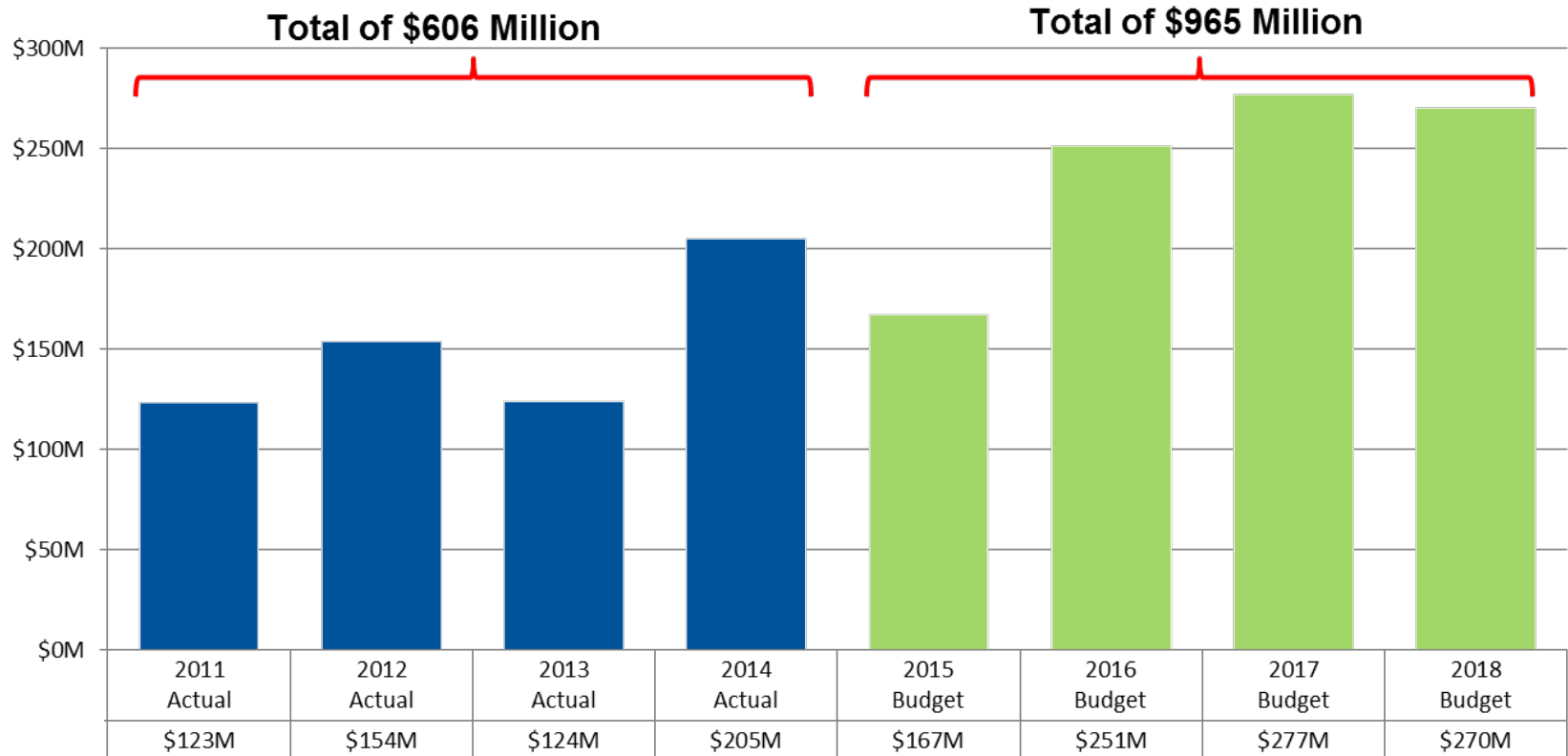
2.4%

Net Operating Budget for 2015

\$203M

2015 Approved Capital Delivery Comparison

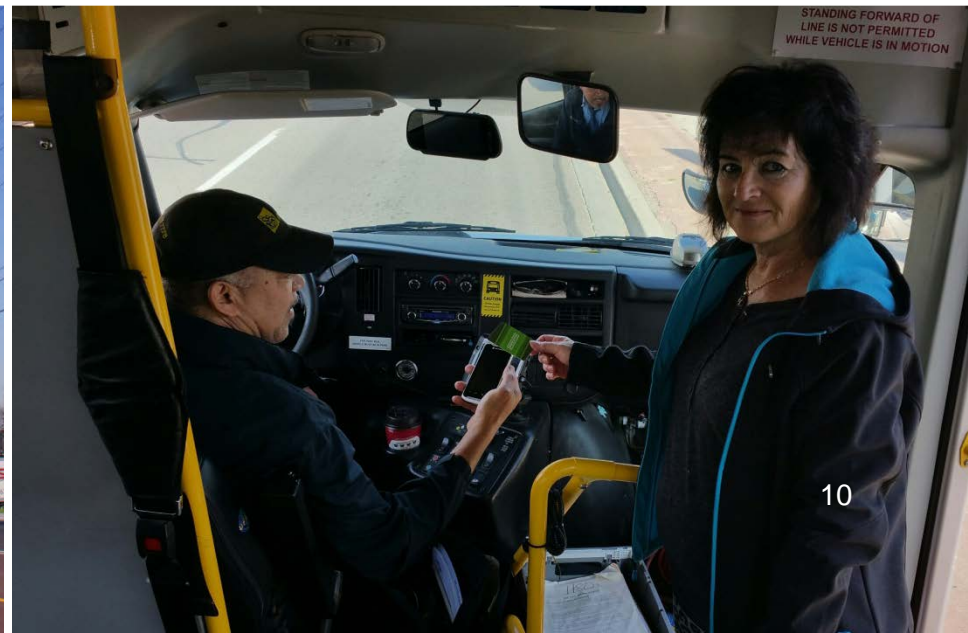
Transportation Services Capital Spending 2011 - 2018



Operating Budget



Transit Operations



Transit Operations – 2015 Industry Awards



CRIME STOPPERS OF YORK REGION
1-800-222-TIPS
WWW.1800222TIPS.COM

A SAFER COMMUTE IS YOUR CALL*

*REWARD – Crime Stoppers will pay a cash reward for information which leads to an arrest for vandalism, theft and other crimes on York Region Transit properties and/or facilities. Callers never have to identify themselves or testify in court.

YORK REGION TRANSIT VIVA

Working in partnership with Crime Stoppers of York Region

CRIME STOPPERS OF YORK REGION

York Region

NOT EVERYONE WANTS TO FLY

HOLD THE RAIL WHILE THE BUS IS MOVING

York Region

YORK REGION Man

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YORK REGION TRANSIT VIVA

York Region

#playtime

Bus time is

#TheNewMeTime

yrt.ca

YORK REGION TRANSIT VIVA

NO ONE CAN OUTRUN IT

DON'T CHASE AFTER YOUR BUS THROUGH TRAFFIC

York Region

YORK REGION Man

yrt.ca/safety

YORK REGION TRANSIT VIVA

Transit Operations



10th Anniversary of Viva Service

2015 Pan Am Games



York Region Transit successfully hosted the Pan Am Call-One Centre on behalf of all GTHA Paratransit service providers



2015 Pan Am Games



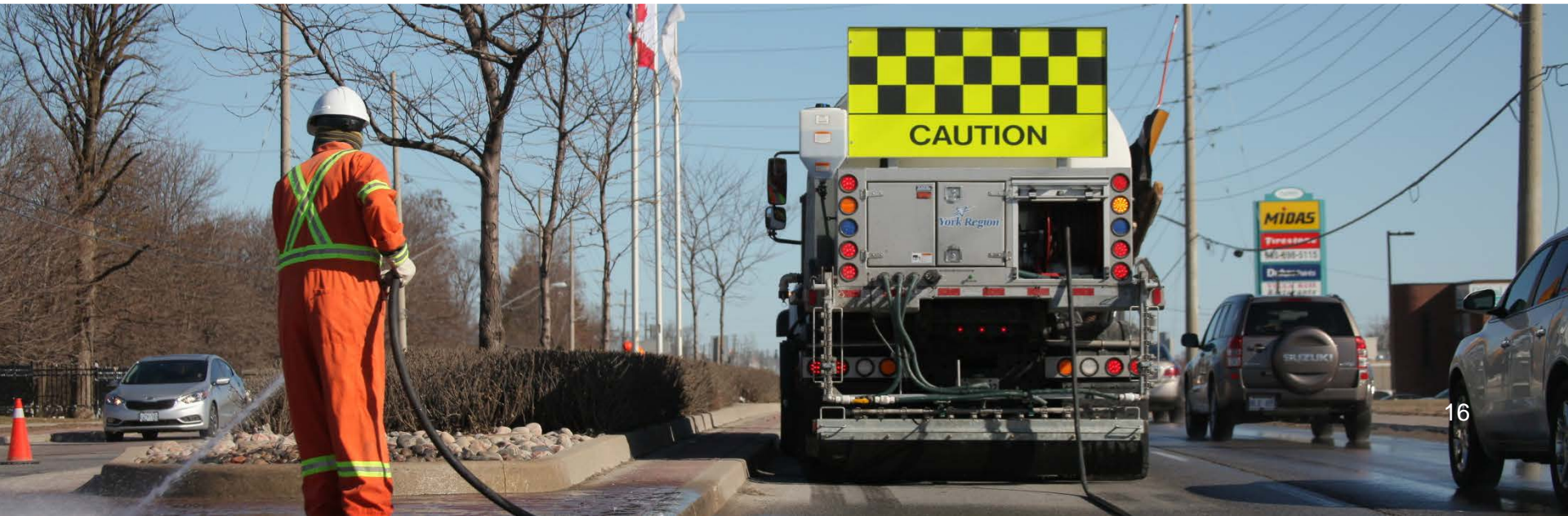
GTHA coordinated Traffic Management Centres supporting Pan Am Games route network



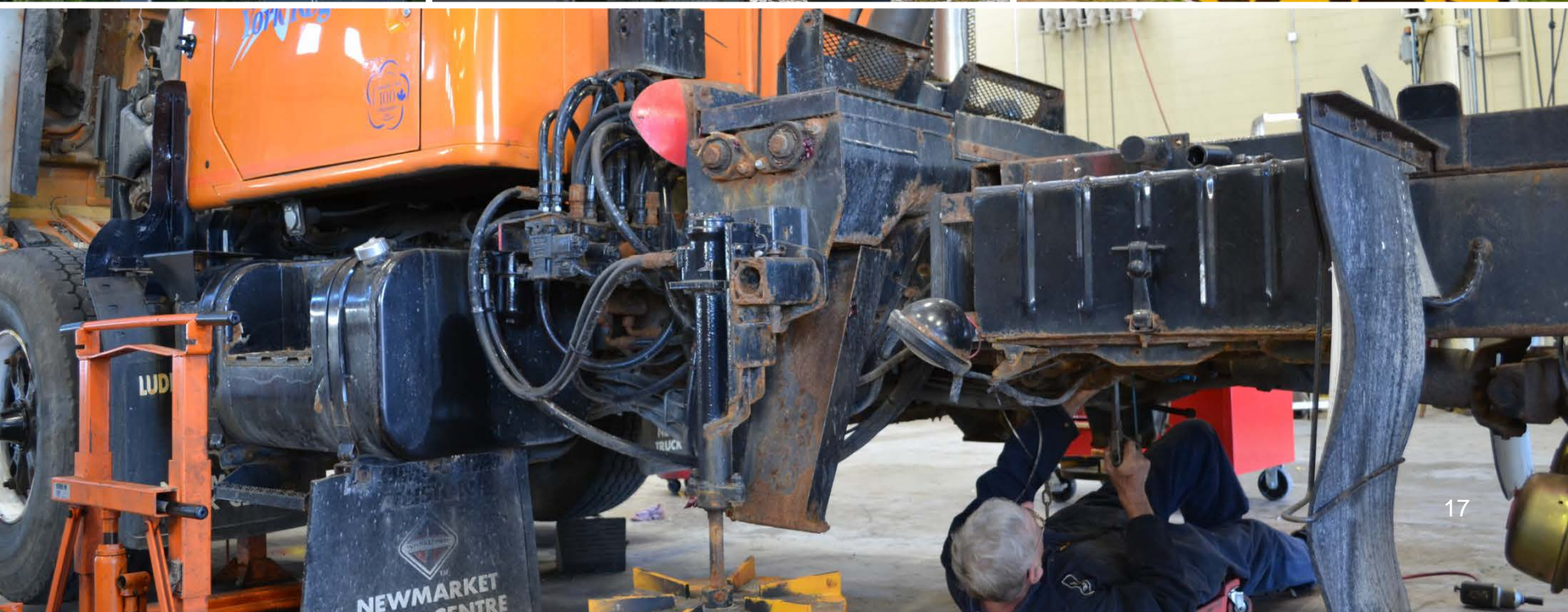
Roads Operations



Roads Operations



Roads Operations



2016 Operating Budget at a Glance

Proposed Net Operating Budget Change

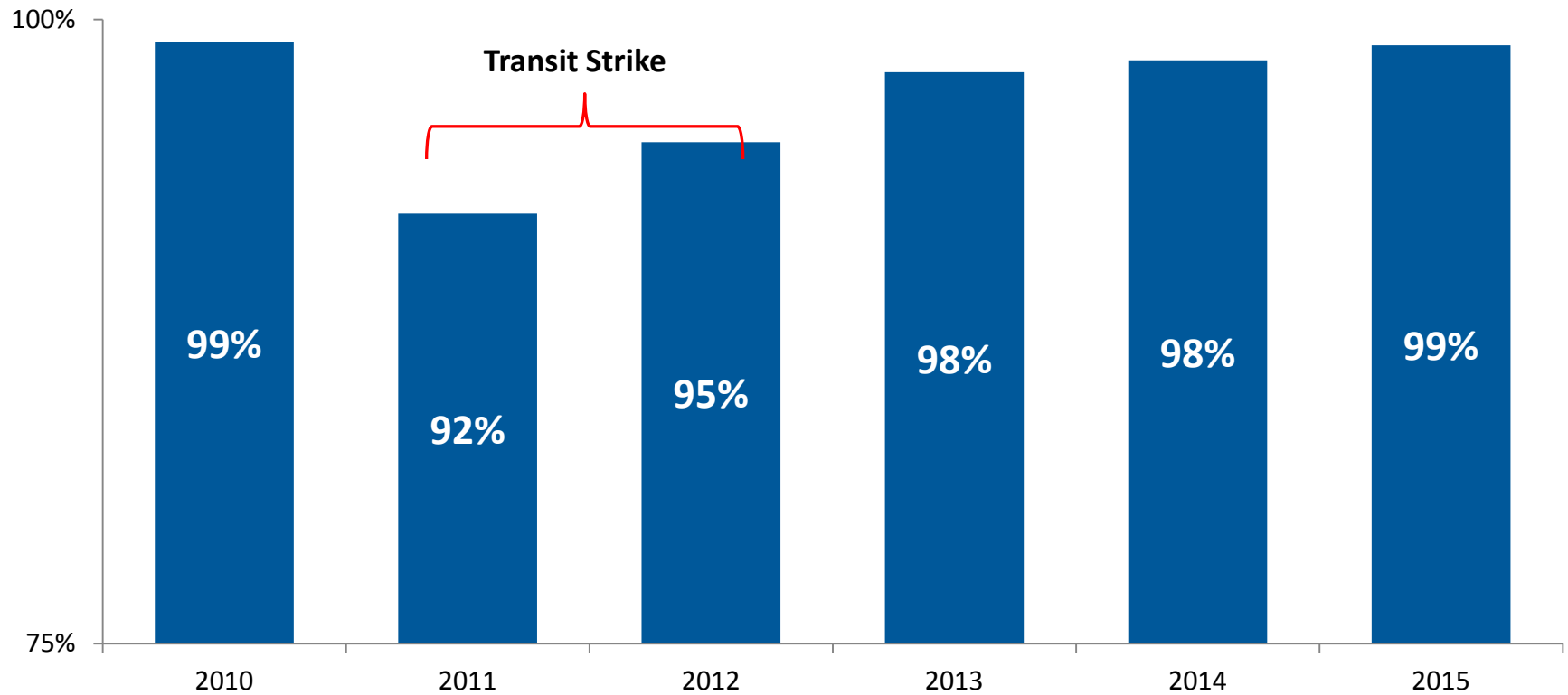
2016	2017	2018
0.3%	0.9%	2.4%

Net Operating Budget for 2016

\$203M



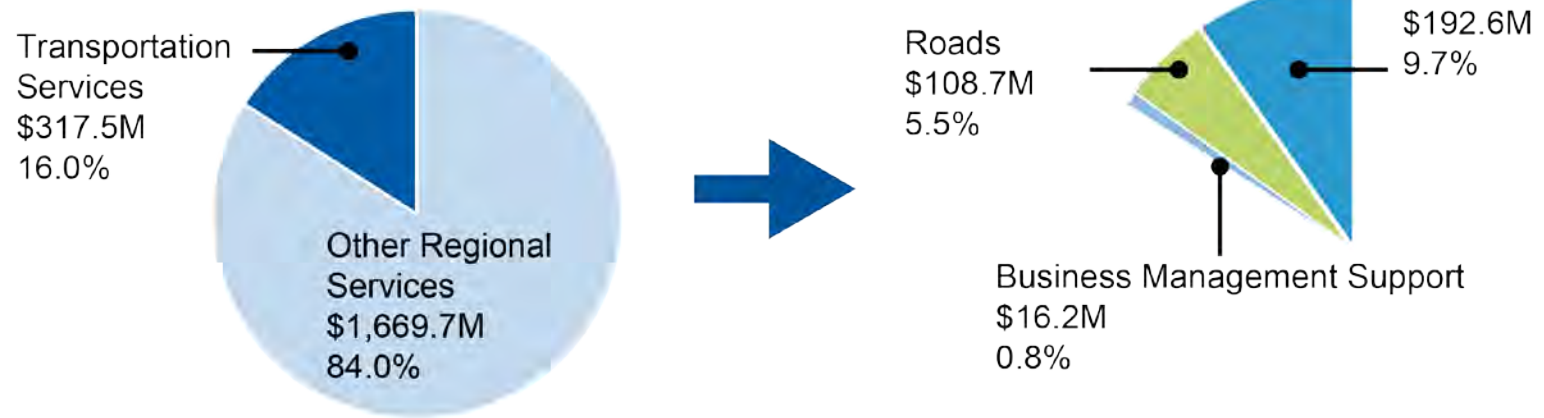
Operating Gross Expenses Trend



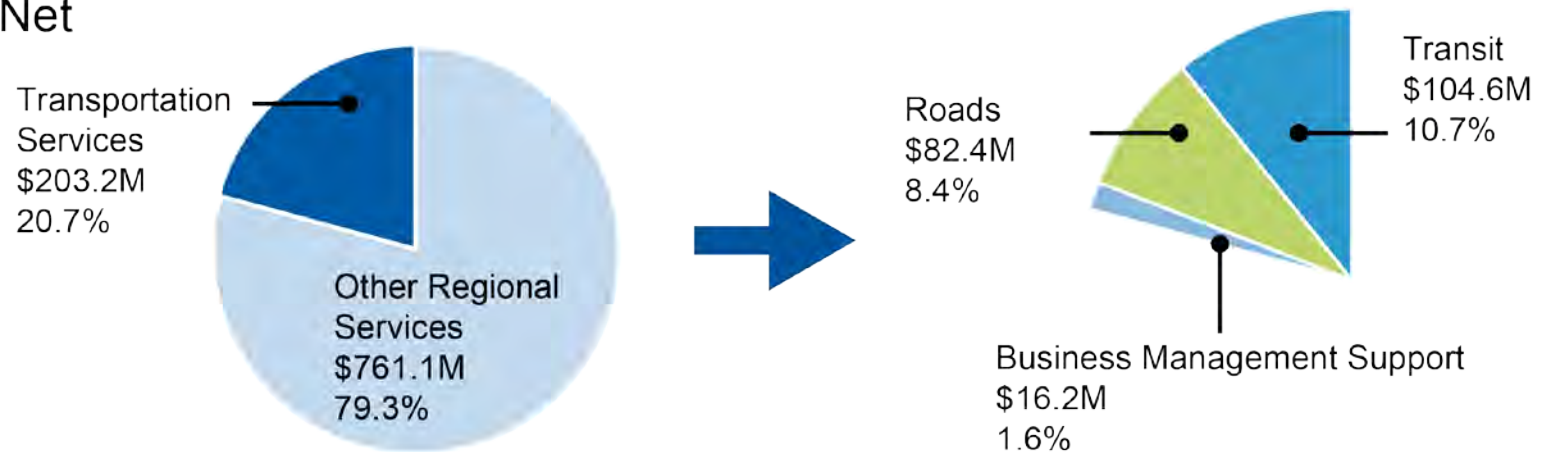
Maximized service levels within available budget

2016 Share of York Region Operating Budget

Gross



Net

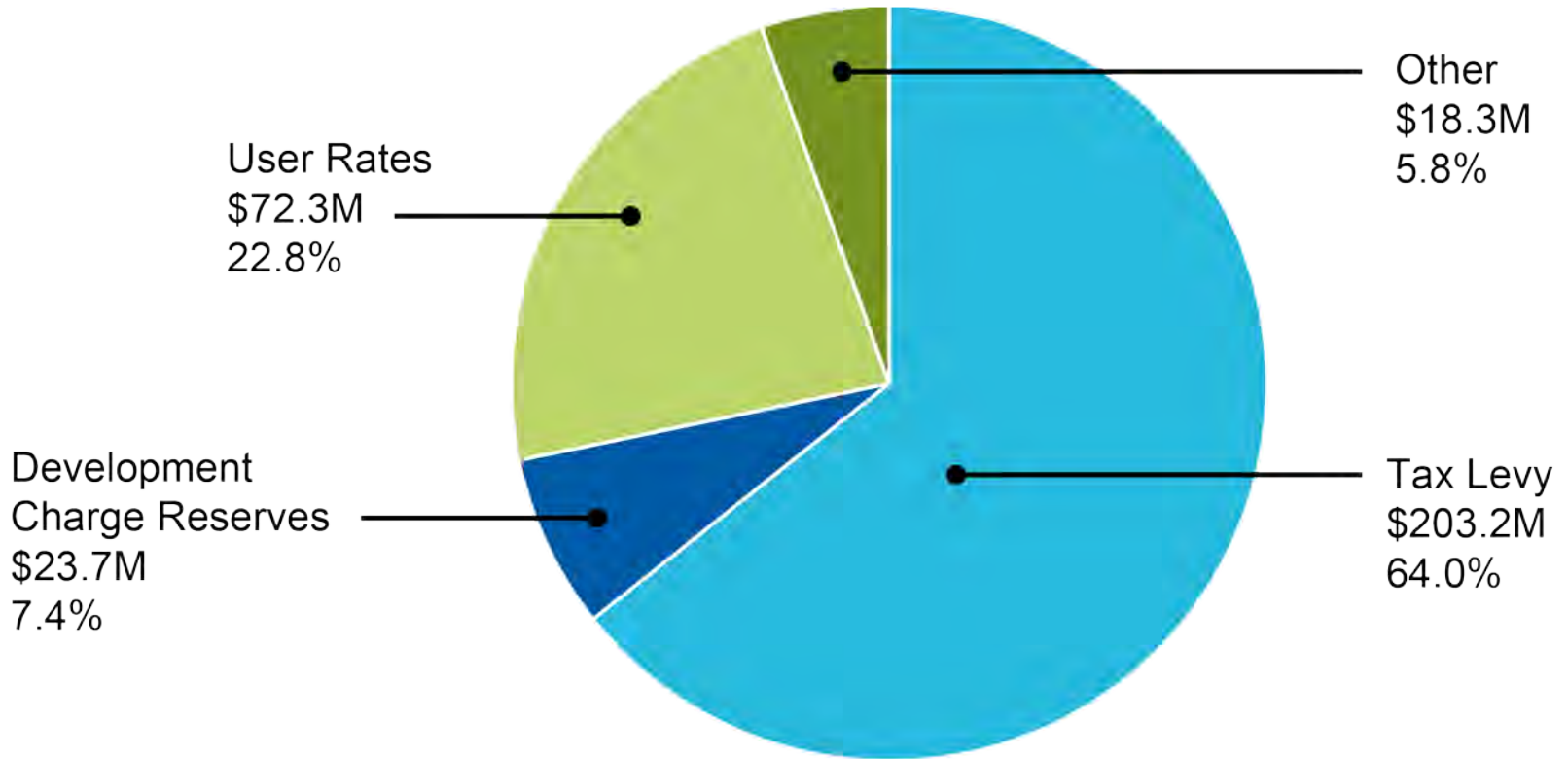


Operating Budget Summary

(\$Million)	2015 Approved	2016 Proposed	2017 Outlook	2018 Outlook
Gross Expenditures	311.0	317.5	327.1	342.2
Non-Tax Revenues	108.4	114.3	122.1	132.3
Net Expenditures	202.6	203.2	205.0	209.9
Increase/(Decrease) (year over year)	8.2%	0.3%	0.9%	2.4%
2015 Approved Outlook (restated)	-	0.8%	0.9%	2.4%
Proposed Staffing Changes (Compared to Outlook)	-	-	-	-

2016 Budget remains within the 2015 Approved Outlook

2016 Operating Budget Funding

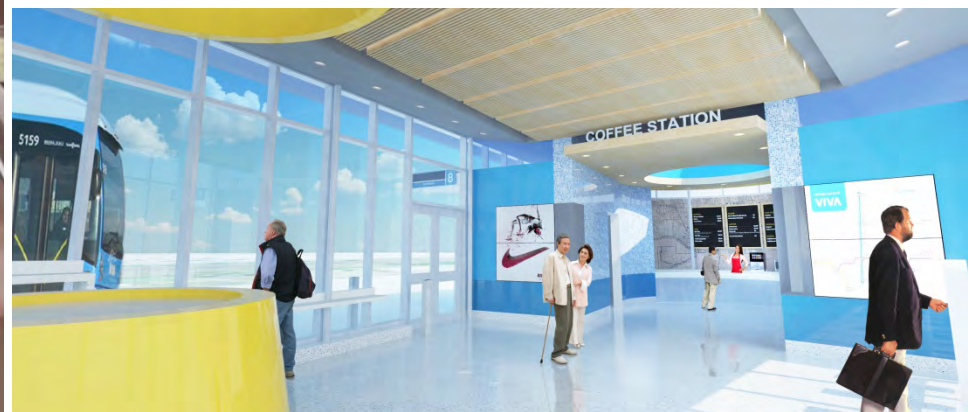


Various funding sources contribute to the 2016 operating budget

10-year Capital Budget



Transit Capital (non-YRRTC)



Roads Capital



Roads Capital



Roads Capital



2016 Capital Budget at a Glance

10-year Capital Plan

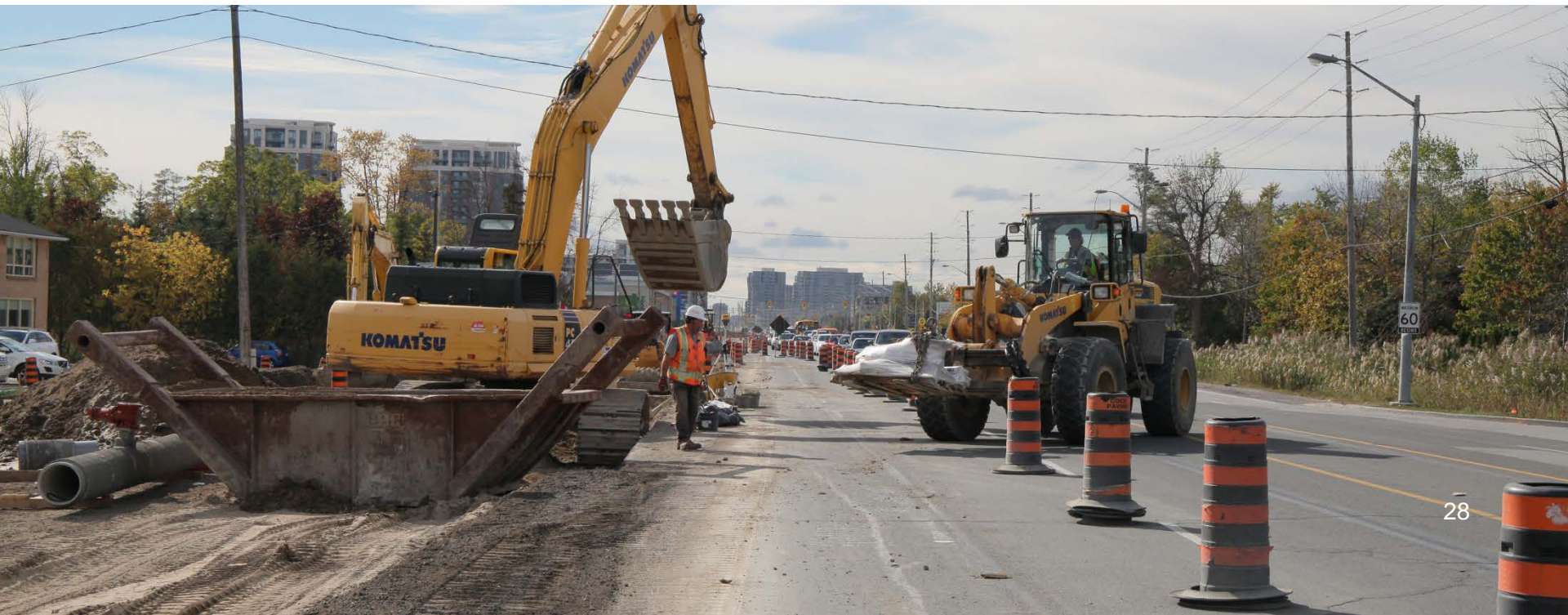
\$2.3B

Capital Budget for 2016

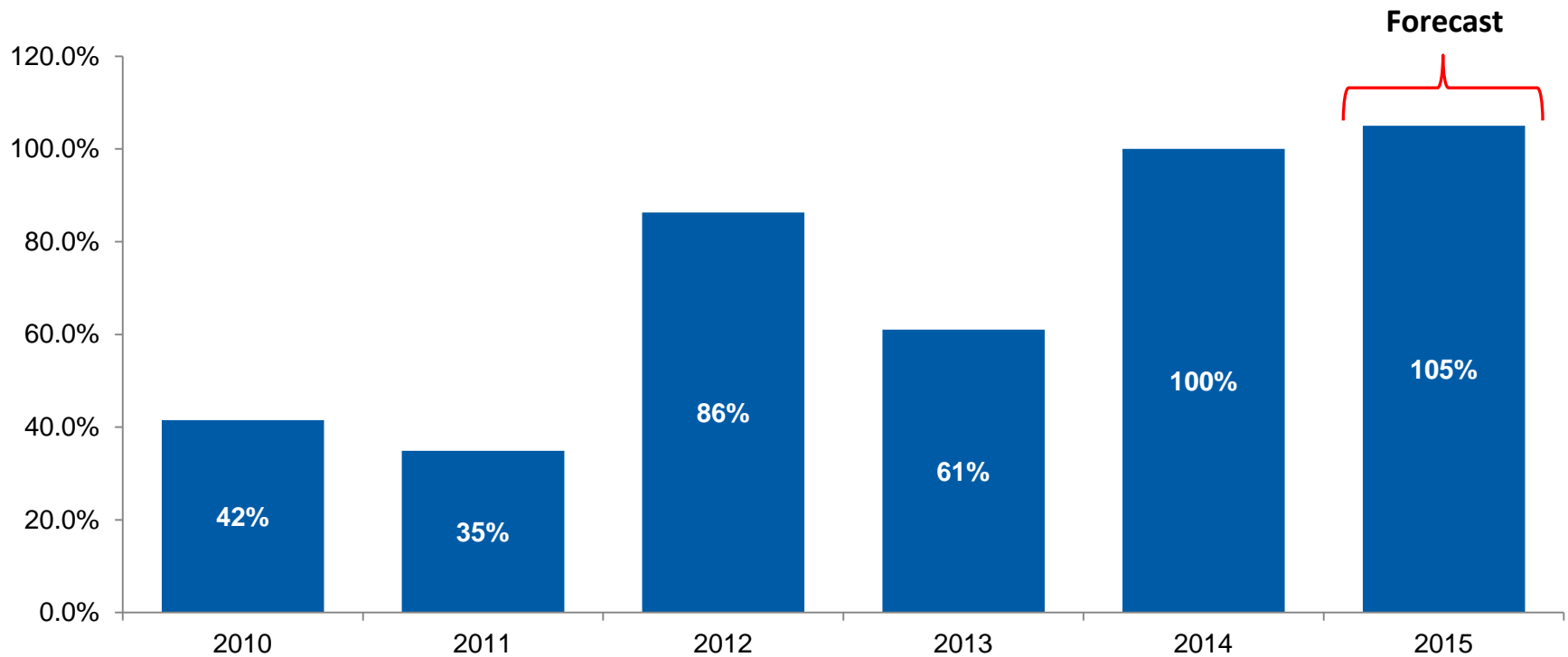
\$213M

Capital Spending Authority

\$773M

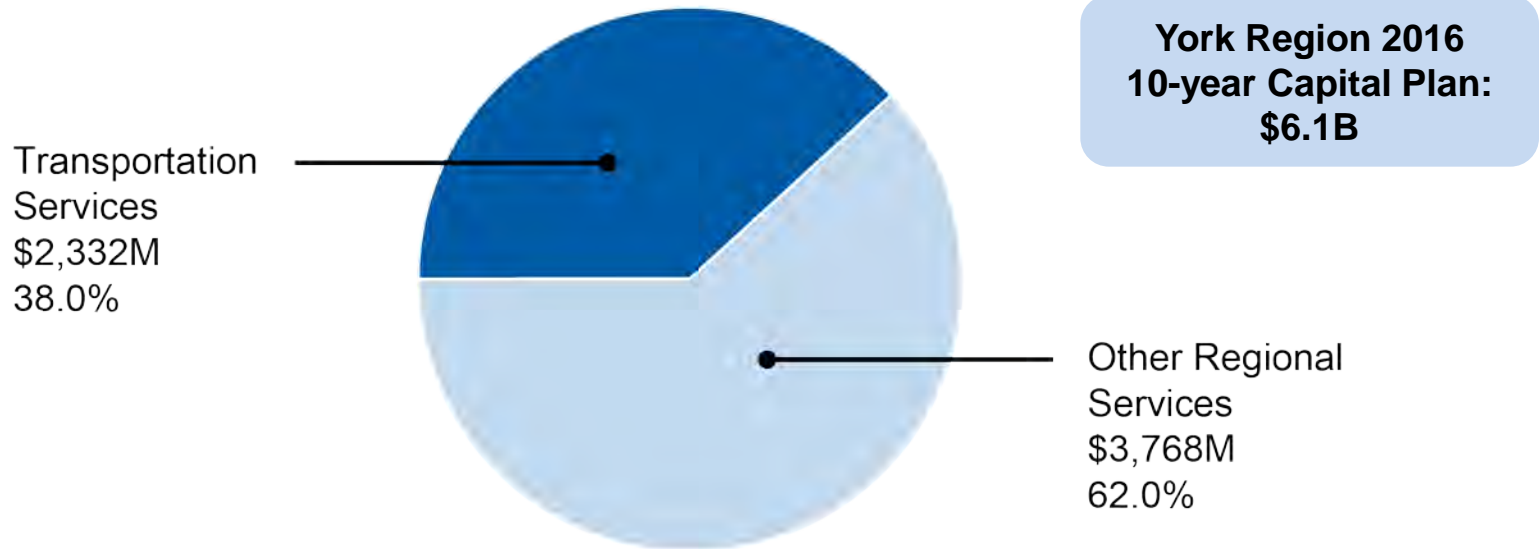


Capital Budget Delivery Trend



Strategic approach implemented to strengthen capital delivery capacity

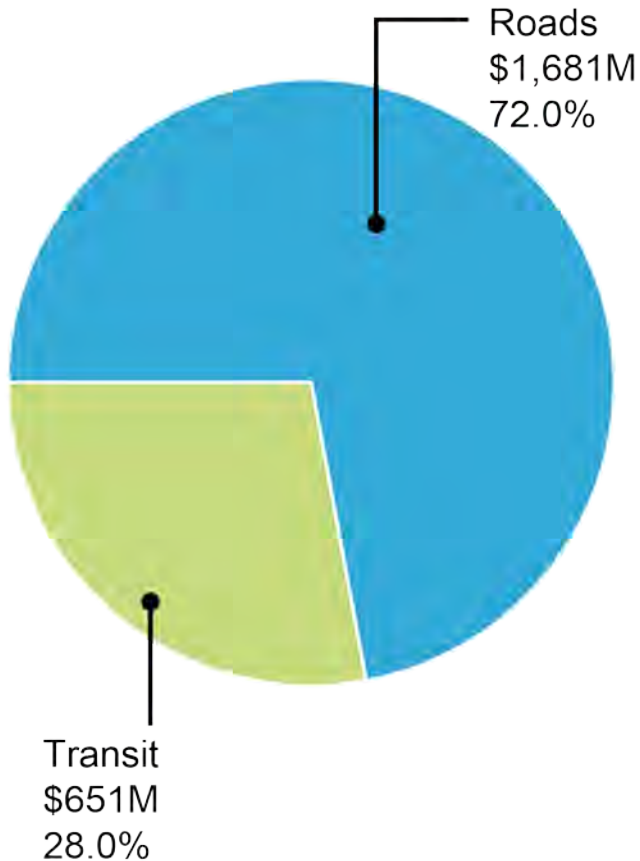
York Region: 10-year Capital Plan



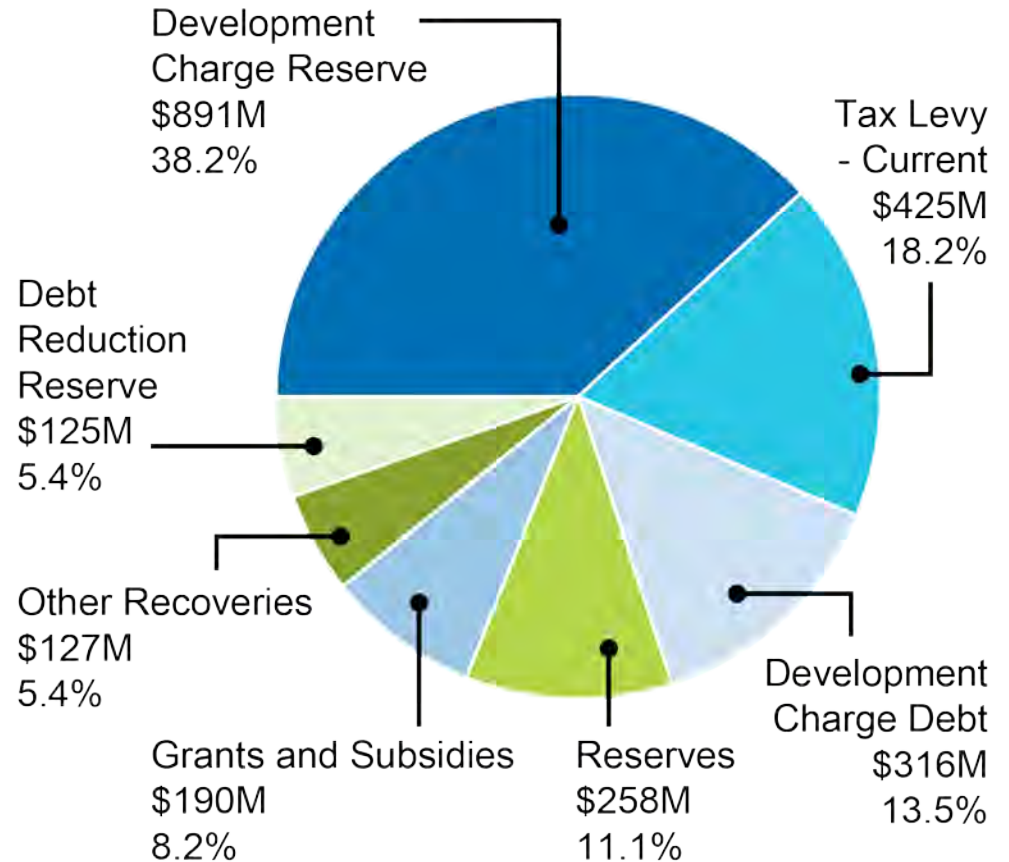
Capital Budget	\$ Millions
2016 Capital	213
10-year Capital Plan	2,332
2016 Capital Spending Authority	773

10-year Capital Plan Overview

Expenditures
\$2,332 Million

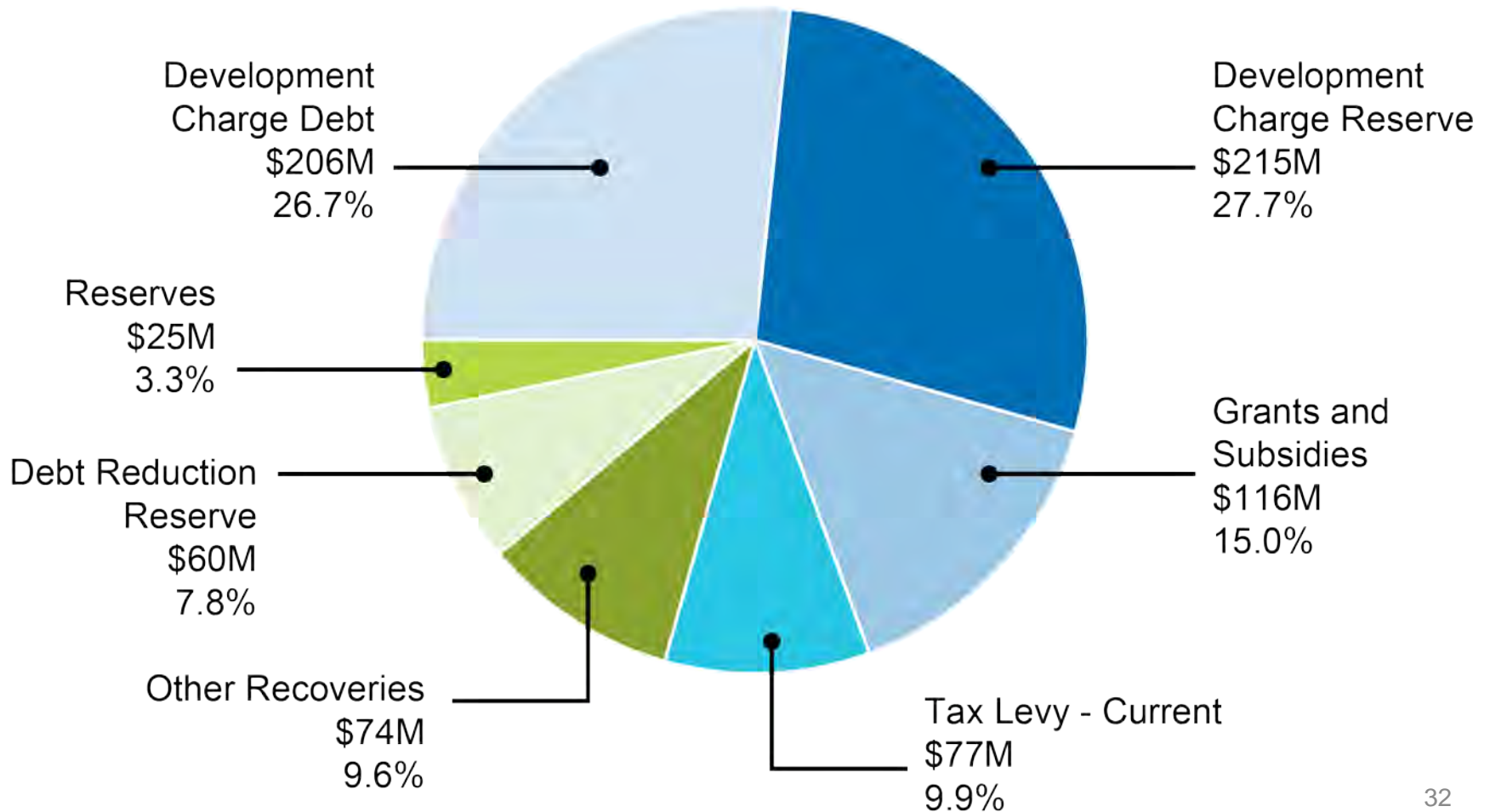


Funding Sources
\$2,332 Million

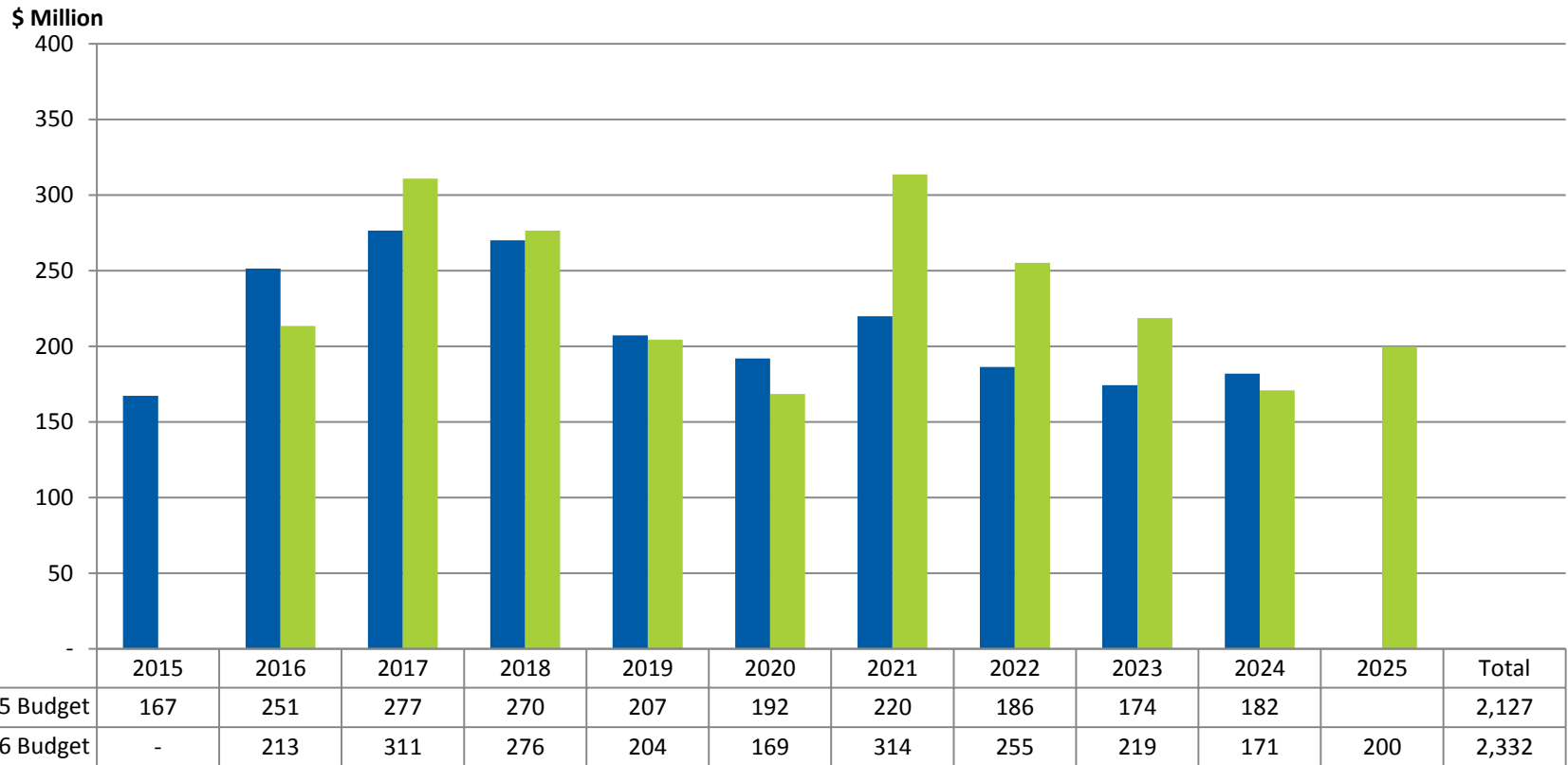


2016 CSA Capital Funding Sources

Total: \$773M

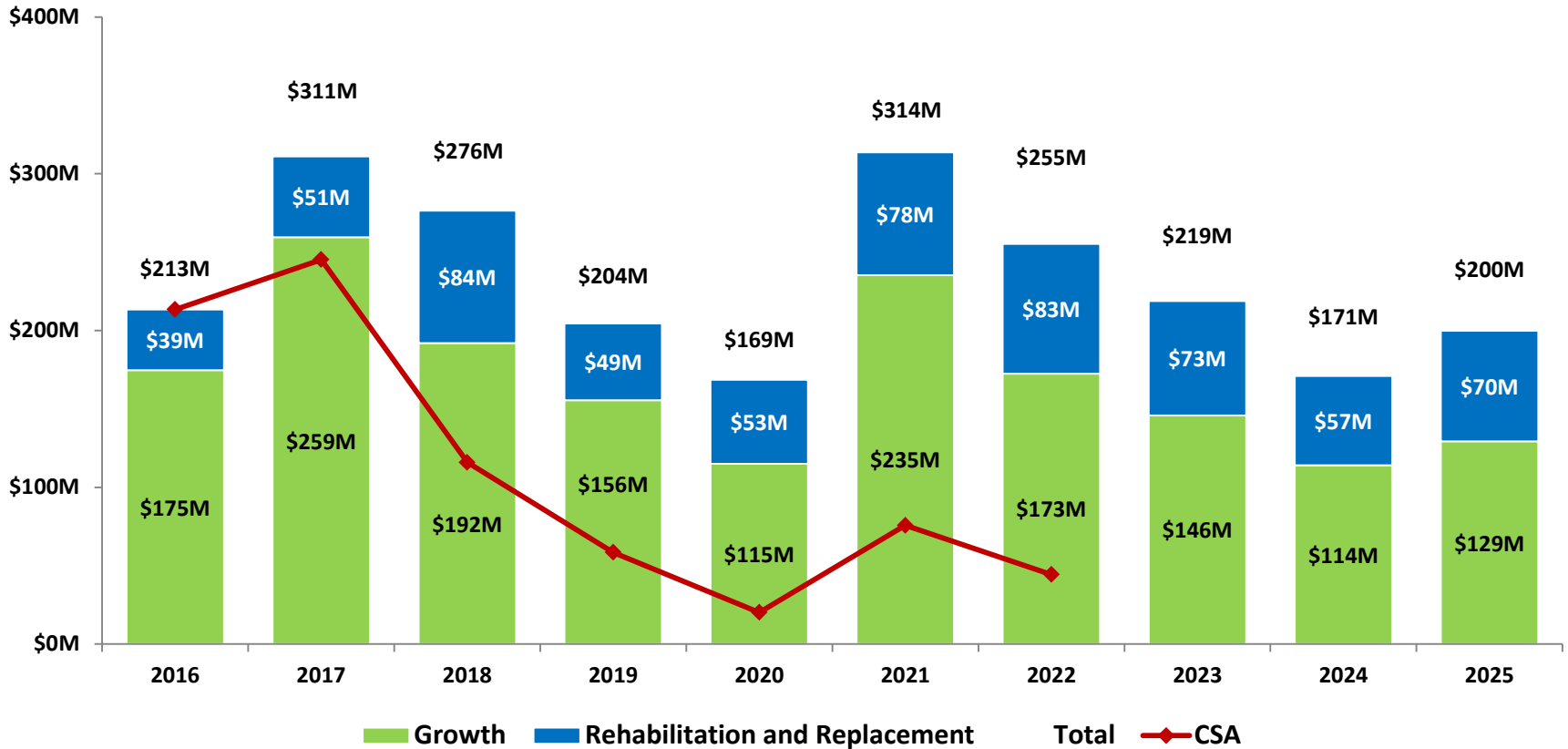


10-year Capital Plan 2015 vs. 2016



Over \$200M increased investment in the 10-year plan

10-year Capital Budget



More than 70% of the 2016 budget will be committed by the end of Q1

Transit: Major 10-year Capital Projects

Program Description	Time Frame	Budget \$M
108 Viva replacement buses	2018-2025	115
195 Conventional replacement buses	2017-2025	103
Southeast garage	2016-2022	99
111 Conventional expansion buses	2016-2025	62
46 Viva expansion buses	2016-2025	59
225 Conventional buses major refurbishing	2016-2025	47
Property acquisition for future South garage	2021	27
Major Mackenzie W. Terminal / E. Parking Facility	2016-2019	19
Bus Terminals, Loops and Stops Expansion	2016-2025	16
North garage	2016-2017	12

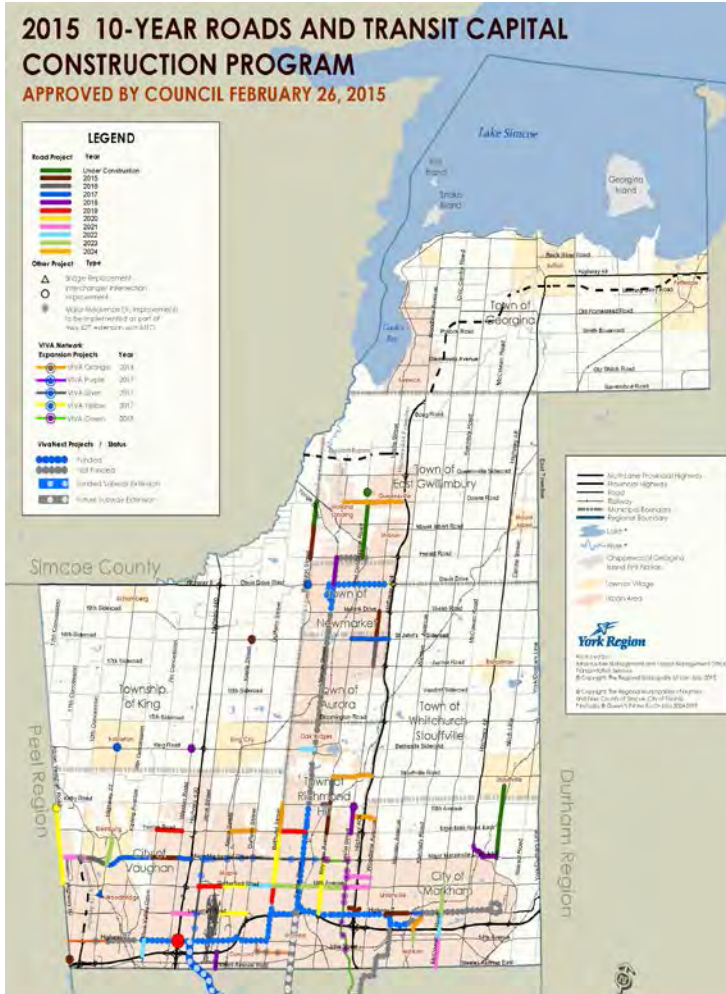
YRT/Viva Capital projects focus on fleet and facilities

Roads: Major 10-year Capital Projects

Program Description	Construction	2016-2025 Budget \$M	Total Project Cost \$M
Major Mackenzie Drive (Hwy 50 to Hwy 400)	2015 to 2021	120	150
Rutherford Road (Jane to Bathurst)	2019 to 2023	75	77
16 th Avenue (Yonge to Woodbine)	2021 to 2025	52	53
Leslie Street and St John's Sideroad	2016 to 2018	49	68
Highway 404 mid-block crossing north of Hwy 7 and Northbound off-ramp	2016 to 2018	45	52
Highway 404 mid-block crossing north of 16th Ave	2021 to 2022	42	43
Bathurst Street (north of Hwy 7 to Elgin Mills)	2020 to 2024	40	52
McCowan Road (Steeles to 16th Ave)	2021 to 2024	38	38
Langstaff Road (Keele to Hwy 7)	2023 to 2025	39	40
Highway 404 mid-block crossing north of Elgin Mills	2023 to 2025	38	38

Rehabilitation/Replacement annual budget of approximately \$25M will need to increase

Updated 10-year Capital Plan



Approved 2015



Proposed 2016

Roads: Advanced/Added Projects

Program Description	Construction Advanced / Start Date	Years Advanced	2016-2025 Budget \$M	Total Project Cost \$M	Budget dollars added
Major Mackenzie Drive – 4-6 lane widening (Hwy 50 to Pine Valley)	From beyond 2025 to 2015	10+ years	102	127	20
Mid Block Crossing – Hwy 404 north of Elgin Mills	2024 to 2023	1 year	38	38	11
St John's Sideroad – Bayview to Woodbine	2017 to 2016	1 year	25	35	2
Keele Street - Steeles to Hwy 407 (incl. bridge rehab)	2018 to 2017	1 year	24	27	8
AODA requirements at intersections	Ongoing	New	20	20	20
Highway 404 northbound off-ramp extension at Hwy 7	Starts 2015	New	15	16	15
3 bridge rehabilitation/replacements	Starts 2017	New	6	6	6
Leslie Street and 19th Avenue (Intersection)	2018 to 2017	1 year	4	5	0
Major MacKenzie Drive (Weston to Hwy 400)	2017 to 2015	2 years	4	4	0
Stouffville Road – Yonge to Bayview	Starts 2025	New	3	9	0
Major Mackenzie Drive – Leslie to Woodbine	Starts 2025	New	5	18	1
McCowan Road – 16 th Avenue to Major Mackenzie	Starts 2025	New	2	11	1
Kennedy Road – Denison to 14 th Avenue	Starts 2025	New	4	10	0

\$84M added to the 10-year capital plan based on Council approved direction

Roads: Deferred Projects

Program Description	Construction Deferred	Years Deferred	2016-2025 Budget \$M	Total Project Cost \$M	Deferred beyond 2025
Don Cousens Parkway - Major Mackenzie to Hwy 48	from 2018 to 2026	8 years	0	17	10
Langstaff Road - Weston to Jane	from 2021 to 2025	4 years	9	37	28
Langstaff Road - Keele to Dufferin	from 2020 to 2023	3 years	39	40	0
Elgin Mills Road - Yonge to Bathurst	From 2019 to 2022	3 years	15	15	0
Carrville Road - Bathurst to Yonge	From 2023 to 2025	2 years	7	18	11
Yonge Street – Davis to Green Lane	From 2018 to 2020	2 years	26	27	0
Teston Road - Pine Valley to Weston	From 2019 to 2021	2 years	14	23	8
Bathurst Street – north of Hwy 7 to Rutherford	From 2019 to 2020	1 year	12	18	0
Bathurst Street - Rutherford to Elgin Mills	From 2020 to 2021	1 year	28	34	0
Bathurst Street - Elgin Mills to 19 th Ave	From 2024 to 2025	1 year	3	12	10
Stouffville Road - Bayview to Hwy 404	From 2024 to 2025	1 year	3	13	9
Viva Network Expansion Plan	From 2017 to 2018	1 year	27	28	0

Emerging pressures required adjustments to the budget

Summary



Plan, Build, Operate, Connect

2016 Budget at a Glance

10-year Capital Plan

\$2.3B

Capital Budget for 2016

\$213M

Capital Spending Authority

\$773M

Proposed Net Operating
Budget Change

2016

2017

2018

0.3%

0.9%

2.4%

Net Operating Budget for 2016

\$203M

2016 Budget Considerations

- Key project advancements
- Growing emphasis on asset management
- New Rapid Transit and road infrastructure
- Increased operating costs
- Mandatory/legislated obligations

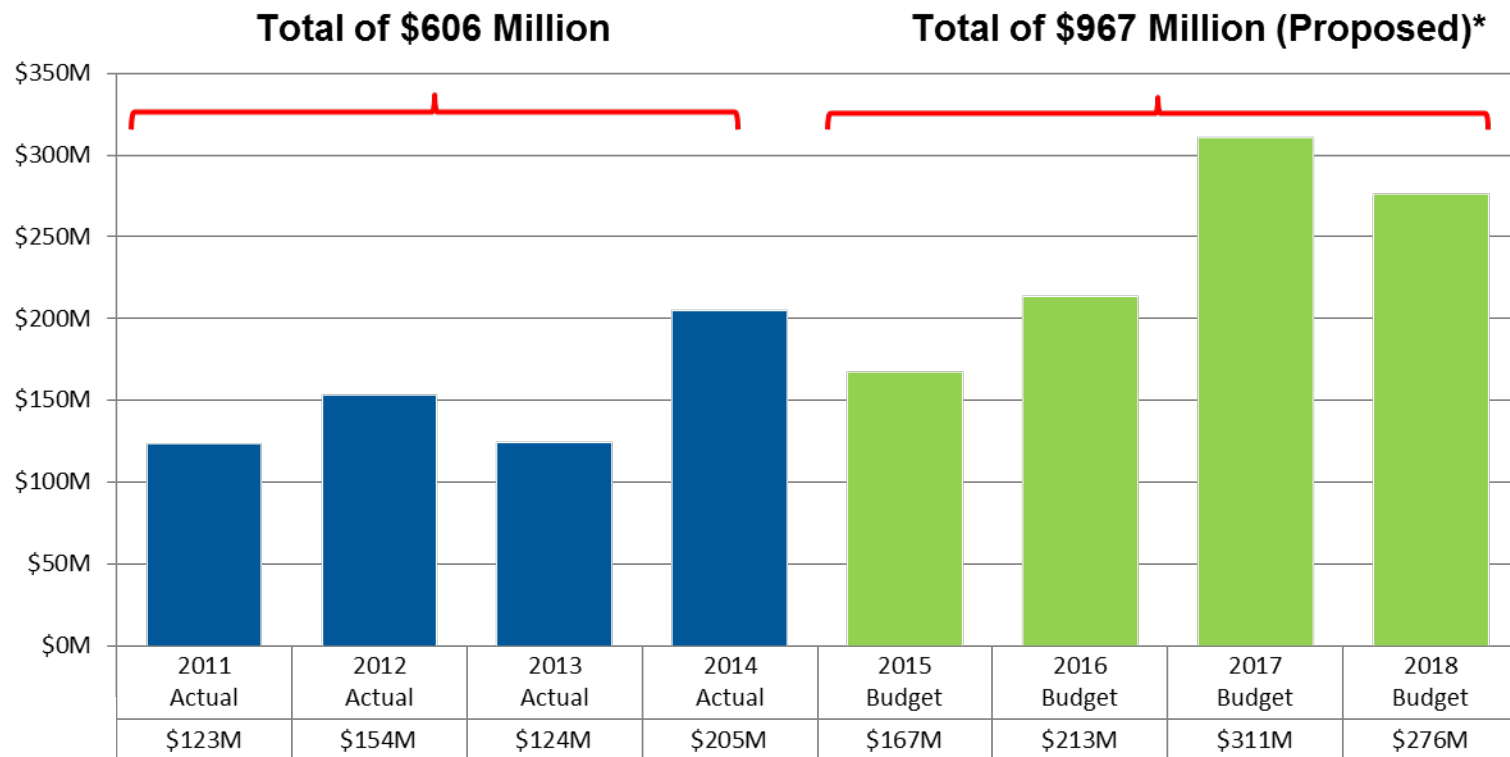
Pressures

- Spadina subway extension
- Development charge collections



Proposed Capital Delivery Comparison

Transportation Services Capital Spending 2011 - 2018



* 2015 Approved Total = \$965M

Budget Recommendation

1. The Committee of the Whole recommends the budget as submitted for Transportation Services as follows:
 - a) The 2016 operating budget and the outlook for 2017 and 2018, as summarized in Attachment 1
 - b) Capital Spending Authority, as summarized in Attachment 2
2. That the recommended budget be consolidated by the Treasurer for consideration by Council on December 17, 2015