



## 2024-2027 Service Based Budget Overview

# TRANSIT

## Presentation to SPC – Public Works

March 1, 2024

Photo: Mike Peters, courtesy Tourism Winnipeg

# Agenda

1. Performance Reporting
2. Budget and Strategic Priorities Action Plan Alignment
3. Budget Highlights and Overview
4. Service Based:
  - a. Operating Budget
  - b. Capital Budget
  - c. Reserve Projections
5. Questions



# Performance Reporting – Public Transit

## Public Transit

### Description

Winnipeg Transit operates a public transportation system that provides a network of service routes throughout the City which includes conventional, express, rapid and suburban on-request routes.

Additionally, a parallel transit service is provided to individuals who are able to use the conventional transit in part or none of the time due to a disability in accordance with eligibility criteria.


Key services include conventional transit, Transit Plus, and chartered bus & special events.

### OurWinnipeg



City Building (CB)

### Performance Reporting

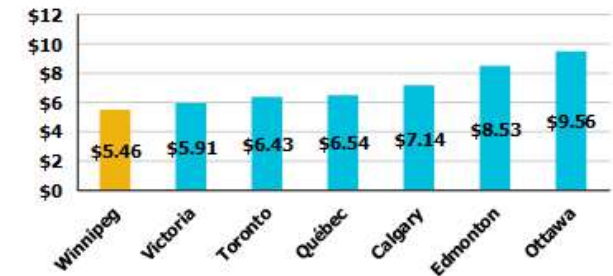
Service Goal / Measure Description	2021 Actual	2022 Actual	2022 Target	2023 Target	2024 Target
 <b>Goal 3: Utilize resources responsibly and operate efficiently</b>					
Operating cost per passenger - conventional service [A] [B]	\$7.60	\$5.46	\$5.75	\$4.58	\$4.79
Operating cost per passenger - Transit Plus [A] [B]	\$47.86	\$49.97	\$38.20	\$44.41	\$41.60

[A] 2021 and 2022 statistics were impacted by the COVID-19 pandemic. The targets set for 2023 and 2024 reflect assumptions on Transit's recovery from the pandemic which is expected to take multiple years.

[B] Refer to benchmarking / comparison data on the following page.

Source: 2024 - 2027 Multi-Year Budget pages 121-122

Conventional Transit Operating Cost per Passenger (2022)



Transit Plus Operating Cost per Passenger (2022)



# Budget and Strategic Priorities Action Plan Alignment



Key Theme	SPAP Action Item	Program / Initiative	Outcome / KPIs	Status Update	Outcome / Completion (in years)
A Green Growing City with Sustainable Renewal of Infrastructure	4.4 Accelerate implementation of the Winnipeg Transit Master Plan	<b>Various Capital Projects (Note 1)</b>	Increase Winnipeg Transit and Transit Plus service levels, frequency, reliability and availability	In Progress	1 - 5 years
		<b>Install bus operator safety shield extensions (Capital)</b>	Increase passenger and bus operator safety across the Winnipeg Transit system	Not started	1 - 2 years
		<b>Expand service to four neighbourhoods (Operating)</b>	Increase Winnipeg Transit and Transit Plus service levels, frequency, reliability and availability	Not started	1 - 2 years
A Liveable, Safe, Healthy, Happy City	3.3 Accelerate implementation of the Poverty Reduction Strategy	<b>Upgrade/renewal of fare collection technology enabling an improved variety of fare payment options (Capital)</b>	Transportation System Equity is Enhanced	Not started	1 - 3 years
		<b>Hold WINNpass fares at 2023 levels for 2024</b>	Transportation System Equity is Enhanced	Completed	N/A


Note:

1. Includes the WTMP implementation, primary transit network infrastructure, and rapid transit downtown corridors preliminary design.

Source: 2024 - 2027 Multi-Year Budget page 51

## Budget Highlights

Annual Tax Supported Operating Increase <sup>1</sup>	Expenditure Growth Rate Average <sup>2</sup>
Current Budget Cycle (2024 to 2027)	4.47%
Previous Budget Cycle (2020 to 2023)	3.04%

Service	Operating Budget Highlight(s)	Capital Budget Highlight(s)	SPAP
Public Transit	<ul style="list-style-type: none"> <li>Transit fare annual increase of 10 cents effective on January 1 from 2024-2027</li> <li>Service expanded to 4 neighbourhoods</li> <li>Service budgeted at 97% of full service level for 2024 with direction to fully restore service levels by 2025</li> <li>FTEs added to facilitate hiring and training of bus operators and better support/oversight of operations</li> </ul>	<ul style="list-style-type: none"> <li>New capital projects added for: <ul style="list-style-type: none"> <li>upgrade/renewal of fare collection technology</li> <li>installation of bus shield extensions</li> </ul> </li> <li>Majority of capital budget is for ICIP projects</li> </ul>	

### Notes:

1. Based on expenditures before capital related expenditures including transfers to reserves and debt costs
2. Average expenditure increase for 2024 to 2027 budget and 2020 to 2023 budget
3. Source: 2024 – 2027 Multi-Year Budget pages 51,121-124; Supplement to the 2024 Budget pages 226-247

## 2024 Budget Overview

(Service Based View)

Service Based Budget (in millions of \$)	FTEs	Deficit <sup>1</sup>	Capital Budget	Reserves, Net Changes
Public Transit	1,633.88	\$ (115.0)	\$ 139.6	\$ 0.1
Total	1,633.88	\$ (115.0)	\$ 139.6	\$ 0.1

Notes:

<sup>1</sup> Transit's operating deficit is recovered through the transfer from General Revenue

Source: 2024 - 2027 Multi-Year Budget pages 97-99, 123, 311 and 321

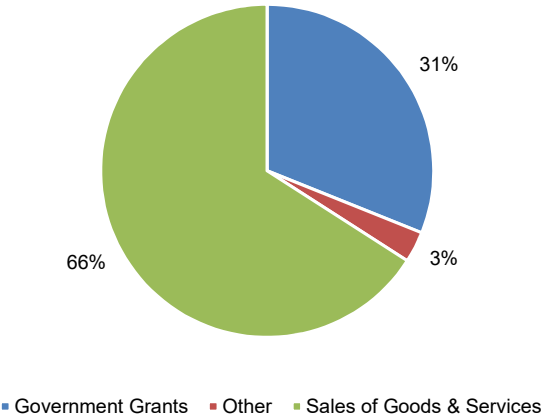


# Service Based Operating Budget Public Transit

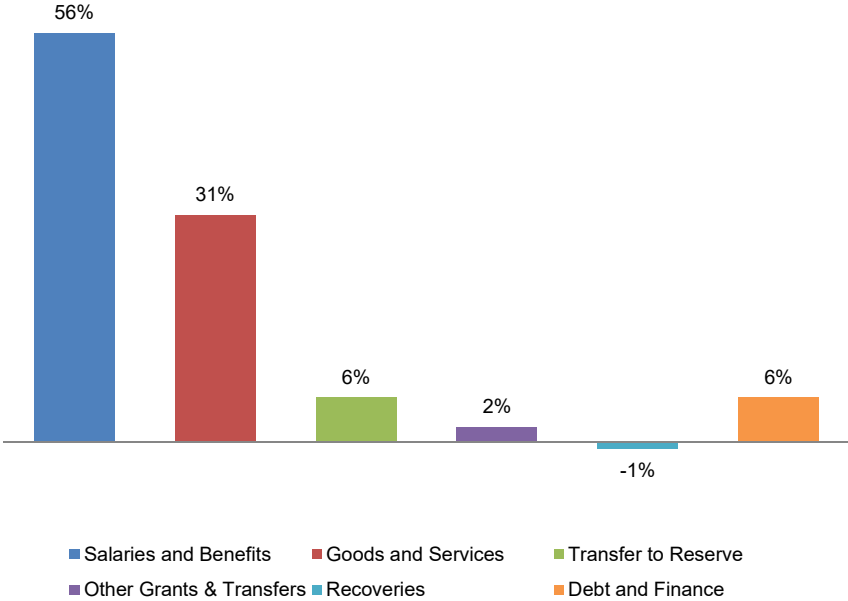
# 2024 Budget Overview

(Service Based View)

Revenues = \$134.6 million



Expenditures = \$249.6 million



The difference of \$115.0M is the transfer from General Revenue

Source: 2024 – 2027 Multi-Year Budget page 123



# Comparison of 2023 Adopted Budget to 2024 Submission

(Service Based View)

	2023 Adopted Budget	2024 Submission	2024 Increase / (Decrease)			2025 Projection	2026 Projection	2027 Projection
			\$	%	Notes			
In millions of \$								
<b>Revenue</b>	\$ 131.6	\$ 134.6	\$ 3.0	2.3%	1	\$ 141.6	\$ 147.1	\$ 152.3
<b>Expenditure</b>	233.6	249.6	16.0	6.8%	2	262.5	272.5	285.4
<b>Surplus (Deficit)</b>	\$ (102.0)	\$ (115.0)				\$ (120.9)	\$ (125.4)	\$ (133.1)

Notes:

1. Revenue increase is primarily related to inflationary increase to fare revenue and a one-time net increase transfer from capital reserves.
2. Expenditure increase is primarily a result of increases to salary and benefits, debt/financing costs and some operating costs including bus parts, fuel/carbon tax and Transit Plus contracts as well as a decrease in expenditure management.

Source: 2024 - 2027 Multi-Year Budget page 123

# Salary Budget and Full Time Equivalents (FTEs) / Vacancy Management / FTE Recoveries

(Service Based View)

## 2024 - 2027 Operating Budget

	2023 Adopted Budget	2024 Submission	Increase / (Decrease)	2025 Projection	2026 Projection	2027 Projection
<b>Full Time Equivalents</b> <i>(number of FTEs)</i>	1,623.35	1,633.88	10.53	1,660.75	1,669.20	1,671.30
<b>Salaries &amp; Benefits</b> <i>(in millions of \$)</i>	\$ 134.2	\$ 140.0	\$ 5.8	\$ 144.9	\$ 148.6	\$ 151.9

Note 1: Total departmental vacancy management \$1.7 million and 23.44 FTEs. 1 FTE is approximately equivalent to \$72,875 for vacancy management in the 2024 draft submission.

Note 2: 22 temporary FTEs expected to be working on capital projects in 2024 at a cost of approximately \$2.5 million. These costs are not included in the operating budget.

Note 3: FTEs added in 2024 to facilitate hiring and training of bus operators, provide better support/oversight of operations and implement the expansion of service into new neighbourhoods.

Source: 2024 - 2027 Multi-Year Budget pages 81 and 123

## Operating Budget Referrals

(Service Based View)

No.	Referrals to the Budget Process (include only those from an elected official process):	SPC/ Council/ Date	Included in Budget Y/N	Funding Source	2024		2025		2026		2027		SPAP Action Item
					FTE	\$	FTE	\$	FTE	\$	FTE	\$	
1	Expand Service to the Castlebury Meadows and Waterford Green Neighbourhoods	SPC - PW Sept. 11, 2023	Y	Operating	1.98	\$ 238,740	5.95	\$ 730,560	5.95	\$ 745,200	5.95	\$ 760,080	4.4 Accelerate implementation of the Winnipeg Transit Master Plan
2	Expand Service to the Aurora Neighbourhood	SPC - PW Sept. 11, 2023	Y	Operating	2.15	281,280	6.45	860,760	6.45	877,980	6.45	895,560	
3	Expand Service to the Prairie Pointe Neighbourhood	SPC - PW Sept. 11, 2023	Y	Operating	1.45	180,060	4.35	551,100	4.35	562,080	4.35	573,360	
<b>Total Referrals</b>					<b>5.58</b>	<b>\$ 700,080</b>	<b>16.75</b>	<b>\$ 2,142,420</b>	<b>16.75</b>	<b>\$ 2,185,260</b>	<b>16.75</b>	<b>\$ 2,229,000</b>	

Note: The expanded service for these routes has been included in the budget with effective start dates of September, 2024 for Castlebury Meadows/Waterford Green and Aurora and June, 2025 for Prairie Pointe.

Service to the Sage Creek neighbourhood has also been added effective June, 2025 with 11.0 additional FTEs (2026) and \$1.2 million added operating budget (2026). Total FTE's and budget amount are prorated in 2025.

Source: 2024 - 2027 Multi-Year Budget pages 51 and 123

# Service Based Capital Budget



## Capital Summary

(Service Based View)

Service (\$000's)	2023 Adopted Budget	2024 Budget	2025 - 2029 Forecast	6-year Total
Public Transit	\$ 129,829	\$ 139,625	\$ 283,241	\$ 422,866
<b>Total Capital Budget</b>	<b>\$ 129,829</b>	<b>\$ 139,625</b>	<b>\$ 283,241</b>	<b>\$ 422,866</b>

Source: 2024 – 2027 Multi-Year Budget on page 321; Supplement to the 2024 Budget pages 226-247



# Key Projects in the Funded Capital Submission

(Service Based View)



## Transition to Zero Emission Buses

Multi-year program for the transition from diesel buses to electric and/or hydrogen fuel cell buses

Budget Year(s): 2024 -2029  
Amount: \$255.5 million



## North Garage Replacement

Development of an energy efficient bus storage and maintenance facility designed to facilitate the transition to a zero-emission bus fleet.

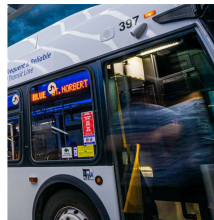
Budget Year(s): 2024 -2025  
Amount: \$67.5 million \*

\* North Garage Replacement total budget is \$200.1 million (2021-2025)

## Radios and Intelligent Transportation Systems Replacement

Replacement of existing bus radio hardware, equipment, and Intelligent Transportation Systems

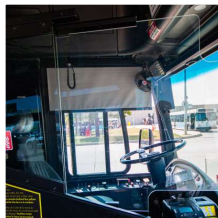
Budget Year(s): 2024-2025  
Amount: \$17.3 million



## Primary Transit Network Infrastructure

Infrastructure to support the Winnipeg Transit Master Plan's complete redesign of the transit network

Budget Year(s): 2025-2026  
Amount: \$20.4 million



## Safety Shield Extensions

Retro-fit of Transit's existing bus fleet with installation of extensions to the existing operator shields

Budget Year(s): 2024  
Amount: \$2.7 million



## Automatic Fare Collection System

Upgrade/renewal of fare collection technology enabling a variety of options for fare payment

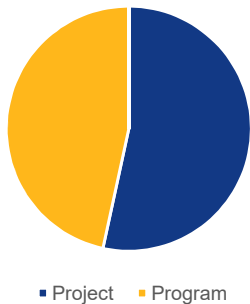
Budget Year(s): 2024  
Amount: \$6.5 million

Source: Supplement to the 2024 Budget pages 32-35, 226-247

# Additional Details

(Service Based View)

2024 Composition



The 2024 Budget includes projects (53%) and programs (47%)

Transit has 3 projects which are all currently at a Class 5 estimate.

The North Garage Replacement is the most significant Project budgeted in 2024. This project has been impacted by the timing and allocation of provincial and federal funding from the Investing in Canada Infrastructure Program. The preliminary design and a Class 3 estimate are expected to be completed in the second quarter of 2024.

The other two projects are new initiatives which have been added as part of the preliminary capital budget and work will be underway to further refine the scope and costs to achieve a Class 3 estimate prior to starting the projects in 2024.

Source: 2024 – 2027 Multi-Year Budget on page 86

# Capital Budget Changes

(Service Based View)

Description (\$000's)	Expln.	Changes from Forecast						2029 Forecast	6-year Total	SPAP Action Items
		2024 Budget	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast	2024 to 2028 Total			
Council Approved Forecast		\$ 128,988	\$ 69,761	\$ 133,263	\$ 24,592	\$ 43,683	\$ 400,287	\$ -	\$ 400,287	
<b>Increase / (Decrease) From Forecast:</b>										
Transition to Zero Emission Buses	1					(15,000)	(15,000)	25,016	10,016	None
Automatic Fare Collection System	2	6,500					6,500		6,500	3.3 Accelerate implementation of the Poverty Reduction Strategy
Safety Shield Extensions	2	2,726					2,726		2,726	4.4 Accelerate implementation of the Winnipeg Transit Master Plan
Winnipeg Transit Master Plan Design and Implementation	3 & 4	733	250	250	250	400	1,883		1,883	4.4 Accelerate implementation of the Winnipeg Transit Master Plan
Accessibility Program	3	(250)	(250)	(250)	(250)	(400)	(1,400)		(1,400)	None
Other Adjustments	4	928					928		928	None
2029 Budget	5						-	1,926	1,926	None
<b>Total Changes</b>		10,637	-	-	-	(15,000)	(4,363)	26,942	22,579	
<b>DRAFT CAPITAL BUDGET</b>		<b>\$ 139,625</b>	<b>\$ 69,761</b>	<b>\$ 133,263</b>	<b>\$ 24,592</b>	<b>\$ 28,683</b>	<b>\$ 395,924</b>	<b>\$ 26,942</b>	<b>\$ 422,866</b>	

## Variance to forecast explanations:

- 1 Transit Infrastructure Reserve funding eliminated in 2028.
- 2 New projects added to 2024 capital budget.
- 3 Accessibility Program combined with Winnipeg Transit Master Plan Design and Implementation
- 4 Majority of adjustments is prior year funds from Land Acquisition and Admin & Control Centre Radios projects rebudgeted into 2024.
- 5 2029 budget amounts are consistent with previous years forecasts.

Source: Supplement to the 2024 Budget pages 32-35, 226-247

# Reserve Projections

(Service Based View)

In Millions of \$	2023 Forecast Balance	2024 Activities	2024 Balance	2025 Balance	2026 Balance	2027 Balance
Southwest Rapid Transit Corridor Reserve <sup>1</sup>	\$ 0.3	\$ (0.3)	\$ -	\$ -	\$ -	\$ -
Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass Payment Reserve	16.4	0.1	16.5	16.5	16.2	16.2
Transit Bus Replacement Reserve	0.4	-	0.4	0.5	0.5	0.5
Transit Infrastructure Reserve <sup>2</sup>	-	0.3	0.3	0.3	0.3	0.3
<b>TOTAL</b>	<b>\$ 17.1</b>	<b>\$ 0.1</b>	<b>\$ 17.2</b>	<b>\$ 17.3</b>	<b>\$ 17.0</b>	<b>\$ 17.0</b>

Notes:

1 This reserve will be closed in 2024.

2 Changes proposed to the Transit Infrastructure Reserve include deferring funding until 2028. The reserve will remain inactive until then.

Source: 2024 - 2027 Multi-Year Budget pages 16, 311-313

