



PRELIMINARY 2017 OPERATING AND CAPITAL BUDGETS AND 2018 TO 2022 FIVE YEAR CAPITAL FORECAST

Standing Policy Committee on
Infrastructure Renewal and Public Works

Transit Department

November 29, 2016

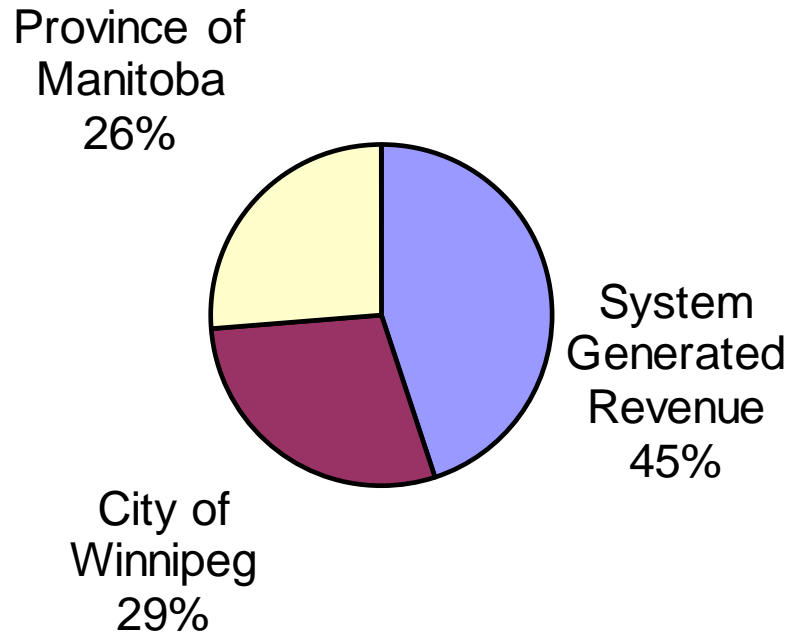
OPERATING BUDGET

2016 Budget to 2017 - Preliminary Budget Comparison

Preliminary Operating Budget (in millions)

	2016 Adopted Budget	2017 Preliminary	2017 Increase / (Decrease)		2018 Projection	2019 Projection
			\$	%		
Revenue	\$ 200.4	\$ 191.3	\$ (9.1)	-4.5%	\$ 207.5	\$ 222.2
Expenditure	200.4	191.3	(9.1)	-4.5%	207.5	222.2
Net	\$ -	\$ -	\$ -		\$ -	\$ -

2017 Proposed Budget



Revenue Increase – Summary

2016 Adopted to 2017 Preliminary Budget

in millions

Decreased City tax-support contribution	(\$14.79)
Increased Provincial contribution	\$3.93
Increased goods and services revenue	\$1.42
Other	\$0.32
TOTAL	(\$9.12)



Operating Grants

- **City of Winnipeg Tax-Support Grant**

- 2017 Budget - \$55,125,727

- 2016 Budget - \$69,918,833

- **Province of Manitoba Grants**

- 2017 Budget

- Building Manitoba Fund Operating Grant - \$48,246,343

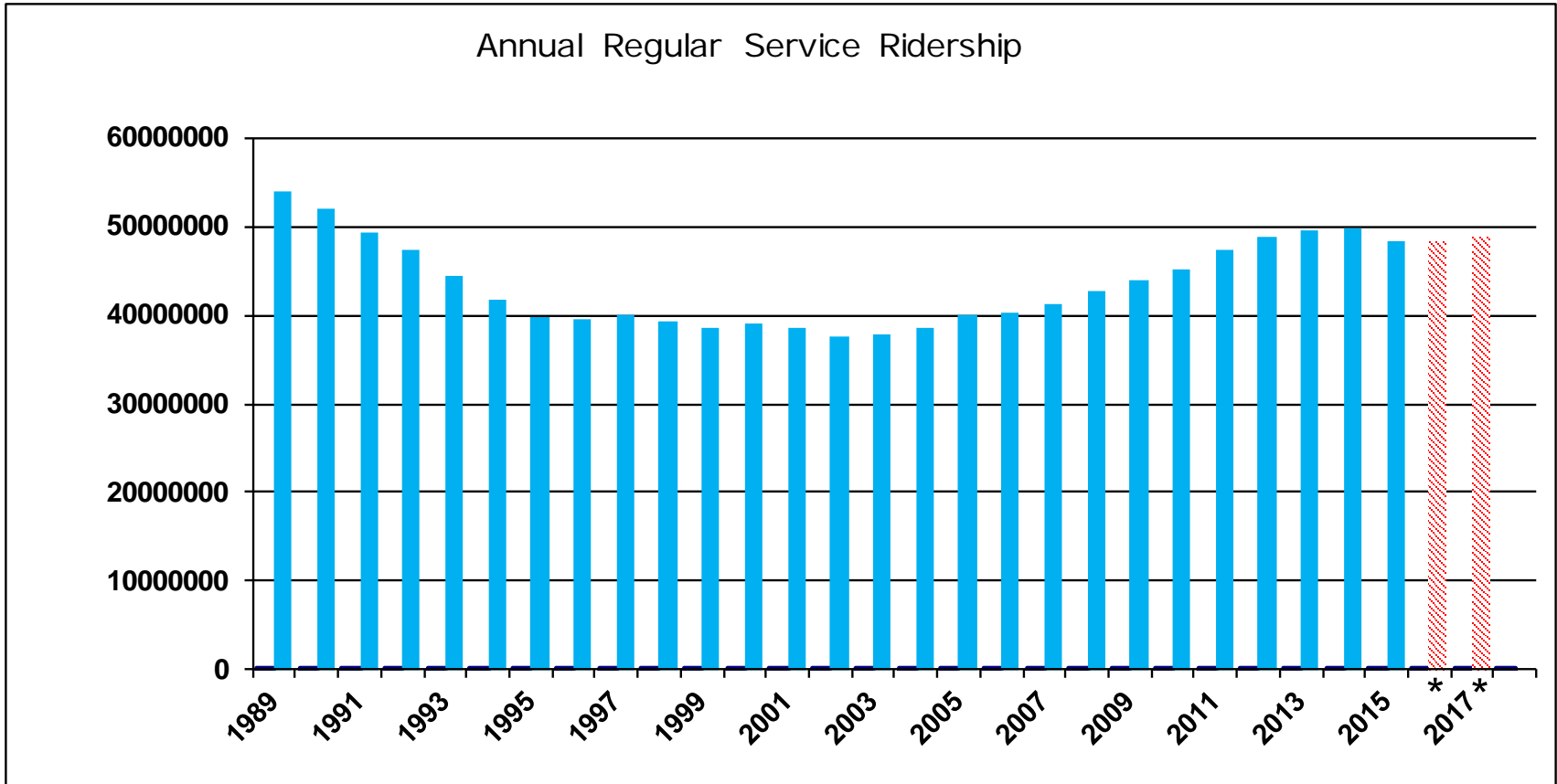
- Provincial Support Grant - \$1,988,430

- 2016 Budget

- Building Manitoba Fund Operating Grant - \$44,428,310

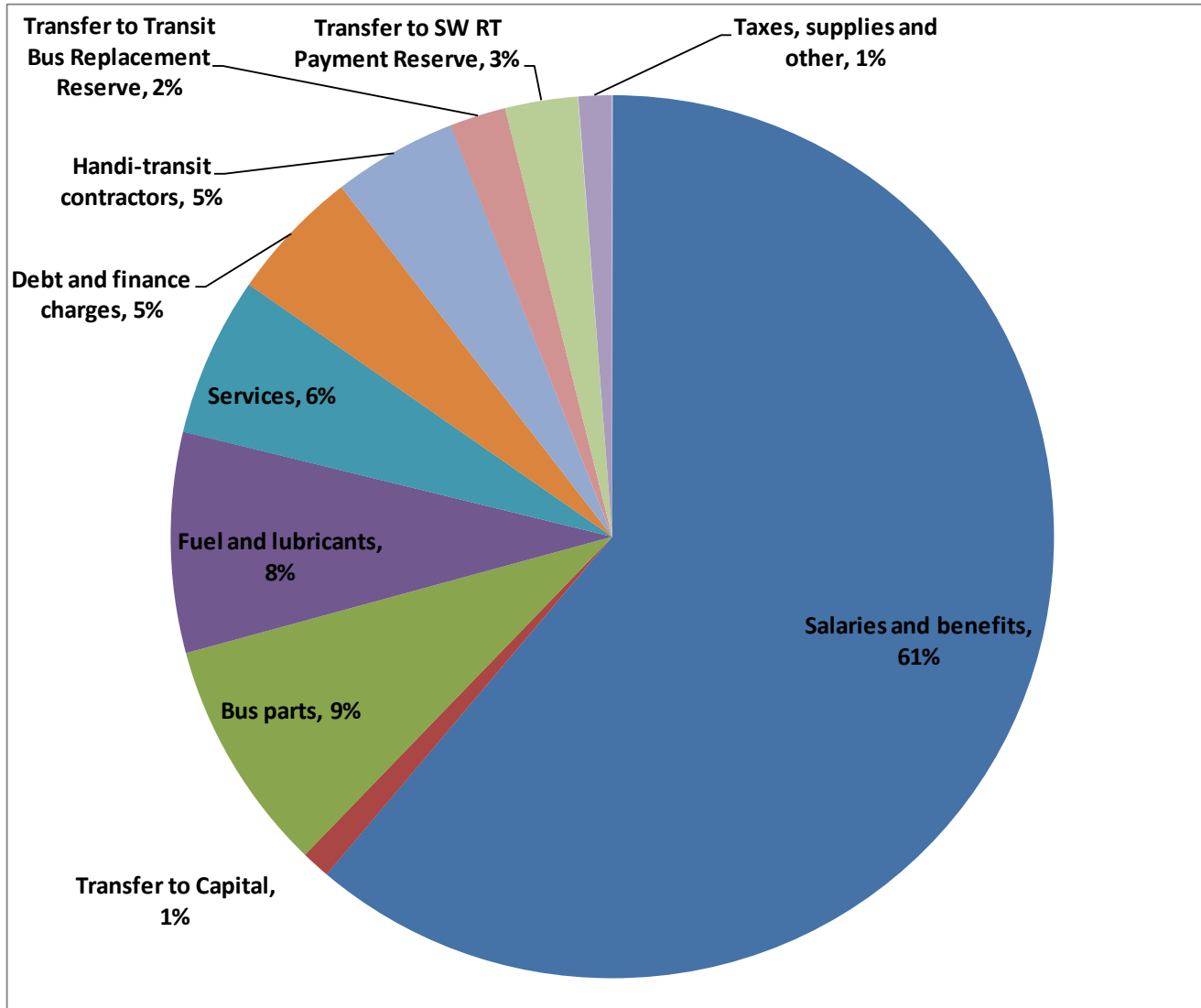
- Provincial Support Grant - \$1,878,785

Regular Transit Ridership



* Projected ridership

2017 – Expenditure Categories



Transit Department

2017-2019 Preliminary Operating Budget

	2016	2017	2018	2019
System Generated Revenues	\$ 84,183,805	\$ 85,923,294	\$ 88,159,946	\$ 90,445,709
Provincial Operating Grant	46,307,095	50,234,773	52,221,854	53,281,908
City tax-support contribution	<u>69,918,833</u>	<u>55,125,727</u>	<u>67,099,439</u>	<u>78,506,247</u>
Total Revenues	\$ 200,409,733	\$ 191,283,794	\$ 207,481,239	\$ 222,233,864
Salaries and Benefits	112,168,082	117,028,321	121,708,230	124,879,221
Services	19,633,187	19,810,542	20,426,990	20,876,109
Fuel	13,865,498	15,401,322	15,908,293	16,376,720
Bus Parts	15,569,735	16,348,260	17,029,683	17,365,807
Other Materials, Parts & Supplies	1,661,478	1,932,503	1,957,814	1,981,894
Assets & Purchases	729,398	717,754	672,539	779,039
Debt and Finance Charges	9,644,527	9,301,978	10,004,901	10,325,343
Transfer to Capital	17,173,000	1,986,000	3,073,000	8,098,000
Transfer to SW Transitway Reserve	3,400,000	5,100,000	7,000,000	8,900,000
Grants, Transfers & Other	10,666,313	9,317,139	15,171,261	18,319,838
Recoveries	<u>(4,101,485)</u>	<u>(5,660,025)</u>	<u>(5,471,472)</u>	<u>(5,668,107)</u>
Total Expenditures	200,409,733	191,283,794	207,481,239	222,233,864
Net	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>
Increase over 2016		(9,125,939)		
Percentage Increase		-4.6%		

Expenditure Increase - Summary

in millions

Increased salaries and benefits	\$4.86
Increased transfer to SW Rapid Transitway and Pembina Underpass Payment Reserve	\$1.70
Increased motive fuels	\$1.54
Increased other expenses including in-kind contribution of transit service for 2017 Canada Summer Games	\$0.98
Increased bus parts and auto parts	\$0.84
Increased farebox contract maintenance fees	\$0.35
Increased other materials, parts and supplies	\$0.21
Increased provincial payroll tax	\$0.11
Decreased transfer to capital	(\$15.19)
Decreased transfer to Bus Replacement Reserve	(\$2.62)
Increased recoveries	(\$1.56)
Decreased debt and finance	(\$0.34)
TOTAL	(\$9.12)

2017 Salaries and Benefits

2017 Preliminary Operating Budget Full Time Equivalents (FTE's)

	2016 Adopted Budget	2017 Preliminary	2017 Increase / (Decrease)			2018 Projection	2019 Projection
			Change	%	Notes		
FTE's	1,562.15	1,585.97	23.82	1.5%	1	1,588.87	1,588.87
FTE's	1,562.15	1,585.97	23.82			1,588.87	1,588.87

Notes:

1) Increase in FTE's

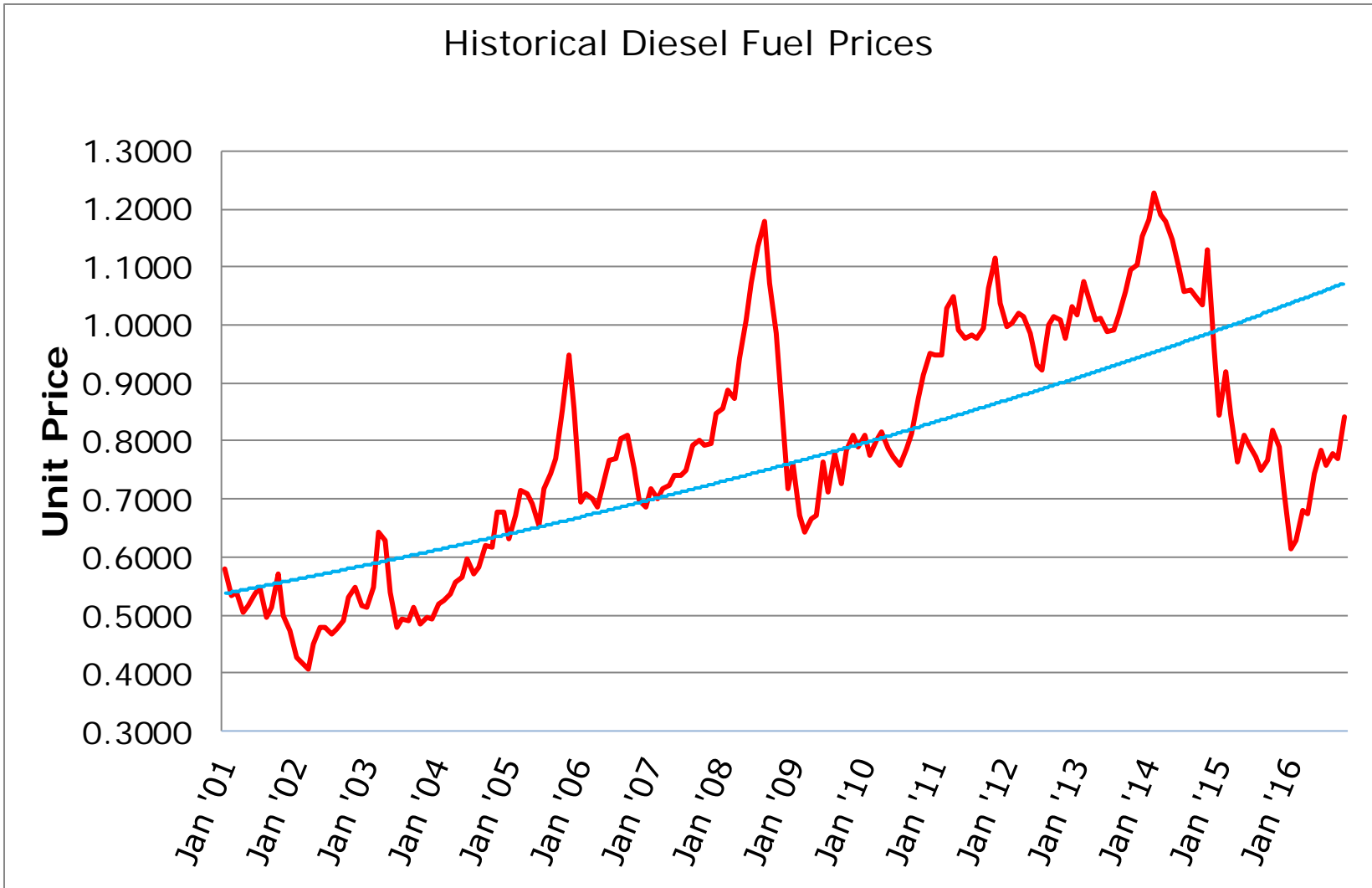
U-Pass	8.75	Partial year - September 2016 Implementation
Plant and Equipment staffing	3.25	Partial year - originally approved in 2016
Temporary Capital positions	6.00	
Route 33 Maples	3.00	Partial year - September 2017 Implementation
Routes 72 and 84/86	2.00	Partial year - September 2017 Implementation
Ventilation technician	1.00	
Miscellaneous adjustments	<u>(0.18)</u>	
Net FTE's	<u>23.82</u>	

Position breakdown

Bus Operators	10.00
Inspectors	0.90
Operations Supervisor	0.25
Mechanic/Specialist	3.85
Machinist	0.25
Bus Electronics Technician	0.25
HVAC technician	1.00
Body Repairer	0.50
Bus Servicer	0.75
Storekeeper	0.25
Capital	6.00
Miscellaneous adjustments	<u>-0.18</u>
	23.82

* In 2017 13 FTE(s) (for \$1,279,667) are recovered from capital or other funds (2016: 7 FTE(s); \$704,694)

2016 Expenditures



Forecasted Reserve Balances

(\$ in thousands)

Reserve Name	2015 Actual	2016 Forecast	2017 Draft	2018 Proj	2019 Proj	2020 Proj	2021 Proj	2022 Proj	2049 Proj
Transit Bus Replacement Reserve	11,522	16,298	430	436	452	466	480	495	
Southwest Rapid Transit Corridor Reserve	4,729	3,065	2,701	2,702	2,703	2,705	2,706	2,708	
Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass Payment Reserve	-	3,400	8,502	15,507	24,415	19,360	18,650	20,110	185,950

Southwest Transitway Stage 2 Revised Budget Breakdown

(In Millions \$)	Adopted Budget	Financial Close	Variance to Budget
Base Construction Costs	\$ 398.90	\$ 283.10	\$ 115.80
Other (Interest & Financing Fees, Financial Close Costs, etc.)	\$ 77.85	\$ 63.70	\$ 14.15
Upfront Costs	\$ 41.55	\$ 51.50	\$ (9.95)
Total Project Costs	\$ 518.30	\$ 398.30	\$ 120.00
Contingency	\$ 69.00	\$ 69.00	\$ -
Total	\$ 587.30 M	\$ 467.30 M	\$ 120.00 M

Funding Plan for Southwest Transitway (Stage 2) / Pembina Underpass Annual Payments (2020–2049)

Annual Payments

- \$14.46 million per year commencing in 2020 represents the City's share of the annual P3 and debt payments.

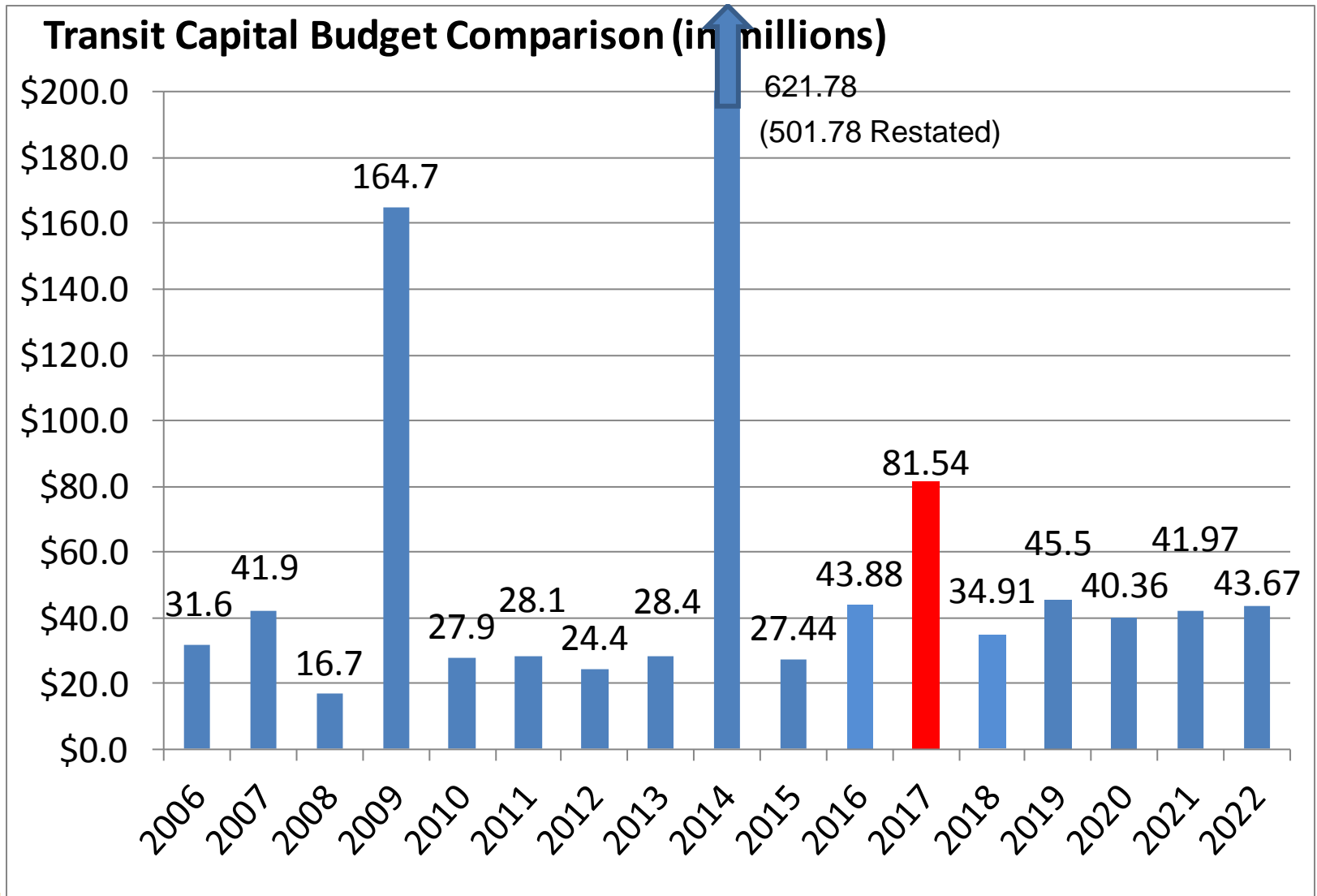
Reserve

- Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass Payment Reserve will receive transfers from the Transit System Fund and provide funding for annual payment requirements over 30 years.

Funding Source

- Dedicated increase of 0.33% per year for 10 years began in 2016
- \$1.7 million annual funding from the Transit System Fund operating budget.

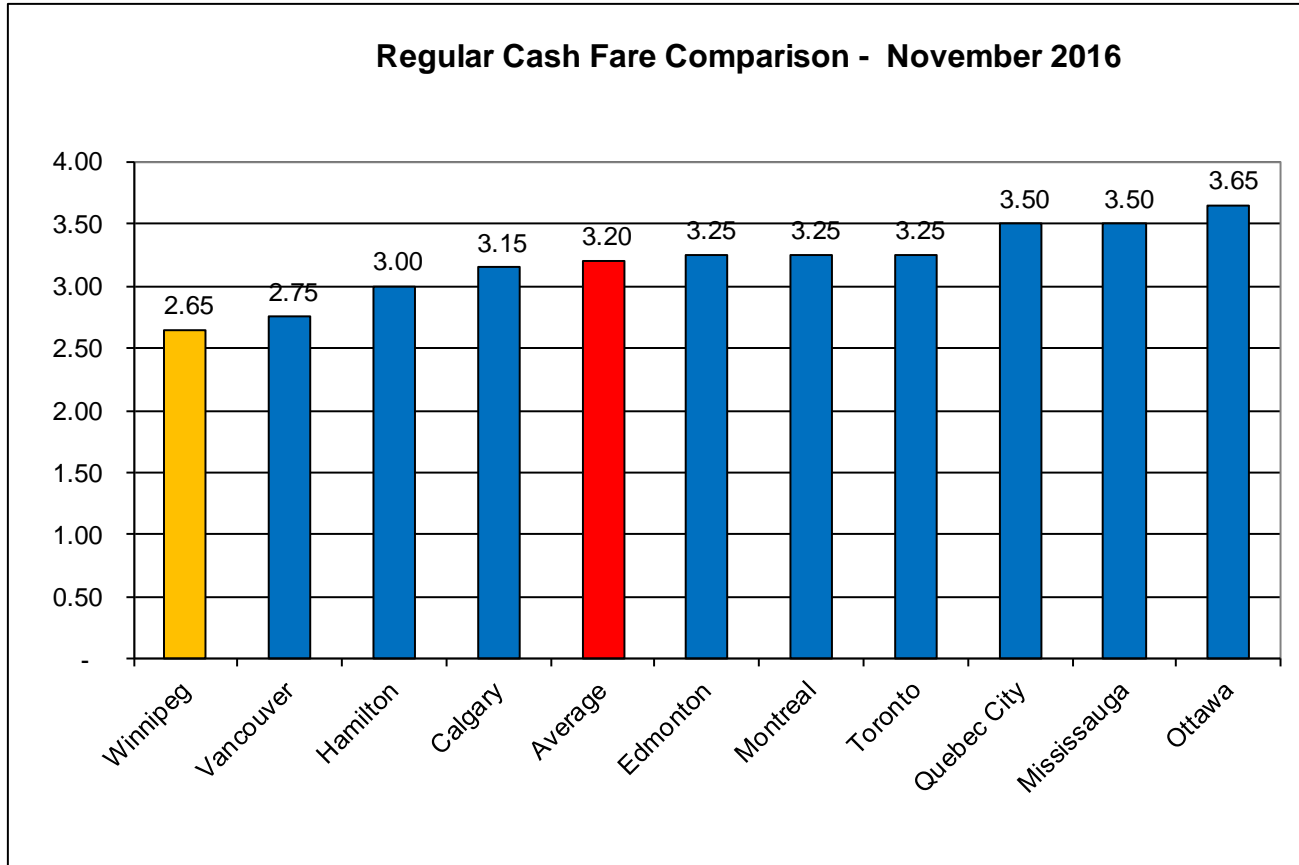
CAPITAL BUDGET



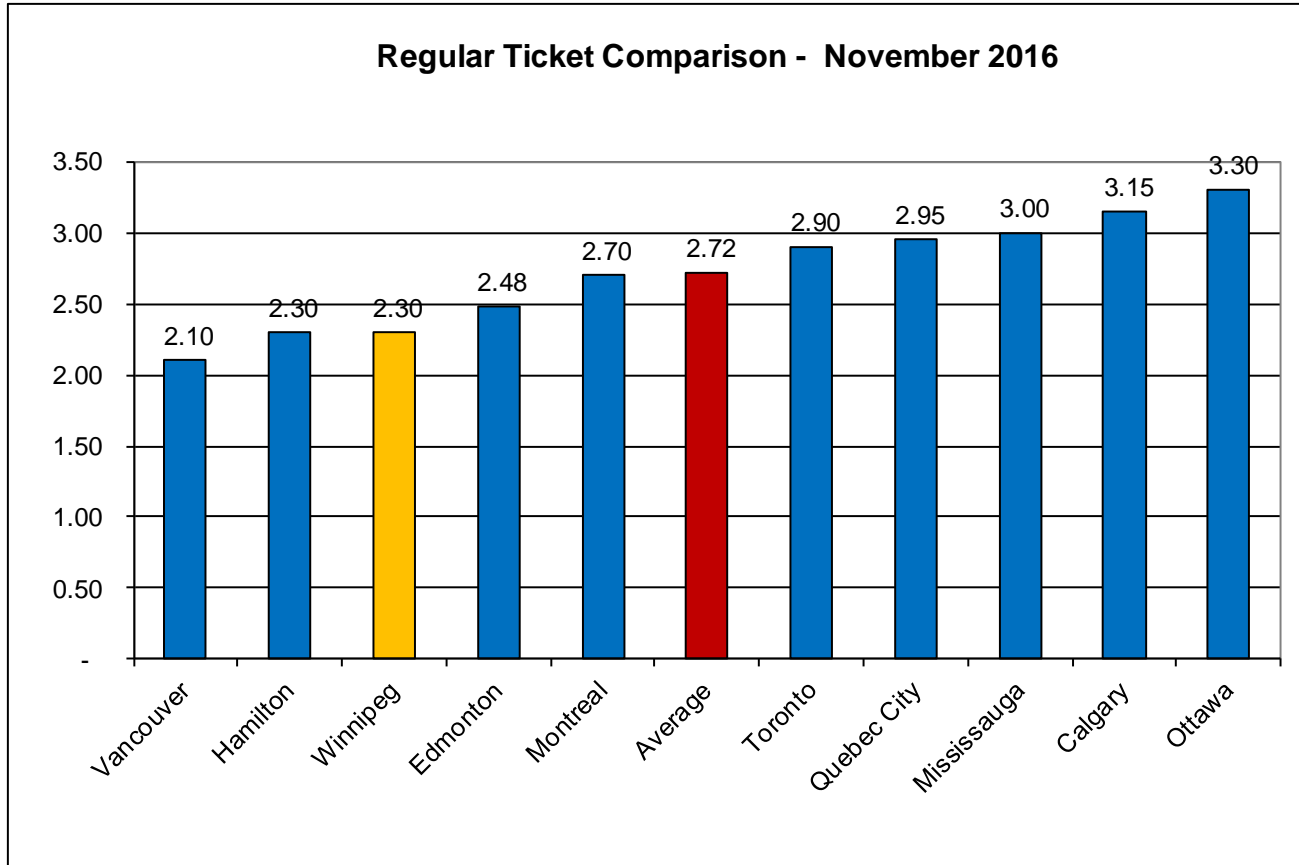
Summary – Preliminary 2017 Annual Capital Budget and 2018 to 2022 Five Year Capital Forecast

Project Name	2016	2017	2018	2019	2020	2021	2022
Transit Buses	32,456	22,408	29,252	37,960	32,823	34,436	36,130
Transit Building Replacement/Refurbishment	4,500	1,468	956	2,036	4,036	4,536	4,518
Expansion of Transit Vehicle Overhaul and Maintenance Facilities		53,200					
Transit Building Roof Replacement and Ventilation Upgrade		3,550	3,550	4,500	2,500	2,000	2,018
Bus Fleet Cameras		345	155				
Rapid Transit Planning and Design	2,500						
Land Acquisition	2,000						
Innovative Transit Program	2,425	565	1,000	1,000	1,000	1,000	1,000
	43,881	81,536	34,913	45,496	40,359	41,972	43,666

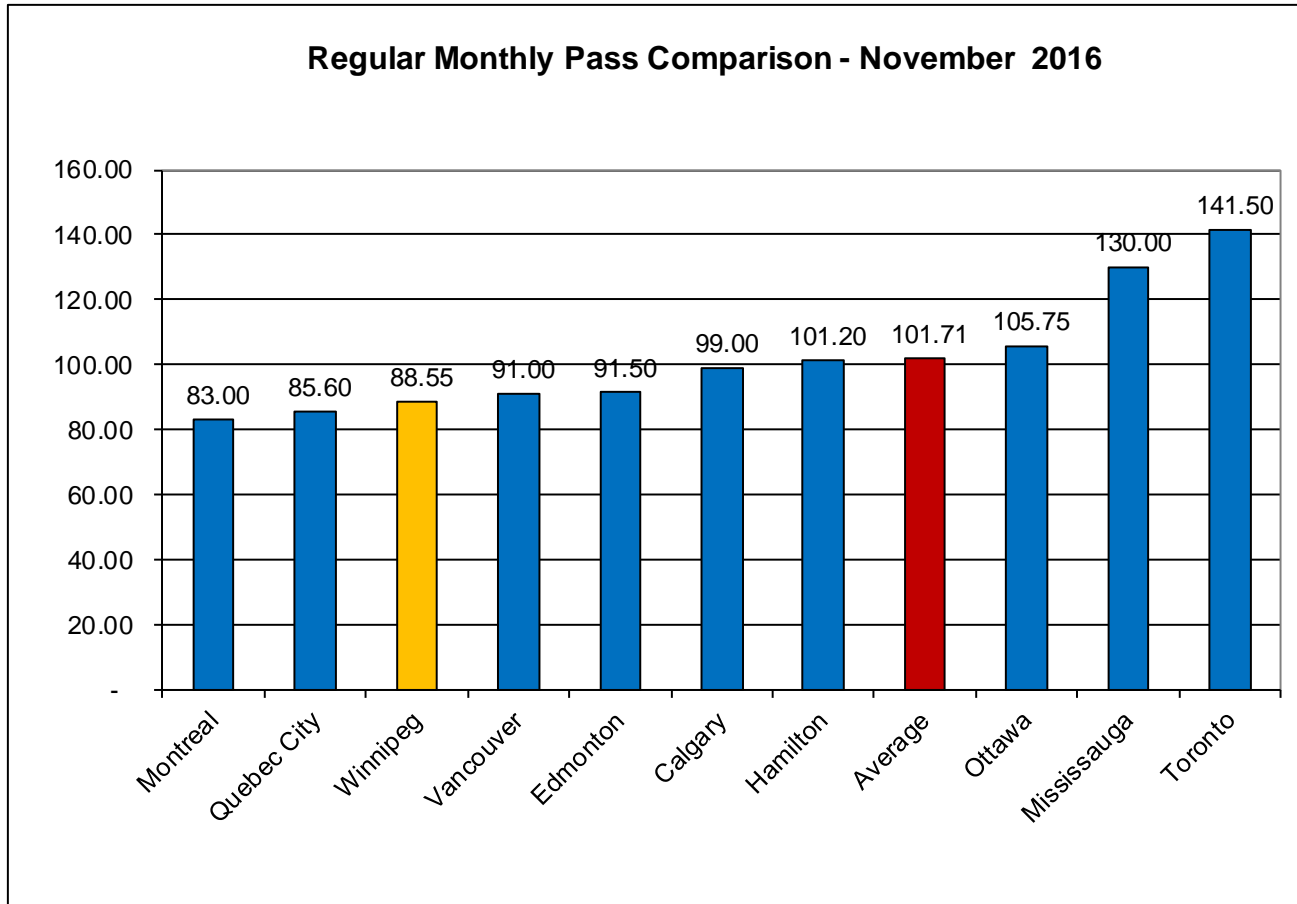
Fare Comparison Information



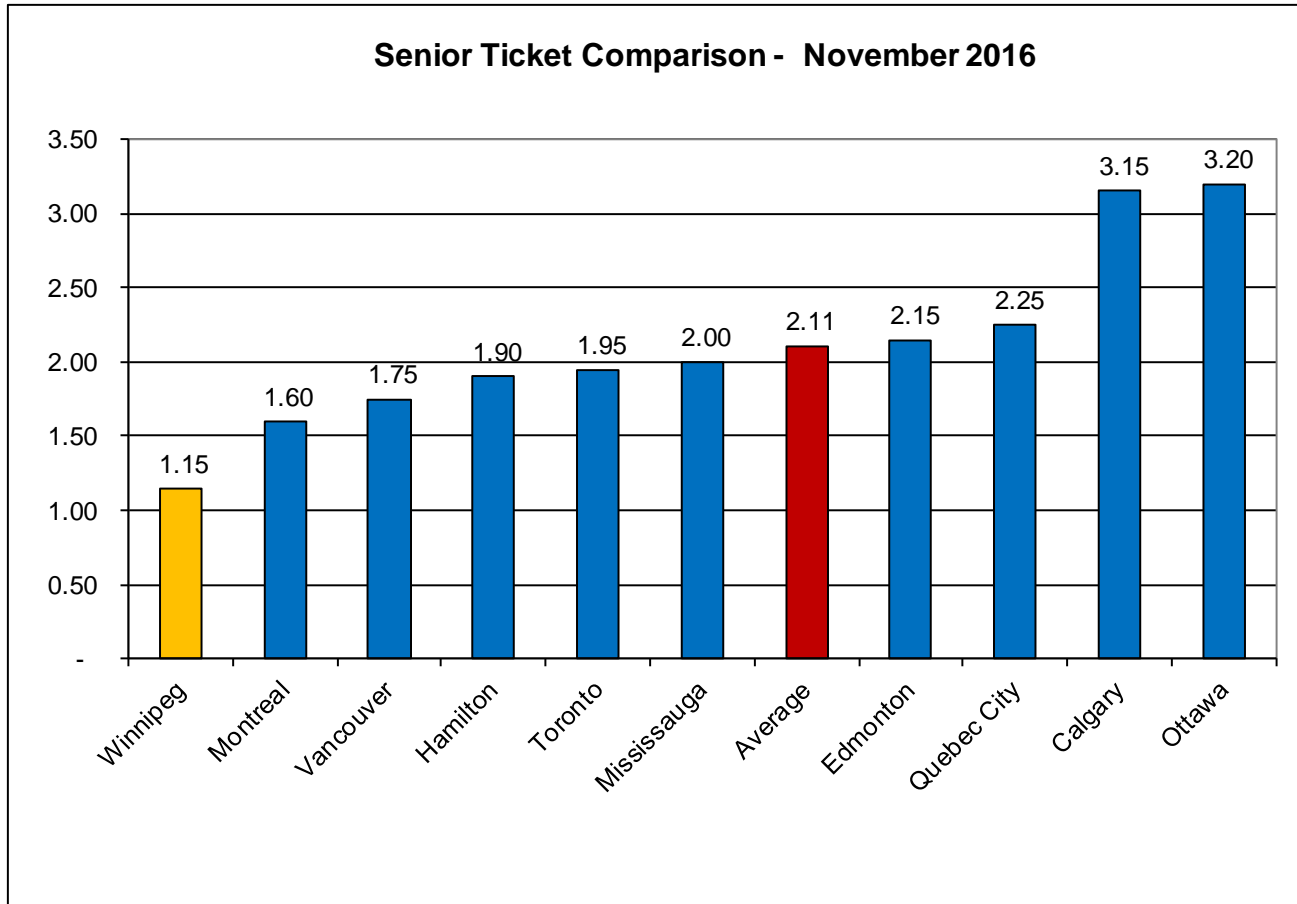
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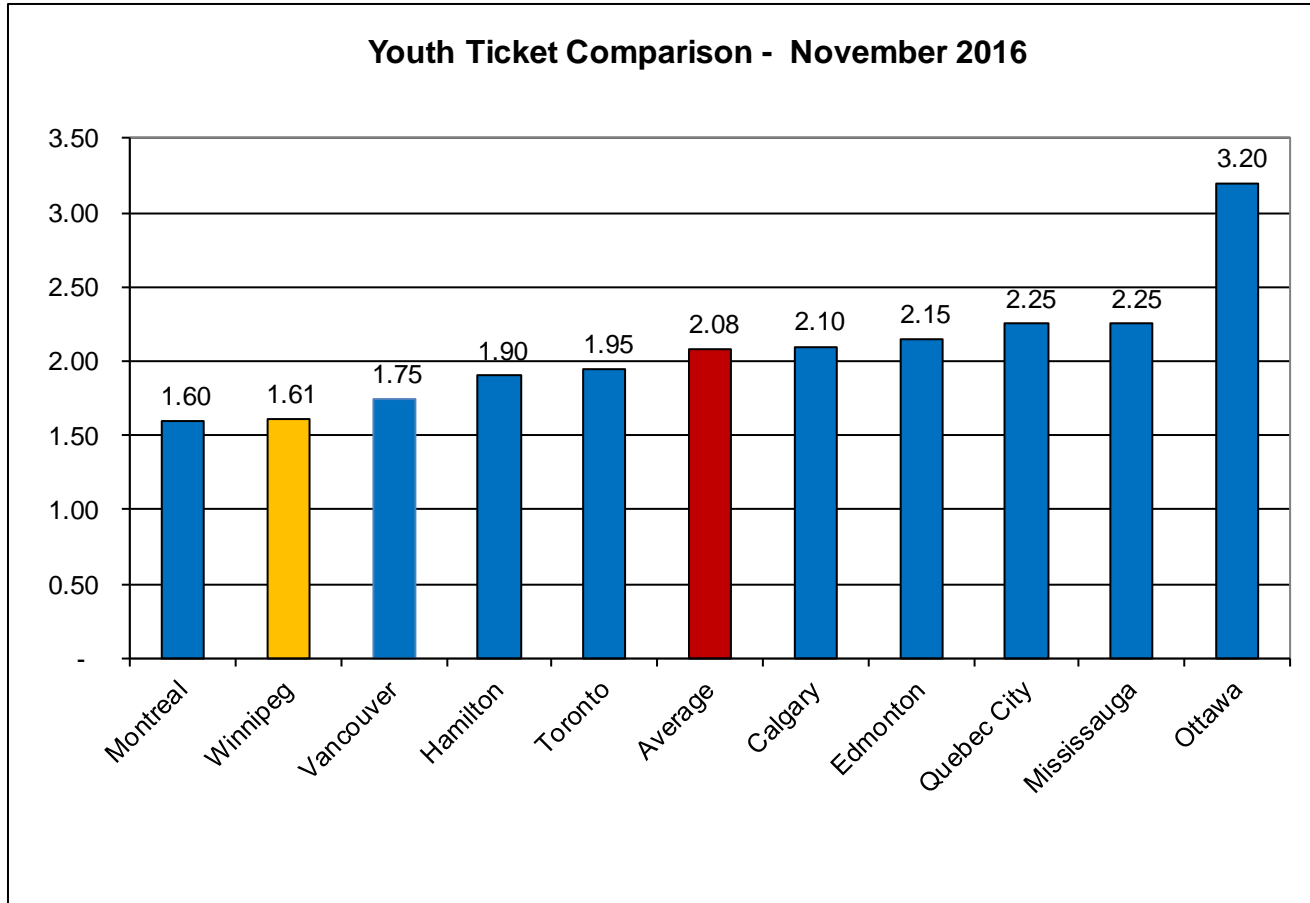
Fare Comparison Information



Fare Comparison Information



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PRELIMINARY 2017 OPERATING AND CAPITAL BUDGETS

- *Additional Questions/Discussion*