



2020 Draft Budget OC Transpo

Transpo

2020 Budget

- First year of a multimodal service;
- Draft operating budget reflects further investments to bus service;
- Bus service investments are based on Councillor and customer feedback, and data analysis, collected since the launch of Line 1 and the October 6th network service change;
- Stage 2 LRT construction has begun and will continue in 2020:
 - OC Transpo will prepare for the scheduled temporary closure of O-Train Line 2 and bus detours will be in place starting mid-2020; and,
- Mitigation measures related to train performance are included and funded by non-payment of monthly RTM fees and contractual clauses for remediation due to poor performance by RTM.



Key Highlights

- \$7.5M investment for bus service with an additional 19 new buses for the fleet;
- Increased bus fleet by 40 buses, deployed November 4;
- \$2M to provide for increased Para Transpo service;
- Fare freeze for EquiPass, Community Pass and Access Pass:
 - \$440K incremental cost for EquiPass and Community Pass to be funded by Community and Social Services; and,
 - Minimal cost for Access Pass to be funded by TSD.
- \$15M capital funding to implement bus detours for the closure of O-Train Line 2;
- Continued capital investments across all aspects of the service; and,
- Fare increase of 2.5% effective January 1, 2020.



2020 Ridership

- The 2020 budget is based on ridership of 99.4 million customer trips, which is 2.6% higher than ridership over the last 12 months;
- Ridership growth is expected with improved service due to O-Train Line 1 opening, bus service expansion, and the end of detour conditions;
- Ridership in September 2019 was 9.14 million customer trips; this was 3.7% higher than ridership in September a year ago;
- A preliminary estimate of ridership in October 2019 was 9.57 million customer trips; this was 3.2% higher than ridership in October a year ago; and,
- Ridership for the 12 month period ending in October 2019 (Sept. 2018 to Oct. 2019) was 97.2 million; this is 0.8% higher than the same period a year ago (Sept. 2017 to Oct. 2018).



2020 Fare Revenue

- Forecast to be \$202.6M;
- Incorporates recommended fare increase; and,
- Based on 2020 ridership of 99.4 million customer trips.



2020 Para Transpo Ridership & Fare Revenue

- Ridership expected to be 900,000 customer-trips:
 - \$2M in 2020 budget to provide between 55,000 and 70,000 more trips to accommodate ridership increase seen in recent years; and,
- Fare revenue expected to be \$2.1M:
 - Incorporates recommended fare increase.



Service Expansion

- To be used to:
 - Improve service reliability – standby buses at key locations, additional time on routes in congested traffic;
 - Increase capacity and reduce waiting time – routes with high ridership, routes with ridership increases following the opening of O-Train Line 1; and,
 - Provide new and improved connections to Line 1 – new growth areas, earlier/later trips, employment locations, new Chapel Hill park and ride lot.



Service Expansion in 2020 *(cont'd)*

- Staff are proposing investment in these areas:
 - Barrhaven and Riverside South – Reliability, capacity, service to growth areas;
 - Bayshore and Bells Corners – Reliability, capacity;
 - Downtown – Reliability, capacity;
 - Greenboro and Riverside South – Reliability, capacity;
 - Kanata and Stittsville – Reliability, capacity, service to growth areas
 - Nepean – Reliability, capacity;
 - Orléans and Blackburn Hamlet – Reliability, capacity, service to growth areas;
 - Ottawa East – Reliability, capacity;
 - Ottawa South – Reliability, capacity, service to growth areas; and,
 - Ottawa West – Reliability, capacity, service to NDHQ Carling.
- Staff will continue to discuss all service evaluation and proposals with Councillors for the wards affected.



Summary of Draft Operating Budget

Budget Pressure Categories

• 2019 Base Adjustment	\$3.6M
• Maintain	\$16.4M
• Growth	\$7.7M
• Revenue	<u>\$(4.9)M</u>
Total Budget Target	\$22.8M



Transit Capital Highlights 2020

- Bus lifecycle. \$43.4M
- Bus service detours for the temporary closure of O-Train Line 2 during Stage 2 construction. \$15M
- Bus stops, shelters and customer improvements for existing Transitway and O-Train stations. \$4.25M



Reserve Balances

Funding (in \$000's)	Transit Operating	Transit Capital	Provincial Gas Tax	Federal Gas Tax	Development Charges	Total
Opening Balance	1,544	17,871	11,553	56,897	87,799	175,664
Contributions	-	85,140	36,527	56,683	62,624	240,974
Transfer to Operating	-	(3,500)	(19,920)	-	-	(23,420)
Debt Servicing	-	-	(18,055)	(9,873)	(23,141)	(51,069)
Capital Contribution	-	(90,561)	(2,000)	(44,632)	(9,234)	(146,427)
Projected 2020 Ending Balance	1,544	8,950	8,105	59,075	118,048	195,722

- Reserve balances are based on cash on hand.
- There are also other commitments:
 - \$117M for Transit Capital Reserve
 - \$229.5M for DC Reserves



Questions?

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