



Durham Budget

2024

2024 Business Plans and Budgets Durham Region Transit

Transit Executive Committee

March 6, 2024

Achieves the
Regional Council
approved 2024
Business Plans and
Budgets
Guideline

Informed by **10-Year Transit Service and Finance Strategy**

Supports critical investment **to meet needs of growing community**

Advances **fleet electrification** supporting Durham Corporate Climate Action Plan

Provides for required **asset management capital infrastructure**

Responds to significant **inflationary pressures** and **capital cost escalations**

Invests in **critical staff resources** to support expanded and modernized transit service

Finance & Administration Committee:

March 19, 2024

Regional Council:

March 27, 2024

Service Improvements

Successful completion of the service model transition, with all On Demand services operated by a single contracted service provider, and all scheduled services operated by DRT staff

Launched 3 new local routes, the 301, 421, and 507, as well as the 920, connecting Harmony Terminal to Scarborough that was rerouted to terminate at the TTC Scarborough Centre Bus Terminal to improve the TTC and DRT connection

Recovered from the Raleigh Fire in August continuing to provide service with minimal disruption for our customers

Developed term sheet with key conditions and principles to allow DRT to begin negotiations with PowerON to deliver electrification infrastructure and related services

2023 saw a surge in ridership reaching 98% of peak, pre-pandemic levels, with over 10.8 million trips completed

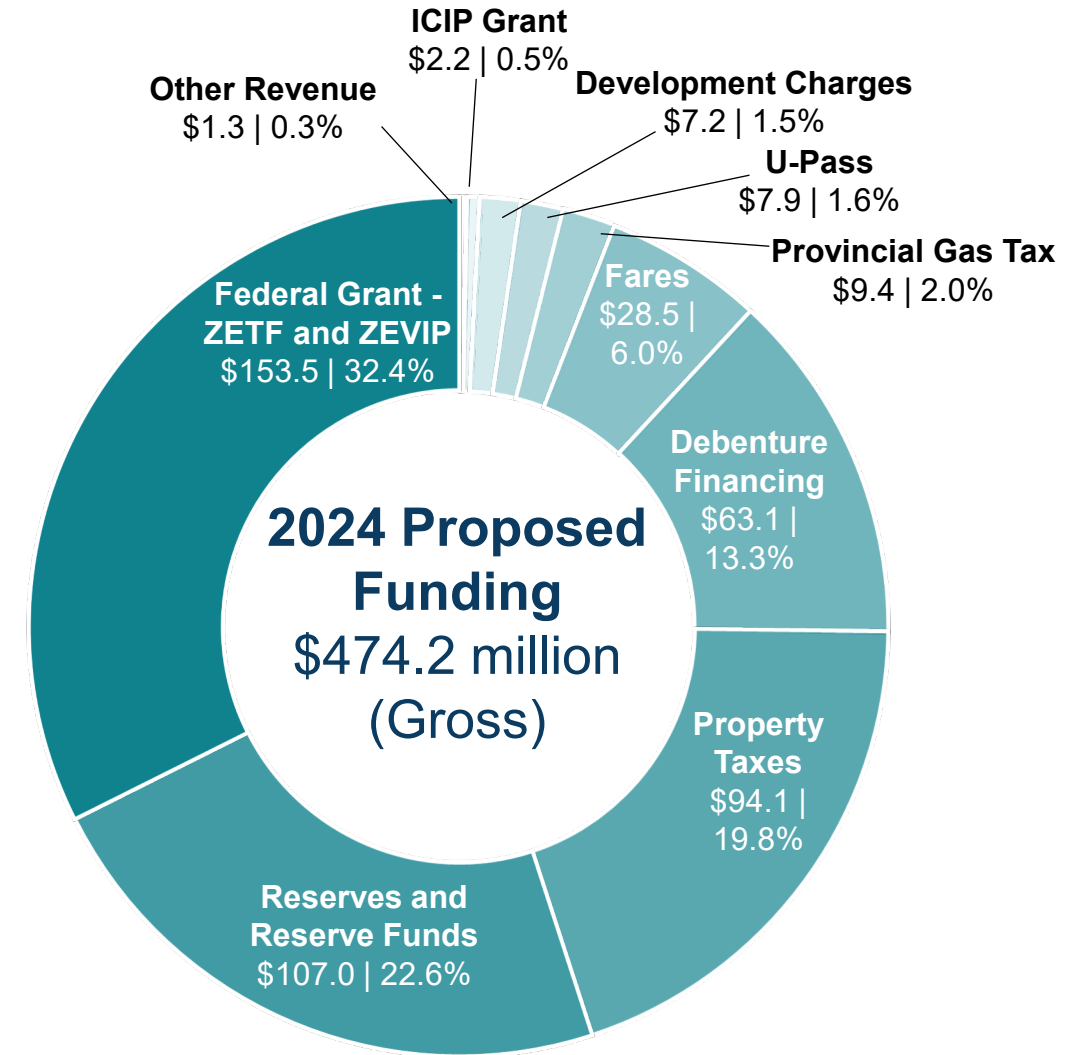
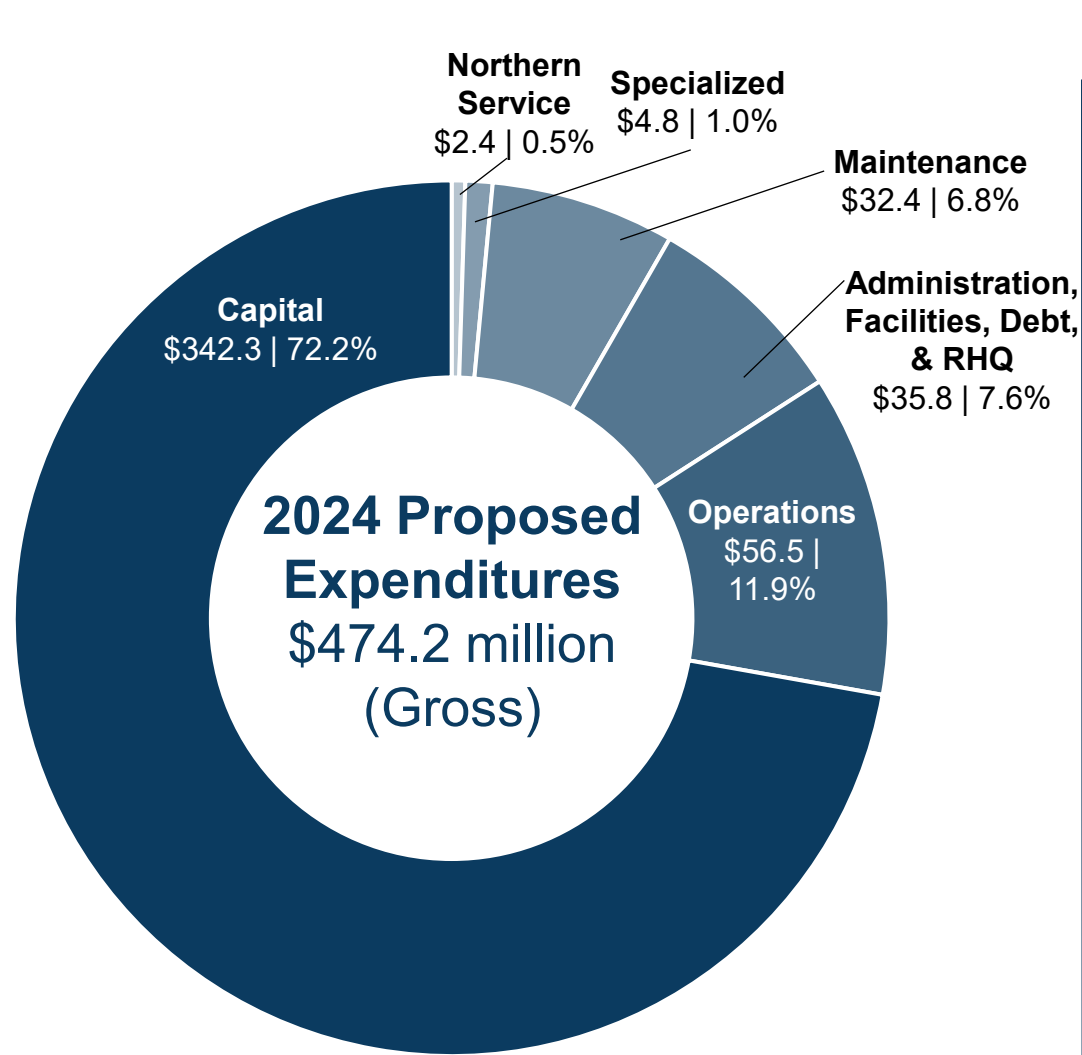
Community Capacity Building

In collaboration with the Region's Social Services Department, initiated a pilot for two dedicated outreach workers to provide support and assist individuals interacting with or accessing transit

Preliminary exploration of an Employer Pass Program with more to come in 2024/2025

Expansion of the engagement team to include three transit community ambassadors, significantly boosting DRT's presence within the Region and improving community engagement opportunities

2024 Proposed Expenditures and Financing



**\$5.9M
(net)**

Additional revenue service hours being added to the network, representing about 60,000 hours of new revenue service, including 36 FTEs

\$1.1M

For 17 new FTEs to support existing transit operations, business processes and administration not included in original Transit Strategy

\$0.6M

Increase in PRESTO commissions from increased ridership

\$13.3M

Increase in our base budget, representing 1.6% of the Regional Tax Levy

2024 Strategic Investments



\$60K New HR coordinator to ensure DRT can attract and recruit the necessary positions to meet service growth

\$244K In order to support the hiring of two dedicated outreach workers, in a pilot with Social Services, to better support vulnerable populations that directly and indirectly access the transit network

\$0.7M In professional services to advance various data analytics and electrification initiatives.

\$3.8M In Fare and U-Pass revenue from increased ridership and rate increases

\$31.7M For 18 new electric growth buses (contingent on ZETF approval).

\$27.5M For 16 electric replacement buses (contingent of ZETF approval).

2024 Strategic Investments



\$8.7M

For the design and utility cost of the Raleigh Storage Facility including electrification infrastructure

\$239.7M

For the construction of a new indoor Bus Storage and Servicing Facility (contingent on ZETF approval)

\$5.0M

For the design of the Westney Facility electrification infrastructure (contingent on ZETF approval)

Reductions and Deferrals

A number of small to medium-sized infrastructure repair and upgrade projects

Deferred planned staff request to meet the budget guideline, which may result in reduced innovation capacity and other challenges

We are delivering 59,665 (85%) of the 69,882 identified in the 10-year Transit Strategy

Risks and Uncertainties

With increasing ridership we do expect some capacity challenges, with DRT prioritizing service in areas of highest demand by the highest number of customers

Need for additional sustainable senior level government funding to support growing transit operations, infrastructure and electrification of fleet as well as continued provincial gas tax funding to support existing asset renewal and operations

Recovery from the Raleigh bus fire continues to pose operational risks for DRT. These challenges have been mitigated with assistance from other transit partners, however continued ridership demand and fleet and facility electrification will require interim measures

Forecasted Pressures and Strategic Considerations

Annualization of the new positions included in the 2024 budget (estimated incremental impact on the 2025 budget of \$1.1 million) that were not included Transit Strategy.

Annualization of the fare adjustments approved for July 1, 2024, and UPass adjustments approved for September 1, 2024 (estimated incremental revenue on the 2025 budget of \$1.0 million).

We continue to actively seek funding from other orders of government for a number of key projects, including our progress to move towards a zero-emissions fleet, as well as other major capital funding opportunities



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Questions