



2011 Annual Report



2011 Saskatoon Transit Services Annual Report

Saskatoon Transit provides a high quality of service for all citizens in our community, and is undertaking initiatives focused on building its ridership. Saskatoon, like most North American cities, has been built to accommodate private vehicles as the primary means for moving around. Cities everywhere are realizing that car-oriented patterns of development are no longer sustainable in the long term, and that more and more people are seeking other ways to ‘move around’.

Transit services include both a fixed-route component, that operates 24 bus routes along approximately 276 kilometres of streets, and Access Transit, which is an accessible-door-to-accessible-door service for citizens who cannot use the fixed-route service with safety and dignity.

Saskatoon Transit has a fleet size of 154 buses including 61 high-floor conventional 40-foot diesel buses, 78 low-floor conventional 40-foot diesel buses, 8 low-floor conventional 40-foot diesel/electric hybrid buses, 3 low-floor articulating 62-foot diesel buses, and 4 mid-sized low floor 26-foot diesel buses.



(mid-sized low floor 26' diesel bus)

In 2011, Transit purchased 6 used buses from the City of Ottawa that were in good mechanical and structural condition and at a purchase price significantly less than that of a new bus.



(40' Used Ottawa bus)

Access Transit is discussed in a separate annual report; this report will focus on the fixed-route regular transit service.

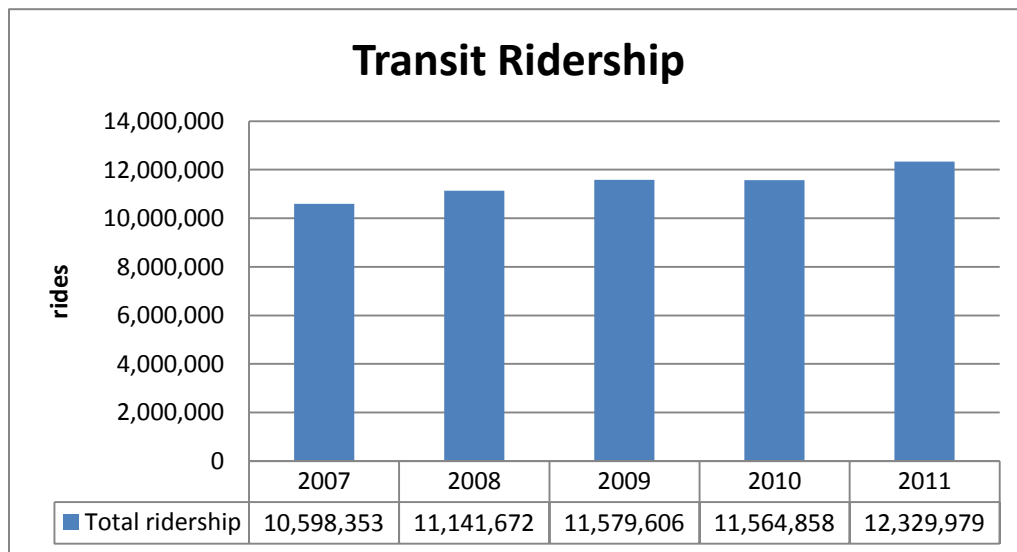
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OUR CUSTOMER



Ridership – Since 2007, ridership has grown by approximately 16% for Saskatoon Transit. This growth followed a strategic service change in 2006 including the implementation of a DART (Direct Access Rapid Transit) system.

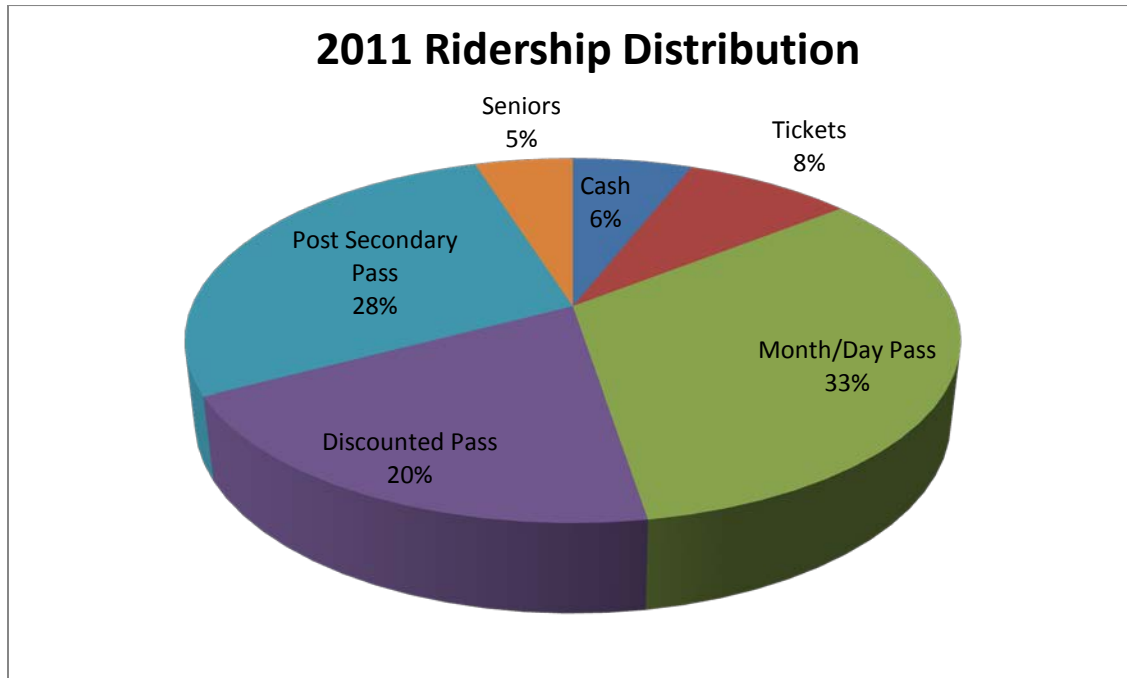
Between 2010 and 2011, ridership increased by 6.6%. Transit will continue to focus on increasing ridership by changing attitudes around public transit and providing a service that is safe, convenient, efficient and affordable. These initiatives are supported by City Council's Strategic Goal *Moving Around*, and a Corporate Integrated Growth Plan intended to support Transit as a viable option for transportation.



Transit ridership is distributed between the following categories: seniors, cash/ticket, month/day pass, discounted pass, and post-secondary pass (i.e. UPass and Semester Pass).

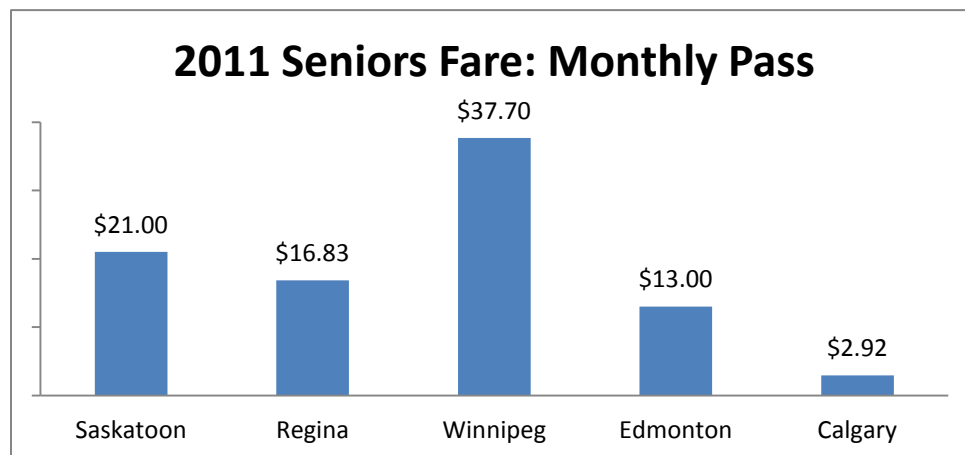
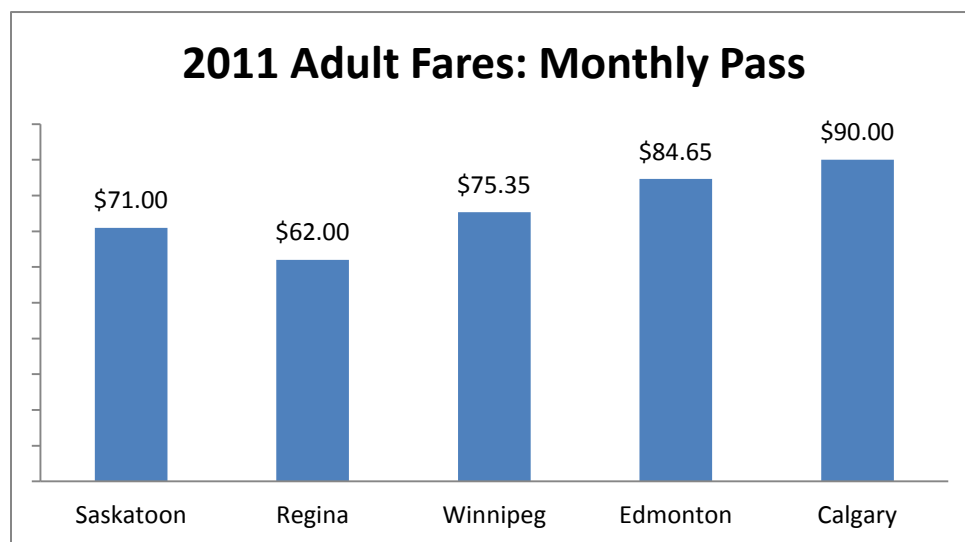
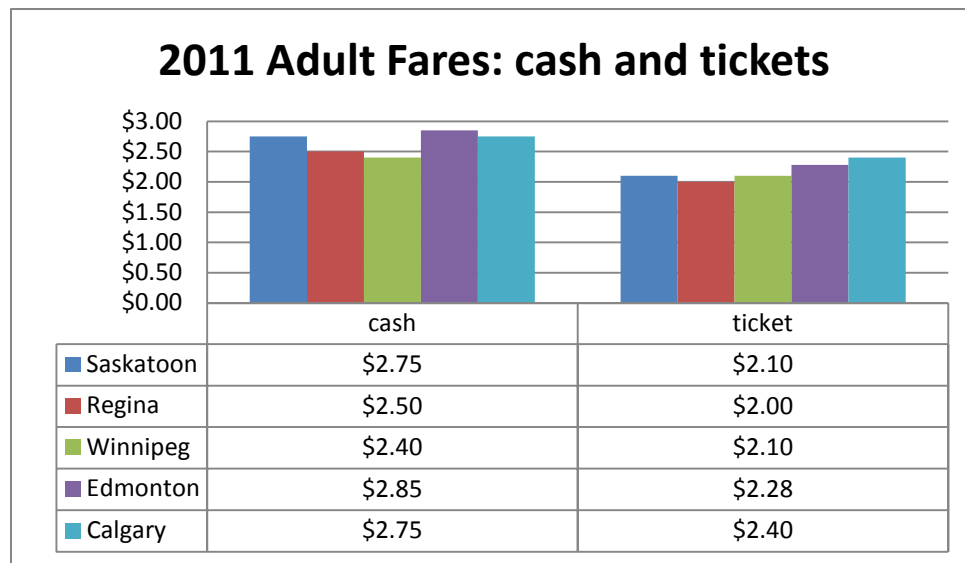
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Currently, the top three categories of users of transit services include the UPass (28%), monthly/day pass (33%), and discounted Pass (20%). There has been a decrease in cash fare payment of 1.65% between 2010 and 2011 largely due to the implementation of electronic fare boxes and smart card technology.



Competitive Fares - Saskatoon offers discounted fares for low income residents, seniors, and elementary, high school and post-secondary students. Fares accepted include cash, bulk purchase of rides, or one of several passes that allow unlimited monthly rides (i.e. Adult Pass and High School Student Pass). Senior citizens may purchase unlimited rides for periods of one month, three months, six months and one year. Post secondary students may purchase a semester pass that allows unlimited rides.

Adult fares on Saskatoon Transit are compared to other prairie cities in the following charts. Regina and Calgary do not have senior monthly fares; the amounts shown are average monthly annual fares.



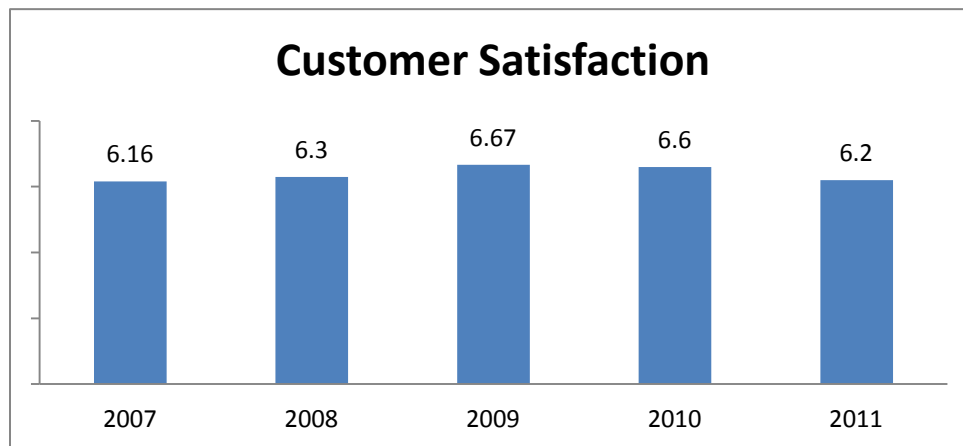
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Customer Satisfaction and Complaints

- Our customer goal is to provide consistent, timely, friendly, and professional services to our customers, where customers feel they have received value and are treated in a fair and equitable manner.

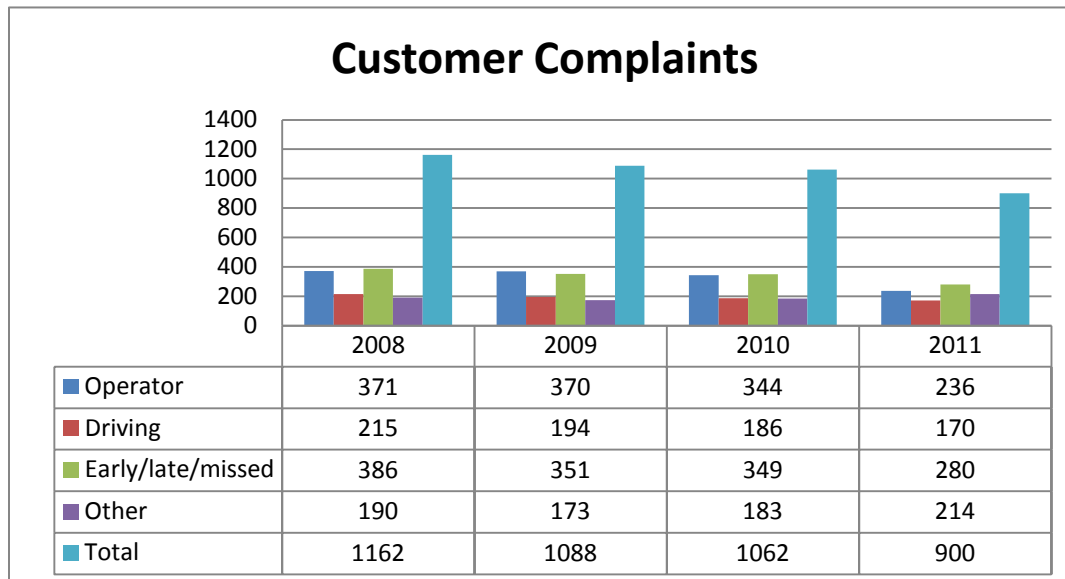
The City of Saskatoon 2011 Civic Services Survey results show that public transportation is important to the residents of Saskatoon. A score of 10 means “excellent” and 5 means “average”. The following chart tracks customer satisfaction for public transportation, buses and routes. Public satisfaction decreased by 0.4 between 2010 and 2011. Transit believes the underlying issues are insufficient run times, increased traffic congestion and higher passenger loads during peak operating periods.



In the second half of 2011, Transit made changes to its service in an effort to return to a reliable service that customers could count on. The number of customer complaints collected via transit’s internal customer complaint system decreased in 2011.

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There were 900 complaints received by Saskatoon Transit in 2011, which is 162 fewer than 2010. Complaints were primarily about the buses arriving early, late, or driving by without stopping; the operator; and operator driving.



OUR PEOPLE



Transit services are provided to the residents of Saskatoon 7 days a week, 18 hours per day, 365 days per year.

Our Transit team includes a diverse and skilled group of people including operators, customer service staff, administration staff, dispatchers, planners, payroll employees, mechanics, utility and servicemen, accountants, driver trainers, supervisors and managers.

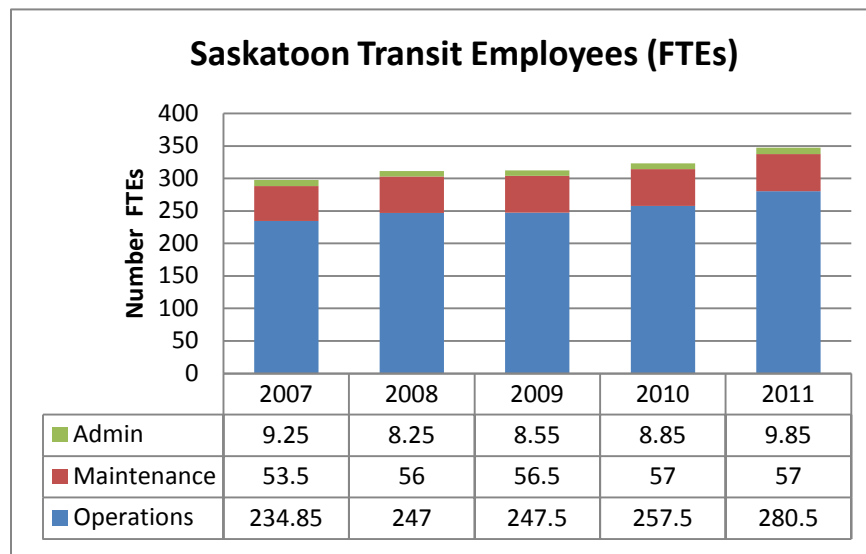


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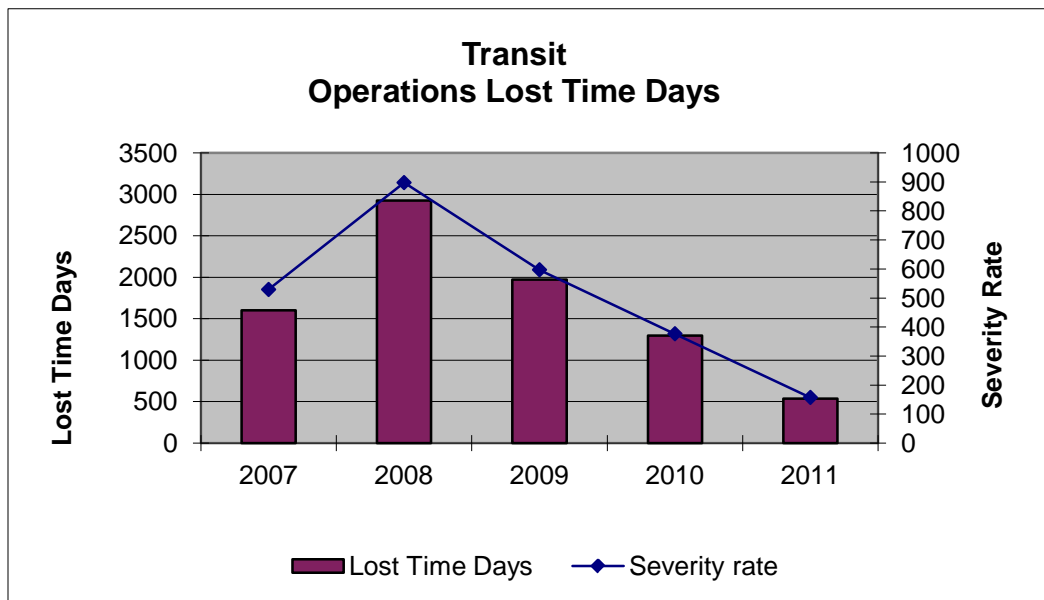
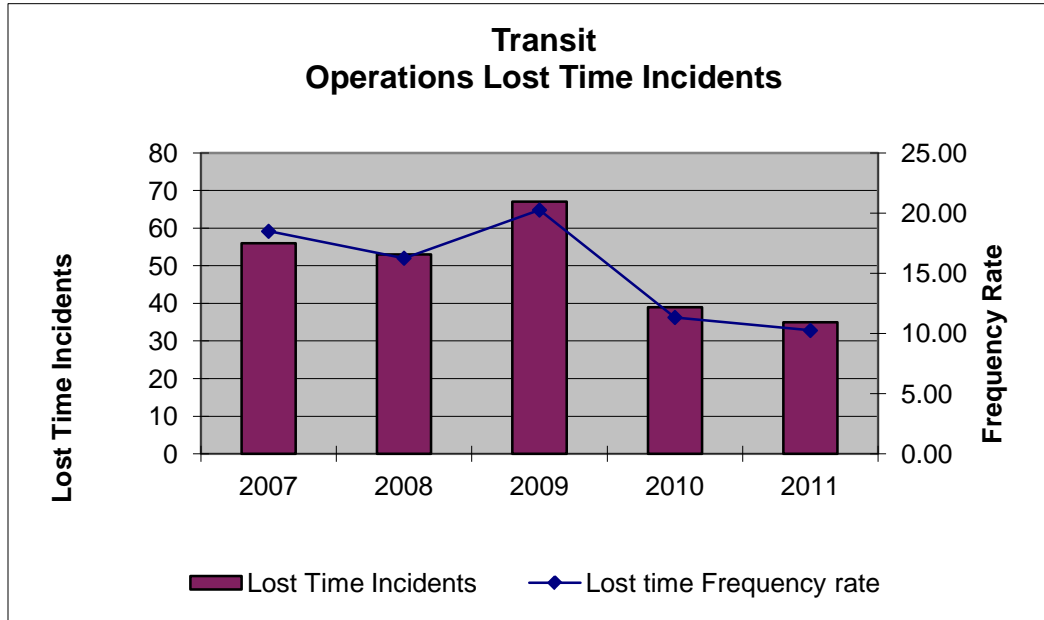
Transit’s team also includes support from Human Resources to assist in administering collective bargaining/labour related issues, recruitment and health and safety programs at our workplace. Infrastructure Services provides support with building maintenance and repairs.

All levels and classifications of employees are passionate about delivering a quality transit service to the community on a daily basis.

Transit’s employee complement increased by 16% or 50 employees between 2007 and 2011. In comparison, Transit ridership increased by 16% or 1,731,626 rides during this same period.



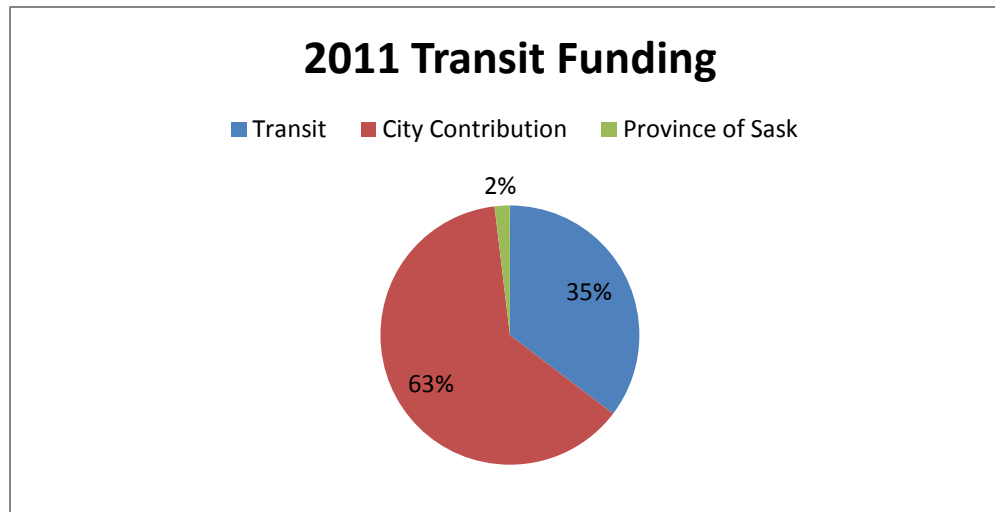
In 2011, Saskatoon Transit Services experienced 35 lost time incidents for a total of 536 lost time days. Both measures are the lowest over the last five years. Safety statistics are presented in the following charts, which show the lost time incidents and days by year as well as frequency rates (number of incidents or days per 200,000 hours worked).



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OUR FINANCES

In 2011, Transit's operating budget was \$33.6 million. Funding for Transit Operations in 2011 was provided as follows: the mill rate contributed 63% of the cost of operating, Saskatoon Transit revenue contributed 35%, and the remaining 2% is funded from the Province of Saskatchewan to help pay for the Discounted Bus Program.



Saskatoon Transit costs were 2% over budget in 2011, resulting in an increase of the City's contribution by \$751,000. The variance from budget is due to lower than budgeted fare revenue of \$523,000 due to not implementing a fare increase as was built into the 2011 Budget, and movement in the type of fare purchased from regular media to the discounted bus pass. Charter revenue was less than budget because of lack of resources and due to the loss of the Saskatoon Public School Board contract.

In addition, transit maintenance and fuel expense exceeded budget by \$850,000; however, lower than budget Transit operations and other expenses helped to offset these over expenditures. Higher than budget fuel prices resulted in the higher than budget fuel expense.

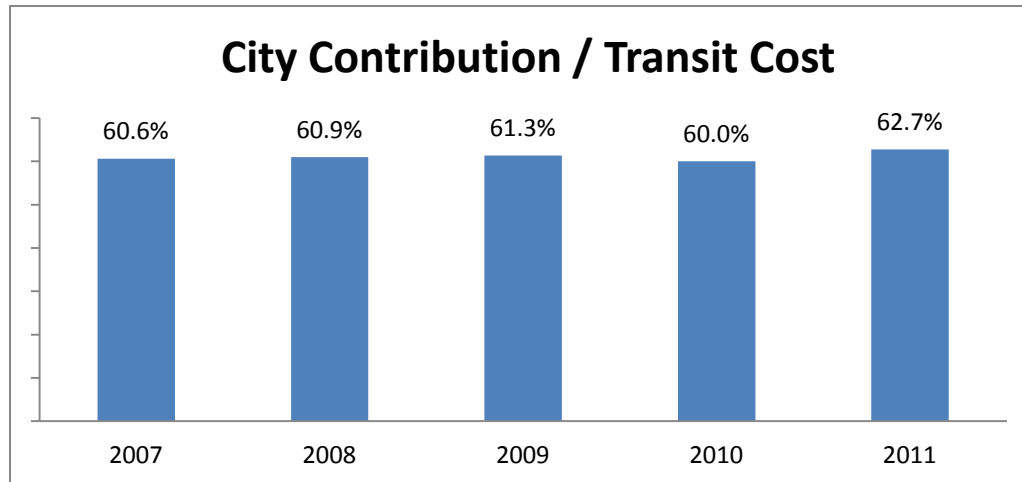
The Saskatoon Transit maintenance workgroup is second to none when it comes to maintaining both a mechanically and structurally sound fleet; however, similar to other

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heavy duty equipment service providers, Transit's Maintenance Section has a shortage of Journeyman Mechanics. Based on a 2010 comparison with similar-sized Canadian Cities, our staff is maintaining a very high ratio of 11.7 buses per mechanic in comparison to the average of 6.59 buses per mechanic. Transit has established an excellent Apprentice Program in an effort to address the shortage of the number of Journeyman Mechanics and reduce the bus to mechanic ratio. However, when Apprentice Mechanics are away for training, higher expenditures in maintenance salaries are required to ensure the work is completed in a timely manner.

2011 Transit Utility Operating Budget Variance (\$000)

	Budget	Actual	Variance	%
Revenue:				
Fare Revenue	\$11,120	\$10,825	(\$295)	-2.65%
Charter, advertising, and other	\$1,379	\$1,129	(\$250)	-18.13%
City Contribution	\$20,460	\$20,460	(0)	0.00%
Province of Sask	\$618	\$640	22	3.56%
Total revenue	\$33,577	\$33,054	(\$523)	-1.56%
Expenses:				
Transit Operations	\$18,726	\$18,071	(\$654)	-3.49%
Fuel, Lube & Oil	3,864	4,261	397	10.27%
Transit Maintenance	5,128	5,581	453	8.83%
Building Maintenance	954	955	1	0.10%
City Hall Services	706	659	(47)	-6.66%
Grants-in-lieu of taxes	133	133	0	0.00%
General & admin	1,786	1,808	22	1.23%
Capital (debt & reserve)	2,280	2,337	56	2.46%
Total expense	\$33,577	\$33,805	\$228	0.68%
Revenue less expense (To)/From Stabilization reserve	\$0	(\$751)	(\$751)	
	0	\$751		
Return on Investment	\$0	\$0	\$0	0

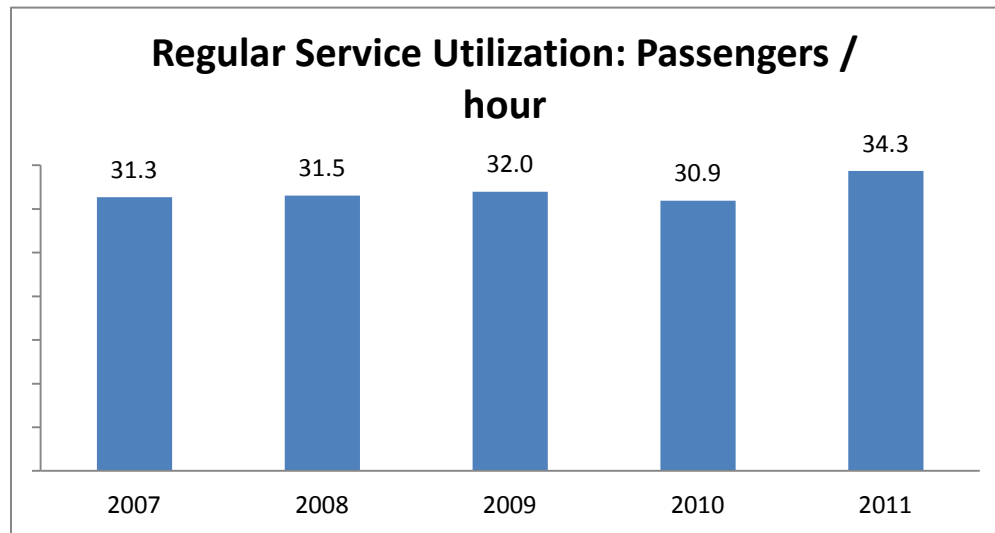


Transit's discounted employer/employee bus fare program (Eco Pass) has slowly been evolving as a positive ridership and revenue generator for transit. Thirteen additional agreements were established between 2010 and 2011, resulting in 354 employer-supported Eco Bus Passes. Transit continues to purchase and install bike racks to encourage new riders to combine multi-modal transportation options and effectively increase ridership. Three new 60 foot articulating buses have been purchased to better match ridership on some routes, and ultimately improve operational efficiencies.



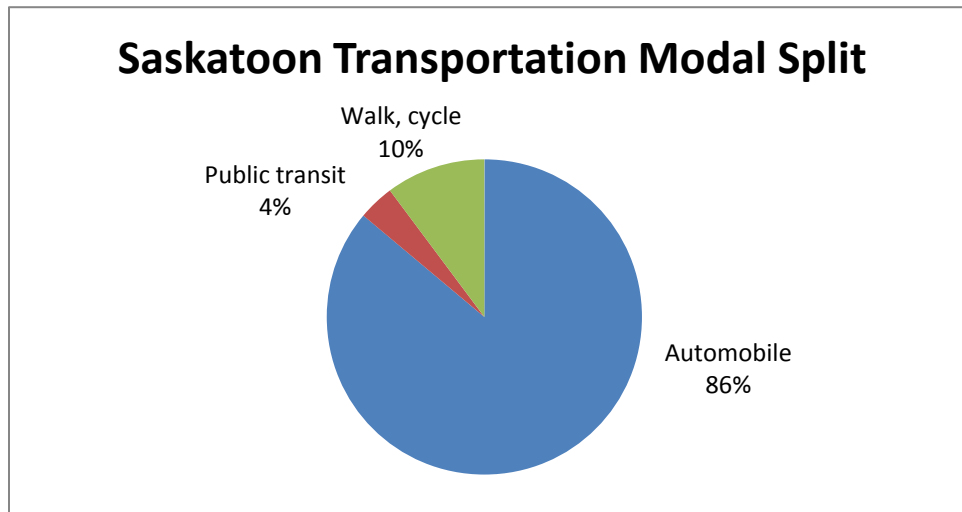
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The increase in passengers resulted in an increase in passengers per service hour to 34.3 in 2011. Based on a population size of 234,200, Transit Services cost per capita in 2011 was \$144.34.



OUR WORK – MOVING FORWARD

A More Environmentally-Sustainable City - The City of Saskatoon is working on making public transit more efficient and attractive, but it will be important to complement improvements with a more transit-oriented approach to planning growth and designing development. An integrated approach between the City's Saskatoon Transit, Transportation, and Planning and Development Branches will support a community shift towards transit as a primary mode of transportation. As Saskatoon grows, traffic congestion and commuting times will continue to increase, and this shift to a public transportation focus will become more and more important.



Transit Relocation - Numerous issues have evolved supporting the need to relocate Saskatoon Transit to a new location, including:



- an immediate need for expansion and upgrade to both the storage and maintenance areas;
- the current location of transit operations and facilities is not compatible with the adjacent neighbourhood;
- the auto body area for Transit is in a separate facility at the north end of the city, in a building intended to be dedicated to Access Transit; and
- Transit is continuing to increase the size of its fleet and is purchasing various bus sizes and types.

In 2010, AECOM submitted its building program which outlines the functional needs of the new transit facility. The City's Administration has a Council-approved, high-level

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funding strategy in place and is working with P3 Canada on a funding application for the transit facility and other Public Works amenities.

Continual Improvement - Transit will focus on improving services, increasing ridership and reducing expenses in subsequent years.

- A combination of buying good used buses and new buses in 2012 will result in a net capital cost savings of approximately \$6.6 M.
- Initiatives to increase ridership including customer surveys, marketing initiatives, installation of intelligent technology systems (e.g. GPS) on buses, increased installation of bus shelters and the development of Transit 2.0 (a new transit designed to improve efficiency and schedule frequency) will improve public perception and attract a greater percentage of the community to use transit as their primary mode of transportation.
- Fare increases approved in the 2012 Transit Operating Budget will contribute towards higher operating costs.



IN CONCLUSION

Saskatoon Transit looks forward to addressing the challenges and focusing on the opportunities reflective of a growing city. The guidance and support of City Council, the City Manager, and the General Manager of the Utility Services Department is acknowledged and appreciated.