



CITY OF HAMILTON
PUBLIC WORKS DEPARTMENT
 Transit Division

TO:	Chair and Members Public Works Committee
COMMITTEE DATE:	September 30, 2019
SUBJECT/REPORT NO:	DARTS 2018 Variance Funding (PW19088) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Jason Vander Heide (905) 546-2424 Ext. 2390
SUBMITTED BY:	Debbie Dalle Vedove Director, Transit Public Works Department
SIGNATURE:	

RECOMMENDATION

That the General Manager of Public Works be authorized and directed to pay DARTS an additional \$312,634 from account 12607-006100 for 53,330 additional trips provided for the year 2018, over and above those funds approved within the 2018 Transit Division budget.

EXECUTIVE SUMMARY

Under the Accessibility for Ontarians with Disabilities Act (AODA) Transportation Standard, Specialized Transit providers cannot limit availability to service by restricting the number of trips a person is able to request.

In 2018 DARTS provided an additional 53,330 customer trips over and above the 720,403 customers trips forecasted in the 2018 budget.

DARTS is a not-for-profit, charitable organization that provides the City's specialized door-to-door transportation services to persons with disabilities who are unable to use conventional transit service, under an agreement with the City.

Alternatives for Consideration – See Page 3

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: The 2018 approved budget was \$17,465,000 based on 720,403 forecasted trips.

An in-year budget adjustment was made in September 2018 (PW18078), increasing the approved budget for DARTS to \$20,309,372. The increase to budget was required to offset labour and operating costs associated with contract negotiations between DARTS and their inside and outside workers, as well as operating pressures related to fuel and vehicle costs, and vehicle productivity rates and fleet transition.

The overall 2018 financial position for the Transit Division includes the DARTS variance of \$312,634 resulting from 53,330 additional trips being delivered. A liability payable to DARTS is accrued for 2018 year-end, and approval of this recommendation will allow the City to reimburse DARTS.

The recommendation has no 2019 cost implications, as the expenditure and associated liability was recorded in the 2018 year-end financial statements of the City.

Staffing: None

Legal: Approval of the recommendation has no legal implications, although failure to approve funding of the variance may be cause for cancellation of the agreement with the City and DARTS.

HISTORICAL BACKGROUND

Under the terms of the contract between the City and DARTS, Council has the authority over budget and service levels.

DARTS is accountable for delivering the agreed upon and forecasted level of service within the approved budget. City staff monitor DARTS performance, tracking service delivery and variances to forecasted trips and budget.

In 2018 DARTS provided an additional 53,330 customer trips over and above the forecasted number of trips that were approved.

An annual budget variance report is prepared by City staff when budget variances result from actual trip delivery exceeding forecasted trips or when expenditures exceed the approved budget.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

As a Specialized Transit provider, the City of Hamilton, under the Accessibility for Ontarians with Disabilities Act (AODA) Transportation Standard, cannot limit availability to service by restricting the number of trips a person is able to request. Compliance with this legislated standard was required effective January 1, 2014.

RELEVANT CONSULTATION

Consultation has been undertaken with the Finance and Administration Division of Corporate Services.

ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

The overall 2018 financial position for the Transit Division includes the DARTS variance of \$312,634 as a result of 53,330 additional trips being delivered. A liability payable to DARTS is accrued for 2018 year-end, and approval of this recommendation will allow the City to reimburse DARTS.

ALTERNATIVES FOR CONSIDERATION

There are no alternatives to this recommendation.

DARTS is a not-for-profit, charitable organization and maintains no reserves to deal with a net expenditure variance, and as DARTS has remained compliant with AODA legislated requirements by not restricting the number of trips delivered to requesting customers and by delivering additional trips over and above the trips forecasted in the 2018 budget.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

Built Environment and Infrastructure

Hamilton is supported by state of the art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

APPENDICES AND SCHEDULES ATTACHED

None