

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: November 18, 2013

SUBJECT: 2014 TTC and Wheel-Trans Operating Budgets

ACTION ITEM

RECOMMENDATION

It is recommended that the Commission:

- 1) approve the 2014 TTC Operating Budget as detailed in this report and as summarized in Appendix A;
- 2) approve the 2014 Wheel-Trans Operating Budget as detailed in this report (refer to page 21) and as summarized in Appendix B;
- 3) approve, effective January 1, 2014, a 5 cent increase in the price of a single adult token and a proportionate increase in all other fares as set out in Appendix C, and either:
 - (a) an increase in cash fares (from \$3.00 to \$3.25 for adults, from \$2.00 to \$2.15 for seniors/students and from \$0.75 to \$0.80 for children)(refer to Appendix D);
or
 - (b) a one-trip increase in the price of the Adult Metropass (refer to Appendix E); and
- 4) forward this report to the City of Toronto for submission into the City Budget process and for confirmation of the 2014 operating subsidy levels;
- 5) forward this report to the Metrolinx Board; and
- 6) forward this report to the Ontario Minister of Transportation.

COMPANION REPORT

This report should be considered in concert with the companion report "2014 – 2023 TTC Capital Budget".

FUNDING

The City Manager has advised that the City of Toronto will provide \$428.1 million in subsidy to support the TTC's 2014 Operating Budget and \$106.4 million for the Wheel-Trans service. These funding levels represent increases of \$17.130 million and \$9.6 million, over the 2013 budgeted levels for TTC and Wheel-Trans, respectively. The budgets contained in this report reflect that level of funding.

DISCUSSION

2014 TTC OPERATING BUDGET

BUDGET HIGHLIGHTS

The 2014 TTC Operating Budget incorporates the resources required to support and deliver the objectives targeted for the year 2014 (refer to Appendix F) in the Five-Year Corporate Plan launched earlier this year. The key highlights of the budget are as follows:

- Continuing moderate growth in the economy and employment is expected in 2014.
- Ridership is expected to be 540 million in 2014, 12 million (2.3%) higher than the 2013 budget of 528 million.
- Fares – In order to cover off inflationary increases in costs, fares are recommended to be increased by 5 cents in the price of a single adult token and a proportionate increase in all other fares plus either an increase in cash fares or a one-trip increase in the price of the Adult Metropass.
- Revenues are projected to increase by \$36.5 million primarily as a result of the increased level of budgeted ridership and the recommended fare increase.
- Service levels in 2014 are based on current Commission-approved standards and will accommodate a ridership level in the range of 540 million.
- Operating Efficiencies/Cost Containment Measures - Over the past few years, numerous efficiency measures have been implemented including: continued management of diesel fuel contracts; a new combined employee benefits contract with the City saving \$2.5M/yr.; combined telecommunication line purchases with the City saving \$1M/yr.; cutting administrative staff in 2011 saving \$18M/yr.; rolling out the articulated bus fleet saving \$5.4M/yr. once completed; contracting out bus servicing lines saving \$2M/yr. and shifting vehicle cleaning from carhouses

to the subway terminals to improve subway train cleanliness. From a longer term perspective, over the past two decades, the TTC has seen a substantial improvement in labour productivity as evidenced by the fact that workforce has only increased by 18% while service levels have increased about 27% in order to carry an additional 32% in riders.

- Expenditures are expected to increase by approximately \$59.6 million over the 2013 budgeted level. Key elements of the increase include: increased service to accommodate the higher ridership level, increased maintenance requirements for both vehicles and facilities, diesel and hydro energy requirements, customer service improvements through the continued development of the Group Station Management model, the annualized cost of the current Collective Bargaining Agreement and accident claims payments.
- No provision is included in this TTC budget for the financial impact of the yet-to-be determined collective bargaining agreements effective April 1, 2014;
- Subsidy – Based on the anticipated subsidy level of \$428.1 million, a subsidy shortfall in the order of \$6 million remains. Staff will continue to explore in-year cost containment measures and efficiencies to address this funding gap.
- Year-end workforce for all budgets will increase by 479 positions as follows: 297 additional TTC operating positions, 26 additional Wheel-Trans operating positions and 156 additional Capital positions.

The Budget Process

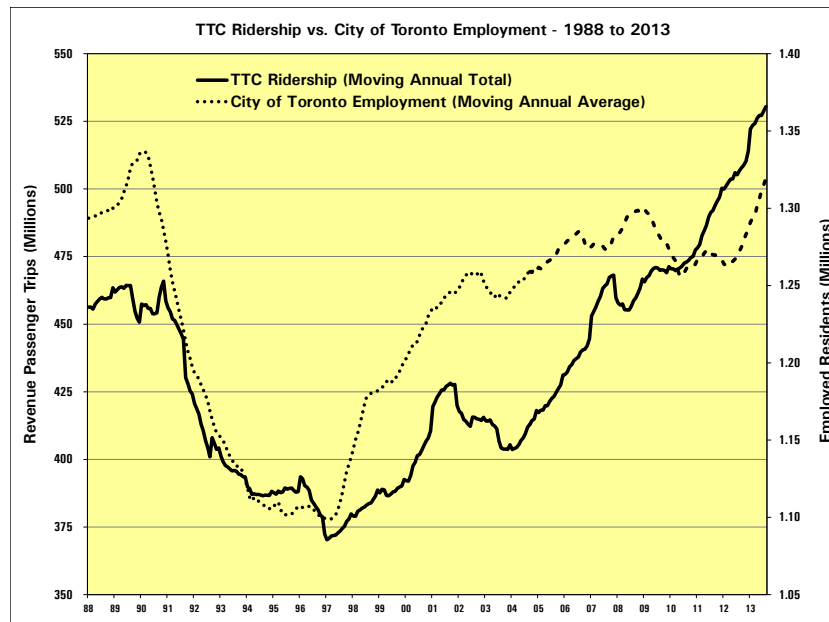
The starting point of the TTC operating budget process is always the prediction of the ridership level for the upcoming year. From that, the service budget is struck based on the TTC pre-approved service standards for vehicle loading levels, headways and hours of operation. This sets the operator workforce requirements to provide that service. It also determines vehicle maintenance requirements, which are largely mileage based, and diesel fuel, traction power and other operational needs. To this gets added all of the other fixed operating costs such as station presence (collectors, janitors, security, etc.) and maintenance of all physical assets. Finally, supervision costs and internal services are incorporated into the budget.

2014 Ridership

As mentioned above, the starting point for the TTC operating budget process is the forecast of ridership for the upcoming year. Ridership is affected by a combination of factors including employment levels, demographics, retail trade activity, travel and tourism

patterns, service levels, transit fares, income levels, gasoline/automobile prices, and vehicle parking availability and rates. Some factors affect ridership in the longer-term such as demographics and income level. Other factors such as energy prices, employment levels, tourism, retail trade, and significant world events can have both short and long-term ridership consequences.

Historically, City of Toronto employment levels have had the most significant impact on ridership, as can be seen in the following chart.



The chart illustrates the close historical relationship between City of Toronto employment and TTC ridership: the huge decline in the early 1990s during the recession and the steady growth in ridership since the mid-1990s. In fact, while City of Toronto employment has fluctuated between 1.25 and 1.3 million over the past decade, there has been a sustained growth in TTC ridership, which has increased 30% from 405 million in 2003 to 526 million in 2013.

Over the past decade, Metropass sales have also grown to the point where one half of all TTC customer journeys are now taken using a monthly pass. There are a lot of reasons contributing to this growth: convenience, the Federal Income Tax Credit, the transferability feature, price discounts from MDP (mail order subscription) or VIP (employer provided) or the Post-Secondary Student pass. In addition, the number of rides taken per pass per month is rising. In 2014, staff expect one more ride per month will be taken compared to 2013.

The TTC uses economic forecasts from the Conference Board of Canada (CBOC) to establish its ridership forecasts. The CBOC forecasts are subject to ongoing refinement.

This is illustrated in the following table, which compares the CBOC's two most recent 2014 economic forecasts for the Toronto Census Metropolitan Area (CMA):

MEASURE	SPRING 2013	AUTUMN 2013
Employment	2.9%	1.6%
GDP	3.3%	2.7%
CPI	2.2%	2.0%

The Autumn 2013 forecast indicates that for 2014, employment growth for the Toronto area economy is anticipated, albeit at a more moderate pace than originally predicted in the Spring 2013 forecast.

Based on these forecasts and the increase in Metropass rides/month, 2014 ridership is projected to be between 537-540 million rides. The budget is being set at 540 million and this should be considered a bit of a stretch target. As can be seen from the following table, ridership in 2013 is expected to be about 526 million, which is 99.6% of the budget of 528 million. The minor (0.4%) variance of 2 million rides is mainly attributable to several major winter storms, the severe rainstorm and flood aftermath in July 2013, and numerous planned subway closures throughout the year.

MILLIONS	2013 BUDGET	2013 PROBABLE	2014 BUDGET	2014 BUDGET vs 2013 BUDGET
RIDERSHIP	528	526	540	12

2014 Service Budget

Ridership on the TTC has been increasing steadily since 1996 and total annual system ridership has increased by 38% over the last 16 years. The increase in ridership has been occurring across the city -- on both suburban and centrally-oriented routes -- and during both peak and off-peak times. The TTC's pattern of increasing ridership continued unabated in 2012, as annual ridership set another all-time record of 514 million annual passengers, up 2.8% from the 2011 level of 500 million passengers.

The budget for 2013 included increased service to meet the projected annual ridership of 528 million passengers. These service increases have been made throughout the year in response to observed ridership levels. This includes more than 100 service increases this fall on busy subway, streetcar, and bus routes. These increases are required to carry the higher level of passenger demand within the Commission-approved vehicle crowding standards. The crowding standards were made more stringent (i.e. more crowded) in early 2012 as part of the TTC's response to the City's budget-reduction initiative.

Projections for 2014 indicate that ridership will reach 540 million passengers – an increase of about 2.3% compared to the 2013 budgeted ridership of 528. The proposed improvements to budgeted service would constitute an approximate 2% increase in service hours. The rate of increase in service is lower than the expected rate of increase in ridership due to the efficiency achieved through the introduction of articulated buses and new and larger streetcars. The proposed 2014 operating budget includes an increase of approximately \$17 million for this net increase in service.

Adding service to crowded routes is crucial to ensuring that the TTC meets its goals of providing attractive and reliable service. Adding more trains, streetcars, or buses to routes reduces the time scheduled between vehicles, thus shortening waiting times for customers, and speeding up their trip. Crowding levels on board the vehicles are reduced, and this provides a more comfortable and attractive environment for customers. The reliability of the service is improved, as the higher capacity allows the route to operate more robustly. Service is only added to routes when ridership counts show that the number of customers on the routes is at or approaching the Commission-approved vehicle crowding limits and this ensures that the resources are allocated fairly and wisely. Successive increases in service to busy routes, at peak and off peak times, since 2004 have clearly been responsible for attracting more riders to the TTC.

As routes near the point of being overcrowded, failing to add service results in unreliable operation, and unattractive and crowded conditions for customers. Ridership stagnates and then declines on routes when they are overcrowded, as customers become dissatisfied and seek out other ways of travelling.

The 2014 Operating Budget has been set using a comprehensive set of pre-approved service standards. None of these standards are recommended to change in 2014. The 2014 Service Budget is based solely on the application of the existing service standards applied against the 2014 ridership estimate of 540 million. It reflects the annualized impact of 2013 service changes, the higher budgeted ridership level, the savings related to the introduction of larger capacity articulated buses and streetcars, and additional resources to accommodate overcrowding, road congestion, and to maintain service levels during TTC and City construction projects.

2014 Revenues

Over 94% of all revenues the TTC collects are in the form of the fares paid by the riders. Based on the current fare structure and mix, fare revenues are expected to increase by about \$7 million in 2014 over the 2013 budgeted level as shown in the following table.

	2013 BUDGET	2014 BUDGET (no Fare Increase)
RIDERSHIP	528M	540M
FARE REVENUE	\$1,063M	\$1,070M

The remainder of TTC's revenues is derived from transit advertising, the operation of various bus routes beyond the city boundaries for York Region and the City of Mississauga on a full-cost recovery basis, leases, commuter parking and other much smaller items. Most of these other revenue streams are based on long-term contracts with consistent revenue between 2013 and 2014. By far the largest other revenue is transit advertising. The TTC will be in year 3 of a 12 year contract that guarantees a base level of \$25.2 million in 2014.

Passenger Fares are expected to increase by \$38 million after factoring in the recommended 5 cent fare increase and one of the two additional fare options: increase cash fares or Metropass adjustments, explained in the next section. Partially offsetting this increase are reduced Outside City services due to a \$1 million reduction in bus service requested by York Region, slightly lower Rent Revenues (\$0.4 million) and marginally lower Commuter Parking Lot fees (\$0.1 million). Overall, total revenues are expected to increase by \$36.5 million over the 2013 budgeted level.

2014 Fare Increase Scenarios

When preparing this budget submission, staff compiled several fare increase scenarios needed to balance the budget. Historically, fare increases have been defined in terms of the impact on the single adult token price. A 5 cent fare increase means the price of an adult token will increase from \$2.65 to \$2.70. Other fare media are adjusted on a proportionate basis. The Regular Adult Metropass is currently priced to be equivalent to 48.5 tokens and other Metropasses (MDP, VIP and Post-Secondary) are priced at various pre-determined levels with respect to the Regular Adult Metropass. Senior/Student fares are set at a proportion of adult fares.

The following table shows ridership and revenues associated with those fare increase levels:

	FARE INCREASE SCENARIO			
	NO INCREASE	5 CENTS CASH FROZEN	5 CENTS + CASH	5 CENTS + METROPASS
RIDERSHIP	540M	540M	538M	540M
FARE REVENUE	\$1,070M	\$1,093M	\$1,101M	\$1,101M

As can be seen, a total of \$1,070 million will be generated with the existing fare structure. With a 5 cent fare increase, \$1,093 million in revenue will be generated if cash fares are frozen. With this scenario, the weighted average fare increase of 1.7% is below the 2014 forecast rate of inflation of 2.0%. Therefore, no ridership loss is anticipated.

In addition to the 5 cent fare increase, if cash fares in all categories are increased (Adult: from \$3.00 to \$3.25; Senior/Student: from \$2.00 to \$2.15; Child: from \$0.75 to \$0.80), revenues will increase by a further \$8 million. However, ridership is expected to decrease by 2 million from the 540 million forecast to 538 million. Cash fares have been frozen since 2010 and the proposed fare increases noted above are in line with the average annual rate of inflation from 2011 to 2014. Toronto inflation since then has been 8.1% and that compares to the cash increases of 8.3% (Adult), 7.5% (Senior/Student) and 6.7% (Child).

In addition to the 5 cent fare increase, if additional adjustments are made to adult-based Metropass prices, \$8 million in additional revenues will be generated with no material resultant decrease in ridership from the 540 million forecast. The basis for the price adjustments is summarized in the following table:

METROPASS-RELATED INCREASES SINCE 2010		
Adult Regular Metropass Price	\$121 to \$131	= + 8%
Trip Multiple (per Diary Studies)	70.5 to 74.3	= + 5%
Price per Ride Taken	\$1.716 to \$1.763	= + 3%
Toronto Inflation		+ 8%

While the selling price of the Metropass has increased with the rate of inflation, the increase in the price per ride taken has been well below the rate of inflation because the actual rides taken on average per pass has increased 5% from about 70 rides to 74. In effect, fares on a per ride basis for Metropass users have actually decreased relative to inflation. To compensate, the price per average ride taken could be increased by the forecast rate of inflation, which will result in an increase in the pass price multiple of 1 (from 48.5 equivalent tokens to 49.5). It should be noted that when the Metropass was originally established, the pass price multiple was 52 trips. It was set to capture high volume users. With the improved value of the pass (transferability, Federal tax credit, increased rides taken per pass), it is now attractive to the average commuters with an effective (after tax) pass price multiple of about 40 trips. Since adult Metropass riders make up 40% of TTC ridership, it is not economically sustainable to carry an ever-increasing number of trips without the associated revenue to cover the cost of providing those trips. Similar price adjustments to account for the trip growth will be considered in future budget submissions.

In approving the 2012 TTC Operating Budget, the Commission approved-in-principle "a

standard 10 cent fare increase on the adult token (and a pro-rata increase on all other fare media) in each of 2013, 2014 and 2015 as part of a multi-year financing strategy required to balance the operating budget over the next four years” and “that the fare policy considers ridership and the rate of inflation”. The scenarios contained above address that.

2014 Operating Subsidy

The table below illustrates the level of TTC operating subsidy compared to other transit systems in the United States and Canada. By a wide margin, the TTC remains the least subsidized transit system on a per rider basis in North America.

TRANSIT SYSTEM*	OPERATING SUBSIDY (\$M)	REVENUE/COST RATIO	REVENUE TRIPS (M)	SUBSIDY/ RIDER
TTC	411	73%	528	\$0.78
Major U.S.				
Boston	506	38%	262	\$1.93
Chicago	683	44%	407	\$1.68
Los Angeles	882	29%	349	\$2.53
New York	2,365	60%	2,301	\$1.03
Philadelphia	527	36%	271	\$1.95
Major Canadian				
Calgary	150	53%	102	\$1.47
Edmonton	151	43%	83	\$1.83
Montreal	478	54%	413	\$1.16
Ottawa	163	51%	101	\$1.62
Vancouver	380	54%	235	\$1.62
Local Canadian				
Brampton	52	45%	18	\$2.82
Durham Region	36	37%	10	\$3.46
Hamilton	38	48%	22	\$1.76
Mississauga	77	49%	35	\$2.21
York Region	100	33%	22	\$4.49

*TTC data = 2013 Budget; Major U.S. = 2011; Major and Local Canadian = 2012;

The transit systems most comparable to the TTC (78¢ subsidy/rider) would be: Montreal (\$1.16/rider), Chicago (\$1.68/rider), Boston (\$1.93/rider), and Los Angeles (\$2.53/rider). Even the massive New York City transit needs \$1.03/rider.

Further, the following table depicts how the amount of subsidy received on a per rider basis has declined over the past few years. Even with a \$17.1 million increase in subsidy for 2014, the 2014 subsidy is 15% below the 2010 level before adjusting for inflation. The drop is actually 22% once inflation is factored in.

Year	Subsidy Budget	Ridership Budget	TTC Subsidy per Rider
2010	\$430M	462M	\$0.93
2011	\$429M	487M	\$0.88
2012	\$411M	503M	\$0.82
2013	\$411M	528M	\$0.78
2014	\$428M	540M	\$0.79

TTC Benchmarking

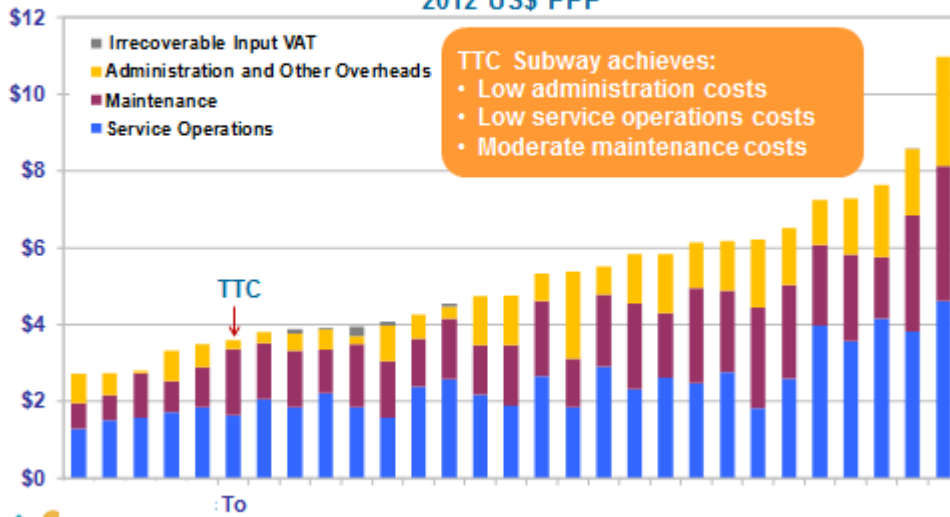
While the TTC is very meticulous about monitoring its performance against specific targets for a long list of key performance indicators (as reported on a monthly basis through the Chief Executive Officer's report), it also benchmarks its performance with other public transit systems around the world. The TTC's membership in a number of provincial, national and international transit associations including the Ontario Public Transit Association, the Canadian Urban Transit Association, the American Public Transportation Association and the International Association of Public Transport, affords it the opportunity to share knowledge and best practices and compare performance on a wide range of its operations.

The TTC is also a member of NOVA, an international urban rail benchmarking group for comparable metros or subways around the world. The group is owned and run by the members and managed by the Railway and Transport Strategy Centre at Imperial College London (ICL). According to ICL, because TTC is one of only two subways outside of Asia and South America that covers its own operating costs (which are low by international standards), and due to its exceptionally high labour productivity and high level of service capacity and frequency throughout the day, "when compared with other metros in the world, Toronto's Subway offers excellent value for money".

TTC's excellent subway performance is illustrated in the following NOVA graphs.

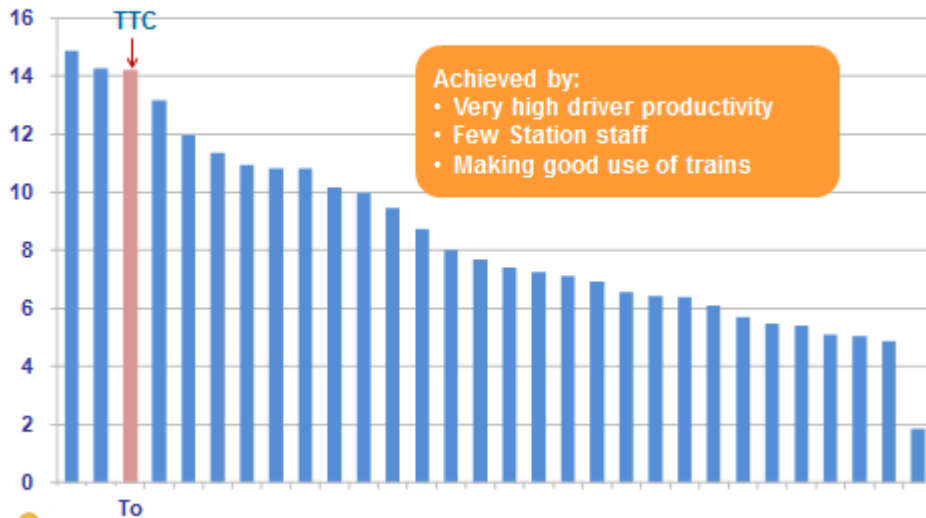
TTC subway operating costs are low by international standards

Operating Cost per Revenue Car Kilometre (2012)
2012 US\$ PPP



TTC subway labour productivity is exceptionally high

Car Kilometres per Total Own Staff and Contractor Staff Hours (2012)



2014 Operating Expenses

The day-to-day expenses associated with running the TTC are budgeted to increase by approximately \$59.6 million in 2014. The increases fall into the following areas:

1. Service: \$17.1 million. The primary drivers of this change include:
 - a. Service increase: \$16.6 million. Additional service hours and kilometres (based on current standards) are required to meet the increase in projected ridership of 540 million customers in 2014. This includes the annualization of service added in 2013.
 - b. Leslie Barns: \$2.1 million. Staffing and set-up activities for this storage and maintenance facility for the new LRVs will commence during the second half of 2014.
 - c. Proof of Payment: \$0.6 million. With the introduction of new LRVs on individual streetcar routes, the entire route will be converted to Proof of Payment. Additional enforcement personnel (20) have been included in the 2014 workforce to conduct sufficient fare checks to minimize potential revenue losses.
 - d. Introduction of LRV streetcars and Articulated Buses: (\$2.2 million). Efficiencies achieved through the introduction of articulated buses and new larger streetcars will reduce operating costs.
2. Vehicle Maintenance: \$9.4 million. The cost of maintaining the TTC's revenue vehicle fleet is expected to rise above the 2013 budgeted level as the warranty coverage for more hybrid buses expires, requirements are added for the new LRVs, and increased seat replacement work is planned to improve the customers' experience.
3. Hydro: \$7.1 million. The combination of a projected rate increase (consistent with the City's forecast) and increased power consumption by the expanding Toronto Rocket subway fleet (owing to its increased weight, passenger load and higher-capacity ventilation system) accounts for this increased budgetary requirement.
4. Facility Maintenance: \$5.1 million. As part of the overall system cleanliness initiatives, increased efforts will be focused on cleaning vent/fan shafts and track level flushing in the subway with the objective of improving subway service reliability by reducing delays. As well, preventative maintenance of the TTC's various heating, ventilation and air conditioning systems will be enhanced to address the growing inventory and complexity of these systems.
5. Current Collective Bargaining Agreement (CBA): \$4.8 million. The existing CBA included a 2% general wage increase effective April 1, 2013 and its annualized impact in 2014 will be \$4.8 million. It should be noted that no budgetary provision has been made in the TTC operating budgets for the impact of the next CBA effective April 1,

2014.

6. Group Station Management: \$4.6 million. Implementation of the newly introduced station management model will continue in 2014 and the budget includes a net increase of 45 additional workforce (most of which are Station Supervisors) to support this important initiative. With ever-increasing ridership, it is imperative that customer throughput within the existing, increasingly crowded stations be even more carefully managed. As a matter of interest, the average TTC station handles 60% more customers than typical stations in New York City.
7. Accident Claims: \$4.0 million. Based on a recent independent actuarial assessment of current and future settlement costs, it is anticipated that these payments will increase in 2014 as previously submitted claims are settled and paid out.
8. Vehicle Fuel: \$3.2 million. The total year-over-year budget increase for diesel is \$6.5 million. This is based on increased volume requirements to service the higher ridership level in 2014 and reflects set prices for hedged quantities (about 45% of total volume) and forecast futures prices for the balance. It should be noted that \$3.3 million of the total increase in this budget has been allocated to the previously noted service expense category.
9. Other Employee Costs: \$2.1 million. These costs are expected to increase in total by \$4.3 million mainly due to the impact of increased wages and benefits from the current CBA, inflationary and utilization increases for both healthcare and dental benefits, changes to workforce requirements and associated labour costs. Of this increase, approximately \$2 million is attributable to the service element, \$1.8 million relates to additional workforce requirements and \$0.5 million relates to the CBA. These increases are partially offset by savings of \$2.2 million from the planned contracting out of bus servicing and cleaning activities (refer to item 13 below). It should be noted that, consistent with past practice, of the total Other Employee Costs budget, approximately \$22.6 million has been incorporated into the budget for 2014 post-retirement benefit non-cash expenses (dental and healthcare) which will be covered through a long-term subsidy receivable from the City (refer to Appendix A).
10. Signal/Track/Substation Reliability: \$1.3 million. As identified in the TTC's Capital Budget, an additional seven new electrical substations (beginning with Leslie Barns in 2014) will become operational by 2016. Additional personnel will be required to maintain them and a plan is in place to ensure that the electrical apprentices hired in 2014 are fully trained over that period. For improved signal system reliability, a 2-year plan calls for increased weekday morning peak period and 7 day per week night shift coverage as well as improved data acquisition and analysis of root causes of delays attributable to the signal system. Additional track design support is also required in the track maintenance engineering area.

11. Depreciation: \$1.3 million. Depreciation expense represents the amortization of the net cost to the TTC of its capital assets over their useful lives, after deducting Federal, Provincial and Municipal contributions received. The increased depreciation expense is primarily the result of estimated higher depreciation charges related to the TTC's net cost of capital assets acquired in 2013 and to be acquired in 2014.
12. Point of Sale Solution: \$1.0 million. As part of the TTC's ongoing effort to ease fare purchases, this budgetary provision allows for the modernization of sales transactions at Collectors' booths.
13. Bus Servicing Contracting Out: (\$1.2 million). Completion of the planned contracting out of bus servicing and cleaning activities is expected to reduce expenses by a further \$1.2 million beyond the \$1.0 million already removed from the 2013 budget.
14. Other: (\$0.2 million). All other changes net out to a decrease of about \$0.2 million.

Appendix A provides a summary of the Commission's 2014 budgeted revenues and expenditures and subsidy requirement.

Operating Efficiencies

Numerous strategies have been employed to improve operating efficiency in recent years with a view to containing the impact of normal cost increases on the operating budget. Following is a list of cost saving initiatives implemented over the course of the past year which have already or will otherwise reduce or avoid costs in the order of \$50 million per annum:

- Diesel Fuel Hedging with the City

The TTC has also partnered with the City in purchasing financial hedges for fuel contracts to protect against price volatility for this crucial commodity. To date, the TTC has secured hedges for substantial portions of its 2013 and 2014 diesel requirements. Aside from affording price certainty on the TTC's second largest cost element (after payroll and benefits), this strategy has significantly reduced budget requirements (from preliminary estimates) by \$21 million and \$9 million in 2013 and 2014, respectively.

- Downsizing

In late 2011, a comprehensive review of workforce requirements across all budgets resulted in the elimination of over 300 positions. This resulted in labour and expense reductions in the order of \$16 million on an annual basis for the TTC Operating Budget.

- Management Structure

A review of the organizational structure conducted in 2012 resulted in the elimination of 3 executive positions for an annual savings of \$0.9 million and the amalgamation of the former Engineering & Construction and Expansion areas which yielded further annual savings in the order of \$3.1 million together with cost avoidance of \$1.6 million.

- Contracting out

In conjunction with a series of Service Efficiency Reviews commissioned by the City, over the past few years, the TTC has been reviewing its operations in an effort to find savings and efficiencies. The TTC has contracted out garbage collection and the cleaning of subway public washrooms. The latter avoided the need to hire 39 more positions and incur an additional \$1.5 million in expenses each year. In addition, annual savings of \$2.2 million and a reduction of 144 unionized positions will be realized once bus servicing and cleaning activities are contracted out in 7 TTC garages.

- Intercity Bus Terminal

In July, 2012, the TTC turned over the operation of the intercity coach terminal owned by its subsidiary company, Toronto Coach Terminal Inc. (TCTI), to a partnership comprised of the two major bus companies that use it; Greyhound and Coach Canada. This action eliminated the need for 24 budgeted positions and resulted in a guaranteed monthly cash inflow over the 5-year initial term of the agreement.

- Accident Claims

Leading up to 2011, the cost of accident claims settlements was increasing at a substantial rate. The TTC was instrumental and successful in lobbying for changes to Provincial no-fault legislation for public transit systems made in 2011. The Government of Ontario passed Bill 173 on May 12, 2011.

A comparison of no-fault activity prior to and after the passing of this legislation shows the following favourable results: the number of no-fault claims submitted to the TTC annually has declined by about 70% and the associated payments made have dropped by 80%. This legislation has helped stem the tide of ever-increasing no-fault payments and associated long-term liabilities.

- Shared Services with City

The TTC continues to participate in a long list of joint purchases with the City including: telephone and data telecommunications (including cellular and blackberry) services (approximate annual savings of \$1 million), IT technical assistance contracts, purchasing card, rock salt, administrative services regarding employee and pensioner benefits, and electricity. Both the TTC and the City are able to take advantage of lower prices/rates for these goods and services as a result of volume discounts. In addition, TTC also shares pricing schedules for various IT licenses with the City and/or Province.

- Administrative Fees and Life Insurance Premiums

As a result of a joint tender with the City of Toronto and Toronto Police Services, it is estimated that the TTC will achieve projected savings of \$14 million over the 2012 to 2016 five-year contract due to lower administration fees and insurance premiums.

- Procurement of Articulated Buses

Plans are proceeding to acquire a fleet of 153 articulated buses that will reduce annual operating costs by approximately \$5.4 million once all of these vehicles are introduced into service, beginning in 2014.

Customer Service Enhancements

Over the past couple of years, TTC has embarked on a number of customer service enhancements as part of its initiative to modernize and improve customer satisfaction. Besides developing a vision and mission statement, and establishing 25 key performance indicators which are published publicly on a monthly basis in the Chief Executive Officer's (CEO) Report and many, on a daily basis, on the TTC website with the view to focus effort and attention on improving the customers' experience, it has introduced a number of discernible improvements including:

- Subway public washroom refurbishments – all 20 washrooms were updated and a contract for frequent cleaning was awarded.
- End-of-line subway car cleaning – Litter removal from subway cars while in-service has improved cleanliness and reduced the potential danger and safety issue of track-level fires and smoke in the tunnels.
- Customer Service – the TTC has extended its hours of operation for customers who call for information, to share a concern, or to offer a

compliment.

- Ease of Fare Purchase – the roll out of debit and credit card acceptance for Metropasses at all of its 95 collectors’ booths.
- Group Station management – the successful introduction of six new Group Station Managers for single-point accountability and a mandate to transform the management of TTC subway stations and bus interchanges. The 2014 budget includes additional workforce to support this important initiative.
- Customer Charter – in February of this year, the TTC released its first-ever Customer Charter which focuses on five themes: cleanliness, better information, improved responsiveness, becoming more accessible and modern, and the renewal of vehicles. With each theme, TTC has committed to completing and implementing improvements by specific dates in 2013. The Charter will be re-issued annually with new, time-bound commitments.
- Five-Year Corporate Plan – the inaugural launch of the TTC Five-Year Corporate Plan in May 2013. The Plan which outlines objectives and a delivery strategy in seven key areas: safety, customer, people, assets, growth, financial stability, and reputation is the final component in making the TTC more business-like and customer-focused.

Workforce

In a labour-intensive operation, additional service comes with labour resources to operate and maintain that service. The following table demonstrates that the TTC has been effective in controlling growth in its workforce relative to population, ridership and service growth over the past two decades.

	Change from 1992 to 2014
Population	+ 22%
Ridership	+ 32%
Service Level (hours)	+ 29%
Service Level (kilometres)	+ 26%
Operating Budget workforce	+ 18%

Carrying an additional 32% riders, while increasing service levels about 27% and employees by only 18%, represents a substantial improvement in labour productivity. All of this has been achieved despite the loss of bus carrying capacity in the order of 10% due to the conversion of the fleet to a low-floor design and ever-increasing road congestion

which has necessitated the addition of resources (vehicles, Operators, service hours, etc.).

More recently, while the TTC has continued to add front-line workers to accommodate the increase in ridership, over the same time period, non-front-line staff has been reduced. For example, the 2012, 2013 and 2014 TTC budgets combined saw an increase of 680 front-line and maintenance workers to accommodate the growth in ridership. Over the same period, non-front-line staff has been reduced by a combined 215 jobs (across all three TTC budgets).

In approving the 2014 TTC Operating Budget, the total workforce – including the TTC and Wheel-Trans operating budgets and TTC Capital Budget - is also being approved. Expenses for in-house costs associated with work on capital projects are budgeted for in the 2014 - 2018 TTC Capital Program.

It should be noted that the Capital workforce fluctuates in lockstep with the number, scope and complexity of projects currently underway. As work comes to a conclusion on a project, the workforce requirement is reduced accordingly. Similarly, as work commences on a project, staffing is increased. No workforce requirements have been included for projects which are currently unfunded (i.e. below-the-line). As funding is identified for these projects, future years' workforce requirements will include them. The list of currently unfunded capital projects is contained in the companion report entitled "2014 - 2023 TTC Capital Budget" also being submitted to the November 18, 2013 TTC Board meeting for approval.

The following table compares the 2014 and 2013 workforce requirements as at December 31.

BUDGET	2013	2014	CHANGE
TTC Operating	10,882	11,179	297
Capital	1,688	1,844	156
Wheel-Trans	531	557	26
Total	13,101	13,580	479

The change in year-end workforce at the Commission is described in this section. Most of the Operating budget increase is required to accommodate service requirements.

Actual workforce strength will not normally exceed the monthly workforce budget except in the case of the Operator complement. In order to ensure that the service budget can be achieved, an annual hiring plan and training program is developed for Operators which

takes into account projected requirements as a result of service changes, retirements, resignations or other turnover. An extended period of time is required in order to identify, pre-screen, hire, train and, qualify new Operators to ensure availability to meet the projected workforce requirement. As a result, the annual budget provides for these pre-hires, however, the year-end budgeted workforce remains unchanged. As failure to pre-hire would increase the risk that service would not be met, resulting in significant negative implications for customers and the Commission, staff are proceeding with the hiring plan consistent with the increased service requirements incorporated within the 2014 operating budget. In addition, it is important to note that there are currently a sizeable number of TTC employees who are in a position to retire. If a greater than average number were to do so in any given year, this could present significant logistical challenges to the TTC from an operational perspective.

The TTC operating workforce level is projected to increase by 297 positions (2.7%) from 10,882 to a total of 11,179 at December 31, 2014. The most significant reason (286 positions) for the increased workforce requirement relates to service as follows: 238 positions to accommodate the projected ridership growth to 540 million and maintain existing service levels, and 48 positions necessitated by the introduction of new vehicles. These 48 positions consist of the addition of 103 positions for the Leslie Barns facility where the new LRV vehicles will be stored and maintained and 20 positions for Proof of Payment inspectors on routes serviced by the new LRVs. These additions are partially offset by the deletion of 75 positions primarily related to reduced Operator requirements as a result of the introduction of articulated buses (54) and LRVs (19). All other requirements net to an increase of 11 positions as follows:

- (144) serviceperson positions eliminated due to the continued contracting out of bus servicing and cleaning activities;
- 45 to support the newly-introduced Group Station management model which is transforming customer satisfaction by enhancing management visibility and managing safety at subway stations and by promptly addressing customer concerns;
- 30 for a technical adjustment to convert 33.7 temporary full time equivalents (FTEs) to 30 regular FTEs – at no increase in costs;
- 24 for Facilities maintenance including increased preventative maintenance programs for heating, ventilation and air conditioning systems and improved subway track cleaning to improve reliability and reduce service delays;
- 17 for Vehicle maintenance to handle increased maintenance and servicing requirements on Hybrid buses (coming off warranty) and the new LRVs;
- 10 for improved Signal/Track/Substation maintenance and reliability;
- 7 to convert current contractor positions to TTC positions for an overall reduction in costs;
- 4 health and safety related positions to assess and manage organizational risks;
- 4 for increased emergency coverage and training in the Transit Control centre;
- 3 support personnel to handle increased workload and allow for overtime

reductions;

- 2 positions transferred from the Capital Budget to Operating for the on-going support of a recently completed system implementation and training; and
- 9 for various other corporate initiatives.

The Capital Budget year-end workforce will increase by 156 positions from 1,688 to 1,844 as follows:

- (14) positions eliminated due to the completion of the SRT Life Extension Program;
- (11) positions eliminated due to the conclusion of the CLRV Life Extension Overhaul;
- 70 for the YUS Automatic Train Control Resignalling project;
- 32 conversions of temporary seasonal positions to full time regular primarily for track-related project work;
- 28 for Yard/Line Expansion (TYSSE, Wilson Yard) requirements
- 28 for T1 Subway Car Overhaul work;
- 10 for the testing and commissioning of the new LRVs and for the fabrication of fareboxes for this fleet;
- 4 for the Presto Farecard project;
- 4 for project management start-up of the Scarborough Subway; and
- 5 positions for various other capital project work.

The Wheel-Trans workforce is discussed as part of the Wheel-Trans budget section later in this report.

Pro-Formas for 2015 and 2016

In addition to the 2014 budget, the City of Toronto has requested the TTC to provide budget projections to allow for longer term planning and financial forecasting purposes.

For 2015 and beyond, it is anticipated that costs will increase in line with inflation for most elements of the operating budget before incorporating any impact from the following items:

- Wage and benefit impacts of the next set of Collective Bargaining Agreements
- Future energy price increases
- Increasing costs for parts on new vehicles (Hybrids, Toronto Rockets, LRVs) and the annualized cost of operating Leslie Barns
- Opening of new lines (e.g. Toronto York Spadina Subway Extension)
- Implementation of PRESTO
- Pan Am Games

Without factoring in these cost elements, if we assume that ridership will grow based on current economic forecasts and that corresponding service is added (based on current standards), and that all other costs increase in line with current experience or based on actual or anticipated contractual commitments, and if fares are held constant and subsidy is flat-lined at the 2014 level, the TTC's financial situation will continue to present a significant challenge in the coming years. Action is required and a plan is necessary to develop a strategy that will address the longer term requirements of the Toronto Transit Commission in order to continue to meet the needs of our customers, the citizens of the City of Toronto and for the Greater Toronto Area overall.

Summary

The 2014 Operating Budget that is contained in this report is required to provide service for the projected all-time record of 540 million riders. Service standards are maintained at existing levels and in fact, several initiatives are underway to enhance the riding experience. A series of 25 Key performance Indicators is published publicly on a monthly basis in the CEO Report, many on a daily basis on the TTC website. These measures are designed to focus all improvements efforts on the customer experience. All reasonable cost and revenue items have been estimated using management's best knowledge. All enhancements and improvements have been factored into the budget. A modest fare increase in line with the rate of inflation has been assumed in working towards balancing the budget.

2014 WHEEL-TRANS OPERATING BUDGET

The highlights of the 2014 Wheel-Trans Operating Budget are as follows:

- Wheel-Trans service continues to provide 24 hours of service as per the *Accessibility for Ontarians with Disabilities Act* (AODA).
- In 2014, the AODA will require Wheel Trans to accept booking requests up to three hours before the published end of the service period on the day before the intended day of travel and to provide same day service to the extent that it is available.
- To improve customer service by accommodating more trip requests, reduce the budgeted unaccommodated rate to 0.9%.
- Customer trips are expected to increase from 2.9 million (2013 budget) to 3.1 million due to increased demand of 6.1%.
- Community Bus routes remain at five, serving 9% of Wheel-Trans registrants;

- No provision is included in this budget for the financial impact of the yet-to-be determined collective bargaining agreements effective April 1, 2014;
- Improving customer service by enhancing internet trip-booking service;
- Seven additional resources in Reservations to respond to customers, as well as providing more staff dedicated to answer the 'Priority Line' as recommended by the City's Auditor General;
- Continuing efforts to encourage customers' integration with the conventional transit system through the development of a comprehensive integration program;
- Building upon scheduling enhancements integrated with Automatic Vehicle Location technology improving vehicle productivity and on-time performance;
- Reviewing the Cancellation/No-show policy to improve service efficiency by discouraging repetitive cancellations and no-shows;
- New five-year sedan and accessible taxi contracts in place to commence July, 2014;
- No budgetary provision has been made for any potential City of Toronto sedan taxi meter rate increase;
- Revenues are projected to increase by about \$0.2 million primarily as a result of the projected increase in trips and the 5-cent increase in the price of a single adult token and a proportionate increase in all other fares, excluding cash fares. Included in this overall revenue increase is the anticipated revenue loss associated with the AODA policy regarding free transit for mandatory escorts.
- Expenditures are expected to increase by approximately \$9.8 million over the 2013 budgeted level. Key elements of this change include:
 - \$8.4 million increase for additional service (including additional workforce, associated employee benefits and diesel fuel) required to satisfy AODA requirements. An additional 189,100 trips will be carried on both the Wheel-Trans operated buses and contracted taxis;
 - \$0.4 million increase for the additional Reservations personnel to improve customer service;
 - \$0.3 million increase for inflationary price increases; and
 - \$0.2 million for Other Employee Costs beyond those allocated to the additional service item above;
 - \$0.2 million increase for the full year's effect of the current Collective Bargaining Agreement; and

- \$0.3 million for all other net changes.
- Year-end workforce will increase by 26 positions to 557 to support increased ridership, be in compliance with the 2011 Collective Bargaining Agreement and AODA legislation, to maintain the current bus fleet as well as to provide improved telephone call answering service to customers. Specifically, the workforce increase reflects:
 - the budgeted Operator workforce increase of 16 positions required to:
 - comply with the current Collective Bargaining Agreement which requires a bus modal split of 38%
 - increase customer service by handling more trips, improving on-time performance during increased traffic congestion and road construction which reduces bus productivity
 - one additional Shift Supervisor to provide 24/7 coverage as mandated under AODA;
 - one Coach Technician and one Serviceperson are required to handle the transfer of tire work from Duncan Shop, maintain the current bus fleet of 221 buses and meet increased peak vehicle service requirements; and
 - to improve customer service by reducing customer wait time for booking trips, seven additional Reservationist positions have been added to support daily peak period call demand.
- Subsidy for 2014 is anticipated to be increased by \$9.6 million from the 2013 budgeted level of \$96.8 million to \$106.4 million. This amount excludes the long-term subsidy receivables from the City in the amounts of \$1.134 million with regard to 2014 post-retirement benefits non-cash expenses and \$0.2 million with regard to 2014 accident claims non-cash expenses (consistent with previous accounting treatment approved by Council).

Appendix B provides a summary of the 2014 budgeted revenues and expenditures and subsidy requirement.

Wheel-Trans Service Plan

The 10-Year demand forecast originally completed in 2012 was updated based upon several factors such as City of Toronto population growth, an aging population, the impact of integration with conventional service, the impact of AODA regulations and trip patterns. Customers will continue to be encouraged to take advantage of conventional fixed route accessible transit service by making it convenient and advantageous for them to book their trips to accessible subway stations. Wheel-Trans will continue to work with the Service Planning staff to develop a comprehensive integration program. As the Accessible Transit Network grows, Wheel-Trans customers will have greater opportunity to integrate into the conventional system.

With an upgraded and integrated AVL system with GIRO Access and IVR system, Wheel-Trans staff will build upon improvements to scheduling and supporting new customer initiatives such as internet trip booking, improve same-day trip availability, provide trip planning and scheduling integration with conventional services and real time provision of vehicle arrival notification (with the addition of Automatic Vehicle Location technology). These system enhancements will also address the on-time delivery of service by providing more timely information and system flexibility to adjust schedules in areas affected by road closures and construction. In addition, initiatives, such as common arrival and departure times at popular locations, will continue to improve productivity through share riding in high demand areas and increase availability of same-day trips through filling of gaps that occur as a result of cancellations on the day of service.

The table below summarizes the number of passengers carried by mode in 2013/14.

	2013 BUDGET	2014 BUDGET
- Bus	1,202,200	1,140,400
- Accessible Taxis	1,175,100	1,140,100
- Sedan Taxis	419,300	720,200
Sub-Total	2,796,600	3,000,700
- Community Bus	80,000	65,000
Total Trips	2,876,600	3,065,700

The available capacity of both accessible taxis and sedans is a fundamental tool used to carry smaller groups of customers and to adjust service when disruptions occur. Taxi contractors are responding to the concerns regarding quality of service issues and have been addressing fundamental issues such as driver performance and training, standard clothing for drivers, displaying the Wheel-Trans decals on their vehicles, replacing older vehicles to maintain the level of daily service, as well as responding quicker to customer complaints. As a result of regular audits performed, service improvements in performance have been noted. Requests for Proposal (RFP) will be issued shortly for contracted accessible and sedan taxi service. The term of the contract will be five years with an option for two one-year extensions. The new taxi service contracts are planned to commence July, 2014.

November 8, 2013

Attachments:

- Appendix A – 2014 TTC Operating Budget Summary
- Appendix B – 2014 Wheel-Trans Operating Budget Summary
- Appendix C – Fare Schedule with Cash Fares frozen
- Appendix D – Fare Schedule with Cash Fare Increases
- Appendix E – Fare Schedule with Cash Fares frozen
and Adult Metropass Adjustment
- Appendix F – Five-Year Corporate Plan – “Journey”

TORONTO TRANSIT COMMISSION
2014 OPERATING BUDGET

(\$000s)

	2013	2014	2014 vs. 2013
	<u>BUDGET</u>	<u>BUDGET</u>	<u>BUDGET</u>
<u>REVENUES</u>			<u>CHANGE</u>
Passenger Revenues	1,063,000	1,101,000	38,000
Outside City Services & Charters	18,284	17,239	(1,045)
Advertising	26,035	26,053	18
Rent Revenue	10,522	10,115	(407)
Commuter Parking	10,190	10,068	(122)
Other Income	1,966	2,003	37
TOTAL REVENUES	<u>1,129,997</u>	<u>1,166,478</u>	<u>36,481</u>
<u>EXPENSES</u>			
CEO's Office	6,433	7,390	957
Strategy and Customer Experience Group	19,248	19,293	45
Engineering, Construction and Expansion	2,248	2,610	362
Corporate Services	87,199	90,929	3,730
Operations Group	459,132	486,573	27,441
Service Delivery Group	439,620	446,844	7,224
Other Employee Costs*	278,340	282,620	4,280
Vehicle Fuel	97,177	103,673	6,496
Traction Power	39,817	46,627	6,810
Utilities	20,118	21,097	979
Depreciation	30,638	31,907	1,269
Taxes and Licences	3,505	3,012	(493)
Accident Claims & Insurance**	27,339	31,182	3,843
Non-Departmental Expenses/Cost Recoveries	30,134	26,802	(3,332)
TOTAL EXPENSES	<u>1,540,948</u>	<u>1,600,559</u>	<u>59,611</u>
Operating Subsidy Required	410,951	434,081	23,130
Operating Subsidy Available	<u>410,951</u>	<u>428,081</u>	<u>17,130</u>
SURPLUS / (SHORTFALL)	<u>-</u>	<u>(6,000)</u>	<u>(6,000)</u>

* City Council's approval of the 2006 TTC and Wheel-Trans operating budgets included the establishment of a long-term receivable from the City for budgeted non-cash expenses related to post-retirement benefits. The budget for these expenses has been deducted to match the City's subsidy for the current year. For 2014, the budget is \$22.600 million (\$17.360 million in 2013).

** City Council's approval of the 2010 TTC and Wheel-Trans operating budgets included the establishment of a long-term receivable from the City for budgeted non-cash expenses related to accident claims. The budget for these expenses has been deducted to match the City's subsidy for the current year. For 2014, the budget is \$0 (\$14 million in 2013).

APPENDIX B

2014 WHEEL-TRANS OPERATING BUDGET

	2013 BUDGET	2014 BUDGET	2014 VS 2013 BUDGET CHANGE
<u>EXPENSES</u>			
<u>CONTRACT SERVICES</u>			
Sedan Taxi	8,515,000	14,173,100	5,658,100
Accessible Taxi	22,688,300	22,331,300	(357,000)
SUB-TOTAL	31,203,300	36,504,400	5,301,100
<u>BUS OPERATION</u>			
Operators	24,981,100	27,246,100	2,265,000
Divisional Staff	560,700	563,200	2,500
Mobile Supervision	1,066,100	1,052,400	(13,700)
Equipment Maintenance	12,543,600	13,124,400	580,800
Fuel	4,896,500	5,346,900	450,400
Lakeshore Garage Costs	1,254,400	1,286,000	31,600
SUB-TOTAL	45,302,400	48,619,000	3,316,600
<u>ADMINISTRATION</u>			
General Superintendent's Office	688,400	642,100	(46,300)
Dispatch & Reservations	5,255,000	5,706,100	451,100
Accessible Services	447,200	454,000	6,800
Customer Service	1,981,700	2,061,000	79,300
SUB-TOTAL	8,372,300	8,863,200	490,900
NON-DEPARTMENTAL COSTS *	3,931,300	4,193,000	261,700
OTHER EMPLOYEE COSTS **	13,560,000	13,982,300	422,300
TOTAL EXPENSES	102,369,300	112,161,900	9,792,600
LESS: REVENUES	5,546,200	5,738,800	192,600
OPERATING SUBSIDY REQUIRED	96,823,100	106,423,100	9,600,000
OPERATING SUBSIDY AVAILABLE	96,823,100	106,423,100	9,600,000
SURPLUS (SHORTFALL)	-	-	-

* City Council's approval of the 2010 TTC and Wheel-Trans operating budgets included the establishment of a long-term receivable from the City for budgeted non-cash expenses related to accident claims. The budget for these expenses has been deducted to match the City's subsidy for the current year. For 2014, the budget is \$200K (\$350K in 2013).

** City Council's approval of the 2006 TTC and Wheel-Trans operating budgets included the establishment of a long-term receivable from the City for budgeted non-cash expenses related to post-retirement benefits. The budget for these expenses has been deducted to match the City's subsidy for the current year. For 2014, the budget is \$1,134K (\$840K in 2013).

2014 FARE SCHEDULE - \$0.05 INCREASE**CASH FROZEN**

	<u>CURRENT</u> <u>FARE</u>	<u>NEW</u> <u>FARE</u>
<u>Adult</u>		
- Cash	\$3.00	\$3.00
- Token	\$2.65	\$2.70
- PRESTO	\$2.65	\$2.70
- Weekly Pass	\$38.50	\$39.25
- Regular Metropass	\$128.50	\$131.00
- VIP Tier 1 (50 - 249)	\$115.50	\$117.75
- VIP Tier 2 (250 - 499)	\$114.25	\$116.50
- VIP Tier 3 (500 +)	\$113.00	\$115.25
- MDP	\$117.75	\$120.00
- Post-Secondary Metropass	\$106.00	\$108.00
<u>Senior/Student</u>		
- Cash	\$2.00	\$2.00
- Ticket	\$1.80	\$1.85
- Weekly Pass	\$30.50	\$31.25
- Regular Metropass	\$106.00	\$108.00
- MDP	\$95.75	\$98.00
<u>Child</u>		
- Cash	\$0.75	\$0.75
- Ticket	\$0.60	\$0.60
<u>Other</u>		
- Day Pass	\$10.75	\$11.00
- GTA Weekly Pass	\$55.00	\$56.00
- Downtown Express Sticker	\$37.75	\$38.50

**2014 FARE SCHEDULE - \$0.05 INCREASE
& CASH INCREASES**

	<u>CURRENT FARE</u>	<u>NEW FARE</u>
<u>Adult</u>		
- Cash	\$3.00	\$3.25
- Token	\$2.65	\$2.70
- PRESTO	\$2.65	\$2.70
- Weekly Pass	\$38.50	\$39.25
- Regular Metropass	\$128.50	\$131.00
- VIP Tier 1 (50 - 249)	\$115.50	\$117.75
- VIP Tier 2 (250 - 499)	\$114.25	\$116.50
- VIP Tier 3 (500 +)	\$113.00	\$115.25
- MDP	\$117.75	\$120.00
- Post-Secondary Metropass	\$106.00	\$108.00
<u>Senior/Student</u>		
- Cash	\$2.00	\$2.15
- Ticket	\$1.80	\$1.85
- Weekly Pass	\$30.50	\$31.25
- Regular Metropass	\$106.00	\$108.00
- MDP	\$95.75	\$98.00
<u>Child</u>		
- Cash	\$0.75	\$0.80
- Ticket	\$0.60	\$0.60
<u>Other</u>		
- Day Pass	\$10.75	\$11.00
- GTA Weekly Pass	\$55.00	\$56.00
- Downtown Express Sticker	\$37.75	\$38.50

2014 FARE SCHEDULE - \$0.05 INCREASE
CASH FROZEN; ADULT METROPASS ADJUSTMENTS

	<u>CURRENT</u> <u>FARE</u>	<u>NEW</u> <u>FARE</u>
<u>Adult</u>		
- Cash	\$3.00	\$3.00
- Token	\$2.65	\$2.70
- PRESTO	\$2.65	\$2.70
- Weekly Pass	\$38.50	\$39.25
- Regular Metropass	\$128.50	\$133.75
- VIP Tier 1 (50 - 249)	\$115.50	\$120.25
- VIP Tier 2 (250 - 499)	\$114.25	\$119.00
- VIP Tier 3 (500 +)	\$113.00	\$117.75
- MDP	\$117.75	\$122.50
- Post-Secondary Metropass	\$106.00	\$108.00
<u>Senior/Student</u>		
- Cash	\$2.00	\$2.00
- Ticket	\$1.80	\$1.85
- Weekly Pass	\$30.50	\$31.25
- Regular Metropass	\$106.00	\$108.00
- MDP	\$95.75	\$98.00
<u>Child</u>		
- Cash	\$0.75	\$0.75
- Ticket	\$0.60	\$0.60
<u>Other</u>		
- Day Pass	\$10.75	\$11.00
- GTA Weekly Pass	\$55.00	\$56.00
- Downtown Express Sticker	\$37.75	\$38.50

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