

Toronto 2018 BUDGET



CAPITAL BUDGET NOTES



Toronto Transit Commission

2018 – 2027 CAPITAL BUDGET AND PLAN OVERVIEW

The Toronto Transit Commission delivers transit services with an estimated 539.4 million riders in 2018, using buses, subway trains, rapid transit trains, light rail vehicles (LRVs), and the new streetcars that began service in the fall of 2014.

The TTC is responsible for the stewardship of transit assets with a total estimated replacement value of \$15.973 billion to ensure that vehicles, subway tunnels, subway track, surface track, bridges and other facility infrastructure are maintained in a state of good repair.

The TTC's 10-Year Capital Plan, excluding funding carried forward from 2017, totals \$6.290 billion and focuses on meeting three key objectives: the replacement of existing vehicles and the addition of growth vehicles to meet ridership demand; the associated facility construction and improvements to accommodate those vehicles; and maintaining track, tunnels, bridges and buildings in a state of good repair.

In addition to TTC's base capital program, the 10-Year Preliminary Capital Plan funds projects focused on transit expansion for planning and preparing the Scarborough Subway Extension, as well as planning and design work for components of the Waterfront Transit Reset and the Relief Line.

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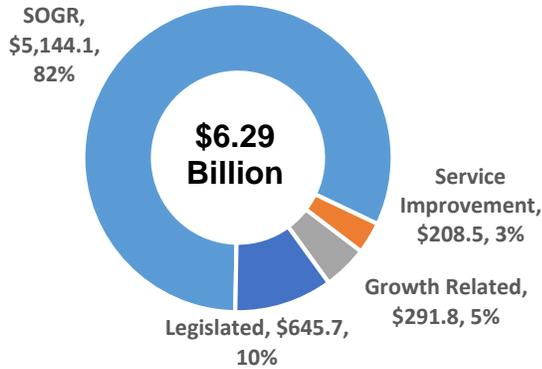
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CAPITAL SPENDING AND FINANCING

Where the money goes:

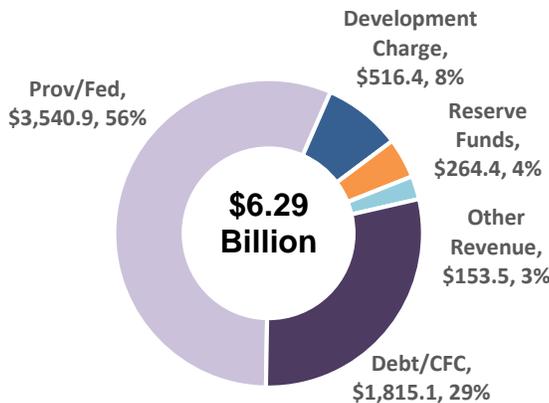
2018 - 2027 Preliminary Capital Budget and Plan By Project Category



The 2018 - 2027 Preliminary Capital Budget and Plan totalling \$6.290 billion provides funding for:

- SOGR projects totalling \$5.144 billion or 81.8%
 - ✓ \$3.396 billion to continue the state of good repair projects for transit related infrastructure and vehicle replacement.
 - ✓ \$766.935 million to rehabilitate, repair and maintain the transit facilities, and support *Automatic Train Control (ATC)* on Line 1.
- Growth related initiatives totalling \$291.8 million in part to support the *McNicoll bus garage facility* and the property acquisition for the new *Subway Maintenance and Storages Facility*.
- Service Improvements of \$208.5 million; mainly related to the purchase of "Run as Directed" buses (\$82.010 million).
- Legislated projects of \$645.744 million; primarily for the *Easier Access Program* (\$471.728 million) to ensure AODA compliance by 2025.

By Funding Source



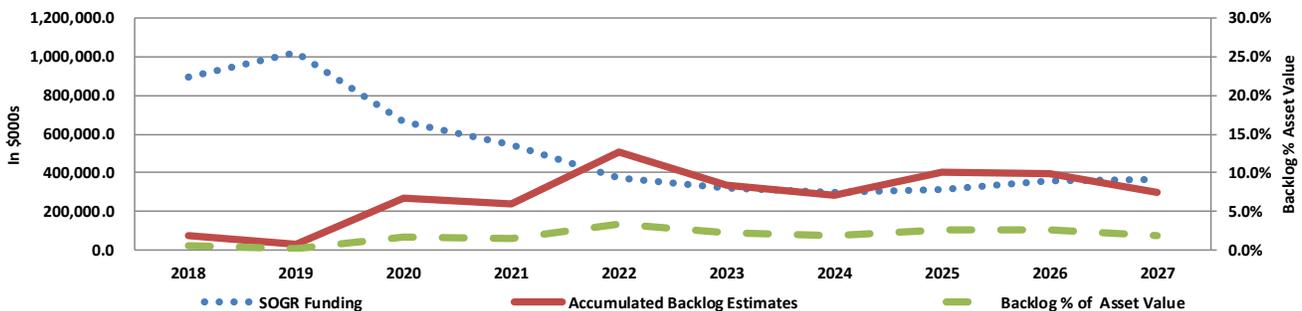
Where the money comes from:

The 10-Year Preliminary Capital Plan requires:

- Debt funding** of \$1.815 billion (29%), which is \$585.0 million below the Program debt target as a result of the application of incremental gas tax in lieu of debt.
- Funding of \$264.341 million (4.2%) to be provided from reserve/reserve funds including Capital Financing Reserve.
- \$78.903 million in funding from Development Charges for a total of \$516.404 million (8.2%).
- Provincial/Federal grants of \$3.541 billion (56.2%) includes additional Provincial Gas Tax funding of \$585.126 million along with \$557 million of Public Transit Infrastructure Fund (PTIF) funding.
- Other Revenue funding of \$153.5 million (3%).

State of Good Repair Backlog

The 10-Year Preliminary Capital Plan's spending on State of Good Repair is \$5.144 billion which will not be adequate to reduce the accumulated backlog of \$26.155 million in 2018 which is anticipated to increase to \$426.949 million by 2027.

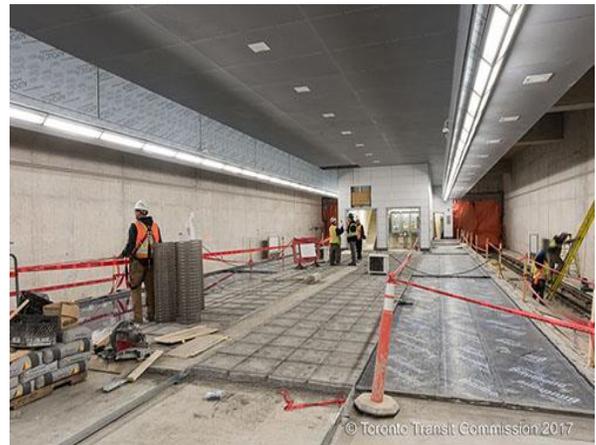


OUR KEY ISSUES & PRIORITY ACTIONS

- **Federal Public Transit Infrastructure Fund (PTIF) program**, up to \$856 million has been made available to the City of Toronto for transit and transportation upgrades and improvements for projects.
 - ✓ In 2017 the TTC has been allocated \$1.289 billion gross and \$664.9 million in Public Transit Infrastructure Fund (PTIF) of which \$557.190 million gross (\$278.595 million PTIF) remains available for the 2018-2027 Capital Budget and plan. An additional \$73.364 million gross (\$36.528 million PTIF) has been added for the purchase of additional buses.

- **Transit Expansion**, There are a number of transit expansion projects included in the 10-Year Capital Budget and Plan with varying levels of secured funding including:
 - ✓ Rail Expansion projects (*Relief Line, Waterfront Transit, Scarborough Subway Extension*)
 - ✓ Facilities (*McNicoll Bus Garage, New Subway Maintenance and Storage Facility*)
 - ✓ Vehicles (*Bus Purchases, Line and ATC*)

- **Unfunded Capital projects**, The TTC and City staff will need to address and develop a prioritization and financing strategy for the \$2.275 billion in unfunded base capital projects to ensure service delivery is not negatively impacted.

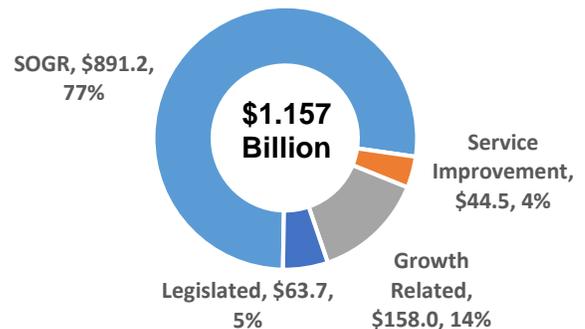


2018 CAPITAL BUDGET HIGHLIGHTS

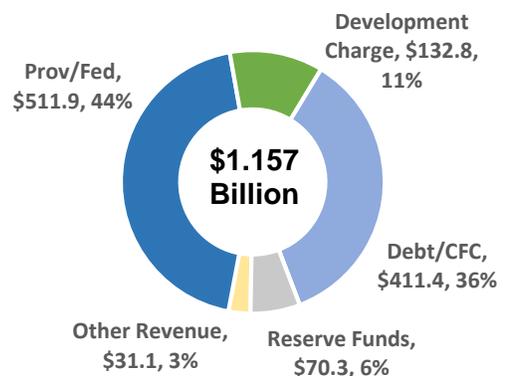
The 2018 Preliminary Capital Budget for the TTC of \$1.157 billion, excluding carry forward funding, will:

- Fund the purchase of buses (\$209.137 million) of which \$191.951 million or 91.8% are for replacement. *McNicoll Bus Garage Facility* construction of an indoor storage and maintenance facility for 250 buses to accommodate ridership growth and expanding bus fleet (\$29.947 million).
- Pay for anticipated delivery of *Streetcars* (\$153.765 million).
- Fund the *Bus Overhaul Program* (\$45.326 million) to support the delays associated with the Streetcar delivery.

2018 Preliminary Capital Budget By Project Category



By Funding Source



Actions for Consideration

Approval of the 2018 Preliminary Capital Budget as presented in these notes requires that:

1. City Council approve the 2018 Capital Budget for Toronto Transit Commission with a total project cost of \$423.339 million, and 2018 cash flow of \$1.406 billion and future year commitments of \$3.261 billion comprised of the following:
 - a) New Cash Flow Funds for:
 - i. 35 new / change in scope sub-projects with a 2018 total project cost of \$423.339 million that requires cash flow of \$178.248 million in 2018 and future year cash flow commitments of \$146.787 million in 2019 and future year cash flow commitments of \$98.483 million for 2020; (\$25.763) million for 2021; \$13.266 million for 2022; \$3.957 million for 2023; (\$90.540) million for 2024; \$12.541 million for 2025; \$24.454 million for 2026 and \$61.906 million for 2027.
 - ii. 37 previously approved sub-projects with a 2018 cash flow of \$979.203 million; and future year cash flow commitments of \$1.079 billion for 2019; \$644.961 million for 2020; \$499.511 million for 2021; \$215.360 million for 2022; \$157.100 million for 2023; \$220.221 million for 2024; \$108.486 million for 2025; \$72.495 million for 2026 and \$19.311 million for 2027.
 - b) 2017 approved cash flow for 25 previously approved sub-projects with carry forward funding from 2017 into 2018 totalling \$248.204 million.
2. City Council approve the 2019 - 2027 Preliminary Capital Plan for Toronto Transit Commission totalling \$1.872 billion in project estimates, comprised of \$1.830 million in 2019; \$124.228 million for 2020; \$231.145 million for 2021; \$235.349 million for 2022; \$239.155 million for 2023; \$231.314 million for 2024; \$239.380 million for 2025; \$277.408 million for 2026; and \$291.862 million in 2027.
3. City Council consider the operating costs/(savings) of (\$0.289) million net in 2018; \$15.130 million net in 2019; (\$7.972) million net in 2020; (\$0.533) million net in 2021; \$1.865 million net in 2022; \$0.568 million in 2023; \$0.585 million in 2024; \$0.291 million in 2025; \$0.300 million in 2026; and (\$0.366) million in 2027 resulting from the approval of the 2018 Preliminary Capital Budget for inclusion in the 2018 and future year operating budgets
4. All sub-projects with third party financing be approved conditionally, subject to the receipt of such financing in 2018 and if such funding is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.
5. City Council approve the 2018 Capital Budget for the Toronto-York Spadina Subway Extension with no new project cost, and 2018 cash flow of \$200.386 million comprised of the following:
 - a) New Cash Flow Funding for:
 - i. 1 previously approved sub-project with a 2018 cash flow of \$160.255 million.
 - b) 2017 approved cash flow for 1 previously approved sub-project with carry forward funding from 2017 into 2018 totalling \$40.131 million.
6. City Council approve the 2018 Capital Budget for the Scarborough Subway Extension with a total project of \$388.782 million, and 2018 cash flow of \$39.412 and future year commitments of \$299.370 comprised of the following:
 - a) New Cash Flow Funding for:

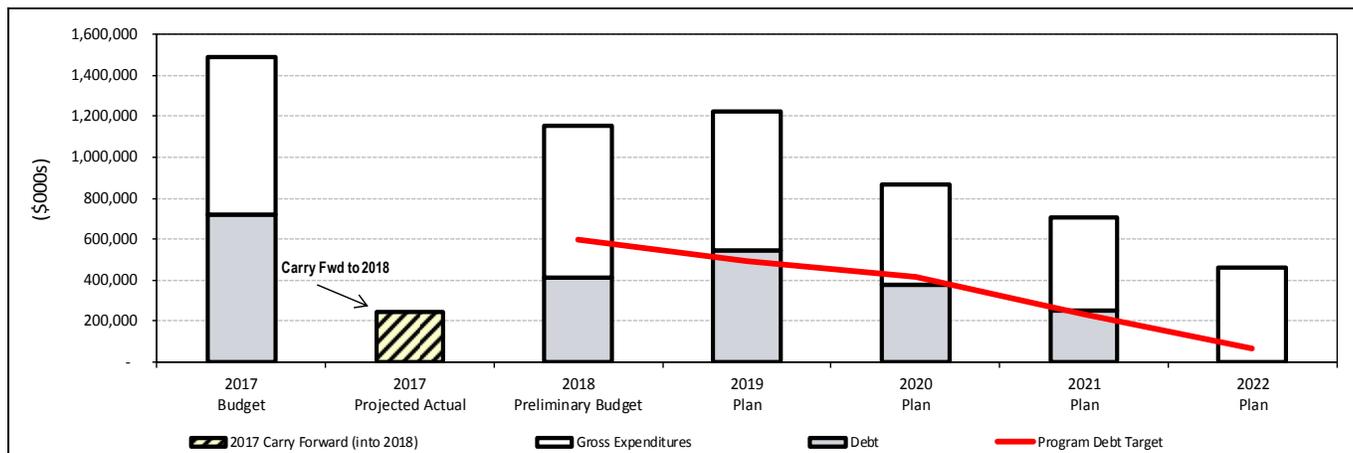
- i. 1 new sub-projects with a 2018 total project cost of \$39.412, 2019 of \$119.768 million, 2020 of \$179.602 million.
 - ii. Approved cash flow for 2 previously approved sub-project with carry forward funding from 2017 into 2018 totalling \$54.817 million.
7. City Council approve the 2018 Capital Budget for Waterfront Transit Studies with no new project cost, and 2018 cash flow of \$3.600 million, comprised of the following:
 - a) New Cash Flow Funding for:
 - i. 1 previously approved sub-project with a 2018 cash flow of \$0.720 million.
 - b) 2017 approved cash flow for 1 previously approved sub-project with carry forward funding from 2017 into 2018 totalling \$2.880 million.
8. City Council approve the 2018 Capital Budget for the Relief Line Studies with no new project cost, and 2018 cash flow of \$55.520 million, comprised of the following:
 - a) New Cash Flow Funding for:
 - i. 1 previously approved sub-project with a 2018 cash flow of \$11.104 million.
 - ii. 2018 approved cash flow for 1 previously approved sub-project with carry forward funding from 2017 into 2018 totalling \$44.416 million
9. City Council request that the TTC and Financial Planning Division establish the allocation of the annual Provincial gas tax provision and report back to Budget Committee no later than May 1, 2018 taking into account all third party funding sources and requirements to ensure that the city is maximizing alignment with other third party funding restrictions.
10. City Council request that the CFO in consultation with TTC staff develop a financing strategy to address the \$2.275 billion in unfunded base capital requirements for the TTC, as well as key projects for future consideration to avoid potential service impact associated with not proceeding with required unfunded capital investments.



Part 1

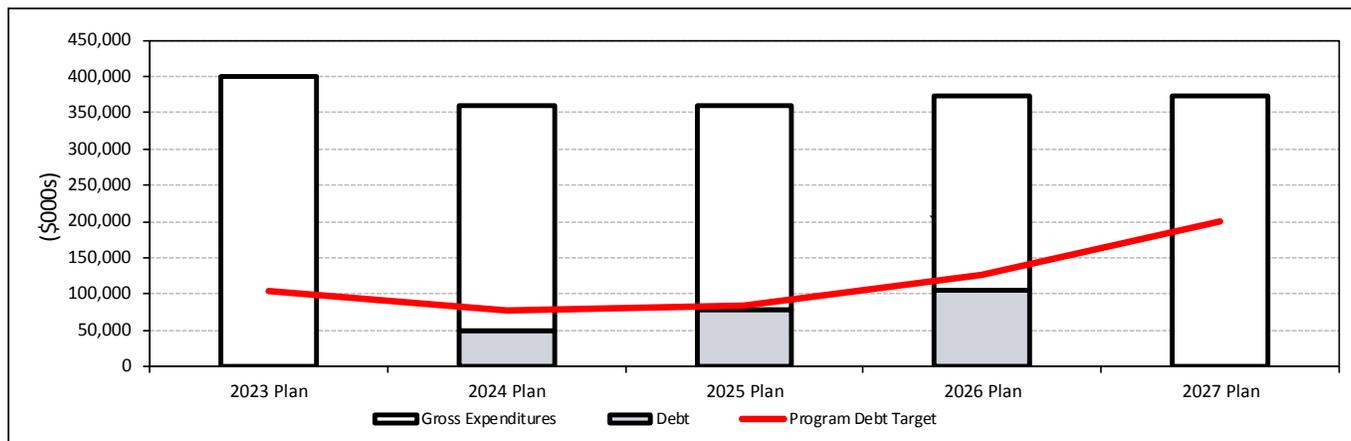
10-Year Preliminary Capital Plan

**Table 1a
10-Year Capital Plan
2018 Preliminary Capital Budget and 2019 - 2022 Capital Plan**



2018 Preliminary Capital Budget and 2019 - 2022 Capital Plan									
		2017	2018	2019	2020	2021	2022	2018 - 2022	5-Year Total Percent
		Budget	Projected Actual						
Gross Expenditures:									
2017 Capital Budget & Approved Future Year (FY) Commitments	1,487,330		1,408,871	985,856	639,083	326,399	166,024	3,526,233	79.8%
Changes to Approved FY Commitments			(429,668)	92,659	5,878	173,112	49,336	(108,683)	-2.5%
2018 New/Change in Scope & FY Commitments			178,248	146,787	98,483	(25,763)	13,266	411,021	9.3%
2019 - 2022 Capital Plan Estimates			-	1,830	124,228	231,145	235,349	592,552	13.4%
2-Year Carry Forward for Reapproval								-	
1-Year Carry Forward to 2018	248,204								
Total Gross Annual Expenditures & Plan	1,487,330		1,157,451	1,227,132	867,672	704,893	463,975	4,421,123	100.0%
Program Debt Target			596,467	491,438	419,629	234,557	65,055	1,807,146	
Financing:									
Debt	723,310		411,351	544,803	376,211	252,137	-	1,584,502	35.8%
Reserves/Reserve Funds	125,364		70,278	156,513	37,580	-	-	264,371	6.0%
Development Charges	95,479		132,796	64,981	65,891	65,130	64,702	393,500	8.9%
Provincial/Federal	511,543		511,930	442,726	376,042	374,176	389,551	2,094,425	47.4%
Debt Recoverable			-	-	-	-	-	-	
Other Revenue	31,634		31,096	18,109	11,948	13,450	9,722	84,325	1.9%
Total Financing	1,487,330		1,157,451	1,227,132	867,672	704,893	463,975	4,421,123	100.0%
By Project Category:									
Legislated	93,947	76,055	63,712	98,721	104,127	103,461	81,285	451,306	10.2%
SOGR	1,289,462	1,028,482	891,219	1,019,746	661,584	544,459	375,980	3,492,988	79.0%
Service Improvement	65,093	48,207	44,517	58,015	48,286	28,066	6,610	185,494	4.2%
Growth Related	38,827	36,671	158,003	50,650	53,675	28,907	100	291,335	6.6%
Total by Project Category	1,487,330	1,189,415	1,157,451	1,227,132	867,672	704,893	463,975	4,421,123	100.0%
Asset Value (\$) at year-end	15,973,000		15,973,000	15,973,000	15,973,000	15,973,000	15,973,000	15,973,000	
Yearly SOGR Backlog Estimate (not addressed by current plan)			26,155	30,179	45,114	51,121	48,233	200,802	
Accumulated Backlog Estimate (end of year)			26,155	56,334	101,448	152,569	200,802		
Backlog: Percentage of Asset Value (%)	0.0%		0.2%	0.4%	0.6%	1.0%	1.3%		
Debt Service Costs			-289	15,130	-7,972	-533	1,865	8,200	
Operating Impact on Program Costs			38,107	21,515	(2,232)	(533)	1,865	58,721	
New Positions			0	19	(133)	37	11		

Table 1b
10-Year Capital Plan
2023 - 2027 Preliminary Capital Plan



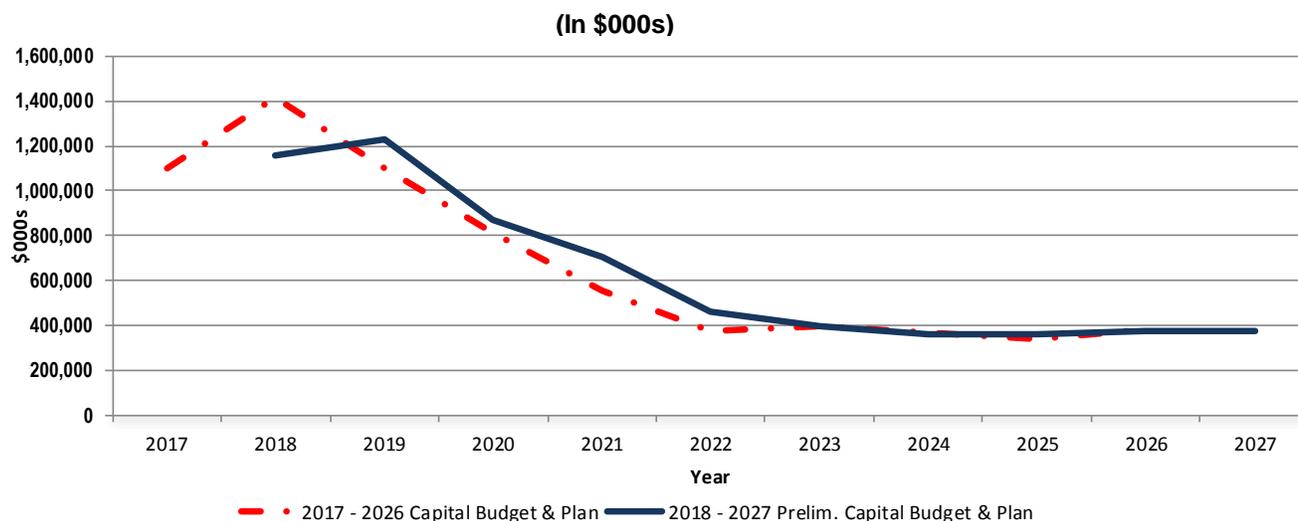
	2023 - 2027 Preliminary Capital Plan						
	2023	2024	2025	2026	2027	2018 - 2027	10-Year Total Percent
Gross Expenditures:							
2017 Capital Budget & Approved Future Year (FY) Commitments	152,571	129,812	117,004	121,781	-	4,047,401	64.3%
Changes to Approved FY Commitments	4,529	90,409	(8,518)	(49,286)	19,311	(52,238)	-0.8%
2018 New/Change in Scope & FY Commitments	3,957	(90,540)	12,541	24,454	61,906	423,339	6.7%
2023 - 2027 Capital Plan Estimates	239,155	231,314	239,380	277,408	291,862	1,871,671	29.8%
2-Year Carry Forward for Reapproval						-	
Total Gross Annual Expenditures & Plan	400,212	360,995	360,407	374,357	373,079	6,290,173	100.0%
Program Debt Target	104,763	77,872	84,131	126,221	200,000	2,400,133	
Financing:							
Debt	-	49,417	77,315	103,823	-	1,815,057	28.9%
Reserves/Reserve Funds	-	-	-	-	-	264,371	4.2%
Development Charges	43,050	28,920	29,817	9,110	12,007	516,404	8.2%
Provincial/Federal	345,154	273,358	242,645	242,646	342,638	3,540,866	56.3%
Debt Recoverable	-	-	-	-	-	-	
Other Revenue	12,008	9,300	10,630	18,778	18,434	153,475	2.4%
Total Financing	400,212	360,995	360,407	374,357	373,079	6,290,173	100.0%
By Project Category:							
Health & Safety						-	
Legislated	73,440	59,285	43,953	10,925	6,835	645,744	10.3%
SOGR	321,288	296,386	311,690	358,291	363,484	5,144,127	81.8%
Service Improvement	5,384	5,224	4,664	5,041	2,660	208,467	3.3%
Growth Related	100	100	100	100	100	291,835	4.6%
Total by Project Category	400,212	360,995	360,407	374,357	373,079	6,290,173	100.0%
Asset Value(\$) at year-end	15,973,000	15,973,000	15,973,000	15,973,000	15,973,000	15,973,000	
Yearly SOGR Backlog Estimate (not addressed by current plan)	43,235	41,201	42,910	48,329	50,472	426,949	
Accumulated Backlog Estimate (end of year)	244,037	285,238	328,148	376,477	426,949		
Backlog: Percentage of Asset Value (%)	1.5%	1.8%	2.1%	2.4%	2.7%		
Debt Service Costs	-0	988	6,844	10,365	11,131	37,529	
Operating Impact on Program Costs	568	585	291	300	(366)	60,099	
New Positions	3	3	1	1	(1)		

Key Changes to the 2017 - 2026 Approved Capital Plan

The 2018 Preliminary Capital Budget and the 2019 - 2027 Preliminary Capital Plan reflects a decrease of \$551.568 million in capital funding from the 2017 - 2026 Approved Capital Plan.

The chart and table below provide a breakdown of the \$551.568 million or 8.1% decrease in the Capital Program on an annual basis from 2017 - 2027.

Chart 1
Changes to the 2017 - 2026 Approved Capital Plan (In \$000s)



(\$000s)	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	10-Year Total
2017 - 2026	1,100,258	1,413,290	1,098,985	812,067	556,117	374,396	396,414	366,586	338,725	384,903		6,841,741
2018 - 2027		1,157,451	1,227,132	867,672	704,893	463,975	400,212	360,995	360,407	374,357	373,079	6,290,173
Change %		(18.1%)	11.7%	6.8%	26.8%	23.9%	1.0%	(1.5%)	6.4%	(2.7%)		(8.1%)
Change \$		(255,839)	128,147	55,605	148,776	89,579	3,798	(5,591)	21,682	(10,546)		(551,568)

As made evident in Chart 1 above, the \$551.568 million decrease in the Capital Plan is mainly attributed to the difference in capital spending approved in 2017 as compared to planned capital investments in the year 2027.

The Capital Program includes the deferral of streetcar purchases from 2018 to 2019 accounting for \$114 million shift between 2018 and 2019 as well as the deferral of cash flows for the *Toronto Rocket/T1 Rail Yard Accommodation Project* and *Storage Track* from the 2018-2020 period to the 2021-2023 period.

As reflected in Table 2 on the following page, changes to the 2017 - 2026 Approved Capital Plan, specifically the \$175.611 million increase in capital funding over the nine common years of the Capital Plans (2018 – 2026) arise from the level of increased investment in TTC capital projects, based on the following factors:

- Additional funding required to leverage the Public Transportation Infrastructure Fund program for an additional \$73.364 million (PTIF Funding - \$36.682 million) for an initial estimate of 115 buses to be delivered prior to March 2019.
- New funding of \$112.0 million for the acquisition of property for the *New Subway Maintenance and Storage Facility*.
- A summary of project changes for years 2018 – 2026 totalling \$175.611 million is provided in Table 2 on the following page:

Table 2
Summary of Project Changes (In \$000s)

\$000s	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018 - 2026 Total
2017 - 2026 Capital Budget & Plan	1,100,258	1,413,290	1,098,985	812,067	556,117	374,396	396,414	366,586	338,725	384,903	-	5,741,483
2018 - 2027 Preliminary Capital Budget & Plan	-	1,157,451	1,227,132	867,672	704,893	463,975	400,212	360,995	360,407	374,357	373,079	5,917,094
Capital Budget & Plan Changes (2018 - 2026)		(255,839)	128,147	55,605	148,776	89,579	3,798	(5,591)	21,682	(10,546)		175,611

	Total Project Cost	2018	2019	2020	2021	2022	2023	2024	2025	2026	2018 - 2026	2027	Revised Total Project Cost
Changes to Previously Approved Projects' Future Year Commitments													
ATC Resignalling		(960)	(2,036)	(10,061)	(4,491)	(8,601)	3,491	5,200	4,744	4,606	(8,108)		51,235
Automotive Non-Revenue Vehicles		1,531	(1,260)	(1,083)	782	1,815	1,870	630	100	100	4,485		100
Bridges and Tunnels - Various		(3,391)	14,383	33,588	34,054	34,482	36,710	37,216	39,473	40,059	266,574		40,657
Communications - Various		(8,746)	(2,343)	3,982	4,227	667	785	(468)	(266)	(1,234)	(3,396)		10,526
Easier Access Phase II & III		(10,967)	(9,980)	(14,168)	(2,667)	4,899	9,487	10,258	8,720	6,000	1,582		-
Environmental Programs		(1,177)	4,302	(584)	(5,627)	-	-	-	-	-	(3,086)		-
Equipment - Various		(24,203)	160	10,114	5,926	831	4,108	2,463	2,230	(2,569)	(940)		22,413
Fare Handling Equipment		11,212	-	-	96	250	250	300	300	300	12,708		300
Fare System		1,471	125	-	-	-	-	-	-	-	1,596		-
Finishes - Various		2,587	6,914	(1,583)	(2,492)	(1,007)	1,490	-	-	-	5,919		6,854
Fire Ventilation Upgrade		1,052	(12,856)	(4,798)	41,793	-	-	-	-	-	25,191		-
Furniture & Office Equipment		-	-	-	(21)	(11)	(24)	(12)	(26)	(13)	(107)		199
Information Technology System-Infrastructure		(19,182)	21,430	(6,240)	(13,433)	(14,936)	(14,689)	(11,801)	(8,948)	(36,119)	(103,918)		-
Leslie Barns Streetcar Maint. & Storage Facility		(798)	5,898	-	-	-	-	-	-	-	4,900		-
McNicol Bus Garage Facility		(9,863)	(10,590)	20,765	(644)	-	-	-	-	-	(332)		-
On-Grade Paving Rehabilitation		190	571	(1,551)	1,799	551	422	1	(1)	2	1,984		10,826
Other Bldgs & Structures Projects		45,023	3,264	26,392	25,114	16,981	2,886	1,001	(435)	(5,104)	115,122		6,574
Other Maintenance Equipment		(2,477)	1,948	(169)	(226)	485	736	738	834	849	2,718		873
Other Service Planning		(19,818)	18,590	17,816	3,680	(1,057)	(1,930)	(1,930)	(1,760)	(1,760)	11,831		-
Power Dist./Electric Systems - Various		(2,258)	(725)	6,376	1,059	1,454	488	383	188	264	7,229		7,226
Purchase of Rail Non-Revenue Vehicle		(5,717)	618	2	(52)	26	-	-	-	-	(5,123)		-
Queensway Bus Garage Renovations		-	-	-	-	-	-	-	-	-	-		-
Rail Non-Revenue Vehicle Overhaul		(1,031)	(82)	(290)	632	(1,718)	(1,152)	(454)	(467)	(484)	(5,046)		-
Replacement of Wheel-Trans Vehicles		(6,920)	(7,629)	(6,408)	(7,149)	(7,506)	(7,882)	(8,276)	(8,690)	(9,125)	(69,585)		-
Signal Systems - Various		(11,968)	2,945	3,220	7,654	(180)	731	2,005	2,062	2,179	8,648		2,163
Streetcar Overhaul Program		7,885	2,864	1,233	1,055	195	1,846	2,661	6,449	12,371	36,559		18,602
Subway Car Overhaul Program		(9,505)	899	4,696	9,419	5,529	(284)	578	(6,025)	(8,743)	(3,436)		9,015
Subway Car Purchases		(4,076)	-	-	-	-	-	-	-	-	(4,076)		-
Subway Track		(17,203)	(460)	33	4,950	(1,000)	-	-	-	-	(13,680)		34,914
Surface Track		(1,826)	9,490	1,940	4,062	(1,000)	-	-	-	-	12,666		33,213
Tools and Shop Equipment		1,799	1,506	231	2,946	(202)	639	1,407	1,363	1,506	11,195		1,670
Toronto Rocket Yard & Storage Track Accommodation		(37,852)	(36,772)	(15,177)	25,588	43,890	4,175	(125)	-	-	(16,273)		-
Traction Power - Various		4,950	4,563	3,693	3,310	3,153	3,989	3,989	2,683	2,295	31,790		23,140
Transit Shelters & Loops		177	169	63	(14)	129	236	179	167	212	1,318		216
Wilson Complex - Modifications for the Toronto Roc		-	-	-	-	-	-	-	-	-	-		-
Yards and Roads - Various		(8,413)	(2,167)	2,326	8,313	-	-	-	-	-	59		-
Purchase of Streetcars		(114,234)	113,860	374	-	-	-	-	-	-	-		-
Bus Overhaul Program		1,434	10,846	33,231	42,162	42,604	43,095	42,872	43,363	49,337	308,944		47,002
Purchases of Buses		(19,888)	-	-	-	-	-	(5,648)	-	-	(25,536)		-
Purchase of 360 Wheel-Trans Vehicles		6,920	7,629	2,003	8,411	8,831	6,955	7,303	7,668	10,735	66,455		11,271
Purchase of Subway Cars		249	524	584	1,523	2,120	-	-	-	-	5,000		-
Bicycle Parking at Stations		144	-	-	-	-	-	-	-	-	144		-
Total Changes to Previously Approved Commitments		(255,839)	146,398	110,550	201,739	131,674	97,593	90,470	93,726	65,664	681,975		338,989
Changes to Previously Planned Project Estimates													
Automotive Non-Revenue Vehicles		-	1,240	1,131	(1,247)	(2,310)	(2,380)	(945)	(415)	(415)	(5,341)		1,370
Bridges and Tunnels - Various		-	(10,915)	(29,421)	(32,896)	(34,955)	(36,013)	(37,216)	(39,473)	(40,059)	(260,948)		-
Communications - Various		-	-	-	-	-	-	-	-	-	-		600
Environmental Programs		-	-	-	26	305	490	200	205	210	1,436		3,870
Fare Handling Equipment		-	-	-	(96)	(250)	(250)	(300)	(300)	(300)	(1,496)		-
Information Technology System-Infrastructure		-	-	3,043	10,659	8,031	12,566	9,536	11,482	26,502	81,819		25,547
Other Bldgs & Structures Projects		-	-	-	-	-	-	-	568	2,685	3,253		500
Other Maintenance Equipment		-	-	-	-	(723)	(963)	(965)	(1,090)	(1,110)	(4,851)		-
Other Service Planning		-	-	-	-	1,977	1,760	1,760	1,760	1,760	9,017		1,760
Rail Non-Revenue Vehicle Overhaul		-	-	-	325	1,200	392	400	412	266	2,995		443
Signal Systems - Various		-	-	-	-	-	(887)	(2,173)	(2,231)	(2,324)	(7,615)		-
Tools and Shop Equipment		-	-	-	-	-	(939)	(1,708)	(1,655)	(1,828)	(6,130)		-
Transit Shelters & Loops		-	-	-	-	(212)	(251)	(258)	(263)	(599)	(1,583)		-
Bus Overhaul Program		-	(8,576)	(29,698)	(29,734)	(15,158)	(67,320)	(64,392)	(41,044)	(60,998)	(316,920)		-
Total Changes to Previously Approved Plan Estimates		-	(18,251)	(54,945)	(52,963)	(42,095)	(93,795)	(96,061)	(72,044)	(76,210)	(506,364)		34,090
Total Changes		(255,839)	128,147	55,605	148,776	89,579	3,798	(5,591)	21,682	(10,546)	175,611		373,079

Significant Capital Project Changes in TTC:

Cash flow funding for the following previously approved capital projects has been adjusted based on historical spending rates, capacity and expected progress and completion of the projects, as outlined below:

Changes to Previously Approved Projects' Future Year Commitments

Project Cost Decreases:

- The 10-Year Preliminary Capital Plan includes \$232.975 million in reductions. The most significant portion of these reductions are from:
 - *Information Technology System-Infrastructure* project decreased by \$103.918 due to historical spending capacity.
 - *Replacement of Wheel-Trans Vehicles* project has decreased by \$69.585 million - Over the past few years, approximately 201 new low-floor specialized buses were acquired to replace the fleet of older Wheel-Trans vehicles that have reached the end of their service lives. The replacement vehicles are larger and better equipped than the older vehicles they are replacing. These vehicles are also now used to operate the TTC's five (5) community bus routes.

Project Cost Increases:

- *Bus Overhaul Program/Bridges and Tunnels Program (\$575.518 million or 84.4%)* - Based on a thorough review of project readiness and historical spending capacity, TTC re-allocated planned estimated funding to future year committed funding.
 - The *Bus Overhauls program* experienced the following:
 - Expanded scope on the 1336 series buses as a result of unexpected corrosion of the Power Distribution Centre (PDC)
 - Unexpected spike in usage of Hybrid Components
 - Increased demands on the *Subway Infrastructure Program*
 - *Bridges and Tunnels*
 - Funding required to address infrastructure maintenance and improvements to bridges and tunnels to maintain these assets in a state of good repair.
- The increased investment for the *Bus Overhaul Program* reduces the service impact arising from the LRV delivery delay and positively impacts service reliability through the TTC's bus fleet.

Deferrals/Accelerations:

- *McNicoll Bus Garage Facility* – The timing of cash flow funding has been revised to align with the expected construction timelines for the bus garage.

New to the 10-Year Preliminary Capital Plan

There are no new projects in the TTC Base Program.

New Program "Transit Studies"

Transit Studies is a new program under the TTC cluster of capital works that has been created to support future transit expansion related studies including the *Relief Line* and *Waterfront Transit Expansion* projects, for which funding is included in the 2018-2027 Preliminary Capital Budget and Plan.

Relief Line

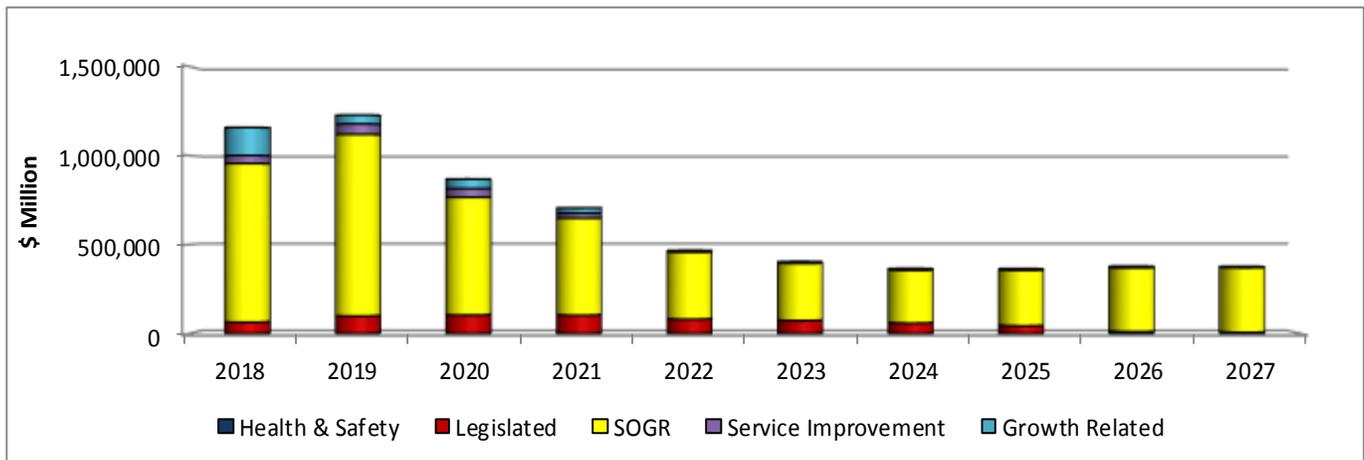
- The Relief Line Project Assessment was initiated in 2014 to identify an alignment and station locations for the Relief Line South. In July 2016, City Council approved a Pape-Eastern-Queen alignment subject to further assessment of a segment of the alignment between Queen Street and the area north of the GO tracks on Pape Avenue that resulted in the recommendations for the Carlaw alignment for the local segment of the Relief Line South in order for staff to complete the Environmental Assessment (EA)/Transit Project Assessment Process (TPAP).
- The next phase of work for the Relief Line South is to accelerate the planning and design stage gate, including developing a project budget and schedule (Class 3 cost estimate), which is approximately 15 to 30% design.
- Approximately \$4.1 million has been spent by the City since 2014 on the Relief Line Project Assessment. The budget required for the next phase of planning and design to develop a Class 3 cost estimate and schedule (approximately 15-30% design) is estimated to be \$100 million.
 - The costs associated with the next phase of work are to be funded by the City (\$55 million) and the Province/Metrolinx (\$45 million).
- At its meeting of November 7, 2017, City Council approved the budget transfer of \$55.5 million (gross) including \$27.8 million in Public Transit Infrastructure Fund funding and \$27.7 million in debt for Relief Line planning, design and engineering from the 2017 Corporate Initiatives Capital Budget Account to the Toronto Transit Commission.
- The balance of funding for the next phases/stage gates of the Relief line capital work remains unfunded and will be considered against other unfunded City priorities as part of future year operating and capital budget processes.

Waterfront Transit Expansion

- The Waterfront Transit initiative was to identify transit services along the waterfront from Long Branch Loop in the west to Woodbine Avenue in the east. Detailed transportation demand modelling has subsequently shown that there is not sufficient demand for a single through service along the entire study area. Demand along the corridor is diverse, with varying travel patterns that will require a series of streetcar infrastructure projects that will support a range of route and service options to accommodate future demand.
- Phase 1 of the Waterfront Transit Reset was completed in 2016.
 - The primary study area for Phase 1 included the area between Long Branch in the west and Woodbine Avenue in the east, and south of The Queensway/Queen St corridor.
 - Key outcomes of the Phase 1 study were the identification of waterfront transit planning objectives, an evaluation framework, and the initial development of a suite of alternative transit improvement concepts that could be measured against the framework objectives.
 - City Council further directed City staff to initiate a second phase of the Waterfront Transit Reset, based on the work identified in the first phase. Council further directed staff to move to 30% design for the extension of the exclusive streetcar network from the Exhibition Loop to the Dufferin Gate Loop.
- At its meeting of November 7, 2017, City Council approved the budget transfer of \$3.6 million (gross) including \$1.8 million in Public Transit Infrastructure Fund funding and \$1.8 million in debt for Waterfront Transit planning, design and engineering from the 2017 Corporate Initiatives Capital Budget Account to the Toronto Transit Commission. The scope of work includes the preliminary design for Exhibition to Dufferin Gate Loop.
- Phase 2 includes further development and costing of alignment concepts, detailed analysis of transit operations and ridership, identification of priority segments, as well as the creation of a Business Case and implementation strategy for delivering a coordinated waterfront transit solution.
- The balance of funding for the next phases/stage gates of the Waterfront Transit expansion capital work remains unfunded and will be considered against other unfunded City priorities as part of future year operating and capital budget processes.

2018 – 2027 Preliminary Capital Plan

Chart 2
2018 – 2027 Preliminary Capital Plan by Project Category (In \$000s)



As illustrated in Chart 2 above, the 10-Year Preliminary Capital Plan for TTC of \$6.290 billion provides 82% funding for State of Good Repair (SOGR) projects as priorities and 3% for Service Improvement projects. Legislative mandated projects represent 10% and Growth Related projects represent the remaining 5% of projects over the 10-year period.

- The largest share of cash flow funding has been dedicated to State of Good Repair projects for various types of capital maintenance and upgrades such as *Purchase of Streetcars*, *Purchase of Buses*, *ATC Resignalling*, and *Surface Track* to ensure the safety and protection of the public.
- Funding to support the *Purchase of Buses*, upgrading *Building and Structures* projects and *Other Service Planning* project has been dedicated for Service Improvement projects.
- The *Easier Access program*, designated to construct and enhance accessibility features to make the TTC fully accessible by 2025, receives 73% of the dedicated funding for Legislated projects.

Table 3 below details all capital projects, by category, included in the 2018 - 2027 Preliminary Capital Budget and Plan for Toronto Transit Commission:

Table 3
2018 - 2027 Capital Plan by Project Category (In \$000s)

	Total App'd Cash Flows to Date*	2018 Budget	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2018 - 2027 Total	Total Project Cost
Total Expenditures by Category													
Legislated													
Communications - Various	11,509	2,514	543	207	538	-	-	-	-	551	600	4,953	16,462
Easier Access Phase II & III	301,393	43,617	56,114	62,164	71,822	71,263	66,151	54,960	39,637	6,000	-	471,728	773,121
Environmental Programs	87,422	7,838	9,067	8,017	10,371	4,210	3,805	3,600	3,690	3,780	3,870	58,248	145,670
Equipment - Various	17,295	1,030	1,094	778	855	1,827	89	-	-	-	-	5,673	22,968
Other Bldgs & Structures Projects	16,000	7,984	16,217	11,718	11,562	3,985	3,395	725	626	594	2,365	59,171	75,171
Other Service Planning	3,812	90	7,300	6,688	-	-	-	-	-	-	-	14,078	17,890
Yards and Roads - Various	43,263	639	8,386	14,555	8,313	-	-	-	-	-	-	31,893	75,156
Sub-Total	480,694	63,712	98,721	104,127	103,461	81,285	73,440	59,285	43,953	10,925	6,835	645,744	1,126,438
State of Good Repair													
ATC Resignalling	383,867	65,374	71,310	48,820	29,008	30,840	42,282	45,266	46,761	48,748	51,235	479,644	863,511
Automotive Non-Revenue Vehicles	11,339	1,686	1,740	2,428	2,070	2,210	2,280	1,370	1,370	1,370	1,370	17,894	29,233
Bridges and Tunnels - Various	458,792	30,455	33,169	33,588	34,054	34,482	36,710	37,216	39,473	40,059	40,657	359,863	818,655
Bus Overhaul Program	243,589	45,326	35,863	33,231	42,162	42,604	43,095	42,872	43,363	49,337	47,002	424,855	668,444
Communications - Various	111,605	14,387	13,101	11,842	11,631	8,077	7,969	5,838	5,987	8,069	10,526	97,427	209,032
Equipment - Various	190,933	17,076	26,484	34,580	26,332	13,685	14,321	12,029	11,463	11,279	22,413	189,662	380,595
Fare Handling Equipment	61,014	12,457	175	250	250	250	250	300	300	300	300	14,832	75,846
Fare System	1,628	47	125	-	-	-	-	-	-	-	-	172	1,800
Finishes - Various	120,606	19,965	21,083	12,607	16,157	21,277	10,755	7,515	6,504	7,926	6,854	130,643	251,249
Fire Ventilation Upgrade	264,495	15,760	18,110	33,221	45,092	-	-	-	-	-	-	112,183	376,678
Furniture & Office Equipment	3,508	288	210	546	340	190	394	188	406	209	199	2,970	6,478
Information Technology System-Infrastructure	313,089	66,784	52,287	40,778	10,659	8,031	12,566	9,536	11,482	26,502	25,547	264,172	577,261
Leslie Bams Streetcar Maint. & Storage Facility	505,112	3,702	7,048	-	-	-	-	-	-	-	-	10,750	515,862
On-Grade Paving Rehabilitation	71,224	10,711	11,363	12,486	17,530	16,587	10,622	10,354	10,508	10,668	10,826	121,655	192,879
Other Bldgs & Structures Projects	275,456	55,932	88,700	78,934	48,227	19,549	7,111	6,054	5,523	3,907	4,209	318,146	593,602
Other Maintenance Equipment	6,569	3,253	2,996	733	734	772	736	738	834	849	873	12,518	19,087
Other Service Planning	4,270	-	7,000	6,730	-	-	-	-	-	-	-	13,730	18,000
Power Dist./Electric Systems - Various	103,174	6,768	6,540	10,996	6,323	6,715	5,856	5,804	5,819	6,518	6,826	68,165	171,339
Purchase of 360 Wheel-Trans Vehicles	3,460	6,920	7,629	2,003	8,411	8,831	6,955	7,303	7,668	10,735	11,271	77,726	81,186
Purchase of Rail Non-Revenue Vehicle	18,778	2,299	3,832	5,455	9,543	4,830	1,992	-	-	-	-	27,951	46,729
Purchase of Streetcars	684,872	153,765	304,553	12,117	-	-	-	-	-	-	-	470,435	1,155,307
Purchase of Subway Cars	1,161,265	249	524	584	1,523	2,120	-	-	-	-	-	5,000	1,166,265
Purchases of Buses	323,871	191,951	115,051	80,837	23,369	11,626	9,300	-	-	-	-	432,134	756,005
Rail Non-Revenue Vehicle Overhaul	12,225	2,315	3,275	3,219	5,385	1,200	392	400	412	266	443	17,307	29,532
Signal Systems - Various	144,200	5,106	15,744	14,822	14,154	4,009	3,582	3,412	2,062	2,179	2,163	67,233	211,433
Streetcar Overhaul Program	84,748	9,686	2,864	1,866	1,704	617	3,424	5,019	12,647	24,224	18,602	80,653	165,401
Subway Car Overhaul Program	193,680	22,302	30,057	22,133	24,913	19,103	18,142	19,058	18,390	17,153	9,015	200,266	393,946
Subway Track	159,399	29,889	33,800	35,270	43,079	30,865	32,400	33,027	33,653	34,229	34,914	341,126	500,525
Surface Track	230,463	36,754	33,336	25,582	31,608	25,892	27,565	23,820	27,248	32,561	33,213	297,579	528,042
Tools and Shop Equipment	24,378	4,910	3,010	2,055	4,774	1,823	1,400	1,407	1,363	1,506	1,670	23,918	48,296
Toronto Rocket Yard & Storage Track Accommodation	218,119	33,851	49,480	75,497	69,273	43,890	4,425	125	-	-	-	276,541	494,660
Traction Power - Various	242,357	21,045	19,007	18,094	15,932	15,745	16,528	17,556	18,287	19,485	23,140	184,819	427,176
Transit Shelters & Loops	1,352	206	280	280	222	160	236	179	167	212	216	2,158	3,510
Sub-Total	6,633,437	891,219	1,019,746	661,584	544,459	375,980	321,288	296,386	311,690	358,291	363,484	5,144,127	11,777,564
Service Improvements													
Bicycle Parking at Stations	706	144	-	-	-	-	-	-	-	-	-	144	850
Communications - Various	227	-	75	-	-	-	-	-	-	-	-	75	302
Finishes - Various	42,068	238	-	-	-	-	-	-	-	-	-	238	42,306
Other Bldgs & Structures Projects	70,692	14,504	8,236	5,158	5,205	3,530	3,430	3,260	2,700	2,685	500	49,208	119,900
Other Service Planning	31,640	1,760	8,993	8,625	8,010	2,850	1,760	1,760	1,760	1,760	1,760	39,038	70,678
Power Dist./Electric Systems - Various	603	354	210	220	220	230	194	204	204	262	400	2,498	3,101
Purchase of Rail Non-Revenue Vehicle	91	6,633	13,002	6,237	-	-	-	-	-	-	-	25,872	25,963
Purchases of Buses	159,130	17,186	22,247	27,946	14,631	-	-	-	-	-	-	82,010	241,140
Subway Track	17,735	778	842	100	-	-	-	-	-	-	-	1,720	19,455
Surface Track	55,904	2,743	4,310	-	-	-	-	-	-	-	-	7,053	62,957
Transit Shelters & Loops	2,489	177	100	-	-	-	-	-	-	334	-	611	3,100
Sub-Total	381,285	44,517	58,015	48,286	28,066	6,610	5,384	5,224	4,664	5,041	2,660	208,467	589,752
Growth Related													
Automotive Non-Revenue Vehicles	3,810	2,645	1,200	100	100	100	100	100	100	100	100	4,645	8,455
Fare System	42,044	3,708	-	-	-	-	-	-	-	-	-	3,708	45,752
McNicoll Bus Garage Facility	24,219	29,947	45,000	52,974	28,807	-	-	-	-	-	-	156,728	180,947
Other Bldgs & Structures Projects	18,844	121,447	3,850	-	-	-	-	-	-	-	-	125,297	144,141
Other Service Planning	910	-	600	601	-	-	-	-	-	-	-	1,201	2,111
Yards and Roads - Various	35,022	256	-	-	-	-	-	-	-	-	-	256	35,278
Sub-Total	124,849	158,003	50,650	53,675	28,907	100	100	100	100	100	100	291,835	416,684
Total Expenditures by Category (excluding carry forward)													
	7,620,265	1,157,451	1,227,132	867,672	704,893	463,975	400,212	360,995	360,407	374,357	373,079	6,290,173	13,910,438

2018 - 2027 Capital Projects

The 10-Year Preliminary Capital Plan supports and is in keeping with TTC's seven strategic objectives – safety, customer, people, assets, growth, financial sustainability, and reputation.

Legislated

- Major Legislated projects total \$654.744 million or 10.3% of the total 10-Year Preliminary Capital Plan's expenditures.
 - *Easier Access Phase II & III (\$471.728 million)* – The funding will support continued modifications to subway/RT stations to ensure that they are accessible to persons with disabilities through the addition of elevators, easier access fare gates, automatic sliding doors and signage improvements.
 - ✓ This project is in response to requirements in the Accessibility for Ontarians with Disabilities Act (AODA) that was enacted in 2005 and requires all subway stations to be fully accessible by 2025.
 - ✓ The \$471.728 million included in the 2018 10-Year Capital Plan will enable TTC to meet these requirements.

State of Good Repair (SOGR)

- SOGR projects account for \$5.144 billion or 81.8% of the total 10-Year Preliminary Capital Plan's investments.
 - *ATC Resignalling (\$479.644 million)* – \$179.829 million is required to improve the Line 1 YUS line and \$299.815 million to improve the Line 2 Bloor-Danforth (BD) Subway signaling system to replace antiquated conventional signaling with Automatic Train Control that will increase capacity by allowing for closer train headways.
 - *Purchase of Streetcars (\$470.435 million)* – The funding will provide for the purchase of the 204 LRVs procured from 2012-2020. The current LRV procurement has been adjusted to account for the delay in the delivery of the vehicles by the manufacturer, along with a corresponding adjustment to cash flows in this Capital Plan.
 - *Purchase of Buses - \$432.134 million* - Required to fund the purchase of buses. These purchases will reduce the service impact arising from the delayed delivery of LRV's.
 - *Bus Overhaul Program (\$424.855 million)* – This project provides TTC the capacity for the mechanical and body overhaul of Commission buses to ensure they continue to provide safe, reliable service until they reach retirement.
 - *Bridges and Tunnels (\$359.863 million)* – Funding is required to address infrastructure maintenance and improvements to bridges and tunnels to maintain these assets in a state of good repair.
 - *Subway Track (\$341.126 million)* – Funding is provided to replace subway tracks to maintain the asset in a state of good repair.
 - *Other Building & Structures (\$318.146 million)* – Funding will enable the TTC to maintain and improve on subway station roofs and ceilings to maintain these assets in a state of good repair.
 - *Information Technology System-Infrastructure (\$264.172 million)* – Funding will provide for a variety of technology projects including work to reengineer business processes and implement SAP, an Enterprise Resource Planning (ERP) system, which will integrate TTC's financial information with the City of Toronto, and upgrade and improve the CAD (Computer Aided Dispatch)/AVL (Automatic Vehicle Location) System to provide operational improvement for surface vehicles and upgrade customer service.

Service Improvements

- Service Improvement projects amount to \$208.467 million or 3.3% of the total 10-Year Preliminary Capital Plan's expenditures.

- *Purchases of Buses (\$82.010 million)* – This funding will deliver additional buses necessary to reduce passenger wait times and crowding and to provide more reliable and expanded services.
- *Other Building Structures (\$49.208 million)* – Funding will support the Station Transformation Program that will implement and improve communication systems, customer safety and security alarms, CCTV, and service monitoring/ management tools.
- *Other Service Planning (\$39.038 million)* – The project will address Transit Priority Measures that focus on presenting more predictable and consistent travel times for riders. The project encompasses the implementation of transit signal priority technology and the construction of queue-jump lanes to allow for buses approaching an intersection to move directly to the lane to pass the queue of stationary traffic.

Growth Related

- Growth Related projects total \$291.8 million or 5% of the total 10-Year Capital Plan's expenditures.
 - *McNicol Bus Garage Facility (\$156.728 million)* – Funding will provide for the construction of an indoor storage and maintenance facility for 250 buses to accommodate ridership growth and expanding bus fleet.
 - *Other Bldgs & Structures (\$125.297 million)* - Funding is included for property acquisition required for the New Subway Maintenance and Storages Facility.

2018 Preliminary Capital Budget and Future Year Commitments

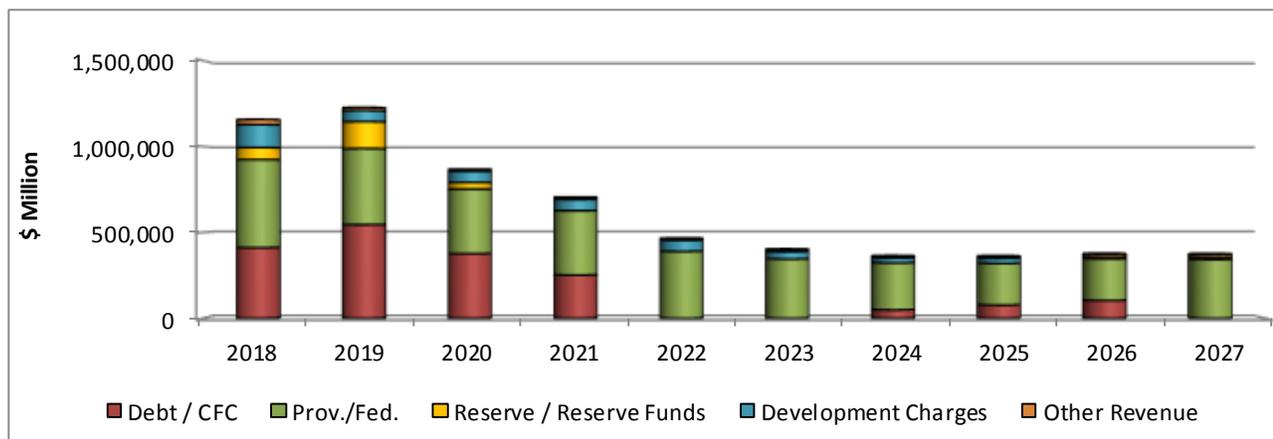
Included as a sub-set of the 10-Year Capital Plan is the 2018 Preliminary Capital Budget and Future Year Commitments, which consists of 2018 and future year cash flow funding estimates for projects previously approved by Council; adjustments (Scope Change) to those previously approved projects; as well as new projects which collectively, require Council approval to begin, continue or complete capital work.

Table 3a on the following page lists the capital projects to be funded by the 2018 Preliminary Capital Budget and associated Future Year Commitments for TTC:

Table 3a
2018 Cash Flow & Future Year Commitments (In \$000s)

	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total 2018 Cash Flow & FY Commits
Expenditures:											
Previously Approved											
ATC Resignalling	65,374	71,310	48,820	29,008	30,840	42,282	45,266	46,761	48,748	7,931	436,340
Automotive Non-Revenue Vehicles	3,415	1,700	1,297	1,605	1,715	1,770	530	-	-	-	12,032
Bicycle Parking at Stations	144	-	-	-	-	-	-	-	-	-	144
Bridges and Tunnels - Various	30,455	15,777	-	-	-	-	-	-	-	-	46,232
Bus Overhaul Program	45,326	23,583	-	-	-	-	-	-	-	-	68,909
Communications - Various	16,901	13,719	12,049	7,312	-	-	-	-	-	-	49,981
Easier Access Phase II & III	43,617	56,114	62,164	71,822	69,667	66,151	54,960	39,637	6,000	-	470,132
Environmental Programs	7,838	9,067	8,017	5,752	-	-	-	-	-	-	30,674
Equipment - Various	14,897	27,578	35,358	25,506	1,827	89	-	-	-	-	105,255
Fare Handling Equipment	1,199	-	-	-	-	-	-	-	-	-	1,199
Fare System	445	125	-	-	-	-	-	-	-	-	570
Finishes - Various	20,203	13,868	-	-	-	-	-	-	-	-	34,071
Fire Ventilation Upgrade	15,760	18,110	33,221	18,416	-	-	-	-	-	-	85,507
Furniture & Office Equipment	216	204	72	-	-	-	-	-	-	-	492
Information Technology System-Infrastructure	66,784	52,287	37,735	86,409	-	-	-	-	-	-	243,215
Leslie Bams Streetcar Maint. & Storage Facility	3,702	7,048	-	-	-	-	-	-	-	-	10,750
McNicoll Bus Garage Facility	29,947	45,000	52,974	28,807	-	-	-	-	-	-	156,728
On-Grade Paving Rehabilitation	10,711	3,241	-	-	-	-	-	-	-	-	13,952
Other Bldgs & Structures Projects	87,103	113,153	95,810	59,061	25,591	6,825	3,985	2,758	594	2,365	397,245
Other Maintenance Equipment	3,253	2,996	733	734	772	726	-	-	-	-	9,214
Other Service Planning	1,760	23,893	22,644	8,010	873	-	-	-	-	-	57,180
Power Dist./Electric Systems - Various	6,978	5,990	-	-	-	-	-	-	-	-	12,968
Purchase of 360 Wheel-Trans Vehicles	6,920	-	-	-	-	-	-	-	-	-	6,920
Purchase of Rail Non-Revenue Vehicle	8,766	16,834	11,692	9,543	4,830	1,992	-	-	-	-	53,657
Purchase of Streetcars	153,765	304,553	12,117	-	-	-	-	-	-	-	470,435
Purchases of Buses	191,951	115,051	80,837	23,369	11,626	9,300	91,278	-	-	-	523,412
Rail Non-Revenue Vehicle Overhaul	2,918	3,275	3,219	5,060	-	-	-	-	-	-	14,472
Signal Systems - Various	5,049	15,744	14,822	14,154	4,009	1,974	-	-	-	-	55,752
Streetcar Overhaul Program	9,686	2,864	1,866	1,704	617	3,424	5,019	940	-	-	26,120
Subway Car Overhaul Program	8,549	29,158	17,437	17,910	19,103	18,142	19,058	18,390	17,153	9,015	173,915
Subway Track	30,667	16,251	100	-	-	-	-	-	-	-	47,018
Surface Track	27,906	9,530	773	3,057	-	-	-	-	-	-	41,266
Tools and Shop Equipment	4,394	214	943	4,686	-	-	-	-	-	-	10,237
Toronto Rocket Yard & Storage Track Accommodation	40,601	49,480	75,497	69,273	43,890	4,425	125	-	-	-	283,291
Traction Power - Various	10,902	2,132	-	-	-	-	-	-	-	-	13,034
Transit Shelters & Loops	206	280	209	-	-	-	-	-	-	-	695
Yards and Roads - Various	895	8,386	14,555	8,313	-	-	-	-	-	-	32,149
Subtotal	979,203	1,078,515	644,961	499,511	215,360	157,100	220,221	108,486	72,495	19,311	3,995,163
Change in Scope											
ATC Resignalling	-	-	-	-	-	-	-	-	-	43,304	43,304
Easier Access Phase II & III	-	-	-	-	1,596	-	-	-	-	-	1,596
Fare System	3,310	-	-	-	-	-	-	-	-	-	3,310
Fire Ventilation Upgrade	-	-	-	26,676	-	-	-	-	-	-	26,676
Information Technology System-Infrastructure	-	-	-	(86,409)	-	-	-	-	-	-	(86,409)
Other Bldgs & Structures Projects	112,764	3,850	-	-	-	-	-	-	-	-	116,614
Other Service Planning	90	-	-	-	-	-	-	-	-	-	90
Purchase of Rail Non-Revenue Vehicle	166	-	-	-	-	-	-	-	-	-	166
Purchase of Subway Cars	249	524	584	1,523	2,120	-	-	-	-	-	5,000
Purchases of Buses	17,186	22,247	27,946	14,631	-	-	(91,278)	-	-	-	(9,268)
Rail Non-Revenue Vehicle Overhaul	(603)	-	-	-	-	-	-	-	-	-	(603)
Streetcar Overhaul Program	-	-	-	-	-	-	-	11,707	24,224	18,602	54,533
Subway Car Overhaul Program	13,753	899	4,696	7,003	-	-	-	-	-	-	26,351
Toronto Rocket Yard & Storage Track Accommodation	(6,750)	-	-	-	-	-	-	-	-	-	(6,750)
Transit Shelters & Loops	177	100	-	-	-	-	-	-	-	-	277
Subtotal	140,342	27,620	33,226	(36,576)	3,716	-	(91,278)	11,707	24,224	61,906	174,887
New w/Future Year											
Automotive Non-Revenue Vehicles	916	-	-	-	-	-	-	-	-	-	916
Bridges and Tunnels - Various	-	17,392	13,685	-	-	-	-	-	-	-	31,077
Bus Overhaul Program	-	12,280	11,240	-	-	-	-	-	-	-	23,520
Communications - Various	-	-	-	4,857	8,077	519	-	-	-	-	13,453
Equipment - Various	3,209	-	-	-	-	-	-	-	-	-	3,209
Fare Handling Equipment	11,258	175	-	-	-	-	-	-	-	-	11,433
Finishes - Various	-	7,215	10,337	-	-	-	-	-	-	-	17,552
Furniture & Office Equipment	72	6	124	-	-	-	-	-	-	-	202
On-Grade Paving Rehabilitation	-	8,122	2,325	-	-	-	-	-	-	-	10,447
Other Bldgs & Structures Projects	-	-	-	5,933	1,473	3,428	-	-	-	-	10,834
Other Maintenance Equipment	-	-	-	-	-	10	738	834	230	-	1,812
Power Dist./Electric Systems - Various	144	760	9,260	-	-	-	-	-	-	-	10,164
Purchase of 360 Wheel-Trans Vehicles	-	7,629	-	-	-	-	-	-	-	-	7,629
Signal Systems - Various	57	-	-	-	-	-	-	-	-	-	57
Subway Track	-	18,391	243	-	-	-	-	-	-	-	18,634
Surface Track	11,591	28,116	13,017	-	-	-	-	-	-	-	52,724
Tools and Shop Equipment	516	2,206	-	-	-	-	-	-	-	-	2,722
Traction Power - Various	10,143	16,875	4,955	-	-	-	-	-	-	-	31,973
Transit Shelters & Loops	-	-	71	23	-	-	-	-	-	-	94
Subtotal	37,906	119,167	65,257	10,813	9,550	3,957	738	834	230	-	248,452
Total Expenditure	1,157,451	1,225,302	743,444	473,748	228,626	161,057	129,681	121,027	96,949	81,217	4,418,502
Financing:											
Debt/CFC	411,351	544,803	344,742	132,872	(54,830)	(57,111)	6,765	35,326	37,291	(67,593)	1,333,616
Debt Recoverable	-	-	-	-	-	-	-	-	-	-	-
Other	31,096	16,279	9,005	7,025	2,487	2,506	1,268	834	230	-	70,730
Reserves/Res Funds	70,278	156,513	17,288	-	-	-	-	-	-	-	244,079
Development Charges	132,796	64,981	65,891	65,130	54,111	41,290	27,160	28,057	7,350	10,247	497,013
Provincial/Federal	511,930	442,726	306,518	268,721	226,858	174,372	94,488	56,810	52,078	138,563	2,273,064
Total Financing	1,157,451	1,225,302	743,444	473,748	228,626	161,057	129,681	121,027	96,949	81,217	4,418,502

Chart 3
2018 – 2027 Preliminary Capital Plan by Funding Source (In \$000s)



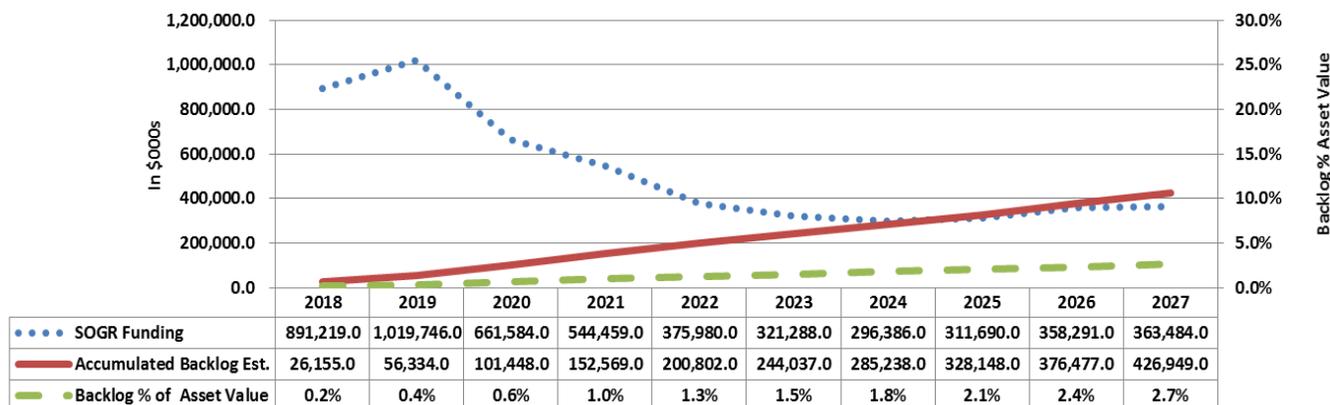
The 10-Year Preliminary Capital Plan of \$6.290 billion will be financed by the following sources:

- Debt accounts for \$1.815 billion or 29% of the financing over the 10-year period.
 - TTC's debt funding is \$585 million below the City's overall 10-year debt affordability guideline as a result of the application of incremental gas tax in lieu of debt,
 - The TTC's allocation is primarily dedicated to SOGR projects - below are some of the key projects receiving debt funding:
 - *Other Buildings & Structures Projects* – (\$310.272 million)
 - *Purchases of Buses* – (\$203.574million)
 - *Equipment\Finishes* – (\$184.153 million)
 - *ATC Resignalling* (\$175.961 million) including:
 - ✓ ATC Bloor/Danforth Line (\$107.221 million),
 - ✓ ATC Yonge Line (\$68.740 million).
 - *Information Technology System - Infrastructure* (\$164.657 million) including:
 - ✓ Information Tech. System-Infrastructure – (\$113.518 million),
 - ✓ Computer Equipment & Software – (\$51.139 million).
 - *Toronto Rocket/T1 Rail Yard Accommodation* – (\$140.967 million)
 - *Bridge and Tunnels* – (\$114.384 million)
 - *Surface Track* – (\$99.904 million)
 - *Fire Ventilation Upgrade* – (\$87.403 million)
 - *Subway Car Overhaul Program* – (\$76.604 million)
 - *Subway Track* – (\$74.031 million)
 - *Easier Access Phase III* - (\$70.732 million)
 - *Bus Overhaul Program* – (\$66.595 million)

- Federal/Provincial funding of \$3.541 billion or 56% of the 10-Year Preliminary Capital Plan's planned expenditures. The Province has committed to increasing Gas Tax funding from 2 cents per litre to 2.5 cents per litre in 2019- 2020 period, to 3 cents per litre in 2020/21 period and to 4 cents per litre in 2021/22. As a result TTC has received additional Provincial Funding of \$751.653 million.
 - Incremental Provincial Gas Tax funding will replace previously allocated debt funding which will be available for other City strategic priorities.
- The TTC has also received an increase in PTIF funding of \$36.5 million (initial estimate for 115 buses delivered prior to March 2019). Below are a few critical projects receiving Federal/Provincial funding:
 - *Purchase of Streetcars* (\$415.214 million) - Funding is split between Federal (\$272.349 million) and Provincial (\$142.865 million) contributions.
 - *Easier Access Phase III* (\$400.996 million) – Funding is split between Federal (\$167.352 million) and Provincial (\$233.644 million) contributions.
 - *Bus Overhaul Program* (\$358.260 million) - Funding is split between Federal (\$54.428 million) and Provincial (\$304.832 million) contributions.
- Reserve and Reserve Funds constitute \$264.371 million or 4% of required funding over the next 10 years. The Capital Financing Reserve will provide non-debt funding which originates from the City's capital financing strategy that directs the use of surplus operating funds in accordance with the City's surplus management policy, Build Toronto and one-time TPA dividends to reserve for the purpose of funding critical capital projects supplementing City debt.
- Development Charges, which represent \$516.4 million or 8% of the 10-Year Preliminary Capital Budget and Plan's funding source, provides eligible funding to the following projects:
 - *ATC Bloor/Danforth, ATC Yonge Resignalling Project* (\$237.715 million) – to improve the Bloor-Danforth (BD) Subway signaling system to replace antiquated conventional signaling with Automatic Train Control that will increase capacity by allowing for closer train headways.
 - The *Purchase of Buses* - \$100 million is required to address projected ridership growth and to maintain an 18 year life cycle program.
- Other sources of funding, which account for \$153.5 million or 3% will be utilized for the following projects:
 - The *Information Technology System – Infrastructure* project will receive a total of \$87.169 million contribution towards hardware equipment and system upgrades.
 - *Tools and equipment* (\$23.918 million) – To support general maintenance.

State of Good Repair (SOGR) Backlog

Chart 4
SOGR Funding & Backlog (In \$000s)



The 10-Year Preliminary Capital Plan dedicates \$5.144 billion to SOGR spending over the 10-year period, or on average \$514.413 million annually.

- The replacement value of TTC's assets is estimated at \$15.973 billion, based on replacement costs, incorporating bridges, tunnels, building, yards, roads, and subway and surface track. A large portion of TTC's infrastructure is more than 50 years old.
- During the 2018 to 2027 Capital Budget process, a detailed analysis was undertaken and capacity-to-spend adjustments were applied based on project performance and prior year spending rates, resulting in the following cash flow changes to SOGR (\$427 M):
 - *Track Replacement Programs* (\$94 million)
 - *Electrical Systems Programs* (\$69 million)
 - *Bus Overhaul* (\$63 million)
 - *Bridges & Tunnels* (\$61 million)
 - *Buildings & Structures Programs* (\$21 million)
 - *Information Technology System* (\$26 million)
 - *Equipment* (\$19 million)
 - *Yards & Roads* (\$18 million)
 - *Machinery and Equipment* (\$18 million)
 - *Finishes* (\$16 million)
 - *Automotive/Rail Non-Revenue Programs* (\$11 million)
 - *Transit Priority Project* (\$6 million)
 - *Environmental Programs* (\$4 million)

- TTC in consultation with Financial Planning will continue to develop a long term financing strategy to address the \$2.275 billion in unfunded base capital requirements as well as projects for future consideration as part of the 2019 Budget process to avoid potential service impact associated with not proceeding with required unfunded capital investments.

Table 4
SOGR Backlog by Asset Category (In \$000s)

Total	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
State of Good Repair Funding	891,219	1,019,746	661,584	544,459	375,980	321,288	296,386	311,690	358,291	363,484
Accumulated Backlog Est. (yr end)	26,155	56,334	101,448	152,569	200,802	244,037	285,238	328,148	376,477	426,949
Bus Overhaul Program										
State of Good Repair Funding	45,326	35,863	33,231	42,162	42,604	43,095	42,872	43,363	49,337	47,002
Accumulated Backlog Est. (yr end)		4,006	9,339	16,492	23,784	31,194	38,724	46,376	55,082	63,376
Bridges and Tunnels										
State of Good Repair Funding	30,455	33,169	33,588	34,054	34,482	36,710	37,216	39,473	40,059	40,657
Accumulated Backlog Est. (yr end)	3,703	8,929	14,856	20,866	26,951	33,429	39,997	46,963	54,032	61,207
Subway Track										
State of Good Repair Funding	29,889	33,800	35,270	43,079	30,865	32,400	33,027	33,653	34,229	34,914
Accumulated Backlog Est. (yr end)		243	7,644	16,423	23,046	28,764	34,592	40,531	46,571	52,731
Surface Track										
State of Good Repair Funding	36,754	33,336	25,582	31,608	25,892	27,565	23,820	27,248	32,561	33,213
Accumulated Backlog Est. (yr end)		242	4,985	10,291	16,037	20,902	25,105	29,913	35,659	41,519
Traction Power										
State of Good Repair Funding	21,045	19,007	18,094	15,932	15,745	16,528	17,556	18,287	19,485	23,140
Accumulated Backlog Est. (yr end)	2,114	4,937	7,753	10,565	13,345	16,262	19,360	22,587	26,026	30,110
Other SOGR Projects										
State of Good Repair Funding	727,750	864,571	515,819	377,624	226,392	164,990	141,895	149,666	182,620	184,558
Accumulated Backlog Est. (yr end)	20,338	37,977	56,871	77,932	97,639	113,486	127,460	141,778	159,107	178,006

- The SOGR backlog is anticipated to increase to \$426.949 million by year-end 2027, representing 2.7% of the asset replacement value.
- The SOGR backlog for the *Bus Overhaul Program* will increase to \$63.376 million by 2027.
- The *Bridges and Tunnels*, the SOGR backlog is anticipated to increase from \$3.703 million in 2017 to \$61.207 million by 2027.

10-Year Capital Plan: Net Operating Budget Impact

Table 5
Net Operating Impact Summary (In \$000s)

Projects	2018 Budget		2019 Plan		2020 Plan		2021 Plan		2022 Plan		2018 - 2022		2018 - 2027	
	\$000s	Position	\$000s	Position	\$000s	Position	\$000s	Position	\$000s	Position	\$000s	Position	\$000s	Position
Previously Approved														
<i>PRESTO Fees</i>	8,200.0		31,300.0		1,700.0	-	-		-		41,200.0	-	41,200.0	-
<i>TYSSE</i>	25,311.0	26.0	3,334.1	69.0	295.0	-	(5,530.0)		(426.0)		22,984.1	95.0	20,714.1	95.0
<i>PRESTO Related Changes</i>	(560.0)	3.0	(12,918.4)	(29.0)	(2,998.0)	(5.0)	155.0		52.0		(16,269.4)	(31.0)	(15,943.4)	(31.0)
<i>Operating Impacts of Capital Projects</i>	5,475.0	4.0	3,627.0	60.0	(1,157.3)	(119.0)	-		-		7,944.7	(55.0)	7,944.7	(55.0)
<i>Operating Impacts of capital projects</i>	89.8		250.0		60.0	-	-		-		399.8	-	399.8	-
<i>Transition to New Station Model</i>	(409.0)	(51.0)	(4,078.1)	(60.0)	(132.0)	-	8.0		-		(4,611.1)	(111.0)	(4,595.1)	(111.0)
<i>Streetcar Overhaul Program</i>									(1.2)					
<i>Information Technology System-Infrastructure</i>							462.2	1.0	1,480.1	7.5	1,942.3	8.5	3,676.8	7.5
<i>McNicoll Bus Garage Facility</i>							4,882.5	34.4	-	-	4,882.5	34.4	4,882.5	34.4
<i>Other Bldgs & Structures Projects</i>							232.0	2.0	602.0	5.0	834.0	7.0	2,100.0	15.0
<i>Other Service Planning</i>							35.0		35.0		70.0	-	245.0	-
<i>Purchase of Rail Non-Revenue Vehicle</i>							(800.0)		-		(800.0)	-	(800.0)	-
<i>Signal Systems - Various</i>							22.0		122.0		144.0	-	274.0	-
Total (Net)	38,106.8	(18.0)	21,514.6	40.0	(2,232.3)	(124.0)	(533.3)	37.4	1,865.1	11.3	58,720.9	(53.3)	60,098.4	(46.3)

The 10-Year Preliminary Capital Plan will increase future year Operating Budgets by a total of \$9.578 million net over the 2018 - 2027 period, as shown in the table above.

This is comprised of the following impacts arising from the completion of capital projects:

- *PRESTO Fees* – Additional \$8.3 million for PRESTO fees based on projected adoption timing, which anticipates full adoption (excluding cash) by year-end of 2018.
- *TYSSE* – The \$25.3 million expenditure increase includes funds required for:
 - An additional 96,000 hours of service to operate the YYSSE
 - Operating of an additional 10 trains to service the extension
 - The operation and maintenance of 6 new subway stations
 - The maintenance of 17.2 kilometers of revenue service track
 - Required traction power & utilities to operate the extension
- *Bus Overhaul Program* – reduction in operating costs resulting from the delivery of new buses that will be under warranty and will require lower maintenance.
- *Communication Various* – Cost savings upgrades to support the One Train Operator initiative (OPTO). OPTO was implemented on October 9, 2016 on Line 4. With OPTO technology, subway operators drive the train and operate its doors from the lead cab. A Subway Guard will no longer be onboard resulting in Program savings.
- *Information Tech. Systems-Infrastructure* – Cost increase related to systems maintenance, licensing and fees customer service. The project will provide for a variety of IT projects including work to reengineer business processes and implement SAP, an Enterprise Resource Planning (ERP) system, which will integrate TTC's financial information with the City of Toronto, and upgrade and improve the CAD (Computer Aided Dispatch)/AVL (Automatic Vehicle Location) System to provide operational improvement for surface vehicles and upgrade customer service

These future operating impacts will be reviewed each year as part of the annual Operating Budget process.



Part 2

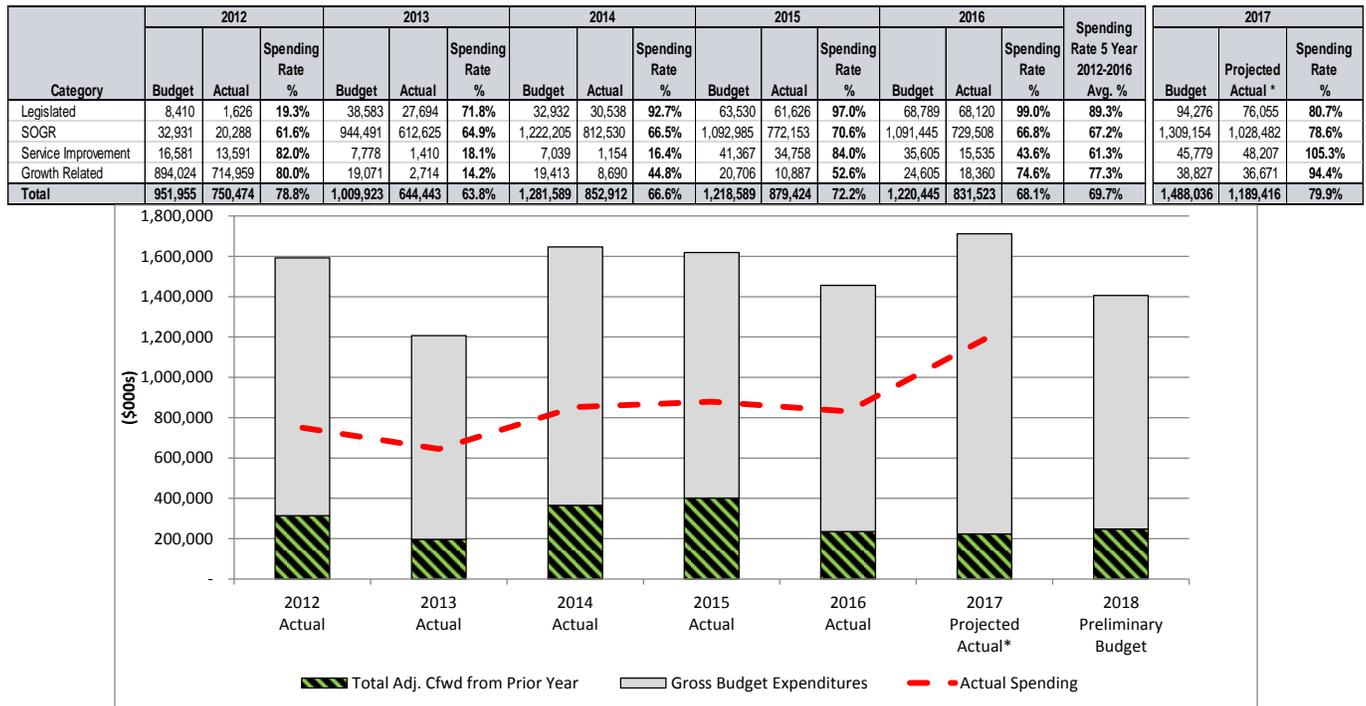
Issues for Discussion

Issues Impacting the 2018 Capital Budget

Review of Capital Projects and Spending

- City Council, at its meeting of May 25, 2017 considered the report entitled "2018 Budget Process – Budget Directions and Schedule EX25.18" and directed that City Programs and Agencies submit their 2018 – 2027 Capital Budget and Plans requiring that:
 - Annual cash flow funding estimates be examined to more realistically match cash flow spending to project activities and timing, especially in the first 5 years of the Capital Plan's timeframe.
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.EX25.18>
- On September 6, 2016 a report titled "Capital Budget: Capacity-to-Spend Analysis" was submitted to the TTC Budget Committee. The report sought to formalize and establish an ongoing program of actual spending of the TTC's Capital Program, identifying root causes of under spending and adjusting the capital budget where applicable.
https://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Committee_meetings/Budget/2016/September_6/Reports/3_Capital_Budget_Capacity_to_Spend_Analysis.pdf
- TTC and the Financial Planning staff have reviewed the TTC's overall spending trends over the past five budget cycles and have made adjustments incorporated with the 2018 – 2027 Preliminary Capital Budget and Capital Plan and also to the list of unfunded projects.
 - Historically between 2012 and 2016, the average annual capital spending rate was approximately 69.7% of budget.
 - In 2016, the Capital Budget was \$1.220 billion; however, actual expenditures for the year totaled \$832 million or 68.1% to 2016 Approved Capital Budget.
 - It should be noted that historical capital spend rates for the TTC have been, on average, just under 80% when excluding third party performance on vehicle acquisitions.
 - Consistent with Council direction, Financial Planning Division staff began working with TTC staff to analyze the TTC's capacity-to-spend based on historical spending.
 - That exercise identified opportunities to reduce cash flow funding and timing for various state of good repair projects based on the Program's capacity to spend, with funds made available being applied against other unfunded capital needs that were ready to proceed subject to available funding.
 - As part of the 2018 Budget process, this exercise identified \$427 million in projects that were deemed to not be completed and were "below the line" projects, forming part of the TTC's SOGR backlog.
- The following table illustrates TTC's rate of spending from 2012 to 2017.

**Chart 5
Capacity to Spend – Budget vs. Actual
(In \$000s)**



Public Transportation Infrastructure Fund

- On March 22, 2016, the 2016 Federal Budget was announced and included a plan to invest more than \$120 billion in infrastructure over the next 10 years. 2016 Federal budget – March 22, 2016 <http://www.budget.gc.ca/2016/docs/plan/budget2016-en.pdf>.
 - The first phase of the Federal Government’s infrastructure plan proposes to provide \$11.9 billion over five years, including \$3.4 billion over three years to upgrade and improve public transit systems across Canada.
- To get projects moving quickly, the Government announced that they will fund up to 50 per cent of eligible costs for projects. Funding under Phase 1 of the Public Transit Infrastructure Fund (PTIF) program is allocated to municipalities based on ridership.

Federal Public Transit Infrastructure Fund

<http://www.infrastructure.gc.ca/plan/ptif-fitc/ptif-program-programme-eng>.

- In August 2016, the Government of Canada and the Government of Ontario signed a bilateral agreement that will provide Ontario with \$1.49 billion of Federal funding to cover up to 50 per cent of initiatives supported under this agreement.
 - In September 2016, the City of Toronto’s allocation (Federal share) of \$856 million was confirmed by the Province of Ontario.
 - When accounting for matching City funding, \$1.770 billion in capital projects City-wide have been identified as eligible for federal funding under the PTIF program, which includes TTC projects - \$1.363 billion, with a federal share of \$681.5 million;
- Based on the terms and conditions of this program, funding is available between April 1, 2016 and March 31, 2018 with provision (based on a demonstrated need) that a 1 year extension (to March 31, 2019) may be granted, provided that funds in the third year do not exceed 40% of the allocated amount.

- TTC PTIF project list includes \$673 million or approximately 50% in funding for buses, inclusive of purchases and rebuilds that had been previously unfunded or accelerated purchases that had been previously scheduled for future years.
- The purchases of the buses to will reduce passenger wait times and crowding and to provide more reliable and expanded services.
- The purchase of 260 Buses – 30 electric and required infrastructure not to exceed the total project cost of \$50 million; and 230 new generation hybrid-electric buses not to exceed the total project cost of \$230 million.
- The remaining projects are all state of good repair i.e. Subway track rehabilitation and Surface track replacement.
- A recent review of PTIF project expenditures approved in December 2016 has identified approximately \$301.2 million gross expenditure requiring \$121.5 million in PTIF funds currently at risk that cannot be spent within current PTIF program guidelines. Further, of the \$1.469 billion gross and \$734.7 million in PTIF funding that can be spent within program guidelines, 37% is currently projected to be spent in the final year of the program (April 1, 2018 and March 31, 2019). As a result, there is limited contingency for slippage in project delivery beyond March 21, 2018. The annual cash flow requirements, also presents limitations in the opportunity to find new projects to reallocate the \$301.1 million gross and \$121.5 million in PTIF funding currently at risk.
- Per City Council's request, the TTC is currently investigating options to add additional buses to the PTIF program that can be delivered by March 31, 2019. Pending negotiations with vendors, there is the potential to reduce the risk to federal funding being left unallocated from \$121.5 million to \$84.8 million while still maintaining the overall program spend guidelines of 40% in the final year of the program. The purchase of additional buses was approved by the TTC Board. An increase in the cash flow available to be spent in the final year of the program, and/or extension in program timelines, may also provide opportunity for utilizing the funds for an increased number of additional buses.
- For 2018, Council has directed that both TTC and Transportation Services ensure PTIF-funded projects are their priority.

Capital Financing Strategy

- In order to manage the significant funding required to address SOGR funding requirements for Bridges and Tunnels, Signal Systems and Subway Car Overhaul Program, the City is continuing its reliance on the capital financing strategy introduced in 2013 to fund specific TTC and other City capital projects.
- \$265 million from the Capital Financing Reserve will be required to fund TTC's 2018-2027 Preliminary Capital Budget and Plan, which will be provided from the City's capital financing reserve that utilizes proceeds from:
 - The use of surplus operating funds in accordance with the City's surplus management policy;
 - Contributions to transit and transportation from the Federal PTIF funding;
 - Municipal Land Transfer Tax (MLTT) revenue above the base estimates included in the Operating Budget;
 - Build Toronto Dividends; and
 - Toronto Parking Authority one-time dividends.
- It is anticipated that the capital financing strategy will continue to help fund the key priorities Capital Program until 2020, as funding utilized to support the completion of capital work enabling the City to avoid debt borrowing and associated debt servicing costs in the City's Operating Budget.

Development Charge Bylaw Changes

- The Province enacted Bill 73, the Smart Growth for Our Communities Act, 2015 on December 3, 2015, to amend the Development Charges Act, 1997 (the "DCA") and the Planning Act and filed amendments to the

related regulation (Ontario Regulation 428/15) on December 17, 2015. The amended legislation came into effect on January 1, 2016.

- The primary effect of the new legislation is to add transit to the list of services not subject to the mandatory 10% discount and to permit the use of a forward-looking level of service for transit development charge calculations. These changes partially respond to Council's long-standing requests for amendments to the DCA and will allow development charges to fund a higher proportion of growth-related infrastructure costs.
- The City is currently conducting a review of its development charges bylaw expected to be presented to Council for approval in Q1 2018 including completion of a comprehensive development charges background study to forecast the city's future residential and non-residential growth, and to identify the related infrastructure needs and costs including transit.

Provincial Gas Tax Program

- Ontario's Dedicated Gas Tax Funds for Public Transportation (Gas Tax) Program provides a long-term, sustainable source of transit funding to Ontario municipalities. Municipalities receiving Gas Tax funding can use this funding towards both capital and/or operating expenditures, at their own discretion.
- The Gas Tax funding formula is based on a 70/30 split between ridership and population, which was developed following consultations with large and small municipalities who wanted a formula that strikes a fair balance between the needs of large established systems and those of smaller municipalities, while accommodating the needs of high growth areas.
- The Province collects 14.7 cents for every litre of gasoline sold in Ontario. This year, as with every year since 2005, two cents per litre will be invested in Ontario's municipal transit systems. In addition, the Province has committed to increasing Gas Tax funding from 2 cents per litre to 2.5 cents per litre in 2019-2020, to 3 cents per litre in 2020-2021 and to 4 cents per litre in 2021-2022.
- While the TTC will receive \$585.126 million in additional Provincial Gas Tax funding, the TTC's overall Capital Program will not receive added funding as existing debt funding in the TTC's Capital Program will be replaced with the added gas tax. This will allow the City to allocate this debt funding to other critical unfunded City capital projects such as investments in social housing and the George Street Revitalization project.
- It is recommended that the TTC and Financial Planning Division establish the allocation of the annual gas tax provision and report back to Budget Committee no longer than May 1, 2018. Taking into account all third party funding sources and requirements to ensure that the City is maximizing alignment with other third party funding restrictions.

Purchase of 260 Buses (PTIF)

- Council delegated the authority to the TTC CEO to negotiate and enter into contracts for the supply of a total of electrical and new generation hybrid-electric buses.
 - 30 all-electric buses and required infrastructure not to exceed the total project cost of \$50M
 - 230 new generation hybrid-electric buses not to exceed the total project cost of \$230M
 - All 260 buses are to be delivered no later than March 31, 2019 in order to ensure that the buses are eligible

Transit Expansion Projects:

There are a number of Transit expansion initiatives underway at various stages of planning and preliminary design, with varying degrees of approved funding that will require funding strategies to complete. These include, in no priority order:

Relief Line

- The Relief Line South from Pape-Danforth to Downtown will be required by 2031 to reduce crowding on Line 1. The next phase of work for the Relief Line South is to accelerate the planning and design stage gate, including developing a project budget and schedule (Class 3 cost estimate), which is approximately 15 to 30% design.
- Approximately \$4.1 million has been spent by the City since 2014 on the Relief Line Project Assessment. The budget required for the next phase of planning and design to develop a Class 3 cost estimate and schedule (approximately 15-30% design) is estimated to be \$100 million. The costs associated with the next phase of work are to be funded by the City (\$55 Million) and the Province/Metrolinx (\$45 Million).
- At its meeting of November 7, 2017, City Council approved the budget transfer of \$55.5 million (gross) including \$27.8 million in Public Transit Infrastructure Fund funding and \$27.7 million in debt for Relief Line planning, design and engineering from the 2017 Corporate Initiatives Capital Budget Account to the Toronto Transit Commission. Metrolinx is expected to contribute an additional \$45 million.
- The balance of funding for the next phases/stage gates of the Relief line capital works remains unfunded and will be considered against other unfunded City priorities as part of future year operating and capital budget processes.

Waterfront Transit Expansion

- The Waterfront Transit initiative was to identify transit services along the waterfront from Long Branch Loop in the west to Woodbine Avenue in the east. Detailed transportation demand modelling has subsequently shown that there is not sufficient demand for a single through service along the entire study area.
- Key outcomes of the Phase 1 study were the identification of waterfront transit planning objectives, an evaluation framework, and the initial development of a suite of alternative transit improvement concepts that could be measured against the framework objectives. City Council further directed City staff to initiate a second phase of the Waterfront Transit Reset, based on the work identified in the first phase. Council further directed staff to move to 30% design for the extension of the exclusive streetcar network from the Exhibition Loop to the Dufferin Gate Loop.
- The second phase includes further development and costing of alignment concepts, detailed analysis of transit operations and ridership, identification of priority segments, as well as the creation of a Business Case and implementation strategy for delivering a coordinated waterfront transit solution.
- The balance of funding for the next phases/stage gates of the Waterfront Transit expansion capital works remain unfunded and will be considered against other unfunded City priorities as part of future year operating and capital budget processes.

Yonge North

- *Yonge Subway Extension (YSE)* - An Environmental Assessment (EA) for the YSE project was approved by City Council, York Region Council and TTC Board in 2009. City Council authorized City and TTC staff to undertake the planning and design required to advance to the next decision gate of the project, which includes developing a Class 3 cost estimate and schedule. The TTC will project manage and lead the planning and design of the YSE, with York Region and Metrolinx represented in the project team. The costs will be fully funded by the Province/Metrolinx and York Region. There is currently no commitment by any order of government to fund the capital costs of building the YSE.

Eglinton Crosstown LRT

- Metrolinx is currently constructing the 19-kilometre light rail line across Toronto's midtown and will run from Kennedy station in the east, to Jane Street in the west. The central 10-kilometre portion will run underground and tunnels are currently being dug.
- Approved by the Metrolinx Board of Directors in 2010, work on the first station has begun and the entire project is projected to cost \$5.3-billion and is scheduled to be completed in 2021. The Eglinton Crosstown LRT is part of Metrolinx's investment in rapid transit in the City of Toronto and will have operating budget and future year capital implications for the TTC once completed.

Finch West LRT

- The Finch West LRT project will deliver a surface route, running 11 kilometres between the forthcoming Finch West station and Humber College at an estimated cost of \$1 billion. The LRT is scheduled to open in 2021. The Finch West LRT is part of Metrolinx's investment in rapid transit in the City of Toronto and will have operating budget and future year capital implications for the TTC once completed.

Sheppard East LRT

- The Sheppard East LRT is a 13 kilometre light rail transit line, with a 1.1 km tunnel connection to Don Mills subway station from Consumers Road, and 11.9 kilometres running along the surface of Sheppard Avenue from consumers Road to Morningside Avenue.
- The surface line will operate in a dedicated lane in the centre of the street. The Sheppard East LRT is part of Metrolinx's investment in rapid transit in the City of Toronto. It will be constructed following the completion of the Finch West LRT with an estimated cost of \$1 billion and will have operating budget and future year capital implications for the TTC once completed.

SmartTrack

- On June 28 2016, the Metrolinx Board approved the SmartTrack/GO RER integration scenario with six new stations at the locations noted above. The Metrolinx Board also requested that municipalities commit to funding SmartTrack, through Council resolution, by November 30, 2016.
- In July 2016, City Council approved a SmartTrack/GO RER integration scenario with up to six new SmartTrack stations on the Stouffville/Lakeshore East GO corridor (Finch East, Lawrence East, Gerrard and Unilever) and the Kitchener GO corridor (Liberty Village and St. Clair West).
- Additional work has been undertaken by the City and TTC in partnership with the Province of Ontario and Metrolinx to advance planning and technical analysis on all projects. The project cost for SmartTrack is currently \$3.7 billion with \$53.9 million having been committed in the 10-Year Capital plan.

King Street Priority Corridor Pilot

- The King Street Transit Pilot will improve priority for transit vehicles along the King Street corridor, between Bathurst Street and Jarvis Street. At its June 15, 2017 meeting, the TTC Board approved support for the proposed King Street Transit Pilot, and City Council approved the implementation of the pilot at its July 6, 2017 Council meeting. The pilot was implemented in November 2017.
- The TTC has partnered with City Programs to develop performance metrics and an overall monitoring program for the King Street Transit Pilot. The program will provide a means for responding to operational issues during the pilot, and provide a method for evaluating the overall success of the pilot.
- City Council requested the City Manager, in collaboration with the Chief Executive Officer, Toronto Transit Commission, to report back in early 2019 with an evaluation and prioritization of the full range of current transit expansion projects including but not limited to the above.

Facilities

McNicoll Bus Garage

- Within a few years, TTC will need a new bus garage to accommodate its growing ridership and expanding bus fleet. The new facility is planned to be constructed at Kennedy Road and McNicoll Avenue in Scarborough, and will store and maintain a combination of articulated and regular buses. On December 20, 2016, the TTC Board approved the staff recommendation to award the construction contract for the McNicoll Bus Garage.

Kipling Station

- On April 3 2017, the Minister of Transportation announced that Metrolinx has issued the RFP for the Kipling Bus Terminal. The project will integrate the TTC subway, GO regional rail and local and regional bus services (GO, TTC, MiWay) into a single mobility hub through a new inter-regional bus terminal. The construction is expected to begin in early 2018.
- The *Kipling Station* project will allow for MiWay/GO buses and the GO Train to depart from the same building, which is being renovated. There will be a pedestrian underground tunnel to connect from the MiWay/GO terminal to the existing TTC Kipling Station. An elevated pedestrian bridge connecting the new bus terminal and rail platform and the reconfiguration of the north TTC parking lot, including a new main access road from Dundas St. W.

Vehicles

Green Bus Technology Plan

- The City of Toronto's TransformTO action plan sets a target to reduce greenhouse gas (GHG) emissions of 80% by 2050 (against 1990 levels). In order for the TTC to do its part, it is joining other leading transit organizations in the C40 Fossil-Fuel-Free Streets Declaration, by targeting procurement of only zero-emission buses starting in 2025 and a zero-emissions fleet by 2040.
- Over the past year, TTC has been working with the Canadian Urban Transit Research and Innovation Consortium (CUTRIC), the Zero Emissions Bus Resource Alliance (ZEBRA), as well as Toronto Hydro, Enbridge Gas, bus OEMs, peer transit agencies, and others to better understand the required infrastructure investment and constraints, expected reduction in GHG emissions and improvement in local air quality, vehicle performance, system reliability, and life cycle costs associated with each of the available green propulsion technologies.
- The Board delegated its authority to the TTC CEO to negotiate and enter into up to three contracts for the supply of a total of 30 long range battery electric buses not to exceed the total project cost of \$50M
- The Board delegated its authority to the TTC CEO to enter into a contract(s) with up to two suppliers for the supply of 230 new generation hybrid electric buses not to exceed the total project cost of \$230M

Reporting on Existing Major Capital Projects: Status Update

In compliance with the Auditor General's recommendations, additional status reporting on all major capital projects is required in order to strengthen accountability, manage risks, improve controls and ensure successful implementation/completion of major capital projects. The following projects have been reported on a quarterly basis during 2017:

Toronto-York Spadina Subway Extension

Initial Approval Date	Total Project Cost		2017		2018	2019	Projection to End of Project	End Date		On Budget	On Time
	Approved	Life to Date Expenditures as at Dec 31, 2016	Budget	Year-End Projection*	Preliminary Budget	Plan		Planned	Revised		
2008	2,634,000	2,415,328	608,580	568,449	200,394		3,184,171	2019	2019	Ⓜ	Ⓜ

* Based on 2017 Q3 Capital Variance Report

On/Ahead of Schedule	Ⓢ	>70% of Approved Project Cost
Minor Delay < 6 months	Ⓜ	Between 50% and 70%
Significant Delay > 6 months	Ⓜ	< 50% or > 100% of Approved Project Cost

Project Scope:

- The Toronto - York Spadina Subway Extension (TYSSE) project is an 8.6km extension from Downsview Station northwest through York University within the City of Toronto and north to the Vaughan Metropolitan Centre, in The Regional Municipality of York. This project will provide a critical extension for the existing TTC subway system across the municipal boundary between the City of Toronto and York Region.
- The original budget for the Toronto-York Spadina Subway Extension Project (TYSSE) was \$2.634 billion. In March 2015, the budget was revised to \$2.784 billion, and at that time, it was reported that after undertaking the necessary due diligence, TTC staff would report back with the full expected cost of the YYSSE project reset. The subway extension is scheduled to open for revenue service on December 17, 2017.

Project Challenges:

- The project has experienced challenges due to a number of factors, including found site conditions such as claims resolutions and litigation matters.
- Toronto Transit Commission (TTC) Board adopted the Report of January 21, 2016 entitled "Toronto-York Spadina Subway Extension – Schedule and Budget Reset". The TTC report identified additional estimated project reset costs of \$400 million, bringing the total project budget to \$3.184 billion and sought confirmation from Toronto City Council and York Region of funding their respective shares of the increased costs.

This report is available through the link below:

https://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_meetings/2016/January_21/Reports/Decisions/TYSSE_Schedule_and_Budget_Reset.pdf

- At its meeting of February 3, 2016 City Council adopted the Report entitled, Toronto - York Spadina Subway Extension – Schedule and Budget Reset, requesting staff to increase the 2016 Capital Budget and 2017-2025 Capital Plan for the Toronto-York Spadina Subway Extension Project by \$400 million, with \$240 million representing the City of Toronto's share of costs, and the remaining \$160 million reflecting the Regional Municipality of York's share. The City's share of \$240 million be funded through additional borrowing.

This report is available through the link below:

[https://eportal.toronto.ca/f5-w-687474703a2f2f6170702e746f726f6e746f2e6361\\$\\$/tmmis/findAgendaItem.do](https://eportal.toronto.ca/f5-w-687474703a2f2f6170702e746f726f6e746f2e6361$$/tmmis/findAgendaItem.do)

- In addition, development of the stage 2/3 schedule, with the inclusion of transfers of work from Stage 1, has created further challenges.

- To mitigate risks, project teams responded with value engineering, constructability changes, challenging of tender results, retendering, minor scope adjustments, and consideration of different construction methodologies.

Financial Update:

- As of December 31, 2017, total cumulative expenses incurred since the inception of the project is expected to be \$2.984 billion with an additional \$200.349 million projected to be spent by the end of 2018.
- The 2018 Preliminary Capital Budget includes \$113.251 million (excluding carry forward funding of \$54.817 million), with a total projected cost of \$3.184 billion.
- For 2017 the project is anticipating underspend of \$65.5 million is due to deferral of holdback releases, contingencies, claims resolutions, property and vehicle expenditures.

Anticipated Future Financial Impact:

- The operating impact of capital upon completion of the TYSSE project, will require costs for 26 positions in 2018, in addition to positions added in prior years, for the maintenance of subway track and signals and other building and facility maintenance on the Line 1 extension, including ongoing maintenance costs of which include the following:
 - An additional 96,000 hours of service to operate the TYSSE
 - Operating up to an additional 10 trains to service the extension
 - The operation and maintenance of 6 new subway stations
 - The maintenance of 17.2 kilometers of revenue service track
 - Required traction power & utilities to operate the extension
 - Operation of 3 new parking lots with 2,800 available spaces

Scarborough Subway Extension

Initial Approval Date	Total Project Cost		2017		2018	2019	Projection to End of Project	End Date		On Budget	On Time
	Approved	Life to Date Expenditures as at Dec 31, 2016	Budget	Year-End Projection*	Preliminary Budget	Plan		Planned	Revised		
2013	3,560,000	42,541	152,105	78,249	113,251	119,768	3,560,000	2019	TBD	Ⓢ	Ⓢ

* Based on 2017 Q3 Capital Variance Report

On/Ahead of Schedule	Ⓢ	>70% of Approved Project Cost
Minor Delay < 6 months	Ⓜ	Between 50% and 70%
Significant Delay > 6 months	Ⓢ	< 50% or > 100% of Approved Project Cost

Project Scope:

- The *Scarborough Subway Extension (SSE)* project involves the design and construction of an extension of the Bloor-Danforth subway line, in order to replace the aging Scarborough RT (SRT). The alignment approved by City Council in October 2013 was to extend the subway by approximately 7.5 km north from Kennedy Station, on McCowan road, with stations at Lawrence, Scarborough Centre and Sheppard Avenue. At its meeting of July 13, 2016, City Council adopted the concept of an express subway extension from Kennedy to Scarborough Centre. At its meeting of March 28, 2017, City Council approved the McCowan alignment and the Triton bus terminal, as well as initiating the Transit Project Assessment Process (TPAP).
 - This project also includes vehicles (42 cars), as well as the orientation of the existing Kennedy tail track.
- With alignment/bus terminal approved by Council, the budget and schedule will continue to evolve as more information becomes available and design develops to the 30% stage. The project budget and schedule will then be re-established at the 30% stage, factoring delivery strategy and risk.

- In 2013, the total estimated cost for the Scarborough Subway Extension is \$3.56 billion (expressed in inflated dollars, or \$2.5 billion in 2010 dollars). Current funding commitments received for the construction of the subway extension are as follows:
 - Provincial government - \$1.48 billion in 2010 dollars;
 - Federal government - \$660 million (expressed in inflated dollars);
 - As a result, the net amount that the City will be required to fund is estimated at \$910 million (inflated dollars). The City will fund its share of the project through a combination of approved dedicated property taxes increases totalling 1.6% and Development Charges.
- On July 13, 2016, City Council considered EX16.1 “Developing Toronto's Transit Network Plan to 2031”, City Council removed a three-stop Scarborough Subway Extension from further consideration, and directed the City Manager and the Chief Executive Officer, TTC to continue to develop an express SSE option by undertaking a third-party cost validation of the TTC's 5% design cost estimate.
 - City Council also approved \$7 million for planning and technical analysis on the Eglinton East LRT to achieve 5% design.
- City Council adopted the concept of an express subway extension from Kennedy to Scarborough Centre. The preferred alignment for the express subway will be identified through the Environmental Assessment. Based on scope confirmation through the EA process, the project budget and schedule will be confirmed as design is developed to the 30% stage, factoring in delivery strategy and risk.

This report is available through the link below: [https://eportal.toronto.ca/f5-w-687474703a2f2f7777772e746f726f6e746f2e6361\\$\\$/legdocs/mmis/2016/ex/bgrd/backgroundfile-94597.pdf](https://eportal.toronto.ca/f5-w-687474703a2f2f7777772e746f726f6e746f2e6361$$/legdocs/mmis/2016/ex/bgrd/backgroundfile-94597.pdf)

Project Challenges:

- The estimated project cost was approved in 2013 based on 0% design. With the alignment/bus terminal now confirmed by City Council, the project budget and schedule will be confirmed as design is developed to the 30% stage, factoring in delivery strategy and risk.

Financial Update:

- As of December 31, 2017, total cumulative expenses incurred since the inception of the project will be \$120.790 million with an additional \$113.251 million projected to be spent by the end of 2018.
- Cash flow funding included in the 2018 Preliminary Capital Budget is \$58.543 million (excluding carry forward funding of \$113.251 million), with total cash flow of \$234.041 million in 2018.
- For 2017 the project is anticipating underspend of \$27.5 million is due to delay in the EA process and the re-baselining of the project scope

Anticipated Future Financial Impact:

- The operating budget impact will be determined once more information is known and submitted in a future budget process.

Issues Impacting the 10-Year Capital Plan

Unmet Needs

Unmet Needs – Projects Excluded due to Funding Constraints (In \$000s)

Project Description (In \$000s)	Total Project Expenditure	Non-Debt Funding	Debt Required	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Transit Shelters & Loops	540.0		540.0	51.0	70.0	70.0	56.0	40.0	59.0	45.0	42.0	53.0	54.0
Furniture & Office Equip	742.0		742.0	72.0	52.0	137.0	85.0	47.0	98.0	47.0	102.0	52.0	50.0
Rail Non-Rev Vehicle	1,290.0		1,290.0	70.0	55.0	198.0	200.0	128.0	131.0	134.0	138.0	89.0	147.0
Environmental Programs	3,850.0		3,850.0	340.0	350.0	360.0	370.0	380.0	390.0	400.0	410.0	420.0	430.0
Signal Systems	5,242.0		5,242.0	626.0	533.0	469.0	537.0	485.0	489.0	501.0	515.0	545.0	542.0
Service Planning	6,488.0		6,488.0	1,724.0	2,564.0	275.0	275.0	275.0	275.0	275.0	275.0	275.0	275.0
Other Maintenance Equip	6,740.0	-	6,740.0	1,752.0	1,614.0	395.0	395.0	416.0	397.0	397.0	448.0	457.0	469.0
Auto Non-Rev Vehicle	9,659.0		9,659.0	1,856.0	1,260.0	1,083.0	930.0	990.0	1,020.0	630.0	630.0	630.0	630.0
Tools & Shop Equip	10,251.0		10,251.0	2,105.0	1,290.0	881.0	2,046.0	782.0	600.0	603.0	584.0	645.0	715.0
Power Dis/Elect Sys.	10,630.0		10,630.0	1,110.0	953.0	956.0	968.0	980.0	1,068.0	1,060.0	1,063.0	1,197.0	1,275.0
Finishes	15,617.0		15,617.0			2,137.0	2,798.0	3,702.0	1,898.0	1,326.0	1,148.0	1,399.0	1,209.0
On-Grade Paving Rehab.	17,571.0		17,571.0			2,204.0	3,092.0	2,927.0	1,877.0	1,826.0	1,855.0	1,880.0	1,910.0
Equipment	18,548.0		18,548.0	914.0	1,387.0	1,925.0	1,893.0	1,629.0	2,028.0	2,003.0	2,023.0	1,849.0	2,897.0
Other Bldgs & Structures	21,474.0		21,474.0	1,743.0	3,435.0	4,166.0	3,572.0	3,463.0	1,267.0	1,157.0	1,063.0	778.0	830.0
Communications	23,148.0		23,148.0	3,827.0	1,799.0	2,021.0	2,200.0	2,046.0	2,033.0	1,887.0	1,996.0	2,382.0	2,957.0
Information Technology	26,216.0		26,216.0	4,148.0	2,277.0	1,617.0	1,644.0	1,417.0	2,217.0	1,683.0	2,026.0	4,678.0	4,509.0
Traction Power	30,110.0		30,110.0	2,114.0	2,823.0	2,816.0	2,812.0	2,780.0	2,917.0	3,098.0	3,227.0	3,439.0	4,084.0
Surface Track	41,519.0		41,519.0		242.0	4,743.0	5,306.0	5,746.0	4,865.0	4,203.0	4,808.0	5,746.0	5,860.0
Subway Track	52,731.0		52,731.0		243.0	7,401.0	8,779.0	6,623.0	5,718.0	5,828.0	5,939.0	6,040.0	6,160.0
Bridges and Tunnels	61,207.0		61,207.0	3,703.0	5,226.0	5,927.0	6,010.0	6,085.0	6,478.0	6,568.0	6,966.0	7,069.0	7,175.0
Bus Overhaul Program	63,376.0		63,376.0		4,006.0	5,333.0	7,153.0	7,292.0	7,410.0	7,530.0	7,652.0	8,706.0	8,294.0
Purchase of Subway Cars	69,784.0		69,784.0										69,784.0
Fire Vent Upgrade	162,142.0		162,142.0				1,945.0	50,191.0	46,840.0	29,129.0	20,897.0	13,140.0	
Purchase of Buses	270,624.0		270,624.0			5,100.0	90,356.0	85,517.0	53,165.0	21,877.0		14,609.0	
Purchase of 60 LRVs	360,885.0		360,885.0	49,582.0		222,059.0	89,244.0						
Purchase of 372 Subway Cars	1,411,247.0		1,411,247.0					315,492.0	171,722.0	170,147.0	319,361.0	290,246.0	144,279.0
Total	2,701,631.0	-	2,701,631.0	75,737.0	30,179.0	272,273.0	232,666.0	499,433.0	314,962.0	262,354.0	383,168.0	366,324.0	264,535.0

- The "Unmet Capital Needs" identified above cannot be accommodated within the City's current debt affordability targets given the limitations on debt servicing costs and therefore not included in the 2018 - 2027 Capital Plan for TTC. The projects will be included on the list of unfunded "Capital Priorities" considered for future.
- Due to affordability, funding for the purchase of 372 subway cars is not included in the 2018 - 2027 Preliminary Capital Budget for TTC. In order to replace the current T1 subway cars in service, TTC requires funding of \$1.411 billion with the majority of the funding required in the last 5 years of the 10-year period. This project is being placed below the line as this commitment is not required until 2022
- By 2025, the subway car fleet will be reaching the end of its useful life after 30 years of revenue service.
- 60 additional Streetcars, based on ridership growth projections, were requested at a cost of \$360.885 million from 2017-2018. This request will be evaluated during 2018 to determine the timing and required course of action to proceed given the difficulties in obtaining the first 60 vehicles in the existing order.
- It is recommended that the CFO in consultation with TTC staff develop a financing strategy to address the \$2.275 billion in unfunded base capital requirements for the TTC, as well as key projects for future consideration to avoid potential service impact associated with not proceeding with required unfunded capital investments.



Appendices

Appendix 1

2017 Performance

2017 Key Accomplishments

In 2017, TTC made significant progress and/or accomplished the following:

- ✓ TTC named North America's best transit agency for 2017 by APTA
- ✓ Open the Line 1 Toronto-York Spadina Subway Extension with six new fully accessible modern stations
- ✓ Install 200 passenger information displays in shelters to provide real time information on vehicle arrivals
- ✓ Commence fully accessible streetcar service on 514 Cherry route
- ✓ Enable new Presto fare gates at 43 subway station entrances
- ✓ Launch a Safety and Security app as another tool for customers to report related incidents
- ✓ Rollout new Wheel-Trans eligibility processes and expand eligibility criteria
- ✓ Introduce Wheel-Trans Family of Services pilot

2017 Financial Performance

2017 Budget Variance Analysis (in \$000's)

2017 Budget	As of Sept. 30, 2017		Projected Actuals at Year-End		Unspent Balance	
\$	\$	% Spent	\$	% Spent	\$ Unspent	% Unspent
1,488,036	497,950	33.5%	1,189,416	79.9%	298,620	20.1%

For additional information regarding the 2017 Q3 capital variances and year-end projections for TTC, please refer to the attached link for the report entitled "*Capital Variance Report for the Nine-Month Period Ended September 30, 2017*" considered by the Budget Committee at its meeting on November 27, 2017.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.BU37.1>

Impact of the 2017 Capital Variance on the 2018 Preliminary Capital Budget

- *Service Planning*: For each of these following projects, *Platform Modification to Accommodate Artic buses*, *Bus Stop Improvements for Accessibility* and *Opportunities to Improve Transit – Transit Priority Measures*, the majority of work has slipped from 2017 to 2018 and 2019 due to delays in hiring Strategy and Service Planning staff; receiving City approvals, and issuing tender packages for the current construction season.
- TTC has experienced major delays impacting their 2017 capital spending related to the purchase of the new LRVs. TTC staff are working with the manufacturer to address the issues and delays surrounding the LRV order. It is difficult to determine with high level of confidence the projected cash flows for 2017 due to the lack of a detailed production schedule from the manufacturer. The cash flows and projections for this project have been adjusted to reflect what is currently known based on revised delivery schedule and other projected expenditures.
- Based on the 2017 Q3 Capital Variance Report, TTC is forecasted to spend \$1.189 billion, or 79.9% of its 2017 Approved Capital Budget, mainly due to delays in the delivery of the new streetcars amounting \$30.5 million or

21.8% of the variance. TTC staff are working with the manufacture to address the issues and delays surrounding the order.

- Carry forward funding is estimated at \$248.204 million. However, given the rate of spending, this figure will be further refined by the end of 2017. A detailed review of the 2018 – 2027 Capital Budget and Plan was undertaken and necessary adjustments were made to the timing of cash flow funding for unique and major capital such as *Streetcars*, *Subway Car Overhaul* and *Information Technology System-Infrastructure* which are the major contributors to annual under expenditures.
- A detailed review of the 2018 – 2027 Preliminary Capital Budget and Plan has been conducted and the necessary adjustments have been made to the timing of cash flow funding for unique and major capital projects such as *Streetcar Purchases* and *Service Planning* which are the major contributors to annual under expenditures. By deferring the cash flow funding to future years, the 2018 Preliminary Capital Budget reflects readiness to proceed and will lead to a higher rate of spending.

Appendix 2

2018 Preliminary Capital Budget;
2019 - 2027 Capital Plan Including Carry Forward Funding (\$000s)

Project	Total Project Cost	Prior Year Carry Forward	2018	2019	2020	2021	2022	2018 - 2022	2023	2024	2025	2026	2027	2018 - 2027 Total	
Legislated:															
Communications - Various	16,462	155	2,514	543	207	538	-	3,957	-	-	-	551	600	5,108	
Easier Access Phase II & III	773,121	1,207	43,617	56,114	62,164	71,822	71,263	306,187	66,151	54,960	39,637	6,000	-	472,935	
Environmental Programs	145,670	-	7,838	9,067	8,017	10,371	4,210	39,503	3,805	3,600	3,690	3,780	3,870	58,248	
Equipment - Various	22,968	77	1,030	1,094	778	855	1,827	5,661	89	-	-	-	-	5,750	
Other Bldgs & Structures Projects	75,171	4,212	7,984	16,217	11,718	11,562	3,985	55,678	3,395	725	626	594	2,365	63,383	
Other Service Planning	17,890	4,110	90	7,300	6,688	-	-	18,188	-	-	-	-	-	18,188	
Yards and Roads - Various	75,156	894	639	8,386	14,555	8,313	-	32,787	-	-	-	-	-	32,787	
Sub-Total	1,126,438	10,655	63,712	98,721	104,127	103,461	81,285	461,961	73,440	59,285	43,953	10,925	6,835	656,399	
State of Good Repair:															
ATC Resignalling	863,511	-	65,374	71,310	48,820	29,008	30,840	245,352	42,282	45,266	46,761	48,748	51,235	479,644	
Automotive Non-Revenue Vehicles	29,233	-	1,686	1,740	2,428	2,070	2,210	10,134	2,280	1,370	1,370	1,370	1,370	17,894	
Bridges and Tunnels - Various	818,655	-	30,455	33,169	33,588	34,054	34,482	165,748	36,710	37,216	39,473	40,059	40,657	359,863	
Bus Overhaul Program	668,444	559	45,326	35,863	33,231	42,162	42,604	199,745	43,095	42,872	43,363	49,337	47,002	425,414	
Communications - Various	209,032	10,328	14,387	13,101	11,842	11,631	8,077	69,366	7,969	5,838	5,987	8,069	10,526	107,755	
Equipment - Various	380,595	6,072	17,076	26,484	34,580	26,332	13,685	124,229	14,321	12,029	11,463	11,279	22,413	195,734	
Fare Handling Equipment	75,846	-	12,457	175	250	250	250	13,382	250	300	300	300	300	14,832	
Fare System	1,800	78	47	125	-	-	-	250	-	-	-	-	-	250	
Finishes - Various	251,249	-	19,965	21,083	12,607	16,157	21,277	91,089	10,755	7,515	6,504	7,926	6,854	130,643	
Fire Ventilation Upgrade	376,678	-	15,760	18,110	33,221	45,092	-	112,183	-	-	-	-	-	112,183	
Furniture & Office Equipment	6,478	-	288	210	546	340	190	1,574	394	188	406	209	199	2,970	
Information Technology System-Infrastructure	577,261	34,007	66,784	52,287	40,778	10,659	8,031	212,546	12,566	9,536	11,482	26,502	25,547	298,179	
Leslie Bams Streetcar Maint. & Storage Facility	515,862	13,127	3,702	7,048	-	-	-	23,877	-	-	-	-	-	23,877	
On-Grade Paving Rehabilitation	192,879	53	10,711	11,363	12,486	17,530	16,587	68,730	10,622	10,354	10,508	10,668	10,826	121,708	
Other Bldgs & Structures Projects	593,602	11,564	55,932	88,700	78,934	48,227	19,549	302,906	7,111	6,054	5,523	3,907	4,209	329,710	
Other Maintenance Equipment	19,087	-	3,253	2,996	733	734	772	8,488	736	738	834	849	873	12,518	
Other Service Planning	18,000	4,000	-	7,000	6,730	-	-	17,730	-	-	-	-	-	17,730	
Power Dist./Electric Systems - Various	171,339	245	6,768	6,540	10,996	6,323	6,715	37,587	5,856	5,804	5,819	6,518	6,826	68,410	
Purchase of 360 Wheel-Trans Vehicles	81,186	3,460	6,920	7,629	2,003	8,411	8,831	37,254	6,955	7,303	7,668	10,735	11,271	81,186	
Purchase of Rail Non-Revenue Vehicle	46,729	7,024	2,299	3,832	5,455	9,543	4,830	32,983	1,992	-	-	-	-	34,975	
Purchase of Streetcars	1,155,307	31,196	153,765	304,553	12,117	-	-	501,631	-	-	-	-	-	501,631	
Purchase of Subway Cars	1,166,265	26,700	249	524	584	1,523	2,120	31,700	-	-	-	-	-	31,700	
Purchases of Buses	756,005	20,288	191,951	115,051	80,837	23,369	11,626	443,122	9,300	-	-	-	-	452,422	
Rail Non-Revenue Vehicle Overhaul	29,532	2,100	2,315	3,275	3,219	5,385	1,200	17,494	392	400	412	266	443	19,407	
Signal Systems - Various	211,433	13,028	5,106	15,744	14,822	14,154	4,009	66,863	3,582	3,412	2,062	2,179	2,163	80,261	
Streetcar Overhaul Program	165,401	2,787	9,686	2,864	1,866	1,704	617	19,524	3,424	5,019	12,647	24,224	18,602	83,440	
Subway Car Overhaul Program	393,946	23,258	22,302	30,057	22,133	24,913	19,103	141,766	18,142	19,058	18,390	17,153	9,015	223,524	
Subway Track	500,525	6,217	29,889	33,800	35,270	43,079	30,865	179,120	32,400	33,027	33,653	34,229	34,914	347,343	
Surface Track	528,042	-	36,754	33,336	25,582	31,608	25,892	153,172	27,565	23,820	27,248	32,561	33,213	297,579	
Tools and Shop Equipment	48,296	-	4,910	3,010	2,055	4,774	1,823	16,572	1,400	1,407	1,363	1,506	1,670	23,918	
Toronto Rocket Yard & Storage Track Accommodation	494,660	-	33,851	49,480	75,497	69,273	43,890	271,991	4,425	125	-	-	-	276,541	
Traction Power - Various	427,176	-	21,045	19,007	18,094	15,932	15,745	89,823	16,528	17,556	18,287	19,485	23,140	184,819	
Transit Shelters & Loops	3,510	-	206	280	280	222	160	1,148	236	179	167	212	216	2,158	
Sub-Total	11,777,564	216,091	891,219	1,019,746	661,584	544,459	375,980	3,709,079	321,288	296,386	311,690	358,291	363,484	5,360,218	
Service Improvements:															
Bicycle Parking at Stations	850	-	144	-	-	-	-	144	-	-	-	-	-	144	
Communications - Various	302	-	-	75	-	-	-	75	-	-	-	-	-	75	
Finishes - Various	42,306	-	238	-	-	-	-	238	-	-	-	-	-	238	
Other Bldgs & Structures Projects	119,900	-	14,504	8,236	5,158	5,205	3,530	36,633	3,430	3,260	2,700	2,685	500	49,208	
Other Service Planning	70,678	12,409	1,760	8,993	8,625	8,010	2,850	42,647	1,760	1,760	1,760	1,760	1,760	51,447	
Power Dist./Electric Systems - Various	3,101	-	354	210	220	220	230	1,234	194	204	204	262	400	2,498	
Purchase of Rail Non-Revenue Vehicle	25,963	37	6,633	13,002	6,237	-	-	25,909	-	-	-	-	-	25,909	
Purchases of Buses	241,140	-	17,186	22,247	27,946	14,631	-	82,010	-	-	-	-	-	82,010	
Subway Track	19,455	1,787	778	842	100	-	-	3,507	-	-	-	-	-	3,507	
Surface Track	62,957	1,007	2,743	4,310	-	-	-	8,060	-	-	-	-	-	8,060	
Transit Shelters & Loops	3,100	-	177	100	-	-	-	277	-	-	-	334	-	611	
Sub-Total	589,752	15,240	44,517	58,015	48,286	28,086	6,610	200,734	5,384	5,224	4,664	5,041	2,860	223,707	
Growth Related:															
Automotive Non-Revenue Vehicles	8,455	-	2,645	1,200	100	100	100	4,145	100	100	100	100	100	4,645	
Fare System	45,752	1,860	3,708	-	-	-	-	5,568	-	-	-	-	-	5,568	
McNicoll Bus Garage Facility	180,947	53	29,947	45,000	52,974	28,807	-	156,781	-	-	-	-	-	156,781	
Other Bldgs & Structures Projects	144,141	-	121,447	3,850	-	-	-	125,297	-	-	-	-	-	125,297	
Other Service Planning	2,111	600	-	600	601	-	-	1,801	-	-	-	-	-	1,801	
Sheppard Subway	-	3,705	-	-	-	-	-	3,705	-	-	-	-	-	3,705	
Yards and Roads - Various	35,278	-	256	-	-	-	-	256	-	-	-	-	-	256	
Sub-Total	416,684	6,218	158,003	50,650	53,675	28,907	100	297,553	100	100	100	100	100	298,053	
Total			248,204	1,157,451	1,227,132	867,672	704,893	463,975	4,669,327	400,212	360,995	360,407	374,357	373,079	6,538,377

Appendix 3

2018 Preliminary Capital Budget; 2019 - 2027 Capital Plan

CITY OF TORONTO

**Gross Expenditures (\$000's)
Appendix 3: 2018 Preliminary Capital Budget; 2019 - 2027 Capital Plan**

Toronto Transit Commission

Sub- Project No. Project Name PrioritySubProj No. Sub-project Name Ward Stat. Cat.						Current and Future Year Cash Flow Commitments							Current and Future Year Cash Flow Commitments Financed By											
						2018	2019	2020	2021	2022	Total 2018-2022	Total 2023-2027	Total 2018-2027	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing	
<u>TTC000110</u> <u>Subway Track</u>																								
1	1	Subway Track - SOGR	CW	S2	03	36,106	15,409	0	0	0	51,515	0	51,515	0	18,801	0	6,911	0	0	0	0	25,803	0	51,515
0	5	Subway Track Improvement	CW	S2	04	2,565	842	100	0	0	3,507	0	3,507	0	0	0	0	0	0	0	0	3,507	0	3,507
1	7	Subway Track - SOGR	CW	S5	03	0	18,391	35,270	43,079	30,865	127,605	168,223	295,828	0	215,302	0	34,018	0	0	0	0	46,508	0	295,828
Sub-total						38,671	34,642	35,370	43,079	30,865	182,627	168,223	350,850	0	234,103	0	40,929	0	0	0	0	75,818	0	350,850
<u>TTC000120</u> <u>Surface Track</u>																								
1	1	Surface Track - SOGR	CW	S2	03	25,163	5,220	773	3,057	0	34,213	0	34,213	0	0	0	8,031	0	0	0	0	26,182	0	34,213
0	3	Surface Track Improvement	CW	S2	04	3,750	4,310	0	0	0	8,060	0	8,060	0	0	0	0	0	0	0	0	8,060	0	8,060
1	7	Surface Track - SOGR	CW	S5	03	11,591	28,116	24,809	28,551	25,892	118,959	144,407	263,366	0	176,775	0	19,922	0	0	0	0	66,669	0	263,366
Sub-total						40,504	37,646	25,582	31,608	25,892	161,232	144,407	305,639	0	176,775	0	27,953	0	0	0	0	100,911	0	305,639
<u>TTC000210</u> <u>Traction Power - Various</u>																								
1	1	Traction Power - SOGR	CW	S2	03	10,902	2,132	0	0	0	13,034	0	13,034	9,253	3,047	0	0	0	0	0	0	734	0	13,034
1	6	Traction Power - SOGR	CW	S5	03	10,143	16,875	18,094	15,932	15,745	76,789	94,996	171,785	154,576	0	0	0	0	0	0	0	17,209	0	171,785
Sub-total						21,045	19,007	18,094	15,932	15,745	89,823	94,996	184,819	163,829	3,047	0	0	0	0	0	0	17,943	0	184,819
<u>TTC000220</u> <u>Power Dist./Electric Systems - Various</u>																								
1	1	Power Dist./Electric Systems - SOGR	CW	S2	03	7,013	5,990	0	0	0	13,003	0	13,003	0	0	0	0	0	0	0	0	13,003	0	13,003
0	3	Power Dist./Electric Systems - Improvement	CW	S2	04	210	0	0	0	0	210	0	210	0	0	0	0	0	0	0	0	210	0	210
1	5	Power Dist./Electric Systems - SOGR	CW	S5	03	0	550	10,996	6,323	6,715	24,584	30,823	55,407	0	29,307	0	0	0	0	0	0	26,100	0	55,407
0	6	Power Dist./Electric Systems - Improvement	CW	S5	04	144	210	220	220	230	1,024	1,264	2,288	0	408	0	0	0	0	0	0	1,880	0	2,288
Sub-total						7,367	6,750	11,216	6,543	6,945	38,821	32,087	70,908	0	29,715	0	0	0	0	0	0	41,193	0	70,908
<u>TTC000230</u> <u>Communications - Various</u>																								
1	1	Communications - SOGR	CW	S2	03	24,715	13,101	11,842	6,774	0	56,432	0	56,432	26,560	477	0	0	0	0	0	0	29,395	0	56,432
1	3	Communications - Legislated	CW	S2	02	2,669	543	207	538	0	3,957	0	3,957	2,514	0	0	0	0	0	0	0	1,443	0	3,957
0	5	Communication -Improvement	CW	S2	04	0	75	0	0	0	75	0	75	0	0	0	0	0	0	0	0	75	0	75
1	10	Communications - SOGR	CW	S5	03	0	0	0	4,857	8,077	12,934	38,389	51,323	6,998	19,939	0	0	0	0	0	0	24,386	0	51,323

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 3: 2018 Preliminary Capital Budget; 2019 - 2027 Capital Plan

Toronto Transit Commission

Sub- Project No. Project Name PrioritySubProj No. Sub-project Name Ward Stat. Cat.						Current and Future Year Cash Flow Commitments							Current and Future Year Cash Flow Commitments Financed By												
						2018	2019	2020	2021	2022	Total 2018-2022	Total 2023-2027	Total 2018-2027	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing		
TTC000910 Furniture & Office Equipment																									
1	1	Furniture & Office Equipment - SOGR	CW	S2	03	216	204	72	0	0	492	0	492	0	0	0	0	0	0	492	0	0	0	492	
1	6	Furniture & Office Equipment - SOGR	CW	S5	03	72	6	474	340	190	1,082	1,396	2,478	0	0	0	0	0	0	2,478	0	0	0	2,478	
Sub-total						288	210	546	340	190	1,574	1,396	2,970	0	0	0	0	0	0	2,970	0	0	0	2,970	
TTC000920 Other Service Planning																									
3	1	Other Service Planning - Improvement	CW	S2	04	14,169	8,993	8,625	8,010	873	40,670	0	40,670	0	0	7,040	0	0	0	0	33,630	0	0	40,670	
3	5	Other Service Planning - Improvement	CW	S6	04	0	0	0	0	1,977	1,977	8,800	10,777	0	0	10,560	0	0	0	0	217	0	0	10,777	
0	6	Other Service Planning - SOGR	CW	S2	03	4,000	7,000	6,730	0	0	17,730	0	17,730	0	2,075	0	0	0	0	15,655	0	0	0	17,730	
0	7	Other Service Planning - Legislated	CW	S2	02	4,110	7,300	6,688	0	0	18,098	0	18,098	0	0	0	0	0	0	18,098	0	0	0	18,098	
0	8	Other Service Planning - Legis	CW	S3	02	90	0	0	0	0	90	0	90	0	0	0	0	0	0	90	0	0	0	90	
0	9	Other Service Planning Expansion	CW	S2	05	600	600	601	0	0	1,801	0	1,801	0	0	0	0	0	0	1,801	0	0	0	1,801	
Sub-total						22,969	23,893	22,644	8,010	2,850	80,366	8,800	89,166	0	2,075	17,600	0	0	0	0	69,491	0	0	0	89,166
TTC000921 Transit Shelters & Loops																									
0	4	Transit Shelters & Loops - SOGR	CW	S2	03	206	280	209	0	0	695	0	695	0	0	0	0	0	0	695	0	0	0	695	
0	6	Transit Shelter & Loops SOGR	CW	S5	03	0	0	71	222	160	453	1,010	1,463	0	0	0	0	0	0	1,463	0	0	0	1,463	
0	7	Transit Shelter & Loops SI S6	CW	S6	04	0	0	0	0	0	0	334	334	0	0	0	0	0	0	334	0	0	0	334	
0	8	Transit Shelters & Loops SI	CW	S3	04	177	100	0	0	0	277	0	277	0	0	0	0	0	0	277	0	0	0	277	
Sub-total						383	380	280	222	160	1,425	1,344	2,769	0	0	0	0	0	0	0	2,769	0	0	0	2,769
TTC906010 Purchase of Streetcars																									
0	2	Purchase of Streetcars - SOGR	CW	S2	03	184,961	304,553	12,117	0	0	501,631	0	501,631	152,744	272,349	0	13,625	0	0	0	62,913	0	0	501,631	
Sub-total						184,961	304,553	12,117	0	0	501,631	0	501,631	152,744	272,349	0	13,625	0	0	0	62,913	0	0	0	501,631
TTC906365 Purchase of Rail Non-Revenue Vehicle																									
1	1	Purchase of Rail Non-Revenue Vehicle - SOGR	CW	S2	03	9,157	3,832	5,455	9,543	4,830	32,817	1,992	34,809	0	0	0	0	0	0	34,809	0	0	0	34,809	
1	3	Purchase of Rail Non-Revenue Vehicle - Improvement	CW	S2	04	6,670	13,002	6,237	0	0	25,909	0	25,909	0	5,999	0	0	0	0	19,910	0	0	0	25,909	
0	6	Purchase of Rail Non-Revenue Vehicle - SOGR	CW	S3	03	166	0	0	0	0	166	0	166	0	0	0	0	0	0	166	0	0	0	166	
Sub-total						15,993	16,834	11,692	9,543	4,830	58,892	1,992	60,884	0	5,999	0	0	0	0	0	54,885	0	0	0	60,884

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 3: 2018 Preliminary Capital Budget; 2019 - 2027 Capital Plan

Toronto Transit Commission						Current and Future Year Cash Flow Commitments						Current and Future Year Cash Flow Commitments Financed By													
Sub- Priority	Project No. SubProj No.	Project Name Sub-project Name	Ward	Stat.	Cat.	2018	2019	2020	2021	2022	Total 2018-2022	Total 2023-2027	Total 2018-2027	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing		
	<u>TTS000392</u>	<u>Sheppard Subway</u>																							
4	1	Sheppard Subway - Expansion	CW	S2	05	3,705	0	0	0	0	3,705	0	3,705	0	0	0	0	0	0	0	0	0	3,705	0	3,705
		Sub-total				3,705	0	0	0	0	3,705	0	3,705	0	0	0	0	0	0	0	0	0	3,705	0	3,705
Total Program Expenditure						1,405,655	1,227,132	867,672	704,893	463,975	4,669,327	1,869,050	6,538,377	985,054	2,574,460	516,404	264,371	0	0	151,674	1,801,044,613	0	6,538,377		

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 3: 2018 Preliminary Capital Budget; 2019 - 2027 Capital Plan

Toronto Transit Commission

		Current and Future Year Cash Flow Commitments and Estimates									Current and Future Year Cash Flow Commitments and Estimates Financed By																
		2018	2019	2020	2021	2022	Total 2018-2022	Total 2023-2027	Total 2018-2027	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing								
Sub- Priority	Project No. SubProj No.	Project Name Sub-project Name	Ward	Stat.	Cat.																						
Financed By:																											
		Provincial Grants & Subsidies				136,700	172,978	148,806	75,225	75,224	608,933	376,121	985,054	985,054	0	0	0	0	0	0	0	0	0	0	0	985,054	
		Federal Subsidy				393,878	269,748	227,236	298,951	314,327	1,504,140	1,070,320	2,574,460	0	2,574,460	0	0	0	0	0	0	0	0	0	0	0	2,574,460
		Development Charges				132,796	64,981	65,891	65,130	64,702	393,500	122,904	516,404	0	0	516,404	0	0	0	0	0	0	0	0	0	0	516,404
		Reserves (Ind. "XQ" Ref.)				70,278	156,513	37,580	0	0	264,371	0	264,371	0	0	264,371	0	0	0	0	0	0	0	0	0	0	264,371
		Other1 (Internal)				29,295	18,109	11,948	13,450	9,722	82,524	69,150	151,674	0	0	0	0	0	151,674	0	0	0	0	0	0	0	151,674
		Other2 (External)				1,801	0	0	0	0	1,801	0	1,801	0	0	0	0	0	0	1,801	0	0	0	0	0	1,801	
		Debt				640,907	544,803	376,211	252,137	0	1,814,058	230,555	2,044,613	0	0	0	0	0	0	0	0,044,613	0	0	0	0	2,044,613	
		Total Program Financing				1,405,655	1,227,132	867,672	704,893	463,975	4,669,327	1,869,050	6,538,377	985,054	2,574,460	516,404	264,371	0	0	151,674	1,801,044,613	0	0	0	0	6,538,377	

- Status Code Description**
- S2 S2 Prior Year (With 2018 and/or Future Year Cashflow)
 - S3 S3 Prior Year - Change of Scope 2018 and/or Future Year Cost/Cashflow)
 - S4 S4 New - Stand-Alone Project (Current Year Only)
 - S5 S5 New (On-going or Phased Projects)
 - S6 S6 New - Future Year (Commencing in 2019 & Beyond)

- Category Code Description**
- 01 Health and Safety C01
 - 02 Legislated C02
 - 03 State of Good Repair C03
 - 04 Service Improvement and Enhancement C04
 - 05 Growth Related C05
 - 06 Reserved Category 1 C06
 - 07 Reserved Category 2 C07

Appendix 4

2018 Cash Flow and Future Year Commitments

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 4: 2018 Cash Flow and Future Year Commitments

Toronto Transit Commission

						Current and Future Year Cash Flow Commitments							Current and Future Year Cash Flow Commitments Financed By											
Sub-Project No.	Project Name	Ward	Stat.	Cat.	2018	2019	2020	2021	2022	Total 2018-2022	Total 2023-2027	Total 2018-2027	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing		
TTC000110 Subway Track																								
1 1	Subway Track - SOGR	CW	S2	03	36,106	15,409	0	0	0	51,515	0	51,515	0	18,801	0	6,911	0	0	0	0	25,803	0	51,515	
0 5	Subway Track Improvement	CW	S2	04	2,565	842	100	0	0	3,507	0	3,507	0	0	0	0	0	0	0	0	3,507	0	3,507	
1 7	Subway Track - SOGR	CW	S5	03	0	18,391	243	0	0	18,634	0	18,634	0	0	0	17,127	0	0	0	0	1,507	0	18,634	
Sub-total					38,671	34,642	343	0	0	73,656	0	73,656	0	18,801	0	24,038	0	0	0	0	30,817	0	73,656	
TTC000120 Surface Track																								
1 1	Surface Track - SOGR	CW	S2	03	25,163	5,220	773	3,057	0	34,213	0	34,213	0	0	0	8,031	0	0	0	0	26,182	0	34,213	
0 3	Surface Track Improvement	CW	S2	04	3,750	4,310	0	0	0	8,060	0	8,060	0	0	0	0	0	0	0	0	8,060	0	8,060	
1 7	Surface Track - SOGR	CW	S5	03	11,591	28,116	13,017	0	0	52,724	0	52,724	0	4,196	0	16,521	0	0	0	0	32,007	0	52,724	
Sub-total					40,504	37,646	13,790	3,057	0	94,997	0	94,997	0	4,196	0	24,552	0	0	0	0	0	66,249	0	94,997
TTC000210 Traction Power - Various																								
1 1	Traction Power - SOGR	CW	S2	03	10,902	2,132	0	0	0	13,034	0	13,034	9,253	3,047	0	0	0	0	0	0	734	0	13,034	
1 6	Traction Power - SOGR	CW	S5	03	10,143	16,875	4,955	0	0	31,973	0	31,973	31,124	0	0	0	0	0	0	0	849	0	31,973	
Sub-total					21,045	19,007	4,955	0	0	45,007	0	45,007	40,377	3,047	0	0	0	0	0	0	0	1,583	0	45,007
TTC000220 Power Dist./Electric Systems - Various																								
1 1	Power Dist./Electric Systems - SOGR	CW	S2	03	7,013	5,990	0	0	0	13,003	0	13,003	0	0	0	0	0	0	0	0	13,003	0	13,003	
0 3	Power Dist./Electric Systems - Improvement	CW	S2	04	210	0	0	0	0	210	0	210	0	0	0	0	0	0	0	0	210	0	210	
1 5	Power Dist./Electric Systems - SOGR	CW	S5	03	0	550	9,260	0	0	9,810	0	9,810	0	4,486	0	0	0	0	0	0	5,324	0	9,810	
0 6	Power Dist./Electric Systems - Improvement	CW	S5	04	144	210	0	0	0	354	0	354	0	0	0	0	0	0	0	0	354	0	354	
Sub-total					7,367	6,750	9,260	0	0	23,377	0	23,377	0	4,486	0	0	0	0	0	0	0	18,891	0	23,377
TTC000230 Communications - Various																								
1 1	Communications - SOGR	CW	S2	03	24,715	13,101	11,842	6,774	0	56,432	0	56,432	26,560	477	0	0	0	0	0	0	29,395	0	56,432	
1 3	Communications - Legislated	CW	S2	02	2,669	543	207	538	0	3,957	0	3,957	2,514	0	0	0	0	0	0	0	1,443	0	3,957	
0 5	Communication -Improvement	CW	S2	04	0	75	0	0	0	75	0	75	0	0	0	0	0	0	0	0	75	0	75	
1 10	Communications - SOGR	CW	S5	03	0	0	0	4,857	8,077	12,934	519	13,453	0	5,422	0	0	0	0	0	0	8,031	0	13,453	
Sub-total					27,384	13,719	12,049	12,169	8,077	73,398	519	73,917	29,074	5,899	0	0	0	0	0	0	0	38,944	0	73,917

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 4: 2018 Cash Flow and Future Year Commitments

Toronto Transit Commission

						Current and Future Year Cash Flow Commitments							Current and Future Year Cash Flow Commitments Financed By											
Sub-Project No.	Project Name	Ward	Stat.	Cat.	2018	2019	2020	2021	2022	Total 2018-2022	Total 2023-2027	Total 2018-2027	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable	Total Financing		
TTC000379 Fire Ventilation Upgrade																								
1	1	Fire Ventilation Upgrade - SOGR	CW	S2	03	15,760	18,110	33,221	18,416	0	85,507	0	85,507	15,636	0	0	9,144	0	0	0	60,727	0	85,507	
0	5	Fire Ventilation Upgrade SOGR	CW	S3	03	0	0	0	26,676	0	26,676	0	26,676	0	0	0	0	0	0	0	26,676	0	26,676	
Sub-total						15,760	18,110	33,221	45,092	0	112,183	0	112,183	15,636	0	0	9,144	0	0	0	87,403	0	112,183	
TTC000383 Easier Access Phase II & III																								
1	1	Easier Access Phase III - Legislated	CW	S2	02	44,824	56,114	62,164	71,822	69,667	304,591	166,748	471,339	233,644	167,352	0	0	0	0	0	70,343	0	471,339	
1	4	Easier Access Phase III - Legislated	CW	S3	02	0	0	0	0	1,596	1,596	0	1,596	0	0	0	0	0	0	0	1,596	0	1,596	
Sub-total						44,824	56,114	62,164	71,822	71,263	306,187	166,748	472,935	233,644	167,352	0	0	0	0	0	0	71,939	0	472,935
TTC000390 Other Bldgs & Structures Projects																								
1	1	Other Buildings & Structures Projects - SOGRS	CW	S2	03	67,496	88,700	78,934	42,294	18,076	295,500	0	295,500	25,000	71,632	12,521	42,962	0	0	0	143,385	0	295,500	
2	3	Other Bldgs & Structures Projects - SOGR	CW	S3	05	112,764	3,850	0	0	0	116,614	0	116,614	0	41,249	0	0	0	0	0	75,365	0	116,614	
3	4	Other bldgs & structures projects - Expansion	CW	S2	05	8,683	0	0	0	0	8,683	0	8,683	0	0	0	0	0	0	0	8,683	0	8,683	
1	5	Other Buildings and Structures - Legislated	CW	S2	02	12,196	16,217	11,718	11,562	3,985	55,678	7,705	63,383	0	2,214	5,349	16,153	0	0	0	39,667	0	63,383	
0	17	Other Bldgs-Structures - SOGR	CW	S5	03	0	0	0	5,933	1,473	7,406	3,428	10,834	0	3,428	0	0	0	0	0	7,406	0	10,834	
0	20	Other Buildings & Structure - Improvement	CW	S2	04	14,504	8,236	5,158	5,205	3,530	36,633	8,822	45,455	0	0	3,226	0	0	0	0	42,229	0	45,455	
Sub-total						215,643	117,003	95,810	64,994	27,064	520,514	19,955	540,469	25,000	118,523	21,096	59,115	0	0	0	0	316,735	0	540,469
TTC000414 Purchases of Buses																								
1	1	Purchase of Buses - SOGR	CW	S2	03	212,239	115,051	80,837	23,369	11,626	443,122	100,578	543,700	0	209,577	86,362	0	0	0	0	247,761	0	543,700	
0	7	Purchase of Buses - SOGR	CW	S3	03	0	0	0	0	0	0	-91,278	-91,278	0	0	0	0	0	0	0	-91,278	0	-91,278	
0	9	Purchase of Buses - SI	CW	S3	04	17,186	22,247	27,946	14,631	0	82,010	0	82,010	0	0	14,631	0	0	0	0	67,379	0	82,010	
Sub-total						229,425	137,298	108,783	38,000	11,626	525,132	9,300	534,432	0	209,577	100,993	0	0	0	0	0	223,862	0	534,432
TTC000415 Purchase of 360 Wheel-Trans Vehicles																								
1	1	Replacement Wheel-Trans Vehicles	CW	S2	03	10,380	0	0	0	0	10,380	0	10,380	0	5,190	0	0	0	0	0	5,190	0	10,380	
1	3	Purchase of 360 Wheel-Trans Vehicle	CW	S5	03	0	7,629	0	0	0	7,629	0	7,629	0	3,815	0	0	0	0	0	3,814	0	7,629	
Sub-total						10,380	7,629	0	0	0	18,009	0	18,009	0	9,005	0	0	0	0	0	0	9,004	0	18,009
TTC000421 Purchase of Subway Cars																								

CITY OF TORONTO

**Gross Expenditures (\$000's)
Appendix 4: 2018 Cash Flow and Future Year Commitments**

Toronto Transit Commission

Sub- Project No. Project Name PrioritySubProj No. Sub-project Name Ward Stat. Cat.						Current and Future Year Cash Flow Commitments							Current and Future Year Cash Flow Commitments Financed By										
						2018	2019	2020	2021	2022	Total 2018-2022	Total 2023-2027	Total 2018-2027	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing
TTC000421 Purchase of Subway Cars																							
1	1	Purchase of Subway Cars	CW	S2	03	26,700	0	0	0	0	26,700	0	26,700	0	0	0	0	0	0	0	26,700	0	26,700
0	3	Purchase of Subway Car - SOGR	CW	S3	03	249	524	584	1,523	2,120	5,000	0	5,000	0	0	2,120	0	0	0	0	2,880	0	5,000
Sub-total						26,949	524	584	1,523	2,120	31,700	0	31,700	0	0	2,120	0	0	0	0	29,580	0	31,700
TTC000432 Bus Overhaul Program																							
1	1	Bus Overhaul Program - SOGR	CW	S2	03	45,885	23,583	0	0	0	69,468	0	69,468	0	27,927	0	0	0	0	0	41,541	0	69,468
1	5	Bus Overhaul Program - SOGR	CW	S5	03	0	12,280	11,240	0	0	23,520	0	23,520	7,485	0	0	0	0	0	0	16,035	0	23,520
Sub-total						45,885	35,863	11,240	0	0	92,988	0	92,988	7,485	27,927	0	0	0	0	0	57,576	0	92,988
TTC000450 Streetcar Overhaul Program																							
1	1	Streetcar Overhaul Program - SOGR	CW	S2	03	12,473	2,864	1,866	1,704	617	19,524	9,383	28,907	0	6,730	0	0	0	0	1,801	20,376	0	28,907
1	3	Streetcar Overhaul Program - SOGR Scope Change	CW	S3	03	0	0	0	0	0	0	54,533	54,533	0	25,689	0	0	0	0	0	28,844	0	54,533
Sub-total						12,473	2,864	1,866	1,704	617	19,524	63,916	83,440	0	32,419	0	0	0	0	1,801	49,220	0	83,440
TTC000460 Subway Car Overhaul Program																							
1	1	Subway Car Overhaul Program - SOGR	CW	S2	03	31,807	29,158	17,437	17,910	19,103	115,415	81,758	197,173	22,445	68,943	0	13,825	0	0	0	91,960	0	197,173
1	4	Subway Car Overhaul Program - SOGR	CW	S3	03	13,753	899	4,696	7,003	0	26,351	0	26,351	0	13,753	0	4,696	0	0	0	7,902	0	26,351
Sub-total						45,560	30,057	22,133	24,913	19,103	141,766	81,758	223,524	22,445	82,696	0	18,521	0	0	0	99,862	0	223,524
TTC000470 Automotive Non-Revenue Vehicles																							
1	1	Automotive Non-Revenue Vehicles - SOGR	CW	S2	03	1,686	500	1,297	1,605	1,715	6,803	2,300	9,103	0	0	0	0	0	0	9,103	0	0	9,103
0	6	Automotive Non-Revenue Vehicle Additions	CW	S2	05	1,729	1,200	0	0	0	2,929	0	2,929	0	0	0	0	0	2,929	0	0	0	2,929
0	7	Automotive Non-Revenue Vehicle Additions	CW	S5	05	916	0	0	0	0	916	0	916	0	0	0	0	0	916	0	0	0	916
Sub-total						4,331	1,700	1,297	1,605	1,715	10,648	2,300	12,948	0	0	0	0	0	12,948	0	0	0	12,948
TTC000480 Rail Non-Revenue Vehicle Overhaul																							
1	1	Rail Non-Revenue Vehicle Overhaul - SOGR	CW	S2	03	5,018	3,275	3,219	5,060	0	16,572	0	16,572	0	1,712	0	0	0	0	14,860	0	16,572	
1	9	Rail Non-Revenue Vehicle Overhaul	CW	S3	03	-603	0	0	0	0	-603	0	-603	0	0	0	0	0	0	0	-603	0	-603
Sub-total						4,415	3,275	3,219	5,060	0	15,969	0	15,969	0	1,712	0	0	0	0	0	14,257	0	15,969
TTC000510 Tools and Shop Equipment																							
1	1	Tools and Shop Equipment - SOGR	CW	S2	03	4,394	214	943	4,686	0	10,237	0	10,237	0	0	0	0	0	10,237	0	0	0	10,237

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 4: 2018 Cash Flow and Future Year Commitments

Toronto Transit Commission

						Current and Future Year Cash Flow Commitments						Current and Future Year Cash Flow Commitments Financed By												
Sub-Project No.	Project Name	Ward	Stat.	Cat.		2018	2019	2020	2021	2022	Total 2018-2022	Total 2023-2027	Total 2018-2027	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing	
TTC000510 Tools and Shop Equipment																								
1 6	Tools and Shop Equipment - SOGR	CW	S5	03		516	2,206	0	0	0	2,722	0	2,722	0	0	0	0	0	0	2,722	0	0	0	2,722
	Sub-total					4,910	2,420	943	4,686	0	12,959	0	12,959	0	0	0	0	0	0	12,959	0	0	0	12,959
TTC000520 Fare Handling Equipment																								
1 1	Fare Handling Equipment - SOGR	CW	S2	03		1,199	0	0	0	0	1,199	0	1,199	0	0	0	0	0	0	0	0	1,199	0	1,199
1 7	Fare Handling Equipment - SOGR	CW	S5	03		11,258	175	0	0	0	11,433	0	11,433	0	0	0	0	0	0	360	0	11,073	0	11,433
	Sub-total					12,457	175	0	0	0	12,632	0	12,632	0	0	0	0	0	0	360	0	12,272	0	12,632
TTC000530 Other Maintenance Equipment																								
1 1	Other Maintenance Equipment - SOGR S2	CW	S2	03		3,253	2,996	733	734	772	8,488	726	9,214	0	0	0	0	0	0	9,214	0	0	0	9,214
1 4	Other Maintenance Equipment - SOGR	CW	S5	03		0	0	0	0	0	0	1,812	1,812	0	0	0	0	0	0	1,812	0	0	0	1,812
	Sub-total					3,253	2,996	733	734	772	8,488	2,538	11,026	0	0	0	0	0	0	11,026	0	0	0	11,026
TTC000610 Environmental Programs																								
2 1	Environmental Programs - Legislated	CW	S2	02		7,838	9,067	8,017	5,752	0	30,674	0	30,674	0	185	0	0	0	0	0	0	30,489	0	30,674
	Sub-total					7,838	9,067	8,017	5,752	0	30,674	0	30,674	0	185	0	0	0	0	0	0	30,489	0	30,674
TTC000710 Information Technology System-Infrastructure																								
1 1	Information Tech. System-Infrastructure - SOGR	CW	S2	03		100,791	52,287	37,735	86,409	0	277,222	0	277,222	0	12,346	0	0	0	0	30,942	0	233,934	0	277,222
1 8	Information Tech. Systems-Infrastructure - SOGR	CW	S3	03		0	0	0	-86,409	0	-86,409	0	-86,409	0	0	0	0	0	0	0	0	-86,409	0	-86,409
	Sub-total					100,791	52,287	37,735	0	0	190,813	0	190,813	0	12,346	0	0	0	0	30,942	0	147,525	0	190,813
TTC000910 Furniture & Office Equipment																								
1 1	Furniture & Office Equipment - SOGR	CW	S2	03		216	204	72	0	0	492	0	492	0	0	0	0	0	0	492	0	0	0	492
1 6	Furniture & Office Equipment - SOGR	CW	S5	03		72	6	124	0	0	202	0	202	0	0	0	0	0	0	202	0	0	0	202
	Sub-total					288	210	196	0	0	694	0	694	0	0	0	0	0	0	694	0	0	0	694
TTC000920 Other Service Planning																								
3 1	Other Service Planning - Improvement	CW	S2	04		14,169	8,993	8,625	8,010	873	40,670	0	40,670	0	0	7,040	0	0	0	0	0	33,630	0	40,670
0 6	Other Service Planning - SOGR	CW	S2	03		4,000	7,000	6,730	0	0	17,730	0	17,730	0	2,075	0	0	0	0	0	0	15,655	0	17,730
0 7	Other Service Planning - Legislated	CW	S2	02		4,110	7,300	6,688	0	0	18,098	0	18,098	0	0	0	0	0	0	0	0	18,098	0	18,098
0 8	Other Service Planning - Legis	CW	S3	02		90	0	0	0	0	90	0	90	0	0	0	0	0	0	0	0	90	0	90

CITY OF TORONTO

**Gross Expenditures (\$000's)
Appendix 4: 2018 Cash Flow and Future Year Commitments**

Toronto Transit Commission

						Current and Future Year Cash Flow Commitments							Current and Future Year Cash Flow Commitments Financed By										
Sub-Project No.	Project Name	Ward	Stat.	Cat.	2018	2019	2020	2021	2022	Total 2018-2022	Total 2023-2027	Total 2018-2027	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable	Total Financing	
TTC000920 Other Service Planning																							
0 9	Other Service Planning Expansion	CW	S2	05	600	600	601	0	0	1,801	0	1,801	0	0	0	0	0	0	0	0	1,801	0	1,801
	Sub-total				22,969	23,893	22,644	8,010	873	78,389	0	78,389	0	2,075	7,040	0	0	0	0	0	69,274	0	78,389
TTC000921 Transit Shelters & Loops																							
0 4	Transit Shelters & Loops - SOGR	CW	S2	03	206	280	209	0	0	695	0	695	0	0	0	0	0	0	0	0	695	0	695
0 6	Transit Shelter & Loops SOGR	CW	S5	03	0	0	71	23	0	94	0	94	0	0	0	0	0	0	0	0	94	0	94
0 8	Transit Shelters & Loops SI	CW	S3	04	177	100	0	0	0	277	0	277	0	0	0	0	0	0	0	0	277	0	277
	Sub-total				383	380	280	23	0	1,066	0	1,066	0	0	0	0	0	0	0	0	1,066	0	1,066
TTC906010 Purchase of Streetcars																							
0 2	Purchase of Streetcars - SOGR	CW	S2	03	184,961	304,553	12,117	0	0	501,631	0	501,631	152,744	272,349	0	13,625	0	0	0	0	62,913	0	501,631
	Sub-total				184,961	304,553	12,117	0	0	501,631	0	501,631	152,744	272,349	0	13,625	0	0	0	0	62,913	0	501,631
TTC906365 Purchase of Rail Non-Revenue Vehicle																							
1 1	Purchase of Rail Non-Revenue Vehicle - SOGR	CW	S2	03	9,157	3,832	5,455	9,543	4,830	32,817	1,992	34,809	0	0	0	0	0	0	0	0	34,809	0	34,809
1 3	Purchase of Rail Non-Revenue Vehicle - Improvement	CW	S2	04	6,670	13,002	6,237	0	0	25,909	0	25,909	0	5,999	0	0	0	0	0	0	19,910	0	25,909
0 6	Purchase of Rail Non-Revenue Vehicle - SOGR	CW	S3	03	166	0	0	0	0	166	0	166	0	0	0	0	0	0	0	0	166	0	166
	Sub-total				15,993	16,834	11,692	9,543	4,830	58,892	1,992	60,884	0	5,999	0	0	0	0	0	0	54,885	0	60,884
TTC907743 ATC Resignalling																							
0 1	ATC YUS Resignalling - SOGR	CW	S2	03	65,174	71,110	35,515	8,030	0	179,829	0	179,829	0	8,030	87,714	15,345	0	0	0	0	68,740	0	179,829
0 2	ATC BD Resignalling - SOGR	CW	S2	03	200	200	13,305	20,978	30,840	65,523	190,988	256,511	0	21,899	139,754	200	0	0	0	0	94,658	0	256,511
0 3	BD Line ATC Resignalling - S3	CW	S3	03	0	0	0	0	0	0	43,304	43,304	0	20,494	10,247	0	0	0	0	0	12,563	0	43,304
	Sub-total				65,374	71,310	48,820	29,008	30,840	245,352	234,292	479,644	0	50,423	237,715	15,545	0	0	0	0	175,961	0	479,644
TTC907744 Fare System																							
0 1	Fare System - SOGR	CW	S2	03	125	125	0	0	0	250	0	250	0	0	0	0	0	0	0	0	250	0	250
0 2	Fare System - Expansion	CW	S2	05	2,258	0	0	0	0	2,258	0	2,258	0	0	0	0	0	0	0	0	2,258	0	2,258
0 3	Fare System - Expansion - Scope Change	CW	S3	05	3,310	0	0	0	0	3,310	0	3,310	2,906	0	0	0	0	0	0	0	404	0	3,310
	Sub-total				5,693	125	0	0	0	5,818	0	5,818	2,906	0	0	0	0	0	0	0	2,912	0	5,818
TTC907749 Leslie Barns Streetcar Maint. & Storage Facility																							

CITY OF TORONTO

Gross Expenditures (\$000's)

Appendix 4: 2018 Cash Flow and Future Year Commitments

Toronto Transit Commission

		Current and Future Year Cash Flow Commitments and Estimates									Current and Future Year Cash Flow Commitments and Estimates Financed By																							
		2018	2019	2020	2021	2022	Total 2018-2022	Total 2023-2027	Total 2018-2027	Provincial Grants and Subsidies	Federal Subsidy	Development Charges	Reserve Reserves	Reserve Funds	Capital from Current	Other 1	Other2	Debt - Recoverable Debt	Total Financing															
Sub- Priority	Project No. SubProj No.	Project Name Sub-project Name	Ward	Stat.	Cat.																													
Financed By:																																		
		Provincial Grants & Subsidies				136,700	172,978	100,722	23,695	23,468	457,563	84,694	542,257	542,257	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	542,257
		Federal Subsidy				393,878	269,748	205,796	245,026	203,390	1,317,838	431,617	1,749,455	0	1,749,455	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,749,455
		Development Charges				132,796	64,981	65,891	65,130	54,111	382,909	114,104	497,013	0	0	497,013	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	497,013
		Reserves (Ind. "XQ" Ref.)				70,278	156,513	17,288	0	0	244,079	0	244,079	0	0	244,079	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	244,079
		Other1 (Internal)				29,295	16,279	9,005	7,025	2,487	64,091	4,838	68,929	0	0	0	0	0	0	0	68,929	0	0	0	0	0	0	0	0	0	0	0	0	68,929
		Other2 (External)				1,801	0	0	0	0	1,801	0	1,801	0	0	0	0	0	0	0	0	0	1,801	0	0	0	0	0	0	0	0	0	0	1,801
		Debt				640,907	544,803	344,742	132,872	-54,830	1,608,494	-45,322	1,563,172	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,563,172
		Total Program Financing				1,405,655	1,225,302	743,444	473,748	228,626	4,076,775	589,931	4,666,706	542,257	1,749,455	497,013	244,079	0	0	68,929	1,801	563,172	0	0	0	0	0	0	0	0	0	0	0	4,666,706

Status Code	Description
S2	S2 Prior Year (With 2018 and/or Future Year Cashflow)
S3	S3 Prior Year - Change of Scope 2018 and/or Future Year Cost/Cashflow)
S4	S4 New - Stand-Alone Project (Current Year Only)
S5	S5 New (On-going or Phased Projects)

Category Code	Description
01	Health and Safety C01
02	Legislated C02
03	State of Good Repair C03
04	Service Improvement and Enhancement C04
05	Growth Related C05
06	Reserved Category 1 C06
07	Reserved Category 2 C07

Appendix 5

2018 Preliminary Capital Budget with Financing Detail



CITY OF TORONTO

Appendix 5: 2018 Preliminary Capital Budget with Financing Detail

Toronto Transit Commission

Sub-Project Summary

Project/Financing		Start Date	Completion Date	2018 Cash Flow	Financing								
Priority	Project				Project Name	Provincial Grants Subsidies	Federal Subsidy	Developmt Charges	Reserves	Reserve Funds	Capital From Current	Other 1	Other 2
1	TTC000220	Power Dist./Electric Systems - Various											
0	6	01/01/2014	12/31/2024	144	0	0	0	0	0	0	0	144	0
1	1	01/01/1996	12/31/2017	7,013	0	0	0	0	0	0	0	7,013	0
		Project Sub-total:		7,367	0	0	0	0	0	0	0	7,367	0
1	TTC000230	Communications - Various											
1	1	01/01/1996	12/31/2023	24,715	14,387	477	0	0	0	0	0	9,851	0
1	3	01/01/2006	12/31/2018	2,669	2,514	0	0	0	0	0	0	155	0
		Project Sub-total:		27,384	16,901	477	0	0	0	0	0	10,006	0
1	TTC000240	Signal Systems - Various											
1	1	01/01/1999	12/31/2023	18,077	0	0	0	5,049	0	0	0	13,028	0
1	4	01/01/2003	12/31/2024	57	0	0	0	57	0	0	0	0	0
		Project Sub-total:		18,134	0	0	0	5,106	0	0	0	13,028	0
1	TTC000310	Finishes - Various											
0	3	11/10/2005	12/31/2017	238	0	0	0	0	0	0	0	238	0
1	1	01/01/1996	12/31/2017	19,965	0	6,608	0	0	0	0	0	13,357	0
		Project Sub-total:		20,203	0	6,608	0	0	0	0	0	13,595	0
1	TTC000320	Equipment - Various											
1	1	01/01/1996	12/31/2024	19,939	0	4,850	0	0	0	0	0	15,089	0
1	3	01/01/1996	12/31/2023	1,107	0	0	0	0	0	0	0	1,107	0
1	8	01/01/2003	12/31/2024	3,209	0	0	0	0	0	0	0	3,209	0
		Project Sub-total:		24,255	0	4,850	0	0	0	0	0	19,405	0
1	TTC000333	On-Grade Paving Rehabilitation											
1	1	01/01/1996	12/31/2018	10,764	0	1,056	0	0	0	0	0	9,708	0
		Project Sub-total:		10,764	0	1,056	0	0	0	0	0	9,708	0
1	TTC000340	Bridges and Tunnels - Various											
1	1	01/01/1996	12/31/2017	30,455	0	4,735	0	17,912	0	0	0	7,808	0
		Project Sub-total:		30,455	0	4,735	0	17,912	0	0	0	7,808	0
1	TTC000379	Fire Ventilation Upgrade											
1	1	01/01/1996	12/31/2019	15,760	0	0	0	0	0	0	0	15,760	0
		Project Sub-total:		15,760	0	0	0	0	0	0	0	15,760	0
1	TTC000390	Other Bldgs & Structures Projects											
0	20	01/01/2014	12/31/2017	14,504	0	0	0	0	0	0	0	14,504	0



CITY OF TORONTO

Appendix 5: 2018 Preliminary Capital Budget with Financing Detail

Toronto Transit Commission

Sub-Project Summary

Project/Financing Priority Project Project Name		Start Date	Completion Date	2018 Cash Flow	Financing									
					Provincial Grants Subsidies	Federal Subsidy	Developmt Charges	Reserves	Reserve Funds	Capital From Current	Other 1	Other 2	Debt	Debt - Recoverable
1 <u>TTC000390</u> Other Bldgs & Structures Projects														
1	1 Other Buildings & Structures Projects - SOGRS	01/01/2000	12/31/2021	67,496	0	19,972	2,395	23,905	0	0	0	0	21,224	0
1	5 Other Buildings and Structures - Legislated	01/01/2002	12/31/2014	12,196	0	0	0	0	0	0	0	0	12,196	0
2	3 Other Bldgs & Structures Projects - SOGR	01/01/2017	12/31/2020	112,764	0	41,249	0	0	0	0	0	0	71,515	0
3	4 Other bldgs & structures projects - Expansion	01/01/2014	12/31/2018	8,683	0	0	0	0	0	0	0	0	8,683	0
Project Sub-total:				215,643	0	61,221	2,395	23,905	0	0	0	0	128,122	0
1 <u>TTC000414</u> Purchases of Buses														
0	9 Purchase of Buses - SI	01/01/2016	01/01/2026	17,186	0	0	0	0	0	0	0	0	17,186	0
1	1 Purchase of Buses - SOGR	01/01/2000	12/31/2023	212,239	0	117,645	21,720	0	0	0	0	0	72,874	0
Project Sub-total:				229,425	0	117,645	21,720	0	0	0	0	0	90,060	0
1 <u>TTC000415</u> Purchase of 360 Wheel-Trans Vehicles														
1	1 Replacement Wheel-Trans Vehicles	01/01/1998	12/31/2022	10,380	0	5,190	0	0	0	0	0	0	5,190	0
Project Sub-total:				10,380	0	5,190	0	0	0	0	0	0	5,190	0
1 <u>TTC000421</u> Purchase of Subway Cars														
0	3 Purchase of Subway Car - SOGR	01/01/2018	12/31/2022	249	0	0	0	0	0	0	0	0	249	0
1	1 Purchase of Subway Cars	01/01/1996	12/31/2018	26,700	0	0	0	0	0	0	0	0	26,700	0
Project Sub-total:				26,949	0	0	0	0	0	0	0	0	26,949	0
1 <u>TTC000432</u> Bus Overhaul Program														
1	1 Bus Overhaul Program - SOGR	01/01/1996	12/31/2026	45,885	0	22,943	0	0	0	0	0	0	22,942	0
Project Sub-total:				45,885	0	22,943	0	0	0	0	0	0	22,942	0
1 <u>TTC000450</u> Streetcar Overhaul Program														
1	1 Streetcar Overhaul Program - SOGR	01/01/2003	12/31/2023	12,473	0	2,530	0	0	0	0	0	1,801	8,142	0
Project Sub-total:				12,473	0	2,530	0	0	0	0	0	1,801	8,142	0
1 <u>TTC000460</u> Subway Car Overhaul Program														
1	1 Subway Car Overhaul Program - SOGR	01/01/1996	12/31/2024	31,807	0	2,193	0	5,936	0	0	0	0	23,678	0
1	4 Subway Car Overhaul Program - SOGR	01/01/2015	12/31/2027	13,753	0	13,753	0	0	0	0	0	0	0	0
Project Sub-total:				45,560	0	15,946	0	5,936	0	0	0	0	23,678	0
1 <u>TTC000470</u> Automotive Non-Revenue Vehicles														
0	6 Automotive Non-Revenue Vehicle Additions	08/02/2017	12/31/2019	1,729	0	0	0	0	0	1,729	0	0	0	0
0	7 Automotive Non-Revenue Vehicle Additions	08/02/2017	12/31/2027	916	0	0	0	0	0	916	0	0	0	0
1	1 Automotive Non-Revenue Vehicles - SOGR	01/01/1996	12/31/2025	1,686	0	0	0	0	0	1,686	0	0	0	0
Project Sub-total:				4,331	0	0	0	0	0	4,331	0	0	0	0



CITY OF TORONTO

Appendix 5: 2018 Preliminary Capital Budget with Financing Detail

Toronto Transit Commission

Sub-Project Summary

Project/Financing				2018	Financing										
Priority	Project	Project Name	Start Date	Completion Date	Cash Flow	Provincial Grants Subsidies	Federal Subsidy	Developmt Charges	Reserves	Reserve Funds	Capital From Current	Other 1	Other 2	Debt	Debt - Recoverable
1	TTC907749	Leslie Barns Streetcar Maint.& Storage Facility													
1		1 Leslie Barns Streetcar Main. & Storage Facility	10/04/2010	12/31/2016	16,829	0	0	3,702	0	0	0	0	0	13,127	0
		Project Sub-total:			16,829	0	0	3,702	0	0	0	0	0	13,127	0
1	TTC907750	Toronto Rocket Yard & Storage Track Accommodation													
0		2 Toronto Rocket Yard Storage Track Accom. Scope Cha	01/01/2017	12/31/2018	-6,750	0	0	0	0	0	0	0	0	-6,750	0
1		1 Toronto Rocket Yard - Storage Track Accommodation	10/04/2010	12/31/2019	40,601	0	7,811	26,040	0	0	0	0	0	6,750	0
		Project Sub-total:			33,851	0	7,811	26,040	0	0	0	0	0	0	0
2	TTC000383	Easier Access Phase II & III													
1		1 Easier Access Phase III - Legislated	01/01/1996	12/31/2025	44,824	39,759	645	0	0	0	0	0	0	4,420	0
		Project Sub-total:			44,824	39,759	645	0	0	0	0	0	0	4,420	0
2	TTC000610	Environmental Programs													
2		1 Environmental Programs - Legislated	01/01/1996	12/31/2019	7,838	0	185	0	0	0	0	0	0	7,653	0
		Project Sub-total:			7,838	0	185	0	0	0	0	0	0	7,653	0
3	TTC000920	Other Service Planning													
0		6 Other Service Planning - SOGR	01/01/2014	12/31/2017	4,000	0	2,075	0	0	0	0	0	0	1,925	0
0		7 Other Service Planning - Legislated	01/01/2015	12/31/2025	4,110	0	0	0	0	0	0	0	0	4,110	0
0		8 Other Service Planning - Legis	01/01/2017	12/31/2026	90	0	0	0	0	0	0	0	0	90	0
0		9 Other Service Planning Expansion	06/23/2015	12/31/2026	600	0	0	0	0	0	0	0	0	600	0
3		1 Other Service Planning - Improvement	01/01/1996	12/31/2015	14,169	0	0	1,760	0	0	0	0	0	12,409	0
		Project Sub-total:			22,969	0	2,075	1,760	0	0	0	0	0	19,134	0
3	TTC000921	Transit Shelters & Loops													
0		4 Transit Shelters & Loops - SOGR	01/01/2013	12/31/2016	206	0	0	0	0	0	0	0	0	206	0
0		8 Transit Shelters & Loops SI	01/01/2018	12/31/2019	177	0	0	0	0	0	0	0	0	177	0
		Project Sub-total:			383	0	0	0	0	0	0	0	0	383	0
4	TTC000330	Yards and Roads - Various													
0		4 Yards and Roads Expansion	12/01/2000	12/31/2016	256	0	0	0	256	0	0	0	0	0	0
1		1 Yards and Roads - Legislated	01/01/1997	12/31/2020	1,533	0	0	0	639	0	0	0	0	894	0
		Project Sub-total:			1,789	0	0	0	895	0	0	0	0	894	0

(Phase 2) 20-Toronto Transit Commission

Sub-Project Category: 01,02,03,04,05,06,07

Type: B Sub-Project Status: S2

Type: C Sub-Project Status: S2,S3,S4,S5



CITY OF TORONTO

Appendix 5: 2018 Preliminary Capital Budget with Financing Detail

Toronto Transit Commission

Sub-Project Summary

Project/Financing

Priority Project Project Name

Priority	Project	Project Name	Start Date	Completion Date	2018	Financing											
					Cash Flow	Provincial Grants Subsidies	Federal Subsidy	Developmt Charges	Reserves	Reserve Funds	Capital From Current	Other 1	Other 2	Debt	Debt - Recoverable		
4	TTS000392	Sheppard Subway															
4	1	Sheppard Subway - Expansion	01/01/1996	12/31/2019	3,705	0	0	0	0	0	0	0	0	0	0	3,705	0
Project Sub-total:					3,705	0	0	0	0	0	0	0	0	0	0	3,705	0
Program Total:					1,405,655	136,700	393,878	132,796	70,278	0	0	29,295	1,801	640,907	0		

- Status Code Description**
- S2 S2 Prior Year (With 2018 and/or Future Year Cashflow)
 - S3 S3 Prior Year - Change of Scope 2018 and/or Future Year Cost(Cashflow)
 - S4 S4 New - Stand-Alone Project (Current Year Only)
 - S5 S5 New (On-going or Phased Projects)

- Category Code Description**
- 01 Health and Safety C01
 - 02 Legislated C02
 - 03 State of Good Repair C03
 - 04 Service Improvement and Enhancement C04
 - 05 Growth Related C05
 - 06 Reserved Category 1 C06
 - 07 Reserved Category 2 C07

Appendix 6

Reserve / Reserve Fund Review

Reserve / Reserve Fund – Program Specific
(\$000s)

Reserve / Reserve Fund Name	Project / SubProject Name and Number	Projected Balance as at Dec 31, 2017 *	Contributions / (Withdrawals)										2018 - 2027 Total Contributions / (Withdrawals)
			2018 Budget	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	
Capital Financing Reserve (XQ0011)	Beginning Balance	357,238,996	357,238,996	357,184,594	357,128,081	357,190,501	357,290,501	357,390,501	357,490,501	357,565,501	357,640,501	357,715,501	
	Withdrawals (-)												
	ATC Resignalling		(9,545)	(6,000)	-								(15,545)
	Bridges and Tunnels - Various		(17,912)	(5,575)	-								(23,487)
	Fire Ventilation Upgrade		-	(9,144)	-								(9,144)
	McNicoll Bus Garage Facility		(2,547)	(31,050)	-								(33,597)
	Other Bldgs & Structures Projects		(23,905)	(35,210)	-								(59,115)
	Signal Systems - Various		(5,106)	(9,987)	-								(15,093)
	Subway Car Overhaul Program		(5,936)	(6,061)	(6,524)								(18,521)
	Subway Track		-	(23,795)	(17,134)								(40,929)
	Surface Track		(4,432)	(9,599)	(13,922)								(27,953)
	Toronto Rocket Yard & Storage Track Accommodation		-	(4,567)	-								(4,567)
	Yards and Roads - Various		(895)	(1,900)	-								(2,795)
	Purchase of Streetcars		-	(13,625)	-								(13,625)
	Total Withdrawals for TTC			(70,278)	(156,513)	(37,580)	-	-	-	-	-	-	-
Other Allocation for Waterfront and Subway Cost Recovery			(99,124)										
Total Withdrawals			(169,402)	(156,513)	(37,580)	-	-	-	-	-	-	-	
Contributions (+)			115,000	100,000	100,000	100,000	100,000	100,000	75,000	75,000	75,000	75,000	-
Total Contributions			115,000	100,000	100,000	100,000	100,000	100,000	75,000	75,000	75,000	75,000	-
Total Reserve Fund Balance at Year-End		357,238,996	357,184,594	357,128,081	357,190,501	357,290,501	357,390,501	357,490,501	357,565,501	357,640,501	357,715,501	357,790,501	(13,625)

* Based on the 2017 Q3 Variance Report

* Based on the 2017 Q3 Variance Report

Reserve / Reserve Fund Review – Corporate
(\$000s)

Reserve / Reserve Fund Name	Project / SubProject Name and Number	Projected Balance as at Dec 31, 2017 *	Contributions / (Withdrawals)										2018 - 2027 Total Contributions / (Withdrawals)	
			2018 Budget	2019 Plan	2020 Plan	2021 Plan	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan		
Development Charges (2009) Roads & Related (XR2109)	Beginning Balance		80,333	9,315	6,942	4,074	2,603	1,952	24,234	61,952	100,106	160,326	451,835	
	Withdrawals (-)		-	-	-	-	-	-	-	-	-	-	-	
	ATC Resignalling		(55,829)	(12,310)	(19,575)	(20,978)	(30,840)	(25,369)	(27,160)	(28,057)	(7,350)	(10,247)	(237,715)	
	Leslie Bams Streetcar Maint. & Storage Facility		(3,702)	(1,548)	-	-	-	-	-	-	-	-	(5,250)	
	McNicoll Bus Garage Facility		(21,350)	(13,950)	(24,209)	(1,837)	-	-	-	-	-	-	(61,346)	
	Other Bldgs & Structures Projects		(2,395)	-	-	(2,555)	(9,525)	(6,621)	-	-	-	-	(21,096)	
	Other Service Planning		(1,760)	(1,760)	(1,760)	(1,760)	(1,760)	(1,760)	(1,760)	(1,760)	(1,760)	(1,760)	(17,600)	
	Toronto Rocket Yard & Storage Track Accommodation		(26,040)	(35,413)	-	-	-	-	-	-	-	-	(61,453)	
	Purchases of Buses		(21,720)	-	(20,347)	(38,000)	(11,626)	(9,300)	-	-	-	-	(100,993)	
	Purchase of 360 Wheel-Trans Vehicles		-	-	-	-	(8,831)	-	-	-	-	-	(8,831)	
	Purchase of Subway Cars		-	-	-	-	(2,120)	-	-	-	-	-	(2,120)	
	Total Withdrawals			(132,796)	(64,981)	(65,891)	(65,130)	(64,702)	(43,050)	(28,920)	(29,817)	(9,110)	(12,007)	(516,404)
	Contributions (+)			61,778	62,608	63,023	63,659	64,051	65,332	66,638	67,971	69,330	70,717	655,107
	Total Contributions			61,778	62,608	63,023	63,659	64,051	65,332	66,638	67,971	69,330	70,717	655,107
	Other Program/Agency Net Withdrawals (-) and Contributions (+)			-	61,778	62,608	63,023	63,659	64,051	65,332	66,638	67,971	69,330	70,717
Total Reserve Fund Balance at Year-End		80,333	9,315	6,942	4,074	2,603	1,952	24,234	61,952	100,106	160,326	219,036	590,538	

* Based on the 2017 Q3 Variance Report