

2022 Budget Notes

Toronto Transit Commission

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Description

The TTC provides reliable, transit service that draws its high standards of customer care from its rich traditions of safety, service and courtesy. The TTC delivers the following 2 services 24 hours per day, 7 days per week:

- **TTC Conventional Service**, providing 9.4 million service hours and 242 million service kilometers annually.
- **Wheel-Trans Service**, that provides door-to-door accessible transit service for passengers with any disability that prevents them from using conventional transit services, including physical, sensory, cognitive and/or mental health disabilities.

The TTC connects the diverse communities of Toronto to economic and social opportunities through an integrated network of subway, bus, streetcar and Wheel-Trans Services, comprised of 159 bus routes, 10 streetcar routes, 3 subway lines and 1 rapid transit line, with a fleet of 2,072 buses, 204 streetcars and 876 subway cars. In addition, the TTC will operate the new Eglinton Crosstown Light Rail Line which is planned to commence operation in Q4 2022.

Why We Do It

The Toronto Transit Commission provides safe, reliable, seamless and accessible transit services to those who live, work in, and visit Toronto.

The TTC plays a central role in achieving the City's social, economic and environmental service objectives and outcomes by providing and improving mobility that connects people to employment, leisure, social and economic opportunities and contributing to the City's overall resilience.

The City of Toronto aims to deliver these outcomes equitably, efficiently and with excellent customer service to help improve the lives of Torontonians and work to earn their trust and confidence.

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What Service We Provide

Conventional Transit Service:

Who We Serve: Riders, Businesses, Employers, Event Attendees, Neighbouring Municipalities

What We Deliver: The TTC connects the diverse communities of Toronto to economic and social opportunities through an integrated network of subway, bus and streetcar services.

How Much Resources (gross 2022 operating budget): \$2,096,541,100

Wheel-Trans Service:

Who We Serve: Riders, Businesses, Employers, Event Attendees, Neighbouring Municipalities

What We Deliver: Wheel-Trans connects the diverse communities of Toronto to economic and social opportunities through an integrated network of Wheel-Trans Services.

How Much Resources (gross 2022 operating budget): \$133,150,600

Budget at a Glance*

2022 OPERATING BUDGET

<u>\$Billion</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues	\$0.817	\$1.111	\$1.187
Gross Expenditures	\$2.230	\$2.338	\$2.400
Net Expenditures	\$1.413	\$1.227	\$1.213
Approved Positions	16,467	16,640	16,837

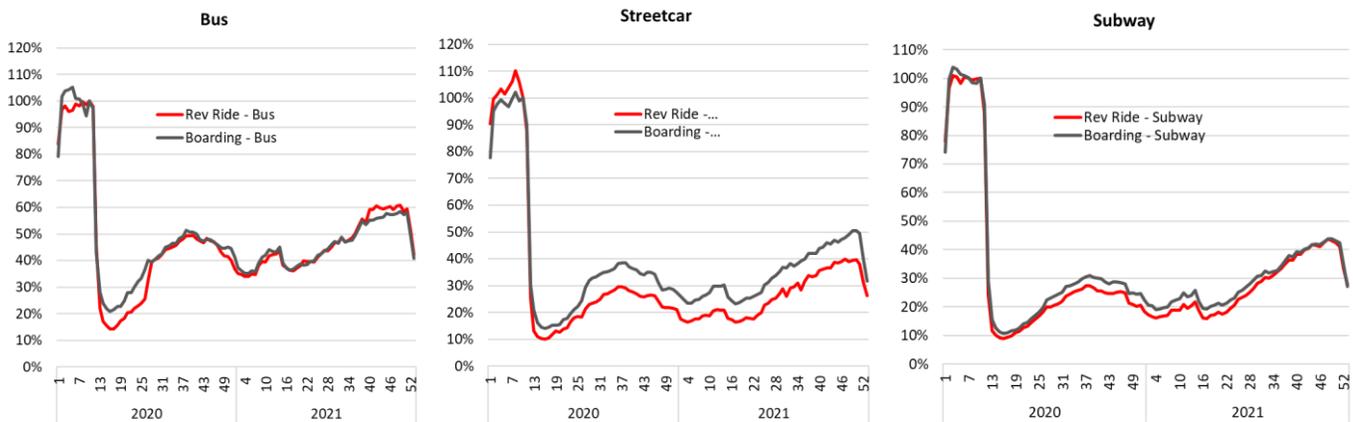
2022 - 2031 10-YEAR CAPITAL PLAN

<u>\$Billion</u>	<u>2022</u>	<u>2023-2031</u>	<u>Total</u>
Gross Expenditures	\$ 1.698	\$ 10.353	\$12.051
Debt Recoverable	\$ 0.788	\$ 5.399	\$ 6.187
Debt	\$ 0.115	\$ 0.767	\$ 0.882
Note: Includes 2021 carry forward funding to 2022			

*This document reflects the 2022 Operating Budget and 2022-2031 Capital Budget and Plan as recommended by the City's City Manager and Chief Financial Officer and Treasurer, which differs from the budget approved by TTC Board on December 21, 2021. Please refer to [Appendix 12](#) for details.

How Well We Are Doing – Behind the Numbers

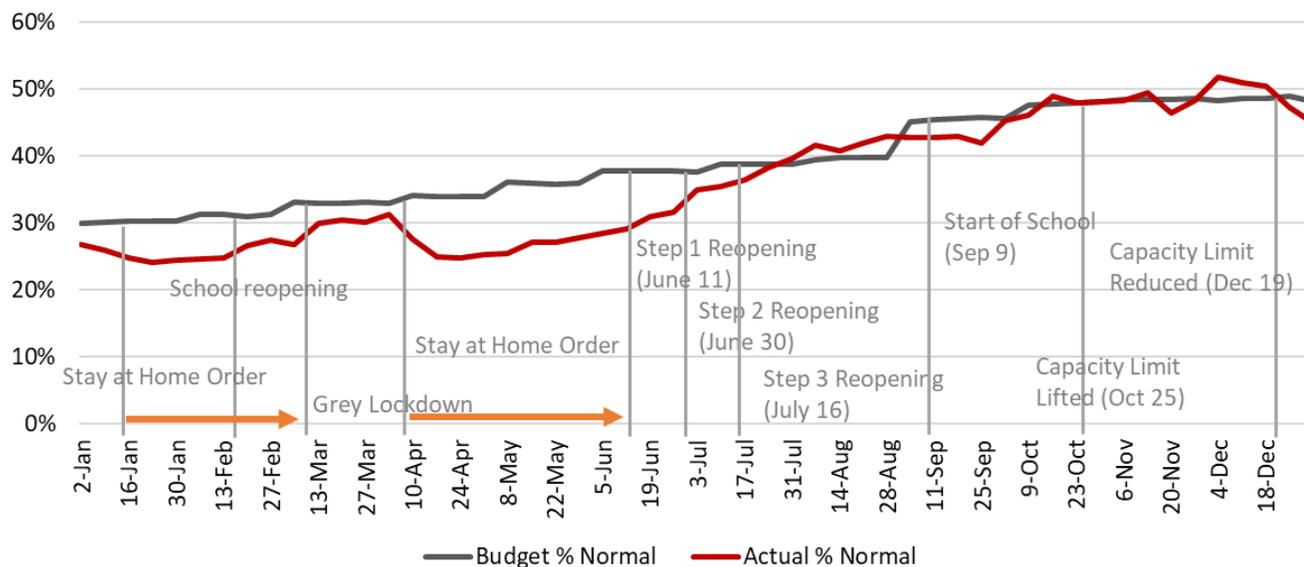
2021 Ridership Demand by Mode



Across all modes, ridership demand gradually recovered throughout the year. In November 2021, ridership demand reached 57% of pre-pandemic levels on bus, 49% on streetcar and 44% on subway.

Passenger Revenue Trend

YTD Weekly Passenger Revenue as a % of pre-Pandemic Normal

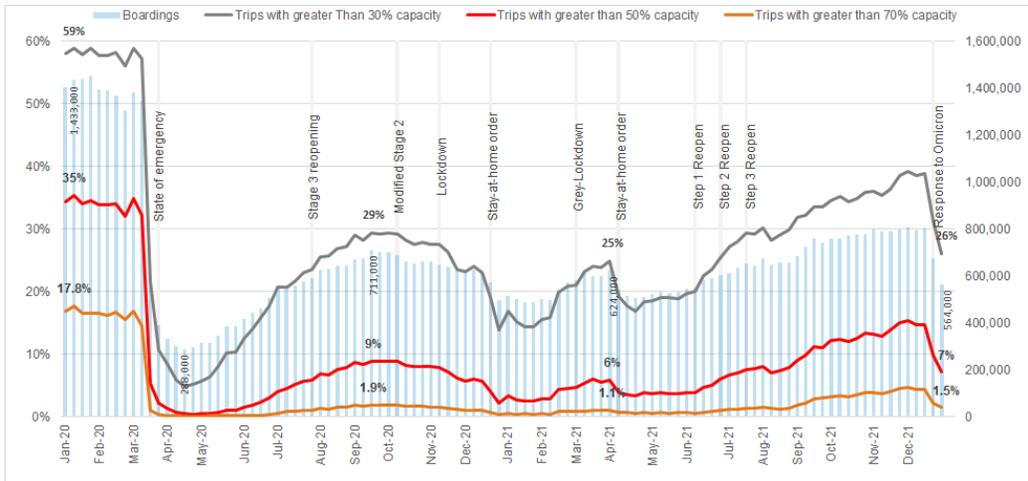


2021 Revenue (% of Normal)	Budget	Actual/Forecast
Q1	32%	27%
Q2	36%	28%
Q3	42%	41%
Q4	48%	48%

Overall Passenger Revenue was below 2021 Budget

- Largest impact during Stay-at-Home order periods
- Since Step 3 Reopening on July 16, Passenger Revenue has been broadly consistent with levels anticipated in the 2021 Budget

Bus Capacity Monitoring



Throughout out the year, demand was monitored, with adjustments made to maximize physical distancing on vehicles. For the Week ending on December 31st:

- 26% of bus trips more than 30% capacity
- 7.2% of bus trips more than 50% capacity
- 1.5% of bus trips more than 70% of capacity

How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
TTC Conventional	Revenue Ridership	525.5M	225.0M	214.4M	196.8M	●	369.4M	460.5M
TTC Conventional	Regular Service Hours	9.5M	9.0M	9.4M	9.0M	●	9.4M	9.4M
TTC Conventional	Customer Satisfaction	79%	79%	80%	80%	●	80%	80%
Service Level Measures								
TTC Conventional	Deliver 100% Schedule	100%	95%	100%	96%	●	100%	100%
TTC Conventional – Subway	Achieve 90% On-time	94%	94%	90%	95%	●	90%	90%
TTC Conventional – Streetcar	Achieve 90% On-time	64%	78%	90%	70%	●	90%	90%
TTC Conventional – Bus	Achieve 90% On-time	76%	85%	90%	84%	●	90%	90%
Wheel-Trans	Accommodate 99.5%	99.9%	100%	99.5%	100%	●	99.5%	99.5%

TTC's pandemic recovery plan included a commitment to restore 100% of pre-pandemic Conventional service capacity once ridership demand was at 50% of pre-pandemic levels. With ridership below budget for the first half of 2021, service levels were operated slightly below budgeted levels in 2021 reaching an average of approximately 96% of planned service.

While bus and subway on-time performance was broadly consistent with 2020 actual and target, streetcar on-time performance was negatively impacted by major construction projects on major routes.

COVID 19 IMPACT AND RECOVERY

2022 Impact and Recovery

Operating Budget Impact

- The COVID-19 financial impact is estimated to be \$561.1 million in 2022 and comprises the following:
 - Lost passenger revenues, relative to pre-pandemic normal of \$487.2 million, based on a projected 2022 ridership of 325.2 million rides. This estimate includes an adjustment to account for the impact of the Omicron variant and the resulting restrictions effective January 5, 2022, which will significantly impact Q1 ridership. Gradual ridership recovery is projected to resume in Q2 and continue throughout the year based on projections for most offices to ultimately adopt a hybrid model, a return to in-person class settings for post-secondary institutions and resumption of pre-pandemic levels of events and social gatherings, later in the year.
 - Lost ancillary revenues of \$22.6 million, including lower than normal budgeted commuter parking, advertising and subway concession revenue and;
 - Incremental expenses of \$51.3 million, to continue safety measures, including vehicle disinfection, personal protective equipment and employee screening, and increased absence benefit costs as a result of the pandemic.
- To date, the TTC has received \$1.3 billion in funding relief from other orders of government which recognizes the importance of public transit as an essential service and as the foundation for the City's vitality and recovery. The City and TTC continue to hold discussions with other orders of government to address 2022 COVID impacts and secure stable and long-term funding.

Service Level Changes

- Matching Service Capacity to Demand/Mandatory Vaccination Policy
 - Implementation of mandatory vaccination policy requires some temporary service adjustments due to operator availability for Q1 2022.
 - Bus, Streetcar and Subway service to be restored to 100% of pre-pandemic on all conventional modes in Q2, 2022, based on commitment to restore pre-pandemic service levels once ridership reaches 50% of pre-pandemic levels;
 - Given the nature of Wheel-Trans service, service levels are directly linked to the anticipated ridership demand. Wheel-Trans ridership demand is expected to average 65% of normal pre-pandemic ridership levels and reach 73% by the end of 2022, reflecting a total ridership of 2.7 million.
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EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

Despite COVID-19's continued service and financial impact, significant progress was made on TTC's key priorities.

- Opened McNicoll Garage, improving garage operations and reducing non-revenue driving time.
- Approved the procurement of 60 zero-emission streetcars and upgrades to the Hillcrest storage facility.
- Implemented planned vehicle maintenance initiatives; all vehicle reliability KPIs met or exceeded.
- Eliminated the need to have 20 to 30 future weekend subway closures and avoided 2 years of bypassing station platforms, by completing 44,000 square feet of asbestos abatements.
- Completed Keele Station Easier Access; 53 stations are now accessible.
- Reduced Wheel-Trans call wait time, down to 2 minutes in September.
- Overachieved TTC's gender recruitment target of 40% of new women operator hires by 23%.
- Introduced a WiFi pilot on the 35 Jane and 102 Markham Road bus routes
- Established the new Innovation and Sustainability function.
- Implemented second sourcing initiatives for McNicoll Garage facility maintenance and streetcar cleaning.
- Concluded agreement with Metrolinx inclusive of a financial settlement and a framework for delivering all outstanding PRESTO contractual business requirements.
- Completed implementation of 72 Auditor General Recommendations and continued implementation of alternate source parts, after-market part warranties and Wheel-Trans reservations.
- Reduced overall overtime costs by 30% and overtime charged to the operating budget by 45% since 2019, based on third quarter results.
- Commenced planning work to support the implementation of ModernTO to rationalize office space.

Delivered agile and effective response to COVID-19:

- Introduced a Mandatory Vaccination Policy for TTC employees.
- Maximized physical distancing on vehicles by:
 - Monitoring bus capacity levels and reallocated resources between routes as required.
 - Introduced real-time bus passenger count information for customers using the Rocketman and Transit mobile apps.
- Operated a Shuttle Service between Finch Station and a City-run vaccine clinic at Mitchell Field arena.
- Provided 15,000 ride vouchers through community agencies to provide free travel to and from vaccination clinics.
- Distributed more than two million masks through the customer mask distribution program.

Key Challenges and Risks

- Continued financial and ridership impact of COVID-19 in 2022 and beyond.
- Rapid escalation in key corporate costs (i.e. Fuel & long-term absenteeism).
- Life cycle maintenance of existing vehicles and replacements at the end of useful life constrained by under-funding.
- Partial funding for Line 1 and Line 2 Capacity Enhancement projects that are in-flight.
- Funding support for SRT replacement service beyond 2023 is yet to be confirmed and subject to ongoing discussion between Toronto and Ontario as a result of the Toronto- Ontario Partnership Agreement.

Priority Actions

Safe, Seamless & Reliable Transit Service

- Match Service to Demand
- Build vehicle maintenance capacity given warranty expiry
- Implement LRV Apprenticeship Program
- Continue Bloor-Yonge, Line 1 and Line 2 Capacity Enhancement major projects
- Advance Queue Jump Lanes and Transit Signal Priority projects
- Continue asset management implementation

Transform to Solidify Fiscal Foundation

- Continue Business Transformation
- Implement Service Efficiencies and Auditor General recommendations
- Manage Overtime
- Complete Ridership Reacquisition Strategy
- Advance ModernTO readiness
- Update Capital Investment Plan & create new Real Estate Investment Plan
- Advance SAP & Maximo Implementation

Lead as an Inclusive & Accessible Service Provider

- Freeze TTC Fares
- Continue Gender Recruitment Outreach
- Apply equity lens to Service Planning
- Continue expansion of Family of Services model
- Provide Diversity & Mental Health Training
- Continue implementation of “Embracing Diversity: 10 Point Action Plan”
- Continue implementation of Easier Access capital project
- Add accessible bus and streetcar stops

Innovate for Future Demand

- Advance Service Integration
- Commence Line 5 Eglinton LRT Operation
- Advance Innovation & Sustainability Strategy and Planning
- Complete 10-Year Fare Collection Strategy
- Procure additional E-Buses and infrastructure
- Pilot Free Wi-Fi Access on TTC's Surface Routes

RECOMMENDATIONS

The City Manager and Chief Financial Officer and Treasurer recommend that:

1. City Council approve the 2022 Operating Budget for Toronto Transit Commission of \$2.230 billion gross, \$0.817 billion revenue and \$1.413 billion net for the following services:

Service:

	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
TTC Conventional	\$2,096,541.1	\$811,226.3	\$1,285,314.8
Wheel-Trans	\$133,150.6	\$5,995.0	\$127,155.6
Total Program Budget	\$2,229,691.7	\$817,221.3	\$1,412,470.4

2. City Council approve the 2022 staff complement for Toronto Transit Commission of 16,467 positions comprised of 2,655 capital positions and 13,812 operating positions.
3. City Council request the Provincial and Federal governments to:
 - a. Provide relief to offset the financial impacts of COVID-19 through recovery, which are estimated to be \$561.1 million in 2022, with forecasted impacts expected into 2023 and 2024; and,
 - b. Work with the TTC and the City of Toronto to develop a sustainable funding model for public transit.
4. City Council approve the 2022 Capital Budget for the Toronto Transit Commission with cash flows of \$1.698 billion and future year commitments of \$8.539 billion, totaling \$10.237 billion as detailed by project in [Appendix 6a](#).
5. City Council approve the 2023-2031 Capital Plan for the Toronto Transit Commission totalling \$1.814 billion in project estimates as detailed by project in [Appendix 6b](#).
6. City Council request that all sub-projects with third party financing be approved conditionally, subject to the receipt of such financing in 2022 and if such funding is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs

2022 OPERATING BUDGET

2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection		Change v. 2021 Budget	
By Service	\$	\$	\$	\$	\$	\$	\$	%		
Revenues										
TTC Conventional	587,980.5	562,500.1	499,796.0	810,136.3	1,090.0	811,226.3	311,430.3	62.3%	248,726.2	42.3%
Wheel-Trans	3,895.4	4,275.7	3,662.0	5,995.0		5,995.0	2,333.0	63.7%	1,719.3	44.1%
Total Revenues	591,876.0	566,775.8	503,458.0	816,131.3	1,090.0	817,221.3	313,763.3	62.3%	250,445.5	42.3%
Expenditures										
TTC Conventional	1,866,511.2	2,034,438.0	1,988,672.0	2,093,333.1	3,208.0	2,096,541.1	107,869.1	5.4%	62,103.1	3.3%
Wheel-Trans	105,382.6	118,565.8	101,014.0	133,150.6		133,150.6	32,136.6	31.8%	14,584.8	13.8%
Total Gross Expenditures	1,971,893.8	2,153,003.8	2,089,686.0	2,226,483.7	3,208.0	2,229,691.7	140,005.7	6.7%	76,687.9	3.9%
Net Expenditures	1,380,017.9	1,586,228.0	1,586,228.0	1,410,352.4	2,118.0	1,412,470.4	(173,757.6)	(11.0%)	(173,757.6)	(12.6%)
COVID Impact	751,947.7	796,399.7	796,399.7	561,088.5		561,088.5	(235,311.2)	(29.5%)	(235,311.2)	(31.3%)
Net Expenditures ex COVID	628,070.2	789,828.3	789,828.3	849,263.8	2,118.0	851,381.8	61,553.5	7.8%	61,553.6	9.8%
Approved Positions**	14,311.0	13,823.0	N/A	13,804.0	8.0	13,812.0	N/A	N/A	(11)	(0.1%)

*2021 Projection based on Q3 Variance Report

**YoY comparison based on approved positions

COSTS TO MAINTAIN EXISTING SERVICES

Total 2022 Base Budget of \$2.226 billion in gross expenditures, reflecting an increase of \$136.797 million in spending above 2021 projected year-end actuals (prior to enhancements) and \$73.479 million increase over the 2021 Approved Operating Budget, predominantly arising from:

- One-time under-expenditures in TTC Conventional & Wheel-Trans services operating below budgeted levels in 2021, in response to service demand impacted by provincially imposed safety restrictions (stay at home orders) primarily in the first half of 2021. The 2022 Budget includes funding to restore Conventional Service to pre-pandemic levels in Q2 2022, with Wheel-Trans service capacity increasing in concert with 2022 forecasted ridership demand.
- The start-up and revenue service costs of operating Line 5, Eglinton Crosstown.
- Legislatively-determined increases to CPP Premium and Carbon Pricing.
- Rapid market price increases for diesel fuel, which are being partially mitigated by a planned Stabilization reserve contribution, which will only be utilized if required.

COSTS TO ENHANCE SERVICES

New and Enhanced Service expenditures of \$3.2 million gross, \$2.1 million net enabling:

- Completion of TTC's Service Plan Reset and Ridership Reacquisition Strategy, both which are critical given anticipated changes in transit demand and travel patterns;
- Completion of the 10-Year Fare Collection Strategy to develop the business case to modernize the fare collection system;
- Innovation & Sustainability Assessment and Strategy, that is focused on embedding innovation, environmental sustainability and climate change resilience at the TTC;
- Resourcing to enable to deliver enhanced diversity, anti-black racism and mental health training; and
- Support to advance the ModernTO initiative necessary to transition to the hybrid office model including; project management, space planning, policy development and information management work.

EQUITY IMPACTS OF BUDGET CHANGES

The TTC is strongly committed to making Toronto's transit system barrier-free and accessible to all so all customers can enjoy the freedom, independence and flexibility to travel anywhere on the public transit system. Consistent with this commitment, service levels have been broadly protected throughout the pandemic, despite the significant reduction in ridership. In addition, as ridership recovery occurs conventional service will be fully restored to 100% of pre-pandemic capacity by Q2 2022.

All expenditures required to meet the TTC's accessibility and equity requirements are provided for in this budget, including:

- \$16.1 million gross and \$14.1 million net City funding increase to restore Wheel-Trans service levels consistent with anticipated ridership demand.
- \$0.7 million in new funding to deliver the following actions to enable the TTC to lead as an inclusive and accessible service provider:
 - Two additional instructors to deliver anti-racism training to employees,
 - Delivering specialized mental health training for Special Constable Service and Revenue Protection personnel as well as, customer service, diversity, equity and inclusion training, consistent with Ombudsman Toronto recommendations.
 - Awareness campaigns to build community outreach including Black History Month, Indigenous History Month and Lunar New Year.
- Full funding to complete the TTC's Easier Access Program, which is on track to make all subway stations accessible by 2025 with elevators, wide fare-gates and automatic sliding doors. It also provides funding for several improvements elsewhere across the transit system, including Warden and Islington stations, low-floor streetcars, bus and, new Wheel-Trans fleet, as well as a growing number of accessible bus and streetcar stops.

In addition, fares will be frozen at 2020 rates. This action is particularly critical to ensuring equity and accessibility given that ridership, relative to pre-pandemic levels is highest in Toronto's Neighbourhood Improvement Areas.

2022 OPERATING BUDGET KEY DRIVERS

The 2022 Operating Budget for Toronto Transit Commission of \$2.230 billion gross is 8.8% higher than the 2021 Projected Actuals. Table 2a below summarizes the Operating Budget by revenue and expenditure category, while Table 2b summarizes New and Enhanced requests

Table 2a: 2022 Operating Budget by Revenue / Expenditure Category

Category (In \$000s)	2019	2020	2021	2021	2022	2022 Change from 2021	
	Actual	Actual	Budget	Projection*	Budget	Projection	%
	\$	\$	\$	\$	\$	\$	
User Fees & Donations	1,262,529.5	591,876.0	547,415.3	499,858.0	793,126.6	293,268.6	58.7%
Transfers From Capital	6,946.0		3,600.0	3,600.0	3,422.4	(177.6)	(4.9%)
Contribution From Reserves/Reserve Funds	22,691.0		15,760.4		20,672.3	20,672.3	
Total Revenues	1,292,166.5	591,876.0	566,775.8	503,458.0	817,221.3	313,763.3	62.3%
Salaries and Benefits	1,416,547.6	1,433,873.9	1,551,265.0	1,502,989.0	1,573,456.3	70,467.3	4.7%
Materials & Supplies	320,612.7	303,432.2	340,672.4	320,022.8	350,791.4	30,768.6	9.6%
Equipment	25,219.8	24,038.2	24,336.5	23,512.0	24,239.7	727.7	3.1%
Service and Rent	255,435.2	166,426.9	206,289.1	179,523.5	243,460.0	63,936.5	35.6%
Contribution To Reserves/Reserve Funds	20,317.2	17,978.0	17,640.0	52,740.0	20,590.0	(32,150.0)	(61.0%)
Other Expenditures	17,733.4	26,144.6	12,800.8	10,898.7	15,390.0	4,491.3	41.2%
Total Gross Expenditures	2,055,865.9	1,971,893.8	2,153,003.8	2,089,686.0	2,229,691.7	140,005.7	6.7%
Net Expenditures	763,699.4	1,380,017.9	1,586,228.0	1,586,228.0	1,412,470.4	(173,757.6)	(11.0%)
COVID Impact		751,947.7	796,399.7	796,399.7	561,088.5	(235,311.2)	(29.5%)
Net Expenditures ex COVID	763,699.4	628,070.2	789,828.3	789,828.3	851,381.9	61,553.6	7.8%

*2021 Projection based on Q3 Variance Report

Key Base Drivers:**Salaries & Benefits:**

Relative to the 2021 year-end projection, salaries & benefits costs will increase by \$70.5 million or \$22.2 million over the 2021 Approved Operating Budget. Most of the 2021 under-expenditure is due to TTC Conventional and Wheel-Trans service operating below 2021 budgeted levels. These under-expenditures are not expected to be repeated in 2022 as conventional service is expected to be restored to 100% of pre-pandemic levels in Q2, 2022 and Wheel-Trans service capacity will increase to match the anticipated increase in demand.

The year-over-year budget increase is primarily due to the start-up and commencement of revenue service of Line 5, Eglinton Crosstown. In addition, this increase includes the impact of the legislated increase in CPP premium rates and anticipated increase in health & dental benefit costs.

Materials and Supplies:

The increase in material & supplies costs is primarily attributable to higher diesel prices and increases in energy requirements as service levels are restored to pre-pandemic levels in 2022. The variance also reflects higher vehicle maintenance costs as vehicle warranties expire.

Services and Rents:

Relative to the 2021 year-end projection, service and rent costs are projected to increase by \$63.9 million. Key drivers include maintenance contract costs for Line 5, Eglinton Crosstown, higher PRESTO commission fees consistent with the budgeted increase in passenger revenue in 2022 and an increase in Wheel-Trans contracted service costs commensurate with the anticipated increase in Wheel-Trans ridership demand.

User Fees & Other Revenue Changes:

The increase in revenue of \$293.3 million is based on higher anticipated ridership levels, with ridership revenue budgeted at \$741.0 million. The 2022 revenue budget has been adjusted to account for the anticipated impact of the Omicron variant and the resulting Provincial restrictions that came into effect January 5, 2022. It is anticipated that ridership will be significantly impacted during the Q1, 2022, and is expected to average 37% of pre-pandemic levels. Gradual ridership recovery is projected to resume in Q2 and continue throughout the balance of the year based on projections that most offices will adopt a hybrid working model, a return to in-person class settings for

post-secondary institutions and resumption of pre-pandemic levels of events and social gatherings later in the year. Ridership is expected to average 61% of pre-pandemic levels for 2022 and reach 80% by year-end.

Offsets and Efficiencies:

The 2022 Operating Budget includes \$25.6 million in gross expenditure reductions and efficiency savings and a reduction of 99 positions arising from the implementation of efficiency measures. The 2022 Operating Budget includes a further \$13.1 million in balancing actions to offset 2022 budget pressures, resulting in a total of \$38.6 million in net expenditure reductions attributed to the following measures:

Overtime Reduction Strategy

- The management of overtime continues to be a key priority for the TTC. Since 2017, there has been a substantial decline in operating budget overtime requirements and since the start of the pandemic, as part of cost containment efforts, operating overtime spending has been maintained below budgeted levels. Overtime reductions totalling \$5.1 million, inclusive of related TTC Pension contributions, are incorporated in this budget, based on ongoing actions including the implementation of schedule adjustments, filling vacancies, and the addition of 14 additional operator positions added specifically to achieve overtime reductions.

One Person Train Operation

- One Person Train Operation (OPTO) is being implemented in stages on Line 1. Made possible through the installation of Automatic Train Control signalling technology, on board train crews are being reduced from 2 operators to 1. Concurrently to enhance customer experience and staff presence in stations, a portion of the saved resources are being reinvested in additional supervisory and stations personnel.
- Of the \$2.6 million in savings anticipated in 2022, \$2.1 million represents the annualized savings from the recent implementation of OPTO on Line 1 between St. George and Vaughan Metropolitan Stations. It is anticipated that OPTO will be implemented on the balance of Line 1 by year-end 2022 producing \$0.5 million in 2022 savings and a reduction of 66 positions. Upon full implementation \$14.6 million in annualized net savings will be realized.

Service Efficiencies

Service Efficiencies, which do not impact service capacity for customers include:

- **McNicoll Bus Garage:** This reflects the annualized non-revenue service savings associated with the 2021 opening of the McNicoll Bus Garage. A total of \$0.5 million in annualized operating cost savings have been realized due to the closer proximity between the garage and routes being served.
- **Automatic Train Control:** Improved subway train travel times associated with the continued implementation of Automatic Train Control on Line 1 will result in less scheduled trains to deliver the same capacity.
- **Articulated Buses:** Planned conversion of the 927 Highway 27 Express service from 12 metre buses to 18 metre articulated buses will improve or maintain capacity with less resource requirements.

Implementation of AG Recommendations

The continued implementation of Auditor General Recommendations regarding the Wheel-Trans reservations call centre contract, the identification of alternate suppliers for vehicle parts and improved use of after market part warranties is expected to save \$2.3 million in 2022.

Base Budget Expenditure Reductions (Line-by-Line)

Preliminary budgets are analyzed against spending trends and current market conditions as part of a line-by-line expenditure review. This review has resulted in \$11.0 million in savings being incorporated into the 2022 Operating Budget. These savings are based on reductions in:

- **Diesel Fuel:** With ongoing fleet renewal, TTC has consistently been able to reduce the diesel consumption rate on per kilometre basis over the past several years. For 2022 a diesel consumption rate of approximately 0.52 litres per kilometre will be achieved, representing a 7% decrease from the 2021 budgeted consumption rate. In addition, hedges for approximately 15% of 2022 requirements have been secured at levels below 2022 forecasted market prices.

- **Other Line-By-Line Expenditure Savings:** Spending trends both pre-pandemic and in 2021 were reviewed through a line-by-line expenditure review. As a result of the analysis undertaken, \$4.2 million in expenditure reductions primarily due to lower material volume and contract costs have been identified and reflected in the 2022 Operating Budget.

Balancing Actions

The 2022 Operating Budget includes \$13.1 million in planned reserve withdrawals that is incorporated into the budget specifically to address volatility and uncertainty in the market price for diesel fuel, insurance premiums and to address the uncertainty in timing of payments that may be made for accident claims. In these cases, the use of reserve funding will only be drawn upon to the extent that they may be required.

Table 2b: 2021 New / Enhanced

New / Enhanced Request	2022				2023 Annualized Gross	Equity Impact	Support Climate Initiatives	Supports Key Outcome / Priority Actions	
	Revenue	Gross	Net	Positions					
In \$ Thousands									
TTC Initiatives									
1	Service Plan Reset/Ridership Reacquisition Strategy	500.0	500.0			Medium - Positive	No	Resiliency Financial Sustainability	
2	Fare Collection Strategy	590.0	590.0			Medium - Positive	No	Resiliency Financial Sustainability	
3	Diversity & Anti-Racism Training & Awareness		668.0	668.0	2.0	668.0	High - Positive	No	Diversity & Inclusion
4	Innovation & Sustainability		375.0	375.0		375.0	Low - Positive	Yes	Resiliency
	Subtotal TTC Initiatives	1,090.0	2,133.0	1,043.0	2.0	1,043.0			
City Initiatives									
5	ModernTO		1,075.0	1,075.0	6.0	1,075.0	Low - Positive	No	Council Approved
	Subtotal City Initiatives		1,075.0	1,075.0	6.0	1,075.0			
	Total New / Enhanced	1,090.0	3,208.0	2,118.0	8.0	2,118.0			

The 2022 Operating Budget includes \$3.2 million gross and \$2.1 million net in investments to support priority actions as detailed in the table above.

Funding for new and enhanced service priority actions has been limited to focus on advancing the following key outcomes: System Resiliency & Financial Sustainability, particularly given changing transit demands; Diversity, Equity and Inclusion at the TTC as well as ensuring the TTC has the capacity to implement the Council-approved ModernTO initiative. Details of these initiatives are further outlined below:

Resiliency & Financial Sustainability

▪ Service Plan Reset and Ridership Reacquisition Strategy

The service plan reset/ridership reacquisition strategy will enable the TTC to understand changes in customer travel patterns post-pandemic and examine how riders can be attracted back to the TTC through innovative means. This initiative will contribute to ensuring system resiliency and improving financial sustainability through a clearer understanding of travel patterns and planning transit service that effectively serves TTC riders while implementing policies designed to attract riders back to public transit. Given the one-time nature of the \$0.500 million cost, it will be funded from the TTC Stabilization Reserve.

▪ Fare Collection Strategy

The fare collection strategy will enable the TTC to develop a business case for the modernization of the fare collection system. This will include developing a detailed Request for Information to determine future business requirements and ensure comprehensive business terms are established for the Automated Fare Collection agreements. This one-time cost of \$0.590 million will be funded from the TTC Stabilization Reserve.

Diversity & Inclusion

▪ Anti-Racism & Diversity Training & Awareness

TTC continues to advance work that contributes to the TTC's commitment to being an accessible, equitable and inclusive service provider and organization. For 2022, funding of \$0.7 million and two positions are recommended to provide anti-racism training for front-line staff, specialized mental health training and awareness campaigns to build community outreach.

Resiliency

▪ Innovation & Sustainability

To embed innovation, environmental sustainability and climate change resilience at the TTC, \$0.4 million is recommended to support the recently formed function. This additional funding will allow for an independent assessment report and the formation of a TTC innovation and sustainability strategy and plan.

Council Approved Initiatives**▪ ModernTO**

TTC is continuing to advance work on the ModernTO initiative, which will optimize and modernize office space and consolidate 10 TTC offices to North York Centre and Metro Hall, with approximately 2000 employees working in a hybrid model, the extent to which depends on the business requirements. \$1.1 million and six positions are recommended to provide the necessary resources and expertise for project management; space planning, policy development and information management work necessary to transition to the hybrid model required to advance this initiative and achieve the shared objectives of system resiliency and financial sustainability.

Note:

1. For additional information on 2022 key cost drivers refer to [Appendix 2](#) for a summary of balancing actions, [Appendix 3](#) for a more detailed listing and descriptions of the 2022 Service Changes and [Appendix 4](#) for the 2022 New and Enhanced Service Priorities, respectively.

2023 & 2024 OUTLOOKS**Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Revenues	503,458.0	817,221.3	1,111,241.7	1,187,113.3
Gross Expenditures	2,089,686.0	2,229,691.7	2,338,365.3	2,399,982.8
Net Expenditures (including COVID-19 Impact)	1,586,228.0	1,412,470.4	1,227,123.5	1,212,869.4
COVID-19 Impact	796,399.7	561,088.5	250,062.2	176,421.5
Net Expenditures (not including COVID-19 Impact)	789,828.3	851,381.8	977,061.3	1,036,447.9
Operating Positions	N/A	13,812	13,985	14,182

Note: Operating funding pressure excludes impact of CBA

Key drivers

The 2023 Outlook with total net expenditures of \$977.1 million (excluding COVID-19 impact) reflects an anticipated \$125.7 million or 14.7 per cent increase in net expenditures above the 2022 Operating Budget; The 2024 Outlooks expects a further increase of \$59.4 million or 6.1 per cent above 2023 net expenditures before accounting for any anticipated COVID-19 impact. These changes arise from the following:

Impacts of Prior Year Decisions

- The annualized cost of operating and maintaining Line 5 or the Eglinton Crosstown LRT and the opening of the Finch West LRT;
- Full restoration of pre-pandemic Conventional service levels (i.e. Q1 annualization);
- Increasing Wheel-Trans service to meet projected 80% of pre-pandemic demand; and

Economic Factors

- Continued energy and material price escalation;

Operating Impact of Capital

- Delivery of LFLRV which will ultimately increase size of LFLRV fleet by 60 vehicles.

Annualized efficiency savings will partially mitigate these pressures by providing a forecasted \$13.3 million in 2023, primarily from the full implementation of One Person Train Operation.

It should be noted that future year estimates do not include provisions for wage increases or benefit improvements, due to the March 31, 2021, expiry of the Collective Agreement with ATU 113 (TTC's largest union).

Impact of COVID-19

The financial impact of COVID-19 will continue to significantly affect the TTC's financial sustainability, even as the broader health impacts of the pandemic subside. The following table provides an estimate of COVID-19 impacts based on expected ridership for 2022. The current outlook estimates for 2023 and 2024 are directional in nature and based on available data and subject to change, the recovery will be reviewed over the course of 2022 and estimates revised for the 2023 budget process.

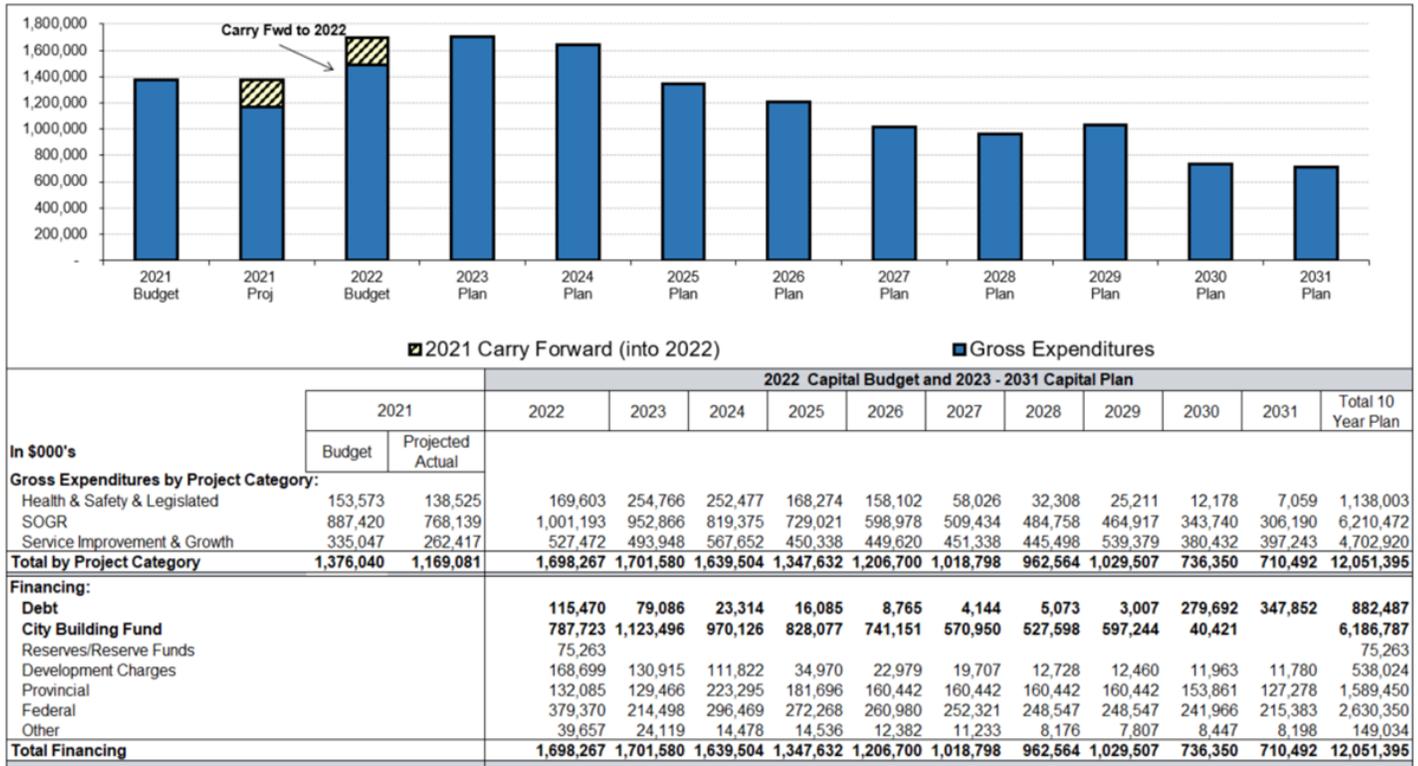
COVID-19 Financial impact				
(\$000s)	2021 Projection	2022 Budget	2023 Outlook	2024 Outlook
Passenger Revenue	766,300.0	487,160.7	211,520.0	155,150.0
Ancillary Revenue	17,000.0	22,550.0	9,950.0	2,200.0
Incremental Expenses**	47,900.0	51,377.8	28,592.2	19,071.5
Under-Expenditures applied to COVID-19 Budget Variance	(34,800.3)			
Total COVID-19 Financial Outlook	796,399.7	561,088.5	250,062.2	176,421.5
*Excludes CBA increase				

The majority of the financial impact is driven by lost passenger and ancillary revenues (advertising, parking and subway concessions). Overall, 2022 incremental COVID response expenses are anticipated to be comparable to 2021 due ongoing response activities and measures as well as higher absence costs but these costs are anticipated to gradually decrease in 2023 and 2024.

**2022 – 2031
CAPITAL BUDGET AND PLAN**

2022 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview
(\$'000)



In \$'000's	2022 Capital Budget and 2023 - 2031 Capital Plan												Total 10 Year Plan
	2021		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
	Budget	Projected Actual											
Gross Expenditures by Project Category:													
Health & Safety & Legislated	153,573	138,525	169,603	254,766	252,477	168,274	158,102	58,026	32,308	25,211	12,178	7,059	1,138,003
SOGR	887,420	768,139	1,001,193	952,866	819,375	729,021	598,978	509,434	484,758	464,917	343,740	306,190	6,210,472
Service Improvement & Growth	335,047	262,417	527,472	493,948	567,652	450,338	449,620	451,338	445,498	539,379	380,432	397,243	4,702,920
Total by Project Category	1,376,040	1,169,081	1,698,267	1,701,580	1,639,504	1,347,632	1,206,700	1,018,798	962,564	1,029,507	736,350	710,492	12,051,395
Financing:													
Debt			115,470	79,086	23,314	16,085	8,765	4,144	5,073	3,007	279,692	347,852	882,487
City Building Fund			787,723	1,123,496	970,126	828,077	741,151	570,950	527,598	597,244	40,421		6,186,787
Reserves/Reserve Funds			75,263										75,263
Development Charges			168,699	130,915	111,822	34,970	22,979	19,707	12,728	12,460	11,963	11,780	538,024
Provincial			132,085	129,466	223,295	181,696	160,442	160,442	160,442	160,442	153,861	127,278	1,589,450
Federal			379,370	214,498	296,469	272,268	260,980	252,321	248,547	248,547	241,966	215,383	2,630,350
Other			39,657	24,119	14,478	14,536	12,382	11,233	8,176	7,807	8,447	8,198	149,034
Total Financing			1,698,267	1,701,580	1,639,504	1,347,632	1,206,700	1,018,798	962,564	1,029,507	736,350	710,492	12,051,395

Changes to Existing Projects (\$128.7 Million)	New Projects (\$185.8 Million)	Capital Needs Constraints* (\$11.3 Billion)
<ul style="list-style-type: none"> Bus – Midlife Overhaul: \$56.8M Storage Tank Replacements: \$13.4M Fire Ventilation and Second Exits \$15.3M Bus Stop Improvements and Platform Modifications \$6.8M 	<ul style="list-style-type: none"> Property Acquisition for 10th Garage & Operational Needs: \$127.8M Russell Carhouse Modifications & Extensions: \$58.9M 	<ul style="list-style-type: none"> Vehicle Procurements: \$3.5B Vehicle Overhaul: \$1.2B Line 1 Capacity Enhancement: \$2.1B Line 2 Capacity Enhancement \$271.3M

Note:

For additional information, refer to [Appendix 6](#) for a more detailed listing of the 2022 and 2023-2031 Capital Budget & Plan by project; [Appendix 7](#) for Reporting on Major Capital Projects – Status Update; and [Appendix 8](#) for Capital Needs Constraints, respectively.

*Only reflects the Capital Needs Constraints over the 10-year period of 2022-2031. There is an additional requirement of \$13.9 billion in the post years to complete vehicle procurements and overhauls and capacity enhancement projects as well as ongoing SOGR projects.

- There is a need for \$3.459 billion in the 10-year period to fully fund the balance of 1,226 eBuses, 382 Wheel-Trans buses and 80 subway car purchases nearing the end of their respective useful life, as well as an additional \$1.451 billion in the 5-year period post-2031 (2032-2036) for 970 eBuses and 292 Wheel-Trans buses, in accordance with the TTC’s Fleet Procurement Strategy.

- To maintain our existing fleet in a state of good repair \$1.2 billion is required in the 10-year period to complete vehicle overhauls mainly for the midlife rebuild of the Nova '40 Bus Fleets and for the midlife restoration and upgrade of the TR Subway cars. An additional \$701 million is needed in the 5-year period post-2031 (2032-2036). If TTC is unsuccessful in receiving funding for the subway car purchase, then the existing funding of \$619 million will need to be increased by \$100 million and utilized for T1 Life Extension Overhaul instead, to extend the useful life of the T1 trains from 30 to 40 years, thereby deferring the cost of subway trains that will inevitably be required.
- Approximately \$380 million is required for Service Planning initiatives such as Bus Lane Implementation and Transit Priority Measures in the 10-year period and an additional \$14 million in the 5-year period post-2031.
- For the Capacity Enhancement projects, Line 1 requires up to \$2.1 billion for the acquisition and construction of potentially two facilities beginning in 2022 with additional funding of \$1.7 billion to complete Line 1 in time for the delivery of the new subway trains. Line 2 requires a total of \$3.1 billion with dependencies on completing ATC Line 2 and new subway trains in time for the completion of the new provincial Ontario Line. Combined, Line 1 and Line 2 require a total of \$2.3 billion in the 10-year period plus an additional \$4.4 billion in the 5-year period post-2031; \$1.5 billion beyond the 15-year window for Line 2, resulting in a total of \$8.2 billion in new funding to complete both projects which are in-flight.

2022 – 2031 CAPITAL BUDGET AND PLAN

\$12.051 Billion 10-Year Gross Capital Program

			
Track Work	Electrical Systems	Signal Systems	Buildings & Structures
\$812.52 M 7%	\$565.35 M 5%	\$935.80 M 8%	\$3,332.85 M 28%
<ul style="list-style-type: none"> ▪ Subway Track ▪ Surface Track ▪ Subway Rail Grinding 	<ul style="list-style-type: none"> ▪ Traction Power <input checked="" type="checkbox"/> ▪ Power Distribution / Electric Systems <input checked="" type="checkbox"/> ▪ Communications 	<ul style="list-style-type: none"> ▪ Signal Systems ▪ Line 1 and 2 Automatic Train Control Re-signaling 	<ul style="list-style-type: none"> ▪ Fire Ventilation Upgrade ▪ Easier Access Phase III ▪ Toronto Rocket/T1 Rail Yard Accommodation ▪ Charging systems for electric buses <input checked="" type="checkbox"/>
			
Capacity Improvements	Vehicles	Information Technology	Equipment & Other
\$3,419.16 M 28%	\$2,237.40 M 18%	\$332.66 M 3%	\$415.66 M 3%
<ul style="list-style-type: none"> ▪ Bloor-Yonge Capacity Improvements ▪ Line 1 and Line 2 Capacity Enhancements 	<ul style="list-style-type: none"> ▪ T1 25-Year Overhaul ▪ Bus Overhaul ▪ Streetcar Overhaul ▪ Purchase of Subway Cars ▪ Purchase of hybrid and electric buses <input checked="" type="checkbox"/> 	<ul style="list-style-type: none"> ▪ SAP ERP Implementation ▪ VISION – Computer Aided Dispatch / Auto. Vehicle Location System ▪ MAXIMO – Asset management system 	<ul style="list-style-type: none"> ▪ Shop & Maintenance Equipment ▪ Revenue & Fare Handling Equipment ▪ Service Planning <input checked="" type="checkbox"/>

- Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction*

*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

How the Capital Program is Funded

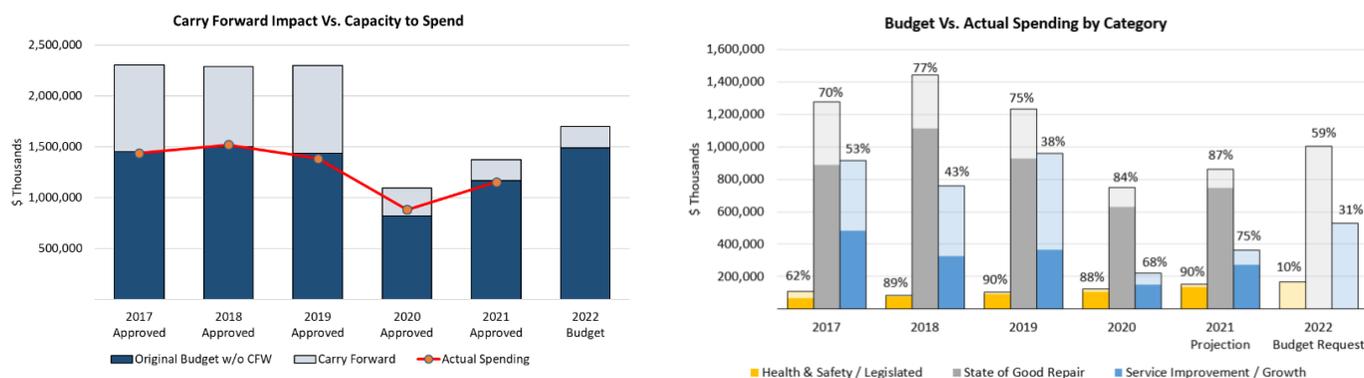
City of Toronto Funding		Provincial Funding		Federal Funding	
7,831.60 65%		1,589.45 13%		2,630.35 22%	
City Building Fund	6,186.79	PTIF	500.00	PTIF	500.00
Debt	882.49	Provincial Gas Tax	936.01	Federal Gas Tax	1,976.91
Development Charges	538.03	Other	153.44	Other	153.44
TTC Internal (Depreciation)	134.03				
Reserve Draws	75.26				
Other	15.00				

CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten-year capital plan. A review was undertaken to ensure budgets align with Toronto Transit Commission's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project category (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

Chart 2 – Capacity to Spend



Capacity to Spend Review Impact on the 10-Year Plan

Based on the review of historical capital spending constraints and a capacity to spend review, \$38.3 million in capital spending originally cash flowed in 2022 has been deferred to 2023, with an additional \$59.5 million deferred to 2024. Adjustments to the Capital Plan are noted below:

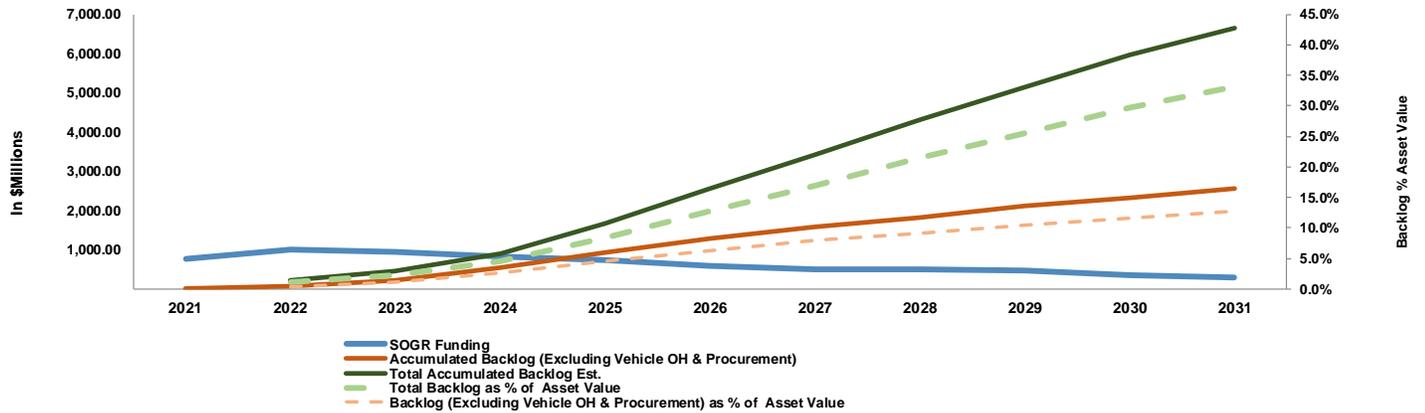
- Recalibrated the 10-year Capital Plan's project estimates based on capacity to spend and project readiness and adjusted annual cash flow estimates to match cash flow spending to project activities and timelines;
- Reviewed requirements for major capital projects based on the progress made through the stage gating process;
- Revisited assumptions on needs, scope, and timing to confirm existing capital priorities and requirements, some of which have been moved beyond the 10-year timeframe;
- Identified any emergent capital priorities that must be funded to address critical health, safety or state of good repair requirements beginning in 2022.
- As a result, the 2022-2031 Capital Budget and Plan:
 - Provided additional "funding room" of \$314.5 million which has enabled TTC staff to reallocate existing funding for critical capital priorities and needs starting in 2022, with 57% of the funding be added for Health and Safety, Legislated and State of Good Repair projects which were previously unfunded.
 - Advances TTC's ability to establish steady state funding for essential safety and SOGR capital works
 - Provides funding to ensure TTC is compliant with legislative requirements
 - Continues business modernization:
 - SAP; Maximo; Vision, Wheel Trans and Stations Transformation
 - Builds capacity within our major projects/programs to enhance coordination of activities and resourcing
- Total Capital Budget and Plan is \$12.1 billion, of which, \$8.9 billion (74%) relates to 27 major projects/programs that:

- Make progress on delivering the fleet procurement strategy for the delivery of 60 Streetcars, 300 hybrid & 300 e-buses and associated charging infrastructure as well as 70 Wheel-Trans buses;
- Continue to advance work on three major capacity improvement projects (Bloor-Yonge, Line 1 & 2);
- Complete the implementation of the Automatic Train Control Signalling System (ATC) on Line 1 and provide full funding for the implementation of ATC on Line 2;
- Replace and rehabilitate the surface and subway track networks;
- Complete the TTC's Easier Access Program, which is underway to make all subway stations accessible by 2025 with elevators, wide fare-gates and automatic sliding doors; and;
- Increase the capacity of the subway fire ventilation system and constructing second exits.

STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG

The chart below depicts the SOGR funding and accumulated backlog estimates for key infrastructure and vehicle asset classes in TTC:

Chart 3: Total SOGR Funding & Backlog



\$ Million	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
SOGR Funding	768.139	1,001.193	952.866	819.375	729.021	598.978	509.434	484.758	464.917	343.740	306.190
Accumulated Backlog (Excluding Vehicle OH & Procurement)		79.132	209.447	544.238	925.819	1,271.108	1,590.890	1,825.004	2,101.764	2,323.797	2,546.140
Backlog (Excluding Vehicle OH & Procurement) as % of Asset Value		0.4%	1.0%	2.7%	4.6%	6.3%	7.9%	9.1%	10.4%	11.5%	12.6%
Vehicle Overhaul/Procurement Backlog		132.397	240.502	361.288	745.893	1,300.869	1,828.191	2,488.432	3,046.686	3,642.429	4,110.134
Total Accumulated Backlog Est.		211.529	449.948	905.526	1,671.712	2,571.978	3,419.081	4,313.436	5,148.450	5,966.225	6,656.273
Total Backlog as % of Asset Value		1.0%	2.2%	4.5%	8.3%	12.8%	17.0%	21.4%	25.6%	29.6%	33.0%
Total Asset Value	20,147.060	20,147.060	20,147.060	20,147.060	20,147.060	20,147.060	20,147.060	20,147.060	20,147.060	20,147.060	20,147.060

- The SOGR Backlog presented above is based on TTC’s 2022-2036 Capital Investment Plan which has been updated to account for project priorities; timing and dependencies.
- The SOGR Backlog analysis reflects both finite and ongoing SOGR capital projects included in the 2022-2031 capital planning timeframe of TTC’s 15-year Capital Investment Plan that are currently not funded in the recommended 2022-2031 Capital Budget and Plan.
- While the SOGR Backlog will rise from \$211.5 million or 1% of asset value in 2022 to \$6.6 billion or 33% of asset value by the end of 2031, the SOGR Backlog would have been higher had it not been for the infusion of incremental funding through the City Building Fund for critical subway infrastructure state of good repair projects in 2020.
- If one excludes the backlog associated with unfunded fleet overhaul and procurement investments, the SOGR Backlog would be \$2.5 billion or 12.6% of asset value by the end of 2031, noting that unfunded vehicle needs make up nearly two-thirds of this backlog.
- The TTC will continue to refine these estimates based on planned condition audits of its asset inventory and this SOGR backlog analysis, including asset values, as the TTC matures its asset management practices.

OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS

Completion of various capital projects included in the 2022-2031 Capital Plan will result in an additional 43.5 positions over the next 10 years. Operating costs of \$1.8 million are required in 2022 and a net savings of \$49.2 million over the next 10 years is expected to be realized from the completion of capital projects. The implementation of the train door monitoring project (OPTO) will result in savings of \$14.462 million and the reduction of fuel consumption from the purchase of hybrid and electric buses will realize savings of \$70.424 million. These savings will fully offset forecasted cost increases associated with the sustainment of technology and ebus charging systems and the incremental cost of the addition of 60 new streetcars, as shown in Table 4 below.

**Table 4: Net Operating Impact Summary
(In \$000's)**

Projects	2022 Budget		2023 Plan		2024 Plan		2025 Plan		2026 Plan		2022-2026		2022-2031	
	\$000s	Position	\$000s	Position	\$000s	Position	\$000s	Position	\$000s	Position	\$000s	Position	\$000s	Position
Previously Approved														
Fare Handling Equipment	999.8		294.0		115.0		114.0		69.0		1,591.8		1,591.8	
Information Technology System-Infrastructure	1,424.5		6,854.4	3.0	748.5		1,931.3	16.0	1,194.8	1.0	12,153.5	20.0	13,504.0	20.0
Train Door Monitoring	(2,642.0)	(66.0)	(12,000.0)								(14,642.0)	(66.0)	(14,642.0)	(66.0)
eBus Charging System	407.6		375.6		788.8	1.0	1,869.3	3.0	2,063.3		5,504.6	4.0	12,156.9	
Purchases of Buses			(4,807.0)		(6,394.0)		(8,028.0)		(8,150.0)		(27,379.0)		(70,424.0)	
Purchase of Street car			767.0	7.0	4,859.1	44.0	2,078.4	19.0	47.6		7,752.1	70.0	8,005.3	70.0
Signal Systems - Various	644.6	2.0	129.0	0.5	31.0		33.0		29.0		866.6	2.5	1,034.0	2.5
Other Various OBIs	999.1	5.0	(1,587.3)	(0.8)	(101.5)		112.7	(1.0)	9,258.1	1.0	8,681.1	4.2	(402.4)	17.0
Sub-Total: Previously Approved	1,833.6	(59.0)	(9,974.3)	9.7	46.9	45.0	(1,889.3)	37.0	4,511.8	2.0	(5,471.3)	34.7	(49,176.5)	43.5
New Projects - 2022														
Sub-Total: New Projects - 2022														
New Projects - Future Years														
Sub-Total: New Projects - Future Years														
Total (Net)	1,833.6	(59.0)	(9,974.3)	9.7	46.9	45.0	(1,889.3)	37.0	4,511.8	2.0	(5,471.3)	34.7	(49,176.5)	43.5

The 2022 operating impacts of capital have been reflected in the staff-recommended 2022 Operating Budget.

APPENDICES

Appendix 1

COVID-19 Impact and Recovery

COVID-19 Impacts	2021 Net Budget	In \$ Thousands		
		2022		
		Revenues	Gross	Net
Revenue Loss				
Passenger Revenue Loss (Net of PRESTO)	725,000.0	(509,385.0)	(22,224.3)	487,160.7
Ancillary Revenue	15,885.0	(22,550.0)		22,550.0
Sub-Total	740,885.0	(531,935.0)	(22,224.3)	509,710.7
Expenditure Increase				
Safety and Other Required Measures				
Vehicle Disinfection	25,776.0		11,641.3	11,641.3
Personal Protective Equipment	5,870.0		5,965.1	5,965.1
Vehicle Ventilation Filters	1,365.0		1,665.0	1,665.0
Facility Disinfection, Decals and Other	5,767.0		4,409.0	4,409.0
Hand Sanitizer for Customers	2,367.0		1,632.0	1,632.0
Employee Screening Costs	5,500.0		8,000.0	8,000.0
Managing Resourcing				
Incremental Labour Costs	2,715.0		1,678.4	1,678.4
Increased WSIB Mental Health Claims			10,231.0	10,231.0
Sick Benefit Costs	6,156.0		6,156.0	6,156.0
Sub-Total	55,516.0		51,377.8	51,377.8
Support from Other Levels of Gov't				
SRA Phase 2	(232,400.0)			
SRA Phase 3	(395,200.0)			
Sub-Total	(627,600.0)			
Other Funding Sources				
2020 Management Savings	(65,500.0)			
Sub-Total	(65,500.0)			
Anticipated COVID-19 Top-Up Funding	(103,301.0)			
Total COVID-19 Impact	-	(531,935.0)	29,153.5	561,088.5

Funding of COVID-19 Impact

To date, the TTC has received \$1.3 billion in funding relief from the other orders of government which recognizes the importance of public transit as an essential service and the critical role it plays in the City's environmental, social and economic well-being and vitality, particularly in post-COVID recovery.

Discussions between the City, TTC and the other orders of government continue in order to secure funding relief to offset the \$561.1 million currently projected COVID-19 financial impact for 2022 and beyond as well as seeking more stable and predictable funding long term.

Appendix 2

2022 Balancing Actions

(\$000s)										
Recommendation	Savings Type	Equity Impact	2022				2023 (Incremental)			
			Revenue	Gross	Net	Positions	Revenue	Gross	Net	Positions
Base Expenditure Reductions	Line By Line									
Diesel Consumption & Hedging				(6,769.7)	(6,769.7)					
Other Line-By-Line Savings				(4,199.0)	(4,199.0)					
Efficiency Measures	Efficiencies									
Overtime Reductions				(4,490.8)	(4,490.8)					
Overtime Reductions Pension Contribution Savings				(574.8)	(574.8)					
Improved Vehicle Maint. Work methods & Tool usage				(1,696.7)	(1,696.7)	(5)	(200.0)	(200.0)	(5)	
Streetcar - Interior Lighting Upgrade				(873.8)	(873.8)	(1)				
Facility Maintenance Contract Optimizations				(742.0)	(742.0)					
One Person Train Operation (Line 1)		Low - Positive		(2,642.4)	(2,642.4)	(66)	(12,000.0)	(12,000.0)		
ATC Efficiency				(116.9)	(116.9)					
McNicol Deadhead savings				(167.9)	(167.9)					
Articulated Buses Route 927				(84.1)	(84.1)	(4)				
Transformation Initiatives	Efficiencies									
Second Source Streetcar cleaning/servicing				(377.8)	(377.8)					
Materials Management: Storeperson Efficiency				(284.3)	(284.3)	(3)	(100.0)	(100.0)	(1)	
Wheel-Trans - Family of Services		High - Positive		(230.7)	(230.7)		(100.0)	(100.0)		
AG Recommendations	AG Recs									
Wheel-Trans: Reservationists				(1,740.2)	(1,740.2)	(21)	(200.0)	(200.0)		
After Market part warranties				(174.8)	(174.8)	1	(200.0)	(200.0)	1	
Alternate Sourced Parts				(388.3)	(388.3)		(500.0)	(500.0)		
Subtotal Efficiencies				(25,554.3)	(25,554.3)	(99)	(13,300.0)	(13,300.0)	(5)	
Balancing Actions	Other									
TTC Stabilization Reserve Draw: Re Fuel Prices			8,500.0		(8,500.0)		(8,500.0)		8,500.0	
TTC Stabilization Reserve Draw: Re Insurance Premiums			1,565.8		(1,565.8)					
TTC Long-Term Liability Reserve Draw: Re Insurance and Accident Claims			3,000.0		(3,000.0)					
Subtotal Reserve Draws			13,065.8		(13,065.8)	-				-
Total Balancing Actions			13,065.8	(25,554.3)	(38,620.1)	(99)	(13,300.0)	(13,300.0)	(5)	

Appendix 3

Summary of 2022 Service Changes

N/A

Appendix 4

Summary of 2022 New / Enhanced Service Priorities Included in Budget



2022 Operating Budget - Staff Recommended New and Enhanced Services Summary by Service (\$000's)

Form ID		Agencies - Cluster	Adjustments				2023 Plan Net Change	2024 Plan Net Change														
Category	Equity Impact	Program - Toronto Transit Commission - Conventional	Gross Expenditure	Revenue	Net	Approved Positions																
25710		Anti-Racism & Diversity																				
74	Positive	Description:																				
<p>TTC continues to advance work that contributes to the TTC's commitment to being an accessible, equitable and inclusive service provider and organization. For 2022, funding of \$0.7 million and 2 positions are recommended for the following initiatives:- Two additional instructors dedicated to diversity and anti-racism training for front-line staff.- Delivering specialized mental health training for Special constable Service and Revenue Protection personnel as well as, customer service, diversity, equity and inclusion training, consistent with Ombudsman Toronto Recommendations.This will ensure Constables and Fare Inspectors have the knowledge and resources to perform their duties in an equitable, fair and non-discriminatory manner.</p> <p>Service Level Impact:</p> <p>Equity Statement:</p> <p>These plans and strategies are intended to have a high positive impact on Indigenous, Black and equity-seeking groups by identifying, addressing and preventing inequities in employment and in the delivery of services to TTC customers.</p> <p>Service: Toronto Transit Commission - Conventional Service</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Total Staff Recommended Changes:</td> <td style="text-align: right;">668.0</td> <td style="text-align: right;">0.0</td> <td style="text-align: right;">668.0</td> <td style="text-align: right;">2.00</td> <td style="text-align: right;">0.0</td> <td style="text-align: right;">0.0</td> </tr> <tr> <td>Staff Recommended New/Enhanced Services:</td> <td style="text-align: right;">668.0</td> <td style="text-align: right;">0.0</td> <td style="text-align: right;">668.0</td> <td style="text-align: right;">2.00</td> <td style="text-align: right;">0.0</td> <td style="text-align: right;">0.0</td> </tr> </table>									Total Staff Recommended Changes:	668.0	0.0	668.0	2.00	0.0	0.0	Staff Recommended New/Enhanced Services:	668.0	0.0	668.0	2.00	0.0	0.0
Total Staff Recommended Changes:	668.0	0.0	668.0	2.00	0.0	0.0																
Staff Recommended New/Enhanced Services:	668.0	0.0	668.0	2.00	0.0	0.0																
25732		Innovation & Sustainability																				
74	Positive	Description:																				
<p>To embed innovation, environmental sustainability and climate change resilience at the TTC, \$0.4 million is recommended to support the recently formed function. This additional funding will allow for an independent assessment report and the formation of a TTC innovation and sustainability strategy and plan.</p> <p>Service Level Impact:</p> <p>Equity Statement:</p> <p>Service: Toronto Transit Commission - Conventional Service</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Total Staff Recommended Changes:</td> <td style="text-align: right;">375.0</td> <td style="text-align: right;">0.0</td> <td style="text-align: right;">375.0</td> <td style="text-align: right;">0.00</td> <td style="text-align: right;">0.0</td> <td style="text-align: right;">0.0</td> </tr> <tr> <td>Staff Recommended New/Enhanced Services:</td> <td style="text-align: right;">375.0</td> <td style="text-align: right;">0.0</td> <td style="text-align: right;">375.0</td> <td style="text-align: right;">0.00</td> <td style="text-align: right;">0.0</td> <td style="text-align: right;">0.0</td> </tr> </table>									Total Staff Recommended Changes:	375.0	0.0	375.0	0.00	0.0	0.0	Staff Recommended New/Enhanced Services:	375.0	0.0	375.0	0.00	0.0	0.0
Total Staff Recommended Changes:	375.0	0.0	375.0	0.00	0.0	0.0																
Staff Recommended New/Enhanced Services:	375.0	0.0	375.0	0.00	0.0	0.0																

Form ID		Agencies - Cluster	Adjustments				2023 Plan Net Change	2024 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		

25734	
74	Positive

City Initiative - ModernTO

Description:

TTC is continuing to advance work on the ModernTO initiative, which will optimize and modernize office space and consolidate 10 TTC offices to North York Centre and Metro Hall, with approximately 2000 employees working in a hybrid model, the extent to which depends on the business requirements. \$1.1 million and six positions are recommended to provide the necessary resources and expertise for project management; space planning, policy development and information management work necessary to transition to the hybrid model required to advance this initiative and achieve the shared objectives of system resiliency and financial sustainability.

Service Level Impact:

Equity Statement:

This new initiative represents the implementation of ModernTO. Implementation of this initiative has no impact on service levels provided to the public. The Equity impact is expected to be low positive as through this initiative accessibility features of TTC workplaces is expected to be enhanced.

Service: Toronto Transit Commission - Conventional Service

Total Staff Recommended Changes:	1,075.0	0.0	1,075.0	6.00	0.0	0.0
Staff Recommended New/Enhanced Services:	1,075.0	0.0	1,075.0	6.00	0.0	0.0

25987	
74	Positive

Fare Collection Strategy

Description:

This will include developing a detailed Request for Information to determine future business requirements and ensure comprehensive business terms are established for the Automated Fare collection agreements. Given the one-time nature of this cost, it will be funded by a draw from the TTC stabilization Reserve.

Service Level Impact:

Equity Statement:

The Fare Collection Strategy budget proposal overall impact is Medium positive. This strategy aims to identify options to improve accessibility in fare payments.

Service: Toronto Transit Commission - Conventional Service

Total Staff Recommended Changes:	590.0	590.0	0.0	0.00	0.0	0.0
Staff Recommended New/Enhanced Services:	590.0	590.0	0.0	0.00	0.0	0.0

26015	
74	Positive

Service Plan Reset/Ridership Reacquisition Strategy

Description:

The service plan reset/ridership reacquisition strategy will enable the TTC to understand changes in customer travel patterns post-pandemic and examine how riders can be attracted back to the TTC through innovative means. This initiative will contribute to ensuring system resiliency and improving financial sustainability through a clearer understanding of travel patterns and planning transit service that effectively serves our riders while implementing policies designed to attract riders back to public transit. Given the one-time nature of this cost, it will be funded by the TTC stabilization reserve.

Service Level Impact:

Equity Statement:

The budget proposal's overall impact is Medium positive. Upon completion of the Service plan reset strategy, public transit service and access to numerous NIAs will improve and connect customers to opportunities across the city with transit that is faster, more reliable and more comfortable compared to current conditions.

Service: Toronto Transit Commission - Conventional Service

Total Staff Recommended Changes:	500.0	500.0	0.0	0.00	0.0	0.0
Staff Recommended New/Enhanced Services:	500.0	500.0	0.0	0.00	0.0	0.0

Form ID		Agencies - Cluster	Adjustments				2023 Plan Net Change	2024 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
		Program - Toronto Transit Commission - Conventional						

25733 City Initiative - Dundas Name Change

74 Positive

Description:

City Council voted to rename Dundas Street at its July 14-15, 2021 meeting. The recommendation to rename Dundas Street and other civic assets bearing the Dundas name follows discovery sessions, extensive academic research and a review of over 400 global case studies, and furthers the City's commitment to confronting anti-Black racism, advancing truth, reconciliation and justice, and building a more inclusive and equitable Toronto. Toronto Transit Commission costs includes changes to Dundas and Dundas West Stations, train and streetcar technical systems, Dundas streetcar, signage, system-wide maps.

Service Level Impact:

Equity Statement:

The overall budget impact of this proposal is Medium positive. The recommendation to rename Dundas Street and other civic assets bearing the Dundas name follows discovery sessions, extensive academic research and a review of over 400 global case studies, and furthers the City's commitment to confronting anti-Black racism, advancing truth, reconciliation and justice, and building a more inclusive and equitable Toronto.

Service: Toronto Transit Commission - Conventional Service

Total Staff Recommended Changes:	0.0	0.0	0.0	0.00	1,600.0	(1,600.0)
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Staff Recommended New/Enhanced Services:	0.0	0.0	0.0	0.00	1,600.0	(1,600.0)
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Summary:

Staff Recommended New / Enhanced Services:	3,208.0	1,090.0	2,118.0	8.00	1,600.0	(1,600.0)
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Appendix 5

Summary of 2022 New / Enhanced Service Priorities Not Included in Budget

N/A

Appendix 6

2022 Capital Budget; 2023 - 2031 Capital Plan Including Carry Forward Funding

(In \$000s)	2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2022 - 2031 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
SUBWAY TRACK	32,481,000	32,195,000	32,889,000	35,064,000	35,316,000	34,872,000	34,243,000	34,666,000	35,905,000	33,829,000	341,460		341,401	59
SURFACE TRACK	50,151,588	56,057,271	71,042,000	66,723,000	62,323,000	46,199,000	35,296,000	26,417,000	28,871,000	27,978,000	471,058		355,581	115,477
TRACTION POWER	27,951,071	33,338,070	29,513,000	24,670,000	25,492,000	24,717,000	24,957,000	26,746,000	27,754,000	27,570,000	272,708		267,652	5,056
POWER DISTRIBUTION/ELECTRIC SYSTEMS	7,839,000	10,706,000	13,734,000	15,339,000	20,860,000	27,688,000	27,306,000	20,105,000	9,309,000	8,974,000	161,860	2,698	156,082	3,080
COMMUNICATIONS	13,396,584	15,343,714	15,551,000	13,670,000	15,223,000	13,364,000	12,808,000	11,406,000	10,988,000	9,027,000	130,777	4,615	125,179	983
SIGNAL SYSTEMS	15,037,000	17,950,890	13,871,000	12,361,000	10,552,000	5,624,000	3,576,000	3,770,000	4,005,000	3,388,000	90,135		90,135	
FINISHES	27,117,624	31,021,000	17,354,000	11,579,000	917,000	800,000	800,000	800,000	800,000	800,000	91,989	2,750	85,611	3,628
EQUIPMENT	68,893,132	68,665,600	48,640,231	30,408,000	23,453,000	23,079,000	20,104,000	21,814,000	12,951,000	12,970,000	330,978	39,461	291,517	
YARDS & ROADS	1,453,000	952,000	-	-	-	-	-	-	-	-	2,405	2,405		
ON-GRADE PAVING REHABILITATION PROGRAM	8,235,000	18,848,000	12,133,000	4,629,000	12,220,000	12,000,000	12,000,000	12,000,000	12,000,000	10,000,000	114,065		114,065	
BRIDGES & TUNNELS	40,564,000	54,137,000	56,592,000	47,283,000	46,702,000	45,313,000	48,595,000	49,382,000	50,916,000	48,354,000	487,838		487,838	
FIRE VENTILATION UPGRADE	47,430,305	52,924,000	36,295,000	38,903,000	30,006,000	45,262,000	60,675,000	56,784,000	39,715,094	12,374,000	420,368	179,531	240,837	
EASIER ACCESS PHASE LL & III	107,699,128	159,073,274	151,469,024	94,168,708	102,359,866	5,857,000	-	-	-	-	620,627	620,627		
SHEPPARD SUBWAY - YONGE TO DON MILLS	-	3,705,000	-	-	-	-	-	-	-	-	3,705			3,705
REPLACEMENT WHEEL-TRANS VEHICLES	25,448,394	11,345,000	-	-	-	-	-	-	-	-	36,793		36,793	
SUBWAY CAR PURCHASES	18,089,000	18,089,000	49,227,000	153,710,000	116,294,000	111,011,000	83,885,000	79,394,000	-	-	619,469		457,205	162,264
STREETCAR OVERHAUL PROGRAM	6,651,064	17,528,850	17,250,430	8,373,369	620,000	-	-	-	-	-	50,424	9,008	39,158	2,257
SUBWAY CAR OVERHAUL PROGRAM	32,336,000	47,319,000	35,357,000	30,265,000	15,806,000	8,205,000	10,000,000	22,460,000	-	-	201,748	14,339	187,409	
AUTOMOTIVE NON-REVENUE VEHICLES	10,314,000	8,379,000	2,812,000	2,812,000	2,812,000	2,812,000	2,812,000	2,841,000	2,841,000	2,841,000	41,276		41,276	
RAIL NON-REVENUE VEHICLE OVERHAUL	4,183,931	7,388,322	7,187,305	6,359,724	3,820,514	1,778,692	1,375,264	761,245	1,917,646	784,000	35,557		35,557	
RAIL NON-REVENUE VEHICLES PURCHASE	4,151,033	5,592,032	16,391,621	10,465,712	13,776,000	13,776,000	2,355,556	3,773,612	2,594,232	-	50,973		37,679	13,294
SHOP EQUIPMENT	5,123,903	3,246,443	2,609,000	2,847,000	1,824,000	1,764,000	1,644,000	1,561,000	2,021,000	1,768,000	24,408		24,408	
FARE HANDLING EQUIPMENT	6,151,000	1,750,000	1,800,000	1,800,000	1,800,000	1,800,000	1,300,000	1,300,000	1,300,000	1,300,000	20,301		20,301	
ENVIRONMENTAL PROGRAMS	12,923,000	17,487,000	11,074,000	6,368,000	6,642,000	6,820,000	6,963,000	6,183,000	5,000,000	5,100,000	84,560	84,560		
COMPUTER EQUIPMENT & SOFTWARE	78,530,738	72,287,774	71,315,612	57,309,842	30,002,004	9,292,164	3,569,594	3,364,531	3,494,098	3,494,098	332,660	1,812	315,794	15,054
FURNITURE & OFFICE EQUIPMENT	365,877	320,000	141,000	305,000	157,000	149,000	302,000	35,000	84,000	84,000	1,943		1,943	
OTHER SERVICE PLANNING	27,754,542	37,108,000	8,096,708	3,200,000	3,200,000	3,100,000	3,100,000	3,000,000	2,900,000	2,800,000	94,259	10,629	9,910	73,720
TRANSIT SHELTERS & LOOPS	1,135,567	545,000	545,000	545,000	545,000	545,000	545,000	565,000	652,000	665,000	6,288		6,288	
OTHER BUILDINGS & STRUCTURES PROJECTS	276,803,517	193,012,574	128,958,000	141,123,000	149,824,400	93,770,000	21,474,000	1,909,000	563,000	548,000	1,007,985	155,593	480,112	372,281
PURCHASE OF BUSES	280,550,000	158,658,559	162,176,000	8,743,000	611,000	611,000	611,000	611,000	611,000	611,000	613,794		594,403	19,391
BUS OVERHAUL	70,910,512	53,891,000	21,164,000	26,469,000	1,059,000	934,000	951,000	967,000	1,065,000	-	177,411		177,411	
OTHER MAINTENANCE EQUIPMENT	2,718,000	1,091,000	1,186,000	1,121,000	1,137,000	1,144,000	1,173,000	1,236,000	1,297,000	1,301,000	13,404		13,404	
PURCHASE OF STREETCARS	59,950,054	64,494,453	194,288,770	87,005,739	4,217,343	-	-	-	-	-	409,956		45,024	364,932
KIPLING STATION IMPROVEMENTS	670,000	-	-	-	-	-	-	-	-	-	670			670
FARE SYSTEM	6,521,000	6,013,000	4,744,000	-	-	-	-	-	-	-	17,278		500	16,778
ATC RESIGNALING PROJECT	55,255,000	100,409,000	60,000,000	90,000,000	90,000,000	90,000,000	90,000,000	90,000,000	90,000,000	90,000,000	845,664		845,664	
LRT REPLACEMENT MAINTENANCE AND STORAGE FACILITY	1,610,356	2,329,771	7,012,000	-	-	-	-	-	-	-	10,952		10,952	
TORONTO ROCKET YARD & STORAGE TRACK ACCOMMODATION	27,917,816	37,179,000	39,520,000	22,907,840	15,043,000	-	-	-	-	-	142,568		142,568	
MCNICOLL BUS GARAGE FACILITY	500,000	4,864,000	-	-	-	-	-	-	-	-	5,364			5,364
BICYCLE PARKING AT STATIONS	100,000	-	-	-	-	-	-	-	-	-	100			100
SAFETY PROGRAM	975,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	9,975	9,975		
WAREHOUSE CONSOLIDATION	202,000	-	-	-	-	-	-	-	-	-	202		202	
CORPORATE INITIATIVES	8,000,000	8,000,000	8,250,000	8,250,000	8,250,000	9,000,000	9,000,000	9,250,000	9,250,000	9,500,000	86,750		86,750	
YONGE-BLOOR CAPACITY IMPROVEMENTS	100,000,000	26,000,000	132,000,000	154,000,000	198,550,000	198,550,000	198,550,000	198,550,000	179,000,000	100,038,000	1,485,238			1,485,238
LINE 1 CAPACITY ENHANCEMENT	30,660,737	180,627,348	112,364,470	83,895,959	126,570,000	143,282,000	162,637,000	183,924,000	120,156,000	180,894,000	1,325,012			1,325,012
LINE 2 CAPACITY ENHANCEMENT	10,191,000	13,595,000	35,203,000	50,036,000	31,026,000	47,079,000	78,957,000	152,932,000	77,390,000	112,500,000	608,909			608,909
Expansion Projects														
TORONTO YORK SPADINA SUBWAY EXTENSION	63,967,153	826,847	-	-	-	-	-	-	-	-	64,794			64,794
SCARBOROUGH SUBWAY EXTENSION	22,495,000	12,994,000	8,375,000	-	-	-	-	-	-	-	43,864		43,864	
WATERFRONT TRANSIT	7,093,180	33,292,364	372,834	114,862	-	-	-	-	-	-	40,873			40,873
Total Expenditures (including carry forward from 2021)	1,698,267	1,701,580	1,639,504	1,347,633	1,206,700	1,018,798	962,564	1,029,507	736,350	710,492	12,051,395	1,138,003	6,210,472	4,702,920

☑ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction*

*Information above includes full project / sub-project 2022-2031 Budget and Plan cash flows. Does not break out the climate component costs separately

Appendix 6a

2022 Cash Flow and Future Year Commitments Including Carry Forward Funding

Project Code	(In \$000s)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 2022 Cash Flow & FY Commits	Previously Approved	Change in Scope	New w/ Future Year
<i>Yonge Bloor Capacity Improvements</i>		100,000	26,000	132,000	154,000	198,550	198,550	198,550	198,550	179,000	100,038	1,485,238	1,375,031	110,207	0
<i>Line 1 Capacity Enhancement</i>		30,661	180,627	112,364	83,896	126,570	143,282	162,637	183,924	120,156	181,442	1,325,559	(10,573)	0	1,336,132
<i>Other Bldgs & Structures Projects</i>		276,802	193,012	128,958	141,123	149,824	93,770	21,474	1,909	563	0	1,007,435	2,541,279	(1,533,844)	0
<i>ATC Resignalling</i>		55,255	100,409	60,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	845,664	854,725	(9,061)	0
<i>Easier Access Phase II & III</i>		107,699	159,073	151,469	94,169	102,360	5,857	0	0	0	0	620,627	617,300	3,327	0
<i>Purchase of Subway Cars</i>		7,859	18,089	49,227	153,710	116,294	111,011	83,885	79,393	0	0	619,468	619,503	(35)	0
<i>Purchases of Buses</i>		280,550	158,659	159,497	0	0	0	0	0	0	0	598,706	598,706	0	0
<i>Line 2 Capacity Enhancement</i>		10,191	13,595	35,203	50,036	31,026	47,079	78,957	152,932	77,390	112,500	608,909	(2,186)	0	611,095
<i>Bridges and Tunnels - Various</i>		40,564	54,137	56,592	16,434	0	0	0	0	0	0	167,727	61,060	106,667	0
<i>Surface Track</i>		49,843	56,371	28,948	30,322	33,459	11,199	0	0	0	0	210,142	178,193	22,006	9,943
<i>Fire Ventilation Upgrade</i>		47,430	52,924	31,895	32,253	16,589	13,056	16,650	11,811	0	0	222,608	178,475	44,133	0
<i>Purchase of Streetcars</i>		59,950	64,494	194,289	87,006	4,217	0	0	0	0	0	409,956	438,624	(28,668)	0
<i>Subway Track</i>		32,480	32,195	0	0	0	0	0	0	0	0	64,675	43,354	21,321	0
<i>Information Technology System-Infrastructure</i>		78,532	72,288	71,315	54,229	0	0	0	0	0	0	276,364	269,982	6,382	0
<i>Equipment - Various</i>		68,893	68,666	48,641	14,898	4,930	7,288	5,600	4,600	4,600	0	228,116	185,045	43,071	0
<i>Traction Power - Various</i>		28,264	33,025	7,902	0	0	0	0	0	0	0	69,191	27,410	36,725	5,056
<i>Subway Car Overhaul Program</i>		32,336	47,319	35,357	30,265	15,806	8,205	10,000	22,460	0	0	201,748	210,815	(9,067)	0
<i>Bus Overhaul Program</i>		70,910	53,891	21,164	25,656	0	0	0	0	0	0	171,621	55,911	115,710	0
<i>Power Dist/Electric Systems - Various</i>		7,839	10,706	13,309	14,877	20,341	27,144	9,458	0	0	0	103,674	95,028	8,646	0
<i>Toronto Rocket Yard & Storage Track Accommodation</i>		27,918	37,179	39,520	22,908	15,043	0	0	0	0	0	142,568	139,087	3,481	0
<i>Communications - Various</i>		13,397	15,344	7,003	0	0	250	309	901	1,141	500	38,845	40,081	(1,236)	0
<i>On-Grade Paving Rehabilitation</i>		8,235	18,848	0	0	0	0	0	0	0	0	39,060	20,068	18,992	0
<i>Other Service Planning</i>		27,754	37,108	8,097	3,200	3,200	3,100	3,100	3,000	2,900	2,800	94,259	99,523	(5,264)	0
<i>Finishes - Various</i>		27,118	31,021	16,404	11,579	917	800	800	800	800	800	91,039	86,327	4,712	0
<i>Signal Systems - Various</i>		15,037	17,951	13,871	12,361	2,597	0	0	0	0	0	61,817	56,402	5,415	0
<i>Corporate Initiatives - CLA</i>		8,000	8,000	8,250	8,250	8,250	9,000	9,000	9,250	9,250	9,500	86,750	87,148	(398)	0
<i>Environmental Programs</i>		12,922	17,487	11,074	6,368	759	0	0	0	0	0	48,610	29,048	19,562	0
<i>Purchase of Rail Non-Revenue Vehicle</i>		4,151	5,592	16,392	4,273	10,466	1,376	2,356	3,774	2,594	0	50,974	40,844	10,130	0
<i>Streetcar Overhaul Program</i>		6,651	17,529	8,641	0	0	0	0	0	0	0	32,821	31,941	880	0
<i>Automotive Non-Revenue Vehicles</i>		10,314	8,379	2,812	2,737	0	0	0	0	0	0	24,242	24,242	0	0
<i>Purchase of 360 Wheel-Trans Vehicles</i>		25,448	11,345	0	0	0	0	0	0	0	0	36,793	36,787	6	0
<i>Rail Non-Revenue Vehicle Overhaul</i>		4,184	7,388	6,447	0	0	0	0	0	0	0	18,019	13,660	4,359	0
<i>Tools and Shop Equipment</i>		5,124	3,246	0	0	0	0	0	0	0	0	8,370	7,077	1,293	0
<i>Fare Handling Equipment</i>		6,150	1,750	1,800	1,800	1,800	1,800	1,300	1,300	200	0	17,900	16,400	1,500	0
<i>Fare System</i>		6,521	6,013	4,744	0	0	0	0	0	0	0	17,278	16,778	500	0
<i>Other Maintenance Equipment</i>		2,718	1,091	995	0	0	0	0	0	0	0	4,804	4,804	0	0
<i>Leslie Bams Streetcar Maint. & Storage Facility</i>		1,610	2,330	7,012	0	0	0	0	0	0	0	10,952	16,552	(5,600)	0
<i>Safety Program</i>		975	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	9,975	7,240	2,735	0
<i>Transit Shelters & Loops</i>		1,136	545	0	0	0	0	0	0	0	0	1,681	1,137	544	0
<i>McNicoll Bus Garage Facility</i>		500	4,864	0	0	0	0	0	0	0	0	5,364	12,043	(6,679)	0
<i>Line 4</i>		0	3,705	0	0	0	0	0	0	0	0	3,705	3,705	0	0
<i>Yards and Roads - Various</i>		1,453	952	0	0	0	0	0	0	0	0	2,405	2,404	1	0
<i>Furniture & Office Equipment</i>		366	320	0	0	0	0	0	0	0	0	686	568	118	0
<i>Kipling Station Improvements</i>		670	0	0	0	0	0	0	0	0	0	670	670	0	0
<i>Warehouse Consolidation</i>		202	0	0	0	0	0	0	0	0	0	202	(378)	580	0
<i>Bicycle Parking at Stations</i>		100	0	0	0	0	0	0	0	0	0	100	99	1	0
<i>Spadina Subway Extension VCC</i>		63,967	827	0	0	0	0	0	0	0	0	64,794	64,794	0	0
<i>Scarborough Subway Extension</i>		22,495	12,994	8,375	0	0	0	0	0	0	0	43,864	43,864	0	0
<i>Transit Projects</i>		7,093	33,292	373	115	0	0	0	0	0	0	40,873	40,873	0	0
Total Expenditure (including carry forward from 2021)		1,698,267	1,701,580	1,512,917	1,147,465	953,998	773,767	695,076	765,604	489,594	498,580	10,236,848	9,281,470	(1,045,348)	1,962,226

Appendix 6b

2023 - 2031 Capital Plan

Project Code	(In \$000s)	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2023 - 2031 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
	<i>Bridges and Tunnels - Various</i>	0	0	30,849	46,702	45,313	48,595	49,382	50,916	48,354	320,111	0	320,111	0
	<i>Subway Track</i>	0	32,889	35,064	35,316	34,872	34,243	34,666	35,905	33,829	276,784	0	276,784	0
	<i>Surface Track</i>	0	42,095	36,401	28,864	35,000	35,296	26,417	28,871	27,978	260,922	0	260,922	0
	<i>Traction Power - Various</i>	0	21,611	24,670	25,492	24,717	24,957	26,746	27,754	27,570	203,517	0	203,517	0
	<i>Fire Ventilation Upgrade</i>	0	4,400	6,650	13,417	32,206	44,025	44,973	39,715	12,374	197,760	0	197,760	0
	<i>Equipment - Various</i>	0	0	15,510	18,523	15,791	14,504	17,214	8,351	12,970	102,863	0	102,863	0
	<i>Communications - Various</i>	0	8,548	13,670	15,223	13,114	12,499	10,505	9,847	8,527	91,933	0	91,933	0
	<i>On-Grade Paving Rehabilitation</i>	0	156	4,629	12,220	12,000	12,000	12,000	12,000	10,000	75,005	0	75,005	0
	<i>Power Dist./Electric Systems - Various</i>	0	425	462	519	544	17,847	20,105	9,309	8,974	58,185	2,339	53,239	2,607
	<i>Information Technology System-Infrastructure</i>	0	0	3,081	30,002	9,292	3,570	3,365	3,494	3,494	56,298	0	56,298	0
	<i>Environmental Programs</i>	0	0	0	5,883	6,820	6,963	6,183	5,000	5,100	35,949	35,949	0	0
	<i>Signal Systems - Various</i>	0	0	0	7,955	5,624	3,576	3,770	4,005	3,388	28,318	0	28,318	0
	<i>Streetcar Overhaul Program</i>	0	8,608	8,373	620	0	0	0	0	0	17,601	0	17,601	0
	<i>Rail Non-Revenue Vehicle Overhaul</i>	0	740	6,360	3,821	1,779	1,375	761	1,918	784	17,538	0	17,538	0
	<i>Automotive Non-Revenue Vehicles</i>	0	0	75	2,812	2,812	2,812	2,841	2,841	2,841	17,034	0	17,034	0
	<i>Tools and Shop Equipment</i>	0	2,609	2,847	1,824	1,764	1,644	1,561	2,021	1,768	16,038	0	16,038	0
	<i>Purchases of Buses</i>	0	2,679	8,743	611	611	611	611	611	611	15,088	0	10,200	4,888
	<i>Other Maintenance Equipment</i>	0	191	1,121	1,137	1,144	1,173	1,236	1,297	1,301	8,600	0	8,600	0
	<i>Bus Overhaul Program</i>	0	0	813	1,059	934	951	967	1,065	0	5,789	0	5,789	0
	<i>Transit Shelters & Loops</i>	0	545	545	545	545	545	565	652	665	4,607	0	4,607	0
	<i>Fare Handling Equipment</i>	0	0	0	0	0	0	0	1,100	1,300	2,400	0	2,400	0
	<i>Furniture & Office Equipment</i>	0	141	305	157	149	302	35	84	84	1,257	0	1,257	0
	<i>Finishes - Various</i>	0	950	0	0	0	0	0	0	0	950	950	0	0
	Total Expenditures	0	126,587	200,168	252,702	245,031	267,488	263,903	246,756	211,912	1,814,547	39,238	1,767,814	7,495

Appendix 7

Reporting on Major Capital Projects: Status Update

CTT142	Automatic Train Control (ATC) Resignalling project (Line 1)	57,760	30,792	50,000	737,000	595,019	On Track		31/12/2023	TBD	G	G
	Comments:	<ul style="list-style-type: none"> • Phase 1 (Yorkdale to Dupont) – Completed – In service Q4 2017 • Phase 2 (VMC to Sheppard West) - Completed – In service Q4 2017 • Phase 2B/2C (Wilson Yard Interface) - Completed – In service Q4 2018 • Phase 3A (Dupont to St. Patrick) - Completed – In service Q2 2019 • Phase 3B (St. Patrick to Queen) - Completed – In service Q1 2020 • Phase 3C (Queen to Rosedale) - Completed – In service Q4 2020 • Phase 4 (Rosedale to Eglinton) – Completed – In service Q4 2021 • Phase 5 (Eglinton to Finch) - In progress, targeted In service Q3 2022. <p>• ATC is in operation from Vaughan Metropolitan Center to Eglinton station and the project remains on schedule to achieve the phase commissioning milestones.</p> <p>• Phase 5 – Construction (Eglinton to Finch): completed as planned, testing and commissioning in progress</p> <p>• Line 1 is planned to be fully operational by the end of 2022; deficiency work and close-out costs will occur in 20223.</p>										
	Explanation for Delay:	<ul style="list-style-type: none"> • Eglinton Crosstown LRT interface with ATC Project (Platform Change): The LRT project may impact ATC design and implementation timeline. Mitigation: An impact assessment was completed and is continually being updated based on the latest ATC project status. • COVID-19 Impact <ul style="list-style-type: none"> - Limited TTC and Contractor staff due to continuing COVID spread which may impact design progress, testing and commissioning activities and/or closures. Mitigation: Continue monitoring resources, availability and potential impacts due to staff self-isolation. The contractor is closely monitoring their Engineering Centre's in France and India and are continuously reviewing backup plans for critical activities. The project's critical path has not been impacted to date . - Supply chain delays potentially impacting activities: Mitigation: The majority of the construction work has been completed. Supply chain risk is now limited to defect and deficiencies correction prior to revenue service. The project's critical path has not been impacted to date, continue monitoring. • Closure cancellations potentially impacting project completion. Mitigation: Required closures have been identified for 2022. Continue prioritization and planning process. Risk might be lower this year due to cancellation of city events; however there may be a challenge due to closures required for other work and city events restarting. 										

CTT028	Easier Access - Phase III	82,104	46,377	78,891	1,089,073	434,075	On Track	Jan-06	31/12/2025	TBD	G	Y
	Comments:	<ul style="list-style-type: none"> • Progress is ongoing for the following: • Design Stage: Old Mill, High Park, Museum, Lawrence, Spadina, King, Christie, Warden & Islington Stations. • Procurement Stage: Tender closed for Greenwood, Castle Frank, Rosedale, and Glencairn and Summerhill Stations. • Construction Stage: Yorkdale, Sherbourne, Landsdown, Donlands, Castle Frank, Rosedale, Summerhill, and College . • Greenwood tender tracking behind schedule • Old Mill detailed design tracking behind schedule. King/Spadina schedule significantly impacted by Utility relocation; Risk of schedule delay - Greenwood/Old Mill - permits/property acquisition, High Park - property acquisition. 										
	Explanation for Delay:	<ul style="list-style-type: none"> • Islington Elevators is delayed on account of revised target schedule (on the critical path). Continue investigating opportunities/feasibility for advancing new accessibility entrance and new platform elevator through construction staging. • Design Complexities: Impacts due to retrofit of complex stations including impacts with stairs/escalators, adjacent properties, utility conflicts may result in longer design durations to resolve issues. Mitigation: Continue assessing alternate design options. • Warden and Islington Station accessibility: Magnitude and complexity of the bus terminal redevelopments and interfacing with existing stations at each location may delay full station accessibility. Mitigation: a) Continue advancing Passenger Pick-Up and Drop-Off and platform elevators, b) construction completion of temporary bus terminal for Warden at the end of 2024, and continue to investigate opportunities/feasibility for advancing new accessibility entrance and new platform elevator through construction staging for Islington by end of 2024, *currently scheduled for 2025. • 3rd Party Delays - Permits and Approvals, Utility relocations: Potentially delayed by 3rd party issues due to limited resources, competing priorities and multiple reviews and complex processes. Mitigation: Continue coordination with the City. A resource to review TTC applications has been assigned by the City. Continue early coordination with utility companies. • Property Identification and Expropriation: Expropriation with hearing of necessity may delay property acquisitions. Limited City resources and competing priorities requiring the City's involvement on all property-related matters mandate specific procedures, including multiple council approvals. Mitigation: Ongoing discussions with City Real Estate Services, along with early property identification. Opportunity to continue the negotiation and reach settlement agreement while processing the expropriation when possible. 										
CTT024	Fire Ventilation Upgrades & Second Exits	32,776	16,171	32,912	513,292	319,161	On Track	Jan-11	31/12/2030	TBD	G	G
	Comments:	<p>Progress is ongoing for the following :</p> <ul style="list-style-type: none"> • Design Stage: Museum and Lawrence Second Exit/Entrance combined with Easier Access, Summerhill Second Exit/Entrance and Dundas West Second Exit/Entrance. • Design/Construction Stage: Eglinton Fire Ventilation Upgrade (Design-Built by Metrolinx) • Construction Stage: Donlands and College Stations Second Exit/Entrance combined with Easier Access, Sheppard West station and Clanton Park – Subway Ventilation Equipment Replacement 										
	Explanation for Delay:	<ul style="list-style-type: none"> • High complexity of Second Exit may cause activities to take longer than expected and result in additional costs. Mitigation: Advance design and utility relocation work where possible. Continue to investigate potential partial or full station closures as fallback plan to reduce schedule impact. Request for additional funding may be identified as projects proceed through the stage gate process. • Property unavailable and/or acquisition and may take longer than expected (Second Exit): Mitigation: Commence early consultations and negotiations with property owners for property acquisitions as required. Continue to work closely with the City and identify development opportunities early. • Permits and approvals for Second Exit projects may take longer than anticipated impacting the contracts award timelines and burn rate/cash flow. Mitigation: A dedicated team within the City has been assigned to process TTC approvals for Third Party Utility Review moving forward. TTC has received delegated approval from City Council for all long-term Right of Way permits until 2025 (except for Greenwood Station). • Cashflow/budget burn rate impact: Timing of finalizing the Memorandum of Understanding (MOU) for projects managed by Metrolinx impacts expenditures (Dundas W.). Action Plan: Finalize MOU with Metrolinx and obtain approvals for payment authorization. 										

Division/Project name		2021 Cash Flow (Active Projects)			Total Project Cost (Active Projects)		Status	Start Date	End Date		On Budget	On Time
		Appr.	YTD Spend	YE Projec Spend	Appr. Budget	Life to Date			Planned	Revised		
Toronto Transit Commission												
CTT111	Purchase of Buses	87,163	3,436	82,169	1,472,585	780,918	Minor Delay	Jan-11	31/12/2035	TBD	Ⓞ	Ⓜ
	Comments:	Hybrid Electric Buses: • Issue RFP for Hybrid 2022 - 2023 procurements: RFP closed and evaluation is in progress, Completed technical evaluation and presentations. eBuses: • Contract Award: On schedule, working through Ontario Public Transit Association (OPTA) to facilitate Transit Agencies (members) to participate in a joint procurement of eBuses with the TTC. Joint procurement with OPTA kicked off on Aug 23rd and bi-weekly meetings have been scheduled. • Technical and commercial terms are being developed with issuance of RFP targeted in Q4 2021.										
	Explanation for Delay:	• eBus Reliability and Fleet Availability: Percentage of eBus availability and reliability is lower than expected . Action Plan: Meet with vendors weekly to review repairs and report on availability and reliability daily. • Schedule interdependency: eBus delivery and operation is contingent on the charging systems infrastructure schedule. Delay of bus procurement will impact the Bus Rebuild Program. The program team is working with all stakeholders to ensure alignment of schedules. • Shortfall in Program Funding: The current ongoing program of bus procurements for 2021-2030 is only funded up to 2025 and the electrification infrastructure program is only 1/3rd funded through the City of Toronto’s City Building Fund. The City and TTC are continuing to work with the other levels of government to close the funding gap to ensure state-of-good-repair and greening of our bus fleet.										
Significant Delay > 6 months		Ⓜ < 50% or > 100% of Approved Project Cost										

Note: Reflects project status as of Q3, 2021.

Appendix 8

Summary of Capital Needs Constraints

(In \$ Millions)

Project Description	Total Project Cost	Cash Flow (In \$ Millions)									
		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
<i>SURFACE TRACK</i>	137.9		4.2	10.1	20.9	25.1	10.0	9.7	19.8	18.1	20.0
<i>TRACTION POWER</i>	48.4		7.7	7.6	8.4	8.9	2.7	2.9	3.1	3.6	3.7
<i>POWER DISTRIBUTION/ELECTRIC SYSTEMS</i>	34.3		0.6	2.7	4.6	4.6	4.6	4.6	4.6	3.9	4.3
<i>COMMUNICATIONS</i>	24.9		0.5	0.3	1.2	1.1	0.7	3.7	5.0	6.6	5.9
<i>SIGNAL SYSTEMS</i>	222.5		8.2	15.9	33.1	30.7	17.0	24.5	30.7	31.1	31.4
<i>FINISHES</i>	242.5		11.6	45.1	58.7	44.9	31.4	20.2	10.2	10.2	10.2
<i>EQUIPMENT</i>	867.5	3.9	42.3	133.9	136.0	88.8	146.1	72.8	104.5	60.3	78.8
<i>YARDS & ROADS</i>	21.1		8.5	9.7	2.9						
<i>BRIDGES & TUNNELS</i>	20.9		1.1	4.2	4.6	5.8	0.1	1.3	1.3	1.3	1.3
<i>FIRE VENTILATION UPGRADE</i>	23.0			3.0	1.9	1.9	4.1	8.6	0.5		3.0
<i>REPLACEMENT WHEEL-TRANS VEHICLES</i>	173.6		9.0	13.8	13.7	14.8	21.8	58.3	30.3	5.9	6.0
<i>SUBWAY CAR PURCHASES</i>	1,677.8	168.3	83.4	48.9	92.4	278.4	295.9	248.7	145.4	194.1	122.4
<i>STREETCAR OVERHAUL PROGRAM</i>	148.4			0.3	6.8	16.5	16.6	25.0	25.3	20.0	38.0
<i>SUBWAY CAR OVERHAUL PROGRAM</i>	578.7		36.5	24.4	47.9	82.2	82.4	82.6	84.6	107.7	30.4
<i>AUTOMOTIVE NON-REVENUE VEHICLES</i>	72.8		19.7	15.9	7.1	3.8	3.4	3.8	5.3	5.3	8.6
<i>SHOP EQUIPMENT</i>	30.2		5.8	2.5	2.2	2.3	2.5	3.4	3.6	3.6	4.4
<i>ENVIRONMENTAL PROGRAMS</i>	12.7		0.1	5.4	7.2						
<i>COMPUTER EQUIPMENT & SOFTWARE</i>	266.0	5.5	47.0	49.8	27.7	31.3	17.3	22.4	21.3	20.3	23.4
<i>OTHER SERVICE PLANNING</i>	379.9		42.6	54.3	40.6	55.0	56.8	36.0	48.2	44.4	2.0
<i>TRANSIT SHELTERS & LOOPS</i>	34.6		0.6	6.7	14.2	12.3	0.8				
<i>OTHER BUILDINGS & STRUCTURES PROJECTS</i>	1,759.4	75.3	11.9	87.7	111.0	156.9	143.2	145.2	138.3	246.7	643.1
<i>PURCHASE OF BUSES</i>	1,608.0				208.3	233.8	208.4	210.8	201.2	233.8	311.8
<i>BUS OVERHAUL</i>	472.7			33.6	34.3	76.7	48.9	58.7	75.2	75.4	69.8
<i>QUEENSWAY BUS GARAGE RENOVATIONS</i>	10.8		0.7	2.6	7.6						
<i>FARE SYSTEM</i>	49.0		2.0	27.0	20.0						
<i>TORONTO ROCKET YARD & STORAGE TRACK ACCOMMODATION</i>	0.8				0.8						
<i>LINE 1 CAPACITY ENHANCEMENT</i>	2,066.8	3.6	8.5	16.8	106.1	96.3	190.4	226.8	400.0	590.1	428.2
<i>LINE 2 CAPACITY ENHANCEMENT</i>	271.3			2.4	3.5	6.1	8.2	31.4	70.5	96.4	52.7
Total Needs Constraints (Not Included)	11,256.6	256.6	352.2	624.6	1,023.5	1,278.1	1,313.4	1,301.3	1,428.8	1,778.9	1,899.3

In addition to the \$12.051 billion funded in the 2022-2031 Capital Budget and Plan, a further \$11.256 billion in capital needs constraints have been identified within the 10-year timeframe of the Toronto Transit Commission's 15-year Capital Investment Plan (CIP), as reflected in the table above.

- The 2022-2036 CIP identifies TTC's most immediate unfunded priorities under five programmatic areas that require full or partial investment but are not recommended in the 10-year Capital Plan due to funding constraints are highlighted below:
 1. Modernizing the Subway and Expanding Capacity - \$3.9 billion
 - Includes the purchase of 80 subway trains, modifications to Greenwood Yard and adding auxiliary maintenance and storage capacity in time for the delivery of subway trains
 2. Supporting a Larger Streetcar Fleet - \$93 million
 - Includes renewing Russell Carhouse and continuing to upgrade overhead power
 3. Transforming & Electrifying Bus Service - \$2.4 billion
 - Includes the purchase of electric buses, installing charging infrastructure and implementing transit priority measures
 4. Upholding the State-of-Good-Repair - \$1.4 billion
 - Includes scheduled fleet maintenance, safety and legislative improvements, system maintenance and operational infrastructure improvements
 5. Maintaining Current Wheel-Trans Service - \$174 million
 - Included the purchase of Wheel-Trans buses

Appendix 9

2022 User Fee Changes

(Excludes User Fees Adjusted for Inflation)

N/A

Appendix 10

Inflows and Outflows to/from Reserves and Reserve Funds
2022 Operating Budget

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2021 * \$	Withdrawals (-) / Contributions (+)		
			2022 \$	2023 \$	2024 \$
Beginning Balance		63,580.3	81,042.4	63,370.1	63,370.1
TTC Stabilization Reserve	XQ1056				
<i>Withdrawals (-)</i>					
<i>Fuel Price Volatility</i>			(8,500.0)		
<i>Insurance Premium Volatility</i>			(1,565.8)		
<i>Impacts</i>		(56,980.0)			
<i>One-Time New & Enhanced Requests</i>			(1,090.0)		
<i>LRT Construction Disruption Service</i>			(6,516.5)		
<i>Contributions (+)</i>					
<i>2021 Projected Contributions</i>		74,442.1			
Total Reserve / Reserve Fund Draws / Contributions		81,042.4	63,370.1	63,370.1	63,370.1
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		81,042.4	63,370.1	63,370.1	63,370.1

* Based on 9-month 2021 Reserve Fund Variance Report

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2021 * \$	Withdrawals (-) / Contributions (+)		
			2022 \$	2023 \$	2024 \$
Beginning Balance		32,484.8	32,484.8	29,484.8	26,484.8
TTC Long-Term Liability Reserve	XR1728				
<i>Withdrawals (-)</i>					
<i>Budgeted Contribution</i>		16,640.0	17,590.0	17,590.0	17,590.0
<i>Contributions (+)</i>					
<i>Projected Accident Claim Payments</i>		(16,640.0)	(20,590.0)	(20,590.0)	(20,590.0)
Total Reserve / Reserve Fund Draws / Contributions		32,484.8	29,484.8	26,484.8	23,484.8
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		32,484.8	29,484.8	26,484.8	23,484.8

* Based on 9-month 2021 Reserve Fund Variance Report

Inflows and Outflows to/from Reserves and Reserve Funds

2022 – 2031 Capital Budget and Plan

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name	Project / Sub Project Name and Number	Projected Balance as at Dec 31, 2021 *	Contributions / (Withdrawals)										Total
			2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	
XR2109 Dev Charges RF - Transit	Beginning Balance	350,212	350,212	315,319	361,951	428,209	574,533	726,264	886,948	1,060,589	1,240,694	1,427,665	
	<i>Withdrawals (-)</i>												
	Surface Track		(3,788)	-	-	-	-	-	-	-	-	-	(3,788)
	Communications - Various		(367)	(109)	(112)	(115)	(156)	(139)	(374)	(267)	(139)	(136)	(1,915)
	Equipment - Various		(2,924)	(4,780)	(5,082)	-	-	-	-	-	-	-	(12,786)
	Yards and Roads - Various		(1,453)	(952)	-	-	-	-	-	-	-	-	(2,405)
	Easier Access Phase II & III		(3,261)	(4,002)	(3,029)	(224)	(80)	-	-	-	-	-	(10,597)
	Subway Car Purchases		(1,161)	-	(5,000)	(7,000)	(7,000)	(6,841)	-	-	-	-	(27,002)
	Automotive Non-Revenue Vehicles		-	(1,570)	(777)	(777)	(777)	(777)	(777)	(782)	(782)	(715)	(7,734)
	Tools and Shop Equipment		-	(1,409)	(997)	(1,059)	(386)	(401)	(390)	(350)	(304)	(303)	(5,598)
	Fare Handling Equipment		(1,883)	(1,125)	(1,125)	(1,125)	(1,125)	(1,125)	(750)	(750)	(750)	(750)	(10,508)
	Other Service Planning		(5,443)	(7,854)	(2,971)	(2,411)	(2,411)	(2,390)	(2,390)	(2,370)	(2,350)	(2,329)	(32,919)
	Transit Shelters & Loops		(239)	(115)	(115)	(115)	(115)	(115)	(115)	(119)	(137)	(140)	(1,322)
	Other Bldgs & Structures Projects		(68,919)	(19,186)	(7,164)	(472)	(472)	(472)	(472)	(328)	-	-	(97,484)
	Purchase of Buses		(35,666)	(59,254)	(54,429)	(3,877)	-	-	-	-	-	-	(153,226)
	Other Maintenance Equipment		(1,160)	(438)	(468)	(448)	(453)	(458)	(470)	(503)	(528)	(507)	(5,434)
	Purchase of Legacy LRVs		(25,964)	(4,647)	(13,998)	(6,269)	(304)	-	-	-	-	-	(51,182)
	Fare System		(4,151)	(4,146)	(3,271)	-	-	-	-	-	-	-	(11,567)
	ATC Resignalling		(5,839)	(10,010)	(4,538)	(6,807)	(6,807)	(6,807)	(6,807)	(6,807)	(6,807)	(6,807)	(68,034)
	Leslie Barns Streetcar Maint. & Storage Facility		(1,198)	(1,500)	(1,500)	-	-	-	-	-	-	-	(4,198)
	Toronto Rocket Yard & Storage Track Accommodation		(5,033)	(6,703)	(7,125)	(4,130)	(2,712)	-	-	-	-	-	(25,703)
	McNicoll Bus Garage Facility		(250)	(3,000)	-	-	-	-	-	-	-	-	(3,250)
	Yonge-Bloor Capacity Improvements		-	(116)	(122)	(142)	(183)	(183)	(183)	(183)	(165)	(92)	(1,371)
Total Withdrawals			(168,699)	(130,915)	(111,822)	(34,970)	(22,979)	(19,707)	(12,728)	(12,460)	(11,963)	(11,780)	(538,024)
<i>Contributions (+)</i>													
Development Charges Revenue Assumptions			133,894	177,636	178,168	181,382	174,799	180,479	186,457	192,654	199,023	205,569	1,810,060
Total Contributions			133,894	177,636	178,168	181,382	174,799	180,479	186,457	192,654	199,023	205,569	1,810,060
Other Program/Agency Net Withdrawals and Contributions			(88)	(88)	(88)	(88)	(88)	(88)	(88)	(88)	(88)	(88)	(883)
Balance at Year-End		350,212	315,319	361,951	428,209	574,533	726,264	886,948	1,060,589	1,240,694	1,427,665	1,621,366	1,271,154

Reserve / Reserve Fund Name	Project / Sub Project Name and Number	Projected Balance as at Dec 31, 2021 *	Contributions / (Withdrawals)										Total
			2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	
XQ0011 Capital Financing	Beginning Balance	334,818	334,818	312,309	235,114	56,564	15,707	(10,463)	(5,455)	21,333	50,067	76,972	
	<i>Withdrawals (-)</i>												
	Toronto Transit Commission Withdrawals - Capital		(14,400)	-	-	-	-	-	-	-	-	-	(14,400)
	Total Withdrawals		(14,400)	-	-	-	-	-	-	-	-	-	(14,400)
	<i>Contributions (+)</i>												
Total Contributions			-	-	-	-	-	-	-	-	-	-	-
Other Program/Agency Net Withdrawals and Contributions			(8,109)	(77,195)	(178,550)	(40,857)	(26,170)	5,008	26,788	28,734	26,905	25,521	(217,925)
Balance at Year-End		334,818	312,309	235,114	56,564	15,707	(10,463)	(5,455)	21,333	50,067	76,972	102,493	(14,400)

Reserve / Reserve Fund Name	Project / Sub Project Name and Number	Projected Balance as at Dec 31, 2021 *	Contributions / (Withdrawals)										Total
			2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	
XR1012 Land Acquisition Fund	Beginning Balance	139,421	139,421	102,157	75,997	73,197	70,747	68,623	66,890	65,130	65,610	66,097	
	<i>Withdrawals (-)</i>												
	<i>Toronto Transit Commission Withdrawals - Capital</i>		(17,900)	-	-	-	-	-	-	-	-	-	(17,900)
	Total Withdrawals		(17,900)	-	-	-	-	-	-	-	-	-	(17,900)
	Total Contributions			-	-	-	-	-	-	-	-	-	-
Contributions			(19,364)	(26,160)	(2,799)	(2,450)	(2,124)	(1,733)	(1,760)	480	487	495	(17,900)
Balance at Year-End			139,421	102,157	75,997	73,197	70,747	68,623	66,890	65,130	65,610	66,097	(17,900)

Reserve / Reserve Fund Name (In \$000s)	Project / Sub Project Name and Number	Projected Balance as at Dec 31, 2021 *	Contributions / (Withdrawals)										Total
			2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	
XR1708 LAND ACQUISITION RF-TORONTO TRANSIT COMM	Beginning Balance	654	654	-	-	-	-	-	-	-	-	-	
	<i>Withdrawals (-)</i>												
	<i>Toronto Transit Commission Withdrawals - Capital</i>		(654)	-	-	-	-	-	-	-	-	-	(654)
	Total Withdrawals		(654)	-	-	-	-	-	-	-	-	-	(654)
	Total Contributions			-	-	-	-	-	-	-	-	-	-
Other Program/Agency Net Withdrawals and Contributions				-	-	-	-	-	-	-	-	-	(654)
Balance at Year-End			654	-	(654)								

Reserve / Reserve Fund Name	Project / Sub Project Name and Number	Projected Balance as at Dec 31, 2021 *	Contributions / (Withdrawals)										Total
			2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	
XR3027 Toronto York-Spadina Extension	Beginning Balance	42,263	42,263	-	-	-	-	-	-	-	-	-	
	<i>Withdrawals (-)</i>												
	<i>Total Withdrawals</i>		(42,263)	-	-	-	-	-	-	-	-	-	(42,263)
	Total Withdrawals		(42,263)	-	-	-	-	-	-	-	-	-	(42,263)
	Contributions (+)												
	Total Contributions			-	-	-	-	-	-	-	-	-	-
Contributions													
Balance at Year-End			42,263	-	(42,263)								

Appendix 11

Glossary

Approved Position: Permanent or temporary positions that support the delivery of City services and service levels as approved by Council.

Actuals: An actual financial amount paid (or received) for the delivery of City services (these exclude any commitments to be paid in the future).

Capacity to Spend: Ability to spend money along with the capacity to deliver projects as demonstrated by historic spending patterns and approved contractual obligations.

Capital Budget: A Capital Budget is the City's plan to acquire / build assets or extend the useful life of existing assets; an example of a capital expenditure is the construction of a new community centre.

Capital Needs Constraints: The capital needs that cannot be accommodated within the capital plan that the Division or Agency have the capacity to deliver.

Complement: Positions that support the delivery of City services and service levels as approved by Council.

Efficiencies: Reductions in the cost of delivering a service without a reduction in service level.

New / Enhanced: New and enhanced service changes resulting in an increase in service levels from what was previously approved by Council.

Operating Budget: An Operating Budget is the City's annual plan to provide services to the residents of Toronto; the budget includes all revenues and expenses needed to provided services; an example of an operating cost would be the cost to run the TTC subways.

Operating Impact of Completed Capital Projects: The additional expense (or savings) and positions needed to operate or maintain a new asset; an example would be the additional expense and staff needed to operate a recently completed community centre.

Rate Supported Budget: Budget fully funded by user fees such as Solid Waste, Toronto Water and Toronto Parking Authority

State of Good Repair (SOGR): The cost of maintaining assets to ensure they are able to support the delivery of City services and meet service outcomes

Tax Supported Budget: Budget funded by property taxes.

User Fees: Program generated fee and rental revenue for the use of its services (such as the TTC fare, ice rental fees and various City permits).

Appendix 12

Board Approved Vs. City Staff Recommended Budget

2022 Operating Budget – Board Approved Vs. City Staff Recommended Budget

\$ Millions	Board	City Staff	Difference	
	Approved	Recommended	\$	%
Revenues	922.1	817.2	104.9	12.8%
Gross Expenditures	2,234.7	2,229.7	5.0	0.2%
Net Expenditures	1,312.6	1,412.5	(99.9)	-7.1%
Approved Positions	13,812.0	13,812.0		

The City Staff Recommended Budget, includes an amendment to the TTC Board Approved Operating Budget to account for the anticipated impact of the Omicron variant and resulting Provincial restrictions implemented on January 5, 2021. First quarter ridership is anticipated to average 37% of pre-pandemic levels, comparable to the levels experienced during Step 2 & 3 reopening in 2021, which had comparable Provincial restrictions. Ridership recovery is expected to resume in Q2 and reach levels consistent with the TTC Board approved budget in Q3. This amendment includes a reduction to passenger revenue and PRESTO commissions resulting in a net \$99.9 million increase in the anticipated COVID-19 financial impact.

2022-2031 Capital Budget and Plan – Board Approved Vs. City Staff Recommended Budget

The Board Approved 2022-2031 Capital Budget and Plan is consistent with the City Staff Recommended Capital Budget and Plan