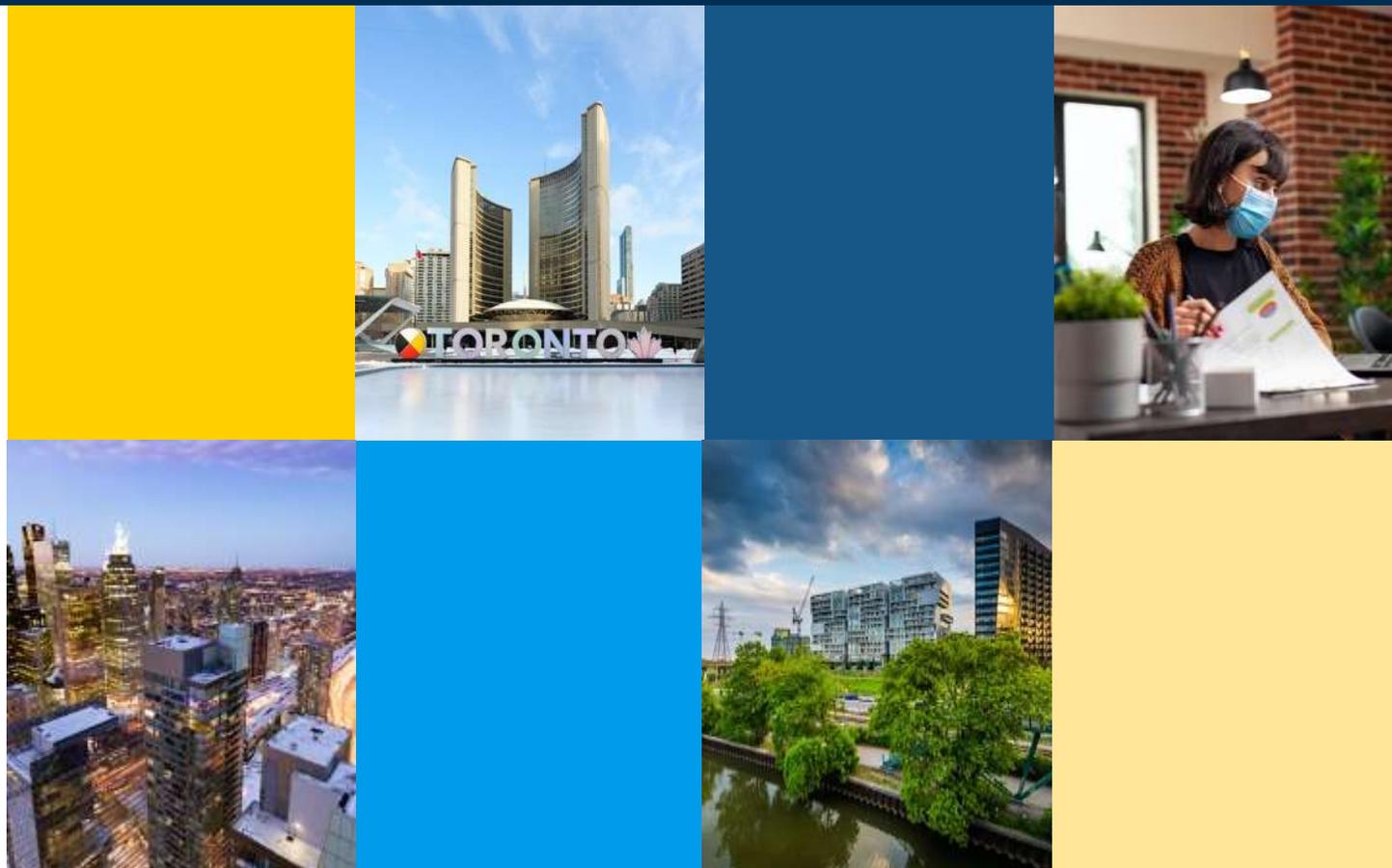


Toronto Transit Commission

2023 Operating Budget and 2023-2032 Capital Budget & Plan Briefing to Budget Committee

January 13, 2023

While we aim to provide fully accessible content, there is no text alternative available for some of the content within these pages. If you require alternate formats or need assistance understanding our charts, graphs, or any other content, please contact us at (416) 590-6164 or sharon.ha@ttc.ca



Toronto Transit Commission Services

Base Program

TTC Conventional Service



159 Bus
Routes



3 Subway
Lines



10 Streetcar
Routes



1 Rapid
Transit Line

Wheel-Trans Service



Door-to-Door
Service

New Transit Expansion & Conversion



Line 5 Eglinton

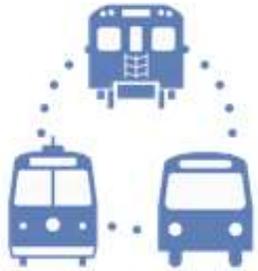


Line 6 Finch West



Line 3 Bus
Replacement Plan

Priority Area: Transit Service Objectives & Outcomes



**Provide Safe, Seamless
& Reliable Transit
Service**

Customer Satisfaction



**Transform to Solidify
Fiscal Foundation**

Financial sustainability



**Lead as an
Inclusive & Accessible
Service Provider**

Inclusion and Accessibility



**Innovate for
Future Demand**

System Resiliency

2023 Key Risks and Challenges



COVID-19 Impact and Recovery

- COVID-19 Impact of \$336.4M in the 2023 Budget
- Hybrid work models will constrain extent of TTC ridership recovery in 2023 and beyond
- COVID experience has clearly exposed the high dependency on the farebox as a key vulnerability
- The City and TTC are having ongoing discussions with the other orders of government to address the ongoing COVID impacts over the short to mid-term as well as the need for stable and predictable long term funding



On-Time Performance

- Major construction projects and traffic congestion impact on-time performance and service reliability
- Additional buses to maintain service capacity and schedule adjustments to reflect actual operating conditions will make service more reliable.
- Increased co-ordination between the TTC, the City, Metrolinx and third parties



Keeping pace with State of Good Repair Backlog

- 2023 SOGR Backlog growing at an accelerated rate from **\$92.5M (0.4% of total asset value)** to **\$6.29B (17.9% of total Asset Value)** by 2032 if no additional SOGR funding is provided
- **\$2.65B**: TTC infrastructure & **\$3.64B**: vehicle replacement & overhaul requirements
- Aging infrastructure and vehicles approaching end of life
- Partial funding for fleet plan: subway trains and Line 1 TMSF
- Major and ongoing SOGR needs necessary to ensure safety and reliability

Priority Actions

Customer Satisfaction



Safe, Seamless & Reliable Transit Service

Priority Initiatives

- Increasing staff presence in transit system
- System Safety & Cleanliness
- Match Service Capacity to Demand
- On-Time Performance Action Plan
- Bloor-Yonge, Lines 1 and 2 Capacity Enhancements
- New Subway Train Procurement
- \$750 million top-up to supplement SOGR funding

Financial Sustainability



Transform to Solidify Fiscal Foundation

Priority Initiatives

- Business Transformation and modernization efforts
- Expanding Wheel-Trans Zone buses
- Implementing Auditor General recommendations
- Phase 2 of Service Plan Reset
- Fare revenue capture through resumption of ticketing
- Capital Investment Plan Update
- Real Estate Investment Plan
- SAP, Maximo implementation

Inclusion & Accessibility



Lead as an Inclusive & Accessible Service Provider

Priority Initiatives

- Limited Fare Increase
- Service Accessibility Improvements
- Accommodating the increase Wheel-Trans ridership
- Diversity and Gender Recruitment Outreach
- Community Outreach & Diversity Campaigns
- Procuring W-T Fleet
- Adding accessible bus and streetcar stops

System Resiliency



Innovate for Future Demand

Priority Initiatives

- Line 5 and 6 Service
- Line 3 Bus Replacement
- Risk Mitigation plan of fare collection
- Implementing open payments
- Piloting Bus Wi-Fi network
- Innovation and Sustainability Strategy and Roadmap
- Electrifying bus fleet and procurement of related charging infrastructure

2023 Budget Overview

Operating Budget

\$ Millions	2022 Budget	2022 Projection*	2023 Budget	Chg from 2022 Budget		Chg from 2022 Projection		OUTLOOK	
				\$'s	%	\$'s	%	2024	2025
Revenues	\$817.2	\$807.2	\$1,054.8	\$237.5	29.1%	\$247.5	30.7%	\$1,048.7	\$1,061.2
Gross Expenditures	\$2,284.0	\$2,174.6	\$2,379.9	\$95.8	4.2%	\$205.3	9.4%	\$2,468.4	\$2,509.9
Net Expenditures (including COVID-19)	\$1,466.8	\$1,367.4	\$1,325.1	(\$141.7)	-9.7%	(\$42.3)	-3.1%	\$1,419.7	\$1,448.7
Required COVID-19 Support	\$561.1	\$540.5	\$366.4	(\$194.7)	-34.7%	(\$174.1)	-32.2%	\$350.0	\$335.0
Net Budget (excluding COVID-19 supports)	\$905.7	\$826.9	\$958.7	\$53.0	5.9%	\$131.8	15.9%	\$1,069.7	\$1,113.7
Approved Positions	13,841	13,599.0	13,877	36	0.3%	278	2.0%	13,884	13,910

*Projection is based on 9 Month Variance

10 Year Capital Budget & Plan

\$ Thousands	2023	2024-2032	Total
Gross Expenditures	\$1,341,493	\$11,149,690	\$12,491,184
Debt Recoverable	\$680,997	\$5,014,181	\$5,695,177
Debt	\$59,526	\$1,083,128	\$1,142,654

Note: Includes 2022 carry forward funding

2023 Operating Budget Submission

2023 Operating Budget Highlights



Realigns Service to Match Customer Demand

- Focus on Service Reliability & Customer Experience



Invests \$7.1 million in new Safety, Cleanliness and Accessibility initiatives



Incorporates \$22.5 million in efficiency savings, with no service impact.



Recommends 10 Cent Fare Increase, First Since 2020

- Adult and Youth Single Fares Only
- Excludes Seniors, Fair Pass and Monthly Passes



Readies TTC for Lines 5 & 6 Operation & Line 3 Bus Replacement

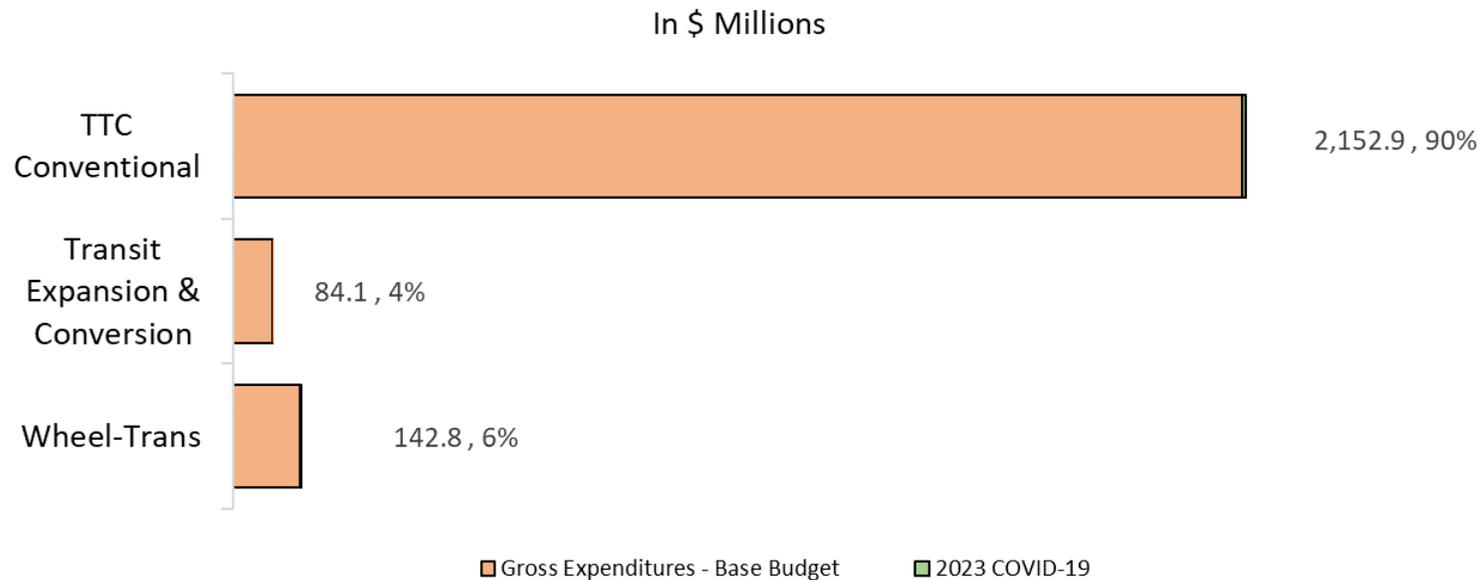


Includes continued COVID-19 impact: \$366.4 million

- Ongoing discussions with City and Province to secure funding relief.

2023 Operating Budget - \$2,379.9 Million

2023 Gross Operating Expenditures

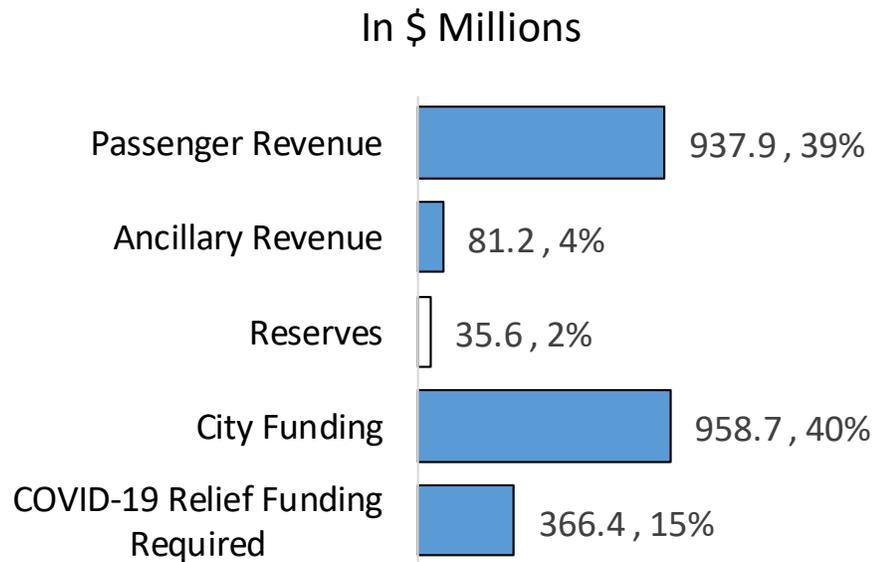


Key Points

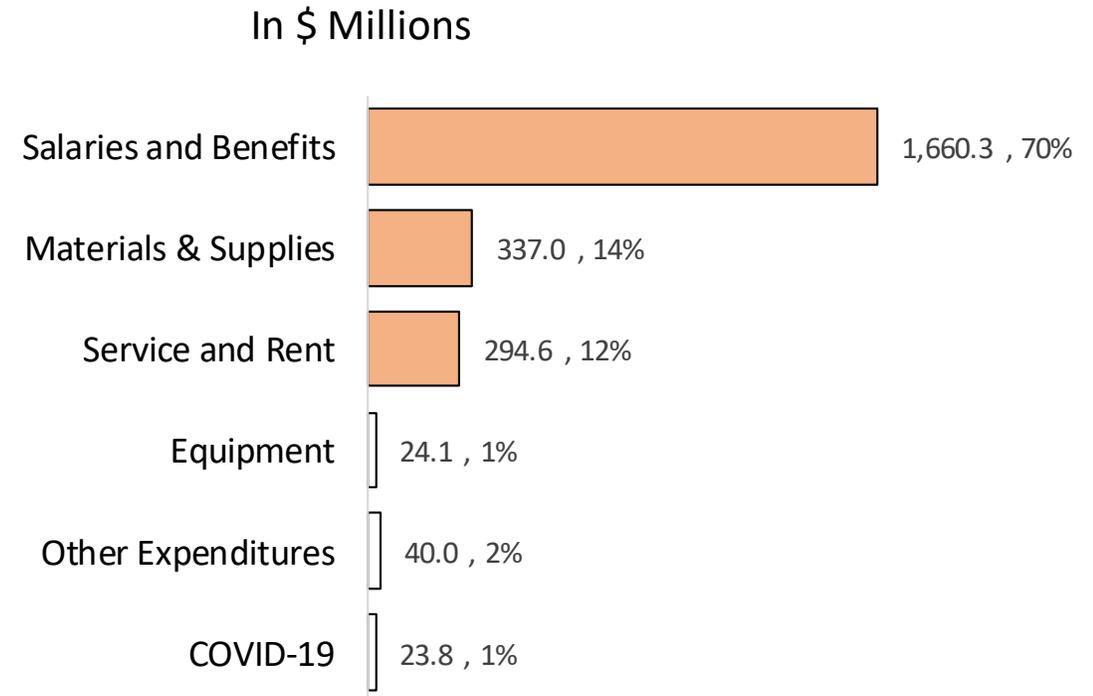
- Transit Expansion & Conversion accounts for **\$84** million (4%) of gross expenditures
 - Line 5 & 6 operating and maintenance costs
 - Line 3 bus replacement plan

How the Budget is Funded and Where the Money Goes

Where the Money Comes From (\$2,380M)



Where the Money Goes (\$2,380M)



2023 Net Operating Budget

(In \$Millions)	2021 Actual	2022 Projection	2022 Budget	2023 Change			2023 Budget	Change v. 2022 Budget		Change v. 2022 Projection	
				Base Funding	Expansion &	COVID Impact		\$	%	\$	%
By Program	\$	\$	\$	\$	\$	\$	\$	\$	%	\$	%
Net Expenditures											
TTC Conventional	1,488.7	1,246.7	1,307.7	2.1		(193.2)	1,116.6	(191.1)	(14.6%)	(130.1)	(10.4%)
Wheel-Trans	115.1	118.2	129.5	8.3		(1.5)	136.3	6.8	5.3%	18.1	15.3%
Transit Expansion and Conversion		2.5	29.6		42.6		72.2	42.6	143.9%	69.7	2788.0%
Total Net Expenditures	1,603.8	1,367.4	1,466.8	10.4	42.6	(194.7)	1,325.1	(141.7)	(9.7%)	(42.3)	(3.1%)
COVID Impact	838.1	540.5	561.1			(194.7)	366.4	(194.7)	(34.7%)	(174.2)	(32.2%)
Net Expenditure Ex COVID											
TTC Conventional	651.7	707.0	748.6	2.1			750.7	2.0	0.3%	43.7	6.2%
Wheel-Trans	114.1	117.4	127.5	8.3			135.9	8.4	6.6%	18.5	15.7%
Transit Expansion and Conversion		2.5	29.6		42.6		72.2	42.6	143.9%	69.7	2788.0%
Total Net Expenditures Ex. COVID	765.7	826.9	905.7	10.4	42.6	0.0	958.7	53.0	5.9%	131.9	15.9%

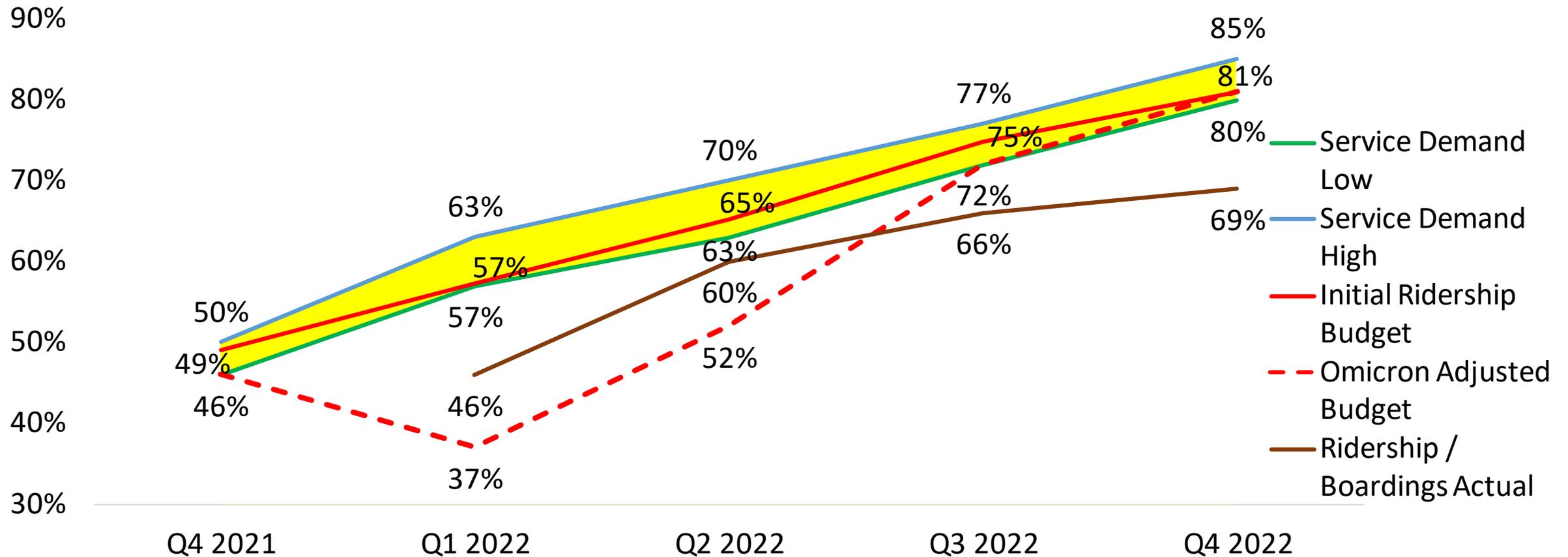
\$53M (5.9%) Increase in City Funding

- \$10.4M (1.1%) to address base system requirements
- \$42.6M (4.8%) for Transit Expansion and Conversion costs

Ongoing COVID Impact of **\$366.4M**, Primarily Lost Passenger & Ancillary Revenues

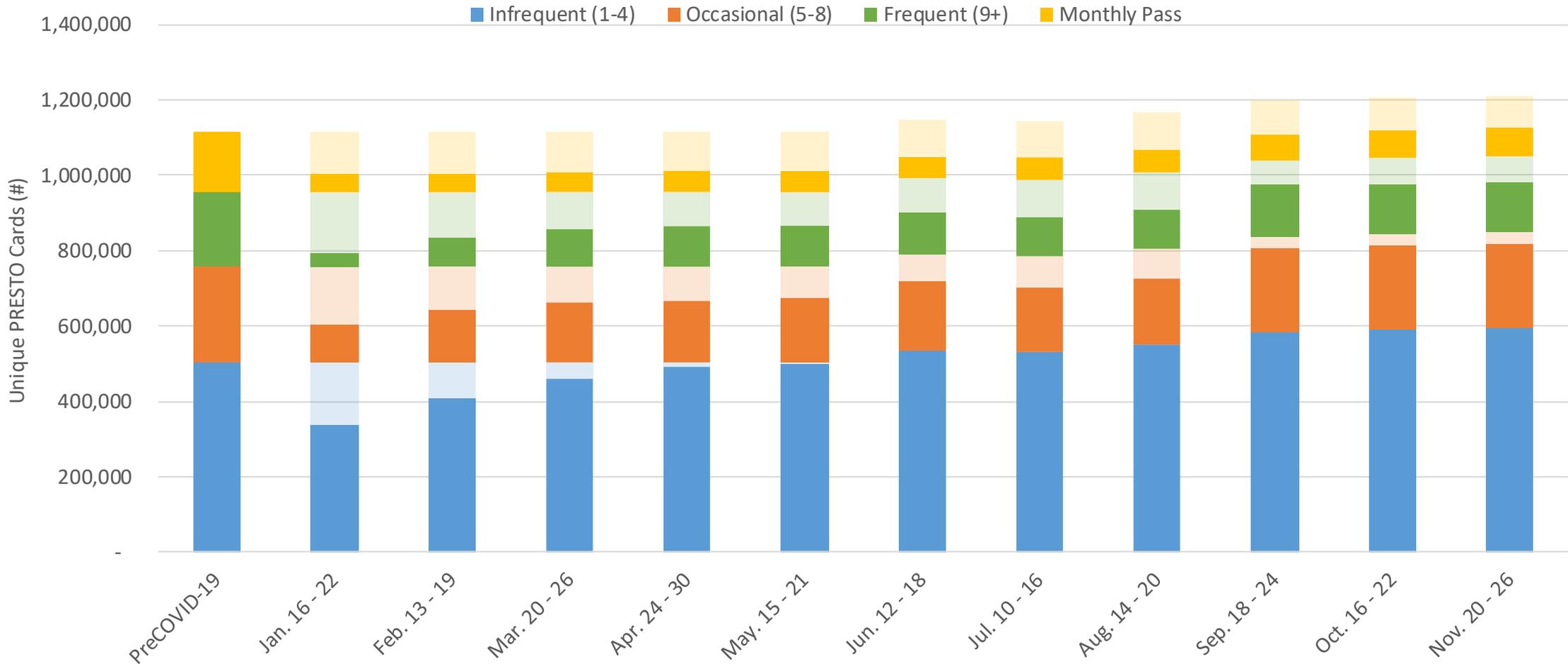
2022 Revenue Ridership and Service Demand: Forecast & Actual

Ridership & Service Demand Forecast (% of Pre-Pandemic Normal)



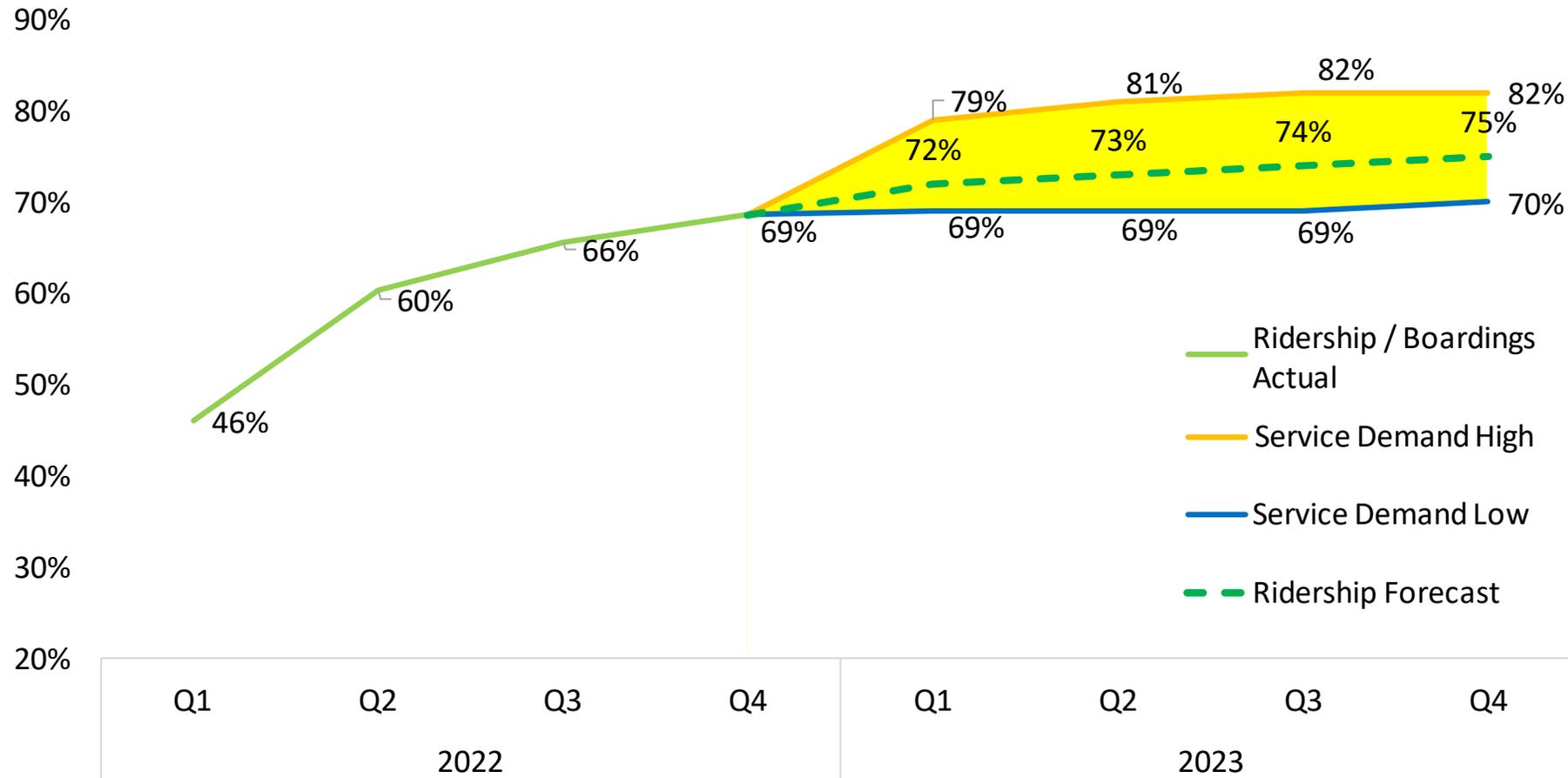
Revenue Ridership Impact: By User Frequency

User Count by Usage Frequencies (PreCOVID & 2022)



2023 Service Demand and Revenue Ridership Forecast

Service Demand & Ridership Forecast (% of Pre-Pandemic Normal)



- Expecting some continued ridership recovery in 2023, consistent with 2022 Q4.
- Further ridership recovery constrained by hybrid work models.
- Planned service provides additional capacity higher than the ridership budget.

2023 Service Budget Matches Service to Customer Demand

- Returns to pre-pandemic planning standards for peak periods and adjusts off-peak standard.
- Protects transit network access

Overall service hours will be at 91% of 2019 hours

Accommodates

- Forecast Ridership at **75% +**

Adjusts

- Schedules to reflect actual operating conditions

Reinvests

- Resources to improve service reliability

Matching Service to Demand

	Bus	Streetcar	Subway	Total
November 2022				
Scheduled Service	97%	92%	90%	96%
Ridership Demand	77%	65%	66%	69%
Year-End 2023				
Proposed Service	94%	87%	75%	91%
Ridership Budget	80%	72%	73%	75%

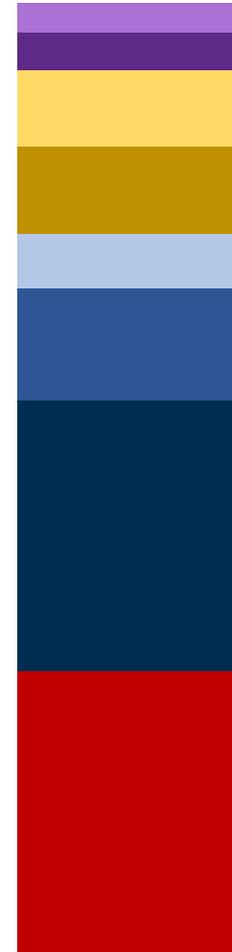
Percentages reflect % of pre-pandemic ridership and service hours by mode.

Base Pressures

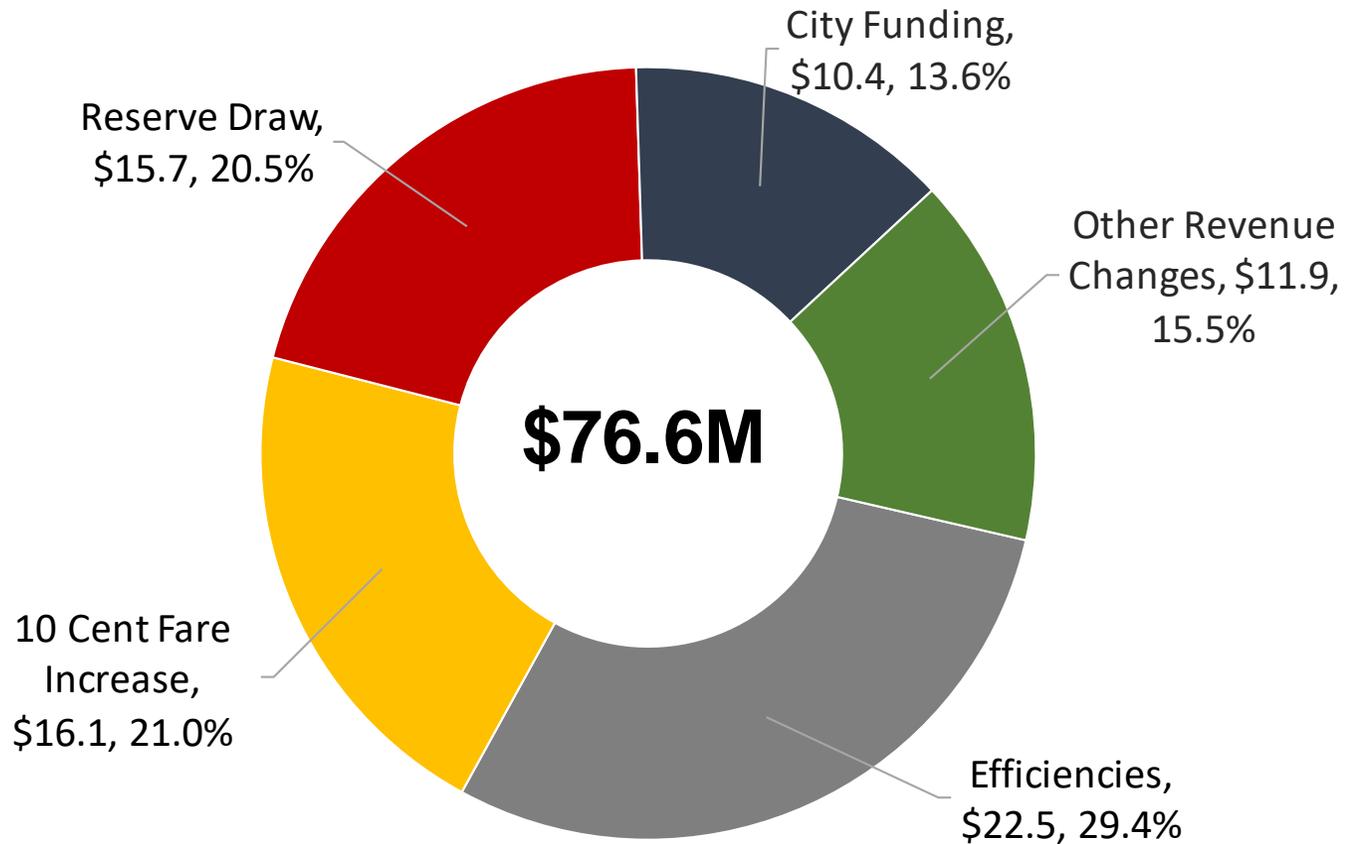
Total \$116 million base pressures; primarily driven by inflation.

\$7.1 million in targeted new investments

- System Accessibility**
- System Safety & Cleanliness**
- Service Reliability & Resiliency**
- Other Base Service Costs**
- Legislative Impacts**
- Contractual Price Increase**
- Collective Bargaining & Cost of Living**
- Diesel Price Increase**



Base Program Balancing Strategy



- **City Funding: \$10.4 million**
- **Strategies to balance budget: \$66.2 million**
 - Revenue Changes
 - Efficiencies
 - 10 Cent Fare Increase on Adult and Youth Single Fares
 - One-Time Reserve Draw

Efficiency Measures

Base Expenditure Reductions and Efficiency Measures (\$Millions)					
Description	TTC	WT	Gross	Net	Pos.
Base Expenditure Reductions:					
Line by Line Reductions	(9.5)	(0.8)	(10.3)	(10.3)	
Subtotal: Base Budget Reductions	(10.5)	(0.5)	(11.0)	(11.0)	0.0
Efficiency Measures:					
One Person Train Operation	(7.3)		(7.3)	(7.3)	
Overtime Reductions	(0.6)	(0.1)	(0.7)	(0.7)	
Revenue Operations – Legacy Fares	(0.7)		(0.7)	(0.7)	(6)
Wheel-Trans Additional Zone Buses		(1.2)	(1.2)	(1.2)	(16)
Snow Clearing Contract Savings	(0.8)		(0.8)	(0.8)	
Other Efficiencies	(1.1)		(1.1)	(1.1)	
Subtotal: Efficiency Measures	(10.4)	(1.3)	(11.6)	(11.6)	(22)
Implementation of AG Recommendations:					
Wheel-Trans Call Centre		(0.5)	(0.5)	(0.5)	(7)
After Market Parts Warranty	(0.1)		(0.1)	(0.1)	
Subtotal: Implementation of AG Recommendations	(0.1)	(0.5)	(0.6)	(0.6)	(7)
Total 2023 Efficiencies and Line-By-Line Review	(19.9)	(2.5)	(22.5)	(22.5)	(29)

Savings from efficiency measures, used to reduce base pressures.

\$22.5 million in savings from efficiency measures with no impact to service.

\$182 million cumulative savings since 2019

Transit Expansion and Conversion

	5	6	3
Service Features	<ul style="list-style-type: none"> 19 km LRT 15 Stations/10 Stops Connects with 3 Subway and 3 GO stations 	<ul style="list-style-type: none"> 11 km LRT 2 Stations/16 Stops Connects with Subway, Humber College, and regional transit 	<ul style="list-style-type: none"> 8 major routes extended from Scarborough Centre to Kennedy Improved Connections to Line 1, 4 and GO.
Scope	TTC operates the line pays cost of maintenance by third-party contractor	TTC operates the line pays cost of maintenance by third-party contractor	Bus replacement of train service with 70 buses per hour in peak periods
Status	Operator Training Q1/23	Mobilization & Training to commence in Q3/23	SRT closure and bus replacement in Q4/23
2023 Pressure	\$30.6M	\$10.5M	\$1.5M
2024 Outlook	\$17.7M	\$17.5M	\$10.0M

2024 & 2025 Outlooks

Transit Expansion and Conversion will continue to significantly impact budget pressures in 2024

Financial impact of COVID expected to continue *at least* until 2025.

Highlights

	2024	2025
Base Pressures*	\$66M	\$44M
Expansion	\$45M	
COVID Impact	\$350M	\$335M
Total	\$461M	\$379M

*Note CBA is not included beyond April 2024 expiry of collective agreement

2023-2032 Capital Budget & Plan Submission

\$22.15B Capital Asset Inventory to Deliver Services



Tunnels & Structures
\$8.192 billion



Buildings & Structures
\$5.155 billion



Rolling Stock
\$4.229 billion



Buses
\$1.624 billion



Surface Track System
\$2.623 billion

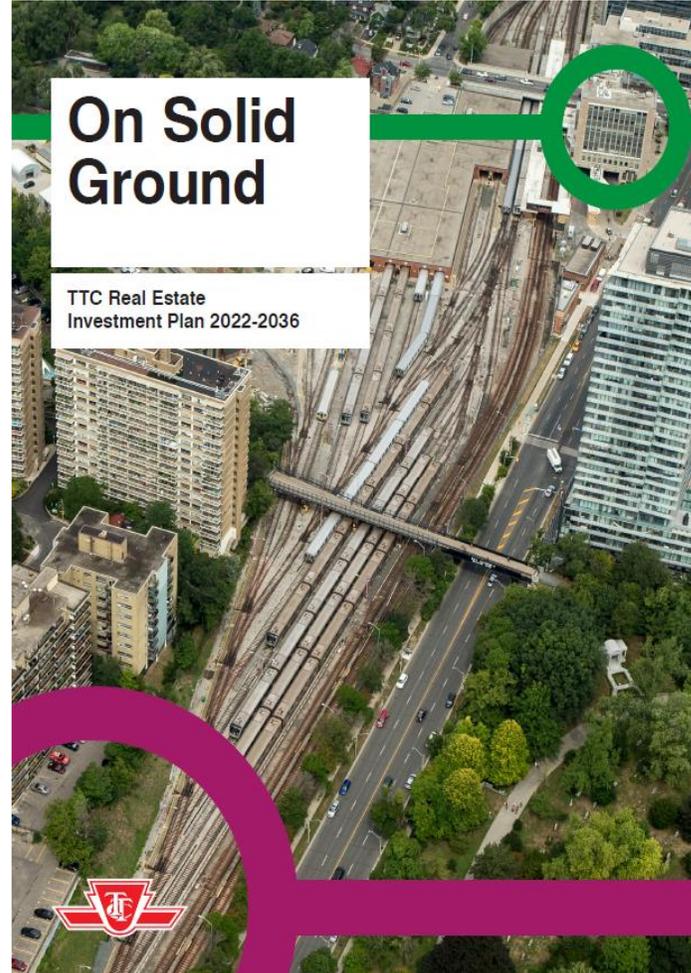
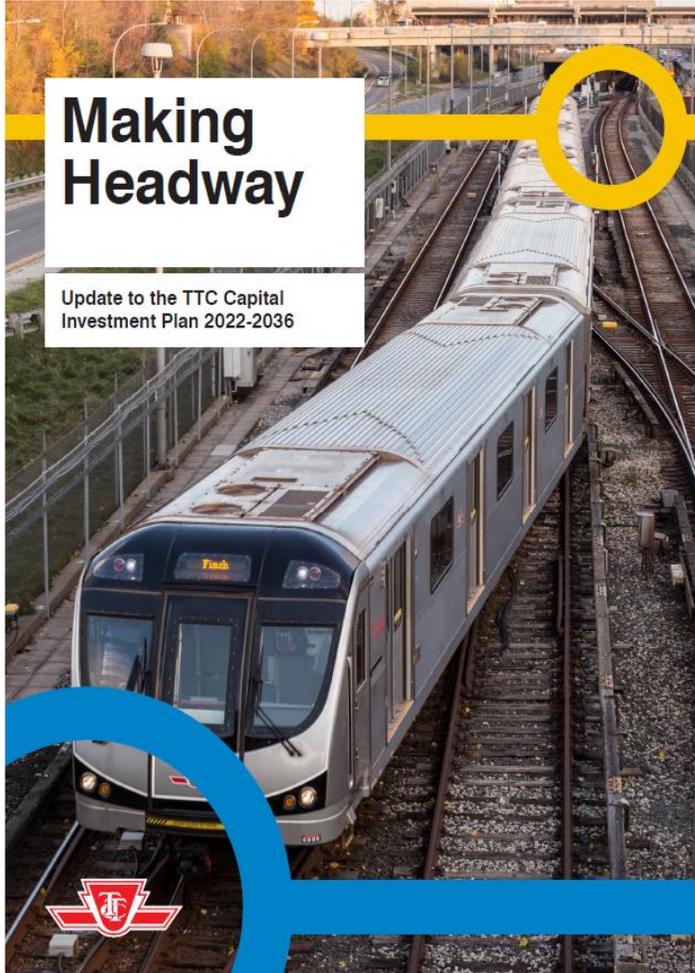


Rail Service Equipment
\$0.172 billion



Other
\$0.156 billion

15-year Capital and Real Estate Investment Plans



- Companion documents guide the TTC's stewardship of \$22 billion asset inventory
- Updated annually
- Identify needs, interdependencies and what is funded, not funded
- Provide a focused roadmap and plan (needs and timing)
- Take integrated approach
- Lay out key investment priorities and funding

Investments Must Advance in Lockstep

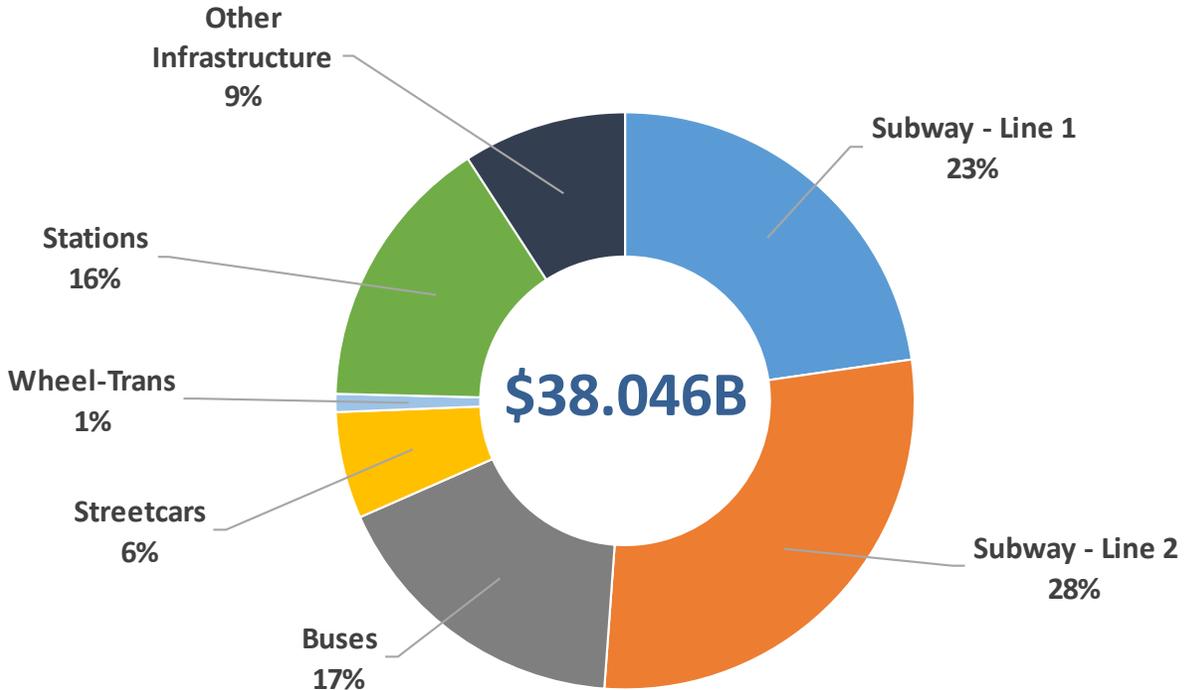
A number of priority projects were identified as unfunded in the 2022 CIP

Most represent critical interdependencies that, if delayed, would jeopardize the larger program of investment.

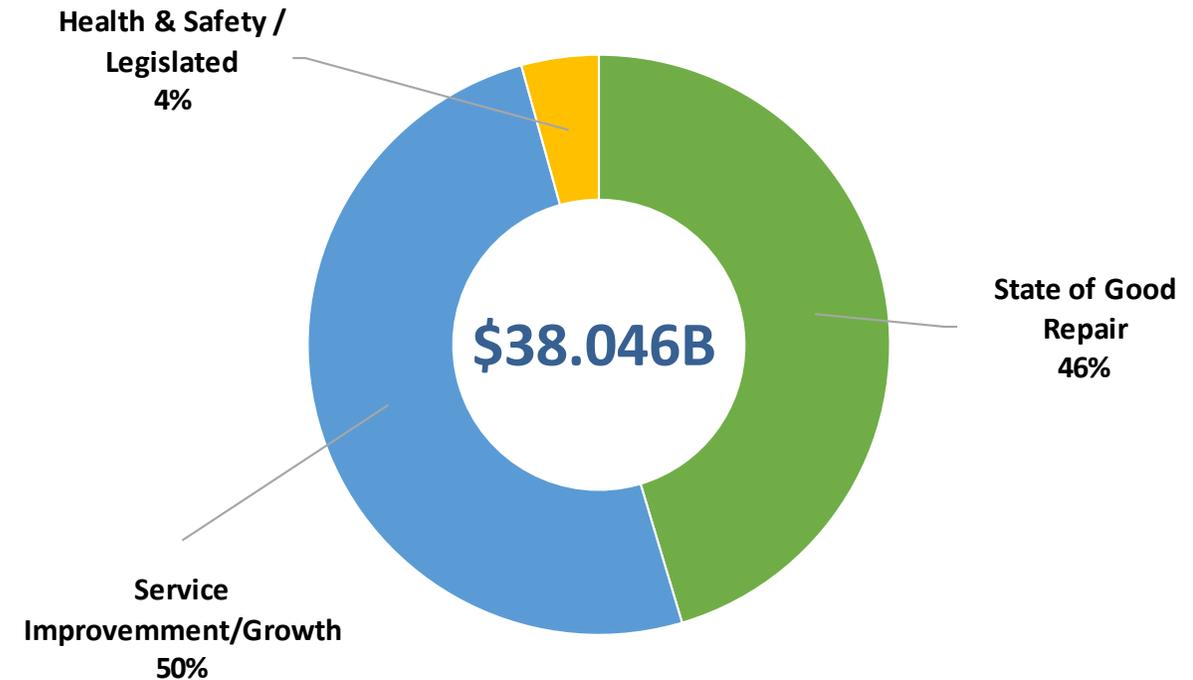
	Funding Required
Modernizing the Subway and Expanding Capacity	
Purchase subway trains	\$1.7B by 2022
Maintenance and Storage Facility	\$2.4B by 2023
Modify Greenwood Yard	\$95M by 2023
Transforming and Electrifying Bus Service*	
Purchase electric buses	\$1.6B by 2022
Purchase Wheel-Trans buses	\$174M by 2022
Install charging infrastructure	\$509M by 2022
Implement transit priority measures	\$356M by 2023
Supporting a Larger Streetcar Fleet	
Renew Russell Carhouse	\$71M by 2024
Upgrade overhead power	\$19M by 2023
Maximize Hillcrest Complex	\$3M by 2023
Upholding the State-of-Good-Repair*	
Scheduled fleet maintenance	\$1.2B by 2023
Safety and legislative	\$39M by 2023
System maintenance	\$45M by 2023
Operational infrastructure	\$135M by 2023

2023-2037 Capital Investment Plan: Overview

By Mode

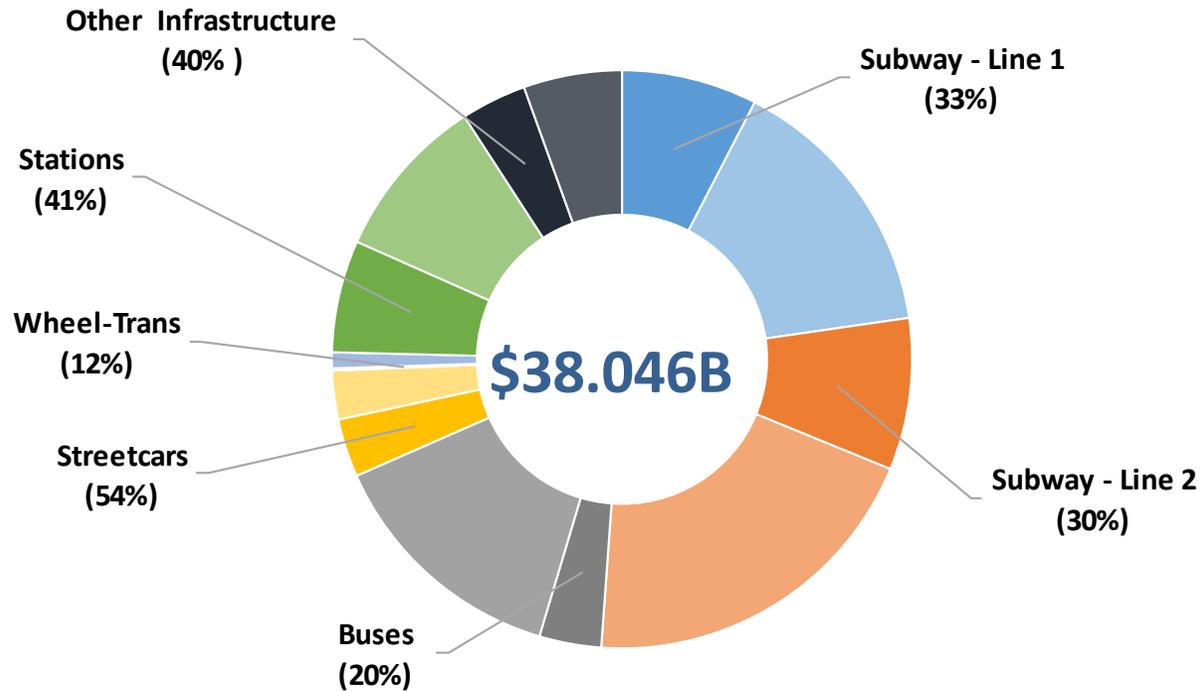


By Project Category

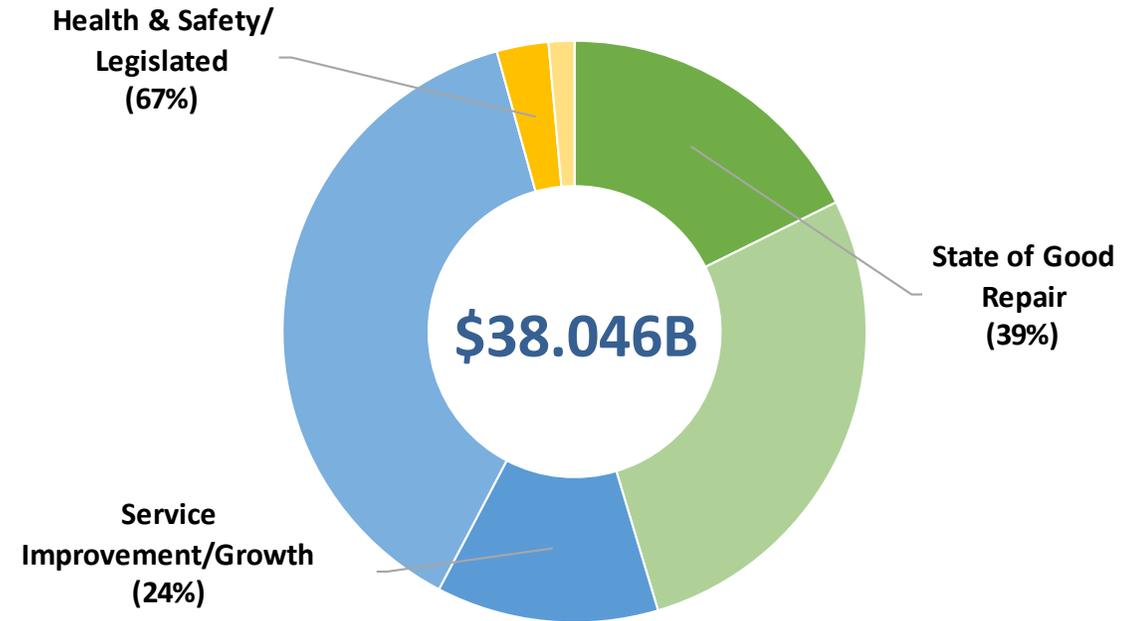


2023-2037 Capital Investment Plan: Overview

By Mode



By Project Category



Key Capital Highlights



- Makes progress on funding critical key priorities identified in the 2022-2036 CIP:
 - Maintains and/or improves steady state funding for essential SOGR capital
 - Tops up funding to provide the City/TTC's one third share for the subway car procurement
 - Fully funds the Greenwood Carhouse Modifications and Yard Resignalling (Line 2 Capacity Enhancement) projects, which are requisite investments prior to the delivery of subway car vehicles.
 - Adds \$14M for the required infrastructure to support the interim Line 3/SRT Bus Replacement Service; \$59M is still required for the Right-of-Way Conversion to Busway, subject to intergovernmental funding discussions



- Continues funding to deliver 336 Hybrid buses, 240 ebuses and charging infrastructure, 60 new Streetcars and the Hillcrest Facility, and fully funds the Russell Carhouse renewal



- Advances work on major capacity improvement projects (Bloor-Yonge, Lines 1 and 2)
- Fully funds cost escalations for in-flight projects



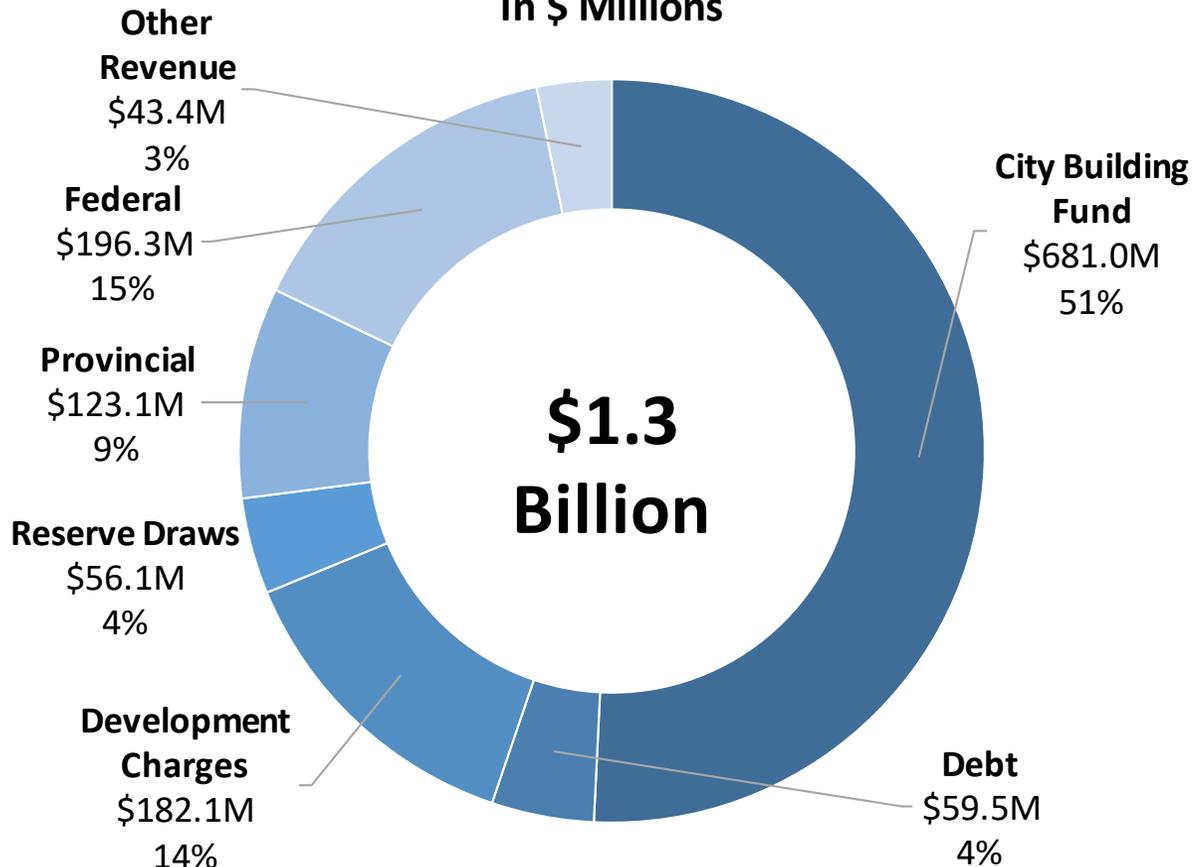
- Continues business modernization (SAP; Maximo; Vision; Wheel-Trans and Stations Transformation)

2023 Capital Program Breakdown - \$1.3 Billion

Where the Money Comes From

2023 Capital Budget

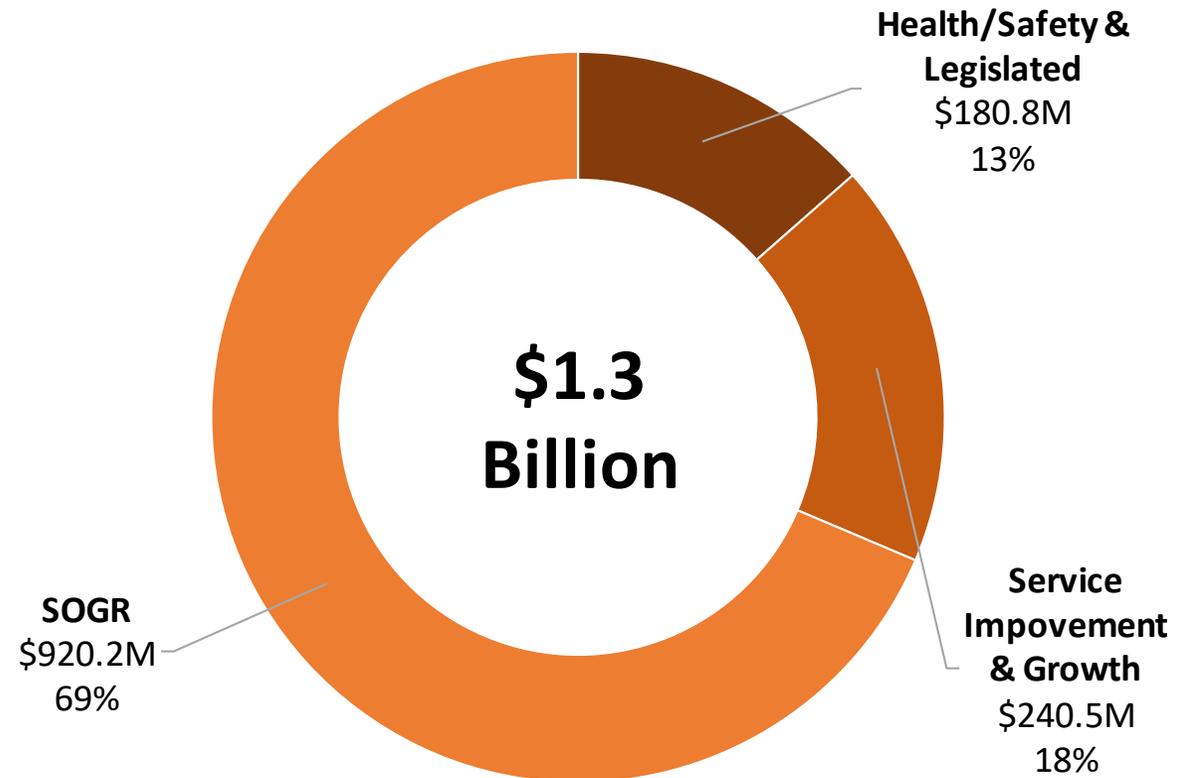
In \$ Millions



Where the Money Goes

2023 Capital Budget

In \$ Millions

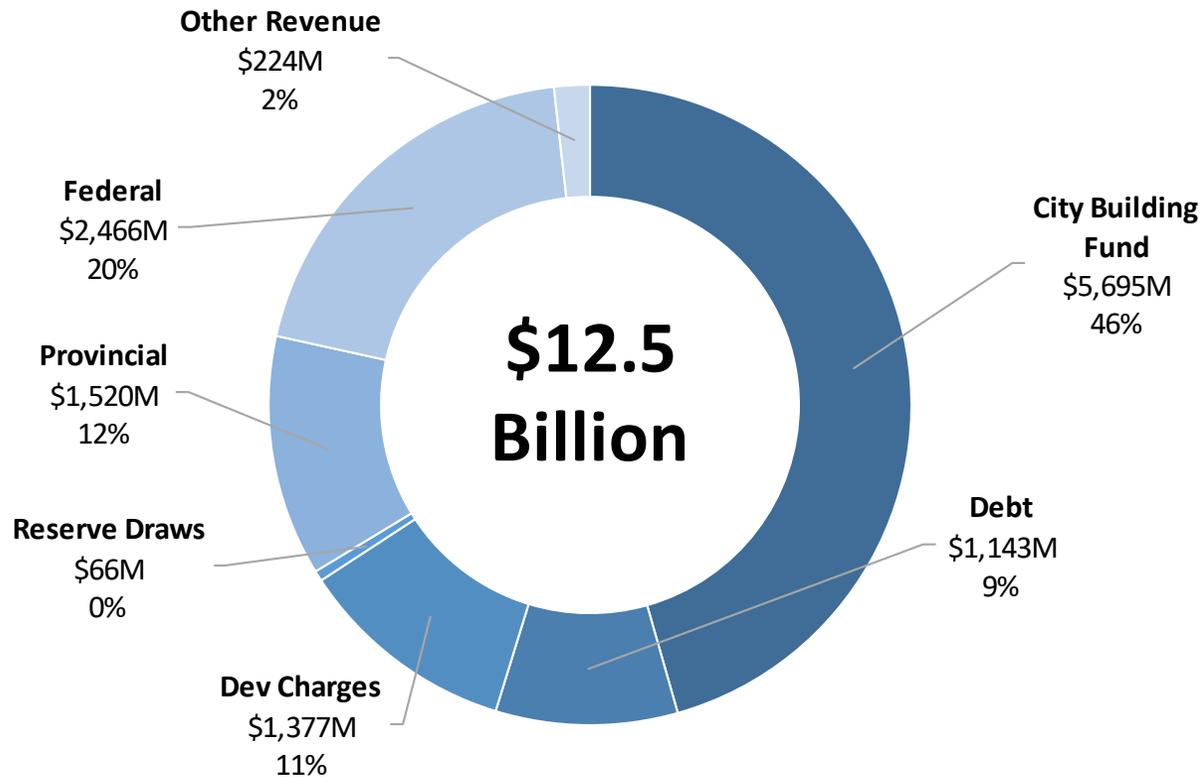


2023-2032 Capital Program Breakdown - \$12.5 Billion

Where the Money Comes From

2023-2032 Capital Budget and Plan

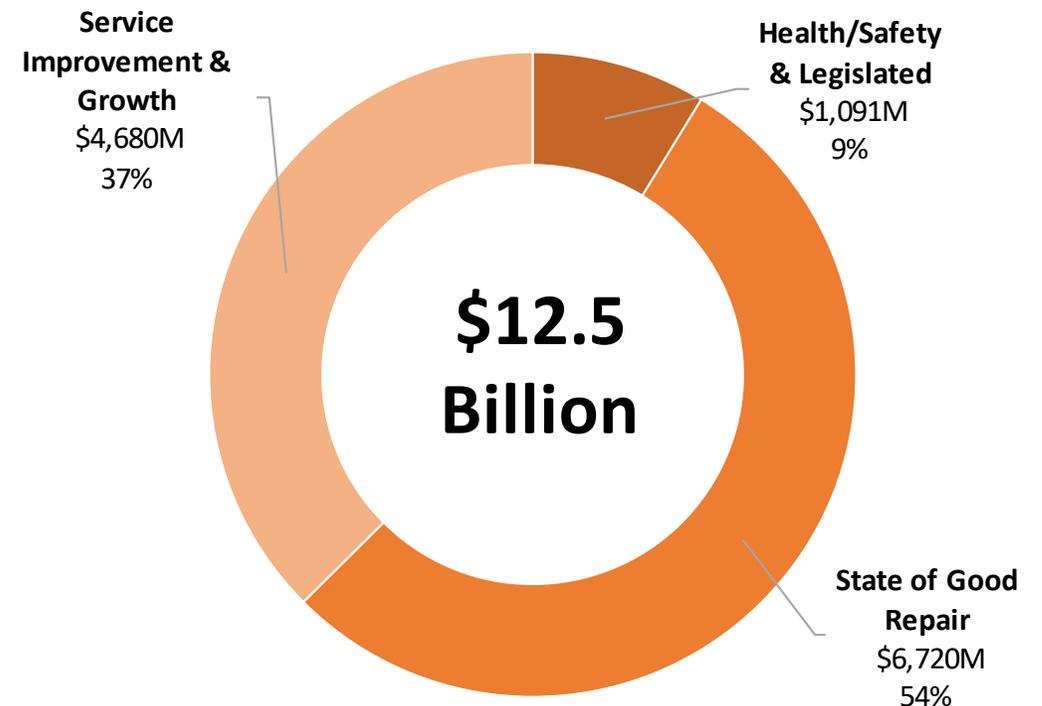
In \$ Millions



Where the Money Goes

2023-2032 Capital Budget and Plan

In \$ Millions



\$12.5 Billion 10-Year Gross Capital Program

\$ 12.5 B



Buildings & Structures

\$2,884.0 M
23%

Fire Ventilation Upgrade
Easier Access Phase III
Toronto Rocket/T1 Rail Yard
Accommodation



Signal systems

\$771.7 M
6%

Signal Systems
Line 1 and 2 Automatic
Train Control Re-signaling



Track work

\$839.0 M
7%

Subway Track
Surface Track
Subway Rail Grinding



Electrical systems

\$570.8 M
5%

Traction Power
Power Distribution/
Electric Systems
Communications



Capacity Improvements

\$3,619.9 M
29%

Bloor-Yonge Capacity
Improvements
Line 1 & 2 Capacity
Enhancements



Vehicles

\$2,934.4 M
23%

T1 25-Year Overhaul
Bus Overhaul
Streetcar Overhaul
Purchase of additional vehicles



Information Technology

\$402.5 M
3%

SAP ERP Implementation
VISION – Computer Aided Dispatch/
Auto. Vehicle Location System
MAXIMO – Asset management system

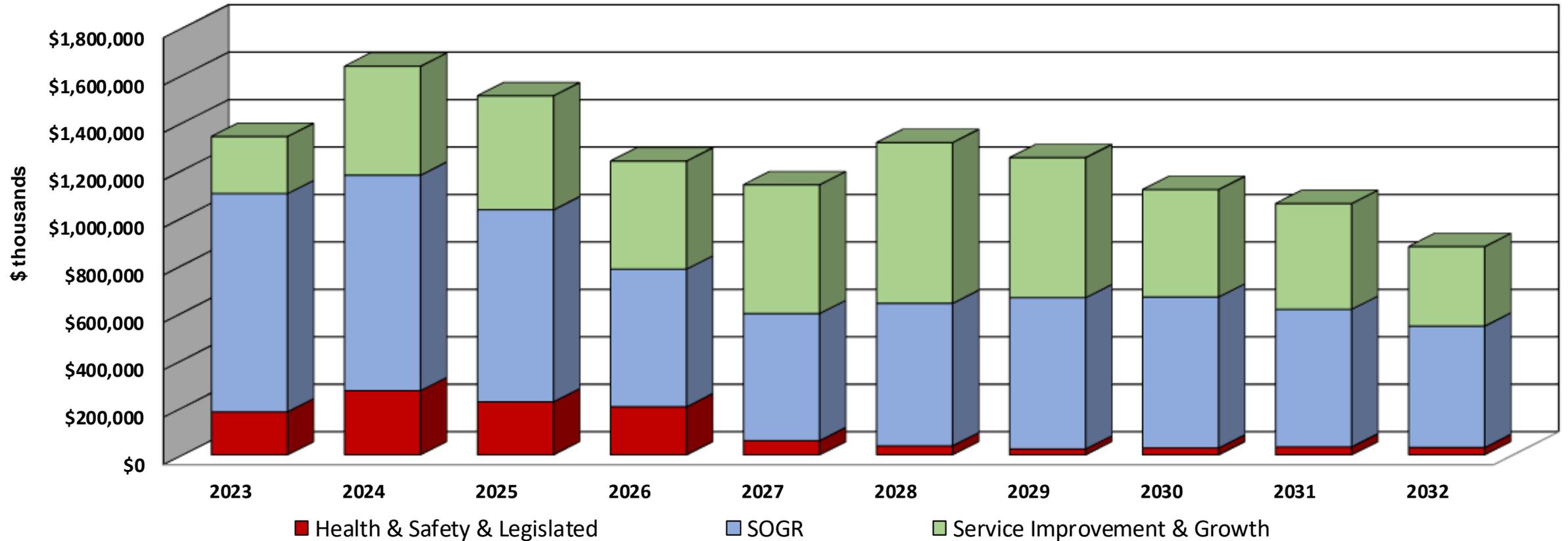


Equipment & Other

\$468.9 M
4%

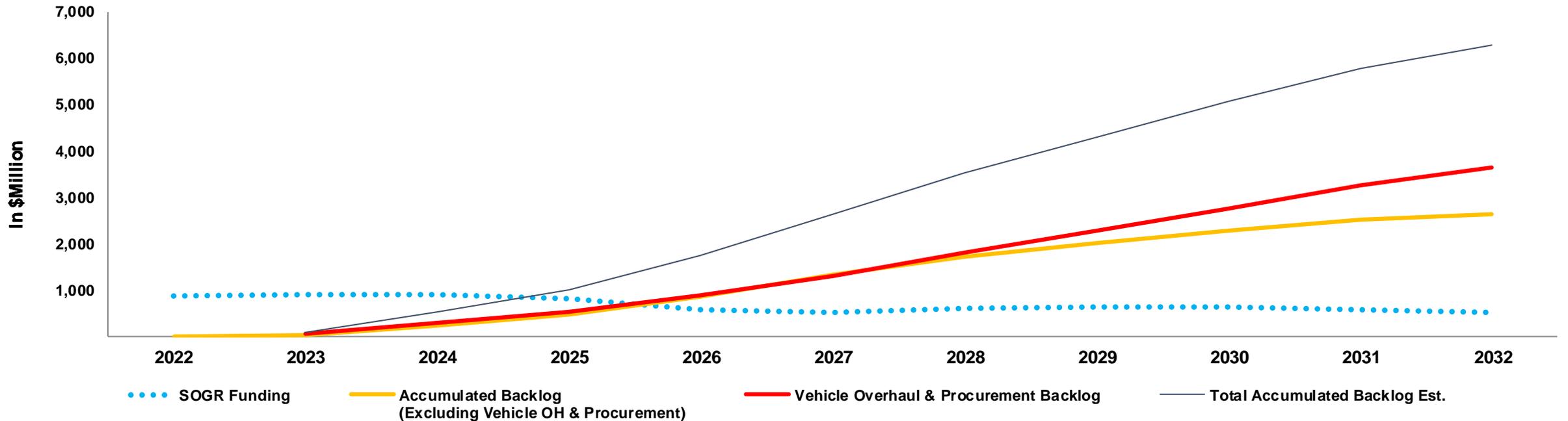
Shop & Maintenance Equipment
Revenue & Fare Handling
Equipment
Fare System

2023 – 2032 Capital Budget & Plan by Project Category



2023 - 2032 Staff Recommended Capital Budget and Plan by Category											
\$ Thousands	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total
■ Health & Safety & Legislated	180,793	270,380	223,050	202,348	59,573	37,727	24,094	28,754	33,308	30,570	1,090,598
■ SOGR	920,227	908,301	809,744	580,450	535,493	600,552	638,175	636,031	579,761	511,702	6,720,436
■ Service Improvement & Growth	240,473	459,053	480,501	455,305	543,026	677,712	590,147	453,098	445,780	335,055	4,680,149
Total	1,341,493	1,637,735	1,513,295	1,238,103	1,138,092	1,315,991	1,252,417	1,117,883	1,058,849	877,327	12,491,184

State of Good Repair (SOGR) funding and backlog



	\$ Million	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
SOGR Funding		879.3	920.2	908.3	809.7	580.5	535.5	600.6	638.2	636.0	579.8	511.7
Accumulated Backlog (Excluding Vehicle OH & Procurement)			40.2	237.9	482.1	857.3	1,329.7	1,713.3	2,032.6	2,299.3	2,514.2	2,645.1
Backlog (Excluding Vehicle OH & Procurement) as % of Asset Value		0.0%	0.2%	1.0%	1.9%	3.2%	4.8%	5.9%	6.7%	7.2%	7.5%	7.5%
Vehicle Overhaul & Procurement Backlog			52.3	300.1	533.7	885.5	1,315.9	1,812.6	2,276.5	2,752.8	3,260.8	3,640.0
Vehicle Overhaul & Procurement Backlog as % of Asset Value		0.0%	0.2%	1.2%	2.1%	3.3%	4.7%	6.2%	7.5%	8.6%	9.7%	10.4%
Total Accumulated Backlog Est.			92.5	538.0	1,015.8	1,742.8	2,645.6	3,525.9	4,309.0	5,052.1	5,774.9	6,285.0
Backlog as % of Asset Value		0.0%	0.4%	2.2%	4.0%	6.5%	9.5%	12.1%	14.1%	15.8%	17.2%	17.9%
Total Asset Value		22,152.9	23,194.1	24,284.2	25,425.6	26,620.6	27,871.8	29,181.7	30,553.3	31,989.3	33,492.8	35,066.9

Unmet Needs

Unmet Needs - Projects Excluded due to Funding Constraints (In \$ Millions)

Project Description	Cash Flow (In \$ Millions)									
	2023	2024	2025	2026	2027	5 Year Total	2028 to 2032	10 year Total	2033 to 2037	15 Year Total
HEALTH & SAFETY/LEGISLATIVE	0.6	28.2	60.8	75.8	59.8	225.2	132.6	357.8	106.0	463.8
FLEET PURCHASE PROGRAMS	52.3	257.9	202.3	214.9	415.1	1,142.5	2,502.8	3,645.3	1,619.1	5,264.4
PURCHASE OF BUSES	52.3	76.4	145.7	144.1	226.8	645.3	1,381.3	2,026.6	1,562.1	3,588.7
PURCHASE OF SUBWAY CARS		181.5	56.6	70.8	188.3	497.2	1,121.5	1,618.7	57.0	1,675.7
OVERHAUL PROGRAMS		37.6	49.0	159.5	70.7	316.8	149.6	466.4	771.6	1,238.0
BUS OVERHAUL		32.8	40.9	67.9	13.3	154.9	9.2	164.1	409.0	573.1
STREETCAR OVERHAUL		4.8	8.1	54.0	15.1	82.0	107.0	189.0	238.8	427.8
SUBWAY OVERHAUL		0.0	0.0	37.6	42.3	79.9	33.4	113.3	123.8	237.1
SERVICE PLANNING		43.9	67.1	56.3	76.0	243.3	250.5	493.8	11.2	505.0
KEY BUILDINGS AND STRUCTURES				273.4	467.7	741.1	1,858.5	2,599.6	3,822.6	6,422.2
Line 1 Capacity Enhancement				273.4	467.7	741.1	1,664.0	2,405.1	2,113.8	4,518.9
Line 2 Capacity Enhancement						0.0	194.5	194.5	1,708.8	1,903.3
STATE OF GOOD REPAIR	40.2	200.2	234.1	363.0	460.0	1,297.5	1,298.5	2,596.0	1,888.7	4,484.7
SERVICE IMPROVEMENTS		8.3	31.0	39.1	39.6	118.0	151.2	269.2	2,766.5	3,035.7
GROWTH		3.3	30.8	37.0	21.6	92.7	1,240.0	1,332.7	2,808.2	4,140.9
Total Unmet Needs (Not Included)	93.1	579.4	675.1	1,219.0	1,610.5	4,177.1	7,583.7	11,760.8	13,793.9	25,554.7

- \$5.26 billion is needed to fully fund the balance of fleet purchases:
 - 2,390 Buses
 - 556 Wheel-Trans buses
 - 80 subway trains
- \$1.23 billion is required to complete vehicle overhauls
 - Midlife rebuild of the Nova '40 Bus Fleets
 - Midlife restoration and upgrade of the TR Subway cars
- Line 1 requires \$4.52 billion for the following:
 - \$2.4 billion for the acquisition/construction of new TMSF
 - \$2.1 billion to complete Line 1
- Line 2 requires a total of \$1.9 billion

Capital Projects that Advance Climate Actions

Capital Projects supporting Climate Actions				
Description	Reduces GHG Emissions	Improves Climate Resiliency	2023 Budget	2024 – 2032 Plan
Existing Projects and/or Changes to Projects (Based on 2022 - 2031 Capital Budget and Plan)				
Autonomous Vehicle Program	Yes		1.4	4.3
Bus Lane Implementation	Yes		2.0	9.5
Diesel Emission Control Equipment	Yes		0.7	0.2
eBus – Purchase	Yes		52.3	308.9
eBus Charging Systems – Purchase	Yes		43.8	43.2
Electric OSV Charge Sys-Purchase	Yes		0.2	0.9
Electric WT Charge Sys-Purchase	Yes		0.6	0.6
Hybrid Bus – Purchase	Yes		192.3	73.9
Opportunities to Improve Transit Services -Transit Priority Measures	Yes		0.4	0.4
Replace Lighting & Receptacles in Tunnels/Vent Shafts	Yes		0.5	4.6
Transit Improvements - New Technology Study	Yes		0.5	0.8
Transit Priorities	Yes		3.3	27.5
Wheel-Trans Bus – Purchase	Yes			8.4
Climate Change Mitigation & Adaptation Studies	Yes	Yes	1.1	0.9
Surface AC and Lighting Upgrade	Yes	Yes	0.2	2.9
Alternate Feeds for Intersections		Yes	0.5	6.9
Asset Inventory Management and GIS Mapping		Yes	0.1	1.9
Electrolysis Control - Streetcar		Yes	0.2	2.0
Reconstruction of Streetcar Overhead		Yes	7.0	62.7
Replace Surface Traction Power Distribution		Yes	1.3	10.6
Sub Total			308.4	571.1
New Projects added to the 2023 - 2032 Capital Budget and Plan				
Digital Workspace Platform	Yes	Yes	1.5	1.5
Energy Efficiency Retrofit	Yes	Yes	0.7	0.3
Energy Storage System	Yes	Yes		0.5
Renewable Energy Generation	Yes	Yes		0.5
Wayside Renewable Energy Storage	Yes	Yes	1.1	1.3
Sub Total			3.3	4.1
Total			311.7	575.2

Environmental and Other Benefits of Transit Investment



GREENHOUSE GAS EMISSION (GHG) REDUCTION

2023-2032 Capital Plan

30,278

Tonnes per Year

- **336** Hybrid buses
- **240** electric buses
- **10** Wheel Trans electric buses

Green Bus Program

165,392

Tonnes per Year

- **336** hybrid buses
- **1,850** electric buses
- **209** Wheel Trans electric.



OTHER KEY BENEFITS:

- State of good repair improves service reliability, prevents passenger delays and reduces the cost of lost productivity. Investing in the system critical to the success of the existing system and the economy
- Investments in state of good repair yield a benefit/cost **ratio of 3**: same as transit expansion.
- Transit reduces traffic congestion: capacity on **Line 1 = 26 lanes** of traffic, **replaces 8-9** Don Valley Parkways
 - Reduces GHG emissions, improves climate, air quality & public health
- Transit users who switch from personal automobiles realize significant cost savings
- Improved service expands opportunities to travel to jobs and training not otherwise accessible; allows more people to access leisure activities and cultural events

Economic Benefits of Transit Investment

Investment in TTC capital works translate into:

\$1.00

Additional **GDP** for every dollar invested (Value Added)

\$2.40

Additional **economic activity** for every dollar invested (Gross Output)

15

New jobs for every \$1 million dollars invested

-
- Approval of the recommended 10-year Capital Budget and Plan will add **\$12.6 Billion** in additional GDP, **\$29.7 Billion** in economic activity and over **180,000 jobs**
 - Funding the key critical unfunded priorities would spur an additional **\$7.9 billion** in GDP, **\$18.7 billion** in economic activity and over **114,000 jobs**
 - If the 15-year Capital Investment Plan were to be *fully funded* it would add **\$38.6 billion** in GDP, create **\$91.4 billion** in economic activity and add almost **560,000 jobs** over the 15-year time horizon
 - **89%** of economic benefits generated by TTC investments is within Ontario (with **52%** of that being in the GTA) and **11%** is realized nationally

Long-term Investment in the TTC is As Critical As Ever

- The COVID experience clearly exposed the high dependency on the farebox as a key vulnerability that will challenge the TTC's ability to provide safe, reliable transit service.
- Equally, the SOGR Backlog is growing at an accelerated rate for which funding in TTC's infrastructure is critical.
- While the funding necessary to sustain TTC's existing and expanded service is significant, it should be considered *an investment* and not a cost.
- Investing in the TTC will accrue economic, environmental and social benefits that extend beyond the city and contribute to the vitality and well being of the region, the province and nation.
- A multi-year, multi-pronged investment strategy is required that provides long term, predictable funding from all three orders of government that will sustain TTC's existing and future service

Thank You

Appendices

2023 Operating Budget: Targeted New Investments

New Investments: Safety, Cleanliness and Accessibility

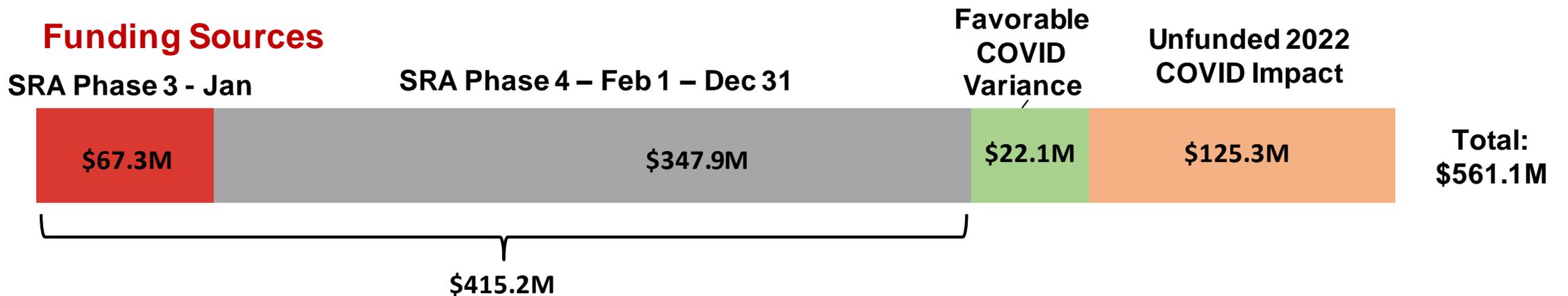


COVID-19: 2022 Operating Impact

2022 Budget COVID-19 Gross Financial Impact



Funding Sources



- Ongoing discussions to address remaining \$125.3M including:
 - Request for Province/Federal government to fund City shortfall (including possible SRA top-up funding)
 - City Backstop plan, includes \$87 million reduction in 2022 TTC Capital Budget

COVID-19 Financial Impact - Operating

COVID-19 Impacts	In \$ Thousands				
	2022		2023		
	Budget	Projection*	Revenues	Gross	Net
Revenue Loss					
Passenger Revenue Loss (Net of PRESTO)	487,161.0	481,200.0	342,663.0	(14,587.2)	328,075.8
Ancillary Revenue	22,550.0	22,145.1	14,502.3		14,502.3
Sub-Total	509,711.0	503,345.1	357,165.3	(14,587.2)	342,578.1
Expenditure Increase					
Safety and Other Required Measures					
Vehicle Disinfection	11,641.3	2,941.3			
Personal Protective Equipment	5,965.1	4,413.1		3,133.1	3,133.1
Vehicle Ventillation Filters	1,665.0	2,000.0		1,665.0	1,665.0
Facility Disinfection, Decals and Other	4,409.0	2,611.0		763.4	763.4
Hand Sanitizer for Customers	1,632.0	1,132.0		1,132.0	1,132.0
Employee Screening Costs	8,000.0	2,200.0			
Managing Resourcing					
Incremental Labour Costs	1,678.4	1,418.4		705.0	705.0
Operator Hiring (Cadre)		750.0			
Increased WSIB Claims	10,231.0	10,231.0		10,231.0	10,231.0
Sick Benefit Costs	6,156.0	9,471.9		6,156.0	6,156.0
Sub-Total	51,377.8	37,168.7		23,785.5	23,785.5
Support from Other Levels of Gov't**					
SRA Phase 3		(67,292.3)			
SRA Phase 4		(347,945.5)			
Sub-Total		(415,237.8)			
Total COVID-19 Impact	561,088.8	125,275.9	357,165.3	9,198.3	366,363.6

* 2022 Projection based on 9 Month Variance

** Should only reflect COVID-19 program-specific funding that is budgeted or received. Please exclude COVID-19 budget and actuals that are within corporate accounts.

Impacts
<ul style="list-style-type: none"> Ongoing COVID impacts totaling \$366.4 million net Continued COVID relief funding is required Magnitude of this ongoing financial impact is beyond the City's financial capacity to fund

Appendix: Capital Investment Plan

2023 - 2032 Capital Investment Plan - By Mode													
Mode	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	10 Year Total	Post 2032	15 Year Total
FUNDED													
SUBWAY	373,812	561,236	579,523	627,880	714,379	873,962	764,563	698,678	670,737	498,991	6,363,763		6,363,763
STREETCARS	175,619	343,782	234,245	141,047	118,116	89,148	60,661	65,627	65,906	67,818	1,361,968		1,361,968
STATIONS	185,990	281,970	264,676	278,232	187,516	264,739	289,871	211,693	211,508	191,036	2,367,233		2,367,233
OTHER	167,156	166,659	129,347	86,354	99,417	34,284	38,848	37,161	31,458	35,385	826,069		826,069
BUS	407,813	267,782	296,907	91,516	17,919	53,858	98,473	104,723	79,240	84,096	1,502,328		1,502,328
WHEELTRANS	31,102	16,306	8,596	13,074	744	0	0	0	0	0	69,823		69,823
Funded Total	1,341,493	1,637,735	1,513,295	1,238,103	1,138,092	1,315,991	1,252,417	1,117,883	1,058,849	877,327	12,491,184		12,491,184
UNFUNDED													
SUBWAY	0	209,779	127,520	538,074	881,905	679,973	827,775	1,049,420	1,169,584	915,738	6,399,769	7,475,808	13,875,578
STREETCARS	0	23,093	45,790	101,695	54,008	57,451	40,294	20,140	39,026	79,394	460,890	698,474	1,159,364
STATIONS	604	24,375	80,643	128,817	115,778	73,984	61,093	34,156	20,503	20,400	560,353	2,937,801	3,498,154
OTHER	721	110,277	73,964	82,917	90,794	66,383	33,202	19,715	30,897	32,777	541,648	175,018	716,666
BUS	91,775	210,339	344,326	366,028	464,467	438,679	431,569	495,049	448,238	366,503	3,656,974	2,311,198	5,968,171
WHEELTRANS	0	1,611	2,819	1,449	3,451	48,273	56,939	10,411	9,590	6,534	141,077	195,660	336,737
Unfunded Total	93,100	579,474	675,061	1,218,980	1,610,404	1,364,744	1,450,873	1,628,891	1,717,837	1,421,347	11,760,711	13,793,959	25,554,670
TOTAL CIP													
SUBWAY	373,812	771,015	707,043	1,165,954	1,596,285	1,553,935	1,592,338	1,748,099	1,840,321	1,414,730	12,763,532	7,475,808	20,239,340
STREETCARS	175,619	366,874	280,034	242,742	172,124	146,599	100,955	85,767	104,931	147,212	1,822,858	698,474	2,521,332
STATIONS	186,594	306,345	345,319	407,049	303,294	338,723	350,964	245,850	232,011	211,436	2,927,586	2,937,801	5,865,387
OTHER	167,877	276,936	203,311	169,271	190,212	100,668	72,050	56,876	62,354	68,162	1,367,717	175,018	1,542,735
BUS	499,588	478,121	641,233	457,543	482,386	492,537	530,042	599,772	527,478	450,599	5,159,301	2,311,198	7,470,499
WHEELTRANS	31,102	17,917	11,415	14,523	4,195	48,273	56,939	10,411	9,590	6,534	210,900	195,660	406,560
TOTAL CIP	1,434,593	2,217,209	2,188,356	2,457,082	2,748,495	2,680,735	2,703,289	2,746,774	2,776,686	2,298,673	24,251,894	13,793,959	38,045,853

Appendix: 2023 Capital Budget; 2024 - 2032 Capital Plan Including Carry Forward Funding

Project Code	(In \$000s)	2023 Budget	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan	2023 - 2032 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
CTT001	SUBWAY TRACK	34,088	33,089	34,064	34,624	34,112	33,346	33,481	34,719	33,000	33,549	338,072		337,071	1,000
CTT002	SURFACE TRACK	51,795	57,101	61,671	61,999	67,355	42,778	23,238	45,000	45,000	44,999	500,937		389,163	111,774
CTT003	TRACTION POWER	26,472	29,432	23,291	23,388	23,594	28,115	28,822	29,875	30,561	31,452	275,002		268,316	6,686
CTT005	POWER DISTRIBUTION/ELECTRIC SYSTEMS	8,007	11,516	11,309	19,071	23,517	23,402	22,274	17,354	7,821	8,050	152,320	3,043	146,427	2,850
CTT006	COMMUNICATIONS	13,825	17,341	18,278	16,835	12,556	14,310	13,066	13,072	12,569	11,580	143,432	4,391	138,333	708
CTT008	SIGNAL SYSTEMS	21,514	14,631	10,822	10,967	8,609	6,701	4,958	3,605	3,088	3,200	88,095		88,095	
CTT010	FINISHES	25,302	40,120	8,972	1,778	800	39,956	17,508	15,783	15,533	13,075	178,827	12,969	162,413	3,446
CTT012	EQUIPMENT	72,194	64,276	46,789	48,742	27,566	19,857	18,853	18,346	48,017	44,729	409,369	39,592	367,396	2,382
CTT015	YARDS & ROADS	333	749	1,725								2,807	2,765		43
CTT018	ON-GRADE PAVING REHABILITATION PROGRAM	11,837	14,913	15,955	9,233	5,400	25,328	12,000	12,000		14,700	121,366		121,366	
CTT020	BRIDGES & TUNNELS	41,416	54,448	55,024	46,512	47,766	46,596	47,428	47,592	46,703	49,047	482,532		482,532	
CTT024	FIRE VENTILATION UPGRADE	33,831	31,573	28,465	19,098	18,451	37,819	48,883	46,271	39,683	36,210	340,284	144,883	195,400	
CTT028	EASIER ACCESS PHASE LL & III	119,906	179,126	136,910	128,134	17,933						582,008	582,008		
CTT035	SHEPPARD SUBWAY - YONGE TO DON MILLS	500	3,205									3,705			3,705
CTT045	REPLACEMENT WHEEL-TRANS VEHICLES	25,819	12,356	2,464	6,942							47,582		47,582	
CTT046	SUBWAY CAR PURCHASES	2,578	90,733	28,300	35,398	94,142	118,505	131,967	145,379	148,428	16,468	811,897		560,823	251,074
CTT050	STREETCAR OVERHAUL PROGRAM	17,079	19,879	13,339	4,217		15,021	17,536				87,071	16,176	68,637	2,257
CTT051	SUBWAY CAR OVERHAUL PROGRAM	32,552	40,023	41,024	19,445	7,287	22,983	53,223	41,642	36,437	34,185	328,802	11,673	317,129	
CTT052	AUTOMOTIVE NON-REVENUE VEHICLES	9,482	16,803	17,967	18,128	2,680	2,678	2,701	2,705	2,706	1,940	77,791		62,471	15,319
CTT053	RAIL NON-REVENUE VEHICLE OVERHAUL	1,814	2,582	5,042	5,364	6,023	4,796	3,285	3,050	1,690	1,607	35,253		35,253	
CTT054	RAIL NON-REVENUE VEHICLES PURCHASE	1,515	4,909	6,894	8,881	11,786	9,014	5,901	9,533	185		58,618		45,364	13,254
CTT055	SHOP EQUIPMENT	8,644	8,757	6,825	2,825	1,875	1,701	1,583	2,043	1,822	1,858	37,933		37,933	
CTT056	FARE HANDLING EQUIPMENT	6,387	1,750	1,750	1,250	1,250	1,250	1,250	1,250	1,250	1,250	18,637		18,637	
CTT058	ENVIRONMENTAL PROGRAMS	13,778	19,032	11,617	14,192	12,842	10,626	8,583	9,307	7,900	6,200	114,077	114,077		
CTT061	COMPUTER EQUIPMENT & SOFTWARE	67,360	87,656	64,254	39,979	72,147	10,305	15,937	15,219	13,206	16,429	402,491	4,581	386,461	11,449
CTT062	FURNITURE & OFFICE EQUIPMENT	474	75	75	175	75	75	75	337	395	76	1,832		1,832	
CTT063	OTHER SERVICE PLANNING	16,436	25,028	30,055	13,760	6,552	3,463	3,066	2,900	2,800	4,300	108,359	16,470	16,243	75,646
CTT064	TRANSIT SHELTERS & LOOPS	500	545	560	571	583	681	693	705	718	730	6,287		6,287	

Appendix: 2023 Capital Budget; 2024 - 2032 Capital Plan Including Carry Forward Funding (Continued)

Project Code	(In \$000s)	2023 Budget	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan	2023 - 2032 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
CTT110	OTHER BUILDINGS & STRUCTURES PROJECTS	61,146	122,754	146,329	107,631	54,854	36,903	3,542	466	466	6,566	540,656	127,490	314,191	98,975
CTT111	PURCHASE OF BUSES	246,067	138,937	196,497	47,932	611	611	611	611	611	611	633,099		627,441	5,658
CTT112	BUS OVERHAUL	59,670	38,634	28,845	3,441	1,182	44,904	90,982	96,675	72,769	76,910	514,012		514,012	
CTT113	OTHER MAINTENANCE EQUIPMENT	3,364	1,346	2,448	1,450	1,078	1,083	1,131	1,146	1,148	1,161	15,357		15,357	
CTT116	QUEENSWAY BUS GARAGE RENOVATIONS														
CTT122	PURCHASE OF STREETCARS	58,434	193,428	82,644	5,759							340,265		7,297	332,969
CTT130	KIPLING STATION IMPROVEMENTS														
CTT141	FARE SYSTEM	6,508	3,830	914								11,252			11,252
CTT142	ATC RESIGNALLING PROJECT	50,433	41,242	42,266	57,393	84,640	82,572	83,182	85,691	76,655	79,573	683,647		683,647	
CTT145	LRT REPLACEMENT MAINT AND STORAGE FACILITY	650	4,571	2,896								8,117		8,117	
CTT146	TORONTO ROCKET YARD & STORAGE TRACK ACCO	30,251	47,475	17,067	12,928	2,792						110,513		110,513	
CTT148	MCNICOLL BUS GARAGE FACILITY	550	2,016	1,762								4,327			4,327
CTT149	BICYCLE PARKING AT STATIONS														
CTT152	SAFETY PROGRAM	1,479	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	10,479	10,479		
CTT153	WAREHOUSE CONSOLIDATION	443										443		443	
CTT154	CORPORATE INITIATIVES	8,000	7,250	8,250	8,250	9,000	10,000	10,250	10,250	10,500	11,000	92,750		92,750	
CTT155	YONGE-BLOOR CAPACITY IMPROVEMENTS	20,655	33,928	97,905	125,353	151,596	213,893	262,916	185,094	152,165	137,832	1,381,337			1,381,337
CTT156	LINE 1 CAPACITY ENHANCEMENT	25,426	69,795	152,614	192,152	256,902	273,867	148,920	68,125	95,438	106,325	1,389,566			1,389,566
CTT157	LINE 2 CAPACITY ENHANCEMENT	14,794	13,730	48,416	69,990	56,220	131,850	133,572	151,139	148,587	80,714	849,011			849,011
	Expansion Projects														
CTT134	TORONTO YORK SPADINA SUBWAY EXTENSION	56,061	15,000									71,062			71,062
CTT147	SCARBOROUGH SUBWAY EXTENSION	27,355	18,150									45,505		45,505	
CTT151	WATERFRONT TRANSIT	4,770	3,000		13,315	13,314						34,399			34,399
	Total Expenditures (including carry forward from 2022)	1,341,493	1,637,735	1,513,295	1,238,103	1,138,092	1,315,991	1,252,417	1,117,883	1,058,849	877,327	12,491,184	1,090,598	6,720,436	4,680,149

Appendix: How the 10-Year Capital Program is Funded

\$ 12.5 B

(\$ millions)							
City of Toronto Funding		Provincial Funding		Federal Funding		Other Revenue	
\$8,281.4		\$1,519.7		\$2,465.9		\$224.2	
66%		12%		20%		2%	
City Building Fund	\$5,695.2	PTIF	\$447.3	PTIF	\$498.1	Other Revenue	\$224.2
Debt	\$1,142.7	Provincial Gas Tax	\$935.4	Federal Gas Tax	\$1,817.0		
Development Charges	\$1,377.5	Provincial Subsidy - Streetcar Program	\$133.9	Federal Subsidy - Streetcar Program	\$150.8		
Reserve Draws	\$66.0	204 LRV Funding	\$3.1				