

**2026**

**Operating Budget  
10 Year Capital Plan**

**TTC Board Presentation**

**January 7, 2026**



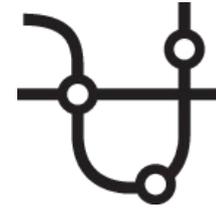
# The TTC Budget Delivers



**1.3 Million**  
Rides per week  
day



**194K**  
Weekly service  
hours



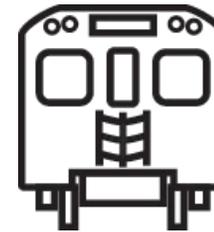
**6.400+ km**  
Of routes



**1,890**  
Buses



**258**  
Streetcars



**143**  
Trains



**206**  
Battery-electric  
buses



**18,000+**  
Employees

# Key Factors Shaping the 2026 Budget



**Strategic Planning Committee,  
Board & Corporate Plan Priorities**



**Budget Targets and Directions**



**Service Demand & Ridership  
Experience**



**Economy and Inflation**



**Financial Results**



**Asset Condition & SOGR Priorities**



**Accessibility & Equity**



**Affordability & Funding Availability**



# Key 2026 Challenges and Risks



## Ridership Growth:

- Ridership has levelled off and fare revenue remains closely tied to economic conditions



## Service Reliability:

- Congestion, evolving travel patterns and operational issues continue to challenge TTC's ability to deliver consistent and reliable service



## Fare Compliance:

- While progress has been made, TTC must continue implementing its Fare Compliance Strategy to reduce revenue loss from fare evasion



## Aging Assets and SOGR Backlog:

- Aging vehicles and infrastructure are increasing SOGR needs and creating reliability risks



## Funding Availability:

- A long-term funding strategy is needed to address the structural financial gap



# Advancing TTC's Corporate Plan: 2026 Priority Actions



1

## Build a Future-Ready Workforce

- Implement engagement action plans and launch Employee Engagement Task Force
- Expand inclusive leadership training and implement Truth & Reconciliation Strategy
- Continue safety programs and mental health initiatives
- Advance succession planning and leadership development
- Modernize tools and technologies available to employees

2

## Attract New Riders, Retain Customer Loyalty

- Deliver transit plan for FIFA World Cup
- Continue bunching & gapping and cleanliness pilots
- Maintain service improvements including Line 1 & 2 peak service
- Continue to advance cellular coverage
- Implement fare capping Sept 1
- Expand accessibility upgrades
- Advance RapidTO corridors and Line 3 busway completion

3

## Place Transit at the Centre of Toronto's Future Mobility

- Complete delivery of 340 electric buses and expand charging infrastructure
- Monitor and refine service for Lines 5 and 6
- Advance Line 1 and 2 modernization and capacity projects
- Launch zero-emission Wheel-Trans pilot and renewable energy projects
- Integrate long-term demand forecasts into capital planning

4

## Transform and Modernize for a Changing Environment

- Release ISS Progress Report and expand innovation pilots (AI, safety tech, renewable energy)
- Launch Automated Camera Enforcement pilot
- Deploy full Time & Attendance system and advance SAP HR modernization
- Strengthen emergency preparedness and business continuity programs
- Advance the new service planning and scheduling system

5

## Address the Structural Fiscal Imbalance

- Deliver \$87.3M in sustainable savings and efficiencies, \$320M since 2019
- Maintain service levels with no fare increase for third year
- Expand fare compliance coverage to 8 more stations and Line 5 & 6
- Launch FIFA-related advertising and retail partnership
- Update Capital Investment Plan and reduce SOGR backlog
- Advance long-term capital planning using 2051 demand forecasts



# Maintaining Affordable, Safe and Reliable Service

## The 2026 Budget:

- **Keeps transit affordable** with fares frozen for the third straight year and introduction of fare capping
- **Maintains service levels** and sustains prior-year enhancements to support reliability and safety
- **Operates Lines 5 & 6** first year of service, expanding the TTC's network
- **Focuses on State of Good Repair** to keep the system safe and reliable
- **Advances** major modernization projects
- **Supports climate action** and resiliency projects



# 2026 Operating Budget



# 2026 Operating Budget Highlights

Protects Affordability, Preserves Service Levels, Operates Line 5 & 6



## Protects

affordability for riders by:

- Freezing fares for a third year in a row; and
- introduces fare capping



## Adds

2.0% in service hours to maintain 2025 Service Levels



## Increases

Wheel Trans service, to deliver an estimated 4.4 million rides in 2026



## Operates

first year of service for Line 5 & 6



## Sustains

prior year enhancements; including:

- Line 1 /2 Peak Capacity
- Safety and Security
- Bunching & Gapping Pilot
- Cleanliness Pilot

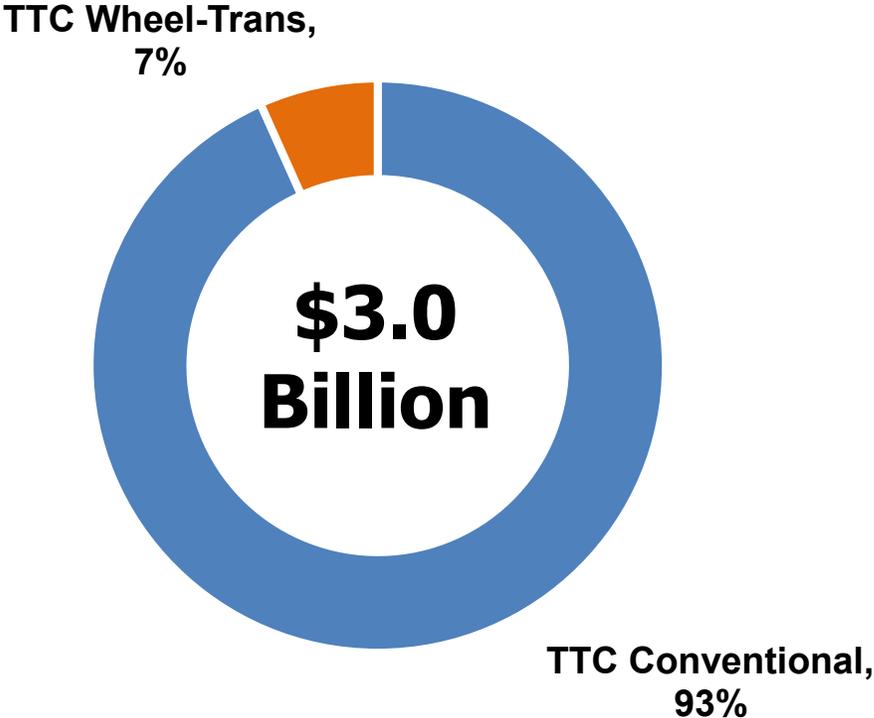


## Captures

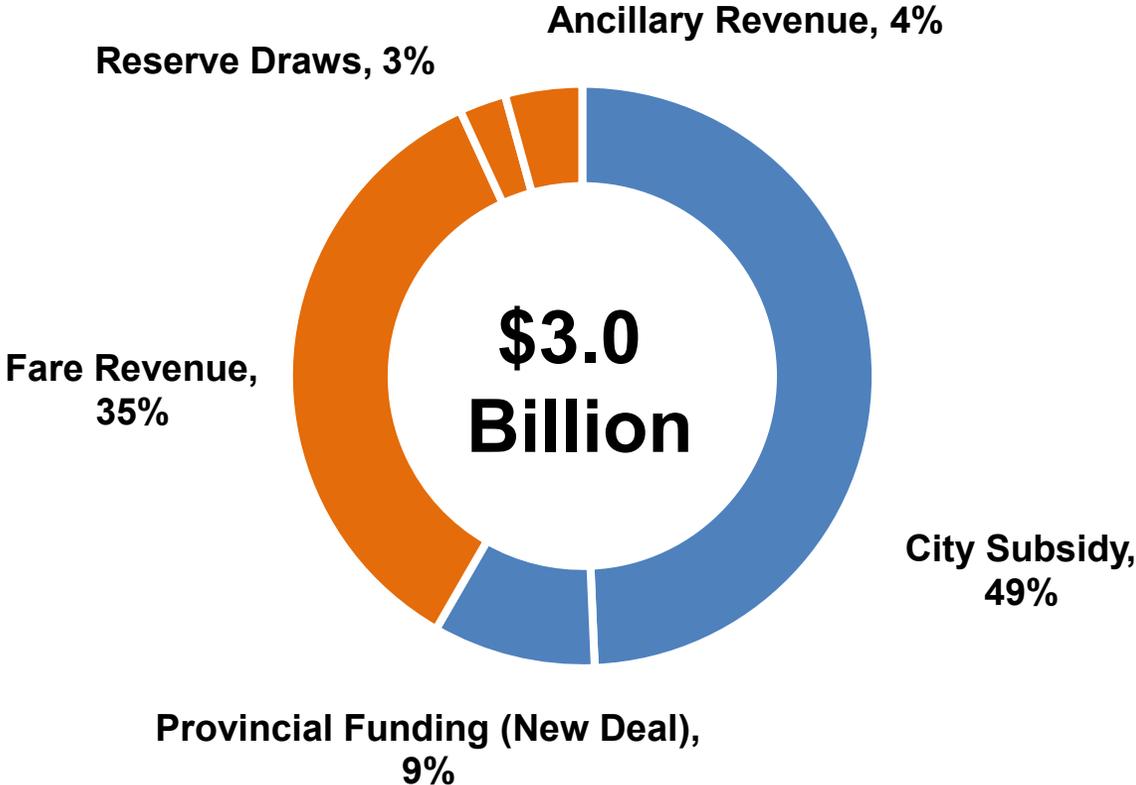
\$87 million in balancing and efficiency measures; total since 2019 is \$320 million

# 2026 Operating Budget - \$3.0 Billion

## Where the Money Goes: By Service

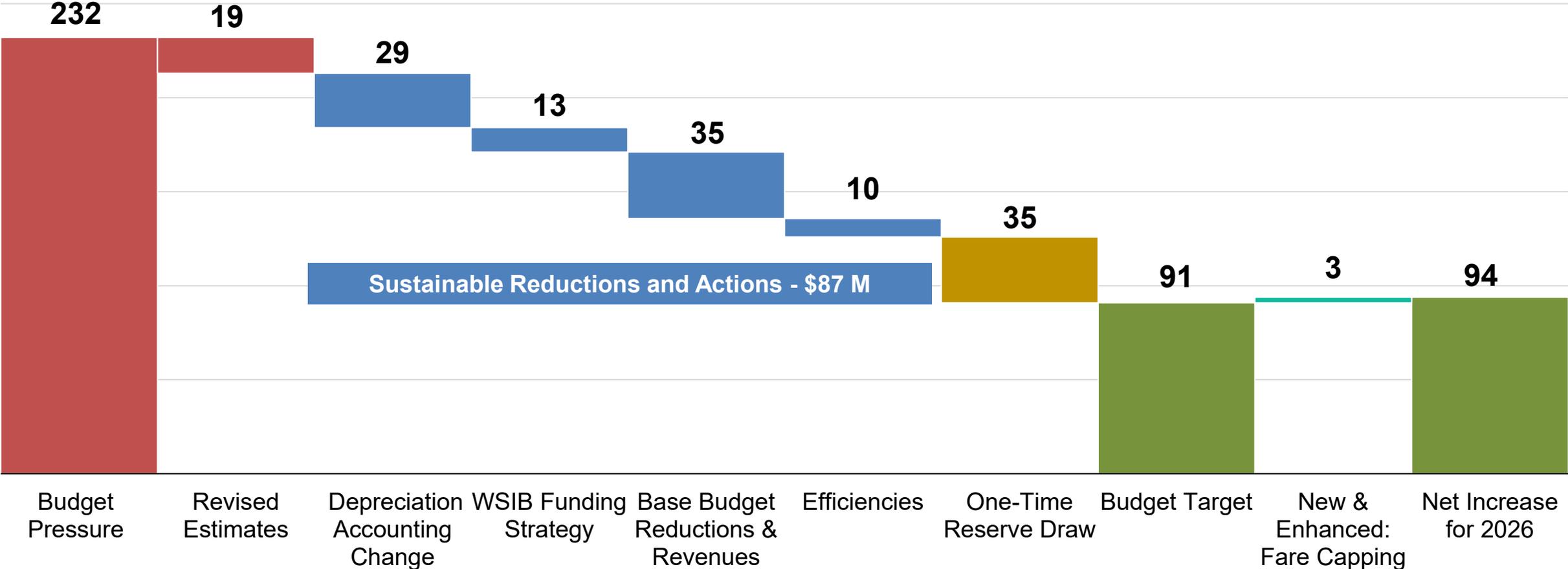


## Where the Money Comes From: By Funding Source

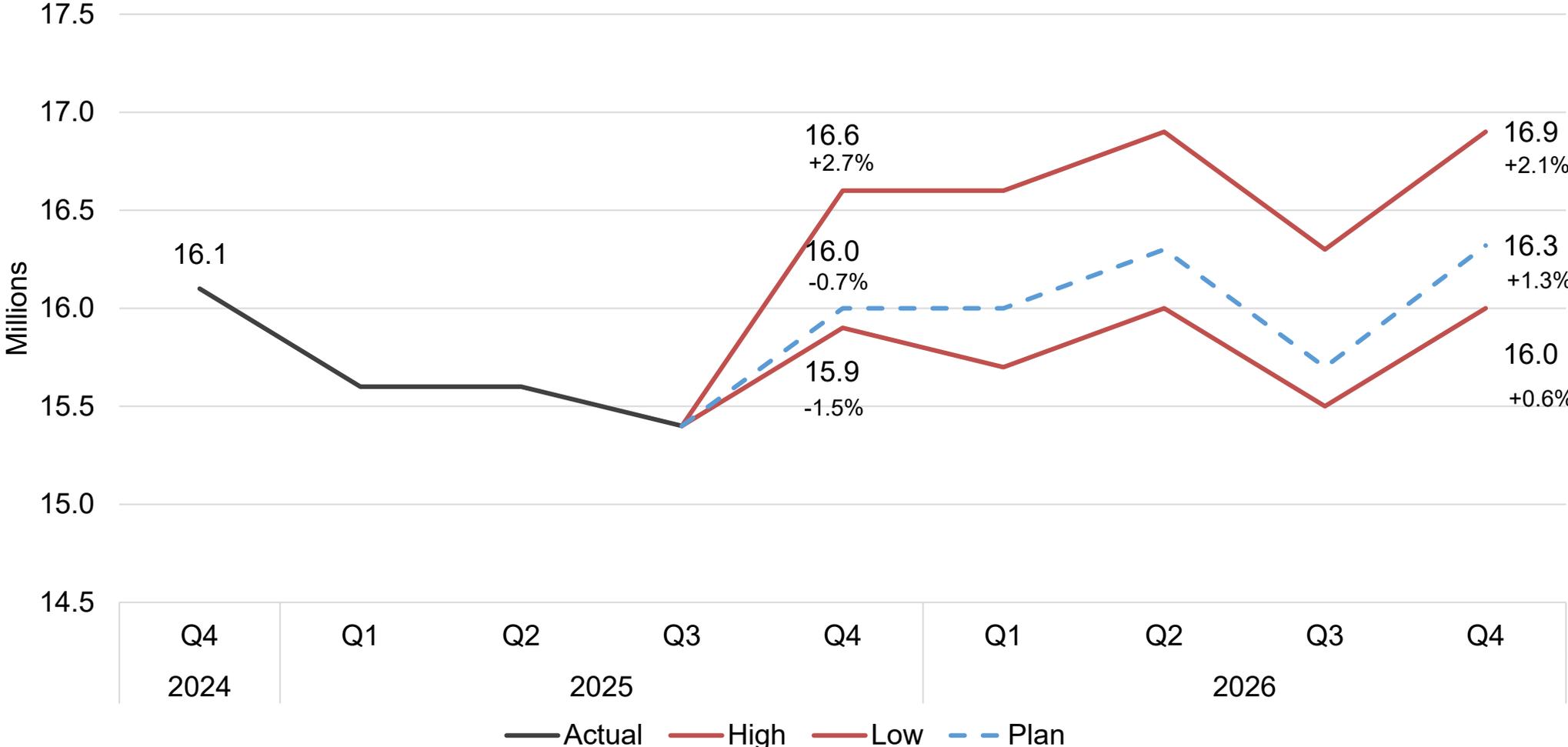


# How the 2026 Budget was Balanced

In \$ Millions



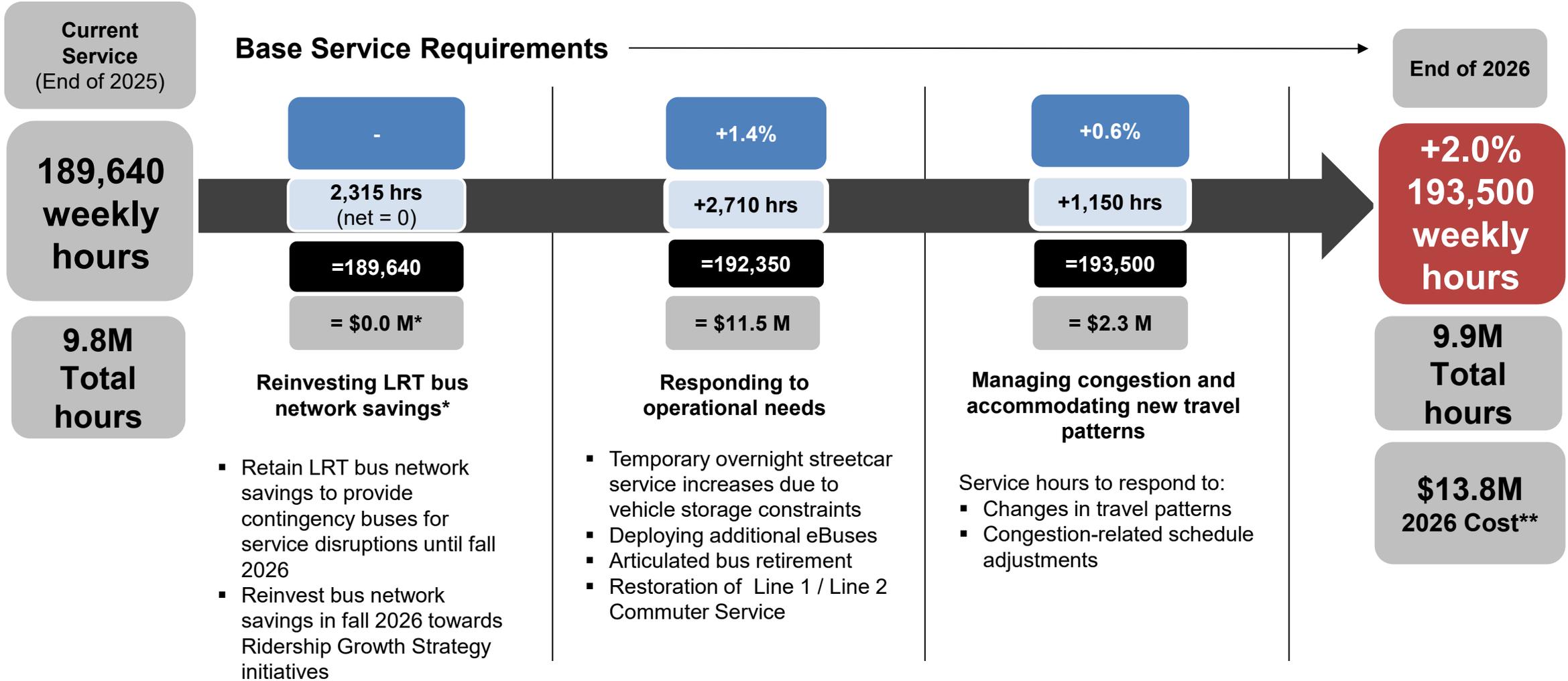
# 2024-2026 TTC Conventional Average Weekly Customer Demand



Note: Growth rates represent percentage growth versus prior year by quarter (i.e., 2025 Q4 vs 2024 Q4)



# 2026 TTC Conventional Service Budget

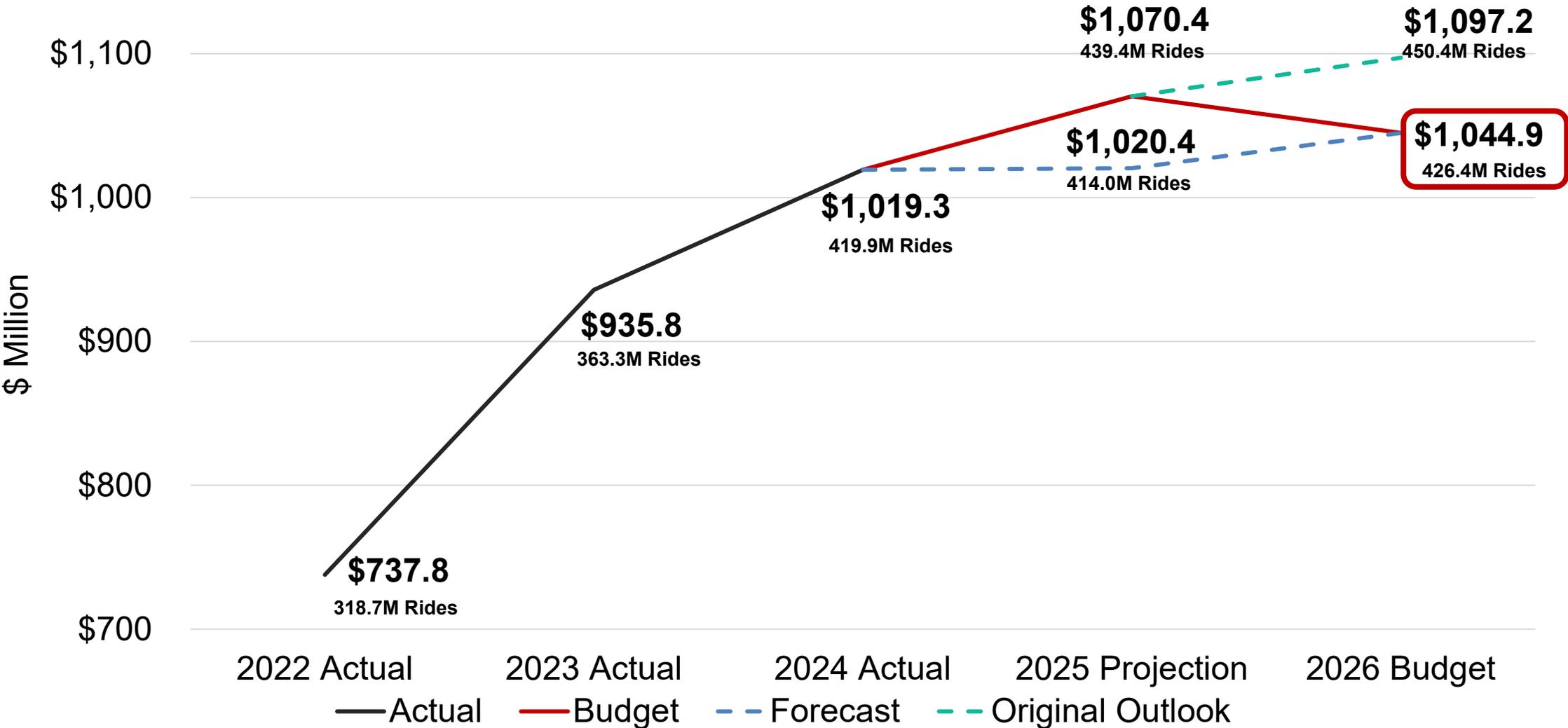


\*Savings in bus hours from LRT openings will temporarily support contingency service, with no additional budget impact.

\*\*2027 Full year cost is \$23.4 Million (\$13.8 M in 2026 and \$9.6 M in 2027)



# TTC Conventional Passenger Revenue (\$M)



# Introduction of Fare Capping



## Fare Capping (Sept 1, 2026)

- Riders pay per trip until reaching a **monthly cap; further rides are free**
- **Caps: 47 rides (2026) → 40 rides (2027+)**
- No upfront monthly pass; simpler & fairer
- Adult/Youth/Senior passes phased out
- **Post-Secondary & Adult 12-Month passes remain**
- Estimates assume 2026 ridership & behavior stay constant

	2026	2027	2028
	Fare Cap: 47 Effective Sept 1	Fare Cap: 40 Effective Sept 1	Fare Cap: 40 Full Year Impact
<b>Rides Impact:*</b>	<b>2.1 M</b>	<b>11.3 M</b>	<b>21.3 M</b>
Financial Impact:	\$3.1 M	\$18.5 M	\$36.6 M
TTC Impact (Net of fees):	<u>\$3.0 M</u>	<u>\$17.7 M</u>	<u>\$34.9 M</u>
<b>Incremental Budget Impact:</b>	<b>\$3.0 M</b>	<b>\$14.7 M</b>	<b>\$17.2 M</b>



# Line 5 and 6 Funding Requirements: \$180 M in 2026



## Funding Requirements (In \$ Millions)

### Line 5

Mobilization & Operating Costs

Incremental Revenues

Reserve Draw to Fund One-Time Costs

### Sub-Total Line 5

### Line 6

Mobilization & Operating Costs

Incremental Revenues

Reserve Draw to Fund One-Time Costs

### Sub-Total Line 6

Contingency Bus Service Costs

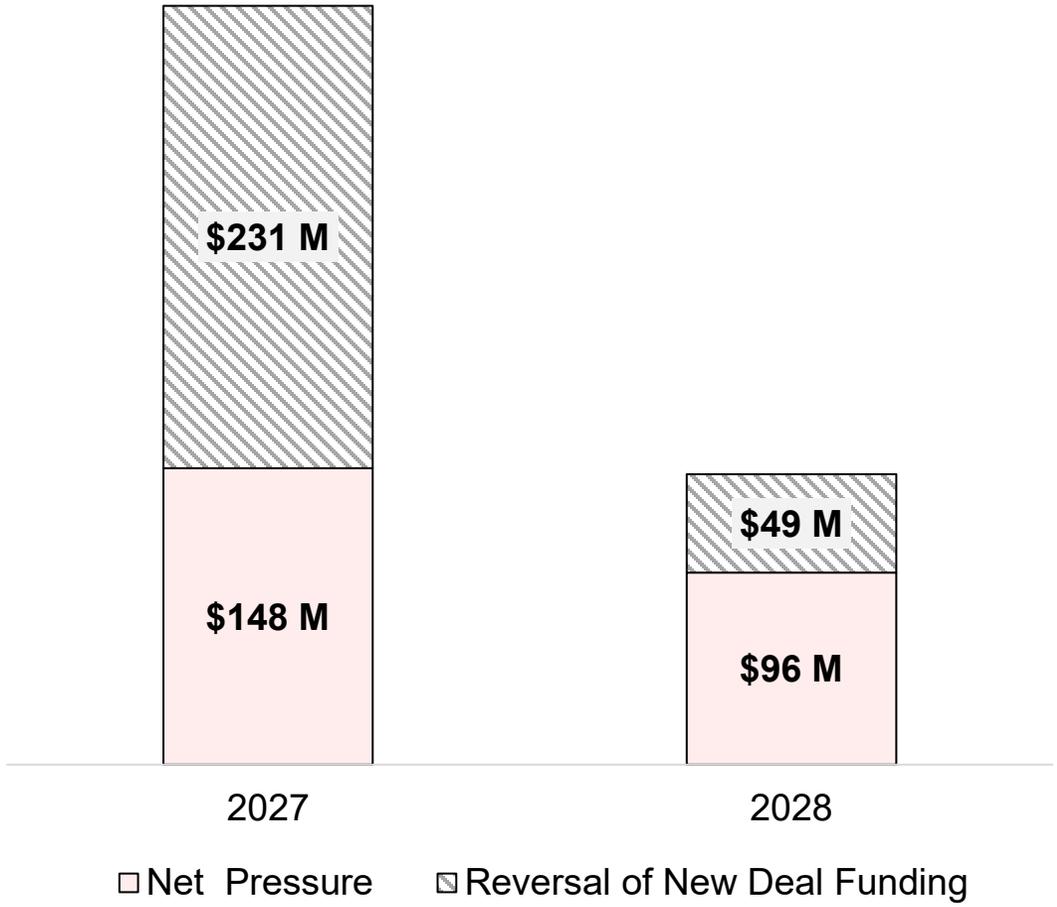
### Total Line 5 & 6 Costs

	2025 Budget	2026 Budget	2026 Increase
Mobilization & Operating Costs	80.7	143.3	62.7
Incremental Revenues	(2.4)	(8.6)	(6.2)
Reserve Draw to Fund One-Time Costs	(10.4)	(14.7)	(4.2)
<b>Sub-Total Line 5</b>	<b>67.9</b>	<b>120.1</b>	<b>52.2</b>
Mobilization & Operating Costs	25.5	52.5	27.0
Incremental Revenues	(0.5)	(2.3)	(1.8)
Reserve Draw to Fund One-Time Costs	(1.2)	(0.4)	0.8
<b>Sub-Total Line 6</b>	<b>23.7</b>	<b>49.8</b>	<b>26.0</b>
Contingency Bus Service Costs	9.9	9.7	(0.3)
<b>Total Line 5 &amp; 6 Costs</b>	<b>101.5</b>	<b>179.5</b>	<b>77.9</b>

# 2027 & 2028 Outlooks



	In \$ Millions	
	2027	2028
<b>Base</b>		
CBA & COLA*	13	
Economic Factors & Legislative Impacts	33	37
Reversal of Reserve Draw	35	
Impact of Capital and Other Pressures	14	20
<b>Service**</b>		
Annualized cost of 2026 Service	20	
Increase in Service Demand	38	42
<b>Funding Changes</b>		
2% Passenger Revenue Increase	(20)	(20)
Fare Capping Multi-Year Strategy	15	17
<b>Total Budget Pressure (Net Increase)</b>	<b>148</b>	<b>96</b>
Additional Impact Assuming New Deal Expiry	231	49
<b>Total Outlook Assuming New Deal Expiry</b>	<b>379</b>	<b>145</b>



\*Does not include collective agreement impacts beyond March 31, 2027, expiry of current agreement  
 \*\*Assumes New Deal funding continues for Lines 5 & 6



# 2026-2040 Capital Investment Plan



# \$39B Capital Asset Inventory to Deliver Services



**ROLLING STOCK \$6.64B**

Subway trains and streetcars



**BUS FLEET \$2.13B**

Bus and Wheel-Trans fleets

**STRUCTURES \$8.50B**

Underground station structures, bored tunnels and bridges



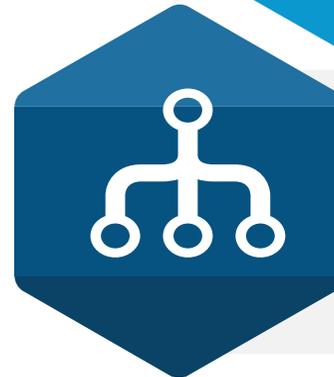
**LINEAR INFRASTRUCTURE**

**\$2.77B**

Track, power rail and wayside equipment

**FACILITIES \$15.70B**

Garages and maintenance facilities, passenger facilities and admin buildings



**SYSTEMS \$3.26B**

IT systems, mechanical and electrical systems





## Making Headway

Update to the TTC Capital Investment Plan 2026-2040



### **\$54 Billion 2026-2040 Capital Investment Plan**

- \$615 million increase compared to 2025-2039 CIP



### **SOGR Backlog: \$6.15 Billion by 2035**

- Unfunded need has risen, largely due to cost estimate increases for fleet procurement and overhaul programs

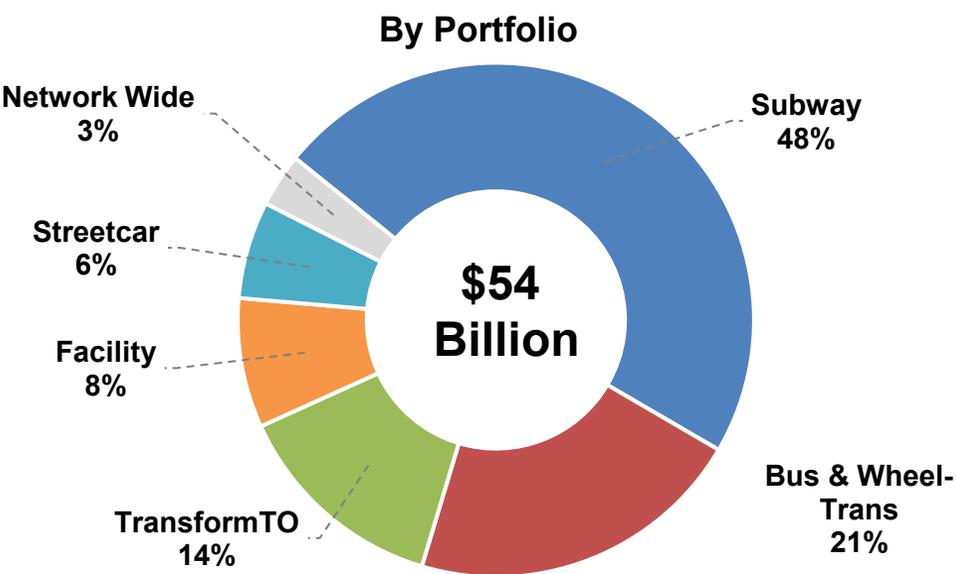
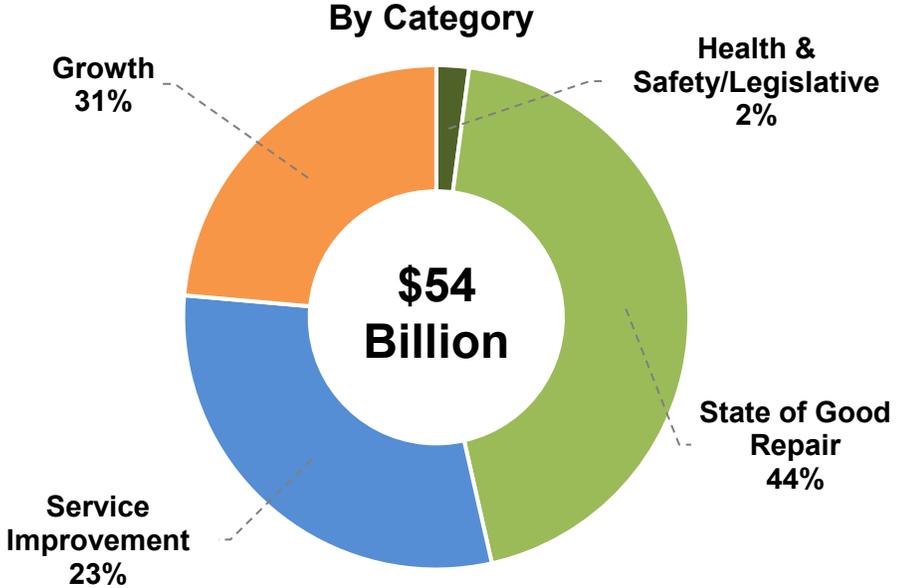


### **\$1.73 Billion Incremental Funding for Key Priorities**

- Primarily for Health & Safety, Legislative and State of Good Repair projects
  - Aligned with SOGR Prioritization report, focusing on incremental funding in track, overhaul programs, subway systems and equipment
- Cost increases for in-flight projects



# 2026-2040 Capital Investment Plan: Overview



Category (\$millions)	Funded		Unfunded		Total CIP
	\$	%	\$	%	
H&S / Legislative	757.7	67%	367.7	33%	1,125.4
State of Good Repair	10,423.9	43%	13,539.3	57%	23,963.2
Service Improvement	4,314.7	35%	8,103.4	65%	12,418.1
Growth	1,161.1	7%	15,326.0	93%	16,487.1
<b>Total</b>	<b>16,657.4</b>	<b>31%</b>	<b>37,336.4</b>	<b>69%</b>	<b>53,993.8</b>

Mode (\$millions)	Funded		Unfunded		Total CIP
	\$	%	\$	%	
Subway	10,384.8	40%	15,308.3	60%	25,693.2
Buses & WT	2,727.0	24%	8,723.4	76%	11,450.4
Streetcar	1,338.9	41%	1,966.5	59%	3,305.4
Facility	1,435.2	33%	2,966.7	67%	4,401.9
Network Wide	771.4	43%	1,037.7	57%	1,809.1
Transform TO	-	0%	7,333.8	100%	7,333.8
<b>Total</b>	<b>16,657.4</b>	<b>31%</b>	<b>37,336.4</b>	<b>69%</b>	<b>53,993.8</b>



# 2026-2035 Capital Budget and Plan



# Key Considerations in Allocations of Available Funding



## H&S, Legislated and SOGR

Focus: Sustain Existing Base System

Informed by TTC Asset Management Plan:

- Asset age, condition, and maintenance needs
- Legislative requirements
- Network interdependencies (fleet, facilities, signals)
- Capital coordination with TTC SOGR/City works
- Cost effectiveness

Funded: \$11.2B    Unfunded: \$13.9B



## Service Improvement and Growth



Focus: Prepare for Future Growth

Informed by the 5-Year Service Plan, 10-Year Outlook, and long-range demand projections:

- Forecasted demand
- Social, economic, and environmental benefits
- Customer experience
- Capital coordination with TTC SOGR and City works
- Provincial expansion project interdependencies
- Cost effectiveness

Funded: \$5.5B    Unfunded: \$23.4B



**Health & Safety, SOGR, and Legislative priorities are constraining available funds for strategic investments in Service Improvement and Growth opportunities.**



# 2026-2035 Capital Budget & Plan: Highlights



## **\$16.66 billion 10-Year Capital Budget & Plan**

Added \$1.73 billion in incremental funding, with \$1.36 billion allocated to key SOGR, Legislated and Health & Safety projects.

## **SOGR Priorities funded:**

- **\$302.8 million** for subway, bus and streetcar overhaul
- **\$253.4 million** for traction power, signaling and communications
- **\$168.8 million** for crucial subway/surface track replacement
- **\$141.6 million** for facility rehabilitation/modification

**Adds funding for GHG emission reducing projects,** including climate adaptation and resiliency and efficiency measures, key initiatives of the TTC's Innovation and Sustainability Strategy

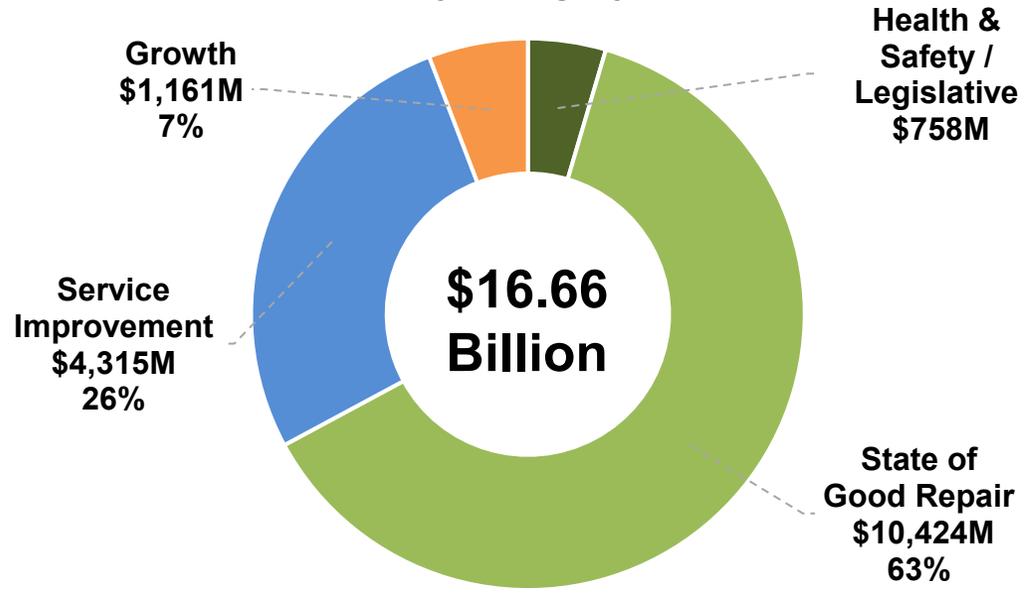
**Advances work** on business modernization initiatives including Enterprise Asset Management and SAP



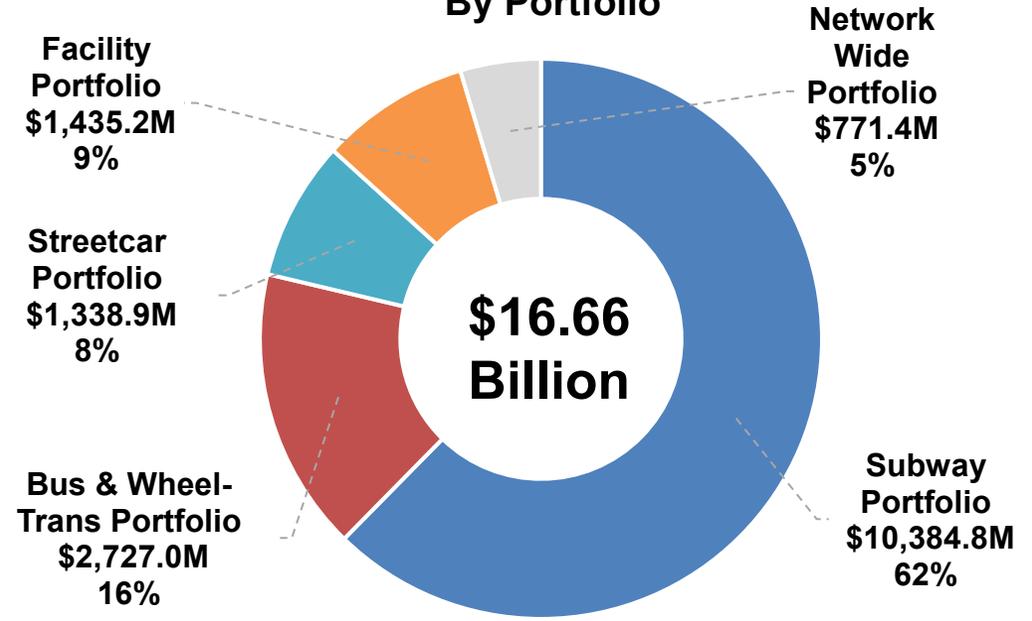
# 10-Year Capital Budget & Plan: Overview



**By Category**



**By Portfolio**



Category (\$millions)	2026-2030		2031-2035		10-year Total
	\$	%	\$	%	
H&S / Legislative	608.9	7%	148.7	2%	757.7
State of Good Repair	6,132.5	62%	4,291.4	64%	10,423.9
Service Improvement	2,535.9	25%	1,778.9	26%	4,314.7
Growth	654.3	6%	506.8	8%	1,161.1
<b>Total</b>	<b>9,931.6</b>	<b>100%</b>	<b>6,725.8</b>	<b>100%</b>	<b>16,657.4</b>

Mode (\$millions)	2026-2030		2031-2035		10-year Total
	\$	%	\$	%	
Subway	5,355.7	54%	5,029.0	75%	10,384.8
Buses & WT	2,184.0	22%	543.0	8%	2,727.0
Streetcar	956.5	10%	382.4	6%	1,338.9
Facility	851.0	9%	584.2	9%	1,435.2
Network Wide	584.4	6%	187.1	3%	771.4
<b>Total</b>	<b>9,931.6</b>	<b>100%</b>	<b>6,725.8</b>	<b>100%</b>	<b>16,657.4</b>



# \$16.66 Billion 10-Year Capital Program By Portfolio



**\$ 16,657 M**



**Subway**



**Bus & Wheel-Trans**



**Streetcar**



**Facility**



**Network Wide**

**Modernizing the Subway & Expanding Capacity**

- Purchase Subway Trains
- Capacity Enhancement
- Subway Car Overhaul
- Signals/Electrical Communication

**\$10,384.8 M**  
62%

**Transforming & Electrifying Bus Service**

- Purchase of Electric Buses
- Purchase of Wheel-Trans Buses
- Install Charging Infrastructure
- Implement Priority Measures
- Bus Overhaul

**\$2,727.0 M**  
16%

**Supporting a Larger Streetcar Fleet**

- Upgrade Overhead Power
- Streetcar Overhaul
- Surface Track
- Traction Power

**\$1,338.9 M**  
8%

**Maintenance and Upgrades of Facilities**

- Facility Renewal Programs
- Roofing Rehabilitation
- TTC Operations Facility
- Sustainability

**\$1,435.2 M**  
9%

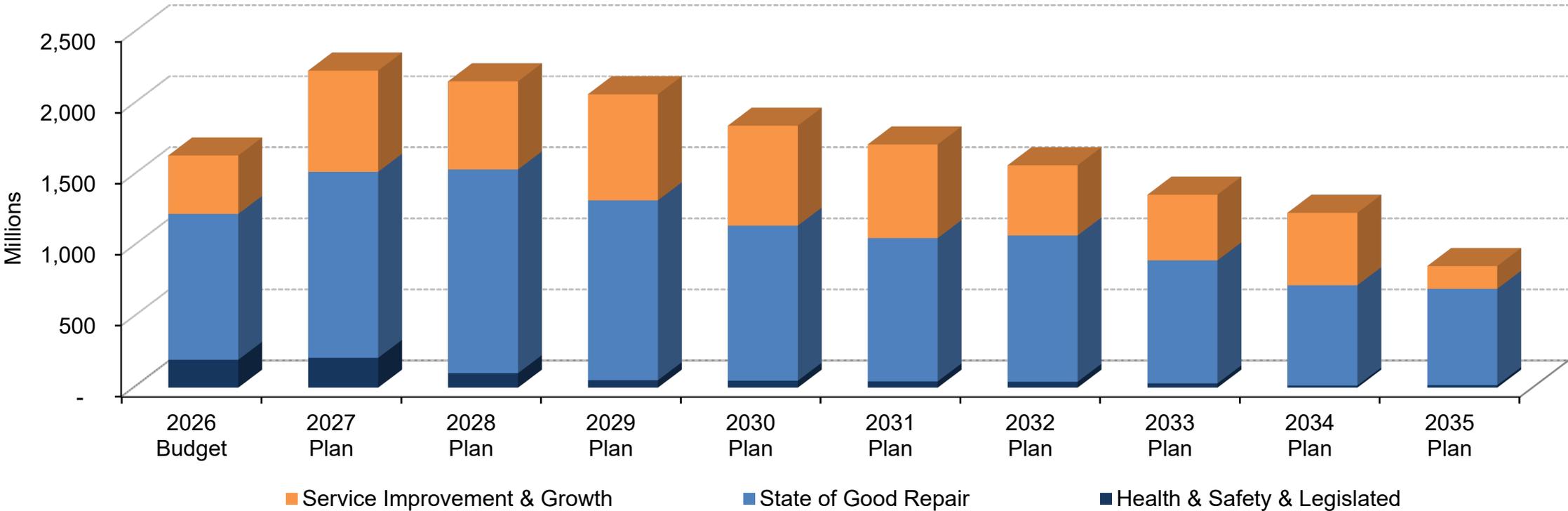
**Network Wide Assets**

- IT Systems
- Equipment
- Non-Revenue Vehicle Purchases
- Wayfinding Strategy

**\$771.4 M**  
5%

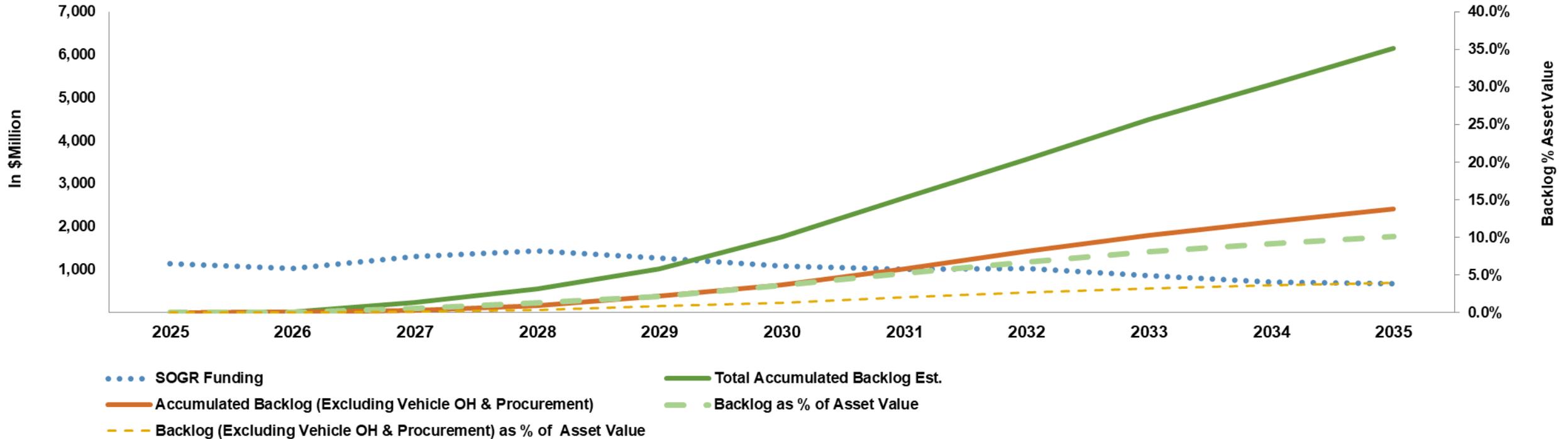


# SOGR Programs Represent 63% of the 10-Year Budget



(In \$000s)		2026 - 2035 Capital Plan											
Gross Expenditures by Project Category:		2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total 10 Year Plan	%
Health & Safety & Legislated		196,130	209,864	101,935	52,276	48,701	44,065	41,548	30,209	15,095	17,774	757,599	4%
State of Good Repair		1,027,802	1,310,179	1,434,753	1,267,132	1,092,712	1,009,570	1,030,552	866,181	706,449	678,607	10,423,937	63%
Service Improvement & Growth		410,647	711,317	619,368	745,824	702,963	658,649	493,891	462,737	510,041	160,387	5,475,825	33%
<b>Total by Project Category</b>		<b>1,634,579</b>	<b>2,231,361</b>	<b>2,156,056</b>	<b>2,065,233</b>	<b>1,844,377</b>	<b>1,712,284</b>	<b>1,565,992</b>	<b>1,359,127</b>	<b>1,231,585</b>	<b>856,767</b>	<b>16,657,360</b>	<b>100%</b>

# SOGR Backlog expected to grow to \$6.1B by 2035



\$ Million	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
SOGR Funding	1,143.5	1,027.8	1,310.2	1,434.8	1,267.1	1,092.7	1,009.6	1,030.6	866.2	706.4	678.6
Accumulated Backlog (Excluding Vehicle OH & Procurement)	0.2	8.2	53.8	172.0	388.7	650.5	1,024.3	1,419.4	1,806.1	2,108.9	2,407.0
Backlog (Excluding Vehicle OH & Procurement) as % of Asset Value	0.0%	0.0%	0.1%	0.4%	0.8%	1.3%	2.0%	2.7%	3.3%	3.6%	4.0%
Total Accumulated Backlog Est.	0.2	8.2	242.6	560.8	1,014.2	1,762.7	2,681.0	3,568.5	4,488.1	5,318.2	6,147.2
Backlog as % of Asset Value	0.0%	0.0%	0.6%	1.3%	2.2%	3.6%	5.3%	6.7%	8.1%	9.2%	10.1%
Total Asset Value	39,000.0	40,755.0	42,589.0	44,505.5	46,508.2	48,601.1	50,788.1	53,073.6	55,461.9	57,957.7	60,565.8



# \$37.3 Billion in Unfunded Needs



Category	5-year			10-year			15-Year		
(\$ Millions)	Total	By Mode		Total	By Mode		Total	By Mode	
Health & Safety / Legislative / SOGR	\$1,856	Subway	246	\$6,413	Subway	1,232	\$13,907	Subway	3,553
		Buses & WT	1,160		Buses & WT	3,610		Buses & WT	7,079
		Streetcar	144		Streetcar	799		Streetcar	1,905
		Facility	215		Facility	567		Facility	913
		Network Wide	91		Network Wide	206		Network Wide	458
		Transform TO	0		Transform TO	0		Transform TO	0
Service Improvement	\$1,355	Subway	181	\$3,880	Subway	796	\$8,103	Subway	4,462
		Buses & WT	347		Buses & WT	1,165		Buses & WT	1,211
		Streetcar	15		Streetcar	35		Streetcar	35
		Facility	623		Facility	1,446		Facility	1,864
		Network Wide	187		Network Wide	438		Network Wide	531
		Transform TO	0		Transform TO	0		Transform TO	0
Growth	\$2,658	Subway	666	\$11,022	Subway	5,973	\$15,326	Subway	7,294
		Buses & WT	19		Buses & WT	210		Buses & WT	433
		Streetcar	26		Streetcar	26		Streetcar	26
		Facility	38		Facility	190		Facility	190
		Network Wide	49		Network Wide	49		Network Wide	49
		Transform TO	1,860		Transform TO	4,574		Transform TO	7,334
<b>Total</b>	<b>\$5,869</b>			<b>\$21,315</b>			<b>\$37,336</b>		



# Significant Risks/Lost Benefits of Not Investing



## Category

## Risks

## Impact of Not Investing Scenario

### Health & Safety, Legislative, and State of Good Repair

- Inability to sustain base system
- Asset reliability deteriorates impacting quality of service
- Increased frequency of unplanned service interruptions leading to negative customer experience
- Emergency maintenance requirements causing further pressure on the Operating Budget

#### Bus Fleet Procurement:

- Reduction of service, reliability, workforce requirements
- Extending the life of the fleet past its useful life through a life extension program (investment required)
- Transition to a fix on fail maintenance practice, focusing on safety critical components and systems only

### Service Improvement

- Lack of improvements/upgrades to service delivery above the current Board/Council approved standards
- Missed opportunity to achieve higher capacity, improved reliability, impacting potential benefits to customers
- Additional SOGR requirements leading to sunk costs, as well as lost ridership revenue

#### Lines 1 and 2 Capacity Enhancements:

- Increased crowding on subway system, eroding the passenger experience, system efficiency and reliability
- Increase in service delays, impacting public trust
- Unrealized benefits of interdependent projects such as Line 2 Automatic Train Control

### Growth

- Missed socio-economic benefits (travel time saved, environmental, new economic activity, etc.)
- Stagnation of system capacity, limiting opportunity to attract new riders, increase revenue opportunities
- Redirecting funding and/or increased operating costs to maintain service standards

#### Line 1 Train Maintenance and Storage Facility/Growth Trains:

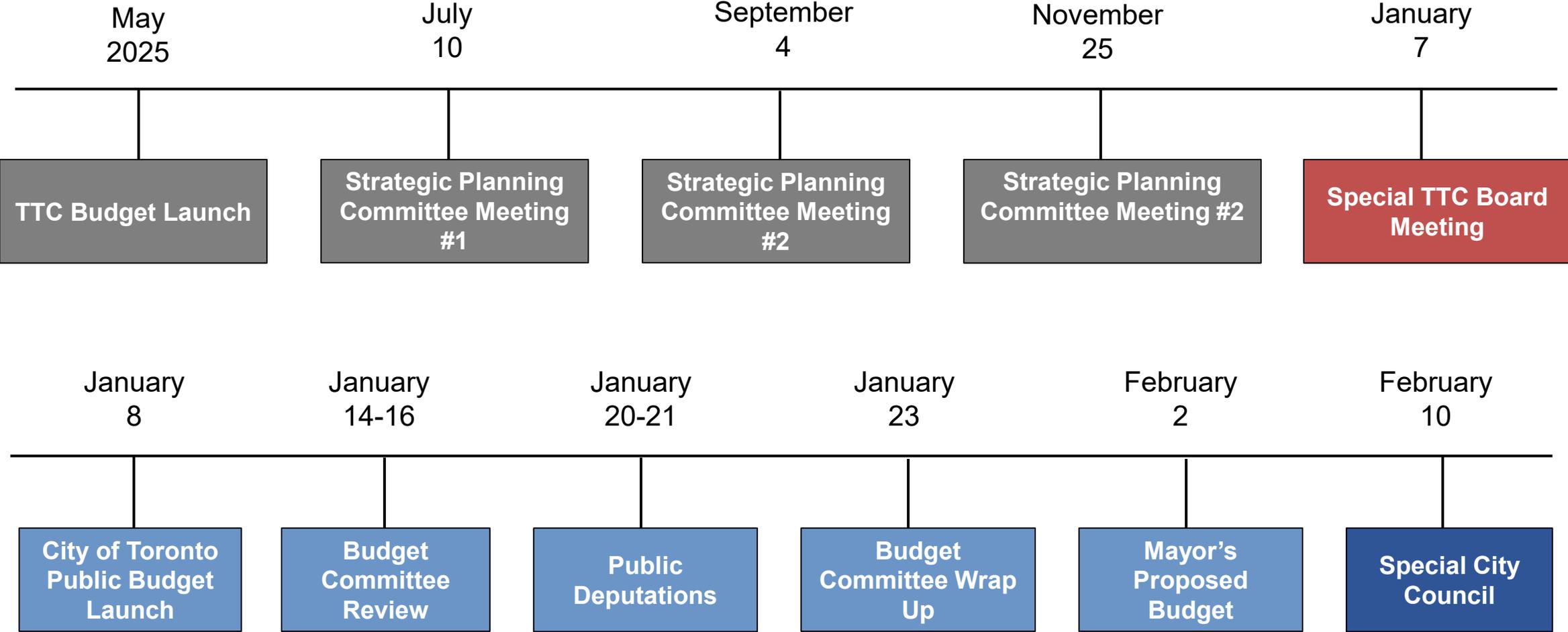
- Insufficient maintenance capacity for the subway fleet, delaying SOGR programs, impacting asset availability
- Inability to meet the forecasted growth in demand; losing benefits of the regional expansion projects underway
- Crowding issues requiring service changes, increased cost



**Wrap Up**



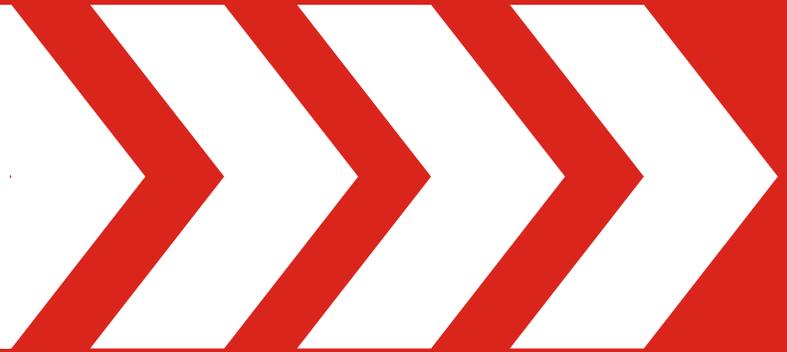
# 2026 Budget Process: Next Steps





- The 2026 Budget protects riders from rising costs and ensures consistent service
- Despite this, TTC faces a structural funding gap
- Long-term sustainability requires predictable funding and intergovernmental partnership

Thank You!



# Appendix



# Key Operating Investments 2023-2026: \$344 Million



## 2023

### \$8.6 Million

- Expanded the fare pass program (\$2.0M)
- Added 10 Additional city streets to home outreach workers (\$1.0M)
- Increased midday street-car cleaning (\$1.0M)
- Added 27 Additional special constables (\$2.4M)
- Targeted service enhancements in NIAs (\$0.7M)
- Initiated SRT Bus Replacement Plan (\$1.5M)

## 2024

### \$87.8 Million

- No fare increase
- Restored Service to 97% (\$31.5M)
- Addressed Wheel-Trans Service Demand (\$17.6M)
- Invested in safety, security and wellbeing (\$26.2M)
- Implemented a people strategy (\$1.6M)
- Increased service support and other investments (\$0.9M)
- Implemented SRT Bus Replacement Plan (\$10.0M)

## 2025

### \$47.9 Million

- No fare increase
- Increased service to address:
  - Growth & congestion (\$18.5M)
  - Wheel-Trans demand (\$14.2M)
- Invested to Attract and retain riders(\$9.0M)
  - Increased service reliability
  - Implemented cleanliness / bunching & gapping pilots
- Invested to build a future ready workforce(\$3.2M)
- Implemented a fare compliance program & other investments (\$3.0M)

## 2026

### \$199.9 Million

- No fare increase
- Maintaining 2025 Service Levels by:
  - Increasing service hours to address operational needs, congestion and changing travel patterns(\$13.8M)
  - Addressing Wheel-Trans demand (\$11.2M)
- Funding first year operations for Line 5 & 6 (\$171.9M) with support of provincial new deal funding.
- Introduction of Fare Capping (\$3 million)



# Performance Results Inform the 2025 Budget

Measure	2019 Actual	2023 Actual	2024 Actual	2025 Target	2025 Projection	Status	2026 Target	2027 Target
<b>Service Measures</b>								
Conventional Service Hours	9.5 M	8.9 M	9.2 M	9.5 M	9.8 M	●	9.9 M	10.3 M
Wheel-Trans Service Hours	1.2 M	1.1 M	1.3 M	1.5 M	1.5 M	●	1.6 M	1.6 M
Customer Satisfaction	80%	71%	71%	84%	73%	●	84%	84%
Subway - Achieve 90% On-time	94%	93%	91%	90%	89.9%	●	90%	90%
Streetcar - Achieve 90% On-time	64%	65%	64%	90%	61%	●	90%	90%
Bus - Achieve 90% On-time	76%	83%	72%	90%	76%	●	90%	90%
<b>Revenue and Affordability</b>								
Conventional Revenue Rides	525.5 M	396.3 M	419.9 M	439.4 M	414.0 M	●	426.4 M	434.9 M
Wheel-Trans Ridership	4.1 M	3.0 M	3.6 M	4.0 M	4.1 M	●	4.4 M	4.6 M
Revenue / Cost Ratio	63%	45%	46%	44%	44%	●	42%	41%
City Subsidy per Revenue Ride	\$1.18	\$2.90	\$2.59	\$2.76	\$2.96	●	\$3.04	\$3.26
<b>Financial Management and Efficiency</b>								
Total Operating Cost / Service Hour (Adj for CPI, index=2026)	\$246 /Hr	\$261 /Hr	\$266 /Hr	\$286 /Hr	\$267 /Hr	●	\$286 /Hr	\$278 /Hr
Operating Cost per Revenue Ride	\$3.62	\$5.51	\$5.60	\$6.09	\$6.14	●	\$6.63	\$6.72
Revenue Rides: Complement Ratio	40,605	30,522	31,538	31,891	30,414	●	29,324	29,968
Operating Savings / Efficiencies (\$321 M since 2019)	\$48.9M	\$22.5M	\$12.9 M	\$37.2 M	\$37.2 M	●	\$87.3 M	\$4.1 M
Savings / Efficiencies as % of Net Expenditures	7.9%	2.0%	1.2%	3.1%	3.0%	●	6.8%	0.3%
<b>Budget and Forecast Accuracy</b>								
Operating Net Spend Rate	99.9%	96.6%	95.1%	97.0%	100.9%	●	97.0%	97.0%
Conventional Ridership Revenue Budget Accuracy	99.0%	99.5%	97.8%	97.0%	95.7%	●	97.0%	97.0%

# 2026 Operating Budget

(In \$000s)	2024 Actual	2025 Budget	2025 Projection*	2026 Base Budget	2026 New Enhanced	2026 Budget	Change vs. 2025 Budget	
By Service	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>								
TTC Conventional	1,263.8	1,461.1	1,330.6	1,539.8	(3.1)	1,536.6	75.5	5.2%
Wheel-Trans	8.6	9.5	9.6	10.3		10.3	0.8	8.0%
<b>Total Revenues</b>	<b>1,272.5</b>	<b>1,470.6</b>	<b>1,340.2</b>	<b>1,550.1</b>	<b>(3.1)</b>	<b>1,546.9</b>	<b>76.3</b>	<b>5.2%</b>
<b>Gross Expenditures</b>								
TTC Conventional	2,350.6	2,674.7	2,555.3	2,826.0	(0.1)	2,825.9	151.2	5.7%
Wheel-Trans	165.5	182.7	187.1	201.7		201.7	18.9	10.4%
<b>Total Gross Expenditures</b>	<b>2,516.1</b>	<b>2,857.4</b>	<b>2,742.4</b>	<b>3,027.7</b>	<b>(0.1)</b>	<b>3,027.5</b>	<b>170.1</b>	<b>6.0%</b>
<b>Net Expenditures</b>	<b>1,243.6</b>	<b>1,386.7</b>	<b>1,402.2</b>	<b>1,477.6</b>	<b>3.0</b>	<b>1,480.6</b>	<b>93.8</b>	<b>6.8%</b>
<b>Approved Positions**</b>	<b>14,112</b>	<b>14,916</b>	<b>14,688</b>	<b>383</b>		<b>15,299</b>	<b>383</b>	<b>2.6%</b>

\*2025 Projection based on 9-Month Variance

\*\*Year-over-year comparison based on approved positions

# \$123 Million in Affordability Measures

Description (\$ Millions)	2026				2027	Full Year Savings
	Gross	Revenue	Net	Positions	Net	
<b>Expenditure Reviews</b>						
Line by Line Review - Departmental Costs	(3.5)		(3.5)			(3.5)
Line by Line Review - Corporate Costs	(8.0)		(8.0)			(8.0)
Diesel Hedging	(2.0)		(2.0)			(2.0)
Depreciation Expense	(28.9)		(28.9)			(28.9)
Corporate Wide Budget Reduction	(21.9)		(21.9)			(21.9)
WSIB Funding Strategy	(13.0)		(13.0)			(13.0)
<b>Subtotal: Expenditure Reviews</b>	<b>(77.3)</b>	<b>-</b>	<b>(77.3)</b>	<b>-</b>		<b>(77.3)</b>
<b>Efficiency Measures</b>						
RapidTO	(0.9)	(1.7)	(2.6)		(3.6)	(6.2)
ITS Efficiencies	(0.6)		(0.6)			(0.6)
LRV Apprentice Program	(0.9)		(0.9)	(7)		(0.9)
OTC Transition to In-House Training	(0.1)		(0.1)	2	(0.4)	(0.5)
LED Lighting Retrofit Program	(0.3)		(0.3)		(0.0)	(0.4)
Gas Detection Project	(0.1)		(0.1)		(0.2)	(0.3)
Fleet Renewal - Diesel Savings	(3.0)		(3.0)			(3.0)
Other Efficiencies	(2.2)		(2.2)	(1)		(2.2)
<b>Subtotal: Efficiency Measures</b>	<b>(8.1)</b>	<b>(1.7)</b>	<b>(9.8)</b>	<b>(6)</b>	<b>(4.1)</b>	<b>(14.0)</b>
<b>Implementation of AG Recommendations</b>						
Aftermarket Parts Warranty	(0.2)		(0.2)			(0.2)
<b>Subtotal: Implementation of AG Recommendations</b>	<b>(0.2)</b>	<b>-</b>	<b>(0.2)</b>	<b>-</b>		<b>(0.2)</b>
<b>Total Efficiencies and Savings</b>	<b>(85.6)</b>	<b>(1.7)</b>	<b>(87.3)</b>	<b>(6)</b>	<b>(4.1)</b>	<b>(91.4)</b>
<b>Balancing Actions</b>						
TTC Stabilization Reserve Draw		(35.0)	(35.0)			(35.0)
Travel Freeze	(0.3)	0.1	(0.2)			(0.2)
<b>Total Balancing Actions</b>	<b>(0.3)</b>	<b>(34.9)</b>	<b>(35.2)</b>	<b>-</b>		<b>(35.2)</b>
<b>Total Expenditure Reviews, Efficiencies, and Balancing Actions</b>	<b>(85.9)</b>	<b>(36.6)</b>	<b>(122.5)</b>	<b>(6)</b>	<b>(4.1)</b>	<b>(126.6)</b>

# Fare Policy and Product Changes



Fare Category	Current Monthly Pass Equivalent	Current PRESTO Single Fare	Proposed Monthly Fare Cap	Proposed Maximum Monthly Charge with Fare Capping	Change Summary
<b>Adult</b>	\$156.00	\$3.30	47 paid rides	\$155.10	Monthly pass replaced by automatic cap. 12-Month Adult Pass Remains
<b>Youth (13-19)</b>	\$128.15	\$2.35	47 paid rides	\$110.45	Monthly pass replaced by automatic cap.
<b>Senior (65+)</b>	\$128.15	\$2.25	47 paid rides	\$105.75	Monthly pass replaced by automatic cap.
<b>Fair Pass</b>	\$123.15	\$2.10	47 paid rides	\$98.70	Monthly pass replaced by automatic cap.
<b>Post-Secondary</b>	\$128.15	\$3.30	47 paid rides	\$155.10	Monthly pass continues until such time as the cap level is reduced to 38 trips.



# 2026-2035 Capital Budget and Plan by Program



Project Code	(In \$000s)	2026 Budget	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan	2033 Plan	2034 Plan	2035 Plan	2026 - 2035 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
CTT001	SUBWAY TRACK	45,687	46,562	35,691	35,871	36,660	30,139	30,568	30,767	31,205	30,586	353,736		353,736	
CTT002	SURFACE TRACK	61,765	88,521	126,231	79,098	66,540	66,335	50,576	52,084	53,636	49,696	694,480		548,484	145,996
CTT003	TRACTION POWER	34,454	38,837	33,896	34,557	35,939	36,424	34,643	27,177	22,969	34,056	332,952		329,956	2,996
CTT005	POWER DISTRIBUTION/ELECTRIC SYSTEMS	12,116	11,556	16,974	25,615	24,292	24,491	18,859	18,674	18,879	9,870	181,327	10,893	167,028	3,406
CTT006	COMMUNICATIONS	26,267	29,591	27,605	25,230	25,666	20,473	20,421	20,613	15,715	25,328	236,909	23,793	213,117	
CTT008	SIGNAL SYSTEMS	30,647	74,618	61,097	35,027	15,012	19,099	19,609	17,601	12,064	12,877	297,651		297,651	
CTT010	FINISHES	22,810	25,354	30,062	23,454	13,172	7,526	10,695	17,843	16,445	14,422	181,783	17,976	158,026	5,781
CTT012	EQUIPMENT	137,606	333,112	198,555	133,013	100,042	91,932	49,012	34,890	27,238	37,368	1,142,767	49,119	485,202	608,446
CTT015	YARDS & ROADS	175	900	255								1,330	1,330		
CTT018	ON-GRADE PAVING REHABILITATION PROGRAM	6,980	8,225	10,729	15,444	15,618	15,870	14,944	14,970	15,473	8,115	126,366		126,366	
CTT020	BRIDGES & TUNNELS	41,762	49,431	66,749	65,342	63,328	51,981	51,275	41,276	41,479	41,864	514,487		514,487	
CTT024	FIRE VENTILATION UPGRADE	22,335	48,622	65,440	68,771	69,885	31,698	38,458	43,530	20,075	12,750	421,565	138,095	283,470	
CTT028	EASIER ACCESS PHASE III	130,532	118,626	33,922	8,602	1,905						293,586	293,586		
CTT035	SHEPPARD SUBWAY - YONGE TO DON MILLS	300	299									599			599
CTT045	REPLACEMENT WHEEL-TRANS VEHICLES	10,808	6,940	19,605	4,002	2,783						44,139		44,139	
CTT046	SUBWAY CAR PURCHASES	143,552	61,609	235,112	193,383	296,493	319,949	397,929	284,919	387,047	106,180	2,426,173		2,141,438	284,735
CTT050	STREETCAR OVERHAUL PROGRAM	60,767	52,113	41,517	48,312	27,558						230,267	19,650	208,431	2,186
CTT051	SUBWAY CAR OVERHAUL PROGRAM	59,327	64,730	71,441	79,283	76,743	76,802	58,308	41,693	42,328	41,555	612,210		612,210	
CTT052	AUTOMOTIVE NON-REVENUE VEHICLES	17,235	21,411	21,357	18,060	15,460	10,782	3,056	147	118	7,999	115,625		96,372	19,253
CTT053	RAIL NON-REVENUE VEHICLE OVERHAUL	5,603	7,004	7,049	5,070	3,122	1,246	1,280	1,578	1,614	1,429	34,995		34,995	
CTT054	RAIL NON-REVENUE VEHICLES PURCHASE	2,646	10,125	12,182	10,921	11,653	9,252	6,061	84			62,923		49,748	13,175
CTT055	SHOP EQUIPMENT	10,024	11,915	12,892	10,639	8,099	8,513	7,306	8,125	11,690	9,171	98,375		98,375	
CTT056	FARE HANDLING EQUIPMENT	533	4,500	500	362	1,312	1,312	1,562	1,562	1,562	563	13,768		13,768	
CTT058	ENVIRONMENTAL PROGRAMS	12,795	15,627	17,513	14,661	9,831	8,323	9,455	6,646	6,339	9,163	110,353	110,353		
CTT061	COMPUTER EQUIPMENT & SOFTWARE	100,016	91,315	51,982	39,930	20,552	18,386	16,925	17,631	15,516	25,194	397,447	5,673	374,765	17,009
CTT062	FURNITURE & OFFICE EQUIPMENT	120	40	207	30	45	30	20	20	10		522		522	
CTT063	OTHER SERVICE PLANNING	21,949	23,632	23,548	20,314	14,017	15,081	11,877	3,583	3,051	3,000	140,052	18,177	18,155	103,720
CTT064	TRANSIT SHELTERS & LOOPS	524	585	597	609	621	634	646	659	672	650	6,198		6,198	
CTT110	OTHER BUILDINGS & STRUCTURES PROJECTS	119,624	204,459	193,753	217,174	214,120	186,352	126,693	101,347	44,765	30,492	1,438,780	59,189	617,762	761,829

Continued...



# 2026-2035 Capital Budget and Plan by Program



Project Code	(In \$000s)	2026 Budget	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan	2033 Plan	2034 Plan	2035 Plan	2026 - 2035 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
CTT111	PURCHASE OF BUSES	163,436	295,268	243,502	180,449	7,965	617	266	264	684	702	893,152		876,553	16,600
CTT112	BUS OVERHAUL	75,153	72,716	81,317	78,857	83,757	82,631	86,032	84,526	89,528	85,214	819,731		815,203	4,527
CTT113	OTHER MAINTENANCE EQUIPMENT	2,694	1,863	1,750	1,118	1,133	1,152	1,165	964	953	942	13,733		13,733	
CTT122	PURCHASE OF STREETCARS	8,022	6,740									14,763			14,763
CTT141	FARE SYSTEM	2,582	2,260									4,841			4,841
CTT142	ATC RESIGNALLING PROJECT	28,885	68,757	49,163	65,248	60,639	74,962	82,045	83,049	85,814	97,773	696,334		696,334	
CTT145	LRT MAINT AND STORAGE FACILITY	1,101	2,346	2,883								6,330		6,330	
CTT146	TORONTO ROCKET YARD & STORAGE TRACK ACCOM	7,634	29,100	28,708	24,475	8,881	3,113	4,214				106,124		106,124	
CTT148	MCNICOLL BUS GARAGE FACILITY	650	2,200	750	437							4,037			4,037
CTT152	SAFETY PROGRAM	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	765	9,765	9,765		
CTT154	CORPORATE INITIATIVES	11,028	9,183	4,780	4,844	4,844	5,344	5,344	5,844	5,844	5,000	62,053		62,053	
CTT155	BLOOR YONGE CAPACITY IMPROVEMENTS	111,573	87,771	105,535	142,419	165,708	206,974	160,994	114,947	131,871	87,792	1,315,584			1,315,584
CTT156	LINE 1 CE	33,787	76,118	127,375	218,568	205,073	117,575	89,981	100,263	27,031	26,830	1,022,601			1,022,601
CTT157	LINE 2 CE	16,498	44,316	80,318	125,968	130,579	166,288	154,775	180,852	98,970	39,421	1,037,986			1,037,986
CTT159	WAYFINDING STRATEGY	2,897	512	512								3,921			3,921
	<b>Expansion Projects</b>														
CTT134	TORONTO YORK SPADINA SUBWAY EXTENSION	2,000	49,765									51,765			51,765
CTT147	SRT TRANSITION/BUSWAY	25,820	27,384									53,204		53,204	
CTT151	WATERFRONT TRANSIT	862	3,797	12,000	9,077	4,331						30,066			30,066
	<b>Total Expenditures (including carry forward from 2025)</b>	<b>1,634,579</b>	<b>2,231,361</b>	<b>2,156,056</b>	<b>2,065,233</b>	<b>1,844,377</b>	<b>1,712,284</b>	<b>1,565,992</b>	<b>1,359,127</b>	<b>1,231,585</b>	<b>856,767</b>	<b>16,657,361</b>	<b>757,599</b>	<b>10,423,937</b>	<b>5,475,825</b>

# 2026-2035 Capital Plan Funding Summary



FUNDING SOURCE (000's)	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2026-2035
<b>2026-2035 Budget Submission</b>	<b>1,634,579</b>	<b>2,231,361</b>	<b>2,156,056</b>	<b>2,065,233</b>	<b>1,844,377</b>	<b>1,712,284</b>	<b>1,565,992</b>	<b>1,359,127</b>	<b>1,231,585</b>	<b>856,767</b>	<b>16,657,360</b>
Provincial Gas Tax Subsidies (PGT)	86,622	86,622	86,622	86,622	86,622	86,622	86,622	86,622	86,622	86,622	<b>866,222</b>
Investing in Canada Infrastructure Program (ICIP) - PTIF 2	41,755	33,400	40,239	54,440	63,406	72,438	61,195	45,397	-	-	<b>412,270</b>
Ontario / City New Deal	50,956	22,179	84,640	69,618	106,737	111,982	130,506	96,275	48,726	36,378	<b>758,000</b>
<b>Total Provincial Subsidies</b>	<b>179,334</b>	<b>142,202</b>	<b>211,502</b>	<b>210,680</b>	<b>256,765</b>	<b>271,043</b>	<b>278,324</b>	<b>228,294</b>	<b>135,349</b>	<b>123,001</b>	<b>2,036,493</b>
Building Communities Strong Fund (formerly CCBF)	183,951	191,309	191,309	191,309	191,309	191,309	191,309	191,309	191,309	191,309	<b>1,905,730</b>
Federal Subsidy - ZETF	77,311	-	-	-	-	-	-	-	-	-	<b>77,311</b>
Federal Subsidy - Streetcar Program	11,239	11,550	11,857	593	-	-	-	-	-	-	<b>35,239</b>
Investing in Canada Infrastructure Program (ICIP) - PTIF 2	46,636	37,304	44,942	60,803	70,817	80,457	67,900	50,255	-	-	<b>459,113</b>
Canada Public Transit Fund	76,079	112,665	100,063	71,190	107,821	111,982	130,506	96,275	48,726	36,378	<b>891,686</b>
<b>Total Federal Subsidies</b>	<b>395,215</b>	<b>352,828</b>	<b>348,171</b>	<b>323,894</b>	<b>369,946</b>	<b>383,748</b>	<b>389,715</b>	<b>337,839</b>	<b>240,035</b>	<b>227,687</b>	<b>3,369,079</b>
MX Recovery	3,264	3,959	3,883	-	-	-	-	-	-	-	<b>11,106</b>
Other - Pattison	113	113	113	-	-	-	-	-	-	-	<b>339</b>
<b>Total Other Funding</b>	<b>3,377</b>	<b>4,072</b>	<b>3,996</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,445</b>
City - Other Revenue	31,700	46,567	51,701	37,943	34,097	28,710	18,908	17,422	19,748	30,203	<b>317,000</b>
Development Charges	205,505	268,796	304,628	304,833	220,214	62,666	38,248	16,677	232,201	5,350	<b>1,659,117</b>
Debt	265,304	489,689	201,746	178,710	152,838	65,988	23,615	105,000	275,974	108,702	<b>1,867,566</b>
Recoverable Debt	554,144	927,208	1,034,312	1,009,172	810,516	900,128	817,183	653,894	328,279	361,825	<b>7,396,661</b>
<b>Total City Funding</b>	<b>1,056,653</b>	<b>1,732,259</b>	<b>1,592,387</b>	<b>1,530,658</b>	<b>1,217,665</b>	<b>1,057,493</b>	<b>897,953</b>	<b>792,993</b>	<b>856,201</b>	<b>506,079</b>	<b>11,240,344</b>
<b>TOTAL FUNDING</b>	<b>1,634,579</b>	<b>2,231,361</b>	<b>2,156,056</b>	<b>2,065,233</b>	<b>1,844,377</b>	<b>1,712,284</b>	<b>1,565,992</b>	<b>1,359,127</b>	<b>1,231,585</b>	<b>856,767</b>	<b>16,657,360</b>



# Program Level Unfunded Summary



CTT	Project Description	Total 10 Year	Cash Flow (In \$ Millions)										Post 2035
			2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	
CTT001	SUBWAY TRACK	151			12	12	12	21	22	23	23	26	307
CTT002	SURFACE TRACK	369		2	7	53	49	48	49	51	52	58	589
CTT003	TRACTION POWER	34						0	2	11	16	5	219
CTT005	POWER DISTRIBUTION/ELECTRIC SYSTEMS	70		3	5	5	5	6	14	13	12	7	88
CTT006	COMMUNICATIONS	52		0	0	1	0	11	11	11	10	7	177
CTT008	SIGNAL SYSTEMS	149		4	26	35	35	33	15		0	0	58
CTT010	FINISHES	182		1	10	20	27	39	30	26	11	18	192
CTT012	EQUIPMENT	1,930	12	97	138	132	116	320	362	337	230	185	741
CTT018	ON-GRADE PAVING REHABILITATION PROGRAM	8										8	86
CTT020	BRIDGES & TUNNELS	33								11	11	12	288
CTT024	FIRE VENTILATION UPGRADE	42		0	1	2	2	4	10	8	2	13	183
CTT045	REPLACEMENT WHEEL-TRANS VEHICLES	342		16	10	75	40	35	31	46	67	22	237
CTT046	SUBWAY CAR PURCHASES	1,274							0	161	361	753	334
CTT050	STREETCAR OVERHAUL PROGRAM	397				1	33	63	74	77	75	74	382
CTT052	AUTOMOTIVE NON-REVENUE VEHICLES	105		2	1	4	6	5	24	32	25	6	126
CTT054	RAIL NON-REVENUE VEHICLES PURCHASE	58					1	4	6	12	14	21	0
CTT055	SHOP EQUIPMENT	12				1	2	2	3	1	2	33	33
CTT058	ENVIRONMENTAL PROGRAMS	17		0			0	2	5	5	4	0	50
CTT061	COMPUTER EQUIPMENT & SOFTWARE	144	8	25	27	34	21	7	6	6	6	4	120
CTT063	OTHER SERVICE PLANNING	230		0	12	25	35	43	33	32	31	19	10
CTT064	TRANSIT SHELTERS & LOOPS	38	0	6	9	12	11						3
CTT110	OTHER BUILDINGS & STRUCTURES PROJECTS	4,054	11	68	174	304	367	536	595	943	698	358	1,153
CTT111	PURCHASE OF BUSES	2,926		173	190	161	406	442	383	393	375	403	2,526
CTT112	BUS OVERHAUL	62	1	0	2	2	10	9	9	13	5	13	532
CTT113	OTHER MAINTENANCE EQUIPMENT												5
CTT116	QUEENSWAY BUS GARAGE RENOVATIONS	12		1	3	7	1	0					
CTT141	FARE SYSTEM	49		25	24								
CTT143	PLATFORM EDGE DOORS	453		23	50	77	5	20	50	78	65	85	725
CTT146	TORONTO ROCKET YARD & STORAGE TRACK ACCOMMODATION	10		0	3	3	3						
CTT156	LINE 1 CAPACITY ENHANCEMENT	3,089		53	160	266	99	86	239	371	934	882	2,313
CTT157	LINE 2 CAPACITY ENHANCEMENT	207				12	15	39	44	41	38	19	1,199
CTT158	TRANSFORM TO	4,574	287	390	438	341	404	436	594	598	550	536	2,760
CTT159	WAYFINDING	197		5	10	26	26	26	26	26	26	26	
<b>Total Needs Constraints (Not Included)</b>		<b>21,315</b>	<b>319</b>	<b>894</b>	<b>1,312</b>	<b>1,611</b>	<b>1,733</b>	<b>2,237</b>	<b>2,638</b>	<b>3,334</b>	<b>3,651</b>	<b>3,585</b>	<b>16,021</b>

