



Financial and Major Projects Update for the Period Ended April 26, 2026

Date: June 3, 2026

To: TTC Board

From: Interim Chief Financial Officer

Recommendations

It is recommended that the TTC Board:

1. Approve the 2026 Capital Budget in-year budget adjustments to offset projects that have had accelerated spending by \$152.5 million with projects that have experienced delays and lower spending by \$152.5 million, with no debt impact, as outlined in Appendix 4 of this report.
2. Approve expenditure and funding adjustments to the TTC's 2026-2035 Capital Budget and Plan for the Purchase of Buses Program by amending the 2026 Capital Budget by \$71.5 million and the 2027-2028 cash flow funding estimates by \$89.7 million, \$161.2 million total, for the procurement of 200 Hybrid Buses project to align with the incremental Federal funding through the Canada Public Transit Fund and the estimated project delivery schedule.
3. Approve expenditure and funding adjustments to the TTC's 2026-2035 Capital Budget and Plan for the Equipment Program by amending the 2026 Capital Budget by (\$20.4) million and the 2027-2029 cash flow funding estimates by \$57.9 million, \$37.5 million total, for the installation of 227 Bus Charging Systems project, to align with the incremental Federal funding through the Canada Public Transit Fund and the estimated project delivery schedule.
4. Authorize the recommended budget adjustments noted in Recommendations 1 to 3, and in the TTC's 2026-2035 Capital Budget and Plan, be included in the TTC's Capital Variance Report submission for the four months ended April 30, 2026, for City Council consideration and approval.
5. Approve a 2026 Operating Budget in-year adjustment of \$0.1 million gross (\$0.1 million net) to fund Plant Maintenance costs associated with the installation of benches on Line 2, following City Council approval.

Summary

This report sets out the operating and capital financial results for TTC Conventional and Wheel-Trans services and provides a status update of the TTC's major capital projects for the period ended April 26, 2026. Financial projections to year-end 2026 are also provided. This is the first of four quarterly financial updates provided annually to the TTC Board for the fiscal year and subsequently submitted to the City of Toronto for consolidation with their financial variance reporting to City Council.

For the period ended April 26, 2026, the TTC reported a net year-to-date unfavourable operating variance of \$12.6 million (2.5%), consisting of an unfavourable revenue variance of \$22.1 million (5.1%), which is partially offset by \$9.5 million (1.0%) in lower expenditures.

For the full year, the TTC's 2026 Operating Budget of \$3.046 billion gross and \$1.499 billion net, is projected to be \$64.3 million net unfavourable to budget (4.3%), driven by an unfavourable revenue variance of \$30.0 million (1.9%) and an under-expenditure of \$34.3 million (1.1%).

For the period ended April 26, 2026, the TTC's capital expenditures totalled \$365.1 million, representing a spending rate of 93.2% when compared to the year-to-date planned (calendarized) budget of \$391.8 million. Of the total capital expenditures incurred to date, \$357.3 million or 93.5% of the base capital program's planned budget of \$382 million was spent and \$7.8 million or 79.4% of the \$9.8 million planned budget for transit-expansion-related projects was spent.

When comparing year-to-date spending to the total approved 2026 Capital Budget, 21.7% was spent to the end of Period 4 for the TTC base capital program and 26.3% for transit-expansion-related projects, resulting in an overall spending rate of 21.8% for the four-month period.

By year-end, the TTC's capital spending is projected to be in the order of \$1.638 billion, representing an overall 97.9% spending rate, with the TTC's base capital program projected to expend \$1.609 billion or 97.9% and transit-expansion-related capital expenditures projected to reach \$28.1 million or 95.0%.

The year-to-date results and year-end projections reflect the recommended adjustments to the 2026 Capital Budget and future year cash flows in the 10-Year Capital Plan, as outlined in Appendix 4 of this report. This accounts for projects that have had accelerated spending and projects that have experienced some delays and, therefore, lower spending. These adjustments reflect the ongoing monitoring of capital delivery and spending by TTC staff to ensure capital funding is maximized during the year.

Background and Analysis

2026 Operating Budget: Financial Update

Table 1 – TTC and Wheel-Trans Year-to-Date Operating Results and Year-End

Description (\$Millions)	Year-To-Date Actuals			Year-End Forecast		
	Budget	Actual	Variance	Budget	Forecast	Variance
Revenue						
TTC Conventional						
Passenger Revenue	325.4	313.7	(11.7)	1,044.9	1,019.1	(25.8)
Ancillary Revenue	41.1	41.7	0.6	134.7	130.5	(4.2)
Wheel-Trans Revenue	2.9	2.9	(0.0)	9.7	9.7	0.0
Subtotal Revenues	369.4	358.3	(11.1)	1,189.4	1,159.4	(30.0)
Provincial Funding	65.4	54.4	(11.0)	279.5	279.5	0.0
TTC Stabilization Reserve Draw	0.0	0.0	0.0	57.6	57.6	0.0
Long-Term Liability Reserve Draw	0.0	0.0	0.0	20.5	20.5	0.0
Total Revenue	434.8	412.7	(22.1)	1,546.9	1,516.9	(30.0)
Expenditures						
TTC Conventional	871.2	862.8	(8.4)	2,826.0	2,859.0	33.0
Wheel-Trans	61.7	60.6	(1.1)	201.1	202.4	1.3
Subtotal Expenditures	932.9	923.4	(9.5)	3,027.0	3,061.3	34.3
TTC Stabilization Reserve Contribution	0.0	0.0	0.0	1.1	1.1	0.0
Long-Term Liability Reserve Contribution	0.0	0.0	0.0	17.6	17.6	0.0
Total Expenditures	932.9	923.4	(9.5)	3,045.7	3,080.0	34.3
Net Expenditure (Funding Required)	498.1	510.7	12.6	1,498.8	1,563.1	64.3

Forecast

Note: Figures reflect 2026 Operating Budget in-year budget adjustments of \$0.1 million gross and \$0.1 million net, to reflect costs for Plant Maintenance to install benches on Line 2. This amount has received City approval and is included under Recommendations.

An analysis of Operating Results by Service is provided in Appendix 1 and Overtime Management results are provided in Appendix 2 of this report.

2026 Year-to-Date Operating Results and Year-End Forecast

2026 Revenues

At the end of Period 4, total revenue was \$22.1 million (5.1%) below budget, primarily driven by lower passenger revenue. This reflects structural pressure on ridership demand due to ongoing economic slowdown, moderating population growth, and inclement weather in early 2026. Revenue was also impacted by lower-than-expected Provincial funding, driven by delays in the ramp-up of Line 5 and Line 6.

By year-end, revenue is forecasted to be \$30.0 million (1.9%) below budget, reflecting continued pressure on ridership demand driven by the same factors observed year-to-date, including ongoing economic slowdown, moderating population growth, and unfavourable weather conditions earlier in the year. In addition, ancillary revenue is expected to be below budget, primarily due to lower advertising revenue.

2026 Expenditures

Operating expenses to the end of Period 4 were \$9.5 million (1.0%) below plan, primarily driven by the deferred opening of Line 5 Eglinton, lower accident claims, and reduced PRESTO commissions in line with lower passenger revenue. These savings were partially offset by higher diesel costs, driven by unfavourable pricing related to ongoing geopolitical conditions and increased consumption from higher diesel bus service kilometres.

Year-end projections indicate an unfavourable gross expenditure variance of \$34.3 million (1.1%), driven primarily by higher diesel costs, increased departmental non-labour expenditures, and higher traction power expenses. Diesel costs are elevated due to pricing linked to geopolitical conditions, as well as higher consumption driven by increased diesel bus service kilometres, reflecting improved workforce availability and lower eBus output. Departmental non-labour expenditures are expected to be above budget, driven by increased security requirements and additional costs associated with FIFA-related activities. Information Technology ("IT") spending partially offsets these non-labour impacts, reflecting project delays and the deferral of certain initiatives. Traction power costs are also projected to be above budget due to higher consumption associated with increased service kilometres.

The factors comprising the unfavourable outlook are partially offset by lower departmental labour expenditures, mainly driven by the impact of workforce vacancies.

Key Operating Budget Indicators

The TTC's operating results are primarily driven by six key indicators. These indicators impacted year-to-date spending and revenues, as well as provided the basis for estimated year-end spending projections.

The key indicators include TTC Conventional and Wheel-Trans ridership, average fare per ride, and market prices for diesel fuel and electric power, which affect a combined fuel and utilities budget of \$179.6 million. The final and most significant driver of expenses is related to service hours delivered, which impacts labour expenses (\$1.503 billion) and non-labour expenses (\$452.1 million), such as parts and maintenance, as well as fuel and hydro consumption.

Details of the TTC's key operating indicators are addressed in Table 2:

Table 2 – Summary of Key 2026 Operating Budget Indicators

Item	Year-To-Date Actuals			Year-End Forecast			Status
	Budget	Actual	Variance	Budget	Forecast	Variance	
TTC Conventional Ridership	131.2M	124.2M	(7.0M)	426.4M	408.1M	(18.3M)	✘
TTC Average Fare (\$)	2.48	2.53	0.05	2.45	2.50	0.05	✔
TTC Actual Operating Service Hours	2.94M	2.97M	0.03M	9.83M	9.88M	0.05M	✔
Price of Fuel (\$/litre)	1.06	1.40	0.34	1.06	1.39	0.33	✘
Price of Electric Power (\$/kWh)	0.16	0.18	0.02	0.16	0.16	0.00	✔
Wheel-Trans Ridership	1.32M	1.38M	0.06M	4.37M	4.54M	0.17M	✔

TTC Conventional Revenue Ridership

Ridership

TTC Conventional ridership has generally trended below prior-year levels through the first four periods of 2026, following expected seasonal patterns apart from days impacted by significant snowstorms, when ridership temporarily declined further. Year-to-date ridership as of Period 4 totalled 124.2 million, representing 96.9% of 2025 levels and 94.7% of the 2026 budget.

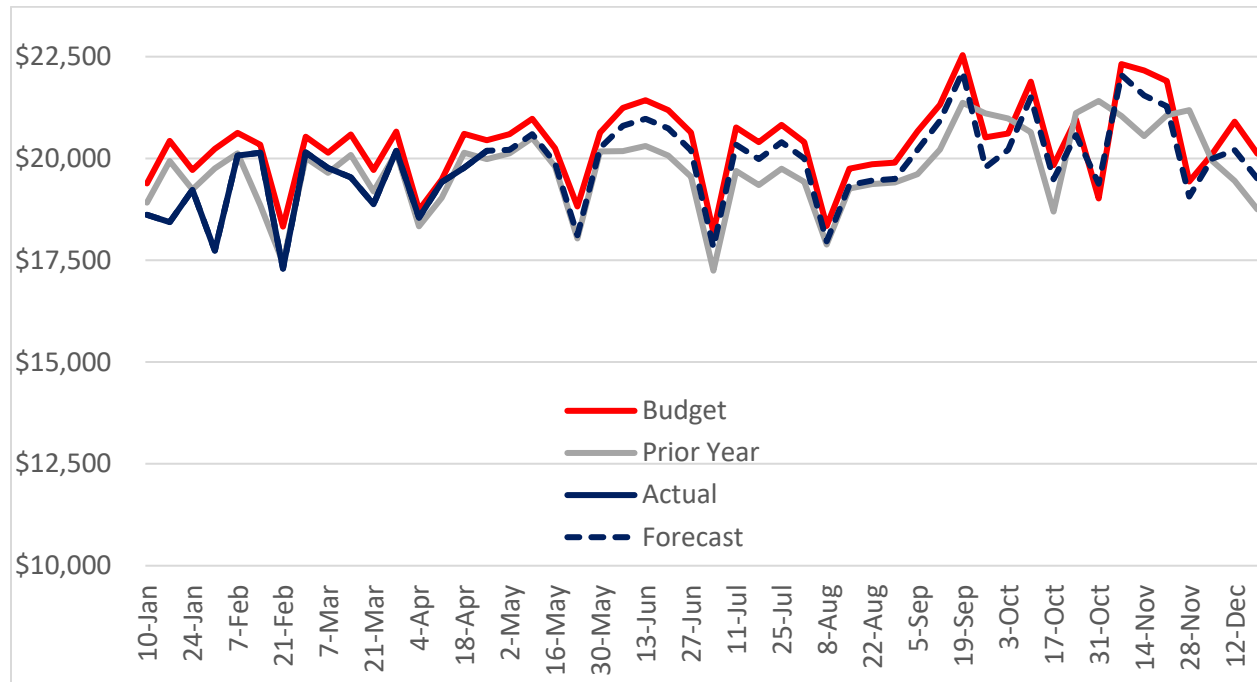
The TTC continues to monitor potential ridership impacts associated with employers’ evolving hybrid and return-to-office policies. To date, there have been no notable overall impacts on systemwide ridership. While some increased travel has been observed in the downtown core during peak periods, these gains appear to be offset by decreases in ridership in other parts of Toronto, resulting in no net increase. Ridership for Period 4 remained below both prior-year and budgeted expectations, likely driven by economic slowdown, decline in population growth, and weather events.

Passenger Revenue

TTC Conventional passenger revenue has continued to trend close to prior-year levels through the first four periods of 2026 as illustrated in Chart 1 below, broadly aligning with expected seasonal patterns. Year-to-date passenger revenue as of Period 4 totalled \$313.7 million, representing 99.2% of 2025 levels.

TTC Conventional passenger revenue remains below budgeted levels with year-to-date results tracking at 96.4% of budget. The unfavourable variance is primarily driven by lower-than-anticipated ridership thus far in 2026 as noted above. The revenue shortfall has been partially offset by a slightly higher average fare per ride relative to budget due to ongoing shifts in fare product mix. The TTC will continue to closely monitor revenue performance as 2026 progresses.

Chart 1 – 2026 Weekly TTC Conventional Passenger Revenue (\$000s)



Service Hours

Conventional service hours delivered to the end of Period 4 exceeded budgeted levels by 0.9%, reflecting a continued increase in service levels as additional Operator availability was leveraged. This trend is expected to continue through year-end, supporting enhanced service delivery across the network.

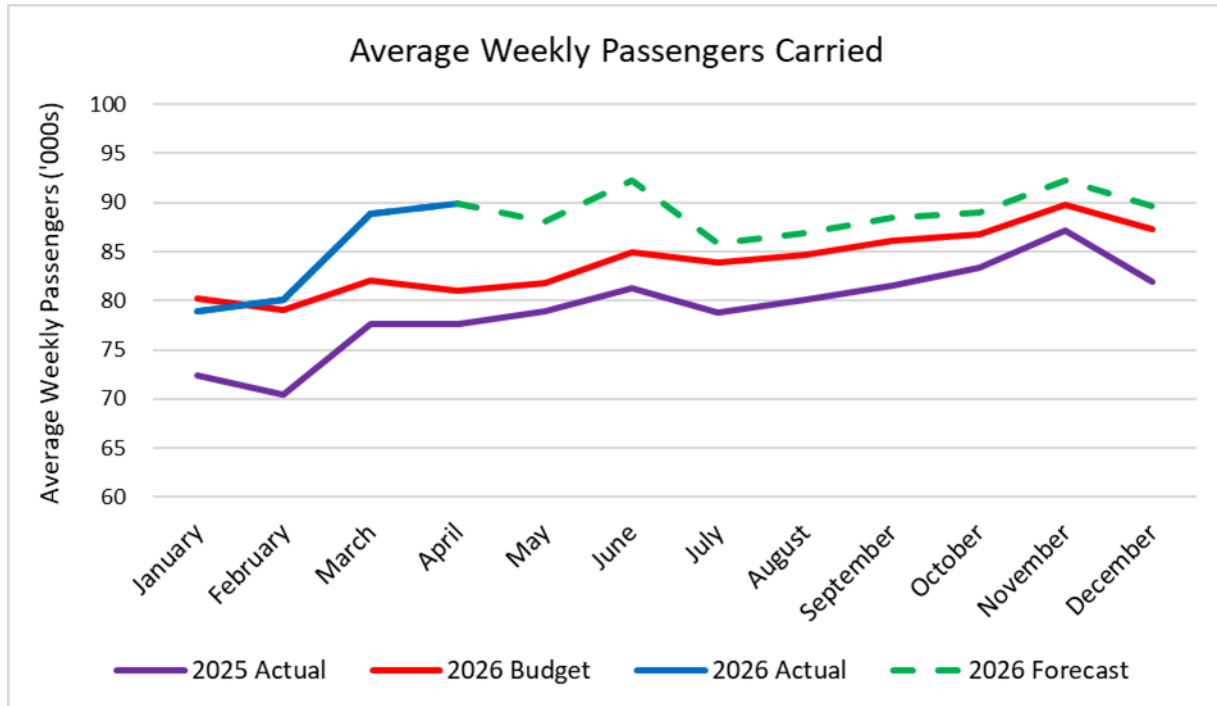
Diesel Fuel

Overall, the price of diesel has averaged \$1.40 per litre year-to-date, above the budgeted price of \$1.06 per litre, primarily driven by the ongoing Middle East conflict. Based on the latest available market pricing, diesel prices are anticipated to continue trending above budget. The TTC is anticipating diesel prices to remain high for the remainder of the year.

Wheel-Trans Ridership

As shown in Chart 2 below, Wheel-Trans ridership has seen steady growth thus far in 2026. To the end of Period 4, ridership was 4.3% above budget and 12.7% higher than 2025. This increase was driven by higher-than-anticipated new registrants and trip frequency per registrant.

Chart 2 – 2026 Average Weekly Wheel-Trans Passenger Ridership



Overall, total ridership is projected to be 3.9% above budget for the year due to higher-than-anticipated growth in both new registrants and trip frequency per registrant. Additional Wheel-Trans contracted taxi services are expected to accommodate the increased ridership demand.

2026 Capital Budget: Financial Update

2026 Capital Results and Projection to Year-End

The Capital Budget is updated annually to incorporate revised estimates arising from the capital planning process, including stage-gate reviews, adjustments to project timing or requirements, and associated cost impacts. This process also reflects extensive collaboration with key internal and external stakeholders. Despite the significant planning process in advance of capital project delivery, not all impacts on capital spending can be predicted or controlled.

Table 3 and Table 4 below provide a detailed breakdown of capital results by project mode and project type, respectively:

Table 3 – 2026 Capital Budget Results and Forecast by Project Mode

Description (\$ Millions)	Year-To-Date			2026			
	Budget	Actual	%	Budget	Actual	Variance	%
TTC Base Capital							
Subway Projects	172.9	159.7	92.3%	773.0	761.1	(11.9)	98.4%
Bus Projects	110.0	119.4	108.6%	441.0	454.1	13.1	103.0%
Streetcar Projects	42.7	43.3	101.3%	174.1	169.2	(4.9)	97.2%
Facility Projects	13.2	11.1	84.1%	82.3	65.7	(16.6)	80.0%
Network Wide Projects	43.2	23.8	55.2%	173.4	159.5	(13.9)	92.0%
Total - Base Capital	382.0	357.3	93.5%	1,643.8	1,609.6	(34.2)	97.9%
TTC Transit Expansion-Related Projects							
Toronto York Spadina Subway Extension	0.7	0.1	22.3%	2.8	2.0	(0.8)	71.7%
SRT Conversion to Busway	8.9	7.5	83.5%	25.9	25.3	(0.6)	97.3%
Waterfront Transit - Design	0.2	0.2	87.0%	0.9	0.9	(0.1)	100.0%
Total - Transit Expansion Related Projects	9.8	7.8	79.4%	29.6	28.1	(1.5)	95.0%
Total	391.8	365.1	93.2%	1,673.4	1,637.7	(35.7)	97.9%

Table 4 – 2026 Capital Budget Results and Forecast by Key Project Type

Description (\$ Millions)	Year-To-Date			2026			
	Budget	Actual	%	Budget	YE Proj.	Variance	%
TTC Base Capital							
Infrastructure Projects	225.1	198.9	88.3%	1,047.3	1,017.3	(30.0)	97.1%
Vehicle Related Projects	156.9	158.4	101.0%	596.5	592.3	(4.2)	99.3%
Total - Base Capital	382.0	357.3	93.5%	1,643.8	1,609.6	(34.2)	97.9%
TTC Transit Expansion-Related Projects							
Toronto-York-Spadina Subway Extension	0.7	0.1	22.3%	2.8	2.0	(0.8)	71.7%
SRT Conversion to Busway	8.9	7.5	83.5%	25.9	25.3	(0.6)	97.3%
Waterfront Transit - Design	0.2	0.2	87.0%	0.9	0.9	(0.1)	100.0%
Total - Transit Expansion Related Projects	9.8	7.8	79.4%	29.6	28.1	(1.5)	95.0%
Total	391.8	365.1	93.2%	1,673.4	1,637.7	(35.7)	97.9%

Key Project Variances

Infrastructure Projects

Bloor-Yonge Capacity Improvements Project

As of the end of Period 4, the Bloor-Yonge Capacity Improvements Project has incurred \$30.5 million against the planned \$37.4 million cash flow funding, reflecting a spending rate of 81.4% for the period. Despite the current underspend, the program is expected to recover over the remainder of the year, with projected year-end expenditures of \$105.0 million compared to the \$107.0 million 2026 approved capital budget, resulting in an anticipated \$2.0 million underspend.

The year-to-date and projected year-end variances are mainly driven by delayed invoice timing and the extended validation period to support value engineering development during the Development Phase.

Line 1 Capacity Enhancement Program

As of the end of Period 4, the Line 1 Capacity Enhancement Program has spent \$5.5 million against a budget of \$6.6 million, falling \$1.1 million below plan. This trend is expected to continue, with a year-end projected expenditure of \$23.7 million against the \$32.2 million budget, resulting in an anticipated \$8.5 million underspend. The projected

underspend is driven by the deferral of deliverables to align with broader TTC strategic initiatives, as well as extended approval timelines.

Other Building and Structures Programs

As of the end of Period 4, the Other Building and Structures Program has spent \$17.3 million against the planned \$26.2 million budget, reflecting a year-to-date spend rate of 65.9%. The variance is largely attributable to slower-than-expected progress and deferred activities resulting from resource constraints affecting both the Pattison Digital Project and the Enterprise Asset Management Project. Both initiatives are expected to recover by year-end.

Year-end spending is projected at \$107.5 million compared to the \$121.2 million 2026 approved capital budget, resulting in an anticipated \$13.7 million underspend. This variance is primarily driven by contractual challenges to deliver the Decarbonization of Facilities Project, resulting in the deferral of concept design activities, with revised timelines and costs to be determined upon confirmation of the project delivery approach.

Computer Equipment and Software

As of the end of Period 4, 68.0%, or \$17.9 million, of the \$26.3 million approved budget has been spent, which is mainly attributable to invoice timing and Purchase Order (PO) issuance delays. Year-end expenditures are projected to reach \$104.0 million, representing 89.6% of the \$116.1 million 2026 approved capital budget. The projected year-end underspend of \$12.1 million is driven by several factors, including scope reprioritization, workplan delays, resource constraints, delays in issuing Requests for Proposals (RFPs) and POs.

Vehicle Projects

Purchase of eBuses

As of the end of Period 4, spending has reached 108.2%, or \$78.9 million, against the \$73.0 million approved budget. The year-to-date overspend is primarily due to earlier-than-forecasted vehicle deliveries. Projected year-end spending is expected to total \$227.3 million of the \$235.0 million approved capital budget. The resulting anticipated \$7.7 million underspend is mainly attributable to savings from commercial and technical descoping.

Major Capital Projects Update

For more information on the Major Capital Projects, please see Attachment 2 – Major Projects Update Report (For the Period Ended April 26, 2026).

Diversity, Equity, and Inclusion Matters

The TTC is strongly committed to making Toronto's transit system barrier-free and accessible to all. The TTC believes all customers should enjoy the freedom, independence, and flexibility to travel anywhere on the public transit system.

For a third year in a row, TTC fares are frozen at 2023 rates to ensure transit is accessible to all riders. Beginning September 1, 2026, the introduction of fare capping will further support affordability by eliminating upfront costs and ensuring customers do not pay more than the equivalent of a monthly pass after 47 trips. In addition, through the City's Social Development, Finance and Administration Division, eligible customers, including Ontario Works, Ontario Disability Support Program, Child Care Fee Subsidy, Rent Geared to Income clients whose income is under a threshold set below 75% of the Low Income Measure, continue to be eligible for the Fair Pass Program. This program entitles eligible customers to a discount of approximately one-third on single adult fares for single rides. Until August 31, 2026, it also provides 21% off adult monthly passes, with fare capping replacing monthly passes effective September 1, 2026.

The approved 2026 Operating Budget allocates \$201.7 million gross (\$191.4 million net) for Wheel-Trans service, to deliver an estimated 4.4 million rides in 2026, accounting for a 6% increase in new registrants. There are no recommended reductions that impact customers. The 2026 Operating Budget maintains service coverage citywide, understanding the importance of even the lowest ridership routes. Service levels are higher than pre-pandemic, with enhancements focused on customer need and meeting user needs.

The 2026-2035 Capital Budget and Plan provides funding of \$292.5 million to complete the TTC's Easier Access Program and continue systemwide capital improvements. The 2026 Capital Budget also supports ongoing modernization across the transit network, including investments in new vehicles, facility upgrades, and accessibility enhancements. In addition, the 2026 Capital Budget includes funding for major fleet programs, infrastructure renewal, and accessibility upgrades across the system to ensure reliable, modern, and inclusive transit service.

Corporate Plan Alignment

The 2026 Operating and Capital Budgets continue to align with the TTC's 2024-2028 Corporate Plan by prioritizing investments that directly improve measurable service performance for customers. Consistent with the CEO's focus on reliability, on-time performance, and customer confidence, these allocations emphasize strengthening bus network performance, the backbone of the system, while enhancing workforce capacity, asset reliability, and operational discipline. Targeted investments in service hours, frontline staffing, maintenance, and reliability initiatives support improved service availability, reduced disruptions, and better on-time performance. Advancements in transit priority measures, customer experience pilots, and resiliency planning further reinforce the TTC's commitment to delivering safe, reliable, and frequent service. Together, these actions reflect a continued focus on value for money, efficient resource allocation, and performance driven outcomes that rebuild ridership and trust in the system.

Financial Impact

2026 Operating Results

Based on Period 4 year-to-date results, the TTC incurred expenses of \$923.4 million gross and \$510.7 million net, compared to the planned budget of \$932.9 million gross and \$498.1 million, resulting in a net unfavourable operating variance of \$12.6 million (2.5%). The net unfavourable operating variance reflects an unfavourable revenue variance of \$22.1 million (5.1%), partially offset by \$9.5 million in under-expenditures (1.0%).

Operating results for the period ended April 26, 2026, and projected year-end results, are summarized by key account group in Table 5 below:

Table 5 – 2026 Operating Year-to-Date Results and Forecast Summary

Description (\$Millions)	Year-To-Date Actuals			Year-End Forecast		
	Budget	Actual	Variance	Budget	Forecast	Variance
Revenue						
TTC Conventional						
Passenger Revenue	325.4	313.7	(11.7)	1,044.9	1,019.1	(25.8)
Ancillary Revenue	41.1	41.7	0.6	134.7	130.5	(4.2)
Wheel-Trans Revenue	2.9	2.9	(0.0)	9.7	9.7	0.0
Subtotal Revenues	369.4	358.3	(11.1)	1,189.4	1,159.4	(30.0)
Provincial Funding	65.4	54.4	(11.0)	279.5	279.5	0.0
TTC Stabilization Reserve Draw	0.0	0.0	0.0	57.6	57.6	0.0
Long-Term Liability Reserve Draw	0.0	0.0	0.0	20.5	20.5	0.0
Total Revenue	434.8	412.7	(22.1)	1,546.9	1,516.9	(30.0)
Expenditures						
TTC Conventional						
Departmental Labour	459.0	460.6	1.6	1,502.5	1,493.1	(9.4)
Departmental Non-Labour	140.8	138.8	(2.0)	452.1	462.9	10.8
Employee Benefits	171.3	171.6	0.4	522.8	523.1	0.4
Diesel	22.0	31.0	9.0	69.3	93.7	24.4
Traction Power & Utilities	38.6	41.0	2.4	110.3	113.8	3.5
Other Corporate Costs	39.5	19.9	(19.7)	168.9	172.3	3.3
Wheel-Trans	61.7	60.6	(1.1)	201.1	202.4	1.3
Subtotal Expenditures	932.9	923.4	(9.5)	3,027.0	3,061.3	34.3
TTC Stabilization Reserve Contribution	0.0	0.0	0.0	1.1	1.1	0.0
Long-Term Liability Reserve Contribution	0.0	0.0	0.0	17.6	17.6	0.0
Total Expenditures	932.9	923.4	(9.5)	3,045.7	3,080.0	34.3
Net Expenditure (Funding Required)	498.1	510.7	12.6	1,498.8	1,563.1	64.3

2026 Capital Results

The 2026 Capital Budget year-to-date results, as well as projections to year-end, are detailed in Table in 6 below:

Table 6 – 2026 Capital Year-to-Date Results and Forecast Summary

Description (\$ Millions)	Year-To-Date			2026			
	Budget	Actual	%	Budget	Actual	Variance	%
TTC Base Capital	382.0	357.3	93.5%	1,643.8	1,609.6	(34.2)	97.9%
TTC Transit Expansion Related Projects	9.8	7.8	79.4%	29.6	28.1	(1.5)	95.0%
Total	391.8	365.1	93.2%	1,673.4	1,637.7	(35.7)	97.9%

Adjustments to the 2026-2035 Capital Budget and Plan

Since the approval of the TTC’s 10-Year Capital Budget and Plan, the TTC Board and City Council have approved in-year budget adjustments to account for final 2026 capital spending. As a result, the TTC’s estimated carry-forward funding of \$89.2 million approved through the 2026 Budget process has been increased by \$54.8 million.

Launched in 2024, the Canada Public Transit Fund (CPTF) was established to provide \$3.00 billion annually toward public transit across the country through three streams: Baseline Funding, Metro-Region Agreements, and Targeted Funding. The TTC received an allocation of \$1.6 billion over 10 years, through the baseline funding stream, to support the purchase of 55 Replacement trains, 200 Hybrid buses, and 105 gasoline Wheel-Trans buses. Under the targeted funding stream, the TTC has received approval for the purchase of 50 additional eBuses and 227 charge points. With matching funding already in the Capital Plan, the budget adjustments included with this report and detailed in Table 7, reflect the recently approved Federal contributions and amend the City share of funding to match the expected progress of the projects.

On August 15, 2025, the Government of Canada, the Province of Ontario, and the City of Toronto provided approval for the TTC to pursue a single-source procurement approach for new Line 2 subway trains with Alstom Transport Canada Inc. This approval follows the September 24, 2024 Board report *Line 2 Modernization – Next Steps on New Subway Train Procurement and Automatic Train Control*, at which time the Board approved the procurement of 70 subway trains, consisting of 55 replacement trains to modernize Line 2 and 15 expansion trains to support the Yonge North Subway Extension and the Scarborough Subway Extension.

The 55 replacement trains are being funded by the Federal and Provincial governments, and the City of Toronto, while the expansion trains are being fully funded by the Province. On January 15, 2026, the Province announced an increase in Canadian Content requirements applicable to Line 2 subway cars, resulting in revised technical and commercial considerations for the approved procurement. The budget adjustments included with this report reflect a revised total Federal and Provincial contribution of \$951 million each for the 55 replacement trains to account for the increased Canadian Content, and full Provincial funding of the 15 expansion trains, which was not previously reflected in the capital budget.

Further in-year adjustments are being recommended in this report, as detailed in Appendix 4, to offset projects that have had accelerated spending with projects that have experienced delays and lower spending with no debt impact. These adjustments allow the TTC to maximize its capital project delivery by “borrowing” funds from those projects impacted by delays during the year and reallocating them to projects moving

ahead of schedule. The “borrowed funds” are then reinstated to the delayed projected in the following year.

With the approval of the budget adjustments noted above and detailed in Appendix 4, the TTC’s 10-Year Capital Budget and Plan’s annual cash flow estimates will be adjusted, as summarized in Table 7 below:

Table 7 – Adjusted 10-Year Capital Budget and Plan

Capital Plan and Adjustments (\$ Millions)	2026 Budget	2027	2028	2029	2030	2031	2032	2033	2034	2035	10-Year Total
Council Approved Capital Plan February 10, 2026	1,634.6	2,231.4	2,156.1	2,065.2	1,844.4	1,712.3	1,566.0	1,359.1	1,231.6	856.8	16,657.4
Previously Approved Amendments:											
Incremental Carryforward Adjustment	2.3	52.6	-	-	-	-	-	-	-	-	54.9
Addition of Funding Procurement of Expansion Subway Trains	26.7	32.4	68.4	65.2	101.4	108.8	128.1	119.5	17.8	19.3	687.5
Addition of Funding Procurement of L2 Trains	(43.3)	57.4	15.9	45.8	75.0	79.1	95.9	162.3	(76.3)	(36.3)	375.3
Addition of Funding Procurement of 50 e buses - CPTF	-	1.9	0.2	-	-	-	-	-	-	-	2.1
Total Previously Approved Amendments	(14.3)	144.4	84.5	111.1	176.4	187.8	223.9	281.7	(58.6)	(17.1)	1,119.8
Recommended Amendments:											
4M Variance Report Adjustments - Acceleration	45.9	8.6	22.0	17.9	15.3	14.3	14.3	14.3	-	-	152.5
4M Variance Report Adjustments - Deferrals	(45.9)	(8.6)	(22.0)	(17.9)	(15.3)	(14.3)	(14.3)	(14.3)	-	-	(152.5)
Bloor-Yonge Capacity Improvements - Platform Edge Doors	2.0	3.7	-	-	(5.7)	-	-	-	-	-	(0.0)
Ebus Charging Systems - CPTF	(8.3)	20.3	15.4	10.2	-	-	-	-	-	-	37.5
Ebus Charging Systems - City of Toronto	(12.0)	(20.8)	19.8	13.1	-	-	-	-	-	-	0.0
Hybrid Buses Procurement CPTF	53.6	-	107.6	-	-	-	-	-	-	-	161.2
Hybrid Buses Procurement - City of Toronto	17.9	(196.9)	178.9	-	-	-	-	-	-	-	0.0
Total Recommended Amendments	53.2	(193.7)	321.7	23.3	(5.7)	-	-	-	-	-	198.7
Revised Capital Plan	1,673.4	2,182.0	2,562.2	2,199.6	2,015.1	1,900.1	1,789.9	1,640.9	1,173.0	839.7	17,975.9

The year-end projections based on the above amendments to the 2026 Capital Budget are accounted for in the Financial Update report presented here, and subject to the Board’s approval, will be included in the TTC’s submission for the City’s Period 4, 2026 Capital Variance report to the Budget Committee and for City Council’s approval at its meeting on July 29, 2026.

Economic Impacts of TTC Spending

Using the economic model established in partnership with the University of Toronto, 2026 operating and capital spending is estimated to generate \$5.175 billion in economic activity and more than 32,000 jobs across Canada. 90% of benefits will accrue within Ontario. Both year to-date and projected year-end benefits are summarized in Table 8:

Table 8 – Economic Impact of 2026 Projected Year-End Spending by the TTC

(\$Millions)	P4 Year-To-Date Results			Year-End Forecast		
	Capital	Operating	Total	Capital	Operating	Total
Spending	365.1	275.0	640.1	1,611.0	940.7	2,551.7
Gross Domestic Product (GDP)	368.8	156.8	525.5	1,627.1	536.2	2,163.3
Economic Activity (Gross Output)	931.0	313.5	1,244.5	4,108.0	1,072.4	5,180.4
Jobs	5,477	2,475	7,952	24,165	8,466	32,631

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Attachments

- Attachment 1 Decision History
- Attachment 2 Major Projects Update Report (April 26, 2026)

- Appendix 1 Operating Results by Service for the Period Ended April 26, 2026
- Appendix 2 Overtime Management
- Appendix 3 2026 Capital Spending Summary by Program
- Appendix 4 2026-2035 Capital Budget and Plan Adjustments for Council Approval

Attachment 1 – Decision History

At its meeting on January 7, 2026, the TTC Board approved the recommended 2026 Operating Budget totalling \$3.028 billion in gross expenditures, \$1.547 billion in revenues and a net funding requirement of \$1.481 billion for the TTC comprising:

- 2026 TTC Conventional Operating Service Budget of \$2.826 billion in gross expenditures, \$1.537 billion in revenues and a net funding requirement of \$1.289 billion.
- 2026 Wheel-Trans Operating Budget of \$201.6 million in gross expenditures, \$10.3 million in revenues and a net funding requirement of \$191.4 million.
- a 2026 year-end Operating workforce complement of 15,299 positions.

[TTC12.1 – Recommended 2026 TTC Conventional and Wheel-Trans Operating Budgets](#)

At its meeting on January 7, 2026, the TTC Board approved the recommended 2026-2035 TTC Capital Budget and Plan of \$16.657 billion over the 10-year period, with \$1.635 billion approved in the 2026 Capital Budget with a 2026 total year-end Capital workforce complement of 3,345 positions for the TTC.

[TTC12.2 – Recommended 2026-2035 Capital Budget and Plan, 15-Year Capital Investment Plan, and Real Estate Investment Plan Update](#)

At its meeting on May 12, 2026, in accordance with the City's Carry Forward Policy, City Council approved an incremental carry-forward addition of \$54.8 million applied to the TTC's existing carry-forward funding of \$89.2 million as submitted through the 2026 budget process.

[EX31.5 – Adjustments to Capital Budget, Carry Forward Funding and Future Year Commitments](#)

Appendix 1 – Operating Results by Service for the Period Ended April 26, 2026

TTC Conventional Service: 2026 Operating Results by Key Account Grouping and Comparison to 2025

Table 9 – TTC Conventional Service: 2026 Operating Results by Key Account Grouping

Item (\$Millions)	Year-To-Date Actuals			Year-End Forecast			Status
	Budget	Actual	Variance	Budget	Forecast	Variance	
Revenues							
Passenger Revenue	325.4	313.7	(11.7)	1,044.9	1,019.1	(25.8)	✘
Ancillary Revenue	41.1	41.7	0.6	134.7	130.5	(4.2)	✘
Subtotal Revenues	366.5	355.4	(11.0)	1,179.6	1,149.6	(30.0)	✘
Provincial Funding Deal	65.4	54.4	(11.0)	279.5	279.5	0.0	✔
TTC Stabilization Reserve Draw	0.0	0.0	0.0	57.6	57.6	0.0	✔
Long-Term Liability Reserve Draw	0.0	0.0	0.0	19.9	19.9	0.0	✔
Total Revenues	431.9	409.8	(22.1)	1,536.6	1,506.6	(30.0)	✘
Expenses							
Departmental Labour	459.0	460.6	1.6	1,502.5	1,493.1	(9.4)	✔
Departmental Non-Labour	140.8	138.8	(2.0)	452.1	462.9	10.8	✔
Employee Benefits	171.3	171.6	0.4	522.8	523.1	0.4	✔
Diesel	22.0	31.0	9.0	69.3	93.7	24.4	✔
Traction Power & Utilities	38.6	41.0	2.4	110.3	113.8	3.5	✔
Other Corporate Costs	39.5	19.9	(19.7)	168.9	172.3	3.3	✔
Subtotal Expenditures	871.2	862.8	(8.4)	2,826.0	2,859.0	33.0	✔
TTC Stabilization Reserve Contribution	0.0	0.0	0.0	1.1	1.1	0.0	✔
Long-Term Liability Reserve Contribution	0.0	0.0	0.0	17.0	17.0	0.0	✔
Total Expenditures	871.2	862.8	(8.4)	2,844.1	2,877.1	33.0	✔
Net Expenditure (Funding Required)	439.3	453.1	13.7	1,307.5	1,370.5	63.0	✘

Table excludes Wheel-Trans Service.

As of the end of Period 4, TTC Conventional Service reported a net unfavourable variance of \$13.7 million (3.1%), driven by an unfavourable revenue variance of \$22.1 million, partially offset by an under-expenditure variance of \$8.4 million.

The year-to-date unfavourable revenue variance of \$22.1 million (5.1%) is primarily attributable to:

- \$11.7 million of lower passenger revenue driven by lower ridership demand related to the ongoing economic slowdown, slowing population growth, and weather events in early 2026.
- \$11.0 million of lower Provincial Funding attributable to delayed opening of Line 5 Eglinton.

The year-to-date favourable expenditure variance of \$8.4 million (1.0%), is attributable to the following factors:

- \$19.7 million of corporate cost savings, including \$18.6 million from lower operating overhead, and \$1.1 million from reduced PRESTO commission fees, consistent with the decrease in passenger revenue.

This factor was partially offset by the following impacts:

- \$9.0 million of higher diesel costs driven unfavourable pricing related to ongoing geopolitical conditions and increased consumption from higher diesel bus service kilometres, reflecting greater workforce availability and lower eBus kilometres delivered.
- \$2.4 million of higher traction power costs driven to unfavourable pricing and higher consumption. Both impacts were primarily due to inclement weather experienced in January and February.

Year-end projections indicate a net unfavourable variance of \$63.0 million (4.8%), driven by a \$30.0 million unfavourable revenue variance, and under-expenditure of \$33.0 million.

The \$30.0 million (2.0%) unfavourable revenue variance is primarily due to:

- \$25.8 million of lower-than-budgeted passenger revenue due to continued trend of lower ridership demand driven by similar factors observed year-to-date, including continued economic softness, moderating population growth, and the impact of inclement weather experienced earlier in the year.
- \$4.2 million of lower ancillary revenue due to installation delays and underspending, which have deferred expected revenues from Pattison this year.

The \$33.0 million (1.2%) unfavourable expenditure variance is primarily due to:

- \$24.4 million of lower diesel costs due to pricing volatility linked to geopolitical factors, alongside higher consumption resulting from increased diesel bus service kilometres, consistent with improved workforce availability and lower eBus deployment.
- \$10.8 million of higher departmental non-labour expenses driven by increased security requirements and incremental costs associated with FIFA-related activities. Additional pressures relate to Plant Maintenance, including station upgrades, standby equipment, contractor support for major events, and unplanned infrastructure repairs. These impacts are partially offset by lower IT spending, reflecting project delays and the deferral of certain initiatives.
- \$3.5 million of higher traction power costs due to higher consumption associated with increased service kilometres.

These factors were partially offset by:

- \$9.4 million of lower departmental labour costs related the impact of vacancies.

TTC Conventional Service: 2026 versus 2025 Results Comparison

To the end of Period 4 2026, TTC Conventional net expenditures were \$11.5 million (2.5%) above 2025 year-to-date results, and 2026 forecasted year-end spending is projected to be \$159.7 million (11.7%) above 2025 actual net expenditures at year-end.

Table 10 – TTC Conventional Service 2026 versus 2025 Results Comparison
Revenues

Item (\$Millions)	Year-To-Date Actuals			Year-End Forecast		
	2026 Actuals	2025 Actuals	Change	2026 Forecast	2025 Actuals	Change
Revenues						
Passenger Revenue	313.7	318.8	(5.1)	1,019.1	1,020.5	(1.4)
Ancillary Revenue	41.7	32.6	9.1	130.5	142.4	(11.8)
Subtotal Revenues	355.4	351.3	4.1	1,149.6	1,162.8	(13.2)
Provincial Funding Deal	54.4	0.0	54.4	279.5	135.7	143.8
TTC Stabilization Reserve Draw	0.0	0.0	0.0	57.6	22.9	34.7
Long-Term Liability Reserve Draw	0.0	0.0	0.0	19.9	19.0	0.9
Total Revenues	409.8	351.3	58.5	1,506.6	1,340.4	166.2
Expenditures						
Departmental Labour	460.6	433.1	27.5	1,493.1	1,410.8	82.4
Departmental Non-Labour	138.8	96.0	42.8	462.9	332.0	130.9
Employee Benefits	171.6	163.8	7.9	523.1	494.8	28.3
Diesel	31.0	30.6	0.4	93.7	83.5	10.1
Traction Power & Utilities	41.0	29.6	11.4	113.8	87.4	26.3
Other Corporate Costs	19.9	39.9	(20.0)	172.3	125.6	46.7
Subtotal Expenditures	862.8	792.9	70.0	2,859.0	2,534.2	324.8
TTC Stabilization Reserve Contribution	0.0	0.0	0.0	1.1	0.0	1.1
Long-Term Liability Reserve Contribution	0.0	0.0	0.0	17.0	17.0	0.0
Total Expenditures	862.8	792.9	70.0	2,877.1	2,551.2	325.9
Net Expenditure (Funding Required)	453.1	441.6	11.5	1,370.5	1,210.8	159.7

On a year-to-date basis, revenue was \$58.5 million (14.3%) higher, reflecting \$54.4 million in Provincial funding related to the openings of Line 5 and Line 6, as well as \$9.1 million in higher ancillary revenue driven by increased recoveries from third parties and service disruptions. These favourable impacts were partially offset by \$5.1 million in lower passenger revenue, attributable to a 3.8% decrease in ridership compared to the same period in 2025, which outweighed an increase in average fare per rider to \$2.53 from \$2.47 in the prior year.

At year-end, revenue is projected to be \$166.2 million (11.0%) higher than in 2025, as a result of the following key drivers:

- Approximately \$143.8 million in incremental revenue is expected from the Provincial New Deal Funding Agreement, reflecting the full-year impact of Line 5 and Line 6, which opened in February 2026 and December 2025, respectively.
- TTC Stabilization Reserve draws are forecasted to exceed budget by approximately \$34.7 million, reflecting a one-time incremental draw above the base provision, which is required to sustain planned service levels in 2026.

These factors are projected to be partially offset by:

- Lower ancillary revenue of \$11.8 million due to higher expected cost recoveries from third parties, as well as growth in advertising revenue, consistent with ongoing non-fare revenue strategies.

Expenditures

Year-to-date expenses were \$70.0 million (8.1%) higher, primarily reflecting increased service levels, with operations approximately 2.0% above Fall 2025, as well as costs associated with the opening of Line 5 and Line 6. Additional pressures include higher traction power and utilities costs due to unfavourable pricing and increased consumption, along with rising employee benefit expenses. These impacts were partially offset by lower corporate costs, primarily related to the discontinuation of internal depreciation funding in 2026, as well as lower accident claims and favourable overhead expenses.

Year-over-year expenditures are anticipated to be \$325.9 million (11.3%) higher due to the following factors:

- \$103.1 million related to the impact of the openings of Line 5 and Line 6, with higher 2026 costs reflecting the timing of these projects coming into service.
- Full year impact of ratified Collective Bargaining Agreements for Unions (Lodge 5089, Local 2, Local 113, Local 470, and Lodge 235) of approximately \$76.2 million.
- Increase of \$46.7 million to non-departmental costs, driven by higher overhead charges, partially offset by lower depreciation following the 2025 policy change.
- Annualization of service enhancements and decisions made in 2025 of \$34.4 million.
- Approximately \$31.7 million due to operating an additional 2.0% in service hours compared to Fall 2025.
- Higher traction power and utilities expenses of \$23.6 million, consistent with increased service hours delivered this year compared to 2025.
- Approximately \$18.8 million from inflationary and legislative impacts related to employee benefit costs, materials, and service contracts.

Wheel-Trans Service: 2026 Operating Results by Key Account Grouping and Comparison to 2025

Overall, the projected net over-expenditure on Wheel-Trans Service of \$1.3 million (0.7%) is summarized in Table 11:

Table 11 – 2026 Wheel-Trans Service: 2026 Operating Results by Key Account Grouping

Item (\$Millions)	Year-To-Date Actuals			Year-End Forecast			Status
	Budget	Actual	Variance	Budget	Forecast	Variance	
Revenues							
Passenger Revenue	2.9	2.9	0.0	9.6	9.6	0.0	✓
Other Income	0.0	0.0	(0.0)	0.1	0.1	0.0	✓
Subtotal Revenues	2.9	2.9	(0.0)	9.7	9.7	0.0	✓
Long-Term Liability Reserve Draw	0.0	0.0	0.0	0.6	0.6	0.0	✓
Total Revenues	2.9	2.9	(0.0)	10.3	10.3	0.0	✓
Expenditures							
Bus Service	20.4	18.6	(1.7)	66.2	63.9	(2.4)	✓
Vehicle Fuel	1.2	1.1	(0.2)	3.7	3.4	(0.3)	✓
Contracted Taxi	25.8	27.5	1.7	86.3	90.3	4.0	✗
Employee Benefits	7.2	6.6	(0.5)	21.9	21.9	0.0	✓
Administration/Management	7.1	6.7	(0.4)	23.0	22.9	(0.1)	✓
Subtotal Expenditures	61.7	60.6	(1.1)	201.1	202.4	1.3	✗
Long-Term Liability Reserve Contribution	0.0	0.0	0.0	0.6	0.6	0.0	✓
Total Expenditures	61.7	60.6	(1.1)	201.7	203.0	1.3	✗
Net Expenditure (Funding Required)	58.7	57.7	(1.1)	191.4	192.7	1.3	✗

On a year-to-date basis, Wheel-Trans expenses were \$1.1 million (1.8%) below budget, primarily driven by lower bus service costs, reflecting lower labour expenses due to Operator vacancies, as well as lower bus maintenance costs. Additional favourable variances included lower employee benefits costs and administration costs, largely attributable to timing. These were partially offset by higher contracted taxi service costs, driven by increased ridership demand.

Revenue was \$0.0 million (1.1%) below budget, primarily due to a lower average fare per ride, offset by increased ridership driven by unanticipated growth in new registrants and higher trip frequency per registrant.

Year-end expenditures are anticipated to be \$1.3 million (0.6%) above the 2026 approved budget. This is primarily driven by the continuation of higher-than-anticipated ridership levels, thereby requiring additional contracted taxi services to accommodate the projected ridership demand to year-end.

Year-end revenues are anticipated to be on budget, driven by higher-than-anticipated ridership resulting from stronger growth in both new registrants and trip frequency per registrant, offset by a lower average fare per ride. With ridership tracking 4.3% above budget in the first four months of the year, this trend is expected to continue for the remainder of the year.

Wheel-Trans Service: 2026 versus 2025 Results Comparison

As noted in Table 12 below, Wheel-Trans expenses were \$4.5 million (8.0%) higher and revenue was \$0.2 million (8.6%) higher on a year-to-date basis compared to 2025, primarily due to increased ridership demand driven by growth in new registrants and trip frequency per registrant, resulting in greater requirements for contracted taxi services and call centre services.

Year-end passenger revenue is projected to be \$0.7 million (7.7%) higher in 2026 than in 2025, largely reflecting the impact of ridership trending above anticipated levels over the course of 2026. For the full year, ridership is expected to be 10.3% higher compared to 2025.

Year-over-year expenditures are estimated to be \$17.5 million (9.4%) higher in 2026 than in 2025. Key drivers of this net increase include:

- Increased ridership demand resulting in increased requirements for contracted taxi services, bus services, including operator and maintenance, and call centre services.
- Inflationary impacts on materials and contracted taxi services.
- Contract amendment impacts related to call centre services.
- Employee benefits inflationary cost and utilization increases.

Table 12 – Wheel-Trans Service: 2026 versus 2025 Results Comparison

Item (\$Millions)	Year-To-Date Actuals			Year-End Forecast		
	2026 Actuals	2025 Actuals	Change	2026 Forecast	2025 Actuals	Change
Revenues						
Passenger Revenue	2.9	2.7	0.2	9.6	8.8	0.8
Other Income	0.0	0.0	0.0	0.1	0.0	0.1
Subtotal Revenues	2.9	2.7	0.2	9.7	8.9	0.8
Long-Term Liability Reserve Draw	0.0	0.0	0.0	0.6	0.7	(0.1)
Total Revenues	2.9	2.7	0.2	10.3	9.5	0.7
Expenses						
Bus Service	18.6	19.0	(0.4)	63.9	60.2	3.7
Vehicle Fuel	1.1	1.1	(0.0)	3.4	3.2	0.2
Contracted Taxi	27.5	23.5	4.0	90.3	82.1	8.2
Employee Benefits	6.6	6.8	(0.2)	21.9	20.0	1.9
Administration/Management	6.7	5.7	1.0	22.9	19.4	3.5
Subtotal Expenditures	60.6	56.1	4.5	202.4	184.9	17.5
Long-Term Liability Reserve Contribution	0.0	0.0	0.0	0.6	0.6	0.0
Total Expenditures	60.6	56.1	4.5	203.0	185.5	17.5
Net Expenditure (Funding Required)	57.7	53.4	4.3	192.7	176.0	16.7

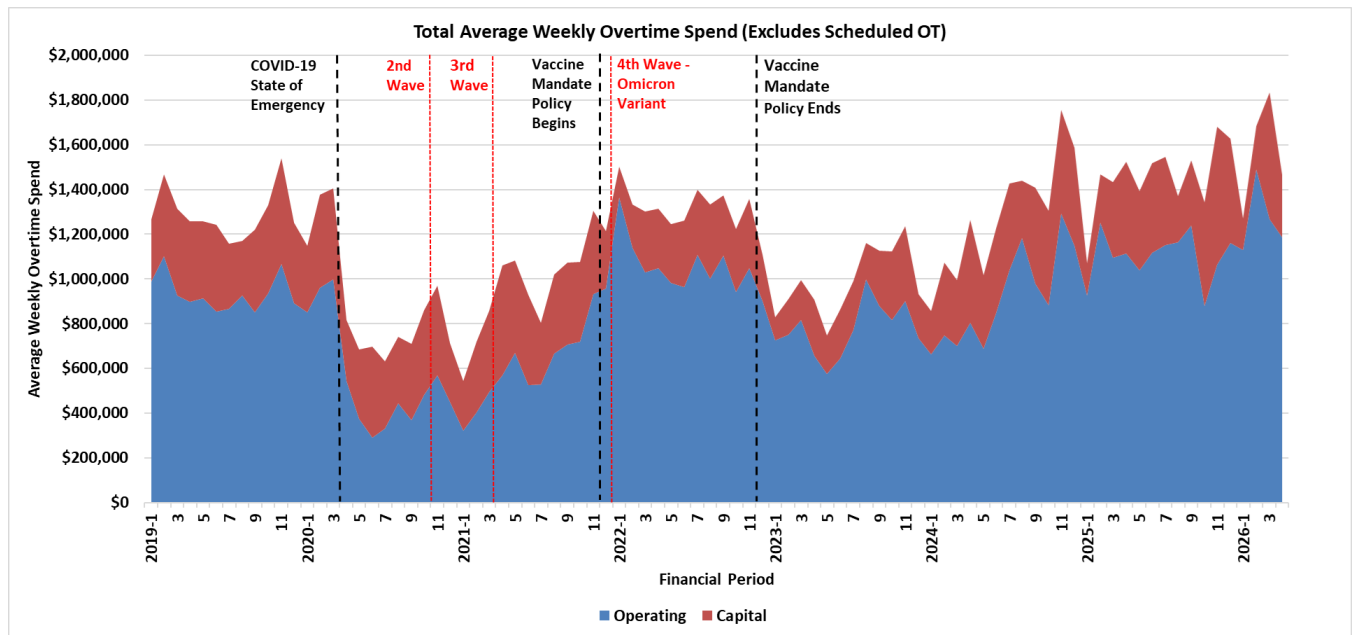
Appendix 2 – Overtime Management

Overtime Management

The management of overtime expenses continues to be a key area of focus for the TTC, and one that contributes to meeting the TTC’s objective of improving its financial sustainability. Overtime expenditures are incurred to meet both operating and capital needs. Operating requirements are driven by the need to address incident response and absence coverage, and capital overtime support efforts to maximize productivity, while minimizing disruption during capital project delivery.

Excluding overtime required for scheduled service, Chart 3 below shows that average weekly overtime spending (operating and capital combined) to the end of Period 4 has increased to an average of \$1.6 million per week in 2026 from \$1.4 million per week in 2025 for the same time period, representing an increase of approximately 15%. The increase was primarily driven by higher overtime requirements within the Transportation Group to support increased service levels and the opening of the LRT, resulting in additional Operator coverage needs. In addition, inclement weather during January and February 2026 resulted in additional requirements from infrastructure staff to ensure service continuity, combined with lower workforce availability within the group. Another contributing factor was preparatory activities related to FIFA to support operational readiness and successful service delivery for the event.

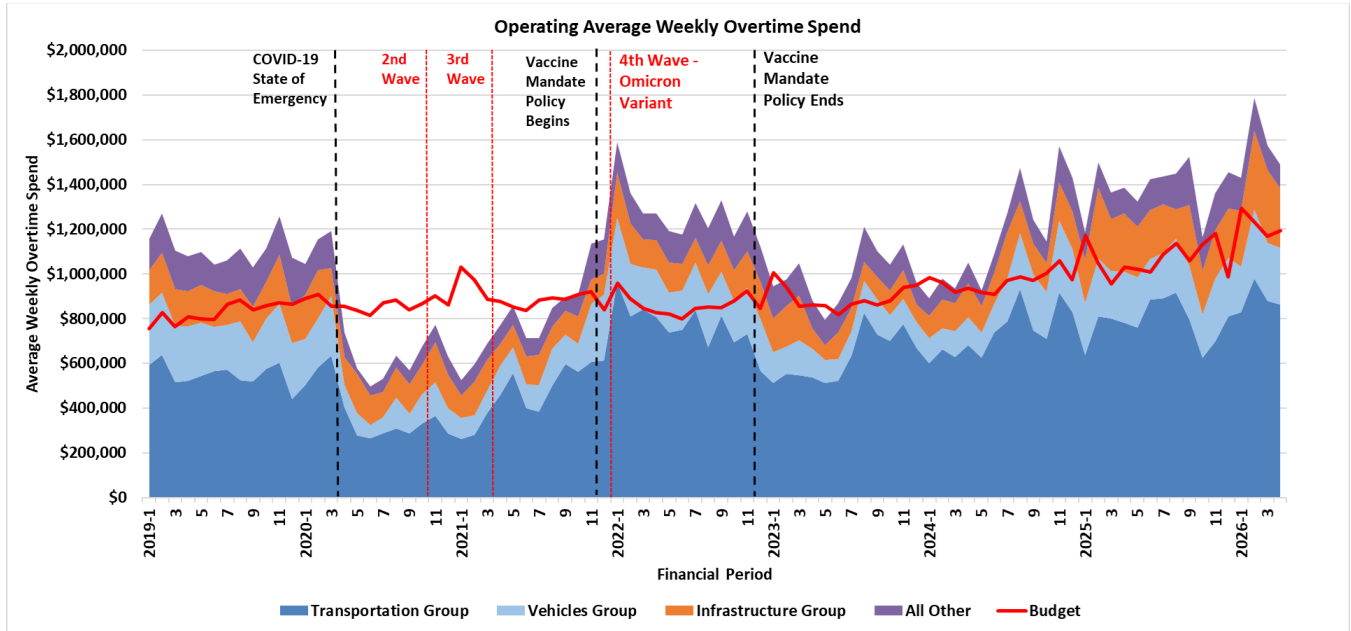
Chart 3 – Total Average Weekly Overtime Spending



Operating Overtime

Consistent with the overall trend noted above, operating overtime in the first four months of 2026 increased approximately 15% compared to 2025, as illustrated in Chart 4 below. This was driven mainly by increased overtime requirements within the Transportation and Infrastructure Groups, as noted in the overtime management commentary above. Emphasis continues to be placed on absence management and recruitment activities to increase workforce availability, which in turn will reduce the reliance on overtime to meet and maintain service levels.

Chart 4 – Operating Average Weekly Overtime Spending



Appendix 3 – 2026 Capital Spending Summary by Program

Toronto Transit Commission
 2026 Capital Budget Variance (Pd 4)
 For the Period Ended April 26, 2026

EXPENDITURES BY PROGRAM	Year-to-Date				2026 Year-end Results			
	Budget	Actuals	Variance	%	Budget	Actuals	Variance	%
TRACK	22.463	27.634	5.171	123%	106.505	105.575	(0.930)	99%
1.1 Subway Track	12.330	13.529	1.199	110%	43.939	43.939	0.000	100%
1.2 Surface Track	10.133	14.105	3.971	139%	62.566	61.636	(0.930)	99%
ELECTRICAL SYSTEMS	23.133	24.380	1.247	105%	140.499	129.785	(10.714)	92%
2.1 Traction Power	7.072	7.481	0.409	106%	34.538	34.864	0.326	101%
2.2 Power Distribution/Electric Systems	1.928	2.401	0.473	125%	13.332	13.626	0.294	102%
2.3 Communications	4.281	5.160	0.879	121%	26.311	17.763	(8.548)	68%
2.4 Signal Systems	5.147	4.585	(0.562)	89%	34.387	34.386	(0.001)	100%
ATC Resignalling	4.704	4.752	0.048	101%	31.932	29.146	(2.786)	91%
BUILDINGS & STRUCTURES	141.151	123.146	(18.005)	87%	629.182	625.867	(3.315)	99%
3.1 Finishes	4.395	7.848	3.453	179%	24.509	27.013	2.504	110%
3.2 Equipment	11.282	14.521	3.240	129%	115.503	130.783	15.280	113%
3.3 Yards & Roads								
Streetcar Network Upgrades & BRT	0.057	0.084	0.027	149%	0.389	0.395	0.006	101%
On-Grade Paving Rehabilitation Program	2.162	1.231	(0.931)	57%	7.077	7.390	0.313	104%
Bicycle parking at stations	0.000	0.000	0.000		0.000	0.000	0.000	
Transit Shelters & Loops	0.000	0.000	0.000		0.762	0.762	0.000	100%
3.4 Bridges & Tunnels	12.719	12.691	(0.027)	100%	38.931	40.833	1.902	105%
3.9 Buildings and Structures Projects								
Fire Ventilation Upgrades & Second Exits	2.739	2.682	(0.057)	98%	22.992	22.431	(0.560)	98%
Easier Access Phase III	31.140	25.850	(5.290)	83%	129.465	131.432	1.967	102%
Leslie Barns	0.117	0.023	(0.094)	20%	1.101	1.069	(0.032)	97%
Toronto Rocket/T1 Rail Yard Accommodation	1.409	0.950	(0.459)	67%	6.326	6.683	0.357	106%
McNicol New Bus Garage	0.108	0.068	(0.040)	63%	0.591	0.650	0.059	110%
Warehouse Consolidation	0.000	0.000	0.000		0.318	0.318	0.000	100%
Bloor-Yonge Capacity Improvements	37.398	30.459	(6.938)	81%	107.016	104.981	(2.035)	98%
Line 1 Capacity Enhancement	6.563	5.528	(1.036)	84%	32.211	23.672	(8.539)	73%
Line 2 Capacity Enhancement	4.661	3.921	(0.740)	84%	15.833	16.929	1.096	107%
Wayfinding Strategy	0.213	0.036	(0.177)	17%	2.912	3.062	0.150	105%
Platform Edge Doors	0.000	(0.000)	(0.000)		2.000	0.000	(2.000)	0%
Other Buildings and Structures	26.189	17.254	(8.936)	66%	121.248	107.465	(13.783)	89%
VEHICLES	156.869	158.447	1.578	101%	596.477	592.330	(4.146)	99%
REVENUE VEHICLES								
4.11 Purchase of Buses	72.951	78.941	5.990	108%	235.028	227.311	(7.717)	97%
4.11 Purchase of Buses - Wheel Trans Buses	0.923	0.640	(0.282)	69%	10.769	11.614	0.845	108%
4.12 Purchase of Subway Cars	13.758	13.856	0.098	101%	122.150	126.900	4.750	104%
4.13 Bus Overhaul	24.348	24.504	0.156	101%	75.746	75.312	(0.434)	99%
4.15 Streetcar Overhaul	20.314	18.607	(1.707)	92%	58.206	58.207	0.001	100%
4.16 Subway Car Overhaul	14.546	14.372	(0.174)	99%	57.914	59.327	1.413	102%
4.18 Purchase of Streetcars	4.501	4.411	(0.090)	98%	12.615	8.022	(4.592)	64%
NON-REVENUE VEHICLES								
4.21 Purchase Automotive Non-Revenue Vehicles	4.465	2.013	(2.453)	45%	16.225	16.225	0.000	100%
4.22 Rail Non-Revenue Vehicle Overhaul	0.992	1.067	0.075	108%	4.029	5.607	1.578	139%
4.23 Purchase Rail Non-Revenue Vehicles	0.070	0.035	(0.035)	50%	3.796	3.805	0.009	100%
TOTAL OTHER	38.425	23.714	(14.711)	62%	171.123	156.056	(15.067)	91%
TOOLING, MACHINERY & EQUIPMENT								
5.1 Shop Equipment	2.702	1.006	(1.696)	37%	10.178	9.818	(0.360)	96%
5.2 Revenue & Fare Handling Equipment	0.144	(1.602)	(1.746)	-1113%	1.441	0.575	(0.866)	40%
5.3 Other Maintenance Equipment	0.168	0.065	(0.103)	39%	3.951	3.944	(0.008)	100%
5.4 Fare System	1.754	0.139	(1.614)	8%	3.900	3.900	0.000	100%
ENVIRONMENTAL PROGRAMS								
6.1 Environmental Programs	3.523	3.478	(0.045)	99%	11.613	12.355	0.742	106%
6.1 Safety and Reliability	0.301	0.219	(0.083)	73%	0.922	0.922	(0.000)	100%
COMPUTER EQUIPMENT & SOFTWARE								
7.1 Computer Equipment & Software	26.290	17.884	(8.406)	68%	116.061	104.018	(12.042)	90%
OTHER								
9.1 Furniture & Office Equipment	0.000	0.051	0.051		0.317	0.142	(0.175)	45%
9.2 Service Planning	3.544	2.474	(1.069)	70%	22.739	20.381	(2.358)	90%
Total Base Programs	382.041	357.321	(24.720)	94%	1,643.786	1,609.614	(34.173)	98%
Toronto York Spadina Subway Extension	0.667	0.149	(0.518)	22%	2.788	2.000	(0.788)	72%
SRT Conversion to Busway	8.913	7.444	(1.469)	84%	25.987	25.278	(0.709)	97%
Waterfront Transit - Design	0.227	0.197	(0.029)	87%	0.862	0.862	0.000	100%
Total Transit Expansion Projects	9.806	7.790	(2.017)	79%	29.637	28.140	(1.496)	95%
Total Base & Transit Expansion Projects	391.847	365.111	(26.736)	93%	1,673.423	1,637.754	(35.669)	98%

Appendix 4 – 2026-2035 Capital Budget and Plan Adjustments for Council Approval

CTT	Program	2026 Recommended Capital Budget Adjustments (\$000s)	2027-2035 Recommended Capital Plan Adjustments (\$000s)	Comments
CTT001	Subway Track	(\$1,748)	\$0	Return of funding borrowed to accommodate 2025 overspending (Project Acceleration / cost escalation)
CTT002	Surface Track	\$550	\$662	Reallocation of funding to accommodate additional scope and cost escalation at Long Branch Loop
CTT003	Traction Power	\$0	(\$32)	Return of 2025 underspending used as offset for 2025 overspending (Project Acceleration / cost escalation)
CTT005	Power Distribution/Electric Systems	\$29	\$0	Return of 2025 underspending used as offset for 2025 overspending (Project Acceleration / cost escalation)
CTT008	Signal Systems	\$1,748	\$0	Return of 2025 underspending used as offset for 2025 overspending (Project Acceleration / cost escalation)
CTT010	Finishes	\$1,699	(\$4,094)	Return of 2025 underspending used as offset for 2025 overspending (Project Acceleration / cost; Reallocation of funding to accommodate scope transfer and project deficiencies
CTT012	Equipment	(\$20,876)	\$57,878	Addition of funding to purchase ebus charging systmes; Reallocation of funding to accommodate eBus Dispatch & Charging Integration System scope
CTT015	Yards & Roads	\$214	\$0	Return of 2025 underspending used as offset for 2025 overspending (Project Acceleration / cost escalation)
CTT018	On-Grade Paving Rehabilitation Program	\$97	\$0	Return of 2025 underspending used as offset for 2025 overspending (Project Acceleration / cost escalation)
CTT020	Bridges & Tunnels	(\$3,031)	(\$370)	Return of funding borrowed to accommodate 2025 overspending (Project Acceleration / cost escalation)
CTT024	Fire Ventilation Upgrade	\$1,532	\$265	Return of 2025 underspending used as offset for 2025 overspending (Project Acceleration / cost escalation)
CTT028	Easier Access Phase II & III	(\$1,067)	\$0	Return of funding borrowed to accommodate 2025 overspending (Project Acceleration / cost escalation)
CTT035	Sheppard Subway - Yonge to Don Mills	(\$300)	(\$265)	Return of funding borrowed to accommodate 2025 overspending (Project Acceleration / cost escalation)
CTT046	Subway Car Purchases	(\$4,799)	(\$90,250)	Return of funding borrowed to accommodate 2025 overspending (Project Acceleration / cost escalation), reallocation of funding to accomodate transfer of scope of Speed control System
CTT050	Streetcar Overhaul Program	(\$1,681)	\$0	Return of funding borrowed to accommodate 2025 overspending (Project Acceleration / cost escalation)
CTT051	Subway Car Overhaul Program	\$1,681	\$0	Return of 2025 underspending used as offset for 2025 overspending (Project Acceleration / cost escalation)
CTT053	Rail Non-Revenue Vehicle Overhaul	(\$1,159)	(\$6,045)	Reallocation of funding to accommodate scope change from Overhaul to Procurement
CTT054	Rail Non-Revenue Vehicle Purchase	\$1,159	\$6,045	Reallocation of funding to accommodate scope change from Overhaul to Procurement
CTT058	Environmental Programs	(\$984)	\$0	Return of funding borrowed to accommodate 2025 overspending (Project Acceleration / cost escalation)
CTT061	Information Technology Systems-Infrastructure	\$6,107	\$0	Reallocation of funding to accommodate eBus Dispatch & Charging Integration System scope
CTT063	Other Service Planning	\$110	(\$180)	Reallocation of funding to accommodate additional scope
CTT110	Other Buildings & Structures Projects	(\$1,059)	(\$80)	Reallocation of funding to accommodate additional scope and cost escalation at Long Branch Loop; Conduit installation work
CTT111	Purchase of Buses	\$71,593	\$87,085	Addition of funding to procure 200 Hybrid buses; Reallocation of funding to accommodate eBus Dispatch & Charging Integration System scope
CTT122	Purchase of Streetcars	\$4,592	\$0	Return of 2025 underspending used as offset for 2025 overspending (Project Acceleration / cost escalation), reallocation of funding to accommodate the platfrom guardrails and platform edge doors
CTT134	TYSSE	\$1,542	\$0	Return of 2025 underspending used as offset for 2025 overspending (Project Acceleration / cost escalation)
CTT142	YUS ATC Resignalling	\$3,723	\$90,250	Return of funding borrowed to accommodate 2025 overspending (Project Acceleration / cost escalation), reallocation of funding to accomodate transfer of scope of Speed control System
CTT143	PLATFORM EDGE DOORS	\$2,000	\$0	Reallocation of funding to accommodate platfrom edge door infrastructure
CTT146	TR Yard and Tail Track Accommodation	(\$1,308)	\$0	Return of funding borrowed to accommodate 2025 overspending (Project Acceleration / cost escalation)
CTT147	SRT Bus Replacement Infrastructure	\$2,049	\$0	Return of 2025 underspending used as offset for 2025 overspending (Project Acceleration / cost escalation); Conduit installation work, reallocation of funding to accommodate the platfrom guardrails and platform edge doors
CTT148	McNicol Bus Garage Facility	(\$59)	\$0	Return of funding borrowed to accommodate 2025 overspending (Project Acceleration / cost escalation)
CTT154	Corporate Initiatives-CLA	(\$2,383)	\$2,605	Return of funding borrowed to accommodate 2025 overspending (Project Acceleration / cost escalation), reallocation of funding to accommodate Body Worn Cameras.
CTT155	Bloor-Yonge Capacity Improvements	(\$4,557)	(\$2,035)	Return of funding borrowed to accommodate 2025 overspending (Project Acceleration / cost escalation), reallocation of funding to accommodate the platfrom guardrails and platform edge doors
CTT156	Line 1 Capacity Enhancement	(\$1,576)	(\$8,041)	Reallocation of funding to better align scope
CTT157	Line 2 Capacity Enhancement	(\$666)	\$8,041	Reallocation of funding to better align scope
CTT159	Wayfinding Strategy	\$15	\$4,094	Reallocation of funding to accommodate scope transfer
Total Adjustments		\$53,185	\$145,533	