



TTC Board approves 2014 budgets

November 20, 2013

The Toronto Transit Commission Board approved the TTC's 2014 operating and Wheel-Trans budgets, and its 2014-2023 ten-year capital budget, as well as a five-cent fare increase effective January 1, 2014 to the cost of a token (2014 fare price changes listed below). The Board also increased the cost of the adult Metropass by one trip. Cash fares remain unchanged.

City Council will now consider the operating and Wheel-Trans subsidy request of \$428 million and \$106 million respectively, as well as the 10-year capital budget need. Still, the TTC's operating budget remains \$6 million short of being balanced and its 10-year capital budget of \$9 billion has a shortfall of \$2.7 billion, the bulk of which include projects set to begin in the latter five years of the 10-year plan. TTC staff is confident the \$6 million operating budget shortfall can be made up through in-year efficiencies in 2014.

To address the capital budget challenge, as well as operating budget needs in years to come, the board approved a recommendation that will see the creation of a special task force made up of the TTC Chair, CEO, CFAO, and City Manager and City CFO to seek and secure long-term, sustainable and predictable funding from the provincial and federal governments. Many capital expenditures, for example, are mandated by provincial legislation, but without the necessary funding to meet those requirements.

"With ever-increasing ridership, it was important to pass a budget that allows us to add service to meet demand," said TTC CEO Andy Byford. "While I appreciate that fare increases are never popular, the increase is limited to the rate of inflation. At the same time, we successfully argued for an increase in subsidy from the City of Toronto. We can now continue in our efforts to increase service reliability and drive up customer satisfaction."

Budget Highlights

Operating

- \$1.6 billion in expenses in 2014
- 540 million rides expected and service to match – increase of 2.3% over 2013
- fare revenue = \$1.1 billion
- City subsidy = \$428 million (up from \$411 million in 2013)
- a five-cent increase to the price of a single token (from \$2.65 to \$2.70) and a proportionate increase to all other fares
- Metropass trip rate increase from 48.5 to 49.5 trips per month – nets an additional \$8 million revenue
- over the last 20 years, TTC's workforce has grown by 18%, while service has grown by 27% and ridership by 32%
- the TTC has continued to find efficiencies inside the organization, while meeting ridership demand on the frontlines and improving customer amenities, such as improved public washroom, station and

vehicle cleanliness, and a new station management model designed to address customer needs

- TTC subsidy per rider remains the lowest in North America at 78-cents. Other municipalities:
 - Montreal - \$1.16
 - Vancouver - \$1.62
 - Chicago - \$1.68
 - New York City - \$1.03
 - Mississauga - \$2.21
 - York Region - \$4.49

Wheel-Trans

- customer trips expected to increase by approximately 200,000
- total expenses for 2014 = \$112 million
 - fare revenue = \$5.7 million
 - total subsidy = \$106 million (up from \$96 million in 2013)
- under provincial legislation, Wheel-Trans service became a 24/7 operation in 2013
- 1.9 million of 3.1 million Wheel-Trans trips taken in 2014 will be by contracted taxi

Capital

- \$9 billion – 2014-2023 (\$1.1 billion in 2014)
- 95% of capital spending is focused on state-of-good-repair, safety and legislative requirements, such as:
 - Rehabilitation of buildings, structures, tunnels, bridges and yards
 - Track replacements
 - Maintaining signals, electrical and communications systems
 - Replacement of subway cars, streetcars as their useful operating life expires
- shortfall of \$2.7 billion over 10 years, 70% in the latter five years
- some projects, therefore, remain unfunded, including:
 - Accessibility (Easier Access III)
 - 372 T1 subway car replacements
 - 58 new Wheel-Trans buses
 - 135 buses to enhance service (lower crowding standard)
 - 60 new streetcars
 - Single-person train operation
 - McNicoll bus garage
 - Station finishes renewal program

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2014 Fare Schedule - \$0.05 Increase

Adult	Current Fare	New Fare
Cash	\$3.00	\$3.00 (unchanged)

Token	\$2.65	\$2.70
PRESTO	\$2.65	\$2.70
Weekly Pass	\$38.50	\$39.25
Regular Metropass	\$128.50	\$133.75
VIP Tier 1 (50-249)	\$115.50	\$120.25
VIP Tier 2 (250-499)	\$114.25	\$119.00
VIP Tier 3 (500+)	\$113.00	\$117.75
MDP	\$117.75	\$122.50
Post Secondary Student Metropass	\$106.00	\$108.00

Senior/Student	Current Fare	New Fare
Cash	\$2.00	\$2.00 (unchanged)
Ticket	\$1.80	\$1.85
Weekly Pass	\$30.50	\$31.25
Regular Metropass	\$106.00	\$108.00
MDP	\$95.75	\$98.00

Child	Current Fare	New Fare
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Cash	\$0.75	\$0.75 (unchanged)
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Ticket	\$0.60	\$0.60 (unchanged)
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Other Fares	Current Fare	New Fare
Day Pass	\$10.75	\$11.00
GTA Weekly Pass	\$55.00	\$56.00
Downtown Express Sticker	\$37.75	\$38.50

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