

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: December 14, 2011

SUBJECT: 2012 TORONTO TRANSIT COMMISSION FINAL BUDGETS

ACTION ITEM

RECOMMENDATION

It is recommended that the Commission approve the following:

1. 2012 TTC Operating Budget

- Approve the 2012 TTC Operating budget as summarized on Attachment A;
- Approve a standard 10 cent fare increase on the adult token (and a pro-rata increase on all other fare media) effective January 1, 2012, as shown on Attachment B; and,
- Approve-in-Principle a standard 10 cent fare increase on the adult token (and a pro-rata increase on all other fare media) in each of 2013, 2014 and 2015 as part of a multi-year financing strategy required to balance the Operating Budget over the next 4 years.

2. 2012 Wheel-Trans Operating Budget

- Approve the 2012 Wheel-Trans Operating Budget as described on Attachment C.

3. 2012-2021 TTC Capital Budget

- Approve the 2012-2016 TTC Capital Program and 10 Year Forecast as shown on Attachment D.

4. Forward this report to the City of Toronto Clerk for submission to the City of Toronto Budget Committee.

FUNDING

In view of the significant fiscal challenges facing the City of Toronto, the 2012 Operating Budget Directions and Guidelines from the City requested that the TTC achieve a 10%

operating budget reduction target. The targeted reduction for the 2012 TTC Operating Budget was approximately \$46 million and the targeted reduction for the 2012 Wheel-Trans Operating Budget was approximately \$9 million. In addition, the TTC was requested to present a Capital Program that lived within the City Debt Target. This report provides an update on the status of each of these budgets relative to the targets.

BACKGROUND

At its meeting on September 16, 2011, the Commission approved the preliminary budgets for the 2012 TTC Operating Budget, the 2012 Wheel-Trans Operating Budget and the 2012-2016 TTC Capital Program and 10 Year Forecast. The preliminary budgets were summarized as follows:

2012 TTC Operating Budget:

- June estimate of Shortfall: \$85 million (\$39 million largely to accommodate the increase in budgeted ridership from 487 million to 502 million and to account for an increase in diesel fuel prices; and, a \$46 million subsidy cut from the City of Toronto).
- September estimate of Shortfall: \$21 million
 - A corporate downsizing program to save \$14 million in 2012 and \$16 million on an annualized basis.
 - A return to pre-Ridership Growth Strategy loading standards effective with the January 2012 Board Period commencing January 8TH, 2012 and saving \$14 million in 2012.

In order to help meet the City's budget reduction targets, effective January 2012 the TTC will restore service standards to those which were in use before implementation of the 2004 Ridership Growth Strategy. That Strategy aimed for greater customer comfort through various initiatives including reducing the level of crowding on all TTC services. By allowing crowding on TTC services to go back to the previous pre-2004 levels, the TTC can operate less service and, therefore, reduce its operating costs. However, even with these higher-crowding standards, the TTC's overall level of service in 2012 will be much higher than it was before 2004. This is necessary because the volume of people who travel on the TTC is much higher than was the case before 2004. In 2012, the number of on-the-street hours of service which the TTC will operate will be 16 percent higher than it was coming into 2004, with most of this increase being attributable to service improvements to TTC bus and streetcar services including operating these bus and streetcar routes for more hours every day to match the hours of operation of the subway. In comparison, the TTC's ridership in 2012 will be about 23 percent higher than it was

going into 2004, thus necessitating that TTC services be overall, at higher levels than they were in 2004, regardless of which crowding standard is used.

2012 Wheel-Trans Operating Budget:

- June estimate of Shortfall: \$16 million (\$7 million in costs to accommodate the growth in demand and a \$9 million subsidy cut from the City of Toronto)
- September estimate of Shortfall: \$8 million after incorporating savings associated with discontinuing dialysis trips for ambulatory passengers who do not meet the Wheel-Trans eligibility criterion effective January 1, 2012 and other efficiency and scheduling savings.

2012-2021 TTC Capital Budget:

- The previous \$2.3 billion 10-year funding shortfall in the base budget was reduced to a \$1.5 billion shortfall in June through a series of deferrals and cuts. It was further reduced to \$0.8 billion in the September report by even more deferrals required in an attempt to accommodate the City Debt Targets for the TTC.

The Commission was advised at that meeting that TTC staff would continue to examine budget assumptions, review the results of the City Service Efficiency Reviews and meet with the Commission's funding partners to look for options to address these shortfalls. This report responds to all of these items and makes recommendations to address them.

DISCUSSION

2012 TTC Operating Budget

There are a series of areas that staff has been examining to determine whether the budget allowances included in the September 16, 2011 preliminary budget approved by the Commission needed to be amended in the final budget. Each of these items is discussed below:

- Ridership: Ridership was budgeted at a record 503 million for 2012. Since September, ridership has continued to be strong. At the present time, it is possible that ridership may be as high as 507 million, more than half of the addition as a result of an increase of 1 trip per month in the average number of rides taken each month by Metropass riders. This additional ridership would generate an additional \$5 million in passenger revenues.

- Service: Should the ridership materialize as is expected, staff will be bringing a recommendation forward to the Commission in June to add additional service in the September Board period to accommodate it. This could cost in the order of \$1 to \$2 million in 2012 with an annualized cost of about \$4 million. If the ridership does not happen, no additional service will be added.
- Diesel Fuel: Based on prevailing market prices, diesel fuel could cost about \$5 million less than predicted in the September report. However, given the volatility in the markets, particularly with the economic situation in Europe and the uncertain geo-political situation in the Middle East, staff is not yet banking on this saving.
- Accident Claims: While there have been favourable signs as a result of the changes in insurance regulations introduced by the Province earlier this year, it is too early to adjust the 2012 budget assumptions which call for a flat-lining of accident claims costs, following years of multi-million dollar increases.
- Collective Bargaining Agreements: These have not yet been settled, so it is not possible to make any adjustments to the budget at this time.
- Advertising Revenues: The Commission recently signed a new long-term 12-yr agreement that in the long run should provide the Commission with additional revenues. For 2012, an additional \$5 million has already been added to the budget. For the last part of 2011, advertising revenues have been soft and below expectations. No further change in the 2012 budget allowance has been made.
- Absenteeism/Overtime: Staff has already reduced 2012 budgeted expenditures by \$5 million and is working on plans to achieve this by the end of 2012.
- Contracting Out Opportunities: Staff has identified a total of \$60 million in services currently performed in-house that will be examined for contracting out. While the current estimated possible savings could be in the range of \$5 to \$8 million, those possible savings will only be realized once this process has been completed and that is expected to be completed by the Fall of 2012.

Overall, while ridership and diesel prices are more favourable than they were estimated at in September, there is enough uncertainty in all of the items noted above that staff are not at this time making any changes in the budget provisions for them. In addition, as reported at the November Commission meeting, the Service Efficiency Study conducted by

Accenture (AMC) verified the 2012 savings previously incorporated into the preliminary 2012 budgets approved by the Commission in September.

Consequently, the 2012 TTC Operating budget shortfall remains at the level of \$21 million for 2012.

2012 Wheel-Trans Operating Budget

All of the items described above apply proportionately to the Wheel-Trans operating budget.

In addition, staff continues to work with the local Toronto Hospital LHN and the Kidney Foundation in an effort to have the dialysis trips taken by ambulatory riders who do not qualify for the Wheel-Trans eligibility criteria paid for directly by the Province. If successful, those trips could be reinstated upon securing that funding.

Also, at its meeting of November 8, 2011, the City of Toronto's Planning and Growth Management Committee referred a request from City Council to the TTC to consider the reinstatement of the Bathurst-Finch Community Bus. No adjustments have been made to Community Buses in the 2012 budget at this time. However, staff will be reviewing this matter in conjunction with Zone Buses and will report out to the Commission in 2012 with recommendations as appropriate.

Consequently, the Wheel-Trans Operating Budget shortfall remains at the level of \$8 million for 2012.

Fare Increase to Offset TTC and Wheel-Trans Operating Budget Shortfalls

The combined total shortfall of the 2012 TTC and Wheel-Trans operating budgets is in the order of \$29 million. The following table shows the currently forecasted change in ridership, revenues and expenses (note that the impact of the as yet unresolved Collective Bargaining Agreements has yet to be determined) for the TTC Operating Budget over the next few years. Assuming that subsidy remains at current levels, and without any fare increases, the 2012 TTC Operating Budget shortfall of \$21 million will grow to over \$200 million by 2015. This trend is clearly not sustainable and requires appropriate consideration of a multi-year ridership, service and fare strategy – starting with plans to address the 2012 shortfall.

(Millions)	2012 BUDGET	2013	2014	2015
Rides (without fare increases)	503	515	526	536
Revenues - Passenger	\$970	\$987	\$1,002	\$1,014
- Other	67	67	68	67
Total Revenues	1,037	1,054	1,070	1,081
Expenses*	1,473	1,538	1,627	1,703
Total Subsidy Required	436	484	557	622
Total Subsidy Available	415	415	415	415
Additional Subsidy Required	21	69	142	207

* Actual CBA settlement results TBD.

To offset the 2012 shortfall, staff is recommending a standard 10 cent fare increase on the adult token (and a pro-rata increase on all other fare media) effective January 1, 2012. Attachment C shows the proposed fare levels. The price of an adult token would rise by 10 cents to \$2.60. Other fares are changed on a proportionate basis. Cash fares will remain at current levels as adult cash fares already include a 40 cent premium. This fare increase amounts to an annualized increase, since the time of the last increase in January 2010, of about 2% per year as compared to the change of about 6% in the Toronto CPI over the same period of time.

Looking beyond 2012, addressing the Commission's ongoing fiscal challenge will require a three-pronged approach. Staff must continue with its efforts to contain and reduce costs as was done for the 2012 budget (see the \$64 million reduction in the TTC operating budget shortfall as set out in the September 16, 2011 budget report). As well, riders must do their part by contributing a fair share to the Commission's operating costs. Finally, any remaining balance should be provided through our funding partners. This approach resulted in considerable success during the 1970's and 1980's when reasonable annual fare increases, commensurate with service increases and system expansion supported by subsidy growth, resulted in a 70% growth in ridership at the same time that City population grew by about 15%.

With this in mind, staff is recommending that the Commission approve-in-principle a fare strategy of implementing a 10 cent fare increase on the adult token (and a pro-rata increase on all other fare media) in January of 2012, 2013, 2014 and 2015. As shown in the following table, based on current projections, the TTC Operating Budget shortfall will be

eliminated for both 2012 and 2013. In addition, the shortfalls are much smaller in 2014 and 2015 compared to projections without any fare increases.

(Millions)	2012 BUDGET	2013	2014	2015
Rides (with annual 10¢ fare increases)	502	510	517	523
Revenues - Passenger	\$1,000	\$1,056	\$1,112	\$1,165
- Other	67	67	68	67
Total Revenues	1,067	1,123	1,180	1,232
Expenses*	1,473	1,536	1,621	1,693
Total Subsidy Required	406	413	441	461
Total Subsidy Available	415	415	415	415
Additional Subsidy Required	** (9)	(2)	26	46

* Actual CBA settlement results TBD

** 2012 TTC surplus to offset Wheel-Trans shortfall of \$8 million

Wheel-Trans operating budget projections are shown in the attached Appendices 1 and 2. Assuming that subsidy remains at current levels, and without any fare increases, Appendix 1 shows that the shortfall will grow to about \$16 million in 2014. Even with the introduction of annual fare increases, as show in Appendix 2, there is minimal impact on the shortfall (as fares typically only cover 5 – 6% of costs). An appropriate long-term funding strategy for Wheel-Trans is required.

While much work will be required to consolidate the three elements of this plan (cost containment, fares, subsidy), staff will continue to work with the TTC's funding partners to develop a strategy that balances the needs of the TTC, its customers, and the City of Toronto overall.

2012-2016 Capital Program and 10 Year Forecast

At the time of the Commission's approval of the 2011-2015 Capital Program and 10 Year Forecast in January of this year, there was a \$2.3 billion funding gap between what was needed to fund the base capital program and the funding available. Following an extensive review and reassessment of our overall capital needs, adjustments were made to many

projects within the capital budget including: Fire Ventilation upgrades, Easier Access, Industrial and Facility Renewal Requirements, Bus Purchases and Platform Edge Doors. As a result, at the time the preliminary 2012-2016 Capital Program and 10 Year Forecast was presented to the Commission on June 8, 2011, the funding shortfall had been reduced to about \$1.5 billion. As this number was still well in excess of the City Debt Target available for the TTC, staff undertook a further review and at the September 16, 2011, Commission meeting presented a Shortfall Reduction Plan that reduced the shortfall by an additional \$0.7 billion. The reductions at that time included the following projects:

- Deletion of 134 bus purchases
- Elimination of a Temporary Bus Storage Facility
- Deletion of 10 TR Subway Trains
- Elimination of 15 LRV Cars
- Deferral of work on the RT/T1 Rail Yard Accommodation
- Deferral of ATC on the Bloor-Danforth line
- Deferral of Fire Ventilation Upgrades
- Deferral of On-Grade Paving
- Deletion of Collector Booth Modifications

Following these amendments, the remaining shortfall was in the order of \$0.8 billion.

Since September, staff has continued to work with the City and have identified additional funds available through increased Development Charge allocations for eligible growth projects (\$44 million) and the application of capital financing from available Provincial reserves (\$57 million). The City has also applied a further \$700 million in assumed reserve funding to be provided from proceeds from the monetization of City assets, the use of surplus operating funds and additional contributions to transit from both the Federal and Provincial governments. This latter funding is assumed for new streetcar related projects which have exerted much of the pressure on the overall Capital Program. As a result, combined with the carry-forward of project funds not expended in 2011, sufficient funds are now available to accommodate the TTC's 2012-2021 base capital program needs in full.

With the City's debt targets stretched to the maximum and no further reductions possible to the Commission's necessary state-of-good-repair capital investments, additional Federal and Provincial funding is necessary to bridge any remaining funding gaps and to allow the TTC to address continued growth in ridership demand – 2012 will be the 5th consecutive year of all time high record ridership levels. TTC will continue to work closely with City staff to pursue Federal and Provincial funding on an urgent basis to meet these needs.

Transit Planning

At its meeting of September 19, 2011, the Commission requested that the Chief General Manager review and report back on the role of Metrolinx and the TTC on planning/operating transit responsibilities.

Metrolinx is the Province of Ontario agency established by the Metrolinx Act, 2006 to coordinate the planning and implementation of transportation in the Greater Toronto and Hamilton Area. In 2008 Metrolinx produced the Big Move Regional Transportation Plan to guide the development of transportation policy and funding priorities. Metrolinx is responsible for transportation operations such as GO Transit, the Presto fare card and the Airport Rail link and is also responsible for the Provincial funding for the Eglinton-Scarborough Crosstown transit project and will own and control this project. The legislation also permits Metrolinx to construct and operate local transit under agreement with municipalities. The TTC's planning and operations, in contrast, focus on local transit issues. TTC planning responsibilities include taking counts of passenger volumes on the TTC's local bus and streetcar services and adjusting service levels in response to changing demand, undertaking analyses of site-specific traffic operations to identify means of improving service reliability, preparing the schedules and operators' crews for all services, providing transit-related input to the City's planning department regarding local development applications, and identifying route changes in response to ongoing local community development. TTC planning staff also prepare reports regarding potential improvements to local transit services within Toronto, such as the Ridership Growth Strategy, or the forthcoming Finch Avenue Corridor Bus Improvements report. Similarly, the TTC's operations focus on the provision of local transit services within the City of Toronto – including bus, streetcar, and subway services – and on the maintenance of the TTC's various rolling stock fleets and fixed assets such as the subway tunnels and signal systems. In this way, the TTC's responsibilities and activities complement the broader inter-regional focus of Metrolinx.

JUSTIFICATION

Approval of a standard 10 cent fare increase on the adult token (and a pro-rata increase on all other fare media) is necessary in order to balance the 2012 TTC Operating and 2012 Wheel-Trans Operating Budgets. Also, approval of the revised 2012-2016 Capital Program and 10 year Forecast, inclusive of the revised funding, will reflect a fully funded capital budget over the next ten years.

December 2, 2011
1-15-14
Attachments

TORONTO TRANSIT COMMISSION
2012 OPERATING BUDGET

(\$000s)

	2011	2012	2012 vs 2011
<u>REVENUES</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>BUDGET CHANGE</u>
Passenger Revenues	948,050	1,000,400	52,350
Outside City Services & Charters	17,748	18,451	703
Advertising	20,250	25,250	5,000
Rent Revenue	8,829	9,190	361
Commuter Parking	9,470	11,146	1,676
Other Income	2,434	2,310	(124)
TOTAL REVENUES	<u>1,006,781</u>	<u>1,066,747</u>	<u>59,966</u>
<u>EXPENSES</u>			
CGM's Office	14,349	12,311	(2,038)
Engineering & Construction Branch	3,828	4,452	624
Executive Branch	84,771	83,448	(1,323)
Operations Branch	842,521	858,278	15,757
Other Employee Costs *	257,925	262,223	4,298
Vehicle Fuel	86,296	101,723	15,427
Traction Power	37,623	39,203	1,580
Utilities	20,431	20,959	528
Depreciation	26,400	27,137	737
Taxes and Licences	3,906	3,099	(807)
Accident Claims & Insurance **	32,937	33,044	107
Non-Departmental Expenses/Cost Recoveries	24,905	26,611	1,706
TOTAL EXPENSES	<u>1,435,892</u>	<u>1,472,488</u>	<u>36,596</u>
Operating Subsidy Required	429,111	405,741	<u>(23,370)</u>
2011/12 Operating Subsidy	<u>429,111</u>	<u>414,676</u>	
SURPLUS TO OFFSET WHEEL-TRANS SHORTFALL	<u>-</u>	<u>8,935</u>	

* City Council's approval of the 2006 TTC and Wheel-Trans operating budgets included the establishment of a long-term receivable from the City for budgeted non-cash expenses related to post-retirement benefits. The budget for these expenses has been deducted to match the City's subsidy for the current year. For 2012, the budget is \$13.680 million (\$13.375 million in 2011).

** City Council's approval of the 2010 TTC and Wheel-Trans operating budgets included the establishment of a long-term receivable from the City for budgeted non-cash expenses related to accident claims. The budget for these expenses has been deducted to match the City's subsidy for the current year. For 2012, the budget is \$14 million (\$14 million in 2011).

Note: Allocations to individual expense budget items are be subject to further refinement.

2012 FARE SCHEDULE - \$0.10 INCREASE

	<u>CURRENT FARE</u>	<u>NEW FARE</u>
<u>Adult</u>		
- Cash	\$3.00	\$3.00
- Token	\$2.50	\$2.60
- PRESTO	\$2.50	\$2.60
- Weekly Pass	\$36.00	\$37.50
- Regular Metropass	\$121.00	\$126.00
- VIP Tier 1 (50 - 249)	\$109.00	\$113.50
- VIP Tier 2 (250 - 499)	\$108.00	\$112.50
- VIP Tier 3 (500 +)	\$107.00	\$111.50
- MDP	\$111.00	\$115.50
- Post-Secondary Metropass	\$99.00	\$104.00
<u>Senior/Student</u>		
- Cash	\$2.00	\$2.00
- Ticket	\$1.65	\$1.75
- Weekly Pass	\$28.00	\$29.75
- Regular Metropass	\$99.00	\$104.00
- MDP	\$89.00	\$93.50
<u>Child</u>		
- Cash	\$0.75	\$0.75
- Ticket	\$0.55	\$0.60
Day Pass	\$10.00	\$10.50
GTA Pass (TTC Portion)	\$28.00	\$29.00
GTA Pass (Non-TTC Portion)	\$24.00	\$25.00
GTA Pass weekly pass	\$52.00	\$54.00
Downtown Express Sticker	\$35.50	\$37.00

ATTACHMENT C

WHEEL-TRANS
2012 OPERATING BUDGET SUMMARY

(\$000s)

<u>EXPENSES</u>	<u>2011 BUDGET</u>	<u>2012 BUDGET</u>	<u>CHANGE</u>
<u>CONTRACT SERVICES</u>			
Sedan Taxis	12,069.0	8,709.1	(3,359.9)
Accessible Taxis	20,474.0	23,241.5	2,767.5
SUB-TOTAL	32,543.0	31,950.6	(592.4)
<u>BUS OPERATION</u>			
Operators	21,460.2	22,329.0	868.8
Divisional Staff	522.3	528.0	5.7
Mobile Supervision	1,005.4	1,017.6	12.2
Equipment Maintenance	12,730.6	10,132.4	(2,598.2)
Vehicle Fuel	4,019.0	4,755.5	736.5
Lakeshore Garage Costs	1,131.2	1,203.5	72.3
SUB-TOTAL	40,868.7	39,966.0	(902.7)
<u>ADMINISTRATION</u>			
General Superintendent's Office	825.4	716.8	(108.6)
Dispatch & Reservations	4,597.7	4,593.6	(4.1)
Accessible Services	600.7	328.5	(272.2)
Customer Service	1,782.6	1,794.2	11.6
SUB-TOTAL	7,806.4	7,433.1	(373.3)
NON-DEPARTMENTAL COSTS	3,329.3	3,346.3	17.0
OTHER EMPLOYEE COSTS	12,900.0	13,250.7	350.7
TOTAL EXPENDITURES (PER WHEEL-TRANS)	97,447.4	95,946.7	(1,500.7)
LESS: POST-RETIREMENT NON-CASH BENEFITS *	690.0	640.0	(50.0)
LESS: ACCIDENT CLAIMS NON-CASH EXPENSE *	135.0	100.0	(35.0)
TOTAL EXPENDITURES (PER CITY)	96,622.4	95,206.7	(1,415.7)
TOTAL REVENUES	5,610.9	5,546.3	(64.6)
OPERATING SUBSIDY REQUIRED	91,011.5	89,660.4	(1,351.1)
SUBSIDY AVAILABLE	91,011.5	81,880.9	(9,130.6)
ADDITIONAL SUBSIDY REQUIRED	0.0	7,779.5	7,779.5
PASSENGERS (000s)	2,951.4	2,896.1	(55.3)
SUBSIDY PER TRIP	\$ 31.12	\$ 31.21	\$ 0.09

* City Council's approval of the 2006 TTC and Wheel-Trans operating budgets included the establishment of a long-term receivable from the City for budgeted non-cash expenses related to post-retirement benefits. The budget for these expenses has been deducted to match the City's subsidy for the current year. For 2012, the budget is \$640K (\$690K in 2011).

* City Council's approval of the 2011 TTC and Wheel-Trans operating budgets included the establishment of a long-term receivable from the City for budgeted non-cash expenses related to accident claims. The budget for these expenses has been deducted to match the City's subsidy for the current year. For 2012, the budget is \$100K (\$135K in 2011).

2012-2016 CAPITAL PROGRAM SUMMARY

BASE CAPITAL - PROGRAM ELEMENTS \$ millions	2012	2013	2014	2015	2016	2012 to 2016	2017	2018	2019	2020	2021	2017-2021	2012 to 2021
BASE CAPITAL - PROGRAM ELEMENTS													
<i>Track:</i>	53.035	65.163	39.643	47.229	53.846	258.916	49.143	58.697	56.279	57.907	59.452	281.478	540.394
Subway Track	14.944	22.821	15.511	17.996	18.879	90.151	22.074	30.870	27.675	28.506	29.275	138.400	228.551
Surface Track	38.091	42.342	24.132	29.233	34.967	168.765	27.069	27.827	28.604	29.401	30.177	143.078	311.843
<i>Signals, Electrical, Communications:</i>	155.123	117.074	105.249	79.775	79.549	536.770	72.515	66.695	68.600	71.223	77.788	356.821	893.591
Traction Power	28.283	20.967	22.887	26.046	22.153	120.336	9.101	7.881	8.023	8.076	8.078	41.159	161.495
Power Distribution	7.028	6.749	6.618	5.866	6.003	32.264	4.978	5.072	5.588	5.291	5.550	26.479	58.743
Communications	19.272	17.537	12.150	5.061	4.236	58.256	11.529	8.397	6.396	6.467	6.472	39.261	97.517
Signal Systems	100.540	71.821	63.594	42.802	47.157	325.914	46.907	45.345	48.593	51.389	57.688	249.922	575.836
Energy Management	-	-	-	-	-	-	-	-	-	-	-	-	-
<i>Facilities and Structures:</i>	389.399	491.385	381.890	250.784	202.714	1,716.172	149.852	130.548	120.187	109.118	141.421	651.126	2,367.298
Finishes	26.739	25.135	19.764	16.986	16.911	105.535	16.541	11.582	11.920	12.273	12.473	64.789	170.324
Equipment	24.038	26.249	26.890	19.314	18.133	114.624	20.046	21.006	20.667	14.173	16.435	92.327	206.951
Yards & Roads	14.052	19.288	20.819	23.292	22.050	99.501	13.355	10.801	9.750	10.343	15.573	59.822	159.323
Bridges & Tunnels	52.503	48.874	39.176	40.013	43.708	224.274	44.277	46.071	46.447	47.350	48.236	232.381	456.655
Buildings & Structures	272.067	371.839	275.241	151.179	101.912	1,172.238	55.633	41.088	31.403	24.979	48.704	201.807	1,374.045
<i>Computers:</i>	27.608	21.103	22.939	17.292	24.388	113.330	19.531	22.813	21.232	29.846	25.321	118.743	232.073
Corporate Systems	15.888	14.629	17.935	14.292	18.388	81.132	14.731	12.900	16.232	24.346	23.821	92.030	173.162
Intelligent Transportation & Technical Systems	11.720	6.474	5.004	3.000	6.000	32.198	4.800	9.913	5.000	5.500	1.500	26.713	58.911
<i>Equipment:</i>	12.767	28.173	40.078	47.387	53.359	181.764	32.928	6.508	6.308	6.273	6.177	58.194	239.958
Shop Equipment	2.745	3.155	3.048	2.310	2.882	14.140	2.804	2.666	2.697	2.540	2.691	13.398	27.538
Revenue & Fare Handling Equipment	2.260	1.389	1.422	1.460	1.746	8.277	1.896	1.994	2.099	2.210	2.078	10.277	18.554
Other Maintenance Equipment	1.143	0.957	0.862	0.832	0.865	4.659	0.870	0.870	0.870	0.870	0.870	4.350	9.009
Fare System	5.602	22.358	34.476	42.124	47.661	152.221	26.901	0.653	-	-	-	27.554	179.775
Furniture & Office Equipment	1.017	0.314	0.270	0.661	0.205	2.467	0.457	0.325	0.642	0.653	0.538	2.615	5.082
<i>Other:</i>	18.219	15.215	5.217	5.048	4.588	48.287	4.261	4.323	4.387	4.453	6.553	23.977	72.264
Environmental	16.807	11.762	2.794	2.625	2.165	36.153	2.226	2.288	2.352	2.418	2.483	11.767	47.920
Service Planning	1.412	3.453	2.423	2.423	2.423	12.134	2.035	2.035	2.035	2.035	4.070	12.210	24.344
Subtotal - Infrastructure	656.151	738.113	595.016	447.515	418.444	2,855.239	328.230	289.584	276.993	278.820	316.712	1,490.339	4,345.578
<i>Vehicles:</i>													
Purchase of Buses	60.790	4.641	15.147	43.088	102.241	225.907	0.422	0.433	0.444	0.455	0.466	2.220	228.127
Bus Overhaul	16.467	33.205	47.292	46.324	47.101	190.389	45.968	25.799	28.930	13.871	15.224	129.792	320.181
Purchase of Subway Cars	189.103	100.009	5.000	9.683	-	303.795	-	-	-	-	-	-	303.795
Subway Car Overhaul	16.561	21.395	22.204	22.760	25.056	107.976	19.095	13.766	14.072	14.372	16.267	77.572	185.548
Purchase of SRT Cars	-	-	-	-	-	-	-	-	-	-	-	-	-
SRT Overhaul	4.551	4.743	-	-	-	9.294	-	-	-	-	-	-	9.294
Purchase of Streetcars	116.641	125.042	126.267	116.498	104.061	588.509	105.446	89.996	-	-	-	195.442	783.951
Streetcar Overhaul	9.445	8.829	-	-	0.280	18.554	-	4.000	4.200	4.284	4.370	16.854	35.408
Purchase Non Revenue Vehicles	7.150	3.251	1.844	4.673	2.883	19.801	1.884	1.884	1.884	1.884	1.884	9.420	29.221
Rail Non-Revenue Vehicle Overhauls / Purchases	2.918	2.061	2.120	5.782	1.873	14.754	6.243	5.065	3.198	2.975	0.501	17.982	32.736
Subtotal - Vehicles	423.626	303.176	219.874	248.808	283.495	1,478.979	179.058	140.943	52.728	37.841	38.712	449.282	1,928.261
TOTAL BASE PROGRAM	1,079.777	1,041.289	814.890	696.323	701.939	4,334.218	507.288	430.527	329.721	316.661	355.424	1,939.621	6,273.839

Note: columns and rows may not add exactly due to rounding

MULTI-YEAR OUTLOOK **2012-2014 PRO FORMAS**

(000s)

	2012 BUDGET	2013	2014
Rides (without fare increases)	2,896	2,800	3,145
Revenues	5,325	5,187	5,685
Expenses*	95,207	95,027	103,835
Total Subsidy Required	89,882	89,840	98,150
Total Subsidy Available	81,881	81,881	81,881
Additional Subsidy Required	8,001	7,959	16,269

* Excludes pending CBA financial impact which City has made a budgetary provision.

MULTI-YEAR OUTLOOK **2012-2014 PRO FORMAS**

(000s)

	2012 BUDGET	2013	2014
Rides (with annual 10¢ fare increases)	2,896	2,800	3,145
Revenues	5,546	5,404	5,922
Expenses*	95,207	95,027	103,835
Total Subsidy Required	89,661	89,623	97,913
Total Subsidy Available	81,881	81,881	81,881
Additional Subsidy Required	7,780	7,742	16,032

* Excludes pending CBA financial impact which City has made a budgetary provision.