



Draft Annual Report for the Toronto Transit Commission for 2023

Date: June 5, 2024
To: TTC Audit and Risk Management Committee
From: Chief Financial Officer

Summary

Each year, the TTC prepares an Annual Report, which presents the consolidated financial statements of the TTC and its subsidiaries as well as non-financial statement information, including: Chair's Message, CEO's Message, Annual Highlights, Management's Statement, Statistical Information, and the Management Directory.

This report presents the materials other than the financial statements, which will be included in the 2023 TTC Annual Report.

The 2023 Consolidated Financial Statements have been submitted for Audit and Risk Management Committee consideration through the companion report, "Draft Consolidated Financial Statements of Toronto Transit Commission for the Year Ended December 31, 2023".

Recommendations

It is recommended that the TTC Audit and Risk Management Committee:

1. Approve the non-financial statement information to be published in the 2023 TTC Annual Report.

Implementation Points

This report must be approved at the June 5, 2024 TTC Audit and Risk Management Committee meeting to ensure timely publication and distribution of the 2023 TTC Annual Report.

Financial Summary

There are no financial implications resulting from the adoption of this report.

Equity/Accessibility Matters

This report and its recommendations have no accessibility or equity issues or impacts.

Decision History

The TTC's Corporate Policy 6.2.0 Financial Reporting to the Board, paragraph 4.1 states that annual audited financial statements must be included in the TTC's Annual Report.

Furthermore, at its meeting on February 9, 2017, the TTC Audit and Risk Management Committee approved the terms of reference of the Audit and Risk Management Committee, which includes a requirement to "review other sections of the annual report before release and consider the accuracy and completeness of the information" under its Financial Reporting Process and Financial Statements Responsibilities.

The report, dated October 19, 2016, outlining the Committee's terms of reference can be accessed by the link below:

[TTC Audit and Risk Management Committee Terms of Reference](#)

Issue Background

The report presents the non-financial statement information to be contained within the 2023 TTC Annual Report.

Comments

The attached 2023 TTC Annual Report will contain the following information:

1. Chair's Message
2. CEO's Message
3. Annual Highlights
4. Management's Statement
5. 10-Year Non-Consolidated Financial and Operating Statistics
6. Management Directory

The 2023 TTC Annual Report will be issued following approval of the consolidated financial statements at the June 19, 2024 TTC Board meeting.

Contact

John Montagnese, Executive Director – Finance
416-393-3654
john.montagnese@ttc.ca

Signature

Josie La Vita
Chief Financial Officer

Attachments

Attachment 1 – Draft 2023 TTC Annual Report



2023 Annual Report Toronto Transit Commission

Contents

Land Acknowledgment 3

Acknowledging and Honouring Black Communities 5

Chair’s Message 6

The TTC Board 8

CEO’s Message 10

Executive Team 12

About the TTC 14

What Guides Us 16

2023 Accomplishments 18

Consolidated Financial Statements of Toronto Transit Commission 31

Management’s Statement 32

Notes to the Consolidated Financial Statements 45

Supplementary Schedules (Unaudited) 67

Management Directory May 2024 72



Land Acknowledgment

The Toronto Transit Commission (TTC) acknowledges that we are on the traditional territory of many nations, including the Mississaugas of the Credit, the Anishnabeg, the Chippewa, the Haudenosaunee and the Wendat Peoples, and is now home to many diverse First Nations, Inuit and Métis peoples. We also acknowledge that Toronto is covered by Treaty 13 signed with the Mississaugas of the Credit, and the Williams Treaties signed with multiple Mississaugas and Chippewa bands.

The TTC commits to continued learning, work and partnership with Indigenous peoples and communities. The TTC will increase our own knowledge, improve internal and external relations and implement collaborative solutions as we seek to play our part in reconciliation and building a better community for all Torontonians.



The TTC celebrated Indigenous Peoples Month with the works of nine Indigenous artists prominently featured in stations and on specially wrapped buses and streetcars, June 2023.



Verity Community Choir performing at the 2023 Emancipation Day Freedom Train Event.

Acknowledging and Honouring Black Communities

The TTC acknowledges all Treaty peoples – including those who came here as settlers – as migrants either in this generation or in generations past – and those of us who came here involuntarily, particularly those brought to these lands as a result of the transatlantic trade of enslaved persons. We pay tribute to those ancestors of African origin and descent.

African Ancestral Acknowledgements, such as this one, offer an opportunity to reflect on the past, provide context for current challenges facing Black communities, and support a desire for a hopeful future for people of African descent. This Acknowledgement honours the past and recognizes the continued journey of people of African descent towards freedom, justice, and the enjoyment of collective community well-being.



Black History Month Community Bus Tour, February 2023.

Chair's Message



To: Mayor Olivia Chow and Councillors of the City of Toronto

As the Chair of the Toronto Transit Commission, it is my privilege to submit the 2023 Annual Report for the TTC.

The TTC carried 396.3 million riders in 2023, reflecting an overall increase of 24 per cent over 2022, or 77.8 million additional trips.

The annual total represents an average ridership rate of 74 per cent of pre-COVID experience over the 12-month period. Revenue ridership saw steady growth during the year, stabilizing in the fall, with future ridership growth restricted by ongoing hybrid work practices across the City.

Despite this, ridership continues to rebound, and in 2024, is expected to grow to 80 per cent of pre-COVID by the fourth quarter of the year.

The organization remains focused on renewing its commitment to customers and modernizing its infrastructure to serve the millions of people living in the Greater Toronto Area with reliable, safe, accessible and inclusive transit services.

In 2023, Open Payment was introduced on the TTC. This allowed our customers to use their credit or debit cards to pay fares, including cards on a smartphone or smartwatch. Open Payment increases customer convenience, and it is particularly helpful for those visiting from out of town.

The Bloor-Yonge Capacity Improvements Project was a massive infrastructure undertaking started in 2023. This mega-project involves significant upgrades to enhance customer safety, accessibility and service quality at the TTC's busiest interchange station. Major construction at Bloor-Yonge is scheduled to start in late 2024.

Most importantly, the TTC continues to be a leader when it comes to sustainability and the environment. The transit agency operates one of the largest fleets of zero-emissions buses in North America, putting us at the leading edge of transit innovation and environmental sustainability. In 2023, the TTC secured \$349 million in Federal funding toward the procurement of 340 Zero Emission Buses (eBuses) and delivery of 248 charge points to meet the eBus fleet needs by 2026.

The TTC remains focused on renewing its commitment to customers and modernizing its infrastructure to serve the millions of people living in the GTA.

As well in 2023, the first of 60 new, accessible streetcars was delivered on schedule, with several in service by early 2024. A formal announcement of the first vehicle in service was made by the Honourable Chrystia Freeland, Deputy Prime Minister and Minister of Finance, the Honourable Prabmeet Sarkaria, Ontario Minister of Transportation, Her Worship Olivia Chow, Mayor of Toronto, and myself last November.

I am proud to be working with my Commission colleagues to help realize the TTC's ambitious plans for driving the system forward as we lead one of the most visible and vital public service organizations in the GTA.

I want to thank my fellow Councillors who serve with me on the Board: Paul Ainslie, (Scarborough-Guildwood); Stephen Holyday, (Etobicoke Centre); Josh Matlow, (Toronto-St. Paul's); Chris Moise, (Toronto Centre) and Dianne Saxe (University-Rosedale). It is a pleasure to join and serve alongside our citizen Commissioners, Vice-Chair Joanne De Laurentiis, Fenton Jagdeo and Julie Osborne. In 2023, the composition of the TTC Board was increased by one elected representative for a total of 10 members: six Councillors and four citizen members. Our fourth citizen Commissioner, Liane Kim, joined the Board this past April.

Sincerely,



Jamaal Myers

TTC Chair
May 2024

The TTC Board

As of December 2023



Jamaal Myers
Chair



Joanne De Laurentiis
Vice-Chair

Commissioners



Paul Ainslie



Stephen Holyday



Fenton Jagdeo



Ron Lalonde



Josh Matlow



Chris Moise



Julie Osborne



Dianne Saxe

CEO's Message



In 2023, the TTC focused on moving large volumes of people safely, reliably and swiftly across Toronto and beyond, and as a result we saw ridership grow for the second straight year.

To: TTC Chair and Commissioners, Mayor Olivia Chow and Councillors of the City of Toronto

We know our customers value fast, reliable, safe, and comfortable service. In 2023, the TTC focused on moving large volumes of people safely, reliably and swiftly across Toronto and beyond, and as a result we saw ridership grow for the second straight year.

With tremendous support from the Board, we are improving service levels across our bus, subway, and streetcar network. Initiatives under our Service Improvement Action Plan include increased use of analytics to improve scheduling and service deployment, expanding transit signal priority measures and bus priority lanes in partnership with the City of Toronto, and increasing and enhancing the number and scope of our marketing campaigns.

In November, Premier Doug Ford and Mayor Olivia Chow announced a new financial deal between the Province and the City to address the City's operating and capital deficits. The New Deal funding agreement had positive implications for the TTC, with the Province providing the TTC with hundreds of millions of dollars in operating funding in addition to significant capital investments.

This new funding is essential. Line 2 Bloor-Danforth, for example, needs to be modernized and it is critical that we replace assets that are fast approaching the end of their design life as we plan for future growth.

This funding includes:

- Annual operating funding of \$330 million over three years beginning in 2024 for the Eglinton Crosstown LRT and the Finch West LRT. We continue to work closely with our partners on the commissioning and training process as we work toward an opening date.
- Over \$750 million in funding for 55 new subway trains for Line 2, conditional on matching Federal support – we continue to have an ongoing engagement to seek full funding to allow the procurement process to be restarted.

-
- \$300 million over three years to support operations conditional on increased security on and near transit, continued expansion of transit rider cellular and data services across the TTC network and enhanced emergency reporting options and response timelines for customers.

As we continue to look at how to best serve the region, we are always looking at ways to build a more inclusive transit agency that is welcoming of everyone – employees and customers alike. In 2023, we made progress on our commitments to employees, customers, and the community. I am proud to say the TTC is an organization where women represented more than 40 per cent of Transit Operator hires for the last three years. We are aware that there is more work to do in this area, but we are proud of the progress we have made.

On behalf of the TTC, I want to thank Mayor Olivia Chow and City Councillors as well as our Unions, government funding partners, staff and all our loyal customers.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard J. Leary". The signature is fluid and cursive, with a large initial "R" and "L".

Richard J. Leary

Chief Executive Officer
May 2024

Executive Team



Michael Atlas
General Counsel



Keisha Campbell
Chief Diversity and
Culture Officer



Gary Downie
Chief Capital Officer



Betty Hasserjian
Chief Safety Officer



Josie La Vita
Chief Financial Officer



Richard J. Leary
Chief Executive Officer



Bruce Macgregor
Deputy Chief
Executive Officer



Fortunato Monaco
Chief Operations and
Infrastructure Officer



Shakira Naraine
Chief People
Officer



Natalie Poole-Moffatt
Chief Corporate
Affairs Officer



Wendy Reuter
Chief Strategy and
Customer Experience
Officer (Acting)



Rich Wong
Chief Transportation
and Vehicles Officer

**BE TRAINED.
BE SUPPORTED.
BE FULFILLED.
BE ESSENTIAL.**

The *Be Essential Campaign* won the 2023 Canadian Urban Transit Association award for its initiative in highlighting transit's crucial role in communities.



The TTC is hiring apprentices and tradespeople who love to learn. Join us and start your career with Canada's largest transit system.

Apply now at [TTC.ca/jobs](https://www.ttc.ca/jobs)

About the TTC

Who We Are

The TTC is a City of Toronto's public transit service agency mandated to establish, operate and maintain the local transportation system in the City of Toronto. The TTC is the largest public transit system in Canada and the third largest in North America.

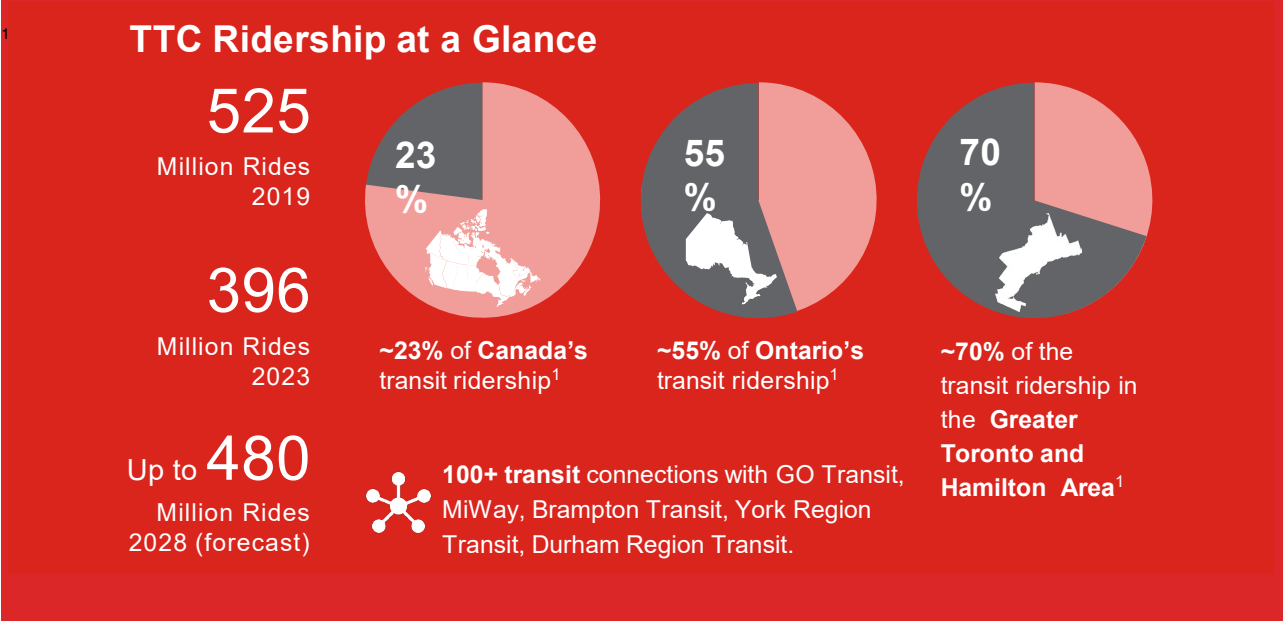
With a comprehensive network of bus, Wheel-Trans, streetcar, and subway services, spanning the city's 630 square kilometres, the TTC is critical infrastructure moving more than 396 million customers trips in 2023.

The TTC is foundational to Toronto's mobility network, with 1 in 4 trips in Toronto being taken by public transit. The network reaches all corners of the city, enabling access to employment, education, services and entertainment for residents and visitors.

By enabling these connections, the TTC contributes to the health and prosperity of Toronto and the region, the economic engine of Canada. Investment in transit supports local, provincial and national jobs and economic development, collective efforts to mitigate the impacts of climate change, and creating access to opportunity for everyone.

After more than 100 years in service and having carried more than 33 billion customers, the TTC has grown to become one of the most visible and vital public service organizations in the Greater Toronto Area.

We continue to make Toronto proud by centering our customers in all of our decision-making.



¹ CUTA Data, Canadian Conventional Transit Statistics, 2022 Operating Data

Benefits of Transit

Economic Benefits

\$1 = \$1.08

\$1 invested creates \$1.08 in Economic and Regional Development Benefits



\$1 = \$6.06

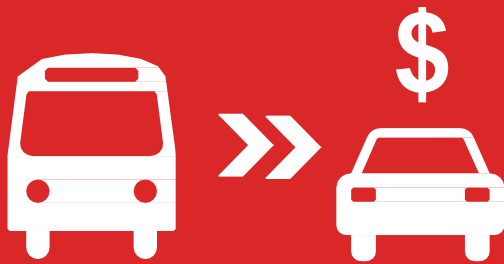
\$1 invested creates \$6.06 in Quality-of-Life Benefits



\$1 = \$7.14

in benefits

15 jobs created for every \$1 million invested



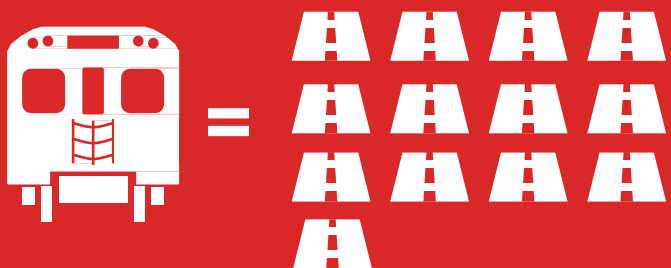
Affordability Benefits

\$5.78 in transit rider and driver benefits for every \$1 invested, including savings from reduced travel expense and a reduction in car ownership cost.

Value for Money Benefits

3:1

SOGI investments yield a benefit/cost ratio of 3:1, same as expansion.



Livability Benefits

Line 1 carries the equivalent of 26 lanes of traffic or 8-9 Gardiner Expressways, while Line 2 carries the equivalent of 3 Gardiner Expressways.

What Guides Us



Our Vision

Moving Toronto towards a more equitable, sustainable and prosperous future.

Our Mission

To serve the needs of transit riders by providing a safe, reliable, efficient and accessible mass public transit service through a seamless integrated network to create access to opportunity for everyone.

Our Values

Safety, Service and Courtesy

The TTC is an agency of the City of Toronto and is guided by the public service values codified in the

Toronto Public Service By-Law, Chapter 192 of Toronto's Municipal Code:

- Serve the public well.
- Serve the TTC Board well.
- Act with integrity.
- Maintain political neutrality.
- Uphold Toronto's motto: *Diversity Our Strength*.
- Use TTC property, services and resources responsibly.
- Apply judgement and discretion.
- Serve the Public Service well.

These values align with the TTC's long-standing motto: *Safety, Service and Courtesy*. This is a reflection of the commitment and contributions of generations of TTC employees in delivering high quality transit service to the city of Toronto.



Train Information
1 Downsview Park
Destination:
Vaughan Metropolitan Centre
Vaughan Metropolitan Centre
Vaughan Metropolitan Centre
97 Yonge buses diverting both ways via Sherwood, Av.
a collision at Yonge and Alexander.
6:04

1 in 4 trips in Toronto are on Transit.

2023 Accomplishments

The TTC continued to play an essential role in the lives of our customers to help move them in Toronto and beyond in 2023. The year was marked by a steady return in ridership and movements with **\$935.8 million in fare revenue collected** (73% of pre-pandemic experience). With combined operating and capital spending of \$3.5 billion in 2023, the TTC made advancements on several fronts, from implementing open payment options to advancing the procurement of energy-efficient fleets. Improving on-time performance and reliability on subway, bus and streetcar routes continued to be a top priority for the TTC. The TTC also continued to work with the City and its funding partners to help sustain transit as the centre of Toronto's future mobility by ensuring TTC's transit service levels met demand; its assets were maintained in a state of good repair and the TTC was able to plan and advance work to enable transit modernization, expansion and sustainable long-term growth.



The TTC implemented the Line 3 Bus Replacement Plan in Scarborough including an express corridor of priority bus lanes between Scarborough Centre and Kennedy stations, November 2023.



Toronto Mayor Olivia Chow using open payment on her mobile device, August 2023.

Providing safe, seamless and reliable transit service

To support a growing Toronto and surrounding region, the TTC provides an integrated network of transit services, through its three subway lines, 11 streetcar lines, more than 160 bus routes, and a paratransit (Wheel-Trans) service. The movement of people is critical to Toronto and the surrounding growing region, enabling residents to access employment, education and services. The TTC has continued focusing on enhancing the safety and reliability of transit service during 2023 through the following undertakings:

- Matched service capacity to demand with a greater emphasis placed on bus service, where ridership recovery was the highest, while protecting service coverage across the city. At the end of 2023, system-wide regular service investment returned to 95% of pre-pandemic levels: bus service was delivered at 98%, streetcar service at 84%, and subway service at 80%.
- Invested and delivered in service focused on routes with a high proportion of customers from key demographic groups (people with low income, shift workers, and women). New services in Neighbourhood Improvement Areas were also introduced as well as expanded overnight service on the busiest corridors, such as Finch Avenue and Jane Street.
- Expanded fare collection options for TTC customers with the launch of open payments, allowing customers to pay using their credit card, debit card and mobile device.

Partnership in action

In November, Premier Doug Ford and Mayor Olivia Chow announced a new financial deal between the Province and the City to address the City's operating and capital deficits. The New Deal funding agreement had positive implications for the TTC, with the Province providing the TTC with hundreds of millions of dollars in operating funding in addition to significant capital investments.



Fare Inspectors in the TTC subway system.

- Implemented a Community Safety, Security and Well-Being program, using a multi-disciplinary approach. Increased high-visibility presence across the TTC network by hiring 161 customer-facing personnel and 50 additional Special Constables, and deploying 50 Security Guards. In partnership with the City of Toronto, enhanced social support for persons experiencing homelessness and individuals with complex needs by adding 10 Streets to Homes outreach workers for a total of 20 outreach workers, adding 20 Community Safety Ambassadors, and providing wraparound health services through the LOFT Multi-Disciplinary Outreach Team (M-DOT) pilot program.
- In November 2023, the TTC implemented the Line 3 Bus Replacement Plan in Scarborough following the closure of Line 3 Scarborough, utilizing transit priority measures to increase capacity. This included the installation of an express corridor of priority bus lanes between Scarborough Centre and Kennedy stations and expanded bus terminal facilities at both stations. This enabled the extension of seven busy bus routes to provide reliable and seamless, transfer-free service directly to Line 2 at Kennedy Station.
- TTC continued to prioritize investment to revise schedules to improve service reliability, which continues to be a challenge as most of the TTC's surface network operates in mixed traffic. More than 75 schedules were modified in 2023, many of which resulted in increased operating costs to respond to congestion. Investment in new on-street supervision, run-as-directed buses, and continued VISION system implementation occurred in 2023. Despite major changes in congestion patterns and construction, bus on-time performance demonstrated improvements in 2023 of 5% to 10% over comparable periods in 2022, finishing the year at 83% in November 2023.

Safety in action

TTC continues its commitment to transit safety by hiring additional staff and increasing their presence across transit network, resulting in:

- 30% decrease rate (per 1 million customer boardings) of offences against customers
- 14% decrease rate (per 100 employees) of offences against employees

TTC Services

as of December 2023



5 minute walk

90% of the city's population and employment within a five-minute walk of transit



Half-hour standard

Minimum frequency promised for all bus and streetcar routes



10 Minute Network

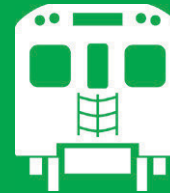
Extensive city-wide network of subway, streetcar and bus services that operates every ten minutes or better



160
Bus routes
(incl. day and night routes)



11
Streetcar routes
(incl. day and night routes)



70
Subway stations



60
Zero-emission buses on the road and 360 on order
Largest active fleet in North America



590
Hybrid buses on the road
No pure diesel purchases after 2018.



All day, everyday

Most TTC services operate from approximately 6:00am–1:00am, Monday to Saturday, and from 8am on Sundays



6 minutes or better

Subway trains operate every six minutes or better, all day, every day



Blue Night Service

Overnight bus and streetcar network that runs on most major routes every 30 minutes or better from 1:30am–5:30am



90% of City of Toronto residents live within 400m (5 minute walk) of TTC network.



Meadowvale Wheel-Trans access hub, July 2023.

Leading as an inclusive and accessible service provider

Diversity, equity and inclusion are core TTC values. The TTC is strongly committed to making Toronto's transit system barrier-free and accessible so that customers of all abilities can enjoy the freedom, independence and flexibility to travel anywhere on the public transit system. In 2023, 54 of 70 stations were accessible. The TTC advanced its inclusivity and accessibility priorities in 2023 through the following:

- 16 Wheel-Trans Access Hubs across the network were fully operationalized and 79 Wheel-Trans buses were delivered.
- 48 additional bus and streetcar stops made accessible and 77 new transit priority signals were installed.
- Recognized by Forbes as one of Canada's Best Employers. In 2023, for the second year in a row, the TTC was the recipient of a Corporate Leadership award for Diversity, Equity, and Inclusion from CUTA for our partnership with Special Olympics Ontario. The TTC also received a CUTA Marketing and Communication Award in 2023 for our 'Be Essential' recruitment campaign.
- Continued to strengthen community outreach, expanding the number of campaigns to include: Black History Month, Asian Heritage Month, Indigenous Peoples Month, Pride, Caribbean Heritage Month and Latin American Heritage Month.
- Exceeded the target of 40% of operator new hires to be women; and introduced a Women and Diversity Committee to foster a culture of inclusiveness and anti-discrimination.

TTC continues to embrace diversity

In our 2023 hiring:

27.6%
Women

20.7%
Black

3.8%
Live with
a disability

0.2%
Indigenous



TTC employees at Pride Parade, June 2023.

TTC Project Information Office



Bloor-Yonge Station
Capacity Improvements



Bloor-Yonge Station Capacity Improvements Project Information Office.

Transforming to solidify the TTC's fiscal foundation

In 2023, the TTC continued to modernize and transform its business practices as part of its fiscal management priorities and maintain strong funding partnerships, resulting in financial and value-added benefits for transit riders:

- Received matching Federal funding enabling the advanced procurement of 340 zero-emission buses, 248 charge points, 47 accessible streetcars and construction upgrades for existing maintenance facilities.
- Completed the next phase of the Benefits of Transit research with the University of Toronto with interim findings showing that investment in the TTC has a return on investment ratio of 7:1, which generates economic, quality of life and environmental benefits.
- Advanced implementation of enabling technologies to mature the TTC's Enterprise Asset Management Program and modernize its bus processes with SAP.
- Continued its expenditure management and business transformation efforts, realizing \$22.5 million in savings in 2023, resulting in cumulative savings of \$182.4 million since 2019.
- Optimized workspaces for more than 650 TTC employees as part of the TTC's Workplace Transformation Program and effectively managed expiring TTC building leases in support of the City's ModernTO initiative, resulting in lease savings, increased flexibility and productivity for a hybrid workforce.

Establishing a sustainable financial framework

The TTC will continue to prudently manage expenditures, maximize existing revenues and leverage available funding sources where possible to achieve improved benefits for our customers and the communities we serve. But the TTC cannot achieve a sustainable financial framework on its own. Strengthened partnerships will be key to address the structural fiscal imbalance.

TTC Assets

as of December 2023

Subway

70.1

Km of track

70

stations

329

escalators

157

elevators

143

subway
trains

82

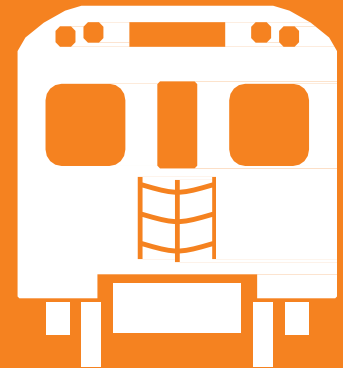
Toronto Rocket
(TR) trains

61

T1 trains

5

subway
yards



Streetcar



368

Km of track and
overhead

204+

streetcars, with
60 more arriving

4

streetcar
carhouses

Bus

2,322

conventional
buses

152

articulated
buses

931

hybrid
buses

60

electric
buses

8

bus
garages



Wheel-Trans

250

small and medium buses
serviced out of 1 dedicated
garage



Non-Revenue

509

non-revenue vehicles
supporting all aspects of
TTC operations



Passenger Assistance Intercom located at Main Street Station.

Innovating for future demand

The TTC is committed to building a more equitable, sustainable and prosperous future through innovation that empowers our organization and leads the way for others. Several initiatives were undertaken during 2023, including:

- 10 eBus pantograph charging systems launched (the TTC's first outdoor overhead charge points) with 10 additional plug-in charge points installed, enabling the TTC to charge up to 90 eBuses.
- Achieved an approximate 30% reduction in direct and indirect greenhouse gas emissions over the 1990 City of Toronto target level¹ as a result of TTC's continued commitment to moving toward a sustainable future.
- Began upgrading cellular service along with increased carrier access in all stations on Lines 1 and 2 and tunnels between Bloor-Yonge and St George, and from Sheppard West to Vaughan Metropolitan Centre.
- Advanced the Station Transformation Program, including the introduction of six Zone Hubs, Passenger Assistance intercoms, and improved camera coverage at most stations to 90% from 75%.

Leading the way with Zero emissions fleet

The TTC continues to lead the way in transitioning to a zero-emissions fleet in advance of the City of Toronto's target of net zero community-wide emissions by 2040 through advancing the first large order of 340 battery-electric buses and entering into an innovative partnership with PowerON Energy Solutions, a subsidiary of Ontario Power Generation, to support the delivery of charging infrastructure technology.

¹ Net Zero by 2040: City Council adopts ambitious climate strategy – City of Toronto



Overhead pantograph eBus charging station
at TTC's Birchmount Garage.



TTC purchased an additional
60 accessible streetcars, November 2023.

**Consolidated Financial Statements of
Toronto Transit Commission**
Year ended December 31, 2023

Management's Statement



In 2023, Capital spending reached 87.5% of the 2023 Capital Budget, representing the highest spending rate in the last five years.

The Toronto Transit Commission is Canada's largest public transit system, connecting communities across Toronto for more than 100 years. The network reaches all corners of the city, enabling access to employment, education, services and entertainment for residents and visitors. With an integrated network of bus, Wheel-Trans, streetcar, and subway services spanning the city's 630 square kilometres, the TTC is foundational to the city's mobility network, as 1 in 4 trips in Toronto are taken by public transit. In 2023, the TTC moved more than 396 million customer trips.

As the provider of this vital city service and, as the steward of the resources and critical infrastructure required to deliver transit, TTC management maintains the highest standard of accountability, transparency and integrity in the use of the public funds we are provided. TTC's internal governance framework combined with strong financial management and control practices ensures the ongoing monitoring and monthly reporting of financial performance and results to senior management and quarterly reporting to the TTC Board and City Council.

As part of TTC management's continued commitment to strong fiscal management and oversight, capital and accounts payable dashboards were developed and distributed to staff in 2023 to support proactive financial monitoring and performance activities.

TTC's efforts to maximize partnership funding resulted in the receipt of \$349 million in federal cost-share funding to procure 349 E buses and the associated charging infrastructure, enabling the continued electrification of TTC's bus fleet and further advance TransformTO Net Zero targets. In 2023, staff presented the Board with a detailed review of TTC's unfunded capital needs, priorities, dependencies and risks of not investing to ensure full transparency on the state of funding has on providing safe, reliable and resilient transit services. Finally, in partnership with the University of Toronto, staff delivered Phase 2 research to the TTC Board in December 2023, quantifying the economic, social, environmental, and transit rider benefits that accrue from investing in transit, highlighting that every \$1 invested in transit returns \$7 in benefits. As demonstrated by these initiatives, the TTC is focused on long term financial sustainability, with a range of efforts aimed at securing sustainable funding model.

The TTC will continue to prudently manage expenditures, maximize existing revenues and leverage available funding sources where possible to realize the economic, social and environmental benefits for our customers and the communities we serve.

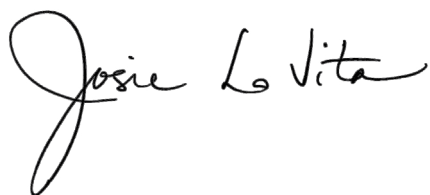
The accompanying consolidated financial statements of the Toronto Transit Commission (TTC) have been prepared in accordance with Canadian public sector accounting standards recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada and are the responsibility of management. In 2023, the TTC successfully adopted Public Sector Accounting 3280 - Asset Retirement Obligations.

Management is also responsible for all of the notes to the consolidated financial statements and schedules, and for ensuring that this information is consistent with the consolidated financial statements. A summary of the significant accounting policies is described in Note 2 to the consolidated financial statements.

The management of the TTC is also responsible for the integrity, objectivity and accuracy of the financial information. To meet its responsibility, management maintains a system of internal controls designed to provide reasonable assurance that the assets are safeguarded and that reliable financial information is available on a timely basis.

The Board of Directors oversees management's responsibilities for financial reporting through the Audit and Risk Management Committee. The Audit and Risk Management Committee reviews and approves the consolidated financial statements and recommends them to the Board of Directors for approval. In addition, the Auditor General is informed of all significant audit issues through participation in closing meetings held between the external auditors and management.

The consolidated financial statements have been audited by TTC's external auditors, KPMG LLP, and their report precedes the consolidated financial statements. The Auditor's responsibility is to express an opinion on whether the financial statements are fairly presented in accordance with generally accepted accounting principles. The Auditor's report outlines their responsibilities, the scope of the Auditor's examination and their opinion on the financial statements.



Josie La Vita

Chief Financial Officer
June 5, 2024



TTC's Union Station.

PENDING

Auditor's letters

PENDING

Auditor's letters

PENDING

Auditor's letters

PENDING

Auditor's letters

PENDING

PENDING

PENDING

PENDING

PENDING



Highly skilled workers keep the TTC in a state of good repair.

Notes to the Consolidated Financial Statements

Year ended December 31, 2023

PENDING

PENDING

PENDING

PENDING

PENDING

PENDING

PENDING

PENDING

PENDING

PENDING

PENDING

PENDING

PENDING

PENDING

PENDING

PENDING

PENDING

PENDING

PENDING



For the third year in a row, the TTC have exceeded its commitment of at least four in ten of women new hires for the transit operator role.



The TTC bids farewell to Line 3 Scarborough Line after almost 40 years of service, September 2023.

Supplementary Schedules (Unaudited)
Year ended December 31, 2023

CONVENTIONAL SYSTEM - 10 YEAR NON-CONSOLIDATED FINANCIAL & OPERATING STATISTICS (UNAUDITED)

	2023 ¹¹	2022 ¹¹	2021 ¹¹
OPERATING STATISTICS (regular service inside City)			
Revenue Passenger Trips (Millions)	396.3	318.8	197.8
Basic Adult Token/PRESTO Fare (at December 31) (\$)	3.30	3.20	3.20
Average Number of Employees	15,772	14,917	14,877
Hourly Base Wage Rate & Benefits per Operator (\$)	61.67	60.31	59.56
Kilometres Operated (Millions)			
Bus	137.8	135.2	136.6
Subway Car	80.5	82.4	75.9
Streetcar	9.2	9.2	8.9
Scarborough RT	2	3.5	3.6
Total Kilometres Operated	229.5	230.3	225.0
OPERATING REVENUE STATISTICS			
Operating Revenue - including property rental, etc. (\$ Millions)	1019.3	789.2	513.4
Operating Revenue per Passenger Trip (\$)	2.57	2.48	2.60
Operating Revenue per Kilometre (\$)	4.44	3.43	2.28
OPERATING EXPENSE STATISTICS¹			
Operating Expenses (\$ Millions)	2,182.2	2,090.2	1,956.1
Operating Expense per Passenger Trip (\$)	5.51	6.56	9.89
Operating Expense per Kilometre (\$)	9.51	9.08	8.69
OPERATING SUBSIDY STATISTICS			
Operating Subsidy (\$ Millions)	1,165.3 ¹⁰	1,300.1 ⁹	1,441.9 ⁸
Operating Subsidy per Passenger Trip (\$)	2.94	4.08	7.29
Operating Subsidy per Kilometre (\$)	5.07	5.65	6.41
REVENUE/COST RATIO	46.7%	37.8%	26.2%
PASSENGER VEHICLE FLEET			
(Conventional & Wheel-Trans, owned and in service December 31)			
Buses	2,063	2,061	2,071
Subway Cars	848	848	848
Streetcars (CLRV & ALRV)	0	0	0
Streetcars (LFLRV)	206	204	204
Scarborough RT Cars	0	28	28
Wheel-Trans Buses	278	264	250
Total Vehicle Fleet	3,395	3,405	3,401

See accompanying notes for conventional system - 10 Year Non-Consolidated Financial & Operating Statistics (Unaudited)

2020	2019	2018	2017	2016	2015	2014
225.0	525.5	521.4	533.2	538.1	537.6	534.8
3.20	3.10	3.00	3.00	2.90	2.80	2.70
14,843	15,251	14,812	14,389	14,095	13,651	13,209
57.14	53.50	51.65	51.68	50.81	50.33	49.01
131.5	145.1	143.2	142.0	138.6	131.6	131.3
85.0	93.5	92.6	82.9	83.0	82.2	80.8
9.9	11.9	11.4	11.5	13.1	13.9	12.8
3.3	3.5	3.4	3.4	3.5	3.4	3.5
229.7	254.0	250.6	239.8	238.2	231.1	228.4
583.7	1,253.9	1,226.2	1,234.5	1,196.3	1,179.1	1,157.5
2.59	2.39	2.35	2.32	2.22	2.19	2.16
2.54	4.94	4.89	5.15	5.02	5.10	5.07
1,884.2	1,918.2	1,803.1	1,696.2	1,712.6	1,695.7	1,589.5
8.37	3.65	3.46	3.18	3.18	3.15	2.97
8.20	7.55	7.20	7.07	7.19	7.34	6.96
1,296.4 ⁷	661.3 ⁶	576.9 ⁵	461.8 ⁴	516.3 ³	516.6 ²	432.0 ¹
5.78	1.26	1.11	0.86	0.96	0.96	0.81
5.66	2.62	2.30	1.92	2.17	2.24	1.89
31.0%	65.4%	68.0%	72.8%	69.9%	69.5%	72.8%
2,114	2,096	2,010	1,920	1,926	1,861	1,869
848	848	848	848	840	796	724
0	0	128	184	219	235	247
204	198	117	57	30	13	3
28	28	28	28	28	28	28
256	266	263	212	199	205	221
3,450	3,436	3,394	3,249	3,242	3,138	3,092

NOTES for CONVENTIONAL SYSTEM - 10 Year Non-Consolidated Financial & Operating Statistics (Unaudited)

1. In 2014, the total subsidy paid by the City was \$301.4 million, consisting of \$340.4 million for the operating subsidy, \$3.6 million for the City special costs, less \$42.6 million long-term payable (employee benefits of \$29.8 million less accident claims of \$12.8 million). The City allocated \$91.6 million of Provincial subsidy to the operating budget.
2. In 2015, the total subsidy paid by the City was \$373.8 million, consisting of \$427.0 million for the operating subsidy, \$19.2 million for capital from current, \$3.6 million for the City special costs, less \$26.6 million long-term payable for accident claims and \$40.1 million long-term payable for employee benefits, less \$9.0 million draw from the TTC Stabilization Reserve Fund and \$0.3 million draw from the City Tax Rate Stabilization Reserve. The \$427.0 million for operating subsidy includes \$2.0 million in funding for the Wheel-Trans deficit. The City allocated \$91.6 million of Provincial subsidy to the operating budget.
3. In 2016, the total subsidy paid by the City was \$396.0 million, consisting of \$426.4 million for the operating subsidy, \$3.7 million for the City special costs, \$6.3 million long-term payable for accident claims and less a \$40.4 million long-term payable for employee benefits. The \$426.4 million for operating subsidy includes \$1.7 million in funding for the Wheel-Trans deficit. The City allocated \$91.6 million of Provincial subsidy to the operating budget.
4. In 2017, the total subsidy paid by the City was \$383.5 million, consisting of \$370.2 million for the operating subsidy, \$14.2 million for contributions to Long-Term Liability Reserve, \$4.7 million for the City special costs, \$34.8 million long-term payable for accident claims and less a \$40.4 million long-term payable for employee benefits. The City allocated \$91.6 million of Provincial subsidy to the operating budget.
5. In 2018, the total subsidy paid by the City was \$491.6 million, consisting of \$485.3 million for the operating subsidy, \$6.9 million contribution to the TTC Stabilization Reserve, \$12.4 million for contributions to Long-Term Liability Reserve, \$5.1 million for the City special costs, and an \$11.8 million reduction in the long-term payable for accident claims and less a \$29.9 million increase in the long-term payable for employee benefits. The City allocated \$91.6 million of Provincial subsidy to the operating budget.
6. In 2019, the calculated subsidy of \$664.3 million is reduced to \$661.3 million in the 10 Year Non-consolidated Financial Statistics to reflect expenses funded by liquidated damages. This amount is further reduced by \$91.6 million to reflect the provincial subsidy allocated to the operating budget to total of \$569.7 million.

The total conventional system funding provided by the City was \$529.6 million, consisting of \$569.7 million for the operating subsidy, \$3.5 million for the City special costs, \$3.7 million long-term payable for accident claims, less a \$7.0 million draw from the TTC Stabilization Reserve, less a \$15.7 million draw from Long-Term Liability Reserve and less \$24.6 million increase in long-term payable for employee benefits.

7. In 2020, the calculated subsidy of \$1,300.5 million is reduced to \$1,296.4 million in the 10 Year Non-consolidated Financial Statistics to reflect expenses funded by liquidated damages. Of this amount, \$91.6 million was sourced from Provincial Gas Tax and \$590.2 million from the Safe Restart Agreement to arrive at total conventional system City funding of \$614.6 million.

City Funding paid of \$578.8 million is comprised of \$614.6 million for the operating subsidy, plus \$3.1 million for the City special costs, less \$5.7 million long-term payable for accident claims and \$33.2 million long-term payable for employee benefits.

8. In 2021, the calculated subsidy of \$1,442.7 million is reduced to \$1,441.9 million in the 10 Year Non-consolidated Financial Statistics to reflect expenses funded by liquidated damages. Of this amount, \$91.6 million was sourced from Provincial Gas Tax and \$796.4 million from the Safe Restart Agreement to arrive at total conventional system City funding of \$553.9 million.

City Funding paid of \$600.7 million is comprised of \$553.9 million for the operating subsidy, plus \$0.1 million for the City special costs, plus \$7.3 million long-term payable for accident claims, less \$38.8 million long-term payable for employee benefits, plus a \$75.1 million contribution to the TTC's Stabilization reserve and a \$3.1 million contribution to the long term liability reserve.

9. In 2022, the calculated subsidy of \$1,301.0 million is reduced to \$1,300.1 million in the 10 Year Non-consolidated Financial Statistics to reflect expenses funded by liquidated damages. Of this amount, \$91.6 million was sourced from Provincial Gas Tax and \$452.2 million from the Safe Restart Agreement to arrive at total conventional system City funding of \$665.0 million plus an additional \$91.3 million of relief funding for COVID.

City Funding paid of \$642.0 million is comprised of \$665.0 million for the operating subsidy, plus \$4.5 million for the City special costs, plus \$0.3 million long-term payable for accident claims, less \$35.1 million long-term payable for employee benefits, plus a \$7.3 million contribution to the long term liability reserve.

10. In 2023, the calculated subsidy of \$1,162.9 million is increased to \$1,165.3 million in the 10 Year Non-consolidated Financial Statistics to include \$2.4 million in funding for the Wheel-Trans deficit. Of this amount, \$91.6 million was sourced from Provincial Gas Tax to arrive at total conventional system City funding of \$718.4 million plus an additional \$352.9 million of relief funding for COVID.

City Funding paid of \$704.4 million is comprised of \$718.4 million for the operating subsidy, plus \$4.4 million for the City special costs, less \$2.9 million long-term payable for accident claims, less \$18.3 million long-term payable for employee benefits, plus a \$3.6 million contribution to the long term liability reserve, less \$0.8 million draw from City development application review reserve.

11. Statistics from 2020-2023 have limited comparability to other years due to the impact of the COVID-19 pandemic and the continued impact on ridership as a result of transition to hybrid work arrangements.

Management Directory

May 2024



Executive Team

Richard J. Leary

Chief Executive Officer

Bruce Macgregor

Deputy Chief Executive Officer

Michael Atlas

General Counsel

Keisha Campbell

Chief Diversity and Culture Officer

Gary Downie

Chief Capital Officer

Betty Hasserjian

Chief Safety Officer

Josie La Vita

Chief Financial Officer

Fortunato Monaco

Chief Operations and
Infrastructure Officer

Natalie Poole-Moffatt

Chief Corporate Affairs Officer

Shakira Naraine

Chief People Officer

Wendy Reuter

Chief Strategy and Customer
Experience Officer (Acting)

Rich Wong

Chief Transportation and
Vehicles Officer

Senior Management and Department Heads

Sedat Akkaya

Head, Project Management Office

Bryan Callaghan

Head, Track and Structure (Acting)

Claudio Caschera

Head, Subway Transportation

Bem Case

Executive Director, Innovation and
Sustainability Programs

Viraj Chandrakanthan

Head, Audit, Risk and Compliance

Eric Chu

Head, Project Development
and Planning

Denise Crawford

Head, Human Rights and
Investigations (Acting)

Steve Cuschieri

Head, Streetcar Maintenance

John Dimovski

Chief Project Manager, Construction

Shabnum Durrani

Head, Corporate Communications

Nicole Ehlers

Head, Special Constable Service
(Acting)

Sean Fuller

Head, Light Rail Transit Operations

Angela Gibson

Executive Director, Fare Technology
and System Stewardship (Acting)

Laura Gould

Head, Commercial Management

Yan He

Project Director, Transit Expansion
Assurance

Christina Holt

Director, Talent Acquisition
and Outreach

Matthew Hopkins

Executive Director, Human Resources

Peter Hrovat

Head, Streetcar Infrastructure

Mohamed Ismail

Head, Sustainable Innovation

Michelle Jones

Head, Renewable Energy Programs

Susanna Lee

Head, Farecard Team

Laurence Lui

Head, Service Planning and
Scheduling (Acting)

Deborah Lyon

Head, Streetcar Transportation

Scott MacGillivray

Head, Bus Maintenance and Shops
(Acting)

Sal Maltese

Head, Operations Training Centre

Tharshini Markandaier

Head, Procurement and
Category Management

Gord McKee

Head, Signals/Electrical/
Communications

David Metcalfe

Head, Business Management
and Performance

Mark Mis

Head, Strategy and Foresight (Acting)

John Montagnese

Executive Director, Finance

Harpreet Nagi

Head, Rail Cars and Shops

David Nagler

Head, Community and
Stakeholder Relations

Haroon Nuri

Head, Plant Maintenance

Nancy Ortenburg

Head, Marketing and
Customer Experience

Roy Park

Head, Vehicle Programs

Cameron Penman

Head, Wheel-Trans

Mike Puplett

Head, Transit Control

Jamal Richardson

Head, Stations

Rob Rush

Head, Materials Management

Chris Salvador

Head, Revenue Operations

Chris Sawicki

Chief Project Manager, Major Projects

Anja Schiralli

Head, Employee Services
and Systems

Selak Seraj

Head, Engineering

Dhaksayan Shanmuganayagam

Chief Information Officer,
Information Technology Services

Kevin Shen

Head, Research and Analytics (Acting)

Salim Sidawi

Head, EAM Program Delivery

Robert Smith

Head, Bus Transportation

Visha Sukdeo

Associate General Counsel

Tamu Thomas

Head, Operations Support (Acting)

Karen Thorburn

Executive Director,
Corporate Initiatives

Chad Townsend

Litigation Counsel, Legal

