



Decision: 2016 TTC and Wheel-Trans Operating Budgets

Meeting Date: November 23, 2015

Vincent Rodo, Chief Financial & Administration Officer, delivered a PowerPoint presentation on this item. The Board received the presentation for information and took the following action:

The Board:

1. Approved the 2016 TTC Operating Budget as discussed in the staff report, including:

Direct TTC staff to begin discussions with the Toronto Parking Authority (TPA) regarding:

- Ways to maximize revenue for the TTC from TTC parking lots;
- Any additional partnership opportunities that might exist between the two organizations that could result in improved service for TTC customers, new or enhanced revenue streams, and any potential operational efficiencies for the TTC;
- Report back to the Board in Q3 2016 with the results of these discussions;
- Request that the TPA present to the TTC Board regarding their role in improving mobility in Toronto;

The TTC Board direct TTC staff to report back in Q2 2016 on a long-term strategy for dramatically increasing non-fare revenue that includes, but it is not limited to:

- Clearly defined annual and long-term revenue targets, including an ongoing Board reporting schedule;
- The designation of a member of TTC staff tasked with the mandate of increasing non-fare revenue;
- Options for TTC licensing and merchandising strategies that would promote and enhance the TTC brand while generating additional revenue;
- A review of the advertising, licensing, and merchandising programs at the New York MTA, London Underground, and other systems for best practices and strategies that could be adopted by the TTC;



- A menu of potential customer amenities and services that could be introduced in stations and throughout the system that would improve the customer experience while generating additional revenue;
- A review of the performance to date of the current advertising contract; and
- A review and lease expiration timeline of all current contracts for service providers that generate non-fare revenue including, but not limited to, retail concessionaires, newspaper providers, and commercial lease holders.

That the Board request TTC staff, and staff of the Transportation Services Department, City of Toronto, to provide a joint presentation to the TTC Board in six-months' time on the parking and traffic management initiatives in use, and those being looked at, to improve transit service on routes affected by scheduled subway closures.

2. Approved the additional 2016 service improvement initiatives recommended by the Budget Committee, as follows:
 - Endorse the implementation of earlier Sunday subway service for 2016 and approve the implementation of earlier service on connecting bus and streetcar routes;
 - Bus Service Reliability;
 - Streetcar Service Reliability;
 - New and Enhanced Express Bus Service; and

Forward the remaining service initiatives to the City's Budget Committee for possible funding, as follows:

- a) Subway Service Reliability
- b) Line 1: 3-Minute-or-Better Service
- c) New Streetcar Service on Cherry Street.

3. Approved:
 - a fare increase as outlined in Scenario 7 of the staff report (Appendix G2), with a Metropass freeze, and all other non-fare / non-service recommendations from the TTC Budget Committee (Appendix A to this decision);
 - that all fare media and cash rates for seniors and students be frozen pending the review of the Framework for Transit Fare Equity report due in the 1st quarter of 2016; and



That staff report back on the following:

- That TTC fares be established that provide the same trip multiple for Adult, Senior and Student Metropass purchasers; and
 - That TTC staff employ a singular trip multiple approach to future PRESTO-based transit fare scenarios.
4. Approved the 2016 Wheel-Trans Operating Budget as discussed in the staff report.
 5. Approved forwarding this report to the City of Toronto for submission into the City Budget process and confirmation of the 2016 subsidy levels.



Budget Committee Decisions Re: Fares:

The TTC Budget Committee recommends the TTC Board approve:

- Request the TTC and City Manager report back to the Board in Q2 2016 on setting a new per rider subsidy formula to index the City's subsidy to the TTC's ridership;
- The TTC requests the Province to:
 - a) Increase transit funding to the City of Toronto and the TTC so the per ride subsidy for the TTC is \$1.00 in 2017;
 - b) Increase the subsidy amount thereafter to get to a subsidy level of \$1.30 per ride for the TTC with the Province and City equally sharing costs;
 - c) Address the added operating cost pressures on the TTC that the opening of new lines places, and develop a formula to attach additional operating funds to expansion projects:

E.g.

	2015	2016	2017	2018	2019	2020
Per ride subsidy	\$0.89	\$0.89	\$1.00	\$1.10	\$1.20	\$1.30
City	100%	90%	80%	70%	60%	50%
Province	0%	10%	20%	30%	40%	50%

- The TTC requests that the City of Toronto direct any Gas Tax top-up funding from the federal government to the TTC;
- The Budget Committee requests TTC staff report back to the TTC Budget Committee with a list of SOGR projects to be considered for submission to the federal government's new infrastructure funding programs;
- That staff report to the Board on the cost to the rider of increasing the Adult Metropass only to achieve an equity of trip multiples with Student/ Senior Metropasses;
- That staff report to the Board on a multi-year outlook on workforce changes that can be expected based on Ridership Growth, System Expansion, Vehicle and Mode Changes. Such a report to include an explanation of how workforce changes are adjusted in-year based on actuals.



- Request the Province through Metrolinx to use the 2 billion savings from the Eglinton Crosstown project to:
 - a) Subsidize 53 million required to avoid a fare increase
 - b) Fund SOGR projects currently unfunded
 - c) Contribute to TTC expansion projects; and
 - d) Report back through the TTC and the City's budget process.