

MEETING DATE: April 11, 2001

SUBJECT: Chief General Manager's Report Periods 1 & 2 January 1 To March 3, 2001

RECOMMENDATION

It is recommended that the Commission:

1. receive for information the attached Executive Summary of the Chief General Manager's (CGM's) report covering the period January 1 to March 3, 2001; and
2. forward a copy of this cover report and the Executive Summary to each City Councillor for information (noting that the detailed CGM's report is available on request from the Office of the General Secretary of the Commission).

DISCUSSION

The combined financial results for Periods 1 & 2 presented in this report have been compared with the proposed budgets recommended by the City's Budget Advisory Committee as of March 20, 2001.

1. 2001 TTC Operating Budget

Year-to-Date

Ridership for the first two months of the year was 2.7 million rides (3.9%) over budget and 3.7 million rides ahead of last year. Passenger revenue was similarly over budget, by \$4.0 million (3.9%). Meanwhile, expenses were some \$1.0 million (0.7%) over the year-to-date budget.

Year-end Projections

Although ridership results have been favourable to date, it is unclear what impact the slowing US economy and worsening stock markets will have on ridership levels later this year. Due to this uncertainty, both year-end ridership and revenue are projected to be on budget. At this time, the following significant year-end expenditure projections have been identified: a projected \$1.4 million underexpenditure in diesel fuel will be completely

offset by higher natural gas prices for the CNG bus fleet and rising natural gas prices are also expected to increase heating costs for a total net overexpenditure of approximately \$2 million for energy consumption.

The following table summarizes the current year-end projections.

	2001		
(Millions)	BUDGET	PROJECTION	CHANGE
RIDERSHIP	416	416	0
REVENUES	\$640	\$640	\$0
EXPENSES	\$(814)	\$(817)	\$(3)
SUBSIDY	\$148	\$148	\$0
DRAW FROM TTC STABILIZATION RESERVE FUND	\$0	\$0	\$0
SHORTFALL	\$(26)	\$(29)	\$(3)

2) 2001 Wheel-Trans Operating Budget

The unaccommodated rate for period 2 was up to 3.6% and for the year-to-date was at 2.7%, compared with a 2.0% budget.

At this time, while no year-end variances are being projected, higher demand than budgeted is currently being experienced. This, plus the potential taxi meter rate increase, could result in a 2001 shortfall.

(3) 2001 - 2005 Capital Program

It is currently projected that the year-end cashflow for 2001 will be some \$10.1 million more than the budgeted cashflow. This potential over-expenditure is primarily due to the \$6.1 million unspecified budget reduction recommended by the City Budget Advisory Committee and slippage on various projects from 2000, slightly offset by minor current-year under-expenditures (page A6).

(4) Performance Indicators

The graphs on pages C2 to C5 provide quantitative measures of the regularity of service provided to our customers.

Surface Operations (page C2)

The service performance indicator for bus and streetcar routes is the percentage of service that is within ± 3 minutes of scheduled headway. The graphs on page C2 show the consolidated results for all routes measured on a period by period basis.

Also shown on the graphs is the target line illustrating the goal of achieving a consistent headway adherence of 75% through 2001. The target line in last year's graphs exhibited a drop during the summer months to reflect our expectations of lower performance due to seasonal service reductions and increased headways. This year, a constant target will be maintained and any seasonal variations will be noted as part of the monthly variance explanations. It should be noted that the ± 3 minute measurement and the ultimate target level are subject to refinement, as we gain experience with headway performance monitoring.

Two headway adherence measures are shown for each period:

1. the unweighted % is the simple average of all routes;
2. the weighted % factors in the size of the routes.

Bus routes typically have a higher unweighted % because the weighted measure puts increased emphasis on the heavy routes on major thoroughfares, which are more susceptible to delays from congestion, accidents, high passenger loads, etc.

In contrast, streetcar routes typically have a higher weighted %. Although all streetcar routes are on high volume thoroughfares and subject to similar disruptions, the weighted % has the proportionately increased influence of those routes with more frequent headways.

Streetcar transportation functions were transferred from the Streetcars Department and merged with the Bus Transportation Department to create the new Surface Transportation Department on March 4, 2001. In 2000, the headway adherence measures were reported by the individual departments and were not consistent (Bus Transportation reported the unweighted %; Streetcars reported the weighted %). Both measures will be reported until a specific department-wide measure can be developed and assessed.

We expect that the headway adherence measures of both buses and streetcars will improve as the year progresses. The Surface Transportation Department is placing increased emphasis on route management in 2001, which will include the creation of a dedicated Route Management Supervisor at each division.

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Subway Operations (pages C3 to C5)

Subway service performance met targets in period 2 and for the year-to-date, with the exception of the "Controllable - Average Length of Delay" for the year-to-date, which was 0.1 minutes (2%) above the target of 5.5 minutes.

The following table summarizes the subway service performance measures.

SUBWAY SERVICE PERFORMANCE - PERIOD 2 / 2001				
	Target	This Period	YTD	Comments
On Time Index				
B/D Line	8.0	9.0	8.5	Period & YTD On Target
Y/U/S Line	7.9	8.4	8.0	Period & YTD On Target
Incidents of Delay Per 1,000 Hours of Train Operation				
Uncontrollable	3.6	3.6	3.6	Period & YTD On Target

Controllable	2.9	2.7	2.9	Period & YTD On Target
Minutes of Delay Per 1,000 Hours of Train Operation				
Uncontrollable	30.9	25.3	23.4	Period & YTD On Target
Controllable	16.2	14.0	16.2	Period & YTD On Target
Average Length of Delay (Minutes)				
Uncontrollable	7.8	7.1	6.6	Period & YTD On Target
Controllable	5.5	5.2	5.6	This Period On Target. YTD 0.1 Over Target (Unfavourable)

4-Apr-01

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Attachment: CGM's report