

MEETING DATE: June 20, 2001

SUBJECT: Chief General Manager's Report Periods 3 & 4 March 4 To May 5, 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 March 4 to May 5, 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 3 and 4 in this report have been compared with the budgets approved by City Council on April 30, 2001.

1. 2001 TTC Operating Budget

Year-to-Date

Due to the continuing strong local economy, ridership for the first four months of the year was 5 million rides (3.5%) over budget and 6.9 million rides ahead of last year. Passenger revenue was consequently over budget, by \$7.5 million (3.6%). Meanwhile, expenses were only \$1.6 million (0.6%) over the year-to-date budget primarily as a result of higher natural gas costs.

Year-end Projections

Although the full impact of the June fare increase on ridership and revenue will not be known for some time, the following table summarizes the year-end projections, based on current assumptions:

	2001
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(Millions)	BUDGET	PROJECTION	CHANGE
RIDERSHIP	413	419	6
REVENUES	\$655	\$667	\$12
EXPENSES	\$(814)	\$(823)	\$(9)
SUBSIDY	\$148	\$148	\$0
SHORTFALL	\$(11)	\$(8)	\$3

The ridership and revenue budgets, and resultant shortfall, have been revised to reflect the impact of the required June 3 fare increase, as approved by the Commission on April 11, 2001 and budget approval by City Council on April 30, 2001. However, due to the positive ridership results and forecasts, the year-end ridership is expected to range from 416 to 425 million. The table above reflects a ridership forecast of 419 million, with revenues of \$667 million. Expenses are expected to exceed budget by approximately 1%, primarily due to higher costs for natural gas. As a result, it is currently anticipated that the year-end shortfall will be in the order of \$8 million.

2) 2001 Wheel-Trans Operating Budget

The unaccommodated rate for period 4 was up to 3.7% and for the year-to-date was at 3.5%, compared with a 2.2% budget.

At this time, no projected year-end budget variances have been identified.

(3) 2001 - 2005 Capital Program

The current projection is that the year-end cashflow for 2001 will be some \$3.5 million more than the budgeted cashflow. This potential over-expenditure would be mainly due to the \$6.1 million unspecified budget reduction approved by City Council, slightly offset by 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 period 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.

Both bus and streetcar routes showed improvements in headway adherence performance in period 3. This was influenced in part by the lower ridership and traffic volumes during the week of March 11 to 17 (which was the March break for most schools).

In period 4, streetcar routes continued to show an improvement in headway adherence performance. However, the performance of bus routes slipped. In part, this was due to the start of the construction season and some major projects that affected high service bus routes. At least 34 bus routes were affected by road or utility construction during period 4.

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. Dedicated Route Management Supervisors have been selected and will commence their duties on June 10, 2001.

Subway Operations (pages C3 to C5)

The following table summarizes the subway service performance measures:

SUBWAY SERVICE PERFORMANCE - PERIOD 4 / 2001				
	Target	This Period	YTD	Comments
On Time Index				
B/D Line	8.0	9.2	8.8	Period & YTD On Target
Y/U/S Line	7.9	8.9	8.3	Period & YTD On Target
Incidents of Delay Per 1,000 Hours of Train Operation				
Uncontrollable	3.6	3.1	3.4	Period & YTD On Target
Controllable	2.9	2.2	2.6	Period & YTD On Target
Minutes of Delay Per 1,000 Hours of Train Operation				

Uncontrollable	30.9	27.3	23.9	Period & YTD On Target
Controllable	16.2	18.1	15.6	<p>Period Not On Target due to a Downsvie Station track switch incident totaling 213 minutes.</p> <p>Note: Excluding this particular incident, the Minutes of Delays per 1,000 Hours for Controllable Incidents would have been 11.3 for Period 4.</p> <p>YTD On Target</p>
Average Length of Delay (Minutes)				
Uncontrollable	7.8	8.7	7.2	Period Not On Target due to 4 "Priority One" incidents, totaling 185 minutes, YTD On Target
Controllable	5.5	8.3	6.2	<p>Period & YTD Not On Target due to the Downsvie Station track switch incident, totaling 213 minutes.</p> <p><u>Note:</u> excluding this particular incident, the Average Length of Delay for Controllable Incidents would have been 5.2 for Period 4 and 5.5 for YTD – both On Target.</p>

12-Jun-01

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Attachment: CGM's report

