

MEETING DATE: MARCH 20, 2002

SUBJECT: Chief General Managers Report Period 12 December 2 To December 31, 2001

RECOMMENDATION

It is recommended that the Commission:

1. receive for information the attached Chief General Manager's (CGM's) report covering the period December 2 to December 31, 2001, noting that:
 - 2001 TTC Operating Budget

the preliminary, unaudited, operating results indicate that no draw from the Riders Reserve is required;

- 2001 Wheel-Trans Operating Budget

the year-end unaccommodated rate for Wheel-Trans was 4.1% and there was no shortfall;

- 2001 – 2005 Capital Program

the 2001 year-end cash flow was under budget by \$50.1 million; and

1. forward a copy of this cover report 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

As for the last two years, the full CGM's report is hereby presented for period 12 – as a detailed account of the activities of the Commission for the entire year 2001.

1. 2001 TTC Operating Budget

	2001		
(Millions)	BUDGET	ACTUAL	CHANGE
RIDERSHIP	413	420	7
REVENUES	\$655	\$670	\$15
EXPENSES	\$(814)	\$(818)	\$ (4)
SUBSIDY	\$148	\$148	\$ 0
SHORTFALL	\$(11)	\$0	\$11

For the second year in a row, ridership topped 400 million, with a total of 420 million rides, 1.7% over budget and 9.4 million more rides than last year. Revenue was also over budget, by \$15 million (2.4%), primarily due to the increased ridership. On the other hand, expenses were within 0.4% of budget. Consequently, a draw from the Riders Reserve was not required for 2001. This could be particularly important for 2002, as the ridership has stumbled somewhat for the first two months of the year and pressures are expected to build on costs as the year progresses – with union contract negotiations currently underway and the Sheppard subway line opening in the fall.

It should be noted, however, that all of the above revenue and expense amounts for 2001 are preliminary and are subject to audit. Final audited results for the year should be presented to the Audit Committee in April 2002.

(2) 2001 Wheel-Trans Operating Budget

The unaccommodated rate for period 12 was 2.1% and the year-end unaccommodated rate was 4.1%. The Wheel-Trans Operating Budget subsidy requirement was nominally under budget.

(3) 2001 - 2005 Capital Program

The year-end status of the various capital projects is shown on pages A6a - e.

7-Mar-02

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Attachment: CGM's Report