

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: DECEMBER 14, 2011

SUBJECT: CHIEF GENERAL MANAGER'S REPORT
PERIOD 10
OCTOBER 2 to OCTOBER 29, 2011

ACTION ITEM

RECOMMENDATION

It is recommended that the Commission forward a copy of this report to (1) each City of Toronto Councillor and (2) the City Deputy Manager and Chief Financial Officer, for information, noting that the detailed CGM's Report is available upon request from the Office of the General Secretary of the Commission.

DISCUSSION

The purpose of the Chief General Manager's (CGM's) Report is to provide the Commission with information about the activities of the Toronto Transit Commission over the course of the year. Over the course of this year, this report will also include a summary of unbudgeted expenses as they are approved by the Commission.

RIDERSHIP RESULTS

Ridership to the end of Period 10 (October 29) was 9,882,000 (2.4%) above budget and 19,478,000 (+4.9%) above the comparable period in 2010. This improvement over the 2010 ridership results is likely due to a number of factors including the continued uncertainty about the economy, rising gasoline prices and the ongoing intensification of condominium construction in the downtown area.

Passenger revenue was \$14.5 million above budget for the year to date and the average fare is tracking marginally below budget (approx. -1.1¢ or -0.6%). Staff continue to closely monitor the average fare because a variance as small as one cent could impact overall revenues by almost \$5 million over the course of a year.

FINANCIAL RESULTS

2011 TTC OPERATING BUDGET

Appendix A represents the TTC's Income Statement and provides information on Revenues, Expenses and Subsidies.

The following table provides a summary of year-end projections for ridership, expenses, revenues and subsidy requirements.

(Millions)	2011		
	PROJECTION	BUDGET	CHANGE
RIDERSHIP	499	487	12
EXPENSES	\$1,440.1	\$1,435.9	\$ 4.2
REVENUES	(\$1,023.5)	(\$1,006.8)	\$16.7
SUBSIDY REQUIRED	\$416.6	\$429.1	(\$12.5)
SUBSIDY AVAILABLE	\$429.1	\$429.1	-
SURPLUS	\$12.5	-	\$12.5

The \$12.5 million projected surplus in the table above represents an improvement of \$9 million over the previously reported \$3.5 million projected surplus in the last CGM's Report. It should be noted that, currently, any annual surplus is to the credit of the City.

The \$9 million increase in the projected surplus is attributable to the following factors:

- (a) \$3.4 million in higher passenger revenues from the 2 million additional riders (from 497 to 499 million) anticipated by year-end;
- (b) a \$3 million reduction in anticipated severance costs related to the corporate restructuring following a refinement of the previous cost estimate;
- (c) a \$0.9 million reduction for lower than planned non-labour requirements for facilities maintenance;
- (d) \$0.7 million for increased workforce gapping savings;
- (e) \$0.5 million in lower hydro costs due to slightly lower consumption; and
- (f) \$0.5 million for other various reductions and savings.

The currently projected \$12.5 million surplus reflects the following significant budget variances.

- **Passenger Revenues: \$18.1 million increase.** This favourable variance reflects 12 million additional rides in the projected ridership level of 499 million (compared to the budget of 487 million) partially offset by the aforementioned lower average fare.
- **Corporate Restructuring: \$7 million increase.** Pursuant to the corporate restructuring and staff reductions incorporated into the 2012 TTC Operating Budget presented to the Commission on September 16, 2011, preliminary estimates for severance costs associated with both the voluntary and involuntary separations is in the order of \$7 million. This estimate will continue to be refined as this process unfolds.
- **Transfer of TTC Property at Yonge/York Mills: \$7.2 million increase.** In the absence of any compensating additional subsidy, the planned transfer of this property to Build Toronto at no cost will necessitate the recording of an expense (i.e. loss) equivalent to the accounting value of this property.
- **Depreciation: \$6.9 million decrease.** Lower capital expenditures than originally planned for this year as well as a reassessment of IT project expenditures previously capitalized have led to a reduction in depreciation charges.
- **Workforce Gapping Savings: \$6.3 million decrease.** As part of the Commission's cost containment measures, the intentional non-filling of workforce positions which were or became vacant during the year is expected to generate savings in the order of \$6.3 million by year-end.
- **Accident Claims: \$5 million increase.** Based on a recent actuarial valuation utilizing case reserve and payment data to September, 2011, projected 2011 cash payments for accident claims are expected to exceed budget.
- **Advertising Revenues: \$2.8 million decrease.** The current projection is that lower than anticipated advertising sales activity will yield a reduced revenue stream.
- **Facilities Maintenance: \$1.8 million decrease.** Lower than planned non-labour requirements are anticipated this year.
- **Other Revenues/Income: \$1.4 million increase.** Liquidated damages assessed on a recent bus order, the recovery of previously paid Provincial retail sales tax on internal use of telecommunication equipment and higher interest earnings on banked funds primarily account for this favourable variance.

CUSTOMER SATISFACTION

The first TTC Town Hall, held on November 24th, was attended by more than 200 customers who provided honest and direct feedback about TTC service and customer service. In addition to the speakers on that night, more than 50 customer comment cards were received and all will be responded to both personally and on the TTC website.

Additionally, the application process to be a part of the Customer Liaison Panel closed on November 25th with several hundred applications made. Short listing will take place through December with the panel being established early in the New Year.

November 22nd saw challenges to customers in the evening peak when two concurrent incidents impacted the Yonge line. In addition to the close to 30 customer communications, the incident was discussed at the Town Hall.

Surface Delays continue to be the number one complaint area with 847 complaints received versus 659 in the same period last year (29% increase). Streetcar routes were particularly hard hit with delays due to various construction projects.

Subway Delay communications also rose by a sizeable degree in Period 10 with 105 complaints received compared to 75 last year for a 40% increase. There were two major incidents, one on each line, which triggered multiple complaints. On the Yonge-University-Spadina line, smoke at track level at Lawrence West Station led to an hour-long delay on October 19, and shuttle buses were operated between St. Clair West and Downsview Stations. Sherbourne Station was the problem point on the Bloor-Danforth line on October 13, as a burning odour led to a lengthy service disruption.

2011 TTC CAPITAL PROGRAM BUDGET

Appendix B contains a table that shows actual 2011 expenditures based on results available to Period 10 and year-end projections for the TTC's capital projects. City Council approved an overall budget of \$870.4 million for the base capital program on February 23, 2011. Current projected 2011 expenditures for the base program are \$736.3 million, representing an under expenditure of \$134.1 million. A carry forward adjustment of \$43.9 million was approved by the City Council in July 2011 to address those contract delay impacts from 2010 that resulted in the deferral of approved expenditures to 2011. The result is a projected net 2011 under expenditures of \$178 million for the base capital program as shown in the following table.

	2011
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(Millions)	ACTUAL	BUDGET	VARIANCE
APPROVED BASE PROGRAM	\$736.3	\$870.4	\$(134.1)
CITY CARRY FORWARD APPROVED		43.9	(43.9)
TOTAL	\$736.3	\$914.3	(\$178.0)

The under expenditure on the base program of \$178 million includes the following major program variances: Surface Track 2011 Tangent / Special Projects deferral, ATC Resignalling contracts slippage, and slippage of LRT Replacement Maintenance & Storage Facility and delivery of Wheel Trans buses due to manufacturing changes. In addition, the City carry forward has a further favourable variance impact of \$43.9 million.

An under expenditure of \$196.2 million is projected on the Toronto York Spadina Subway Extension project primarily related to delays in tunnel and early construction work.

Costs incurred for Transit Expansion/Metrolinx Eglinton-Scarborough Crosstown project are recoverable through Metrolinx and are not tracked against budget.

2011 WHEEL-TRANS OPERATING BUDGET

Appendix C shows the Wheel-Trans Income Statement and reflects the \$91 million subsidy level approved by City Council. The current year-end projection indicates that with a slightly lower trip demand (down by 3.7%) compared to budget, expenses will be about \$1.7 million below budget due to: a shift of more trips on lower cost accessible taxis, diesel savings due to fewer bus kilometres operated, new lower cost contracts for eligibility assessments, reduced marketing initiatives spending, lower IT servicing costs for the Automatic Vehicle Locating and WTIS systems and intentional gapping of vacant workforce positions. Partially offsetting these savings are reduced Passenger Revenues in the order of \$400K due to the slight decline in trips. Overall, the 2011 subsidy requirement is projected to fall about \$1.3 million (or 1.4%) below budget.

Appendix D provides financial information regarding Toronto Transit Infrastructure Ltd. (TTIL), a subsidiary corporation created by the Toronto Transit Commission, to undertake an assessment of the business case for the two extensions of the Sheppard Avenue subway.

December 2, 2011
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Attachments: Appendices A, B, C and D
Chief General Manager's Report
Period 10
October 2 to October 29, 2011

**TORONTO TRANSIT COMMISSION
OPERATING BUDGET - INCOME STATEMENT**

PERIOD 10	Period 10 FOUR Weeks October 2 to October 29, 2011			Ten Periods to October 29, 2011			Full Year 2011		
(\$000s)	Over/(Under)			Over/(Under)			Projected	Budget	Projected
	Actual	Budget	Budget	Actual	Budget	Budget	Actual		Variance
REVENUES:									
Passenger Revenues	77,459	74,970	2,489	799,477	784,955	14,522	966,100	948,050	18,050
Outside City & Charters	1,360	1,358	2	15,226	14,696	530	18,248	17,748	500
Advertising	1,687	1,687	-	16,875	16,875	-	17,450	20,250	(2,800)
Rent Revenue	725	737	(12)	7,227	7,358	(131)	8,829	8,829	-
Commuter Parking	801	759	42	7,486	7,879	(393)	9,170	9,470	(300)
Other Income	180	155	25	2,466	1,612	854	3,734	2,434	1,300
TOTAL REVENUES	82,212	79,666	2,546	848,757	833,375	15,382	1,023,531	1,006,781	16,750
EXPENSES (LABOUR & NON-LABOUR)									
CGM's Office	927	1,131	(204)	10,212	11,871	(1,659)	12,983	14,349	(1,366)
Engineering & Construction	265	295	(30)	2,706	3,165	(459)	3,828	3,828	-
Executive	6,276	6,529	(253)	63,408	70,321	(6,913)	81,639	84,708	(3,069)
Operations - Rail	30,117	30,486	(369)	313,995	320,099	(6,104)	387,461	390,865	(3,404)
Operations - Bus	32,799	32,730	69	342,502	341,416	1,086	419,077	417,155	1,922
Operations - Other	2,442	2,715	(273)	25,118	28,469	(3,351)	31,359	34,500	(3,141)
Other Employee Costs*	20,933	21,110	(177)	222,732	222,517	215	261,925	257,925	4,000
Vehicle Fuel	6,589	6,691	(102)	71,518	71,383	135	87,796	86,296	1,500
Traction Power	3,124	3,199	(75)	29,357	31,336	(1,979)	36,624	37,624	(1,000)
Utilities	1,631	1,439	192	14,657	15,394	(737)	19,431	20,431	(1,000)
Taxes and Licences	203	319	(116)	2,338	3,252	(914)	2,706	3,906	(1,200)
Depreciation	1,355	2,065	(710)	16,238	21,978	(5,740)	19,500	26,400	(6,900)
Accident Claims & Insurance**	2,686	2,527	159	30,393	30,606	(213)	37,937	32,937	5,000
Corporate Restructuring	-	-	-	-	-	-	7,000	-	7,000
Non-Departmental Costs	573	1,636	(963)	12,749	15,821	(3,072)	30,868	24,968	5,900
TOTAL EXPENSES	109,920	112,772	(2,852)	1,167,923	1,187,628	(29,705)	1,440,134	1,435,892	4,242
OPERATING SUBSIDY REQUIRED in 2011							416,603	429,111	(12,508)
CITY OPERATING SUBSIDY AVAILABLE ***							429,111	429,111	-
SHORTFALL/(Surplus)							(12,508)	-	(12,508)

* City Council's approval of the 2006 TTC and Wheel-Trans operating budgets included the establishment of a long-term receivable from the City for budgeted non-cash expenses related to post-retirement benefits. Consequently, in 2011, the \$13.375 M budget for these expenses has been deducted to match the City's budgeted subsidy for the current year.

** The City Council approved budget included the establishment of a long-term receivable from the City for budgeted non-cash expenses related to accident claims.

Consequently, in 2011, the \$14 million budget for these expenses has been deducted to match the City's budgeted subsidy for the current year.

*** City Council approved the operating subsidy at its meeting of February 24, 2011.

TORONTO TRANSIT COMMISSION 2011 - 2015 CAPITAL PROGRAM
CURRENT YEAR PROJECT STATUS SUMMARY PERIOD 10 ENDED OCT 29, 2011
(\$ Millions)

	City Proj. Ref.	PSR Page Ref.	YEAR TO DATE			FULL YEAR		
			Costs Incurred	Budget	Variance	Projected	Budget	Variance
EXPENDITURES								
WAY								
1.1 Subway Track	CTT001	E1.1-1	11.3	11.1	0.2	17.4	13.1	4.3
1.2 Surface Track	CTT002	E1.2-1	10.7	31.8	(21.1)	20.0	38.5	(18.5)
ELECTRICAL SYSTEMS								
2.1 Traction Power	CTT003	E2.1-1	9.4	17.1	(7.7)	18.9	23.0	(4.1)
2.2 Power Distribution/Electric Systems	CTT005	E2.2-1,2	4.1	5.2	(1.1)	7.0	6.7	0.3
2.3 Communications	CTT006	E2.3-1-6	6.3	13.4	(7.1)	12.4	16.4	(4.0)
2.4 Signal Systems	CTT008	E2.4-1,2	5.6	6.3	(0.7)	7.7	13.5	(5.8)
ATC Resignalling	CTT142	E2.4-1,2	14.4	48.4	(34.0)	38.9	62.8	(23.9)
2.5 Energy Management	CTT139	E2.5	1.7	1.9	(0.2)	2.8	2.2	0.6
BUILDINGS & STRUCTURES								
3.1 Finishes	CTT010	E3.1-2	11.7	21.1	(9.4)	17.2	26.4	(9.2)
3.2 Equipment	CTT012	E3.2-1-4	10.8	13.8	(3.0)	16.7	17.1	(0.4)
3.3 Yards & Roads	CTT015	E3.3-1	1.1	3.1	(2.0)	4.0	3.9	0.1
On-Grade Paving Rehabilitation Program	CTT018	E3.3-2	2.8	4.5	(1.7)	4.3	5.2	(0.9)
Greenwood Yard Expansion	CTT019	E3.3-3						
Transit Shelters & Loops	CTT064	E3.3-5	0.3	0.8	(0.5)	0.3	1.1	(0.8)
Commuter Parking Expansion	CTT124	E3.3-4,6	0.3	0.1	0.2	0.5	0.1	0.4
3.4 Bridges & Tunnels	CTT020	E3.4-1-5	25.7	42.1	(16.4)	41.9	49.1	(7.2)
3.9 Buildings and Structures Projects			0.1	0.0	0.1	0.0	0.0	
Fire Ventilation Upgrade	CTT024	E3.9-9	17.3	16.1	1.2	19.1	19.1	
Transit Control Centre	CTT026	E3.9-8						
Easier Access Phase II & III	CTT028	E3.9-2,1,2,3	9.4	10.6	(1.2)	14.5	13.7	0.8
Sheppard Subway - Yonge to Don Mills	CTT035	E3.9-15				2.2	2.0	0.2
Birchmount Garage Renovations	CTT038	E3.9-6						
Mount Dennis Bus Garage	CTT109	E3.9-10	0.4	1.6	(1.2)	1.9	2.0	(0.1)
Other Building & Structures Projects	CTT110	E3.9-16,18	13.3	29.9	(16.6)	26.2	38.1	(11.9)
Victoria Park Terminal Replacement	CTT110	E3.9-16,29	4.9	2.9	2.0	4.9	2.9	2.0
Wilson Complex - Modifications for the Toronto rocket	CTT144	E3.9-23	15.5	9.5	6.0	15.5	11.3	4.2
LRT Replacement Maintenance & Storage Facility	CTT145	E3.9-24	47.8	82.1	(34.3)	55.0	94.3	(39.3)
Birchmount Bus Garage Repair Bay Modifications	CTT115	E3.9-1	2.2	4.7	(2.5)	4.6	4.7	(0.1)
Queensway Bus Garage Renovations	CTT116	E3.9-3	6.8	7.1	(0.3)	10.4	8.3	2.1
Broadview Station Modifications	CTT119	E3.9-7						
Eglinton Bus Terminal Replacement	CTT123	E3.9-17		0.2	(0.2)	0.4	0.2	0.2
Wilson Yard - Fleet Accommodation	CTT126	E3.9-22	(1.2)	2.5	(3.7)	2.7	2.5	0.2
Kipling Station Improvements	CTT130	E3.9-19	0.9	0.5	0.4	3.4	0.5	2.9
Islington Station Improvements	CTT131	E3.9-20				0.4		0.4
Warden Station Improvements	CTT132	E3.9-21				0.2		0.2
Toronto Rocket/T1 Rail Yard accommodation	CTT146	E3.9-25	2.1	4.8	(2.7)	4.7	6.1	(1.4)

TORONTO TRANSIT COMMISSION 2011 - 2015 CAPITAL PROGRAM
CURRENT YEAR PROJECT STATUS SUMMARY PERIOD 10 ENDED OCT 29, 2011
(\$ Millions)

			YEAR TO DATE			FULL YEAR		
			Costs			Projected	Budget	Variance
			Incurred	Budget	Variance			
VEHICLES								
REVENUE VEHICLES								
4.11 Purchase of Buses - Conventional	CTT111	E4.11-1	16.5	18.9	(2.4)	18.0	18.9	(0.9)
- Wheel Trans Buses	CTT045	E4.11-2	1.5	16.9	(15.4)	4.9	21.6	(16.7)
4.12 Purchase of Subway Cars	CTT046	E4.12-1	32.4	70.6	(38.2)	70.2	75.4	(5.2)
4.13 Bus Overhaul - Midlife Rebuild	CTT112	E4.13-1-4	1.1	2.6	(1.5)	3.5	4.1	(0.6)
4.14 SRT Car Overhaul	CTT049	E4.14-1						
4.15 Streetcar Overhaul	CTT050	E4.15-1	7.4	7.6	(0.2)	9.6	9.3	0.3
4.16 Subway Car Overhaul	CTT051	E4.16-1	8.9	10.6	(1.7)	10.7	13.2	(2.5)
4.17 Purchase of SRT Cars	CTT121	E4.17-1						
4.18 Purchase of Streetcars	CTT122	E4.18-1	76.1	129.1	(53.0)	169.0	160.4	8.6
NON-REVENUE VEHICLES								
4.21 Purchase Automotive Non-Revenue Vehicles	CTT052	E4.21-1	2.9	5.4	(2.5)	6.3	8.0	(1.7)
4.22 Rail Non-Revenue Vehicle Overhaul	CTT053	E4.22-1,2	0.1	1.0	(0.9)	0.1	1.2	(1.1)
4.23 Purchase Rail Non-Revenue Vehicles	CTT054	E4.23-1	2.5	1.5	1.0	4.8	1.8	3.0
TOOLING, MACHINERY & EQUIPMENT								
5.1 Shop Equipment	CTT055	E5.1-1-6	1.2	3.5	(2.3)	4.7	5.1	(0.4)
5.2 Revenue & Fare Handling Equipment	CTT056	E5.2-1-4	1.5	2.2	(0.7)	2.0	3.2	(1.2)
5.3 Maintenance Equipment	CTT113	E5.3-1,-4	0.3	1.1	(0.8)	1.4	1.4	
5.4 Fare System	CTT141	E5.2-1-4	1.2	4.4	(3.2)	1.4	6.0	(4.6)
ENVIRONMENTAL PROGRAMS								
6.1 Environmental Programs	CTT058	E6.1-1,2	7.0	10.2	(3.2)	13.6	12.2	1.4
COMPUTER EQUIPMENT & SOFTWARE								
7.1 Computer Equipment & Software	CTT061	E7.1-1...	8.1	12.9	(4.8)	17.8	18.4	(0.6)
7.2 Intelligent Transportation & Technical Systems	CTT125	E7.2-1...	10.3	15.1	(4.8)	16.7	20.0	(3.3)
7.2 Enterprise Geospatial Information System (GIS)	CTT125	E7.2-10	1.7	1.8	(0.1)	2.3	2.5	(0.2)
OTHER								
9.1 Furniture & Office Equipment	CTT062	E9.1-1,4	0.1	0.4	(0.3)	0.3	0.4	(0.1)
9.2 Other Service Planning	CTT063	E9.2-1,3,4	(0.7)	1.7	(2.4)	2.4	1.8	0.6
Transit Expansion / Metrolinx Transit City Plan (EA costs only)	CTT135	TCP-1	0.5	0.7	(0.2)	0.5	0.7	(0.2)
Unspecified Budget Reduction	CTT133							
TOTAL EXPENDITURES - BASE CAPITAL PROGRAM			416.3	711.4	(295.1)	736.3	870.4	(134.1)
TTC Requested Carry Forward						43.9		(43.9)
TOTAL EXPENDITURES INCLUDING CARRY FORWARD			416.3	711.4	(295.1)	736.3	914.3	(178.0)
FUNDING								
ADDITIONAL COUNCIL APPROVED ITEMS								
Toronto York Spadina Subway Extension (TYSSE)	CTT134	TYSSE-1	213.6	438.1	(224.5)	328.7	524.9	(196.2)
Transit Expansion / Metrolinx Transit City Plan Projects	CTT135	TCP-1	59.6		59.6	(0.5)		(0.5)
Transit Expansion / Metrolinx SRT Projects	CTT140	TCP-1	9.0		9.0			
TOTAL EXPENDITURES INCL. ADDITIONAL COUNCIL APPROVED ITEMS			698.5	1,149.5	(451.0)	1,064.5	1,439.2	(374.7)

Note 1: Budget approval received from Council February 23, 2011.

Note 2: Expansion initiatives which have been reflected below the base Capital Program for separate presentation are TYSSE, Transit Expansion / Metrolinx Transit City Plan Projects, and SRT Projects.

Note 3: On a full year basis, Waterfront Initiative expenditures are \$28.0M versus the budgeted \$51.5M which are not included in above.

Note 4: Current projections may not agree to PSRS due to recent budget amendment approved by Commission September 16, 2011.

**WHEEL-TRANS
OPERATING BUDGET - INCOME STATEMENT**

PERIOD 10 (\$000s)	Period 10: Four Weeks October 2 to October 29, 2011			Ten Periods to October 29, 2011			Full Year 2011		
	Over/(Under)			Over/(Under)			Projected Actual	Budget	Projected Variance
	Actual	Budget	Budget	Actual	Budget	Budget			
REVENUES:									
Passenger Fares	398	449	(51)	4,247	4,642	(395)	5,215	5,611	(396)
EXPENSES:									
CONTRACT SERVICES:									
Sedan Taxis	696	978	(282)	7,877	9,780	(1,903)	9,999	12,069	(2,070)
Accessible Taxis	1,614	1,576	38	17,228	16,963	265	21,466	20,474	992
BUS OPERATION:									
Operators	1,763	1,679	84	18,513	17,637	876	22,758	21,460	1,298
Divisional Staff	55	42	13	495	432	63	565	522	43
Mobile Supervision	72	78	(6)	783	829	(46)	965	1,005	(40)
Equipment Maintenance	952	1,002	(50)	9,679	10,491	(812)	11,977	12,731	(754)
Vehicle Fuel	292	316	(24)	3,037	3,328	(291)	3,715	4,019	(304)
Lakeshore Garage Costs	89	71	18	984	908	76	1,198	1,131	67
ADMINISTRATION:									
General Superintendent's Office	33	66	(33)	446	668	(222)	590	825	(235)
Dispatch & Reservations	313	368	(55)	3,515	3,811	(296)	4,279	4,598	(319)
Accessible Services	30	46	(16)	352	496	(144)	420	601	(181)
Customer Service	92	123	(31)	1,105	1,388	(283)	1,435	1,783	(348)
Other Employee Costs *	968	1,004	(36)	10,725	10,663	62	12,365	12,210	155
Non-Departmental Costs **	241	236	5	2,619	2,668	(49)	3,180	3,194	(14)
TOTAL EXPENSES	7,210	7,585	(375)	77,358	80,062	(2,704)	94,912	96,622	(1,710)
CITY OPERATING SUBSIDY AVAILABLE IN 2011 ***							89,697	91,011	(1,314)

PASSENGER TRIPS (000s)	211	233	(22) U	2,297	2,438	(141) U	2,840	2,951	(111) U
UNACCOMMODATED RATE (%)	2.0	2.0	0.0 F	3.5	2.0	1.5 U	3.0	2.0	1.0 U
SUBSIDY PER TRIP (\$)	32.34	30.63	1.71 U	31.83	30.94	0.89 U	31.85	31.12	0.73 U

U: Unfavourable Change

F: Favourable Change

* City Council's approval of the 2006 TTC and Wheel-Trans operating budgets included the establishment of a long-term receivable from the City for budgeted non-cash expenses related to post-retirement benefits. Consequently, in 2011, the \$690K budget for these expenses has been deducted to match the City's budgeted subsidy for the current year.

** The City Council approved budget included the establishment of a long-term receivable from the City for budgeted non-cash expenses related to accident claims. Consequently, in 2011, the \$135K budget for these expenses has been deducted to match the City's budgeted subsidy for the current year.

*** City Council approved operating subsidy of \$91.0 million at its meeting of February 24, 2011.

TORONTO TRANSIT INFRASTRUCTURE LTD

Income Statement (Unaudited)
 Period 10

	Period 10	YTD	
		Period 10 2011	Period 10 2010
	(\$)	(\$)	(\$)
REVENUE			
Interest income	5	1,012	726
Total revenue	5	1,012	726
EXPENSES			
Wages and Payroll Expenses		44,686	
Consultant Fees		68,481	
Legal Fees		45,207	
Miscellaneous	7	1,366	40
Total expenses	7	159,739	40
Net (loss)/income	(2)	(158,726)	686
Opening Equity	2,709	161,433	160,412
Ending Equity	2,707	2,707	161,098

TORONTO TRANSIT INFRASTRUCTURE LTD

Balance Sheet (Unaudited)
Period 10

	2011	2010
	(\$)	(\$)
ASSETS		
Current assets		
Cash	4,298	160,968
Interest receivable	-	170
Total Assets	4,298	161,138
LIABILITIES AND EQUITY		
Current liabilities		
Accounts payable	1,591	40
Shareholder's equity		
Capital stock		
Authorized: unlimited number of common shares		
Issued: 1,000 common shares	100,000	100,000
Deficit	(97,293)	61,098
	2,707	161,098
Total Liabilities & Equity	4,298	161,138