



Report for Information

Chief Executive Officer's Report – January 2018 Update

Date: January 18, 2018
To: TTC Board
From: Chief Executive Officer

Summary

The Chief Executive Officer's Report is submitted each month to the TTC Board, for information. Copies of the report are also forwarded to each City of Toronto Councillor, the City Deputy Manager, and the City Chief Financial Officer, for information. The report is also available on the TTC's website.

Financial Summary

There are no financial impacts associated with this report.

Equity/Accessibility Matters

There are no accessibility or equity issues associated with this report.

Decision History

The Chief Executive Officer's Report, which was created in 2012 to better reflect the Chief Executive Officer's goal to completely modernize the TTC from top to bottom, has been transformed to be more closely aligned with the TTC's seven strategic objectives – safety, customer, people, assets, growth, financial sustainability, and reputation.

Issue Background

For each strategic objective, updates of current and emerging issues and performance are now provided, along with a refreshed performance dashboard that reports on the customer experience. This information is intended to keep the reader completely up-to-date on the various initiatives underway at the TTC that, taken together, will help the TTC achieve its vision of a transit system that makes Toronto proud.

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Signature



Richard J. Leary
Chief Executive Officer (Acting)

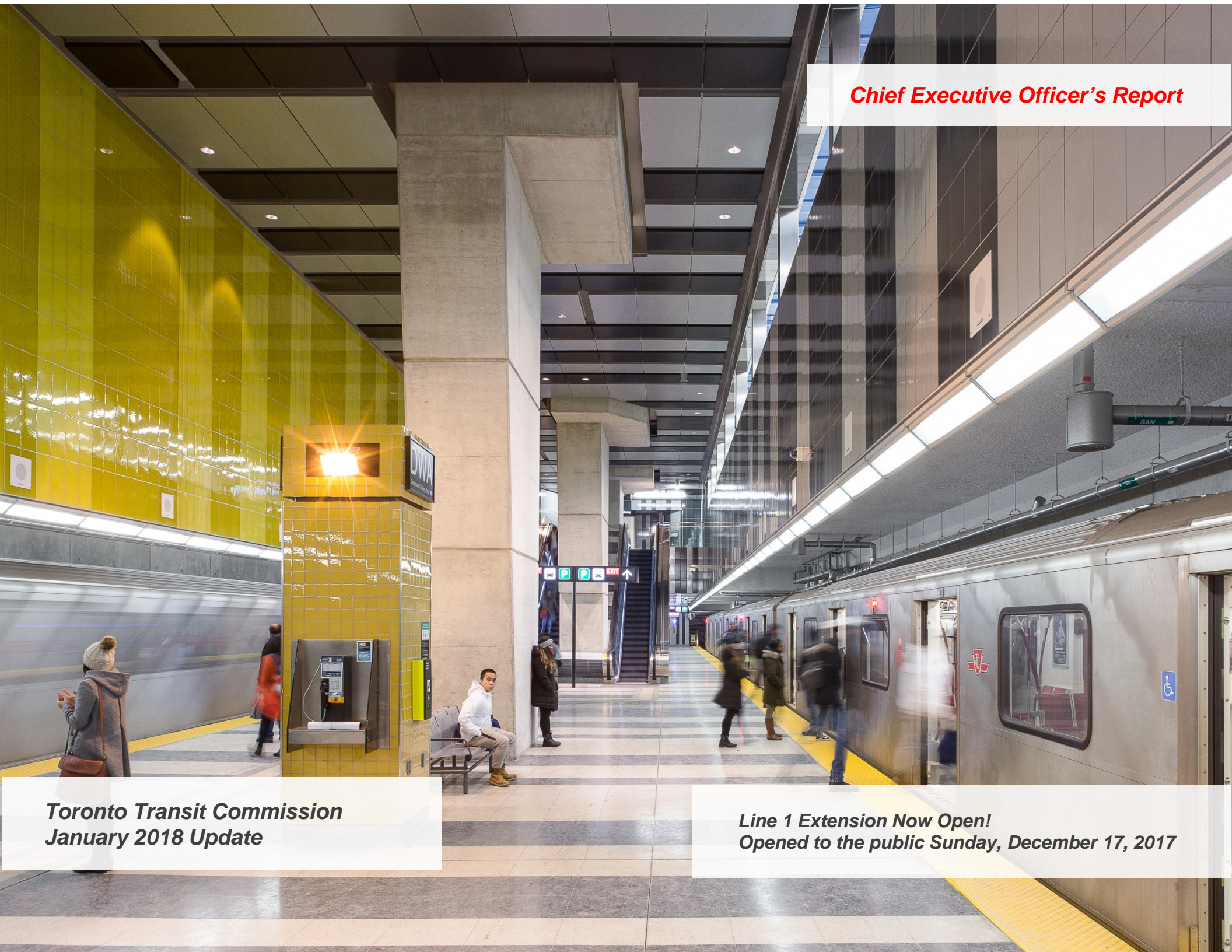
Attachments

Attachment 1 - Chief Executive Officer's Report – January 2018 Update

Chief Executive Officer's Report

**Toronto Transit Commission
January 2018 Update**

**Line 1 Extension Now Open!
Opened to the public Sunday, December 17, 2017**



Introduction

The Chief Executive Officer's Report was created in 2012 to be more transparent - to allow the board and public to better see the TTC's performance each month. Further changes will be made to the CEO's Report that reflect, for example, service delivered rather than service scheduled. That's an important distinction for customers and one, I believe, we need to better show through the CEO's Report.

In this, my first report as interim CEO, you will note trend lines have changed in the scorecard. We'll begin to use "ongoing trend" that, in most cases, are over a 3-5 year period vs just one-year because, frankly, change and improvement takes more than one year to realize. While the current status of a particular measure may be negative, the overall trend may, in fact, be positive. If it isn't, that, too, will be reflected for all to see.

We owe it to ourselves and the public to show long-term trends, both positive and negative. Of course, where trends are negative, it will allow all of us to identify them and course-correct as necessary. The CEO Report will also provide more than just financial data, it will also start to include an analysis of that data.

I look forward to working with the Board as your interim CEO, driving performance and delivering the transit service to the people of Toronto that we promise in our service plans. My executive team will continue to be accountable for their areas of responsibility, not just to me, but also to you.



Richard J. Leary
Chief Executive Officer (Acting)
Toronto Transit Commission

Our Vision: A transit system that makes Toronto proud.

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1. TTC Performance Scorecard & Critical Projects Dashboard



TTC Performance Scorecard

Key Performance Indicator	Description	Latest Measure	Current	Target	Current Status	Ongoing Trend	Page
Safety and Security							
Lost Time Injuries	Injuries per 100 Employees	Nov 2017	3.61	3.53*			20
Customer Injury Incidents	Injury Incidents per 1M Boardings	Nov 2017	0.83	1.17*			21
Offences against Customers	Offences per 1M Boardings	Nov 2017	0.48	1.00			22
Offences against Staff	Offences per 100 Employees	Nov 2017	4.10	3.87*			23
Customer: Journeys							
	TTC Customer Trips	Nov 2017	43.1M	44.6M			26
	TTC Customer Trips	2017 y-t-d to Nov	483.6M	493.5M		NA	26
	PRESTO Customer Trips	Nov 2017	7.6M	8.7M			27
	PRESTO Customer Trips	2017 y-t-d to Nov	66.3M	67.2M		NA	27
	Wheel-Trans Customer Trips	Nov 2017	345K	403K			28
	Wheel-Trans Customer Trips	2017 y-t-d to Nov	3.8M	4.2M		NA	28
Customer: Satisfaction							
	Customer Satisfaction Score	Q3 2017	80%	70%			29
Customer: Environment							
Station Cleanliness	Audit Score	Q3 2017	74.5%	75%			32

Ongoing Trend Indicators:

Favourable Mixed Unfavourable

*Represents current 12-month average of actual results

Key Performance Indicator	Description	Latest Measure	Current	Target	Current Status	Ongoing Trend	Page
Streetcar Cleanliness	Audit Score	Q3 2017	88.6%	90%			33
Bus Cleanliness	Audit Score	Q3 2017	89.7%	90%			34
Subway Cleanliness	Audit Score	Q3 2017	92.7%	90%			35

Customer: Service Performance



Subway

1	Yonge-University	Delay Incidents	Nov 2017	777	522			36
		Delay Minutes	Nov 2017	1,430	1,066			37
		Capacity Delivered in Peak	Nov 2017	88.5%	96%			38
2	Bloor-Danforth	Delay Incidents	Nov 2017	734	465			39
		Delay Minutes	Nov 2017	1,409	974			40
		Capacity Delivered in Peak	Nov 2017	94.5%	96%			41
3	Scarborough	Delay Incidents	Nov 2017	50	46			42
		Delay Minutes	Nov 2017	117	270			43
		Capacity Delivered in Peak	Nov 2017	100%	98%			44

Ongoing Trend Indicators:

Favourable Mixed Unfavourable

*Represents current 12-month average of actual results

Key Performance Indicator	Description	Latest Measure	Current	Target	Current Status	Ongoing Trend	Page
4 Sheppard	Delay Incidents	Nov 2017	47	37			45
	Delay Minutes	Nov 2017	101	91			46
	Capacity Delivered in Peak	Nov 2017	100%	98%			47
Streetcar	On-Time Departure	Nov 2017	46.7%	90%			48
	Short Turns	Nov 2017	1,027	3,045			49
Bus	On-Time Departure	Nov 2017	73.9%	90%			50
	Short Turns	Nov 2017	2,726	4,656			51
Wheel-Trans	% Within 10 Minutes of Schedule	Nov 2017	83.6%	90%			52

Customer: Amount of Service

Streetcar	Weekly Service Hours	Oct 2017	18.7K	21.7K			53
Bus	Weekly Service Hours	Oct 2017	145.7K	151.1K			54
Subway	Weekly Service Hours	Oct 2017	9.7K	9.8K			55
Operator Efficiency	Crewing Efficiency	Nov 2017	87.05%	87.15%			56

Ongoing Trend Indicators:

Favourable Mixed Unfavourable

*Represents current 12-month average of actual results

Key Performance Indicator	Description	Latest Measure	Current	Target	Current Status	Ongoing Trend	Page
People							
Employee Absence	Absenteeism Rate	Nov 2017	7.85%	7.45%*			58
Assets: Vehicle Reliability							
Subway							
T1	Mean Distance Between Failures	Nov 2017	154,603 km	300,000 km			61
TR	Mean Distance Between Failures	Nov 2017	1,632,494 km	600,000 km			62
Streetcar							
CLRV	Mean Distance Between Failures	Nov 2017	5,952 km	6,000 km			63
ALRV	Mean Distance Between Failures	Nov 2017	2,073 km	6,000 km			64
New Streetcar	Mean Distance Between Failures	Nov 2017	11,433 km	35,000 km			65
Bus	Mean Distance Between Failures	Nov 2017	20,009 km	12,000 km			66
Wheel-Trans	Mean Distance Between Failures	Nov 2017	12,704 km	12,000 km			67

Ongoing Trend Indicators:

Favourable Mixed Unfavourable

*Represents current 12-month average of actual results

Key Performance Indicator	Description	Latest Measure	Current	Target	Current Status	Ongoing Trend	Page
Assets: Equipment Availability							
Elevators	Percent Available	Nov 2017	98.0%	98%	✓	✓	68
Escalators	Percent Available	Nov 2017	96.8%	97%	✗	✓	69
Financials							
TTC Revenue	Actual vs. Budget	2017 y-t-d to Nov	\$1,121M	\$1,123M	✗	Section 3.5	
TTC Operating Expenditure	Actual vs. Budget	2017 y-t-d to Nov	\$1,559M	\$1,646M	✓	Section 3.5	
Wheel-Trans Revenue	Actual vs. Budget	2017 y-t-d to Nov	\$6.9M	\$7.6M	✗	Section 3.5	
W-T Operating Expenditure	Actual vs. Budget	2017 y-t-d to Nov	\$120M	\$137M	✓	Section 3.5	
Capital Expenditure – Base	Actual vs. Budget	2017 y-t-d to Nov	\$792M	\$1,071M	✗	Section 3.5	
Capital Expenditure – TYSSE	Actual vs. Budget	2017 y-t-d to Nov	\$280M	\$527M	✗	Section 3.5	
Capital Expenditure – SSE	Actual vs. Budget	2017 y-t-d to Nov	\$47M	\$79M	✗	Section 3.5	

Ongoing Trend Indicators:

 Favourable
  Mixed
  Unfavourable

*Represents current 12-month average of actual results

Critical Projects Dashboard




Current as of November 2017 | Next Update in March 2018 CEO Report

The dashboard below provides a snapshot in time (updated quarterly) of the health status for major projects that comprise the TTC project portfolio. The projects have been included in the dashboard due to their magnitude, complexity and/or strategic significance. Collectively, the dashboard comprises over 50% of the base capital program and 100% of the fully funded expansion projects.

CEO Reports for March, May, September, and November include an updated dashboard as well as one-page project performance updates for each project listed in the dashboard. Exception reporting for projects with a yellow 'Y' or red 'R' status is provided in the CEO Commentary (see Section 2 of this CEO Report).

Project	Strategic Objective	Cost (millions)					Schedule			Outlook to Completion			
		Budget	Actual		Projected		Start Date	End Date		Schedule	Cost	Scope	Risk
			LTD	%	Cost	%		Approved	Revised				
Bus Fleet & Facilities													
Vehicles: Purchase of Buses *	Assets	\$1,271	\$370	29%	\$1,266	100%	Ongoing	Q4 2019	Q1 2018	G	G	G	G
Facilities: McNicoll Bus Garage	Growth	\$181	\$20	11%	\$181	100%	Q4 2012	Q2 2020	Q2 2020	G	G	G	G
Management Systems: VISION (CAD/AVL)	Customer	\$115	\$15	13%	\$115	100%	Q1 2014	Q4 2020	Q1 2020	Y	G	G	G
Streetcar Fleet & Facilities													
Vehicles: Purchase of New Streetcars	Assets	\$1,187	\$594	50%	\$1,187	100%	Q2 2009	Q4 2019	Q4 2019	R	G	G	R
Facilities: Leslie Barns	Growth	\$523	\$493	94%	\$523	100%	2008	Q4 2017	Q4 2017	G	G	G	G
Track: Surface Track *	Assets	\$598	\$253	42%	\$598	100%	Ongoing	Q4 2017	Q2 2018	Y	G	G	Y
Subway Fleet & Infrastructure													
Vehicles: Purchase of Subway Cars	Assets	\$1,167	\$1,129	97%	\$1,167	100%	Q2 2011	Q4 2016	Q2 2017	G	G	G	G
Stations: Easier Access III	Assets	\$774	\$285	37%	\$776	100%	2006	Q4 2025	Q4 2025	Y	G	G	Y
Facilities: TR / T1 Rail Yard Accommodation **	Assets	\$973	\$198	20%	\$966	99%	2010	Post 2026	Post 2026	G	G	G	G
Track & Tunnels: Subway Track *	Assets	\$557	\$168	30%	\$540	97%	Ongoing	Q2 2018	Q2 2018	G	G	G	G
Signals: Automatic Train Control (ATC Line 1-YUS)	Assets	\$563	\$363	64%	\$563	100%	Q2 2009	Q4 2019	Q4 2019	G	G	G	G
Expansion													
Toronto-York Spadina Subway Extension (TYSSE)	Growth	\$3,184	\$2,633	83%	\$3,184	100%	Q2 2008	Q4 2017	Q4 2017	G	G	G	G
Scarborough Subway Extension ***	Growth	\$3,305	\$64	2%	\$3,305	100%	Q4 2013	Q4 2023	Q2 2026	R	Y	R	R
Management Systems													
PRESTO	Customer	\$44	\$45	102%	\$48	108%	Q4 2012	Q4 2017	Q4 2019	Y	Y	Y	Y
SAP	Financial	\$63	\$39	61%	\$63	100%	Q1 2014	Q3 2019	Q3 2019	R	Y	Y	Y

Legend – Outlook to Completion

	On Track to Meet Project Objective
	At Risk of Not Meeting Project Objective
	Will Not Meet Project Objective

*These projects are ongoing in nature. Performance data reflects the 10-year funding envelope.

**The scope is not sufficiently defined to establish a complete budget or schedule. The cost and schedule above reflect known/approved scope, which will be reset when the scope is better known.

***The cost and schedule will be reset at Stage Gate 3.

2. CEO Commentary



York Region Chairman Wayne Emerson, Mayor John Tory, Prime Minister Justin Trudeau, Premier Kathleen Wynne and TTC Chair Josh Colle arrive at York University Station to open the Line 1 extension, December 15, 2017.

CEO Commentary and Current Issues

General Overview

The end of 2017 was an incredibly busy and exciting one for the TTC.

On December 17, the Line 1 extension was finally opened to the public. It was a proud day for the TTC. Opening a subway extension involves virtually every discipline the TTC brings to the table. This line is served by automatic train control and its positive impact on service on the extension bodes well for the rest of Line 1 as we continue to upgrade and install the new signal system across the line.

The new station management model of customer service agents is in place at the new stations, as well as at Wilson and Sheppard West stations. PRESTO, fare gates, WiFi and cell service are all in place at these beautiful new stations.

It was our distinct pleasure to host the prime minister, premier, chair of York Region, Mayor Tory and Josh Colle as they helped declare the extension open on December 15.

November also saw the start of the King Street Transit Pilot project. Almost immediately, riders saw improvements to travel times and reliability. We are a bit of a victim of our own success, too, as we have also seen a ridership increase of some 25 per cent on King St., meaning some customers are unable to board their first or even second streetcar in the peak of the peak. Travel time, reliability and ridership will be used by the TTC to gauge pilot success. We will continue to work with the City to monitor the pilot and do all we can to assist business in the corridor, but as of writing, the TTC is extremely pleased with the positive impact the pilot is having for customers.

As new streetcars arrive from Bombardier, we are deploying them to King St. to address capacity issues. Streetcar service, generally, however, remains a challenge as we are fleet constrained. The extreme cold has meant some legacy streetcars are unable to meet service, requiring yet more buses to be used on streetcar routes.

In February, the TTC will replace the 505 Dundas and 506 Carlton streetcar routes with buses until at least 2019, allowing those legacy cars that remain reliable and roadworthy, to be available for service on routes, like King Street, where demand is critical.



Safety & Security

Customer injuries, despite an unfortunate cluster of subway suicides and suicide attempts at the end of 2017, are down and trending in the right direction. While the current status of offences against staff was up, the trend is going in the right direction.

Safety, of course, is paramount in all that we do. Employee safety is something the TTC takes incredibly seriously. With lost-time injuries among employees up slightly, we will closely monitor this to ensure we turn that trend around.

Customer: System Performance

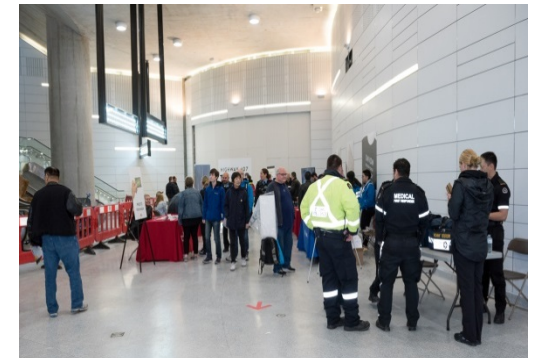
Trends across all modes are going in the right direction. While there are unfavourables under current status, as noted in the introduction to the CEO's Report, it is important to see ongoing trends over time, in addition to the moment in time that "current status" provides.

As part of our review of performance indicators, and ensuring that they provide value to our customers, we have improved our reporting on subway capacity actually delivered vs scheduled. We have expanded this measure to capture both morning and evening peak periods, and have set targets that are achievable, while still giving us room to improve further. This metric will replace the 'AM peak trains per hour' that had been in place for the past two years.

This performance indicator measures the actual capacity delivered, by train counts at key locations across the lines, as a percentage of what was scheduled, averaged over the AM and PM peak periods. On Lines 1 and 2, we have set our targets at 96%, and on Lines 3 and 4, we have set our targets at 98%.

Financials

Consistent with past experience in 2017, operating expenses to the end of November continued to trend under budget, due to workforce being under budgeted strength, reduced material expenses, lower accident claim payments and employee benefit expenses, and savings on energy costs. It is projected that there will be a TTC/Wheel-Trans combined year-end operating subsidy surplus of \$72.8 million.



Ridership, year-to-date to the end of November, was 2.0% below budget and 0.6% below the 2016 comparable actual. Interim results for December indicate similar trends. Year-end ridership is projected to be about 1.8% below budget (534M vs. 544M).

Changes to 2018 Financial Reporting

Beginning in 2018, TTC will be moving to quarterly reporting of their financial results, consistent with the City’s variance reporting. This change will align the TTC with City reporting as well as provide an opportunity for greater review and analysis of monthly results to better inform year end projections.

Increased accuracy of year end projections will support fiscal management through providing better information for decision making, as well as enhancing the value of projected financial results that are used for the preparation of future year operating and capital budgets for Board consideration.

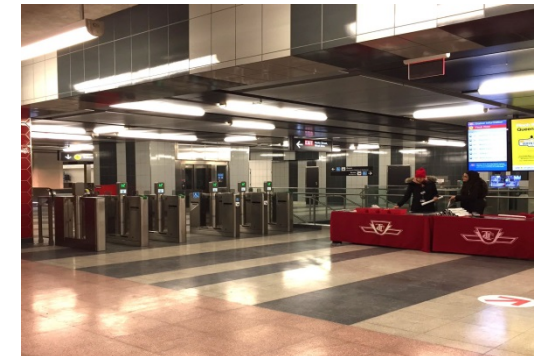
Strategic Priorities

The new TTC Corporate Plan (2018-2022) will set out the strategic priorities for the next five years and our objectives over the next 25 years that will deliver on the City’s longer term priorities. The new Plan will go before the TTC Board for endorsement on January 25, 2018, and proposes a number of key KPIs. For customers, these are to increase reliability, ridership, and customer satisfaction. The new Ridership Growth Strategy (RGS) (2018-2022), also due before the Board on January 25, 2018, will propose a suite of actions that staff believes will deliver on the Plan’s customer objectives. The actions that can be accomplished in 2018 will be within the existing funding envelope; actions for 2019 and beyond will include initiatives that require additional investment.

Delivery of Major Projects

Referring to the Critical Projects Dashboard on page 8, the following section is a new addition to my commentary. It brings to the Board’s attention the status of major projects and includes exception reporting for projects with yellow ‘Y’ and red ‘R’ status.

To aid the reader, I have indicated which project performance scorecard has had *no change in overall status* and those that have had a *change in status*.



VISION

No change in overall status

Schedule	Cost	Scope	Overall Risk
Y	G	G	G

In preparation for the VISION implementation, training initiatives are in full effect. Operator training has commenced at Mount Dennis Division and is scheduled to start at Arrow Road Division on January 22. Supervisor training for Mount Dennis, Arrow Road, and Roncesvalles Divisions is scheduled to start in February, 2018.

Streetcar Transportation CIS operations are scheduled to move to the Operations Control Centre at Hillcrest Complex by the end of February, 2018. Non-revenue and Revenue vehicle testing will start in March, 2018, and upon successful completion, the rollout will begin at Mount Dennis and Arrow Road Divisions in April, 2018.

New Streetcars

Change in schedule status and overall status

Schedule	Cost	Scope	Overall
R	G	G	R

Schedule is at risk due to known manufacturing issues that are being addressed. TTC continues to work as business partners with Bombardier. However, the TTC's ability to mitigate this risk is limited.

Year\Month	1	2	3	4	5	6	7	8	9	10	11	12	Total
2017	0	2	1	1	2	3	1	2	1	5	2	7	27
2018	TBD											76	
2019	TBD											71	

As of this writing, 58 new vehicles are now in service. I will update the Board on the most up-to-date information from Bombardier, as of the date of the meeting.

Surface Track

No change in overall status

Schedule	Cost	Scope	Overall Risk
Y	G	G	Y

The performance scorecard above has not changed since last month but continues to be in my commentary due to the highlighted risk.

The track construction schedule is continuously being reviewed with stakeholders such as the City and the Engineering, Construction and Expansion Department. Opportunities to couple work to minimize community disruptions will result in potential schedule changes. As a result, the project status is yellow. An example of this is the original construction schedule for the planned rehabilitation work at Roncesvalles and Russell Carhouses. These schedules were revised to include work at Roncesvalles in 2018 (originally planned for 2019) and work at Russell in 2020 (originally planned for 2018). This revision is due to the continued late delivery of the new LFLRV and the opportunities to bundle work with the Roncesvalles/King/Queen intersection and the planned ECE Carhouse modifications.

While the schedules have changed, the revisions help with operational needs and minimize impact to the surrounding community.

Easier Access Phase III (Accessibility)

No change in overall status

Schedule	Cost	Scope	Overall Risk
Y	G	G	Y

I am pleased to report good progress across all current projects.

Coxwell Station elevators were put into service on December 31, 2017. Of the 75 subway stations, 44 are accessible including the 6 new stations and Spadina (which is accessible on Line 2 only).



Toronto-York Spadina Subway Extension

Change in schedule status and cost status – all project performance indicators are on track

Schedule	Cost	Scope	Overall
G	G	G	G

The TYSSE was opened to the public on December 17, 2017, achieving revenue service as scheduled. The official opening ceremonies for the new extension to Line 1 on December 15, 2017, were attended by the Prime Minister, the Premier of Ontario, and other elected officials. Intense work continues on settling outstanding claims. The close-out phase of the project in 2018 will include completion of weather dependent work (landscaping, etc.) and the administrative closure of the project.

Scarborough Subway Extension

No change in overall status

Schedule	Cost	Scope	Overall Risk
R	Y	R	R

The performance scorecard above has not changed since last month, but continues to be in my commentary due to the highlighted risk.

Work continues to progress design to Stage Gate 3, which is expected in fall of 2018. At this time, the project will provide a Class 3 Cost Estimate (includes detailed costs for the station, tunnel, Kennedy, systems, property and utilities); a Level 3 Project Schedule, and an associated Risk Analysis.

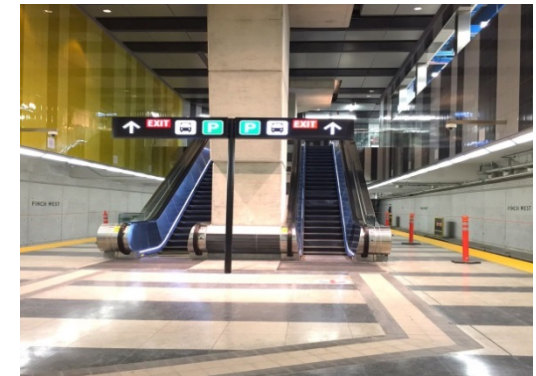
The new Chief Project Manager joined the project on December 11, 2017, and will undertake a review of current schedule and risk status.

PRESTO

Change in overall status

Schedule	Cost	Scope	Overall
Y	Y	Y	Y

The revised status more accurately reflects the overall risk to the project.



The next round of PRESTO machines was successfully implemented at all six Line 1 extension stations. Work continues at a number of stations to convert the remaining turnstiles and high gates to paddle style, PRESTO-enabled equipment. Completion of all stations is expected in Q3 2018.

Additional deliverables include the implementation of single use tickets (LUMs) in Q2 2108 and the two hour transfer in Q3 2018.

The schedule and adoption plan for 2018 is being finalized with PRESTO.

Automatic Train Control

No change in overall status

Schedule	Cost	Scope	Overall Risk
G	G	G	G

ATC progress in November, 2017, consisted of final system proving for TYSSE culminating in the start of a full service, without passengers, from Sheppard West to Vaughan Metropolitan Centre. This “ghost service” ran from November 26 to December 17, when TYSSE successfully opened to the public.

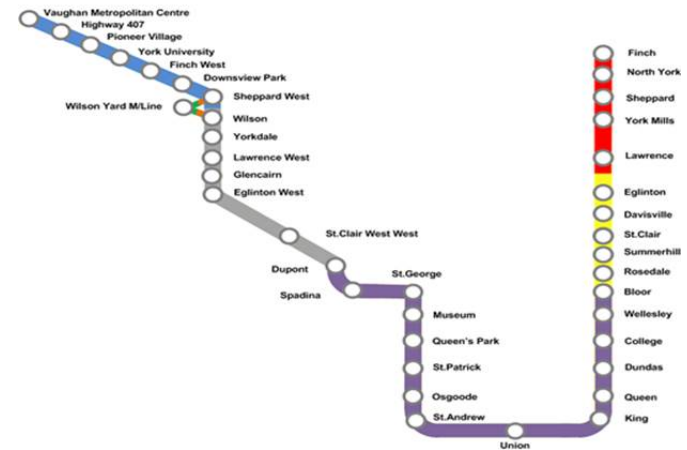
SAP

Change in schedule status and overall status

Schedule	Cost	Scope	Overall
R	Y	Y	Y

The TTC's implementation of the SAP program has experienced delays due to unanticipated complexities integrating legacy systems following a significant upgrade to the SAP platform and resource shortages.

On November 27, 2017, TTC Pension successfully went Live on SAP. The remaining stages of Wave 1 (Payroll & Human Resource functions as well as foundational elements of Finance) have been re-assessed based on remaining deliverables, with a revised Go Live date of Q3 2018. While completion of the remaining stages of Wave 1 is delayed, it is expected that Wave 1 will be delivered within the overall SAP budget.



TTC staff will report to the Board in Q2 2018 on a revised budget, delivery schedule, and additional program benefits following completion of a scope re-evaluation for future SAP program waves. Staff will also contact the City in February 2018 to discuss potentially integrating with their SAP program.

The following table summarizes the next three key deliverables for this project:

Activity	Estimated Target Completion Date
SAP Stage 3 – System Integration Testing	March 30, 2018
SAP Stage 3 – User Acceptance Testing	May 1, 2018
SAP Stage 2 – Service Centre Go-Live	June 4, 2018



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Chief Executive Officer (Acting), Toronto Transit Commission

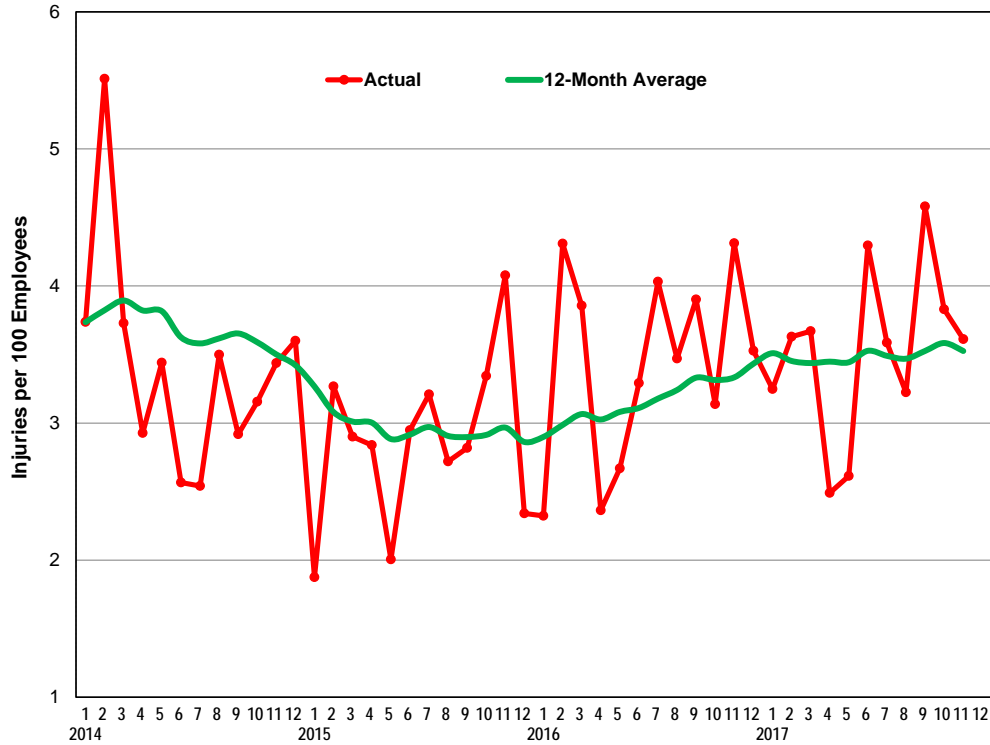
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3.1 Safety & Security

Safety and Security

Lost-Time Injuries



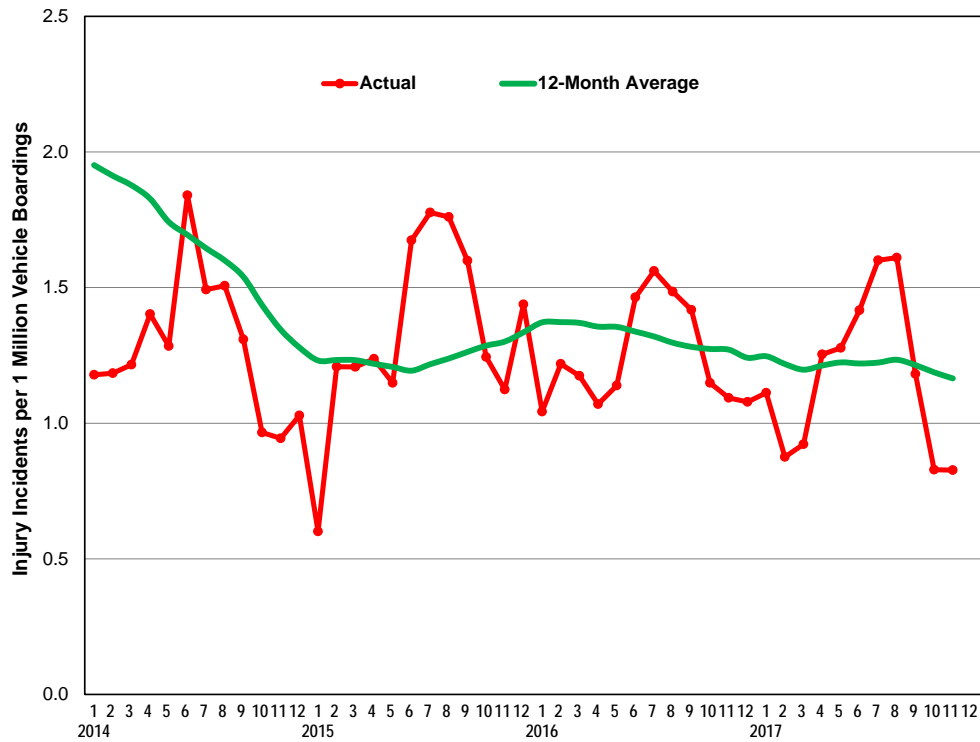
The lost-time injury rate (LTIR) of 3.61 injuries per 100 employees for November 2017 was 16% lower than the corresponding rate of 4.31 for November 2016.

The moving annual LTIR to the end of November 2017 of 3.53 was higher compared to the corresponding rates of 3.33, 2.97 and 3.5 to the end of November 2016, 2015 and 2014.

The 12-month average line shows the movement of the LTIR from 2014 to 2017. An upward movement can be observed since February 2016. Further analysis by injury type reveals that musculoskeletal/ergonomic type (MSD) injuries (e.g. overexertion, reach/bend/twist, repetition) represent the highest injury event and account for 25% of all lost-time injuries.

To address this, a new Ergonomic (Musculoskeletal Disorder Prevention) Program focused on preventing such injuries and resolving ergonomic concerns will be rolled out in 2018.

Customer Injury Incidents

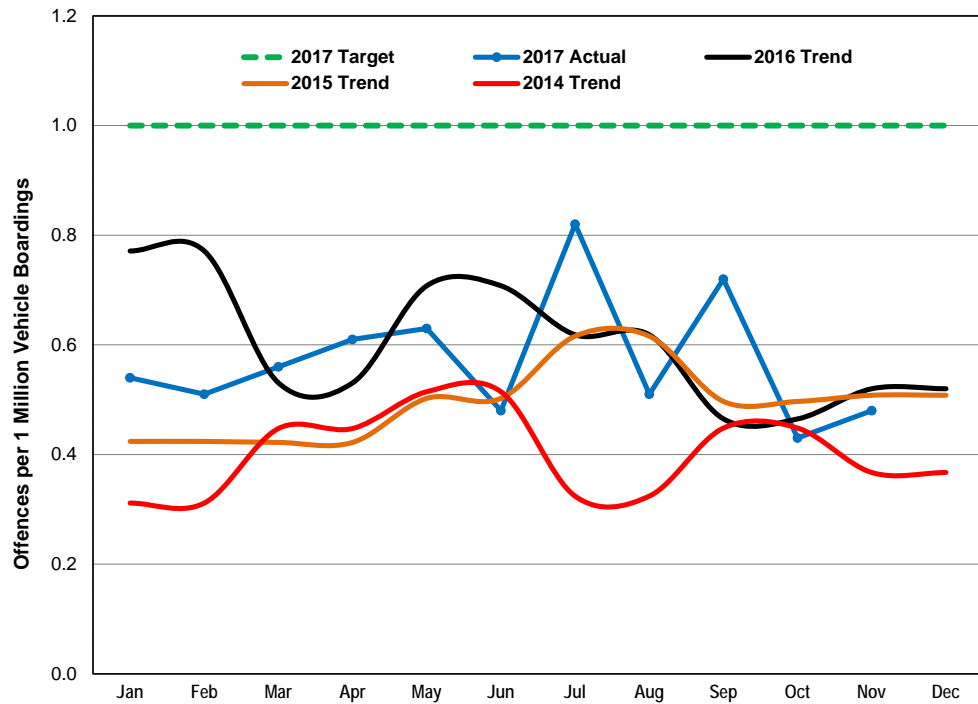


The customer injury incident rate remained unchanged in November. The rate of 0.83 injury incidents per 1 million vehicle boardings was 24% lower than the corresponding rate of 1.09 for November 2016.

The moving annual customer injury incident rate to the end of November 2017 of 1.17 was the lowest rate compared to the corresponding moving annual rates of 1.27, 1.30 and 1.34 to the end of November 2016, 2015 and 2014.

The 12-month average line shows the movement of the customer injury incident rate from 2014 to 2017. The observed reduction in the moving average customer injury incident rate can partly be attributed to the introduction of the Station Management Model with an increased focus on ensuring a safe, clean, and secure system for customers; and also the ongoing actions taken as part of the Safe Service Action Plan, initiated in 2015, to reinforce good safety behaviours and improve safety performance.

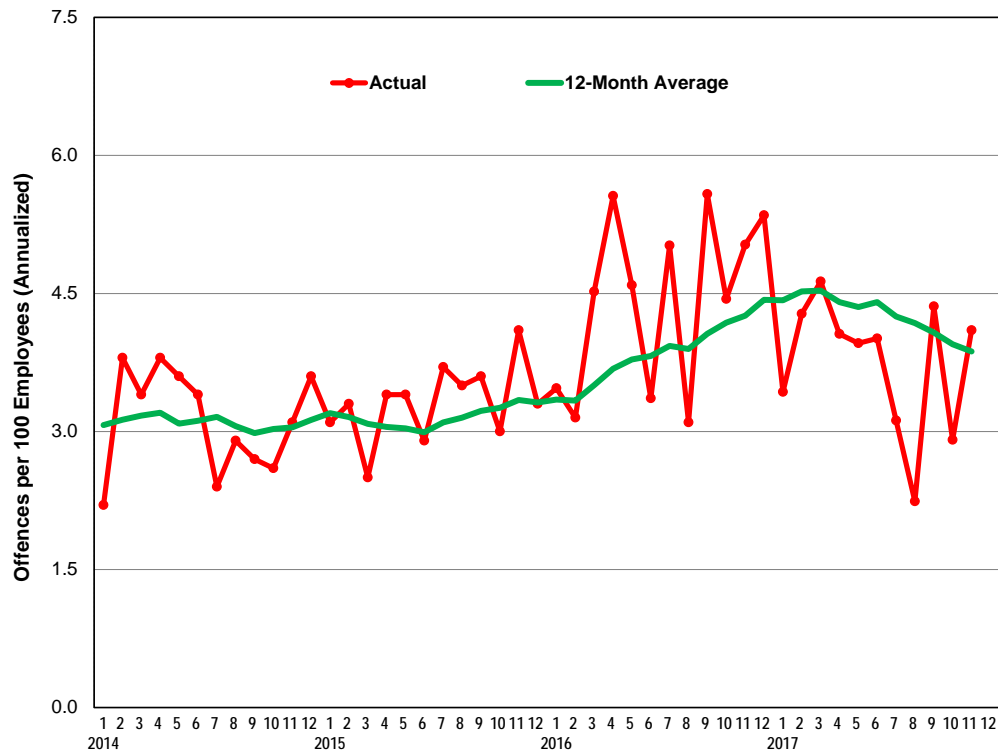
Offences Against Customers



Total offences against customers increased in November to 0.48 offences per 1 million vehicle boardings, which was at the same level as the corresponding rate of 0.48 for November 2016.

The moving annual rate of offences against customers to the end of November 2017 was 0.57, which was 5% lower than the corresponding moving annual rate of 0.60 to the end of November 2016.

Offences Against Staff



Total offences against staff increased in November to 4.1 offences per 100 employees, which was 18% lower than the corresponding rate of 5.0 for November 2016.

The moving annual rate of offences against staff to the end of November 2017 was 3.9, which was 9% lower than the corresponding moving annual rate of 4.3 to the end of November 2016.

Transit Enforcement Officers have continued their intelligence-led deployment along surface routes to support operating personnel.

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i Information

3.2 Customer

This station equipped with Wi-Fi and cellular service

Wi-Fi enabled
Cellular service

Subway Map

Fares and passes

System Map

Contact us

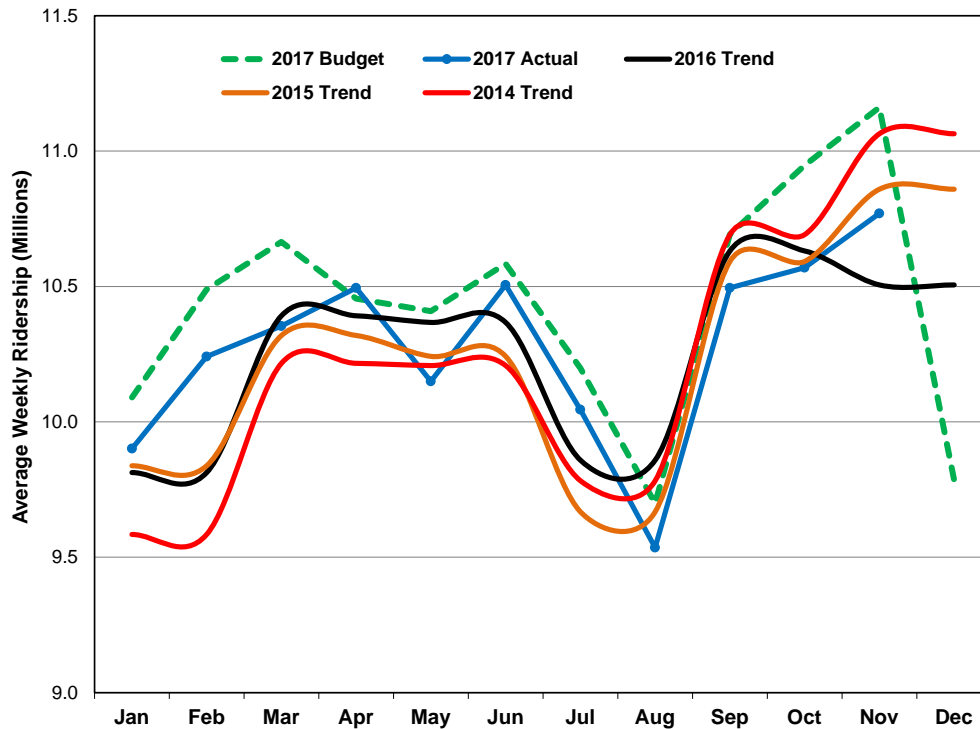
Finch West
3900 Leslie Street

Ellen Stassen

Double trouble, checking out the new information centre at an Open House at Finch West Station, December 16, 2017.

Customer: Ridership

TTC Ridership



Ridership in November was 43.1M, which was 1.5M (3.4%) less than the budget of 44.6M.

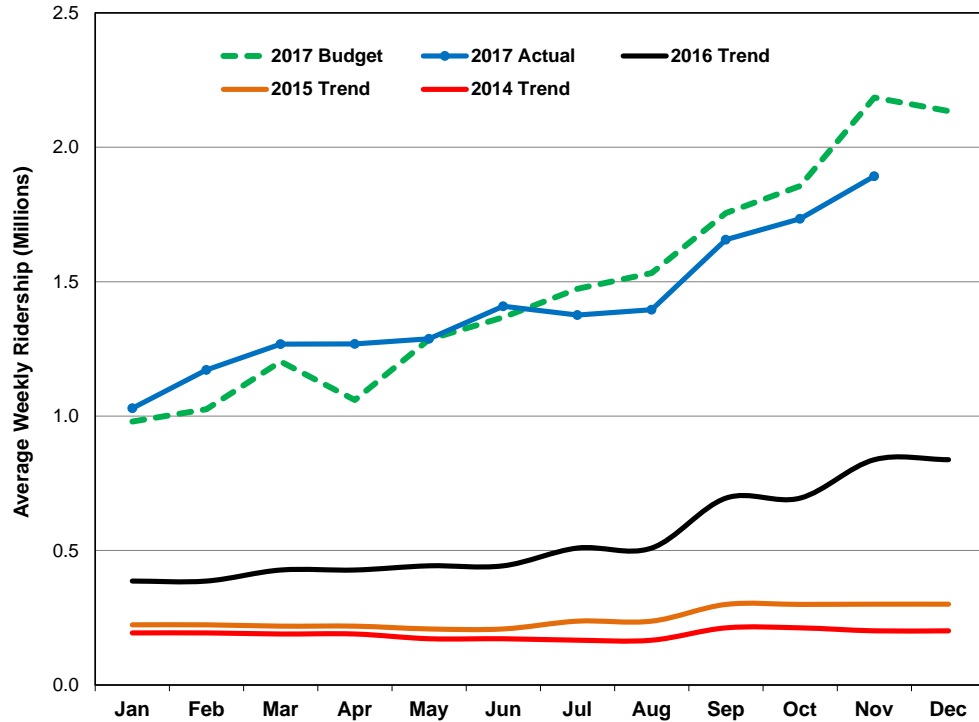
Ridership year-to-date to the end of November was 483.6M, which was 9.9M (2.0%) less than the budget of 493.5M.

Average weekly ridership has been below budget for 10 of 11 months in 2017.

Ridership has flatlined since 2014 and this is due to a variety of factors, including slowing employment growth, City growth and congestion, changes in customer mobility, and growth in digital ride-hailing services.

To re-establish sustained ridership growth, a new Ridership Growth Strategy is being developed for implementation beginning in 2018.

PRESTO Ridership



Ridership using the PRESTO Farecard (e-purse; period pass) in November was 7.6M, which was 1.1M (12.6%) less than the budget of 8.7M.

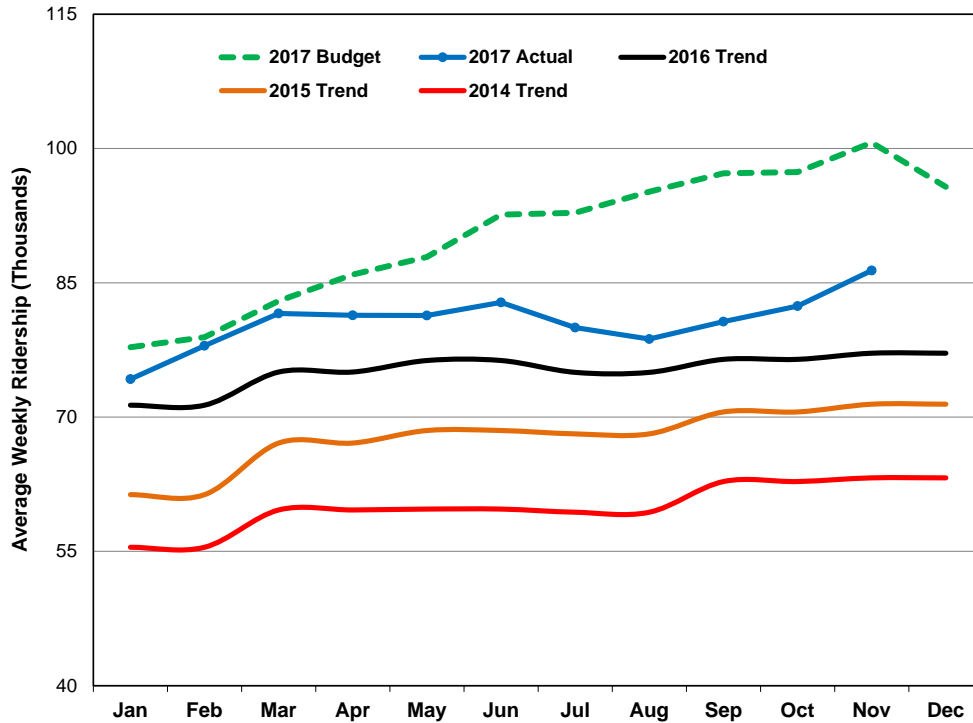
Ridership year-to-date to the end of November was 66.3M, which was 0.9M (1.3%) less than the budget of 67.2M. The year-to-date variance is mainly attributable to less-than-anticipated sales of Period Passes.

The PRESTO component of total TTC ridership continues to grow rapidly. Year-to-date to November, PRESTO ridership increased 41.6M (168%) in 2017 compared with 2016.

Adoption of PRESTO by TTC customers continues to increase month-over-month; the adoption rate in November 2017 was 17.6%.

Note:
PRESTO ridership is included in TTC ridership totals.

Wheel-Trans Ridership



Ridership in November was 345K, which was 58K (14.4%) less than the budget of 403K journeys. The number of customer journeys taken year-to-date to the end of November was 3.794M, which was 436K (10.3%) less than the budget of 4.230M journeys.

Overall, Wheel-Trans ridership continues to grow, increasing over 30% since 2014; however, for 2017 over 2016, the growth was only 7% which is 5 to 6% less growth annually compared to previous years and is more in alignment with pre-2013 growth.

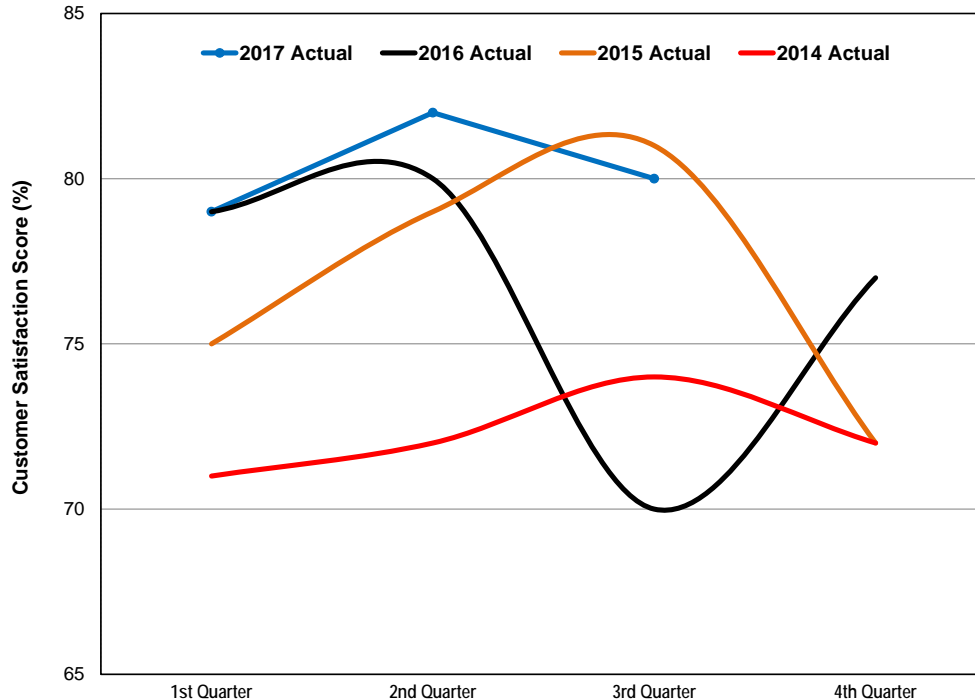
The TTC attributes this slowing in Wheel-Trans ridership to the publicity of the Family of Service approach to service delivery whereby we have continued to emphasize the accessibility of the conventional system. With the launch of the Family of Service Pilot in May 2017, Wheel-Trans customers have been encouraged to travel on the conventional system where possible should the trip match their ability and the accessibility of the system along their required route.

Wheel-Trans has launched a travel training program in Q4 2017 to support customers to travel on the accessible portions of the conventional system. In addition, it was widely communicated that Wheel-Trans customers are welcome to integrate their travel on all modes without fear of not being able to travel on Wheel-Trans when they required it. Lastly, the introduction of a more flexible cancellation policy enabled customers to wait until nearer the time of departure to determine if they felt able to travel on the conventional system, thereby giving customers much more flexibility, spontaneity and freedom of travel.

Note:
Wheel-Trans ridership is not included in TTC ridership totals.

Customer: Satisfaction

Customer Satisfaction Score



Eight in ten customers have high perceptions of overall customer satisfaction in Q3 2017 (80%), maintaining the high trend observed in Q2 2017 (82%).

Perceptions of overall customer satisfaction are driven by numerous service attributes that are measured across the different modes. The top four key drivers across all three modes are: trip duration, comfort of ride, wait time and level of crowding in vehicle. These four metrics have maintained for bus and streetcar wave-to-wave and year-to-year, with perceptions of comfort for subway riders having improved year-over-year (Q3 2016: 69%; Q3 2017: 80%).

Pride in the TTC and what it means for Toronto remained consistent wave-to-wave and year-over-year, with 71% of customers agreeing to this statement (Q2 2017: 73%; Q3 2016: 71%).

Perceptions of value for money remained consistent wave-to-wave, with just over two-thirds indicating they received excellent/good value for money on their last trip (Q3 2017: 64%; Q2 2017: 63%; Q3 2016: 61%).

Customer: Charter

The Customer Charter is designed to track promises and improvements that benefit customers, while holding TTC's management to account if they're not met. The 2017 Charter includes 37 time-bound commitments. The progress against these commitments is reported to the TTC Board quarterly and posted on ttc.ca. Results for Q3 2017 are provided below.

Q3 2017 Results

Six of the nine commitments were met for the quarter. Commitments include:

- 1) New standards for communicating service status were developed based on extensive customer research. The adoption of these new standards, including the use of consistent customer-friendly language, has begun.
- 2) TTC has partnered with Bike Share Toronto to incorporate docking stations at four TTC stations (Castle Frank, Chester, Donlands, and Victoria Park). Two additional stations have now been approved for installation (Broadview and Main Street). This offers customers a great solution for the first and last mile of their journey.
- 3) The new Wheel-Trans No-Show and Late Cancellation Policies that are more flexible have been introduced, allowing same-day cancellations up to four hours before the scheduled pick-up time and customers are given points instead of penalties.
- 4) New technology to improve route management and real time information for buses and streetcars, the Vehicle Information System Integrated Operations Network (VISION), conducted Factory Acceptance testing of the system in partnership with the supplier Clever Devices.
- 5) A new second exit/entrance at Woodbine Station was opened on September 30, 2017, providing an alternative option to customers from the local community.
- 6) Two elevators were put in service as of September 30, 2017, at Woodbine Station as part of the Easier Access program, making this the 36th accessible station of the 69 stations.

Commitments that were not met include:

- 7) Construction on four priority bus lanes will be started, to reduce delays and improve travel time.
 - The Eastbound Steeles at Don Mills location and Lake Shore at Browns Line location have been approved by the Toronto City Council in October. Due to the winter shutdown, the contractor will start construction on these two locations in the spring of 2018.
 - The Lawrence (westbound) at Dufferin location is likely to be approved by the Toronto City Council in January and construction is expected to start in the summer of 2018.
 - The fourth planned location – Keele (northbound) at Finch location – is currently being

reconstructed as part of the subway extension and construction is postponed for a 5-year period. Alternative queue jump lanes are currently being reviewed with City staff. Subject to City staff and City Council approval, it is expected that a fourth location would be constructed by the end of Q4 2018.

- 8) New high-capacity bike parking racks will be installed at 25 subway stations in early 2018 due to delays in securing funding.
- 9) Solar-powered passenger information displays to provide real time information on vehicle arrivals at stops without utility power will be piloted in Q4, due to procurement/tendering delays.

Customer: Engagement

Meet the Managers

Meet the Managers sessions enable customers and managers to interact on a personal level. This allows managers to gain additional insight into the challenges and personal experiences of customers while travelling on the TTC. The Meet the Managers sessions for 2018 are at the following stations:

January 23 – Vaughan Metropolitan Centre

Customer: Fares

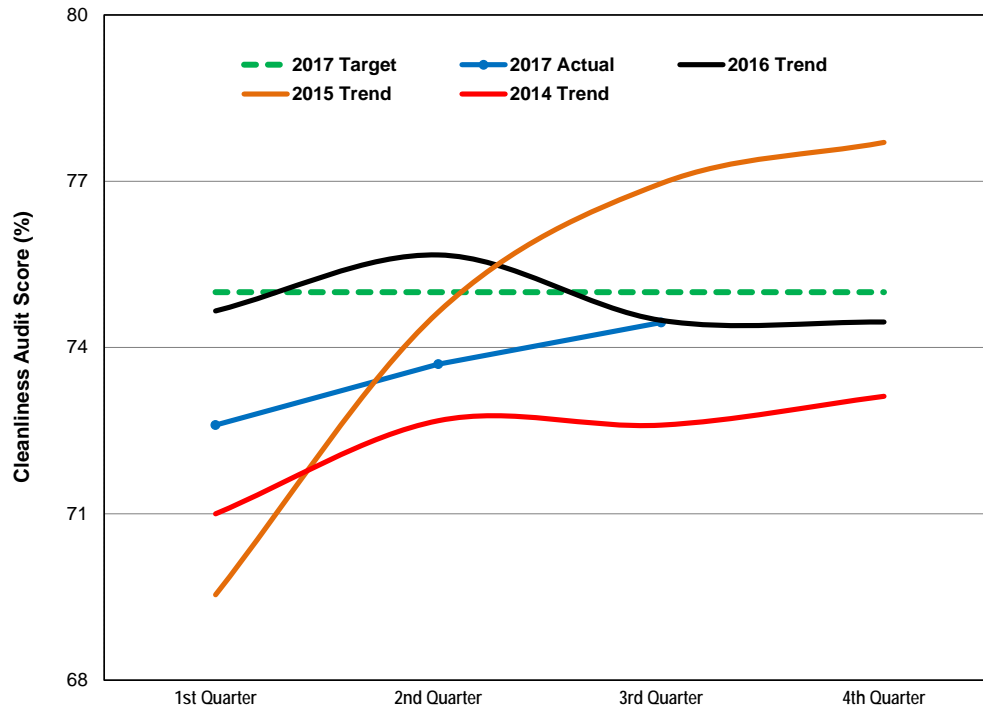
PRESTO

The PRESTO rollout continues across the TTC.

- 61 stations and 106 entrances now have the new paddle-style fare gates with construction underway at the remaining 18 stations.
- Software upgrades continue to be deployed with card reader performance now averaging greater than 97 percent availability.
- In December, 2017, 5,480 adults and 101 seniors purchased a TTC Monthly Pass on PRESTO. The PRESTO 12 month pass (Metropass Discount Plan equivalent) will be available Q2 2018.
- Autorenew for adult and senior TTC Monthly Passes on PRESTO was introduced for the December pass period. Autorenew automatically renews a customer's TTC Monthly Pass.
- There have been ongoing issues with the Fares and Transfers Machines on the new streetcars. The TTC is working with PRESTO to develop a set of technical changes to improve the performance of the devices.

Customer: Environment

Station Cleanliness



The average station score met target, coming in at 75.44%, up from 74.45% in Q3 (up 0.99%); and up from 72.58% in Q1 (up 2.86%).

Forty-one of 69 stations (59%) met or exceeded the target of 75%, the highest number of stations for any one quarter since audits began back in 2008, the previous high was 40 in Q3 & Q4 of 2015 following significant overtime and resources utilized to get stations ready for and maintained during the Pan Am Games.

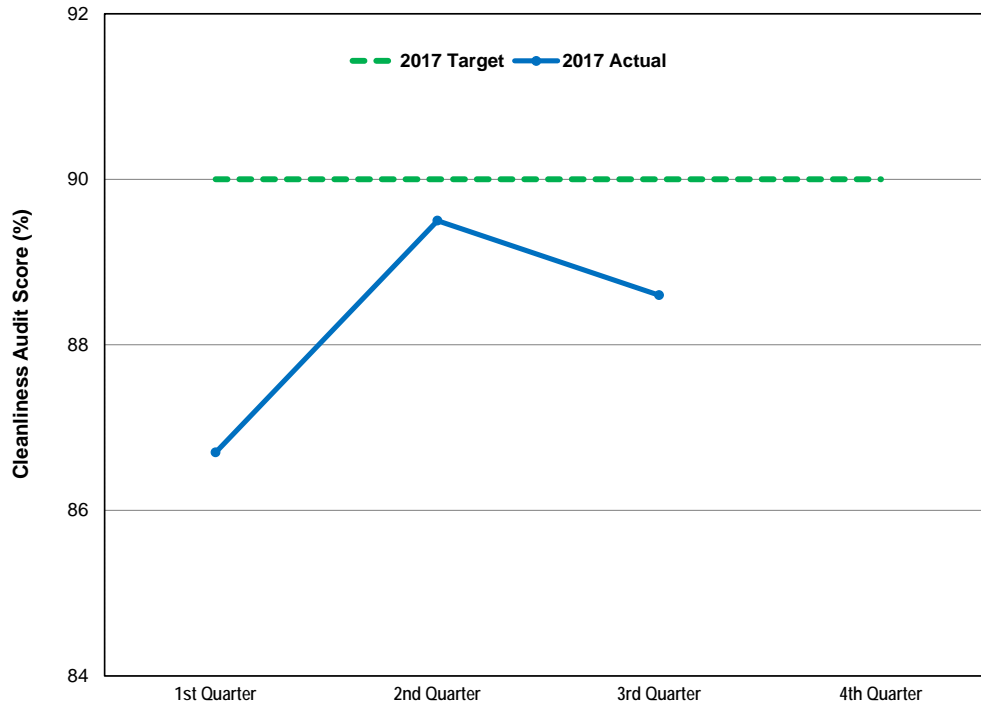
Another 20 stations (29%) scored above 70%, for a total of 61 of 69 stations (88%) scoring 70% or better. The only time this number of stations scored 70% or better was back in 2015 in Q3 (40 at target or above, and another 23 above 70%) and Q4 (40 at target or above, and 21 above 70%).

The total number of stations that met or exceeded target in each quarter has risen from 28 (41% of stations) in Q1 to 41 (59%) in Q4.



Customer: Environment

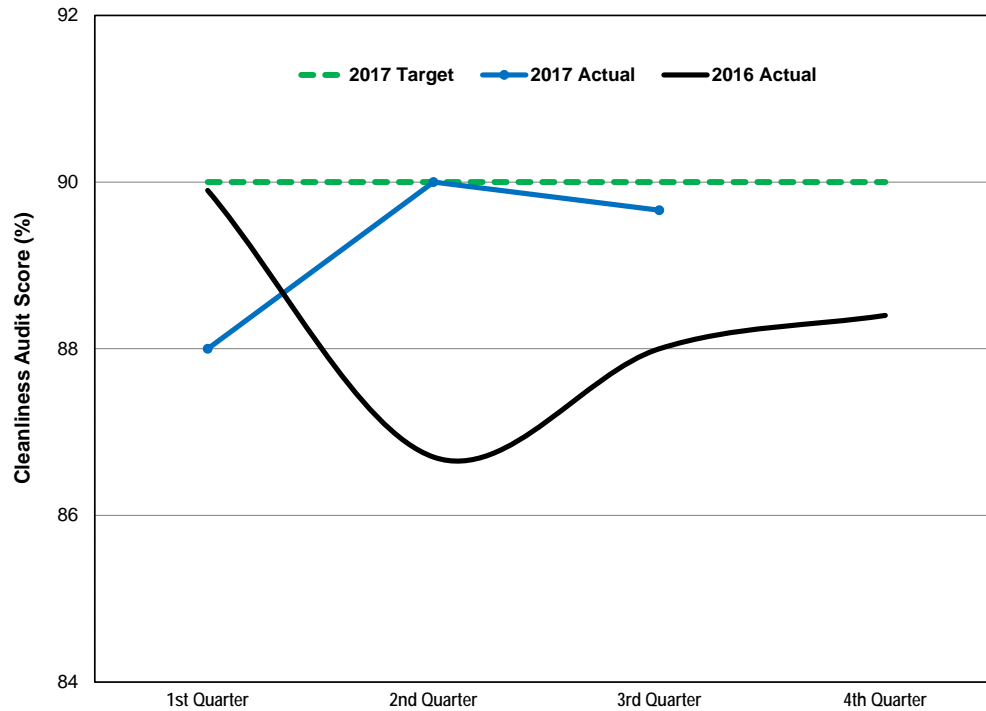
Vehicle Cleanliness – Streetcar



The streetcar cleanliness audit score decreased in Q3 2017 to 88.6% and performance remained below target.

The drop in performance is being reviewed and opportunities to improve the streetcar cleanliness program as a whole are under review as well.

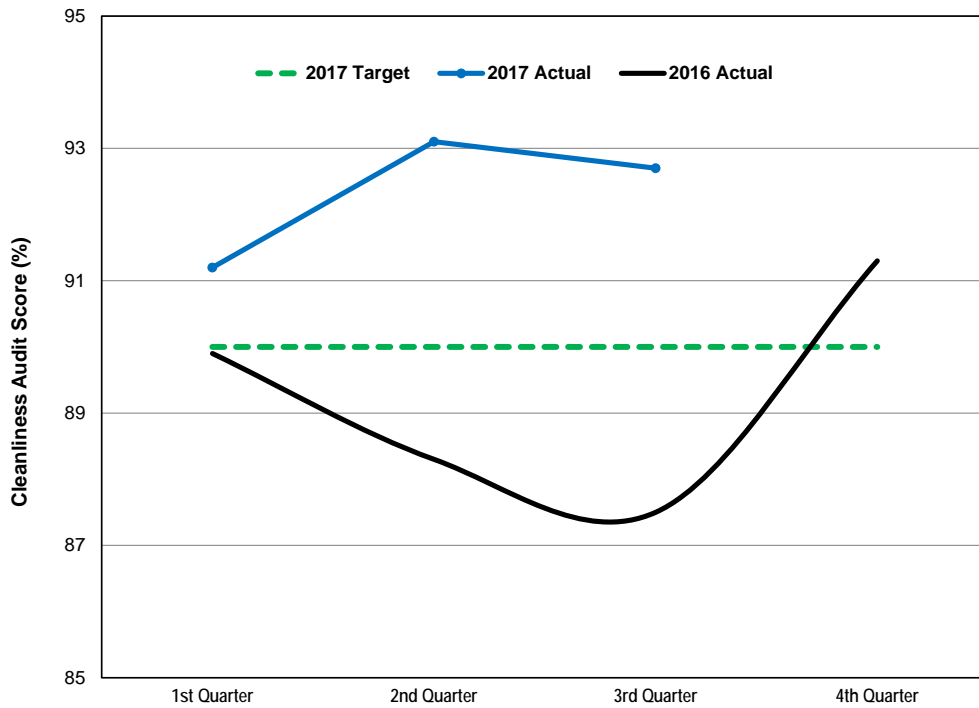
Vehicle Cleanliness – Bus



The bus cleanliness audit score decreased in Q3 2017 to 89.7%, meaning that performance just failed to meet target, albeit with a score well in excess of the score for the corresponding quarter in 2016.

Although a new wash rack helped increase audit scores, exterior cleanliness scores are still impacted by ongoing new wash rack adjustments and optimization at one of the garages. Maintenance and engineering staff are working to improve the performance of the new wash rack through further equipment adjustments.

Vehicle Cleanliness – Subway



The subway cleanliness audit score decreased slightly in Q3 2017 to 92.7%; however, performance achieved target for the seventh consecutive quarter and was well in excess of the score for the corresponding quarter in 2016.

Two areas of improvement, walls and ceilings, were addressed since Q4 2016. In Q3 2017, audit of all but one line identified floors as an area for continued improvements. Currently, the floors are addressed every 14 days during the Floor Wash cycle. Exterior vehicle cleanliness on Lines 2 and 3 is an area where further improvements can be made.

Note:

The target for this measure has been changed to 90%, a target more reflective of the ongoing level of performance and consistent with the targets for Bus and Streetcar.

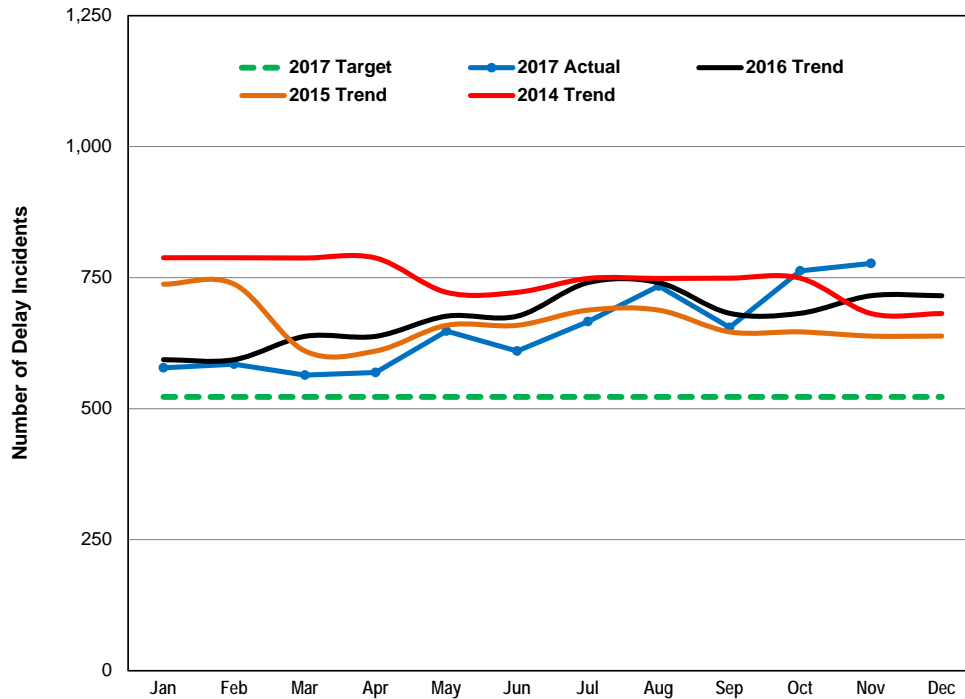


Customer: Service Performance



Subway

Line 1: Delay Incidents



The number of delay incidents increased in November to 777 and performance continued to not achieve target. Compared to October, improvements in ATC related delay incidents (reduced by 71) were offset by customer-related and staff-related delays 52 & 33 respectively).

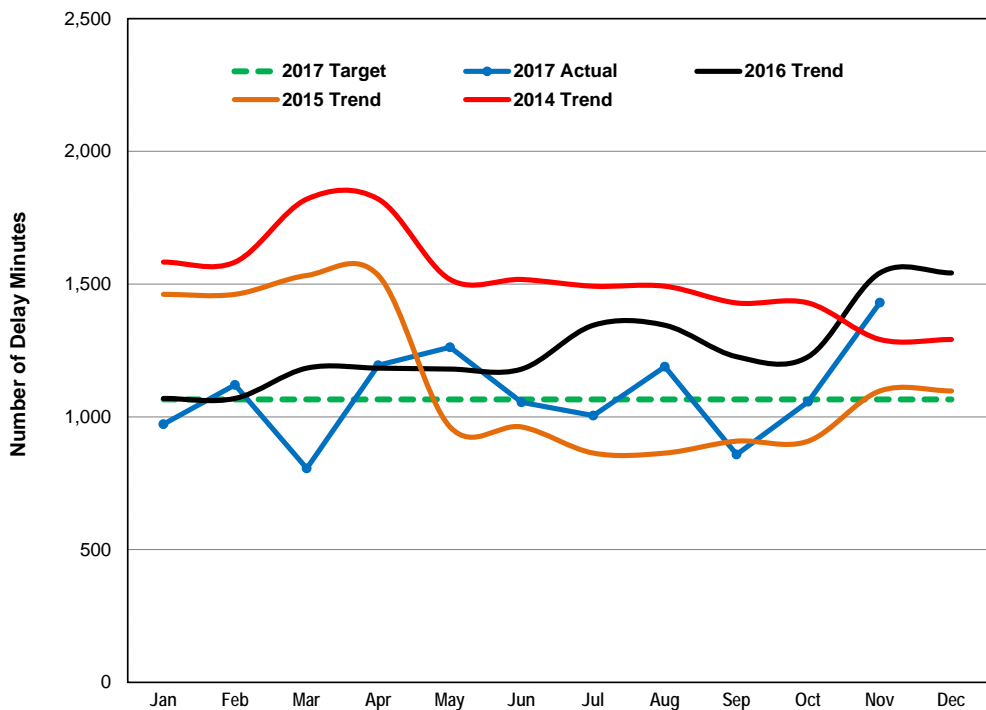
Compared to 2014, on Line 1: YTD total incidents decreased by 13.7%; rolling stock incidents have improved by 34.3% due to fewer door and brake issues; subway Infrastructure incidents have improved by 49.3% due to fewer ice/snow related and signal train stop issues; speed control incidents have declined by 28.4%; staff related incidents have decreased by 18.7%; Plan B incidents have decreased by 81.4%.

On Line 1 YTD 2017, customer-related incidents account for 41.9% of all incidents, of which passenger security incidents have increased by 21.6% since 2014.

Note:

The 2017 target is based on a 30% or more reduction in delay incidents from the 2014 monthly average baseline.

Line 1: Delay Minutes



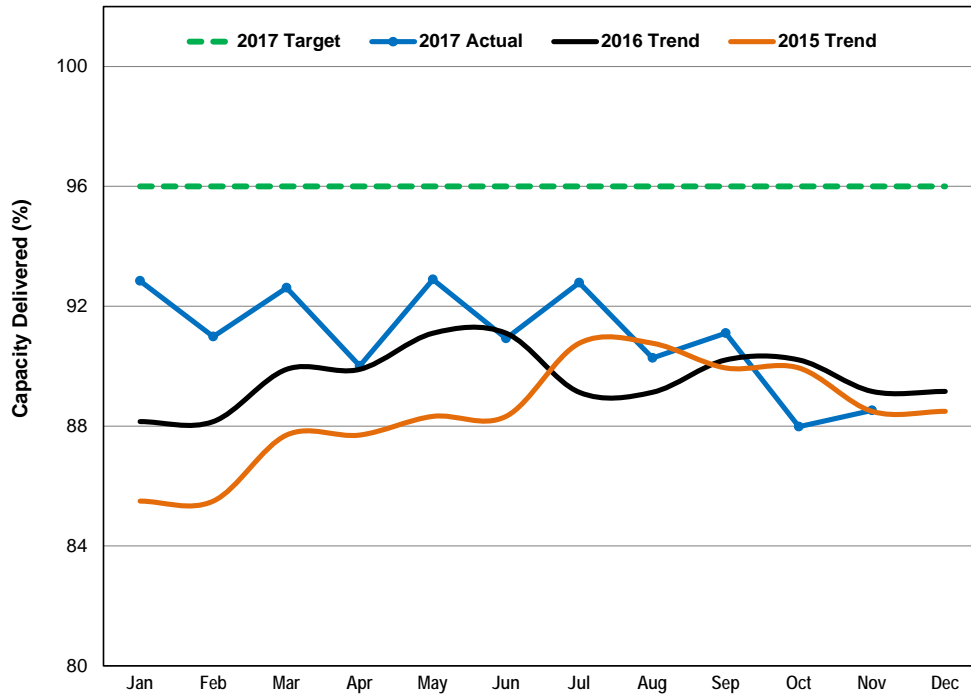
The number of delay minutes increased in November to 1430. This exceeded the target by 365. Compared to October, improvements in ATC related delays (reduced by 89 minutes) were offset by customer-related and staff-related delays (increased by 328 & 157 minutes respectively). Main contributor to increase in customer-related delays were ill customers.

Compared to 2014, on Line 1: rolling stock delay minutes have improved by 23.8%; subway infrastructure delay minutes have improved by 63.3% due to fewer signal and rail related delay issues; speed control delay minutes have declined by 82.1%; staff related delay minutes have decreased by 29.0%; Plan B delay minutes have decreased by 76.0%.

Compared to 2014, Line1 total delay minutes YTD decreased by 29.9%. Customer-related delay minutes account for 59.3% of all delay minutes

Note:
The 2017 target is based on a 30% or more reduction in delay minutes from the 2014 monthly average baseline.

Line 1: Capacity Delivered in Peak

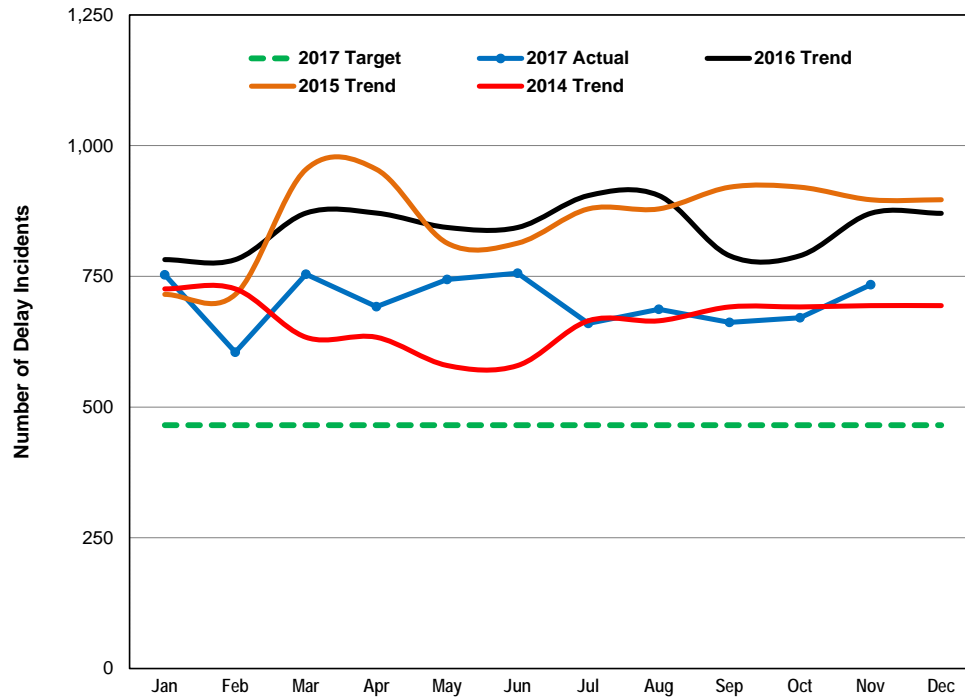


This performance indicator measures the actual capacity delivered, by train counts at key locations across the lines, as a percentage of what was scheduled, averaged over the AM and PM peak periods. It replaces the ‘AM peak trains per hour’ metric and provides a better indication of our customers’ experience during our peak periods.

The first phase of Automatic Train Control (ATC) implementation was still ongoing at the beginning of November, 2017, and the second phase commenced at the end of the month. ATC will improve service and reliability when it is fully implemented, although some adjustment during the transition period is expected to mildly impact performance.

Note:
Capacity delivered is the actual train count divided by the scheduled train count for each hour at sampled locations. Data are based on weekday service from Monday to Friday.

Line 2: Delay Incidents



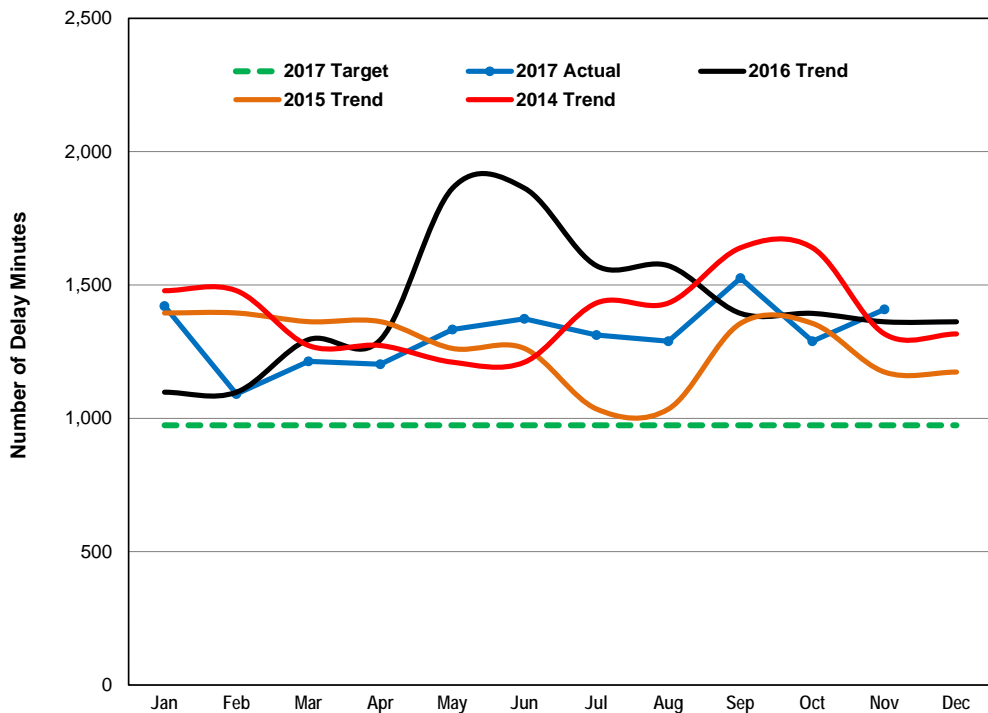
The number of delay incidents increased in November to 734. Performance continued to not achieve target; however, results were much-improved compared to November 2015 & 2016. Compared to October, improvements in customer-related delay incidents (reduced by 9) were offset by an increase in speed control incident (45).

Compared to 2014, on Line 2: YTD total incidents increased by 6.5%; rolling stock incidents increased by 11.9% due to an increase in brake issues; subway Infrastructure incidents have improved by 22.1% due to fewer ice/snow related and signal components issues; speed control incidents increased by 12.6%; staff related incidents have decreased by 21.1%; Plan B incidents have decreased by 25.5%; customer-related incidents increased by 18.3%.

On Line 2 YTD 2017, customer-related incidents account for 33.5% of all incidents, of which unauthorized customers at track level increased by 88% since 2014.

Note:
The 2017 target is based on a 30% or more reduction in delay incidents from the 2014 monthly average baseline.

Line 2: Delay Minutes



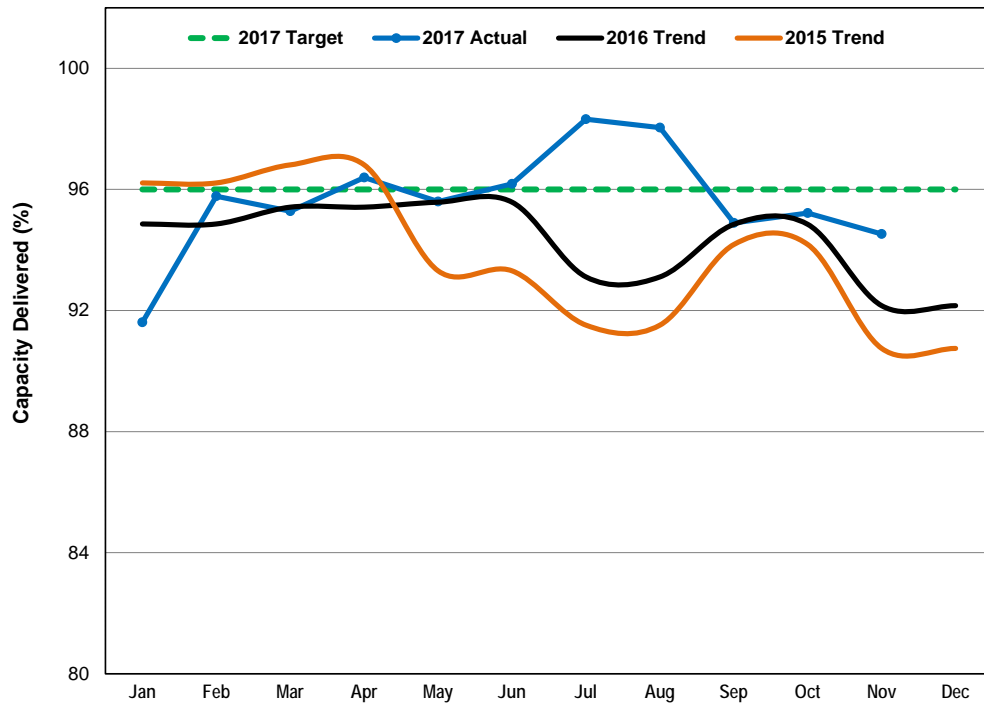
The number of delay minutes increased in November to 1409. This exceeded the target by 435. Compared to October, reduction in track-level injury related delays (reduced by 111 minutes) were offset by Plan B's and Construction-related delays (increased by 89 & 83 minutes respectively).

Compared to 2014, on Line 2: rolling stock delay minutes have improved by 12.0%; subway infrastructure related delay minutes have improved by 38.5%; speed control delay minutes have decreased by 49.3%; staff related delay minutes have decreased by 10.1%; Plan B (fire/ smoke on the track level) delay minutes have decreased by 31.5%.

Compared to 2014, Line 2 total delay minutes YTD decreased by 5.9%. Customer-related delay minutes account for 55.1% of all delay minutes.

Note:
The 2017 target is based on a 30% or more reduction in delay minutes from the 2014 monthly average baseline.

Line 2: Capacity Delivered in Peak



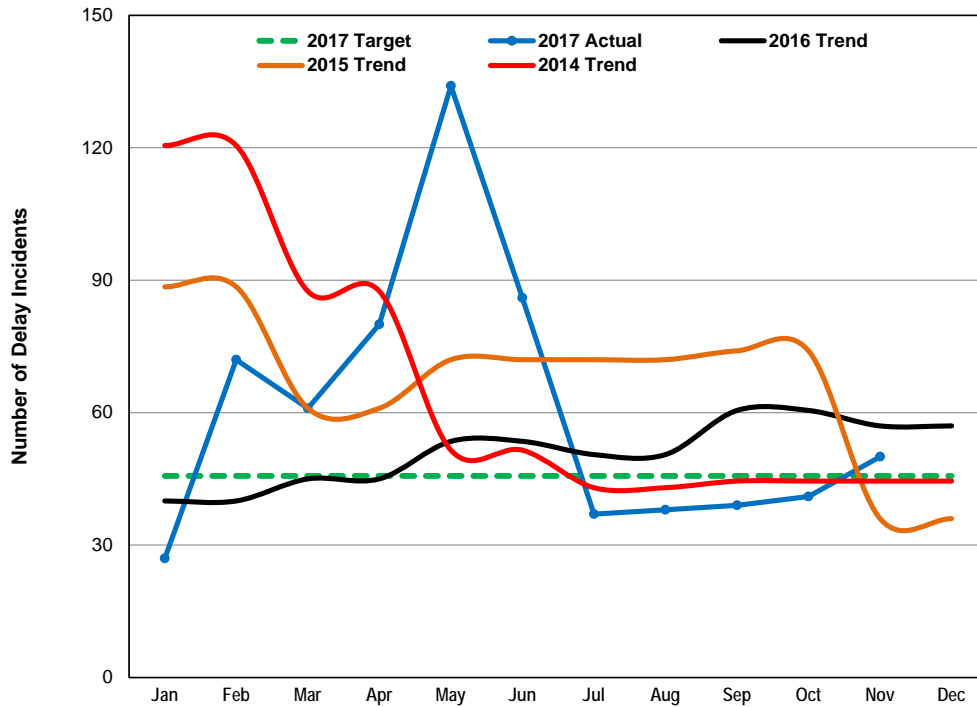
This performance indicator measures the actual capacity delivered, by train counts at key locations across the lines, as a percentage of what was scheduled, averaged over the AM and PM peak periods. It replaces the ‘AM peak trains per hour’ metric and provides a better indication of our customers’ experience during our peak periods.

A slight increase in delay incidents, generally as a result of switch and rolling stock issues, resulted in poorer performance; however, long-term programs in place to improve maintenance activities are expected to result in better results in coming periods.

Note:

Capacity delivered is the actual train count divided by the scheduled train count for each hour at sampled locations. Data are based on weekday service from Monday to Friday.

Line 3: Delay Incidents



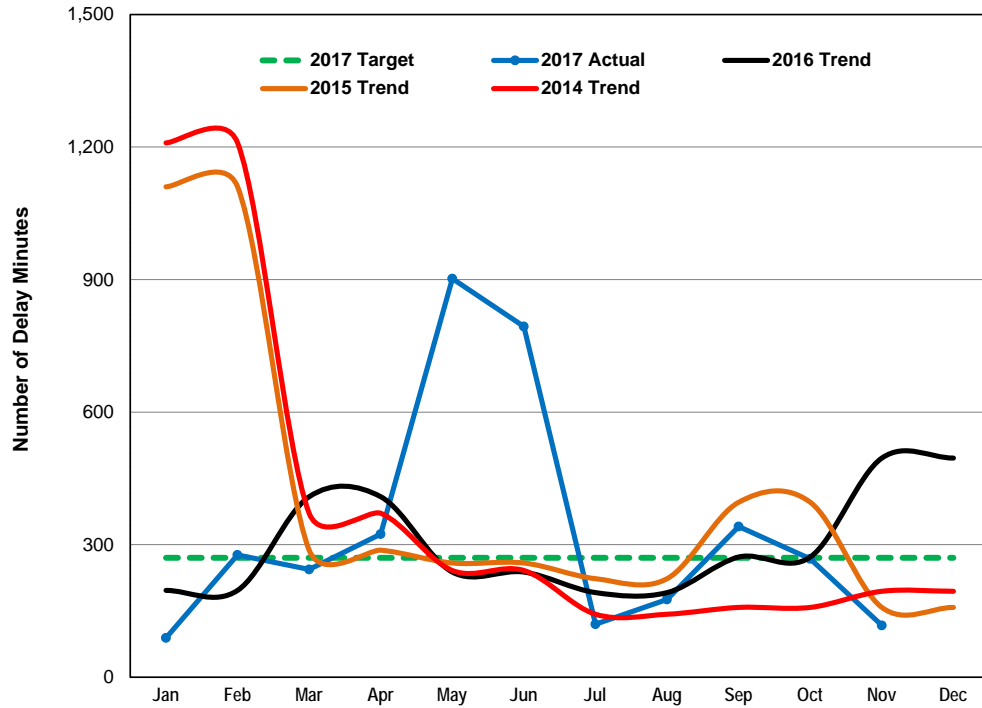
The number of delay incidents increased in November 2017 to 50. This exceeded the target. Compared to October, total incidents increased by 9 of which 4 were due to rolling stock.

Compared to 2014, on Line 3: YTD total incidents decreased by 8.7%; rolling stock incidents have increased by 1.3%; subway Infrastructure incidents have increased 131.6% due to an increase in rail defect issues; Plan B incidents have decreased by 87.5%; customer-related incidents increased by 52.9% due to increase in ill customers.

On Line 3 YTD 2017, customer-related incidents account for 20.0% of all incidents, of which ill customers increased by 121.4% since 2014.

Note:
The 2017 target is based on a 30% or more reduction in delay incidents from the 2014 monthly average baseline.

Line 3: Delay Minutes



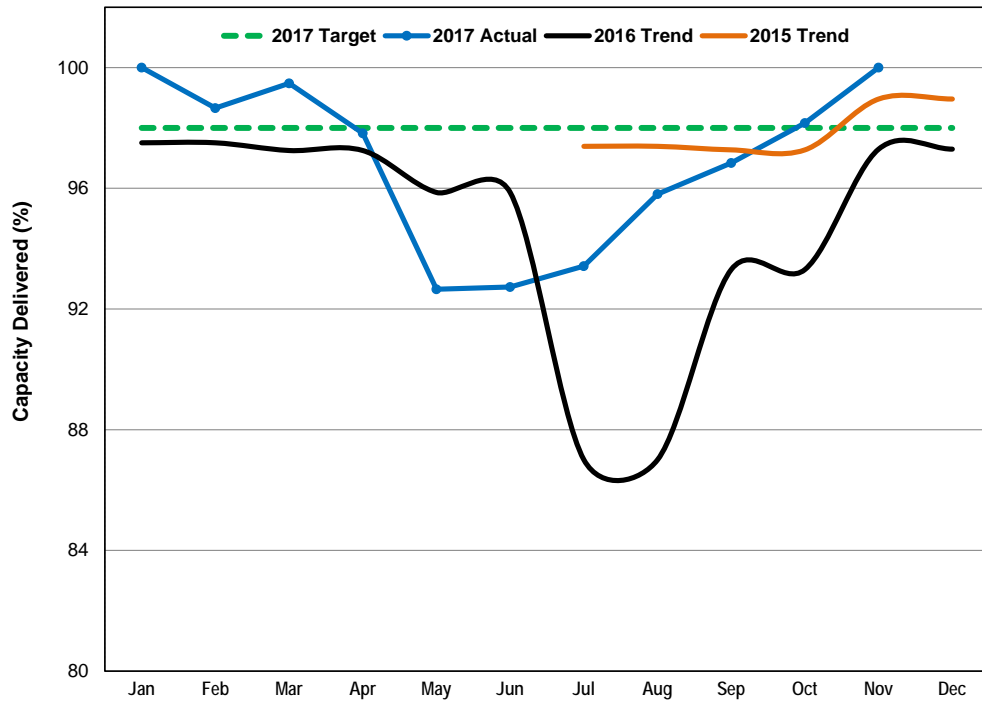
The number of delay minutes decreased in November to 117. This met the target. Compared to October, improvements were as a result of reduction in passenger-related and time-out events.

Compared to 2014, on Line 3: rolling stock delay minutes have improved by 5.7%; subway infrastructure delay minutes have increased 416.0% due to rail defects; staff related delay minutes have increased by 7.7%; Plan B delay minutes have decreased by 92.1%; weather-related delay minutes decreased by 96.8%

Compared to 2014, Line 3 total delay minutes YTD decreased by 18.1%. Customer-related delay minutes account for 10.9% of all delay minutes.

Note:
The 2017 target is based on a 30% or more reduction in delay minutes from the 2014 monthly average baseline.

Line 3: Capacity Delivered in Peak



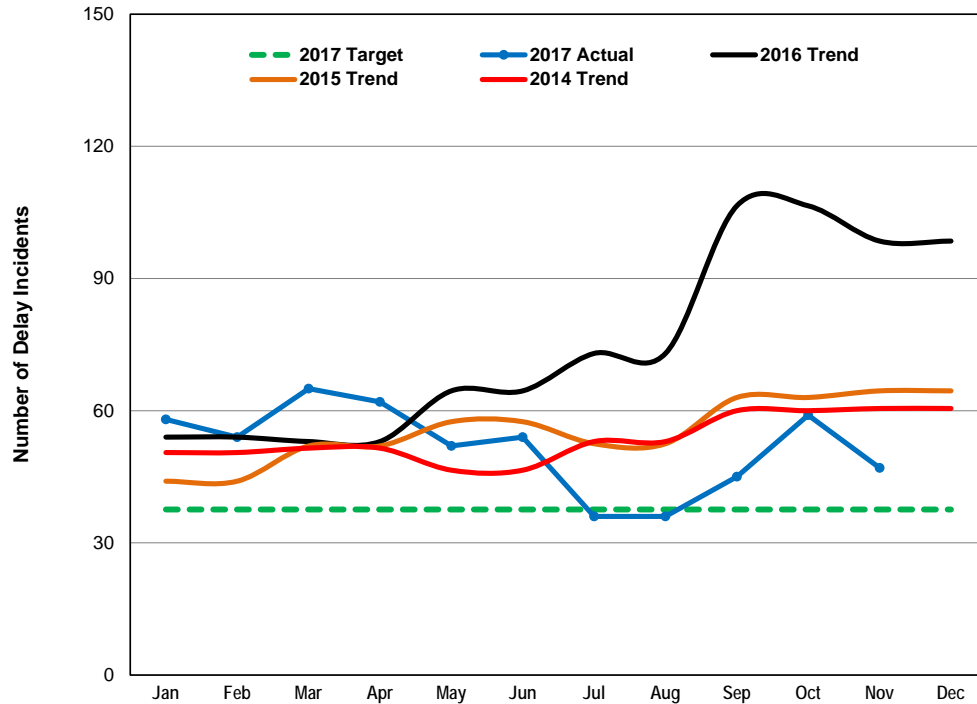
The daily average number of trains per hour (TPH) in the morning and afternoon peak service periods increased in November to 12.1, or 100% of what was scheduled. Overall performance has achieved target for two months in a row.

As this measure focuses exclusively on the AM and PM peak periods, any incidents that occur anywhere on the line during that period will have a negative impact on results.

Note:

Capacity delivered is the actual train count divided by the scheduled train count for each hour at sampled locations. Data are based on weekday service from Monday to Friday.

Line 4: Delay Incidents



The number of delay incidents decreased in November 2017 to 47 and performance was above target. Results were much-improved compared to November in the past three years. Compared to October, improvements were due decrease in customer-related and staff-related delays 4 each).

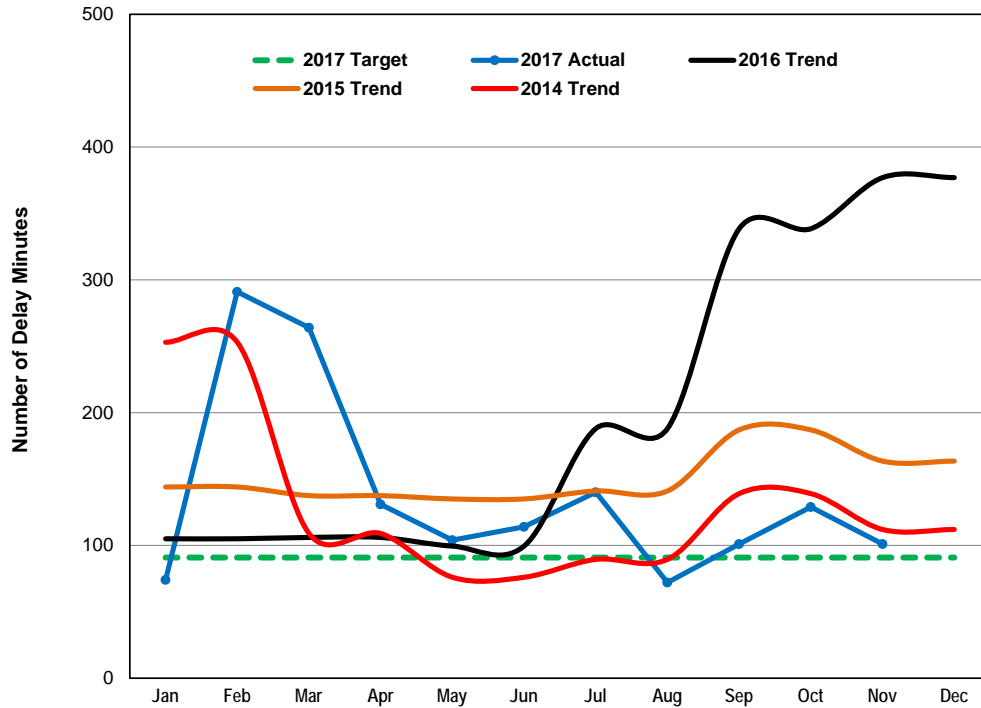
Compared to 2014, on Line 4: YTD total incidents decreased by 3.4%; Rolling stock incidents have increased by 14.3% due to increase in OPTO incidents; subway Infrastructure incidents have decreased by 27.0 due to fewer signal control issues; speed control incidents has decreased by 8.5%; Plan B incidents have decreased by 93.8%

On Line 4 YTD 2017, customer-related incidents account for 25.0% of all incidents, of which passenger activating EA in error increased by 24.0% since 2014.

Note:

The 2017 target is based on a 30% or more reduction in delay incidents from the 2014 monthly average baseline.

Line 4: Delay Minutes



The number of delay minutes decreased in November to 101. This was slightly above target. Compared to October, improvements were as a result of reduction in staff-related delays (reduced by 26 minutes) were offset by customer-related and speed control delays (increased by 10 & 8 minutes respectively).

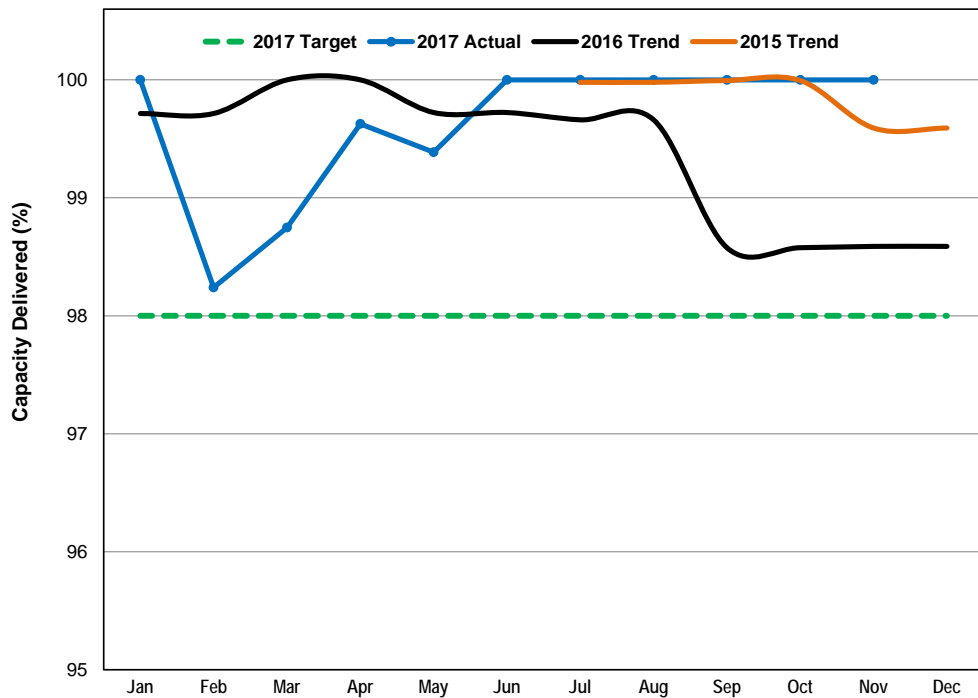
Compared to 2014, on Line 4: rolling stock delay minutes have increased by 11.6%; subway infrastructure delay minutes have increased 57.8% due to signal component and signal train stop issues; Plan B delay minutes have decreased by 77.8%; speed Control delay minutes increased by 23.8%; customer-related delay minutes increased by 18.4%.

Compared to 2014, Line 4 total delay minutes YTD increased by 4.4%. Customer-related delay minutes account for 19.9% of all delay minutes.

Note:

The 2017 target is based on a 30% or more reduction in delay minutes from the 2014 monthly average baseline.

Line 4: Capacity Delivered in Peak



The daily average number of trains per hour (TPH) in the morning and afternoon peak service periods remained unchanged in November at 11.0, or 100% of what was scheduled. Overall performance achieved target for the seventh time this year. The implementation of the One Person Train Operation (OPTO) has proven to be valuable.

As this measure focuses exclusively on the AM and PM peak periods, any incidents that occur anywhere on the line during that period will adversely impact results.

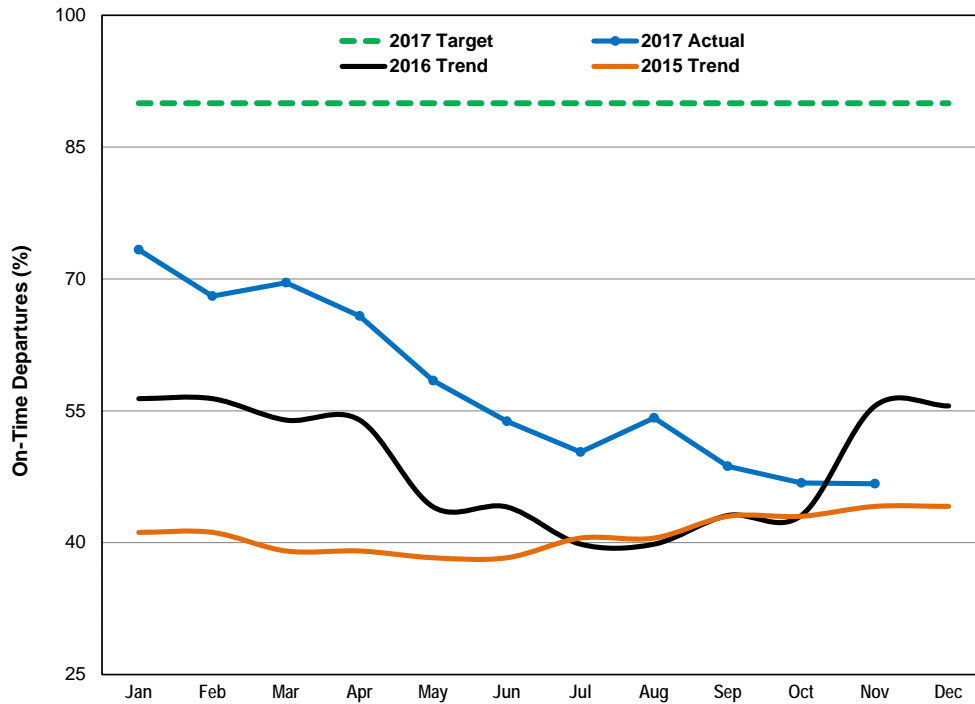
Note:

Capacity delivered is actual train count divided by the scheduled train count for each hour at sampled locations. Data are based on weekday service from Monday to Friday.



Streetcar

On-Time Performance



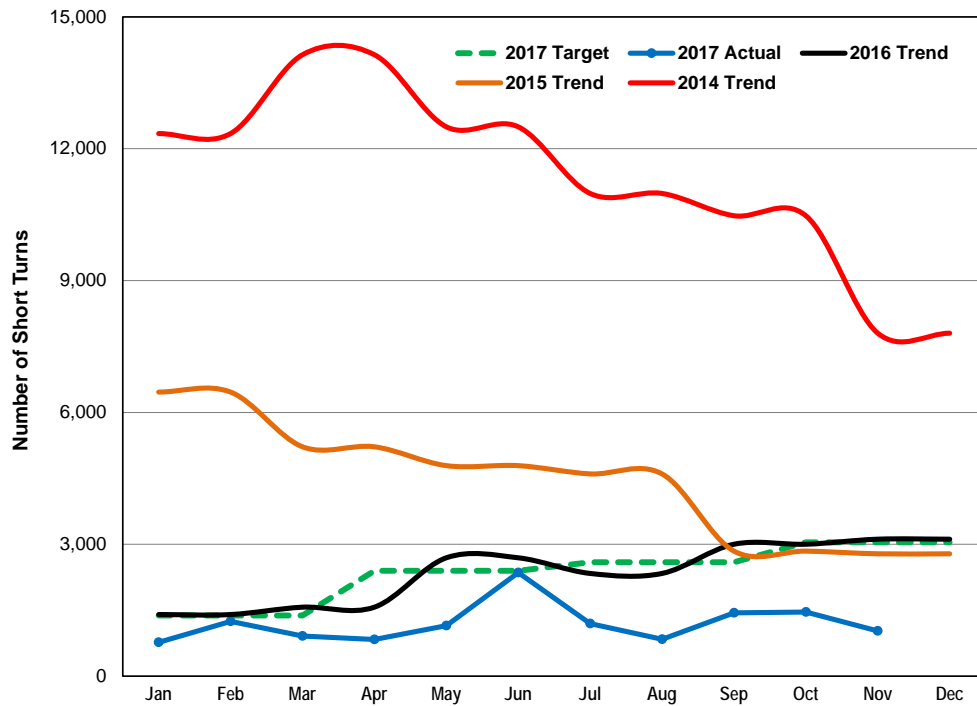
The multi-year view clearly shows improved progress in on time performance since 2015 despite being below overall target. Performance in November decreased to 46.7%. Performance remained below target.

2017 On-Time Departures (OTD) continue to reflect the scheduling/measuring challenges noted in previous reports. 2017 has remained below 2016 OTD achievements due to the aging legacy fleet, which is now more susceptible to colder climates and the reduction in the spare ratio.

Over the same period, LFLRV routes have maintained performance and proven more resilient to the colder climate. In addition, the planned 2018 route improvements are underway to ensure an upward trend in the OTD measure.

Note:
This KPI measures adherence to scheduled (-1 to +5 minutes) departure times from end terminals.

Streetcar - Short Turns



This multi-year view clearly illustrates the year-over-year reductions in short turns which have achieved an all-time low below the target in 2017. The number of short turns decreased in November to 1,027; performance continued to remain below target (favourable).

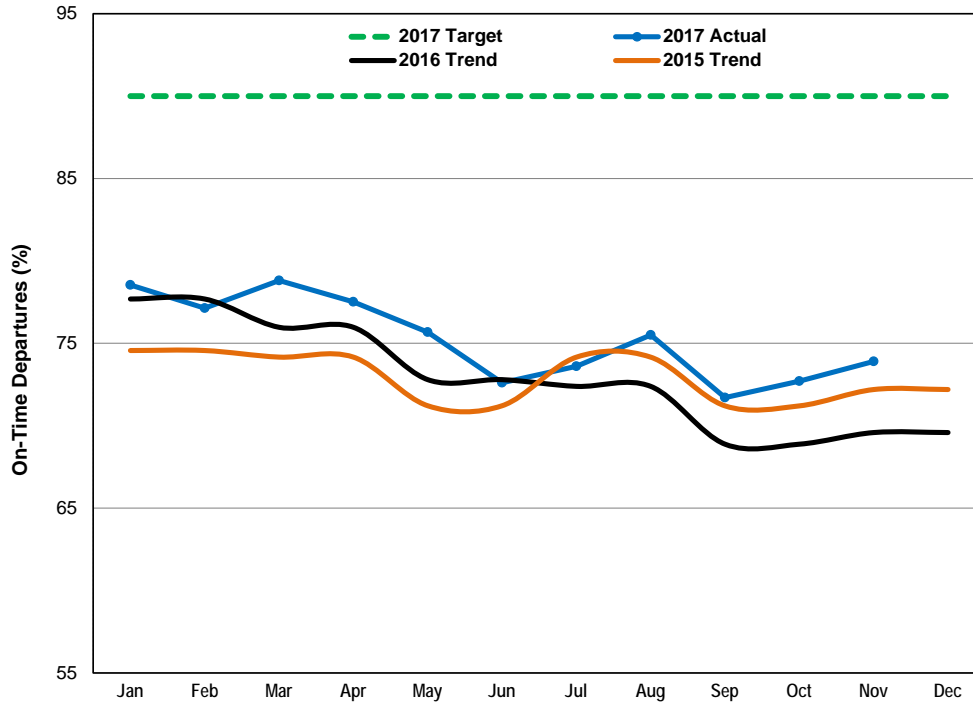
With the return to regular routing along all streetcar service lines, short turns have significantly decreased. The route management strategies have continued to meet and exceed the target – being less than last year. This trend will continue to improve with the ongoing King Street Pilot and further delivery of new streetcars from Bombardier in 2018.

Note:
Data are based on all seven days of service from Sunday to Saturday.



Bus

On-Time Performance



Despite results below the target of 90%, there has been year-over-year improvement in on-time performance for bus since 2015. Performance in November increased to 73.9% but continued to not achieve target; albeit improved over 2016.

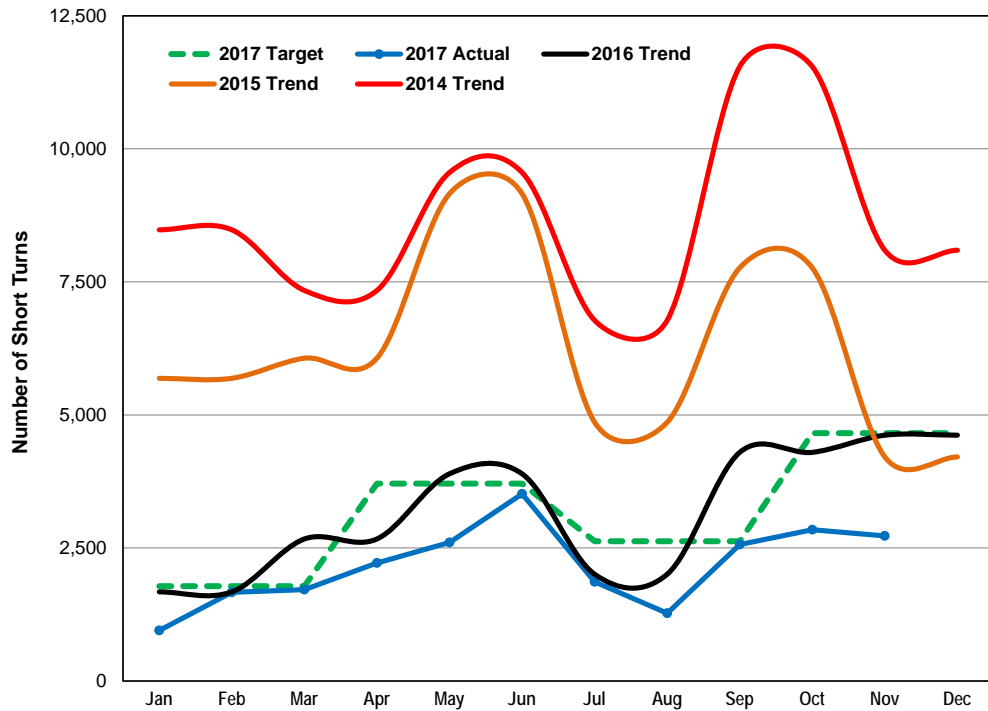
Overall, year-over-year, 2017 performance has improved more than 2%, resulting in well over 200,000 more timely departures.

Running time changes for route 44 Kipling South took effect on November 26, 2017, followed by multiple schedule changes as a result of the opening of TYSSE extension.

Operator performance continues to be closely monitored to maximize the effectiveness of schedule improvements. To date, almost 700 operators have been interviewed for schedule adherence irregularities and occurrences of early departures are decreasing as a result of this initiative.

Note:
This KPI measures adherence to scheduled (-1 to +5 minutes) departure times from end terminals.

Bus - Short Turns



This multi-year view illustrates continuous reductions in the number of short turns from 2014 to today, resulting in greatly improved customer experience. The number of short turns in November decreased to 2,726; performance continued to remain below target (favourable).

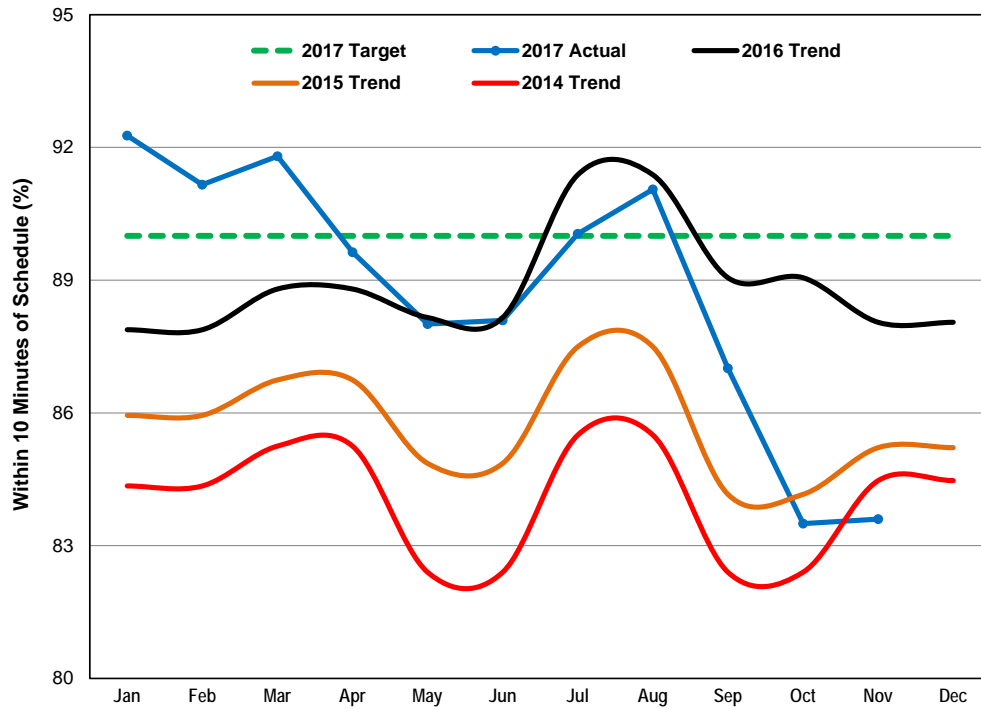
Short turns in 2017 have continued to trend lower than in 2016 as a result of schedule improvements and increased utilization of Run-as-Directed (RAD) bus deployments, which has reduced the need for service adjustments.

Note:

Data are based on all seven days of service from Sunday to Saturday.



Punctuality



Performance in November increased to 83.6%; however, it was below the target of 90% due to a number of changes in the scheduling processes and operating efficiencies.

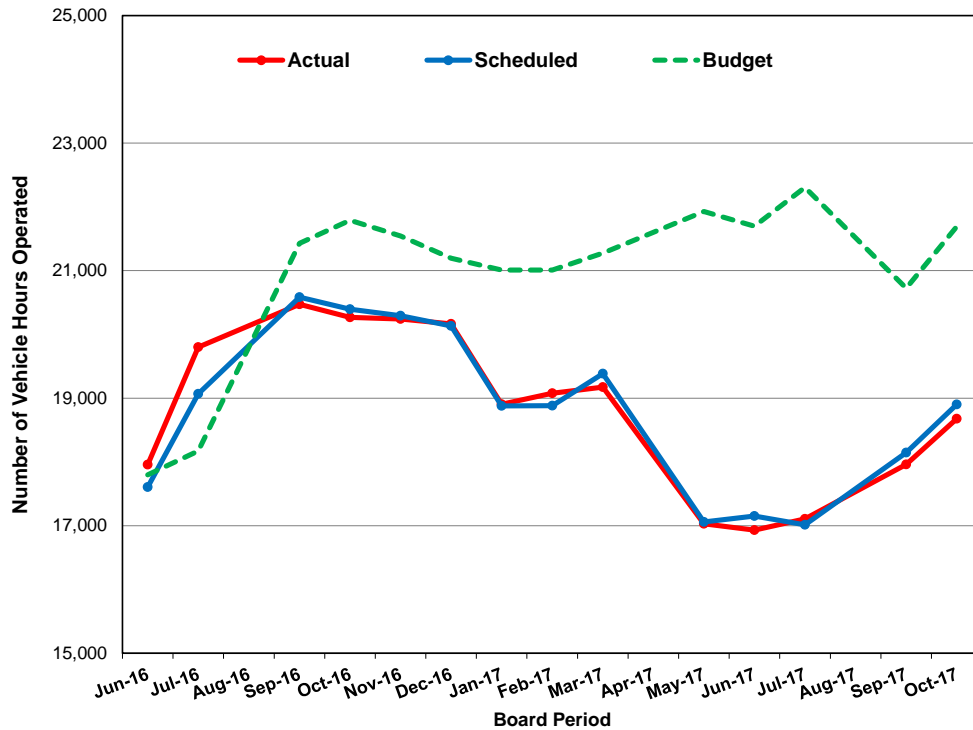
To accommodate the launch of Family of Services, thereby accommodating the increase in same day bookings, more short trips and same day bookings were accommodated on Wheel-Trans bus thereby reducing the overall cost per trip and increasing the trips per hour.

The increase in trips and particularly same-day booking requires additional resources in the Reservations, Dispatch, and Service Support functions to enable improved scheduling and vehicle assignment. Likewise, Operator headcount was increased slightly to accommodate the additional passengers. An increase in passengers per hour per vehicle does impact On-Time-Performance; however, we have not seen a corresponding rise in complaints. Likewise the measurement for on-time performance for Wheel-Trans is based on a 10 minute window after the scheduled time. Other transit properties normally record on time based on a 15 and 20 minute window after the trip time.

Staff continues to focus on changing the policies and procedures surrounding advance planning and trip scheduling as well as increasing group bookings and will continue to emphasize effective scheduling to return On-Time-Performance to its pre-August results.

Customer: Amount of Service

Streetcar - Weekly Service Hours



In the October 2017 Board Period, 21,690 streetcar weekly hours were budgeted for service while 18,902 streetcar weekly hours were scheduled to operate which represents a - 12.9% variance.

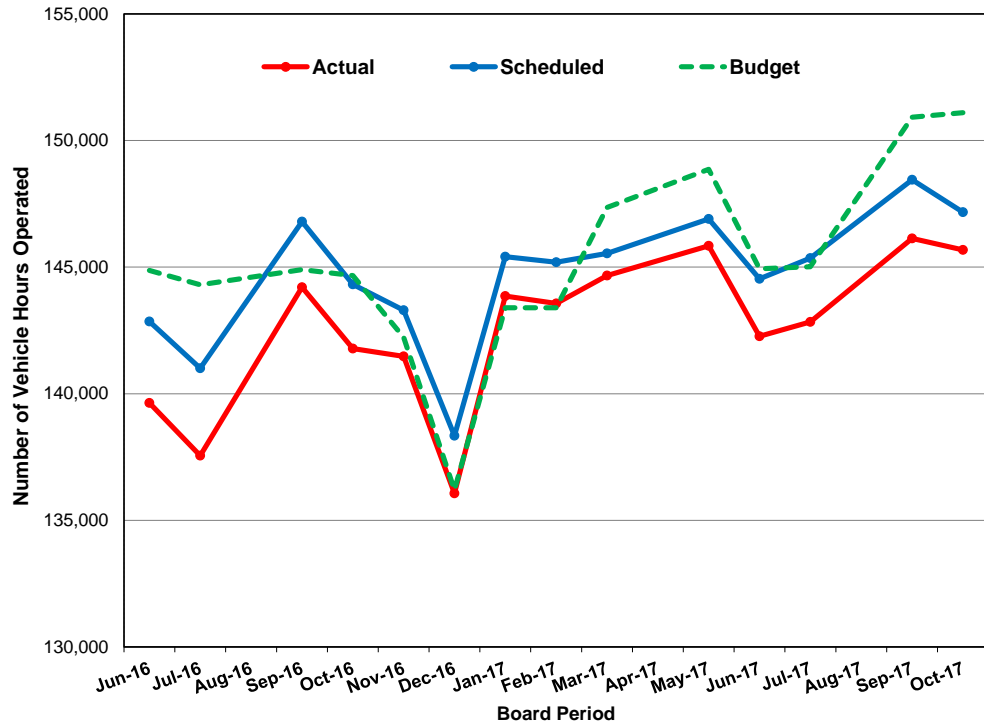
This variance can be attributed to the reduction of the streetcar fleet from a budgeted 196 to 160 AM peak cars required in the 2017 May Board Period.

Of the 18,902 streetcar weekly hours scheduled to operate, 18,676 streetcar weekly hours were actually delivered which represents a variance of -1.2%.

To illustrate the drop in streetcar availability explaining the actual and scheduled being far below budget, the table below shows the steady reduction in available vehicles that were able to be put into service to serve customers:

Date	AM Peak Pull Out
January 2014	203
January 2015	208
January 2016	191
January 2017	170

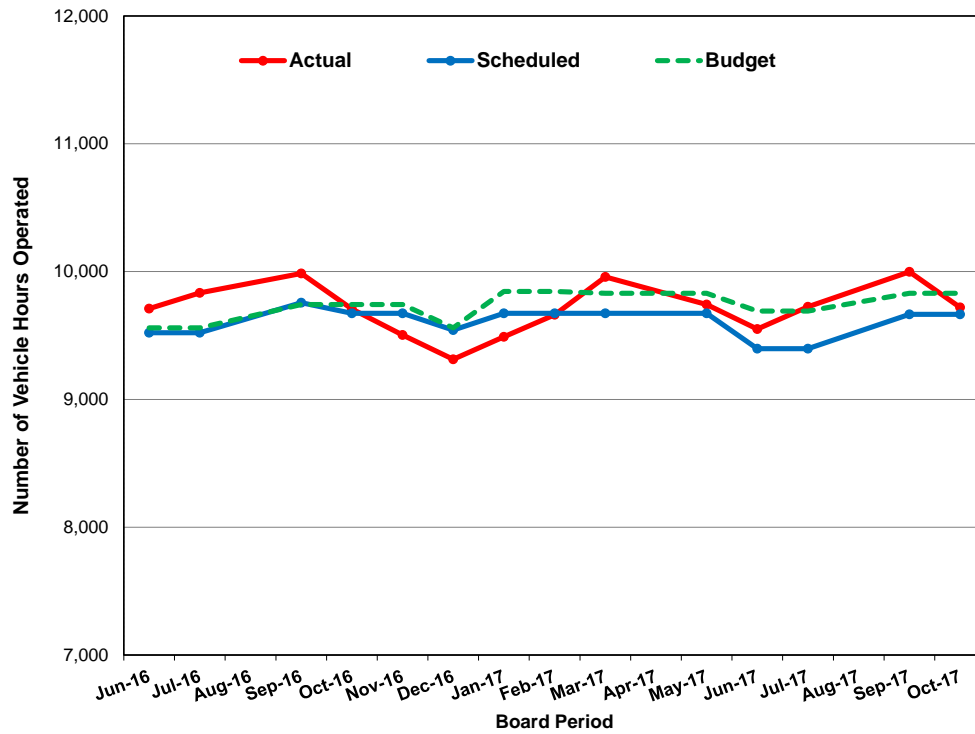
Bus - Weekly Service Hours



In the October 2017 Board Period, 151,103 bus weekly hours were budgeted for service while 147,167 bus weekly hours were scheduled to operate which represents a -2.6% variance.

Of the 147,167 bus weekly hours scheduled to operate, 145,683 weekly hours were actually delivered which represents a variance of -1.0%.

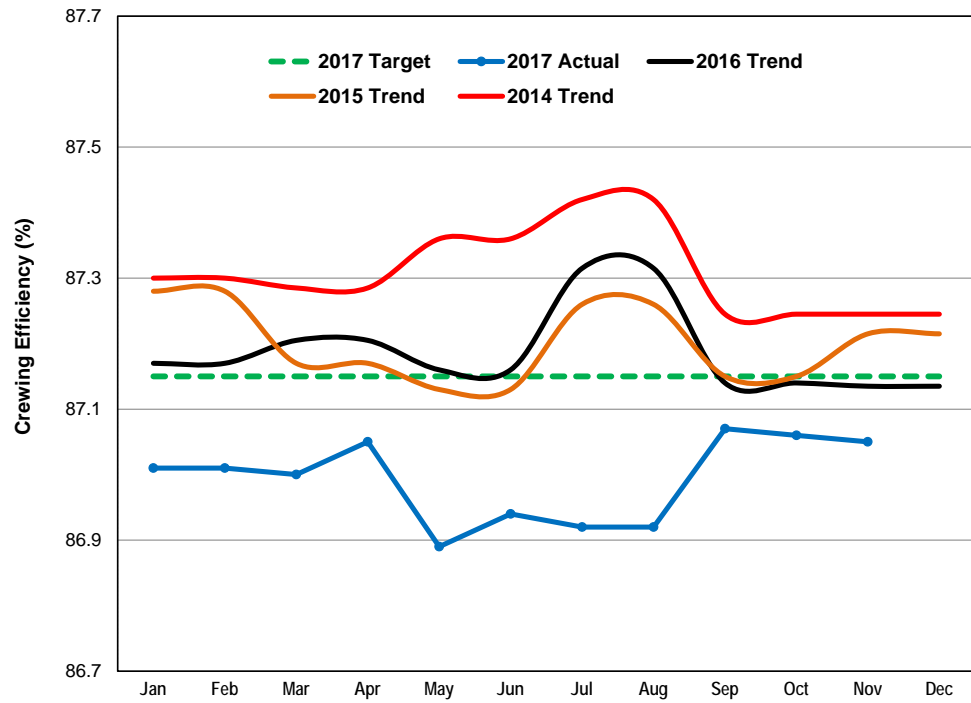
Subway - Weekly Service Hours



In the October 2017 Board Period, 9,831 subway weekly hours were budgeted for service while 9,666 subway weekly hours were scheduled to operate which represents a -1.7% variance.

Of the 9,666 subway weekly hours scheduled to operate, 9,720 weekly hours were actually delivered which represents a variance of 0.6%.

Operator Crewing Efficiency

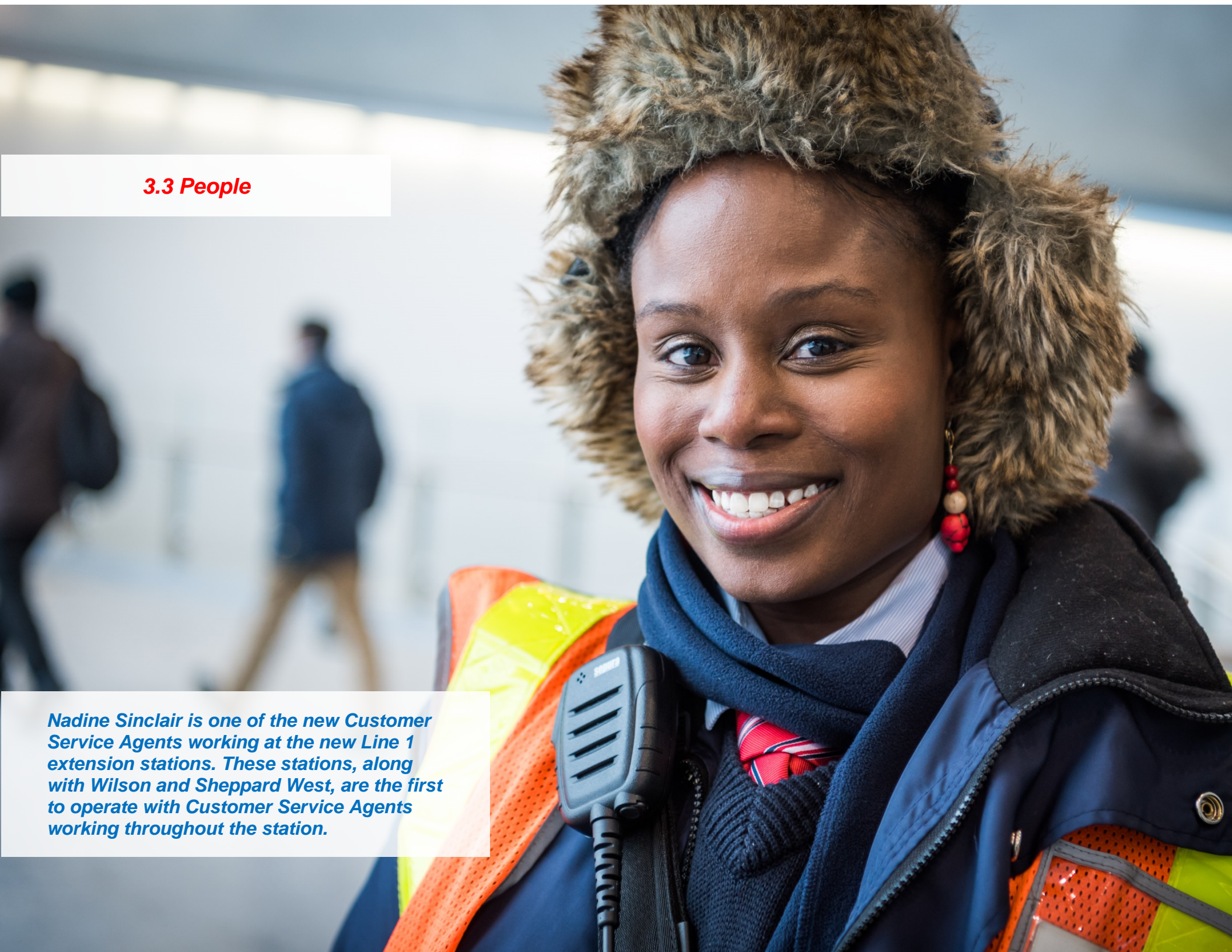


Operator crewing efficiency decreased in November to 87.05%; performance remained below target. Crewing efficiency has been below target due to the large numbers of buses replacing streetcars, resulting in longer driving distances to streetcar routes from bus divisions.

Note:
Crewing efficiency is defined as the ratio of scheduled hours to pay hours.

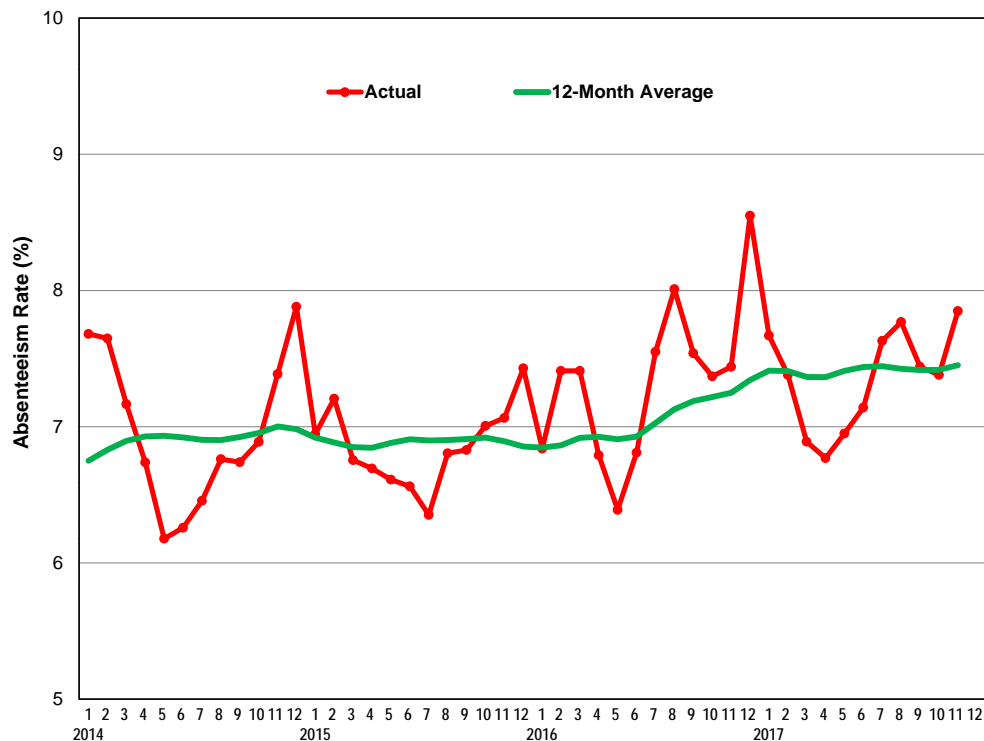
3.3 People

Nadine Sinclair is one of the new Customer Service Agents working at the new Line 1 extension stations. These stations, along with Wilson and Sheppard West, are the first to operate with Customer Service Agents working throughout the station.



People

Employee Absence



The absenteeism rate in November increased to 7.85%. Overall performance has been above the 12-month average for four of the past five months.

Staff continues to manage absence with a focus on reducing the number of complex absence cases and the duration of these absences.

The absence rate has not improved since 2014. In order to improve performance, senior management is undertaking reviews of trends in their responsibility areas with a goal to establish departmental absence reduction targets.

The Bus Transportation absence rate was 9% in 2017 compared to 8.8% in 2016. The Attendance Management Project Team works in phases to manage employees' attendance with the aim of reducing the absenteeism rate. Currently, the team is managing 4 phases for a total of 420 employees and will continue to add an additional phase per quarter (1 phase = 105 employees) – this will result in 840 employees managed by the project team (over 10% of SDG unionized workforce).

Initial phases of 2018 will be drawn from employees with highest incident counts to have the greatest impact on reducing the absenteeism rate.

Fitness for Duty Update

Random Testing – Program Summary by Test Type (May 8 to December 14, 2017)

Employee Category	Compliant Tests	Non-Compliant Tests (drug, alcohol, refusal)	Total Tests	% Non-Compliant
Unionized	1,278	26	1,304	2.0%
Non-Union	255	3	258	1.2%
Totals	1,533	29	1,562	1.9%

Note: Currently 24 drug test results have yet to be reported as they are still undergoing laboratory analysis or have been cancelled.

Breakdown of Non-Compliant Tests

Test Category	Total
Drug	21
Alcohol	5
Refusal	3
Totals	29

Breakdown of Non-Compliant Drug and Alcohol Tests*

Substance Type	Total	%
Oxycodone	1	3.7%
Opiates	2	7.4%
Marijuana	14	51.9%
Cocaine	4	14.8%
Amphetamines	1	3.7%
Alcohol	5	18.5%
Totals	27	100%

Note: 1 drug test result was positive for two different drugs

*As of December 14, 2017; next update will be as of March 20, 2018

Breakdown of Other Policy Violations

Policy Category	Total
Alcohol Non-Compliant for 0.02 – 0.039	2
Safety Sensitive Flag	3
Totals	5



512 ST CLAIR STATION

417T

YOUR FREE RIDE IS PROVIDED BY
IN SPIRIT AND WINE
CORBY



2018

Your safe ride home with Corby Spirit and Wine. RIDE THE TTC FOR FREE UNTIL...

THIS RIVER I STEP IN IS NOT THE RIVER

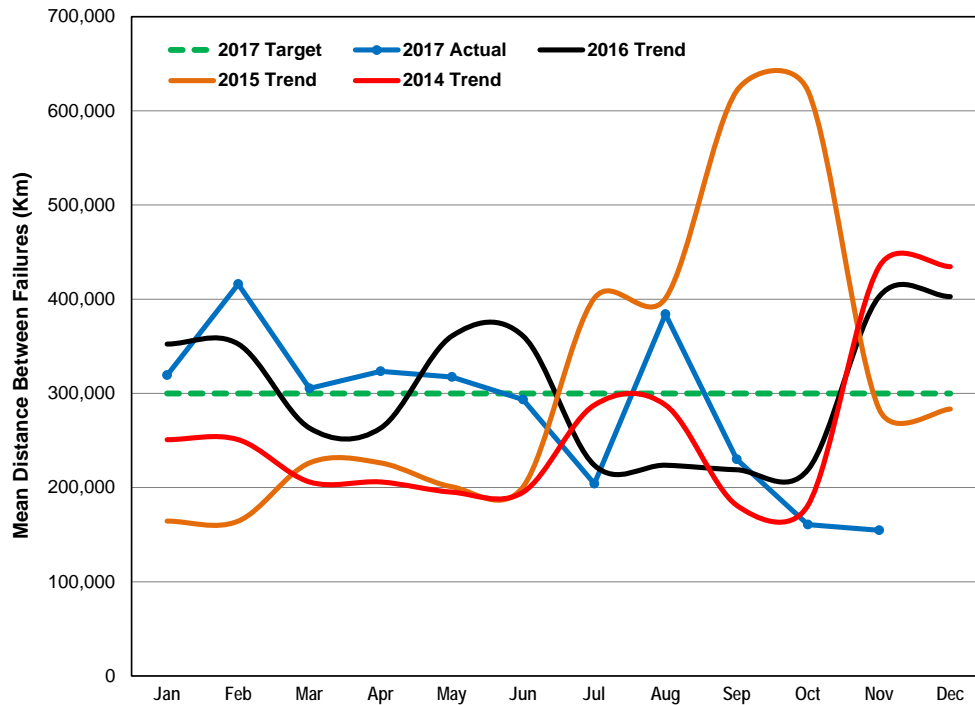
3.4 Assets

Assets: Vehicle Reliability



Subway

T1 Train: Mean Distance Between Failures (MDBF)



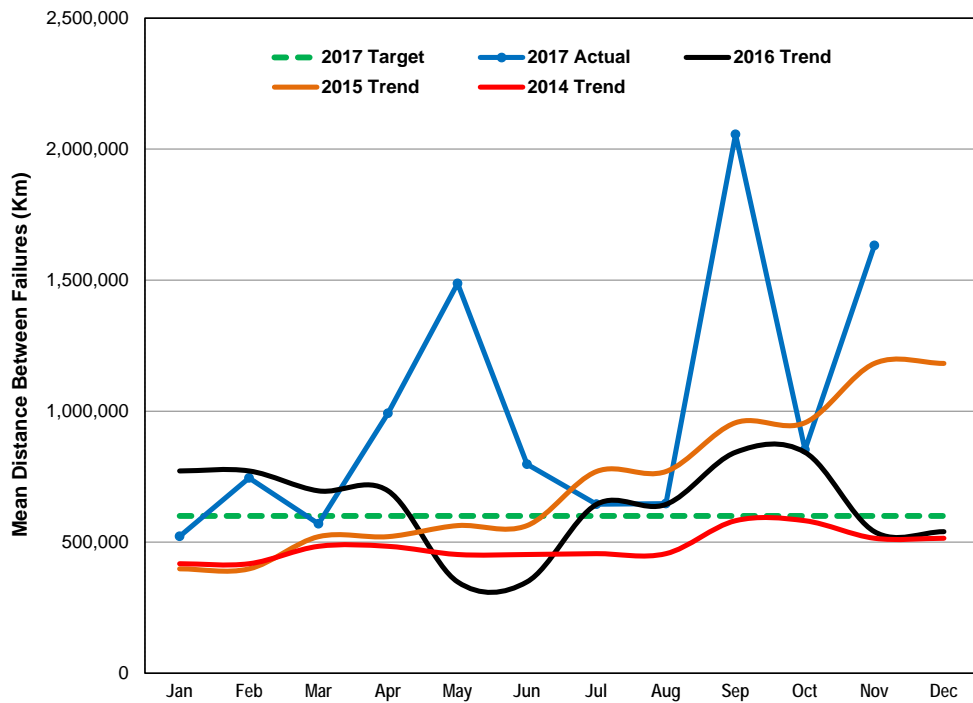
The MDBF decreased in November to 154,603 kilometres and performance was below target.

The overhaul program of door pocket guides and master controller upgrades was completed in 2017. Benefits of these overhauls are expected to be observed in the coming months.

Maintenance and engineering staff are collaborating to develop solutions to improve the reliability of the brake units.

A program is scheduled in 2018 to install remanufactured door lock assemblies which include upgraded door close switches, which would restore reliability to many of the current passenger door-related incidents.

TR Train: Mean Distance Between Failures (MDBF)



The MDBF increased in November to 1,632,494 kilometres and performance was above target.

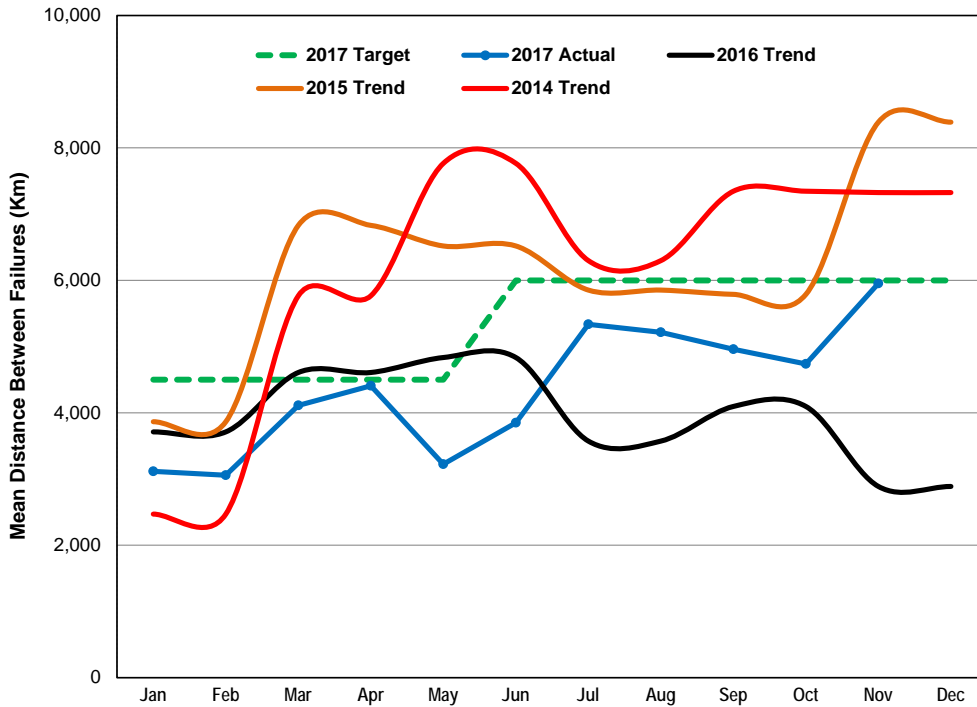
Revision E cab doors modification program has been completed across the fleet, with significant improvement in the reliability on cab doors. The passenger door system and the brake system have received numerous modifications. Fleet retrofits of the new modifications and validation testing of the proposed upgrades are in progress and improvements are anticipated in the future.

The performance of the passenger door systems is closely monitored by technical staff to ensure that the incident recovery times are returned to average levels. Issues related to the propulsion system are under investigation by Bombardier.



Streetcar

CLRV Streetcar: Mean Distance Between Failures (MDBF)



The MDBF increased in November to 5,952 kilometres, falling marginally below the target of 6,000 kilometres but well above last year’s results.

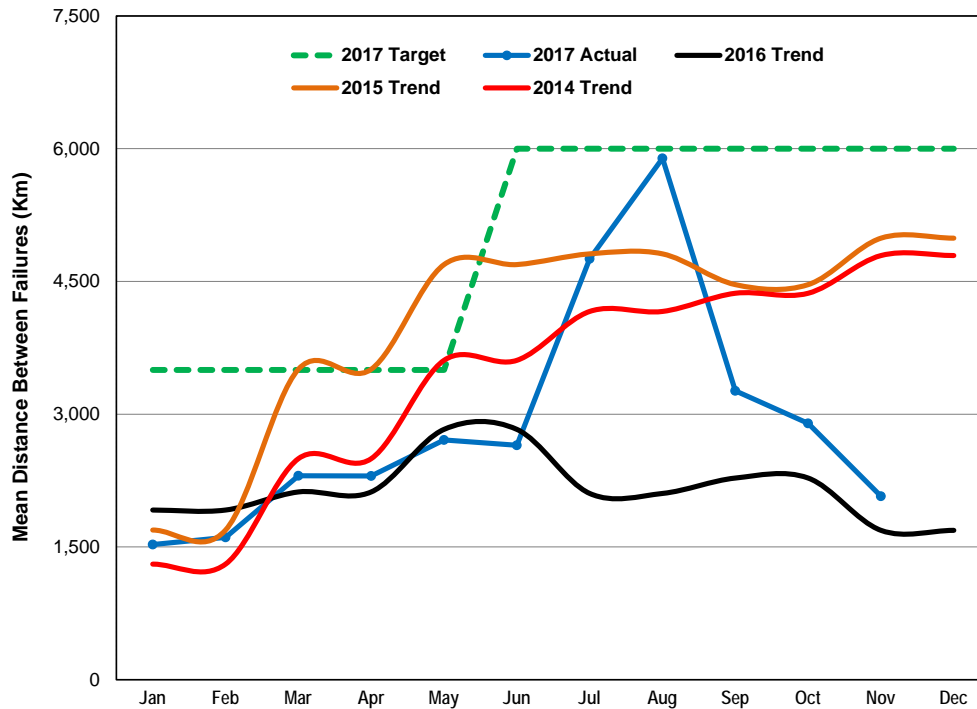
Trending of CLRV fleet reliability since 2014 shows a steady decline in MDBF. This is a result of expectations with the replacement of new vehicles.

The first CLRV was received in 1977 and the entire 196-vehicle order was received over several years. By the end of 2017, the total number of CLRVs remaining in the fleet was 141. Four of the remaining vehicles are over 41 years of age.

The CLRV fleet was designed for a life span of 25 -30 years. Life extension projects throughout the life of the vehicle allowed them to be kept beyond this life expectancy. Now, with more than 40 years of life, parts obsolescence and deterioration of body and structure, the ability to continue to refurbish these vehicles has greatly diminished.

With the delay of the LFLRV order, staff implemented State of Good Repair programs for this fleet in 2017. This has resulted in stabilizing and some minor improvements in the reliability of this fleet which can be seen in the 2016 vs 2017 MDBF.

ALRV Streetcar: Mean Distance Between Failures (MDBF)

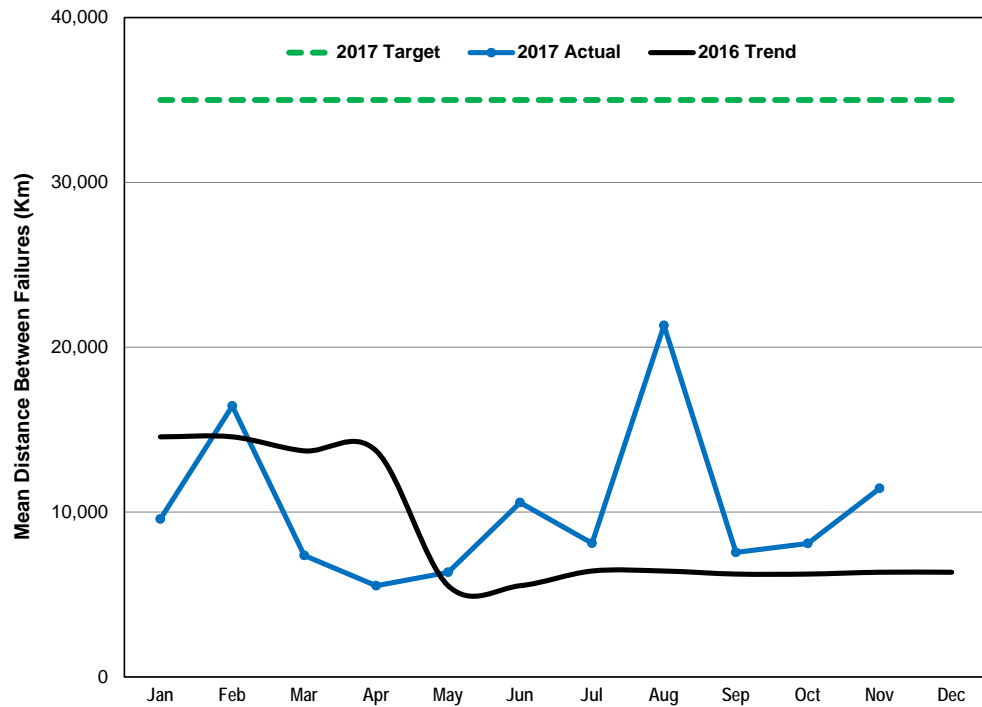


The MDBF decreased in November to 2,073 kilometres. Overall performance remained below target.

Period 11 MKBD showed a decline in reliability of the ALRV fleet in comparison to period 9 and 10. Overall trending in comparison to 2016 however has been positive. This has been the result of decommissioning some of the more problematic vehicles and reducing the frequency of these vehicles in service.

The first ALRV was received in 1984 and the age of the fleet is approximately 34 years. By the end of 2017, 43 of the original 52 ALRV fleet remain in service. Like the CLRV, the ALRVs were designed to remain in service for 25-30 years. Minor rebuilds have allowed the ALRVs to continue past their original life cycle.

New Streetcar: Mean Distance Between Failures (MDBF)

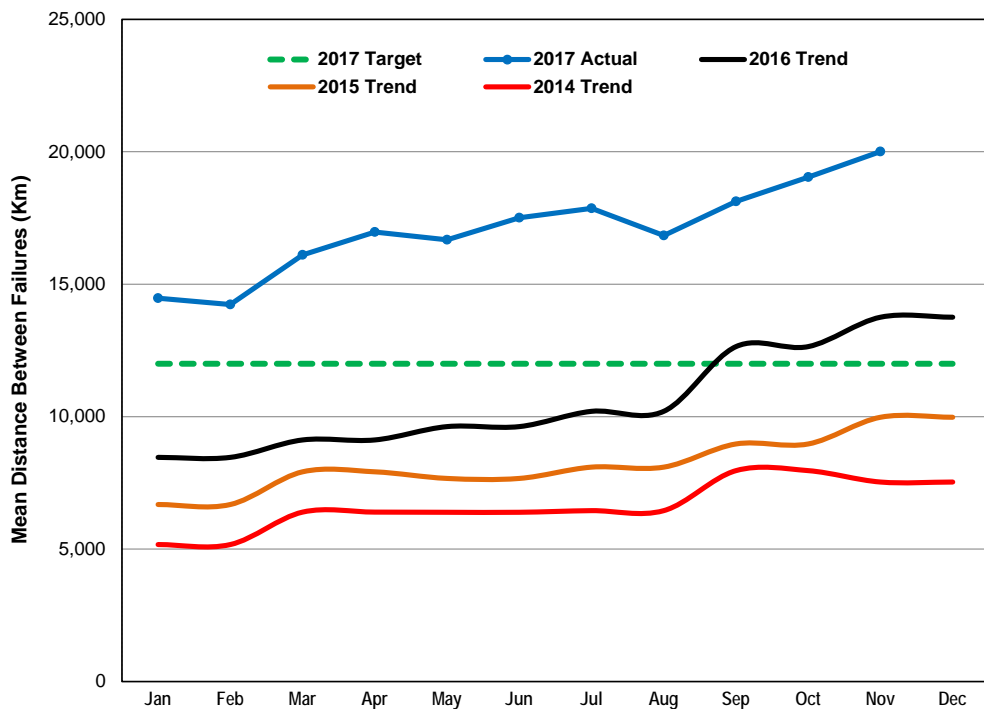


The MDBF increased in November to 11,433 kilometres.

Slight improvements have been achieved due to ongoing efforts by Bombardier and suppliers to correct component reliability such as the door system.

TTC staff is continuing to work with Bombardier and suppliers to improve various vehicle systems and resolve manufacturing and design issues. As vehicle delivery continues and technical and production issues are resolved, it is expected that this fleet will continue to improve in reliability.

Bus: Mean Distance Between Failures (MDBF)



This multi-year view shows positive, progressive growth and improvements in mean distance between failures which can be attributed to programs implemented within bus maintenance since 2014, reaching above target for the full 11 months of 2017. The MDBF increased in November to 20,009 kilometres. Performance continued to achieve target and it was 41% higher than the performance in November 2016. The improved performance is due to the arrival of new Nova buses.

Garage technical staff continues to focus their efforts on quality of repairs and mentoring of coach technicians. Data analysis of repeaters has played a major role in reducing these numbers. Cooling System Maintenance programs on the 8100-8396 and 9000-9152 series buses are 85.3% and 65% complete, respectively. Heating System Maintenance programs for the 1200-1829 series buses are 100% complete.

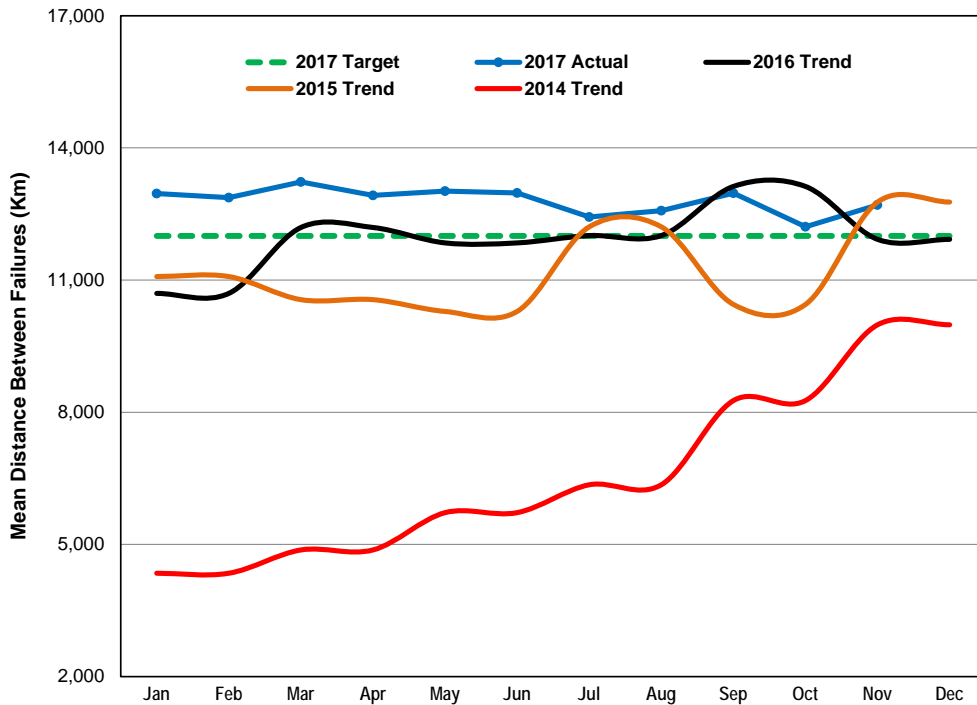
Operator seat overhaul on Nova LFS60 & Orion VII 7900-7979, 8000-8099 - new seat replacement is 100% complete on both.

Bus maintenance staff continued efforts to complete the State of Good Repair (SOGR) program on buses, as well as perform post-repair circle checks to improve bus pull-out to minimize disruptions to service.

The following table summarizes total new TTC bus deliveries from 2017 to 2020:

Year	Type of Bus	Total	Garage
2017	Nova	342	Eglinton 309 Birchmount 33
2018	Nova	325	Birchmount 95 Arrow Road 230 (CAD AVL)
2019	TBD	260	TBD
2020	TBD	120	TBD

Wheel-Trans: Mean Distance Between Failures (MDBF)



Positive progressive growth can be seen from 2014 to 2017 resulting in a higher level of customer service for Wheel-Trans customers and greater efficiencies of the fleet since 2014. The MDBF increased in November to 12,704 kilometres. Overall performance continued to achieve target and it was 4% higher than the performance in November 2016.

Staff initiated multiple projects to improve reliability, such as replacing and modifying emergency release handles, replacing batteries to dual purpose AGM, rebuilding and replacing drivers’ seats and modifying positive battery cable.

New RAM ProMaster procurement in 2017 (13 buses) and 2018 (67 buses) are some of the initiatives aimed to support an increase in the MDBF in 2018. Efforts to improve reliability also continue through the following projects:

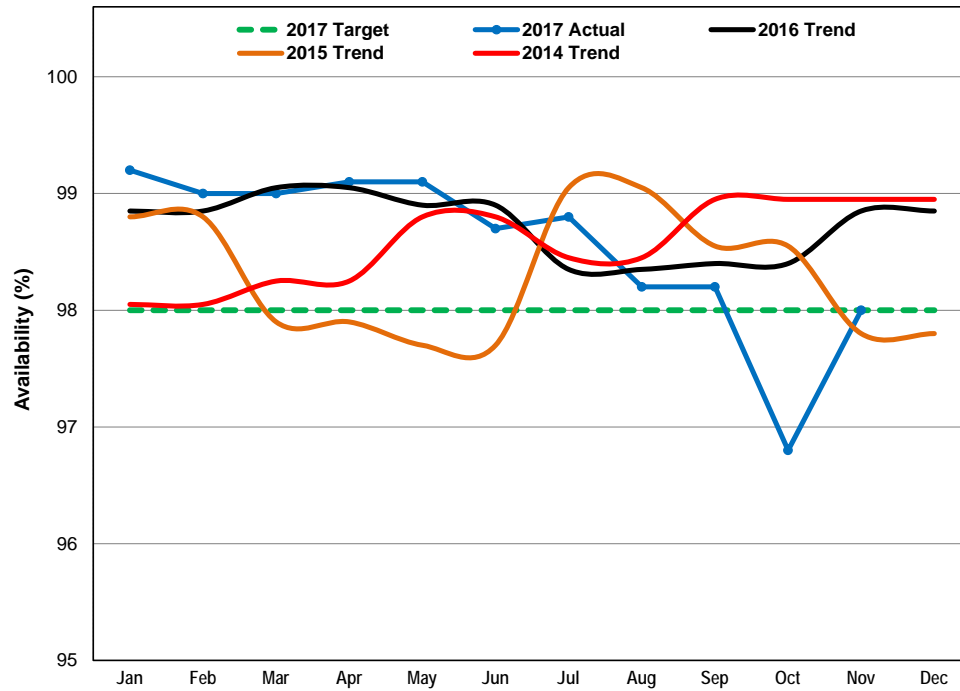
- Replacing/modifying emergency release handles from pull type to D-ring style, first-generation Friendly’s W100-W214;
- Replacing batteries from marine deep cycle AGM to dual purpose AGM on the entire fleet;
- Replacing DPF’s on the entire Friendly Fleet;
- Rebuilding/replacing driver’s seats, second-generation Friendly’s W215-W300 (Ford seat);
- Modifying positive battery cable, second-generation Friendly’s W215-W300 (to prevent electrical shorts);
- Continuing with the State of Good Repair (SOGR) program and conducting detailed analysis of repeater buses to reduce RCCO’s .

The following table summarizes the total existing Wheel-Trans bus fleet in 2017 and new bus deliveries in 2018 and 2019:

Year	Type of Bus	Total
2017	Friendly	199
	Promaster	13
2018	Friendly	161
	Promaster	80
2019	Friendly	161
	Promaster	80

Assets: Equipment Availability

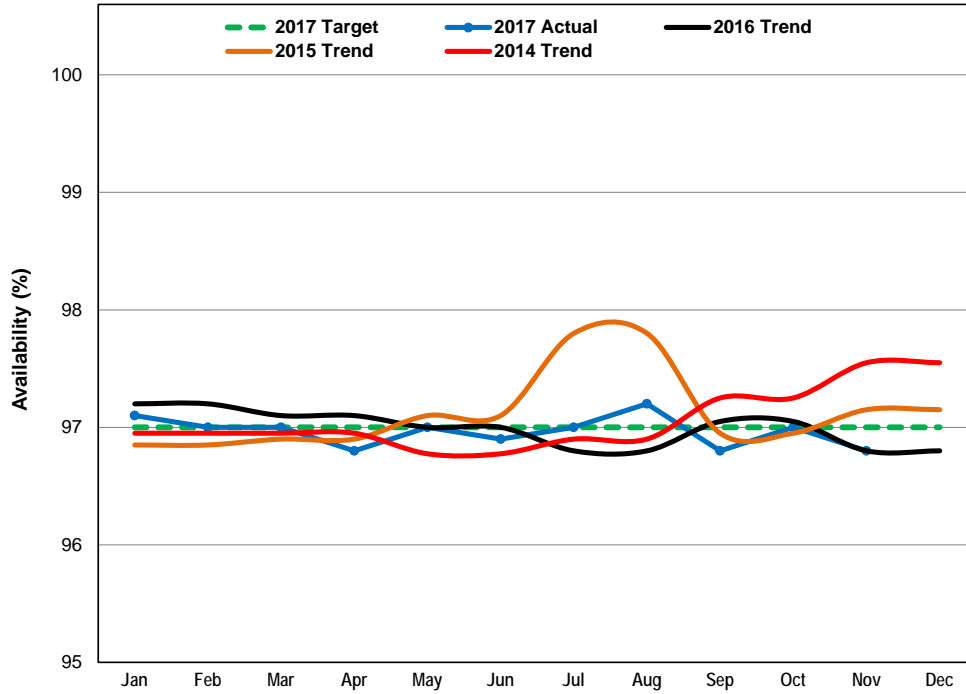
Elevators



Performance in November increased to 98% and achieved target.

Maintenance activities were completed as planned and scheduled.

Escalators



Performance in November decreased to 96.8% and did not achieve target, due to an unusual electrical failure. The electrical failure has been diagnosed and addressed through design changes.

The electrical skill set factor affecting availability is under better control but not completely eliminated. EDS now has a contract in place to supplement in-house electrical labour, which is scarce. Having the contract in place and utilizing it as needed should further help the section in addressing electrical issues in a more timely manner.

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New PRESTO Fare Vending Machine and Self-Serve Reload Machine at Finch West Station. These machines will be installed at all subway station entrances throughout 2018.

Financials

This section provides detailed information about the TTC and Wheel-Trans Operating Budgets. In addition, progress on the Commission's Capital Program and specific information about selected capital projects is also provided.

TTC and Wheel-Trans Operating Budgets

2017 Projected Year-End Subsidy Surplus

It is currently projected that the TTC and Wheel-Trans Operating Budgets will have a combined year-end subsidy surplus of \$72.8 million as illustrated in the following table:

(millions)	Projection	Budget	Variance
TTC Subsidy Surplus	\$57.2	\$0	\$57.2
Wheel-Trans Subsidy Surplus	\$15.6	\$0	\$15.6
Total Subsidy Surplus/(Shortfall)	\$72.8	\$0	\$72.8

Sources of 2017 subsidy surplus

The 2017 subsidy surplus is due to a variety of factors which included:

- Greater than anticipated bus and subway car vehicle reliability which resulted in reduced material expenses.
- Reduced health benefit claims expenses subsequent to the ongoing benefit fraud investigation.
- Lower than budgeted demand for Wheel-Trans service.
- Workforce being under budgeted strength, both as a result of selected deferred initiatives and challenges recruiting skilled trade personnel.
- Lower than budgeted adoption of PRESTO resulting in one-time PRESTO fee savings.
- Lower accident claim payments.
- Savings on energy costs, in part due to generally favourable weather conditions during 2017, particularly in the summer.

2018 Reductions resulting from analysis of 2017 surplus

These initiatives and trends have been monitored throughout the year and areas where savings can be sustained, totaling \$51 million in base budget reductions, were incorporated into the 2018 operating budgets approved by the TTC Board on November 28, 2017. Examples of reductions incorporated into the 2018 budget include:

- Benefit Reductions: \$10.2 million
- Vehicle Maintenance Savings: \$7 million
- Diesel Consumption Rate: \$3.8 million
- Departmental non-labour expenses: \$5.4 million

- Other adjustments to reflect lower natural gas prices (\$1 million), WT functional assessments and appeals (\$1.2 million) and temporary gapping adjustment at Leslie Barns to reflect the impact of the LRV delay (\$1.4 million) amongst other items.

Moreover, as the planned stabilization reserve draw will not be required in 2017, this \$14 million draw has been applied to the 2018 budget.

One-Time Expenditure Savings

In addition, a considerable portion of the savings achieved related to one-time items which are not expected to be repeated in the future. These include:

1. **Wheel-Trans demand growth:** Considerable demand growth for Wheel-Trans service has ranged from 8-13% between 2014 and 2016. It was expected that the implementation of the AODA Act on January 1, 2017 would result in further demand growth over and above this trend. While Wheel-Trans Ridership growth continued in 2017, in-line with recent historical trends – the incremental growth did not occur, resulting in one-time savings of approximately \$10 million.
2. **PRESTO adoption rate:** The adoption of the PRESTO card was slower than originally anticipated, resulting in the one-time savings of \$7 million in PRESTO fees.
3. **Weather:** Generally more favourable weather conditions during 2017, including a relatively mild summer and limited unfavourable weather in January and February 2017 resulted in energy, and other savings of approximately \$3 million.
4. **Deferral or elimination of selected initiatives:** Some budgeted initiatives were deferred or cancelled on a one time basis. This included:
 - a. Deferral of selected Toronto Rocket preventative maintenance saving \$2.5 million. This was made possible as a result of the exceptional reliability of the fleet to date.
 - b. Reduced streetcar service primarily due to late Bombardier LRV deliveries and unavailability of sufficient legacy fleet resulting in \$1.5 million in traction power savings.
 - c. Later than expected commencement of the Cartwright Ave lease saving \$0.4 million in 2017 on a one-time basis.

In addition, other savings on labour and benefits not expected to be repeated based on 2018 hiring plans, recruitment strategies and the impact of the Fair Workplaces Better Jobs Act.

Further details on the year-to-date and year-end projection are provided in the material below.

2017 Projected Year-End Subsidy Surplus

It is currently projected that the TTC and Wheel-Trans Operating Budgets will have a combined year-end subsidy surplus of \$53.2 million as illustrated in the following table:

(millions)	Projection	Budget	Variance
TTC Subsidy Surplus	\$38.1	\$0	\$38.1
Wheel-Trans Subsidy Surplus	\$15.1	\$0	\$15.1
Total Subsidy Surplus/(Shortfall)	\$53.2	\$0	\$53.2

Further details are provided in the material below.

TTC Operating Budget

2017 Year-to-Date Results

Customer journeys (ridership) to the end of November were 2.0% below budget and 0.6% below the 2016 comparable actual. Interim results for December indicate similar trends. Year-end ridership is projected to be about 1.8% below budget (534M vs. 543.8M).

To the end of Period 11 (November 25), total revenues were \$2.2 million (0.2%) below budget primarily due to 9.9 million (2.0%) fewer customer journeys than planned, offset by a higher average fare (3.6¢ or 1.7%) stemming from ongoing changes in the mix of fare media.

Over the same time period, expenses were under budget (\$87.7 million or 5.3%) largely due to due to workforce being under budgeted strength, reduced material expenses, lower accident claim payments, employee benefit expenses and PRESTO fees, and savings on energy costs.

2017 Year-End Projections

(millions)	Projection	Budget	Variance
2017 TTC Operating Budget			
Customer Journeys (Ridership)	534.0	543.8	(9.8)
Revenue	\$1,234.9	\$1,237.6	(\$2.7)
Expenses	\$1,724.5	\$1,798.4	(\$73.9)
Subsidy Required	\$489.6	\$560.8	(\$71.2)
Subsidy Available*	\$546.8	\$546.8	-
Draw from TTC Stabilization Reserve	\$ 0.0	\$14.0	(\$14.0)
Surplus/(Shortfall)	\$57.2	-	\$57.2

*Excludes a \$14 million draw from the TTC Stabilization Reserve held by the City of Toronto.

Currently, a \$57.2 million (or 10.5%) year-end subsidy surplus is projected. The key budget variances that account for this projection are as follows:

Stabilization Reserve Draw: \$14.0 million decrease.

Based on the projected subsidy surplus, it is anticipated that the planned \$14 million draw from the TTC Stabilization Reserve will not be required this year.

Passenger Revenues: \$3.1 million decrease.

Year-end ridership is expected to be approximately 1.8% below budget; however, passenger revenues are expected to be only 0.3% below budget. The more favourable revenue projection is mainly due to the current trend of customers switching from pass-based fare media to single-ride fare media, particularly PRESTO e-purse, which has resulted in an increase in the average fare.

Labour expenses: \$18.7 million decrease.

Reasons for the labour under-expenditure include: delays in filling some positions especially skilled trades and IT contractor conversions, the need to have some operating personnel work on capital projects and the deferral or elimination of selected initiatives.

Non-Labour expenses \$16.3 million decrease.

Most of the non-labour expense savings are due to lower than expected vehicle maintenance expenses, as a result of improved bus vehicle reliability and delays in receiving parts for certain subway car preventative maintenance programs. The additional time required to fill certain skilled trade positions has also contributed to the non-labour under-expenditures.

Employee Benefits: \$15.0 million decrease.

Lower labour expenses, combined with the year-to-date trend in healthcare expenses, indicates that employee benefit expenses will fall below budget by year-end.

Hydro and Utilities: \$8.0 million decrease.

Expenses to date have been less than anticipated primarily due to lower than forecasted rates and consumption.

Diesel: \$7.0 million decrease.

Diesel cost savings are a result of a lower than expected average price per litre and more favourable fuel consumption rates in part due to more favourable weather conditions.

PRESTO fees: \$7.0 million decrease.

PRESTO fees will be below budget primarily due to the projected take up rate for pass users being lower than initially anticipated in 2017.

Depreciation: \$2.0 million decrease

It is projected that the depreciation expense for 2017 will also be lower than originally expected due to fewer capital asset acquisitions in 2016.

All other variances net to a \$0.3 million favourable variance.

TORONTO TRANSIT COMMISSION
2017 OPERATING BUDGET - INCOME STATEMENT

(\$000s)	Period 11: 4 Weeks October 29 to November 25, 2017				Eleven Periods to November 25, 2017				Full Year 2017			
	Over/(Under)		Over/(Under)		Over/(Under)		Over/(Under)		Probable		Probable	
	Actual	Budget	Budget	Budget %	Actual	Budget	Budget	Budget %	Probable	Budget	Variance	Variance %
<u>REVENUES:</u>												
Passenger Revenues	93,718	95,152	(1,434)	-1.5%	1,055,882	1,059,597	(3,715)	-0.4%	1,165,260	1,168,360	(3,100)	-0.3%
Outside City & Charters	1,241	1,225	16	1.3%	15,353	14,367	986	6.9%	16,098	15,598	500	3.2%
Advertising	2,358	2,358	-	0.0%	25,935	25,936	(1)	0.0%	28,292	28,292	-	0.0%
Rent Revenue	1,198	929	269	29.0%	10,287	10,219	68	0.7%	10,848	11,148	(300)	-2.7%
Commuter Parking	933	1,061	(128)	-12.1%	10,200	11,430	(1,230)	-10.8%	10,691	12,291	(1,600)	-13.0%
Other Income	291	150	141	94.0%	3,507	1,766	1,741	98.6%	3,683	1,933	1,750	90.5%
TOTAL REVENUES	99,739	100,875	(1,136)	-1.1%	1,121,164	1,123,315	(2,151)	-0.2%	1,234,872	1,237,622	(2,750)	-0.2%
<u>EXPENSES (LABOUR & NON-LABOUR)</u>												
CEO's Office	1,562	1,499	63	4.2%	17,566	16,691	875	5.2%	18,633	18,560	73	0.4%
Engineering, Construction & Expansion Group	240	343	(103)	-30.0%	2,915	3,928	(1,013)	-25.8%	3,631	4,352	(721)	-16.6%
Corporate Services Group	4,863	4,749	114	2.4%	49,759	53,040	(3,281)	-6.2%	56,463	58,962	(2,499)	-4.2%
Strategy and Customer Experience Group	1,503	1,621	(118)	-7.3%	16,733	18,819	(2,086)	-11.1%	20,695	20,808	(113)	-0.5%
People Group	2,995	2,856	139	4.9%	31,064	32,681	(1,617)	-4.9%	34,968	36,157	(1,189)	-3.3%
Operations Group	23,948	25,281	(1,333)	-5.3%	265,743	285,866	(20,123)	-7.0%	299,032	318,046	(19,015)	-6.0%
Service Delivery Group	64,862	64,175	687	1.1%	669,834	688,565	(18,731)	-2.7%	748,550	765,558	(17,008)	-2.2%
Employee Benefits	26,679	27,879	(1,200)	-4.3%	292,787	306,422	(13,635)	-4.4%	287,100	302,100	(15,000)	-5.0%
Vehicle Fuel	5,918	6,318	(400)	-6.3%	68,502	75,169	(6,667)	-8.9%	75,889	82,889	(7,000)	-8.4%
Traction Power	3,019	4,855	(1,836)	-37.8%	47,850	53,389	(5,539)	-10.4%	52,884	58,884	(6,000)	-10.2%
Utilities (Hydro, Natural Gas, Water)	1,680	2,627	(947)	-36.0%	23,729	25,706	(1,977)	-7.7%	26,833	28,833	(2,000)	-6.9%
Taxes and Licences	278	262	16	6.1%	2,914	3,001	(87)	-2.9%	3,311	3,311	-	0.0%
Depreciation	2,239	2,239	-	0.0%	26,370	26,369	1	0.0%	26,999	28,999	(2,000)	-6.9%
Accident Claims & Insurance	2,018	3,597	(1,579)	-43.9%	20,247	33,453	(13,206)	-39.5%	37,914	37,914	-	0.0%
Non-Departmental Costs	1,337	4,323	(2,986)	-69.1%	22,753	23,401	(648)	-2.8%	31,609	33,109	(1,500)	-4.5%
TOTAL EXPENSES	143,141	152,624	(9,483)	-6.2%	1,558,766	1,646,500	(87,734)	-5.3%	1,724,510	1,798,482	(73,972)	-4.1%
OPERATING SUBSIDY REQUIRED in 2017					437,602	523,185	(85,583)	-16.4%	489,638	560,860	(71,222)	-12.7%
CITY OPERATING SUBSIDY AVAILABLE								100.0%	546,846	546,846	-	
DRAW FROM STABILIZATION RESERVE									14,014	(14,014)		
SHORTFALL / (SURPLUS)					437,602	523,185	(85,583)	-16.4%	(57,208)	(0)	(57,208)	

Wheel-Trans Operating Budget

2017 Year-to-Date Results

To the end of Period 11 (November 25), total revenues were below target (\$0.7M or 9.4%). This reflects lower revenues from 435K (10.3%) less customer journeys than budget, partially offset by a slightly higher average fare.

Over the same period, expenses were \$16.4 million (12.0%) below budget primarily due to fewer customer journeys than budget, lower average cost per passenger trip on the contracted taxi services and reduced requirements for functional assessments and appeals.

2017 Year-End Projections

(millions)	Projection	Budget	Variance
2017 Wheel-Trans Operating Budget			
Customer Journeys (Ridership)	4.190	4.723	(0.5)
Revenue	\$7.6	\$8.5	(\$0.9)
Expenses	\$134.7	\$151.2	(\$16.5)
Subsidy Required	\$127.1	\$142.7	(\$15.6)
Subsidy Available	\$142.7	\$142.7	\$0
Surplus/(Shortfall)	\$15.6	\$0	\$15.6

Currently, a \$15.6 million (or 10.8%) year-end subsidy surplus is projected. The key budget variances that account for this projection are as follows:

Contracted Taxi Services: \$12.5 million decrease.

The decrease in costs is attributable to a lower projected year-end ridership estimate and a lower cost per passenger trip estimate consistent with the actual year-to-date experience.

Customer Service: \$2.3 million decrease.

Expenses to date have been less than anticipated primarily due to lower volume and lower costs for Functional Assessments and Appeals.

Labour expenses: \$1.0 million decrease.

Labour expenses will be under budget due to delays in filling some positions especially skilled trades and lower average rates.

Passenger Revenues: \$0.9 million decrease.

The decrease in revenues is mainly due to the revised lower ridership estimate.

Employee Benefits: \$0.5 million decrease.

Lower labour expenses, combined with the year-to-date trend in healthcare expenses, indicates that employee benefit expenses will fall below budget by year-end.

Diesel: \$0.2 million decrease.

An improved fuel consumption accounts for this favourable variance.

WHEEL-TRANS

OPERATING BUDGET - INCOME STATEMENT

PERIOD 11	Period 11: Four Weeks October 29 to November 25, 2017			Eleven Periods to November 25, 2017			Full Year 2017		
(\$000s)	Actual	Budget	Over/(Under) Budget	Actual	Budget	Over/(Under) Budget	Projected Actual	Budget	Projected Variance
REVENUES:									
Passenger Fares	625	722	(97)	6,923	7,639	(716)	7,582	8,492	(910)
EXPENSES:									
CONTRACTED TAXI SERVICE	4,979	6,248	(1,270)	53,838	64,156	(10,319)	59,346	71,866	(12,520)
WHEEL-TRANS BUS SERVICE	4,059	4,008	51	43,340	43,905	(565)	48,707	48,918	(211)
OTHER WHEEL-TRANS EXPENSES	2,256	2,719	(463)	23,270	28,820	(5,550)	26,612	30,386	(3,775)
TOTAL EXPENSES	11,294	12,975	(1,681)	120,448	136,881	(16,433)	134,664	151,169	(16,505)
OPERATING SUBSIDY REQUIRED IN 2017							127,082	142,678	(15,596)
OPERATING SUBSIDY AVAILABLE IN 2017							142,678	142,678	0
SHORTFALL/(SURPLUS)							(15,596)	-	(15,596)

PASSENGER TRIPS (000s)	346	403	(57)	3,795	4,231	(435)	4,190	4,723	-533
UNACCOMMODATED RATE (%)	0.6	0.5	0.1	0.2	0.5	(0.3)	0.3	0.5	(0.3)
SUBSIDY PER TRIP (\$)	30.88	30.43	0.45	29.91	30.55	(0.64)	30.79	30.62	0.17

TTC Capital Budget

2017 Year-to-Date Results

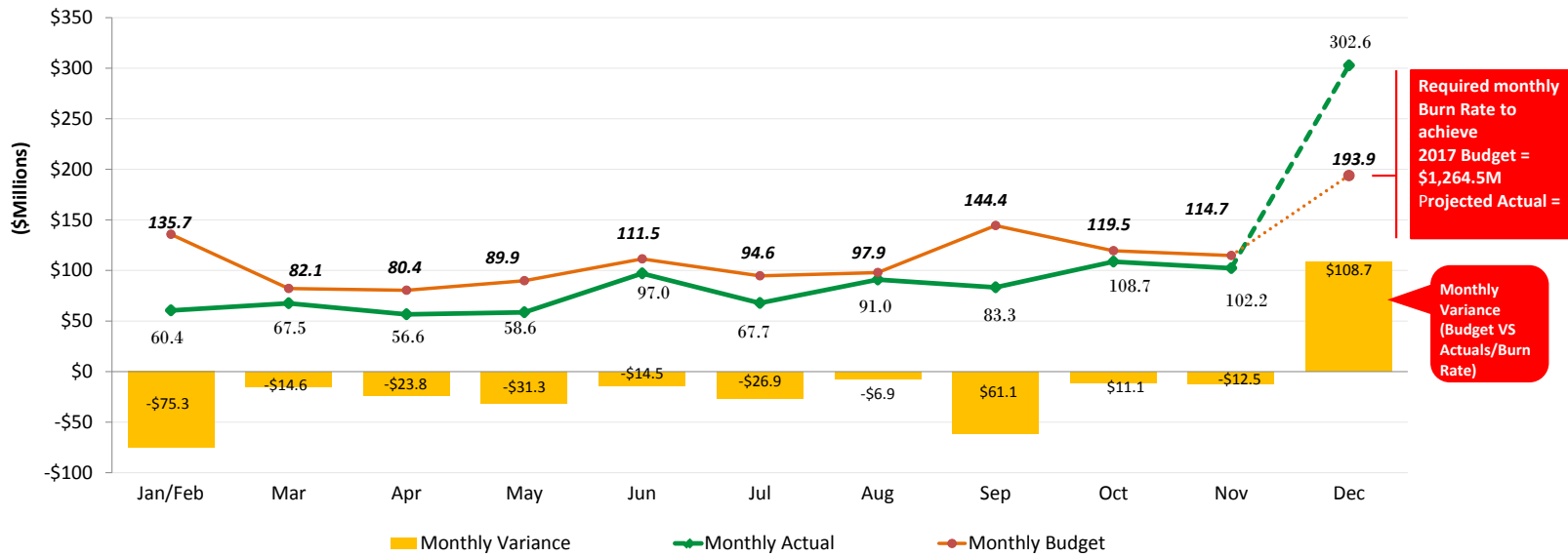
Capital expenditures to the end of Period 11 (November 25) reflect lower project activity and include continued progress on vehicle and construction contracts already in place. Significant variances in the current period stem from under-spending on delayed contract work and vehicle deliveries.

2017 Year-End Projections

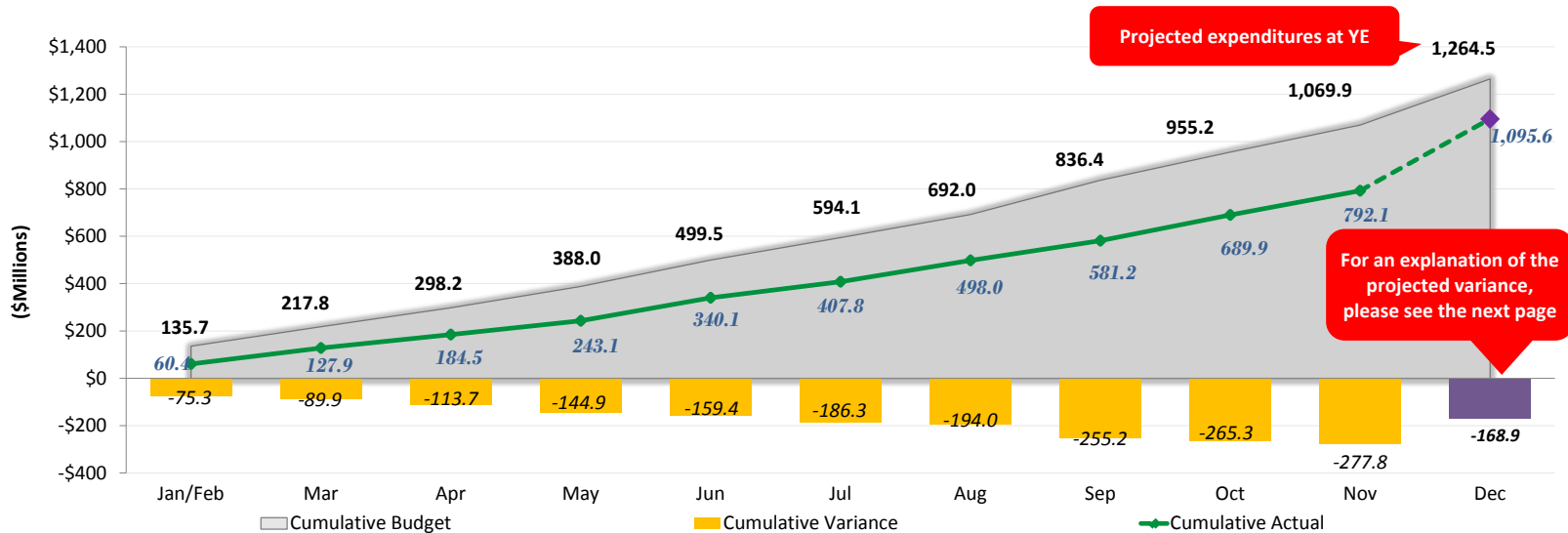
(millions)	Projection	Budget*	Variance
2017 TTC Capital Budget			
Base Program	\$1,096.5	\$1,264.5	(\$169.0)
Toronto-York Spadina Subway Extension (TYSSE)	\$389.5	\$545.1	(\$155.5)
Scarborough Subway Extension (SSE)	\$61.8	\$125.2	(\$63.4)

*Budget excludes additional carry forward spending on Base Program (\$223.5M), TYSSE (\$63.5M), and SSE (\$26.9M) as approved by City Council on April 26, 2017 and in-year budget adjustment of \$0.7M for Bicycle Parking on Stations as approved by Council on June 14, 2017.

2017 Base Program: Month-to-Month Budget Tracking



2017 Base Program: Cumulative Budget Tracking



Base Program Expenditures: \$169.0 million under

Significant projected year-end base program variances are outlined below:

Subway Track: \$8.7 million under

Variance is mainly due to deferral of Davisville Area Rehabilitation Project (DARP) under the Track Rehabilitation program into future years, combined with scope changes under the Rail Vehicle Based Inspection System program which resulted in the deferral of the system testing and warranty into future years and reduction of work due to contract and labour force constraints under the Rail Grinding program.

Surface Track: \$3.0 million over

Variance is due to estimated value for Russell Yard South Track improvement and remaining portion to finalize CNE and completion costs from 2016 with the start of the design process for King/Queen/Roncesvalles project.

Traction Power: \$3.9 million over

Funds brought forward for material purchase. Cash flow adjusted to align with revised construction schedule and Humber Loop closure in 2017.

Communications: \$13.9 million under

The variance is due to: Station Public Address project deferred as potential integration with Station Transformation initiatives; CCTV Project Video Management System (VMS) deferred to 2018 due to resource constraints and changes in work sequence related to VMS implementation; Subway RTU project, Track Level Occupancy Lights and Fiber Optic Upgrade for North Yonge and Danforth rings deferred due to resource constraints; Industrial Security Improvements of TTC Properties as the start of construction was delayed to incorporate scope change at Allen Road Fencing related to underground utilities and road lane closure permit requirements; Richmond substation cable survey and installation of two locations delayed due resource constraints; TDM equipment and radios purchase deferred due to procurement delays.

Signal System: \$8.6 million under

The variance is primarily caused by a signal capital installation workforce deficit, design and installation resources allocated to Eglinton Ancillary Room relocation and Wilson Yard Resignalling schedule slippage due to new interface configuration with Alstom CBTC.

Equipment: \$6.0 million under

The variance is mainly due to: Bus Hoists - Advanced funds for Hoist Replacement work at Mount Dennis and Arrow Bus Garage due to completion in actual year vs future year. Hoist replacement work at Lakeshore deferred to 2018; Bus Washracks - replacement at Wilson Garage was deferred to reflect a revised contract packaging strategy for Wilson Garage; and Escalator Replacement Program - Award of contracts deferred to future years pending review of higher than anticipated bids on similar contract.

On-Grade Paving Rehabilitation Program: \$3.8 million over

Variance is due to City budget reduction reinstated and increase in estimated expenditures for Longbranch Loop, Kipling Station, Islington Fieldway Lot & Lawrence Station Bus Loop.

Bridges and Tunnels: \$9.1 million over

Variance is due to Subway Infrastructure Project due to returning workforce that was supporting other departments; closure costs and minor slippage from 2016 and Bridges/Structures Maintenance Program – Timing adjustment of transfer for cost sharing for Union Platform work from prior years.

Fire Ventilation Upgrade: \$3.8 million over

Variance is due to timing adjustment of transfer for cost sharing for Union Platform work from prior years.

Easier Access Phase III: \$3.1 million under

Variance is due to enabling works delayed at King Station and Schedule change at Wilson and Yorkdale.

Leslie Barns: \$5.5 million under

Variance is due to lack of progress in completion of work and correction of outstanding deficiencies.

Facility Renewal and other Building & Structure Projects: \$15.1 million under

Variance is primarily due to cancellation of Revenue Operations Facility and Old Eglinton Garage. Additional variances for other projects include: Bus Garage /Shops Facility Renewal Program – Work advanced to 2016 for several contracts as well as deferment of planned works to address stakeholder requirements and develop contracting strategy; Subway Facility Renewal Program – Construction progress is slower than forecasted at Davisville Yard and Kipling Station; Duncan Shop Ventilation Upgrade – due to forecast adjustment as per contract award value; Wilson ITS/Back-up Centres – program delay reflects change in scope resulting from consolidation of Transit Control functions into one location; Union Station New Platform – project closeout in 2017 and Sheppard Subway – delay of claim resolution.

Purchase of Wheel Trans Buses: \$4.8 million under

As a diesel version cannot be provided in 2017, it was decided that only 20 buses would be purchased and the remaining 20 buses added to the 2018 order (60 buses). Due to production issues 13 buses will be delivered in 2017 and the remaining 67 will be delivered in 2018.

Purchase of Subway cars: \$4.8 million under

Variance is primarily payment for some project milestones and escalation shifted with the revised cash flow and delivery schedules for spares and special tools and transfer of contingency allowance for project changes projected for 2018.

Bus Overhaul: \$11.7 million over

The variance is due to the deferral of 1274 A/B Hybrid system overhaul from 2016 into 2017; the expanded scope on the 1336 series buses as a result of unexpected corrosion of the Power Distribution Centre (PDC), and also due to an unexpected spike in usage of Hybrid Components.

Subway car Overhaul: \$5.9 million under

The variance is due to the unavailability of materials and workforce. Mini overhaul and 5 year interval program and contract payment slipped.

Purchase of Streetcars: \$56.4 million under

Variance is primarily from slippage of vehicle delivery and the Contract Change Allowance not being exercised in 2017. The plan was 40 cars for 2017, however, based on the current production circumstances, there are only 28 cars of FAC and 34 cars of PAC projected for 2017.

Revenue and Fare Handling Equipment: \$12.8 million over

The variance is due to Turnstile Replacement Faregates project for additional gate order, adjustment for civil works cost assignment, foreign exchange adjustment and maintenance calendarization.

Information Technology Program: \$18.8 million under

Variance is largely due to VISION Project delayed payments to Clever Devices as requested functionality has not been completed; also underspend on Non-revenue vehicle GPS tracking system (scope transferring to VISION of \$1.9M); underspending in Networking Infrastructure Program is mainly due to Voice over IP (VOIP) contract negotiations (new contract commenced as of October 1, 2017); and overspending in SAP Project due to higher than projected project complexity; resource availability which resulted in higher expenses to the project and scheduling delays.

Service Planning: \$52.8 million under

The variance is mainly due to three projects: Platform Modification to Accommodate Artic buses, Bus Stop Improvements for Accessibility and Opportunities to Improve Transit – Transit Priority Measures. For each of these projects the majority of work has slipped from 2017 to 2018 and 2019 due to delays in hiring Strategy and Service Planning staff; receiving City approvals, and issuing tender packages for the current construction season.

Toronto York Spadina Subway Extension (TYSSE) : \$155.5 million under

Variance is due to deferral of holdback releases, contingencies, claims resolutions, property and vehicle expenditures.

Scarborough Subway Extension: \$63.4 million under

SRT Life Extension (-\$24.7): Variance is due to SRT Communications Retrofit - work deferred due to resource constraints; SRT Car Overhaul Program - due to delay of subway opening and new scope added to the project and a work cost estimate adjustment and SRT Life Extension with anticipated cost savings; work pertaining to Signals is re-aligned into future years.

Scarborough Subway Extension: (-\$38.8M): Variance is due to delay in the EA process and the rebaselining of the project scope.

The new Chief Project Manager joined the project on December 11, 2017, and will undertake a review of current schedule and risk status.

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For further information on TTC performance, projects, and service, please see www.ttc.ca

Richard J. Leary
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Toronto Transit Commission