



Financial Update for the Period Ended July 4, 2020 and Major Projects Update

Date: September 24, 2020

To: TTC Board

From: Interim Chief Financial Officer

Summary

This report sets out operating and capital financial results for TTC Conventional and Wheel-Trans services for the six-month period ended July 4, 2020. Year-end projections are also provided.

Financial Summary

COVID-19 Impact and Relief Funding

The COVID-19 pandemic has had a major financial impact on the TTC, which is expected to reach \$745 million by year-end, before the application of cost containment measures and provincial relief funding. The Federal-Provincial Safe Restart Agreement recognizes the financial burden of the pandemic and is designed to address financial pressures resulting from reduced revenue and new expenses resulting from COVID-19.

The Province has announced two phases of the funding agreement. Phase 1 – Immediate Relief (April-September 2020) is expected to provide up to \$404 million to the TTC for eligible COVID-19 financial impacts. The Phase 2 – Ongoing Support (October 2020-March 2021) allocation to Toronto is to be confirmed. In addition, the City of Toronto was advised in June 2020, that \$7.367 million will be allocated from the Province's new Transit Cleaning Fund for TTC costs. All amounts reported below are before the application of Provincial relief funding.

2020 Operating Results

To the end of Period 6, the TTC Conventional Service's 2020 Operating Budget is \$272.9 million net over budget, offset by \$19.2 million net under-expenditure for Wheel-Trans service resulting in a total unfavourable variance of \$253.7 million. By year-end, the TTC Conventional Service's unfavourable variance is expected to reach \$625.2 million, which reflects \$114.1 million of in-year savings from the implementation of cost containment measures.

The Wheel-Trans Service is expected to achieve a \$35.7 million net under-expenditure, which includes \$40.8 million in cost containment measures, resulting in a combined unfavourable variance of \$586.2 million as summarized in the following table.

All amounts in this report are prior to the application of eligible Provincial funding for COVID-19 impacts and cleaning costs.

Description (\$Millions)	Year-To-Date (6 Months)			Year-End Projection		
	Actual	Budget	Variance	Projection	Budget	Variance
TTC Conventional						
Gross Expenditures	949.9	1,008.9	(59.0)	1,888.1	1,987.2	(99.1)
Operating Revenue	337.9	669.8	(331.9)	620.3	1,344.6	(724.3)
TTC Net (City Funding)	612.0	339.1	272.9	1,267.8	642.6	625.2
Wheel-Trans						
Gross Expenditures	57.3	78.7	(21.4)	116.0	156.5	(40.5)
Revenue	2.4	4.6	(2.2)	4.4	9.2	(4.8)
WT Net (City Funding)	54.9	74.1	(19.2)	111.6	147.3	(35.7)
Total Net (City Funding)	666.9	413.2	253.7	1,379.4	789.9	589.5

The Period 6 results and estimated results to year-end are virtually entirely due to the impact of COVID-19 as summarized in the following tables.

Year-To-Date Operating Budget Variance as of July 4			
Item (\$Millions)	TTC		
	Conventional	Wheel-Trans	Total
Year-To-Date COVID Impact, net of cost containment	282.0	(16.3)	265.7
Year-To-Date Non-COVID net impacts	(9.1)	(2.9)	(12.0)
Net Year-To-Date Budget Variance	272.9	(19.2)	253.7

Given the significant financial impact from COVID-19 on TTC revenues and added response costs, the City has provided emergency operating funding to offset the gap between planned expenditures and revenues.

Estimated Results to Labour Day, Comparison to Previous Projection

As presented to the Board at its June meeting, the *COVID-19 – Transitioning from Response to Restart and Recovery* report reflected a projected net financial impact to Labour Day of \$416 million, before the application of Provincial Gas Tax funding. The current estimated financial impact to Labour Day is now \$373.4 million. This reflects an improvement of \$42.6 million mainly from higher than expected passenger revenue.

Summer ridership was projected at 20% of budgeted ridership, but actual revenue ridership has ranged between 30-35%.

The revised projected savings from cost containment initiatives are less than previously projected by \$2.2 million. The underachievement of savings is partially attributed to additional PRESTO commissions given the improved trend in passenger revenue. Additionally, the expected reduction in health/dental benefits savings has been lower than expected, as utilization has resumed more rapidly than anticipated as health/dental facilities reopened over the summer.

TTC COVID-19 Impacts to Labour Day Comparison to June projection to Labour Day					
Item (\$Millions)	JUNE BOARD	CURRENT PROJECTION TO LABOUR DAY			June Board vs Current
		TTC	WT	TOTAL	
Passenger Revenue Losses	497.8	458.7	3.4	462.1	(35.7)
Ancillary Revenue Losses	7.2	5.8	-	5.8	(1.4)
Total Revenue Losses	505.0	464.5	3.4	467.9	(37.1)
Incremental Costs	27.5	19.4	0.3	19.7	(7.8)
Cost Containment	(116.5)	(86.2)	(28.1)	(114.3)	2.2
COVID-19 IMPACT to Labour Day	416.0	397.7	(24.3)	373.4	(42.6)

Year-End Projection

The projected year-end variance will be dependent on the extent and pace of ridership recovery. The full year projected variance of \$589.5 million reflected in the summary below assumes ridership levels averaging 45% of budgeted revenue ridership levels through the Fall, which is higher than the 23% experienced at the end of June and 35% reached in August. Cost containment measures are projected to continue into the fall albeit at a reduced rate. Consistent with the gradually increasing ridership levels, the recall of laid-off operators has commenced with 150 operators recalled in early September. Recall of additional operators will be based on Fall ridership trends.

Projected Year-End Results			
Item (\$Millions)	TTC		TOTAL
	Conventional	Wheel-Trans	
City Funding Variance to Labour Day	397.7	(24.3)	373.4
Passenger Revenue Loss	226.0	1.4	227.4
Ancillary Revenue	10.0	-	10.0
Total Revenue Losses - Labour Day - Dec 31	236.0	1.4	237.4
Incremental Costs - Labour Day - Dec 31	19.4	0.1	19.5
Cost Containment - Labour Day - Dec 31	(27.9)	(12.8)	(40.7)
Net Projected Year-End Results	625.2	(35.6)	589.6

2020 Capital Results

Description (\$ Millions)	2020 Budget	Year-to-Date Actuals		Year-End Projection	
		\$	%	\$	%
TTC Base Capital	1,016.1	376.8	37.1%	953.8	93.9%
TTC Transit Expansion	76.6	20.1	26.3%	76.3	99.6%
Total	1,092.7	396.9	36.3%	1,030.1	94.3%

At the end of Period 6, total base capital expenditures were \$376.8 million, representing a spending rate of 37.1% of the 2020 Approved Capital Budget. Transit Expansion expenditures were \$20.1 million with 26.3% of the 2020 Approved Capital Budget being spent. Combined, a total of \$396.9 million was spent as of July 4, 2020, representing a 36.3% spending rate. These results reflect the \$208.1 million reduction in the 2020 Capital Budget approved at the May 13, 2020 Board meeting to account for capital project delivery delays due to COVID-19.

By year-end, TTC base capital expenditures are projected at \$953.8 million or 93.9% of the 2020 Approved Capital Budget. In addition, it is expected that the TTC will also incur \$76.3 million in expenditures by year end for transit expansion initiatives reflecting 99.6% of the 2020 Approved funding being spent for these projects, In sum, TTC is projecting to spend 94.3% of its 2020 Approved Capital Budget.

Any unspent 2020 capital funding, which is currently projected to be \$62.6 million, will be carried forward into 2021 to complete capital work, in accordance with the City's Carry Forward policy.

Equity/Accessibility Matters

The TTC is strongly committed to making Toronto's transit system barrier-free and accessible to all. We believe all customers should enjoy the freedom, independence and flexibility to travel anywhere on the public transit system.

Expenditures required to meet the TTC's accessibility and equity requirements have been provided for in these budgets. TTC's Easier Access Program is underway to make all subway stations accessible by 2025 with elevators, wide fare-gates and automatic sliding doors. With reduced ridership demands due to COVID-19, TTC is accelerating Easier Access construction activities.

Decision History

At its meeting on December 16, 2019, the TTC Board approved the 2020-2029 TTC Capital Budget and Plan of \$7.696 billion in funding with \$1.077 billion in 2020 cash flow.

[http://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2019/December 16/Reports/Decisions/2 TTC 15 Year Capital Investment Plan and 2020 2029 Capital .pdf](http://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2019/December%2016/Reports/Decisions/2%20TTC%2015%20Year%20Capital%20Investment%20Plan%20and%202020%202029%20Capital%20.pdf)

At its meeting on December 16, 2019, the TTC Board approved the 2020 Operating Budgets of \$1,987.2 million gross and \$642.6 million net for TTC Conventional Service and \$156.5 million gross and \$147.2 million net for Wheel Trans Service and a 2020 total year-end workforce complement of 16,167 positions.

[http://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2019/December 16/Reports/1 2020 TTC and Wheel Trans Operating Budgets.pdf](http://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2019/December%2016/Reports/1%202020%20TTC%20and%20Wheel%20Trans%20Operating%20Budgets.pdf)

At its meeting on January 27, 2020, the TTC Board approved the amended 2020-2029 Capital Budget and Plan of \$11.924 billion, which included \$4.23 billion in net new funding made available through the dedicated City Building Fund and one-time Federal Gas Tax.

[http://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2020/January 27/Reports/Decisions/10 TTCs 2020 2029 Key Capital Investment Priorities Subway I.pdf](http://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2020/January%2027/Reports/Decisions/10%20TTCs%202020%202029%20Key%20Capital%20Investment%20Priorities%20Subway%20I.pdf)

At its meeting on February 19, 2020, City Council approved the 2020 Operating Budgets and 2020 – 2029 Capital Budget and Plan.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EX13.2>

At its meeting on May 13, 2020, the TTC Board approved a net reduction of \$208.1 million to the TTC's 2020 Approved Capital Budget and a reduction of \$117.5 million to the 2020-2029 Capital Budget & Plan to reflect delays in capital project delivery due to COVID-19.

[http://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2020/May 13/Reports/Decisions/5 Preliminary COVID 19 Financial Impacts for the TTC Decisions.pdf](http://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2020/May%2013/Reports/Decisions/5%20Preliminary%20COVID%2019%20Financial%20Impacts%20for%20the%20TTC%20Decisions.pdf)

Comments

Key Indicators – Operating Budget

The TTC's net operating results are primarily driven by six key indicators. These indicators impact year to date spending and revenues, as well as provide the basis for estimated year-end spending projections.

The key indicators include TTC and Wheel-Trans ridership and average fare, which impact the \$1.246 billion TTC fare revenue budget. Additional key drivers for TTC include the price of fuel and electric power that affect a combined fuel and utilities

budget of \$175.8 million. The final, and most significant, driver on expenses relates to service hours, which impacts labour expenses (\$1.105 billion), non-labour expenses (\$240 million) such as parts and maintenance, as well as fuel and utility consumption. The table below details the TTC's key operating indicators which are discussed below.

Item	Year-To-Date Actuals			Year-End Projection			Status
	Actual	Budget	Variance	Projection	Budget	Variance	
TTC Ridership	134.6M	269.0M	(134.4M)	244.8M	533.5M	(288.7M)	✘
TTC Average Fare	2.28	2.33	(0.05)	2.33	2.34	(0.01)	✘
TTC Service Hours	4.576M	4.872M	(0.296M)	8.972M	9.582M	(0.610M)	✘
Price of Fuel (\$/litre)	0.878	0.991	(0.113)	0.875	1.001	(0.126)	✔
Price of Electric Power (\$/kWh)	0.161	0.148	0.013	0.161	0.153	0.008	✘
WT Passengers	1.03M	2.11M	(1.08M)	1.97M	4.21M	(2.24M)	✘

Ridership

At the peak of the COVID-19 pandemic impact, ridership levels were 86% below budget. This decline moderated to approximately 65% in August. Even with a gradual recovery forecast for the balance of the year, ridership levels will be less than half of the full-year budget, leading to the significant financial impacts detailed in this report.

Service Hours

Relative to the decline in ridership, year-to-date and full year service hours are only modestly below budget. This reflects service hours being essentially on budget early in the year, before the implementation of the demand-responsive service plan which has resulted in TTC operating approximately 85% of budgeted service hours through the summer. The TTC has since recalled 150 operators and is gradually increasing the proportion of budgeted service in operation.

Financial Update – Operating

Due to the impact of COVID-19, TTC lost the majority of its ridership revenue and is currently projecting to incur \$38.8 million in incremental expenses by year-end. The loss of ridership revenue peaked at 86% and is the largest driver of the TTC's unfavourable year-to-date variance.

Period 6 Results

On a year to date basis, COVID-19 impacts have totaled \$332.5 million for the TTC Conventional Service or \$335 million when combined with Wheel-Trans, before the implementation of TTC's cost containment strategy. This strategy has yielded savings of \$50.5 million for TTC Conventional Service and \$69.3 million when combined with Wheel-Trans savings.

Taking into account these savings and other underexpenditures, the year-to-date unfavourable variance to the end of period 6 totaled \$253.7 million.

Emergency funding has been required to fund this unfavourable variance, which is summarized in the table below:

P6 Results			
Item (\$Millions)	TTC		TOTAL
	Conventional	Wheel-Trans	
Year-To-Date COVID Impacts			
Passenger Revenue	304.0	2.2	306.3
March & April Pass Credit	12.8		12.8
Ancillary Revenue	3.4	-	3.4
Incremental Expenses	12.3	0.2	12.5
Year-To-Date COVID Impact, before cost containment	332.5	2.5	335.0
Cost Containment Strategy	(50.5)	(18.8)	(69.3)
Year-To-Date COVID Impact, net of cost containment	282.0	(16.3)	265.7
Year-To-Date Non-COVID net impacts	(9.1)	(2.9)	(12.0)
Year-To-Date Variance (City Funding)	272.9	(19.2)	253.7

To the end of June, the COVID-19 impact on the TTC Conventional Service was approximately \$80 million per month. With increased revenue from the gradual reopening and recovery and continued implementation of cost containment initiatives this impact is expected to moderate and be in the order of \$55 to \$60 million per month for the balance of the year.

Projection to Year-End

The unfavourable variance for the TTC Conventional Service is expected to reach \$397 million by Labour Day and be approximately \$625 million by year-end. These amounts are after the application of savings realized from the implementation of TTC's cost containment strategy and reflect ridership levels increasing to an average of approximately 45% of budget by the end of the year, which is higher than the 23% experienced at the end of June and 35% reached in August.

As shown in the table below, the Wheel Trans Service's financial results are expected to produce a comparatively small offset with favourable variances totaling \$35.7 million by year-end, resulting in a combined projected financial impact of \$589.5 million.

Projected Year-End Results			
Item (\$Millions)	TTC		TOTAL
	Conventional	Wheel-Trans	
Year-To-Date COVID Impact, net of cost containment	282.0	(16.3)	265.7
Projected City Funding Variance			
July to Labour Day - COVID	115.7	(8.0)	107.7
Variance to Labour Day	397.7	(24.3)	373.4
Incremental Projected COVID Impact Labour Day - Dec 31	227.5	(11.3)	216.1
Net Year-End Projected Variance	625.2	(35.7)	589.5

The projected year-end financial result, before the application of Provincial funding sources represents an improvement of \$80 million from the July financial update report

to the Board, largely due to a higher passenger revenue projection based on current results. Previously projected cost containment savings remain on target to be achieved.

The drivers of the projected year-end variance are outlined in the table below, with following explanations.. It should be noted that COVID-19 impacts before the application of savings from the cost containment strategy are anticipated to reach \$739 million for the TTC Conventional Service and \$5.0 million for Wheel-Trans.

Projected Year-End Results				
Item (\$Millions)	TTC		TOTAL	
	Conventional	Wheel-Trans		
Revenue Losses				
Passenger Revenue Loss	671.9	4.8	676.7	
Monthly Pass Credits	12.8		12.8	
Ancillary Revenue	15.8		15.8	
Incremental Costs - COVID	38.8	0.3	39.1	
COVID Impact, before cost containment	739.3	5.1	744.4	
Cost Containment Actions - COVID	(114.1)	(40.8)	(154.9)	
Net Year-End Projected Variance	625.2	(35.7)	589.5	

Revenue Impacts/Passenger Revenue Loss

Ridership losses peaked at 86% below budget in late April but have commenced a gradual recovery since. Ridership reached 23% of normal levels by the end of June and 35% in August.

Transit demand is expected to increase in the Fall, with anticipated ridership levels projected to reach 45% by the end of the year. Actual fall ridership will be particularly dependent on schools and daycares accommodating pre-pandemic levels of attendees, on site each day. This ridership range is currently very dependent on the rate of return to school and its continued success as well as working arrangements/commuting patterns.

In total, TTC's COVID-19 passenger revenue loss reached \$306.3 million to the end of Period 6 and should Fall ridership realize an average of 45% of budgeted levels, losses are expected to reach \$676.7 million by year-end. Every percentage point increase in Fall ridership levels would improve the passenger revenue projection by approximately \$4 million.

Monthly Pass Credits

At its June 17, 2020 meeting, TTC Board approved providing a credit for unused portions of monthly passes for the time period of March 18 to April 30. The estimated value of these credits is \$12.8 million.

Ancillary Revenue

A \$15.8 million net loss is anticipated by year-end for TTC's ancillary revenues with this being primarily driven by commuter parking. Since the start of the pandemic, commuter parking revenue has been approximately 90% under budget. It is expected that commuter parking revenue will take longer to recover than passenger revenues. Lower

advertising and rental income are also contributing to the expected variance for ancillary revenue.

Incremental Expenses

Incremental response and recovery expenses are expected to total \$19.7 million to Labour Day with a further \$19.5 million expected to year-end. These estimates account for incremental expenses only and do not reflect costs of regular staff time dedicated to support COVID-19 activities. As a result, certain work is being deferred to redirect resources wherever possible and minimize incremental expenses being incurred. The components of the total estimated \$39.1 million are shown in the table below.

INCREMENTAL RESPONSE AND RECOVERY EXPENSES			
Item (\$Millions)	Anticipated to Labour Day	Anticipated Labour Day - Dec 31	TOTAL
Safety & Required Measures			
Personal Protective Equipment	5.3	3.8	9.1
Vehicle Disinfecting	5.8	4.0	9.8
Protective Operator Barriers	-	4.0	4.0
HVAC Filters	-	3.3	3.3
Facility Disinfecting, Decals and Other	2.1	1.5	3.5
Hand Sanitizer for Customers	0.9	1.0	1.8
Managing Resources			
Overtime (Critical response activities)	2.9	1.2	4.1
Operator Absence Coverage (mid to late March)	1.2	-	1.2
COVID-19 Ambassadors	1.4	0.5	1.9
IT & Business Continuity	0.2	0.2	0.4
Net Projected Full Year Financial Impact	19.7	19.4	39.1

TTC staff have identified additional COVID-19 recovery measures that may be required depending on the outcome of design review and testing. Costs for these additional measures are not factored into the estimates provided in this report. This includes measures such as:

- Steam cleaning of seats on vehicles.
- Further office and workplace changes to enable greater physical distancing amongst employees.
- Other measures which may be required or recommended by Medical Officers of Health or other government officials.

Cost estimates for these additional requirements, will be incorporated into future financial update reports.

Cost Containment Actions

Consistent with previous estimates and with TTC Conventional and Wheel-Trans combined, \$113.8 million of cost containment savings are anticipated to be realized by Labour Day, and \$154.9 million by year-end. Cost containment initiatives will continue in the Fall, albeit at a reduced rate as a portion of the containment actions will need to be reversed to accommodate gradually increasing ridership.

Cost containment is being achieved through three broad actions:

- **Expenditure Constraint:** This includes a pause on the scheduled 2% staff salary increase, reductions in overtime spending, reduced PRESTO commissions and lower claim costs (health, dental & accidents). These initiatives are expected to achieve \$57.5 million in savings by Labour Day, and \$81.2 million by year-end.
- **Matching Service Capacity to Demand:** These include savings from the workforce realignment strategy, a reduction in Wheel-Trans contract taxi requirements and energy consumption savings from TTC's Conventional Service operating at approximately 85% of normal service levels through the summer. These actions are expected to achieve \$51.1 million in savings by Labour Day and \$68.5 million by year-end.
- **Deferred Implementation of New Service Priorities:** Implementation of the new service priorities will be deferred, saving \$5.2 million.

July 4, 2020 Key Account Results and Projections to Year-End by Service

The following tables present TTC Conventional and Wheel-Trans year-to-date financial results and year-end projections separately for each service. Variance explanations for both year-to-date and year-end projections are consistent with the COVID-19 impacts discussed above in the previous section. In addition, a reduction in Eglinton supplemental service, which was not required, has resulted in labour and energy savings which has also reduced the corresponding ancillary revenue.

TTC Conventional Service

2020 Operating Results, by Key Account Groupings

Item (\$Millions)	Year-To-Date Actuals			Year-End Projection			Status
	Actual	Budget	Variance	Projection	Budget	Variance	
Expenses							
Departmental Labour & Benefits	714.9	744.6	(29.7)	1,375.5	1,436.4	(60.9)	✓
Departmental Non-Labour	98.2	112.3	(14.1)	221.4	240.2	(18.8)	✓
Diesel	31.7	43.5	(11.8)	71.0	86.0	(15.0)	✓
Traction Power & Utilities	42.3	44.8	(2.5)	83.7	89.8	(6.1)	✓
Other Corporate Costs	50.5	63.7	(13.2)	97.7	134.8	(37.1)	✓
COVID Incremental Costs	12.3	0.0	12.3	38.8	0.0	38.8	✗
Total Expenses	949.9	1,008.9	(59.0)	1,888.1	1,987.2	(99.1)	✓
Revenues							
Passenger Revenue	319.5	626.5	(307.0)	571.2	1,246.2	(675.0)	✗
March & April Pass Credit	(12.8)	0.0	(12.8)	(12.8)	0.0	(12.8)	✗
Other Ancillary Revenue	31.2	43.3	(12.1)	52.6	89.1	(36.5)	✗
Reserve Draws	0.0	0.0	0.0	9.3	9.3	0.0	-
Total Revenue	337.9	669.8	(331.9)	620.3	1,344.6	(724.3)	✗
Net (Operating Funding)	612.0	339.1	272.9	1,267.8	642.6	625.2	✗

2020 vs 2019 Results Comparison

Item (\$Millions)	Period 6 (Year-To-Date)			Year-End		
	2020 Actuals	2019 Actuals	Change	2020 Projection	2019 Actuals	Change
Expenses						
Departmental Labour & Benefits	714.9	723.6	(8.7)	1,375.5	1,375.4	0.1
Departmental Non-Labour	98.2	101.9	(3.7)	221.4	227.1	(5.7)
Diesel	31.7	41.6	(9.9)	71.0	80.9	(9.9)
Traction Power & Utilities	42.3	41.8	0.5	83.7	84.7	(1.0)
Other Corporate Costs	50.5	54.3	(3.8)	97.7	136.3	(38.6)
COVID Incremental Costs	12.3	0.0	12.3	38.8	0.0	38.8
Total Expenses	949.9	963.2	(13.3)	1,888.1	1,904.4	(16.3)
Revenues and Reserve Draws						
Passenger Revenue	319.5	597.7	(278.2)	571.2	1,183.8	(612.6)
March & April Pass Credit	(12.8)	0.0	(12.8)	(12.8)	0.0	(12.8)
Other Ancillary Revenue	31.2	32.3	(1.1)	52.6	76.8	(24.2)
Reserve Draws	0.0	0.0	0.0	9.3	22.7	(13.4)
Total Revenue	337.9	630.0	(292.1)	620.3	1,283.3	(663.0)
Net (Operating Funding)	612.0	333.2	278.8	1,267.8	621.1	646.7

Explanation of Year-Over-Year Changes

Expenses are expected to be \$16.3 million (1%) lower on a year-over-year basis. Key drivers of this net decrease include:

- Prior year one time charge for inventory obsolescence: \$22.5 million
- Lower PRESTO Commissions, due to lower ridership: \$20.1 million
- Lower Accident Claim payments: \$3.4 million
- Net decrease in diesel price and consumption: \$9.9 million

These year-over-year reductions are expected to be offset by

- COVID-19 anticipated incremental costs: \$38.8 million
- Remaining \$0.8 million net year-over-year increase is primarily related to the increase union employee wages in accordance with the Collective Bargaining Agreement (CBA) and changes in general material costs.

Revenues and Reserve Draws are expected to decrease by \$663.0 million (51.7%). The decrease is mostly attributable to the loss of ridership resulting from COVID-19 impacts.

Wheel-Trans Service

2020 Operating Results, by Key Account Groupings

Item (\$Millions)	Year-To-Date Actuals			Year-End Projection			Status
	Actual	Budget	Variance	Projection	Budget	Variance	
Expenses							
Bus Service	24.5	28.2	(3.7)	51.2	56.7	(5.5)	✓
Contracted Taxi	16.5	33.3	(16.8)	33.0	66.5	(33.5)	✓
Employee Benefits	9.3	9.6	(0.3)	17.1	17.4	(0.3)	✓
Administration/Management	7.0	7.6	(0.6)	14.6	15.8	(1.2)	✓
Total Expenses	57.3	78.7	(21.4)	115.9	156.4	(40.5)	✓
Passenger Revenues	2.4	4.6	(2.2)	4.4	9.2	(4.8)	✗
Net (Operating Subsidy)	54.9	74.1	(19.2)	111.5	147.2	(35.7)	✓

2020 vs 2019 Results Comparison

Item (\$Millions)	Period 6 (Year-To-Date)			Year-End		
	2020 Actuals	2019 Actuals	Change	2020 Projection	2019 Actuals	Change
Expenses						
Bus Service	24.5	26.0	(1.5)	51.2	52.2	(1.0)
Contracted Taxi	16.5	33.8	(17.3)	33.0	70.1	(37.1)
Employee Benefits	9.3	8.7	0.6	17.1	14.6	2.5
Administration/Management	7.0	6.9	0.1	14.6	14.6	0.0
Total Expenses	57.3	75.4	(18.1)	115.9	151.5	(35.6)
Passenger Revenues	2.4	4.5	(2.1)	4.4	9.0	(4.6)
Net (Operating Funding)	54.9	70.9	(16.0)	111.5	142.5	(31.0)

Explanation of Year-Over-Year Changes

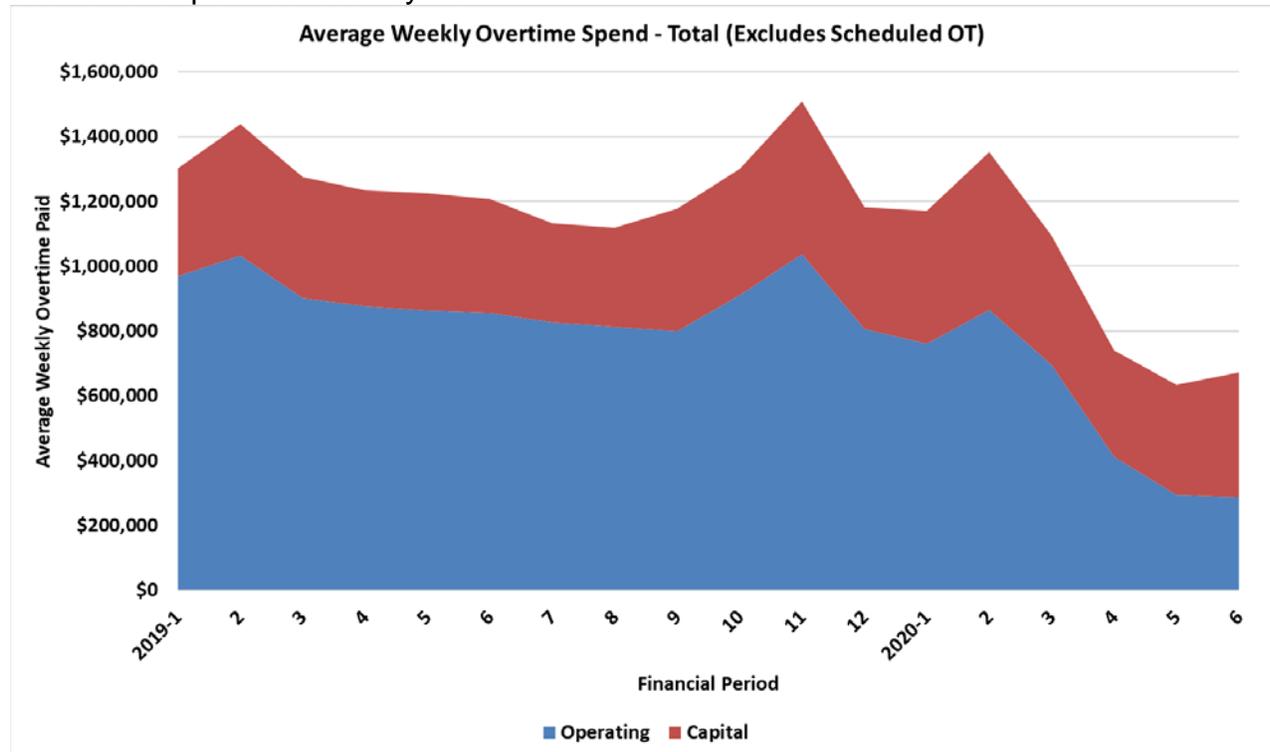
Expenses are expected to be \$35.6 million (23.5%) lower on a year-over-year basis, primarily due to a reduced requirement for contracted taxi services due to the COVID-19 related reduction in ridership demand.

Revenues are expected to decrease by \$4.6 million (51.1%) compared to 2019, due to the impact of COVID-19 on Wheel-Trans ridership demand.

Overtime Management

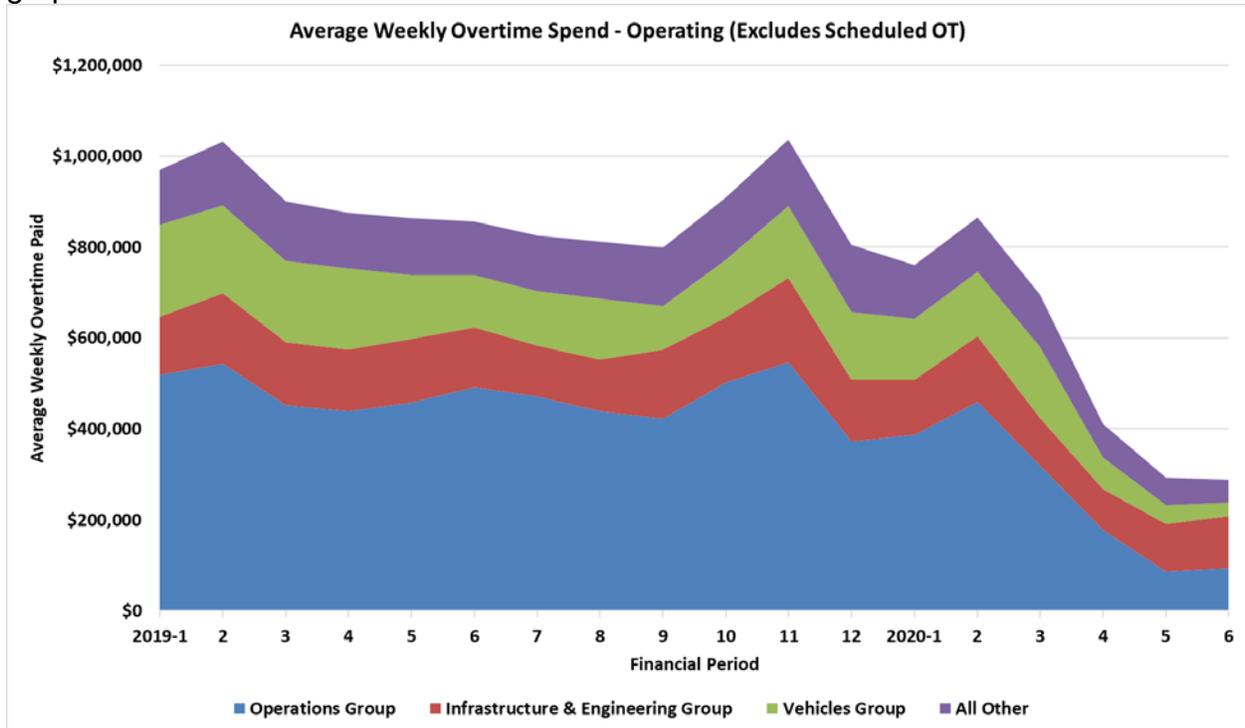
A key element of the COVID-19 cost reduction strategy is the management of overtime expenses. Overtime expenditures are required to meet both operating and capital needs. Operating requirements are driven by the need to address incident response and absence coverage and capital needs relate to efforts to maximize productivity, while minimizing disruption during capital project delivery.

As shown in the graph below, excluding overtime required for TTC's COVID-19 response and scheduled service overtime, average weekly overtime spending (total combined) has been reduced by half, from an average of \$1.3 million per week in 2019, to an average of \$0.7 million per week from April-June 2020. More recently, operating overtime has started to flatline, while capital overtime has slightly increased throughout Q2 of 2020. This increase was incurred specifically to achieve the advancement of additional unplanned subway work.



The management of overtime has been a priority over the past two years. While there has been a general decline since 2018, cost containment efforts as part of TTC's COVID-19 response have resulted in a 65% decline in overtime for operating requirements as of the end of May as compared to February 2020. A substantial decline

has been experienced across all operating groups and departments as shown in the graph below.



Overtime spending trends are actively being monitored by department. Opportunities to align other resources on regular time, through initiatives such as schedule adjustments are being actively pursued to mitigate overtime spending.

Financial Update – Capital

The TTC had incurred \$376.8 million in capital spending as of July 4, 2020 reflecting a spending rate of 37.1% for the TTC base capital program and \$20.1 million or 26.3% for transit expansion projects, resulting in an overall spending rate of 36.3% at the end of Period 6.

By year-end, the TTC is projecting \$1,030.1 million in overall capital spending, representing a 94.3% spending rate, split between the TTC’s base capital program (\$953.8 million or 93.9%) and transit expansion projects (\$76.3 million or 99.6%).

TTC 2020 Capital Results

The following table summarizes year-to-date and projected year-end results by key project type:

Description (\$ Millions)	2020 Budget	Year-to-Date Actuals		Year-End Projection	
		\$	%	\$	%
TTC Base Capital					
Infrastructure Projects	745.6	257.5	34%	709.2	95 %
Vehicle Related Projects	270.5	119.3	44%	244.6	90%
Total - Base Capital	1,016.1	376.8	37%	953.8	94%
TTC Transit Expansion					
Toronto York Spadina Subway Extension	50.7	12.3	24%	52.1	103%
Scarborough Subway Extension	20.8	7.3	35%	20.8	100%
Waterfront Transit - Design	5.1	0.5	9%	3.4	66%
Total - Transit Expansion	76.6	20.1	26%	76.3	100%

The noted results are based on TTC’s revised 2020 Capital Budget based on the Board’s approval of a \$208.1 million reduction at its May 13th meeting to account for capital project delivery delays due to the COVID-19 pandemic.

Key Highlights

The TTC’s 2020 year-to-date and projected year-end capital results are primarily driven by the Subway Track, ATC Resignalling, On-Grade Paving Rehabilitation, Easier Access – Phase III, McNicoll Bus Garage and Waterfront Transit projects for Infrastructure related projects. For Vehicle Projects, the main drivers of these results are attributable to the Purchase of Buses and Streetcars, Streetcar Overhaul and the Purchase of Automotive Non-Revenue Vehicles projects.

Infrastructure Projects

Subway Track:

\$13.5 million or 70% of the 2020 Approved Capital Budget of \$19.2 million has been spent as of Period 6. Year-end spending is projected to be \$31.1 million or 162% of the 2020 Approved Capital Budget. Trackwork was accelerated through early access closures in addition to full closures in order to take advantage of reduced ridership due to COVID-19. Program activity will continue to be monitored and a budget adjustment will be submitted with an appropriate offset in Quarter 3 to ensure sufficient budget authority is in place for this accelerated work, as appropriate.

ATC Resignalling:

\$35 million or 55% of the 2020 Approved Capital Budget of \$63.7 million has been spent as of Period 6. Projected year-end spending is anticipated to be \$63.7 million or 100% of the 2020 Approved Capital Budget. Material deliveries affected by COVID-19 in the Spring have been resolved and work is progressing. St. Patrick to Queen stations have been commissioned and are operating with ATC and approximately 90% of construction between Rosedale to Eglinton stations is complete. Phase 3C (Queen to Rosedale) high speed testing is on target for August while commissioning is on schedule for Q4 2020

On-Grade Paving Rehabilitation:

\$4.9 million or 68% of the 2020 Approved Capital Budget of \$7.1 million has been spent as of Period 6. Year-end spending is projected to be \$12.8 million or 179% of the 2020 Approved Capital Budget. Projected increase in expenditure as the non-essential work at Sheppard West station and Alliance Building on-grade paving were not impacted by delays due to the COVID-19 provincial shutdown as expected. Program activity will continue to be monitored and a budget adjustment will be submitted with an appropriate offset in Quarter 3 to ensure sufficient budget authority is in place for this accelerated work, as appropriate.

Easier Access – Phase III:

\$35.6 million or 55% of the 2020 Approved Capital Budget of \$65.2 million has been spent as of Period 6. Year-end spending is projected to be \$73.4 million or 113% of the 2020 Approved Capital Budget. The scope design submissions for Warden and Museum Stations are complete and detail design submissions were completed for Greenwood Station. Construction for station accessibility is on-going at 10 stations.

To ensure project completion by legislative deadline, teams are adding resources, advancing detail designs, and identifying and expropriating property needs early. Station entrance closures and bus loop closures are being considered to accelerate portions of the construction to offset potential delays.

As a result of reduced ridership, Chester Station was closed and work was completed ahead of schedule. Program activity will continue to be monitored and as appropriate, a

budget adjustment will be submitted in Quarter 3 to provide sufficient budget authority for this accelerated work.

McNicoll Bus Garage:

\$14.4 million or 37% of the 2020 Approved Capital Budget of \$38.6 million has been spent as of Period 6. While the year-end spending indicates that the 2020 Approved Capital Budget is projected to be overspent (\$41.2 million or 107% of the 2020 Approved Capital Budget), the overall project remains on time and under budget. Substantial completion has been achieved and deficiency work is progressing ahead of schedule. Program projections will continue to be monitored and a budget adjustment will be submitted with an appropriate offset in Quarter 3 to ensure sufficient budget authority is in place, as appropriate.

Waterfront Transit:

\$0.5 million or 9% of the \$5.1 million approved for 2020 has been spent as of Period 6. Year-end spending is projected to be \$3.4 million or 66% of the 2020 Approved Capital Budget. Projected undespending is due to the procurement period for design services being extended, resulting in a later than planned award and deferred site investigations, which include geotechnical, utility and topographic surveys.

Vehicle Related Projects

Purchase of Buses:

\$51.5 million or 73% of the 2020 Approved Capital Budget of \$70.6 million has been spent as of Period 6. Year-end spending is projected to be \$69.6 million or 99% of the 2020 Approved Capital Budget. The TTC Post Delivery Inspection/Commissioning program is ongoing but progressing at a slower rate due to physical distancing restrictions put in place and having mechanics moved to other garages to cover absenteeism.

Purchase of Streetcars:

\$23.9 million or 32% of the 2020 Approved Capital Budget of \$74.4 million has been spent as of Period 6. Projected year-end spending is anticipated to be \$69.1 million or 93% of the 2020 Approved Capital Budget. All 204 streetcars ordered have been delivered and commissioned for revenue service. With the recent reduction in ridership and service due to COVID-19, TTC is reviewing the opportunity to accelerate the Major Repair Program. Bombardier and TTC staff are now working on the final phase of work for this program including completion of all outstanding vehicle modifications, addressing warranty items and strengthening the inventory supply chain.

Streetcar Overhaul:

\$0.8 million or 137% of the \$0.6 million approved for 2020 has been spent as of Period 6. Year-end spending is projected to be \$1.4 million or 257% of the 2020 Approved Capital Budget. Overspending is a result of schedule changes that were made to better

match the vehicle age with the required timing of preventative maintenance. In addition, the work is also being sequenced with other projects, such as the wheel dampening rings and on-board lubricators, to improve efficiencies and reduce net fleet down time. Program activity will continue to be monitored and a budget adjustment will be submitted with an appropriate offset in Quarter 3 to ensure sufficient budget authority is in place for this accelerated work, as appropriate.

Purchase of Automotive Non-Revenue Vehicles:

\$1.8 million or 21% of the 2020 Approved Capital Budget of \$8.5 million has been spent as of Period 6. Year-end spending is projected to reach \$10.3 million or 121% of the 2020 Approved Capital Budget to complete the delivery and upfitting of vehicles delivered for the contracts awarded in 2019, as well as planned work for 2020. Program activity will continue to be monitored and a budget adjustment will be submitted in Quarter 3 to provide sufficient budget authority for this work, as appropriate.

Additional Capital Spending Summaries

Additional information summarizing 2020 capital spending results for the period and year-end projections by program is provided in ***Appendix 1 – 2020 Capital Spending Summary by Program***.

Appendix 2 – Major Projects Capital Spending Dashboard provides a dashboard that highlights Capital performance for TTC's Major Capital Projects.

Capital delivery performance for each major project within TTC's base capital and transit expansion programs is provided in ***Appendix 3 - Major Projects Update By Project (As of Period 6)***.

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Attachments

Appendix 1 – 2020 Capital Spending Summary by Program
Appendix 2 – Major Projects Capital Spending Dashboard
Appendix 3 – Major Projects Update By Project (As of Period 6)

Appendix 1 – 2020 Capital Spending Summary by Program

EXPENDITURES BY PROGRAM	2020 Budget	Year-to-Date			Year End		
		Actuals	Variance	%	Projection	Variance	%
TRACK	61.707	22.276	39.431	36%	67.724	(6.017)	110%
1.1 Subway Track	19.168	13.485	5.683	70%	31.119	(11.951)	162%
1.2 Surface Track	42.539	8.791	33.748	21%	36.605	5.934	86%
ELECTRICAL SYSTEMS	115.575	59.464	56.111	51%	113.873	1.702	99%
2.1 Traction Power	23.432	11.725	11.707	50%	22.927	0.505	98%
2.2 Power Distribution/Electric Systems	6.141	2.548	3.593	41%	6.466	(0.325)	105%
2.3 Communications	9.166	5.738	3.428	63%	11.078	(1.912)	121%
2.4 Signal Systems	13.136	4.502	8.634	34%	9.702	3.434	74%
ATC Resignalling	63.700	34.951	28.749	55%	63.700	0.000	100%
BUILDINGS & STRUCTURES	398.269	156.062	242.207	39%	419.577	(21.308)	105%
3.1 Finishes	12.892	6.015	6.877	47%	11.815	1.077	92%
3.2 Equipment	62.539	14.997	47.542	24%	64.334	(1.795)	103%
3.3 Yards & Roads							
Streetcar Network Upgrades & BRT	1.290	0.170	1.120	13%	1.413	(0.123)	110%
On-Grade Paving Rehabilitation Program	7.148	4.861	2.287	68%	12.789	(5.641)	179%
Bicycle parking at stations	0.665	0.000	0.665	0%	0.070	0.595	11%
Transit Shelters & Loops	0.457	0.000	0.457	0%	0.457	0.000	100%
3.4 Bridges & Tunnels	33.300	18.712	14.588	56%	38.087	(4.787)	114%
3.9 Buildings and Structures Projects							
Fire Ventilation Upgrade	11.462	3.340	8.122	29%	11.462	(0.000)	100%
Easier Access Phase III	65.198	35.555	29.643	55%	73.442	(8.244)	113%
Leslie Barns	1.732	0.461	1.271	27%	1.430	0.302	83%
Toronto Rocket/T1 Rail Yard Accommodation	38.759	16.189	22.570	42%	39.769	(1.010)	103%
McNicol New Bus Garage	38.634	14.405	24.229	37%	41.181	(2.547)	107%
Warehouse Consolidation	2.730	1.204	1.526	44%	2.250	0.480	82%
Yonge-Bloor Capacity Enhancement	12.645	8.227	4.418	65%	12.884	(0.239)	102%
Other Buildings and Structures	108.818	31.926	76.893	29%	108.194	0.624	99%
VEHICLES	270.500	119.281	151.219	44%	244.630	25.870	90%
REVENUE VEHICLES							
4.11 Purchase of Buses	70.567	51.489	19.078	73%	69.618	0.949	99%
4.11 Purchase of Buses - Wheel Trans Buses	4.429	0.253	4.176	6%	4.429	(0.000)	100%
4.12 Purchase of Subway Cars	12.229	2.504	9.725	20%	12.229	0.000	100%
4.13 Bus Overhaul	51.943	21.475	30.468	41%	42.875	9.068	83%
4.15 Streetcar Overhaul	0.559	0.763	(0.204)	137%	1.438	(0.879)	257%
4.16 Subway Car Overhaul	31.194	14.380	16.814	46%	28.249	2.945	91%
4.18 Purchase of Streetcars	74.437	23.899	50.538	32%	69.097	5.340	93%
NON-REVENUE VEHICLES							
4.21 Purchase Automotive Non-Revenue Vehicles	8.497	1.773	6.724	21%	10.264	(1.767)	121%
4.22 Rail Non-Revenue Vehicle Overhaul	6.311	1.203	5.108	19%	3.759	2.552	60%
4.23 Purchase Rail Non-Revenue Vehicles	10.334	1.542	8.792	15%	2.672	7.662	26%
TOTAL OTHER	170.097	19.715	150.382	12%	108.004	62.093	63%
TOOLING, MACHINERY & EQUIPMENT							
5.1 Shop Equipment	8.018	0.326	7.692	4%	6.165	1.853	77%
5.2 Revenue & Fare Handling Equipment	6.415	0.276	6.139	4%	5.387	1.028	84%
5.3 Other Maintenance Equipment	4.441	0.123	4.318	3%	2.418	2.023	54%
5.4 Fare System	15.812	1.190	14.622	8%	3.611	12.201	23%
ENVIRONMENTAL PROGRAMS							
6.1 Environmental Programs	24.999	3.574	21.425	14%	10.376	14.623	42%
6.1 Safety and Reliability	1.023	0.129	0.894	13%	0.590	0.433	58%
COMPUTER EQUIPMENT & SOFTWARE							
7.1 Computer Equipment & Software	90.491	12.424	78.067	14%	67.606	22.885	75%
OTHER							
9.1 Furniture & Office Equipment	0.384	0.253	0.131	66%	0.353	0.031	92%
9.2 Service Planning	18.514	1.420	17.094	8%	11.498	7.016	62%
Total Base Programs	1,016.148	376.798	639.350	37%	953.808	62.340	94%
Toronto York Spadina Subway Extension	50.754	12.306	38.448	24%	52.156	(1.402)	103%
Scarborough Subway Extension	20.780	7.343	13.437	35%	20.782	(0.002)	100%
Waterfront Transit - Design	5.087	0.467	4.620	9%	3.362	1.725	66%
Total Transit Expansion Projects	76.621	20.116	56.505	26%	76.300	0.321	100%

Appendix 2 – Major Projects Capital Spending Dashboard

Overview:

The TTC's delivery of a multi-billion-dollar capital program is guided by TTC's Project Management Framework. The broad range of capital projects are categorized into three project types, the greater the category the more complex the project (higher risks and uncertainties). The categorization takes into consideration amongst other things - budget, staff experience in delivery, risks and uncertainty behind the project itself.

The programs and projects referred to hereafter as projects, have been included in the dashboard due to their magnitude and/or strategic significance. This quarterly update highlights the performance of these projects against their approved budget, planned schedule and in scope activities. Appendix 3 provides project-specific details of all Major Projects summarized in Appendix 2.

Projects/Programs	Critical Path	Cost (millions)								Schedule				Scope		Overall	
		2020 YTD		2020 Approved	2020 Forecast	Approved Budget	Actual		Projected EFC	OS	CS	OS	CS	OS	CS	OS	
		Budget	Actual				LTD	CS									
Category 3																	
Automatic Train Control (ATC) "Line 1"	3	\$30.0	\$34.9	\$63.0	\$63.0	\$737.0	\$533.9	G	\$737.0	G	G	G	G	G	G	G	
Easier Access Phase III	4	\$28.0	\$35.6	\$65.2	\$73.4	\$837.1	\$346.5	G	\$837.1	Y	G	G	G	G	G	R	
Fire Ventilation Upgrade & Second Exits	Safety	\$4.0	\$3.3	\$11.5	\$11.5	\$495.9	\$288.1	R	\$495.9	Y	G	G	G	G	G	Y	
McNicoll Bus Garage	3	\$25.0	\$14.4	\$38.6	\$41.2	\$179.0	\$137.1	R	\$179.0	G	G	G	G	G	G	G	
Toronto Rocket T1 Rail Yard (Subway Vehicles Facilities)	3	\$16.9	\$16.2	\$38.8	\$39.8	\$495.7	\$304.0	G	\$495.7	G	Y	G	G	G	G	Y	
Purchase of Buses	3	\$54.2	\$51.3	\$69.6	\$69.6	\$1204.9	\$766.6	G	\$1468.3	Y	Y	G	G	G	G	Y	
E-bus Charging Systems	3	\$10.0	\$6.9	\$37.1	\$37.1	\$87.8	\$17.4	R	\$364.0	Y	Y	G	G	G	G	Y	
Purchase of 204 New Streetcars	3	\$29.9	\$23.9	\$72.6	\$72.6	\$1194.4	\$1068.0	G	\$1194.4	G	Y	G	G	G	G	Y	
Wheels Trans 10-Year Transformation Program	4	\$5.8	\$6.2	\$8.9	\$8.9	\$49.8	\$23.5	G	\$49.8	Y	G	Y	G	Y	G	Y	
FARE COLLECTION / PRESTO	3	\$7.6	\$1.2	\$15.2	\$3.6	\$79.8	\$58.0	R	\$79.8	G	Y	Y	Y	Y	Y	Y	
Stations Transformation	4	\$4.4	\$3.4	\$12.7	\$11.7	\$50.8	\$19.5	R	\$50.8	G	Y	Y	G	G	G	Y	
VISION Program (CAD/AVL)	3	\$2.5	\$3.3	\$24.3	\$21.6	\$114.7	\$72.6	G	\$114.7	G	G	G	G	G	G	G	
SAP ERP Implementation	5	\$5.8	\$2.9	\$24.5	\$14.9	\$272.8	\$72.8	R	\$272.8	G	Y	Y	G	G	G	Y	
Total		\$224.2	\$203.4	\$481.9	\$468.9	\$5,799.8	\$3,708.1		\$6,339.4								

1 Transform for financial sustainability	Cost (\$Millions)			
	2020 Approved Budget	2020 YTD Actual	Approved Budget	Estimated Final Cost
1	\$224.2M	\$203.4M	\$5,799.8M	\$6,339.4M

Performance Scorecard Status

- G** On Track to Meet Project Objectives
- Y** At Risk of Not Meeting Project Objectives
- R** Will Not Meet Project Objectives

EFC: Estimated Final Cost
LTD: Life to Date
CS: Current State
CT: Current Trend
OS: Outlook to Completion Status

Note:

- Financials are reported as of Period 6 including Carry Forward amounts from 2019 and reflect budget approvals as of February 19, 2020 (Council Approval) including Capital Reductions approved on May 13, 2020 (Board Approval). All other Project Performance Indicators (overall status, schedule and scope) reflect year-to-date results as of July 4, 2020.

Appendix 3 – Major Projects Update By Project (As of Period 6)

AUTOMATIC TRAIN CONTROL (ATC) “LINE 1”

Project Start	Forecast Completion Year	Approved Budget	Spend to Date	Estimated Final Cost
2015	2023	\$737.0M	\$533.9M	\$737.0M
Overall Performance		2020 YTD Budget	2020 YTD Actuals	2020 Approved Budget
Current Status	Outlook to Completion			
G	G	\$30.0M	\$34.9M	\$63.0M

Project Description:

Objective: To enable reliability and provide customers with increased on-time service and reduced travel time.

TTC is re-signaling Line 1 (Yonge-University-Spadina) to improve reliability and capacity. Benefits include real time central train control with precise train location data, automatic control of train speed and separation between trains which will allow for reduced travel times and more consistent service.

Re-signaling of Line 1 to introduce ATC includes the design, installation, testing and commissioning of an upgraded Centralized Signaling System as well as the design, installation, testing & commissioning of ATC trainborne equipment in the Toronto Rocket fleet.

Project Update & Accomplishments:

- ATC is in operation from Vaughan Metropolitan Center to Queen station.
- Phase 3C (Queen to Rosedale) high speed testing is on target for August while commissioning is on schedule for Q4 2020.
- Completed 95% of Phase 4 (Rosedale to Eglinton) construction.
- Completed 10% of Phase 5 (Eglinton to Finch) construction.

Key Issues/Risks & Mitigation Plan:

- COVID-19 Impact:
 - Limited TTC and Contractor staff due to restrictions: Physical distancing is impacting design progress, testing and commissioning and closures. Mitigation: Implementing alternative arrangements where physical distancing is challenging. Status: The project critical path has not been impacted and this risk will continue to be monitored by the project team.
 - Supply chain delays impacting construction activities: Construction impacted by material shortage delaying or postponing installation activities. Mitigation: Supply chain issues are improving. Advance procurement for remaining material in the event of second wave of COVID-19. Status: Supply chain issues continue to improve with no impact on projects critical path. This risk will continue to be monitored by the project team.
- Eglinton Crosstown LRT interface: The project timeline is impacting design and implementation. Mitigation: Conducted impact analysis based on potential completion dates of platform. Coordination with Metrolinx is required.
- Closure cancellations: Cancellations continue to be high risk for successful project completion. Mitigation: Prioritize and plan alternate closure weekends.

Forecast Completion Year: In-service 2022

ATC Phases	Construction and Installation of ATC Assets	Testing	In Service Date	Status
Phase 1 (Yorkdale to Dupont)	100%	100%	Q4 2017	Completed
Phase 2 (VMC to Sheppard West)	100%	100%	Q4 2017	Completed
Phase 2B/2C (Wilson Yard Interface)	100%	100%	Q4 2018	Completed
Phase 3A (Dupont to St. Patrick)	100%	100%	Q2 2019	Completed
Phase 3B (St. Patrick to Queen)	100%	100%	Q1 2020	Completed
Phase 3C (Queen to Rosedale)	100%	65%	Q4 2020	On Schedule
Phase 4 (Rosedale to Eglinton)	95%	25%	Q4 2021	On Schedule
Phase 5 (Eglinton to Finch)	10%	0	Q3 2022	On Schedule

Note:

- This project is included under 2.4 Signal Systems as indicated in Appendix 1.

EASIER ACCESS III

Project Start	Forecast Completion Year	Approved Budget	Spend to Date	Estimated Final Cost
2007	2026	\$837.1M	\$346.5M	\$837.1M*
Overall Performance		2020 YTD Budget	2020 YTD Actuals	2020 Approved Budget
Current Status	Outlook to Completion			
G	R	\$28.0M	\$35.6M	\$65.2M

Project Description:

Objective: To make all subway stations accessible and compliant with required legislation.

TTC's Easier Access Program will make all remaining subway stations accessible by providing elevators, wide fare gates, automatic sliding doors and signage improvements. Currently, 46 stations are accessible to people with disabilities. This Program also addresses a Legislated requirement to make all subway stations accessible by 2025 except as further noted below.

Note: Scarborough Rapid Transit (SRT) – Line 3 station locations are not part of the program as the SRT line will be replaced by the Scarborough Subway Extension.

Project Update & Accomplishments:

- Islington and Warden redevelopments and Museum Easier Access have completed preliminary (Scope) design and are proceeding towards Stage Gate 3.
- Completed detail design submissions for Greenwood Station.
- Bids for the Donlands and College Stations Contracts were closed and planned for award in July.
- Construction for station accessibility is on-going at 10 stations: Dupont, Wellesley, Yorkdale, Chester, Runnymede, Wilson, Lansdowne, Bay, Keele and Sherbourne Stations, all remaining stations are in design phase.
- Completed detail design submissions for Greenwood Station.

Key Issues/Risks & Mitigation Plan:

- COVID-19 impacts may result in delays to elevator in service dates for projects in construction. Mitigation: as a result of low ridership, station entrance closures and bus loop closures are being considered, to accelerate portions of the construction to offset potential delays.
- 3rd Party Constraints: other work priorities/schedule do not align with project schedule. Mitigation: Added dedicated resources, planned utility work in advance and identified expropriating property needs early.
- **Design complexities: installing elevators in existing stations may present larger amount of design complexities and construction challenges. Mitigation: Add additional resources and advancing detail designs.**
- *Budget: The approved budget of \$837.1 million was based on a scope and a level of complexity which covered the majority of the stations. The revised estimated final cost is now \$1,080.7M and reflects further design development for remaining locations including Warden and Islington Station Redevelopments. The required additional funding will be requested through the 2021-2030 budget process. Mitigation: Currently progressing the design of the remaining stations to Stage Gate 3, where the design will be at approx. 30% or beyond, which will allow for the development of a minimum Class 3 estimate. We will be progressively updating our estimates as we proceed through the stage gate process for the remaining locations.
- Easier Access (EA) plans at Summerhill station: Public filed an appeal and requested alternative EA plans at Summerhill station as part of the Committee of Adjustment process for minor

variance. Alternative designs proposed by neighbours were reviewed however do not meet Ontario Building Code requirements. Mitigation: Response prepared and will be shared with residents and area Councillor. Minor adjustment was passed and the issue is now closed.

Note:

- This project is included under 3.9 Building and Structures as indicated in Appendix 1.

FIRE VENTILATION UPGRADE & SECOND EXITS

Project Start	Forecast Completion Year	Approved Budget	Spend to Date	Estimated Final Cost
1998	2028	\$495.9M	\$288.1M	\$495.9M
Overall Performance		2020 YTD Budget	2020 YTD Actuals	2020 Approved Budget
Current Status	Outlook to Completion			
Y	Y	\$4.0M	\$3.3M	\$11.5M

Project Description:

Objective: To improve ventilation in subway tunnels and construct second exits at 14 high priority stations.

Fire Ventilation Upgrade (FVU) is a fire and life safety initiative originating in 1998 to improve ventilation performance in the subway tunnels. The project was expanded in 2003 to include second exits to improve egress at 14 high priority stations.

Project Update & Accomplishments:

- Donlands and College stations – Second Exit/Entrance combined with Easier Access. The bids for the contracts were closed and planned for award in July.
- Museum Second Exit and Easier Access has completed preliminary (Scope) design submission and are proceeding towards Stage Gate 3.
- Sheppard West Station and Clanton Park Emergency Service Building (ESB) – Subway Ventilation Equipment Replacement was awarded.

Key Issues/Risks & Mitigation Plan:

- Property unavailable and/or acquisition takes longer than expected (Second Exit): Delay in proceeding at stations requiring property acquisition or development opportunities. Mitigation Plan: Establish a Public Consultation process and work closely with City Planning to identify development opportunities early.
- High complexity of 2nd Exit may cause activities to take longer than expected: 2nd Exit design and construction activities are highly complex and may require extra time and cost than anticipated. Mitigation Plan: Advance design work. Investigate potential partial or full station closures as fallback plan to reduce schedule impact. Request for additional funding may be identified as projects proceed through the stage gate process.
- 3rd Party Permits and Approvals: Obtaining permits and approvals for Second Exit projects are taking longer than anticipated impacting the contracts award timelines and burn rate/cash flow. Mitigation Plan: Discuss and obtain agreement with the City and Toronto Water on an expedited process for permit reviews and approval.
- Covid-19: Work is progressing as planned and no significantly reduced field activities are anticipated.

Note:

- This project is included under 3.9 Building and Structures as indicated in Appendix 1.
- TTC 2020-2029 Budget included unfunded amount of \$143.5M. In addition to the EFC noted, there is an additional \$1.5B in estimated project costs Post 2029 included through the Capital Investment Plan. The revised estimated final cost is now \$752.2M and reflects the next stage gate for various 2nd Exit locations and equipment replacements. The required additional funding will be requested through the 2021-2030 budget process.

MCNICOLL BUS GARAGE

Project Start	Forecast Completion Year	Approved Budget	Spend to Date	Estimated Final Cost
2013	2020	\$179.0M	\$137.1M	\$179.0M
Overall Performance		2020 YTD Budget	2020 YTD Actuals	2020 Approved Budget
Current Status	Outlook to Completion			
G	G	\$25.0M	\$14.4M	\$38.6M

Project Description:

Objective: To improve the transit system and meet growing ridership demands.

McNicoll Bus Garage is part of TTC's commitment to improving transit service and meeting growing ridership demands. This new bus garage will be fully compliant with Toronto Green Standards and will be the first major Design-Build project for TTC in over a decade. The new facility is being constructed at Kennedy Road and McNicoll Avenue in Scarborough. Project scope is for construction only.

Project Update & Accomplishments:

- Overall project remains on time and under budget within prior project approval by TTC and City of Toronto of \$179M. The revised estimated final cost is now \$169.0M and reflects anticipated project savings.
- Substantial Completion achieved and deficiency work ongoing.
- Operations have commenced move into the facility.
- Construction of the IT Network Fiber Backbone extension to McNicoll Bus Garage is underway; completion expected in Q1 2021. Bell fiber line is providing connectivity in the interim.

Key Issues/Risks & Mitigation Plan:

- None

Note:

- This project is included under 3.9 Building and Structures as indicated in Appendix 1.

TORONTO ROCKET/T1 RAIL YARD ACCOMODATION (SUBWAY VEHICLE FACILITIES)

Project Start	Forecast Completion Year	Approved Budget	Spend to Date	Estimated Final Cost
2010	2025	\$495.7M	\$304.0M	\$495.7M
Overall Performance		2020 YTD Budget	2020 YTD Actuals	2020 Approved Budget
Current Status	Outlook to Completion			
Y	G	\$16.9M	\$16.2M	\$38.8M

Project Description:

Objective: To increase subway train storage and maintenance capacity.

Design and construction at various subway vehicle maintenance and repair facilities and yards to increase the subway train storage and maintenance capacity for Toronto Rocket (TR) subway trains, including Wilson and Davisville Yards for Line 1, and T1 trains at Greenwood, Keele Yard and Kipling tail tracks for Line 2. Key scope elements include:

- Expansion to the north and south at Wilson Carhouse as well as the installation of new storage tracks within the yard.
- Expansion to north and south at Davisville Carhouse along tracks 3 & 4.
- Conversion of existing CN rail delivery track at Greenwood Yard into a powered and signalled storage track.
- Track and Structural work at Keele Yard to provide additional storage capacity.
- Refurbishment of the box structure within Kipling Station for the installation of a 3rd track to be used for the storage of two subway trains.

Project Update & Accomplishments:

- Although some components of the program are tracking behind schedule, the overall program is tracking on time and on budget.
- Greenwood Track & Structures Building Renovation and Carhouse Pendant Retrofit - Correction of deficiencies is on-going.
- Contractor for “Greenwood Carhouse – Facility Pressure Washers, Heaters, and Lighting Upgrade” successfully completed commissioning.
- Greenwood Track & Structures Building Renovation and Carhouse Pendant Retrofit - Correction of deficiencies is on-going.
- Contractor for Wilson Carhouse Expansion has completed construction of the north expansion including HVAC Repair Shop and continues work for the office building.
- Contractor for Wilson Yard Fencing and Miscellaneous Site Services is installing infrastructure in support of the signaling of the Wilson Yard. This work is to assist TTC forces due to resource constraints resulting from other competing priorities.
- Although some components of the program are tracking behind schedule, the overall program is tracking on time and on budget.

Key Issues/Risks & Mitigation Plan:

- Various project-level issues such as site conditions, geotechnical investigations etc. are being managed to minimize the impact on the program schedule.

Note: This project is included under 3.9 Building and Structures as indicated in Appendix 1.

PURCHASE OF BUSES

Program Start	Forecast Completion Year	Approved Budget	Spend to Date	Estimated Final Cost
Ongoing	2034	\$1,204.9M	\$766.6M	\$1,468.3M
Overall Performance		2020 YTD Budget	2020 YTD Actuals	2020 Approved Budget
Current Status	Outlook to Completion			
Y	Y	\$54.2M	\$51.3M	\$69.6M

Project Description:

Objective: To a) replace old vehicles and grow our fleet to increase overall system capacity and reduce overcrowding; b) utilize vehicles which will be more accessible, more comfortable and more reliable; c) aid the City of Toronto in meeting its TransformTO target of an 80% reduction in greenhouse gas emissions by 2050 by adopting zero emission buses.

This ongoing program covers the procurement of buses according to the Green Bus Technology Plan approved by the Board in June 2018. The 2019 delivery plan includes 260 new buses, including 200 latest generation hybrid-electric buses and 60 zero-emissions battery electric buses (e-Bus). The Green Procurement Plan currently projects a mix of hybrid electric and fully electric bus procurements for the years 2021-2024 as we transition to a steady-state procurement of solely fossil fuel free/zero emissions buses in 2025 and a zero-emissions fleet by 2040.

Project Update & Accomplishments:

- All 60 eBuses have been delivered with 30 available for service, with the remaining eBuses undergoing commissioning activities and are expected to be in service by September 2020.
- As of June 30th eBuses have accumulated 504,310 km of mileage, with a maximum range of 235km to 245km for NewFlyer and Proterra, respectively.
- Request for Information (RFI): The TTC issued an RFI to the market for electric and hybrid buses. Information sessions held in July 2020 with the vendors to inform the next procurement.

Key Issues/Risks & Mitigation Plan:

- Program funding: The current on-going program of bus procurements for 2020-2029 is approximately 1/3 funded.
- Impact to commissioning activities (Covid-19): Delay of the following: Production rate of PDI/Commissioning activities are slower due to the need for physical distancing.
- eBus availability: Percentage of eBus availability is lower than expected. Action Plan: Meet with vendors weekly to review repairs and report on availability daily. In addition, improvement campaigns have been initiated and once completed will improve availability.

Note:

- At the January 27, 2020 Board meeting, the Board approved the funding of approximately 614 of the 1,575 required buses. Unfunded amount of \$1,381.2 (10-year) and \$2,683.3 (CIP).

e-BUS CHARGING SYSTEMS

Project Start	Forecast Completion Year	Approved Budget	Spend to Date	Estimated Final Cost
2016	2034	\$87.8M	\$17.4M	\$364.0M
Overall Performance		2020 YTD Budget	2020 YTD Actuals	2020 Approved Budget
Current Status	Outlook to Completion			
Y	Y	\$10.0M	\$6.9M	\$37.1M

Project Description:

Objective:

This project covers the construction of the charging infrastructure to support the operation of electric buses according to the Green Bus Technology Plan approved by the Board in November 2017.

Project Update & Accomplishments:

- Working with OPG and Toronto Hydro to establish tri-party agreement for delivery of full fleet charging infrastructure.
- Working eBus consulting firm to advance the full fleet electrification feasibility study.
- Completed the charger and dispenser installations at all 3 locations.
- The Battery Energy Storage System (BESS) work at all 3 locations is nearing completion, approximately 85% completed (final commissioning expected by July 2020).
- The CNG Back-up Generator at Arrow Road Garage has been substantially complete and is progressing to final commissioning (expected by October 2020).

Key Issues/Risks & Mitigation Plan:

- Range of eBuses (distance travelled): Long range eBuses are no longer projecting the increased range as was originally forecasted by bus manufacturers. Mitigation: Analyze impact to electrification schedule.
- Charging technology advances: charging system topology may improve system reliability, footprint, and reduce cost. Mitigation: conduct market scan to identify and assess emerging technologies.

Note:

- This project is included under 3.2 Equipment Program.

PURCHASE OF 204 NEW STREETCARS

Project Start	Forecast Completion Year	Approved Budget	Spend to Date	Estimated Final Cost
2009	2023	\$1,194.4M	\$1,068.0M	\$1,194.4M
Overall Performance		2020 YTD Budget	2020 YTD Actuals	2020 Approved Budget
Current Status	Outlook to Completion			
Y	G	\$29.9M	\$23.9M	\$72.6M

Project Description:

Objective: To: a) replace legacy vehicles and grow our fleet to increase overall system capacity and reduce overcrowding; b) utilize vehicles which will be more accessible, and more reliable.

This program provides for the purchase of 204 new fully accessible new streetcars to replace the existing fleet of 196 Canadian Light Rail Vehicles (CLRVs), 52 Articulated Light Rail Vehicles (ALRVs) and additional vehicles for ridership growth and congestion relief efforts.

Project Update & Accomplishments:

- All 204 streetcars ordered have been delivered and commissioned for revenue service. Bombardier and TTC staff are now focused on the next steps of this project including completion all outstanding vehicle modification programs, addressing warranty items and strengthening the inventory supply chain.
- In May, the TTC utilized the service reduction related to COVID-19 as an opportunity to accelerate welds repairs and maintenance activities. As of August 28, 2020, 9 cars have been re-commissioned as part of the Major Repair Program and 9 cars are currently in the program.
- In June 2020, an Mean Distance between Failures of 44,565km (12 month rolling average) was achieved (contractual target – 35,000 km). TTC continues to work closely with Bombardier and have developed various vehicle modification programs which continue to be refined as more operational data becomes available.

Key Issues/Risks & Mitigation Plan:

- Outstanding technical issues are impacting maintenance operations (i.e. demand on resources and track space). Action Plan: Determine a resolution through root cause analysis and implementation of modifications programs
- COVID-19 Impact:
 - Delays or stoppage of the delivery and manufacturing of sub-supplier spare parts due to the COVID-19 pandemic. Mitigation: Bombardier and TTC are meeting daily to focus on critical parts to ensure minimal impact to operations and develop a recovery plan.
 - Bombardier's Thunder Bay and La Pocatière facilities were shut down from late March to early May and have since resumed production. Mitigation: TTC continues to work closely with Bombardier to recover from these delays including evaluating opportunities to accelerate the program.

Note:

- This project is included under 4.18 Purchase of Streetcar Program. The Capital Investment Plan identifies the need for the procurement of up to an additional 100 streetcars for ridership growth, which is currently not fully funded.

WHEEL-TRANS 10-YEAR TRANSFORMATION PROGRAM

Program Start	Forecast Completion Year	Approved Budget	Spend to Date	Estimated Final Cost
2017	2026	\$49.8M	\$23.5M	\$49.8M
Overall Performance		2020 YTD Budget	2020 YTD Actuals	2020 Approved Budget
Current Status	Outlook to Completion			
G	Y	\$5.8M	\$6.2M	\$8.9M

Project Description:

Objective: To support the new service delivery model which integrates Wheel-Trans customers into the conventional network.

TTC Wheel-Trans Transformation Program implements new policies, processes and systems to support a new service delivery model that integrates Wheel-Trans customers into the TTC's conventional network through a 'Family of Services' (FOS) approach.

Project Update & Accomplishments:

- Scheduling & Dispatch project: Phase 2 Mobile App Pilot 1st Wave is underway, first Maintenance release is being tested.
- Family of Services project: Wave 5 Routes and Stops have been selected, pending approval.
- Access Hubs: 15 of 16 sites in service, remaining 1 pending power activation.
- Contact Centre Review: Legal engaged in contract negotiations with top ranked proponent.
- Communications: Access Newsletter to be published July 24, On-line public consultation to be posted July 27.

Key Issues/Risks & Mitigation Plan:

- Issue: Conditional Trip Matching and Re-registration delayed due to COVID-19. Mitigation: Customer surveys, along with guidance from Toronto Public Health, will inform the timing of a move to Conditional Trip Matching to be evaluated in Q4 2020.
- Scheduling & Dispatch (SD) project to extend beyond Project end date: Program Timelines are impacted by delay on vendor side for SD Project, extending the schedule beyond 2021: Working on re-baselining project and program.

Note:

- This project is included under 3.9 Building and Structures as indicated in Appendix 1.

FARE COLLECTION / PRESTO

Project Start	Forecast Completion Year	Approved Budget	Spend to Date	Estimated Final Cost
2012	2021	\$79.8M	\$58.0M	\$79.8M
Overall Performance		2020 YTD Budget	2020 YTD Actuals	2020 Approved Budget
Current Status	Outlook to Completion			
Y	Y	\$7.6M	\$1.2M	\$15.2M

Project Description:

Objective: To implement a holistic approach to fare enforcement to enable us to a) measure fare compliance system-wide, across buses, streetcars and stations; b) extend the use of Automatic Passenger Counting technology on buses and streetcars to provide accurate measurement of boardings compared to fares paid. The project encompasses all activities to transform TTC fare collection processes including TTC's scope of work supporting Metrolinx activities for the implementation of the PRESTO farecard system, overall project management, assistance with equipment installation, upgrades to TTC facilities to accommodate PRESTO equipment, and oversight to ensure the PRESTO system fully meets TTC's business requirements.

Project Update & Accomplishments:

- Service Plan for PRESTO maintenance adjusted to address COVID-19 pandemic. Continue to monitor.
- The distribution of refunds for March and April passes has commenced and will extend into November 2020. The rate at which customers are picking up their refunds is being closely monitored.
- Negotiations with Metrolinx regarding the settlement of outstanding claims has commenced and is ongoing. A status update will be provided at the September 2020 Board meeting.

Key Issues/Risks & Mitigation Plan:

- System Performance and Device Availability: PRESTO card readers and vending machines continue to perform below expectations, resulting in PRESTO devices being unavailable for customer use and increased lost revenues. These issues were also referenced in the some of the Auditor General recommendations. Metrolinx continues to apply enhancements and updates to the PRESTO card readers and vending machines. TTC is also negotiating with Metrolinx to "refresh" and replace the existing card readers with newer more modern equipment that will address some of the existing system deficiencies.
- Contract Business Requirements: A large number of Business Requirements remain as undelivered by Metrolinx. The delivery of these items is included in the claims negotiations that are underway with Metrolinx.

Note:

- This project is included under 5.4 Fare System as indicated in Appendix 1.
- Faregate program is not included in this up-date.
- Approved budget and completion year adjusted to reflect approval to end of 10-year envelope. An additional \$47 million is included as an unfunded amount for fare collection capital work to address the collection of cash on surface vehicles and other long term fare collection items outside of the PRESTO implementation activities.

STATIONS TRANSFORMATION

Project Start	Forecast Completion Year	Approved Budget	Spend to Date	Estimated Final Cost
2017	2024	\$50.8M	\$19.5M	\$50.8M
Overall Performance		2020 YTD Budget	2020 YTD Actuals	2020 Approved Budget
Current Status	Outlook to Completion			
Y	G	\$4.4M	\$3.4M	\$12.7M

Project Description:

Objective: To enhance the customer experience by introducing Customer Service Agents (CSA), infrastructure improvements which will result in increased safety and security of TTC stations, employees and customers.

Stations Transformation involves the modernization of how we staff our stations, our communications infrastructure and our business processes. A major part of the program, the introduction of Customer Service Agents (CSA), builds on the transformation of the customer experience by adding a world-class skillset and increasing engagement with our customers. These Agents are mobile, enabling them to approach and offer assistance to customers who face barriers in accessing and using the TTC. Their mobility along with infrastructure improvements (including upgraded passenger assistance intercoms (PAI), public announcement system (PA) and CCTV cameras) will lead to the increased safety and security of our stations, employees and customers. This project supports the One Person Train Operation (OPTO) and a part of this project is interdependent with PRESTO/Fare Policy.

Project Update & Accomplishments:

- Overall final completion date of all program components by Q4 2024 remains on track.
- Completed construction of Bloor-Yonge Zone Hub.
- All Collectors transitioned to crashgate crews - interim stage to full CSA rollout.

Key Issues/Risks & Mitigation Plan:

- Current cost performance is at risk because year to year program spending has lagged behind projected spending as a result of schedule delays and more recently COVID impact.
- Fare Policy: Cash on surface strategy and bulk strategy delayed. Action Plan: Coordinate with Farecard and Customer Experience teams.

Note:

This program is included under 3.9 Building and Structures as indicated in Appendix 1.

VISION (CAD/AVL)

Project Start	Forecast Completion Year	Approved Budget	Spend to Date	Estimated Final Cost
2016	2021	\$114.7M	\$72.6M	\$114.7M
Overall Performance		2020 YTD Budget	2020 YTD Actuals	2020 Approved Budget
Current Status	Outlook to Completion			
G	G	\$2.5M	\$3.3M	\$24.3M

Project Description:

Objective: Implement VISION (Vehicle Information System and Integrated Operations Network) to a) modernize the backbone of how the TTC tracks, manages and communicates with any one of our 2,000 buses and streetcars on the streets at any moment; b) provide better information for scheduling and planning; c) provide better real-time information to provide operators and customers during their trip; d) provide more efficient Transit Signal Priority to keep TTC vehicles moving; and e) provide more efficient yard management and crew sign-ups.

This modernization initiative was initiated to transform the way in which the TTC manages its surface fleet of buses and streetcars. The core component of the program is the implementation of a new Computer Aided Dispatch/Automatic Vehicle Location (CAD/AVL) System which is being installed on the TTC's bus and streetcar fleets. The system provides for: data and voice communications, automatic vehicle location; automated stop display, stop announcements, vehicle performance monitoring; integration with the onboard camera and automatic passenger counting systems; tools and automation of selected business rules. In addition, the program will implement an integrated Yard Management System at all streetcar car-houses and bus garages.

Project Update & Accomplishments:

- Installed VISION on 80 LFLRV's as of June 30, 2020

Key Issues/Risks & Mitigation Plan:

- COVID-19: physical distancing requirements may impact installation activities involving Yard Management: External Work had been halted at all garages, continuing with internal work in compliance with provincial regulations. Mitigation: Proceeded with indoor work with reduced crews ensuring that public health and safety directives for physical distancing is being observed. Impacts are being continually assessed.

Note: This project is included under 7.1 Computer Equipment & Software as indicated in Appendix 1.

SAP ENTERPRISE RESOURCE PLANNING PROJECT

Project Start	Forecast Completion Year	Approved Budget	Spend to Date	Estimated Final Cost
2015	2025	\$272.8M	\$72.8M	\$272.8M
Overall Performance		2020 YTD Budget	2020 YTD Actuals	2020 Approved Budget
Current Status	Outlook to Completion			
Y	Y	\$5.8M	\$2.9M	\$24.5M

Project Description:

Objective: To implement an industry-standard enterprise software solution that modernizes our core systems and aligns with the City of Toronto's SAP Roadmap.

Project Update & Accomplishments:

SAP Projects - Phase II

- Phase 2 Projects:
 - Accounts Payable Release 1 Project: Completed 100% of first testing cycle. Project team is focused on user acceptance testing and training material for the remote deployment to staff at the end of September.
 - Learning Management System Project: 100% of future solution design completed. First testing cycle in progress. Project is on track for end of November launch to training departments.
 - Time, Attendance and Workforce Scheduling Project: RFP#2 review in progress.
 - Accounts Receivable/Job Based Cost System Project: Completed 100% of documenting as-is processes. SAP Proposed solution review completed. Project team developing options to implement based on SAP Program roadmap and interdependencies between projects
 - Employee Mobile App: Soft launch users surveyed to gather feedback to determine future launch improvements for full launch in Q4.
- Phase 3:
 - Materials and Procurement project is in process of recruiting business resources to start assessment phase of the project.

Key Issues/Risks & Mitigation Plan:

1. No major risks or issues identified.

Note:

- The EFC represents the total SAP program cost with the future phases.
- This project is included under 7.1 Computer Equipment & Software as indicated in Appendix 1.
- Approved budget and completion year adjusted to reflect approval to end of 10-year envelope.
- Approval for funding is required to deliver the program from 2021-2029.