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ANNUAL REPORT

1997



TORONTO TRANSIT COMMISSION

1997 ANNUAL REPORT
Toronto Transit Commission



Chair
Paul Christie



Vice-Chair
Howard Moscoe

Commissioners



Shirley Eidt



Blake Kinahan



Case Ootes



Joe Pantalone



Alan Tonks



Letter from the Chair

DATE: June, 1998

TO: MR. MEL LASTMAN, MAYOR, AND COUNCILLORS OF THE CITY OF TORONTO

It is with great pleasure and with pride that I present this 1997 Annual Report on behalf of the Commissioners and employees of the Toronto Transit Commission ("TTC").

This report describes a year full of important achievements, not the least of which is an increase in ridership, for the first time in six years. At the same time, I recognize that this Commission, the last under the banner of The Municipality of Metropolitan Toronto ("Metro"), can take pride in handing over a service-oriented, productive and fiscally trim TTC to the new Commission, convened under the new City of Toronto.

Let me list a few of the TTC's 1997 accomplishments:

- ridership was 379.9 million, 9.8 million over budget and 7.5 million over 1996;
- more than 80 per cent of TTC's operating budget was funded from the farebox, a significant increase from the 65.7 per cent recorded just four years earlier;
- TTC Transit Security Investigators were granted Special Constable status, permitting them to arrest, search and release persons suspected of criminal acts on TTC property;
- access became easier, as elevators were added to Queen and St. George stations; and
- 162 six- and twelve-year-old buses were rebuilt in the TTC's own facilities; the rebuilding of 18-year-old buses began, with 13 completed.

Delivery of 50 low-floor Orion VI buses began at the end of the year. Orders were placed for 52 RTS lift buses and 52 New Flyer low-floor buses, with deliveries beginning in 1998 and continuing into 1999. A single Nova low-floor bus was received for testing.

The fleet of new T-1 subway cars increased to 80, while the first H-1 cars were retired after more than 30 years of service.

Growth and renewal also continued in 1997, as the Sheppard Subway twin tunnel boring machines, named "Rock" and "Roll" in a community contest,

began burrowing towards Yonge Street. The Spadina Streetcar line was opened in a great neighbourhood celebration along the length of the street. As the theme of the day stated, Spadina is "A Grand Avenue Renewed".

The backbone of the TTC continues to be its maintenance of a state of good repair. To this end, the \$68.8 million Greenwood Yard project, completed and opened in the fall, was a milestone. It houses additional work pits and car hoists, a new electrical substation to supply traction power for the Yard, and expanded facilities for the overhaul and repair of trains.

My sincere thanks go to Vice-Chair Howard Moscoe and Commissioners Blake Kinahan, Case Ootes, Joe Pantalone and Metro Chairman Alan Tonks for their dedication to the betterment of public transit in this community. My special thanks go to Commissioner Shirley Eidt, who joined the Commission upon the death of our respected colleague Brian Harrison.

Serving as the Chair of the TTC has been an enormous honour. The TTC is one of the defining institutions of our megacity. As we embark upon a new era in municipal governance, the importance of the Commission's services to our collective well-being should not be understated.

On behalf of us all, I welcome the new Commissioners and, as they make the transition from Metro to the City of Toronto, I wish them every success.

A handwritten signature in black ink, reading "Paul Christie". The signature is written in a cursive, flowing style with a large initial "P".

Paul Christie
Chair

Financial Statements of

TORONTO TRANSIT COMMISSION

Year ended December 31, 1997





AUDITORS' REPORT

April 2, 1998

To the Chair and Members of the Toronto Transit Commission

We have audited the balance sheet of the Toronto Transit Commission as at December 31, 1997 and the statements of operations and accumulated equity and of changes in financial position for the year then ended. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Commission as at December 31, 1997 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles.

Chartered Accountants
Toronto, Canada

Acting Metropolitan Auditor
Toronto, Canada



TORONTO TRANSIT COMMISSION

Balance Sheet
December 31, 1997

	1997	1996
	(\$000s)	
ASSETS		
Current		
Cash and short-term investments	8,676	14,164
Accounts receivable		
The Municipality of Metropolitan Toronto	112,557	94,343
Other	14,070	7,746
Spare parts and supplies inventory	44,678	38,864
Working funds and prepaid expenses	5,234	5,188
	185,215	160,305
Long-term		
Investment in subsidiary (note 6)	14,653	13,677
Net capital assets (note 7)	107,200	107,560
	307,068	281,542

LIABILITIES AND EQUITY

Current		
Accounts payable and accrued liabilities	157,450	154,066
Deferred passenger revenue	21,090	23,810
Unsettled accident claims (note 8)	10,000	10,800
Employee benefits (note 10)	7,285	6,375
	195,825	195,051
Long-term		
Employee benefits (note 10)	47,225	38,450
Unsettled accident claims (note 8)	23,200	21,600
Other	7,237	7,689
	273,487	262,790
Accumulated equity	33,581	18,752
	307,068	281,542

Approved:


Commissioner


Commissioner

TORONTO TRANSIT COMMISSION

Statement of Operations and Accumulated Equity
Year ended December 31, 1997

	1997	1996
	(\$000s)	
Conventional Transit System		
REVENUE		
Passenger services	528,703	491,433
Property rental	19,990	11,215
Advertising	8,002	7,368
Miscellaneous	2,707	4,771
Total revenue	559,402	514,787
EXPENSES		
Wages, salaries and benefits	522,660	520,221
Materials, services and supplies	97,592	82,942
Vehicle fuel	23,342	22,705
Electric traction power	23,224	22,878
Accident claims	13,032	12,979
Depreciation	14,683	12,877
Property taxes	8,949	9,388
Total expenses	703,482	683,990
Net operating costs before write-down	144,080	169,203
Write-down of advances to subsidiary (note 6)	-	6,433
Net operating costs	144,080	175,636
Wheel-Trans System		
REVENUE		
Passenger services	1,697	1,615
EXPENSES		
Wages, salaries and benefits	23,790	25,523
Materials, services and supplies	6,168	6,758
Contract services	5,557	5,912
Vehicle fuel	1,284	1,236
Accident claims	23	(195)
Total expenses	36,822	39,234
Net operating costs	35,125	37,619
Total net operating costs	179,205	213,255
Operating subsidies (note 4)	194,034	206,822
Net operating surplus (deficit)	14,829	(6,433)
Accumulated equity, beginning of year	18,752	25,185
Accumulated equity, end of year	33,581	18,752

TORONTO TRANSIT COMMISSION

Statement of Changes in Financial Position
Year ended December 31, 1997

	1997	1996
	(\$000s)	
CASH (USED IN) GENERATED BY OPERATIONS		
Total net operating costs	(179,205)	(213,255)
Items not affecting cash and short-term investments:		
Depreciation	14,683	12,877
Unsettled accident claims	1,600	2,400
Long-term employee benefits	8,775	9,040
Other long-term liabilities	(452)	(5,805)
Accrued interest on advances to subsidiary	(941)	(1,116)
Write-down of advances to subsidiary	-	6,433
	(155,540)	(189,426)
Changes in non-cash operating working capital	(29,659)	(8,554)
	(185,199)	(197,980)
CASH (USED IN) INVESTMENT ACTIVITIES		
Capital asset acquisitions (net of disposals)	(379,240)	(329,055)
CASH GENERATED BY FINANCING ACTIVITIES		
Operating subsidies:		
Conventional transit system	158,909	169,203
Wheel-Trans system	35,125	37,619
Capital subsidies	364,917	317,103
	558,951	523,925
Decrease in cash and short-term investments during year	(5,488)	(3,110)
Cash and short-term investments, beginning of year	14,164	17,274
Cash and short-term investments, end of year	8,676	14,164

TORONTO TRANSIT COMMISSION

Notes to Financial Statements

Year ended December 31, 1997

1. NATURE OF OPERATIONS

The Toronto Transit Commission (the "Commission") was established on January 1, 1954 to provide conventional transit service for the municipalities comprising The Municipality of Metropolitan Toronto ("Metro"). The Commission is dependent on Metro and the Province of Ontario (the "Province") for both operating and capital subsidies. The Commission also operates Wheel-Trans, a transit service for people with disabilities, which is also subsidized by Metro and the Province (notes 4 and 5). The Commission is not subject to income and capital taxes and receives exemption from certain property taxes.

The following notes relate to the year ended December 31, 1997 and continue to refer to The Municipality of Metropolitan Toronto and Metro, although the new City of Toronto came into being subsequent to year end (see note 12(a)).

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

These financial statements are prepared in accordance with generally accepted accounting principles and include the accounts of the Commission and its subsidiary, Toronto Transit Consultants Limited ("TTCL"). However, they do not include the operations of its subsidiary, Metropolitan Toronto Coach Terminal Inc. ("MTCTI") and the MTCTI subsidiary, TTC Insurance Company Limited (the "Insurance Co."). Financial statements for these entities are published separately.

(b) Management's Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(c) Passenger Revenue

Revenue is recognized when cash, tickets and tokens are used by the passenger. An estimate of tickets and tokens sold, which will be used after the year end, is included in deferred passenger revenue.

Revenue from passes is recognized in the period in which the passes are valid. An estimated value of passes sold but not valid until after year end is included in deferred passenger revenue.

(d) Spare Parts and Supplies Inventory

Spare parts and supplies are valued at the lower of average cost and replacement cost, net of allowance for obsolete and excess inventory.

(e) Investment in Subsidiary

The investment in MTCTI is carried at cost. Dividends are recorded as revenue when received.

TORONTO TRANSIT COMMISSION

Notes to Financial Statements, page 2

Year ended December 31, 1997

(f) Capital Assets and Depreciation

Capital assets are recorded at cost less capital contributions. Depreciation is calculated using the straight-line method, based on the estimated useful lives of major assets, as follows:

Asset	Years
Subway	20-65
Rolling stock	20-30
Buses	8-18
Buildings	12-40
Other equipment	3-25
Trackwork	10-25
Power distribution system	25-30

Land purchased directly by Metro for the Commission's use is accounted for in Metro's records.

(g) Unsettled Accident Claims

The Commission has a self-insurance program for automobile and general liability claims. When the claims are reported, the case reserves are initially estimated on an individual basis by adjusters and lawyers employed by the Commission. Salvage proceeds and amounts recoverable from third parties are reflected as reductions to case reserves, where applicable. Provision has been made on a present value basis for claims incurred, claims incurred-but-not-reported and for internal and external adjustment expenses.

(h) Post-Retirement Benefits Other Than Pensions

The obligation for post-retirement benefits includes an actuarially determined liability for active members, based on the accrued benefits method prorated on term of service, and for pensioners based on future projected benefits. The total obligation for post-retirement benefits also includes amortization of an unrecognized accumulated liability arising from the adoption of the accrued-benefits-method accounting policy in fiscal 1997. Amortization is on a straight-line basis over the expected average remaining service life of the employee group covered by the plan.

(i) Post-Employment Benefits

A liability for future benefits to be provided is recognized when an employee is likely to receive long-term disability and workers' compensation benefits and the amount of their future benefits can be reasonably estimated. The total obligation for these benefits also includes amortization of unrecognized accumulated liabilities arising in fiscal 1997 from the adoption of the policy to commence fully providing for these costs. Amortization is on a straight-line basis over the expected average remaining service life of the employee group covered by these plans.

(j) Environmental Provision

The Commission includes in its liabilities a provision for the cost of compliance with environmental legislation. Those costs that can be reasonably determined have been accrued.

TORONTO TRANSIT COMMISSION

Notes to Financial Statements, page 3

Year ended December 31, 1997

3. FINANCIAL INSTRUMENTS

The main categories of financial instruments held by the Commission are cash and short-term investments, accounts receivable, working funds, accounts payable and accrued liabilities, unsettled accident claims, employee benefits and other long-term liabilities. With respect to those working capital items mentioned above, their fair values approximate their book values.

The receivable from Metro includes the offset of certain payables to Metro, including a loan due on demand, with accrued interest at prime. The book value of this loan is \$5.3 million (1996 - \$19.1 million), which approximates its fair value.

The fair value of the Commission's liability for unsettled accident claims approximates its actuarially determined discounted value. This amount is equal to the book value of \$33.2 million (1996 - \$32.4 million). The fair value of the Commission's liabilities for long-term disability and workers' compensation employee benefits approximate their book values, calculated as the discounted value of future payments for existing claims and estimates of claims incurred-but-not-reported. The fair values of the other liabilities (primarily environmental) approximate their undiscounted book values.

The estimates of fair values for each of the above mentioned liabilities have been calculated independently, using discount factors in the range of 4 to 6%.

4. OPERATING SUBSIDIES

(a) Conventional transit

For 1997, operating subsidies totalled \$158.9 million (1996 - \$169.2 million):

	1997	1996
	(\$000s)	
Conventional System Operating Expenses	(703,482)	(690,423)
Financed from:		
TTC Revenue	559,402	514,787
Metro Subsidy	80,738	79,203
Provincial Subsidy	78,171	90,000
Net Operating Surplus (Deficit)	14,829	(6,433)

(b) Wheel-Trans

Metro undertook in its budget to provide an operating subsidy equal to the net operating costs for Wheel-Trans and in turn received a 50% contribution from the Province:

	1997	1996
	(\$000s)	
Wheel-Trans Operating Expenses	(36,822)	(39,234)
Financed from:		
TTC Revenue	1,697	1,615
Metro Subsidy	17,563	19,160
Provincial Subsidy	17,562	18,459
Net Operating Surplus (Deficit)	-	-

(c) As of January 1, 1998, the Province will cease providing operating subsidies for public transit. The Commission's operating expenses for both conventional transit and Wheel-Trans will be financed entirely by Metro's successor, the City of Toronto.

TORONTO TRANSIT COMMISSION

Notes to Financial Statements, page 4

Year ended December 31, 1997

5. CAPITAL SUBSIDIES

(a) Conventional transit

Until 1996, the Commission received a 100% subsidy from Metro for subway, light-rail additions and improvements and certain other capital works projects. Metro then recovered 75% of the subsidy from the Province. The Commission also received a 75% subsidy from Metro for most of its other capital asset additions. Metro in turn recovered the subsidy from the Province.

On October 4, 1996, the TTC Capital Subsidy Agreement was executed between the Province, Metro and the Commission. The Agreement established the subsidy rates and rules governing the provincial share of capital contributions for the period January 1, 1996 to December 31, 2000. While the Commission will continue to receive a 100% subsidy from Metro for most capital projects, Metro will be required to contribute a larger portion of the subsidy. In general, projects committed at the time of the agreement continued to receive a 75% subsidy from the Province. New projects received a reduced provincial subsidy of 50%. Metro recovered these subsidies from the Province and was required to contribute the remainder. See subsequent events note 12(b).

(b) Wheel-Trans

The Commission received a 100% subsidy from Metro for capital expenditures incurred by Wheel-Trans. Metro then recovered 50% of the subsidy for most assets from the Province. See subsequent events note 12(b).

6. INVESTMENT IN SUBSIDIARY

MTCTI owns and operates an inter-city coach terminal located in Metropolitan Toronto. The investment in MTCTI consists of:

	1997	1996
		(\$000s)
Investment	1,000	1,000
Advances, including interest at prime rate	13,653	12,677
	14,653	13,677

In 1996, the Commission provided for a decline in the value of the advances in the amount of \$6,433,000.

The Commission's statement of operations and accumulated equity includes accrued interest income from MTCTI of \$0.9 million (1996 - \$1.1 million) and a charge to MTCTI of \$0.8 million (1996 - \$0.8 million) for rental of property and equipment, use of joint facilities and administrative services. At December 31, 1997 the Commission had a receivable from MTCTI of approximately \$365,000 (1996 - \$407,000).

TORONTO TRANSIT COMMISSION

Notes to Financial Statements, page 5

Year ended December 31, 1997

7. NET CAPITAL ASSETS

The net capital assets of the Commission are as follows:

	1997	1996
		(\$000s)
Subway	883,611	861,316
Rolling stock	784,829	779,381
Construction in progress	838,562	555,644
Buses	377,259	370,055
Buildings	259,312	257,491
Other equipment	251,915	231,879
Trackwork	217,396	196,662
Power distribution system	96,102	88,976
Land	12,250	12,250
	3,721,236	3,353,654
Less capital contributions	(3,420,831)	(3,055,914)
	300,405	297,740
Less accumulated depreciation	(193,205)	(190,180)
Net capital assets	107,200	107,560

8. UNSETTLED ACCIDENT CLAIMS

The Insurance Co. was established in 1994 in order to provide insurance coverage for compulsory automobile personal injury and accident benefit claims for the Commission. The Commission has purchased insurance to cover claims in excess of \$5,000,000 on any one accident.

The Commission must reimburse Insurance Co. for all costs. At December 31, 1997 the unsettled accident claims liability includes, on a present value basis, a payable to Insurance Co. to reimburse it for all automobile claims incurred. This payable is covered by an indemnity agreement between the Commission and Insurance Co. and is guaranteed by Metro.

The Commission provides all management and administrative services necessary to support the operations of the Insurance Co.. The payments received for these services for the year were \$20,998 (1996 - \$28,453).

TORONTO TRANSIT COMMISSION

Notes to Financial Statements, page 6

Year ended December 31, 1997

9. PENSION PLAN

The Commission maintains a multi-employer, defined benefit/defined contribution pension plan that covers substantially all employees of the Commission. It is operated by the Toronto Transit Commission Pension Fund Society (the "Society"), a separate legal entity. The Society provides pensions to members based on the length of service and average base year (pensionable) earnings. The base years, as defined in the plan, are updated from time to time provided the financial position of the Society so permits. The members and the Commission contribute 6.25% of covered earnings up to the Canada Pension Plan maximum pensionable earnings (\$35,800 for 1997). The members and the Commission then contribute 7.85% of covered earnings in excess of this amount. The contributions by the Commission amounted to \$31.0 million in 1997 (1996 - \$31.7 million).

Based on the latest actuarial reports as at January 1, 1997 and January 1, 1996, the Society's records indicated an unfunded actuarial liability, as follows:

	Jan 1/97	Jan 1/96
		(\$000s)
Pension obligations	1,706,935	1,563,457
Actuarial value of assets	1,646,202	1,485,085
Unfunded actuarial liability	60,733	78,372

Total contributions to the Society meet the minimum funding requirements in accordance with pension legislation and provide for the amortization of unfunded liabilities over 15 years.

10. EMPLOYEE BENEFITS

The employee benefits provisions of the Commission are as follows:

	1997	1996
		(\$000s)
Post-retirement benefits	1,000,000	-
Employment benefits	1,615,000	1,625,000
Long-term disability benefits	24,370,000	22,200,000
Workers' compensation benefits	27,525,000	21,000,000
	54,510,000	44,825,000
Less employee benefits - current portion	7,285,000	6,375,000
Employee benefits - long-term portion	47,225,000	38,450,000

(a) Post-retirement benefits

The Commission provides limited medical benefits to its retired employees.

The Commission changed its method of accounting for post-retirement benefits from expensing costs when paid to the accrued-benefits-method during fiscal 1997. The change in policy gave rise to an unrecognized accumulated liability of \$13,006,000, the actuarial present value of post-retirement benefits at December 31, 1997. This amount is being amortized over the expected average remaining service life of pension plan members - 13 years, commencing in 1997.

TORONTO TRANSIT COMMISSION

Notes to Financial Statements, page 7

Year ended December 31, 1997

(b) Employment and post-employment benefits

The Commission provides life insurance and self-funded medical, dental and long-term disability benefits to its current employees. As a Schedule 2 employer under the Ontario Workers' Compensation Act (Workplace Safety and Insurance Act, 1997, commencing January 1, 1998), the Commission assumes responsibility for financing the workplace safety insurance costs of its workers.

The present value of long-term disability and workers' compensation benefits at December 31, 1997 is estimated to be \$26,785,000 and \$39,350,000 respectively. The unrecognized accumulated liabilities at December 31, 1997, the difference between the present value and the amounts accrued in the accounts of the Commission, are \$2,615,000 for long-term disability benefits and \$12,810,000 for workers' compensation benefits. These amounts are being amortized over the expected average remaining service life of the disability plan members - 13 years, commencing in 1997.

11. COMMITMENTS AND CONTINGENCIES

- (a) In the normal course of its operations, the Commission and its subsidiaries are subject to various litigations and claims. The ultimate outcome of these claims cannot be determined at this time. However, management believes that the ultimate disposition of these matters will not materially exceed the amounts recorded in the accounts.
- (b) The Commission is committed to purchase 216 subway cars, at a total estimated contract cost of \$554 million. At December 31, 1997 progress payments of \$327 million have been made and the Commission has accepted delivery of 80 cars.
- (c) The Commission has contracts for the construction of various capital projects. At December 31, 1997 these contractual commitments are approximately \$320 million.
- (d) The Commission is committed to purchase 50 natural gas buses (low floor) and 104 clean diesel buses (52 low floor and 52 lift equipped), at a total estimated contract cost of \$66 million. At December 31, 1997 progress payments of \$11 million have been made and 1 low floor natural gas bus has been received.
- (e) The Commission leases certain premises under operating lease agreements. The future minimum lease commitments are as follows:

1998	\$6,000,000
1999	6,100,000
2000	5,600,000
2001	4,700,000
2002	4,600,000
thereafter	15,700,000

TORONTO TRANSIT COMMISSION

Notes to Financial Statements, page 8

Year ended December 31, 1997

12. SUBSEQUENT EVENTS

(a) Amalgamation

On January 1, 1998, the provincial City of Toronto Act, 1997 amalgamated Metro and the six municipalities within Metro, by incorporating a new municipality known as the City of Toronto. The Act provides that all the assets and liabilities of the old municipalities, as at December 31, 1997, are vested in and become the assets and liabilities of the new City on January 1, 1998. The Commission continues to function as one of the agencies, boards and commissions of the new City.

(b) Capital Subsidy Agreement

On March 31, 1998, the Province advised the City and the Commission that it planned to settle in 1998 its long-term obligation under the Capital Subsidy Agreement (see note 5). Details of the settlement have yet to be finalized.

Salary Disclosure - 1997

The Public Sector Salary Disclosure Act, 1996 requires the disclosure in the annual report of the salary and benefits of employees in the public sector who are paid a salary of \$100,000 or more in a year.

The following is a list of those employees for the year 1997:

NAME	POSITION	SALARY PAID	TAXABLE BENEFITS
Warren H. Bartram	General Superinten. - Track & Structure	109,415	3,221
Michael S. Blake	Chief Project Manager - Project Management (Capital Program)	115,367	3,221
Robert A. Boutilier	General Superintendent - Bus Maintenance & Shops	115,526	3,221
Robert J. Brent	Chief Marketing Officer	101,380	3,068
William D. Brown	Manager - Vehicle Engineering	105,191	3,221
Dennis R. Callan	General Manager - Engineering & Constr.	139,526	13,775
John D. Cannell	Manager - Pension Fund Society	105,191	3,221
David E. Chalmers	Chief Information Officer	105,191	4,914
Allen J. Chocorlan	Manager - Materials and Procurement	105,191	3,221
Rick Cornacchia	Deputy General Manager - Surface Ops	114,151	3,221
Kathryn Dean	Manager - Training & Quality Assurance	105,191	3,221
William G. Frost	Manager - Support Services	105,191	3,221
David L. Gunn	Chief General Manager	154,921	13,731
David W. R. Hammond	General Counsel	116,819	3,221
Lynn I. Hilborn	Deputy General Manager - Corporate	115,854	3,221
Brian M. Leck	Associate General Counsel	105,191	3,221
Ronald D. McLaughlin	Chief of Staff - Office of the Premier *	100,841	44
James H. Ralston	General Superinten. - Bus Transportation	109,415	3,221
Vincent Rodo	General Secretary/Gen. Manager - Exec.	117,824	13,775
John A. Sepulis	Chief Project Manager - Project Management (RTEP)	106,940	3,221
Bud L. Simpson	Deputy General Manager - Subway Ops.	120,000	3,221
Robert J. Thacker	General Superintendent - Wheel-Trans	113,472	3,221
Gary M. Webster	General Manager - Operations	121,646	13,775

* R.D.McLaughlin, Chief of Staff - Office of the Premier, is seconded to the Office of the Premier. All salaries and benefits are paid for by the Office of the Premier.

TORONTO TRANSIT COMMISSION
Conventional System
10-Year Financial and Operating Statistics

	1997	1996	1995
OPERATING STATISTICS			
<i>(regular service inside Metro)</i>			
Passenger Trips (Millions)	379.9	372.4	388.2
Basic Adult Ticket Fare (at December 31) (\$)	1.60	1.60	1.50
Average Number of Employees (including MTCTI)	9,133	9,129	9,459
Average Hourly Wages & Benefits per Operator (\$)	28.99	29.72	28.25 ³
Kilometres Operated (Millions)			
Bus	93.7	93.7	100.9
Subway Car	65.5	63.9	62.8
Streetcar	10.6	10.9	11.1
Trolley Coach	0.0	0.0	0.0
Scarborough RT	3.7	3.6	3.7
Total Kilometres Operated	173.5	172.1	178.5
OPERATING REVENUE STATISTICS			
Operating Revenue - including property rental, etc. (\$ Millions)	559.4	514.8	457.3
Operating Revenue per Passenger Trip (\$)	1.47	1.38	1.18
Operating Revenue per Kilometre (\$)	3.22	2.99	2.56
OPERATING EXPENSE STATISTICS			
Operating Expenses (\$ Millions)	703.5	684.0	671.8
Operating Expense per Passenger Trip (\$)	1.85	1.84	1.73
Operating Expense per Kilometre (\$)	4.05	3.97	3.76
OPERATING SUBSIDY STATISTICS			
Operating Subsidy (\$ Millions)	150.5	169.2 ⁵	214.6 ⁴
Operating Subsidy per Passenger Trip (\$)	0.40	0.45	0.55
Operating Subsidy per Kilometre (\$)	0.87	0.98	1.20
REVENUE/COST RATIO	80.4%	75.7%	69.3%
<i>(for eligible revenue & expenses)</i>			
CAPITAL ASSETS (Conventional & Wheel-Trans)			
Investment in Capital Assets at December 31 (\$ Millions)			
Gross Investment (before contributions & depreciation)	3,721.2	3,353.6	3,042.4
Metro & Provincial Contributions	(3,420.8)	(3,055.9)	(2,738.8)
TTC Investment (before depreciation)	300.4	297.7	303.6
PASSENGER VEHICLE FLEET			
<i>(Conventional & Wheel-Trans, owned or leased and in service December 31)</i>			
Buses	1,468	1,525	1,542
Subway Cars	620	640	622
Streetcars	248	248	248
Trolley Coaches	0	0	0
Scarborough RT Cars	28	28	28
Wheel-Trans Buses	140	140	140
Total Vehicle Fleet	2,504	2,581	2,580

Notes:

1. 1991 revenue does not include a \$48 million dividend from Metropolitan Toronto Coach Terminal Inc..
2. 1992 and 1993 revenue does not include draws from the Transit Improvement Reserve Fund.
3. The lower average hourly wages & benefits for Operators in 1994 and 1995 relate to the Social Contract savings.

1994	1993	1992	1991	1990	1989	1988
388.3	393.5	404.3	424.2	459.2	450.7	463.5
1.30	1.30	1.30	1.07	1.00	0.94	0.88
9,621	9,717	10,051	10,218	10,351	10,176	9,963
28.08 ³	28.75	28.30	26.59	24.99	23.24	21.63
100.5	99.0	102.1	98.8	101.9	98.1	100.1
63.8	63.6	65.1	67.8	70.9	70.4	72.2
11.2	11.5	12.0	12.7	13.1	13.1	13.9
0.0	0.7	0.5	4.8	5.4	5.0	5.3
3.6	3.7	3.5	3.3	3.3	3.2	2.3
179.1	178.5	183.2	187.4	194.6	189.8	193.8
444.8	447.0 ²	446.4 ²	430.7 ¹	440.4	401.7	381.5
1.15	1.14	1.10	1.02	0.96	0.89	0.82
2.48	2.50	2.44	2.30	2.26	2.12	1.97
671.9	681.1	691.0	662.6	628.3	561.5	531.9
1.73	1.73	1.71	1.56	1.37	1.25	1.15
3.75	3.82	3.77	3.54	3.23	2.96	2.74
207.1	234.1	244.6	231.9	187.9	159.8	150.4
0.53	0.60	0.61	0.55	0.41	0.36	0.32
1.16	1.31	1.34	1.24	0.97	0.84	0.78
69.4%	65.7%	66.2%	65.3%	67.4%	69.2%	69.5%
2,830.6	2,605.5	2,445.3	2,305.8	2,188.7	2,089.2	1,986.3
(2,532.9)	(2,317.0)	(2,161.5)	(2,047.7)	(1,931.5)	(1,841.2)	(1,745.2)
297.7	288.5	283.8	258.1	257.2	248.0	241.1
1,564	1,564	1,592	1,677	1,744	1,687	1,648
622	622	622	622	622	629	645
267	267	267	265	270	300	290
0	0	40	120	139	139	139
28	28	28	28	28	28	28
140	141	140	124	123	123	123
2,621	2,622	2,689	2,836	2,926	2,906	2,873

4. The 1995 Metro subsidy of \$110.0 million includes \$10.2 million from the Transit Improvement Reserve Fund a \$7.5 million from the Metro Contingency Account.

5. 1996 net operating costs were partially funded by \$6.4 million from the Commission's accumulated equity, while the Metro subsidy of \$79.2 million includes \$2.5 million from the Metro Contingency Account.

Management Directory - 1997

OFFICERS AND SENIOR OFFICIALS

David L. Gunn
Chief General Manager

Dennis R. Callan
General Manager
Engineering & Construction

Rick Cornacchia
Deputy General Manager
Surface Operations

David W. R. Hammond
General Counsel

Lynn I. Hilborn
Deputy General Manager
Corporate

Vincent Rodo
General Secretary/
General Manager
Executive

Bud L. Simpson
Deputy General Manager
Subway Operations

Gary M. Webster
General Manager
Operations

DEPARTMENT HEADS

Warren H. Bartram
General Superintendent
Track and Structure

Dick G. Beecroft
Chief Auditor

Andy G. Bertolo
Chief Engineer

Michael S. Blake
Chief Project Manager
Capital Program

Robert A. Boutillier
General Superintendent
Bus Maintenance & Shops

Robert J. Brent
Chief Marketing Officer

William D. Brown
Manager
Vehicle Engineering

Paul R. Buttigieg
Superintendent (Acting)
Property Management

John D. Cannell
Manager
Pension Fund Society

David E. Chalmers
Chief Information Officer

Allen J. Chocoran
Manager
Materials and Procurement

William Crosbie
General Superintendent
Signals/Electrical/
Communications

Kathryn Dean
Manager
Training and Quality
Assurance

Dave Dixon
General Superintendent
Streetcars

Lori Findleton
Manager
Human Resources

William G. Frost
Manager
Support Services

Ralph Laviolette
Manager
Project Services

Joe F. Lawler
General Superintendent
Subway Transportation

Don Leger
General Superintendeht
Plant Maintenance

Pamela J. McCombe
Manager Safety

Paul Millett
General Superintendent
Rail Cars and Shops

James H. Raiston
General Superintendent
Bus Transportation

Michael A. Roche
Chief Financial Officer

John A. Sepulis
Chief Project Manager
Sheppard Subway

Howard C. Smith
General Superintendent
(Acting)
Subway Transportation -
Administration

I. Mitchell Stambler
Manager
Service Planning

Robert J. Thacker
General Superintendent
Wheel-Trans

Michael J. Walker
Chief Security Officer

SUBSIDIARY COMPANIES

Metropolitan Toronto Coach
Terminal Inc.
David L. Gunn
President

Toronto Transit Consultants
Limited
Vincent Rodo
Treasurer

TTC Insurance Company
Limited
Vincent Rodo
President

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