

May 28, 2010

To: Executive Committee

From: Budget Committee

Subject: 2010 Toronto Transit Commission Budget Update

**Recommendations:**

**The Budget Committee recommends to the Executive Committee that:**

1. **The following Recommendation 1 of the letter dated May 11, 2010 from the General Secretary, Toronto Transit Commission, be received, and that all potential year-end surplus be treated in accordance with the City's year-end practices and surplus management policy.**
  - "1. **Approve adding \$5.2 million of the projected 2010 operating surplus to the TTC Stabilization Reserve such that this amount will be drawn out in 2011 to offset the annualized costs of the 2010 service changes included in Recommendation 1 of the attached report."**
2. **The City Manager and the Deputy City Manager and Chief Financial Officer, in consultation with the TTC's Chief General Manager, report to the Executive Committee as soon as possible to clarify in-year spending and reporting approval protocols.**
3. **The City Manager work with the Chief General Manager to account for expenditure and funding sources required to proceed with the TTC staff's Recommendations 1 and 2 contained in the letter dated May 11, 2010 from the General Secretary, Toronto Transit Commission.**

Background:

The Budget Committee on May 28, 2010, considered a letter (May 11, 2010) from the General Secretary, Toronto Transit Commission, entitled "2010 Toronto Transit Commission Budget Update".

for City Clerk

Merle MacDonald/tk

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May 11, 2010

Ms. Ulli Watkiss  
City Clerk  
Toronto City Hall  
100 Queen Street West  
Toronto, ON M5H 2N2

Dear Ms. Watkiss:

**Recommendations:**

The Toronto Transit Commission recommends that City Council, through the City of Toronto Budget Committee:

1. Approve adding \$5.2 million of the projected 2010 operating surplus to the TTC Stabilization Reserve such that this amount will be drawn out in 2011 to offset the annualized costs of the 2010 service changes included in Recommendation 1 of the attached report.

**Background:**

At its meeting on Thursday May 6, 2010 the Commission considered the attached report entitled, "2010 TTC Budget Update".

The Commission received the report updating the status of the 2010 TTC Operating and Capital budgets and approved the following:

1. Service level changes at a cost of \$2.9 million in 2010 and an annualized cost of \$5.2 million (detailed in Appendix A) in response to the better-than-budgeted ridership so far this year suggesting a year-end ridership level of between 469-474 million (virtually unchanged from the 2009 level of 471 million):
  - (i) reinstate the March 2010 service cut effective with the September Board period;
  - (ii) cancel the planned September 2010 Board period service cuts;
  - (iii) reduce overcrowding on the Bloor-Danforth line by adding an extra peak period train commencing with the September 2010 Board period;
2. Introduction of the first phase of the "Station Manager Deployment" program commencing with the September 2010 Board period and that the total workforce component of 42 be accommodated through the redeployment of other workforce positions to ensure no net increase in overall staff complement;
3. Requesting the City of Toronto to add \$5.2 million of the projected 2010 operating surplus to the TTC Stabilization Reserve such that this amount will be drawn out in 2011 to offset the annualized costs of the 2010 service changes included in Recommendation 1 of this report; and,

4. Forward this report to the City of Toronto Budget Committee for information.

The Commission also approved the following motions:

1. **That staff bring a report back in one year on the effectiveness of the Station Manager program.**
2. That the Chief General Manager be requested to pursue a short-term – one-time Summer/Fall 2010 cleanliness blitz.
3. That staff be requested to report at the June Commission meeting on approving a start to the implementation of the Transit City Bus Plan, with that implementation being limited to one-half of the “Ten-Minute-Or-Better” service component of the Plan, to be implemented commencing in the October 10, 2010 Board Period; and

Direct staff to begin to report on the implementation of this limited part of the plan in the phasing and sequence which they believe will deliver the greatest possible benefits to TTC customers.

The Commission’s recommendation is forwarded to Toronto City Council, through the City of Toronto Budget Committee, for its consideration.

Sincerely,

***Original signed by***

Vincent Rodo  
General Secretary  
1-11  
Attachment