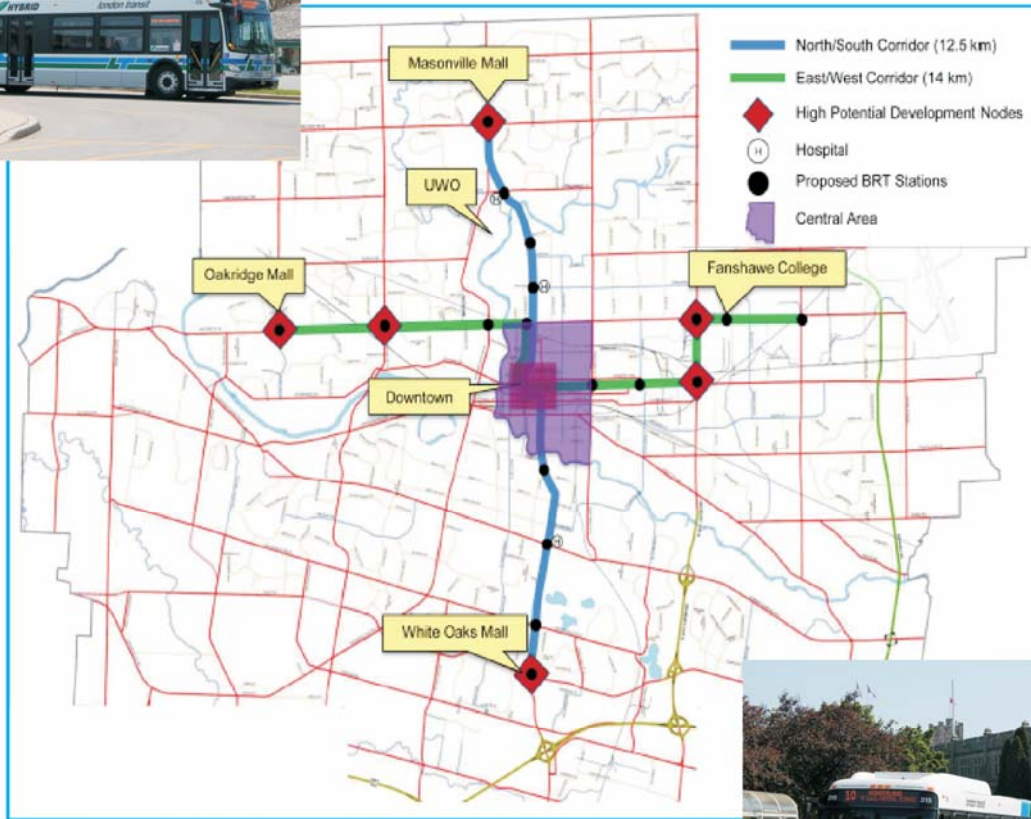




# London Transit Commission 2012 Annual Report





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March 28, 2013

To His Worship Mayor Joe Fontana  
and Members of Municipal Council

**Re: 2012 London Transit Commission Annual Report**

On behalf of all London Transit employees and the Commission, I am pleased to submit LTC's 2012 Annual Report for Council's review and consideration. The report summarizes the Commission's 2012 performance, including successes and setbacks, both in terms of developing as an organization and building an effective and efficient transit system expected and deserved by Londoners.

2012 saw a continuation of the increase in ridership on both conventional and specialized transit that started in 1996. The 2012 increase in ridership occurred notwithstanding economic uncertainty, issues of service quality, and the deferral of the 2012 service growth plans. Combined ridership for both services reached the 23.7 million ride mark, the highest in London Transit history. From a quantitative perspective, evidenced by such indicators as rides per capita, revenue cost recovery, and cost per ride, system performance continues to place London Transit at or near the top in all key service efficiency and effectiveness measures compared to its peer group of Ontario transit systems.

However, from a service quality perspective, the services have not performed as well. For conventional transit, late schedule, missed passenger, and overcrowding complaints have and continue to increase, with the increase since 2010 reaching 34%. Further, on an average weekday, actual loads exceed seated capacity for all time periods except early AM by between 25% and 73%. The capacity issue is more pronounced on the service's main line routes. In terms of specialized transit, non-accommodated trips are up 64% reaching 10,580 trips.

There continues to be disparity between ridership growth and service hour growth. Over the period of 2010-2012, for conventional transit, the ridership growth to service hour growth is four to one while for specialized transit it is approximately two to one. The disparity between ridership growth and service hour growth has contributed to service quality pressures raising the question of sustainability. Inevitably, continued poor performance in the qualitative measures will have a negative impact on sustainability and growth of the service.

The Commission has long recognized that, without significant change in the way service is delivered and supported, ridership will, at best grow marginally, with a more likely scenario being a ridership loss as the overall system effectiveness in meeting customer needs/expectations declines and the system becomes more expensive to operate. The system needs to migrate to a higher form of service delivery which requires increased investment. Without such migration supported by transit related policies, programs and investment, the system will cost more to carry the same or fewer riders. The required migration is defined in the approved 2030 Transportation Master Plan (TMP), which calls for conventional transit to move to an enhanced corridors and nodes design using a Bus Rapid Transit (BRT) platform. Change also has to take place regarding the delivery of specialized transit with such change being evidenced by

the move to larger vehicles and the integration/shifting of specialized transit trips to accessible conventional transit.

Notwithstanding economic uncertainty, constraints on available public investment, nature and extent of competing requests/demands for service, LTC remains committed to building a better transit service and grow as organization

I extend my gratitude to London Transit employees for their dedication and commitment as well as Municipal Council and the Civic Administration for their continued support, particularly given the City's fiscal challenges.

Yours truly,

A handwritten signature in blue ink, consisting of several overlapping, fluid strokes that form a cursive name.

Eric Southern  
Chair

## THE LONDON TRANSIT COMMISSION

### COMMISSION - CURRENT

ERIC SOUTHERN	CHAIR
HAROLD USHER	VICE CHAIR
FRANK BERRY	COMMISSIONER
JONI BAECHLER	COMMISSIONER
DAVID WINNINGER	COMMISSIONER

### SENIOR MANAGEMENT - CURRENT

LARRY DUCHARME	GENERAL MANAGER
KELLY PALECZNY	DIRECTOR OF FINANCE & ADMINISTRATION
JOHN FORD	DIRECTOR OF TRANSPORTATION & PLANNING
CRAIG MORNEAU	DIRECTOR OF FLEET & FACILITIES
ANDY HYNES	DIRECTOR OF HUMAN RESOURCES





## EXECUTIVE SUMMARY

2012 saw a continuation of the increase in ridership on both conventional and specialized transit that started in 1996. The 2012 increase in ridership occurred notwithstanding economic uncertainty, issues of service quality, and the deferral of the 2012 service growth plans.

Combined ridership for both services reached the 23.7 million ride mark, the highest in London Transit history. From a quantitative perspective, evidenced by such indicators as rides per capita, revenue cost recovery, and cost per ride, system performance continues to place London Transit at or near the top in all key service efficiency and effectiveness measures compared to its peer group of Ontario transit systems.

However, from a service quality perspective, the services have not performed as well. For conventional transit, late schedule, missed passenger, and overcrowding complaints have and continue to increase, with the increase since 2010 reaching 34%. Further, on an average weekday, actual loads exceed seated capacity for all time periods except early AM by between 25% and 73%. The capacity issue is more pronounced on the service's main line routes. In terms of specialized transit, non-accommodated trips are up 64% reaching 10,580 trips. For 2012, the service quality issues were exacerbated by the deferral of the 2012 service plans to 2013 given the uncertainty with respect to 2013 City of London investment support.

There continues to be disparity between ridership growth and service hour growth. Over the period 2010-2012, for conventional transit the ridership growth to service hour growth is four to one while for specialized transit it is approximately two to one. The disparity between ridership growth and service hour growth has contributed to service quality pressures raising the question of sustainability. Inevitably, continued poor performance in the qualitative measures will have a negative impact on sustainability and growth of the service.

The Commission has long recognized that, without significant change in the way service is delivered and supported, ridership will, at best, grow marginally, with a more likely scenario being a ridership loss as the overall system effectiveness in meeting customer needs/expectations declines and the system becomes more expensive to operate. The system needs to migrate to a higher form of service delivery which requires increased investment. Without such migration supported by transit related policies, programs and investment, the system will cost more to carry the same or fewer riders. The required migration is defined in the approved 2030 Transportation Master Plan (TMP), which calls for conventional transit to move to an enhanced corridors and nodes design using a Bus Rapid Transit (BRT) platform. Change also has to take place regarding the delivery of specialized transit with such change being evidenced by the move to larger vehicles and the integration/shifting of specialized transit trips to accessible conventional transit.

2012 saw progress on a number of key initiatives including:

- approval of the City's TMP, noting the central focus of the plan is the BRT Strategy;
- implementation of requirements associated with the Accessibility for Ontarians with Disability Act – Integrated Accessibility Standards Regulation, including the development of London Transit's first multi-year Accessibility Plan;

- approval of a smart card program, which, when fully implemented, will replace existing ticket, monthly pass and tuition based pass programs;
- placing into service 28 replacement and expansion buses (for 2011 and 2012) resulting in 100% of London Transit's fleet being low-floor accessible buses a year ahead of schedule;
- finalizing construction and hook-up of the \$1.5 million roof top solar panel system at the satellite facility, providing London Transit with approximately \$150,000 in revenue each year for 20 years; and
- finalizing the upgrade of the conventional transit services 2,176 bus stop signs.

2013 will see a continuation of many of the initiatives all of which are related to, and supportive of, balanced sustainable growth of the system; a particular challenge in uncertain economic times. A number of the more significant initiatives include:

- continued implementation of the City of London's TMP and related BRT Strategy including:
  - developing the business case supporting shared investment in BRT by all three levels of government;
  - developing a related communication strategy supporting informed relationships with all stakeholders/partners respecting the BRT and TMP
  - updating of the City's Official Plan via the Re-Think London process reflecting the TMP approved changes dealing with land use and intensification; and
  - implementing a short-term transit improvement plan linked to the annual service plan and review of existing route structure and revamping to support BRT.
- continued development and phased implementation of the smart card program;
- starting in the fall of 2013, moving to larger vehicles for the provision of the specialized transit service. The larger vehicles are intended to provide both improved capacity and scheduling flexibility providing net higher trips per hour and lower cost per trip;
- developing and implementing the 2013 conventional and specialized transit service plans. The plans call for the addition of 8,500 annual hours of conventional service and 7,500 annual hours of specialized service which are considered critical to addressing current service quality issues. The development of the plans includes consideration of trip integration between specialized and conventional services; and
- developing, with third parties, a business intelligence system enhancing performance management in a more timely and cost effective manner.

## 2012 SUMMARY OF FINANCIAL PERFORMANCE

### Statement of Operations - Conventional Transit Service

The 2012 Statement of Operations for conventional transit services is set out below. As indicated, revenues exceeded expectations by approximately \$0.679 million, while direct operating costs were less than budget by \$1.235 million resulting in a net favourable operating surplus of \$1.914 million.

2012 Statement of Operations - Conventional Transit Services ( millions )

Description	2012 Actual	2012 Budget	Amount Better (Worse)	Percent Better (Worse)
<b>Revenue <sup>(1)</sup></b>				
Transportation	\$ 31.326	\$ 30.859	\$ 0.467	1.5 %
Operations, reserves and reserve funds	2.207	1.990	0.217	10.9%
Province of Ontario (gas tax)	3.777	3.782	(0.005)	(0.1)%
City of London	20.918	20.918	-	0.0%
	<b>\$ 58.228</b>	<b>\$ 57.549</b>	<b>\$ 0.679</b>	<b>1.2 %</b>
<b>Expenditure <sup>(1) (2)</sup></b>				
Transportation	\$ 29.312	\$ 29.565	\$ 0.253	0.9%
Fuel	7.189	8.121	0.932	11.5%
Vehicle maintenance and servicing	11.363	11.429	0.066	0.6 %
Facility	2.930	2.761	(0.169)	(6.1)%
General and administrative	4.109	4.262	0.153	3.6 %
Total direct operating cost	54.903	56.138	1.235	2.2%
Contribution to reserves	3.325	1.411	(1.914)	-
	<b>\$ 58.228</b>	<b>\$ 57.549</b>	<b>\$ (0.679)</b>	<b>(1.2)%</b>
<b>Performance indicators</b>				
Total revenue service hours	0.552	0.555	(0.003)	(0.5)%
Total rides (including charter)	23.503	23.104	0.399	1.7 %
Program funding source				
Passenger	53.8%	53.6%	(0.2)%	(0.3)%
Operations, reserves and reserve funds	3.8%	3.5%	(0.3)%	(9.6)%
	57.6%	57.1%	(0.5)%	(0.9)%
Province of Ontario	6.5%	6.6%	0.1 %	1.3 %
City of London	35.9%	36.3%	0.4 %	1.2%
	<b>100.0%</b>	<b>100.0%</b>	<b>0.0%</b>	<b>-</b>

#### Notes

- (1) Excludes receipt of funding placed in reserves and subsequently applied to approved operating programs  
(2) Excludes impact of public reporting requirements respecting tangible assets and claims against future years

In summary, the major items impacting the 2012 operating budget performance include:

- net favourable transportation revenue associated with ridership being higher than budget by 1.7%, the average fare being less than anticipated by 1.5% and favourable prior year adjustment relating to higher enrolments with the tuition based pass programs;
- favourable investment interest on reserve funds and general operations;
- net favourable fuel costs related to lower prices and consumption being greater than budget, i.e. lower kilometers travelled (deferral of 2012 service changes) offset by lower kilometers per litre;

- net lower transportation costs primarily associated with the deferral of the 2012 service plan, offset in part with increased use of rush hour buses; and
- net higher facility costs primarily associated with higher than expected payment of grant in lieu of taxes for the satellite facility, including prior years adjustment offset in part by lower than expected utility costs and higher revenue from the sale of electricity from solar panels.

The \$1.914 net favourable operating surplus was applied to the Commission's reserves and reserve funds consistent with established administrative policies.

### ***Reserves and Reserve Funds***

An integral part of the Commission's financial strategy is the effective utilization of reserves and reserve funds supporting sustainability and service (ridership) growth while limiting municipal investment requirements, particularly in an environment of significant constraint on available public investment. The LTC has enjoyed success in balancing these competing objectives evidenced by flat-lining City of London operating investment levels at a combined average of 39% investment share, (36% investment share for conventional transit and average 75% share for specialized transit), while growing combined ridership by 2.6 million trips and expanding the services by some 38,000 revenue service hours over the period 2010-2012.

Further, the use of reserves and reserve funds, balanced with higher ridership returns has provided the opportunity to limit the nature and extent of fare adjustments over the years. Limiting fare adjustments has been critical given significant service quality issues reflecting the negative impact of a four to one ridership growth to service hour growth rate for conventional transit and a two to one ratio for specialized transit.

Reserves do not have identified assets but rather serve as working capital supporting current operations. The assets associated with reserve funds are treated as restricted and are only used for the purpose defined by the reserve fund. Investment returns generated from reserve fund assets stay vested with the reserve fund.

The use of reserves and reserve funds will continue to be critical on a going forward basis as they will be relied on to fund an increasing share, in a sustainable manner, of LTC's operating and capital budget programs evidenced by the increase associated with the 2013 operating budget vs. 2012 with the investment share going from approximately 8.2% to 8.7%. On balance, the reserves and reserve funds are in a reasonably healthy position, with their respective balances consistent with related administrative guidelines.

## Statement of Operations - Specialized Transit Service

The 2012 Statement of Operations for the specialized transit service is set out below. The major budget performance variances relate to favourable service delivery costs associated with the deferral of the 2012 service plan, and unfavourable provincial gas tax funding relating to lower overall operating costs associated with the deferral of the 2012 service plan.

### 2012 Statement of Operations - Specialized Transit (millions)

Description	2012 Actual	2012 Budget	Amount Better (Worse)	Percent Better (Worse)
<b>Revenue <sup>(1)</sup></b>				
Transportation	\$ 0.483	\$ 0.485	\$ (0.002)	(0.4)%
Province of Ontario (gas tax)	0.458	0.655	(0.197)	(30.1)%
City of London	3.388	3.388	-	0.0 %
	<b>\$ 4.329</b>	<b>\$ 4.528</b>	<b>\$ (0.199)</b>	<b>(4.4)%</b>
<b>Expenditure <sup>(1) (2)</sup></b>				
Transportation				
Brokerage	\$ 0.735	\$ 0.734	\$ (0.001)	(0.1)%
Service delivery	3.499	3.699	0.200	5.4 %
Get on board program	0.064	0.064	-	0.0 %
	4.298	4.497	0.199	4.4 %
Facility and Administration	0.031	0.031	-	0.0 %
	<b>\$ 4.329</b>	<b>\$ 4.528</b>	<b>\$ 0.199</b>	<b>4.4 %</b>
<b>Performance indicators</b>				
Revenue service hours	0.105	0.109	0.004	3.4 %
Ridership				
Eligible passenger trips	0.240	0.242	(0.002)	(0.8)%
Attendant trips	0.027	0.025	0.002	6.3 %
	0.267	0.267	0.000	5.5 %
<b>Program funding sources</b>				
Passenger	11.2%	10.7%	0.4 %	4.2 %
Province of Ontario	10.6%	14.5%	(3.8)%	(26.2)%
City of London	78.3%	74.8%	3.4 %	4.6 %
	<b>100.0%</b>	<b>100.0%</b>	<b>-</b>	<b>-</b>

#### Notes

(1) Excludes receipt of funding placed in reserves and subsequently applied to approved operating budget programs

(2) Excludes impact of public reporting requirements respecting tangible assets and claims against future years.

**Capital  
Budget**

#### **Program Performance**

The 2012 capital budget program, including carry forward amounts from 2011, totalled approximately \$18.378 million. The make-up and status of the respective projects and summary of capital funding sources are set out in the following tables.

**Summary - 2012 Capital Budget Performance ( millions )**

Program	Actual	Budget	Amount Better (Worse)	Status
<b>Service</b>				
Stop upgrades	\$ 0.274	\$ 0.220	\$ (0.054)	complete
TMP 2030 - BRT Strategy	-	2.300	2.300	carry fwd
Smart card program	-	2.280	2.280	carry fwd
Transit safety and security	0.270	0.265	(0.005)	complete
<b>Facility</b>				
Facility expansion - satellite	0.416	0.770	0.354	complete
Facility upgrades	0.427	0.620	0.193	carry fwd
<b>Fleet</b>				
Bus replacement - 2011 & 2012 - 25 buses	8.835	9.000	0.165	complete
Bus expansion - 2011 & 2012 - growth areas - 2 buses	1.100	1.151	0.052	complete
Bus expansion - 2011 - existing area - 1 bus	0.429	0.452	0.023	complete
<b>Other</b>				
Service fleet	0.028	0.040	0.012	complete
Fleet radio replacement	-	0.500	0.500	carry fwd
Shop and garage equipment	0.212	0.280	0.068	carry fwd
Information system software/hardware	0.329	0.500	0.171	carry fwd
	<b>\$ 12.318</b>	<b>\$ 18.378</b>	<b>\$ 6.059</b>	

**Summary - 2012 Sources of Capital Funding (millions)**

Source	2012 Actual	2012 Budget	Amount Better (Worse)	Percent of Total Funding
City of London - Capital Levy/Debt	\$ 5.729	\$ 5.977	\$ 0.247	32.5%
City of London - Development Charges	0.378	0.367	(0.011)	2.0%
Province of Ontario - Prov Gas Tax	2.594	8.155	5.561	44.4%
Government of Canada - Federal. Gas Tax	3.000	3.000	-	16.3%
LTC Capital Program Reserve	0.618	0.880	0.262	4.8%
	<b>\$ 12.318</b>	<b>\$ 18.378</b>	<b>\$ 6.059</b>	<b>100.0%</b>

The \$18.378 million included 15 projects, six of which will continue into 2013. The nine completed projects, totalling \$11.898 million came in under budget by \$0.547 million. The \$0.547 million was largely provincial gas tax funding, which the Commission reallocated to the smart card program and TMP - BRT strategy program.

## 2012 PERFORMANCE BENCHMARKING AND TRENDING

### Conventional Transit Service – Comparison to Other Ontario Transit Systems

London Transit measures/monitors performance from both a financial and service perspective in comparison to other Ontario transit systems with bus operations only and having populations of greater than 100,000. The following table sets out a comparison of key financial and service performance indicators for 2011 of LTC vs. the identified Ontario group average. 2012 data for LTC is also shown, noting 2012 group data will not be published until the fall of 2013. The comparison information is compiled and published by the Canadian Urban Transit Association (CUTA).

**Summary of Service and Financial Performance - Conventional Transit  
16 - Ontario Transit System - Bus Only Operations - Population Greater Than 100,000  
2011 Performance**

Description	2011 Ontario Systems <sup>(1)</sup>	2011 LTC		2012 LTC Actual
		Actual	Rank	
Population (millions)	5.426	0.366	7th	0.370
<b>Service Performance</b>				
Regular scheduled ridership (millions)	180.391	22.436	2nd	23.482
Revenue service hours (millions)	6.832	0.547	7th	0.552
Hours of revenue service per capita	1.26	1.49	4th	1.49
Rides per capita	33.2	61.3	1st	63.5
Rides per revenue service hour	25.1	41.0	1st	42.6
<b>Financial Performance</b>				
Direct operating cost per rider <sup>(2)</sup>	\$ 4.19	\$ 2.37	16th	\$ 2.34
Direct operating cost /revenue service hour <sup>(2)</sup>	\$ 110.58	\$ 97.08	10th	\$ 99.38
Municipal investment per rider	\$ 1.88	\$ 0.89	16th	\$ 0.89
<b>Program funding source</b>				
Passengers, operating and reserves	45.3 %	57.6 %	1st	57.6%
Province of Ontario	9.8 %	6.6 %	9th	6.5%
Municipality	44.9%	35.8 %	15th	35.9%
	100.0%	100.0%		100.0%

#### Notes

(1) Ontario systems excludes Ottawa, GO and Toronto given their size, service design and delivery model. Includes 16 bus only systems with populations of greater than 100,000, including London.

(2) Cost make up subject to structure of transit systems i.e. private sector delivery, department of the City as such the cost structure and reporting may be different. LTC costs represents full cost.

In comparison to the Ontario group average, which includes London, LTC is:

- 7<sup>th</sup> (largest) in terms population;
- 2<sup>nd</sup> (highest) in terms of ridership;
- 1<sup>st</sup> (highest) in respect of rides per capita and rides per revenue service hour;
- 16<sup>th</sup> (lowest) in terms of municipal operating investment per passenger and direct operating cost per rider;
- 15<sup>th</sup> (2<sup>nd</sup> lowest) in terms of municipal operating investment expressed as a percent funding of direct operating costs; and

- 1<sup>st</sup> (highest) in terms of percent funding provided by passengers, operations and reserves.

The service and financial performance measurements are reflective of a number of items, the emphasis of which is unique to the respective municipalities, including:

- the level of commitment and related fiscal support (investment) for public transit services;
- system size, level of service and form of service delivery;
- service area, geography, land use including the nature of development;
- population size and demographics;
- system structure including what and how costs are reported. Certain costs (e.g. human resources, finance and municipal taxes) are not necessarily shown as transit costs but rather as corporate costs; and
- application of provincial gas tax. It is the systems decision on how provincial gas tax moneys are allocated between operating budgets (conventional transit and/or specialized transit) and capital budgets. An increased focus on operating budgets has the effect of lowering the municipality's investment share.

As a collective, the performance comparison shows LTC as being at or near the top in all performance categories generating a high ridership return (evidenced by rides per capita and rides per revenue service hour) relative to the level of service and financial investment.

In terms of where operating investment is made, as indicated on the following table, LTC investment is, for the most part, consistent with other Ontario transit systems.

**Summary of Direct Operating Cost - By Function**  
**16- Ontario Transit System - Bus Only Operations - Population Greater Than 100,000**  
**2011 Performance**

Investment Make up	2011 Ontario Systems <sup>(2)</sup>	2011 LTC Actual	2012 LTC Actual
<b>Total on road service <sup>(1)</sup></b>	<b>86.3%</b>	<b>88.3%</b>	<b>87.5%</b>
<b>Facility</b>	<b>4.2%</b>	<b>4.7%</b>	<b>5.3%</b>
<b>General &amp; Administrative</b>	<b>9.5%</b>	<b>7.0%</b>	<b>7.2%</b>
<b>Total <sup>(3)</sup></b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Direct operating cost /revenue service hour</b>	<b>\$ 110.58</b>	<b>\$ 97.08</b>	<b>\$ 99.38</b>

**Notes**

- (1) Costs make up includes - transportation services, fuel and vehicle maintenance. Allocation based upon structure and basis for cost allocation. LTC costs represent full cost accounting.
- (2) Reported cost is subject to structure of transit systems i.e. private sector delivery, department of the City or separate Commission. LTC costs represent full cost accounting.
- (3) Ontario systems excludes Ottawa, GO and Toronto given their size and service design. The reported data is for 16 bus only systems with populations of greater than 100,000, including London.



As indicated, LTC investment in “on-road service” expressed as a percentage of total direct operating costs of 88.3% for 2011 is higher than the Ontario average of 86.3%. In 2012, LTC’s percentage decreased to 87.5%. The reduction was associated with the increased investment in facility costs (i.e. operating a satellite facility for a full year in 2012). Also, as indicated, LTC administrative costs continue to be well below the group average.

### **Conventional Transit Service – Trending Performance**

In addition to comparing LTC’s performance to peer Ontario transit systems, a three year trending analysis is completed. The following table sets out the trends for a number of service and financial performance indicators for the three year period of 2010-2012.

**Conventional Transit - Service and Financial Performance Summary - 2010 to 2012**

Measure	2010	2011	2012	Percent Change
Regular scheduled ridership - (millions)	21.204	22.436	23.482	10.7 %
Regular scheduled revenue service hours - (millions)	0.537	0.547	0.552	2.6 %
<b>Service Performance</b>				
Rides per capita	58.1	61.3	63.5	9.3 %
Rides per revenue service hour	39.5	41.0	42.6	7.9 %
Service hours per capita	1.47	1.49	1.49	1.3 %
<b>Financial Performance</b>				
Direct operating cost /rider	\$ 2.28	\$ 2.37	\$ 2.34	2.4 %
Direct operating cost/revenue service hour	\$ 91.60	\$ 97.08	\$ 99.38	8.5 %
Municipal operating investment per ride	\$ 0.86	\$ 0.89	\$ 0.89	3.0 %
<b>Program funding source</b>				
Passenger, operating and reserve funding	59.4 %	57.6 %	57.6 %	(3.0)%
Provincial funding (gas tax)	4.8 %	6.6 %	6.5 %	35.1 %
Municipal operating investment share	35.8 %	35.8 %	35.9 %	0.3 %

Of particular note are the following:

- municipal operating investment share over the period has been flat-lined;
- provincial gas tax is funding an increased share of the operating budget;
- ridership growth (10.7%) exceeds service growth (2.6%) by a margin of approximately four to one;
- service hours per capita shows a moderate increase;
- rides per capita and rides per revenue service hour continue to improve; and
- direct operating costs expressed as a percent of cost per revenue service hour has increased by 8.5% reflecting in part, the impact of:
  - higher fuel and insurance costs
  - higher facility costs associated with operating a second facility
  - higher employment benefit costs relating to significant increases in OMERS pension plan contributions and higher premium costs associated with workers compensation, long term and short term disability programs

In terms of the return on investment, the service continued to improve evidenced by both the increase in rides per capita and rides per revenue service hour. That being said, in trending performance critical consideration is given to the issue of how well the service is delivered. The following table provides a summary of service quality performance for the period of 2010 – 2012.

**Conventional Transit Service Quality Performance - 2010 - 2012**

Description	2010	2011	2012
<b>Preventable accidents/incidents</b>	<b>75</b>	<b>44</b>	<b>58</b>
<b>Per million kilometers travelled</b>	<b>6.5</b>	<b>3.7</b>	<b>5.0</b>
<b>Percent change - 2010</b>			<b>(23)%</b>
<b>Service (pull-ins) interruptions - number</b>	<b>2,084</b>	<b>1,867</b>	<b>2,290</b>
<b>Mean kms. between service interruptions</b>	<b>5,496</b>	<b>6,211</b>	<b>4,972</b>
<b>Percent change - 2010</b>			<b>(10)%</b>
<b>In-service repairs - number</b>	<b>2,166</b>	<b>1,838</b>	<b>2,290</b>
<b>Mean kms. between in-service repairs</b>	<b>5,287</b>	<b>6,309</b>	<b>4,972</b>
<b>Percent change - 2010</b>			<b>(6)%</b>
<b>Operator conduct complaints</b>	<b>783</b>	<b>621</b>	<b>518</b>
<b>Complaints per 100,000 riders</b>	<b>3.7</b>	<b>2.9</b>	<b>2.2</b>
<b>Percent change - 2010</b>			<b>(40)%</b>
<b>Operator compliments</b>	<b>126</b>	<b>227</b>	<b>229</b>
<b>Compliments per 100,000 riders</b>	<b>0.6</b>	<b>1.1</b>	<b>1.0</b>
<b>Percent change - 2010</b>			<b>64 %</b>
<b>Major service performance complaints</b>			
<b>Early/late schedule</b>	<b>327</b>	<b>551</b>	<b>511</b>
<b>Missed passengers - full load/not at stop</b>	<b>401</b>	<b>486</b>	<b>492</b>
<b>Overcrowding</b>	<b>24</b>	<b>61</b>	<b>118</b>
	<b>752</b>	<b>1,098</b>	<b>1,121</b>
<b>Complaints per 100,000 riders</b>	<b>3.5</b>	<b>5.1</b>	<b>4.8</b>
<b>Percent change - 2010</b>			<b>34 %</b>

Service complaints pertaining to schedule adherence, missed passenger, and overcrowding have increased by 34% (when expressed as complaints per 100,000 riders). The increase is directly related to ridership growth exceeding service growth by a four to one ratio.

The issue of overcrowding is further depicted in the following table which compares weekday system capacity by time period to actual passenger loads. As indicated, on a system-wide basis for an average weekday, actual loads exceeded seated capacity for all time periods except early AM. Further, the background information shows that capacity issues occur more frequently on the main line routes such as Wonderland, Dundas, Richmond and Oxford Street services where actual to seated capacity percent relationship is higher than the system average.

**Weekday System Average - Capacity Summary per Revenue Service Hour**

<b>Time Period</b>	<b>Seated Capacity</b>	<b>Actual Load</b>	<b>Actual % of Seated</b>
Early AM	37.3	27.5	74%
AM Peak	38.1	49.2	129%
Base	38.4	66.6	173%
PM Peak	38.1	60.1	158%
Early PM	38.6	63.4	164%
Late Evening	37.5	46.8	125%
<b>System average for weekday</b>	<b>38.2</b>	<b>58.1</b>	<b>152%</b>

With respect to complaints regarding Operator conduct, the complaints have declined over the period in both absolute numbers as well as when expressed in terms of complaints per 100,000 riders, with the latter reduction being some 40% or 2.2 complaints per 100,000 riders.

The number of Operator compliments over the period has increased growing from 0.6 compliments per 100,000 riders to 1.0 representing an increase of 64%. When viewed in concert with the decline in complaints, Operator performance trends are encouraging, particularly when considered in light of the ongoing service quality issues.

***Specialized Transit Service - Comparison to Other Ontario Systems***

As with conventional service, specialized service results are compared with other Ontario transit systems. The following table provides a comparison of key service and financial indicators of all Ontario transit systems providing specialized service including London.

In terms of the financial indicators, London Transit shows better than the average 31 Ontario reporting systems (including London) evidenced by:

- lower operating cost per eligible passenger trip;
- lower municipal operating investment per eligible passenger trip; and
- lower municipal investment level (make up of cost sharing).

Similarly, with respect to service performance, total eligible trips per capita, service hours per capita and registrants per capita all exceed the Ontario average. Eligible passenger trips per service hour is less than the Ontario average, which is thought to be related to a number of factors including utilizing larger vehicles and the emphasis placed on scheduling parameters, such as pick-up times and time on vehicle.

**Summary of Service and Financial Performance - Specialized Transit  
31 Reporting Systems (71 communities)  
2011 Performance**

Indicator	2011 Ontario Average <sup>(1)</sup>	2011 LTC Actual	2012 LTC Actual
<b>Service performance</b>			
Total eligible trips per capita	0.59	0.62	0.65
Service hours per capita	0.22	0.28	0.28
Registrants per capita	0.010	0.011	0.012
Eligible passenger trips per service hour	2.68	2.22	2.28
<b>Financial performance</b>			
<b>Program funding source</b>			
Passenger and operating	7.3%	11.2%	11.2%
Province of Ontario	2.7%	15.4%	10.6%
Other sources	0.1%	0.0%	0.0%
Municipality	89.9%	73.4%	78.3%
	100.0%	100.0%	100.0%
Municipal operating investment per eligible passenger	\$29.89	\$13.28	\$14.14
Total operating cost per eligible passenger trips	\$33.21	\$18.09	\$18.06

**Notes**

(1) includes 31 reporting Ontario transit systems including London.

***Specialized Transit Service – Trending Performance***

In addition to comparing LTC'S performance to peer Ontario transit systems, a three year trending analysis is completed. The comparison is set out in the following table.

As depicted:

- there is continued growth in registrants as well as eligible passenger trips with such growth being on average approximately two to one in comparison to the growth in service hours and rides per capita;
- there has been significant growth in the number of non-accommodated trips; and
- there has been marginal improvement in the number of completed trips (expressed as a percent of total bookings).

**Summary of Service Performance - Specialized Transit - 2010 to 2012**

Description	2010 Actual	2011 Actual	2012 Actual	Percent Change 10 vs. '12
Average registrants for the year	3,886	4,022	4,491	16 %
Registrant per capita	0.011	0.011	0.012	13 %
<b>Ridership</b>				
Eligible passenger trips	212,764	227,671	239,626	13 %
Attendant/companion trips	25,229	27,296	27,564	9 %
	237,993	254,967	267,190	12 %
<b>Service hours</b>				
Hours of service per capita	96,700	102,595	105,268	9 %
	0.27	0.28	0.28	5 %
<b>Service availability - allocation of total bookings</b>				
Percent of cancellation	13.9%	13.5%	13.1 %	(6)%
Percent of no shows	1.5%	1.6%	1.7 %	16 %
Percent of completed trips	84.6%	84.9%	85.2 %	1 %
	100.0%	100.0%	100.0%	--
<b>Non accommodated trips <sup>(1)</sup></b>				
Occurrences	4,893	5,009	10,580	116 %
Percent of total bookings	2.3%	2.2%	3.8 %	64 %
<b>Rides over 60 minutes</b>				
Occurrences	4,681	3,415	4,020	(14)%
Percent of eligible passenger rides	2.2%	1.5%	1.7 %	(24)%
<b>Pick ups over 30 minutes</b>				
Occurrences	1,064	911	1,099	3 %
Percent of eligible passenger rides	0.5%	0.4%	0.5 %	(8)%
Service complaints per 10,000 eligible passenger trips	4.1	3.6	4.8	17 %
Service compliments per 10,000 eligible passenger trips	0.6	1.4	0.7	17 %
Eligible passenger trips per average registrant	54.8	56.6	53.4	(3)%
Eligible passenger trips per capita	0.59	0.62	0.65	10 %
Eligible passenger trips per service hour	2.20	2.22	2.28	3 %

**Notes**

(1) A non-accommodated trip is one not provided within 30 minutes on either side of the requested time.

## OVERVIEW - 2012 WORK PLAN INITIATIVES

Each year, a work plan is established supporting continued progress toward meeting the strategies and objectives set out in London Transit's Business Plan. The work plan is supported by annual operating and capital budget programs. For 2012, there were 91 programs listed on the plan, noting certain of the programs had multiple parts and/or were subject to more detailed plans and timetables. Of the 91 programs listed, 58 (64%) were completed, 24 (26%) were considered "in progress" reflecting in many respects the nature of the initiative and nine (10%) were deferred.

Certain of the more critical 2012 work plan initiatives included:

- Working in concert with Civic Administration and Consultant on finalizing the City of London's 2030 Transportation Master Plan (TMP), including the establishment of a related implementation strategy. The TMP was approved by Municipal Council mid-2012. Subsequent to approval, a work plan was established in terms of the next steps associated with implementing the TMP including the Bus Rapid Transit (BRT) Strategy.
- Transitioning the replacement of 25 buses and receipt of three expansion buses, noting with the receipt of the 25 replacement buses, 100% of LTC's bus fleet is low floor accessible, one year ahead of the original schedule.
- Continued work on the development and implementation of the requirements of the Accessibility for Ontarians with Disabilities Act (AODA) including 2012 requirements associated with the related Integrated Accessibility Standards Regulation and development of the first multi-year Accessibility Plan consistent with the requirements of the AODA.
- Completion of the business case assessment for LTC's smart card program. In addition work was completed on the development of the program specifications and the contract award for the supply and installation of the system. The program will significantly change how current and future ticket and pass riders pay for the service.
- Finalizing the upgrade of all bus stops signs. The system's 2,176 bus stop signs were replaced with larger signs that are white/blue in colour, are reflective and have anti-graffiti coating. The new design provides for consistent messaging relating to route information, stop identification number and contact references to access either real-time or scheduled service information and as such, serve as critical communication tool link.
- Updating the operational review/audit guidelines for fleet and facility, in concert with the Ontario transit industry. The guidelines will be rolled out in the spring of 2013.
- Finalizing the installation of the roof top solar panel system at the satellite facility. The \$1.5 million system will generate approximately \$150,000 in revenue for LTC operations each year for 20 years. The system became fully operational in the spring of 2012.
- Developed the 2012 service plans for conventional and specialized transit services. The plans focused on addressing service quality issues (overcrowding, scheduled adherence) and unmet demand. The plans, initially approved for implementation in 2012, were deferred until 2013 given uncertainty with respect to 2013 City of London investment support.

## THE ROAD AHEAD – 2013 WORK PLAN INITIATIVES

The 2013 work plan initiatives call for continued development/implementation of a number of key initiatives, some of which commenced in prior years. There are 72 items set out in the work plan. The major 2013 initiatives include:

- continued implementation of the City of London's TMP, including the BRT Strategy including:
  - developing the business case supporting shared investment in BRT by all three levels of government;
  - developing a related communication strategy supporting informed relationships with all stakeholders/partners respecting the BRT and TMP;
  - updating of the City's Official Plan via the Re-Think London process reflecting the TMP approved changes dealing with land use and intensification; and
  - implementing a short-term transit improvement plan linked to the annual service plan and review of existing route structure and revamping to support BRT.
  
- Continued development and phased implementation of the smart card program. The program provides the opportunity to more accurately report revenue ridership, primarily related to the current pass programs, mitigate Operator - customer conflicts respecting fare payment; reduce or contain fare program administration costs, which for cash, ticket and monthly pass fares represent 7% of the average fare, and provide faster boarding times supporting improved service efficiency.
  
- Starting in the fall of 2013, moving to larger vehicles for the provision of the specialized transit services. The larger vehicles provide both improved capacity and scheduling flexibility supporting higher trips per hour and lower cost per trip addressing growing trip demand associated with continued growth in service registrations (and eventual expansion given AODA requirements) and the current high non-accommodated trip rate.
  
- Developing and implementing the 2013 conventional and specialized transit service plans. The plans call for the addition of 8,500 annual hours of conventional service and 7,500 annual hours of specialized service. The added hours are to address some of the more critical service quality issues, currently being experienced on the services. The development of the plans includes consideration of trip integration between specialized and conventional services.
  
- Developing, with third parties, a business intelligence system enhancing performance management in a more timely and cost effective manner. The process would merge data from a variety of information systems reporting on same against predetermined measures or standards.