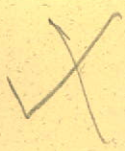


# Gearing Up for Growth







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## Message from the Chairman of the Board

I am pleased to announce that the STCUM appears to be on the right track. Ridership increased in 1994 and the Corporation is showing an excess of revenue over expenditures of \$14.8 million that will be carried forward into 1995. Against this optimistic backdrop, my colleagues and I were asked to form a new Board of Directors at the very end of the year.

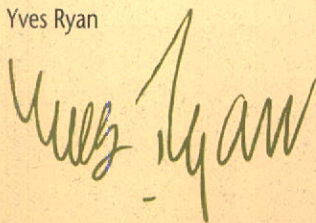
Spurred on by 1994 results, we shall continue working to meet the needs of our users, diversify our sources of revenue and maintain a high standard of service.

All of this is made possible by the motivated input of the entire STCUM team, and we thank each and every member most sincerely.

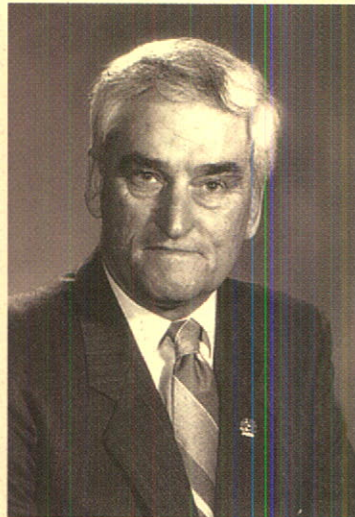
Like our shareholders, the MUC municipalities, the STCUM must deal with limited margin for manoeuvre, caused by the current state of the public finances. Our continuing priorities therefore remain the same: to ensure the rigorous management of resources, and to increase productivity so that we can offer the best service at the best price, in short, to rationalize all our operations.

I would like to thank all the board members whose terms ended in 1994. I am confident that the current board will be able to lead the Corporation in the right direction and help it meet the challenges of the years ahead.

Yves Ryan



Chairman of the Board and  
Mayor of Montréal-Nord



## Message from the General Manager

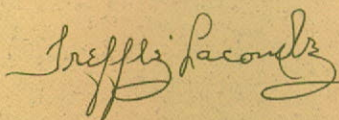
The STCUM has spared no effort in recent years to improve service and increase ridership. Following upon the drop in ridership in 1993, the number of trips rose in 1994 and STCUM-generated revenues were higher than forecast. It is a modest increase, but objectives have been met and, more importantly, the drop in ridership that has persisted since 1988 has finally been reversed.

Now, our overriding concern is to stay on the right track, which is why increasing ridership is the cornerstone of the 1994-96 Business Plan adopted in the beginning of the year. Three strategies have been identified to achieve this objective. We will pursue corporate action undertaken in recent years, focusing on improving the quality of our services and the image of public transit. Financially speaking, we will be simplifying and improving management processes, and investing in measures that promote productivity and the diversification of revenues. Finally, because our success ultimately depends on the total participation of STCUM personnel, our human resources strategy will be based on improving the climate in the workplace (a process already well under way), encouraging a more flexible management style, and mobilizing all employees.

Keeping equipment and facilities in good working order is also essential to achieve our objectives. I therefore established and chaired a committee whose task was to review all aspects related to maintenance at the STCUM. The committee met several times and considered comments and observations from some 200 people at every level of the organization. The committee's final report contains many recommendations to be followed up throughout 1995.

Our environment is changing, with people and jobs dispersed over an ever-expanding territory. But our objective remains the same, for the number of users is really the only true measure of the effectiveness of a public transit corporation.

I would like to thank all personnel for their tireless effort during 1994, and invite us all to be vigilant in the pursuit of our goals. The results for 1994 are certainly encouraging, but the battle is far from won.



Trefflé Lacombe





## Serving Our Customers

Public transit is essential to the quality and development of city life. The STCUM is fully aware of the important role it plays, and excellence is at the heart of its corporate mission.

The mission of the STCUM is to provide and promote public transit services in the territory it covers. In this way, it meets a number of social needs: to ensure mobility, to contribute to economic development, and to improve the quality of life of residents of the Montréal Urban Community and the Greater Montréal region.

To this end, the Corporation is committed to planning, developing, implementing and operating a world-class public transit system recognized for excellent customer service and sound management. It also publicizes and promotes the use of public transit.

In fulfilling its mission, the Corporation relies primarily on a large team of hard-working people whose input is respected at all levels. STCUM personnel are motivated and accountable with regard to achieving the Corporation's goals, and thus constitute its greatest asset and best guarantee of excellent service.

In order to provide top-quality public transit services, the equipment and facilities entrusted to the STCUM must be maintained in excellent condition. This is ensured by the financial resources generated by operations or allocated to the Corporation, all of which are under the most stringent management.



The STCUM is continuing to improve the quality of service, despite the prevailing climate of austerity. Meeting this challenge requires the creative energy of every man and woman in the organization.

More than 75% of STCUM employees are either in direct contact with passengers or involved in vehicle and building maintenance. The other 25% plan and coordinate services, and provide the support and supervision necessary to carrying out our corporate mission.

Our personnel is our most precious asset; given that payroll accounts for 64% of the STCUM's operating budget, maximizing performance is one of management's most important responsibilities.

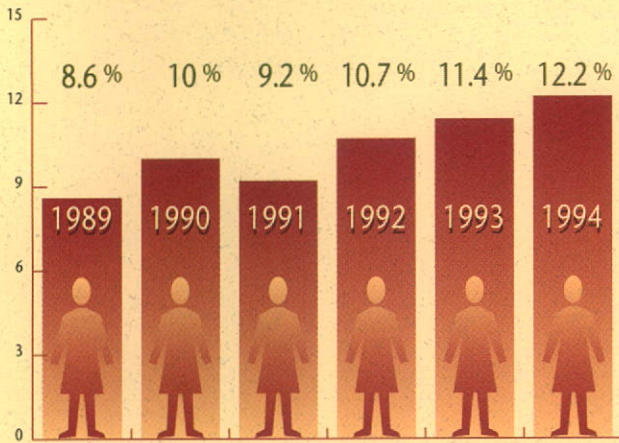
### Distribution of Full-Time Employees

	1991	1992	1993	1994
First-level managers - Operations	527	499	506	481
Managers	205	198	200	204
Middle management, professional staff and non-unionized office staff	298	309	324	84*
Unionized professional staff	—	—	—	164*
Divisional clerks	217	213	210	212
Surveillance officers	154	142	135	129
Unionized office staff	558	558	542	652*
Bus drivers, metro operators and others	3,799	3,928	3,925	3,946
Maintenance employees	1,917	1,911	1,867	1,830
<b>TOTAL</b>	<b>7,675</b>	<b>7,758</b>	<b>7,709</b>	<b>7,702</b>

\* A union representing professional staff was certified in 1994; some professional personnel joined the office staff bargaining unit.

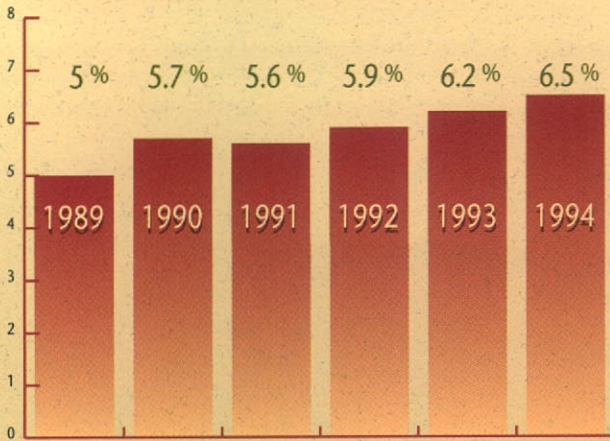


## ▶ Women in the STCUM



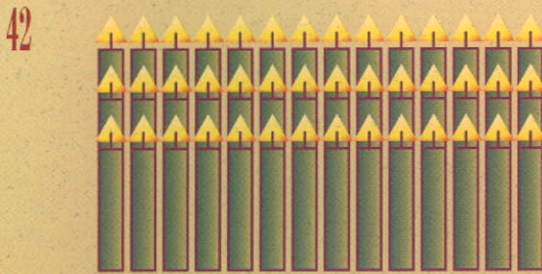
The STCUM has 950 women employees: 399 bus drivers, 42 metro operators and 83 fare collectors.

## ▶ Visible and Ethnic Minorities in the STCUM



A total of 505 employees are members of visible or ethnic minorities.

## ▶ Average Employee Age



## ▶ Average Number of Years of Service



## ▶ Unionized Personnel

With the 1994 certification of a union representing professional staff, there are now six unions representing 90% of all STCUM personnel.

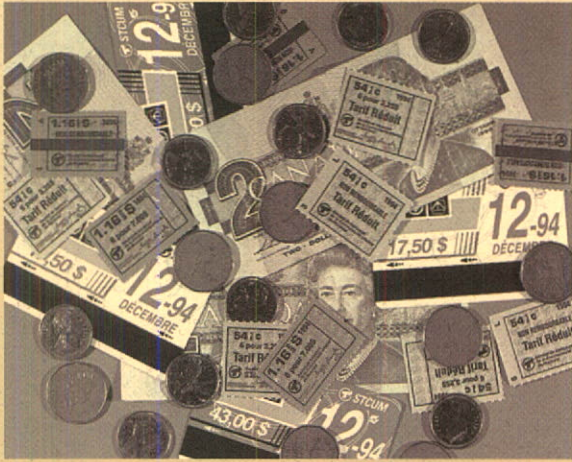


# Fares, Revenues and Expenditures: A Summary

## Fare Structure 1991-1994

	1991	1992	1993	1994
<b>CRT (Regional transit pass)</b>				
Regular fare	\$52.00	\$69.00	\$72.00	\$72.00
Reduced fare	\$26.00	\$38.00	\$39.50	\$39.50
<b>CAM</b>				
Regular fare	\$38.00	\$41.00	\$43.00	\$43.00
Reduced fare	\$14.50	\$15.50	\$17.50	\$17.50
<b>Ticket</b>				
Regular fare	\$1.00	\$1.08	\$1.17	\$1.17
Reduced fare	\$0.42	\$0.45	\$0.54	\$0.54
<b>Cash</b>				
Regular fare	\$1.50	\$1.60	\$1.75	\$1.75
Reduced fare	\$0.75	\$0.80	\$0.90	\$0.90
<b>Tourist pass*</b>				
1-day pass	-	-	-	\$5.00
3-day pass	-	-	-	\$12.00

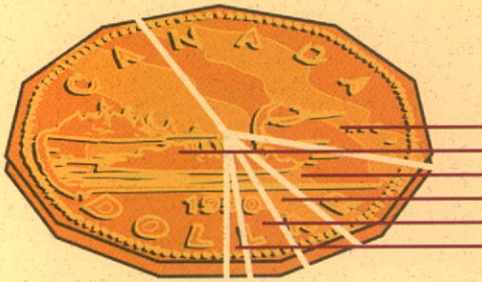
\* Tourist passes were introduced in mid-August 1994.



## Ticket Sales

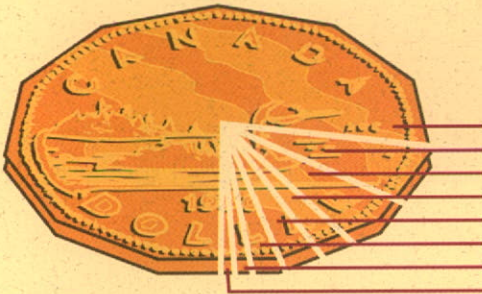
Regular-fare CAM monthly passes	2.47 million
Reduced-fare CAM monthly passes	1.05 million
Regular-fare 6-ticket strips	9.8 million
Reduced-fare 6-ticket strips	3.2 million
Single tickets or cash fares (regular)	20.6 million
Single tickets or cash fares (reduced)	2.8 million
Tourist passes (1-day)	3,020
Tourist passes (3-day)	2,240

## Revenues



<b>43.1%</b>	MUC contribution
<b>35.8%</b>	Operating revenues
<b>10.9%</b>	Québec government subsidies
<b>4.3%</b>	Vehicle licence tax
<b>4.2%</b>	CMTC contribution
<b>1.6%</b>	Other revenues

## Expenditures by Area of Operations



<b>78.0%</b>	Bus and metro
<b>7.6%</b>	Interest and financing costs
<b>7.0%</b>	Commuter trains
<b>2.8%</b>	Transit services for the disabled
<b>2.1%</b>	Maintenance of capital assets
<b>1.3%</b>	Capital expenditures fund
<b>1.0%</b>	Sinking fund
<b>0.2%</b>	Unexpected expenditures



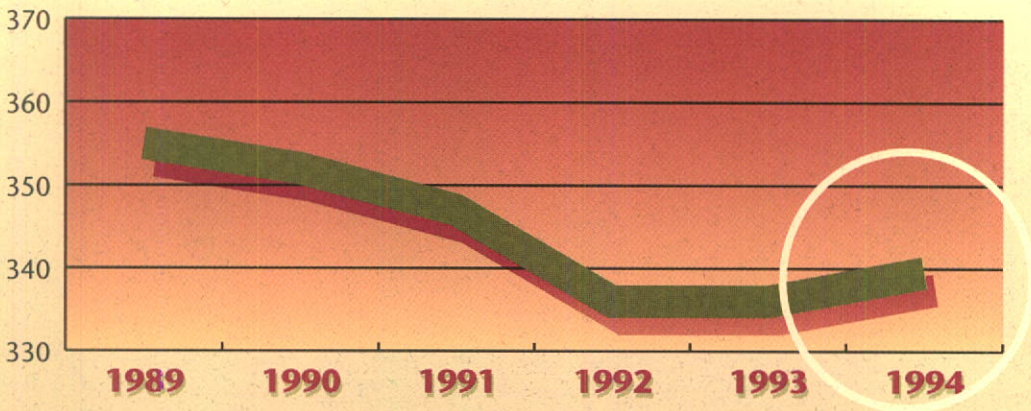
## Focus on Ridership

Increasing ridership remains STCUM's top priority. The process began in 1993 and is the cornerstone of the 1994-1996 Business Plan adopted by the Board of Directors early in the year. Our objective of 350 million trips in 1996 will be achieved by three integrated strategies:

- commercial strategy: improve the image and quality of service offered by the STCUM
- financial strategy: manage the Corporation at the lowest possible cost
- human resources strategy: mobilize all personnel in the service of our customers.

### Ridership is on the Rise

In 1994, the number of trips taken by STCUM customers rose from 336 million to 339.5 million, an increase of 1.1%. Revenues from fares rose 1.6%.



Ridership figures, which had been dropping since 1988, stabilized in 1993 and began an upward swing in 1994. Although this turnaround may appear minimal, it is nonetheless positive, for it means that the objectives of the Revitalization Plan were achieved.

## Our "Customer Focus"

A 1994 survey of 2,200 employees indicated in no uncertain terms that employee concern for providing quality customer service was a serious priority; a strong majority of those surveyed - more than 94% - made a direct link between increasing ridership and keeping their jobs.

The Corporation has also taken a number of steps to improve management and stay in closer touch with customer and employee needs: a customer-oriented internal task force has been created, and cooperation between different areas of the STCUM has been fostered. Clearly, "customer focus" is far more than just a term being promoted within the Corporation.

### Commercial Strategy

#### **Reposition public transit**

Integrated action on three levels:

- Demonstrate the comparative advantages of public transit
- Improve customer service
- Market STCUM services

### Financial Strategy

#### **Free up the financial resources that will facilitate the establishment of programs and actions necessary to achieve STCUM priorities.**

To be developed along two main lines:

- Increase revenues
- Control rising costs

### Human Resources Strategy

#### **Ensure that all personnel are committed to continuous improvement in customer service.**

This strategy focuses on the individual, and concerns three main areas:

- Climate in the workplace
- Management style
- Full employee mobilization



## Improving the image and quality of STCUM services

### TELBUS is growing

In early April, the second phase of TELBUS was launched. Customers who call the automated telephone system for schedule information at specific bus stops now have the option of service in French or English. A simple interactive menu also allows callers to obtain information about schedules at other times of the week, and at stops on other bus routes. Phase II was supported by a popular television advertising campaign and it is an unqualified success. The system has just completed its first full year of operation, and is now handling about 10,000 calls a day, or 3.5 million a year.



### Double the efficiency on Line 5 - blue

Faced with a steadily growing number of passengers, metro Line 5 - blue doubled its capacity in September, with 6 cars instead of 3 during rush hours. No more crowding, no more waiting on the platform watching a full train pull into the station. The added service was much appreciated in the Côte-des-Neiges area, which has a number of large educational institutions and employers. A direct marketing campaign informed students and employees in the neighbourhood of the improvement.



### Public transit on TV

Television was used to great advantage in 1994 to demonstrate why it's so much smarter to use public transit. An ad campaign based on the Chuck Berry song, "No Particular Place To Go" showed drivers dealing with traffic jams, parking problems and other headaches, compared to passengers rolling along smoothly by bus. In the fall, the same approach was used to promote the metro. At the same time, a French billboard campaign featured messages like "Boycottez! Prenez l'autobus" [Boycott! Take the bus] and "Contestez! Prenez le métro" [Protest! Take the metro], along with visuals featuring an expired parking meter and a ticket flapping under a windshield wiper.

### Public transit for tourists

In mid-August, the STCUM introduced the Tourist Pass, a one or three-day transit pass allowing visitors unlimited access to the public transit system. Hailed by tourist organizations and the hotel industry, the pass is easy to use and simplifies things for visitors to Montréal. It is sold primarily at INFOTOURIST counters and effectively replaces the old convention pass that used to be available only to visitors attending conventions.

## Reserved lanes up to 9

Two new reserved lanes were opened in October. The one on Sherbrooke between Honoré-Beaugrand and Georges-V has improved service to passengers who use any of the seven bus lines on this route, while making it easier for buses to access the terminus at Honoré-Beaugrand metro station. The other reserved lane is on Newman Boulevard in LaSalle, and has speeded up service for passengers heading to and from Angrignon metro station.

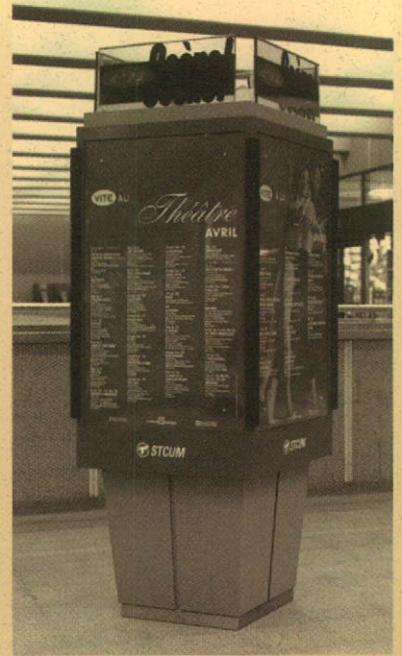


## Minibuses on demand

A brand new pilot project was introduced during the fall in the more sparsely populated western part of the island, where buses run less frequently. Local residents now have access to a special evening service: within a clearly defined perimeter, West Islanders can reserve minibus service for a specific time, either from their homes to the Fairview terminus, or vice versa. The service is offered at the regular STCUM fare and is an original solution to improving service in less densely populated areas of the MUC.

## Performing arts in the metro

On March 24, the STCUM and the Québec Coalition of Performing Arts signed a thoroughly original mutual promotion agreement, under which public transit was mentioned in the promotional materials of the various performance organizations, and 35 display columns were installed in 20 metro stations, featuring monthly listings of dance, theatre, music and comedy events. The four Coalition members also agreed to arrange performances in the metro for public transit users. The first event, organized by the Québec Music Council, was held on September 30 and another twenty shows were presented in six metro stations during the year.



## New drop-off/pick-up area at Henri-Bourassa

After building a new bus terminus at Henri-Bourassa metro station in 1993, the STCUM went one step further in 1994 and created a special area for "kiss and ride" customers. Up to 38 cars can drop off or pick up their passengers in complete safety without holding up traffic, especially in the reserved lane on Henri-Bourassa Boulevard.

## Faster than a speeding bullet...

Work on the Montréal/Deux-Montagnes commuter rail line continued during the year. Operations were shut down between May 7 to October 30, first on week-ends and then seven days a week. Transportation between train stations on MUC territory and downtown was ensured by a special bus service; many passengers commented on the speed, efficiency and dependability of the service.

In the fall, the STCUM received the first of the new commuter train cars manufactured by Bombardier, which will be tested on a section of track specially designed for the purpose. By the fall of 1995, the new cars will get passengers from one end of the line to the other in 36 minutes - 24 minutes faster than the old trains.



## New technology in the service of our customers

The prototype of a new low-floor bus was launched with great ceremony in September. The design is a boon to passengers with reduced mobility, and the first models will be put into service in 1995.

A new engine with a pollution-reducing catalytic converter has also been tested on one of the STCUM's Classic buses.



## "J'm'informe", "J'collabore" and "Bienvenue à bord"

Bus drivers and security agents now have a number of effective means to teach primary and secondary school students, COFI [Québec orientation and training programs] students, and senior citizens all about public transit and the STCUM. The three programs mentioned above were all developed jointly by the Communications Department and the program facilitators.

## 400 new buses hit the road

NovaBus of Saint-Eustache has stepped up delivery of its Classic city buses, and about 400 new vehicles went into service during the year, replacing the same number of buses that had been in service for 16 years. The old models were bought by an exporter and some of them have begun a second career in Cuba.



## Tunnel repairs on a roll

Work is intensifying on the metro tunnel renovation program. Repairs on Line 2 - orange between Berri-UQAM and Lionel-Groulx were carried out from January 9 to March 27 and from October 2 to 30; on Line 1 - green, repairs were done between McGill and Lionel-Groulx from June 26 to August 28, and between Frontenac and Atwater in November. The work was done on Sundays, with a special replacement bus service to ensure minimum disruption. The repair program was supported by a huge information campaign.



## The metro as museum

A special exhibit was held simultaneously in the McGill, Berri-UQAM, Place-des-Arts and Pie-IX metro stations from June 27 to July 8. Organized in cooperation with the Gallimard publishing company, the exhibit was a friendly nod to passengers who read in the metro, and featured the life and work of Antoine de Saint-Exupéry, the author of *The Little Prince*. A contest was held in conjunction with the exhibit and a number of prizes were awarded. During the *Salon du livre* in the fall, an exhibit on how books are made was mounted at McGill metro station.



## Safety first: yellow lines and red phones

A major campaign to promote safety in the STCUM was held from November 7 to 18, at a time when a CROP-TVA-La Presse survey showed that 65% of Montrealers felt completely safe in the metro, an 8% improvement over 1990 figures. The campaign focused on two main aspects: the yellow line on the bus and safety equipment in the metro. Radio spots, messages on the metro electronic communication system, posters on buses and metro cars and in metro stations, leaflets handed out at metro exits and travelling information booths staffed by Surveillance officers were all part of the campaign.

A survey conducted a few weeks afterward confirmed the campaign's success: 73.3% of those questioned knew immediately what the yellow line on the bus was for, and 93.8% were familiar with the red emergency telephones in the metro.



## Transit services for the disabled getting better all the time

IN 1994, Transit Services for the Disabled (TSD) completed 1.1 million trips, an increase of 12% over 1993. The figures are all the more impressive, given that they were achieved with a budget increase of barely 3.5%. The cost per trip dropped from \$20.63 in 1993 to \$18.99 in 1994. The negotiation of better taxi contracts (taxis account for 55% of all trips provided by TSD) and increased productivity across the board were instrumental in achieving these excellent results.

Service was also a primary focus during the year: a code of ethics was instituted for taxi drivers, and new minibus drivers received on-the-job support from more experienced drivers.



## Maintenance - a key concern

In June, in the wake of events in 1993 that forced the STCUM to take 150 buses out of service for emergency maintenance, General Manager Trefflé Lacombe announced the creation of a committee to oversee STCUM maintenance. The committee's mandate is considerable: to examine every aspect related to the maintenance of rolling stock, tunnels and fixed facilities in the metro and STCUM buildings. The committee met 27 times during the year and heard presentations from 195 employees.

In December, the committee submitted a report containing numerous recommendations with regard to buildings and facilities, standards, technical leadership, tools and inventories, budgets, internal cooperation, planning and coordination, work organization, training and motivation. The committee will continue to meet and ensure that its recommendations are followed up.



## Other achievements

- The implementation of a preventive maintenance program for the bus fleet
- The computerization of individual trip information ("How do I get from A to B?") available on request at the telephone information centre (TRAJET project)
- The installation of 120 bus shelters with benches
- The development of a neighbourhood marketing plan in Rosemont

# Mobilizing personnel for customer service

## Accent on recognition

A consistent employee recognition program was developed during the year, based on information gleaned through surveys and discussion groups: a newly created work group suggested ways to integrate current STCUM recognition programs, and many recommendations were made regarding the kind of feedback employees would like about their work. With a view to developing a true culture of recognition, a training program was established and all management staff will have benefited from it by the end of 1995.

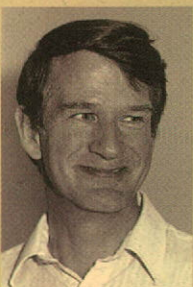


*I don't know whether the recognition program will change anything. As far as I'm concerned, it's not the number of "thank you's" that counts, it's the sincerity. If people are happy with my work, I'd rather hear about it directly from them, face to face. That kind of acknowledgement means more to me than public congratulations just for show. I'd rather hear about it directly from them, face to face. I'm the one it matters to.*

Claude Schoolcraft  
Trackman

*I think that there's room for improvement in employee recognition at the STCUM, but you have to start by making everyone more aware - employees and managers. Everyone has to do his or her own part, and it has to be a common concern, so that ultimately, recognition becomes the norm.*

Jeannette Gagné  
Operator



*I think there's going to be an improvement with regard to employee recognition throughout the STCUM. It may take different forms: verbal congratulations, a letter of appreciation, or perhaps even incentives - simple or more elaborate, depending on the circumstances. There are many opportunities to note when employees have done a good job, and people invariably appreciate the recognition.*

Alain Villemure  
Administrative Advisor

## Service in the driver's seat!

The Executive Branch - Surface Transportation designed a training program for bus drivers with a major focus on customer service. The program is very practically oriented and covers every aspect of the job, from greeting customers to handling difficult situations, including how to be both respectful and rigorous. The training sessions led to animated discussions during which bus drivers spoke clearly about their needs and concerns. The program evolved over the year and a number of ideas were suggested to ensure continuous improvement in customer service. Management is now taking steps to support these initiatives.



## Using humour as a weapon against discrimination

On the occasion of International Anti-Discrimination and Anti-Racism Day on March 21, the STCUM introduced "Des préjugés?" [Prejudiced?], a booklet for employees featuring various issues related to our multicultural society, presented in comic strip form.

## Collective agreements signed

On May 1, the maintenance employees' collective agreement was renewed until January 1997. On the same day, the STCUM and all its unions reached an agreement on the Supplemental Pension Plan. New provisions include an increase in pension benefits paid to the oldest retired employees.



## Experts behind the wheel

The number of accidents involving STCUM buses was down slightly in 1994, and we have our bus drivers to thank. Although bus drivers are on the road 8 hours a day, 5 days a week, often in heavy traffic, 80% of them have avoided causing an accident. No doubt they're inspired by driver Edmond D'Amour, who took first prize in the STCUM bus rodeo that puts drivers' skills to the test. D'Amour went on to win the Canadian championship a few weeks later, beating out colleagues from every major public transit corporation in the country.



## A sixth union for the STCUM

On June 28, a union representing 160 professional staff was officially certified. At the same time, 94 other professionals joined the union representing office staff, with the result that 90% of all STCUM employees are now represented by a union. The Corporation began negotiations with the new union in the fall and both parties agreed to pursue talks according to a new process of "reasoned negotiation."

## Health - Environment

The development of an occupational health and safety prevention plan has produced results in various areas. At the same time, the WHMIS (Workplace Hazardous Materials Information System) has been completely revised and a steering committee has been set up to consider environment-related issues. An initial report of achievements has been drafted.

## Information on the line

In mid-June, the Communications Department instituted a new telephone line called Mémojournal: twice a week, employees can call 280-MEMO and leave comments or questions on the answering machine about issues of concern to them. It's a more immediate, direct employee communication tool that nicely complements the STCUM's internal publications.

## A survey that speaks volumes

In the fall, a huge telephone survey was conducted to solicit the opinions of 2,200 employees on certain aspects of human resources management.

Among the results, it was found that employees

- enjoy good communication with their immediate superior (average mark: 3.94 out of 5);
- are proud to work for the STCUM (4.25 out of 5);
- feel they are treated with respect and dignity by their immediate superior (4.19 out of 5);
- are very aware that job security is connected to increasing ridership (4.43 out of 5);
- are concerned about the quality of services provided (all responses higher than 4 out of 5).

However, employees are also more critical and would like to see improvements in such areas as recognition, the time involved in settling problems, means to ensure quality, personal and professional development, the involvement of STCUM personnel, control over revenues and expenditures, and consistency within the Corporation.

## Cutting out paperwork

As a result of changes to the Québec Code of Criminal Procedures, surveillance officers may now issue tickets directly to users who break STCUM rules, whereas previously they were required to fill in a number of reports to bring offenders before the courts. The simplified system means officers can now spend more time patrolling.

## New approach to hiring bus drivers

Hiring methods were reviewed to ensure that bus drivers are better able to meet customer expectations. The job profiles of bus drivers, fare collectors and metro operators were all revised during the year.

## A changing management style

The Executive Branch - Construction and Major Maintenance is redoubling efforts to make employees under its supervision more accountable. To that end, the traditional management pyramid is being flattened and the role of individual managers is being transformed, giving way to more independent teams. Superintendents and division heads will now focus on corporate development, while foremen, section heads and operations managers will be more autonomous and report directly to their director. Management staff are all taking an active part in redefining their new roles.

## Making room for the next generation

After nearly 30 years in operation, some of the metro's first experts are now about to retire. Important steps have therefore been taken to ensure qualified successors, which is a major concern at the STCUM. These include a program under which younger employees work with more experienced mentor-companions, and various other measures to ensure the passing on of knowledge and expertise.



## Surveillance officers communicate more efficiently

STCUM surveillance officers now have radios linking them 24 hours a day to their operations centre. This allows them to respond more quickly and coordinate their efforts more effectively - internally and with their partners in the MUC police - while also increasing each individual's range of mobility.



## Practical information

In October, staff from the Civil Affairs branch of the Legal Department held four information sessions on the new Québec Civil Code. Topics covered included commercial leases, sales contracts, transportation contracts, insurance, mortgages and securities, access to the documents of public agencies, the protection of personal information, and others. About 150 people attended one or more of the sessions, and 97% felt the program was a success.

## Other achievements

- The process for handling grievances has been decentralized.
- First-level managers (Surface Transportation) have been trained with a view to having them take charge of work accident prevention and management.
- Orientation programs have been developed for new STCUM employees.



## *M*anaging the Bottom Line

### Revenues on the rise!

STCUM revenues are exceeding objectives: revenues from operations are up 1.6% and other company-generated revenues are up 6%. These excellent results can be attributed to exceptional performance in the first half of the year.

The program to increase advertising revenues is moving along as planned, in particular through agreements involving the construction of new advertising media in metro corridors.

Efforts are also being pursued to find new sources of revenue.

### The productivity picture is brighter

A number of improvements in administrative and operational procedures have helped improve productivity and optimized the allocation of financial resources. These include the computerization of the telephone information centre and a new coupling/uncoupling system for metro trains.



### New projects generating savings

Three projects in progress look promising with regard to future savings: GESMAT, the computerized inventory management system, the pilot project on lighting in the metro, and the plan to install special sensor-equipped mats on buses that automatically count the number of passengers.

### Integrated systems

SIIFE - an integrated financial and management information system - was designed to ensure optimum meshing of strategy and operations by simplifying processes and facilitating both access to and analysis of data. Accounting and payroll systems are the first systems being integrated, and SIIFE will soon extend to all STCUM operations systems.

### Stringent management creates more margin for manoeuvre

New management strategies and principles were developed during the year for application throughout the Corporation in 1995. The more stringent approach should result in tighter management of STCUM resources and revenues.

In every department, more careful control over expenditures by activity and more rigorous monitoring have contributed to a balanced budget.

# Awards and Honours

## American Public Transit Association Awards

- First prize, outdoor advertising  
"Boycottez, prenez..."
- First prize, television advertising  
"No particular place to go"
- Honourable Mention for billboards  
re: reorganization of service in Cité de la Mode

## Canadian Urban Transit Association Omnibus Awards

- Grand Prize - New services  
TELBUS
- Grand Prize - Internal campaign  
Art competition (calendar)
- Certificate of Merit - Ridership  
Comparison campaign
- Certificate of Merit - Image  
STCUM Magazine

## Corporate Audiovisual Communication Festival

- Silver "Corpovision"  
1994 corporate video

## Société des relationnistes du Québec Awards for Excellence

- Honourable Mention  
TELBUS campaign



## Number of vehicles

1,670 buses  
759 metro cars  
80 minibuses for the disabled

## Number of lines

176 bus lines (27 on night service) plus 9 reserved lanes  
4 metro lines serving 65 stations  
2 commuter rail lines

## Total distance travelled

(in millions of km)

	1993	1994	Difference
Bus	77.8	77.5	- 0.3%
Metro	64.9	65.7	+ 1.2%
Minibus	2.8	3.1	+ 10.7%

## Ridership

(in millions of trips)

	1993	1994	Difference
Bus and metro	336	339.5	+ 1.04%
Transit for the disabled	0.98	1.1	+ 11.4%
Commuter trains	7.7	7.3*	- 5.1%

\* Service on the Montréal/Deux-Montagnes line was interrupted for six months during repairs. There was no service at all from June 27 to August 28.

## Busiest metro stations

(number of entries in 1994)

<b>McGill</b>	<b>11,493,542</b>
<b>Berri-UQAM</b>	<b>9,813,918</b>
<b>Henri-Bourassa</b>	<b>8,313,904</b>
<b>Atwater</b>	<b>6,547,027</b>
<b>Longueuil</b>	<b>6,517,114</b>

## Busiest days in the metro

(number of entries)

<b>Thursday, February 10</b>	<b>752,951</b>
<b>Friday, February 25</b>	<b>749,721</b>
<b>Wednesday, February 2</b>	<b>732,480</b>

The busiest week was March 13 -19, with 4,273,907 entries.



## Most popular bus routes

(average daily ridership during the week)

<b>139 (505)</b>	<b>Pie IX</b>	<b>41,706</b>
<b>69</b>	<b>Gouin</b>	<b>37,519</b>
<b>121</b>	<b>Sauvé/Côte-Vertu</b>	<b>35,935</b>
<b>165 (545)</b>	<b>Côte-des-Neiges</b>	<b>35,558</b>
<b>80 (535)</b>	<b>Avenue du Parc</b>	<b>34,684</b>

## Buses on schedule

On average throughout the year, buses were on schedule 86% of the time, compared to the objective of 85%.

Buses are considered to be on time when they arrive at the stop no earlier than one minute before schedule and no later than three minutes after.

## Traffic accidents involving buses

<b>1993</b>	<b>1994</b>	<b>Difference</b>
3,248	3,219	- 0.9%

## TELBUS

A total of **3.5 million calls** were handled, for an average of almost **10,000** a day. The most popular lines were **68 - Pierrefonds** and **110 - Centrale**.

## A-U-T-O-B-U-S Information Centre

A total of **900,000** telephone calls were received.

## Lost and found

**20,285** items were found in the transit system. **3,865**, or **19%**, were retrieved by their owners.

## Comments and complaints

Customer Relations received **11,703** comments in writing and by telephone.

## Reduced fares

### Number of ID cards issued in 1994

Gold cards (senior citizens)	<b>12,395</b>
Student cards	<b>120,415</b>

These cards generated \$326,000 in revenues.



# The Board of Directors

**Yves Ryan**

Chairman  
Mayor of Montréal-Nord

**Jack H. Chadirdjian**

Vice-Chairman  
Montréal City Councillor

**Vera Danyluk**

Chairman of the MUC Executive Committee

**Paul Blier**

Montréal Suburban Citizen Representative

**Ivon LeDuc**

Montréal City Councillor

**Yvon Labrosse**

Mayor of Montréal-Est

**Gaétan Lévesque**

Montréal Citizen Representative

**Jacques Denis**

Mayor of Saint-Raphaël-de-l'Île-Bizard

**Achille Polcaro**

Montréal City Councillor



## Changes to the Board of Directors

The STCUM Board of Directors changed considerably in 1994. Early in the year, Jacques Denis, Mayor of Saint-Raphaël-de-l'Île-Bizard, replaced Raymond Savard, the former Mayor of Verdun. Vera Danyluk, the new Chairman of the MUC Executive Committee also joined the board. In August, former chairman Robert Perreault left the STCUM for a career in provincial politics, and

Montréal City Councillor Ginette L'Heureux served as acting chair until November.

The November municipal elections resulted in the arrival of four new members: Yves Ryan, Mayor of Montréal-Nord (who was appointed Chairman), and new City Councillors Jack H. Chadirdjian (Vice-Chairman), Ivon LeDuc and Achille Polcaro.

# The Management Committee

**Trefflé Lacombe**  
General Manager

**Élaine Binette**  
Director, Human Resources

**Roger C. Choquette**  
Executive Director, Metro and Commuter Trains

**Robert Dion**  
General Auditor

**Martin Girard**  
Director, Office of the General Manager

**Xavier Ceccaldi**  
Executive Director, Planning and Marketing

**Lorraine Pilon**  
Director, Communications

**Michel Rhéaume**  
Treasurer and Executive Director, Finance

**Daniel Robert**  
Secretary and Director, Legal Department

**Michel Ste-Marie**  
Executive Director, Surface Transportation

**Jacques Rompré**  
Executive Director, Construction and Major Maintenance



## The Finance Committee

**Yves Ryan**

Chairman  
Chairman of the Board

**Jack H. Chadirdjian**

Vice-Chairman of the Board

**Trefflé Lacombe**

General Manager

**Michel Rhéaume**

Treasurer and Executive Director, Finance

**Daniel Robert**

Secretary and Director, Legal Department

## The Audit Committee

**Jack H. Chadirdjian**

Chairman  
Vice-Chairman of the Board

**Yvon Marsolais**

Vice-Chairman  
Chartered Accountant and partner in Bourgeois,  
Marsolais and Associates

**Jacques Denis**

Member of the Board

**Robert Dion**

General Auditor

**Jacques Dubois**

Director, Internal Audit, Loto-Québec

**Trefflé Lacombe**

General Manager

# The Complaints Committee

The Complaints Committee was established in 1987. Its role is to ensure that every serious complaint related to discrimination, racism, harassment, dangerous driving, or insulting language and behaviour is fully investigated in co-operation with the plaintiff and employee concerned, and that the appropriate action is taken.

## **Sybil Murray-Denis**

Chairman

## **External Members**

### **Himmat Shinhat**

Representative, Ethnic Communities

### **Gaspard Massue**

Representative, Senior Citizens' Forum

### **Magdalena Natkaniec**

Student Representative

### **Charles Tanguay**

Representative, Transport 2000

## **Internal Members**

### **Pierre-André Duchesneau**

Director, Surveillance  
Construction and Major Maintenance

### **Benoît Gendron**

Director, Anjou Transportation Centre  
Surface Transportation

### **Mario Léonard**

Director, Station Operations  
Metro and Commuter Trains

## **Coordinator**

### **Roxanne Corbeil**

Manager, Customer Relations  
Communications

## **Secretary**

### **Anissa Sadrouine**

Secretary, Public Relations  
Communications

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## **Changes to the Complaints Committee**

Three new non-STCUM members joined the Complaints Committee in the fall. Sybil Murray-Denis, a former board member, replaced Robert Kouri as Chairman. Himmat Shinhat succeeded Frances Riley as ethnic community representative, and Charles Tanguay took over from Normand Parisien as representative of Transport 2000.





*S*ummary

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**To the Members of the Board of Directors of  
Société de transport de la Communauté urbaine de Montréal**

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We have audited the balance sheets of the Operating Fund, the Capital Expenditures Fund and the Sinking Fund and the statements of capital assets and long-term debt of the Société de transport de la Communauté urbaine de Montréal as at December 31, 1994 and the statement of revenue and expenditures of the Operating Fund, the statements of operations, permanent financing to be carried out and balances available under closed loan by-laws of the Capital Expenditures Fund and changes in the reserve for the redemption of debentures of the Sinking Fund for the year then ended. These financial statements are the responsibility of the Société'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 Société as at December 31, 1994 and the results of its operations for the year then ended in accordance with the accounting policies described in Note 2.

*Raymond Chabot, Martin Paré*

General Partnership  
Chartered Accountants

Montréal  
March 6, 1995



## Revenue and expenditures

Year ended December 31, 1994

(Stated in thousands of dollars)

	Budget (Note 3)	1994	1993
	\$	\$	\$
<b>Revenue</b>			
Independent (Note 4)	261,471	264,684	259,574
Contribution from the Conseil métropolitain de transport en commun (Note 5)	29,936	29,936	29,206
Government of Québec subsidies (Note 6)	81,470	77,207	69,163
Contribution from automobile drivers (registration tax)	30,575	30,228	28,979
Contribution from the municipalities served	305,250	305,250	305,250
	<b>708,702</b>	<b>707,305</b>	<b>692,172</b>
<b>Expenditures</b>			
Bus and metro service	551,822	551,642	544,697
Commuter train service	49,640	49,573	49,440
Transportation for the disabled	20,207	19,605	18,955
Debt servicing and financing costs (Note 7)	62,418	53,556	46,827
Unexpected expenditures	10,324	1,129	1,789
Assets maintenance	13,389	14,574	7,953
	<b>707,800</b>	<b>690,079</b>	<b>669,661</b>
<b>Appropriations</b>			
Capital Expenditures Fund	7,056	9,475	16,994
Sinking Fund	7,209	7,415	4,340
	<b>722,065</b>	<b>706,969</b>	<b>690,995</b>
Excess of revenue over expenditures (expenditures over revenue) before income deferred from previous year	(13,363)	336	1,177
Income deferred from previous year	13,363	14,485	13,308
<b>Excess(a)</b>	<b>-</b>	<b>14,821</b>	<b>14,485</b>

(a) This excess is shown in the liabilities of the Operating Fund's balance sheet under income deferred to next year.

## Balance Sheet

December 31, 1994

(Stated in thousands of dollars)

	1994	1993
	\$	\$
<b>Assets</b>		
Cash	8,586	1,854
Deposit in Trust	-	11,726
Subsidies receivable (Note 8)	24,321	22,146
Amounts receivable from the Conseil métropolitain de transport en commun	8,978	8,631
Contribution receivable from automobile drivers	7,832	7,529
Other receivables (Note 9)	14,709	15,647
Inventory of supplies and replacement parts	14,873	15,291
Advances to the Capital Expenditures Fund	55,102	24,667
	<b><u>134,401</u></b>	<b><u>107,491</u></b>
<b>Liabilities</b>		
Short-term loans	31,809	1,400
Accounts payable and accrued liabilities (Note 10)	75,733	84,391
Commitments payable	8,345	6,793
Due to the Sinking Fund	3,693	422
Income deferred to next year	14,821	14,485
	<b><u>134,401</u></b>	<b><u>107,491</u></b>

The accompanying notes are an integral part of the financial statements.



# Capital expenditures fund

## Operations

Year ended December 31, 1994

(Stated in thousands of dollars)

	1994	1993
	\$	\$
<b>Permanent financing</b>		
Long-term loan	89,559	112,000
Contribution for leasehold improvements	804	4,154
Operating Fund		
Projects carried out	6,719	6,523
Projects to be carried out	2,756	10,471
	<u>9,475</u>	<u>16,994</u>
	<b><u>99,838</u></b>	<b><u>133,148</u></b>
<b>Expenditures</b>		
Buildings	1,606	2,438
Improvements to metro infrastructure	589	263
Leasehold improvements	1,005	6,165
Automotive equipment - buses	1,112	1,881
Automotive equipment - other	1,804	1,475
Office equipment and furniture	6,212	8,051
Capital assets in progress	117,945	116,250
	<b><u>130,273</u></b>	<b><u>136,523</u></b>
<b>Permanent financing to be carried out for the year</b>	<b><u>(30,435)</u></b>	<b><u>(3,375)</u></b>

The accompanying notes are an integral part of the financial statements.

## Permanent financing to be carried out

Year ended December 31, 1994

(Stated in thousands of dollars)

	1994	1993
	\$	\$
Permanent financing to be carried out, beginning of year	(24,715)	(21,340)
Changes during the year	(30,435)	(3,375)
	<u>(55,150)</u>	<u>(24,715)</u>
Unused financing under closed loan by-laws during the year	(358)	-
Permanent financing to be carried out, end of year	<u><b>(55,508)</b></u>	<u><b>(24,715)</b></u>
Permanent financing to be carried out, end of year		
Unused financing	12,153	14,724
Expenses to be financed	(67,661)	(39,439)
	<u><b>(55,508)</b></u>	<u><b>(24,715)</b></u>

The accompanying notes are an integral part of the financial statements.



**Balances available under closed loan by-laws**

Year ended December 31, 1994

(Stated in thousands of dollars)

	<b>1994</b>	<b>1993</b>
	\$	\$
Balances available, beginning of year	48	48
Add		
Balances available under closed loan by-laws during the year	<u>358</u>	<u>-</u>
Balances available, end of year	<u><u>406</u></u>	<u><u>48</u></u>

The accompanying notes are an integral part of the financial statements.

# Capital expenditures fund

## Balance sheet

December 31, 1994

(Stated in thousands of dollars)

	1994	1993
	\$	\$
<b>Assets</b>		
	-	-
<b>Liabilities</b>	<u>          </u>	<u>          </u>
Due to Operating Fund	<u>55,102</u>	<u>24,667</u>
<b>Equity</b>		
Permanent financing to be carried out	(55,508)	(24,715)
Balances available under closed loan by-laws	406	48
	<u>(55,102)</u>	<u>(24,667)</u>
	<u>          </u>	<u>          </u>

The accompanying notes are an integral part of the financial statements.



## Changes in the reserve for the redemption of debentures

Year ended December 31, 1994

(Stated in thousands of dollars)

	<b>1994</b>	<b>1993</b>
	\$	\$
Balance, beginning of year	9,794	5,040
Appropriation and interest	8,164	4,754
Balance, end of year	<u><b>17,958</b></u>	<u><b>9,794</b></u>

The accompanying notes are an integral part of the financial statements.



## Balance sheet

December 31, 1994

(Stated in thousands of dollars)

	1994	1993
	\$	\$
<b>Assets</b>		
Investments		
Deposit certificate	1,000	1,000
Debentures and bond coupons, at amortized cost (market value \$13,023; \$8,674 in 1993)	13,265	8,372
	<u>14,265</u>	<u>9,372</u>
Advances to Operating Fund	3,693	422
	<u><b>17,958</b></u>	<u><b>9,794</b></u>
<b>Liabilities</b>		
Reserve for the redemption of debentures	<u><b>17,958</b></u>	<u><b>9,794</b></u>



December 31, 1994

(Stated in thousands of dollars)

	1994	1993
	\$	\$
<b>Assets</b>		
Capital assets acquired prior to 1966	23,675	23,675
Land	1,785	342
Buildings	54,375	40,115
Improvements to metro infrastructure	10,552	263
Leasehold improvements	7,170	6,165
Automotive equipment - buses	179,370	167,819
Automotive equipment - commuter trains	45,995	13,999
Automotive equipment - other	20,457	18,653
Office equipment and furniture	54,873	43,411
Expropriated assets	4,679	4,679
Capital assets in progress	401,833	379,530
	<b><u>804,764</u></b>	<b><u>698,651</u></b>
<b>Equity</b>		
Investment in capital assets	<b><u>804,764</u></b>	<b><u>698,651</u></b>

The accompanying notes are an integral part of the financial statements.

# Long-term debt

December 31, 1994

(Stated in thousands of dollars)

	<b>1994</b>	<b>1993</b>
	\$	\$
<b>Assets</b>		
Amounts accumulated in the Sinking Fund for the redemption of debentures	17,958	9,794
Amounts to be recovered for the redemption of long-term debt assumed by Municipalities served	116,909	92,296
Government of Québec	236,399	208,433
	<u><b>371,266</b></u>	<u><b>310,523</b></u>
<b>Liabilities</b>		
Long-term debt (Note 11)	<u><b>371,266</b></u>	<u><b>310,523</b></u>

The accompanying notes are an integral part of the financial statements.



## 1- Governing statutes and legislative changes

The Société de transport de la Communauté urbaine de Montréal is incorporated under the Act of the Communauté urbaine de Montréal.

As a result of legislative changes effective in July 1994, the Société is the sole owner of the metro assets situated within its territory. Consequently, the assets which the Société held as agent of the Communauté became assets of the Société.

Steps have been taken to determine the book value of the assets to the City of Montréal, the Communauté urbaine de Montréal and the Société. As at March 6,

1995, these assets are not recorded in the statement of Capital Assets.

Moreover, in accordance with legislative requirements, the cost of servicing the debt relating to loans for metro assets remains the responsibility of the Communauté and of the municipalities of the CUM territory. As was previously the case, only the costs of constructing additions and of major repairs to the existing metro assets and related borrowings are recorded in the Société's financial statements.

## 2- Accounting policies

### Financial statements

The financial statements are prepared in accordance with generally accepted accounting principles and the particularities of fund accounting taking into account, generally, the directives outlined in the Manuel de normalisation de la comptabilité municipale au Québec.

### Operating Fund

Revenue is accounted for in the year it becomes measurable and available.

Debt servicing and financing costs include capital repayments and interest on long-term debt including principal and accrued interest.

Inventories of supplies and replacement parts are charged to expenditures as they are used and the inventory at the balance sheet date is valued at the lower of average cost and replacement cost.

Expenditures related to vacation benefits, to accrued sick days and to employee pension plans are accounted for on a cash basis.

Obligations contracted with third parties before the year-end and payable in the short-term are charged to expenditures and recorded as commitments payable in the liabilities of this fund's balance sheet.

### Capital Expenditures Fund

Permanent financing provided by the Operating Fund (appropriations) is accounted for when an obligation is contracted with a third party or when a resolution is adopted allocating the amounts to specific projects.

Capital expenditures are recorded when they are incurred.

### Capital assets

Acquisitions of capital assets through the Capital Expenditures Fund are capitalized in the statement of capital assets at historical cost, or, in the case of donations, at their fair value when received.

Projects in progress at year-end are recorded in the capital assets in progress account and reclassified to the appropriate account according to their nature when the work and financing are completed.

No amortization has been recorded to reflect the wear and tear or obsolescence of capital assets.

### 3- Budget

#### a) Additional budget

Pursuant to resolution 4989 dated August 17, 1994, the Conseil de la Communauté urbaine de Montréal adopted an additional budget of \$23,497,000 for the Société to take into account the management of commuter trains throughout 1994 instead of 8 months, as provided in the initial budget adopted under resolution 4896 dated November 10, 1993.

#### b) Reclassified budget

The initial 1994 budget was reclassified on the basis of the financial statements presentation and is detailed as follows:

	Budget	Appropriations to the Capital Expenditures Fund	Appropriation to the Sinking Fund	Reclassified budget
(Stated in thousands of dollars)				
Bus and metro service	555,437	3,615	-	551,822
Commuter train service	49,640	-	-	49,640
Transportation for the disabled	21,537	1,330	-	20,207
Debt servicing and financing costs	69,627	-	7,209	62,418
Unexpected expenses	10,324	-	-	10,324
Assets maintenance	15,500	2,111	-	13,389
	<b>722,065</b>	<b>7,056</b>	<b>7,209</b>	<b>707,800</b>

### 4- Independent revenue

	Budget	1994	1993
(Stated in thousands of dollars)			
Bus and metro service	243,482	245,697	241,911
Commuter train service	6,748	6,755	7,043
Transportation for the disabled	850	803	712
Other revenue	10,391	11,429	9,908
	<b>261,471</b>	<b>264,684</b>	<b>259,574</b>

### 5- Contribution from the Conseil métropolitain de transport en commun (CMTC)

For the year ended December 31, 1994, contributions from the Conseil métropolitain de transport en commun amount to \$29,936,190 (\$29,206,040 in 1993) and correspond to an annual subsidy determined by the Québec government.

Regulations regarding the share attributable to each of the Sociétés of the income from regional monthly pass sales and the annual subsidy were approved by a by-law adopted at a meeting of the CMTC on November 26, 1992 and by the Transportation minister on August 16, 1993.

Income from regional monthly pass sales of \$4,425,997 (\$4,392,052 in 1993) is recorded under Bus and metro service and Commuter train service. This income is prorated as a percentage of sales of these passes to residents in each of the three Sociétés, except for income from commuter train service on the Montréal/Deux-Montagnes line in the section considered as regional public transportation, which is fully attributable to the Société.



## 6- Subsidies received from the Québec Government

### a) Public transportation assistance program:

Pursuant to the Québec Government's public transportation assistance program and special agreements, the Société is eligible to receive certain subsidies for 1994. The principal subsidies are;

- A subsidy equivalent to the residual deficit of commuter train service on the Montréal/Deux-Montagnes line deemed eligible by the Transportation minister.
- A subsidy for eligible expenses incurred for the purchase of buses, the construction of buildings, the restoration of metro cars and the modernization of commuter trains to a rate of 60%,

75% and 100% respectively. The subsidy may be paid as a contribution towards debt servicing or in cash, as the case may be.

### b) Transportation for the disabled:

In accordance with the powers granted to the Transportation minister by order in council 2071-79, the Société is eligible to receive a subsidy equivalent to 75% of the costs incurred for special transportation for the disabled which have been deemed eligible and approved by the Transportation minister.

Government of Québec subsidies are as follows:

	Budget	1994	1993
(Stated in thousands of dollars)			
Commuter train service			
residual deficit	18,875	19,009	18,179
Capital assets	46,442	42,713	36,710
Transportation for the disabled -			
operating expenditures	16,153	15,485	14,274
	<b>81,470</b>	<b>77,207</b>	<b>69,163</b>

## 7- Debt servicing and financing costs

	Budget	1994	1993
(Stated in thousands of dollars)			
Short-term financing costs	3,269	2,862	3,271
Debt servicing - principal	29,202	26,912	23,622
Debt servicing - interest	31,047	27,300	23,065
Interest income	(1,100)	(3,518)	(3,131)
	<b>62,418</b>	<b>53,556</b>	<b>46,827</b>

## 8- Subsidies receivable

	1994	1993
(Stated in thousands of dollars)		
Commuter train service - residual deficit	6,276	5,199
Capital assets	13,116	11,903
Transportation for the disabled - operating expenditures	4,929	4,964
Other	-	80
	<b>24,321</b>	<b>22,146</b>

## 9- Other receivables

	1994	1993
(Stated in thousands of dollars)		
Occupational accident payments to recover	2,971	3,603
Tax claims submitted to governments	4,501	4,877
General accounts receivable	2,168	4,861
Other	5,069	2,306
	<u>14,709</u>	<u>15,647</u>

## 10- Accounts payable and accrued liabilities

	1994	1993
(Stated in thousands of dollars)		
Trade accounts	23,580	25,867
Salaries and employee benefits	27,482	27,463
Holdbacks and security deposits	6,363	5,779
Accrued interest and principal	14,997	16,436
Other corporations' deposit in the trust account	-	5,656
Other	3,311	3,190
	<u>75,733</u>	<u>84,391</u>

## 11- Long-term debt

	1994	1993
(Stated in thousands of dollars)		
Debentures, interest rates varying from 3.75% to 11.75%, maturing from March 1995 to September 2007	371,266	307,423
Term notes, 9.5%	-	3,100
	<u>371,266</u>	<u>310,523</u>

Long-term debt is comprised of debentures and term notes which are a direct and general obligation of the municipalities of the Société's territory. These municipalities are jointly and severally liable with the

Société for the principal of the debentures, term notes and interest thereon.

The instalments on long-term debt for the next years are as follows:

### Debentures

(Stated in thousands of dollars)	
1995	38,142
1996	48,390
1997	23,160
1998	48,208
1999	45,399
2000 and subsequent years	167,967
Total minimum payments	<u>371,266</u>



## 12- Commitments

### **a) Sickness benefits:**

At December 31, 1994, accumulated sickness benefits are estimated at \$22,361,870 (\$24,212,522 in 1993), on the basis of salaries paid as of that date. Employees are entitled to receive in cash the value of their accumulated sickness benefits when they leave the Société.

### **b) Long-term leases:**

The Société has entered into long-term leases expiring from January 31, 1995 to October 31, 2010 which call for lease payments aggregating \$62,476,774

for office space. Minimum lease payments for the next five years are \$5,322,168 in 1995, \$4,338,131 in 1996, \$4,209,925 in 1997, \$4,218,290 in 1998 and \$4,235,361 in 1999.

Certain leases contain a renewal option for an additional five-year period which the Société may exercise by giving advance notice.

## 13- Contingencies

The total amount of claims for bodily injuries, damages to equipment and other litigations is \$22,857,251\$ (\$41,191,602 in 1993). The Société has made a provision for these claims that is deemed sufficient as at December 31, 1994 and all payments in excess of

the provision which may result from the settlement of these claims would be charged to earnings in the year in which they occur.

## 14- Comparative figures

Certain figures from the previous year shown for comparative purposes have been reclassified based on the current year's presentation.



Year ended December 31, 1994

(Stated in thousands of dollars)

## Appropriations to capital expenditures fund

	Reclassified budget	1994	1993
	\$	\$	\$
Bus and metro service	3,615	7,188	4,216
Transportation for the disabled	1,330	1,151	1,334
Revitalization Plan	-	-	229
Assets maintenance	2,111	1,136	11,215
	<b>7,056</b>	<b>9,475</b>	<b>16,994</b>

## Changes in capital assets

	Balance at beginning of year	Additions	Disposals	Balance at end of year
	\$	\$	\$	\$
Capital assets acquired prior to 1966	23,675	-	-	23,675
Land	342	1,443	-	1,785
Buildings	40,115	14,260	-	54,375
Improvements to metro infrastructure	263	10,289	-	10,552
Leasehold improvements	6,165	1,005	-	7,170
Automotive equipment - buses	167,819	35,711	24,160	179,370
Automotive equipment - commuter trains	13,999	31,996	-	45,995
Automotive equipment - other	18,653	1,804	-	20,457
Office equipment and furniture	43,411	11,462	-	54,873
Expropriated assets	4,679	-	-	4,679
Capital assets in progress	379,530	117,945	95,642	401,833
	<b>698,651</b>	<b>225,915</b>	<b>119,802</b>	<b>804,764</b>



Year ended December 31, 1994

(Stated in thousands of dollars)

**Long-term debt**

	<b>Authorized and issued</b>	<b>1994</b>	<b>1993</b>
	\$	\$	\$
Debentures, \$33,000,000			
10%, due on November 19, 1996, Sinking Fund	9,322	9,322	9,322
Debentures, \$31,000,000			
10,50%	13,255	-	13,255
10,75%, due on March 2, 1999, Sinking Fund	9,014	9,014	9,014
Debentures, \$30,000,000			
11,75%	2,402	-	2,402
11,75%, due on July 17, 1995	2,690	2,690	2,690
11,50%, due on July 17, 2000	19,140	19,140	19,140
Debentures, \$39,500,000			
11,25%	3,196	-	3,196
11,25%, due on December 14, 1995	11,969	11,969	11,969
11,50%, due on December 14, 2000	16,591	16,591	16,591
Debentures, \$48,000,000			
8,25%	2,184	-	2,184
8,50%, due on December 5, 1995	2,376	2,376	2,376
8,75%, due on December 5, 1996 (a)	16,958	16,958	16,958
9,50%, due on December 5, 2001, Sinking Fund	22,626	22,626	22,626
Debentures, \$70,000,000			
5,25%	6,300	-	6,300
6,00%, due on September 30, 1995	6,300	6,300	6,300
6,50%, due on September 30, 1996	6,300	6,300	6,300
6,75%, due on September 30, 1997	6,300	6,300	6,300
7,25%, due on September 30, 1998	6,300	6,300	6,300
7,50%, due on September 30, 1999	6,300	6,300	6,300
7,75%, due on September 30, 2000	6,300	6,300	6,300
8,00%, due on September 30, 2001	6,300	6,300	6,300
8,00%, due on September 30, 2002	6,300	6,300	6,300
8,75%, due on September 30, 2007	7,000	7,000	7,000

(a) Of this amount, \$14,374,000 comprises a Sinking Fund.

Year ended December 31, 1994

(Stated in thousands of dollars)

## Long-term debt

	Authorized and issued	1994	1993
	\$	\$	\$
Debentures, \$60,000,000			
5,50%	5,100	-	5,100
6,25%, due on June 2, 1995	5,400	5,400	5,400
6,50%, due on June 2, 1996	5,700	5,700	5,700
7,00%, due on June 2, 1997	6,000	6,000	6,000
7,25%, due on June 2, 1998	19,300	19,300	19,300
8,15%, due on June 2, 2003	18,500	18,500	18,500
Debentures, \$52,000,000			
4,50%	3,720	-	3,720
5,25%, due on September 23, 1995	3,990	3,990	3,990
5,75%, due on September 23, 1996	4,280	4,280	4,280
6,25%, due on September 23, 1997	4,590	4,590	4,590
6,50%, due on September 23, 1998	15,870	15,870	15,870
7,50%, due on September 23, 2003	19,550	19,550	19,550
Debentures, \$50,000,000			
3,75%, due on March 3, 1995	2,047	2,047	-
4,25%, due on March 3, 1996	2,170	2,170	-
4,75%, due on March 3, 1997	2,300	2,300	-
5,25%, due on March 3, 1998	2,438	2,438	-
5,50%, due on March 3, 1999 (b)	14,845	14,845	-
6,90%, due on March 3, 2004, Sinking Fund	26,200	26,200	-
Debentures, 50000000 \$			
6,25%, due on December 9, 1995	3,370	3,370	-
7,50%, due on December 9, 1996	3,660	3,660	-
8,00%, due on December 9, 1997	3,970	3,970	-
8,25%, due on December 9, 1998	4,300	4,300	-
8,50%, due on December 9, 1999	15,240	15,240	-
9,60%, due on December 9, 2004	19,460	19,460	-
Term notes, \$8,500,000, 9,50%	3,100	-	3,100
Total debentures and term notes		<b>371,266</b>	<b>310,523</b>

(b) Of this amount, \$12,259,000 comprises a Sinking Fund.



# Capital expenditures fund

## Analysis of Projects in Progress

Year ended December 31, 1994

(Stated in thousands of dollars)

By-law no.	Description	Authorized amount
15	Safety equipment in the metro	6,500
23	Construction of the St-Laurent Transportation Centre	18,000
CA - 6	Renovation work on the Berri-UQUAM/Longueuil line	3,900
CA - 7	Various work on fixed installations	11,631
CA - 8	New computerized payroll system	2,584
CA - 9	New accounting and budget system	1,846
CA - 13	Construction of the Jean-Talon electromechanical attachment	4,500
CA - 14	Building for the Caisse's operations	7,200
CA - 16	Miscellaneous capital expenditures - 1987	7,070
CA - 17	Alterations to urban buses	7,895
CA - 18	Purchase of service vehicles	1,100
CA - 19	Trains and pool of replacement trains - Rigaud/Montréal line	32,000
CA - 22	Purchase of 138 urban buses	34,600
CA - 23	Renovation work to 60 bus terminals	6,700
CA - 24	Replacement of hydraulic cylinders in various locations	4,000
CA - 25	Work in the Pie-IX reserved lane	6,900
CA - 26	Miscellaneous capital expenditures - 1989	1,718
CA - 27	Construction of the LaSalle Transportation Centre	41,000
CA - 28	Aboveground radio communication system	6,100
CA - 30	Purchase of 9 flatcars for the metro	2,300
CA - 31	Renovation of metro cars	68,800
CA - 32	Time recording system for drivers and operators	820
CA - 33	Changes to the drivers and operators assignment system	600
CA - 35	Purchase and installation of surveillance cameras in the metro	720
CA - 36	Miscellaneous capital expenditures - 1990	8,000
CA - 37	Bus washing equipment at the Anjou Transportation Centre	550
CA - 39	Purchase of 200 urban buses	56,700
CA - 40	Work and equipment for the St-Michel garage	6,150
CA - 42	Purchase of safety wheels for the metro	300
CA - 44	"Work on the Park Avenue, Côte-des-Neiges and René-Lévesque reserved lanes"	3,000
CA - 47	Purchase of 58 commuter train cars	133,500
CA - 48	Various work to facilitate steering to an agent on the Honoré-Beaugrand/Angrignon line	685
CA - 49	Purchase and installation of guide rails in garages and on pedestrian walkways	975
CA - 50	Vault renovation work	5,050
CA - 52	Replacement and renovation of metro fixed assets	5,540
CA - 54	Purchase of 100 urban buses (1993)	31,250
CA - 55	Construction or renovation of terminus and preparation of «park-and-ride» lots	8,900
CA - 56	"Installation of reserved lanes on Notre-Dame, Papineau, Crémazie and Henri-Bourassa streets"	2,975
CA - 57	Renovation of urban buses	19,675
CA - 58	Purchase and installation of 79 escalators for metro stations	38,900
CA - 59	GESMAT equipment management system	2,065
CA - 60	Automatic data gathering system in buses	3,700
CA - 61	Purchase of specialized rail vehicles	2,660
CA - 62	Purchase of 100 urban buses (1994)	31,000
CA - 63	Replacement of hydraulic cylinders for motorized vehicles	2,175
CA - 65	Purchase of 200 urban buses (1994)	63,000
CA - 66	Move of the Caisse	2,850
CA - 67	Preparation and/or construction of bus terminal	5,500
CA - 68	Newman/Sherbrooke reserved lanes	1,015
CA - 71	Purchase of 60 urban buses (1995)	22,200
		<b>736,799</b>
	Capital assets provided by appropriations - 1992	17,737
	Capital assets provided by appropriations - 1993	22,890
	Capital assets provided by appropriations - 1994	10,007
	Contribution for leasehold improvements	804
		<b>51,438</b>
		<b>788,237</b>

**Permanent financing**

**Expenditures**

Balance as at 1994-01-01	Financing for the year	Closed projects	Balance as at 1994-12-31	Balance as at 1994-01-01	Expenditures for the year	Closed projects	Balance as at 1994-12-31	Overfinancing (under-financing)
6,500		(6,500)		6,211		(6,211)		
14,096		(14,096)		14,096		(14,096)		
2,885		(2,885)		2,818		(2,818)		
10,250	75		10,325	10,358	47		10,405	(81)
2,584		(2,584)		2,584		(2,584)		
1,846		(1,846)		1,846		(1,846)		
3,499			3,499	3,485			3,485	14
3,380			3,380	3,387			3,387	(7)
1,025			1,025	721			721	304
31,997		(31,997)		31,996		(31,996)		
34,600		(34,600)		34,599		(34,599)		
6,165			6,165	6,015	251		6,266	(101)
3,135			3,135	3,582	22		3,604	(469)
4,500	165		4,665	4,659	26		4,685	(20)
634			634	634			634	
10,665	20,032		30,697	19,023	18,102		37,125	(6,428)
2,785	2,160		4,945	5,089	173		5,262	(317)
60,131			60,131	61,154	1,193		62,347	(2,216)
820		(820)		820		(820)		
544			544	544	14		558	(14)
650	22	(672)		671	1	(672)		
2,485	645		3,130	3,278	161		3,439	(309)
423			423	423			423	
49,805	764		50,569	50,170	401		50,571	(2)
4,335			4,335	4,437	56		4,493	(158)
300			300	248	15		263	37
450	880		1,330	680	705		1,385	(55)
80,480			80,480	86,151	1,120		87,271	(6,791)
	540		540	519	65		584	(44)
					384		384	(384)
					205		205	(205)
					206		206	(206)
	28,556		28,556	15,674	13,062		28,736	(180)
	1,200		1,200	1,060	168		1,228	(28)
	1,200		1,200	1,067	192		1,259	(59)
	1,100		1,100	1,498	480		1,978	(878)
				33	95		128	(128)
	28,700		28,700		28,867		28,867	(167)
					717		717	(717)
	3,520		3,520		50,891		50,891	(47,371)
					13		13	(13)
					312		312	(312)
<b>340,969</b>	<b>89,559</b>	<b>(96,001)</b>	<b>334,527</b>	<b>379,530</b>	<b>117,945</b>	<b>(95,642)</b>	<b>401,833</b>	<b>(67,306)</b>
1,171		(280)	891		780	(280)	500	391
16,243	(532)	(6,916)	8,795	3,568	7,816	(9,122)	2,262	6,533
	10,007	(4,795)	5,212		2,928	(2,590)	338	4,874
	804	(804)			804	(804)		
<b>17,414</b>	<b>10,279</b>	<b>(12,795)</b>	<b>14,898</b>	<b>3,568</b>	<b>12,328</b>	<b>(12,796)</b>	<b>3,100</b>	<b>11,798</b>
<b>358,383</b>	<b>99,838</b>	<b>(108,796)</b>	<b>349,425</b>	<b>383,098</b>	<b>130,273</b>	<b>(108,438)</b>	<b>404,933</b>	<b>(55,508)</b>





## Gearing Up for Growth

Do you know Antoine ? If you travel in our system, you are probably familiar with this character who was part of the various information pieces published in 1994. In the pages of the present annual report, Antoine has chosen to illustrate in his own special way the growth in ridership and revenues the STCUM has known in 1994.

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