

Toronto Coach Terminal Inc. Annual General Meeting

Members

Fenton Jagdeo (Chair)

Liane Kim (Vice-Chair)

Paul Ainslie
Josh Matlow

Jamaal Myers
Julie Osborne

Dianne Saxe

Secretary: Chrisanne Finnerty

Meeting Date: December 10, 2025

Start Time: 10:30 a.m.

Location: Council Chamber, Toronto City Hall, 100 Queen Street West/
Video Conference

Land Acknowledgement

Declarations of Interest – Corporations Act

Special Meeting of Shareholders Meeting No. 204

1. Election of Directors

Audit Committee

Members: Dianne Saxe (Chair), Fenton Jagdeo and Liane Kim

1. Approval of Minutes of the Audit Committee Meeting held on June 20, 2024
2. Draft Consolidated Financial Statements of Toronto Coach Terminal Inc. for the Year Ended December 31, 2024 (For Action)

Special Meeting of Directors Meeting No. 205

1. Draft Consolidated Financial Statements of Toronto Coach Terminal Inc. for the Year Ended December 31, 2024 (For Action)

Meeting of Shareholders

Meeting No. 205

1. Approval of Minutes of the Shareholders Meeting No. 203 held on June 20, 2024
2. Toronto Coach Terminal Inc. (TCTI) – Receipt of Proxy (For Information)
3. Consolidated Financial Statements of the Toronto Coach Terminal Inc. for the Year Ended December 31, 2024 (For Information)
4. Toronto Coach Terminal Inc. Exemption from Audit Requirements (For Action)

Meeting of Directors

Meeting No. 206

1. Approval of Minutes of Special Meeting of Directors No. 202 and Meeting of Directors No. 204 held on June 20, 2024
2. Toronto Coach Terminal Inc. (TCTI) – Election of Chair and Vice-Chair (For Action)
3. Toronto Coach Terminal Inc. (TCTI) – Appointment of Officers (For Action)
4. Toronto Coach Terminal Inc. (TCTI) – Election of Audit Committee Members and Committee Chair (For Action)
5. 2025 Operating Budget for the Toronto Coach Terminal Inc. (For Action)

Election of Directors

Date: December 10, 2025

To: Toronto Coach Terminal Inc. Special Meeting of the Shareholders

From: President, Toronto Coach Terminal Inc.

Summary

The affairs and business of Toronto Coach Terminal Inc. (TCTI) are to be managed or supervised by a Board of Directors having a minimum of three and a maximum of twelve Directors, who may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation and are not by the by-laws or by statute expressly directed or required to be done by the Corporation at meetings of the Shareholders.

Customarily, all members of the TTC Board have been elected as Directors of Toronto Coach Terminal Inc.

Recommendations

It is recommended that the Shareholders:

1. Elect the 10 TTC Commissioners as Directors of Toronto Coach Terminal Inc.

Financial Summary

There are no financial implications resulting from the adoption of this report.

Equity/Accessibility Matters

This report has no accessibility/equity issues or impacts.

Decision History

The election of Directors usually takes place at each annual meeting of shareholders, at which meeting all the Directors then in office shall retire but, if qualified, shall be eligible for re-election. The last election of Directors occurred in June 2024.

Comments

Except where the Corporation is a non-resident Corporation, a majority of the Directors must be resident Canadians.

No election or appointment of Directors is effective without their consent given in person at the meeting or in writing within ten days thereafter.

Contact

Chrisanne Finnerty, General Secretary, Toronto Coach Terminal Inc.

416-393-3744

chrisanne.finnerty@ttc.ca

Signature

Michael Atlas

President, Toronto Coach Terminal Inc.

Minutes

Toronto Coach Terminal Inc. (TCTI) Audit Committee

Meeting Date: Thursday, June 20, 2024

A meeting of the Toronto Coach Terminal Inc. (TCTI) Audit Committee was held in person and by video conference on Thursday, June 20, 2024 commencing at 9:58 a.m.

Present at Public Session

J. Myers, J. De Laurentiis, P. Ainslie, S. Holyday, F. Jagdeo, L. Kim, J. Matlow, C. Moise, J. Osborne and D. Saxe (TCTI Directors), M. Atlas (President, TCTI), D. Mitchell (Vice-President and General Counsel, TCTI), J. Montagnese, (Treasurer, TCTI) and C. Finnerty (General Secretary, TCTI)

TTC Staff: J. La Vita (Chief Financial Officer), A. Cerqueira (Director – Claims), L. Soto Maya (Coordinator – Secretariat Services, and J. Ishak (Administrator – Secretariat Services)

C. Finnerty was in the Chair.

Declaration of Interest - Corporations Act

Nil

Minutes of the Previous Meeting

On a motion by Julie Osborne, the Audit Committee reviewed and approved the minutes of the Audit Committee meeting held on Monday, June 12, 2023 and authorized the Chair and General Secretary to sign the same.

Business Arising Out of the Minutes

Nil

Public Presentations

Nil

Presentations/Reports/Other Business

1. Draft Consolidated Financial Statements of Toronto Coach Terminal Inc. for the year ended December 31, 2023 (For Action)

It is recommended that the TCTI Audit Committee:

1. Approve the draft consolidated financial statements of Toronto Coach Terminal Inc. for the year ended December 31, 2023; and
2. Approve the the forwarding of the unaudited consolidated financial statements of Toronto Coach Terminal Inc. to the Toronto Coach Terminal Inc. Board of Directors for approval at its meeting on June 20, 2024, and to the City of Toronto's City Manager, as requested by the City of Toronto Council at its meeting held on May 8, 2012.

Approved

The meeting adjourned at 9:59 a.m.

Draft Consolidated Financial Statements of Toronto Coach Terminal Inc. for the year ended December 31, 2024

Date: December 10, 2025
To: Toronto Coach Terminal Inc. Audit Committee
From: Treasurer, Toronto Coach Terminal Inc.

Summary

The Toronto Coach Terminal Inc.'s (TCTI) consolidated financial statements present TCTI's 2024 financial results and financial position as of December 31, 2024.

Recommendations

It is recommended that the TCTI Audit Committee:

1. Approve the draft consolidated financial statements of TCTI for the year ended December 31, 2024; and
2. Approve the forwarding of the unaudited consolidated financial statements of TCTI to the TCTI Board of Directors for approval, and to the City of Toronto's City Manager, as requested by the City of Toronto Council.

Financial Summary

The recommendations in this report have no funding implications.

Equity/Accessibility Matters

This report and its recommendations have no accessibility/equity issues or impact.

Decision History

The mandate of the TCTI Audit Committee includes a requirement to review financial statements intended for circulation amongst the shareholders.

The mandate also includes a requirement to approve the forwarding of the unaudited consolidated financial statements of TCTI to the TCTI Board of Directors for approval at

its meeting on June 18, 2025, and to the City of Toronto's City Manager, as requested by the City of Toronto Council at its meeting on May 8, 2012.

City Council and Executive Committee considerations

At the annual general meeting of shareholders on June 24, 2013, the TCTI Board and the Chair of the Toronto Transit Commission (TTC) Board on behalf of the TTC (as shareholder) approved discontinuing the audit of TCTI as of fiscal 2013. The unaudited consolidated financial statements include the results of TCTI's subsidiary, Toronto Transit Commission Insurance Company Limited (TTCICL). The financial statements of TTCICL continue to be audited.

Discontinuance of External Financial Audit of TCTI

Issue Background

The unaudited consolidated financial statements include the results of TCTI's subsidiary, TTCICL. As TCTI's new business model significantly reduced the number and variety of financial transactions, the TCTI board and the Chair of TTC Board on behalf of the TTC (as shareholder) approved discontinuing the audit of TCTI as of fiscal 2013 at the annual general meeting of shareholders on June 24, 2013. The financial statements of TTCICL continue to be audited.

Comments

TCTI generated a net surplus of \$141,000 in 2024, primarily due to bank interest revenue.

Contact

John Montagnese, Treasurer, Toronto Coach Terminal Inc.
Tel: (416)-393-3654
Email: John.Montagnese@ttc.ca

Signature

John Montagnese
Treasurer, Toronto Coach Terminal Inc.

Attachments

Attachment 1 - Consolidated Financial Statements of Toronto Coach Terminal Inc. for the year ended December 31, 2024

(Unaudited)
Consolidated Financial Statements of

TORONTO COACH TERMINAL INC.

Year ended December 31, 2024

TORONTO COACH TERMINAL INC.

(incorporated under the laws of the Province of Ontario)

Consolidated Statement of Financial Position

(Unaudited)

As at December 31

	Dec 31 2024	Dec 31 2023
	(\$000s)	(\$000s)
FINANCIAL ASSETS		
Cash and cash equivalents (note 7)	5,474	5,330
Accounts receivable	9	12
Due from City of Toronto (note 11a)	4,200	4,200
Indemnities receivable from the Toronto Transit Commission (note 9c)	122,720	128,668
City of Toronto (note 9e)	25,984	14,383
Total Financial Assets	158,387	152,593
LIABILITIES		
Accounts payable and accrued liabilities	116	116
Unsettled accident claims liabilities (note 10)	148,704	143,051
Loan payable to TTC (note 3)	4,201	4,201
Total Liabilities	153,021	147,368
NET ASSET	5,366	5,225
Less: Capital stock (note 8)	1,000	1,000
Accumulated Surplus	4,366	4,225

See accompanying notes to the consolidated financial statements

On behalf of the Board:

_____ Director

_____ Director

TORONTO COACH TERMINAL INC.

(incorporated under the laws of the Province of Ontario)

Consolidated Statement of Operations and Accumulated Deficit (Unaudited) Years ended December 31

	2024 BUDGET (\$000s) (Note 4)	2024 ACTUAL (\$000s)	2023 ACTUAL (\$000s)
REVENUE			
Interest revenue	301	282	285
Total revenue	301	282	285
EXPENSES			
Financial fees and charges	1	-	6
Insurance company management	153	141	147
Total expenses (note 5b)	154	141	153
Annual Surplus	147	141	132
Accumulated Surplus, Beginning of year	4,225	4,225	4,093
Accumulated Surplus, End of year	4,372	4,366	4,225

See accompanying notes to the consolidated financial statements

TORONTO COACH TERMINAL INC.

(incorporated under the laws of the Province of Ontario)

Consolidated Statement of Change in Net Asset Years ended December 31

	2024 BUDGET (\$000s)	2024 ACTUAL (\$000s)	2023 ACTUAL (\$000s)
Annual Surplus	147	141	132
Increase in net asset	147	141	132
Net asset - Beginning of year	5,225	5,225	5,093
Net asset - End of year	5,372	5,366	5,225

See accompanying notes to the consolidated financial statements

TORONTO COACH TERMINAL INC.

(incorporated under the laws of the Province of Ontario)

Consolidated Statements of Cash Flows Years ended December 31

	2024	2023
	(\$000s)	(\$000s)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	141	132
(Increase)/decrease in accounts receivable	3	(2)
Cash provided by operating activities	144	130
Increase in cash and cash equivalents during the year	144	130
Cash and cash equivalents, beginning of year	5,330	5,200
Cash and cash equivalents, end of year	5,474	5,330

See accompanying notes to the consolidated financial statements

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 1

Year ended December 31, 2024

1. NATURE OF OPERATIONS

Toronto Coach Terminal Inc. (the "Company"), formerly known as Gray Coach Lines Ltd. was incorporated in Ontario by Letters Patent dated June 28, 1927. The Company is wholly owned by the Toronto Transit Commission (the "TTC").

Up until July 7, 2012, the Company directly operated the coach terminal located at 610 Bay Street and 130 Elizabeth Street (the "Properties") in the City of Toronto (the "City"). On July 8, 2012, the Company leased the coach terminal to Greyhound and Coach Canada Toronto Operations Ltd. (GACCTO) which continued to operate the terminal until the lease expired on July 7, 2021. On June 16, 2021, the Company approved the transfer of operational management of the Properties to the City and, effective July 8, 2021, the City took over management of the Properties.

The Company wholly owns the TTC Insurance Company Ltd. ("Insurance Co."). The Insurance Company was incorporated on March 9, 1994 under the Ontario Corporations Act and provides insurance coverage for compulsory automobile personal injury and accident benefit claims for the TTC.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These financial statements are prepared by the Company in accordance with the Public Sector Accounting Standard (PSAS). In accordance with PS 1150 Generally Accepted Accounting Principles, and in the absence of specific guidance under PSAS, relevant guidance from other primary sources of generally accepted accounting principles were referenced for the measurement and presentation of unsettled accident claims liabilities. Since the Company holds all investments in the form of cash and cash equivalents, a Statement of Remeasurement Gains and Losses has not been presented.

(b) Basis of consolidation

The consolidated financial statements include the financial results of the Company's subsidiary, Insurance Co.

(c) Measurement uncertainty

The preparation of the consolidated financial statements in conformity with Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period.

Specifically, the recognized amounts of unsettled accident claims liabilities are based on the Company's best information and judgment. These estimates and other judgments are continuously evaluated based on management's experience and expectations about future events. Any variation in the ultimate insurance liability incurred will be offset by a corresponding change in the indemnities receivable and recognized in the current period.

(d) Cash and cash equivalents

Cash and cash equivalents consist of funds on deposit with a chartered bank.

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 2

Year ended December 31, 2024

(e) Unsettled accident claims liabilities

Unsettled accident claims liabilities reflect an actuarial assessment of the automobile claims liability on the basis mandated by the Financial Services Regulatory Authority of Ontario (FSRAO). When a claim is reported, a case reserve is established by adjusters and lawyers employed by the TTC. The liability includes an actuarially estimated provision for claims incurred but not yet reported and internal and external adjustment expenses. Claims provisions are first discounted to reflect the time value of money and provisions for adverse deviations are added in accordance with accepted actuarial practice and the requirements of the FSRAO.

(f) Interest Revenue

Interest earned from funds on deposit is recorded as interest revenue on an accrual basis.

(g) Related Parties

Related party transactions are defined, disclosed and recorded at the exchange amount in accordance with Public Sector Accounting Standards 2200 – Related Party Disclosures and 3420 – Inter-entity Transactions.

(h) Contingencies

In the normal course of its operations the Company is subject to various litigations and claims. Where the potential economic outflow is determinable, management believes that the ultimate disposition of the matters will not materially exceed the amounts recorded in the accounts. In other cases, the ultimate outcome of the claims cannot be determined at this time. Any additional or potential changes to claims will be disclosed in the period during which the receipt of economic outflow is probable. Where the potential economic inflow exists, the nature, and where practicable, the amount of the transaction is disclosed if the inflow of economic benefits is probable. No gain is recognized during the financial year unless the receipt of consideration is virtually certain.

(i) Change in accounting policies

On January 1, 2024, the Company adopted the Canadian public sector accounting standard PS 3400 Revenue. The new accounting standard establishes a single framework to categorize revenue to enhance consistency of revenue recognition and its measurement.

The Company also adopted the Canadian public sector accounting Standard PS 3160 Public Private Partnerships. The new accounting standard establishes guidance on how to account for public private partnership arrangements and the recognition and measurement of resulting assets and liabilities.

As of December 31, 2024, the Company determined that the adoption of these new standards did not have an impact on the amounts presented in the financial statements.

3. LOAN PAYABLE TO TTC

The loan payable to TTC consists of the following:

(in \$000s)	Dec 31, 2024	Dec 31, 2023
Accrued interest	3,101	3,101
Demand loan	1,100	1,100
Total loan payable	4,201	4,201

The loan payable to the TTC is non-interest bearing effective July 8, 2021.

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 3

Year ended December 31, 2024

4. BUDGET DATA

Budget data presented in these consolidated financial statements is based upon the 2024 operating budget approved by the Boards of Directors of the Company and Insurance Co. on June 20, 2024.

5. SEGMENT DISCLOSURES AND EXPENDITURES BY OBJECT

- (a) The following tables provide a breakdown of the consolidated statement of financial position, based upon the two segments of the Company and the Insurance Co. The figures exclude the Company's investment of \$100,000 (2023 - \$100,000) in Insurance Co. and the Company's advance to Insurance Co. of \$2.6 million (2023 - \$2.6 million), as they are eliminated upon consolidation.

(in \$000s)	Dec 31, 2024	TCTI	TTCIC	Total
Financial Assets				
Cash		2,774	2,700	5,474
Accounts receivable		9	-	9
Due from City of Toronto (note 11a)		4,200	-	4,200
Indemnities receivable from the				
Toronto Transit Commission (note 9c)		-	122,720	122,720
City of Toronto (note 9e)		-	25,984	25,984
Total Financial Assets		6,983	151,404	158,387

Liabilities

Accounts payable and accrued liabilities	116	-	116
Insurance liabilities	-	148,704	148,704
Loan payable to TTC	4,201	-	4,201
Total Liabilities	4,317	148,704	153,021

Capital stock	1,000	-	1,000
Accumulated Surplus	4,366	-	4,366

(in \$000s)	Dec 31, 2023	TCTI	TTCIC	Total
Financial Assets				
Cash		2,630	2,700	5,330
Accounts receivable		12	-	12
Due from City of Toronto (note 11a)		4,200	-	4,200
Indemnities receivable from the				
Toronto Transit Commission (note 9c)		-	128,668	128,668
City of Toronto (note 9e)		-	14,383	14,383
Total Financial Assets		6,842	145,751	152,593

Liabilities

Accounts payable and accrued liabilities	116	-	116
Insurance liabilities	-	143,051	143,051
Loan payable to TTC	4,201	-	4,201
Total Liabilities	4,317	143,051	147,368

Capital stock	1,000	-	1,000
Accumulated Surplus	4,225	-	4,225

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 4

Year ended December 31, 2024

- (b) The following tables provide a breakdown of the consolidated statement of operations and deficit by function and by expenditure object:

2024 (in \$000s)	TCTI Total	TTCIC Total	Consolidated Total
Revenues			
Interest revenue	141	141	282
Total Revenue	141	141	282
Expenses			
Materials, services and supplies (note 5c)	-	141	141
Total Expenses	-	141	141
Annual surplus	141	-	141
Accumulated Surplus	4,366	-	4,366
2023 (in \$000s)	TCTI Total	TTCIC Total	Consolidated Total
Revenues			
Interest revenue	138	147	285
Total Revenue	138	147	285
Expenses			
Materials, services and supplies (note 5c)	6	147	153
Total Expenses	6	147	153
Annual surplus	132	-	132
Accumulated Surplus	4,225	-	4,225

- (c) Materials, services and supplies of Insurance Co. is comprised of TTC management and administrative services necessary to support the operations of the Insurance Co. recorded at exchange amount and FSRA annual Insurance Co. Licence. In 2023, the company incurred, settled and paid interest and penalties in arrears due to notice of reassessment on historical Harmonized Sales Taxes (HST) tax return filing received from the Canada Revenue Agency (CRA).

6. FINANCIAL INSTRUMENTS

The financial instruments held by the Company include cash and cash equivalents, accounts receivable, due from City, indemnities receivable, accounts payable and loan payable.

The indemnities receivable corresponds with the insurance liabilities. The receivable balance arose from the indemnity agreements described in note 9(c) and 9(e). The Insurance Co. considers the carrying value of the indemnities receivable to be approximately equivalent to their fair value. The maturity of the indemnities receivable is directly linked to the maturity of the Insurance Co.'s insurance liabilities, resulting in the Insurance Co. having negligible liquidity and interest risk. The Company has low credit risk due to the guarantee agreement between the City and the Insurance Co.

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 5

Year ended December 31, 2024

The carrying values of cash and cash equivalents, accounts receivable, due from the City and the loan payable to TTC approximate their fair values due to the relatively short time period to maturity of these instruments. The credit risk on these financial assets are assessed as low as they either are on deposit with a major financial institution or are receivable from the Company's parent or ultimate parent, the TTC and the City.

Liquidity risk is assessed as low as the Company has sufficient financial assets to satisfy its obligations. The Company does not face market risk or currency risk.

7. CASH AND CASH EQUIVALENTS

Pursuant to the guarantee agreement with the City described in note 9(d), the Insurance Co. is required to maintain cash or securities available for payment of current liabilities equal to the greater of \$350,000 or one month's claims and operating expenses (all self-insured retention payments are processed through the TTC). The cash and cash equivalents amount restricted for this purpose at December 31, 2024 is approximately \$2,400,000 (2023 - \$1,700,000).

8. CAPITAL STOCK

The capital stock includes 10,000 common shares with a par value of \$100 each.

9. LICENCE AND INDEMNITIES RECEIVABLE

The Insurance Co. received a license on July 12, 1994 from the Financial Services Commission of Ontario (currently FSRAO) subject to the conditions outlined in the Provincial Order in Council dated July 6, 1994.

On March 11, 2021, the Provincial Order in Council was amended to allow the Insurance Co. to also underwrite automobile insurance risks of the City, subject to the following amended conditions:

- (a) Insurance Co. maintain, in aggregate, a paid-up capital and unimpaired surplus of not less than \$100,000;
- (b) Insurance Co. limit exclusively its underwriting to the automobile insurance risks of the City, excluding all of the boards, commissions and special purpose entities of the City, except for the TTC;
- (c) the 1994 indemnity agreement between the TTC and the Insurance Co., whereby the Insurance Co. is to be reimbursed by the TTC for all current and future costs and expenditures including all claims under the policies, continue and be in full force and effect;
- (d) the complete and full guarantee to the Insurance Co. from the City of TTC's liabilities and obligations under the indemnity agreement remains in full force and effect and
- (e) the indemnity agreement between the City and the Insurance Co., whereby the Insurance Co. is to be reimbursed by the City for all current and future costs and expenditures including all claims under the policies, continue and be in full force and effect.

The Insurance Co.'s licence was amended on June 1, 2021, and the related policy forms and endorsements were approved by FSRAO on November 19, 2021 with an effective date of January 1, 2022.

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 6

Year ended December 31, 2024

As a result of the indemnity agreements and the City guarantee, Insurance Co. does not bear insurance risk, as any change in Insurance Co.'s unsettled accident claims liabilities would be offset by a corresponding change in the balance of the indemnities receivable. For this reason, disclosures on specific insurance risks have not been made.

10. UNSETTLED ACCIDENT CLAIMS LIABILITIES

Unsettled accident claims are established to reflect all liabilities associated with the insurance policies at the reporting date. The ultimate cost of these liabilities will vary from the best estimate made by management for a variety of reasons, including additional information with respect to the facts and circumstances of the claims incurred.

Case Reserves

Unsettled accident claims are based on the case reserves set by claims adjusters for each individual claim. These specialists apply their knowledge and expertise, after taking available information regarding the circumstances of the claim into account, to set individual case reserve estimates. The Company bases such estimates on the facts available at the time the reserves are established.

Incurred But Not Reported

An incurred but not reported provision "IBNR" is then added to the case reserves as uncertainty exists on reported claims, because, for example, full information on case files may not be available at the valuation date, or losses have been incurred but are not yet reported. Therefore, the Company relies upon historical information and statistical models, to estimate the IBNR liability.

The Company also uses reported claims trends, claims severity, exposure growth and other factors in estimating its IBNR reserve including a COVID-19 reduction factor to adjust the expected losses for accident years 2020-2024 due to decreased ridership compared to pre-pandemic levels. The time required to learn of and settle claims is an important consideration in establishing the Company's reserves. The Company revises these reserves as additional information becomes available.

Time Value of Money and Provision for Adverse Deviation

The provision is discounted to take into account the time value of money and a provision for adverse deviation "PFAD" is added, as recommended by standard actuarial practice. Assumptions regarding the anticipated timing of future payments and an appropriate discount rate are made by management. As uncertainty exists with respect to the determination of these discounted estimates, an explicit PFAD is made for potential claims development. A PFAD is selected based on guidance developed by the Canadian Institute of Actuaries.

The following table summarizes the effects of the time value of money and PFADs on the unsettled accident claims and claims adjustment costs.

Unpaid claims and claims adjustment costs:	City	TTC	2024	2023
Undiscounted	25,673,000	123,535,000	149,208,000	144,289,000
Time Value of Money	(2,380,000)	(12,326,000)	(14,706,000)	(14,791,000)
Discounted (before PFAD)	23,293,000	111,209,000	134,502,000	129,498,000
PFAD	2,691,000	11,511,000	14,202,000	13,553,000
Discounted	25,984,000	122,720,000	148,704,000	143,051,000

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 7

Year ended December 31, 2024

As at December 31, 2024, the interest rate used to determine the time value of money was 3.07% (December 31, 2023 – 3.29%) and reflected the market yield, based on the yield of Government of Canada bonds with a similar duration until maturity.

Measurement Uncertainty and Assumption Sensitivity

Significant measurement uncertainty exists with respect to the undiscounted and discounted balances as a significant number of assumptions are necessary to determine such estimates as described above. Final claim payments may differ from the computed provisions, particularly when payments may not occur for several years. Any such adjustments to the provision will be reflected in the results for the year during which the adjustments are made.

Given the diversity and number of the assumptions involved, quantifying the individual assumptions that are more likely than others to have a significant impact on the measurement of the Company's unsettled accident claims is impractical.

Claims Development

The Company completes an annual evaluation of the adequacy of unpaid claims and claims adjustment costs at the end of each financial year. This evaluation includes a re-estimation of the liability for unpaid claims and claims adjustment costs relating to each preceding financial year compared to the liability that was originally established. The results of this comparison and the changes in the unpaid claims and claims adjustment costs for the years ended December 31, 2024 and 2023 were as follows:

	City	TTC	2024	2023
Unsettled accident claims, beginning of year	14,383,000	128,668,000	143,051,000	133,044,000
Net claims and claims adjustment costs				
Incurred related to current year	14,021,000	28,157,000	42,178,000	33,761,000
Incurred related to prior years	(378,000)	(17,029,000)	(17,407,000)	(11,028,000)
Settled related to current year	(810,000)	(1,097,000)	(1,907,000)	(1,356,000)
Settled related to prior years	(1,232,000)	(15,979,000)	(17,211,000)	(11,370,000)
Unsettled accident claims, end of year	25,984,000	122,720,000	148,704,000	143,051,000

Based on the indemnity agreements described in note 9(c) and 9(e), there is no net impact on the Company as a result of the claims development as any adverse claims development, would be offset by an increase in the indemnities receivable. As a result, a claims development table is not presented in these financial statements.

11. RELATED PARTY TRANSACTIONS

- (a) Effective July 8, 2021 and following the conclusion of the TCTI-GACCTO lease, the operational management of the Company's tangible capitals assets was transferred to the City through CreateTO. With this transfer, the City became responsible for their operation, related obligations and rewards. As a result, the Company's land and buildings were derecognized.

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 8

Year ended December 31, 2024

The transfer of the properties, 610 Bay Street and 130 Elizabeth Street, to the City is recorded at the exchange value of \$4,200,000 in 2021 and is due from the City. On April 8, 2024, the Company entered into an agreement with an offer to sell the properties to the City. The cash settlement from the City will occur upon the earlier of:

- i. the sale of one or both of the properties; or
 - ii. the execution of any agreement between the City of Toronto and a third party in respect of the development of one or both of the properties; or,
 - iii. the approval by City of Toronto Council of an application by the City of Toronto to rezone one or both of the properties
- (b) The TTC provides all management and administrative services necessary to support the operations of the Insurance Co. Related party transactions are recorded at the exchange amount. The expense incurred for the year for these services was \$117,714 (2023 - \$146,132) and this has been reflected in the statement of operations and accumulated surplus.
- (c) The Company recognized indemnities receivable from the TTC in the amount of \$122,720,000 (2023 - \$128,668,000) and the City in the amount of \$25,984,000 (2023 - \$14,383,000) as part of the Company's indemnity agreements described in note 9, the amount of which is equivalent to the accident claims assumed by the Company.

12. COMMITMENTS AND CONTINGENCIES

The Company is a party to a number of legal proceedings in the ordinary course of its business. While there exists an inherent difficulty in predicting the outcome of such matters, based on current knowledge and consultation with legal counsel, management does not expect that the outcome of any of these matters, individually or in aggregate, would have a material adverse impact on the Company's financial position. In management's opinion, the Company has made adequate provision for all claims and legal proceedings.

Draft Consolidated Financial Statements of Toronto Coach Terminal Inc. for the Year Ended December 31, 2024

Date: December 10, 2025

To: Toronto Coach Terminal Inc. Board of Directors

From: Treasurer, Toronto Coach Terminal Inc.

Summary

The Toronto Coach Terminal Inc.'s (TCTI) consolidated financial statements present TCTI's 2024 financial results and financial position as of December 31, 2024.

Recommendations

It is recommended that the Board of Directors:

1. Approve the draft consolidated financial statements of TCTI for the year ended December 31, 2024; and
2. Forward a copy of the approved consolidated financial statements to the Shareholders for information, and to the City of Toronto's City Manager, in accordance with the May 8, 2012 City of Toronto Council Directive.

Financial Summary

The recommendations in this report have no funding implications.

Equity/Accessibility Matters

This report and its recommendations have no accessibility/equity issues or impact.

Decision History

On an annual basis, TCTI Board of Directors forward a copy of the approved consolidated financial statements to the Shareholders for information, and to the City of Toronto's City Manager, in accordance with the May 8, 2012 City of Toronto Council Directive.

City Council and Executive Committee consideration

At the annual general meeting of shareholders on June 24, 2013, the TCTI Board and the Chair of the Toronto Transit Commission (TTC) Board on behalf of the TTC (as shareholder) approved discontinuing the audit of TCTI as of fiscal 2013. The unaudited consolidated financial statements include the results of TCTI's subsidiary, Toronto Transit Commission Insurance Company Limited (TTCICL). The financial statements of TTCICL continue to be audited.

Discontinuance of External Financial Audit of TCTI

Issue Background

The unaudited consolidated financial statements include the results of TCTI's subsidiary, TTCICL. As TCTI's new business model significantly reduced the number and variety of financial transactions, the TCTI board and the Chair of TTC Board on behalf of the TTC (as shareholder) approved discontinuing the audit of TCTI as of fiscal 2013 at the annual general meeting of shareholders on June 24, 2013. The financial statements of TTCICL continue to be audited.

Comments

TCTI generated a net surplus of \$141,000 in 2024.
Approval of these consolidated financial statements should be indicated by the signatures of two directors on the Statement of Financial Position.

Contact

John Montagnese, Treasurer, Toronto Coach Terminal Inc.
Tel: (416)-393-3654
Email: John.Montagnese@ttc.ca

Signature

John Montagnese
Treasurer, Toronto Coach Terminal Inc.

Attachments

Attachment 1 – Consolidated Financial Statements of Toronto Coach Terminal Inc. for the year ended December 31, 2024

(Unaudited)
Consolidated Financial Statements of

TORONTO COACH TERMINAL INC.

Year ended December 31, 2024

TORONTO COACH TERMINAL INC.

(incorporated under the laws of the Province of Ontario)

Consolidated Statement of Financial Position

(Unaudited)

As at December 31

	Dec 31 2024	Dec 31 2023
	(\$000s)	(\$000s)
FINANCIAL ASSETS		
Cash and cash equivalents (note 7)	5,474	5,330
Accounts receivable	9	12
Due from City of Toronto (note 11a)	4,200	4,200
Indemnities receivable from the Toronto Transit Commission (note 9c)	122,720	128,668
City of Toronto (note 9e)	25,984	14,383
Total Financial Assets	158,387	152,593
LIABILITIES		
Accounts payable and accrued liabilities	116	116
Unsettled accident claims liabilities (note 10)	148,704	143,051
Loan payable to TTC (note 3)	4,201	4,201
Total Liabilities	153,021	147,368
NET ASSET	5,366	5,225
Less: Capital stock (note 8)	1,000	1,000
Accumulated Surplus	4,366	4,225

See accompanying notes to the consolidated financial statements

On behalf of the Board:

_____ Director

_____ Director

TORONTO COACH TERMINAL INC.

(incorporated under the laws of the Province of Ontario)

Consolidated Statement of Operations and Accumulated Deficit (Unaudited) Years ended December 31

	2024 BUDGET (\$000s) (Note 4)	2024 ACTUAL (\$000s)	2023 ACTUAL (\$000s)
REVENUE			
Interest revenue	301	282	285
Total revenue	301	282	285
EXPENSES			
Financial fees and charges	1	-	6
Insurance company management	153	141	147
Total expenses (note 5b)	154	141	153
Annual Surplus	147	141	132
Accumulated Surplus, Beginning of year	4,225	4,225	4,093
Accumulated Surplus, End of year	4,372	4,366	4,225

See accompanying notes to the consolidated financial statements

TORONTO COACH TERMINAL INC.

(incorporated under the laws of the Province of Ontario)

Consolidated Statement of Change in Net Asset Years ended December 31

	2024 BUDGET	2024 ACTUAL	2023 ACTUAL
	(\$000s)	(\$000s)	(\$000s)
Annual Surplus	147	141	132
Increase in net asset	147	141	132
Net asset - Beginning of year	5,225	5,225	5,093
Net asset - End of year	5,372	5,366	5,225

See accompanying notes to the consolidated financial statements

TORONTO COACH TERMINAL INC.

(incorporated under the laws of the Province of Ontario)

Consolidated Statements of Cash Flows Years ended December 31

	2024	2023
	(\$000s)	(\$000s)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	141	132
(Increase)/decrease in accounts receivable	3	(2)
Cash provided by operating activities	144	130
Increase in cash and cash equivalents during the year	144	130
Cash and cash equivalents, beginning of year	5,330	5,200
Cash and cash equivalents, end of year	5,474	5,330

See accompanying notes to the consolidated financial statements

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 1

Year ended December 31, 2024

1. NATURE OF OPERATIONS

Toronto Coach Terminal Inc. (the "Company"), formerly known as Gray Coach Lines Ltd. was incorporated in Ontario by Letters Patent dated June 28, 1927. The Company is wholly owned by the Toronto Transit Commission (the "TTC").

Up until July 7, 2012, the Company directly operated the coach terminal located at 610 Bay Street and 130 Elizabeth Street (the "Properties") in the City of Toronto (the "City"). On July 8, 2012, the Company leased the coach terminal to Greyhound and Coach Canada Toronto Operations Ltd. (GACCTO) which continued to operate the terminal until the lease expired on July 7, 2021. On June 16, 2021, the Company approved the transfer of operational management of the Properties to the City and, effective July 8, 2021, the City took over management of the Properties.

The Company wholly owns the TTC Insurance Company Ltd. ("Insurance Co."). The Insurance Company was incorporated on March 9, 1994 under the Ontario Corporations Act and provides insurance coverage for compulsory automobile personal injury and accident benefit claims for the TTC.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These financial statements are prepared by the Company in accordance with the Public Sector Accounting Standard (PSAS). In accordance with PS 1150 Generally Accepted Accounting Principles, and in the absence of specific guidance under PSAS, relevant guidance from other primary sources of generally accepted accounting principles were referenced for the measurement and presentation of unsettled accident claims liabilities. Since the Company holds all investments in the form of cash and cash equivalents, a Statement of Remeasurement Gains and Losses has not been presented.

(b) Basis of consolidation

The consolidated financial statements include the financial results of the Company's subsidiary, Insurance Co.

(c) Measurement uncertainty

The preparation of the consolidated financial statements in conformity with Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period.

Specifically, the recognized amounts of unsettled accident claims liabilities are based on the Company's best information and judgment. These estimates and other judgments are continuously evaluated based on management's experience and expectations about future events. Any variation in the ultimate insurance liability incurred will be offset by a corresponding change in the indemnities receivable and recognized in the current period.

(d) Cash and cash equivalents

Cash and cash equivalents consist of funds on deposit with a chartered bank.

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 2

Year ended December 31, 2024

(e) Unsettled accident claims liabilities

Unsettled accident claims liabilities reflect an actuarial assessment of the automobile claims liability on the basis mandated by the Financial Services Regulatory Authority of Ontario (FSRAO). When a claim is reported, a case reserve is established by adjusters and lawyers employed by the TTC. The liability includes an actuarially estimated provision for claims incurred but not yet reported and internal and external adjustment expenses. Claims provisions are first discounted to reflect the time value of money and provisions for adverse deviations are added in accordance with accepted actuarial practice and the requirements of the FSRAO.

(f) Interest Revenue

Interest earned from funds on deposit is recorded as interest revenue on an accrual basis.

(g) Related Parties

Related party transactions are defined, disclosed and recorded at the exchange amount in accordance with Public Sector Accounting Standards 2200 – Related Party Disclosures and 3420 – Inter-entity Transactions.

(h) Contingencies

In the normal course of its operations the Company is subject to various litigations and claims. Where the potential economic outflow is determinable, management believes that the ultimate disposition of the matters will not materially exceed the amounts recorded in the accounts. In other cases, the ultimate outcome of the claims cannot be determined at this time. Any additional or potential changes to claims will be disclosed in the period during which the receipt of economic outflow is probable. Where the potential economic inflow exists, the nature, and where practicable, the amount of the transaction is disclosed if the inflow of economic benefits is probable. No gain is recognized during the financial year unless the receipt of consideration is virtually certain.

(i) Change in accounting policies

On January 1, 2024, the Company adopted the Canadian public sector accounting standard PS 3400 Revenue. The new accounting standard establishes a single framework to categorize revenue to enhance consistency of revenue recognition and its measurement.

The Company also adopted the Canadian public sector accounting Standard PS 3160 Public Private Partnerships. The new accounting standard establishes guidance on how to account for public private partnership arrangements and the recognition and measurement of resulting assets and liabilities.

As of December 31, 2024, the Company determined that the adoption of these new standards did not have an impact on the amounts presented in the financial statements.

3. LOAN PAYABLE TO TTC

The loan payable to TTC consists of the following:

(in \$000s)	Dec 31, 2024	Dec 31, 2023
Accrued interest	3,101	3,101
Demand loan	1,100	1,100
Total loan payable	4,201	4,201

The loan payable to the TTC is non-interest bearing effective July 8, 2021.

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 3

Year ended December 31, 2024

4. BUDGET DATA

Budget data presented in these consolidated financial statements is based upon the 2024 operating budget approved by the Boards of Directors of the Company and Insurance Co. on June 20, 2024.

5. SEGMENT DISCLOSURES AND EXPENDITURES BY OBJECT

- (a) The following tables provide a breakdown of the consolidated statement of financial position, based upon the two segments of the Company and the Insurance Co. The figures exclude the Company's investment of \$100,000 (2023 - \$100,000) in Insurance Co. and the Company's advance to Insurance Co. of \$2.6 million (2023 - \$2.6 million), as they are eliminated upon consolidation.

(in \$000s)	Dec 31, 2024	TCTI	TTCIC	Total
Financial Assets				
Cash		2,774	2,700	5,474
Accounts receivable		9	-	9
Due from City of Toronto (note 11a)		4,200	-	4,200
Indemnities receivable from the				
Toronto Transit Commission (note 9c)		-	122,720	122,720
City of Toronto (note 9e)		-	25,984	25,984
Total Financial Assets		6,983	151,404	158,387

Liabilities

Accounts payable and accrued liabilities	116	-	116
Insurance liabilities	-	148,704	148,704
Loan payable to TTC	4,201	-	4,201
Total Liabilities	4,317	148,704	153,021

Capital stock	1,000	-	1,000
Accumulated Surplus	4,366	-	4,366

(in \$000s)	Dec 31, 2023	TCTI	TTCIC	Total
Financial Assets				
Cash		2,630	2,700	5,330
Accounts receivable		12	-	12
Due from City of Toronto (note 11a)		4,200	-	4,200
Indemnities receivable from the				
Toronto Transit Commission (note 9c)		-	128,668	128,668
City of Toronto (note 9e)		-	14,383	14,383
Total Financial Assets		6,842	145,751	152,593

Liabilities

Accounts payable and accrued liabilities	116	-	116
Insurance liabilities	-	143,051	143,051
Loan payable to TTC	4,201	-	4,201
Total Liabilities	4,317	143,051	147,368

Capital stock	1,000	-	1,000
Accumulated Surplus	4,225	-	4,225

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 4

Year ended December 31, 2024

- (b) The following tables provide a breakdown of the consolidated statement of operations and deficit by function and by expenditure object:

2024 (in \$000s)	TCTI Total	TTCIC Total	Consolidated Total
Revenues			
Interest revenue	141	141	282
Total Revenue	141	141	282
Expenses			
Materials, services and supplies (note 5c)	-	141	141
Total Expenses	-	141	141
Annual surplus	141	-	141
Accumulated Surplus	4,366	-	4,366
2023 (in \$000s)	TCTI Total	TTCIC Total	Consolidated Total
Revenues			
Interest revenue	138	147	285
Total Revenue	138	147	285
Expenses			
Materials, services and supplies (note 5c)	6	147	153
Total Expenses	6	147	153
Annual surplus	132	-	132
Accumulated Surplus	4,225	-	4,225

- (c) Materials, services and supplies of Insurance Co. is comprised of TTC management and administrative services necessary to support the operations of the Insurance Co. recorded at exchange amount and FSRA annual Insurance Co. Licence. In 2023, the company incurred, settled and paid interest and penalties in arrears due to notice of reassessment on historical Harmonized Sales Taxes (HST) tax return filing received from the Canada Revenue Agency (CRA).

6. FINANCIAL INSTRUMENTS

The financial instruments held by the Company include cash and cash equivalents, accounts receivable, due from City, indemnities receivable, accounts payable and loan payable.

The indemnities receivable corresponds with the insurance liabilities. The receivable balance arose from the indemnity agreements described in note 9(c) and 9(e). The Insurance Co. considers the carrying value of the indemnities receivable to be approximately equivalent to their fair value. The maturity of the indemnities receivable is directly linked to the maturity of the Insurance Co.'s insurance liabilities, resulting in the Insurance Co. having negligible liquidity and interest risk. The Company has low credit risk due to the guarantee agreement between the City and the Insurance Co.

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 5

Year ended December 31, 2024

The carrying values of cash and cash equivalents, accounts receivable, due from the City and the loan payable to TTC approximate their fair values due to the relatively short time period to maturity of these instruments. The credit risk on these financial assets are assessed as low as they either are on deposit with a major financial institution or are receivable from the Company's parent or ultimate parent, the TTC and the City.

Liquidity risk is assessed as low as the Company has sufficient financial assets to satisfy its obligations. The Company does not face market risk or currency risk.

7. CASH AND CASH EQUIVALENTS

Pursuant to the guarantee agreement with the City described in note 9(d), the Insurance Co. is required to maintain cash or securities available for payment of current liabilities equal to the greater of \$350,000 or one month's claims and operating expenses (all self-insured retention payments are processed through the TTC). The cash and cash equivalents amount restricted for this purpose at December 31, 2024 is approximately \$2,400,000 (2023 - \$1,700,000).

8. CAPITAL STOCK

The capital stock includes 10,000 common shares with a par value of \$100 each.

9. LICENCE AND INDEMNITIES RECEIVABLE

The Insurance Co. received a license on July 12, 1994 from the Financial Services Commission of Ontario (currently FSRAO) subject to the conditions outlined in the Provincial Order in Council dated July 6, 1994.

On March 11, 2021, the Provincial Order in Council was amended to allow the Insurance Co. to also underwrite automobile insurance risks of the City, subject to the following amended conditions:

- (a) Insurance Co. maintain, in aggregate, a paid-up capital and unimpaired surplus of not less than \$100,000;
- (b) Insurance Co. limit exclusively its underwriting to the automobile insurance risks of the City, excluding all of the boards, commissions and special purpose entities of the City, except for the TTC;
- (c) the 1994 indemnity agreement between the TTC and the Insurance Co., whereby the Insurance Co. is to be reimbursed by the TTC for all current and future costs and expenditures including all claims under the policies, continue and be in full force and effect;
- (d) the complete and full guarantee to the Insurance Co. from the City of TTC's liabilities and obligations under the indemnity agreement remains in full force and effect and
- (e) the indemnity agreement between the City and the Insurance Co., whereby the Insurance Co. is to be reimbursed by the City for all current and future costs and expenditures including all claims under the policies, continue and be in full force and effect.

The Insurance Co.'s licence was amended on June 1, 2021, and the related policy forms and endorsements were approved by FSRAO on November 19, 2021 with an effective date of January 1, 2022.

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 6

Year ended December 31, 2024

As a result of the indemnity agreements and the City guarantee, Insurance Co. does not bear insurance risk, as any change in Insurance Co.'s unsettled accident claims liabilities would be offset by a corresponding change in the balance of the indemnities receivable. For this reason, disclosures on specific insurance risks have not been made.

10. UNSETTLED ACCIDENT CLAIMS LIABILITIES

Unsettled accident claims are established to reflect all liabilities associated with the insurance policies at the reporting date. The ultimate cost of these liabilities will vary from the best estimate made by management for a variety of reasons, including additional information with respect to the facts and circumstances of the claims incurred.

Case Reserves

Unsettled accident claims are based on the case reserves set by claims adjusters for each individual claim. These specialists apply their knowledge and expertise, after taking available information regarding the circumstances of the claim into account, to set individual case reserve estimates. The Company bases such estimates on the facts available at the time the reserves are established.

Incurred But Not Reported

An incurred but not reported provision "IBNR" is then added to the case reserves as uncertainty exists on reported claims, because, for example, full information on case files may not be available at the valuation date, or losses have been incurred but are not yet reported. Therefore, the Company relies upon historical information and statistical models, to estimate the IBNR liability.

The Company also uses reported claims trends, claims severity, exposure growth and other factors in estimating its IBNR reserve including a COVID-19 reduction factor to adjust the expected losses for accident years 2020-2024 due to decreased ridership compared to pre-pandemic levels. The time required to learn of and settle claims is an important consideration in establishing the Company's reserves. The Company revises these reserves as additional information becomes available.

Time Value of Money and Provision for Adverse Deviation

The provision is discounted to take into account the time value of money and a provision for adverse deviation "PFAD" is added, as recommended by standard actuarial practice. Assumptions regarding the anticipated timing of future payments and an appropriate discount rate are made by management. As uncertainty exists with respect to the determination of these discounted estimates, an explicit PFAD is made for potential claims development. A PFAD is selected based on guidance developed by the Canadian Institute of Actuaries.

The following table summarizes the effects of the time value of money and PFADs on the unsettled accident claims and claims adjustment costs.

Unpaid claims and claims adjustment costs:	City	TTC	2024	2023
Undiscounted	25,673,000	123,535,000	149,208,000	144,289,000
Time Value of Money	(2,380,000)	(12,326,000)	(14,706,000)	(14,791,000)
Discounted (before PFAD)	23,293,000	111,209,000	134,502,000	129,498,000
PFAD	2,691,000	11,511,000	14,202,000	13,553,000
Discounted	25,984,000	122,720,000	148,704,000	143,051,000

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 7

Year ended December 31, 2024

As at December 31, 2024, the interest rate used to determine the time value of money was 3.07% (December 31, 2023 – 3.29%) and reflected the market yield, based on the yield of Government of Canada bonds with a similar duration until maturity.

Measurement Uncertainty and Assumption Sensitivity

Significant measurement uncertainty exists with respect to the undiscounted and discounted balances as a significant number of assumptions are necessary to determine such estimates as described above. Final claim payments may differ from the computed provisions, particularly when payments may not occur for several years. Any such adjustments to the provision will be reflected in the results for the year during which the adjustments are made.

Given the diversity and number of the assumptions involved, quantifying the individual assumptions that are more likely than others to have a significant impact on the measurement of the Company's unsettled accident claims is impractical.

Claims Development

The Company completes an annual evaluation of the adequacy of unpaid claims and claims adjustment costs at the end of each financial year. This evaluation includes a re-estimation of the liability for unpaid claims and claims adjustment costs relating to each preceding financial year compared to the liability that was originally established. The results of this comparison and the changes in the unpaid claims and claims adjustment costs for the years ended December 31, 2024 and 2023 were as follows:

	City	TTC	2024	2023
Unsettled accident claims, beginning of year	14,383,000	128,668,000	143,051,000	133,044,000
Net claims and claims adjustment costs				
Incurred related to current year	14,021,000	28,157,000	42,178,000	33,761,000
Incurred related to prior years	(378,000)	(17,029,000)	(17,407,000)	(11,028,000)
Settled related to current year	(810,000)	(1,097,000)	(1,907,000)	(1,356,000)
Settled related to prior years	(1,232,000)	(15,979,000)	(17,211,000)	(11,370,000)
Unsettled accident claims, end of year	25,984,000	122,720,000	148,704,000	143,051,000

Based on the indemnity agreements described in note 9(c) and 9(e), there is no net impact on the Company as a result of the claims development as any adverse claims development, would be offset by an increase in the indemnities receivable. As a result, a claims development table is not presented in these financial statements.

11. RELATED PARTY TRANSACTIONS

- (a) Effective July 8, 2021 and following the conclusion of the TCTI-GACCTO lease, the operational management of the Company's tangible capitals assets was transferred to the City through CreateTO. With this transfer, the City became responsible for their operation, related obligations and rewards. As a result, the Company's land and buildings were derecognized.

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 8

Year ended December 31, 2024

The transfer of the properties, 610 Bay Street and 130 Elizabeth Street, to the City is recorded at the exchange value of \$4,200,000 in 2021 and is due from the City. On April 8, 2024, the Company entered into an agreement with an offer to sell the properties to the City. The cash settlement from the City will occur upon the earlier of:

- i. the sale of one or both of the properties; or
 - ii. the execution of any agreement between the City of Toronto and a third party in respect of the development of one or both of the properties; or,
 - iii. the approval by City of Toronto Council of an application by the City of Toronto to rezone one or both of the properties
- (b) The TTC provides all management and administrative services necessary to support the operations of the Insurance Co. Related party transactions are recorded at the exchange amount. The expense incurred for the year for these services was \$117,714 (2023 - \$146,132) and this has been reflected in the statement of operations and accumulated surplus.
- (c) The Company recognized indemnities receivable from the TTC in the amount of \$122,720,000 (2023 - \$128,668,000) and the City in the amount of \$25,984,000 (2023 - \$14,383,000) as part of the Company's indemnity agreements described in note 9, the amount of which is equivalent to the accident claims assumed by the Company.

12. COMMITMENTS AND CONTINGENCIES

The Company is a party to a number of legal proceedings in the ordinary course of its business. While there exists an inherent difficulty in predicting the outcome of such matters, based on current knowledge and consultation with legal counsel, management does not expect that the outcome of any of these matters, individually or in aggregate, would have a material adverse impact on the Company's financial position. In management's opinion, the Company has made adequate provision for all claims and legal proceedings.

Minutes

Toronto Coach Terminal Inc. (TCTI) Meeting of Shareholders

Meeting No.: 203

Meeting Date: Thursday, June 20, 2024

A meeting of the Toronto Coach Terminal Inc. (TCTI) Shareholders was held in person and by video conference on Thursday, June 20, 2024 commencing at 10:00 a.m.

Present at Public Session

J. Myers, J. De Laurentiis, P. Ainslie, S. Holyday, F. Jagdeo, L. Kim, J. Matlow, C. Moise, J. Osborne and D. Saxe (TCTI Directors), M. Atlas (President, TCTI), D. Mitchell (Vice-President and General Counsel, TCTI), J. Montagnese, (Treasurer, TCTI) and C. Finnerty (General Secretary, TCTI)

TTC Staff: J. La Vita (Chief Financial Officer), A. Cerqueira (Director – Claims), L. Soto Maya (Coordinator – Secretariat Services, and J. Ishak (Administrator – Secretariat Services)

C. Finnerty was in the Chair.

Declaration of Interest - Corporations Act

Nil

Minutes of the Previous Meeting

On a motion by F. Jagdeo, the Shareholders reviewed and approved the minutes of Special Shareholder Meeting No. 195 held on Monday, June 12, 2023, Shareholder Meeting No. 198 held on Monday, June 12, 2023 and Shareholder Meeting No. 199 held on Tuesday, September 26, 2023.

Business Arising Out of the Minutes

Nil

Public Presentations

Nil

Presentations/Reports/Other Business

1. Toronto Coach Terminal Inc. (TCTI) – Election of Directors

It is recommended that the Shareholders:

1. Elect the 10 TTC Commissioners as Directors of Toronto Coach Terminal Inc.

Approved

2. Toronto Coach Terminal Inc. (TCTI) – Receipt of Proxy

The TCTI Shareholders received this item for information.

Received

The meeting adjourned at 10:03 a.m.



Toronto Coach Terminal Inc. (TCTI) – Receipt of Proxy

Date: December 10, 2025

To: Toronto Coach Terminal Inc. Meeting of Shareholders

From: Director - Commission Services

Summary

The Shareholder of Toronto Coach Terminal Inc. (TCTI) receives the proxy from the Toronto Transit Commission (TTC), as sole shareholder, to vote 10,000 common shares on its behalf at any Shareholder meeting held during the year.

The TTC, at its meeting on October 29, 2024, approved the appointment of the Chair of Toronto Coach Terminal Inc., or the Vice-Chair, if an alternative is required, as its proxy to vote 10,000 shares at any Shareholder meeting during the year 2025.

[Proxy to Vote TTC Shares in Toronto Coach Terminal Inc.](#)

This report transmits a copy of the TTC Board approved proxy to the Toronto Coach Terminal Inc. Shareholders for information.

Comments

All Shareholders entitled to vote at a meeting of the Shareholder, may appoint a person, who need not be a Shareholder, as their nominee to attend and act for them at the meeting in the manner, to the extent and with the power conferred by the document appointing them as their proxy. The appointment of a proxy must be in writing, executed by or on behalf of the Shareholders, by an officer or attorney thereof duly authorized, and is valid for one year from its date. Subject to the requirements of the Business Corporations Act, the document may be in such form as the Directors from time to time prescribe or in such other form as the Chairperson of the meeting may accept as sufficient, and must be deposited with the General Secretary before any vote can be taken under its authority.

Contact

Chrisanne Finnerty, Director - Commission Services
416-393-3744
chrisanne.finnerty@ttc.ca

Signature

Chrisanne Finnerty
Director - Commission Services

Attachments

Attachment 1 - Proxy

Toronto Coach Terminal Inc.

Proxy

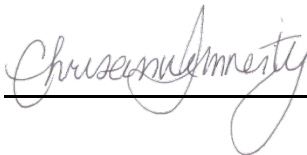
The Toronto Transit Commission, of the City of Toronto, the sole shareholder of Toronto Coach Terminal Inc., hereby appoints the Chair of the Toronto Coach Terminal Inc., or if an alternative is required, the Vice-Chair of the Toronto Coach Terminal Inc., as its proxy to vote 10,000 shares at any Shareholders meeting during the year 2025.

Dated this 29th day of October, 2024.

Toronto Transit Commission – Chair



Toronto Transit Commission – Director – Commission Services



Consolidated Financial Statements of the Toronto Coach Terminal Inc. for the Year Ended December 31, 2024

Date: June 18, 2025

To: Toronto Coach Terminal Inc. Meeting of the Shareholders

From: Treasurer, Toronto Coach Terminal Inc.

Summary

The Toronto Coach Terminal Inc.'s (TCTI) consolidated financial statements present TCTI's 2024 financial results and financial position as of December 31, 2024.

Financial Summary

There are no financial implications resulting from the receipt of this report.

Equity/Accessibility Matters

This report has no accessibility/equity issues or impact.

Decision History

TCTI's Audit Committee and Board reviewed and approved the consolidated financial statements on June 18, 2025.

Comments

TCTI generated a net surplus of \$141,000 in 2024.

Contact

John Montagnese, Treasurer, Toronto Coach Terminal Inc.

Tel: (416)-393-3654

Email: John.Montagnese@ttc.ca

Signature

John Montagnese
Treasurer, Toronto Coach Terminal Inc.

Attachments

Attachment 1 - Consolidated Financial Statements of Toronto Coach Terminal Inc. for
the year ended December 31, 2024

(Unaudited)
Consolidated Financial Statements of

TORONTO COACH TERMINAL INC.

Year ended December 31, 2024

TORONTO COACH TERMINAL INC.

(incorporated under the laws of the Province of Ontario)

Consolidated Statement of Financial Position

(Unaudited)

As at December 31

	Dec 31 2024	Dec 31 2023
	(\$000s)	(\$000s)
FINANCIAL ASSETS		
Cash and cash equivalents (note 7)	5,474	5,330
Accounts receivable	9	12
Due from City of Toronto (note 11a)	4,200	4,200
Indemnities receivable from the Toronto Transit Commission (note 9c)	122,720	128,668
City of Toronto (note 9e)	25,984	14,383
Total Financial Assets	158,387	152,593
LIABILITIES		
Accounts payable and accrued liabilities	116	116
Unsettled accident claims liabilities (note 10)	148,704	143,051
Loan payable to TTC (note 3)	4,201	4,201
Total Liabilities	153,021	147,368
NET ASSET	5,366	5,225
Less: Capital stock (note 8)	1,000	1,000
Accumulated Surplus	4,366	4,225

See accompanying notes to the consolidated financial statements

On behalf of the Board:

_____ Director

_____ Director

TORONTO COACH TERMINAL INC.

(incorporated under the laws of the Province of Ontario)

Consolidated Statement of Operations and Accumulated Deficit (Unaudited) Years ended December 31

	2024 BUDGET (\$000s) (Note 4)	2024 ACTUAL (\$000s)	2023 ACTUAL (\$000s)
REVENUE			
Interest revenue	301	282	285
Total revenue	301	282	285
EXPENSES			
Financial fees and charges	1	-	6
Insurance company management	153	141	147
Total expenses (note 5b)	154	141	153
Annual Surplus	147	141	132
Accumulated Surplus, Beginning of year	4,225	4,225	4,093
Accumulated Surplus, End of year	4,372	4,366	4,225

See accompanying notes to the consolidated financial statements

TORONTO COACH TERMINAL INC.

(incorporated under the laws of the Province of Ontario)

Consolidated Statement of Change in Net Asset Years ended December 31

	2024 BUDGET (\$000s)	2024 ACTUAL (\$000s)	2023 ACTUAL (\$000s)
Annual Surplus	147	141	132
Increase in net asset	147	141	132
Net asset - Beginning of year	5,225	5,225	5,093
Net asset - End of year	5,372	5,366	5,225

See accompanying notes to the consolidated financial statements

TORONTO COACH TERMINAL INC.

(incorporated under the laws of the Province of Ontario)

Consolidated Statements of Cash Flows Years ended December 31

	2024	2023
	(\$000s)	(\$000s)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	141	132
(Increase)/decrease in accounts receivable	3	(2)
Cash provided by operating activities	144	130
Increase in cash and cash equivalents during the year	144	130
Cash and cash equivalents, beginning of year	5,330	5,200
Cash and cash equivalents, end of year	5,474	5,330

See accompanying notes to the consolidated financial statements

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 1

Year ended December 31, 2024

1. NATURE OF OPERATIONS

Toronto Coach Terminal Inc. (the "Company"), formerly known as Gray Coach Lines Ltd. was incorporated in Ontario by Letters Patent dated June 28, 1927. The Company is wholly owned by the Toronto Transit Commission (the "TTC").

Up until July 7, 2012, the Company directly operated the coach terminal located at 610 Bay Street and 130 Elizabeth Street (the "Properties") in the City of Toronto (the "City"). On July 8, 2012, the Company leased the coach terminal to Greyhound and Coach Canada Toronto Operations Ltd. (GACCTO) which continued to operate the terminal until the lease expired on July 7, 2021. On June 16, 2021, the Company approved the transfer of operational management of the Properties to the City and, effective July 8, 2021, the City took over management of the Properties.

The Company wholly owns the TTC Insurance Company Ltd. ("Insurance Co."). The Insurance Company was incorporated on March 9, 1994 under the Ontario Corporations Act and provides insurance coverage for compulsory automobile personal injury and accident benefit claims for the TTC.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of presentation

These financial statements are prepared by the Company in accordance with the Public Sector Accounting Standard (PSAS). In accordance with PS 1150 Generally Accepted Accounting Principles, and in the absence of specific guidance under PSAS, relevant guidance from other primary sources of generally accepted accounting principles were referenced for the measurement and presentation of unsettled accident claims liabilities. Since the Company holds all investments in the form of cash and cash equivalents, a Statement of Remeasurement Gains and Losses has not been presented.

(b) Basis of consolidation

The consolidated financial statements include the financial results of the Company's subsidiary, Insurance Co.

(c) Measurement uncertainty

The preparation of the consolidated financial statements in conformity with Public Sector Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period.

Specifically, the recognized amounts of unsettled accident claims liabilities are based on the Company's best information and judgment. These estimates and other judgments are continuously evaluated based on management's experience and expectations about future events. Any variation in the ultimate insurance liability incurred will be offset by a corresponding change in the indemnities receivable and recognized in the current period.

(d) Cash and cash equivalents

Cash and cash equivalents consist of funds on deposit with a chartered bank.

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 2

Year ended December 31, 2024

(e) Unsettled accident claims liabilities

Unsettled accident claims liabilities reflect an actuarial assessment of the automobile claims liability on the basis mandated by the Financial Services Regulatory Authority of Ontario (FSRAO). When a claim is reported, a case reserve is established by adjusters and lawyers employed by the TTC. The liability includes an actuarially estimated provision for claims incurred but not yet reported and internal and external adjustment expenses. Claims provisions are first discounted to reflect the time value of money and provisions for adverse deviations are added in accordance with accepted actuarial practice and the requirements of the FSRAO.

(f) Interest Revenue

Interest earned from funds on deposit is recorded as interest revenue on an accrual basis.

(g) Related Parties

Related party transactions are defined, disclosed and recorded at the exchange amount in accordance with Public Sector Accounting Standards 2200 – Related Party Disclosures and 3420 – Inter-entity Transactions.

(h) Contingencies

In the normal course of its operations the Company is subject to various litigations and claims. Where the potential economic outflow is determinable, management believes that the ultimate disposition of the matters will not materially exceed the amounts recorded in the accounts. In other cases, the ultimate outcome of the claims cannot be determined at this time. Any additional or potential changes to claims will be disclosed in the period during which the receipt of economic outflow is probable. Where the potential economic inflow exists, the nature, and where practicable, the amount of the transaction is disclosed if the inflow of economic benefits is probable. No gain is recognized during the financial year unless the receipt of consideration is virtually certain.

(i) Change in accounting policies

On January 1, 2024, the Company adopted the Canadian public sector accounting standard PS 3400 Revenue. The new accounting standard establishes a single framework to categorize revenue to enhance consistency of revenue recognition and its measurement.

The Company also adopted the Canadian public sector accounting Standard PS 3160 Public Private Partnerships. The new accounting standard establishes guidance on how to account for public private partnership arrangements and the recognition and measurement of resulting assets and liabilities.

As of December 31, 2024, the Company determined that the adoption of these new standards did not have an impact on the amounts presented in the financial statements.

3. LOAN PAYABLE TO TTC

The loan payable to TTC consists of the following:

(in \$000s)	Dec 31, 2024	Dec 31, 2023
Accrued interest	3,101	3,101
Demand loan	1,100	1,100
Total loan payable	4,201	4,201

The loan payable to the TTC is non-interest bearing effective July 8, 2021.

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 3

Year ended December 31, 2024

4. BUDGET DATA

Budget data presented in these consolidated financial statements is based upon the 2024 operating budget approved by the Boards of Directors of the Company and Insurance Co. on June 20, 2024.

5. SEGMENT DISCLOSURES AND EXPENDITURES BY OBJECT

- (a) The following tables provide a breakdown of the consolidated statement of financial position, based upon the two segments of the Company and the Insurance Co. The figures exclude the Company's investment of \$100,000 (2023 - \$100,000) in Insurance Co. and the Company's advance to Insurance Co. of \$2.6 million (2023 - \$2.6 million), as they are eliminated upon consolidation.

(in \$000s)	Dec 31, 2024	TCTI	TTCIC	Total
Financial Assets				
Cash		2,774	2,700	5,474
Accounts receivable		9	-	9
Due from City of Toronto (note 11a)		4,200	-	4,200
Indemnities receivable from the				
Toronto Transit Commission (note 9c)		-	122,720	122,720
City of Toronto (note 9e)		-	25,984	25,984
Total Financial Assets		6,983	151,404	158,387

Liabilities

Accounts payable and accrued liabilities	116	-	116
Insurance liabilities	-	148,704	148,704
Loan payable to TTC	4,201	-	4,201
Total Liabilities	4,317	148,704	153,021

Capital stock	1,000	-	1,000
Accumulated Surplus	4,366	-	4,366

(in \$000s)	Dec 31, 2023	TCTI	TTCIC	Total
Financial Assets				
Cash		2,630	2,700	5,330
Accounts receivable		12	-	12
Due from City of Toronto (note 11a)		4,200	-	4,200
Indemnities receivable from the				
Toronto Transit Commission (note 9c)		-	128,668	128,668
City of Toronto (note 9e)		-	14,383	14,383
Total Financial Assets		6,842	145,751	152,593

Liabilities

Accounts payable and accrued liabilities	116	-	116
Insurance liabilities	-	143,051	143,051
Loan payable to TTC	4,201	-	4,201
Total Liabilities	4,317	143,051	147,368

Capital stock	1,000	-	1,000
Accumulated Surplus	4,225	-	4,225

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 4

Year ended December 31, 2024

- (b) The following tables provide a breakdown of the consolidated statement of operations and deficit by function and by expenditure object:

2024 (in \$000s)	TCTI Total	TTCIC Total	Consolidated Total
Revenues			
Interest revenue	141	141	282
Total Revenue	141	141	282
Expenses			
Materials, services and supplies (note 5c)	-	141	141
Total Expenses	-	141	141
Annual surplus	141	-	141
Accumulated Surplus	4,366	-	4,366
2023 (in \$000s)	TCTI Total	TTCIC Total	Consolidated Total
Revenues			
Interest revenue	138	147	285
Total Revenue	138	147	285
Expenses			
Materials, services and supplies (note 5c)	6	147	153
Total Expenses	6	147	153
Annual surplus	132	-	132
Accumulated Surplus	4,225	-	4,225

- (c) Materials, services and supplies of Insurance Co. is comprised of TTC management and administrative services necessary to support the operations of the Insurance Co. recorded at exchange amount and FSRA annual Insurance Co. Licence. In 2023, the company incurred, settled and paid interest and penalties in arrears due to notice of reassessment on historical Harmonized Sales Taxes (HST) tax return filing received from the Canada Revenue Agency (CRA).

6. FINANCIAL INSTRUMENTS

The financial instruments held by the Company include cash and cash equivalents, accounts receivable, due from City, indemnities receivable, accounts payable and loan payable.

The indemnities receivable corresponds with the insurance liabilities. The receivable balance arose from the indemnity agreements described in note 9(c) and 9(e). The Insurance Co. considers the carrying value of the indemnities receivable to be approximately equivalent to their fair value. The maturity of the indemnities receivable is directly linked to the maturity of the Insurance Co.'s insurance liabilities, resulting in the Insurance Co. having negligible liquidity and interest risk. The Company has low credit risk due to the guarantee agreement between the City and the Insurance Co.

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 5

Year ended December 31, 2024

The carrying values of cash and cash equivalents, accounts receivable, due from the City and the loan payable to TTC approximate their fair values due to the relatively short time period to maturity of these instruments. The credit risk on these financial assets are assessed as low as they either are on deposit with a major financial institution or are receivable from the Company's parent or ultimate parent, the TTC and the City.

Liquidity risk is assessed as low as the Company has sufficient financial assets to satisfy its obligations. The Company does not face market risk or currency risk.

7. CASH AND CASH EQUIVALENTS

Pursuant to the guarantee agreement with the City described in note 9(d), the Insurance Co. is required to maintain cash or securities available for payment of current liabilities equal to the greater of \$350,000 or one month's claims and operating expenses (all self-insured retention payments are processed through the TTC). The cash and cash equivalents amount restricted for this purpose at December 31, 2024 is approximately \$2,400,000 (2023 - \$1,700,000).

8. CAPITAL STOCK

The capital stock includes 10,000 common shares with a par value of \$100 each.

9. LICENCE AND INDEMNITIES RECEIVABLE

The Insurance Co. received a license on July 12, 1994 from the Financial Services Commission of Ontario (currently FSRAO) subject to the conditions outlined in the Provincial Order in Council dated July 6, 1994.

On March 11, 2021, the Provincial Order in Council was amended to allow the Insurance Co. to also underwrite automobile insurance risks of the City, subject to the following amended conditions:

- (a) Insurance Co. maintain, in aggregate, a paid-up capital and unimpaired surplus of not less than \$100,000;
- (b) Insurance Co. limit exclusively its underwriting to the automobile insurance risks of the City, excluding all of the boards, commissions and special purpose entities of the City, except for the TTC;
- (c) the 1994 indemnity agreement between the TTC and the Insurance Co., whereby the Insurance Co. is to be reimbursed by the TTC for all current and future costs and expenditures including all claims under the policies, continue and be in full force and effect;
- (d) the complete and full guarantee to the Insurance Co. from the City of TTC's liabilities and obligations under the indemnity agreement remains in full force and effect and
- (e) the indemnity agreement between the City and the Insurance Co., whereby the Insurance Co. is to be reimbursed by the City for all current and future costs and expenditures including all claims under the policies, continue and be in full force and effect.

The Insurance Co.'s licence was amended on June 1, 2021, and the related policy forms and endorsements were approved by FSRAO on November 19, 2021 with an effective date of January 1, 2022.

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 6

Year ended December 31, 2024

As a result of the indemnity agreements and the City guarantee, Insurance Co. does not bear insurance risk, as any change in Insurance Co.'s unsettled accident claims liabilities would be offset by a corresponding change in the balance of the indemnities receivable. For this reason, disclosures on specific insurance risks have not been made.

10. UNSETTLED ACCIDENT CLAIMS LIABILITIES

Unsettled accident claims are established to reflect all liabilities associated with the insurance policies at the reporting date. The ultimate cost of these liabilities will vary from the best estimate made by management for a variety of reasons, including additional information with respect to the facts and circumstances of the claims incurred.

Case Reserves

Unsettled accident claims are based on the case reserves set by claims adjusters for each individual claim. These specialists apply their knowledge and expertise, after taking available information regarding the circumstances of the claim into account, to set individual case reserve estimates. The Company bases such estimates on the facts available at the time the reserves are established.

Incurred But Not Reported

An incurred but not reported provision "IBNR" is then added to the case reserves as uncertainty exists on reported claims, because, for example, full information on case files may not be available at the valuation date, or losses have been incurred but are not yet reported. Therefore, the Company relies upon historical information and statistical models, to estimate the IBNR liability.

The Company also uses reported claims trends, claims severity, exposure growth and other factors in estimating its IBNR reserve including a COVID-19 reduction factor to adjust the expected losses for accident years 2020-2024 due to decreased ridership compared to pre-pandemic levels. The time required to learn of and settle claims is an important consideration in establishing the Company's reserves. The Company revises these reserves as additional information becomes available.

Time Value of Money and Provision for Adverse Deviation

The provision is discounted to take into account the time value of money and a provision for adverse deviation "PFAD" is added, as recommended by standard actuarial practice. Assumptions regarding the anticipated timing of future payments and an appropriate discount rate are made by management. As uncertainty exists with respect to the determination of these discounted estimates, an explicit PFAD is made for potential claims development. A PFAD is selected based on guidance developed by the Canadian Institute of Actuaries.

The following table summarizes the effects of the time value of money and PFADs on the unsettled accident claims and claims adjustment costs.

Unpaid claims and claims adjustment costs:	City	TTC	2024	2023
Undiscounted	25,673,000	123,535,000	149,208,000	144,289,000
Time Value of Money	(2,380,000)	(12,326,000)	(14,706,000)	(14,791,000)
Discounted (before PFAD)	23,293,000	111,209,000	134,502,000	129,498,000
PFAD	2,691,000	11,511,000	14,202,000	13,553,000
Discounted	25,984,000	122,720,000	148,704,000	143,051,000

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 7

Year ended December 31, 2024

As at December 31, 2024, the interest rate used to determine the time value of money was 3.07% (December 31, 2023 – 3.29%) and reflected the market yield, based on the yield of Government of Canada bonds with a similar duration until maturity.

Measurement Uncertainty and Assumption Sensitivity

Significant measurement uncertainty exists with respect to the undiscounted and discounted balances as a significant number of assumptions are necessary to determine such estimates as described above. Final claim payments may differ from the computed provisions, particularly when payments may not occur for several years. Any such adjustments to the provision will be reflected in the results for the year during which the adjustments are made.

Given the diversity and number of the assumptions involved, quantifying the individual assumptions that are more likely than others to have a significant impact on the measurement of the Company's unsettled accident claims is impractical.

Claims Development

The Company completes an annual evaluation of the adequacy of unpaid claims and claims adjustment costs at the end of each financial year. This evaluation includes a re-estimation of the liability for unpaid claims and claims adjustment costs relating to each preceding financial year compared to the liability that was originally established. The results of this comparison and the changes in the unpaid claims and claims adjustment costs for the years ended December 31, 2024 and 2023 were as follows:

	City	TTC	2024	2023
Unsettled accident claims, beginning of year	14,383,000	128,668,000	143,051,000	133,044,000
Net claims and claims adjustment costs				
Incurred related to current year	14,021,000	28,157,000	42,178,000	33,761,000
Incurred related to prior years	(378,000)	(17,029,000)	(17,407,000)	(11,028,000)
Settled related to current year	(810,000)	(1,097,000)	(1,907,000)	(1,356,000)
Settled related to prior years	(1,232,000)	(15,979,000)	(17,211,000)	(11,370,000)
Unsettled accident claims, end of year	25,984,000	122,720,000	148,704,000	143,051,000

Based on the indemnity agreements described in note 9(c) and 9(e), there is no net impact on the Company as a result of the claims development as any adverse claims development, would be offset by an increase in the indemnities receivable. As a result, a claims development table is not presented in these financial statements.

11. RELATED PARTY TRANSACTIONS

- (a) Effective July 8, 2021 and following the conclusion of the TCTI-GACCTO lease, the operational management of the Company's tangible capitals assets was transferred to the City through CreateTO. With this transfer, the City became responsible for their operation, related obligations and rewards. As a result, the Company's land and buildings were derecognized.

TORONTO COACH TERMINAL INC.

Notes to the Consolidated Financial Statements (Unaudited) Page 8

Year ended December 31, 2024

The transfer of the properties, 610 Bay Street and 130 Elizabeth Street, to the City is recorded at the exchange value of \$4,200,000 in 2021 and is due from the City. On April 8, 2024, the Company entered into an agreement with an offer to sell the properties to the City. The cash settlement from the City will occur upon the earlier of:

- i. the sale of one or both of the properties; or
 - ii. the execution of any agreement between the City of Toronto and a third party in respect of the development of one or both of the properties; or,
 - iii. the approval by City of Toronto Council of an application by the City of Toronto to rezone one or both of the properties
- (b) The TTC provides all management and administrative services necessary to support the operations of the Insurance Co. Related party transactions are recorded at the exchange amount. The expense incurred for the year for these services was \$117,714 (2023 - \$146,132) and this has been reflected in the statement of operations and accumulated surplus.
- (c) The Company recognized indemnities receivable from the TTC in the amount of \$122,720,000 (2023 - \$128,668,000) and the City in the amount of \$25,984,000 (2023 - \$14,383,000) as part of the Company's indemnity agreements described in note 9, the amount of which is equivalent to the accident claims assumed by the Company.

12. COMMITMENTS AND CONTINGENCIES

The Company is a party to a number of legal proceedings in the ordinary course of its business. While there exists an inherent difficulty in predicting the outcome of such matters, based on current knowledge and consultation with legal counsel, management does not expect that the outcome of any of these matters, individually or in aggregate, would have a material adverse impact on the Company's financial position. In management's opinion, the Company has made adequate provision for all claims and legal proceedings.

Toronto Coach Terminal Inc. Exemption from Audit Requirements

Date: December 10, 2025

To: Toronto Coach Terminal Inc. Meeting of the Shareholders

From: Treasurer, Toronto Coach Terminal Inc.

Summary

The attached report requests the Shareholders to exempt the Toronto Coach Terminal Inc. (TCTI) from an external financial audit for the fiscal year ending December 31, 2025.

Recommendations

It is recommended that the Shareholders:

1. Consent, by signing the attached resolution, to exempt the TCTI from an external financial audit for the fiscal year ending December 31, 2025.

Financial Summary

The recommendations in this report have no funding implications.

Equity/Accessibility Matters

This report and its recommendations have no accessibility/equity issues or impact.

Decision History

At the annual general meeting held on June 24, 2013, the Shareholders first approved the discontinuance of the external financial audit of TCTI effective January 1, 2013.

[Discontinuance of External Financial Audit of Toronto Coach Terminal Inc. \(ttc.ca\)](#)

On an annual basis, consent and approval is obtained from TCTI Shareholders at its annual general meeting to exempt TCTI from an external financial audit in respect of that fiscal year. The last approval was obtained on June 20, 2024 for fiscal year ending December 31, 2024.

Issue Background

TCTI's operations are limited to bank interest revenue and administrative expenses, therefore an audit is not warranted.

The TCTI by-law does not specify or require an audit of the annual financial statements and, according to Section 148 of the Business Corporations Act, a corporation is exempt from the audit requirements of the Act if the shareholders consent in writing to the exemption in respect of that year.

Comments

There will be annual savings of approximately \$20,000 in 2025 from continuing to forgo the TCTI audit.

Toronto Transit Commission (TTC) will continue to prepare and report unaudited financial statements annually for TCTI and the external financial audit of TCTI's subsidiary, Toronto Transit Commission Insurance Company Limited (TTCICL). The unaudited consolidated financial statements include the results of TCTI's subsidiary, TTCICL. As TCTI's new business model significantly reduced the number and variety of financial transactions, the TCTI board and the Chair of TTC Board on behalf of the TTC (as shareholder) approved discontinuing the audit of TCTI as of fiscal 2013 at the annual general meeting of shareholders on June 24, 2013. The financial statements of TTCICL continue to be audited.

Contact

John Montagnese, Treasurer, Toronto Coach Terminal Inc.
Tel: (416)-393-3654
Email: John.Montagnese@ttc.ca

Signature

John Montagnese
Treasurer, Toronto Coach Terminal Inc.

Attachments

Attachment 1 - Resolution of the shareholders of Toronto Coach Terminal Inc.

**RESOLUTION OF THE SHAREHOLDERS OF
TORONTO COACH TERMINAL INC.**

BE IT RESOLVED THAT Toronto Coach Terminal Inc. (TCTI) is exempt from the external audit requirement as approved by the shareholders at the Annual General Meeting held on Wednesday, December 10, 2025.

The UNDERSIGNED, having the authority to vote on behalf of the Shareholder as per the proxy approved by the TTC Board at its meeting on October 29, 2024 hereby signs the foregoing resolution which is in accordance with Section 148 of the Business Corporations Act, wherein the Corporation is exempt from the audit requirements of the Act if the shareholder consents in writing to the exemption in respect of that year.

DATED this 10th day of December, 2025

Toronto Coach Terminal Inc. Chair

Minutes

Toronto Coach Terminal Inc. (TCTI) Special Meeting of Directors

Meeting No.: 202

Meeting Date: Thursday, June 20, 2024

A meeting of the Toronto Coach Terminal Inc. (TCTI) Special Directors was held in person and by video conference on Thursday, June 20, 2024 commencing at 9:59 a.m.

Present at Public Session

J. Myers, J. De Laurentiis, P. Ainslie, S. Holyday, F. Jagdeo, L. Kim, J. Matlow, C. Moise, J. Osborne and D. Saxe (TCTI Directors), M. Atlas (President, TCTI), D. Mitchell (Vice-President and General Counsel, TCTI), J. Montagnese, (Treasurer, TCTI) and C. Finnerty (General Secretary, TCTI)

TTC Staff: J. La Vita (Chief Financial Officer), A. Cerqueira (Director – Claims), L. Soto Maya (Coordinator – Secretariat Services, and J. Ishak (Administrator – Secretariat Services)

C. Finnerty was in the Chair.

Declaration of Interest - Corporations Act

Nil

Minutes of the Previous Meeting

Business Arising Out of the Minutes

Nil

Public Presentations

Nil

Presentations/Reports/Other Business

1. Draft Consolidated Financial Statements of Toronto Coach Terminal Inc. for the year ended December 31, 2023.

It is recommended that the Board of Directors:

1. Approve the draft consolidated financial statements of Toronto Coach Terminal Inc. for the year ended December 31, 2023; and

2. Forward a copy of the approved consolidated financial statements to the Shareholders for information, and to the City of Toronto's City Manager, in accordance with the May 8, 2012 City of Toronto Council Directive.

On a majority vote of Directors present, the motion by D.Saxe carried.

Approved

The meeting adjourned at 10:00 a.m.

Minutes

Toronto Coach Terminal Inc. (TCTI) Meeting of Directors

Meeting No.: 204

Meeting Date: Thursday, June 20, 2024

A meeting of the Toronto Coach Terminal Inc. (TCTI) Directors was held in person and by video conference on Thursday, June 20, 2024 commencing at 10:03 a.m.

Present at Public Session

J. Myers, J. De Laurentiis, P. Ainslie, S. Holyday, F. Jagdeo, L. Kim, J. Matlow, C. Moise, J. Osborne and D. Saxe (TCTI Directors), M. Atlas (President, TCTI), D. Mitchell (Vice-President and General Counsel, TCTI), J. Montagnese, (Treasurer, TCTI) and C. Finnerty (General Secretary, TCTI)

TTC Staff: J. La Vita (Chief Financial Officer), A. Cerqueira (Director – Claims), L. Soto Maya (Coordinator – Secretariat Services, and J. Ishak (Administrator – Secretariat Services)

C. Finnerty was in the Chair.

Declaration of Interest - Corporations Act

Nil

Minutes of the Previous Meeting

On a motion by J. Osborne, the Board of Directors reviewed and approved the minutes of Special Directors Meeting No. 200 held on Tuesday, September 26, 2023

Business Arising Out of the Minutes

Nil

Public Presentations

Nil

Presentations/Reports/Other Business

1. Election of Chair and Vice-Chair

J. Osborne nominated F. Jagdeo to the position of Chair and nominated L. Kim to the position of Vice-Chair.

On a majority vote of Directors present, the motion by J. Osborne carried.

Approved

2. Appointment of Officers

It is recommended that the Board of Directors appoint:

1. Michael Atlas, TTC General Counsel, to the position of President;
2. Dulce Mitchell, Solicitor, to the position of Vice-President and General Counsel;
3. Chrisanne Finnerty, Director – Commission Services, to the position of General Secretary; and
4. John Montagnese, Executive Director – Finance to the position of Treasurer.

Approved

3. Election of Audit Committee Members and Committee Chair

It is recommended that the Board of Directors

1. Elect Fenton Jagdeo, Liane Kim and Diane Saxe to the TCTI Audit Committee.
2. Recognize the TCTI Audit Committee's selection of Diane Saxe as Chair of the TCTI Audit Committee.

Approved

4. Financial Report for TCTI for the Year Ended December 31, 2023

Receive the Financial Report for TCTI for the Year Ended December 31, 2023 for information.

Approved

5. 2024 Operating Budget for the Toronto Coach Terminal Inc.

It is recommended that the Toronto Coach Terminal Inc. Board of Directors:

1. Approve the 2024 Operating Budget for the Toronto Coach Terminal Inc. with revenues of \$148,000 and expenses of \$1,000 resulting in a net profit of \$147,000 as set out in this report.

Approved

The meeting adjourned at 10:07 a.m.

Toronto Coach Terminal Inc. (TCTI) – Election of Chair and Vice-Chair

Date: December 10, 2025

Summary

The Toronto Coach Terminal Inc. Board of Directors elects from amongst its members a Chair who will preside over all meetings of the Board and all meetings of the Shareholders. The Board may also elect a Vice-Chair who will perform all the duties of the Chair in their absence.

Recommendations

It is recommended that the Board of Directors:

1. Elect a Chair; and
2. Elect a Vice-Chair.

Financial Summary

There are no financial implications resulting from the adoption of this report.

Equity/Accessibility Matters

No equity or accessibility impacts were identified.

Comments

In accordance with the TCTI General By-law No. 1, the Chair will, if present, preside at all meetings of the Board and at all meetings of Shareholders. In addition, the Board may assign to the Chair any of the powers and duties that are by provision of the by-law assigned to the President and the Chair will have such powers and duties as the Board may prescribe. The Chair will be responsible for furthering the establishment of liaison, co-ordination and co-operation between Officers and between Directors and between Shareholders of the Corporation.

The Vice-Chair will be vested with all the powers and perform all the duties of the Chair in their absence, and will also perform such duties and exercise such powers as the Chair may from time to time delegate to the Vice-Chair or the Board may prescribe.

At its meeting on June 20, 2024, the Directors elected F. Jagdeo as Chair and L. Kim as Vice-Chair.

Toronto Coach Terminal Inc. (TCTI) – Appointment of Officers

Date: December 10, 2025

Summary

At the first meeting of the Board after the election of Directors, the Board appoints a President, a Vice-President a General Secretary and if deemed advisable, may appoint a Treasurer, a Comptroller, a General Counsel and such other officers as the Board may determine. None of the said officers need be a Director or shareholder. Any two of the said offices may be held by the same person.

This report recommends reappointing the current slate of Officers.

Recommendations

It is recommended that the Board of Directors appoint:

1. Michael Atlas, TTC General Counsel, to the position of President;
2. Dulce Mitchell, Solicitor, to the position of Vice-President and General Counsel;
3. Chrisanne Finnerty, Director – Commission Services, to the position of General Secretary; and
4. John Montagnese, Interim Chief Financial Officer, to the position of Treasurer.

Financial Summary

There are no financial implications resulting from the adoption of this report.

Equity/Accessibility Matters

This report has no equity or accessibility issues or impacts have been identified.

Comments

Outlined below are the duties of the Officers as laid out in the TCTI By-law; noting that the Board may vary, add to or limit the powers and duties of any Officer or Officers of the Corporation.

The President is charged with the general management and direction, subject to the authority of the Board, of the Corporation's business and affairs and the power to appoint and remove any and all officers, employees and agents of the Corporation not elected or appointed directly by the Board and to settle the terms of their employment and remuneration.

The Vice-President will perform all the duties of the President in their absence and will also perform such duties as the President may from time to time delegate to the Vice-President.

The General Secretary is responsible for issuing all notices for all meetings of the Board of Directors, or shareholders, having charge of the minute books of the Corporation, keeping all issued share certificates in the custody of the General Secretary; signing with the Chair or other signing officers of the Corporation such instruments as require the General Secretary's signature, and performing such other duties as the Board of Directors may from time to time properly require of the General Secretary.

The General Secretary will keep a record of:

- a) A copy of the letters patent incorporating the Corporation and of any supplementary letters patent and of the preliminary memorandum of agreement, and all the by-laws of the Corporation; and
- b) The names of all persons who are or have been shareholders.

The Treasurer is responsible for keeping proper accounting records as required by the Act; the Treasurer deposits all monies received by the Corporation in the Corporation's bank account; and under the direction of the Board, supervises the safekeeping of securities and the disbursement of the funds of the Corporation. The Treasurer renders to the Board, whenever required, an account of all transactions rendered and the financial position of the Corporation; and will perform such other duties as may from time to time be prescribed by the Board.

The General Counsel is responsible for all legal matters pertaining to the business of the Corporation and to fulfill such other duties as the Board of Directors may from time to time properly require of the General Counsel.

The Comptroller, who would act as an assistant to the Treasurer, is not required on the limited financial activity of the Corporation.

The position of Director – Terminal Operations was on record prior to the 2013 Annual General meeting but was eliminated as the operation and management of the terminal has been leased out to a consortium of carriers.

In accordance with the Ontario Corporations Information Act, the name and address of Officers of the Corporation must be filed with the Ministry of Government Services. This requirement will be fulfilled by the General Secretary upon appointment of Officers.

Toronto Coach Terminal Inc. (TCTI) – Election of Audit Committee Members and Committee Chair

Date: December 10, 2025

Summary

In accordance with the Toronto Coach Terminal Inc. General By-law No. 1, the Board of Directors elects annually, from amongst its members, an Audit Committee composed of no fewer than three Directors. In addition, the President is an *ex officio* member of the Committee.

Upon election of the Audit Committee, the members elect a Chair from amongst the Committee members.

Recommendations

It is recommended that the Board of Directors:

1. Elect a minimum of three members to the TCTI Audit Committee; and
2. That the newly appointed Audit Committee elect a Chair from amongst its members.

Financial Summary

There are no financial implications resulting from the adoption of this report.

Equity/Accessibility Matters

This report has no accessibility/equity issues or impacts.

Decision History

At the TCTI General Meeting on June 20, 2024, the Board of Directors elected Dianne Saxe, Fenton Jagdeo and Liane Kim as members of the Audit Committee.

Issue Background

The mandate of the TCTI Audit Committee is to assist the Board in fulfilling its oversight responsibilities with respect to: the financial reporting process; the system of internal control; the audit process; the Board's process for monitoring compliance with laws and regulations, and the Code of Conduct.

The Audit Committee's primary duties and responsibilities are to:

- Identify and monitor the management of the principle risks that could impact financial reporting;
- Monitor the integrity of TCTI's financial reporting process and system of internal controls regarding financial reporting and accounting compliance;
- Monitor the independence and performance of the internal auditors, management and the Board of Directors.

Comments

The TCTI Audit Committee is governed by the Corporation's By-law in relation to the calling, place and proceedings of meetings. The Committee meets once a year on the same day as the TCTI Annual General meeting which is usually held in conjunction with a TTC Board meeting.

2025 Operating Budget for the Toronto Coach Terminal Inc.

Date: December 10, 2025

To: Toronto Coach Terminal Inc. Board of Directors

From: Treasurer

Summary

The attached report presents the 2025 Toronto Coach Terminal Inc. (TCTI) operating budget for approval.

The 2025 Operating Budget is limited to interest revenue on bank balances and minor administrative expenses.

Recommendations

It is recommended that the TCTI Board of Directors:

1. Approve the 2025 Operating Budget for the TCTI. with revenues of \$136,000 and expenses of \$1,000 resulting in a net profit of \$135,000 as set out in this report.

Financial Summary

The continuation of the TCTI as a legal entity is required in accordance with the terms of the license of the Toronto Transit Commission Insurance Company Limited (TTCICL). Revenues will be limited to interest revenue on estimated bank balances of \$136,000 and administrative expenses of \$1,000 (net profit of \$135,000).

The unaudited consolidated financial statements include the results of TCTI's subsidiary, TTCICL. As TCTI's new business model significantly reduced the number and variety of financial transactions, the TCTI board and the Chair of Toronto Transit Commission (TTC) Board on behalf of the TTC (as shareholder) approved discontinuing the audit of TCTI as of fiscal 2013 at the annual general meeting of shareholders on June 24, 2013. The financial statements of TTCICL continue to be audited.

Equity/Accessibility Matters

There are no equity and accessibility considerations.

Decision History

On an annual basis, the budget of TCTI is presented on a non-consolidated level, for approval.

On June 2021, the TCTI Board approved, upon the expiry of the TCTI-GACCTO lease, the transfer of the operational management of the 610 Bay Street and 130 Elizabeth Street properties to the City of Toronto (City), subject to the City,

- (a) paying the remaining loan balance between TCTI and TTC (approximately \$4.2 million);
- (b) the City assume the responsibility for any liabilities including, but not limited to, the payment of property taxes, carrying out the security, maintenance, repair and replacements, and environmental liabilities (on and off the properties) associated with the properties; and
- (c) pay TCTI \$4.2 million upon the occurrence of the earlier of,
 - (i) the sale of one or both of the properties;
 - (ii) the execution of any agreement between the City and a third party in respect of the development of one or both of the properties; or
 - (iii) the approval by City Council of an application by the City to rezone one or both of the properties.

[GACCTO Lease Expiry and Proposed Turnover Agreement.pdf \(ttc.ca\)](#)

On September 15 2021, TTC Board approved the waiver of interest payable on the remaining loan of \$4.5 million, with TCTI, effective July 8, 2021 and approved the applicable amendment to the loan agreement between the TTC and TCTI in respect of the waiver of interest.

[Loan Agreement to Toronto Coach Terminal Inc. \(ttc.ca\)](#)

On September 26, 2023, the TCTI Board approved to enter into an Offer to Sell and an Agreement of Purchase and Sale between TCTI and the City to enable the sale of 610 Bay Street and 130 Elizabeth Street from TCTI to the City. The City has been responsible for all maintenance and financial obligations of the properties since the expiry of the previous lease in July 7, 2021, and upon closing, the City will be responsible for all the obligations of the properties, including financial, environmental, and maintenance obligations. Upon entering into the Offer to Sell and Agreement of Purchase and Sale, TCTI will receive \$4.2 million at the earlier of the sale of one or both of the properties by the City to a third party or after seven (7) years.

[Sale of 610 Bay Street and 130 Elizabeth Street \(ttc.ca\)](#)

Comments

2025 TCTI Operating Budget

TCTI's budgeted net profit for 2025 is expected to be \$135,000, representing a \$12,000 decrease relative to the 2024 budget. The overall decrease is primarily associated with a

decrease in anticipated bank interest revenue, based on the decrease in interest rates.

Administrative Expenses

Administrative expenses relate to bank charges required to maintain the current bank account.

Budget Summary

\$000s	2025 BUDGET	2024 BUDGET	CHANGE
Expenses	1	1	(0)
Cash Flow From Operations	1	1	(0)
Operating Loss	(1)	(1)	(0)
Interest Revenue	(136)	(148)	(12)
Net Profit	135	147	(12)

Contact

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Signature

John Montagnese
Treasurer, Toronto Coach Terminal Inc.

Attachments

There are no attachments included in this report.