

Moving Forward: Improving Metro Vancouver's Transportation Network



2012 Supplemental Plan and Outlook Transportation and Financial Supplemental Plan for 2012 to 2014 and Outlook for 2015 to 2021



For the purpose of the BC *South Coast British Columbia Transportation Authority Act*, this document contains a Transportation and Financial Supplemental Plan prepared in 2011 for the 2012 to 2014 period and Outlook for the 2015 to 2021 period. If approved by the Mayors' Council on Regional Transportation, this Plan, together with the 2012 Transportation and Financial Base Plan (approved by the TransLink Board of Directors on July 29, 2011), will serve as TransLink's 2012 Strategic Plan.

September 23, 2011

Approved by the TransLink Board and submitted to the Mayors' Council on Regional Transportation and the Regional Transportation Commissioner

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Executive Summary

EXECUTIVE SUMMARY

This 2012 Transportation and Financial Supplemental Plan and Outlook (2012 Supplemental Plan), entitled “Moving Forward: Improving Metro Vancouver’s Transportation Network,” builds upon previous investment in transportation, including expansion in transit, that occurred in Metro Vancouver between 2005 and 2009. The transportation investments and funding provided under this 2012 Supplemental Plan will support strong growth in transit ridership, will continue to support livable communities and will move the region towards conditions required this decade to fulfill Transport 2040 aspirations for a sustainable region. With the opening of the Evergreen Line and the roll out of additional bus and SeaBus services, annual transit boardings are forecast to increase by 10 per cent (over 40 million boardings) over the 2012 Base Plan forecast by 2021. Annual regional greenhouse gas (GHG) emissions from roadway and passenger transportation in the region are forecast to decline by 2 per cent between 2011 and 2014 and remain approximately 4 per cent below 2011 levels through 2021, as a result of anticipated increases in the use of transit services and ongoing private vehicle fuel efficiency improvements.

Under this plan, the region fulfills the long-standing commitment to provide funding for the Evergreen Line Rapid Transit project, connecting Coquitlam and Port Moody to the region’s rail rapid transit network.

Significant upgrades to the existing transit system will also occur under this plan:

- By 2014, annual bus and SeaBus service will increase by 415,000 hours, or 7 per cent, providing more service around the region to improve reliability, reduce crowding and serve new demand from population growth and the expanded U-Pass BC program.
- A fast, frequent and reliable B-Line service will be introduced in Surrey on 104th Avenue and King George Boulevard to connect Guildford, Surrey Central and White Rock.
- Local service will be introduced to connect White Rock to Langley,
- Bus Rapid Transit (BRT) service will be introduced on Highway 1 and on the new Port Mann Bridge (upon completion), connecting Walnut Grove with the SkyTrain network at Lougheed Station in Burnaby.
- An additional BRT service will connect Walnut Grove with Surrey City Center and the Expo Line.
- Renovation projects will be undertaken at four existing SkyTrain stations and at the Lonsdale Quay SeaBus terminal to add capacity and to enhance the passenger experience.

This plan will increase funding for TransLink’s Major Road Network Minor Capital Program and Bicycle Capital Program to previous levels of \$20 million per year and \$6 million per year, respectively, for a

period of five years to 2016¹ (current investment levels are \$10 million per year and \$3 million per year, respectively). These programs provide cost share funding to municipalities to support a multi-modal transportation system, promote cycling and improve safety for all road users.

Consultation undertaken with the public, stakeholders, and elected officials in Fall 2010 and again from July to September 2011 has demonstrated that there is strong support for investment in the suite of projects included in this plan.

The investments in this 2012 Supplemental Plan and Outlook were originally put forward by the TransLink Board for consideration by the Mayors’ Council in Fall 2010 under the 2011 Transportation and Financial Supplemental Plan and Outlook titled “Moving Forward: Improving Metro Vancouver’s Transportation Network”. The Mayors’ Council was not satisfied with the proposed mechanism for raising the necessary additional revenues, so did not vote on the 2011 Supplemental Plan and Outlook within the legislated 90 day window. Building on a Memorandum of Understanding (MOU) on livable cities and transportation signed in September 2010, the Mayors’ Council and the Province have worked together to identify sustainable funding sources for regional transportation. This 2012 Supplemental Plan and Outlook incorporates the proposed near-term funding solution developed between the Province and Mayors’ Council for the region’s contribution to the Evergreen Line and the other priority investments contained in this plan. The Mayors’ Council and the Province are committed to finding a long-term sustainable funding solution for regional transportation.

Significant improvements are made in Metro Vancouver’s transportation network under the 10 years of this plan and outlook, in support of regional needs and objectives. Capital investments totalling \$1.70 billion² are made by TransLink and the Province, supported by federal contributions, to implement this plan. The increased transit services included in this plan (primarily bus and SeaBus operations, and

Evergreen Line operations), require additional staff, maintenance, materials and fuel to operate, at a cost of \$634 million over the Plan and Outlook period.

Funding totalling \$2.24 billion for the Moving Forward package come from a variety of sources, as shown in Figure 1.

Fifty per cent of the funding for investments made in this plan comes from senior government through provincial and federal funding programs for investment in the Evergreen Line Program, station upgrades and other transit infrastructure and equipment, including buses. Sixteen per cent of the funding will come from increased transit fare

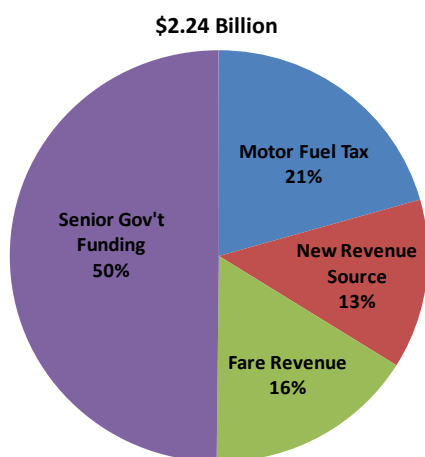


Figure 1: 2012 Supplemental Plan Investment Package Funding Sources

¹ The five year contribution period is consistent with municipal five year capital plans cycles, as endorsed by TransLink’s Major Roads and Transportation Technical Advisory Committee (MRTAC).

² Capital investments reflect the amount paid for capital purchases. The TransLink portions of these costs pass through the statement of operations in the form of interest costs on debt financing and depreciation expense, both of which extend beyond the 10 year plan and outlook period.

revenue that results from the ridership generated by these investments. The remaining share is the responsibility of TransLink and is to come from motor fuel taxes and a new revenue source.

The Mayors’ Council and the Province determined that the necessary funding to support this 2012 Supplemental Plan and Outlook is to come, in part, from a \$0.02 per litre increase in regional motor fuel taxes, which would go into effect on April 1, 2012. The balance of the funding would come from new long-term revenue source(s) that the Province and the Mayors’ Council would ideally agree upon in time for the Province to introduce enabling legislation in 2012. The intent of this new long-term funding is to provide the balance of funding required for the investments identified in the 2012 Supplemental Plan, as well as to provide the region additional capacity to fund transportation investment needs in future Supplemental Plans. If new funding source(s) are not implemented before the end of 2012, the three-year Supplemental Plan would be funded by a time-limited property tax in 2013 and 2014 that would generate a total of \$29 million across all property classes, equating to approximately \$23 per year on the average residential property in 2013³.

The anticipated phasing of the planned transit, roads and cycling investments (described in Table 1) is indicated in Section 2.3. Over the 2012-2013 period, TransLink will continue to review and, as required, adjust the timing of investments if the timeline for securing funding changes from what is currently anticipated. If it becomes apparent that the new funding source(s) will not be in place as anticipated, TransLink will adjust expenditures, starting in its 2013 Base Plan, to respond to the available resources.

Table 1: Overview of Initiatives in the 2012 Supplemental Plan

RAPID TRANSIT	SERVICE IMPROVEMENTS	ROADS & CYCLING
<p>Evergreen Line Program</p> <ul style="list-style-type: none"> Connects Coquitlam and Vancouver via Port Moody and Burnaby: 11 km line, five stations and 28 new SkyTrain vehicles The RFP is expected to be awarded in 2012 with an estimated construction period of four years. Commercial-Broadway Station Phase II Community and network integration and wayfinding upgrades <p>Station Upgrade Projects</p> <ul style="list-style-type: none"> Main Street Station Metrotown Station Surrey Central Station New Westminster Station Lonsdale Quay SeaBus Terminal 	<ul style="list-style-type: none"> King George Boulevard B-Line Highway 1 Bus Rapid Transit White Rock to Langley Bus Service Bus service hours to increase frequency (e.g. on SeaBus) and address overcrowding Bus service hours to accommodate population growth Bus service hours on Provincial U-Pass BC program routes 	<ul style="list-style-type: none"> Increase funding for MRN Minor Capital Program to \$20M/year Increase funding for Bike Capital Program to \$6M/year

³ Assuming a 2 per cent per year increase in regional assessed values.

**Background
and context**

1. BACKGROUND AND CONTEXT

This 2012 Supplemental Plan and Outlook, titled “Moving Forward: Improving Metro Vancouver’s Transportation Network”, contains the 2012 Transportation and Financial Supplemental Plan (2012-2014) and Outlook (2015-2021) prepared by the South Coast British Columbia Transportation Authority (TransLink) under the *South Coast British Columbia Transportation Authority Act (SCBCTA Act)*. The 2012 Supplemental Plan and Outlook (referred to herein as the “2012 Supplemental Plan”), which proposes changes to the 2012 Base Plan and Outlook (referred to herein as the “2012 Base Plan”), was developed for the purpose of funding priority expansion of the regional transportation network. The 2012 Supplemental Plan is divided into a Plan period (referred to herein as the “Plan period”) covering the years 2012 to 2014, and an Outlook period (referred to herein as the “Outlook period”) covering the years 2015 to 2021.

This chapter describes the current context for the 2012 Supplemental Plan, including the development framework, its relationship to the 2012 Base Plan its purpose and priorities, and the consultation and approvals process.

1.1 SUPPLEMENTAL PLAN DEVELOPMENT FRAMEWORK

Under the *SCBCTA Act*, each year TransLink must prepare a base plan covering a three-year plan period and an outlook covering the seven years following the three-year plan period. TransLink may also prepare one or more supplemental plans that propose changes to the base plan. Each supplemental plan must be accompanied by an outlook that shows how the base plan outlook would change if the supplemental plan is approved. TransLink’s strategic plan is composed of the base plan as modified by approved supplemental plans.

1.2 RELATIONSHIP TO THE 2012 BASE PLAN

The 2012 Supplemental Plan proposes changes to TransLink’s 2012 Base Plan, which was approved by the TransLink Board of Directors on July 29, 2011. If the 2012 Supplemental Plan is approved by the Mayors’ Council on Regional Transportation (Mayors’ Council), the 2012 Base Plan, as modified by the 2012 Supplemental Plan, will constitute TransLink’s Strategic Plan for 2012 to 2014.

The supplemental plan for 2012 to 2014 outlines:

- expenditures on transportation capital, programs and services (Section 2.0, Transportation Plan),
- performance of the investments against the goals of Transport 2040 (Section 2.4, Outcomes), and
- changes to financial projections relative to the Base Plan (Section 3.0, Financial Strategy and the Appendices).

The 2012 Supplemental Plan does not restate the detailed strategic initiatives, investments and services that are contained in the 2012 Base Plan, which will continue to be implemented with or without the adoption of a Supplemental Plan.

1.3 PURPOSE AND PRIORITIES

This 2012 Supplemental Plan enables the region to move forward on the Evergreen Line program and other priorities including bus and SeaBus service expansion, upgrades to SkyTrain stations and restoration of previous funding levels to road and cycling funding programs. These investments were brought forward by TransLink in Fall 2010 under the proposed 2011 Supplemental Plan and Outlook. The priorities and investments identified in this supplemental plan and outlook are largely the same as those identified in Fall 2010. However, one difference is that the United Boulevard Extension of the North Fraser Perimeter Road project is no longer included. Further to extensive technical work and a comprehensive public consultation program, no solution was found that meets the project objectives and that has the support of the community in New Westminister. TransLink remains committed to the North Fraser Perimeter Road project and will work towards a solution with its partners which could then be included for consideration in future plans.

The Mayors' Council was not satisfied with the proposed mechanism for raising the necessary additional revenues, so did not vote on the 2011 Supplemental Plan and Outlook within the legislated 90 day window.

Since then, the Mayors' Council and the Province have worked together to identify a mutually acceptable funding solution. In July 2011, the Mayors' Council and the Province came to a funding agreement. TransLink is putting forward the 2012 Supplemental Plan to deliver on that agreement. The necessary funding to support this supplemental plan is to come in part from a \$0.02 per litre increase in the regional motor fuel tax, which would go into effect on April 1, 2012. The balance of the funding would come from new long-term revenue source(s) that the Province and the Mayors' Council will ideally agree on in time for the Province to introduce enabling legislation in 2012. The intent of this new long-term funding is to provide the balance of funding required for the investments identified in the 2012 Supplemental Plan, as well as to provide the region additional capacity to fund transportation investment in future supplemental plans. If the new funding source(s) are not implemented before the end of 2012, the three-year supplemental plan period would be funded by a time-limited property tax in 2013 and 2014 that would generate a total of \$29 million per year across all property classes, equating to approximately \$23 per year on the average residential property in 2013⁴.

TransLink requires the certainty of sufficient funding in the long term to implement the full range of services and capital investments contained in this supplemental plan. TransLink will begin implementing the components of the 2012 Supplemental Plan when:

- a. the 2012 Supplemental Plan is approved by the Mayors' Council, and
- b. the \$0.02 per litre increase in regional motor fuel taxes is enabled through provincial legislation.

⁴ Assuming a 2 per cent per year increase in regional assessed values.

TransLink will continue to operate within its approved 2012 Base Plan until both of these conditions are met.

The anticipated phasing of the planned transit, roads and cycling investments is indicated in Section 2.3. Over the 2012-2013 period, TransLink will continue to review and, as required, adjust the timing of investments if the timeline for securing funding changes from what is currently anticipated. If it becomes apparent that the new funding source(s) will not be in place as anticipated, TransLink will adjust expenditures, starting in its 2013 Base Plan, to respond to the available resources.

CONTEXT FOR CURRENT FUNDING DISCUSSIONS

Since 2009, TransLink has received strong feedback on the desire to find a way to deliver upgrades and expansion of the transportation system, including the Evergreen Line. There has been continued strong support for making investments toward the long-range vision for a sustainable transportation network in the region, as outlined in TransLink's long-range strategy, "Transport 2040" (adopted in 2008). The 2010 Funding Stabilization Supplemental Plan increased TransLink's revenues by \$130 million per year, stabilizing TransLink's ability to maintain existing service levels and keep transportation assets in good repair. The 2012 Base Plan does not provide sufficient revenue for upgrades and expansion to support the region being on track toward the vision and goals of Transport 2040.

Subsequent to the approval of the 2010 Funding Stabilization Supplemental Plan in Fall 2009, a Joint Technical Committee (JTC) was established by the TransLink Steering Committee (Minister of Transportation and Infrastructure, Chair and Vice Chair of the Mayors' Council on Regional Transportation and Chair of the TransLink Board) to serve as a basis for constructive discussions on funding solutions to support the development of a sustainable transportation system for the region. The JTC was established as a resource responsible for reporting back to, and consulting with the Mayors' Council. The JTC includes representation from the TransLink executive, the Deputy Minister and other executive members from the Ministry of Transportation and Infrastructure, and senior representation from the Cities of Vancouver and Surrey. The JTC carried out a review of TransLink's:

- existing funding structure (including contributions from the Province, member local governments and TransLink) and other revenue sources,
- strategy and initiatives to improve cost efficiency and service effectiveness,
- program of transit services and related costs to achieve the goals and objectives set out in Transport 2040, the Provincial Transit Plan and the Regional Growth Strategy, and
- planning process.

While the JTC endorsed the need for TransLink's work in developing a comprehensive funding strategy, the Committee acknowledged that TransLink would be unable to bring new funding sources online by 2011. The JTC identified the importance of leveraging current funding partnerships and following through on key regional commitments in the immediate-term using existing funding sources. At the direction of the JTC, TransLink undertook an analysis of upgrade and expansion projects and the potential to fund them within the existing funding structure.

On September 23, 2010, the Mayors' Council and the Province signed an MOU outlining their mutual commitment to building livable cities and acknowledging that efficient, affordable, carbon-smart transportation and infrastructure are an integral part of livable cities. This livability agreement provides the foundation for the Mayors' Council and the Province to work together in identifying sustainable funding sources for transportation in the region. The Mayors' Council and Province, supported by TransLink, have undertaken research, workshops and discussions that have resulted in a framework for developing a sustainable funding strategy for the region and the near-term funding solution for the priority investments contained in the 2012 Supplemental Plan. The funding proposal by the Province in July 2011 and supporting resolutions from the Mayors' Council include extensive and regular discussions through 2012 to deliver the required near-term and long-term funding solutions.

1.4 CONSULTATION AND APPROVALS PROCESS

Beginning in July and running through September 2011, TransLink conducted public and stakeholder consultation as part of the development of the 2012 Supplemental Plan, following the requirements of Section 15 of the SCBCTA Act and the Consultation Plan and Communications Strategy approved by the TransLink Board of Directors.

In October 2010, TransLink undertook a consultation program on the 2011 Supplemental Plan and Outlook, which included the same list of investments as this document (the elimination of the United Boulevard portion of the North Fraser Perimeter Road being the one difference between the plans). TransLink hosted multiple consultation and communication activities to ensure awareness of the plans and to receive direct input on their contents, including three public Transportation Fairs, online e-consultation, and meetings and presentations to stakeholder groups, the Province, Metro Vancouver and municipalities. TransLink market research, also conducted in October 2010, identified strong public interest in new investments in the region's transportation network, with over 80 per cent indicating that the Evergreen Line and other priority projects (such as SkyTrain improvements, new rapid bus transit and improvements to bus service) are important to the Metro Vancouver Region.

This year, the public provided input through online e-consultation via TransLink's "Be Part of the Plan" program from July 12-26. The online program provided 2012 Supplemental Plan content, access to research and results from the 2010 consultation and an opportunity for members of the public to provide feedback through a questionnaire about TransLink plans, priorities and funding. A webinar hosted by TransLink CEO Ian Jarvis on July 19 provided details of the 2012 Base and Supplemental Plans and answered questions submitted by participants. Comments were also received through a meeting of TransLink's Stakeholder Roundtable.

TransLink engaged the provincial government, Mayors' Council, municipalities and Metro Vancouver in discussion about the 2012 Supplemental Plan. TransLink consulted elected officials through meetings with the Metro Vancouver Board and the Mayors' Council on Regional Transportation. Consultation also took place with Metro Vancouver staff, and with municipal and regional staff through meetings with the Regional Administrators Advisory Committee (RAAC) and the Major Roads and Transportation Technical Advisory Committee (MRTAC).

In response to feedback from the Metro Vancouver Board, TransLink agreed to extend the consultation period through September 23, 2011. This included four regional meetings with elected officials, four regional community consultation sessions and continued consultation with the Mayors' Council, Metro Vancouver Regional Planning Committee and Metro Vancouver Board. The public also provided input through the questionnaire, which was available online and at the four community consultation sessions.

This consultation reinforced key findings from the October 2010 consultation on the 2011 Supplemental Plan, specifically:

- There continues to be support for transit system expansion generally and for the projects included in the “Moving Forward” plan specifically.
- The projects contained in the “Moving Forward” plan are consistent with the Regional Growth Strategy.
- While there is some opposition to increased taxation, there is support for an increased gas tax, as well as other funding sources such as road pricing, vehicle levies, property tax and fare increases.
- The public expects TransLink to continue to exercise fiscal restraint – to spend carefully and achieve cost savings where possible.
- The future transportation priorities of greatest interest, as determined by respondents, were improvements in bus service, the UBC rapid transit line, improved SkyTrain service and more transit south of the Fraser River.

1.5 OUTLOOK PERIOD

The 2012 Supplemental Plan proposes changes to the 2012 Base Plan. The *SCBCTA Act* requires detailed financials for the three-year Plan period and the long-term impacts of those investments to be shown for the following seven-year Outlook period. The Financial Strategy (Section 3) includes detailed financial information for the years 2012 to 2014 and the long-term impact of the investments as presented by the 2021 figures. Financial information for each year of the 2012 Supplemental Plan is included in the Appendices.

Transportation Plan

2. TRANSPORTATION PLAN

With the transportation funding and investment provided under the 2012 Supplemental Plan, the performance of the regional transportation system progresses towards the conditions required this decade to fulfill the Transport 2040 aspirations for a sustainable region. This is consistent with the Regional Growth Strategy and provincial and regional environmental objectives to improve air quality and reduce greenhouse gas (GHG) emissions.

With the opening of the Evergreen Line and the roll out of additional bus and SeaBus services, annual transit boardings are forecast to increase by 10 per cent (over 40 million boardings) over the 2012 Base Plan forecast by 2021. Annual regional GHG emissions from roadway and passenger transportation in the region are forecast to decline by 2 per cent between 2011 and 2014 and to remain approximately 4 per cent below 2011 levels through 2021, as a result of anticipated increases in the use of transit services and ongoing private vehicle fuel efficiency improvements.

This chapter describes the incremental transportation programs, services and investments that TransLink plans to undertake as part of the 2012 Supplemental Plan. The 2012 Base Plan includes investments in maintaining services, state of good repair and modest upgrades to improve efficiency and effectiveness over the 2012 to 2014 period. The 2012 Supplemental Plan includes additional investments that support upgrading and expanding the transportation system. This chapter outlines the ongoing need for planning for investments and sustainable funding, the method of prioritizing investments, transportation programs and services that TransLink will undertake and outcomes forecast to result from the delivery of the 2012 Supplemental Plan.

2.1 PLANNING FOR FUTURE INVESTMENTS AND SUSTAINABLE FUNDING – UPDATING TRANSPORT 2040

Since formation in 1999, TransLink has benefited from a diversified funding portfolio that provides a relatively high level of certainty regarding annual funding levels and enables TransLink to plan for the long term. TransLink is funded by a mix of transit fares, motor fuel taxes, property taxes, parking sales taxes, advertising and real estate revenues, a hydro levy and senior government contributions. While there are many benefits to the current mix of funding sources, additional funding is required to support upgrades and expansion towards a sustainable transportation system.

In 2010, the Province and Mayors' Council signed a Memorandum of Understanding (MoU) committing both parties to work together to identify a sustainable, long-term funding strategy. The agreement recognizes that the choice of revenue sources to fund transportation also has a role in shaping demand. Determining the right mix of funding sources to support future transportation infrastructure and services as well as Transportation Demand Management objectives will require extensive research and collaboration with stakeholders in the update of Transport 2040, the region's long-term transportation strategy.

Over the 2011 to 2013 period, TransLink will begin development of Transport 2045, the region's next long-term transportation strategy. This strategy, required in the *SCBCTA Act* and due by August 2013,

will build on Transport 2040 by providing greater definition on how to achieve the vision, establishing more detailed targets and providing more refined policy, investment and funding direction for the medium and long term. The update will focus on key areas of network management, land use coordination, encouraging sustainable transportation choices and sustainable funding. The initiative will be co-sponsored and jointly developed by TransLink and the Province of British Columbia, with input from Metro Vancouver and all municipalities in the region.

Transport 2045 will consist of:

- a long-term transportation strategy (30-year time horizon, overarching framework, general network concept, strategic-level actions and policies), and
- a medium-term transportation plan (15-year time horizon, refined network concept, implementation-oriented actions and policies).

REVIEW OF FUNDING SOURCES FOR THE 2012 SUPPLEMENTAL PLAN

The Mayors' Council on Regional Transportation and the Provincial government have agreed to a funding formula for the development of the 2012 Supplemental Plan that would see a staged introduction of measures that would produce the required additional annual revenue. The necessary funding is planned to come in part from a \$0.02 per litre increase in regional motor fuel taxes, which would be enabled by the Province in the Fall of 2011 and go into effect on April 1, 2012. The balance of the funding would come from a new long-term revenue source, or sources, that the Province and the Mayors' Council would agree on in time for the Province to introduce enabling legislation in 2012. The intent of the new long-term solution is to provide the balance of funding required for the investments identified in the 2012 Supplemental Plan, as well as to provide the region with additional capacity to fund transportation investment needs in future supplemental plans. If a new funding source is not implemented before the end of 2012, the 2012 Supplemental Plan would be funded by a time-limited property tax in 2013 and 2014 that would generate a total of \$29 million in the first year, across all property classes, equating to approximately \$23 per year on the average residential property in 2013⁵.

Recent sustainable funding strategy discussions have produced preliminary findings for a range of sources that can be considered for the development of a long-term sustainable funding strategy. Summary information is included below for only those sources that have been explicitly identified with the potential to be implemented in the near term.

⁵ Assuming a 2 per cent per year increase in regional assessed values.

Table 2: Summary of Potential Near-Term Funding Sources.

Funding Source	Summary
Motor Fuel Tax	<ul style="list-style-type: none"> • Encourages modal shifts to transit, cycling and walking • Stable in the near term, while becoming less reliable in the long term
Transportation Improvement Fee	<ul style="list-style-type: none"> • Potential to encourage more sustainable vehicle purchase choices in support of Transport 2040 goals • Depending upon the fee level, helps reduce passenger vehicle kilometres travelled (VKT); though once paid does not influence demand levels
Carbon Tax	<ul style="list-style-type: none"> • Encourages modal shifts to transit, cycling and walking • Stable in the near term, while becoming less reliable in the long term
Property Tax	<ul style="list-style-type: none"> • Very stable in both the near and long term • Does not function as a transportation demand management tool

Motor Fuel Tax

Motor fuel taxes achieve multiple benefits, as they raise revenues for transportation and also encourage future shifts to more sustainable modes of travel. This is a relatively stable revenue source in the near term; however, its effectiveness at reducing auto travel results in declining revenues over the long-term. As such, motor fuel taxes are less reliable as a long-term funding source. In 2011, motor fuel taxes make up approximately 27 per cent of TransLink’s overall revenue. Since the current rate of \$0.15 per litre is at its maximum legislated amount, an increase would require legislative changes.

Based on the July 2011 agreement between the Mayors’ Council and the provincial government, the necessary funding to support this supplemental plan is to come in part from a \$0.02 per litre increase in regional motor fuel taxes, which would go into effect on April 1, 2012.

Transportation Improvement Fee

A Transportation Improvement Fee (TIF) levied annually on vehicle registrations has the potential to support regional objectives in addition to generating revenues for regional transportation investment. The provision for a vehicle registration fee has existed within legislation since TransLink’s inception in 1999 but has never been implemented. TransLink currently lacks the authority to effectively and efficiently collect and enforce this type of fee. Although studied and supported in concept by local and regional government, legislation to allow enforcement has yet to be passed by the Province.

Based upon current TransLink estimates, if the TIF were to be implemented as the new revenue source in 2013, the average fee per vehicle would need to be approximately \$24 per year to generate the required \$29 million a year in revenue.

In developing the 2011 Supplemental Plan and Outlook, TransLink consulted on a variable rate fee, based on fuel efficiency or emissions. Research found that this structure could encourage consumer

shifts to more sustainable vehicles and more sustainable modes of travel, thus supporting regional transportation goals contained within Transport 2040. Alternatively, a fee structure based on proximity to transit has recently been discussed, but not yet studied. A range of aspects for any fee structure will have to be considered to compare performance relative to public policy, administrative and financial objectives.

Carbon Tax

In 2008, the provincial government legislated GHG reduction targets of 33 per cent below 2007 levels by 2020 and 80 per cent below 2007 by 2050. BC carbon taxes support Transport 2040 goals by encouraging drivers to purchase more efficient, lower emission vehicles, as well as encouraging modal shifts to transit, cycling and walking. This tax is relatively stable in the near term, though revenues will decline as users adjust to more sustainable travel behaviours and modes.

Based on current TransLink estimates, if a regional carbon tax were identified as the new funding source, the required rate increase would be approximately \$2 per tonne, charged to all applicable fuels, not just motor fuels (the BC Carbon Tax rate in July 2011 is \$25 per tonne).

For TransLink to access carbon tax revenues to fund improvements that will help reduce carbon emissions from transportation, a range of provincial and regional policy, administrative and financial objectives need to be considered and resolved, and agreed changes to provincial carbon tax legislation enabled.

Property Tax

Property taxes are a very stable revenue source in both the near and long term. Property taxes are not a direct user fee, so do not function as a transportation demand management tool. In 2011, property taxes make up approximately 24 per cent of TransLink's overall revenue. The last significant increase to this revenue source was implemented in 2004. Property tax revenue is permitted to grow in base plans by 3 per cent annually under the *SCBCTA* Act, comprised of both growth in properties and increases in rates.

Based on the July 2011 agreement between the Mayors' Council and the provincial government, if a new long-term sustainable funding source is not implemented before the end of 2012, the 2012 Supplemental Plan and Outlook would be funded by a time-limited property tax in 2013 and 2014 that would generate a total of \$29 million in the first year across all property classes, equating to approximately \$23 per year on the average residential property⁶.

Potential Future Long-Term Funding Sources

While there is agreement between the Mayors' Council and the Province on a path to fund the 2012 Supplemental Plan and provide additional funding capacity for the region, it is recognized that significant further investment is required to meet the long-term goals of Transport 2040, and additional funding sources will likely be required. To support the identification and selection of these longer-term funding sources, the Mayors' Council, Province and TransLink will undertake the development of a Long-

⁶ Assuming a 2 per cent per year increase in regional assessed values.

Term Sustainable Funding Strategy through 2011-2012. Some examples of sources that have been suggested for consideration include: system-wide road pricing; land value capture; development charges; and additional parking taxes. It is expected that additional technical work and consultation will be required to support these discussions. This funding strategy will form an integral component of Transport 2045, the region's next long-range strategy, which is currently under development and will identify the scope of future investment and the funding requirement and sources.

2.2 PRIORITIZING INVESTMENTS

This section describes the framework used in identifying the investments that require supplemental funding at this time. Projects were prioritized during the development of the 2011 Supplemental Plan and Outlook and were carried forward in the 2012 Supplemental Plan, with the exception of the United Boulevard Extension of the North Fraser Perimeter Road.

EVALUATION PROCESS

TransLink's framework for investments continues to prioritize:

- maintaining services,
- state of good repair,
- upgrades, and
- expansion.

TransLink's evaluation process for identification of projects for inclusion in future base and supplemental plans has been further developed and systematized. This process addresses input received from the Commissioner and stakeholders on the 2010 Funding Stabilization Supplemental Plan and the 2011 Funding Stabilization Update Plan. Candidate projects are evaluated in terms of their effectiveness towards achieving TransLink's Transport 2040 long-term goals. The framework and process is intended to be consistent and transparent for the full range of services and investments that TransLink considers and to provide an objectives-driven, performance-based method for planning and prioritization. It is anticipated that each plan will also include evaluation criteria relevant to the context of the particular plan.

The evaluation process undertaken for the 2011 Supplemental Plan and Outlook was not repeated for this 2012 Supplemental Plan as the same projects are included. The one exception is the elimination of the North Fraser Perimeter Road. Further to extensive technical work and a comprehensive public consultation program, no solution was found that meets the project objectives and has the support of the community in New Westminster. Minor updates to the remaining projects have been made to reflect the most recent information on scope and budget.

A comprehensive evaluation framework was developed to assess and rank initiatives in terms of the priorities for the 2012 Supplemental Plan and Transport 2040 goals.

2012 Supplemental Plan initiatives were screened using an evaluation process based on their fit with the following four priorities:

- previous regional commitments,
- opportunities to leverage significant other funding,
- opportunities to make best use of existing infrastructure and fleet, and
- decision required in 2010 in order to capture an opportunity⁷.

In addition, six criteria were established to reflect the six Transport 2040 goals and to evaluate each initiative’s effectiveness. Each identified initiative was evaluated and scored against these four “theme” criteria and six Transport 2040 criteria using performance information from project business cases. This evaluation tool enables objective and evidence-based scoring across the 10 criteria.

The Transport 2040 goals were translated into criteria for evaluation of the performance of projects. The criteria related to each of the Transport 2040 goals reflect the means of achieving a desired end-state, articulated as objectives. For example, Transport 2040 Goal 3 is “the majority of jobs and housing in the region are located along the Frequent Transit Network”, the criteria is expressed as “complete communities”, and the objectives are: Encourages complete and transit-oriented communities; Expands access to regional transit and cycling networks; Promotes regional mobility.

The framework and process is intended to be consistent and transparent for the full range of service investments that TransLink considers on an ongoing basis. Supporting objectives are defined for each of the criteria to which forecasted outcomes are applied. This process is designed to address the Regional Transportation Commissioner’s feedback to improve evaluation rigour and alignment with longer-term objectives. The following table summarizes the criteria (based on Transport 2040’s six goals) and the specific objectives considered for each criterion.

Table 3: Evaluation Criteria and Objectives

CRITERIA (TRANSPORT 2040 GOALS)	OBJECTIVES
Transport 2040 Related (50 per cent)	
GHGs Aggressively Reduced	Reduces VKT
	Improves system operations and efficiency
	Greater use of low emission fleet technology
	Greater use of low carbon content fuel
Non SOV Mode Share	Protect existing transit ridership
	Promotes shifts to transit, cycling and walking
	Encourages future shifts to transit, cycling and walking
	Influences smart transportation choices
Complete Communities	Encourages complete and transit-oriented communities
	Expands access to regional transit and cycling networks
	Promotes regional mobility
System Optimization	Encourages modal integration

⁷ Initiatives were evaluated against this criterion during the development of the 2011 Supplemental Plan and Outlook in 2010. While this particular criterion is no longer relevant for the 2012 Supplemental Plan and Outlook, the evaluation process and prioritized initiatives were left unchanged.

	Improves the resilience of the transportation system
	Improves system safety
	Promotes universal accessibility
Economic Growth and Goods Movement	Supports efficient access to regional centres and economic gateways
	Reduces congestion
	Improves travel time reliability
Financially Sustainable	Maximizes leveraging opportunities
	Make efficient use of existing infrastructure
	Prioritizes cost-effectiveness
	Prioritizes long-term growth in cost-effectiveness
2011 Supplement Plan and Outlook Priorities (50 per cent)	
Significant Lost Opportunity if Not Activated in 2010 ⁸	Leaves money on the table
	Dependence with other programs
	Significantly more expensive to do later
	Results in loss of passengers from the system
Leverages Significant Other Funding	Extent of capital contribution
	Impact on operating costs
	Impact on fare revenue
Makes Best Use of Existing Fleet and Infrastructure	Improves efficiency of existing assets
	Improves effectiveness in utilizing assets
Intensity of Previous Commitment	Nature of TransLink's commitment
	Importance of commitment to stakeholders

Initiatives were independently evaluated based on both quantitative and qualitative information. A composite score was derived for each project based on equal (50/50) weighting from the scores calculated for each criterion. For the 2011 Supplemental Plan and Outlook priorities, the criteria “significant lost opportunity if not activated in 2010” received greater weighting than the other three. All projects within this supplemental plan met a minimum performance threshold in accordance with these criteria. Based on the results of the evaluation process, 14 projects were identified as meeting the thresholds for inclusion in the 2012 Supplemental Plan.

2.3 TRANSPORTATION PROGRAMS, INVESTMENTS AND SERVICES

Significant improvements are made in Metro Vancouver’s transportation network under this plan, representing new investment and services of \$2.3 billion between 2012 and 2021. Detailed financial information on these projects can be found in the Financial Strategy (Section 3.0) and in the Appendices.

The 2012 Supplemental Plan includes 14 projects presented in the following categories:

- Transit
 - Evergreen Line Program
 - Station upgrade projects
 - Bus services

⁸ Initiatives were evaluated against this criterion during the development of the 2011 Supplemental Plan and Outlook in 2010. While this particular criterion is no longer relevant for the 2012 Supplemental Plan, the evaluation process and prioritized initiatives were left unchanged.

- Roads
- Cycling

The investments made under this plan will significantly improve Metro Vancouver’s transportation network.

This section identifies the anticipated timing associated with the proposed investments. TransLink will proceed with the implementation of the 2012 Supplemental Plan on the assumption that the agreed-upon funding strategy will be implemented in accordance with identified timelines. TransLink’s funding commitment for Evergreen Line will occur once there is sufficient funding enabled to support TransLink’s investment in the line. Over the period of the plan, TransLink will continue to review and, as required, adjust the timing of the other investments if the funding development timeline changes from what is currently anticipated.



Figure 2: Map of Investments under the 2012 Supplemental Plan

Capital investments totalling \$1.70 billion are made by TransLink and the Province, supported by federal contributions, to implement this plan. Capital investments include Evergreen Line rail infrastructure, an expansion of the bus fleet, transit station upgrades and increased capital funding for the MRN and cycling networks. Figure 3 shows the levels of capital investment over the 10 year period of the plan and outlook. The increased transit services included in this plan (bus and SeaBus operations, Evergreen Line operations, and some smaller investments in incremental transit station operations, TransLink corporate

and transit policing), require additional staff, maintenance, materials and fuel to operate, at a cost of \$634 million over the Plan and Outlook period. . Figure 4 shows the levels of operating expenditures over the 10 year period of the plan and outlook.

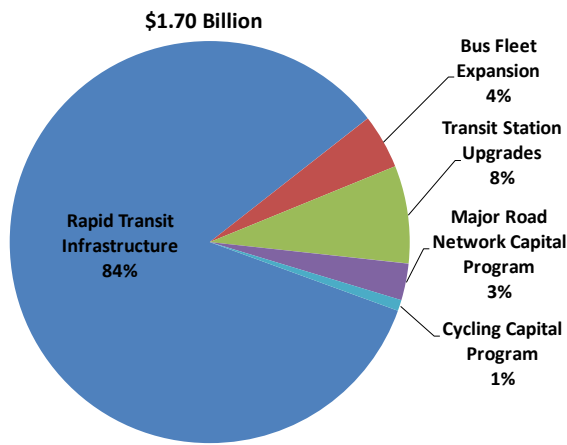


Figure 3: 2012 Supplemental Plan Investment Package, Capital Program – 2012-2021

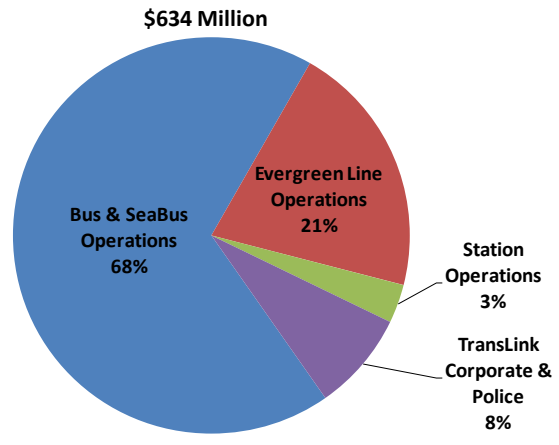


Figure 4: 2012 Supplemental Plan Investment Package, Operating Expenditures (excluding Interest and Depreciation) – 2012-2021.

TRANSIT

TransLink provides an integrated network of transit services, with service levels and types to meet the needs of a diverse market. The 2012 Supplemental Plan includes a number of significant transit mobility improvements to meet the long-term needs of the region. Table 4 summarizes the service hours by service type to be provided under the 2012 Supplemental Plan through 2021.

The 2012 Supplemental Plan will introduce an additional 415,000 annual bus and SeaBus service hours by 2014 with a further increase of 138,000 rapid transit service hours when the Evergreen Line opens, representing a nearly 9 per cent overall increase in conventional transit service hours, as compared to the 2012 Base Plan. Service hours will be phased in as early as possible during the three-year Plan period based on constraints related to hiring and service planning requirements. It is anticipated that additional service hours will be increased incrementally with approximately 50 per cent of new hours implemented by the end of 2012 and the remainder implemented by 2014.

As a reference point, the 2012 Base Plan held service levels constant at 2011 levels.

Table 4: Total Service Hours by Service Type

Service Hours in Thousands	Actual	Budget	Forecasts			Outlook
	2010*	2011	2012	2013	2014	2021
Conventional Bus & Community Shuttle	4,966	4,928	5,058	5,298	5,343	5,343
SkyTrain Expo and Millennium Lines	1,186	1,128	1,128	1,128	1,128	1,128
SkyTrain Canada Line	177	180	196	196	196	196
SkyTrain Evergreen Line	0	0	0	0	0	138
Rapid Transit Total	1,363	1,308	1,324	1,324	1,324	1,462
SeaBus	11	11	11	12	12	12
West Coast Express	42	44	42	42	42	42
Total Conventional Transit	6,382	6,291	6,435	6,676	6,721	6,859
Custom Transit (HandyDART)	594	613	613	613	613	613
Total Service Hours	6,976	6,904	7,048	7,289	7,334	7,472

* Service Hours in 2010 include one-time, additional hours in support of the 2010 Winter Olympics

Evergreen Line Program

Planning for rapid transit connecting Coquitlam to Vancouver via Port Moody and Burnaby began in 2003. In early 2008, the Evergreen Line Business Case confirmed the route and use of rail rapid transit SkyTrain technology. In 2008, the Province of British Columbia established the Evergreen Line project office, and preliminary designs are now complete. The Province intends to move into the procurement phase in the Fall of 2011 and award the RFP in 2012. The construction period is estimated to be approximately four years.

The Evergreen Line will provide a fast, frequent and convenient SkyTrain service, connecting Coquitlam City Centre to Lougheed Town Centre in approximately 13 minutes. When complete, the 11-kilometre line will connect to the current SkyTrain network at Lougheed Town Centre Station and will integrate with regional bus and West Coast Express networks.

Integration of the rapid transit line will require upgrades across the transportation network. The region's most important transfer hub, Commercial-Broadway Station, will undergo significant expansion to accommodate projected Evergreen Line-related ridership increases as well as local area population and employment growth. The Commercial-Broadway Station expansion will double the capacity of the Expo Line platform and improve the connection between the Millennium Line and Expo Line platforms. Additional upgrades to support the implementation of the Evergreen Line include wayfinding improvements, new bus facilities and enhanced public amenities that integrate the transportation system with the local community.

The introduction of the Evergreen Line is expected to have an impact on existing transit services, supporting facilities and infrastructure in the Northeast Sector and across the region. Some of these impacts will include the discontinuation of redundant services, such as the 97 B-Line, and the re-

investment of those resources into the transit network. Transit network changes, including how resources will be re-invested, will be guided by a more detailed bus integration plan. The bus integration plan will identify services designed to connect customers to activity centers around Evergreen Line stations, minimize redundancy in the network and provide an appropriate service level to accommodate current and future ridership.

The 2012 Supplemental Plan provides funding to partner with the Province in delivery of the Evergreen Line Program, including the ability to fund a \$400 million regional contribution to the Province's project to build the rapid transit infrastructure as well as funding for operations and integration of the line into the regional transportation network.

Evergreen Line Rapid Transit Project

The Evergreen Line rapid transit line will include:

- construction of 11 kilometres of new SkyTrain guideway and supporting systems from Burnaby to Coquitlam via Port Moody,
- five new rapid transit stations and modification of the existing Lougheed Station,
- 28 additional SkyTrain vehicles,
- rail vehicle storage facility, and
- bus integration facilities.

Commercial-Broadway Station Phase II Upgrades

The Commercial-Broadway Station upgrade project was originally conceived as part of the Commercial-Broadway Transit Village Plan, which was completed in 2006. The station improvements are a component of the successful implementation of the Evergreen Line and will support future increases in the capacity on the rapid transit network as outlined in the Provincial Transit Plan and TransLink's Expo Upgrade Strategy. As part of the Evergreen Line Program upgrades at this station will include:

- construction of an additional inbound platform for the Expo Line, to be added to the East side of the existing station, with associated platform access improvements to accommodate the projected increase in transfer volumes from the Evergreen Line,
- upgrading the bus waiting areas serving the station complex to include weather protection and passenger amenities, and
- construction of a pedestrian plaza adjacent to the portion of the complex south of Broadway Avenue.

Evergreen Line Multimodal Integration

The Evergreen Line multimodal integration project will include:

- Commercial-Broadway station upgrades (as described above),
- development of station area plans for Evergreen Line stations in collaboration with municipalities,

- pedestrian, bicycle facilities, transit priority and other urban design improvements within 800 meters of the station to enhance access to the rapid transit line and support urban development that are identified in station area plans and cost-shared with municipalities,
- enhanced information, such as walking maps and trip planning information for each station area, and
- wayfinding improvements across the rapid transit system to inform customers of the new operating pattern and enhance navigation.

Station Upgrades

The 2012 Supplemental Plan provides funding to support the upgrade of key stations in the region for improved capacity, accessibility and readying for the implementation of faregates. TransLink will work with municipalities to coordinate efforts by agencies and the private sector to leverage the significant station upgrade investments in this plan in a manner that supports regional and municipal objectives. Station area improvements enhance access to the rapid transit line and support urban development in the area. TransLink will share costs with municipalities on projects that promote integration of pedestrian and bicycle facilities, transit priority and urban design improvements within 800 meters of the station, subject to the development or update of related station area plans.

Commercial-Broadway Station Phase II Upgrades

See the “Evergreen Line Program” description earlier in Section 2.3 for details on this project.

Main Street Station Upgrades

The need to upgrade Main Street Station was first identified in the 1999 Program Plan, later reaffirmed in the 2007 Expo Line Station Review and is an element of the Expo Upgrade Strategy. The improvement of this station delivers on the commitment to upgrade the station to meet TransLink’s accessibility standards, improve the transfer experience for passengers arriving by bus and increase the capacity of the Expo Line (as outlined in the Provincial Transit Plan). In addition, these upgrades will be coordinated with the implementation of faregates.

The 2012 Supplemental Plan will provide funding for access, capacity and passenger environment upgrades at Main Street Station. Pre-construction for these upgrades will begin in 2012, which will include:

- an expanded east station entrance,
- escalator and elevator access to the platform at the east entrance,
- direct escalator access from the west entrance to the platform, and
- improvements within 800 meters of the station to enhance station access, subject to municipal cost share and development or update of an area plan.

Metrotown Station Upgrades

The Metrotown Transit Village Plan was adopted in 2007. The improvement of this station delivers on TransLink’s commitment to the City of Burnaby to improve the station and its environs including:

- improved accessibility,
- improved circulation and capacity to accommodate current and projected passenger volumes,
- enhanced overall passenger experience and transfer to buses, and
- readying the station for the implementation of faregates.

Under the 2012 Supplemental Plan, construction of upgrades to Metrotown Station will begin in 2013 and will include:

- a new station house to serve transfer movements to a new bus exchange,
- reconfigured and expanded bus exchange immediately below the station,
- down escalators from the platform,
- expanded elevator capacity,
- elimination of the stairs between the elevated pedestrian walkway and mezzanine at the east side of the station,
- implementation of faregates,
- realignment of BC parkway path system as it passes through station area, and
- improvements within 800m of the station to enhance station access, subject to municipal cost share and development/update of an area plan.

Surrey Central Station Upgrades

Surrey Central Station upgrades were first conceived in the Surrey Central Transit Village Plan, which was adopted in 2007. The station improvements support implementation of the South of Fraser Area Transit Plan, the Surrey Central Transit Village Plan and increased capacity of the Expo Line (as outlined in the Provincial Transit Plan) by upgrading the current off-street bus exchange and an additional north entrance to the Surrey Central SkyTrain station.

The 2012 Supplemental Plan will allow funding for access, capacity and passenger environment upgrades at Surrey Central Station including:

- enabling the expansion and reconfiguration of Surrey Central Exchange (conversion to an on-street transit couplet with new passenger exchange space),
- providing a new entrance to the Surrey Central SkyTrain Station, and
- facilitating expanded bus access at Surrey Central SkyTrain Station and the introduction of B-Line service at this location.

New Westminster Station Upgrades

New Westminster station improvements were first conceived in 2007 in coordination with the nearby Plaza 88 private development. The station improvement project also supports increased capacity of the Expo Line as outlined in the Provincial Transit Plan and the Expo Upgrade Strategy. The project leverages investments being made by the adjacent development and in New Westminster Centre. These upgrades will:

- improve the integration of the station with the surrounding development, including finishes consistent with the adjacent development,
- replace station elements that are near the end of their working lives, and
- update wayfinding to address changes to station access.

Under the 2012 Supplemental Plan, funding will be available for upgrades to New Westminster Station starting in 2012. The scope of the project will include:

- replacement of four escalators,
- replacement of hand rails,
- installation of a new wayfinding system,
- replacement of metal mesh at platform level with glazing,
- replacement of floors and other architectural finishes at mezzanine and platform levels, and
- thorough cleaning and re-painting of station.

Lonsdale Quay Upgrades

Between 2007 and 2009, in consultation with the City of North Vancouver, the Lonsdale Quay upgrade project was designed to improve bus exchange passenger and operational safety, upgrade the passenger experience, and improve transit vehicle circulation. The Lonsdale Quay improvement project fulfills TransLink's commitment to the City of North Vancouver to improve safety conditions and the station environment.

The 2012 Supplemental Plan will provide funding for upgrades to Lonsdale Quay starting in 2013. The project will include:

- replacement or upgrade of the existing canopy above the SeaBus terminal and bus exchange,
- improved illumination,
- expanded seating options and relocation of site furnishings,
- relocated security kiosks to better integrate into the facility, and
- coordination of facility upgrades with the potential redevelopment of adjacent properties.

Station Area Infrastructure and Plans

TransLink will pursue a program of infrastructure improvement and planning, in partnership with municipalities, that incorporates the area adjacent to transit stations. The purpose of this program is to create high amenity areas with supporting land use that promotes the seamless integration of cycling and walking with transit.

Two types of funding will be provided on a cost share basis with municipalities:

1. Funding under \$500,000 will be provided for minor improvements to station access and amenity in the immediate station area.
2. Funding over \$500,000 will be provided for the planning and implementation of more comprehensive land use and station area plans.

TransLink will work with municipalities to define the area programs and identify infrastructure priorities and station area plans as warranted by adjacent development, planned station retrofits and municipal and community support.

Bus Services

By 2014, the 2012 Supplemental Plan makes available approximately 415,000 additional annual bus and SeaBus service hours. These service hours will address implementation of the previously planned services South of the Fraser, such as the King George Boulevard B-Line Service, Highway 1 Bus Rapid Transit and White Rock to Langley Local Bus Service. These service hours will also reduce crowding and improve reliability on existing services, to accommodate population growth and on routes by holders of U-Pass BC cards.

King George Boulevard B-Line Service

The King George Boulevard B-Line service was identified as a key investment of the 2007 South of Fraser Area Transit Plan and was also identified in the 2008 Provincial Transit Plan as a precursor to potential rapid transit in the corridor. Although originally scheduled for implementation in March 2010, the project was delayed due to funding constraints outlined in the 2010 Funding Stabilization Supplemental Plan. The project is intended to serve growing demand and build ridership in the corridor, similar to the 98 B-Line in the Richmond-Vancouver corridor prior to the opening of the Canada Line.

Under the 2012 Supplemental Plan, TransLink will invest a net additional 65,000 annual service hours for the introduction of a fast, frequent B-Line service along 104th Avenue and King George Boulevard between Guildford and White Rock Centre via Surrey Central Station, starting in 2012. This B-Line will feature service every seven to eight minutes between Guildford Exchange and Newton Exchange (via Surrey Central Station), and every 15 minutes between Newton Exchange and White Rock Centre. This project includes bus services, implementation of transit priority measures, wayfinding and customer information.

Highway 1 Bus Rapid Transit Project

The Highway 1 Bus Rapid Transit (BRT) Project is identified in the 2007 South of Fraser Area Transit Plan and as part of RapidBus BC in the Provincial Transit Plan as a key transit corridor connecting Surrey and Langley to Lougheed Station.

The 2012 Supplemental Plan includes 71,000 annual service hours for Bus Rapid Transit (BRT) service commencing in late 2012 (in coordination with the Port Mann Bridge project) on the Highway 1 corridor connecting Walnut Grove in Langley with Surrey City Centre (Expo Line), and with Lougheed Town Centre (Millennium Line). This service will establish a high quality BRT intercity service with trips every 10 minutes in peak periods and 15 minutes through the day, seven days a week, following dedicated lanes with bus queue jumpers and provided with highway coaches. This project leverages Provincial Transit Plan funding for the infrastructure supporting this service initiative, including High Occupancy Vehicle lanes on Highway 1, a Park and Ride facility at 202nd Street and a new transit exchange at Walnut Grove.

White Rock to Langley Bus Service

The White Rock to Langley local bus service was identified as a key investment of the 2007 South of Fraser Area Transit Plan and was scheduled for implementation in December 2009. Due to funding constraints outlined in the 2010 Funding Stabilization Supplemental Plan, implementation of this service did not proceed.

The 2012 Supplemental Plan allows funding for 24,000 annual service hours to support the introduction of local stop service every 30 minutes on 24th Avenue and 200th Street between White Rock Centre and Langley/Willowbrook via Grandview Corners and Campbell Heights, starting in 2012. This new service optimizes the use of TransLink's existing fleet and creates a much-needed connection between two regional nodes.

Other Service Improvements

The 2012 Supplemental Plan includes service hour investments associated with reducing crowding and improving reliability, U-Pass routes and addressing population and employment growth, as described below. Some of the service improvements that could be addressed by this investment include:

- North Shore - SeaBus service improved to 15 minute frequency all day every day; Marine Drive to Downtown; and Lonsdale Avenue,
- South of Fraser - Fraser Highway and 104th Avenue, King George Boulevard B-Line, Highway 1 BRT and Langley to White Rock local service (as described above),
- Richmond - Improved service on key corridors, such as Cambie Road and Queensborough,
- Vancouver – Improved service on key corridors, such as 4th, 41st and 49th Avenues,
- Burnaby and Coquitlam – Improved service on key corridors, such as Willingdon Avenue and Pinetree Way.

Bus Service Hours to Reduce Crowding and Improve Reliability

TransLink's 2004 Transit Service Design Guidelines identify customer service objectives, such as comfort and reliability. TransLink monitors transit routes and corridors for their performance and makes changes to address Transit Service Design Guideline commitments to service quality.

Where service optimization efforts cannot reallocate sufficient resources to achieve minimum Transit Service Guideline levels on high demand services, the Supplemental Plan provides 37,000 additional annual bus service hours in the near term, growing to 111,000 annual hours by the beginning of 2014 to reduce overcrowding and address service reliability issues on existing high-demand corridors.

Bus Service Hours to Accommodate Population Growth

Beginning in 2013, the 2012 Supplemental Plan adds 65,000 annual bus service hours to accommodate increased demand for bus services stemming from population growth, surpassing what the 2012 Base Plan is able to accomplish through Service Optimization and Bus Service Standards initiatives.

Bus Service Hours and Infrastructure on U-Pass Routes

As of January 2011, the new U-Pass BC program is offered to all public post-secondary institutions (PSIs) in BC. In Metro Vancouver the U-Pass BC program is a partnership between TransLink and the Province,

providing eligible students at participating PSIs with a mandatory, pre-paid transit pass at a reduced rate. It is anticipated that all eligible PSIs will be participating in the program by January 2012, with most starting in September 2011.

The 2012 Supplemental Plan provides 52,000 additional annual service hours starting in 2012, growing to 79,000 additional annual service hours in 2013, to address U-Pass BC-related demand for bus services. This increased level of service will better support the expansion of the U-Pass BC program by minimizing the displacement of existing passengers by new U-Pass BC riders so that revenue ridership can continue to grow along U-Pass BC routes.

ROADS

TransLink delivers a regional transportation system that includes planning, funding and coordination for more than 2,300 lane-kilometres of regionally-significant roadways, referred to as the Major Road Network (MRN). The 2012 Supplemental Plan leverages funding partnerships to improve the efficiency of roads in our system.

Increase Funding for the Major Road Network Minor Capital Program

As a result of funding constraints, the 2010 Funding Stabilization Supplemental Plan included a scheduled reduction of the MRN Minor Capital annual funding from \$20 million to \$10 million beginning in 2011. Under the 2012 Supplemental Plan, funding for the MRN Minor Capital Program will be increased and restored to \$20 million per year starting in 2012.

This program improves the multi-modal capacity, safety and connectivity of the MRN through cost-sharing partnerships with Metro Vancouver municipalities. Projects eligible for MRN Minor Capital Program funds address:

- road capacity investments to encourage economic growth, efficient goods movement and congestion reduction.
- intersection improvements to improve the safety of vehicles, bicycles and pedestrians,
- the introduction of on-road bicycle lanes to encourage cycling,
- new pedestrian facilities to encourage more trips by walking,
- improvement of transit facilities on the MRN to encourage transit use, and
- rehabilitation of structures (such as, bridges and retaining walls) to restore them to a state of good repair.

CYCLING

The Bike Capital Program supports TransLink's mandate to plan and deliver a multi-modal transportation system and make investments towards increased bicycle mode share.

Increase Funding for the Bike Capital Program

The 2010 Funding Stabilization Supplemental Plan included a reduction of annual funding to the Bike Capital Program from \$6 million to \$3 million, scheduled to begin in 2011. Under the 2012 Supplemental

Plan, funding for the Bike Capital Program will be increased and restored to \$6 million per year starting in 2012.

The Bike Capital Program funds TransLink initiatives that improve integration of transit and cycling (such as the Central Valley Greenway and Canada Line Bridge) as well as the Bicycle Infrastructure Capital Cost Sharing (BICCS) program with municipalities. Bike Capital Program funds will be invested in:

- new bike route construction and upgrades,
- introduction of bicycle traffic signals,
- improved bicycle access to bridges,
- bicycle parking at transit stations, Park and Ride lots and transit nodes, and
- other infrastructure to improve the integration of cycling and other travel modes.

PROJECT PHASING FOR 2012

This section outlines investments TransLink anticipates making in 2012. TransLink will plan the implementation of projects in a manner that takes into account the level of surety of funding, as indicated in Section 1.3. This will ensure that TransLink can maintain those new services and longer term financial obligations within the resources available.

In 2012, TransLink anticipates making the regional commitment to the Evergreen Line, initiating rapid transit system upgrades, introducing new bus services, increasing SeaBus and system-wide service levels, and restoring road and bicycle capital funding to previous levels. The cumulative ongoing financial commitments for the projects anticipated in 2012 can be managed with the assured funding of two cents of fuel tax and the two-year, time-limited property tax increase that will be implemented in 2013 and 2014, if the new funding source has not yet been enabled. In the event that the new funding source is not enabled in 2012, TransLink will only continue implementing initiatives if they are affordable within its available resources. TransLink will defer the implementation of the remainder of investments in the 2012 Supplemental Plan until such time as a funding solution is in place.

The following outlines the planned 2012 investments:

Evergreen Line Rapid Transit Expansion

TransLink anticipates making a commitment to the regional share of funding for the Evergreen Line and supporting investments in 2012. The supporting investments include implementation of station area improvements, new bus interchanges, major expansion of Commercial-Broadway station and upgrades to system-wide wayfinding. Once a funding agreement is signed, this commits TransLink to its share of the Evergreen Line's capital expenditures and net operating costs.

Rapid Transit Upgrades

Detailed design work for Metrotown, New Westminster and Surrey Central Stations, as well as Lonsdale Quay, will begin in 2012. The implementation of these projects will be phased, with construction commencing after the new funding source(s) has been enabled, or as available resources permit. The design for Main Street Station is complete and construction is expected to begin in 2012.

Bus and SeaBus Service Improvements

TransLink makes changes to bus services and schedules four times per year. Over the Plan and Outlook periods of the 2012 Supplemental Plan, TransLink will continue to review and, as required, adjust the timing of investments if the timeline for securing funding changes from what is currently anticipated.

TransLink anticipates implementing almost half of the 415,000 new annual bus and SeaBus service hours identified in this plan by the end of 2012. Planning is still required in Fall 2011 to develop specific service plans for the implementation of the new services. The new services will adhere to TransLink's Transit Service Guidelines and TransLink anticipates the following phasing of service improvements for 2012:

- roughly half of the total annual service hours identified to reduce crowding and improve reliability,
- roughly a third of the total annual service hours identified for U-Pass BC corridors,
- commencement of the King George B-Line service later in 2012,
- commencement of the White Rock to Langley service, and
- roughly half of the total annual SeaBus service hours identified to extend the periods of 15 minute frequency.

The delivery of these services will be managed, and adjusted if necessary, to correspond to the levels of assured funding at the time of implementation.

Roads and Cycling

TransLink will increase spending on the MRN Minor Capital and the Bicycle Capital Program by \$10 million and \$3 million, respectively, in 2012. Continued investment at this level beyond 2012 will be subject to funding availability.

Table 5 below summarizes the proposed 2012 Supplemental Plan investments under several potential funding conditions.

Table 5: Summary of the 2012 Supplemental Plan Investments Planned Under Potential Funding Conditions

2012 Supplemental Plan Investment Timeline	Investments in 2012 with Motor Fuel Tax and Time Limited Property Tax	Investments Beginning in 2013 (Decision in mid-2012)	
		Scenario A: New Funding Source Enabled	Scenario B: New Source Not Yet in Place
Evergreen Line Program (incl. station upgrades, service integration & wayfinding)	Project Fully Committed	Project Fully Committed	Project Fully Committed
Bus & SeaBus Service Hour Increases	180,000 Addn' Service Hours, incl. KGB B-Line and White Rock-Langley Bus	235,000 Addn' Service Hours (415,000 Total Service Hrs Maintained)	180,000 Service Hrs Maintained, Addn' Service Hours Added subject to available resources*
Rapid Transit Station Upgrades	Construction - Main St. Station Design for Remaining Stations & Lonsdale	Construction - Four Expo Stations & Lonsdale Quay	Construction - Main St. Station, Addn' Construction Commitment subject to available resources*
Major Road Network, Minor Capital Program & Bike Capital Program Funding	Increased Funding in Place for 2012	Increased Funding Remains in Place 2013-2016**	Revert to lower 2012 Base Plan Funding Level, Increase subject to available resources*

* During development of the 2013 Base Plan and Outlook, TransLink will reassess its financial position. If resources are available, TransLink will consider implementing additional investments contained in the 2012 Supplemental Plan.

** The five year contribution period (2012-2016) is consistent with municipal five year capital plans cycles, as endorsed by TransLink's Major Roads and Transportation Technical Advisory Committee (MRTAC).

2.4 OUTCOMES

The forecast performance of investments made under the 2012 Supplemental Plan (as described in Section 2.3) have been evaluated in relation to Transport 2040 goals and compared with the performance of investments made under the 2012 Base Plan.

The information evaluated was derived through quantitative methods when possible, supplemented by qualitative analysis. Although this is a three-year plan, covering 2012 to 2014, forecasted outcomes are also presented through 2021 because significant investments of this plan are not in service by 2014. The commentary for the Outlook period identifies the implications of the 2012 Supplemental Plan for the region for the period from 2015 to 2021 if resource levels and trends continue through 2021.

Together with the services provided under the 2012 Base Plan, investments made under the 2012 Supplemental Plan result in progress towards Transport 2040 goals through the first three years of this plan. The forecast progress is the cumulative result of investments made under this plan as well as continued returns on the major transit system investment made in the past five years and the ongoing transit service optimization effort.

If this pace of investment is not continued past 2016, these gains will begin to erode during the Outlook period, making the long-term goals of Transport 2040 more difficult to accomplish if a strong demand management strategy is not adopted in the intervening years.

2012 TO 2014 PLAN PERIOD

Goal 1: Greenhouse gas (GHG) emissions from transportation are aggressively reduced, in support of federal, provincial and regional targets

The 2012 Supplemental Plan demonstrates progress on GHG emission reductions, particularly over the short term. GHGs from transport are reduced through a combination of the amount of vehicle kilometres traveled, vehicle fuel efficiency, and operational efficiency of vehicles and carbon intensity of fuels, as illustrated below.

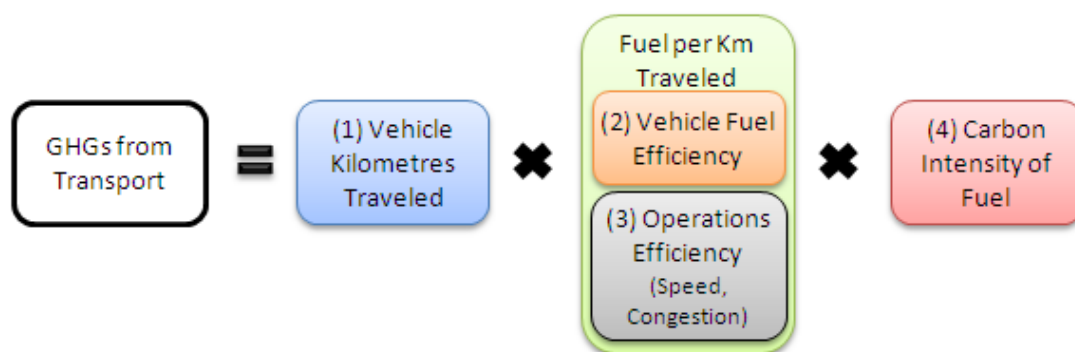


Figure 5: Contributing Factors to GHG Emissions from Transport

1. Reduced Vehicle Kilometres Traveled (VKT)⁹

TransLink influences VKT in the region through initiatives that influence transportation mode shift and support for smart land use. As shown in Figure 6, passenger and total VKT are forecast to grow at a slower rate than population (which is expected to grow by 5 per cent over the three-year Plan period) as a result of transportation mode shifts to transit. These shifts represent greater utilization of the transit system as a result of network expansion over the previous five years, as well as the new transit investments to be made under the 2012 Supplemental Plan. Commercial purpose VKT is assumed to continue to grow at nearly the rate of economic activity, which explains why total VKT grows faster than passenger VKT.

⁹ For evaluation purposes, this includes all roadway vehicles, as well as TransLink’s rail and SeaBus operations.

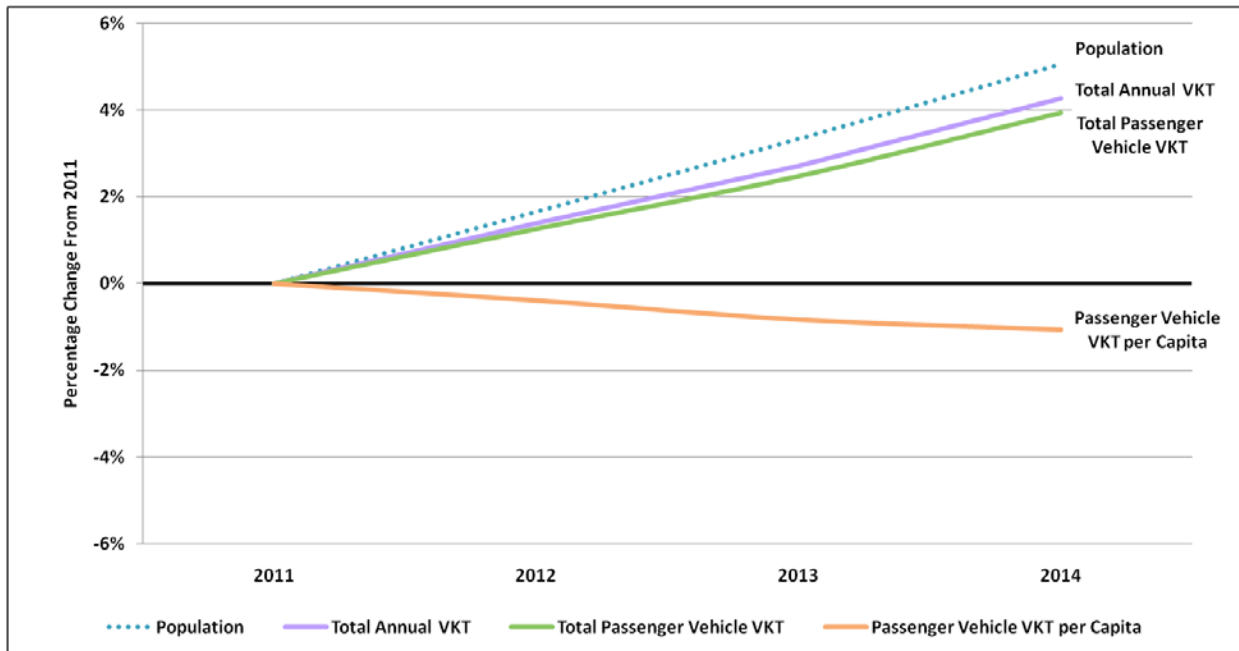


Figure 6: Changes in Population and VKT Relative to 2011 for the 2012 Supplemental Plan

2. Greater Use of Low-Emission Fleet Technology

Although TransLink has influence over the fuel efficiency of its own fleet, TransLink has limited influence over the GHG emission rates of personal vehicles. The composition of TransLink’s fleet will not change substantively under this Plan, with the exception of a 1 percentage point increase over the 2012 Base Plan in the proportion of the fleet powered by electricity when the Evergreen Line goes into service. The remainder of the transit fleet composition and fuel-efficiency rates will remain relatively constant through 2016.

3. Improved System Operations and Efficiency

The Major Road Network (MRN) Minor Capital program is a cost-sharing program between TransLink and the municipalities, to facilitate construction of small-scale investments to improve system operations and efficiency along major corridors in the region. Some of the goals of the Minor Capital program include local-area capacity enhancements, decreased congestion and improved safety. Restored levels of funding for the Major Road Network Minor Capital Program are likely to result in improved safety and decreased congestion in specific areas. TransLink prioritizes MRN Minor Capital Project applications to ensure consistency with regional goals, including supporting more efficient bus movements, supporting economic growth and the movement of trucks, and ensuring that opportunities to upgrade bicycle and pedestrian infrastructure are pursued as part of the road improvement projects. Minor capital projects preclude major expansions of the road system that may induce additional vehicular travel demand. Rather, local benefits achieved typically including safety improvements as well as reductions in queuing, congestion and idling that may yield reductions in GHG emissions.

4. Greater Use of Low Carbon Content Fuel

TransLink has influence over the carbon content of fuel consumed by its own fleet only. The BC Low Carbon Fuel Standard mandates that all fuels sold in the Province achieve a 10 per cent reduction in lifecycle carbon intensity by 2020. Between 2012 and 2014, the carbon content of fuel used by the transit fleet will not change substantively.

Cumulative Effect on GHG Emissions

When combined, the quantifiable changes in vehicle kilometres traveled, vehicle fuel efficiency, operational efficiency of vehicles, and carbon intensity of fuels are forecast to reduce regional GHG emissions from roadway and passenger transportation by roughly 2 per cent between 2011 and 2014. This is a notable departure from recent trends and arises primarily from anticipated improvements in fuel efficiency of the region's vehicles. The investments made under the 2012 Supplemental Plan trigger a mode shift from passenger vehicles to transit, cycling and walking, which further reduces emissions (as compared to the 2012 Base Plan).

This forecast does not capture the impact on behaviour of unforeseen changes in factors such as land use, energy prices and policy.

Changing fuel efficiency and travel behaviour dynamics combine to shift the proportional distribution of GHG emissions by sector, as shown in Figure 7 below. The proportion of regional GHG emissions coming from TransLink's fleet is forecast to increase slightly to 2.3 per cent. The proportion of GHG emissions from passenger vehicles are forecast to decrease, whereas the share from trucks is forecast to increase for two reasons:

1. Passenger vehicle fuel efficiency improvements are expected to occur more rapidly than for trucks.
2. VKT per capita for passenger vehicles is expected to decline, while the assumption is that commercial VKT will continue to grow at approximately the same rate as economic growth.

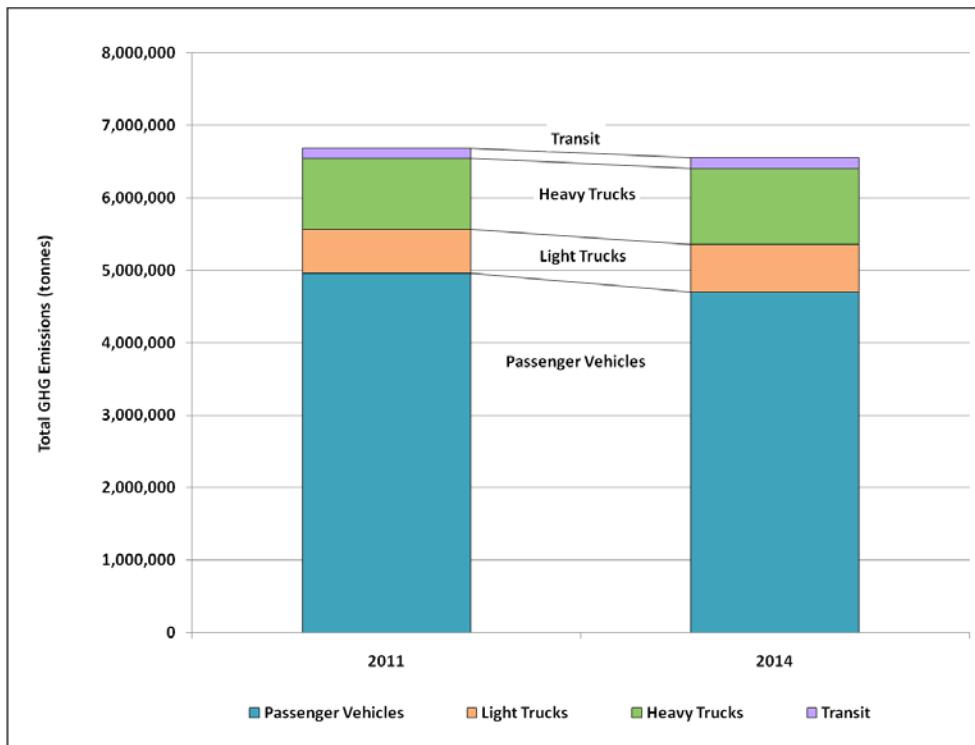


Figure 7: GHG Emissions Contribution Estimates (tonnes)

Goal 2: Most trips are by transit, walking and cycling

Investments made under the 2012 Supplemental Plan support alternatives to passenger vehicle trips by:

1. Protecting existing transit ridership
2. Promoting a shift to transit, cycling and walking
3. Encouraging future shifts to transit, cycling and walking
4. Influencing smart transportation choices

1. Protecting Existing Transit Ridership

Under the 2012 Base Plan, transit ridership is expected to grow by about 8 per cent between 2011 and 2014. With the additional investments made under the 2012 Supplemental Plan, transit ridership is expected to grow by an additional 6 per cent over the 2012 Base Plan (an average annual growth rate of approximately 4.6 per cent), ensuring that the majority of the needs of existing transit markets are largely met through the first three years of this plan. Annual boardings are anticipated to increase by over 30 million when the Evergreen Line opens, increasing to over 40 million additional boardings by 2021.

2. Promoting a Shift to Transit, Cycling and Walking

Investments funded under the 2012 Supplemental Plan will encourage shifts in transportation mode share in support of regional objectives. As a reference for these forecasted impacts, Figure 8 shows the breakdown of regional weekday mode share as captured by the 2008 Trip Diary.

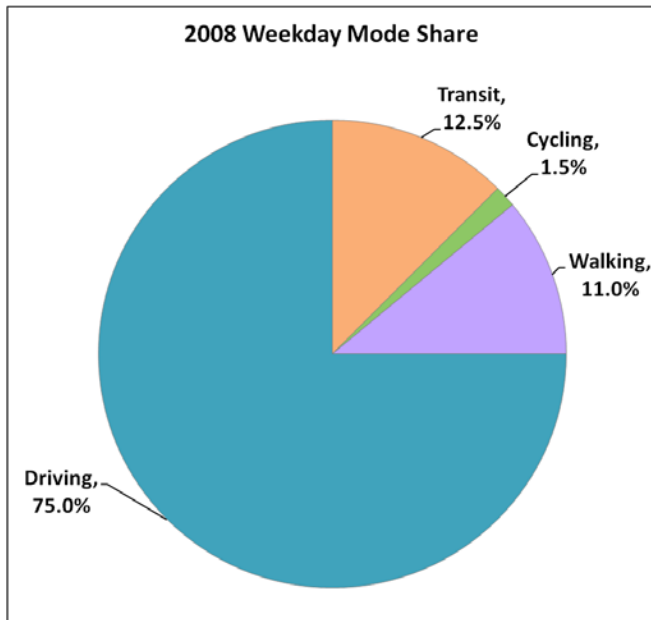


Figure 8: Regional Mode Share from the 2008 Trip Diary

The following discussion summarizes the impacts of investments made under the 2012 Supplemental Plan on promoting shifts to transit, cycling and walking.

Transit Ridership Trends

Ridership projections by transit mode are shown in Table 6. Under the 2012 Supplemental Plan, incremental increases in ridership are expected to begin in 2012 with the introduction of additional bus and SeaBus service hours. Incremental ridership from the launch of the Evergreen Line is expected later in the Outlook period. By 2014, these investments are forecast to increase transit boardings by nearly 6 per cent over the forecast for the 2012 Base Plan. By 2021, with the Evergreen Line fully operational, the incremental increase in boardings is forecast to rise to approximately 10 per cent above 2012 Base Plan values.

While weekday transit mode share has been rising since 1994, the overall per capita trip rate has not changed substantively over this period. Assuming that trip rates remain constant, ridership increases projected in the 2012 Supplemental Plan will translate into increases in transit mode share.

Table 6: Ridership Forecasts 2012 Supplemental Plan (including 2012 Base Plan investments)

	Actual	Budget	Forecasts			Outlook
(millions)	2010	2011	2012	2013	2014	2021
System Total: Revenue Passenger Trips	212.7	213.2	227.5	236.8	243.9	278.3
Individual Passenger Boardings By Mode*						
Conventional Bus and Community Shuttle	220.5	222.9	237.8	250.7	258.9	277.2
SkyTrain Expo and Millennium Lines	79.2	78.6	81.6	82.9	84.8	99.4
SkyTrain Canada Line	38.4	37.6	40.7	41.2	42.4	47.1
SkyTrain Evergreen Line	-	-	-	-	-	17.3
Rapid Transit Total	117.6	116.2	122.3	124.1	127.2	163.8
SeaBus	6.7	6.3	6.8	7.3	7.6	8.1
West Coast Express	2.8	3.1	3.2	3.3	3.4	3.7
Total Conventional Transit Boardings	347.6	348.5	370.1	385.4	397.1	452.8
Custom Transit (HandyDART)	1.5	1.5	1.5	1.6	1.6	1.7
System Total: Passenger Boardings	349.1	350.0	371.6	387.0	398.7	454.5

**A single passenger revenue trip often includes more than one boarding and may also include combinations of transit modes.*

Under the 2012 Base Plan, system-wide ridership is estimated to grow by approximately 4 to 5 per cent in 2012, then plateau in the range of 1 to 2 per cent in 2013, and remain at that level through the end of the Outlook period. This plateau results from only minor increases in service levels and diminishing impacts from the service optimization initiative that is underway and expected to be substantially complete by the end of 2012. In contrast, the upgrade and expansion package of bus and rail services contained in this plan, including the Evergreen Line, Highway 1 Bus Rapid Transit and King George Boulevard B-Line, is sufficient to serve both existing customers and attract new customers resulting in an overall increase in transit ridership. Under the 2012 Supplemental Plan, ridership is forecast to grow by approximately 7 per cent in 2012, representing an additional 2 per cent over and above the 2012 Base Plan forecast. Growth is steady at approximately 3 to 4 per cent for the 2013 to 2014 period, and remains approximately 1 to 2 per cent higher than the 2012 Base Plan forecast. Figure 9 shows the 2012 Base Plan revenue ridership forecast and the incremental revenue ridership attributed to the 2012 Supplemental Plan.

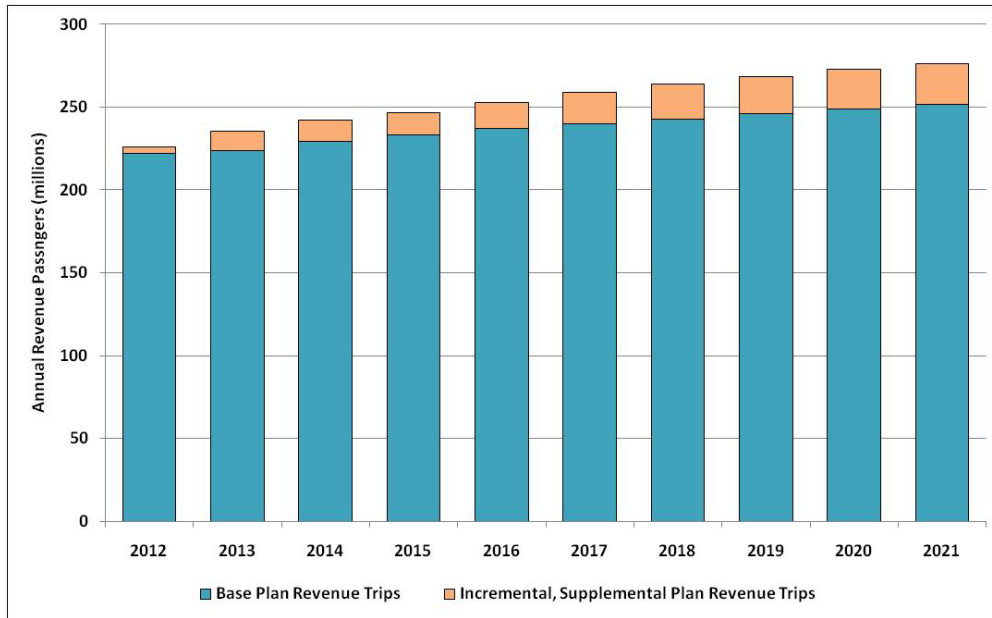


Figure 9: 2012 Supplemental Plan Revenue Ridership Forecasts

Evergreen Line Ridership

The introduction of Evergreen Line as an integrated SkyTrain service with the current Millennium Line is forecast to increase ridership along the combined Millennium-Evergreen corridor and within the Northeast Sector communities. Boardings on the Evergreen Line are expected to exceed 17 million by 2021.

The ridership forecasts are based on the 2009 Environmental Assessment, which modelled a number of alternatives including one almost identical in terms of scope, station location and travel time to the preferred alternative that is under design. The ridership forecasts assume that roughly half of the boardings will be diverted from existing bus transit trips, such as from the 97 B-Line, with the other half of boardings representing new transit trips. Successful implementation of the Evergreen Line will involve the discontinuation of redundant services and the re-investment of those resources into the transit network. Transit network changes, including how resources will be re-invested, will be guided by a more detailed bus integration plan. The bus integration plan will identify services designed to connect customers to activity centers around Evergreen Line stations, minimize redundancy in the network and provide an appropriate service level to accommodate current and future ridership. The ridership forecasts assume that while these reallocated services will initially be less productive than what was replaced, their productivity will increase as demand grows.

Additional Ridership from Bus Service Improvements

The bus service improvements contained in the 2012 Supplemental Plan build upon the service optimization initiatives detailed in the 2012 Base Plan, focussing on areas where demand is anticipated to be strong in the near to mid-term. The service improvements identified are meant to ensure that the broader goal of increasing the productivity of the system is not threatened. The cumulative effects of the program of bus service improvements are shown in Table 7.

Table 7: Summary of Incremental Bus Service Productivity Relative to 2012 Base Plan

	2012	2013	2014
Incremental Conventional Bus Hours	111,800	346,200	391,200
Incremental Conventional Bus Ridership	6,239,213	17,609,441	20,422,986
2012 Supplemental Plan Avg. Bus Boardings per Hour	55.8	50.9	52.2
2012 Base Plan Avg. Bus Boardings per Hour	47.0	47.2	48.3

Cycling

The 2012 Supplemental Plan doubles the level of investment of the 2012 Base Plan for the development of the regional cycling network, beginning in 2012. This lays the foundation for continued investment in cycling infrastructure by leveraging the cost-sharing program with municipalities, which increases the cumulative outcomes of the program.

Walking

Walking trips are difficult to quantify. Research on transit-oriented communities indicates a strong correlation between increased transit trips and walking activities. The 2012 Supplemental Plan supports increased walking trips through improvements in rapid transit stations areas, increased opportunities for transit and walking trip combinations as well as bicycle and pedestrian infrastructure improvements that result from MRN Minor Capital Programs.

3. Encouraging Future Shifts to Transit, Cycling and Walking

The 2012 Supplemental Plan facilitates future shifts to transit, cycling, and walking by helping to create the underlying conditions that support the growth of these modes in the medium to longer term. Investments in the Evergreen Line, the King George Boulevard B-Line, and the Expo Line station upgrades and surrounding area improvements will support anticipated transit demand, but can also attract development activity that further improves transportation performance. Investments in the cycling program and the MRN Minor Capital Program help complete the walking and regional cycling networks, which are anticipated to deliver increasing benefits in the future.

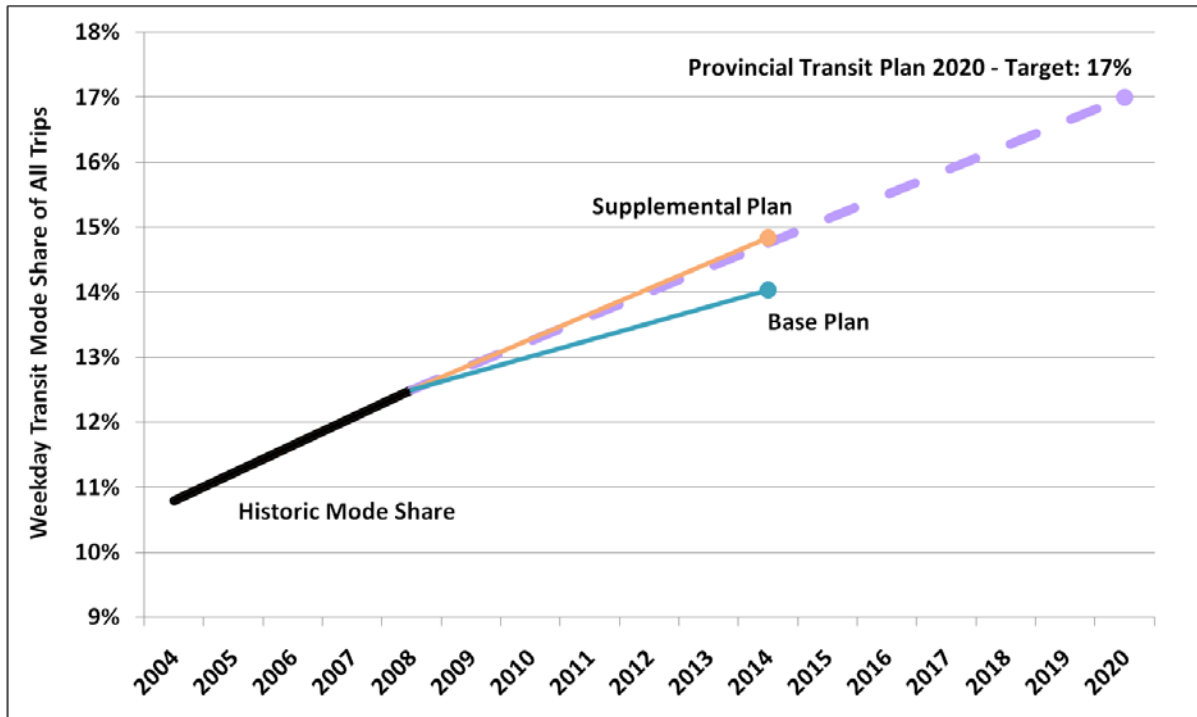


Figure 10: Transit Mode Share Trends and Forecasts

4. Influencing Smart Transportation Choices

Under the 2012 Base Plan, smart transportation choices are influenced through the continued support of TravelSmart initiatives and the application of Transportation Demand Management (TDM) tools. The Supplemental Plan maintains this commitment; however, significant expansion of demand management is connected to new funding models that will be explored as part of the discussions between the Mayors’ Council and the Province.

Goal 3: The majority of jobs and housing in the region are located along the Frequent Transit Network (FTN)

By influencing the location of jobs and housing, the Frequent Transit Network (FTN) both supports and is supported by the development of complete communities. The 2012 Supplemental Plan makes key investments that upgrade and expand frequent transit services and the cycling network and improve the pedestrian environment to:

1. Encourage complete and transit-oriented communities
2. Expand access to regional transit and cycling networks
3. Promote regional mobility

1. Encourage Complete and Transit-Oriented Communities

The initiatives in the 2012 Supplemental Plan support complete communities by improving the quality and attractiveness of transit, cycling and walking in a number of centres and corridors throughout the region. The role of the FTN to shape and serve this effort continues to be a major focus for TransLink and municipal stakeholders.

The investments made under the 2012 Supplemental Plan increase the length of the FTN and improve the quality of service, supporting the densification and intensification of land use along these corridors. Key impacts of investments made under the 2012 Supplemental Plan on the FTN include:

- The Evergreen Line will replace the 97 B-Line. This is expected to result in a slight reduction in population within walking distance of the FTN in the near term, and an increase in density of development within walking distance of the FTN over the longer term.
- The Highway 1 Bus Rapid Transit initiative will increase the length of the FTN.
- SeaBus service frequencies will be increased in the evenings and on Sundays and support the continued development of the Lonsdale area as a transit-oriented community.
- Detailed planning for other bus service initiatives has not been completed and thus, specific impacts on the FTN are unknown at this time.

For the region as whole, the impact of investments made under the 2012 Supplemental Plan on the percentage of jobs and housing located along the FTN have been analyzed. While the total number of people along the FTN is increasing, the proportion of population and jobs in the region located along the FTN is decreasing due to higher rates of growth outside FTN corridors. Success towards this goal depends on both a strong FTN, which is strengthened under this plan, as well as supportive land use patterns.

2. *Expand Access to Regional Transit and Cycling Networks*

Complete communities require efficient regional mobility options that serve the needs of residents for access to employment and services. Combined with investments in cycling facilities and upgrades to rapid transit stations and areas, the investments in the Evergreen Line and Highway 1 Bus Rapid Transit project are expected to increase the number of nodes that connect regional transit and cycling routes.

3. *Promote Regional Mobility*

The restoration of funding to the MRN Minor Capital Program will likely have a positive influence on regional mobility and vehicle traffic operations.

Goal 4: Traveling in the region is safe, secure and accessible for everyone

Investments made in the 2012 Supplemental Plan and 2012 Base Plan optimize the system by:

1. Encouraging modal integration
2. Improving the resilience of the transportation system
3. Improving system safety
4. Promoting universal accessibility

Under the 2012 Supplemental Plan, the transportation system will be upgraded and expanded to accommodate more alternative modes of travel, convenient transit transfers and inter-modal transfers and improved accessibility for a number of busy rapid transit stations. The resilience of the transportation system is improved with increased supply of alternative modes of travel, more routes of travel and better routes for goods movement. Road investments are expected to improve safety by reducing the number of collisions and fatalities. Improvements to cycling routes, stations and a nearly 9

per cent increase in transit service hours over the Base Plan as well as improved access, wayfinding and public information will enhance the universal accessibility of the system.

Goal 5: Economic growth and efficient goods movement are facilitated through management of the transportation network

Projects that further this goal are grounded by the following objectives:

1. Support efficient access to regional centres and economic gateways
2. Reduce congestion
3. Improve travel time reliability

While the 2012 Base Plan will deliver limited progress towards this goal, the 2012 Supplemental Plan includes investments in upgrades and transportation system expansion affecting transit services, roads, and cycling infrastructure. Investment in the MRN Minor Capital Program supports regional economic development, goods movement, and travel time reliability. By 2014, transit investments included in this plan increase the number of weekday transit trips by more than 50,000, allowing the region to make more efficient use of its transportation network and facilitate improved mobility for employment and commercial activity.

Goal 6: Funding for TransLink is stable, sufficient, appropriate and influences transportation choices

TransLink is making investments that are sustainable within TransLink's existing funding structure over the long term. As such, the investments made in this plan strive to meet the following objectives:

1. Maximize leveraging opportunities
2. Make efficient use of existing infrastructure
3. Prioritize cost-effectiveness
4. Prioritize long-term growth in cost-effectiveness

The investments made under the 2012 Supplemental Plan improve TransLink's utilization of its existing fleet by increasing the average number of service hours per vehicle and more extensively leveraging large fixed infrastructure investments such as SkyTrain lines and stations by increasing service capacity. This approach results in increased productivity of existing services and use of partner funds only in support of TransLink's strategic priorities.

Section 3.0 of this plan describes how the individual projects meet TransLink's financial objectives. Cumulatively, the transit investments in the 2012 Supplemental Plan are forecast to be productive and effective, reflected by fare box recovery rates approximately 6 per cent above the current system-wide average for conventional transit. Furthermore, these initiatives will target growing areas and corridors where effectiveness will continue to increase over time. The 2012 Supplemental Plan provides sufficient funding to pay for the capital and operating costs associated with key upgrade and expansion projects, ensuring that TransLink will remain financially sustainable through the Outlook period to 2021.

2015 TO 2021 OUTLOOK

The outcomes of this plan have been analyzed for the Outlook period from 2015 to 2021.

With the transportation funding and investment provided under this plan, the regional transportation system performs better than the under 2012 Base Plan and begins to approach the conditions required this decade to fulfill the Transport 2040 aspirations for a sustainable region.

The outlook for 2015 to 2021 shows some erosion on the progress that TransLink and the region have made by 2014 towards the goals laid out in Transport 2040. This is in part due to decreasing transit service levels per capita (2.63 hours per capita in 2011 declining to 2.44 in 2021) that would occur if additional expansion beyond that contained in the 2012 Supplemental Plan is not made in the intervening years.

With the expansion of services included within the 2012 Supplemental Plan, transit's share of total trips is expected to rise during the early years of the Plan, hitting a plateau of roughly 15 per cent, which is below the Provincial Transit Plan's 2020 target of 17 per cent of weekday trips. Under the 2012 Supplemental Plan, total VKT per capita in the region will continue to decrease from 2012 onwards, moving the region toward its long-range goals. By increasing investments in rapid transit lines and stations areas, as well as investing in cycling infrastructure and additional service resources to support growing corridors, TransLink will be able to better support land use changes, reduce distances traveled and reduce demand for personal vehicle travel in support of Metro Vancouver's Regional Growth Strategy.

A green speech bubble graphic with a white outline, containing the text 'Financial Strategy'.

Financial Strategy

3. FINANCIAL STRATEGY

The financial strategy details the revenues and expenditures planned for the three-year Plan period, 2012 through 2014. The financial strategy also identifies the Outlook period to the year 2021 for longer-term financial obligations and implications for the investments in services and infrastructure committed as of December 31, 2014. This is shown in the summary tables that follow and in the narrative on key revenues and expenditures.

3.1 FINANCIAL CONTEXT

On September 23, 2010, the Mayors' Council and the Province signed a Memorandum of Understanding (MoU) outlining their mutual commitment to building livable cities, acknowledging that efficient, affordable, carbon smart transportation and infrastructure are integral components of livable cities. This livability agreement provides the foundation for the Mayors' Council and the Province to work together in identifying sustainable funding sources for transportation in the region. The Mayors' Council and Province, supported by TransLink, have undertaken research, workshops and discussions that have resulted in a framework for developing a sustainable funding strategy for the region and a near-term funding solution for the priority investments contained in this 2012 Supplemental Plan and Outlook.

An important milestone in this process was reached in July 2011 when the Mayors' Council and the Province came to a funding agreement for this 2012 Supplemental Plan. The necessary funding to support the 2012 Supplemental Plan is to come in part from a \$0.02 per litre increase in regional motor fuel taxes, which would go into effect on April 1, 2012. The balance of the funding is to come from a new long-term revenue source that the Province and the Mayors' Council would agree on in time for the Province to introduce enabling legislation in 2012. The intent of this new long-term funding source is to provide the balance of funding required for the investments identified in this Supplemental Plan, as well as to provide the region additional capacity to fund transportation investment needs in future supplemental plans. If the new funding source is not implemented before the end of 2012, the three-year Plan period would be funded by a time-limited property tax increase in 2013 and 2014, applied to all property classes. This time-limited property tax is expected to generate \$29 million in the first year, equating to approximately \$23 per year on the average residential property¹⁰.

TransLink's legislation requires that its three-year plans be fully funded. An increase to property taxes is only proposed as an interim revenue source for 2013 and 2014 if an alternative long-term funding source is not in place by the of 2012.

The anticipated phasing of the planned transit, roads and cycling investments is indicated in Section 2.3. Over the 2012-2013 period, TransLink will continue to review and, as required, adjust the timing of investments if the timeline for securing funding changes from what is currently anticipated. If it becomes apparent that the new funding source(s) will not be in place as anticipated, TransLink will adjust expenditures, starting in its 2013 Base Plan and Outlook, to respond to the available resources.

¹⁰ Assuming a 2 per cent per year increase in regional assessed values.

The Mayors' Council and the Province are committed to finding a long-term sustainable funding solution for regional transportation. They have agreed to continue intensive discussions, supported by TransLink through 2011 and 2012. The Province has committed to introduce legislation in Spring 2012 to enable a new long-term revenue source which will be determined by this process. The 2012 Supplemental Plan supports the spirit and intent of these agreements in order to deliver much-needed near- and mid-term transportation improvements.

Funding Summary

The funding package contained in this plan will generate \$33 million in 2012, growing to \$75 million in 2014. The April 1, 2012 \$0.02 per litre increase to the TransLink fuel tax will provide \$33 million in 2012 and including growth, \$45 million in 2014. As noted above the remaining funding will come from either a new long-term funding source implemented before the end of 2012 or a time limited property tax increase in 2013 and 2014.

Revenue projections are based on the following assumptions for 2012 to 2014:

- **Transit Fares:** Rate assumptions are consistent with the 2012 Base Plan. The increased fare revenue compared to the 2012 Base Plan reflects the impact of additional ridership from service improvements and new services.
- **Fuel Tax:** As described above, \$0.02 per litre increase (from 15 cents per litre to 17 cents per litre) effective April 1, 2012. Consumption is consistent with the 2012 Base Plan.
- **Replacement Tax revenues:** no change from the 2012 Base Plan (at \$18 million maximum).
- **Parking Sales Tax rate:** no change from the 2012 Base Plan (at 21 per cent maximum).
- **Bridge Toll Rates:** no change from the 2012 Base Plan (increasing at CPI, assumed at 2 per cent per year).
- **New Revenue:** This category captures the financial impact of the new long-term funding source component of the 2012 Supplemental Plan funding package. The source commences in 2013 at \$29 million and grows by 3% to \$30 million in 2014.

Appendices 1- 3 provide the full set of financial statements that support the 2012 Supplemental Plan. Appendices 2A and 2B, as well as the Statement of Revenue and Operations included in this section, indicate total plan (2012 Base Plan plus 2012 Supplemental Plan) revenues and expenditures. The incremental change between the 2012 Base Plan and 2012 Supplemental Plan is provided in Appendix 2C.

The reporting format for the Statement of Operations (and following Summary Statement) is consistent with TransLink's financial statements. The annual surplus/(deficit) is determined following Canadian Generally Accepted Accounting Principles (GAAP). This is then adjusted to derive the funded surplus/(deficit). TransLink's legislation requires the ongoing maintenance of an accumulated funded surplus.

In the 2012 Base Plan, total annual revenues are projected at \$1.49 billion by 2014. Under the 2012 Supplemental Plan, revenues will increase by \$138 million by 2014, reflecting the fuel tax rate increase,

the new revenue source to be determined by the end of 2012, additional transit fare revenue from increased ridership and increased senior government capital contributions.

The discussions that follow are organized around the revenue and expenditure categories identified in the Statement of Operations (Table 8 and Appendix 2A: Statement of Operations).

Table 8: Statement of Revenue and Operations Summary (millions)

	Actual		Budget		Forecasts			Outlook
	2010	2011	2012	2013	2014	2021		
Transit Revenues	\$ 437.8	\$ 432.8	\$ 456.9	\$ 529.8	\$ 554.3	\$ 717.8		
Toll Revenues	\$ 29.6	\$ 37.8	\$ 39.9	\$ 47.0	\$ 54.1	\$ 92.2		
User Fees	\$ 467.4	\$ 470.6	\$ 496.8	\$ 576.8	\$ 608.4	\$ 810.0		
Motor Fuel Tax	\$ 323.2	\$ 324.3	\$ 361.2	\$ 376.6	\$ 380.3	\$ 417.2		
Property Tax	\$ 271.8	\$ 279.2	\$ 287.6	\$ 296.2	\$ 305.1	\$ 375.2		
Parking Sales Tax	\$ 58.4	\$ 49.2	\$ 50.0	\$ 50.7	\$ 51.5	\$ 57.1		
Other Taxes	\$ 36.5	\$ 36.7	\$ 37.3	\$ 37.7	\$ 38.0	\$ 40.2		
New Revenue	\$ -	\$ -	\$ -	\$ 29.0	\$ 29.9	\$ 36.7		
Taxation Revenues	\$ 689.9	\$ 689.4	\$ 736.1	\$ 790.2	\$ 804.8	\$ 926.4		
Senior Government Contributions	\$ 146.1	\$ 196.0	\$ 230.5	\$ 245.5	\$ 178.2	\$ 19.3		
Interest Revenue	\$ 20.5	\$ 26.2	\$ 29.6	\$ 33.0	\$ 38.7	\$ 67.6		
Total Revenues	\$ 1,323.9	\$ 1,382.2	\$ 1,493.0	\$ 1,645.5	\$ 1,630.1	\$ 1,823.3		
Transit Operations	\$ 768.2	\$ 826.4	\$ 862.8	\$ 902.1	\$ 921.4	\$ 1,086.5		
Roads, Bridges and Bicycles	\$ 119.2	\$ 114.7	\$ 113.5	\$ 92.2	\$ 77.6	\$ 64.5		
Transit Corporate & Police	\$ 101.4	\$ 106.0	\$ 106.9	\$ 110.5	\$ 113.4	\$ 133.4		
Operating Expenditures	\$ 988.8	\$ 1,047.1	\$ 1,083.2	\$ 1,104.8	\$ 1,112.4	\$ 1,284.4		
Surplus Before Interest and Depreciation	\$ 335.1	\$ 335.1	\$ 409.8	\$ 540.7	\$ 517.7	\$ 538.9		
Interest Expense	\$ 159.9	\$ 172.0	\$ 172.5	\$ 184.8	\$ 200.6	\$ 235.3		
Depreciation Expense	\$ 152.6	\$ 167.0	\$ 170.9	\$ 196.9	\$ 218.4	\$ 225.7		
Surplus/(Deficit) before Other Items	\$ 22.6	\$ (3.9)	\$ 66.4	\$ 159.0	\$ 98.7	\$ 77.9		
Provision for Contingency Fund Adjustment	\$ -	\$ (10.1)	\$ (10.0)	\$ -	\$ -	\$ -		
Proceeds From Sale of Assets & Other Items	\$ (18.0)	\$ 35.0	\$ 4.6	\$ 82.9	\$ 69.4	\$ -		
Surplus/(Deficit) before Funding Adjustments	\$ 4.6	\$ 21.0	\$ 61.0	\$ 241.9	\$ 168.1	\$ 77.9		
Funding Adjustments	\$ 11.0	\$ (79.9)	\$ (137.2)	\$ (169.6)	\$ (119.1)	\$ 16.1		
Funded Surplus/(Deficit)	\$ 15.6	\$ (58.9)	\$ (76.2)	\$ 72.3	\$ 49.0	\$ 94.0		
Opening Cumulative Funded Surplus	\$ 312.1	\$ 327.7	\$ 309.2	\$ 233.0	\$ 305.3	\$ 351.7		
Adjustment for 2011 forecast deficit (from 2010 actual of \$327.7 million)		\$ 40.4						
Cumulative Funded Surplus	\$ 327.7	\$ 309.2	\$ 233.0	\$ 305.3	\$ 354.3	\$ 445.7		

*The Statement of Operations does not include the results of AirCare and Transportation Property and Casualty Company Inc. ("TPCC")
The 2010 results include Vancouver 2010 Olympics and ParaOlympics related revenues and expenditures
The 2011 budgeted cumulative surplus was based on the 2010 year end cumulative surplus forecast in August of 2010
The 2012-2014 forecast reflects the current 2011 year end cumulative surplus forecast*

3.2 REVENUE PROJECTIONS

USER FEES

Transit Revenues

Transit revenues are made up of transit fares, property rentals and advertising revenues. Under the 2012 Base Plan, transit fare revenues are budgeted at \$421 million in 2011 and increase to \$516 million in 2014.

Under the 2012 Supplemental Plan, transit fare revenues grow by an additional \$25 million compared to the Base Plan to \$541 million in 2014 due to ridership growth. The increased fare revenue reflects the impact of additional ridership from service improvements and new services. Fare revenue is forecast to grow to \$700 million by 2021, \$57 million higher than the 2012 Base Plan.

Advertising and other revenue does not change from the 2012 Base Plan. The decline from 2010 is due to the one-time impact of Olympic related advertising.

Table 9: Transit Fare Revenue Projections (millions)

Factor	Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
	2010	2011	2012	2013	2014	2021	
Transit Fare Revenue	\$ 412.4	\$ 421.0	\$ 445.1	\$ 517.2	\$ 540.9	\$ 699.7	8.7%
Property Rentals, Advertising, Other	\$ 25.4	\$ 11.8	\$ 11.8	\$ 12.6	\$ 13.4	\$ 18.1	4.3%
Total: Transit Revenues	\$ 437.8	\$ 432.8	\$ 456.9	\$ 529.8	\$ 554.3	\$ 717.8	8.6%

Toll Revenues

Toll revenues are unchanged from the 2012 Base Plan.

Table 10: Golden Ears Bridge Toll Revenue Projections (millions)

Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
2010	2011	2012	2013	2014	2021	
\$ 29.6	\$ 37.8	\$ 39.9	\$ 47.0	\$ 54.1	\$ 92.2	12.7%

TAXATION SOURCES

Motor Fuel Tax Revenues

Under the 2012 Supplemental Plan, there will be an increase of \$0.02 per litre in motor fuel taxes in Metro Vancouver beginning in April 2012. The 2012 part-year impact is \$33 million, and the annual impact is \$45 million by 2014. Total fuel tax is projected to grow to \$417 million by 2021.

Table 11: Motor Fuel Tax Revenue Projections (millions)

Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
2010	2011	2012	2013	2014	2021	
\$ 323.2	\$ 324.3	\$ 361.2	\$ 376.6	\$ 380.3	\$ 417.2	5.5%

Property Tax

For presentation purposes, the balance of the 2012 Supplemental Plan funding package that is not generated by the proposed \$0.02 per litre fuel tax increase is captured in the “New Revenues” section outlined below. Accordingly, property tax revenue as presented in Table 12 below and in the financial schedules is the same as the 2012 Base Plan. An increase to property tax would only occur, and would be limited to 2013 and 2014 only, if a new long-term funding source is not in place before the end of 2012.

Table 12: Property Tax Projections (millions)

Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
2010	2011	2012	2013	2014	2021	
\$ 271.8	\$ 279.2	\$ 287.6	\$ 296.2	\$ 305.1	\$ 375.2	3.0%

Parking Sales Tax Revenue

Parking sales tax revenue forecasts are unchanged from the 2012 Base Plan.

Table 13: Parking Sales Tax Revenue Forecasts (millions)

Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
2010	2011	2012	2013	2014	2021	
\$ 58.4	\$ 49.2	\$ 50.0	\$ 50.7	\$ 51.5	\$ 57.1	1.5%

Other Taxes - Replacement Tax, Hydro Levy

These taxes are unchanged from the 2012 Base Plan.

New Revenues

This category captures the financial impact of the new long-term funding source component of the 2012 Supplemental Plan funding package. The source commences in 2013 at \$29 million and grows by 3% to \$30 million in 2014.

The Mayors' Council and the Province are committed to finding a long-term sustainable funding solution for regional transportation. They have agreed to continue intensive discussions, supported by TransLink through 2011 and 2012. The Province has committed to introduce legislation in Spring 2012 to enable a new long-term revenue source. If that new funding source is not implemented before the end of 2012, the three-year Plan period would be funded by a time-limited property tax increase in 2013 and 2014 across all property classes generating \$29 million and equating to approximately \$23 per year on the average residential property¹¹.

Table 14: New Revenues

Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
2010	2011	2012	2013	2014	2021	
\$ -	\$ -	\$ -	\$ 29.0	\$ 29.9	\$ 36.7	n/a

Senior Government Contributions (Capital and Operating Contributions)¹²

The federal and provincial governments contribute to TransLink's capital projects through sources such as the Provincial Transit Plan, Building Canada Fund and the Strategic Priorities (Federal Gas Tax) Fund.

Table 15: Senior Government Contribution Forecasts for Capital and Operations (millions)

Factor	Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
	2010	2011	2012	2013	2014	2021	
Capital	\$ 126.8	\$ 176.7	\$ 211.2	\$ 226.2	\$ 158.9	\$ -	-3.5%
Operations	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	0.0%
Total Contributions	\$ 146.1	\$ 196.0	\$ 230.5	\$ 245.5	\$ 178.2	\$ 19.3	-3.1%

Senior government contributions increase by \$5 million in 2012 and \$37 million in 2014 compared to the 2012 Base Plan. The increases are due to Gas Tax Fund allocations for the required fleet purchases to implement the identified service initiatives. Provincial Transit Plan funding supports both the Highway 1 Bus Rapid Transit and the majority of the rapid transit station upgrades. Building Canada Fund resources are also required for the rapid transit station upgrades. The Capital Summary, Table 26, provided later in this section provides more details on the specific contribution levels from the federal and provincial governments.

¹¹ Assuming a 2 per cent per year increase in regional assessed values.

¹² As the Evergreen Line capital project is a provincial capital project and TransLink is a funding partner, the federal and provincial funding contributions are not captured in TransLink's financial strategy.

Interest Income

Interest Income in the 2012 Supplemental Plan increases due to the impact of the capital program on borrowing requirements and resulting sinking fund balances. In 2014, TransLink's interest income is \$1 million higher than the 2012 Base Plan. Interest income is projected at \$67.7 million in 2021, \$6 million higher than the 2012 Base Plan.

Table 16: Interest Income Projections (millions)

Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
2010	2011	2012	2013	2014	2021	
\$ 20.5	\$ 26.2	\$ 29.6	\$ 33.0	\$ 38.7	\$ 67.6	13.9%

3.3 EXPENDITURES

Transit Operations Expenditures

Under the 2012 Base Plan, transit operations expenditures are budgeted at \$826 million in 2011 and increase to \$871 million by 2014. Under the 2012 Supplemental Plan, transit operations expenditures increase by \$51 million to \$922 million in 2014 due to bus service increases. By 2021, transit operation expenditures reach \$1.09 billion, \$73 million higher than the 2012 Base Plan.

Table 17: Transit Operations Expenditure Forecasts (millions)

Factor	Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
	2010	2011	2012	2013	2014	2021	
Bus	\$ 565.7	\$ 594.4	\$ 620.1	\$ 652.7	\$ 667.0	\$ 769.1	3.9%
Expo/Millennium Lines & West Coast Express	\$ 105.3	\$ 113.2	\$ 120.9	\$ 123.5	\$ 125.4	\$ 144.7	3.5%
Canada Line*	\$ 60.5	\$ 77.5	\$ 84.3	\$ 86.4	\$ 88.2	\$ 104.5	4.4%
Evergreen Line	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19.7	n/a
Taxes, Rentals, Fare Media	\$ 36.7	\$ 41.3	\$ 37.5	\$ 39.5	\$ 40.9	\$ 48.6	-0.3%
Total Operations	\$ 768.2	\$ 826.4	\$ 862.8	\$ 902.1	\$ 921.5	\$ 1,086.6	3.7%

*The Canada Line expenditures include payment to the concessionaire to cover its operating expenditures and capital repayments, which elevate the average annual growth rate metric.

The initiatives contained in the 2012 Supplemental Plan increase total operating expenditures in 2014 by 6 per cent compared to the 2012 Base Plan. However, per unit costs for transit services (except Expo and Millennium Line)¹³ will rise at a rate below or at inflation forecasts reflecting continuous improvements in operational efficiency and effectiveness.

Roads, Bridges and Bicycle Expenditures

Under the 2012 Base Plan, total expenditures on roads, bridges and cycling are \$115 million in 2011 and are forecast to drop to \$65 million in 2014. Under the 2012 Supplemental Plan total expenditures

¹³ The higher-than-inflation increase in Canada Line is due to the sculpting of contractor payments, which are higher in the early years of the contract. Expo and Millennium Line costs reflect the impact of the 48 new cars placed in service in 2010 coming off warranty.

increase to \$78 million by 2014, as the MRN Minor Capital and Bicycle programs are restored to 2010 funding levels (\$20 million per year and \$6 million per year, respectively) for a period of five years to 2016¹⁴. Similar to the 2012 Base Plan the overall drop in expenditures between 2011 and 2014 is due to the completion of MRN major projects committed to prior to 2010.

Table 18: Major Road Network, Bridges and Cycling Expenditures (millions)

Factor	Actual		Budget		Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
	2010	2011	2012	2013	2014	2021			
Major Road Network	\$ 33.0	\$ 35.0	\$ 36.0	\$ 37.1	\$ 38.3	\$ 47.2	3.0%		
Golden Ears Bridge	\$ 11.2	\$ 12.0	\$ 12.4	\$ 12.7	\$ 13.5	\$ 17.3	4.0%		
Albion Ferry	\$ 0.4	\$ 0.1	\$ -	\$ -	\$ -	\$ -			
Total Operations & Maintenance	\$ 44.6	\$ 47.1	\$ 48.4	\$ 49.8	\$ 51.8	\$ 64.5	3.2%		
Infra. Contri. To Municipalities	\$ 74.6	\$ 67.6	\$ 65.1	\$ 42.4	\$ 25.8	\$ -	-27.5%		
Total Roads, Bridges and Bicycles	\$ 119.2	\$ 114.7	\$ 113.5	\$ 92.2	\$ 77.6	\$ 64.5	-12.2%		

TransLink Corporate and Transit Police Expenditures

Under the 2012 Base Plan, combined expenditures for TransLink Corporate and Transit Police total \$106 million in 2011 and are forecasted to be \$109 million in 2014. Under the 2012 Supplemental Plan, expenditures grow to \$113 million. The \$4 million increase reflects the requirement for additional Corporate and Police resources to implement and manage service expansion.

Table 19: TransLink Corporate and Transit Police Expenditures (millions)

Factor	Actual		Budget		Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
	2010	2011	2012	2013	2014	2021			
TransLink Corporate	\$ 69.5	\$ 67.1	\$ 68.9	\$ 68.9	\$ 68.7	\$ 77.5	0.8%		
SmartCards and Gating and Studies	\$ 4.7	\$ 10.2	\$ 8.3	\$ 8.7	\$ 9.8	\$ 13.9	-1.3%		
Subtotal	\$ 74.2	\$ 77.3	\$ 77.2	\$ 77.6	\$ 78.5	\$ 91.4	0.5%		
Transit Police	\$ 27.2	\$ 28.7	\$ 29.7	\$ 32.9	\$ 34.9	\$ 42.0	6.7%		
Total TransLink Corporate and Police	\$ 101.4	\$ 106.0	\$ 106.9	\$ 110.5	\$ 113.4	\$ 133.4	2.3%		

Debt Service

Interest Expense

Interest expense is budgeted at \$172 million in 2011 and will increase to \$201 million in 2014. Interest expense increases by \$8 million in 2014 and \$40 million in 2021 as compared to the 2012 Base Plan.

Table 20: Debt Interest Expense (millions)

Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
2010	2011	2012	2013	2014	2021	
\$ 159.9	\$ 172.0	\$ 172.5	\$ 184.8	\$ 200.6	\$ 235.3	5.3%

¹⁴ The five year contribution period is consistent with municipal five year capital plans cycles, as endorsed by TransLink's Major Roads and Transportation Technical Advisory Committee (MRTAC).

Depreciation Expense

Depreciation expenses are budgeted at \$167 million in 2011 and are forecast to increase to \$218 million in 2014. Depreciation is \$5 million higher in 2014 compared to the 2012 Base Plan reflecting the larger capital program. The difference grows to \$24 million by 2021.

Table 21: Depreciation Expense Forecasts (millions)

Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
2010	2011	2012	2013	2014	2021	
\$ 152.6	\$ 167.0	\$ 170.9	\$ 196.9	\$ 218.4	\$ 225.7	9.4%

Other Items

The forecasts for the 2012 Supplemental Plan have not changed from the 2012 Base Plan. The \$10 million contingency fund is retained for 2012 and approximately \$219 million will be generated from the sale of surplus properties.

Table 22: Other Items (millions)

Factor	Actual	Budget	Forecasts			Outlook
	2010	2011	2012	2013	2014	2021
Provision for Contingency Fund Adjustment	\$ -	\$ (10.1)	\$ (10.0)	\$ -	\$ -	\$ -
Proceeds From Sale of Assets & Other Items	\$ (18.0)	\$ 35.0	\$ 4.6	\$ 82.9	\$ 69.4	\$ -

Funding Adjustments

The *SCBCTA Act* specifies that TransLink must retain an accumulated fund surplus. The funded annual surplus/(deficit) is determined by adjusting the excess (deficiency) of revenue over expenditures (consistent with Canadian Generally Accepted Accounting Principles) for certain non-cash expenditures (i.e. depreciation) and restricted payments and contributions. Changes from the 2012 Base Plan are primarily due to increases in senior government contributions related to the 2012 Supplemental Plan capital program.

Table 23: Funding Adjustments (millions)

Actual	Budget	Forecasts			Outlook
2010	2011	2012	2013	2014	2021
\$ 11.0	\$ (79.9)	\$ (137.2)	\$ (169.6)	\$ (119.1)	\$ 16.1

3.4 BALANCE SHEET AND CASH FLOW STATEMENT

Balance Sheet

The balance sheet (Consolidated Statement of Financial Position) is included as Appendix 1. Total assets will increase by \$1,255 million between 2011 and 2014, bringing the net total assets to \$6.9 billion by the end of 2014. The increase in capital assets of \$932 million over this period represents additions of

\$1,520 million less \$586 million in amortization of capital assets during the three-year period. The balance of the increase in total assets is mainly from a \$316 million increase in sinking and debt reserve funds.

Between 2011 and 2014, total liabilities will increase by \$782 million to fund the above mentioned increase in total assets. The funding comes from long-term (direct) debt.

Over the Plan and Outlook periods, long-term debt will increase by only \$297 million despite a \$960 million increase in total assets. This is because senior government capital contributions towards capital reduce the need for debt financing.

In this 2012 Supplemental Plan, debt reaches its peak in 2015 at \$3,344 million and then begins to decline in 2016. Figure 11 demonstrates this declining trend as current debt obligations will be retired through the course of this plan.

This Supplemental Plan increases the current \$2.8 billion debt cap by \$700 million. The new cap of \$3.5 billion would provide a five per cent contingency for unanticipated increases to project costs.

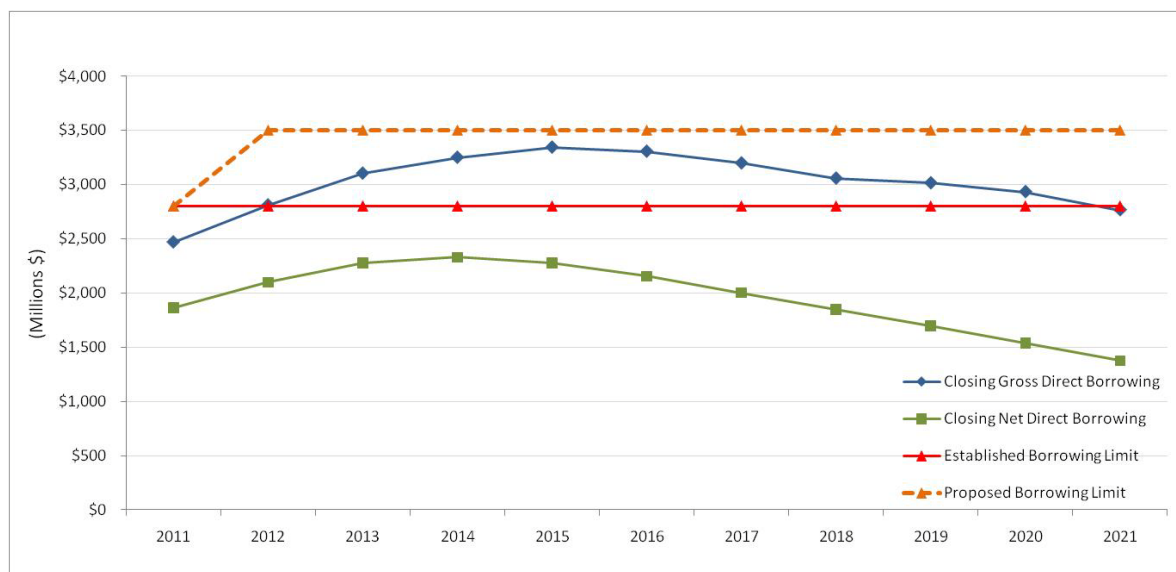


Figure 11: Borrowing Levels for 2012 Supplemental Plan

Cash Flow Statement

The cash flow statement (Consolidated Statement of Cash Flows) can be found in Appendix 3. The 2012 Base Plan is able to cover its financing cost through cash from operations for 2012 to 2014. Investing activities are funded by cash on hand of \$102 million in 2012 and long-term borrowing of \$949 million over the three years. TransLink actively manages its cash situation and will access its short-term borrowing facility on a temporary basis within periods.

Total capital expenditures between 2012 and 2014 are \$1,519 million excluding contributions to municipalities for roads and bike programs but including real estate purchases of \$117 million. Federal and provincial funding finances \$596 million of the \$1,519 million.

Cash from operations is \$438 million in cash surplus in 2014. The Outlook period shows a cash surplus from operations of \$359 million in 2021.

3.5 OUTLOOK FOR 2014 THROUGH 2021

The previous sections noted the 2021 projections for each category of revenue and expenditure. These estimates are based upon an extrapolation of the 2014 trends and assumptions, and also include the impacts of the Evergreen Line coming into service in 2016, scheduled fleet replacement, infrastructure maintenance and debt obligations. The financial outlook is intended to ensure that, given these assumptions, the short-term investments and commitments are reasonable and financially sustainable in the longer term.

TransLink’s goal is to maintain a cumulative surplus fund balance that at a minimum is 10 per cent of total expenditures. The 2012 Base Plan maintains a cumulative surplus of 10 per cent, as demonstrated in Figure 12. In the 2012 Supplemental Plan, the cumulative surplus margin is improved slightly to allow some additional flexibility to cover increased risk and uncertainty associated with undertaking the 2012 Supplemental Plan projects. Should conditions change, TransLink will manage its levels of investment to ensure the minimum cumulative surplus percentage is maintained.

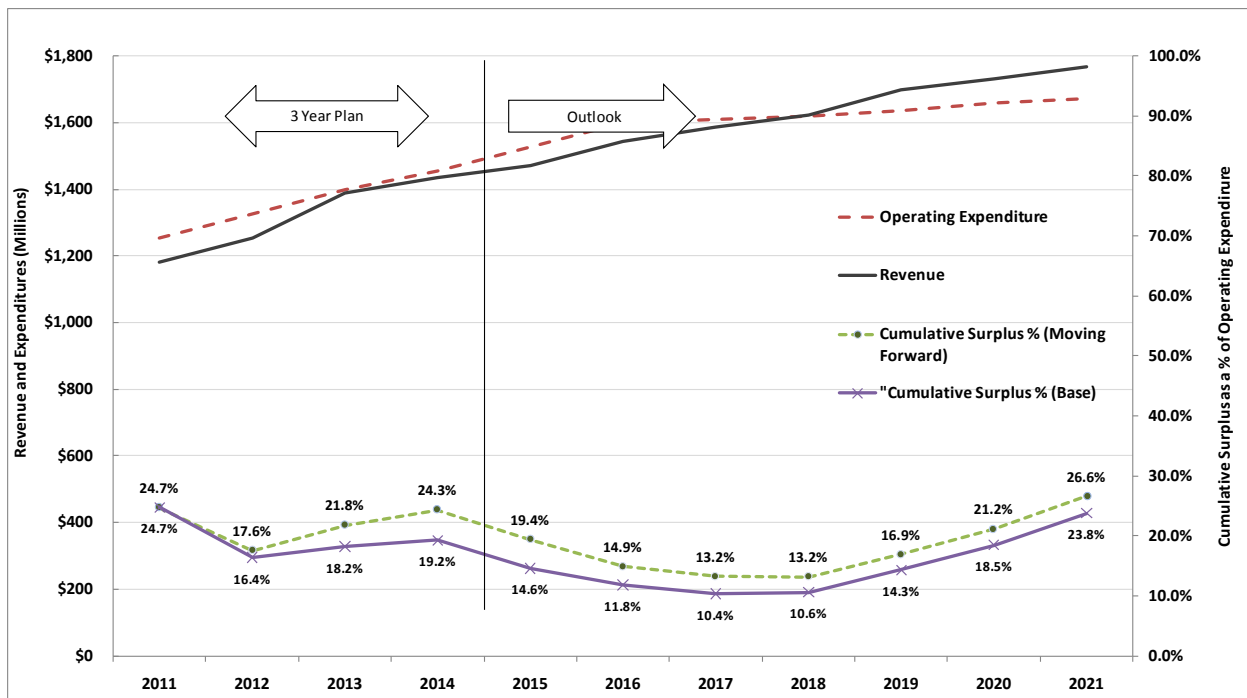


Figure 12: Cumulative Surplus Level Forecasts for 2011 through 2021

3.6 ASSUMPTIONS AND RISKS

The economic assumptions are unchanged from the 2012 Base Plan. The dollar impacts associated with sensitivity to rate changes do change as a result of increased total expenditures. The assumed rates and sensitivity levels are shown in Table 24 below.

Table 24: Key Assumptions for 2012 Supplemental Plan

Key Assumptions 2012-2021 Ten Year Supplemental Plan					
Factor	Assumption % Change/Rate per Year				Impact \$ million / yr
	2012	2013	2014	2015-2021	
Real GDP growth	2.7%	2.7%	2.0%	2.0%	
Goods and Services Inflation	2.0%	2.1%	2.1%	Variable	+ / - 8.5
Construction (excluding road construction) Inflation	3.0%	3.0%	2.5%	3.0%	+ / - 3.7
Road Construction Inflation	3.2%	2.6%	2.6%	4.0%	+ / - 2.6
Hydro Cost	9.0%	9.7%	3.9%	2.0%	+ / - 0.1
Gasoline Cost (per litre & net of HST rebate)	\$1.40	\$1.46	\$1.50	\$1.54 to \$1.75	
Diesel Cost (per Litre & net of HST rebate)	\$1.28	\$1.32	\$1.35	\$1.38 to \$1.66	+ / - 0.4
Interest Rates					
- Short Term	2.65%	3.80%	4.80%	5.20%	+ / - 0.5
- Long Term	4.9%	5.4%	6.4%	6.8%	+ / - 11.8
Regional Fuel Consumption					
- Gasoline (million litres)	1,854	1,873	1,892	1936 to 2098	+ / - 3.9
- Diesel (million litres)	335	342	345	345 to 356	+ / - 0.7

Other Major Assumptions Driven by TransLink:

- Operation, maintenance and rehabilitation funding for roads is maintained at the 2011 rate, and a 2 per cent allowance for inflation is provided.
- Continuation of senior government funding is assumed in this Plan. TransLink will continue to utilize all available funding where applicable.

Identification of Risk Factors and Potential Risk Management Measures

The risk factors and related management measures are unchanged from the 2012 Base Plan with the following exceptions:

Fuel Tax Revenue – As previously noted, the increases in ridership that result from service expansion will divert trips from personal vehicles lowering the demand for fuel. The majority of these effects would be felt once Evergreen Line service is introduced in the Outlook period. Further analysis will be

conducted for the 2013 Base Plan and Outlook to ensure that the Outlook period incorporates these forces.

Transit Fare Revenues - Fares are one of the largest revenue sources in the 2012 Supplemental Plan. Ridership assumptions for a new rapid transit project such as the Evergreen Line project 5 to 10 years in the future introducing an element of risk. A 10 per cent change in ridership associated with the Evergreen Line in 2015 will result in a fluctuation of \$1.2 million per year in revenues.

Gain (Loss) from the Sale of Assets - A strong cumulative surplus over the Plan and Outlook periods means that TransLink can be less reliant on the sale of surplus assets than in the 2012 Base Plan. There continues to be risk around the acceptance and timing of the sales. In the case that surplus assets could not be sold for the forecast amounts, TransLink will employ mitigating strategies such as additional cost constraint and a re-evaluation of the capital investment plan.

New Revenues – The 2012 Supplemental Plan assumes that a new still-to-be-determined revenue source is in place commencing in 2013 (any increase to property tax is a time-limited backstop only). As the source is uncertain, it is difficult to know how it may change Metro Vancouver travel patterns and behaviour. As well, the new source may take longer to implement than currently assumed. To mitigate these risks, new services will be staged consistent with new revenues; as behaviour is identified services can be tailored accordingly.

3.7 CAPITAL PROGRAM

Below is a summary of the major initiatives contained in the 2012 Supplemental Plan.

Table 25: Initiatives Contained in the 2012 Supplemental Plan

CAPITAL INITIATIVES	
<p>Rapid Transit</p> <p>Evergreen Line Program</p> <ul style="list-style-type: none"> ▪ Connects Coquitlam and Vancouver via Port Moody and Burnaby: 11 km line, five stations and 28 new SkyTrain vehicles ▪ The RFP is expected to be awarded in 2012 with an estimated construction period of four years. ▪ Commercial-Broadway Station Phase II ▪ Community and network integration and wayfinding upgrades <p>Station Upgrade Projects</p> <ul style="list-style-type: none"> ▪ Main Street Station ▪ Metrotown Station ▪ Surrey Central Station ▪ New Westminster Station ▪ Lonsdale Quay SeaBus Terminal 	<p>Roads and Cycling</p> <ul style="list-style-type: none"> ▪ Increase funding for MRN Minor Capital Program at \$20M/year ▪ Increase funding for Bike Capital Program at \$6M/year <p>Vehicles</p> <ul style="list-style-type: none"> ▪ 63 new diesel and hybrid buses online between 2012 and 2014

Table 26 summarizes the gross cost, contributions to each category of the capital program and net cost to TransLink over the 2012 to 2014 period.

TransLink’s gross capital program under the 2012 Supplemental Plan period increases by \$575 million (from \$961 million to \$1.54 billion) compared to the 2012 Base Plan. The 2012 Supplemental Plan includes additional capital expenditures of \$469 million on rapid transit, \$67 million on new buses and transit infrastructure, \$30 million on the major road network and \$9 million on the bicycle program.

Table 26: 2012 to 2014 Capital Plan¹⁵

Project Description (thousands)	Gross Cost	Contributions		TransLink
		Provincial	Federal	Net Cost
BIKE PROGRAM	14,192	-	-	\$ 14,192
BRIDGES	2,609	-	-	\$ 2,609
ROADS	122,503	-	-	\$ 122,503
TRANSIT	613,561	-	(390,710)	\$ 222,851
RAPID TRANSIT	729,016	(52,736)	(133,059)	\$ 543,222
MARINE	33,878	-	(19,732)	\$ 14,147
COMMUTER RAIL	118	-	-	\$ 118
IT	20,222	-	-	\$ 20,222
Total	\$ 1,536,100	\$ (52,736)	\$ (543,500)	\$ 939,864

3.8 KEY PERFORMANCE INDICATORS

Key Performance Indicators for TransLink conventional and custom transit services are summarized in Table 27: Indicators for the 2012 Supplemental Plan. These indicators demonstrate the system becoming increasingly efficient between 2011 and 2014. Boardings per service hour and average fare per revenue passenger are averaging positive gains. At the same time, costs per service hour and per service kilometre are growing below the rate of inflation. These effects combine to achieve improvements in both cost recovery and operating costs per revenue passenger.

¹⁵ As the Evergreen Line capital project is a provincial capital project and TransLink is a funding partner, the federal and provincial funding contribution, totalling approximately \$1 billion, are not captured in TransLink’s financial strategy. The table includes MRN expenditures, but excludes real estate acquisition.

Table 27: Indicators for the 2012 Supplemental Plan

Key Performance Metric*	2011	2012	2013	2014	2011 - 2014 Avg Annual Growth Rate
Conventional System					
Operating Cost per Revenue Passenger	\$4.11	\$4.04	\$4.06	\$4.03	
Annual change		-1.8%	0.5%	-0.8%	-0.7%
Boarding per Service Hour	54.98	57.18	57.42	58.79	
Annual change		4.0%	0.4%	2.4%	2.3%
Operating Cost per Total Vehicle Km - All	\$5.84	\$6.00	\$6.09	\$6.19	
Annual change		2.8%	1.5%	1.7%	2.0%
Operating Cost per Total Vehicle Km - Bus	\$5.90	\$6.00	\$6.05	\$6.14	
Annual change		1.8%	0.8%	1.5%	1.3%
Operating Cost per Total Vehicle Km - Expo & Millennium line	\$2.20	\$2.35	\$2.41	\$2.45	
Annual change		6.5%	2.8%	1.8%	3.7%
Operating Cost per Total Vehicle Km - Commuter Rail	\$12.37	\$13.01	\$13.07	\$13.28	
Annual change		5.2%	0.5%	1.6%	2.4%
Average Fare per Revenue Passenger	\$1.98	\$1.97	\$2.20	\$2.23	
Annual change		-0.4%	11.7%	1.5%	4.1%
Cost Recovery (all Transit Revenue)	50.1%	50.4%	55.8%	56.3%	
Annual change		0.6%	10.7%	0.9%	4.0%
Operating Cost per Service Hour - Bus	\$114.43	\$116.45	\$117.36	\$119.05	
Annual change		1.8%	0.8%	1.4%	1.3%
Access Transit					
Operating Cost per Revenue Passenger	\$33.95	\$35.10	\$33.87	\$33.89	
Annual change		3.4%	-3.5%	0.0%	-0.1%
Boarding per Service Hour	2.27	2.29	2.41	2.43	
Annual change		1.0%	5.1%	1.0%	2.3%
Operating Cost per Total Vehicle Km	\$4.37	\$4.56	\$4.63	\$4.67	
Annual change		4.4%	1.4%	1.0%	2.3%
Operating Cost per Service Hour	\$77.10	\$80.51	\$81.66	\$82.52	
Annual change		4.4%	1.4%	1.0%	2.3%

Appendices

APPENDICES

APPENDIX 1 CONSOLIDATED STATEMENT OF FINANCIAL POSITION												
SCBCTA												
		FORECAST				OUTLOOK						
for the years ending 31 Dec.	thousands	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Assets												
Current assets												
Cash & Short Term investments		101,942	18,976	34,773	82,827	46,900	20,406	26,056	55,966	148,060	247,739	360,490
Accounts receivable		203,478	209,582	215,869	222,345	229,016	235,886	242,963	250,252	257,759	265,492	273,457
Supplies inventory		37,425	38,548	39,704	40,895	42,122	43,386	44,687	46,028	47,409	48,831	50,296
Prepaid expenses		8,932	9,200	9,476	9,760	10,053	10,355	10,665	10,985	11,315	11,654	12,004
		351,776	276,306	299,823	355,828	328,092	310,033	324,372	363,231	464,543	573,717	696,247
Long-term investments		21,432	22,396	23,404	24,457	25,558	26,708	27,910	29,166	30,478	31,850	33,283
Debt reserve Fund		45,096	49,288	53,055	54,464	56,933	56,690	55,846	53,203	52,892	53,180	51,446
Debt sinking fund		558,446	661,413	775,263	865,364	1,011,364	1,095,172	1,139,447	1,154,748	1,264,127	1,341,617	1,339,075
Capital assets		4,671,244	5,045,707	5,440,505	5,603,319	5,557,032	5,417,805	5,278,321	5,116,091	4,913,039	4,709,087	4,487,470
Total Assets		5,647,994	6,055,111	6,592,050	6,903,432	6,978,978	6,906,407	6,825,895	6,716,439	6,725,079	6,709,451	6,607,520
Liabilities and Fund Balances												
Current liabilities												
Cheques issued in excess of funds on deposit												
Other Short term borrowing		0	0	0	0	0	0	0	0	0	0	0
Accounts payable and accrued liabilities		209,768	216,061	222,543	229,219	236,095	243,178	250,474	257,988	265,727	273,699	281,910
Total Current Liabilities		209,768	216,061	222,543	229,219	236,095	243,178	250,474	257,988	265,727	273,699	281,910
Employee future benefits		56,640	62,304	68,535	75,388	82,927	91,219	100,341	110,376	121,413	133,554	146,910
SkyTrain Canada Line - Deferred concessionaire credits		661,562	638,484	615,405	592,327	569,248	546,170	523,091	500,013	476,935	453,856	430,778
Golden Ears Bridge Contractor liability		1,020,150	1,032,744	1,045,059	1,051,375	1,050,913	1,049,021	1,045,557	1,040,378	1,033,348	1,024,302	1,013,077
Long-term debt		2,468,873	2,810,367	3,103,642	3,250,196	3,343,586	3,306,683	3,198,138	3,057,945	3,014,666	2,933,212	2,766,337
Total Liabilities		4,416,993	4,759,959	5,055,183	5,198,505	5,282,770	5,236,272	5,117,601	4,966,699	4,912,089	4,818,624	4,639,012
Fund balances		1,231,001	1,295,152	1,536,866	1,704,927	1,696,209	1,670,135	1,708,293	1,749,740	1,812,990	1,890,826	1,968,508
Total Liabilities and Fund Balances		5,647,994	6,055,111	6,592,050	6,903,432	6,978,978	6,906,407	6,825,895	6,716,439	6,725,079	6,709,451	6,607,520

APPENDIX 2A: STATEMENT OF OPERATIONS

SCBCTA

	Actual	Budget	Forecasts			Outlook						
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Transit Revenues	\$ 437.8	\$ 432.8	\$ 456.9	\$ 529.8	\$ 554.3	\$ 563.7	\$ 613.3	\$ 630.1	\$ 643.1	\$ 693.6	\$ 706.3	\$ 717.8
Toll Revenues	\$ 29.6	\$ 37.8	\$ 39.9	\$ 47.0	\$ 54.1	\$ 61.0	\$ 66.4	\$ 71.1	\$ 76.0	\$ 81.2	\$ 86.7	\$ 92.2
User Fees	\$ 467.4	\$ 470.6	\$ 496.8	\$ 576.8	\$ 608.4	\$ 624.7	\$ 679.7	\$ 701.2	\$ 719.1	\$ 774.8	\$ 793.0	\$ 810.0
Motor Fuel Tax	\$ 323.2	\$ 324.3	\$ 361.2	\$ 376.6	\$ 380.3	\$ 387.8	\$ 393.9	\$ 403.1	\$ 409.7	\$ 416.5	\$ 416.8	\$ 417.2
Property Tax	\$ 271.8	\$ 279.2	\$ 287.6	\$ 296.2	\$ 305.1	\$ 314.2	\$ 323.7	\$ 333.4	\$ 343.4	\$ 353.7	\$ 364.3	\$ 375.2
Parking Sales Tax	\$ 58.4	\$ 49.2	\$ 50.0	\$ 50.7	\$ 51.5	\$ 52.2	\$ 53.0	\$ 53.8	\$ 54.6	\$ 55.4	\$ 56.3	\$ 57.1
Other Taxes	\$ 36.5	\$ 36.7	\$ 37.3	\$ 37.7	\$ 38.0	\$ 38.3	\$ 38.6	\$ 38.9	\$ 39.3	\$ 39.6	\$ 39.9	\$ 40.2
New Revenue	\$ -	\$ -	\$ -	\$ 29.0	\$ 29.9	\$ 30.8	\$ 31.7	\$ 32.6	\$ 33.6	\$ 34.6	\$ 35.7	\$ 36.7
Taxation Revenues	\$ 689.9	\$ 689.4	\$ 736.1	\$ 790.2	\$ 804.8	\$ 823.3	\$ 840.9	\$ 861.8	\$ 880.6	\$ 899.8	\$ 913.0	\$ 926.4
Senior Government Contributions	\$ 146.1	\$ 196.0	\$ 230.5	\$ 245.5	\$ 178.2	\$ 124.8	\$ 105.4	\$ 106.1	\$ 80.2	\$ 41.8	\$ 39.1	\$ 19.3
Interest Revenue	\$ 20.5	\$ 26.2	\$ 29.6	\$ 33.0	\$ 38.7	\$ 42.3	\$ 47.8	\$ 50.7	\$ 52.8	\$ 54.5	\$ 61.5	\$ 67.6
Total Revenues	\$ 1,323.9	\$ 1,382.2	\$ 1,493.0	\$ 1,645.5	\$ 1,630.1	\$ 1,615.1	\$ 1,673.8	\$ 1,719.8	\$ 1,732.7	\$ 1,770.9	\$ 1,806.6	\$ 1,823.3
Transit Operations	\$ 768.2	\$ 826.4	\$ 862.8	\$ 902.1	\$ 921.4	\$ 944.5	\$ 978.6	\$ 995.2	\$ 1,017.6	\$ 1,040.5	\$ 1,063.6	\$ 1,086.5
Roads, Bridges and Bicycles	\$ 119.2	\$ 114.7	\$ 113.5	\$ 92.2	\$ 77.6	\$ 91.9	\$ 90.8	\$ 62.0	\$ 59.0	\$ 60.8	\$ 62.7	\$ 64.5
TransLink Corporate & Police	\$ 101.4	\$ 106.0	\$ 106.9	\$ 110.5	\$ 113.4	\$ 116.1	\$ 119.8	\$ 122.3	\$ 127.3	\$ 127.5	\$ 130.4	\$ 133.4
Operating Expenditures	\$ 988.8	\$ 1,047.1	\$ 1,083.2	\$ 1,104.8	\$ 1,112.4	\$ 1,152.5	\$ 1,189.2	\$ 1,179.5	\$ 1,203.9	\$ 1,228.8	\$ 1,256.7	\$ 1,284.4
Surplus Before Interest and Depreciation	\$ 335.1	\$ 335.1	\$ 409.8	\$ 540.7	\$ 517.7	\$ 462.6	\$ 484.6	\$ 540.3	\$ 528.8	\$ 542.1	\$ 549.9	\$ 538.9
Interest Expense	\$ 159.9	\$ 172.0	\$ 172.5	\$ 184.8	\$ 200.6	\$ 229.7	\$ 254.1	\$ 249.9	\$ 242.7	\$ 240.2	\$ 237.5	\$ 235.3
Depreciation Expense	\$ 152.6	\$ 167.0	\$ 170.9	\$ 196.9	\$ 218.4	\$ 241.5	\$ 256.5	\$ 252.2	\$ 244.6	\$ 238.8	\$ 234.4	\$ 225.7
Surplus/(Deficit) before Other Items	\$ 22.6	\$ (3.9)	\$ 66.4	\$ 159.0	\$ 98.7	\$ (8.6)	\$ (26.0)	\$ 38.2	\$ 41.5	\$ 63.1	\$ 78.0	\$ 77.9
Provision for Contingency Fund Adjustment	\$ -	\$ (10.1)	\$ (10.0)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds From Sale of Assets & Other Items	\$ (18.0)	\$ 35.0	\$ 4.6	\$ 82.9	\$ 69.4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Surplus/(Deficit) before Funding Adjustments	\$ 4.6	\$ 21.0	\$ 61.0	\$ 241.9	\$ 168.1	\$ (8.6)	\$ (26.0)	\$ 38.2	\$ 41.5	\$ 63.1	\$ 78.0	\$ 77.9
Funding Adjustments	\$ 11.0	\$ (79.9)	\$ (137.2)	\$ (169.6)	\$ (119.1)	\$ (49.0)	\$ (31.4)	\$ (64.3)	\$ (40.4)	\$ (0.1)	\$ (3.6)	\$ 16.1
Funded Surplus/(Deficit)	\$ 15.6	\$ (58.9)	\$ (76.2)	\$ 72.3	\$ 49.0	\$ (57.6)	\$ (57.4)	\$ (26.1)	\$ 1.1	\$ 63.0	\$ 74.4	\$ 94.0
Opening Cumulative Funded Surplus	\$ 312.1	\$ 327.7	\$ 309.2	\$ 233.0	\$ 305.3	\$ 354.3	\$ 296.7	\$ 239.3	\$ 213.2	\$ 214.3	\$ 277.3	\$ 351.7
Adjustment for 2011 forecast deficit (from 2010 actual of \$327.7 million)		\$ 40.4										
Cumulative Funded Surplus	\$ 327.7	\$ 309.2	\$ 233.0	\$ 305.3	\$ 354.3	\$ 296.7	\$ 239.3	\$ 213.2	\$ 214.3	\$ 277.3	\$ 351.7	\$ 445.7

The Statement of Operations does not include the results of AirCare and Transportation Property and Casualty Company Inc. ("TPCC")

The 2010 results include Vancouver 2010 Olympics and ParaOlympics related revenues and expenditures

The 2011 budgeted cumulative surplus was based on the 2010 year end cumulative surplus forecast in August of 2010

The 2012-2014 forecast reflects the current 2011 year end cumulative surplus forecast

APPENDIX 2B: FUNDED STATEMENT OF OPERATIONS

SCBCTA

	Actual	Budget	Forecasts			Outlook						
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Transit Revenues	\$ 437.8	\$ 432.8	\$ 456.9	\$ 529.8	\$ 554.3	\$ 563.7	\$ 613.3	\$ 630.1	\$ 643.1	\$ 693.6	\$ 706.3	\$ 717.8
Toll Revenues	\$ 29.6	\$ 37.8	\$ 39.9	\$ 47.0	\$ 54.1	\$ 61.0	\$ 66.4	\$ 71.1	\$ 76.0	\$ 81.2	\$ 86.7	\$ 92.2
User Fees	\$ 467.4	\$ 470.6	\$ 496.8	\$ 576.8	\$ 608.4	\$ 624.7	\$ 679.7	\$ 701.2	\$ 719.1	\$ 774.8	\$ 793.0	\$ 810.0
Motor Fuel Tax	\$ 323.2	\$ 324.3	\$ 361.2	\$ 376.6	\$ 380.3	\$ 387.8	\$ 393.9	\$ 403.1	\$ 409.7	\$ 416.5	\$ 416.8	\$ 417.2
Property Tax	\$ 271.8	\$ 279.2	\$ 287.6	\$ 296.2	\$ 305.1	\$ 314.2	\$ 323.7	\$ 333.4	\$ 343.4	\$ 353.7	\$ 364.3	\$ 375.2
Parking Sales Tax	\$ 58.4	\$ 49.2	\$ 50.0	\$ 50.7	\$ 51.5	\$ 52.2	\$ 53.0	\$ 53.8	\$ 54.6	\$ 55.4	\$ 56.3	\$ 57.1
Other Taxes	\$ 36.5	\$ 36.7	\$ 37.3	\$ 37.7	\$ 38.0	\$ 38.3	\$ 38.6	\$ 38.9	\$ 39.3	\$ 39.6	\$ 39.9	\$ 40.2
New Revenue	\$ -	\$ -	\$ -	\$ 29.0	\$ 29.9	\$ 30.8	\$ 31.7	\$ 32.6	\$ 33.6	\$ 34.6	\$ 35.7	\$ 36.7
Taxation Revenues	\$ 689.9	\$ 689.4	\$ 736.1	\$ 790.2	\$ 804.8	\$ 823.3	\$ 840.9	\$ 861.8	\$ 880.6	\$ 899.8	\$ 913.0	\$ 926.4
Senior Government Contributions	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3
Interest Revenue	\$ 2.1	\$ 2.6	\$ 3.3	\$ 2.4	\$ 3.4	\$ 3.7	\$ 3.0	\$ 2.6	\$ 3.1	\$ 4.8	\$ 7.7	\$ 10.8
Total Revenues	\$ 1,178.7	\$ 1,181.9	\$ 1,255.5	\$ 1,388.8	\$ 1,436.0	\$ 1,471.0	\$ 1,542.9	\$ 1,584.9	\$ 1,622.0	\$ 1,698.7	\$ 1,733.0	\$ 1,766.5
Transit Operations	\$ 791.3	\$ 849.5	\$ 885.9	\$ 925.2	\$ 944.5	\$ 967.6	\$ 1,001.7	\$ 1,018.3	\$ 1,040.7	\$ 1,063.6	\$ 1,086.7	\$ 1,109.6
Roads, Bridges and Bicycles	\$ 44.6	\$ 47.1	\$ 48.4	\$ 49.8	\$ 51.8	\$ 53.5	\$ 55.3	\$ 57.2	\$ 59.0	\$ 60.8	\$ 62.7	\$ 64.5
TranLink Corporate & Police	\$ 101.4	\$ 106.0	\$ 106.9	\$ 110.5	\$ 113.4	\$ 116.1	\$ 119.8	\$ 122.3	\$ 127.3	\$ 127.5	\$ 130.4	\$ 133.4
Operating Expenditures	\$ 937.3	\$ 1,002.6	\$ 1,041.2	\$ 1,085.5	\$ 1,109.7	\$ 1,137.2	\$ 1,176.8	\$ 1,197.8	\$ 1,227.0	\$ 1,251.9	\$ 1,279.8	\$ 1,307.5
Surplus Before Interest and Depreciation	\$ 241.4	\$ 179.4	\$ 214.3	\$ 303.3	\$ 326.3	\$ 333.8	\$ 366.1	\$ 387.2	\$ 395.1	\$ 446.9	\$ 453.2	\$ 459.0
Interest Expense	\$ 95.9	\$ 106.2	\$ 105.7	\$ 117.2	\$ 132.3	\$ 161.3	\$ 185.8	\$ 181.8	\$ 174.9	\$ 172.8	\$ 170.6	\$ 169.1
Capital Repayments	\$ 112.0	\$ 156.9	\$ 179.4	\$ 196.7	\$ 214.3	\$ 230.1	\$ 237.7	\$ 231.4	\$ 219.1	\$ 211.1	\$ 208.2	\$ 195.9
Surplus/(Deficit) before Other Items	\$ 33.6	\$ (83.7)	\$ (70.8)	\$ (10.6)	\$ (20.4)	\$ (57.6)	\$ (57.4)	\$ (26.0)	\$ 1.1	\$ 63.0	\$ 74.4	\$ 94.0
Provision for Contingency Fund Adjustment	\$ -	\$ (10.1)	\$ (10.0)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Proceeds From Sale of Assets & Other Items	\$ (18.0)	\$ 35.0	\$ 4.6	\$ 82.9	\$ 69.4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Funded Surplus/(Deficit)	\$ 15.6	\$ (58.8)	\$ (76.2)	\$ 72.3	\$ 49.0	\$ (57.6)	\$ (57.4)	\$ (26.0)	\$ 1.1	\$ 63.0	\$ 74.4	\$ 94.0
Opening Cumulative Funded Surplus	\$ 312.1	\$ 327.7	\$ 309.2	\$ 233.0	\$ 305.3	\$ 354.3	\$ 296.7	\$ 239.3	\$ 213.2	\$ 214.3	\$ 277.3	\$ 351.7
Adjustment for 2011 forecast deficit (from 2010 actual of \$327.7 million)	\$ -	\$ 40.4										
Cumulative Funded Surplus	\$ 327.7	\$ 309.2	\$ 233.0	\$ 305.3	\$ 354.3	\$ 296.7	\$ 239.3	\$ 213.2	\$ 214.3	\$ 277.3	\$ 351.7	\$ 445.7

The 2010 results include Vancouver 2010 Olympics and ParaOlympics related revenues and expenditures

The 2011 budgeted cumulative surplus was based on the 2010 year end cumulative surplus forecast in August of 2010

The 2012-2014 forecast reflects the current 2011 year end cumulative surplus forecast

APPENDIX 2C		CONSOLIDATED STATEMENT OF OPERATIONS										
SCBCTA		INCREMENTAL CHANGE BETWEEN BASE PLAN AND SUPPLEMENTAL PLAN										
		FORECASTS					OUTLOOK					
for the years	thousands	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
GENERAL												
Revenues												
Motor Fuel Tax	0	32,835	44,300	44,740	45,620	46,340	47,420	48,200	49,000	49,040	49,080	
Property Tax	0	0	0	0	0	0	0	0	0	0	0	
Other Tax	0	0	0	0	0	0	0	0	0	0	0	
New Revenue	0	0	29,000	29,870	30,766	31,689	32,640	33,619	34,628	35,666	36,736	
Taxation and Fees	0	32,835	73,300	74,610	76,386	78,029	80,060	81,819	83,628	84,706	85,816	
Fares	0	5,533	20,563	24,974	25,288	32,962	41,161	45,409	52,506	55,667	57,477	
Advertising and Other	0	0	0	0	0	0	0	0	0	0	0	
Transit	0	5,533	20,563	24,974	25,288	32,962	41,161	45,409	52,506	55,667	57,477	
Real Estate Revenues	0	0	0	0	0	0	0	0	0	0	0	
Tolls - Bridges	0	0	0	0	0	0	0	0	0	0	0	
Capital Contributions	0	5,198	56,976	37,106	6,071	0	0	0	0	0	0	
Operating Contributions	0	0	0	0	0	0	0	0	0	0	0	
Interest Income	0	307	536	1,056	1,909	2,154	2,366	2,917	3,674	4,618	5,666	
Total Revenues	0	43,872	151,374	137,746	109,654	113,145	123,587	130,146	139,808	144,991	148,959	
Expenditures												
Major Road Network - Operation, Maintenance, Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	
Capital Funding to Municipalities	0	13,000	13,000	13,000	13,000	13,000	0	0	0	0	0	
Major Bridges	0	0	0	0	0	0	0	0	0	0	0	
Albion Ferry Operations	0	0	0	0	0	0	0	0	0	0	0	
Roads & Bridges	0	13,000	13,000	13,000	13,000	13,000	0	0	0	0	0	
Bus Division	0	14,602	38,765	48,541	44,175	45,089	46,031	46,983	47,954	48,936	49,938	
Expo & Millenium Lines	0	0	1,287	1,974	2,214	2,302	2,348	2,395	2,444	2,495	2,545	
West Coast Express Commuter Rail	0	0	25	25	25	25	25	25	25	25	25	
Canada Line (before Concessionaire Credit)	0	0	0	0	0	0	0	0	0	0	0	
Canada Line Concessionaire Credit	0	0	0	0	0	0	0	0	0	0	0	
Evergreen Line	0	0	0	0	11,345	23,724	18,838	19,039	19,246	19,459	19,678	
Rail Division	0	0	1,312	1,999	13,585	26,052	21,211	21,459	21,715	21,979	22,248	
New Rapid Transit Lines	0	0	0	0	0	0	0	0	0	0	0	
Property tax, rentals, fare media & insurance	0	0	0	0	0	0	0	0	0	0	0	
Transit Operations	0	14,602	40,076	50,540	57,759	71,141	67,243	68,442	69,669	70,915	72,186	
TransLink	0	1,500	3,000	3,000	3,000	3,062	3,126	3,129	3,131	3,133	3,135	
Transit Police	0	0	0	973	1,979	3,031	3,091	3,153	3,216	3,280	3,346	
Total Operating Expenditures	0	29,102	56,076	67,513	75,738	90,233	73,460	74,724	76,016	77,328	78,667	
Surplus/(Deficit) before Interest & Depreciation	0	14,770	95,297	70,233	33,916	22,912	50,127	55,422	63,792	67,664	70,292	
Interest Expense	200	1,251	4,213	8,008	26,516	42,413	39,923	39,923	39,939	39,939	39,939	
Depreciation Expense	0	638	2,173	5,194	15,328	23,487	23,635	23,635	23,635	23,635	23,635	
Surplus/(Deficit) before Other Items	(200)	12,881	88,912	57,031	(7,929)	(42,988)	(13,431)	(8,136)	217	4,089	6,717	
Proceeds from Disposal of Surplus Assets	0	0	0	0	0	0	0	0	0	0	0	
Surplus/(Deficit) before Funding Adjustments	(200)	12,881	88,912	57,031	(7,929)	(42,988)	(13,431)	(8,136)	217	4,089	6,717	
Funding Adjustments	(239)	6,358	(47,683)	(29,200)	8,385	20,540	6,670	5,991	5,285	4,551	3,788	
Funded Surplus/(Deficit)	(439)	19,239	41,229	27,832	457	(22,448)	(6,761)	(2,145)	5,502	8,640	10,505	
Cumulative Funded Surplus	(439)	18,800	60,029	87,860	88,317	65,869	59,108	56,963	62,465	71,104	81,610	

APPENDIX 3 SCBCTA	CONSOLIDATED STATEMENT OF CASHFLOWS											
		FORECASTS				OUTLOOK						
for the years ending 31 Dec.	thousands	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Cash provided by (used for):												
Operations:												
Excess of revenue over expenses		(71,665)	64,150	241,715	168,061	(8,719)	(26,074)	38,158	41,447	63,250	77,836	77,682
Items not involving cash:												
Amortization of capital assets		157,278	171,103	196,881	218,362	241,497	256,481	252,201	244,634	238,751	234,421	225,749
Net change in contractor liability		19,305	12,594	12,315	6,316	0	0	0	0	0	0	0
Amortization of bond issue costs		1,723	1,259	1,182	1,118	974	766	688	642	455	371	177
Amortization of debt issue costs		1,006	1,006	347	31	0	0	0	0	0	0	0
Amortization of Deferred Concessionaire credits		(23,078)	(23,078)	(23,078)	(23,078)	(23,078)	(23,078)	(23,078)	(23,078)	(23,078)	(23,078)	(23,078)
Items not involving cash		156,233	162,883	187,647	202,749	219,392	234,169	229,810	222,198	216,127	211,713	202,848
Changes in non-cash working capital:												
(Increase)/decrease in accounts receivable		(5,927)	(6,104)	(6,287)	(6,476)	(6,670)	(6,870)	(7,077)	(7,289)	(7,508)	(7,733)	(7,965)
(Increase)/decrease in supplies inventory		(1,090)	(1,123)	(1,156)	(1,191)	(1,227)	(1,264)	(1,302)	(1,341)	(1,381)	(1,422)	(1,465)
(Increase)/decrease in prepaid expenses		(260)	(268)	(276)	(284)	(293)	(302)	(311)	(320)	(330)	(339)	(350)
Increase/(decrease) in accounts payable and accrued liabilities		6,110	6,293	6,482	6,676	6,877	7,083	7,295	7,514	7,740	7,972	8,211
Employee future benefit contributions		5,149	5,664	6,230	6,853	7,539	8,293	9,122	10,034	11,038	12,141	13,355
Changes in non-cash working capital		3,982	4,462	4,992	5,578	6,225	6,940	7,728	8,599	9,559	10,619	11,787
		88,550	231,495	434,354	376,388	216,899	215,035	275,697	272,243	288,937	300,168	292,317
Investing:												
Decrease/(increase) in long-term investments		(923)	(964)	(1,008)	(1,053)	(1,101)	(1,150)	(1,202)	(1,256)	(1,312)	(1,372)	(1,433)
Decrease/(increase) in debt reserve fund deposits		(4,239)	(4,192)	(3,767)	(1,409)	(2,469)	243	844	2,642	311	(288)	1,734
Purchase of capital assets (excluding MRN)		(298,183)	(546,571)	(592,026)	(381,207)	(195,209)	(117,254)	(112,717)	(82,404)	(35,699)	(30,468)	(4,133)
		(303,345)	(551,728)	(596,801)	(383,669)	(198,779)	(118,161)	(113,074)	(81,018)	(36,701)	(32,128)	(3,832)
Financing:												
Short-term borrowing		0	0	0	0	0	0	0	0	0	0	0
Short-term debt repayments		(90,000)	(6,709)	(9,504)	(12,602)	(13,457)	(11,260)	(8,242)	(6,231)	(4,476)	(4,959)	(4,246)
Golden Ears Bridge contractor liability payment		0	0	0	0	(462)	(1,892)	(3,464)	(5,180)	(7,030)	(9,046)	(11,225)
Bonds issued		298,182	379,063	339,537	230,269	129,358	67,257	30,947	21,664	13,271	10,727	4,174
Issue costs on bonds issued		(415)	0	0	0	0	0	0	0	0	0	0
Bonds matured		(4,973)	(32,120)	(37,939)	(72,230)	(23,487)	(93,665)	(131,940)	(156,266)	(52,529)	(87,593)	(166,980)
Sinking Funds Maturities		0	30,053	36,197	71,249	21,208	92,616	131,193	153,679	51,938	86,520	164,344
Sinking Fund interest		(20,794)	(25,673)	(29,970)	(34,625)	(37,959)	(44,186)	(47,402)	(49,063)	(48,989)	(53,119)	(56,100)
Sinking Fund payments		(89,797)	(107,346)	(120,077)	(126,725)	(129,249)	(132,238)	(128,066)	(119,917)	(112,328)	(110,891)	(105,702)
Dividend paid to non-controlling interest												
		92,202	237,267	178,244	55,336	(54,047)	(123,367)	(156,974)	(161,315)	(160,142)	(168,361)	(175,734)
Increase/(decrease) in cash		(122,592)	(82,966)	15,797	48,054	(35,927)	(26,494)	5,649	29,911	92,094	99,678	112,752
Cash, beginning of period		224,535	101,942	18,976	34,773	82,827	46,900	20,406	26,056	55,966	148,060	247,739
Cash, end of period		101,942	18,976	34,773	82,827	46,900	20,406	26,056	55,966	148,060	247,739	360,490

Appendix 4 - Projected Borrowing Compared to Borrowing Limit and Select Financial Ratios

\$ Millions	FORECASTS				OUTLOOK						
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Opening Gross Direct Borrowing	2,264	2,469	2,810	3,104	3,250	3,344	3,307	3,198	3,058	3,015	2,933
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Retirements/Other	(93)	(38)	(46)	(84)	(36)	(104)	(139)	(162)	(57)	(92)	(171)
Short term borrowings	-	-	-	-	-	-	-	-	-	-	-
Borrowing in Yr - Capital	298	379	340	230	129	67	31	22	13	11	4
Closing Gross Direct Borrowing	2,469	2,810	3,104	3,250	3,344	3,307	3,198	3,058	3,015	2,933	2,766
Less: Sinking funds	(558)	(661)	(775)	(865)	(1,011)	(1,095)	(1,139)	(1,155)	(1,264)	(1,342)	(1,339)
Less: Debt Reserve Funds	(45)	(49)	(53)	(54)	(57)	(57)	(56)	(53)	(53)	(53)	(51)
Closing Net Direct Borrowing	1,865	2,100	2,275	2,330	2,275	2,155	2,003	1,850	1,698	1,538	1,376
Established Borrowing Limit	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
<i>Reconciliation of Borrowing During Year to Annual Capital Expenditures:</i>											
Capital Expenditures (including MRN)	366	587	562	387	234	153	117	82	36	30	4
Less: Sr Govt Contributions	(70)	(211)	(226)	(159)	(105)	(86)	(87)	(61)	(22)	(20)	-
Less: Other Contributions	(1)	-	-	-	-	-	-	-	-	-	-
Net Expenditures	295	375	336	228	128	67	31	21	13	11	4
Add: Gross-up for Debt Reserve Fund	3	4	3	2	1	1	0	0	0	0	0
Net Borrowing amount for capital	298	379	340	230	129	67	31	22	13	11	4

APPENDIX 5 : CAPITAL CASH FLOWS - PROJECTS APPROVED AND PROPOSED

SCBCTA

\$ Thousands	FORECASTS				OUTLOOK						
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Projects Approved or Underway	338,879	348,989	78,998	22,347	6,427	7,015	-	-	-	-	-
Transit											
Vehicles Conventional Expansion	-	6,127	18,358	11,760	-	-	-	-	-	-	-
Vehicles Conventional Replace	122	35,725	88,904	62,786	84,916	80,008	84,846	57,757	-	-	-
Vehicles Custom Expansion	-	-	-	-	-	-	-	-	-	-	-
Vehicles Custom Replace	-	8,768	18,905	23,026	12,692	7,535	12,410	11,799	16,610	11,892	-
Vehicles Community Shuttle Expansion	-	-	-	-	-	-	-	-	-	-	-
Vehicles Community Shuttle Replace	101	6,146	20,957	27,656	4,985	9,992	8,966	7,238	12,597	14,564	-
Exchanges	-	6,228	741	903	531	238	245	252	260	267	276
Depots	-	11,183	76,508	25,716	19,875	314	742	1,324	390	401	413
Heavy Fleet Maintenance Centre	-	-	-	-	-	-	-	-	-	-	-
Transit Minor	-	-	-	-	-	-	-	-	-	-	-
Transit and Pedestrian Corridor Upgrades	-	-	-	-	-	-	-	-	-	-	-
Innovations Capital	-	-	-	-	-	-	-	-	-	-	-
IT / ITS	-	-	-	-	-	-	-	-	-	-	-
Infrast	-	2,005	2,185	2,617	3,982	4,278	5,508	4,034	5,843	3,343	3,444
Other	-	24,087	1,918	12,991	6,749	-	-	-	-	-	-
Subtotal Transit	223	100,269	228,476	167,456	133,730	102,364	112,717	82,404	35,699	30,468	4,133
Rapid Transit											
Vehicles MK2 Expansion	-	-	-	-	-	-	-	-	-	-	-
Vehicles MK1 Overhaul	-	-	-	-	-	-	-	-	-	-	-
Vehicles Hwy RapidBus Expansion	-	-	-	-	-	-	-	-	-	-	-
Capacity Upgrade for Supporting Infrastructure	-	-	-	-	-	-	-	-	-	-	-
Wayside Power Propulsion	-	1,264	682	173	-	-	-	-	-	-	-
Station & Station area Upgrades & Programs	-	8,302	79,084	56,529	10,867	-	-	-	-	-	-
Smart Card and Gating	-	-	-	-	-	-	-	-	-	-	-
Evergreen Line	26,550	104,100	142,525	99,275	41,971	5,941	-	-	-	-	-
Hwy 1 RapidBus	-	-	-	-	-	-	-	-	-	-	-
Infrast	-	-	3,174	6,073	10	-	-	-	-	-	-
Other	-	988	967	770	1	-	-	-	-	-	-
Subtotal Rapid Transit	26,550	114,655	226,432	162,820	52,850	5,941	-	-	-	-	-
Commuter Rail	-	-	-	-	-	-	-	-	-	-	-
Bike Program	-	3,150	3,550	4,750	8,850	8,450	1,250	-	-	-	-
Roads											
Transit Priority Program	-	-	-	-	-	-	-	-	-	-	-
MRN Structures Replacement	-	-	-	-	-	-	-	-	-	-	-
MRN Major	-	-	-	-	-	-	-	-	-	-	-
MRN Major United Boulevard Extension	-	-	-	-	-	-	-	-	-	-	-
MRN Minor	-	11,061	13,185	16,920	29,538	27,000	3,500	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
Subtotal Roads	-	11,061	13,185	16,920	29,538	27,000	3,500	-	-	-	-
Bridges	-	271	1,632	705	39	746	-	-	-	-	-
Marine	-	1,036	4,479	6,182	1,154	1,188	-	-	-	-	-
IT	-	7,239	5,679	5,818	1,010	-	-	-	-	-	-
Total Gross Cost	365,652	586,669	562,432	386,999	233,597	152,704	117,467	82,404	35,699	30,468	4,133
Contribution											
Fed	(52,319)	(195,229)	(203,221)	(145,050)	(102,454)	(86,084)	(86,790)	(60,918)	(22,494)	(19,782)	-
Prov	(17,182)	(15,978)	(22,930)	(13,828)	(3,036)	-	-	-	-	-	-
Other	(806)	-	-	-	-	-	-	-	-	-	-
Total Contribution	(70,308)	(211,207)	(226,151)	(158,878)	(105,490)	(86,084)	(86,790)	(60,918)	(22,494)	(19,782)	-
Total Net Cost	295,344	375,462	336,281	228,121	128,107	66,620	30,677	21,486	13,205	10,686	4,133

Appendix 5A INCREMENTAL CAPITAL CASH FLOWS - PROJECTS APPROVED AND PROPOSED												
\$ Thousands	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	TOTAL
Projects Approved or Underway	-	-	-	-	-	-	-	-	-	-	-	-
Transit												
Vehicles Conventional Expansion	-	6,127	18,358	11,760	-	-	-	-	-	-	-	36,245
Vehicles Custom Replace	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles Custom Expansion	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles Custom Replace	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles Community Shuttle Expansion	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles Community Shuttle Replace	-	-	-	-	-	-	-	-	-	-	-	-
Exchanges	-	-	-	-	-	-	-	-	-	-	-	-
Depots	-	-	-	-	-	-	-	-	-	-	-	-
Heavy Fleet Maintenance Centre	-	-	-	-	-	-	-	-	-	-	-	-
Transit Minor	-	-	-	-	-	-	-	-	-	-	-	-
Transit and Pedestrian Corridor Upgrades	-	-	-	-	-	-	-	-	-	-	-	-
Innovations Capital	-	-	-	-	-	-	-	-	-	-	-	-
IT / ITS	-	-	-	-	-	-	-	-	-	-	-	-
Infrast	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	17,515	1,421	12,152	6,749	-	-	-	-	-	-	37,837
Subtotal Transit	-	23,642	19,778	23,913	6,749	-	-	-	-	-	-	74,082
Rapid Transit												
Vehicles MK2 Expansion	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles MK1 Overhaul	-	-	-	-	-	-	-	-	-	-	-	-
Vehicles Hwy RapidBus Expansion	-	-	-	-	-	-	-	-	-	-	-	-
Capacity Upgrade for Supporting Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-
Wayside Power Propulsion	-	-	-	-	-	-	-	-	-	-	-	-
Station & Station area Upgrades & Programs	-	3,227	69,301	50,461	10,507	-	-	-	-	-	-	133,496
Smart Card and Gating	-	-	-	-	-	-	-	-	-	-	-	-
Evergreen Line	26,550	104,100	142,525	99,275	41,971	5,941	-	-	-	-	-	420,362
Hwy 1 RapidBus	-	-	-	-	-	-	-	-	-	-	-	-
Infrast	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal Rapid Transit	26,550	107,327	211,826	149,736	52,478	5,941	-	-	-	-	-	553,859
Commuter Rail	-	-	-	-	-	-	-	-	-	-	-	-
Bike Program	-	3,000	3,000	3,000	3,000	3,000	-	-	-	-	-	15,000
Roads												
Transit Priority Program	-	-	-	-	-	-	-	-	-	-	-	-
MRN Structures Replacement	-	-	-	-	-	-	-	-	-	-	-	-
MRN Major	-	-	-	-	-	-	-	-	-	-	-	-
MRN Major United Boulevard Extension	-	-	-	-	-	-	-	-	-	-	-	-
MRN Minor	-	10,000	10,000	10,000	10,000	10,000	-	-	-	-	-	50,000
Other	-	-	-	-	-	-	-	-	-	-	-	-
Subtotal Roads	-	10,000	10,000	10,000	10,000	10,000	-	-	-	-	-	50,000
Bridges	-	-	-	-	-	-	-	-	-	-	-	-
Marine	-	-	-	-	-	-	-	-	-	-	-	-
IT	-	-	-	-	-	-	-	-	-	-	-	-
Total Gross Cost	26,550	143,969	244,605	186,649	72,227	18,941	-	-	-	-	-	692,941
Contribution												
Fed	-	(5,198)	(36,048)	(23,278)	(3,036)	-	-	-	-	-	-	(67,559)
Prov	-	-	(20,928)	(13,828)	(3,036)	-	-	-	-	-	-	(37,791)
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Contribution	-	(5,198)	(56,976)	(37,106)	(6,071)	-	-	-	-	-	-	(105,350)
Total Net Cost	26,550	138,772	187,629	149,543	66,155	18,941	0	0	0	0	0	587,591

APPENDIX 6 - TRANSIT SERVICE HOURS

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<i>Thousands of Hours</i>	FORECASTS				OUTLOOK						
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Conventional Bus	4,373	4,485	4,719	4,764	4,764	4,764	4,764	4,764	4,764	4,764	4,764
Community Shuttle	555	573	579	579	579	579	579	579	579	579	579
Total Bus	4,928	5,058	5,298	5,343	5,343	5,343	5,343	5,343	5,343	5,343	5,343
SkyTrain E&M	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128
SkyTrain Canada Line	180	196	196	196	196	196	196	196	196	196	196
SkyTrain Evergreen Line	0	0	0	0	0	69	138	138	138	138	138
Total Rapid Transit	1,308	1,323	1,323	1,323	1,323	1,392	1,461	1,461	1,461	1,461	1,461
SeaBus	11	11	12	12	12	12	12	12	12	12	12
West Coast Express	43	42	42	42	42	42	42	42	42	42	42
Total Conventional Service	6,289	6,435	6,676	6,721	6,721	6,790	6,859	6,859	6,859	6,859	6,859
Custom	613	613	613	613	613	613	613	613	613	613	613
Total Service Hours	6,902	7,048	7,289	7,334	7,334	7,403	7,472	7,472	7,472	7,472	7,472

APPENDIX 6A: TRANSIT SERVICE HOURS (THOUSANDS)											
INCREMENTAL CHANGE BETWEEN BASE PLAN AND SUPPLEMENTAL PLAN											
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Conventional Bus	0	112	346	391	391	391	391	391	391	391	391
Community Shuttle	0	18	24	24	24	24	24	24	24	24	24
Total Bus	0	130	370	415	415	415	415	415	415	415	415
SkyTrain E&M	0	0	0	0	0	0	0	0	0	0	0
SkyTrain Canada Line	0	0	0	0	0	0	0	0	0	0	0
SkyTrain Evergreen Line	0	0	0	0	0	69	138	138	138	138	138
Total Rapid Transit	0	0	0	0	0	69	138	138	138	138	138
SeaBus	0	1	2	2	2	2	2	2	2	2	2
West Coast Express	0	0	0	0	0	0	0	0	0	0	0
Total Conventional Service	0	131	372	417	417	485	554	554	554	554	554
Custom	0	0	0	0	0	0	0	0	0	0	0
Total Service Hours	0	131	372	417	417	485	554	554	554	554	554

Appendix 7: Schedule of Transit Fares and Projected Fare Revenues

Year	2011	2012	2013	2014
FARE SCHEDULE				
Conventional Transit				
Cash Fares				
1 zone Adult	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50
2 zone Adult	\$ 3.75	\$ 3.75	\$ 3.75	\$ 3.75
3 zone Adult	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Monthly Farecard				
1 zone Adult	\$ 81.00	\$ 81.00	\$ 100.40	\$ 100.40
2 zone Adult	\$ 110.00	\$ 110.00	\$ 136.40	\$ 136.40
3 zone Adult	\$ 151.00	\$ 151.00	\$ 187.20	\$ 187.20
Canada Line YVR Add Fare (See Note 2)	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Custom Transit Service				
Cash Fares				
Within 1 zone	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50
Between 2 adjacent zones	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50
Between 3 adjacent zones	\$ 3.75	\$ 3.75	\$ 3.75	\$ 3.75
Between 4 adjacent zones	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
Monthly Farecard				
Within 1 zone	\$ 81.00	\$ 81.00	\$ 100.40	\$ 100.40
Between 2 adjacent zones	\$ 81.00	\$ 81.00	\$ 100.40	\$ 100.40
Between 3 adjacent zones	\$ 110.00	\$ 110.00	\$ 136.40	\$ 136.40
Between 4 adjacent zones	\$ 151.00	\$ 151.00	\$ 187.20	\$ 187.20
West Coast Express (WCE) Service				
Cash fares - One Way				
1 zone Adult	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
2 zone Adult	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
3 zone Adult	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75
4 zone Adult	\$ 8.25	\$ 8.25	\$ 8.25	\$ 8.25
5 zone Adult	\$ 11.25	\$ 11.25	\$ 11.25	\$ 11.25
Weekly Pass				
1 zone Adult	\$ 42.25	\$ 42.25	\$ 52.40	\$ 52.40
2 zone Adult	\$ 42.25	\$ 42.25	\$ 52.40	\$ 52.40
3 zone Adult	\$ 58.00	\$ 58.00	\$ 72.00	\$ 72.00
4 zone Adult	\$ 70.50	\$ 70.50	\$ 87.40	\$ 87.40
5 zone Adult	\$ 97.50	\$ 97.50	\$ 120.90	\$ 120.90
28 Day Pass				
1 zone Adult	\$ 134.75	\$ 134.75	\$ 167.00	\$ 167.00
2 zone Adult	\$ 134.75	\$ 134.75	\$ 167.00	\$ 167.00
3 zone Adult	\$ 178.75	\$ 178.75	\$ 221.60	\$ 221.60
4 zone Adult	\$ 217.00	\$ 217.00	\$ 269.00	\$ 269.00
5 zone Adult	\$ 298.50	\$ 298.50	\$ 370.00	\$ 370.00
PROJECTED FARE REVENUES (See Note 1)				
(thousands)				
Short-term Fare Revenue	\$ 180,615	\$ 197,080	\$ 175,085	\$ 185,533
Other Fare Revenue	\$ 240,399	\$ 247,986	\$ 342,122	\$ 355,385
Total	\$ 421,014	\$ 445,065	\$ 517,207	\$ 540,918
Short-term Fares as Percentage of Total	42.9%	44.3%	33.9%	34.3%

Note 1:

In 2013, the average fare is forecasted to increase by an average of 12.5 per cent, as assumed in the 2010 Funding Stabilization Plan and approved by the Mayors' Council in October 2009.

For the purposes of this fare and revenue schedule, the fare rates shown for 2013 are based on no increases to the short-term fares; the 12.5 per cent average increase is derived from increases to long-term fares within the elimination of the discounted fare saver tickets and day passes.

Note 2:

Canada Line YVR Add fare is applicable only to outbound travel from YVR.