



# 2022 Business Plan

OPERATING AND CAPITAL BUDGET SUMMARY



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### **Caution Regarding Forward-Looking Statements**

From time to time, TransLink makes written and/or oral forward-looking statements, including in this document and in other communications. In addition, representatives of TransLink may make forward-looking statements orally to analysts, investors, the media and others.

Forward-looking statements, by their nature, require TransLink to make assumptions and are subject to inherent risk and uncertainties. In light of uncertainty related to financial, economic and regulatory environments, such risks and uncertainties, many of which are beyond TransLink's control and the effects of which can be difficult to predict, may cause actual results to differ materially from the expectations expressed in the forward-looking statements.

## 1. Business Plan Summary

The South Coast British Columbia Transportation Authority, TransLink, is Metro Vancouver's regional transportation authority and its service region includes 21 municipalities, one electoral area and one Treaty First Nation. TransLink delivers a wide range of services and programs to plan and provide for the transportation needs of residents, businesses and visitors in the region. This includes Bus, SkyTrain, SeaBus, HandyDART, West Coast Express and Transit Police. TransLink also shares responsibility for the Major Road Network (MRN) and walking and cycling infrastructure with its local government partners.

Throughout the acute phase of the COVID-19 pandemic, TransLink fulfilled its role in providing an essential service while stewarding the region's public transportation assets and service options for the future. In 2022, TransLink is positioning itself to support Metro Vancouver's continuing social and economic recovery by employing a fiscally prudent approach to deliver services that are tailored to the needs of the region while advancing the organization's strategic priorities.

The profound effects of the pandemic on transportation which took effect in March 2020, and required decisive and immediate intervention at that time, are anticipated to continue shaping TransLink's operations and revenues in 2022. Across 2020 and 2021, TransLink partnered with the Province of B.C. and the Government of Canada to bridge the gap between the cost of providing transit service and the significant impacts of diminished ridership on revenues. The level and speed of ridership recovery remain far from certain and the significance of the associated revenue losses have created a structural deficit over the longer term that will be addressed in the development of the next 10-Year Investment Plan. That Investment Plan has itself been deferred from 2021 to 2022 to allow all stakeholders time to better understand and plan for the post-pandemic paradigm.

The deferral of the Investment Plan until 2022, together with the acute financial pressures arising from continued diminished ridership and revenue streams, require a planned level of spending that is financially sustainable yet still provides a robust platform on which to base future recovery. While the budget assumes a substantial increase in ridership relative to the past two years, Transit revenues remain significantly down from pre-COVID levels. TransLink is budgeting for a deficit of \$46.9 million in 2022 as we begin to move towards to our established model of financial self-reliance. Our liquidity levels remain robust – with gross interest cost as a percentage of operating revenue well below the policy maximum level – and central to the development of the next Investment Plan is the advancement of tools to help close the revenue gap.

As we continue to navigate the uncertainty regarding the scope and permanency of the changes brought by COVID-19, the four Corporate priorities TransLink established for 2021 in anticipation of supporting the region's recovery will remain in place for 2022:

- Rebuild Customer Ridership;
- Foster a Safe, Skilled and Resilient Workforce;
- Deliver a Reliable Transportation System in a State of Good Repair; and
- Achieve Financial Sustainability.

Over the course of the past two years, TransLink's principal focus was on achieving cost efficiencies and cost reductions while also delivering the service and commitments to the region and keeping the existing transit system in a state of good repair. That focus remains paramount. With the successful vaccine roll-out in 2021 having triggered moderate but sustained ridership recovery in the latter half of the year, in

2022 TransLink will be gearing up to support the region in the post-pandemic era. Anticipating the ridership to reach just over 80 per cent of pre-pandemic levels by Fall 2022, service levels have been right-sized to both meet next year's projected demand and to provide a baseline from which the next Investment Plan can pivot and allow services to evolve over the course of the ten-year horizon.

By identifying and proceeding with only those expenditures which are absolutely necessary to strengthen our contribution to the region, TransLink has freed up capacity to invest in areas which are central to our priorities. Under our commitment to reconciliation with our region's Indigenous peoples, 2022 will see increased and meaningful engagement alongside the completion of TransLink's Indigenous Relations Framework. Our ridership recovery campaign will continue in 2022, focusing on both attracting former riders back to Transit as well as acquiring new riders through a series of targeted campaigns that encompass individual customers, employers and community events. In the context of current global threat patterns concerning cybersecurity, we are continually enhancing resiliency and augmenting existing business continuity measures within our IT security program. Our continuing focus on Equity, Diversity and Inclusion (EDI) in 2022 will see additional resources dedicated to further program development and sustainment, as well as promoting and ensuring accessibility to all current and prospective employees. Our Major Studies group will be looking ahead as we plan for the adoption of a new Regional Transportation Strategy, New Vision and subsequent Investment Plans.

TransLink's focus on fulfilling our mandate of safely, affordably and reliably moving the people of Metro Vancouver around the region every day is unwavering and that mandate is defined by the needs and priorities of the people we serve. The budget for 2022, built on the principles of self-sufficiency and forming the foundation for fiscal stability over the course of the next ten years, enhances the alignment of Metro Vancouver's transportation network with the unique needs of our region, for today and for the future.

## 2. 2022 Key Priorities

TransLink's foremost priority continues to be to manage the financial impacts of COVID-19 on the organization as we look to finalize the next 10-Year Investment Plan and address the structural gap in revenue caused by the pandemic. In tandem, TransLink will in 2022 implement the Indigenous Relations Framework as we continue to advance true and meaningful reconciliation with Metro Vancouver's Indigenous peoples including engagement on potential transit service to reserve lands.

Our four key corporate priorities ensure continued focus on the customer, our workforce and maintaining our assets in a state of good repair, all within the current financial environment.

### Priority One: Rebuild Customer Ridership

*TransLink will rebuild ridership by focusing on restoring public trust and confidence in transit as the economy recovers*

- Implement the Ridership Recovery Campaign through incentives and rewards that promote transit ridership along Frequent Transit Network corridors and develop partnerships with major employers, tourist attractions and event venues.
- Expand the Tap to Pay program by introducing the acceptance of contactless Interac Debit cards.
- Complete Rapid Transit business cases for SkyTrain extension from Arbutus to UBC and for the Burnaby Mountain Gondola.
- Continue deployment of TransLink WIFI at additional transit sites and on additional vehicles to elevate the customer experience.
- Continue to review and implement recommendations of BCRTC's Passenger Injury taskforce.
- Develop improved real-time updates and engaging content for customers through multiple communications platforms to improve the customer experience.
- Implement the Community Safety Officer team as a supplement to regular police officers in order to positively impact perceptions of safety on transit and free up regular police officer resources.
- Conduct the 2022 Regional Trip Diary and Screenline survey to determine Metro Vancouver residents' travel patterns and automobile volume at key locations respectively in order to improve the transit availability to our customers.
- Implement the Targeted Mobile Enforcement Team to provide enhanced enforcement around bus lanes and exchanges in order to reduce assaults against frontline transit employees.
- Introduce a new web booking feature for HandyDART and develop a new Access Transit Service Delivery Model.
- Launch Transit Police 2022-2026 strategic plan which focuses on Cross-Regional Policing, engaged community partners and modern policing culture.
- Maintain and continually enhance the COVID-19 Safe Operating Action Plan and gradually absorb COVID-related safety protocols into ongoing communicable disease prevention plans, in alignment with Provincial health and WorkSafe BC direction.
- Promote public awareness of safety precautions, winter preparedness measures and etiquette for transit ridership through media, social media and public education campaigns.
- Respond to emerging customer needs through the introduction and implementation of a second Customer Experience Action Plan.

- Continue to increase system flexibility by balancing the management of cancellations alongside striving to maintain On-Time Performance within the constraints of post-pandemic recovery.

## Priority Two: Foster a Safe, Skilled and Resilient Workforce

*TransLink will help build resilience among the workforce by focusing on business continuity, transparency and adaptability*

- Strengthen the EDI program to increase the number of women in decision making roles, focus on hiring people with disabilities, and enhance employee awareness and dexterity concerning issues of equity, diversity and inclusion.
- Provision technology equipment and systems to enable the successful transition to new work styles in the Future of Work Program and Return to Workplace initiatives.
- Develop a Mental Health framework and Corporate Wellness programs to promote psychological wellbeing for our employees.
- Implement enterprise safety commitment concepts to guide safety practices across the organization.
- Migrate TransLink Corporate's safety program to a formal Safety Management System to ensure legal compliance and continual improvement of safety performance.
- Continue to develop the Agile delivery practice and adoption across technology teams.
- Maintain focus on developing a company safety culture built on Zero Harm and Just Culture as well as succession planning and leadership development programs at BCRTC.

## Priority Three: Deliver a Reliable Transportation System in a State of Good Repair (SoGR)

*TransLink will proactively manage and maintain all assets in a SoGR to ensure safety and reliability, optimize lifecycle costs and enhance the customer experience*

- Advance priorities in the Regional Goods Movement Strategy, including developing policies and procedures, regional coordination and identifying options to reduce the environmental impact of urban freight.
- Continue to implement BCRTC quality and competency management and Get Well maintenance program and commence SkyTrain fleet overhauls.
- Continue to work in partnership with the City of Surrey and the City of Delta for the anticipated launch of the Rapid Bus route R6 in 2023.
- Identify bus priority opportunities in collaboration with municipal staff to ensure bus speed and reliability through implementation of the bus stop balancing program.
- Implement Cloud strategy to accelerate the move of the systems and services to the Cloud.
- Implement the Enterprise Records and Information Roadmap to consistently manage information and measure compliance across the organization.
- Progress with the Fleet Electrification pilot project through to 2023, expand the battery bus fleet on route 100 and support the commissioning of new bus orders.

- Continued focus on information technology investments, risk management and resilience preparedness.
- Migrate the Enterprise Data Warehouse to the cloud to ensure state of good repair, modernize the platform, and enable future data analytics opportunities in the enterprise.

## Priority Four: Achieve Financial Sustainability

*TransLink will actively manage the financial health and work towards the achievement of long-term financial sustainability*

- Publish the 2022 - 2031 Investment Plan and renew the 10-Year Mayors' Vision.
- Expand the Major Studies department to undertake project development and business casing with the adoption of a new Regional Transportation Strategy (T2050), New Mayors' Vision (2022) and subsequent Investment Plans.
- Green Projects will be selected to form the issuance of Green Bonds. Publishing Green Bond Impact Reporting will ensure transparency to all investors of positive environmental impacts.
- Introduce, modernize and enhance commercial assets to maximize revenue opportunities and customer amenities.
- Restart the Annual Supplier Forum and expand to include Indigenous businesses.
- Continue to manage the Carbon Credit Program to contribute to financial sustainability through the use of Renewable Natural Gas (RNG) fuel and Battery Electric Buses (BEB).
- Continue to lead the development of Climate Action Strategy and detailed Climate Action Plan (CCAP) to enhance system resilience and mitigate climate impacts.

To deliver the priorities set in the **2022 Business Plan, Operating and Capital Budget**, funding will be obtained through various sources. Funding for capital projects includes the Greater Vancouver Regional Fund (GVRF), Public Transit Infrastructure Fund (PTIF) and Investing in Canada Infrastructure Program (ICIP). Main funding sources supporting current operations include transit revenues, property taxes, motor fuel taxes and parking rights tax. The main risks associated with these funding sources resulting from the adverse effects of the COVID-19 pandemic include diminished transit ridership, reduced driving and usage of parking, an overall economic downturn; as well as the capacity to deliver capital projects.



### 3. 2022 Financial and Operating Summary

CONSOLIDATED REVENUES AND EXPENSES					
Twelve months ending December 31	2020	2021	2022	Change	
(\$ thousands)	ACTUAL	BUDGET	BUDGET	Incr/(Decr)	%
<b>Revenue</b>					
Taxation	849,986	888,774	933,012	44,238	5.0%
Transit	385,934	421,548	619,339	197,791	46.9%
Government transfers					
Senior Government Relief Funding	644,000	282,246	-	(282,246)	(100.0%)
Senior Government funding	87,405	205,360	247,890	42,530	20.7%
Golden Ears Bridge tolling replacement revenue	62,366	64,751	67,231	2,480	3.8%
Development cost charges <sup>1</sup>	19,734	16,889	31,525	14,636	86.7%
Investment income	53,763	46,715	44,996	(1,719)	(3.7%)
Amortization of deferred concessionaire credit	23,337	23,273	23,273	-	-
Miscellaneous	18,394	17,422	13,901	(3,521)	(20.2%)
<b>Sub Total Continuing Operations</b>	<b>2,144,919</b>	<b>1,966,978</b>	<b>1,981,167</b>	<b>14,189</b>	<b>0.7%</b>
Gain/(Loss) on Disposal on tangible capital assets	(10)	-	(200)	(200)	-
<b>Total Revenue</b>	<b>2,144,909</b>	<b>1,966,978</b>	<b>1,980,967</b>	<b>13,989</b>	<b>0.7%</b>
<b>Expenditures</b>					
Bus operations	760,611	844,162	864,215	20,053	2.4%
Rail operations	316,507	360,290	374,648	14,358	4.0%
Transit Police	40,668	44,296	46,073	1,777	4.0%
Corporate operations	100,798	112,479	125,100	12,621	11.2%
Roads and bridges	62,863	142,075	145,248	3,173	2.2%
Amortization of tangible capital assets *	229,450	249,942	258,400	8,458	3.4%
Interest *	189,339	180,469	179,836	(633)	(0.4%)
<b>Sub Total Continuing Operations</b>	<b>1,700,236</b>	<b>1,933,713</b>	<b>1,993,520</b>	<b>59,807</b>	<b>3.1%</b>
Corporate One-time	15,116	25,186	34,344	9,158	36.4%
<b>Total Expenditures</b>	<b>1,715,352</b>	<b>1,958,899</b>	<b>2,027,864</b>	<b>68,965</b>	<b>3.5%</b>
<b>Surplus/(deficit) for the year</b>	<b>429,557</b>	<b>8,079</b>	<b>(46,897)</b>	<b>(54,976)</b>	<b>(680.5%)</b>

\* Amortization and Interest are shown separately to facilitate analysis.

<sup>1</sup> Restated 2021 Budget as development cost charges are now separately reported from Taxation.

#### 2022 Budget Highlights

The 2022 Budget results in a \$46.9 million deficit on a Public Sector Accounting Board (PSAB) standards basis. Whilst this deficit is \$55.0 million higher than the 2021 Budget, the prior year plan included \$282.2 million Senior Government Relief Funding (“Relief Funding”), whereas no such funding is available in the 2022 Budget. Excluding relief funding, the result projected under the 2022 Budget is \$227.3 million better than the 2021 Budget, in the context of a partial but substantial recovery in operating revenues combined with a continued focus on achieving cost savings and efficiencies.

Total revenue from continuing operations is budgeted at \$2.0 billion which, excluding Relief Funding, represents a \$296.4 million (17.6 per cent) increase from the 2021 Budget. Budget 2022 reflects a positive outlook for travel recovery in the region, translating into higher revenues from Transit, Fuel tax and Parking Right tax. Higher revenues from development cost charges and property taxes are also reflective of a positive outlook for the economic recovery more broadly.

Total expenditures are budgeted at \$2.0 billion with a \$69.0 million (3.5 per cent) increase from the 2021 Budget mainly due to contractual and economic labour increase and other committed obligations and higher amortization of capital assets as a result of completed capital projects. Other increases relate to higher fuel costs as well as higher administration costs and higher IT support and maintenance costs.

## 4. Key Performance Indicators and Drivers

### Financial Indicators

FINANCIAL INDICATORS					
As at December 31 (\$ thousands)	2020	2021	2022	Change	
	ACTUAL	BUDGET	BUDGET	Incr/(Decr)	%
Unrestricted cash and investments <sup>1</sup>	493,630	614,337	482,611	(131,726)	(21.4%)
Capital assets	5,573,970	6,204,870	6,419,266	214,396	3.5%
Net direct debt <sup>2</sup>	(2,645,666)	(2,798,740)	(2,907,027)	108,287	3.9%
Indirect P3 debt <sup>3</sup>	(1,480,204)	(1,445,642)	(1,408,867)	(36,775)	(2.5%)
Total net direct debt and indirect P3 debt	(4,125,870)	(4,244,382)	(4,315,894)	71,512	1.7%
Gross interest cost as a % of operating revenue <sup>4,5</sup>	14.3%	12.9%	10.9%	(2.0%)	(15.2%)

<sup>1</sup> Accumulated funding resources as calculated under the SCBCTA Act is the amount of resources available to fund future operations

<sup>2</sup> Includes bonds, debentures, capital leases, short-term debt net of sinking funds and debt reserve deposits

<sup>3</sup> Includes Deferred concessionaire credit for Canada Line and Contractor liability for Golden Ears Bridge (GEB)

<sup>4</sup> Operating revenue includes transit, taxation, operating transfers from Provincial government and miscellaneous income

<sup>5</sup> Operating revenue restated to exclude development cost charges as at December 31, 2020

TransLink's unrestricted cash and investment balances, reflecting accumulated funding resources available for supporting operations, are budgeted to decrease by \$131.7 million (21.4 per cent) compared to the 2021 Budget. The decrease is due to the continued effects of COVID-19 on TransLink's operations, resulting in an expectation that in 2022 cash outflows will continue outpacing cash inflows and lower budgeted cash balances at the end of 2021 have carried through into 2022. Capital program spending will be matched by bond issuances and funding from Senior Government capital programs to maintain TransLink's unrestricted cash and investment balances at healthy levels to the end of 2022.

Planned capital expenditures during 2022 are expected to result in a net increase of \$214.4 million in capital assets in comparison to the 2021 Budget. Projects forecasting significant spending in 2022 include Expo and Millennium Line upgrades, conventional bus vehicles and equipment, rail fleet expansion and refurbishment, station upgrades and rail infrastructure projects including the Surrey Langley SkyTrain and Operations and Maintenance Centre 4 (OMC 4) storage facility.

Net direct debt is expected to increase by \$108.3 million (3.9 per cent) in comparison to the 2021 Budget due to increased borrowing to finance planned capital spending net of Senior Government funding, partially offset by the maturing of a Municipal Financing Authority (MFA) bond and increases in the self-administered sinking fund.

Indirect P3 debt relating to the Canada Line and Golden Ears contractor liability is expected to decrease by \$36.8 million (2.5 per cent) due to amortization and principal payments.

The gross interest cost as a percentage of operating revenues at 10.9 per cent is 2.0 percentage points lower than the 2021 Budget mainly due to higher revenues in 2022 and is well below the policy maximum level of 20 per cent.

## Operating Indicators

OPERATING INDICATORS					
Twelve months ending December 31	2020 ACTUAL	2021 BUDGET	2022 BUDGET	Change	
				Incr/(Decr)	%
<b>Scheduled Transit Service</b>					
Overall Performance Rating (out of 10)	8.2	8.0	8.0	-	-
Service Hours <sup>1</sup>	6,894,444	7,233,672	7,158,904	(74,768)	(1.0%)
Operating Cost Recovery <sup>2</sup>	58.9%	32.8%	46.4%	13.6%	41.5%
Operating Cost per Capacity Km <sup>3,4</sup>	\$0.097	\$0.119	\$0.105	(\$0.014)	(11.8%)
Complaints per million Boarded Passengers <sup>5</sup>	103.3	93.0	93.0	-	-
<b>Access Transit Service</b>					
Number of Trips	620,143	1,411,000	1,382,000	(29,000)	(2.1%)
Operating Cost per Trip	\$75.14	\$41.54	\$43.69	\$2.15	5.2%
Number of Trips Denied	405	2,237	240	(1,997)	(89.3%)
Operator Complaints as a percentage of trips	0.12%	0.08%	0.08%	-	-
Service Complaints as a percentage of trips	0.08%	0.09%	0.09%	-	-
<b>Ridership (thousands)</b>					
Boarded Passengers	218,796	244,772	370,461	125,689	51.3%
Journeys	128,022	143,777	212,262	68,485	47.6%
Average Fare per Journey	\$2.82	\$2.76	\$2.76	-	-

<sup>1</sup> 2020 actual service hours for West Coast Express have been restated to align with the service delivery of Expo and Millennium Lines and Canada Line have been restated to reflect the final service hours figures.

<sup>2</sup> Includes operating costs of Bus, Rail, Transit Police and Corporate On-going. Excludes amortization and interest expense.

<sup>3</sup> Includes operating costs of Bus, Rail and Transit Police. Excludes amortization and interest expense.

<sup>4</sup> 2020 actual capacity km for Canada Line has been restated to reflect the final capacity figures.

<sup>5</sup> In December 2020, TransLink was the victim of a cyberattack. Immediate action and protective measures were taken by TransLink including the shut down of multiple network systems. As a result, TransLink was not able to capture full complaints data from November 28 to December 31, 2020. Total complaints, therefore, cover the period January 1 to November 27, 2020, with boarded passengers totals aligned with the same period to normalize this metric.

### Scheduled Transit Service

The targeted overall performance rating from our customers is 8.0 in 2022.

Conventional system service hours for both Bus and Rail Operations are budgeted to be lower than the 2021 Budget by 74,768 hours across the region, reflecting post-pandemic service levels being right-sized to expected demand in 2022.

Operating cost recovery of 46.4 per cent budgeted in 2022 is higher than the 2021 budgeted ratio of 32.8 per cent due to the increase in transit revenues resulting from projected increases in ridership.

Operating cost per capacity kilometre is expected to decrease by 11.8 per cent over the 2021 Budget due to increased passenger capacity, resulting from the anticipated recovery in ridership concurrent with the suspension of physical distancing restrictions.

Complaints per million boarded passengers are budgeted to be 93.0, which is consistent with the 2021 Budget.

TransLink is committed to ensuring customer safety, enhancing the experience and remains focused on delivering a reliable transportation system in a state of good repair as one of its key priorities. To enhance customer satisfaction and confidence in the transit system, TransLink will continue to increase system flexibility, to balance the management of cancellations alongside striving to maintain On-Time

Performance, all within the constraints of post-pandemic recovery and to support accessibility initiatives and the commissioning of new bus orders.

### **Access Transit Service**

Access Transit trip demand was significantly impacted by the COVID-19 pandemic; however, we remain committed to ensuring that services are fully available for passengers unable to use conventional public transit without assistance. As such, the 2022 budgeted service level is based on demand from 2019 actual trips delivered, which represents a 2.1 per cent decrease from the 2021 budget.

Access Transit budgeted operating cost per trip for 2022 is expected to increase by 5.2 per cent compared to the 2021 Budget largely due to contractual and committed obligations such as labour rates. The actual cost per trip will be dependent on demand for service.

### **Ridership**

Boardings represent each time a passenger enters a fare paid zone including transfers. Boardings in 2022 are expected to be 51.3 per cent higher than the 2021 Budget, with the trajectory of ridership recovery from the COVID-19 pandemic forecasted to continue its arc from the sustained increases observed commencing Summer 2021.

Journeys represent a complete transit trip regardless of the number of transfers. For 2022, journeys are expected to be 47.6 per cent higher than the 2021 Budget due to the forecasted recovery in transit ridership from the COVID-19 pandemic.

Since the start of June 2021, ridership has been steadily recovering and proved agnostic to the fourth wave of cases arising from the emergence of the Delta variant, likely due to extensive vaccination roll out in the region. This recovery is projected to continue into fall 2021 and throughout 2022 due to the elimination of public health restrictions and Metro Vancouver's high vaccination rates. By Fall 2022, ridership is projected to reach just over 80 per cent of pre-COVID levels and remain at just over 80 per cent for the remainder of the year due to a lasting shift towards remote working and some continuing aversion to being in enclosed, shared public spaces.

The average fare per journey is expected to remain the same as the 2021 Budget at \$2.76. The fare increase effective from July 1, 2022 and an increase in 2-zone and 3-zone trips is expected to increase the average fare. This increase, however, is expected to be offset by increased ridership for program riders (U-Pass BC and BC Bus Pass) which reduces the average fare.

## **Key Drivers**

### ***Ridership***

Ridership journeys are used in estimating the fare revenue. Journeys are expected to increase 47.6 per cent relative to the 2021 Budget due to the recovery from the COVID-19 pandemic. Ridership is projected to continue recovering until it reaches just over 80 per cent of pre-COVID in Fall 2022. Ridership is expected to remain at just over 80 per cent of pre-COVID due to a permanent shift towards increased remote work adoption and some lasting aversion to being in enclosed, shared public spaces. The assumptions underlying the 2022 Budget are that the region enters a complete and lasting reopening starting in January 2022 with some commuters returning to the workplace on a full-time or part-time basis and that, in 2022, COVID-19 ceases to be an acute public health emergency.

### ***Households***

Household projections are based on estimates from BC Stats. BC Stats provides annual household estimates for the Metro Vancouver region. The number of households in the Metro Vancouver region is expected to grow by 0.8 per cent in 2022 compared to the 2021 Budget. Household growth impacts both transit and taxation revenues.

### ***Interest rates***

Interest rates for the budget are based on forecasts from major Canadian chartered banks, the Ministry of Finance and TransLink credit spread and issue costs. Short-term borrowing rates are expected to be at 0.33 per cent which is 0.27 percentage points lower than forecasted 2021 year-end interest rates of 0.6 per cent. Long-term borrowing rates are expected to be at 3.00 per cent which is 0.30 percentage points lower than forecasted 2021 year-end interest rates of 2.7 per cent. Changes and volatility in interest rates remain a risk, due to uncertainty of the future economic recovery.

### ***Inflation***

The Consumer Price Index growth assumptions for the 2022 Budget is 2.0 per cent, based on the BC Ministry of Finance.

### ***Taxable fuel consumption***

Fuel consumption volumes are used to estimate fuel tax revenue. Fuel volume projections are developed based on an internally developed forecast and vehicle fleet trends which consider the total number of vehicles, average distance driven and fuel economy in the region as well as leakage of fuel tax revenue caused by purchases outside the Metro Vancouver region.

Combined fuel volumes in the 2022 Budget are comprised of 83.9 per cent gasoline and 16.1 per cent diesel. Gasoline and diesel volumes are expected to increase by 3.3 per cent and 0.4 per cent respectively during 2022, resulting in a combined fuel volume increase of 2.8 per cent over the 2021 Budget. Management will continue to monitor fuel trends and leading indicators and will adjust the forecast if necessary.

### ***Hydro cost***

BC Hydro sets out electricity rate increases which impact propulsion power for SkyTrain and Trolley Buses along with facility utility costs. In 2022, rate increase is expected to be 2.0 per cent, a decrease by 0.7 percentage points from the 2021 Budget assumption. Rate increases take effect in April of every year.

***Gasoline and Diesel prices***

Fuel prices affect operating costs for revenue and non-revenue buses as well as West Coast Express trains. Fuel prices are estimated using fuel vendor and U.S. Energy Information Administration forecasts adjusted for Canadian prices, taxes and price differentials. Natural gas rates will be based on the tariffed rate in 2022.

***Revenue Vehicle insurance***

The bus fleet insurance premium that TransLink pays to ICBC is budgeted to increase by 2.0 per cent in 2022. At the date of this report, ICBC has not signalled that Basic Insurance Rates will increase in 2022 and the budget assumed zero per cent rate increase. The 2.0 per cent increase in premium arises from an expected increase in the number of insured vehicles in 2022 compared to 2021.

## Assumptions

The following table summarizes changes in key assumptions used to develop the 2022 Budget:

2022 BUDGET ASSUMPTIONS		RATE / VOLUME	SENSITIVITIES	
			Change	Impact (\$ millions)
<b>Background Assumptions</b>				
Real GDP Growth		3.80%		
Employment rate		2.40%		
Hydro Cost Increase		2.00%		
Population	thousands	2,795		
Households	thousands	1,108		
<b>Operating Assumptions with Sensitivity Analysis</b>				
<b>Revenue</b>				
Regional Fuel Consumption				
Gasoline	millions of litres	1,794.6	1 per cent +/-	3.3
Diesel	millions of litres	344.5	1 per cent +/-	0.6
Ridership	millions of journeys	212.3	1 per cent +/-	5.9
<b>Expense</b>				
Diesel cost	dollars per litre	1.30	\$0.10 +/-	3.4
Operational Diesel Use	millions of litres	34.07	1 per cent +/-	0.4
Gasoline cost	dollars per litre	1.35	\$0.10 +/-	0.5
Operational Gasoline Use	millions of litres	5.27	1 per cent +/-	0.1
Interest rate	Short term	0.33%	0.5 per cent +/-	0.2
	Long term	2.65%	0.5 per cent +/-	3.0
Inflation	General	2.00%	0.5 per cent +/-	0.7
	Materials	2.00%	0.5 per cent +/-	1.0



## 5. Consolidated Revenues

CONSOLIDATED REVENUES					
Twelve months ending December 31 (\$ thousands)	2020 ACTUAL	2021 BUDGET	2022 BUDGET	Change	
				Incr/(Decr)	%
Taxation					
Fuel	364,524	384,884	395,745	10,861	2.8%
Property & replacement	416,295	435,720	452,014	16,294	3.7%
Parking rights	47,310	46,033	62,733	16,700	36.3%
Hydro levy	21,857	22,137	22,520	383	1.7%
Transit	385,934	421,548	619,339	197,791	46.9%
Government transfers					
Senior Government Relief Funding	644,000	282,246	-	(282,246)	(100.0%)
Senior Government funding	87,405	205,360	247,890	42,530	20.7%
Golden Ears Bridge tolling replacement revenue	62,366	64,751	67,231	2,480	3.8%
Development cost charges <sup>1</sup>	19,734	16,889	31,525	14,636	86.7%
Investment income	53,763	46,715	44,996	(1,719)	(3.7%)
Amortization of deferred concessionaire credit	23,337	23,273	23,273	-	-
Miscellaneous revenue	18,394	17,422	13,901	(3,521)	(20.2%)
<b>Revenue Before Gain/(Loss) on Disposals</b>	<b>2,144,919</b>	<b>1,966,978</b>	<b>1,981,167</b>	<b>14,189</b>	<b>0.7%</b>
Gain/(Loss) on Disposal on tangible capital assets	(10)	-	(200)	(200)	-
<b>Total Revenue</b>	<b>2,144,909</b>	<b>1,966,978</b>	<b>1,980,967</b>	<b>13,989</b>	<b>0.7%</b>

<sup>1</sup> Development cost charges are now reported separately from Taxation

TransLink receives its revenue mainly through taxation, transit fares and government transfers. Total consolidated revenues for 2022 are budgeted to be \$2.0 billion. The COVID-19 pandemic significantly diminished operating revenues across 2020 and 2021, with shortfalls offset by Senior Government Relief Funding. While the impact of the pandemic is forecast to result in continued diminished ridership in 2022, the budget reflects an outlook for recovery across operating revenues alongside high vaccination rates, lower COVID-19 cases and reduced Public Health Order restrictions that have re-established the confidence to travel without health and safety concerns, indicative of an overall economic recovery in the region.

### 2022 Budget vs 2021 Budget

#### Taxation

TAXATION REVENUES					
Twelve months ending December 31 (\$ thousands)	2020 ACTUAL	2021 BUDGET <sup>1</sup>	2022 BUDGET	Change	
				Incr/(Decr)	%
Fuel	364,524	384,884	395,745	10,861	2.8%
Property & replacement	416,295	435,720	452,014	16,294	3.7%
Parking rights	47,310	46,033	62,733	16,700	36.3%
Hydro levy	21,857	22,137	22,520	383	1.7%
<b>Total Taxation revenue</b>	<b>849,986</b>	<b>888,774</b>	<b>933,012</b>	<b>44,238</b>	<b>5.0%</b>

<sup>1</sup> Development cost charges are now reported separately from Taxation

Taxation Revenue is comprised of fuel tax, property and replacement tax, parking rights tax and hydro levy.

Fuel tax revenue for 2022 is budgeted at \$395.7 million which is \$10.9 million (2.8 per cent) higher than the 2021 Budget. The increase is attributable to a recovery in driving levels, including non-essential travel, following the successful vaccination program in the region in 2021, partially offset by an increase in fuel leakage when the United States land border reopens for non-essential travel and higher Zero Emission Vehicle (ZEV) registrations leading to fewer vehicles requiring fuel.

Property and replacement tax revenue is budgeted at \$452.0 million, \$16.3 million (3.7 per cent) higher than the 2021 Budget. This includes an annual 3.0 per cent increase in property tax revenue from existing properties as well as property tax revenue from development and construction growth estimated at 1.3 per cent. The replacement tax remains at \$18.0 million.

Parking rights tax revenue is budgeted at \$62.7 million, \$16.7 million (36.3 per cent) higher than the 2021 Budget. The expected increase in 2022 reflects some anticipated return to onsite work for people who were working remotely since the beginning of the pandemic; however, overall revenue levels are expected to remain below the pre-COVID baseline.

### **Transit**

<b>TRANSIT REVENUES</b>					
Twelve months ending December 31 (\$ thousands)	2020 ACTUAL	2021 BUDGET	2022 BUDGET	Change	
				Incr/(Decr)	%
Fares	265,171	287,475	459,228	171,753	59.7%
Programs	95,570	109,737	127,032	17,295	15.8%
<b>Total fare and programs revenue</b>	<b>360,741</b>	<b>397,212</b>	<b>586,260</b>	<b>189,048</b>	<b>47.6%</b>
Other	25,193	24,336	33,079	8,743	35.9%
<b>Total Transit revenue</b>	<b>385,934</b>	<b>421,548</b>	<b>619,339</b>	<b>197,791</b>	<b>46.9%</b>

Total transit revenue is budgeted at \$619.3 million which is an increase of \$197.8 million (46.9 per cent) compared to the 2021 Budget. This is due to an increase in ridership driven by high vaccination rates, a decreasing trend of COVID-19 cases and minimal Provincial Health Officer Order restrictions in the Metro Vancouver area. These in combination are expected to restore customer confidence to travel and take transit with fewer health and safety concerns, with many employers now anticipated to transition back from the fully remote work models for employees which were instated as a matter of necessity during the acute phase of the pandemic.

Ridership started recovering steadily commencing June 2021 and is expected to reach just over 80 per cent of pre-COVID levels by Fall 2022 and remain at just over 80 per cent for the remainder of the year. As there is an expected permanent shift away from fully on-site work and some continuing aversion to being in enclosed public spaces, the degree and permanency of changes in travel demand arising from the pandemic remains far from certain. A 2.3 per cent overall average fare increase effective from July 1, 2022 also contributes to higher revenue in the 2022 Budget.

## Government Transfers

GOVERNMENT TRANSFERS					
Twelve months ending December 31 (\$ thousands)	2020 ACTUAL	2021 BUDGET	2022 BUDGET	Change	
				Incr/(Decr)	%
Senior Government Relief Funding	644,000	282,246	-	(282,246)	(100.0%)
Senior Government funding	87,405	205,360	247,890	42,530	20.7%
Golden Ears Bridge tolling replacement revenue	62,366	64,751	67,231	2,480	3.8%
<b>Total Government Transfers</b>	<b>793,771</b>	<b>552,357</b>	<b>315,121</b>	<b>(237,236)</b>	<b>(42.9%)</b>

Government transfers include funds received from Greater Vancouver Regional Fund (GVRF), the Public Transit Infrastructure Fund (PTIF), Canada Line funding, Building Canada Fund and other miscellaneous programs. Revenue from Senior Government funding is expected to be \$237.2 million (42.9 per cent) lower than the 2021 budget levels mainly due to COVID-19 relief funding budgeted in 2021. \$644.0 million in relief funding was received in 2020 from the Federal and Provincial governments to help offset operational losses resulting from the COVID-19 pandemic, of which \$282.2 million was budgeted in 2021. No Senior Government Relief Funding is budgeted for 2022. Partially offsetting this is the timing of projects receiving capital funding.

### Development Cost Charges

The revenue from development cost charges is \$31.5 million, which is \$14.6 million (86.7 per cent) higher than the 2021 Budget, reflecting an increase in the development activity within Metro Vancouver.

### Investment Income

Investment income is budgeted at \$45.0 million. The \$1.7 million (3.7 per cent) decrease is mainly due to lower unrestricted cash balances, partially offset by the increase in self-administered sinking fund balances.

### Risks and Challenges

Risks related to transit fare revenue include achieving ridership targets and predicting consumer behaviour for the purchase of various fare products alongside uncertainties caused by the COVID-19 pandemic. Although we are seeing a decline in COVID-19 cases alongside high vaccination rates, there is a risk of variants and rising cases that may result in Provincial Health Office Orders to be imposed on Metro Vancouver residents once again, which will slow the recovery of the economy, leading to lower ridership and fare revenue than budgeted. TransLink continues to closely monitor external factors that may impact ridership.

Fuel tax revenue is challenging to forecast as suppliers have up to 48 months to recover tax paid on exempt volumes of fuel resold outside the transit region. Market changes in the price of crude oil, the increase in usage of ZEVs, the USD/CAD exchange rate and economic growth, as well as consumer tendency to purchase fuel across the US border can also impact the amount of fuel tax collected and remitted to TransLink.

Property tax revenue includes revenue from new development and construction growth; the rate for 2022 is estimated at 1.3 per cent. If the actual rate for 2022 is lower than 1.3 per cent, a lesser amount of incremental property tax revenue will be received.

TransLink has limited influence on the operations of our partners that remit our parking rights tax revenue. An increase in parking rates, change in service, change in COVID-19 restrictions or change in consumer behaviour could negatively impact this revenue stream.

## 6. Consolidated Expenses by Segment

CONSOLIDATED EXPENSES BY SEGMENT					
Twelve months ending December 31 (\$ thousands)	2020 ACTUAL	2021 BUDGET	2022 BUDGET	Change	
				Incr/(Decr)	%
Bus operations	760,611	844,162	864,215	20,053	2.4%
Rail operations	316,507	360,290	374,648	14,358	4.0%
Transit Police	40,668	44,296	46,073	1,777	4.0%
Corporate operations	100,798	112,479	125,100	12,621	11.2%
Roads and bridges	62,863	142,075	145,248	3,173	2.2%
Amortization of tangible capital assets *	229,450	249,942	258,400	8,458	3.4%
Interest *	189,339	180,469	179,836	(633)	(0.4%)
<b>Sub Total Continuing Operations</b>	<b>1,700,236</b>	<b>1,933,713</b>	<b>1,993,520</b>	<b>59,807</b>	<b>3.1%</b>
Corporate One-time	15,116	25,186	34,344	9,158	36.4%
<b>Total Expenses by Segment</b>	<b>1,715,352</b>	<b>1,958,899</b>	<b>2,027,864</b>	<b>68,965</b>	<b>3.5%</b>

\* Amortization and Interest are shown separately to facilitate analysis

TransLink is responsible for delivering transit services, operating five bridges and providing operating and capital funding for the MRN and cycling in Metro Vancouver. With the operating environment remaining challenging and lower overall ridership anticipated to continue in 2022, TransLink continues to focus on finding efficiencies and reducing non-essential spending in the 2022 Budget to offset the increase in operating costs that are necessary for high-priority initiatives and inflationary cost pressures.

Of the \$59.8 million increases in Continuing Operations for the 2022 Budget, \$36.0 million relates to contractual and economic increases from committed obligations and labour rate increases, as well as amortization of capital assets (\$8.5 million) and capital infrastructure contributions (\$4.1 million) as more capital projects and MRN Operations and Maintenance projects are completed. Additional increases relate to property taxes (\$5.5 million), fuel costs (\$5.5 million), IT support and maintenance costs (\$2.2 million) as well as marketing costs and professional fees to support key initiatives (\$4.5 million). These increases are partially offset by lower insurance costs and interest costs (\$5.7 million) as well as lower maintenance and material costs (\$0.8 million).

Corporate One-time costs are budgeted at \$34.3 million and relate to continued investments in implementing the Phase Two Investment Plan, including feasibility studies, Bus Speed and Reliability, RapidBus expansion as well as costs of capital projects that are not eligible for capitalization.

## Bus Operations

Coast Mountain Bus Company (CMBC) oversees the operations of Conventional and Community Shuttle bus service, SeaBus and Access Transit. By the end of 2022, CMBC's fleet will consist of approximately 2,076 Conventional Buses, Community Shuttle and Access Transit (HandyDART) vehicles. This figure includes vehicles owned by TransLink but operated by third-party service providers. Bus operations will span 108.2 million service kilometres, 5.6 million service hours and offer 1.4 million Access Transit trips in 2022.

## Initiatives

In 2022, CMBC will undertake a range of strategic activities and initiatives as follows in order to deliver on TransLink's four key Corporate priorities:

### Priority One: Rebuild Customer Ridership

- Continue to increase system flexibility, to balance the management of cancellations alongside striving to maintain On-Time Performance, all within the constraints of post-pandemic recovery;
- Pilot Advanced Headway Management on one route;
- Increase customer confidence in the safety of the bus system with pilot programs for bus cleanliness and ventilation;
- Increase customer confidence in the safety of bus system;
- Continue to support accessibility initiatives; and
- Redefine roadmap for HandyDART Trapeze upgrades and new modules and develop communication materials and education packages for customers for the implementation of web booking.

### Priority Two: Foster a Safe, Skilled and Resilient Workforce

- Enhance Return to Workplace initiatives;
- Provide increased focus on Mental Health through program development;
- Support the EDI program;
- Support Delivery of Health and Safety Software; and
- Implement training materials to support succession planning for exempt leadership and management development.

### Priority Three: Deliver a Reliable Transportation System in a State of Good Repair

- Support commissioning of new bus orders;
- Progress major project for fleet electrification;
- Support Low Carbon Fleet Strategy (LCFS); and
- Support various projects including Onboard Technology Assets Program (OTAP), Daily Operations Management Systems (DOMS), Enterprise Resource Planning (ERP) and Enterprise Asset Management (EAM).

### Priority Four: Achieve Financial Sustainability

- Increase focus on Transit Operator resourcing and overtime management; and

- Review and develop Phase Two of the updated Maintenance Trades to Bus ratio matrix.

## Risks and Challenges

Coast Mountain Bus Company has identified the following key risks and challenges:

- **Customer & Employee Safety:** A variety of external and internal factors arise as to increase the likelihood of a serious safety-related risk incident affecting our customers and employees. These include the continued COVID-19 pandemic, winter conditions, motor vehicle accidents, assaults, etc. A higher-than-normal increase in incidents affecting employee and customer safety could cause consequences such as injuries, fatalities, negative media attention, direct impacts to customer service, and operating cost impacts.
- **Recruitment Challenges:** There is a risk that required recruitment levels may fall short of ongoing maintenance requirements, particularly for Trades. The risk is caused by a variety of factors affecting the hiring pipeline, such as broad employment market conditions and the continued downstream effect of COVID-19, which have caused delays in Police Information Checks, delays in medical testing, and delays in reference checks. The enterprise-wide mandatory vaccination policy may cause a risk of disruption to bus services in the near future due to losses of operators who refuse to comply. Continued challenges in 2022 may arise out of a need to recruit new operators to offset attrition if CMBC loses a material number of them. An inability to recruit enough trades within the required timeframe may cause negative impacts on overtime, morale, delays, and other operations constraints.
- **Business Resiliency:** Certain aspects of our organizations may be unable to resume operations in a timely manner following a major disruption. A variety of risk factors influence this, including assets not meeting post-disaster seismic standards and continuing to be underdeveloped in vulnerable areas, exposure to climate change impacts, planning for longer-term risks not aligning with short-term financial horizons, and CMBC not being fully aware of the major hazards that can affect its business. If a major event were to occur, it could result in compromises to worker and customer safety and security, lapses in communication during and after an event, delays in service restoration, and reputational impact.
- **Aging IT Infrastructure:** Several areas of our organization continue to operate with IT infrastructure that has reached end-of-life or are obsolete for 2022. Continued operation requires a large amount of upgrade and replacements in an expedited fashion to ensure continuity. Delays in OTAP implementation, DOMS replacement, software upgrades, and facility/depot CCTV systems repair can significantly impact operations.
- **Aging Physical Infrastructure:** There is a risk that operational physical assets are aging and degrading at a rate faster than we can keep up with repairs, replacements, and resources. This is caused by a variety of factors, including limited budgets, operational constraints, and supply chain delays. Consequences include the possibility of fixed assets going offline for unscheduled repairs and service delays.

Labour Relations: Collective bargaining negotiations are due to commence in time for collective agreements expiring in March 2022. There is a risk that if any one of the three collective bargaining processes fails to reach an agreement, resulting in various levels of job action and impacts to service,

infrastructure, or maintenance. Job action in the event of a failure to successfully conclude negotiations can include work stoppages or work interruptions. CMBC constantly monitors these risks through daily operations and maintenance, as well as various steering committees, asset management tools and regular reporting to senior management.

## 2022 Budget vs 2021 Budget

<b>BUS OPERATIONS BY CATEGORY</b>					
Twelve months ending December 31 (\$ thousands)	2020 ACTUAL	2021 BUDGET	2022 BUDGET	Change	
				Incr/(Decr)	%
Administration	22,833	26,571	24,247	(2,324)	(8.7%)
Contracted Services	67,799	81,195	83,604	2,409	3.0%
Fuel and Power	41,128	54,050	59,409	5,359	9.9%
Insurance	21,774	23,431	17,551	(5,880)	(25.1%)
Maintenance, Materials and Utilities	74,085	81,728	79,358	(2,370)	(2.9%)
Professional and Legal	1,722	3,849	4,682	833	21.6%
Rentals, Leases and Property Tax	13,951	15,841	19,130	3,289	20.8%
Salaries, Wages and Benefits	517,319	557,497	576,234	18,737	3.4%
<b>Total Expenses by Category</b>	<b>760,611</b>	<b>844,162</b>	<b>864,215</b>	<b>20,053</b>	<b>2.4%</b>

The Bus Operations 2022 operating budget of \$864.2 million is \$20.1 million (2.4 per cent) higher than the 2021 Budget. This consists of increases in costs to operate conventional service, Community Shuttle and SeaBus of \$17.3 million (2.3 per cent), Access Transit of \$1.8 million (2.9 per cent) and other contracted bus services of \$1.0 million (4.1 per cent). The increase is primarily due to contractual obligations related to labour and economic increases.

In comparison to the 2021 budget:

- Salaries, wages and benefits are budgeted to increase by \$18.7 million mainly due to contractual increases and other economic and step progression increases;
- Fuel and power costs are budgeted to increase by \$5.4 million due to higher pricing;
- Rentals, leases and property tax are budgeted to increase by \$3.3 million mainly due to an increase in property taxes and new lease agreements;
- Contracted transit services are budgeted to be \$2.4 million higher than the 2021 Budget mainly due to contractual rate increases;
- Insurance premiums are budgeted to decrease by \$5.9 million mainly due to favourable ICBC discount rates and lower service kilometres, partially offset by an increase in a number of insured vehicles;
- Maintenance, materials and utilities are budgeted to decrease by \$2.4 million mainly due to lower maintenance and material costs in 2022, as a result of lower service kilometres; and
- Contracted transit services are budgeted to be \$2.4 million higher than the 2021 Budget mainly due to contractual rate increases.

## Service Assumptions

Within the context of the current COVID-19 pandemic environment, TransLink will be providing services right-sized to the needs of the region. Budget-to-budget conventional transit service hours are expected to decrease by 1.2 per cent and conventional transit service kilometres are expected to decrease 3.2 per



cent. Capacity kilometres however are expected to increase by 45.8 per cent, with bus seating restrictions having been lifted on July 1, 2021 and therefore not included in the 2022 budget. On June 1, 2020, bus seating restrictions were implemented to ensure adequate social distancing during the acute phase of the pandemic, resulting in reduced vehicle capacity approximating two-thirds of a regular passenger load. HandyDART is expected to fulfill demand as needed.

The following table shows the service levels at CMBC operations:

<b>BUS OPERATIONS</b>					
Twelve months ending December 31	2020 ACTUAL	2021 BUDGET	2022 BUDGET	Change	
				Incr/(Decr)	%
<b>SERVICE HOURS</b>					
<b>CMBC Operations</b>	<b>5,176,828</b>	<b>5,452,051</b>	<b>5,388,783</b>	<b>(63,268)</b>	<b>(1.2%)</b>
Conventional Bus	4,621,868	4,850,044	4,803,919	(46,125)	(1.0%)
Community Shuttle	544,355	587,837	570,269	(17,568)	(3.0%)
SeaBus	10,605	14,170	14,595	425	3.0%
<b>Contracted Transit Services</b>	<b>234,290</b>	<b>245,948</b>	<b>241,592</b>	<b>(4,356)</b>	<b>(1.8%)</b>
West Vancouver	114,711	117,379	116,225	(1,154)	(1.0%)
Contract Community Shuttle	119,579	128,569	125,367	(3,202)	(2.5%)
<b>Conventional Transit Service Hours</b>	<b>5,411,118</b>	<b>5,697,999</b>	<b>5,630,375</b>	<b>(67,624)</b>	<b>(1.2%)</b>
<b>SERVICE KILOMETRES</b>					
<b>CMBC Operations</b>	<b>100,408,749</b>	<b>106,368,448</b>	<b>103,197,554</b>	<b>(3,170,894)</b>	<b>(3.0%)</b>
Conventional Bus	88,992,674	94,448,012	91,939,085	(2,508,927)	(2.7%)
Community Shuttle	11,272,293	11,728,858	11,061,573	(667,285)	(5.7%)
SeaBus	143,782	191,578	196,896	5,318	2.8%
<b>Contracted Transit Services</b>	<b>4,931,978</b>	<b>5,357,880</b>	<b>4,972,344</b>	<b>(385,536)</b>	<b>(7.2%)</b>
West Vancouver	2,194,030	2,419,180	2,221,823	(197,357)	(8.2%)
Contract Community Shuttle	2,737,948	2,938,700	2,750,521	(188,179)	(6.4%)
<b>Conventional Transit Service Kilometres</b>	<b>105,340,727</b>	<b>111,726,328</b>	<b>108,169,898</b>	<b>(3,556,430)</b>	<b>(3.2%)</b>
<b>CAPACITY KILOMETRES</b>					
<b>CMBC Operations</b>	<b>5,351,778,718</b>	<b>3,849,953,535</b>	<b>5,679,919,081</b>	<b>1,829,965,546</b>	<b>47.5%</b>
Conventional Bus	5,070,293,014	3,613,120,120	5,338,636,369	1,725,516,249	47.8%
Community Shuttle	225,445,764	187,661,728	265,477,752	77,816,024	41.5%
SeaBus	56,039,940	49,171,687	75,804,960	26,633,273	54.2%
<b>Contracted Transit Services</b>	<b>164,440,467</b>	<b>127,658,533</b>	<b>118,069,103</b>	<b>(9,589,430)</b>	<b>(7.5%)</b>
West Vancouver	109,701,507	80,639,333	74,060,767	(6,578,566)	(8.2%)
Contract Community Shuttle	54,738,960	47,019,200	44,008,336	(3,010,864)	(6.4%)
<b>Conventional Transit Capacity Kilometres</b>	<b>5,516,219,185</b>	<b>3,977,612,068</b>	<b>5,797,988,184</b>	<b>1,820,376,116</b>	<b>45.8%</b>

The following table shows the service levels at Access Transit:

<b>ACCESS TRANSIT</b>					
Twelve months ending December 31	2020 ACTUAL	2021 BUDGET	2022 BUDGET	Change	
				Incr/(Decr)	%
<b>Service Kilometres</b>	<b>7,269,399</b>	<b>10,575,600</b>	<b>10,546,596</b>	<b>(29,004)</b>	<b>(0.3%)</b>
<b>Access Transit Trips</b>					
Trips - HandyDART	579,725	1,259,000	1,230,000	(29,000)	(2.3%)
Trips - Taxi Supplement	40,418	152,000	152,000	-	-
<b>Total Access Transit Trips</b>	<b>620,143</b>	<b>1,411,000</b>	<b>1,382,000</b>	<b>(29,000)</b>	<b>(2.1%)</b>

## Rail Operations

British Columbia Rapid Transit Company Ltd. (BCRTC), on behalf of TransLink, maintains and operates two of the three SkyTrain lines in Metro Vancouver, the Expo and Millennium Lines. BCRTC is responsible for managing the contracted service agreement with InTransit BC for the operation and maintenance of the Canada Line. BCRTC also operates and maintains the West Coast Express commuter rail service.

BCRTC is committed to its employees, the ongoing improvement of the customer experience and supporting TransLink's critical role in planning and managing the region's transportation network. The company's focus in 2022 will be to continue to deliver a Zero Harm and Just Culture to our employees, develop engaging and accountable leaders to move us forward and deliver high performance for our customers.

Over the next few years, BCRTC will continue to support both the ongoing investments in existing rail services and the rail-related projects contained in the Mayors' Council 10-Year Vision for Metro Vancouver Transit and Transportation.

BCRTC's 2022 business plan aligns its focus areas and objectives with those of TransLink to support an integrated approach to meet the ever-expanding needs of our customers in the Metro Vancouver region. BCRTC's corporate values center on mutual support and collaboration, with a focus on delivering a safe, resilient and reliable service:

- **Teamwork** - Helping each other succeed
- **Performance** - Deliver a smooth and flawless customer experience

### Initiatives

#### Priority One: Rebuild Customer Ridership

- Support the enterprise Reconnect initiatives;
- Enhance customer experience through improved service quality;
- Maintain on-time performance and service reliability; and
- Continue to review and implement recommendations of BCRTC's Passenger Injury taskforce.

#### Priority Two: Foster a Safe, Skilled and Resilient Workforce

- Continue to promote accountability of safety in the workplace;
- Build on human factors side of Just Culture;
- Continued focus on employee mental health through our mental health strategy;
- Improve leadership accountability through training and peer-to-peer sessions;
- Strengthen leadership competencies and prepare future leaders with supervisory training; and
- Develop expansion recruiting strategy.

### **Priority Three: Deliver a Reliable Transportation System in a State of Good Repair**

- Continue Get Well maintenance program;
- Continue quality and competency management implementation;
- Start the fleet overhaul program;
- Continue implementation of the EAM program; and
- Build the project delivery capacity and competency.

### **Priority Four: Achieve Financial Sustainability**

- Contribute to the Investment Plan development;
- Optimize resources; and
- Leverage new systems to enhance business processes.

### **Risks and Challenges**

BCRTC has identified the following key risks and challenges:

#### **Risks**

- High demand on existing resources may reinforce dependence on solving rather than preventing problems;
- Impact of aging infrastructure on service delivery;
- Outdated business tools/systems;
- Cybersecurity risk to the operating system;
- Retirement of key roles and timely talent acquisition of these positions;
- Possibility that the Investment Plan may not meet future needs, which could lead to service inefficiencies and delivery failures;
- Risk of existing training and competency management programs not being adequate enough to support current and future business demands;
- High demand on existing resources due to the high magnitude of enterprise initiatives and key deliverables (customer service, major projects, Mayors' Vision) may impact SOGR and operations by detracting resources from day-to-day duties;
- Risk of BCRTC leadership team being underdeveloped and not being able to generate sufficient staff buy-in, commitment, and expertise to embark on large business transformation and change management initiatives, due to retirement of key roles and delays in succession plans;
- Possible lack of technical requirement specifications for systems and assets, which leads to inefficient asset lifecycle management;
- Outdated business tools/systems and aging physical and IT infrastructure could create the risk of unknown, possible service impacting events;
- BCRTC may have challenges reacting and implementing strong business continuity command and control in a timely and effective manner in response to unconventional or major business disruptions;
- Risk of inadequate facilities capacity and a lack of space impacting BCRTC's ability to efficiently operate and maintain the system; and
- Risk of BCRTC being unable to attract and retain sufficient and competent talent at all levels and roles in the organization.

## Challenges

- Culture improvement and leadership development;
- Manage an extensive portfolio of business priorities and capital projects with limited resources and maintain service reliability; and
- On-time delivery of the EAM system.

## 2022 Budget vs 2021 Budget

RAIL OPERATIONS BY CATEGORY					
Twelve months ending December 31 (\$ thousands)	2020 ACTUAL	2021 BUDGET <sup>1</sup>	2022 BUDGET	Change	
				Incr/(Decr)	%
Administration	5,454	6,230	8,079	1,849	29.7%
Contracted Services	129,538	134,917	135,538	621	0.5%
Fuel and Power	14,778	16,007	16,162	155	1.0%
Insurance	5,955	6,789	7,344	555	8.2%
Maintenance, Materials and Utilities	53,992	57,628	59,569	1,941	3.4%
Professional and Legal	2,518	4,154	4,052	(102)	(2.5%)
Rentals, Leases and Property Tax	1,832	1,298	2,046	748	57.6%
Salaries, Wages and Benefits	102,440	133,267	141,858	8,591	6.4%
<b>Total Expenses by Category</b>	<b>316,507</b>	<b>360,290</b>	<b>374,648</b>	<b>14,358</b>	<b>4.0%</b>

<sup>1</sup> Restated to reflect budget transfers

The Rail Operations 2022 operating budget of \$374.6 million is \$14.4 million (4.0 per cent) higher than the 2021 budget of \$360.3 million.

The 2022 operating budget includes increases primarily due to contractual obligations, economic increases, maintenance activities and resources to support key initiatives. Below are highlights of the 2022 Budget compared to the 2021 Budget:

- Salaries, Wages and Benefits are expected to increase by \$8.6 million (6.4 per cent). This includes contractual and economic labour increases, as well as resources to support the state of good repair initiatives and other key initiatives including quality management, succession planning and information technology programs;
- Maintenance, Materials and Utilities are expected to increase by \$1.9 million (3.4 per cent) to support the state of good repair of our assets, which is important to provide our customers with a safe and reliable service. The increases are partly offset by fewer West Coast Express inspections related to a reduced number of cars in service;
- Administration expenses are expected to increase by \$1.8 million (29.7 per cent) mainly to support an important aspect of our business plan to continue to develop our management to ensure we have accountable and engaged leaders, and to strengthen employee competencies; and
- Contracted Services are expected to increase by \$0.6 million (0.5 per cent) mainly due to contractual increases partly offset by revised contract cost estimates for Canada Line.

## Service Assumptions

RAIL OPERATIONS					
Twelve months ending December 31	2020 ACTUAL	2021 BUDGET <sup>1</sup>	2022 BUDGET	Change	
				Incr/(Decr)	%
<b>SERVICE HOURS</b>					
SkyTrain: Expo & Millennium Lines	1,267,418	1,287,481	1,296,941	9,460	0.7%
SkyTrain: Canada Line	197,467	214,145	215,417	1,272	0.6%
West Coast Express	18,441	34,119	16,171	(17,948)	(52.6%)
<b>Rail Operations Service Hours</b>	<b>1,483,326</b>	<b>1,535,745</b>	<b>1,528,529</b>	<b>(7,216)</b>	<b>(0.5%)</b>
<b>SERVICE KILOMETRES</b>					
SkyTrain: Expo & Millennium Lines	51,076,795	51,885,428	52,266,752	381,324	0.7%
SkyTrain: Canada Line	6,343,627	6,879,402	6,920,261	40,859	0.6%
West Coast Express	686,302	1,285,670	609,370	(676,300)	(52.6%)
<b>Rail Operations Service Kilometres</b>	<b>58,106,724</b>	<b>60,050,500</b>	<b>59,796,383</b>	<b>(254,117)</b>	<b>(0.4%)</b>
<b>CAPACITY KILOMETRES</b>					
SkyTrain: Expo & Millennium Lines	4,416,353,877	4,730,207,342	4,706,720,991	(23,486,351)	(0.5%)
SkyTrain: Canada Line	910,310,475	965,471,033	971,205,283	5,734,250	0.6%
West Coast Express	101,101,513	189,764,892	89,942,949	(99,821,943)	(52.6%)
<b>Rail Operations Capacity Kilometres</b>	<b>5,427,765,865</b>	<b>5,885,443,267</b>	<b>5,767,869,223</b>	<b>(117,574,044)</b>	<b>(2.0%)</b>

<sup>1</sup> 2020 actual service hours and service kilometres for West Coast Express have been restated to align with the service delivery reporting of Expo and Millennium Lines.

Service plans have been right-sized to meet expected demand in 2022. The SkyTrain Lines, including the Expo, Millennium and Canada Lines, will operate service plans consistent with those prior to the pandemic. West Coast Express will operate on a reduced service plan.

Expo and Millennium Line service hours and kilometres for 2022 are planned to increase by 0.7 per cent compared to the 2021 service plan and will be consistent with September 2019 service levels. The increased service hours and kilometres are due to higher planned usage of Mark I trains in 2022 compared to the 2021 service plan. At the same time, capacity kilometres are expected to decrease by 0.5 per cent because Mark I trains have lower capacity. Higher use of Mark I trains is required to facilitate SOGR fleet maintenance campaigns for Mark II and Mark III trains.

Canada Line service hours, service kilometres and capacity kilometres will each increase by 0.6 per cent in 2022 compared to the 2021 service plan. This is driven by a change in methodology in service plan estimation, allowing for more accurate estimates.

West Coast Express service kilometres, service hours and capacity kilometres hours will each decrease by 52.6 per cent in 2022 compared to the 2021 service plan. Four trains will continue to operate in 2022, however, the number of cars will be reduced in the 2022 service plan in recognition of decreased demand. The cars will be appropriately distributed among the trains to meet the demand.

## Police Operations

Mandated by the Minister of Public Safety and Solicitor General as a Designated Policing Unit, the Metro Vancouver Transit Police (Transit Police) preserves and protects public peace throughout the transit system. Working with local police services, each officer aims to prevent crime and offences against the law, aid in the administration of justice and enforce the laws of British Columbia. The Province established Transit Police in 2005 as the first dedicated transit police service in Canada.

### Initiatives

In 2022, Transit Police will launch its new 2022-2026 strategic plan. The plan is centred around three pillars: Cross-Regional Policing, Engaged Community Partners and Modern Policing Culture. The transit system's expansive geography uniquely enables Transit Police to build strong relationships with all cross-regional policing partners in Metro Vancouver to improve public safety. To address local, regional and international threats to the transit system, Transit Police will participate in joint-agency policing opportunities and be embedded in planning for transit growth. As the breadth of people and places served by the transit system expands, Transit Police will seek the expertise of our enterprise and community partners to ensure transit users can access the services they need when they need them, particularly those that are vulnerable and at-risk. Transit Police will work with neighborhood partners to ensure transit hubs are safe spaces within the community, while also improving perceptions of safety on transit for all. To best serve transit users, Transit Police's workforce culture must transition to a distinct and collaborative approach for policing the transit system. This shift will impact governance and human resource management.

In supporting the TransLink priority of enhancing customer service, Transit Police will continue to advance the implementation of a Tiered Policing Pilot Program to enhance policing resources and improve efficiencies. The proposed Community Safety Officer team would supplement regular police officers by taking on a range of proposed duties, including providing enhanced peace officer visibility at the major transit hubs, guarding crime scenes, tagging property, fare enforcement and engaging with passengers. The aim is to positively impact perceptions of safety on transit and free up regular police officer resources to focus on responding to calls for service and conducting investigative follow-up. Engagement on this initiative commenced with the Ministry of Public Safety and Solicitor General (Policing and Security Branch) in 2020. In 2021, the necessary applications were completed and the external consultation took place. The implementation would commence in late 2022, once the provincial review is completed and approval is obtained.

To better engage and serve transit customers, Transit Police will continue the operation of its Waterfront Station Community Policing Office, which was launched in 2021. Transit Police will continue to train volunteers, who are working on a variety of safety projects at Waterfront Station, as well as other transit locations in Vancouver and elsewhere on the system, in order to increase feelings of safety and security. The volunteers promote transit and area safety tips, work on specific initiatives such as the 'See Something Say Something' campaign and observe and report any suspicious activity in and around transit stations.

To support the safety of bus passengers and operators, Transit Police will continue implementing a variety of project-based safety initiatives such as having the Targeted Mobile Enforcement Team provide enhanced enforcement around bus lanes and exchanges. This includes enforcement of provincial statutes, applicable bylaws and the Criminal Code. To reduce assaults against frontline transit employees, training continues to be provided to new bus operators on de-escalation protocols and how to contact Transit Police when operators or passengers feel unsafe. The Crime Suppression Team will continue to conduct

targeted, intelligence-led proactive enforcement and partner with Jurisdictional Police Departments to identify crime suppression opportunities and to accomplish extensive investigations and joint-force operations.

In 2022, the Transit Police will continue to advance its commitment to Truth and Reconciliation and address the overrepresentation of Indigenous People in the justice system. The Indigenous Liaison Officer will continue to review all criminal investigations involving indigenous people who are either a victim, complainant or accused and consider restorative justice options. The new Blue Eagle Community Cadet Program, for youth 12 to 15 years (launched by the Transit Police in March 2021) will continue to be delivered in Vancouver. It helps build positive relationships between Transit Police Officers and urban Indigenous youth. Expansion of the program to another city is being advanced for 2022. Transit Police will develop a work plan to fulfill the new B.C. Provincial Policing Standards on the promotion of unbiased policing. This will include enhanced engagement with Indigenous and vulnerable persons.

### **Risks and Challenges**

With the continuation of the COVID-19 pandemic and unknown date for return to normal, ensuring the health and safety of employees, particularly officers working on the frontlines and our civilians within our Operations Communication Centre, remains a top priority at Transit Police. Officers have been provided with additional personal protective equipment and trained on new safety protocols in order to mitigate the risks associated with COVID-19 transmission. Transit Police continues to monitor and be guided by new/additional safety measures recommended by the BC Centre for Disease Control and Ministry of Health, in order to address the additional risks and challenges posed by the pandemic.

Maintaining sworn officer staffing levels in response to attrition and injury continues to be a challenge. The formation of a new Surrey municipal police department is expected to impact retention in the coming years. In the policing environment, a casual pool of sworn officers does not exist to fill vacancies and/or backfill for injuries. There is a comprehensive process for the hiring of police officers and it can be lengthy, particularly for new recruits. The candidate pool for recruits and experienced officers varies month to month and hiring delays may affect overtime costs. In anticipation of the transit system expanding with the Millennium-Broadway and Surrey-Langley extensions, Transit Police must be proactive in developing and acquiring the necessary civilian and sworn officer resources to support its operations and meet public expectations.



## 2022 Budget vs 2021 Budget

POLICE OPERATIONS BY CATEGORY					
Twelve months ending December 31 (\$ thousands)	2020 ACTUAL	2021 BUDGET <sup>1</sup>	2022 BUDGET	Change	
				Incr/(Decr)	%
Administration	3,111	3,262	3,081	(181)	(5.5%)
Insurance	122	136	146	10	7.4%
Maintenance, Materials and Utilities	1,505	1,310	1,356	46	3.5%
Professional and Legal	322	369	380	11	3.0%
Rentals, Leases and Property Tax	1,953	2,408	2,266	(142)	(5.9%)
Salaries, Wages and Benefits	33,655	36,811	38,844	2,033	5.5%
<b>Total Expenses by Category</b>	<b>40,668</b>	<b>44,296</b>	<b>46,073</b>	<b>1,777</b>	<b>4.0%</b>

<sup>1</sup> Restated to reflect budget transfers

Police operations expenditures are expected to increase by \$1.8 million (4.0 per cent) from 2021. The increase is mainly from higher salaries, wages and benefits which are \$2.0 million (5.5 per cent) higher than 2021. Of this, \$2.0 million in salary costs are recoverable through secondments to other agencies, with recovery recorded in miscellaneous revenue. Increases are due to contractual labour, economic and benefit cost increases and the transfer of Business Technology Services staff from TransLink to Police operations.

## Corporate Operations

Corporate Operations' key focus is to address the operating needs of the organization with a focus on achieving enterprise-wide priorities, including achieving financial stability, developing a balanced 2022 10- year Investment Plan, working on developing an updated Mayors' Vision and the Transport 2050 Strategy, as well as focus on the health and safety of our customers and employees.

Corporate operations consist of the following areas: Transportation Planning and Policy, Engineering, Human Resources, Business Technology Services, Strategic Sourcing, Real Estate, Legal, Customer Communications and Public Affairs, Financial Services, Compass Operations and Emergency Planning.

### Initiatives

In 2022, Corporate operations will undertake a range of strategic activities and initiatives as follows in order to deliver on TransLink's four key Corporate priorities:

#### Priority One: Rebuild Customer Ridership

- Introducing the acceptance of contactless Interac Debit cards by expanding the Tap to Pay program;
- Promote transit ridership and develop partnerships with major employers, tourist attractions as well as event venues;
- Implement the Indigenous Relations Framework and continue advancing true and meaningful Reconciliation;
- Continue deployment of TransLink WIFI at additional transit sites and on additional vehicles to elevate the customer experience;
- Complete Rapid Transit business cases for SkyTrain extension from Arbutus to UBC and the Burnaby Mountain Gondola;
- Conduct the 2022 Regional Trip Diary and Screenline;
- Introduce a second Customer Experience Action Plan;
- Speak directly to customers by resuming in-person and on-campus events that promote the safety and reliability of the transit system;
- Develop improved real-time updates and engaging content for customers through multiple communications platforms to improve the customer experience;
- Maintain and continually enhance the COVID-19 Safe Operating Action Plan and gradually absorb COVID-related safety protocols into ongoing communicable disease prevention plans, in alignment with Provincial health and Worksafe BC direction; and
- Promote public awareness of safety precautions, winter preparedness measures and etiquette for transit ridership through media, social media and public education campaigns.

#### Priority Two: Foster a Safe, Skilled and Resilient Workforce

- Strengthen the EDI program to increase the number of women in decision-making roles, focus on hiring people with disabilities, and enhance employee awareness and dexterity concerning issues of equity, diversity and inclusion.
- Continue to develop the Agile delivery practice and adoption across technology teams;
- Implement enterprise safety commitment concepts to guide safety practices across the organization;

- Continue to improve the safety performance and migrate the TransLink Corporate's safety program to a formal Safety Management System;
- Enable the successful transition to new work styles in the Future of Work Program and Return to Workplace initiatives; and
- Develop a Mental Health framework and Corporate Wellness programs for our employees.

### **Priority Three: Deliver a Reliable Transportation System in a State of Good Repair**

- Advance priorities in the Regional Goods Movement Strategy, including development of policies and procedures, regional coordination and identification of options to reduce the environmental impact of urban freight;
- Implement Cloud strategy to accelerate the move of the systems and services to the Cloud;
- Implement the Enterprise Records and Information Roadmap to consistently manage information and measure compliance across the organization;
- Migrate the Enterprise Data Warehouse to the cloud to ensure state of good repair, modernize the platform and enable future data analytics opportunities in the enterprise;
- Continue to invest in information technology, risk management and resilience preparedness
- Identify bus priority opportunities in collaboration with municipal staff to ensure bus speed and reliability through implementation of bus stop balancing program; and
- Continue to work in partnership with the City of Surrey and the City of Delta for the anticipated launch of the R6 Rapid Bus in 2023.

### **Priority Four: Achieve Financial Sustainability**

- Publish Investment Plan 2022-2031 in 2022 and develop a new 10-Year Mayors' Vision for the region;
- Select Green Projects to form the issuance of Green Bonds and publish Green Bond Impact Reporting to ensure transparency to all investors of positive environmental impacts;
- Introduce, modernize and enhance commercial assets to maximize revenue opportunities and customer amenities;
- Restart the Annual Supplier Forum and expand it to include Indigenous businesses;
- Continue to manage the Carbon Credit Program to contribute to the financial sustainability through the use of RNG fuel and BEB;
- Continue to lead the development of Climate Action Strategy and detailed CCAP to enhance system resilience and mitigate climate impacts; and
- Roll-out Sustainable Procurement Plan and engage EDI team on potential social opportunities.

### **Risks and Challenges**

Corporate operations have identified the following key risks and challenges:

- The level and permanency of changes to the ridership paradigm in the Lower Mainland arising from the COVID-19 pandemic remains uncertain. The changed patterns of transit use compared to pre-pandemic needs and preferences of the customers may have a negative and structural impact on TransLink's financial position.

- The competitive labour market, especially in technology and finance, challenges our ability to attract and retain qualified candidates. This challenge, if not managed, may delay Corporate Operations meeting internal and external customer expectations.
- Cybersecurity risks remain high, with current threat patterns globally indicating a high frequency of ransomware attacks on critical infrastructure and government entities, such as pipelines, hospitals and regulatory authorities. Incidents may result in service disruption, excessive business delays, and additional costs.
- Business resiliency and continuity remain a key challenge to mitigating the risk of operational incidents on our assets, people, infrastructure and operations. Inadequate planning, resources, or funding for business resiliency and continuity may compromise our ability to respond quickly in mitigating incidents, disasters, or emergencies.
- Risks associated with the implementation and delivery of major technology initiatives may result in an inability to fulfil projects scope and a risk that reliance on legacy systems may continue.
- Global supply chain shortages in commodities, manufacturing components and semiconductors continue to affect our ongoing operations and project management capabilities. These shortages are exacerbated by the continued impact of the COVID-19 pandemic on exporting countries overseas and the difficulty faced by global transportation networks ramping up sufficiently in time to meet changes in manufacturing capacity. These shortages are expected to create delays in the deliveries of the above-mentioned items, or price changes, which could impact our ability to maintain and repair infrastructure and systems, obtain vital equipment for staff to perform their duties and adversely impact schedules or costs.

The risks and challenges are continuously monitored through management oversight and project steering committees. TransLink is committed to identifying efficiencies and reducing non-essential spending to deliver planned initiatives amid the financial pressures caused by the pandemic.

## 2022 Budget vs 2021 Budget

CORPORATE OPERATIONS BY CATEGORY					
Twelve months ending December 31 (\$ thousands)	2020 ACTUAL	2021 BUDGET	2022 BUDGET	Change	
				Incr/(Decr)	%
Administration	15,249	18,026	22,482	4,456	24.7%
Contracted Services	12,888	15,172	15,898	726	4.8%
Insurance	302	284	490	206	72.5%
Maintenance, Materials and Utilities	1,401	1,833	2,060	227	12.4%
Professional and Legal	9,022	11,094	12,716	1,622	14.6%
Rentals, Leases and Property Tax	11,161	12,493	14,089	1,596	12.8%
Salaries, Wages and Benefits	50,775	53,577	57,365	3,788	7.1%
<b>Total Expenses by Category</b>	<b>100,798</b>	<b>112,479</b>	<b>125,100</b>	<b>12,621</b>	<b>11.2%</b>

Corporate operations are budgeted at \$125.1 million, an increase of \$12.6 million (11.2 per cent) compared to the 2021 Budget. 2021 Budget was set in a context of the significant uncertainties associated with the trajectory of the pandemic. A number of back-office positions and non-discretionary expenses were eliminated, and only strictly mandatory expenditures were allowed for in the 2021 Budget throughout the Enterprise. This was particularly prominent in the Corporate segment, which was lower

compared to 2020 Budget by 4.7 per cent, with inflationary pressures being absorbed and additional savings having been delivered.

2022 Budget marks a first year of the post-pandemic recovery, where TransLink is gearing up for the future and moving forward on the trajectory of the recovery. Accordingly, we are pivoting our focus from managing the impacts of the pandemic back to key organizational priorities, such as ridership recovery, Indigenous Relations, EDI, and information technology investments. The planned expenditures on these key priority programs accounts for \$4.0 million. Another \$5.2 million increase in Corporate costs is due to inflationary and contractual increases.

The increase in administration costs of \$4.5 million (24.7 per cent) includes the support of the Ridership Recovery Campaign, higher credit card fees as well as higher IT security, support and maintenance costs. Additional increases include contractual and economic labour increases, property tax increases, higher professional fees to support IT Security, the Indigenous Relations Framework and the Customer Experience Action Plan as well as higher contractual obligations.

## Roads and Bridges

<b>ROADS &amp; BRIDGES OPERATIONS BY CATEGORY</b>					
Twelve months ending December 31 (\$ thousands)	2020 ACTUAL	2021 BUDGET	2022 BUDGET	Change	
				Incr/(Decr)	%
Administration	61	32	44	12	37.5%
Capital infrastructure contributions	36,611	91,305	95,393	4,088	4.5%
Contracted Services	5,187	5,876	5,876	-	0.0%
Insurance	1,174	1,312	1,313	1	0.1%
Maintenance, Materials and Utilities	17,218	40,253	39,455	(798)	(2.0%)
Professional and Legal	1,129	1,529	1,022	(507)	(33.2%)
Rentals, Leases and Property Tax	263	336	383	47	14.0%
Salaries, Wages and Benefits	1,220	1,432	1,762	330	23.0%
<b>Total Expenses by Category</b>	<b>62,863</b>	<b>142,075</b>	<b>145,248</b>	<b>3,173</b>	<b>2.2%</b>

The 2022 Roads and Bridges budget of \$145.2 million is \$3.2 million (2.2 per cent) higher than the 2021 Budget. The increase is mainly due to higher contributions to support municipal capital infrastructures as committed in the Phase Two Investment Plan, partly offset by lower professional and legal fees.

The Roads and Bridges 2022 Budget will support TransLink's mandate to oversee the Major Road Network, support the Regional Goods Movement Strategy and the Municipal Cost Share Programs portfolios. In addition, this budget provides resources to administer TransLink's Bike Program and oversees the operations and maintenance of TransLink-owned bridges. This budget is expected to provide the following outcomes:

- Administer the Municipal Cost Share Programs for roads, cycling, seismic upgrades and walking infrastructure projects with the funding identified in the upcoming 2022-2032 Investment Plan;
- Provide the tools to monitor and manage the Major Road Network's performance;
- Support the development of a Regional Safety Strategy;
- Improve regional coordination between public and private sector partners on challenges across various travel modes;

- Improve regional road network operations including improvement of freight wayfinding and trip planning tools, loading zone operations and incident response;
- Continue to make progress towards implementing a regional permit system for oversize-overweight vehicles;
- Administer and maintain TransLink's Bike Parking Program;
- Develop Bike Program Capital investment roadmap;
- Maintain and perform ongoing operations, inspections and rehabilitation on all TransLink-owned bridges;
- Develop seismic response plans for all TransLink-owned bridges; and
- Manage the Golden Ears Bridge concession agreement and perform annual audits of Concessionaire performance.

## **Amortization**

The 2022 Budget for amortization expense increased \$8.5 million (3.4 per cent) in comparison to the 2021 Budget. Main capital projects that contribute to the increase in amortization expense in 2022 include SkyTrain vehicle refurbishments, bus farebox replacements as well as station upgrades and rail infrastructure projects previously delayed due to COVID-19.

## **Interest**

Interest expense of \$179.8 million is \$0.6 million (0.4 per cent) lower than the 2021 Budget mostly due to higher capitalized interest as a result of increasing capital spending, reduced MFA debt and lower short term debt balances, partially offset by higher interest payments associated higher new debt issuances.

## **Corporate – One-time**

Corporate One-time costs in the 2022 Budget are \$34.3 million, mainly consisting of costs of capital projects that are not eligible for capitalization (\$10.1 million), feasibility studies (\$6.9 million), Bus Speed and Reliability program (\$4.1 million), RapidBus expansion (\$3.2 million), contingency provision (\$3.0 million), Trip Diary study (\$2.0 million), Flexible Service Piloting Program (\$2.0 million), Major Studies (\$1.7 million), Regional Transportation Strategy development (\$1.3 million) and other miscellaneous items.

## 7. Investment in Capital Assets

Summary of Capital, by Program (\$ thousands)	Total Project Budget			2022 Capital Cash Flow		
	Gross Cost	Less: Funding	TransLink Net Cost	Gross Cost	Less: Funding	TransLink Net Cost
<b>2022 New Capital Program</b>						
Equipment	24,104	-	24,104	2,956	-	2,956
Facilities	404,294	(295,288)	109,006	6,795	(459)	6,336
Infrastructure	210,987	(46,633)	164,354	28,233	(2,971)	25,262
Major Construction	150,000	-	150,000	37,500	-	37,500
Technology	68,549	-	68,549	15,124	-	15,124
Vehicles	65,838	(55,080)	10,758	1,965	(594)	1,371
Contingency	10,000	-	10,000	5,000	-	5,000
<b>2022 New Capital Program Total</b>	<b>933,772</b>	<b>(397,001)</b>	<b>536,771</b>	<b>97,573</b>	<b>(4,024)</b>	<b>93,549</b>
<b>Active/Approved in Principle (AIP) Capital</b>						
Equipment	256,304	(37,237)	219,067	97,778	(7,331)	90,447
Facilities	174,600	(35,173)	139,427	92,837	(24,047)	68,790
Infrastructure	756,645	(345,441)	411,204	223,706	(109,151)	114,555
Major Construction	4,119,466	(1,868,545)	2,250,921	302,267	(164,857)	137,410
Technology	182,058	-	182,058	84,309	-	84,309
Vehicles	404,355	(390,599)	13,756	100,309	(97,651)	2,658
<b>Active/Approved in Principle (AIP) Capital Total</b>	<b>5,893,428</b>	<b>(2,676,995)</b>	<b>3,216,433</b>	<b>901,206</b>	<b>(403,037)</b>	<b>498,169</b>
<b>Total Capital</b>						
Equipment	280,408	(37,237)	243,171	100,734	(7,331)	93,403
Facilities	578,894	(330,461)	248,433	99,632	(24,506)	75,126
Infrastructure	967,632	(392,074)	575,558	251,939	(112,122)	139,817
Major Construction	4,269,466	(1,868,545)	2,400,921	339,767	(164,857)	174,910
Technology	250,607	-	250,607	99,433	-	99,433
Vehicles	470,193	(445,679)	24,514	102,274	(98,245)	4,029
Contingency	10,000	-	10,000	5,000	-	5,000
<b>Total Capital Total</b>	<b>6,827,200</b>	<b>(3,073,996)</b>	<b>3,753,204</b>	<b>998,779</b>	<b>(407,061)</b>	<b>591,718</b>
<b>Capital Infrastructure Contributions</b>						
2022 New Program	86,901	-	86,901	25,444	-	25,444
Active and Approved in Principle	349,663	-	349,663	72,079	-	72,079
<b>Capital Infrastructure Contributions Total</b>	<b>436,564</b>	<b>-</b>	<b>436,564</b>	<b>97,523</b>	<b>-</b>	<b>97,523</b>
<b>All Projects</b>	<b>7,263,764</b>	<b>(3,073,996)</b>	<b>4,189,768</b>	<b>1,096,302</b>	<b>(407,061)</b>	<b>689,241</b>

## Overview

TransLink’s capital program is aligned with current priorities of rebuilding customer ridership, ensuring a state of good repair, while continuing to work on implementing prioritized programs of the Mayors’ 10- Year Vision. The current capital program continues to address the emerging state of good repair investments needed to ensure existing assets serve customers and stakeholders safely, effectively and efficiently, while continuing to support the delivery of the Mayors’ 10-Year Vision. Capital projects have been planned and prioritized through an integrated review process across the enterprise that measures the impact on strategy, customer experience, stakeholder value, business effectiveness and other factors.

The table above highlights capital projects grouped into asset categories and includes capital infrastructure contributions as per TransLink’s current mandate of addressing regional MRN needs. The budget for the 2022 Capital Program is \$933.8 million, with additional \$86.9 million for Capital Infrastructure Contributions.

The projected 2022 cash flow for all projects, before Senior Government Funding, is \$1,096.3 million, with \$97.6 million relating to the 2022 Capital Program, \$901.2 million relating to capital programs of previous years and \$97.5 million relating to Capital Infrastructure Contributions. The net cash impact in 2022 after Senior Government funding is \$689.2 million.

## 2022 Capital Program

The 2022 Capital Program is intended to keep the overall system in a state of good repair, as well as continue the delivery of the Mayors’ Vision. The program is also intended to deliver key milestones for major projects and a reliable transportation system.

Fleet replacement and LCFS-related projects are anticipated to be funded by the Greater Vancouver Regional Fund (GVRF) at approximately 90 percent which includes the Marpole Transit Center – Implementation (Phase Four) project. Several of the large facility projects are anticipated to be funded by the Investing in Canada Infrastructure Program (ICIP), including the Port Coquitlam Transit Center (PTC) Facility Improvements and Burnaby Transit Center (BTC) Facility Improvements for Phase Two expansion. The net capital for the 2022 new capital program is currently forecasted at \$536.8 million.

**Table 1: 2022 New Capital Program (\$ thousands)**

2022 New Capital Program, Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TL Net Cost	Gross Cost	Less: Funding *	TL Net Cost
<b>Equipment</b>							
Automatic Train Control (ATC) 2022	Implement upgrades for the ATC system and update the ATC system software to maintain a state of good repair.	9,440	-	9,440	2,236	-	2,236
CMBC Hoist Asset Renewal 2022	Replace a total of 4 hoists at the West Vancouver Transit Centre and Surrey Transit Centre.	1,129	-	1,129	441	-	441



2022 New Capital Program, Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TL Net Cost	Gross Cost	Less: Funding *	TL Net Cost
Metro Vancouver Transit Police Equipment	Procure additional police equipment (respirators, fit testing machine, alcohol sensing devices and defibrillators) to ensure safety of the public and meet current needs.	82	-	82	82	-	82
Millennium Line Linear Heat Detector Upgrade Project	Upgrade 19 Guideway flame detectors near six Millennium Line stations that are at end of life.	1,020	-	1,020	113	-	113
Rail-borne Equipment Replacement	Replace existing rail-borne maintenance equipment to support guideway maintenance work and ensure rail infrastructure is in a state of good repair.	4,933	-	4,933	53	-	53
Station Ground Switch Replacement	Replace SkyTrain station ground switch infrastructure to address obsolescence, electrical safety issues, ensure a state of good repair and align with industry best practices.	7,500	-	7,500	31	-	31
<b>Equipment Total</b>		<b>24,104</b>	<b>-</b>	<b>24,104</b>	<b>2,956</b>	<b>-</b>	<b>2,956</b>
<b>Facilities</b>							
Burnaby Transit Centre (BTC) Facility Improvements for Phase Two Expansion**	Implement the prior design phase scope of work. This includes the transfer of BTC-Central Complex functions and BTC-S Stores 60 offsite; complete renovations to the central stores' space; demolishing the existing BTC-N central complex and paving the building footprint area and providing additional maintenance capacity at BTC to support the increased fleet parking on site.	45,396	(15,886)	29,510	-	-	-
CMBC Trolley Overhead - Skeena Relocation	TransLink to implement tenant improvements at 3330 Bridgeway Street, Vancouver, to relocate the current CMBC Trolley Overhead facility located at 2625 Skeena Street, before the lease expires in April 2024.	12,504	-	12,504	2,642	-	2,642

2022 New Capital Program, Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TL Net Cost	Gross Cost	Less: Funding *	TL Net Cost
Marpole Transit Centre – Implementation* *	Implementation of the Marpole Transit Centre. This facility will be designed for the O & M of 350 40' Equivalent (Battery Electric) Buses. TransLink requires this infrastructure to operate, maintain and store an electrified fleet replacing existing diesel buses. This facility will also free up space at existing depots to help facilitate future electrification and future service expansion.	308,171	(268,290)	39,881	-	-	-
Port Coquitlam Transit Center Facility Improvements	Implementation of facility improvements at Port Coquitlam Transit Center to provide capacity expansion to operation, maintenance & service to meet the Mayors' 10-year Vision.	34,236	(11,112)	23,124	1,338	(459)	879
SeaBus facility and seawall - State of Good Repair	Replacement of the ferry exhaust ventilation system and repairs to the concrete floats, terminals, electrical and mechanical components to maintain a state of good repair.	1,900	-	1,900	1,828	-	1,828
Customer Amenities Pilot	Further research and preliminary design to improve customer amenities and implement one pilot project location.	2,087	-	2,087	987	-	987
<b>Facilities Total</b>		<b>404,294</b>	<b>(295,288)</b>	<b>109,006</b>	<b>6,795</b>	<b>(459)</b>	<b>6,336</b>
<b>Infrastructure</b>							
2022 BCRTC Roof Replacement	Detailed design and implementation services for roof replacement at Lougheed Town Centre B, King George A, B, C, Gateway B, Gilmore A, B, C SkyTrain Stations and two optional substations to be determined.	4,359	-	4,359	3,564	-	3,564
2022 Bus Speed & Reliability Infrastructure Program	Provide funding to municipalities to plan, design and build transit priority infrastructure projects to improve bus speed & reliability.	5,260	-	5,260	384	-	384
2022 CMBC Pavement Rehabilitation	Rehabilitate pavement at up to eight locations (Boundary Loop, Kootenay Loop, Maple Meadows Station Park & Ride, Port Coquitlam Station Bus Loop, Scott Road Station Bus Loop, Scott Road Park & Ride, South Surrey Park & Ride and Surrey Central Station).	1,957	-	1,957	1,010	-	1,010
2023 Running Rail Replacement	Replace running rails that have reached the end of service life.	45,960	(20,215)	25,745	3,003	(1,336)	1,667

2022 New Capital Program, Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TL Net Cost	Gross Cost	Less: Funding *	TL Net Cost
BTC Retaining Walls -Seismic Stabilization	The project is to replace the existing retaining walls at BTC North and South with a Mechanically Stabilized Earth (MSE) block wall.	5,100	-	5,100	5,100	-	5,100
CMBC - Burnaby Transit Centre South (BTCS) Emergency Generator Replacement	Detailed design & implementation of the BTCS emergency generator replacement.	867	-	867	106	-	106
Elevating Devices Asset Renewal Program - Millennium Line Escalators 2022	Supply and installation to replace four current end-of-service life commercial grade escalators with new transit grade escalators on the Millennium and Expo Line: three escalators at Gilmore Station and one escalator at Production Way.	10,102	-	10,102	47	-	47
Expo Line Elevator Replacements - replace seven elevators	Replace seven Expo Line elevators as prioritized in Escalators & Elevators Condition Assessment Report at OMC 1, Royal Oak, Gateway, Surrey Central, King George and Scott Road.	10,664	-	10,664	1,132	-	1,132
Expo Line Tunnel Ventilation Systems (TVS)	Replace end-of-life control systems in the TVS at Columbia and New Westminster stations.	3,000	-	3,000	132	-	132
Gilmore Station Upgrade and Expansion Project	Provide additional vertical circulation, improve customer amenities, increase retail space and bring station, as a whole, up to current standards.	19,774	-	19,774	728	-	728
Haro Rectifier Safety and Security Improvements	The purpose of this project is to implement a long-term solution to improve the safety and security at the Trolley Overhead (TOH) Haro Rectifier Station.	300	-	300	20	-	20
Metro Vancouver Transit Police (MVTP) - Hub Office Card Access Upgrade	To install card and video phone access at five Hub offices	100	-	100	100	-	100
Metro Vancouver Transit Police (MVTP) Bridgeport Deployment Office Upgrade	Expand locker room/washroom space and add a secure car park at the original Bridgeport Deployment Office to allow for the deployment of additional sworn officers for future system growth and address current space concerns.	887	-	887	582	-	582

2022 New Capital Program, Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TL Net Cost	Gross Cost	Less: Funding *	TL Net Cost
MVTP Metro Vancouver Transit Police Waterfront Hub Office Renovation	Renovation of the Waterfront Hub Office to better utilize the existing space to meet current and future needs.	101	-	101	101	-	101
Noise Mitigation Solution Implementation Phase Two	Install Top of Rail Friction Modification option arising from Sky Train Noise Mitigation Study (Phase One)	4,910	-	4,910	1,768	-	1,768
Operations and Maintenance Center (OMC) 1 Receiving Area and Storage Upgrades	Detailed design and implementation services for upgrading the receiving area and storage capacity at OMC1 stores.	800	-	800	164	-	164
PowerSmart Upgrades - BTCS - Design	Detailed design of Energy Conservation Measures identified in the Energy Audit at BTCS to reduce operating costs and improve the environmental sustainability of CMBC.	312	-	312	291	-	291
RapidBus Upgrade Program**	Develop and deliver bus priority projects to improve the speed and reliability of RapidBus service and improve passenger amenities.	13,590	-	13,590	-	-	-
Remote Reports/Rapid Response Model - Phase A	Improvement to existing stations to support the maintenance of way. This project will improve tool time, standardized workspaces, reduce OMC congestion and reduce incident response time.	2,000	-	2,000	1,663	-	1,663
Richmond Transit Centre (RTC) Roof Replacement-Phase Two	Replacement of the roof membranes at RTC.	3,900	-	3,900	3,900	-	3,900
Seabus Terminal - Passenger Counting System Update	The replacement of the existing end-of-life turnstiles with a new automated Passenger Counting and Control System, which includes a new counting technology and closing gates to the SeaBus. The system will provide live count and data to SeaBus Operations and TransLink while meeting Transport Canada requirements.	4,000	-	4,000	334	-	334
SkyTrain Station Power Capacity - Phase Two	To maintain a state of good repair and meet the growing demand for electricity at the Stadium and Renfrew SkyTrain stations, the project includes the design, procurement and installation of a new transformer, high voltage cabling, UPS and associated equipment.	7,140	-	7,140	204	-	204
Stadium-Chinatown Station Upgrade - Concept Confirmation	Identify preferred concept design following feasibility study. Work to follow feasibility study (2021-22) which will identify key opportunities and constraints of pre-concept designs provided by TransLink.	1,564	-	1,564	288	-	288

2022 New Capital Program, Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TL Net Cost	Gross Cost	Less: Funding *	TL Net Cost
TransLink Owned Bicycle Infrastructure 2022	Provide state of good repair rehabilitation while simultaneously upgrading TransLink-owned bike facilities; namely, the BC Parkway, bike lockers at transit facilities and bike counters.	6,422	-	6,422	751	-	751
TOH On-Street Infrastructure State of Good Repair 2022	Replacement of TOH assets that are past their useful life: up to 500 Poles; up to 6,142 m underground Cable; up to 50 km running wire & up to 200 switch assemblies; up to 12,500 hangers & ears.	24,827	(11,977)	12,850	2,861	(1,635)	1,226
TOH Rectifier Station, State of Good Repair **	Implementation and decommissions of the rectifier stations in the Group (Blanca, Parkway & Cleveland). This project also includes the detailed design and implementation for Southlands, Bodwell, Sperling and Haro.	33,091	(14,441)	18,650	-	-	-
<b>Infrastructure Total</b>		<b>210,987</b>	<b>(46,633)</b>	<b>164,354</b>	<b>28,233</b>	<b>(2,971)</b>	<b>25,262</b>
<b>Major Construction</b>							
(OMC 5) - Land	Procurement of land parcels required to begin construction of OMC5. OMC5 is proposed to be designed to support operations of the Surrey Langley SkyTrain (SLS) extension and provide long-term train storage and maintenance capacity for the Expo and Millennium Line network.	150,000	-	150,000	37,500	-	37,500
<b>Major Construction Total</b>		<b>150,000</b>	<b>-</b>	<b>150,000</b>	<b>37,500</b>	<b>-</b>	<b>37,500</b>
<b>Technology</b>							
CMBC Employee Scheduling Implementation Project	To implement a solution to manage CMBC employee scheduling needs and mitigate risk to the maintenance of corporate assets.	2,040	-	2,040	1,040	-	1,040
Cyber Security and IT Services Resiliency Program	In conjunction with the IT Infrastructure Refresh Programs, this program will see the implementation of new solutions and services that will consolidate and rationalize IT services, building in automation, migration to Cloud solutions and enhance our cyber posture.	40,000	-	40,000	8,573	-	8,573

2022 New Capital Program, Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TL Net Cost	Gross Cost	Less: Funding *	TL Net Cost
Enterprise Resource Planning (ERP)/CMBC CloudSuite Enterprise Asset Management (EAM) Design & Implementation	Design, implement and migrate the current CMBC EAM on-premise solution to the ERP Cloud solution for asset management. This aligns with the enterprise direction and addresses upcoming obsolescence of the current on-premise asset management system used by CMBC.	21,000	-	21,000	2,082	-	2,082
Free Transit for Youth 12 & Under - System Upgrades	Update of back-end Compass infrastructure to deliver provincially mandated free transit for Youth 12 years old and under.	3,050	-	3,050	3,050	-	3,050
Rebuild Customer Ridership	This initiative will deliver customer-oriented (technology) solutions to rebuild customer ridership.	500	-	500	110	-	110
TransLink Analytics Program (TAP) 2022	Following TAP 2021, TAP 2022 is focused on migrating the remaining on-premises Enterprise Data Warehouse (EDW) to the Cloud.	1,020	-	1,020	172	-	172
TransLink Intranet Upgrade	State of good repair upgrade to SharePoint Online. A new intranet will also better support TransLink employees as they transition towards the Future of Work.	939	-	939	97	-	97
<b>Technology Total</b>		<b>68,549</b>	<b>-</b>	<b>68,549</b>	<b>15,124</b>	<b>-</b>	<b>15,124</b>
<b>Vehicles</b>							
2022 CMBC Service Support Vehicle Expansion**	Eight additional Service Support Vehicles (SSVs) are required to meet CMBC Security Services and Facilities Maintenance business needs and objectives. New SSVs will be procured, outfitted and commissioned including: <ul style="list-style-type: none"> <li>• Four CMBC Security Services vehicle</li> <li>• Four Facilities Maintenance trades vans</li> </ul>	521	-	521	-	-	-
2023 Community Shuttle Replacements (27 buses)**	Replacement of 27 Community Shuttle buses that will reach the end of their useful service life in 2023.	6,900	(6,085)	815	-	-	-
2023 HandyDART Vehicle Replacement (46 vehicles)**	Replacement of 46 HandyDART vehicles that will reach the end of their useful service life in 2023.	6,961	(6,137)	824	-	-	-
2024 Conventional Bus Replacement (50 compressed	Replace existing 50 40-foot CNG buses which will reach end of their useful service life in 2023.	46,048	(40,554)	5,494	-	-	-

2022 New Capital Program, Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TL Net Cost	Gross Cost	Less: Funding *	TL Net Cost
natural gas buses)**							
Next Generation SeaBus Design	Complete the design process, review design proposals and select the preferred proponent to complete the final design build.	2,653	(2,304)	349	678	(594)	84
Replacement of 11 MVTP Non-Revenue Vehicles	Replacement of 11 end of service life vehicles with updated fuel-efficient Hybrid Ford Explorer Models.	1,055	-	1,055	1,055	-	1,055
Replacement of 2 BCRTC SSVs	Replacement of two BCRTC SSVs which will reach the end of their useful life in 2024.	170	-	170	170	-	170
Replacement of 23 CMBC SSVs	Replacement of 23 SSVs that will reach the end of their useful life in the near future.	1,530	-	1,530	62	-	62
<b>Vehicles Total</b>		<b>65,838</b>	<b>(55,080)</b>	<b>10,758</b>	<b>1,965</b>	<b>(594)</b>	<b>1,371</b>
<b>Contingency</b>							
Capital Program Contingency	Capital Program Contingency	10,000	-	10,000	5,000	-	5,000
<b>Contingency Total</b>		<b>10,000</b>	<b>-</b>	<b>10,000</b>	<b>5,000</b>	<b>-</b>	<b>5,000</b>
<b>Grand Total</b>		<b>933,772</b>	<b>(397,001)</b>	<b>536,771</b>	<b>97,573</b>	<b>(4,024)</b>	<b>93,549</b>

\*The funding sources include the Canada Community-Building Fund (CCBF; formerly Federal Gas Tax), ICIP and the City of Vancouver.

\*\*Project cash flows are expected to start in 2023.

## Active and Approval in Principle (AIP) Projects Underway

Capital projects already approved and underway have a total budget of \$5.9 billion. Anticipated Senior Government contributions total \$2.7 billion, leaving the net cost budgeted at \$3.2 billion. The spending forecast in 2022 is \$901.2 million, with Senior Government Funding of \$403.0 million and net spending of \$498.2 million.

Most of the spending in 2022 (before Senior Government Funding) is for Major Construction Programs (\$302.3 million), Infrastructure programs (\$223.7 million) and Fleet Replacement and Expansion programs (\$100.3 million) that are related to the Phase Two Investment Plan.

**Table 2: Active and Approved in Principle (AIP) Projects Underway (\$ thousands)**

Active and Approved in Principle (AIP) Capital Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TransLink Net Cost	Gross Cost	Less: Funding *	TransLink Net Cost
<b>Equipment</b>							
ATC Existing Equipment Replacement Program	Replace ATC equipment to improve system reliability and maintain a state of good repair.	61,969	-	61,969	13,551	-	13,551
CMBC Facilities Camera Replacement	Replace end-of-life security camera and surveillance systems at CMBC facilities, SeaBus facilities and vessels.	1,600	-	1,600	1,597	-	1,597
CMBC Hoist Asset Renewal Program	Replacement of hoist equipment at the Surrey, Vancouver and Burnaby Transit Centres that have reached the end of asset service life.	1,859	-	1,859	1,537	-	1,537
Compass Vending Machine Spares	Purchase of ten Compass Vending Machines to establish a spare inventory to mitigate the risk of flood, fire and vandalism events.	1,966	-	1,966	1,966	-	1,966
Fare Gates Capacity Increase - Priority Stations	Install nine additional fare gates at four priority stations (Waterfront, Richmond-Brighouse, Surrey Central and King George) to meet an adequate level of service thresholds for existing peak demands.	1,902	-	1,902	649	-	649
Farebox Replacement	Replacement of bus fleet Cubic farebox equipment which is at end of useful service life for approximately 1,700 buses.	16,633	-	16,633	2,317	-	2,317
Mark (MK) III Vehicle Lifting Jacks	Purchase of additional lifting jacks to support the maintenance of MK III SkyTrain vehicles.	2,940	(1,202)	1,738	200	(52)	148
Millennium Line Fire and Life Safety Systems Equipment Replacement	Installation of Fire Safety system on Millennium Line.	9,250	-	9,250	1,881	-	1,881
Onboard Technology Assets Program (OTAP)	Replace end-of-life technology equipment (cameras, radio systems and vehicle logic units) onboard the fleet of vehicles with new technologies to maintain state of good repair.	82,057	(20,612)	61,445	35,783	(2,479)	33,304
Rail-borne Equipment Replacement	Replace five BCRTC rail-borne equipment vehicles nearing end-of-life used heavily for inspections, maintenance and capital project support.	4,980	-	4,980	2,240	-	2,240



Active and Approved in Principle (AIP) Capital Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TransLink Net Cost	Gross Cost	Less: Funding *	TransLink Net Cost
Rail Switch Machine Test Bench	Purchase of specialized test benches, testing equipment and shop equipment.	727	-	727	481	-	481
Replacement of Hegenscheidt Underfloor Lathe	Replace the Hegenscheidt Wheel Lathe that has reached the end of its service life.	4,710	-	4,710	2,272	-	2,272
Replacement of Rotary Grinder	Replace rail grinding equipment to ensure timely scheduled grinding under the maintenance program.	17,357	-	17,357	13,858	-	13,858
SkyTrain Advanced Radio System Phase 1&2	Conceptual and detailed design work and implementation of 3rd party radio services.	23,122	(8,243)	14,879	9,079	(2,894)	6,185
SkyTrain Customer and Operations Telecommunications Upgrade Phase One - Four	Modernize train communications and complete integration of all SkyTrain Customer and Operations Telecommunications sub-systems to address obsolescence issues and support train expansion.	25,232	(7,180)	18,052	10,367	(1,906)	8,461
<b>Equipment Total</b>		<b>256,304</b>	<b>(37,237)</b>	<b>219,067</b>	<b>97,778</b>	<b>(7,331)</b>	<b>90,447</b>
<b>Facilities</b>							
- OMC 2: Completion Project	Expansion of the OMC to facilitate additional industrial workshop space.	2,870	-	2,870	7	-	7
BCRTC OMC 1 and 2 - Space Optimization and Modernization	Renovation to optimize and modernize BCRTC's workplace and facilities.	8,000	-	8,000	3,007	-	3,007
BTC Facility Improvement for Phase Two Expansion - Design	The design phase for facility improvement to BTC to provide capacity expansion to operation, maintenance & service to meet the Phase One and Two of the 10-year Mayors' Vision.	1,647	-	1,647	1,450	-	1,450
BTC - Fleet Overhaul Maintenance- Lunch room Upgrades	Upgrades to the BTC Fleet Overhaul maintenance lunch room - implementation phase.	2,000	-	2,000	1,105	-	1,105
Bus Facility Customer Amenities Improvement Program	Upgrade and maintenance of customer amenities at TransLink's bus facilities and infrastructure.	6,573	-	6,573	3,896	-	3,896
Canada Line Capstan Station Project	Design, construction, testing and commissioning of the new Richmond Capstan Station on Canada Line.	57,078	(35,173)	21,905	37,931	(24,047)	13,884
Facility Retrofit Projects - BTC Stores	Address hazardous materials abatement and carousel storage system replacement at BTC building.	2,100	-	2,100	2,036	-	2,036
Facility Upgrades to Accommodate Double Decker Buses	The upgrade of Hamilton Transit Centre to allow for repairs after Motor Vehicle Accidents and major maintenance of the double-decker bus fleet.	2,455	-	2,455	2,374	-	2,374
MTC - Design and Early Site Works	Pre-design, engineering design, and early site work for the construction of the new MTC.	67,321	-	67,321	26,975	-	26,975
OMC Perimeter Security Upgrade	Design and development of the perimeter security upgrade at the OMC.	1,990	-	1,990	797	-	797
Port Coquitlam Transit Centre Facility Improvement for	The design phase for facility improvements to provide capacity expansion to operation, maintenance and service to meet the service	1,647	-	1,647	1,157	-	1,157

Active and Approved in Principle (AIP) Capital Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TransLink Net Cost	Gross Cost	Less: Funding *	TransLink Net Cost
Phase Two Expansion - Design	capacity requirements of Phases One and Two of the 10-year Mayors' Vision.						
PowerSmart Upgrades	Implement PowerSmart Upgrades relating to Energy Conservation Measures for the 307 Columbia St. building and parking area.	159	-	159	154	-	154
PowerSmart Upgrades - SeaBus - Design	Design the Energy Conservation Measures for the SeaBus Terminals to reduce operating costs and improve environmental sustainability.	696	-	696	681	-	681
SeaBus Facility Upgrades - Design	Design work for updating the essential auxiliary spaces and equipment, including the installation of an elevator within SeaBus North Terminal.	2,805	-	2,805	1,329	-	1,329
SeaBus Terminals Interior Refurbishment	Refurbishments to the passenger environment in North and South SeaBus Terminals.	17,259	-	17,259	9,938	-	9,938
<b>Facilities Total</b>		<b>174,600</b>	<b>(35,173)</b>	<b>139,427</b>	<b>92,837</b>	<b>(24,047)</b>	<b>68,790</b>
<b>Infrastructure</b>							
ATC System Recovery and Operation Improvements	Improve ATC system to reduce the occurrence of SkyTrain disruptions and the time needed to recover the disruptions.	5,320	-	5,320	548	-	548
BC Parkway Safety Improvements Patterson to 22nd Street	Safety improvements on the BC Parkway by improving the current conditions from Patterson Station to 22nd Street Station.	919	-	919	347	-	347
Braille and Tactile Information at Bus Stops	Install bus stop identifiers in the form of dual-format braille and tactile signage, to allow customers with vision loss to identify bus stops and related transit information.	7,000	-	7,000	3,263	-	3,263
Brentwood SkyTrain Station Upgrades – Phase One and Two	Upgrade to improve the weather protection, amenities and elevator at Brentwood SkyTrain station's rail and bus facilities.	32,485	(23,515)	8,970	14,667	(14,288)	380
Broadway Station Track Intrusion System Upgrade	Design and implement Track Intrusion System at Broadway Station on Platform 5 to meet safety recommendations.	759	-	759	179	-	179
Burnaby Mountain Gondola Transit	Further design, planning and partner engagement for a potential gondola from the Millennium Line to Simon Fraser University Burnaby campus.	2,200	-	2,200	1,540	-	1,540
Burrard Station Upgrade	Design and upgrade Burrard Station for increased capacity and passenger flow.	80,365	(78,523)	1,842	28,899	(26,950)	1,949
Bus Speed and Reliability	Provide funding to municipalities to improve bus speed and reliability infrastructure.	10,712	-	10,712	3,852	-	3,852
Compass Implementation for HandyDART	Design and implementation of Compass infrastructure on HandyDART vehicles to enable HandyDART customers to pay with Compass fare media and credit cards.	4,417	-	4,417	1,114	-	1,114
Edmonds OMC Capacity Upgrade	Improvements to the SkyTrain OMC at Edmonds.	96,905	(94,058)	2,847	16,873	(14,301)	2,572
Expo Line Elevator Replacement	Upgrade or replace 27 Expo Line elevators, including West Coast Express and OMC yard, as prioritized in the	27,839	(11,220)	16,619	16,921	(9,750)	7,171

Active and Approved in Principle (AIP) Capital Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TransLink Net Cost	Gross Cost	Less: Funding *	TransLink Net Cost
	Escalators and Elevators Condition Assessment Services.						
Expo Line Escalator Replacement - Accelerated Program	To replace the end of service life Expo Line escalators.	84,463	(14,517)	69,946	15,815	-	15,815
Expo Line Surrey Power Rail Replacement	Replacement of 8.6 km of power rail on the Expo Line from the east of Scott Road station to King George which has reached the end of asset service life.	12,500	-	12,500	6,250	-	6,250
Expo Line Traction Power Equipment Replacement	Replace and recondition traction power equipment to current technology for 15 substations.	20,547	-	20,547	13,495	-	13,495
Expo Line Tunnels Ventilation System Rehabilitation	Condition assessment and design of tunnel ventilation systems requiring repair and upgrade for the Expo Line.	5,383	(451)	4,932	2,042	-	2,042
HandyDART Norland Facility	Implement improvements at a Norland Avenue leased property to accommodate the existing fleet of 66 HandyDART coaches and office trailers for the HandyDART contractor to operate Safety & Training departments and day-to-day operations.	4,749	-	4,749	4,346	-	4,346
Investments in Transit Priority on Priority Rapid Bus Corridors – Phase One and Two	Implement transit priority measures, upgrades to bus stops, terminals and depot improvements to accommodate service for various new and existing Rapid Bus Lines.	69,669	(4,010)	65,659	3,376	-	3,376
Knight Street Bridge - Deck & Sidewalk Rehab - Design and Implementation	Design and Implementation of: <ul style="list-style-type: none"> <li>Rehabilitation of the deck before the onset of corrosion</li> <li>Replace bearings before failure occurs and to support loading of sidewalk upgrades</li> <li>Implement sidewalk upgrades to meet modern standards</li> </ul>	17,500	-	17,500	7,927	-	7,927
New Simon Fraser University Exchange Contribution	Construct a new transit exchange and layover facility at Simon Fraser University to support a mutually agreed-upon vision for the Simon Fraser University Town Centre and integrated transit hub.	3,185	-	3,185	1,166	-	1,166
Next Generation SeaBus Performance Specification	The Burrard Beaver is exceeding its 40-year design life and has been identified for replacement in 2025. This project is to prepare a performance-based specification for the next generation SeaBus.	550	-	550	400	-	400
Noise Mitigation Solution	Installation of customized rail dampers on sections of the Expo and Millennium Lines, to mitigate high noise levels experienced on the railway lines.	3,460	-	3,460	916	-	916
Pattullo Bridge Upgrade	Design for structural seismic upgrade work on the Pattullo Bridge.	27,492	-	27,492	1,551	-	1,551
Phibbs Exchange Upgrade	Upgrade Phibbs bus exchange for safety and customer and vehicle capacity.	6,500	(3,750)	2,750	2,861	(588)	2,273
Port Coquitlam Transit Centre Infrastructure to Support BEBs	Provide the infrastructure to support 57 on-route charged BEBs to be based out of Port Coquitlam Transit Centre that is being purchased as an end-of-	30,604	(27,750)	2,854	12,938	(12,743)	195

Active and Approved in Principle (AIP) Capital Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TransLink Net Cost	Gross Cost	Less: Funding *	TransLink Net Cost
	life replacement for 57 buses due to be retired in 2023.						
Power Constructability Review and Cutover Planning	Safety improvements on the BC Parkway by improving the current conditions from Patterson Station to 22nd Street station.	2,000	-	2,000	1,310	-	1,310
Replace 3 Escalators	Replace three APTA/Transit grade escalators at Commercial Broadway Station.	10,506	(5,470)	5,036	1,585	(1,360)	225
RTC Roof Replacement	Replacement of roof membranes at RTC garage, depot admin area, fuel building, bus wash building, farebox building and facilities maintenance shed.	1,592	-	1,592	1,487	-	1,487
Running Rail Replacement – 2019 and 2021	Replace running rail that has reached the end of service life.	20,554	-	20,554	5,257	-	5,257
Safety Assurance for Rail Expansion	Safety assurance tasks required to certify the Broadway Subway for revenue service.	1,850	-	1,850	398	-	398
SeaBus Facility and Seawall Rehabilitation Year 1 of 2	Rehabilitation of the North & South SeaBus terminal and Seawall cathodic protection in order to maintain a state of good repair and improve customer experience. This rehabilitation will encompass the Seawall cathodic protection system, elements of the fendering system and the end-of-life mechanical components.	2,300	-	2,300	2,019	-	2,019
SkyTrain Roof Replacement	Detailed design and implementation activities for the replacement of four skylights at Stadium China Town Station; the roof replacement at Production Way, Surrey Central SkyTrain Station and up to three substations.	4,508	-	4,508	743	-	743
Station Access and Safety Project	Upgrades to infrastructure and systems to support the safe introduction of 5-car trains into service.	96,128	(63,160)	32,968	21,049	(20,976)	73
Tenant Improvement Construction for Compass Customer Service Centre	To relocate the Compass Customer Service Centre from Stadium-Chinatown Station to Waterfront Station ground floor and to move the WCE office from Waterfront Station second floor to Waterfront Station ground floor.	3,100	-	3,100	2,971	-	2,971
TransLink Owned Bicycle Infrastructure	Rehabilitate and upgrade regional cycling routes, bike parking at transit facilities and install bike counters across the region.	13,784	-	13,784	7,350	-	7,350
TOH On-Street Infrastructure State of Good Repair Program 2021	Continue the TOH Replacement Program to replace: 90-100 Poles; up to 2,100 m underground cable; 9-10 km running wire & 36-40 switch assemblies; and 1,700-2,500 hangers & ears.	4,607	-	4,607	1,070	-	1,070
TOH Rectifier Station State of Good Repair Program	Detailed design and implementation services for the replacement of Oakridge and the refurbishment of Southlands TOH rectifier stations.	10,007	-	10,007	3,549	-	3,549

Active and Approved in Principle (AIP) Capital Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TransLink Net Cost	Gross Cost	Less: Funding *	TransLink Net Cost
Waterfront Station Power Systems Upgrade	To upgrade power system core capacity from 400 KVA to 750 KVA.	7,097	-	7,097	5,074	-	5,074
WCE Locomotive Refurbishment	Refurbish and upgrade the five existing locomotives and one additional locomotive.	20,967	(19,017)	1,950	8,250	(8,195)	54
Westham Island Bridge - Howe Truss Replacement	Replace the Timber Howe Truss Span on Westham Island Bridge to address the limited redundancy and functional constraints of the existing bridge.	2,122	-	2,122	308	-	308
<b>Infrastructure Total</b>		<b>756,645</b>	<b>(345,441)</b>	<b>411,204</b>	<b>223,706</b>	<b>(109,151)</b>	<b>114,555</b>
<b>Major Construction</b>							
Broadway Subway Project (BSP)	TransLink and BCRTC support the construction and operation of the Millennium Line Broadway Extension; including final procurement preparation for the design and construction of Millennium Line Broadway Extension. Design for a new fibre optic cable from Lougheed Station to OMC1 (BSP), OMC1 to Lougheed Highway (OMC4 Project) and OMC1 to Columbia (SLS Project).	117,270	(74,656)	42,614	17,326	(17,326)	-
Broadway Subway Project Transit Plan	To build bypass TOH infrastructure for impacted bus routes during construction.	9,590	(9,590)	-	2,136	-	2,136
Expo Millennium Line Upgrades Program (EMUP) - Fleet Acquisition	Procure 205 new cars for the Expo and Millennium Lines as part of the Phase Two Investment Plan. The new SkyTrain cars are required to allow for the retirement of 150 Mark I Vehicles and to support capacity expansion to meet projected passenger demand.	884,265	(733,795)	150,470	85,843	(70,484)	15,3
EMUP - Optical Transportation Network	Improvements to the fibre optic network for SkyTrain communications.	11,228	(3,596)	7,632	1,020	(367)	653
EMUP - Rail Expansion Program Management	The Rail Expansion Program Management (REPM) was initiated to provide Program Management support to EMUP. It will also provide Systems Integration Services and Technical Integration Services.	5,000	(1,723)	3,277	2,752	(917)	1,835
EMUP - Propulsion Power Upgrades Expo and Millennium Lines - Design	Improvements to rectifier substations at several SkyTrain stations and OMC.	86,298	(80,435)	5,863	7,687	(7,547)	140
OMC 4 - Design and Implementation	Design and implementation of new maintenance facilities and associated site development work at OMC 4 in order to accommodate the expanded fleet and the additional rail-borne maintenance equipment for the expanded SkyTrain network.	658,270	(192,868)	465,402	93,131	(24,130)	69,001
SkyTrain Operation Control Centre	The design, construction and commissioning of a new/upgraded Operations Control Centre.	109,858	(54,902)	54,956	46,804	(30,332)	16,472
South of Fraser Rapid Transit	Design and development of the proposed Surrey-Langley LRT project to	38,953	-	38,953	4,903	-	4,903

Active and Approved in Principle (AIP) Capital Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TransLink Net Cost	Gross Cost	Less: Funding *	TransLink Net Cost
	connect the Surrey Central Station to the Langley City Centre; including bridge upgrade as part of early works for the South of Fraser transit improvements.						
Surrey-Langley SkyTrain (SLS) Project**	Design and development of a 16 km extension of the Expo Line SkyTrain system connecting Surrey Centre with Langley City Centre.	2,189,734	(708,429)	1,481,305	38,617	(11,797)	26,820
VCC 2/4 Border Relocation	VCC 2/4 Border Relocation was one of the six workstreams included in ATC 2020 but subsequently separated into a stand-alone project. Relocation of the VCC 2/4 border will be performed to accommodate operation efficiencies and improve system resiliency for the new OMC 4 entry via VCC 4 instead of VCC 2	9,000	(8,551)	449	2,048	(1,957)	91
<b>Major Construction Total</b>		<b>4,119,466</b>	<b>(1,868,545)</b>	<b>2,250,921</b>	<b>302,267</b>	<b>(164,857)</b>	<b>137,410</b>
<b>Technology</b>							
2018-2021 IT Infrastructure Refresh	Continued investment in technology infrastructure to renew capital leases, replace owned assets, accommodate new headcount and provide for growth.	26,098	-	26,098	14,769	-	14,769
2019 - 2021 Transportation Analytics Program	To provide ridership and congestion information and analytics to support BCRTC to optimize network performance through improved planning and operations.	500	-	500	500	-	500
Access Transit Trapeze PASS - Additional Modules	Implement additional Trapeze PASS modules: Itinerary Planning Assistant, Web Booking (PASS-WEB) and Operational Performance Monitoring/Reporting (ViewPoint).	1,660	-	1,660	1,501	-	1,501
BCRTC Enterprise Asset Management	Implement an Enterprise Asset Management system to enable the effective control of the SkyTrain system and maintenance processes.	58,781	-	58,781	26,923	-	26,923
BCRTC Payroll, Scheduling and Timekeeping	Modernizing BCRTC and WCE payroll systems through transition to the Enterprise Payroll Services.	5,485	-	5,485	1,661	-	1,661
BCRTC Software Application Renewal Program	Migration of enterprise software applications to SQL Server for data resiliency and usability.	1,369	-	1,369	1,369	-	1,369
Bus Daily Operations Management System (DOMS) Product Migration Planning	Migrate the DOMS to the vendor's next-generation software product, Trapeze OPS, to ensure that CMBC can maintain reliable conventional bus service delivery.	25,750	-	25,750	7,494	-	7,494
Claims Management System Replacement	Replace the current Claims Management system before the underlying technology becomes unsupported in October 2021.	812	-	812	64	-	64
CMBC CloudSuite Enterprise Asset Management (EAM) Implementation - Business Definition	As part of the ERP Program, migrate CMBC from their current Enterprise Asset Management platform to a Cloud solution. This project will develop CMBC's vision, strategic direction, future target operating model and	750	-	750	375	-	375

Active and Approved in Principle (AIP) Capital Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TransLink Net Cost	Gross Cost	Less: Funding *	TransLink Net Cost
	business rules & practices prior to migrating to CloudSuite EAM.						
Compass System Advancements	Ensure the performance, functionality and capacity of the Compass systems will meet those business and customer requirements that are identified to materially impact operational efficiency or customer satisfaction.	124	-	124	62	-	62
Enterprise Content Management	Implementation of standardized information management practices to ensure compliance with regulatory requirements and improve information access and retention.	1,000	-	1,000	1,000	-	1,000
Enterprise Emergency Communication System Implementation	Implement a system to notify and engage impacted stakeholder groups during an emergency event that might risk their safety, limit system use or otherwise cause disruption to services.	500	-	500	500	-	500
Enterprise Health and Safety System	Implementation of an enterprise health and safety system for consistent, automated and accurate reporting of incidents and improved management practices.	4,413	-	4,413	1,419	-	1,419
Enterprise IT Security Endpoint Protection System Implementation	Enterprise IT Security Endpoint Protection System Implementation	1,494	-	1,494	839	-	839
Finance Enterprise Resource Planning (ERP)	Implementation of a Finance and Supply Chain ERP business solution.	42,113	-	42,113	21,293	-	21,293
OMC 1 3rd Floor Server Room Upgrade	Upgrade and expansion to the Video Cassette Recorder room at OMC 1.	1,247	-	1,247	583	-	583
Provincial Digital Evidence Management Solution Implementation	The BC Public Safety & Justice System, under a Ministerial order, will implement a provincial digital evidence management solution across all police agencies, including Transit Police.	500	-	500	449	-	449
Technical Drawings and Library Management System (TDLS)	Implement a solution to manage technical drawings and documents across TransLink Enterprise and to replace the BCRTC Library Management System.	3,100	-	3,100	2,693	-	2,693
TransLink Enterprise Assets Management	Provide a strategic-level investment decision-support tool for enterprise assets.	6,362	-	6,362	815	-	815
<b>Technology Total</b>		<b>182,058</b>	<b>-</b>	<b>182,058</b>	<b>84,309</b>	<b>-</b>	<b>84,309</b>
<b>Vehicles</b>							
2020 Community Shuttle Expansion	Purchase nine Community Shuttle vehicles to expand community service.	2,471	(2,391)	80	2,471	(2,349)	122
2020 Conventional Bus Expansion	Purchase 68 expansion conventional buses required to implement Phase Two service expansion.	100,740	(97,784)	2,956	29,784	(29,253)	531
2020 Conventional Bus Replacement	Replacement of end-of-life Orion V model 2001 Highway buses with 25 ADI Double-decker buses.	32,500	(31,590)	910	13,000	(13,000)	-
2020 HandyDART Expansion	Purchase 10 HandyDART vehicles for service expansion.	1,600	(1,559)	41	1,596	(1,550)	46

Active and Approved in Principle (AIP) Capital Project Details		Total Project Budget			2022 Capital Cash Flow		
Classification and Project Name	Project Description	Gross Cost	Less: Funding *	TransLink Net Cost	Gross Cost	Less: Funding *	TransLink Net Cost
2020 HandyDART Vehicle Replacement	Replacement of 42 end-of-service HandyDART vehicles.	6,300	(6,130)	170	2,301	(2,274)	27
2021 BCRTC SSVs Expansion	Procure and outfit three SSVs (two compact utility vehicles and one forklift) required to provide transportation for staff and equipment used for day-to-day function and emergency responses. This is required due to the recent increase in BCRTC staff levels to maintain the current system.	241	-	241	156	-	156
2021 Community Shuttle Expansion	Purchase nine Community Shuttle vehicles to support the service expansion throughout Metro Vancouver as per Phase Two Investment Plan of the 10-year Mayors' Vision.	2,600	(2,440)	160	867	(867)	-
2021 Community Shuttle Replacement	Procure 53 Community Shuttle buses to replace existing shuttles that will reach the end of their useful service lives in 2021.	14,119	(13,690)	429	3,019	(2,856)	163
2021 Conventional Bus Expansion	Purchase 30 articulated 60' hybrids, 39 40' hybrids and nine 40' electric expansion buses.	111,790	(107,820)	3,970	10,226	(9,782)	444
2021 HandyDART Expansion***	Purchase ten HandyDART vehicles which will allow TransLink to implement service expansion as per the Mayors' Vision.	1,610	(1,560)	50	-	-	-
2021 HandyDART Replacement	Procure and replace 42 HandyDART vehicles that have reached the end of asset service life.	6,500	(6,380)	120	6,362	(6,202)	160
2023 Conventional Bus Replacement - 57 BEBs	Replace existing 57 40-foot buses which will reach the end of their useful service life in 2023 with BEBs.	88,740	(86,090)	2,650	100	(100)	-
Community Shuttle Replacement - 64 Buses	Replace existing 64 Community Shuttle buses which will reach the end of their useful service life in 2022.	15,900	(15,300)	600	15,084	(14,617)	467
COVID-19 IT Equipment Purchase	COVID-19 Equipment Purchase	778	-	778	20	-	20
MK I Skytrain car Refurbishment	Refurbishment of 36 MK I 500-800 series cars in order to allow the continuity of safe, reliable and comfortable SkyTrain services.	10,000	(9,700)	(300)	7,177	(6,848)	329
Replacement of 44 HandyDART Vehicles	Replace existing 44 HandyDART buses which will reach the end of their useful service life in 2022.	6,800	(6,540)	260	6,671	(6,499)	172
Replacement of six BCRTC SSVs	Replace six existing BCRTC SSVs which have reached the end of their useful service life.	411	(390)	21	409	(388)	21
Replacement of 22 CMBC SSVs	Replace existing 22 SSVs that have reached the end of their useful service life.	1,255	(1,235)	20	1,066	(1,066)	-
<b>Vehicles Total</b>		<b>404,355</b>	<b>(390,599)</b>	<b>13,756</b>	<b>100,309</b>	<b>(97,651)</b>	<b>2,658</b>
<b>Grand Total</b>		<b>5,893,428</b>	<b>(2,676,995)</b>	<b>3,216,433</b>	<b>901,206</b>	<b>(403,037)</b>	<b>498,169</b>

\* The funding sources include Federal Gas Tax, PTIF, ICIP and the City of Vancouver.

\*\* Surrey-Langley SkyTrain Project is subject to approval by the Mayors' Council through a formal new Investment Plan.

\*\*\* Project cash flows are expected to start in 2023.



## Capital Infrastructure Contributions

TransLink provides capital infrastructure contributions each year to the Metro Vancouver municipalities to fund rehabilitation and minor capital work on the MRN and bike pathways. TransLink will maintain substantially the same level of contributions to the MRN and bike pathway programs as in prior years. Work related to the program will begin in 2022, with the exception of the MRN Pavement Rehabilitation program. Invoicing will occur approximately one year after completion. TransLink is budgeting new capital contribution funding of \$86.9 million to municipalities for road and bike infrastructure. Projects already approved and underway have a budget of \$349.7 million, which with the 2022 capital infrastructure contributions, total \$436.6 million.

**Table 3: Capital Infrastructure Contribution Projects Planned for 2022 (\$ thousands)**

Classification and Project name	Project Description	Total Project Budget	2022 Capital Cash Flow
<b>2022 New Program</b>			
Expanding and upgrading the network of municipal designated (Regional) cycling routes (Expansion) (BICCS)	2022 contribution to member municipalities for the expansion of the cycling network in the region.	15,800	-
Major Road Network (MRN) Pavement Rehabilitation	2022 contribution to member municipalities for pavement rehabilitation.	25,701	25,444
Major Road Network (MRN) Structures - Seismic Upgrades (Expansion)	2022 contribution to member municipalities for rehabilitation and seismic upgrade needs of structures.	15,500	-
Major Road Network and Bike (MRNB) Capital Program	2022 contribution to member municipalities for upgrades to the road network and upgrades to the bike path network.	23,900	-
Walking Infrastructure to Transit (WITT)	2022 contribution to member municipalities for the expansion of the walking infrastructure network in the region.	6,000	-
<b>Grand Total</b>		<b>86,901</b>	<b>25,444</b>

**Table 4: Capital Infrastructure Contribution Projects Currently Underway (\$ thousands)**

Classification and Project name	Description	Total Project Budget	2022 Capital Cash Flow
<b>Active and Approved in Principle</b>			
2015 - 2021 Major Road Network and Bike (MRNB) Capital Program	2015 - 2021 contribution to member municipalities for upgrades to the road network and upgrades to the bike path network.	150,291	36,162
2017 - 2021 Walking Infrastructure to Transit (WITT)	2017 - 2021 contribution to member municipalities for the expansion of the walking infrastructure network in the region.	23,173	5,582
2018 - 2021 Bicycle Infrastructure Capital Cost (BICCS)	2018 - 2021 contribution to member municipalities for the expansion of the cycling network in the region.	64,413	16,644
2018 - 2021 Major Road Network (MRN) Structures - Seismic Upgrades Upgrade Program	2018 - 2021 contribution to member municipalities for rehabilitation and seismic upgrade needs of structures.	62,329	13,452
2019 & 2021 MRN Pavement Rehabilitation Program	2019 & 2021 contribution to member municipalities for pavement rehabilitation.	49,457	239
<b>Grand Total</b>		<b>349,663</b>	<b>72,079</b>

## 8. Changes in Financial Position

Consolidated Statement of Financial Position			
As at December 31 (\$ thousands)	2021 BUDGET	2022 BUDGET	Change Incr/(Decr)
Cash and cash equivalents	522,504	396,533	(125,971)
Accounts receivable	110,600	144,066	33,466
Loan receivable	64,670	-	(64,670)
Restricted cash and cash equivalents and investments	1,178,559	1,718,644	540,085
Investments	91,833	86,078	(5,755)
Debt reserve deposits	26,285	23,538	(2,747)
<b>Financial Assets</b>	<b>1,994,451</b>	<b>2,368,859</b>	<b>374,408</b>
Accounts payable and accrued liabilities	301,229	435,786	134,557
Debt	3,268,456	3,472,028	203,572
Deferred government transfers	1,226,620	1,593,292	366,672
Golden Ears Bridge contractor liability	1,013,077	999,512	(13,565)
Deferred concessionaire credit	432,565	409,355	(23,210)
Employee future benefits	157,148	143,171	(13,977)
Deferred revenue and deposits	102,046	69,837	(32,209)
Deferred lease inducements	13,772	12,795	(977)
<b>Liabilities</b>	<b>6,514,913</b>	<b>7,135,776</b>	<b>620,863</b>
<b>Net Debt</b>	<b>(4,520,462)</b>	<b>(4,766,917)</b>	<b>(246,455)</b>
Tangible capital assets	6,204,870	6,419,266	214,396
Supplies inventory	98,601	104,731	6,130
Prepaid expenses	26,200	32,889	6,689
<b>Non-Financial Assets</b>	<b>6,329,671</b>	<b>6,556,886</b>	<b>227,215</b>
<b>Accumulated Surplus</b>	<b>1,809,209</b>	<b>1,789,969</b>	<b>(19,240)</b>

### Financial Assets

Loan receivable represents outstanding proceeds from the 2016 sale of the Oakridge Transit Centre. The remaining balance is expected to be paid in 2022.

The restricted cash and investments primarily represent unspent government transfers and internally restricted amounts related to self-administered sinking funds, land reserve funds and funds segregated for Transportation Property and Casualty Co. Inc., TransLink's wholly owned captive insurance company. The purpose of the land reserve funds is to allow proceeds from the disposition of real property to be invested back into real property.

### Liabilities

Deferred government transfers represent the receipt of capital funding offset by the amortization and revenue recognition for government funding.

The Golden Ears Bridge contractor liability to finance the construction of the Golden Ears Bridge is payable over the term ending June 2041.

Deferred concessionaire credits represent the funding provided by the Canada Line Concessionaire. This balance is amortized to income on a straight-line basis over the operating term of the concessionaire agreement, which will expire in July 2040.

The expected increase in employee future benefits, which represent post-retirement and post-employment benefits, is due to the annual estimated current service cost and related interest. The post-retirement portion of this liability will draw down upon retirement of the employees.

## **Non-Financial Assets**

Planned capital spending during 2022 is expected to result in a net increase of \$214.4 million (3.5 per cent) in capital assets in comparison to the 2021 Budget. Projects forecasting significant spending in 2022 include Expo and Millennium Line upgrades, conventional bus vehicles and equipment, rail fleet expansion and refurbishment, station upgrades and rail infrastructure projects, including the Surrey Langley SkyTrain and OMC 4 storage facility.

## 9. Liquidity and Capital Resources

### Cash Flows and Liquidity

Unrestricted cash and investments are expected to decrease by \$131.7 million compared to the 2021 Budget. The decrease is due to the continuing effects of COVID-19 on TransLink's operations where cash outflows outpace cash inflows. There is no Senior Government Relief Funding expected in 2022. Capital program spending, net of Senior Government Funding, will be matched by bond issuances to maintain TransLink's unrestricted cash and investment balances at healthy levels by the end of 2022.

The following table shows TransLink's unrestricted cash and investments.

<b>UNRESTRICTED CASH AND INVESTMENTS</b>			
As at December 31	2021	2022	Change
(\$ thousands)	BUDGET	BUDGET	Incr/(Decr)
Cash and cash equivalents	522,504	396,533	(125,971)
Investments	91,833	86,078	(5,755)
<b>Total Unrestricted cash and investments</b>	<b>614,337</b>	<b>482,611</b>	<b>(131,726)</b>

### Restricted Funds

The unspent government transfers are used to fund qualifying capital expenditures.

<b>RESTRICTED CASH AND INVESTMENTS</b>			
As at December 31	2021	2022	Change
(\$ thousands)	BUDGET	BUDGET	Incr/(Decr)
Unspent government transfers	468,918	856,246	387,328
Green Bonds Proceeds	1,705	-	(1,705)
TPCC's investments	29,997	16,027	(13,970)
Restricted proceeds of real estate sales	234,508	304,908	70,400
Self administered sinking funds	443,431	541,463	98,032
<b>Total Restricted cash and investments</b>	<b>1,178,559</b>	<b>1,718,644</b>	<b>540,085</b>

### Net Debt

TransLink currently has three main sources of financing its assets: net direct debt, indirect P3 debt and Senior Government contributions. The latter is represented on the balance sheet as deferred government transfers.

Net direct debt is expected to increase by \$108.3 million due to the issuance of debt, partly offset by sinking fund contributions. The issuance of new debt in 2022 will help finance budgeted capital spending net of Senior Government contributions.

Net direct debt and indirect P3 debt of \$4.3 billion combined is expected to be \$71.5 million higher than the 2021 Budget. This debt is reflective of the capital-intensive nature of the organization and rapid growth to meet the transportation needs of the region. The projected net debt ratio of 262.6 per cent is within the debt to revenue policy maximum limit of 300 per cent for the 2022 Budget.

<b>FINANCING</b>			
As at December 31 (\$ thousands)	2021 BUDGET	2022 BUDGET	Change Incr/(Decr)
Debt	3,268,456	3,472,028	203,572
Less: Self-administered sinking funds	(443,431)	(541,463)	(98,032)
Less: Debt reserve deposits	(26,285)	(23,538)	2,747
<b>Net Direct Debt</b>	<b>2,798,740</b>	<b>2,907,027</b>	<b>108,287</b>
Golden Ears Bridge contractor liability	1,013,077	999,512	(13,565)
Deferred concessionaire credit	432,565	409,355	(23,210)
<b>Indirect P3 Debt</b>	<b>1,445,642</b>	<b>1,408,867</b>	<b>(36,775)</b>
<b>Subtotal Net Direct Debt and Indirect P3 Debt</b>	<b>4,244,382</b>	<b>4,315,894</b>	<b>71,512</b>
<b>Deferred Government Transfers</b>	<b>1,226,620</b>	<b>1,593,292</b>	<b>366,672</b>
Accounts payable and accrued liabilities	301,229	435,786	134,557
Deferred revenue and deposits	102,046	69,837	(32,209)
Employee future benefits	157,148	143,171	(13,977)
Deferred lease inducements	13,772	12,795	(977)
Less: Accounts receivable	(110,600)	(144,066)	(33,466)
Less: Loan receivable	(64,670)	-	64,670
<b>Other Financing</b>	<b>398,925</b>	<b>517,523</b>	<b>118,598</b>
<b>Total Financing</b>	<b>5,869,927</b>	<b>6,426,709</b>	<b>556,782</b>
Less: Other restricted cash and investments	(735,128)	(1,177,181)	(442,053)
Less: Unrestricted cash and investments	(614,337)	(482,611)	131,726
<b>PSAB Net Debt</b>	<b>4,520,462</b>	<b>4,766,917</b>	<b>246,455</b>

## Appendix I – Consolidated Financial Statements

The following statements are presented in accordance with Canadian Generally Accepted Accounting Principles for local governments, as recommended by the PSAB of the Chartered Professional Accountants of Canada.

### Consolidated Statement of Financial Position

<b>Consolidated Statement of Financial Position</b>			
as at December 31	2020	2021	2022
(\$ thousands)	ACTUAL	BUDGET	BUDGET
Cash and cash equivalents	397,571	522,504	396,533
Accounts receivable	893,870	110,600	144,066
Loan receivable	182,358	64,670	-
Restricted cash and cash equivalents and investments	1,033,354	1,178,559	1,718,644
Investments	96,059	91,833	86,078
Debt reserve deposits	28,565	26,285	23,538
<b>Financial Assets</b>	<b>2,631,777</b>	<b>1,994,451</b>	<b>2,368,859</b>
Accounts payable and accrued liabilities	374,319	301,229	435,786
Debt	3,035,241	3,268,456	3,472,028
Deferred government transfers	1,196,485	1,226,620	1,593,292
Golden Ears Bridge contractor liability	1,024,302	1,013,077	999,512
Deferred concessionaire credit	455,902	432,565	409,355
Employee future benefits	132,335	157,148	143,171
Deferred revenue and deposits	59,895	102,046	69,837
Deferred lease inducements	14,780	13,772	12,795
<b>Liabilities</b>	<b>6,293,259</b>	<b>6,514,913</b>	<b>7,135,776</b>
<b>Net Debt</b>	<b>(3,661,482)</b>	<b>(4,520,462)</b>	<b>(4,766,917)</b>
Tangible capital assets	5,573,970	6,204,870	6,419,266
Supplies inventory	89,233	98,601	104,731
Prepaid expenses	26,826	26,200	32,889
<b>Non-Financial Assets</b>	<b>5,690,029</b>	<b>6,329,671</b>	<b>6,556,886</b>
<b>Accumulated Surplus</b>	<b>2,028,547</b>	<b>1,809,209</b>	<b>1,789,969</b>

## Consolidated Statement of Operations

<b>Consolidated Statement of Operations</b>			
Twelve months ending December 31	2020	2021	2022
(\$ thousands)	ACTUAL	BUDGET	BUDGET
<b>Revenue</b>			
Taxation	849,986	888,774	933,012
Transit	385,934	421,548	619,339
Government transfers			
Senior Government Relief Funding	644,000	282,246	-
Senior Government funding	87,405	205,360	247,890
Golden Ears Bridge tolling replacement revenue	62,366	64,751	67,231
Development cost charges <sup>1</sup>	19,734	16,889	31,525
Amortization of deferred concessionaire credit	23,337	23,273	23,273
Investment income	53,763	46,715	44,996
Miscellaneous revenue	18,394	17,422	13,901
Gain/(Loss) on disposal of tangible capital assets	(10)	-	(200)
	<u>2,144,909</u>	<u>1,966,978</u>	<u>1,980,967</u>
<b>Expenses</b>			
Bus operations	760,611	844,162	864,215
Rail operations	316,507	360,290	374,648
Transit Police	40,668	44,296	46,073
Corporate operations	115,914	137,666	159,444
Roads and bridges	62,864	142,074	145,248
Sub-total Expenses, before amortization and interest	<u>1,296,564</u>	<u>1,528,488</u>	<u>1,589,628</u>
Amortization of tangible capital assets	229,450	249,942	258,400
Interest	189,339	180,469	179,836
	<u>1,715,353</u>	<u>1,958,899</u>	<u>2,027,864</u>
Surplus for the year	429,556	8,079	(46,897)
Accumulated surplus, beginning of year	1,598,990	1,801,130	1,836,866
<u>Accumulated surplus, end of year</u>	<u>2,028,546</u>	<u>1,809,209</u>	<u>1,789,969</u>

<sup>1</sup> Development cost charges are now separately reported from Taxation



## Consolidated Statement of Changes in Net Debt

<b>Consolidated Statement of Changes in Net Debt</b>			
Twelve months ending December 31 (\$ thousands)	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Surplus for the year	429,557	8,079	(46,897)
Acquisition of tangible capital assets	(422,176)	(654,296)	(798,991)
Amortization of tangible capital assets	229,450	249,942	258,400
Gain on disposal of tangible capital assets	10	-	200
Net proceeds from disposal of tangible capital assets	14	-	-
Write-down of tangible capital asset	-	-	-
	(192,702)	(404,354)	(540,391)
Change in supplies inventory	(4,677)	(7,300)	(9,106)
Change in prepaid expenses	4,084	(1,500)	(2,914)
	(593)	(8,800)	(12,020)
Decrease (increase) in net debt	236,262	(405,075)	(599,308)
Net debt, beginning of year	(3,897,744)	(4,115,387)	(4,167,609)
Net debt, end of year	(3,661,482)	(4,520,462)	(4,766,917)

## Consolidated Statement of Cash Flows

<b>Consolidated Statement of Cash Flows</b>			
Twelve months ending December 31 (\$ thousands)	2020 ACTUAL	2021 BUDGET	2022 BUDGET
Surplus for the year	429,557	8,079	(46,897)
Non-cash changes to operations	136,899	40,577	3,745
Net proceeds from disposal of assets held for sale	-	-	-
Changes in non-cash operating working capital	(647,516)	390,427	59,342
<b>Net changes in cash from operating transactions</b>	<b>(81,060)</b>	<b>439,083</b>	<b>16,190</b>
Purchase of tangible capital assets	(421,289)	(654,296)	(798,991)
Net proceeds from disposal of tangible capital assets	14	-	-
<b>Net changes in cash from capital transactions</b>	<b>(421,275)</b>	<b>(654,296)</b>	<b>(798,991)</b>
Decrease (increase) in restricted cash and investments	67,753	(147,200)	(50,861)
Increase in investments	(34,778)	-	-
Decrease (increase) in debt reserve deposits	(576)	2,271	2,736
<b>Net changes in cash from investment transactions</b>	<b>32,399</b>	<b>(144,929)</b>	<b>(48,125)</b>
Debt proceeds	650,000	300,000	600,000
Issue costs on financing	12,435	-	-
Repayments of debt	(364,855)	(64,321)	(62,114)
Repayments of Golden Ears Bridge contractor liability	(9,046)	(11,225)	(13,565)
Government transfers received for tangible capital additions	74,977	243,289	183,410
Lease inducements received	1,936	(1,008)	(983)
<b>Net changes in cash from financing transactions</b>	<b>365,447</b>	<b>466,735</b>	<b>706,748</b>
Increase in cash and cash equivalents	(104,489)	106,593	(124,178)
Cash and cash equivalents, beginning of year	502,060	415,911	520,711
<b>Cash and cash equivalents, end of year</b>	<b>397,571</b>	<b>522,504</b>	<b>396,533</b>

## Appendix II – Allocated Costs between Operating Companies

TransLink’s methodology for allocating costs to benefiting business units is equitable and consistent with leading practices. TransLink allocates costs to business units (Bus Operations, Access Transit, SkyTrain, West Coast Express and Transit Police) that directly benefit or consume the services or costs.

100 per cent of a cost may be allocated to a business unit if it is the only unit benefiting from or consuming that cost; or costs can be shared across multiple business units which benefit or consume the cost based on an allocation factor (for example, headcount, square footage). The charges that are allocated to the business units include administration, human resources, insurance, rent, property taxes and information technology.

The main drivers for increased allocated costs compared to the 2021 Budget are an increase in rental and property taxes. In addition, the cost of insurance is higher due to rate increases in 2022 and higher fare media costs as a result of higher ridership.

<b>Allocated Cost Breakdown</b>					
Twelve months ending December 31					
(\$ thousands)	2020	2021	2022	Change	
	ACTUAL	BUDGET <sup>1</sup>	BUDGET	Incr/(Decr)	%
<b>Shared Services</b>					
Bus operations	35,973	43,792	41,202	(2,590)	(5.9%)
Access Transit	119	134	145	11	8.2%
SkyTrain - Expo and Millennium Lines	7,367	7,449	9,917	2,468	33.1%
West Coast Express	106	284	261	(23)	(8.1%)
Transit Police	2,988	2,844	2,063	(781)	(27.5%)
Roads and bridges	8,051	5,843	4,392	(1,451)	(24.8%)
Corporate operations	(54,604)	(60,346)	(57,980)	2,366	3.9%
<b>Total Shared Services allocated</b>	-	-	-	-	-
<b>Costs Administered by TransLink and allocated to operating companies</b>					
Bus operations	15,829	18,558	22,240	3,682	19.8%
SkyTrain - Expo and Millennium Lines	3,901	4,681	5,300	619	13.2%
SkyTrain - Canada Line	2,438	2,839	3,503	664	23.4%
West Coast Express	404	452	777	325	71.9%
Transit Police	1,893	2,311	2,153	(158)	(6.8%)
<b>Total Costs Administered by TransLink allocated</b>	<b>24,465</b>	<b>28,841</b>	<b>33,973</b>	<b>5,132</b>	<b>17.8%</b>
Bus operations	51,802	62,350	63,442	1,092	1.8%
Access Transit	119	134	145	11	8.2%
SkyTrain - Expo and Millennium Lines	11,268	12,130	15,217	3,087	25.4%
SkyTrain - Canada Line	2,438	2,839	3,503	664	23.4%
West Coast Express	510	736	1,038	302	41.0%
Transit Police	4,881	5,155	4,216	(939)	(18.2%)
<b>Total costs allocated to operating companies from TransLink</b>	<b>71,018</b>	<b>83,344</b>	<b>87,561</b>	<b>4,217</b>	<b>5.1%</b>