



Financial and Performance Report

AS AT JUNE 30, 2022



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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.

A Note Regarding 2021 Comparative Data In This Report

Due to the unavailability of certain applications, certain datasets for 2021 conveyed within the body of this report are partially complete and/or compiled on a best-estimate basis. In those instances, that has been disclosed within the relevant sections.

1. Executive Summary

Building Transportation Excellence

Together with our partners, stakeholders, and operating companies, TransLink plans, finances and operates Metro Vancouver's transportation system network. We are dedicated to designing and delivering a transportation system that connects our customers, residents, businesses, and goods movers in a way that protects the environment and helps meet the unique needs of our region.

The second quarter of 2022 saw transit ridership and fare revenue continue its trajectory of recovery from the interruption caused by the Omicron COVID-19 wave at the beginning of the year. Ridership during the quarter once again surpassed previous highs, reaching 73 per cent of pre-COVID levels during June. Canada Day saw many people choosing transit to get to celebrations across Metro Vancouver after a two-year hiatus, with July 1st ridership reaching 83 per cent compared to pre-COVID levels, and for SeaBus it was even higher at 90 per cent. Nevertheless, as a result of earlier Omicron wave, and commuter ridership return proving slower than anticipated, we anticipate that ridership for the full year 2022 will be 70.0 per cent of pre-covid levels, lower than the 77.7 per cent budgeted but significantly above the 47.9 per cent for 2021.

Rebuilding ridership, while advancing our key priorities within a tight fiscal envelope, remains central to our focus. During the second quarter, we launched several key initiatives under the Customer Experience Action Plan, including the Bike Bus, providing greatly increased bicycle carrying capacity for the summer months along a key route, and the Ride and Shine campaign, encouraging people to explore the region by taking transit, cycling or walking. As we look ahead to meeting the region's needs beyond the pandemic, the second quarter of 2022 saw the release of Transport 2050: 10-Year Priorities, detailing the first decade of investments prioritized to support transportation needs of Metro Vancouver's growing population. We also continued to invest in our staff wellbeing, continuing the Future of Work program, and releasing a new Equity, Diversity and Inclusion eLearning program promoting allyship and courageous conversations.

The second quarter of 2022 also saw the approval and publication of TransLink's 2022 Investment Plan. The 2022 Investment Plan will advance key transit priorities including the Surrey Langley SkyTrain project, 500 new battery-electric buses and expanding current services across the network. Funding stabilization will be achieved through maintaining current bus levels until the next Investment Plan update and cost-saving measures, together with supplemental revenue streams including additional commercial revenues, carbon credits from our Low Carbon Fleet Strategy, a sustainable level of fare increases and Senior Government relief funding. The publication of the Investment Plan confirmed the replacement of the original Surrey Newton Guilford (SNG) Light Rail Transit project with the SLS; accordingly, in the second quarter TransLink recognized a \$44.9 million write-down of SNG project capital assets, together with \$14.6 million of deferred Senior Government funding related to the project.

For the first six months of 2022, excluding Senior Government relief funding and the net write-down of previously capitalized costs related to the Surrey Newton Guilford project, incurred a deficit of \$31.5 million, which is \$6.3 million favourable to budget. The variance is largely due to timing of capital infrastructure contributions, labour cost variances and taxation revenue. The recorded a surplus of \$114.2 million based on the Public Sector Accounting Board (PSAB) Standards basis is predominantly a result of the accounting treatment of \$176.0 million Senior Government relief funding received in 2022. While this funding is intended to help offset losses caused by the pandemic in 2023-2025, due to the requirements of PSAB accounting standards, the entire amount of relief funding was recorded in March 2022.

Excluding Senior Government relief funding and a write-down of previously capitalized costs, TransLink is forecasting a deficit of \$56.5 million for 2022, \$9.6 million larger than the \$46.9 million deficit anticipated in the budget. This is mainly a result of the re-baselining of fare revenue and ridership recovery caused by the Omicron variant, together with acute inflationary cost pressures, most notably in fuel, partly offset by favourable investment income resulting from a \$2.0 billion upfront payment of the future monthly Golden Ears Bridge foregone toll revenue replacement payments.

TransLink remains committed to providing safe, efficient and reliable transportation options, while developing and deploying the strategies necessary to maintain current service levels and keep the transit system infrastructure in a state of good repair.

2. Update on Key Priorities Achieved in Q2 2022

TransLink's paramount focus is to manage the financial impacts of COVID-19 as we look to carry on the strong progress in rebuilding ridership and managing the structural gap in revenue caused by the pandemic. Our four key corporate priorities ensure continued focus on the customer, our workforce and ensuring our infrastructure is maintained in a state of good repair, all within the current financial environment. In tandem, we continue to advance true and meaningful reconciliation with Metro Vancouver's Indigenous Peoples.

The following table is an update on corporate priorities for the second quarter of 2022.

Priority One: Rebuild Customer Ridership <i>TransLink will rebuild ridership by focusing on restoring public trust and confidence in transit as the economy recovers.</i>
<ul style="list-style-type: none">Released Transport 2050: 10-Year Priorities, detailing the first decade of investments prioritized to support transportation needs of Metro Vancouver's growing population. Key objectives include doubling regional bus service levels, adding new rapid transit on up to 11 corridors and exploring potential SkyTrain extensions.
<ul style="list-style-type: none">Installed braille and tactile signage at additional 1,700 bus stops during the quarter with a view to completing installation of signage at all 8,400 bus stops across the network by the end of 2022.
<ul style="list-style-type: none">Launched the Bike Bus initiative between Bridgeport Station and Tsawwassen Ferry Terminal, providing greatly increased bicycle capacity for the summer months, for customers travelling along one of our most popular routes.
<ul style="list-style-type: none">Under the ongoing Customer Experience Action Plan, we launched two key programs: Enhanced Arts and Culture and the TransLink Community Volunteer Program. The Enhanced Arts and Culture program includes the Art Moves music and performance series featuring award winning, professional musicians and performers across the system. The TransLink Community Volunteer Program is aimed at adding another welcoming presence and touchpoint for customers on our system and promoting and marketing current and upcoming projects and initiatives.
<ul style="list-style-type: none">Activated several formal partnerships with key Metro Vancouver corporations to encourage transit use and promote TransLink services alongside programs such as the 'Tap in to Win' campaign, which saw over 68,000 entries.
<ul style="list-style-type: none">Launched the 'Transit for the Planet' media and social media campaign to promote transit use on Earth Day and continued transit use for various special events. In addition, launched the Ride and Shine campaign, encouraging people to go car-free over summer, exploring the region by taking transit, cycling or walking.
<ul style="list-style-type: none">Completed the installation of WI-FI on 13 Mark II SkyTrains. Deployment of WI-FI on buses continues at Richmond Transit Centre, with 83 completed buses enabled with TransLink WI-FI.
<ul style="list-style-type: none">Introduced tariff amendment to recognize National Day of Truth and Reconciliation as a TransLink Statutory Holiday and enable off-peak fares. Enabling off-peak fares will allow Indigenous Peoples and others to take transit and gather for scheduled events on September 30 each year to acknowledge the tragic and ongoing impacts of the residential schools for survivors and their families.
<ul style="list-style-type: none">Strengthened Transit Police support to Indigenous Peoples through the ongoing work of the Transit Police - Indigenous Liaison Officer and the Blue Eagle Cadets, who participated in the National Indigenous Day celebration in Surrey in June, recognizing Indigenous culture and advancing Truth and Reconciliation.
<ul style="list-style-type: none">Enhanced safety and crime prevention initiatives through the Transit Police's Neighbourhood Police Officers (NPOs) return to in-person participation and enhanced focus on vulnerable persons, including the homeless and those in mental health crisis.

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.

- Recognized by the American Public Transportation Association with a Gold Award for Safety Excellence, in relation to the Zero Harm campaign launched by British Columbia Rapid Transit Company Ltd (BCRTC).
- Hybrid office workspace use in the Sapperton office went live as part of the Future of Work program, including a reservation system to enable employees to book desks or office spaces for their office activities. Sapperton was prepared with additional cleaning protocols, wayfinding signage created to help with co-locating teams, and updated desk equipment.
- Released the all-staff Equity, Diversity and Inclusion (EDI) eLearning program in April, with modules covering unconscious bias, and inclusive leadership through courageous conversation and allyship. In addition, the first TransLink EDI policy was created and adopted by the Board. EDI objectives were incorporated into the 2022 performance appraisal framework for the first time.
- Progressed the Recover At Work program, including development of a draft policy and delivery of injury form package to all injured workers. In addition, injury investigation and claims processes have been updated, and training and documentation has been issued, in an effort to prevent injuries before they occur.
- Created a staff mental health eLearning program as a component of the company-led training at the Enterprise UBC Leadership program, currently delivered to supervisors and managers. Other educational activities include the 'Courageous Conversation' series and promotional activities marking Mental Health Week.

Delivered a further three modules of the SafeStart pilot training project with Power and Plant staff. SafeStart is an advanced safety awareness and skills development program, which aims to help people avoid mistakes that lead to injury.

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

TransLink will proactively manage and maintain all assets in a state of good repair to ensure safety and reliability, optimize lifecycle costs and enhance the customer experience.

- Continued the Expo Line Escalator Replacement Project, with escalator replacements completed at four more stations in Q2. This is part of TransLink's critical investment into the system, which will keep escalators operating safely and reliably.
- Hosted climate change adaptation planning workshops with TransLink, CMBC and BCRTC staff and developed draft prioritized adaptation actions, with senior leadership to review and validate the draft plan.
- Created a tool to assist Operations & Service Analysis in identifying and taking action on performance issues impacting Coast Mountain Bus Company (CMBC) services. The new tool has been rolled out to Hamilton and Vancouver Transit Centres for trial and testing, with potential deployment in September 2022.
- Continued progress in Onboard Technology Assets Program (OTAP) revenue fleet rollout, with deployment completed at West Vancouver Transit Centre.
- Completed configuration and system integration testing of the BCRTC Enterprise Asset Management and Finance and Supply Chain deployment of the ERP Program.
- Completed expansion of one of the Operations and Maintenance Facilities, increasing train storage capacity along the Millennium Line by adding extra lanes at the facility, accommodating up to 30 more train cars at a time. Storing trains in a proper facility provides easier and more readily available cleaning and servicing of the trains, as well as reducing the potential risk of vandalism such as train tagging.

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- Completed seven Mark I floor replacements as part of the Mark I refurbishment project. West Coast Express (WCE) locomotive refurbishment continued with two additional locomotives in Q2.
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Priority Four: Achieve Financial Sustainability

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

- Published the 2022 Investment Plan, stabilizing funding for the next three years and advancing key transit priorities including the SkyTrain service to Langley and the low carbon fleet strategy. The Plan expands and improves service levels across the network to support the needs of the region in the post-pandemic recovery.
 - Completed installation of two state-of-the-art advertising systems in the Dunsmuir Tunnel, utilizing innovative technology to project advertisements onto SkyTrain windows, the first of its kind in North America.
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3. 2022 Second Quarter Financial Summary

CONSOLIDATED REVENUES AND EXPENSES Six months ended June 30 (\$ thousands)	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD	YTD	Budget Variance		Annual	Annual	Forecast Variance	
	2022	2022	Budget	Variance	2022	2022	Forecast	Variance
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q2 FORECAST	BUDGET ¹	Fav/(Unfav)	%
Revenue								
Taxation	478,008	461,737	16,271	3.5%	953,273	933,012	20,261	2.2%
Transit	253,950	284,050	(30,100)	(10.6%)	553,708	619,339	(65,631)	(10.6%)
Government transfers	291,141	152,683	138,458	90.7%	454,732	315,121	139,611	44.3%
Amortization of deferred concessionaire credit	11,541	11,541	-	-	23,273	23,273	-	-
Development cost charges	15,763	15,762	1	0.0%	25,957	31,525	(5,568)	(17.7%)
Investment Income	30,607	22,590	8,017	35.5%	103,674	44,996	58,678	130.4%
Miscellaneous revenue	8,632	6,406	2,226	34.7%	16,646	13,901	2,745	19.7%
Sub Total Continuing Operations	1,089,642	954,769	134,873	14.1%	2,131,263	1,981,167	150,096	7.6%
Gain (Loss) on disposal on tangible capital assets	1,039	(100)	1,139	> 200.0%	1,499	(200)	1,699	> (200.0%)
Total Revenue	1,090,681	954,669	136,012	14.2%	2,132,762	1,980,967	151,795	7.7%
Expenditures								
Bus Operations	421,143	426,685	5,542	1.3%	870,265	864,215	(6,050)	(0.7%)
Rail Operations	176,558	184,235	7,677	4.2%	372,311	374,648	2,337	0.6%
Transit Police	23,824	22,878	(946)	(4.1%)	46,767	46,358	(409)	(0.9%)
Corporate Operations	55,868	61,496	5,628	9.2%	119,323	125,945	6,622	5.3%
Roads & Bridges	40,314	71,982	31,668	44.0%	129,933	145,248	15,315	10.5%
Amortization of Capital Assets*	117,326	121,821	4,495	3.7%	251,682	258,400	6,718	2.6%
Interest*	89,879	88,917	(962)	(1.1%)	181,117	179,836	(1,281)	(0.7%)
Sub Total Continuing Operations	924,912	978,014	53,102	5.4%	1,971,398	1,994,650	23,252	1.2%
Corporate One-Time	51,544	14,477	(37,067)	> 200.0%	72,142	33,212	(38,930)	(117.2%)
Total Expenses	976,456	992,491	16,035	1.6%	2,043,542	2,027,862	(15,680)	(0.8%)
Surplus/(Deficit) for the period (PSAB)	114,225	(37,822)	152,047	> 200.0%	89,220	(46,895)	136,115	> (200.0%)

* Amortization and Interest shown separately to facilitate analysis

¹ 2022 Budget has been restated to reflect budget transfers during the course of the year

The PSAB surplus recorded in the first six months of 2022 was \$114.2 million, which is \$152.0 million favourable to budget. The surplus included Senior Government relief funding of \$176.0 million received in the first quarter of 2022 and previously deferred Senior Government funding of \$14.6 million related to the Surrey-Newton-Guildford (SNG) project, partly offset by a \$44.9 million write-down of capital assets related to the SNG project. The original Light Rail Transit project was replaced by the Surrey Langley SkyTrain (SLS) in the 2022 Investment Plan published in May; accordingly, previously capitalized costs associated with SNG were written down and \$14.6 million of deferred Senior Government funding related to the project was recognised in full. Excluding the Senior Government relief funding, accelerated recognition of Senior Government contribution related to the SNG project and the write-down of SNG costs, the PSAB deficit was \$6.3 million favourable to budget mainly due to timing of capital infrastructure contributions, savings from temporary vacancies and favourable taxation revenue.

Total revenue from continuing operations, excluding government transfers, was unfavourable to budget by \$3.6 million (0.4 per cent) mainly due to transit revenues, which were \$29.9 million (10.5 per cent) unfavourable to budget as a result of lower ridership, partly offset by higher taxation revenues, which were \$16.3 million (3.5 per cent) favourable to budget resulting from higher than expected driving levels and parking volumes. Higher investment income and higher miscellaneous revenue were also realized.

Total expenses, excluding the write-down of previously capitalized costs, were favourable to budget by \$60.9 million (6.1 per cent) mainly due to lower capital infrastructure contributions as a result of timing of municipalities' work completion, lower labour expenses as a result of temporary vacancies, timing of project expenditures, lower contracted services as a result of lower ridership and lower maintenance due to timing of expenses, partly offset by higher fuel costs driven by higher fuel prices, timing of computer software and equipment costs and higher interest expense due to lower interest capitalization during construction attributed to timing of capital spending.

The surplus for 2022 is forecast to be \$136.1 million favourable to budget. Excluding Senior Government relief funding, accelerated recognition of Senior Government contribution related to the SNG project and the write-down of SNG costs, a PSAB deficit of \$56.5 million is forecast, which is \$9.6 million unfavourable to budget. The unfavourable variance is mainly a result of anticipated lower transit revenue resulting from the impact of the Omicron variant at the beginning of the year, lower revenue recognized from government transfers for capital projects due to timing of vehicle deliveries and construction delays and higher fuel costs. The unfavourable variance

is expected to be partly offset by favourable investment income arising from \$2.0 billion upfront payment replacing future monthly Golden Ears Bridge foregone toll revenue payments, as well as savings from temporary vacancies and lower than anticipated capital infrastructure contributions resulting from timing of municipalities' work.

4. Key Performance Indicators

Financial Indicators

TransLink measures and monitors its financial indicators throughout the year.

FINANCIAL POLICIES AND INDICATORS				
(\$ thousands)	June 30	December 31	Change	
	2022	2021	Fav/(Unfav)	%
Unrestricted cash and investments	558,996	741,239	(182,243)	(24.6%)
Capital assets	5,688,668	5,704,158	(15,490)	(0.3%)
Net direct debt	(2,398,497)	(2,466,942)	68,445	2.8%
Indirect P3 debt	(1,427,688)	(1,445,706)	18,018	1.2%
Total net direct debt and indirect P3 debt	(3,826,185)	(3,912,648)	86,463	2.2%
Gross interest cost as a % of operating revenue ^{1,2}	11.8%	12.9%	1.1%	8.5%

¹ Includes operating expenditures (excluding municipal capital infrastructure contributions), interest expense and debt principal repayments.

² Operating revenue is total revenue less government transfers for capital projects, investment income and amortization of deferred concessionaire credit.

Unrestricted cash and investment balances decreased by \$182.2 million (24.6 per cent) in the first six months of 2022, due to regular net outflows from operations, partly offset by the receipt of \$176.0 million Senior Government relief funding.

Capital assets decreased by \$15.5 million (0.3 per cent) in the first six months of 2022 due to a write-down of \$44.9 million related to the Surrey-Newton-Guildford Light Rail Transit project, as well as a \$17.5 million transfer of land to assets held for sale, amortization of \$117.3 million and \$0.7 million of disposed assets. These decreases were partly offset by \$164.9 million in additions. Additions included SkyTrain system and infrastructure upgrades, electric and hybrid vehicle procurement, vehicle infrastructure improvements, SkyTrain vehicle milestone payments and technology upgrade projects.

Net direct debt decreased by \$68.4 million (2.8 per cent) due to scheduled debt payments, sinking fund contributions and reinvestment of sinking fund interest income during the first six months of 2022.

Indirect Public-Private Partnership (P3) debt, which includes the liability owed to the Golden Ears Bridge contractor and the Canada Line deferred concessionaire credit, declined by \$18.0 million (1.2 per cent) mainly due to the amortization of the Canada Line deferred concessionaire credit.

Gross interest cost as a percentage of operating revenues was 11.8 per cent and well within TransLink's 20 per cent policy. This indicator was 1.1 percentage points lower than in 2021 due to lower debt and higher operating revenues.

Operating Indicators

Operational trends include key performance metrics of service delivered to Metro Vancouver residents and transit ridership. TransLink continues to monitor and measure its performance in order to strengthen its operations and provide customers with a positive experience.

OPERATING INDICATORS							
Six months ended June 30	YTD	YTD	Change		YTD	Budget Variance	
	2022	2021	Fav/(Unfav)	%	2022	Fav/(Unfav)	%
	ACTUAL	ACTUAL			BUDGET		
Scheduled Transit Service							
Overall Performance Rating (out of 10)	8.0	8.3	(0.3)	(3.6%)	8.0	-	-
Service Hours ¹	3,489,209	3,468,193	21,016	0.6%	3,559,085	(69,876)	(2.0%)
Operating Cost Recovery ²	36.9%	30.0%	6.9%	23.0%	43.2%	(6.3%)	(14.6%)
Operating Cost per Capacity Km ³	\$0.105	\$0.120	\$0.015	12.5%	\$0.103	(0.002)	(1.9%)
Complaints per million Boarded Passengers ⁴	70.3	48.8	(21.5)	(44.1%)	78.6	8.3	10.6%
Access Transit Service							
Number of Trips	462,549	289,073	173,476	60.0%	694,100	(231,551)	(33.4%)
Operating Cost per Trip	\$56.46	\$81.79	\$25.33	31.0%	\$43.38	(\$13.08)	(30.2%)
Number of Trips Denied	126	11	(115)	> (200.0%)	120	(6)	(5.0%)
Complaints per one hundred thousand boarded passengers ⁵	226.7	153.4	(73.3)	(47.8%)	255.9	29.2	11.4%
Ridership (thousands)⁶							
Boarded Passengers	148,898	94,435	54,463	57.7%	170,753	(21,855)	(12.8%)
Journeys	88,202	54,463	33,739	61.9%	97,665	(9,463)	(9.7%)
Average Fare per Journey ⁷	\$2.72	\$3.08	(\$0.36)	(11.7%)	\$2.77	(\$0.05)	(1.8%)

¹ West Vancouver's 2021 service hours were restated to reflect the latest information.

² Includes operating costs of Bus, Rail, Transit Police and Corporate Ongoing. Excludes Corporate One-time, HandyDART, Amortization and Interest Expense.

³ Includes operating costs of Bus, Rail, and Transit Police. Excludes HandyDART, Amortization and Interest Expense.

⁴ In December 2020, TransLink was the victim of a cyberattack. Immediate action and protective measures were taken by TransLink including the shutdown of multiple network systems. As a result of the unavailability of certain applications, some datasets in the second quarter of 2021 were incomplete. TransLink was not able to capture complete complaints data from January 1 to June 30, 2021.

⁵ The ratio of HandyDART complaints per one hundred thousand boarded passengers has combined both the Operator Complaints with the Service Complaints as a percentage of trips metrics to remain consistent with the Year-End Financial and Performance Report.

⁶ The YTD 2021 ridership figures were restated at the end of 2021 to reflect final ridership figures.

⁷ Calculated using Total Fare Revenue.

Scheduled Transit Service

Scheduled transit service includes the following modes: Conventional Bus, Community Shuttle, SeaBus, SkyTrain and West Coast Express (WCE).

The overall system performance rating at the end of the first six months of 2022 was an average of 8.0 out of 10, which was lower than the same period in the prior year but at 2022 target. Increased ridership has resulted in higher volumes of occupancy in comparison to 2021, leading to a shift in perception of the quality of service being provided.

Service hours were 21,016 (0.6 per cent) higher than in 2021 mainly due to adjustments made to service in 2022. Compared to budget, service hours were 69,876 (2.0 per cent) lower than budget due to service adjustments for various bus routes as a result of lower than expected ridership recovery.

Operating cost recovery represents the percentage of transit revenues compared to total operating costs of Bus, Rail, Transit Police and Corporate (excluding One-time costs). In the first half of 2022, the cost recovery of 36.9 per cent was higher than the same period last year by 6.9 per cent, with increased ridership having a proportionately greater impact on operating revenues than on operating costs as a result of service levels having been right-sized for managing customer demand. Compared to budget, it was unfavourable by 6.3 per cent due to lower transit revenues as a result of the impact on ridership caused by the spread of the Omicron variant and slower recovery year-to-date than anticipated.

Operating cost per capacity kilometre decreased by 12.5 per cent compared to 2021 mainly due to increased capacity kilometers as a result of bus seating restrictions lifted on July 1, 2021, which were implemented on June 1, 2020, accommodating approximately two-thirds of a regular passenger load were lifted. Compared to budget, operating cost per capacity kilometre was 1.9 per cent unfavourable mainly due to the lower than expected capacity kilometres as a result of bus service adjustments and continued higher than planned use of lower capacity Mark I trains.

Complaints per million boarded passengers were 44.1 per cent higher than the same period in the prior year. This may be partly attributable to higher ridership which was 57.7 per cent higher over the same period of prior year. As a result of the December 2020 cyberattack, however, the incomplete nature of the dataset in 2021 impairs further analysis. Compared to budget, complaints per million boarded passengers were 10.6 per cent favourable, due to lower than planned ridership and a proportionately greater reduction in the number of complaints.

Access Transit Service

Access Transit provides door-to-door shared-ride service for customers with physical or cognitive disabilities who are unable to use conventional public transit without assistance.

The number of Access Transit trips provided in the first six months of 2022 was higher compared to the same period in 2021 (60.0 per cent) but was unfavourable compared to budget (33.4 per cent) due to the COVID-19 pandemic which has continued to significantly impact service demand in 2022. Whilst masks remain mandatory on HandyDART services, physical distancing protocols have been eliminated and full capacity has been available on the system since the third quarter of 2021. TransLink remains committed to ensuring that services are fully available for passengers unable to use conventional public transit without assistance. As such, the budgeted 2022 service levels were set at pre-pandemic levels.

Operating cost per trip decreased by \$25.33 (31.0 per cent) from \$81.79 in 2021 to \$56.46 in 2022. As costs are largely fixed and relatively consistent with 2021 this change was mainly due to an increase in trip demand compared to 2021. Operating cost per trip was unfavourable to budget by \$13.08 (30.2 per cent) largely due to lower than budgeted trip demand because of ongoing effects of COVID-19.

The number of trips denied increased compared to last year but remained low as service demand continues to be well below the service capacity. For the first six months of 2022, the number of denials represents less than 1.0 per cent of the total trips delivered.

Complaints per one hundred thousand boarded passengers were 47.8 per cent higher than the same period in the prior year. Whilst this increase is proportionally lower than the corresponding increase in the number of trips provided (60.0 per cent), driver behaviour and scheduling concerns continue to be a key area of focus. In an effort to improve the customer experience, First Transit deployed a driver behaviour program in November 2021 targeting Operators who had received more complaints than average. The program continues in 2022. HandyDART also continues to seek to optimize subscription trips and is working with taxi companies through refresher training. Additionally, the First Transit Customer Service Manager is working on a community engagement plan to bolster customer and community relationships.

Ridership

Boardings represent each time a passenger enters a fare paid zone using Compass fare media or other proof of payment, including transfers. For the first six months of 2022, total system boardings were 148.9 million, 57.7 per cent higher compared to the same period in 2021 and 12.8 per cent lower than budget. A journey represents a complete transit trip using Compass fare media or other proof of payment, regardless of the number of transfers. Total system journeys in the first quarter of 2022 were 88.2 million, 61.9 per cent higher compared to the same period in 2021 and 9.7 per cent lower than budget.

By the end of 2021, both boardings and journeys recovered to over 60 per cent of pre-COVID levels. Starting at the end of December 2021, the Provincial Health Officer imposed new restrictions to combat the spread of the Omicron variant. In early January, both boardings and journeys dropped back down to under 50 per cent of pre-COVID levels. After this initial drop, though, ridership quickly and steadily recovered. By the last week of the second quarter in

2022, both boardings and journeys had reached close to 73 per cent of pre-COVID: the highest level of recovery since the beginning of the pandemic.

The average fare per journey was \$2.72 for the first six months of 2022, a decrease of 11.7per cent from 2021 and 1.8 per cent lower than budget. This year-to-date average fare for 2022 is lower due to a greater-than-expected ridership increase by post-secondary students using U-Pass.

5. Consolidated Revenues

The following is a summary of consolidated revenues for the first half of 2022 compared to the budget.

CONSOLIDATED REVENUES Six months ended June 30 (\$ thousands)	YTD		ACTUAL TO BUDGET		Annual		FORECAST TO BUDGET	
	2022	2022	Budget Variance		2022	2022	Forecast Variance	
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q2 FORECAST	BUDGET	Fav/(Unfav)	%
Taxation								
Fuel	207,026	195,962	11,064	5.6%	408,127	395,745	12,382	3.1%
Property & Replacement	226,284	226,006	278	0.1%	452,291	452,014	277	0.1%
Parking Sales	33,330	28,468	4,862	17.1%	70,261	62,733	7,528	12.0%
Hydro Levy	11,368	11,301	67	0.6%	22,594	22,520	74	0.3%
Transit	253,950	284,050	(30,100)	(10.6%)	553,708	619,339	(65,631)	(10.6%)
Government transfers	291,141	152,683	138,458	90.7%	454,732	315,121	139,611	44.3%
Amortization of deferred concessionaire credit	11,541	11,541	-	-	23,273	23,273	-	-
Development cost charges	15,763	15,762	1	0.0%	25,957	31,525	(5,568)	(17.7%)
Investment Income	30,607	22,590	8,017	35.5%	103,674	44,996	58,678	130.4%
Miscellaneous revenue	8,632	6,406	2,226	34.7%	16,646	13,901	2,745	19.7%
Revenue Before Gain/(Loss) on Disposals	1,089,642	954,769	134,873	14.1%	2,131,263	1,981,167	150,096	7.6%
Gain (Loss) on disposal on tangible capital assets	1,039	(100)	1,139	> 200.0%	1,499	(200)	1,699	> (200.0%)
Total Revenue	1,090,681	954,669	136,012	14.2%	2,132,762	1,980,967	151,795	7.7%

The start of 2022 saw the COVID-19 Omicron wave, which necessitated extended restrictions from the Provincial Health Officer and set back our region's social and economic recovery. Whilst, from a low point of 50 per cent of pre-COVID levels in early 2022, ridership has continued to recover steadily and reached 72 per cent of pre-COVID in June, it has remained lower than anticipated in the budget and Monday to Friday peak volumes for commuter ridership have proven lower than anticipated. Transit revenues, while improving commensurate with ridership recovery, are \$30.1 million (10.6 per cent) unfavourable to budget for the year to date. This trend is expected to continue for the remainder of 2022, with transit revenues forecast to be \$65.6 million (10.6 per cent) unfavourable to budget for the year.

People of Metro Vancouver are returning to pre-COVID levels of activity but are now utilizing their transportation system in different ways. These changed patterns of movement are driving up non-transit revenue streams, with fuel tax revenue to the first half of 2022 being \$11.1 million (5.6 per cent) favourable to budget due to higher than anticipated gasoline and diesel sales, and parking sales tax being \$4.9 million (17.1 per cent) favourable to budget as people have increased their driving. This trend is expected to continue, with a forecast for 2022 taxation revenues of \$20.3 million (2.2 per cent) favourable variance to budget.

Government transfers were favourable due to \$176.0 million of additional Senior Government relief funding recognized in the first quarter. Total revenue from continuing operations, excluding government transfers was unfavourable to budget by \$3.6 million (0.4 per cent).

Total revenues are forecast to be favourable to budget by \$151.8 million (7.7 per cent) mainly due to the recognition of the entire amount of \$176.0 million Senior Government relief funding in 2022, favourable investment income (\$58.7 million) due to higher cash balances and interest rates, and favourable forecast revenues for taxation (\$20.3 million) primarily due to higher than anticipated fuel sales. These variances offset the unfavourable transit revenue forecast.

Taxation

TAXATION REVENUES Six months ended June 30 (\$ thousands)	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD 2022	YTD 2022	Budget Variance		Annual 2022	Annual 2022	Forecast Variance	
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q2 FORECAST	BUDGET	Fav/(Unfav)	%
Fuel	207,026	195,962	11,064	5.6%	408,127	395,745	12,382	3.1%
Property & Replacement	226,284	226,006	278	0.1%	452,291	452,014	277	0.1%
Parking Sales	33,330	28,468	4,862	17.1%	70,261	62,733	7,528	12.0%
Hydro Levy	11,368	11,301	67	0.6%	22,594	22,520	74	0.3%
Total Taxation	478,008	461,737	16,271	3.5%	953,273	933,012	20,261	2.2%

Taxation revenues are comprised of taxes collected on fuel, property and replacement taxes, parking sales tax and the hydro levy. Total taxation revenues for the first six months of 2022 were \$16.3 million (3.5 per cent) favourable to budget.

Driving levels were higher than anticipated in the first six months of 2022 as employees continued to increase their driving. Fuel tax revenue for the first six months of 2022 was \$11.1 million (5.6 per cent) favourable and parking sales tax revenue for the six months of 2022 was \$4.9 million (17.1 per cent) favourable to budget.

Taxation revenues are forecast to be \$20.3 million higher than budget mainly driven by higher fuel tax revenue and parking sales tax revenue, which are forecast to be \$12.4 million (3.1 per cent) and \$7.5 million (12.0 per cent) above budget, respectively. Driving levels are anticipated to remain elevated for the rest of the year with sustained in-class learning, increasing in-office work, retail and recreation travel as COVID-19 restrictions lifted.

Transit

TRANSIT REVENUES Six months ended June 30 (\$ thousands)	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	2022	2022	Budget Variance		2022	2022	Forecast Variance	
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q2 FORECAST	BUDGET	Fav/(Unfav)	%
Fares	177,751	209,429	(31,678)	(15.1%)	391,713	459,228	(67,515)	(14.7%)
Programs	61,810	61,438	372	0.6%	126,334	127,032	(698)	(0.5%)
Total Fare and Program Revenue	239,561	270,867	(31,306)	(11.6%)	518,047	586,260	(68,213)	(11.6%)
Other	14,389	13,183	1,206	9.1%	35,661	33,079	2,582	7.8%
Total Transit	253,950	284,050	(30,100)	(10.6%)	553,708	619,339	(65,631)	(10.6%)

Transit revenues include revenue related to fares and programs. Fares consist of single-use cash fares, Stored Value, DayPass and Monthly Pass products. Program revenues include the Government of BC Bus Pass and U-Pass BC revenues. Other transit revenues include advertising, rental, parking lot fees and fare infraction.

Total transit revenue was \$30.1 million (10.6 per cent) unfavourable to budget in the first six months of 2022 mainly due to the unanticipated delay to ridership recovery resulting from the COVID-19 Omicron variant, which precipitated a short-lived but rapid drop in ridership in early January. Ridership quickly recovered in February and since then has continued to steadily recover, with April and May ridership surpassing previous highs post-pandemic at around 70 per cent of pre-COVID levels in both months and reaching 73 per cent in June. However, the impact of the Omicron variant in the first quarter, combined with Monday to Friday peak volumes for commuter ridership not yet returning to the levels assumed in the budget due to slower return of the workforce to offices by transit, has resulted in fare revenue proving \$31.7 million (15.1 per cent) unfavourable to budget for the first six months of 2022. Boardings and journeys for the period were 12.8 per cent and 9.7 per cent unfavourable to budget, respectively.

Other transit revenue was favourable to budget by \$1.2 million (9.1 per cent) mainly due to higher property rental revenue. This trend is expected to largely continue over the remainder of the year, with other transit revenue forecast to be \$2.5 million (7.8 per cent) favourable to budget for 2022.

Total transit revenue is forecast to be \$65.6 million (10.6 per cent) unfavourable to budget due to the divergence of 2022 anticipated and actual trajectories of ridership recovery, triggered in January by the Omicron variant. The recovery is anticipated to continue at a steady and sustained pace, reaching a high of 76 per cent of pre-COVID levels in the Fall, short of the 82 per cent budgeted.

Government Transfers

Six months ended June 30 (\$ thousands)	GOVERNMENT TRANSFERS							
	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD 2022 ACTUAL	YTD 2022 BUDGET	Budget Variance		Annual 2022 Q2 FORECAST	Annual 2022 BUDGET	Forecast Variance	
		Fav/(Unfav)	%			Fav/(Unfav)	%	
Senior Government Relief Funding	176,000	-	176,000	-	176,000	-	176,000	-
Senior Government funding	81,882	119,344	(37,462)	(31.4%)	211,541	247,890	(36,349)	(14.7%)
Golden Ears Bridge tolling replacement revenue	33,259	33,339	(80)	(0.2%)	67,191	67,231	(40)	(0.1%)
Total Government Transfers	291,141	152,683	138,458	90.7%	454,732	315,121	139,611	44.3%

In the first six months of 2022, total government transfers were \$138.5 million (90.7 per cent) favourable to budget and are forecast to be \$139.6 million (44.3 per cent) favourable to budget, mainly due to recognition of \$176.0 million of Senior Government relief funding in March 2022 as required by the PSAB accounting standards. This new funding is aimed to help offset losses caused by the pandemic in 2023-2025.

Senior Government funding is funding for capital projects, and includes funds received from Greater Vancouver Regional Fund (GVRF), Canada Line funding, Building Canada Fund (BCF), Public Transit Infrastructure Fund (PTIF) and other miscellaneous programs. Senior Government funding was \$37.5 million (31.4 per cent) unfavourable to budget and is forecast to be \$36.3 million (14.7 per cent) unfavourable for the year, mainly due to the timing of vehicle deliveries and construction delays. These are attributable to global supply shortages, the 2021 flood event, quality concerns delaying the acceptance of vehicles and other issues experienced at the project planning stage affecting initiation. These factors have shifted the revenue recognition of government transfers. These unfavourable variances are offset by accelerated recognition of deferred PTIF funding related to the SNG project cancellation.

Development Cost Charges

Development cost charges (DCC) were consistent with budget for the first six months of 2022. DCC are forecast to be \$5.6 million (17.7 per cent) unfavourable to budget due to the expected delay in revenue recognition as a result of the timing of the qualifying capital projects funded by DCC.

Investment Income

Investment income was \$8.0 million (35.5 per cent) favourable to budget mainly due to higher interest income as a result of higher than budgeted cash and investment balances. The full year forecast is expected to be \$58.7 million (130.4 per cent) favourable to budget mainly due to interest income on the \$2.0 billion upfront payment of future monthly Golden Ears Bridge toll replacement payments.

Miscellaneous Revenue

Miscellaneous revenue was \$2.2 million (34.7 per cent) favourable to budget for the first six months of 2022 mainly due to an unanticipated payment from the Trans Mountain Pipeline for land and workspace use (\$1.8 million). Miscellaneous revenue is forecast to be \$2.7 million (19.7 per cent) favourable to budget due to payment received from Trans Mountain Pipeline, along with favourable recoveries arising from TransLink's sales of goods and services, CMBC warranties and miscellaneous SkyTrain revenues.

6. Consolidated Expenses by Segment

CONSOLIDATED EXPENSES BY SEGMENT Six months ended June 30 (\$ thousands)	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD 2022	YTD 2022	Budget Variance		Annual 2022	Annual 2022	Forecast Variance	
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q2 FORECAST	BUDGET ¹	Fav/(Unfav)	%
Bus Operations	421,143	426,685	5,542	1.3%	870,265	864,215	(6,050)	(0.7%)
Rail Operations	176,558	184,235	7,677	4.2%	372,311	374,648	2,337	0.6%
Transit Police	23,824	22,878	(946)	(4.1%)	46,767	46,358	(409)	(0.9%)
Corporate Operations	55,868	61,496	5,628	9.2%	119,323	125,945	6,622	5.3%
Roads & Bridges	40,314	71,982	31,668	44.0%	129,933	145,248	15,315	10.5%
Amortization of Capital Assets*	117,326	121,821	4,495	3.7%	251,682	258,400	6,718	2.6%
Interest*	89,879	88,917	(962)	(1.1%)	181,117	179,836	(1,281)	(0.7%)
Sub Total Continuing Operations	924,912	978,014	53,102	5.4%	1,971,398	1,994,650	23,252	1.2%
Corporate One-Time	51,544	14,477	(37,067)	> (200.0%)	72,142	33,212	(38,930)	(117.2%)
Total Expenses by Segment	976,456	992,491	16,035	1.6%	2,043,542	2,027,862	(15,680)	(0.8%)

* Amortization and Interest are shown separately to facilitate analysis

¹ 2022 Budget has been restated to reflect budget transfers during the course of the year

Bus Operations

TransLink's bus operating subsidiary, Coast Mountain Bus Company (CMBC), oversees the operations of conventional bus service, as well as Community Shuttle, SeaBus and Access Transit.

In the second quarter of 2022, CMBC continued work on accessibility initiatives including installing braille and tactile signage at additional 1,700 bus stops, taking the total to date to 2,500. Further progress was made on the Fleet Electrification pilot project, with the creation of a new tool to assist Operations & Service Analysis in identifying and taking action on performance issues impacting CMBC services. The new tool has been rolled out to Hamilton and Vancouver Transit Centres for trial and testing, with potential deployment in September 2022. CMBC also progressed on the Onboard Technology Assets Program (OTAP) roll-out to revenue fleet, with deployment completed at West Vancouver Transit Centre.

BUS OPERATIONS BY CATEGORY Six months ended June 30 (\$ thousands)	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD 2022	YTD 2022	Budget Variance		Annual 2022	Annual 2022	Forecast Variance	
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q2 FORECAST	BUDGET	Fav/(Unfav)	%
Administration	10,726	10,242	(484)	(4.7%)	23,847	24,247	400	1.6%
Contracted Services	37,967	41,638	3,671	8.8%	81,769	83,604	1,835	2.2%
Fuel and Power	36,185	30,405	(5,780)	(19.0%)	75,812	59,409	(16,403)	(27.6%)
Insurance	8,418	8,654	236	2.7%	16,930	17,551	621	3.5%
Maintenance, Materials and Utilities	39,411	38,246	(1,165)	(3.0%)	82,587	79,358	(3,229)	(4.1%)
Professional and Legal	1,247	2,371	1,124	47.4%	4,645	4,682	37	0.8%
Rentals, Leases and Property Tax	8,705	9,253	548	5.9%	18,751	19,130	379	2.0%
Salaries, Wages and Benefits	278,484	285,876	7,392	2.6%	565,924	576,234	10,310	1.8%
Total Expenses by Category	421,143	426,685	5,542	1.3%	870,265	864,215	(6,050)	(0.7%)

For the six months ended June 30, 2022, the Bus Operations expenses were \$5.5 million (1.3 per cent) favourable to budget mainly due to labour savings as a result of temporary vacancies and lower Access Transit contract costs due to fewer HandyDART trips delivered. The favourable variance was partly offset by increased fuel and material parts prices resulting from global supply constraints.

Bus Operations expenses are forecast to be \$6.1 million (0.7 per cent) unfavourable for the year mainly due to higher fuel and material parts prices. The unfavourable variance is partly offset by lower labour costs as a result of temporary vacancies and lower service demand in Access Transit.

Service Delivery

BUS OPERATIONS							
Six months ended June 30	YTD 2022	YTD 2021	Change		YTD 2022	Budget Variance	
	ACTUAL	ACTUAL	Fav/(Unfav)	%	BUDGET	Fav/(Unfav)	%
SERVICE HOURS							
CMBC Operations	2,612,227	2,600,700	11,527	0.4%	2,680,156	(67,929)	(2.5%)
Conventional Bus	2,334,064	2,325,308	8,756	0.4%	2,389,490	(55,426)	(2.3%)
Community Shuttle	271,247	269,553	1,694	0.6%	283,409	(12,162)	(4.3%)
SeaBus	6,916	5,839	1,077	18.4%	7,257	(341)	(4.7%)
Contracted Transit Services	118,909	119,653	(744)	(0.6%)	120,092	(1,183)	(1.0%)
West Vancouver ¹	59,933	60,132	(199)	(0.3%)	57,765	2,168	3.8%
Contract Community Shuttle	58,976	59,521	(545)	(0.9%)	62,327	(3,351)	(5.4%)
Conventional Transit Service Hours	2,731,136	2,720,353	10,783	0.4%	2,800,248	(69,112)	(2.5%)
SERVICE KILOMETRES							
CMBC Operations	49,949,084	50,876,030	(926,946)	(1.8%)	51,594,199	(1,645,115)	(3.2%)
Conventional Bus	44,708,260	45,339,677	(631,417)	(1.4%)	46,060,453	(1,352,193)	(2.9%)
Community Shuttle	5,148,513	5,457,418	(308,905)	(5.7%)	5,435,920	(287,407)	(5.3%)
SeaBus	92,311	78,935	13,376	16.9%	97,826	(5,515)	(5.6%)
Contracted Transit Services	2,443,977	2,434,597	9,380	0.4%	2,460,848	(16,871)	(0.7%)
West Vancouver ¹	1,129,878	1,134,175	(4,297)	(0.4%)	1,091,692	38,186	3.5%
Contract Community Shuttle	1,314,099	1,300,422	13,677	1.1%	1,369,156	(55,057)	(4.0%)
Conventional Transit Service Kilometres	52,393,061	53,310,627	(917,566)	(1.7%)	54,055,047	(1,661,986)	(3.1%)
CAPACITY KILOMETRES							
CMBC Operations	2,711,479,290	1,834,062,960	877,416,330	47.8%	2,841,995,474	(130,516,184)	(4.6%)
Conventional Bus	2,552,375,174	1,726,484,194	825,890,980	47.8%	2,673,870,384	(121,495,210)	(4.5%)
Community Shuttle	123,564,312	87,318,688	36,245,624	41.5%	130,462,080	(6,897,768)	(5.3%)
SeaBus	35,539,804	20,260,078	15,279,726	75.4%	37,663,010	(2,123,206)	(5.6%)
Contracted Transit Services	88,032,268	58,612,585	29,419,683	50.2%	87,444,344	587,924	0.7%
West Vancouver ¹	56,493,885	37,805,830	18,688,055	49.4%	54,584,600	1,909,285	3.5%
Contract Community Shuttle	31,538,383	20,806,755	10,731,628	51.6%	32,859,744	(1,321,361)	(4.0%)
Conventional Transit Capacity Kilometres	2,799,511,559	1,892,675,546	906,836,013	47.9%	2,929,439,818	(129,928,259)	(4.4%)

¹ West Vancouver's 2021 service hours, service and capacity kilometres were restated to reflect the latest information.

For the first six months of 2022, actual service hours delivered were 69,112 (2.5 per cent) unfavourable to budget, service kilometres were 1,661,986 (3.1 per cent) unfavourable and capacity kilometres were 129,928,259 (4.4 per cent) unfavourable. The lower service hours and kilometres mainly resulted from frequency reductions in various routes as a result of ridership changes due to the continued impact of COVID-19.

ACCESS TRANSIT							
Six months ended June 30	YTD 2022	YTD 2021	Change		YTD 2022	Budget Variance	
	ACTUAL	ACTUAL	Fav/(Unfav)	%	BUDGET	Fav/(Unfav)	%
Service Kilometres	4,239,216	3,965,079	274,137	6.9%	5,297,949	(1,058,733)	(20.0%)
Access Transit Trips							
Trips - HandyDART	403,157	280,728	122,429	43.6%	617,875	(214,718)	(34.8%)
Trips - Taxi Supplement	59,392	8,345	51,047	611.7%	76,225	(16,833)	(22.1%)
Total Access Transit Trips	462,549	289,073	173,476	60.0%	694,100	(231,551)	(33.4%)

Total Access Transit trips provided in the first six months of 2022 were 231,551 (33.4 per cent) lower than budget. While trips have been significantly reduced since March 2020 due to the COVID-19 pandemic which continues to significantly impact demand in 2022, TransLink remains committed to ensuring that services are fully available for passengers unable to use conventional public transit without assistance. As such, budgeted 2022 service levels were set at pre-pandemic levels.

Rail Operations

The Rail operating company, 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 as well as the West Coast Express (WCE) commuter rail service. In addition, BCRTC manages TransLink’s agreement with In Transit BC for the operation and maintenance of the Canada Line.

In the second quarter of 2022, BCRTC was recognized by the American Public Transportation Association with a Gold Award for Safety Excellence, in relation to the Zero Harm campaign. In addition, a further three modules of the SafeStart pilot training project were delivered, involving Power and Plant staff. SafeStart is an advanced safety awareness and skills development program, which aims to help people avoid mistakes that lead to injury. Customer experience improvements continued in SkyTrain stations with work on the Expo Line Escalator Replacement Project. Escalators were replaced at a further four stations during the quarter, as a part of TransLink’s ongoing investment into the system, which will keep escalators operating safely and reliably.

RAIL OPERATIONS BY CATEGORY Six months ended June 30 (\$ thousands)	YTD		ACTUAL TO BUDGET		Annual		FORECAST TO BUDGET	
	2022	2022	Budget Variance		2022	Annual	Forecast Variance	
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q2 FORECAST	BUDGET	Fav/(Unfav)	%
Administration	3,501	3,480	(21)	(0.6%)	8,349	8,079	(270)	(3.3%)
Contracted Services	66,604	66,868	264	0.4%	136,206	135,538	(668)	(0.5%)
Fuel and Power	8,210	8,105	(105)	(1.3%)	16,309	16,162	(147)	(0.9%)
Insurance	3,348	3,546	198	5.6%	6,721	7,344	623	8.5%
Maintenance, Materials and Utilities	27,555	29,848	2,293	7.7%	60,163	59,569	(594)	(1.0%)
Professional and Legal	1,089	2,109	1,020	48.4%	4,291	4,052	(239)	(5.9%)
Rentals, Leases and Property Tax	962	1,025	63	6.1%	2,006	2,046	40	2.0%
Salaries, Wages and Benefits	65,289	69,254	3,965	5.7%	138,266	141,858	3,592	2.5%
Total Expenses by Category	176,558	184,235	7,677	4.2%	372,311	374,648	2,337	0.6%

For the six months ended June 30, 2022, Rail operating expenses were \$7.7 million (4.2 per cent) favourable to budget mainly due to lower labour costs resulting from temporary vacancies, the timing of maintenance activities and professional services, and lower contracted services costs, partly offset by higher Canada Line contract inflation and unfavourable diesel fuel prices.

Rail operating expenses are forecast to be \$2.3 million (0.6 per cent) favourable to budget mainly due to savings from temporary vacancies and lower insurance costs, partly offset by higher Canada Line contract inflation, increased maintenance activities, higher consulting services and higher diesel fuel prices.

Service Delivery

RAIL OPERATIONS							
Six months ended June 30	YTD 2022	YTD 2021	Change		YTD 2022	Budget Variance	
	ACTUAL	ACTUAL ¹	Fav/(Unfav)	%	BUDGET	Fav/(Unfav)	%
SERVICE HOURS							
SkyTrain: Expo & Millennium Lines	642,966	642,867	99	0.0%	643,887	(921)	(0.1%)
SkyTrain: Canada Line	107,082	97,850	9,232	9.4%	106,918	164	0.2%
West Coast Express	8,024	7,121	903	12.7%	8,032	(8)	(0.1%)
Rail Operations Service Hours	758,072	747,838	10,234	1.4%	758,837	(765)	(0.1%)
SERVICE KILOMETRES							
SkyTrain: Expo & Millennium Lines	25,911,476	25,907,466	4,010	0.0%	25,948,672	(37,196)	(0.1%)
SkyTrain: Canada Line	3,439,999	3,143,445	296,554	9.4%	3,434,806	5,193	0.2%
West Coast Express	303,090	268,131	34,959	13.0%	302,669	421	0.1%
Rail Operations Service Kilometres	29,654,565	29,319,042	335,523	1.1%	29,686,147	(31,582)	(0.1%)
CAPACITY KILOMETRES							
SkyTrain: Expo & Millennium Lines	2,260,319,961	2,271,020,344	(10,700,383)	(0.5%)	2,335,407,622	(75,087,661)	(3.2%)
SkyTrain: Canada Line	482,777,337	441,158,337	41,619,000	9.4%	482,048,635	728,702	0.2%
West Coast Express	44,736,025	39,576,150	5,159,875	13.0%	44,673,913	62,112	0.1%
Rail Operations Capacity Kilometres	2,787,833,323	2,751,754,831	36,078,492	1.3%	2,862,130,170	(74,296,847)	(2.6%)

¹ In December 2020, TransLink was the victim of a cyberattack. Immediate action and protective measures were taken by TransLink including the shutdown of multiple network systems. As a result, due to the unavailability of certain applications, service hours, service kilometres and capacity kilometres estimated for January to June 2021 are based on the best available data at the time of reporting.

Service kilometres and service hours for the Expo and Millennium Lines for the first half of 2022 both were slightly lower than budget. As a result, service kilometres were below budget by 37,196 (0.1 per cent) and service hours were lower than budget by 921 (0.1 per cent). Capacity kilometres for the Expo and Millennium Lines were also lower than budget by 75,087,661 (3.2 per cent) due to higher than planned use of Mark I trains that provide more vehicle kilometres but offer less capacity than the other trains in the fleet mix.

Canada Line's actual service indicators were above budget by 0.2 per cent during the first half of 2022. Compared to the first half of 2021, the service level indicators are up by 9.4 per cent as a result of adjustments to service for expected ridership increases.

West Coast Express operated four trains with a total of 20 cars per day in each direction at the end of June 2022. Two cars had been added back in service at the end of May due to increasing demand. 2022 budget assumed four trips per day with 18 cars in each direction. For the first six months of 2022, service kilometres were 0.1 per cent above budget as were capacity kilometres. Service hours were 0.1 per cent below budget.

Police Operations

Mandated by the Solicitor General as a Designated Policing Unit, Transit Police preserves and protects peace throughout the transit system. Working in collaboration with local police services, officers aim to prevent crime and offences against the law, aid in the administration of justice and enforce the laws of British Columbia.

In the second quarter of 2022, Transit Police educated staff on the new 2022-2026 Strategic Plan, "Safety for all transit users in Metro Vancouver" and assigned leaders for the strategic objectives. The plan centres on three Pillars: Cross-Regional Policing, Engaged Community Partners and Modern Policing Culture.

In the second quarter of 2022, the Transit Police's Neighbourhood Police Officers (NPOs) were able to return to in-person participation in safety and crime prevention events and initiatives, and enhance their focus on vulnerable persons, including the homeless and those in mental health crisis. NPOs collaborated with various police and community partners and Waterfront Community Policing Office volunteers on safety projects across the system and around transit locations to help increase feelings of safety and security. This included special engagement with seniors, both new and returning passengers.

Transit Police continued to promote transit safety tips and the ‘See Something Say Something’ campaign, encouraging riders and the public to observe and report any suspicious activity in and around transit stations. In addition, Transit Police strengthened support to Indigenous Peoples through the ongoing work of the Transit Police Indigenous Liaison Officer and the Blue Eagle Cadets, who also participated in the National Indigenous Day celebration in Surrey in June, recognizing Indigenous culture and advancing Truth and Reconciliation.

POLICE OPERATIONS BY CATEGORY	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD	YTD	Budget Variance		Annual	Annual	Forecast Variance	
	2022	2022			2022	2022		
	Six months ended June 30 (\$ thousands)	ACTUAL	BUDGET	Fav/(Unfav)	%	Q2 FORECAST	BUDGET ¹	Fav/(Unfav)
Administration	1,628	1,347	(281)	(20.9%)	3,170	3,081	(89)	(2.9%)
Insurance	44	73	29	39.7%	121	146	25	17.1%
Maintenance, Materials and Utilities	852	692	(160)	(23.1%)	1,470	1,356	(114)	(8.4%)
Professional and Legal	133	199	66	33.2%	359	380	21	5.5%
Rentals, Leases and Property Tax	1,069	1,132	63	5.6%	2,229	2,266	37	1.6%
Salaries, Wages and Benefits	20,098	19,435	(663)	(3.4%)	39,420	39,129	(291)	(0.7%)
Total Expenses by Category	23,824	22,878	(946)	(4.1%)	46,767	46,358	(409)	(0.9%)

¹ 2022 Budget has been restated to reflect budget transfers during the course of the year

For the six months ended June 30, 2022, Transit Police operating expenses were \$0.9 million (4.1 per cent) unfavourable to budget mainly due to higher salary costs resulting from the timing of benefit costs, as well as timing of training and computer software and equipment costs, and higher vehicle repair and fuel costs.

Transit Police operating expenses are forecast to be \$0.4 million (0.9 per cent) unfavourable to budget mainly due to higher salary costs and costs associated with addressing emergent information technology issues. Vehicle operating costs are also expected to be higher due to increased prices of gasoline and the delayed timing of replacement vehicles.

Corporate Operations

TransLink corporate operations support the operating subsidiaries with a focus on planning, project delivery and achieving enterprise priorities.

In the second quarter of 2022, several key initiatives were launched as part of our Customer Experience Action Plan. These included the Bike Bus, providing greatly increased bicycle carrying capacity for the summer months along a key route, and the TransLink Community Volunteer Program, aimed at adding another welcoming presence and touchpoint for customers on our system, and promoting current and upcoming projects and initiatives.

The second quarter of 2022 also saw the release of Transport 2050: 10-Year Priorities, detailing the first decade of investments prioritized to support transportation needs of Metro Vancouver's growing population. Key objectives include doubling regional bus service levels, adding new rapid transit on up to 11 corridors and exploring potential SkyTrain extensions. The 2022 Investment Plan was published in May, stabilizing funding for the next three years and advancing key transit priorities including the SkyTrain service to Langley and the low carbon fleet strategy. We continued to invest in our staff wellbeing, continuing the Future of Work program, with a gradual return to worksites, and releasing a new Equity, Diversity and Inclusion eLearning promoting allyship and courageous conversations.

CORPORATE OPERATIONS BY CATEGORY	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD	YTD	Budget Variance		Annual	Annual	Forecast Variance	
	2022	2022			2022	2022		
	Six months ended June 30 (\$ thousands)	ACTUAL	BUDGET	Fav/(Unfav)	%	Q2 FORECAST	BUDGET ¹	Fav/(Unfav)
Administration	10,050	9,832	(218)	(2.2%)	22,182	22,481	299	1.3%
Contracted Services	7,918	7,949	31	0.4%	15,867	15,898	31	0.2%
Insurance	194	235	41	17.4%	438	490	52	10.6%
Maintenance, Materials and Utilities	1,047	1,033	(14)	(1.4%)	2,137	2,060	(77)	(3.7%)
Professional and Legal	4,038	5,522	1,484	26.9%	13,085	12,716	(369)	(2.9%)
Rentals, Leases and Property Tax	6,909	7,079	170	2.4%	13,802	14,089	287	2.0%
Salaries, Wages and Benefits	25,712	29,846	4,134	13.9%	51,811	58,211	6,400	11.0%
Total Expenses by Category	55,868	61,496	5,628	9.2%	119,323	125,945	6,622	5.3%

¹ 2022 Budget has been restated to reflect budget transfers during the course of the year

For the first six months of 2022, expenses were \$5.6 million (9.2 per cent) favourable to budget. The favourable variance was mainly due to savings from temporary vacancies, timing of professional fees and lower property taxes and rental costs, partly offset by the timing of computer software and equipment costs.

Corporate operations are forecast to be \$6.6 million (5.3 per cent) favourable to budget mainly due to vacancy savings, savings in credit card fees due to reduced ridership and lower rental costs. The favourable variance is reduced by higher professional fees as a result of more work in Adjacent Integrated Development. Recoveries from external developers related to these costs are recorded in Other Transit revenue.

Roads and Bridges

In the second quarter of 2022, TransLink's Roads and Bridges operations team tendered work for the Knight Street Bridge deck rehabilitation.

ROADS & BRIDGES OPERATIONS BY CATEGORY Six months ended June 30 (\$ thousands)	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD 2022	YTD 2022	Budget Variance		Annual 2022	Annual 2022	Forecast Variance	
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q2 FORECAST	BUDGET	Fav/(Unfav)	%
Administration	14	20	6	30.0%	39	44	5	11.4%
Capital Infrastructure contributions	16,926	47,696	30,770	64.5%	79,849	95,393	15,544	16.3%
Contracted Services	2,896	2,926	30	1.0%	5,852	5,876	24	0.4%
Insurance	660	656	(4)	(0.6%)	1,316	1,313	(3)	(0.2%)
Maintenance, Materials and Utilities	18,502	19,062	560	2.9%	39,878	39,455	(423)	(1.1%)
Professional and Legal	547	494	(53)	(10.7%)	1,048	1,022	(26)	(2.5%)
Rentals, Leases and Property Tax	91	230	139	60.4%	385	383	(2)	(0.5%)
Salaries, Wages and Benefits	678	898	220	24.5%	1,566	1,762	196	11.1%
Total Expenses by Category	40,314	71,982	31,668	44.0%	129,933	145,248	15,315	10.5%

Total expenditures for Roads and Bridges in the second quarter of 2022 were \$31.7 million (44.0 per cent) lower than to budget mainly due to the timing of municipalities' work, resulting in lower than anticipated capital infrastructure contributions to municipalities and timing of Major Road Network (MRN) Operations and Maintenance projects.

Total expenditures for Roads and Bridges are forecast to be \$15.3 million (10.5 per cent) lower than budget mainly due to timing of municipalities' work, resulting in lower than anticipated capital infrastructure contributions, partly offset by higher maintenance expenses due to the scope of RapidBus project R6 being moved forward, increasing the activity in 2022.

Amortization

Amortization was \$4.5 million (3.7 per cent) lower than budget primarily due to timing delays of the delivery and final acceptance of vehicles caused by COVID-19 procurement delays and quality concerns delaying the acceptance of vehicles.

Amortization is forecast to be \$6.7 million (2.6 per cent) lower than budget primarily due to lower than expected costs incurred on various projects, such as the Automatic Train Control (ATC) Existing Equipment Replacement on Expo Line project, Expo Line Traction Power Equipment project and the Mark I Refurbishment project.

Interest

Interest expense for the first six months of 2022 was \$1.0 million (1.1 per cent) unfavourable to budget. The full year forecast is expected to be \$1.3 million (0.7 per cent) unfavourable to budget. These variances are mainly due to lower than budgeted interest capitalization during construction associated with reduced capital spending and higher than budgeted short-term debt interest payments associated with higher interest rates and higher inflation than budgeted, partly offset by lower than budgeted long-term debt interest payments.

Corporate – One-time Costs

CORPORATE ONE-TIME SUMMARY BY PROJECT Six months ended June 30 (\$ thousands)	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD	YTD	Budget Variance		Annual	Annual	Forecast Variance	
	2022	2022			2022	2022		
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q2 FORECAST	BUDGET ¹	Fav/(Unfav)	%
Feasibility Studies	1,849	2,934	1,085	37.0%	6,581	6,888	307	4.5%
Rapid Bus Program (Previously B-Line Program)	1,315	1,312	(3)	(0.2%)	2,959	3,233	274	8.5%
Plan Development	273	678	405	59.7%	1,210	1,347	137	10.2%
Non-Capitalized items included in Capital Projects	2,118	4,991	2,873	57.6%	9,918	8,889	(1,029)	(11.6%)
Mobility Pricing	562	730	168	23.0%	1,576	1,682	106	6.3%
Bus Speed and Reliability	109	1,427	1,318	92.4%	875	4,137	3,262	78.8%
South of Fraser Rapid Transit Non-Capitalized items	-	-	-	-	-	990	990	100.0%
12 & Under Free Transit Program	-	90	90	100.0%	180	180	-	100.0%
Other	443	2,315	1,872	374.5%	3,968	5,866	1,898	32.4%
SNG Project write-down	44,875	-	(44,875)	(100.0%)	44,875	-	(44,875)	(100.0%)
Total Corporate One-Time	51,544	14,477	(37,067)	> (200.0%)	72,142	33,212	(38,930)	(117.2%)

¹ 2022 Budget has been restated to reflect budget transfers during the course of the year

Corporate One-time costs were \$37.1 million (over 200.0 per cent) unfavourable to budget, mainly due to a write-down of \$44.9 million related to the Surrey-Newton-Guildford (SNG) Light Rail Transit project, as it was replaced by Surrey Langley Skytrain project in 2022 Investment Plan.

Excluding the write-down of SNG costs, Corporate One-time costs were \$7.8 million (53.9 per cent) favourable to budget, mainly due to lower non-capitalized costs as a result of timing of capital projects spend, lower spending on Bus Speed and Reliability project and lower spend on Feasibility Studies for the SkyTrain Station Power Capacity Study and Columbia SkyTrain Station Upgrades Scope. Excluding the write-down of SNG costs, Corporate One-time costs are forecast to be \$5.9 million (17.9 per cent) favourable to budget mainly due to lower anticipated spending on Bus Speed and Reliability project and projects deferred to 2023.

7. Investment in Capital Assets

TransLink's investment in capital assets continues to grow with the focus on supporting enterprise priorities. The capital program is robust and managed with strong governance and oversight. As of June 30, 2022, TransLink's total capital program budget was \$7.1 billion, which includes:

- \$3.5 billion in active capital projects;
- \$0.8 billion in Approved-In-Principle (AIP) capital projects;
- \$2.2 billion in substantially complete capital projects; and
- \$0.6 billion in capital infrastructure contributions to municipalities.

SUMMARY OF CAPITAL PROGRAM						
As of June 30, 2022 (\$ thousands)	Number of Projects	Total Current Budget	Final Forecast Cost	Forecast Variance to Current Budget		Senior Government Funding (Committed)
				Fav/(Unfav)	%	
Capital Projects						
Active	142	3,469,042	3,443,088	25,954	0.8%	1,162,943
AIP	50	786,863	786,863	-	0.0%	449,861
Substantially Complete	144	2,234,204	2,132,431	101,773	4.8%	1,078,132
Subtotal	336	6,490,109	6,362,382	127,727	2.0%	2,690,936
Capital Infrastructure Contributions						
Active	36	568,026	564,264	3,762	0.7%	-
Subtotal	36	568,026	564,264	3,763	0.7%	-
Total Capital Program	372	7,058,135	6,926,646	131,489	1.9%	2,690,936

The capital program is supported in part by \$2.7 billion in committed funding available to TransLink from the Canada Community Building Fund (formerly the Federal Gas Tax Fund), Public Transit Infrastructure Fund (PTIF), and Investing in Canada Infrastructure Program (ICIP). External funding programs apply to eligible projects within the capital program. For the Canada Community Building Fund, TransLink receives approval and funding in advance of project initiation. These funds are held in restricted cash and treated as deferred government transfers until costs are incurred in the approved projects, at which time funds are released to general operating funds and government transfers revenue is recognized. For PTIF and ICIP TransLink incurs the costs of the projects which are recovered through invoicing the Province for the portion that is funded per the respective agreements. Revenue for these programs is amortized based on the terms of the respective agreements.

Active and Substantially Complete Capital Projects

As of June 30, 2022, there were 286 active and substantially complete projects with a final forecast cost of \$5.6 billion. The total costs incurred for these projects during the year were \$188.8 million.

SUMMARY OF ACTIVE PROJECTS								
As of June 30, 2022 (\$ thousands)	Number of Projects	Current Budget	2022 YTD Spending	Cumulative Spending to Date	Final Forecast Cost	Forecast Variance to Current Budget		Senior Government Funding (Committed)
						Fav/(Unfav)	%	
Active								
Equipment	15	189,039	16,659	73,038	173,069	15,970	9.2%	25,456
Infrastructure	68	631,813	37,193	124,659	629,186	2,627	0.4%	155,770
Major Construction	15	2,134,359	67,511	397,664	2,131,630	2,729	0.1%	657,783
Technology	19	168,717	15,675	90,497	165,452	3,265	2.0%	-
Vehicle	25	345,114	37,601	96,862	343,751	1,363	0.4%	323,934
Subtotal (Active Capital Projects)	142	3,469,042	174,639	782,720	3,443,088	25,954	0.8%	1,162,943
Substantially Complete	144	2,234,204	14,174	2,079,128	2,132,431	101,773	4.8%	1,078,132
Total Active Capital Projects	286	5,703,246	188,813	2,861,848	5,575,519	127,727	2.3%	2,241,075

Active Capital Projects

As of June 30, 2022, there were 142 active projects with expenditures of \$174.6 million for the year and \$782.7 million in cumulative spending to date. A comparison of active project budgets against forecast final costs shows a favourable variance of \$26.0 million (0.8 per cent).

Infrastructure spending of \$37.2 million for the year includes \$9.7 million on the Canada Line Capstan Station and \$4.4 million spent on 2022 Running Rail Replacement.

Major Construction spending of \$67.5 million for the year included \$28.8 million spent on the Expo and Millennium Upgrade Program - Fleet Acquisition project and \$18.0 million on a new Operations and Maintenance Centre.

Vehicle spending of \$37.6 million for the year included \$20.4 million spent on the 2020 Conventional Bus Expansion project and \$5.7 million on West Coast Express Fleet Refurbishment.

Substantially Complete Capital Projects

As of June 30, 2022, there were 144 projects with a total budget of \$2.2 billion deemed substantially complete with \$14.2 million spent year to date. These projects are in the final stages of project activity. The total expected favourable variance for these projects at completion is \$101.8 million (4.8 per cent).

A notable project that was substantially completed during the quarter is ATC System Recovery and Operation Improvements with a budget of \$5.4 million.

Approved in Principle (AIP) Capital Projects

In the second quarter, 21 projects were initiated leaving as of June 30, 2022, 50 AIP projects remaining to be initiated with a total budget of \$786.9 million. Of these 50 projects, 20 projects with a budget of \$196.3 million were carried forward from prior years and 30 projects with a budget of \$590.5 million are new in 2022.

SUMMARY OF AIP PROJECTS			
As of June 30, 2022 (\$ thousands)	Number of Projects	Current Budget	Senior Government Funding (Committed)
Capital Projects			
Equipment	3	18,338	11,218
Infrastructure	22	207,373	45,878
Major Construction	6	371,235	301,750
Technology	15	96,014	-
Vehicle	4	93,903	91,015
Total AIP Projects	50	786,863	449,861

Significant projects remaining in AIP are related to Major Construction, Infrastructure and Technology projects, including the construction of Marpole Transit Centre (Major construction), Facility Improvements for Phase Two Expansion of the Burnaby Transit Centre (Infrastructure) and the Technology Program.

Closed Capital Projects

During the quarter that ended June 30, 2022, five projects with a final cost of \$40.6 million and an approved budget of \$44.3 million were completed and closed. Significant closed projects include the Surrey Transit Center Compressed Natural Gas Retrofit project, Millennium Line Broadway Extension BC Hydro Early Work project and 2019 Community Shuttle Replacement project.

Cancelled Capital Projects

During the quarter that ended June 30, 2022, there were no project cancellations.

Capital Infrastructure Contributions

Capital Infrastructure Contributions consist of contributions to municipalities for the rehabilitation and upgrade of the Major Road Network (MRN), as well as pedestrian and bike pathways. TransLink does not own the underlying assets; therefore, these costs are expensed in the year they are incurred.

As of June 30, 2022, there were 36 active programs with a budget of \$568.0 million. The majority of the \$3.1 million in contributions during the year related to the MRN Structures Funding Program funded under the Major Road Network Program.

SUMMARY OF INFRASTRUCTURE CONTRIBUTION PROGRAMS							Forecast Variance to Current Budget	
As of June 30, 2022 (\$ thousands)	Number of Projects	Current Budget	2022 YTD Spending	Cumulative Spending to Date	Final Forecast Cost	Fav/ (Unfav)	%	
MRN Structures Funding Program	5	77,830	1,995	2,934	77,713	117	0.2%	
Major Road Network and Bike Upgrades (MRNB)	11	250,011	178	139,578	246,914	3,097	1.3%	
Pavement Rehabilitation Program	5	113,682	239	86,370	113,290	392	0.3%	
Bicycle Infrastructure Capital Cost Share (BICCS)	5	81,359	48	8,274	81,314	45	0.1%	
Bus, Speed, Reliability, and Infrastructure (BSRI)	4	15,973	300	1,797	15,927	46	0.3%	
Walking Infrastructure to Transit (WITT)	6	29,173	375	4,691	29,106	67	0.2%	
Grand Total	36	568,028	3,135	243,644	564,264	3,764	0.7%	

8. Changes in Financial Position

Consolidated Statement of Financial Position			
(\$ thousands)	June 30 2022	December 31 2021	Change
Cash and cash equivalents	408,686	575,623	(166,937)
Accounts receivable	331,803	159,207	172,596
Loan receivable	-	131,060	(131,060)
Restricted cash and cash equivalents and investments	3,712,458	1,237,197	2,475,261
Investments	150,310	165,616	(15,306)
Assets held for sale	17,488	-	17,488
Debt reserve deposits	23,354	26,272	(2,918)
Financial Assets	4,644,099	2,294,975	2,349,124
Accounts payable and accrued liabilities	340,055	364,458	(24,403)
Debt	2,908,047	2,937,864	(29,817)
Deferred government transfers	3,617,521	1,325,681	2,291,840
Golden Ears Bridge contractor liability	1,006,600	1,013,077	(6,477)
Deferred concessionaire credit	421,088	432,629	(11,541)
Employee future benefits	140,529	138,224	2,305
Deferred revenue and deposits	70,787	64,449	6,338
Deferred lease inducements	13,376	13,890	(514)
Liabilities	8,518,003	6,290,272	2,227,731
Net Debt	(3,873,904)	(3,995,297)	121,393
Tangible capital assets	5,688,668	5,704,158	(15,490)
Supplies inventory	93,312	91,161	2,151
Prepaid expenses	36,211	30,040	6,171
Non-Financial Assets	5,818,191	5,825,359	(7,168)
Accumulated Surplus	1,944,287	1,830,062	114,225

Financial Assets

See the “Liquidity and Capital Resources” section for the discussion on:

- Cash and cash equivalents
- Restricted cash and cash equivalents and investments

The increase in accounts receivable of \$172.6 million (108.4 per cent) was mainly due to the accrual of property tax revenues receivable to be received in August. The increase was partly offset by collections of outstanding capital project funding from the Provincial government.

Loan receivable represented the proceeds outstanding from the 2016 sale of the Oakridge Transit Centre. The remaining balance was received during the period.

Assets held for sale represents land that is intended to be sold for a development project. This land was previously included under tangible capital assets.

Liabilities

See "Liquidity and Capital Resources" section for the discussion on Debt, Golden Ears Bridge contractor liability and Deferred concessionaire credit.

The increase in deferred government transfers liability is primarily due to an upfront payment related to Golden Ears Bridge foregone tolling revenue. Specifically, in August 2017, the Province announced its intention for TransLink to eliminate tolls on the Golden Ears Bridge (the "GEB") effective September 1, 2017. Consequently, on August 23, 2017, TransLink entered into a temporary agreement with the Province to replace TransLink's foregone tolling revenue. On March 31, 2022, TransLink entered into a Long-Term Agreement with the Province (Long-Term Agreement), under which TransLink received an upfront payment of \$2.0 billion as a settlement for TransLink's foregone toll revenue for the period from April 1, 2022, to December 31, 2050. The stipulations of the Long-Term Agreement ending December 31, 2050, outline that TransLink will not charge user tolls for any crossings of the GEB and will keep the GEB open and operational for public users except for permitted closures specified in the Long-Term Agreement. TransLink will be liable to repay the Province for the related portion of the upfront payment contingent upon if there are any defaults of the stipulations contained in the Long-Term Agreement. This Long-Term Agreement replaces the previous temporary agreement. In addition, deferred government transfers liability increased by \$358.5 million due to funding received from the Canada Community Building Fund.

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

The increase in deferred revenues and deposits of \$6.3 million (9.8 per cent) was mainly due to unearned transit fare and program revenues.

Non-Financial Assets

Tangible capital assets decreased by \$15.5 million (0.3 per cent) in the first six months of 2022 due to a write-down of \$44.9 million costs related to the Surrey-Newton-Guildford Light Rail Transit project that was replaced by Surrey Langley Skytrain project in the 2022 Investment plan, as well as a \$17.5 million transfer of land to assets held for sale, amortization of \$117.3 million and \$0.7 million of disposed assets. These decreases were partly offset by \$164.9 million in additions. Additions included SkyTrain system and infrastructure upgrades, electric and hybrid vehicle procurement, vehicle infrastructure improvements, SkyTrain vehicle milestone payments and technology upgrade projects.

9. Liquidity and Capital Resources

Cash Flows and Liquidity

The following table shows unrestricted cash and investments with maturities of less than 12 months.

UNRESTRICTED CASH AND INVESTMENTS			
(\$ thousands)	June 30 2022	December 31 2021	Change
Cash and cash equivalents	408,686	575,623	(166,937)
Investments	150,310	165,616	(15,306)
Total Unrestricted cash and investments	558,996	741,239	(182,243)

TransLink's unrestricted cash and investment balances reflect accumulated funding resources available for supporting operations. The balance decreased by \$182.2 million (24.6 per cent) in the first six months of 2022, due to regular net outflows from operations, partly offset by the receipt of \$176.0 million Senior Government relief funding.

The \$559.0 million in unrestricted cash and investments is well within policy requirements of 15 per cent of operating expenditures plus debt service costs. These balances are expected to increase in the third quarter from the receipt of annual property tax remittances from municipalities in August.

Liquidity is further supported by a \$500.0 million Commercial Paper program, of which \$30.0 million was outstanding as at June 30, 2022 (December 31, 2021: \$30.0 million).

Restricted Funds

Restricted cash and investments are used for the repayment of bonds, payment of Transportation Property & Casualty Company Inc. (TPCC) insurance claims, land purchases and capital purchases. The following table shows TransLink's restricted funds.

RESTRICTED CASH AND INVESTMENTS			
(\$ thousands)	June 30 2022	December 31 2021	Change
Unspent government transfers	844,319	525,640	318,679
TPCC's investments	31,948	29,978	1,970
GEB Restricted Funds	2,000,000	-	2,000,000
Land Reserve	349,995	236,929	113,066
Self administered sinking funds	486,196	444,650	41,546
Total Restricted cash and investments	3,712,458	1,237,197	2,475,261

For the first six months of 2022, restricted cash and investments increased by \$2.475 billion. This is due primarily to the receipt of a \$2.0 billion upfront payment from the Province, being a one-time prepayment to replace future monthly Golden Ears Bridge foregone toll revenue payments across the period April 1, 2022, to December 31, 2050. These funds provide the revenue required for the contractor liability. Other inflows in the period included receipt of the annual GVRF contribution, installment payments for the sale of the Oakridge Transit Centre, contributions to the self-administered sinking fund and reinvested investment income within the sinking fund. These increases are partly offset by releases from unspent federal contributions and the Land Reserve to fund qualifying capital spending.

Net Debt

TransLink's robust borrowing program provides the ability to go directly to capital markets with a solid reputation as a good investment, meaning greater cost certainty for debt management. It provides assurance to credit rating agencies and investors while providing flexibility to TransLink to use both short-term and long-term financing.

TransLink's debt management policy includes self-imposed debt coverage and debt service coverage limits. TransLink continues to remain within these limits.

Under the *South Coast British Columbia Transportation Authority (SCBCTA) Act*, TransLink's outstanding gross direct debt obligations cannot exceed TransLink's borrowing limit. The debt obligations are defined under the *SCBCTA Act* as the sum of current borrowings of TransLink secured by debentures, bonds, other forms of indentures, capital leases, short-term notes, lines of credit and bank overdrafts, excluding any prepaid financing costs.

TransLink's borrowing limit increased from \$5.5 billion to \$6.8 billion. Under the "Borrowing by authority" section, Section 31 (1), of the *SCBCTA Act*, the debt limit can be increased on the basis of an amount proposed in an Investment Plan, "if the investment plan was approved by the mayors' council on regional transportation under section 204.1." This approval was received on May 26, 2022, as part of approval of 2022 Investment Plan.

As at June 30, 2022, TransLink's outstanding debt obligation was \$3.5 billion, being the debt of \$2.9 billion plus Municipal Finance Authority of BC (MFABC) administered sinking funds of \$0.6 billion and net of capital lease reductions since inception, unamortized issuance costs and unamortized premium/discounts (December 31, 2021: \$3.6 billion).

FINANCING			
(\$ thousands)	June 30 2022	December 31 2021	Change
Debt	2,908,047	2,937,864	(29,817)
Less: Self-administered sinking funds	(486,196)	(444,650)	(41,546)
Less: Debt reserve deposits	(23,354)	(26,272)	2,918
Net Direct Debt	2,398,497	2,466,942	(68,445)
Golden Ears Bridge contractor liability	1,006,600	1,013,077	(6,477)
Deferred concessionaire credit	421,088	432,629	(11,541)
Indirect P3 Debt	1,427,688	1,445,706	(18,018)
Subtotal Net Direct Debt and Indirect P3 Debt	3,826,185	3,912,648	(86,463)

Net direct debt decreased by \$68.4 million mainly due to scheduled debt payments, sinking fund contributions and reinvestment of sinking fund interest income, partly offset by a MFABC debt retirement with corresponding sinking and debt reserve funds during the first six months.

Indirect P3 debt includes the liability owed to the Golden Ears Bridge contractor and the Canada Line deferred concessionaire credit.

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

Deferred concessionaire credit represents 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.

Indirect P3 debt declined by \$18.0 million mainly due to amortization of the Canada Line deferred concessionaire credit.

Credit Rating

Maintaining a high-quality credit rating is essential to ensure that TransLink can continue to access capital markets in the most cost-effective basis.

The following table summarizes TransLink’s current credit ratings and outlooks. In March 2022, Moody’s revised TransLink’s rating from Aa2 (Negative) to Aa2 (Stable) reflective of TransLink’s strong institutional framework and its status as a taxing authority, as well as its positive management of the uncertainties arising from the COVID-19 pandemic. As at June 30, 2022, Dominion Bond Rating Service (DBRS) affirmed TransLink’s rating of AA (Stable).

CREDIT RATING								
Agency	As at June 30, 2022				As of December 31, 2021			
	Commercial Paper	Senior Debt	General Obligation	Outlook	Commercial Paper	Senior Debt	General Obligation	Outlook
DBRS Limited	R-1 mid	AA	AA	Stable	R-1 mid	AA	AA	Stable
Moody's Investor's Service	Not Rated	Aa2	Aa2	Stable	Not Rated	Aa2	Aa2	Negative

Appendix I – Consolidated Financial Statements

The following statements are presented in accordance with generally accepted Canadian accounting principles for local governments, as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Consolidated Statement of Financial Position

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Financial Position
(Expressed in thousands of dollars)

June 30, 2022, with comparative information for December 31, 2021

	2022	2021
Financial assets		
Cash and cash equivalents	\$ 408,686	\$ 575,623
Accounts receivable	331,803	159,207
Loan receivable	-	131,060
Restricted cash and cash equivalents and investments	3,712,458	1,237,197
Investments	150,310	165,616
Assets held for sale	17,488	-
Debt reserve deposits	23,354	26,272
	4,644,099	2,294,975
Liabilities		
Accounts payable and accrued liabilities	340,055	364,458
Debt	2,908,047	2,937,864
Deferred government transfers	3,617,521	1,325,681
Golden Ears Bridge contractor liability	1,006,600	1,013,077
Deferred concessionaire credit	421,088	432,629
Employee future benefits	140,529	138,224
Deferred revenue and deposits	70,787	64,449
Deferred lease inducements	13,376	13,890
	8,518,003	6,290,272
Net debt	(3,873,904)	(3,995,297)
Non-financial assets		
Tangible capital assets	5,688,668	5,704,158
Supplies inventory	93,312	91,161
Prepaid expenses	36,211	30,040
	5,818,191	5,825,359
Accumulated surplus	\$ 1,944,287	\$ 1,830,062

Consolidated Statement of Operations

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Operations

(Expressed in thousands of dollars)

Six months ended June 30, 2022, with comparative information for June 30, 2021

	2022 Budget	2022 Actual	Restated 2021 Actual
Revenues:			
Taxation	\$ 461,737	\$ 478,008	\$ 436,385
Transit	284,049	253,950	180,470
Government transfers	152,683	291,141	94,683
Amortization of deferred concessionaire credit	11,541	11,541	11,541
Investment income	22,590	30,607	27,607
Development cost charges	15,762	15,763	12,896
Miscellaneous revenue	6,407	8,632	15,398
Gain (loss) on disposal of tangible capital assets	(100)	1,039	66
	<u>954,669</u>	<u>1,090,681</u>	<u>779,046</u>
Expenses:			
Bus operations	512,192	507,189	480,032
Corporate operations	86,968	118,067	68,306
Rail operations	251,260	238,613	230,954
Roads and bridges	118,915	88,450	83,621
Transit Police	23,161	24,137	22,455
	<u>992,496</u>	<u>976,456</u>	<u>885,368</u>
Surplus (deficit) for the period	(37,827)	114,225	(106,322)
Accumulated surplus, beginning of period	1,836,866	1,830,062	2,028,547
Accumulated surplus, end of period	\$ 1,799,039	\$ 1,944,287	\$ 1,922,225

Consolidated Statement of Changes in Net Debt

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Changes in Net Debt

(Expressed in thousands of dollars)

Six months ended June 30, 2022, with comparative information for June 30, 2021

	2022		2021
	Actual		Actual
Surplus (deficit) for the period	\$ 114,225	\$	(106,322)
Acquisition of tangible capital assets	(164,887)		(129,299)
Amortization of tangible capital assets	117,326		113,344
Gain on disposal of tangible capital assets	(1,039)		(66)
Net proceeds from disposal of tangible capital assets	1,727		66
Transfer to assets held for sale	17,488		-
Write-down of tangible capital assets	44,875		-
	15,490		(15,955)
Change in supplies inventory	(2,151)		(5,369)
Change in prepaid expenses	(6,171)		(5,056)
	(8,322)		(10,425)
Decrease (increase) in net debt	121,393		(132,702)
Net debt, beginning of period	(3,995,297)		(3,661,482)
Net debt, end of period	\$ (3,873,904)	\$	(3,794,184)

Consolidated Statement of Cash Flows

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Cash Flows

(Expressed in thousands of dollars)

Six months ended June 30, 2022, with comparative information for June 30, 2021

	2022	Restated 2021
Cash provided by (used for):		
Operating transactions:		
Surplus (deficit) for the period	\$ 114,225	\$ (106,322)
Non-cash changes to operations	45,943	65,645
Changes in non-cash operating working capital	(65,618)	503,796
Cash provided by operating transactions	94,550	463,119
Capital transactions:		
Purchase of tangible capital assets	(164,887)	(129,299)
Net proceeds from disposal of tangible capital assets	1,727	66
Cash used for capital transactions	(163,160)	(129,233)
Investing transactions:		
Increase in restricted cash and investments	(2,475,261)	(204,945)
Decrease in investments	15,306	10,213
Decrease in debt reserve deposits	2,918	2,003
Cash used for investing transactions	(2,457,037)	(192,729)
Financing transactions:		
Repayments of debt	(15,566)	(47,346)
Repayments of Golden Ears Bridge contractor liability	(6,477)	(5,331)
Government transfers received in advance for operational funding	2,000,000	-
Government transfers received for tangible capital additions	380,753	161,163
Cash provided by financing transactions	2,358,710	108,486
Increase (decrease) in cash and cash equivalents	(166,937)	249,643
Cash and cash equivalents, beginning of period	575,623	397,571
Cash and cash equivalents, end of period	\$ 408,686	\$ 647,214
Supplementary information:		
Interest paid	\$ 94,147	\$ 94,288

Consolidated Statement of Cash Flows (continued)

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Cash Flows (continued)

(Expressed in thousands of dollars)

Six months ended June 30, 2022, with comparative information for June 30, 2021

	2022	Restated 2021
Non-cash changes to operations:		
Amortization of tangible capital assets	\$ 117,326	\$ 113,344
Amortization of bond premium	(1,611)	(1,582)
Amortization of deferred concessionaire credit	(11,541)	(11,541)
Amortization of deferred government transfers	(88,913)	(21,121)
Amortization of deferred lease inducements net of additions	(514)	(503)
Write-down of tangible capital assets	44,875	-
Gain on disposal of tangible capital assets	(1,039)	(66)
Sinking fund interest held by MFA	(12,640)	(12,886)
	<u>\$ 45,943</u>	<u>\$ 65,645</u>
Changes in non-cash operating working capital:		
Decrease (increase) in accounts receivable	\$ (172,596)	\$ 508,326
Decrease in loan receivable	131,060	53,016
Increase in supplies inventory	(2,151)	(5,369)
Increase in prepaid expenses	(6,171)	(5,056)
Decrease in accounts payable and accrued liabilities	(24,403)	(53,116)
Increase in deferred revenue and deposits	6,338	2,126
Increase in employee future benefits	2,305	3,869
	<u>\$ (65,618)</u>	<u>\$ 503,796</u>

Segment Report

South Coast British Columbia Transportation Authority

Segment Report

Period ended June 30, 2022

(in thousands of dollars)

	2022					Total	Restated 2021
	Bus operations	Corporate operations	Rail operations	Roads and bridges	Transit Police		
Revenues:							
Taxation	\$ -	\$ 478,008	\$ -	\$ -	\$ -	\$ 478,008	\$ 436,385
Transit	-	253,950	-	-	-	253,950	180,470
Government transfers	-	291,141	-	-	-	291,141	94,683
Amortization of deferred concessionaire credit	-	-	11,541	-	-	11,541	11,541
Investment income	-	30,607	-	-	-	30,607	27,607
Development cost charges	-	15,763	-	-	-	15,763	12,896
Miscellaneous revenue	4,270	3,317	420	10	615	8,632	15,398
Gain on disposal of tangible capital assets	-	1,039	-	-	-	1,039	66
	4,270	1,073,825	11,961	10	615	1,090,681	779,046
Expenses:							
Administration	10,726	10,083	3,501	14	1,628	25,952	22,448
Capital infrastructure contributions	-	-	-	16,926	-	16,926	13,706
Contracted services	37,967	7,919	66,604	2,896	-	115,386	109,312
Fuel and power	36,185	-	8,210	-	-	44,395	31,170
Insurance	8,418	194	3,348	660	44	12,664	13,632
Maintenance, materials and utilities	39,411	1,275	27,554	18,502	852	87,594	82,820
Professional and legal	1,247	9,015	1,089	547	133	12,031	11,583
Rentals, leases and property tax	8,705	6,909	962	91	1,070	17,737	16,906
Salaries, wages and benefits	278,484	27,143	65,290	676	20,098	391,691	379,268
Write-down of tangible capital assets	-	44,875	-	-	-	44,875	-
Expenses before amortization and interest	421,143	107,413	176,558	40,312	23,825	769,251	680,845
Amortization of tangible capital assets	57,831	7,162	41,705	10,419	209	117,326	113,344
Interest	28,215	3,492	20,350	37,719	103	89,879	91,179
Amortization and interest	86,046	10,654	62,055	48,138	312	207,205	204,523
Total Expenses	507,189	118,067	238,613	88,450	24,137	976,456	885,368
Surplus (deficit), for the period	\$ (502,919)	\$ 955,758	\$ (226,652)	\$ (88,440)	\$ (23,522)	\$ 114,225	\$ (106,322)

Appendix II – Operating Indicators

OPERATING INDICATORS							
Six months ended June 30	YTD	YTD	Change		YTD	Budget Variance	
	2022 ACTUAL	2021 ACTUAL	Fav/(Unfav)	%	2022 BUDGET	Fav/(Unfav)	%
Safety: Customer Injuries (per 1 million boarded passengers, unless otherwise stated)¹							
Bus & SeaBus ^{2,3}	3.8	4.9	1.1	22.4%	4.9	1.1	22.4%
SkyTrain: Expo & Millennium Lines	1.0	1.1	0.1	9.1%	1.0	-	-
West Coast Express	-	-	-	-	-	-	-
HandyDART (per 100,000 boarded passengers)	0.8	2.5	1.7	68.0%	0.4	(0.4)	(100.0%)
Safety: Employee Lost Time Frequency							
Bus & SeaBus (per 200,000 Hours Worked)	8.1	7.8	(0.3)	(3.8%)	7.9	(0.2)	(2.5%)
SkyTrain: Expo & Millennium Lines (per 200,000 Hours Worked)	5.1	3.8	(1.3)	(34.2%)	4.0	(1.1)	(27.5%)
West Coast Express (per 200,000 Hours Worked)	-	-	-	-	-	-	-
HandyDART (per 200,000 Hours Worked)	18.9	9.9	(9.0)	(90.9%)	13.0	(5.9)	(45.4%)
Safety: Bus & SeaBus Operator Assaults (per 1 Million Service Hours)	12.3	11.2	(1.1)	(9.8%)	11.9	(0.4)	(3.4%)
Ridership: Boarded Passengers (Thousands)³							
Bus & SeaBus	95,429	62,683	32,746	52.2%	110,706	(15,277)	(13.8%)
SkyTrain: Expo & Millennium Lines	37,609	23,150	14,459	62.5%	43,158	(5,549)	(12.9%)
SkyTrain: Canada Line	14,958	8,079	6,879	85.1%	15,889	(931)	(5.9%)
West Coast Express	394	204	190	93.1%	432	(38)	(8.8%)
HandyDART	508	319	189	59.2%	568	(60)	(10.6%)
Ridership: Journeys (Thousands)³							
Overall System	88,202	54,463	33,739	61.9%	97,665	(9,463)	(9.7%)
Vehicle Service Delivery: Percentage of Service Hours Delivered							
Bus & SeaBus ⁴	98.9%	97.8%	1.1%	1.1%	98.0%	0.9%	0.9%
SkyTrain: Canada Line	100.0%	100.0%	-	-	100.0%	-	-
HandyDART	99.7%	99.9%	(0.2%)	(0.2%)	99.8%	(0.1%)	(0.1%)
Vehicle Service Delivery: Percentage of Train Trips Delivered							
SkyTrain: Expo & Millennium Lines	99.3%	99.6%	(0.3%)	(0.3%)	99.7%	(0.4%)	(0.4%)
West Coast Express	99.0%	99.7%	(0.7%)	(0.7%)	99.9%	(0.9%)	(0.9%)
Vehicle Punctuality: On-Time Performance							
Bus (3 minutes late < On-Time < 1 minute early)	83.1%	86.3%	(3.2%)	(3.7%)	82.0%	1.1%	1.3%
SkyTrain: Expo & Millennium Lines (headway + 3 minutes)	95.8%	97.1%	(1.3%)	(1.3%)	96.5%	(0.7%)	(0.7%)
West Coast Express (headway + 5 minutes)	93.5%	96.1%	(2.6%)	(2.7%)	97.8%	(4.3%)	(4.4%)
HandyDART (earlier than and within 15 minutes of Scheduled Pick-Up Time)	93.0%	96.5%	(3.5%)	(3.6%)	90.0%	3.0%	3.3%
Vehicle Reliability: Mean Distance Between Failure							
Bus ^{5a}	27,469	29,384	(1,915)	(6.5%)	31,046	(3,577)	(11.5%)
Vehicle Reliability: Mean Distance Between Service Removals							
SkyTrain: Expo & Millennium Lines ^{5b}	196,299	200,833	(4,534)	(2.3%)	215,000	(18,701)	(8.7%)
HandyDART Vehicle Productivity							
Trips per Service Hour (excludes Taxis)	1.9	1.4	0.5	35.7%	2.3	(0.4)	(17.4%)
Trip Denials	126	11	(115)	> (200.0%)	120	(6)	(5.0%)
Environmental							
Bus & SeaBus (Spills per 1 Million Km) ^{5c}	2.5	1.5	(1.0)	(66.7%)	2.0	(0.5)	(25.0%)
Bus & SeaBus (Revenue Vehicle Energy Consumption in Gigajoules) ⁶	979,399	937,960	(41,439)	(4.4%)	1,030,978	51,579	5.0%
Customer Service: Customer Satisfaction (overall score of 10)							
Overall System ⁸	8.0	8.3	(0.3)	(3.6%)	8.0	-	-
Bus & SeaBus	8.1	8.3	(0.2)	(2.4%)	8.2	(0.1)	(1.2%)
SkyTrain: Expo & Millennium Lines	8.3	8.5	(0.2)	(2.4%)	8.3	-	-
SkyTrain: Canada Line	8.6	8.9	(0.3)	(3.4%)	8.7	(0.1)	(1.1%)
West Coast Express	8.9	9.0	(0.1)	(1.1%)	8.6	0.3	3.5%
Customer Service: Customer Complaints³							
Overall System (per 1 million boarded passengers) ^{5d,7}	70.3	48.8	(21.5)	(44.1%)	78.6	8.3	10.6%
Bus & SeaBus (per 1 million boarded passengers) ^{5d}	79.0	58.2	(20.8)	(35.7%)	108.2	29.2	27.0%
SkyTrain: Expo & Millennium Lines (per 1 million boarded passengers) ^{5d}	15.4	7.2	(8.2)	(113.9%)	17.9	2.5	14.0%
SkyTrain: Canada Line (per 1 million boarded passengers) ^{5d}	4.7	2.8	(1.9)	(67.9%)	6.2	1.5	24.2%
West Coast Express (per 1 million boarded passengers) ^{5d}	170.2	220.3	50.1	22.7%	216.0	45.8	21.2%
HandyDART (complaints per one hundred thousand boarded passengers) ⁸	226.7	153.4	(73.3)	(47.8%)	255.9	29.2	11.4%
Financial: Operating Costs							
Overall System (operating cost per capacity km) ^{7,9}	\$0.105	\$0.120	0.015	12.5%	\$0.103	(0.002)	(1.9%)
Bus & SeaBus (operating cost per capacity km)	\$0.139	\$0.194	0.055	28.3%	\$0.134	(0.005)	(3.7%)
SkyTrain: Expo & Millennium Lines (operating cost per capacity km)	\$0.046	\$0.043	(0.003)	(7.0%)	\$0.047	0.001	2.1%
SkyTrain: Canada Line (operating cost per capacity km)	\$0.133	\$0.141	0.008	5.7%	\$0.133	-	-
West Coast Express (operating cost per capacity km)	\$0.196	\$0.216	0.020	9.3%	\$0.223	0.027	12.1%
HandyDART (operating cost per trip)	\$56.46	\$81.79	\$25.33	31.0%	\$43.38	(13.08)	(30.2%)
Financial: Operating Cost Recovery							
TransLink (conventional system) ¹⁰	36.9%	30.0%	6.9%	23.0%	43.2%	(6.3%)	(14.6%)

Footnotes for Appendix II begin on the following page.

¹ The customer injury definition for CMBC and HandyDART represents the number of accepted injury claims arising from onboard incidents inside of the vehicle, while boarding, or as a result of a collision. The customer injury definition for Expo and Millennium Line and West Coast Express represents the number of injuries where the customer is transported to a hospital for treatment and the incident is reported to transit staff.

² The Customer Injuries rate for 2021 has been restated to reflect the latest information available.

³ The YTD 2021 ridership figures were restated at the end of 2021 to reflect final ridership figures.

⁴ West Vancouver's 2021 service hours were restated to reflect the latest information.

⁵ In December 2020, TransLink was the victim of a cyberattack. Immediate action and protective measures were taken by TransLink including the shutdown of multiple network systems. As a result, in the second quarter of 2021, due to the unavailability of certain applications, some datasets are incomplete and/or required estimates. The following operating indicators have been impacted:

^{5a} The YTD 2021 data was incomplete; hence, the ratio is normalized to enable comparability.

^{5b} The YTD 2021 service hours have been restated to reflect the final service hours.

^{5c} Spills data was not available for January 1 to June 30, 2021.

^{5d} The YTD 2021 limited complaints data was compiled manually, primarily based on simplified feedback submitted through e-mail. Additionally, only complaints considered to be of a serious nature received by phone were tracked manually to ensure our customers' priority concerns were addressed. The exception of selected services (West Vancouver's Blue Bus, HandyDART and Compass Vending Machines) was unaffected as information is recorded in separate external systems and was unaffected by the cyberattack. While TransLink was able to collect the full boardings data from January 1 to March 31, 2021, the incomplete nature of the complaint dataset impairs accurate comparative analysis for the ratio of Complaints per million Boarded Passengers.

⁶ The YTD 2021 Revenue Vehicle Energy Consumption data has been restated to reflect the latest information available.

⁷ Excludes HandyDART.

⁸ The ratio of HandyDART complaints per one hundred thousand boarded passengers has combined both Operator Complaints and Service Complaints as a percentage of trips to remain consistent with the Year-End Financial and Performance Report.

⁹ Includes operating costs of Bus, Rail, and Transit Police. Excludes amortization and interest expense.

¹⁰ Includes operating costs of Bus, Rail, Transit Police and Corporate On-going. Excludes Corporate One-time, HandyDART, Amortization and Interest Expense.



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