



Financial and Performance Report

AS AT SEPTEMBER 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 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 third quarter of 2022 saw the continued trajectory of recovery in transit ridership and fare revenue, assisted by the warm and sunny summer weather. This included a record-breaking September, by relation to the pre-COVID norm, with particularly strong ridership observed on the SeaBus. Total monthly journeys grew to 77.2 per cent of pre-COVID levels in September, from just under 73.0 per cent at the start of the quarter. Consistent with the trend we have seen throughout our pandemic recovery, weekend ridership continues to recover more strongly than weekday ridership, attributable to many office workers continuing to work part time or full time from home. We anticipate that monthly ridership will recover to 78.0 per cent of pre-COVID levels by the end of 2022, or 70.8 per cent of pre-COVID levels on average for the full year. This is lower than the annual 77.7 per cent budgeted, due to the earlier impact of Omicron, 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 third quarter, we opened the new TransLink Customer Service Centre at Waterfront Station. The new facility is three times larger and able to serve twice as many customers as the facility at Stadium-Chinatown Station, while also being connected to all modes of transit and popular bus routes. The third quarter also saw the Government of British Columbia approve the business case for the Surrey Langley SkyTrain, a major rapid-transit project which will include eight new stations and three new bus exchanges, with major construction expected to begin in 2024.

We continued to progress key safety and accessibility programs in the third quarter, including completing the Expo Line Escalator Replacement program, with the final escalator replacement at Scott Road Station, 16 months ahead of schedule and with cost savings of \$9.0 million. We continue to lead the way for Canadian transit providers, installing Braille and tactile signage across the bus network, with almost half of the bus stops now completed. During the quarter, TransLink reached agreement for the continued provision of HandyDART services across the Metro Vancouver region, with an operating agreement in place to June 2024.

For the first nine months of 2022, excluding Senior Government relief funding and the net write-down of previously capitalized costs related to the Surrey Newton Guilford project, TransLink incurred a deficit of \$4.1 million, which is \$42.5 million favourable to budget. The variance is largely due to timing of capital infrastructure contributions, favourable taxation revenue, investment income and savings from temporary vacancies. The recorded surplus of \$141.6 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 \$42.5 million for 2022, an improvement of \$4.4 million on the \$46.9 million deficit anticipated in the budget. This is mainly a result of favourable investment income resulting from a \$2.0 billion upfront settlement of the future monthly Golden Ears Bridge Toll Replacement Revenue and recoveries in fuel tax and parking tax, offset by the re-baselining of fare revenue and ridership recovery caused by the Omicron variant together with acute inflationary cost pressures, most notably in fuel.

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 Q3 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 third 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">• Opened the new TransLink Customer Service Centre at Waterfront Station in September 2022, three times larger and able to serve twice as many customers compared to the previous location, while also being connected to all modes of transit and popular bus routes.
<ul style="list-style-type: none">• Received approval from the Government of British Columbia for the Surrey Langley SkyTrain business case, with major construction expected to begin in 2024, and the line operational in late 2028.
<ul style="list-style-type: none">• Reached agreement with the operator for the continued provision of HandyDART services across the Metro Vancouver region, with the operating agreement valid until June 2024.
<ul style="list-style-type: none">• Installed touch-screen transit kiosks at 54 locations across the network, allowing customers to plan their trips and access live transit information.
<ul style="list-style-type: none">• Installed Braille and tactile signage at an additional 1,200 bus stops during the quarter, 3,700 in total, with approximately 70.0 per cent expected to be completed by the end of 2022. Supply chain issues have pushed the target completion of all 8,400 signs to Summer 2023.
<ul style="list-style-type: none">• Noted top three lowest performing routes by depot, using the Report Card tool, identifying the root causes with targeted analysis for recommendations on how to improve these routes.
<ul style="list-style-type: none">• Completion of over 90 per cent installation of WIFI on 1300/1400 Series Mark II SkyTrains and over 80 per cent installation of WIFI on RapidBus fleet, which are active and available for customers to use.
<ul style="list-style-type: none">• Unveiled Indigenous murals by three Musqueam artists on the Canada Line Bridge to reflect the past, present and future of the region through the lens of reconciliation.
<ul style="list-style-type: none">• Promoted discretionary travel across key RapidBus, SkyTrain and regular bus routes as a part of the Ride & Shine campaign during summer, utilising visual and engaging media content and improving ridership at points of interest at a rate higher than system-wide.
<ul style="list-style-type: none">• Commenced the Fall programs for the Blue Eagle Community Cadet Program in both Surrey and Vancouver, with staff and volunteers assisting in the delivery of the programs, in partnership with other agencies.
<ul style="list-style-type: none">• Released the 2022 Transit Police Semi-Annual Strategic Plan to the public in September 2022, providing metrics for newly established key performance indicators which provide a baseline to compare performance against in future semi-annual reports.
<ul style="list-style-type: none">• Completed program of bus stop balancing for 2022 and began development of program for 2023.

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

- Facilitated a media tour of an Operations and Maintenance Centre to highlight the work of rolling stock and guideway departments, along with the launch of a new SkyTrain recruitment page and a social media campaign.
- Completed the first year of Courageous Conversations in July 2022, where Equity, Diversity and Inclusion and the Psychological Health and Safety team held monthly employee facilitated sessions on different key topics.
- Developed a Return-to-Work Road Map brochure in conjunction with Days Lost Project working group for ill and injured employees off work, and completed onboarding and training for a new group of confidential peer supporters, bringing total group numbers to 40.
- Continued work on the SafeStart program, with the SafeStart Steering Committee identifying methods to support the sustainment of practices by pilot participants.
- Transit Police continued to provide crisis de-escalation training to new station attendants and orientation to new bus operators on Transit Police services and preventing operator assault, also launching a new initiative to form a collaborative group with operating companies to address safety and security issues.

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

- Completed Phase 2 of the SkyBridge Joint Replacement Project on the New Westminster side of the bridge, following Phase 1 work performed last year on the Surrey side.
- Completed the Expo Line Escalator Replacement Project, 16 months ahead of schedule and with cost savings of \$9.0 million, with the replacement of a Scott Road Station escalator for a total of 37 escalator replacements across the Expo Line.
- Continued West Coast Express locomotive refurbishment, with another two locomotive refurbishments completed.
- Deployed the first release of the Finance & Supply Chain Management (FSM) system at BCRTC as a part of the ERP Program in September 2022.

Priority Four: Achieve Financial Sustainability

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

- Completed installation of digital advertising at Metrotown station and piloted new forms of advertising on SkyTrain and bus, generating higher advertising occupancy and an increase in per-spot revenue than previous products.
- Developed the detailed Climate Action Plan including the Resilience and Adaptation Roadmap in partnership with TransLink senior leaders.

3. 2022 Third Quarter Financial Summary

CONSOLIDATED REVENUES AND EXPENSES Nine months ended September 30 (\$ thousands)	ACTUAL TO BUDGET		FORECAST TO BUDGET		Annual		Annual	
	YTD 2022	YTD 2022	Budget Variance		2022	2022	Forecast Variance	
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q3 FORECAST	BUDGET ¹	Fav/(Unfav)	%
Revenue								
Taxation	734,949	697,297	37,652	5.4%	963,904	933,012	30,892	3.3%
Transit	402,189	445,465	(43,276)	(9.7%)	556,763	619,339	(62,576)	(10.1%)
Government transfers	356,619	238,506	118,113	49.5%	422,533	315,121	107,412	34.1%
Amortization of deferred concessionaire credit	17,407	17,407	-	-	23,273	23,273	-	-
Development cost charges	19,161	23,644	(4,483)	(19.0%)	21,294	31,525	(10,231)	(32.5%)
Investment Income	66,453	33,434	33,019	98.8%	106,479	44,996	61,483	136.6%
Miscellaneous revenue	12,741	10,120	2,621	25.9%	16,753	13,901	2,852	20.5%
Sub Total Continuing Operations	1,609,519	1,465,873	143,646	9.8%	2,110,999	1,981,167	129,832	6.6%
Gain (Loss) on disposal on tangible capital assets	1,417	(150)	1,567	> 200.0%	1,018	(200)	1,218	> (200.0%)
Total Revenue	1,610,936	1,465,723	145,213	9.9%	2,112,017	1,980,967	131,050	6.6%
Expenditures								
Bus Operations	636,094	648,050	11,956	1.8%	859,568	864,215	4,647	0.5%
Rail Operations	266,739	279,000	12,261	4.4%	365,868	374,648	8,780	2.3%
Transit Police ¹	36,011	34,724	(1,287)	(3.7%)	47,567	46,358	(1,209)	(2.6%)
Corporate Operations ¹	85,195	94,363	9,168	9.7%	119,405	125,945	6,540	5.2%
Roads & Bridges	76,136	115,439	39,303	34.0%	118,883	145,248	26,365	18.2%
Amortization of Capital Assets*	179,087	183,871	4,784	2.6%	248,644	258,400	9,756	3.8%
Interest*	135,574	133,226	(2,348)	(1.8%)	183,733	179,836	(3,897)	(2.2%)
Sub Total Continuing Operations	1,414,836	1,488,673	73,837	5.0%	1,943,668	1,994,650	50,982	2.6%
Corporate One-Time ¹	54,533	23,684	(30,849)	> (200.0%)	65,114	33,212	(31,902)	(96.1%)
Total Expenses	1,469,369	1,512,357	42,988	2.8%	2,008,782	2,027,862	19,080	0.9%
Surplus/(Deficit) for the period (PSAB)	141,567	(46,634)	188,201	> 200.0%	103,235	(46,895)	150,130	> (200.0%)

* Amortization and Interest are shown separately to facilitate analysis.

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

The PSAB surplus recorded in the first nine months of 2022 was \$141.6 million, which is \$188.2 million favourable to budget. The surplus includes Senior Government relief funding of \$176.0 million received in the first quarter of 2022 and previously deferred Senior Government contribution of \$14.6 million related to the Surrey-Newton-Guildford (SNG) project. This was partly offset by the \$44.9 million write-down of capital assets related to the SNG project commensurate with the publication of the 2022 Investment Plan in May, which confirmed the replacement of SNG with the Surrey Langley SkyTrain (SLS) project. 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 \$42.5 million favourable to budget mainly due to timing of capital infrastructure contributions, favourable taxation revenue and investment income, as well as savings from temporary vacancies.

Total revenue, excluding government transfers, was favourable to budget by \$27.1 million (2.2 per cent), mainly due to taxation revenue, which was \$37.7 million (5.4 per cent) favourable to budget through three quarters of 2022. Fuel tax and parking sales tax were higher than expected as driving levels in the region continued to increase. In addition, higher cash balances and higher interest rates than budgeted have resulted in investment income being \$33.0 million (98.8 per cent) favourable to budget year to date. While ridership continued to recover in the third quarter, the impact of Omicron earlier in 2022 together with changing fare product mix have resulted in transit revenues unfavourable to budget by \$43.3 million (9.7 per cent) year to date.

The first nine months of 2022 have seen five consecutive interest rate hikes by Bank of Canada to tame the inflation triggered by the COVID-19 pandemic, global geopolitical situation, supply chain disruptions and rapid escalation in energy prices, with overnight interest rates increasing to 325 basis points from 25 basis points at the start of the year. This is indicative of baseline inflationary pressures within our ongoing expenditures.

Total expenses, excluding the write-down of previously capitalized costs, were favourable to budget by \$87.9 million (5.8 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 costs, 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 the year 2022 is forecast to be \$150.1 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 \$42.5 million is forecast, which is \$4.4 million favourable to budget. The favourable variance is mainly due to favourable investment income arising from \$2.0 billion upfront settlement that replaced future monthly Golden Ears Bridge foregone toll revenue payments, favourable taxation revenue, lower than anticipated capital infrastructure contributions resulting from timing of municipalities' work and savings from temporary vacancies. The favourable variance is expected to be partly offset by lower transit revenues resulting from lower ridership and changed commute patterns compared to budget.

4. Key Performance Indicators

Financial Indicators

TransLink measures and monitors its financial indicators throughout the year.

FINANCIAL POLICIES AND INDICATORS				
(\$ thousands)	September 30	December 31	Change	
	2022	2021	Fav/(Unfav)	%
Unrestricted cash and investments	876,152	741,239	134,913	18.2%
Capital assets	5,728,533	5,704,158	24,375	0.4%
Net direct debt	(2,369,305)	(2,466,942)	97,637	4.0%
Indirect P3 debt	(1,418,352)	(1,445,706)	27,354	1.9%
Total net direct debt and indirect P3 debt	(3,787,657)	(3,912,648)	124,991	3.2%
Gross interest cost as a % of operating revenue ^{1,2}	11.5%	12.9%	1.4%	10.9%

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 increased by \$134.9 million (18.2 per cent) in the first nine months of 2022 due to the annual property tax revenues from the municipalities and receipt of \$176.0 million additional Senior Government Emergency relief funding, partly offset by regular net outflows from operations.

Capital assets increased by \$24.4 million (0.4 per cent) in the first nine months of 2022 due to additions of \$267.0 million. Additions included SkyTrain system and infrastructure upgrades, vehicle fleet procurement, SkyTrain vehicle milestone payments and technology upgrade projects. These increases were partly offset by a write-down of \$44.9 million related to the Surrey Newton Guildford Light Rail Transit Project following its confirmed cancellation through the 2022 Investment plan, as well as amortization of \$179.1 million, a transfer of land into a partnership of \$17.8 million and \$0.8 million of disposed assets.

Net direct debt decreased by \$97.6 million (4.0 per cent) due to scheduled debt payments, sinking fund contributions and reinvestment of sinking fund interest income during the first nine months.

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 \$27.4 million (1.9 per cent) mainly due to the amortization of the Canada Line deferred concessionaire credit

Gross interest cost as a percentage of operating revenues was 11.5 per cent and well within TransLink's 20.0 per cent policy limit. This indicator was 1.4 percentage points lower than 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							
Nine months ended September 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)	8.1	8.3	(0.2)	(2.4%)	8.0	0.1	1.3%
Service Hours ¹	5,252,910	5,225,074	27,836	0.5%	5,358,331	(105,421)	(2.0%)
Operating Cost Recovery ²	39.6%	32.0%	7.6%	23.8%	44.6%	(5.0%)	(11.2%)
Operating Cost per Capacity Km ³	\$0.105	\$0.112	\$0.007	6.3%	\$0.104	(0.001)	(1.0%)
Complaints per million Boarded	73.3	58.5	(14.8)	(25.3%)	78.6	5.3	6.7%
Access Transit Service							
Number of Trips	716,811	478,191	238,620	49.9%	1,037,447	(320,636)	(30.9%)
Operating Cost per Trip	\$56.27	\$75.38	\$19.11	25.4%	\$43.61	(\$12.66)	(29.0%)
Number of Trips Denied	423	35	(388)	> (200.0%)	180	(243)	(135.0%)
Complaints per one hundred thousand boarded passengers ⁵	242.6	181.9	(60.7)	(33.4%)	244.6	2.0	0.8%
Ridership (thousands)⁶							
Boarded Passengers	237,663	155,447	82,216	52.9%	270,943	(33,280)	(12.3%)
Journeys	141,046	90,274	50,772	56.2%	155,114	(14,068)	(9.1%)
Average Fare per Journey ⁷	\$2.70	\$2.99	(\$0.29)	(9.7%)	\$2.74	(\$0.04)	(1.5%)

¹ 2021 actual service hours for West Coast Express have been restated to align that calculation with the basis used to calculate the service delivery of Expo and Millennium Lines. Canada Line service hours have been restated to reflect the final figures.

² Includes operating costs of Bus, Rail, Transit Police and Corporate On-going. 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 third quarter of 2021 were incomplete. TransLink was not able to capture complete complaints data from January 1 to August 18, 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 numbers.

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 nine months of 2022 was an average of 8.1 out of 10.0, which was lower than the same period in the prior year of 2022. Ridership has increased since 2021, leading to a shift in perception of the quality of service being provided due to higher volumes of occupancy.

Service hours were 27,836 (0.5 per cent) higher than in 2021 mainly due to the right-sizing of service to the demand in 2022. Compared to budget, service hours were 105,421 (2.0 per cent) lower than budget mainly due to service adjustments and service cancellations for various bus routes resulting from 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 nine months of 2022, the cost recovery of 39.6 per cent was 7.6 percentage points higher than the same period of last year due to 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 11.2 per cent lower due to ridership being both lower than expected and shift in product mix, resulting in lower revenue.

Operating cost per capacity kilometre increased by 6.3 per cent as compared to the same period in the prior year mainly due to increased capacity kilometres as a result of bus seating restrictions lifted on July 1, 2021, increasing capacity by approximately two-thirds of a regular passenger load. Compared to the budget, operating cost per capacity kilometre was 1.0 per cent unfavourable mainly due to inflationary cost pressures.

Complaints per million boarded passengers were 14.8 higher than in the same period last year. The 56.2 per cent increase in ridership may be partly contributing to the increase in this ratio; however, the incomplete nature of the dataset in 2021 as a result of the December 2020 cyberattack impairs further analysis. Complaints per million boarded passengers were 6.7 per cent favourable to budget mainly 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 passengers 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 nine months of 2022 was higher compared to the same period in 2021 (49.9 per cent) but was unfavourable compared to budget (30.9 per cent) due to impact of COVID-19 pandemic on the demand. 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 services are fully available for passengers unable to use conventional public transit without assistance. As such, budgeted 2022 service levels were estimated based on 2019 actual trips delivered.

Operating cost per trip decreased by \$19.11 (25.4 per cent) from \$75.38 in 2021 to \$56.27 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 \$12.66 (29.0 per cent) mainly due to lower-than-budgeted demand, while fixed costs tracked close to budget.

The number of trips denied increased compared to last year but remains low as service capacity continues to exceed service demand. For the first nine months of 2022, the number of denials represents less than 1 per cent of the total trips delivered.

Driver behaviour is no longer a top driver of customer complaints. In November 2021 First Transit launched a program focusing on operators with higher behaviour complaints than average. Complaints related to scheduling and clerk behaviour, such as booking agents, schedulers and dispatchers, are now the top drivers. First Transit continues to look to optimize subscription trips and is working with taxi companies on refresher training. Additionally, First Transit will deploy a clerk behaviour program in October to address the complaints in this category.

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 three quarters of 2022, total system boardings were 237.7 million, 52.9 per cent higher compared to the same period in 2021 and 12.3 per cent lower compared to the 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 three quarters of 2022 were 141.0 million, 56.2 per cent higher compared to the same period in 2021 and 9.1 per cent lower than budget.

By the end of 2021, both boardings and journeys recovered to over 60.0 per cent of pre-COVID levels. At the start of 2022, the BC Public Health Office imposed new restrictions to combat the spread of the Omicron variant. In early January, both boardings and journeys dropped back down to under 50.0 per cent of pre-COVID. After this initial drop, though, ridership quickly recovered back to over 60.0 per cent. Since February, ridership has steadily increased. By the last week of September, both boardings and journeys had reached over 78.0 per cent of pre-COVID: the highest level of recovery since the beginning of the pandemic.

The average fare per journey was \$2.70 for the first three quarters of 2022, a decrease of approximately 9.7 per cent from 2021 and 1.5 per cent lower than budget. The average fare for the first three quarters of 2022 is lower due to a greater-than-expected ridership increase by post-secondary students using U-Pass and a lower-than-expected recovery for office commuting.

5. Consolidated Revenues

The following is a summary of consolidated revenues for the third quarter of 2022 compared to the budget.

CONSOLIDATED REVENUES Nine months ended September 30 (\$ thousands)	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD 2022	YTD 2022	Budget Variance		Annual 2022	Annual 2022	Forecast Variance	
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q3 FORECAST	BUDGET	Fav/(Unfav)	%
Taxation								
Fuel	323,589	295,461	28,128	9.5%	412,300	395,745	16,555	4.2%
Property & Replacement	339,287	339,011	276	0.1%	453,264	452,014	1,250	0.3%
Parking Sales	54,947	45,849	9,098	19.8%	75,504	62,733	12,771	20.4%
Hydro Levy	17,126	16,976	150	0.9%	22,836	22,520	316	1.4%
Transit	402,189	445,465	(43,276)	(9.7%)	556,763	619,339	(62,576)	(10.1%)
Government transfers	356,619	238,506	118,113	49.5%	422,533	315,121	107,412	34.1%
Amortization of deferred concessionaire credit	17,407	17,407	-	-	23,273	23,273	-	-
Development cost charges	19,161	23,644	(4,483)	(19.0%)	21,294	31,525	(10,231)	(32.5%)
Investment Income	66,453	33,434	33,019	98.8%	106,479	44,996	61,483	136.6%
Miscellaneous revenue	12,741	10,120	2,621	25.9%	16,753	13,901	2,852	20.5%
Revenue Before Gain/(Loss) on Disposals	1,609,519	1,465,873	143,646	9.8%	2,110,999	1,981,167	129,832	6.6%
Gain (Loss) on disposal on tangible capital assets	1,417	(150)	1,567	> 200.0%	1,018	(200)	1,218	> (200.0%)
Total Revenue	1,610,936	1,465,723	145,213	9.9%	2,112,017	1,980,967	131,050	6.6%

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. Accordingly, ridership recovery across the first nine months of 2022 was re-baselined from a low point of 50 per cent of pre-COVID levels at the start of the year. From there, it has continued to recover steadily and reached 77 per cent of pre-COVID in September. However, overall ridership and in particular Monday to Friday peak volumes have proven lower than anticipated. Transit revenues, while improving commensurate with ridership recovery, are \$43.3 million (9.7 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 \$62.6 million (10.1 per cent) unfavourable to budget for the year.

People of Metro Vancouver are now utilizing their transportation system in different ways as they return to pre-COVID levels of activity. These changed patterns of movement are driving up non-transit revenue streams, with fuel tax revenue to the first nine months of 2022 being \$28.1 million (9.5 per cent) favourable to budget due to higher than anticipated gasoline and diesel sales, and parking sales tax being \$9.1 million (19.8 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 \$30.9 million (3.3 per cent) favourable variance to budget.

Government transfers were favourable due to \$176.0 million of additional Senior Government relief funding recognized in 2022. Total revenue from continuing operations, excluding government transfers was favourable to budget by \$25.5 million (2.1 per cent).

Total revenues are forecast to be favourable to budget by \$131.1 million (6.6 per cent) mainly due to recognition of \$176.0 million of Senior Government relief funding in 2022. Additionally, favourable revenue is expected from investment income (\$61.5 million) mainly due to higher cash balances and interest rates as well as higher taxation revenue (\$30.9 million) mainly due to increased driving activities and higher than anticipated fuel sales. These variances are partly offset by unfavourable Government transfers (excluding Senior Government relief funding) mainly due to the timing of vehicle deliveries and construction delays, transit revenue and development cost charges.

Taxation

TAXATION REVENUES Nine months ended September 30 (\$ thousands)	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD	YTD	Budget Variance		Annual	Annual	Forecast Variance	
	2022	2022			2022	2022		
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q3 FORECAST	BUDGET	Fav/(Unfav)	%
Fuel	323,589	295,461	28,128	9.5%	412,300	395,745	16,555	4.2%
Property & Replacement	339,287	339,011	276	0.1%	453,264	452,014	1,250	0.3%
Parking Sales	54,947	45,849	9,098	19.8%	75,504	62,733	12,771	20.4%
Hydro Levy	17,126	16,976	150	0.9%	22,836	22,520	316	1.4%
Total Taxation	734,949	697,297	37,652	5.4%	963,904	933,012	30,892	3.3%

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 nine months of 2022 were \$37.7 million (5.4 per cent) favourable to budget due to recoveries in fuel tax and parking sales tax after the lifting of COVID-19 restrictions in the first quarter.

For the first nine months of 2022, higher driving levels and parking volumes than expected resulted in fuel tax revenue being \$28.1 million (9.5 per cent) and parking sales tax revenue being \$9.1 million (19.8 per cent) favourable to the budget, respectively.

Taxation revenues are forecast to be \$30.9 million favourable to the budget mainly driven by fuel tax and parking sales tax revenue, which are forecast to be \$16.6 million and \$12.8 million favourable to the budget, respectively.

Transit

TRANSIT REVENUES Nine months ended September 30 (\$ thousands)	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD	YTD	Budget Variance		Annual	Annual	Forecast Variance	
	2022	2022			2022	2022		
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q3 FORECAST	BUDGET	Fav/(Unfav)	%
Fares	288,936	334,930	(45,994)	(13.7%)	395,953	459,228	(63,275)	(13.8%)
Programs	91,305	90,761	544	0.6%	127,057	127,032	25	0.0%
Total Fare and Program Revenue	380,241	425,691	(45,450)	(10.7%)	523,010	586,260	(63,250)	(10.8%)
Other	21,948	19,774	2,174	11.0%	33,753	33,079	674	2.0%
Total Transit	402,189	445,465	(43,276)	(9.7%)	556,763	619,339	(62,576)	(10.1%)

Transit fare revenue includes revenue related to fares and programs. Fares consist of Single-Use cash fares, Stored Value, DayPass and Monthly Pass products. Programs 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 \$43.3 million (9.7 per cent) unfavourable to budget through three quarters 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 grow, with strong recovery through the warm summer months, reaching over 77 per cent of pre-COVID levels by September 2022. 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 \$46.0 million (13.7 per cent) unfavourable to budget through three quarters of 2022. Boardings and journeys for the period were 12.3 per cent and 9.1 per cent unfavourable to budget, respectively.

Other transit revenues were favourable to budget by \$2.2 million (11.0 per cent) mainly due to higher property rental revenue. Other transit revenues are forecast to be \$0.7 million (2.0 per cent) favourable to budget for 2022, as carbon credit sales are not expected to reach budgeted levels.

Total transit revenues are forecast to be \$62.6 million (10.1 per cent) unfavourable to budget due to the divergence of the anticipated and actual trajectories of ridership recovery in 2022, triggered in January by the Omicron variant. This unfavourable variance is \$3.0 million less than forecast at the second quarter, helped by stronger than anticipated ridership recovery through the summer months. The recovery is anticipated to level off by the end of the year, reaching a high of 78 per cent of pre-COVID levels in the Fall, short of the 82 per cent budgeted.

Government Transfers

GOVERNMENT TRANSFERS Nine months ended September 30 (\$ thousands)	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD 2022	YTD 2022	Budget Variance		Annual 2022	Annual 2022	Forecast Variance	
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q3 FORECAST	BUDGET	Fav/(Unfav)	%
Senior Government Relief Funding	176,000	-	176,000	-	176,000	-	176,000	-
Senior Government funding	130,615	188,221	(57,606)	(30.6%)	179,504	247,890	(68,386)	(27.6%)
Golden Ears Bridge tolling replacement revenue	50,004	50,285	(281)	(0.6%)	67,029	67,231	(202)	(0.3%)
Total Government Transfers	356,619	238,506	118,113	49.5%	422,533	315,121	107,412	34.1%

In the first nine months of 2022, total government transfers were \$118.1 million (49.5 per cent) favourable to budget and are forecast to be \$107.4 million (34.1 per cent) favourable to budget, mainly due to the recognition of \$176.0 million of additional 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 is forecast to be \$68.4 million (27.6 per cent) unfavourable to budget mainly due to the timing of vehicle deliveries and construction delays. These delays were caused by COVID-19 procurement delays, 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 partly offset by accelerated recognition of deferred funding related to SNG following the project cancellation as part of 2022 Investment Plan.

Investment Income

Investment income for the first nine months of 2022 was \$33.0 million (98.8 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 \$61.5 million (136.6 per cent) favourable to budget mainly due interest income on the upfront settlement of future monthly Golden Ears Bridge toll replacement payments.

Miscellaneous Revenue

Miscellaneous revenue was \$2.6 million (25.9 per cent) favourable to budget through three quarters 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 \$2.9 million (20.5 per cent) favourable to budget due to this payment, 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 Nine months ended September 30 (\$ thousands)	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD 2022	YTD 2022	Budget Variance		Annual 2022	Annual 2022	Forecast Variance	
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q3 FORECAST	BUDGET ¹	Fav/(Unfav)	%
Bus Operations	636,094	648,050	11,956	1.8%	859,569	864,215	4,646	0.5%
Rail Operations	266,739	279,000	12,261	4.4%	365,867	374,648	8,781	2.3%
Transit Police ¹	36,011	34,724	(1,287)	(3.7%)	47,566	46,358	(1,208)	(2.6%)
Corporate Operations ¹	85,195	94,363	9,168	9.7%	119,405	125,945	6,540	5.2%
Roads & Bridges	76,136	115,439	39,303	34.0%	118,883	145,248	26,365	18.2%
Amortization of Capital Assets*	179,087	183,871	4,784	2.6%	248,644	258,400	9,756	3.8%
Interest*	135,574	133,226	(2,348)	(1.8%)	183,733	179,836	(3,897)	(2.2%)
Sub Total Continuing Operations	1,414,836	1,488,673	73,837	5.0%	1,943,667	1,994,650	50,983	2.6%
Corporate One-Time ¹	54,533	23,684	(30,849)	(130.3%)	65,114	33,212	(31,902)	(96.1%)
Total Expenses by Segment	1,469,369	1,512,357	42,988	2.8%	2,008,781	2,027,862	19,081	0.9%

* Amortization and Interest are shown separately to facilitate analysis.

¹ 2022 Budget has been restated to reflect budget transfers during 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 third quarter of 2022, CMBC continued to progress accessibility initiatives, including leading the way for other Canadian transit operators with close to half the bus stops across the network with Braille and tactile signage now installed, and the expectation of having the remainder complete by Summer 2023. CMBC also reached an agreement for the continued provision of HandyDART services across the Metro Vancouver region, valid until June 2024. With staff forefront of mind, during the third quarter CMBC developed a Return-to-Work Road Map brochure in conjunction with the Days Lost Project working group, also working to onboard additional confidential peer supporters, bringing the total number to 40.

BUS OPERATIONS BY CATEGORY Nine months ended September 30 (\$ thousands)	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD 2022	YTD 2022	Budget Variance		Annual 2022	Annual 2022	Forecast Variance	
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q3 FORECAST	BUDGET	Fav/(Unfav)	%
Administration	16,147	18,493	2,346	12.7%	22,922	24,247	1,325	5.5%
Contracted Services	58,093	62,641	4,548	7.3%	79,807	83,604	3,797	4.5%
Fuel and Power	55,108	44,917	(10,191)	(22.7%)	74,867	59,409	(15,458)	(26.0%)
Insurance	12,039	13,078	1,039	7.9%	16,552	17,551	999	5.7%
Maintenance, Materials and Utilities	58,252	57,549	(703)	(1.2%)	80,501	79,358	(1,143)	(1.4%)
Professional and Legal	2,032	3,576	1,544	43.2%	4,066	4,682	616	13.2%
Rentals, Leases and Property Tax	13,147	14,189	1,042	7.3%	18,516	19,130	614	3.2%
Salaries, Wages and Benefits	421,276	433,607	12,331	2.8%	562,338	576,234	13,896	2.4%
Total Expenses by Category	636,094	648,050	11,956	1.8%	859,569	864,215	4,646	0.5%

For the nine months ended September 30, 2022, Bus Operations expenses were \$12.0 million (1.8 per cent) favourable to budget mainly due to temporary vacancies and lower Access Transit contract costs due to lower demand and consequently fewer HandyDART trips delivered. This is partly offset by unfavourable fuel costs and material parts prices resulting from global supply constraints.

Bus Operations expenses are forecast to be \$4.6 million (0.5 per cent) favourable for the year mainly due to lower labour costs due to temporary vacancies and lower service demand in Access Transit, partly offset by global supply constraints effecting significantly higher fuel and material parts prices.

Service Delivery

BUS OPERATIONS							
Nine months ended September 30	YTD 2022	YTD 2021	Change		YTD 2022	Budget Variance	
	ACTUAL	ACTUAL	Fav/(Unfav)	%	BUDGET	Fav/(Unfav)	%
SERVICE HOURS							
CMBC Operations	3,936,691	3,921,430	15,261	0.4%	4,031,058	(94,367)	(2.3%)
Conventional Bus	3,516,502	3,504,600	11,902	0.3%	3,593,137	(76,635)	(2.1%)
Community Shuttle	409,748	407,896	1,852	0.5%	426,990	(17,242)	(4.0%)
SeaBus	10,441	8,934	1,507	16.9%	10,931	(490)	(4.5%)
Contracted Transit Services	177,787	179,973	(2,186)	(1.2%)	180,911	(3,124)	(1.7%)
West Vancouver ¹	89,102	90,362	(1,260)	(1.4%)	87,026	2,076	2.4%
Contract Community Shuttle	88,685	89,611	(926)	(1.0%)	93,885	(5,200)	(5.5%)
Conventional Transit Service Hours	4,114,478	4,101,403	13,075	0.3%	4,211,969	(97,491)	(2.3%)
SERVICE KILOMETRES							
CMBC Operations	75,448,592	76,657,514	(1,208,922)	(1.6%)	77,207,371	(1,758,779)	(2.3%)
Conventional Bus	67,528,193	68,318,334	(790,141)	(1.2%)	68,781,340	(1,253,147)	(1.8%)
Community Shuttle	7,781,251	8,218,410	(437,159)	(5.3%)	8,278,594	(497,343)	(6.0%)
SeaBus	139,148	120,770	18,378	15.2%	147,437	(8,289)	(5.6%)
Contracted Transit Services	3,644,324	3,677,952	(33,628)	(0.9%)	3,730,007	(85,683)	(2.3%)
West Vancouver ¹	1,676,051	1,703,791	(27,740)	(1.6%)	1,656,520	19,531	1.2%
Contract Community Shuttle	1,968,273	1,974,161	(5,888)	(0.3%)	2,073,487	(105,214)	(5.1%)
Conventional Transit Service Kilome	79,092,916	80,335,466	(1,242,550)	(1.5%)	80,937,378	(1,844,462)	(2.3%)
CAPACITY KILOMETRES							
CMBC Operations	4,101,696,910	3,228,396,163	873,300,747	27.1%	4,248,547,237	(146,850,327)	(3.5%)
Conventional Bus	3,861,374,944	3,038,447,098	822,927,846	27.1%	3,993,097,736	(131,722,792)	(3.3%)
Community Shuttle	186,750,024	153,582,496	33,167,528	21.6%	198,686,256	(11,936,232)	(6.0%)
SeaBus	53,571,942	36,366,569	17,205,373	47.3%	56,763,245	(3,191,303)	(5.6%)
Contracted Transit Services	131,041,099	88,379,614	42,661,485	48.3%	132,589,688	(1,548,589)	(1.2%)
West Vancouver ¹	83,802,545	56,793,037	27,009,508	47.6%	82,826,000	976,545	1.2%
Contract Community Shuttle	47,238,554	31,586,577	15,651,977	49.6%	49,763,688	(2,525,134)	(5.1%)
Conventional Transit Capacity Kilor	4,232,738,009	3,316,775,777	915,962,232	27.6%	4,381,136,925	(148,398,916)	(3.4%)

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

For the first nine months of 2022, actual service hours delivered were 97,491 (2.3 per cent) unfavourable to budget, service kilometres were 1,844,462 (2.3 per cent) unfavourable and capacity kilometres were 148,398,916 (3.4 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 the COVID-19.

ACCESS TRANSIT							
Nine months ended September 30	YTD 2022	YTD 2021	Change		YTD 2022	Budget Variance	
	ACTUAL	ACTUAL	Fav/(Unfav)	%	BUDGET	Fav/(Unfav)	%
Service Kilometres	6,312,044	6,103,372	208,672	3.4%	7,917,972	(1,605,928)	(20.3%)
Access Transit Trips							
Trips - HandyDART	605,827	454,994	150,833	33.2%	923,432	(317,605)	(34.4%)
Trips - Taxi Supplement	110,984	23,197	87,787	378.4%	114,015	(3,031)	(2.7%)
Total Access Transit Trips	716,811	478,191	238,620	49.9%	1,037,447	(320,636)	(30.9%)

The number of Access Transit trips provided in the first nine months of 2022 was higher compared to the same period in 2021 (238,620 more trips or 49.9 per cent) as demand recovered, but was unfavourable compared to budget (320,636 fewer trips or 30.9 per cent). Trips were significantly reduced since March 2020 due to the COVID-19 pandemic which is continuing to significantly impact demand in 2022. TransLink remains committed to ensuring 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 third quarter of 2022, BCRTC continued to progress key safety programs including completion of the Expo Line Escalator Replacement Project with the final replacement at Scott Road Station, and the SafeStart program with the SafeStart steering committee identifying methods to support the sustainment of practices by pilot participants. In addition, the West Coast Express locomotive refurbishment program continued, with another two locomotive refurbishments completed. Key infrastructure work was also progressed in the third quarter with Phase 2 of the SkyBridge Joint Replacement Project completed on the New Westminster side of the bridge.

Customer experience improvements continued in SkyTrain stations with work on the Expo Line escalator replacement project, completing work on escalators at the Waterfront West Coast Express station in the third quarter. Work continues with six escalators at Surrey Central, Scott Road, Waterfront and 22nd Street station.

RAIL OPERATIONS BY CATEGORY Nine months ended September 30 (\$ thousands)	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD 2022	YTD 2022	Budget Variance		Annual 2022	Annual 2022	Forecast Variance	
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q3 FORECAST	BUDGET	Fav/(Unfav)	%
Administration	5,231	6,001	770	12.8%	7,681	8,079	398	4.9%
Contracted Services	100,931	101,128	197	0.2%	136,243	135,538	(705)	(0.5%)
Fuel and Power	12,159	11,981	(178)	(1.5%)	16,317	16,162	(155)	(1.0%)
Insurance	4,997	5,445	448	8.2%	6,683	7,344	661	9.0%
Maintenance, Materials and Utilities	40,367	44,196	3,829	8.7%	57,388	59,569	2,181	3.7%
Professional and Legal	2,007	3,062	1,055	34.5%	3,612	4,052	440	10.9%
Rentals, Leases and Property Tax	1,408	1,532	124	8.1%	1,959	2,046	87	4.3%
Salaries, Wages and Benefits	99,639	105,655	6,016	5.7%	135,984	141,858	5,874	4.1%
Total Expenses by Category	266,739	279,000	12,261	4.4%	365,867	374,648	8,781	2.3%

For the nine months ended September 30, 2022, Rail operating expenses were \$12.3 million (4.4 per cent) favourable to budget mainly due to lower labour costs resulting from temporary vacancies and lower benefit costs, lower expenditures and 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 Operations operating expenses are forecast to be \$8.8 million (2.3 per cent) favourable to budget mainly due to labour cost savings and lower maintenance activities, partly offset by higher Canada Line contract inflation and higher diesel fuel costs.

Service Delivery

RAIL OPERATIONS							
Nine months ended September 30	YTD 2022	YTD 2021	Change		YTD 2022	Budget Variance	
	ACTUAL	ACTUAL	Fav/(Unfav)	%	BUDGET	Fav/(Unfav)	%
SERVICE HOURS							
SkyTrain: Expo & Millennium Lines	964,217	965,296	(1,079)	(0.1%)	973,119	(8,902)	(0.9%)
SkyTrain: Canada Line ¹	161,455	147,544	13,911	9.4%	161,166	289	0.2%
West Coast Express ²	12,760	10,829	1,931	17.8%	12,077	683	5.7%
Rail Operations Service Hours	1,138,432	1,123,669	14,763	1.3%	1,146,362	(7,930)	(0.7%)
SERVICE KILOMETRES							
SkyTrain: Expo & Millennium Lines	38,857,852	38,901,402	(43,550)	(0.1%)	39,216,724	(358,872)	(0.9%)
SkyTrain: Canada Line ¹	5,186,725	4,739,834	446,891	9.4%	5,177,533	9,192	0.2%
West Coast Express ²	481,438	407,713	73,725	18.1%	455,078	26,360	5.8%
Rail Operations Service Kilometres	44,526,015	44,048,949	477,066	1.1%	44,849,335	(323,320)	(0.7%)
CAPACITY KILOMETRES							
SkyTrain: Expo & Millennium Lines	3,416,889,749	3,403,919,266	12,970,483	0.4%	3,530,470,664	(113,580,915)	(3.2%)
SkyTrain: Canada Line	727,916,952	665,199,147	62,717,805	9.4%	726,626,959	1,289,993	0.2%
West Coast Express	71,060,308	60,178,380	10,881,928	18.1%	67,169,569	3,890,739	5.8%
Rail Operations Capacity Kilometres	4,215,867,009	4,129,296,793	86,570,216	2.1%	4,324,267,192	(108,400,183)	(2.5%)

¹ Canada Line's service hours and service kilometres are estimated from schedule data for reporting purposes.

² 2021 actual service hours and service kilometres for West Coast Express have been restated to align with the service delivery of Expo and Millennium Lines.

Service kilometres and hours for the Expo and Millennium Lines for the first nine months of 2022 ended below budget. Service kilometres were below budget by 358,872 (0.9 per cent), and service hours by 8,902 (0.9 per cent). The variance was mainly driven by service impacts due to the winter weather conditions in the first week of January and single tracking in August due to SkyBridge maintenance work. Capacity kilometres were below budget by 113,580,915 (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. Increased use of Mark I trains was required to facilitate state-of-good-repair fleet maintenance campaigns.

Canada Line's actual service indicators aligned with the budget during the first three quarters of 2022 (0.2 per cent variance). Compared to the first nine months 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 continued to operate four trains throughout the third quarter. At the start of the quarter, there were 20 cars in service distributed among the four trains to meet demand. During Q3 2022, three additional cars were added into service due to increasing ridership. By the end of Q3 2022, 23 cars per day were in service in each direction. 2022 budget assumed four trips per day with 18 cars in each direction. Therefore, service kilometres were above budget by 26,360 (5.8 per cent), service hours higher by 683 (5.7 per cent) and capacity kilometres higher by 3,890,739 (5.8 per cent).

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 first nine months of 2022, Transit Police commenced implementation of its new 2022-2026 Strategic Plan, "Safety for all transit users in Metro Vancouver." The plan centres on three Pillars – Cross-Regional Policing, Engaged Community Partners and Modern Policing Culture. With the introduction of 11 new Objectives and 35 new Actions,

many initiatives are in the early implementation phase, with results being monitored by the Senior Management Team.

In the third quarter of 2022, 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. Transit Police strengthened the support to Indigenous Peoples by participating in the Pulling Together Canoe Journey and Blue Eagle Community Cadets. In addition, Transit Police performed significant operational and emergency planning with the return of many community events post-COVID. Transit Police continued work with the Ministry of Public Safety and Solicitor General to obtain approval for the Community Safety Officer Program and develop the training curriculum.

Internally, Transit Police continued to advance its Digital Evidence Management Solution project and operationalized a new electronic fingerprinting station to introduce resource efficiencies. Transit Police also delivered in-person training for a respectful workplace as well as prepared a new policy on Equity, Diversity and Inclusion (EDI) to align with the enterprise EDI framework and implemented an Employee Pulse Check to help ensure employee health and wellness.

POLICE OPERATIONS BY CATEGORY Nine months ended September 30 (\$ thousands)	YTD		ACTUAL TO BUDGET		Annual		FORECAST TO BUDGET	
	2022	2022	Budget Variance		2022	2022	Forecast Variance	
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q3 FORECAST	BUDGET ¹	Fav/(Unfav)	%
Administration	2,262	2,331	69	3.0%	3,210	3,081	(129)	(4.2%)
Insurance	61	109	48	44.0%	99	146	47	32.2%
Maintenance, Materials and Utilities	1,128	1,013	(115)	(11.4%)	1,554	1,356	(198)	(14.6%)
Professional and Legal	174	307	133	43.3%	313	380	67	17.6%
Rentals, Leases and Property Tax	2,150	1,702	(448)	(26.3%)	2,705	2,266	(439)	(19.4%)
Salaries, Wages and Benefits	30,236	29,262	(974)	(3.3%)	39,685	39,129	(556)	(1.4%)
Total Expenses by Category	36,011	34,724	(1,287)	(3.7%)	47,566	46,358	(1,208)	(2.6%)

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

For the nine months ended September 30, 2022, Transit Police operating expenses were \$1.3 million (3.7 per cent) unfavourable to budget mainly due to higher labour costs resulting from special events, higher than expected occupancy costs as well as higher vehicle repair and fuel costs.

Transit Police operating expenses are forecast to be \$1.2 million (2.6 per cent) unfavourable to budget mainly due to higher salary costs and higher rental costs. 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.

During the third quarter, we opened the new TransLink Customer Service Centre at Waterfront Station. The new facility is three times larger and able to serve twice as many customers as the facility at Stadium-Chinatown Station, while also being connected all SkyTrain lines, SeaBus, West Coast Express and popular bus routes. We also promoted discretionary travel across key RapidBus, SkyTrain and regular bus routes as a part of the Ride & Shine campaign during summer, utilising visual and engaging media content and improving ridership at points of interest at a rate higher than system-wide. The third quarter saw the Government of British Columbia approve the business case for the Surrey Langley SkyTrain, a major rapid-transit project which will include eight new stations and three new bus exchanges, with major construction expected to begin in 2024.

CORPORATE OPERATIONS BY CATEGORY	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD	YTD	Budget Variance		Annual	Annual	Forecast Variance	
	2022	2022	Fav/(Unfav)	%	2022	2022	Fav/(Unfav)	%
Nine months ended September 30 (\$ thousands)	ACTUAL	BUDGET			Q3 FORECAST	BUDGET ¹		
Administration	15,352	16,985	1,633	9.6%	22,410	22,481	71	0.3%
Contracted Services	11,991	11,924	(67)	(0.6%)	16,394	15,898	(496)	(3.1%)
Insurance	318	369	51	13.8%	432	490	58	11.8%
Maintenance, Materials and Utilities	1,628	1,533	(95)	(6.2%)	2,450	2,060	(390)	(18.9%)
Professional and Legal	6,393	8,420	2,027	24.1%	12,086	12,716	630	5.0%
Rentals, Leases and Property Tax	9,657	10,577	920	8.7%	13,190	14,089	899	6.4%
Salaries, Wages and Benefits	39,856	44,555	4,699	10.5%	52,443	58,211	5,768	9.9%
Total Expenses by Category	85,195	94,363	9,168	9.7%	119,405	125,945	6,540	5.2%

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

For the nine months ended September 2022, expenses were \$9.2 million (9.7 per cent) favourable to budget. The favourable variance was mainly due to temporary vacancies, timing of professional fees, timing of computer software and equipment costs as well as lower property taxes and rental costs.

Corporate operations are forecast to be \$6.5 million (5.2 per cent) favourable to budget mainly due to savings from temporary vacancies, lower rental costs and lower professional fees, partly offset by higher contractual obligation that are indexed to Consumer Price Index (CPI) and higher maintenance costs.

Roads and Bridges

In the third quarter of 2022, TransLink's Roads and Bridges operations continued the design phase for the Knight Street Bridge deck rehabilitation.

ROADS & BRIDGES OPERATIONS BY CATEGORY	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD	YTD	Budget Variance		Annual	Annual	Forecast Variance	
	2022	2022	Fav/(Unfav)	%	2022	2022	Fav/(Unfav)	%
Nine months ended September 30 (\$ thousands)	ACTUAL	BUDGET			Q3 FORECAST	BUDGET		
Administration	20	34	14	41.2%	32	44	12	27.3%
Capital Infrastructure contributions	40,239	78,699	38,460	48.9%	70,664	95,393	24,729	25.9%
Contracted Services	4,398	4,401	3	0.1%	5,902	5,876	(26)	(0.4%)
Insurance	1,010	984	(26)	(2.6%)	1,334	1,313	(21)	(1.6%)
Maintenance, Materials and Utilities	28,049	28,919	870	3.0%	37,885	39,455	1,570	4.0%
Professional and Legal	1,301	758	(543)	(71.6%)	1,393	1,022	(371)	(36.3%)
Rentals, Leases and Property Tax	97	307	210	68.4%	197	383	186	48.6%
Salaries, Wages and Benefits	1,022	1,337	315	23.6%	1,476	1,762	286	16.2%
Total Expenses by Category	76,136	115,439	39,303	34.0%	118,883	145,248	26,365	18.2%

Total expenses for Roads and Bridges in the first nine months of 2022 were \$39.3 million (34.0 per cent) favourable to budget mainly due to 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 expenses for Roads and Bridges are forecast to be \$26.4 million (18.2 per cent) favourable to budget mainly due to timing of municipalities' work, resulting in lower than anticipated capital infrastructure contributions, and lower MRN Operations and Maintenance projects.

Amortization

Amortization was \$4.8 million (2.6 per cent) favourable to budget primarily due to timing delays in the delivery and final acceptance of assets such as the Vehicle Fleet Replacement and Expansion programs, Expo and Millennium Upgrade Program Fleet Acquisition, and the Mark I Refurbishment project.

Amortization is forecast to be \$9.8 million (3.8 per cent) favourable to budget primarily due to lower-than-expected costs incurred on various projects such as the Expo and Millennium Upgrade Program Fleet Acquisition, Expo Line Traction Power Equipment project, Vehicle Fleet Replacement and Expansion program, and the Mark I Refurbishment project.

Interest

Interest expense for the first nine months of 2022 was \$2.3 million (1.8 per cent) unfavourable to budget. The forecast for the year is expected to be \$3.9 million (2.2 per cent) unfavourable to budget. These variances are mainly due to lower than budgeted interest capitalization during construction associated with lower capital spending and higher than budgeted short-term debt interest payments associated with higher interest rates and higher inflation than budgeted, partly offset by delayed debt issuance in 2022 due to volatile capital market conditions.

Corporate – One-Time Costs

CORPORATE ONE-TIME SUMMARY BY PROJECT Nine months ended September 30 (\$ thousands)	ACTUAL TO BUDGET				FORECAST TO BUDGET			
	YTD 2022	YTD 2022	Budget Variance		Annual 2022	Annual 2022	Forecast Variance	
	ACTUAL	BUDGET	Fav/(Unfav)	%	Q3 FORECAST	BUDGET ¹	Fav/(Unfav)	%
Non-Capitalized items included in Capital Projects	3,188	7,770	4,582	59.0%	7,022	9,879	2,857	28.9%
Feasibility Studies	2,903	4,398	1,495	34.0%	5,105	6,888	1,783	25.9%
RapidBus Program	1,475	2,278	803	35.3%	2,546	3,233	687	21.2%
Bus Speed and Reliability Plan Development	214	2,791	2,577	92.3%	764	4,137	3,373	81.5%
Major Studies	391	1,015	624	61.5%	1,163	1,347	184	13.7%
Flexible Service Piloting Program	858	1,209	351	29.0%	1,558	1,682	124	7.4%
Trip Diary	241	1,342	1,101	82.0%	990	1,998	1,008	50.5%
Other	-	1,333	1,333	100.0%	625	2,000	1,375	68.8%
	388	1,548	1,160	74.9%	466	2,048	1,582	77.2%
Corporate One-Time (excl. SNG write-down)	9,658	23,684	14,026	59.2%	20,239	33,212	12,973	39.1%
SNG Project write-down	44,875	-	(44,875)	(100.0%)	44,875	-	(44,875)	(100.0%)
Total Corporate One-Time	54,533	23,684	(30,849)	(130.3%)	65,114	33,212	(31,902)	(96.1%)

¹2022 Budget has been restated to reflect budget transfers during the course of the year

Corporate One-Time costs were \$30.9 million (130.3 per cent) unfavourable to budget, mainly due to a write-down of \$44.9 million related to the 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 \$14.0 million (59.2 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 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 \$13.0 million (39.1 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 September 30, 2022, TransLink's total approved capital program budget was \$7.0 billion, which includes:

- \$3.6 billion in active capital projects;
- \$0.6 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

As of September 30, 2022 (\$ thousands)		Number of Projects	Total Current Budget	Final Forecast Cost	Forecast Variance to Current Budget		Senior Government Funding (Committed)
					Fav/(Unfav)	%	
SUMMARY OF CAPITAL PROGRAM							
Capital Projects							
	Active	147	3,570,952	3,980,527	(409,575)	(11.5%)	1,250,537
	AIP	39	643,962	617,212	26,750	4.2%	360,121
	Substantially Complete	140	2,220,310	2,128,202	92,108	4.1%	1,075,584
Subtotal		326	6,435,224	6,725,941	(290,717)	(4.5%)	2,686,242
Capital Infrastructure Contributions							
	Active	36	568,028	559,890	8,138	1.4%	-
Subtotal		36	568,028	559,890	8,138	1.4%	-
Total Capital Program		362	7,003,252	7,285,831	(282,579)	(4.0%)	2,686,242

The unfavourable variance to current budget is a result of cost escalations experienced across TransLink's capital program. These cost escalations are primarily caused by inflationary cost increases in major construction projects, in addition to scope maturity as the projects progress further. TransLink is addressing this negative variance by reducing and deferring some of future capital projects to accommodate these cost increases. The most significant projects seeing cost increases above previously approved budgets are as follows:

- Operations and Maintenance Centre 4 – Vehicle Storage and Maintenance Facility: \$199 million
- SkyTrain Operation Control Centre: \$140 million

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 September 30, 2022, there were 287 active and substantially complete projects with a final forecast cost of \$6.1 billion. The total costs incurred for these projects during the year to date were \$288.7 million.

SUMMARY OF ACTIVE PROJECTS								Senior Government Funding (Committed)
As of September 30, 2022 (\$ thousands)	Number of Projects	Current Budget	2022 YTD Spending	Cumulative Spending	Final Forecast	Forecast Variance to Fav/(Unfav) %		
Active								
Equipment	16	176,917	19,794	76,173	162,092	14,824	8.4%	28,189
Infrastructure	70	658,104	60,053	147,400	662,959	(4,855)	(0.7%)	144,952
Major Construction	16	2,145,414	113,194	443,347	2,575,963	(430,549)	(20.1%)	672,361
Technology	20	161,835	27,303	102,125	154,881	6,954	4.3%	-
Vehicle	25	428,682	43,155	102,396	424,632	4,051	0.9%	405,035
Subtotal (Active Capital Projects)	147	3,570,952	263,499	871,441	3,980,527	(409,575)	(11.5%)	1,250,537
Substantially Complete	140	2,220,310	25,185	2,085,400	2,128,202	92,108	4.1%	1,075,584
Total Active Capital Projects	287	5,791,262	288,684	2,956,841	6,108,729	(317,467)	(5.5%)	2,326,121

Active Capital Projects

As of September 30, 2022, there were 147 active projects with expenditures of \$263.5 million for the year and \$871.4 million in cumulative spending to date. A comparison of active project budgets against forecast final costs shows an unfavourable variance of \$409.6 million (11.5 per cent), due to cost escalations described above.

Infrastructure spending of \$60.1 million for the year includes \$16.1 million for the Canada Line Capstan Station, \$5.9 million for 2020 Automatic Train Control (ATC) State of Good Repair & Expansion Support and \$4.7 million spent on 2022 Running Rail Replacement.

Major Construction spending of \$113.2 million for the year includes \$35.7 million spent on the Expo and Millennium Upgrade Program - Fleet Acquisition project and \$28.3 million on a new Operations and Maintenance Center.

Vehicle spending of \$43.2 million for the year includes \$20.5 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 September 30, 2022, there were 140 projects with a total budget of \$2.2 billion deemed substantially complete with \$25.2 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 \$92.1 million (4.1 per cent).

Notable projects that were substantially completed during the quarter include:

- 2019 TransLink Analytics Program with a budget of \$0.8 million
- 2020 HandyDART Expansion with a budget of \$1.6 million

Approved in Principle (AIP) Capital Projects

As of September 30, 2022, there were 39 AIP projects remaining to be initiated with a total budget of \$644.0 million. Of these 39 projects, 15 projects with a budget of \$68.2 million were carried forward from prior years and 24 projects with a budget of \$575.8 million are new in 2022. In the third quarter in 2022, seven projects were initiated.

SUMMARY OF AIP PROJECTS			
As of September 30, 2022 (\$ thousands)	Number of Projects	Current Budget	Senior Government Funding (Committed)
Capital Projects			
Equipment	2	16,738	11,218
Infrastructure	18	167,534	45,878
Major Construction	2	360,007	298,100
Technology	14	94,520	-
Vehicle	3	5,163	4,925
Total AIP Projects	39	643,962	360,121

A significant portion of the projects remaining in AIP are related to Major Construction, Infrastructure, and Technology projects including the Marpole Transit Centre - Implementation (Major construction), Burnaby Transit Centre - Facility Improvements for Phase 2 Expansion (Infrastructure) and the Cybersecurity Program (Technology).

Closed Capital Projects

During the quarter ended September 30, 2022, five projects with a final cost of \$4.2 million and an approved budget of \$4.6 million were completed and closed. Significant closed projects include the Expo Line Roofing Replacement project and the 2018 and 2019 CMBC Pavement Rehabilitation project.

Cancelled Capital Projects

During the quarter ended September 30, 2022, two projects with budgets totalling \$153.1 million were cancelled, including:

- OMC 5 Vehicle Maintenance facility - Land acquisition project (\$150.0 million) as a land parcel for OMC 5 location is now being acquired by the Province; and
- Free Transit for 12 & Under – Phase 2 (\$3.1 million) as the Province made a decision not to proceed with implementation of Phase 2.

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 these underlying assets; therefore, the costs are expensed in the year they are incurred.

As of September 30, 2022, there were 36 active programs with a budget of \$568.0 million. The majority of the \$25.6 million in contributions in the year relate to the Pavement Rehabilitation Program funded under the Major Road Network Program.

SUMMARY OF INFRASTRUCTURE CONTRIBUTION PROGRAMS							Forecast Variance to Current Budget	
As of September 30, 2022 (\$ thousands)	Number of Projects	Current Budget	2022 YTD Spending	Cumulative Spending to Date	Final Forecast Cost	Fav/ (Unfav)	%	
MRN Structurers Funding Program	5	77,830	4,206	5,145	75,656	2,174	2.8%	
Major Road Network and Bike Upgrades (MRNB)	11	250,011	2,526	141,926	245,396	4,615	1.8%	
Pavement Rehabilitation Program	5	113,682	13,214	99,344	113,633	49	0.0%	
Bicycle Infrastructure Capital Cost Share (BICCS)	5	81,359	3,232	11,458	80,706	653	0.8%	
Bus, Speed, Reliability, and Infrastructure (BSRI)	4	15,973	498	1,995	15,414	559	3.5%	
Walking Infrastructure to Transit (WITT)	6	29,173	1,945	6,261	29,085	88	0.3%	
Grand Total	36	568,028	25,621	266,129	559,890	8,138	1.4%	

8. Changes in Financial Position

Consolidated Statement of Financial Position			
(\$ thousands)	September 30 2022	December 31 2021	Change
Cash and cash equivalents	672,831	575,623	97,208
Accounts receivable	93,018	159,207	(66,189)
Loan receivable	-	131,060	(131,060)
Restricted cash and cash equivalents and investments	3,715,344	1,237,197	2,478,147
Investments	203,321	165,616	37,705
Debt reserve deposits	23,442	26,272	(2,830)
Financial Assets	4,707,956	2,294,975	2,412,981
Accounts payable and accrued liabilities	394,297	364,458	29,839
Debt	2,901,630	2,937,864	(36,234)
Deferred government transfers	3,567,031	1,325,681	2,241,350
Golden Ears Bridge contractor liability	1,003,130	1,013,077	(9,947)
Deferred concessionaire credit	415,222	432,629	(17,407)
Employee future benefits	141,674	138,224	3,450
Deferred revenue and deposits	180,993	64,449	116,544
Deferred lease inducements	13,224	13,890	(666)
Liabilities	8,617,201	6,290,272	2,326,929
Net Debt	(3,909,245)	(3,995,297)	86,052
Tangible capital assets	5,728,533	5,704,158	24,375
Supplies inventory	115,064	91,161	23,903
Prepaid expenses	37,277	30,040	7,237
Non-Financial Assets	5,880,874	5,825,359	55,515
Accumulated Surplus	1,971,629	1,830,062	141,567

Financial Assets

See "Liquidity and Capital Resources" section for the discussion on:

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

The decrease in accounts receivable of \$66.2 million (41.6 per cent) was mainly due to the collections of outstanding capital project funding from the Provincial government and timing of collection of development cost charges. Loan receivable represented the proceeds outstanding from the 2016 sale of the Oakridge Transit Centre. The remaining balance was received during the period.

Liabilities

See the "Liquidity and Capital Resources" section for the discussion on Debt.

The increase in deferred government transfers liability is primarily due to an upfront payment related to Golden Ears bridge foregone tolling revenue. In August 2017, the Province announced its intention for TransLink to eliminate tolls on the Golden Ears Bridge (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 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 Golden Ears Bridge contractor liability financed the construction of the Golden Ears Bridge and is payable over the term ending June 2041.

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

The 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 \$116.5 million (180.8 per cent) was mainly due to property tax revenues received in August 2022 and unearned transit fare revenue and program revenues.

Non-Financial Assets

Capital assets increased by \$24.4 million (0.4 per cent) in the first nine months of 2022 due to \$267.0 million in additions. Additions included SkyTrain system and infrastructure upgrades, vehicle fleet procurement, SkyTrain vehicle milestone payments, and technology upgrade projects. These increases were partly offset by a write-down of \$44.9 million related to the Surrey Newton Guildford Light Rail Transit Project following its confirmed cancellation through the 2022 Investment plan, as well as amortization of \$179.1 million, a transfer of land into a partnership of \$17.8 million and \$0.8 million of disposed assets.

The increase in inventory of \$23.9 million (26.2 per cent) is mainly due to a real estate development project that TransLink is participating in through a partnership. On September 1, 2022, TransLink transferred a parcel of land into a partnership that will undertake a mixed-use development. This land together with associated capitalized development costs are classified as inventory.

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)	September 30 2022	December 31 2021	Change
Cash and cash equivalents	672,831	575,623	97,208
Investments	203,321	165,616	37,705
Total Unrestricted cash and investments	876,152	741,239	134,913

TransLink's unrestricted cash and investment balances reflect accumulated funding resources available for supporting operations. The balance increased by \$134.9 million in the first nine months of 2022, due to the annual property tax revenues from the municipalities and receipt of \$176.0 million in additional Senior Government relief funding, partly offset by regular net outflows from operations.

The \$876.2 million in unrestricted cash and investments is well within policy requirements of 15.0 per cent of operating expenditures plus debt service costs. These balances are expected to decrease in the fourth quarter mainly due to operating expenditures exceeding revenue and net capital spend.

Liquidity is further supported by a \$500.0 million Commercial Paper program, of which \$30.0 million was outstanding as at September 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)	September 30 2022	December 31 2021	Change
Unspent government transfers	828,472	525,640	302,832
TPCC's investments	28,502	29,978	(1,476)
GEB Restricted Funds	2,000,000	-	2,000,000
Land Reserve	349,487	236,929	112,558
Self administered sinking funds	508,883	444,650	64,233
Total Restricted cash and investments	3,715,344	1,237,197	2,478,147

For the first nine months of 2022, restricted cash and investments increased by \$2.5 billion. This is primarily due to the receipt of a \$2.0 billion upfront payment related to Golden Ears bridge foregone tolling revenue from the Province. 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 Federal Funds and the Revolving Land Account 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 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 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 has recently been 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 the 2022 Investment Plan.

As at September 30, 2022, TransLink’s outstanding debt obligation was \$3.5 billion (December 31, 2021: \$3.6 billion), being debt of \$2.9 billion plus Municipal Finance Authority of BC administered sinking funds of \$0.6 billion and net of capital lease reductions since inception, unamortized issuance costs and unamortized premium/discounts of \$30.0 million.

FINANCING	September 30	December 31	
(\$ thousands)	2022	2021	Change
Debt	2,901,630	2,937,864	(36,234)
Less: Self-administered sinking funds	(508,883)	(444,650)	(64,233)
Less: Debt reserve deposits	(23,442)	(26,272)	2,830
Net Direct Debt	2,369,305	2,466,942	(97,637)
Golden Ears Bridge contractor liability	1,003,130	1,013,077	(9,947)
Deferred concessionaire credit	415,222	432,629	(17,407)
Indirect P3 Debt	1,418,352	1,445,706	(27,354)
Subtotal Net Direct Debt and Indirect P3 Debt	3,787,657	3,912,648	(124,991)

Net direct debt decreased by \$97.6 million mainly due to scheduled debt payments, sinking fund contributions and reinvestment of sinking fund interest income during the first nine months of 2022.

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

Indirect P3 debt declined by \$27.4 million mainly due to the amortization of the Canada Line deferred concessionaire credit.

Credit Rating

Maintaining a high-quality credit rating is essential to ensure that TransLink can 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 September 30, 2022, Dominion Bond Rating Service (DBRS) affirmed TransLink's rating of AA (Stable).

Agency	CREDIT RATING							
	As at September 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 PSAB 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)

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

	2022	2021
Financial assets		
Cash and cash equivalents	\$ 672,831	\$ 575,623
Accounts receivable	93,018	159,207
Loan receivable	-	131,060
Restricted cash and cash equivalents and investments	3,715,344	1,237,197
Investments	203,321	165,616
Debt reserve deposits	23,442	26,272
	4,707,956	2,294,975
Liabilities		
Accounts payable and accrued liabilities	394,297	364,458
Debt	2,901,630	2,937,864
Deferred government transfers	3,567,031	1,325,681
Golden Ears Bridge contractor liability	1,003,130	1,013,077
Deferred concessionaire credit	415,222	432,629
Employee future benefits	141,674	138,224
Deferred revenue and deposits	180,993	64,449
Deferred lease inducements	13,224	13,890
	8,617,201	6,290,272
Net debt	(3,909,245)	(3,995,297)
Non-financial assets		
Tangible capital assets	5,728,533	5,704,158
Supplies inventory	115,064	91,161
Prepaid expenses	37,277	30,040
	5,880,874	5,825,359
Accumulated surplus	\$ 1,971,629	\$ 1,830,062

Consolidated Statement of Operations

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Operations
(Expressed in thousands of dollars)

Nine months ended September 30, 2022, with comparative information for September 30, 2021

	2022 Budget	2022 Actual	Restated 2021 Actual
Revenues:			
Taxation	\$ 697,297	\$ 734,949	\$ 673,002
Transit	445,465	402,189	288,899
Government transfers	238,506	356,619	132,955
Amortization of deferred concessionaire credit	17,407	17,407	17,407
Investment income	33,434	66,453	39,920
Development cost charges	23,644	19,161	19,341
Miscellaneous revenue	10,120	12,741	23,614
Gain (loss) on disposal of tangible capital assets	(150)	1,417	103
	<u>1,465,723</u>	<u>1,610,936</u>	<u>1,195,241</u>
Expenses:			
Bus operations	776,270	767,452	723,682
Corporate operations	134,881	156,260	105,962
Rail operations	380,361	359,725	346,236
Roads and bridges	185,698	149,447	140,336
Transit Police	35,147	36,485	33,605
	<u>1,512,357</u>	<u>1,469,369</u>	<u>1,349,821</u>
Surplus (deficit) for the period	(46,634)	141,567	(154,580)
Accumulated surplus, beginning of period	1,836,866	1,830,062	2,028,547
Accumulated surplus, end of period	<u>\$ 1,790,232</u>	<u>\$ 1,971,629</u>	<u>\$ 1,873,967</u>

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)

Nine months ended September 30, 2022, with comparative information for September 30, 2021

	2022		2021
	Actual		Actual
Surplus (deficit) for the period	\$ 141,567	\$	(154,580)
Acquisition of tangible capital assets	(267,002)		(182,341)
Amortization of tangible capital assets	179,087		171,162
Gain on disposal of tangible capital assets	(1,417)		(103)
Net proceeds from disposal of tangible capital assets	2,320		103
Land transfer to a partnership	17,762		-
Write-down of tangible capital assets	44,875		-
	(24,375)		(11,179)
Change in supplies inventory	(23,903)		(9,356)
Change in prepaid expenses	(7,237)		(9,871)
	-		(31,140)
	(31,140)		(19,227)
Decrease (increase) in net debt	86,052		(184,986)
Net debt, beginning of period	(3,995,297)		(3,661,482)
Net debt, end of period	\$ (3,909,245)	\$	(3,846,468)

Consolidated Statement of Cash Flows

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Cash Flows

(Expressed in thousands of dollars)

Nine months ended September 30, 2022, with comparative information for September 30, 2021

	2022	Restated 2021
Cash provided by (used for):		
Operating transactions:		
Surplus (deficit) for the period	\$ 141,567	\$ (154,580)
Non-cash changes to operations	34,290	93,266
Changes in non-cash operating working capital	333,704	898,593
Cash provided by operating transactions	509,561	837,279
Capital transactions:		
Purchase of tangible capital assets	(267,002)	(182,341)
Net proceeds from disposal of tangible capital assets	2,320	103
Cash used for capital transactions	(264,682)	(182,238)
Investing transactions:		
Increase in restricted cash and investments	(2,478,147)	(225,371)
Decrease (increase) in investments	(37,705)	9,957
Decrease in debt reserve deposits	2,830	1,904
Cash used for investing transactions	(2,513,022)	(213,510)
Financing transactions:		
Repayments of debt	(15,569)	(47,419)
Repayments of Golden Ears Bridge contractor liability	(9,947)	(8,204)
Government transfers received in advance for operational funding	2,000,000	-
Government transfers received for tangible capital additions	390,867	163,147
Cash provided by financing transactions	2,365,351	107,524
Increase in cash and cash equivalents	97,208	549,055
Cash and cash equivalents, beginning of period	575,623	397,571
Cash and cash equivalents, end of period	\$ 672,831	\$ 946,626

Segment Report

South Coast British Columbia Transportation Authority

Segment Report

Period ended September 30, 2022

(in thousands of dollars)

	2022					Total	2021
	Bus operations	Corporate operations	Rail operations	Roads and bridges	Transit Police		
Revenues:							
Taxation	\$ -	\$ 734,949	\$ -	\$ -	\$ -	\$ 734,949	\$ 673,002
Transit	-	402,189	-	-	-	402,189	288,899
Government transfers	-	356,619	-	-	-	356,619	132,955
Amortization of deferred concessionaire credit	-	-	17,407	-	-	17,407	17,407
Investment income	-	66,453	-	-	-	66,453	39,920
Development cost charges	-	19,161	-	-	-	19,161	19,341
Miscellaneous revenue	6,434	4,793	591	10	913	12,741	23,614
Gain (loss) on disposal of tangible capital assets	-	1,501	(84)	-	-	1,417	103
	6,434	1,585,665	17,914	10	913	1,610,936	1,195,241
Expenses:							
Administration	16,147	15,387	5,231	20	2,262	39,047	34,335
Capital infrastructure contributions	-	-	-	40,239	-	40,239	35,009
Contracted services	58,093	11,991	100,931	4,398	-	175,413	165,169
Fuel and power	55,108	-	12,159	-	-	67,267	48,118
Insurance	12,039	318	4,997	1,010	61	18,425	19,912
Maintenance, materials and utilities	58,252	2,107	40,367	28,049	1,128	129,903	124,167
Professional and legal	2,032	13,351	2,007	1,301	174	18,865	18,858
Rentals, leases and property tax	13,147	9,657	1,408	97	2,150	26,459	25,385
Salaries, wages and benefits	421,276	42,042	99,639	1,022	30,236	594,215	571,038
Write-down of tangible capital assets	-	44,875	-	-	-	44,875	-
Expenses before amortization and interest	636,094	139,728	266,739	76,136	36,011	1,154,708	1,041,991
Amortization of tangible capital assets	88,748	11,166	62,820	16,034	319	179,087	171,162
Interest	42,610	5,366	30,166	57,277	155	135,574	136,668
Amortization and interest	131,358	16,532	92,986	73,311	474	314,661	307,830
Total Expenses	767,452	156,260	359,725	149,447	36,485	1,469,369	1,349,821
Surplus (deficit) for the period	\$ (761,018)	\$ 1,429,405	\$ (341,811)	\$ (149,437)	\$ (35,572)	\$ 141,567	\$ (154,580)

Appendix II – Operating Indicators

OPERATING INDICATORS	YTD	YTD	Change		YTD	Budget Variance	
	2022	2021	Fav/(Unfav)	%	2022	Fav/(Unfav)	%
Nine months ended September 30	ACTUAL	ACTUAL			BUDGET		
Safety: Customer Injuries (per 1 million boarded passengers, unless otherwise stated)¹							
Bus & SeaBus ^{2,3}	3.8	5.3	1.5	28.3%	4.6	0.8	17.4%
SkyTrain: Expo & Millennium Lines	1.0	1.1	0.1	9.1%	1.0	-	-
West Coast Express ²	-	2.9	2.9	100.0%	-	-	-
HandyDART (per 100,000 boarded passengers)	1.3	2.7	1.4	51.9%	0.3	(1.0)	> (200.0%)
Safety: Employee Lost Time Frequency							
Bus & SeaBus (per 200,000 Hours Worked)	8.5	7.9	(0.6)	(7.6%)	7.9	(0.6)	(7.6%)
SkyTrain: Expo & Millennium Lines (per 200,000 Hours Worked)	4.7	3.5	(1.2)	(34.3%)	4.0	(0.7)	(17.5%)
West Coast Express (per 200,000 Hours Worked)	-	-	-	-	-	-	-
HandyDART (per 200,000 Hours Worked)	18.2	8.9	(9.3)	(104.5%)	13.0	(5.2)	(40.0%)
Safety: Bus & SeaBus Operator Assaults (per 1 Million Service Hours)	11.7	12.8	1.1	8.6%	12.0	0.3	2.5%
Ridership: Boarded Passengers (Thousands)³							
Bus & SeaBus	151,450	102,064	49,386	48.4%	175,315	(23,865)	(13.6%)
SkyTrain: Expo & Millennium Lines	60,364	38,258	22,106	57.8%	68,532	(8,168)	(11.9%)
SkyTrain: Canada Line	24,428	14,252	10,176	71.4%	25,535	(1,107)	(4.3%)
West Coast Express	633	345	288	83.5%	668	(35)	(5.2%)
HandyDART	788	528	260	49.2%	893	(105)	(11.8%)
Ridership: Journeys (Thousands)³							
Overall System	141,046	90,274	50,772	56.2%	155,114	(14,068)	(9.1%)
Vehicle Service Delivery: Percentage of Service Hours Delivered							
Bus & SeaBus ⁴	98.8%	97.8%	1.0%	1.0%	98.0%	0.8%	0.8%
SkyTrain: Canada Line	100.0%	100.0%	-	-	100.0%	-	-
HandyDART	99.6%	99.9%	(0.3%)	(0.3%)	99.8%	(0.2%)	(0.2%)
Vehicle Service Delivery: Percentage of Train Trips Delivered							
SkyTrain: Expo & Millennium Lines	99.4%	99.6%	(0.2%)	(0.2%)	99.7%	(0.3%)	(0.3%)
West Coast Express	99.2%	99.6%	(0.4%)	(0.4%)	99.9%	(0.7%)	(0.7%)
Vehicle Punctuality: On-Time Performance							
Bus (3 minutes late < On-Time < 1 minute early)	82.9%	85.4%	(2.5%)	(2.9%)	82.0%	0.9%	1.1%
SkyTrain: Expo & Millennium Lines (headway + 3 minutes)	96.0%	96.8%	(0.8%)	(0.8%)	96.5%	(0.5%)	(0.5%)
West Coast Express (headway + 5 minutes)	94.8%	96.7%	(1.9%)	(2.0%)	97.8%	(3.0%)	(3.1%)
HandyDART (earlier than and within 15 minutes of Scheduled Pick-Up Time)	92.2%	95.3%	(3.1%)	(3.3%)	90.0%	2.2%	2.4%
Vehicle Reliability: Mean Distance Between Failure							
Bus ^{5a}	27,597	29,156	(1,559)	(5.3%)	30,990	(3,393)	(10.9%)
Vehicle Reliability: Mean Distance Between Service Removals							
SkyTrain: Expo & Millennium Lines ^{5b}	181,579	179,269	2,310	1.3%	217,871	(36,292)	(16.7%)
HandyDART Vehicle Productivity							
Trips per Service Hour (excludes Taxis)	1.8	1.5	0.3	20.0%	2.3	(0.5)	(21.7%)
Trip Denials	423	35	(388)	> (200.0%)	180	(243)	(135.0%)
Environmental							
Bus & SeaBus (Spills per 1 Million Km) ^{5c}	2.5	2.1	(0.4)	(19.0%)	2.0	(0.5)	(25.0%)
Bus & SeaBus (Revenue Vehicle Energy Consumption in Gigajoules) ⁶	1,488,354	1,422,177	(66,177)	(4.7%)	1,535,341	46,987	3.1%
Customer Service: Customer Satisfaction (overall score of 10)							
Overall System ⁷	8.1	8.3	(0.2)	(2.4%)	8.0	0.1	1.3%
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	8.7	8.9	(0.2)	(2.2%)	8.7	-	-
West Coast Express	8.8	8.9	(0.1)	(1.1%)	8.6	0.2	2.3%
Customer Service: Customer Complaints³							
Overall System (per 1 million boarded passengers) ^{5d,7}	73.3	58.5	(14.8)	(25.3%)	93.9	20.6	21.9%
Bus & SeaBus (per 1 million boarded passengers) ^{5d}	81.9	65.7	(16.2)	(24.7%)	102.5	20.6	20.1%
SkyTrain: Expo & Millennium Lines (per 1 million boarded passengers) ^{5d}	15.9	10.7	(5.2)	(48.6%)	17.9	2.0	11.2%
SkyTrain: Canada Line (per 1 million boarded passengers) ^{5d}	5.3	3.2	(2.1)	(65.6%)	6.2	0.9	14.5%
West Coast Express (per 1 million boarded passengers) ^{5d}	154.8	167.9	13.1	7.8%	216.0	61.2	28.3%
HandyDART (complaints per one hundred thousand boarded passengers) ⁸	242.6	181.9	(60.7)	(33.4%)	244.6	2.0	0.8%
Financial: Operating Costs							
Overall System (operating cost per capacity km) ^{7,9}	\$0.105	\$0.112	0.007	6.3%	\$0.104	(0.001)	(1.0%)
Bus & SeaBus (operating cost per capacity km)	\$0.139	\$0.167	0.028	16.8%	\$0.136	(0.003)	(2.2%)
SkyTrain: Expo & Millennium Lines (operating cost per capacity km)	\$0.045	\$0.043	(0.002)	(4.7%)	\$0.047	0.002	4.3%
SkyTrain: Canada Line (operating cost per capacity km)	\$0.134	\$0.141	0.007	5.0%	\$0.134	-	-
West Coast Express (operating cost per capacity km)	\$0.191	\$0.211	0.020	9.5%	\$0.223	0.032	14.3%
HandyDART (operating cost per trip)	\$56.27	\$75.38	\$19.11	25.4%	\$43.61	(12.66)	(29.0%)
Financial: Operating Cost Recovery							
TransLink (conventional system) ¹⁰	39.6%	32.0%	7.6%	23.8%	44.6%	(5.0%)	(11.2%)

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} The YTD 2021 spill data was incomplete; hence, the ratio is normalized to enable comparability

^{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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