



2019 Annual Statutory Report



**SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY
2019 STATUTORY ANNUAL REPORT**

The *South Coast British Columbia Transportation Authority* (TransLink) is required to provide an annual report and audited financial statements to the Mayors' Council on Regional Transportation by March 31st. This report fulfills the reporting obligation to provide:

- A. A summary of operations during the year with comparison to the strategic transportation plan and the applicable service, capital and operational plans;
- B. The audited financial statements for the year;
- C. A summary of the nature of complaints received in the year and actions taken in response to those complaints;
- D. A summary of the results of the customer satisfaction survey process;
- E. Amendments to the articles of the Authority;
- F. A summary of the date, type and outcome of meetings of TransLink's Board of Directors held during the year;
- G. Fare Collection Bylaw; and
- H. A summary of tickets issued and collection under Section 248.

This report should be read in conjunction with the 2019 Accountability Report, in order to get a full understanding of the organization and its financial and operational performance. The 2019 Accountability Report will be posted on TransLink's website.

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EXECUTIVE SUMMARY

Under the *South Coast British Columbia Transportation Authority Act*, TransLink is required to prepare an annual report that includes a summary of operations for the year along with a comparison to the organization's applicable strategic, service, capital and operational plans. This 2019 Statutory Annual Report meets that requirement and includes other reporting obligations such as audited financial statements, complaints and customer satisfaction summaries. This report should be read in conjunction with the 2019 Accountability Report to obtain a full understanding of the organization and the strategic platform that drives its financial and operational performance. The 2019 Accountability Report will be posted on the TransLink website.

TransLink's current strategic plan, applicable to 2019, as defined by legislation, is the 2018-2027 Investment Plan: Phase Two of the 10-Year Vision (the "Plan") approved by the Mayors' Council on Regional Transportation on June 28, 2018. This 2019 Statutory Annual Report makes reference to the 2019 year of the Plan.

A. OPERATIONS SUMMARY

1 Transit Service Levels

The table below provides a summary of conventional transit service hours, Access Transit trips and ridership numbers while comparing 2019 actual results to the Plan.

	Actual 2019	Investment Plan 2019	Fav/(Unfav) Over Plan	% Change
Conventional Transit <i>(thousands of service hours)</i>				
Conventional Bus	4,615	4,599	16	0.3%
Community Shuttle	653	645	8	1.2%
West Vancouver Conventional Bus	118	142	(24)	(17.1%)
SkyTrain Expo and Millennium Lines	1,322	1,337	(15)	(1.1%)
SkyTrain Canada Line	203	186	17	9.1%
SeaBus	13	13	-	-
West Coast Express	37	37	-	-
Total Conventional Transit	6,961	6,960	1	0.0%
Access Transit Trips <i>(thousands of trips)</i>				
HandyDART	1,198	1,271	(73)	(5.7%)
Taxi Supplement	183	102	81	79.4%
Total Access Transit Trips	1,381	1,373	8	0.6%
Ridership				
Ridership (millions of transit journeys)	272	259	13	5.2%
<i>Note: Ridership in this table is based on delivery of total conventional transit service hours and HandyDART Access Transit service.</i>				

Conventional Transit Service Levels

Conventional transit service hours were mainly consistent with the 2019 year of the Plan as a result of the successful execution of service expansion as committed to in the Mayor's Council's 10-Year Vision (the "10-Year Vision"). The expansion increased the bus frequency on specific routes and added new bus routes and additional service hours. Furthermore, Coast Mountain Bus Company (CMBC) took over the operations of a route in West Vancouver, which resulted in a decrease in service hours for West Vancouver Conventional Bus and an increase in service hours in Conventional Bus. More service hours were delivered on Canada Line than what was outlined in the Plan. This is partly offset by a decrease in service hours for the Expo and Millennium Lines which was mainly a result of cancelled trips due to inclement weather and the cancellation of special events.

Access Transit Service Levels

In 2019, Access Transit service trips were slightly above the expansion outlined in the 10-Year Vision. HandyDART vehicles are our primary resource for trip delivery but during peak hours and at times when demand exceeds our fleet capacity, trips are delivered with taxis.

Ridership

Journeys for conventional transit service and Access Transit achieved a record of 272 million in 2019, surpassing the Plan projection by 5.2 per cent. Journeys represent a complete transit trip using Compass fare media or other proof of purchase regardless of the number of transfers. Strong ridership growth in 2019 compared to the Plan was a result of customer improvement initiatives, a strong economy with low unemployment, and – for some months – higher gas prices.

2 2019 Investment Plan Status Report

Phase Two of the 10-Year Vision includes new investments in every mode of transportation – transit, roads, walking and cycling – as well as maintains the existing transportation system in a state of good repair. A status update of the Plan is provided below.

New Transportation Investments in the Phase Two Plan

The Plan expands rapid transit across Metro Vancouver according to the priorities established in the 10-Year Vision. It completes the rapid transit early works investments begun in the 2017-2026 Investment Plan: Update to Phase One of the 10-Year Vision (“Phase One”), including the Broadway Subway Project (“BSP”, formerly the Millennium Line Broadway Extension) and the Surrey-Newton-Guildford Line (SNG). Two significant events occurred related to the rapid transit projects after the Plan was approved. The responsibility for delivery of the BSP was transferred to the Province of British Columbia (Province) and the City of Surrey requested the Plan be amended to swap the SNG Line with the Surrey-Langley line and that this be SkyTrain service instead of Light Rail Transit.

Building New Rapid Transit

- Major Rapid Transit Projects
 - Construction and Operation of the BSP
 - A Request for Proposal (RFP) for the Province’s BSP was issued by the Province in June 2019.
 - Advanced works to support the BSP including the trolley overhead line relocation to accommodate bus route changes in support of bus operations during construction.
 - Surrey Langley SkyTrain (SLS) Project
 - In early 2019, TransLink appointed a SLS team to complete planning, design and engagement activities necessary for project approval.
 - Implemented a public affairs plan which includes two rounds of public consultation.
 - Completed a technical program to develop a reference design concept, construction cost estimate, and delivery schedule.
 - Delivered a business case update to the Board and Mayors’ Council in outlining the cost, benefits and timeline of the proposed SLS project.
 - Developed a supportive policies agreement with the City of Surrey to address land use plans, affordable housing, active transportation connections, and other activities.
 - Undertook joint planning workshops with Board and Mayors’ Council to confirm the approach and scope parameters for the upcoming update to the Plan and Phase 3 of the Investment Plan. The SLS line would be built in 2 phases; the first phase from King George Station to Fleetwood would replace the SNG Line in the Phase 2 Plan and utilize existing senior government funding and the second phase from Fleetwood to Langley would be part of the Phase 3 plan.
 - Received endorsement from the City of Burnaby, Simon Fraser University (SFU) and Mayors’ Council to proceed with further project planning and community engagement for the gondola from the Millennium Line to the SFU Burnaby Campus.
 - Launched a study, established a multi-agency steering committee and commenced technical work on options and modelling for Rapid Transit to University of British Columbia (UBC).

Upgrading the Existing Rail Network

- SkyTrain
 - Successfully implemented 9 per cent more service on the Expo Line and 5 per cent more service on the Millennium Line during peak service with the successful introduction of the new Mark III trains.

- Fully tested, commissioned and placed seven new trains in revenue service and continued to make progress on commissioning three additional trains.
- Issued an RFP to procure 205 new SkyTrain cars for the Expo and Millennium Lines.
- Completed station upgrades at Commercial-Broadway, Joyce-Collingwood, and Surrey Central.
- Upgraded passenger communications in stations with the installation of new Passenger Information Display System (PIDS) signage on platforms and at entrances.
- Received four new SkyTrains in 2019 for the Canada Line which were put through testing and commissioning.
- Upgraded overnight train storage capacity at the Operations and Maintenance Centre (OMC) facility.

New Bus and HandyDART Investments

- Bus
 - Met the service increase commitments in the Plan.
 - Rebranded B-Lines as RapidBus and prepared five new RapidBus' for launch in early 2020.
 - Made improvements to more than 75 routes to address overcrowding throughout the day.
 - Increased bus service by 2.7 per cent over 2018 with 179 buses placed into service, including four electric and 18 double decker buses, and 38 replacement community shuttles.
 - Ordered nine expansion community shuttles.
 - Completed employee and customer amenity upgrades to the following bus exchanges: Maple Meadows, 22nd Street, Marpole, Joyce Collingwood East station, UBC and Guildford.
 - Made progress on employee and customer amenity upgrades on the Nanaimo and Lonsdale exchanges, and construction of the new Canada Line bus exchange at Richmond-Brighouse.
 - Established a bus speed and reliability cost-share program to fund capacity building, pilot projects, planning and design and capital projects.
- SeaBus
 - Retrofitted and put a spare SeaBus into service in September 2019 to meet out commitment to deliver 10-minute peak service.
- HandyDART
 - Completed a Fleet Optimization Study ahead of the next HandyDART procurement cycle.
 - HandyDART trips increased by 10.5 per cent from 2017 to 2019. Number of trips are in line with the Plan.
 - Placed 50 vehicles into service of which 10 were added to increase service and the remainder vehicles were to replace vehicles.

New Road Investments

- Minor capital upgrades
 - Allocated \$18.0 million of the total planned commitment of \$20.0 million earmarked for 2019. \$2.0 million was transferred to 2019 Regional Cycling Infrastructure projects.
- Structure rehab and seismic upgrades
 - Allocated \$24.5 million of the \$32.5 million commitment for 2017-2019 towards 21 rehabilitation and seismic upgrades of structures on the Major Road Network (MRN) including the Granville Bridge Seismic Upgrade. The remaining \$8.0 million will be allocated in 2020.
- Operations, maintenance, and rehabilitation of the Major Road Network
 - Since 2017, TransLink has allocated \$152.0 million for operations, maintenance and rehabilitation of the MRN, \$56.0 million was allocated for 2019.
- TransLink-owned Bridges
 - Retained the services of BC Ministry of Transportation and Infrastructure and consultants to perform condition inspections of TransLink's bridges.
 - Completed construction of structural rehabilitation at Westham Island Bridge.
 - Continued to make progress on the Knight Street Bridge structural rehabilitation detailed design.

New Walking and Cycling Investments

- Walking Access to Transit
 - In 2019, TransLink entered into agreements with municipalities across Metro Vancouver to provide \$5.0 million in regional funding for 69 pedestrian infrastructure projects around transit corridors in line with the 2018 Plan. Since 2017, TransLink has allocated all the \$12.5 million commitment earmarked for 2017-2019.
- Regional Cycling Infrastructure
 - TransLink exceeded the 2019 planned total of \$13.5 million with a \$15.3 million commitment for municipal cycling infrastructure. \$2.0 million was transferred from 2019 Minor Capital Upgrades.
- TransLink-owned Cycling Infrastructure
 - Advanced the planning and procurement of next-generation bike lockers, and the procurement and implementation of TransLink's region-wide bike monitoring program.
 - Made state-of-good-repair improvements on the BC Parkway in Vancouver and Burnaby.
 - Designed comprehensive BC Parkway corridor upgrades, including structural and public-realm improvements, for sections of the BC Parkway through New Westminster.

New Mobility Investments

- New mobility
 - Continued to progress prototyping and piloting for on-demand transit on Bowen Island and Vanpooling with UBC and after evaluation will continue to explore more extensive piloting and/or scaling-up in 2020.
 - Issued a challenge to making the customer experience at transit stops, stations, and exchanges more enjoyable through the 2019 Open Innovation Call which resulted in two pilots that will be launched in 2020.

Manage the System to be More Efficient and Effective for Users

In 2019, TransLink continued to develop and implement a wide range of policies and strategies in order to make the regional transportation network more efficient and effective for more users.

Make Travel Safe and Secure

- Safety and Emergency Planning
 - Development of Emergency Management and Business Continuity System is underway and will now be called a Resiliency Management System which will align with Safety and Environmental Management Systems throughout the enterprise.
 - Through the Resiliency Management System that is being established, hazards and risks are being systematically identified and evaluated. Mitigation strategies are being implemented that include the development of procedures and emergency response plans and conducting employee training.
- Security Operations
 - The Metro Vancouver Transit Police ("Transit Police") continued to implement two dozen initiatives associated with its three Strategic Goals: Deliver a Safe and Secure Transit System, Build Confidence in the Use of Public Transit and Provide Regional Services that Enhance Local Policing and Community Safety. Actions taken included an extensive Anti-Sex Offence Campaign (alongside several community partners) and expanded "See Something, Say Something" Campaign; thousands of safety advertisements placed on transit vehicles, bus stops, exchanges and SkyTrain stations.
 - New Transit Police sub-offices were opened at Commercial/Broadway Station and New Westminster Station.
 - Transit Police executed over 1,000 outstanding warrants of the Jurisdictional Police or Transit Police enhancing the safety of both the transit system and Metro Vancouver region.

- Transit Police – Neighborhood Police Officers were engaged in hundreds of community events, promoting personal safety on transit.
- Transit Police Officers participated in live ‘active assailant’ exercises as part of its anti-terrorism strategy and protection of transit passengers and infrastructure. The six Transit Police explosive detection dog teams responded to suspicious packages and threats on transit and when requested by police partners.
- Technology and Cyber-Security
 - Replaced the system used to monitor, analyze and report on Train Run Time Performance and Train Timetable Planning as part of the British Columbia Rapid Transit Company (BCRTC) Modernization program.
 - Commenced the project to migrate BCRTC to new payroll and employee timekeeping and scheduling systems.
 - Invested in improving the maturity of TransLink’s Cybersecurity business capabilities to ensure the confidentiality, integrity and availability of its information assets.
 - Completed the evaluation for an Enterprise Asset Management for BCRTC with contract negotiations underway.
 - Completed the evaluation for a Financial Management and Supply Chain System for the enterprise with contract negotiations underway.

Make Travel Easy and Informative

- Customer Experience Planning
 - Completed the development of TransLink’s enterprise-wide Customer Experience Plan with implementation of key projects underway.
 - Launched a Customer Experience Executive Steering Committee in 2019 and a Customer First Committee continued to work on influencing and enhancing the customer experience.
- Customer Information and Communication
 - Evolved the Transit Alerting and Messaging System to provide enhancements and expansion of customer alerts and messages through SMS, email, the TransLink Alerts page on our website and across the new Passenger Information Display Signage and Digital Kiosks.
 - Installed 111 PIDS on the SkyTrain network and 94 RapidBus PIDS on the Bus network.
 - Launched a new responsive website in 2019 which included an upgraded trip planner, integration with google maps, and updated alerts and advisories page.
 - Completed the Expo-Millennium Line Wayfinding retrofit. Placement and plans for the Canada Line retrofit completed during the third quarter of 2019 and ready for implementation in 2020.
 - Launched Customer Information Live Chat on the website to allow real-time digital customer support.
 - Introduced American Express (Amex) payments at all points of sale including Compass vending machines and launched Amex contactless payments (a Canadian first) directly at all faregates and on buses enabling seamless travel for customers to tap to pay with Amex cards.
- Public Art
 - As part of the Capture Photography Festival, TransLink installed “Skwxwú7mesh Nation Basketball” by photojournalist Alana Paterson at the Stadium- Chinatown SkyTrain Station.
 - New public art, produced by Tania Willard of Secwépemc and settler heritage, was installed at the Commercial-Broadway Station.
- Accessibility
 - Researched and engaged with customers and stakeholders towards implementing Compass on HandyDART and improving the registration process.
 - CMBC’s Access Transit Service Delivery group delivered travel training programs, focusing on groups and training-the-trainer opportunities.

Make Travel More Efficient and Reliable

- Transit Network Performance
 - Commenced consultation on 12 proposed changes to improve existing routes including Fraser Highway and South Surrey-Bridgeport and introduce new routes including the Phibbs-Metrotown Express Bus and River District.
 - Implemented extensive transit priority measures on RapidBus corridors which benefits all buses that travel on those corridors and made spot improvements, such as red paint at bus stops, on other bus corridors.
 - Continued to develop the On-Road Fleet Storage and Maintenance Plan which will ensure that the operational needs of the growing bus and rail fleet are met.
- Road Network Performance
 - Continued to develop the Regional Road Network Performance Monitoring Program, including the beta version of the Regional Road Performance Monitoring dashboard and report.
- Harmonizing Regulations
 - As of December 2019, the overall level of harmonization with the regional definition of a heavy truck and vehicle weights and dimensions standards is 80 per cent with 18 jurisdictions fully or substantially harmonized.
 - Harmonization of requirements for permit trucks (i.e., oversize—overweight trucks) is complete.
 - The Regional Transportation Advisory Committee (RTAC) endorsed the new Regional Permit Policies and Procedures Manual (RP3M) in November 2019.
 - The RTAC endorsed several initiatives to support multi-jurisdictional permitting, including: developing an implementation strategy for a multi-jurisdictional permit system; and collecting dimensional clearance data and evaluating structures to pre-screen certain truck routes for over size-over weight vehicle use to expedite the permit review process.
 - Following the launch of a BETA version of the Commercial Vehicle Route Planner (CVRP) and positive stakeholder feedback, TransLink is partnering with the BC Ministry of Citizens' Services' to develop and deliver a full production version of the CVRP. Work to develop the App is underway.
- Low-Carbon Fleet
 - Completed Phase 2 of the Low Carbon Fleet Strategy including a peer review with findings and recommendations to be presented to the Board and Mayors' Council in early 2020.

Price the Transportation System to Reduce Congestion and Overcrowding, Improve Fairness, and Support Transportation Investment

- Payment
 - New services and security features have been implemented at Compass Card website in April to improve customer experience.
 - Enrolled new members in Compass for Organizations providing employer subsidized transit benefits to the employees of these companies.
- Transit
 - Commenced implementation work, including exploration with Province on future low-income fare discount programs.
- Parking
 - Through monitoring the utilization of all TransLink owned and managed park-and-ride lots and bike parkades, developed proposals to consider adjusting prices upwards where capacity was oversubscribed and adjusting prices downwards where capacity was underutilized.
- Roads
 - Progressed on result of the report of the Mobility Pricing Independent Commission which included: understanding the complexities of equity; considering accessibility or access to destinations; understanding the impacts on households, businesses, and on regional planning; and exploring mitigating measures, such as caps, rebates, exemptions, discounts and tax shifts.

Partner to Make It Happen

TransLink collaborates with a broad range of partners and stakeholders in order to maximize the value and effectiveness of the transportation services and infrastructure and to achieve the best regional planning outcomes.

Align Transportation and Land Use

- With Partner Agencies
 - Worked with local and regional partners to complete Lougheed Long-term Transit Corridor Plan and multimodal Area Transport Plan for Maple Ridge-Pitt Meadows.
 - Actively participated in Metro Vancouver’s Regional Planning Advisory Committee (RPAC) and other Metro Vancouver initiatives, including the Regional Industrial Lands Strategy, RPAC Housing Sub-committee, and RGS Urban Centers framework review.
 - Completed Phase One of public engagement for the Regional Transportation Strategy (RTS) update Transport 2050 which garnered a record breaking 31,700 responses and over 4,000 ideas submitted
 - Conducted the first Policymakers’ Coordination Forum workshop with executives at TransLink, Metro Vancouver and the Province
- With Real Estate and Commercial Partners
 - Launched state-of-the-art touch-screen commuter information kiosks with real-time trip information, location-specific alerts and commuter information across SkyTrain and West Coast Express Stations, SeaBus terminals, Park and Ride locations and bus loops.
 - Successfully installed and commissioned ATM’s following upgrade of three major station upgrade projects (Surrey Central, Joyce East and Joyce West)
- Develop and Implement Project Partnership Agreements
 - Monitored the framework and program for the BSP developed in partnership with City of Vancouver, Province and Metro Vancouver.
 - Developed a Supportive Policies Agreement with City of Surrey which lays out commitments to developing land use plans for the local communities on the corridor that are consistent with higher order transit investment and exceed the population and job forecasts in the project business case.

Innovate Through New Partnerships

- With Goods Movement Partners
 - Improved regional road network operations including freight wayfinding and trip planning tools with the launch of a BETA version of a route planning App and positive stakeholder feedback. TransLink partnered with the BC Ministry of Citizens’ Services to develop and deliver a full production version of the App. Work to develop the App is underway with a targeted launch by end of Q1 2020.
 - Supported Metro Vancouver and municipalities to protect industrial and employment lands with good access to transportation networks through consultation with the Greater Vancouver Urban Freight Council and other key stakeholder groups throughout the development of the Regional Industrial Lands Strategy.
 - Worked with the Greater Vancouver Gateway Council to develop a coordinated communications strategy.
- With New Mobility Partners
 - In partnership with Modo Car Share, Evo Car Share, and bike-share provider Mobi by Shaw Go, developed and launched a basic and partial Mobility-as-a-Service prototype focusing on an integrated registration, vehicle access, invoicing and payment solution for all four transportation services with a single Compass Card.
 - In partnership with Poparide, launched a campaign to encourage people who commute by car to consider using the Poparide app to find a carpool partner.

Funding

New funding sources are needed to expand the transportation system and serve the rapidly growing population and increasingly urban region.

- Transit fare rates increased across all modes of transit on July 1, 2019. Refer to Section 6 for the new short-term fare rates.
- Parking tax increased from 21 per cent to 24 per cent on July 1, 2019.
- Property tax increased by 5.3 per cent in 2019 and included an increase of \$10.0 million to Standard Property Tax revenues in 2019 as outlined in the Plan.
- In March 2019, TransLink and the Province received approval for \$493.2 million of federal funding for the Expo and Millennium Upgrade Projects under the Investing in Canada Infrastructure Program. TransLink and the Province is currently working on completion of the Overarching Funding and Governance agreement and the Ultimate Recipient Agreement related to the Investing in Canada Infrastructure Program.
- The Government of Canada announced a one-time doubling of the Federal Gas Tax Fund transfer as part of the 2019 Federal budget. The portion of this one-time transfer allocated to the Greater Vancouver regional fund was \$138.0 million.
- The fuel tax increase from \$0.17/L to \$0.185/L was implemented on July 1, 2019.

3 2019 Financial Plan

The Plan identifies operating expenditures over the next ten years (2018-2027) as well as how those expenditures will be funded from established revenue sources. These revenues and expenditures take into account commitments made, services and programs provided and assumptions using the accounting standards as recommended by the Public Sector Accounting Board (PSAB). The table below compares the 2019 actual results to the 2019 Year of the Plan.

<i>(\$ millions)</i>	Actual 2019	2019 Year in the Plan (June 28, 2018)	Fav/(Unfav) Over Plan	% Change
Revenue				
Taxation				
<i>Fuel tax</i>	403.1	419.0	(15.9)	(3.8%)
<i>Property tax</i>	382.7	384.7	(2.0)	-
<i>Parking Rights</i>	81.9	77.5	4.4	5.6%
<i>Hydro levy</i>	21.4	21.6	(0.2)	(0.9%)
<i>Replacement tax</i>	17.8	18.0	(0.2)	(1.1%)
Transit	685.4	640.8	44.6	7.0%
Government transfers				
<i>Senior Government Funding</i>	338.4	238.5	99.9	41.9%
<i>Golden Ears Bridge Tolling Replacement Revenue</i>	60.1	60.1	-	-
Investment income	58.0	51.4	6.6	12.8%
Amortization of deferred concessionaire credit	23.3	23.3	-	-
Miscellaneous revenue	9.0	6.5	2.5	39.3%
Sub Total Continuing Operations Revenue	2,081.1	1,941.5	139.7	7.2%
Gain/(loss) on disposal	0.5	(0.5)	1.0	208.7%
Total Revenue (PSAB)	2,081.6	1,941.0	140.6	7.2%
Expenditures				
Bus Operations	758.9	764.3	5.4	0.7%
Corporate Operations	103.3	94.5	(8.8)	(9.3%)
Rail Operations	324.2	332.5	8.3	2.5%
Roads and Bridges	95.1	149.6	54.5	36.5%
Transit Police	40.9	40.9	0.0	0.0%
Amortization of tangible capital assets	212.9	253.1	40.2	15.9%
Interest	195.0	192.1	(2.9)	(1.5%)
Sub Total Continuing Operations Expenditures	1,730.3	1,827.1	96.8	5.3%
Corporate - onetime expenditures	18.2	11.8	(6.4)	(54.8%)
Total Expenditures (PSAB)	1,748.5	1,838.9	90.4	4.9%
Surplus for the period (PSAB)	333.2	102.2	231.0	226.1%
Accumulated Surplus¹, beginning of the year	1,265.8	1,296.8	(31.1)	(2.4%)
Accumulated Surplus¹, end of the year	1,598.9	1,399.0	199.9	14.3%

¹ The Accumulated Surplus is derived under Public Sector Accounting Standards and does not represent cash

Revenues:

Total 2019 revenue at \$2.1 billion was \$140.7 million favourable to the 2019 year in the Plan. Fuel tax revenue was \$15.9 million (3.8 per cent) unfavourable to the Plan due to the timing of legislation for the increase in fuel tax from \$0.17 to \$0.185 which was anticipated by Spring of 2019 but enacted on July 1, 2019. This was offset slightly by Parking Rights Tax, which was favourable to the Plan by \$4.4 million (5.6 per cent) due to higher than expected parking volumes. Property and replacement tax, hydro levy and parking rights tax revenue for 2019, were mainly consistent with the Plan.

Transit revenue at \$685.4 million was \$44.6 million (7.0 per cent) favourable to the Plan as ridership growth continued to exceed expectations and there continued to be higher program participation. In addition, other transit revenue was favourable to the Plan mainly due to higher advertising revenue, higher than anticipated occupants which resulted in more property rental income and higher than anticipated carbon credits.

Government transfers were \$99.9 million (41.9 per cent) favourable to the Plan primarily due to timing of planned projects. The majority of the positive variance is mainly due to timing differences in deliveries of replacement bus projects, which have shifted the recognition of the corresponding government transfers revenue from 2018 into 2019. This was partly offset by government transfers from the Capstan Station project, which have been deferred to future years due to delays in project initiation.

Investment income was \$6.6 (12.8 per cent) million favourable to the Plan primarily due to higher cash and investment holdings.

Miscellaneous income at \$9.0 million was \$2.5 million (38.9 per cent) favourable to the Plan mainly due to higher labour recoveries from external parties.

There was a \$0.5 million gain on disposal of assets in 2019 as compared to a \$0.5 million loss in the Plan. This due to the unexpected gain on disposal of land in 2019 which was not included in the Plan versus the estimate for the loss on disposal of BCRTC capital spares which was included in the Plan but did not materialize during the year.

Expenditures:

Bus Operations expenditures for 2019 were \$758.9 million, \$5.4 million (0.7 per cent) favourable to the Plan mainly due to lower radio costs and telecommunication costs, lower vehicle maintenance costs, lower contracted services costs incurred on the delivery of the bus route to West Vancouver as CMBC now delivers this route under their service plan and lower labour costs due to temporary vacancies. These were partly offset by an increase in vehicle insurance premiums and higher diesel prices than what was included in the Plan.

Corporate Operations operating expenditures were \$8.8 million (9.3 per cent) unfavourable to the Plan mainly due to higher employee future benefit costs, increases in labour and contractual adjustments and higher than anticipated technology costs.

Rail Operations were \$8.3 million (2.5 per cent) favourable to the Plan mainly due to lower maintenance costs due to the deferral of the station coating program, lower Employee Future Benefits costs and lower service costs than what was included in the Plan for West Coast Express.

Roads and Bridges were \$54.5 million (36.5 per cent) favourable to the Plan mainly due to capital infrastructure contribution deferrals, timing of project delivery, lower bridge maintenance costs and lower contractor payments due to the elimination of tolls and saving due to vacancies. These savings were partly offset by the reclassification of \$14.5 million RapidBus construction costs which were allocated from Corporate One-Time.

Transit Police expenditures for 2019 were comparable to the Plan.

Amortization expense was \$40.2 million (15.9 per cent) favourable to the Plan mainly due to timing differences in completion of planned projects. Additionally, changes in the estimated useful lives of the Richmond and Vancouver Transit Centre as compared to the Plan also contributed to the positive amortization variance.

Interest expense was \$2.9 million (1.5 per cent) higher than the Plan due to a loss on upfront settlement of a bond interest forward contract mostly offset by a combination of lower than planned amounts of borrowing and lower than planned interest rates.

Corporate One-time expenditures were \$6.4 million (54.8 per cent) higher than the Plan mainly due to the acceleration of the project completion timeline for the RapidBus Program, additional costs of new projects not reflected in the Plan and timing differences for the feasibility studies, partly offset by the timing of Bus Speed and Reliability program and Mobility Pricing program.

4 2019 Capital Program

Schedule 1

Schedule 1 below lists the projects that were included in the 2019 Capital Program as Approved in Principle (AIP) and indicates their current status. The schedule includes activity related to new capital projects in 2019 including any carry forward AIP projects from 2018.

Project and Program Titles (\$ thousands)	2019 Approved in Principle (AIP)	Specific Project Approval (SPA) during the year		Current Project Status as at December 31, 2019 (cumulative AiP and SPA's to date – December 31, 2019)				
	Budget	Approval Date	Budget	Budget	Actual Cost to Date	Forecast to Complete	Final Forecast Cost	Estimated Completion Date
Equipment								
Automatic Train Control (ATC) Existing Equipment Replacement - Stage 4	27,480	19-Sep-19	23,490	27,480	-	27,478	27,478	31-Dec-23
Bus Security Camera System Replacement ¹	20,000	-	-	-	-	20,000	20,000	31-Dec-23
CMBC Asset Purchases	570	7-Mar-19	731	731	625	15	640	31-Jan-20
CMBC Facilities Camera Replacement ¹	1,600	-	-	-	-	1,600	1,600	28-Feb-21
CMBC Onboard Computer Update and Voice Radio Replacement ¹	36,000	-	-	-	-	36,000	36,000	31-Dec-24
Expo Line Traction Power Equipment Upgrade ¹	10,200	-	-	-	-	10,200	10,200	30-Sep-22
Fare Gates Capacity Increase - Priority Stations	1,902	13-Jun-19	949	1,902	-	1,910	1,910	31-Mar-21
Hoist Replacements ¹	800	-	-	-	-	800	800	31-Jan-21
Replacement of Hegensheidt Underfloor Lathe ¹	4,710	-	-	-	-	4,710	4,710	30-Jun-22
Replacement of Rotary Grinder #2	6,500	12-Dec-19	9,045	9,045	-	9,045	9,045	30-Sep-22
SeaBus Shore Base Emergency Backup Generators and Transfer Switches ¹	610	-	-	-	-	610	610	31-May-21
TMAC Radio Replacement	3,652	-	-	25,600	8,288	14,288	22,576	31-Mar-22
Equipment Total	114,024		34,215	64,758	8,913	126,656	135,569	
Facilities								
BCRTC OMC 1 and 2 Space Optimization Modernization	8,000	29-Nov-19	3,950	8,000	-	8,086	8,086	30-Sep-21
Burnaby Transit Centre South Fleet Overhaul (FOH) Maintenance Lunchroom Expansion and Electric Shop Upgrades ¹	1,450	-	-	-	-	1,450	1,450	31-Aug-21
Bus Facility Customer Amenities Improvement Program ¹	6,573	-	-	-	-	6,573	6,573	31-Dec-22
CMBC Marpole Transit Centre	3,002	10-Jan-19	3,000	3,000	19	2,981	3,000	31-Dec-20
CMBC Roof Access Platform Upgrades	360	21-Mar-19	360	360	19	342	361	30-Jun-20
Metro Vancouver Transit Police- Sapperton Facilities Expansion and Renovation	1,003	14-Nov-19	160	1,003	-	1,003	1,003	31-Dec-20
OMC Perimeter Security Upgrade	1,990	12-Dec-19	795	1,990	-	1,990	1,990	30-Jun-21

Project and Program Titles (\$ thousands)	2019 Approved in Principle (AIP)	Specific Project Approval (SPA) during the year		Current Project Status as at December 31, 2019 (cumulative AiP and SPA's to date – December 31, 2019)				
	Budget	Approval Date	Budget	Budget	Actual Cost to Date	Forecast to Complete	Final Forecast Cost	Estimated Completion Date
Richmond Transit Centre Facility Upgrades to Accommodate Double Decker Buses	5,350	21-Mar-19	5,750	9,750	3,603	6,207	9,810	31-Dec-20
SeaBus Facility Upgrades ¹	2,805	-	-	-	-	2,805	2,805	31-Dec-23
SeaBus Maintenance Dock Expansion	8,415	11-Jul-19	8,415	10,000	1,238	7,058	8,296	31-Oct-20
SeaBus Terminals Interior Refurbishment - Design and Implementation	14,000	5-Sep-19	110	15,977	1,251	14,781	16,032	31-Mar-22
Surrey Transit Centre (STC) Bodyshop Exhaust Reels	530	16-May-19	450	450	-	452	452	30-Jun-20
Trolley Overhead (TOH) Rectifier Building Roof and Envelope Replacement	500	22-Feb-19	500	500	38	424	462	31-Mar-20
Facilities Total	53,978		23,490	51,030	6,168	54,152	60,320	
Infrastructure								
2018 TransLink Owned Bicycle Infrastructure ¹	6,624	-	-	-	-	6,624	6,624	31-Mar-21
2nd Generation Bike Lockers - Phase 1	-	17-Oct-19	785	785	18	780	798	31-Mar-21
Arbutus to UBC SkyTrain (formerly UBC Extension)	1,000	30-May-19	1,000	1,000	218	782	1,000	31-Dec-20
BC Parkway Temporary Lighting Project	-	5-Sep-19	636	636	7	588	595	30-Jun-20
Burnaby Mountain Gondola Transit	3,000	11-Jul-19	800	3,000	-	3,000	3,000	31-Mar-21
Burrard Station	59,105	16-May-19	7,500	60,700	2,345	58,298	60,643	31-Dec-23
Bus Loop Park and Ride Paving	700	22-Aug-19	700	700	5	699	704	20-Sep-20
Bus Speed and Reliability	2,000	30-May-19	2,000	2,000	-	1,705	1,705	31-Dec-21
Bus Stop Infrastructure for New Routes ²	750	-	-	-	-	-	-	-
Canada Line Bus Loops - Brighthouse	4,000	11-Jul-19	5,500	8,500	155	8,347	8,502	31-May-20
Edmonds OMC Capacity Upgrade ³	3,370	19-Sep-19	1,630	7,260	2,366	4,894	7,260	31-Dec-23
Elevator Replacement	1,935	22-Aug-19	1,935	1,935	-	1,935	1,935	31-Dec-20
Expo Line Escalator Replacement - Accelerated Program	51,893	10-Jan-19	51,893	67,321	19,563	47,731	67,294	31-Dec-23
Expo Line Tunnels Ventilation System Rehabilitation	4,300	-	-	6,165	818	4,959	5,777	31-Mar-21
Guideway Closed Circuit TV (CCTV) Coverage ³	9,020	-	-	780	770	-	770	31-Dec-19
Guildford Exchange Upgrades ³	1,427	-	-	10,673	8,353	1,260	9,613	31-Mar-20
Investments in Transit Priority on RapidBus Corridors (Phase 1)	42,035	5-Sep-19	36,186	45,231	15,378	29,689	45,067	31-Jan-21
Investments in Transit Priority on RapidBus Corridors (Phase 2) ¹	28,000	-	-	-	-	28,000	28,000	31-Dec-23
Knight Street Bridge Rehabilitation-Detailed Design	3,800	7-Mar-19	1,800	2,100	236	1,853	2,089	30-Jun-20

Project and Program Titles (\$ thousands)	2019 Approved in Principle (AIP)	Specific Project Approval (SPA) during the year		Current Project Status as at December 31, 2019 (cumulative AiP and SPA's to date – December 31, 2019)				
	Budget	Approval Date	Budget	Budget	Actual Cost to Date	Forecast to Complete	Final Forecast Cost	Estimated Completion Date
Knight Street Bridge-Sidewalk and Deck Rehabilitation	-	5-Dec-19	2,000	2,000	-	1,999	1,999	31-Dec-22
Metrotown Bus Loop Upgrade ³	3,720	-	-	435	344	-	344	30-Nov-19
New SFU Exchange Contribution ¹	3,185	-	-	-	-	3,185	3,185	31-Dec-22
Noise Assessment of Rapid Transit Lines Phase 1	1,000	7-Feb-19	1,000	2,470	727	1,743	2,470	31-May-21
Phibbs Exchange Upgrade ¹	6,000	-	-	-	-	6,000	6,000	31-Mar-21
Power System Upgrades for SkyTrain at OMC ⁴	10,400	7-Dec-18	10,400	22,565	7,310	16,204	23,514	31-Dec-20
PowerSmart Upgrades at Surrey Transit Centre and Port Coquitlam Transit Centre	1,200	27-Jun-19	1,200	1,200	51	1,140	1,191	31-Jan-21
Roofing Replacement Program - Expo Line	1,950	31-Oct-19	1,950	1,950	-	1,950	1,950	30-Nov-20
Running Rail Replacement	8,850	17-Oct-19	7,800	7,800	-	8,848	8,848	31-Jan-21
SkyTrain Operation Control Centre (formerly OMC Upgrades)	41,680	-	-	50,000	2,544	49,145	51,689	31-Dec-23
SkyTrain PIDS Upgrade	-	12-Dec-19	4,000	30,434	21,573	28,596	50,169	31-Dec-21
2019 TransLink Owned Bicycle Infrastructure ¹	3,200	-	-	-	-	3,200	3,200	31-Dec-22
TOH State of Good Repair	4,775	7-Feb-19	4,775	4,775	2,488	1,782	4,270	31-Mar-21
Westham Island Bridge Rehab-Scour Protection Design	1,000	29-Nov-19	1,000	3,320	1,838	1,515	3,353	31-Dec-20
Infrastructure Total	309,919		146,490	345,735	87,107	326,451	413,558	
Technology								
Access Transit Trapeze PASS - Additional Modules	2,000	29-Nov-19	1,660	1,660	-	2,000	2,000	31-Dec-20
BCRTC Enterprise Asset Management - 2017	5,490	-	-	11,760	4,276	7,564	11,840	31-Dec-23
BCRTC Enterprise Asset Management - 2019 ¹	33,240	-	-	-	-	33,240	33,240	31-Dec-23
BCRTC Modernization ¹	500	-	-	-	-	500	500	31-Dec-21
BCRTC Payroll, Scheduling and Timekeeping	1,500	25-Jan-19	1,500	2,140	1,142	555	1,697	31-Mar-22
Bus Daily Operations Management System (DOMS) Product Migration Planning	25,269	14-Aug-19	6,086	27,435	2,669	24,813	27,482	31-Dec-23
Compass Vending Machines (CVM)	461	4-Apr-19	337	461	-	337	337	31-May-20
Enterprise Content Management ¹	1,000	-	-	-	-	1,000	1,000	31-Mar-21
Enterprise Health and Safety System	500	7-Feb-19	998	998	211	643	854	31-Oct-20
Finance Enterprise Resource Planning (ERP)	4,000	21-Mar-19	920	4,000	769	8,010	8,779	31-Dec-23
IT Infrastructure Refresh	6,200	27-Jun-19	6,614	6,614	441	4,995	5,436	31-Dec-21
OMC 1 3rd Floor Server Room Upgrade ¹	1,250	-	-	-	-	1,250	1,250	31-Mar-22
Responsive Website	2,000	17-Oct-19	2,000	2,000	390	1,255	1,645	31-Dec-20

Project and Program Titles (\$ thousands)	2019 Approved in Principle (AIP)	Specific Project Approval (SPA) during the year		Current Project Status as at December 31, 2019 (cumulative AiP and SPA's to date – December 31, 2019)				
	Budget	Approval Date	Budget	Budget	Actual Cost to Date	Forecast to Complete	Final Forecast Cost	Estimated Completion Date
TransLink Enterprise Asset Management	3,240	14-Aug-19	1,000	6,794	2,143	4,139	6,282	31-Dec-22
TransLink Mobile App ²	1,000	-	-	-	-	-	-	-
TransLink Software Application Renewal Program	3,000	5-Dec-19	2,884	2,884	78	2,660	2,738	30-Jun-21
Transportation Analytics Program	1,500	11-Jul-19	1,500	1,500	82	1,515	1,597	31-Dec-20
Technology Total	92,150		25,499	68,246	12,201	94,476	106,677	
Vehicles								
CMBC Service Support Vehicle Replacement	982	4-Apr-19	982	1,088	-	996	996	31-Oct-20
CMBC TOH Truck Replacement	2,400	4-Apr-19	2,400	2,400	-	2,380	2,380	31-May-21
Community Shuttle Expansion - 2019	2,220	14-Nov-19	2,471	2,471	-	2,471	2,471	31-Dec-22
Conventional Bus Expansion	109,000	30-May-19	100,740	100,740	-	100,740	100,740	31-Jan-21
Conventional Bus Replacements	32,316	2-May-19	32,500	32,500	-	32,439	32,439	31-Jan-21
HandyDART Expansion - 2020 ¹	1,600	-	-	-	-	1,600	1,600	31-Mar-21
HandyDART Vehicle Replacement - 2020 ¹	6,450	-	-	-	-	6,450	6,450	31-Dec-21
Vehicles Total	154,968		139,093	139,199	-	147,076	147,076	
Major Construction								
BSP ³	135,022	14-Nov-19	74,656	84,245	4,478	79,247	83,725	31-Dec-25
Expo and Millennium Line Upgrade Program (EMUP) - Coquitlam OMC 4 Storage Facility	269,600	14-Aug-19	38,700	269,600	815	268,785	269,600	31-Oct-27
EMUP - Fleet	931,600	25-Jul-19	931,600	931,600	726	930,873	931,599	31-Oct-27
EMUP - Infrastructure	296,200	29-Nov-19	18,600	184,900	39	184,861	184,900	31-Oct-27
South of Fraser Rapid Transit (Light Rail Transit) - Implementation ⁵	1,585,720	-	-	-	-	1,585,720	1,585,720	31-Dec-27
SLS Project Development	30,000	14-Jan-19	29,201	29,201	9,582	19,930	29,512	30-Jun-20
Major Construction Total	3,248,142		1,092,757	1,499,546	15,640	3,069,416	3,085,056	
Major Road Network (MRN)								
2019 MRN and Bike Upgrade Funding Program	20,000	30-May-19	17,997	17,997	-	17,997	17,997	31-Dec-22
2019 Walking Infrastructure to Transit (WITT) Funding Program	5,000	30-May-19	5,000	5,000	67	4,999	5,066	31-Dec-23
2019 Bicycle Infrastructure Capital Cost Share (BICCS) Funding Program	13,450	30-May-19	15,269	15,453	-	15,452	15,452	31-Dec-24
2019 MRN Pavement Rehabilitation Funding Program	23,551	30-May-19	23,551	23,551	23,316	234	23,550	31-Dec-20
2019 MRN Structures Rehabilitation and Seismic Upgrade Funding Program	13,000	30-May-19	5,005	13,000	-	13,000	13,000	31-Dec-24
Major Road Network (MRN) Total	75,001		66,822	75,001	23,383	51,682	75,065	
Grand Total	4,048,182		1,528,366	2,243,515	153,412	3,869,909	4,023,321	

(1) These projects are being carried forward to year 2020, see Schedule 1a for details.

(2) These were cancelled projects, see Schedule 1a for details.

Project and Program Titles (\$ thousands)	2019 Approved in Principle (AIP)	Specific Project Approval (SPA) during the year		Current Project Status as at December 31, 2019 (cumulative AiP and SPA's to date – December 31, 2019)				
	Budget	Approval Date	Budget	Budget	Actual Cost to Date	Forecast to Complete	Final Forecast Cost	Estimated Completion Date

- (3) These projects had scope reductions, see Schedule 1a for details.
- (4) These are projects that received advance approvals in 2018.
- (5) The South of Fraser Rapid Transit (Light Rail Transit)-Implementation project was suspended following the Mayors' Council decision to advance the SkyTrain to Langley Project.

Schedule 1a

Schedule 1a below lists the status of TransLink capital programs with project additions, cancellations, disencumbered Approved in Principle projects and projects not yet initiated during 2019.

Project and Program Titles (\$ thousands)	Budget	Reason
Additions		
Business Technology Support (BTS) Office Moves to Metrotown	1,081	In order to meet capacity and project coordination challenges at Sapperton office and 307 Columbia locations, this project was to secure addition lease space at a Metrotown office building to house BTS project team members.
Commercial Broadway Station Commercial Retail Unit (CRU) Services	675	Recent upgrades to the Commercial Broadway station included a dedicated CRU space on the concourse level. The vendor has exercised the option to utilize this space. This project is initiated for TransLink to meet the contractual obligations to the vendor, the project will provide extension of electrical and mechanical services to the area.
OMC Maintenance Capacity Upgrade	6,400	With the development of the EMUP, a need was identified to install additional power capacity at the Edmonds OMC to support the arrival of new fleet. This project was created to support additional power capacity upgrade.
Additions Total	8,156	
Project Cancellation and Scope Reductions		
BSP	17,751	The scope of work to be delivered by TransLink for this project was reduced. Accordingly, budget amount of \$17.8 million has been disencumbered.
Bus Stop Infrastructure for New Routes	750	This project was cancelled as a capital project as the scope of work is delivered under the CMBC Transit Related Road and Infrastructure Program.
Edmonds OMC Capacity Upgrade	1,740	This was a Public Transit Infrastructure Fund (PTIF) eligible project. The scope of work remaining under this AIP has been transferred to a future project. The resources have been reallocated to other PTIF eligible projects in efforts to optimize PTIF funding utilization within set funding timelines.
Guideway CCTV Coverage	4,636	This was a PTIF eligible project. The scope of work remaining under this AIP has been transferred to a future project. The resources have been reallocated to other PTIF eligible projects in efforts to optimize PTIF funding utilization within set funding timelines.
Guildford Exchange Upgrades	1,427	Project budget of \$1.4 million has been disencumbered. This is due to construction cost savings and a reduction in scope associated with the elimination of the Light Rail Transportation project.
Metrotown Bus Loop Upgrade	3,720	Project scope has been reduced to exclude detailed design and implementation. The remaining \$3.7 million implementation budget has been disencumbered.
TransLink Mobile App	1,000	The scope of this project has been consolidated with the Responsive Website project. The budget of \$1.0 million has been disencumbered.
Project Cancellation and Scope Reductions Total	31,024	
Projects Not Initiated		
2018 TransLink Owned Bicycle Infrastructure Program	5,203	This project has an opening AIP of \$6.6 million and transferred an AIP budget of \$785 thousand to the project 2nd Generation Bike Lockers - Phase 1 and transferred \$636 thousand to the project BC Parkway Temporary Lighting Project during the year. The remainder AIP budget of \$5.2 million is contingent on closing a property acquisition with Southern Railway of BC. The project is expected to initiate in 2020.
2019 TransLink Owned Bicycle Infrastructure Program	3,200	This phase of the project is expected to be initiated upon completion of the prior phase noted above.
BCRTC Enterprise Asset Management - 2019	33,240	Project was delayed as it took longer than anticipated to award and finalize the contract for the System Integrator. Project is now expected to initiate in 2020.
BCRTC Modernization	500	This project is on hold until after the completion of the Enterprise Resource Planning Program software procurement. The project will be aligned with the next phase of the BCRTC Asset Management Project. Project is expected to initiate in 2020.

Project and Program Titles (\$ thousands)	Budget	Reason
Projects Not Initiated		
Burnaby Transit Centre South FOH Maintenance Lunchroom Expansion and Electric Shop Upgrades	1,530	This project has an opening AIP of \$1.5 million and received an AIP budget transfer of \$80 thousand from the project STC Bodyshop Exhaust Reels. The feasibility component of this project took longer than anticipated, which delayed the implementation. Project is expected to initiate in 2020.
Bus Facility Customer Amenities Improvement Program	6,573	The project is not initiated to allow potential realignment with Investment Plan. Project is expected to initiate in 2020.
Bus Security Camera System Replacement	20,000	This project will now be delivered in conjunction with the CMBC Onboard Computer Update and Voice Radio Replacement project. This project is expected to initiate in 2020
CMBC Facilities Camera Replacement	1,600	Project was delayed due to internal staff resourcing constraints. Project is now expected to initiate in 2020.
CMBC Onboard Computer Update and Voice Radio Replacement	36,000	This project encountered unexpected technical issues with the vehicle communications systems. The project is expected to initiate in 2020
Enterprise Content Management	1,000	This project was delayed to provide adequate time to review and action the feasibility study recommendations. The project is expected to initiate in 2020.
EMUP - Infrastructure	111,300	This remaining AIP has three components; <ol style="list-style-type: none"> 1. OMC 1 and 2 Maintenance Capacity Upgrades <ul style="list-style-type: none"> o Delays in initiation due to finalizing the concept plan with BCRTC for scope requirement changes. 2. SkyTrain Advance Radio Systems Upgrades <ul style="list-style-type: none"> o Delays due to technology selection process. 3. Station Upgrades – Brentwood <ul style="list-style-type: none"> o Delays due to approval of the rezoning application with the City of Burnaby and works required to be completed by the adjacent development.
Expo Line Traction Power Equipment Upgrade	10,200	Project was delayed due to internal staff resourcing constraints. Project is now expected to initiate in 2020.
HandyDART Expansion - 2020	1,600	This project was delayed to provide adequate time to complete the optimization study. The project is expected to initiate in 2020.
HandyDART Vehicle Replacement - 2020	6,450	This project was delayed to provide adequate time to complete the optimization study. The project is expected to initiate in 2020.
Hoist Replacements	800	Project initiation was delayed until completion of an overall Asset Renewal Program (ARPG) for Hoist replacements. ARPG was completed in Q4 of 2019 and this project is expected to be initiated in 2020.
Investments in Transit Priority on RapidBus Corridors (Phase 1)	5,849	The project is for Wayfinding scope for RapidBus and it was delayed due to rebranding from B-Line to RapidBus. This scope is expected to be initiated in 2020.
Investments in Transit Priority on RapidBus Corridors (Phase 2)	28,000	This project was delayed so resources could be reallocated to ensure the successful completion of the Phase 1 B-Lines (RapidBus), launched in early 2020. The delay will also afford TransLink additional time to ensure adequate public consultation and stakeholder engagement during the early stages of this project.
New SFU Exchange Contribution	3,185	This project was delayed due to challenges during the design and implementation phase. The project is expected to initiate in 2020.
OMC1 3rd Floor Server Room Upgrade	1,250	Part of the Approved in Principle budget was transferred to SeaBus Terminals Interior Refurbishment project. The remainder of the budget will be initiated in 2020.
Phibbs Exchange Upgrade	6,000	This project has been transferred to the BC Ministry of Transportation and Infrastructure (MOTI). MOTI experienced technical issues which delayed their implementation. TransLink remains responsible for providing transit-specific design criteria and standards and development of the transit-related infrastructure with its remaining budget of \$6.0 million. The project is expected to initiate in 2020.
Replacement of Hegensheidt Underfloor Lathe	4,710	Project was delayed due to internal staff resourcing constraints. Project is now expected to initiate in 2020.
SeaBus Facility Upgrades	2,805	The feasibility component of this project took longer than anticipated, which delayed the implementation. Project is expected to initiate in 2020.
SeaBus Shore Base Emergency Backup Generators and Transfer Switches	500	The Approved in Principle budget has an opening balance of \$610 thousand and \$110 thousand has been transferred to the project SeaBus Terminals Interior Refurbishment - Design and Implementation. The project is expected to be initiated in 2020.
South of Fraser Rapid Transit (Light Rail Transit)	1,585,720	The South of Fraser Rapid Transit (Light Rail Transit) project was suspended following the Mayors council decision to advance the SkyTrain to Langley Project. The SLS option business case is to be reviewed and approved in 2020.
Projects Not Initiated Total	1,877,215	

Schedule 2

Schedule 2 provides a comparison of the 2019 cash flow forecast in the 2018 Investment plan to actual spending in 2019. This schedule includes comments for projects with variances greater than \$1 million.

Project and Program Titles (\$ thousands)	2019 Cash Flow (\$ thousands)			Comments on Variances > \$1 Million
	10 Year Plan	Actual Jan 1 - Dec 31 2019	Variance Plan - Actuals	
Equipment				
ATC Existing Equipment Replacement	5,154	4,137	1,017	Variance is due to a change in the scope of the project after incorporating the findings of a previously completed feasibility study. This resulted in an overall reduction of project scope and spending.
CCTV Camera System Upgrade on Expo and Millennium Lines	1,678	8,720	(7,042)	Variance is due to the delay in design and implementation work from prior year. Implementation related cash flows were shifted from 2018 to 2019.
Expo Line Traction Power Equipment Replacement	7,712	101	7,611	Variance is due delay caused by scope and schedule revision to replace entire direct current switchgear lineup at New Westminster substation in order to follow industry best practice, as opposed to replacing only damaged ones caused by a previous fire incident.
Passenger Address System Quality Improvement	6,668	8,489	(1,821)	Variance is due to the delay in design from prior year. The project schedule was realigned, and implementation related cash flows have shifted relative to the investment plan.
SkyTrain Customer and Operations Telecommunications Upgrade	2,807	1,552	1,255	Variance is due to timing delays. Further consultation is required to define the project scope, schedule and budget. Cash flows have shifted from 2019 into future years.
SkyTrain Physical Security System	-	2,086	(2,086)	Variance is due to timing shifts related to the design phase which have shifted cash flows from prior year to 2019 and subsequent years.
TMAC Radio Replacement	-	7,517	(7,517)	Variance is due to a change in project scope, in which the previous scope was expected to be completed prior to 2019. The project is now multi-phase, consolidating other transit management and communication projects, with most of the costs shifting to 2019 and 2020.
Equipment projects with current year variances less than \$1 million	5,335	6,185	(850)	Variances are mainly due to small timing differences between Investment Plan forecasts and actual expenditures in 2019.
Equipment Total	29,354	38,787	(9,433)	
Facilities				
BCRTC OMC 1 and 2 Space Optimization Modernization	7,219	-	7,219	Variance is due to delays in defining project scope causing a delay in delivery of the OMC 1 Shell Space project, thus shifting cash flows from 2019 into 2020 and 2021.
Burnaby Transit Centre South Seismic Upgrade	273	6,220	(5,947)	Variance is due to a change in project scope to include the delivery of the Tire Shop and Fleet Overhaul Building Extension. As a result, overall project budget has increased, and the majority of the cash flows have shifted from 2018 to 2019 and 2020.
Bus Facility Customer Amenities Improvement Program	12,223	-	12,223	Variance is due to delays in defining project scope adjusting from a project-based to program-based approach, which shifted commencement of the project from 2019 to 2020 with all of the costs shifting to subsequent years.
CMBC Marpole Transit Centre	9,376	19	9,357	Variance is due to delays in the project initiation, largely attributable to permitting delays, which have resulted in majority of the cash flows shifting to subsequent years.
CMBC Roof Replacement	-	1,433	(1,433)	Variance is due to a change in schedule to allow the project to be re-tendered to stay within budget. This project previously expected to complete prior to 2019 is now re-baselined shifted cash flows to 2019 and 2020.

Project and Program Titles (\$ thousands)	2019 Cash Flow (\$ thousands)			Comments on Variances > \$1 Million
	10 Year Plan	Actual Jan 1 - Dec 31 2019	Variance Plan - Actuals	
HandyDART Facility Land Acquisition	15,000	-	15,000	The project delayed to better align with the HandyDART service expansion needs of the next Investment Plan.
Sapperton 8th Floor Fit-out	-	2,261	(2,261)	This project was not part of the original Investment Plan and was funded out of the 2019 capital contingency.
SeaBus Maintenance Dock Expansion	7,186	1,164	6,022	Variance is due to longer than anticipated design phase. Construction schedule is realigned and expected to commence in 2020.
SeaBus Terminals Interior Refurbishment - Design and Implementation	14,012	1,077	12,935	Variance is due to change in scope for electrical upgrades shifted cash flows from 2019 into future years.
STC Bodyshop Exhaust Reels	1,375	-	1,375	Variance is due to modifications in scope to reduce the amount of exhaust reels from 5 to 3. As a result, cash flows have shifted from 2019 to 2020.
Transit Centre Infrastructure to Support Expansion	2,419	1,313	1,106	Variance is due to a decrease in project scope and contingency funds not being utilized, which has reduced spending in 2019.
Facilities projects with current year variances less than \$1 million	6,447	6,057	390	Variances are mainly due to small timing differences between Investment Plan forecasts and actual expenditures in 2019.
Facilities Total	75,530	19,544	55,986	
Infrastructure				
Implement Enterprise-Level Regional Demand Management Strategies	1,500	-	1,500	Variance is due to project being cancelled as project scope and cost estimates are not yet defined.
2018 TransLink Owned Bicycle Infrastructure	2,657	-	2,657	Variance due to a delay in agreeing key terms with the Southern Railway of BC for the underlying property acquisition. The cash flows have shifted to 2020.
22nd Street Exchange-Lighting and Passenger Safety Compliance	-	1,674	(1,674)	Variance is due to scope change to expand the area covered by the project to bring the lighting levels in line with current TransLink standards and improve passengers' sense of safety and comfort. This resulted in additional cash flows in 2019.
ATC System Recovery and Operation Improvements	3,508	1,387	2,121	Variance is due to change of project scope resulting in shifted cash flows from 2019 to 2020.
BCRTC Expo Line Roof Replacement	-	5,288	(5,288)	Variance is due to time extensions and additional budget required to complete on all roof replacements. Project cash flows were shifted from 2018 to 2019.
Evergreen Extension Station Bicycle Parkades	-	2,668	(2,668)	Variance is due to schedule shift from that anticipated in the Investment Plan and an overall increase in commodity costs.
Brentwood SkyTrain Station and bus facilities	4,367	545	3,822	Variance is due to delay in receiving municipal approval for the rezoning application. Construction for phase 1 and Phase 2 is re-scheduled and related cash flow is shifted to subsequent years.
BTCN Garage Renovation	527	2,537	(2,010)	Variance is due to delay in project initiation in prior year which shifted the project schedule and related cash flows from 2018 to 2019.
Burnaby Mountain Gondola Transit	1,500	-	1,500	Variance is due to delays in completion of the feasibility study. The capital expenditures anticipated in the Investment Plan is deferred to future years.
Burrard Station	9,364	1,055	8,309	Variance is due to delays in the concept design phase. Concept designs came in at higher than anticipated cost estimates that required the need to revisit the design and implementation strategy. Implementation cash flows have now shifted to subsequent years.
Canada Line Capacity Expansion	20,000	14,395	5,605	Variance is due to revisions in the milestone payment schedule subsequent to the Investment Plan being developed, resulting in shifting the cash flows from 2019 to 2020.
Canada Line Capstan Station	22,012	-	22,012	Variance is due to a delay in negotiations of municipal funding, which shifted implementation to subsequent years. Funding terms were finalized in December 2019.

Project and Program Titles (\$ thousands)	2019 Cash Flow (\$ thousands)			Comments on Variances > \$1 Million
	10 Year Plan	Actual Jan 1 - Dec 31 2019	Variance Plan - Actuals	
CMBC Transit Centre Infrastructure- State of Good Repair	-	2,177	(2,177)	Variance is due to scope and schedule change to include a third articulated bay, resulting in increased overall cash flows as well as shifting cash flows from 2018 to 2019 and 2020.
Commercial Broadway SkyTrain Station Upgrade Construction	-	9,601	(9,601)	Variance is due to project re-baseline caused by construction delays resulting in overall higher than expected project cost in 2019.
Edmonds OMC Capacity Upgrade	1,040	2,319	(1,279)	Variance is due to accelerated design schedule to compensate for previous year delays on the procurement. This has resulted in cash flows shifting from 2018 to 2019.
Elevator Replacement	1,750	-	1,750	Variance is due to delays in project initiation, largely attributable to coordinating stakeholder approval. The associated cash flow shifted to 2020.
Expo and Millennium Line Signage and Station Fixture Replacement	-	1,014	(1,014)	Variance is due to a change in project scope, which now includes Canada Line and West Coast Express stations. Planned expenditures shifted from 2018 to 2019.
Expo Line Escalator Replacement - Accelerated Program	4,860	10,982	(6,122)	Variance is due to redesign and revised project scope for higher grade escalators (APTA) resulting in increased project spending.
Expo Line Running Rail Replacement - 2019	5,046	1,558	3,488	Variance is due to previous delays in 2018, leading to late project initiation. Cash flows shifted from 2019 to 2020.
Expo Line Tunnels Ventilation System Rehabilitation	2,624	665	1,959	Variance is due to longer than expected procurement phase. Cash flows shifted from 2019 to 2020.
Fibre Optic System Upgrade	2,518	635	1,883	Variance is due to the project starting ahead of schedule, which shifted a portion of spending from 2019 to 2018. Cost savings have also been realized through efficiencies and a reduction in project risk.
Golden Ears Bridge Tolling Equipment Replacement	4,433	-	4,433	Variance is due to the project being cancelled in prior year shortly after the Provincial Government discontinued tolling services across the Province effective September 1st, 2017. The renewal tolling equipment is no longer required to replace the end of life equipment operational since 2009.
Guildford Exchange Upgrades	-	7,335	(7,335)	Variance is due to delays in receiving the development permit from the City of Surrey. The project initiation and cash flows shifted from 2018 to 2019.
Investments in Transit Priority on RapidBus Corridors (Phase 1)	1,398	13,610	(12,212)	Variance due to Phase 1 RapidBus (formerly B-Line) expansion being delivered in early 2020. As a result work planned for future years has been executed early with cash flows advanced from future years to 2019.
Investments in Transit Priority on RapidBus Corridors (Phase 2)	1,561	-	1,561	Variance is due to Phase 2 RapidBus (formerly B-Line) being rescheduled in order to successfully complete Phase 1, and to allow for appropriate public and stakeholder engagement in the early stages of Phase 2 before the bulk of the budget is spent.
Joyce-Collingwood Station Upgrade Construction	-	8,529	(8,529)	Variance is due to delays in acquiring the necessary land and tree cutting permits needed to commence Phase 2 construction, resulting in shifting cash flows from 2018 into 2019.
Knight Street Bridge Rehabilitation- Detailed Design	6,015	104	5,911	Variance is due to a substantial portion of the work scope relating to Knight Street Bridge Deck and Sidewalk Rehabilitation shifting to future years, resulting in lower than expected cash flows in 2019.
LIM Rail Retrofit	2,140	-	2,140	Variance is due to delays in contract negotiation. Project timeline and associated cash flow is contingent on market response to Request for Procurement. Cash flows were shifted from 2019 into future years.
Lonsdale Quay Exchange Upgrade	-	4,623	(4,623)	Variance is due to delays in concept design, municipal permitting and construction delays when the project was anticipated to complete prior to 2019 in the Investment Plan. In addition, the overall project budget has increased due to higher than expected construction costs resulting in increased project cash flows in 2019.
Nanaimo Bus Loop Upgrades	-	4,897	(4,897)	Variance is due to delays in resolving design requirements with the City of Vancouver and bus scheduling constraints. This resulted in

Project and Program Titles (\$ thousands)	2019 Cash Flow (\$ thousands)			Comments on Variances > \$1 Million
	10 Year Plan	Actual Jan 1 - Dec 31 2019	Variance Plan - Actuals	
				the project schedule and related cash flows shifting from prior year to 2019 onwards.
New SFU Exchange Contribution	1,075	-	1,075	Variance is due to project scope revised and project schedule shifting due to delays in the design. Project is expected to initiate in 2020 resulting in cash flows shifting from 2019 to 2020.
Pattullo Bridge Rehabilitation Phase 3-Construction	16,892	42	16,850	Variance is due to project scope and schedule revisions resulting in cash flows shifting from 2019 to subsequent years.
Pattullo Bridge Wind Monitoring and Seismic Warning Systems-Design	-	1,786	(1,786)	Variance is due to delays in project expenditures due to longer than anticipated design and procurement phases which moved spending into 2019.
Phase III Power Rail Replacement (5 kms of guideway)	5,000	-	5,000	Project is deferred into 2020 program year. Cash flows were shifted from 2019 into future years.
Power System Upgrades for SkyTrain at OMC	10,400	4,310	6,090	Variance is due to an increase in scope of the project. Construction schedule is realigned and related cash flows were shifted to 2020.
Running Rail Replacement	-	4,879	(4,879)	Variance is due to changes in scope following the request for proposal coupled with a lower rail production rate than initially estimated. Cash flows were shifted from 2018 into 2019.
SeaBus Terminals and Admin Building Envelope Rehab-Construction	-	2,031	(2,031)	Variance is due to delays in the design consultant's proposal in 2017, which extended construction related cash flows into 2019.
Seismic Upgrade South SeaBus Seawall and Skywalk	-	7,435	(7,435)	Variance is due to change in project scope. Cash flows that were originally slated for 2018 and earlier were shifted into 2019 and 2020.
SkyTrain Operation Control Centre (formerly OMC Upgrades)	5,202	1,537	3,665	Variance is due to site selection and optional development work which took longer than expected. Detailed design is expected to be completed by 2020 and associated cash flows are deferred to 2020.
Skytrain PIDS Upgrade	12,645	15,439	(2,794)	Variance is due to an increase in project scope to combine scope with other projects to gain overall efficiencies and synergies. This has resulted in an increase in 2019 cash flows.
SkyTrain Storage - Coquitlam Vehicle Storage Facility (VSF) Expansion	26,351	11,446	14,905	Variance is due to delays in capturing all scope changes and finalizing the concept plan with BCRTC. The associated cash flows shifted from 2019 to subsequent years.
Surrey Central Station Upgrades Construction	-	5,226	(5,226)	Variance is due to design and construction schedule extensions. Project was anticipated to complete prior to 2019 in the Investment Plan. Cash flows shifted from 2018 to 2019.
TOH Metrotown Group Rectifier Replacement	3,749	829	2,920	Variance is due to a change in project scope and project schedule. The reduction in project scope also decreased the overall cash flow required for the project and extended the project schedule. Cash flows shifted from 2019 to 2020.
TOH Rectifier Southlands Replacement	2,500	-	2,500	Variance is due to delays in the project initiation, which have resulted in project deferral to future years.
TOH Rectifier UBC Group (Blanca, Cleveland, Parkway) Replacement	1,611	-	1,611	Variance is due to delays in the project initiation. The project has also been rescope to three projects, which has been deferred to future years.
2019 TransLink Owned Bicycle Infrastructure Program	5,750	-	5,750	Initiation of the 2019 program is awaiting completion of the 2018 program. The 2018 program was contingent on a property acquisition with the Southern Railway of BC which did not take place until late 2019. Cash flows for the 2019 program is now expected to be incurred in 2020 and 2021.
TOH State of Good Repair	1,200	2,488	(1,288)	Variance is due to change of project scope. Three TOH projects were consolidated into this project. This has resulted in an overall increase in project costs.
UBC Diesel Bus Terminal-TransLink Owned Infrastructure	2,250	19	2,231	Variance is due to extended project schedule caused by design changes, resulting in a shift of cash flows to future years.
Yard Track Reconditioning	2,553	3	2,550	Feasibility study for this project revealed greater than anticipated track shutdowns and greater lead times for design and material for preferred option. These findings have resulted in a change to the project schedule and cash flows has shifted from 2019 to 2020.

Project and Program Titles (\$ thousands)	2019 Cash Flow (\$ thousands)			Comments on Variances > \$1 Million
	10 Year Plan	Actual Jan 1 - Dec 31 2019	Variance Plan - Actuals	
Infrastructure projects with current year variances less than \$1 million	8,102	6,083	2,019	Variances are mainly due to small timing differences between Investment Plan forecasts and actual expenditures in 2019.
Infrastructure Total	204,100	161,151	42,949	
Technology				
IT Infrastructure Refresh	3,775	1,618	2,157	Variance is due to supplier delays in available resources and delivery dates for the serialized equipment. Cash flows shifted from 2019 to 2020.
BCRTC Enterprise Asset Management - 2017	-	2,515	(2,515)	Variance is due to project schedule adjustments to align with a larger ERP program which started in 2019. Cash flows shifted from 2018 to future years.
BCRTC Enterprise Asset Management - 2019	11,600	-	11,600	Variance is due to project schedule adjustments to align with a larger ERP program which started in 2019. Cash flows shifted from 2019 to future years.
Bus DOMS Product Migration Planning	3,792	912	2,880	Variance is due to of delays in securing a vendor to complete the work. This resulted in the project schedule and related cash flows shifting from 2019 to 2020.
Compass System Advancements- Proximity Enabled Accessible Entrances	-	2,112	(2,112)	Variance is due to delays in Broadway Station, Surrey Central and Joyce Station upgrades. The fare gate radio-frequency identification (RFID) installation cannot be completed until each of these stations are substantially completed. This has resulted in a shift of the cash flows from 2018 to 2019.
Finance ERP	5,219	769	4,450	Variance is due to project schedule adjustments to align with a larger ERP program which started in 2019. Cash flows shifted from 2019 to future years.
HR Benefits Admin and Life Events Implementation	1,500	-	1,500	Variance is due to resourcing constraints. Project timeline is deferred into 2021.
IT Infrastructure Program 2017	-	1,151	(1,151)	Variance is due to delay in available resources and delivery dates for serialized equipment in 2017 and 2018 which resulted in spending being shifted to 2019.
IT Infrastructure Refresh	5,000	441	4,559	Variance is due to delay in available resources and delivery dates for serialized equipment resulting in a shift in spending to 2020.
Responsive Website	2,000	390	1,610	Variance is due to project being completed in 2 phases which resulted in a shift in cash flows to 2020.
TransLink Enterprise Assets Management	1,751	280	1,471	Variance is due to change in program initiatives. The project is now focusing on developing and maturing asset management practices for the organization's capital program. Cash flows shifted from 2019 to future years.
TransLink Software Application Renewal Program	3,000	78	2,922	Variance is due to of delays in delivering the final product from Vendor. This resulted in the project schedule and related cash flows shifting from 2019 to 2020.
Technology projects with current year variances less than \$1 million	4,544	6,189	(1,645)	Variances are mainly due to small timing differences between Investment Plan forecasts and actual expenditures in 2019.
Technology Total	42,181	16,455	25,726	
Vehicles				
2016 Conventional Bus Replacement	31,274	30,234	1,040	Variance is due to a delay in the delivery of some buses. These buses are expected to be delivered in Q1 2020.
2017 Conventional Bus Replacement	1,815	60,086	(58,271)	Variance is due to an increase in the scope of the project, to purchase an additional 52 diesel electric hybrid powered 60-foot articulated buses. This has resulted in an overall increase in project costs over the project life as well as shift in cash flows from 2018 to 2019.
2018 Conventional 60' Bus Expansion	-	15,432	(15,432)	Variance is due to changing the scope from diesel engines to hybrid vehicle propulsion systems. This scope change delayed the project timeline, and increased the overall project budget. Cash flows have shifted from 2018 to 2019.

Project and Program Titles (\$ thousands)	2019 Cash Flow (\$ thousands)			Comments on Variances > \$1 Million
	10 Year Plan	Actual Jan 1 - Dec 31 2019	Variance Plan - Actuals	
2018 Conventional Bus Replacement	2,939	13,445	(10,506)	Variance is due to delays in the delivery of 17 compressed natural gas buses, in order to allow prioritizing the delivery for 60-foot hybrid buses under other projects. As a result, this has shifted the cash flows from 2018 to 2019.
2019 Conventional Bus Expansion	50,954	69,186	(18,232)	These buses were delivered earlier than expected. Cash flows shifted from 2020 to 2019.
Additional SeaBus Vessel	706	5,302	(4,596)	Variance is due to manufacturing delays. Cash flows shifted from 2018 to 2019 and 2020.
Canada Line Capacity Expansion - Fleet portion	-	26,240	(26,240)	Variance is due to revisions in the milestone payment schedule. Cash flows shifted from 2018 to 2019 and 2020.
CMBC Trolley Overhead Truck Replacement	2,241	-	2,241	Variance is due to the delays in delivery of these vehicles, which are expected to be delivered in 2019 in Investment Plan. As a result, the majority of the cash flows shifted from 2019 and 2020.
Community Shuttle Expansion - 2018	-	1,354	(1,354)	Variance is due to manufacturing delays. This resulted in the delivery of vehicles and cash flows shifting from 2018 to 2019.
Community Shuttle Replacement - 2019	1,139	4,002	(2,863)	Variance is due to the early delivery of shuttles in 2019.
Conventional 40 foot Bus Expansion	-	50,045	(50,045)	Variance is due to changing the scope from diesel engines to hybrid vehicle propulsion systems. This scope change delayed the project timeline, and increased the overall project budget. Cash flows shifted from 2018 to 2019.
Conventional Bus Replacement (Double Decker)	13,045	23,533	(10,488)	Variance is due to the early delivery of shuttles in 2019.
CUTRIC Battery Electric Bus Trial	346	6,657	(6,311)	Variance is due to delays in fabrication and the delivery times of equipment from manufacturers. As a result, scheduled cash flows shifted from 2018 to 2019.
HandyDART Vehicle Replacement - 2017	1,423	-	1,423	Variance is due to the early completion and delivery of shuttles in 2018.
Mark III Vehicle Procurement	63,073	41,824	21,249	Variance is due to fewer spare parts being purchased as well as transferring ownership of some cars to the Province resulting in a refund for the PST paid.
Mark II refurb/overhaul	18,727	-	18,727	Initiation of this project is awaiting completion of a condition assessment study. Project is expected to be initiated in 2021.
West Coast Express (WCE) Fleet Procurement	10,500	165	10,335	Variance is due to unavailability of locomotives to purchase in the market which in turn caused delays in the RFP procurement process and project schedule. Cash flows shifted to 2020.
Vehicles projects with current year variances less than \$1 million	14,293	13,332	961	Variances are mainly due to small timing differences between Investment Plan forecasts and actual expenditures in 2019.
Vehicles Total	212,475	360,837	(148,362)	
Major Construction				
BSP Initial Procurement Readiness	-	3,469	(3,469)	Completion of the BSP initial procurement readiness was delayed to 2019 due to finalizing terms of the transition of the overall BSP to the Province.
BSP - BC Hydro Early Works	-	1,996	(1,996)	TransLink completed certain early works related to the BSP. Variance is due to revisions in project scope and project schedule caused by the transfer of over BSP to the Province resulting in cash flows shifting from prior years to 2019.
BSP - Implementation	237,312	4,478	232,834	Variance is due to change in delivery of the project. The implementation phase of the project is now being delivered by the Province with TransLink providing support services required for the integration with rest of SkyTrain network as well as alternative transportation support during construction.
Evergreen Line - TransLink Contribution	-	1,366	(1,366)	Variance is due to a longer than expected lead time for some of the rail specific equipment. Cash flows shifted from 2018 to 2019 and 2020.

Project and Program Titles (\$ thousands)	2019 Cash Flow (\$ thousands)			Comments on Variances > \$1 Million
	10 Year Plan	Actual Jan 1 - Dec 31 2019	Variance Plan - Actuals	
EMUP - Coquitlam OMC 4 Storage Facility	15,606	815	14,791	Variance is due to a delay in finalizing the conceptual design work. These cash flows have shifted to 2020 and 2021. Related construction schedule has also been realigned to begin in 2022.
EMUP – Other Infrastructure	52,649	39	52,610	The other infrastructure components of EMUP include; <ol style="list-style-type: none"> 1. OMC 1 and 2 Maintenance Capacity Upgrades <ul style="list-style-type: none"> o Delays in initiation due to finalizing the concept plan with BCRTC for scope requirement changes. 2. SkyTrain Advance Radio Systems Upgrades <ul style="list-style-type: none"> o Delays due to technology selection process. 3. Station Upgrades – Brentwood <ul style="list-style-type: none"> o Delays due to approval of the rezoning application with the City of Burnaby and works required to be completed by the adjacent development.
South of Fraser Rapid Transit Procurement Readiness	-	1,915	(1,915)	Variance is due to revisions in project scope and project schedule caused by the suspension of the Light Rail Transit project. Cash flows shifted from prior years to 2019.
South of Fraser Surrey-Newton- Guildford-Advance Works	16,053	3,511	12,542	This project pertained to early works required for the Light Rail Transit option. Variance relates to reduction of project scope to reflect decisions by the Mayors' Council to suspend the Light Rail transit option. Only work that was needed independent of the LRT option was completed.
South of Fraser Rapid Transit (Light Rail Transit)- Implementation	172,257	-	172,257	Implementation of the South of Fraser Rapid Transit (Light Rail Transit) project was suspended following the Mayors' Council decision to suspend the work on the light rail project and advance the SkyTrain line to Langley project.
SLS Project – Project Development	-	9,582	(9,582)	
Major Construction projects with current year variances less than \$1 million	726	896	(170)	Variances are mainly due to small timing differences between Investment Plan forecasts and actual expenditures in 2019.
Major Construction Total	494,603	28,067	466,536	
Major Road Network (MRN) Funding Programs				
BICCS Funding Program	20,720	7,385	13,335	MRN funding programs allow municipalities up to four years to complete construction, and one additional year to invoice TransLink. TransLink payment occurs at project completion. Due to scaling issues caused by the expansion of MRN funding in recent years as well as difficulties in securing vendors in a constrained market, municipalities have been experiencing construction delays on these programs. As a result, municipality-driven projects are being largely completed towards the end of the four-year timeframe which have shifted cash flows into future years.
MRN and Bike Capital Funding Program	28,000	10,743	17,257	
MRN Structures Rehabilitation and Seismic Upgrade Funding Program	21,450	79	21,371	
WITT Funding Program	7,000	936	6,064	
MRN projects with current year variances less than \$1 million	24,059	23,836	223	
Major Road Network (MRN) Total	101,229	42,979	58,250	
Grand Total	1,159,472	667,820	491,652	

5 Transportation Demand Management

Transportation Demand Management (TDM) is coordinated in Metro Vancouver under TransLink's TravelSmart Program. TravelSmart represents partnerships between TransLink, municipalities, various government / non-governmental and industry partners all committed to helping more people choose transit, ridesharing, carpooling, car sharing, cycling and walking in place of single occupancy vehicle trips. Changing behavior is a component of the TDM measures necessary to balance growing mobility expectations against the capacity of our transportation system and the impacts of our travel choices.

Transportation Demand Management is legislated as part of TransLink's mandate in the South Coast British Columbia Transportation Authority Act (under section 4(1) (b)) and TravelSmart was Canada's first integrated transportation demand management program.

The Plan and Regional Growth Strategy 1 (RGS 2013) adopted describe policies to meet the growing demands from an anticipated one million-plus new residents and 600,000 new jobs to the region over the next 30-years. Central to the strategy are goals for denser land use and increased investment in transit and active transportation to create the conditions for reducing the high level of single occupancy vehicle trips in most areas. The Regional Transportation Strategy Framework2 (RTS 2013) responds to the RGS and describes how to "design our communities and transportation systems in such a way that they reduce the distances driven in the region by 33 per cent and make half our trips by walking, cycling and transit". Behavior change measures are essential to the RTS as they provide the motivation, information and support necessary to enable individuals to change their travel habits.

The following summarizes activity and outcomes from the 2019 business year according to the 'target area' headings contained in the 2019 TravelSmart work and program plans.

2019 TravelSmart Headline Results

- Engaged in community outreach encouraging sustainable transportation use at 72+ events and festivals, including the annual PNE. Over 125,000 people boarded the TransLink engagement bus and TransLink garnered more than 2 million positive brand impressions.
- Transit ridership was strategically boosted during the PNE through radio ads, online promotions and a 2 for 1 gate admission for transit customers which was redeemed by over 15,000 people. Ridership on the 5 bus routes to and from the PNE saw a 37 per cent increase in Boardings over prior year.
- Supported the Night Bus District program through in-person promotions and promotions through partnerships with local businesses, industry associations, universities, and local government.
- TransLink worked with Health Authorities, representing 35,000+ employees, to help implement an employer provided benefit which subsidizes transit for their staff in addition to encouraging and implementing other sustainable transportation options including but not limited to carpool programs.
- Delivered a carpool campaign targeting employees and commuters along the Abbotsford – Vancouver corridor in partnership with local provider Poparide.
- Launched Dine the Line, a program in partnership with Tourism Vancouver, to encourage locals and visitors to use transit to explore the region's growing neighbourhood culinary destinations.
- For the first time in the Compass era, TransLink piloted a 5, 4 and 3-day transit passes for more than 1,300 attendees at the Railvolution conference allowing for multi day travel during visitors stay.
- Launched the first initiative aimed at targeting underutilized, high frequency transit routes starting with the 160 bus route, which specifically targeted active seniors during off peak hours. Incentives were provided in partnership with local restaurants, coffee shops and seniors associations.
- Supported the Province on the development and launch of Active Transportation Strategy.
- Co-hosted the Region's first ever Active Transportation conference.

2019 TravelSmart Programs, Partners and Initiatives

- Distributed 50,000+ personal safety reflectors to transit customers through pedestrian safety campaign in partnership with the Insurance Corporation of British Columbia (ICBC), regional police forces, BCRTC and CMBC.
- Developed a partnership with Sport Host BC to ensure TransLink is linked into major sporting events to encourage transit use to and from these events which included the World Rugby 7's.
- Partnered with Hockey Canada during the World Junior Hockey Championship to encourage 350,000 attendees to use transit and promote transit offerings including Tap to Pay inside the stadium which led to a 24 per cent year over year increase in Boardings at Stadium Station during this period.
- Partnered with YVR, Tourism Vancouver and the Port Authority of Vancouver to provide training for tourist and transit ambassadors who interact with visitors to the region. Provided material and digital resources to encourage and provide better customer service encouraging transit use.
- Launched and promoted a School Travel Planning Toolkit for teachers and PAC's.
- Ran the fourth annual "I Love Transit Week" in October, that engages youth to celebrate transit and encourage teachers to use transit for field trips through contests and free bus travel. This year's campaign received over 100 contest entries.
- Delivered the first year of TransLink's new Charitable Donation Program which provides access to transit to those most in need and aims to help overcome barriers to transportation which allow access to community programs and services. The program also supported institutions and emergency services with retired equipment including a donation to Vancouver Fire Services.
- Updated the Regions Museum Bus – a 1957 GMC – highlighting and showcasing the regions rich transit history to thousands of delighted residents through community events.

Cycling Initiatives

- Supported several cycling partner initiatives including education programs, community events and delivered specialized services.
- TransLink delivered the #Biketotransit campaign in association with HUB Cycling, MOBI bikeshare by Shaw Go and Better Environmentally Sound Transportation (BEST), with better than ever results in 2019.
- Taught more than 11,000 students on how to cycle safely through HUB Cycling's education programs which was a 55 per cent increase over 2018.
- Funded 17 Bike to School Courses reaching 1,900 students with on-bike cycling course through their schools which led to a 49 per cent increase in riding during Bike to School week with 11,000 students participating at a record of 124 schools across 17 municipalities.
- In 2019, 30,000 bicycles were parked by the BEST Bike Valet service at 310 community events. In addition, MOBI Bike Share partnered with BEST to park a further 900 bikes at temporary bike valet stations at 13 community events.
- HUB Cycling's Bike to Work Week (BTWW) counted a record 46,000 bikes at a record 138 celebration stations across the Region. There were 3,500 new riders registered in 2019 - a 63 per cent increase on 2018 as well as over 95,000 trips logged during the BTWW – another record.
- Bike to Shop Days ran parallel to BTWW with 2,400 riders registered for the event (35 per cent increase from 2018).
- HUB's Bike the Night attracted 4,450 participants including 740 children under 12 years old. A total of 45 local businesses were promoted at the TransLink sponsored event.

Activity and outcome report

Target Area 1: Strengthen relationships with Municipalities, Non-governmental Organizations (NGO’s) and Corporate Partners through delivery of relevant Transportation Demand Management Programs	
Objectives	Results
Supported stronger municipal partnerships through shared resources, information, campaigns, programs and initiatives.	<ul style="list-style-type: none"> Facilitated TDM Municipal Roundtable meetings with municipal TDM partners to share resources, encourage collaboration and update and report on TransLink/TravelSmart initiatives. Delivered a TDM project grant program for municipalities, to support TDM initiatives. 10 grants were awarded in 2019 including: City of Surrey, Bowen Island, City of North Vancouver, District of North Vancouver, District of West Vancouver, City of Vancouver, Township of Langley, Maple Ridge, New Westminster, and the City of Richmond. 2019 TDM Grant projects included school travel planning, seniors transit education and individualized marketing to targeted areas encouraging sustainable transportation. For 2019, the TDM Project Grant amount was increased from \$75K to \$150K. Some of the 2019 projects included e-bike for a week, cycling education and promotion, school travel planning and attending community events promoting active travel. Attended various municipal celebrations and events to support/celebrate sustainable transportation, including Car Free Day festivals in Vancouver and Port Moody, Canada Day in Surrey, Shipped in North Vancouver and World Festival in Richmond.
Delivered Travel Training for Schools, Workplaces, Seniors and Newcomers across the region	<ul style="list-style-type: none"> Delivered 63 TravelSmart/Transit 101 presentations and workshops to over 5,000 people in schools, workplaces, senior centers and to newcomers. Continued to encourage sign up to Compass for Organizations to encourage workplaces to provide employer provided transit subsidies for commuting. In 2019, we earned sign ups from 14 new companies including Fraser Health and Zymeworks. Supported the Hotel Employee Subsidy study in partnership with the City of Vancouver, SFU, Hotel Association and 11 local hotels.
Increase partnerships with mobility service providers and internal and external stakeholders	<ul style="list-style-type: none"> Ongoing relationship development with mobility services including car, bike sharing services, carpool platforms, cycling advocates, walking advocates, health authorities and regional planning agencies (such as Metro Vancouver). Delivered the annual #biketotransit campaign in partnership with HUB Cycling, BEST and MOBI Bike Share, to encourage the benefits of combining bike

	<p>trips with transit, such as increased access to the transit network.</p> <ul style="list-style-type: none"> Supported New Mobility Department with the launch of a on demand transit pilot program launch at on Bowen Island, Open Innovation Call and New Mobility Forums.
<p>Developed strategic partnerships to strengthen community relations and develop ridership</p>	<ul style="list-style-type: none"> Successful community partnerships delivered in 2019 included Destination Marketing Associations, YVR, Port Authority, Vancouver Marathon Society, Bar Watch, ICBC, DVBCA, United Way, Car Free Day Festivals, TRAMS Historical Vehicle Society, Donnelly Events, BC Lions and World Junior Hockey Championship. Fostered a Regional School Travel Planning working group to advance active youth travel and partner with health authorities, municipalities and service providers. Activated transit and cultural theme wrapped vehicles, alongside marching TransLink staff at three major cultural parades including Chinese New Year, Vancouver Pride and Vaisakhi. Managed co-funded partnership with BC Housing, Greater Vancouver Shelter Society to deliver transit products and training through homeless shelters.
<p>Major Event Partnerships</p>	<ul style="list-style-type: none"> TransLink’s TravelSmart team worked collaboratively with municipalities and event producers to support street festivals, community events, sports, cultural events and civic plaza celebrations to enable communities to celebrate urban life, reclaim streets and explore their cities with sustainable and active transportation. Incentives included admission discounts, pricing support was provided including: wayfinding (getting to the event info, additional transit services, volunteer transit training / tickets, contests promotion, bike valet, and activation.

<p>Target Area 2: Support Enterprise priorities through community outreach including: Compass, Millennium Line Evergreen Extension, service changes and service improvements and customer experience</p>	
<p>Objectives</p>	<p>Results</p>
<p>Enhance the customer experience with education and awareness in the community</p>	<ul style="list-style-type: none"> Working with various stakeholders and partners and at community events, workshops and presentations; the TravelSmart team continues to provide information, encourage use, and educate on sustainable transportation options with focus on Tap to Pay service. Dozens of presentations, workshops and outreach events focused on the education and awareness of Tap to pay and Night Bus services.

<p>Improve the Customer Experience</p>	<ul style="list-style-type: none"> • Partnered with existing customer ambassador programs (YVR Green Coats and Tourism Vancouver) to provide relevant transit and transportation information. • Expanded the number of buskers/musicians performing on the transit system from 53 to 73 with two new performance locations introduced at Metrotown Station and Surrey Central Station.
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Target Area 3: Support Enterprise priorities through customer engagement including; Quarterly Service changes, Area transportation plans, Fare Policy Review

<p>Informed and promoted Quarterly Service Changes</p>	<ul style="list-style-type: none"> • Provided education materials at major transit exchanges to promote and educate on Quarterly Service Changes (delivery of the Plan) and distributed information materials through TravelSmart partners. • Supported promotion and education of revised Night Bus services in partnership with Business Improvement Associations, Bar Watch and Restaurant Associations. • Continued awareness and support of Tap to pay launch at stations and transit hubs and through stakeholder presentations.
<p>Utilized Community Engagement Bus at community events and public outreach activities</p>	<ul style="list-style-type: none"> • Community Engagement Bus and outreach staff participated in large community events providing the public with key messages, travel planning/tips, tools and information related to TransLink projects, products and services. • Some events attended included: Car Free Days in Vancouver, Port Moody and Maple Ridge, Khatsalano Festival, Welcome to Coquitlam, Richmond World Festival, Shipped North Van, and Surrey Fusion Festival. • Enhanced our kid’s activation zone on the Outreach Bus with interactive transit themed activities and games. • Improved logistics on Outreach Bus including access ramps, storage, lighting and games.

6 Short-Term Fares Assessed

Short-term fares for bus, SeaBus, SkyTrain and HandyDART in 2019 are shown in the table below.

Fare Type	Status	Time	Within 1-Zone	Within 2-Zones	Within 3-Zones
Regular Short-Term Fares:					
Cash*	Adult	Regular	\$3.00	\$4.25	\$5.75
		Off-Peak	All Zones — \$3.00		
	Concession	Regular	\$1.95	\$2.95	\$3.95
		Off-Peak	All Zones — \$1.95		
DayPass*	Adult	No restrictions	\$10.50 — valid all zones		
	Concession	restrictions	\$8.25 — valid all zones		
Discounted Short-Term Fares:					
Stored Value*	Adult	Regular	\$2.40	\$3.45	\$4.50
		Off-Peak	All Zones — \$2.40		
	Concession	Regular	\$1.95	\$2.95	\$3.95
		Off-Peak	All Zones — \$1.95		
FareSavers	Adult		All Zones — \$24.00 (10 tickets)		

Buses and HandyDART are all 1-Zone travel daily, every day of the week. FareSavers are only available for sale to HandyDART customers and remain eligible for use only on bus and HandyDART services.

West Coast Express operates on a different fare structure than other transit services. Short-term fares for West Coast Express are shown in the table below.

Fare Type	Status	Within 1-zone	Within 2-zones	Within 3-zones	Within 4-zones	Within 5-zones
Regular Short-Term Fares:						
One-way Ticket*	Adult	\$5.75	\$7.50	\$9.25	\$12.50	
	Concession	\$3.45	\$4.45	\$5.70	\$7.70	
Return Ticket	Adult	\$11.00	\$14.50	\$17.75	\$23.75	
	Concession	\$7.00	\$9.00	\$11.25	\$15.25	
Discounted Short-Term Fares:						
One-way Ticket- Stored Value*	Adult	\$4.90	\$6.35	\$7.75	\$10.50	
	Concession	\$2.90	\$3.70	\$4.80	\$6.45	
Return Ticket- Stored Value	Adult	\$10.75	\$13.75	\$17.00	\$22.75	
	Concession	\$6.75	\$8.50	\$10.75	\$14.50	

*The Canada Line YVR Add-Fare is required. Add-Fare is a short-term fare premium over the applicable fare in the amount of \$2.50 each way, which is collected as a return fare premium of \$5.00 payable at YVR-Airport Station, Templeton Station or Sea Island Centre Station for conventional SkyTrain travel.

7 Borrowings Undertaken in 2019

7.1 Long-term Borrowing

During 2019, TransLink issued its second Green Bond, with a total par value of \$200 million. TransLink has now raised more than \$2.13 billion from investors in the capital market since 2010. There was also a scheduled rate reset on one MFA debt issue in 2019, with a term to maturity of ten years.

The terms of TransLink's long-term debt issuance activity are detailed below:

Issue No.	Amount Borrowed (Note 1)	Coupon Rate (Note 2)	Remaining Term	Maturity Date	Semi-Annual Interest Payments	Principal due on maturity
TL-8 Green (issued on 29-Oct-2019)	\$200,000,000	2.65%	31 Years	29-Oct-2050	\$2,650,000	\$200,000,000

Note 1: Unsecured, par value.

Note 2: Coupon rate fixed to maturity. Effective yield: **2.684%**.

The terms of the MFA Issue 105 (20 Year Loan Amortization) rate resets are detailed in the table below:

Issue No.	Balance Outstanding at Date of Interest Rate Reset (Note 1)	Coupon Rate (Note 2)	Remaining term	Final Maturity Date	Semi-Annual Interest Payments (Note 2)	Annual Sinking Fund Payments (Note 3)
MFA 105	\$89,522,086	2.25%	10 Years	3-Jun-2029	\$1,687,500	\$5,037,263

Note 1: Gross original amount borrowed of \$150 million less the recognized value of this debt's associated sinking fund.

Note 2: Rate reset from 4.90% down to 2.25% on June 3, 2019. This rate is only fixed for the next 5 years till June 3, 2024. Semi-Annual Interest Payments are based on the original \$150 million amount borrowed.

Note 3: Due annually on anniversary date. These payments plus accrued interest in the MFA administered sinking funds are expected to reduce the outstanding balances to zero on maturity.

7.2 Short-term Borrowing – via Commercial Paper Program

On May 13, 2010, TransLink launched a \$500 million Commercial Paper Program backstopped with a line of credit from a syndicate of six Canadian chartered banks. Having this \$500 million program available at favourable interest rates, compared to using a bank facility, provides flexibility in managing TransLink's cash flow needs.

Action	Deal #	Amount	Interest Rate (%)	Transaction Date	Maturity Date	Total Outstanding
Repay	275	(\$30,000,000)		03-Jan-19		\$90,000,000
Issue	278	\$30,000,000	2.21555	03-Jan-19	07-Feb-19	\$120,000,000
Repay	271	(\$30,000,000)		10-Jan-19		\$90,000,000

Action	Deal #	Amount	Interest Rate (%)	Transaction Date	Maturity Date	Total Outstanding
Repay	276	(\$30,000,000)		10-Jan-19		\$60,000,000
Issue	279	\$30,000,000	2.17366	10-Jan-19	14-Feb-19	\$90,000,000
Issue	280	\$30,000,000	2.20202	10-Jan-19	11-Apr-19	\$120,000,000
Repay	277	(\$30,000,000)		17-Jan-19		\$90,000,000
Issue	281	\$30,000,000	2.06895	17-Jan-19	21-Feb-19	\$120,000,000
Repay	278	(\$30,000,000)		07-Feb-19		\$90,000,000
Issue	282	\$30,000,000	1.95380	07-Feb-19	14-Mar-19	\$120,000,000
Repay	279	(\$30,000,000)		14-Feb-19		\$90,000,000
Issue	283	\$30,000,000	1.97073	14-Feb-19	18-Apr-19	\$120,000,000
Repay	281	(\$30,000,000)		21-Feb-19		\$90,000,000
Issue	284	\$30,000,000	1.89866	21-Feb-19	04-Apr-19	\$120,000,000
Repay	282	(\$30,000,000)		14-Mar-19		\$90,000,000
Issue	285	\$30,000,000	1.79680	14-Mar-19	18-Apr-19	\$120,000,000
Repay	284	(\$30,000,000)		04-Apr-19		\$90,000,000
Issue	286	\$30,000,000	1.80727	04-Apr-19	09-May-19	\$120,000,000
Repay	280	(\$30,000,000)		11-Apr-19		\$90,000,000
Issue	287	\$30,000,000	1.84144	11-Apr-19	11-Jul-19	\$120,000,000
Repay	283	(\$30,000,000)		18-Apr-19		\$90,000,000
Repay	285	(\$30,000,000)		18-Apr-19		\$60,000,000
Issue	288	\$60,000,000	1.79680	18-Apr-19	23-May-19	\$120,000,000
Repay	286	(\$30,000,000)		09-May-19		\$90,000,000
Issue	289	\$30,000,000	1.84243	09-May-19	11-Jul-19	\$120,000,000
Repay	288	(\$60,000,000)		23-May-19		\$60,000,000
Issue	290	\$60,000,000	1.81773	23-May-19	27-Jun-19	\$120,000,000
Repay	290	(\$60,000,000)		27-Jun-19		\$60,000,000
Issue	291	\$60,000,000	1.77588	27-Jun-19	01-Aug-19	\$120,000,000
Repay	287	(\$30,000,000)		11-Jul-19		\$90,000,000
Repay	289	(\$30,000,000)		11-Jul-19		\$60,000,000
Issue	292	\$60,000,000	1.78634	11-Jul-19	15-Aug-19	\$120,000,000
Repay	291	(\$60,000,000)		01-Aug-19		\$60,000,000
Repay	292	(\$60,000,000)		15-Aug-19		\$0
Issue	293	\$60,000,000	1.79680	15-Aug-19	19-Sep-19	\$60,000,000
Repay	293	(\$60,000,000)		19-Sep-19		\$0
Issue	294	\$60,000,000	1.79680	19-Sep-19	24-Oct-19	\$60,000,000
Repay	294	(\$60,000,000)		24-Oct-19		\$0
Issue	295	\$60,000,000	1.79680	24-Oct-19	28-Nov-19	\$60,000,000
Repay	295	(\$60,000,000)		28-Nov-19		\$0
Issue	296	\$60,000,000	1.81911	28-Nov-19	30-Jan-20	\$60,000,000

B. AUDITED FINANCIAL STATEMENTS

The 2019 Audited Financial Statements are attached as Appendix A.

C. COMPLAINTS SUMMARY

Corporate Overview

In 2019, TransLink’s combined service hours for the Bus and Rail division (including HandyDART) increased to 6.96 million service hours from 6.86 million service hours in 2018. The number of boarded passengers increased by 3.6 per cent from 437.4 million in 2018 to 452.9 million in 2019. A summary of complaints and customer interactions is provided in Table A below.

While the number of boarded passengers grew, transit service complaints decreased by 3.4 per cent. The decrease can be attributed to expanded service across the region as well as generally improved customer service. In 2019, we also delivered the first year of our 2019-2025 Customer Experience Plan.

“Complaints per million customer interactions” represents the ratio of all complaints from across the Enterprise against the total number of Enterprise-wide customer interactions, allowing us to report out on our performance. For this measure, customer interactions are defined as all Boardings on the transit system and Golden Ears Bridge Crossings. For 2019, Enterprise-wide complaints were 44,047 against a total of 452.9 million customer interactions, resulting in a ratio of 97.2 complaints per million customer interactions compared to 101.4 for 2018.

Table A

Corporate Summary	2019	2018	2017	2016
CMBC	27,552	29,019	26,375	27,995
SkyTrain (Expo and Millennium Lines)	1,582	1,711	1,796	1,518
SkyTrain (Canada Line)	305	233	201	170
West Coast Express	232	259	236	774
HandyDART	3,147	2,763	1,676	1,471
Transit Service Complaints	32,818	33,985	30,284	31,928
Golden Ears Bridge*	N/A	N/A	351	315
TransLink Corporate	11,228	10,370	9,408	7,533
Total Complaints**	44,046	44,355	40,043	39,776
Total Customer Interactions	452,935,076	437,375,700	423,406,928	399,717,623
Complaints per Million Customer Interactions	97.2	101.4	94.6	99.5

* On September 1st, 2017, the Province eliminated bridge tolling throughout the province. Complaints related to bridge tolling are no longer tracked.

** Restated 2016 - 2017 to reallocate CVM complaints from SkyTrain and West Coast Express and “bus was full” complaints from CMBC to TransLink Corporate.

Coast Mountain Bus Company

CMBC saw a 5.1 per cent decrease in total complaints mainly due to service expansion in the region and an improvement in Transit Operator customer service.

A focus on customer experience continued in 2019 and resulted in the following accomplishments:

- Successfully implemented service expansion outlined in the Mayors' Council's 10-Year Vision with increased bus frequency on specific routes, new bus routes, and increased SeaBus frequency during weekday peak periods from every 15 to 10 minutes.
- Launched a new "Hold On" safety campaign to increase customer safety awareness on buses, stairs, and escalators.
- Installed and activated a total of 94 RapidBus PIDS throughout the system.
- Developed and implemented critical alert messaging for customers on 27 new digital kiosks located at various SkyTrain stations and bus exchanges.
- Expanded Live Chat hours to include Saturdays.

For CMBC in 2019, 51 per cent of all complaints involved staff (Transit Operators) and 31 per cent were related to service delivery.

All complaints are logged and assigned a priority code of P1 or P3. P1 complaints are urgent and, in 2019, all were investigated within 48 hours. P3 complaints are less critical and must be resolved within 15 business days. Approximately 95.3 per cent of complaints were closed within 15 business days, which is the same as last year.

SkyTrain — Expo and Millennium Lines

Continuous effort to keep customers informed and moving across the system resulted in an overall decline in the number of complaints of 7.5 per cent. There were 1,582 complaints received in 2019 compared to 1,711 from the previous year.

The decline is mainly attributed to the Stations/Parkways category but more specifically, escalator outages. Compared to 2018, customer complaints regarding inoperative escalator units declined by 62.2 per cent. Similar to escalators, complaints related to elevators also declined by 45.1 per cent. Proactive measures, such as maintenance notifications for elevating devices on the TransLink website and social media, provided advance warning to customers for escalator outages due to scheduled maintenance throughout the system. This assisted customers in electing alternative travel options as needed and optimizing their travel time. Further to regular maintenance on elevating devices to maintain reliability and to ensure passenger safety, the Expo Line Escalator Replacement Project began in mid-2018. This project entails the replacement of 37 escalators at 13 SkyTrain stations along the Expo Line to improve reliability, accommodate higher passenger volumes and improve maintainability.

Aside from improvements with inoperative elevating devices, customer complaints related to announcements also improved with a reduction of 58.8 per cent in complaints compared to 2018. Train Operations continuously strived to provide timely and informative announcements to customers especially during service delays. With the enhancement of staff allocation focused on communications, the delivery of timely and consistent announcements resulted in a strong and positive performance. Commitments to achieve excellence in communications extended to major upgrades such as adding speakers on the Expo Line and replacing nearly 1,000 speakers along the original Millennium Line to improve sound quality.

In regards to train service, there was 35.6 per cent increase in delay-related complaints which is mainly due to the service delay in February as inclement weather reduced the total number of trains in operation which resulted in overcrowding in the trains and stations. To assist customers throughout their journey, SkyTrain Attendants were dispatched to key locations to provide direction and alternative travel options. While customers were

inconvenienced during this period, efforts were recognized and reflected through the highest recorded number of commendations received for the year.

Throughout 2019, work continued on the Expo Line, which included the replacement of rail and rail pads as part of the TransLink Maintenance and Repair Program. The original Expo line has been in service since 1986 and this work ensures that we keep the system in a state of good repair.

SkyTrain - Canada Line

The Canada Line received 305 complaints in 2019 which is a 30.9 per cent increase from the previous year. The majority of the complaints received were related to stations/parkways, trains and customer relations.

There is typically an increase in complaints about trains and customer relations when there are service delays. The Canada Line received 23 complaints regarding the delay in February when passengers had to wait for an extended time before being safely evacuated from a stalled train. The Canada Line Operator has conducted a full review of the winter weather operating procedures to improve the response time in the future. Another major service delay in March resulted in 17 complaints due to multiple stalled trains. In response, a campaign was initiated to address the technical issues associated with cause of the delay.

The warm summer weather experienced in July and August generated complaints about the level of air conditioning onboard the trains. This issue should be improved on the new trains. In addition, there was also an increase in the number of complaints related to track noise and elevator availability in the stations.

In 2019, the Canada Line received 84 commendations related to customer relations.

West Coast Express

West Coast Express received 232 complaints and 33 commendations in 2019. While complaints were down overall, there were three major areas of concern this year. In April alone, more than 40 complaints were in regards to delays associated with CP Track infrastructure work that required both CP and WCE trains to reduce speeds, causing delays to customers. WCE management worked closely with CP Rail to reduce the impacts to WCE service. In September, there were higher than normal volumes of complaints in the Customer Relations area as new riders learned the etiquette of commuter travel. The annual ridership continues to climb with 2019 showing an increase of 4.9 per cent over 2018. That year over year rise appears to have resulted in complaints due to lack of parking at some stations.

HandyDART

HandyDART complaint numbers increased by 13.9 per cent between 2018 and 2019, while the number of trips increased by 5 per cent. Significant increases in complaints were observed in the areas of on-time performance, scheduling and operator behaviour. In 2019, HandyDART delivered more trips than planned, causing strain on the system as significant effort was placed on keeping trip denials low.

Out of all complaints, taxi complaints accounted for 28 per cent, operator-related complaints for 45 per cent and service-related complaints for 27 per cent.

Every complaint is reviewed, and both the complainant and the employee(s) concerned receive a follow-up. A thorough investigation is completed to understand the root cause and then appropriate steps are taken to rectify the situation including actions such as coaching and/or process review. Taxi complaints are reviewed with the taxi company and a similar process is followed.

All complaints are logged and assigned a priority code of “P1” or “P3.” P1 complaints are deemed urgent, and in 2019, all P1 complaints were resolved within 48 hours. P3 complaints are deemed less critical and must be resolved within five business days.

With a goal to improve service, a concerted effort was made in 2019 to engage with HandyDART customers through surveys, community open houses, quarterly newsletters, and outreach calls. In an effort to reduce complaints, HandyDART Operator refresher training was developed and will be rolled out in January 2020. First Transit, the HandyDART service provider, continues to provide customer service training to the taxi companies at no cost to TransLink, and this program will expand in 2020. In addition, discussions with the Taxi Associations, focusing on improving the customer experience, began in 2019.

Lastly, in addition to increases in complaints, HandyDART also received a significant increase in commendations. In 2019, a 65 per cent increase was observed, with the greatest number of commendations relating to HandyDART operator and clerk behaviour.

Detailed Complaint Tables

Tables “B” and “C” show complaints received in 2019, 2018, 2017, and 2016. Table “B” reflects specific transit service complaints for the same period. Table “C” covers TransLink Corporate for the same period.

Table B

Complaints by Transit Service Type			2019	2018	2017	2016
CMBC	Bus 2019*	HandyDART 2019	Total	Total	Total	Total
Service Delivery**	8,395	1,719	10,114	10,753	10,019	9,877
Service Planning	1,604	0	1,604	1,856	1,524	2,731
Staff	13,797	1,428	15,225	17,184	14,332	15,413
Website	183	0	183	161	181	98
Fares/Fare Equipment	0	0	0	0	0	3
Cell Phone/Radio	87	0	87	64	39	51
Accessibility/Racks	535	0	535	421	218	161
Other	2,951	0	2,951	1,343	1,738	1,132
Subtotal	27,552	3,147	30,699	31,782	28,051	29,466

* Includes SeaBus and Community Shuttle, plus the contracted services of Langley, New Westminster Community Shuttles and West Vancouver Transit. Prior year total numbers also include HandyDART.

** Restated 2016 - 2017 to reallocate “bus was full” complaints which are reported under TransLink Corporate starting 2018.

Complaints by Transit Service Type				2019	2018	2017	2016
BCRTC	SkyTrain Expo and Millennium Line	SkyTrain Canada Line	West Coast Express	Total	Total	Total	Total
System Schedule	327	0	77	404	305	77	522
Fares*	0	0	8	8	17	22	18
Stations/Parkways	484	70	49	603	672	400	358
Trains	259	153	22	434	458	1,087	805
Customer Relations	301	53	63	417	531	507	580
Safety/Security	211	29	13	253	220	123	74
Other	0	0	0	0	0	17	105
Sub-Total	1,582	305	232	2,119	2,203	2,233	2,462
Total Complaints (CMBC + BCRTC)				32,818	33,985	30,284	31,928
Boarded Passengers (actual)				452,935,076	437,375,700	408,237,428	386,191,923
Complaints per Million Boarded Passengers				72.5	77.7	74.2	82.7

* Restated 2016 - 2017 to reallocate CVM complaints which are reported under TransLink Corporate starting 2018.

Table C

TransLink Corporate	2019	2018	2017	2016
Policy-Related (Fares, service optimization, advertising, Compass, fare gates, etc.)*	11,228	10,370	9,408	7,533

* Restated 2016 - 2017 to include CVM complaints from BCRTC and “bus was full” complaints from CMBC.

Complaint Handling Through Social Media

TransLink's main social media channels for handling complaints in 2019 were Twitter and Facebook.

Social media enables TransLink to respond quickly to customers on a range of issues and inquiries. This is especially critical when there is a transit service disruption and customers need accurate service information. Responding through social media also has a multiplier effect: the answer is seen by many other customers and people who follow the customers' own social network.

When complaints are made via social media, the Customer Information team responds as quickly as possible and customers are also asked to log their complaint or feedback through the TransLink website.

Twitter

Twitter is TransLink's leading platform for providing near-real-time information and responses to customer inquiries. By the end of 2019, @TransLink had reached 196K followers. This is up from 169k by the end of 2017 and 180k by the end of 2018.

In 2019, TransLink tweeted roughly 118 times per day, which is roughly the same as 2018 (120) and down from previous years (211 in 2017 and 150 in 2016). The reduction in tweets can be attributed to fewer major disruptions on SkyTrain.

The most popular tweets for 2019 were the appearance of double decker buses, the announcement of the end of job action, and a photo of a Tim Horton's box stuck in a Skytrain door.

Facebook

TransLink's Facebook page is used for communicating with customers on transit-related information, sharing photos and videos, and providing information on major service changes or disruptions. At the end of 2019, the TransLink Facebook page was approaching 40K followers. This is compared 34.5K followers in 2018, 31K in 2017 and 26K in 2016.

The top three most engaged posts in 2019 were Tim Horton's box stuck in SkyTrain doors, announcing the agreement with the union representing SkyTrain workers, and introducing the double decker bus.

D. CUSTOMER SATISFACTION

2019 Customer Service Performance Ratings

Table D below summarizes the percentage of customers who gave good-to-excellent service ratings, which is defined as a rating of 8, 9, or 10 out of 10.

All Transit System and mode-specific attribute measures, including overall service, are based on asking customers directly. In other words, overall service is not calculated mathematically from any of the specific service attributes, such as frequency or reliability.

The analysis is segmented into the following groups:

- Transit System (includes people who have ridden the bus, SeaBus or SkyTrain at least once within the last 30 days);
- Bus System (includes all CMBC bus service as well as West Vancouver Transit and contracted Community Shuttle service);
- SeaBus;
- SkyTrain (the SkyTrain segment includes the Expo, Millennium and Canada Lines);
- West Coast Express; and
- HandyDART (with registered HandyDART customers).

Data is from three sources:

- TransLink's Bus, SkyTrain, SeaBus Customer Service Performance Survey interviews adults who have taken transit at least once within the last 30 days in Metro Vancouver. Interviews are conducted daily and by phone;
- TransLink's West Coast Express Customer Service Performance Survey is conducted twice per year (March and September) onboard the West Coast Express train. Surveys are partially administered by an interviewer and may be completed by the individual;
- TransLink's HandyDART Customer Service Performance Survey is conducted once per year in the fall by phone and primarily with past month's users of the service.

Customer Service Performance Summary for 2019 — Transit System, Bus, SeaBus, SkyTrain, West Coast Express and HandyDART

Transit System

In 2019, two-thirds of adult transit riders (65 per cent) gave the system good-to-excellent scores of 8, 9 or 10 out of 10 for overall service. This is one per cent down from last year.

The transit system service attribute that customers remain most critical of is the availability of bus shelters at bus stops throughout the region. Transit bus shelters are primarily managed by the municipalities. About four in ten customers consistently rate this aspect of transit service as being good to excellent (8 out of 10 or higher). However, more than half (54 per cent) of TransLink's customers still feel they are getting good-to-excellent value for the money they spend on transit.

Bus

Nearly two-thirds (65 per cent) of bus riders rated the overall bus service provided in Metro Vancouver as good-to-excellent, which is consistent with 2018.

The top three strengths of the bus service remain: having an operator who drives safely and professionally (85 per cent), feeling safe from crime on board the bus (82 per cent) and having a direct route (80 per cent). Four in five riders gave scores of 8 or higher to each of these attributes.

Overcrowding, frequency of service and on-time reliability remain the three lowest-rated bus service attributes (48 per cent, 50 per cent and 57 per cent, respectively). Most attributes of bus service are consistent with last year.

SkyTrain

In 2019, 77 per cent of SkyTrain customers, which includes Canada Line, gave the overall service good-to-excellent scores, which is consistent with 2018.

Ratings for overcrowding have dipped slightly in 2019 (44 per cent, down from 46 per cent in 2018) as did the ratings for vehicle cleanliness (73 per cent, down from 75 per cent in 2018) and courteous staff (76 per cent, down from 79 per cent in 2018). Most other ratings remained consistent with 2018.

The lowest-rated attribute of SkyTrain service remains the announcement and explanation of delays. However, ratings for announcement of delays have improved by one percentage point over 2018 (39 per cent, up from 38 per cent in 2018).

SeaBus

SeaBus remains a highly rated transit mode with four in five SeaBus customers (83 per cent) rating the service an 8 out of 10 or higher overall. The overall service and most other SeaBus attributes ratings are mostly consistent with last year. However, ratings for two attributes of service are down from 2018: safety from crime (84 per cent, down from 87 per cent in 2018) and SeaBus frequency (65 per cent, down from 69 per cent in 2018).

West Coast Express

92 per cent of WCE riders gave the overall WCE service good-to-excellent scores (up from 90 per cent in 2018). This increase in overall WCE service score can be linked to improved ratings for frequency of service (68 per cent, up from 60 per cent in 2018), on-time reliable service (88 per cent, up from 83 per cent in 2018), good connections with other modes of transit (70 per cent, up from 67 per cent in 2018), value for money (68 per cent, up from 66 per cent in 2018) and delays announced and explained (76 per cent, up from 70 per cent in 2018).

HandyDART

HandyDART Service is another high-rated transit service, with four in five (80 per cent, up from 76 per cent in 2018) riders giving it good-to-excellent ratings for overall service, which is the highest rating it has ever received. Those who gave high ratings state it is primarily due to courteous drivers (95 per cent).

A similar rise in ratings is seen for Service Availability (80 per cent, up from 76 per cent in 2018). Most other attributes continue to achieve very high ratings, especially those related to drivers' skills to assist passengers (94 per cent). Ratings for value for money also remain very high (88 per cent).

Table D - 2019 Customer Service Performance Scores

Attributes	Transit System	Bus System ¹	SkyTrain ²	SeaBus	West Coast Express	Handy DART ³
	Per cent who gave scores of 8, 9 or 10 out of 10					
Overall Service	65	65	77	83	92	80
Value for Money	54				68	88
Good Connections	50				70	
Adequacy of Transit Information — Stops/Stations	53					
Adequacy of Transit Information On-Board — Bus	52					
Adequacy of Transit Information On-Board-- SkyTrain	66					
Adequacy of Transit Information On-Board — SeaBus	57					
Transit Information Availability (On-Board and Stations)					81	
Operation of Service During Convenient Hours	55				46	
Having Enough Bus Shelters	38					
Ease of Getting Information from Telephone Information Line	70					
Ease of Finding Information on Website	59					
Having a Courteous Bus Operator/Having Courteous, Competent and Helpful Staff/Drivers		78	76	90	96	95
Safe and Professional Bus Operator		85				
Feeling Safe from Crime On Board the Bus / SkyTrain		82	80			
Feeling Safe from Crime at the Stop and Transit Exchange /Inside SkyTrain Stations / at SeaBus		77	75	84		
Feeling Safe from Crime (On-Board and Stations)					94	
Feeling Safe from Crime (WCE Parking Lots)					59	
Not Being Overcrowded		48	44	70	59	
On-Time, Reliable Service		57	83	91	88	68
Clean and Graffiti Free Buses / SkyTrain Cars / Vessel / Vehicles and Stations		76	73	82	95	
Having A Direct Route		80				
Trip Duration from the Time You Boarded to the Time You Got Off		74		85	90	
Frequency of Service		50	74	65	68	

Attributes	Transit System	Bus System¹	SkyTrain²	SeaBus	West Coast Express	Handy DART³
Staff Availability			40	66	89	
Delays Are Announced and Explained			39		76	
Enough Parking					36	
Equipment Provides a Safe Ride					96	
Driver's Skills to Assist Passengers Who Have a Physical Disability						94
Feeling Safe from Injury When Riding HandyDART						94
Ease of Booking a Trip on HandyDART						76
HandyDART Vehicle Cleanliness and Good Repair						90
Availability of HandyDART When Needed						80

E. CHANGES TO ARTICLES OF THE AUTHORITY

There were no amendments to the Articles of the Authority in 2019.

F. BOARD SUMMARY

Meeting Date	Board/Committee Meeting	Resolutions/Outcomes
January 18, 2019	Joint Regional Transportation Planning Committee	<ul style="list-style-type: none"> • Approve Terms of Reference and Work Plan • Received report on Rail to UBC • Received report on George Massey Crossing Review • Received report on the South of Fraser Rapid Transit Project
January 21, 2019	Human Resources and Governance Committee	<ul style="list-style-type: none"> • CEO performance objectives, recommended for Board approval
January 23, 2019	Board Meeting	<ul style="list-style-type: none"> • Approved CEO performance objectives
January 31, 2019	Joint New Mobility Committee	<ul style="list-style-type: none"> • Approved Terms of Reference and Work Plan • Received updates on the Regional Transportation Strategy • Received updates on Provincial Ride-Hailing Legislation • Received report on Low Carbon Fleet Strategy
February 2, 2019	Joint Finance and Governance Committee	<ul style="list-style-type: none"> • Approved Terms of Reference and Work Plan • Received report on the 10-Year Vision Implementation • Received updates on various Joint Finance and Governance Committee in camera items • Received updates on the Green Infrastructure Fund
February 6, 2019	Joint Regional Transportation Planning Committee	<ul style="list-style-type: none"> • Received report on Rail to UBC • Received report on the Burnaby Mountain Gondola
March 1, 2019	Joint New Mobility Committee	<ul style="list-style-type: none"> • Received report on the Regional Transportation Strategy
March 6, 2019	Joint Finance and Governance Committee	<ul style="list-style-type: none"> • Received report on the 10-Year Vision Implementation • Received updates on various Joint Finance and Governance Committee in camera items

Meeting Date	Board/Committee Meeting	Resolutions/Outcomes
March 18, 2019	Finance and Audit Committee	<ul style="list-style-type: none"> • 2018 Year End Financial and Performance Report, endorsed for public release • 2018 Audited Consolidated Financial Statements, recommended for Board approval • 2018 Annual Statutory Report, recommended for Board approval • Enactment of South Coast British Columbia Transportation Authority 2019 Property Tax Bylaw Number 129-2019, recommended for Board adoption • Enactment of South Coast British Columbia Transportation Authority 2019 Replacement Tax Bylaw Number 130-2019, recommended for Board adoption • South Coast British Columbia Transportation Authority 2019 Tariff Bylaw Number 131-2019, recommended for Board adoption • South Coast British Columbia Transportation Authority Motor Tax Bylaw Number 132-1029, recommended for Board adoption
March 19, 2019	Planning and Stakeholder Relations Committee	<ul style="list-style-type: none"> • Establishment of a HandyDART Advisory Committee, recommended for Board approval • Endorsement of further project development for Rail to UBC, recommended for Board approval • Endorsed the work program and timelines for implementation of the Transit Fare Review recommendations
March 19, 2019	Human Resources and Governance Committee	<ul style="list-style-type: none"> • Appointment of Conduct Review Advisor, recommended for Board approval • TransLink Drug and Alcohol Policy, recommended for Board approval • CEO amended performance objectives, recommended for Board approval

Meeting Date	Board/Committee Meeting	Resolutions/Outcomes
March 22, 2019	Board Meeting	<ul style="list-style-type: none"> • Approved 2018 Statutory Annual Report • Approved 2018 Audited Consolidated Financial Statements • Adopted South Coast British Columbia Transportation Authority 2019 Property Tax Bylaw Number 129-2019 • Adopted South Coast British Columbia Transportation Authority 2019 Replacement Tax Bylaw Number 130-2019 • Approved South Coast British Columbia Transportation Authority 2019 Tariff Bylaw Number 131-2029 • Approved Motor Fuel Tax Bylaw • Approved HandyDART Advisory Committee • Approved further project development for Rail to UBC • Endorsed the work program and timelines for implementation of the Transit Fare Review recommendations • Approved TransLink Drug and Alcohol Policy • Approved appointment of Conduct Review Advisor • Approved amended CEO performance objectives
April 3, 2019	Joint Regional Transportation Planning Committee	<ul style="list-style-type: none"> • Received updates on the South of Fraser Rapid Transit Project • Received report on SkyTrain Technology and Procurement
April 4, 2019	Joint New Mobility Committee	<ul style="list-style-type: none"> • Received updates on key New Mobility Initiatives • Received updates on the Regional Transportation Strategy
April 5, 2019	Joint Finance and Governance Committee	<ul style="list-style-type: none"> • Received updates on various Joint Finance and Governance Committee in camera items • Received updates on the Phase Three Investment Plan • Received report on the 10-Year Vision Implementation • Received updates on the South of Fraser Rapid Transit Project
April 17, 2019	Board Meeting	<ul style="list-style-type: none"> • Adopted South Coast British Columbia Transportation Authority Motor Fuel Tax Bylaw Number 132-2029
May 15, 2019	Joint Regional Transportation Planning Committee	<ul style="list-style-type: none"> • Received updates on the South of Fraser Rapid Transit Project • Received report on the George Massey Crossing Project • Received updates on Late Night Service Review • Received updates on Interurban Rail Proposal
May 17, 2019	Joint Finance and Governance Committee	<ul style="list-style-type: none"> • Received updates on the Phase Three Plan • Received updates on the South of Fraser Rapid Transit Project • Report received on the 10-Year Vision Implementation • Received report on Low Carbon Fleet Strategy • Received updates on various Joint Finance and Governance Committee in camera items
May 22, 2019	Finance and Audit Committee	<ul style="list-style-type: none"> • 2019 Q1 Financial and Performance Report, endorsed for public release

Meeting Date	Board/Committee Meeting	Resolutions/Outcomes
June 5, 2019	Joint New Mobility Committee	<ul style="list-style-type: none"> • Received updates on Transport 2050 • Received report on Transportation Implications of Proposed Zero Emission Vehicles Mandate • Received reports on Ride-Hailing, Micro-Mobility and Mobility as a Service • Received updates on New Mobility Program
June 6, 2019	Finance and Audit Committee	<ul style="list-style-type: none"> • Subsidiary Board appointments, recommended for Board approval • Amendments to banking resolutions and Financial Risk and Management policies, recommended for Board approval • 2018 <i>Financial and Information Act</i> Filing, recommended for Board approval
June 6, 2019	Board Meeting	<ul style="list-style-type: none"> • Approved 2018 <i>Financial and Information Act</i> Filing
June 7, 2019	Human Resources and Governance Committee	<ul style="list-style-type: none"> • Amendments to the Board Governance Manual, recommended for Board approval
June 11, 2019	Planning and Stakeholder Relations Committee	<ul style="list-style-type: none"> • Endorsed the work program for implementation of the Transit Fare Review recommendations • Independent Transit Service Application – Steveston Shuttle Service (2019), recommended for Board approval • Endorsement of the use of the Regional Long-Range Growth and Transportation Scenarios to support development of Transport 2050 • Appointment of individuals to the HandyDART Advisory Committee, recommended for Board approval • Amendments to the Board Governance Manual, recommended for Board approval
June 12, 2019	Joint Regional Transportation Planning Committee	<ul style="list-style-type: none"> • Received report on the Phase Two Investment Plan – Reallocation of Funds to Ironworkers Express • Received updates on the South of Fraser Rapid Transit Project • Received report on the Interurban Passenger Rail • Received report on the Burnaby Mountain Gondola • Received report on SkyTrain Technology
June 19, 2019	Board Meeting	<ul style="list-style-type: none"> • Approved Subsidiary Board appointments • Endorsed the work program and timelines for implementation of the Transit Fare Review recommendations • Approved banking resolutions and Financial Risk and Management policies • Approved Independent Transit Service Application – Steveston Shuttle Service (2019) • Approved appointment of individuals to the HandyDART Advisory Committee • Approved amendments to the Board Governance Manual

Meeting Date	Board/Committee Meeting	Resolutions/Outcomes
June 20, 2019	Joint Finance and Governance Committee	<ul style="list-style-type: none"> • Report received on the 10-Year Vision Implementation • Received updates on the Phase Three Investment Plan • Received updates on various Joint Finance and Governance Committee in camera items
July 10, 2019	Joint Regional Transportation Planning Committee	<ul style="list-style-type: none"> • Received report on Transport 2050 • Received updates on the South of Fraser Rapid Transit Project • Received updates on 10-Year Vision Major Projects • Received updates on the George Massey Crossing Project
July 17, 2019	Board Meeting	<ul style="list-style-type: none"> • Endorsed the creation of an ad hoc Board Committee • Approved the Executive Compensation Plan for submission to the Mayors' Council
July 18, 2019	Joint Finance and Governance Committee	<ul style="list-style-type: none"> • Report received on the 10-Year Vision implementation • Received updates on the Phase Three Investment Plan • Received updates on the South of Fraser Rapid Transit Project • Received updates on various Joint Finance and Governance Committee in camera items
August 21, 2019	Finance and Audit Committee	<ul style="list-style-type: none"> • 2019 Q2 Financial and Performance Report, endorsed for public release
August 23, 2019	Human Resources and Governance Committee	<ul style="list-style-type: none"> • Discussed in camera compensation items
September 12, 2019	Joint New Mobility Committee	<ul style="list-style-type: none"> • Received reports on Local Coordination of Ride Hailing Legislation, Micro-Mobility, and TransLink Tomorrow • Received updates on Transport 2050
September 16, 2019	Planning and Stakeholder Relations Committee	<ul style="list-style-type: none"> • Independent Transit Service Application – Cypress Village Shuttle, recommended for Board approval
September 16, 2019	Human Resources and Governance Committee	<ul style="list-style-type: none"> • Subsidiary board appointments, recommended for Board approval
September 17, 2019	Finance and Audit Committee	<ul style="list-style-type: none"> • Amendments to banking resolutions, recommended for Board approval • Amendments to Financial Risk and Debt Management policies, recommended for Board approval • 2019 Bond Issuance, recommended for Board approval • Approved extension of external auditor contract
September 25, 2019	Board Meeting	<ul style="list-style-type: none"> • Approved banking resolutions • Approved Financial Risk and Debt Management policies • Approved Independent Transit Service Application – Cypress Village Shuttle • Approved subsidiary board appointments • Approved 2019 Bond Issuance • Endorsed South of Fraser Rapid Transit Strategy refresh and work plan costs

Meeting Date	Board/Committee Meeting	Resolutions/Outcomes
October 9, 2019	Joint Finance and Governance Committee	<ul style="list-style-type: none"> • Received updates on the Phase Three Investment Plan • Received updates on the South of Fraser Rapid Transit Project
October 16, 2019	Joint Regional Transportation Planning Committee	<ul style="list-style-type: none"> • Received updates on Transport 2050 Long-Term Transportation Network Concept Development • Received report on Bus Delay Due to Congestion • Received report on Phase Three Investment Plan • Received report on Surrey-Langley SkyTrain Supportive Policies Agreement
November 9, 2019	Joint Finance and Governance Committee	<ul style="list-style-type: none"> • Received updates on the Phase Three Investment Plan • Received updates on the South of Fraser Rapid Transit Project • Received updates on HandyDART funding
November 13, 2019	Finance and Audit Committee	<ul style="list-style-type: none"> • 2019 Q3 Financial and Performance Report, endorsed for public release
November 15, 2019	Joint New Mobility Committee	<ul style="list-style-type: none"> • Received New Mobility reports on Low Carbon Fleet Strategy and Intermunicipal Business License for Ride-Hailing Services • Received updates on Transport 2050
November 16, 2019	Human Resources and Governance Committee	<ul style="list-style-type: none"> • Succession Plan, recommended for Board approval • Subsidiary board appointments, recommended for Board approval • Appointments to standing and ad hoc committees, recommended for Board approval • Appointment of 2019 Vice Chair, recommended for Board approval
November 24, 2019	Joint Meeting of the TransLink Board of Directors and Mayors' Council	<ul style="list-style-type: none"> • Report received on the Regional Coordination of Ride Hailing • Report received on Transport 2050
November 25, 2019	Finance and Audit Committee	<ul style="list-style-type: none"> • Amendments to Credit Agreement, recommended for Board approval
November 26, 2019	Planning and Stakeholder Relations Committee	<ul style="list-style-type: none"> • Plan to provide accessible information at bus stops for customers with vision loss, recommended for Board approval
December 6, 2019	Board Meeting	<ul style="list-style-type: none"> • Approved Succession Plan • Approved subsidiary board appointments • Approved appointments to standing and ad hoc committees • Approved appointment of 2019 Vice Chair • Approved Credit Agreement Amendment • Approved plan to provide accessible information at bus stops for customers with vision loss
December 19, 2019	Finance and Audit Committee	<ul style="list-style-type: none"> • Endorsement of key 2020 budget expenditure commitments

G. FARE COLLECTION BYLAW

The current version of the Fare Collection Bylaw is shown below.

Definitions

1. In this regulation:

"Act" means the *South Coast British Columbia Transportation Authority Act*;

"pass" means a record that the authority or a related party has issued or recognized as authorization for the person to whom it was issued to enter a fare paid zone or board a transit vehicle that is not a fare paid zone, and includes, without limitation, a transfer, a fare receipt, a monthly pass, any other time-limited pass and a payment card;

"payment card" means a record issued by the authority or a related party if the following apply:

- (a) the person to whom the record is issued can, by paying money to the authority or a related party, create or increase a credit balance on the record;
- (b) the credit balance on the record can be applied by the person to whom the record was issued towards any fare;

"surcharge date", in relation to a ticket, means the later of

- (a) the date that is 180 days after the date of service of the ticket,
- (b) if the person to whom the ticket was issued disputes his or her liability under the ticket in accordance with section 4, the date that is 31 days after the date on which a notice of decision in response to the dispute is provided to that person under section 4 (4), and
- (c) if the person to whom the ticket was issued appeals his or her liability under the ticket in accordance with section 7, the date that is 7 days after the date on which a notice of decision in response to the appeal is provided to that person under section 7 (5);

"ticket" means a ticket issued under section 248 of the Act.

Description of infraction

2. Every word and phrase set out in Column 2 of Schedule 1 to this regulation is authorized to be used on a ticket to describe the infraction of contravening the provision of the Act referred to in Column 1 opposite that word or phrase.

Ticketed amounts

3. (1) For the contravention of a provision of the Act set out in Column 1 of Schedule 1 to this regulation,
 - (a) Column 2 of Schedule 1 sets out the description of the infraction for the purposes of section 2, and
 - (b) Column 3 of Schedule 1 prescribes the fine for the infraction.(2) On the surcharge date applicable to a ticket, a surcharge of \$40 is added to and forms part of the ticketed amount if full payment of the ticketed amount is not made before the surcharge date.
(3) On the date that is 366 days after the date of service of the ticket, an additional surcharge of \$60 is added to and forms part of the ticketed amount if full payment of the ticketed amount is not made on or before that date.

Dispute process

4. (1) For the purposes of section 251 (1) of the Act, a person to whom a ticket has been issued may dispute his or her liability under the ticket
 - (a) within 14 days after the date of service of the ticket, or

- (b) if the authority is satisfied that, due to extenuating circumstances, the person was not reasonably able within that 14 day period to dispute liability under the ticket, within any longer period that the authority may, in writing, specify.
- (2) To dispute liability under a ticket, the person to whom the ticket was issued must, within the dispute period referred to in subsection (1) of this section, provide to the authority, in accordance with subsection (3), a notice of the dispute
 - (a) identifying on which of the grounds set out in section 251 (1) of the Act the person is basing the dispute, and
 - (b) providing any information relevant to the dispute.
- (3) A notice of dispute under subsection (2) of this section must be provided to the authority by
 - (a) mailing it to the head office of the authority, or
 - (b) providing it electronically in the manner set out on the authority's website.
- (4) Within 30 days after receiving a notice of dispute under subsection (2), the authority must
 - (a) decide whether to confirm or cancel the ticket, and
 - (b) provide to the person who submitted the notice of dispute, in accordance with subsection (5), notice of that decision and the basis on which it was made.
- (5) A notice of decision under subsection (4) must be provided to the person who submitted the notice of dispute by
 - (a) mailing the notice of decision to the postal address provided for that person in the notice of dispute, or
 - (b) emailing the notice of decision to the email address provided for that person in the notice of dispute.

Appeal period

- 5. (1) For the purposes of section 253 of the Act, a person who has disputed liability under a ticket in accordance with section 4 of this regulation and Division 3 of Part 12 of the Act may appeal liability under the ticket to an arbitrator
 - (a) within 30 days after the authority provided notice under section 4 (4) of this regulation of the authority's decision, or
 - (b) if the arbitrator is satisfied that, due to extenuating circumstances, the person was not reasonably able within that 30 day period to appeal liability under the ticket, within any longer period that the arbitrator may, in writing, specify.
- (2) A request under subsection (1) (b) for an extension of time within which to appeal liability under a ticket must
 - (a) set out the reason why the person was unable to provide a notice of appeal within the 30 day period referred to in subsection (1) (a), and
 - (b) be provided to the authority by
 - (i) mailing the request to the head office of the authority, or
 - (ii) providing the request electronically in the manner set out on the authority's website.
- (3) Promptly after receiving a request referred to in subsection (2), the authority must provide the request to the arbitrator.
- (4) Within 14 days after receiving a request under subsection (3), the arbitrator must provide notice to the appellant and the authority as to whether an extension of time within which to appeal liability under the ticket has been granted and if an extension is granted, indicate the date before which the notice of appeal must be provided to the authority.

Additional grounds for appeal

- 6. For the purpose of section 253 (c) of the Act, a person may appeal liability under a ticket on the ground that relevant information was not submitted in the dispute procedure.

Appeal process

7. (1) To appeal liability under a ticket, the person to whom the ticket was issued must, within the appeal period referred to in section 5 (1), provide to the authority, in accordance with subsection (2) of this section, a notice of appeal
 - (a) identifying on which of the grounds set out in section 253 of the Act or section 6 of this regulation the person is basing the appeal, and
 - (b) providing any information relevant to the appeal.
- (2) A notice of appeal under subsection (1) must be provided to the authority by
 - (a) mailing it to the head office of the authority, or
 - (b) providing it electronically in the manner set out on the authority's website.
- (3) Promptly after receiving a notice of appeal under subsection (2), the authority must provide the notice of appeal to the arbitrator who has the earliest availability.
- (4) An arbitrator to whom a notice of appeal is provided under subsection (3) may request from the appellant or the authority any additional records or information that the arbitrator considers appropriate and may, in his or her sole discretion, authorize the appellant and the authority to provide the additional records or information to the arbitrator in one or more of the following manners:
 - (a) in person;
 - (b) in writing;
 - (c) electronically.
- (5) After receiving a notice of appeal under subsection (3), the arbitrator must
 - (a) confirm or cancel the ticket, and
 - (b) provide, in accordance with subsection (6), to
 - (i) the person who submitted the notice of appeal, and
 - (ii) the authority notice of that decision and the basis on which it was made.
- (6) A notice of decision under subsection (5) must be provided to the person who submitted the notice of appeal by
 - (a) mailing the notice of decision to the postal address provided for that person in the notice of appeal, or
 - (b) emailing the notice of decision to the email address provided for that person in the notice of appeal.

Cancellation of tickets

8. If a ticket is cancelled under section 4 or 7 and some or all of the ticketed amount of the ticket has been paid to the authority, the authority must refund the amount paid.

Payment of fare

9. For the purposes of section 244 (1) (a) of the Act, a person may satisfy the requirement to pay the fare required by the tariff in any of the following manners:
 - (a) if a pass has been issued to the person and that pass is valid for application to the fare,
 - (i) if a device that can record the use of the pass has been installed or made available by the authority or a related party for the fare paid zone or transit vehicle, by using the pass in such a way that
 - (A) its use is recorded by the device, and
 - (B) if the pass is a payment card, the unpaid portion, if any, of the fare is debited from the pass, or
 - (ii) if there is no such device installed or made available by the authority or a related party for the fare paid zone or transit vehicle but there is a transit employee at the person's entry point to the fare paid zone or transit vehicle, by presenting that pass to that transit employee for inspection;

- (b) if, under the tariff, another form of payment is authorized,
 - (i) if a device that can recognize that form of payment has been installed or made available for the fare paid zone or transit vehicle by the authority or a related party, by using that form of payment in such a way that
 - (A) its use is recorded by the device, and
 - (B) if applicable, the unpaid portion, if any, of the fare is debited from the form of payment, or
 - (ii) if there is no such device installed or made available by the authority or a related party for the fare paid zone or transit vehicle but there is a transit employee at the person’s entry point to the fare paid zone or transit vehicle, by presenting that form of payment to that transit employee for inspection.

Proof of payment

- 10. To comply with section 244 (1) (b) of the Act in relation to a fare, a person must
 - (a) obtain and retain any receipt issued by the authority or a related party for the payment of that fare,
 - (b) if a pass that is valid for application to the fare is used, retain the pass, or
 - (c) if under the tariff another form of payment is authorized and that other form of payment is used, retain that form of payment and obtain and retain
 - (i) any receipt issued by the authority or a related party, and
 - (ii) any record in the person's power or control, whether in electronic form or otherwise, that confirms that the form of payment was used in payment of the fare.

Schedule 1

South Coast British Columbia Transportation Authority Act

Provision	Contravention	Fines
Section 244 (1) (a)	Fare evasion	\$173
Section 244 (2)	Failure to produce	\$173

H. SECTION 248 TICKETS AND COLLECTIONS

The numbers of tickets issued and collected under Section 248 from January 1 to December 31, 2019 are represented in the table below.

	Tickets issued under Section 248 (number)	Collected ticket amounts (\$)
January 1 to December 31, 2019	18,774	1,207,152

APPENDIX A

Consolidated Financial Statements
(Expressed in thousands of dollars)

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

And Independent Auditors' Report thereon

Year ended December 31, 2019



KPMG LLP
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INDEPENDENT AUDITORS' REPORT

To the Members of the Board of Directors of the South Coast British Columbia Transportation Authority

Opinion

We have audited the consolidated financial statements of the South Coast British Columbia Transportation Authority (the "Authority"), which comprise:

- the consolidated statement of financial position as at December 31, 2019
- the consolidated statement of operations for the year then ended
- the consolidated statement of changes in net debt for the year then ended
- the consolidated statement of cash flows for the year then ended
- and notes to the consolidated financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the consolidated financial position of the Authority as at December 31, 2019, and its consolidated results of operations, its consolidated changes in net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Other Information

Management is responsible for the other information. Other information comprises the information, other than the financial statements and the auditors' report thereon, included in the 2019 Annual Statutory Report and 2019 Year-End Financial and Performance Report documents.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indicators that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditors' report thereon, included in the 2019 Annual Statutory Report and 2019 Year-End Financial and Performance Report documents as at the date of this auditors' report.

If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report.

We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.



Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group entity to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

KPMG LLP

Chartered Professional Accountants

Vancouver, Canada
March 26, 2020

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

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

December 31, 2019, with comparative information for 2018

	2019	2018
Financial assets		
Cash and cash equivalents	\$ 502,060	\$ 517,022
Accounts receivable (note 7(i))	246,889	250,598
Loan receivable (note 3)	190,009	250,734
Restricted cash and cash equivalents and investments (note 4(a))	1,101,107	979,894
Investments (note 4(b))	61,281	61,173
Debt reserve deposits (note 5)	27,989	29,421
	<u>2,129,335</u>	<u>2,088,842</u>
Liabilities		
Accounts payable and accrued liabilities (note 7(i))	368,232	340,267
Debt (note 6)	2,738,435	2,665,085
Deferred government transfers (note 7(a))	1,188,463	1,249,094
Golden Ears Bridge contractor liability (note 8(a))	1,033,348	1,040,378
Deferred concessionaire credit (note 9(a))	479,239	502,512
Employee future benefits (note 10(b))	143,709	139,653
Deferred revenue and deposits	62,201	55,136
Deferred lease inducements	13,452	12,544
	<u>6,027,079</u>	<u>6,004,669</u>
Net debt	(3,897,744)	(3,915,827)
Non-financial assets		
Tangible capital assets (note 11)	5,381,268	5,079,162
Supplies inventory	84,556	74,244
Prepaid expenses	30,910	28,206
	<u>5,496,734</u>	<u>5,181,612</u>
Commitments and contingencies (note 12)		
Subsequent event (note 18)		
Accumulated surplus	<u>\$ 1,598,990</u>	<u>\$ 1,265,785</u>

See accompanying notes to consolidated financial statements.

Approved on behalf of the Board:

Tony Gugliotta
Chair

Sarah Clark
Director

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Operations
(Expressed in thousands of dollars)

Year ended December 31, 2019, with comparative information for 2018

	2019 Budget	2019 Actual	2018 Actual
	(note 2(s))		
Revenue:			
Taxation (note 16)	\$ 874,526	\$ 906,969	\$ 819,354
Transit (note 7(j))	669,274	685,362	638,015
Government transfers (note 7(a))	388,039	398,523	303,498
Amortization of deferred concessionaire credit (note 9(a))	23,337	23,273	23,273
Investment income	52,850	58,024	53,203
Miscellaneous revenue	5,655	9,027	11,894
Gain (loss) on disposal of tangible capital assets	(122)	506	(34)
	2,013,559	2,081,684	1,849,203
Expenses:			
Bus operations	942,587	919,478	867,913
Corporate operations	204,293	147,953	145,675
Rail operations	443,913	446,283	422,185
Roads and bridges	191,650	192,806	189,273
Transit Police	41,895	41,959	38,687
	1,824,338	1,748,479	1,663,733
Surplus for the year	189,221	333,205	185,470
Accumulated surplus, beginning of year	1,266,771	1,265,785	1,080,315
Accumulated surplus, end of year	\$ 1,455,992	\$ 1,598,990	\$ 1,265,785

See accompanying notes to consolidated financial statements.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Changes in Net Debt
(Expressed in thousands of dollars)

Year ended December 31, 2019, with comparative information for 2018

	2019 Budget	2019 Actual	2018 Actual
	(note 2(s))		
Surplus for the year	\$ 189,221	\$ 333,205	\$ 185,470
Acquisition of tangible capital assets	(906,645)	(515,285)	(382,466)
Amortization of tangible capital assets	226,514	212,942	197,854
Loss (gain) on disposal of tangible capital assets	122	(506)	34
Net proceeds from disposal of tangible capital assets	-	743	694
Write-down of tangible capital assets	-	-	8,299
	(680,009)	(302,106)	(175,585)
Change in supplies inventory	(4,153)	(10,312)	(5,287)
Change in prepaid expenses	(1,124)	(2,704)	(6,803)
	(5,277)	(13,016)	(12,090)
Decrease (increase) in net debt	(496,065)	18,083	(2,205)
Net debt, beginning of year	(4,150,382)	(3,915,827)	(3,913,622)
Net debt, end of year	\$ (4,646,447)	\$ (3,897,744)	\$ (3,915,827)

See accompanying notes to consolidated financial statements.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Consolidated Statement of Cash Flows
(Expressed in thousands of dollars)

Year ended December 31, 2019, with comparative information for 2018

	2019	2018
Cash provided by (used for):		
Operating transactions:		
Surplus for the year	\$ 333,205	\$ 185,470
Non-cash changes to operations (note 14)	(129,698)	(41,402)
Changes in non-cash operating working capital (note 14)	90,504	6,312
Cash provided by operating transactions	294,011	150,380
Capital transactions:		
Purchase of tangible capital assets	(514,960)	(380,763)
Net proceeds from disposal of tangible capital assets	743	694
Cash used for capital transactions	(514,217)	(380,069)
Investing transactions:		
Increase in restricted cash and investments	(121,213)	(199,654)
Increase in investments	(108)	(222)
Decrease in debt reserve deposits	1,432	3,333
Cash used for investing transactions	(119,889)	(196,543)
Financing transactions:		
Debt proceeds	200,000	400,000
Issue costs on financing	(1,420)	(2,331)
Repayments of debt	(125,489)	(197,425)
Repayments of Golden Ears Bridge contractor liability	(7,030)	(5,179)
Government transfers received for tangible capital additions	257,955	324,179
Lease inducements received	1,117	-
Cash provided by financing transactions	325,133	519,244
Increase (decrease) in cash and cash equivalents	(14,962)	93,012
Cash and cash equivalents, beginning of year	517,022	424,010
Cash and cash equivalents, end of year	\$ 502,060	\$ 517,022
Supplementary information:		
Interest paid	\$ 187,815	\$ 185,067
Tangible capital assets acquired by capital lease and other adjustments	325	(1,961)

See accompanying notes to consolidated financial statements.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

1. Operations:

The South Coast British Columbia Transportation Authority, formerly the Greater Vancouver Transportation Authority, (the “Authority” or “TransLink”) was established in June 1998 as a regional public transportation authority under the South Coast British Columbia Transportation Authority Act (the “Act”) to provide for the planning, funding, management and operation of an integrated regional transportation system for the Greater Vancouver region.

2. Significant accounting policies:

(a) Basis of presentation:

The consolidated financial statements of the Authority have been prepared in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

(b) Basis of consolidation:

The consolidated financial statements include the accounts of the Authority and its active wholly owned subsidiaries as follows:

- (i) Coast Mountain Bus Company Ltd. (“CMBC”) – bus, SeaBus and community shuttle services;
- (ii) British Columbia Rapid Transit Company Ltd. (“BCRTC”) – SkyTrain services on the Expo, Millennium and Canada Lines;
- (iii) West Coast Express Limited (“WCE”) – commuter rail services;
- (iv) Transportation Property and Casualty Company Inc. (“TPCC”) – a captive insurance company which provides insurance liability coverage to the Authority’s operating subsidiaries; and
- (v) TransLink Security Management Ltd. (“TSML”) – transit police services transferred from the TransLink entity to TSML effective March 4, 2013

All intercompany balances and transactions have been eliminated upon consolidation.

(c) Basis of accounting:

TransLink follows the accrual method of accounting for revenues and expenses. Revenues are recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay. Interest expense is accrued as the obligation is incurred.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

2. Significant accounting policies (continued):

(d) Cash and cash equivalents:

Cash and cash equivalents include highly liquid investments with a term to maturity of three months or less at the date of purchase.

(e) Financial instruments:

Financial instruments are classified into two categories: fair value or cost.

(i) Fair value:

Investments and derivatives that are quoted in an active market and loans receivable are reflected at fair value as at the reporting date. The Authority does not hold any investments or derivatives that are quoted in an active market. Unrealized gains and losses on financial assets are recognized in the Statement of Remeasurement Gains and Losses until such time that the financial asset is derecognized due to disposal or impairment. At the time of derecognition, the related realized gains and losses are recognized in the Statement of Operations and related balances are reversed from the Statement of Remeasurement Gains and Losses. As at December 31, 2019, the Authority does not have any unrealized gains or losses and a Statement of Remeasurement Gains and Losses has not been included in these financial statements.

(ii) Cost:

All other financial instruments are recorded at cost. Gains and losses on financial instruments recorded at cost are recognized in the Statement of Operations when the financial asset is recognized due to disposal or impairment. Sales and purchases of investments are recorded on the trade date. Transaction costs related to the acquisition of investments are included in the cost of the related investments.

Accounts receivable and accounts payable and accrued liabilities are measured at cost using the effective interest rate method. Any gains, losses or interest expense is recorded in the annual surplus depending on the nature of the financial liability that gave rise to the gain, loss or expense. Valuation allowances are made when collection is in doubt.

(f) Supplies inventory:

Supplies inventory is valued at the lower of average cost and net realizable value. Cost includes purchase price, import duties, other net taxes, and transport, handling and other costs directly attributable to acquisition. Net realizable value is the estimated current replacement cost.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

2. Significant accounting policies (continued):

(g) Tangible capital assets:

Tangible capital assets have been recorded as follows:

- (i) Tangible capital assets are recorded at cost, including capitalized interest as described in note 2(h). Cost includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, including the purchase price and other acquisition costs such as installation costs, design and engineering fees, legal fees, survey costs, site preparation costs, freight charges, transportation, insurance costs and duties.
- (ii) As part of the establishment of the Authority, certain tangible capital assets contributed by the Province of British Columbia (the "Province") and BC Transit were recorded at the estimated fair value at the date of acquisition based on appraisals carried out.
- (iii) Amortization is provided on the cost less estimated salvage value on a straight-line basis over a period not exceeding the estimated useful lives as follows:

Asset	Years
Land improvements	30
Buildings	30 - 50
Bridges, guideways, stations and tunnels	30 - 100
Other supporting systems (tracks, rail, roads, electrical, drainage, ventilation)	8 - 40
Vehicles and SeaBus	5 - 40
Equipment	5 - 40

(h) Capitalization of interest:

Interest costs directly attributable to construction projects and major capital acquisitions are capitalized from the commencement of the capital outlays until the assets are placed into service.

(i) Major Road Network ("MRN") expenditures:

Part 2 of the Act provides that the Authority must establish a MRN, comprising an integrated system of highways throughout the transportation service region, and the Authority must contribute funds to the municipalities for the purpose of constructing and maintaining any part of the MRN within that municipality if certain conditions are met.

Funding related to operating and maintaining the MRN are expensed under the heading "maintenance, materials and utilities". Funding related to road, cycling and walking infrastructure is expensed under the heading "capital infrastructure contributions" as the related assets are the property of the appropriate municipalities who assume all the rights and obligations.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

2. Significant accounting policies (continued):

(j) Pension plans and employee future benefits:

(i) Pension plan:

The Authority, its subsidiaries and employees make contributions to the Public Service Pension Plan ("PSPP"). These contributions to the PSPP are expensed as incurred.

(ii) Employee future benefits:

Post-retirement and post-employment benefits are available to the majority of the Authority's employees. The cost of post-retirement benefits is actuarially determined, prorated on service and management's best estimate of retirement ages and expected health care costs. The cost of post-employment benefits to disabled employees is actuarially determined based on future projected benefits of currently disabled employees. The obligations under these post-retirement and post-employment benefit plans are accrued as the employees render services necessary to earn the future benefits. The measurement date of the accrued benefit obligation coincides with the Authority's fiscal year. The most recent actuarial valuation of the plans was December 31, 2019. The plans are unfunded and require no contributions from employees. Employer contributions are based upon expected annual benefit payments.

Actuarial gains (losses) on the accrued benefit obligation arise from differences between actual and expected experience and from changes in the actuarial assumptions used to determine the accrued benefit obligation. The net accumulated actuarial gains (losses) are amortized over the average remaining service period of active employees in the consolidated statement of operations. The amortization period of the active employees covered by the post-retirement plan is 11 years (2018 - 11 years) and post-employment plan is 6 years (2018 - 6 years).

(k) Deferred revenue:

The Authority defers the portion of the revenue collected from transit services relating to services not yet rendered. This revenue is recognized in the year in which related services are provided.

(l) Deferred concessionaire credit:

Deferred concessionaire credit represents the funding provided by the Canada Line concessionaire towards the design and construction phases of the Canada Line in exchange for the right to operate the line over the 30 year operating term. This amount is amortized to income on a straight-line basis over the operating term of the concessionaire agreement which commenced in August 2009 and will expire in July 2040.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

2. Significant accounting policies (continued):

(m) Government transfers:

Restricted transfers from governments are deferred and recognized as revenue as the related stipulations in the agreement are met. Unrestricted transfers are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

A significant portion of the Authority's government funding for capital purposes is received from the federal government through the Gas Tax program and other similar programs. Under these agreements, the Authority is required to acquire specific transit assets with the funds. The Authority is also required under certain agreements to maintain the assets over a set holding period and repay funds if the associated assets are sold before the end of the holding period.

(n) Liability for contaminated sites:

Contaminated sites are a result of contamination being introduced into air, soil, water or sediment of a chemical, organic or radioactive material or live organism that exceeds an environmental standard. Liabilities are recorded net of any expected recoveries.

A liability for remediation of contaminated sites is recognized when all the following criteria are met:

- (i) an environmental standard exists;
- (ii) contamination exceeds the environmental standard;
- (iii) the Authority is directly responsible or accepts responsibility;
- (iv) it is expected that future economic benefits will be given up; and
- (v) a reasonable estimate of the amount can be made.

The liability is recognized as management's estimate of the cost of post-remediation including operation, maintenance and monitoring that are an integral part of the remediation strategy for a contaminated site.

(o) Income taxes:

The Authority is a tax exempt corporation, which is exempt from Canadian Federal and British Columbia Provincial income taxes as it is deemed to be a public body performing the function of government in Canada. The Authority's subsidiaries file on the basis that they are exempt from Canadian Federal and British Columbia Provincial income taxes.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

2. Significant accounting policies (continued):

(p) Foreign currency translation:

Transactions of the Authority and its subsidiaries originating in foreign currencies are translated at the rates in effect at the time of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to Canadian dollars at exchange rates in effect at the statement of financial position dates. Foreign exchange gains and losses are included in income.

(q) Use of estimates:

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Significant areas requiring the use of estimates include determination of useful lives of tangible capital assets, percentage of completion of construction-in-progress, allowance for doubtful accounts receivable, obsolete inventory, determination of employee future benefits, liability for contaminated sites, self-insurance liability provisions and provisions for legal contingencies. Actual results could differ from those estimates.

(r) Segment disclosure:

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the Authority. TransLink has provided definitions of segments used and presented financial information in the segmented format (note 17). Business Technology, Human Resource, Payroll and Administrative Services costs are managed by the corporate segment and allocated among the operating segments, as appropriate. Interest has been allocated based on the allocated depreciation.

(s) Budget data:

The budget data presented in these consolidated financial statements were approved by the Board of Directors on December 6, 2018.

3. Loan receivable:

In 2016, the Authority sold the Oakridge Transit Centre land for proceeds of \$440,000,000. The Authority received \$66,000,000 of proceeds in 2019 (2018 - \$66,000,000) with the remaining payment due in annual instalments as follows:

	Instalments
January 20, 2021	66,000
January 20, 2022	66,000
January 20, 2023	66,000
Total	\$ 198,000

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

3. Loan receivable (continued):

The instalments are secured by a mortgage on the land sold.

The loan receivable of \$190,009,000 (2018 - \$250,734,000) is the present value of the instalments due as at December 31, 2019 using a discount rate of 2.10% (2018 – 2.10%).

Interest accrues on each instalment if it is not paid one month prior to its due date. Interest accrues at 18.00% per annum, calculated and compounded half-yearly. Provided the purchaser is in compliance with the land sale agreement and related mortgage, the purchaser can prepay all or any part of the remaining instalments at any time without notice, bonus or penalty.

4. Restricted and unrestricted cash and investments:

The Authority holds investments consisting of term deposits, money market instruments, and bonds held at various financial institutions.

All these investments are recorded at amortized cost. The bonds have an average initial term of 196 months (2018 - 191 months) and an average remaining term to maturity of 160 months (2018 - 164 months). All bonds held by the Authority, as at December 31, 2019 and 2018, were rated A or higher.

Details of interest rate and maturity date ranges of the term deposits are as follows:

	2019	2018
Interest rate range	2.30% - 2.95%	1.45% - 2.85%
Maturity date range	January 2020 – December 2021	January 2019 – December 2019

Details of effective interest rates and coupon rates of the government and corporate bonds are as follows:

	2019		2018	
	Effective rates	Coupon rates	Effective rates	Coupon rates
Weighted average rate	3.03%	3.26%	3.05%	3.28%
Interest rate range	1.51% - 4.47%	1.50% - 5.20%	1.51% - 4.47%	1.50% - 5.20%

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

4. Restricted and unrestricted cash and investments (continued):

(a) Restricted cash and cash equivalents and investments:

	2019	2018
Government transfers for capital project funding (i):		
Cash and cash equivalents	\$ 309,029	\$ 377,859
Investments:		
Term deposits and money market instruments	101,532	135,812
Bonds (note 15(b))	22,637	19,866
Total government transfers for capital project funding	433,198	533,537
Self-administered sinking funds:		
Cash and cash equivalents	17,820	2
Investments:		
Term deposits and money market instruments	20,130	-
Bonds maturing beyond one year (note 15(b))	297,080	264,241
Total self-administered sinking funds	335,030	264,243
Land reserve:		
Cash and cash equivalents	111,648	72,762
Term deposits	88,735	72,569
Total land reserve	200,383	145,331
Green Bond proceeds:		
Cash and cash equivalents	108,373	11,688
TPCC (wholly-owned captive insurance subsidiary):		
Bonds (note 15(b))	24,123	25,095
Total restricted cash and investments	\$ 1,101,107	\$ 979,894

(i) Unspent government transfers for capital project funding consists of \$403,571,000 (2018 - \$531,715,000) of Gas Tax funds and \$29,627,000 (2018 - \$1,822,000) of other funding.

(b) Unrestricted investments:

Unrestricted investments are comprised of term deposits and money market instruments in the amount of \$61,281,000 (2018 - \$61,173,000).

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

5. Debt reserve deposits and callable demand notes:

The Authority is required to pay the Municipal Finance Authority of British Columbia (“MFA”) debt reserve deposits into a debt reserve fund of 1.00% of the face value of each debenture borrowing from the MFA. These are interest bearing restricted funds administered by the MFA and are only refundable once the respective debt issue has been fully repaid.

If at any time the MFA does not receive sufficient funds to meet payments or sinking fund contributions due on the Authority’s debt obligations, the interest and principal payments or sinking fund contributions will be deducted from this debt reserve fund.

In addition to the debt reserve deposit, the Authority is required by the MFA to issue a non-interest bearing demand note for an amount equal to one-half the average annual installment of principal and interest relative to any debt borrowed less the debt reserve deposit. The demand notes payable to the MFA are callable only if, in the event of a default by the Authority or Metro Vancouver (the interposed significant lender over the Authority’s long-term debt), there are insufficient funds in the Authority’s debt reserve deposit held at the MFA to meet a required interest, principal payment or sinking fund contribution. As the Authority is in full compliance with its debt payments and no such call has been made by the MFA on these demand notes, their face value has not been recorded as a liability on the consolidated statement of financial position. At year-end, the maximum value of the demand notes totaled \$29,343,000 (2018 - \$30,608,000).

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

6. Debt:

	2019	2018
Unsecured commercial paper, due next 12 months	\$ 60,000	\$ 120,000
Unsecured sinking fund bonds held by the MFA, weighted average coupon rate of 3.96% (effective rate 3.98%), maturing at various dates from 2020 to 2036, 10 to 30 year original term	1,099,856	1,149,784
Less: accumulated payments to MFA administered debt sinking funds (including vested and accrued actuarial earnings)	(592,847)	(581,211)
Unsecured serial debenture held by the MFA, coupon rate of 5.10% interest payable semi-annually (effective rate 5.19%), maturing in 2025, principal repayment of approximately \$2 million annually, 20 year original term	16,547	18,939
Unsecured bullet maturity bond series TL-1, face value \$300 million, interest rate 3.80% (effective rate 3.88%), maturing 2020, original 10 year term	299,770	299,539
Unsecured bullet maturity bond series TL-2, face value \$200 million, interest rate 4.65% (effective rate 4.70%), maturing 2041, original 30 year term	198,670	198,640
Unsecured bullet maturity bond series TL-3, face value \$250 million, interest rate 3.85% (effective rate 3.82%), maturing 2052, original 40 year term	251,415	251,445
Unsecured bullet maturity bond series TL-4, face value \$365 million, interest rate 4.45% (effective rate 3.97%), maturing 2044, original 30.5 year term	393,495	394,220
Unsecured bullet maturity bond series TL-5, face value \$215 million, interest rate 3.05% (effective rate 3.06%), maturing 2025, original 10.5 year term	214,942	214,937
Unsecured bullet maturity bond series TL-6, face value \$200 million, interest rate 3.15% (effective rate 3.18%), maturing 2048, original 31 year term	198,729	198,703
Unsecured bullet maturity bond series TL-7 (Green), face value \$400 million, interest rate 3.25% (effective rate 3.31%), maturing 2028, original 10 year term	398,012	397,830
Unsecured bullet maturity bond series TL-8 (Green), face value \$200 million, interest rate 2.65% (effective rate 2.68%), maturing 2050, original 31 year term	198,587	-
Capital leases, weighted average implicit rate of 3.22% (2018 - 3.52%), maturing at various dates from 2020 to 2023	1,259	2,259
	\$ 2,738,435	\$ 2,665,085

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

6. Debt (continued):

The Authority has an unsecured revolving credit facility with a syndicate of Canadian financial institutions totaling \$500 million which will expire on March 23, 2023. The credit facility is to be used primarily as a liquidity backstop of commercial paper and provides for loans at varying rates of interest based on certain benchmark interest rates, specifically the Canadian prime rate and the Canadian bankers' acceptance rate, and on the Authority's credit ratings at the time of drawdown. The Authority is also required to pay commitment fees, which are also dependent on the Authority's credit ratings. This credit facility has no financial covenants or requirement to maintain a specific credit rating and was not drawn upon in 2019.

The Authority's unsecured commercial paper program is backstopped by the abovementioned syndicated credit facility which enables it to issue commercial paper up to a maximum aggregate of \$500 million. As at December 31, 2019, \$60,000,000 (2018 - \$120,000,000), was owed under this commercial paper program at an average interest rate of 1.82% (2018 - 2.03%) and is due for repayment in January 2020 (2018 - January 2019).

The future debt payments, future actuarial interest credit on the MFA sinking fund payments and unamortized premium / issue costs are summarized as follows:

	Commercial Paper	Sinking Fund on Bonds Held by MFA	Serial Debenture Held by MFA	Bullet Maturity Bonds	Capital Leases	Total
Future payments:						
2020	\$ 60,000	\$ 34,700	\$ 2,593	\$ 300,000	\$ 856	\$ 398,149
2021	-	34,700	2,659	-	345	37,704
2022	-	32,698	2,727	-	56	35,481
2023	-	30,278	2,797	-	2	33,077
2024	-	30,278	2,868	-	-	33,146
Thereafter	-	105,015	2,942	1,830,000	-	1,937,957
	60,000	267,669	16,586	2,130,000	1,259	2,475,514
Future actuarial interest	-	240,684	-	-	-	240,684
	60,000	508,353	16,586	2,130,000	1,259	2,716,198
Unamortized premium / (issue costs)	-	(1,344)	(39)	23,620	-	22,237
	\$ 60,000	\$ 507,009	\$ 16,547	\$ 2,153,620	\$ 1,259	\$ 2,738,435

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

7. Transfers from other governments:

(a) Deferred government transfers:

	Balance, January 1, 2019	Contributions received	Interest earned	Recognized as revenue	Balance, December 31, 2019
Capital project funding:					
Canada Line	\$ 477,425	\$ -	\$ -	\$ (23,397)	\$ 454,028
Gas Tax	559,102	149,120	9,202	(286,001)	431,423
Public Transit Infrastructure Fund	134,292	70,700	-	-	204,992
Building Canada Fund	62,822	-	-	(4,464)	58,358
Capstan Station	899	28,076	-	-	28,975
Evergreen Line	6,300	-	-	-	6,300
Transit Secure Fund	4,907	-	-	(684)	4,223
Public Transit Fund	2,098	-	-	(1,934)	164
Public Transit Infrastructure Program	875	-	-	(875)	-
Urban Transportation Showcase	343	-	-	(343)	-
Miscellaneous programs	31	857	-	(888)	-
	1,249,094	248,753	9,202	(318,586)	1,188,463
Operating funding:					
Golden Ears Bridge foregone tolling	-	60,075	-	(60,075)	-
Canada Line Operating Fund (note 9(c))	-	19,221	-	(19,221)	-
Properties Environmental Program	-	426	-	(426)	-
Other cost sharing projects	-	215	-	(215)	-
	-	79,937	-	(79,937)	-
	\$ 1,249,094	\$ 328,690	\$ 9,202	\$ (398,523)	\$ 1,188,463

The balance as at December 31, 2019 of \$1,188,463,000 consists of:

- (i) Unspent Gas Tax funds of \$403,571,000 (2018 - \$531,715,000) and unspent funds for various other projects of \$29,627,000 (2018 - \$1,822,000); and
- (ii) Spent funds of \$755,265,000 (2018 - \$715,557,000) that will be recognized as revenue as the related stipulations in the agreements are met.

(b) Gas Tax funding:

The Authority receives funding annually from the Government of Canada via a Gas Tax funding agreement between the Authority and the Union of British Columbia Municipalities ("UBCM"). The Authority is required to spend the funds on defined tangible capital assets to support the mandate, as prescribed in the agreement.

In 2015, the Authority entered into a new funding agreement with UBCM (the "Agreement").

Under the terms of the Agreement, for tangible capital assets acquired prior to April 1, 2014, the Authority is required to continue to retain title to the ownership of the infrastructure for a period of 10 years, or the useful life of the asset, if less than 10 years. Accordingly, once the contributions are spent on eligible items and the assets are placed into service, the contributions are amortized to revenue over 10 years, or the assets' useful life if less than 10 years.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

7. Transfers from other governments (continued):

(b) Gas Tax funding (continued):

Tangible capital assets acquired on or after April 1, 2014 are not subject to stipulations and the contributions are recognized in revenue when the funds are spent on eligible items.

Receipts and disbursements for the year are as follows:

	2019	2018
Opening balance, unspent funds	\$ 531,715	\$ 405,924
Amount received during the year	149,120	234,750
Interest earned	9,202	9,235
Funding re-invested for early disposal of assets	-	1,681
Amount spent on designated public transit projects	(286,466)	(119,875)
Closing balance, unspent funds	\$ 403,571	\$ 531,715

(c) Canada Line funding:

The Authority has received certain contributions for the Canada Line infrastructure from the Federal and Provincial Governments with the stipulation that TransLink operate and maintain the Canada Line for a minimum of 30 years, equal to the operating agreement with the concessionaire. If the assets are disposed prior to the 30 year term, the Authority is required to refund a portion of the contributions received, the amount of which decreases over time. As such, the Authority recognizes the revenue from the contributors over the holding period of 30 years.

(d) Building Canada Fund:

The Building Canada Fund was established by the Federal Government to provide strategic funding to infrastructure projects managed by Canadian provinces, territories and municipalities. Through an agreement with the Province, the Authority obtains funding from the Major Infrastructure Component of the Building Canada Fund which supports various projects related to public transit. In addition to the federal funds, the Authority also receives provincial funding for certain Building Canada Fund related projects.

Under the agreement, if any of the assets acquired are disposed or used in a manner other than as described in their request for funding, the Authority is required to return a portion of the contribution to the Province as follows:

Portion of contribution refund	Up to 1 year after the project completion date	Reduction in refund each year afterward
Fixed assets (non-movable)	100%	4%
Non-fixed assets (movable)	100%	10%

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

7. Transfers from other governments (continued):

(d) Building Canada Fund (continued):

Accordingly, the Authority recognizes the revenue over the stipulation periods of 10 or 25 years.

(e) Public Transit Infrastructure Fund:

The Public Transit Infrastructure Fund ("PTIF") was established by the Federal Government to provide funding to support the rehabilitation of transit systems, new capital projects, and planning and studies for future transit expansion to foster long-term transit plans. The Government of Canada has entered into a bilateral agreement with the Province, which in turn has entered into an agreement with the Authority to provide senior government funding for eligible projects under the PTIF program.

Under the agreement, if any of the acquired or constructed assets are sold, leased, disposed or used in a manner other than as described in their request for funding for five years after the agreement end date, which has been extended to March 31, 2021, the Authority is required to return a portion of the contribution to the Province.

Accordingly, the Authority recognizes the revenue over the stipulation period of five years.

(f) Evergreen Line:

In 2016, TransLink received \$30,261,000 of Evergreen Line project assets funded by partners of the British Columbia Transportation Financing Authority ("BCTFA"), of which \$7,000,000 was funded by PPP Canada Inc. and has a 25 year holding period stipulation on the related tangible capital asset. If the assets are disposed prior to the 25 year term, the Authority is required to repay a portion of the funding, the amount of which decreases over time.

Accordingly, the Authority recognizes the revenue based on milestones throughout the stipulation period of 25 years.

(g) Capstan Station funding:

On March 21, 2012, TransLink entered into a Funding Agreement with City of Richmond ("CoR") in relation to the design and construction of the Canada Line Capstan Station. The project was divided into three phases: preliminary design, detailed design and construction, and CoR agreed to contribute funding for the three phases totaling \$25,316,600 (subject to inflationary adjustments). On December 16, 2019, TransLink received the total funding from CoR and is required to complete the project within 30 months of the date of receipt.

Accordingly, the Authority will recognize revenue upon completion of the project.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

7. Transfers from other governments (continued):

(h) Golden Ears Bridge foregone tolling revenue:

In August 2017, the Province announced the removal of tolls on the Golden Ears Bridge (the "GEB") effective September 1, 2017. The Authority entered into an agreement with the Province to receive payments for foregone projected toll revenue to 2050, provided that the Authority does not charge users tolls for any new crossings and ensures the continued availability and operation of the GEB. The Authority recognizes the funding as government transfers revenue if these conditions are met.

(i) Working capital balances:

	2019	2018
Trade accounts receivable	\$ 23,086	\$ 19,659
Due from Federal Government	6,401	7,744
Due from Province of British Columbia	208,351	215,298
Due from regional districts	6,846	5,824
Due from other authorities	2,205	2,073
Accounts receivable	\$ 246,889	\$ 250,598

	2019	2018
Trade accounts payable and accrued liabilities	\$ 302,795	\$ 284,132
Due to Federal Government	7,010	6,534
Due to Province of British Columbia	4,385	1,607
Due to regional districts	45,902	39,988
Due to other Authorities	8,140	8,006
Accounts payable and accrued liabilities	\$ 368,232	\$ 340,267

(j) Transit revenues:

Included in transit revenues is \$12,800,000 (2018 - \$11,629,000) of contributions from the provincial government to assist with administering the U-Pass BC program and to offset forgone transit revenues.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

8. Golden Ears Bridge:

(a) Golden Ears Bridge contractor liability:

In 2006, the Authority entered in a fixed-price contract with the Golden Crossing General Partnership (the "GCGP") to design, construct, finance, operate, maintain and rehabilitate the GEB. The contract was executed in March 2006 and terminates in June 2041.

The GEB contractor liability to finance the construction is repaid by the Authority over the operating term as follows:

	2019	2018
Opening balance	\$ 1,040,378	\$ 1,045,557
Interest accretion on contractor liability to last payment date	65,460	65,928
Payments made	(72,490)	(71,107)
Ending balance	\$ 1,033,348	\$ 1,040,378

As the last monthly payment of the year was made on December 8, 2019, the interest accrual from December 9 to 31, 2019 of \$4,022,000 (2018 - \$4,054,000) is included in accounts payable and accrued liabilities.

Capital and interest payments to the GCGP commenced on substantial completion of the project. The nominal (based on 2005 dollars) monthly blended capital and interest payments, prior to escalation for the CPI index, are \$4,792,000.

The obligation to the GCGP bears interest at an effective rate of 6.70% per annum. The effective interest rate is the implicit interest rate, which establishes the net present value of the payment stream equal to the cost of the bridge, considering future payments adjusted by the forecasted CPI index with an estimated annual inflation rate of 2.00%. The estimated payments in the next five years are as follows:

	Capital and interest
2020	\$ 75,977
2021	77,504
2022	79,046
2023	80,632
2024	82,252

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

8. Golden Ears Bridge (continued):

(b) Operating agreement with GCGP:

The Authority also pays the GCGP a monthly Operating, Maintenance, Rehabilitation (“OMR”) fee of \$316,198 (based on 2005 dollars), which escalates based on a CPI index. Including an estimated 2.00% inflation rate per annum, the OMR payments to GCGP in the next 5 years are expected to be as follows:

	OMR
2020	\$ 5,013
2021	5,114
2022	5,215
2023	5,320
2024	5,427

9. Canada Line:

The Canada Line is a light rail rapid transit line that links central Richmond, the Vancouver International Airport and downtown Vancouver. The concessionaire (“InTransit BC”) is contracted to operate the Canada Line from August 2009 to July 2040.

(a) Deferred concessionaire credit:

The deferred concessionaire credit represents contributions made by the concessionaire to design and construct the Canada Line in exchange for the right to operate. This amount is being amortized over the concession term which ends July 2040.

	2019	2018
Opening balance	\$ 502,512	\$ 525,785
Less: amortization	(23,273)	(23,273)
Closing balance	\$ 479,239	\$ 502,512

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

9. Canada Line (continued):

(b) Operating commitments:

Base operating and maintenance payments to the Canada Line concessionaire (with 2003 being the base year), prior to adjustments for operational metrics and inflation, are as follows:

	Each 28-day period
January 2020 to December 2034	\$ 6,462
January 2035	5,289
February 2035 to July 2040	4,117

The total estimated base operating and maintenance payments, excluding taxes, to the concessionaire for each of the next five years adjusted for certain operational metrics and inflation, are as follows:

2020	\$ 120,000
2021	123,000
2022	126,000
2023	129,000
2024	132,000

The base operating and maintenance payments are subject to special events and passenger volume adjustments as well as quality and availability deductions according to the provisions of the contract.

(c) Operating contributions:

The Province of British Columbia has committed to provide funding of \$1,478,000 at each 28 day period to November 2039 related to the Canada Line operating expenses, which is approximately \$19,300,000 per annum subject to quality and availability deductions. The funding received in 2019 was \$19,221,000 (2018 - \$19,174,000).

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

10. Pension plans and employee future benefits:

(a) Pension plans:

The Authority and its subsidiaries contribute to the Public Service Pension Plan (the “Plan” or “PSPP”), which is a multi-employer defined benefit plan, together with other British Columbia public service employers, in accordance with the Public Sector Pension Plans Act.

The British Columbia Pension Corporation administers the Plan, including the payment of pension benefits and other post-retirement benefits, on behalf of the employers and the employees to whom the Act applies. The long-term funding of the Plan is based on the level contribution method. Using this method, employer contribution rates are set out so that, in combination with member contributions, they will fully pay for benefits earned by the typical new entrants to the Plan and will maintain the Plan’s unfunded accrual liability (“UAL”) for funding purposes, if any, as a constant percentage of employer payroll. The actuary does not attribute portions of the UAL to individual employers. Contributions to the Plan are expensed in the year when payments are made. Every three years, an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of plan funding. The latest full actuarial valuation for the Public Service Pension Plan, which was carried out as at March 31, 2017, resulted in a surplus of \$1,895,876,000. The total expense recorded in the consolidated financial statements, in respect of pension contributions to the Plan, amounts to \$50,535,000 (2018 - \$47,920,000). The next valuation will be as at March 31, 2020, with results available in 2021.

(b) Employee future benefits:

(i) Post-retirement:

In addition to the post-retirement benefits provided by the Plan, the Authority, CMBC and TSML continue to provide life insurance benefits to eligible retired employees.

In fiscal 2011, PSPP officially announced that effective April 1, 2012 it will no longer subsidize the Retiree MSP for Retirees and their dependents and extended health benefits for the Retiree’s dependents. As per the COPE collective agreements, the benefits are the responsibility of TransLink and CMBC and therefore, the Authority funds (for eligible retired COPE employees) the remaining cost of MSP and extended health, which is not paid by the PSPP.

In the collective agreement between TSML and the Transit Police Professional Association (“TPPA”) union ratified on November 27, 2014, the parties eliminated the MSP and extended health retiree benefits for new employees. Employees with one complete year of service or more as of November 27, 2014 were eligible for retirement benefits as follows:

- employees with at least 10 consecutive years of service at TSML and eligible to retire on pension with TSML as of December 31, 2018 who elected by May 26, 2015 to retire on or before December 31, 2018.
- all other eligible employees were paid a lump-sum of \$750 per year of service calculated as of November 27, 2014.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

10. Pension plans and employee future benefits (continued):

(b) Employee future benefits (continued):

(i) Post-retirement (continued):

BCRTC also sponsors a post-retirement plan which provides MSP coverage, extended health and dental benefits to eligible retired employees.

The total expense recorded in the consolidated financial statements, in respect of obligations under these plans, amounts to \$6,361,000 (2018 - \$9,820,000).

On December 17, 2019, a letter of understanding was signed by BCRTC and its union to prospectively implement changes to retiree extended health and dental benefits available to employees that will better make use of the benefits provided by the PSPP. The plan amendment, when implemented, is expected to reduce BCRTC's post-retirement benefit obligation.

(ii) Post-employment:

The Authority, CMBC and TSML provide MSP, extended health, dental and life insurance benefits to employees on approved long-term disability leave (post-employment benefits).

BCRTC provides MSP, extended health, dental, life insurance and pension benefits to employees on approved long-term disability leave.

Effective December 24, 2012, WCE employees on approved long-term disability leave receive MSP, extended health, dental and life insurance benefits.

The total expense recorded in the consolidated financial statements for the year, in respect of obligations under these plans, amounts to \$2,132,000 (2018 - \$2,701,000).

(iii) Summary of the Authority's post-retirement and post-employment plans is as follows:

	Post-retirement benefits	Post-employment benefits	Total 2019	Total 2018
Accrued benefit obligation	\$ 97,509	\$ 21,082	\$ 118,591	\$ 105,435
Unamortized net actuarial gain	15,787	9,331	25,118	34,218
Accrued benefit liability	\$ 113,296	\$ 30,413	\$ 143,709	\$ 139,653

The accrued benefit liability is not funded.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

10. Pension plans and employee future benefits (continued):

(b) Employee future benefits (continued):

(iv) The expense for the year is comprised of the following components:

	Post- retirement benefits	Post- employment benefits	Total 2019	Total 2018
Current period benefit cost	\$ 5,180	\$ 4,754	\$ 9,934	\$ 12,326
Plan amendment	4,919	477	5,396	-
Interest cost	3,152	728	3,880	4,064
Amortization of actuarial gains	(6,890)	(3,827)	(10,717)	(3,869)
Net expense	6,361	2,132	8,493	12,521
Actuarially determined payments	(1,674)	(2,763)	(4,437)	(3,770)
Change in accrued benefit liability	\$ 4,687	\$ (631)	\$ 4,056	\$ 8,751

During the year, new collective agreements were ratified between CMBC, BCRTC, and their respective unions. Amendments to their respective benefits plans resulted in the recognition of prior period service costs. These costs have been partially offset against existing unamortized actuarial gains in the amount of \$4,919,000 for post-retirement benefits and \$419,000 for post-employment benefits. The corresponding gains have been included in the above figures for the net amortization of actuarial gains.

(v) The significant assumptions used are as follows:

	2019	2018
Discount rates	2.80% - 2.90%	3.20% - 3.50%
Expected health care cost trend rates	4.00% - 6.10%	3.90% - 6.20%

11. Tangible capital assets:

Cost	Balance, January 1, 2019	Additions, net of transfers	Disposals	Balance, December 31, 2019
Land	\$ 410,486	\$ 14,801	\$ (136)	\$ 425,151
Land improvements	40,397	5,531	-	45,928
Buildings	338,565	5,459	-	344,024
Bridges, guideways, stations and tunnels	2,372,044	-	-	2,372,044
Other supporting systems	1,085,948	107,812	-	1,193,760
Vehicles and SeaBus	1,840,077	348,219	(10,131)	2,178,165
Equipment	736,904	37,002	(290)	773,616
Tangible capital projects in progress	318,998	(3,539)	-	315,459
	\$ 7,143,419	\$ 515,285	\$ (10,557)	\$ 7,648,147

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

11. Tangible capital assets (continued):

Accumulated amortization	Balance, January 1, 2019	Amortization expense	Disposals	Balance, December 31, 2019
Land	\$ -	\$ -	\$ -	\$ -
Land improvements	(21,977)	(1,270)	-	(23,247)
Buildings	(122,724)	(8,221)	-	(130,945)
Bridges, guideways, stations and tunnels	(214,289)	(24,243)	-	(238,532)
Other supporting systems	(283,895)	(40,688)	-	(324,583)
Vehicles and SeaBus	(965,123)	(96,545)	10,057	(1,051,611)
Equipment	(456,249)	(41,975)	263	(497,961)
	\$ (2,064,257)	\$ (212,942)	\$ 10,320	\$ (2,266,879)

Net book value	Balance, January 1, 2019	Balance, December 31, 2019
Land	\$ 410,486	\$ 425,151
Land improvements	18,420	22,681
Buildings	215,841	213,079
Bridges, guideways, stations and tunnels	2,157,755	2,133,512
Other supporting systems	802,053	869,177
Vehicles and SeaBus	874,954	1,126,554
Equipment	280,655	275,655
Tangible capital projects in progress	318,998	315,459
	\$ 5,079,162	\$ 5,381,268

Included in tangible capital assets is capital leased equipment with a net book value of \$5,602,000 (2018 - \$7,996,000).

Interest capitalized during the year amounted to \$4,363,000 (2018 - \$3,257,000).

(a) Expo and Millennium Line:

As at December 31, 2019, the net book value of Expo and Millennium Line guideways or system improvements totaled \$400,673,000 (2018 - \$354,642,000) of which \$289,869,000 (2018 - \$253,421,000) relates to improvements on the assets that are leased/licensed from the Province. The guideways are leased/licensed from the Province for nominal proceeds and the Authority is responsible for operations and maintenance. The Expo and Millennium line leases expire on January 29, 2021. Both leases have available renewal options and the agreements provide the Authority with reimbursement of the unamortized cost of capital improvements to the assets that are leased/licensed from the Province should the leases not be renewed. As the Authority expects to either renew the leases or be reimbursed for any unamortized costs, the improvements are capitalized and amortized over their expected useful lives and not the term of the leases.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

11. Tangible capital assets (continued):

(b) West Coast Express:

BCTFA leases to TransLink all its interests (owned and otherwise) with respect to the West Coast Express properties and infrastructure. As at December 31, 2019, the net book value of West Coast Express improvements totaled \$3,130,000 (2018 - \$3,375,000).

(c) Evergreen Line:

The Evergreen Line (an extension of the Millennium Line) links neighborhoods in Burnaby, Port Moody and Coquitlam and is operated by TransLink as part of the regional transportation network. The Evergreen Line is funded by the Government of Canada, BCTFA, TransLink and other partners. On October 31, 2016, the Evergreen Line was substantially completed and accordingly, a portion of the Evergreen Line infrastructure ("TransLink Evergreen Line Infrastructure") was transferred from BCTFA to TransLink including stations, guideway and the related systems east of Inlet Centre station (excluding Inlet Centre station) and the vehicle storage facility. As at December 31, 2019, the net book value of Evergreen Line guideways and system owned by TransLink, excluding SkyTrain vehicles, totaled \$317,053,000 (2018 - \$323,929,000).

As BCTFA holds the underlying property rights on which the TransLink Evergreen Line Infrastructure is located, BCTFA and TransLink have agreed to enter into an agreement whereby TransLink may exercise and obtain the benefit of BCTFA's interests to such property rights for a 100 year term on certain terms and conditions, including that if the agreement expires or terminates then BCTFA will reimburse TransLink for the unamortized portion of the initial cost of the TransLink Evergreen Line Infrastructure.

12. Commitments and contingencies:

(a) Operating leases:

The Authority is committed to annual lease payments in respect of office premises and vehicles, in the following amounts:

2020	\$ 17,769
2021	17,599
2022	17,056
2023	17,180
2024	15,514
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	\$ 85,118

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

12. Commitments and contingencies (continued):

(a) Operating leases (continued):

Included in the payment schedule above are certain commitments that extend beyond 2024. Significant commitments beyond 2024 are as follows:

- (i) The Authority has a premise lease with the Brewery District Investments Ltd. for the head office of TransLink and TSML which ends in 2033. The monthly commitment for basic rent and operating costs subsequent to year 2023 ranges from \$831,000 to \$889,000.

(b) WCE - lease and operating commitments:

In connection with operating the Commuter Rail System, the operating commitment for WCE include train operations, office lease, rolling stock maintenance, land leases and miscellaneous services.

The following summarizes the WCE operating commitments:

2020	\$ 16,050
2021	10,427
2022	10,375
2023	10,520
2024	8,191
	<hr/>
	\$ 55,563

Subsequent to 2024, monthly operating commitments for WCE are \$456,000 for 2025.

(c) Operating commitment with Cubic Transportation System Inc.:

The Authority has a contract with Cubic Transportation Systems Inc. ("Cubic") to operate its transit fare system. The contract expires in January 2026 with the Authority having the option to extend the term of the contract for an additional 5 years.

Base payments to Cubic under the contract terms for operations and maintenance are adjusted periodically based on a CPI index.

The projected base payments adjusted for inflation are as follows:

	Fixed component
2020	\$ 13,663
2021	14,276
2022	14,852
2023	15,389
2024	15,987
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	\$ 74,167

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

12. Commitments and contingencies (continued):

(c) Operating commitment with Cubic Transportation System Inc. (continued):

Subsequent to 2024, the fixed monthly base payments are \$1,267,000 for 2025. Additionally, an amount of \$8,100,000 is payable in 2025 should the Authority choose not to extend the contract.

(d) Natural gas supply contract:

The Authority has entered into multiple fixed price natural gas purchase agreements for varying terms up to October 2021. The approximate total payment relating to these agreements is as follows:

	Contract Amount
2020	\$ 1,679
2021	1,442
	<hr/> \$ 3,121 <hr/>

(e) Major Road Network ("MRN") Capital Funding:

The Authority has signed several funding agreements with municipalities on major MRN projects. At December 31, 2019, the net amount of MRN capital infrastructure contributions committed and not paid is \$91,706,000 (2018 - \$59,310,000). This amount will be paid to the municipalities upon completion of their projects.

(f) Lawsuits and claims:

As at December 31, 2019, a number of lawsuits and claims, arising in the ordinary course of business, have been initiated against the Authority. Management is of the opinion that sufficient provisions net of any recoveries have been recorded in the financial statements for any lawsuits and claims made against the Authority, except as noted below.

A number of lawsuits commenced against TransLink and/or its subsidiary, in relation to the Canada Line project remain outstanding. The Authority does not believe that reasonable estimates of any potential losses can be estimated at this time and therefore, no provisions have been made in the consolidated financial statements for the following:

- A class action lawsuit filed by Cambie area merchants, where no specific amount has been claimed at this time. The trial of the first phase of this class action concluded April 2, 2015. Reasons for Judgment were delivered November 6, 2015. The main claims of the merchants for damages for the tort of nuisance were dismissed. The Court's decision allows for a certain claim of lesser value, injurious affection to property interests, to be advanced. The number of claims that may be advanced in the future is approximately 100; the amount of these claims cannot be estimated at this time. Three test cases for assessment of compensation for injurious affection were heard at trial in April 2018 by the BC Supreme Court, and judgement issued by the BC Supreme Court, awarding damages in the aggregate amount of \$181,040, has been appealed by TransLink. The appeal was heard by the Court of Appeal on October 7, 2019. Judgement was reserved and has not yet been released.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

12. Commitments and contingencies (continued):

(f) Lawsuits and claims (continued):

- A lawsuit filed by a number of Cambie area merchants, where no specific amount has been claimed at this time.
- Two additional lawsuits each filed by individual Cambie area merchants, where no specific amount has been claimed at this time.

Once a reasonable estimate of the potential liability, if any, is determined, a provision will be recognized.

(g) Other capital and inventory commitments:

At December 31, 2019, \$265,421,000 (2018 - \$486,448,000) has been contractually committed for other capital projects and inventory.

(h) Letters of credit:

As at December 31, 2019, the Authority has issued letters of credit to the City of Richmond and the City of Surrey totaling \$3,910,000 (2018 - \$2,787,000) which expire in 2020.

13. Contractual rights:

The Authority is entitled to future revenues based on contracts and agreements it has entered into by year-end to fund operating costs, capital expansion and debt repayment. These include, but are not limited to, funding agreements for Canada Line, Golden Ears Bridge foregone tolling, Gas Tax, PTIF and the U-Pass BC program. The following summarizes the amounts receivable expected under all such contracts and agreements over the next five years:

2020	\$	370,563
2021		323,130
2022		328,098
2023		338,594
2024		190,982
		<hr/>
	\$	1,551,367

The annual amounts beyond 2024 range from \$27,746,000 to \$174,603,000 until 2050.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

14. Statement of cash flows:

	2019	2018
Non-cash changes to operations:		
Amortization of tangible capital assets	\$ 212,942	\$ 197,854
Amortization of bond premium	(66)	(112)
Amortization of debt issue cost	-	519
Amortization of deferred concessionaire credit	(23,273)	(23,273)
Amortization of deferred government transfers	(318,586)	(224,781)
Amortization of deferred lease inducements net of additions	(209)	58
Write-down of tangible capital assets	-	8,299
Loss (gain) on disposal of tangible capital assets	(506)	34
	<u>\$ (129,698)</u>	<u>\$ (41,402)</u>
Changes in non-cash operating working capital:		
Decrease (increase) in accounts receivable	\$ 3,709	\$ (129,746)
Decrease in loan receivable	60,725	59,463
Increase in supplies inventory	(10,312)	(5,287)
Increase in prepaid expenses	(2,704)	(6,803)
Increase in accounts payable and accrued liabilities	27,965	71,210
Increase in deferred revenue and deposits	7,065	8,724
Increase in employee future benefits	4,056	8,751
	<u>\$ 90,504</u>	<u>\$ 6,312</u>

15. Financial instruments:

(a) Credit, interest and foreign exchange risk:

Unless otherwise noted, it is management's opinion that the Authority is not exposed to any significant credit or interest rate risk as a result of its financial instruments.

The Authority is exposed to minimal credit risk as the majority of its accounts receivables are due from government sources.

Interest rate risk related to the Authority's debt will be subject to the market interest rates at the date of refinancing, but this risk is mitigated by spreading maturities of borrowings over multiple years and also regularly making contributions to sinking funds in order to repay all long-term bullet debt over a pre-determined amortization period.

During the year, the Authority entered into an interest rate hedging contract to lock in the 30-year Canada benchmark yield at a nominal amount of \$150,000,000. Settlement of the contract resulted in a realized loss of \$10,500,000 which has been recorded in interest expense.

The Authority's operations are all based in Canada and exposure to foreign exchange fluctuations is not significant.

There has been no change to any of the risk exposures from 2018.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

15. Financial instruments (continued):

(b) Fair values:

The fair values of certain debt and assets are represented in the table below. Management considers term deposits and money market instruments carrying amounts to approximate fair values. For all other classes of financial instruments presented in these consolidated financial statements, management considers the carrying amounts approximate the fair values.

2019	Fair values	Amortized cost
Restricted investments:		
Government transfers for capital projects - bonds	\$ 22,885	\$ 22,637
TPCC - bonds	24,284	24,123
Self-administered sinking funds - bonds	320,545	297,080

2018	Fair values	Amortized cost
Restricted investments:		
Government transfers for capital projects - bonds	\$ 19,906	\$ 19,866
TPCC - bonds	24,921	25,095
Self-administered sinking funds - bonds	266,575	264,241

16. Taxation revenue:

	2019	2018
Fuel tax	\$ 403,081	\$ 351,338
Property tax	382,748	355,838
Parking sales tax	81,871	73,201
Hydro levy	21,461	21,088
Replacement tax	17,808	17,889
	\$ 906,969	\$ 819,354

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

17. Segmented information:

(a) Bus operations:

Fixed route bus services, SeaBus service and custom transit are delivered through TransLink's wholly-owned subsidiary, Coast Mountain Bus Company Ltd., and various contractors that operate the Community Shuttle routes, West Vancouver Blue Bus, and HandyDART. The Bus operations represent the operating costs and the allocated depreciation and interest costs.

(b) Corporate operations:

TransLink corporate is the organization's head office, responsible for organizational leadership and oversight, and the development and undertaking of TransLink's strategic transportation and financial plans. Other functions centralized at the corporate office include capital project approvals, legal services, information systems, human resources, corporate finance, transportation systems planning, internal audit, marketing, real estate services and the transportation demand management program.

(c) Rail operations:

Automated light rail and commuter train services are provided by TransLink's wholly-owned subsidiaries, British Columbia Rapid Transit Company Ltd. and West Coast Express Ltd., and through the concession agreement for the Canada Line. The Rail operations represent the operating costs and the allocated depreciation and interest costs.

(d) Roads and bridges:

TransLink owns and operates the Knight Street Bridge, Pattullo Bridge, Westham Island Bridge, and the Golden Ears Bridge. In partnership with the municipalities, TransLink supports the Major Road Network ("MRN"), a network of major roads throughout Metro Vancouver. The MRNs are generally owned by municipalities. TransLink provides funding for the operations, maintenance, and rehabilitation of the MRN, and shares in the costs of eligible capital improvements.

(e) Transit Police:

The South Coast British Columbia Transportation Authority Police Service ("Transit Police") maintains order, safety and security on transit facilities and adjacent areas, and is authorized to enforce laws. The Transit Police coordinate its activities with jurisdictional police as well as other transit security staff.

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

17. Segmented Information (continued):

	2019					Total	2018
	Bus operations	Corporate operations	Rail operations	Roads and bridges	Transit Police		
Revenues:							
Taxation	\$ -	\$ 906,969	\$ -	\$ -	\$ -	\$ 906,969	\$ 819,354
Transit	-	685,362	-	-	-	685,362	638,015
Government transfers	-	398,520	-	3	-	398,523	303,498
Amortization of deferred concessionaire credit	-	-	23,273	-	-	23,273	23,273
Investment income	-	58,024	-	-	-	58,024	53,203
Miscellaneous revenue	2,813	3,910	953	2	1,349	9,027	11,894
Gain (loss) on disposal of tangible capital assets	-	506	-	-	-	506	(34)
	2,813	2,053,291	24,226	5	1,349	2,081,684	1,849,203
Expenses:							
Administration	19,371	22,532	5,426	157	3,860	51,346	49,543
Capital infrastructure contributions	-	-	-	37,310	-	37,310	40,416
Contracted services	76,093	15,298	125,727	5,371	-	222,489	220,349
Fuel and power	51,343	-	16,412	-	-	67,755	71,706
Insurance	21,821	251	5,246	1,013	104	28,435	24,142
Maintenance, materials and utilities	72,948	1,999	50,791	48,390	1,851	175,979	163,606
Professional and legal	3,203	23,637	3,348	1,197	352	31,737	30,768
Rentals, leases and property tax	14,957	11,119	1,287	285	1,965	29,613	26,937
Salaries, wages and benefits	499,129	46,634	116,011	1,360	32,756	695,890	646,654
Write-down of tangible capital assets	-	-	-	-	-	-	8,299
Expenses before amortization and interest	758,865	121,470	324,248	95,083	40,888	1,340,554	1,282,420
Amortization of tangible capital assets	99,851	16,469	75,874	20,079	669	212,942	197,854
Interest	60,762	10,014	46,161	77,644	402	194,983	183,459
	160,613	26,483	122,035	97,723	1,071	407,925	381,313
	919,478	147,953	446,283	192,806	41,959	1,748,479	1,663,733
Surplus (deficit) for the year	\$ (916,665)	\$ 1,905,338	\$ (422,057)	\$ (192,801)	\$ (40,610)	\$ 333,205	\$ 185,470

SOUTH COAST BRITISH COLUMBIA TRANSPORTATION AUTHORITY

Notes to Consolidated Financial Statements (continued)

(Tabular amounts expressed in thousands of dollars, unless otherwise indicated)

Year ended December 31, 2019

18. Subsequent event:

Subsequent to December 31, 2019, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This situation presents uncertainty over future cash flows and may have an impact on the Authority's future operations. Potential impacts on the Authority's business could include future decreases in revenue, ability to obtain debt or delays in completing capital project work. As the situation is dynamic and the ultimate duration and magnitude of the impact on the economy are not known, an estimate of the financial effect on the Authority is not practicable at this time.