

# 2012 Base Plan and Outlook



## Transportation and Financial Base Plan for 2012 to 2014 and Outlook for 2015 to 2021

For the purpose of the BC *South Coast British Columbia Transportation Authority Act*, this 2012 Base Plan and Outlook constitutes the Base Plan prepared in 2011 for the 2012 to 2014 period and the Outlook for the 2015 to 2021 period.



July 29, 2011

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



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# Executive Summary





# EXECUTIVE SUMMARY

TransLink's 2012 Base Plan and Outlook provides an update to the 2011 Base Plan and Outlook and continues implementation of the 2010 Funding Stabilization Plan that was adopted in 2009. It has two components: a financially committed three-year Base Plan and an Outlook for the following seven years. The Base Plan for 2012 to 2014 outlines strategic initiatives, transportation programs and services that TransLink plans to deliver using established revenue sources.

This Base Plan continues TransLink's emphasis on improving the efficiency and effectiveness of the transportation system with currently established financial resources. Under this plan, overall annual transit service hours are maintained at existing levels and TransLink-owned infrastructure is kept in a state of good repair by drawing on existing revenue sources and the accumulated surplus. Taking into account committed investments, Plan assumptions and extrapolation of trends, TransLink's operating expenditures are forecast to be greater than revenues through 2017. After 2017, revenues are forecast to exceed expenditures as some long-term debt is retired and new major capital would be limited under the current funding stabilization environment. While the cumulative surplus is drawn down to account for this difference, the modest investments made within 2012 to 2014 remain financially sustainable through the Outlook period from 2015 to 2021. Total accumulated surpluses are maintained at or above the policy target level of 10 per cent of expenditures over the Plan and Outlook period.

The Metro Vancouver region experienced unprecedented investment in transportation services and infrastructure between 2005 and 2009. For example, major investments in road and cycling infrastructure have improved the efficiency of the road system and encouraged mode shift. A significant expansion of transit services and infrastructure, primarily between 2005 and 2009, has translated into strong transit ridership growth. This ridership growth is forecast to continue in 2012 on the strength of recent investments and TransLink's focus on efficient and effective use of the region's transportation assets.

Under this Base Plan, there will not be any significant system expansion. There will be very modest investment in road and cycling programs. Transit system improvements through 2013 will be mainly in the form of service effectiveness and efficiency improvements, including the Service Optimization initiative. Without additional investment in the transportation system, the Base Plan program alone will not be sufficient to maintain the momentum of recent years. As a result, it will be difficult to continue to make progress towards Transport 2040, the region's long-term strategy for a sustainable transportation system.

Concurrent to the development of the 2012 Base Plan and Outlook, significant progress has been made by the Mayors' Council and the Province in finding a path forward to fund the regional transportation investments contained in the 2011 Moving Forward Supplemental Plan and Outlook. Moving Forward received strong public and stakeholder endorsement, but lacked an approved funding formula needed

to support it. With a recent agreement reached on an approved funding source, TransLink will bring back the plan for a final round of public consultation in the summer of 2011. If approved, Moving Forward would allow the region to approach the conditions required this decade to fulfill the Transport 2040 aspirations for a sustainable region.

## **Background and Context**



# 1. BACKGROUND AND CONTEXT

This document is the 2012 Transportation and Financial Base Plan and Outlook (the 2012 Base Plan and Outlook), under the *South Coast British Columbia Transportation Authority Act (the SCBCTA Act)*. The *SCBCTA Act* requires TransLink to prepare a Base Plan on an annual basis that uses only established funding resources within the current borrowing limit. The Outlook for 2015 to 2021 (in Section 3.5, and in the Appendices) demonstrates that TransLink's plans for 2012 to 2014 are sustainable in the longer term.

This chapter describes the current context for the 2012 Base Plan and Outlook including:

- TransLink's vision, mission and values,
- TransLink's current transportation system and its performance,
- the continued search for sustainable funding,
- the emphasis on efficiency and effectiveness,
- TransLink's commitment to the long-term vision set forth in Transport 2040, and
- the legislative requirements and planning framework that guide the development of this plan.

## TRANSLINK VISION, MISSION AND VALUES

The 2012 Base Plan and Outlook is consistent with and supports TransLink's vision, mission and values.

### Vision

A better place to live built on transportation excellence.

### Mission

Together we connect the region and enhance its livability by providing a sustainable transportation network embraced by our communities and people.

### Values

*Safety* - The safety and security of our customers and employees is paramount. We will operate safely at all times.

*Customer Service* - We will provide excellent service to our customers. We understand that our customers expect accuracy, timeliness, and reliability. Delivering on these expectations is essential to our success. Our plans and actions will be driven by customer needs.

*People* - We value our employees and the contributions they make to serve our customers.

*Inclusiveness* - We value teamwork and partnerships. We recognize that our success depends on effective communication and consultation, with our employees, our stakeholders and the public.

*Integrity* - We will act honestly and with integrity at all times. We will treat others with dignity and respect and will conduct ourselves in a manner that will instil and foster trust.

*Excellence* - We will strive for excellence in all that we do and will be a leader in enhancing sustainability through the transportation services we provide. We will encourage innovation and the implementation of best practices throughout our organization.

*Sustainability* - Sustainability will be a key factor in all our strategies, business plans, decisions, and operations. We will incorporate economic, environmental, and social factors in our decision making.

*Accountability* - We will be results oriented and fiscally responsible.

## **1.1 2012 BASE PLAN AND OUTLOOK CONTEXT**

The 2012 Base Plan and Outlook is an update to the 2011 Base Plan and Outlook. These two successive base plans carry forward a funding strategy laid out in the 2010 Funding Stabilization Supplemental Plan, a supplemental plan that enabled TransLink to maintain existing service levels and keep transportation assets in state of good repair and, if required, to manage through significant financial challenges. While allowing TransLink to meet its fundamental mandate, the 2012 Base Plan will not enable the region to reach the goals and vision of Transport 2040 (described in Section 1.3).

TransLink remains committed to the long-term planning vision of Transport 2040, starting with the implementation of existing investment commitments and priorities, and working towards the expansion and improvement of the transportation system to meet future demand in the context of the Regional Growth Strategy. Current funding levels are sufficient to maintain the existing transit system, fund Major Road Network (MRN) operations and maintenance, and undertake modest investments in road and cycling capital. TransLink is committed to finding solutions to upgrade and expand the transportation network in order to advance the vision of Transport 2040. To this end, TransLink is actively working with the Mayors' Council and the Provincial Government to secure long-term sustainable funding.

Concurrent to the development of the 2012 Base Plan and Outlook, significant progress has been made by the Mayors' Council for Regional Transportation and the Province in finding a path forward to fund the regional transportation investments contained in the 2011 Moving Forward Supplemental Plan that was advanced by the TransLink Board to the Mayors' Council, but was not voted upon. The Moving Forward Supplemental Plan received strong public and stakeholder endorsement, but lacked an approved funding formula needed to support it. With a recent agreement reached on an approved funding source, TransLink will update and bring back the plan for a final round of public consultation in the summer of 2011. If approved, the 2012 Supplemental Plan and Outlook would allow the region to approach the conditions required this decade to fulfill the Transport 2040 aspirations for a sustainable region.

### ***MANAGING THE REGION'S INTEGRATED TRANSPORTATION SYSTEM***

Under the *SCBCTA Act*, TransLink provides a regional transportation system that moves people and goods in support of the Regional Growth Strategy, provincial and regional environmental objectives, and the economic development of the Metro Vancouver service region. TransLink's responsibilities include bus and rail transportation systems, passenger ferries, custom transit, cycling pathways, roads and four

bridges, Intelligent Transportation Systems, programs such as AirCare emissions testing, and the TravelSmart transportation demand management program.

The number of trips and mode share on public transit has been steadily increasing over the past 10 years, with 12.6 per cent of all trips made by public transit in 2008, compared to 10.8 per cent in 2004 and 10.1 per cent in 1999<sup>1</sup>. The combined transit, cycling and walking mode share reached 25 per cent in 2008.

### ***SPOTLIGHT ON EFFICIENCY AND EFFECTIVENESS***

Since 2008, all levels of the TransLink organization have been focusing on actions that will be effective in moving towards Transport 2040 goals, and on making efficient use of operating and capital resources. Under the 2012 Base Plan, TransLink's continued focus on efficiency and effectiveness will provide the organization with the ability to maintain service levels and infrastructure in a state of good repair, undertake planning initiatives and evaluate future plans for upgrades and expansion.

### ***LEGISLATIVE PLANNING FRAMEWORK***

The *SCBCTA Act*, with amendments brought into force in June 2010, requires TransLink to annually prepare a three-year Base Plan that uses only established funding resources and projected borrowing within the current limit. The *SCBCTA Act* permits TransLink to prepare Supplemental Plans that propose changes to the three-year Base Plan by proposing increases to revenue sources beyond those permitted under a Base Plan. TransLink must ensure that for each Base or Supplemental Plan, the contemplated expenditures do not exceed anticipated revenues, borrowings and accumulated funding resources. The changes to TransLink's legislation include the provision of an Outlook for the seven years following the three-year fully funded plan. It must describe the transportation services (and levels) and major capital projects that TransLink contemplates providing over that period. If, at any time, TransLink chooses to prepare a three-year Supplemental Plan, it must also explain how the Outlook will change if the Supplemental Plan is approved.

### ***2015-2021 OUTLOOK PERIOD***

The strategic initiatives described in Section 2.2 of this Plan include a number of planning programs, including the development of a new long-range strategy, Transport 2045, which TransLink is required to complete by mid 2013. Transport 2045 will define goals and targets, investment needs, funding, and policies and actions for the both the long-term (to 2045) and mid-term (to 2030) periods.

TransLink remains dedicated to the task of delivering the appropriate measures necessary to achieve the region's transportation and land use vision, including the implementation of existing investment commitments and priorities.

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<sup>1</sup> TransLink, 2008 Regional Trip Diary. The Trip Diary is a study TransLink carries out every four years to better understand travel behaviours in the region. Participants are asked to provide details about all trips made within a 24-hour period, including mode, destination and trip purpose.

To demonstrate that TransLink is making decisions that are financially sustainable, a financial Outlook for 2015 to 2021 is provided in Section 3.5, and in the Appendices. The investments in infrastructure and transit services committed to by the end of 2014 can be maintained using only TransLink's current revenue sources and cumulative surplus through 2021. To make this assessment, TransLink extrapolates the key financial and revenue trend from the levels projected for the third year of the funded plan, through the planning outlook.

## **1.2 CONSULTATION AND APPROVALS PROCESS**

### ***GOVERNANCE FRAMEWORK***

TransLink is a regional authority governed by the *SCBCTA Act*. This section of the plan describes TransLink's governance structure.

The Mayors' Council on Regional Transportation is composed of 22 members – the Mayors from all 21 municipalities within the transportation service region and a representative from the Tsawwassen First Nation. The Mayors' Council appoints the Board of Directors (from a list of candidates identified by the Screening Panel) and the Regional Transportation Commissioner. The Mayors' Council reviews and provides input on TransLink's long-term transportation strategies and its Base and Supplemental Plans and approves or rejects Supplemental Plans.

TransLink's Board of Directors consists of nine members. They are responsible for appointing the Chair of the Board, hiring, compensating and monitoring the performance of the CEO, and providing oversight of TransLink's strategic planning, finances, human resources, major capital projects and operations.

The Regional Transportation Commissioner:

- advises whether the assumptions and parameters in the Base and Supplemental Plans are reasonable,
- approves new and increased short-term fares,
- approves customer surveys and complaint processes,
- oversees sales of major assets, and
- publishes an annual report.

A Screening Panel, established annually, nominates candidates for appointment to the Board and sets Director compensation. The Screening Panel has one eligible individual appointed by each of: the Minister of Transportation and Infrastructure, the Mayors' Council on Regional Transportation, the Institute of Chartered Accountants of British Columbia, the Vancouver Board of Trade and the Greater Vancouver Gateway Council.

### ***GOVERNANCE OUTREACH AND PUBLIC CONSULTATION***

The 2012 Base Plan is intended to be an update of the 2011 Base Plan, which manages expenditures within the current approved funding envelope, relying on existing revenues and accumulated reserve. Since there are no major changes to revenue or expenditures between the 2011 and 2012 Base Plans, a streamlined consultation approach was taken.



Consultation efforts for the 2012 Base Plan met the following three objectives:

- achieve general government, stakeholder and public acceptance of the proposed 2012 Base Plan to ensure the best possible outcome of the planning process,
- adhere to TransLink's *Principles of Public Consultation and Public Outreach*, and
- meet the requirements of the *SCBCTA Act*.

External stakeholders were notified of the process in late April and were provided the opportunity to comment at stakeholder meetings in late June. Targeted groups included federal, provincial and regional representatives, the Regional Planning Committee, Mayors' Council, Major Roads and Transportation Advisory Committee (MRTAC), and TransLink's Stakeholder Roundtable. Internal stakeholders within the TransLink family were consulted throughout the plan development process via email communications and meetings.

A working draft of the plan document was distributed to stakeholders on July 8, 2011. All feedback received was analyzed and, as appropriate, included in the final plan.

The public provided input through online e-consultation via TransLink's "Be Part of the Plan" program from July 12-26. The online program provided 2012 Base Plan content, access to research and results from the 2011 Base Plan, and an opportunity for members of the public to provide feedback by responding to questions about TransLink plans, priorities and funding. A webinar hosted by TransLink CEO Ian Jarvis on July 19 provided details of the 2012 Base Plan and answered questions submitted by participants. Comments were also received through a meeting of TransLink's Stakeholder Roundtable. The feedback received from members of the public indicates there is support for the 2012 Base Plan and for continued transit system expansion.

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

At the governance outreach meetings, stakeholders discussed the need for new funding solutions to fund transit system expansion.

### **1.3 PLANNING FRAMEWORK**

The annual Base Plans and Supplemental Plans are the key mechanisms for implementing TransLink's long-term strategy for regional transportation. Updated every five years, the long-term strategy considers:

- regional land use objectives,

- provincial and regional environmental objectives, including air quality and greenhouse gas emission reduction objectives, and
- anticipated population growth in, and economic development of, the transportation service region over a 30-year horizon.

## **TRANSPORT 2040**

Transport 2040: A Transportation Strategy for Metro Vancouver (Transport 2040) is the current long-term strategy for the regional transportation system. Adopted in 2008, Transport 2040 established six goals and four key strategies to achieve them. Transport 2040 is used to guide the decision-making and activities of TransLink.



**Figure 1: Transport 2040 Goals and Strategies**

In the short term, the 2012 Base Plan continues taking modest steps towards addressing the challenges and opportunities facing the region over the coming decade, such as:

- reducing greenhouse gas emissions,
- respecting the environment,
- accommodating growth in the region,
- providing universal accessibility,
- supporting goods movement and economic vitality, and
- securing stable funding for TransLink.

### ***TRANSPORT 2045***

The *SCBCTA Act* requires TransLink to prepare a new long-term strategy by August 2013. In early 2011, TransLink initiated work on the development of this new strategy, Transport 2045. As described by the *SCBCTA Act*, the long-term strategy will include goals and directions for the regional transportation system, key measures to achieve these goals and a statement of underlying guiding principles.

The current long-term strategy, Transport 2040, sets the stage for the development of a more detailed and refined long-term strategy by providing a high-level vision and setting goals to help shape the 10-year Base and Supplemental Plans. Transport 2045 will build upon the foundation of Transport 2040 by setting key performance targets for the transportation system, developing investment and funding strategies and plans, outlining implementation strategies and establishing supporting policies and actions. This will be done for both the medium- (to 2030) and long- (to 2045) term time horizons. Transport 2045, in turn, will guide the development of future Base and Supplemental Plans, which will detail specific investments and associated funding commitments.

### ***TRANSLINK'S SUSTAINABILITY POLICY***

TransLink's Sustainability Policy (2009) commits the organization to making sustainability a key factor in its strategies, plans, business practices, decisions and operations. TransLink is a signatory of the International Association of Public Transport *Charter on Sustainable Development*, committed to fostering leadership, influencing policy, facilitating training and reporting on sustainability practices. TransLink is also a member of the American Public Transportation Association (APTA) pilot project on measurement of sustainability progress in this sector.

### ***PROVINCIAL TRANSIT PLAN***

The Provincial Transit Plan (2008) calls for significant expansion of transit in Metro Vancouver, including rail and/or bus rapid transit lines on corridors throughout the region. The Provincial Transit Plan seeks a weekday transit market share of 17 per cent in Metro Vancouver by 2020, which was estimated at 12 per cent in 2008, laying the foundation to attract 22 per cent by 2030. The implementation of the Provincial Transit Plan includes the commitment of significant funding contributions for the region by the Province to support capital construction and purchases.

## ***REGIONAL GROWTH STRATEGY***

Metro Vancouver's Regional Growth Strategy focuses on land use policies to guide the future development of the region and support the efficient provision of transportation, regional infrastructure and community services. In combination with other management plans, Metro Vancouver's Regional Growth Strategy helps meet the region's priorities and mandates and support the long-term commitment to sustainability.

Land use is a key determinant of vehicle kilometres travelled, mode choice and the efficiency of the associated transportation networks. Likewise, transportation systems influence land use by providing linkages between and within developed areas. TransLink will continue to work closely with Metro Vancouver and its partners to support final ratification of the Regional Growth Strategy. Following adoption of the Regional Growth Strategy, TransLink will work closely with municipalities and Metro Vancouver on implementation actions that seek to integrate land use and transportation planning.

## ***AIR QUALITY MANAGEMENT PLAN AND PROVINCIAL GREENHOUSE GAS REDUCTION TARGETS***

Light and heavy-duty vehicles accounted for 35 per cent of greenhouse gas (GHG) emissions in Metro Vancouver in 2005. With over half of the Province's registered vehicles and population located in Metro Vancouver, transportation in this region is a key component of the strategy for reducing provincial emissions.

Under the *SCBCTA Act*, TransLink must consider provincial and regional environmental objectives, including air quality and GHG emission reduction objectives, in preparing its long-term strategy and Base and Supplemental Plans. As such, TransLink has committed to supporting both the region's Air Quality Management Plan (AQMP) and the Provincial Government's targets for reducing GHG emissions in the Province by 33 per cent by 2020 and by 80 per cent by 2050 compared to 2007 levels. Metro Vancouver has adopted these targets for the region.

The Outcomes section of this Plan (Section 2.4) describes the progress of this Plan towards reduction of GHG emissions in the region.

## ***COLLABORATION WITH PARTNERS***

The TransLink planning process includes regular and ongoing consultation and collaboration with municipalities, Metro Vancouver, the BC Ministry of Transportation and Infrastructure, Transport Canada and other partner agencies. Individual municipalities, the Mayors' Council and Metro Vancouver are consulted on a variety of strategic planning initiatives as required by the *SCBCTA Act*. TransLink also consults with these agencies and other stakeholders (e.g. Vancouver International Airport Authority, Port Metro Vancouver and the Insurance Corporation of British Columbia) through standing regional committees, project-specific committees and task forces, and other formal and informal mechanisms to ensure the region's transportation networks are planned and implemented efficiently and effectively.

TransLink receives significant funding from both the Federal and Provincial Governments for capital projects for this region, such as fleet expansion and replacement and transit infrastructure. For example:

- the Federal and Provincial Governments together provide partnership funding through the Building Canada Fund,
- the Province provides funding through the Provincial Transit Plan, and
- the Federal Government provides funding through programs such as the Gas Tax Fund and Asia-Pacific Gateway program.

Further senior government support for transit in the region is provided by initiatives such as the Province's support for the U-Pass BC program and the Federal Transit Pass Tax credit program. These programs are an important part of TransLink's planning framework as they influence the region's progress towards the goals of Transport 2040.



# Transportation Plan





## 2. TRANSPORTATION PLAN

This chapter describes the strategic initiatives and transportation programs, services and investments that TransLink will undertake in the 2012 to 2014 period. A financial plan for 2012 to 2014 period and a Financial Outlook for 2015 to 2021 that supports the transportation plan are provided in Chapter 3. This chapter includes:

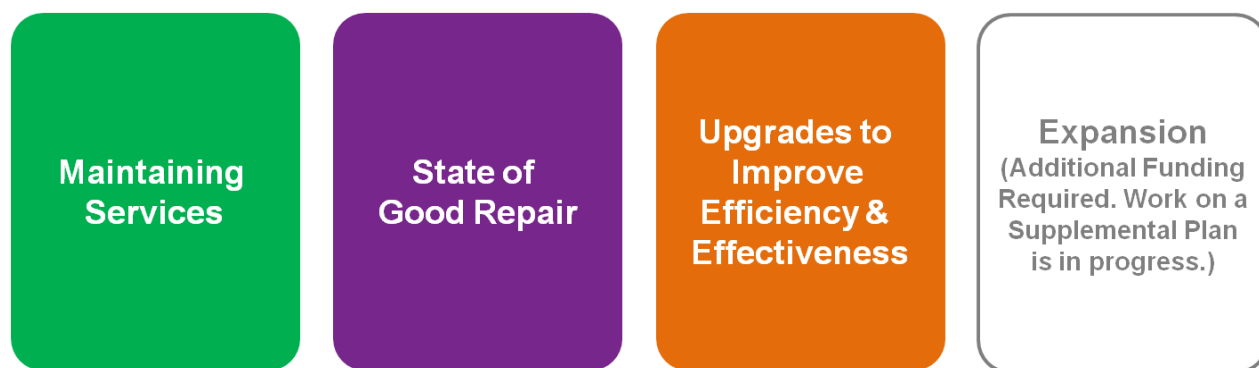
- TransLink's method of prioritizing investments,
- strategic initiatives that TransLink will undertake in order to make progress towards the goals of Transport 2040,
- transportation programs and services to be delivered,
- a summary of the financial assumptions and risks and revenues and expenditures, and
- a forecast of outcomes resulting from the delivery of the Plan.

### 2.1 PRIORITIZING INVESTMENTS

The 2012 Base Plan and Outlook is an update to, and is generally consistent with, the 2011 Base Plan and Outlook. These two successive Base Plans carry forward a funding strategy laid out in the 2010 Funding Stabilization Plan, a supplemental plan that enabled TransLink to maintain existing service levels and keep transportation assets in a state of good repair and, if required, to manage through significant financial challenges. The focus of this Plan is Transport 2040's strategy to "Optimize the use of the region's transportation assets and keep them in good repair." Thus, the 2012 Base Plan continues a framework that prioritizes actions in the following order:

1. Maintaining services,
2. State of good repair,
3. Upgrades to improve efficiency and effectiveness, and
4. Expansion.

This Base Plan has sufficient funding to maintain service levels and state of good repair with modest investment in upgrades. TransLink will continue striving to optimize existing services and take a responsible approach that positions the organization to deliver on commitments to upgrade and expand the region's transportation system when sufficient funding is available. In July 2011, at the request of the Province and the Mayors' Council for Transportation, TransLink developed and began consultation on the updated "Moving Forward" 2012 Supplemental Plan and Outlook. The 2012 Supplemental Plan and Outlook is scheduled to be considered by the TransLink Board in early August and if approved it will be delivered to the Mayors' Council and Regional Transportation Commissioner for consideration. The development of a new long-term strategy and subsequent medium-range investment strategy as part of Transport 2045 will provide guidance for future upgrade and expansion initiatives.



**Figure 2: Investment Prioritization Framework**

## **2.2 STRATEGIC INITIATIVES**

TransLink will undertake a number of initiatives between 2012 and 2014 to identify the mix of programs and services that will take the region towards the vision laid out in Transport 2040. TransLink will prepare to make early investments that encourage development of communities designed for transit, walking and cycling through planning for rapid transit and local area transit services, cycling investments, coordination of land use and transportation, and transportation demand management (TDM) programming. The organization will pursue opportunities to optimize the use of the region's transportation assets through initiatives such as optimizing transit services, MRN sub-regional reviews and strategies aimed at efficient goods movement. Projects such as the implementation of an electronic fare card collection system, called the Compass card, with faregates will enhance the security of the transit system. TransLink will also identify a strategy for diversifying revenue sources, and pursuing new and innovative ways to fund transportation.

### ***TRANSPORT 2045***

Over the 2012 to 2014 period, TransLink will develop and begin implementation of Transport 2045, the region's next long-term transportation strategy. This strategy, required in the *SCBCTA Act* and due by August 2013, will build on Transport 2040 by providing greater definition on how to achieve the vision, establishing more detailed targets and providing more refined policy, investment and funding direction for the medium and longer term. The update will focus on the key areas of network management, land use coordination, encouraging sustainable transportation choices and sustainable funding. The initiative will be co-sponsored and jointly developed by TransLink and the Province of British Columbia, with input from Metro Vancouver, all municipalities in the region, stakeholders and the public.

Transport 2045 will consist of:

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

As part of the update process, TransLink will upgrade transportation modelling systems (such as the regional transportation, ridership and revenue forecasting models) and improve its capacity for collecting and analyzing information. A TDM strategy will be developed that identifies effective methods to encourage shifts toward transit, cycling and walking. TransLink will seek the partnership of Metro Vancouver and municipalities to define and initiate a process for development of a parking strategy supporting the region's land use and transportation objectives.

### ***SUSTAINABLE FUNDING***

To understand how long-term investments will be funded, TransLink, with its partners, will study alternative funding methods and develop a sustainable funding strategy.

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

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

### ***OPTIMIZING TRANSIT SERVICES***

TransLink is in the process of refining transit services across Metro Vancouver in order to build on the aggressive growth implemented from 2005 to 2009 and to improve productivity. During that time, the number of annual bus-based service hours was increased by 25 per cent to 4.9 million. Beginning in 2011, TransLink reallocated a share of the system's resources from unproductive services to services where they would be expected to improve revenue productivity. The objective is to serve more revenue ridership with the existing fleet and hours, increasing total fare revenue by 2 per cent.

TransLink is reviewing all transit services in the region to identify areas of opportunity and potential solutions. Project selection is based on guiding principles developed as part of the fall 2010 TransLink consultation program. All initiatives are assessed using consistent evaluation criteria. Implementation is sequenced over the program through standard quarterly service changes and will continue through 2012.

Beyond the one-time initiative, TransLink will establish an ongoing process that carries forward the guiding principles, goals and objectives, will monitor the impact of projects implemented in 2011 and 2012, and will ensure that transit services continue to serve the long-term goals and objectives of the region.

### ***COMPASS CARD AND FAREGATE PROJECT***

TransLink will begin introducing an electronic fare card collection system, called the Compass card, across all modes of the public transit system in 2013. The phased introduction will include the installation of faregates at the Expo, Millennium and Canada Line stations and SeaBus terminals. This is a key initiative to increase customer convenience, improve transit service quality, increase revenue, reduce fare evasion, provide improved travel data, and improve safety and security on the rapid transit system. The Provincial and Federal Governments are providing financial support for this project.

Construction to prepare the stations for the installation of gating and related equipment began in 2011 and will continue through 2012. System installation will begin in spring of 2012 and will be completed on the rail system by the end of 2012 and bus system in early 2013. Pilot system testing is planned for the fall of 2012 in combination with the implementation of a customer call centre and operational walk-in centre.

Other activities for 2012 include a broad public education program to ready customers for the new system and developing an internal employee education program to equip all employees across the enterprise with knowledge of how the system will work. Supporting this work will be the roll-out of a public website to inform customers and enable them to use the system, including ordering, registering, reloading or cancelling a Compass card.

Enabling the Compass card system in 2013 will require significant “behind the scenes” work in 2012. Activities include procuring cards, setting up required financial systems, designing reporting mechanisms, and developing card distribution processes. TransLink’s Business & Technology Group will work with a contractor to develop infrastructure enabling the extraction and storage of data for processing, monitoring and forecasting purposes.

### ***FARE POLICY REVIEW***

Transit fares are an important source of revenue for TransLink and an important tool for meeting TransLink’s ridership goals. The current fare policies and structure have been in existence since the 1980s. Since then, there has been considerable change in the region in terms of the transit system, demographics, land use and travel patterns. As part of the Transport 2045 process, preliminary long-term fare policy development work will be undertaken including research, peer practice review, and analytical tool and policy development. Once the Compass card system goes into service in 2013, it will provide the necessary planning data to be used as input in the full Fare Policy Review.

### ***RAPID TRANSIT STUDIES***

Both Transport 2040 and the Provincial Transit Plan outline a significant program of rapid transit expansion to achieve their respective 2040 and 2020 transportation objectives. Although the 2012 Base

Plan does not contain funding for expansion of the rapid transit network, TransLink is concurrently bringing forward 2012 Supplemental Plan and Outlook with a package of investments that will move the region towards long-term transportation objectives. TransLink will continue rapid transit planning to meet its commitment to develop a long-term vision for the network and define the scope, costs, benefits and impacts of various rapid transit investments.

### **Expo Line Upgrade Strategy**

In 2011, TransLink completed an upgrade strategy for the Expo Line. This strategy identifies a program of investments in fleet, stations and supporting systems to expand the capacity of the line to meet growing demand, improve accessibility and better integrate stations with other modes and the communities they serve. If fully implemented, the upgrade strategy would double the capacity of the Expo Line and meet projected demand through the year 2041. The program cost, estimated at \$1.3 billion over the next 20 years, is not funded in the 2012 Base Plan. High priority station upgrades, fleet expansion and supporting system upgrades identified in the strategy will be brought forward for implementation in the proposed 2012 Supplemental Plan. In 2012, under the Base Plan, planning and conceptual design will be advanced for high priority station upgrades in anticipation of future funding for implementation. The findings will be integrated into the development of the Transport 2045 long-range strategy and medium-range investment strategy.

### **UBC Line and Surrey Rapid Transit Studies**

TransLink is working jointly with the BC Ministry of Transportation and Infrastructure on two corridor-level studies to provide better definition for previously identified rapid transit expansion priorities. The UBC Line Rapid Transit Study is considering technology and alignment alternatives for connecting the University of British Columbia and the Central Broadway activity centres to the existing rapid transit network at Commercial Drive. Similarly, the Surrey Rapid Transit Study is considering a range of alternative technologies and corridors connecting Surrey Metro Centre to other urban centres south of the Fraser River. Both studies will complete a Multiple Account Evaluation of rapid transit alternatives by the end of 2011 or early 2012. In addition to technical analysis, the studies rely on significant municipal involvement, and stakeholder and public consultation to understand the tradeoffs among different expansion options.

### **Regional Rapid Transit Master Plan**

Decisions on the scope and timing for the various rapid transit corridors will be made in the context of a broader regional rapid transit network plan that will be completed as a key component of Transport 2045. This network plan will be based on the results of the Expo, Broadway and Surrey corridor studies, and will consider broader regional transportation needs.

The Expo, Surrey and Broadway corridors remain regional priorities for rapid transit investment. The process for establishing the priority, scope, timing and phasing of these projects will be defined in 2011 and involve a regional dialogue to establish prioritization criteria, assess options and develop a proposal for preferred alternatives for each of the corridors and a broader plan for the longer term network. It is expected that preferred alternative proposals for Expo, Surrey and Broadway corridors will be advanced

for consultation in the second half of 2012 and that a single preferred alternative will be approved with the adoption of Transport 2045.

A performance-based approach will be taken to determine the priority, scope and timing, and key considerations will include:

- cost-effectiveness and affordability,
- ability to meet ridership goals and long-term capacity needs,
- ability to shape land use and development opportunity, and
- proposed actions and commitments by municipalities and partners to put in place supportive elements including land use, station access, and transit priority measures.

To generate the most value from these investments, TransLink will seek agreements with municipalities and partners regarding station locations and the scope of supporting elements in the corridor in advance of making funding commitments.

### **Burnaby Mountain Gondola**

On a typical weekday, approximately 25,000 trips are taken on the bus routes to and from Simon Fraser University (SFU) and the adjacent residential community on Burnaby Mountain. The majority of those trips start or end at Millennium Line stations where SkyTrain provides onward connections throughout the region. TransLink recently completed a study of alternatives to bus service to meet existing and future transit demand in partnership with SFU, SFU Community Trust, and the BC Ministry of Transportation and Infrastructure, and with input from the City of Burnaby.

The study concluded that there is a strong positive business case for replacing a portion of bus service with a gondola-based transit service. This gondola service would provide customer service benefits through reduced wait and travel times and enhanced reliability while reducing transit service operating costs and emissions impacts. The study also found that benefits increased significantly with the introduction of the Evergreen Line due to higher transit ridership and revenue and further bus operations and facilities savings.

While there is a strong business case for this project, implementing it would require additional TransLink or partner contributions. The gondola will not be implemented under the 2012 Base Plan; however TransLink will continue with project development activities including planning, design and consultation. TransLink will also seek opportunities to fund the project through additional resources and/or partnerships. If deemed viable, the project will be brought forward for consideration and evaluation against other priorities to be implemented under a future plan. The 2012 Supplemental Plan and Outlook, currently under development, does not include provision for the implementation of the Burnaby Mountain Gondola.

### ***WEST COAST EXPRESS STRATEGY***

The 20-year service agreement between TransLink and the Canadian Pacific Railroad to operate the West Coast Express expires in 2015. Negotiations for renewal will be initiated within the time period covered by this Base Plan. A fuller understanding of the future interaction of the service with the

Evergreen Line is required, as well as an understanding of the overall market for long distance travel in the corridor. Accordingly, TransLink initiated the development of a West Coast Express Strategy in 2011 to consult with stakeholders and examine these issues. Completion of the strategy is expected in 2012, with subsequent implementation work expected to identify appropriate future service and infrastructure requirements.

### ***CANADA LINE***

The Canada Line was introduced in the fall of 2009 and ridership trends are beginning to be established. TransLink will undertake a review of the service and develop a longer term service strategy to maximize the effectiveness and efficiency of the service, refine the bus integration and deliver better customer service. The review will begin in 2011 and the service strategy will be completed in 2012.

### ***INTEGRATION OF LAND USE AND TRANSPORTATION PLANNING***

Having a land use pattern that is supportive of walking, cycling and transit is essential for supporting a high level of performance from the regional transportation system. Transport 2040, the proposed Regional Growth Strategy and municipal Official Community Plans all call for the integration of land use and transportation planning. For its part, TransLink will bring together a range of existing and new initiatives under one policy program to encourage more effective coordination and outcomes in this area. This work will include the development of best practices and guidelines for fostering transit-oriented communities throughout a range of land use and built environment characteristics as well as strategies and actions that will support investment in the regional transit system.

### ***TRANSIT SERVICE GUIDELINES UPDATE***

TransLink is updating and expanding its Transit Service Guidelines to provide a performance-based decision-making framework for transit service investments. The new guidelines will include updated service quality guidelines and will incorporate new policies related to TransLink's broad mandate. New guidelines will reflect the organizational focus on efficiency and effectiveness. TransLink will include new policies regarding the development of the Frequent Transit Network (FTN) in the guidelines, with the intention of boosting transit mode share by encouraging the co-location of high quality transit service – of 15 minutes or better throughout the day, every day – and transit-supportive land uses.

### ***REGIONAL TRANSIT NETWORK AND AREA TRANSIT PLANS***

TransLink works with municipalities to complete sub-regional Area Transit Plans (ATP). ATPs are intended to improve transit mode share by developing locally appropriate transit networks. These plans include three phases: 1) review existing sub-regional transit networks, 2) develop long-term visions, and 3) identify near-term transit service and infrastructure initiatives. Once complete, the ATPs are monitored. Phase 3 of the North Shore Area Transit Plan will be completed in 2012.

To provide greater alignment of the sub-regional Area Transit Plans, TransLink will develop a Regional Transit Network Plan to support the sub-regional ATPs with a networked perspective. This plan will include refinement of the Frequent Transit Network (where land use and ridership are anticipated to support high service frequencies), as well as the identification of priority connections for the region.

When developed, the Regional Transit Network Plan will function as an integrating framework to aid in the development of subsequent Area Transit Plans. The regional transit network review, that will be conducted as part of the plan's development, will also be used to develop criteria for a more systematic program of ATPs that will include an improved cycle of development, implementation, monitoring and review.

The Northeast Sector and Richmond ATPs are expected to be the first to be developed with the benefit of the Regional Transit Network Plan for guidance. These will be initiated soon after the Network Plan's completion.

### **MAJOR ROAD NETWORK (MRN) SUB-REGIONAL REVIEWS**

TransLink is continuing a proactive partnership with Metro Vancouver municipalities to plan, manage and fund the Major Road Network. Completion of the sub-regional MRN reviews provides a foundation for future MRN improvements based on three key inputs:

- measurement of the performance of the MRN,
- identification of possible MRN additions and deletions, and
- identification and prioritization of future minor and major capital MRN projects.

During 2012, TransLink will use the outcomes of sub-regional MRN reviews to update the criteria that define major roads, funding program criteria, and MRN operational and maintenance guidelines. This work will assist with the development of a new long-range MRN plan to be integrated with TransLink's Transport 2045 Plan process.

In support of fostering goods movement in the region, TransLink is initiating discussions with municipalities to designate the MRN for the movement of dangerous goods, in accordance with the *SCBCTA Act* section 23:

*The authority, by bylaw, must designate routes and times of travel on the MRN for motor vehicles transporting dangerous goods, and may prohibit the transportation of dangerous goods in motor vehicles on designated routes in the major road network, or at certain times of travel.*

Further research and consultation with municipalities will focus on the benefits to communities of streamlining opportunities for the enforcement, regulation and permitting of regional truck movements.

### **GOODS MOVEMENT**

Working with agency and industry stakeholders, TransLink is continuing with several initiatives geared at improving goods movement in the region. During 2012, TransLink plans to move ahead with the development of a Regional Goods Movement Strategy as part of Transport 2045. The recently-completed MRN Dangerous Goods Routes Network Study and the SOPERRTM (Streamlining Opportunities for the Permitting, Enforcement, and Regulation of Regional Truck Movements) Study will be key inputs to this strategy.



Beyond 2012, TransLink plans to continue:

- working with the Ministry of Transportation and Infrastructure and Transport Canada on the Applied Freight Research Initiative,
- working with Transport Canada and Port Metro Vancouver on the Empty Container Information Management System (ECIMS) initiative, and
- developing technology-based solutions that benefit goods movement efficiency.

### ***PERFORMANCE-BASED INVESTMENT POLICY***

TransLink seeks to invest in an efficient and effective regional transportation system that responds to market needs, represents the best value for money spent, and enhances regional livability and sustainability. To work towards achieving this and to provide transparency and clarity to its partners, TransLink will develop a performance-based investment policy that defines an outcomes-based approach to planning and investing in the regional transportation system. The policy is intended to achieve the highest possible performance from these investments towards meeting the goals of TransLink's long-range strategy and to clarify the process for determining the priority, scope and timing of initiatives, and ultimately their inclusion in Plans. Policy development work in coordination with partners and stakeholders will occur in 2011 and 2012.

### ***AIRCARE REVIEW***

Under the *SCBCTA Act*, TransLink must develop and administer programs for certifying motor vehicle compliance with regulations under the *Motor Vehicle Act* with respect to exhaust emission standards. TransLink's wholly-owned subsidiary, Pacific Vehicle Testing Technologies Ltd., manages the AirCare program, which is a mandatory vehicle emissions testing program in the Metro Vancouver region. The current AirCare contract expires at the end of 2011, and the Province is currently in the process of determining a long-term direction for the program. Provision is in place to extend the operation of the program to the end of 2012 to allow time for that decision to be made.

### ***REAL ESTATE***

TransLink will establish guidelines by the end of 2011 for the management of the real estate portfolio in each of several categories and contexts including core operations, Base Plans and support of Transport 2040. These guidelines will be used to update the Business Plan which will provide the vision, strategies, services, organization, planned initiatives and financial outlook. Surplus properties will continue to be actively marketed. A revolving land account protocol is being developed to ensure that surplus revenues from the proceeds of liquidating properties will be used for future network requirements. Once the new Business Plan has been adopted, resourcing requirements for the Real Estate Division will be addressed in order to ensure adequate support for implementation of the updated Business Plan.

## **2.3 TRANSPORTATION PROGRAMS, INVESTMENTS AND SERVICES**

Between 2012 and 2014, TransLink will continue to deliver an integrated regional transportation system of transit services, major roads, cycling, customer services, TravelSmart programming and security services.

## **TRANSIT SERVICES**

TransLink's integrated transit system includes service of various levels of frequency, speed and daily span provided with bus, light rail, marine, commuter rail and custom transit, according to the needs of diverse markets. Table 1 summarizes the service hours by service type to be provided under this Plan and for the 2021 Outlook. Overall transit service hours are budgeted lower in 2011 than actual 2010 hours due to the spike in service hours created during the 2010 Winter Olympics-associated service increases.

**Table 1: Service Hours by Service Type**

Service Hours in Thousands	Actual	Budget	Forecasts			Outlook
	2010	2011	2012	2013	2014	2021
Conventional Bus & Community Shuttle	4,966	4,928	4,928	4,928	4,928	4,928
SkyTrain Expo and Millennium Lines	1,186	1,128	1,128	1,128	1,128	1,128
Canada Line	177	180	196	196	196	196
Rapid Transit Total	1,363	1,308	1,324	1,324	1,324	1,324
SeaBus	11	11	11	11	11	11
West Coast Express	42	44	42	42	42	42
<b>Total Conventional Transit</b>	<b>6,382</b>	<b>6,291</b>	<b>6,305</b>	<b>6,305</b>	<b>6,305</b>	<b>6,305</b>
Custom Transit (HandyDART)	594	613	613	613	613	613
<b>Total Service Hours</b>	<b>6,976</b>	<b>6,904</b>	<b>6,918</b>	<b>6,918</b>	<b>6,918</b>	<b>6,918</b>

## **BUS SERVICES**

TransLink provides service on over 200 bus routes throughout the region with a fleet of 1,556 conventional bus and community shuttle vehicles. A variety of services make up the bus network including:

- the Frequent Transit Network (FTN), a network of corridors with limited stops and frequent service of 15 minutes or less in both directions,
- several neighbourhood-oriented local services,
- a network of arterial routes, and
- limited-stop B-Line services on major corridors and express regional services.

Thirty-eight bus routes currently comprise the FTN, and 12 routes provide NightBus service. Bus service currently carries the majority of transit passengers, accounting for 70 per cent of boardings, or 220 million boarded passengers per year, and is vital to the success of the rapid transit system, extending its reach into communities through a policy of complete integration. The fleet includes community shuttles as well as diesel, electric-trolley, compressed natural gas and diesel-electric hybrid buses. The entire bus fleet is accessible and all vehicles have bike racks.

Under the 2012 Base Plan, TransLink will maintain total annual bus and community shuttle service levels at 4.93 million hours through 2014. TransLink continuously monitors and evaluates the efficiency and effectiveness of the regional transit services. Reallocation of resources within the network and between vehicle types to best serve demand will be considered as part of TransLink's efforts to optimize transit services. Transit priority measures will be considered where operational savings can be achieved.

TransLink will develop the Hamilton Transit Centre in Richmond. This modern facility is needed to assist with the efficient maintenance and daily deployment of the large bus fleet serving that area of the region, mitigating increasing operational costs. Hamilton Transit Centre is the first of three transit centre projects identified in Transport 2040. Construction is scheduled to begin in 2013 with the centre operational by 2015.

As part of the bus replacement program, TransLink will replace 215 diesel and hybrid buses and 107 community shuttles over the three years of the 2012 Base Plan. In 2012, 40 of the diesel buses will be replaced by hybrid-engine buses for use on routes where the service profile will benefit from the technology, further improving fleet operations and reducing fuel and maintenance costs.

### ***RAPID TRANSIT***

TransLink's rapid transit system consists of three high-capacity rail services in dedicated rights-of-way: the Expo Line, the Millennium Line and the Canada Line. In 2009, TransLink expanded the Expo Line and Millennium Line services with 48 new Mark II SkyTrain cars, resulting in a 30 per cent increase in passenger capacity, and opened the Canada Line in August 2009. This resulted in over 117 million passenger trips being made on the rail rapid transit system in 2010, an increase of 39 per cent from 2009.

Under the 2012 Base Plan, TransLink will hold rapid transit service levels at the 2011 levels of over 1.3 million annual hours through 2014. These service levels take into the account the completion of the Canada Line roll-out, which includes 12.5 per cent more annual hours as of August 2011. The Plan also includes a number of projects to maintain rapid transit system components in a state of good repair, such as train control, power propulsion and continued switch control replacement on the Expo Line. Additionally, the 114 older Mark I vehicles, which date to 1985, will be refurbished to extend their service life to 2026.

The Plan includes funding for the Scott Road Station elevator installation and site rehabilitation to address a critical accessibility deficiency. While there is no additional funding for station upgrades or area planning, between 2012 and 2014, TransLink will continue planning for station upgrades (at Surrey Central, Waterfront, New Westminster, Scott Road, Metrotown, Main Street, Commercial-Broadway and Joyce-Collingwood stations) in anticipation of funding for these initiatives under a Supplemental Plan.

This Plan does not include additional rapid transit service upgrades or expansion. While TransLink's expected contribution to the Evergreen Line is not included in the 2012 Base Plan, TransLink continues to affirm it as a key regional priority should funding for expansion be secured in the 2012 Supplemental Plan and Outlook. TransLink continues to work with the Province and municipal partners on planning for

the Evergreen Line and continues to work actively with the Mayors' Council and Provincial Government to find a way to secure TransLink's share of the funding. If approved, the 2012 Supplemental Plan and Outlook would facilitate the delivery of the Evergreen Line and a number of other previously described projects.

### ***SEABUS***

SeaBus is a passenger-only ferry between Waterfront Station in downtown Vancouver and Lonsdale Quay in North Vancouver forming a key link between the North Shore and the rest of the region. Each vessel is capable of carrying 400 passengers. The new Burrard Pacific Breeze SeaBus has been operating since fall 2009 and is one of two active SeaBus vessels. With two active vessels and one standby replacement vessel, the service operates every 15 minutes during the day, every 30 minutes in the early mornings, evenings and Sundays/holidays, and every 15 minutes on Sundays/holidays during the summer. SeaBus carried 6.7 million passengers in 2010. A second replacement vessel was provided for in the 2010 Capital Plan to maintain service levels and a state of good repair.

### ***WEST COAST EXPRESS***

West Coast Express (WCE) services provide express connections between Mission and downtown Vancouver via Maple Ridge, Pitt Meadows, Port Coquitlam, Coquitlam and Port Moody. WCE operates five westbound rail trips during the morning peak hours and five return trips during the evening peak hours. TransLink delivers off-peak service by TrainBus services connecting West Coast Express stations; effective June 20, 2011, weekend TrainBus service was discontinued and weekday service was adjusted. TransLink took delivery of seven new train cars in 2010, which increased train service capacity by 14 per cent and improved reliability, enabling West Coast Express to build upon the 20 per cent ridership increases experienced during the last five years, with 2.8 million passengers served in 2010. Under the Plan, TransLink will maintain West Coast Express train service hours at the 2011 levels of 37,000 annual hours in 2012 to 2014.

### ***CUSTOM TRANSIT***

Custom transit services and the supplementary TaxiSaver Program provide transportation for customers who are not able to use conventional transit. Custom transit, operated as HandyDART, is a shared ride, pre-booked, door-to-door service that uses specialized lift-equipped vehicles for registered customers. TransLink currently operates 332 custom transit vehicles. The HandyDART and TaxiSaver programs together provided 1.34 million passenger trips in 2010.

For 2012, TransLink will take action to address the increasing number of weekend trip denials. To maintain the custom transit service in a state of good repair, 155 HandyDART vehicles will be purchased over the three-year period.

For the TaxiSaver Program, a review is underway to address the potential growth of the program and other options to manage costs and effectiveness associated with its delivery.

## ***ROADS AND BRIDGES***

TransLink provides planning, funding and coordination for more than 2,300 lane-kilometres of regionally-significant roadways, the Major Road Network (MRN). The *SCBCTA Act* empowers TransLink to:

- establish guidelines to identify which roads can become part of the MRN,
- establish standards for management, operation, construction and maintenance,
- review and approve all proposed changes that could result in a reduction of people-moving capacity on the MRN,
- designate routes and times for dangerous goods movement, and
- approve the prohibition of truck movements from any road in the region (including non-MRN roads).

As part of its MRN commitments, TransLink provides operations, maintenance and rehabilitation (OMR) funding for the MRN to the municipalities. The 2011 rate of \$14,075 per lane kilometre will increase by 2 per cent per year over the plan and outlook period. In addition, the MRN Minor Capital Program will continue to cost-share municipal improvements on the MRN at \$10 million per year in 2012; this annual contribution level is expected to stay the same in 2013 and 2014.

TransLink also owns and maintains a number of major structures: Pattullo Bridge, Knight Street Bridge, Golden Ears Bridge and Westham Island Bridge.

TransLink has committed to replace the aging Pattullo Bridge structure with a new bridge which, in the absence of senior government or alternative funding, would be financed through tolls. After completion of a functional design, agency and public consultation, and review of procurement model options in 2011, TransLink will select a preferred concept, prepare a base concept design and commence the regulatory and agency approval process in 2012. Short-term rehabilitation will also be conducted on the Pattullo Bridge during 2012. From 2012 to 2015, TransLink will continue work on the bridge replacement project and will undertake environmental assessments, prepare agency agreements, prepare and implement a property acquisition plan, prepare the final design and implement an RFQ/RFP processes for a targeted Pattullo construction start date of 2016.

Minor work is planned for other bridges in 2012, including installation of traffic monitoring equipment and evaluation of gantry (bridge-mounted sign) replacement on the Knight Street Bridge, and security and landscaping upgrades for the Golden Ears Bridge.

As part of the development of Transport 2045, TransLink will develop a long-term strategy and network plan for the regional road network. This will take a performance-based approach to defining policies and investments to support the maintenance and development of the road network to support the movement of people and goods in the region.

## **CYCLING**

Increased use of bicycles as an alternative to private vehicles reduces greenhouse gas emissions, improves public health and reduces congestion, thereby freeing road capacity for the movement of goods, transit and other road users.

TransLink recently completed a Regional Cycling Strategy, which establishes priorities for the development of regional bicycle infrastructure and complementary initiatives in support of Transport 2040 objectives. In developing the Regional Cycling Strategy, TransLink consulted a diverse group of regional stakeholders.

Over the past 12 years, TransLink has invested approximately \$47 million in cycling facilities (\$43.8 million) and operating initiatives (\$2.7 million). Recent major investments include the Canada Line Bike Bridge and the Central Valley Greenway. In partnership with municipalities, TransLink will continue to engage in initiatives aimed at increasing cycling mode share from 1.5 per cent of all trips in the region today to 8 to 10 per cent by 2040. This will require partnering with municipalities and other stakeholders in the implementation of the Regional Cycling Strategy to prioritize the construction of bicycle infrastructure, improve traffic safety and support complementary initiatives, such as a Public Bike Share System.

TransLink will initiate an Implementation Plan for the Regional Cycling Strategy in 2012, which will outline specific actions for key aspects of cycling, including:

- bicycle infrastructure
- parking and end-of-trip facilities
- bicycle-transit integration
- education, encouragement & enforcement
- planning and monitoring

The Strategy will be incorporated into Transport 2045 and the implementation plan will be completed along with the Strategy's Medium Term Plan component.

During year one of the 2012 Base Plan, bicycle planning, monitoring and parking projects will be undertaken. In years two and three, projects related to bicycle infrastructure, bicycle-transit integration and education, encouragement and enforcement will be undertaken. A cost-benefit analysis of all proposed strategies and actions will help to prioritize specific projects to be completed in the 2012-2014 timeframe.

Under the 2012 Base Plan, TransLink will continue to contribute \$3 million annually towards cycling infrastructure through the Bicycle Infrastructure Capital Cost Sharing (BICCS) and TransLink-owned Bicycle Infrastructure Programs. This represented a 50 per cent reduction from 2010 levels that were a result of the adoption of the 2010 Funding Stabilization Plan. The BICCS program provides capital funds on a cost-share basis with the municipalities to improve the safety, efficiency and connectivity of the regional bicycle network. The TransLink-Owned Bicycle Infrastructure Program similarly improves bicycle

facilities that are on TransLink-operated property. If the goals of the Regional Cycling Strategy are to be realized, funding for TransLink's Cycling Program will need to be significantly increased.

## ***CUSTOMER SERVICE***

### **E-Communication**

Customer information is core to TransLink's business. People who are well informed about options and current conditions will be able to make more efficient and timely travel choices. TransLink has engaged in a number of electronic communication initiatives, including:

- real time travel information for buses, mobile devices and desktop,
- upgrade to our mobile site (m.translink.ca),
- social media applications (such as Twitter and Facebook),
- transit and bike information through Google Maps, and
- enhancement of the TransLink website with more options for accessing service information and new tools to help improve communications.

Under the 2012 Base Plan, TransLink will expand the use of cost-effective engagement and relationship-building tools. In addition, TransLink will continue to measure and report annually on effectiveness in all of its operations, as part of the statutory reporting requirements.

### **U-Pass BC**

Under this Plan, TransLink will continue the new U-Pass BC program in partnership with the Province for eligible students at public post-secondary institutions (PSIs) in Metro Vancouver. It is anticipated that all eligible PSIs will be participating in the program as of January 1, 2012, with most starting as of September 1, 2011. All students participating in the new program will pay the same U-Pass BC price of \$30 per month until the termination date of the U-Pass BC agreement on March 31, 2013.

### **Wayfinding**

Wayfinding refers to the various types of information that customers rely on to plan, confirm and complete a journey. TransLink developed a wayfinding strategy that lays the groundwork for an integrated system of information across modes. In 2010, a wayfinding standards manual was adopted to guide the provision of more and higher quality information on the bus and rail system.

Under this Base Plan, select incremental wayfinding initiatives will be undertaken as part of facility upgrade projects. In 2012, these initiatives will consist of developing a series of local bus maps associated with bus exchanges, application of a new system of bus stop information design with the existing bus stop maintenance program and development of wayfinding plans for existing and proposed stations and exchanges. In subsequent years, mapping products and other wayfinding elements will be implemented on a limited basis as facilities are renewed. Full implementation of TransLink's wayfinding strategy may be advanced as part of a future plan.

## **Technology**

Under the 2012 Base Plan, TransLink will proceed with detailed design and implementation of the Regional Traffic Data Systems (RTDS), an innovative project using wireless signals to develop speed profiles of regional corridors. The RTDS project was the first recommendation of the Regional Detectorization Strategy to provide real-time speed and travel time information to the public and, potentially, new data to support TransLink's planning initiatives. TransLink will also continue its involvement in the design and implementation of the Regional Transportation Management Centre (RTMC) to support regionally integrated transportation, in particular through monitoring and response of incidents on key regional corridors.

TransLink will focus on regional "interoperability", which supports the ability of our customers to seamlessly use transponder devices as well as integrated customer services on existing and future provincial and regional facilities. Regional toll bridges as well as provincial weigh scales are part of this effort to support customer convenience. TransLink will undertake the design of a rail advanced warning system along the Langley and Surrey section of the Roberts Bank Rail Corridor to provide real time status of blockages of at-grade rail/road intersections. The public will be better informed in advance of the blockages and able to divert to a number of local overpasses. Subject to a review of the resulting cost estimates, the Rail Advanced Warning System will be implemented in coordination with the Roberts Bank Rail Corridor project. TransLink will continue to work with partner agencies to implement projects that support goods movement as part of the Smart Corridor Strategy and the Regional Goods Movement plan. TransLink will also be involved in other initiatives in support of transit signal priority measures and alternative transportation.

## ***TRAVELSMART***

TravelSmart is a suite of programs and information designed to promote travel behaviour change, by increasing awareness of travel options and trip reduction initiatives.

Building on several evaluated and proven-effective, individualized marketing programs, TravelSmart combines relevant transportation information with "tipping point" incentives to encourage and help people throughout the region to make better, more sustainable transportation choices.

Under the 2012 Base Plan, TransLink will continue to provide a wide range of programs under the TravelSmart brand, supported by partnerships with employers, municipalities, schools, and other public and private agencies. The programs include:

- Employer Pass Program,
- support for rideshare and vanpool programs,
- active transportation sponsorship and promotion,
- TravelSmart Schools program, and
- other programs, such as Corporate Car Share, Telework, Guaranteed Ride Home program and assistance implementing workplace programs.



## **SECURITY**

The Transit Police mandate is to provide a safe and secure environment for transit passengers, employees and the broader community. As a Designated Policing Unit in BC, Transit Police preserve and maintain the peace, prevent crime and offences against the law, aid in the administration of justice and enforce the laws in British Columbia in and around the regional transit system. Under the 2012 Base Plan, Transit Police will continued to work in close collaboration with jurisdictional police and other law enforcement partners to deliver seamless policing in Metro Vancouver.

Pursuant to the *BC Police Act*, the Police Board has a duty to determine, in consultation with the Minister of Public Safety and Solicitor General and the Transit Police Chief Officer, the priorities, goals and objectives of the Transit Police. In 2011, the Police Board approved the 2011-2015 Transit Police Strategic Plan<sup>2</sup>. This Plan complements, and is consistent with, the TransLink Strategic Plan and 2012 Base Plan.

Within the Transit Police Plan, there are three Strategic Directions containing 29 goals. The Strategic Directions are:

- reducing crime and disorder,
- protecting TransLink assets and the transit environment, and
- Providing better service to the transit community

For 2012, key initiatives include:

- focusing on high police visibility on the transit system and enhance transit rider and employee safety and security,
- focusing on crime prevention and reduction,
- addressing recommendations from the 2011 Transit Police Operational Review,
- conducting workload analysis of Transit Police Operations Communication Centre,
- continuing addressing risk matrix priorities,
- rolling out new administrative records system to full police service, and
- preparing for new police headquarters with TransLink.

## **2.4 OUTCOMES**

The forecast performance of the 2012 Base Plan has been evaluated in relation to the Transport 2040 goals. Modest progress will occur towards most of the Transport 2040 goals through 2014, mostly due to network expansion over the past five years. Without the allocation of additional resources and a strong demand side management strategy, these gains will erode during the Outlook period, making the long-term goals of Transport 2040 more difficult to accomplish. These outcomes will change if the

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<sup>2</sup> The Transit Police Strategic Plan is available online [www.transitpolice.bc.ca](http://www.transitpolice.bc.ca)

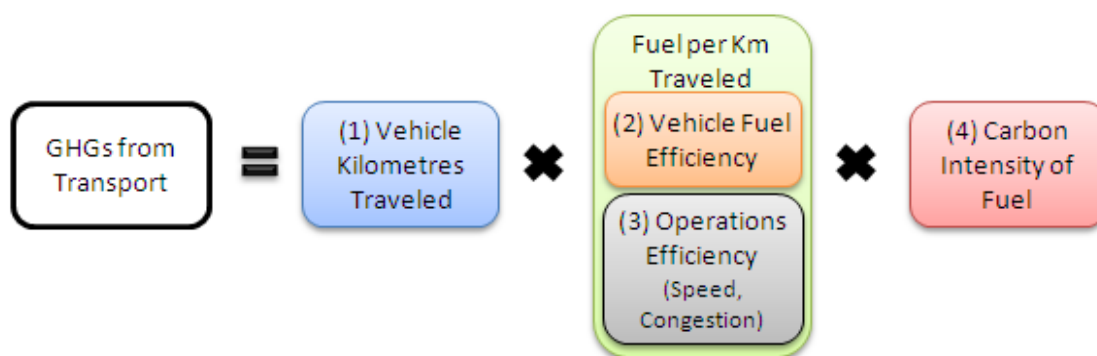
Moving Forward Supplemental Plan is approved, and the region will make greater progress toward Transport 2040 goals.

The following analysis uses quantitative methods when possible, supplemented by qualitative analysis. For the unfunded Outlook, TransLink offers comment on the implications for 2021 if current resource levels are extrapolated into the future.

## 2012 TO 2014 BASE PLAN

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

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

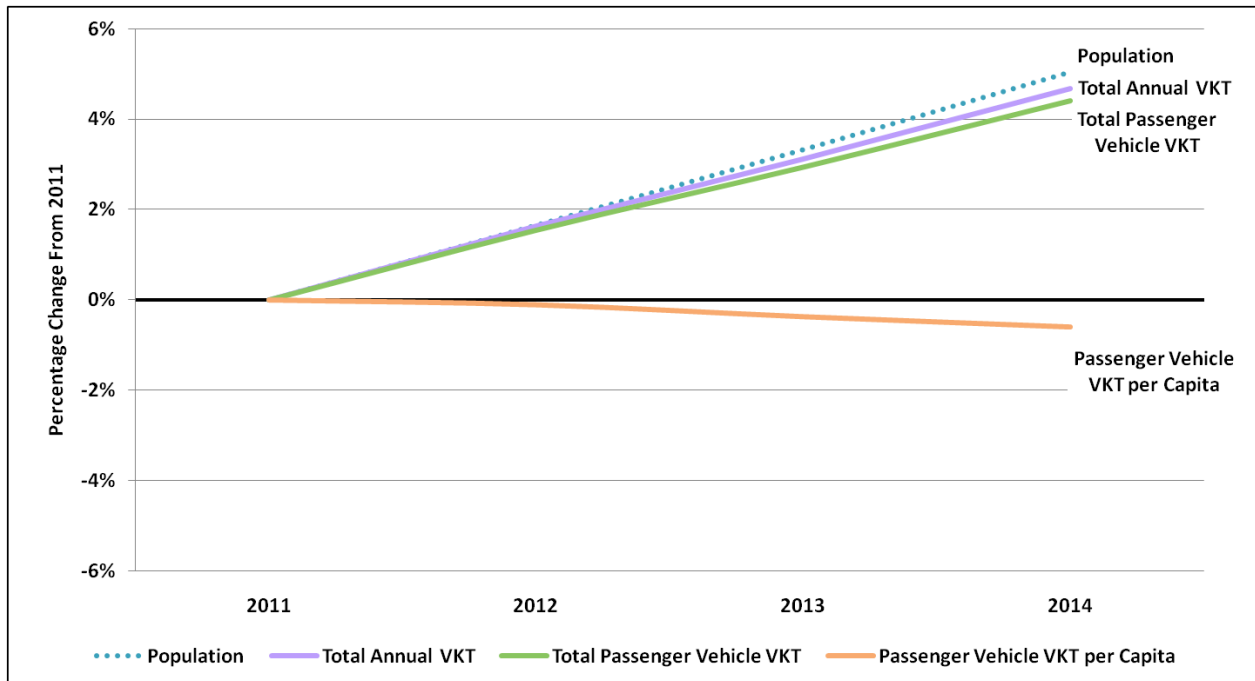


**Figure 3: Contributing Factors to GHG Emissions from Transport**

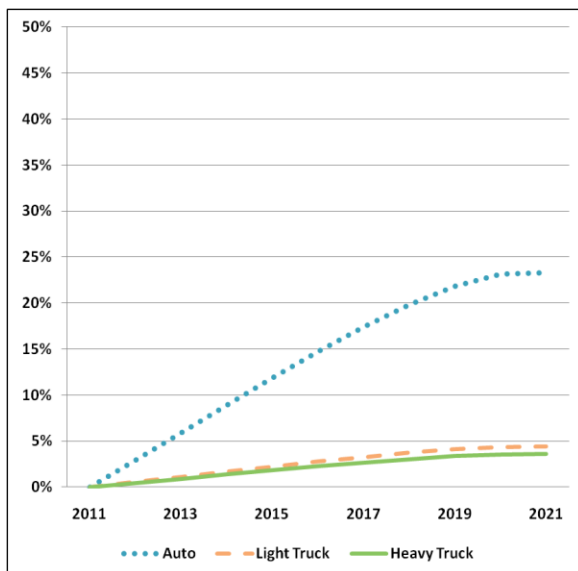
#### 1. *Reduced Vehicle Kilometres Traveled (VKT)*

TransLink influences VKT in the region through initiatives that influence transportation mode shift and support for smart land use. As shown in Figure 4, passenger and total VKT are forecast to grow at a slower rate than population (5 per cent) as a result of transportation mode shifts to transit. These shifts represent greater utilization of the transit system as a result of network expansion of the previous five years. Commercial purpose VKT is assumed to continue to grow at nearly the rate of economic activity, which explains why total VKT grows faster than passenger VKT<sup>3</sup>.

<sup>3</sup> VKT projections are derived from the Regional Transportation Model. TransLink is working with the Province and Metro Vancouver to improve VKT data in support of collective policy objectives such as GHG emissions reductions.



**Figure 4: Changes in Population and VKT Relative 2011 Levels**



**Figure 5: Assumed Rate of Technological Improvement Affecting GHG Emission Efficiency**

## 2. Improved System Operations and Efficiency

In urban driving conditions, the prevalence of “stop and go” traffic and slow speeds has adverse effects on fuel consumption and air emissions, including GHGs. International studies have found that improvements to roadway operations can reduce GHG emissions per kilometre traveled. From a qualitative perspective, TransLink initiatives such as transit signal prioritization, the Major Road Network review and the Golden Ears Bridge are examples of programs that have the potential to reduce emissions per kilometre traveled by improving traffic flow and travel times. Efforts to improve

congestion must be carefully evaluated as experience worldwide has also shown that gains can be lost to induced travel over time. This Plan is limited in its ability to pursue these types of initiatives as funding for MRN upgrades have been reduced by 50 per cent. However, transit signal priority will be pursued as possible.

### **3. *Greater Use of Low-Emission Fleet Technology***

Although TransLink has influence over the fuel efficiency of its own fleet, TransLink's influence over GHG emission rates of personal vehicles is limited to the AirCare program. The composition of TransLink's fleet will not change substantively under this Plan, and fuel-efficiency rates will remain relatively constant through 2014. Small improvements will occur due to ongoing replacement of transit buses and the introduction of the new SeaBus. New replacement SeaBus vessels are 20 per cent more efficient than older generation vessels.

TransLink's average transit fleet fuel-efficiency and GHG emissions rates compare favourably to peer regions due to the use of electric trolley buses and SkyTrain systems, hybrid and alternative fuel conventional buses, and community shuttles. In 2009, TransLink replaced the last of its older generation diesel buses, which produced significant fuel-efficiency gains. Additional improvements are much harder to achieve; new diesel buses are only about 2 per cent more efficient than the older vehicles they replace, and hybrid buses are now in service on the majority of routes where the operational efficiencies they can offer can be realized. Through the period of this Plan and Outlook, TransLink's fleet share of total on-road GHG emissions is not likely to change from its current level of approximately 2 per cent of regional transportation-related emissions.

### **4. *Greater Use of Low Carbon Content Fuel***

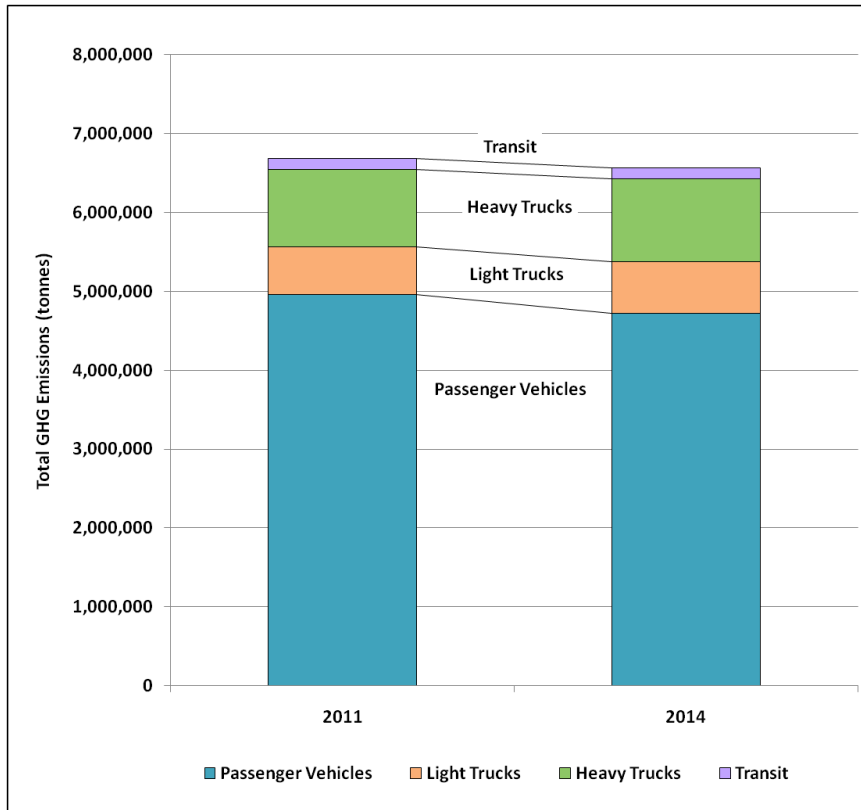
TransLink has influence over the carbon content of fuel consumed by its own fleet only. The BC Low Carbon Fuel Standard mandates that all fuels sold in the Province achieve a 10 per cent reduction in lifecycle carbon intensity by 2020. Between 2012 and 2014, the carbon content of fuel used by the transit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

#### ***Cumulative Effect on GHG Emissions***

When combined, the quantifiable changes in vehicle kilometres traveled, vehicle fuel efficiency, operational efficiency of vehicles and carbon intensity of fuels results in a forecast decline of roughly 2 per cent of regional GHG emissions from transportation between 2011 and 2014. The forecast decline in GHG emissions is a notable departure from recent trends and arises primarily from anticipated improvements in fuel efficiency of the region's vehicles. This forecast does not capture the impact on behaviour of unforeseen changes in factors such as land use, energy prices and policy.

The changing fuel efficiency and travel behaviour dynamics combine to shift the proportional distribution of GHG emissions by sector as shown in Figure 6 below. The proportion of regional GHG emissions coming from TransLink's fleet is forecast to remain relatively constant. GHG emissions from passenger vehicles are forecast to decrease, whereas GHG emissions from light and heavy-duty trucks are forecast to increase, because:

- passenger vehicle fuel efficiency improvements are forecast to occur more rapidly than for trucks, and
- VKT per capita trends for passenger vehicles are forecast to decline, whereas the assumption for commercial VKT is that it will continue to grow at approximately the same rate as economic growth.



**Figure 6: GHG Emissions Contributions Estimates (tonnes)**

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

Investments made under the 2012 Base Plan support alternatives to single occupant vehicle trips by:

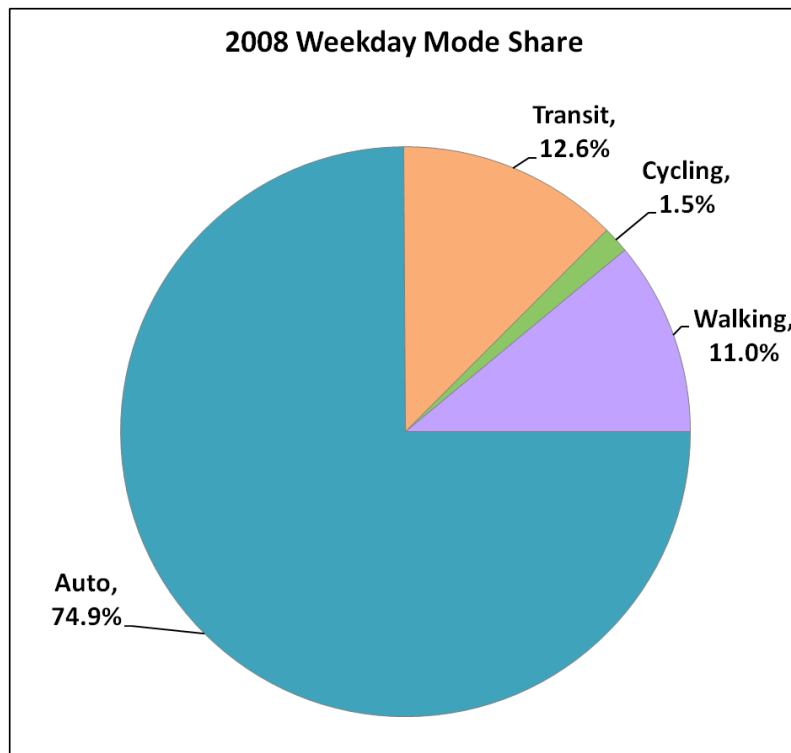
1. Protecting existing transit ridership
2. Promoting a shift to transit, cycling and walking
3. Encouraging future shifts to transit, cycling and walking
4. Influencing smart transportation choices

### **1. *Protecting Existing Transit Ridership***

Under the 2012 Base Plan, transit ridership is expected to grow by about 8 per cent by 2014, resulting in nearly 30 million more boardings per year than in 2011.

## 2. Promoting a Shift to Transit, Cycling and Walking

Initiatives funded under the 2012 Base Plan will encourage marginal shifts in transportation mode share in support of regional objectives. As a reference for these forecast impacts, Figure 7 shows the breakdown of regional weekday mode share as captured in the 2008 Trip Diary<sup>4</sup>.



**Figure 7: Regional Mode Share from the 2008 Trip Diary.**

### ***Transit***

Ridership projections by transit mode are shown in Table 2. The Plan estimates that system-wide ridership will grow by 3.8 per cent in 2011 (after 2010 Olympic effects are factored out; growth is 0.2 per cent in 2011 as compared to total 2010 system-wide ridership including the Olympics) and 4.5 per cent in 2012. Bus ridership in these years is lower than previously forecast, but is partially offset by better-than-expected ridership on the Canada Line and the inclusion of several additional public post-secondary institutions to the U-Pass BC program in 2011. The Service Optimization Initiative, which began in 2011, is expected to contribute to improved bus system ridership productivity, which in turn supports incremental growth on rapid transit through 2013 (Section 2.2).

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<sup>4</sup> The Trip Diary is a study TransLink carries out every four years to better understand travel behaviours in the region. Participants are asked to provide details about all trips made within a 24-hour period, including mode, destination and trip purpose.

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

**Table 2: Ridership Forecasts**

	Actual	Budget	Forecasts			Outlook
(millions)	2010	2011	2012	2013	2014	2021
<b>System Total: Revenue Passenger Trips</b>	<b>212.7</b>	<b>213.2</b>	<b>223.3</b>	<b>225.5</b>	<b>230.9</b>	<b>253.8</b>
Individual Passenger Boardings By Mode*						
Conventional Bus and Community Shuttle	220.5	222.9	231.3	232.7	238.0	254.6
SkyTrain Expo and Millennium Lines	79.2	78.6	81.6	82.9	84.8	99.4
SkyTrain Canada Line	38.4	37.6	40.7	41.2	42.4	47.1
Rapid Transit Total	117.6	116.2	122.3	124.1	127.2	146.5
SeaBus	6.7	6.3	6.5	6.5	6.7	7.1
West Coast Express	2.8	3.1	3.2	3.3	3.4	3.7
<b>Total Conventional Transit Boardings</b>	<b>347.6</b>	<b>348.5</b>	<b>363.3</b>	<b>366.6</b>	<b>375.3</b>	<b>411.9</b>
Custom Transit (HandyDART)	1.5	1.5	1.5	1.6	1.6	1.7
<b>System Total: Passenger Boardings</b>	<b>349.1</b>	<b>350.0</b>	<b>364.8</b>	<b>368.2</b>	<b>376.9</b>	<b>413.6</b>
*A single passenger revenue trip often includes more than one boarding and may also include combinations of transit modes.						

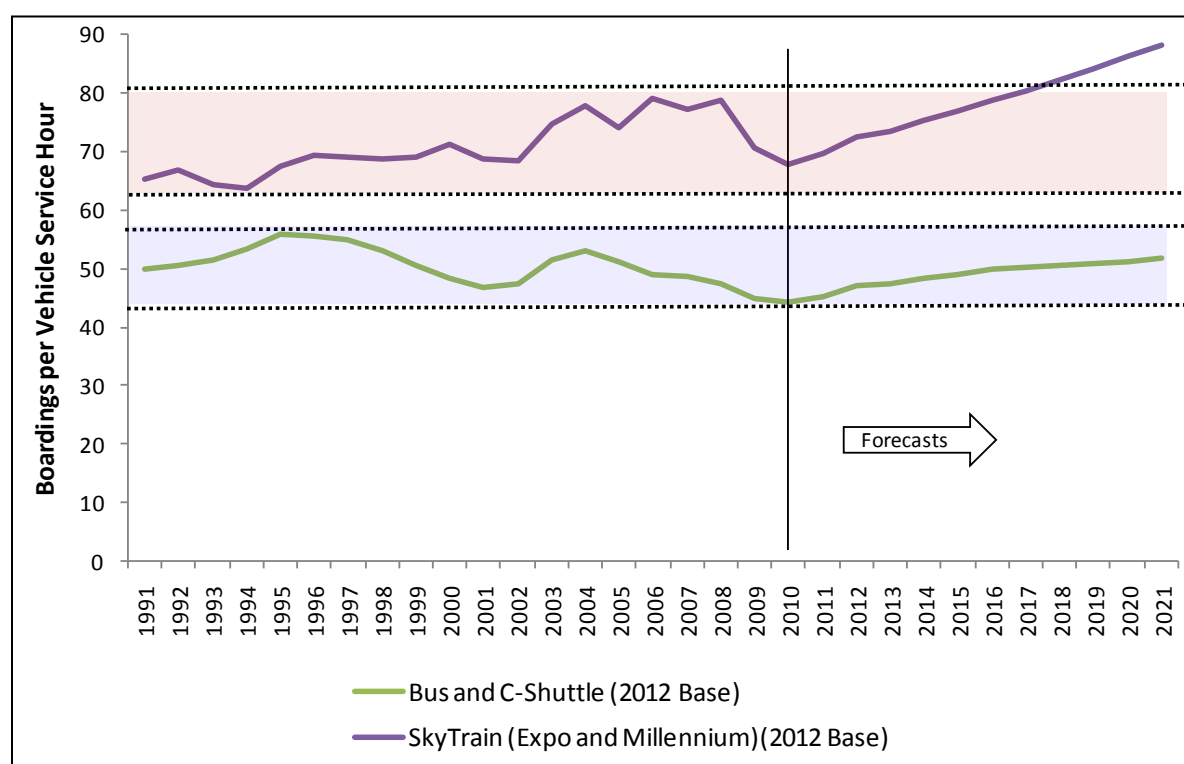
Transit ridership increased by 12.6 per cent in 2010, with a significant portion of that growth attributable to the Olympics. After adjustments, “non-Olympic” ridership increased by 8.6 per cent in 2010.

Canada Line ridership was very strong in 2010, with recorded growth 41 per cent above the forecast. With additional service hours being added in August 2011, it is expected that ridership growth will remain strong in 2011 and 2012 before stabilizing in 2013. The new U-Pass BC program will substantially expand participation beginning in September 2011, with most of the program growth occurring in 2011 and 2012. TransLink’s contract with U-Pass BC program partners ends on March 31, 2013, and program structure and rate schedules will be renegotiated. Analysis for this Plan assumed that U-Pass ridership rates in 2013 and beyond would be consistent with rates under the current terms of the program. Changes in the structure of the U-Pass BC program may necessitate a change in the ridership forecast in future years.

The expected increase in long term fares scheduled for 2013 will impact ridership negatively, due to price elasticity effects.<sup>5</sup> In addition, after the past two decades of ridership growth averaging over 3 per cent per year, ridership growth will be constrained in 2013 due to the lack of new capacity to meet increasing regional demand. The effect of the price increase combined with no service growth will limit ridership growth to about 1 per cent in 2013. The lack of new service growth continues to be felt in 2014, with a 2.4 per cent forecast growth in ridership.

TransLink's efforts to optimize transit services (introduced in the 2010 Funding Stabilization Supplemental Plan) will reallocate transit service hours from low productivity services and times of day to higher productivity opportunities with the target of further increasing bus productivity by just over 2 per cent. Most of the effects of optimizing transit services will be realized by the end of 2012. It is estimated that it will involve the reallocation of roughly 4 to 5 per cent of total annual conventional bus service hours through schedule and routing efficiencies to achieve the target.

The cumulative effects of recent transit capacity investments, forecast demand and productivity improvements from efforts to optimize transit services is shown in the productivity graph in Figure 8.



**Figure 8: Boardings per Vehicle Service Hour: Comparison of Historical Values to Future Forecasts**

<sup>5</sup> TransLink assumes that for every 10 per cent increase in the average price of transit travel, relative to alternatives travel modes, transit demand will decrease by 2 per cent, as some customers make other travel choices (including not traveling at all).



This graph illustrates how the transit service expansion in recent years has resulted in greater ridership but lower boardings per service hour averages for the system. In contrast, this Plan supplies minimal additional transit services and forecasts that higher ridership demand will be served with the existing available transit capacity from recent expansion, with the effect of increasing average boardings per service hour. It is anticipated that even with the available capacity and forecasted demand; rapid transit productivity will exceed historical high levels by the end of the Outlook's horizon in the year 2021, as seen in Figure 8. The introduction of new, higher capacity rapid transit vehicles is expected to contribute to the high rapid transit productivity levels by the end of the Outlook. Bus service productivity is expected to remain within historical levels. Although higher productivity figures are positive, without any future service expansion TransLink will be unable to serve new transit markets that develop in the region and as a consequence, TransLink will fall behind the Transport 2040 goals.

### ***Cycling***

According to the 2008 Trip Diary, the total number of cyclists in the region is increasing; however, cycling mode share has remained steady at approximately 1.5 per cent. Under this Plan, TransLink's annual funding for cycling capital infrastructure, which has been reduced by 50 per cent, will continue to support increases in cycling numbers and safety. However, it is likely insufficient to increase cycling mode share given the projected population growth patterns and the difficulty over the past five years to affect change.

### ***Walking***

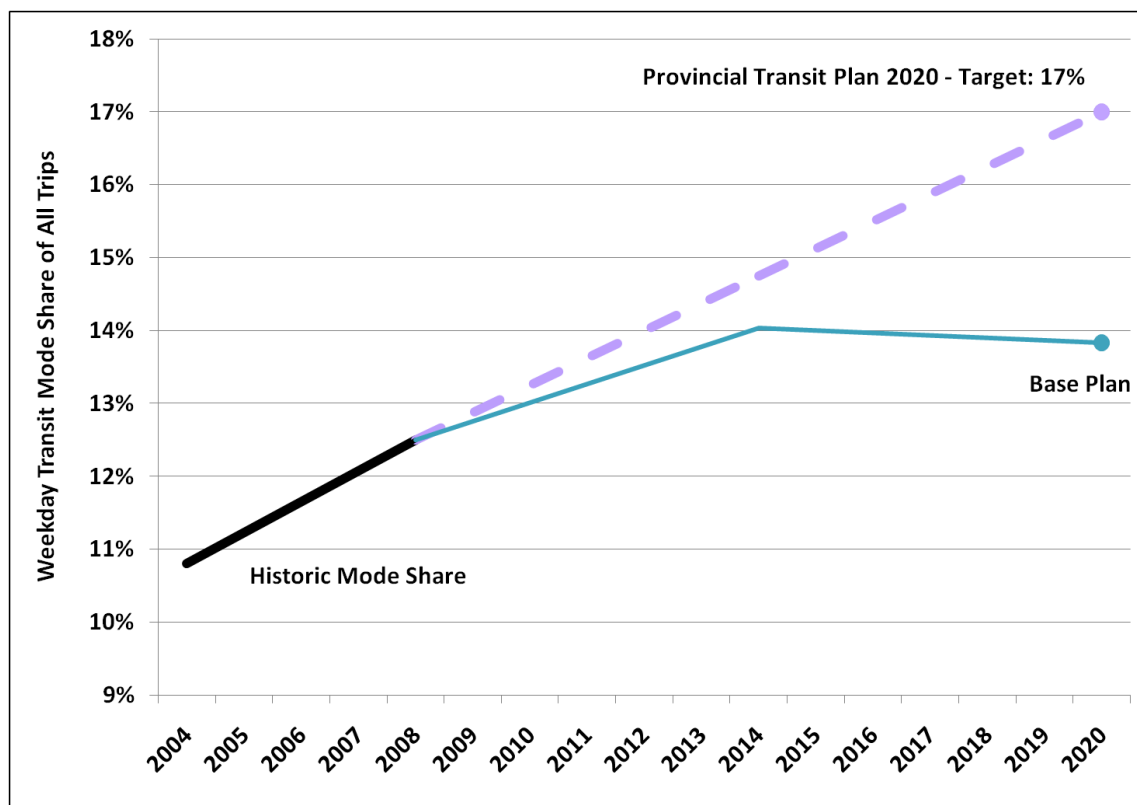
Results from the 2008 Trip Diary show that the walking mode share has declined since the 1990s, remaining steady at the 2004 level of 11 per cent. TransLink supports increases in walking trips through:

- the provision of a comprehensive transit system that eliminates or reduces the need for private vehicles
- partnerships with municipalities to improve the pedestrian environment on transit corridors and in station areas
- the TravelSmart program

Transit ridership will increase under this Plan, which may positively impact walking trips. This Plan does not provide funding for transit corridor and station area implementation programs or network expansion.

### ***3. Encouraging Future Shifts to Transit, Cycling and Walking***

While transit ridership is expected to increase slightly by 2014, this increase is not sustained through the Outlook period. As shown in Figure 9, the 2012 Base Plan is not expected to facilitate future shifts to transit. Significant future shifts to walking and cycling are also not anticipated under this Plan.



**Figure 9: Transit Mode Share Trends and Forecasts**

#### **4. Influencing Smart Transportation Choices**

Under the 2012 Base Plan, smart transportation choices are influenced through the continued support of TravelSmart initiatives and the application of Transportation Demand Management tools. Expansion of demand management is connected to new funding models that will be explored as part of the Memorandum of Understanding signed by the Province and the Mayor's Council.

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

By influencing the location of jobs and housing, the Frequent Transit Network (FTN) both supports and is supported by the development of complete communities. The objectives of this goal are to:

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

This Plan does not include resources for the expansion of the FTN, although changes to the network could occur through TransLink's efforts to optimize transit services. The projected increases in the percentage of jobs and housing located along the FTN will be a result of Metro Vancouver's projected changes to land use patterns.

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

This Plan maintains the funding for the Transit Police and prioritizes state of good repair projects on TransLink-owned infrastructure to ensure the highest level of safety on the system. These investments optimize the system by:

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

The Compass card and faregates initiative, which will be implemented in 2013, will increase the public's sense of safety and security on the transit system, and will be designed to provide full accessibility. TransLink's fleet will remain fully accessible, custom transit hours are maintained and a significant accessibility upgrade will be made at Scott Road SkyTrain station. The designation of a Dangerous Good Movement Network on the Major Road Network, in collaboration with municipalities, will improve safety and security levels.

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

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

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

The 2012 Base Plan will deliver limited progress towards this goal, but some recent investment strategies cannot be pursued due to the limited funding available. The increases in transit mode share forecast in this Plan demonstrate TransLink's support of economic growth in the region by facilitating mobility. Furthermore, reductions in personal vehicle traffic, stemming from trips shifted to transit, helps goods movement by reducing congestion levels. The opening of the Golden Ears Bridge in 2009 continues to support this goal and its effects will continue to increase through the outlook of the Plan, as will TransLink's work with senior government on the Applied Freight Research Initiative and strategic technology solutions. However, major road capital projects that have been identified to facilitate goods movement are not funded, and reductions to the MRN Minor Capital program reduce TransLink's ability to fund upgrades on the MRN that would improve efficiency and effectiveness.

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

The 2012 Base Plan does not access new sources of funding, so investments within this Plan must be sustainable within TransLink's existing funding structure over the long term. Investments made in this plan meet the following objectives:

1. Maximize leveraging opportunities

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

With the funding increases put in place under the 2010 Funding Stabilization Plan, the 2012 Base Plan ensures that TransLink is able to maintain the current level of transit services, the state of good repair of the transit system and carry increased ridership through 2014. However, reductions in capital and operations programs for roads, bridges, cycling and transit infrastructure were necessary within the identified funding envelope. The 2012 Supplemental Plan and Outlook under consideration, provides increased funding for roads, bridges, cycling and transit infrastructure.

TransLink's funding sources have associated long-term risks but have been relatively stable in the short-term. This was demonstrated during the recent economic downturn, as TransLink was able to sustain itself with only minor adjustments relative to many peer transit agencies across North America that experienced large budget shortfalls and subsequent cuts in transit service levels. TransLink's mix of revenue sources adds to that stability. The longer-term risks include declines in fuel tax revenues (due to improvements in vehicle efficiency and decreases in VKT per capita) and the price sensitivity associated with transit fares (if they continue to increase in support of farebox recovery rates).

Motor fuel taxes and parking sales taxes, which underwent rate increases in 2010, influence transportation choices by impacting the cost of vehicle operation. TransLink does not currently have the ability to manage system-wide demand through price signals differentiated by area or time of day.

### ***2015 to 2021 (OUTLOOK)***

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

As the capacity from the past five years of transit expansion is utilized, the momentum created by this investment will stall. The Outlook for 2015 to 2021 shows erosion on the progress that TransLink and the region have made towards the goals laid out in Transport 2040. This is in part due to decreasing transit service levels per capita (2.63 hours per capita in 2011 declining to 2.24 in 2021), which will occur if expansion investments are not made in the intervening years.

Without expansion of services, transit's share of total trips is expected to rise during the early years of the Plan and would gradually plateau at about 14 per cent of weekday trips through the Outlook. This level is well below the Provincial Transit Plan's 2020 target of 17 per cent of weekday trips.

Employment and residential projections provided by Metro Vancouver indicate that by 2021, growth within walking distance of the Frequent Transit Network would be offset by growth in areas that are less conducive to transit. As this analysis assumes the length of the FTN does not change, the proportion of people living within walking distance of the FTN is expected to decline throughout the Outlook period.

Without increased transit and cycling infrastructure, the ability to shift trips from personal vehicles and reduce GHG emissions would be greatly limited. Without a significant expansion of the FTN and investments in rapid transit, TransLink will be unable to fully support the land use changes to reduce

distances traveled and the demand for personal vehicle travel called for by Metro Vancouver's Regional Growth Strategy. Land use changes are essential in meeting the regional GHG reduction targets.

In summary, without expansion of transportation funding and investment in the next few years, the regional transportation system will fail to meet the conditions required to fulfill the Transport 2040 aspirations for a sustainable region. Without substantial strategic investments in the transportation system, there will be little progress in the region towards reduced reliance on personal vehicles, traffic congestion and ability to move people and goods efficiently.



# Financial Strategy





# 3. FINANCIAL STRATEGY

## 3.1 FINANCIAL CONTEXT

The *SCBCTA Act* defines the revenue sources (including cumulative funded surpluses) that can be utilized in the annual Base Plans. Within that legislative framework, the 2012 Base Plan utilizes only “established funding sources” (as defined in the *SCBCTA Act*), and a positive cumulative funded surplus to fund TransLink operations. The positive cumulative funded surplus is maintained through the 2012- 2014 Plan period.

The 2012 Base Plan financial strategy captures the impact of the transit fare and parking rate increases approved in the 2010 Funding Stabilization Supplemental Plan. Funding levels are sufficient to maintain existing service levels and keep assets in a state of good repair, as well as allow for some modest upgrades. The financial strategy also reflects TransLink’s ongoing initiatives to improve efficiency and effectiveness with minimal impact on service and programs, as well as improving the overall customer experience.

The financial strategy extends to 2021 as a 2015-2021 Outlook. The Outlook period captures the financial obligations and implications of the investment in services and infrastructure that have been committed as of December 2014. Existing service levels are maintained through 2021 and assets and infrastructure are replaced to ensure an ongoing state of good repair. If approved, the 2012 Supplemental Plan and Outlook under consideration would provide for upgrades and expansion to the system.

### ***FUNDING SOURCE SUMMARY***

The 2012 Base Plan uses funding sources currently in place and accesses the changes to 2013 funding sources approved under the 2010 Funding Stabilization Supplemental Plan. The Statement of Revenue and Operations Summary included in this section indicates total revenues and expenditures forecasts for 2012 to 2014 (Table 3). The reporting format is consistent with TransLink’s financial statements. The annual surplus/(deficit) is determined following Canadian Generally Accepted Accounting Principles (GAAP). This is then adjusted to derive the funded surplus/(deficit). TransLink’s legislation requires that we must retain an accumulated funded surplus.

Appendices 1 to 3 provide the full set of financial statements that support the 2012 Base Plan and Outlook. The revenue projections are based upon the following assumptions for 2012 to 2014:

- Transit Fares: For the purposes of this Base Plan, the average fare rate increases by 12.5 per cent accomplished through an adjustment in the discount rates, as approved in the Mayors’ Council and described in the 2010 Funding Stabilization Plan (Appendix 7 lists potential fare media rates)
- Fuel tax rate: no change (15 cents/litre)
- Property tax revenues: grows by 3 per cent annually

- Replacement tax revenues: no change (at the maximum of \$18 million)
- Parking sales tax rate: no change (at the statutory maximum of 21 per cent)
- Bridge toll rates: increases at CPI index (assumed at 2 per cent per year)

Under this Plan, total annual revenues will be \$1.49 billion by 2014.

**Table 3: Statement of Revenue and Operations Summary (millions).**

	Actual		Budget		Forecasts			Outlook
	2010		2011		2012	2013	2014	2021
Transit Revenues	\$ 437.8	\$	432.8		\$ 451.3	\$ 509.2	\$ 529.3	\$ 660.3
Toll Revenues	\$ 29.6	\$	37.8		\$ 39.9	\$ 47.0	\$ 54.1	\$ 92.2
User Fees	\$ 467.4	\$	470.6		\$ 491.2	\$ 556.2	\$ 583.4	\$ 752.5
Motor Fuel Tax	\$ 323.2	\$	324.3		\$ 328.4	\$ 332.3	\$ 335.6	\$ 368.1
Property Tax	\$ 271.8	\$	279.2		\$ 287.6	\$ 296.2	\$ 305.1	\$ 375.2
Parking Sales Tax	\$ 58.4	\$	49.2		\$ 50.0	\$ 50.7	\$ 51.5	\$ 57.1
Other Taxes	\$ 36.5	\$	36.7		\$ 37.3	\$ 37.7	\$ 38.0	\$ 40.2
Taxation Revenues	\$ 689.9	\$	689.4		\$ 703.3	\$ 716.9	\$ 730.2	\$ 840.6
Senior Government Contributions	\$ 146.1	\$	196.0		\$ 225.3	\$ 188.5	\$ 141.1	\$ 19.3
Interest Revenue	\$ 20.5	\$	26.2		\$ 29.2	\$ 32.5	\$ 37.7	\$ 61.9
<b>Total Revenues</b>	<b>\$ 1,323.9</b>	<b>\$</b>	<b>1,382.2</b>		<b>\$ 1,449.0</b>	<b>\$ 1,494.1</b>	<b>\$ 1,492.4</b>	<b>\$ 1,674.3</b>
Transit Operations	\$ 768.2	\$	826.4		\$ 848.2	\$ 862.0	\$ 870.9	\$ 1,014.4
Roads, Bridges and Bicycles	\$ 119.2	\$	114.7		\$ 100.5	\$ 79.2	\$ 64.6	\$ 64.5
TransLink Corporate & Police	\$ 101.4	\$	106.0		\$ 105.4	\$ 107.5	\$ 109.4	\$ 127.0
<b>Operating Expenditures</b>	<b>\$ 988.8</b>	<b>\$</b>	<b>1,047.1</b>		<b>\$ 1,054.1</b>	<b>\$ 1,048.7</b>	<b>\$ 1,044.9</b>	<b>\$ 1,205.9</b>
<b>Surplus Before Interest and Depreciation</b>	<b>\$ 335.1</b>	<b>\$</b>	<b>335.1</b>		<b>\$ 394.9</b>	<b>\$ 445.4</b>	<b>\$ 447.5</b>	<b>\$ 468.4</b>
Interest Expense	\$ 159.9	\$	172.0		\$ 171.2	\$ 180.6	\$ 192.6	\$ 195.4
Depreciation Expense	\$ 152.6	\$	167.0		\$ 170.2	\$ 194.7	\$ 213.2	\$ 202.1
<b>Surplus/(Deficit) before Other Items</b>	<b>\$ 22.6</b>	<b>\$</b>	<b>(3.9)</b>		<b>\$ 53.5</b>	<b>\$ 70.1</b>	<b>\$ 41.7</b>	<b>\$ 70.9</b>
Provision for Contingency Fund Adjustment	\$ -	\$	(10.1)		\$ (10.0)	\$ -	\$ -	\$ -
Proceeds From Sale of Assets & Other Items	\$ (18.0)	\$	35.0		\$ 4.6	\$ 82.9	\$ 69.4	\$ -
<b>Surplus/(Deficit) before Funding Adjustments</b>	<b>\$ 4.6</b>	<b>\$</b>	<b>21.0</b>		<b>\$ 48.1</b>	<b>\$ 153.0</b>	<b>\$ 111.1</b>	<b>\$ 70.9</b>
Funding Adjustments	\$ 11.0	\$	(79.9)		\$ (143.6)	\$ (121.9)	\$ (89.9)	\$ 12.3
<b>Funded Surplus/(Deficit)</b>	<b>\$ 15.6</b>	<b>\$</b>	<b>(58.9)</b>		<b>\$ (95.5)</b>	<b>\$ 31.1</b>	<b>\$ 21.2</b>	<b>\$ 83.2</b>
Opening Cumulative Funded Surplus	\$ 312.1	\$	327.7		\$ 309.7	\$ 214.2	\$ 245.3	\$ 280.0
Adjustment for 2011 forecast deficit (from 2010 actual of \$327.7 million)		\$	40.9					
<b>Cumulative Funded Surplus</b>	<b>\$ 327.7</b>	<b>\$</b>	<b>309.7</b>		<b>\$ 214.2</b>	<b>\$ 245.3</b>	<b>\$ 266.5</b>	<b>\$ 363.2</b>

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

## 3.2 REVENUE PROJECTIONS

### USER FEES

#### Transit Revenues

Transit revenues are made up of transit fares, property rentals and advertising revenues. Under the 2012 Base Plan, transit fare revenues are budgeted at \$421 million in 2011 and increase to \$516 million in 2014. Transit fare revenues will grow during the 2012 to 2014 period due to increased ridership and an increase in fares in 2013. Other factors influencing transit fare revenues include service levels, the state of the economy, fuel prices (which may affect overall demand for travel) and changes in employment rates.

**Table 4: Transit Fare Revenue Projections (millions).**

Factor	Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
	2010	2011	2012	2013	2014	2021	
Transit Fare Revenue	\$ 412.4	\$ 421.0	\$ 439.5	\$ 496.6	\$ 515.9	\$ 642.2	7.0%
Property Rentals, Advertising, Other	\$ 25.4	\$ 11.8	\$ 11.8	\$ 12.6	\$ 13.4	\$ 18.1	4.3%
Total: Transit Revenues	\$ 437.8	\$ 432.8	\$ 451.3	\$ 509.2	\$ 529.3	\$ 660.3	6.9%

*\*Fare revenue grows from increased ridership and increases to fare prices.*

In 2013, the average fare is forecast to increase by 12.5 per cent, as assumed in the 2010 Funding Stabilization Supplemental Plan. The pricing and structure of different fare products to achieve the necessary increase will be determined in 2012.

TransLink will continue implementing initiatives to increase visibility and enforcement of fare checking. Longer term, TransLink is looking at expanding opportunities to issue fines and improve enforcement of ticket violations. TransLink will continue to focus on revenue optimization.

#### U-Pass BC

Under this Plan, TransLink will continue the U-Pass BC program in partnership with the Province for eligible students at public post-secondary institutions (PSIs) in Metro Vancouver. It is anticipated that all eligible PSIs will be participating in the program as of January 1, 2012, with most starting as of September 1, 2011. All students participating in the new program will pay the same U-Pass BC price of \$30 per month until the termination date of the U-Pass BC agreement on March 31, 2013.

U-Pass BC program revenues to March 2013 have been estimated using the forecast numbers of eligible students as provided by the PSIs. Ridership impacts have been included in the Plan, including those on students using transit, as well as the potential for displacement of current passengers due to increased demand<sup>6</sup>. The Province is providing financial support to the U-Pass BC program through the Provincial

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<sup>6</sup> Displaced passengers are non U-Pass riders who are unable or unwilling to continue using transit due to overcrowding caused by the influx of new U-Pass ridership. Trips that exceed current network capacity are assumed displaced.

Transit Plan funding to ensure the new program does not have a negative financial impact through the duration of the agreement. TransLink will accommodate the program within the existing envelope of service hours.

TransLink and the Province have committed to initiate discussions by spring 2012 on the next phase of U-Pass BC program (post-March 2013) with the intent of moving toward a sustainable program. Significant changes may be made to this program for April 2013 and in subsequent years as a result of these discussions. In addition, the program's objectives, structure, benefits and administration may be greatly impacted by the outcome of the Fare Policy Review initiative, implementation of the Compass card and integration with the U-Passes BC, and continued alignment of revenue pass programs. Until these impacts are defined, changes to the U-Pass BC program revenues after March 2013 cannot be determined with any degree of certainty.

At this time, the U-Pass BC program revenues post-March 2013 are shown as equivalent to current U-Pass BC program revenues, plus inflationary increases in line with regular transit fares. This is based on the assumption that the total revenues will remain at least at the same level as 2012, although the balance between U-Pass BC fees and provincial contributions may change. In addition, as the program moves towards sustainability, this may be achieved through a number of ways, including increasing the program revenues, changing program eligibility and/or U-Pass BC benefits, and changes in transit services.

### ***Ridership Trends***

Ridership forecasts are the primary driver of fare revenue forecasts. This Plan projects average system-wide growth in demand of about 5 per cent in 2012, 1 per cent in 2013 and 2 per cent in 2014. The dip in the 2013 ridership growth rate estimate corresponds to the decrease in the discounts in long term fares scheduled for that year. TransLink's estimates assume that every 10 per cent increase in the average price of transit travel, relative to alternatives travel modes, will result in a 2 per cent decrease in demand. A detailed description of ridership trends is included in the Outcomes (Section 2.4).

### ***Others***

Transit advertising and property rental revenues are forecast to rise from the 2011 budget of \$12 million to \$13 million in 2014. Advertising revenues decline from 2010 due to the one-time impact of Olympic-related advertising. The 2012 to 2014 forecasts assume the guaranteed minimum increase in advertising revenues, the assumption of a strengthening economy and innovative approaches for generating new revenues. The Mission contribution for West Coast Express service is also included in this number.

### ***Toll Revenues***

TransLink receives toll revenues from the new Golden Ears Bridge, which opened to traffic on June 16, 2009. The toll revenues will be used to pay for the project over the next 31 years.

**Table 5: Golden Ears Bridge Toll Revenue Projections (millions).**

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

Traffic volumes in 2011 are below what was originally projected. Weaker-than-expected economic factors have reduced travel demand in general and have delayed new commercial and residential development that was expected to generate traffic. The annual compound growth rate is lower by 5.8 per cent compared to last year's annual compound growth.

With the Port Mann tolled facility scheduled to open in 2013 and the anticipated economic recovery, traffic volumes are forecasted to increase through the horizon of the Outlook 2021. TransLink continues to monitor volumes closely and consider initiatives such as discounted rates during specific periods of time to increase traffic volumes and revenue generation. TransLink is actively marketing the bridge through increased awareness as well as looking at price sensitivity. A trial period of off-peak discounts was completed in spring 2011 and analysis of results is underway.

## **TAXATION SOURCES**

### **Motor Fuel Tax Revenues**

The adoption of the 2010 Funding Stabilization Supplemental Plan increased TransLink's fuel tax revenues by three cents per litre to the 15 cent per litre maximum that is allowable under the *SCBCTA* Act. The forecasted revenues from this source are shown in Table 6.

**Table 6: Motor Fuel Tax Revenue Projections (millions).**

Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
2010	2011	2012	2013	2014	2021	
\$ 323.2	\$ 324.3	\$ 328.4	\$ 332.3	\$ 335.6	\$ 368.1	1.1%

Fuel consumption growth is generally influenced by higher travel demand, which grows with both population and increases in real disposable income in the longer term. Consumption rates are also a product of trip lengths and vehicle fuel efficiency. In recent years, factors such as increases in population density, cost of fuel, transit investments and fuel efficiency of vehicles have dampened fuel consumption rates per capita.

The 2012 Base Plan forecasts increases in total fuel consumption of approximately 1% per year over the Plan period, based on provincial forecasts of renewed economic growth, which reflects the previously stated trends. Gasoline represents 85 per cent of total fuel sales.

### **Property Tax**

Property tax revenue will increase by 3 per cent per year, the maximum annual increase permitted under legislation for a Base Plan and consistent with the 2011 Funding Stabilization Base Plan. Tax rates for all property classes necessary to generate the targeted revenue increase will be calculated to generate no more than the amount permitted by law and will be "rebalanced" for growth in the region and assessed values of homes. For example if regional growth was 2 per cent, there would only be a 1 per cent increase in owner property taxes.

**Table 7: Property Tax Projections (millions).**

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

**Parking Sales Tax Revenue**

Under the 2012 Base Plan, parking sales tax revenue that is budgeted at \$49 million in 2011 increases to \$51 million in 2014. The tax rate is set at TransLink at 21 per cent, the maximum permitted under the *SCBCTA Act*.

**Table 8: Parking Sales Tax Revenue Forecasts (millions).**

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

The 2012-2014 forecasts assume a 1.5 per cent increase on the price of paid parking, based on factors such as the rise in fuel prices, rise in the Consumer Price Index (CPI) and increase in population.

Parking sales tax has historically been collected by the Province, but effective July 1, 2010, is collected and administered directly by TransLink. The transfer of responsibilities includes several opportunities and risks for TransLink. TransLink will bear the administrative cost risk and the risk associated with the 2010 rate increase (7 per cent to 21 per cent). Opportunities have been provided with the new administrative structure. TransLink now collects actual revenues (previously the amounts were estimated by the Province) and is able to monitor these revenues more closely.

**Other Taxes - Replacement Tax, Hydro Levy**

The Replacement Tax forecast remains at its legislated maximum of \$18 million per year for the Base

Plan and Outlook period. The tax will continue to be collected from all allowable property tax classes. The Hydro Levy is presently at a rate of \$1.90 per month with no increases other than general population growth (assumed at approximately 1.6 per cent per annum.)

**Senior Government Contributions (Capital and Operating Contributions)**

The Federal and Provincial Governments contribute to TransLink's capital projects through sources such as the Provincial Transit Plan, Building Canada Fund and the Strategic Priorities (Federal Gas Tax) Fund. The Federal Gas Tax Fund focuses on transit investments that reduce greenhouse gas emissions and other contaminants to the air and water.

Senior government funding is applied to projects meeting the funding program's criteria up to the allowable limit. These funds are restricted in nature and most cannot be used for TransLink's day-to-day business operations. The Summary of Capital Program, Table 9, provided later in this section provides more details on the specific contribution levels from the Federal and Provincial Governments.

**Table 9: Senior Government Contribution Forecasts for Capital and Operations (millions).**

Factor	Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
	2010	2011	2012	2013	2014	2021	
Capital	\$ 126.8	\$ 176.7	\$ 206.0	\$ 169.2	\$ 121.8	\$ -	-11.7%
Operations	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	0.0%
Total Contributions	\$ 146.1	\$ 196.0	\$ 225.3	\$ 188.5	\$ 141.1	\$ 19.3	-10.4%

Operating contributions are the deferred provincial contributions for the Canada Line. Provincial funding for 2010 is \$19.3 million per year.

TransLink cannot fully leverage potential senior government contributions to the transportation system under a Base Plan in the outlook period as it does not include expansion and only includes vehicle replacements and minor upgrades. The Province, Mayors' Council and TransLink are working together to develop a future Supplemental Plan that will access all available senior government funding opportunities in support of regional needs.

### Interest Income

Interest income is interest earned on sinking funds, capital contributions, debt reserve funds and cash balances. Interest earned is restricted and cannot be used to fund operations with the exception of interest from cash balances.

**Table 10: Interest Income Projections (millions).**

Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
2010	2011	2012	2013	2014	2021	
\$ 20.5	\$ 26.2	\$ 29.2	\$ 32.5	\$ 37.7	\$ 61.9	12.9%

Growth reflects the accumulation of further contributions to the sinking fund. The funds accumulated in this sinking fund go towards funding maturing debt issues which happens in the later part of the Outlook period.

## 3.3 EXPENDITURES

### ***TRANSIT OPERATIONS EXPENDITURES***

Transit operating expenditures are budgeted at \$826 million in 2011 and increase to \$871 million by 2014.

**Table 11: Transit Operations Expenditure Forecasts (millions).**

Factor	Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
	2010	2011	2012	2013	2014	2021	
Bus	\$ 565.7	\$ 594.4	\$ 605.5	\$ 613.9	\$ 618.4	\$ 719.1	1.3%
Expo/Millennium Lines & West Coast Express	\$ 105.3	\$ 113.2	\$ 120.9	\$ 122.2	\$ 123.5	\$ 142.2	2.9%
SkyTrain Canada Line*	\$ 60.5	\$ 77.5	\$ 84.3	\$ 86.4	\$ 88.2	\$ 104.5	4.4%
Taxes, Rentals, Fare Media	\$ 36.6	\$ 41.3	\$ 37.5	\$ 39.5	\$ 40.8	\$ 48.4	-0.4%
Total Operations	\$ 768.1	\$ 826.4	\$ 848.2	\$ 862.0	\$ 870.9	\$ 1,014.2	1.8%

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

Operations costs for transit services (except the Canada, Expo and Millennium Lines) are projected to grow at or below inflation forecasts, reflecting the organization's continued focus on operational efficiency and effectiveness. The higher-than-inflation increase in Canada Line is due to the sculpting of contractor payments, which are lower in the early years of the contract. Expo and Millennium Line costs reflect the impact of the 48 new cars placed in service in 2010 coming off warranty.

Resources continue to be realigned to enable TransLink and its subsidiaries to execute TransLink's mandate more effectively. Key performance dashboard indicators are being expanded to monitor performance, identify improvement opportunities and allow for benchmarking internally and externally.

### **ROADS, BRIDGES AND BICYCLE EXPENDITURES**

Under the 2012 Base Plan, total expenditures on roads, bridges and cycling are \$115 million in 2011 and are forecast to drop to \$65 million in 2014. This drop is a result of the changes in the MRN Major Road Capital program, as no new major projects are being initiated and MRN Minor Capital and Bike Program funding were reduced by half in the 2010 Funding Stabilization Supplemental Plan.

#### **Operations and Maintenance**

Roads and bridges operations and maintenance expenditures are \$47 million in 2011 and are forecast to increase slightly to \$52 million by 2014.

**Table 12: Major Road Network, Bridges and Bicycles (millions)**

Factor	Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
	2010	2011	2012	2013	2014	2021	
Major Road Network	\$ 33.0	\$ 35.0	\$ 36.0	\$ 37.1	\$ 38.3	\$ 47.2	3.0%
Golden Ears Bridge	\$ 11.2	\$ 12.0	\$ 12.4	\$ 12.7	\$ 13.5	\$ 17.3	4.0%
Albion Ferry	\$ 0.4	\$ 0.1	\$ -	\$ -	\$ -	\$ -	
Total Operations & Maintenance	\$ 44.6	\$ 47.1	\$ 48.4	\$ 49.8	\$ 51.8	\$ 64.5	3.2%
Infra. Contr. To Municipalities	\$ 74.6	\$ 67.6	\$ 52.1	\$ 29.4	\$ 12.8	\$ -	-42.6%
Total Roads, Bridges and Bicycles	\$ 119.2	\$ 114.7	\$ 100.5	\$ 79.2	\$ 64.6	\$ 64.5	-17.4%



TransLink continues to support maintaining a state of good repair on the MRN through funding for roads operations, maintenance and rehabilitation (OMR). TransLink will provide OMR funding for the MRN to municipalities at a rate of \$14,075 per lane kilometre in 2011, increasing annually by 2 per cent with total payments reaching \$36 million in 2014. A further \$2 million will be provided annually to maintain the Pattullo, Knight and Westham Bridges. Operating expenditures for the Golden Ears Bridge will increase from \$12 million in 2011 to \$14 million in 2014. The Base Plan assumes that the Albion Ferry will be disposed of by 2012.

### ***Capital Infrastructure Contributions to Municipalities***

Under the 2012 Base Plan, total capital expenditures on roads, bridges and cycling are \$68 million in 2011 and are forecast to drop to \$13 million by 2014.

TransLink continues its commitments to maximizing the effectiveness of the multi-modal road network through the MRN Minor Road Capital and Bike Capital Programs. Consistent with the 2011 Base Plan, these are funded annually at \$10 million and \$3 million respectively, with maintaining existing services taking priority over upgrades.

TransLink makes payments to municipalities to assist in funding MRN projects. As these expenditures are financed by debt, they are reversed as a funding adjustment, in order to determine the overall funded surplus or deficit. For the Outlook projections of this Plan, funding commitments made within the three-year Plan are extended out for five years to align with municipal allocation cycles. Potential new investments outside the three-year planning horizon cannot be accurately forecast and will be evaluated annually as part of the Plan update.

Consistent with the discussion in Section 2.3 on Roads and Bridges, capital funding is not allocated for the replacement of the Pattullo Bridge. In the absence of senior government or alternative funding, the bridge replacement would be funded by tolls.

### ***TRANSLINK CORPORATE AND TRANSIT POLICE EXPENDITURES***

Under the 2012 Base Plan, combined expenditures for TransLink Corporate and Transit Police total \$106 million in 2011 and are forecasted to be \$109 million in 2014. These costs include a \$3 million efficiency savings target for the enterprise that will be further identified in the fall budget process. In 2011, as part of the corporate realignment, the Information Technology and Human resources services provided by Coast Mountain Bus Company as shared services were moved to TransLink. The 2011 budgets for both organizations have been restated to reflect this transfer.

Operating costs related to the Compass card system and faregates are \$7 million in 2013 and \$9 million in 2014<sup>7</sup>. TransLink Corporate includes \$3 million in 2012 for the development of Transport 2045. Costs also reflect the increased IT services required to support technology improvements for customers.

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<sup>7</sup> Costs are net of reduced fare evasion and ticket vending machine maintenance costs.

**Table 13: TransLink Corporate and Transit Police Expenditures (millions)**

Factor	Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
	2010	2011	2012	2013	2014	2021	
TransLink Corporate	\$ 69.5	\$ 67.1	\$ 67.4	\$ 65.9	\$ 65.7	\$ 74.5	
SmartCards and Gating and Studies	\$ 4.7	\$ 10.2	\$ 8.3	\$ 8.7	\$ 9.8	\$ 13.8	-1.3%
Subtotal	\$ 74.2	\$ 77.3	\$ 75.7	\$ 74.6	\$ 75.5	\$ 88.3	-0.8%
Transit Police	\$ 27.2	\$ 28.7	\$ 29.7	\$ 32.9	\$ 33.9	\$ 38.7	5.7%
Total TransLink Corporate and Police	\$ 101.4	\$ 106.0	\$ 105.4	\$ 107.5	\$ 109.4	\$ 127.0	1.1%

**DEBT SERVICE****Interest Expense**

Interest expense is budgeted at \$172 million in 2011 and will increase to \$193 million in 2014.

**Table 14: Debt Interest Expense (millions)**

Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
2010	2011	2012	2013	2014	2021	
\$ 159.9	\$ 172.0	\$ 171.2	\$ 180.6	\$ 192.6	\$ 195.4	3.8%

Increases through 2014 are due to the additional debt that will be incurred as the organization finances the tail end of the expansion drive completed in 2009, Compass card and faregate project costs, replacement of vehicles and bus infrastructure, and forecast interest rates increases.

**Depreciation Expense**

Depreciation expense expenditures are budgeted at \$167 million in 2011 and are forecast to increase to \$213 million in 2014.

**Table 15: Depreciation Expense Forecasts (millions)**

Actual	Budget	Forecasts			Outlook	2011-2014 Average Annual Compound Growth Rate
2010	2011	2012	2013	2014	2021	
\$ 152.6	\$ 167.0	\$ 170.2	\$ 194.7	\$ 213.2	\$ 202.1	8.5%

The growth in the depreciation expense primarily reflects the replacement of assets, with new assets being more expensive than the older replaced assets due to inflation.

**OTHER ITEMS**

TransLink's strategic real estate needs are constantly being evaluated. Some current surplus properties will be disposed of to align with resourcing requirements. The gain from the sale of these surplus properties is estimated at approximately \$219 million during the 2011 to 2014 period, slightly higher than the \$200 million estimate in last year's plan. Proceeds from land sales will allow for future network facilities.

The 2012 forecast includes \$10 million operating and \$5 million capital contingency funds. The fund assists in mitigating risk and provides an allowance for unforeseen expenditures and re-investments. The contingency fund will only be accessed through executive approval and a supporting business case.

**Table 16: Other Items (millions)**

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

### Funding Adjustments

TransLink is required by the *SCBCTA Act* to generate sufficient funds to pay for its expenditures and cannot budget for a funding deficit. The legislation specifies that TransLink must retain an accumulated fund surplus. The funded annual surplus/deficit and resulting cumulative fund balance are determined by adjusting the excess (deficiency) of revenue over expenditures (consistent with Canadian Generally Accepted Accounting Principles) for the following:

- reversing depreciation and other non-cash expenditures,
- reversing restricted capital contributions and capital payments to municipalities for the MRN, and
- adding payments to sinking funds and public-private partnerships (P3) for debt repayment.

A combined negative funding adjustment means further funding is required, while a combined positive funding adjustment means less funding is required.

**Table 17: Funding Adjustments (millions)**

Actual	Budget	Forecasts			Outlook
2010	2011	2012	2013	2014	2021
\$ 11.0	\$ (79.9)	\$ (143.6)	\$ (121.9)	\$ (89.9)	\$ 12.3

## 3.4 BALANCE SHEET AND CASH FLOW STATEMENT

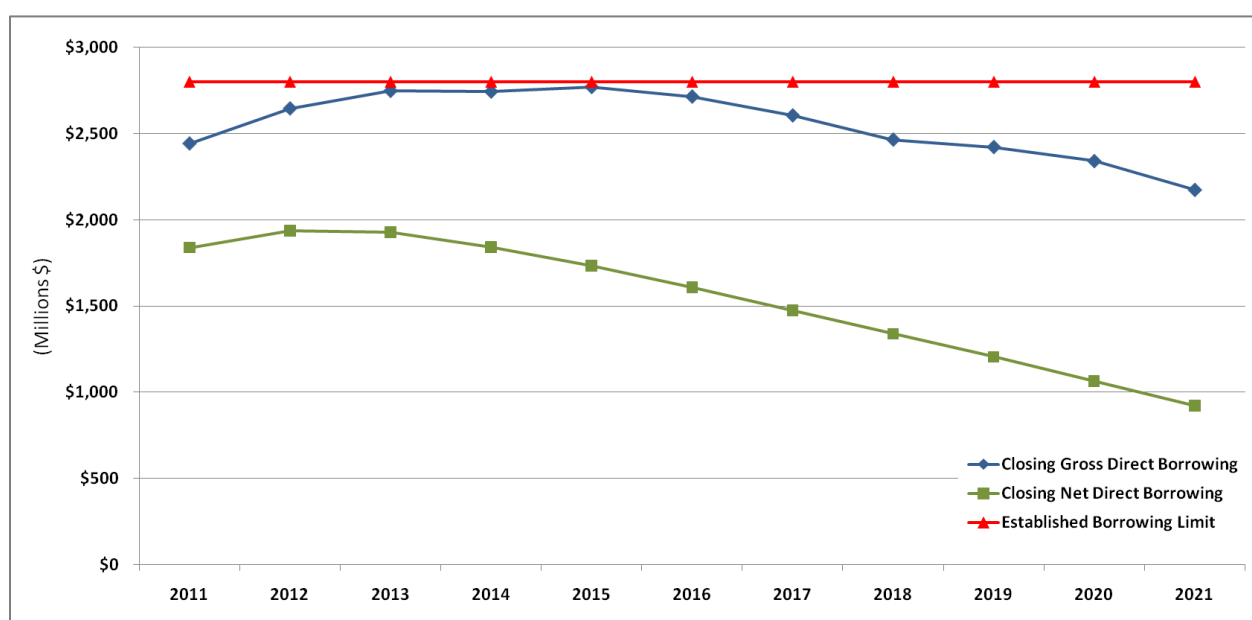
### ***BALANCE SHEET***

The balance sheet (Consolidated Statement of Financial Position) is included as Appendix 1. Total assets will increase by \$616 million between 2011 and 2014, bringing the net total assets to \$6.2 billion by the end of 2014. The increase in capital assets of \$352 million over this period represents additions of \$932 million less \$578 million in amortization of capital assets during the three-year period. The balance of the increase in total assets is a \$299 million increase in sinking and debt reserve funds offset by a \$35 million change in current assets and long-term investments.

Between 2011 and 2014, total liabilities will increase by \$301 million to fund the above mentioned increase in total assets. The funding comes from long-term (direct) debt.

Over the Plan and Outlook period, total liabilities will decrease by \$345 million despite a \$295 million increase in total assets. This is because assets are being funded by contributions and accumulated surpluses, which is reflected in the \$640 million increase in the fund balance.

The Plan debt level reaches its peak in 2015, \$31 million under the existing debt limit of \$2.8 billion, and then begins to decline in 2016. Figure 9 demonstrates this declining trend as current debt obligations will be retired through the course of this Plan and Outlook, while limited new debt will be added.



**Figure 10: Borrowing Levels for 2012 Base Plan and Outlook**

## ***CASH FLOW STATEMENT***

The cash flow statement (Consolidated Statement of Cash Flows) can be found in Appendix 3. The 2012 Base Plan is able to cover its financing cost through cash from operations for 2012 to 2014. Investing activities are funded by cash on hand of \$102 million in 2012 and long-term borrowing of \$468 million over the three years. TransLink actively manages its cash situation and will access its short-term borrowing facility on a temporary basis within periods.

Total capital expenditures between 2012 and 2014 are \$932 million excluding contributions to municipalities for roads and bike programs but including real estate purchases of \$65 million. Federal and provincial funding finances \$497 million of the \$932 million.

Cash from operations is \$376 million in cash surplus in 2014. The Outlook shows a cash surplus from operations of \$328 million in 2021.

### 3.5 OUTLOOK FOR 2015 THROUGH 2021

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

Translink's goal is to maintain a 10 per cent cumulative surplus fund balance. The 2012 Base Plan and Outlook cumulative surplus maintain a 10 per cent minimum as indicated in Figure 11. Should conditions change, TransLink will manage its cumulative surplus to ensure the target level is maintained.

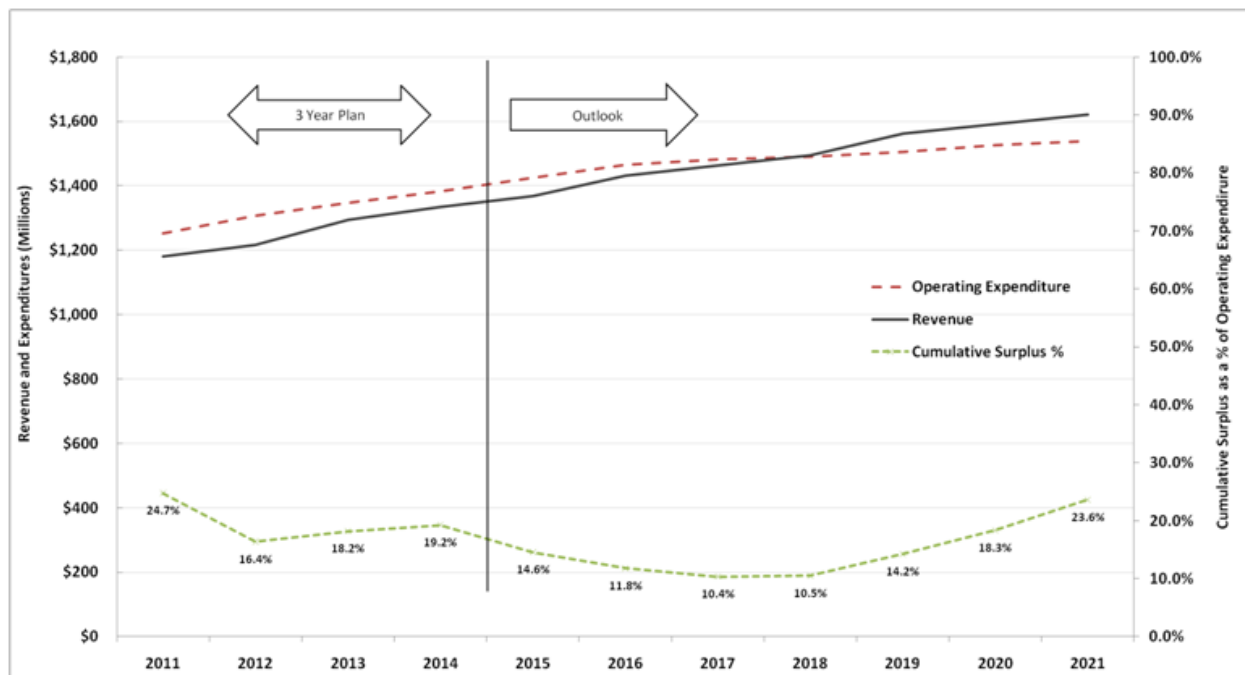


Figure 11: Cumulative Surplus Level Forecasts for 2012 through 2021

### 3.6 ASSUMPTIONS AND RISKS

Economic assumptions have been developed through research from a variety of sources. A primary source has been the estimates from the Province of British Columbia's Budget and Fiscal Plan (2011/2012 to 2013/14), which reflect consensus opinion of a blue ribbon panel of economic advisors. Fuel volumes reflect current volumes, provincial growth forecasts to 2013/14 and trending beyond that period.

**Table 18: Key Assumptions for 2012 Three-Year Plan with Outlook**

Factor	Assumption % Change/Rate per Year				Impact \$ million / yr
	2012	2013	2014	2015-2021	
Real GDP growth	2.7%	2.7%	2.0%	2.0%	
Goods and Services Inflation	2.0%	2.1%	2.1%	Variable	+ / - 8.2
Construction (excluding road construction) Inflation	3.0%	3.0%	2.5%	3.0%	+ / - 3.2
Road Construction Inflation	3.2%	2.6%	2.6%	4.0%	+ / - 2.7
Hydro Cost	9.0%	9.7%	3.9%	2.0%	+ / - 0.1
Gasoline Cost (per litre & net of HST rebate)	\$1.38	\$1.44	\$1.48	\$1.52 to \$1.73	
Diesel Cost (per Litre & net of HST rebate)	\$1.27	\$1.30	\$1.33	\$1.36 to \$1.64	+ / - 0.3
Interest Rates					
- Short Term	2.65%	3.80%	4.80%	5.20%	+ / - 0.3
- Long Term	4.9%	5.4%	6.4%	6.8%	+ / - 6.2
Regional Fuel Consumption					
- Gasoline (million litres)	1,854	1,873	1,892	1936 to 2098	+ / - 3.5
- Diesel (million litres)	335	342	345	345 to 356	+ / - 0.6

**OTHER MAJOR ASSUMPTIONS DRIVEN BY TRANS LINK**

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

**SOURCES FOR KEY ASSUMPTIONS**

*Goods and Services Inflation* – Rates are based on the Province of British Columbia Budget and Fiscal Plan 2011-12 to 2013/14.

*Gross Domestic Product (GDP)* – Rates are based on the Province of British Columbia Budget and Fiscal Plan 2011-12 to 2013/14.

*Construction (excluding road construction) Inflation* - The rates are determined by using the Statistics Canada construction price indexes.

*Road Construction Inflation* - These rates are determined using a five-year rolling average MRN Operating, Maintenance & Rehabilitation index.

*Diesel Cost* – The price forecasts are based on the US Energy Administration forecasts, converted to Canadian prices and reflecting Metro Vancouver taxes.

*Interest Rates* – The rates for 2012 were determined by calculating a mid-point average of the forecasts of eight Canadian chartered banks. Subsequent years are based on the Province of British Columbia Budget and Fiscal Plan 2011-12 to 2013/14.

*Regional Fuel Consumption* - As described previously in the Fuel Tax Revenue section, TransLink's fuel tax revenue uses historical volumes, provincial growth estimates to 2013/14 and extrapolation of trends through the Outlook period, supported by gasoline and diesel cost forecasts.

### ***IDENTIFICATION OF RISK FACTORS AND POTENTIAL RISK MANAGEMENT MEASURES***

TransLink's risk management strategies, policies and limits are designed to ensure TransLink's risks and related exposures are aligned with corporate business objectives and risk tolerances. Using an Enterprise Risk Management (ERM) process, annual assessments are conducted that focus on strategic, political, reputational, financial, human resources, business effectiveness, health and safety, environmental, reporting and regulatory risks.

All residual risks that are considered high or moderate are incorporated into a corporate risk action plan whereby risks are assigned to an executive who is accountable for reporting back on efforts to mitigate this risk. The Chief Executive Officer provides an update to the Board of Directors at each Board meeting.

TransLink's governance structure requires that a three-year Base Plan with Outlook be adopted each year. This structure, along with the alignment of the Budget and the Plan, ensures that TransLink is able to continually monitor all revenues and expenditures and modify its strategy to respond to changes in conditions.

### ***Energy***

*Fuel Tax Revenue* – This risk factor is the impact of changes in fuel tax revenue assumptions, which are based on projected costs of fuel and consumption growth rates. As the projected fuel consumption for gasoline vehicles increases by 1 per cent, the impact on the cumulative surplus would be \$3.5 million per year. Fuel price assumptions also have a significant impact on the cumulative surplus, as price increases will alter travel behaviour, the magnitude of which is unknown in the longer term. Demand may be dampened and could offset to some extent the impact of population and income growth. Price increases result in lower fuel tax revenue, as well as higher fleet operating expenditures.

*Transit Operations Fuel Cost* – To mitigate the risk of volatility, Coast Mountain Bus Company secures future contract prices up to a year in advance on up to 75 per cent of the anticipated diesel volume consumption requirements. A one per cent change to the price of purchased fuel impacts expenditures by \$400,000. TransLink is investigating further hedging opportunities.

*BC Hydro* – Rate estimates for 2011/12 to 2013/14 are provided in the provincial budget estimates. As rates are not yet available for beyond that point, the assumption is based on inflation. If the rate exceeds 2 per cent, it would be managed through cost containment.

***Transit Fare Revenues***

Fares are one of the largest revenue sources, contributing more than 35 per cent of TransLink's total revenues. Ridership assumptions are the inherent driver for fare revenue projections. A 1 per cent change in ridership will result in a fluctuation of approximately \$5 million per year in revenues.

As noted previously, fare revenue has been declining in part due to macro-economic factors beyond TransLink's control and also due to lower than anticipated average fares that could be mitigated with increased revenue capture rates. TransLink has established a Revenue Management Committee that is actively pursuing measures. In the short-term, this will include increased education, inspection and enforcement. In the mid- to long-term, this will include improvements to forecasting pricing and fare structure that improve the robustness of this revenue source, such as the Compass Card and faregates.

***Economic Factors***

Future interest rates, inflation and general economic growth are notable risk factors that increase over the planning horizon. The economic factor assumptions are based primarily upon the provincial three-year budgets. As the economy emerges from the present downturn, general inflation may exceed the annual rate increases allowed under the *SCBCTA Act*. A 1 per cent increase in general inflation over the plan and outlook period would have a \$9 million financial impact on TransLink expenditures.

***Senior Government Contribution***

The continuation of federal and provincial capital contributions is essential for TransLink's 2012 Base Plan and Outlook. These contributions amount to \$555 million for the 2012 to 2014 period. Due to the fact that the Base Plan does not include significant upgrades and no expansion, all of the potentially available senior government funds are unlikely to be accessed in the outlook period. If this situation continues, there is a risk that the portion of funds not accessed may be reallocated or reduced, making it more difficult to access when and if TransLink is in a situation to do so. This plan also assumes that the Federal Government's Strategic Priorities Fund is entirely directed to TransLink.

***Gain (Loss) from the Sale of Assets***

TransLink will manage the financial risk of surplus assets not being sold at forecasted amounts. Strategies would include additional cost containment and a re-evaluation of the capital investment plan.



### 3.7 CAPITAL PROGRAM

Figure 12 provides an overview of the major initiatives contained in the 2012 Base Plan.

TRANSIT SERVICE	ROADS, BRIDGES, AND CYCLING
<ul style="list-style-type: none"> <li>Aging bus fleet replaced – 215 conventional buses; 107 community shuttles; 155 HandyDART vehicles</li> <li>Construction of Hamilton Transit Centre, site preparation for trolley overhead relocation, Burnaby transit centre upgrades</li> </ul>	<ul style="list-style-type: none"> <li>Road Minor Capital Program - \$10M/year</li> <li>Bike Capital Program - \$3M/year</li> <li>Pattullo Bridge rehabilitation funding for the existing bridge while the bridge replacement details are being worked out</li> </ul>

**Figure 12: Summary of Capital Program**

Table 19 summarizes the gross cost, contributions to each category of the capital program and net cost to TransLink, over the 2012 to 2014 period.

**Table 19: 2012 to 2014 Capital Plan.**

Project Description	Gross Cost	Contributions		TransLink
		Provincial	Federal	Net Cost
Bike Program	5,192	-	-	\$ 5,192
Bridges	2,609	-	-	\$ 2,609
Roads	92,503	-	-	\$ 92,503
Transit	546,228	-	(360,942)	\$ 185,285
Rapid Transit	260,127	(17,980)	(98,303)	\$ 143,844
Marine	33,878	-	(19,732)	\$ 14,147
Commuter Rail	118	-	-	\$ 118
IT	20,222	-	-	\$ 20,222
<b>Total</b>	<b>\$ 960,877</b>	<b>\$ (17,980)</b>	<b>\$ (478,977)</b>	<b>\$ 463,920</b>

*Note: The above capital program table includes MRN expenditures, but excludes real estate acquisition*

### 3.8 KEY PERFORMANCE INDICATORS

Key Performance Indicators for TransLink conventional and custom transit services are summarized in Table 20. These indicators demonstrate the system becoming increasingly efficient over the Plan period. Boardings per service hour and average fare per revenue passenger are averaging positive gains. At the same time, costs per service hour and per service kilometre are growing below the rate of inflation. These effects combine to achieve improvements in both cost recovery and operating costs per revenue passenger.

**Table 20: Indicators for 2012 to 2014 Base Plan.**

Key Performance Metric*	2011	2012	2013	2014	2011 - 2014 Avg Annual Growth Rate
<b>Conventional System</b>					
Operating Cost per Revenue Passenger	\$4.11	\$4.04	\$4.07	\$4.02	
Annual change		-1.6%	0.8%	-1.3%	-0.7%
Boarding per Service Hour	54.98	57.21	57.72	59.10	
Annual change		4.0%	0.9%	2.4%	2.4%
Operating Cost per Total Vehicle Km - All	\$5.84	\$5.99	\$6.10	\$6.16	
Annual change		2.7%	1.7%	1.1%	1.8%
Operating Cost per Total Vehicle Km - Bus	\$5.90	\$6.01	\$6.10	\$6.15	
Annual change		1.9%	1.5%	0.8%	1.4%
Operating Cost per Total Vehicle Km - Expo & Millennium line	\$2.20	\$2.35	\$2.38	\$2.41	
Annual change		6.5%	1.6%	1.2%	3.0%
Operating Cost per Total Vehicle Km - Commuter Rail	\$12.37	\$13.01	\$13.06	\$13.26	
Annual change		5.2%	0.4%	1.6%	2.4%
Average Fare per Revenue Passenger	\$1.98	\$1.98	\$2.22	\$2.25	
Annual change		0.2%	11.9%	1.4%	4.4%
Cost Recovery (all Transit Revenue)	50.1%	50.3%	53.0%	53.8%	
Annual change		0.5%	5.3%	1.5%	2.4%
Operating Cost per Service Hour - Bus	\$114.43	\$116.57	\$118.35	\$119.28	
Annual change		1.9%	1.5%	0.8%	1.4%
<b>Access Transit</b>					
Operating Cost per Revenue Passenger	\$33.95	\$35.10	\$33.84	\$33.85	
Annual change		3.4%	-3.6%	0.0%	-0.1%
Boarding per Service Hour	2.27	2.29	2.41	2.43	
Annual change		1.0%	5.1%	1.0%	2.3%
Operating Cost per Total Vehicle Km	\$4.37	\$4.56	\$4.62	\$4.67	
Annual change		4.4%	1.3%	1.0%	2.3%
Operating Cost per Service Hour	\$77.10	\$80.51	\$81.58	\$82.44	
Annual change		4.4%	1.3%	1.0%	2.3%

# Appendices



# APPENDICES

APPENDIX 1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SCBCTA

		FORECAST				OUTLOOK						
for the years ending 31 Dec.	thousands	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Assets												
Current assets												
Cash & Short Term investments		102,141	0	22,766	40,995	3,597	0	11,987	44,274	131,107	222,395	324,898
Accounts receivable		203,478	209,582	215,869	222,345	229,016	235,886	242,963	250,252	257,759	265,492	273,457
Supplies inventory		37,425	38,548	39,704	40,895	42,122	43,386	44,687	46,028	47,409	48,831	50,296
Prepaid expenses		8,932	9,200	9,476	9,760	10,053	10,355	10,665	10,985	11,315	11,654	12,004
		351,976	257,330	287,816	313,996	284,789	289,627	310,302	351,539	447,590	548,373	660,655
Long-term investments		21,432	22,396	23,404	24,457	25,558	26,708	27,910	29,166	30,478	31,850	33,283
Debt reserve Fund		44,828	47,614	49,451	49,257	50,902	50,268	49,202	46,327	45,775	45,815	43,823
Debt sinking fund		558,446	660,935	771,078	852,976	986,275	1,054,532	1,081,842	1,079,499	1,170,527	1,228,933	1,206,543
Capital assets		4,644,694	4,888,826	5,002,192	4,996,552	4,906,366	4,784,684	4,668,836	4,530,241	4,350,825	4,170,508	3,972,526
Total Assets		5,621,376	5,877,100	6,133,940	6,237,238	6,253,889	6,205,819	6,138,091	6,036,772	6,045,196	6,025,478	5,916,830
Liabilities and Fund Balances												
Current liabilities												
Cheques issued in excess of funds on deposit												
Other Short term borrowing		0	1,663	0	0	0	646	0	0	0	0	0
Accounts payable and accrued liabilities		209,768	216,061	222,543	229,219	236,095	243,178	250,474	257,988	265,727	273,699	281,910
Total Current Liabilities		209,768	217,723	222,543	229,219	236,095	243,825	250,474	257,988	265,727	273,699	281,910
Employee future benefits		56,640	62,304	68,535	75,388	82,927	91,219	100,341	110,376	121,413	133,554	146,910
SkyTrain Canada Line - Deferred concessionaire credits		661,562	638,484	615,405	592,327	569,248	546,170	523,091	500,013	476,935	453,856	430,778
Golden Ears Bridge Contractor liability		1,020,150	1,032,744	1,045,059	1,051,375	1,050,913	1,049,021	1,045,557	1,040,378	1,033,348	1,024,302	1,013,077
Long-term debt		2,442,054	2,643,375	2,747,126	2,742,626	2,769,192	2,713,157	2,604,611	2,464,418	2,421,140	2,339,686	2,172,811
Total Liabilities		4,390,175	4,594,630	4,698,667	4,690,935	4,708,376	4,643,392	4,524,075	4,373,173	4,318,563	4,225,098	4,045,486
Fund balances		1,231,201	1,282,470	1,435,273	1,546,303	1,545,513	1,562,427	1,614,016	1,663,599	1,726,633	1,800,380	1,871,344
Total Liabilities and Fund Balances		5,621,376	5,877,100	6,133,940	6,237,238	6,253,889	6,205,819	6,138,091	6,036,772	6,045,196	6,025,478	5,916,830

## APPENDIX 2A: STATEMENT OF OPERATIONS

### SCBCTA

	Actual		Budget		Forecasts			Outlook							
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021			
Transit Revenues	\$ 437.8	\$ 432.8	\$ 451.3	\$ 509.2	\$ 529.3	\$ 538.4	\$ 580.3	\$ 588.9	\$ 597.7	\$ 641.1	\$ 650.6	\$ 660.3			
Toll Revenues	\$ 29.6	\$ 37.8	\$ 39.9	\$ 47.0	\$ 54.1	\$ 61.0	\$ 66.4	\$ 71.1	\$ 76.0	\$ 81.2	\$ 86.7	\$ 92.2			
User Fees	\$ 467.4	\$ 470.6	\$ 491.2	\$ 556.2	\$ 583.4	\$ 599.4	\$ 646.7	\$ 660.0	\$ 673.7	\$ 722.3	\$ 737.3	\$ 752.5			
Motor Fuel Tax	\$ 323.2	\$ 324.3	\$ 328.4	\$ 332.3	\$ 335.6	\$ 342.2	\$ 347.6	\$ 355.7	\$ 361.5	\$ 367.5	\$ 367.8	\$ 368.1			
Property Tax	\$ 271.8	\$ 279.2	\$ 287.6	\$ 296.2	\$ 305.1	\$ 314.2	\$ 323.7	\$ 333.4	\$ 343.4	\$ 353.7	\$ 364.3	\$ 375.2			
Parking Sales Tax	\$ 58.4	\$ 49.2	\$ 50.0	\$ 50.7	\$ 51.5	\$ 52.2	\$ 53.0	\$ 53.8	\$ 54.6	\$ 55.4	\$ 56.3	\$ 57.1			
Other Taxes	\$ 36.5	\$ 36.7	\$ 37.3	\$ 37.7	\$ 38.0	\$ 38.3	\$ 38.6	\$ 38.9	\$ 39.3	\$ 39.6	\$ 39.9	\$ 40.2			
Taxation Revenues	\$ 689.9	\$ 689.4	\$ 703.3	\$ 716.9	\$ 730.2	\$ 746.9	\$ 762.9	\$ 781.8	\$ 798.8	\$ 816.2	\$ 828.3	\$ 840.6			
Senior Government Contributions	\$ 146.1	\$ 196.0	\$ 225.3	\$ 188.5	\$ 141.1	\$ 118.7	\$ 105.4	\$ 106.1	\$ 80.2	\$ 41.8	\$ 39.1	\$ 19.3			
Interest Revenue	\$ 20.5	\$ 26.2	\$ 29.2	\$ 32.5	\$ 37.7	\$ 40.4	\$ 45.6	\$ 48.3	\$ 49.9	\$ 50.8	\$ 56.8	\$ 61.9			
Total Revenues	\$ 1,323.9	\$ 1,382.2	\$ 1,449.0	\$ 1,494.1	\$ 1,492.4	\$ 1,505.4	\$ 1,560.6	\$ 1,596.2	\$ 1,602.6	\$ 1,631.1	\$ 1,661.5	\$ 1,674.3			
Transit Operations	\$ 768.2	\$ 826.4	\$ 848.2	\$ 862.0	\$ 870.9	\$ 886.8	\$ 907.5	\$ 928.0	\$ 949.2	\$ 970.8	\$ 992.7	\$ 1,014.4			
Roads, Bridges and Bicycles	\$ 119.2	\$ 114.7	\$ 100.5	\$ 79.2	\$ 64.6	\$ 78.9	\$ 77.8	\$ 62.0	\$ 59.0	\$ 60.8	\$ 62.7	\$ 64.5			
TransLink Corporate & Police	\$ 101.4	\$ 106.0	\$ 105.4	\$ 107.5	\$ 109.4	\$ 111.1	\$ 113.6	\$ 116.1	\$ 121.0	\$ 121.2	\$ 124.1	\$ 127.0			
Operating Expenditures	\$ 988.8	\$ 1,047.1	\$ 1,054.1	\$ 1,048.7	\$ 1,044.9	\$ 1,076.8	\$ 1,098.9	\$ 1,106.1	\$ 1,129.2	\$ 1,152.8	\$ 1,179.5	\$ 1,205.9			
Surplus Before Interest and Depreciation	\$ 335.1	\$ 335.1	\$ 394.9	\$ 445.4	\$ 447.5	\$ 428.6	\$ 461.7	\$ 490.1	\$ 473.4	\$ 478.3	\$ 482.0	\$ 468.4			
Interest Expense	\$ 159.9	\$ 172.0	\$ 171.2	\$ 180.6	\$ 192.6	\$ 203.2	\$ 211.7	\$ 210.0	\$ 202.8	\$ 200.3	\$ 197.6	\$ 195.4			
Depreciation Expense	\$ 152.6	\$ 167.0	\$ 170.2	\$ 194.7	\$ 213.2	\$ 226.2	\$ 233.0	\$ 228.6	\$ 221.0	\$ 215.1	\$ 210.8	\$ 202.1			
Surplus/(Deficit) before Other Items	\$ 22.6	\$ (3.9)	\$ 53.5	\$ 70.1	\$ 41.7	\$ (0.8)	\$ 17.0	\$ 51.5	\$ 49.6	\$ 62.9	\$ 73.6	\$ 70.9			
Provision for Contingency Fund Adjustment	\$ -	\$ (10.1)	\$ (10.0)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Proceeds From Sale of Assets & Other Items	\$ (18.0)	\$ 35.0	\$ 4.6	\$ 82.9	\$ 69.4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
Surplus/(Deficit) before Funding Adjustments	\$ 4.6	\$ 21.0	\$ 48.1	\$ 153.0	\$ 111.1	\$ (0.8)	\$ 17.0	\$ 51.5	\$ 49.6	\$ 62.9	\$ 73.6	\$ 70.9			
Funding Adjustments	\$ 11.0	\$ (79.9)	\$ (143.6)	\$ (121.9)	\$ (89.9)	\$ (57.4)	\$ (52.0)	\$ (71.0)	\$ (46.4)	\$ (5.4)	\$ (8.1)	\$ 12.3			
Funded Surplus/(Deficit)	\$ 15.6	\$ (58.9)	\$ (95.5)	\$ 31.1	\$ 21.2	\$ (58.2)	\$ (35.0)	\$ (19.5)	\$ 3.2	\$ 57.5	\$ 65.5	\$ 83.2			
Opening Cumulative Funded Surplus	\$ 312.1	\$ 327.7	\$ 309.7	\$ 214.2	\$ 245.3	\$ 266.5	\$ 208.3	\$ 173.3	\$ 153.8	\$ 157.0	\$ 214.5	\$ 280.0			
Adjustment for 2011 forecast deficit (from 2010 actual of \$327.7 million)		\$ 40.9													
Cumulative Funded Surplus	\$ 327.7	\$ 309.7	\$ 214.2	\$ 245.3	\$ 266.5	\$ 208.3	\$ 173.3	\$ 153.8	\$ 157.0	\$ 214.5	\$ 280.0	\$ 363.2			

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

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

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

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

## APPENDIX 2B: FUNDED STATEMENT OF OPERATIONS

### SCBCTA

	Actual		Budget		Forecasts			Outlook						
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		
Transit Revenues	\$ 437.8	\$ 432.8	\$ 451.3	\$ 509.2	\$ 529.3	\$ 538.4	\$ 580.3	\$ 588.9	\$ 597.7	\$ 641.1	\$ 650.6	\$ 660.3		
Toll Revenues	\$ 29.6	\$ 37.8	\$ 39.9	\$ 47.0	\$ 54.1	\$ 61.0	\$ 66.4	\$ 71.1	\$ 76.0	\$ 81.2	\$ 86.7	\$ 92.2		
User Fees	\$ 467.4	\$ 470.6	\$ 491.2	\$ 556.2	\$ 583.4	\$ 599.4	\$ 646.7	\$ 660.0	\$ 673.7	\$ 722.3	\$ 737.3	\$ 752.5		
Motor Fuel Tax	\$ 323.2	\$ 324.3	\$ 328.4	\$ 332.3	\$ 335.6	\$ 342.2	\$ 347.6	\$ 355.7	\$ 361.5	\$ 367.5	\$ 367.8	\$ 368.1		
Property Tax	\$ 271.8	\$ 279.2	\$ 287.6	\$ 296.2	\$ 305.1	\$ 314.2	\$ 323.7	\$ 333.4	\$ 343.4	\$ 353.7	\$ 364.3	\$ 375.2		
Parking Sales Tax	\$ 58.4	\$ 49.2	\$ 50.0	\$ 50.7	\$ 51.5	\$ 52.2	\$ 53.0	\$ 53.8	\$ 54.6	\$ 55.4	\$ 56.3	\$ 57.1		
Other Taxes	\$ 36.5	\$ 36.7	\$ 37.3	\$ 37.7	\$ 38.0	\$ 38.3	\$ 38.6	\$ 38.9	\$ 39.3	\$ 39.6	\$ 39.9	\$ 40.2		
Taxation Revenues	\$ 689.9	\$ 689.4	\$ 703.3	\$ 716.9	\$ 730.2	\$ 746.9	\$ 762.9	\$ 781.8	\$ 798.8	\$ 816.2	\$ 828.3	\$ 840.6		
Senior Government Contributions	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3	\$ 19.3		
Interest Revenue	\$ 2.1	\$ 2.6	\$ 2.9	\$ 1.9	\$ 2.6	\$ 2.3	\$ 1.8	\$ 1.9	\$ 2.5	\$ 4.1	\$ 6.7	\$ 9.6		
Total Revenues	\$ 1,178.7	\$ 1,181.9	\$ 1,216.7	\$ 1,294.3	\$ 1,335.5	\$ 1,367.9	\$ 1,430.7	\$ 1,463.0	\$ 1,494.3	\$ 1,561.9	\$ 1,591.6	\$ 1,622.0		
Transit Operations	\$ 791.3	\$ 849.5	\$ 871.3	\$ 885.1	\$ 894.0	\$ 909.9	\$ 930.6	\$ 951.1	\$ 972.3	\$ 993.9	\$ 1,015.8	\$ 1,037.5		
Roads, Bridges and Bicycles	\$ 44.6	\$ 47.1	\$ 48.4	\$ 49.8	\$ 51.8	\$ 53.5	\$ 55.3	\$ 57.2	\$ 59.0	\$ 60.8	\$ 62.7	\$ 64.5		
TranLink Corporate & Police	\$ 101.4	\$ 106.0	\$ 105.4	\$ 107.5	\$ 109.4	\$ 111.1	\$ 113.6	\$ 116.1	\$ 121.0	\$ 121.2	\$ 124.1	\$ 127.0		
Operating Expenditures	\$ 937.3	\$ 1,002.6	\$ 1,025.1	\$ 1,042.4	\$ 1,055.2	\$ 1,074.5	\$ 1,099.5	\$ 1,124.4	\$ 1,152.3	\$ 1,175.9	\$ 1,202.6	\$ 1,229.0		
Surplus Before Interest and Depreciation	\$ 241.4	\$ 179.4	\$ 191.6	\$ 252.0	\$ 280.4	\$ 293.4	\$ 331.2	\$ 338.6	\$ 342.0	\$ 386.1	\$ 389.1	\$ 393.0		
Interest Expense	\$ 95.9	\$ 106.2	\$ 104.4	\$ 113.0	\$ 124.3	\$ 134.8	\$ 143.4	\$ 141.9	\$ 135.0	\$ 132.9	\$ 130.7	\$ 129.2		
Capital Repayments	\$ 112.0	\$ 156.9	\$ 177.3	\$ 190.8	\$ 204.2	\$ 216.8	\$ 222.8	\$ 216.1	\$ 203.8	\$ 195.7	\$ 192.9	\$ 180.6		
Surplus/(Deficit) before Other Items	\$ 33.6	\$ (83.7)	\$ (90.1)	\$ (51.9)	\$ (48.2)	\$ (58.2)	\$ (35.0)	\$ (19.4)	\$ 3.2	\$ 57.5	\$ 65.5	\$ 83.2		
Provision for Contingency Fund Adjustment	\$ -	\$ (10.1)	\$ (10.0)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Proceeds From Sale of Assets & Other Items	\$ (18.0)	\$ 35.0	\$ 4.6	\$ 82.9	\$ 69.4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Funded Surplus/(Deficit)	\$ 15.6	\$ (58.8)	\$ (95.5)	\$ 31.0	\$ 21.2	\$ (58.2)	\$ (35.0)	\$ (19.5)	\$ 3.2	\$ 57.5	\$ 65.5	\$ 83.2		
Opening Cumulative Funded Surplus	\$ 312.1	\$ 327.7	\$ 309.7	\$ 214.2	\$ 245.3	\$ 266.5	\$ 208.3	\$ 173.3	\$ 153.8	\$ 157.0	\$ 214.5	\$ 280.0		
Adjustment for 2011 forecast deficit (from 2010 actual of \$327.7 million)	\$ -	\$ 40.9												
Cumulative Funded Surplus	\$ 327.7	\$ 309.7	\$ 214.2	\$ 245.3	\$ 266.5	\$ 208.3	\$ 173.3	\$ 153.8	\$ 157.0	\$ 214.5	\$ 280.0	\$ 363.2		

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

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

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

APPENDIX 3		CONSOLIDATED STATEMENT OF CASHFLOWS										
SCBCTA		FORECASTS				OUTLOOK						
for the years ending 31 Dec.	thousands	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Cash provided by (used for):												
Operations:												
Excess of revenue over expenses		(71,465)	51,269	152,803	111,030	(790)	16,914	51,589	49,583	63,034	73,747	70,964
Items not involving cash:												
Amortization of capital assets		157,278	170,464	194,708	213,168	226,169	232,994	228,565	220,999	215,115	210,786	202,114
Net change in contractor liability		19,305	12,594	12,315	6,316	0	0	0	0	0	0	0
Amortization of bond issue costs		1,723	1,259	1,182	1,118	974	766	688	642	455	371	177
Amortization of debt issue costs		1,006	1,006	347	31	0	0	0	0	0	0	0
Amortization of Deferred Concessionaire credits		(23,078)	(23,078)	(23,078)	(23,078)	(23,078)	(23,078)	(23,078)	(23,078)	(23,078)	(23,078)	(23,078)
Items not involving cash		156,233	162,245	185,474	197,555	204,064	210,682	206,175	198,563	192,492	188,078	179,213
Changes in non-cash working capital:												
(Increase)/decrease in accounts receivable		(5,927)	(6,104)	(6,287)	(6,476)	(6,670)	(6,870)	(7,077)	(7,289)	(7,508)	(7,733)	(7,965)
(Increase)/decrease in supplies inventory		(1,090)	(1,123)	(1,156)	(1,191)	(1,227)	(1,264)	(1,302)	(1,341)	(1,381)	(1,422)	(1,465)
(Increase)/decrease in prepaid expenses		(260)	(268)	(276)	(284)	(293)	(302)	(311)	(320)	(330)	(339)	(350)
Increase/(decrease) in accounts payable and accrued liabilities		6,110	6,293	6,482	6,676	6,877	7,083	7,295	7,514	7,740	7,972	8,211
Employee future benefit contributions		5,149	5,664	6,230	6,853	7,539	8,293	9,122	10,034	11,038	12,141	13,355
Changes in non-cash working capital		3,982	4,462	4,992	5,578	6,225	6,940	7,728	8,599	9,559	10,619	11,787
		88,750	217,976	343,269	314,163	209,499	234,536	265,492	256,744	265,085	272,444	261,964
Investing:												
Decrease/(increase) in long-term investments		(923)	(964)	(1,008)	(1,053)	(1,101)	(1,150)	(1,202)	(1,256)	(1,312)	(1,372)	(1,433)
Decrease/(increase) in debt reserve fund deposits		(3,971)	(2,786)	(1,837)	194	(1,645)	634	1,066	2,875	552	(39)	1,992
Purchase of capital assets (excluding MRN)		(271,633)	(415,602)	(308,422)	(207,558)	(135,983)	(111,313)	(112,717)	(82,404)	(35,699)	(30,468)	(4,133)
		(276,527)	(419,352)	(311,267)	(208,417)	(138,728)	(111,829)	(112,853)	(80,785)	(36,460)	(31,879)	(3,574)
Financing:												
Short-term borrowing		0	1,663	(0)	0	0	647	0	0	0	0	0
Short-term debt repayments		(90,000)	(6,708)	(11,167)	(12,603)	(13,456)	(11,261)	(8,887)	(6,233)	(4,475)	(4,959)	(4,247)
Golden Ears Bridge contractor liability payment		0	0	0	0	(462)	(1,892)	(3,464)	(5,180)	(7,030)	(9,046)	(11,225)
Bonds issued		271,362	238,889	150,012	79,215	62,534	48,125	30,947	21,664	13,271	10,727	4,174
Issue costs on bonds issued		(415)	0	0	0	0	0	0	0	0	0	0
Bonds matured		(4,973)	(32,120)	(37,939)	(72,230)	(23,487)	(93,665)	(131,940)	(156,266)	(52,529)	(87,593)	(166,980)
Sinking Funds Maturities		0	30,053	36,197	71,249	21,208	92,616	131,193	153,679	51,938	86,520	164,344
Sinking Fund interest		(20,794)	(25,673)	(29,951)	(34,458)	(37,463)	(43,183)	(45,777)	(46,759)	(45,979)	(49,375)	(51,593)
Sinking Fund payments		(89,797)	(106,868)	(116,389)	(118,690)	(117,043)	(117,691)	(112,725)	(104,577)	(96,988)	(95,550)	(90,362)
Dividend paid to non-controlling interest												
		65,383	99,235	(9,237)	(87,517)	(108,168)	(126,303)	(140,653)	(143,673)	(141,791)	(149,277)	(155,887)
Increase/(decrease) in cash		(122,393)	(102,141)	22,766	18,229	(37,398)	(3,597)	11,987	32,286	86,834	91,288	102,503
Cash, beginning of period		224,535	102,141	0	22,766	40,995	3,597	0	11,987	44,274	131,107	222,395
Cash, end of period		102,141	0	22,766	40,995	3,597	0	11,987	44,274	131,107	222,395	324,898



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

\$ Millions	FORECASTS				OUTLOOK						
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Opening Gross Direct Borrowing	2,264	2,442	2,645	2,747	2,743	2,769	2,714	2,605	2,464	2,421	2,340
Adjustments	-	-	-	-	-	-	-	-	-	-	-
Retirements/Other	(93)	(38)	(46)	(84)	(36)	(104)	(139)	(162)	(57)	(92)	(171)
Short term borrowings	-	2	(2)	-	-	1	(1)	-	-	-	-
Borrowing in Yr - Capital	271	239	150	79	63	48	31	22	13	11	4
Closing Gross Direct Borrowing	2,442	2,645	2,747	2,743	2,769	2,714	2,605	2,464	2,421	2,340	2,173
Less: Sinking funds	(558)	(661)	(771)	(853)	(986)	(1,055)	(1,082)	(1,079)	(1,171)	(1,229)	(1,207)
Less: Debt Reserve Funds	(45)	(48)	(49)	(49)	(51)	(50)	(49)	(46)	(46)	(46)	(44)
Closing Net Direct Borrowing	1,839	1,937	1,927	1,840	1,732	1,609	1,474	1,339	1,205	1,065	923
<b>Established Borrowing Limit</b>	<b>2,800</b>	<b>2,800</b>	<b>2,800</b>	<b>2,800</b>	<b>2,800</b>	<b>2,800</b>	<b>2,800</b>	<b>2,800</b>	<b>2,800</b>	<b>2,800</b>	<b>2,800</b>
<b>Reconciliation of Borrowing During Year to Annual Capital Expenditures:</b>											
Capital Expenditures (including MRN)	339	443	318	200	161	134	117	82	36	30	4
Less: Sr Gov't Contributions	(70)	(206)	(169)	(122)	(99)	(86)	(87)	(61)	(22)	(20)	-
Less: Other Contributions	(1)	-	-	-	-	-	-	-	-	-	-
Net Expenditures	269	237	149	79	62	48	31	21	13	11	4
Add: Gross-up for Debt Reserve Fund	3	2	1	1	1	0	0	0	0	0	0
Net Borrowing amount for capital	271	239	150	79	63	48	31	22	13	11	4

**APPENDIX 5 : CAPITAL CASH FLOWS - PROJECTS APPROVED AND PROPOSED**

SCBCTA

\$ Thousands	FORECASTS				OUTLOOK						
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Projects Approved or Underway</b>	<b>338,879</b>	<b>348,989</b>	<b>78,998</b>	<b>22,347</b>	<b>6,427</b>	<b>7,015</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Transit</b>											
Vehicles Conventional Expansion	-	-	-	-	-	-	-	-	-	-	-
Vehicles Conventional Replace	122	35,725	88,904	62,786	84,916	80,008	84,846	57,757	-	-	-
Vehicles Custom Expansion	-	-	-	-	-	-	-	-	-	-	-
Vehicles Custom Replace	-	8,768	18,905	23,026	12,692	7,535	12,410	11,799	16,610	11,892	-
Vehicles Community Shuttle Expansion	-	-	-	-	-	-	-	-	-	-	-
Vehicles Community Shuttle Replace	101	6,146	20,957	27,656	4,985	9,992	8,966	7,238	12,597	14,564	-
Exchanges	-	6,228	741	903	531	238	245	252	260	267	276
Depots	-	11,183	78,973	30,369	25,404	1,073	979	1,324	390	401	413
Heavy Fleet Maintenance Centre	-	-	-	-	-	-	-	-	-	-	-
Transit Small	-	-	-	-	-	-	-	-	-	-	-
Transit Minor	-	-	-	-	-	-	-	-	-	-	-
Transit and Pedestrian Corridor Upgrades	-	-	-	-	-	-	-	-	-	-	-
Innovations Capital	-	-	-	-	-	-	-	-	-	-	-
IT / ITS	-	-	-	-	-	-	-	-	-	-	-
Infrast	-	2,005	(281)	(2,037)	(1,547)	3,518	5,270	4,034	5,843	3,343	3,444
Other	-	6,571	497	839	-	-	-	-	-	-	-
<b>Subtotal Transit</b>	<b>223</b>	<b>76,626</b>	<b>208,697</b>	<b>143,543</b>	<b>126,981</b>	<b>102,364</b>	<b>112,717</b>	<b>82,404</b>	<b>35,699</b>	<b>30,468</b>	<b>4,133</b>
<b>Rapid Transit</b>											
Wayside Power Propulsion	-	1,264	682	173	-	-	-	-	-	-	-
Station & Station area Upgrades & Programs	-	5,075	9,783	6,068	360	-	-	-	-	-	-
Infrast	-	-	3,174	6,073	10	-	-	-	-	-	-
Other	-	988	967	770	1	-	-	-	-	-	-
<b>Subtotal Rapid Transit</b>	<b>-</b>	<b>7,328</b>	<b>14,606</b>	<b>13,084</b>	<b>372</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Bike Program</b>	<b>-</b>	<b>150</b>	<b>550</b>	<b>1,750</b>	<b>5,850</b>	<b>5,450</b>	<b>1,250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Roads</b>											
MRN Minor	-	1,061	3,185	6,920	19,538	17,000	3,500	-	-	-	-
<b>Subtotal Roads</b>	<b>-</b>	<b>1,061</b>	<b>3,185</b>	<b>6,920</b>	<b>19,538</b>	<b>17,000</b>	<b>3,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Bridges</b>	<b>-</b>	<b>271</b>	<b>1,632</b>	<b>705</b>	<b>39</b>	<b>746</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Marine</b>	<b>-</b>	<b>1,036</b>	<b>4,479</b>	<b>6,182</b>	<b>1,154</b>	<b>1,188</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>IT</b>	<b>-</b>	<b>7,239</b>	<b>5,679</b>	<b>5,818</b>	<b>1,010</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Gross Cost</b>	<b>339,102</b>	<b>442,700</b>	<b>317,827</b>	<b>200,350</b>	<b>161,370</b>	<b>133,763</b>	<b>117,467</b>	<b>82,404</b>	<b>35,699</b>	<b>30,468</b>	<b>4,133</b>
<b>Contribution</b>											
Fed	(52,319)	(190,031)	(167,173)	(121,772)	(99,419)	(86,084)	(86,790)	(60,918)	(22,494)	(19,782)	-
Prov	(17,182)	(15,978)	(2,002)	-	-	-	-	-	-	-	-
Other	(806)	-	-	-	-	-	-	-	-	-	-
<b>Total Contribution</b>	<b>(70,308)</b>	<b>(206,009)</b>	<b>(169,175)</b>	<b>(121,772)</b>	<b>(99,419)</b>	<b>(86,084)</b>	<b>(86,790)</b>	<b>(60,918)</b>	<b>(22,494)</b>	<b>(19,782)</b>	<b>-</b>
<b>Total Net Cost</b>	<b>268,794</b>	<b>236,690</b>	<b>148,652</b>	<b>78,577</b>	<b>61,952</b>	<b>47,679</b>	<b>30,677</b>	<b>21,486</b>	<b>13,205</b>	<b>10,686</b>	<b>4,133</b>

<b>APPENDIX 6 - TRANSIT SERVICE HOURS</b>											
SCBCTA											
	FORECASTS				OUTLOOK						
<i>Thousands of Hours</i>	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Conventional Bus	4,373	4,373	4,373	4,373	4,373	4,373	4,373	4,373	4,373	4,373	4,373
Community Shuttle	555	555	555	555	555	555	555	555	555	555	555
Total Bus	4,928	4,928	4,928	4,928	4,928	4,928	4,928	4,928	4,928	4,928	4,928
SkyTrain E&M	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128	1,128
SkyTrain Canada Line	180	196	196	196	196	196	196	196	196	196	196
Total Rapid Transit	1,308	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323	1,323
SeaBus	11	11	11	11	11	11	11	11	11	11	11
West Coast Express	43	42	42	42	42	42	42	42	42	42	42
Total Conventional Service	6,289	6,304	6,304	6,304	6,304	6,304	6,304	6,304	6,304	6,304	6,304
Custom	613	613	613	613	613	613	613	613	613	613	613
<b>Total Service Hours</b>	<b>6,902</b>	<b>6,917</b>	<b>6,917</b>	<b>6,917</b>	<b>6,917</b>	<b>6,917</b>	<b>6,917</b>	<b>6,917</b>	<b>6,917</b>	<b>6,917</b>	<b>6,917</b>

**Appendix 7: Schedule of Transit Fares and Projected Fare Revenues**

Year	2011	2012	2013	2014
<b>FARE SCHEDULE</b>				
<b>Conventional Transit</b>				
<b>Cash Fares</b>				
1 zone Adult	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50
2 zone Adult	\$ 3.75	\$ 3.75	\$ 3.75	\$ 3.75
3 zone Adult	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
<b>Monthly Farecard</b>				
1 zone Adult	\$ 81.00	\$ 81.00	\$ 100.40	\$ 100.40
2 zone Adult	\$ 110.00	\$ 110.00	\$ 136.40	\$ 136.40
3 zone Adult	\$ 151.00	\$ 151.00	\$ 187.20	\$ 187.20
<b>Canada Line YVR Add Fare (See Note 2)</b>	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
<b>Custom Transit Service</b>				
<b>Cash Fares</b>				
Within 1 zone	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50
Between 2 adjacent zones	\$ 2.50	\$ 2.50	\$ 2.50	\$ 2.50
Between 3 adjacent zones	\$ 3.75	\$ 3.75	\$ 3.75	\$ 3.75
Between 4 adjacent zones	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
<b>Monthly Farecard</b>				
Within 1 zone	\$ 81.00	\$ 81.00	\$ 100.40	\$ 100.40
Between 2 adjacent zones	\$ 81.00	\$ 81.00	\$ 100.40	\$ 100.40
Between 3 adjacent zones	\$ 110.00	\$ 110.00	\$ 136.40	\$ 136.40
Between 4 adjacent zones	\$ 151.00	\$ 151.00	\$ 187.20	\$ 187.20
<b>West Coast Express (WCE) Service</b>				
<b>Cash fares - One Way</b>				
1 zone Adult	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
2 zone Adult	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00
3 zone Adult	\$ 6.75	\$ 6.75	\$ 6.75	\$ 6.75
4 zone Adult	\$ 8.25	\$ 8.25	\$ 8.25	\$ 8.25
5 zone Adult	\$ 11.25	\$ 11.25	\$ 11.25	\$ 11.25
<b>Weekly Pass</b>				
1 zone Adult	\$ 42.25	\$ 42.25	\$ 52.40	\$ 52.40
2 zone Adult	\$ 42.25	\$ 42.25	\$ 52.40	\$ 52.40
3 zone Adult	\$ 58.00	\$ 58.00	\$ 72.00	\$ 72.00
4 zone Adult	\$ 70.50	\$ 70.50	\$ 87.40	\$ 87.40
5 zone Adult	\$ 97.50	\$ 97.50	\$ 120.90	\$ 120.90
<b>28 Day Pass</b>				
1 zone Adult	\$ 134.75	\$ 134.75	\$ 167.00	\$ 167.00
2 zone Adult	\$ 134.75	\$ 134.75	\$ 167.00	\$ 167.00
3 zone Adult	\$ 178.75	\$ 178.75	\$ 221.60	\$ 221.60
4 zone Adult	\$ 217.00	\$ 217.00	\$ 269.00	\$ 269.00
5 zone Adult	\$ 298.50	\$ 298.50	\$ 370.00	\$ 370.00
<b>PROJECTED FARE REVENUES (See Note 1)</b>				
(thousands)				
Short-term Fare Revenue	\$180,615	\$194,791	\$167,926	\$171,956
Other Fare Revenue	\$240,399	\$244,742	\$328,719	\$343,988
<b>Total</b>	<b>\$421,014</b>	<b>\$439,533</b>	<b>\$496,644</b>	<b>\$515,944</b>
<b>Short-term Fares as Percentage of Total</b>	<b>42.9%</b>	<b>44.3%</b>	<b>33.8%</b>	<b>33.3%</b>

**Note 1:**

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

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

**Note 2:**

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