

Report No. 3 of the Commissioner of Finance was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on December 14, 2017.

2018 Regional Budget

Regional Council recommends adoption of the following recommendations contained in the report dated December 8, 2017 from the Commissioner of Finance:

1. Approve the operating and capital budgets as follows:
 - a. The 2018 operating budget tabled on November 16, 2017, amended to include recently announced provincial funding to support additional staffing at the Region's long-term care facilities, as summarized in Attachment 1
 - b. The 2018 capital expenditures and Capital Spending Authority by program group, as summarized in Attachment 2, and the authority to reallocate funding between projects in a program group as detailed in this report
 - c. The 2018 capital expenditures and Capital Spending Authority by project, as detailed in the 2018 Budget book tabled on November 16, 2017
2. Approve debt authority and reserve items as follows:
 - a. Incremental debt authority of \$90,227,000 required for 2018 Capital Spending Authority by project as specified in Column (B) of Attachment 3
 - b. Total debt authority for capital projects up to the amounts specified in Column (C) of Attachment 3 in accordance with the Capital Financing and Debt Policy
 - c. Approve a contribution of \$133,337,134 to the Sinking Fund Reserve for the purpose of meeting the Region's 2018 sinking fund obligations
 - d. Authorize the funding of capital projects that have been previously approved for debt financing from reserves where there are sufficient funds available and, in the opinion of the Treasurer, it is prudent to do so
3. Endorse the reconciliation of the 2018 Budget to the full accrual basis of accounting, as required under Ontario Regulation 284/09, as summarized in Attachment 4 and explained in the budget book

4. Authorize the Commissioner of Finance and Regional Treasurer to:
 - a. Make any necessary adjustments within the total approved budget to reflect organizational changes and any other reallocation of costs
 - b. Accept and adjust the budget for new provincial and/or federal funding provided there is no tax levy impact

Report dated December 14, 2017 from the Commissioner of Finance now follows:

1. Recommendations

It is recommended that Council:

5. Approve the operating and capital budgets as follows:
 - a. The 2018 operating budget tabled on November 16, 2017, amended to include recently announced provincial funding to support additional staffing at the Region's long-term care facilities, as summarized in Attachment 1
 - b. The 2018 capital expenditures and Capital Spending Authority by program group, as summarized in Attachment 2, and the authority to reallocate funding between projects in a program group as detailed in this report
 - c. The 2018 capital expenditures and Capital Spending Authority by project, as detailed in the 2018 Budget book tabled on November 16, 2017
6. Approve debt authority and reserve items as follows:
 - a. Incremental debt authority of \$90,227,000 required for 2018 Capital Spending Authority by project as specified in Column (B) of Attachment 3
 - b. Total debt authority for capital projects up to the amounts specified in Column (C) of Attachment 3 in accordance with the Capital Financing and Debt Policy

- c. Approve a contribution of \$133,337,134 to the Sinking Fund Reserve for the purpose of meeting the Region's 2018 sinking fund obligations
 - d. Authorize the funding of capital projects that have been previously approved for debt financing from reserves where there are sufficient funds available and, in the opinion of the Treasurer, it is prudent to do so
7. Endorse the reconciliation of the 2018 Budget to the full accrual basis of accounting, as required under Ontario Regulation 284/09, as summarized in Attachment 4 and explained in the budget book
8. Authorize the Commissioner of Finance and Regional Treasurer to:
- a. Make any necessary adjustments within the total approved budget to reflect organizational changes and any other reallocation of costs
 - b. Accept and adjust the budget for new provincial and/or federal funding provided there is no tax levy impact

2. Purpose

This report seeks Council's approval of the Region's operating and capital budgets. For the operating budget, approval is being sought for 2018 expenditures and funding sources. For capital, Council is being asked to approve capital spending in 2018 and 2018 Capital Spending Authority to authorize multi-year spending commitments, along with the related funding sources, including the debt authority required for these projects.

Delegated authority for the Treasurer to make any required adjustments or reallocations of planned expenditures is also requested. This authority may be required to address changes to funding sources or to support new in-year provincial and/or federal funding announcements.

Finally, this report responds to Ontario Regulation 284/09, which requires the Region to reconcile the budget with the full accrual basis of accounting.

3. Background and Previous Council Direction

The 2018 budget was developed over the past several months

The Region's budget was developed over the past several months, with the timeline for budget development and approval as follows:

- Departmental submissions – August 2017
- Treasurer and CAO reviews – September/October 2017
- Draft 2018 Budget tabled at Council – [November 16, 2017](#)
- Committee of the Whole reviews – November/December 2017

Council approved an outlook for 2018 as part of the 2017 multi-year budget

The 2017 to 2018 Budget was approved by Council on [December 15, 2016](#). This was the third year of the Region’s multi-year budget that spans the full term of Council. As part of the 2017 to 2018 Budget, Council approved an outlook for 2018 that included a tax levy increase of 2.65%. The approved outlook formed the basis of the 2018 budget process. As shown in Table 1, the approval of an outlook is not requested as part of the 2018 budget process, because 2018 is the final year in the current term of Council.

Table 1
Annual Budget Approval

<i>Budget Year to be Approved</i>	<i>Years of Approved Outlook</i>
2015	3
2016	2
2017	1
2018	0

The proposed 2018 tax levy increase has been revised from the previously approved outlook

The 2018 Budget recommends a tax levy increase of 2.77%. This increase is revised from the approved outlook of 2.65% included in the 2017-2018 Budget. Reasons for the change include higher costs related to a proposed new agreement for the use of the PRESTO smart card system, establishment of YTN Telecom Network Inc., and the addition of resources to meet workload demands and help manage risks. The increases are partially offset by higher-than-expected assessment growth, York Regional Police revenues, and lower costs.

Committee of the Whole reviewed the proposed budget

After the tabling of the budget on November 16, 2017, Committee of the Whole reviewed the budget for each business area. During the review process, the Committee recommended that the budget as tabled, along with an amendment

for recently announced provincial funding to support additional staffing at the Region's long-term care facilities, be consolidated by the Treasurer for consideration by Council on December 14, 2017.

4. Analysis and Implications

Operating and Capital Budget

The budget responds to service needs in all of the Region's communities

The budget supports a wide range of services for York Region residents and businesses. In addition to maintaining existing services, the budget provides funding for new initiatives in 2018, including:

- Launching YTN Telecom Network Inc., a corporation designed to leverage the potential of the Region's fibre network and extend coverage into under-served areas of the Region
- Increasing Public Health resources to continue implementing its vaccine strategy, strengthen senior management capacity and respond to findings of a process audit
- Preparing to deliver and administer the EarlyON Child and Family centres as part of provincial modernization of the child care system, and serving more children and their families
- Expanding housing supports through new provincial funding aimed at helping to prevent homelessness
- Implementing the Travel Smart program to provide informed travel options through the use of technology and to improve system reliability
- Connecting York Region Transit / Viva services to the TTC's Line 1 subway with the completion of the Toronto-York Spadina Subway Extension and three subway stations in York Region
- Adding 16 new paramedic services staff and 22 York Regional Police staff, including 14 sworn members and 8 civilian support staff, to strengthen emergency response services

The use of program groups supports improved capital delivery

The budget seeks approval of 2018 single-year capital expenditures and 2018 Capital Spending Authority. Capital Spending Authority (CSA) is the authority from Council to commit funding to a capital project. The authority may span several years for large projects.

In addition to individual capital projects, program groups that combine individual projects with similar business needs have been identified.

As in previous years, approval is sought to provide the ability to reallocate expenditures between projects in a program group, subject to the following conditions:

- No increase in the total cost of the program group's 2018 and ten-year capital plan totals
- No increase in the 2018 Capital Spending Authority for the program group
- The reallocation is between projects with similar funding sources

The flexibility provided by program groups will enable departments to better manage variations in project timing and deliver a higher proportion of the capital plan.

Attachment 2 summarizes the 2018 single-year capital expenditures and the 2018 Capital Spending Authority by program group. Details on the individual projects that make up the program groups are included in the 2018 Budget book tabled with Council, in the appendix entitled "Capital Budget Reports" (pages 237 to 374).

Debt Authority and Reserves

Incremental debt authority of \$90.23 million is required for capital projects with 2018 Capital Spending Authority

Each year Capital Spending Authority is requested for the projects in the capital plan. The values in Column C of Attachment 3 show the year to year changes in debt authority by project. Debt authority may change because project costs have increased or decreased, or because the split between debt and other funding sources has changed.

The incremental debt authority of \$90.23 million, shown in column B of Attachment 3, represents the change from the remaining debt authority in the 2017 budget of approximately \$851.23 million, to \$941.46 million that is now needed to support 2018 Capital Spending Authority.

Actual debt ultimately required may be less than the total debt authority being sought

The total amount of debt that Council is being asked to approve includes an increment over and above the debt that is being projected in the 2018 budget, as a risk mitigating feature. This is done principally to provide debt flexibility so that approved capital projects can continue if anticipated funding is not available as soon as expected.

This practice also allows staff to optimize the use of the development change reserve by shifting available reserve funding to those projects ready to proceed rather than committing the reserves to a specific project that may be delayed or not as active in a particular year. Any excess debt authority will be cancelled once it is no longer needed as part of the following year's budget.

\$133.3 million has been included in the 2018 budget to meet the Sinking Fund contribution requirements for York Region

Section 424(4) of the Municipal Act requires that the Treasurer advise Council each year of the amount that must be raised for sinking fund purposes.

The Region finances with term debentures that have sinking fund features, as this type of debt is generally required to attract large investors. For each new term debenture issue, a sinking fund is established, with a fixed amount contributed each year until the maturity date of the debenture. The sum of the annual contributions, together with the interest earned on those contributions, is used to repay the debenture at maturity.

The 2018 sinking fund contributions required for debt issued by York Region are shown in Table 2. Of the total amount shown, the Region must raise \$132.1 million for debt issued for its own capital projects. The balance will be for debt issued on behalf of local municipalities, which they will raise through their own budgets.

The sinking fund contributions are part of the debt repayment expenditures included in the 2018 Budget.

Table 2
2018 Sinking Fund Contribution Requirements

	\$
Township of King	882,718
Town of Newmarket	<u>401,615</u>
Subtotal	1,284,333
York Region	<u>132,052,801</u>
Total Contribution Requirements	133,337,134

Ontario Regulation 284/09 requires additional reporting on specific expenses if they have been excluded from the budget

This report also responds to the requirements of Ontario Regulation 284/09. While preparing budgets on an accrual accounting basis is not required, Ontario Regulation 284/09 requires municipalities to report on whether they are budgeting for amortization expenses, post-employment benefit expenses and solid waste landfill closure and post-closure expenses. The regulation also requires that this report be prepared prior to adopting the budget for that year.

The full accrual budget reconciliation was included in the Accrual Budget Presentation section of the 2018 Budget book tabled on November 16, 2017 (pages 23 to 30). Attachment 4 includes revised schedules that reflect the amendments recommended by Committee of the Whole for the additional long-term care funding received from the province.

In-year budget adjustments

Flexibility is requested to make any necessary adjustments within the total approved budget to reflect organizational changes and other reallocation of costs

During the year there may be minor changes required for the budget which do not have any impact on gross operating spending, tax levy or permanent staffing.

These adjustments to the operating budget can arise from changes to organizational structure, the flexibility needed to adapt to new technology solutions and operational needs. One of these changes includes the transfer of \$248,000 from the Transit Fare Subsidy program in Community and Health Services to Transportation Services to support the Transit Assistance program pilot. The 2018 budget will be updated after it is approved through the Treasurer's delegated authority requested in this report.

Flexibility is requested to make any necessary adjustments for new provincial and federal funding grants

During 2018 the provincial and federal governments may provide new funding for regionally delivered programs or capital projects. Historically staff has sought Council's approval through a report to adjust the budget to enable the Region to deliver the program. Since 2018 is an election year, September will be the last opportunity for staff to seek Council's approval to accept any new funding.

This report seeks authorization for the Regional Treasurer to accept new in-year provincial and federal funding. This authority would be used only in situations where accepting the funding would require no increase to the tax levy. In the operating budget, gross spending and revenue would be adjusted, with no net tax levy impact. In the capital budget, new funding would be applied to projects already within the capital plan and would have no impact to the planned spending or Capital Spending Authority.

This approach would help ensure the timely implementation of initiatives for which new provincial or federal funding is received and reduce the risk of being unable to fully use these funds.

The budget is informed by Council-approved strategies and plans

The 2018 Budget reflects the directions and strategies set out in Vision 2051, the York Region Official Plan, the Regional Fiscal Strategy and the approved Water and Wastewater Financial Sustainability Plan. The budget also supports the strategic objectives outlined in the 2015 to 2019 Strategic Plan.

The 2017 Development Charge bylaw and the 2018 capital budget are informed by the Water and Wastewater Master Plan and Transportation Master Plan. Full implementation of the Transportation Master Plan will require new revenue sources and enduring funding commitments from the federal and provincial governments.

5. Financial Considerations

Committee of the Whole has recommended the 2018 budget

The 2018 tabled budget recommended by Committee was amended to include recently announced provincial funding to support additional staffing at the Region's long-term care facilities. The operating budget results in a tax levy increase of 2.77%, as summarized in Attachment 1.

The capital budget includes \$810 million in 2018 spending and multi-year Capital Spending Authority of \$2.2 billion, as summarized in Attachment 2 and detailed in the 2018 Budget book tabled on November 16, 2017.

The budget also recommends incremental debt authority of \$90.23 million for the 2018 Capital Spending Authority.

6. Local Municipal Impact

The Region provides essential services and capital infrastructure for residents and businesses in all local municipalities within York Region. The 2018 budget endeavours to meet growing demands for service with reasonable tax levy requirements and sustainable multi-year capital investment.

7. Conclusion

This report provides the results of budget review by Committee of the Whole and related recommendations regarding the 2018 budget. The budget is summarized in this report and Council's approval is recommended.

For more information on this report, please contact Kelly Strueby, Director, Office of the Budget, at 1-877-464-9675 ext. 71611.

The Senior Management Group has reviewed this report.

December 8, 2017

Attachments (4)

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Accessible formats or communication supports are available upon request

Consolidated Tax Levy Summary

(in \$000s)	2017 Budget		2018 Approved		\$ Change	% Change
	Gross	Net	Gross	Net	Net	Net
Transportation Services						
York Region Transit/Viva	197,071	105,672	198,956	107,717	2,044	1.93%
Roads & Traffic	121,643	83,307	128,783	85,550	2,242	2.69%
Transportation Program Support	17,930	17,870	20,233	19,953	2,083	11.65%
Sub Total	336,644	206,850	347,972	213,219	6,369	3.08%
Environmental Services						
Waste Management	64,663	43,803	65,887	45,207	1,404	3.21%
Water & Wastewater Services	488,965	-	504,048	-	-	-
Natural Heritage & Forestry	9,251	8,171	9,382	8,239	69	0.84%
Energy Management	886	731	953	745	15	1.99%
Sub Total	563,765	52,704	580,270	54,192	1,487	2.82%
Community & Health Services						
Employment & Financial Support	101,319	17,717	108,942	18,217	500	2.82%
Integrated Children's Services	133,981	15,332	160,374	15,720	389	2.54%
Housing Services	82,207	48,143	86,725	48,475	332	0.69%
Public Health	62,827	14,899	65,750	17,004	2,105	14.13%
Paramedic Services	75,465	34,781	78,492	36,558	1,777	5.11%
Seniors Services	34,059	12,932	34,925	13,283	351	2.71%
Strategies & Partnerships	14,563	14,373	14,971	14,971	598	4.16%
Integrated Business Services	18,717	18,717	20,389	19,369	653	3.49%
Sub Total	523,137	176,893	570,568	183,597	6,703	3.79%
Corporate Management						
Chair & Council	2,336	2,336	2,373	2,373	37	1.58%
Office of the C.A.O.	6,064	5,887	6,685	6,508	621	10.55%
Legal Services	6,306	5,896	6,860	6,427	531	9.01%
Financial Management	18,856	16,628	19,772	17,355	727	4.37%
Information Technology Services	26,425	26,425	26,865	26,865	441	1.67%
Communications, Information and Data	13,661	13,396	14,555	14,357	961	7.18%
Human Resource Services	8,938	8,858	9,217	9,207	348	3.93%
Planning and Economic Development	9,699	7,057	10,547	7,328	271	3.85%
Property Services	5,247	4,458	5,397	4,674	216	4.85%
Sub Total	97,533	90,941	102,272	95,095	4,154	4.57%
Recovery from WWw (User Rate)		(6,014)		(6,195)	(181)	3.01%
Total Regional Programs	1,521,080	521,374	1,601,082	539,907	18,533	3.55%
Court Services	13,151	(2,402)	13,467	(2,432)	(30)	1.23%
Financial Initiatives						
Fiscal Strategy	155,299	146,644	171,191	162,436	15,792	10.77%
Non-Program and Financial Management	16,698	5,013	13,885	3,292	(1,721)	(34.34%)
Sub Total	171,997	151,658	185,076	165,728	14,070	9.28%
Boards & Authorities						
Conservation Authorities	5,948	5,948	6,167	6,167	219	3.68%
Hospital Capital Funding	14,424	14,424	14,675	14,675	251	1.74%
Property Assessment (MPAC)	19,185	19,185	19,732	19,732	548	2.86%
GO Transit	2,500	-	2,500	-	-	-
Sub Total	42,057	39,557	43,075	40,575	1,018	2.57%
York Region Rapid Transit Corporation	24,879	4,662	30,827	4,436	(226)	(4.84%)
York Telecom Network	500	500	1,601	793	293	58.60%
Total Operating Programs	1,773,664	715,349	1,875,129	749,007	33,658	4.71%
Police Services	342,538	310,791	357,525	323,511	12,720	4.09%
Total Operating Budget	2,116,203	1,026,140	2,232,654	1,072,519	46,379	4.52%
Less Assessment Growth Revenue				(17,903)	(17,903)	(1.74%)
Total After Assessment Growth	2,116,203	1,026,140	2,232,654	1,054,615	28,475	2.77%

Summary of 2018 Multi-Year Capital Spending Authority by Program Group

(in \$000s)	Capital Spending Authority	Pay-As-You-Go Tax Levy	Debt Reduction Reserve	Asset Replacement Reserves	Program Specific Reserves*	Development Charge Reserves	Federal Gas Tax Reserves	Grants & Subsidies	Other Recoveries	Planned Debenture Proceeds
Program Groups as Summarized Below										
Transportation Services										
York Region Transit										
Rehabilitation and Replacement	78,817	9,400	-	69,208	-	-	-	209	-	-
Growth	75,366	-	13,357	-	-	24,048	37,961	-	-	-
York Region Transit Subtotal	154,183	9,400	13,357	69,208	-	24,048	37,961	209	-	-
Roads										
Rehabilitation and Replacement	39,055	13,270	14,619	3,260	-	721	-	-	2,618	4,567
Growth	401,774	36,788	-	-	-	296,814	1,472	-	41,943	24,757
Roads Subtotal	440,829	50,058	14,619	3,260	-	297,535	1,472	-	44,561	29,324
Transportation Services	595,012	59,458	27,976	72,468	-	321,583	39,433	209	44,561	29,324
Environmental Services										
Water										
Rehabilitation and Replacement	89,757	-	-	86,393	-	-	-	-	3,364	-
Growth	82,688	-	-	1,800	-	61,539	-	-	-	19,349
Water Subtotal	172,445	-	-	88,193	-	61,539	-	-	3,364	19,349
Wastewater										
Rehabilitation and Replacement	528,905	-	-	475,611	-	-	-	-	53,294	-
Growth	146,168	-	-	528	-	123,616	-	-	2,262	19,762
Wastewater Subtotal	675,073	-	-	476,139	-	123,616	-	-	55,556	19,762
Waste Management										
Rehabilitation and Replacement	2,219	-	-	-	2,219	-	-	-	-	-
Growth	4,895	-	-	-	4,386	509	-	-	-	-
Waste Management Subtotal	7,114	-	-	-	6,605	509	-	-	-	-
Natural Heritage and Forestry	1,486	800	-	-	-	686	-	-	-	-
Energy Management	3,705	-	-	3,705	-	-	-	-	-	-
Environmental Services	859,823	800	-	568,037	6,605	186,350	-	-	58,920	39,111
Community and Health Services										
Housing Services	132,969	-	-	15,915	55,008	14,213	-	28,112	-	19,721
Seniors Services	5,739	-	5,136	603	-	-	-	-	-	-
Paramedic Services	48,945	-	14,882	7,347	-	26,716	-	-	-	-
Public Health	1,475	-	-	397	-	1,078	-	-	-	-
Community and Health Services	189,128	-	20,018	24,262	55,008	42,007	-	28,112	-	19,721
Information Technology Services	103,798	-	-	59,358	44,440	-	-	-	-	-
Corporate Services										
Property Services										
Rehabilitation and Replacement	2,544	-	-	2,544	-	-	-	-	-	-
Business Initiatives	148,663	-	131,723	7,061	-	-	-	-	-	9,879
Property Services Subtotal	151,207	-	131,723	9,605	-	9,879	-	-	-	-
Planning and Economic Development	851	85	-	-	-	766	-	-	-	-
Corporate Services	152,058	85	131,723	9,605	-	10,645	-	-	-	-
Court Services	120	-	-	120	-	-	-	-	-	-
Approval by Individual Project as Detailed in the 2018 Budget Book										
York Region Rapid Transit Corporation	189,085	-	-	-	1,809	93,277	48,667	43,932	1,400	-
York Telecom Network	20,504	-	-	-	20,504	-	-	-	-	-
York Regional Police	46,892	-	12,065	5,776	-	28,976	-	-	75	-
York Region	2,156,420	60,343	191,782	739,626	128,366	682,838	88,100	72,253	104,956	88,156

*Program Specific Reserves also include the General Capital Reserve

Summary of 2018 Single-Year Capital Expenditures by Program Group

(in \$000s)	Capital Spending Authority	Pay-As-You-Go Tax Levy	Debt Reduction Reserve	Asset Replacement Reserves	Program Specific Reserves *	Development Charge Reserves	Federal Gas Tax Reserves	Grants & Subsidies	Other Recoveries	Planned Debture Proceeds
Program Groups as Summarized Below										
Transportation Services										
York Region Transit										
Rehabilitation and Replacement	57,787	9,400	-	48,178	-	-	-	209	-	-
Growth	49,231	-	13,357	-	-	15,560	20,314	-	-	-
York Region Transit Subtotal	107,018	9,400	13,357	48,178	-	15,560	20,314	209	-	-
Roads										
Rehabilitation and Replacement	36,791	11,765	14,619	3,260	-	449	-	-	2,458	4,240
Growth	184,734	17,120	-	-	-	140,164	1,472	-	30,218	(4,240)
Roads Subtotal	221,525	28,885	14,619	3,260	-	140,613	1,472	-	32,676	-
Transportation Services	328,543	38,285	27,976	51,438	-	156,173	21,786	209	32,676	-
Environmental Services										
Water										
Rehabilitation and Replacement	39,595	-	-	36,261	-	-	-	-	3,334	-
Growth	25,868	-	-	1,800	-	24,068	-	-	-	-
Water Subtotal	65,463	-	-	38,061	-	24,068	-	-	3,334	-
Wastewater										
Rehabilitation and Replacement	55,931	-	-	55,116	-	-	-	-	815	-
Growth	24,721	-	-	512	-	23,534	-	-	675	-
Wastewater Subtotal	80,652	-	-	55,628	-	23,534	-	-	1,490	-
Waste Management										
Rehabilitation and Replacement	1,864	-	-	-	1,864	-	-	-	-	-
Growth	780	-	-	-	728	52	-	-	-	-
Waste Management Subtotal	2,644	-	-	-	2,592	52	-	-	-	-
Natural Heritage and Forestry	1,486	800	-	-	-	686	-	-	-	-
Energy Management	3,670	-	-	3,670	-	-	-	-	-	-
Environmental Services	153,915	800	-	97,359	2,592	48,340	-	-	4,824	-
Community and Health Services										
Housing Services	47,185	-	-	1,365	20,550	5,730	-	19,540	-	-
Seniors Services	2,939	-	2,336	603	-	-	-	-	-	-
Paramedic Services	21,778	-	6,217	4,558	-	11,003	-	-	-	-
Public Health	200	-	-	104	-	96	-	-	-	-
Community and Health Services	72,102	-	8,553	6,630	20,550	16,829	-	19,540	-	-
Information Technology Services										
19,152	-	-	-	10,917	8,235	-	-	-	-	-
Corporate Services										
Property Services										
Rehabilitation and Replacement	2,544	-	-	2,544	-	-	-	-	-	-
Business Initiatives	106,870	-	92,876	7,061	-	-	-	-	-	6,933
Property Services Subtotal	109,414	-	92,876	9,605	-	6,933	-	-	-	-
Planning and Economic Development	851	85	-	-	-	766	-	-	-	-
Corporate Services	110,265	85	92,876	9,605	-	7,699	-	-	-	-
Court Services	120	-	-	120	-	-	-	-	-	-
Approval by Individual Project as Detailed in the 2018 Budget Book										
York Region Rapid Transit Corporation	96,130	-	-	-	1,618	31,626	27,390	34,096	1,400	-
York Telecom Network	6,940	-	-	-	6,940	-	-	-	-	-
York Regional Police	22,642	-	4,448	5,776	-	12,343	-	-	75	-
York Region	809,809	39,170	133,853	181,845	39,935	273,010	49,176	53,845	38,975	-

*Program Specific Reserves also include the General Capital Reserve

**Incremental Debt Authority Requirements
Based on 2018 Capital Spending Authority**
(in \$000s)

Department	Project No.	Project Description	2017 Remaining Debt Authority (A)	2018 Incremental CSA Debt Authority (B)	Total 2018 Debt Authority ¹ (C)
Transportation Services					
York Region Transit					
	82150	Bus Terminals, Loops & Stops - Expansion	2,707	(2,707)	-
	81583	Transit Garage Southeast	24,492	(64)	24,428
	82155	Major Mackenzie West Terminal	8,000	(8,000)	-
	86119	Viva Network Expansion - TMS	4,178	(4,178)	-
	Sub Total York Region Transit		39,377	(14,949)	24,428
Roads					
	39910	Miscellaneous Design & Survey for Future Projects	-	1,026	1,026
	39920	Property Acquisition for Future Capital Projects	332	118	450
	39930	Bridge & Culvert Rehabilitation	-	4,259	4,259
	39950	Intersection Improvement Program	-	4,085	4,085
	39960	Various Roads Resurfacing	-	9,904	9,904
	39980	Various Road Improvements	-	3,177	3,177
	39999	Viva Network 2017 TE & ITS	193	(193)	-
	80104	Keele Street and Lloydtown/Aurora Rd	607	(607)	-
	80116	Teston Rd and Pine Valley Dr - Jog Elimination	5,886	5,005	10,891
	80118	Capital Requirement for Roads Maintenance Yards	979	(979)	-
	80230	Portable Snow Melting Facilities	-	491	491
	80430	Regional Streetscaping	-	3,039	3,039
	80670	Bayview Ave - 19th Ave to Stouffville Rd	-	446	446
	80680	Bayview Ave - Elgin Mills Rd to 19th Ave	-	1,265	1,265
	81020	King Road at Highway 27	2,730	1,238	3,968
	81030	Leslie Street at 19th Avenue	2,363	4,858	7,221
	81045	Southwest Central Roads Maintenance Facilities	18,757	(18,757)	-
	81320	Major Mackenzie Dr - Hwy 27 to Pine Valley Dr	35,129	15,304	50,433
	81390	Bathurst St - North of Hwy 7 to Rutherford Rd	1,440	(125)	1,315
	81810	Hwy 50 - Hwy 7 to Rutherford Rd	566	441	1,007
	81915	Leslie Street - Elgin Mills Road to 1 km South of Stouffville Road	631	11,263	11,894
	81932	Viva Network Expansion Plan	971	7,202	8,173
	81948	McCowan Road - 16th Avenue to Major Mackenzie Drive	-	216	216
	81952	Dufferin Street Langstaff Road to Major Mackenzie Drive	455	(206)	249
	81954	Kennedy Road - Highway 7 to Major Mackenzie Drive	404	(404)	-
	81964	Hwy 27 road widening at the CPR Bridge	-	1,065	1,065
	81968	Mid Block Crossing - Hwy 404 north of 16th Ave	6,000	3,553	9,553
	81969	Elgin Mills Rd - Yonge St to Bathurst St	5,367	3,666	9,033

**Incremental Debt Authority Requirements
Based on 2018 Capital Spending Authority**
(in \$000s)

Department	Project No.	Project Description	2017 Remaining Debt Authority (A)	2018 Incremental CSA Debt Authority (B)	Total 2018 Debt Authority ¹ (C)
	82680	Hwy 404 Crossing north of Hwy 7	-	1,615	1,615
	82685	Highway 404 Northbound Off-Ramp Extension at Highway 7	-	1,817	1,817
	82740	Bayview Avenue - 16th Avenue to Major Mackenzie Drive	5,940	(5,646)	294
	82860	Bathurst St - Rutherford Rd to Major Mackenzie Dr	1,710	(592)	1,118
	83450	Major Mackenzie Drive - Hwy 50 to Canadian Pacific Railway	330	2,801	3,131
	83480	Transportation Master Plan Update	351	(351)	-
	83850	Highway 50 and Albion - Vaughan Road/Mayfield Road	1,036	(1,036)	-
	83890	Hwy 50 - Rutherford Rd to Major Mackenzie Dr	4,117	(429)	3,688
	83900	Hwy 50 - Major Mackenzie Dr to Albion-Vaughan Rd	6,094	(902)	5,192
	84008	16th Avenue - McCowan Road to 9th Line	446	(446)	-
	84045	Lake to Lake Cycling Facilities	-	1,962	1,962
	84150	Bathurst St - Major Mackenzie Dr to Elgin Mills	1,710	(4)	1,706
	84180	Leslie St - Wellington St to St. John's	7,235	7,416	14,651
	84200	Doane Road - Highway 404 to Yonge St	13,296	(13,296)	-
	84860	Bathurst Street and Davis Drive	3,195	1,159	4,354
	85560	Rutherford Rd - Keele St to Dufferin St	627	661	1,288
	85570	Rutherford Rd - Jane St to Keele St	4,222	(558)	3,664
	85580	Rutherford Rd - Dufferin St to Bathurst St	4,238	700	4,938
	85600	16th Avenue - Yonge Street to Bayview Ave	163	(163)	-
	85610	16th Avenue - Leslie Street to Highway 404	-	1,724	1,724
	85620	2nd Concession - Green Lane to Doane Rd	-	923	923
	85650	Major Mackenzie Dr - CPR to Hwy 27	33,368	13,124	46,492
	85670	Major Mackenzie Drive - Highway 400 to Jane Street	-	21,196	21,196
	85710	Yonge Street - Davis Drive to Green Lane	5,290	4,862	10,152
	85790	Southeast Patrol Area Works Yard	25,609	(23,021)	2,588
	87320	Gibney Bridge - McCowan Road North of Queensville Sideroad	338	(338)	-
	88163	Steeles Avenue Donald Cousens Parkway to Morningside Avenue	-	334	334
	88167	Major Mackenzie at McNaughton	-	319	319
	88171	Mt Albert Rd at Warden Ave	-	368	368
	88172	RER Projects	-	490	490
	88173	Yonge St N or Industrial Parkway	-	832	832
	88174	Major Mack Depressurization System	-	327	327
	88181	Southwest Satellite Yard	-	21,280	21,280
	96020	Bathurst St - Green Lane West to Yonge St	103	(103)	-
	96770	Keele St - Steeles Ave to Hwy 7	12,999	(9,931)	3,068
	97000	Bayview Avenue - Highway 7 to 16th Avenue	3,690	(3,396)	294

**Incremental Debt Authority Requirements
Based on 2018 Capital Spending Authority**

(in \$000s)

Department	Project No.	Project Description	2017 Remaining Debt Authority (A)	2018 Incremental CSA Debt Authority (B)	Total 2018 Debt Authority ¹ (C)
	97100	St John's Sdrd- Bayview Ave to Woodbine Ave	2,993	1,820	4,813
	98180	Hwy 7 - Verclaire Gate to Sciberras Rd	2,342	(1,824)	518
	98600	Major Mackenzie Drive - Woodbine Avenue to Kennedy Road	-	294	294
	98650	Major Mackenzie Drive - Donald Cousens Parkway to 9th Line	405	380	785
	98690	Bayview Ave - Stouffville Rd to Bloomington Rd	58	236	294
	99510	16th Avenue - Highway 404 to Woodbine Avenue	-	2,699	2,699
	99540	Langstaff Rd - Dufferin St to Keele St	234	17	251
	99550	McCowan Road - Steeles Avenue to 14th Avenue	-	60	60
	99805	Langstaff Road - Weston Road to Jane Street	234	(8)	226
	99806	Langstaff Road - Jane Street to Keele Street	1,188	(962)	226
	99816	Teston Road - Keele Street to Dufferin Street	720	794	1,514
	99870	Various Railway Crossing Improvements	-	359	359
		Sub Total Roads	227,091	87,913	315,004
		Total Transportation Services	266,468	72,964	339,432
Environmental Services					
Water					
	70050	Leslie St. Watermain (WM)	1,046	(1,006)	40
	70120	Orchard Heights PS Upgrade	-	350	350
	72200	Georgina Water Supply (GWS) - Sutton Water Servicing	1,713	(181)	1,532
	72390	Water for Tomorrow Program	700	(700)	-
	72450	Aurora Elevated Tank (related to project 70050)	164	1,593	1,757
	72500	Infrastructure Stimulus Fund - Georgina Water Supply & Georgina Water Treatment Plant Phase 2	495	(485)	10
	73580	Toronto Cost Shared Work - 2005 Water Supply Agreement	68,094	(27,541)	40,553
	73790	Peel Water Supply - Cost-Shared Work	14,557	(266)	14,291
	75390	West Vaughan Water Servicing	3,021	(391)	2,630
	75400	East Vaughan Pump Station and WM	875	(815)	60
	75520	Stouffville Zone 2 Elevated Tank (ET) and Watermain	1,532	(139)	1,393
	75530	East Vaughan Water Servicing	2,518	4,913	7,431
	75700	Water Servicing – Richmond Hill/Langstaff Gateway Provincial Urban Growth and Regional Centre	72	273	345
	75860	South Maple Reservoir Upgrade	243	(93)	150
	78310	Nobleton Waster Wastewater Servicing	1,818	(607)	1,211
	78360	Orchard Heights Reservoir Inlet Upgrade	1,330	-	1,330

**Incremental Debt Authority Requirements
Based on 2018 Capital Spending Authority**
(in \$000s)

Department	Project No.	Project Description	2017 Remaining Debt Authority (A)	2018 Incremental CSA Debt Authority (B)	Total 2018 Debt Authority ¹ (C)
	70080	UYSS (Upper York Sewage Solutions) Interim Servicing Solution	-	1,510	1,510
	Sub Total Water		98,178	(23,585)	74,593
Wastewater					
	70460	Weldrick Sewer Overflow Gate	795	(795)	-
	72240	Keswick Water Pollution Control Plant (WPCP) Expansion	22	(10)	12
	72360	Duffin Creek Water Pollution Control Plant (WPCP) Outfall / Effluent Strategy	14,850	684	15,534
	72530	Duffin Creek Stage 1 & 2 Upgrades	1,547	(787)	760
	73170	King City - Additional Water Supply watermain	1,710	(1,710)	-
	73640	Inflow & Infiltration Reduction	14,592	(2,500)	12,092
	73720	York Durham Sewage System (YDSS) Duffin Creek Water Pollution Control Plant (WPCP) (Phase 3) Expansion	5	235	240
	74040	York Durham Sewage System (YDSS) Southeast Collector	2,500	330	2,830
	74260	Toronto Supply - Kennedy Watermain (WM) - Milliken (PS) to Major Mack	-	50	50
	74270	Upper York Sewage Solutions (Pre-Construction)	152,561	(81,932)	70,629
	75300	West Vaughan Sewage Servicing (Pre-Construction)	24,266	(7,879)	16,387
	75310	East Vaughan Trunk Sewer	6,009	3,812	9,821
	75510	Second Concession Watermain	343	(343)	-
	75650	Wastewater Servicing – Richmond Hill/Langstaff Gateway Provincial Urban Growth and Regional Centre	-	66	66
	75810	Humber PS Electrical Upgrade	-	20	20
	78310	Nobleton Waster Wastewater Servicing	1,818	(1,197)	621
	79740	Peel System Cost Shared Works	7,194	(1,347)	5,847
	79890	York Durham Sewage System (YDSS)-Leslie Pumping Station (PS) Upgrade	1,480	70	1,550
	Sub Total Wastewater		229,693	(93,234)	136,459
Waste Management					
	71365	Markham Household Hazardous Waste & Electronic Recycling Depot Relocation	-	509	509
	75780	Duffin Creek Lab Expansion	-	3,460	3,460
	Sub Total Waste Management		-	3,969	3,969
Total Environmental Services			327,871	(112,850)	215,021
Community and Health Services					
Paramedic Services					
	54420	Holland Landing EMS Station	101	477	578
	54510	Maple EMS Station	3,404	99	3,503
	54580	South Woodbridge EMS Station	132	(15)	117
	54638	EMS Land Acquisition - Growth	4,125	7,850	11,975
	54640	Newmarket Northwest EMS Station	2,669	485	3,154
	54645	Newmarket Southeast EMS Station	2,891	(276)	2,615

**Incremental Debt Authority Requirements
Based on 2018 Capital Spending Authority**

(in \$000s)

Department	Project No.	Project Description	2017 Remaining Debt Authority (A)	2018 Incremental CSA Debt Authority (B)	Total 2018 Debt Authority ¹ (C)
	54650	South Markham EMS Station	1,763	1,445	3,208
	54665	Oak Ridges Paramedic Response Station	2,434	26	2,460
	54675	Thornhill EMS Station	3,322	267	3,589
	54601	Richmond Hill South East Paramedic Response Station #27	-	3,650	3,650
	54670	Ballantrae Paramedic Response Station #20	-	2,500	2,500
	54681	Jane Teston Paramedic Response Station	-	3,604	3,604
	Sub Total Emergency Medical Services		20,841	20,112	40,953
Seniors Services					
	55282	Balconies Conversion - Maple Health Centre	-	195	195
	55286	Scheduling Software	432	356	788
	55291	Resident Tub Room	-	570	570
	59415	LTC/Day Centres/Alternative Community Living (ACL) - Interior Decor	-	1,650	1,650
	59455	Technology Upgrade	-	63	63
	55281	Resident Units Renovations	-	370	370
	59405	Long-Term Care Act Regulations Compliance (Newmarket Health Centre Maple Health Centre)	-	50	50
	59465	Generator Rehab	-	1,450	1,450
	Sub Total Long-Term Care		432	4,704	5,136
Housing Services					
	67876	Unionville Redevelopment	20,656	496	21,152
	67916	Woodbridge Redevelopment	7,078	5,692	12,770
	67510	Pre-Development Costs	-	12	12
	Sub Total Housing Services		27,734	6,200	33,934
Total Community & Health Services			49,007	31,016	80,023
Corporate Services					
Property Services					
	14733	Accommodation Master Plan (AMP) Implementation - Harry Walker	1,500	(27)	1,473
	14780	Annex Pre-Construction	255	139,874	140,129
	14781	Annex Construction	138,105	(138,105)	-
	14858	CHS Capital Projects	314	(314)	-
	Total Corporate Services		140,174	1,428	141,602
York Region Rapid Transit Corporation					
	90992	Bus Rapid Transit (BRT) Facilities and Terminals	18,440	(13,174)	5,266
	90996	Spadina Subway Extension	39,927	60,673	100,600
	Total York Region Rapid Transit Corporation		58,367	47,499	105,866
York Regional Police					
	29011	Business Intelligence	150	(26)	124
	29020	#1 District Multi-Functional Facility	243	25,507	25,750
	29023	Specialized Equipment - Investigative Services	578	275	853
	29030	IT Infrastructure and Retention	-	178	178
	29031	#3 District - Marine Headquarters	5,450	-	5,450

**Incremental Debt Authority Requirements
Based on 2018 Capital Spending Authority**

(in \$000s)

Department	Project No.	Project Description	2017 Remaining Debt Authority (A)	2018 Incremental CSA Debt Authority (B)	Total 2018 Debt Authority ¹ (C)
	29033	Renovations to Existing Facilities	-	250	250
	29039	Employee Scheduling	80	(80)	-
	29042	Radio System	-	182	182
	29043	Renovations #4 District	-	1,665	1,665
	29045	Land Bank Acquisition	775	(775)	-
	29046	Sub-Station Outlook	1,100	200	1,300
	29050	Air Support	141	148	289
	29051	Community Safety Village Expansion & Renovations	832	668	1,500
	29014	Specialized Equipment - Support Services	-	141	141
	29034	Connected Officer In Car Modernization	-	632	632
	29035	Specialized Equipment - Closed Circuit System	-	590	590
	29047	Specialized Equipment - Forensic Equipment	-	110	110
Total York Regional Police			9,349	29,665	39,014
York Telecom Network					
	11130	York Telecom Network	-	20,504	20,504
Total York Telecom Network			-	20,504	20,504
Total York Region			851,235	90,227	941,462

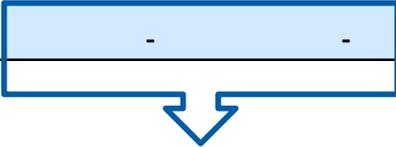
Note 1: \$42.3M issued in Fall of 2017 to prefund YRRTC, Water and Wastewater projects has not yet been deducted from Total 2018 Debt Authority. Projects prefunded include: 72200, 73580, 73790, 75390, 78360, 72360, 73170, 73640, 74040, 74270, 75300, 90996

Budget Statement of Operating (Full Accrual)

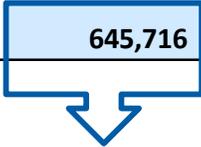
(in \$000's)	2018 Proposed
Revenues	
Net taxation/user charges	1,092,496
Transfer payments	623,844
Development contributions	519,403
Fees and services	465,958
Interest and investment	58,942
Other revenues	87,268
Total revenues	2,847,911
Expenses	
General Government	185,583
Protection to persons and property	378,822
Transportation Services	503,902
Environmental Services	482,021
Health and emergency services	196,174
Community Services	305,145
Social Housing	137,549
Planning and development services	12,999
Total expenses	2,202,196
Annual surplus	645,716

2018 Budget Reconciliation with PSAB

(in \$000s)	Modified Accrual		Adjustments	Full Accrual
	Operating Budget	Capital Budget		Operating and Capital
Revenues				
Proposed budget	2,232,654	809,809		3,042,463
Reclassification of investment income			58,942	58,942
Transfer from other funds			(416,649)	(416,649)
Flow through funding from Metrolinx			147,761	147,761
Housing York Inc.			38,382	38,382
Related entities adjustment			(22,987)	(22,987)
Total Revenues	2,232,654	809,809	(194,552)	2,847,911
Expenses				
Proposed budget	2,232,654	809,809		3,042,463
Reclassification of revenue			58,942	58,942
Transfer to other funds			(443,509)	(443,509)
Acquisition of tangible capital assets			(677,473)	(677,473)
Debt principal repayments			(145,032)	(145,032)
Amortization			263,478	263,478
Post employment benefits			10,533	10,533
Spending funded by Metrolinx			85,657	85,657
Housing York Inc.			30,124	30,124
Related entities adjustment			(22,987)	(22,987)
Total Expenses	2,232,654	809,809	(840,267)	2,202,196
Surplus	-	-	645,716	645,716



**Balanced
Budget**



**Annual
Surplus**

2018 Budget Statement of Operations by Function

(in \$000s)	General Government	Protection to persons and property	Transportation Services	Environmental Services	Health and emergency services	Community Services
Revenues						
Net taxation/user charges	273,227	327,246	237,634	47,997	102,577	47,220
Transfer payments	9,301	15,297	68,446	4,747	89,518	248,939
Development contributions	7,483	17,021	252,105	224,242	11,562	
Fees and services	5,273	27,330	77,399	345,873	699	5,419
Interest and investment	58,942					
Other Revenues	290	1,863	50,713	9,582		1,064
Total revenues	354,515	388,757	686,296	632,442	204,356	302,642
Expenses						
Salaries and benefits	80,527	314,700	78,489	59,807	142,754	64,984
Interest payments	313	3,905	21,634	99,455	245	4
Operating expenses	87,505	40,345	198,835	222,187	33,745	238,488
Government transfers		6,167		1,523	14,675	
Amortization	17,238	13,705	119,288	99,049	4,754	1,669
Total expenses	185,583	378,822	418,245	482,021	196,174	305,145
Annual surplus	168,932	9,935	268,050	150,421	8,182	(2,503)

	Social Housing	Planning and development services	Metrolinx funded projects	Housing York Inc.	York Telecom Network	Related Entities Adjustment	Total
Revenues							
Net taxation/user charges	48,475	7,328			793		1,092,496
Transfer payments	39,709	125	147,761				623,844
Development contributions	5,730	1,261					519,403
Fees and services	8,920	2,482			808	(8,245)	465,958
Interest and investment							58,942
Other Revenues		117		38,382		(14,742)	87,268
Total revenues	102,834	11,313	147,761	38,382	1,601	(22,987)	2,847,911
Expenses							
Salaries and benefits	12,249	9,669		7,128	820	(7,128)	763,999
Interest payments	1,155				130		126,841
Operating expenses	109,234	1,729	85,657	22,996	651	(15,859)	1,025,512
Government transfers							22,366
Amortization	1,286			6,489			263,478
Total expenses	123,924	11,398	85,657	36,613	1,601	(22,987)	2,202,196
Annual surplus	(21,090)	(85)	62,104	1,769	-	-	645,716

Note: The "Metrolinx" column refers to spending by York Region Rapid Transit that is fully funded by Metrolinx.