

Clause 8 in Report No. 4 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on February 26, 2015.

2015 – 2018 Budget – York Region Rapid Transit Corporation

Committee of the Whole recommends:

- 1. Receipt of the presentation by Mary-Frances Turner, President and Michael Cheong, Chief Financial Officer.**
- 2. Adoption of the following recommendations, as amended, in the report dated January 21, 2015 from the Commissioner of Finance:**
 - 1. *Receipt of the budget as submitted for York Region Rapid Transit Corporation as follows:***
 - a) The 2015 operating budget and the outlook for 2016 to 2018, as summarized in Attachment 1**
 - b) Capital Spending Authority, as summarized in Attachment 2.**
 - 2. That the recommended budget be consolidated by the Treasurer for approval by Council on February 26, 2015.**

1. Recommendations

It is recommended that:

1. The Committee of the Whole recommends the budget as submitted for York Region Rapid Transit Corporation as follows:
 - a) The 2015 operating budget and the outlook for 2016 to 2018, as summarized in Attachment 1
 - b) Capital Spending Authority, as summarized in Attachment 2.
2. That the recommended budget be consolidated by the Treasurer for approval by Council on February 26, 2015.

2. Purpose

This report provides a summary of the 2015-2018 Operating and Capital Budget for York Region Rapid Transit Corporation for consideration by Committee and recommendation to Council on February 26, 2015.

3. Background

The 2015 Budget was tabled on January 22, 2015

The consolidated 2015-2018 Operating and Capital Budget was tabled with Council on January 22, 2015. It was received and referred to the February meetings of Committee of the Whole for consideration and recommendation.

The 2015 Budget Directions report, approved by Council on June 27, 2014, indicated that the 2015 to 2018 budget would be approved in February 2015, as long as Council is satisfied with it through the review process.

A four-year operating budget was tabled for Council's consideration

The 2015-2018 operating budget is a four-year budget that spans the term of Council. Council is asked to approve the budget for 2015 and the outlook for 2016 to 2018. The approved outlook will then form the basis for the budget process in subsequent years. The budget can still change each year in response to changing circumstances and new information.

Multi-year commitments for capital projects are proposed as part of the budget process

Many complex capital projects span several years of planning, design and construction, requiring multi-year spending authority.

Capital Spending Authority is requested for projects with contractual and other clear or certain multi-year commitments. As in previous years, Council is asked to approve multi-year Capital Spending Authority for capital projects.

4. Analysis and Options

Operating Budget

The proposed budget for York Region Rapid Transit Corporation reflects net operating expenditures of \$9.2 million in 2015

The 2015-2018 Operating Budget includes the cost of providing:

- Base services
- Legislated and contractual requirements
- Fiscal strategy requirements
- Impact of capital
- Growth
- Service enhancements

The proposed budget for York Region Rapid Transit Corporation is \$9.2 million, or 1.0% of the total 2015 proposed Regional net operating expenditures.

The proposed budget also includes a proposed outlook for 2016, 2017 and 2018.

Table 1 in Attachment 1 summarizes the proposed gross and net operating budgets for 2015 and the outlook for 2016 to 2018.

Capital Budget

Approval of Capital Spending Authority of \$488.3 million in 2015 is requested for York Region Rapid Transit Corporation

The capital budget includes new infrastructure projects in support of growth, rehabilitation and replacement of existing infrastructure and service enhancement.

The proposed Capital Spending Authority for York Region Rapid Transit Corporation is \$488.3 million, or 19.9% of the total Regional 2015 Capital Spending Authority.

Attachment 2 summarizes the 2015 Capital Spending Authority by program and shows the associated financing sources for York Region Rapid Transit Corporation. Details on the individual projects included in the program groups are available in the 2015 to 2018 Budget book.

Link to key Council-approved plans

The 2015 to 2018 budget for York Region Rapid Transit Corporation reflects the directions and strategies set out in Vision 2051, York Region Official Plan and the Transportation Master Plan. The budget is also supportive of the objectives outlined in the draft 2015 to 2019 Strategic Plan.

5. Financial Implications

The net operating budget for York Region Rapid Transit Corporation totals \$9.2 million in 2015 and includes an outlook for 2016 to 2018, as summarized in Attachment 1. Council will have an opportunity to make adjustments to the outlook in subsequent years.

The proposed 2015 Capital Spending Authority reflects a multi-year commitment of \$488.3 million, as summarized in Attachment 2. Expenditures not identified as part of Capital Spending Authority but contained within the Ten-Year Capital Plan are provided for planning purposes and will be brought forward for formal approval in subsequent budget years.

6. Local Municipal Impact

The Region provides essential services to the residents and businesses in York Region. The challenge of meeting growing demands for service and improving service delivery is addressed through the Region's business planning process. The Region's investments support local municipalities.

7. Conclusion

This report sets out the proposed 2015-2018 budget for York Region Rapid Transit Corporation. To facilitate the completion of the budget process, it is recommended that the Committee's recommendations be forwarded to Council on February 26, 2015.

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

The Senior Management Group has reviewed this report.

Attachments (2)

2015 to 2018 Budget Summary for York Region Rapid Transit Corporation

Proposed Operating Budget Expenditures

(in \$000s)

Department	Page No.	2015 Proposed		2016 Outlook		2017 Outlook		2018 Outlook	
		Gross	Net	Gross	Net	Gross	Net	Gross	Net
York Region Rapid Transit Corporation	55	21,806	9,209	22,757	7,911	19,809	4,919	19,193	4,468
Total		21,806	9,209	22,757	7,911	19,809	4,919	19,193	4,468

Note: Net operating expenditures = tax levy

**2015 Capital Spending Authority (CSA)
York Region Rapid Transit Corporation**

York Region Rapid Transit Corporation	Page No.	2015 CSA \$000s
Program Expenditures:		
York Region Rapid Transit Corporation	58	488,309
Total 2015 Capital Spending Authority		488,309
Financing Sources:		
Reserves	58	20,610
Debenture – Development Charge	58	34,445
Development Charges	58	69,771
Grants and Subsidies	58	355,441
Other Recoveries	58	8,042
Total Financing Sources		488,309