

Clause 3 in Report No. 3 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 – Transportation Services

Committee of the Whole recommends:

1. Receipt of the presentation by Daniel Kostopoulos, Commissioner of Transportation Services.
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 Transportation Services 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 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 Transportation Services 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.

## 2015-2018 Budget –Transportation Services

### 2. Purpose

This report provides a summary of the 2015-2018 Operating and Capital Budget for Transportation Services 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 Transportation Services reflects net operating expenditures of \$202.9 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 Transportation Services is \$202.9 million, or 21.5% 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 \$449.9 million in 2015 is requested for Transportation Services

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 Transportation Services is \$449.9 million, or 18.3% 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 Transportation Services. Details on the individual projects included in the program groups are available in the 2015 to 2018 Budget book.

## 2015-2018 Budget –Transportation Services

Link to key Council-approved plans

The 2015 to 2018 budget for Transportation Services 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 Transportation Services totals \$202.9 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 \$449.9 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 Transportation Services. 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.

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Accessible formats or communication supports are available upon request.

## 2015 to 2018 Budget Summary for Transportation Services

### 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
Transit- YRT/Viva <sup>1</sup>	42	195,613	111,688	200,354	113,808	205,183	115,428	212,278	119,230
Roads & Traffic <sup>1</sup>	42	106,219	81,772	108,507	81,308	112,668	80,328	116,279	81,552
Business Management Support	42	9,459	9,444	9,585	9,570	9,705	9,690	9,645	9,615
<b>Total<sup>2</sup></b>		<b>311,290</b>	<b>202,904</b>	<b>318,445</b>	<b>204,686</b>	<b>327,555</b>	<b>205,446</b>	<b>338,202</b>	<b>210,397</b>

<sup>1</sup> Includes Contributions to Capital

<sup>2</sup> Numbers may not add due to rounding

Note: Net operating expenditures = tax levy

**2015 Capital Spending Authority (CSA)  
Transportation Services**

<b>Transportation Property and Facilities</b>	<b>Page No.</b>	<b>2015 CSA \$000s</b>
<b>Program Expenditures:</b>		
Transportation Properties and Facilities	47	74,900
<b>Total 2015 Capital Spending Authority</b>		<b>74,900</b>
<b>Financing Sources:</b>		
Debt Reduction Reserve	47	47,862
Debenture – Development Charges	47	2,112
Development Charges	47	11,176
Grants and Subsidies	47	13,750
<b>Total Financing Sources</b>		<b>74,900</b>
<b>York Region Transit/ Viva</b>		
	<b>Page No.</b>	<b>2015 CSA \$000s</b>
<b>Program Expenditures:</b>		
Rehabilitation & Replacement	47	20,080
Growth	47	21,713
<b>Total 2015 Capital Spending Authority</b>		<b>41,793</b>
<b>Financing Sources:</b>		
Current Tax Levy – Reserves	47	9,100
Reserves	47	9,990
Development Charges	47	2,114
Grants and Subsidies	47	20,589
<b>Total Financing Sources</b>		<b>41,793</b>

<b>Roads</b>	<b>Page No.</b>	<b>2015 CSA \$000s</b>
<b>Program Expenditures:</b>		
Rehabilitation & Replacement	47	26,295
Growth	47	306,863
Sub total		<u>333,158</u>
<b>Total 2015 Capital Spending Authority</b>		
<b>Financing Sources:</b>		
Current Tax Levy – Reserves	47	49,580
Debt Reduction Reserve	47	3,474
Reserves	47	4,761
Debenture – Development Charges	47	168,658
Development Charges	47	79,164
Other Recoveries	47	27,521
<b>Total Financing Sources</b>		<u><b>333,158</b></u>