2017
COMMUNITY REPORT

COMMUNITY REPORT
for the year ended December 31, 2017
The Regional Municipality of York
Ontario, Canada

york.ca

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Ontario, Canada

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OUR VISION

Creating strong, caring, safe communities.

OUR MISSION

York Region staff are committed to providing cost effective, quality services that respond to the needs of our rapidly growing communities.

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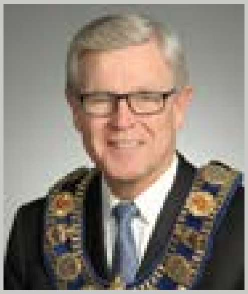
Chairman & CEO
Wayne Emmerson

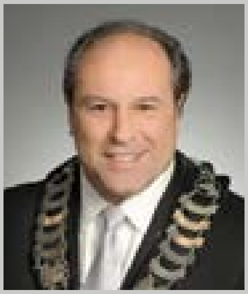


Mayor
Geoffrey Dawe
Town of Aurora

Mayor
Virginia Hackson
Town of East Gwillimbury

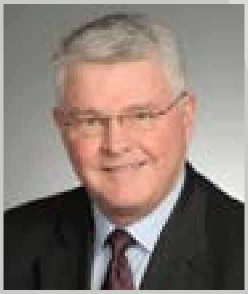
Mayor
Margaret Quirk
Town of Georgina

Regional Councillor
Naomi Davison
Town of Georgina

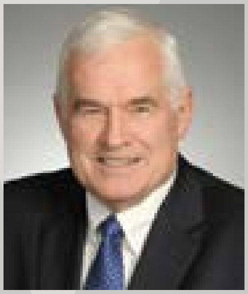


Mayor
Steve Pellegrini
Township of King

Mayor
Frank Scarpitti
City of Markham



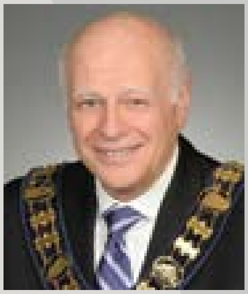
Regional Councillor
Jack Heath
City of Markham



Regional Councillor
Jim Jones
City of Markham

Regional Councillor
Joe Li
City of Markham

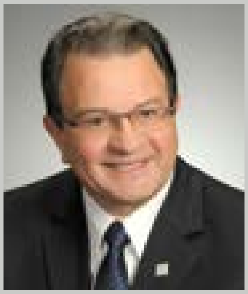
Regional Councillor
Nirmala Armstrong
City of Markham



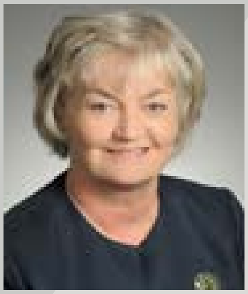
Mayor
Tony Van Bynen
Town of Newmarket

Regional Councillor
John Taylor
Town of Newmarket

Mayor
David Barrow
Town of Richmond Hill

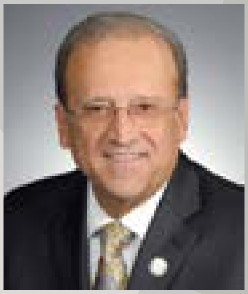


Regional Councillor
Vito Spatafora
Town of Richmond Hill



Regional Councillor
Brenda Hogg
Town of Richmond Hill

Mayor
Maurizio Bevilacqua
City of Vaughan



Regional Councillor
Mario Ferri
City of Vaughan

Regional Councillor
Gino Rosati
City of Vaughan

Regional Councillor
Sunder Singh
City of Vaughan

Mayor
Justin Altmann
Town of Whitchurch-Stouffville

REGIONAL COUNCIL

One of six Regional governments in Ontario, The Regional Municipality of York is an upper-tier municipal government that provides common programs and services for the residents and businesses in nine cities and towns. The area municipalities are represented by their Mayors and Regional Councillors on Regional Council.

YORK REGION CHAIRMAN AND CHIEF EXECUTIVE OFFICER (CEO)

The York Region Chairman and Chief Executive Officer (CEO) is the head of Council. The Chairman and CEO is elected by members of Regional Council at the first meeting of each term and serves a four-year term.

The 21-member York Regional Council sets the policies, direction and budgets for York Region through Committee of the Whole and Council meetings that include reports on:

- Audit
- Community and Health Services
- Environmental Services
- Finance and Administration
- Planning and Economic Development
- Transportation Services

During Committee of the Whole meetings, members receive public input, review policies and consider staff reports before making recommendations to Regional Council.

The boards and the corporations they oversee operate with varying degrees of Council oversight are:

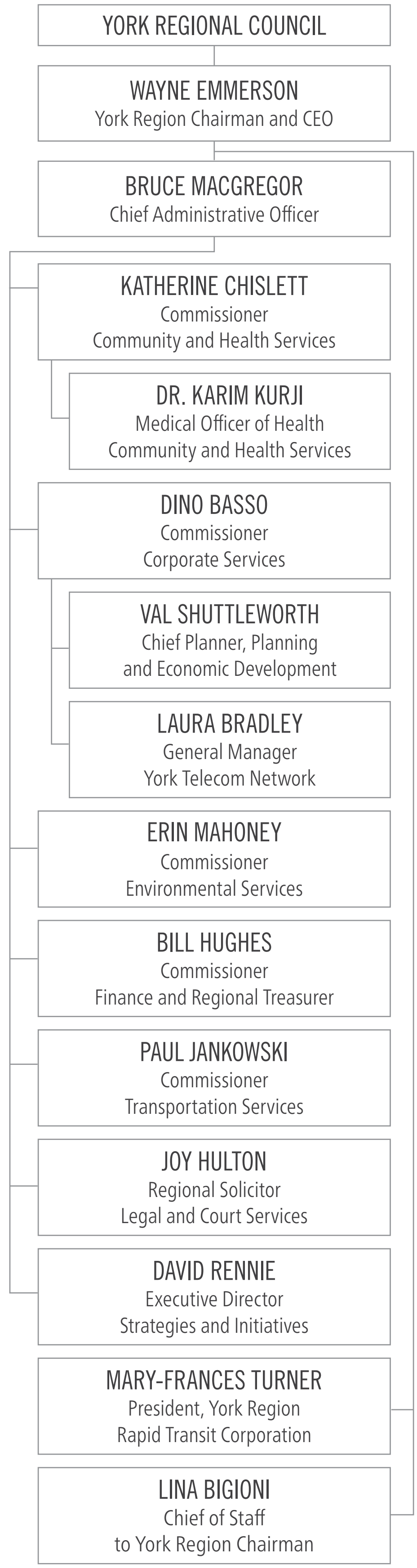
- York Region Rapid Transit Corporation Board of Directors
- York Regional Police Services Board of Directors
- Housing York Inc. Board of Directors
- YorkNet Board of Directors

CHIEF ADMINISTRATIVE OFFICER (CAO)

The CAO oversees a senior management team responsible for providing programs and services to residents and businesses, in addition to financial, technical, property, legal, administrative and human resource services. The following positions make up the senior management team:

- Commissioner of Community and Health Services
- Commissioner of Corporate Services
- Commissioner of Environmental Services
- Commissioner of Finance and Regional Treasurer
- Commissioner of Transportation Services
- Regional Solicitor
- Executive Director of Strategies and Initiatives

YORK REGION ORGANIZATIONAL STRUCTURE



Wayne Emmerson
Chairman and CEO

A MESSAGE FROM THE YORK REGION CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The 2017 Community Report highlights the combined efforts of York Regional Council, the staff and community partners to build and maintain strong, safe and caring communities.

With three full years complete for this term of Regional Council, we continue to make significant improvements to enhance the quality of life for all who live, work and play here.

During 2017 we experienced historical milestones across the Region. The opening of the TTC Yonge-University Line 1 subway extension was the first opening of a Greater Toronto Area subway service in over 40 years. Along with many additional transit and transportation-related projects, we are reinforcing our commitment to improving the traveller experience and moving people and goods efficiently across the Region.

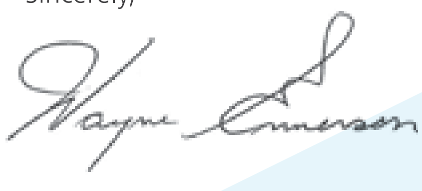
Our focus on economic growth resulted in monumental strides through Council’s creation of the York Telecom Network as a separate business. Expanded from the Broadband Task Force, York Telecom Network was established to continue to help businesses remain competitive by improving access to high-speed connectivity across the Region; especially in rural and under-serviced areas.

The Regional Municipality of York is one of Canada's largest municipalities with a population of 1.2 million residents, and Ontario’s second largest business centre. We are amongst the most diverse communities in Canada, welcoming approximately 10,000 immigrants in 2017. In celebration of our diversity, the Region’s recently approved Newcomer Strategy identifies the supports in place to enhance the participation of new immigrants within the community and our economy.

To further improve communication with our stakeholders, the launch of York Region’s new app for mobile and tablet devices is making it easier for residents to connect with Regional information, and learn about the core services we deliver.

On behalf of York Regional Council, we celebrate the key strategies and initiatives that work towards making our larger goals outlined in *Vision 2051* a reality for current and future generations to enjoy.

Sincerely,



Wayne Emmerson
Chairman and CEO
The Regional Municipality of York

Bruce Macgregor
CAO

A MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

On behalf of the York Region Senior Management Team and the 4,500 committed staff who work diligently to deliver our core services across York Region every day, I am pleased to share The Regional Municipality of York 2017 Community Report.

The report combines our year-three reporting of the current four-year Strategic Plan and budget. The four-year cycle for planning and budgeting coincides with this term of Regional Council. It also allows us to align to goals of the Region's long-term outlook, *Vision 2051.*

The priority areas outlined in the 2015 to 2019 Strategic Plan are the foundation of this report and have been used to organize and highlight accomplishments achieved in:

- Strengthening the Region's Economy
- Supporting Community Health and Well-being
- Managing Environmentally Sustainable Growth
- Providing Responsive and Efficient Public Service

In 2017, there was an increase in employment growth, new funding to support the enhancement of our social services and further commitments to transportation projects addressing the needs of our growing communities.

I am proud to report that 90 per cent of the plan's key performance measures are trending in the desired direction. The complete list of all 48 performance measures is available on page 38.

The Treasurer's Report and Financial Statements found in the second portion of this report assure accountability in achieving our highlighted priorities.

The programs and services featured represent the dedication and commitment of York Regional Council, staff, municipal counterparts, stakeholders and partners to maintaining the quality of life we are most proud of in York Region. We will continue to seek out opportunities to drive innovation and place our residents and business owners at the forefront of all decisions.

Bruce Macgregor
Chief Administrative Officer
The Regional Municipality of York

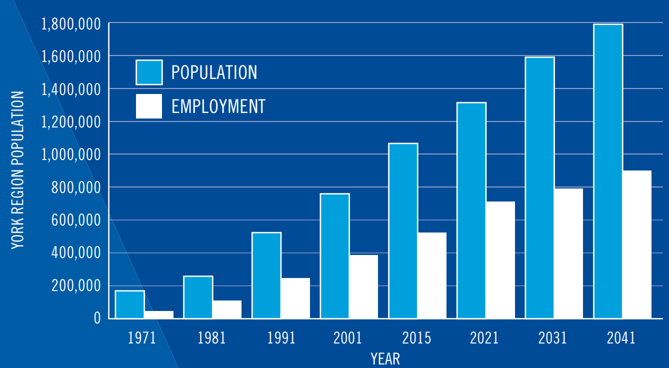
YORK REGION. **WHO ARE WE?**

WE ARE GROWING.

During 2017, York Region grew by approximately 19,700 people, accounting for 17 per cent of the Greater Toronto and Hamilton Area growth.

The Provincial Growth Plan calls for York Region's population to grow from 1.2 million in 2017 to 1.8 million in 2041 and employment to grow from 620,000 in 2017 to 900,000 in 2041.

YORK REGION POPULATION GROWTH - 1971 TO 2041



WE ARE EDUCATED.

Seventy per cent of York Region residents have a post-secondary education. We rank #1 most educated population among Canada's largest municipalities.

WE WORK HARD.

York Region is home to 51,000 businesses and 620,000 jobs. We are the second largest business centre in Ontario and the destination of choice for more than 4,500 Information, Communication and Technology (ICT) businesses. This makes us the second largest ICT cluster in Canada. The average household income according to 2016 census data is $95,776 ranking York Region second highest among all municipalities in Ontario.

WE ARE FISCALLY RESPONSIBLE.

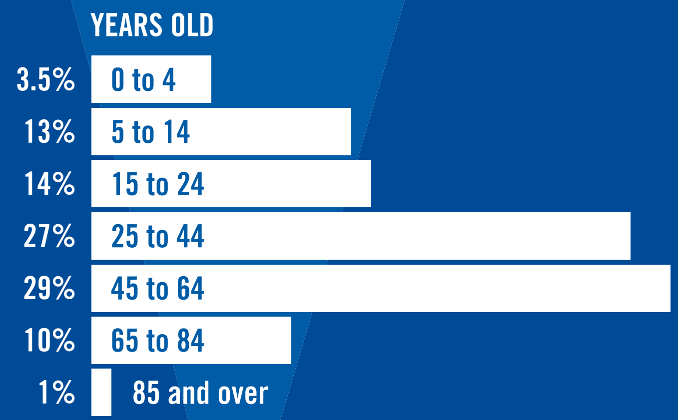
The 2017 York Region budget was $3 billion and included $2.1 billion to maintain and operate York Region services and $942 million in funding for capital projects.

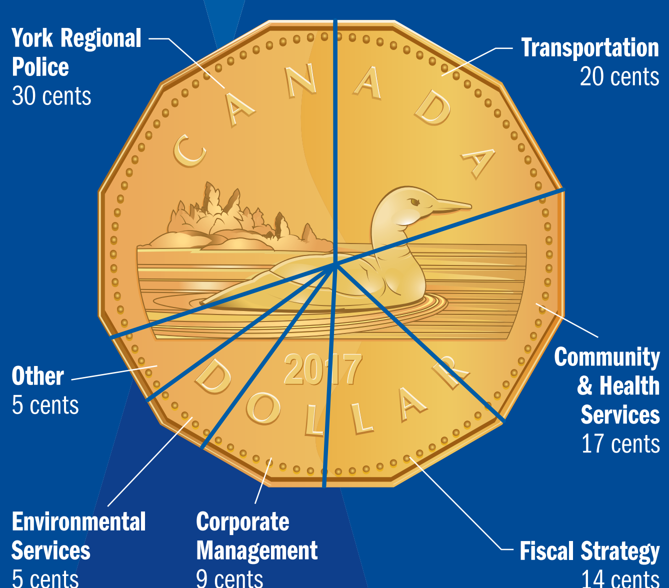
2017 was the third year of a four-year budget that aligns with the current term of York Regional Council and the York Region *2015 to 2019 Strategic Plan: From Vision to Results.*

WE ARE DIVERSE.

If York Region were a village of 100 people this is what we would look like.

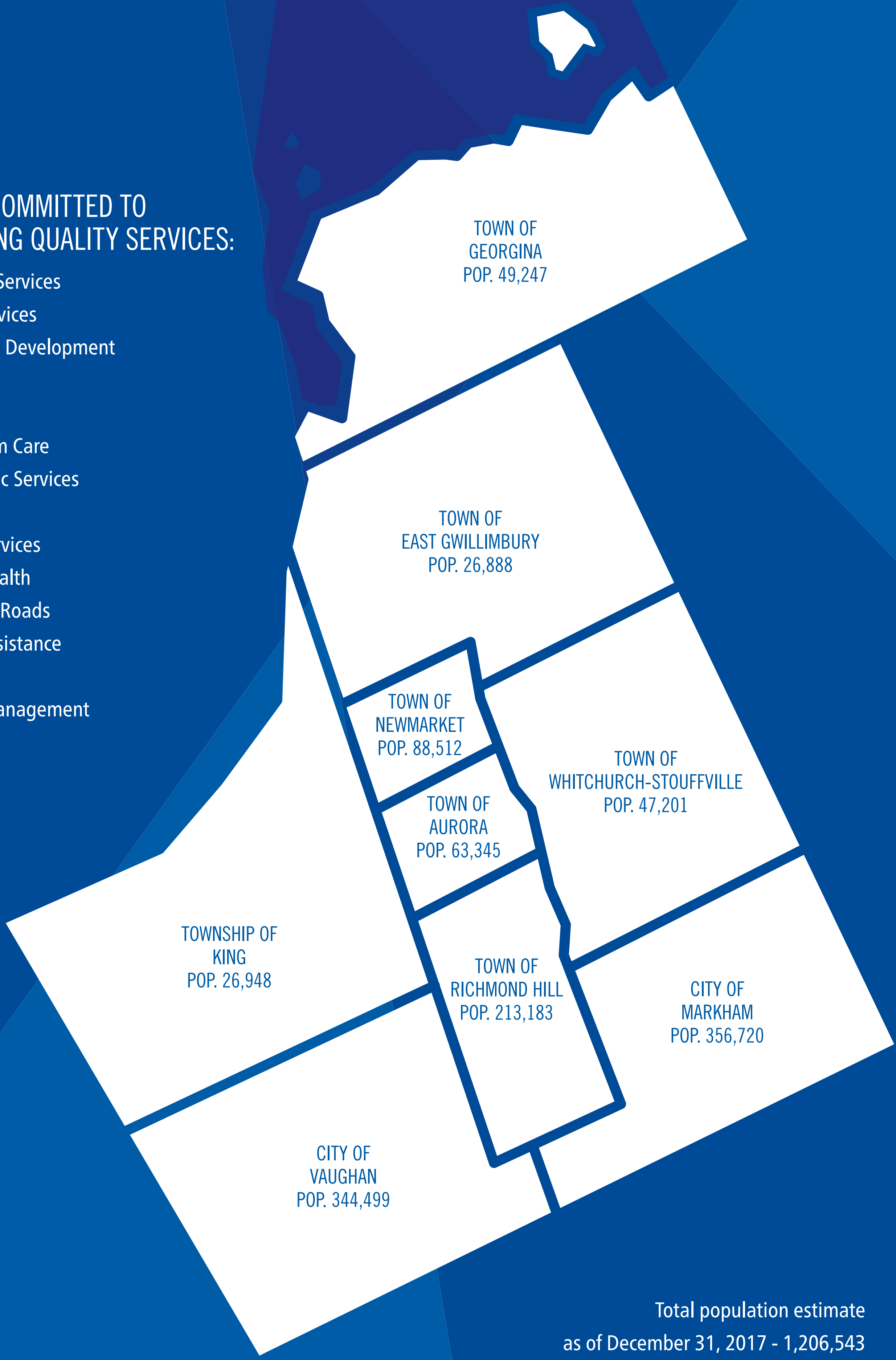
52 villagers would be born in Canada
1 villager would be a non-permanent resident
47 villagers would be born outside of Canada, of these:
- **30** would be born in Asia
- **11** would be born in Europe
- **4** would be born in the Americas (including North, South and Central)
- **2** would be born in Africa





WE ARE COMMITTED TO DELIVERING QUALITY SERVICES:

- Children Services
- Court Services
- Economic Development
- Forestry
- Housing
- Long-Term Care
- Paramedic Services
- Planning
- Police Services
- Public Health
- Regional Roads
- Social Assistance
- Transit
- Waste Management
- Water



Total population estimate
as of December 31, 2017 - 1,206,543

WHAT IS VISION 2051?

Vision 2051 is York Region's long-term strategy that describes the vision for York Region in the year 2051.

Vision 2051 describes a York Region that:

- Is a place where everyone can thrive
- Is made up of livable cities and complete communities
- Has a resilient natural environment and agricultural system
- Has appropriate housing for all ages and stages
- Has an innovation economy
- Has interconnected systems for mobility
- Promotes living sustainably
- Has open and responsive governance

WHAT IS THE REGIONAL OFFICIAL PLAN?

Consistent with *Vision 2051*, the Regional Official Plan sets out directions and policies to guide growth management, land use, economic, environmental and community planning decisions.

The policies deal with growth management while protecting the Region's agricultural and rural areas, building strong healthy communities and vibrant cities. The policies also ensure effective delivery and use of infrastructure and public service facilities.

The policies in the Regional Official Plan set the stage for more detailed planning with the Region's nine cities and towns and help co-ordinate planning efforts across York Region.

The Regional Official Plan guides how growth and re-development will occur and sets a course for the future we desire as envisioned through *Vision 2051*.

In February 2015, The Regional Municipality of York released its *2015 to 2019 Strategic Plan: From Vision to Results*, which outlines four areas of focus to meet the community's changing needs.

Maintaining the quality of life in York Region over the long term requires strategic focus and this plan outlines the goals we continue to strive for to achieve the longer-term goals of *Vision 2051*.

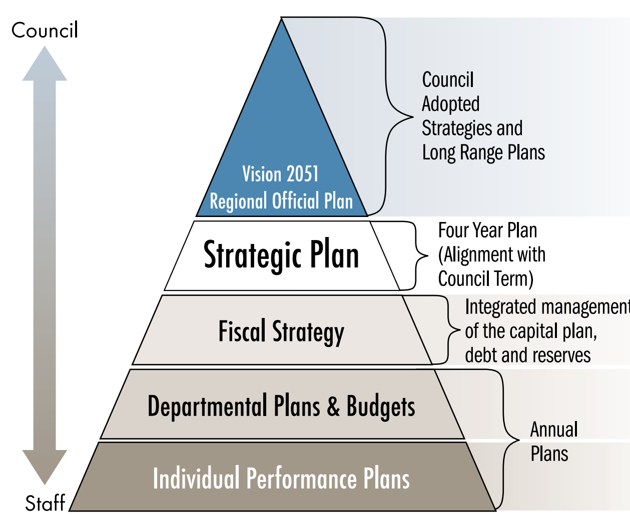
Building on the success of the 2011 to 2015 Strategic Plan, the plan provides a detailed course of action over the next four years within the following four strategic result areas:

- Economic Vitality
- Healthy Communities
- Sustainable Environment
- Good Government

This plan coincides with the Region's multi-year budget process and aligns with this term of council to ensure we continue to make progress on serving our communities.

Highlights of the 2015 to 2019 plan include:

- Improving the traveller experience in York Region
- Addressing affordable housing concerns
- Continuing to support attraction of high quality jobs to the Region
- Increasing the health and resiliency of our communities
- Achieving Regional fiscal sustainability
- Continuing to manage the Region's growth
- On-going protection of our natural environment
- Improving the way York Region's programs and services are accessed



The York Region 2017 Community Report highlights some of the successes during our third year of this plan. Using a results-based accountability model, below is a brief overview of how we are trending in the third year within each of the strategic result areas.

YEAR 3 (2017) OVERALL PROGRESS SUMMARY STATEMENT

KEY REGIONAL PERFORMANCE MEASURES

A Key Regional Performance Measure demonstrates how well a York Region program or service system is working and helps indicate whether the desired impact is taking shape as a result of the Region's focused efforts. York Region has made significant progress in Year 3 (2017) of its four-year Strategic Plan. In total, 43 of 48 Key Regional Performance Measures (90 per cent) are trending in the desired direction. These achievements demonstrate strong, organized and collaborative efforts across the organization and in relationship to Council's direction.
The complete list of all 48 indicators is available on page 38.

90%

of Key Performance Measures are trending in the desired direction

ECONOMIC VITALITY

Strengthening the Region's economy is trending positively by fostering an environment that attracts, grows and maintains businesses; supporting the development and retention of Region-wide workforce; focusing on networks and systems that connect people; and ensuring optimal locations for business and employment growth are available.

HEALTHY COMMUNITIES

Supporting community health and well-being is continuing to show progress through increasing the range of available and affordable housing choices; protecting our public health; making our communities more welcoming and inclusive; and strengthening the Region's network of human services to support people in achieving their potential.

SUSTAINABLE ENVIRONMENT

Managing environmentally sustainable growth has made significant gains towards managing traffic congestion; optimizing critical infrastructure systems capacity; encouraging growth along the Regional Centres and Corridors; and preserving green spaces.

GOOD GOVERNMENT

Providing responsive and efficient public service has achieved considerable progress towards making it easier to access Regional information and services; ensuring a fiscally prudent and efficient Region; stewardship of the Region's assets; and strengthening organizational capacity and effectiveness.

OVER 118,000 PEOPLE ARE EMPLOYED IN 7,900 BUSINESSES IN THE CENTRES AND CORRIDORS IN YORK REGION

strengthening the region’s economy

CREATION OF YORK TELECOM NETWORK HIGHLIGHTS MONUMENTAL YEAR FOR BROADBAND IN THE REGION

York Region continues to support greater connectivity, a key driver of economic growth. An important highlight is the creation of York Telecom Network, a wholly-owned Regional corporation to leverage the Region’s dark fibre optic network.

Working with public and private sectors to increase community access to high-speed broadband, the corporation is expected to deliver cost savings for partners in the municipal, university, school board and hospital sectors. Through relationships with private sector partners, the new corporation may also facilitate improvements in broadband availability, especially in underserviced areas.

In October, Regional Council passed the required bylaws to create YTN Telecom Network Inc. as a business entity, hiring a general manager and appointing a board to oversee the governance of the corporation. Nine members of Regional Council including the Regional Chair are on the current board.

This work highlights Regional Council’s commitment to improve broadband and enable access to high-speed Internet, important elements of the Region’s Economic Development Action Plan and Broadband Strategy.

Additional accomplishments include:

- The Intelligent Community Forum named York Region one of the Smart21 Communities of 2018, with the Region selected in the top 21 from among nearly 400 world-wide submissions. A non-profit global network and think tank, the Forum recognized the Region for its commitment to broadband initiatives and open data, which makes government information more publically available.
- York Region hosted its 3rd annual Broadband and Innovation Summit, entitled York Region as an Innovation Hub. More than 200 people from a wide range of public and private sectors and industries attended. Speakers discuss how to keep businesses focused on advancement and innovation. A common theme emerged on why they decided to operate within York Region, thanks to a network of innovation hubs and support eco-systems.
- York Region worked closely with our rural communities to complete a Connect to Innovate funding application; a federal government initiative to invest $500 million by 2021 to bring high-speed Internet to 300 rural and remote Canadian communities. A successful submission enables York Region to support underserved communities.

YORK REGION CONTINUES TO LEAD IN JOB GROWTH

The rate of job growth in York Region continues to outpace the Greater Toronto Area (GTA), the province and Canada. Between mid-year 2016 and mid-year 2017, the Region's employment survey showed a job gain of 3.3 per cent. Statistics Canada reported GTA job growth of 1.4 per cent, with Ontario at 1.8 per cent and Canada at 2.1 per cent.

Business and job growth are fundamental to economic vitality and a key goal of the Region's Economic Development Action Plan. It outlines programs that explore the Region's economy and business needs, connects businesses into a network that promotes innovation and growth and shares success stories with audiences to generate interest both within and outside York Region.

The plan aligns with Regional Council's short and long-term strategic priorities. Initiatives currently underway include:

- Supporting the new York University campus in Markham Centre
- Advancing the Broadband Strategy
- Completing and implementing an office attraction marketing program promoting York Region as the most viable, attractive location for knowledge-based employers and jobs
- Supporting entrepreneurship development programs aimed at young people

The 2017 Economic Development Year in Review provides highlights and business achievements for the year. Some include:

- Assisting Newmarket attract Canadian manufacturer Celestica to their community, representing 500 new jobs
- Facilitating the expansion of General Motors Canadian Technical Centre in Markham, representing 700 jobs
- Assisting in creating over 100 small business start-up and expansion jobs through York Region Small Business Enterprise Centre support programs

The *Economic Development Action Plan* impacts how the Region's communities grow and become connected. The Region is developing four Regional urban centres – Markham Centre, Newmarket Centre, Richmond Hill/Langstaff Gateway and Vaughan Metropolitan Centre – and the transit corridors that link them.

It puts residents, workers and businesses together in locations well-suited for high density residential living with retail and office-based jobs. It is supported by rapid transit along major corridors for smoother and quicker travel.

The four centres are currently home to more than 118,000 jobs and 50,000-plus residents. They are supported by 36 kilometres of Viva bus rapid transit, which includes segments of bus-only centre lanes on major routes to reduce travel time. The Toronto Transit Commission's (TTC) Yonge-University Line 1 is now extended to the Vaughan Metropolitan Centre, marking the first time the TTC subway has directly linked to a municipality outside the City of Toronto. The Vaughan Metropolitan Centre is witnessing tremendous job growth, driven primarily by the new subway.

All efforts are supported by the York Link office attraction campaign and highlights relationships among city building, economic development and achieving the right mix of quality jobs and commercial office development. Since 2013, building permits for 120,000 square metres of office space have been issued in the Region's centres and along related corridors. York Region is now second only to Toronto in new office construction in the GTA.

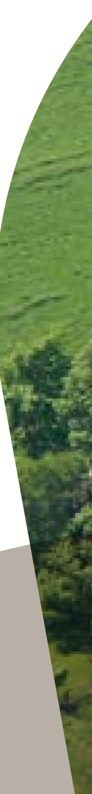
Attracting and retaining high quality, well-paying jobs across a range of sectors promotes economic resilience and provides opportunities to work closer to where you live.

REGIONAL CENTRES MAKE AMAZON SHORT LIST

A bid that includes sites in both Markham and Vaughan is among the final 20 contenders being considered as the location for Amazon's second North American headquarters. Toronto Region has the lone bid from outside the United States included in this round, announced in early 2018.

York Region has the highest concentration of technology companies in Canada, and is already a top Canadian location for numerous global companies and talent.

Participation in the highly-publicized selection process, with hundreds of cities vying for 50,000 Amazon jobs and billions of dollars in economic benefits, was coordinated by Toronto Global, which focuses on attracting foreign investment to the GTA to develop and maintain a strong Region.



THE GATEWAY HELPS SKILLED NEWCOMERS INTEGRATE INTO WORK LIFE

York Region hosted The Gateway 2017, its third conference to assist internationally educated professionals learn about and integrate into Canadian work life.

The day-long conference in October featured interactive workshops, keynote speakers and networking opportunities for more than 500 newcomers, professional associations and government representatives.

Leveraging the skills and knowledge of new Canadians is vital to building a strong labour force to help remain competitive and encourage investment. While more than half of newcomers to York Region have a university or graduate degree, up to 60 per cent are working in jobs below their skill level. The conference offers internationally educated professionals information and resources to help them build better lives in Canada.

The conference is one of several initiatives the Region's Community Partnership Council has created through the York Region Newcomer Strategy. Efforts help to meet the needs of newcomers and encourage participation in community life and the economy.

NEW REGIONAL INITIATIVE SUPPORTS FARMS AND AGRI-FOOD SECTOR

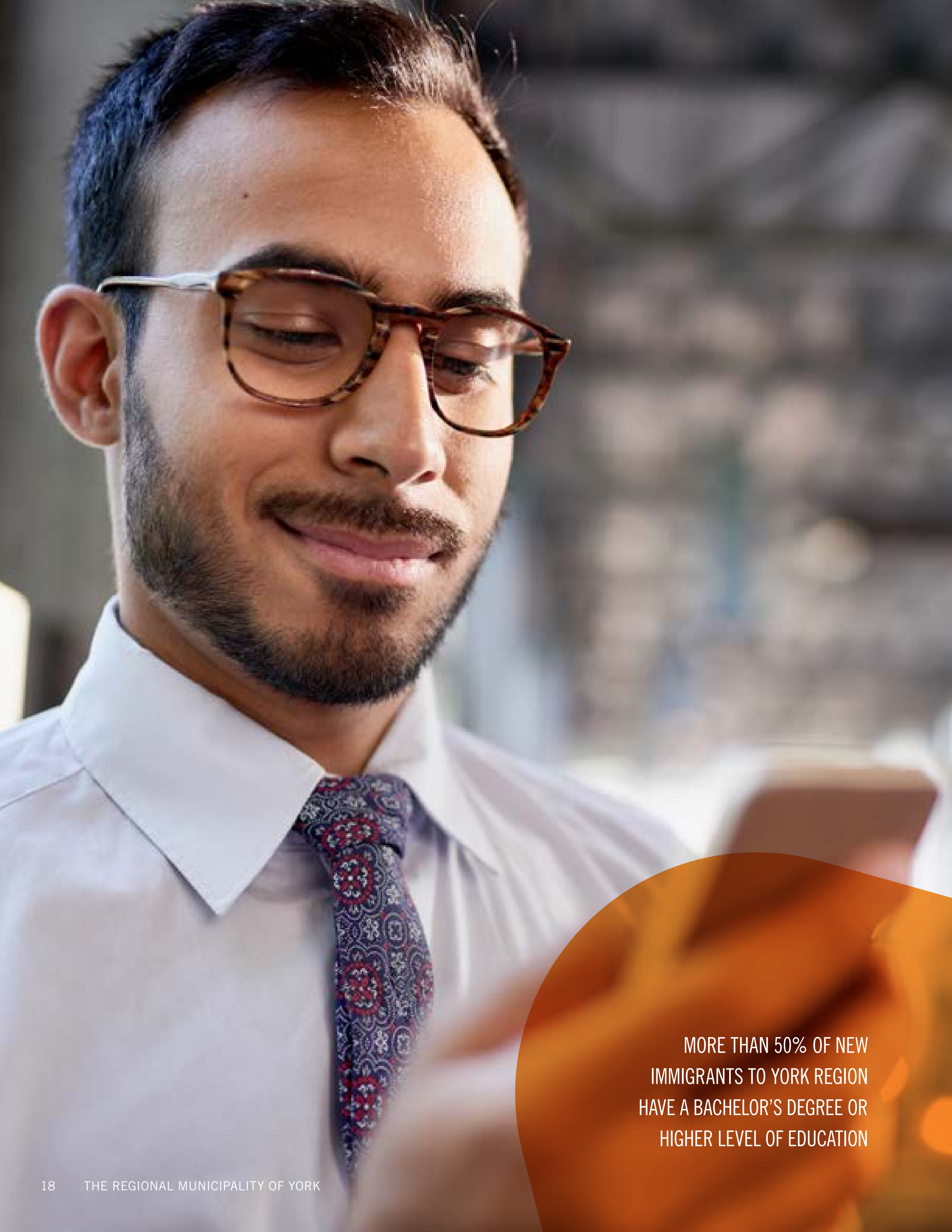
York Region is home to 16 per cent of all farmland in the Greater Golden Horseshoe, with more than 712 working farms and 400-plus food processing companies. A new agriculture and agri-food strategy supports this source of economic vitality.

The Region's strong population growth gives primary producers and processors access to a large and diverse customer base. At the same time ongoing development puts pressure on agricultural lands.

The strategy sets out five main goals:

1. Strengthen communication and collaboration among municipal and agri-food partners
2. Provide support through integrated land use planning and economic development
3. Support increased capacity for value-added agri-food activities
4. Leverage the Region's location in meeting the demand for local food
5. Help keep and expand primary production

Approved by Regional Council in October, the five goals are backed by 45 recommended short, medium and long-term actions. Strategy development was supported by the York Region Agricultural Advisory Liaison Group, a volunteer committee created by Regional Council in 2001 to support the agricultural industry and promote healthy rural communities.



MORE THAN 50% OF NEW IMMIGRANTS TO YORK REGION HAVE A BACHELOR'S DEGREE OR HIGHER LEVEL OF EDUCATION

supporting community health and well-being

NEWCOMER STRATEGY HELPS BUILD PROSPEROUS COMMUNITIES

Nearly 10,000 immigrants arrive in York Region each year. Home to more than 230 distinct ethnic origin groups, the Region is one of Ontario's most diverse communities. By 2031, its estimated 55 per cent of the Region's population will be immigrants and 62 per cent will be members of a visible minority.

The bulk of these new immigrants are of working age (between the ages of 24 and 65), and more than 50 per cent have a bachelor's degree or higher level of education.

By 2041, the total number of jobs in the Region is expected to increase to 900,000, and in recent years, net growth in the Canadian labour market has been achieved exclusively by immigrants. York Region cannot grow without newcomers, and the labour force wants the enthusiasm and ideas they bring.

York Region's Newcomer Strategy is helping integrate newcomers into the Region, ensuring their skills and contributions will help communities prosper now and in the future.

Newcomers must find and keep employment that matches their skills and experience. They need to earn a wage to thrive; not simply survive. They must have access to appropriate social services.

York Region has long been a leader in welcoming newcomers to Canada. In 2009, the federal government asked the Region to lead Canada's first-ever Local Immigration Partnership, an initiative to improve the integration of immigrants.

In 2010, York Region created a Community Partnership Council with representation from police, social services, education and local municipalities to work to create communities more welcoming for newcomers. And the Newcomer Strategy carries on this work.

Additionally, in January Regional Council approved the development of the Inclusion Charter. It seeks to develop and promote policies to ensure benefits and opportunities in York Region are available to all residents, newcomers included. The Region continues to work with partners such as social services, school boards and municipalities to research social resiliency and how communities can offer support.

10-YEAR HOUSING PLAN IS MAKING A DIFFERENCE

The achievements of York Region's 10-Year Housing Plan reinforce Regional Council's commitment to help prevent homelessness and supporting renters and homeowners. First approved in 2014 and reported on annually, work is focused to advance four goals:

1. Increase the supply of rental housing
2. Sustain the existing rental supply
3. Support home ownership affordability
4. Strengthen homelessness and housing stability

The 2017 opening of a newly constructed private rental apartment building at 212 Davis Drive in Newmarket advances the plan's goal of increasing the rental housing supply. It marks the first purpose-built rental apartment to open in the Region since the 1980s. With some of its 225 units reserved for households who receive rent subsidies, the site-specific pilot enabled the developer to receive a 36-month development charge deferral; a policy approved by Regional Council for high density purpose-built rental buildings. Rental housing development supports a wider variety of affordable and available housing options. This helps keep residents connected to employment and the local economy.

York Region is developing and implementing programs that contribute to achieving the provincial mandate of ending chronic homelessness by 2025. In November, Regional Council took action to reduce homelessness by approving the *Home Now* program. It provides a minimum of 100 chronically homeless individuals residing in the Region with supports to locate and retain long-term housing and reintegrate into the community.

Home Now is founded on the principle that people are more successful in moving forward in their lives if they are housed. York Region released a Request for Proposal to select a service provider with the expertise and capacity needed to deliver the *Home Now* program. When confirmed, the Region will work in partnership to implement the program in 2018.

The program is provincially funded through the Community Homelessness Prevention Initiative (CHPI) and Home for Good (HFG). Increased funding of more than $5.1 million by 2020 through CHPI enables the Region to expand current programs and add new initiatives, including a homeless count every two years. It allows the Region to better understand and support at-risk populations such as homeless youth and Indigenous people in the community.

Affordability and lack of rental supply in the Region remain challenges. The 10-year plan and collaboration and partnerships it's creating are enabling progress on housing needs.

INCREASED FUNDING ENHANCES SOCIAL SERVICES

York Region has leveraged higher provincial funding and changes in its role to enhance services for children and their families. Provincial funding for children's services has grown significantly over the past five years, allowing the Region to reduce wait lists for services and make program enhancements. This allows three things to occur:

1. Offer increased access to child care for families with low income
2. Pay child care workers a higher wage
3. Help cover the costs of maintenance and repairs for licensed child care centres

Increased access to early years' services in licensed child care centres benefits children with special needs and enables parents to stay employed or go to school.

Improvements to the delivery of Ontario Works better address the multiple and complex needs of many clients and makes it easier for them to access the program.

Combined, these efforts improve community services and create an environment where all children can flourish.

YORK REGION'S WAITLIST
FOR CHILD CARE FEE ASSITANCE
DECREASED BY 64% BETWEEN
DECEMBER 2016 AND DECEMBER 2017

YORK REGION'S SENIORS STRATEGY HELPS KEEP SENIORS HEALTHIER LONGER AND CONNECTED TO THE RIGHT SERVICES AND PROGRAMS AT THE RIGHT TIMES

REGION ACTS TO COUNTERACT OPIOID CRISIS

York Region expanded its Harm Reduction program to better address the growing health crisis of opioid addiction.

The misuse of opioids, prescribed to treat chronic pain and other medical problems, is the third leading cause of accidental death in Ontario. Opioids include fentanyl, heroin, morphine, oxycodone, codeine and hydromorphone; and are often highly addictive. Overdoses in 2016 resulted in 139 emergency department visits and 62 hospitalizations in York Region.

The Region's local response includes improved distribution of the antidote naloxone and working with eligible community organizations and service providers. Available by injection or nasal spray, naloxone is a non-opioid medication that counteracts the effects of opioid overdose. Administering it in time can give a person who has overdosed time to seek emergency care.

Health Canada made naloxone available over the counter and without a prescription in 2016, and the Ontario government provides it without charge through pharmacies, public health units and some community organizations. York Region public health encourages people who use opioids, at risk of overdosing and concerned family and friends to obtain a naloxone kit.

The Region's plan also includes work with community partners to develop an opioid action plan that includes prevention, harm reduction, enforcement, treatment, communication, ongoing surveillance and monitoring, plus removing the stigma surrounding opioid use.

WORK MOVES AHEAD ON NEW SENIORS STRATEGY

York Region moved ahead on implementing its new Seniors Strategy to create complete communities welcoming to all ages, balance the needs of seniors with all residents, keep seniors healthier longer and connect seniors and caregivers to the right programs and services at the right times.

Connecting Caregivers Workshop was held in June to connect caregivers – family caregivers, long-term care home staff, community agencies and health care providers – to available services and supports. Staff heard first-hand about caregiver needs, challenges navigating the system, gaps and areas for improvement.

A session on creating age-friendly complete communities brought together various perspectives and disciplines, including Regional and local municipal staff in areas of planning, parks and recreation and transit to share knowledge and ideas.

LOWERING SPEED LIMITS TO REDUCE COLLISIONS

Regional Council approved reduced speed limits on numerous Regional roads as part of an ongoing campaign to reduce collisions and injuries. Benefits were noticeable by the end of the year with collisions at a 10-year low, despite a significant increase in traffic over the same timeframe. Past studies have shown lowering speed limits in appropriate areas can reduce collisions in both number and severity.

Reduced speeds are a result of an increase in mixed traffic that includes pedestrians and cyclists and the number of vehicles as the Region grows and becomes more urban. Other factors include driveways onto Regional roads with more development, changes in traffic patterns, consistency in speed limits over short distances and the need to provide drivers more time to react to potential hazards.

The Region has taken several other measures to reduce collisions, including installing 20 additional red-light cameras by the end of 2017 and increasing the use of roundabouts.

THE TORONTO-YORK SPADINA SUBWAY EXTENSION IS ONE OF MANY MEASURES ENHANCING PUBLIC TRANSIT IN YORK REGION, SUPPORTING QUICKER, SEAMLESS TRAVEL AND MORE OPTIONS FOR TRAVELLERS

managing evironmentally sustainable growth

YORK REGION WELCOMES FIRST SUBWAY INTO YORK REGION

Excitement and free travel marked the opening in December of the Toronto Transit Commission (TTC) subway extension into York Region, the first time the TTC has extended beyond the City of Toronto's borders.

The Toronto-York Spadina Subway Extension project adds 8.6 kilometres and six new subway stations to the western arm of the TTC's Yonge-University Line 1, starting from Sheppard West. Three of the new stations – Pioneer Village, Highway 407 and Vaughan Metropolitan Centre, the line's new terminus – are in the Region.

The extension is one of many measures enhancing public transit in the Region, supporting quicker, seamless travel and more options for travellers.

Each station in York Region has car and bicycle parking and a new state-of-the-art bus terminal. The York Region Transit (YRT) network also connects with the subway stations. Vaughan Metropolitan Centre Station has a direct connection to the Highway 7 bus rapidway station, while the Highway 407 Station serves as a multi-modal transportation hub for YRT, the subway and GO Transit.

These new stations meet accessibility standards and provide accessible parking. They incorporate green infrastructure features such as green roofs and native plant landscaping.

Other transportation achievements in York Region include:

- York Region's new Travel Smart Program introduced in March is a five-year plan designed to support a growing Region and improve travel time consistency and safety for all users, including:
  - Upgrading traffic signal controls
  - Leveraging data through third-party applications such as Google Maps, Triplinx and Waze
  - Developing Smart Work Zone programs where technology provides travel time information to users in areas affected by construction
- Amendments to the York Region Transit bylaw approved by Council in February include:
  - Banning use of all tobacco products, electronic cigarettes and marijuana within a transit facility or on transit vehicles
  - Restricting use of non-transit vehicles on a bus rapidway

- Prohibiting the interference with or activating an emergency device on a Regional vehicle or property other than during an emergency
- The free YRT/Viva Pay app was downloaded more than 13,100 times between July and December as customers began to move to a new mobile payment option, which allows customers to purchase single ride tickets, monthly passes and Express tickets through their smartphones
- Regional Council in March approved the purchase of six 40-foot electric buses for a two-year electric bus trial, measuring benefits such as reduction of operating and maintenance costs, greenhouse gas emissions and noise pollution
- Adding three sections of HOV/transit lanes – two on Highway 7 and the third on Major Mackenzie Drive – to help reduce the number of single vehicles on the road by encouraging the use of transit and carpooling

YONGE SUBWAY EXTENSION TOP TRANSPORTATION PRIORITY

With the completion of the Yonge-University Line 1 to the Vaughan Metropolitan Centre, Regional Council has reinforced its most pressing transportation priority – extending the Yonge subway north to the Richmond Hill/Langstaff Urban Growth Centre at Highway 7.

Regional Council endorsed this project as part of its Transportation Master Plan in June 2016. Once complete, it would extend Line 1 north by 7.4 kilometres from Finch Station to Richmond Hill, and include five stations, two intermodal terminals and 2,000 commuter parking spaces.

The Federal government and the Provincial transit agency, Metrolinx, provided $91.3 million in funding for preliminary engineering work of a procurement model. York Region continues to work with both federal and provincial governments to secure a long-term financial commitment for the project.

York Region regards this project as the most critical to accommodate expected population growth and economic expansion. By 2031, an estimated 58 million riders would use this subway extension annually, eliminating 2,500 daily bus trips now needed to serve this section of Yonge Street.

TRANSPORTATION PROJECTS ADDRESS GROWTH AND UPKEEP NEEDS

Transportation investments focused on growth projects to increase the capacity of the Region's road and transit network. They also supported a State of Good Repair Program to ensure assets are kept in good condition. Both investments are outlined in the 10-Year Roads and Transit Capital Program, with a 2017 budget of $2.3 billion. York Region Rapid Transit Corporation, a wholly owned subsidiary of the Region, oversaw continuing investment in the Viva rapidway network.

The growth program includes the widening and reconstruction of roads, building new links in the Regional road network, adding midblock crossings (crossing between interchanges) over provincial freeways, undertaking major bridge replacements and upgrading intersections. Transit-related investments include rapidways, building new transit terminals and facilities and expanding the transit fleet. The Region's partnerships with local municipalities further support investments in streetscape design and active transportation options like walking and cycling.

Key road projects to serve growth included:

2nd Concession: East Gwillimbury

- Widening the road to four lanes and adding curbs, storm sewers, street lighting and cycling facilities
- Improving water and sewer infrastructure
- Rebuilding the bridge over the Holland River and adding a new bridge over the GO Barrie rail corridor
- Adding a pedestrian bridge over the Holland River
- Creating a boardwalk through the Rogers Reservoir
- Project designed to blend in with historical features and the natural environment of the Rogers Reservoir

Highway 7: Markham

- Widening of Highway 7 from four to six lanes between Town Centre Boulevard and Sciberras Road
- Six new Vivastations east of Town Centre Boulevard, plus HOV and transit lanes, boulevard cycling lanes and sewer and water infrastructure
- Enhanced streetscape features including trees, planter boxes, sidewalks and decorative street lights

The State of Good Repair Program focuses on the care of existing transportation assets such as pavement repair, preservation and rehabilitation, mid-life overhaul of transit vehicles and rehabilitation or replacement of bridges and culverts.

The Transportation Services capital program continues with urbanization and widening of existing rural roads, reflecting the Region's growing urban population. Transit reliability and quality service support a range of mobility options for travellers.

Active transportation is increasingly important in creating more travel options for commuting, recreation and day-to-day activities. Work began on another section of a "Lake to Lake" route for cycling, hiking and walking that will ultimately extend 121 kilometres from Lake Simcoe to Lake Ontario. It will link York Region and Toronto to connect to trails such as the Greenbelt Route, PanAm Path and Waterfront Trail, to transit hubs and attractions including beaches, community centres and parks. The new section should be complete in 2018 and runs along Leslie Street from Steeles Avenue to Highway 7.

The Region has voiced its support for continued expansion of the GO Transit network. GO Transit is moving ahead on all-day, two-way service on its existing rail lines, including two of those serving York Region.

Regional Council also reiterated its position not to support a proposed re-routing of the rail freight network in the Greater Toronto Area. Community safety is a primary concern and Regional Council does not endorse an increase in freight traffic within York Region.

ENVIRONMENTAL PROJECTS FOCUS ON SAFE AND RELIABLE SERVICES

Work progressed on the Environmental Services 10-year capital plan, focusing to continue to provide safe and reliable services while supporting the Region's growing communities. Federal and provincial funding of $34.8 million allowed 29 new water and wastewater projects to move forward.

The 10-year plan includes a future outlook of $2.4 billion in environmental infrastructure to 2026, including more than 140 projects in progress.

Key projects include:

Duffin Creek Water Pollution Control Plant (owned jointly with Durham Region)

- Upgrades involved a $200 million investment, including mechanical, electrical and process work, with an earlier $600 million phase expanding plant capacity
- Enhanced technology removes over 93 per cent of the phosphorus load entering the plant
- Water released from the plant is high in quality, consistently meeting or surpassing the parameters set by the Ministry of the Environment and Climate Change and outperforming comparable wastewater treatment plants on Lake Ontario
- Unlike most comparable plants, Duffin Creek plant can treat all wastewater flows even during extremely high rainfall, with no bypass events that release untreated sewage into the lake
- Further phosphorus reduction study continued

Upper York Sewage Solutions

- Upper York Sewage Solutions is a long-term project needed to serve expected growth in the towns of Newmarket, Aurora and East Gwillimbury
- Major design elements are:
    - Innovative water reclamation centre to treat wastewater to a high level
    - Twinning of a sanitary sewer forcemain to the existing York Durham Sewage System
    - Project-specific total phosphorus off-setting program for increased phosphorus removal within the watershed

- Awaiting regulatory approval, the Region:
    - Moved ahead on detailed design of the water reclamation centre
    - Began preparation on the construction tender for the sanitary sewer forcemain twinning
    - Partnered with Lake Simcoe Region Conservation Authority on a phosphorus removal demonstration project to support the proposed total phosphorus offset program

Numerous other projects across the Region support the sustainable growth of its communities. The Region was successful in its application for the Government of Canada's Clean Water and Wastewater Fund. With federal (up to 50 per cent) and provincial (up to 25 per cent) government funding and the Region funding the balance, the Region received $34.8 million in project cost funding for projects focusing on:

- Sewer rehabilitation
- Phosphorus reduction testing
- Watermain replacement
- Pumping station rehabilitation
- Flood control with structural sewer replacement

REGION DEVELOPING CLIMATE CHANGE ACTION PLAN

Climate change can lead to life-threatening heat waves, storms, flooding, diseases and impacts on our food supply. So serious that "the mitigation of greenhouse gas emissions and adaptation to a changing climate" has been established as a matter of provincial interest. To help maintain the health of communities and a proactive approach to address climate change, Regional Council committed to develop and implement a Regional Climate Change Action Plan. This aligns with provincial direction to integrate climate change directly into planning practices across Ontario.

Regional staff is developing the action plan through consultation with local municipalities, conservation authorities and the public. It will draw on existing policies, procedures and community energy plans in the Region's nine local cities and towns. It will integrate with the Region's Energy Conservation and Demand Management Plan, endorsed by Regional Council in 2016.

The Energy Conservation and Demand Management Plan provides details of Regional energy conservation initiatives, outlines measures to align with the goals of *Vision 2051* and move toward zero greenhouse gas emissions by 2051. It focuses on emissions from assets the Region both owns and operates, as well as Regional assets operated by a third party. The plan outlines initiatives such as revising policies for the energy efficiency of future new buildings and major renovations to minimize energy use over the building's lifecycle.

The Region is committed to leverage opportunities at the federal and provincial level to help fund energy conservation projects. Community housing providers in the Region, including Housing York Inc., are saving energy and reducing greenhouse gas emissions with financial support from other partners.

Through the Community Champions Program, Housing York Inc. held workshops in three of its buildings to show occupants simple ways to conserve, such as using lower-energy appliances like slow cookers. Residents are enthusiastic to learn new ideas and the environmental impact of energy and water use. A provincial grant allowed Housing York to make energy-saving investments, such as attic insulation, replace electric baseboard heaters and install programmable thermostats, electrical heat pumps and water heater insulated blankets. Work is expected to reduce greenhouse gas emissions by roughly 533 tonnes per year.

BILL FISCH CENTRE CONTINUES TO GAIN RECOGNITION

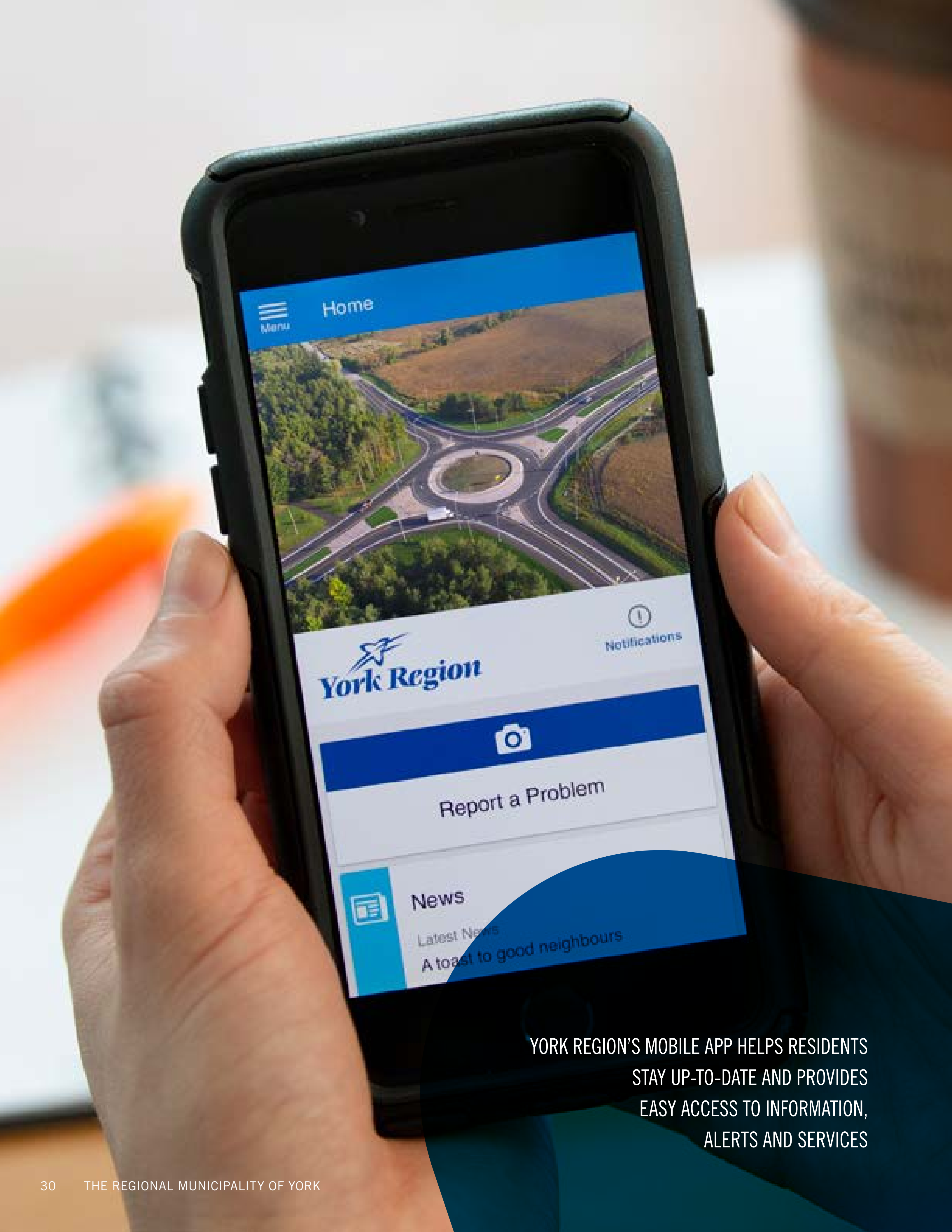
The Bill Fisch Forest Stewardship and Education Centre continues to garner awards recognizing the Region's commitment to meeting the most rigorous standards in the world for environmental sustainability. The centre became the first Regional facility to gain Leadership in Energy and Environmental Design (LEED®) platinum certification. LEED is an internationally-recognized system for rating green buildings on design, construction and performance, with platinum the highest level of certification.

Located in the Hollidge tract of the York Regional Forest, the centre was named 2017 Structures Project of the Year by the American Public Works Association and received the Forest Stewardship Council (FSC) Leadership Award for the use of FSC certified wood.

Features of the facility include:

- Non-toxic construction materials, with a strong emphasis on reclaimed and Forest Stewardship Council-certified wood
- Solar energy
- Rainwater collection and purification of water before it is returned to the environment

York Region achieved six petals as part of the Living Building Challenge certifications, an international program that promotes the most advanced measurement of sustainability in the built environment.



YORK REGION'S MOBILE APP HELPS RESIDENTS STAY UP-TO-DATE AND PROVIDES EASY ACCESS TO INFORMATION, ALERTS AND SERVICES

providing responsive and efficient public service

MOBILE APP JOINS WIDE ARRAY OF REGIONAL INFORMATION SOURCES

The launch of a new app for mobile devices and tablets is making it even easier for residents to access York Region information, alerts and services – and to keep the Region up-to-date by submitting information themselves.

Through a "report a problem" function, users can let Regional staff know about concerns such as potholes, damaged trees, missing or damaged street signs and signal timing on Regional roads. Users have the option of taking a photo, using GPS to show the location on a map and providing comments. Problems are then assigned for review and any necessary action. The app provides the ability to browse job openings, access a Regional news feed and calendar of events like Council meetings, use a link to help sort waste, check out the Region's Twitter and Facebook feeds and install and use the YRT/Viva transit app. Users can also sign up to receive emergency notifications.

The mobile app is free through the App Store and Google Play and is another way to stay in touch with York Region. It joins the Region's website, york.ca, Access York call centre, #YR Matters e-newsletter, York Region Matters mailed publication and constantly updated feeds on seven social media channels.

Open Data is another way the Region makes information more readily available to benefit residents and others.

Recognized as one of Canada's top-20 by Public Sector Digest through its *Open Cities Index* benchmarking initiative, the program ranked 14th in the annual survey of 61 Canadian programs, an improvement of 22 places from the previous year. This reflects the Region's commitment to transparency and the innovative approach to providing data. More than 175 datasets are publically available, and downloads have increased from 784 in 2012 to nearly 7,000 in 2017.

A growing number of Open Data initiatives leverage third-party applications to get information to residents. Data integration with Google Maps and TomTom makes it easier to navigate the Region and find public facilities and transit stops. Restaurant review site Yelp! help diners make better-informed decisions based on an establishment's food safety practices. Traffic app Waze improves information about congestion and road problems.

REPORTING ON THE THIRD YEAR OF FOUR-YEAR CYCLE

The Community Report reflects Council's accomplishments within the strategic priority areas of the current four-year Strategic Plan and budget. The multi-year plan and budget help to guide Regional Council through its term and create alignment with the overarching goals of *Vision 2051*, the Region's long-term outlook.

The move to a four-year cycle for planning and budgeting that coincides with the term of Council has helped tighten the links between financial direction and strategic priorities. Multi-year planning and budgeting enables the Region to direct financial resources toward key strategic priorities during each Council term. The current plan identifies strengthening the Region's economy, supporting community health and well-being, managing environmentally sustainable growth and providing responsive and efficient public service. This report describes many of the accomplishments to date and initiatives underway.

The multi-year framework supports a longer-term outlook for program and service planning by encouraging the Region to assess up-front the longer-term financial impacts of its decisions and investments, as well as how these align with *Vision 2051*.

As needs and conditions arise over time, the framework allows flexibility to make changes to reflect what is happening in the community every four years.

YORK REGION ONE OF TOP EMPLOYERS FOR DIVERSITY

York Region was selected as one of Canada's Best Diversity Employers as many initiatives and programs support diversity and inclusiveness. The award recognizes employers across Canada with noteworthy and unique workplace diversity and inclusiveness programs. Recipients are selected by Mediacorp Canada Inc., a publisher of employment-related periodicals.

The diversity award recognizes efforts to represent the unique and diverse communities we serve. Making communities more welcoming and inclusive is a key priority for Council. The Region's Immigration Settlement Strategy works to enhance the success of new Canadians and helps our nine cities and towns receive newcomers, promote social cohesion and encourage their full participation in all aspects of community life. Progress continues with new steps such as the Inclusion Charter for York Region currently in development.

Mediacorp also recognized the Region as a top-100 employer for young people.

NEW TOOLS HELP REDUCE UNPAID FINE BACKLOG

Court Services was able to use new tools to reduce a serious backlog in unpaid fines, increasing unpaid fine revenue by 21.9 per cent in 2017 over the previous year.

Ontario municipalities were owed almost $1.5 billion in unpaid fines at the end of 2016. For York Region, the total was $48 million. When offenders fail to pay their fines, taxpayers bear the costs. In 2016, Regional Council endorsed a new strategy to improve collections. Tools include:

- Adding unpaid fines to the property tax bill as long as the resident is the property's sole owner, with agreements with several local municipalities now in place
- Working with City of Toronto on an inter-municipal agreement for the same measure

As of May, new provincial legislation allows for denial of licence plate renewal for some unpaid fines. It applies to all vehicles owned solely by an individual offender and retroactive to 2010. The Region continues to advocate extending plate denial to company-owned vehicles, as courts struggle to collect fines from corporations.

UNITED WAY CAMPAIGN RAISES OVER $700,000

The Regional Municipality of York and York Regional Police raised more than $700,000 in their 2017 fundraising campaign for the United Way Greater Toronto Area, continuing the success of the largest employee campaign in the Region.

Over the past 24 years, Regional and police service employees have given more than $5 million to communities through the United Way, which funds agencies that provide critical services to people throughout the Region. Contributions support many common goals shared by the Region and the United Way, including striving to improve the overall health and well-being of residents and communities, and working to ensure everyone has the opportunity to achieve success. The demand for United Way-funded services continues to grow.

The United Way 2017 campaign draws on the efforts of nearly 100 employee volunteers, and included a payroll donation program, spring and holiday-season markets showcasing local vendors and artisans, and numerous employee-driven fundraising challenges. Campaign theme #YRCARES celebrated the organizations' long-standing culture of caring and commitment to social responsibility.

United Way Greater Toronto Area is the largest non-governmental supporter of social services in York Region, and depends on support from organizations and community members to help ensure its success. It brings a wide range of partners together to find local, community-led solutions to three community priorities:

- Building strong communities
- Helping kids be all they can be
- Moving people from poverty to possibility

YORK REGION EMPLOYEES REPRESENT THE UNIQUE AND DIVERSE COMMUNITIES WE SERVE

REGION SEEKS NEW REVENUE POWERS TO HELP FUND GROWTH

In May, the Region asked the Province of Ontario to provide the same revenue-raising powers currently available to the City of Toronto. This is critical to help meet future growth needs and keep existing infrastructure in good condition. The Region's revenue-raising powers are limited to property taxes, development charges, user fees, fines and penalties, and investment income. These do not cover the full cost of growth or asset management in a financially sustainable way.

Development charges are included in the cost of new developments and used to fund infrastructure our residents and businesses will need. While an important source of funding, the Region's research shows these charges do not pay for the full cost of infrastructure needed for growth. A background study undertaken in preparation to update the Region's Development Charge Bylaw identified a need for more than $6.5 billion of growth-related infrastructure spending by 2031. Of that, only about $3.7 billion can be recovered under the 2017 bylaw. The study identified a further $1.5 billion of growth-related infrastructure that cannot proceed without new revenue sources.

The shortfall exists despite the Region's efforts to achieve financial sustainability, including creating a Regional fiscal strategy to manage the capital plan, reduce reliance on debt and save for the future, and approving water and wastewater user rates to cover the full costs of providing those services by 2021.

Through the *City of Toronto Act*, 2006, Toronto can generate revenue through taxes on municipal land transfers, personal vehicle registrations, billboards, alcohol, tobacco and amusements. Additional revenue-raising abilities like those afforded to Toronto are essential for the Region.

The updated Development Charge Bylaw approved by Regional Council was supported by the background study and involved public meetings and a review period required by provincial statute. The bylaw included two noteworthy new provisions in support of purpose-built high density rental buildings and new hotels in the Region.

NEW PLANNING COMMITTEE PROVIDES LOCAL COMMUNITY INPUT

The Region created an 11-member Planning Advisory Committee that includes members of Regional Council and resident volunteers, who bring a wide and diverse range of perspectives on planning matters. It will provide input on Regional matters such as:

- Proposed new or revised plans
- Legislation and initiatives from Provincial ministries, federal departments and other agencies that affect planning issues within York Region
- Updates and amendments to the Regional Official Plan
- Other studies warranting additional consideration as referred by Regional Council or staff

The new committee allows the Region to incorporate feedback from the local community as it works to comply with new provincial planning requirements. Members will serve for a term of up to four years, to coincide with the term of Regional Council.

FLYING THE FLAG FOR CANADA 150

York Region commemorated Canada's 150th anniversary of Confederation by raising the Canada 150 flag at many Regional buildings.

Other efforts included:

- Partnership at ClearWater Farm in Georgina planting trees for the Prince's Lane Canada 150 project, with the Region contributing to the planting of 150 maple trees
- Two heritage exhibits at the York Region Administrative Centre
  - *Built to Last: Heritage Properties from York County through to York Region*
  - *Shaping Canada: York County's Influence on a Nation*


2011
2012
2013
2014
2015
2016
GOVERNMENT FINANCE OFFICERS ASSOCIATION
Canadian Award
for
Financial Reporting
Presented to
The Regional Municipality
of York, Ontario
Executive Director / CEO

HEALTHY COMMUNITIES

Accreditation from the Commission on Accreditation of Rehabilitation Facilities for commitment in providing long-term care and seniors' community programs to continually improving services, encouraging feedback and serving the community. Achieved three-year accreditations (maximum term).

Baby-Friendly Designation received from the Breastfeeding Committee for Canada for ensuring York Region families have information needed to make informed decisions about how best to feed their infants and young children.

SUSTAINABLE ENVIRONMENT

Induction into the Leading Utilities of the World Global Water Intel and recipient of the Golden Tap Award. The Regional Municipality of York is the first municipality in Canada to be inducted into this growing network of the world's most forward-thinking water and wastewater utilities.

Projects of the Year and Technical Innovation by the Ontario Public Works Association (OPWA) for the following:

Queensville Holland Landing Sharon wastewater servicing project, 2nd Concession project, Keswick Water Treatment Plant Upgrades and the East Vaughan Pumping Station Re-chlorination Facility and Watermain Project. The OPWA program recognizes outstanding individuals, groups and organizations representing the best public works profession.

The John Niedra Better Practices Award, Innovative Service Delivery Maintenance Category for Snow Plow Signal Pre-emption project and the John Niedra Better Practices Award, Good Management Practices for SPAR and SPAR Lite. Both awards received from Ontario Goods Roads Association (OGRA).

LEED Platinum certification and Petal Certification for the Bill Fisch Forest Stewardship and Education Centre. These are the highest designations by the Canada Green Building Council and Living Building Challenge, respectively. The Living Building Challenge is a green building certification program and sustainable design framework that visualizes the ideal for the built environment. This global-sustainability standard puts York Region with one of only 21 buildings worldwide having met this criterion, and the first in Ontario.

GOOD GOVERNMENT

Top Employer Award from Mediacorp Canada. Recognized for effective, progressive and inclusive employee initiatives and community involvement, specifically: Top Diversity Employer and Top Employer for Young People.

Excellence in Municipal Systems Award – Self Serve Data Depot by the Municipal Information Systems; recognized for the York Info Partnerships and Open Data Program.

Corporate Communications Department of the Year and four Awards of Excellence and six Awards of Merit by the International Association of Business Communicators; recognized for communications excellence throughout the Greater Toronto Area.

Distinguished Budget Award from the Government Finance Officers Association (GFOA) for the 12th consecutive year in preparing high quality budget documents that meet best practices set out by the GFOA.

Canadian Award for Financial Report (CAnFR) and the Popular Annual Financial Reporting Award (PAFR) from the Government Finance Officers Association (GFOA) for preparing high quality financial reporting documents that promote accessibility and understandability of financial information.

High credit ratings from two international rating agencies. Moody's Investors Service assigned its top Triple A rating – Aaa – for 17th consecutive year. Standard & Poor's Financial Services LLC reaffirmed York Region's "AA+" credit rating.

This list represents a sampling of awards and distinctions. A full list is available on york.ca/yrcouncil

2015 TO 2019 STRATEGIC PLAN - FROM VISION TO RESULTS

KEY REGIONAL PERFORMANCE MEASURES

YEAR 3 (2017) PROGRESS

43 OF 48 = 90% of Key Regional Performance Measures are trending in the desired direction

3 of 48 measures are not trending in the desired direction
2 of 48 measures are waiting for current data

ECONOMIC VITALITY TREND

Increase percentage of business engagements resulting in business retention, expansion and attraction	🟢
Increase percentage of business engagements with targeted business sectors	🟢
Increase percentage of businesses in services-producing sector	🟢
Increase number of road lane kilometres new and rehabilitated	🟢
Increase number of rapidway lane kilometres	🟢
Decrease average time on social assistance	▲
Increase percentage of employment land within 1 kilometre of 400-series highways	🟢
Increase percentage of employment land within 500 metres of a transit stop	🟠

LEGEND

- 🟢 - Trending in the desired direction
- 🟠 - Annual variation not in the desired direction
- 🔴 - Not trending in the desired direction for > 2 years
- ▲ - Waiting for current data

HEALTHY COMMUNITIES TREND

Increase number of subsidized households	🟢
Increase percentage of total housing stock medium/high density residential housing	🟢
Increase number of households that receive housing assistance	🟠
Increase number of shelter beds	🟢
Increase number of vaccines administered	🟢
Maintain percentage of samples that meet Ontario drinking water standard	🟢
Increase number of bike lane and paved shoulder kilometres	🟢
Maintain or grow number of individual and collective actions of the Human Services Planning Board	🟢
Maintain per capita investment of the Community Investment Fund	🔴
Decrease number of long term care residents transported to hospital	🟢
Reduction in mental health crisis calls to 911	🔴

SUSTAINABLE ENVIRONMENT TREND

Increase number of road lane kilometres new and rehabilitated	
Increase number of traffic signals reviewed and optimized annually	
Increase number of rapidway lane kilometres	
Maintain percentage of treated water returned to environment within regulated standards	
Reduce quantity of inflow and infiltration in Regional and local wastewater systems	
Measure percentage of capital budget spent on renewal/asset management	
Increase percentage of solid waste diverted from landfill	
Decrease average residential water demand	
Increase percentage of new development located in Regional Centres and Corridors	
Increase percentage of new non-residential development located in Regional Centres and Corridors	
Maintain percentage of York Region land subject to environmental protection policies	
Increase transit ridership per capita	
Increase number of trees and shrubs planted annually through the Regional Greening Strategy programs	
Increase number of hectares of environmental lands secured through the Regional Greening Strategy programs	

GOOD GOVERNMENT TREND

Increase number of staff using the Customer Relationship Management technology system	
Increase number of services available online	
Increase number of data sets available online	
Increase number of social media followers	
Increase percentage of business continuity plans tested annually	
Increase reserve to debt ratio	
Maintain high credit rating	
Increase percentage of invoices paid within 30 days	
Increase contribution to asset replacement and rehabilitation as percentage of replacement value	
Increased percentage of assets with real condition assessment data	
Maintain criteria to achieve top employer recognition(s)	
Increase number of corporate-wide call types handled by Access York	
Increase number of visits to Regional websites	
Increase percentage of Formal Freedom of Information Requests handled within 30 days	
Measure leadership and management skills gap index	

THE REGIONAL MUNICIPALITY OF YORK

2017 FINANCIAL STATEMENTS

Bill Hughes
Commissioner of Finance
and Regional Treasurer

THE REGIONAL MUNICIPALITY OF YORK

TREASURER'S REPORT

I am pleased to present this report on The Regional Municipality of York financial performance for the year ended December 31, 2017.

With our audited consolidated financial statements and other information provided in this Community Report, the Treasurer's Report is a key element of our accountability to Regional Council and residents of York Region.

The report explains our financial management practices and discusses financial results for 2017. It looks at trends in several indicators of financial performance and concludes with a discussion of our outlook and measures to manage risk.

For 2017, the third year of the current term of Council, the Region recorded a surplus of $498.2 million on the full accrual basis of accounting. This was essentially on track with the expected surplus of $495.9 million set out in the 2017 budget after adjustment for full accrual accounting and other items. It was slightly lower than the $509.1 million reported in 2016.

The Region's accumulated surplus rose from $6.2 billion to $6.7 billion by the end of 2017.

Net cash from new borrowings less debt that was repaid amounted to $42.8 million. This was down by $107.4 million from the $150.2 million of the previous year, and well below the average of $114.6 million a year over the past five years. Total outstanding debt reached $3.6 billion in 2017, with the Region's own debt, net of offsetting assets, reaching $2.9 billion. This is expected to be its peak level over the Region's long-term planning horizon. Interest expense fell slightly in 2017 from the previous year.

These results reflect the Regional Fiscal Strategy, which is improving the Region's financial sustainability by reducing its reliance on debt.

Building and caring for assets, while maintaining fiscal health, is a financial management priority. During 2017, the Region's tangible capital asset portfolio increased by $658.0 million through additions and contributions. Roughly 91 per cent was for new assets to meet growth needs and 9 per cent was to rehabilitate and replace existing assets. More than 80 per cent of all spending on tangible capital assets supported road, transit and water and wastewater services.

Financial assets – cash, investment instruments that can be converted to cash and accounts receivable – increased by $193.9 million from a year earlier. The increase was largely due to growth in the Region's investment portfolio, which totalled $2.8 billion at year-end. This mainly reflected increases in reserves for future spending needs.

The Region maintained its strong credit ratings of AA+ from S&P Global Ratings and Aaa, the highest rating available, from Moody's Investors Service in 2017. The Region's results show it is on the path to achieving the highest rating from both agencies.

FINANCIAL MANAGEMENT STRATEGIC FRAMEWORK

The strategic framework underlying the Region's financial management consists of the following main elements:

- *Vision 2051* and the *2015-2019 Strategic Plan*
- *The Regional Fiscal Strategy*

VISION 2051 AND THE 2015 - 2019 STRATEGIC PLAN

The Region's long-term direction is guided by *Vision 2051*, which sets out where the Region aspires to be by 2051. Every four years, to coincide with the new term of Council, the Region develops a four-year Strategic Plan to advance the long-term vision. *Vision 2051* and the *2015-2019 Strategic Plan* are discussed in more detail on page 12 of this report.

Managing the Region's finances and assets prudently is critical to achieving *Vision 2051* and the strategic plan. Financial sustainability requires a balance over the long term between the cost of providing needed services and the funding to pay for them. In working to ensure that balance, the finance function takes its direction from the Regional Fiscal Strategy and implements it through the Region's multi-year budgeting process.

REGIONAL FISCAL STRATEGY

The Regional Fiscal Strategy, adopted in 2014 and updated annually, brings together four distinct but related areas of activity:

- managing the capital plan
- saving for the future by building reserves
- reducing reliance on debt
- focusing on intergenerational equity

The Capital Plan

The Region is responsible for major infrastructure systems like roads, transit and water and wastewater. Most of its investments in these systems are made to serve expected population and employment growth.

The Region collects development charges to recover a portion of these costs, but only after growth occurs. When the Region has to build the assets in advance, which is often the case, there is a timing gap between spending and receiving the funding.

Because of this, ensuring the proper timing of capital projects is crucial. When debt is used to bridge the timing gap, the Region must pay interest costs. If development charge collections arrive more slowly than expected, as has been the case in recent years, the costs to the Region could increase and its fiscal flexibility could be reduced.

To manage this risk, the Region uses rigorous capital planning processes. While its capital plan remains amongst the largest in Ontario, reflecting continuing growth needs, project elements are increasingly better phased to reduce the expected timing gap between cash outflows and inflows.

Building Reserves

The Region must also take into account the need to renew and ultimately replace capital assets.

In the past, debt was needed to pay for some renewal and replacement projects, but the Regional Fiscal Strategy has eliminated this need by increasing the use of reserves and enhancing reserve contributions, as well as through improved capital planning.

For water and wastewater assets, Regional Council approved increases in user rates that are expected to cover the entire cost of providing services starting in 2021. This includes building adequate reserves for water and wastewater asset renewal.

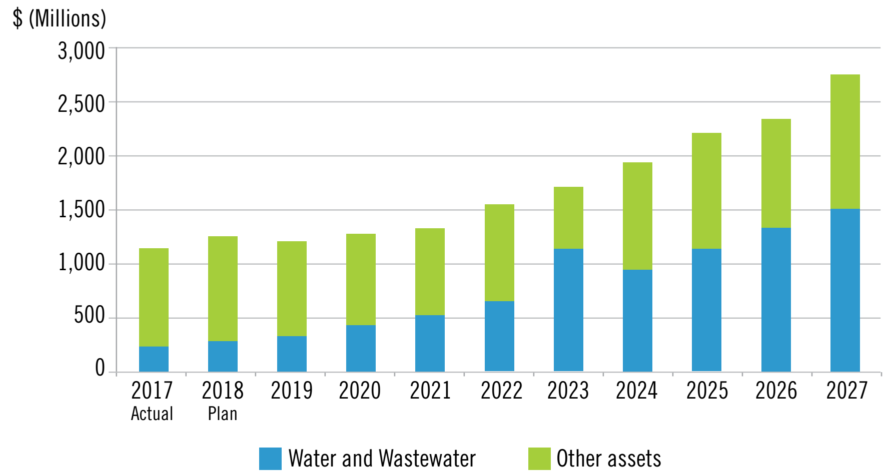
For other infrastructure, in 2007, the Region began increasing contributions to reserves earmarked for asset renewal. In 2013, Regional Council committed to accelerating these contributions. At the time, the contribution was growing by one per cent of the previous year’s tax levy. For 2017, the contribution increased by two per cent of the previous year’s tax levy.

As well, the Region may apply up to half of its supplementary tax revenues to these reserves each year. (Supplementary tax revenues result from growth in assessment value after the annual tax roll is finalized.) In 2017, this provided an additional $3.3 million (the other half of the supplementary tax revenue was applied to a debt reduction reserve). Finally, individual departments may contribute to reserves.

In total, $287.4 million was added to asset renewal reserves in 2017 from all sources, slightly over the budgeted figure of $270.6 million. The Region drew down $107.7 million for renewal projects, which was $29.4 million less than planned. Combined with interest earnings of $33.7 million, this resulted in a net increase of $213.4 million in asset replacement reserves.

The balance in the asset replacement reserves stood at $1.1 billion by year-end. The 2018 budget set out a plan for reserves to continue to grow substantially, reaching more than $2.7 billion over the next 10 years. The graph below reflects 2017 results, the 2018 budget plan and projections to 2027.

PROJECTED GROWTH IN ASSET REPLACEMENT RESERVES

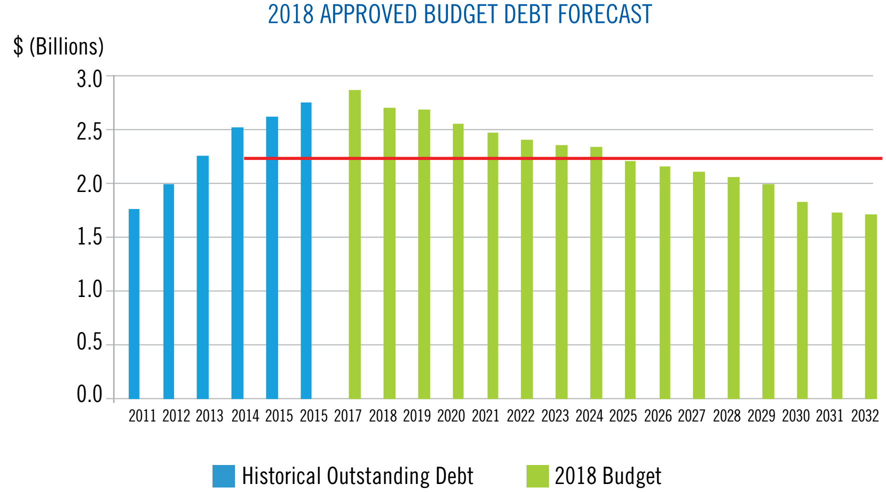


Long-term Debt Management Plan

The Region's long-term debt management plan takes into account borrowing needs over the following 10 years, complies with Regional and provincial policies, and considers risks to the plan and ways of mitigating them.

The fiscal strategy is ensuring the plan reflects the gradual elimination of debt that must be repaid from the tax levy or user rates, and reduction in debt related to the timing of development charge collections.

2018 APPROVED BUDGET DEBT FORECAST



The plan in the 2017 budget outlined $1.1 billion in debenture funding for a 10-year capital plan of $6.1 billion. Based on that, the budget projected that outstanding Region-only debt, excluding local municipal and housing-related debt and net of sinking fund assets, would peak in 2017 and start to decrease in 2018. At the end of 2017, the debt level was $2.9 billion, as forecast.

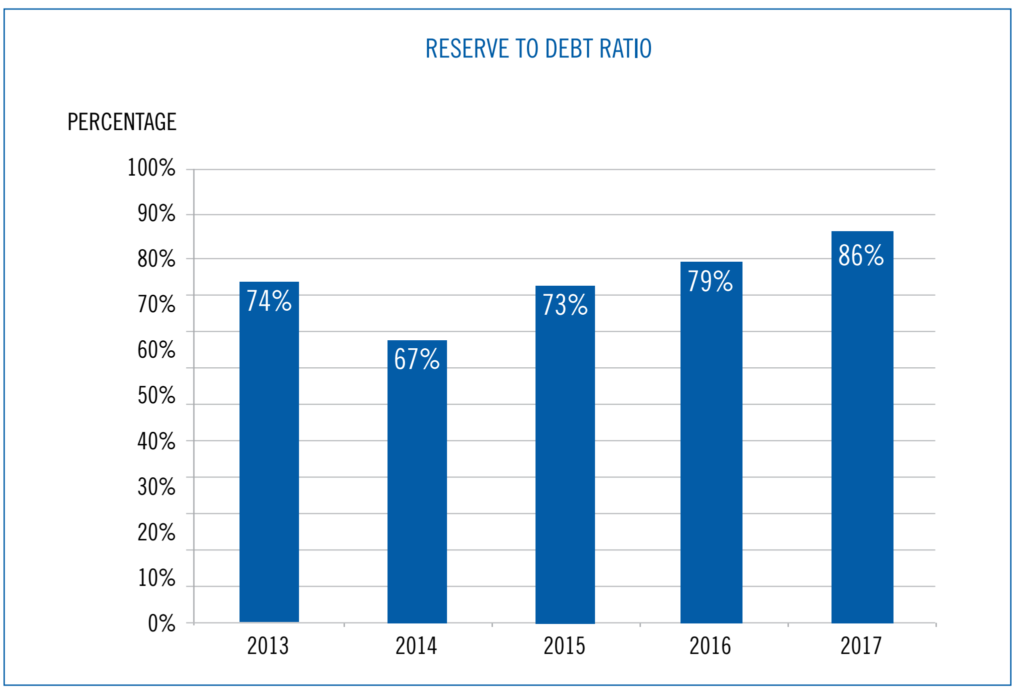
Intergenerational Equity

Intergenerational equity means that financial responsibility is shared fairly between current and future residents – today's residents are not burdened with the costs of services that will be largely enjoyed by those who come after them, and future residents will not have to pay for services largely enjoyed by previous residents. Ensuring this fairness requires careful planning, as well as the judicious use of financing tools. The Regional Fiscal Strategy's attention to properly sizing and pacing capital plans, building reserves and managing debt are all ways of strengthening intergenerational equity.

Impact of the Regional Fiscal Strategy

The ratio of reserves to debt is an important marker of fiscal sustainability. A high ratio shows that if revenues were to decline, the Region would have other resources to meet its obligations. Conversely, if a municipality has a low ratio, it can indicate vulnerability to economic downturns.

Use of the Regional Fiscal Strategy is improving the reserves-to-debt ratio for the Region. The graph below shows the positive impact of the strategy since it was introduced in 2014:



Note: The reserves figure includes development charges and gas tax funding. It excludes the sinking fund reserve balance. The debt figure represents Region-only debt, excluding local municipality debt and housing-related debt and net of sinking fund assets.

As additions to debt moderate and reserves grow in line with the fiscal strategy, the ratio is expected to continue to improve.

In summary, continued use of the Regional Fiscal Strategy is:

- Helping to ensure fiscally responsible capital plans keep pace with expected growth
- Adding significantly to asset replacement and renewal reserves
- Reducing Regional borrowings from what they would otherwise have been

MULTI-YEAR BUDGETING

In 2015, the Region introduced a new multi-year budget framework that coincides with the four-year term of Regional Council. With multi-year budgeting, Regional Council each year approves a one-year budget and an outlook for the remaining years of its term. The first budget in the cycle covered the full four years, while the most recent, for 2018, covered the final year of the current term.

Expected population growth is a major driver of the multi-year budget. Future demand also reflects changing social and economic conditions and the expectations of the public and other levels of government. Budgets include estimates of any offsetting funding that might be received, such as transfer payments, user fees and fares, all of which are subject to change.

Multi-year budgeting allows the Region to direct financial resources toward key strategic priorities during each four-year term and provides greater certainty about future tax levies. At the same time, it maintains flexibility to adjust the plan each year to address new needs, priorities and opportunities.

YORK REGION BYLAWS, POLICIES AND CONTROLS

In addition to the Regional Fiscal Strategy and long-term debt management plan, the Region has put in place various bylaws, policies and control procedures to support better financial management and stewardship of the Region's assets and reduce risk.

These cover such activities as borrowing, managing reserves, investing Regional funds, procuring goods and services, determining insurance coverage and setting development charges. As well, the audit function is a key element of financial management.

PROVINCIAL LEGISLATION

Provincial direction determines many aspects of municipal financial management, including the setting of development charges, debt issuance, budgeting, accounting and reporting standards.

Development Charges

The Region's development charge rates and policies are guided and regulated by the provincial *Development Charges Act.* The current bylaw expires in June 2022.

Development charges are levied on new residential and non-residential development and are used to fund the infrastructure needed to serve growth. They are the main source of funding for the growth-related portion of the Region's capital plan.

The setting of development charge rates starts with forecasting expected growth and estimating the related infrastructure need. Provincial legislation then requires various deductions from the estimate. These include expected grants and subsidies, 10 per cent of the amount related to providing some services, such as social housing, any benefit to existing and future development beyond the forecast period, and, for some services, adjustment to ensure that future service levels do not exceed historic averages. The balance is the amount eligible for development charge recovery.

Debt Issuance

Under the *Municipal Act,* municipalities in Ontario may only issue debt for capital projects. A regulation under the act restricts the annual cost of servicing long-term debt and other financial obligations to 25 per cent of a municipality's own-source revenue. For the Region, own-source revenue includes property taxes, water and wastewater revenue, transit fares, investment income earned on reserve and reserve funds (excluding the sinking fund), other user fees and provincial fines.

In addition to this limit, the Region qualifies for a "growth cost supplement" that is equal to 80 per cent of the average of the Region's last three fiscal years of development charge collections, which provides it with more debt room to meet the capital-related needs of growth. However, the Region's policy is to add only 70 per cent of the three-year average, not the full permitted 80 per cent.

MANAGEMENT RESPONSIBILITY

The Controllership Office within the Finance Department is responsible for organization-wide controls, policies and procedures to safeguard the Region's financial resources. It also keeps financial records, prepares the annual consolidated financial statements and reports on results.

The Controllership Office prepares the consolidated financial statements in accordance with Canadian generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada. Note 1 to the consolidated financial statements provides a summary of the significant accounting policies.

AUDIT FUNCTION

Council's Audit Committee helps ensure the Region's administration properly carries out its responsibilities for financial reporting, internal control, auditing and monitoring compliance with laws, regulations and the Region's Code of Conduct.

The current Audit Committee members are:

- Mayor Virginia Hackson (Chair)
- Mayor Geoffrey Dawe (Vice-Chair)
- Regional Councillor Nirmala Armstrong
- Regional Councillor Naomi Davison
- Regional Councillor Brenda Hogg
- Regional Councillor Gino Rosati
- Regional Chair Wayne Emmerson (ex-officio)

The Audit Services branch in the Office of the Chief Administrative Officer advises on managing and controlling risk, performs independent appraisals of control systems and helps identify efficiencies and improvements in new and existing processes, programs and services.

The Region's external auditors conduct an audit of the consolidated financial statements in accordance with Canadian public sector accounting standards. Their unqualified opinion of the financial statements appears on page 68.

BASIS OF BUDGETING, ACCOUNTING AND FINANCIAL REPORTING

Being able to easily compare planned and actual results is a critical marker of good financial management.

In line with provincial requirements set out in the *Municipal Act,* the Region develops its budget to essentially balance major cash inflows, like tax receipts, transfer payments, user fees and borrowing, and major outflows, like operating costs and contributions to capital reserves. Any excess of inflows over outflows at year-end is called an operating surplus.

The provincial government requires municipalities to account for and publicly report on their financial activities following the guidance of the Public Sector Accounting Board. The board requires the use of full accrual-based accounting.

When looking at operating results, full accrual-based reporting does not directly reflect many of the cash inflows and outflows included in the operating plan in the budget. As a result, comparing actual results to the budget plan requires a reconciliation. This reconciliation also captures other differences between the budget and financial statements.

The 2017 budget included a detailed reconciliation in the "Accrual Budget Presentation" chapter, showing an expected annual surplus on the full accrual basis of $495.9 million. This figure is the starting point for the reconciliation between 2017 budget and actual results that appears in Note 2 to the consolidated financial statements in this document.

WHAT IS THE FULL ACCRUAL BASIS OF ACCOUNTING?

Accrual accounting recognizes revenues as they are earned, even if the money has not been received, and spending on goods and services when it is incurred, even if the invoice has not yet been paid. Where capital investments are concerned, this treatment also requires when a new asset is built or acquired, its full cost is not recorded in that year. Instead, only a portion of the cost, called amortization, is recorded as an expense in the year of acquisition and every subsequent year of the asset's useful life.

RESULTS FOR 2017 AND INDICATORS OF FINANCIAL PERFORMANCE

This section compares 2017 results to the budget plan and the previous year. It also incorporates an analysis of trends and other financial indicators, as recommended by the Public Sector Accounting Board.

COMPARISON OF ACTUAL RESULTS TO ACCRUAL-BASED BUDGET ($ MILLIONS)

	2017 Budget	2017 Actual	Variance
REVENUES			
Net taxation and user charges	1,353.9	1,321.6	(32.3)
Transfer payments	577.3	550.7	(26.6)
Development charges	348.5	283.7	(64.8)
Fees and services	167.1	198.5	31.4
Investment income	63.9	71.3	7.4
Other	112.9	95.2	(17.7)
	2,623.6	2,521.0	(102.6)
EXPENSES			
Transportation Services	547.0	426.9	(120.1)
Environmental Services	457.0	512.7	55.7
Community and Health Services	549.5	521.9	(27.6)
Protection to persons and property	356.8	360.2	3.4
Other	217.4	201.1	(16.3)
	2,127.7	2,022.8	(104.9)
Annual surplus, accrual basis	495.9	498.2	2.3

COMPARABILITY TO THE ACCRUAL BUDGET

Generally, the Accrual Budget chapter of the budget book uses the same terminology as the financial statements in this annual report.

In the Statement of Operations, some Accrual Budget numbers have been updated to reflect internal reorganizations and align with provincial Financial Information Return requirements. The total budgeted figures for revenue, expenses and annual surplus remain the same.

The reported annual surplus of $498.2 million was very close to the forecast of $495.9 million set out in the accrual-based budget. While revenues were down by $102.6 million from the plan, a decrease in expense of $104.9 million more than offset the decline. The result was a slight increase of $2.3 million in the annual surplus.

Revenue

Combined taxation and water and wastewater user charges were close to the plan, at $1,321.6 million against a forecast $1,353.9 million. Net taxation revenues were $3.5 million under forecast, at $1,042.6 million. User charges came in $28.8 million below plan, largely owing to unusually rainy weather that reduced demand for water.

Revenue from provincial and federal transfers was $26.6 million less than budgeted, at $577.3 million, due to lower-than-planned spending on transit projects fully funded by Metrolinx, the provincial agency that coordinates transit in Toronto and surrounding areas.

Development charges, which are revenues from drawing down development charge reserves, were $64.8 million below forecast. This reflected lower-than-expected investments in new growth-related infrastructure, which are funded from this source.

Fee and service revenue was $31.4 million higher than budgeted. The major reason was the contribution of $14.8 million in assets from a local municipality, which was not budgeted for. The balance reflected better-than-expected results in several areas, including collection of fines.

Interest income and other earnings on investments were also higher than budgeted projections, as a result of steady performance despite uncertainty following the change in government in the United States.

Other revenue represents recoveries from local municipalities for capital projects the Region carries out on their behalf. It was $17.7 million lower than planned because of lower-than-expected construction activity.

Expense

The largest variance from budget, a decrease of $120.1 million, was within the area of transportation. Metrolinx fully funds Viva bus rapidways and related work and the Region carries out the projects. On completion, a share of the assets, such as the red-paved bus lanes, belongs to Metrolinx. Another share increases the value of Regionally-owned assets, such as adjoining roadways. That share is recorded as capital expenditure, not as operating expense. The 2017 budget estimated that, of $152.4 million to be spent on behalf of Metrolinx in 2017, $108.4 million would be expensed. The actual amount expensed was $40.4 million, which was $68.0 million lower than estimated. Most of the remaining difference relates to the capitalization of transit project management costs at year-end.

As well, both the Transportation Services department and York Region Rapid Transit Corporation spent less than budgeted in a number of operating areas. For example, in Transportation Services $2.4 million in planned spending on road maintenance had to be put off due to the rainy weather.

Offsetting these lower-than-budgeted results, operating spending by Transportation services on repairs and maintenance and other capital-related items was $15.6 million higher. This spending was budgeted as capital expenditure and reclassified as operating expense at year-end.

A similar reclassification of capital-related spending was a major reason for an increase in Environmental Services expense of $55.7 million from plan. Apart from that reclassification, Environmental Services' operating costs were essentially on budget.

In Community and Health Services, increased provincial funding in areas such as childcare required process changes to ensure maximum effectiveness. As a result, any additional funds not spent by year-end were moved to 2018. Savings were also experienced due to lower than budgeted Ontario Works caseload and discretionary benefits uptake.

Spending on Protection to Persons and Property, at $360.2 million, was close to the budgeted amount of $356.8 million. York Regional Police showed a positive variance from budget, while expenses for Court Services were higher due to higher-than-expected volume.

Spending in the "Other" category was reported at $16.3 million less than budgeted. An analysis at year-end resulted in reclassification of amounts budgeted for repair and rehabilitation to capital expenditures. This recognizes amounts spent that extend the useful life, capacity or efficiency of the required assets. Employee benefit spending was $13.5 million higher than planned because of an increase in the actuarial estimate of future costs due to changes in provincial legislation, as well as higher actual costs.

YEAR-OVER-YEAR COMPARISON OF OPERATING RESULTS:

COMPARISON OF ACTUAL RESULTS TO ACCRUAL-BASED BUDGET ($ MILLIONS)

	2016 Actual	2017 Actual	Variance
REVENUES			
Net taxation and user charges	1,277.9	1,321.6	43.7
Transfer payments	489.4	550.7	61.3
Development charges	283.4	283.7	0.3
Fees and services	169.0	198.5	29.5
Investment income	87.9	71.3	(16.6)
Other	46.8	95.2	48.4
	2,354.4	2,521.0	166.6
EXPENSES			
Transportation services	445.4	426.9	(18.5)
Environmental Services	456.2	512.7	56.5
Community and Health Services	422.6	521.9	99.2
Protection to persons and property	338.7	360.2	21.5
Other	182.4	201.1	18.7
	1,845.3	2,022.8	177.5
Annual surplus, accrual basis	509.1	498.2	(10.9)

This section compares actual results for 2017 to actual results for 2016, as recommended by the Public Sector Accounting Board.

The annual surplus of $498.2 million for 2017 was $10.9 million lower than the previous year's $509.1 million. Higher revenues of $166.6 million, largely reflecting year-over-year increases in most sources of revenue, were offset by spending that increased by $177.5 million from 2016 to 2017.

Net taxation and user charges for water and wastewater services are a significant source of revenue for the Region. Together, these two components of revenue rose by $43.7 million in total in 2017 to reach $1,321.6 million. Taxation revenues rose by $45.2 million, in line with the approved tax levy increase of 2.87 per cent and assessment growth of 1.76 per cent. This was offset by a slight year-over-year decrease in user charges as a result of lower water demand.

Transfer payments rose by $61.3 million from 2016 to 2017. Provincial grants totaled $489.2 million in 2017, rising in all areas except public health. The largest increases were in support for child care, housing and policing. Federal funding went from $38.3 million to $61.4 million, mainly because of an increase of $23.0 million in gas tax reserve draws.[1]

[1] Gas tax reserve draws are reflected as transfer payment revenue in Note 15 of the 2017 Consolidated Financial Statements.

Income from the Region's investment portfolio fell by $16.6 million from the previous year primarily for two reasons:

- The decision to invest new and maturing investments in shorter-term securities in consideration of fiscal and market-related concerns, and
- Limited market opportunities to generate incremental revenue by way of proactive investment strategies

Nonetheless, the portfolio continued to outperform its benchmarks in 2017.

Other revenue increased by $46.8 million year over year. This item represents amounts collected from local municipalities for capital projects carried out on their behalf. The amount in 2016 was lower than average because of the completion of several large projects.

On the expense side, spending by Transportation services fell by $18.5 million from 2016 to 2017, mainly as a result of a decrease in the expense related to flow-through funding from Metrolinx.

An increase of $99.2 million in Community and Health Services was largely the result of a $61.4 million year-over-year reported rise in the social housing program. This reflected the accounting treatment for consolidating Housing York Inc. Most of the remaining increase for Community and Health Services reflected higher spending funded by the increase in transfer payments from the provincial and federal governments.

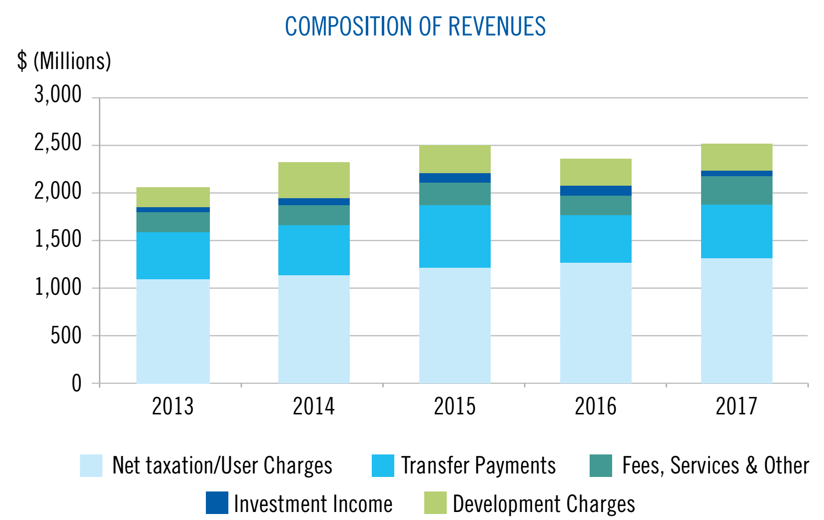
Spending on Protection to Persons and Property was up $21.5 million year over year. The major reason was the inclusion of Court Services and grants to conservation authorities, which were previously reported as "Other" expense. As well, hiring by York Regional Police increased in 2017 in anticipation of staff retirements.

Other expense increased by $18.6 million from 2016 largely because of higher employee benefit costs, the move of $3.9 million in planning services expense from Transportation to this category and a $9.3 million tax write-off. These increases were partially offset by the move of Court Services and grants to conservation authorities from "Other" expense to Protection to Persons and Property.

INDICATORS OF FINANCIAL PERFORMANCE

This section looks at trends in several items over the past five years to provide a better sense of the longer-term outcomes of the Region's financial management. Much of this discussion is guided by the recommendations of the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

FIVE-YEAR TREND IN REVENUES



The Public Sector Accounting Board notes that dependence on sources of revenue over which a government has little or no control can signal vulnerability. Among revenue sources the Region largely controls, taxation and user charges accounted for 52.4 per cent of revenues in 2017. Another 14.5 per cent, including fees, services and interest earnings, represents additional own-source revenues. In total, revenues over which the Region has control amounted to about two-thirds of revenue in 2017, close to the level of the previous year and up from 2014 and 2015.

Over the past five years, these revenue sources have consistently provided more than 60 per cent of total revenues.

Among revenue sources over which the Region has limited control, transfer payments have provided an average of 23.1 per cent of the Region's revenues over the past five years, with the highest levels occurring before 2016. This reflected significant Metrolinx funding for transit projects. The shares of transfer payment revenue for 2016 and 2017 were 20.8 and 21.8 per cent, respectively.

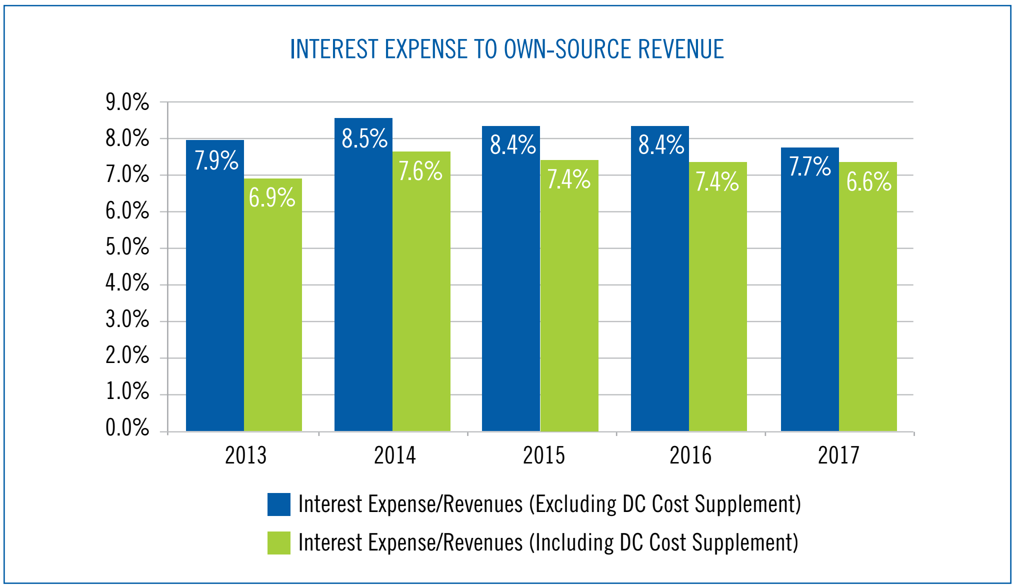
In general, transfer payment fluctuations reflect either specific, time-limited funding (such as for the transit projects) or decisions by other levels of government. The Region is accustomed to managing the impact of reasonable changes in the level of these payments. Sudden unexpected declines would, however, be more challenging to absorb.

Drawdowns from development charge reserves are another revenue source largely out of the Region's control. They pay for growth-related capital projects, and drawdowns vary from year to year as the investments they fund also vary from year to year. In the past two years they have been relatively stable, at 12.0 per cent in 2016 and 11.3 per cent in the year just ended, mainly because funding needs tapered off as several major growth-related capital projects were completed.

INTEREST EXPENSE TO OWN-SOURCE REVENUES

Another potential marker of financial vulnerability is the ratio of interest expense to own-source revenues. The ratio increases when interest expense grows faster than own-source revenues. When it becomes too high, a government may be forced to divert so much of its revenues to paying interest that it must constrain spending on other important priorities.

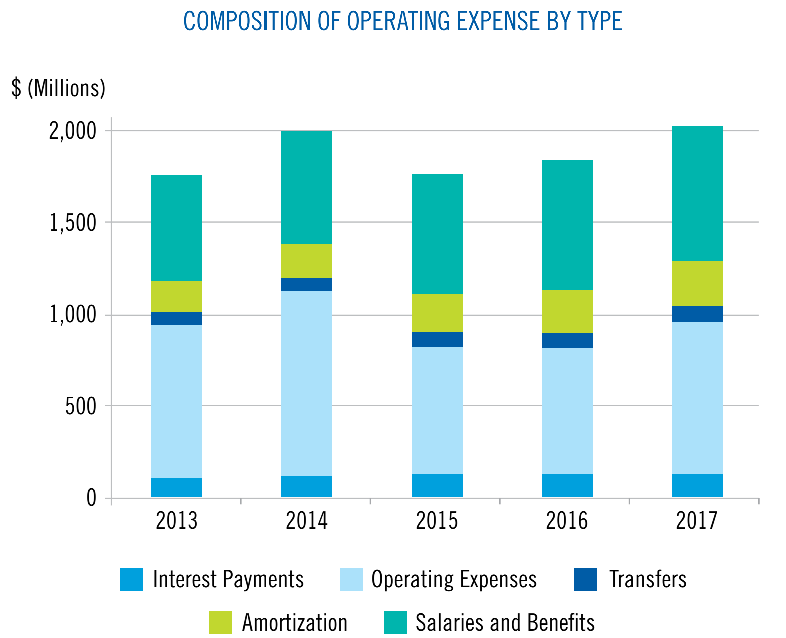
The graph below shows the Region's ratio continued to decline in 2017. This reflects both the growth in Regional own-source revenues and – for the first time – a drop in interest expense, which fell to $129.4 million from $133.6 million the previous year. Although total debt went up slightly, new debt carried a lower interest rate than existing debt that was repaid during the year.



The graph above shows two sets of bars due to the importance of development-related revenues to the Region's financial picture.

Development charge account drawdowns are a key source of debt service funding. They are reflected in the "growth cost supplement" to Regional borrowings that was discussed in the section on financial management, controls and reporting. Including these revenues, which is appropriate because of their role in servicing debt, lowers the ratio slightly.

FIVE-YEAR TREND IN OPERATING EXPENSES



The major driver of operating expense is the need to serve a larger population. This increases direct operating costs, like overhead and staffing, as well as the annual amortization expense that reflects investment in more infrastructure.

Amortization has grown faster than any other expense over the past five years as the Region has added considerably to its asset portfolio to meet the needs of current and future population. From a starting point of $168.0 million in 2013, amortization expense reached $241.5 million in 2017, growing by almost 10 per cent a year on average.

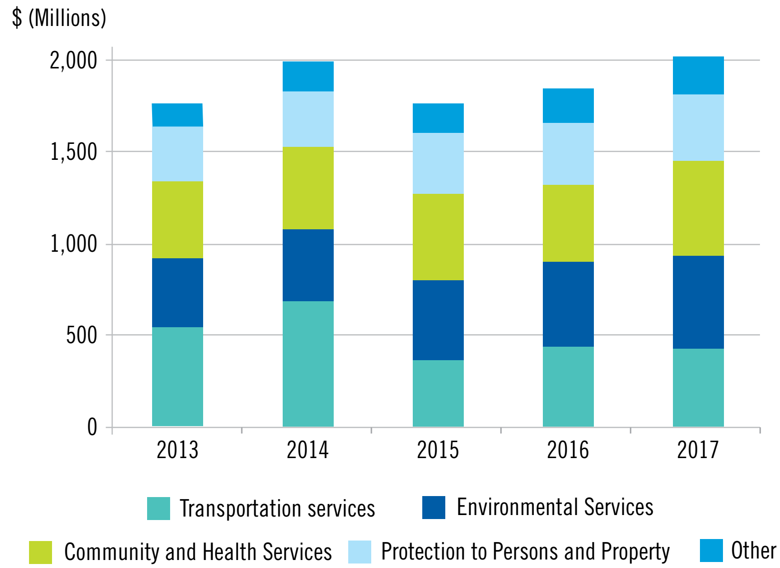
Salaries and benefits expense went up at an average annual rate of 6.0 per cent, reflecting the hiring of additional police officers, paramedics, public health nurses and others to serve a growing population, as well as a general rise in salaries and the cost of benefits.

Interest expense has grown more slowly than these other expense items, at an average annual rate of 4.9 per cent, reflecting attention to management of the debt portfolio and a commitment to reduce reliance on debt.

The trend in general operating expense has been highly variable as funding from Metrolinx for bus rapidways was recorded as revenue to the Region and then mostly expensed. The expense amount fluctuated depending on both the level of funding received and the share that went to building assets ultimately owned by Metrolinx.

Other funding decisions of the provincial and federal governments were also a factor. Additional funding from these levels of government in many cases allowed the Region to introduce new programs or expand existing ones, which increased expense without having an impact on the tax levy or user rates.

COMPOSITION OF OPERATING EXPENSE BY SERVICE



Looking at growth in spending by service area, Metrolinx funding for transit projects largely accounted for higher-than-average growth in Transportation spending in 2013 and 2014 and the subsequent dip in 2015, when several projects ended.

Among other departments, Environmental Services operating expense has increased as its portfolio of assets has grown. The cost of regulatory compliance has gone up generally, and higher environmental standards and technical requirements for some new assets have significantly increased their operating costs.

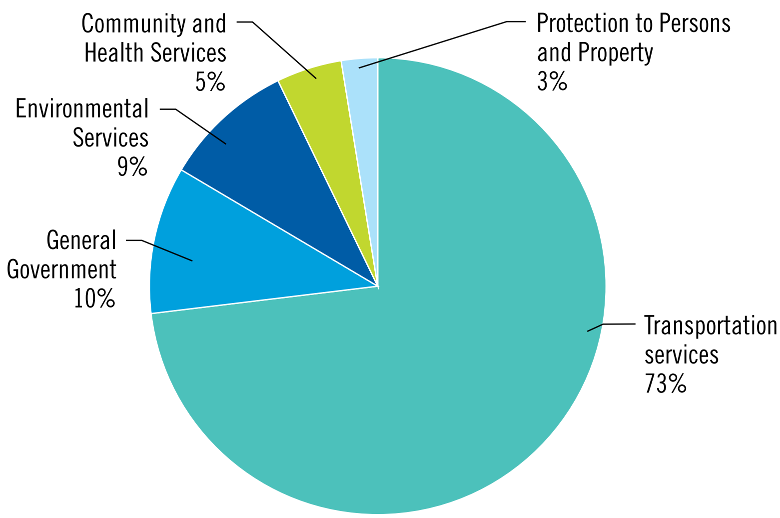
In Community and Health Services, additional provincial funding has allowed the expansion of many programs without tax-levy impacts. The Region has also put more resources into emerging issues related to greater urbanization, including homelessness and mental health needs.

ADDITIONS TO TANGIBLE CAPITAL ASSETS

The Region's portfolio of tangible capital assets grew by $658.0 million in 2017. This includes the Region's spending of $643.4 million and contributions of $13.8 million in road assets and $1.0 million in social housing assets by local municipalities. The total program was below plan, owing mainly to delays in acquiring land for several projects.

Transportation services was responsible for the largest share, as shown below

ADDITIONS TO TANGIBLE CAPITAL ASSETS IN 2017



Transportation services, which consolidate the results of the Transportation Services Department and York Region Rapid Transit Corporation, accounted for $480.9 million, or about three-quarters, of total additions to the tangible capital asset portfolio.

In 2017, transportation spending included $154.9 million for the Region's investment in the Toronto-York Spadina Subway extension, which opened in December 2017, and additions of $109.8 million to the Region's capital portfolio as a result of Metrolinx investments in bus rapidways. These investments are helping to build a mobility network that offers residents a range of options for travel.

Spending of $68.6 million by general government is largely from continuing work on the York Region Administrative Centre Annex, a new facility under construction to bring together several Regional services in a central location well served by transit. The building is expected to be ready for occupancy by 2020.

Environmental Services, which is responsible for water and wastewater infrastructure, accounted for $61.2 million of spending on tangible capital assets in the year, a decline that reflects the recent completion of several major projects.

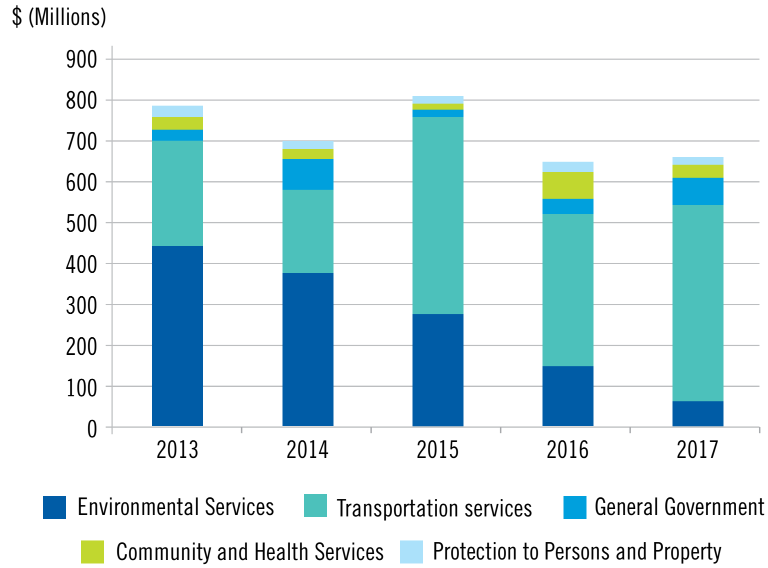
Community and Health Services also recorded a decrease, as two major housing projects – Belinda's Place in Newmarket and the Richmond Hill Hub – were completed in 2016. Similarly, York Regional Police spending declined with the completion of a new training facility in East Gwillimbury.

Total tangible capital assets included assets under construction of $1.3 billion at year-end. The decrease of $355.6 million over the year reflects the completion of major projects in 2017.

After taking into account amortization expense of $241.5 million and the disposal of assets during the year, the net book value of the Region's assets rose by $406.1 million, going from $7.5 billion at 2016 year-end to $7.9 billion at the end of 2017.

TREND IN TANGIBLE CAPITAL ASSETS

COMPOSITION OF ADDITIONS TO TANGIBLE CAPITAL ASSETS



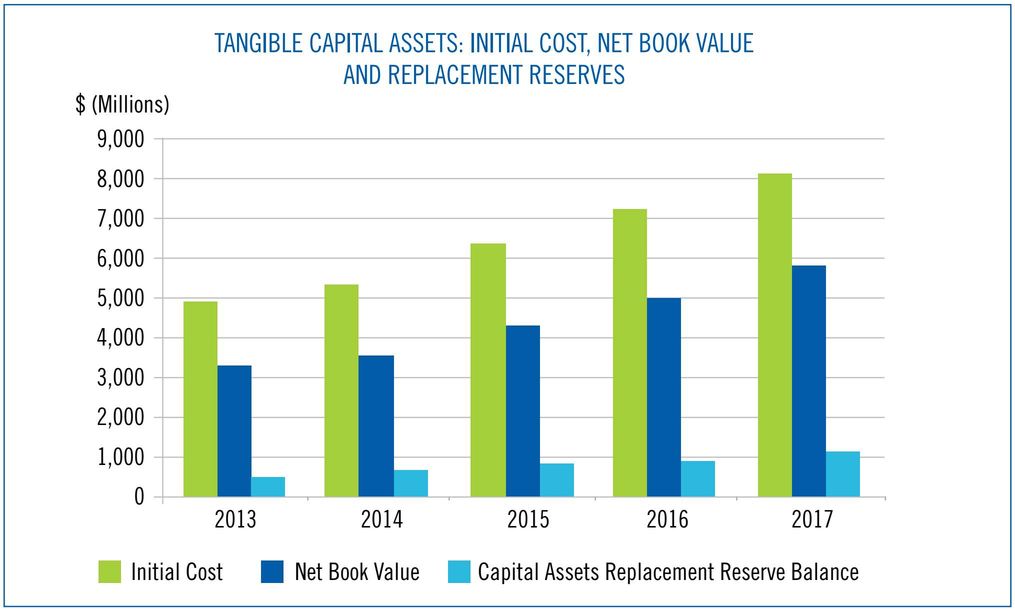
Spending on tangible capital assets over the past five years has been dominated by major projects carried out by Transportation services and Environmental Services, which are typically the areas with the largest capital programs. The share attributable to Environmental Services declined gradually over the past five years with the completion of several major projects.

For Transportation services, reported results have been affected by the funding received for Metrolinx-related projects. With several projects ending in 2015, and final accounting done, some funding was recognized as having been used to improve Regionally-owned assets. This impact was recorded in that year, even though some of the benefit might have accrued in earlier years.

Capital needs are a major element of governments' planning and budgeting. Governments are increasingly recognizing the need to cover not just the costs of buying or building new assets, but maintaining and rehabilitating them while they are in service and replacing them when needed. Without careful planning and ongoing attention, a government can face very high renewal or replacement costs without adequate resources to cover them.

One measure of a government's asset-related vulnerability is the relationship between the initial cost of assets and their current amortized value (or net book value).

The graph shows that both the net book value and initial cost of the Region's assets are rising, with the rates of increase very similar:



Note: The Region's asset replacement reserves exclude land, land improvements and assets under construction. For comparability, these items have also been excluded from capital assets in the chart above.

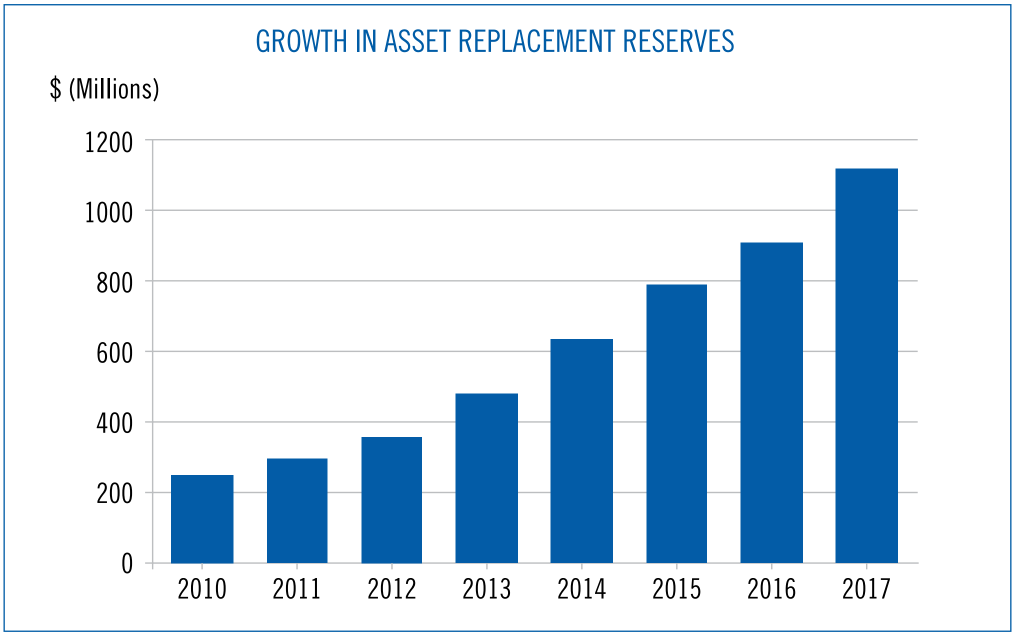
This means the Region is adding new assets, which helps to offset the decline in the net book value of existing assets. As projects are completed and come into service, the rate of increase in net book value may slow. This is typical in rapidly growing municipalities like York Region, and may be followed by several years of equally important but lower outlays for rehabilitation of those assets. During this period, net book value may stabilize or even decline slightly.

Asset management practices have progressed significantly in recent years, and provincial requirements for asset management have become more specific, so there are now additional means of tracking asset condition and ability to cover the related costs.

The Region's first Corporate Asset Management Plan, formalizing asset management planning practices across all departments, was developed and tabled for Council approval in June 2018.

The Region's approach is to develop a detailed and rigorous long-term plan for managing its assets and ensuring funds are available for that purpose. Through corporate asset management planning, it constantly improves its understanding of asset condition to help determine the best timing for investments in rehabilitation and replacements.

The Regional Fiscal Strategy has accelerated the growth of asset replacement reserves:



ACCUMULATED SURPLUS RISES, WHILE NET DEBT FALLS

Under public sector financial reporting in Canada "net debt" is defined as the difference between financial assets, such as cash, and liabilities, including all the debt it has issued. (In some contexts, the Region uses the term "net debt" to mean its own debt, excluding borrowings on behalf of local municipalities and net of sinking fund assets.)

The Region's net debt as defined for public sector reporting purposes was $1,250.0 million at year-end 2017, representing the difference between its $3,847.8 million in financial assets and $5,097.8 million in debt and other liabilities.

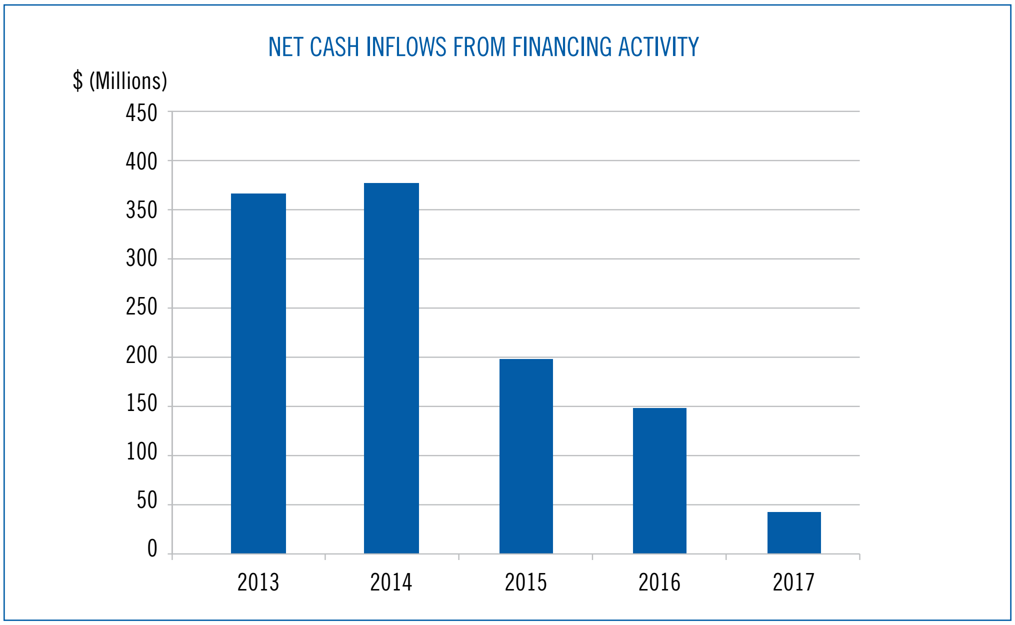
This was a decrease of $91.6 million in net debt, because financial assets increased by more than liabilities. Financial assets rose by $194.0 million, largely reflecting a larger investment portfolio and higher accounts receivable at year-end. Liabilities went up by $102.4 million, owing largely to increases in long-term debt and employee benefit obligations.

When net debt was offset against the Region's $7,933.2 million in infrastructure and other capital assets, as well as $16.4 million in other non-financial assets, the Region showed an accumulated surplus of $6,699.6 million. The accumulated surplus grew by $498.2 million from the previous year, representing the addition of the annual surplus.

Examining the sources and uses of cash is helpful in understanding financial results. Cash from operations, which is the annual surplus adjusted for amortization, the drawdown of deferred revenues and other non-cash items, amounted to $759.7 million in 2017. The proceeds of a sale of assets were $6.9 million. New borrowings, after repaying existing debt, totalled $42.8 million. Together, the cash inflows from operations, the asset sale and net new debt totalled $809.4 million.

The Region used $643.4 million in cash to invest in capital assets and increased its investment portfolio by $236.3 million. Because these uses of cash, at $879.7 million, were greater than the cash inflows, cash and its equivalents fell by $70.3 million by year-end.

Reduced reliance on debt is a strong marker of long-term fiscal sustainability. As the graph below shows, the Region's net cash inflows from borrowing have declined sharply since the introduction of the Regional Fiscal Strategy in 2014.



OUTLOOK

EXTERNAL RISKS

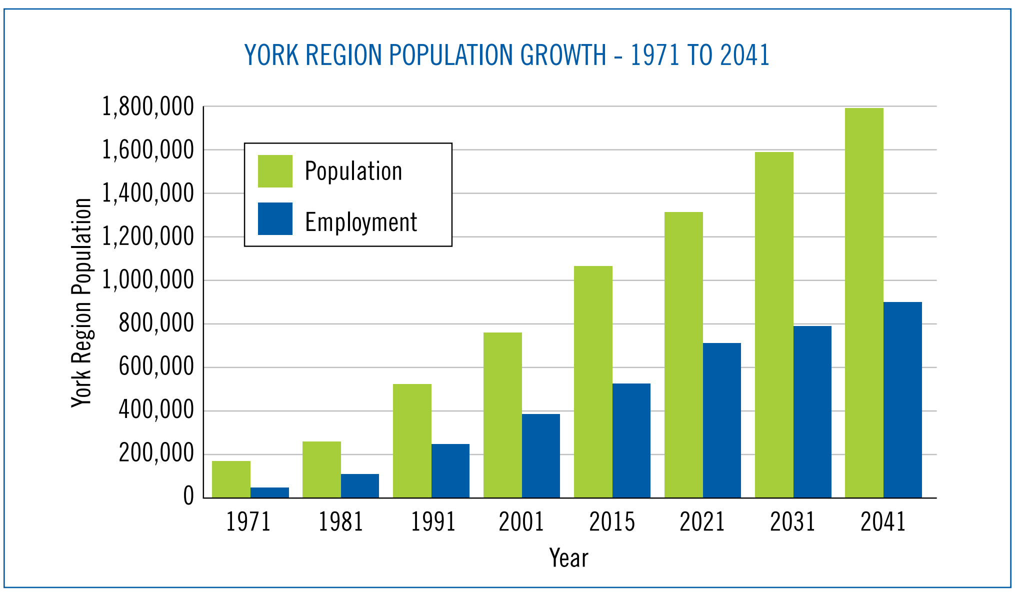
Slower-than-expected Growth

Since its formation in 1971, population and economic growth in the Region has largely determined its fiscal picture. This process has not been uniform, but instead has seen periods of higher and lower growth. In line with that history, the rate of population increase is currently slower than in the recent past and this trend may continue over the near term.

This slower population growth is one factor in the current cycle of lower-than-expected development charge collections. Other factors also come into play, including changes in market conditions and employment densities.

The Region is managing these risks through the Regional Fiscal Strategy, especially by putting in place a more rigorous capital planning framework and strengthening its debt management plan.

While the Region works to manage the current period of lower-than-expected development charge collections, in the longer term it must address growth targets set by the provincial Growth Plan for the Greater Golden Horseshoe under the *Places to Grow Act.* These targets require the Region to be prepared for a population of close to 1.8 million residents by 2041, a significant increase from the current estimated level of more than 1.2 million.



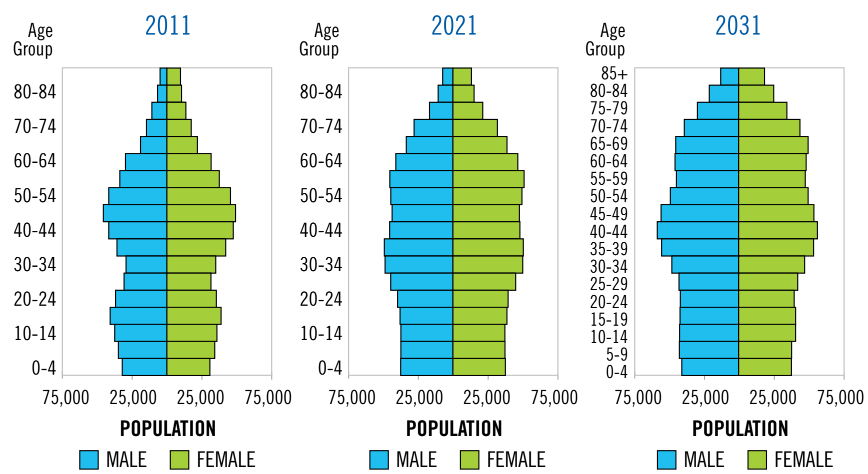
The possibility that the amount and timing of actual growth may differ from the provincial forecast is a risk factor for the Region and adds a layer of complexity to long-term fiscal planning.

New Services and Strategies for the Needs of a Changing Population

The population of the Region is not just growing, it is changing. Regional forecasts suggest:

- The strongest growth in the next several years will be among seniors, as the graph below shows
- The share of children and youth in the population is unlikely to grow as strongly as in the past, reflecting the fact that adults aged 25 to 44 are generally waiting longer to form families
- The Region will continue to become more urban as population is increasingly focused in built-up areas

YORK REGION POPULATION PYRAMID

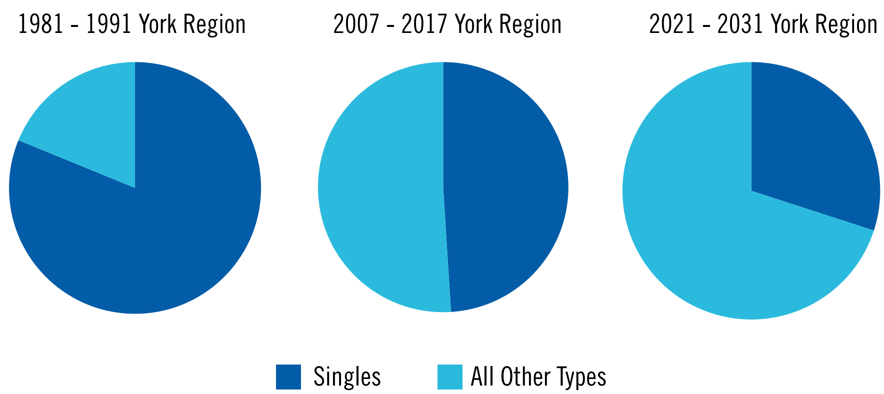


Source: The Regional Municipality of York, Long Range Planning Branch, Population Estimates, 2012

The first trend, aging, is especially likely to have fiscal impacts. Growth in the over-65 age group will ultimately mean a significant share of residents over 75, an age group that tends to rely more heavily on health-related services. To help manage this risk while addressing needs appropriately, the Region is implementing a seniors' strategy, as discussed earlier.

Over time, growth in the seniors population and other factors such as Growth Plan density and intensification targets will likely result in more compact development. More condominiums and other higher-density housing types are already being built, especially in the southern part of the Region. By 2031, the single detached house will still represent the largest share of existing housing stock, at 55 per cent, but other housing types will dominate new construction, as the following graph shows.

SHARE OF NEW HOUSING GROWTH BY TYPE



Growth and urbanization have impacts on the spending side that the Region must manage. These include demand for more services and often, new services. Through the strategic planning and budgeting processes, each department determines how best to use its resources to address these changes.

The next section focuses on specific infrastructure challenges arising from growth and urbanization.

Addressing the Transit Needs of a More Urban Region

Without effective transit, increasing urbanization will inevitably create more traffic congestion. The Region itself does not have the resources to build the comprehensive rapid transit system needed to support the higher population density foreseen in the provincial Growth Plan, especially in the current period of underperformance in development charge collections.

This makes federal and provincial support for rapid transit essential. The Region and the Greater Toronto Area (GTA) as a whole both need a comprehensive, modern transit system to ensure continuing growth and quality of life. The subway extension and bus rapid transit investments are key building blocks, as is expansion of the provincial GO rail service.

Through the Regional Express Rail initiative, the provincial government is currently moving ahead on investments to improve GO rail service. Increasing the GO network and services could result in significant costs to the Region, including the need to provide new rail crossings on Regional roads, deal with traffic flow into and out of GO stations and parking lots, and expand transit service at stations.

As the federal and provincial governments make longer-term investment decisions in all areas of rapid transit, it will be essential for them to address the Region's pressing need for capital investments.

Limited Revenue Options

Revenue sources for municipalities in Ontario are determined by the provincial government. For the Region, these include property taxes, user fees and charges, development charges, fines and penalties and investment income.

Under provincial legislation, the City of Toronto has the power to levy additional direct taxes that are not available to the Region or other Ontario municipalities.

As the Region grapples with the need to fund growth-related infrastructure, manage its large existing asset base and provide quality services, it is clear current revenue sources are inadequate for achieving long-term financial sustainability. The property tax increases and additional debt needed to meet these costs over the foreseeable future are not likely to be acceptable.

Implementing revenue measures similar to those that already exist in Toronto could generate significant revenues to fill the fiscal gap and help put the Region on a path to long-term financial sustainability. This would require a change in provincial legislation.

Provincial Regulation and Policy Frameworks

Provincial decisions on policies and regulation have profound impacts on the Region's costs as well as its revenue sources.

Regarding regulations, while the Region fully supports provincial standards that safeguard residents, it also looks to approaches that are efficient and cost-effective.

On the policy front, lack of clear direction where provincial interests intersect – for example, accommodating growth while meeting more stringent environmental standards – creates uncertainty for the Region. Spending on continuous updates to the Regional Official Plan, driven by the need to conform to the Provincial Growth Plan, is becoming a burden. Provincial policy coordination that takes into account all provincial goals and priorities would provide welcome relief.

The Impacts of a Changing Climate

There is growing evidence that extreme weather events such as ice storms, drought, heavy rainfall, flooding and tornados are happening more frequently than in the past.

The consequences of such events are hard to predict. For example, while milder temperatures have reduced the need for snow clearing, there has been an increase in costs related to ice storms. Near-drought conditions in 2016 were followed by a year of abnormally high rainfall in 2017.

To better manage risk, departments are working to assess the likelihood and severity of extreme climate-related events.

The Economy and Market Conditions

Revenues are subject to risks arising from general economic conditions, which remain uncertain following the presidential election in the U.S., Canada's largest trading partner, in late 2016.

The structure of the Region's economy is a potential risk factor, given its relatively high dependence on jobs in manufacturing, particularly vehicle part production. Manufacturing faces risks related to the movement of jobs to lower-cost jurisdictions, new tariffs and possible other changes in trade agreements.

The Region's economic development plan is helping to manage those risks by supporting the ongoing shift towards more service-oriented jobs, especially in technical and professional areas, and helping to create more office-based employment and a more robust agri-food sector.

A widespread, severe and prolonged economic downturn might affect development charge collections in the Region. If the downturn also made financial markets more risk-averse, the cost of debt servicing would increase. The Region's strong financial management capacity is a key factor in managing these risks. The fiscal strategy can be adjusted, if necessary, in response to changing circumstances.

Another means by which the Region manages economic and market risks is maintaining a high level of reserves, which ensure greater liquidity and provide the Region with investment income.

INTERNAL RISKS

Changing Workforce

The Region, like many other organizations, is planning for the succession needs of an aging workforce to ensure that valuable institutional knowledge is preserved.

The Region faces increasing costs related to employment benefits, some of which are driven by changing provincial standards and legislation. In 2017, the Region put $21.3 million towards these costs, slightly more than the previous year.

Under provincial guidance, municipalities may exclude a portion of this expense, called post-employment benefits, from their annual budgets but must include them in financial reporting. The Region included an estimate of $7.8 million for post-employment benefits in its accrual-based budget, but excluded it from the budget planning that set the tax levy.

Shifts in Technology

Changes in technology and its delivery are also having an impact on the Region’s operating outlook. An important example is the growth in cloud-based computer software applications, which can shift spending from capital to operating expense.

As well, the Region is increasingly using technology to modernize and transform its business processes. While providing the longer-term benefits of higher service quality and greater efficiency, this shift can trigger higher initial costs.

CONCLUSION

The trends and financial indicators show York Region is making progress on its goals of serving growth, saving for future needs and achieving financial sustainability. Work remains to be done at both the provincial and Regional levels to ensure the Region has access to new revenue options in order to meet the ongoing needs of growth and renewal and maintenance of existing assets.

Our progress to date has depended on the hard work, knowledge and expertise of a very large number of people at the Region and elsewhere, as well as their strong commitment to working together on solutions.

As we finalize my last report before retiring, I must note what a pleasure and a privilege it has been to serve York Region. I offer my heartfelt thanks to elected officials, staff across all departments, local municipal partners and outside agencies for their contributions and dedication.

The staff within the Finance Department deserve my special thanks for their commitment and efforts on behalf of the Region. Thanks to their work, the Chairman and Regional Council members, committees, departments, residents and other interested parties better understand the financial implications of the issues facing the Region, which supports more effective decision-making.

Together, we have made huge strides toward the important goals of a fiscally sustainable Region and strong stewardship of assets. They give me great confidence the Region will continue its progress under my successor.

Bill Hughes
Commissioner of Finance & Regional Treasurer
May 16, 2018

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Tel 905-265-5900
Fax 905-265-6390

INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of
The Regional Municipality of York

We have audited the consolidated financial statements of The Regional Municipality of York, which comprise the statement of financial position as at December 31, 2017, the statements of operations and accumulated surplus, change in net debt, and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The Regional Municipality of York as at December 31, 2017, the results of its operations and accumulated surplus, change in net debt and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

April 27, 2018
Vaughan, Canada

FINANCIAL STATEMENTS

THE REGIONAL MUNICIPALITY OF YORK

Consolidated Statement of Financial Position

As at December 31, 2017

	2017 $	2016 $
ASSETS		
Financial Assets		
Cash and cash equivalents (Note 4)	584,959,230	655,267,351
Accounts receivable (Note 5)	302,932,786	241,548,015
Investments (Note 4)	2,809,142,444	2,572,851,809
Debt amounts recoverable from		
Area municipalities (Notes 8)	150,717,094	184,140,047
Total	3,847,751,554	3,653,807,222
LIABILITIES		
Accounts payable and accrued liabilities	766,551,251	722,102,674
Employee benefit obligations (Note 6)	201,538,476	180,271,324
Deferred revenue (Note 7)	87,130,056	182,159,653
Deferred revenue-obligatory reserve funds (Note 7)	432,524,557	343,595,086
Gross long-term liabilities (Note 8)	3,610,101,326	3,567,262,114
Total	5,097,845,666	4,995,390,851
Net Debt	(1,250,094,112)	(1,341,583,629)
Non-Financial Assets		
Tangible capital assets (Note 12)	7,933,241,565	7,527,109,186
Inventory	5,099,652	4,993,349
Prepaid expenses	11,362,213	10,899,088
Accumulated Surplus (Note 13)	6,699,609,318	6,201,417,994

The accompanying notes are an integral part of these Consolidated Financial Statements

THE REGIONAL MUNICIPALITY OF YORK

Consolidated Statement of Operations and Accumulated Surplus
For the year ended December 31, 2017

	Budget (Note 2) $	2017 $	2016 $
REVENUES			
Net taxation	1,046,167,755	1,042,649,817	997,439,330
User charges	307,693,278	278,893,236	280,429,617
Transfer payments (Note 15)	577,293,403	550,678,180	489,374,822
Development charges	348,520,676	283,713,949	283,350,272
Fees and services	167,116,068	198,528,964	169,046,677
Investment income	63,869,604	71,288,620	87,903,802
Other	112,952,212	95,242,118	46,815,647
Total Revenues	2,623,612,996	2,520,994,884	2,354,360,167
EXPENSES			
General government	203,826,952	186,487,358	173,142,398
Protection to persons and property	356,804,034	360,160,874	338,689,482
Transportation services	547,025,370	426,928,151	445,386,414
Environmental services	456,994,159	512,689,529	456,153,002
Health and emergency services	187,778,817	153,294,902	134,538,640
Community services	250,791,008	277,556,364	258,452,173
Social housing	110,899,993	91,017,269	29,629,613
Planning and economic development	13,605,460	14,669,113	9,291,423
Total Expenses	2,127,725,793	2,022,803,560	1,845,283,145
Annual Surplus	495,887,203	498,191,324	509,077,022
Accumulated Surplus, Beginning of Year	6,201,417,994	6,201,417,994	5,692,340,972
Accumulated Surplus, End of Year	6,697,305,197	6,699,609,318	6,201,417,994

The accompanying notes are an integral part of these Consolidated Financial Statements

THE REGIONAL MUNICIPALITY OF YORK

Consolidated Statement of Change in Net Debt

For the year ended December 31, 2017

	Budget $	2017 $	2016 $
ANNUAL SURPLUS	495,887,204	498,191,324	509,077,022
Amortization of tangible capital assets	236,927,674	241,457,738	233,638,361
Proceeds on disposal of tangible capital assets	-	6,859,085	776,362
Acquisition of tangible capital assets	(792,448,705)	(643,378,191)	(620,787,701)
Contributed assets	-	(14,605,811)	(27,331,311)
Loss on disposal of tangible capital assets	-	3,534,800	2,645,444
Change in inventory	-	(106,303)	(1,056,225)
Change in prepaid expenses	-	(463,125)	(422,611)
Decrease/(Increase) in net debt	(59,633,827)	91,489,517	96,539,341
Net debt, Beginning of year	(1,341,583,629)	(1,341,583,629)	(1,438,122,970)
Net debt, End of year	(1,401,217,456)	(1,250,094,112)	(1,341,583,629)

The accompanying notes are an integral part of these Consolidated Financial Statements

THE REGIONAL MUNICIPALITY OF YORK

Consolidated Statement of Cash Flows

For the year ended December 31, 2017

	2017 $	2016 $
OPERATING		
Annual surplus	498,191,324	509,077,022
Items not involving cash:		
Amortization	241,457,738	233,638,361
Loss on disposal of tangible capital assets	3,534,800	2,645,444
Contributed assets	(14,605,811)	(27,331,311)
Changes in non-cash assets and liabilities:		
Accounts receivable	(27,961,818)	71,586,852
Accounts payable and accrued liabilities	44,448,577	(99,866,708)
Employee benefit obligations	21,267,152	18,908,277
Deferred revenue	(95,029,597)	117,383,030
Deferred revenue-obligatory reserve funds	88,929,471	62,034,770
Inventory	(106,303)	(1,056,225)
Prepaid expenses	(463,125)	(422,611)
Net change in cash and cash equivalents from operations	759,662,408	886,596,901
CAPITAL		
Acquisition of tangible capital assets	(643,378,191)	(620,787,701)
Proceeds on disposal of tangible capital assets	6,859,085	776,362
Net change in cash and cash equivalents from capital	(636,519,106)	(620,011,339)
INVESTING		
Net change in investments	(236,290,635)	(254,440,670)
FINANCING		
Long-term debt issued	300,000,000	316,295,700
Long-term debt repaid	(257,160,788)	(166,110,801)
Net change in cash and cash equivalents from financing	42,839,212	150,184,899
Net change in cash and cash equivalents	(70,308,121)	162,329,791
Opening cash and cash equivalents	655,267,351	492,937,560
Closing cash and cash equivalents	584,959,230	655,267,351

The accompanying notes are an integral part of these Consolidated Financial Statements

The Corporation of the Regional Municipality of York (the "Region") was incorporated as a municipality in 1971 by the Province of Ontario. The area municipalities within the regional boundaries include the towns of Aurora, East Gwillimbury, Georgina, Newmarket, Richmond Hill, Whitchurch-Stouffville, the Township of King, the City of Markham and the City of Vaughan.

1. ACCOUNTING POLICIES

The consolidated financial statements of the Region were prepared in accordance with generally accepted accounting principles (GAAP) established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada (CPA Canada).

a) Basis of Consolidation

i) The consolidated financial statements reflect the assets, liabilities, revenues and expenses in the operating fund, capital fund, reserves and reserve funds of the Region and all entities which are accountable to and controlled by the Region. Consolidated entities include all committees of Council, York Region Police Services Board, Housing York Inc. and York Region Rapid Transit Corporation (YRRTC). All governmental balances and transactions were eliminated from the consolidated financial statements. York Telecom Network was established late in 2017, with no financial activity to report.

ii) The financial activities of the Sinking Fund are disclosed separately in the Sinking Fund Statement of Financial Position, and Statement of Financial Activities and Change in Fund Balance.

iii) Funds held in trust by the Region for the residents of Newmarket Health Centre and Maple Health Centre and their related operations are not included in the consolidated financial statements. The financial activities and position of the trust funds and donations received on behalf of the Centres are reported separately in the Residents' Trust Funds and Donation Account Statement of Financial Position, and Statement of Financial Activities.

b) Basis of Accounting

i) Accrual Basis of Accounting

The consolidated financial statements are prepared using the accrual basis of accounting. Property tax revenue is recognized on an accrual basis using the approved tax rates and the anticipated assessment in the current year. Other revenues are recognized as they are earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods or services or the creation of a legal obligation to pay.

ii) Cash and Cash Equivalents

Cash and cash equivalents include short-term, highly liquid investments with a term to maturity of 90 days or less after year end.

iii) Investments

Investment income earned on surplus current funds and reserve funds are recognized as revenue in the period earned. Investment income earned on obligatory reserve funds are credited to the funds and form part of the respective deferred revenue balances.

Investments are carried at the lower of cost and amortized cost. Any discount or premium is amortized over the remaining term of the investments. When there has been a loss in value that is other than a temporary decline in value, the respective investment is written down to recognize the loss.

There are no write downs in 2017 (2016 - nil).

iv) Tangible Capital Assets

Tangible capital assets are non-financial assets recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of assets, and may include payments made under cost-sharing arrangements. The cost of the tangible capital assets, less estimated residual value, is amortized on a straight line basis over their estimated useful lives in number of years as follows:

Asset	Useful life (in years)
Land	Infinite
Land Improvements	20
Buildings	15-60
Water and Wastewater Infrastructure	15-100 by materials
Transit Infrastructure	5-50
Equipment and Machinery	3-30
Vehicles	3-18
Road Infrastructure	15-45

The Region owns land that has been recorded at nominal value. The majority of this acreage is part of York Regional Forest.

v) **Government transfers**

Government transfer revenues are recognized in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria and stipulations have been met, and reasonable estimates of the amounts can be made. These consist of grants and subsidies from senior levels of government for various operating and capital programs.

The Region also provides transfers to individuals or organizations. These transfers are recognized as expenses once they are authorized and eligibility criteria, if any, are met.

vi) **Deferred Revenue**

Funds received in advance to conduct certain programs, or in the completion of specific work pursuant to legislation, regulation or agreement are recorded as deferred revenue. Deferred revenue also includes user charges and fees collected for services not yet rendered.

Revenue is recognized in the fiscal period in which the related expenses are incurred or services are performed.

vii) **Deferred Revenue - Obligatory Reserve Funds**

Development charges, collected under the authority of Sections 33 to 37 of the Development Charges Act 1997, and gas tax revenues received under municipal funding agreements, are recorded as Deferred Revenue – Obligatory Reserve Funds.

Revenue is recognized in the fiscal period in which the related expenses are incurred or services are performed.

vii) **Employee benefit liabilities**

The costs of employee benefits are recognized when entitlements are earned or the event that obligates the Region occurs. Costs include projected future payments, health care continuation costs and fees paid to independent administrators of these plans, calculated on a present value basis.

Employee benefit liabilities are based on actuarial valuations using the projected benefit method, prorated on service and management's best estimate of salary escalation, retirement ages of employees and expected health costs. Actuarial valuations, where necessary for accounting purposes, are performed triennially.

The discount rate used to determine the accrued benefit obligation was determined by reference to market interest rates at the measurement date with cash flows that match the timing and amount of expected benefit payments. Unamortized actuarial gains or losses are amortized on a straight-line basis over the expected average remaining service life of the related employee groups. Unamortized actuarial gains/losses for event-triggered liabilities, such as those determined as claims related to Workers Safety and Insurance Board (WSIB) are amortized over the average expected period during which the benefits will be paid. The cost of plan amendments is accounted for in the period they are adopted.

Where applicable, the Region has set aside reserve funds intended to fund these obligations, either in full or in part. These reserve funds were created under municipal by-law and do not meet the definition of a plan asset under PS3250 Retirement Benefits. Therefore, for the purpose of these financial statements, the plans are considered unfunded.

ix) **Liabilities for Contaminated Sites**

PS3260 Liability for Contaminated Sites requires the recognition of a liability for the remediation of contaminated sites in the financial statements when the recognition criteria outlined in the standard are met.

As at December 31, 2017, there are no sites that meet the recognition criteria and no liability is recorded (2016 – nil).

x) **Reserves and Reserve Funds**

Reserves are appropriation from net revenue at the discretion of Council. Reserve funds are set aside by legislation, regulation or agreement. For financial reporting purposes, some reserve funds are reported as deferred revenue on the Consolidated Statement of Financial Position. Other reserve funds and reserves are balances within the accumulated surplus.

xi) **Segment Disclosure**

A segment is defined as a distinguishable activity or group of activities of a government for which it is appropriate to separately report financial information to achieve the objectives of the standard. The segment information is provided by financial statement guideline per PS2700. For additional information, see Note 14.

Certain allocation methodologies are employed in the preparation of the segmented financial information. Net taxation/user charges and other revenues were allocated to the segment based upon the segments that generate the revenues. Transfer payments were allocated to the segment based upon the purpose for which the transfers were made. Development contributions were allocated to the segment for which the contribution was applied.

xii) **Use of Estimates**

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as well as disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the year. Items requiring the use of estimates include the useful life of capital assets, future employee benefits, liability for contaminated sites, and claims provisions.

Estimates are based on the best information available to management at the time of preparation of the consolidated financial statements and are reviewed annually to reflect new information as it becomes available. Measurement uncertainty exists in these consolidated financial statements. Actual results could differ from these estimates.

2. BUDGET FIGURES

Budget figures presented in these consolidated financial statements are based on the Council-approved 2017 budget. The following table reconciles the approved budget with the budget figures as presented in these consolidated financial statements using the accrual basis of accounting.

	$ ('000s)
Revenues	
Approved budget	3,038,782
Transfer from reserve funds	(354,281)
Proceeds of debt issued for Regional purpose	(292,298)
Reclassification of investment income	63,870
Metrolinx projects	152,409
Consolidated entities	15,131
Total revenues	2,623,613
Expenses	
Approved budget	3,038,782
Transfer to reserve funds	(388,430)
Acquisition of tangible capital assets	(792,448)
Debt principal repayments	(155,454)
Reclassification of revenue	63,870
Amortization	236,928
Post employment benefits	7,755
Metrolinx projects	108,387
Consolidated entities	8,336
Total expenses	2,127,726
Annual surplus	495,887

3. TAX REVENUE

Tax revenue of $1,043 million (2016 - $997 million) is comprised of $1,023 million (2016 - $978 million) in general tax levy and $20 million (2016 - $19 million) of other tax amounts.

4. INVESTMENTS

Included in cash and cash equivalents are short-term investments of $230,000,000 (2016 - $120,000,000) with a market value of $230,000,000 (2016 - $120,000,000).

Long-term investments of $2,809,142,444 (2016 - $2,572,851,809) have a market value of $2,820,566,682 (2016 - $2,813,622,906).

Cash and cash equivalents and long-term investments include $432,524,557 (2016 - $343,595,086) of restricted funds as required under legislation to fund obligatory reserve funds.

The yields on investments held range from 1.21% to 4.17% (1.06% to 4.63% in 2016).

5. ACCOUNTS RECEIVABLE

Accounts receivable is comprised of the following:

	2017	2016
	$	$
Government of Canada	40,033,597	25,688,030
Government of Ontario	20,689,203	28,470,535
Other Municipalities	151,235,541	145,419,209
Others	90,974,445	44,116,515
	302,932,786	243,694,289
Less: Allowance for Doubtful Accounts	-	2,146,274
	302,932,786	241,548,015

6. EMPLOYEE BENEFIT LIABILITIES

The amounts represent liabilities established for accrual accounting purposes expected to be settled in future periods. In some cases, reserves have been established to fund these amounts. In other cases, the liabilities are to be funded from future years' budgetary allocations. Net increase in the total amount is $21,267,152.

	2017	2016
	$	$
Post employment benefits (c)	81,367,969	73,807,880
Vested sick leave benefits (a)	35,859,794	33,275,815
Long-term disability claims (e)	36,442,733	32,939,289
Workplace Safety and Insurance Board (WSIB) (d)	26,801,862	21,137,253
Vacation payable	21,066,118	19,111,087
	201,538,476	180,271,324

Actuarial valuations:

The following table sets out the accrued benefit liability for each plan as at December 31, 2017.

	Post employment benefits	Vested sick leave benefits	Long term disability	WSIB	2017 total
	$	$	$	$	$
Accrued benefit liability, beginning of year	73,807,880	33,275,815	32,939,289	21,137,253	161,160,237
Current service cost	5,271,324	3,478,630	6,871,267	6,067,389	21,688,610
Amortization of loss	901,197	1,895,696	1,405,712	2,743,569	6,946,174
Interest cost	4,000,986	2,399,218	1,493,118	1,797,922	9,691,244
Benefit payments	(2,613,418)	(5,189,565)	(6,266,653)	(4,944,271)	(19,013,907)
Accrued benefit liability, end of year	81,367,969	35,859,794	36,442,733	26,801,862	180,472,358

The actuarial valuations of the plans were based upon a number of assumptions about future events, which reflect management's best estimate. The following represents the more significant assumptions made:

	Post employment and sick leave	Long term disability	WSIB
Expected inflation rate	1.75%	1.75%	1.75%
Expected level of salary increases	2.75%	2.75%	2.75%
Interest discount rate	3.75%	3.50%	3.75%
Future health care cost rate	5.25%	N/A	4.50%

a) **Liability for Vested Sick Leave Benefits**

Regional Operations

Commencing in 2000, the accumulated sick leave plan was replaced by a Short-term Disability plan for employees in Regional Operations. Under the plan, employees with five or more years of service were given the option of receiving a cash payout of fifty percent of the balance in their sick leave bank as at December 31, 1999 or deferring payment until termination of employment with the Region. The estimated actuarial value of the liability of the accumulated days for employees who chose the deferral option is $412,129 (2016 - $495,230) at the end of the year. Employees who had less than five years of service at December 31, 1999 were given the option on the fifth anniversary of their hire date to either receive payment for the value of accumulated sick days as at December 31, 1999 or defer payment until termination of their employment with the Region. A reserve has been established for the past service liability and is reported in the Consolidated Statement of Financial Position. The reserve balance at December 31, 2017 is $6,051,490 (2016 - $5,929,913).

Police Services

For members hired before July 22, 2013, the sick leave benefit plan provides for an accumulative unused sick leave bank. After five years of service, members are entitled to a cash payment of one-half of the sick bank balance to a maximum of six months salary when they leave the municipality's employ. Members were also provided with an election to opt for a cash settlement of one-half of their sick banks hours up to a maximum of six months' salary on February 17, 2017. Members hired after July 22, 2013 and members who have elected the cash settlement are enrolled in an accumulative unused sick leave plan without a cash payment.

The actuarial liability for the accumulated days to the extent that they have vested and could be taken in cash by an employee on termination amounted to $35,447,665 (2016 - $32,780,585). A reserve was established to provide for a portion of the Police Services past service liability and the balance at the end of the year is -$4,338,704 (2016 – ($3,479,946)) and is included in accumulated surplus in the Consolidated Statement of Financial Position.

An independent actuarial valuation report dated November 17, 2017 estimates the liability for both Regional operations and police services at $35,859,794 (2016 - $33,275,815).

b) **Pension Agreement**

The Region contributes to the Ontario Municipal Employees Retirement System (OMERS), a multi-employer plan on behalf of approximately 5,969 members of its staff. The plan is a defined benefit plan and specifies the amount of the retirement benefit to be received by the employees based on length of credited service and average earnings.

In 2017, employer contribution amounts to $59,315,711 (2016 - $54,857,900) and is recorded as an expense in the Consolidated Statement of Operations. Employee contributions also amount to $59,315,711 (2016 - $54,857,900).

Because OMERS is a multi-employer plan, the Region does not recognize any share of the pension deficit of $5.4 billion at December 31, 2017.

c) **Post-Employment Benefits**

Employees who retire under the OMERS pension plan at age fifty or greater with a minimum of twenty years of service with the Region, are entitled to continued coverage for extended health and dental benefits. Those retirees from age 65 to age 75 are eligible to a health care spending account.

An independent actuarial valuation dated November 17, 2017 estimates the liability of these benefits to be $81,367,969 (2016 - $73,807,880), which is reported in the Consolidated Statement of Financial Position.

d) **Workplace Safety and Insurance Board**

Under the Workplace Safety and Insurance Act, the Region is a self-insured employer (Schedule II) for all of its employees.

An independent actuarial valuation dated January 31, 2017 estimates the liability for all claims incurred to December 31, 2017 to be $26,801,862 (2016 - $21,137,253), which is reported in the Consolidated Statement of Financial Position. The unamortized actuarial loss as at December 31, 2017 is $23,502,213 (2016 - $2,315,980).

e) **Long-Term Disability Self-Funding Arrangement**

In October 2002, the Region adopted a self-insured arrangement for its long-term disability benefit program (LTD). Under this arrangement, the Region funds its own claims through a segregated reserve and contracts with an insurance carrier to adjudicate and administer all claims on an Administrative Services Only (ASO) basis. An independent actuarial valuation dated January 31, 2017 estimates the liability for claims incurred to be $36,442,733 (2016 - $32,939,289) as at December 31, 2017, which is reported in the Consolidated Statement of Financial Position.

7. DEFERRED REVENUE

Deferred revenue set aside for specific purposes by legislation, regulation, or agreement is comprised of:

	Balance at Dec 31, 2016	Inflows	Transferred out	Balance at Dec 31, 2017
	$	$	$	$
Deferred capital grants	152,692,427	302,968,770	(399,250,219)	56,410,978
Security deposits and agreements	16,528,082	8,609,108	(5,896,572)	19,240,618
Other	12,939,144	39,329,947	(40,790,631)	11,478,460
Total deferred revenue-general	182,159,653	350,907,825	(445,937,422)	87,130,056
Development charges	265,703,708	390,321,820	(283,713,949)	372,311,579
Gas tax	77,891,378	49,145,402	(66,823,802)	60,212,978
Total obligatory reserve funds	343,595,086	439,467,222	(350,537,751)	432,524,557

8. LONG-TERM LIABILITIES

a) Long-term liabilities are comprised of the following items.

	2017	2016
	$	$
Long-term liabilities incurred by the Region including those incurred on behalf of local municipalities and outstanding at the end of the year	2,987,290,725	2,880,456,153
Sinking fund debenture debt	565,658,041	624,408,506
Mortgages payable by Housing York Inc.	57,152,560	62,397,455
Gross long-term liabilities	3,610,101,326	3,567,262,114
Less: Recoverable from area municipalities	150,717,094	184,140,047
Net long-term liabilities at the end of the year	3,459,384,232	3,383,122,067

The total gross amount of the long-term liabilities to be retired by sinking funds is $2,784,341,927 (2016 - $2,653,144,918). The amount of sinking fund assets is $565,658,041 (2016 - $624,408,506). Long-term liabilities are financed through a combination of development charges, water and sewer rates, and tax levy.

Interest rates and maturity dates for the debts range from 2.0% to 6.52% and from July 2, 2018 to December 1, 2051.

b) Net long-term liabilities are repayable as follows:

2018	$151,716,067
2019	150,480,247
2020	160,839,083
2021	153,163,637
2022	163,514,567
Thereafter	2,151,820,755
Net sinking fund debt repayable according to actuarial recommendations	527,849,876
	$3,459,384,232

c) Charges for Net Long-term Liabilities

Total interest charges for the year for net long-term liabilities which are included in the Consolidated Statement of Operations are $129,392,486 (2016 - $133,613,010).

9. CONTRACTUAL OBLIGATIONS AND COMMITMENTS

a) **Water Supply Agreements with City of Toronto and Region of Peel**

The Region has agreements to purchase water from the City of Toronto and the Region of Peel under two separate long term water supply agreements. Payments in respect of these agreements amounted to $24,689,868 (2016 - $24,223,799) for purchased water from the City of Toronto and $17,876,707 (2016 - $19,068,925) for the Region of Peel. Payments under these agreements are financed by user rates charged to area municipalities based on consumption.

b) **Operating Leases**

Under the terms of various operating lease agreements, future minimum payments for the next 5 years are approximately as follows:

2018	9,828,000
2019	9,327,000
2020	8,765,000
2021	6,617,000
2022	5,612,000

c) **York Rapid Transit Plan**

In 2002, the Region entered into a public-private partnership with York Consortium 2002 to implement the York Rapid Transit Plan (YRTP). The YRTP was developed from the Region's Transportation Master Plan, which identified the need to implement a rapid transit network that would reduce the level of traffic congestion and support economic and residential growth. The current rapid transit plan, vivaNext, includes the construction of the Yonge and Spadina subway extensions and 36 kilometres of bus rapid transit corridors. Future segments of the bus rapid transit system and the Yonge subway extension are contingent on funding agreements with provincial and federal governments.

d) **Toronto-York Subway Extension Project**

In 2007, the Region signed an agreement with the City of Toronto and the Toronto Transit Commission to design and construct an extension of the Spadina subway line that will extend from Downsview Station in northwest Toronto into York Region. The subway extension is a part of the Region's Transportation Master Plan which will support economic and residential growth.

In 2016, the project cost has been revised to $3.2 billion and will be funded by contributions from the Federal Government, the Province of Ontario, the City of Toronto and York Region. The Region's estimated contribution is $604 million of which $155 million has been paid to the project this year. New subway stations are operational commencing December 17, 2017.

e) **York Region Hospitals Capital Funding**

In 2009, Council approved a memorandum of understanding (MOU) between the Region and York regional hospitals which provides direction for capital funding of the four regional hospitals from 2009 to 2031. Under the MOU, the Region provides funding for approved projects and their associated approved eligible costs. Total capital distributions to Markham Stouffville Hospital, Southlake Regional Health Centre, Vaughan Health Campus of Care and Mackenzie Health amount to approximately $342 million over the period of the MOU.

10. CONTINGENT LIABILITIES

a) **Public Liability Insurance**

The Region's public liability insurance limits are set at $50,000,000. Environmental impairment liability is fully self-insured by the Region with the exception of sudden and accidental pollution which is insured with a limit of $5,000,000. The Region has increased its self-insured retention (SIR) effective July 1, 2014 to $500,000 per occurrence for liability and automobile claims. Prior to July 1, 2014 the SIR was at the $100,000 level for several years. The crime policy has a deductible of $nil while the property and boiler policy each have a deductible of $50,000 per occurrence.

The Region estimates that the liability as at December 31, 2017 for all outstanding public liability claims is $7,130,990 (2016 - $7,152,941). The total reserve available for public liability and environmental impairment is $20,332,066 (2016 - $24,043,615).

b) **Other Contingencies**

The Region, in the course of its operations, is subject to claims, lawsuits and other contingencies. Accruals have been made in specific instances where it is probable that liabilities will be incurred and where such liabilities can be reasonably estimated. Although it is possible that liabilities may arise in other instances for which no accruals have been made, the Region does not believe that such an outcome will significantly impair its operations or have a material adverse effect on its financial position.

11. PROVINCIAL OFFENCES ADMINISTRATION

The Region administers prosecutions and the collection of related fines and fees under the authority of the Provincial Offences Act ("POA"). The POA is a procedural law for administering and prosecuting provincial offences, including those committed under the Highway Traffic Act, Compulsory Automobile Insurance Act, Trespass to Property Act, Liquor Licence Act, Municipal By-laws and minor federal offences. Offenders may pay their fines at any court office in Ontario, at which time their receipt is recorded in the Integrated Courts Offences Network system ("ICON"). The Region recognizes fine revenue when the receipt of funds is recorded by ICON regardless of the location where payment is made.

Gross revenue is comprised primarily of fines levied under Part I, II and III (including delay penalties) for POA charges. The total revenue for 2017 amounts to $21,942,116 (2016 - $20,645,959) and the net revenue amounts to $2,183,364 (2016 – $513,631). Balances arising from operation of the POA offices are consolidated with these financial statements.

12. TANGIBLE CAPITAL ASSETS

COST	Balance at December 31 2016	Additions	Disposals	Balance at December 31 2017
	$	$	$	$
Land	489,784,639	14,029,456	(5,306,507)	498,507,588
Land improvements	342,629,163	23,474,250	(291,783)	365,811,630
Buildings	2,368,260,111	142,846,276	(5,844,406)	2,505,261,981
Equipment and machinery	777,535,021	92,231,194	(77,299,877)	792,466,338
Vehicles	372,317,083	33,488,356	(9,945,266)	395,860,173
Transit infrastructure	-	471,405,128	-	471,405,128
Roads infrastructure	1,756,786,998	215,242,304	(11,955,049)	1,960,074,253
Water/sewer infrastructure	1,966,883,364	20,907,885	-	1,987,791,249
Assets under construction	1,701,742,637	(355,640,847)	-	1,346,101,790
Total	9,775,939,016	657,984,002	(110,642,888)	10,323,280,130

ACCUMULATED AMORTIZATION	Balance at December 31 2016	Disposals	Amortization expenses	Balance at December 31 2017
	$	$	$	$
Land improvements	104,970,460	(291,783)	14,965,806	119,644,483
Buildings	627,010,996	(2,802,846)	66,680,359	690,888,509
Equipment and machinery	371,067,801	(77,214,830)	45,130,642	338,983,613
Vehicles	183,069,566	(8,689,072)	32,980,993	207,361,487
Roads infrastructure	780,883,351	(11,250,472)	60,326,662	829,959,541
Water/sewer infrastructure	181,827,656	-	21,373,276	203,200,932
Total	2,248,829,830	(100,249,003)	241,457,738	2,390,038,565

	Net book value December 31 2016	Net book value December 31 2017
	$	$
Land	489,784,639	498,507,588
Land improvements	237,658,703	246,167,147
Buildings	1,741,249,115	1,814,373,472
Equipment and machinery	406,467,220	453,482,725
Vehicles	189,247,517	188,498,686
Transit infrastructure	-	471,405,128
Roads infrastructure	975,903,647	1,130,114,712
Water/sewer infrastructure	1,785,055,708	1,784,590,317
Assets under construction	1,701,742,637	1,346,101,790
Total	7,527,109,186	7,933,241,565

In 2017, the Region received contributed assets at fair market value of $15 million (2016 - $27 million) from external parties.
There were no write-downs of tangible capital assets in 2017 (2016 – nil).

13. ACCUMULATED SURPLUS

Accumulated surplus is comprised of individual fund surpluses and reserves and reserve funds as follows:

	2017 $	2016 $
Surplus		
Invested in tangible capital assets	3,913,780,394	3,696,020,670
Investments in related entities	219,977,153	99,583,600
	4,133,757,547	3,795,604,270
Reserves and Reserve Funds		
Sinking fund	557,518,906	600,120,809
Roads infrastructure	527,534,992	454,046,650
Capital replacement-water and sewer	220,009,283	153,071,387
Debt reduction	185,700,852	222,783,063
Facilities rehabilitation and replacement	122,233,559	105,433,376
Regionally owned housing	112,606,917	79,560,647
Social housing development	104,625,391	106,855,530
Solid waste management	77,352,077	74,459,335
Equipment/vehicle replacement	75,299,988	68,615,497
Transit vehicle replacement	67,177,408	50,688,988
Tax stabilization	59,751,562	53,211,005
Capital reserve fund	59,367,624	50,981,211
Hospital financing	54,734,988	54,816,829
Non-profit housing capital	50,826,433	41,998,273
Fiscal stabilization	46,042,019	44,067,763
Working capital	45,052,211	44,666,384
Long-term disability	44,645,347	33,389,173
Workers' compensation schedule II	36,812,115	21,220,438
Rates stabilization	22,334,004	31,029,816
IT development	20,741,514	18,755,990
Insurance	20,332,066	24,043,615
Fuel cost stabilization	13,407,137	7,749,471
Land bank	11,943,749	11,722,045
Roads capital	7,625,996	(916,565)
Innovation	5,192,783	5,096,393
University campus	3,092,794	2,038,351
Court services	2,814,954	2,011,184
Land securement	2,441,054	1,416,422
Group benefits	2,279,024	2,097,166
Move Ontario	2,139,010	5,988,816
Sick leave	1,712,786	2,449,967
IT licensing and software development	1,110,846	303,037
Transit	628,231	7,120,570
Green energy	462,964	28,540
Seized funds	301,187	297,114
Social assistance	-	24,315,743
Alternative community living	-	266,912
Insurance claims and certificate system	-	12,779
Total Reserves and Reserve Funds	2,565,851,771	2,405,813,724
Total	6,699,609,318	6,201,417,994

14. SEGMENT DISCLOSURE

The Region is a municipal government which provides a wide range of services to its residents that include general government, protection to persons and property, transportation, environmental, health and emergency services, community services, and planning and development services.

General Government

General government comprises of the Council, the Chair's Office, Office of the Chief Administrative Officer, Corporate Services and Finance Departments. These divisions and branches supply administrative and financial leadership for the Regional Corporation.

Protection to persons and property

Protection to persons and property consists of the activities of Police Services Board and York Regional Police. Their mandates are to ensure the safety of the lives and property of citizens, prevent crime from occurring, detect offenders, and enforce the law. It also includes the activities of Court Administration and Conservation Authorities.

Transportation services

The department operates and delivers regional infrastructure involving roadways, public transit, traffic systems, and bridges and culverts. York Region Rapid Transit Corporation's principal activity is the design and delivery of York Region's rapid transit systems.

Environmental services

The department is responsible for water treatment and distribution, wastewater collection and treatment, solid waste disposal and diversion, corporate energy, and natural heritage and forestry. It also delivers infrastructure projects, both for new and expanded assets and major rehabilitation of existing assets.

Health and emergency services

The Region provides a variety of health related programs and services that contribute to healthy communities through partnerships, promotion, prevention, protection and enforcement. Staff members render programs such as land ambulance service, immunization, nutrition, mental health| and health inspection.

Community services

Children's Services plans, manages and coordinates a Region-wide child care services. Long Term Care operates long-term care facilities for seniors. The Ontario Works and Ontario Disability Support Programs deliver a range of programs providing employment and financial assistance to residents in need.

Social housing

Social housing is responsible for administrating social housing providers, the rent supplement programs and managing a social housing waiting list. Housing York Inc. is a non-profit housing corporation providing affordable rental units for its residents.

Planning and economic development

This unit provides a long-term comprehensive approach to planning and development processes to ensure the efficient use of land and community infrastructure. Services include long-range capital planning, development review, road occupancy permits and inspection services.

	General government	Protection to persons and property	Transportation services	Environmental services	Health and emergency services
REVENUES					
Net taxation	1,042,649,817	-	-	-	-
User charges	-	-	-	278,893,236	-
Transfer payments	262,653	13,444,651	210,201,952	-	88,282,025
Development charges	2,532,609	5,127,950	87,049,944	187,761,360	412,290
Fees and services	18,153,661	31,837,065	96,090,624	16,207,326	898,425
Investment income	71,288,620	-	-	-	-
Other	543,605	1,883,426	47,650,319	42,679,762	37,275
	1,135,430,965	52,293,092	440,992,839	525,541,684	89,630,015
EXPENSES					
Salaries and benefits	103,260,882	302,794,685	59,385,907	51,712,601	113,433,961
Interest payments	316,488	3,708,748	19,125,055	102,693,192	176,137
Operating expenses	67,128,133	35,009,825	240,727,272	253,823,109	20,820,197
Government transfers	311,350	5,948,000	2,004,875	10,289,277	14,826,120
Amortization	15,470,505	12,699,616	105,685,042	94,171,350	4,038,487
	186,487,358	360,160,874	426,928,151	512,689,529	153,294,902
Annual Surplus (Deficit)	948,943,607	(307,867,782)	14,064,688	12,852,155	(63,664,887)

	Community services	Social housing	Planning and economic development	Total 2017	Total 2016
REVENUES					
Net taxation	-	-	-	1,042,649,817	997,439,330
User charges	-	-	-	278,893,236	280,429,617
Transfer payments	203,846,638	33,862,069	778,192	550,678,180	489,374,822
Development charges	-	316,101	513,695	283,713,949	283,350,272
Fees and services	5,697,510	25,610,884	4,033,469	198,528,964	169,046,677
Investment income	-	-	-	71,288,620	87,903,802
Other	1,055,463	1,392,268	-	95,242,118	46,815,647
	210,599,611	61,181,322	5,325,356	2,520,994,884	2,354,360,167
EXPENSES					
Salaries and benefits	79,902,014	11,652,633	11,576,164	733,718,847	711,010,789
Interest payments	-	3,372,866	-	129,392,486	133,613,010
Operating expenses	136,140,790	68,224,784	3,007,109	824,881,219	689,627,294
Government transfers	59,890,648	-	83,000	93,353,270	77,393,692
Amortization	1,622,912	7,766,986	2,840	241,457,738	233,638,361
	277,556,364	91,017,269	14,669,113	2,022,803,560	1,845,283,146
Annual Surplus (Deficit)	(66,956,753)	(29,835,947)	(9,343,757)	498,191,324	509,077,021

15. TRANSFER PAYMENT REVENUE

	2017	2016
	$	$
Provincial grants		
Transit	158,588,383	149,625,532
Child care	113,326,502	95,779,949
Social assistance	81,384,321	73,820,783
Public health	41,472,516	48,994,717
Ambulance	39,702,410	37,456,909
Housing	24,316,553	19,354,270
Services for seniors	16,479,099	15,532,718
Police	13,405,750	10,575,378
Roadways	60,000	60,000
Other	508,327	(134,773)
	489,243,861	451,065,483
Federal grants		
Gas tax	51,500,925	28,467,125
Housing	9,545,516	9,207,460
Social assistance	314,060	214,279
Transit	52,644	420,475
Other	21,174	-
	61,434,319	38,309,339
Total transfer payments	550,678,180	489,374,822

16. COMPARATIVE FIGURES

Certain 2016 comparative figures have been reclassified to conform to the current presentation.

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INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of
The Regional Municipality of York

We have audited the financial statements of the sinking funds of The Regional Municipality of York, which comprise the statement of financial position as at December 31, 2017, the statement of financial activities and change in fund balance for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the sinking funds of The Regional Municipality of York as at December 31, 2017, the results of its operations and changes in its financial position for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

April 27, 2018
Vaughan, Canada

THE REGIONAL MUNICIPALITY OF YORK

Sinking Fund Statement of Financial Position

As at December 31, 2017

	2017	2016
	$	$
FINANCIAL ASSETS		
Cash	27,597,470	14,421,152
Investments – at amortized cost (Note 1)	538,007,772	608,482,116
Interest receivable	699,938	1,505,238
Total Assets	566,305,180	624,408,506
LIABILITIES		
Actuarial requirement for retirement of the Sinking Fund (Note 2)	543,066,355	606,352,389
Fund balance	23,238,825	18,056,117
Total Liabilities and Fund Position	566,305,180	624,408,506

THE REGIONAL MUNICIPALITY OF YORK

Sinking Fund Statement of Financial Activities and Change in Fund Balance

As at December 31, 2017

	Budget	2017	2016
	$	$	$
REVENUES			
Contributions from:			
Area Municipalities	3,950,360	3,950,360	6,811,164
Regional Corporation	142,490,197	142,490,197	136,586,674
Total contributions	146,440,557	146,440,557	143,397,838
Interest and capital gains	15,681,190	20,253,978	20,865,026
Total revenues	162,121,747	166,694,535	164,262,864
EXPENSES			
Actuarial requirement for the year	(162,121,748)	(161,487,973)	(159,638,277)
Payments to Area Municipalities	(31,992)	(23,854)	(674,397)
Payments to Regional Corporation	(861,442)	-	-
Change in Fund Balance	(893,435)	5,182,708	3,950,190
Opening Fund Balance	18,056,117	18,056,117	14,105,927
Closing Fund Balance	17,162,682	23,238,825	18,056,117

The accompanying notes are an integral part of these Financial Statements.

The Regional Municipality of York's sinking fund is a separate fund maintained for the purpose of providing periodic repayments of all debts to be retired by means of sinking funds.

1. INVESTMENTS

All investments are purchased with the intention of holding them until maturity. They are recorded at cost, price adjusted annually for amortization of discount or premium on a present value basis as determined at the time of purchase with the amount of such amortization included in the interest earned on the Statement of Financial Activities and Change in Fund Balance. The investments have a market value of $541,294,059 (2016 - $610,224,197).

2. ACTUARIAL REQUIREMENTS

The actuarial requirements of the sinking fund represent the amounts levied during the year as set out in the sinking fund debenture by-law plus interest thereon capitalized at a rate of 1.6%, 2.0% or 3.0% per annum compounded annually. Any excess revenue over these requirements is included in the sinking fund balance.

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INDEPENDENT AUDITORS' REPORT

To the Members of Council, Inhabitants and Ratepayers of
The Regional Municipality of York

We have audited the financial statements of residents' trust funds and donation account of The Regional Municipality of York, which comprise the statement of financial position as at December 31, 2017 and the statement of financial activities for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

KPMG

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the funds held in residents' trust funds and its donation account by The Regional Municipality of York as at December 31, 2017, the results of its operations and changes in its financial position for the year then ended in accordance with Canadian public sector accounting standards.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

April 27, 2018
Vaughan, Canada

THE REGIONAL MUNICIPALITY OF YORK

Residents' Trust Funds and Donation Account
Statement of Financial Position
As at December 31, 2017

	Trust	Donation	2017	2016
	$	$	$	$
FINANCIAL ASSETS				
Cash	209,229	37,524	246,753	239,903
Residents' petty cash	6,500	-	6,500	6,500
Total Assets	215,729	37,524	253,253	246,403
Fund Balances	215,729	37,524	253,253	246,403

THE REGIONAL MUNICIPALITY OF YORK

Residents' Trust Funds and Donation Account
Statement of Financial Activities
As at December 31, 2017

	Trust	Donation	2017	2016
	$	$	$	$
Fund balances, beginning of year	205,430	40,973	246,403	228,529
Source of funds:				
Deposits on behalf of residents	381,537	555	382,092	393,610
Interest earned on deposits	-	519	519	582
	381,537	1,074	382,611	394,192
Use of funds:				
Withdrawals	(371,238)	(4,523)	(375,761)	(376,318)
Net activity	10,299	(3,449)	6,850	17,874
Fund balances, end of year	215,729	37,524	253,253	246,403

The accompanying notes are an integral part of these Financial Statements.

Notes to the Residents' Trust Funds and Donation Account
Statement of Financial Position and Financial Activities
December 31, 2017

1. ACCOUNTING POLICIES

a) These financial statements reflect the financial activity and financial position of funds held in trust by the Regional Municipality of York (the 'Region') for residents of Newmarket Health Centre and Maple Health Centre, and funds donated to the facilities.

b) Funds held in trust and monies received by way of donation are invested by the Region on behalf of the residents. Interest is credited to the funds based on the average yield earned by the Region on its investments.

2. BASIS OF ACCOUNTING

a) Cash and investments are recorded at cost.

b) Deposits on behalf of residents are reported upon receipt and interest income is reported on the accrual basis of accounting. Withdrawals are reported in the period in which they are made.

STATISTICAL REVIEW

THE REGIONAL MUNICIPALITY OF YORK

Five Year Review (unaudited)

(in thousands of dollars)	2017	2016	2015	2014	2013
CONSOLIDATED FINANCIAL ACTIVITIES					
Analysis of Revenues					
Net taxation/user charges	1,321,543	1,277,869	1,214,395	1,137,490	1,089,936
Transfer payments	550,678	489,375	651,485	521,668	495,375
Development charges	283,714	283,350	281,033	361,871	221,158
Fees and service charges	198,529	169,047	144,696	134,293	130,161
Other	166,530	134,719	191,278	161,328	121,131
	2,520,994	2,354,360	2,482,887	2,316,650	2,057,761
Analysis of Expenses by Object					
Salaries, wages and employee benefits	733,719	711,011	656,735	615,471	583,519
Debt servicing	129,392	133,613	129,552	122,136	106,567
Operating and general expenses	824,881	689,627	700,873	1,002,622	833,447
Amortization	93,353	233,639	207,690	183,306	168,019
Transfers to others	241,458	77,393	73,655	76,142	74,251
	2,022,803	1,845,283	1,768,505	1,999,677	1,765,803
Analysis of Expenses by Function					
General government	186,487	173,142	154,797	150,549	117,316
Protection to persons and property	360,161	338,690	331,305	308,042	298,548
Transportation services	426,928	445,386	371,589	683,624	541,097
Environmental services	512,690	456,153	431,960	397,624	384,249
Health and emengency services	153,295	134,539	130,265	126,998	119,476
Community services and housing	368,573	288,082	340,017	324,847	297,268
Planning and development services	14,669	9,291	8,572	7,993	7,849
	2,022,803	1,845,283	1,768,505	1,999,677	1,765,803
Annual Surplus	498,191	509,077	714,382	316,973	291,958
Accumulated Surplus	6,699,609	6,201,418	5,692,341	4,977,959	4,660,986
Net Debt	1,250,094	1,341,584	1,438,123	1,568,137	1,364,270

Note: Some comparative figures have been reclassified to conform with 2017 presentation.

THE REGIONAL MUNICIPALITY OF YORK

Five Year Review (unaudited)

(in thousands of dollars)	2017	2016	2015	2014	2013
OUTSTANDING OBLIGATIONS					
Debt Outstanding					
Total Long Term Liabilities	2,995,395	2,904,323	2,833,617	2,750,975	2,508,945
Overlapping Debt*	(150,717)	(184,140)	(211,071)	(219,605)	(218,122)
Net Long Term Liabilities	2,844,678	2,720,183	2,622,546	2,531,370	2,290,823
Net Long Term Liabilities per capita	$2,357	$2,292	$2,249	$2,211	$2,027
Sinking Fund	565,658	624,409	610,389	500,686	360,149
Charges for Net Long Term Liabilities					
Recovered from:					
General Tax Rates	277,238	256,869	259,315	254,686	238,268
User Rates	31,584	38,990	40,271	41,962	40,011
Total	308,822	295,859	299,586	296,648	278,279
Debt charges as a % of Total Expenses	15.3%	16.0%	16.9%	14.8%	15.8%
Debt Limit Available for New Debt	202,019	163,025	145,826	133,448	109,204
Acquisition of tangible capital assets	657,984	648,119	808,497	701,279	785,019

Note: Some comparative figures have been reclassified to conform with 2017 presentation.

* Of area municipalities

Five Year Review (unaudited)

Miscellaneous Information

	2017	2016	2015	2014	2013
General Government					
Full Time Equivalent Employees (1)	5,711	5,575	5,442	5,288	5,145
Unemployment Rate (2)	5.4%	5.8%	5.8%	6.2%	7.1%
Acquisition of Tangible Capital Assets	$657,984,001	$648,119,012	$808,496,822	$701,279,211	$785,018,923
Community and Health					
Percentage of Total Housing Stock Medium/High Density Residential Housing	26.6%	26.3%	25.6%	24.7%	23.8%
New Annual Residential Units/Building Permits	6,048	10,597	9,546	6,234	7,830
Annual Building Permit Values ($ 000s)	3,983,209	4,760,297	3,887,514	2,804,647	2,837,193
Number of Subsidized Households	5,137	5,088	4,913	4,925	4,904
Number of Households that Receive Housing Assistance	10,333	10,362	8,127	14,883	15,215
Number of Mental Health Crisis Calls to York Regional Police	4,876	4,334	3,818	3,812	3,504
Number of Vaccines Administered	53,806	38,493	33,143	47,212	50,634
Roads and Transit					
Total Kilometres of Roads in the Region (3)	4,230	4,175	4,158	4,128	4,093
Number of Road Lane Kilometres New and Rehabilitated	160	190	175	102	220
Number of Rapidway Lane Kilometres (4)	12.2	8.6	8.6	6.0	2.5
Number of Bike Lane and Paved Shoulder Kilometres	433	398	362	324	271
Number of Traffic Signals Reviewed and Optimized Annually	694	591	437	356	323
Transit Ridership per Capita (5)	20.8	20.7	21.4	22.4	21.5
Environment					
Number of Trees and Shrubs Planted Annually Through the Regional Greening Strategy Program	85,464	93,188	94,637	91,698	45,907
Percentage of Solid Waste Diverted from Landfill	93%	91%	87%	85%	87%
Average Residential Water Demand per Capita (Litres per Capita per Day)	187	199	200	200	205
Annual Water Flows (Thousands of Cubic Metres)	111,425	122,007	122,437	118,385	120,485
Annual Wastewater Flows (Thousands of Cubic Metres)	108,824	119,110	120,194	116,483	118,796
Total Kilometres of Water Distribution/Transmission Pipe	364	350	338	338	337
Total Kilometres of Wastewater Mains	356	330	319	297	296
Demographics					
Population	1,206,543	1,186,907	1,166,321	1,144,760	1,130,386
Seniors Population (6)	141,316	139,016	136,605	134,070	131,379
Households	374,461	367,926	360,298	352,415	340,138
Average Household Income (7)	126,607	124,283	122,446	120,107	117,768

Notes:
(1) As approved in the annual budget.
(2) Based on Statistics Canada information.
(3) Methodology for calculating kilometres of roads changed in 2014. Restated figures are not available for years prior to 2013 and are not comparable.
(4) 2014 figures have been restated to represent total lane kilometres.
(5) 2016 figure has been restated due to an adjustment to service area population.
(6) Residents of York Region over the age of 65.
(7) 2013 to 2016 figures have been restated based on newly released 2016 Census data. The 2017 figure has been adjusted using the annual CPI

TOP 10 CORPORATE RATE PAYERS IN YORK REGION*

Rank	Business Name	Rank	Business Name
1.	Invanhoe Cambridge II Inc.	6.	Canada's Wonderland Company
2.	CPPIB Upper Canada Mall Inc.	7.	IBM Canada Limited
3.	Ontrea Inc. (Markville Mall)	8.	Canadian National Railway Co.
4.	Montez Hillcrest Inc.	9.	ACC Parkway Nominee Inc.
5.	Ontrea Inc. (Promenade Mall)	10.	IBM Canada Limited

*property-based

HOW TO CONTACT US

For information on York Region services and programs,
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