York Region Rapid Transit Corporation

2012 Budget
- Capital & Operating Expenditures -

York Region

December 1, 2011

Agenda

- ✓ Executive Summary
  - ➢ How we are doing in 2011
  - ➢ What are we looking to do in 2012
- ✓ 2012 Budget – Overview of Overall Capital Plan of $3.20 billion
- ✓ 2012 Budget – Regional Capital Plan of $1.37 billion
- ✓ 2012 Budget – Metrolinx Capital Plan of $1.82 billion
- ✓ Next Steps & Questions

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Executive Summary - 2011

2011 has been a strong year – managing a Capital Plan valued at $3.20 billion

Regional Capital Plan - $1.37 billion

- Spadina Subway Extension (TYSSE) under construction, with "in-service" timelines by end of 2015
- FLOW Agreeement executed in March, and secured funding of $170 million for:
  - Operations, Maintenance and Storage Facility (Bus Terminal & Garage) proceeding in Headford Business Park, Richmond Hill
  - 43 viva buses, where 12 received to date and remaining 31 in 2013

Metrolinx Capital Plan - $1.82 billion

- Metrolinx Master Agreement executed in April, and secured funding of $1.76 billion
  - Highway 7 (H3 – from Richmond Hill Centre to Warden Ave.) under construction, with completion timelines in 2014
  - Davis Drive (D1 – from Yonge St. to DVP/Hwy. 404) design-build cost confidence process completed and contract awarded to York Consortium, Kiewit-EllisDon

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Executive Summary - 2012

Capital and Operating Expenditures Budget for 2012 being brought forward in two parts:

- Part One – the Regional Capital Plan of $1.37 billion seeks the necessary approvals of Regional Council
  - 2012 Capital Expenditures - $332.2 million
  - 2012 Operating Expenditures - $10.8 million; no additional staff requested
- Part Two – the Metrolinx Capital Plan of $1.82 billion seeks the endorsement of the YRRTC Board of Directors, with the approval of Metrolinx already in place (per the executed Master Agreement)
  - 2012 Capital Expenditures - $215.7 million
  - 2012 Operating Expenditures - $8.2 million and fully recoverable - includes the 14 additional staff required for the capital delivery of the program

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Executive Summary - 2012

Regional Capital Plan - $1.37 billion

2012 Regional Capital Budget:

Spadina Subway Extension	$	275.0	million
Terminals, Facilities & Buses		41.0	million
Strategic Initiatives, incl. Yonge Subway		16.2	million
Total - Capital Budget	**$**	**332.2**	**million**

2012 Operating Budget:

YRRTC Direct Staff & Support Costs	$	4.0	million
*Offset by Capital Recoveries **		*(1.9)*	*million*
Financing Costs	$	15.2	million
*Offset by Revenues **		*(6.6)*	*million*
Total - Net Levy Impact	**$**	**10.8**	**million**

Metrolinx Capital Plan - $1.82 billion

2012 Metrolinx Capital Budget:

Construction - Hwy. 7, Warden Ave. to Richmond Ctr.	$	122.5	million
Construction - Davis Dr., Yonge ST. to DVP/Hwy. 404		56.6	million
Work Preparation - Remaining Corridors		36.6	million
Total - Capital Budget	**$**	**215.7**	**million**

2012 Operating Budget:

YRRTC Direct Staff & Support Costs	$	8.2	million
*Offset by Capital Recoveries **		*(8.2)*	*million*
Financing Costs	$	-	million
Offset by Revenues		*0.0*	*million*
Total - Net Levy Impact	**$**	**-**	**million**

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* Capital Recoveries & Revenues - page 506 of the *2012 Operating Budget book*.

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2012 Budget
- Overview of Overall Capital Plan of $3.20 billion -

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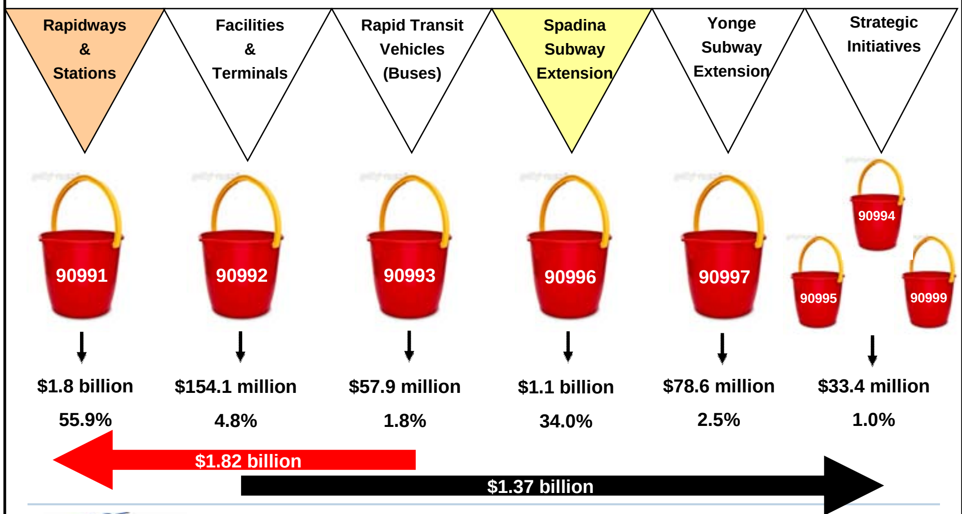
Overall Capital Plan – $3.20 billion



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* Pages 393, 394 & 403 of the *2012 Capital Budget book*.

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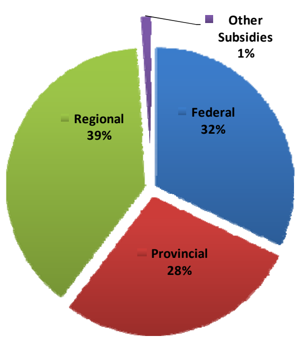
Overall Capital Plan – $3.20 billion
* Funding Sources & Agreements

Regional Capital Plan

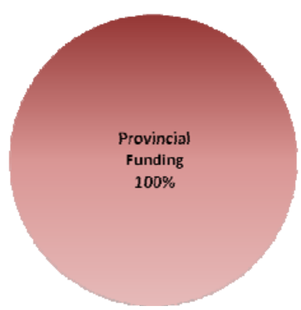
$1.37 billion



* Regional Funding - $531.1 million

Metrolinx Capital Plan

$1.82 billion



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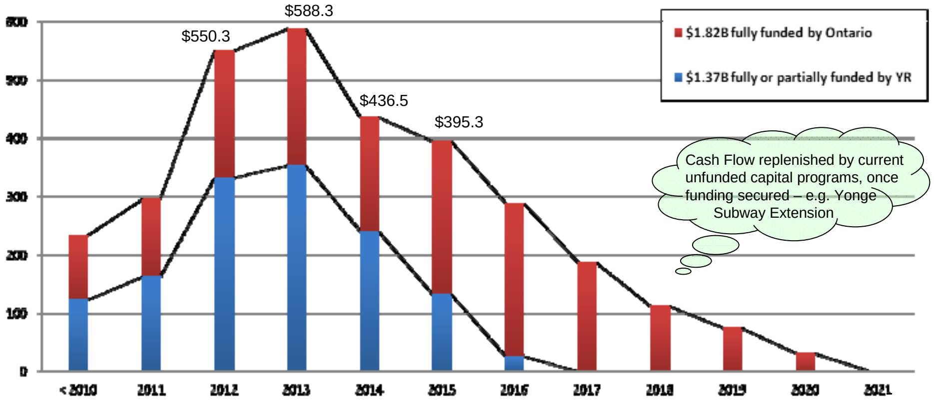
Overall Capital Plan – $3.20 billion
* Cash Flow

$2.0 billion budgeted to be spent between 2012-2015:



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2012 Budget
- Regional Capital Plan of $1.37 billion -

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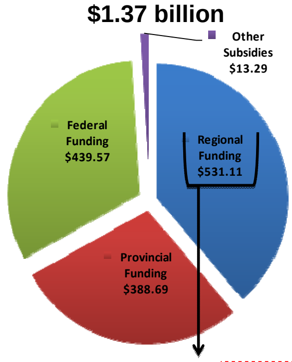
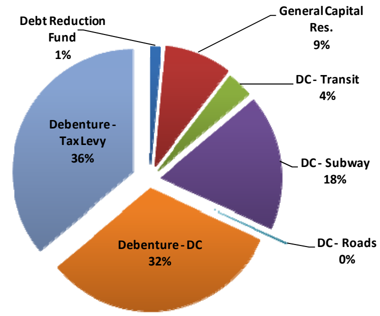
Regional Capital Plan - $1.37 billion

* Budget – Ten Year Plan: Funding Structure



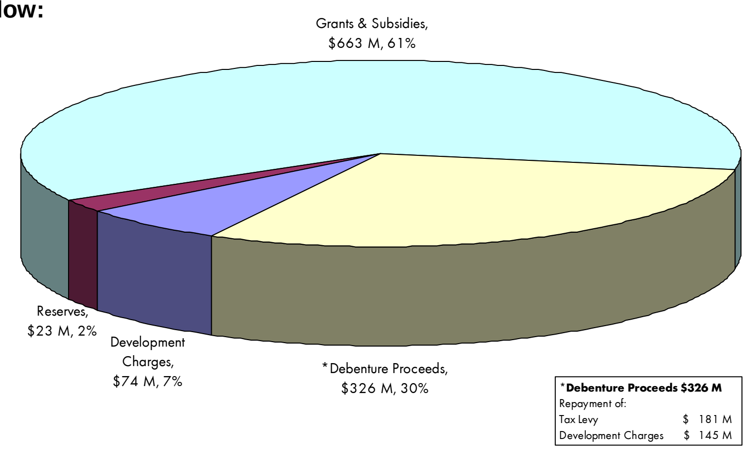


Funds Source	Totals ($ million)	Facilities & Terminals	BRT Vehicles	Future BRT Studies	Future LRT Studies	Spadina Subway	Yonge Subway	Strategic Initiatives
Debt Reduction Fund	7.57	2.35	5.22	-	0.00	-	-	-
General Capital Res.	47.94	-	-	1.08	1.25	41.30	4.31	-
DC - Transit	18.20	13.78	4.42	-	0.00	-	-	-
DC - Subway	94.51	-	-	-	-	94.51	-	-
DC - Roads	0.84	-	-	-	-	-	-	0.84
Debenture - DC	170.60	-	-	-	-	170.60	-	-
Debenture - Tax Levy	191.45	49.77	12.46	-	-	61.85	37.12	30.25
Regional Funding	531.11	65.90	22.10	1.08	1.25	368.26	41.43	31.09

Regional Capital Plan - $1.37 billion

* Budget – Ten Year Plan: Financing Sources

Out of the Regional Capital Plan of $1.37 billion, remaining for 2012 and beyond is $1.1 billion, whose identified sources of financing are shown below:



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* Page 405 of the *2012 Capital Budget book*.

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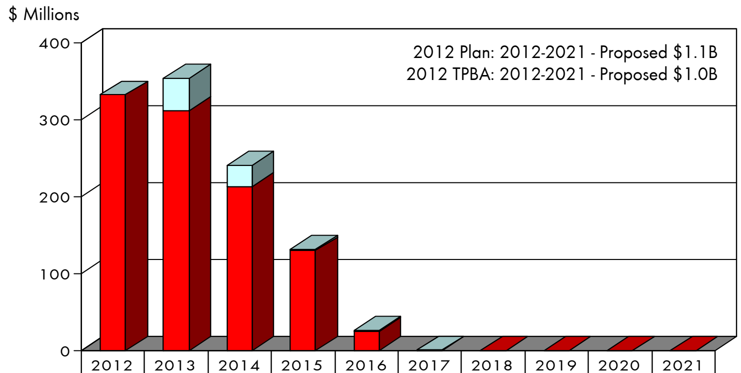
Regional Capital Plan - $1.37 billion
* Budget – Ten Year Plan: Highlighting TBPA



	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Capital Plan	332	354	241	132	27	1	0	0	0	0
Remaining Forecast	0	42	28	2	2	1	0	0	0	0
TPBA	332	312	213	130	25	0	0	0	0	0

TPBA   Remaining Forecast

York Region

* Page 402 of the *2012 Capital Budget book*.

Regional Capital Plan - $1.37 billion
* Budget – Ten Year Plan: 2012 Capital Expenditures

Capital Expenditures is $332.2 million, compared to $163.4 million in 2011

Capital Programs	Total	Contribution from Reserves	Debenture Proceeds	Third Party Funding
Facilities & Terminals	37.48	5.65	13.08	18.74
Rapid Transit Vehicles	3.50	0.47	1.28	1.75
Spadina Subway	275.00	74.14	24.19	176.67
Strategic Initiatives	16.23	2.40	8.82	5.00
Total ($ millions)	**332.20**	**82.67**	**47.38**	**202.16**
		24.9%	**14.3%**	**60.8%**

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* Pages 400 & 401 of the *2012 Capital Budget book*.

Regional Capital Plan - $1.37 billion
* Budget – Ten Year Plan: 2012 Operating Expenditures

Operating Expenditures is $10.8 million, compared to $12.0 million in 2011

- No additional staff in 2012

Operating Items	$ millions	%
Direct Staff and Office	2.82	16.2%
Negotiated Specifics	0.57	3.3%
Professional Services	0.67	3.8%
Financing Costs	15.24	87.6%
Capital Recoveries	(1.90)	-10.9%
Gross Operating Exp.	**17.39**	**100.0%**
Revenues	**(6.58)**	
Net Operating Exp. - Net Tax Levy	**10.81**	

The proposed 2012 Net Operating Budget is 10.8M

Regional Capital Plan - $1.37 billion
* Budget – Ten Year Plan: 2012 Operating Expenditures

Changes to Net Expenditures – a decrease of
($1.2 million) over the previous year:

	$ M	%
2011 Net Operating Budget	$ 12.0	
Enhancements	$ 0.0	0.0%
Growth	$ 0.0	0.0%
Annualization	$ (2.2)	(18.4)%
Mandatory/Legislative	$ 0.0	0.0%
Base/Reductions/Efficiencies/Cost Savings	$ 1.0	8.5%
Increase/(decrease)	$ (1.2)	(9.9)%
2012 Net Operating Budget	$ 10.8	

The proposed 2012 Net Operating Budget is 10.8M

Regional Capital Plan - $1.37 billion

* Budget – Ten Year Plan: 2012 Operating Expenditures

Share of the Tax Dollar – 1.3 cents to YRRTC:

	$
Police	0.31
Transportation Services	0.23
Community & Health Services	0.18
Asset Replacement	0.06
Waste Management	0.05
Special Purposes Bodies	0.04
Corporate Services	0.04
Finance & IT Services	0.03
Other Corporate Management	0.02
GTA Pooling	0.02
York Region Rapid Transit Corporation	**0.01**
Regional Planning	0.01
	1.00

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* Page 40 of the *2012 Operating Budget book*.

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2012 Budget

- Metrolinx Capital Plan of $1.82 billion -

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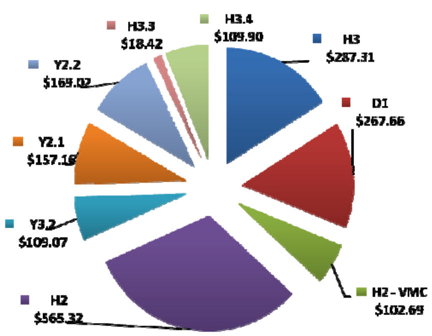
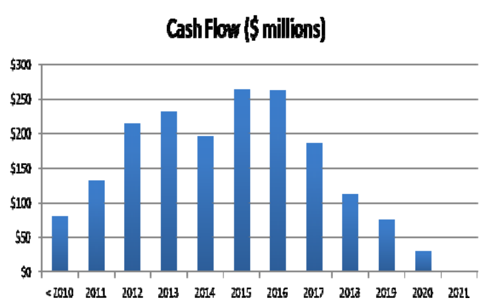
Metrolinx Capital Plan - $1.82 billion
* Budget – Ten Year Plan: Program & Projects

Rapidways and Stations funded by Metrolinx & QuickWins - $1.82 billion, and delivery by 2020:

- H3 (3.1 & 3.2): Highway 7 from Richmond Hill Centre to Warden Ave. - 6.3 km.
- D1: Davis Dr. from Yonge St. to Roxborough Dr. - 2.6 km.
- Y3.2: Yonge St. from Mulock Dr. to Davis Dr. - 2.5 km.
- H2 & H2 VMC: Highway 7 from Pine Valley Dr. to Richmond Hill Centre - 16.2 km.
- Y2.1: Yonge St. from Highway 7 to Major Mackenzie Dr. - 3.8 km.
- Y2.2: Yonge St. from Major Mackenzie Dr. to 19th Avenue - 4.1 km.
- H3.4: Enterprise Dr. from Birchmount Rd. to east of Kennedy Rd. - 2.0 km.

Metrolinx Capital Plan - $1.82 billion
* Budget – Ten Year Plan: Cash Flow





Delivery Timelines:

- H3 (3.1 & 3.2) – 2014
- D1 & H2-VMC – 2015
- H2, Y2.1 & Y3.2 – 2018
- Y2.2 & H3.4 – 2020

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Metrolinx Capital Plan - $1.82 billion

* Budget – Ten Year Plan: 2012 Capital & Operating Expenditures

Capital Expenditures is $215.7 million, compared to $131.7 million in 2011

- Construction on Highway 7 from Richmond Hill Centre to Warden (H3) - $122.5 million
- Construction on Davis Drive from Yonge St. to DVP/Highway 404 (D1) - $56.6 million
- Work preparation for the remaining corridors - $36.6 million
  - Highway 7 – east of Highway 400 to east of Bowes Road (H2 VMC-Vaughan Metropolitan Centre)
  - Yonge St. – from Richmond Hill Centre to Major Mackenzie Avenue (Y2.1)
  - Highway 7 – west of Richmond Hill Centre to Pine Valley Drive (H2)
  - Yonge St. – from Richmond Hill Centre to 19th Avenue (Y2.2); from south of Mulock Drive to Davis Drive (Y3.2)

Operating Expenditures is $8.2 million and fully recoverable – no financial implications for York Region

- Includes the 14 additional staff and expenses required for the capital program delivery – approx. $1.6 million and fully recoverable *

York Region does not "cash-flow" the expenses of the Metrolinx Capital Plan - Metrolinx advances the cash requirements on a semi-annual basis

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* Page 510 of the *2012 Operating Budget book*.

NEXT STEPS

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Summary & Next Steps

Summary:

- YRRTC Capital Plan is valued @ $3.2 billion
- 2012 Capital Expenditures Budget is $547.9 million:
  - Regional Capital Budget - $332.2 million
  - Metrolinx Capital Budget - $215.7 million
- 2012 Operating Expenditures Budget is $10.8 million – all of which is to deliver the Regional Capital Budget of $332.2 million
  - All Operating Expenditures Budget associated with the delivery of the Metrolinx Capital Budget of $215.7 million is 100% recoverable

Next Steps:

- YRRTC Capital Plan and 2012 Capital & Operating Expenditures Budget are being brought forward in two parts:
  - Part One – seeks the necessary approvals of Regional Council related to the 2012 Capital and Operating Expenditures, which include regional funded dollars – referenced in this presentation as the Regional Capital Plan of $1.37 billion
  - Part Two – seeks the endorsement of the YRRTC Board of Directors related to the 2012 Capital and Operating Expenditures for Metrolinx funded dollars – referenced in this presentation as the Metrolinx Capital Plan of $1.82 billion

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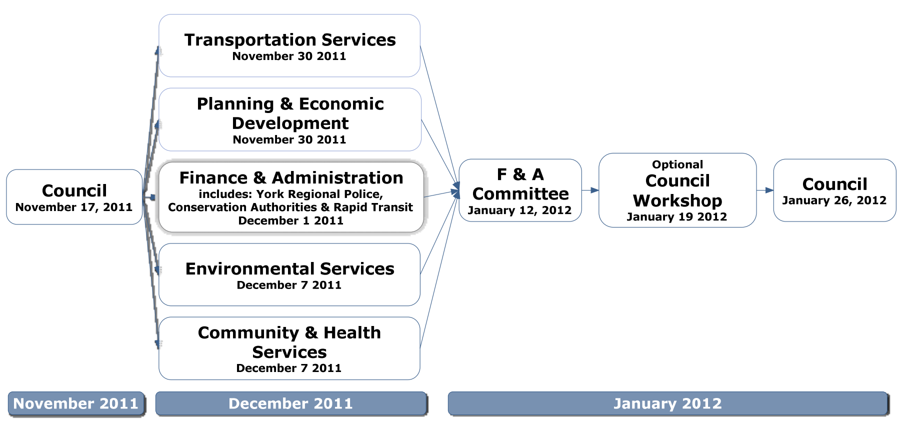
Summary & Next Steps



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Questions

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