1
2012 BUSINESS PLAN AND BUDGET

The Finance and Administration Committee recommends:

1. **Receipt of the communication dated November 24, 2011 from Bill Hughes, Commissioner of Finance and Regional Treasurer, forwarding detailed submissions for the 2012 Operating and Capital Business Plans and Budgets for York Regional Police**

2. **Receipt of the communication dated November 24, 2011 from Mafalda Avellino, Executive Director, The Regional Municipality of York Police Services Board, forwarding a report received by the Police Services Board at its meeting on November 23, 2011, passing a further motion to the report entitled "2012 Capital Budget and Forecast to 2021"**

3. **Receipt of the communication dated October 27, 2011 from Mafalda Avellino, Executive Director, The Regional Municipality of York Police Services Board, forwarding a report received by the Police Services Board at its meeting on October 26, 2011, entitled "2012 Capital Budget and Forecast to 2021"**

4. **Receipt of the communication dated October 27, 2011 from Mafalda Avellino, Executive Director, The Regional Municipality of York Police Services Board, forwarding a report received by the Police Services Board at its meeting on October 26, 2011, entitled "2012 Operating Budget"**

5. **Receipt of the communication dated November 18, 2011 from Brian Denney, Chief Administrative Officer, Toronto and Region Conservation Authority (TRCA), regarding the TRCA 2012 Budget – Priority Enhancements**

6. **Receipt of the communication dated November 17, 2011 from D. Gayle Wood, Chief Administrative Officer, Lake Simcoe Region Conservation Authority(LSRCA), regarding the LSRCA 2012 Operating and Capital Budget and forwarding a list of four program areas for additional funding.**

7. **Receipt of the following presentations:**

    a) **Bruce Macgregor, Chief Administrative Officer, providing an Overview of the 2012 Capital and Operating Business Plans and Budgets**
    b) **Regional Councillor Danny Wheeler, Chair of The Regional Municipality of York Police Services Board, Police Chief Eric Jolliffe**

and Mark Holland, Manager of Financial Services, regarding York Regional Police

- **c) Brian Denney, Chief Administrative Officer, regarding the Toronto and Region Conservation Authority**
- **d) Jocelyn Lee, General Manager, Corporate and Financial Services, regarding the Lake Simcoe Region Conservation Authority**
- **e) Paul May, Chief Engineer and Acting President and Michael Cheong, Chief Financial Officer, regarding the York Region Rapid Transit Corporation**
- **f) Bill Hughes, Commissioner of Finance, regarding Office of the Regional Chair, Office of the CAO, Finance and Information Technology, Financial Items and GTA Pooling and**
- **g) Jim Davidson, Commissioner of Corporate Services, regarding Corporate Services and Courts**

8. Receipt of the report dated November 23, 2011 from the Commissioner of Finance.

9. Forwarding the recommendation that the draft 2012 capital and operating budgets for the following be approved, as submitted, to the Commissioner of Finance and Treasurer, for consolidation into a report to the Finance and Administration Committee meeting on January 12, 2012:

- **a. York Regional Police**
- **b. Toronto and Region Conservation Authority**
- **c. Lake Simcoe Region Conservation Authority**
- **d. York Region Rapid Transit Corporation (Regional portion)**
- **e. GO Transit**
- **f. Hospital Capital Funding**
- **g. Municipal Property Assessment Corporation (MPAC)**
- **h. GTA Pooling**
- **i. Office of the Regional Chair**
- **j. Office of the CAO**
- **k. Finance**
- **l. Information Technology Services**
- **m. Property Services**
- **n. Legal Services**
- **o. Regional Clerk's Office**
- **p. Human Resource Services**
- **q. Court Services**
- **r. Financial Items ─ Asset Replacement**
- **s. Financial/Administrative Items**

10. The Commissioner of Finance review the additional budget requests for the Toronto and Region Conservation Authority and the Lake Simcoe Region Conservation Authority and provide a prioritized list of the Region's

priorities within an additional 0.1% of the overall Regional tax levy (together with details of any applications to other levels of government that can be made to offset any additional costs and budget implications for future years) and report back to the January 12, 2012 Committee meeting.

1. RECOMMENDATIONS

It is recommended that:

1. The Finance and Administration Committee consider and approve the draft 2012 Capital and Operating Business Plans and Budgets for Office of the CAO, Finance and Information Technology, Corporate Services, Office of the Regional Chair, Financial Items, Court Services, Boards and Authorities, GTA Pooling, York Region Rapid Transit Corporation and York Regional Police as submitted.

2. The Committee's recommendations be forwarded to the Commissioner of Finance for consolidation into a report to the Finance and Administration Committee meeting on January 12, 2012.

2. PURPOSE

This report provides a summary of the 2012 Capital and Operating Business Plans and Budgets for Office of the CAO, Finance and Information Technology, Corporate Services, Office of the Regional Chair, Financial Items, Court Services, Boards and Authorities, GTA Pooling, York Region Rapid Transit Corporation and York Regional Police for consideration and recommendation by Finance and Administration Committee and adoption by Regional Council on January 26, 2012.

3. BACKGROUND

The 2012 Business Plan and Budget was tabled on November 17, 2011

The consolidated 2012 Capital and Operating Business Plan and Budget was tabled with Regional Council on November 17, 2011. It was received and referred to Standing Committees for their consideration and recommendation.

The Committees' recommendations on the Capital and Operating Business Plans and Budgets will be reported to the Finance and Administration Committee on January 12, 2012. The Finance and Administration Committee's recommendations will then be submitted to Regional Council with budget approval currently scheduled for January 26, 2012.

4. ANALYSIS AND OPTIONS

Operating Business Plans and Budgets

The proposed budgets for review by Finance and Administration Committee reflect total net operating expenditures of $442.9 million

The 2012 Operating Business Plan and Budget includes the cost of providing base service, mandatory or legislated requirements, annualization and growth and/or service enhancements to York Region.

The operating budgets for the noted departments are found in the 2012 Operating Business Plan and Budget document as outlined in Table 1 below.

Table 1
2012 Operating Budget

Department	Page No.	2012 Gross Operating Expenditures (incl. Contribution to Capital) ($000s)	2012 Net Operating Expenditures (incl. Contribution to Capital) ($000s)
Office of the CAO	364	4,312	4,123
Finance	391	12,442	10,673
Information Technology	399	18,984	17,225
Property Services	427	19,683	19,141
Legal Services	437	3,320	2,970
Regional Clerk	443	2,981	2,977
Human Resource Services	449	7,390	7,380
Office of the Regional Chair	455	2,020	2,020
Financial Items[1]	473	82,734	63,213
Court Services	466	10,368	(327)
LSRCA[2]	493	2,025	2,025
TRCA[2]	494	3,335	3,335
GO Transit	474	2,500	0
Hospital Capital Funding	474	13,049	13,049
MPAC	474	16,400	16,400
GTA Pooling	474	13,200	13,200
York Region Rapid Transit Corporation	506	17,386	10,810
York Regional Police	N/A[3]	274,415	254,703

[1] Includes Contribution to Asset Replacement and Debt Reduction
[2] Conservation Authorities also receive funding within the Water & Wastewater and Roads operating budgets
[3] Detailed business plan and budget submission not available at time of printing

Capital Business Plans and Budgets

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

The capital budget includes projects for new infrastructure in support of growth and development within York Region and for the rehabilitation or replacement of existing infrastructure.

The 2012 request includes the approved 2012 Total Project Budget Authority, which is Council's authorization for departments to spend on capital projects. Total Project Budget Authority is granted based on contractual and other clear or certain commitments to capital projects.

Total Project Budget Authority (TPBA) of $1,087.3 million is requested for Information Technology Services, Property Services, York Region Rapid Transit Corporation and York Regional Police capital projects

Tables 2 to 5 below list all budget amounts for which Total Project Budget Authority is being requested for 2012. These tables include a list of branches, their multi-year budget spending authority required between 2012 and 2021 and associated financing sources. In addition, page references to the Capital Business Plan & Budget document are noted.

Table 2
2012 Total Project Budget Authority (TPBA)
Information Technology Services

	Page No.	2012 & outyears ($000s)
TPBA - Gross Capital Expenditures	358	**26,605**
Financing Sources:		
Reserves	361	26,605
Total Information Technology Services		**26,605**

Table 3
2012 Total Project Budget Authority (TPBA)
Property Services

	Page No.	2012 & outyears ($000s)
TPBA - Gross Capital Expenditures	379	**30,756**
Financing Sources:		
Current Tax Levy Reserves	382	244
Reserves	382	13,662
Debenture Proceeds	382	16,850
Total Property Services		**30,756**

Table 4
2012 Total Project Budget Authority (TPBA)
York Region Rapid Transit

	Page No.	2012 & outyears ($000s)
TPBA - Gross Capital Expenditures	400	**1,012,080**
Financing Sources:		
Reserves	402	23,131
Debenture Proceeds	402	284,384
Development Charges	402	74,185
Grants and Subsidies	402	630,380
Total York Region Rapid Transit Corporation		**1,012,080**

Table 5
2012 Total Project Budget Authority (TPBA)
York Regional Police

	Page No.	2012 & outyears ($000s)
TPBA - Gross Capital Expenditures	N/A[1]	**17,896**
Financing Sources:		
Current Tax Levy Reserves		6,200
Reserves		2,056
Debenture Proceeds		8,875
Development Charges		388
Other Recoveries		377
Total York Regional Police		**17,896**

1. Detailed business plan and budget submission not available at time of printing

Link to Key Council-approved Plans

The 2012 Business Plan and Budget was prepared concurrently with the 2011 to 2015 Strategic Plan. The Budget was influenced by strategic priorities outlined in the Strategic Plan and, as a result, the 2012 Business Plan and Budget as presented is supportive of the objectives outlined in the Strategic Plan.

5. FINANCIAL IMPLICATIONS

The above noted operating budgets in Table 1 total $442.9 million or 53.7% of the Region’s total 2012 proposed net operating budget.

The proposed 2012 Total Project Budget Authority for the departments noted in Tables 2 to 5 necessitates commitment of $1,087.3 million in 2012 and future years. Expenditures not identified as part of Total Project Budget Authority but contained within the ten year capital plan are provided for planning purposes and will be brought forward for formal approval in subsequent budget years

6. LOCAL MUNICIPAL IMPACT

The Region provides essential services to the residents and businesses in York Region. The challenge of meeting growing demands for service and improving service delivery is addressed through the Region’s business planning process. The Region’s investments help area municipalities realize their growth, planning and public service objectives.

7. CONCLUSION

This report sets out the proposed 2012 Capital and Operating Business Plans and Budgets for Office of the CAO, Finance and Information Technology, Corporate Services, Office of the Regional Chair, Financial Items, Court Services, Boards and Authorities, GTA Pooling, York Region Rapid Transit Corporation and York Regional Police, as summarized in Tables 1 to 5 above. To facilitate the completion of the budget process, it is recommended that the Committee's recommendations be forwarded to the January 12, 2012 Finance and Administration Committee for consolidation and recommendation to Regional Council on January 26, 2012

For more information on this report, please contact Kelly Strueby, Director Business Planning and Budgets at Ext. 1611.