1
2012 BUSINESS PLAN AND BUDGET

The Transportation Services Committee recommends:

1. **Receipt of the presentation by Kathleen Llewellyn-Thomas, Commissioner of Transportation Services;**

2. **Receipt of the '2012 Annual Service Plan' supplemental handout for the 2012 Business Plan and Budget;**

3. **Receipt of the draft '2012 – 10 Year Roads Construction Program' handout, '2012 Road Resurfacing Program' handout and '2012 Traffic Control Signal Installation Program' handout; and**

4. **The Transportation Services Department's draft 2012 Capital and Operating Business Plans and Budgets be recommended for approval and forwarded to the Commissioner of Finance for consolidation into a report to the Finance and Administration Committee meeting on January 12, 2012.**

1. RECOMMENDATIONS

It is recommended that:

1. The Transportation Services Committee consider and approve the draft 2012 Capital and Operating Business Plans and Budgets for Transportation Services Department 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 York Region Transit/VIVA, Roads, Traffic Management & Intelligent Transportation Systems and Natural Heritage & Forestry for consideration and recommendation to 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

Transportation Services proposed budget includes approximately $193.1 million in net operating expenditures

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 * ($000s)	2012 Net Tax Levy* ($000s)
York Region Transit/ Viva	84	182,428	104,654
Roads Transportation	114	83,720	68,136
Traffic Management & Intelligent Transportation Systems	132	15,808	14,716
Natural Heritage & Forestry	142	6,285	5,590

*Includes contribution to capital

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 $458.6 million is requested for Transportation Services capital projects

Tables 2 to 6 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)
York Region Transit/VIVA

	Page No.	2012 & outyears ($000s)
TPBA - Gross Capital Expenditures	54	**48,650**
Financing Sources:		
Current Tax Levy Reserves	56	7,231
Reserves	56	9,536
Debenture Proceeds	56	13,817
Development Charges	56	1,612
Grants & Subsidies	56	16,454
Total York Region Transit/VIVA		**48,650**

Table 3
2012 Total Project Budget Authority (TPBA)
Roads

	Page No.	2012 & outyears ($000s)
TPBA - Gross Capital Expenditures	93	**389,934**
Financing Sources:		
Current Tax Levy Reserves	102	52,401
Reserves	102	38,202
Debenture Proceeds	102	9,127
Development Charges	102	285,845
Grants and Subsidies	102	840
Other Recoveries*	102	3,519
Total Roads		**389,934**

*Includes developer up-front financing and recoveries from Municipalities for work done on their behalf

Table 4
2012 Total Project Budget Authority (TPBA)
Traffic Management & Intelligent Transportation Systems

	Page No.	2012 & outyears ($000s)
TPBA - Gross Capital Expenditures	145	**17,247**
Financing Sources:		
Current Tax Levy Reserves	148	4,672
Reserves	148	2,502
Development Charges	148	5,418
Grants and Subsidies	148	4,655
Total Traffic Management & Intelligent Transportation Systems		**17,247**

Table 5
2012 Total Project Budget Authority (TPBA)
Natural Heritage & Forestry

	Page No.	2012 & outyears ($000s)
TPBA - Gross Capital Expenditures	161	**2,720**
Financing Sources:		
Current Tax Levy Reserves	163	1,720
Reserves	163	1,000
Total Natural Heritage & Forestry		**2,720**

Table 6
2012 Total Project Budget Authority (TPBA)
Total Transportation Services

	2012 & outyears ($000s)
TPBA - Gross Capital Expenditures	**458,551**
Financing Sources:	
Current Tax Levy Reserves	66,024
Reserves	51,240
Debenture Proceeds	22,944
Development Charges	292,875
Grants and Subsidies	21,949
Other Recoveries	3,519
Total Transportation Services	**458,551**

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 net operating budgets in Table 1 total $193.1 million or 23.4% of the Region’s total 2012 proposed net operating budget.

The proposed 2012 Total Project Budget Authority for Transportation Services noted in Tables 2 to 6 necessitates commitment of $458.6 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 Transportation Services, as summarized in Tables 1 to 6 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.