

York Region's next generation of rapid transit

2022 Annual Report

DRAFT





land acknowledgement

We acknowledge that York Region is located on the traditional territory of many Indigenous peoples including the Anishinaabeg, Haudenosaunee, Huron-Wendat and Métis peoples and the treaty territories of the Haudenosaunee, Mississaugas of the Credit First Nation and Williams Treaties First Nations. Today this area is home to many diverse Indigenous Peoples, and we recognize their history, spirituality, culture and stewardship of this land. We also acknowledge the Chippewas of Georgina Island First Nation as our closest First Nation community.

Front cover: Cedarland BRT station in Markham Centre surrounded by new construction
This page: Yonge Street looking south from 16th Ave.

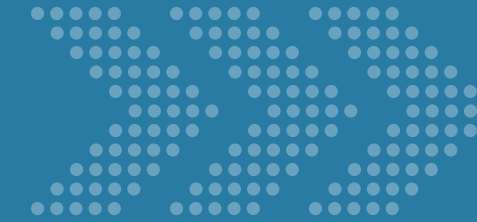
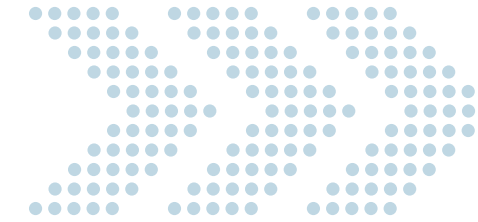


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message from the Chair of the Board



“More than 130 kilometres of bus rapid transit are needed to provide affordable, convenient travel options to match the increasing demand for housing.”

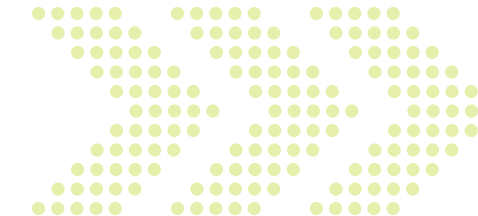
As York Region Rapid Transit Corporation [YRRTC] approaches its 20th year of leading and integrating rapid transit infrastructure across York Region, we look back on the projects delivered that have transformed York Region’s city centres and corridors along Yonge Street, Highway 7 and Davis Drive. Along with federal, provincial and municipal partners, YRRTC has begun to bring York Region’s rapid transit vision to life by helping to advance two subway extensions, and by planning, designing and building 34 kilometres of bus rapid transit, transit terminals and facilities.

Planning and design progressed in 2022 for the Metrolinx-led Yonge North Subway Extension [YNSE], with early work starting on this critical project. In Markham, Cornell Bus Terminal opened for service in September 2022, providing a comfortable place to connect near Markham Stouffville Hospital and future commercial and residential development.

Large-scale transit infrastructure projects have an excellent return on investment but they take years to plan and build. York Region is investing today in planning and design for the more than 130 kilometres of bus rapid transit needed to provide affordable, convenient travel options to match the increasing demand for housing.

Moving past planning and design to build York Region’s rapid transit connections requires funding for capital construction. As we look to the future, YRRTC, with support from our Board of Directors and York Region, calls on our federal and provincial partners to make these critical investments. This will allow York Region to continue contributing significantly to the provincial and national economies with sustainable growth.

Frank Scarpitti
Chairman of the Board, York Region Rapid Transit Corporation
Mayor, City of Markham



message from the CEO



“Future travel and housing demands make clear how critical it is to continue planning and building the next generation of rapid transit.”

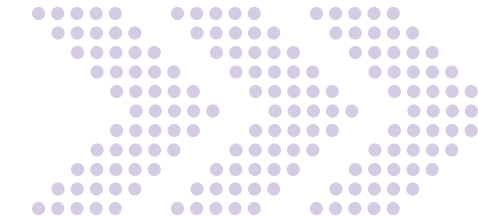
The Regional Municipality of York is anticipated to grow to more than two million people and nearly one million jobs by 2051, with most of this growth in our urban centres.¹ I’m very pleased with the role that York Region and York Region Rapid Transit Corporation [YRRTC] have played in positioning our communities for this growth through rapid transit infrastructure.

Travel demand during rush hour is projected to increase faster than population and employment growth at an average of 2.5% per year, with an 86% increase by 2051. These future travel and housing demands make clear how critical it is to continue planning and building the next generation of rapid transit. Over 130 kilometres of bus rapid transit is needed to connect the existing rapid transit network, and York Region is working with YRRTC to ensure these future projects are shovel-ready when funding opportunities arise.

Planning and design continued for the Yonge North Subway Extension in 2022. As this vital project moves forward, continued collaboration among all stakeholders is essential to meeting provincial growth targets along this key GTHA development corridor.

Population growth, housing supply and transportation demand are inextricably linked and continue to be top priorities for residents. York Regional Council remains committed to working with all stakeholders to address the need for rapid transit infrastructure to support an affordable and sustainable future for everyone.

Wayne Emmerson
Chairman and CEO, The Regional Municipality of York
Chief Executive Officer, York Region Rapid Transit Corporation



message from the President [A]



“We look towards the future, articulating the shared vision for positively impacting our communities through transportation.”

In 2022, York Region Rapid Transit Corporation continued to work in close partnership with York Region and other key stakeholders to note incremental progress on the Yonge North Subway Extension, open the Cornell Bus Terminal, and move forward with the next generation of bus rapid transit. This follows the now constructed first phases of York Region’s rapid transit plan, including 34 kilometres of bus rapid transit with complementary transit facilities and terminals.

In this Annual Report, we look towards the future, articulating the shared vision for positively impacting our communities through transportation. This vision includes supporting the Region’s projected population and employment growth as well as meeting the increasing travel demand. We showcase the need for more than 130 kilometres of bus rapid transit, the Region’s Transportation Master Plan to meet that need, and the funding required to complete the Region’s rapid transit network.

Working with our partners at the Region, YRRTC is uniquely positioned to deliver on this rapid transit infrastructure with the focus and flexibility to adjust to project needs and the drive to produce tangible results for our community.

Thank you to York Region Rapid Transit Corporation’s Board of Directors for its ongoing support, and to all of our project partners and stakeholders. YRRTC continues to work together with York Region to transform the future of rapid transit. I’m honoured to lead YRRTC’s talented team, and work to help deliver on our vision for re-imagined communities, connecting people and places.

Brian Shifman
President [A], York Region Rapid Transit Corporation

thank you Mary-Frances Turner

As President [A] of York Region Rapid Transit Corporation [YRRTC], I’d like to wish the very best to our former President, Mary-Frances Turner, in her retirement!

Mary-Frances played such a meaningful role in transforming communities through rapid transit creation, placemaking and contributions to city building since YRRTC’s incorporation in 2003. Her passion for building welcoming, sustainable communities helped shape York Region’s urban centres for generations to come. We wish her well in this new chapter of her life.



Placemaking includes tree-lined sidewalks on BRT corridors

transforming York Region together



vision

Re-imagining communities,
connecting people and places
seamlessly.

mission and mandate

At York Region Rapid Transit Corporation [YRRTC], our mission is to collaboratively plan, design and deliver innovative mobility and rapid transit solutions to connect and transform communities.

YRRTC's mandate is to be responsible for the planning, design and construction of the rapid transit network and related infrastructure.

YRRTC's mandate is being reviewed in 2023, and may be updated to reflect the changing needs of York Region.



Green space and development
around SmartVMC Bus Terminal

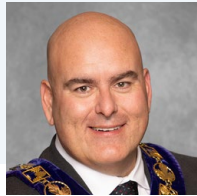
governance

Board of Directors

YRRTC is a wholly-owned subsidiary and share capital corporation of The Regional Municipality of York. Its Board of Directors is comprised of 11 members of York Regional Council.



Frank Scarpitti
Chair
Mayor
Markham



Steven Del Duca
Vice Chair
Mayor
Vaughan



Wayne Emmerson
Director & CEO
Chairman & CEO
York Region



David West
Director
Mayor
Richmond Hill



Iain Lovatt
Director
Mayor
Whitchurch-Stouffville



Tom Mrakas
Director
Mayor
Aurora



Godwin Chan
Director
Regional Councillor
Richmond Hill



Joe DiPaola
Director
Regional Councillor
Richmond Hill



Jim Jones
Director
Regional Councillor
Markham



Mario Ferri
Director
Regional Councillor
Vaughan



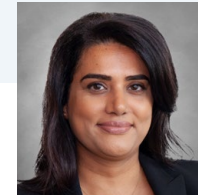
Tom Vegh
Director
Regional Councillor
Newmarket

Executive Management Team

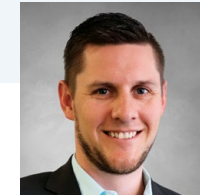
The Executive Management Team reports to the President [A], who reports to the Board of Directors. Board meetings were held in a virtual format in 2022, and public reports are posted online at york.ca.



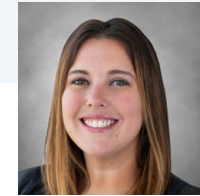
Brian Shifman
President [A]



Sheena Arora
Senior Advisor &
Head Liaison



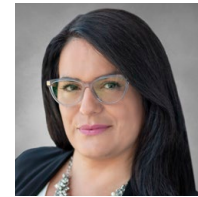
Stephen Hollinger
Vice President
Project Implementation



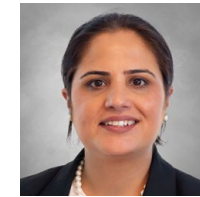
Danielle Hutson
Vice President
Communications



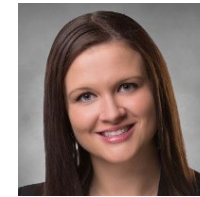
Liza Sheppard
Vice President
Project Implementation



Rose Suppa
Vice President
Project Implementation



Gurpreet Uppal
Vice President
Finance and Treasurer



Tracy Brownlee
Director
Corporate Operations

YRRTC core values



inclusivity



leadership



collaboration



integrity



fulfillment

about YRRTC

flexibility + focus

agile

- Staffed with a cross-functional team who bring valuable experience and lessons learned from multiple projects.

nimble financing

- Financially set up to receive funding directly and manage capital budgets together with, or independently of, York Region's annual budget.

solid project management

- Full project management and community engagement, allowing the Region and project funders to focus on other priorities, yet still collaborate on project designs.

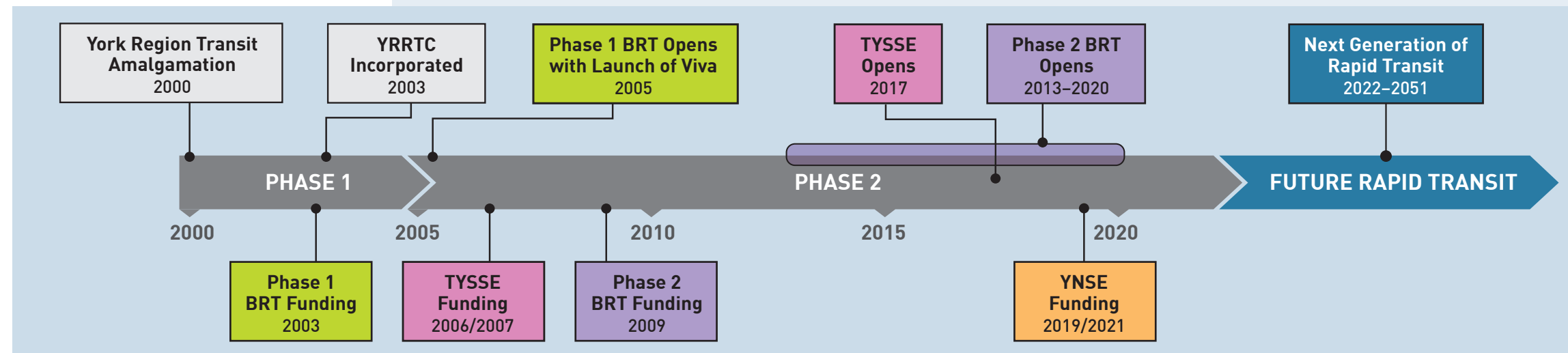
good governance

- Report to the YRRTC Board and York Regional Council [Shareholder].
- Follow Regional policies for procurement and financial reporting.
- Report and provide financial analysis on projects to York Region and other funding partners.
- Integration with HR policies at York Region, enabling Regional and YRRTC staff to work together on projects.

history

York Regional Council incorporated York Region Rapid Transit Corporation [YRRTC] in 2003.

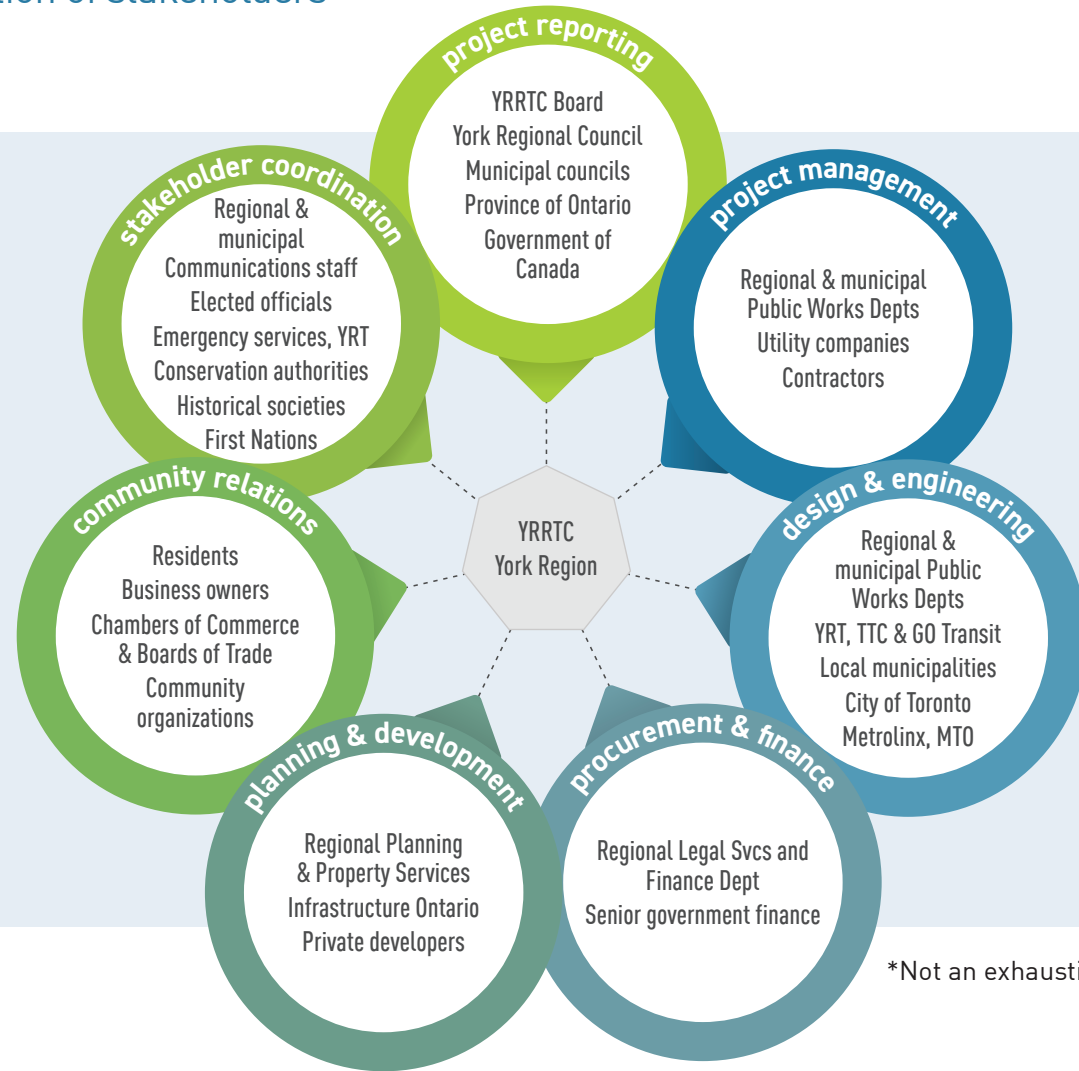
Since then, together with our partners at York Region, YRRTC has delivered or overseen construction of rapid transit projects and related infrastructure to support sustainable growth in York Region including transit-oriented development, new and affordable housing options, jobs and employment.



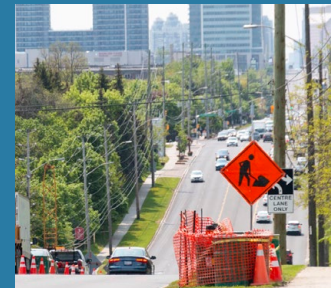


collaboration with partners

YRRTC works closely with York Region's departments and local municipalities throughout every project in addition to a cross-section of stakeholders*



*Not an exhaustive list



building relationships is part of each project

- projects designed to fit each community, and to last generations.
- proactive coordination with local utility companies to minimize project delays.
- careful project planning to keep roads open during construction.
- community relations to support businesses in construction corridors.



SmartVMC Bus Terminal

accomplishments



together with our partners

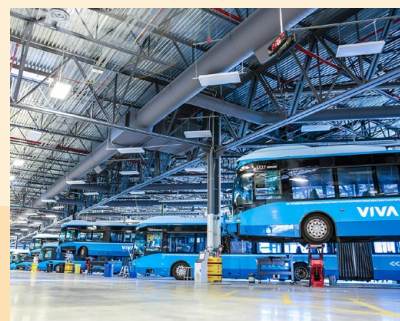
\$3.6 billion in rapid transit delivered as of 2022

Planning, design and construction of:

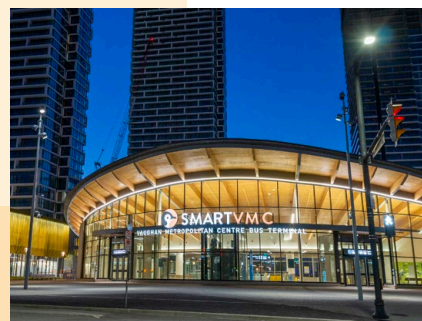
- 34 km of dedicated bus rapid transit [BRT] lanes and 38 [BRT] stations, including tree-lined streetscapes, and updated infrastructure such as utilities, fibre optic, bridges and culverts.
- SmartVMC Bus Terminal – planning, design and construction.
- Cornell Bus Terminal – planning, design and construction.
- LEED-certified operations, maintenance and storage facility.
- One park and ride facility in Newmarket at Davis Drive and Highway 404.

Overseeing design and construction of aboveground infrastructure for:

- 2.4 km of subway in York Region, for the 8.6-km Toronto-York Spadina Subway Extension.
- YRT Bus Terminal at Pioneer Village subway station.



Operations maintenance and storage facility



SmartVMC Bus Terminal



Working together to support our growing communities:

- York Region
- Province of Ontario
- Government of Canada
- Municipalities
- Transit operators [YRT, TTC, GO]

VMC BRT station connects customers to YRT, subway and regional bus service



rapid transit recognitions



YRRTC, together with our partners at York Region, have won 37 awards in engineering, project management and communications related to rapid transit. Check out our 'trophy case' at vivanext.com/awards



Valleymede Drive station was among the first to open in 2014

Together with our partners and support from the YRRTC Board and shareholders, our projects have received these awards in 2022:

- American Public Works Association's [APWA] Project of the Year: Yonge Street BRT
- Canadian Council for Public-Private Partnerships [CCPPP] National Silver Award for Innovation and Excellence in Public-Private Partnerships: Highway 7 West BRT
- AVA Digital Awards: 2020 Annual Report, Richmond Hill Project Newsletter, and YNSE video "The Demand Is Here"
- Hermes Creative Awards: 2020 Annual Report, Richmond Hill Project Newsletter, and YNSE video "The Demand Is Here"
- MarCom Awards: 2021 Annual Report



Rapid transit in Markham



Rapid transit in Richmond Hill

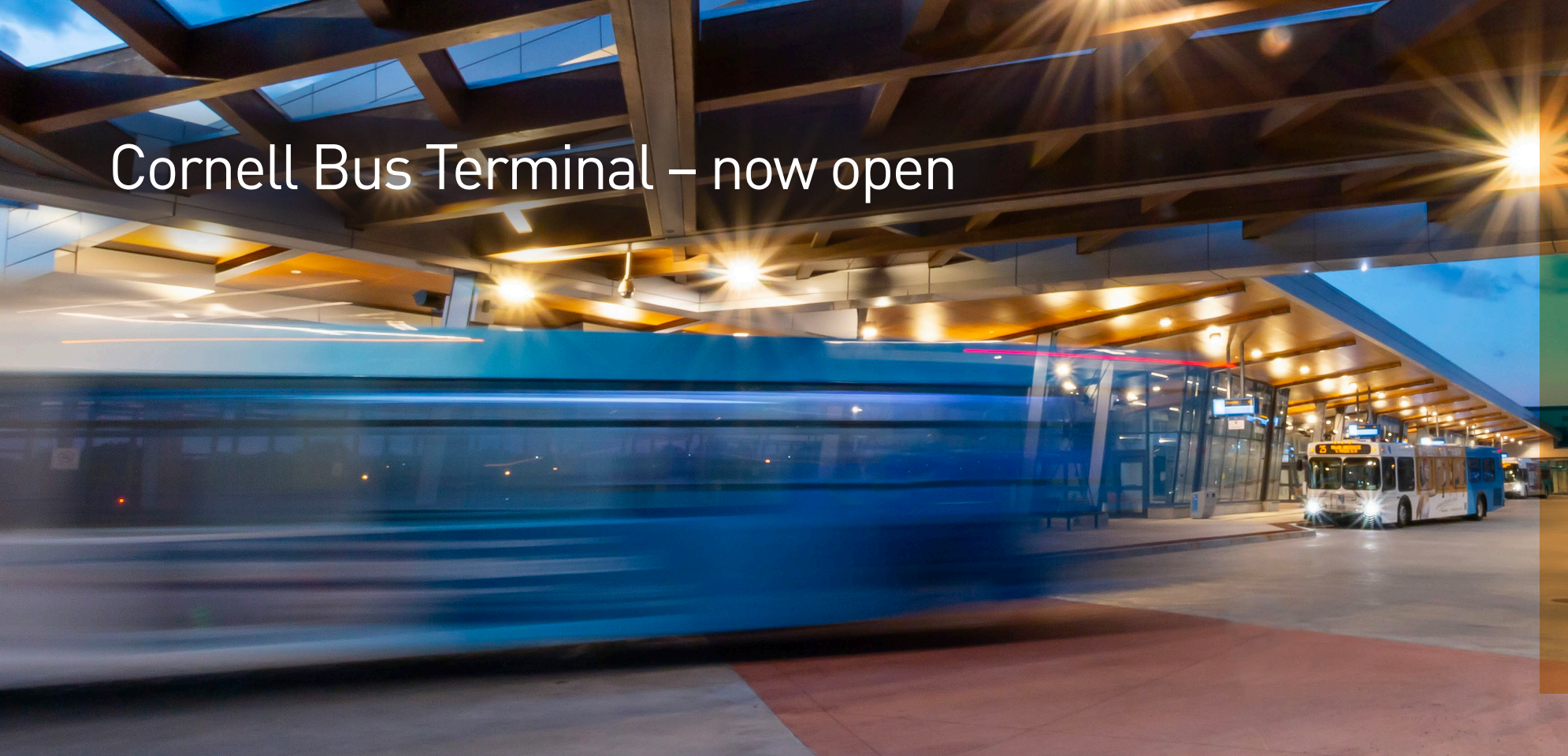


Rapid transit in Vaughan



Rapid transit in Newmarket

Cornell Bus Terminal – now open

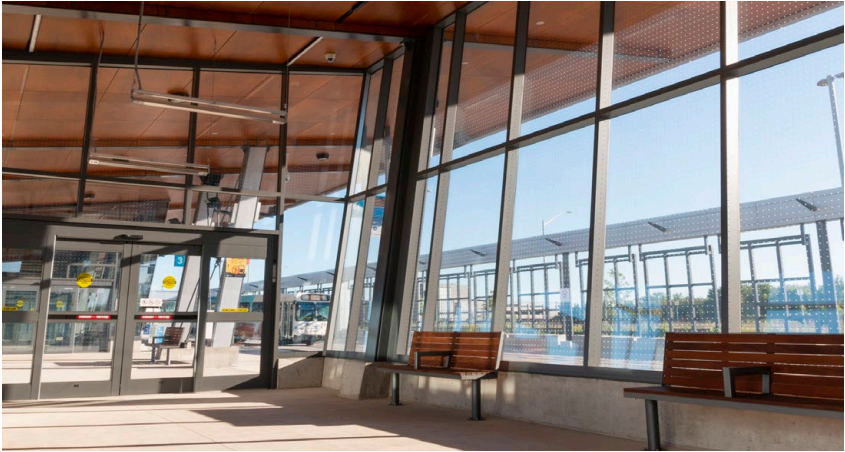


Media event, May 2022

Cornell Bus Terminal opened in September 2022, with 11 bus bays serving YRT and Viva buses and GO Transit.

This open-air terminal is walking distance to Markham Stouffville Hospital and Cornell Community Centre and Library, and features a covered pedestrian plaza, passenger pick-up and drop-off area, and space for future retail.

Cornell is one of Canada’s first communities planned around principles of new urbanism – walkable and compact with a variety of housing, businesses and amenities.



Cornell Bus Terminal has enclosed, heated waiting areas and passenger pick up and drop off.

Cornell is projected to grow

>4,300 residential units >39,000^{m2} commercial space

applications approved or in process in the immediate area²



Main Street station on Davis Drive in Newmarket

next generation of rapid transit

York Region continues to grow

building transit ahead of development
supports sustainable growth



2.09 million people by 2051
projected from York Region's current
population of 1.2 million¹
7th largest municipality in Canada³

5% employment growth, 2019-2022
faster than 3% growth rates in Ontario
and Canada¹

2.5% increase in trips* per year
on average until 2051, which is faster than
population and employment growth⁴

75% of increased trips* per year
are projected to be in Vaughan, Markham and
Richmond Hill⁴

*During morning rush hour

growth focused in York Region's
centres & corridors





more BRT is needed

By completing planning and preliminary design work, YRRTC helps to ensure the next generation of rapid transit projects are shovel-ready for highly-sought-after capital funding.

As the Region continues to grow, this funding leads to infrastructure projects that provide sustainable travel options.



Mother and daughter enjoying a moment at a BRT station

return on investment

Investing in large infrastructure projects creates a positive cycle of change in the local economy for job creation, and even impacts the Gross Domestic Product [GDP] of Ontario and Canada.⁵

A Canadian study found that more direct and indirect jobs are created per dollar invested in mass transit infrastructure than any other type of infrastructure spending, including projects focused on energy, water, public facilities, or any other mode of transportation.⁶

for every **\$100 million** of investment in infrastructure:⁵

1,600 jobs created for 1 year

\$114 million boost to Ontario's GDP

added safety: access to traffic-free BRT lanes for emergency service vehicles

53%–69%

fewer collisions along roads with BRT⁷

“Per dollar of transit investment, and under similar conditions, Bus Rapid Transit leverages more Transit-Oriented Development investment than Light Rail Transit or streetcars.”

– Institute for Transportation and Development Policy⁸



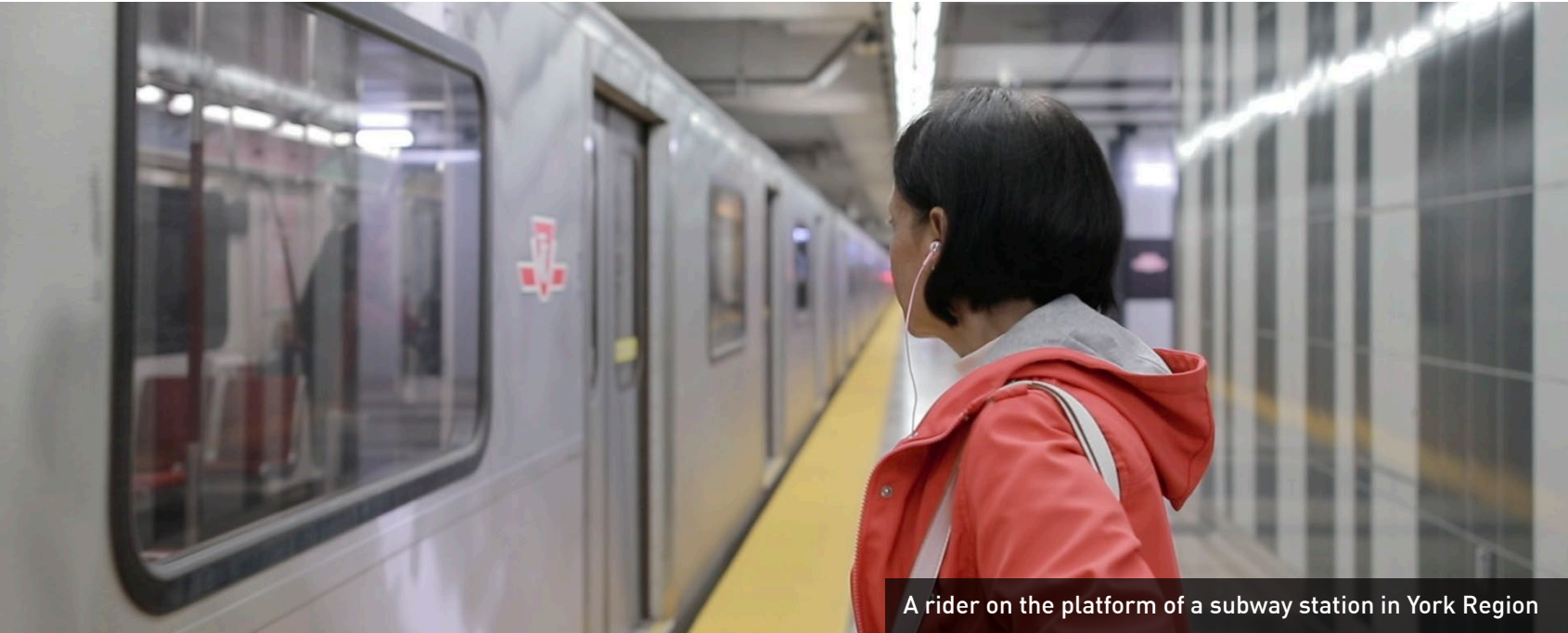
future rapid transit in York Region to 2051

- ① **Highway 7 West**
Highway 50 to Helen Street
- ② **Jane Street**
Major Mackenzie Drive to Highway 7
- ③ **Major Mackenzie Drive**
Highway 50 to Donald Cousens Parkway
- ④ **Steeles Avenue** [City of Toronto jurisdiction]
Highway 27 to York/Durham Line
- ⑤ **Leslie Street**
Major Mackenzie Drive to Steeles Avenue
- ⑥ **McCowan Road**
Major Mackenzie Drive to Steeles Avenue
- ⑦ **Highway 7 East**
Andre De Grasse Street to York-Durham Line
- ⑧ **Yonge Street**
19th/Gamble Road to Savage Road North
- ⑨ **Yonge Street North and Green Lane**
Davis Drive to East Gwillimbury GO Station
- ⑩ **Future Subway Extension**
Jane Street: Highway 7 to Major Mackenzie Drive
- ⑪ **Future Subway Extension**
Yonge Street: High Tech Road to Major Mackenzie Drive
- ⑫ **Yonge North Subway Extension**
Finch Station to Richmond Hill /Langstaff Urban Growth Centre





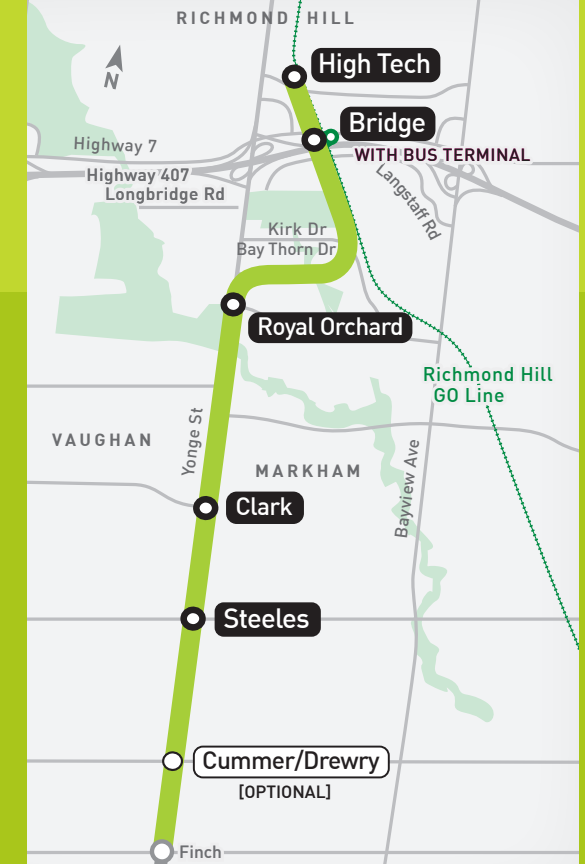
Yonge North Subway Extension [YNSE]



A rider on the platform of a subway station in York Region



Yonge Street south of Royal Orchard Blvd.



Yonge North Subway Extension

project status:

YRRTC and York Region worked closely with the province and municipalities in 2022 to support Metrolinx’s advancement of the YNSE. The project reached the following milestones:

- Updated [Environmental Project Report Addendum](#) published and approved by Ontario’s Minister for the Environment, Conservation and Parks and Cabinet
- Request for Proposals issued for Finch Station early work, contract awarded

For more information about this project and its benefits, visit the [Metrolinx project page](#), view the [Environmental Project Report](#), or see an [investment submission](#) for the federal government.

benefits of the Yonge North Subway Extension:

71,000 proposed residential units in York Region along the YNSE corridor as of the end of 2022⁹

7,700 fewer vehicle kilometres traveled per day during morning rush hour¹²

52,000 new jobs along the YNSE corridor by 2031, including 5,000 jobs after completion of the project¹¹

\$7.8 billion contributed to gross domestic product [GDP]¹¹

4,800 tonnes less greenhouse gas emissions per year¹²

22 minutes faster from Langstaff Road to downtown Toronto [reduced from 70 to 48 minutes]¹²



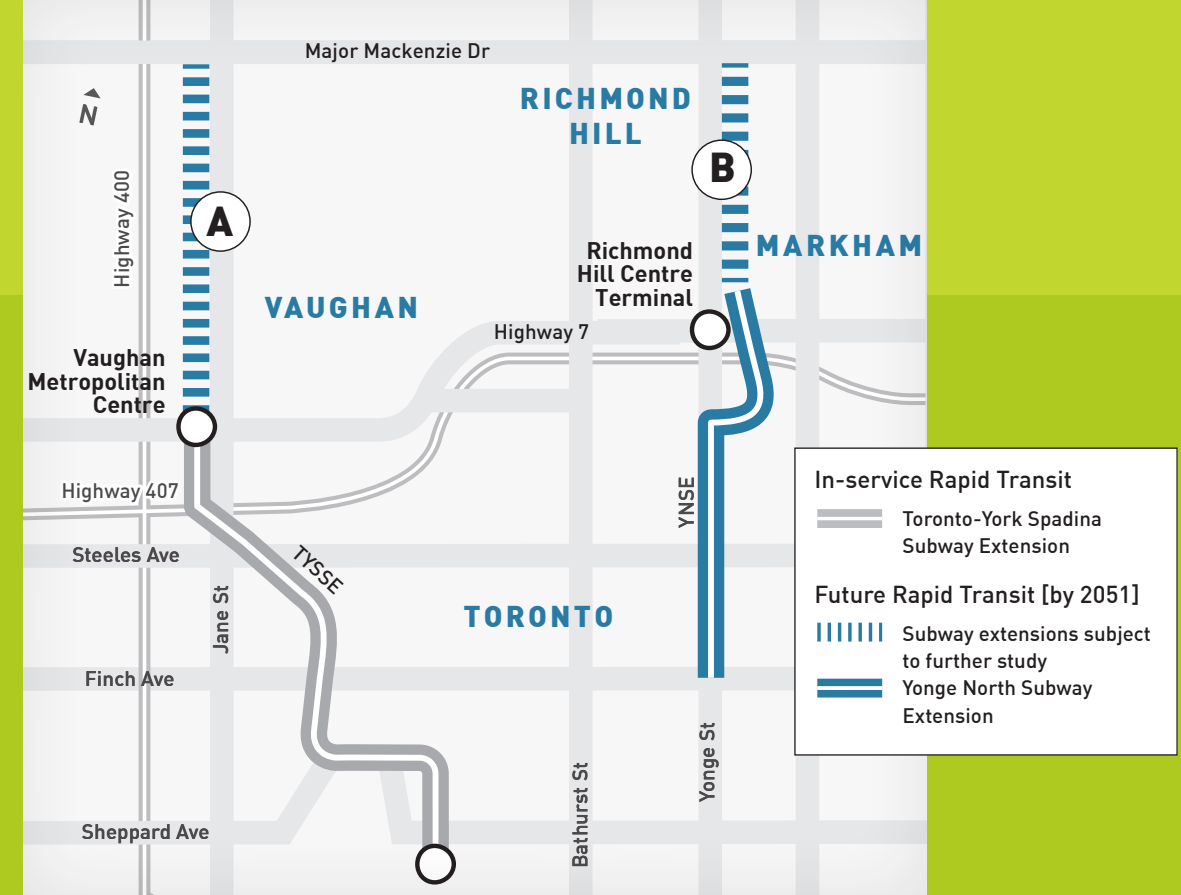
past and future subway projects



Vaughan Metropolitan Centre subway station Photo courtesy of City of Vaughan

critical to future growth

Subway infrastructure projects play a key role in helping York Region catch up to the existing travel demand while preparing for the future. This includes projects like the Toronto-York Spadina Subway Extension that opened in 2017 and the Yonge North Subway Extension currently underway; it also includes planning for future subway extensions. Together with York Region, YRRTC continues to advocate for higher order transit.



Toronto-York Spadina Subway Extension [TYSSE]

Running north from Sheppard West Station to Vaughan Metropolitan Centre at Highway 7, the YYSSE extended Toronto's Line 1 by 8.6 kilometres and six stations, and opened for service in December 2017. On behalf of York Region, YRRTC oversaw the construction of aboveground elements of the 2.4-kilometre segment built in York Region by the YYSSE project manager, the Toronto Transit Commission.

future subway extensions to 2051

The 2022 update to York Region's Transportation Master Plan includes two additional subway extensions, each with lengths and routes subject to further study:

- A** Jane Street in Vaughan, approximately 6.2 kilometres from Highway 7 to Major Mackenzie Drive
- B** Yonge Street in Richmond Hill, approximately 4.5 kilometres from High Tech Road to Major Mackenzie Drive

thank you & farewell to Mary-Frances Turner

YRRTC congratulates former President, Mary-Frances Turner, on her retirement in early 2023



An accomplished urban planner, Mary-Frances implemented new urbanist communities and first envisioned York Region's Rapid Transit Plan while working at the City of Markham. She then led York Region Rapid Transit Corporation [YRRTC] as President for the past two decades.

Under her leadership over the last 20 years, the rapid transit network in York Region grew from a vision to reality, delivering an integrated system that will serve York Region residents and visitors for generations to come.

Her passion for placemaking and building welcoming, sustainable communities has been an inspiration to many throughout her career. We'll miss her and we wish her the very best in this new chapter of her life.



long-lasting assets

Together with York Region, YRRTC has delivered or overseen construction of more than \$3.6 billion in rapid transit projects as of the end of 2022, resulting in assets that York Region residents and businesses benefit from, including:

- bus rapid transit stations and lanes
- subway infrastructure
- facilities and terminals
- tree-lined sidewalks and bike lanes
- updated infrastructure, such as utilities, fibre optic, bridges and culverts



Transit-oriented development in Vaughan Metropolitan Centre

2022 financial reporting

financial highlights

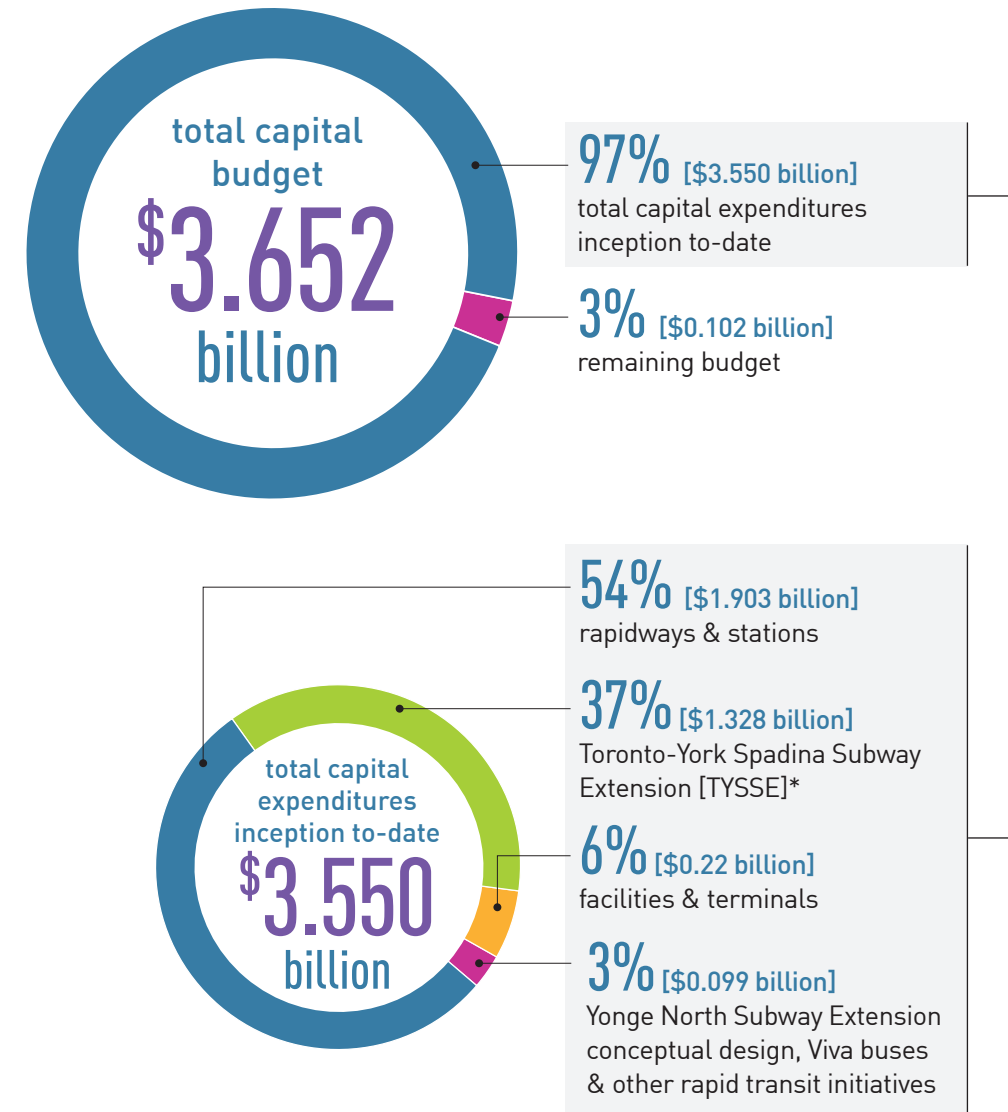
The capital program budget for rapid transit infrastructure in York Region is **\$3.652 billion**, **\$2.01 billion** of which was for the 34 kilometres of rapidways fully funded by the Province.

The remaining **\$1.642 billion** balance was for the Regional Capital Program and is cost-shared among the provincial and federal governments and York Region. Of the \$1.642 billion, York Region is responsible for approx. **\$0.774 billion**, mainly for the Toronto-York Spadina Subway Extension and facilities and terminals.

York Region Rapid Transit Corporation is committed to the highest standards of accountability and transparency.

Davis Drive at Southlake Regional Health Centre

summary of capital expenditures at end of 2022

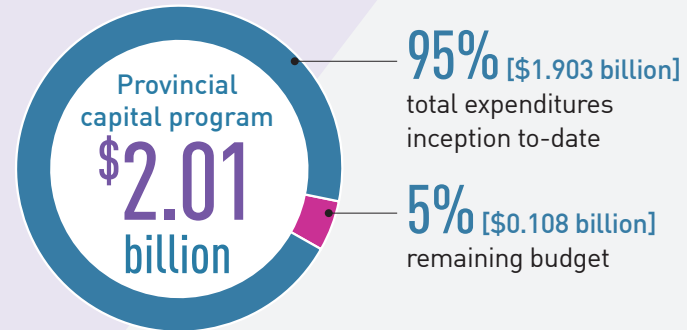


* TY SSE budget includes Capacity Buy-in, Viva BRT Concourse & Downsview

rapid transit programs and funding sources*

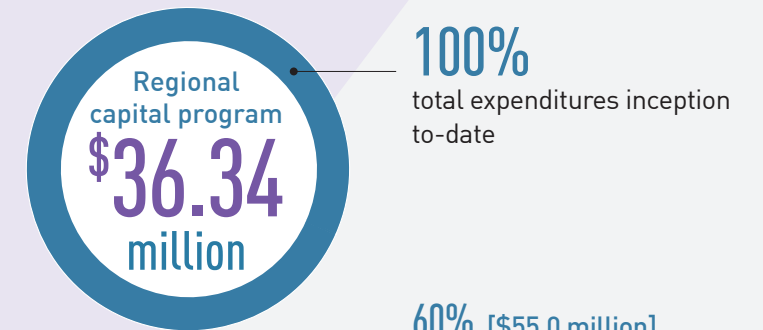
bus rapid transit

- Highway 7 East – Markham & Richmond Hill
- Davis Drive – Newmarket
- Highway 7 VMC – Vaughan
- Highway 7 West and Bathurst & Centre – Vaughan & Richmond Hill
- Yonge Street – Newmarket & Richmond Hill



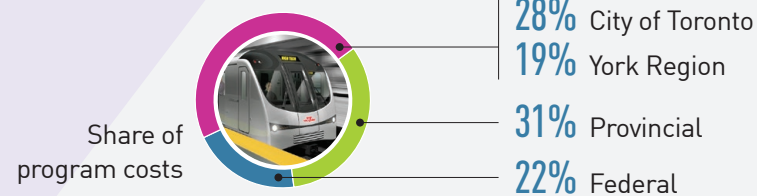
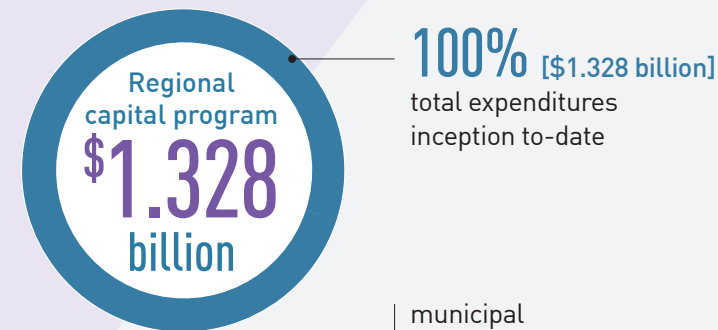
Yonge North Subway Extension - planning and design

Yonge North Subway Extension preliminary design, cumulative funding of \$91.3 million.



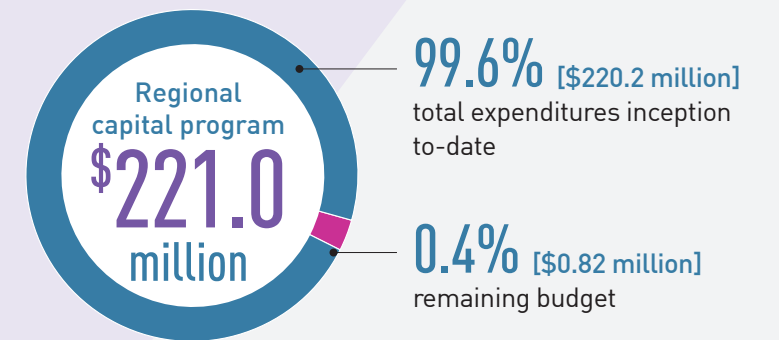
Toronto-York Spadina Subway Extension

The overall Toronto-York Spadina Subway Extension [TYSSE] project costs \$3.184 billion, of which \$1.274 billion or 40% is for the 2.4 km extension of Line 1 from Pioneer Village subway station to Vaughan Metropolitan Centre subway station in York Region.



facilities and terminals projects

- Operations, maintenance and storage facility
- Park and ride at Davis Drive and Highway 404
- SmartVMC Bus Terminal
- Cornell Bus Terminal



* The four major programs shown above total \$3.595 billion of the \$3.652 billion capital budget. The difference is \$0.057 billion [\$57 million]. Of this, \$47 million is for the purchase of BRT vehicles and the remaining \$10 million includes YNSE preliminary planning and design work.

2022 audited financial statements

Enclosed are the audited financial statements for York Region Rapid Transit Corporation. YRRTC's capital projects result in assets York Region residents will benefit from for generations to come.



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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of York Region Rapid Transit Corporation

Opinion

We have audited the financial statements of York Region Rapid Transit Corporation (the Entity), which comprise:

- the statement of financial position as at December 31, 2022
- the statement of operations and accumulated surplus for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2022, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants, Licensed Public Accountants
Vaughan, Canada

Statement of Financial Position

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Financial assets		
Due from Regional Municipality of York (note 4)	\$ 396,568	626,576
Financial Liabilities		
Due to Regional Municipality of York (note 5)	396,567	626,575
Net debt	1	1
Accumulated surplus (note 6)	\$ 1	\$ 1

See accompanying notes to financial statements.

On behalf of the Board:

Gurpreet Uppal
Treasurer

Statement of Operations and Accumulated Surplus

Year ended December 31, 2022, with comparative information for 2021

	Budget	2022	2021
	(note 1 (d))		
Revenue: Program management fee [note 7]	\$ 4,905,188	\$ 4,540,928	\$ 4,323,748
Expenses: York Region Rapid Transit Program Management :			
Salaries and benefits	4,840,719	6,878,928	7,785,862
External professional contracted services (note 8)	740,509	1,120,261	2,719,205
Regional Municipality of York professional contracted services (note 9)	2,676,323	2,296,345	2,703,420
Occupancy and rent	340,000	(1,759)	745,340
Office administration	608,329	389,009	444,615
	9,205,880	10,682,784	14,398,442
Regional Municipality of York Corporate Allocation:			
Legal	204,667	74,861	147,161
Computer hardware	677,143	622,408	559,347
Computer software	361,003	311,371	327,089
Telephone and data management	168,511	162,388	142,250
Finance charges	37,885	59,269	32,488
Human resources	49,492	33,040	47,350
Supplies services	64,184	42,925	50,825
	1,562,885	1,306,262	1,306,510
Operating recoveries (note 1(h)):			
Recoveries from the Province of Ontario Capital Projects	(5,863,577)	(3,559,787)	(8,294,141)
Recoveries from the Metrolinx Yonge North Subway Extension Projects		(867,881)	(1,190,243)
Recoveries from the Regional Capital Projects		(3,020,450)	(1,896,820)
	(5,863,577)	(7,448,118)	(11,381,204)
	4,905,188	4,540,928	4,323,748
Annual surplus	-	-	-
Accumulated surplus, beginning of year	-	1	1
Accumulated surplus, end of year	\$ -	\$ 1	\$ 1

See accompanying notes to financial statements.

Statement of Cash Flow

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Operating Activities:		
Annual surplus	\$ -	-
Change in non-cash assets and liabilities:		
Due from Regional Municipality of York	\$ 230,008	3,372
Due to Regional Municipality of York	(230,008)	(3,372)
Cash, end of year	\$ -	\$ -

See accompanying notes to financial statements.

Notes to Financial Statements

Year ended December 31, 2022

The York Region Rapid Transit Corporation (the "Organization") was incorporated on July 2, 2003 under the Ontario Business Corporations Act. The Organization is responsible for the planning, design and construction of the rapid transit network and related infrastructure. The expertise of the Organization lies in project management - design and engineering, procurement and financial management and community relations.

The Organization manages the capital projects funded by the Regional Municipality of York such as road widening, sidewalks, landscaping, storm sewers and fiber communications. In addition, the Organization also manages the capital projects funded by Metrolinx.

The Organization is exempt from income taxes if certain requirements of the Income Tax Act (Canada) are met.

1. Significant accounting policies:

A. Basis of presentation:

These financial statements have been prepared in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

B. Accrual basis of accounting:

The financial statements are prepared using accrual basis of accounting. Revenue is recognized as earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of a legal obligation to pay.

C. Revenue recognition:

The program management fee is recognized as revenue in the year in which is earned and related expenses are recognized.

D. Budget figures:

Budget figures presented in the financial statements are based on the 2022 budget approved by York Regional Council on December 16, 2021.

E. Related party:

A related party exists when one party has the ability to exercise control or shares control over the other. Related parties include key management personnel, their close family members and the entities they control or have shared control over. Related party transactions are disclosed if they occurred at a value different from that which would have been arrived at if parties were unrelated and the transaction has material effect on the financial statements.

F. Expense allocations and operating recoveries:

The Organization classifies expenses on the statement of operations and accumulated surplus. Expenses are allocated to the Organization based on corporate allocation from The Regional Municipality of York. Operating recoveries represent salaries and benefits and general administrative costs related to the capital projects managed by the Organization.

G. Use of estimates:

The preparation of 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 and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Estimates are based on the best information available to management at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Actual results could differ from these estimates.

H. Operating recoveries:

Staff and related cost are charges to operating expenses and then allocated to respective capital projects including Bus Rapid Transit, Yonge north subway extension projects. These recoveries from the capital projects are shown under the operating recoveries.

2. Future accounting pronouncements:

While the timing of standard adoption can vary, certain standards must be adopted concurrently. The requirements in PS 1201 - Financial Statement Presentation, PS 3450 - Financial Instruments, PS 2601 - Foreign Currency Translation, and PS 3041 - Portfolio Investments, must be implemented at the same time. The Region has not adopted any new accounting standards for the year ended on December 31, 2022.

A. Standards applicable for fiscal years beginning on or after April 1, 2022 (in effect for the Region for the year ending on December 31, 2023):

PS 1201 - Financial Statement Presentation, replaces PS 1200 - Financial Statement Presentation. This standard establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the statement of remeasurement gains and losses separate from the statement of operations and accumulated surplus. The new statement reports the changes in the values of financial assets and financial liabilities arising from their remeasurement at current exchange rates and/or fair value, and the government's proportionate share of other comprehensive income arising from the results of government business enterprises and partnerships.

PS 3450 - Financial Instruments, establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of

derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments can be elected to be measured at cost, amortized cost or fair value. Unrealized gains and losses arising from changes in fair value are presented in the new statement of remeasurement gains and losses.

PS 2601 - Foreign Currency Translation, replaces PS 2600 - Foreign Currency Translation. The standard requires monetary assets and liabilities denominated in a foreign currency and non-monetary items denominated in a foreign currency that are reported at fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency changes are presented in the new statement of remeasurement gains and losses. However, the new standard also provides an election that will allow for the continued recognition of all exchange gains and losses directly in the statement of operations and accumulated surplus.

PS 3041 - Portfolio Investments, replaces PS 3040 - Portfolio Investments. The standard provides revised guidance on accounting for, and presentation and disclosure of portfolio investments to conform to PS 3450 - Financial Instruments. The distinction between temporary and portfolio investments has been removed in the new standard, and upon adoption, PS 3030 - Temporary Investments, will no longer apply.

PS 3280 - Asset Retirement Obligations, establishes the accounting and reporting requirements for legal obligations associated with the retirement of TCA controlled by a government or government organization. A liability for a retirement obligation can apply to TCA either in productive use or no longer in productive use. Upon adoption of this standard, PS 3270 - Solid Waste Landfill Closure and Post-closure Liability, will no longer apply.

B. Standards applicable for fiscal years beginning on or after April 1, 2023 (in effect for the Region for the year ending on December 31, 2024):

PS 3160 - Public Private Partnerships ("P3s"), identifies requirements on how to account for and disclose transactions in which public sector entities procure major infrastructure assets and/or services from private sector entities. Recognition of assets arising from P3 arrangements is ultimately dependent on whether public sector entities control the purpose and use of the assets, access to the future economic benefits and exposure to the risks associated with the assets, and significant residual interest in the asset, if any, at the end of the term of P3s. Measurement of the asset and related liability will also be dependent on the overall model used to compensate the private sector entity.

PS 3400 - Revenue, establishes standards on how to account for and report on revenue, specifically differentiating between revenue arising from transactions that include performance obligations, referred to as exchange transactions, and transactions that do not have performance obligations, referred to as non-exchange transactions.

PSG-8 - Purchased Intangibles, provides guidelines on accounting and reporting for purchased intangibles. Concurrently, PS 1000 - Financial Statement Concepts, has been amended to remove the prohibition against recognizing intangibles purchased in an exchange transaction in public sector financial statements.

3. Statement of change in net debt:

A statement of change in net debt has not been presented, as the amount of net debt remains unchanged year over year and any other information which would be contained within the statement is readily available elsewhere in these financial statements.

4. Due from Regional Municipality of York:

Amounts due from the Regional Municipality of York are non-interest bearing and have no specific terms of repayment.

5. Due to Regional Municipality of York

Due to Regional Municipality of York is comprised of payroll related liabilities at the end of the year. The amounts due are non-interest bearing and are normally settled on 30-day terms; therefore; their carrying amount approximates the fair value.

6. Accumulated surplus:

The accumulated surplus at December 31 comprises:

	2022	2021
Share capital	\$ 1	\$ 1

7. Program management fee:

Per the Rapid Transit Agreement, the Organization is the Program Manager tasked with delivering the rapid transit infrastructure projects for the Regional Municipality of York.

In 2017, the Organization and the Regional Municipality of York entered into a Memorandum of Understanding, whereby the Organization will invoice project management fees to the Regional Municipality of York on a quarterly basis for project management services rendered in the year.

8. External professional contracted services:

Expenses on professional contracted services include external legal counsel, external communications, public relations, consulting services and audit services.

9. Related party transactions – Regional Municipality of York professional contracted services:

For efficiency purposes, the Regional Municipality of York departments provided contracted services to the Organization per Dedicated Charges Agreements between the Regional Municipality of York and the Organization. These charges were fully recovered against capital projects.

	Budget	2022	2021
Regional Municipality of York professional contracted services:			
Property services	\$ 1,321,238	\$ 1,214,164	\$ 1,313,290
Legal services	1,190,800	1,041,161	919,184
Transportation services	-	-	365,110
Supplies and services	164,285	41,020	105,836
	\$ 2,676,323	\$ 2,296,345	\$ 2,703,420

sources

1. York Region Planning and Economic Development. [2022 Growth and Development Review](#) [pages 4, 5, 6]. April 2023.
2. City of Markham. [MappIT – Development Application Viewer](#). 2023.
Development applications included in “>4,300 residential units” and “>39,000 m2 commercial space” include:
 - Plan under review in April 2022 for Juniper Cornell Holdings Inc. at 6950 Highway 7 E: 2,229 residential units, 36,100 m2 GFA of commercial space
 - Plan approved in January 2022 for JD ELM Cornell Lands at 7128 Highway 7 E: 1,400 residential units, 2,970 GFA of commercial space
 - Plan endorsed in October 2021 for Cornell Rouge on Rustle Woods Avenue: 60 residential units
 - Plan approved in May 2020 for Lindwide Developments [Cornell] Ltd. at 7077 Highway 7 E: 960 residential units
3. York Region Long Range Planning. [2021 Census Release Report: Population and Dwelling Counts](#). 2021.
4. York Region Transportation, Public Works. [2022 Transportation Master Plan, Appendix C2: Travel Demand Analysis Report](#) [page 4]. September 2022.
5. Province of Ontario. [Economic impact of infrastructure investments across asset categories in Ontario](#). 2021.
6. Conversations for Responsible Economic Development. [How Transit Impacts our Economy](#). 2015.
7. Statistics provided by York Region Public Works Department, Corridor Control and Safety, Traffic Data. July 2022.
8. Institute for Transportation & Development Policy (Hook, Lotshaw, and Weinstock). [More Development For Your Transit Dollar](#). November 2013.
9. York Region Planning and Economic Development. [2022 Regional Centres and Corridors Update](#) [pages 2, 4, 5]. May 2023.
10. York Region Transportation and Infrastructure Planning. [2022 Transportation Master Plan](#). July 2022.
11. Deloitte. [Yonge North Subway Extension Submission \(to the federal government\)](#) [pages 2, 16]. December 2020.
12. Metrolinx. [Yonge North Subway Extension Initial Business Case](#) [pages 16, 94]. March 2021.





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