

April 24, 2025

FOR DECISION

Report of the President

## 2024 Annual Report and 2024 Draft Audited Financial Statements

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### 1. Recommendation

It is recommended that:

1. The Board of Directors approve **York Region Rapid Transit Corporations (YRRTC) 2024 Annual Report (Attachment 1)** to be forwarded to the Regional CAO, as per the Shareholder Direction; and
2. The Board of Directors approve the **2024 Draft Audited Financial Statements (Attachment 2)** together with the signed report of the auditors KPMG LLP, for the fiscal year ending December 31, 2024, and submit them as part of the YRRTC's Annual Report to the Shareholder.
3. The Director, Finance of the Corporation be authorized to sign the annual Audited Financial Statements on behalf of the Board for submission to the Shareholder at its Annual General Meeting scheduled for June 26, 2025.

### 2. Purpose

This report highlights York Region Rapid Transit Corporation's (YRRTC) 2024 project and financial achievements. It fulfills the reporting requirements of the Corporation to York Region, as YRRTC's sole Shareholder.

The 2024 Annual Report (**Attachment 1**) is required under **Section 8.3.1** of the Shareholder Direction. The 2024 Draft Audited Financial Statements of YRRTC, together with the auditors' report from KPMG LLP (**Attachment 2**), are required per **Section 8.4.3**. Once approved by the Board, the Audited Financial Statements will be added to the 2024 Annual Report. This report will then be submitted to the Region's CAO.

The approved YRRTC Audited Financial Statements will be consolidated with the annual Audited Financial Statements of The Regional Municipality of York for the fiscal year ending December 31, 2024. These will be presented at the Regional Audit Committee meeting, currently scheduled for June 12,

2025. After finalization, they will be presented to the Shareholder at the Annual Shareholder Meeting, scheduled for June 26, 2025.

### 3. Key Points:

- The Corporate governance requirements of York Region Rapid Transit Corporation (YRRTC) are governed by the Ontario Business Corporations Act (OBCA) and the Shareholder Direction, with York Region being the sole shareholder.
- The 2024 Annual Report provides project activities, milestones and financial highlights, fulfilling the reporting requirements of the Corporation to York Region, as the sole Shareholder.
- The 2024 Audited Financial Statements provide an independent and objective assessment of the organization's financial health and performance.
- The Financial Statements will be consolidated with the 2024 Annual Report and presented to the Shareholder on June 26, 2025, and will be available on York Region Rapid Transit Corporation's website, yrrtc.ca.

### 4. Background

**Per the Shareholder Direction, YRRTC is required to submit an annual report to the Regional CAO within 120 days after the end of the fiscal year, once approved by the Board**

**Section 8.3.1** of the Shareholder Direction, approved October 2024, states that:

- *"within 120 days after the end of the fiscal year, or as requested by the Region, YRRTC will submit an annual report to the Region CAO which has been prepared by YRRTC's Senior Executive and approved by the Board. This report will be signed by the Chair of the Board and may be presented to the Shareholder by the President of YRRTC as the delegate of the Chair of the Board."*

The 2024 Annual Report (**Attachment 1**) provides a review of program achievements, advocacy efforts, and financial highlights for 2024, along with key objectives for 2025.

**Pursuant to regulatory and legislative requirements, and the Shareholders Direction, York Region, as the Shareholder, must meet annually to approve the Annual Audited Financial Statements of YRRTC for the previous fiscal year**

**Section 8.4.3** of the Shareholder Direction states:

- *"the Board will deliver to the Region CAO and the Region CF & Treasurer, as soon as practicable and in any event within 90 days after the end of each fiscal year or such other timeline as required by the Shareholder's requirements in the preparation and finalization of the Shareholder's audited Financial*

*Statements, the audited consolidated and unconsolidated annual Financial Statements of YRRTC as approved by the Board for presentation to the Shareholder for consideration by the Shareholder. The audited annual Financial Statements of YRRTC will also accompany the Annual Report of YRRTC”.*

KPMG LLP is the approved auditing firm responsible for auditing the 2024 Audited Financial Statements for YRRTC and the Region. These statements are prepared in accordance with generally accepted accounting principles (GAAP).

## 5. Analysis

**The 2024 Annual Report highlights key achievements in advancing the planning and design of Jane Street and Highway 7 East bus rapid transit, as well as advocacy efforts to secure capital funding for these critical projects**

Milestones achieved in 2024 in the areas of bus rapid transit and pursuit of funding are as follows:

- Engaged and consulted with the federal and provincial governments to showcase the benefits of BRT in York Region.
- Collaborated with York Region and the cities of Vaughan and Markham to advance the Expression of Interest to the province, ensuring eligibility for BRT funding from the Canada Public Transit Fund—Metro-Region Agreement Stream;
- Attended key industry events to promote York Region’s critically needed BRT projects;
- Executed contract and initiated work on the Jane Street BRT Transit and Rail Project Assessment Process (TRPAP), including Environmental Assessment and 30% Preliminary Design;
- Completed comprehensive review of existing 2003 Environmental Assessment (EA) for Highway 7 East BRT corridor to ensure findings remain relevant and to inform 30% preliminary engineering and design work;
- Completed review of capital cost estimates for future BRT corridors, leveraging current industry standards and cost analysis best practices; and
- Completed phase one of existing BRT operations and maintenance review to identify cost efficiencies and optimize future BRT construction.

**Project milestones for the Metrolinx-led Yonge North Subway Extension (YNSE) included advancing foundational agreements and conducting technical reviews**

The 2024 YNSE milestones achieved with York Region are as follows:

- Executed the Agreement in Principle between the Province of Ontario and York Region;
- Executed the Resource Agreement between Metrolinx and York Region;

- Provided technical input into Metrolinx’s procurement of the YNSE Advanced Tunnels Contract (ATC);
- Advanced York Region’s interests related to the YNSE project scope; and
- Advanced Main Agreement technical reviews and ATC property requirements and agreements with Metrolinx.

**KPMG concluded that the 2024 Draft Audited Financial Statements present fairly, in all material respects, the financial position of the Entity as of December 31, 2024**

OBCA sections 154 and 159 requires the Board of Directors to provide the approved and signed Annual Audited Financial Statements at the Annual General Shareholder Meeting within six (6) months of the Corporation’s year-end. The 2024 Draft Audited Financial Statements of YRRTC, provide information about the financial position, operations, and changes in financial position of YRRTC.

The Statements 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), and includes:

- Independent Auditors’ Report
- Statement of Financial Position – Balance Sheet
- Statement of Operations – Income Statement
- Statement of Cash Flows
- Notes to Financial Statements

YRRTC’s 2024 Draft Audited Financial Statements, as audited by external auditors, will be consolidated in the 2024 Financial Statements of The Regional Municipality of York, pursuant to the report from the Commissioner of Finance expected in June 2025.

**Table 1** shows the breakdown of the operational financial activities for 2024, as found in the Statement of Operations and Accumulated Surplus on page 2 of **Attachment 2**.

**Table 1:  
2024 Operational Financial Activities**

	2024 (\$000’s)
<b>Revenue:</b>	
<b>Program Management</b>	<b>\$ 4,403</b>
<b>Expenses:</b>	
York Region Rapid Transit Program Management	\$ 8,312

	2024 (\$000's)
Regional Municipality of York Corporate Allocation	\$ 969
Operating Recoveries	\$ (4,878)
<b>Total Expenses:</b>	<b>\$ 4,403</b>
Surplus (deficit), end of year	\$ -

## 6. Financial Considerations

### **The 2024 Annual Report and the 2024 Audited Financial Statements will follow formal approval processes before being made available to the public**

There are no financial implications associated with this report.

The Board of Directors is required to formally approve the Annual Audited Financial Statements, after which the statements will be submitted for review by the Regional Audit Committee, currently scheduled for June 12, 2025.

Sharing the Annual Audited Financial Statements is essential for maintaining transparency, accountability, and compliance with regulatory standards, while also ensuring that the financial information is accessible to the public.

## 7. Local Impact

The 2024 Annual Report and Audited Financial Statements highlight YRRTC's dedication toward advancing rapid transit infrastructure in York Region. These achievements reflect efforts to collaborate with municipalities, engage with residents, advocate for critical capital funding, and deliver transit solutions that connect communities. YRRTC remains committed to enhancing accessibility, fostering economic growth, and improving the quality of life for residents and workers across York Region.

## 8. Conclusion and Next Steps

YRRTC's 2024 Annual Report and 2024 Draft Audited Financial Statements are being submitted in compliance with the Shareholder Direction and regulatory requirements, ensuring good governance practice and accountability.

The Annual Report reflects achievements for 2024 related to the pursuit of funding, BRT and YNSE projects and sets the stage for continued progress in the coming year.

KPMG concluded that the 2024 Draft Audited Financial Statements present fairly, in all material respects, the financial position of the Entity as of December 31, 2024.

Following Board of Director endorsement, the 2024 Annual Report, including the 2024 Audited Financial Statements, will be submitted to the Region's Chief Administration Officer, in accordance with the Shareholder Direction, and will be received by York Regional Council at the Annual General Shareholder Meeting, scheduled for June 26, 2025. The Annual Report will also be shared via social media and accessible on [yrrtc.ca](http://yrrtc.ca), making it easily available to the Region's residents and businesses in an AODA compliant format.

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For more information on this report, please contact Danielle Hutson, Vice President, Communications at 1-877-464-9675 ext. 71272 or Kirti Sharma, Director, Finance at 905-505-1856. Accessible formats or communication supports are available upon request.

Recommended by: **Paul Jankowski**  
President, York Region Rapid Transit Corporation

April 15, 2025  
eDocs 16619616

Attachment #1 – 2024 Annual Report (eDocs 16594849)  
Attachment #2 – 2024 Draft Audited Financial Statements (eDocs 16682976)

