

# 2022 COMMUNITY REPORT HIGHLIGHTS

For the year ended December 31, 2022  
The Regional Municipality of York  
Ontario, Canada

[york.ca](http://york.ca)

## OUR VISION

Strong, Caring, Safe Communities

## OUR MISSION

Working together to serve our thriving communities – today and tomorrow

## OUR VALUES

**I**ntegrity

**C**ommitment

**A**ccountability

**R**espect

**E**xcellence

## LAND ACKNOWLEDGMENT

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.

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Chairman & CEO  
Wayne Emmerson



Mayor  
Tom Mrakas  
Town of Aurora



Mayor  
Virginia Hackson  
Town of East Gwillimbury



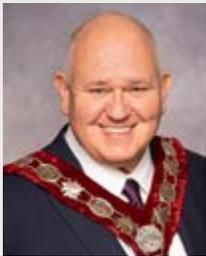
Mayor  
Margaret Quirk  
Town of Georgina



Regional Councillor  
Naomi Davison  
Town of Georgina



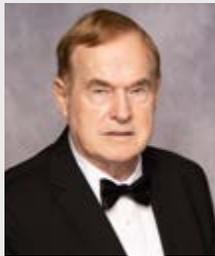
Mayor  
Steve Pellegrini  
Township of King



Mayor  
Frank Scarpitti  
City of Markham



Regional Councillor  
Michael Chan  
City of Markham



Regional Councillor  
Jim Jones  
City of Markham



Regional Councillor  
Joe Li  
City of Markham



Regional Councillor  
Alan Ho  
City of Markham



Mayor  
John Taylor  
Town of Newmarket



Regional Councillor  
Tom Vegh  
Town of Newmarket



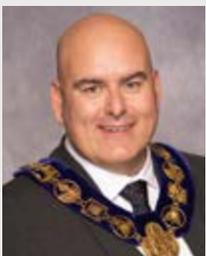
Mayor  
David West  
City of Richmond Hill



Regional Councillor  
Godwin Chan  
City of Richmond Hill



Regional Councillor  
Joe DiPaola  
City of Richmond Hill



Mayor  
Steven Del Duca  
City of Vaughan



Regional Councillor  
Linda Jackson  
City of Vaughan



Regional Councillor  
Mario Ferri  
City of Vaughan



Regional Councillor  
Gino Rosati  
City of Vaughan



Regional Councillor  
Mario G. Racco  
City of Vaughan



Mayor  
Iain Lovatt  
Town of Whitchurch-Stouffville



Wayne Emmerson, Chairman and CEO

## A MESSAGE FROM THE YORK REGION CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The 2022 Community Report highlights the efforts of York Regional Council, York Region staff and community partners, spotlighting our collective efforts to protect the health of our residents and make our communities strong, caring, safe places to live, work and raise a family.

This report highlights both York Region's unprecedented response to the COVID-19 global pandemic and collective efforts to build healthy, economically viable, sustainable and connected communities that create an environment where residents can thrive.

In 2022, Regional Council approved a \$3.7 billion budget, which included \$980 million for capital investments and \$2.7 billion to support core Regional Services. In 2022, Regional Council also approved a 1% tax levy to support rapid transit infrastructure, and specifically, York Region's share of capital costs for the construction of the Yonge North

Subway Extension. As Regional Council's top transportation priority, this critical rapid transit link will unlock new travel choices for all commuters, connect workers to high-value jobs and drive prosperity at national, provincial and regional levels.

The 2018 to 2022 term of York Regional Council was unlike any other. The majority of the term was marked by a global pandemic that brought business, the community and our economy to a halt and saw the Region declare a state of emergency for the first time in our 52-year history. I am immensely proud of the actions and work of York Regional Council, our Medical Officers of Health and the thousands of York Region staff who worked diligently to keep our communities safe and support the economic interests of residents and businesses.

Despite the uncertainty caused by the pandemic, Council continued to move forward on critical programs and projects that set the foundation for the future health and prosperity of our communities. Key investments in broadband connectivity, infrastructure, housing and community programs over the past four years position York Region as the best place in Ontario to live, work, raise a family and do business.

Following the October 2022 municipal election, I was honoured to be elected to a third term as Chairman for The Regional Municipality of York. This is a privilege I do not take lightly. We enter

this new term of Council in a time of global economic uncertainty and in the face of a potential recession. Interest rates remain high, and life is becoming increasingly less affordable for our residents, meaning more individuals and families will rely on York Region for essential programs and services.

We also face legislative changes from the Government of Ontario that impact the ways in which our municipalities finance growth and may hinder our collective goal of building more affordable housing.

However, I remain confident the work of the previous term of Council and the achievements of 2022 set us on a path to success in the years ahead. We know issues like affordable housing, broadband connectivity, economic development, transportation and growth remain top priorities for our residents. I assure you Regional Council is committed to working towards these critical issues while also collaborating with all levels of government to address the post-pandemic recovery of our communities, global economic inflation and other important areas of focus.

I extend my thanks to Regional Council, our local municipal partners and staff for their exceptional work over the past year. Together, we will continue to build the York Region future generations will want to call home.

Wayne Emmerson  
Chairman and CEO  
The Regional Municipality of York



Bruce Macgregor, CAO

On behalf of York Region’s Senior Management Team and the more than 5,000 committed staff who work diligently to deliver our core services across York Region’s nine cities and towns, I am pleased to share The Regional Municipality of York’s 2022 Community Report.

This report combines our final year of reporting for the 2019 to 2023 Strategic Plan and the 2022 Budget. The four-year cycle for planning and budgeting coincides with the four-year term of Regional Council. It also allows us to align with the goals of Vision, York Region Council’s long-term outlook for our communities.

## A MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER

The priority areas outlined in the 2019 to 2023 Strategic Plan are the foundation of this report and have been used to organize and highlight achievements in four community result areas:

- Economic Vitality
- Healthy Communities
- Sustainable Environment
- Good Government

York Region entered its third year of pandemic response in 2022, with efforts continuing to focus on the health and safety of residents and the administration of COVID-19 vaccines.

Despite a province-wide shutdown in January 2022, all federal, provincial and local public health measures have been lifted and our organization and communities are learning to live with this virus and move forward in our post pandemic recovery.

As pandemic-related measures gradually eased, York Region resumed many of the programs and services that were temporarily paused in the acute stages of the pandemic response. Today, all 15 of the Region’s core service areas are back to pre-pandemic service levels and residents can continue to access the programs and services they need, when they need them.

Following these challenging years, I am pleased to report 68% of the Strategic Plan’s key performance measures are trending in the desired direction. The complete list of all 31 performance measures is available on pages 7 and 8 of this report.

The Treasurer’s Report and Financial Statements found in the second portion of this document assure accountability in achieving our highlighted priorities.

The programs and services featured throughout this report represent the dedication and commitment of York Regional Council, staff, municipal partners and community stakeholders in maintaining the quality of life we all come to expect in York Region.

As we continue to work towards a full recovery of our economy and communities, York Region will continue to work with all levels of government, residents, the business community and external stakeholders to continue building a strong, caring, safe York Region for all.

A handwritten signature in black ink, appearing to read 'Bruce Macgregor'. The signature is stylized with a large, sweeping flourish that extends to the right.

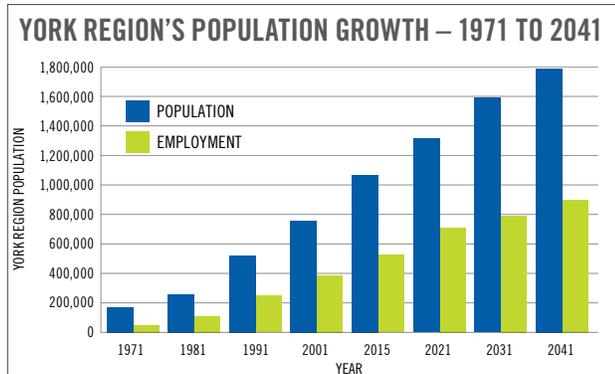
Bruce Macgregor  
Chief Administrative Officer  
The Regional Municipality of York

# YORK REGION. WHO ARE WE?

## WE ARE GROWING

During 2022, York Region grew by approximately 11,243 people, accounting for a 0.9% increase in total growth.

The provincial growth plan calls for York Region's population to grow from more than 1.2 million in 2022 to 2.03 million in 2051 and employment to grow from more than 615,000 in 2022 to 990,000 in 2051.



## WE ARE EDUCATED

With over 73% of York Region's population having a post secondary education, York Region ranks as the second highest educated population in the Greater Toronto and Hamilton Area.

## WE WORK HARD

York Region is home to 54,600 businesses and more than 615,000 jobs. It is the largest business centre in Ontario and the destination of choice for more than 4,500 Information, Communication and Technology (ICT) businesses. This makes York Region the second largest ICT cluster in Canada. According to 2021 census data, the average household income is \$112,000, ranking York Region the second highest median household income in the Greater Toronto and Hamilton Area.

## WE ARE FISCALLY RESPONSIBLE

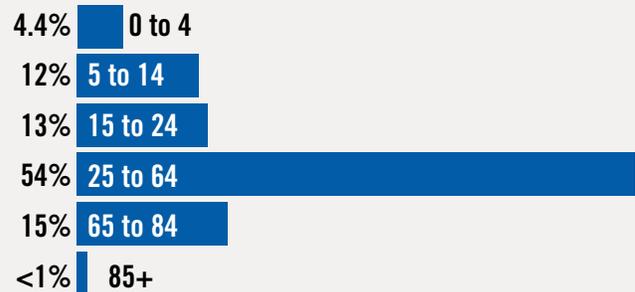
The 2022 York Region budget was \$3.7 billion and included \$2.7 billion to maintain and operate York Region services and \$980 million in capital project funding. With 2022 being the final year in the four-year budget cycle, it aligns with the 2018 to 2022 term of York Regional Council and the *2019 to 2023 Strategic Plan*.

## WE ARE DIVERSE

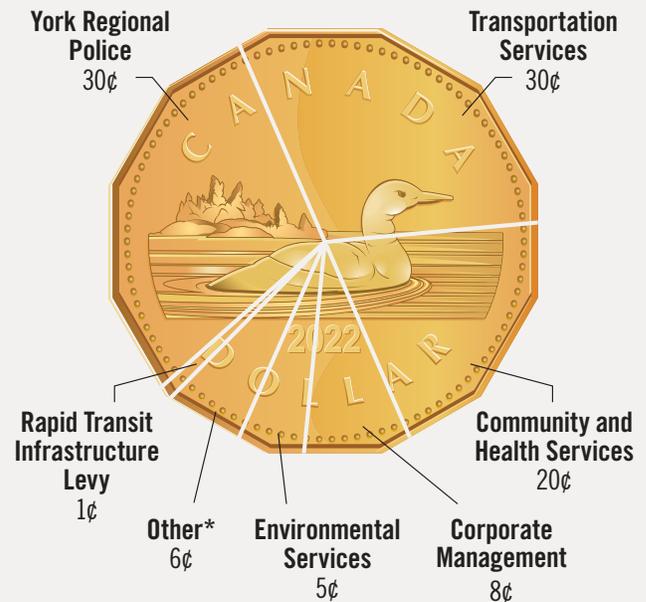
If York Region were a village of 100 people:

- 50** villagers would be born in Canada
- 2** villagers would be a non-permanent resident
- 48** villagers would be born outside of Canada, of these:
  - 33** would be born in Asia
  - 9** would be born in Europe
  - 4** would be born in the Americas (including North, South and Central)
  - 2** would be born in Africa

## YEARS OLD



## TAX LEVY FUNDING

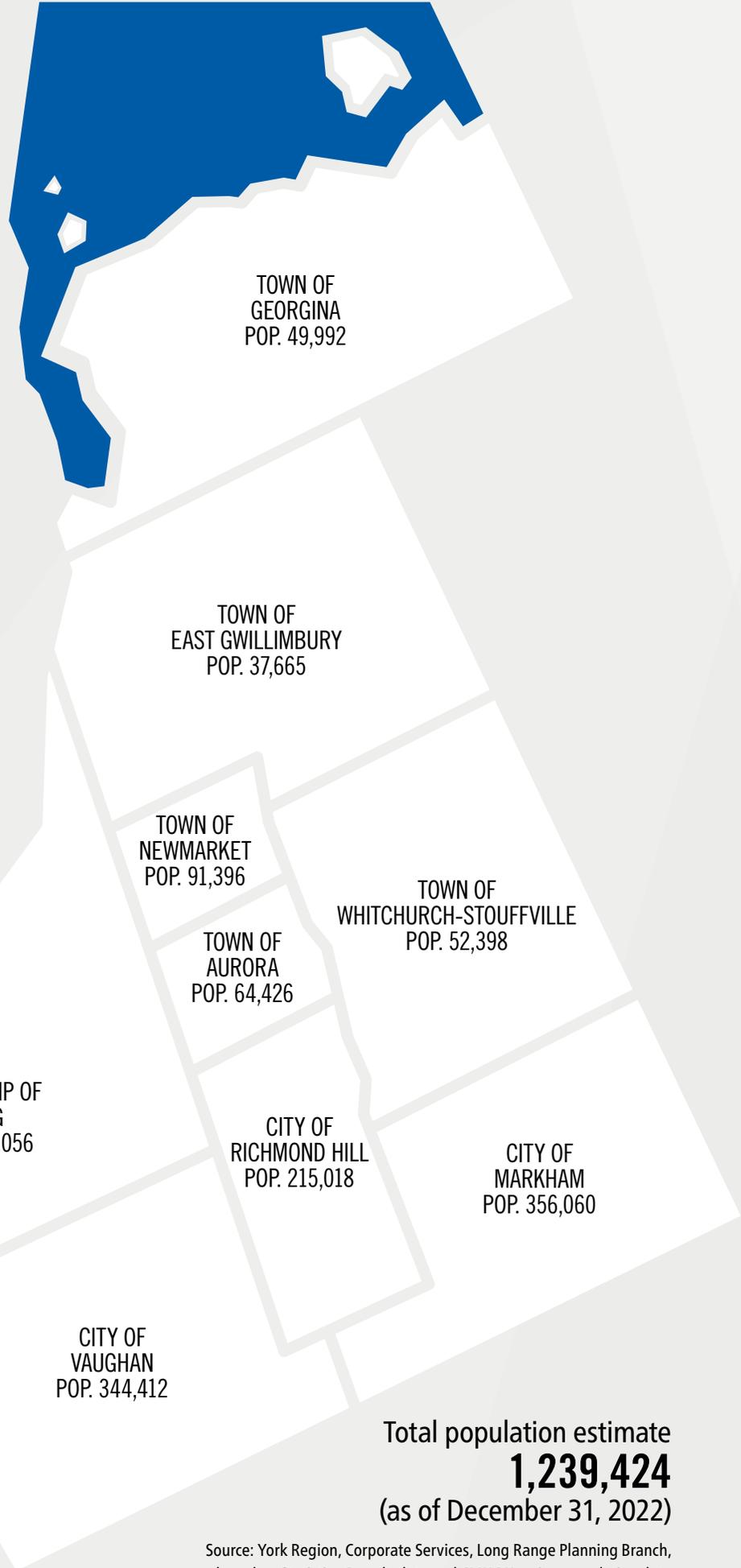


\* Other includes: Financial Initiatives, External Partners, York Region Rapid Transit Corporation, YorkNet and Court Services

WE ARE COMMITTED TO DELIVERING QUALITY SERVICES

- Children’s Services
- Community Housing
- Court Services
- Development Services
- Economic Development
- Forestry
- Long-Term Care
- Paramedic Services
- Police Services
- Public Health
- Regional Roads
- Social Assistance
- Transit
- Waste Management
- Water

Core Services: Legislated services provided directly to the public to help maintain a high quality of life for York Region residents.



Comprised of  
**9**  
Municipalities

Total population estimate  
**1,239,424**  
(as of December 31, 2022)

Source: York Region, Corporate Services, Long Range Planning Branch, based on Statistics Canada data and CMHC Housing completion data

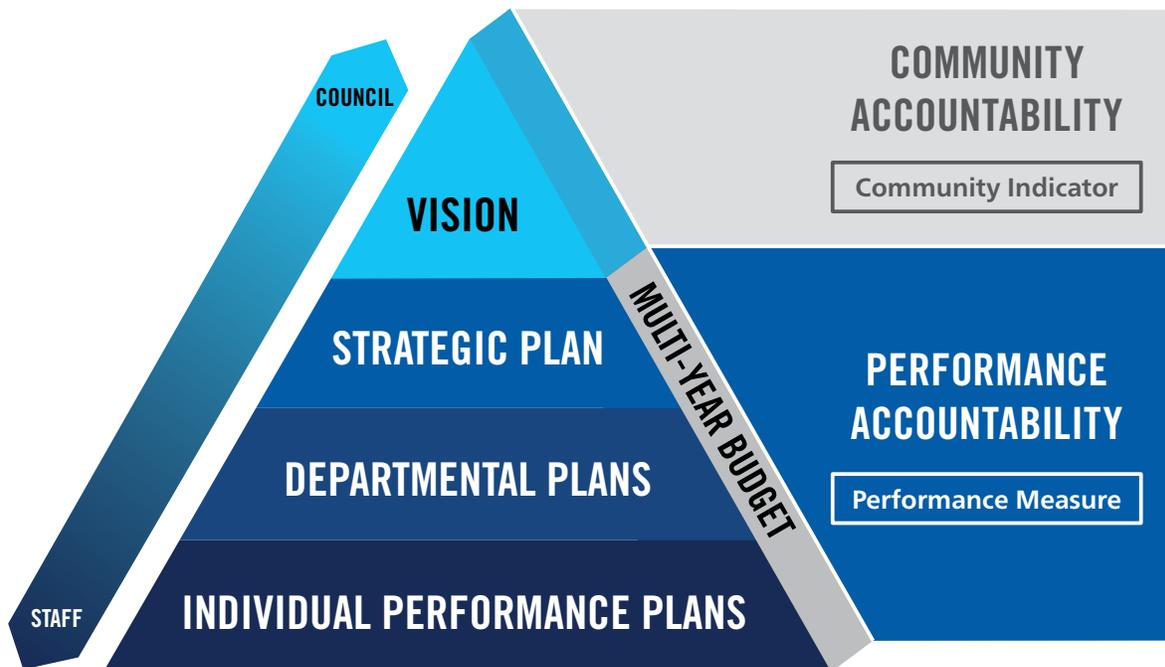
# THE REGIONAL MUNICIPALITY OF YORK ACCOUNTABILITY FRAMEWORK

York Region's strategic planning framework focuses on documenting and reporting on accountability at every level of the organization.

The framework identifies two levels of accountability which consider the collective contribution and the York Region specific contribution to the well-being of our communities:

**Community accountability** assesses community well-being using community indicators. Community indicator results cannot be achieved by York Region alone, and involve multiple community partners. Meaningful community indicators are identified in York Region's Vision and are reported on each term of Council.

**Performance accountability** assesses the performance of York Region's policies and programs using performance measures to track progress in achieving corporate priorities and objectives set out in the Strategic Plan, departmental plans and individual performance plans. These plans are developed in alignment with York Region's multi-year budget to ensure resources are allocated according to Council-approved priorities.



# 2019 TO 2023 STRATEGIC PLAN YEAR 4 (2022) PROGRESS REPORT



SUMMARY: 21 of 31 = 68% of Performance Measures Trending in the Desired Direction

Result Area	Performance Measure	Historical Data	YEAR 1	YEAR 2	YEAR 3	YEAR 4	Baseline Trend
		2018	2019	2020	2021	2022	
Economic Vitality	Increase % of business engagements resulting in business retention, expansion and attraction	37%	53%	61%	52%	46%	●
	Maintain # of transit ridership per capita	20	19.8	9.5	8.9	8.9	● **
	Increase # of kilometres of bus rapidways	12.30	27.30	33.70	33.70	33.70	●
	Increase # of people and employment within 500 metres of transit	241,000	257,000	265,000	272,300	305,000	●
	Maintain % of on-time performance on all transit routes	91.45%	91.48%	94.74%	95.64%	95.09%	●
	Increase # of road lane kilometres	4,265.12	4,293.00	4,318.00	4,382.00	4,383.00	●
Healthy Communities	Maintain % of residents that rate York Region as a safe place to live	94%	95%	96%	95%	93%	●
	Maintain police emergency (Priority 1) response time in minutes	7:00	6:50	6:44	6:52	7:06	●
	Maintain % of municipal drinking water samples meeting Ontario Drinking Water Standards	99.89%	100.00%	99.98%	100.00%	100.00%	●
	Increase % of regional roads with sidewalks and/or dedicated bike lanes in urban areas	88%	84%	85%	86%	86%	●
	Increase % of 17-year-old students in compliance with Immunization of School Pupils Act	91.83%	92.00%	Data not available for reporting			▲ **
	Increase % of food service premises with a certified food handler at all times	68%	77%	Data not available for reporting			▲ **
	Increase % of York Region clients receiving help to improve their housing stability	Data not available for reporting					▲
	Maintain paramedic response time for emergency response services to meet Council approved targets	76%	76%	76%	75%	74%	●
	Increase # of advocacy activities related to long-term care beds	3	13	10	21	23	●
	Decrease # of days to determine York Region residents' eligibility for social assistance	8	8	3	5	7	●
	Decrease # of children with an immediate need waiting for subsidized childcare	1,575	2,152	1,855	421	360	●
	Increase % of individuals and families remaining stably housed after six months who were homeless or at risk of homelessness	Data not available for reporting	83%	81%	74%	81%	● **



Result Area	Performance Measure	Historical Data	YEAR 1	YEAR 2	YEAR 3	YEAR 4	Baseline Trend
		2018	2019	2020	2021	2022	
Sustainable Environment	Maintain % of wastewater receiving treatment	99.99%	100.00%	99.97%	99.99%	99.99%	●
	Maintain % of residential solid waste diverted from landfill	94%	94%	93%	92%	94%	●
	Decrease # of megalitres of treated water consumed per 100,000 population	9,855	10,004	10,368	10,245	10,596	●
	Decrease # of per capita greenhouse gas emissions across Regional operations in tonnes	65.20	65.40	55.50	53.70	57.00	●
	Increase % of growth occurring within the built-up areas	59.3%	75.0%	59.0%	58.0%	71.0%	●
	Increase % of development applications meeting timeline commitments	Data not available for reporting	100%	100%	100%	Data not available for reporting	▲ +
	Maintain # of trees and shrubs planted annually through the Regional Greening Strategy Program	101,122	102,332	60,539	92,154	110,391	●
Good Government	Maintain / Improve comparative \$ of operating cost per unit of service*	1.00	1.01	0.95	1.04	1.17	●
	Increase % of public-facing transactions that can be completed online or with a mobile device	60%	73%	75%	75%	90%	●
	Increase % of reserve-to-debt ratio	99%	111%	126%	157%	190%	●
	Maintain % of regional assets with a condition assessment rating of fair or better condition	90%	87%	86%	86%	91%	●
	Maintain % of York Region residents that are satisfied with Regional government	75%	81%	87%	80%	76%	●
	Increase # of open data sets	214	228	228	228	272	●

\*NOTE: 2018 as baseline year and considered trending in the right direction compared to inflation. 2022 data may be subject to change based on finalized Ontario's Financial Information Return dataset.

<b>LEGEND</b>	● = Trending in the desired direction	● = Not trending in the desired direction	▲ = Data Not Available for Reporting
	**Performance measures negatively impacted due to the COVID-19 pandemic. +Unable to compare against historical data. Methodology replaced by YorkTrax		

For more information visit [york.ca/stratplan](http://york.ca/stratplan)



## INCREASING ECONOMIC PROSPERITY



**5,264** housing completions



**7,120 new** residential building permits issues



**0.9% growth** in population



**\$4.3 billion total construction value** for industrial, commercial, institutional and residential building permits



YorkNet broadband network expanded by **50 kilometres**



**615,760 jobs** and **55,660 employer businesses**



**4.2% unemployment rate**, significantly lower than Canada's high of 5% in 2021



**\$281 million investment** in roads and transportation infrastructure



## PROTECTING COMMUNITY HEALTH, SAFETY AND WELL-BEING



**235,375 customer interactions** through Access York



York Region Paramedics responded to **93,568 incidents** in our communities



York Region Paramedics made **5,288 referrals** to community agencies and resources



Supported **22,239 individuals** with Ontario Works financial benefits



Provided Early Intervention support to more than **4,700 children** with special needs



Built **2 new transitional housing** sites



Administered **744,745 COVID-19 vaccine doses** and responded to more than **55,100 cases** of COVID-19 in the community



Supported **1,252 residents** through Transit Assistance Programs, resulting in **115,902 discounted trips**



Co-led the **2022 Point-in-Time Homelessness Count** in partnership with the United Way Greater Toronto



## BUILDING SUSTAINABLE COMMUNITIES AND PROTECTING THE ENVIRONMENT



Top scores in water quality, with **100% of samples** meeting provincial standards



**Achieved 100%** in Chief Drinking Water Inspector's Annual Report Card



Planted **110,391** trees and shrubs and secured **13.7 hectares** of environmental land



**Diverted 94% of waste** from landfill



Processed over **380,000 tonnes** of waste



Optimized lighting **consumption and utility costs by 50%** at Regional facilities



Installed **62 electric vehicle chargers** at Region-owned facilities



Diverted **125 billion litres** of clean and safe drinking water



## DELIVERING TRUSTED AND EFFICIENT SERVICES



Adopted the updated **Regional Official Plan**



Introduced of **1% Rapid Transit Infrastructure Levy**



Named a **Forbes Best Employer** in Canada



**1 billion people** reached through over **1,500 media mentions**



**1.2 million** homes reached through two editions of York Region Matters



**9% increase** in subscribers to the Region's social media channels



**32.1 million** visits to york.ca, a **122% increase** over 2021



York Region Mobile app used **19,314** times



**166,951 views** of York Region produced videos



More than **40,000 Provincial Offences Courts** cases heard through video appearances

# AWARDS AND HIGHLIGHTS



## ECONOMIC VITALITY

**Infrastructure Award of Excellence** from the Greater Toronto Sewer and Watermain Contractors Association

**2022 PJ Marshall Innovation Award** from the Association of Municipalities of Ontario for the York Durham Sewage System Forcemain Twinning Project

Institute for Sustainable Infrastructure **Envision Bronze Award** for 2nd Concession Project

Ontario Goods Roads Association **John Niedra Better Practices Award** for Innovative Practices in Asset Management: Use of Warm Mix Asphalt and Aramid Reinforcing Fibres on Road Rehabilitation Projects



## HEALTHY COMMUNITIES

**OMSSA Local Municipal Champion Award** for the Homelessness Community Program's COVID-19 Response Team

**OMSSA Local Municipal Champion Award** for the EarlyON registration tool

Child and Family Health designated as a **2022 Best Practice Spotlight Organization** by the Registered Nurses Association of Ontario

**Water's Next Early Adoption Award** for COVID-19 wastewater surveillance

Transportation Association of Canada **Road Safety Achievement Award** and **MTO Road Safety Award** for pedestrian and cycling intersection safety pilot



## SUSTAINABLE ENVIRONMENT

**Susan Wiecek Forestry Education Award** from Forests Ontario

**Water's Next Award** for Inflow and Infiltration Machine Learning Project

Transportation Association of Canada **Environmental Achievement Award** Finalist for Leslie Street Low Impact Development (LID)



## GOOD GOVERNMENT

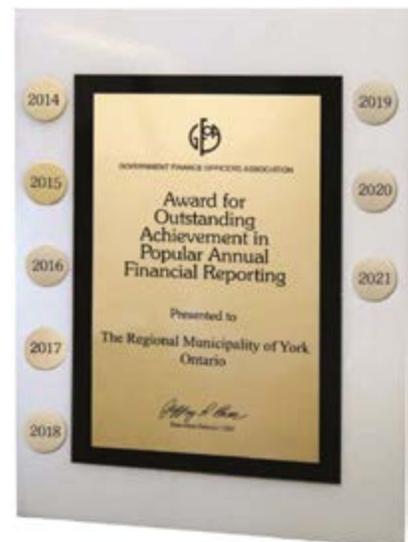
Named to Forbes List of **Canada Top Employers 2022**

S&P Global **AAA Rating**

Government Finance Officers **Distinguished Budget Presentation Award**

Four **IABC Ovation Awards**, and four **IABC Gold Quill Awards**, including **Corporate Communications Department of the Year**

**Hermes Creative Platinum Award** and three **Hermes Creative Gold Awards** for various transportation communications campaigns



# MESSAGE FROM THE COMMISSIONER OF FINANCE AND REGIONAL TREASURER



Laura Mirabella, FCPA, FCA  
Commissioner of Finance  
and Regional Treasurer

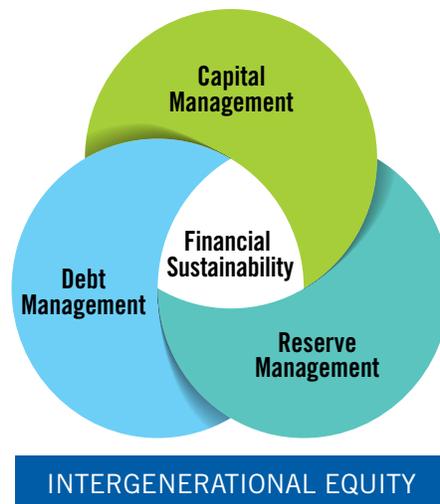
To the members of York Regional Council, residents and ratepayers of The Regional Municipality of York:

I am pleased to present this report on York Region’s financial performance for the year ended December 31, 2022.

It discusses our financial results for the year and includes highlights of our consolidated financial statements contained in the 2022 Community Report that can be found at [york.ca/annualreports](http://york.ca/annualreports)

The consolidated financial statements have been prepared in compliance with legislation and on a basis consistent with Canadian Public Sector Accounting Standards. York Region’s external auditors, KPMG, have expressed their unmodified opinion that the financial statements fairly present the financial position of York Region as of December 31, 2022.

## REGIONAL FISCAL STRATEGY



The purpose of the Regional Fiscal Strategy, adopted in 2013 and updated annually, is to help the Region achieve long-term financial sustainability in an equitable way over time. It brings together three related elements, as shown in the diagram left.

The strategy recognizes the importance of fairness over time (intergenerational equity): no generation is left worse off through the actions of another. This works in both directions — today’s residents should not be unduly burdened to

pay for projects that will largely benefit later residents and future residents should not be unduly burdened with the costs of projects that largely benefited past residents.

**Capital management** is important because the Region must often build major infrastructure like roads, transit and water and wastewater systems in advance of the expected population and employment growth they will serve. While development charges are the main source of funding for growth-related projects, debt is used to bridge the timing between spending on infrastructure and collecting development charge revenue. Aligning and phasing delivery of projects is key to mitigating the financial risks associated with planning for growth and paying for the required infrastructure.

**Reserves** are funds that are built up and accessed over time for specific purposes, including paying capital-related costs to avoid issuing debt. Under the strategy, the Region has significantly increased the level of reserves dedicated to asset renewal and replacement. A corporate-wide asset management plan, endorsed by Regional Council in 2018, provides guidance on the size and timing of the needed investments. The strategy also saw the creation of a debt reduction reserve. Funded from the tax levy, it is mainly used to cover growth-related capital costs that are not eligible for development charge funding.

The Region’s long-term **debt management plan** considers borrowing needs over the following 10 years, complies with Regional and provincial policies and considers risks to the plan and ways of mitigating them.

## 2022 HIGHLIGHTS

By year-end York Region had on the full accrual basis of accounting:

- Increased its net financial assets by \$507.1 million to reach a balance of \$808.5 million
- Recorded an annual surplus of \$687.7 million, increasing its accumulated surplus to \$10.0 billion
- Continued to save for future needs including debt servicing costs and asset replacement needs by adding \$552.5 million to reserves, increasing the balance to \$4.8 billion
- Increased tangible capital assets by \$176.0 million, recording a total of \$9.1 billion

## CHANGES IN FINANCIAL POSITION

The Consolidated Statement of Financial Position gives a picture of the Region’s balance sheet at December 31, 2022. The table below provides a summary.

### Consolidated Statement of Financial Position

(\$ Millions)	2022 Actual	2021 Actual	Variance	% Change
Financial Assets	6,417.5	5,728.4	689.2	12.0%
Liabilities	5,609.0	5,427.0	182.1	3.4%
Net Financial Assets	808.5	301.4	507.1	168.2%
Tangible Capital Assets	9,148.5	8,972.4	176.0	2.0%
Other Non-Financial Assets	30.4	25.8	4.6	17.9%
Accumulated Surplus	9,987.4	9,299.6	687.7	7.4%

Note: numbers may not add due to rounding

### Financial Assets

The Region’s financial assets include cash and cash equivalents, investments and amounts owed to the Region by third parties, including debt issued by the Region on behalf of local municipalities.

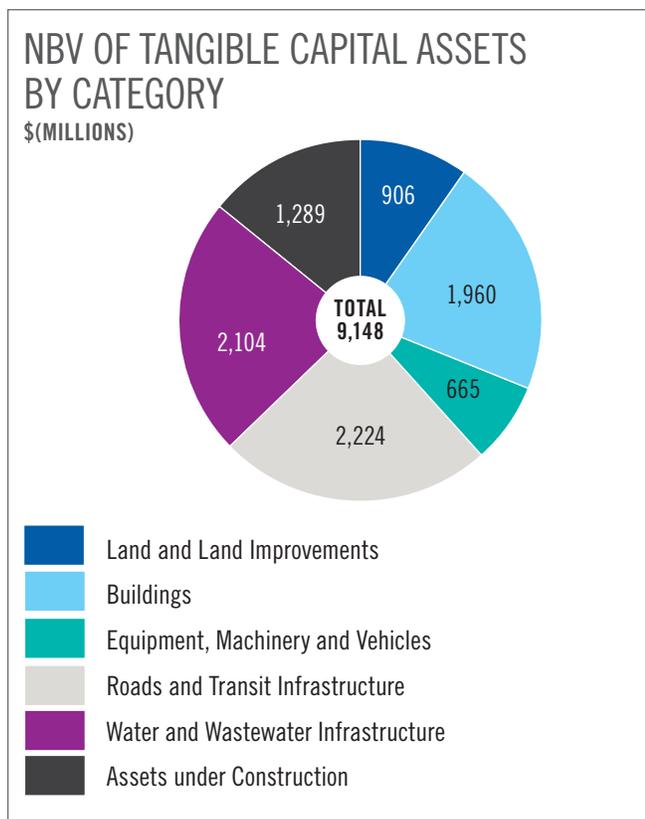
These assets totalled \$6.4 billion at the end of 2022, up by \$689.2 million or 12.0% from the previous year, largely reflecting the Region’s operating surplus for the year and its commitment to building reserves through the Regional Fiscal Strategy.

## Tangible Capital Assets

Under full accrual accounting, assets that are expected to last for more than one year are capitalized. This means the upfront cost of building and acquiring tangible capital assets is shown not as an expense, but instead on the Consolidated Statement of Cash Flows in the year the spending occurs and amortization is recorded as an expense over the life of the asset. The budget as approved by Council treats capital spending as an expense in the year it occurs. This facilitates approval of a capital budget that authorizes the expected cash outflows on capital projects over time.

Net book value is the cost of an asset less its accumulated amortization and is reported on the Consolidated Statement of Financial Position.

The net book value of the Region’s assets rose by \$176.0 million, taking the total to \$9.1 billion at the end of 2022. The following graph shows the breakdown in the net book value of assets by category:



## Liabilities

The Region’s liabilities include accounts payable and accrued liabilities, employee benefit obligations, deferred revenue, and gross long-term liabilities or debt.

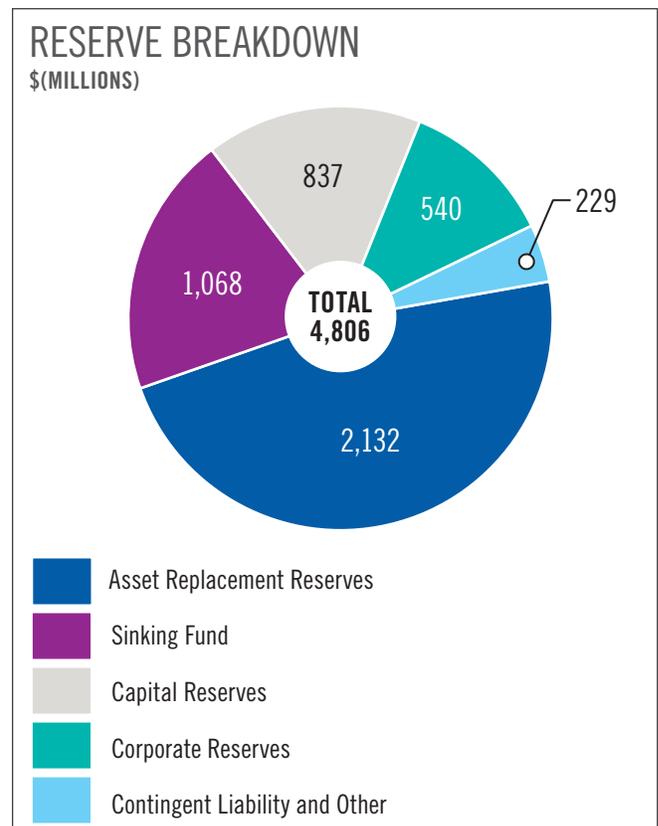
Liabilities other than debt increased by \$200.6 million, ending the year at \$2.1 billion.

Total debt, which is reported in the Consolidated Statement of Financial Position as gross long-term liabilities, decreased by \$18.5 million to reach \$3.6 billion by the end of 2022. No new Regional debt was issued in 2022.

## Accumulated Surplus

The accumulated surplus is the total of past annual surpluses. It represents the difference between the Region’s assets, including tangible capital assets, and its obligations, including debt. As such, it represents the net resources the Region has to provide future services.

The Region has identified a number of specific future needs and earmarked a portion of the total accumulated surplus for them. These amounts are called reserves and reserve funds, and at 2022 year-end they totalled \$4.8 billion, up from \$4.3 billion a year earlier. The pie chart below provides a breakdown by reserve type.



Note: numbers may not add due to rounding

## CONSOLIDATED STATEMENT OF OPERATIONS

### Comparing actual results to the budget

The budget is prepared on what is called the “modified accrual basis” of accounting. This approach looks mainly at expected cash inflows and outflows and uses the property tax levy to achieve a balance between them. This is different from the accrual treatment for the consolidated financial statements, which are prepared in accordance with the standards set by the Public Sector Accounting Board.

Transfers from reserves and the proceeds of borrowings are sources of cash, not revenues under full accrual accounting. Similarly, transfers and contributions into reserves and repayments of debt are uses of cash, not expenses, under full accrual accounting. In the budget approved by Council, these inflows and outflows are taken into account in balancing the budget as required by provincial statute.

For comparability, the 2022 budget provided an outlook for revenues and expense on a full accrual basis, and the consolidated financial statements compare final results to that outlook.

## RESULTS FOR 2022

Between 2021 and 2022, revenues and expenses increased by \$165.0 million and \$148.0 million, respectively. The table below provides a summary.

### Consolidated Statement of Operations

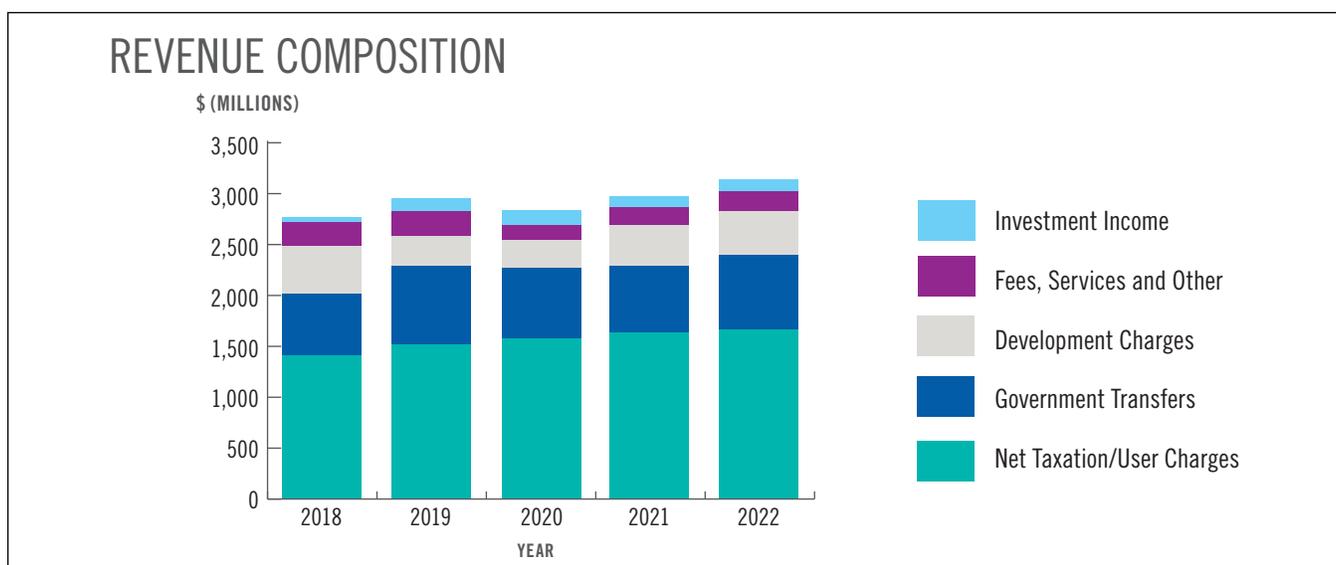
\$(Millions)	2022 Budget	2022 Actuals	2021 Actuals	Budget to Actual Variance	Year over Year Variance
Revenues	3,182.2	3,135.5	2,970.5	(46.7)	165.0
Expenses	2,443.4	2,447.7	2,299.7	4.3	148.0
Annual Surplus, Accrual Basis	738.7	687.7	670.8	(51.0)	17.0

Note: numbers may not add due to rounding

### Revenues

At \$3.1 billion, actual 2022 revenues were \$46.7 million lower than expected in the 2022 budget, and \$165.0 million higher than actual 2021 revenues.

The graph below illustrates the five-year trend in revenues by source:



High dependence on sources of revenue over which a government has little or no control can make it more vulnerable to the decisions of other entities.

In total, revenues over which the Region has control, comprising taxation and user charges, fees, services and interest earnings, amounted to about 63.2% of revenue in 2022. Over the past five years, these revenue sources have provided 63.6% of total revenues on average.

Among revenue sources over which the Region has limited control, transfer payments from senior governments have provided an average of 23.8% of revenues over the past five years.

In the first phase of bus rapidway construction, funding from Metrolinx was recorded as revenue (and the related spending treated as expense to the Region). In 2019, the province donated some Metrolinx-related assets to the Region. This increased government transfers to 26.5% that year. A similar transfer in 2020 was considerably smaller. With the essential substantial completion of the first phase of bus rapidways late in 2020, this component of transfer payment revenue will continue to decline in significance. The decrease in Metrolinx transfers was partially offset by pandemic-related funding in 2020, 2021 and 2022.

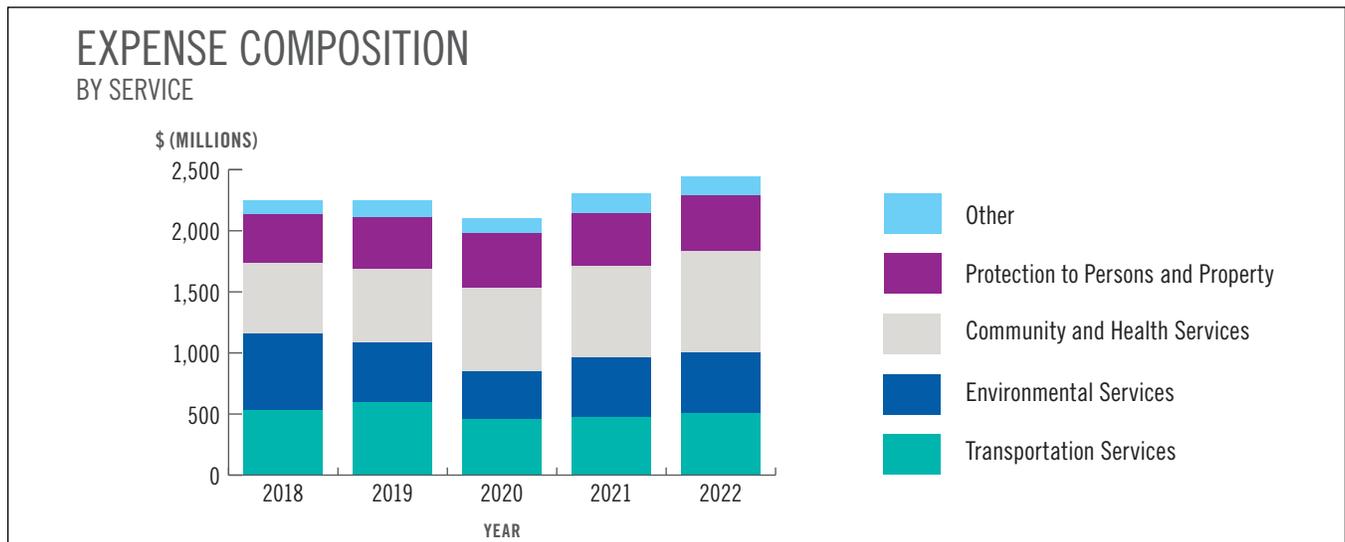
In general, government transfer fluctuations reflect either specific, time-limited funding (such as for bus rapidway projects) or decisions by other levels of government. The Region is accustomed to managing the impact of changes in the level of these payments as long as sufficient time to adjust is provided.

Drawdowns of development charges are used to pay for growth-related capital projects and can change sharply from year to year in line with the capital investments they fund. Over the past five years, this source of revenue has averaged 12.6% of the Region's total. In 2018 the level was 17.1% of total revenue, followed by declines in 2019 and 2020 as the Region relied on debt to fund a portion of the growth-related infrastructure and some construction activity was deferred. In 2021 and 2022, development charge drawdowns increased to 12.5% and 13.8% of total revenue, respectively.

## Expenses

Total expenses were \$2.4 billion. This was an increase of \$4.3 million from the full accrual budget plan and a \$148.0 million increase from 2021.

The graph below illustrate the five-year trend in expenses by service area:



- Fluctuations in Transportation Services expense largely reflect the Region's role in delivering bus rapidway projects on behalf of Metrolinx. The spending, which was fully funded by Metrolinx, also resulted in the betterment of assets owned by other parties, including the Region. Annual changes reflect the portion of funding that was expensed each year as opposed to increasing the Region's asset portfolio. Transportation Services has also seen amortization expense increase steadily as a result of significant investments in tangible capital assets. In 2020 and 2021, expense fell in part because of reduced transit service in response to the pandemic. Results from 2022 show an uptick over 2021 levels reflecting ridership returning to 70% of pre-COVID levels.

- Day-to-day Environmental Services expenses reflect the costs to operate and maintain a large and technically complex portfolio of assets, higher amortization expense and more stringent regulation, offset by the department’s ongoing efforts to find savings. The department’s share of total expense fell from 27.3% in 2018 to 19.9% in 2022. Fluctuations in Environmental Services expense before 2022 reflect accounting adjustments that had the effect of increasing operating spending in 2018 and decreasing it in 2020.
- Community and Health Services expense rose from \$579.7 million or 25.8% of total spending in 2018 to \$845.3 million or 34.5% in 2022. A significant amount of the department’s expense reflects the flow-through of provincial transfer payments for social programs to third parties, which fluctuates with provincial policy direction. From 2020 through 2022 most of the Region’s pandemic-related costs were recorded in Community and Health Services. New childcare spending, funded by senior governments, contributed to the 2022 increase.
- Protection to Persons and Property largely reflects York Regional Police, whose budget is strongly tied to staffing costs. Expense has increased from \$385.7 million in 2018 to \$451.2 million in 2022. The share of total spending has remained fairly stable, as spending in this area has paralleled the Region’s overall growth in salaries and benefits.

### Outlook and Risk Management

This section lists the Region’s significant risks and uncertainties. For more information on how the Region manages these risks see the 2022 Community Report that can be found at [york.ca/annualreports](http://york.ca/annualreports)

- |  |                                 |
|--|---------------------------------|
| • Provincial direction                   | • Housing affordability         |
| • Funding the subway extension           | • The impacts of climate change |
| • Economic growth                        | • Pandemic-related risks        |
| • Slower-than-expected population growth | • Workforce changes             |
| • A changing population                  | • Cyber-security                |

## CONCLUSION

York Region’s strong financial results for 2022 show the ability to manage cost pressures triggered by global events while continuing to resume regular services as pandemic pressures eased.

The Region’s borrowings continued to drop in line with Council’s commitment through the Regional Fiscal Strategy to reduced reliance on debt. Looking ahead, changes resulting from recent provincial measures, especially Bill 23, will present fiscal challenges by reducing revenues and increasing costs. We look forward to greater clarity and additional details from the provincial government to assess the long-term impacts. This will be particularly important in light of the Region’s need to fund its \$1.12 billion share of the Yonge North Subway Extension, which has already required us to plan for increased additional funding.

Despite these concerns, the Region remains a net investor, with the ratio of reserves to debt continuing to rise. It is our hope that this strong position, combined with fiscal prudence, will allow the Region to successfully meet the challenges of a changing fiscal landscape. We will continue, as well, to explain our financial plans and report on their outcomes in ways that are clear and show accountability to our residents.



Laura Mirabella, FCPA, FCA  
 Commissioner of Finance and Regional Treasurer  
 May 11, 2023

## THE REGIONAL MUNICIPALITY OF YORK

### Consolidated Statement of Financial Position As at December 31, 2022<sup>1</sup>

	2022	2021
	\$	\$
<b>Financial Assets<sup>2</sup></b>		
Cash and cash equivalents	807,414,018	1,801,084,445
Accounts receivable	462,161,268	427,956,752
Investments	5,010,725,424	3,354,679,653
Debt amounts recoverable from local municipalities	137,244,751	144,667,716
<b>Total</b>	<b>6,417,545,461</b>	<b>5,728,388,566</b>
<b>Liabilities<sup>3</sup></b>		
Accounts payable and accrued liabilities	885,559,546	867,751,439
Employee benefits obligations	344,007,788	313,607,453
Deferred revenue-general	102,372,694	96,673,938
Deferred revenue-obligatory reserve funds	726,999,233	580,309,287
Gross long-term liabilities	3,550,073,706	3,568,618,052
<b>Total</b>	<b>5,609,012,967</b>	<b>5,426,960,169</b>
<b>Net financial assets<sup>4</sup></b>	<b>808,532,494</b>	<b>301,428,397</b>
<b>Non-Financial Assets<sup>5</sup></b>		
Tangible capital assets	9,148,461,162	8,972,426,338
Inventory	9,227,041	9,332,545
Prepaid expenses	21,169,165	16,454,942
<b>Total</b>	<b>9,178,857,368</b>	<b>8,998,213,825</b>
Contractual rights and contingent assets		
Contractual obligations and commitments		
Contingent liabilities		
<b>Accumulated surplus<sup>6</sup></b>	<b>9,987,389,862</b>	<b>9,299,642,222</b>

1 The Consolidated Statement of Financial Position shows the Region's financial position, which includes the assets, liabilities, and accumulated surplus, at a specific point in time. It provides information on what the municipality owns and owes to creditors.

2 Financial assets: assets easily accessible in the form of cash, cash deposits, checks, loans, accounts receivable and marketable securities.

3 Liabilities: amounts owed to creditors.

4 Net financial asset/ (Net debt): the difference between financial assets and liabilities.

5 Non-financial assets: assets that are owned and will be utilized for future services, including tangible capital assets, inventory and prepaid expenses. Non-financial assets are not easily convertible to cash.

6 Accumulated surplus: this is an indicator of the Region's overall financial health. It is the difference between the assets (financial and non-financial assets) as compared to the liabilities.

## THE REGIONAL MUNICIPALITY OF YORK

### Consolidated Statement of Operations and Accumulated Surplus Year ended December 31, 2022<sup>1</sup>

	Budget	2022	2021
	\$	\$	\$
<b>Revenues</b>			
Net taxation	1,284,179,910	1,281,693,565	1,232,742,032
Government transfers	649,721,113	721,406,437	694,158,339
Development charges	593,634,041	433,871,575	370,752,206
User charges	376,034,053	387,759,922	378,003,651
Fees and services	126,355,792	150,557,348	117,240,452
Investment income	93,007,598	124,954,639	115,144,705
Other	59,226,770	35,209,269	62,431,333
<b>Total Revenues</b>	<b>3,182,159,277</b>	<b>3,135,452,755</b>	<b>2,970,472,718</b>
<b>Expenses</b>			
Transportation services	537,666,182	510,647,764	477,337,016
Environmental services	532,090,248	486,801,880	485,144,440
Community services	417,493,297	484,728,551	384,763,952
Protection to persons and property	455,242,752	451,155,142	436,470,673
Health and emergency services	240,602,902	254,638,010	259,550,562
General government	153,055,578	137,856,492	145,078,142
Social housing	90,503,729	105,926,785	95,949,346
Planning and economic development	16,793,595	15,950,491	15,383,315
<b>Total Expenses</b>	<b>2,443,448,283</b>	<b>2,447,705,115</b>	<b>2,299,677,446</b>
<b>Annual surplus<sup>2</sup></b>	<b>738,710,994</b>	<b>687,747,640</b>	<b>670,795,272</b>
Accumulated surplus, beginning of year	9,299,642,222	9,299,642,222	8,628,846,950
<b>Accumulated surplus, end of year</b>	<b>10,038,353,216</b>	<b>9,987,389,862</b>	<b>9,299,642,222</b>

1 The Consolidated Statement of Operations and Accumulated Surplus shows the sources of revenues and expenses, the annual surplus or deficit, and the change in the accumulated surplus over a period of time.

2 Annual surplus: the difference between revenues and expenses; the "income" earned over a period of time.

#### HOW TO CONTACT US

For information on York Region services and programs, please call Access York 1-877-464-9675

Accessible formats or communication supports are available upon request.

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